

Disposition of the Stapled Securities

Gain on sale of Stapled Securities by a **Non-U.S. Stapled Securityholder** will not be subject to U.S. federal income taxation unless (i) the Non-U.S. Stapled Securityholder's investment in the Stapled Securities is effectively connected with its conduct of a trade or business in the United States (and, if provided by an applicable income tax treaty, is attributable to a permanent establishment or fixed base the Non-U.S. Stapled Securityholder maintains in the United States) and a properly completed Form W-8ECI has not been provided, (ii) the Non-U.S. Stapled Securityholder is present in the United State for 183 days or more in the taxable year of the sale and other specified conditions are met, or (iii) the Non-U.S. Stapled Securityholder is subject to U.S. federal income tax pursuant to the provisions of the U.S. tax law applicable to U.S. expatriates.

If gain on the sale of Stapled Securities would be subject to U.S. federal income taxation, the Stapled Securityholder would generally recognise any gain or loss equal to the difference between the amount realised and the Stapled Securityholder's adjusted basis in its Stapled Securities that are sold or exchanged. This gain or loss would be capital gain or loss, and would be long-term capital gain or loss if the Stapled Securityholder's holding period in its Stapled Securities exceeds one year. In addition, a corporate Non-U.S. Stapled Securityholder may be subject to the branch profits tax thereon.

Other Distributions by EH-REIT

Distributions by EH-REIT to a Non-U.S. Stapled Securityholder attributable to distributions received from SG Corp will not be subject to U.S. federal income taxation unless (i) the Non-U.S. Stapled Securityholder's investment in the Stapled Securities is effectively connected with its conduct of a trade or business in the United States (and, if provided by an applicable income tax treaty, is attributable to a permanent establishment or fixed base the Non-U.S. Stapled Securityholder maintains in the United States) and a properly completed Form W-8ECI has not been provided or (ii) the Non-U.S. Stapled Securityholder is subject to U.S. federal income tax pursuant to the provisions of the U.S. tax law applicable to U.S. expatriates.

PLAN OF DISTRIBUTION

The Managers are making an offering of 580,558,000 Stapled Securities (representing 66.9% of the total number of Stapled Securities in issue after the Offering) for subscription at the Offering Price under the Placement Tranche and the Public Offer. 535,687,000 Stapled Securities will be offered under the Placement Tranche and 44,871,000 Stapled Securities will be offered under the Public Offer. Stapled Securities may be re-allocated between the Placement Tranche and the Public Offer at the discretion of the Joint Bookrunners (in consultation with the Managers), subject to the minimum stapled securityholding and distribution requirements of the SGX-ST, in the event of an excess of applications in one and a deficit in the other.

The Public Offer is open to members of the public in Singapore. Under the Placement Tranche, the Managers intend to offer the Stapled Securities by way of an international placement through the Joint Bookrunners to investors, including institutional investors and other investors in Singapore and elsewhere in reliance on Regulation S.

Subject to the terms and conditions set forth in the underwriting agreement entered into between the Joint Bookrunners, the REIT Manager, the Trustee-Manager, the Sponsor and the Stapled Security Lender on 16 May 2019 (the “**Underwriting Agreement**”), the REIT Manager is expected to effect for the account of EH-REIT and the Trustee-Manager is expected to effect for the account of EH-BT the issue of, and the Joint Bookrunners are expected to severally (and not jointly) subscribe, or procure subscribers, for 580,558,000 Stapled Securities (which includes the Stapled Securities to be issued pursuant to the Offering, and the Cornerstone Stapled Securities), in the proportions set forth opposite their respective names below.

Joint Bookrunners	Number of Stapled Securities
DBS Bank Ltd.	290,279,000
Merrill Lynch (Singapore) Pte. Ltd.	98,694,860
UBS AG, Singapore Branch	69,666,960
BNP Paribas, acting through its Singapore branch	40,639,060
Deutsche Bank AG, Singapore Branch	40,639,060
Jefferies Singapore Limited	40,639,060
Total	580,558,000

The Stapled Securities will be offered at the Offering Price. The Offering Price per Stapled Security in the Placement Tranche and the Public Offer will be identical.

The Managers, the Sponsor and the Stapled Security Lender have agreed in the Underwriting Agreement to indemnify the Joint Bookrunners against certain liabilities. The indemnity in the Underwriting Agreement contains a contribution clause which provides that where the indemnification to the Joint Bookrunners is unavailable or insufficient, the Managers, the Sponsor and/or the Stapled Security Lender shall contribute to the amount paid or payable by such Joint Bookrunner as a result of any losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Managers, the Sponsor or the Stapled Security Lender on the one hand and the Joint Bookrunners on the other from the offering of the Stapled Securities. If, however, such allocation provided by the immediately preceding sentence is not permitted by applicable law, then the Managers, Sponsor and/or the Stapled Security Lender shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Managers, the Sponsor and/or the Stapled Security Lender on the one hand and the relevant Joint Bookrunner on the other in connection with the statements or

omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Managers, the Sponsor and/or the Stapled Security Lender on the one hand and the relevant Joint Bookrunner on the other shall be deemed to be in the same proportion as the total net proceeds from the Stapled Securities in the Offering and Cornerstone Stapled Securities subscribed for or purchased under the Underwriting Agreement (before deducting expenses) bear to the underwriting commission received by the relevant Joint Bookrunner with respect to the Stapled Securities in the Offering and Cornerstone Stapled Securities subscribed for or purchased under the Underwriting Agreement. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Managers, the Sponsor and the Stapled Security Lender on the one hand or the Joint Bookrunners on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. No Joint Bookrunner shall be required to contribute any amount in excess of the amount by which the total fees and commissions received by such Joint Bookrunner with respect to the Offering exceeds the amount of any damages which such Joint Bookrunner has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

The Underwriting Agreement also provides for the obligations of the Joint Bookrunners to subscribe or procure the subscription for the Stapled Securities in the Offering subject to certain conditions contained in the Underwriting Agreement.

The Underwriting Agreement may be terminated by the Joint Bookrunners at any time prior to the issue and delivery of the Stapled Securities upon the occurrence of certain events including, among others, certain force majeure events pursuant to the terms of the Underwriting Agreement.

Each of the Sole Financial Adviser and Issue Manager, the Joint Global Coordinators, the Joint Bookrunners and their respective associates may engage in transactions with, and perform services for, EHT, EH-REIT, EH-BT, the REIT Manager, the REIT Trustee, the Trustee-Manager and the Sponsor in the ordinary course of business and have engaged, and may in the future engage, in commercial banking or investment banking transactions and/or other commercial transactions with EHT, EH-REIT, EH-BT, the REIT Manager, the REIT Trustee, the Trustee-Manager and the Sponsor, for which they have received or made payment of, or may in the future receive or make payment of, customary compensation.

Without prejudice to the generality of the foregoing, and in addition to their role as Joint Bookrunners pursuant to the Underwriting Agreement, and the role of DBS Bank Ltd. as Sole Financial Adviser and Issue Manager, and the role of DBS Bank Ltd. as Stabilising Manager, the Joint Bookrunners intend to pre-fund part of the proceeds raised from the Offering and the Cornerstone Stapled Securities, which will be used by EH-REIT to partially finance the payment to the Vendors for the purchase price of the Initial Portfolio. EHT intends to use part of the proceeds from the Offering and the issuance of Cornerstone Stapled Securities to repay the Joint Bookrunners for such pre-funded amounts. See "Use of Proceeds" for further details. In addition, Bank of America N.A. (or its affiliate), which is an affiliate of Merrill Lynch (Singapore) Pte. Ltd., Bank of the West, a California banking corporation which is wholly owned by BNP Paribas, Deutsche Bank AG New York Branch, which is an affiliate of Deutsche Bank AG, Singapore Branch, DBS Bank Ltd. and UBS AG, Stamford Branch which is an affiliate of UBS AG, Singapore Branch will be extending the New Term Loan Facilities to EH-REIT (see "Capitalisation and Indebtedness" for further details). Letters of credit which may be given to the Master Lessees as security deposits under the Master Lease Agreements may also be provided by any of the Sole Financial Adviser and Issue Manager, the Joint Global Coordinators, the Joint Bookrunners or their affiliates. In connection with standby letters of credit issued by the Third Party Financial

Institution in favour of the Master Lessors as security deposits under the Master Lease Agreements on or around the Listing Date, it is expected that UBS AG, Singapore Branch, will be issuing counter-standby letters of credit to the Third Party Financial Institution. As the risk is passed through to UBS AG, Singapore Branch through the Third Party Financial Institution, UBS AG, Singapore Branch will be receiving collateral from SPV1 before issuing such counter-standby letters of credit to the Third Party Financial Institution. The standby letters of credit issued by the Third Party Financial Institution may in turn be used by EH-REIT as collateral under the New Term Loan Facilities.

Each of the Sole Financial Adviser and Issue Manager, the Joint Global Coordinators, the Joint Bookrunners and their respective associates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers in the ordinary course of business, and such investment and securities activities may involve securities and instruments, including Stapled Securities. The Sole Financial Adviser and Issue Manager, the Joint Global Coordinators, the Joint Bookrunners and their associates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to their clients that they acquire, long and/or short positions in such securities and instruments.

OVER-ALLOTMENT AND STABILISATION

The Stapled Security Lender has granted the Over-Allotment Option to the Joint Bookrunners for the purchase from the Stapled Security Lender up to an aggregate of 37,500,000 Stapled Securities at the Offering Price. The number of Stapled Securities subject to the Over-Allotment Option will not be more than 6.5% (based on the Offering Price) of the number of Stapled Securities under the Offering. The Stabilising Manager (or any of its affiliates or other persons acting on its behalf), in consultation with the other Joint Bookrunners, may exercise the Over-Allotment Option in full or in part, on one or more occasions, to acquire from the Stapled Security Lender, up to an aggregate of 37,500,000 Stapled Securities at the Offering Price, representing not more than 6.5% of the total number of Stapled Securities in the Offering solely to cover the over-allotment of Stapled Securities (if any) made in connection with the Offering. The Over-Allotment Option is exercisable from the Listing Date but no later than the earlier of (i) the date falling 30 days from the Listing Date; or (ii) the date when the Stabilising Manager (or any of its affiliates or other persons acting on its behalf) has bought, on the SGX-ST, an aggregate of 37,500,000 Stapled Securities, (representing 6.5% of the total number of Stapled Securities in the Offering), to undertake stabilising actions to purchase up to an aggregate of 37,500,000 Stapled Securities (representing 6.5% of the total number of Stapled Securities in the Offering), at the Offering Price. In connection with the Over-Allotment Option, the Stabilising Manager and the Stapled Security Lender have entered into a stapled security lending agreement (the “**Stapled Security Lending Agreement**”) dated 16 May 2019 pursuant to which the Stabilising Manager (or any of its affiliates or other persons acting on its behalf) may borrow up to an aggregate of 37,500,000 Stapled Securities from the Stapled Security Lender for the purpose of facilitating settlement of the over-allotment of Stapled Securities in connection with the Offering. The Stabilising Manager (or any of its affiliates or other persons acting on its behalf) will re-deliver to the Stapled Security Lender such number of Stapled Securities which have not been purchased pursuant to the exercise of the Over-Allotment Option.

In connection with the Offering, the Stabilising Manager (or any of its affiliates or other persons acting on its behalf) may, in consultation with the other Joint Bookrunner and at its discretion, over-allot or effect transactions which stabilise or maintain the market price of the Stapled Securities at levels which might not otherwise prevail in the open market. However, there is no assurance that the Stabilising Manager (or any of its affiliates or other persons acting on its behalf) will undertake stabilising action. Such transactions may be effected on the SGX-ST and in other jurisdictions where it is permissible to do so, in each case in compliance with all applicable

laws and regulations, including the SFA and any regulations thereunder. Any profit after expenses derived, or any loss sustained as a consequence of the exercise of the Over-Allotment Option or the undertaking of any stabilising activities shall be for the account of the Joint Bookrunners.

None of the Managers, the Sponsor, the Stapled Security Lender, the Joint Bookrunners or the Stabilising Manager (or any of its affiliates or other persons acting on its behalf) makes any representation or prediction as to the magnitude of any effect that the transactions described above may have on the price of the Stapled Securities. In addition, none of the Managers, the Sponsors, the Stapled Security Lender, the Joint Bookrunners or the Stabilising Manager (or any of its affiliates or other persons acting on its behalf) makes any representation that the Stabilising Manager (or any of its affiliates or other persons acting on its behalf) will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice (unless such notice is required by law). The Stabilising Manager will be required to make a public announcement via SGXNET in relation to the total number of Stapled Securities purchased by the Stabilising Manager (or any of its affiliates or other persons acting on its behalf), not later than 12.00 noon on the next trading day of the SGX-ST after the transactions are effected. The Stabilising Manager will also be required to make a public announcement through the SGX-ST in relation to the cessation of stabilising action and the number of Stapled Securities in respect of which the Over-Allotment Option has been exercised not later than 8.30 a.m. on the next trading day of the SGX-ST after the cessation of stabilising action.

LOCK-UP ARRANGEMENTS

SPV1

Subject to the exceptions described below, SPV1 has agreed with the Joint Bookrunners that it will not during the First Lock-up Period, directly or indirectly:

- (a) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, hypothecate, grant security over, encumber or otherwise dispose of or transfer, any or all of its effective interest in the Lock-up Stapled Securities (including any interests or securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);
- (b) enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);
- (c) enter into any transaction (including a derivative transaction) or other arrangement with a similar economic effect to the foregoing sub-paragraph (a) or (b);
- (d) deposit any of its effective interest in the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities) in any depository receipt facility;
- (e) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or
- (f) publicly announce any intention to do any of the above,

whether any such transaction described in sub-paragraphs (a) to (e) above is to be settled by delivery of such capital or securities, in cash or otherwise (whether or not such transaction will be completed within or after the First Lock-up Period or the Second Lock-up Period as applicable), and the same restrictions will apply in respect of its effective interest in 50.0% of the Lock-up Stapled Securities (adjusted for any bonus issue or subdivision) during the Second Lock-up Period¹.

The restrictions described in the preceding paragraphs do not apply to prohibit:

- (i) SPV1 from being able to create a charge over the Lock-up Stapled Securities or otherwise grant of security over or creation of any encumbrance over the Lock-up Stapled Securities, provided that such charge, security or encumbrance (A) cannot be enforced over any Lock-up Stapled Securities during the First Lock-up Period, and (B) can only be enforced with respect to 50.0% of the effective interest in the Lock-up Stapled Securities during the Second Lock-up Period. The charge, security or encumbrance will only be created if the chargee (such as a bank or financial institution) agrees that the charge, security or encumbrance over the Lock-up Stapled Securities cannot be enforced over 100.0% of the Lock-up Stapled Securities during the First Lock-up Period and can only be enforced in relation to 50.0% of the effective interest in the Lock-up Stapled Securities during the Second Lock-up Period;
- (ii) SPV1 from entering into the Stapled Security Lending Agreement with the Joint Bookrunners and Underwriters or any sale or transfer of the Lock-up Stapled Securities by SPV1 pursuant to the exercise of the Over-Allotment Option, provided that the restrictions in the preceding paragraphs will apply to the Stapled Securities returned to SPV1 pursuant to the Stapled Security Lending Agreement; and
- (iii) SPV1 from being able to transfer the Lock-up Stapled Securities to and between any entities which are directly or indirectly wholly-owned by Howard Wu, provided that any such entity shall, during the First Lock-up Period, maintain a direct or indirect interest in 100.0% of the Lock-up Stapled Securities and, during the Second Lock-up Period, maintain a direct or indirect interest in 50.0% of the Lock-up Stapled Securities and SPV1 has procured that such transferee entities have executed and delivered to the Joint Bookrunners undertakings to the effect that such transferee entities will comply with such restrictions so as to enable SPV1 to comply with the foregoing restrictions for the unexpired period of the First Lock-up Period and the Second Lock-up Period.

If, for any reason, the Listing Date does not take place within six months of the date of this Prospectus, the lock-up arrangements described above will be terminated.

SPV2

Subject to the exceptions described below, SPV2 has agreed with the Joint Bookrunners that it will not during the First Lock-up Period, directly or indirectly:

- (a) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, hypothecate, grant security over, encumber or otherwise dispose of or transfer, any or all of its effective interest in the Lock-up Stapled Securities (including any interests or securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);

¹ For the avoidance of doubt, the restrictions above do not apply to the Consideration Stapled Securities issued to SPV5 as part of the Chief Executive Officer and President's remuneration package.

- (b) enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);
- (c) enter into any transaction (including a derivative transaction) or other arrangement with a similar economic effect to the foregoing sub-paragraph (a) or (b);
- (d) deposit any of its effective interest in the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities) in any depository receipt facility;
- (e) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or
- (f) publicly announce any intention to do any of the above,

whether any such transaction described in sub-paragraphs (a) to (e) above is to be settled by delivery of such capital or securities, in cash or otherwise (whether or not such transaction will be completed within or after the First Lock-up Period or the Second Lock-up Period as applicable), and the same restrictions will apply in respect of its effective interest in 50.0% of the Lock-up Stapled Securities (adjusted for any bonus issue or subdivision) during the Second Lock-up Period¹.

The restrictions described in the preceding paragraphs do not apply to prohibit:

- (i) SPV2 from being able to create a charge over the Lock-up Stapled Securities or otherwise grant of security over or creation of any encumbrance over the Lock-up Stapled Securities, provided that such charge, security or encumbrance (A) cannot be enforced over any Lock-up Stapled Securities during the First Lock-up Period, and (B) can only be enforced with respect to 50.0% of the effective interest in the Lock-up Stapled Securities during the Second Lock-up Period. The charge, security or encumbrance will only be created if the chargee (such as a bank or financial institution) agrees that the charge, security or encumbrance over the Lock-up Stapled Securities cannot be enforced over 100.0% of the Lock-up Stapled Securities during the First Lock-up Period and can only be enforced in relation to 50.0% of the effective interest in the Lock-up Stapled Securities during the Second Lock-up Period; and
- (ii) SPV2 from being able to transfer the Lock-up Stapled Securities to and between any entities which are directly or indirectly wholly-owned by Howard Wu, provided that any such entity shall, during the First Lock-up Period, maintain a direct or indirect interest in 100.0% of the Lock-up Stapled Securities and, during the Second Lock-up Period, maintain a direct or indirect interest in 50.0% of the Lock-up Stapled Securities and SPV2 has procured that such transferee entities have executed and delivered to the Joint Bookrunners undertakings to the effect that such transferee entities will comply with such restrictions so as to enable SPV2 to comply with the foregoing restrictions for the unexpired period of the First Lock-up Period and the Second Lock-up Period.

If, for any reason, the Listing Date does not take place within six months of the date of this Prospectus, the lock-up arrangements described above will be terminated.

¹ For the avoidance of doubt, the restrictions above do not apply to the Consideration Stapled Securities issued to SPV5 as part of the Chief Executive Officer and President's remuneration package.

SPV3

Subject to the exceptions described below, SPV3 has agreed with the Joint Bookrunners that it will not during the First Lock-up Period, directly or indirectly:

- (a) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, hypothecate, grant security over, encumber or otherwise dispose of or transfer, any or all of its effective interest in the Lock-up Stapled Securities (including any interests or securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);
- (b) enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);
- (c) enter into any transaction (including a derivative transaction) or other arrangement with a similar economic effect to the foregoing sub-paragraph (a) or (b);
- (d) deposit any of its effective interest in the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities) in any depository receipt facility;
- (e) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or
- (f) publicly announce any intention to do any of the above,

whether any such transaction described in sub-paragraphs (a) to (e) above is to be settled by delivery of such capital or securities, in cash or otherwise (whether or not such transaction will be completed within or after the First Lock-up Period or the Second Lock-up Period as applicable), and the same restrictions will apply in respect of its effective interest in 50.0% of the Lock-up Stapled Securities (adjusted for any bonus issue or subdivision) during the Second Lock-up Period¹.

The restrictions described in the preceding paragraphs do not apply to prohibit:

- (i) SPV3 from being able to create a charge over the Lock-up Stapled Securities or otherwise grant of security over or creation of any encumbrance over the Lock-up Stapled Securities, provided that such charge, security or encumbrance (A) cannot be enforced over any Lock-up Stapled Securities during the First Lock-up Period, and (B) can only be enforced with respect to 50.0% of the effective interest in the Lock-up Stapled Securities during the Second Lock-up Period. The charge, security or encumbrance will only be created if the chargee (such as a bank or financial institution) agrees that the charge, security or encumbrance over the Lock-up Stapled Securities cannot be enforced over 100.0% of the Lock-up Stapled Securities during the First Lock-up Period and can only be enforced in relation to 50.0% of the effective interest in the Lock-up Stapled Securities during the Second Lock-up Period; and

¹ For the avoidance of doubt, the restrictions above do not apply to the Consideration Stapled Securities issued to SPV5 as part of the Chief Executive Officer and President's remuneration package.

- (ii) SPV3 from being able to transfer the Lock-up Stapled Securities to and between any entities which are directly or indirectly wholly-owned by Howard Wu, provided that any such entity shall, during the First Lock-up Period, maintain a direct or indirect interest in 100.0% of the Lock-up Stapled Securities and, during the Second Lock-up Period, maintain a direct or indirect interest in 50.0% of the Lock-up Stapled Securities and SPV3 has procured that such transferee entities have executed and delivered to the Joint Bookrunners undertakings to the effect that such transferee entities will comply with such restrictions so as to enable SPV3 to comply with the foregoing restrictions for the unexpired period of the First Lock-up Period and the Second Lock-up Period.

If, for any reason, the Listing Date does not take place within six months of the date of this Prospectus, the lock-up arrangements described above will be terminated.

SPV4

Subject to the exceptions described below, SPV4 has agreed with the Joint Bookrunners that it will not during the First Lock-up Period, directly or indirectly:

- (a) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, hypothecate, grant security over, encumber or otherwise dispose of or transfer, any or all of its effective interest in the Lock-up Stapled Securities (including any interests or securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);
- (b) enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);
- (c) enter into any transaction (including a derivative transaction) or other arrangement with a similar economic effect to the foregoing sub-paragraph (a) or (b);
- (d) deposit any of its effective interest in the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities) in any depository receipt facility;
- (e) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or
- (f) publicly announce any intention to do any of the above,

whether any such transaction described in sub-paragraphs (a) to (e) above is to be settled by delivery of such capital or securities, in cash or otherwise (whether or not such transaction will be completed within or after the First Lock-up Period or the Second Lock-up Period as applicable), and the same restrictions will apply in respect of its effective interest in 50.0% of the Lock-up Stapled Securities (adjusted for any bonus issue or subdivision) during the Second Lock-up Period¹.

¹ For the avoidance of doubt, the restrictions above do not apply to the Consideration Stapled Securities issued to SPV5 as part of the Chief Executive Officer and President's remuneration package.

The restrictions described in the preceding paragraphs do not apply to prohibit:

- (i) SPV4 from being able to create a charge over the Lock-up Stapled Securities or otherwise grant of security over or creation of any encumbrance over the Lock-up Stapled Securities, provided that such charge, security or encumbrance (A) cannot be enforced over any Lock-up Stapled Securities during the First Lock-up Period, and (B) can only be enforced with respect to 50.0% of the effective interest in the Lock-up Stapled Securities during the Second Lock-up Period. The charge, security or encumbrance will only be created if the chargee (such as a bank or financial institution) agrees that the charge, security or encumbrance over the Lock-up Stapled Securities cannot be enforced over 100.0% of the Lock-up Stapled Securities during the First Lock-up Period and can only be enforced in relation to 50.0% of the effective interest in the Lock-up Stapled Securities during the Second Lock-up Period; and
- (ii) SPV4 from being able to transfer the Lock-up Stapled Securities to and between any entities which are directly or indirectly wholly-owned by Taylor Woods, provided that any such entity shall, during the First Lock-up Period, maintain a direct or indirect interest in 100.0% of the Lock-up Stapled Securities and, during the Second Lock-up Period, maintain a direct or indirect interest in 50.0% of the Lock-up Stapled Securities and SPV4 has procured that such transferee entities have executed and delivered to the Joint Bookrunners undertakings to the effect that such transferee entities will comply with such restrictions so as to enable SPV4 to comply with the foregoing restrictions for the unexpired period of the First Lock-up Period and the Second Lock-up Period.

If, for any reason, the Listing Date does not take place within six months of the date of this Prospectus, the lock-up arrangements described above will be terminated.

SPV5

Subject to the exceptions described below, SPV5 has agreed with the Joint Bookrunners that it will not during the First Lock-up Period, directly or indirectly:

- (a) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, hypothecate, grant security over, encumber or otherwise dispose of or transfer, any or all of its effective interest in the Lock-up Stapled Securities (including any interests or securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);
- (b) enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);
- (c) enter into any transaction (including a derivative transaction) or other arrangement with a similar economic effect to the foregoing sub-paragraph (a) or (b);
- (d) deposit any of its effective interest in the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities) in any depository receipt facility;

- (e) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or
- (f) publicly announce any intention to do any of the above,

whether any such transaction described in sub-paragraphs (a) to (e) above is to be settled by delivery of such capital or securities, in cash or otherwise (whether or not such transaction will be completed within or after the First Lock-up Period or the Second Lock-up Period as applicable), and the same restrictions will apply in respect of its effective interest in 50.0% of the Lock-up Stapled Securities (adjusted for any bonus issue or subdivision) during the Second Lock-up Period.

The restrictions described in the preceding paragraphs do not apply to prohibit:

- (i) SPV5 from being able to create a charge over the Lock-up Stapled Securities or otherwise grant of security over or creation of any encumbrance over the Lock-up Stapled Securities, provided that such charge, security or encumbrance (A) cannot be enforced over any Lock-up Stapled Securities during the First Lock-up Period, and (B) can only be enforced with respect to 50.0% of the effective interest in the Lock-up Stapled Securities during the Second Lock-up Period. The charge, security or encumbrance will only be created if the chargee (such as a bank or financial institution) agrees that the charge, security or encumbrance over the Lock-up Stapled Securities cannot be enforced over 100.0% of the Lock-up Stapled Securities during the First Lock-up Period and can only be enforced in relation to 50.0% of the effective interest in the Lock-up Stapled Securities during the Second Lock-up Period; and
- (ii) SPV5 from being able to transfer the Lock-up Stapled Securities to and between any entities which are directly or indirectly wholly-owned by Salvatore G. Takoushian, provided that any such entity shall, during the First Lock-up Period, maintain a direct or indirect interest in 100.0% of the Lock-up Stapled Securities and, during the Second Lock-up Period, maintain a direct or indirect interest in 50.0% of the Lock-up Stapled Securities and SPV5 has procured that such transferee entities have executed and delivered to the Joint Bookrunners undertakings to the effect that such transferee entities will comply with such restrictions so as to enable SPV5 to comply with the foregoing restrictions for the unexpired period of the First Lock-up Period and the Second Lock-up Period.

If, for any reason, the Listing Date does not take place within six months of the date of this Prospectus, the lock-up arrangements described above will be terminated.

Howard Wu

Subject to the exceptions described below, Howard Wu has agreed with the Joint Bookrunners that he will not during the First Lock-up Period, directly or indirectly:

- (a) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, hypothecate, grant security over, encumber or otherwise dispose of or transfer, any or all of his effective interest in the Lock-up Stapled Securities (including any interests or securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);

- (b) enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);
- (c) enter into any transaction (including a derivative transaction) or other arrangement with a similar economic effect to the foregoing sub-paragraph (a) or (b);
- (d) deposit any of his effective interest in the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities) in any depository receipt facility;
- (e) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or
- (f) publicly announce any intention to do any of the above,

whether any such transaction described in sub-paragraphs (a) to (e) above is to be settled by delivery of such capital or securities, in cash or otherwise (whether or not such transaction will be completed within or after the First Lock-up Period or the Second Lock-up Period as applicable), and the same restrictions will apply in respect of his effective interest in 50.0% of the Lock-up Stapled Securities (adjusted for any bonus issue or subdivision) during the Second Lock-up Period¹.

The restrictions described in the preceding paragraphs do not apply to prohibit Howard Wu from being able to:

- (i) create a charge over the shares in SPV1, SPV2 and SPV3 (the "**HW SPVs**", and the shares of the HW SPVs, the "**HW SPVs Shares**") or the Lock-up Stapled Securities or otherwise grant of security over or creation of any encumbrance over the HW SPVs Shares or the Lock-up Stapled Securities, provided that such charge, security or encumbrance (A) cannot be enforced over any HW SPVs Shares or the Lock-up Stapled Securities during the First Lock-up Period, and (B) can only be enforced with respect to 50.0% of the effective interest in the HW SPVs Shares or the Lock-up Stapled Securities during the Second Lock-up Period. The charge, security or encumbrance will only be created if the chargee (such as a bank or financial institution) agrees that the charge, security or encumbrance over the HW SPVs Shares or the Lock-up Stapled Securities cannot be enforced over 100.0% of the HW SPVs Shares or the Lock-up Stapled Securities during the First Lock-up Period and can only be enforced in relation to 50.0% of the effective interest in the HW SPVs Shares or the Lock-up Stapled Securities during the Second Lock-up Period;
- (ii) have the Stapled Security Lender enter into the Stapled Security Lending Agreement with the Joint Bookrunners or have any sale or transfer of the Lock-up Stapled Securities by the Stapled Security Lender pursuant to the exercise of the Over-Allotment Option, provided that the restrictions in the preceding paragraphs will apply to the Stapled Securities returned to the Stapled Security Lender pursuant to the Stapled Security Lending Agreement; and
- (iii) transfer the HW SPVs Shares or the Lock-up Stapled Securities to and between any entities which are directly or indirectly wholly-owned by Howard Wu, provided that any such entity shall, during the First Lock-up Period, maintain a direct or indirect interest in 100.0% of the

¹ For the avoidance of doubt, the restrictions above do not apply to the Consideration Stapled Securities issued to SPV5 as part of the Chief Executive Officer and President's remuneration package.

Lock-up Stapled Securities and, during the Second Lock-up Period, maintain a direct or indirect interest in 50.0% of the Lock-up Stapled Securities and Howard Wu has procured that such transferee entities have executed and delivered to the Joint Bookrunners undertakings to the effect that such transferee entities will comply with such restrictions so as to enable Howard Wu to comply with the foregoing restrictions for the unexpired period of the First Lock-up Period and the Second Lock-up Period.

If, for any reason, the Listing Date does not take place within six months of the date of this Prospectus, the lock-up arrangements described above will be terminated.

Taylor Woods

Subject to the exceptions described below, Taylor Woods has agreed with the Joint Bookrunners that he will not during the First Lock-up Period, directly or indirectly:

- (a) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, hypothecate, grant security over, encumber or otherwise dispose of or transfer, any or all of his effective interest in the Lock-up Stapled Securities (including any interests or securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);
- (b) enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);
- (c) enter into any transaction (including a derivative transaction) or other arrangement with a similar economic effect to the foregoing sub-paragraph (a) or (b);
- (d) deposit any of his effective interest in the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities) in any depository receipt facility;
- (e) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or
- (f) publicly announce any intention to do any of the above,

whether any such transaction described in sub-paragraphs (a) to (e) above is to be settled by delivery of such capital or securities, in cash or otherwise (whether or not such transaction will be completed within or after the First Lock-up Period or the Second Lock-up Period as applicable), and the same restrictions will apply in respect of his effective interest in 50.0% of the Lock-up Stapled Securities (adjusted for any bonus issue or subdivision) during the Second Lock-up Period¹.

¹ For the avoidance of doubt, the restrictions above do not apply to the Consideration Stapled Securities issued to SPV5 as part of the Chief Executive Officer and President's remuneration package.

The restrictions described in the preceding paragraphs do not apply to prohibit Taylor Woods from being able to:

- (i) create a charge over the shares in SPV4 (the “**SPV4 Shares**”) or the Lock-up Stapled Securities or otherwise grant of security over or creation of any encumbrance over the SPV4 Shares or the Lock-up Stapled Securities, provided that such charge, security or encumbrance (A) cannot be enforced over any SPV4 Shares or the Lock-up Stapled Securities during the First Lock-up Period, and (B) can only be enforced with respect to 50.0% of the effective interest in the SPV4 Shares or the Lock-up Stapled Securities during the Second Lock-up Period. The charge, security or encumbrance will only be created if the chargee (such as a bank or financial institution) agrees that the charge, security or encumbrance over the SPV4 Shares or the Lock-up Stapled Securities cannot be enforced over 100.0% of the SPV4 Shares or the Lock-up Stapled Securities during the First Lock-up Period and can only be enforced in relation to 50.0% of the effective interest in the SPV4 Shares or the Lock-up Stapled Securities during the Second Lock-up Period; and
- (ii) transfer the SPV4 Shares or the Lock-up Stapled Securities to and between any entities which are directly or indirectly wholly-owned by Taylor Woods, provided that any such entity shall, during the First Lock-up Period, maintain a direct or indirect interest in 100.0% of the Lock-up Stapled Securities and, during the Second Lock-up Period, maintain a direct or indirect interest in 50.0% of the Lock-up Stapled Securities and Taylor Woods has procured that such transferee entities have executed and delivered to the Joint Bookrunners undertakings to the effect that such transferee entities will comply with such restrictions so as to enable Taylor Woods to comply with the foregoing restrictions for the unexpired period of the First Lock-up Period and the Second Lock-up Period.

If, for any reason, the Listing Date does not take place within six months of the date of this Prospectus, the lock-up arrangements described above will be terminated.

Salvatore G. Takoushian

Subject to the exceptions described below, Salvatore G. Takoushian has agreed with the Joint Bookrunners that he will not during the First Lock-up Period, directly or indirectly:

- (a) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, hypothecate, grant security over, encumber or otherwise dispose of or transfer, any or all of his effective interest in the Lock-up Stapled Securities (including any interests or securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);
- (b) enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities);
- (c) enter into any transaction (including a derivative transaction) or other arrangement with a similar economic effect to the foregoing sub-paragraph (a) or (b);
- (d) deposit any of his effective interest in the Lock-up Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Lock-up Stapled Securities or which carry rights to subscribe for or purchase any such Lock-up Stapled Securities) in any depository receipt facility;

- (e) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or
- (f) publicly announce any intention to do any of the above,

whether any such transaction described in sub-paragraphs (a) to (e) above is to be settled by delivery of such capital or securities, in cash or otherwise (whether or not such transaction will be completed within or after the First Lock-up Period or the Second Lock-up Period as applicable), and the same restrictions will apply in respect of his effective interest in 50.0% of the Lock-up Stapled Securities (adjusted for any bonus issue or subdivision) during the Second Lock-up Period.

The restrictions described in the preceding paragraphs do not apply to prohibit Salvatore G. Takoushian from being able to:

- (i) create a charge over the shares in SPV5 (the “**SPV5 Shares**”) or the Lock-up Stapled Securities or otherwise grant of security over or creation of any encumbrance over the SPV5 Shares or the Lock-up Stapled Securities, provided that such charge, security or encumbrance (A) cannot be enforced over any SPV5 Shares or the Lock-up Stapled Securities during the First Lock-up Period, and (B) can only be enforced with respect to 50.0% of the effective interest in the SPV5 Shares or the Lock-up Stapled Securities during the Second Lock-up Period. The charge, security or encumbrance will only be created if the chargee (such as a bank or financial institution) agrees that the charge, security or encumbrance over the SPV5 Shares or the Lock-up Stapled Securities cannot be enforced over 100.0% of the SPV5 Shares or the Lock-up Stapled Securities during the First Lock-up Period and can only be enforced in relation to 50.0% of the effective interest in the SPV5 Shares or the Lock-up Stapled Securities during the Second Lock-up Period; and
- (ii) transfer the SPV5 Shares or the Lock-up Stapled Securities to and between any entities which are directly or indirectly wholly-owned by Salvatore G. Takoushian, provided that any such entity shall, during the First Lock-up Period, maintain a direct or indirect interest in 100.0% of the Lock-up Stapled Securities and, during the Second Lock-up Period, maintain a direct or indirect interest in 50.0% of the Lock-up Stapled Securities and Salvatore G. Takoushian has procured that such transferee entities have executed and delivered to the Joint Bookrunners undertakings to the effect that such transferee entities will comply with such restrictions so as to enable Salvatore G. Takoushian to comply with the foregoing restrictions for the unexpired period of the First Lock-up Period and the Second Lock-up Period.

If, for any reason, the Listing Date does not take place within six months of the date of this Prospectus, the lock-up arrangements described above will be terminated.

The Managers

Subject to the exceptions described below, each of the Managers has agreed with the Joint Bookrunners that it will not during the First Lock-up Period, directly or indirectly:

- (a) allot, issue, offer, pledge, sell, contract to issue or sell, sell any option or contract to subscribe or purchase, purchase any option or contract to issue or sell, grant any option, right or warrant to subscribe, purchase, lend, hypothecate, grant security over, encumber or otherwise dispose or transfer, any Stapled Securities (including any interests or any securities convertible into or exercisable or exchangeable for any Stapled Securities or which carry rights to subscribe for or purchase any Stapled Securities);

- (b) enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Stapled Securities or any other securities of EHT or any of its subsidiaries or any interest in any of the foregoing (including any securities convertible into or exercisable or exchangeable, or which carry rights to subscribe or purchase Stapled Securities or any other securities of EHT or any of its subsidiaries);
- (c) enter into any transaction (including a derivative transaction) with a similar economic effect to the foregoing sub-paragraph (a) or (b);
- (d) deposit any Stapled Securities (including any securities convertible into or exercisable or exchangeable for any Stapled Securities or which carry rights to subscribe for or purchase any Stapled Securities) in any depository receipt facility;
- (e) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; or
- (f) publicly announce any intention to do any of the above,

whether any such transaction described in sub-paragraphs (a) to (e) above is to be settled by delivery of such capital or securities, in cash or otherwise (whether or not such transaction will be completed within or after the First Lock-up Period).

The restrictions described in the preceding paragraphs do not apply to the issuance of (i) Stapled Securities to be offered under the Offering, (ii) the Sponsor Stapled Securities, (iii) the Cornerstone Stapled Securities and (iv) Stapled Securities to the Managers in payment of any fees payable to the Managers under the EH-REIT Trust Deed and the EH-BT Trust Deed.

SGX-ST LISTING

EHT has received a letter of eligibility from the SGX-ST for the listing and quotation of the Stapled Securities on the Main Board of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements or opinions made or reports contained in this Prospectus. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Offering, EHT, EH-REIT, EH-BT, the REIT Manager, the REIT Trustee, the Trustee-Manager or the Stapled Securities. It is expected that the Stapled Securities will commence trading on the SGX-ST on a “ready” basis on or about 24 May 2019.

Prior to this Offering, there has been no trading market for the Stapled Securities. There can be no assurance that an active trading market will develop for the Stapled Securities, or that the Stapled Securities will trade in the public market subsequent to this Offering at or above the Offering Price. (See “Risk Factors – Risks Relating to an Investment in the Stapled Securities – The Stapled Securities have never been publicly traded and the listing of the Stapled Securities on the Main Board of the SGX-ST may not result in an active or liquid market for the Stapled Securities” for further details).

ISSUE EXPENSES

The estimated amount of the expenses in relation to the Offering and the issuance of the Cornerstone Stapled Securities and Consideration Stapled Securities of US\$41.4 million based on the Offering Price (assuming that the Over-Allotment Option is exercised in full) includes the Underwriting, Selling and Management Commission, professional and other fees and all other incidental expenses relating to the Offering and the issuance of the Cornerstone Stapled Securities and Consideration Stapled Securities, which will be borne by EHT.

A breakdown of these estimated expenses is as follows:

	(US\$'000) (based on Offering Price)	As a dollar amount for each US\$ of the total issue proceeds of the Offering and the issue of the Cornerstone Stapled Securities and Consideration Stapled Securities
Underwriting, Selling and Management Commission ⁽¹⁾	17,853	0.03
Professional and other fees ⁽²⁾	15,123	0.02
Miscellaneous Offering expenses ⁽³⁾	8,387	0.01
Total estimated expenses of the Offering and issuance of the Cornerstone Stapled Securities	41,363	0.06

Notes:

- (1) Such commission represents a maximum of 3.0% of the Offering and the proceeds raised from the issuance of Cornerstone Stapled Securities, and assuming the Over-Allotment Option is exercised in full. The amount of total commission payable by the Managers will be pegged to the Offering Price.
- (2) Includes financial advisory fees, solicitors' fees and fees for the Reporting Auditors, the Independent Tax Adviser, the Independent Valuers, the Independent Market Research Consultant and other professionals' fees and other expenses.
- (3) Includes cost of prospectus production, road show expenses and certain other expenses incurred or to be incurred in connection with the Offering and the issuance of the Cornerstone Stapled Securities.

The Managers will make periodic announcements on the utilisation of the net proceeds from the Offering and the Cornerstone Stapled Securities via SGXNET as and when such funds are materially utilised. The actual use of such proceeds will be disclosed in the annual report of EHT.

DISTRIBUTION AND SELLING RESTRICTIONS

None of the Managers, the Sponsor or the Joint Bookrunners have taken any action, or will take any action, in any jurisdiction other than Singapore that would permit a public offering of the Stapled Securities, or the possession, circulation or distribution of this Prospectus or any other material relating to the Offering in any jurisdiction other than Singapore where action for that purpose is required.

Accordingly, each purchaser of the Stapled Securities may not offer or sell, directly or indirectly, any Stapled Securities and may not distribute or publish this Prospectus or any other offering material or advertisements in connection with the Stapled Securities in or from any country or jurisdiction except in compliance with any applicable rules and regulations of such country or jurisdiction.

Each purchaser of the Stapled Securities is deemed to have represented and agreed that it will comply with the selling restrictions set out below for each of the following jurisdictions:

Selling Restrictions

Australia

This Prospectus and the offer is only made available in Australia to persons to whom a disclosure document is not required to be given under either Chapter 6D or Chapter 7.9 of the Australian Corporations Act 2001 (Cth) ("**Australian Corporations Act**"). This Prospectus is not a prospectus, product disclosure statement or any other form of formal "disclosure document" for the purposes of Australian Corporations Act, and is not required to, and does not, contain all the information which would be required in a disclosure document under the Australian Corporations Act. If you are in Australia, this Prospectus is made available to you provided you are a person to whom an offer of securities can be made without a disclosure document such as a professional investor, sophisticated investor or wholesale client for the purposes of Chapter 6D or Chapter 7.9 of the Australian Corporations Act.

This Prospectus has not been and will not be lodged or registered with the Australian Securities and Investments Commission or ASX Limited or any other regulatory body or agency in Australia. The persons referred to in this document may not hold Australian financial services licences and may not be licensed to provide financial product advice in relation to the securities. No "cooling-off" regime will apply to an acquisition of any interest in EHT.

This Prospectus does not take into account the investment objectives, financial situation or needs of any particular person. Accordingly, before making any investment decision in relation to this document, you should assess whether the acquisition of any interest in the EHT is appropriate in light of your own financial circumstances or seek professional advice.

If you acquire the Stapled Securities in Australia then you:

- (a) represent and warrant that you are a professional or sophisticated investor;
- (b) represent and warrant that you are a wholesale client; and
- (c) agree not to sell or offer for sale any Stapled Securities in Australia within 12 months from the date of their issue under the Offering, except in circumstances where:
 - (i) disclosure to investors would not be required under either Chapter 6D or Chapter 7.9 of the Australian Corporations Act; or
 - (ii) such sale or offer is made pursuant to a disclosure document which complies with either Chapter 6D or Chapter 7.9 of the Australian Corporations Act.

Canada

The Stapled Securities may only be offered or sold, directly or indirectly, in the provinces of British Columbia, Alberta, Ontario and Quebec, or to residents thereof and not in, or to the residents of, any other province or territory of Canada. Such offers or sales will be made pursuant to an exemption from the requirement to file a prospectus with the regulatory authorities in the provinces of British Columbia, Alberta, Ontario and Quebec and will be made only by a dealer duly registered under the applicable securities laws of the province of British Columbia, Alberta, Ontario or Quebec, as the case may be, or in accordance with an exemption from the applicable registered dealer requirements.

The Stapled Securities may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions (“**NI-45-106**”) or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Stapled Securities must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

The Joint Bookrunners intend to pre-fund part of the proceeds raised from the Offering and the Cornerstone Stapled Securities, which will be used by EH-REIT to partially finance payment to the Vendors for the purchase price of the Initial Portfolio. EHT intends to use part of the proceeds from the Offering and the issuance of Cornerstone Stapled Securities to repay the Joint Bookrunners for such pre-funded amounts. In addition (i) certain of the Joint Bookrunners or their affiliates will be providing the Facilities which EH-REIT will have in place as at the Listing Date, and (ii) one of the Joint Bookrunners will be subscribing for Stapled Securities, both (a) on behalf of itself through its treasury investments, and (b) on behalf of certain of its private banking clients, as Cornerstone Investors. Canadian investors should review the sections entitled “Plan of Distributions”, “Use of Proceeds”, “Ownership of the Stapled Securities – Subscription by the Cornerstone Investors” and “Capitalisation and Indebtedness” for further details if they require further information.

Upon receipt of the Prospectus, each Canadian purchaser hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the securities described herein (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque acheteur canadien confirme par les présentes qu’il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d’achat ou tout avis) soient rédigés en anglais seulement.

Hong Kong

WARNING: The contents of this Prospectus have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Prospectus, you should obtain independent professional advice. This Prospectus has not been authorised by the Securities and Futures Commission in Hong Kong.

Accordingly, no person shall issue or possess for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Stapled Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Stapled Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”) and any rules made under the SFO.

Switzerland

The Stapled Securities may not be publicly offered, distributed or re-distributed on a professional basis in or from Switzerland and neither this document nor any other solicitation for investments in EHT may be communicated or distributed in Switzerland in any way that could constitute a public offering within the meaning of Articles 1156/652a of the Swiss Code of Obligations (“**CO**”). This document may not be copied, reproduced, distributed or passed on to others without the Joint Bookrunners’ prior written consent. This document is not a prospectus within the meaning of Articles 1156/652a of the CO and EHT will not be listed on the SIX Swiss Exchange. Therefore, this document may not comply with the disclosure standards of the CO and/or the listing rules (including any prospectus schemes) of the SIX Swiss Exchange set forth in art. 27 et seq. of the SIX Listing Rules. In addition, it cannot be excluded that EHT could qualify as a foreign collective investment scheme pursuant to Article 119 of the Swiss Federal Act on Collective Investment Schemes, as amended (“**CISA**”). EHT will not be licensed for distribution in and from Switzerland. EHT will not be distributed in or from Switzerland as defined in the CISA. EHT may only be acquired by (i) licensed financial institutions, (ii) regulated insurance institutions, and (iii) other investors in a way which does not represent a “distribution” within the meaning of the CISA.

People’s Republic of China

The Stapled Securities may not be offered or sold, and will not be offered or sold to any person in the People’s Republic of China (excluding Hong Kong, Macau and Taiwan, the “**PRC**”) as part of the initial distribution of the Stapled Securities, except pursuant to applicable laws and regulations of the PRC. This document does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC to any person to whom it is unlawful to make the offer or solicitation in the PRC.

The REIT Manager and the Trustee-Manager make no representation that this document may be lawfully distributed, or that any Stapled Securities may be lawfully offered, in compliance with any applicable registration or other requirements in the PRC, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the REIT Manager and/or the Trustee-Manager which would permit a public offering of any Stapled Securities or distribution of this document in the PRC. Accordingly, the Stapled Securities are not being offered or sold within the PRC by means of this document or any other document. Neither this document nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with any applicable laws and regulations.

Israel

The Stapled Securities offered by this prospectus have not been approved or disapproved by the Israel Securities Authority (the “**ISA**”), nor have such Stapled Securities been registered for sale in Israel. The Stapled Securities may not be offered or sold, directly or indirectly, to the public in Israel, absent the publication of a prospectus that has been approved by the ISA.

The ISA has not issued permits, approvals or licenses in connection with this offering or publishing this prospectus, nor has it authenticated the details included herein, confirmed their reliability or completeness, or rendered an opinion as to the quality of the Stapled Securities being offered.

This document does not constitute a prospectus under the Israeli Securities Law, 1968, and has not been filed with or approved by the ISA. In the State of Israel, this document may be distributed only to, and may be directed only at, and any offer of the Stapled Securities may be directed only at investors listed in the first addendum to the Israeli Securities Law (the “**Addendum**”) consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange Ltd., underwriters and

venture capital funds each as defined in the Addendum (as it may be amended from time to time), collectively referred to as qualified investors (in each case purchasing for their own account or, where permitted under the Addendum, for the accounts of their clients who are investors listed in the Addendum). Qualified investors will be required to submit written confirmation that they fall within the scope of the Addendum, are aware of the meaning of same and agree to it.

Taiwan

EHT, a stapled group comprising EH-REIT and EH-BT, has not been and will not be registered with the Financial Supervisory Commission of Taiwan (the “**FSC**”) pursuant to applicable securities laws and regulations and any sale of the Stapled Securities in Taiwan shall be in compliance with the local legal requirements and restrictions. There are restrictions on the offering, issue, distribution, transfer, sale or resale of the Stapled Securities in Taiwan, either through a public offering or private placement. The Stapled Securities cannot be sold, issued or publicly offered in Taiwan without prior approval or registration from or with the FSC pursuant to applicable laws. No person or entity in Taiwan has been authorised to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Stapled Securities.

The United Kingdom

EHT is an unregulated collective investment scheme for the purposes of the Financial Services and Markets Act 2000 (“**FSMA**”), which has not been authorised or recognised by the United Kingdom Financial Conduct Authority. The promotion of Stapled Securities in EHT and distribution of this Prospectus in the United Kingdom is accordingly restricted by law.

Where the person distributing this Prospectus is:

- (i) a person authorised under FSMA to carry on business in the United Kingdom, this Prospectus is being communicated only to:
 - (a) persons outside the United Kingdom;
 - (b) firms that are authorised under FSMA and certain other persons who are investment professionals falling within Article 14 of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001, as amended (the “**CIS Promotion Order**”);
 - (c) high net worth companies, unincorporated associations and other bodies falling within the categories described in Article 22 of the CIS Promotion Order;
 - (d) the directors, officers and employees (“**A**”) of any person falling within (i)(b)-(c) above (“**B**”), where the duties of A when acting in that capacity involve A in B’s participation in unregulated schemes; or
 - (e) persons to whom it may otherwise lawfully be communicated; and
- (ii) a person not authorised under FSMA to carry on business in the United Kingdom, this Prospectus is being communicated only to:
 - (a) persons outside the United Kingdom;

- (b) persons having professional experience in matters relating to investments who are firms that are authorised under FSMA or certain other persons who are investment professionals falling within Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**FPO**”) and the directors, officers and employees (“**A**”) of any such firms and persons (“**B**”), where the communication is made to A in that capacity and where A’s responsibilities when acting in that capacity involve A in the carrying on B of controlled activities; or
- (c) high net worth companies, unincorporated associations and other bodies falling within the categories described in Article 49 of the FPO and the directors, officers and employees (“**A**”) of any such high net worth companies, unincorporated associations and other bodies (“**B**”), where the responsibilities of A when acting in that capacity, involve A in B’s engaging in investment activity; or
- (d) persons to whom it may otherwise lawfully be communicated,

(the persons described in (i) or (ii) as relevant, together “**Relevant Persons**”).

This document and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a Relevant Person should not act or rely on this document or any of its contents. Any Relevant Person seeking to rely on this Prospectus is warned that buying Stapled Securities may expose him to a significant risk of losing all the property he invested. If a Relevant Person is in doubt about the Stapled Securities he should consult a person authorised under FSMA who specialises in advising on such investments.

This Prospectus does not constitute an offer document or an offer of transferable securities in the United Kingdom to which section 85 of FSMA applies and should not be considered as a recommendation that any person should subscribe for or purchase any of the Stapled Securities. The Stapled Securities will not be offered or sold to any person in the United Kingdom except in circumstances which have not resulted and will not result in an offer to the public in contravention of section 85(1) of FSMA. This Prospectus has been prepared on the basis that all offers of Stapled Securities will be made to an exemption under section 86 of FSMA.

United States

The Stapled Securities have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except in a transaction that is exempt from, or not subject to, the registration requirements of the Securities Act. The Stapled Securities are being offered and sold outside of the United States in reliance on Regulation S (terms used in this paragraph that are defined in Regulation S are used herein as defined therein).

Transfer Restrictions

Each purchaser of the Stapled Securities offered hereby in reliance on Regulation S will be deemed to have represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an investment decision and that:

- (a) it is aware that the Stapled Securities have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States;

- (b) it is purchasing the Stapled Securities in an offshore transaction meeting the requirements of Regulation S; and
- (c) it will not offer, sell, pledge or transfer any Stapled Securities, except in accordance with the Securities Act and any applicable laws of any state of the United States and any other jurisdiction.

Terms used in this subsection that are defined in Regulation S are used herein as defined therein.

General

Each applicant for Stapled Securities in the Offering will be deemed to have represented and agreed that it is relying on this Prospectus and not on any other information or representation not contained in this Prospectus and none of EHT, EH-REIT, EH-BT, the REIT Manager, the REIT Trustee, the Trustee-Manager, the Sponsor, the Sole Financial Adviser and Issue Manager, the Joint Global Coordinators, the Joint Bookrunners or any other person responsible for this Prospectus or any part of it will have any liability for any such other information or representation.

CLEARANCE AND SETTLEMENT

INTRODUCTION

A letter of eligibility has been obtained from the SGX-ST for the listing and quotation of the Stapled Securities. For the purpose of trading on the SGX-ST, a board lot for the Stapled Securities will comprise 100 Stapled Securities.

Upon listing and quotation on the SGX-ST, the Stapled Securities will be traded under the electronic book-entry clearance and settlement system of CDP. All dealings in and transactions of the Stapled Securities through the SGX-ST will be effected in accordance with the terms and conditions for the operation of Securities Accounts, as amended from time to time.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its account holders and facilitates the clearance and settlement of securities transactions between account holders through electronic book-entry changes in the Securities Accounts maintained by such account holders with CDP.

It is expected that the Stapled Securities will be credited into the Securities Accounts of applicants for the Stapled Securities within four Market Days¹ after the closing date for applications for the Stapled Securities.

CLEARANCE AND SETTLEMENT UNDER THE DEPOSITORY SYSTEM

The Stapled Securities will be registered in the name of CDP or its nominee and held by CDP for and on behalf of persons who maintain, either directly or through depository agents, Securities Accounts with CDP. Persons named as direct Securities Account holders and depository agents in the depository register maintained by CDP, will be treated as Stapled Securityholders in respect of the number of Stapled Securities credited to their respective Securities Accounts.

Transactions in the Stapled Securities under the book-entry settlement system will be reflected by the seller's Securities Account being debited with the number of Stapled Securities sold and the buyer's Securities Account being credited with the number of Stapled Securities acquired. No transfer stamp duty is currently payable for the transfer of the Stapled Securities that are settled on a book-entry basis.

The Stapled Securities credited to a Securities Account may be traded on the SGX-ST on the basis of a price between a willing buyer and a willing seller. The Stapled Securities credited into a Securities Account may be transferred to any other Securities Account with CDP, subject to the terms and conditions for the operation of Securities Accounts and a transfer fee payable to CDP. All persons trading in the Stapled Securities through the SGX-ST should ensure that the relevant Stapled Securities have been credited into their Securities Account, prior to trading in such Stapled Securities, since no assurance can be given that the Stapled Securities can be credited into the Securities Account in time for settlement following a dealing. If the Stapled Securities have not been credited into the Securities Account by the due date for the settlement of the trade, the buy-in procedures of the SGX-ST will be implemented.

¹ "Market Day" means any day on which the SGX-ST is open for trading in securities.

CLEARING FEES

A clearing fee for the trading of the Stapled Securities on the SGX-ST is payable at the rate of 0.0325% of the transaction value. The clearing fee, deposit fee and Stapled Security withdrawal fee may be subject to GST (currently 7.0%).

Dealings in the Stapled Securities will be carried out in US dollars and will be effected for settlement in CDP on a scripless basis. Settlement of trades on a normal "ready" basis on the SGX-ST generally takes place on the second Market Day¹ following the transaction date and payment for the Stapled Securities is generally settled on the same Market Day¹ as settlement. CDP holds Stapled Securities on behalf of investors in Securities Accounts. An investor may open a direct account with CDP or a sub-account with any CDP depository agent. A CDP depository agent may be a member company of the SGX-ST, bank, merchant bank or trust company.

¹ "Market Day" means any day on which the SGX-ST is open for trading in securities.

EXPERTS

KPMG LLP, the Reporting Auditors, were responsible for preparing the Reporting Auditors' Report on the Profit Forecast and Profit Projection and the Reporting Auditors' Report on the Unaudited Pro Forma Consolidated Financial Information found in Appendix A and Appendix B of this Prospectus, respectively.

SG&R Singapore Pte Ltd¹ and Colliers International Consultancy & Valuation (Singapore) Pte. Ltd., the Independent Valuers, were responsible for preparing the Independent Property Valuation Summary Reports in Appendix D of this Prospectus.

Jones Lang LaSalle Americas, Inc., the Independent Market Research Consultant, was responsible for preparing the Independent Hospitality Industry Report in Appendix E of this Prospectus.

KPMG Services Pte. Ltd., the Independent Tax Adviser, was responsible for preparing the Independent Taxation Report found in Appendix F of this Prospectus.

KPMG LLP (a Delaware limited liability partnership) was responsible for preparing the "United States Taxation Report" appended to the Independent Taxation Report found in Appendix F of this Prospectus.

The Reporting Auditors, the Independent Valuers, the Independent Market Research Consultant, the Independent Tax Adviser and KPMG LLP (the party responsible for preparing the "United States Taxation Report" appended to the Independent Taxation Report found in Appendix F of this Prospectus) have each given and have not withdrawn their written consents to the issue of this Prospectus with the inclusion herein of their names and their respective write-ups and reports and all references thereto in the form and context in which they respectively appear in this Prospectus, and to act in such capacity in relation to this Prospectus.

None of Allen & Gledhill LLP, Proskauer Rose LLP, Allen & Overy LLP and Shook Lin & Bok LLP makes, or purports to make, any statement in this Prospectus and none of them is aware of any statement in this Prospectus which purports to be based on a statement made by it and it makes no representation, express or implied, regarding, and takes no responsibility for, any statement in or omission from this Prospectus.

¹ SG&R Singapore Pte Ltd is the Singapore entity of HVS.

GENERAL INFORMATION

RESPONSIBILITY STATEMENT BY THE DIRECTORS

- (1) The REIT Manager Directors and the Trustee-Manager Directors (together, the “**Directors**”) collectively and individually accept full responsibility for the accuracy of the information given in this Prospectus and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Prospectus constitutes full and true disclosure of all material facts about the Offering, EHT and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Prospectus misleading, and the Directors are satisfied that the Profit Forecast and Profit Projection has been stated after due and careful inquiry. Where information in the Prospectus has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Prospectus in its proper form and context.

MATERIAL BACKGROUND INFORMATION

- (2) There are no legal or arbitration proceedings pending or, so far as the Directors are aware, threatened against the Managers the outcome of which, in the opinion of the Managers, as the case may be, may have or have had during the 12 months prior to the date of this Prospectus, a material adverse effect on the financial position of the Managers.
- (3) There are no legal or arbitration proceedings pending or, so far as the Directors are aware, threatened against EH-REIT and/or EH-BT the outcome of which, in the opinion of the Directors, as the case may be, may have or have had during the 12 months prior to the date of this Prospectus, a material adverse effect on the financial position (on a pro forma basis) of EH-REIT and/or, as the case may be, EH-BT.
- (4) The name, age and address of each of the Directors are set out in “Management and Corporate Governance – EHT – The REIT Manager Board” and “Management and Corporate Governance – EHT – The Trustee-Manager Board”. A list of the present and past directorships of each director and executive officer of the Managers over the last five years preceding the Latest Practicable Date is set out in Appendix H, “List of Present and Past Principal Directorships of Directors and Executive Officers of the Managers”.
- (5) There is no family relationship among the directors and executive officers of the Managers.
- (6) There have been no public takeover offers by third-parties in respect of the EH-BT Units or by the Trustee-Manager in respect of the shares of a corporation or the units of another business trust, that have occurred between 11 April 2019, being the date of constitution of EH-BT, and up to the Latest Practicable Date.
- (7) None of the directors, executive officers or controlling shareholders of the Managers, or the controlling Stapled Securityholder is or was involved in any of the following events:
 - (a) at any time during the last 10 years, an application or a petition under any bankruptcy laws of any jurisdiction filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within two years from the date he ceased to be a partner;

- (b) at any time during the last 10 years, an application or a petition under any law of any jurisdiction filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within two years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding-up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency, saved as disclosed in Appendix H, "List of Present and Past Principal Directorships of Directors and Executive Officers of the Managers";
- (c) any unsatisfied judgment against him;
- (d) a conviction of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose;
- (e) a conviction of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach;
- (f) at any time during the last 10 years, judgment been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part;
- (g) a conviction in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust;
- (h) disqualification from acting as a director or an equivalent person of any entity (including the trustee of a business trust) in any jurisdiction, or from taking part directly or indirectly in the management of any entity or business trust in any jurisdiction;
- (i) any order, judgment or ruling of any court, tribunal or governmental body permanently or temporarily enjoining him from engaging in any type of business practice or activity;
- (j) to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:
 - (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere;
 - (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere;
 - (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or

- (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during the period when he was so concerned with the entity or business trust; or
- (k) the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the MAS or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere.

EXCHANGE CONTROLS

- (8) Other than as described in the section “Exchange Rate Information and Exchange Controls” of this Prospectus, as at the date of this Prospectus, there is no governmental law, decree or regulatory requirement which may affect the repatriation of capital and the remittance of profits by or to the REIT Manager and/or the Trustee-Manager.

MATERIAL CONTRACTS

- (9) The dates of, parties to, and general nature of every material contract which the REIT Trustee and its subsidiaries has entered into within the two years preceding the date of this Prospectus (not being contracts entered into in the ordinary course of the business of EHT) are as follows:
 - (a) the EH-REIT Trust Deed;
 - (b) the Stapling Deed;
 - (c) the Securities Purchase Agreement;
 - (d) the HW ROFR;
 - (e) the TW ROFR; and
 - (f) the Master Lease Agreements.
- (10) The dates of, parties to, and general nature of every material contract which the Trustee-Manager has entered into within the two years preceding the date of this Prospectus (not being contracts entered into in the ordinary course of the business of EHT) are as follows:
 - (a) the EH-BT Trust Deed;
 - (b) the Stapling Deed;
 - (c) the HW ROFR;
 - (d) the TW ROFR; and
 - (e) the subscription agreements entered into between the Managers and the Cornerstone Investors to subscribe for the Cornerstone Stapled Securities (the “**Cornerstone Subscription Agreements**”).

DOCUMENTS FOR INSPECTION

- (11) Copies of the following documents are available for inspection at the registered office of the REIT Manager at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 and of the Trustee-Manager at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 for a period of six months from the date of this Prospectus:
- (a) the material contracts referred to in paragraphs 9 and 10 above, save for the Deeds (which will be available for inspection for so long as EH-REIT and EH-BT are in existence);
 - (b) the Reporting Auditors' Report on the Profit Forecast and Profit Projection as set out in Appendix A of this Prospectus;
 - (c) the Reporting Auditors' Report on the Unaudited Pro Forma Consolidated Financial Information as set out in Appendix B of this Prospectus;
 - (d) the Independent Property Valuation Summary Reports as set out in Appendix D of this Prospectus as well as the full valuation reports for each of the Properties;
 - (e) the Independent Hospitality Industry Report as set out in Appendix E of this Prospectus;
 - (f) the Independent Taxation Report as set out in Appendix F of this Prospectus;
 - (g) the written consents of the Reporting Auditors, the Independent Valuers, the Independent Market Research Consultant, the Independent Tax Adviser and KPMG LLP (the party responsible for preparing the "United States Taxation Report" appended to the Independent Taxation Report found in Appendix F of this Prospectus) (see "Experts" for further details); and
 - (h) the Depository Terms and Conditions.

CONSENTS OF THE SOLE FINANCIAL ADVISER AND ISSUE MANAGER, THE JOINT GLOBAL COORDINATORS AND THE JOINT BOOKRUNNERS AND UNDERWRITERS

- (12) DBS Bank Ltd. has given and not withdrawn its written consent to being named in this Prospectus as the Sole Financial Adviser and Issue Manager to the Offering.
- (13) DBS Bank Ltd., Merrill Lynch (Singapore) Pte. Ltd., UBS AG, Singapore Branch and BNP Paribas, acting through its Singapore branch have each given and have not withdrawn their written consent to being named in this Prospectus as the Joint Global Coordinators to the Offering.
- (14) DBS Bank Ltd., Merrill Lynch (Singapore) Pte. Ltd., UBS AG, Singapore Branch, BNP Paribas, acting through its Singapore branch, Deutsche Bank AG, Singapore Branch and Jefferies Singapore Limited have each given and have not withdrawn their written consent to being named in this Prospectus as the Joint Bookrunners and Underwriters to the Offering.

WAIVERS/CONFIRMATIONS FROM THE SGX-ST

- (15) The Managers have obtained from the SGX-ST waivers from compliance with the following listing rules under the Listing Manual:
- (a) Rule 404(3)(a), which requires the REIT to limit its investments in companies which are related to the investment fund's substantial shareholders, investment managers or management companies, to a maximum of 10% of gross assets; and Rule 404(3)(c) which requires the REIT to restrict investments in unlisted securities to 30% of gross assets, subject to compliance with (i) the requirements under Chapter 9 of the Listing Manual, (ii) the Code on Collective Investment Schemes, and (iii) the BTA;
 - (b) Rule 404(5), which requires the management company to be reputable and have an established track record in managing investments, subject to the management teams in the Managers, having the relevant experience as required under Rule 404(6);
 - (c) Rule 407(4), which requires the submission of the financial track record of the investment manager, the investment adviser and the persons employed by them subject to the management teams in the Managers having the relevant experience as required under Rule 404(6); and
 - (d) Rule 748(1), which requires an investment fund to announce via SGXNET its net tangible assets per unit at the end of each week, subject to EHT announcing its NAV per Stapled Security on a quarterly basis via SGXNET.
- (16) The Managers have obtained confirmation from the SGX-ST that it has no comments on EHT's compliance with the following listing rules under the Listing Manual:
- (a) Rule 409(3), which requires the annual accounts of EHT for the last three financial years to be submitted to the SGX-ST, subject to the disclosure in the Prospectus of (i) the unaudited pro forma statement of comprehensive income for the financial years ended 31 December 2016, 31 December 2017 and 31 December 2018 (excluding the ASAP6 Portfolio); (ii) an unaudited pro forma balance sheet as at the Listing Date; (iii) the unaudited pro forma statement of cash flows for the financial year ended 31 December 2018 (excluding the ASAP6 Portfolio); (iv) a profit forecast for the Forecast Period 2019 and a profit projection for the Projection Year 2020; and (v) the reasons for which EHT is unable to provide the three years of historical pro forma financial information in relation to the Initial Portfolio; and
 - (b) Rule 609(b), which requires the pro forma income statement or statement of comprehensive income to be presented for the latest three financial years and for the most recent interim period as if EHT had been in existence at the beginning of the period reported on for the ASAP6 Portfolio, subject to the disclosure in the Prospectus of (i) the unaudited pro forma statement of comprehensive income for the financial years ended 31 December 2016, 31 December 2017 and 31 December 2018 (excluding the ASAP6 Portfolio); (ii) an unaudited pro forma balance sheet as at the Listing Date; (iii) the unaudited pro forma statement of cash flows for the financial year ended 31 December 2018 (excluding the ASAP6 Portfolio); (iv) a profit forecast for the Forecast Period 2019 and a profit projection for the Projection Year 2020; and (v) the reasons for which EHT is unable to provide the three years of historical pro forma financial information in relation to the ASAP6 Portfolio.

WAIVERS FROM THE MAS

- (17) The MAS has granted the Trustee-Manager waivers from compliance with the following:
- (a) an exemption for the Trustee-Manager from compliance with Section 10(2)(a) of the BTA to the extent that Section 10(2)(a) of the BTA requires the Trustee-Manager to act in the best interests of the EH-BT Unitholders as a whole only, and an exemption for the Trustee-Manager Directors from compliance with Section 11(1)(a) of the BTA to the extent that Section 11(1)(a) of the BTA requires the Trustee-Manager Directors to take reasonable steps to ensure that the Trustee-Manager acts in the best interests of the EH-BT Unitholders as a whole only, in each case subject to the conditions that (i) the Trustee-Manager shall ensure that the EH-BT Units remain stapled to the EH-REIT Units, and (ii) the Trustee-Manager and the Trustee-Manager Directors shall act in the best interests of all the Stapled Securityholders as a whole;
 - (b) Section 15(1) of the BTA to the extent that Section 15(1) of the BTA requires an audit committee to be constituted, subject to the conditions that (i) the exemption shall only be in effect for so long as EH-BT is dormant, and (ii) immediately upon the Trustee-Manager becoming aware that EH-BT will become active, the Trustee-Manager shall ensure that an audit committee in compliance with the requirements of the BTA and the BTR is constituted before EH-BT becomes active; and
 - (c) Regulation 12(1) of the BTR to the extent that the non-compliance with Regulation 12(1) of the BTR is due to any Trustee-Manager Director being considered to be not independent from management and business relationships with the Trustee-Manager or from any substantial shareholder of the Trustee-Manager solely by virtue of such Trustee-Manager Director also being a director of the REIT Manager, subject to the following conditions:
 - (i) the EH-BT Units remain stapled to the EH-REIT Units; and
 - (ii) the Stapling Deed shall contain covenants binding the Managers to exercise all due diligence and vigilance to safeguard the rights and interests of the Stapled Securityholders in the event of a conflict of interest between the Managers and their respective shareholders, and that of the Stapled Securityholders.

For the purposes of this paragraph (17)(c), a director shall not be considered independent from a substantial shareholder if he is also a director of a subsidiary or an associated company of the substantial shareholder (where the subsidiary or associated company is not the Trustee-Manager or the REIT Manager).

- (18) The MAS has granted the REIT Manager waiver from compliance with the following:
- (a) an exemption for the REIT Manager from compliance with Section 286(10A) of the SFA to the extent that Section 286(10A) of the SFA requires the REIT Manager to act in the best interests of the EH-REIT Unitholders as a whole only, and an exemption for the REIT Manager Directors from compliance with Section 286(10B)(a) of the SFA to the extent that Section 286(10B)(a) of the SFA requires the REIT Manager Directors to take reasonable steps to ensure that the REIT Manager acts in the best interest of the EH-REIT Unitholders as a whole only, in each case subject to the conditions that (i) the REIT Manager shall ensure that the EH-REIT Units remain stapled to the EH-BT Units, and (ii) the REIT Manager and the REIT Manager Directors shall act in the best interests of all the Stapled Securityholders as a whole; and

- (b) paragraph 4.3 of the Property Funds Appendix for financial statements of EH-REIT to be prepared in accordance with Chapter 5.1.1 of the CIS Code.

MISCELLANEOUS

- (19) The financial year-end of EHT, EH-REIT and EH-BT is 31 December.
- (20) While EHT is listed on the SGX-ST, investors may check the SGX-ST website <http://www.sgx.com> for the prices at which the Stapled Securities are being traded on the SGX-ST. Investors may also check one or more major Singapore newspapers such as *The Straits Times*, *The Business Times* and *Lianhe Zaobao* for the price range within which the Stapled Securities were traded on the SGX-ST on the preceding day.
- (21) There is no arrangement or understanding with a Substantial Shareholder of the Trustee-Manager, Substantial Unitholder of EH-BT, customer or supplier of the Trustee-Manager, pursuant to which any Trustee-Manager Director or any executive officer of EH-BT was selected as a director or executive officer of EH-BT.
- (22) There have been no public take-over offers by third parties in respect of the Stapled Securities or by the Trustee-Manager in respect of the shares of a corporation or the units of another business trust, prior to the Latest Practicable Date.
- (23) There is no known arrangement the operation of which may at a subsequent date, result in a change of control in the Trustee-Manager.
- (24) A full valuation of each of the real estate assets held by EH-REIT will be carried out at least once a year in accordance with the Property Funds Appendix. Generally, where EHT proposes to issue new Stapled Securities or to redeem existing Stapled Securities, or (in the event that Unstapling has occurred), EH-REIT proposes to issue new EH-REIT Units or to redeem existing EH-REIT Units, and the assets held by EH-REIT were valued more than six months ago, the REIT Manager should exercise discretion in deciding whether to conduct a desktop valuation of the real estate assets held by EH-REIT, especially when market conditions indicate that real estate values have changed materially. The REIT Manager or the REIT Trustee may at any other time arrange for the valuation of any of the real estate assets held by EH-REIT if it is of the opinion that it is in the best interest of Stapled Securityholders to do so.
- (25) The REIT Manager does not intend to receive soft dollars (as defined in the CIS Code) in respect of EH-REIT. Save as disclosed in this Prospectus, unless otherwise permitted under the Listing Manual, neither the REIT Manager, the Trustee-Manager nor any of their associates will be entitled to receive any part of any brokerage charged to EH-REIT or EH-BT, or any part of any fees, allowances or benefits received on purchases charged to EH-REIT or EH-BT.

TREND INFORMATION AND PROFIT FORECAST

- (26) Save as disclosed under the sections entitled "Risk Factors", "Capitalisation and Indebtedness", "Profit Forecast and Profit Projection", "Strategy" and "Business and Properties" of this Prospectus, the financial condition and operations of EHT is not likely to be affected by any of the following:
- (a) known trends or demands, commitments, events or uncertainties that will result in or are reasonably likely to result in EHT's liquidity increasing or decreasing in any material way;

- (b) material commitments for capital expenditure;
 - (c) unusual or infrequent events or transactions or any insignificant economic changes that materially affects the amount of reported income from operations; and
 - (d) known trends or uncertainties that have had or that EHT reasonably expects will have a material favourable or unfavourable impact on revenues or operating income.
- (27) Due to the nature of the business of EHT, an order book is not maintained.

GLOSSARY

267A Proposed Regulations	The proposed regulations pursuant to Section 267A of the Tax Cuts and Jobs Act released by the IRS
3 Year Term Loan Facility	USD Term Loan Facility of approximately US\$134 million with loan maturity of three years obtained from the Facilities Lenders
4 Year Term Loan Facility	USD Term Loan Facility of approximately US\$104 million with loan maturity of four years obtained from the Facilities Lenders
5 Year Term Loan Facility	USD Term Loan Facility of approximately US\$104 million with loan maturity of five years obtained from the Facilities Lenders
Accordion Facilities	An accordion feature under the New Facilities Agreements pursuant to which an additional US\$250 million of Loan Facilities may be obtained
Adjustments	Adjustments which are charged or credited to the consolidated profit and loss account of EH-REIT or EH-BT, including the audited net profits of the SPVs held by the EH-REIT or EH-BT (as applicable) for the Financial Year to be pro-rated where applicable to the portion of the EH-REIT or EH-BT interest in the relevant SPV) for the relevant financial year or the relevant distribution period (as the case may be), including but not limited to (i) differences between cash and accounting gross revenue, (ii) unrealised income or loss, including property revaluation gains or losses, and provision or reversals of impairment provisions; (iii) deferred tax charges/credits; (iv) negative goodwill; (v) differences between cash and accounting finance and other costs; (vi) realised gains or losses, including gains or losses on the disposal of properties and disposal/settlement of financial instruments/assets/liabilities; (vii) the portion of the Management Fee, acquisition fee, divestment fee and development management fee that are paid or payable in the form of Stapled Securities; (viii) costs of any public or other offering of Stapled Securities or convertible instruments that are expensed but are funded by proceeds from the issuance of such Stapled Securities or convertible instruments; (ix) depreciation and amortisation in respect of the properties and their ancillary machines, equipment and other fixed assets; (x) adjustment for amortisation of rental incentives; (xi) other non-cash or timing differences related to income or expenses; (xii) differences between the audited and unaudited financial statements for the previous Financial Year; (xiii) other charges or credits (in each case from (i) to (xiii) as deemed appropriate by the REIT Manager or Trustee-Manager (as applicable)); and (xiv) any other such adjustments as deemed appropriate by the REIT Manager or Trustee-Manager (as applicable)
Administrative Agent	The administrative agent for the Facilities Lenders

Adopted Value	The adopted value of each Property, which is the independent valuation by HVS (as at 31 December 2018)
Aggregate Leverage	The ratio of EH-REIT's total borrowings (including deferred payments for assets whether to be settled in cash or in EH-REIT Units) to the value of the EH-REIT Deposited Property
Aggregate Purchase Consideration	The aggregate purchase consideration agreed between EH-REIT and the Vendors for the purchase of all the Properties comprising the Initial Portfolio
Aggregate Purchase Price	The purchase price paid by EH-REIT to the Vendors for the acquisition of the interests in the Initial Portfolio
Agreed CIF Plan	The CIF plan approved by the relevant Master Lessor
Annual Distributable Income	The amount calculated by the REIT Manager and Trustee-Manager (based on the audited financial statements of EH-REIT or EH-BT (as applicable) for that Financial Year) as representing the consolidated net profit after tax of the EH-REIT or EH-BT (which includes the audited net profits of the SPVs held by EH-REIT or EH-BT (as applicable) for the Financial Year, to be pro-rated where applicable to the portion of EH-REIT's or EH-BT's interest in the relevant SPV) for the Financial Year, as adjusted to eliminate the effects of Adjustments. After eliminating the effects of these Adjustments, the Annual Distributable Income may be different from the net profit recorded for the relevant Financial Year
Application Forms	The printed application forms to be used for the purpose of the Offering and which form part of this Prospectus
Application List	The list of applicants subscribing for the Stapled Securities which are the subject of the Public Offer
ASAP Mortgage Borrowers	6780 Southwest FWY, Houston, LLC, 14315 Midway Road Addison LLC and 44 Inn America Woodbridge Associates, L.L.C.
ASAP Mortgage Loan Lenders	(i) Wilmington Trust, National Association, as trustee for the benefit of the registered holders of Wells Fargo Commercial Mortgage Trust 2017-C41, Commercial Mortgage Pass-Through Certificates, Series 2017-C41, in relation to the Hilton Houston Galleria Area; (ii) Wilmington Trust, National Association, as trustee, for the benefit of holders of Benchmark 2018-B4 Mortgage Trust Commercial Mortgage Pass-Through Certificates, Series 2018-B4, in relation to the Crowne Plaza Dallas Near Galleria-Addison; and (iii) Wells Fargo Bank in relation to the Renaissance Woodbridge
ASAP Mortgage Loans	Approximately US\$78 million of mortgage loans which are secured against (i) Renaissance Woodbridge; (ii) Hilton Houston Galleria Area; and (iii) Crowne Plaza Dallas Near Galleria-Addison

ASAP6 Holdcos	The entities directly holding the properties in the ASAP6 Portfolio
ASAP6 Portfolio	The Properties comprising (i) Sheraton Denver Tech Center, (ii) Crowne Plaza Dallas Near Galleria-Addison, (iii) Hilton Houston Galleria Area, (iv) Renaissance Woodbridge, (v) Doubletree by Hilton Salt Lake City Airport and (vi) Hilton Atlanta Northeast
ASAP6 Portfolio Vendors	MWCI, LLC and CWCI, LLC
associate	Has the meaning ascribed to it in the Listing Manual
associated company	Has the meaning ascribed to it in the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018
associated entity	Has the meaning ascribed to it in the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018
ATI	Adjusted taxable income of a business
ATM	Automated teller machine
Authorised Investments	Has the meaning ascribed to it in the Deeds
Authority or MAS	Monetary Authority of Singapore
Available Hotel Rooms	Number of available hotel rooms in a hotel less permanent house use hotel rooms
Average Daily Rate or ADR	Total room revenue divided by the total number of paid occupied hotel rooms
Average Occupancy Rate	The percentage of hotel rooms sold for a particular period out of the Available Hotel Rooms respectively for the relevant period
Base Fee	10.0% per annum of the Annual Distributable Income
BBP Lessor	Each entity that owns and leases a Borrowing Base Property as subsidiary guarantor, under the credit agreement for the Facilities
BEAT	Base erosion and anti-abuse tax
Borrowing Base Properties	The three Hotels encumbered by the ASAP Mortgage Loans, namely – the Crowne Plaza Dallas Near Galleria-Addison, Hilton Houston Galleria Area and Renaissance Woodbridge
BTA	Business Trusts Act, Chapter 31A of Singapore
BTR	Business Trusts Regulations

Business Day	Any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading
Cap Ex Notes	Promissory notes to subsidiaries of EH-REIT pursuant to the Securities Purchase Agreement with respect to the estimated US\$3.2 million of outstanding capital expenditure amount
Cayman Corp 1	EHT Cayman Corp Ltd., an exempted company incorporated in the Cayman Islands and wholly owned by SG Lending Sub
Cayman Corp 2	CI Hospitality Investment, LLC, a limited liability company registered in the Cayman Islands and wholly owned by US Corp
Cayman LLCs	ASAP Cayman Atlanta Hotel, LLC, ASAP Cayman Salt Lake City LLC, ASAP Cayman Denver Tech, LLC, ASAP Cayman Dallas Galleria, LLC, ASAP Cayman Houston Galleria, LLC and ASAP Cayman Woodbridge Hotel LLC
CBD	Central Business District
CDP	The Central Depository (Pte) Limited
CFIUS	Committee on Foreign Investments in the United States
CIF Contribution	The amount contributed by the Master Lessee to the CIF Reserve, determined based on the amount equal to the greatest of (i) a pre-determined percentage of Gross Room Revenue (or Gross Operating Revenue with respect to Renaissance Woodbridge and the Queen Mary Long Beach), (ii) the amounts actually required (and not waived) by the Hotel Franchisor under the Franchise Agreement with respect to CIF Works (but excluding any major capital improvements) and (iii) the amounts actually required (and not waived) by the lender(s) under any indebtedness whose covenants apply to the premises with respect to CIF Works (but excluding any major capital improvements) (or a good faith estimation thereof as determined by the Master Lessor)
CIF Reserve	An amount equivalent to the CIF Contribution (subject to receipt of the CIF Contribution from the Master Lessee) set aside in the reserve established for the purpose of funding the CIF Works by the Master Lessor at each fiscal quarter
CIF Works	The anticipated acquisition, repair, alteration, improvement and replacement of the Plant, Services Infrastructure (as defined in the Master Lease Agreement) and FF&E (including capital improvements and any PIP or other work required with respect to the Franchise Agreements)
CIS Code	The Code on Collective Investment Schemes issued by the MAS
CMS Licence	The capital markets services licence for REIT management

Colliers	Colliers International Consultancy & Valuation (Singapore) Pte. Ltd.
Companies Act	Companies Act, Chapter 50 of Singapore
Company Secretary	The company secretary of the REIT Manager and the Trustee-Manager
Condemnor	A public or quasi-public authority or private corporation or an individual, having the power of condemnation
Consideration Stapled Securities	The Stapled Securities received by the Vendors in satisfaction of the purchase consideration for the USHI Portfolio and the ASAP6 Portfolio
controlling shareholder	Has the meaning ascribed to it in the Listing Manual
controlling Stapled Securityholder	Has the meaning ascribed to it in the Listing Manual
Cornerstone Investors	DBS Bank Ltd., DBS Bank Ltd. (on behalf of certain wealth management clients), Gold Pot Developments Limited and Ji Qi
Cornerstone Stapled Securities	The 144,870,000 Stapled Securities subscribed for by the Cornerstone Investors pursuant to the Cornerstone Subscription Agreements
Cornerstone Subscription Agreements	The subscription agreements entered into between the Managers and the Cornerstone Investors to subscribe for the Cornerstone Stapled Securities
Corporate Guarantors	EH-REIT and US Corp
CPDG Reserve	A cash reserve of US\$16.6 million
CPI	Consumer Price Index
Crestline	Crestline Hotels & Resorts, LLC
CRS	Common Reporting Standard
Deeds	The EH-REIT Trust Deed, EH-BT Trust Deed and Stapling Deed
Deloitte	Deloitte & Touche Enterprise Risk Services Pte. Ltd.
Depository Services Terms and Conditions	CDP's depository services terms and conditions in relation to the deposit of the EH-REIT Units and EH-BT Units in CDP
Development Project	In relation to EH-REIT, means a project involving the development of land, or buildings, or part(s) thereof on land which is acquired, held or leased by EH-REIT, provided always that the Property Funds Appendix shall be complied with for the purposes of such development, but does not include refurbishment, retrofitting, addition and alteration and renovations works; and

In relation to EH-BT, means a project involving the development of land, or buildings, or part(s) thereof on land which is acquired, held or leased by EH-BT, provided always that the Property Funds Appendix shall be complied with for the purposes of such development, but does not include refurbishment, retrofitting, addition and alteration and renovations works

Directors	The REIT Manager Directors and the Trustee-Manager Directors
DPS	Distribution per Stapled Security
Due Care	The degree of care and diligence required of a trustee-manager of a registered business trust under the BTA
EH-BT	Eagle Hospitality Business Trust
EH-BT Trust Deed	The trust deed dated 11 April 2019 made by the Trustee-Manager constituting EH-BT
EH-BT Trust Property	The Trust Property of EH-BT
EH-BT Unit	An undivided interest in EH-BT as provided for in the EH-BT Trust Deed
EH-BT Unitholder	A holder of EH-BT Units
EH-BT Unit Issue Mandate	General mandate given by holders of EH-BT Units to allow the Managers to jointly issue Stapled Securities
EH-REIT	Eagle Hospitality Real Estate Investment Trust or as the case may be, Eagle Hospitality Real Estate Investment Trust and its subsidiaries
EH-REIT Debt Facilities	The New Term Loan Facilities, the Unsecured Loan and the ASAP Mortgage Loans
EH-REIT Deposited Property	The gross assets of EH-REIT, including all the Authorised Investments of EH-REIT for the time being held or deemed to be held by EH-REIT under the EH-REIT Trust Deed
EH-REIT Trust Deed	The trust deed dated 11 April 2019 constituting EH-REIT
EH-REIT Unit	An undivided interest in EH-REIT as provided for in the EH-REIT Trust Deed
EH-REIT Unitholder	A holder of EH-REIT Units
EH-REIT Unit Issue Mandate	General mandate given by holders of EH-REIT Units to allow the Managers to jointly issue Stapled Securities
EHT	Eagle Hospitality Trust, the hospitality stapled group comprising EH-REIT and EH-BT

Extraordinary Resolution	A resolution proposed and passed as such by a super-majority consisting of more than 75.0% of the total number of votes cast for and against such resolution at a meeting of the holders of EH-REIT Units or, as the case may be, EH-BT Units duly convened and held
Facilities	The New Term Loan Facilities and the Accordion Facilities
Facilities Lenders	Bank of America N.A. (or its affiliate), Bank of the West, Deutsche Bank AG New York Branch, DBS Bank Ltd. and UBS AG, Stamford Branch
Fair Market Value	The fair market value of the Master Lessee's leasehold interest in the remaining term of the Master Lease Agreement (including the option term) if it has been exercised
FATCA	United States Foreign Account Tax Compliance Act
Fee Arrangements	The fee arrangements of the REIT Manager and the REIT Trustee
FF&E	Furniture, fixtures and equipment
FFI Agreement	An agreement entered into by FFIs and the IRS
FFIs or Foreign Financial Institutions	Financial institutions outside the U.S.
First Lock-up Period	The period commencing from the date of issuance of the Stapled Securities until the date falling 6 months after the Listing Date (both dates inclusive)
Fixed Rent	The fixed rent under the terms of the Master Lease Agreements
Forecast Period 2019	The period commencing from 1 May 2019 and ending 31 December 2019
Founder Guarantors	Mr. Howard Wu and Mr. Taylor Woods
Founder ROFRs	The HW ROFR and the TW ROFR
Founders	Howard Wu and Taylor Woods, being the co-founders of the Sponsor
Franchise Agreement	A franchise agreement entered into between the Hotel Franchisor and the Master Lessee in relation to a Hotel
FSMA	Financial Services and Markets Act 2000
FY or Financial Year	The financial year ended or, as the case may be, ending 31 December
F&B	Food and beverage
GFA	Gross floor area

Gross Domestic Product or GDP	The gross domestic product
Gross Operating Profit or GOP	The gross operating profit of a Property, comprising Gross Operating Revenue less operating expenses
Gross Operating Revenue or GOR	The gross operating revenue of a Property
Group	EHT and/or any of its direct and indirect subsidiaries
GST	Goods and services tax
Guarantees	A customary non-recourse carve-out guarantee and environmental indemnity provided to the applicable ASAP Mortgage Loan Lender by the Guarantors
Guarantors	The Corporate Guarantors and the Founder Guarantors
Hotel Franchisors	The third party hotel brand companies which exclusively own certain trademarks or brands
Hotel Licences	Licences relating to the operation and use of the Property or the operation of the Hotel in a particular state
Hotel Management Agreement	A hotel management agreement entered into between the Master Lessee and the Hotel Manager in relation to a Hotel
Hotel Manager	A third party hotel management company which manages the day-to-day operations of a Hotel
Hotels	The eighteen hotels comprising Sheraton Pasadena; Holiday Inn Hotel & Suites Anaheim; Embassy Suites by Hilton Anaheim North; Holiday Inn Hotel & Suites San Mateo; Four Points by Sheraton San Jose Airport; The Westin Sacramento; Embassy Suites by Hilton Palm Desert; The Queen Mary Long Beach; Renaissance Denver Stapleton; Holiday Inn Denver East – Stapleton; Sheraton Denver Tech Center; Holiday Inn Resort Orlando Suites – Waterpark; Crowne Plaza Dallas Near Galleria-Addison; Hilton Houston Galleria Area; Renaissance Woodbridge; Crowne Plaza Danbury; Doubletree by Hilton Salt Lake City Airport; and Hilton Atlanta Northeast
HVS	SG&R Singapore Pte Ltd
HWHI	Hilton Worldwide Holdings, Inc.
HW ROFR	The ROFR granted by Howard Wu to the REIT Trustee and the Trustee-Manager
HW SPVs	SPV1, SPV2 and SPV3
HW SPVs Shares	Shares in the HW SPVs
IACC	International Association of Conference Centres

IFRS	International Financial Reporting Standards
Income Tax Act	Income Tax Act, Chapter 134 of Singapore
Indemnified Guarantee	The Guarantees and the Partial Recourse Guarantee
Independent Market Research Consultant	Jones Lang LaSalle Americas, Inc.
Independent Tax Adviser	KPMG Services Pte. Ltd.
Independent Valuers	Colliers and HVS
Initial Portfolio	The initial portfolio of EHT
Instruments	Offers, agreements or options
Interest Differential Amount	The interest differential amount of US\$4.8 million
Interest Differential Note	A promissory note to subsidiaries of EH-REIT pursuant to the Securities Purchase Agreement
Interested Party	Has the meaning ascribed to it in the Property Funds Appendix
Interested Party Transaction	Has the meaning ascribed to it in the Property Funds Appendix
Interested Person	Has the meaning ascribed to it in the Listing Manual
Interested Person Transaction	Has the meaning ascribed to it in the Listing Manual
IRAS	Inland Revenue Authority of Singapore
IRC	United States Internal Revenue Code of 1986, as amended
IRS	United States Internal Revenue Service
Joint Bookrunners and Underwriters or Joint Bookrunners	DBS Bank Ltd., Merrill Lynch (Singapore) Pte. Ltd., UBS AG, Singapore Branch, BNP Paribas, acting through its Singapore branch, Deutsche Bank AG, Singapore Branch and Jefferies Singapore Limited
Joint Global Coordinators	DBS Bank Ltd., Merrill Lynch (Singapore) Pte. Ltd., UBS AG, Singapore Branch and BNP Paribas, acting through its Singapore branch
Key Principal Cessation Event	The event where any two of Howard Wu, Taylor Woods or Salvatore Takoushian (i) dies or becomes disabled or (ii) otherwise ceases to be active on a daily basis in the management of EH-REIT or EH-BT.
KPMG LLP (US)	KPMG LLP (a Delaware limited liability partnership), the party responsible for preparing the “United States Taxation Report” found in Appendix F of this Prospectus

Latest Practicable Date	22 April 2019, being the latest practicable date prior to the lodgement of this Prospectus with the MAS
LIBOR	London Inter-bank Offered Rate
Listing Date	The date of admission of the Stapled Securities to the Official List of the SGX-ST
Listing Manual	The Listing Manual of the SGX-ST
Liquor Licences	Licences relating to the sale of alcohol on the premises of the Hotels
Lock-up Period	The First Lock-up Period and the Second Lock-up Period
Lock-up Stapled Securities	The Stapled Securities which the relevant person (being the SPV1, the SPV2, the SPV3, the SPV4, the SPV5, Howard Wu, Taylor Woods or Salvatore G. Takoushian, as the case may be) entering into the lock-up arrangement legally and/or beneficially, directly and/or indirectly, owns on the Listing Date.
Management Fees	The management fees of the Managers, comprising the Base Fee and Performance Fee
Managers	The REIT Manager and the Trustee-Manager
Mandatory Training	Mandatory training with the Singapore Institute of Directors in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST
Market Day	A day on which the SGX-ST is open for trading in securities
Market price	<p>(i) The volume weighted average price per Stapled Security (if applicable, of the same class) for all trades on the SGX-ST, or such other Recognised Stock Exchange on which EHT is listed, in the ordinary course of trading, for the period of 10 Business Days (or such other period as prescribed by the SGX-ST or relevant Recognised Stock Exchange) immediately preceding the relevant Business Day, or</p> <p>(ii) where the Managers believe that such market price is not a fair reflection of the market price of a Stapled Security, such amount as determined by the Managers, as being the fair market price of a Stapled Security</p>
Master Lease Agreement	The master lease agreement to be entered into between the subsidiary of EH-REIT that directly owns a property and the relevant Master Lessee
Master Lessees	The master lessees of the Properties
Master Lessors	The master lessors of the Properties\

MSA or Metropolitan Statistical Areas	Metropolitan statistical areas in the United States of America, as delineated by the United States Office of Management and Budget
MTI	Modified taxable income
NAV	Net asset value
Net Property Income or NPI	Consists of Revenue less Property Expenses
New Term Loan Facilities	The 3 Year Term Loan Facility, 4 Year Term Loan Facility and 5 Year Term Loan Facility
NRC	Nominating and Remuneration Committee
Offering	The initial public offering of 580,558,000 Stapled Securities by the Managers for subscription at the Offering Price under the Placement Tranche and the Public Offer
Offering Price	US\$0.78 per Stapled Security
Operating equipment	Items customarily referred to as “operating equipment” in the hotel industry, including but not limited to glassware, silverware, cutlery, chinaware, crockery, linen and uniforms as well as all those items generally required for the day-to-day operation of a hotel
Ordinary Resolution	A resolution proposed and passed as such by a majority consisting of more than 50.0% of the total number of votes cast for and against such resolution at a meeting of the holders of EH-REIT Units or, as the case may be, EH-BT Units duly convened and held
Over-Allotment Option	An option granted by the Stapled Security Lender to the Stabilising Manager to acquire from the Stapled Security Lender up to an aggregate of 37,500,000 Stapled Securities at the Offering Price, solely to cover the over-allotment of Stapled Securities (if any)
Partial Recourse Guarantee	A partial recourse guarantee of the original principal amount with respect to the mortgage loan secured by Renaissance Woodbridge
Participating Banks	DBS Bank Ltd. (including POSB), Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited
PDPA	Personal Data Protection Act 2012, Singapore Act No. 26 of 2012
Performance Fee	25.0% per annum of the difference in DPS in a financial year with the DPS in the preceding financial year multiplied by the weighted average number of Stapled Securities in issue for such financial year of EH-REIT in the relevant financial year
PIP	Property improvement plan in respect of a Property

Placement Tranche	The international placement of 535,687,000 Stapled Securities to investors, including institutional and other investors in Singapore pursuant to the Offering
PMI	Purchasing Managers' Index
Portfolio Interest Exemption	An exemption from 30% US withholding tax attributable to such Stapled Securityholder's distributive share of the interest payments from US Corp to Cayman Corp 1 pursuant to intercompany loans from Cayman Corp 1 to US Corp
Portfolio Interest Exemption Limit	A direct or indirect ownership (including constructive ownership) of 10% or more of the outstanding Stapled Securities by a Stapled Securityholder
Pro Forma Group	EH-REIT and its subsidiaries
Profit Forecast and Profit Projection	The forecast and projected results of EHT for Forecast Period 2019 and Projection Year 2020 respectively
Projection Year 2020	The full financial year ending 31 December 2020
Properties	The Hotels
Property Expenses	Comprises (i) property tax on each Property, (ii) insurance expenses on each Property and (iii) other property expenses
Property Funds Appendix	Appendix 6 to the CIS Code issued by the Authority in relation to REITs
Public Offer	The offering of 44,871,000 Stapled Securities at the Offering Price to the public in Singapore pursuant to the Offering
Purchase Consideration	The purchase consideration agreed between EH-REIT and the Vendors for the purchase of a Property in the Initial Portfolio
Pyramid	Pyramid Advisors Limited Partnership and its affiliates
Queen Mary Ground Lease	The ground lease negotiated by the Sponsor with the City of Long Beach, as well as the two other ground leases for adjacent land and water from the City of Long Beach and/or Port of Long Beach.
Recognised Stock Exchange	Any stock exchange of repute in any part of the world
Registered Business Trusts	Business trusts registered with the MAS
Regulation S	Regulation S under the Securities Act
REIT	Real estate investment trust
REIT Manager	Eagle Hospitality REIT Management Pte. Ltd., in its capacity as manager of EH-REIT
REIT Manager Audit and Risk Committee	The audit and risk committee of the REIT Manager

REIT Manager Board	The board of directors of the REIT Manager
REIT Manager Directors	The directors of the REIT Manager
REIT Manager US Services Agreement	The services agreement entered into between the REIT Manager, the REIT Manager US Sub and US Corp for the performance of activities within the United States
REIT Manager US Sub	Wholly-owned subsidiary in the US incorporated by the REIT Manager
REIT Trustee	DBS Trustee Limited, in its capacity as trustee of EH-REIT
Related Party	Refers to an Interested Person and/or, as the case may be, Interested Party
Related Party Transactions	Refers to an Interested Person Transaction and/or, as the case may be, Interested Party Transaction
Reporting Auditors	KPMG LLP
Required Lenders	The Facilities Lenders holding more than 50% of the commitments and loans under the Facilities
Revenue	The revenue of a Property comprising the rental payment under the respective Master Lease Agreement, which consists of a Fixed Rent and a Variable Rent
RevPAR	Revenue per Available Hotel Room (excluding permanent house use hotel rooms)
RW Mortgage Loan	The existing mortgage loan secured by the Renaissance Woodbridge
Second Lock-up Period	The period immediately following the First Lock-up Period until the date falling 12 months after the Listing Date
Securities Account	Securities account or sub-account maintained by a Depositor (as defined in Section 81SF of the SFA) with CDP
Securities Act	U.S. Securities Act of 1933, as amended
Securities Purchase Agreement	The securities purchase agreement between the REIT Trustee, U.S. Hospitality Investments, LLC, MWCI, LLC and CWCI, LLC for the acquisition of the Initial Portfolio (as supplemented)
Settlement Date	The date and time on which the Stapled Securities are issued as settlement under the Offering
SFA	Securities and Futures Act, Chapter 289 of Singapore
SG Corp	Eagle Hospitality Trust S1 Pte. Ltd., a newly incorporated Singapore company wholly-owned by EH-REIT
SG Lending Sub	Eagle Hospitality Trust S2 Pte. Ltd., a newly incorporated Singapore company wholly-owned by EH REIT

SGX-ST	Singapore Exchange Securities Trading Limited
Singapore CRS Regulations	Income Tax (International Tax Compliance Agreements) (Common Reporting Standard) Regulations 2016
Singapore IGA Legislation	The legislation regarding intergovernmental agreements between the United States and the Singapore government for the implementation of FATCA
Sole Financial Adviser and Issue Manager	DBS Bank Ltd.
Sponsor	Urban Commons, LLC
Sponsor Initial Stapled Securities	The two Stapled Securities in issue as at the date of this Prospectus
Sponsor Stapled Securities	The Sponsor Initial Stapled Securities and the Consideration Stapled Securities
SPV	Special purpose vehicle
SPV1	Fortress Empire Group Ltd
SPV2	Vertical Gain Investments Inc
SPV3	Dragonbay Fortune Inc
SPV4	Regal Empire Ventures Ltd
SPV4 Shares	Shares in SPV4
SPV5	Empress Star Ventures Inc
SPV5 Shares	Shares in SPV5
Sq ft	Square feet
Sq m	Square metres
Stabilising Manager	DBS Bank Ltd.
Stapled Group	EHT, EH-REIT, EH-BT and their respective subsidiaries
Stapled Securities	Stapled Securities in EHT, each comprising one unit in EH-REIT and one unit in EH-BT stapled together under the terms of the Stapling Deed
Stapled Security Lending Agreement	The stapled security lending agreement entered into between the Stabilising Manager and the Stapled Security Lender dated 16 May 2019 in connection with the Over-Allotment Option
Stapled Securityholders	The holders of the Stapled Securities
Stapled Security Issue Mandate	The authority given to the Managers to issue Stapled Securities

Stapled Security Lender	SPV1
Stapling Deed	The stapling deed dated 11 April 2019 entered into between the REIT Manager, the REIT Trustee and the Trustee-Manager
Subsidiary	Has the meaning ascribed thereto in the Companies Act
Substantial holders of EH-BT Units	Holders of EH-BT Units with an interest in one or more EH-BT Units constituting not less than 5.0% of all EH-BT Units in issue
Substantial holders of EH-REIT Units	Holders of EH-REIT Units with an interest in one or more EH-REIT Units constituting not less than 5.0% of all EH-REIT Units in issue
Substantial Shareholder	Any shareholder with an interest in not less than 5.0% of the shares in issue
Substantial Stapled Securityholders	Any Stapled Securityholder with an interest in one or more Stapled Securities constituting not less than 5.0% of all Stapled Securities in issue
Take-over Code	The Singapore Code on Take-overs and Mergers
Target Market Assessment	A product approval process which has determined that the Stapled Securities in the Offering are (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II
Tax Ruling	The advance tax ruling from IRAS in relation to certain Singapore income tax treatment of the income of SG Corp, SG Lending Sub, EH-REIT and Stapled Securityholders
Taxable Income	Income ascertained to be chargeable to tax in accordance with the provisions of the Income Tax Act, after deduction of allowable expenses and applicable tax allowances
Third Party ASAP6 Portfolio Vendors	The existing third party owners of the ASAP6 Portfolio
Third Party Financial Institution	A commercial bank in the U.S. which is unrelated to the Offering and will be issuing standby letters of credit for the benefit of the Master Lessors
Total Issue Proceeds	The total proceeds from <ul style="list-style-type: none"> (i) the Offering; (ii) the Cornerstone Stapled Securities, (iii) the amount to be drawn and/or assumed under the EH-REIT Debt Facilities and the issuance of the Consideration Stapled Securities

Total Project Costs	<p>The sum of the following (where applicable):</p> <ul style="list-style-type: none"> (i) construction cost based on the project final account prepared by the project quantity surveyor or issued by the appointed contractor; (ii) principal consultants fees, including payments to the project's architect, civil and structural engineer, mechanical and electrical engineer, quantity surveyor and project manager; (iii) the cost of obtaining all approvals for the project; (iv) site staff costs; (v) interest costs on borrowings used to finance project cashflows that are capitalised to the project in line with International Financial Reporting Standards; and (vi) any other costs including contingency expenses which meet the definition of Total Project Costs and can be capitalised to the project in accordance with International Financial Reporting Standards but for the avoidance of doubt, shall not include land costs (including but not limited to the acquisition price or underlying value of such land)
Trust Companies Act	Trust Companies Act, Chapter 336 of Singapore
Trust Property	Has the meaning ascribed to it in the BTA
Trustee-Manager	Eagle Hospitality Business Trust Management Pte. Ltd., in its capacity as trustee-manager of EH-BT
Trustee-Manager Board	The board of directors of the Trustee-Manager
Trustee-Manager Directors	The directors of the Trustee-Manager
Trustees Act	Trustees Act, Chapter 337 of Singapore
TW ROFR	The ROFR granted by Taylor Woods to the REIT Trustee and the Trustee-Manager
Unaudited Pro Forma Financial Information	The unaudited pro forma financial information of EH-REIT
Unclaimed Monies Account	A special account which holds any unclaimed monies payable to holders of EH-REIT Units or, as the case may be, EH-BT Units
Underwriting Agreement	The underwriting agreement entered into between the Joint Bookrunners, the REIT Manager, the Trustee-Manager, the Sponsor and the Stapled Security Lender on 16 May 2019

Underwriting, Selling and Management Commission	An underwriting, selling and management commission (including incentive fees) of up to 3.0% of the total proceeds of the Offering and the issuance of the Cornerstone Stapled Securities
Unsecured Lender	Lodging USA Lendco, LLC
Unsecured Loan	A US\$89 million unsecured loan from the Unsecured Lender
Unstapling	The process that results in a EH-REIT Unit no longer being stapled to a EH-BT Unit
URA	Urban Redevelopment Authority
US, U.S. or United States	United States of America
US Corp	EHT US1, Inc, a newly incorporated US corporation wholly-owned by SG Corp
USHI LLCs	UCHIDH, LLC, UCF 1, LLC, UCRDH, LLC, Urban Commons Bayshore A, LLC, UCCONT1, LLC, Urban Commons Cordova A, LLC, Urban Commons Highway 111 A, LLC, Urban Commons Anaheim HI, LLC, Urban Commons 4th Street A, LLC, Urban Commons Riverside Blvd., A, LLC, Urban Commons Danbury A, LLC and Urban Commons Queensway, LLC
USHI Portfolio	The Properties comprising (i) Sheraton Pasadena, (ii) Holiday Inn & Suites Anaheim, (iii) Embassy Suites by Hilton Anaheim North, (iv) Holiday Inn Hotel & Suites San Mateo, (v) Four Points by Sheraton San Jose Airport, (vi) The Westin Sacramento, (vii) Embassy Suites by Hilton Palm Desert, (viii) The Queen Mary Long Beach, (ix) Renaissance Denver Stapleton, (x) Holiday Inn Denver East – Stapleton, (xi) Holiday Inn Resort Orlando Suites – Waterpark and (xii) Crowne Plaza Danbury
USHI Portfolio Vendor	U.S. Hospitality Investments LLC
USHIL Holdco	USHIL Holdco Member, LLC
Variable Rent	The variable rent under the terms of the Master Lease Agreements
Vendors	The USHI Portfolio Vendor and the ASAP6 Portfolio Vendors

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Prospectus to any enactment is a reference to that enactment for the time being amended or re-acted.

Any reference to a time of day in this Prospectus is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding.

Information contained in the Managers' and the Sponsor's website does not constitute part of this Prospectus.

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APPENDIX A

**REPORTING AUDITORS' REPORT ON THE PROFIT FORECAST AND
PROFIT PROJECTION**

The Board of Directors
Eagle Hospitality REIT Management Pte. Ltd.
(in its capacity as Manager of Eagle Hospitality
Real Estate Investment Trust)
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

DBS Trustee Limited
(in its capacity as Trustee of Eagle Hospitality
Real Estate Investment Trust)
12 Marina Boulevard
Level 44 Marina Bay Financial Centre Tower 3
Singapore 018982

16 May 2019

Dear Sirs

Letter from the reporting auditors on the profit forecast for the period from 1 May 2019 to 31 December 2019 and the profit projection for the year ending 31 December 2020

This letter has been prepared for inclusion in the prospectus (the "**Prospectus**") to be issued in connection with the offering of stapled securities in Eagle Hospitality Trust, comprising Eagle Hospitality Real Estate Investment Trust ("**EH-REIT**") and Eagle Hospitality Business Trust at the offering price of US\$0.78 per stapled security (the "Offering").

The directors of Eagle Hospitality REIT Management Limited (the "**Directors**") are responsible for the preparation and presentation of the forecast consolidated statement of comprehensive income of EH-REIT for the period from 1 May 2019 to 31 December 2019 (the "Profit Forecast") and the year ending 31 December 2020 (the "**Profit Projection**") as set out on page 157 of the Prospectus, which have been prepared on the basis of the assumptions set out on pages 159 to 173 of the Prospectus.

We have complied with the independence and other ethical requirements of the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The firm applies Singapore Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have examined the Profit Forecast of EH-REIT for the period from 1 May 2019 to 31 December 2019 and the Profit Projection for the year ending 31 December 2020 as set out on page 157 of the Prospectus in accordance with Singapore Standard on Assurance Engagements ("**SSAE**") 3400 *The Examination of Prospective Financial Information*. The Directors are solely responsible for the Profit Forecast and Profit Projection including the assumptions set out on pages 159 to 173 of the Prospectus on which they are based.

Profit Forecast

Based on our examination of the evidence supporting the relevant assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the Profit Forecast. Further, in our opinion the Profit Forecast, so far as the accounting policies and calculations are concerned, is properly prepared on the basis of the assumptions, is consistent with the accounting policies set out on pages C-13 to C-21 of the Prospectus, and is presented in accordance with International Financial Reporting Standards (but not all the required disclosures) as issued by the International Accounting Standards Board (“IASB”), which is the framework to be adopted by EH-REIT in the preparation of its financial statements.

Profit Projection

The Profit Projection is intended to show a possible outcome based on the stated assumptions. As EH-REIT is newly established without any history of activities and because the length of the period covered by the Profit Projection extends beyond the period covered by the Profit Forecast, the assumptions used in the Profit Projection (which include hypothetical assumptions about future events which may not necessarily occur) are more subjective than would be appropriate for a profit forecast. The Profit Projection does not therefore constitute a profit forecast.

Based on our examination of the evidence supporting the relevant assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the Profit Projection. Further, in our opinion the Profit Projection, so far as the accounting policies and calculations are concerned, is properly prepared on the basis of the assumptions, is consistent with the accounting policies set out on pages C-13 to C-21 of the Prospectus, and is presented in accordance with International Financial Reporting Standards (but not all the required disclosures) as issued by the IASB, which is the framework to be adopted by EH-REIT in the preparation of its financial statements.

Events and circumstances frequently do not occur as expected. Even if the events anticipated under the hypothetical assumptions occur, actual results are still likely to be different from the Profit Projection since other anticipated events frequently do not occur as expected and the variation may be material. The actual results may therefore differ materially from those projected. For the reasons set out above, we do not express any opinion as to the possibility of achievement of the Profit Forecast and Profit Projection.

Attention is drawn, in particular, to the risk factors set out on pages 72 to 106 of the Prospectus which describe the principal risks associated with the Offering, to which the Profit Forecast and Profit Projection relate and the sensitivity analysis of the Profit Forecast and Profit Projection set out on pages 173 and 175 of the Prospectus.

KPMG LLP

Public Accountants and

Chartered Accountants

Singapore

(Partner-in-charge: Lo Mun Wai)

APPENDIX B

**REPORTING AUDITORS' REPORT ON
THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION**

The Board of Directors
Eagle Hospitality REIT Management Pte. Ltd.
(in its capacity as Manager of Eagle Hospitality Real Estate Investment Trust)
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

DBS Trustee Limited
(in its capacity as Trustee of Eagle Hospitality Real Estate Investment Trust)
12 Marina Boulevard
Level 44
Marina Bay Financial Centre Tower 3
Singapore 018982

16 May 2019

We have completed our assurance engagement to report on the compilation of pro forma consolidated financial information set out in Appendix C of the prospectus (the "**Prospectus**") to be issued in connection with the offering of stapled securities in Eagle Hospitality Trust, comprising Eagle Hospitality Real Estate Investment Trust ("**EH-REIT**") and Eagle Hospitality Business Trust (the "**Offering**"). The unaudited pro forma consolidated financial information of EH-REIT and its subsidiaries (the "**Pro Forma Group**") consists of the pro forma consolidated statements of comprehensive income for the years ended 31 December 2016, 31 December 2017 and 31 December 2018, the pro forma consolidated statement of cash flows for the year ended 31 December 2018, the pro forma consolidated statement of financial position as at the Listing Date and related notes (the "**Unaudited Pro Forma Consolidated Financial Information**") as set out in Appendix C of the Prospectus. The Unaudited Pro Forma Consolidated Financial Information of EH-REIT has been prepared for illustrative purposes only and is based on certain assumptions, after making certain adjustments. The applicable criteria (the "**Criteria**") on the basis of which Eagle Hospitality REIT Management Pte. Ltd. (the "**Manager**") has compiled the Unaudited Pro Forma Consolidated Financial Information are described in Appendix C to the Prospectus.

The Unaudited Pro Forma Consolidated Financial Information has been compiled by the Manager to illustrate the impact on:

- (a) the comprehensive income of the Pro Forma Group if it had acquired the entities that owned the USHI Portfolio¹ and entered into master lease agreements for the USHI Portfolio under the same terms set out in the Prospectus on the dates stated in Appendix C;
- (b) the cash flows of the Pro Forma Group if it had acquired the entities that owned the USHI Portfolio and entered into master lease agreements for the USHI Portfolio under the same terms set out in the Prospectus on 1 January 2018; and

¹ Comprising 1) Sheraton Pasadena, 2) Holiday Inn & Suites Anaheim, 3) Embassy Suites by Hilton Anaheim North, 4) Holiday Inn Hotel & Suites San Mateo, 5) Four Points by Sheraton San Jose Airport, 6) The Westin Sacramento, 7) Embassy Suites by Hilton Palm Desert, 8) The Queen Mary Long Beach, 9) Renaissance Denver Stapleton, 10) Holiday Inn Denver East – Stapleton, 11) Holiday Inn Orlando Suites-Waterpark and 12) Crowne Plaza Danbury.

- (c) the financial position of the Pro Forma Group if it had acquired USHIL Holdco Member, LLC, USHIL Holdco, LLC, UC Junior Mezz, LLC, UC Senior Mezz, LLC and the entities that owned the USHI Portfolio and the ASAP6 Portfolio² and entered into master lease agreements for the properties under the same terms set out in the Prospectus on the Listing Date.

The dates on which the transactions described above are assumed to have been undertaken, are hereinafter collectively referred to as “the Relevant Dates”.

As part of this process, information about the Pro Forma Group’s consolidated comprehensive income, consolidated cash flows and consolidated financial position has been extracted by the Manager from the audited aggregated financial statements of the USHI Portfolio for the years ended 31 December 2016 and 31 December 2017 and the audited aggregated financial statements of USHIL Holdco Member, LLC, USHI Holdco, LLC, UC Junior Mezz, LLC, UC Senior Mezz, LLC and the entities that owned the USHI Portfolio for the year ended 31 December 2018. The aforementioned financial information are hereinafter collectively referred to as the “Relevant Financial Information”. The auditors’ reports on the Relevant Financial Information for the years ended 31 December 2016, 31 December 2017 and 31 December 2018 have not been published.

The Manager’s responsibility for the Unaudited Pro Forma Consolidated Financial Information

The Manager is responsible for compiling the Unaudited Pro Forma Consolidated Financial Information on the basis of the Criteria.

Reporting auditors’ independence and quality control

We have complied with the independence and other ethical requirements of the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Singapore Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting auditors’ responsibility

Our responsibility is to express an opinion about whether the Unaudited Pro Forma Consolidated Financial Information has been compiled, in all material respects, by the Manager on the basis of the Criteria.

We conducted our engagement in accordance with Singapore Standard on Assurance Engagements (SSAE) 3420 *Assurance engagements to report on the compilation of pro forma financial information included in a prospectus*, issued by the Institute of Singapore Chartered Accountants (the “ISCA”). This standard requires that the reporting auditors comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Manager has compiled, in all material respects, the Unaudited Pro Forma Consolidated Financial Information on the basis of the Criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma

² Comprising 1) Hilton Atlanta Northeast, 2) Doubletree by Hilton Salt Lake City Airport, 3) Sheraton Denver Tech Centre, 4) Crowne Plaza Dallas Near Galleria-Addison, 5) Hilton Houston Galleria Area, and 6) Renaissance Woodbridge.

Consolidated Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Consolidated Financial Information.

The purpose of pro forma consolidated financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at the Relevant Dates would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Consolidated Financial Information has been compiled, in all material respects, on the basis of the Criteria involves performing procedures to assess whether the Criteria used by the Manager in the compilation of the Unaudited Pro Forma Consolidated Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those Criteria; and
- the Unaudited Pro Forma Consolidated Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting auditors' judgement, having regard to his understanding of the nature of the event or transaction in respect of which the Unaudited Pro Forma Consolidated Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Consolidated Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Consolidated Financial Information has been compiled:
 - (i) in a manner consistent with the accounting policies to be adopted by the Pro Forma Group, which are in accordance with International Financial Reporting Standards; and
 - (ii) on the basis of the Criteria stated in Appendix C of the Prospectus; and
- (b) each material adjustment made to the information used in the preparation of the Unaudited Pro Forma Consolidated Financial Information is appropriate for the purpose of preparing such unaudited financial information.

This letter has been prepared for inclusion in the Prospectus of Eagle Hospitality Trust to be issued in connection with the offering of stapled securities in Eagle Hospitality Trust.

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore

(Partner-in-charge: Lo Mun Wai)

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APPENDIX C

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION**A INTRODUCTION**

The Unaudited Pro Forma Consolidated Financial Information has been prepared for inclusion in the prospectus (the “Prospectus”) to be issued in connection with the proposed listing of Eagle Hospitality Trust (“EHT”) on the Singapore Exchange Securities Trading Limited (the “SGX-ST”).

Eagle Hospitality Trust is a hospitality stapled group comprising Eagle Hospitality Real Estate Investment Trust (“EH-REIT”) and Eagle Hospitality Business Trust (“EH-BT”). EH-REIT is a Singapore-based real estate investment trust constituted pursuant to a trust deed dated 11 April 2019 made between Eagle Hospitality REIT Management Pte. Ltd. (the “REIT Manager”) and DBS Trustee Limited (the “REIT Trustee”). EH-REIT is established with the principal investment strategy of investing on a long-term basis, directly or indirectly, in a diversified portfolio of income-producing real estate which is primarily for hospitality and/or hospitality-related purposes, as well as real estate-related assets in connection with the foregoing, with an initial focus on the United States (the “US”). EH-BT is a Singapore-based business trust constituted by a trust deed dated 11 April 2019 and will be managed by Eagle Hospitality Business Trust Management Pte. Ltd. (the “Trustee-Manager”) which will be dormant as at the Listing Date. The securities in each of EH-REIT and EH-BT are stapled together under the terms of a stapling deed dated 11 April 2019 entered into between the Manager, the REIT Trustee and the Trustee-Manager (“Stapling Deed”) and cannot be traded separately. Each stapled security in EHT (the “Stapled Security”) comprises a unit in EH-REIT (“EH-REIT Unit”) and a unit in EH-BT (“EH-BT Unit”). The REIT Manager and the Trustee-Manager are hereinafter collectively referred to as “the Managers”.

The Managers’ principal objectives are to deliver regular and stable distributions to the holders of the Stapled Securities (the “Stapled Securityholders”) and to achieve long-term growth in distribution per Stapled Security (“DPS”) and in the net asset value per Stapled Security, while maintaining an appropriate capital structure.

On the Listing Date, EHT’s initial portfolio will comprise 18 properties located in the US (the “Initial Portfolio”) as follows:

- 12 properties comprising:
 - (1) Sheraton Pasadena (“SPH”)
 - (2) Holiday Inn Hotel & Suites Anaheim (“HIA”)
 - (3) Embassy Suites by Hilton Anaheim North (“ESAN”)
 - (4) Holiday Inn Hotel & Suites San Mateo (“HISM”)
 - (5) Four Points by Sheraton San Jose Airport (“FPSJ”)
 - (6) The Westin Sacramento (“WSAC”)
 - (7) Embassy Suites by Hilton Palm Desert (“ESPD”)
 - (8) The Queen Mary Long Beach (“QUEEN”)
 - (9) Renaissance Denver Stapleton (“RDH”)
 - (10) Holiday Inn Denver East – Stapleton (“HIDH”)
 - (11) Holiday Inn Orlando Suites – Waterpark (“OHIR”)
 - (12) Crowne Plaza Danbury (“CPD”)

Each property is referred to as a “Hotel” and collectively, the properties are referred to as the “USHI Portfolio”.

- 6 properties comprising:
 - (1) Sheraton Denver Tech Center (“SDTC”)
 - (2) Crowne Plaza Dallas Near Galleria Addison (“CPDL”)
 - (3) Hilton Houston Galleria Area (“HHG”)
 - (4) Renaissance Woodbridge (“RW”)
 - (5) Doubletree by Hilton Salt Lake City Airport (“SLC”)
 - (6) Hilton Atlanta Northeast (“HAN”)

Each property is referred to as a “Hotel” and collectively, the properties are referred to as the “ASAP6 Portfolio”.

The vendor of the USHI Portfolio is USHIL Hospitality Investments LLC (the “USHI Portfolio Vendor”), whose common equity interests are indirectly owned by Howard Wu and Taylor Woods (collectively, the “Founders”). The vendors of the ASAP6 Portfolio are MWCI, LLC and CWCI, LLC (collectively, the “ASAP6 Portfolio Vendors”) whose common equity interests are owned by the Founders. The ASAP6 Portfolio Vendors have acquired the ASAP6 Portfolio from the existing third party owners of the ASAP6 Portfolio (the “Third Party ASAP6 Portfolio Vendors”) prior to the Listing Date. The USHI Portfolio Vendor and ASAP6 Portfolio Vendors are collectively referred to as the “Vendors”.

On the Listing Date, EH-REIT will acquire the USHI Portfolio through the acquisition of the entire equity interest in USHIL Holdco Member, LLC (excluding its equity interests in USHIL Holdco, LLC, UC Junior Mezz, LLC and UC Senior Mezz, LLC) and the ASAP6 Portfolio through the acquisition of the entire equity interest of CI Hospitality Investment, LLC. The acquisitions as described above will take place on the Listing Date and are collectively referred to as the “Acquisitions”.

Following the acquisition of the USHI Portfolio and ASAP6 Portfolio and a series of assignments and intra-company loans and funds transfers, the interests in USHIL Holdco Member, LLC and CI Hospitality Investment LLC, will be owned by EHT US1, Inc, a newly incorporated U.S. corporation wholly-owned by EH-REIT through Eagle Hospitality Trust S1 Pte. Ltd., a newly incorporated Singapore company wholly-owned by EH-REIT.

In connection with the Acquisitions, EHT proposes to issue 867,888,000 new Stapled Securities at an offering price of US\$0.78 (the “Offering Price”) per Stapled Security (the “Offering”), net of issue costs of US\$41.4 million and obtain borrowings in order to, inter alia, fund the Acquisitions and associated costs. The Offering consists of (i) an international placement of 535,687,000 Stapled Securities to investors, including institutional and other investors in Singapore, and (ii) an offering of 44,871,000 Stapled Securities to the public in Singapore. Separate from the Offering, U.S. Hospitality Investments LLC as vendor of the USHI Portfolio (“USHI Portfolio Vendor”) will receive an aggregate of 142,459,998 Stapled Securities at the Offering Price in part satisfaction of the purchase consideration for the USHI Portfolio. In addition, concurrently with, but separate from the Offering, cornerstone investors (“Cornerstone Investors”) have entered into conditional subscription agreements to subscribe for an aggregate of 144,870,000 Stapled Securities at the Offering Price.

On the Listing Date, EH-REIT will enter into master lease agreements (the “Master Lease Agreements”) with affiliates of Urban Commons, LLC, the Sponsor of EHT (collectively, the “Master Lessees”).

The initial terms of the Master Lease Agreements are disclosed in note 6 in Section D. In relation to each Hotel, the Master Lessees will appoint a professional hotel manager and a third party hotel franchisor to manage the day-to-day operations of that Hotel.

B BASIS OF PREPARATION OF UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

No financial statements of EHT have been prepared for the financial years ended 31 December 2016, 31 December 2017 and 31 December 2018 as EH-REIT and EH-BT were established on 11 April 2019.

No pro forma financial information of EH-BT has been presented as it will be dormant as at the Listing Date. Accordingly, no consolidated pro forma financial information for EHT has been presented.

The unaudited pro forma financial information set out in this report has been prepared for illustrative purposes only and based on certain assumptions, after making certain adjustments, and shows the Unaudited Pro Forma Consolidated Statements of Comprehensive Income of EH-REIT and its subsidiaries (the "Pro Forma Group") for the years ended 31 December 2016, 2017 and 2018, the Unaudited Pro Forma Consolidated Statement of Cash Flows of the Pro Forma Group for the year ended 31 December 2018 and the Unaudited Pro Forma Consolidated Statement of Financial Position of the Pro Forma Group as at the Listing Date.

The Unaudited Pro Forma Consolidated Statements of Comprehensive Income for the years ended 31 December 2016, 2017 and 2018 and the Unaudited Pro Forma Consolidated Statement of Cash Flows of the Pro Forma Group for the year ended 31 December 2018 do not include the pro forma financial results and cash flows arising from the ASAP6 Portfolio as the Managers do not have the historical financial information of the ASAP6 Portfolio for the aforementioned three years. The Third Party ASAP6 Portfolio Vendors are unrelated to the Sponsor and the Founders will only be acquiring the ASAP6 Portfolio from the Third Party ASAP6 Portfolio Vendors prior to the Listing Date (before EH-REIT acquires the ASAP6 Portfolio from the ASAP6 Portfolio Vendors).

The Unaudited Pro Forma Consolidated Statements of Comprehensive Income for the years ended 31 December 2016, 2017 and 2018 reflect the financial performance of the Pro Forma Group, assuming the Pro Forma Group had acquired the USHI Portfolio and entered into the Master Lease Agreements for the USHI Portfolio on 1 January 2016 or the date of acquisition by the Sponsor, whichever is later, pursuant to the terms set out in the prospectus (the "Prospectus").

The Unaudited Pro Forma Consolidated Statement of Cash Flows for the year ended 31 December 2018 reflects the cash flows of the Pro Forma Group, assuming the Pro Forma Group had acquired the USHI Portfolio and entered into the Master Lease Agreements for the USHI Portfolio on 1 January 2018, pursuant to the terms set out in the Prospectus.

The Unaudited Pro Forma Consolidated Statement of Financial Position as at the Listing Date reflects the financial position of the Pro Forma Group, assuming the Pro Forma Group had purchased the various entities which own the Initial Portfolio and entered into the Master Lease Agreements for the Initial Portfolio on the Listing Date, pursuant to the terms set out in the Prospectus.

The Unaudited Pro Forma Consolidated Statements of Comprehensive Income, Unaudited Pro Forma Consolidated Statement of Cash Flows and Unaudited Pro Forma Consolidated Statement of Financial Position (collectively, the Unaudited Pro Forma Consolidated Financial Information”) have been prepared on the basis of the accounting policies set out in Section D and is to be read in conjunction with Section E. The Unaudited Pro Forma Consolidated Financial Information has been prepared based on the Offering Price of US\$0.78 and assuming the Over-Allotment Option is exercised in full.

The objective of the Unaudited Pro Forma Consolidated Financial Information is to show what the financial performance, cash flows and financial position might have been, on the basis as described above. However, the Unaudited Pro Forma Consolidated Financial Information is not necessarily indicative of the financial performance, cash flows and financial position that would have been attained had the Pro Forma Group actually existed earlier or on the Listing Date. The Unaudited Pro Forma Consolidated Financial Information, because of its nature, may not give a true picture of the Pro Forma Group’s actual financial performance, cash flows or financial position.

The Unaudited Pro Forma Consolidated Statements of Comprehensive Income and Unaudited Pro Forma Consolidated Statement of Cash Flows have been prepared based on the audited aggregated financial statements of the entities that owned the USHI Portfolio for the years ended 31 December 2016 and 31 December 2017 and the audited aggregated financial statements of USHIL Holdco Member, LLC, USHIL Holdco, LLC, UC Junior Mezz, LLC, UC Senior Mezz, LLC and the entities that owned the USHI Portfolio for the year ended 31 December 2018. The aforementioned financial information are hereinafter collectively referred to as the “Relevant Financial Information”.

The Relevant Financial Information for the years ended 31 December 2016, 31 December 2017 and 31 December 2018 was prepared, based on the accounting policies of USHIL Holdco Member, LLC, USHIL Holdco, LLC, UC Junior Mezz, LLC, UC Senior Mezz, LLC and the entities that owned the USHIL Portfolio, which are in accordance with International Financial Reporting Standards and was audited by KPMG Singapore in accordance with Singapore Standards on Auditing.

Unaudited Pro Forma Consolidated Statements of Comprehensive Income

The Unaudited Pro Forma Consolidated Statements of Comprehensive Income have been prepared to reflect the financial performance of the Pro Forma Group, assuming the Pro Forma Group had acquired the USHI Portfolio, except for The Queen Mary Long Beach, and entered into the Master Lease Agreements for the properties on 1 January 2016, pursuant to the terms set out in the Prospectus. It is assumed that the Pro Forma Group acquired The Queen Mary Long Beach and entered into a Master Lease Agreement for that property on 16 April 2016 (being the date the Sponsor acquired the property) pursuant to the terms set out in the Prospectus.

In arriving at the Unaudited Pro Forma Consolidated Statements of Comprehensive Income for each of the periods presented, the following key assumptions and adjustments were made:

- Finance costs (including amortisation of transaction costs) relating to the borrowings that existed prior to the Acquisitions were reversed;
- Hotel management fees based on the arrangements existing prior to the Acquisitions were reversed;

- Depreciation, amortisation expense, certain administrative, general and other operating expenses incurred by the entities that own the USHI Portfolio prior to their acquisition by EH-REIT, which will not be incurred by EH-REIT were reversed;
- Revenue is assumed to be computed based on the terms of the Master Lease Agreements for the USHI Portfolio, which have been applied to the revenue and gross operating profit in the Relevant Financial Information, after making certain adjustments.

The fixed and variable rent components of EH-REIT's revenue derived from the Master Lessee of the USHI Portfolio is set out below:

Rent formula	SPH	HIA	ESAN	HISM	FPSJ	WSAC	ESPD	QUEEN	RDH	HIDH	OHIR	CPD	Total
Percentage of revenue	22.0%	26.0%	20.0%	28.0%	24.0%	23.0%	18.0%	-	17.0%	20.0%	19.0%	10.0%	
Percentage of gross profit	24.0%	25.0%	17.0%	29.0%	24.0%	22.0%	17.0%	8.0%	24.0%	22.0%	22.0%	10.0%	
FY 2016	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue	18,960	11,523	11,936	8,868	11,099	6,638	7,529	44,066	21,172	9,949	23,834	7,004	182,578
Gross profit	7,070	4,711	3,914	3,353	4,041	2,271	2,330	7,158	5,093	2,492	3,637	1,224	47,294
Total rent	5,868	4,174	3,053	3,455	3,634	2,026	1,751	10,096	4,821	2,538	7,500	823	49,739
Less: Fixed rent	(4,200)	(3,000)	(2,100)	(3,300)	(2,800)	(1,600)	(1,400)	(9,523)	(3,900)	(2,300)	(7,500)	(800)	(42,423)
Variable rent	1,668	1,174	953	155	834	426	351	573	921	238	-	23	7,316
FY 2017													
Revenue	12,378	12,073	11,469	9,390	11,646	7,065	7,144	57,755	17,984	7,075	28,831	6,180	188,990
Gross profit	2,481	4,719	3,375	3,442	4,321	2,547	1,757	6,503	3,495	575	5,435	418	39,068
Total rent	4,200	4,319	2,867	3,628	3,832	2,185	1,584	13,218	3,900	2,300	7,500	800	50,333
Less: Fixed rent	(4,200)	(3,000)	(2,100)	(3,300)	(2,800)	(1,600)	(1,400)	(12,698)	(3,900)	(2,300)	(7,500)	(800)	(45,598)
Variable rent	-	1,319	767	328	1,032	585	184	520	-	-	-	-	4,735
FY 2018													
Revenue	17,712	12,398	12,342	10,050	13,006	7,192	7,368	60,648	21,518	8,546	36,189	7,236	214,205
Gross profit	5,774	4,988	3,344	3,971	4,829	2,735	1,634	11,228	5,765	1,380	8,188	764	54,600
Total rent	5,283	4,471	3,037	3,966	4,280	2,256	1,603	13,596	5,042	2,300	8,677	800	55,311
Less: Fixed rent	(4,200)	(3,000)	(2,100)	(3,300)	(2,800)	(1,600)	(1,400)	(12,698)	(3,900)	(2,300)	(7,500)	(800)	(45,598)
Variable rent	1,083	1,471	937	666	1,480	656	203	898	1,142	-	1,177	-	9,713

- Property tax is assumed to be the amounts incurred on the USHI Portfolio in the relevant period based on the Relevant Financial Information;
- Insurance expense is assumed to be the amounts incurred on the USHI Portfolio in the relevant period based on the Relevant Financial Information;
- REIT Manager's management fees are based on the formula as set out in Section E note (i);
- Trustee's fee is based on the formula as set out in Section E note (ii);
- Other trust expenses include compliance expenses, annual listing fees, registry fees, audit and tax advisory fees, valuation fees, costs associated with the preparation and distribution of reports to the holders of Stapled Securities, investor communication costs and miscellaneous expenses. Other trust expenses of US\$1,670,000, US\$1,703,000, and US\$1,971,000 are assumed to be incurred by the Pro Forma Group for each of the years ended 31 December 2016, 2017 and 2018;
- Interest expense on borrowings is based on an effective interest rate of approximately 4.2% per annum (inclusive of all margins and debt-related transaction costs) and a principal of US\$370,000,000 for the years ended 31 December 2016, 2017 and 2018;
- 100.0% of the income available for distribution to the Stapled Securityholders is distributed;
- The USHI Portfolio (excluding Queen Mary) was acquired on 1 January 2016 at an estimated aggregate purchase price of US\$681,786,000 and the related transaction costs are estimated to be US\$687,000. Queen Mary was acquired on 16 April 2016 at an estimated purchase price of US\$139,723,000 and the related transaction costs are estimated to be US\$88,000;
- The USHI Portfolio was revalued to US\$937,200,000 based on independent valuations by SG&R Singapore Pte Ltd ("HVS") as of 31 December 2018 and the deferred tax liability arising from the fair value change is estimated to be US\$23,771,000;
- The aggregate valuation of the Properties of US\$937,200,000 remained unchanged throughout the periods presented except to the extent of capital expenditure incurred; and
- There is no change in the fair value of derivatives that are entered into to hedge the Pro Forma Group's exposure to interest rate changes.

Unaudited Pro Forma Consolidated Statement of Cash Flows

The Unaudited Pro Forma Consolidated Statement of Cash Flows has been prepared to reflect the cash flows of the Pro Forma Group, assuming the Pro Forma Group had acquired the USHI Portfolio and entered into the Master Lease Agreements on 1 January 2018.

In arriving at the Unaudited Pro Forma Consolidated Statement of Cash Flows, the following key assumptions were made:

- On 1 January 2018, the entities that held the USHI Portfolio were acquired at an aggregate purchase consideration (including the related transaction costs) of US\$402,401,000. Of the purchase consideration, US\$256,562,000 and US\$85,839,000 of the purchase consideration were settled in cash and Stapled Securities, respectively, and the remaining US\$60,000,000 was set off against the proceeds from the Unsecured

Loan. Of the amount settled in cash, US\$13,512,000 was retained by the Pro Forma Group as part of the USHI Portfolio Vendor's commitment to fund the capital expenditure of certain Hotels;

- Prepaid expenses of US\$324,000 as at 1 January 2018, were assumed by EH-REIT. The prepaid expenses of US\$324,000 were assumed to be settled as at 31 December 2018;
- Borrowings of US\$420,006,000 that existed prior to the Acquisition of the USHI Portfolio were repaid;
- Capital expenditure of US\$13,037,000 was assumed to be incurred on the properties subsequent to the acquisition of the USHI Portfolio.
- An amount of US\$5,881,000 was received from the Master Lessees to fund future expenditure on furniture, fittings and equipment ("FF&E"). FF&E expenditure of US\$3,682,000 was assumed to be incurred during the year.
- Security deposits of US\$17,595,000 were received in cash from the Master Lessees;
- Borrowings of US\$370,000,000 were drawn down by the Pro Forma Group to partially fund the acquisition of the USHI Portfolio;
- The date that the Pro Forma Group's borrowings were drawn down and the Stapled Securities were issued correspond to the timing of the purchase of the USHI Portfolio on 1 January 2018;
- Interest expense on borrowings is paid on the last day of the period presented;
- 100.0% of the management fees payable to the REIT Manager are in the form of Stapled Securities and are paid on a semi-annual basis, in arrears;
- No Manager's performance fee has been assumed for the financial year ended 31 December 2018;
- Proceeds raised from the Offering amounted to US\$412,897,000;
- Issue costs relating to the Offering are estimated to be US\$34,177,000 and are assumed to be funded by proceeds raised from the Offering;
- The aggregate valuation of the USHI Portfolio remained unchanged throughout the year presented except to the extent of the assumed capital expenditure incurred as described above;
- No withholding tax is payable by the Pro Forma Group for the year ended 31 December 2018; and
- 100.0% of the income available for distribution to the Stapled Securityholders is distributed. Distributions to Stapled Securityholders are paid on a semi-annual basis, in arrears.

Unaudited Pro Forma Consolidated Statement of Financial Position

The Unaudited Pro Forma Consolidated Statement of Financial Position of the Pro Forma Group as at the Listing Date is prepared for illustrative purposes only, after making certain assumptions, to reflect the financial position of the Pro Forma Group as if it had completed the Offering and the issuance of the Stapled Securities to the Sponsor and the Cornerstone Investors, drawn down new debt facilities, and acquired the Initial Portfolio on the Listing Date, under the same terms set out in the Prospectus.

The Unaudited Pro Forma Consolidated Statement of Financial Position as the Listing Date has been prepared on the basis of the accounting policies set out in section D and is to be read in conjunction with Section E.

The objective of the Unaudited Pro Forma Consolidated Statement of Financial Position is to show what the financial position of the Pro Forma Group might have been at the Listing Date, on the basis as described above. However, the Unaudited Pro Forma Consolidated Statement of Financial Position is not necessarily indicative of the financial position that would have been attained by the Pro Forma Group on the actual Listing Date. The Unaudited Pro Forma Consolidated Statement of Financial Position, because of its nature, may not give a true picture of the Pro Forma Group's financial position.

The Unaudited Pro Forma Consolidated Statement of Financial Position as at the Listing Date has been prepared after incorporating the following key assumptions and adjustments:

- The entities that held the ASAP6 Portfolio are assumed to only have investment properties, cash balances, other payables and borrowings as at the Listing Date.
- The entities that held the Initial Portfolio were acquired at an aggregate purchase consideration (net of borrowings assumed but including the related transaction costs) of US\$597,654,000. Of the purchase consideration, US\$397,535,000 and US\$111,119,000 were settled in cash and Stapled Securities, respectively and the remaining US\$89,000,000 was set off against the proceeds from the Unsecured Loan (Note 10). Of the amount settled in cash, US\$10,782,000 was retained by the Pro Forma Group as part of the Vendors' commitment to (i) fund the capital expenditure of certain Hotels and (ii) defray the higher borrowing cost arising from the existing ASAP6 loans assumed by EH-REIT against the market interest rates achieved under the new loan facilities;
- Cash balances of US\$4,510,000 were assumed by EH-REIT as at the Listing Date;
- Borrowings of US\$514,151,000 were assumed as part of the Acquisitions. Of this amount, US\$471,621,000 was repaid on the Listing Date;
- Security deposits of US\$23,650,000 were received from the Master Lessees;
- Proceeds raised from the Offering amounted to US\$565,834,000;
- Issue costs relating to the Offering are estimated to be US\$41,363,000 and are assumed to be funded by proceeds raised from the Offering; and
- Borrowings of US\$458,467,000 (net of transaction costs incurred of US\$6,533,000) were drawn down by the Pro Forma Group on the Listing Date to partially fund the acquisition of the Initial Portfolio.
- Transaction costs of US\$563,000 were incurred in relation to the borrowings assumed by the Pro Forma Group as part of Acquisitions.

C UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION**Unaudited Pro Forma Consolidated Statements of Comprehensive Income⁽¹⁾**

The Unaudited Pro Forma Consolidated Statements of Comprehensive Income of the Pro Forma Group for the years ended 31 December 2016, 31 December 2017 and 31 December 2018 have been prepared for inclusion in the Prospectus and are presented below. Details of the pro forma adjustments and assumptions made are set out in the Basis of Preparation of Unaudited Pro Forma Consolidated Financial Information in Section B.

USHI Portfolio only

	Note	FY2016 US\$'000	FY2017 US\$'000	FY2018 US\$'000
Revenue	3	51,201	54,899	59,505
Property expenses	4	(7,003)	(9,871)	(12,149)
Net property income		44,198	45,028	47,356
Other income		–	–	2,423
REIT Manager's management fees	5	(2,650)	(2,756)	(4,165)
REIT Trustee's fee		(199)	(202)	(204)
Other trust expenses		(1,670)	(1,703)	(1,971)
Finance income		265	282	282
Finance costs		(15,680)	(15,711)	(15,723)
Net finance costs		(15,415)	(15,429)	(15,441)
		24,264	24,938	27,998
Fair value change in investment properties		113,193	–	–
Profit before tax		137,457	24,938	27,998
Tax expense		(23,874)	(98)	(103)
Profit after tax		113,583	24,840	27,895

Note:

(1) Based on the Offering Price per Stapled Security and assuming the Over-Allotment Option is exercised in full.

Unaudited Pro Forma Consolidated Statements of Cash Flows⁽¹⁾

The Unaudited Pro Forma Consolidated Statement of Cash Flows for the year ended 31 December 2018 has been prepared for inclusion in the Prospectus and is presented below. Details of the pro forma adjustments and assumptions made are set out in the Basis of Preparation of Pro Forma Financial Information in Section B.

USHI Portfolio only

	Note	Year ended 31 December 2018 US\$'000
Cash flows from operating activities		
Net income before tax		141,693
Adjustments for:		
Rental income arising from amortisation of deferred income and rental straight-lining adjustments		(2,698)
Finance income		(282)
Finance costs		15,699
REIT Manager's management fees		3,120
Fair value gain on revaluation of investment properties		(112,682)
Operating income before working capital changes		44,850
Changes in working capital:		
Trade and other receivables		(4,418)
Trade and other payables		2,491
Income tax paid		(103)
Net cash generated from operating activities		42,820
Cash flows from investing activities		
Acquisition of subsidiaries		(256,562)
Net cash used in investing activities		(256,562)
Cash flows from financing activities		
Proceeds from issue of Stapled Securities		412,897
Payment of transaction costs related to the issuance of Stapled Securities		(34,177)
Proceeds from borrowings		310,000
Payment of transaction costs related to borrowings		(5,077)
Repayment of borrowings		(420,006)
Finance costs paid		(13,744)
Distribution to holders of Stapled Securities		(15,599)
Movement in restricted cash		(2,474)
Net cash from financing activities		231,820
Net increase in cash and cash equivalents		18,078
Cash and cash equivalents at beginning of the year/period		–
Cash and cash equivalents at end of the year/period⁽²⁾		18,078

Notes:

- (1) Based on the Offering Price per Stapled Security and assuming the Over-Allotment Option is exercised in full.
- (2) Cash and cash equivalents exclude pledged cash amounting to US\$17,595,000 and restricted cash amounting to US\$2,474,000.

During the year, 110,050,000 Units amounting to US\$85,839,000 were issued to the USHI Portfolio Vendor as partial satisfaction of the purchase consideration for the acquisition of the USHI Portfolio. In addition, US\$60,000,000 of the purchase consideration was set off against the proceeds from the Unsecured Loan.

Unaudited Pro Forma Consolidated Statement of Financial Position⁽¹⁾

The Unaudited Pro Forma Consolidated Statement of Financial Position as at the Listing Date has been prepared for inclusion in the Prospectus and is presented below. The assumptions used to prepare the Unaudited Pro Forma Consolidated Statement of Financial Position are consistent with those described in Section B: Basis of Preparation of Unaudited Pro Forma Consolidated Statement of Financial Position as at the Listing Date.

Initial Portfolio of EH-REIT

	Note	As at the Listing Date US\$'000
Non-current assets		
Investment properties	6	1,274,575
Current assets		
Trade and other receivables	7	2,367
Cash and cash equivalents	8	60,794
		63,161
Total assets		1,337,736
Unitholders' funds		
Units in issue		676,953
Unit issue costs		(41,363)
Retained earnings		129,557
Total unitholders' funds		765,147
Non-current liabilities		
Trade and other payables	9	27,434
Loans and borrowings	10	500,434
Lease liabilities	11	6,357
Deferred tax liabilities		34,439
		568,664
Current liabilities		
Trade and other payables	9	3,907
Lease liabilities	11	18
		3,925
Total liabilities		572,589
Total unitholders' funds and liabilities		1,337,736
Units in issue ('000)	12	867,888
Net asset value per Stapled Security (US\$)		0.88

Note:

(1) Based on the Offering Price per Stapled Security and assuming the Over-Allotment Option is exercised in full.

D NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

1. Basis of preparation

(a) Statement of compliance

The Unaudited Pro Forma Consolidated Financial Information is prepared in accordance with the bases set out in Section B and applied to financial information prepared in accordance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”), and the applicable requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (“MAS”) and the provisions of the Trust Deed.

The financial information of the Pro Forma Group comprise EH-REIT and its subsidiaries.

(b) Basis of measurement

The Unaudited Pro Forma Consolidated Financial Information is prepared on the historical cost basis except as disclosed in the accounting policies below.

(c) Functional and presentation currency

The financial information is presented in United States Dollars (“US\$”) which is EH-REIT’s functional currency. All Unaudited Pro Forma Consolidated Financial Information has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial information is included in Note 6 – Valuation of investment properties.

2. Significant accounting policies of EH-REIT

The accounting policies set out below have been applied consistently throughout the periods presented in this financial information, and have been applied consistently by the Pro Forma Group.

(a) Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or both. They are not for sale in the ordinary course of business, used in the production or supply of goods or services, or for administrative purposes.

Investment properties are initially recognised at cost, including transaction costs, and subsequently at fair value with any change therein recognised in the statement of comprehensive income. Cost includes expenditure that is directly attributable to the acquisition of the investment properties.

Rental income from investment properties is accounted for in the manner described in Note 2(f). When an investment property is disposed of, the resulting gain or loss recognised in the statement of comprehensive income is the difference between the net disposal proceeds and the carrying amount of the property.

(b) Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Pro Forma Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (“FVTPL”), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified at: amortised cost; fair value through other comprehensive income (“FVOCI”) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Pro Forma Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction cost are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. These financial liabilities comprised loans and borrowings and trade and other payables.

(iii) DerecognitionFinancial assets

The Pro Forma Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Pro Forma Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

Financial liabilities

The Pro Forma Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Pro Forma Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Pro Forma Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(c) Impairment***Non-derivative financial assets***

The Pro Forma Group recognises loss allowances for expected credit losses (“ECLs”) on financial assets measured at amortised costs. Loss allowances of the Pro Forma Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Pro Forma Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Pro Forma Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Pro Forma Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly initial recognition and when estimating ECLs, the Pro Forma Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Pro Forma Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Pro Forma Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Pro Forma Group in full, without recourse by the Pro Forma Group to actions such as realising security (if any is held).

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Pro Forma Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Pro Forma Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;

- the restructuring of a loan or advance by the Pro Forma Group on terms that the Pro Forma Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Non-financial assets

The carrying amounts of the Pro Forma Group's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to its present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in the statement of comprehensive income. Impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(d) Issue costs

Issue costs relate to expenses incurred in connection with the issue of the Stapled Securities and are deducted directly against the unitholders' funds.

(e) Leases

Applicable to the Unaudited Pro Forma Statements of Comprehensive Income for the years ended 31 December 2016, 2017 and 2018

When the Pro Forma Group is a lessee of an operating lease

When the Pro Forma Group has the use of assets under operating leases, payments made under the leases are recognised in the profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in the profit or loss as

an integral part of the total lease payments made. Contingent rentals are charged to the profit or loss in the accounting period in which they are incurred.

When the Pro Forma Group is a lessor of an operating lease

Assets subject to operating leases are included in investment properties (see Note 2(a)).

Applicable to the Unaudited Pro Forma Statement of Financial Position as at the Listing Date

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Pro Forma Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Pro Forma Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Pro Forma Group has the right to direct the use of the asset. The Pro Forma Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Pro Forma Group has the right to direct the use of the asset if either:
 - the Pro Forma Group has the right to operate the asset; or
 - the Pro Forma Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Pro Forma Group reallocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Pro Forma Group has elected not to separate non-lease components and account for the lease and non-lease components as a single component.

When the Pro Forma Group is a lessee of an operating lease

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

For the right-of-use asset associated with an underlying asset which meets the definition of an investment property, the Pro Forma Group subsequently remeasures the right-of-use asset at fair value.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Pro Forma Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Pro Forma Group is reasonably certain to exercise, lease payments in an optional renewal period if the Pro Forma Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Pro Forma Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Pro Forma Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Pro Forma Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short term leases and leases of low-value assets

The Pro Forma Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a term of 12 months or less and leases of low-value assets. The Pro Forma Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

When the Pro Forma Group is a lessor of an operating lease

When the Pro Forma Group acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease.

To classify each lease, the Pro Forma Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Pro Forma Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Pro Forma Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Pro Forma Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Pro Forma Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

(f) Revenue recognition

Rental income receivable under operating leases is recognised in the profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income to be received. Variable rent is recognised as income in the accounting period in which it is earned and the amount can be measured reliably.

(g) Provisions

Levies

A provision for levies is recognised when the condition that triggers the payment of the levy as specified in the relevant legislation is met. If a levy legislation that is subject to a minimum activity threshold so that the obligating event is reaching a minimum activity, then a provision is recognised when that minimum activity threshold is met.

(h) Finance income and expense

Interest income is recognised as it accrues using the effective interest method. Borrowing costs are recognised in the profit or loss using the effective interest method in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

(i) Taxation

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the profit or loss except to the extent that it relates to items directly related to equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the statement of financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits and temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(j) Segment information

An operating segment is a component of the Pro Forma Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Pro Forma Group's other components. No segment information has been presented as all the properties are being leased as hotels and are all located in the US.

3. Revenue

<u>Rental income</u>	FY2016 US\$'000	FY2017 US\$'000	FY2018 US\$'000
Fixed rent	42,423	45,598	45,598
Variable rent	7,316	4,735	9,713
Recovery of expenses	1,027	4,103	3,731
Others	435	463	463
	<u>51,201</u>	<u>54,899</u>	<u>59,505</u>

4. Property expenses

	FY2016 US\$'000	FY2017 US\$'000	FY2018 US\$'000
Property tax	4,610	4,693	6,760
Insurance expense	1,811	2,623	2,964
Ground rent	210	2,450	2,425
Others	372	105	–
	<u>7,003</u>	<u>9,871</u>	<u>12,149</u>

5. REIT Manager's management fees

	FY2016 US\$'000	FY2017 US\$'000	FY2018 US\$'000
Base management fees	2,650	2,693	3,162
Performance fees	–	63	1,003
	<u>2,650</u>	<u>2,756</u>	<u>4,165</u>

6. Investment properties

	As at Listing Date US\$'000
Investment properties	1,274,575

Investment properties comprise hotel properties that are leased to master lessees under operating leases and a right-of-use asset relating to the ground lease for The Queen Mary Long Beach. As at the Listing Date, investment properties with a carrying amount of US\$183,000,000 are pledged as security to secure credit facilities (Note 10).

Reconciliation of carrying amount

	Note	As at Listing Date US\$'000
Carrying value as at the Listing Date		1,274,575
Less: Lease liabilities	11	(6,375)
Valuation of the Initial Portfolio as at the Listing Date		1,268,200

The valuations of the investment properties are set out below:

Description of property	Location	Term of lease (years)	Valuation US\$'000
Sheraton Pasadena ⁽¹⁾	Pasadena, California	Freehold	114,200
Holiday Inn Hotel & Suites Anaheim ⁽¹⁾	Anaheim, California	Freehold	77,900
Embassy Suites by Hilton Anaheim North ⁽¹⁾	Anaheim, California	Freehold	50,800
Holiday Inn Hotel & Suites San Mateo ⁽¹⁾	San Mateo, California	Freehold	76,500
Four Points by Sheraton San Jose Airport ⁽¹⁾	San Jose, California	Freehold	69,100
The Westin Sacramento ⁽¹⁾	Sacramento, California	Freehold	43,600
Embassy Suites by Hilton Palm Desert ⁽¹⁾	Palm Desert, California	Freehold	32,100
The Queen Mary Long Beach ⁽¹⁾	Long Beach, California	66 years from 1 November 2016	159,400
Renaissance Denver Stapleton ⁽²⁾	Denver, Colorado	Freehold	88,200
Holiday Inn Denver East – Stapleton ⁽²⁾	Denver, Colorado	Freehold	50,600
Holiday Inn Orlando Suites – Waterpark ⁽²⁾	Orlando, Florida	Freehold	162,800

Description of property	Location	Term of lease (years)	Valuation US\$'000
Crowne Plaza Danbury ⁽²⁾	Danbury, Connecticut	Freehold	12,000
Sheraton Denver Tech Center ⁽²⁾	Denver, Colorado	Freehold	31,700
Crowne Plaza Dallas Near Galleria – Addison ⁽²⁾	Dallas, Texas	Freehold	57,800
Hilton Houston Galleria Area ⁽²⁾	Houston, Texas	Freehold	48,600
Renaissance Woodbridge ⁽²⁾	Woodbridge, New Jersey	Freehold	76,600
Doubletree by Hilton Salt Lake City Airport ⁽²⁾	Salt Lake City, Utah	Freehold	60,900
Hilton Atlanta Northeast ⁽²⁾	Atlanta, Georgia	Freehold	55,400
			1,268,200

(1) These investment properties are leased to the Master Lessees for a period of 20 years with an option to obtain an additional lease for a further 14 years on the same terms.

(2) These investment properties are leased to the Master Lessees for a period of 20 years with an option to obtain an additional lease for a further 20 years on the same terms.

The valuations of the investment properties are based on the valuations performed by an independent professional valuer. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably, prudently and without compulsion.

The valuers have considered the discounted cash flow method and the direct sales comparison method in arriving at the open market value as at the reporting date. The valuation methods involve certain estimates. The key assumptions used to determine the fair value of investment properties include discount rate, terminal yield and valuation per key. In relying on the valuation reports, the REIT Manager has exercised its judgment and is satisfied that the valuation methods and estimates are reflective of current market conditions and that the valuation reports are prepared in accordance with recognised appraisal and valuation standards.

The fair value measurement for investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used.

Level 3 fair value

The following table shows the range of key unobservable inputs used within the valuation reports:

Valuation techniques	Key unobservable input	Inter-relationship between key unobservable input and fair value measurement
Discounted cash flow approach	Discount rate of 7% – 8.75% Terminal yield rate of 5.25% – 7.00%	Higher discount rate and terminal yield rate would result in a lower fair value, while lower rates would result in a higher fair value.
Direct sales comparison approach	Price per room US\$50,000 – US\$460,000	Higher price per room would result in a higher fair value, while a lower price per room would result in a lower fair value.

7. Trade and other receivables

Trade and other receivables relate to input goods and service tax to be claimed from the tax authorities.

8. Cash and cash equivalents

Included in the cash and cash equivalents balance are restricted cash and pledged cash amounting to US\$23,955,000 and US\$23,650,000 respectively.

The restricted cash relates to reserve funds set aside as required under the terms of certain mortgage loans.

The pledged cash relates to security deposits received in cash from the Master Lessees which are pledged for credit facilities granted to the Pro Forma Group (see Note 10).

9. Trade and other payables

	As at Listing Date US\$'000
Deferred income	12,451
Rental deposits	11,199
Other payables	7,691
	<hr/>
	31,341
	<hr/> <hr/>
Non-current	27,434
Current	3,907
	<hr/>
	31,341
	<hr/> <hr/>

Other payables comprise mainly amounts to be utilised for capital expenditure of certain Hotels.

10. Loans and borrowings

	As at Listing Date US\$'000
Non-current liabilities	
Secured bank loans	418,530
Unsecured bank loans	89,000
Less: Transaction costs capitalised	(7,096)
	<u>500,434</u>

Upon listing, the Pro Forma Group will have in place the following loan facilities:

- (a) US\$341 million term loan facilities comprising:
- i. a 3-year term loan facility of approximately US\$134 million;
 - ii. a 4-year term loan facility of approximately US\$104 million; and
 - iii. a 5-year term loan facility of approximately US\$104 million.
- (collectively, the “New Term Loan Facilities”)
- (b) approximately US\$78 million mortgage loans (“ASAP Mortgage Loans”); and
- (c) a 3-year US\$89 million unsecured loan (“Unsecured Loan”) comprising 3 tranches, in the principal amounts of US\$38.4 million, US\$16.6 million and US\$34.0 million. The unsecured loan matures in approximately 63 months. Each individual tranche is subject to mandatory prepayment under certain conditions.

At the Listing Date, the effective interest rate of the interest-bearing borrowings is 4.4% per annum.

Each of the New Term Loan Facilities is secured by, *inter alia*:

- (i) pledges over 100% of the issued and outstanding equity interests of all direct and indirect subsidiaries of US Corp and the three ASAP Property Borrowers that own a Borrowing Base Property, together with all present and future intercompany debt of such subsidiary owing to US Corp, and the Cayman Islands incorporated holding companies which own the three ASAP Property Borrowers; and
- (ii) pledges over the security deposits and rents received from the Master Lessees in respect of the Borrowing Base Properties.

The ASAP Mortgage Loans are secured or guaranteed by, *inter alia*:

- (i) pledges over certain investment properties (note 6);
- (ii) certain bank accounts of EH-REIT’s subsidiaries; and
- (iii) a non-recourse carve-out guarantee and environmental indemnity from the Founders and EH-REIT and/or EHT USI, Inc..

EH-REIT has agreed to indemnify the Founders against liabilities arising under each non-recourse carve-out guarantee and environmental indemnity to the extent not caused, directly or indirectly, by the Founders.

11. Lease liabilities

	As at Listing Date US\$'000
Lease liabilities	
– Current	18
– Non-current	6,357
	<u>6,375</u>

Lease liabilities relate to the present value of the ground rent payments for The Queen Mary Long Beach that are not paid to the landlord as at the Listing Date.

	As at Listing Date US\$'000
Maturity analysis – contractual undiscounted cash flows	
– Less than one year	300
– One to five years	1,200
– More than five years	17,550
Total undiscounted lease liabilities as at the Listing Date	<u>19,050</u>

12. Units in issue

	Number of units '000	As at Listing Date US\$'000
Stapled securities in issue	<u>867,888</u>	<u>676,953</u>

Each EH-REIT Unit is stapled together with a unit in EH-BT under the terms of a stapling deed dated 11 April 2019 entered into between the REIT Manager, the REIT Trustee and the Trustee-Manager and cannot be traded separately.

A holder of the Stapled Security represents an undivided interest in EH-REIT Group and EH-BT Group. Holders of Stapled Securities have no equitable or proprietary interest in the underlying assets of EH-REIT and EH-BT and are not entitled to the transfer to it of any asset (or any part thereof) or any estate, any interest in any asset (or any part thereof) of EH-REIT and EH-BT.

The liability of a holder of the Stapled Securities is limited to the amount paid or payable for the Stapled Securities.

Under the EH-REIT Trust Deed, the EH-BT Trust Deed and the Stapling Deed, every Stapled Security carries the same voting rights.

13. Financial risk management

The Pro Forma Group's activities expose it to credit risk, liquidity risk, market risk (including interest rate risk and currency risk) in the normal course of its business. The Pro Forma Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Pro Forma Group's financial performance.

The REIT Manager identifies, evaluates and manages financial risks and provides guidelines for overall risk management, covering specific areas, such as mitigating credit risk, liquidity risk and interest rate risk.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Pro Forma Group as and when they fall due.

The Pro Forma Group has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Cash is placed with financial institutions which are regulated.

Impairment on cash and cash equivalents has been measured on the 12-month expected credit loss basis. The Pro Forma Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of expected credit loss on cash and cash equivalents is negligible.

At the reporting date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Liquidity risk

Liquidity risk is the risk that the Pro Forma Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Pro Forma Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Pro Forma Group's reputation.

The Pro Forma Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Pro Forma Group's operations and to mitigate the effects of fluctuations in cash flows.

The following are the contractual maturities of financial liabilities including interest payments and excluding the impact of netting agreements:

Contractual cash flows						
	Note	Carrying amount US\$'000	Total US\$'000	Within 1 year US\$'000	Within 2 to 5 years US\$'000	More than 5 years US\$'000
As at the Listing Date						
Rental deposits	9	11,199	23,650	–	–	23,650
Trade and other payables [^]	9	7,691	7,691	3,284	4,407	–
Loans and borrowings	10	500,434	593,275	21,549	452,653	119,073
Lease liabilities	11	6,375	19,050	300	1,200	17,550
		<u>525,699</u>	<u>643,666</u>	<u>25,133</u>	<u>458,260</u>	<u>160,273</u>

[^] Excludes deferred income

Interest rate risk

The Pro Forma Group manages its net exposure to interest rate risk by maintaining sufficient lines of credit to achieve acceptable lending costs and by monitoring the exposure to such risks on an ongoing basis. The Pro Forma Group is assumed to have entered into hedging contracts to fix the interest rates on at least 75% of its outstanding borrowings.

The Pro Forma Group's interest rate risk arises primarily from its interest-bearing financial liabilities which are variable rate instruments. A change of 10 basis points in interest rates at the reporting date, assuming 75% of the borrowings are hedged, would have increased/(decreased) comprehensive incomes before tax by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	10 bp increase US\$'000	10 bp decrease US\$'000
As at the Listing Date		
Variable rate bank loans	(94)	94

Capital management

The Manager's objective when managing capital is to optimise the Pro Forma Group's capital structure within the borrowing limits set out in the Code on Collective Investment Schemes ("CIS") by the Monetary Authority of Singapore to fund future acquisitions and asset enhancement works at the Pro Forma Group's properties. To maintain or achieve an optimal capital structure, the REIT Manager may issue new Stapled Securities or source additional borrowing from both financial institutions and capital markets.

Accounting classifications and fair values

The carrying amounts of financial assets and financial liabilities are as follows:

	Note	Financial assets at amortised cost US\$'000	Other financial liabilities US\$'000	Total US\$'000
As at the Listing Date				
Financial assets not measured at fair value				
Trade and other receivables	7	2,367	–	2,367
Cash and cash equivalents	8	60,794	–	60,794
		63,161	–	63,161
Financial liabilities not measured at fair value				
Rental deposits	9	–	11,199	11,199
Trade and other payables [^]	9	–	7,691	7,691
Loans and borrowings	10	–	500,434	500,434
Lease liabilities	11	–	6,375	6,375
		–	525,699	525,699

[^] Excludes deferred income

14. Commitments

The Pro Forma Group leases out its investment properties. Non-cancellable lease rentals are receivable as follows:

	As at Listing Date US\$'000
– within 1 year	58,200
– after 1 year but within 5 years	234,922
– after 5 years	915,571
	1,208,693

The above operating lease receivables are based on the fixed component of the lease receivable under the lease agreements, adjusted for increases in rent where such increases have been provided for under the lease agreements.

15. Other information

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation %	Principal activities	Effective equity interest held by EH-REIT
Eagle Hospitality Trust S1 Pte. Ltd.	Singapore	Investment holding	100
Eagle Hospitality Trust S2 Pte. Ltd.	Singapore	Investment holding	100
EHT US1, Inc	United States of America	Investment holding	100
EHT CI 1 LLC	Cayman Islands	Investment holding	100
USHIL Holdco Member, LLC	United States of America	Investment holding	100
Urban Commons Danbury A, LLC	United States of America	Property holding	100
Urban Commons Queensway, LLC	United States of America	Property holding	100
UCHIDH, LLC	United States of America	Property holding	100
UCF 1, LLC	United States of America	Property holding	100
UCRDH, LLC	United States of America	Property holding	100
Urban Commons Bayshore A, LLC	United States of America	Property holding	100
UCCONT1, LLC	United States of America	Property holding	100
Urban Commons Cordova A, LLC	United States of America	Property holding	100
Urban Commons Highway 111 A, LLC	United States of America	Property holding	100
Urban Commons Anaheim HI, LLC	United States of America	Property holding	100
Urban Commons 4 th Street A, LLC	United States of America	Property holding	100
Urban Commons Riverside Blvd A, LLC	United States of America	Property holding	100
CI Hospitality Investment, LLC	Cayman Islands	Investment holding	100

Name of subsidiaries	Country of incorporation %	Principal activities	Effective equity interest held by EH-REIT
ASAP Cayman Atlanta Hotel, LLC	Cayman Islands	Investment holding	100
ASAP Cayman Salt Lake City, LLC	Cayman Islands	Investment holding	100
ASAP Cayman Denver Tech, LLC	Cayman Islands	Investment holding	100
ASAP Cayman Dallas Galleria, LLC	Cayman Islands	Investment holding	100
ASAP Cayman Houston Galleria, LLC	Cayman Islands	Investment holding	100
ASAP Cayman Woodbridge Hotel, LLC	Cayman Islands	Investment holding	100
Atlanta Hotel Holdings, LLC	United States of America	Investment holding	100
ASAP Salt Lake City Hotel, LLC	United States of America	Investment holding	100
Sky Harbor Denver Holdco, LLC	United States of America	Investment holding	100
ASAP DCP Holdings, LLC	United States of America	Investment holding	100
ASAP HHG Holdings, LLC	United States of America	Investment holding	100
ASAP Woodbridge Hotel Holdings, LLC	United States of America	Investment holding	100
Sky Harbor Atlanta Northeast, LLC	United States of America	Property holding	100
5151 Wiley Post Way, Salt Lake City, LLC	United States of America	Property holding	100
Sky Harbor Denver Tech Center, LLC	United States of America	Property holding	100
14315 Midway Road Addison LLC	United States of America	Property holding	100
6780 Southwest FWY, Houston, LLC	United States of America	Property holding	100
44 Inn America Woodbridge Associates, LLC	United States of America	Property holding	100

E MANAGER'S MANAGEMENT FEES AND TRUSTEE'S FEES

Unless defined in this report, capitalised terms below shall have the meanings set out in the Glossary to the Prospectus.

(i) Manager's Management Fees

The REIT Manager is entitled under the Trust Deed to management fees comprising the base fee and performance fee as follows:

- (a) A base fee of 10% per annum of the Annual Distributable Income (as defined in the EH-REIT Trust Deed) of E-REIT and calculated before accounting for the base fee and performance fee; and
- (b) A performance fee of 25% per annum of the increase in the DPS in a financial year over the DPS in the preceding year (calculated before accounting for the performance fee but after accounting for the base fee in each financial year) multiplied by the weighted average number of Stapled Securities in issue for such financial year. The performance fee is only payable if the DPS in any financial year exceeds the DPS in the preceding financial year, notwithstanding that the DPS in the financial year where the performance fee is payable may be less than the DPS in any preceding year.

(ii) REIT Trustee's Fees

The REIT Trustee is entitled under the Trust Deed to a fee not exceeding 0.1% per annum of the value of EH-REIT's Deposited Property (as defined in the Prospectus) of EHT, subject to a minimum of S\$15,000 per month. The REIT Trustee will also be paid a one-time inception fee, as may be agreed between the REIT Trustee and the REIT Manager, subject to a maximum of up to S\$60,000.

INDEPENDENT PROPERTY VALUATION SUMMARY REPORTS



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12 April 2019

Eagle Hospitality REIT Management Pte. Ltd.

(in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
50 Raffles Place #32-01 Singapore Land Tower Singapore 048623

Eagle Hospitality Business Trust Management Pte. Ltd.

(in its capacity as trustee-manager of Eagle Hospitality Business Trust)
50 Raffles Place #32-01 Singapore Land Tower Singapore 048623

DBS Trustee Limited

(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
12 Marina Boulevard
Level 44 Marina Bay Financial Centre Tower 3
Singapore 018982

Dear Sirs,

RE: Valuation of a portfolio of 18 hotels located across the USA (“the Portfolio Properties”)

We refer to your instructions of 9 October 2018 to undertake a valuation in respect of the 18 properties set out below (“the Portfolio Properties”) for the purposes of an Initial Public Offering (IPO) of Eagle Hospitality Trust, a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

Our instructions are to provide our opinion of the market value of the Portfolio Properties. The basis of the valuation is stated in the Valuation Summary appended and the date of the valuation is at 31 December 2018. We understand that the Valuation Summary may be included in the prospectus to be issued in connection with the IPO.

The Portfolio Properties and their respective valuations are listed in the table below.



S/N	Abbrev.	Property	Tenure ¹	# Rooms	Value (US\$)	Implied Yield (on 2020 earnings)	Cumulative Capex Last Five Years and Planned (US\$)
2	HIA	Holiday Inn Hotel & Suites Anaheim	Freehold	255	71,100,000	6.3%	1.8m
3	ESAN	Embassy Suites by Hilton Anaheim North	Freehold	223	48,200,000	6.2%	9.3m
4	HISM	Holiday Inn Hotel & Suites San Mateo	Freehold	219	66,700,000	7.1%	5.6m 6.0m (2021)
5	FPSJ	Four Points by Sheraton San Jose Airport	Freehold	195	63,300,000	6.5%	6.3m
6	WSAC	The Westin Sacramento	Freehold	101	37,600,000	6.0%	2.7m
7	ESPD	Embassy Suites by Hilton Palm Desert	Freehold	198	30,400,000	6.2%	9.0m
8	QUEEN	The Queen Mary Long Beach	Leasehold	347	179,700,000	6.8%	23.5m
9	RDH	Renaissance Denver Stapleton	Freehold	400	81,800,000	6.5%	16.8m
10	HIDH	Holiday Inn Denver East - Stapleton	Freehold	298	44,300,000	7.2%	10.9m
11	SDTC	Sheraton Denver Tech Center	Freehold	263	31,300,000	6.5%	3.6m 2.5m (2021)
12	OHIR	Holiday Inn Resort Orlando Suites - Waterpark	Freehold	777	170,700,000	6.2%	27.5m
13	CPDL	Crowne Plaza Dallas Near Galleria - Addison	Freehold	428	56,700,000	6.2%	3.5m 4.5m (2022)
14	HHG	Hilton Houston Galleria Area	Freehold	292	47,600,000	6.5%	9.7m 1.5m (2019)
15	RW	Renaissance Woodbridge	Freehold	312	70,000,000	6.1%	20.6m
16	CPD	Crowne Plaza Danbury	Freehold	242	10,200,000	6.2%	0.3m
17	SLC	Doubletree by Hilton Salt Lake City Airport	Freehold	288	53,800,000	6.7%	7.6m 0.5m (2019)
18	HAN	Hilton Atlanta Northeast	Freehold	271	49,000,000	6.7%	13.0m
TOTAL				5,420	1,211,300,000	6.5%	
¹ Freehold is the equivalent of 'Fee Simple' as defined under IVS and USPAP respectively. Source: Colliers estimates							



Our valuation is on the basis of Market Value which is intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

This definition of value is consistent with the international definition of Market Value as advocated by RICS, International Valuation Standards (IVS), and where applicable, local (USPAP) valuation standards.

We have prepared a market valuation on the basis of use as appropriate and defined by the Client. The principle of a market valuation is that certain types of property are designed for a particular purpose. Such properties change hands in the open market at prices based directly on trading potential for existing use. Our valuation is based on a fully operational business including plant and machinery, and fixtures, fittings and furniture but excluding stock, trade debtors and creditors. We will assume that the Property holds all the necessary permits, statutory consents, trade licences and health and safety certificates necessary for trade, if applicable.

The valuation methodology, assumptions and limiting conditions are set out in the following notes:

Valuation methodologies

In undertaking this valuation, we have used the Income Approach with the method being discounted cash flow (DCF), as this is the method normally employed by investors in assessing these types of property.

Income approach

This approach is essentially a capitalisation of the value of the future stream of earnings from the operations. The method adopted to achieve this capitalisation can vary between a simple multiple of the "maintainable" level of net profit to the more dynamic discounted cash flow approach.

The discounted cash flow approach to valuation takes into consideration the dynamic performance and earnings potential of an asset over an extended time frame. Furthermore, the process automatically gives a greater weighting and ascribed value to current anticipated earnings and those for the immediate future and attributes a lower value to earnings anticipated in the medium term and beyond.

The income approach is the method normally employed by Colliers and is believed to be the one best able to reflect the process used by an investor when assessing a price to bid for a particular property. The DCF method entails the capitalisation of an asset's future earnings stream to a present day value, using a discount rate considered to be consistent with that which would be adopted by potential investors. It is a valuation of the business which takes place within the Property.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Properties, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the Properties are free from any major or material encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

This letter and the valuation summary do not contain all the necessary data and information included in arriving at our valuation opinion.

Future trading performance and earnings related assumptions

In our valuation of an asset we have assumed that all permits and licenses, if applicable, will not restrict potential earnings.

Our estimates of the net earnings that could be sustained over the economic life of the assets will take account of lower levels of performance which might be achieved in periods of economic downturn (or political instability) as well as improvements in business performance which might be achieved, for



example, by extending the operational season and making additional sales to different market segments.

All 18 properties are subject to a Master Lease Agreement. Rental income has been forecast based on the proposed master lease structure as provided by the Client.

- (i) Each Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor, with the exception of Queen Mary where all costs are borne by lessee.
- (ii) Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount. The only exception to this is The Queen Mary, whose variable rent is calculated as a percentage of GOP without deducting the fixed amount.
- (iii) A rental guarantee amounting to nine months of the base rent is provided by the Sponsor for each property. This does not amount to income support.
- (iv) 10 of the Properties are on long leases of 20 years plus 20, while the remaining 8 of the Properties are on long leases of 20 years plus 14, all commencing on the date of the IPO.
- (v) Fixed rent is assumed to remain the same throughout the lease period; with variable rent increasing and decreasing in line with GOR and GOP. For the Queen Mary, fixed rent also escalates at a rate of 2.0% per annum.
- (vi) There are no provisions for rent reviews nor extensions within the lease structure.
- (vii) We note that all Properties have recently (within the last three years) been refurbished, with some Properties scheduled for refurbishment between 2019 and 2022. As such, apart from Holiday Inn & Suites San-Mateo, where the REIT will bear the costs of the refurbishment post listing, no extraordinary capex assumptions have been made.

The valuation and market information are not guarantees or predictions and must be read in consideration of the following:

- The estimated value is based upon the factual information provided. Property data/information provided is assumed to be correct. Whilst Colliers International has endeavored to ensure the accuracy of the information, it has not independently verified all information provided.
- The valuations and reports were undertaken based upon information available as at the date of inspection. Colliers International accepts no responsibility for subsequent changes in information as to proposed scheme, areas, income, expenses or market conditions.
- The methodologies adopted in valuing the Properties are based upon estimates of future results and are not predictions. Each methodology is based on a set of assumptions as to income and expenses of the Properties and future economic conditions in the local market.

The reported analysis, opinion and conclusion are limited only by the reported assumptions and limiting conditions and is our personal, unbiased professional analysis, opinion and conclusion.

We also confirm that we do not have a pecuniary interest that would conflict with a proper valuation of the Properties and the valuers undertaking the valuation are suitably qualified and authorized to practice as valuers.



Our Valuation 'Certificates' (referred to as Valuation Summaries under IVS) are appended.

Yours faithfully,

For and on Behalf of

Colliers International Consultancy and Valuation (Singapore) Pte Ltd.

A handwritten signature in black ink, appearing to read "Govinda Singh". The signature is written in a cursive style with a long, sweeping underline.

Govinda Singh FCCA FCMA MRICS

Executive Director

Valuation and Advisory Services | Asia



VALUATION CERTIFICATE

SHERATON PASADENA (SPH)

- Property / Address** : Sheraton Pasadena located at 303 Cordova Street, Pasadena 91101, CA USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
- Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
- DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Sheraton Hotel Pasadena, is a five-storey, 311-room, full-service lodging facility built in 1976.
- Franchised with the Marriott International LLC (Marriott) under the Sheraton brand, it is positioned at the upscale level mainly attracting groups (from the nearby Pasadena Convention Centre) and leisure guests.
- Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pool, laundry, volleyball court, and tennis courts.
- Registered Owner** : Urban Commons Cordova A LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned CD-2, Central District Subarea 2 (Civic Center/Midtown). Permitted uses within this district include most commercial uses and multifamily residential development. The existing improvements and operation of the subject property represent a non-conforming use (due to parking).
- We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT orlando, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with Marriott under the well-known Sheraton brand by EHT CDPCT, LLC. It is managed by Brighton Management LLC.
- Long lease of 20 plus 14 years commencing on the date of the IPO.
- The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent are set as follows:



Base rent: US\$4,200,000
 Variable rent: 22% of GOR plus 24% of GOP

Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

- Building Area** : Gross Land Area: 97,140 sq ft (circa 2.23 acres).
Gross Floor Area: 158,307 sq ft
- Basis of Valuation** : Market Value, 'As is' basis
- Valuation Approach** : Income (DCF) Method
- Terminal Capitalization Rate** : Terminal cap rate: 6.20%
- Discount Rate** : 8.20%
- Date of Valuation** : 31 December 2018
- Valuation** : **US\$98,900,000**
(Ninety-Eight Million, Nine Hundred Thousand United States Dollars Only)
- Value per room: US\$318,006
- Implied Yield: 6.2% (based on 2020 stabilised net income)

Assumptions, Disclaimers, Limitations & Qualifications

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- Prepared By** : Govinda Singh FCCA FCMA MRICS
Executive Director and Registered Valuer
Colliers International

He has been supported by a team of local valuers and research personnel across the geographic regions where the Property is located.

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VALUATION CERTIFICATE

HOLIDAY INN HOTEL & SUITES ANAHEIM (HIA)

- Property / Address** : Holiday Inn Hotel & Suites Anaheim located at 1240 S Walnut St, Anaheim, CA 92802, USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
- Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
- DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Holiday Inn & Suites Anaheim Disneyland, is a six-storey, 255-room, full-service lodging facility built in 1979.
- Franchised with the InterContinental Hotels Group (IHG) under the Holiday Inn brand, it is positioned at the mid-market level mainly attracting leisure guests from nearby Disneyland.
- Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pool, children's water park, laundry and 'grab and go' retail area.
- Registered Owner** : Urban Commons Anaheim HI LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned SP 92-2 and C-R, Anaheim Resort Specific Plan Area, Commercial-Recreation Zone. Permitted uses within this district include retail, restaurant, hotel and other visitor serving commercial uses, which meets its existing use. The existing improvements and operation of the subject Property represent a Non-conforming use (due to density).
We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT HIA, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with IHG under the well-known Holiday Inn brand by EHT HIA, LLC. It is managed by Brighton Management LLC.
- Long lease of 20 plus 14 years commencing on the date of the IPO.
- The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on



a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent is set as follows:

Base rent: US\$3,000,000
 Variable rent: 26% of GOR plus 25% of GOP

Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

- Building Area** : Gross Land Area: 167,710 sq ft (circa 3.85 acres)
 Gross Floor Area: 167,880 sq ft
- Basis of Valuation** : Market Value, 'As is' basis
- Valuation Approach** : Income (DCF) Method
- Terminal Capitalization Rate** : Terminal cap rate: 6.25%
- Discount Rate** : 8.25%
- Date of Valuation** : 31 December 2018
- Valuation** : **US\$71,100,000**
 (Seventy-One Million and One Hundred Thousand United States Dollars Only)

 Value per room: US\$278,824

 Implied Yield: 6.3% (based on 2020 stabilised net income)

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opinion of the values or that could conflict with a proper valuation of the subject Property.



VALUATION CERTIFICATE

EMBASSY SUITES by HILTON ANAHEIM NORTH (ESAN)

Property / Address : Embassy Suites by Hilton Anaheim North located at 3100 East Frontier: Anaheim, CA 92806, USA.

Client : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)

Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)

DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)

Purpose : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).

Brief Description : The subject Property, commonly known as Embassy Suites by Hilton Anaheim North, is a seven-storey, 223-room, full-service lodging facility built in 1984.

Franchised with the Hilton Hotels Group (Hilton) under the Embassy Suites brand, it is positioned at the upper mid-market/four-star level mainly attracting leisure guests from nearby Disneyland.

Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, indoor swimming pool, laundry and 'grab and go' retail area.

Registered Owner : UFC1 LLC

Tenure : Freehold property

Legal Description and Zoning : We understand the land is zoned SP 205-1, DA-5 Anaheim Canyon Specific Plan Area, Commercial-Recreation Zone. Permitted uses within this district include retail, restaurant, hotel and other visitor serving commercial uses, which meets its existing use.

We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.

Interest Valued : Freehold property subject to a long lease.

Tenancy Profile: : EHT ESAN, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with Hilton under the well-known Embassy Suites brand by EHT ESAN, LLC . It is managed by Brighton Management LLC.

Long lease of 20 plus 14 years commencing on the date of the IPO.

The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a



percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent is set as follows:

Base rent: US\$2,100,000
 Variable rent: 20% of GOR plus 17% of GOP

Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

- Building Area** : Gross Land Area: 252,210 sq ft (circa 5.79 acres).
 Gross Floor Area: 195,844 sq ft
- Basis of Valuation** : Market Value, 'As is' basis
- Valuation Approach** : Income (DCF) Method
- Terminal Capitalization Rate** : Terminal cap rate: 6.25%
- Discount Rate** : 8.25%
- Date of Valuation** : 31 December 2018
- Valuation** : **US\$48,200,000**
 (Forty-Eight Million, Two Hundred Thousand United States Dollars Only)

 Value per room: US\$216,143

 Implied Yield: 6.2% (based on 2020 stabilised net income)

Assumptions, Disclaimers, Limitations & Qualifications

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VALUATION CERTIFICATE

HOLIDAY INN HOTEL & SUITES SAN MATEO (HISM)

- Property / Address** : Holiday Inn and Suites San Mateo located at 330 North Bayshore Boulevard, San Mateo, San Mateo County, 94401, CA USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
- Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
- DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Holiday Inn and Suites San Mateo, is a four-storey, 219-room, full-service lodging facility built in 1991.
- Franchised with the InterContinental Hotels Group (IHG) under the Holiday Inn brand, it is positioned at the mid-market level mainly attracting leisure and corporate guests.
- Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, free shuttle, hot tub, laundry, and retail.
- Registered Owner** : Urban Commons Bayshore A LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned Multiple Family Dwelling (R-4). Permitted uses within this district include any use permitted in the R1, R2, or R3 districts (all residential uses). The existing improvements and operation of the subject property are legally permitted via special use permit, under zoning ordinance 27.24.020 (g), which permits hotels/motels on existing motel sites along North Bayshore Boulevard from East Popular Avenue to Cypress Avenue, subject to the approval of a special use permit by the planning commission. The Property is located in the AE flood zone, which is in areas determined to be inundated by the 100-year floodplain; this flood zone impacts much of the local area.
- We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT HISM, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with IHG under the well-known Holiday Inn brand by EHT HISM, LLC. It is managed by Brighton Management LLC.
- Long lease of 20 plus 14 years commencing on the date of the IPO.
- The Property is subject to a master lease agreement with property taxes, property



insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent is set as follows:

Base rent: US\$3,300,000
Variable rent: 28% of GOR plus 29% of GOP

Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

Building Area	: Gross Land Area: 134,165 sq ft (circa 3.08 acres). Gross Floor Area: 84,700 sq ft
Basis of Valuation	: Market Value, 'As is' basis
Valuation Approach	: Income (DCF) Method
Terminal Capitalization Rate	: Terminal cap rate: 6.50%
Discount Rate	: 8.50%
Date of Valuation	: 31 December 2018
Valuation	: US\$66,700,000 (Sixty-Six Million, Seven Hundred Thousand United States Dollars Only) Value per room: US\$304,566 Implied Yield: 7.1% (based on 2020 stabilised net income)

**Assumptions,
Disclaimers, Limitations
& Qualifications**

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Prepared By	: Govinda Singh FCCA FCMA MRICS Executive Director and Registered Valuer Colliers International
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VALUATION CERTIFICATE

FOUR POINTS BY SHERATON SAN JOSE AIRPORT (FPSJ)

- Property / Address** : Four Points San Jose located at 1471 North 4th Street, San Jose, Santa Clara County 95112, CA USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)

Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)

DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Four Points by Sheraton San Jose Airport, is a five-storey, 195-room, full-service lodging facility built in 1984.

Franchised with the Marriott International LLC (Marriott) under the Four Points by Sheraton brand, it is positioned at the upper mid-market level mainly attracting leisure and corporate guests using the nearby airport and visiting the heart of Silicon Valley.

Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pool, spa, laundry, and retail.
- Registered Owner** : Urban Commons 4th Street A LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned Commercial General (CG). Permitted uses within this district include hotel, office, retail, and various commercial uses. The existing improvements and operation of the subject Property represent a conforming use.

We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT FPSJ, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with Marriott under the well-known Four Points by Sheraton brand by EHT FPSJ, LLC. It is managed by Brighton Management LLC.

Long lease of 20 plus 14 years commencing on the date of the IPO.

The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable



rent is set as follows:

Base rent: US\$2,800,000
 Variable rent: 24% of GOR plus 24% of GOP

Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

- Building Area** : Gross Land Area: 119,790 sq ft (circa 2.75 acres).
 Gross Floor Area: 112,218 sq ft
- Basis of Valuation** : Market Value, 'As is' basis
- Valuation Approach** : Income (DCF) Method
- Terminal Capitalization Rate** : Terminal cap rate: 6.50%
- Discount Rate** : 8.50%
- Date of Valuation** : 31 December 2018
- Valuation** : **US\$63,300,000**
 (Sixty-Three Million, Three Hundred Thousand United States Dollars Only)

Value per room: US\$324,615

Implied Yield: 6.5% (based on 2020 stabilised net income)

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VALUATION CERTIFICATE

THE WESTIN SACRAMENTO (WSAC)

- Property / Address** : Westin Sacramento located at 4800 Riverside Boulevard, Sacramento 95822, CA USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
- Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
- DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Westin Sacramento, is a three-storey, 101-room, full-service lodging facility built in 2008.
- Franchised with the Marriott International LLC (Marriott) under the Westin brand, it is positioned at the upscale level mainly attracting leisure and corporate guests.
- Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pool, spa, laundry, and retail.
- Registered Owner** : Urban Commons Riverside Blvd., A LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned Parcels 1 & 2: Flood District (“F”); Parcel 3: General Commercial Review District (“C-2-R”). Permitted uses within the C-2-R district include a wide range of residential and commercial uses, and a more limited range of industrial and agricultural uses. The F district includes amusement centers, golf courses, restaurants, boat docks and marinas, with approval from the Planning and Design Commission. The existing improvements and operation of the subject Property represent a permitted use by right for hotel with accessory recreations / fitness facilities, accessory parking & restaurant within the C-2-R District, and as a permitted use for accessory fitness & recreation facilities, accessory parking and temporary tent within the F District per City Council Special Permit Approvals. The Zoning and Site Requirements Summary provided by the Client, which was developed by The Planning & Zoning Resource Corporation, and dated 11/1/12, presented numerous documents and court filings between the original developer and the City regarding the development. It is our understanding that the dock was permitted at the time of construction when it was built with the Hotel in 2008, but then its use was rescinded before it was fully operational, so it has never been used. As such, the utilization of the dock should be considered speculative at best at this point in time.
- We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.



Tenancy Profile: : EHT WSAC, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with Marriott under the well-known Westin brand by EHT WSAC, LLC. It is managed by Brighton Management LLC.

Long lease of 20 plus 14 years commencing on the date of the IPO.

The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent is set as follows:

Base rent: US\$1,600,000
 Variable rent: 23% of GOR plus 22% of GOP

Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

Building Area : Gross Land Area: 251,780 sq ft (circa 5.78 acres).
 Gross Floor Area: 84,429 sq ft

Basis of Valuation : Market Value, 'As is' basis

Valuation Approach : Income (DCF) Method

Terminal Capitalization Rate : Terminal cap rate: 6.00%

Discount Rate : 8.00%

Date of Valuation : 31 December 2018

Valuation : **US\$37,600,000**
 (Thirty-Seven Million, Six Hundred Thousand United States Dollars Only)

Value per room: US\$372,277

Implied Yield: 6.0% (based on 2020 stabilised net income)

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VALUATION CERTIFICATE

EMBASSY SUITES BY HILTON PALM DESERT (ESPD)

- Property / Address** : Embassy Suites by Hilton Palm Desert located at 74-700 Highway 111, Palm Desert 92260, CA USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
 Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
 DBS Trustee Limited
 (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Embassy Suites by Hilton Palm Desert, is a three-storey, 198-room, full-service lodging facility built in 1984.
 Franchised with the Hilton Hotels Group (Hilton) under the Embassy Suites brand, it is positioned at the upper mid-market/four-star level mainly attracting leisure guests.
 Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pool, laundry, volleyball court, and tennis courts.
- Registered Owner** : Urban Commons Highway 111 A LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned PC-4 and PR, Planned Commercial Area 4 and Planned Residential. Permitted uses within the PC-4 zone include retail, restaurant, hotel and a wide range in other commercial uses. The PR-5 zone allows only single-family homes. All improvements meet its existing use.
 We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT ESPD, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with Hilton under the well-known Embassy Suites brand by EHT ESPD, LLC. It is managed by Brighton Management LLC.
 Long lease of 20 plus 14 years commencing on the date of the IPO.
 The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent is set as follows:



Base rent: US\$1,400,000
 Variable rent: 18% of GOR plus 17% of GOP

Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

Building Area : Gross Land Area: 372,875 sq ft (circa 8.56 acres).
 Gross Floor Area: 302,641 sq ft

Basis of Valuation : Market Value, 'As is' basis

Valuation Approach : Income (DCF) Method

Terminal Capitalization Rate : Terminal cap rate: 6.25%

Discount Rate : 8.25%

Date of Valuation : 31 December 2018

Valuation : **US\$30,400,000**
 (Thirty Million and Four Hundred Thousand United States Dollars Only)

Value per room: US\$153,535

Implied Yield: 6.2% (based on 2020 stabilised net income)

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VALUATION CERTIFICATE

THE QUEEN MARY LONG BEACH

- Property / Address** : Hotel Queen Mary Long Beach 1126 Queens Hwy Long Beach, CA 90802, USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
- Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
- DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Queen Mary Long Beach, is a 12-storey, 347-room, full-service lodging facility converted from a permanently moored cruise liner in 1998. In addition, there is an adjacent 11.55-acre submerged site available for development for which there are currently no plans. As such, this has been excluded in this valuation. The Property is listed on the National Register of Historic Places.
- Independently operated, it is positioned at the upper end of the market mainly attracting a combination of leisure and corporate guests.
- Facilities include a gym, meeting rooms and ballroom (84,152 sq ft), restaurant and bar/lounge, car-parking, swimming pool, spa, themed retail area, laundry and numerous tours and attractions.
- Registered Owner** : City of Long Beach with a long lease granted to Urban Commons Queensway LLC.
- Tenure** : Long leasehold property commencing 1 November 2016 for 66 years. Rent is set at a variable rate, with a minimum rent in place.
- Legal Description and Zoning** : We understand the land is zoned PD-21, Planned Development, and is within the X Flood Zone. Permitted uses within this district include retail, restaurant, hotel, events and other visitor serving commercial uses, which meets its existing use.
- We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Long leasehold property subject to a sub-let long lease.
- Tenancy Profile:** : EHT QMLB, LLC fully occupies and operates the subject Property as a full-service hotel and leisure attraction. It is managed by Evolution Hospitality LLC.



Long lease of 20 plus 14 years commencing on the date of the IPO.

The Property is subject to a master lease agreement on a triple net basis with property taxes, property insurance and land rent borne by the master lessee. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of operating profit (GOP). Base and variable rent is set as follows:

Base rent: US\$10,400,000
Variable rent: 8% of GOP

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

Building Area	: Gross Land Area: 2,797,423 sq ft (circa 64.22 acres) including both land and water areas. This includes the 11.55-acre site. Gross Floor Area: 978,000 sq ft (vessel)
Basis of Valuation	: Market Value, 'As is' basis
Valuation Approach	: Income (DCF) Method
Terminal Capitalization Rate	: Terminal cap rate: 6.75%
Discount Rate	: 8.75%
Date of Valuation	: 31 December 2018
Valuation	: US\$179,700,000 (One Hundred and Seventy-Nine Million, Seven Hundred Thousand United States Dollars Only) Value per room: US\$517,867 Implied Yield: 6.8% (based on 2020 stabilised net income)

**Assumptions,
Disclaimers, Limitations
& Qualifications**

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VALUATION CERTIFICATE

RENAISSANCE DENVER STAPLETON (RDH)

- Property / Address** : Renaissance Denver Stapleton Hotel located at 3801 Quebec Street, Denver 80207, Colorado, USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
- Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
- DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Renaissance Denver Stapleton Hotel, is a twelve-storey, 400-room, full-service lodging facility built in 1985.
- Franchised with the Marriott International LLC (Marriott) under the Renaissance brand, it is positioned at the upscale level mainly attracting leisure and corporate guests.
- Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pool, spa, laundry, and retail.
- Registered Owner** : UCRDH LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned S-MX-12. Permitted uses within this district include hotel, office, retail and various mixed commercial uses. The existing improvements and operation of the subject Property represent a conforming use.
- We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT RDH, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with Marriott under the well-known Renaissance brand by EHT RDH, LLC. It is managed by Pyramid Denver Management LLC.
- Long lease of 20 plus 20 years commencing on the date of the IPO.
- The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent is set as follows:
- Base rent: US\$3,900,000
Variable rent: 17% of GOR plus 24% of GOP



Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

Building Area : Gross Land Area: 141,570 sq ft (circa 3.25 acres).
Gross Floor Area: 384,124 sq ft

Basis of Valuation : Market Value, 'As is' basis

Valuation Approach : Income (DCF) Method

Terminal Capitalization Rate : Terminal cap rate: 6.5%

Discount Rate : 8.5%

Date of Valuation : 31 December 2018

Valuation : **US\$81,800,000**
(Eighty-One Million, Eight Hundred Thousand United States Dollars Only)

Value per room: US\$204,500

Implied Yield: 6.5% (based on 2020 stabilised net income)

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& Qualifications**

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VALUATION CERTIFICATE

HOLIDAY INN DENVER EAST – STAPLETON (HIDH)

- Property / Address** : Holiday Inn Denver East Stapleton located at 3333 Quebec Street, Denver 80207, Colorado, USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
- Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
- DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Holiday Inn Denver East Stapleton, is an eleven-storey, 298-room, full-service lodging facility built in 1973.
- Franchised with the InterContinental Hotels Group (IHG) under the Holiday Inn brand, it is positioned at the mid-market level mainly attracting leisure and corporate guests.
- Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pool, spa, laundry, and retail.
- Registered Owner** : UCHIDH LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned S-CC-3X. Permitted uses within this district include hotel, office, retail and various mixed commercial uses. The existing improvements and operation of the subject Property represent a conforming use.
- We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT HIDH, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with IHG under the well-known Holiday Inn brand by EHT HIDH, LLC. It is managed by Pyramid Denver Quebec Street Management LLC.
- Long lease of 20 plus 20 years commencing on the date of the IPO.
- The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent is set as follows:
- Base rent: US\$2,300,000
Variable rent: 20% of GOR plus 22% of GOP



Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

- Building Area** : Gross Land Area: 90,605 sq ft (circa 2.08 acres).
Gross Floor Area: 159,573 sq ft
 - Basis of Valuation** : Market Value, 'As is' basis
 - Valuation Approach** : Income (DCF) Method
 - Terminal Capitalization Rate** : Terminal cap rate: 7.00%
 - Discount Rate** : 9.00%
 - Date of Valuation** : 31 December 2018
 - Valuation** : **US\$44,300,000**
(Forty-Four Million, Three Hundred Thousand United States Dollars Only)
- Value per room: US\$146,658
- Implied Yield: 7.2% (based on 2020 stabilised net income)

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VALUATION CERTIFICATE

SHERATON DENVER TECH CENTER (SDTC)

- Property / Address** : Sheraton Denver Tech Center located at 7007 S Clinton Street, Greenwood Village, Denver 80112 Colorado, USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
 Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
 DBS Trustee Limited
 (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Sheraton Hotel Denver Tech Center, is a ten-storey, 263-room, full-service lodging facility built in 1985.
 Franchised with Marriott International LLC (Marriott) under the Sheraton brand, it is positioned at the upscale level mainly attracting leisure and corporate guests.
 Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pool, laundry, and retail.
- Registered Owner** : Sky Harbor Denver Tech Center LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned MC. The Mixed Commercial District is intended to allow for office, entertainment, lodging and a variety of retail uses serving the daily needs of the region next to major thoroughfares. The existing improvements and operation of the subject Property represent a conforming use.
 We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT SDTC, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with Marriott under the well-known Marriott brand by EHT SDTC, LLC. It is managed by Interstate Management Company LLC.
 Long lease of 20 plus 20 years commencing on the date of the IPO.
 The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent is set as follows:



Base rent: US\$1,800,000
 Variable rent: 16% of GOR plus 18% of GOP

Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

Building Area : Gross Land Area: 240,887 sq ft (circa 5.53 acres)
 Gross Floor Area: 232,975 sq ft

Basis of Valuation : Market Value, 'As is' basis

Valuation Approach : Income (DCF) Method

Terminal Capitalization Rate : Terminal cap rate: 6.50%

Discount Rate : 8.50%

Date of Valuation : 31 December 2018

Valuation : **US\$31,300,000**
 (Thirty-One Million, Three Hundred Thousand United States Dollars Only)

Value per room: US\$119,011

Implied Yield: 6.5% (based on 2020 stabilised net income)

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VALUATION CERTIFICATE

HOLIDAY INN RESORT ORLANDO SUITES - WATERPARK (OHIR)

- Property / Address** : Holiday Inn Resort Orlando Suites – Waterpark located at 14500 Continental Gateway Drive, Orlando, 32821, Florida, USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
- Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
- DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Holiday Inn Resort Orlando Suites-Waterpark, is a six-storey, 777-room, full-service lodging facility built in 1999.
- Franchised with the InterContinental Hotels Group (IHG) under the Holiday Inn brand, it is positioned at the mid-market level mainly attracting leisure guests visiting the nearby Walt Disney World.
- Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pools, playground, arcade, mini-golf, basketball court, laser maze, 4D theatre, laundry, and retail.
- Registered Owner** : UCCONT1 LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned PD, Planned Development. The Property was approved for resort/hospitality related development as a specific development under the PD, Planned Development within the World Gateway (PD/DRI). The existing improvements and operation of the subject Property represent a conforming use.
- We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT HIOR, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with IHG under the well-known Holiday Inn brand by EHT HIOR, LLC. It is managed by Pyramid Orlando I Drive Management LLC.
- Long lease of 20 plus 20 years commencing on the date of the IPO.
- The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent are set as follows:



Base rent: US\$7,500,000
 Variable rent: 19% of GOR plus 22% of GOP

Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

- Building Area** : Gross Land Area: 1,135,175 sq ft (circa 26.06 acres).
Gross Floor Area: 597,940 sq ft
- Basis of Valuation** : Market Value, 'As is' basis
- Valuation Approach** : Income (DCF) Method
- Terminal Capitalization Rate** : Terminal cap rate: 6.20%
- Discount Rate** : 8.20%
- Date of Valuation** : 31 December 2018
- Valuation** : **US\$170,700,000**
(One Hundred and Seventy Million, Seven Hundred Thousand United States Dollars Only)

Value per room: US\$219,691

Implied Yield: 6.2% (based on 2020 stabilised net income)

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VALUATION CERTIFICATE

CROWNE PLAZA DALLAS NEAR GALLERIA-ADDISON (CPDL)

- Property / Address** : Crowne Plaza Dallas Galleria located at 14315 Midway Road Addison, Houston, 75001 Texas, USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
- Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
- DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Crowne Plaza Dallas Near Galleria Addison, is a four-storey, 428-room, full-service lodging facility built in 1994.
- Franchised with InterContinental Hotels Group (IHG) under the Crowne Plaza brand, it is positioned at the upper four-star level mainly attracting leisure and corporate guests.
- Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pool, laundry, and retail.
- Registered Owner** : 14315 Midway Road Addison LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned PD - Planned Development. Permitted uses within this district include multifamily, daycare, restaurants, hospitals/medical office, hotel/motel, office, retail, light industrial, automotive and various commercial uses. The existing improvements and operation of the subject Property represent a conforming use.
- We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT CPDGA, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with IHG under the well-known Crowne Plaza brand by EHT CPDGA, LLC. It is managed by M&R Hospitality Management Corporation.
- Long lease of 20 plus 20 years commencing on the date of the IPO.
- The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent is set as follows:



Base rent: US\$2,500,000
 Variable rent: 18% of GOR plus 20% of GOP

Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

- Building Area** : Gross Land Area: 302,305 sq ft (circa 6.9 acres)
 Gross Floor Area: 273,481 sq ft
 - Basis of Valuation** : Market Value, 'As is' basis
 - Valuation Approach** : Income (DCF) Method
 - Terminal Capitalization Rate** : Terminal cap rate: 6.75%
 - Discount Rate** : 8.75%
 - Date of Valuation** : 31 December 2018
 - Valuation** : **US\$56,700,000**
 (Fifty-Six Million, Seven Hundred Thousand United States Dollars Only)
- Value per room: US\$132,476
- Implied Yield: 6.2% (based on 2020 stabilised net income)

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VALUATION CERTIFICATE

HILTON HOUSTON GALLERIA AREA (HHG)

- Property / Address** : Hilton Houston Galleria Area located at 6780 Southwest Freeway, Houston 77074 Texas, USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
- Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
- DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Hilton Houston Galleria Area, is a thirteen-storey, 292-room, full-service lodging facility built in 1977.
- Franchised with Hilton Franchise LLC (Hilton) under the Hilton brand, it is positioned at the upscale level mainly attracting leisure and corporate guests.
- Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pool, laundry, and retail.
- Registered Owner** : 6780 Southwest Fwy Houston LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand that the City of Houston does not have any zoning regulations, and is considered to be a conforming use by typical deed restriction. The existing improvements and operation of the subject Property represent a conforming use.
- We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT HHG, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with Hilton under the well-known Hilton brand by EHT HHG, LLC. It is managed by Pyramid HHG Management LLC.
- Long lease of 20 plus 20 years commencing on the date of the IPO.
- The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent is set as follows:
- Base rent: US\$2,200,000
Variable rent: 22% of GOR plus 20% of GOP



Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.
 A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

- Building Area** : Gross Land Area: 229,560 sq ft (circa 5.27 acres)
 Gross Floor Area: 201,930 sq ft
 - Basis of Valuation** : Market Value, 'As is' basis
 - Valuation Approach** : Income (DCF) Method
 - Terminal Capitalization Rate** : Terminal cap rate: 6.50%
 - Discount Rate** : 8.50%
 - Date of Valuation** : 31 December 2018
 - Valuation** : **US\$47,600,000**
 (Forty-Seven Million, Six Hundred Thousand United States Dollars Only)
- Value per room: US\$163,013
- Implied Yield: 6.5% (based on 2020 stabilised net income)

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VALUATION CERTIFICATE

RENAISSANCE WOODBRIDGE (RW)

- Property / Address** : Renaissance Woodbridge located at 515 Route 1 South, Iselin 08830, New Jersey, USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
- Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
- DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Renaissance Woodbridge Hotel, is a seven-storey, 312-room, full-service lodging facility built in 1986.
- Franchised with the Marriott International LLC (Marriott) under the Renaissance brand, it is positioned at the upscale level mainly attracting leisure and corporate guests.
- Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pool, laundry, and retail.
- Registered Owner** : 44 Inn America Woodbridge Associates LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned RIR & PUDO. Permitted uses within this district include: hotels; restaurants, including drive-thru restaurants; bars; lounges; taverns; retail sales and service; offices (excluding medical and dental), financial institutions. The existing improvements and operation of the subject Property represent a conforming use.
- We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT RWH, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with Marriott under the well-known Renaissance brand by EHT RWH, LLC. It is managed by Pyramid Woodbridge Management LLC.
- Long lease of 20 plus 20 years commencing on the date of the IPO.
- The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent is set as follows:



Base rent: US\$3,400,000
 Variable rent: 19% of GOR plus 19% of GOP

Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

Building Area : Gross Land Area: 470,550 sq ft (circa 10.8 acres).
 Gross Floor Area: 220,603 sq ft

Basis of Valuation : Market Value, 'As is' basis

Valuation Approach : Income (DCF) Method

Terminal Capitalization Rate : Terminal cap rate: 6.20%

Discount Rate : 8.15%

Date of Valuation : 31 December 2018

Valuation : **US\$70,000,000**
 (Seventy Million United States Dollars Only)

Value per room: US\$224,359

Implied Yield: 6.1% (based on 2020 stabilised net income)

Assumptions, Disclaimers, Limitations & Qualifications

This opinion is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout this letter, and in our engagement proposal dated 9 October 2018, which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section located within this summary. Reliance on this letter and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This opinion is for the use only of the party to whom it is addressed and for no other purpose. To the extent permitted by applicable laws (including the Securities and Futures Act (Chapter 289)), no responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this opinion. The valuer has no pecuniary interest that would conflict with the proper valuation of the Property.

Prepared By : Govinda Singh FCCA FCMA MRICS
 Executive Director and Registered Valuer
 Colliers International

He has been supported by a team of local valuers and research personnel across the geographic regions where the Property is located.

They and Colliers International have no pecuniary interest that could reasonably be regarded as being capable of affecting their ability to give an unbiased opinion of the values or that could conflict with a proper valuation of the subject Property.



VALUATION CERTIFICATE

CROWNE PLAZA DANBURY (CPD)

- Property / Address** : Crowne Plaza Danbury located at 18 Old Ridgebury Road, Danbury 06810, Connecticut, USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
- Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
- DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Crowne Plaza Danbury, is a ten-storey, 242-room, full-service lodging facility built in 1980.
- Franchised with the InterContinental Hotels Group (IHG) under the Crowne Plaza brand, it is positioned at the upscale market level mainly attracting leisure and corporate guests.
- Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pool, laundry, and retail.
- Registered Owner** : Urban Commons Danbury A LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned CA-80. Permitted uses within this district include general and heavy commercial uses along major roadways, adult care facilities, banking or financial institutions, office, museum, and hotels among other uses. The existing improvements and operation of the subject Property represent a conforming use.
- We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT CPDCT, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with IHG under the well-known Crowne Plaza brand by EHT CPDCT, LLC. It is managed by Pyramid Danbury Management LLC.
- Long lease of 20 plus 20 years commencing on the date of the IPO.
- The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent is set as follows:



Base rent: US\$800,000
 Variable rent: 10% of GOR plus 10% of GOP

Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

- Building Area** : Gross Land Area: 315,375 sq ft (circa 7.24 acres).
 Gross Floor Area: 191,406 sq ft
- Basis of Valuation** : Market Value, 'As is' basis
- Valuation Approach** : Income (DCF) Method
- Terminal Capitalization Rate** : Terminal cap rate: 6.20%
- Discount Rate** : 8.20%
- Date of Valuation** : 31 December 2018
- Valuation** : **US\$10,200,000**
 (Ten Million, Two Hundred Thousand United States Dollars Only)
- Value per room: US\$42,148
- Implied Yield: 6.2% (based on 2020 stabilised net income)

Assumptions, Disclaimers, Limitations & Qualifications

This opinion is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout this letter, and in our engagement proposal dated 9 October 2018, which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section located within this summary. Reliance on this letter and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This opinion is for the use only of the party to whom it is addressed and for no other purpose. To the extent permitted by applicable laws (including the Securities and Futures Act (Chapter 289), no responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this opinion. The valuer has no pecuniary interest that would conflict with the proper valuation of the Property.

- Prepared By** : Govinda Singh FCCA FCMA MRICS
 Executive Director and Registered Valuer
 Colliers International

He has been supported by a team of local valuers and research personnel across the geographic regions where the Property is located.

They and Colliers International have no pecuniary interest that could reasonably be regarded as being capable of affecting their ability to give an unbiased opinion of the values or that could conflict with a proper valuation of the subject Property.



VALUATION CERTIFICATE

DOUBLETREE BY HILTON SALT LAKE CITY AIRPORT (SLC)

- Property / Address** : Doubletree by Hilton Salt Lake City Airport located at 5151 Wiley Post Way 84116, Salt Lake City, Utah, USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
 Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
 DBS Trustee Limited
 (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Doubletree by Hilton Salt Lake City Airport, is a five-storey, 288-room, full-service lodging facility built in 1980.
 Franchised with Hilton Inns Inc (Hilton) under the Doubletree by Hilton brand, it is positioned at the upper four-star level mainly attracting leisure and corporate guests.
 Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pool, spa, basketball court, laundry, and retail.
- Registered Owner** : 5151 Wiley Post Way Salt Lake City LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned M-1. The Light Manufacturing District allows for retail, office, light industrial, day care, schools, and hotel/motels. The existing improvements and operation of the subject Property represent a conforming use.
 We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT DHSLC, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with Hilton under the well-known Hilton brand by EHT DHSLC, LLC. It is managed by Pyramid Slat Lake Management LLC.
 Long lease of 20 plus 20 years commencing on the date of the IPO.
 The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent is set as follows:



Base rent: US\$2,600,000
 Variable rent: 21% of GOR plus 22% of GOP

Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

Building Area : Gross Land Area: 313,630 sq ft (circa 7.2 acres)
 Gross Floor Area: 187,199 sq ft

Basis of Valuation : Market Value, 'As is' basis

Valuation Approach : Income (DCF) Method

Terminal Capitalization Rate : Terminal cap rate: 6.75%

Discount Rate : 8.75%

Date of Valuation : 31 December 2018

Valuation : **US\$53,800,000**
 (Fifty- Three Million, Eight Hundred Thousand United States Dollars Only)

Value per room: US\$186,805

Implied Yield: 6.7% (based on 2020 stabilised net income)

Assumptions, Disclaimers, Limitations & Qualifications

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Prepared By : Govinda Singh FCCA FCMA MRICS
 Executive Director and Registered Valuer
 Colliers International

He has been supported by a team of local valuers and research personnel across the geographic regions where the Property is located.

They and Colliers International have no pecuniary interest that could reasonably be regarded as being capable of affecting their ability to give an unbiased opinion of the values or that could conflict with a proper valuation of the subject Property.



VALUATION CERTIFICATE

HILTON ATLANTA NORTHEAST (HAN)

- Property / Address** : Hilton Atlanta Northeast located at 5993 Peachtree Industrial Boulevard, Norcross, 30092, Atlanta, Georgia, USA.
- Client** : Eagle REIT Management Pte. Ltd. (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
 Eagle Hospitality Business Trust Management Pte. Ltd. (in its capacity as trustee-manager of Eagle Hospitality Business Trust)
 DBS Trustee Limited
 (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust)
- Purpose** : Listing of Eagle Hospitality Trust on the SGX-ST (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust).
- Brief Description** : The subject Property, commonly known as Hilton Atlanta Northeast, is a ten-storey, 271-room, full-service lodging facility built in 1986.
 Franchised with Hilton Inns Inc (Hilton) under the Hilton brand, it is positioned at the upscale level mainly attracting leisure and corporate guests.
 Facilities include a gym, meeting rooms, restaurant and bar/lounge, car-parking, swimming pool, laundry, and retail.
- Registered Owner** : Sky Harbor Atlanta Northeast LLC
- Tenure** : Freehold property
- Legal Description and Zoning** : We understand the land is zoned C2, General Business District. Permitted uses within this district include general retail sales and service uses, hotel/motel, office, and various entertainment, public, institutional, and recreational uses. The existing improvements and operation of the subject Property represent a conforming use.
 We are not aware of any express conditions, restriction in interest or encumbrances that could prevent an orderly sale.
- Interest Valued** : Freehold property subject to a long lease.
- Tenancy Profile:** : EHT HAN, LLC fully occupies and operates the subject Property as a full-service hotel. The hotel is operated under a franchise with Hilton under the well-known Hilton brand by EHT HAN, LLC. It is managed by Crestline Hotels & Resorts LLC.
 Long lease of 20 plus 20 years commencing on the date of the IPO.
 The Property is subject to a master lease agreement with property taxes, property insurance and land rent borne by the master lessor. Rent is on a fixed (base) plus variable basis, with the variable component set as a percentage of gross operating revenue (GOR) plus a percentage of operating profit (GOP). Base and variable rent is set as follows:



Base rent: US\$2,400,000
 Variable rent: 19% of GOR plus 20% of GOP

Variable rent is calculated after deducting the fixed amount, with an implied minimum rent therefore of at least the fixed amount.

A rental guarantee is provided by the REIT's Sponsor which amounts to nine months of the base rent.

Building Area : Gross Land Area: 435,600 sq ft (circa 10 acres)
 Gross Floor Area: 186,592 sq ft

Basis of Valuation : Market Value, 'As is' basis

Valuation Approach : Income (DCF) Method

Terminal Capitalization Rate : Terminal cap rate: 6.75%

Discount Rate : 8.75%

Date of Valuation : 31 December 2018

Valuation : **US\$49,000,000**
 (Forty-Nine Million United States Dollars Only)

Value per room: US\$180,812

Implied Yield: 6.7% (based on 2020 stabilised net income)

Assumptions, Disclaimers, Limitations & Qualifications

This opinion is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout this letter, and in our engagement proposal dated 9 October 2018, which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section located within this summary. Reliance on this letter and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This opinion is for the use only of the party to whom it is addressed and for no other purpose. To the extent permitted by applicable laws (including the Securities and Futures Act (Chapter 289), no responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this opinion. The valuer has no pecuniary interest that would conflict with the proper valuation of the Property.

Prepared By : Govinda Singh FCCA FCMA MRICS
 Executive Director and Registered Valuer
 Colliers International

He has been supported by a team of local valuers and research personnel across the geographic regions where the Property is located.

They and Colliers International have no pecuniary interest that could reasonably be regarded as being capable of affecting their ability to give an unbiased opinion of the values or that could conflict with a proper valuation of the subject Property.



29 April 2019

DBS Trustee Limited
(in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust) (the
“**REIT Trustee**”)
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Level 44
Singapore 018982

Eagle Hospitality REIT Management Pte. Ltd.
(in its capacity as manager of Eagle Hospitality Real Estate Investment Trust)
(the “**REIT Manager**”)
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Eagle Hospitality Business Trust Management Pte. Ltd.
(in its capacity as trustee-manager of Eagle Hospitality Business Trust) (the
“**Trustee-Manager**”)
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

**Re: VALUATION SUMMARIES FOR A PORTFOLIO
OF 18 PROPERTIES IN UNITED STATES OF
AMERICA**

We are pleased to submit to you our Valuation Summaries for the following properties (collectively the “Hotels” and / or the “Properties and each a “Property”):

SG& Singapore Pte Ltd
HVS is the trading name of SG&R Singapore Pte Ltd (Reg. No. 199900143N)
137 Market Street, #04-02, Grace Global Raffles, Singapore 048943
Tel: +65 6293 4415



S/N	Property	No. of Keys	Tenure
1	Sheraton Pasadena	311	Fee Simple
2	Holiday Inn Hotel & Suites Anaheim	255	Fee Simple
3	Embassy Suites by Hilton Anaheim North	223	Fee Simple
4	Holiday Inn Hotel & Suites San Mateo	219	Fee Simple
5	Four Points by Sheraton San Jose Airport	195	Fee Simple
6	The Westin Sacramento	101	Fee Simple
7	Embassy Suites by Hilton Palm Desert	198	Fee Simple
8	The Queen Mary Long Beach	347	66 years from 1 November 2016
9	Renaissance Denver Stapleton	400	Fee Simple
10	Holiday Inn Denver East - Stapleton	298	Fee Simple
11	Sheraton Denver Tech Center	263	Fee Simple
12	Holiday Inn Resort Orlando Suites - Waterpark	777	Fee Simple
13	Crowne Plaza Dallas Near Galleria - Addison	428	Fee Simple
14	Hilton Houston Galleria Area	292	Fee Simple
15	Renaissance Woodbridge	312	Fee Simple
16	Crowne Plaza Danbury	242	Fee Simple
17	Doubletree by Hilton Hotel Salt Lake Airport	288	Fee Simple
18	Hilton Atlanta Northeast	271	Fee Simple

1.0 Client Brief and Purpose of Valuation

We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust) (collectively with the REIT Trustee and REIT Manager, the “Client” or “you”) to provide our opinion of Market Value of the above-mentioned properties as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). Our instructions were confirmed by way of signed acceptance by the Client of our proposal dated 10 October 2018.

We have inspected the Properties and prepared a comprehensive formal valuation report for each of the Properties (the “Reports”) in accordance with the instructions for the purpose of providing you with our opinion of the market values of the Properties in their existing state as at 31 December 2018.

For the purpose of disclosure in the Prospectus in relation to the initial public offering of Eagle Hospitality Trust, we have prepared this letter which summaries our Reports and outlines the key factors which have been considered



in arriving at our opinion of the Market Value. For further information to that contained herein, reference should be made to the Reports.

HVS has assessed the properties' interests as independent international appraisers. We hereby certify that we have no undisclosed interest in the properties and our employment and compensation are not contingent upon our findings and valuation.

2.0 Basis of Valuation

The valuation is prepared in accordance with the International Valuation Standards Committee ('IVSC') definition of Market Value, which is:

"The estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties has each acted knowledgeably, prudently and without compulsion."

Additionally, our assessment will be on the basis of the existing use of the properties only with appropriate approvals and licenses in place.

3.0 Valuation Rationale

For hospitality properties, we commonly adopt the Discounted Cashflow Analysis (DCF) which is mainly considered by prospective investors as well as the Direct Sales Comparison Approach.

A) Income Approach (Discounted Cashflow Analysis)

To arrive at an estimate of the hotel's market value under a Master Lease, we will first prepare a 10-year income and expenditure projection of the hotel. This forecast represents what a potential purchaser would adopt as being realistic estimates of the hotel's future income potential and may not necessarily be the same as current hotel management may project, but represents what a prospective purchaser might believe is reasonable as a basis for acquisition. This cashflow projection is used to determine the Base and Variable rents. We will estimate the 10-year annual net rent after deducting all necessary stipulated outgoings.

In addition to the ten-year net rent cashflow forecast, the projected cashflow for Year 10 is increased by an estimated growth rate to arrive at the new cashflow for Year 11 and capitalised for the remaining term of the property tenure. To the net cashflows, we have applied a DCF rate to arrive at the total investment amount under a Master Lease Arrangement.

Capitalisation Rate and Discount Rate

The capitalisation rate is the rate of return on a real estate investment property based on the income that the property is expected to generate. The capitalisation rate is used to estimate the investor's potential return on his or her investment. It takes into consideration the remaining lease term, market risk and return profile, product quality, location and the expected trading performance of the subject Property; etc



The discount rate refers to the interest rate used in discounted cash flow (DCF) analysis to determine the present value of future cash flows. The discount rate in DCF analysis takes into account not just the time value of money, but also the risk or uncertainty of future cash flows.

As we have reflected the risk element in our capitalisation rate, the discount rate that we adopt would take into account the time value for money; ie capitalisation rate plus the long term inflation rate for the country.

B) Direct Sales Comparison Approach

The Sales Comparison Approach estimates the value of a property by comparing it to similar properties recently sold on the open market. To obtain a supportable estimate of value, the sales price of a comparable property should be adjusted to reflect any dissimilarity between the comparable property and the Property. This approach is often used as a cross check.

Master Lease Arrangement

A master lease agreement will be entered into for each of the Properties and the lease terms are as follows:

S/N	Property	Base Rent	Variable Rent		Cumulative Capex
		USD	% of Gross Operating Revenue (GOR)	% of Gross Operating Profit (GOP)	Last Five Years USD
1	Sheraton Pasadena	4,200,000	22%	24%	15.6
2	Holiday Inn Hotel & Suites Anaheim	3,000,000	26%	25%	1.8
3	Embassy Suites by Hilton Anaheim North	2,100,000	20%	17%	9.3
4	Holiday Inn Hotel & Suites San Mateo*	3,300,000	28%	29%	5.6
5	Four Points by Sheraton San Jose Airport	2,800,000	24%	24%	6.3
6	The Westin Sacramento	1,600,000	23%	22%	2.7
7	Embassy Suites by Hilton Palm Desert	1,400,000	18%	17%	9.0
8	The Queen Mary Long Beach	10,400,000	-	8%	23.5
9	Renaissance Denver Stapleton	3,900,000	17%	24%	16.8
10	Holiday Inn Denver East - Stapleton	2,300,000	20%	22%	10.9
11	Sheraton Denver Tech Center	1,800,000	16%	18%	3.6
12	Holiday Inn Resort Orlando Suites - Waterpark	7,500,000	19%	22%	27.5
13	Crowne Plaza Dallas Near Galleria - Addison	2,500,000	18%	20%	3.5
14	Hilton Houston Galleria Area	2,200,000	22%	20%	9.7
15	Renaissance Woodbridge	3,400,000	19%	19%	20.6
16	Crowne Plaza Danbury	800,000	10%	10%	0.3
17	Doubletree by Hilton Hotel Salt Lake Airport	2,600,000	21%	22%	7.6
18	Hilton Atlanta Northeast	2,400,000	19%	20%	13.0



In addition to the above lease arrangement, the REIT Trustee

- a) Bears the property insurance, property tax, land lease (if any) and ongoing capital expenditure for the bulk of the properties;
- b) Receives FF&E reserves as follows:

Property	FF&E Reserve
The Queen Mary Long Beach	2% of Total Revenue (2019) 3% of Total Revenue (2020 onwards)
The rest of the Properties	4% of Room Revenue
Renaissance Woodbridge	5% of Total Revenue

- c) Receives rental income from The Queen Mary Long Beach with no further expenses. It is a triple net lease arrangement.

4.0 Premise of the Forecast

The assessment is based on the current as well as expected future conditions as perceived by the market. We do stress that the estimation of future market conditions is a problematic exercise which at best should be regarded as an indicative assessment of possibilities rather than absolute certainties.

Hotels generally change hands in the open market at prices based on the future income potential and it is widely accepted that the valuation approach should be related to the hotel's actual and potential income. Past performance provides a certain level of guidance to the future performance of a hotel, but new macroeconomic factors or local supply issues often mean that a fresh view needs to be taken of the competitive environment the subject Property operates in.

The projections of occupancy, average room rate and indicative cashflow are based on our knowledge and understanding of the market and experience of the operating performance of properties of similar type and standard. The assumptions in respect of future events are our best estimates at the date of preparing the report. To the extent that any of the assumptions noted in our report are not realised, the indicative cashflow projections and estimate of value may be materially affected.

The process of making forward projections involves assumptions regarding a considerable number of variables which are acutely sensitive to changing conditions. To rely upon our valuation therefore, the reader must be satisfied as to the rationale behind these future estimates.

5.0 Planning

Unless otherwise instructed, we do not normally carry out investigations with the various public authorities to confirm that the subject Properties are not adversely affected by any town planning issues such as change in zoning, land use control, public schemes such as road or drainage reserves and so forth. Neither are we in a position to warrant the subject Properties' conformance with



local zoning regulations. If reassurance is required, we recommend that verification be obtained from your solicitor.

HVS has not conducted any legal requisition on the land lease/title, town planning control and other related matters and our valuation is made on the basis that the Properties are free of encumbrances, restrictions or other impediments of an onerous nature which would affect the value. It is advisable for interested parties to seek full legal due diligence advice of a qualified legal solicitor prior to making any legal, financial or other commitments.

6.0 Other Statutory Consents

Our valuation is prepared on the assumption that all necessary permits and approvals have been secured (including an appropriate alcohol licence where applicable), and that the subject Properties (and any works thereof) were constructed in accordance with local zoning ordinances, building codes and all other applicable regulations.

We have assumed that the Properties have a valid fire certificate, complies with environmental health legislation and holds all other necessary licences for the purposes of its operation. Furthermore, we have assumed that there are no outstanding issues in respect of such consents and licences.

We have not inspected any of the licences, approvals, consents, permits or certificates relating to the Properties and assumed that all documents are in order.

7.0 Information Utilised

All information was collected and analysed by the staff of HVS. Information such as historical operating statements, site plans, floor plans and so forth was supplied by the Client. We have assumed that this information is accurate and have therefore relied upon it without undertaking any independent verification.

Should it be revealed that any of this information is inaccurate or misleading so that its use would affect the valuation, HVS seeks to be informed of such discrepancies and accordingly reserves the right to amend its opinion of value.

8.0 Use of Valuation Report

The valuation has been prepared for the purpose stated above. Neither the whole nor any part of the valuation report nor any reference thereto maybe included in any document, circular or statement without our written approval and of the form or context in which it appears.

9.0 Assumptions and Limiting Conditions

A list of major assumptions made in the valuation of the property and the limiting conditions under which the valuation opinion is given is detailed in the Addendum of the valuation certificates. It is a condition of the use of the valuation that the recipient of the certificates accepts these statements.

The Valuation Certificates included herein should be read in conjunction with the full valuation reports dated 29 April 2019, which detailed the basis under which the valuations have been prepared.



10.0 Summary of Values

The following table reflects a summary of the values for each individual property

S/N	Property	No. of Keys	Tenure	Value as at 31 December 2018	Value per key as at 31 December 2018 Approximately
1	Sheraton Pasadena	311	Fee Simple	114,200,000	370,000
2	Holiday Inn Hotel & Suites Anaheim	255	Fee Simple	77,900,000	310,000
3	Embassy Suites by Hilton Anaheim North	223	Fee Simple	50,800,000	230,000
4	Holiday Inn Hotel & Suites San Mateo*	219	Fee Simple	76,500,000	350,000
5	Four Points by Sheraton San Jose Airport	195	Fee Simple	69,100,000	350,000
6	The Westin Sacramento	101	Fee Simple	43,600,000	430,000
7	Embassy Suites by Hilton Palm Desert	198	Fee Simple	32,100,000	160,000
8	The Queen Mary Long Beach	347	66 years from 1 November 2016	159,400,000	460,000
9	Renaissance Denver Stapleton	400	Fee Simple	88,200,000	220,000
10	Holiday Inn Denver East - Stapleton	298	Fee Simple	50,600,000	170,000
11	Sheraton Denver Tech Center	263	Fee Simple	31,700,000	120,000
12	Holiday Inn Resort Orlando Suites - Waterpark	777	Fee Simple	162,800,000	210,000
13	Crowne Plaza Dallas Near Galleria - Addison	428	Fee Simple	57,800,000	140,000
14	Hilton Houston Galleria Area	292	Fee Simple	48,600,000	170,000
15	Renaissance Woodbridge	312	Fee Simple	76,600,000	250,000
16	Crowne Plaza Danbury	242	Fee Simple	12,000,000	50,000
17	Doubletree by Hilton Hotel Salt Lake Airport	288	Fee Simple	60,900,000	210,000
18	Hilton Atlanta Northeast	271	Fee Simple	55,400,000	200,000
Total				1,268,200,000	

Yours sincerely,

Chee Hok Yean
 Managing Partner
 MRICS, MSISV
 Licensed Appraiser No. AD0412003997F

HVS No: 2018120072 - 2018120089



VALUATION CERTIFICATE SHERATON PASADENA

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Sheraton Pasadena (the "Property") at 303 East Cordova Street, Pasadena, California 91101

Property Interest Valued Fee Simple Interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 14 years
Base Rent	:	USD4,200,000 per annum
Variable Rent	:	Sum of 22% of Gross Operating Revenue and 24% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT CPPCT, LLC

Land Area Approximately 97,140 square feet (2.23 acres)

Gross Floor Area Approximately 158,307 square feet

Parcel Number and Zoning The Parcel No is 5722-027-043 and it is zoned "Central District 5, Landmark Overlay" (CD-5-LD-23)

Location Sheraton Pasadena is located near Old Town Pasadena, in the northeast quadrant of the intersection formed by Cordova Street and South Marengo Avenue. The Property has good access from State Highway 134 and Interstate 710. The Hollywood Burbank Airport is located approximately 11 miles to the northwest. Adjacent uses include the Pasadena Civic Auditorium, Pasadena Ice Skating Center and multi-family residence.

Brief Description Sheraton Pasadena is an upper-upscale, full-service lodging facility. The guestrooms were renovated from October 2016 to June 2017. The lobby and



public areas were then renovated from June to October 2017; during the renovation, part of the restaurant was converted to a club lounge. The hotel exteriors were painted in the fall of 2018. Reportedly, the hotel's porte cochere and fountain are expected to be renovated, and the driveways are expected to be paved in late 2018. The property, which opened in 1975, features 311 rooms, a restaurant, a lounge, and a club lounge, 10,848 square feet of meeting space, an outdoor pool, a fitness room, a business center, a guest laundry area, and a gift shop (leased).

Occupancy Profile (Managed By)	The Property is currently managed and operated under the Sheraton Brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach
Valuation Parameters	Capitalisation Rate: 5.50% Inflation: 1.75% Discount Rate: 7.25%
Date of Inspection	19 October 2018
Date of Valuation	31 December 2018
Valuation	USD114,200,000
Valuation Per Key	USD370,000 (approximately)



VALUATION CERTIFICATE

HOLIDAY INN HOTEL & SUITES ANAHEIM

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Holiday Inn Hotel & Suites Anaheim (the "Property") at 1240 South Walnut Street, Anaheim, California 92802

Property Interest Valued Fee Simple Interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 14 years
Base Rent	:	USD3,000,000 per annum
Variable Rent	:	Sum of 26% of Gross Operating Revenue and 25% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT HIA, LLC

Land Area Approximately 167,710 square feet (3.85 acres)

Gross Floor Area Approximately 167,880 square feet

Parcel Number and Zoning The Parcel No is 129-281-12 and it is zoned "Commercial Recreation District" (C-R)

Location Holiday Inn Hotel & Suites Anaheim is located southwest of Downtown Anaheim, adjacent to the Disneyland Resort, southeast of the intersection formed by West Ball Road and South Walnut Street. The property has good access from Interstate 5/Santa Ana Freeway. The John Wayne Airport is located approximately ten miles to the southeast. Other adjacent uses include United States Postal Service, Springhill suites by Marriott and South Walnut Street.

Brief Description Holiday Inn Hotel & Suites Anaheim is an upper-midscale, full-service lodging facility. The property has undergone renovations since its opening in 1979,



most notably in 2013 when renovations associated with a change of ownership property improvement plan (PIP) was completed. The property features 255 rooms, a restaurant and lounge, 3,370 square feet of meeting space, an outdoor pool, an outdoor whirlpool, a splash park, a fitness room, a lobby workstation, a business center, a gift shop (leased), a children's center, a guest laundry room, and vending areas.

Occupancy Profile (Managed By)	The Property is currently managed and operated under the Holiday Inn Brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 5.50% Inflation: 1.75% Discount Rate: 7.25%
Date of Inspection	17 October 2018
Date of Valuation	31 December 2018
Valuation	USD77,900,000
Valuation Per Key	USD310,000 (approximately)



VALUATION CERTIFICATE

EMBASSY SUITES BY HILTON ANAHEIM NORTH

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Embassy Suites by Hilton Anaheim North (the "Property") at 3100 East Frontera Street, Anaheim, California 92806

Property Interest Valued Fee Simple Interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 14 years
Base Rent	:	USD2,100,000 per annum
Variable Rent	:	Sum of 20% of Gross Operating Revenue and 17% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT ESAN, LLC

Land Area Approximately 252,210 square feet (5.79 acres)

Gross Floor Area Approximately 195,844 square feet

Parcel Number and Zoning The Parcel Number is 360-061-15 and it is zoned "Anaheim Canyon Specific Plan Area" (SP 2015-1)

Location Embassy Suites by Hilton Anaheim North is located northeast of Downtown Anaheim, east of the intersection formed by Frontera Street and Glassell Street. The property has good access from State Highway 91/Riverside Freeway. The John Wayne Airport is located approximately ten miles to the southeast. Adjacent uses include the Frontera Street, Santa Ana River, Recycling Plant, and Xalos Event Center.

Brief Description Embassy Suites by Hilton Anaheim North is an upscale, full-service lodging facility. The property has undergone some renovations since its opening in



1984, most notably in 2014 and 2015 when the guestrooms were updated and in 2017 when the public areas were refreshed. The property features 223 rooms, a restaurant and lounge, 8,340 square feet of meeting space, an indoor pool, an indoor whirlpool, a fitness room, a business center, a market pantry, a guest laundry room, and vending areas.

Occupancy Profile (Managed By)	The Property is currently managed and operated under the Embassy Suites by Hilton Brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 6.00% Inflation: 1.75% Discount Rate: 7.75%
Date of Inspection	18 October 2018
Date of Valuation	31 December 2018
Valuation	USD50,800,000
Valuation Per Key	USD230,000 (approximately)



VALUATION CERTIFICATE

HOLIDAY INN HOTEL & SUITES SAN MATEO

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Holiday Inn Hotel & Suites San Mateo* (the "Property") at 330 North Bayshore Boulevard, San Mateo, San Mateo County, California 94401

Property Interest Valued Fee Simple Interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 14 years
Base Rent	:	USD3,300,000 per annum
Variable Rent	:	Sum of 28% of Gross Operating Revenue and 29% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT HISM, LLC

Land Area Approximately 134,165 square feet (3.08 acres)

Gross Floor Area Approximately 84,700 square feet

Parcel Number and Zoning The Parcel No is 033-082-160 and it is zoned "Multiple Family Dwellings (High Density)" (R4)

Location Holiday Inn Hotel & Suites San Mateo* is located in North San Mateo, to the east of the intersection formed by North Bayshore Boulevard and Rogell Avenue, in close proximity to U.S. Highway 101. The San Francisco International Airport is located approximately five miles to the northwest. Adjacent uses include the residential, Dore Avenue, North Bayshore Boulevard and Rogell Avenue.

Brief Description Opened in 1991, the two lodging facilities - the 172-room Holiday Inn & Suites San Mateo San Francisco Airport SFO and the 47-room San Mateo SFO Airport



Hotel, features a restaurant and lounge, a breakfast dining area, 2,330 square feet of meeting space, an indoor whirlpool, a fitness room, a business center, two guest laundry rooms, and vending areas.

Occupancy Profile (Managed By)	The Property is currently managed and operated under the Holiday Inn Brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 5.75% Inflation: 1.75% Discount Rate: 7.50%
Date of Inspection	18 October 2018
Date of Valuation	31 December 2018
Valuation	USD76,500,000
Valuation Per Key	USD350,000 (approximately)



VALUATION CERTIFICATE

FOUR POINTS BY SHERATON SAN JOSE AIRPORT

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Four Points by Sheraton San Jose Airport (the "Property") at 1471 North 4th Street, San Jose, California 95112

Property Interest Valued Fee Simple Interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 14 years
Base Rent	:	USD2,800,000 per annum
Variable Rent	:	Sum of 24% of Gross Operating Revenue and 24% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT FPSJ, LLC

Land Area Approximately 119,790 feet (2.75 acres)

Gross Floor Area Approximately 112,218 square feet

Parcel Number and Zoning The Parcel Number is 230-29-109 and it is zoned "Commercial General" (CG)

Location Four Points by Sheraton San Jose Airport is located in North San Jose, to the northwest of the intersection formed by North 4th Street and East Gish Road. The property has good access from U.S. Highway 101 and Interstate 880. The Norman Y. Mineta San Jose International Airport is located approximately one-half mile to the west. Adjacent uses include commercial, retail, residential and North 4th Street.

Brief Description Four Points by Sheraton San Jose Airport is an upscale, full-service lodging facility. The hotel has undergone multiple renovations since its opening in 1986 and was converted from a Radisson Hotel in 2014. The property features 195



rooms, a restaurant and lounge, 4,793 square feet of meeting space, an outdoor pool, a fitness room, a business center, a market pantry, and vending areas.

Occupancy Profile (Managed By)	The Property is currently managed and operated under the Four Points by Sheraton Brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 6.00% Inflation: 1.75% Discount Rate: 7.75%
Date of Inspection	17 October 2018
Date of Valuation	31 December 2018
Valuation	USD69,100,000
Valuation per Key	USD350,000 (approximately)



VALUATION CERTIFICATE THE WESTIN SACRAMENTO

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property The Westin Sacramento (the "Property") at 4800 Riverside Boulevard, Sacramento, California 95822

Property Interest Valued Fee Simple Interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 14 years
Base Rent	:	USD1,600,000 per annum
Variable Rent	:	Sum of 23% of Gross Operating Revenue and 22% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT WSAC, LLC

Land Area Approximately 251,780 square feet (5.78 acres)

Gross Floor Area Approximately 84,429 square feet

Parcel Number and Zoning The Parcel Numbers are 016-0360-001, 002, and 003 and it is zoned "General Commercial" (C-2-R)

Location The Westin Sacramento is located in central Sacramento, near the western boundary of the city. The property is situated to the north of the intersection formed by Captains Table Road and Riverside Boulevard. Interstate 8 lies approximately 300 feet to the east. The Property has good access from Interstate 5. Sacramento Airport is located approximately 11 miles northwest of the Property. Adjacent uses include Sacramento River, Riverside Boulevard, Interstate 5/West Side Highway, parking lot and residential.



Brief Description	<p>The Westin Sacramento is an upper-upscale, full-service lodging facility. The hotel was designed and developed as a Le Rivage hotel in 2008 before being converted to a Westin in 2012. The property underwent major renovations from 2012 through 2015. Opened in 2008, the property features 101 rooms, a restaurant, 3,417 square feet of meeting space, an outdoor pool and whirlpool, a fitness room, a spa, two-computer lobby workstation, a market pantry, a marina (closed), a courtyard and event tent, a concierge desk, and vending areas.</p> <p>The marina that is closed will be excluded from the REIT and will be retained by the wholly owned entity of Urban Commons.</p>
Occupancy Profile (Managed By)	The Property is currently managed and operated under the Westin brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Direct Sales Comparison Approach.
Valuation Parameters	<p>Capitalisation Rate: 5.25%</p> <p>Inflation: 1.75%</p> <p>Discount Rate: 7.00%</p>
Date of Inspection	22 October 2018
Date of Valuation	31 December 2018
Valuation	USD43,600,000
Valuation Per Key	USD430,000 (approximately)



VALUATION CERTIFICATE

EMBASSY SUITES BY HILTON PALM DESERT

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Embassy Suites by Hilton Palm Desert (the “Property”) at 74-700 US Highway 111, Palm Desert, California 92260

Property Interest Valued Fee Simple Interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 14 years
Base Rent	:	USD1,400,000 per annum
Variable Rent	:	Sum of 18% of Gross Operating Revenue and 17% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT ESPD, LLC

Land Area Approximately 372,875 square feet (8.56 acres)

Gross Floor Area Approximately 302,641 square feet

Parcel Number and Zoning The Parcel Numbers are 625-100-018, 625-100-071 and 625-100-072 and it is zoned “Planned Commercial District” (P.C.)

Location Embassy Suites by Hilton Palm Desert is located near Downtown Palm Desert, northwest of the intersection formed by State Highway 111 and Village Court, in Palm Desert, California. The Property has good access from State Highway 111 as well as Interstate 10. The Palm Springs International Airport is approximately 11 miles to the Northwest. Adjacent uses are Albertsons, State Highway 111, office buildings and residences.



Brief Description	Embassy Suites by Hilton Palm Desert is an upscale, full-service lodging facility. The hotel was originally built as a Granada Royale in 1984 and was rebranded to an Embassy Suites in 1986 before the comprehensive renovation in 2016/17. The property experienced an electrical fire in December 2017 and the repair of electrical system was scheduled to be completed by November 2018. The property features 198 rooms, a restaurant and lounge, 10,226 square feet of meeting space, an outdoor pool, an outdoor whirlpool, a fitness center, a business center, a market pantry, a guest laundry room, and a tennis court.
Occupancy Profile (Managed By)	The Property is currently managed and operated under the Embassy Suites by Hilton Brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 5.50% Inflation: 1.75% Discount Rate: 7.25%
Date of Inspection	19 October 2018
Date of Valuation	31 December 2018
Valuation	USD32,100,000
Valuation Per Key	USD160,000 (approximately)



VALUATION CERTIFICATE THE QUEEN MARY LONG BEACH

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property The Queen Mary Long Beach (the "Property") at 1126 Queens Hwy, Long Beach, California 90802.

Property Interest Valued Unexpired leasehold interest of 66 years, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 14 years
Base Rent	:	USD10,400,000 per annum with 2% increment year-on-year
Variable Rent	:	8% of Gross Operating Profit

Under the Master Lease Agreement, the landlord receives rental with no further expenses. It is a triple net lease arrangement. Furniture and Fitting Reserve of 2% of Total Revenue (2019) and 3% of Total Revenue (2020 onwards) is outside of rental payment.

Lessee Post IPO EHT QMLB, LLC

Land Area Approximately 1,899,215 square feet (43.60 acres)

Gross Floor Area Approximately 978,000 square feet

Parcel Number and Zoning The Parcel Number is 8940190080 and it is zoned "Planned Development - Queensway Bay" (PD-21)

Location The Queen Mary Long Beach is located in southern Long Beach, along the Queensway Bay, directly east of the intersection formed by Queens Highway and Harbor Plaza. The Los Angeles International Airport is located approximately 16 miles to the northwest. Adjacent uses include Queens Bay, Los Angeles River, SSA Maritime Services, Port of Long Beach and Pacific Ocean.

Brief Description The Queen Mary Long Beach is a full-service lodging facility. The property received upgrades since 2013, including the hotel's guestroom renovations, several aspects of the hotel's meeting space, retail establishments, back-of-the-house



space, attractions, and food and beverage outlets. In addition, extensive renovations to the asset were completed between 2017 and year-to-date 2018 to address structural issues and leaking. Opened in 1936, the property features 346 rentable rooms, three restaurants, a bar/lounge, a café/marketplace, 84,152 square feet of meeting space, a fitness room, a spa, a lobby workstation, a gift shop, and three retail outlets.

Occupancy Profile (Managed By)	The Property is independently managed and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 7.00% Inflation: 1.75% Discount Rate: 8.75%
Date of Inspection	23 October 2018
Date of Valuation	31 December 2018
Valuation	USD159,400,000
Valuation Per Key	USD460,000 (approximately)



VALUATION CERTIFICATE RENAISSANCE DENVER STAPLETON

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Renaissance Denver Stapleton (the "Property") on 3801 Quebec Street, Denver, Colorado 80207

Property Interest Valued Fee Simple Interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 20 years
Base Rent	:	USD3,900,000 per annum
Variable Rent	:	Sum of 17% of Gross Operating Revenue and 24% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT RDH, LLC

Land Area Approximately 141,570 square feet (3.25 acres)

Gross Floor Area Approximately 384,124 square feet

Parcel Number and Zoning The Parcel No is 0120428016000 and it is zoned "Suburban Mixed-Use" (S-MX-12)

Location Renaissance Denver Stapleton is located East Denver, in the southwest quadrant of the intersection formed by East 39th Avenue and Quebec Street. The Property has good access from Interstate 70. The Denver International Airport is located approximately 12 miles to the northeast. Adjacent uses include the Quality Inn & Suites, residential, Quebec Street and industrial.

Brief Description Renaissance Denver Stapleton is an upper-upscale, full-service lodging facility. The property has undergone a major renovation in 2017. Opened in 1985, the property features 400 rooms, a restaurant and lounge, 29,078 square feet of



meeting space, an outdoor pool, an indoor pool and whirlpool, a fitness room, a business center, a gift shop, a guest laundry room, an outdoor sundeck/patio, and vending areas.

Occupancy Profile (Managed By)	The Property is currently managed and operated under the Sheraton Brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 6.00% Inflation: 1.75% Discount Rate: 7.75%
Date of Inspection	19 October 2018
Date of Valuation	31 December 2018
Valuation	USD88,200,000
Valuation Per Key	USD220,000 (approximately)



VALUATION CERTIFICATE

HOLIDAY INN DENVER EAST - STAPLETON

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Holiday Inn Denver East - Stapleton (the "Property") 3333 Quebec Street, Denver, Colorado 80207

Property Interest Valued Fee Simple Interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 20 years
Base Rent	:	USD2,300,000 per annum
Variable Rent	:	Sum of 20% of Gross Operating Revenue and 22% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT HIDH, LLC

Land Area Approximately 90,605 square feet (2.08 acres)

Gross Floor Area Approximately 159,573 square feet

Parcel Number and Zoning The Parcel No is 0129101021000 and it is zoned "Suburban Commercial Corridor" (S-CC-3X)

Location Holiday Inn Denver East - Stapleton is located in East Denver, in the northwest quadrant of the intersection formed by East 33rd Avenue and Quebec Street. The Denver International Airport is located approximately 12 miles to the northeast. The Property has good access from Interstate 70. Adjacent uses include the office building, DoubleTree by Hilton, Quebec Street and residential.

Brief Description Holiday Inn Denver East - Stapleton is an upper midscale, full-service lodging facility. Opened in 1973, the property has undergone a major renovation over the last year. The property features 298 rooms, a restaurant and bar, 12,825



square feet of meeting space, an indoor and outdoor pool, an indoor whirlpool, a fitness room, a lobby workstation, a market pantry, a guest laundry room, and vending areas.

Occupancy Profile (Managed By)	The Property is currently managed and operated under the Holiday Inn brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 6.00% Inflation: 1.75% Discount Rate: 7.75%
Date of Inspection	19 October 2018
Date of Valuation	31 December 2018
Valuation	USD50,600,000
Valuation Per Key	USD170,000 (approximately)



VALUATION CERTIFICATE

SHERATON DENVER TECH CENTER

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Sheraton Denver Tech Center (the "Property") at 7007 South Clinton Street, Greenwood Village, Colorado 80112

Property Interest Valued Fee Simple interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 20 years
Base Rent	:	USD1,800,000 per annum
Variable Rent	:	Sum of 16% of Gross Operating Revenue and 18% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT SDTC, LLC

Land Area Approximately 240,887 square feet (5.53 acres)

Gross Floor Area Approximately 232,975 square feet

Parcel Number and Zoning The Parcel Number are 2075-27-2-15-004; 2075-27-2-19-002 and it is zoned "Mixed Commercial" (M-C)

Location Sheraton Denver Tech Center is located within the area known as the Denver Tech Center in the city of Centennial, in the southwest quadrant of the intersection formed by East Costilla Avenue and South Clinton Street. The Denver International Airport is located approximately 25 miles to the northeast. Adjacent uses include Hyatt House Hotel, IHOP, La Quinta Inn & Suites, South Clinton Street and Interstate 25.

Brief Description Sheraton Denver Tech Center is an upper-upscale, full-service lodging facility. The hotel has undergone renovations since opening in 1985, most recently in



2011 when the hotel underwent a complete renovation. A smaller-scale renovation occurred in 2015 that focused on the lobby and food and beverage outlets. The property features 263 rooms, a restaurant and lounge, a café, 10,100 square feet of meeting space, an outdoor pool, a fitness room, a two-computer lobby workstation, a market pantry, and a car rental outlet.

Occupancy Profile (Managed By)	The Property is currently managed and operated under the Sheraton brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 6.00% Inflation: 1.75% Discount Rate: 7.75%
Date of Inspection	22 October 2018
Date of Valuation	31 December 2018
Valuation	USD31,700,000
Valuation per Key	USD120,000 (approximately)



VALUATION CERTIFICATE

HOLIDAY INN RESORT ORLANDO SUITES - WATERPARK

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Holiday Inn Resort Orlando Suites - Waterpark (the "Property") at 14500 Continental Gateway Drive, Orlando, Florida 32821

Property Interest Valued Fee Simple Interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 20 years
Base Rent	:	USD7,500,000 per annum
Variable Rent	:	Sum of 19% of Gross Operating Revenue and 22% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT HIOR, LLC

Land Area Approximately 1,135,175 square feet (26.06 acres)

Gross Floor Area Approximately 597,940 square feet

Parcel Number and Zoning The Parcel No is 33-24-28-9286-08001 and it is zoned "Planned Development" (P-D)

Location The subject property is located in southwestern Orlando proximate to Walt Disney World, in the southwestern corner of the intersection formed by Continental Gateway Drive and World Center Drive/State Highway 536. The Property has good access from Interstate 4. The Orlando International Airport is located approximately ten miles to the northeast. Adjacent uses are Marriott World Center and vacant commercial land.

Brief Description Holiday Inn Resort Orlando Suites - Waterpark is an upper-midsclae, full-service resort lodging facility. From 2015 through 2017, the resort underwent a



comprehensive renovation and conversion. Opened in 1999, the property features 777 rooms, a restaurant, a lounge, a coffee shop, two fast food outlets, two poolside dining outlets, 6,750 square feet of meeting space, multiple outdoor pools and whirlpools, multiple waterslides, a splash playground, a fitness room, a business center, a gift shop, a retail food store, multiple guest laundry areas, a sport court, a game room, a miniature golf course, two outdoor courtyard areas, various outdoor sun decks, a laser maze, and a 4D movie theater.

Occupancy Profile (Managed By)	The Property is currently managed and operated under the Holiday Inn brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 6.00% Inflation: 1.75% Discount Rate: 7.75%
Date of Inspection	18 October 2018
Date of Valuation	31 December 2018
Valuation	USD162,800,000
Valuation Per Key	USD210,000 (approximately)



VALUATION CERTIFICATE

CROWNE PLAZA DALLAS NEAR GALLERIA - ADDISON

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Crowne Plaza Dallas Near Galleria – Addison (the “Property”) at 14315 Midway Road, Addison, Texas 75001

Property Interest Valued Fee Simple interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 20 years
Base Rent	:	USD2,500,000 per annum
Variable Rent	:	Sum of 18% of Gross Operating Revenue and 20% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT CPDGA, LLC

Land Area Approximately 302,305 square feet (6.94 acres)

Gross Floor Area Approximately 273,481 square feet

Parcel Number and Zoning The Parcel Number is 100006800A0020000 and it is zoned “Planned Development District 625” (PD-625)

Location Crowne Plaza Dallas Near Galleria – Addison is the Addison area of Dallas, in the southwest quadrant of the intersection formed by Midway Road and Proton Drive. The property has good access from Interstate 635 and the Dallas North Tollway. The Dallas/Fort Worth International Airport is located approximately eleven miles to the southwest. The adjacent uses are Proton drive, Midway Atriums Office Complex and Midway Road.

Brief Description Crowne Plaza Dallas Near Galleria – Addison is an upscale, full-service lodging facility. The property has undergone some renovations since opening in 1984.



The property features 428 rooms, a restaurant and lounge, 29,690 square feet of meeting space, an outdoor pool and whirlpool, two fitness rooms, a business center, a market pantry, and a guest laundry room.

**Occupancy Profile
(Managed By)**

The Property is currently managed and operated under the Crowne Plaza brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.

Valuation Approach

The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.

Valuation Parameters

Capitalisation Rate: 6.00%
Inflation: 1.75%
Discount Rate: 7.75%

Date of Inspection

23 October 2018

Date of Valuation

31 December 2018

Valuation

USD57,800,000

Valuation Per Key

USD140,000 (approximately)



VALUATION CERTIFICATE HILTON HOUSTON GALLERIA AREA

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Hilton Houston Galleria Area (the "Property") at 6780 Southwest Freeway, Houston, Texas 77074

Property Interest Valued Fee Simple interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 20 years
Base Rent	:	USD2,200,000 per annum
Variable Rent	:	Sum of 22% of Gross Operating Revenue and 20% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT HHG, LLC

Land Area Approximately 229,560 square feet (5.27 acres)

Gross Floor Area Approximately 201,930 square feet

Parcel Number and Zoning The Parcel Number is 1048490000015 and zoning is not applicable.

Location Hilton Houston Galleria Area is located on the southwest side of Houston, along U.S. Highway 59/Interstate 69, north of the intersection formed by Southwest Freeway Frontage Road and Savoy Drive. The George Bush Intercontinental Airport is located approximately 19 miles to the northeast. Adjacent uses include a vacant land, Interstate 69 Frontage, Savoy drive and Blue Star Limousine.

Brief Description Hilton Houston Galleria Area is a full-service lodging facility. The property has undergone some renovations since opening in 1978. The property features 292



rooms, a restaurant and lounge, 13,000 square feet of meeting space, an outdoor pool, a fitness center, a lobby workstation, and a market pantry.

Occupancy Profile (Managed By)	The Property is currently managed and operated under the Hilton brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 6,00% Inflation: 1,75% Discount Rate: 7,75%
Date of Inspection	19 October 2018
Date of Valuation	31 December 2018
Valuation	USD48,600,000
Valuation Per Key	USD170,000 (approximately)



VALUATION CERTIFICATE RENAISSANCE WOODBRIDGE

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Renaissance Woodbridge (the "Property") at 515 Route 1 South, Iselin, New Jersey 08830

Property Interest Valued Fee Simple interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 20 years
Base Rent	:	USD3,400,000 per annum
Variable Rent	:	Sum of 19% of Gross Operating Revenue and 19% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 5% of Total Revenue is outside of rental payment.

Lessee Post IPO EHT RWH, LLC

Land Area Approximately 470,450 square feet (10.80 acres)

Gross Floor Area Approximately 220,603 square feet

Parcel Number and Zoning The Parcel Number is Block 369 Lot 100.023x and it is zoned "Highway Business" (B-3)

Location Renaissance Woodbridge is located at the southern tip of Iselin, an unincorporated community in the northwestern section of the Township of Woodbridge. The property is situated in the western quadrant of the intersection formed by U.S. Highway 1 and Gill Lane/Woodbridge Center Drive with good access from Interstate 95. The Newark Liberty International Airport is located approximately 13 miles to the northeast. Adjacent uses include residential units, Kona Grill, KFC, Woodbridge Place Office Building and Hobby Lobby.



Brief Description	Renaissance Woodbridge is a full-service lodging facility. The hotel, which was designed and developed as a Sheraton Hotel in 1986, was sold in 2008 and subsequently underwent multi-million-dollar renovations in order to be converted to a Renaissance Hotel in 2010. The hotel is currently undergoing extensive renovations to be converted to a Delta Hotel by Marriott. Opened in 1986, the property features 311 rentable rooms, a restaurant and lounge, 25,421 square feet of meeting space, an indoor pool with an indoor deck, an outdoor pool with three cabanas, a fitness center, a business center, a club lounge, an express lounge, a market pantry, a guest laundry room, and vending areas.
Occupancy Profile (Managed By)	The Property is currently managed and operated under the Renaissance brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 5.50% Inflation: 1.75% Discount Rate: 7.25%
Date of Inspection	19 October 2018
Date of Valuation	31 December 2018
Valuation	USD76,600,000
Valuation Per Key	USD250,000 (approximately)



VALUATION CERTIFICATE CROWNE PLAZA DANBURY

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Crowne Plaza Danbury (the "Property") at 18 Old Ridgebury Road, Danbury, Connecticut 06810

Property Interest Valued Fee Simple Interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 20 years
Base Rent	:	USD800,000 per annum
Variable Rent	:	Sum of 10% of Gross Operating Revenue and 10% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT CPDCT, LLC

Land Area Approximately 315,375 square feet (7.24 acres)

Gross Floor Area Approximately 191,406 square feet

Parcel Number and Zoning The Parcel Number is 4815 and it is zoned "Arterial Commercial District" (CA80)

Location Crowne Plaza Danbury is located west of the city center, to the southeast of the intersection formed by Old Ridgebury Road and Interstate 84. The Westchester County Airport is located approximately 20 miles to the southwest. Adjacent uses include interstate 84, prime storage, vacant land and Old Ridgebury Road.

Brief Description Crowne Plaza Danbury is a full-service lodging facility. The property underwent a guestroom renovation in 2013 and other minor public-area renovations from 2014 through year-to-date 2018. Opened in 1980, the property features 242 rooms, a restaurant and lounge, 15,630 square feet of meeting space, an indoor



pool, a fitness room, a business center, a market pantry, a guest laundry room, and two tennis courts.

Occupancy Profile (Managed By)	The Property is currently managed and operated under the Crowne Plaza brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 5.50% Inflation: 1.75% Discount Rate: 7.25%
Date of Inspection	19 October 2018
Date of Valuation	31 December 2018
Valuation	USD12,000,000
Valuation Per Key	USD50,000 (approximately)



VALUATION CERTIFICATE

DOUBLETREE BY HILTON SALT LAKE CITY AIRPORT

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property DoubleTree by Hilton Salt Lake City Airport (the "Property") at 5151 Wiley Post Way, Salt Lake City, Utah 84116

Property Interest Valued Fee Simple interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 20 years
Base Rent	:	USD2,600,000 per annum
Variable Rent	:	Sum of 21% of Gross Operating Revenue and 22% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT DHSLC, LLC

Land Area Approximately 313,630 square feet (7.2 acres)

Gross Floor Area Approximately 187,199 square feet

Parcel Number and Zoning The Parcel Number is 07-36-451-001-0000 and it is zoned "Light Manufacturing District" (M-1)

Location DoubleTree by Hilton Salt Lake City City is located west of the Salt Lake City International Airport, in the southwest quadrant of the intersection formed by Wiley Post Way and Charles Lindbergh Drive. The property has good access from Interstate 80. The Salt Lake City International Airport is located approximately three miles to the east. Adjacent uses include Wiley Post Way, lake and Charles Lindbergh Drive.



Brief Description	DoubleTree by Hilton Salt Lake City City is an upscale, full-service lodging facility. The hotel has undergone multiple renovations since its opening in 1980 as a Hilton, including a renovation in 2013/14 when the property was converted to the DoubleTree brand. Opened in 1980, the property features 288 rooms, a restaurant and lounge, a coffee shop, 11,057 square feet of meeting space, an indoor pool and whirlpool, a fitness room, a business center, a market pantry, a putting green, a vending area, a sundeck, and a sport court.
Occupancy Profile (Managed By)	The Property is currently managed and operated under the DoubleTree by Hilton brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 6.00% Inflation: 1.5% Discount Rate: 7.75%
Date of Inspection	25 October 2018
Date of Valuation	31 December 2018
Valuation	USD60,900,000
Valuation Per Key	USD210,000 (approximately)



VALUATION CERTIFICATE HILTON ATLANTA NORTHEAST

Purpose We have been instructed by the REIT Trustee (in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust, the REIT Manager (in its capacity as manager of Eagle Hospitality Real Estate Investment Trust) and the Trustee-Manager (in its capacity as trustee-manager of Eagle Hospitality Business Trust Management Pte Ltd) to provide our opinion of Market Value of the Property as at 31 December 2018 which are to be relied upon for the Initial Public Offering (IPO) of Eagle Hospitality Trust on the Main Board of the SGX-ST and to be included in the Prospectus of Eagle Hospitality Trust.

Property Hilton Atlanta Northeast (the "Property") at 5993 Peachtree Industrial Boulevard, Norcross, Georgia 30092

Property Interest Valued Fee Simple interest, subject to the proposed Master Lease Agreement with the following terms:

Term	:	20 years
Option (s)	:	One Option of 20 years
Base Rent	:	USD2,400,000 per annum
Variable Rent	:	Sum of 19% of Gross Operating Revenue and 20% of Gross Operating Profit less Base Rent

Under the Master Lease Agreement, the landlord is responsible for the payment of property insurance, property tax, land lease (if any) and ongoing capital expenditure. Furniture and Fitting Reserve of 4% of Room Revenue is outside of rental payment.

Lessee Post IPO EHT HAN, LLC

Land Area Approximately 435,600 square feet (10.00 acres)

Gross Floor Area Approximately 186,592 square feet

Parcel Number and Zoning The Parcel Number is R6273 041 and it is zoned "General Business District" (C2)

Location Hilton Atlanta Northeast is located northeast of metro Atlanta, in southern Peachtree Corners (near the Peachtree Corners/Norcross city line). The property has good access from Interstates 285 and 85. The Hartsfield-Jackson Atlanta International Airport is located approximately 25 miles to the southwest. Adjacent uses include Hampton Inn by Hilton, Peachtree Industrial Boulevard, Technology Park and Pointe Parkway Northwest.



Brief Description	Hilton Atlanta Northeast is a full-service lodging facility. The hotel was designed and developed as a Hilton in 1986 and has undergone various renovations and updates since then. In 2017, the hotel was fully renovated and had expanded the executive lounge. Opened in 1986, the property features 271 rooms, a restaurant, a bar, a club-level lounge, 18,445 square feet of meeting space, an indoor/outdoor pool, a fitness room, a business center, and a market pantry.
Occupancy Profile (Managed By)	The Property is currently managed and operated under the Hilton brand and the Lessee is responsible for Hotel Management Fee and Franchise Fee as part of the determination of Gross Operating Profit.
Valuation Approach	The Income Approach (Discounted Cashflow Analysis) and Direct Sales Comparison Approach.
Valuation Parameters	Capitalisation Rate: 6.00% Inflation: 1.75% Discount Rate: 7.75%
Date of Inspection	22 October 2018
Date of Valuation	31 December 2018
Valuation	USD55,400,000
Valuation Per Key	USD200,000 (approximately)



Addendum 1 – Statement of Assumptions and Limiting Conditions

1. We have relied on information given by the Client and its representatives and have accepted advice given to us on such matters as land titles, easements, tenure, planning approvals, statutory notices, tenancy schedule, site and floor plans, building plans, floor areas, building design, building costs, and all other relevant matters. We have assumed the information given to us as correct and have not conducted independent checks to verify them, and no responsibility is assumed or implied by us. Interested parties are advised to seek further due diligence of qualified solicitors, engineers and other professionals as appropriate prior to making any legal, financial or other commitments. Should it be revealed that any information provided is inaccurate or misleading so that its use would affect the valuation, we seek to be informed of such discrepancies and accordingly reserve the right to amend our assessment.
2. The Property including its land titles, use rights and improvements is assumed to be transferable, marketable and free of any deed restrictions, easements, encumbrances or other impediments of an onerous nature that would affect the value of the Property. We have not conducted independent checks to verify and likewise advice interested parties to engage qualified solicitors to perform such checks and verifications as appropriate.
3. There are no hidden or unapparent conditions of the Property, subsoil or structures that would render it more or less valuable. No responsibility is assumed for these conditions or any engineering that may be required to discover them. We have not considered the existence of potentially hazardous materials used in the construction or maintenance of the buildings, such as asbestos, urea formaldehyde foam insulation, or PCBs. We are thus unable to report that the Property is free from risk in this respect and have assumed that any investigation would not reveal the presence of hazardous materials. The valuers are not qualified to detect these substances and urge the Client to retain an expert in this field if desired. We have not investigated whether the site is or has been in the past contaminated and are therefore unable to warrant that the Property is free from any defect or risk in this respect. Our report is therefore based on the assumption that the land is not contaminated and any specialist investigation would not disclose the presence of any adverse conditions on the site or within the building.
4. In the course of the property inspection, particular investigation has not been made on environmental matters that are either an inherent feature of the Property itself or the surrounding area, which could impact on the property interest. Examples include the historic mining activity or electricity transmission equipment. We therefore value on the assumption that the Property is not affected by any such environmental matters.



5. No cadastral survey of the Property has been made by the valuers and no responsibility is assumed in connection with such matters. Sketches, pictures, maps and other exhibits are included to assist the Client in visualising the Property. It is assumed that the use of the land and premises is within the boundaries of the Property described and that there is no encroachment or trespass unless noted.
6. The Valuation Certificate is neither a structural survey nor a survey on the electrical and mechanical services in terms of both hardware and software. We therefore value on the assumption that the Property is of sound design and construction, and free from any inherent defect. No detailed inspection or tests have been carried out by us on any of the services or items of equipment; therefore, no warranty can be given with regard to their serviceability, efficiency, safety or adequacy for their purpose. We express no opinion or advice upon the condition of uninspected parts and our report should not be read as making any implied representation or statement about such parts. We have assumed that the Property together with the services therein is in a good state of repair and condition and that there are no outstanding items of expenditure required.
7. Valuation report for the Property is accompanied with corresponding list of assumptions and limiting conditions which states assumptions peculiar and pertinent to Property. Interested parties are advised to read the individual report prior to making any legal, financial or other commitments.
8. We have not inspected the Property's city, local and private consents, licences, approvals, permits or certificates for its use and operations. It is assumed that the Property will be in full compliance with all applicable city, local and private codes, laws, consents, licences and regulations (including a fire certificate and relevant alcohol licences where appropriate), and that all licences, permits, certificates, franchises and so forth can be freely renewed and/or transferred to a purchaser. It is advisable for interested parties to seek full legal due diligence advice of a qualified legal solicitor prior to making any legal, financial or other commitments.
9. All mortgages, liens, encumbrances, leases, servitudes, arrears and penalties have been disregarded unless specified otherwise.
10. Other than as identified under "Client Brief and Purpose of Valuation" and for purposes of inclusion in the Prospectus in relation to the initial public offering of Eagle Hospitality Trust, no portion of this report, in whole or in part, or any reference thereto may be reproduced in any form or included in any document, circular or statement without the permission of HVS, nor shall the report be distributed to the public through advertising, public relations, news, sales, or other media without the prior written consent of HVS.
11. HVS is not required to give testimony or attendance in court by reason of this economic and valuation study without previous arrangements and only when our standard *per diem* fees and travel costs are paid prior to the appearance.



12. If the reader is making a fiduciary or individual investment decision and has any questions concerning the material contained in this report, it is recommended that the reader contact HVS.
13. The quality of a property's on-site management has a direct effect on a property's economic viability and market value. The financial forecasts presented in this Valuation Report assume both responsible ownership and competent management. Any variance from this assumption may have a significant impact on the forecast operating results.
14. The estimated operating results presented in this report are based on an evaluation of the current overall economy of the area and neither take into account nor make provision for the effect of any sharp rise or decline in local or economic conditions. To the extent that wages and other operating expenses may advance during the economic life of the Property, it is expected that the prices of rooms, food, beverages and services will be adjusted to at least offset these advances. HVS does not warrant that the estimates will be attained, but they have been prepared on the basis of information obtained during the course of this study and are intended to reflect the expectations of typical investors.
15. Many of the figures presented in this report were generated using sophisticated computer models that make calculations based upon numbers carried out to three or more decimal places. In the interest of simplicity, most numbers presented in this report have been rounded. Thus, these figures may be subject to small rounding errors in some cases.
16. Our valuation opinion is current as at the date of valuation. It is likely that the value assessed may be subjected to significant and unexpected changes over a relatively short period due to reasons including, but not limited to, the result of general market movements and/or other factors specific to the subject Property. We are not liable for any losses arising from any of such subsequent changes in value and neither do we accept any liability where our value opinion is relied upon after the expiration of three months from the date of valuation. We shall not be responsible for any delay to the performance of our valuation exercise, where matters beyond our control cause such delay.
17. Valuing real estate is both a science and an art. Although this valuation employs various mathematical calculations, the final estimate is subjective and may be influenced by the consultant's experience and other factors not specifically set forth in this report.
18. It is assumed that the relationship between the currencies used in this report and other major world currencies remains constant as at the date of our fieldwork.
19. Whilst the information contained herein is believed to be correct, it is subject to change. Nothing contained herein is to be construed as a representation or warranty of any kind.
20. Until the time that all of our professional fees and other charges have been paid in full, the draft or final report, which is provided to you as a professional courtesy, remains the intellectual property of HVS and shall not be utilised in attempting to: a) obtain financial capital (whether debt



or equity); b) further any litigation, mediation, or arbitration processes; or c) assist the Client in any cause, action or endeavour.

21. If HVS has not been paid in full for its outstanding professional fees and other charges, and the draft or final report is used in violation of this agreement, HVS will be entitled to seek injunctive relief, monetary damages, and the cost of attorney fees and collection expenses.
22. To the extent permissible under applicable laws, it is agreed that the liability of HVS, its employees and anyone else associated with this assignment is limited to the amount of the fee paid as liquidated damages. You acknowledge that any opinions, recommendations and conclusions expressed during this assignment will be rendered by the staff of HVS acting solely as employees and not as individuals. Any responsibility of HVS is limited to the Client, and use of our product by third parties shall be solely at the risk of the Client and/or third parties.
23. This assessment and study has been undertaken by HVS as an independent overseas consultant.
24. Throughout this report, 'HVS' refers to the trading name of SG&R Singapore Pte Ltd (Registration Number 199900143N).

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INDEPENDENT HOSPITALITY INDUSTRY REPORT



200 East Randolph Drive Chicago Illinois 60601

April 17, 2019

Eagle Hospitality REIT Management Pte. Ltd.
(as manager of Eagle Hospitality Real Estate Investment Trust)
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Eagle Hospitality Business Trust Management Pte. Ltd.
(as trustee-manager of Eagle Hospitality Business Trust)
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

DBS Trustee Limited
(as trustee of Eagle Hospitality Real Estate Investment Trust)
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982

Dear Sirs,

INDEPENDENT HOSPITALITY INDUSTRY REPORT

With reference to your instructions, we have conducted our independent review of the hospitality sector and the hotel real estate market in the United States of America. This report is for inclusion in the prospectus for the initial public offering and listing of Eagle Hospitality Trust (a stapled trust comprising Eagle Hospitality Real Estate Investment Trust and Eagle Hospitality Business Trust) on Singapore Exchange Securities Trading Limited.

The report is enclosed herewith.

Yours faithfully
For and on behalf of
Jones Lang LaSalle Americas, Inc.

A handwritten signature in black ink, appearing to read "Bryan Duncan", followed by a horizontal line.

Name: Bryan Duncan

Designation: Director



Market Research Overview U.S. Hotel Asset Portfolio

Issued by:
Jones Lang LaSalle Americas, Inc.

Prepared for:
Eagle Hospitality REIT Management Pte. Ltd. (in its capacity
as manager of Eagle Hospitality Real Estate Investment
Trust)

Eagle Hospitality Business Trust Management Pte. Ltd. (in
its capacity as trustee-manager of Eagle Hospitality
Business Trust)

DBS Trustee Limited (in its capacity as trustee of Eagle
Hospitality Real Estate Investment Trust)

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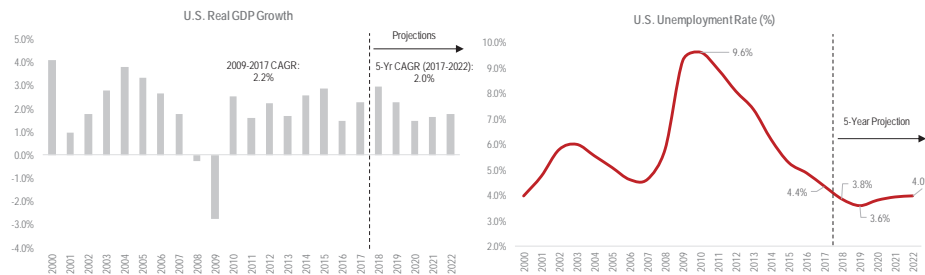


1 Executive Summary

1.1 U.S. Country and Economic Overview

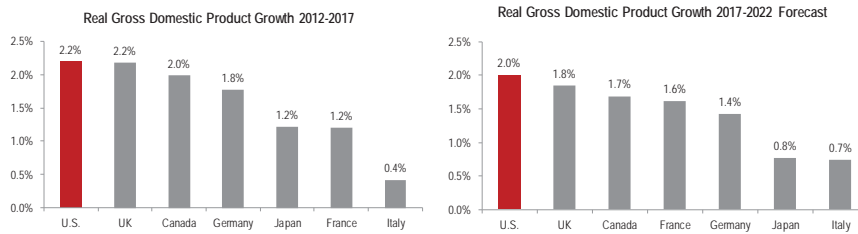
The U.S. economy is currently on track to register its ninth consecutive year of economic growth in 2018, and the current economic expansion will likely become the second longest in modern U.S. history in 2019. After averaging annual real GDP growth of 2.2% between 2010 and 2017, real GDP growth is projected to accelerate to 3.0% in 2018, according to forecasts from Oxford Economics. Reductions in the statutory corporate tax rate and individual income tax rates, which took effect on January 1, 2018, are widely credited with the recent acceleration in real GDP growth.

During the next few years, real GDP growth in the U.S. is expected to gradually moderate towards a more sustainable average annual rate of approximately 2.0% due to several factors. First, the impact of tax cuts on economic growth is expected to abate over time with the bulk of the impact on year-over-year real GDP growth occurring in 2018. Second, the U.S. unemployment rate has fallen to 3.9% as of August 2018, below most economists' estimates of full employment. As a result, wages and inflation are expected to gradually increase, resulting in increases to the federal funds rate and rising interest rates. Economic growth is expected to soften to some extent but remain near the U.S. economy's 20-year historical average as rising interest rates impact business investment and consumer spending. Considering the likelihood of this scenario, Oxford Economics projects that U.S. real GDP growth will moderate to 2.3% in 2019 and 1.5% in 2020. This trend is broadly consistent with JLL's view on the U.S. economy.



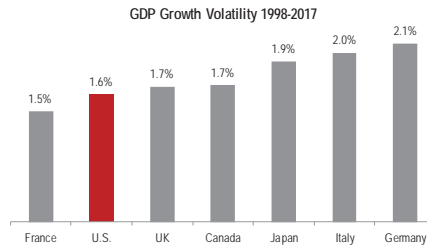
Source: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Oxford Economics

When compared to the other major mature countries in Europe and Asia, real GDP Growth in the U.S. outperformed during the past five years, and economic growth in the U.S. economy is expected to outperform in the 2017-2022 forecast horizon, as projected by Oxford Economics.



Source: Oxford Economics

Furthermore, when comparing the U.S. to other mature economies in Europe and Asia, the U.S. generally has exhibited lower volatility in the annual economic growth rate during the past 20-year period.



Note: Pertains to annual standard deviation of real GDP growth
 Source: Oxford Economics

Furthermore, the U.S. economy is very well-diversified, which is one of the drivers of the lower volatility addressed above. In addition, the diversity of the economy results in more catalysts for growth, with each economic sector experiencing unique drivers. The three largest contributors to GDP in the U.S. are real estate, government, and professional services. In the U.S., no single economic sector accounts for more than 13.3% of overall GDP output.

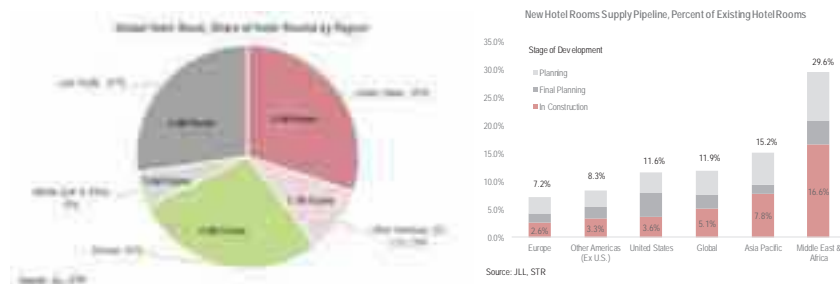
Composition of U.S. GDP	
Real estate and rental and leasing	13.3%
Government	12.6%
Professional and business services	12.5%
Manufacturing	11.2%
Educational services, health care, and social assistance	8.7%
Finance and insurance	7.5%
Wholesale trade	6.0%
Retail trade	5.6%
Information	5.4%
Arts, entertainment, recreation, accommodation, and food services	4.1%
Construction	4.0%
Transportation and warehousing	3.1%
Other services, except government	2.1%
Utilities	1.6%
Mining	1.4%
Agriculture, forestry, fishing, and hunting	0.9%

Source: U.S. Bureau of Economic Analysis



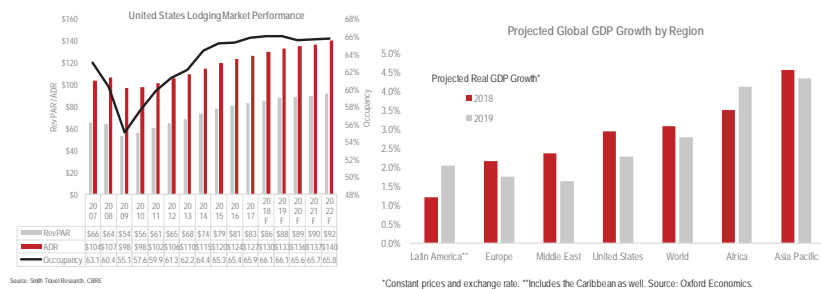
1.2 U.S. Hospitality Sector Overview

Featuring approximately 5.3 million hotel rooms and accounting for 30% of global hotel rooms inventory, the United States lodging market is the largest in the world. The U.S. lodging market also stands out from the rest of the world in that it has a significantly higher share of branded hotel rooms, suggesting that institutional quality assets with access to strong distribution channels comprise a much larger percentage of its lodging stock. Branded hotel rooms comprise 71% of U.S. rooms supply, compared to 53% of rooms in Asia Pacific and only 40% of rooms in Europe.



We expect the U.S. lodging market to perform well in relation to other global lodging markets during the next few years. U.S. real GDP growth, which is highly correlated with lodging demand growth, is projected to outperform growth in Latin America, Europe, and the Middle East in 2018 and 2019 according to growth forecasts from Oxford Economics. At the same time, lodging supply growth in the U.S. is expected to be materially lower than in Asia Pacific as well as the Middle East & Africa based upon the active new supply pipeline for each global region. On balance, the demand and supply dynamics for the U.S. lodging market are attractive relative to most other global regions.

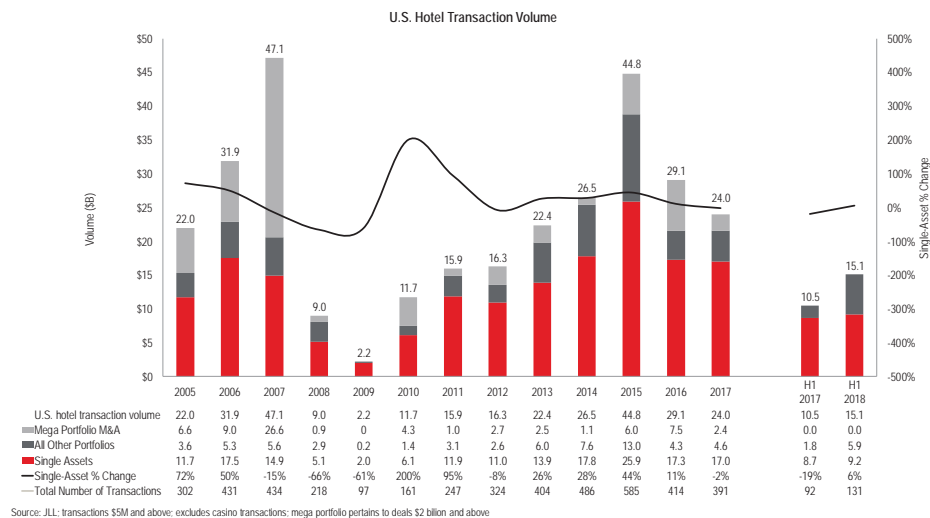
Since 2010, the U.S. lodging market has benefited from substantial improvement in operating performance, registering 102 months of consecutive year-over-year RevPAR growth as of August 2018. While RevPAR growth decelerated to 3.1% in 2016 and 3.0% in 2017 following average annual growth of 6.6% between 2010 and 2015, RevPAR growth appears poised to accelerate moderately once again in 2018. As of August, year-to-date RevPAR growth had risen to 3.5%. During the next few years, we expect that the U.S. economic expansion will continue to support growth in lodging demand, while lodging supply growth is expected to abate beginning in 2019 as rising construction costs deter new construction. Consistent with our view of future growth potential, CBRE projects average annual RevPAR growth of 2.1% between 2017 and 2022, as shown in the charts below.



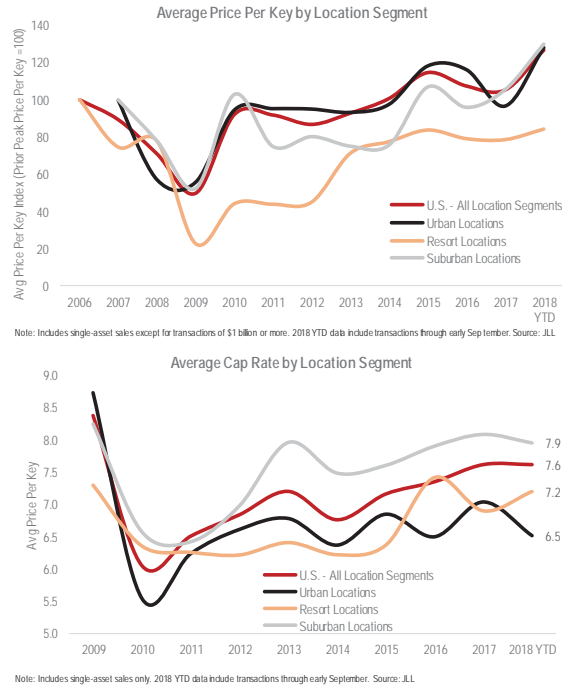


1.3 U.S. Hotel Real Estate Market Overview

The volume of U.S. hotel investment sales increased dramatically between 2009 and 2015, when investment sales reached a cyclical peak of \$44.8 billion. While total investment sales remained below the prior peak in 2007, single-asset sales reached an historic high of \$25.9 billion in 2015. Since then, transaction activity has declined but remains robust with U.S. hotel transactions totaling \$29.1 billion and \$24.0 billion in 2016 and 2017, respectively. Most recently, year-to-date transactions in the first half of 2018 climbed 44% above the level recorded for the first half of 2017 due to significant portfolio transactions activity.



The average price per key for U.S. hotel sales has increased significantly during the current cycle, rising from \$99,000 in 2009 to \$209,000 in 2017. The average price for year-to-date transactions through early September 2018 rose further to \$251,000 per key. While price gains since 2009 have been significant, appreciation relative to peak pricing during the prior market cycle has been relatively moderate, suggesting that runway for further price increases remains. The average price per key for U.S. hotel transactions in 2017 was only 5% higher than the prior peak in 2006, and if year-to-date pricing trends remain intact through year-end 2018, average price appreciation will amount to only 2.0% per year during the last 12 years. At the same time, capitalization rates for U.S. hotel sales appear to have drifted slightly higher during recent years but remain low. The average cap rate for U.S. hotel sales increased to 7.6% for year-to-date transactions through September 2018 from 6.8% in 2014.



As strong RevPAR growth and relatively low capitalization rates have allowed for rising hotel asset prices and strong hotel cash flow, the U.S. hotel sector has produced robust investment returns. According to data compiled by NCREIF, hotel investments have yielded a total rate of return of 9.3% per year during the past 25 years, compared to a total rate of return of 9.1% for U.S. commercial real estate. We expect the hotel sector to continue to produce robust investment returns as consumer spending on lodging and travel trends higher and the sector benefits from a balanced supply and demand outlook and asset valuations that remain moderate relative to the prior cycle's peak.

1.4 Portfolio Investment Theses

JLL compiled various metrics for the subject portfolio pertaining to the market segments in which it is expected to compete and the growth prospects for those segments to assess the subject portfolio's strength from an investment perspective. JLL compared the subject portfolio's performance on these metrics with corresponding national averages as well as with corresponding metrics for other publicly traded lodging REITs in the United States. Following its research and analysis, JLL identified several key attributes of the subject portfolio that are expected to bode well for its future operating performance and contribute to its desirability from an investor's vantage point; we have briefly summarized these portfolio investment theses below:

- The subject portfolio is expected to benefit from its exposure to U.S. markets with a strong historical and projected economic growth trajectory.
- RevPAR growth rates for the lodging markets in which the subject portfolio is located have been materially higher than the national average in recent years and are expected to remain strong in the near term.

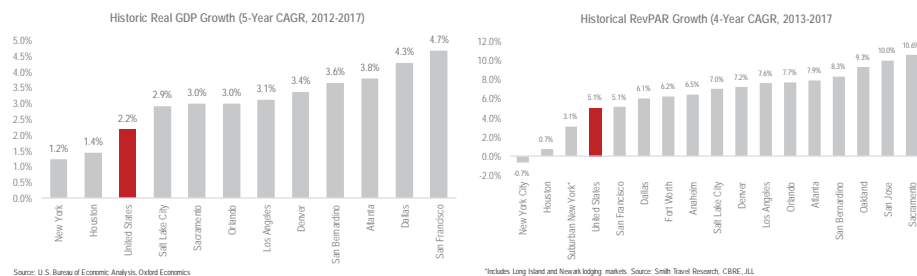


- The subject portfolio is expected to benefit from its relatively high concentration of rooms in resort locations, which are expected to yield higher RevPAR growth during the next few years than most other location segments due to the concomitant impact of high barriers to entry and limited supply growth in the resort segment.
- The subject portfolio features a high share of rooms in the largest lodging markets in the United States; these markets generally benefit from more diverse demand generators, higher RevPAR, and greater liquidity.
- The subject portfolio is expected to benefit from its high share of rooms with full-service, branded positioning. Supply growth in the full-service segment is expected to continue to be muted in comparison to the select-service segment, allowing for potentially stronger RevPAR growth. Additionally, full-service hotels benefit from significant ancillary revenue and valuations that are typically materially higher than their select-service counterparts.

1.5 Market and Asset Overviews

In addition to evaluating the subject portfolio’s growth prospects and key positioning elements on an aggregate basis, JLL reviewed the market positioning of each property in the subject portfolio and assessed each of the markets in which the subject portfolio has assets on an individual basis. Specifically, JLL compiled economic indicators as well as lodging market performance and valuation metrics for each metropolitan¹ area represented in the subject portfolio to assess their desirability from an investment perspective. JLL also assessed key demand generators for each property in the subject portfolio and evaluated each property’s positioning and performance history relative to its competitive market. JLL’s market and asset analysis for each asset is presented in detail in Section 6.

The metropolitan areas in which the subject portfolio has assets have mostly achieved higher real GDP growth during the past five years than the U.S. average, and most of the lodging markets in which the subject portfolio has assets have realized higher-than-average RevPAR growth as well. We expect that these markets will continue to perform well given strong fundamentals. In this environment, the subject portfolio’s assets are poised to perform well during the next several years.



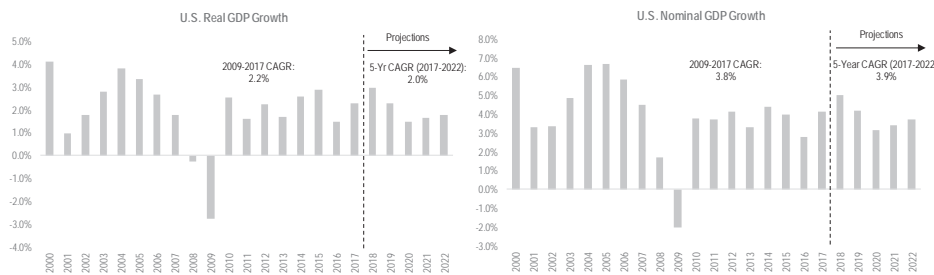
¹ Throughout the report, the terms ‘metropolitan area’ and ‘metropolitan statistical area’ are used interchangeably.



2 U.S. Country and Economic Overview

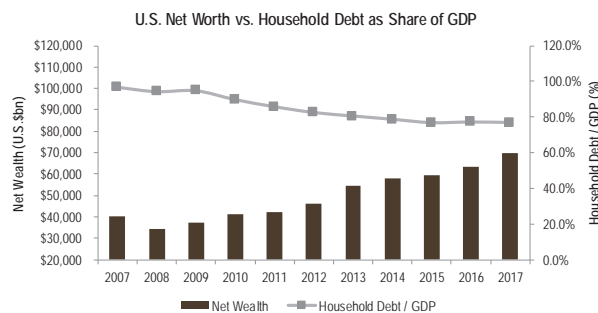
2.1 Macroeconomic Overview and Economic Outlook

Since 2010, the U.S. economy has benefited from a strong expansion that now ranks as the country’s second-longest economic expansion in modern history and that appears poised to become the longest expansion in U.S. history in 2019. Between 2010 and 2017, U.S. real GDP growth averaged 2.2% per year, as the nation recovered from the financial crisis of 2008-2009. U.S. real GDP growth appears to be accelerating with growth expected to rise from 2.3% in 2017 to 3.0% in 2018, according to forecasts from Oxford Economics. Most recently, real GDP for the second quarter of 2018 grew year on year at a seasonally adjusted, annualized rate of 4.2%. While substantial reductions in corporate and individual income tax rates at the federal level are credited with the recent acceleration in real GDP growth, the impact of changes on annual growth rates is expected to abate over time. Additionally, rising inflation and concomitant increases in interest rates are expected to soften economic growth to some extent. Oxford Economics projects that U.S. real GDP growth will decelerate to 2.3% in 2019 and 1.5% in 2020.



Source: U.S. Bureau of Economic Analysis, Oxford Economics

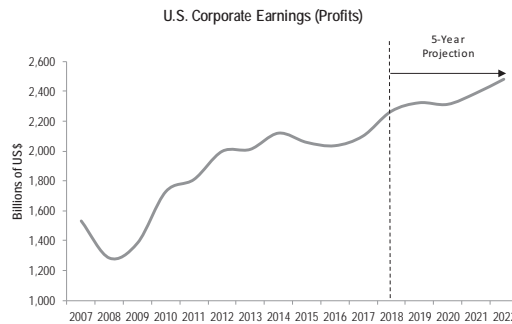
The U.S. has also experienced notable growth in household wealth since the last economic downturn, and the share of household debt versus national GDP has trailed off during the past decade, to reach approximately 77% in 2017.



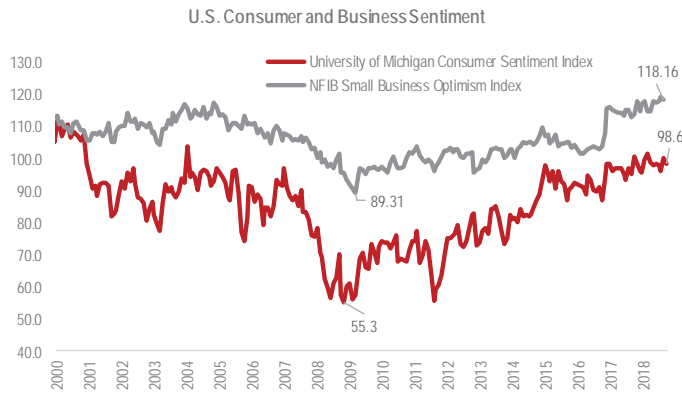
Source: Oxford Economics



Robust growth in consumer spending, which accounts for two-thirds of U.S. GDP, has contributed significantly to the nation's GDP growth during the current cycle. Average annual growth in consumer spending amounted to 3.9% between 2009 and 2017, and growth during the next five-year period is projected to remain strong at 3.7% per year according to Oxford Economics. Sustained growth in consumer spending has also allowed for robust growth in corporate earnings, though the latter tends to be more volatile. In 2018, corporate earnings are expected to increase 7.8% due to the impact of tax cuts and a favorable business environment, as evidenced by rising consumer and business sentiment. However, Oxford Economics projects a lower growth in corporate earnings in 2019 and 2020 due to tougher year-over-over comparisons before renewed acceleration takes hold again in 2021 and 2022. Another economic indicator which is frequently followed is the U.S. ISM Purchasing Manager Index, developed by the Institute for Supply Management. This index reached its highest level in recent history in August 2018 and continues to indicate an expanding manufacturing economy as of early 2019.



Source: Bureau of Economic Analysis, Oxford Economics

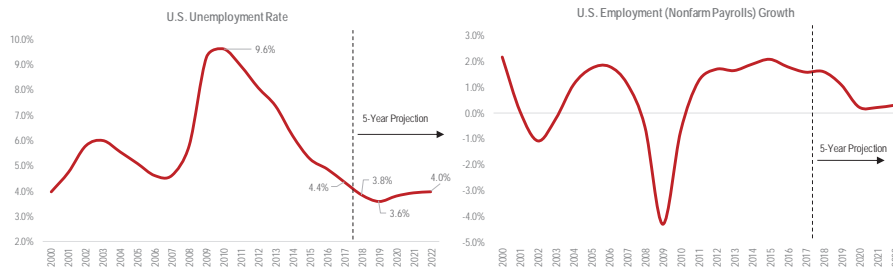


Source: U.S. Bureau of Economic Analysis, University of Michigan, National Federation of Independent Business, Oxford Economics



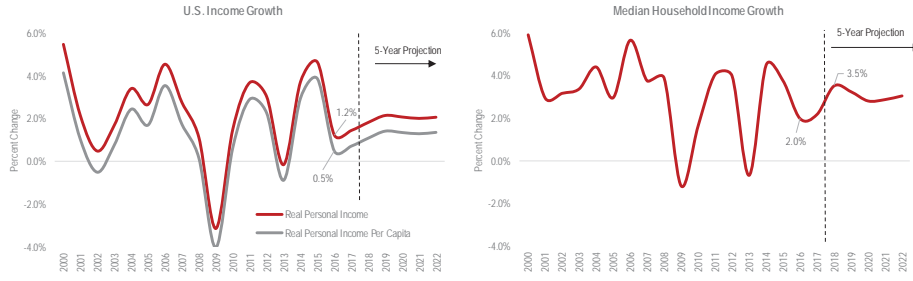
Note: An index above 50 indicates that the manufacturing economy is generally expanding, while an index below 50 indicates that it is generally contracting.
 Source: Institute for Supply Management

The strong trajectory of real GDP growth in the U.S. during the current economic expansion has been accompanied by substantial tightening in the nation’s labor market. As shown in the charts below, the country’s unemployment rate decreased from 9.6% in 2009 to 4.4% by 2017. According to projections from Oxford Economics, the nation’s strong economic environment is expected to allow for a further decline in the unemployment rate to 3.6% by 2019, after which time a gradual increase in the unemployment rate is anticipated. As the unemployment rate has fallen below most economists’ estimates of full employment, companies have found it increasingly difficult to fill available openings. Over the medium term, employment growth is expected to soften in tandem with the economic growth prospects.



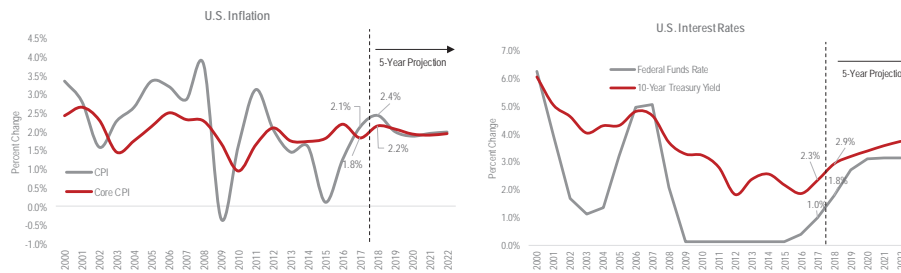
Source: U.S. Bureau of Labor Statistics, Oxford Economics

The tight labor market conditions are resulting in an acceleration in personal income growth, benefiting U.S. consumers. As shown in the charts below, real personal income growth accelerated from 1.2% in 2016 to 1.4% in 2017 and is expected to rise further to 2.1% by 2019. Real personal income per capita and median household income are projected to follow similar trends according to forecasts from Oxford Economics.



Source: U.S. Bureau of Economic Analysis, Oxford Economics

As the labor market has become tighter and demand growth for goods and services has been strong, inflation has drifted higher and the Federal Reserve has gradually increased the federal funds rate, causing longer-term interest rates to rise as well. Inflation, as measured by the core CPI, is projected to increase from 1.8% in 2017 to 2.2% in 2018, and the 10-year treasury note yield is expected to increase from an average rate of 2.3% in 2017 to 2.9% in 2018, per projections from Oxford Economics. Given that projected core inflation of 2.2% in 2018 exceeds the Federal Reserve’s target rate of approximately 2.0%, tighter monetary policy and continued increases in treasury note yields are anticipated during the next few years, as shown in the charts below.



Source: U.S. Bureau of Labor Statistics, Oxford Economics

JLL’s view of the U.S. economy is broadly consistent with the projections from Oxford Economics that we have summarized above. As the tight labor market translates to wage growth and moderately higher inflation, the Federal Reserve is expected to increase the federal funds rate, contributing to a gradual rise in interest rates. In turn, rising interest rates are expected to result in decelerating economic growth. While JLL’s economics team does not project that growth will decelerate into recessionary territory in the medium term, the risk of a recession rises in 2020 and 2021, when the probability of a recession is estimated at 32% and 26%, respectively.

2.2 U.S. Political Climate

In the election of 2016, the Republican Party gained control of the U.S. Presidency with the election of Donald Trump and maintained its existing majorities in both the U.S. Senate and the U.S. House of Representatives. During the past 18 months, notable changes with respect to U.S. tax law as well as U.S. trade and immigration policies have taken effect.

In December 2017, the Tax Cuts and Jobs Act was signed into law by President Trump after having narrowly secured passage through the U.S. Senate and House of Representatives. The new tax law



introduced substantial reforms to U.S. tax law. With respect to business taxes, notable changes include the reduction of the statutory corporate tax rate to 21 percent from 35 percent and the introduction of a 20 percent tax deduction for owners of pass-through businesses that are not in the service sector. With respect to individual taxes, statutory tax rates for all income brackets were reduced, and the amount of the standard tax deduction option was nearly doubled. However, for individuals who elect to itemize their tax deductions, limitations on certain itemized tax deductions were put into place. Most notably, a cap of \$10,000 was instituted on previously limitless deductions for state and local taxes (SALT deduction).

Given America's large trade deficit, particularly with China, and economic malaise in areas of the U.S. where manufacturing jobs have been lost, the Trump Administration has imposed tariffs on a wide range of imports in an attempt to negotiate more favorable trading terms with America's trading partners. The scale and scope of U.S. tariffs has been changing rapidly in recent months as U.S. tariffs have prompted retaliatory foreign tariffs on U.S. exports. While the trade war with China has escalated recently, the risk of a trade war with America's other trading partners appears to have abated somewhat given preliminary agreements with Mexico, Canada, and the European Union.

Economists generally expect that the current trading disputes will exert a drag on economic growth, although their impact is anticipated to be modest. JLL projects that the aggregate impact of current tariffs on \$250 billion in Chinese imports as well as China's expected retaliatory tariffs on U.S. exports will reduce real GDP growth by 50 to 100 basis points over a 12- to 18-month time span if the tariffs remain in place. Similarly, tariffs are expected to exert upward pressure on inflation, though again the aggregate impact on core inflation is expected to be less than 10 basis points according to recent estimates from Goldman Sachs economists. Given that the U.S. features a relatively closed economy with domestic demand accounting for most of national output and considering that complex global supply chains tend to diffuse the impact of targeted tariffs on pricing for final goods, JLL does not view tariffs as likely to derail the U.S. economy's current expansion.

Immigration and travel restrictions to the U.S. have also been at the forefront of U.S. policy discussions since the election of President Trump. While immigration laws are the purview of Congress and generally cannot be changed unilaterally by the President, the Trump Administration has succeeded in imposing travel restrictions to the U.S. from select countries, ostensibly for reasons related to national security. Additionally, the Trump Administration has made a highly publicized effort to curb the flow of undocumented immigrants into the United States via its southern border with Mexico by limiting the grounds under which asylum may be granted.

2.3 Implications of the Economic and Political Outlook for Real Estate

The current U.S. economic outlook has generally positive implications for real estate investors, although the prolonged nature of America's recovery presents certain corollary risks as well. While robust growth rates for various measures of economic activity, including real GDP, employment, personal income, and population, are expected to drive continued demand growth for hotel rooms, housing units, and office space, the nation's tight labor market and the specter of higher inflation and rising interest rates are generally expected to have a less favorable impact on real estate market fundamentals to the extent debt costs increase, capitalization rates increase, and employee and other operating costs rise. JLL notes, however, that a tight labor market is also conducive to demand growth and that inflation and interest rates are expected to remain at levels that are relatively low by historical standards, suggesting that changes in debt costs, capitalization rates, and operating costs are likely to be moderate. Oxford Economics projects that inflation, as measured by the core CPI, will increase to 2.0% and that interest rates, as measured by the 10-year treasury note yield, will rise to 3.75% by 2023;



the projected increase leave inflation and interest rates well below their 30-year averages of 2.6% and 4.9%, respectively.

While the economic outlook generally bodes well for real estate investors, the current political environment has mixed implications for the sector. The net impact of the Tax Cuts and Jobs Act of 2017 is expected to be positive for most commercial real estate investors, but the imposition of tariffs abroad and the specter of tighter controls on U.S. immigration present certain risks for the real estate market.

The tax cuts enacted in the Tax Cuts and Jobs Act are expected to drive stronger economic growth and resulting demand for real estate assets. In particular, increases in consumers' discretionary income may benefit retail real estate via increased retail sales and hotel performance via increased demand for lodging. To the extent strong economic growth and a lower corporate tax burden facilitate corporate expansions, office landlords may benefit from demand growth as well.

Given our expectation that tariffs will have a muted impact on demand growth and inflation, we do not expect that they will have a direct impact on hotel operating performance in the near term. However, tariffs have disproportionately targeted construction materials and may have a greater impact on the cost of construction in the real estate sector, which may soften supply growth for all real estate asset classes as fewer new development projects are deemed financially feasible. While construction cost increases are likely to have a negative impact on real estate developers, the impact on owners of existing real estate assets is more nuanced. On the one hand, softening supply growth may help to support operating fundamentals in the long term, but on the other hand, capital projects that must be undertaken in the near term can be expected to cost more.

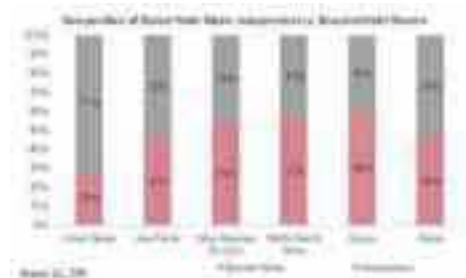
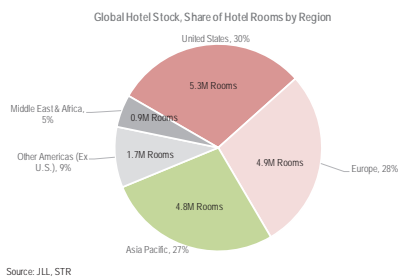
While immigration is the focus of significant political passions in the United States, we do not view the current political debate as having a strong bearing on real estate asset performance for several reasons. First, U.S. immigration laws are the purview of Congress and generally cannot be changed unilaterally by the President. Therefore, these laws are expected to remain materially unchanged given a lack of political will to address an issue that has been fraught with political risk in recent years. Second, visitation and emigration to the U.S. from the select countries that have been recently subject to travel restrictions have historically been very low. Third, unauthorized migration represents a relatively small component of overall U.S. population growth. Population growth generally drives demand for real estate assets across all sectors. Therefore, demand may suffer to the extent immigration and visitation to the U.S. is restricted. However, given the small scale of these impacts in the context of total visitation and population growth, we do not view U.S. immigration policy as a material threat to the U.S. real estate sector at this time.



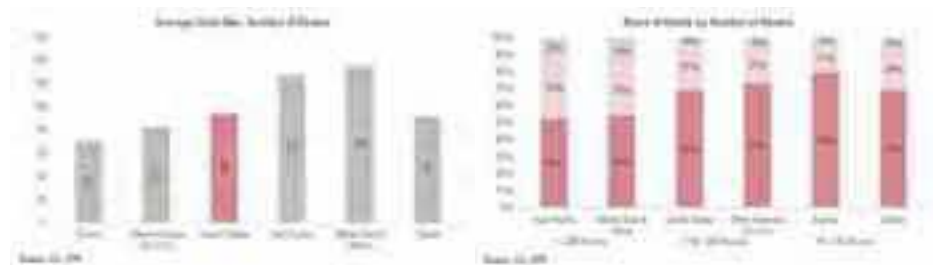
3 U.S. Hospitality Sector Overview

3.1 Composition of U.S. Lodging Sector in Comparison to the Global Lodging Landscape

The United States features the largest lodging market in the world. According to data compiled by Smith Travel Research, the United States contains 5.3 million rooms, accounting for 30 percent of global hotel rooms inventory. Europe and the Asia Pacific region, which includes Australia, feature 28 percent and 27 percent of global hotel rooms, respectively. China, which ranks as the second largest lodging market, contains 2.4 million rooms, or 14% of global rooms supply. Additionally, the United States has a significantly higher share of branded hotel rooms than the rest of the world, suggesting that institutional quality² assets with access to strong distribution channels comprise a much larger percentage of its lodging stock in the U.S. As shown below, branded hotel rooms comprise 71% of U.S. rooms supply, compared to 53% of rooms in Asia Pacific and only 40% of rooms in Europe. In the U.S. hotel investment community, branded hotels are typically deemed to be synonymous with institutional quality stock, given that the brands' building and operational standards lead to a higher-quality and more consistent physical product.



In terms of their programming, U.S. hotels do not feature materially more or less guestrooms than the rest of the world. The average U.S. hotel features 94 rooms with 69% of U.S. hotels offering less than 100 rooms; the global average hotel size and share of hotels with less than 100 rooms are approximately equivalent at 92 rooms and 69% of hotels, respectively. While hotels in Asia Pacific and the Middle East & Africa are generally larger, hotels in Europe and the rest of the Americas are generally smaller than in the U.S.



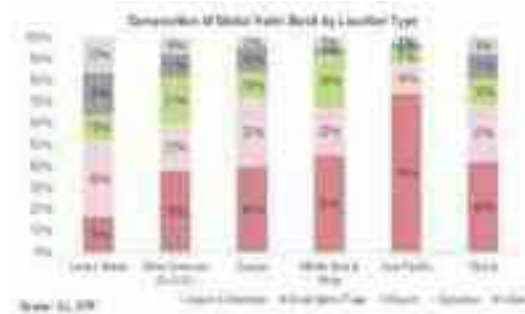
² JLL notes that 45% of independent hotels are in the economy class, compared to only 21% of branded hotels. Additionally, 32% of independent hotels have less than 60 rooms, compared to only 8% of branded hotels. Therefore, we assume that smaller, family-owned-and-operated hotels comprise a larger share of independent hotels than branded hotels, which are disproportionately owned by large institutional investors.



The share of U.S. hotel rooms with full-service amenities is estimated to be broadly in line with the global average. Approximately 14% of U.S. hotel rooms are affiliated with upper upscale or luxury brands, compared to 12% of rooms globally. Additionally, about 20% of U.S. hotel rooms are positioned in the upper upscale or luxury classes, which also include upper-tier independent hotels, compared to 21% of global rooms inventory.³ Given that hotels with upper upscale and luxury positioning typically feature full-service amenities, we estimate that the concentration of full-service hotels in the U.S. is roughly equivalent to the global average. Full-service hotels benefit from significant ancillary revenue as well as lower capitalization rates and correspondingly higher valuations on a per key basis than their select-service peers.



While the U.S. share of branded, full-service hotels is in line with the global average, the U.S. features a significantly larger share of branded, select-service hotels than the rest of the world. As shown in the chart above, approximately 57% of U.S. hotels are affiliated with economy, midscale, upper midscale or upscale brands, most of which feature select-service positioning, compared to 42% globally. The fact that the U.S. lodging market is much more evenly distributed by location type than the rest of the world with a large share of hotel rooms in non-urban locations, especially in suburban areas and in small metros, likely explains the nation’s disproportionate share of branded, select-service hotels, which are often more economical in these locations than full-service properties.⁴



The U.S. lodging market features a less fragmented brand landscape than the rest of the world. The largest six hotel brands in the U.S. account for 76% of all branded hotel rooms with the two largest

³ Smith Travel Research assigns a chain scale to all hotel brands (or chains) and a class to all hotels. In the case of a branded hotel, its chain scale is determined solely by its brand affiliation and is synonymous with its class. (For example, a branded hotel with an economy chain is always designated in the economy class.) In the case of an independent hotel, Smith Travel Research determines its class based on its ADR, relative to that of the branded hotels in its geographic proximity.

⁴ In Section 7.5, JLL has provided Smith Travel Research’s definitions for each location type as well as for other key terms. JLL has also provided Smith Travel Research’s chain scale designations for all U.S. hotel brands and a summary of key STR designations for the properties in the subject portfolio in Section 7.5.

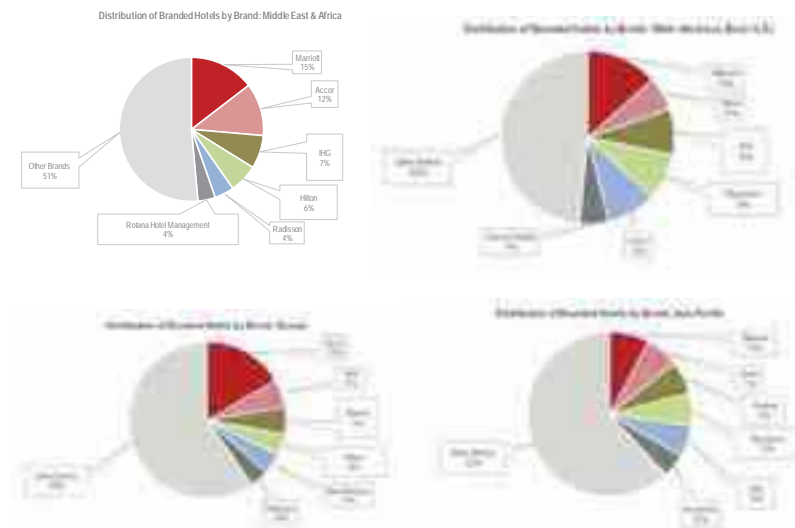


brands, Marriott and Hilton, comprising 40% of the country’s branded hotel rooms alone. By comparison, the largest six hotel brands in the world represent 51% of branded hotel rooms globally. Asia Pacific and Europe feature the most fragmented brand landscape with their six largest hotel brands representing 38% and 40% of all branded hotel rooms, respectively. Branded hotels generally benefit from large reservations systems, robust marketing platforms, and effective guest loyalty programs, all of which contribute to lodging demand. Additionally, the brand standards imposed typically result in a measure of quality control at branded hotels that further enhances their appeal for consumers. Volume purchasing may also enable the hotels to have more effective cost management.



Note: based on number of rooms
 Source: Smith Travel Research

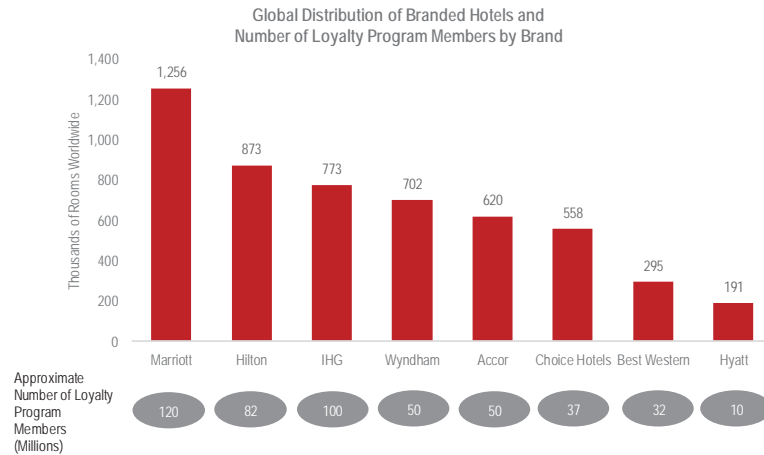
Marriott, Hilton and IHG are the top 3 largest global hotel franchisors, having established themselves as industry leaders with broad consumer appeal. Marriott has the largest global market share with more than 1.25 million hotel rooms, or 13% of all branded hotel rooms globally, followed by Hilton, IHG, Wyndham, Accor, and Choice Hotels. While Marriott ranks among the largest hotel brands in each of the major global regions reviewed, other large brands are less globally diversified.



Note: based on number of rooms
 Source: Smith Travel Research



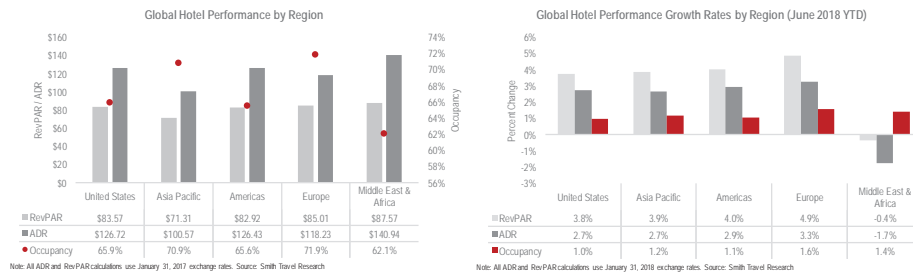
The brands with the largest number of hotel rooms worldwide also tend to feature the most members in their respective loyalty programs. Marriott, Hilton, and IHG, which rank as the largest global hotel franchisors, have approximately 120 million, 82 million, and 100 million members in their loyalty programs, respectively, as shown on the following chart.

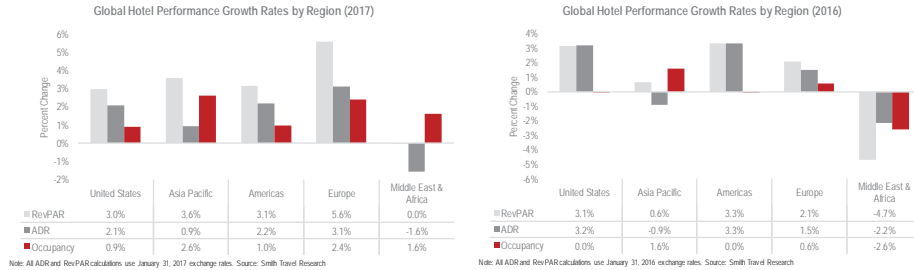


Source: Smith Travel Research, JLL, Company Press Releases

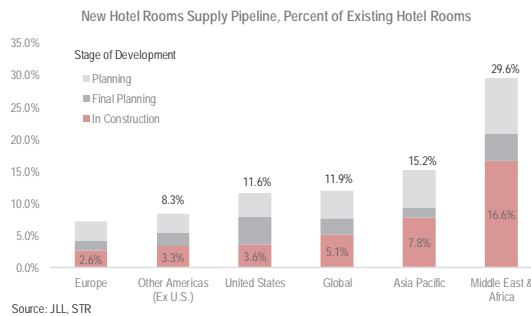
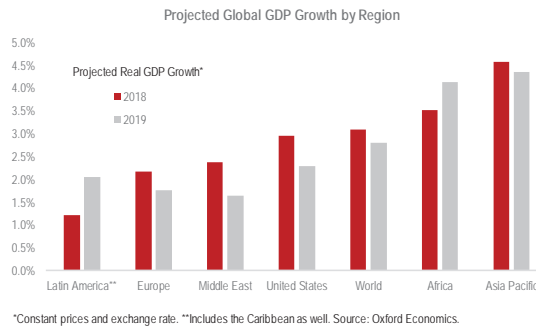
3.2 U.S. Lodging Sector Performance in Comparison to Global Lodging Performance

RevPAR performance in the U.S. is generally in line with global performance. In 2017, RevPAR in the U.S. was approximately 17% higher than in Asia Pacific, 2% lower than in Europe, and 5% lower than in Middle East, where a relatively large share of the rooms supply is positioned in the upper upscale and luxury class. Within the Americas, RevPAR in Central America and South America is significantly lower than in the U.S., and RevPAR in the Caribbean, where there is a large share of resort hotels, is materially higher. In recent years, the U.S. has generally experienced comparable or higher RevPAR growth than most other global regions. In 2015 and 2016, the U.S. realized annual RevPAR growth of 6.3% and 3.1%, respectively, notably outperforming RevPAR growth in Asia Pacific and the Middle East and Africa during both years. Europe outperformed the U.S. with 7.1% RevPAR growth in 2015 but lagged the U.S. in 2016, when its RevPAR growth fell to 2.1%. Most recently in June 2018 YTD, U.S. RevPAR growth has been broadly in line with growth in Asia Pacific, significantly above growth in the Middle East & Africa, and moderately below growth in Europe, as shown in the charts below.





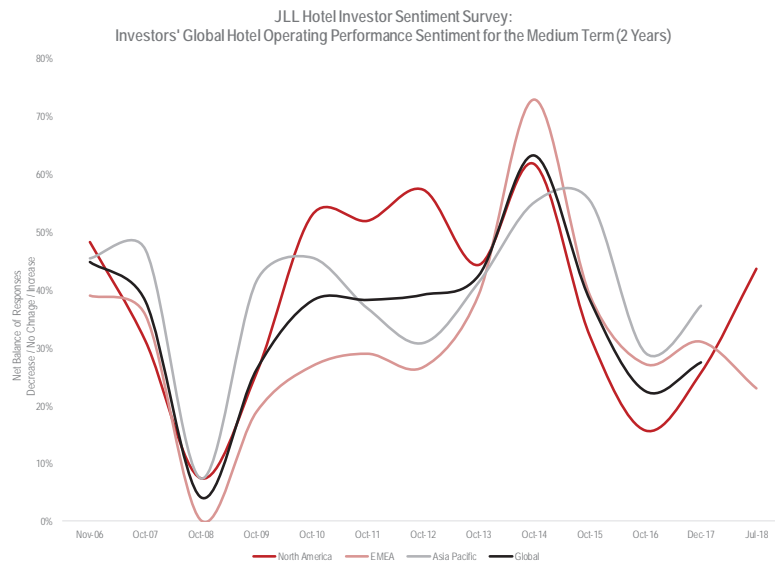
The U.S. lodging market is generally expected to continue to perform well in relation to other global lodging markets. Despite the tendency for slower real GDP growth in highly developed economies, real GDP growth in the U.S. is projected to outperform growth in Latin America, Europe, and the Middle East in 2018 and 2019 according to growth forecasts from Oxford Economics. While Asia Pacific is expected to realize stronger economic growth than the U.S., supply growth in the Asia Pacific region is significantly higher than the U.S. and risks dampening RevPAR growth in select markets as a result. As shown on the chart below, the number of rooms under construction as a share of existing supply in Asia Pacific as well as in the Middle East and Africa is significantly higher than in the U.S. and has been trending upward in recent years, while supply growth in the U.S. is beginning to soften. Relatively low supply pressures in Europe and significant supply headwinds in the Middle East and Africa correlate strongly with the former's high RevPAR growth and the latter's stagnant RevPAR trend in recent years.



The results of JLL's proprietary *Hotel Investor Sentiment Survey* corroborate our view that the U.S. lodging sector is generally expected to do well and outperform other major global regions in the



medium term. In July 2018, JLL surveyed hotel investors throughout Europe and the Middle East and Africa (“EMEA”) as well as North America. According to the survey responses, the net balance of investors who expect an increase in hotel operating performance in North America during the next 2 years, which is computed by subtracting the share of investors who expect deteriorating performance from the share of investors who expect improving performance, rose to 44% from 26% in December 2017. In EMEA, the net balance decreased from 31% to 23% during the same time period. Survey responses for Asia Pacific were not available for July 2018, but in December 2017, the region’s net balance of responders with expectations for improving hotel performance during the next two years amounted to 37%. As shown in the chart below, investor sentiment with respect to hotel operating performance in North America during the next two years is currently the highest among the major global regions that we have surveyed.



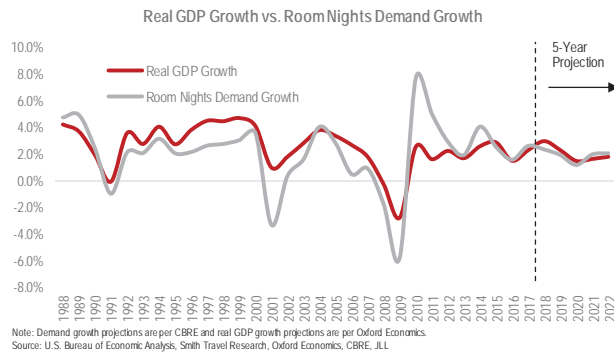
3.3 U.S. Lodging Performance Outlook

Demand growth has consistently outpaced supply growth in the U.S. lodging market since 2010, resulting in 102 months of consecutive year-over-year RevPAR growth as of August 2018. While occupancy growth averaged 3.2% per year between 2009 and 2014, occupancy gains have since slowed significantly but remained positive. Gradually increasing supply growth as well as capacity constraints in some U.S. markets are generally deemed responsible for the nation’s decelerating occupancy growth. At the same time, ADR growth decelerated from 4.7% in 2015 to 3.2% in 2016, before declining to 2.1% in 2017. As a result, total RevPAR growth has decelerated from an average annual rate of 6.6% during the first 5 years of the current recovery to 3.0% in 2017.

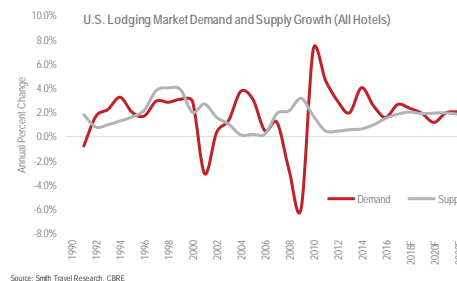
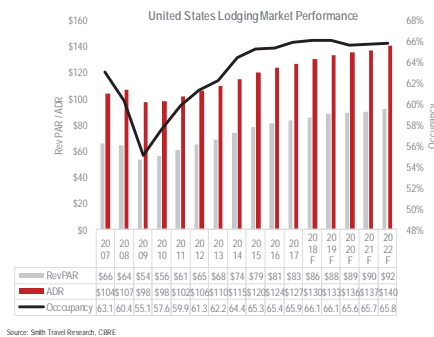
While U.S. RevPAR growth has decelerated during recent years, we expect that it will remain positive during the next few years for several reasons. First, the composition of the active new supply pipeline and rising construction costs suggest that U.S. lodging supply growth will peak in 2018 and will for the next several years remain slightly below its long-term historic average annual growth of approximately 2%. Second, real GDP growth for the U.S., which is highly correlated with lodging demand, is expected to remain strong considering robust economic fundamentals in the U.S. and fiscal stimulus in the form



of tax cuts. The chart below illustrates the close relationship between real GDP⁵ growth and lodging demand growth⁶, as the former fuels the latter through multiple channels. Personal income growth improves prosperity for leisure travel, while increases in business activity and corporate profits drive corporate and group travel. Additionally, government spending, which is also a component of GDP, can further encourage lodging demand.



Given the U.S.'s balanced supply and demand outlook, CBRE projects average annual RevPAR growth of 2.1% between 2018 and 2022, as shown in the charts below. This level of growth is slightly higher than core inflation, which Oxford Economics projects to average 2.0% annually during this time. While softening growth in GDP in 2019 and 2020 is expected to result in a temporary slowdown in lodging demand growth, the latter is expected to remain in positive territory throughout the forecast horizon.



3.4 U.S. Lodging Market Trends

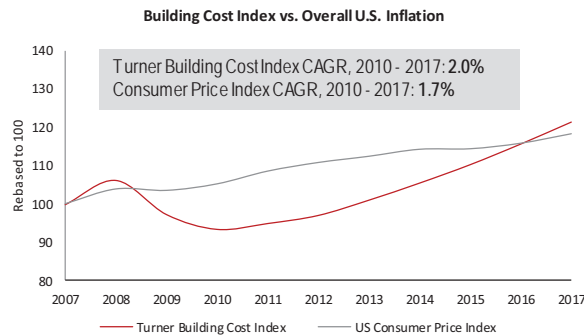
JLL has observed several noteworthy trends that are currently impacting U.S. lodging market fundamentals, including rising construction costs, robust growth in transient lodging demand relative to group demand, and a substantial increase in international tourism. We have explored these trends

⁵ Real GDP growth is more correlated with lodging demand growth than nominal GDP growth, because the former better reflects growth in economic activity, rather than nominal GDP growth, while the latter is also impacted by inflation, which is not directly related to lodging demand.
⁶ Lodging demand is quantified by occupied room nights at lodging properties, and the two terms are utilized synonymously.



in detail given that they are expected to continue to shape operating performance for U.S. hotels during the next several years.

First, construction costs have increased significantly for commercial real estate, including hotels, as accelerating supply growth and low unemployment have generated pressure on pricing for both labor and construction materials. Turner Construction, which ranks as one of the nation's largest construction companies with 5,200 employees and 1,500 construction projects annually, compiles the Turner Building Cost Index to track increases in non-residential construction costs over time. According to the Turner Building Cost Index, construction costs increased at an average annual rate of 3.8% between 2010 and 2017, compared to an average annual increase in the Consumer Price Index of 1.7%. Most recently, construction cost increases have accelerated with the Turner Building Cost Index rising 5.0% in 2017 and 5.6% between Q2 2017 and Q2 2018. Rising construction costs are contributing to the projected stabilization in supply growth after 2019 as detailed in the previous section, and this trend should help to support lodging fundamentals in the medium term.

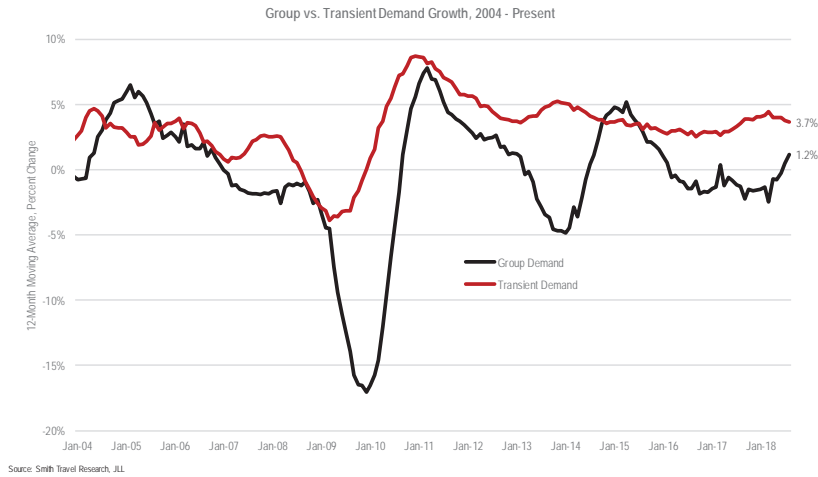


Second, transient lodging demand growth has consistently outpaced group demand growth during the current cycle, except for a brief time in early 2015.⁷ Despite rising corporate profits, U.S. companies have generally been reticent to spend heavily on group travel, and technology improvements have perhaps alleviated the need for group travel.⁸ At the same time, hotels' tendency to accept fewer group bookings to allow for transient-driven rate growth when lodging demand is strong is likely contributing to the trend as well.⁹ As a result, the group segment's share of total lodging demand has declined from approximately 36% in 2006 and 35% in 2007 and 2008 to 26% in 2017. As of the summer of 2018, however, we have observed nascent signs that group demand is stabilizing, boding well for the full-service hotels that cater to group bookings. In July and August 2018, the 12-month moving average for group room nights rose to 0.5% and 1.2%, respectively, after having been in decline since early 2016.

⁷ We have provided Smith Travel Research's definitions for Group Rooms and Transient Rooms in the Appendix (Section 7.5).

⁸ Group demand during weekdays is primarily related to corporate activity. However, non-corporate group lodging demand, including room nights associated with weddings and social organizations, also exists and typically occurs during weekend periods.

⁹ Transient ADR is typically higher than group ADR; as of 2017, transient ADR for all U.S. hotels amounted to \$129.93, compared to group ADR of \$126.61.



Third, the U.S. lodging sector has benefited from a substantial increase in international demand since 2009. According to data compiled by the National Travel & Tourism Office, total international visitor arrivals to the U.S. increased from 55.1 million in 2009 to 76.9 million in 2017, representing average annual growth of 4.3%. The National Travel & Tourism Office forecasts compound annual growth in international arrivals of 3.2% through 2022, representing a healthy growth rate as global consumers enjoy rising incomes and increasing mobility, primarily benefiting key gateway markets in the U.S. such as New York, Miami, San Francisco, and Los Angeles.¹⁰

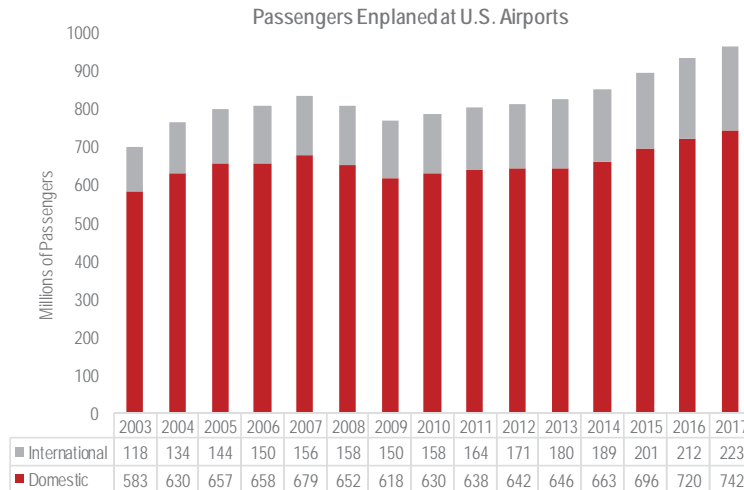


Notably, while the number of domestic and international travelers in the U.S. have both increased during the last 15 years, the latter source of demand has grown at a higher rate. As shown in the following chart, the number of passengers enplaned on an international route has increased from approximately 118 million in 2003 to 223 million in 2017, representing a compound annual growth rate

¹⁰ In Section 7.10, we provide estimates for the international share of lodging demand in 20 U.S. markets from CBRE.



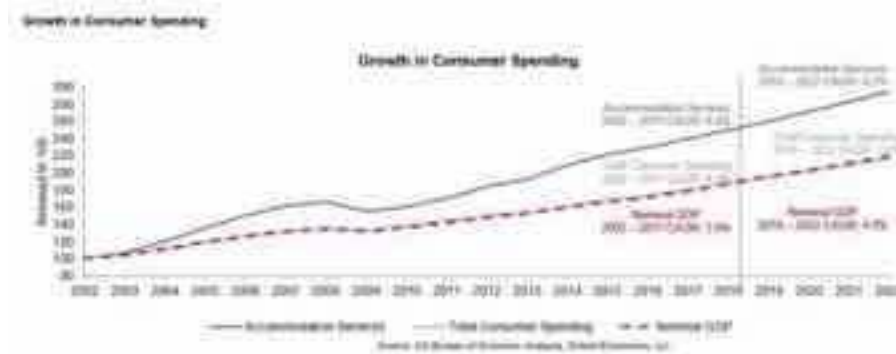
of 47%. By comparison, the number of passengers traveling on domestic flights has increased from 583 million in 2003 to 742 million in 2017, representing a compound annual growth rate of 1.7%.



Source: U.S. Bureau of Transportation Statistics

Fourth and finally, U.S. consumers have allocated an increasing proportion of their spending to accommodation services during the last 20 years, and this trend is expected to continue to support U.S. lodging market fundamentals. As shown in the chart below, while the share of consumer spending on accommodation services has increased significantly since 2000, the share of consumer spending on other items, such as food, clothing, household goods, and vehicles, has declined. Projections from Oxford Economics suggest that U.S. consumers will continue to allocate a higher share of their total spending on accommodation services during the next years as well, driven by the well-documented notion that younger adults (in particular Millennials) have a penchant to spend on experiences, rather than physical goods. In addition, U.S. citizens have a penchant to travel domestically and not leave the country for vacations, given that only approximately 42% of U.S. citizens possess a passport.¹¹

¹¹ Based on number of valid U.S. passports in circulation as computed by figures from U.S. Department of State – Bureau of Consular Affairs



3.5 Full-Service and Select-Service Hotel Segments

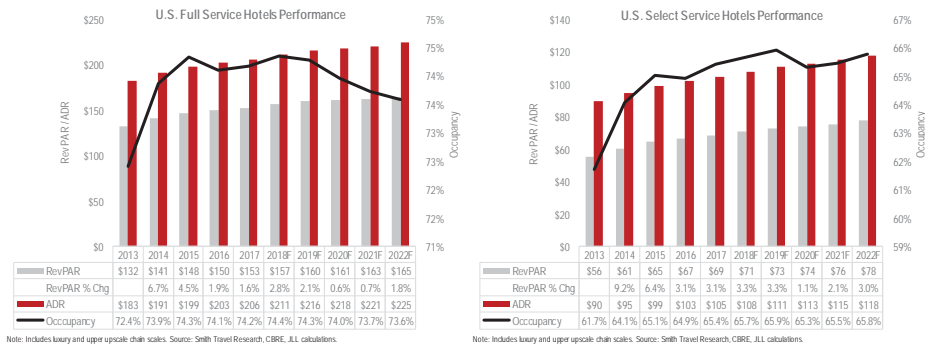
The U.S. lodging market includes 2.7 million rooms in select-service hotels, 1.1 million rooms in full-service hotels, and 1.5 million rooms in independent hotels that are affiliated with neither select-service nor full-service hotel brands. The select-service, full-service, and independent segments comprise 51%, 21%, and 29% of rooms inventory, respectively. A more detailed definition of what constitutes a full-service hotel is found in section 5.6. Full-service hotels typically include restaurants that serve at least two meals per day and often feature meeting space that is sufficiently sized to service group banquet and social catering functions. Select-service hotels typically do not offer these amenities, though they frequently do offer breakfast or limited food and beverage service in the form of a grab-and-go or lounge area with limited operating hours. Because full-service hotels are positioned to attract group demand in addition to transient demand, they often feature more guestrooms than select-service hotels. The average full-service hotel in the U.S. has 265 rooms, compared to 90 rooms at the average select-service hotel and 68 rooms at the average independent hotel. Hotel brands in the full-service segment include Ritz-Carlton, Westin, Sheraton, Hyatt Regency, and Doubletree, among many others, and examples of select-service brands include Residence Inn, Hyatt Place, Hilton Garden Inn, and Hampton Inn, among many others. Full-service hotels are generally preferred by groups who require significant meeting, event space or social catering space and by guests who appreciate having an on-site restaurant serving at least two meals per day and other amenities. Select-service hotels, however, may be preferred by more cost-conscious consumers, as they are typically available at a lower price point.

While STR does not report historical operating performance for select-service and full-service hotels, the firm does report performance data for each chain scale segment. Based on JLL's classification of hotel brands into the select-service and full-service positioning segments, 99% of U.S. hotel rooms in the upper upscale and luxury chain scales are affiliated with brands that typically feature full-service programming, and 88% of U.S. hotel rooms in the upscale, upper midscale, midscale, and economy chain scales are affiliated with brands that typically offer select-service programming.¹² Therefore, we have summarized the historical and projected performance of the upper upscale and luxury chain scales to approximate the performance of U.S. full-service hotels, and we have aggregated the performance of the upscale, upper midscale, midscale, and economy chain scales to approximate the performance of U.S. select-service hotels.

¹² Notably, as we have detailed in Section 7.7, hotels are classified as featuring either full-service or select-service positioning based solely on the profile of the brand with which they are affiliated.



Development costs for full-service hotels are typically substantially higher than costs for select-service hotels given the larger size of the former and the high cost of construction for full-service amenities such as meeting space and restaurants.



3.6 Top-25 Lodging Markets in the U.S. and Top-10 Metropolitan Statistical Areas by GDP

The following list summarizes the 25 largest lodging markets in the U.S. (“the top-25 U.S. markets”), according to data compiled by Smith Travel Research. As detailed in Section 5.5, the top-25 U.S. markets generally feature higher RevPAR than other U.S. markets and comprise a disproportionate share of total U.S. hotel transactions.

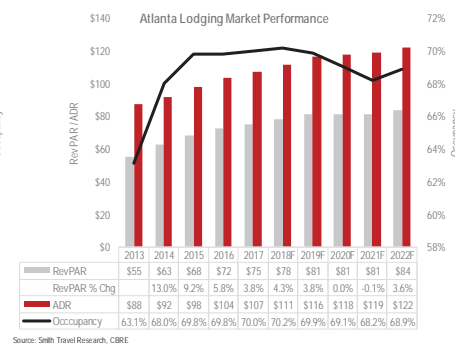
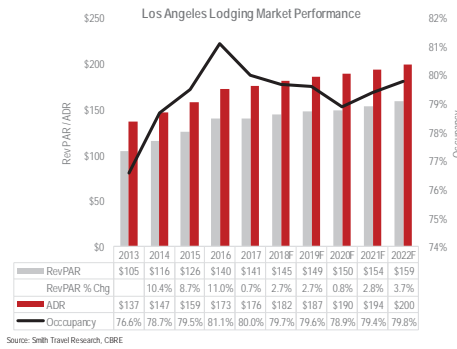
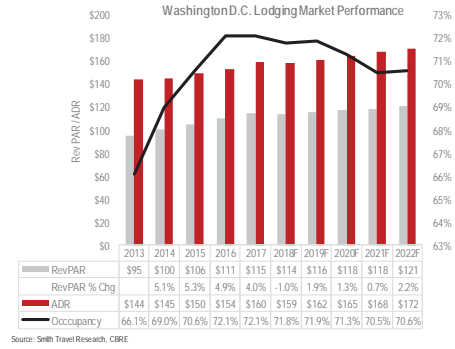
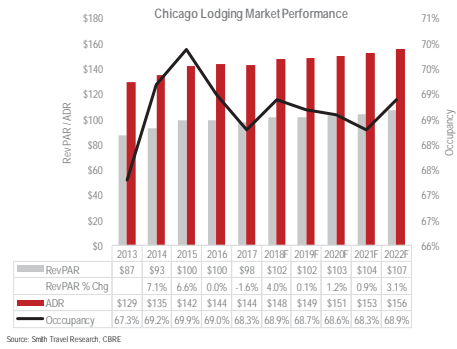
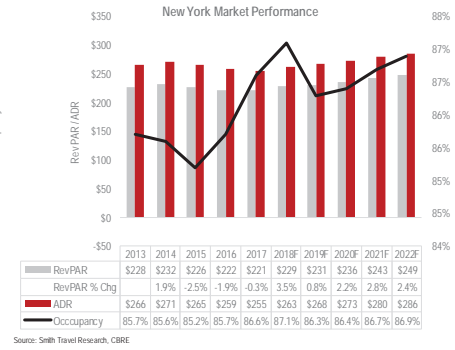
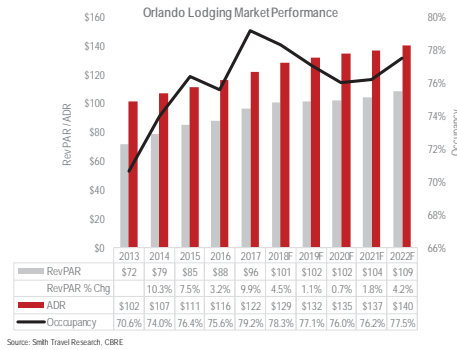
Top-25 U.S. Lodging Markets			
Rank	Market	Hotel Rooms	Number and Identity of Subject Portfolio Properties in Top-25 Lodging Markets
1	Orlando, FL	126,400	1 Holiday Inn Resort Orlando Suites Waterpark
2	New York, NY	120,204	2 Crowne Plaza Danbury, Renaissance Woodbridge ¹
3	Chicago, IL	117,082	
4	Washington, DC-MD-VA	112,479	
5	Los Angeles/Long Beach, CA	103,463	2 Hotel Queen Mary, Sheraton Hotel Pasadena
6	Atlanta, GA	98,798	1 Hilton Atlanta Northeast
7	Houston, TX	89,288	1 Hilton Houston Galleria Area
8	Dallas, TX	87,973	1 Crowne Plaza Dallas Near Galleria Addison
9	Phoenix, AZ	65,574	
10	San Diego, CA	61,457	
11	Anaheim/Santa Ana, CA	57,935	2 Holiday Inn & Suites Anaheim Disneyland, Embassy Suites Anaheim North
12	Boston, MA	57,661	
13	Miami/Hialeah, FL	56,028	
14	San Francisco/San Mateo, CA	52,989	2 Holiday Inn & Suites San Mateo San Francisco, Four Points by Sheraton San Jose Airport ²
15	Philadelphia, PA-NJ	48,562	
16	Denver, CO	48,042	3 Renaissance Denver Stapleton, Sheraton Denver Tech Center, Holiday Inn Denver East Stapleton
17	Seattle, WA	46,896	
18	Tampa/St Petersburg, FL	46,864	
19	Detroit, MI	44,297	
20	Minneapolis/St Paul, MN-WI	43,363	
21	Nashville, TN	42,951	
22	New Orleans, LA	41,063	
23	St Louis, MO-IL	39,142	
24	Norfolk/Virginia Beach, VA	37,297	
25	Oahu Island, HI	29,914	

Notes: (1) The Crowne Plaza Danbury and Renaissance Woodbridge are technically in the Connecticut Area and Central New Jersey lodging markets, respectively. These are suburban lodging markets directly adjacent to the New York lodging market. (2) The Four Points by Sheraton San Jose Airport is technically in the San Jose/Santa Cruz lodging market, which is situated in the San Francisco Bay Area directly adjacent to the San Francisco/San Mateo lodging market.

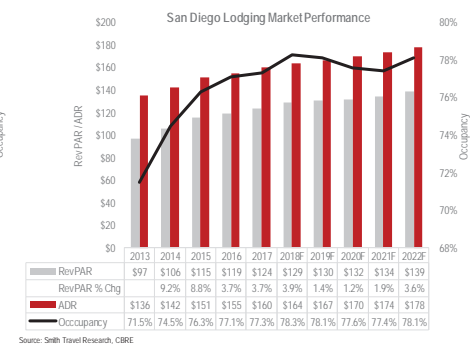
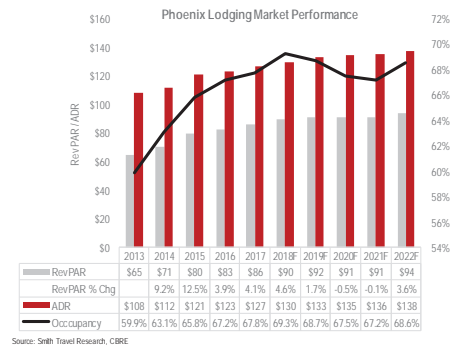
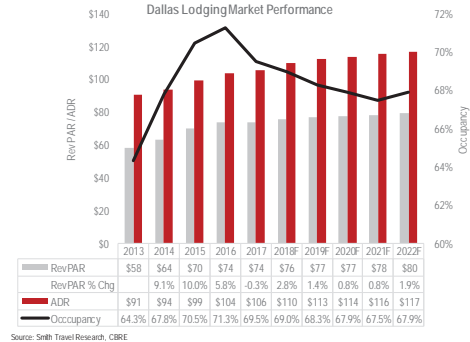
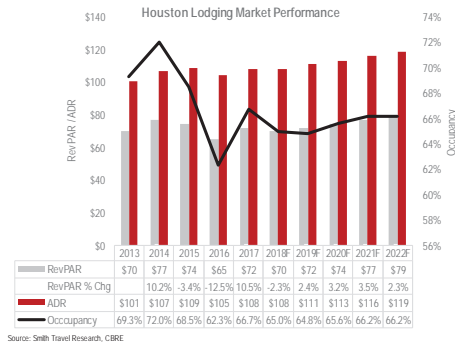
Source: Smith Travel Research

In the charts below, we have provided historical and projected operating performance data for the 10 largest of the top-25 U.S. markets. Operating performance projections for 2018 through 2022 are produced independently by CBRE. We have provided supplemental information on operating performance for those markets to which the subject portfolio has exposure in Section 6.

Market Research Overview
U.S. Hotel Asset Portfolio | March 19, 2019



Market Research Overview
 U.S. Hotel Asset Portfolio | March 19, 2019



In addition to considering the performance of the top-25 lodging markets in the U.S., we have also considered the performance of lodging markets in the U.S. metropolitan areas that feature the most economic output. In the table below, we have summarized the 10 metropolitan statistical areas in the U.S. with the most economic output as measured by gross domestic product and listed the lodging markets that account for most of their rooms supply. Notably, Smith Travel Research offers hotel performance data for lodging markets, rather than for metropolitan areas, so we have listed the primary lodging markets associated with each metropolitan area. Smith Travel Research's lodging market designations for large metropolitan areas are largely synonymous with the U.S. Commerce Department's metropolitan statistical areas designations, except in the case of several of the largest metropolitan areas, which sometimes consist of two or more STR-defined lodging markets. As shown in the table below, a single STR-defined lodging market in the vicinity of the metropolitan area accounts for 90% or more of the metropolitan area's hotel rooms in the case of six of the ten largest metropolitan areas by GDP.

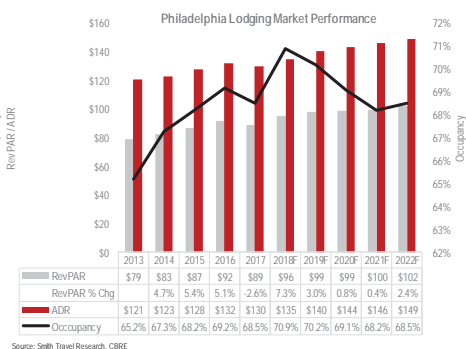
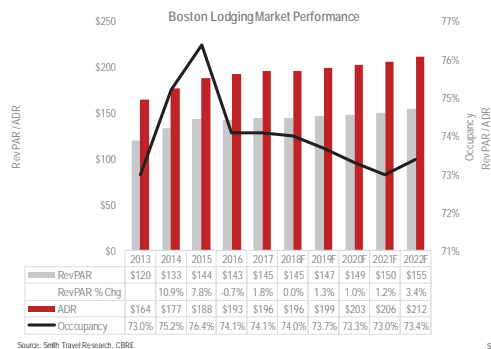


Top-10 Metropolitan Areas by Gross Domestic Product and Associated Lodging Markets					
GDP Rank	Metropolitan Statistical Area	2017 GDP (Mil. USD)	Primary Lodging Market	Market Share of MSA Rooms	Other Noteworthy Component Lodging Markets (Share of MSA Rooms)
1	New York-Newark-Jersey City, NY-NJ-PA	\$1,599,855	New York, NY	57%	Central NJ (10%); Newark, NJ (9%); Long Island (8%); Lower Hudson Valley (7%)
2	Los Angeles-Long Beach-Anaheim, CA	\$1,039,436	Los Angeles/Long Beach, CA	64%	Anaheim/Santa Ana, CA (36%)
3	Chicago-Naperville-Elgin, IL-IN-WI	\$635,210	Chicago, IL	94%	
4	Dallas-Fort Worth-Arlington, TX	\$493,613	Dallas, TX	71%	Fort Worth/Arlington, TX (27%)
5	Washington-Arlington-Alexandria, DC-VA-MD-WV	\$491,282	Washington, DC-MD-VA	100%	
6	Houston-The Woodlands-Sugar Land, TX	\$465,893	Houston, TX	90%	
7	San Francisco-Oakland-Hayward, CA	\$428,295	San Francisco/San Mateo, CA	68%	Oakland, CA (26%)
8	Boston-Cambridge-Newton, MA-NH	\$417,252	Boston, MA	91%	
9	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	\$402,863	Philadelphia, PA-NJ	87%	
10	Atlanta-Sandy Springs-Roswell, GA	\$355,049	Atlanta, GA	98%	

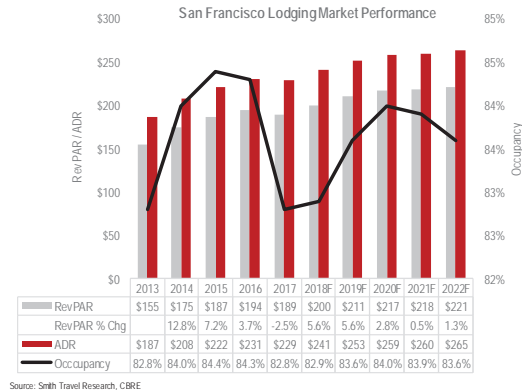
Source: U.S. Bureau of Economic Analysis, Smith Travel Research, JLL

Notably, there is significant overlap between the top-25 lodging markets by room count and the lodging markets in the vicinity of the top-10 metropolitan areas by GDP. Given the strong correlation between lodging demand and GDP, areas with a larger GDP can generally support more hotel rooms. In fact, the primary lodging market¹³ associated with each of the top-10 metropolitan areas by GDP ranks among the top-25 U.S. lodging markets in every case. Among the ten largest of the top-25 lodging markets, the performance of which we have already summarized in the preceding section, seven of them also represent the primary lodging market associated with the top-10 metropolitan areas by GDP; the exceptions are Orlando, Phoenix, and San Diego, where tourism accounts for a relatively large share of total economic output. The top-10 metropolitan areas by GDP tend to be among the most liquid hotel investment markets, and these largest markets also tend to attract the highest share of off-shore investment volumes, making them more attractive from an exit perspective.

The three lodging markets that take their place among the primary lodging markets associated with the top-10 metropolitan areas by GDP are San Francisco/San Mateo, CA, Boston, MA, and Philadelphia, PA-NJ. In the charts below, we have provided historical and projected operating performance data for these additional markets. Again, operating performance projections for 2018 through 2022 are produced independently by CBRE.



¹³ JLL has summarized the market performance for the primary lodging market associated with each top-10 metropolitan area by MSA. The primary lodging market accounts for the largest share of the metropolitan area's hotel rooms, and in the case of each of the top-10 metropolitan areas by GDP, the primary lodging market features a higher rate of projected RevPAR growth for the 5-year period between 2018 and 2022 than the other lodging markets in the metropolitan area, if applicable, for which we have projections from CBRE.



3.7 Impact of Government Policies on the U.S. Lodging Sector

The implications of the Tax Cuts and Jobs Act, trade tensions with America’s trading partners, and immigration enforcement efforts may be more pronounced for the lodging sector than other real estate sectors given the unique nature of hotels as an asset class. Whereas operating fundamentals in the retail, office, and multi-family sectors are insulated from sudden changes in the economic environment to some extent given the longer-term nature of leases in these sectors, hotels are highly sensitive to changes in economic conditions as booking windows are relatively short and rates fluctuate.

Given that lodging demand has historically been highly correlated with GDP growth, hotels are expected to benefit from the Tax Cuts and Jobs Act to the extent that its tax cuts stimulate incremental economic growth. Corporate tax cuts may allow for more corporate spending on business-related travel, while individual tax cuts may spur additional leisure travel to the extent that consumers’ discretionary income increases. The U.S. hotel performance data appear to support the case that the tax cuts, which took effect on January 1, 2018, have had a small but positive impact on RevPAR growth. After U.S. RevPAR growth decelerated to 3.1% in 2016 and 3.0% in 2017, year-to-date RevPAR growth through August 2018 has reaccelerated to 3.5%.

As discussed in Section 2.3, tariffs have resulted in an increase in the cost of some construction materials, which may limit supply growth and capital expenditures in the hotel sector if they persist in the long term. Given that hotel operations are relatively capital intensive¹⁴, the impact of higher construction costs is likely to be a net negative for owners of existing hotel assets as well as for hotel developers. However, unlike other real estate assets, select hotels may benefit from the impact that tariffs have indirectly had on prices for some U.S. food commodities, which have declined in some instances due to retaliatory foreign tariffs that have depressed foreign demand for their consumption. Full-service hotels may benefit from lower food costs in this environment, though if U.S. farmers ultimately respond with reduced production of affected foodstuffs, the impact on food costs could prove transitory even if the retaliatory tariffs are not ultimately resolved.

¹⁴ Hotels often experience significant wear given the substantial number of hotel guests that they accommodate each night. Additionally, consumer tastes with respect to design and décor are constantly evolving. As a result, hotels typically require a substantial renovation at least once every 5 to 7 years to avoid appearing dated or worn. These renovations typically require significant capital expenditure.



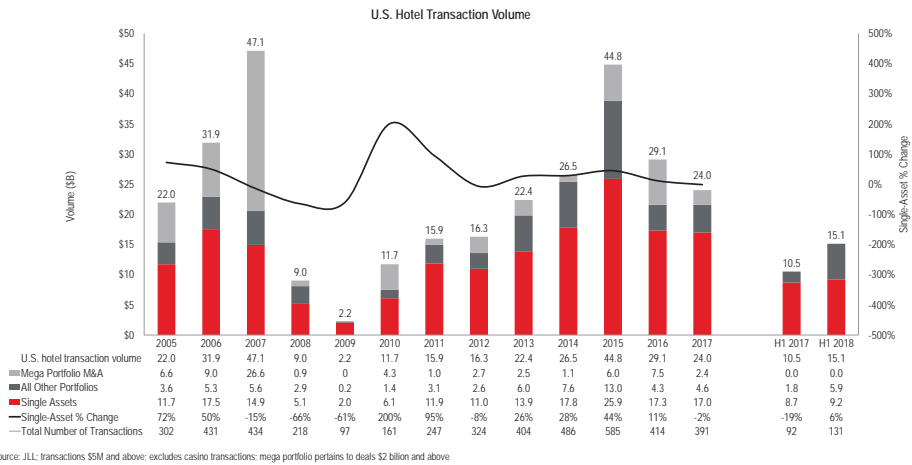
While the nation's current immigration debate is not expected to materially impact the hotel sector, it is worth noting that the precipitous decline in the U.S. unemployment rate to 3.9% as of August 2018 has made it difficult for many U.S. employers to fill open job positions, and the hotel sector is highly labor intensive. To the extent that current immigration policies deter migration to the U.S., wage costs for U.S. hotels may increase incrementally.



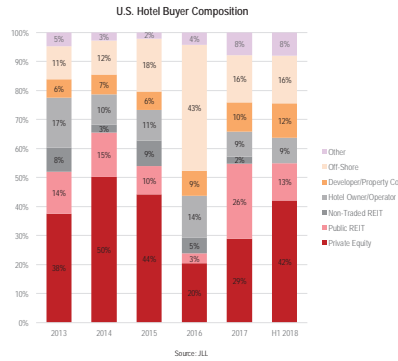
4 U.S. Hotel Real Estate Market Overview

4.1 U.S. Hotel Transactions Activity

The volume of U.S. hotel investment sales increased dramatically between 2009 and 2015, when investment sales reached a cyclical peak of \$44.8 billion. While total investment sales remained below the prior peak in 2007, single-asset sales reached an historic high of \$25.9 billion in 2015. Since then, transaction activity has declined but remains robust with U.S. hotel transactions totaling \$29.1 billion and \$24.0 billion in 2016 and 2017, respectively. Most recently, year-to-date transactions in the first half of 2018 climbed 44% above the level recorded for the first half of 2017 due to significant portfolio transactions activity.

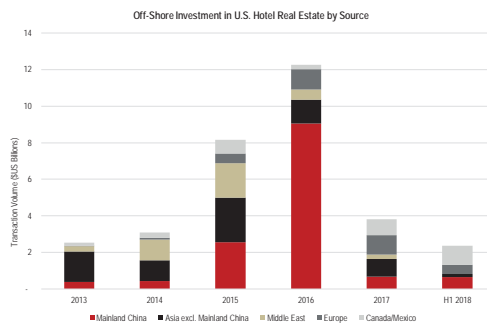


While a wide range of investor types have pursued U.S. hotel acquisitions during recent years, private equity groups and public REITs have accounted for nearly 60% of hotel acquisitions since 2011. Off-shore investors have also periodically accounted for a sizeable share of U.S. hotel acquisitions. As shown in the first chart below, private equity groups and off-shore investors accounted for 42% and 16%, respectively, of total U.S. hotel acquisitions in the first half of 2018. Although public REITs accounted for only 13% of hotel acquisitions during this period, public REITs high share prices relative to recent history, as shown in the second chart below, suggest that they may be poised to increase their acquisitions activity in the near term.



Source: Wall Street Journal, JLL

While Chinese investment groups have recently become less active in their pursuit of U.S. hotel investments, off-shore investors remain a large source of capital for U.S. hotel acquisitions. In 2017, off-shore capital accounted for U.S. hotel acquisitions totaling \$3.8 billion, and in the first half of 2018, off-shore investors pursued acquisitions totaling \$2.4 billion. New York, San Francisco, Los Angeles, and Atlanta, all of which are markets in which the subject portfolio has assets, are among the top-destinations for off-shore hotel investments, as shown in the table below.

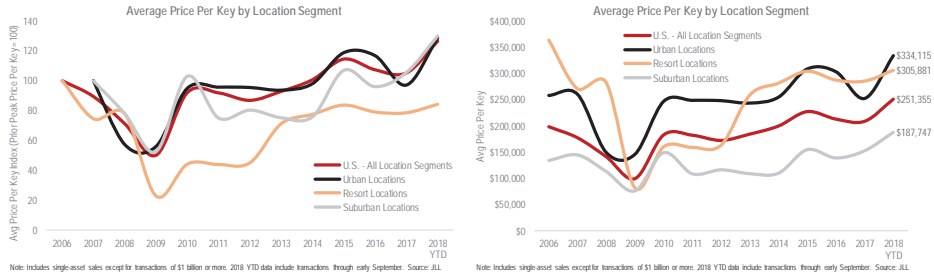


Off-Shore Investment Since 2012	
Metropolitan Area	\$US Billions
New York	\$10.0
Hawaii	\$2.1
San Francisco	\$1.9
Los Angeles	\$1.4
Chicago	\$1.0
Washington, DC	\$0.7
Miami	\$0.7
Boston	\$0.5
Atlanta	\$0.3

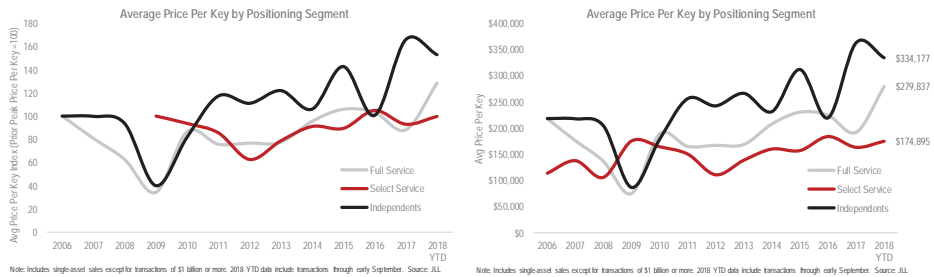
Note: Pertains to single-asset transactions only
Source: JLL

4.2 U.S. Hotel Cap Rates and Asset Prices

The average price per key for U.S. hotel sales has increased significantly during the current cycle, rising from \$99,000 in 2009 to \$209,000 in 2017. The average price for year-to-date transactions through early September 2018 rose further to \$251,000 per key. While price gains since 2009 have been significant, appreciation relative to peak pricing in 2006 during the prior market cycle has been relatively moderate, suggesting that runway for further price increases remains. As shown in the following charts, the average price per key for U.S. hotel transactions in 2017 was only 5% higher than the prior peak in 2006, and the average price per key for year-to-date transactions through early September 2018 was approximately 27% higher than the prior peak. If year-to-date pricing trends remain intact through year-end, average price appreciation will amount to only 2.0% per year during the last 12 years. Notably, the resort segment, which contains a relatively high share of the subject portfolio's rooms as detailed further in Section 5.4, has generally lagged other location segments in hotel price appreciation relative to the prior cyclical peak, suggesting that the sector may have further runway for additional pricing gains than the broader U.S. hotel market.

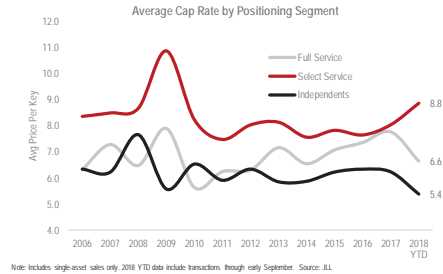
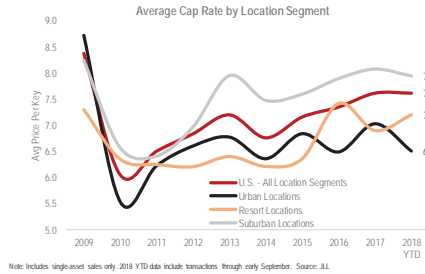


The average price per key for full-service hotels in the U.S. has increased more significantly than pricing for select-service assets during recent years, perhaps partly due to greater supply growth pressures in the select-service segment as detailed in Section 4.3. We caution, however, that the distribution of hotel sales between markets in a given year may have a significant impact on national pricing trends, as hotel values vary significantly by market as well as by type. The average price per key for year-to-date transactions through early September 2018 is currently 28% higher than the prior peak for full-service hotels and on par with the prior peak for select-service hotels. As detailed further in Section 5.6, the subject portfolio consists mostly of rooms in the full-service segment, which commands a significant price premium relative to select-service hotels. Specifically, the average price per key for year-to-date transactions in the full-service segment amounted to \$280,000 per key, compared to \$175,000 per key in the select-service segment.



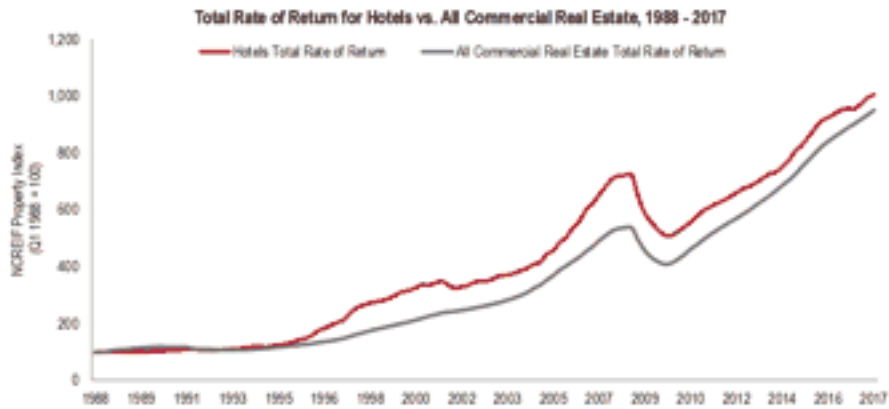
In the charts below, we have presented the average cap rate by location segment and by positioning type for all U.S. hotel transactions for which cap rate data are available. Cap rates appear to have drifted slightly higher in most segments since 2014 as interest rates in the U.S. have gradually increased and hotel performance has stabilized. The average cap rate for U.S. hotel sales increased to 7.6% for year-to-date transactions through September 2018 from 6.8% in 2014. The average cap rate for hotels in the resort and full-service segments, both of which contain relatively high shares of the subject portfolio's rooms, are lower at 7.2% and 6.6%, respectively, given generally higher barriers to entry in these segments. We caution, however, that the available cap rate data are limited in select segments in certain years, and the distribution of transactions by market in a given year may have had a noticeable impact on the average cap rate computed. For instance, the urban share of September 2018 year-to-date transactions in the full-service segment is higher relative to 2017, explaining lower average cap rate for this segment.

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Source: JLL Hotel Investor Sentiment Survey, June 2018

As strong RevPAR growth and relatively low capitalization rates have allowed for rising hotel asset prices and strong hotel cash flow, the U.S. hotel sector has produced robust investment returns. According to data compiled by NCREIF, the total rate of return for hotel property investments has exceeded the average for U.S. commercial real estate during the last three decades, as shown in the chart below. Hotel investments have yielded a total rate of return of 9.3% per year during the past 25 years, compared to a total rate of return of 9.1% for U.S. commercial real estate. We expect the hotel sector to continue to produce robust investment returns as consumer spending on lodging and travel trends higher and the sector benefits from a balanced supply and demand outlook and asset valuations that remain moderate relative to the prior cycle's peak.



Source: JLL, NCREIF



5 Portfolio Investment Theses

5.1 Introduction

JLL compiled various metrics for the subject portfolio pertaining to the market segments in which it is expected to compete and the growth prospects for those segments to assess the subject portfolio's strength from an investment perspective. JLL compared the subject portfolio's performance on these metrics with corresponding national averages as well as with corresponding metrics for other publicly traded lodging REITs in the United States. Following its research and analysis, JLL identified several key attributes of the subject portfolio that are expected to bode well for its future operating performance and contribute to its desirability from an investor's vantage point; we have briefly summarized these portfolio investment theses below:

- The subject portfolio is expected to benefit from its exposure to U.S. metropolitan statistical areas with a strong historical and projected economic growth trajectory.
- RevPAR growth rates for the lodging markets in which the subject portfolio is located have been materially higher than the national average in recent years and are expected to remain strong in the near term.
- The subject portfolio is expected to benefit from its relatively high concentration of rooms in resort locations, which are expected to yield higher RevPAR growth during the next few years than most other location segments due to the concomitant impact of high barriers to entry and limited supply growth in the resort segment.
- The subject portfolio features a high share of rooms in the largest lodging markets in the U.S. as well as in the country's most populous states; these markets generally benefit from higher RevPAR as well as greater liquidity than smaller U.S. markets.
- The subject portfolio is expected to benefit from its high share of rooms with full-service, branded positioning. Supply growth in the full-service segment is expected to continue to be muted in comparison to the select-service segment, allowing for potentially stronger RevPAR growth. Additionally, full-service hotels benefit from significant ancillary revenue and valuations that are typically materially higher than their select-service counterparts.

5.2 Exposure to Economically Stronger U.S. Metropolitan Statistical Areas

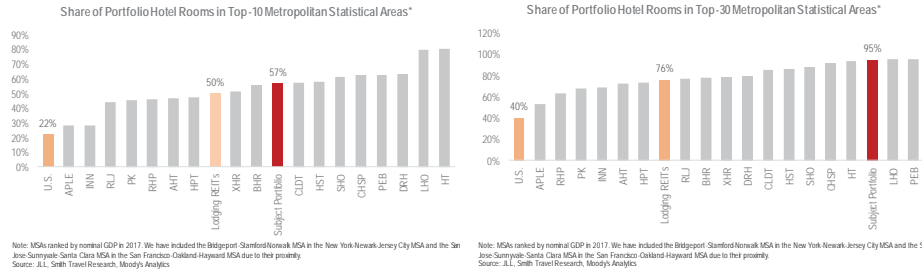
JLL compiled the nominal gross domestic product for each of the metropolitan statistical areas in which the subject portfolio has assets to measure their overall economic strength. JLL also reviewed the historical as well as the projected performance of key measures of economic performance for the U.S. metropolitan statistical areas in which the subject portfolio has assets to assess their economic growth trajectory.

Most of the subject portfolio's hotel rooms are located in the largest metropolitan statistical areas in the United States, as measured by gross economic output. Approximately 95% of the subject portfolio's rooms are located in the top-30 metropolitan statistical areas, and 57% of the portfolio's rooms are in top-10 metropolitan statistical areas.¹⁵ As shown in the charts below, the subject portfolio's exposure

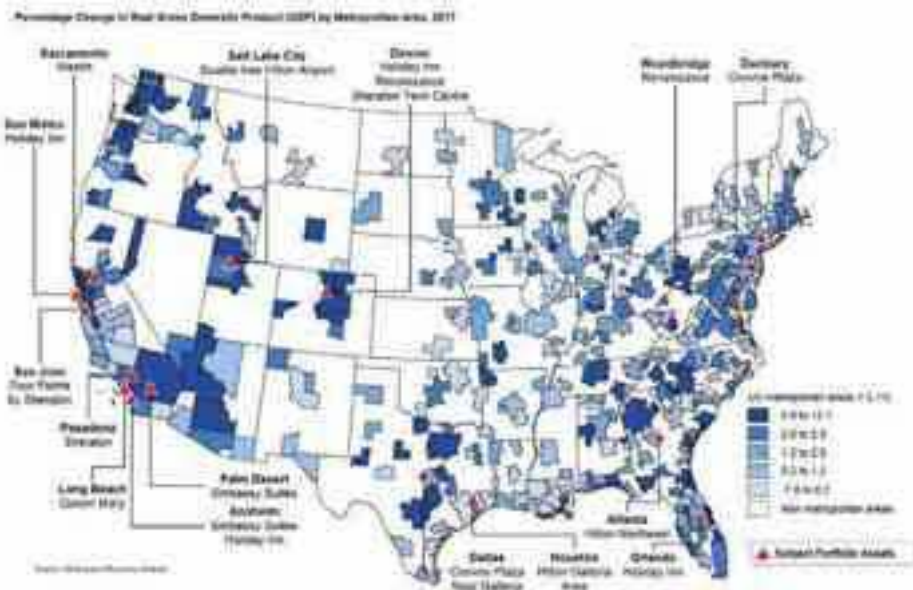
¹⁵ We have assumed that the Bridgeport-Stamford-Norwalk metropolitan statistical area is included within the New York-Newark-Jersey City metropolitan statistical area and that the San Jose-Sunnyvale-Santa Clara metropolitan statistical area is included within the San Francisco-Oakland-Hayward metropolitan statistical area due to their proximity.



to the top-30 and top-10 metropolitan statistical areas, as measured by gross domestic product, is significantly higher than that of most publicly traded lodging REITs in the United States.

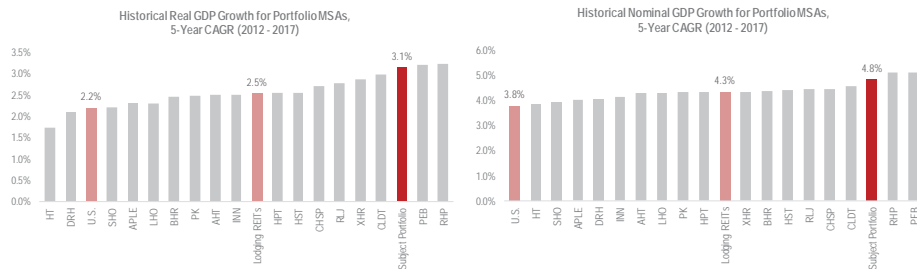


Additionally, JLL reviewed the historical average annual growth rates for real GDP, nominal GDP, employment, and wage and salary disbursements for every metropolitan area in the United States during the past five years, from 2012 through 2017. JLL further reviewed the projected average annual growth rates for these economic indicators during the next five years, covering the period from 2017 through 2022; these projections were produced independently by Moody's Analytics. To derive a weighted average growth rate measuring the performance of each economic indicator in the subject portfolio's component MSA, JLL weighted the average annual growth rates for each metropolitan area according to the share of the subject portfolio's rooms located in each metropolitan area. JLL performed this exercise for each of the other publicly traded lodging REITs to measure average growth rates for their component markets as well.





The metropolitan statistical areas in which the subject portfolio has assets have significantly outperformed the national average in terms of GDP growth, both in real and nominal terms, during the past five years. The weighted average annual real GDP growth rate between 2012 and 2017 for the subject portfolio’s MSAs averaged 3.1%, compared to average annual growth of 2.2% for the U.S. and 2.5% for the MSAs collectively represented in the portfolios of 17 publicly traded U.S. lodging REITs. As illustrated in the charts below, the weighted average annual real GDP growth rate for the subject portfolio’s component markets outperformed the corresponding figure for most publicly traded lodging REITs in the United States.



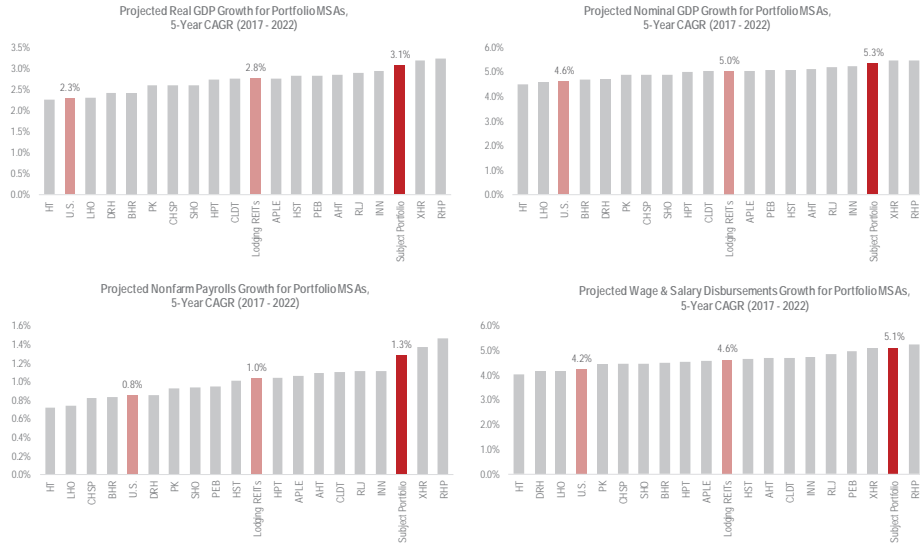
Source: U.S. Bureau of Economic Analysis, Moody's Analytics

The metropolitan statistical areas represented in the subject portfolio also averaged higher historical growth rates for wage and salary disbursements and nonfarm payrolls than the corresponding national averages. As shown in the charts below, the subject portfolio outperformed most of the 17 publicly traded U.S. lodging REITs in this respect as well.



Source: U.S. Bureau of Labor Statistics, Moody's Analytics

The historical trend of higher real GDP growth in the subject portfolio’s markets than the U.S. average is projected to continue through the foreseeable future, according to forecasts from Moody’s Analytics. As shown in the charts below, between 2017 and 2022, the projected weighted average annual growth rates for nominal and real GDP, nonfarm payrolls, and wage and salary disbursements for the metropolitan areas in which the subject portfolio has rooms exceed the corresponding national averages as well as the averages for most of the publicly traded U.S. lodging REITs that we have compiled. Most notably, real GDP is projected to achieve a weighted average annual growth rate of 3.1% during the next five years for the subject portfolio’s MSA, compared to projected growth for the U.S. of 2.3% per year during the same time period.



Source: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Moody's Analytics

Given that JLL’s research has shown a strong correlation between real GDP growth and lodging demand, the strong historic and projected real GDP growth rates for the subject portfolio’s MSAs can be expected to positively influence future lodging demand growth and resulting RevPAR growth in those markets.

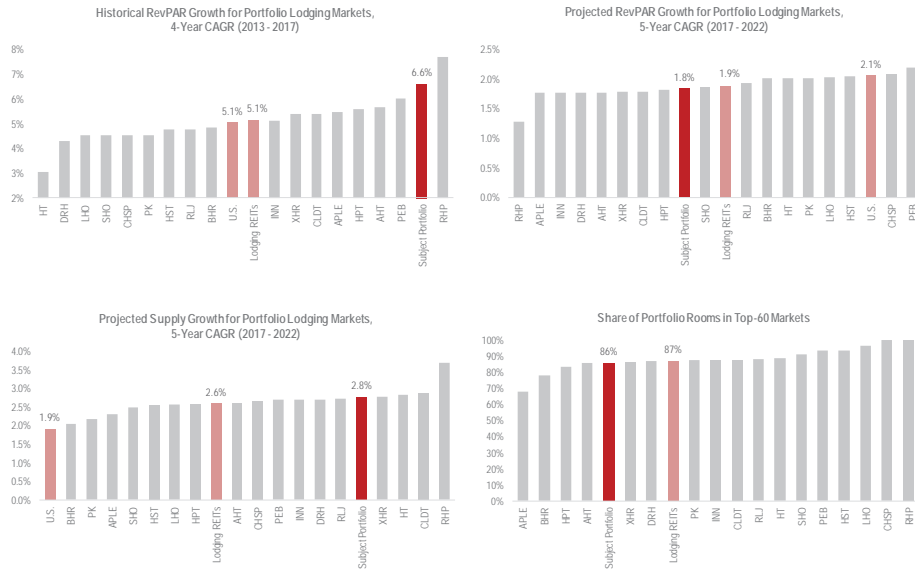
5.3 Exposure to High RevPAR Growth Markets

JLL reviewed historical as well as projected RevPAR growth rates for the lodging markets in which the subject portfolio has assets to assess the hotel operating fundamentals in those markets. Specifically, JLL obtained historical RevPAR data covering the period from 2013 through 2017 as well as RevPAR projections spanning 2018 through 2022 from CBRE for the 60 major lodging markets for which CBRE produces forecasts. JLL weighted the average annual RevPAR growth rates for each lodging market in which the subject portfolio has properties according to the share of the subject portfolio’s rooms located in each lodging market to derive a weighted average annual RevPAR growth rate for the subject portfolio’s component lodging markets. JLL performed this exercise for each of the other publicly traded lodging REITs to measure weighted average RevPAR growth rates for their component lodging markets as well. The 60 major lodging markets for which JLL obtained data cover 87% of the subject portfolio’s rooms and between 68% and 100% of the rooms in each of the publicly traded lodging REITs’ portfolios; JLL applied average historical and projected RevPAR growth rates for all other markets to the share of rooms not located in CBRE’s 60 major lodging markets in its computations.

The lodging markets in which the subject portfolio are present have averaged higher RevPAR growth from 2013 to 2017 than both the United States and the lodging markets collectively represented in the portfolios of 17 publicly traded U.S. lodging REITs. The weighted average annual RevPAR growth rate for the subject portfolio’s lodging markets for the period from 2013 through 2017 amounted to 6.6%, compared to 5.1% for both the U.S. and the publicly traded U.S. lodging REITs’ component markets. While average supply growth in the subject portfolio’s lodging markets is expected to exceed the national average, strong economic growth is projected to maintain RevPAR growth that is broadly in



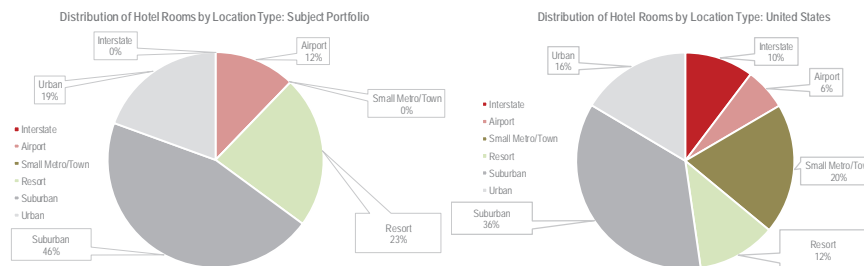
line with the national average during the next few years. The weighted average annual RevPAR growth rate for the subject portfolio’s lodging markets is projected at 1.8% from 2017 through 2022, according to JLL’s compilation of independent forecasts from CBRE. The lodging markets represented in the public lodging REITs’ portfolios are projected to realize average annual RevPAR growth of 1.9% during this time, and national RevPAR growth is projected slightly higher at 2.1%.



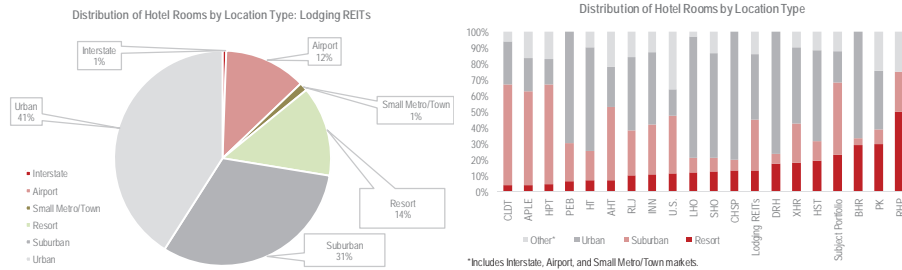
Source: Smith Travel Research, CBRE, JLL

5.4 Exposure to Resort Locations

The subject portfolio features a materially higher share of rooms in resort locations than both the United States and the collective portfolios of the 17 publicly traded U.S. lodging REITs that we have reviewed. Approximately 23% of the subject portfolio’s rooms are positioned in resort locations¹⁶, compared to 12% of all rooms in the U.S. and 14% of the rooms in the combined portfolios of 17 publicly traded U.S. lodging REITs, as shown in the charts below.

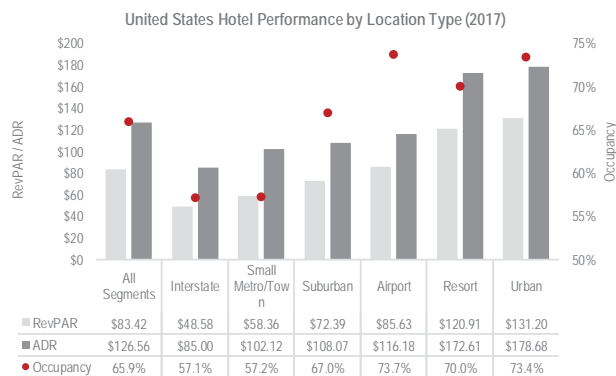


¹⁶ Please refer to appendix for a definition of what constitutes a ‘resort’ location type.

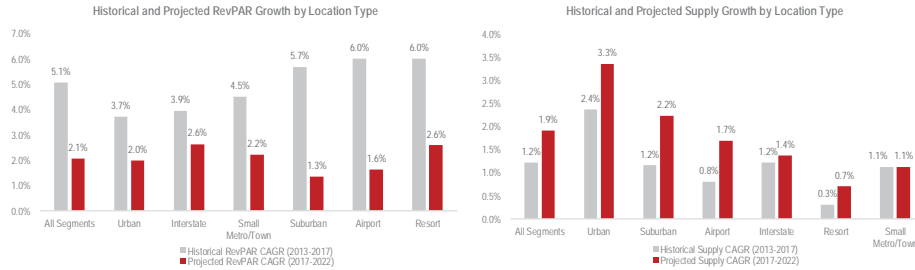


Source: Smith Travel Research, JLL

There are several positive implications associated with the subject portfolio’s relatively high exposure to assets in resort locations. Notably, the resort segment featured higher average RevPAR in 2017 than all other location segments in the U.S. except for the urban location segment, as shown in the chart below. Hotels in resort locations featured an average RevPAR of \$121 in 2017, compared to average RevPAR of \$83 for all hotels in the U.S. The resulting premium amounts to 45%.

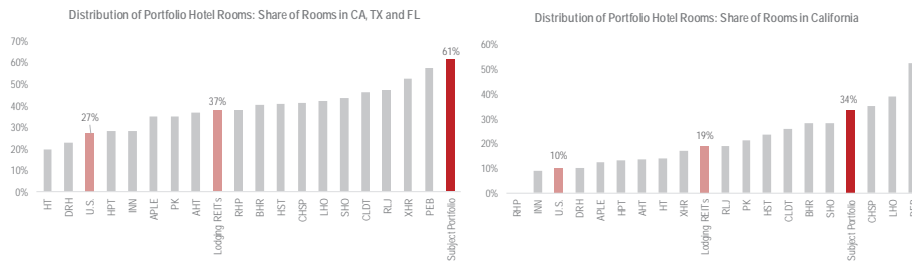


In addition to relatively high RevPAR on an absolute basis, the resort segment has also realized noticeably higher RevPAR growth than the U.S. average in recent years – a trend that is expected to continue over the course of the next several years according to independent RevPAR growth forecasts from CBRE. As shown in the charts below, annual RevPAR growth in the resort segment averaged 6.0% between 2013 and 2017, compared to average annual RevPAR growth of 5.1% for the U.S. Given limited supply growth due to high barriers to entry in the resort segment as well as expectations for strong leisure demand growth in the context of strong national economic growth prospects, RevPAR growth in the resort segment is expected to continue to outpace the national average. Specifically, CBRE forecasts an average annual RevPAR growth rate of 2.6% for the resort segment between 2017 and 2022, compared to 2.1% for all location segments in the U.S.



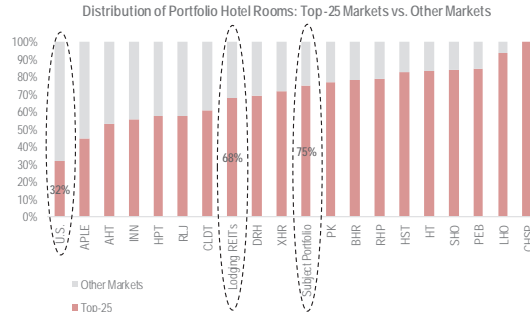
5.5 Exposure to Large, Highly Liquid Lodging Markets

The subject portfolio features a high concentration of its rooms in the country’s three most populous states as well as in the 25 largest U.S. lodging markets, or top-25 U.S. markets, as defined by Smith Travel Research. California, Texas, and Florida are the most populous states in the U.S. as well as the states with the most hotel rooms, accounting both for approximately 27% of the national population and U.S. hotel rooms. As shown in the charts below, the share of the subject portfolio’s rooms in California, Texas, and Florida, which amounts to 61%, is larger than the three states’ share of the national rooms supply or their share of rooms supply at each of the 17 publicly traded lodging REITs that we have reviewed. California is especially heavily represented in the subject portfolio with 34% of its rooms, compared to 10% of the total U.S. rooms supply and 19% of the publicly traded lodging REITs’ total rooms supply.



Source: Smith Travel Research, JLL

The top-25 U.S. lodging markets also account for a disproportionate share of all U.S. hotel rooms with 32% of the nation’s rooms supply located in these markets. Again, the subject portfolio features a higher share of rooms in these markets than either their national share of total rooms supply or their share of the total rooms supply among the publicly traded lodging REITs that we have reviewed.



Source: Smith Travel Research, JLL

The subject portfolio's exposure to the nation's three largest states and its top-25 lodging markets is desirable in that these states and markets feature enhanced liquidity in the transactions market for lodging properties. California, Florida, and Texas have achieved the highest number of single-asset hotel transactions since 2015, and they account for three of the five states with the highest dollar volume of hotel property sales during this time as well. Similarly, the top-25 U.S. lodging markets account for an outsized share of the nation's hotel transactions; while 32% of the nation's rooms supply is in top-25 markets, these markets have accounted for 69% of the nation's total hotel sales volume since 2015. Notably, top-25 markets also generally benefit from higher RevPAR and higher hotel valuations than other markets as well; RevPAR for top-25 U.S. markets was 66% higher than RevPAR for other U.S. markets in 2017, and the average price per key for hotel properties that transacted in top-25 markets since 2015 was 50% higher than in other U.S. markets during this time.

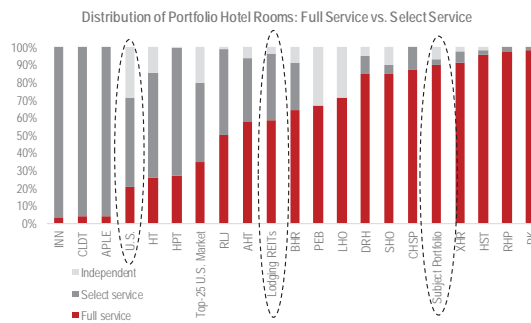


Source: Smith Travel Research, JLL



5.6 High Concentration of Assets with Full-Service, Branded Positioning

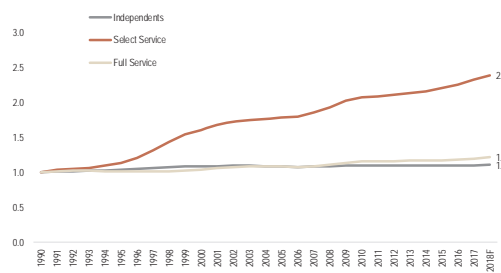
The subject portfolio consists mostly of lodging properties with full-service, branded positioning. As shown in the chart below, approximately 90% of the rooms in the subject portfolio are affiliated with full-service brands and 4% of its rooms feature select-service brands with the balance of its rooms located in independent hotels. In the United States, full-service brands represent 21% of total rooms supply and select-service brands represent 51% of total rooms supply; Full-service brands account for 58% of total rooms supply in the 17 publicly traded lodging REITs' portfolios and select-service brands comprise 38% of their total rooms.



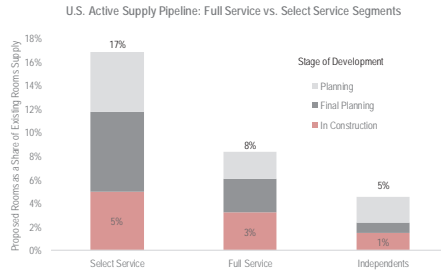
Source: Smith Travel Research, JLL

There are several positive implications associated with the subject portfolio's largely full-service, branded orientation. Notably, supply growth in the select-service segment has significantly outpaced supply growth in the full-service segment since 1990, and this trend is expected to continue given the brand composition of the current new supply pipeline. To the extent that the differential in supply growth between the two segments has been driven not only by consumer preferences but also by higher barriers to development in the full-service segment, full-service hotels may be expected to achieve higher RevPAR growth than their select-service peers.

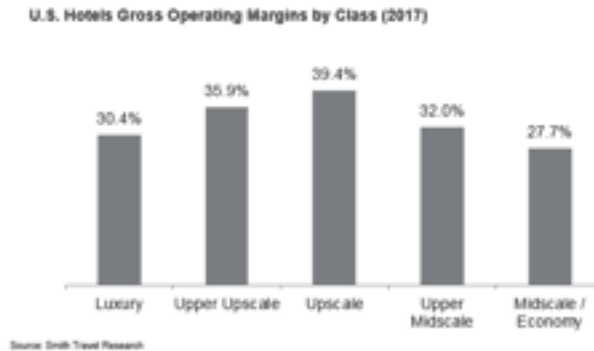
U.S. Hotel Supply Growth by Hotel Positioning Type



Note: Pertains to JLL's segmentation of U.S. hotels as of 2018 for which the opening date is known, subsequently grossed up to the total number of rooms for the year. Hotels which were in the inventory prior to 2018 but have since closed are not included in the % segmentation, and hotels which changed positioning prior to 2018 are counted in the respective segmentation based on how they were positioned in 2018. Source: JLL, Smith Travel Research



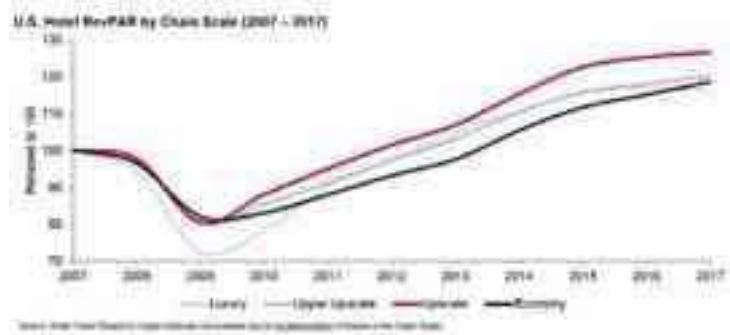
Additionally, full-service hotels benefit from significant ancillary revenue as well as lower capitalization rates and correspondingly higher valuations on a per key basis than their select-service peers. According to the *Host Almanac 2018*, Smith Travel Research’s annual survey of hotel operating performance, the full-service hotels reported average ancillary revenue of \$108 per occupied room, compared to \$4 per occupied room for select-service hotels in 2017. This higher base of revenue also tends to drive higher profitability margins. Per Smith Travel Research’s *Host Almanac 2018*, which provides a summary of data points from full-year 2017, the Upper Upscale class (pertains to full-service hotels as discussed in this report previously), saw gross operating profit margins of 35.9%, as compared to the upper midscale and midscale / economy classes which saw gross operating profit margins of 32.0% and 27.7%, respectively.



Full-service hotels average significantly higher valuations due to the combined impact of higher ancillary revenue and materially lower capitalization rates, as detailed in Section 4.2.

Furthermore, indexing U.S. hotel RevPAR performance by positioning level for branded hotels, shows that the upscale and upper upscale categories have evidenced the most growth since the 2007 peak. Luxury hotels have not seen the same level of growth, and lag the two aforementioned categories.

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6 Market and Asset Overviews

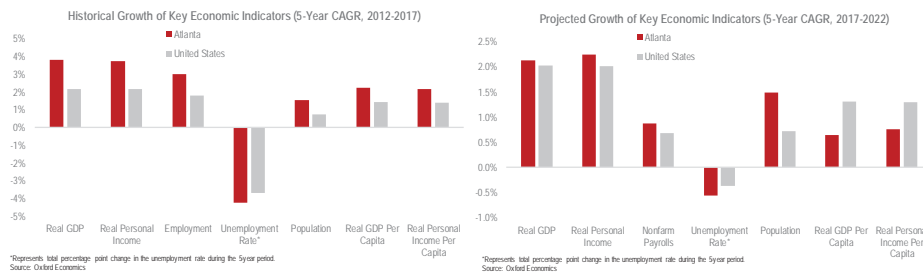
JLL has reviewed the market positioning of each property in the subject portfolio and assessed each of the MSAs and lodging markets in which the subject portfolio has assets on an individual basis. Specifically, JLL compiled economic indicators for each MSA as well as performance and valuation metrics for each lodging markets represented in the subject portfolio. JLL also assessed key demand generators for each property in the subject portfolio and evaluated each property’s positioning and performance history relative to its competitive market. We have organized our market and asset analysis for each property according to the metropolitan area in which it is located, as outlined in the following sections.

6.1 Atlanta-Sandy Springs-Roswell Metropolitan Statistical Area

The subject portfolio includes one hotel in the Atlanta-Sandy Springs-Roswell metropolitan statistical area, namely the 272-room Hilton Atlanta Northeast.

6.1.1 Economic Overview

The Atlanta-Sandy Springs-Roswell metropolitan statistical area (“Atlanta” or “Atlanta metropolitan area”) has achieved stronger economic growth, as measured by a range of economic indicators, than the United States from 2012 - 2017, and this trend is generally expected to continue during the next five years according to projections from Oxford Economics. From 2012 - 2017, real GDP growth averaged 3.8% per year compared to 2.2% for the U.S. and the unemployment rate declined 4.3 percentage points compared to 3.7 percentage points for the U.S. Both stronger population and productivity growth contributed to Atlanta’s high real GDP growth rate. From 2017 – 2022, high population growth is primarily expected to drive real GDP growth of 2.1% per year, compared to 2.0% per year for the U.S.



6.1.2 Industry Composition and Key Corporate Demand Drivers

The Atlanta-Sandy Springs-Roswell metropolitan statistical area features a relatively high share of employment in the Trade, Transportation & Utilities sector as well as in the Professional & Business Services sector. The metropolitan area has the largest gross domestic product and the second largest population in the Southeastern United States, and its Hartsfield-Jackson Atlanta International Airport ranks as the busiest airport in the world. Given these strong economic advantages, the metropolitan area provides an attractive location for companies in the Trade, Transportation & Utilities and Professional & Business Services sectors; the Trade, Transportation & Utilities sector benefits from the region’s strong transportation infrastructure, and the Professional & Business Services sector benefits from its large, economically productive population base. The table below summarizes the share of



employment by sector in the Atlanta-Sandy Springs-Roswell metropolitan statistical area in comparison to the national average:

Share of Employment by Industry (2017)		
Sector	Atlanta-Sandy Springs-Roswell, GA	United States
Trade, Transportation & Utilities	22%	19%
Professional & Business Services	18%	14%
Education & Health Services	13%	16%
Government	12%	15%
Leisure & Hospitality	11%	11%
Financial Activities	6%	6%
Manufacturing	6%	8%
Natural Resources, Mining & Construction	5%	5%
Other Services	4%	4%
Information	4%	2%
Total	100%	100%

Source: U.S. Bureau of Labor Statistics, Moody's Analytics, JLL

The Atlanta-Sandy Springs-Roswell metropolitan statistical area offers an attractive headquarters location for large companies based upon its strong accessibility, favorable climate, business friendly environment, and relatively low cost of living. Delta Air Lines and The Home Depot are headquartered in the area as a result, and many other large companies maintain a large corporate presence in the region as well. The largest companies in the Atlanta-Sandy Springs-Roswell metropolitan statistical area are summarized in the following table:

Major Employers: Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area		
Rank	Employer	Employees
1	Delta Air Lines Inc.	31,699
2	Wal-Mart Stores Inc.	26,000
3	The Home Depot Inc.	25,000
4	Emory University	24,535
5	WellStar Health System Inc.	20,000
6	AT&T Inc.	17,000
7	Northside Hospital	14,577
8	Piedmont Healthcare	12,906
9	Emory Healthcare	12,166
10	Marriott International	12,000
11	Publix Supermarkets	9,755
12	Georgia State University	9,422
13	Centers for Disease Control	9,151
14	Cox Enterprises Inc.	8,269
15	The Coca-Cola Co.	8,000
16	Southern Co.	7,800
17	Coreslab Structures	7,571
18	Children's Healthcare of Atlanta	7,208
19	SunTrust Banks Inc.	7,128
20	State Farm, Southeastern Market Area	7,000

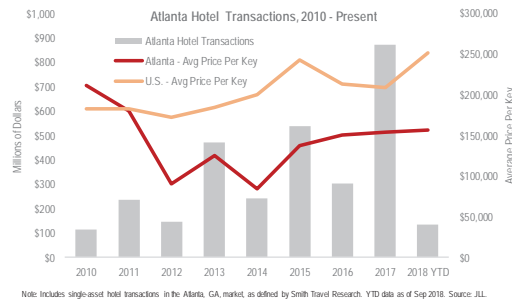
Source: Metro Atlanta Chamber of Commerce, 2017

6.1.3 Hotel Investment Overview

Hotel transactions totaling approximately \$3.1 billion have occurred in the Atlanta lodging market since 2010, making it among the ten most liquid lodging markets in the U.S. In addition to economic factors, the number and type of assets available for sale may have an appreciable impact on the volume of hotel transactions as well as average pricing metrics in a given year. Therefore, we focus on longer-term trends rather than year-to-year variability in assessing the strength of hotel investment markets. In the Atlanta lodging market, hotel sales have generally trended higher in recent years with



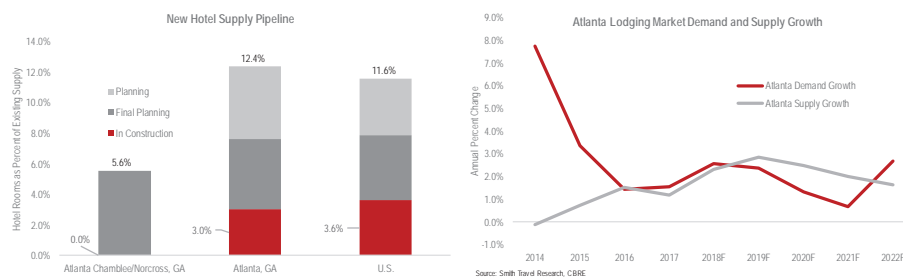
transactions reaching \$872 million in 2017. Surveying hotel transactions in the market since 2015, Atlanta's average capitalization rate amounts to 7.5%, compared to 7.4% for transactions nationwide, and its average sales price is approximately \$148,000 per key, compared to \$228,000 per key for the U.S.¹⁷



Note: Includes single-asset hotel transactions in the Atlanta, GA, market, as defined by Smith Travel Research. YTD data as of Sep 2018. Source: JLL.

6.1.4 Lodging Market Performance

The active new supply pipeline for the Atlanta lodging market, which includes hotel rooms in the planning, final planning, and construction stages, is slightly higher than the national average¹⁸. According to data compiled by Smith Travel Research, the Atlanta lodging market's pipeline amounts to 12.4% of existing rooms inventory, compared to 11.6% for the U.S. The supply pipeline can vary significantly by submarket, however, and the submarket in which the subject portfolio's only Atlanta area hotel is located – the Atlanta/Chamblee Norcross submarket – features a noticeably smaller active pipeline, as shown in the first chart below. Considering Atlanta's supply pipeline as well as expectations for decelerating real GDP growth, supply growth is expected to temporarily outpace demand growth in the Atlanta market during the next few years according to projections from CBRE. In the case of the Atlanta/Chamblee Norcross submarket, however, we expect more balanced demand and supply growth given its relatively constrained pipeline.



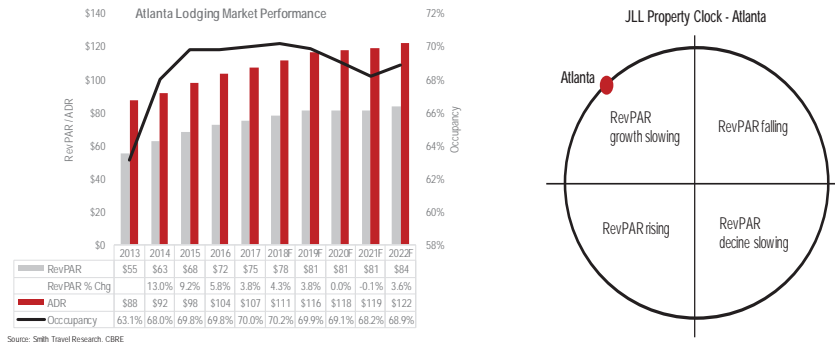
The Atlanta lodging market realized average annual RevPAR growth between 2013 and 2017 of 7.9%, ranking 9th among 60 major U.S. lodging markets for which we have available data. Given the expectation that supply growth will outpace demand growth during the next few years, the market's occupancy is expected to decline slightly from approximately 70% in 2018 to 68% by 2021, while ADR growth is expected to moderate from 4.0% and 4.4% in 2018 and 2019, respectively, to 1.2% annually

¹⁷ In our discussion of hotel transactions and capitalization rates, we refer to the relevant lodging market as defined by Smith Travel Research for the metropolitan area referenced throughout this report; we do not refer to the city itself. This applies to hotel transactions for the Atlanta lodging market as well as all other major lodging markets discussed throughout this report.

¹⁸ Please refer to the appendix for a definition of these pipeline phases.



in 2020 and 2021 as the market’s new supply is absorbed. RevPAR growth between 2017 and 2022 is expected to average 2.3% annually, ranking 16th among 60 major U.S. lodging markets according to projections from CBRE. The charts below summarize historical and projected RevPAR growth in the Atlanta market as well as Atlanta’s position on JLL’s Property Clock.



6.1.5 Hilton Atlanta Northeast: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of the Hilton Atlanta Northeast (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Hilton Atlanta Northeast is the only hotel in the subject portfolio that is located in the Atlanta metropolitan area.

Location Description

The Subject Hotel is situated at 5993 Peachtree Industrial Boulevard in the City of Atlanta, in Gwinnett County, Georgia. The hotel is approximately 0.9 miles northeast of the intersection formed by Georgia State Routes 140 and 141. It sits along the north side of Peachtree Industrial Boulevard, between Technology Parkway South and Holcomb Bridge Road.

Access to the site is granted via Peachtree Industrial Boulevard which runs northeast/southwest along the southeast perimeter of the site. The site is bordered by vacant land and offices, followed by Hampton Inn by Hilton to the North; office buildings to the East; Peachtree Industrial Boulevard, followed by offices to the South; and Pointe Parkway Northwest, followed by offices to the West.

The Subject’s location is considered very good, given its immediate proximity to shopping, dining, and entertainment, as well as major office parks that are home to substantial corporate demand generators. The Subject Site is located 16.5 miles northeast of Downtown Atlanta.

Market Positioning

The Subject Hotel is located within the Atlanta Chamblee/Norcross tract within the greater Atlanta lodging market, according to STR. This tract is comprised of 7,537 rooms across a total of 58 hotels. Of the rooms supply, approximately 55.9% are within the economy class, followed by 17.2% within the upper midscale class, and 11.2% within the upscale class. The Subject Hotel is a full-service hotel that falls within the upper upscale class, which comprises 10.4% of the submarket. In this submarket, the greatest room shares are attributed to Independent hotels, Hilton Worldwide hotels, Marriott



International hotels, Choice Hotels International hotels, and Westmont Hospitality Group hotels, respectively. The Subject belongs to the Hilton Worldwide family of brands, which account for 15.0% of the rooms supply in this submarket.

Competitive Set and Relative RevPAR Performance

The Subject Hotel realized average annual RevPAR growth of 7.8% between 2013 and 2018, compared to 5.6% for its competitive set. As a result, its RevPAR Index has improved from approximately 113% in 2013 to 125% in 2018.

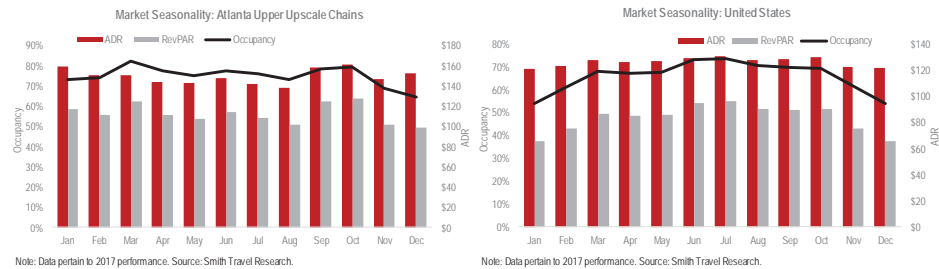
Competitive Set Performance						
	2013	2014	2015	2016	2017	2018
Occupancy						
Hilton Atlanta Northeast	67.4%	76.5%	70.1%	53.0%	73.2%	78.8%
% Change		13.5%	-8.4%	-24.4%	38.1%	7.6%
Competitive Set	71.5%	73.7%	76.4%	74.5%	66.7%	71.3%
% Change		3.1%	3.7%	-2.5%	-10.5%	7.0%
Index (MPI)	94.3	103.8	91.8	71.1	109.8	110.5
Average Daily Rate (USD)						
Hilton Atlanta Northeast	\$99.17	\$102.14	\$106.93	\$116.10	\$122.88	\$123.65
% Change		3.0%	4.7%	8.6%	5.8%	0.6%
Competitive Set	\$82.88	\$90.29	\$96.72	\$103.19	\$106.99	\$108.97
% Change		8.9%	7.1%	6.7%	3.7%	1.9%
Index (ARI)	119.7	113.1	110.6	112.5	114.9	113.5
RevPAR (USD)						
Hilton Atlanta Northeast	\$66.84	\$78.14	\$74.96	\$61.53	\$89.92	\$97.40
% Change		16.9%	-4.1%	-17.9%	46.1%	8.3%
Competitive Set	\$59.26	\$66.54	\$73.89	\$76.88	\$71.32	\$77.70
% Change		12.3%	11.0%	4.0%	-7.2%	8.9%
Index (RGI)	112.8	117.4	101.4	80.0	126.1	125.3

Competitive set includes: Marriott Atlanta Peachtree Corners (222 rooms), Courtyard Atlanta Norcross Peachtree Corners (131 rooms), Hampton Inn Atlanta Peachtree Corners Norcross (148 rooms), Hyatt Place Atlanta Norcross Peachtree (126 rooms), Home2 Suites Atlanta Norcross (115 rooms), Residence Inn Atlanta Norcross Peachtree Corners (120 rooms).

Source: Smith Travel Research

Demand Seasonality

As shown in the following charts, upper upscale, branded hotels in the Atlanta lodging market are not subject to seasonal demand patterns that are significantly more pronounced than those generally experienced by hotels in the United States. Typically, RevPAR in the U.S. declines during the colder winter months, especially in December when the holidays result in a decline in business-related transient and group travel.





Access

Hartsfield-Jackson Atlanta International Airport is located approximately 24.4 miles south southwest of the Subject Site. From the Subject, motorists would take Georgia State Route 141 South and Interstate 85 South to Charles W. Grant Parkway for a total of 28.7 miles, thereafter arriving to the airport.

Primary regional access through the Greater Atlanta, Georgia area is provided by Interstates 20, 75, and 85, three major thoroughfares that run directly through the city. Interstate 20 follows along the southern edge of Downtown Atlanta, running east toward Augusta and west toward Birmingham, Alabama. Interstate 75 runs south through Macon and north through Chattanooga, Tennessee. Interstate 85 extends northeast from Midtown Atlanta through Spartanburg, continuing on through Charlotte, North Carolina. Secondary roadways offer additional connectivity throughout the area. For instance, Interstate 285 ("The Perimeter") forms a complete 64-mile loop connector around Atlanta and is reportedly the most traveled roadway in the Greater Atlanta Area. Several alternative routes, such as US Routes 19 (north/south), 23 (north/south), 29 (north/south), 41 (north/south), 78 (east/west), 278 (east/west) and several Georgia State Routes provide enhanced accessibility to and from Peachtree Corners and the surrounding areas.

Public Transportation

The Metropolitan Atlanta Rapid Transit Authority ("MARTA") operates a robust heavy rail, light rail, and bus transit network that extends throughout the Atlanta area. Further service throughout Gwinnett County is provided through Gwinnett County Transit via commuter buses. In early 2018, plans to extend Atlanta's heavy rail service north from Doraville MARTA station to a new multimodal hub near Norcross were announced.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:

Hilton Atlanta Northeast	
Attraction	Distance to Subject
The Forum of Peachtree Parkway	2.1 mi.
Chattahoochee River National Recreation Area	6.1 mi.
Autrey Mill Nature Preserve and Heritage Center	4.7 mi.
Southeastern Railway Museum	5.0 mi.
Brook Run Park	4.3 mi.
Jones Bridge Park	3.0 mi.
West Gwinnett Park Aquatic Center	3.2 mi.
Deer Valley Golf Range	2.6 mi.
Treetop Quest Dunwoody	4.4 mi.
Perimeter Mall	6.6 mi.

Convention Center

The Georgia World Congress Center, located 16 miles from the Subject Hotel, is situated at the southeast quadrant of the intersection formed by Northside Drive and Joseph E. Boone Boulevard,



immediately northwest of Downtown Atlanta, Georgia. The center originally opened in 1976, debuting the original 350,000 square feet of exhibition space.

Since opening, the venue has undergone three expansions, with the last update completed in 2002. The convention center currently amounts to 3.9 million square feet, including 1.4 million square feet of exhibit space. The largest exhibit space is 600,000 square feet.

In August of 2018, Atlanta broke ground on the first major expansion of the convention center since 2002. The project will cost an estimated \$55 million and feature a new 100,000 square foot exhibit hall to join two of the center's existing building. Upon completion, the convention center will be one of only five in the United States to offer 1.0 million square feet of contiguous exhibit space. A new luxury convention center hotel will also be constructed on the former site of the Georgia Dome.

Community/Infrastructure Development

Notable developments in the Gwinnett County area include:

- The addition of an autonomous vehicle test track in Peachtree Corners will cost an estimated \$2.0 million and run 1.4 miles along the city's Technology Parkway.
- The Town Center development is currently underway at the intersection of Peachtree Corners and Medlock Bridge Road and is expected to reach completion in late 2018/early 2019.
- In 2017, Peachtree Corners City Council approved an economic development plan to be completed in 2022. The plan will address traffic congestion and housing options, as well as expand current business clusters and remedy aging commercial properties.
- In 2018, a plan to extend Atlanta's MARTA heavy rail service from Doraville to Norcross was announced.

Notable developments in the nearby City of Atlanta include:

- Facebook is currently considering a 400-acre data center complex with a \$42.0 billion investment spread over two decades.
- CIM Group has proposed a \$5.0 billion mixed-use development on 40-acres in downtown Atlanta, known as "The Gulch". The city is expected to vote on the proposal in mid-October 2018.
- Centennial Olympic Park is currently under construction, introducing a new events building, plazas, park entrances, and an amphitheater slated for completion at the end of 2018.
- In August of 2018, Atlanta began its first major expansion of the Georgia World Congress Center in 16 years. The estimated cost for the project is \$55 million.
- The Georgia Aquarium is set for expansion toward Baker Street and Centennial Olympic Park. The project is expected to begin in late 2018 and open in 2020.
- MARTA and Atlanta have proposed 21 miles of light rail line extensions and 18 miles of bus line extensions through the Clifton Corridor, downtown, and in southwest Atlanta. Other proposed improvements include the addition of two transit centers and the renovation of existing



stations. The project includes the partial development of the Beltline loop, a 22-mile network of trails and parks that will also eventually include public transportation.

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> Proximity to several technology and business parks immediately north of Atlanta Has approximately 20,000 sq. Ft. of meeting space, one of the largest amounts of area hotels 	<ul style="list-style-type: none"> Lack of efficient access via public transportation to Atlanta attractions
Opportunities	Threats
<ul style="list-style-type: none"> Atlanta seeks to extend public transit access to north suburbs, including Norcross/Peachtree areas. Town Center Development will enhance feel of community/sense of place in the neighborhood Test track for autonomous vehicles demonstrates a start-up friendly environment and should increase tech presence and related-business activity in the area 	<ul style="list-style-type: none"> Supply growth in the market may impact RevPAR growth potential to some extent

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Atlanta Chamblee/Norcross submarket in which the Subject Hotel is located is primarily known for the large concentration of office developments and company headquarters in the area. It is also the site of large retail shopping developments that serve the surrounding suburban residential communities, the most notable of which is The Forum of Peachtree Parkway, which contains nearly 100 retail and dining establishments. As a result, the location of notable company offices and retail developments in the area have been shown on the following map as well.

Market Research Overview
U.S. Hotel Asset Portfolio | March 19, 2019



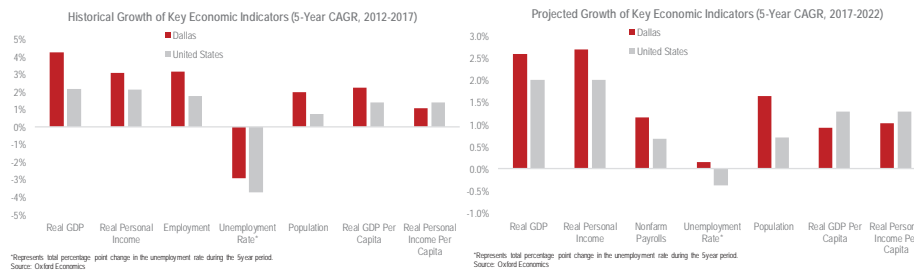


6.2 Dallas-Fort Worth-Arlington Metropolitan Statistical Area

The subject portfolio includes one hotel in the Dallas-Fort Worth-Arlington metropolitan statistical area, namely the 428-room Crowne Plaza Dallas Near Galleria.

6.2.1 Economic Overview

The Dallas-Fort Worth-Arlington metropolitan statistical area (“Dallas” or “Dallas metropolitan area”) has achieved stronger economic growth, as measured by a range of economic indicators, than the United States from 2012 - 2017, and this trend is generally expected to continue during the next five years according to projections from Oxford Economics. From 2012 - 2017, real GDP growth averaged 4.3% per year compared to 2.2% for the U.S. While the metropolitan area experienced a 2.9-percentage-point decline in its unemployment rate compared to 3.7 percentage points for the U.S., the unemployment rate in Dallas of 3.6 percent as of 2017 remains noticeably lower than the national average of 4.4 percent. Both stronger population and productivity growth contributed to the Dallas metropolitan area’s high real GDP growth rate. From 2017 - 2022, high population growth is primarily expected to drive real GDP growth of 2.6% per year, compared to 2.0% per year for the U.S.



6.2.2 Industry Composition and Key Corporate Demand Drivers

The Dallas-Fort Worth-Arlington metropolitan statistical area features a relatively high share of employment in the Trade, Transportation & Utilities sector as well as in the Professional & Business Services sector. The metropolitan area has the largest population and gross domestic product in the South Central United States – and the fourth largest population and gross domestic product in the United States. Additionally, it features two commercial airports, including Dallas Love Field and the Dallas/Fort Worth International Airport, which ranks as the fourth busiest airport in the U.S. by passenger traffic. Given these strong economic advantages, the metropolitan area provides an attractive location for companies in the Trade, Transportation & Utilities and Professional & Business Services sectors; the Trade, Transportation & Utilities sector benefits from the region’s strong transportation infrastructure, and the Professional & Business Services sector benefits from its large, economically productive population base. The table below summarizes the share of employment by sector in the Dallas-Fort Worth-Arlington metropolitan statistical area in comparison to the national average:



Share of Employment by Industry (2017)		
Sector	Dallas-Fort Worth-Arlington,	
	TX	United States
Trade, Transportation & Utilities	21%	19%
Professional & Business Services	16%	14%
Education & Health Services	12%	16%
Government	12%	15%
Leisure & Hospitality	10%	11%
Financial Activities	8%	6%
Manufacturing	8%	8%
Natural Resources, Mining & Construction	6%	5%
Other Services	3%	4%
Information	2%	2%
Total	100%	100%

Source: U.S. Bureau of Labor Statistics, Moody's Analytics, JLL

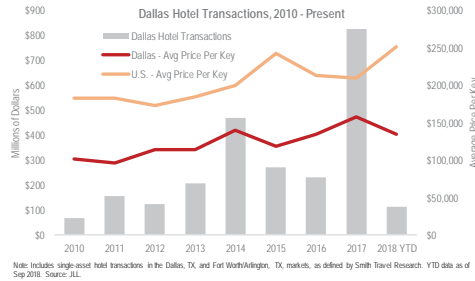
The Dallas-Fort Worth-Arlington metropolitan statistical area offers an attractive headquarters location for large companies based upon its excellent accessibility, favorable climate, business friendly environment, and relatively low cost of living. American Airlines and AT&T are headquartered in the area as a result, and many other large companies maintain a large corporate presence in the region as well. The largest companies in the Dallas-Fort Worth-Arlington metropolitan area are summarized in the following table:

Major Employers: Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area		
Rank	Employer	Employees
1	Wal-Mart Stores Inc.	34,000
2	AMR/American Airlines	25,000
3	AT&T	17,000
4	Baylor Scott & White Health	16,860
5	Bank of America Corp.	14,465
6	Lockheed Martin	13,690
7	Texas Instruments Inc.	13,000
8	JPMorgan Chase & Co.	12,600
9	Texas Health Resources	12,000
10	HCA North Texas Division	11,612
11	UT Southwestern Medical Center	10,000
12	NAS - Fort Worth - JRB	10,000
13	Arlington ISD	10,000
14	Southwest Airlines Co.	9,500
15	Target Brands Inc.	8,270
16	Verizon	8,100
17	Raytheon Co.	8,000
18	University of Texas at Arlington	7,311
19	JPS Health Network	6,500
20	Cook Children's Health Care System	6,042

Source: Oxford Economics, JLL

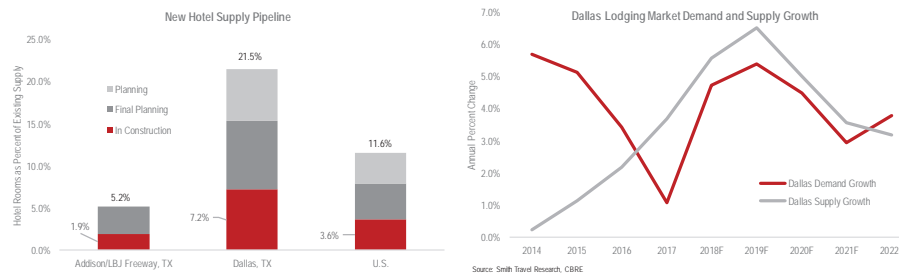
6.2.3 Hotel Investment Overview

Hotel transactions totaling approximately \$2.5 billion have occurred in the combined Dallas-Fort Worth-Arlington lodging market since 2010, making it among the fifteen most liquid lodging markets in the U.S. Hotel sales in the combined Dallas-Fort Worth-Arlington lodging market have generally trended higher in recent years with transactions reaching \$824 million in 2017 as the metropolitan area's stellar economic growth trajectory has attracted increased investor interest. Surveying hotel transactions in the market since 2015, the Dallas-Fort Worth-Arlington lodging market's average capitalization rate amounts to 8.2%, compared to 7.4% for transactions nationwide, and its average sales price is approximately \$143,000 per key, compared to \$228,000 per key for the U.S.



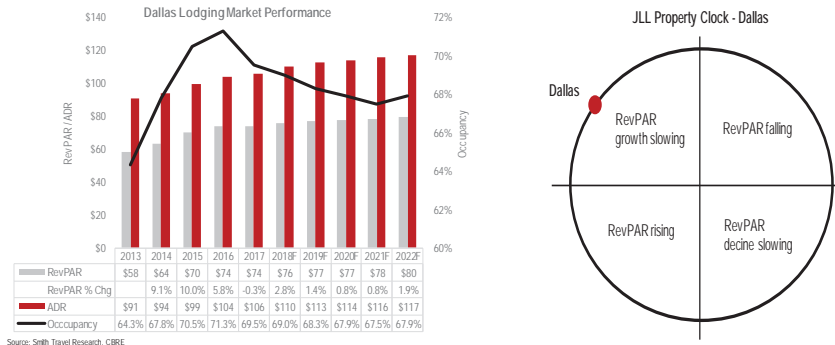
6.2.4 Lodging Market Performance

The active new supply pipeline for the Dallas lodging market, which includes hotel rooms in the planning, final planning, and construction stages, is significantly higher than the national average.¹⁹ According to data compiled by Smith Travel Research, the pipeline for Dallas amounts to 21.5% of existing rooms inventory, compared to 11.6% for the U.S. The supply pipeline can vary significantly by submarket, however, and the submarket in which the subject portfolio’s only Dallas area hotel is located, the Addison/LBJ Freeway submarket, features a noticeably smaller active pipeline, as shown in the first chart below. While strong economic growth is expected to continue to drive strong lodging demand growth in Dallas, supply growth eclipsed demand growth in 2017 and is expected to continue to outpace it during the next few years according to projections from CBRE. In the case of the Addison/LBJ Freeway submarket, however, we expect more balanced demand and supply growth given its relatively constrained pipeline.



The Dallas lodging market realized average annual RevPAR growth between 2013 and 2017 of 6.1%, ranking 30th among 60 major U.S. lodging markets for which we have available data. Given the expectation that supply growth will outpace demand growth during the next few years, the market’s occupancy is expected to decline slightly from approximately 69% in 2018 to 67.5% by 2021, while ADR growth is expected to moderate from 3.6% in 2018 to 2.5% in 2019 before falling to 1.3% in 2020 as the market’s new supply is absorbed. RevPAR growth between 2017 and 2022 is expected to average 1.5% annually, ranking 39th among 60 major U.S. lodging markets according to projections from CBRE. The charts below summarize historical and projected RevPAR growth in Dallas as well as the market’s position on JLL’s Property Clock.

¹⁹ We have focused on the supply pipeline for the Dallas lodging market, rather than the combined Dallas-Fort Worth-Arlington lodging market given its greater relevance with respect to the subject portfolio.



6.2.5 Crowne Plaza Dallas Near Galleria Addison: Asset Overview and Market Positioning

The Crowne Plaza Dallas Near Galleria Addison is the only hotel in the subject portfolio that is located in the Dallas metropolitan area.

Location Description

The Subject Hotel is situated at 14315 Midway Road in the town of Addison, in Dallas County, Texas. The hotel is approximately 1.8 miles northwest of the intersection formed by Interstate 635 and the Dallas North Tollway. It is located south of Belt Line Road, along the west side of Midway Road, and north of Greenhill School on Spring Valley Road.

Access to the site is granted via Midway Road which runs north/south along the east perimeter of the site. The site is bordered by Proton Drive, followed by retail and residential to the North; Midway Road, followed by the Suzuki Music Institute of Dallas and offices to the East; offices and parking, followed by Hornet Road, offices, and Greenhill School to the South; and offices and parking, followed by residential to the West.

The Subject's location is considered good, given its immediate proximity to local schools, medical facilities, shopping, and sufficient corporate demand generators. The Subject Site is located 1.3 miles to the center of Addison, 1.5 miles to Galleria Dallas, and 11.7 miles north of Downtown Dallas.

Market Positioning

The Subject Hotel is located within the Addison/LBJ Freeway tract within the greater Dallas lodging market, according to STR. This tract is comprised of 12,117 rooms across a total of 75 hotels. Of the rooms supply, approximately 28.6% are within the upper upscale class, followed by 25.9% within the upscale class, and 24.0% within the economy class. The Subject Hotel is a full-service hotel that falls within the upscale class. In this submarket, the greatest room shares are attributed to Marriott International hotels, Hilton Worldwide hotels, Intercontinental Hotels Group hotels, Independent hotels, and Budget Suites of America hotels, respectively. The Subject belongs to the Intercontinental Hotels Group family of brands, which account for 9.7% of the rooms supply in this submarket.



Competitive Set and Relative RevPAR Performance

The Subject Hotel realized an average annual decline in RevPAR of -0.8% between 2014 and 2018, primarily due to a significant decline in 2018, compared to average annual RevPAR growth of 0.2% for its competitive set. As a result, its RevPAR Index has declined from approximately 103% in 2014 to 99% in 2018.

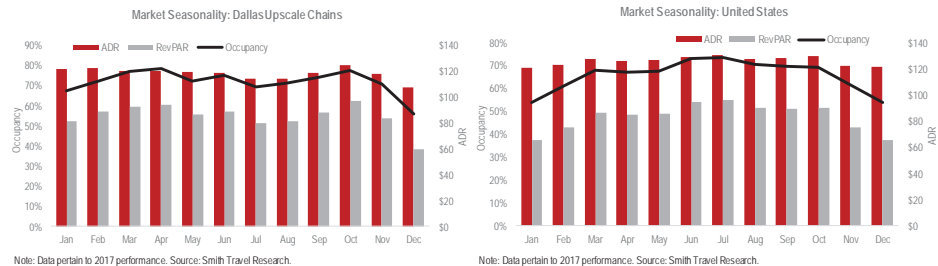
Competitive Set Performance					
Occupancy	2014	2015	2016	2017	2018
Crowne Plaza Dallas Near Galleria Addison	66.8%	70.3%	71.8%	68.0%	61.0%
% Change		5.3%	2.0%	-5.2%	-10.3%
Competitive Set	64.2%	69.9%	70.6%	65.2%	59.4%
% Change		8.8%	1.1%	-7.6%	-9.0%
Index (MPI)	103.9	100.6	101.6	104.3	102.7
Average Daily Rate (USD)					
Crowne Plaza Dallas Near Galleria Addison	\$89.88	\$95.24	\$98.15	\$100.15	\$95.26
% Change		6.0%	3.1%	2.0%	-4.9%
Competitive Set	\$90.86	\$95.40	\$96.96	\$96.25	\$99.23
% Change		5.0%	1.6%	-0.7%	3.1%
Index (ARI)	98.9	99.8	101.2	104.1	96.0
RevPAR (USD)					
Crowne Plaza Dallas Near Galleria Addison	\$60.00	\$66.96	\$70.42	\$68.11	\$58.11
% Change		11.6%	5.2%	-3.3%	-14.7%
Competitive Set	\$58.36	\$66.65	\$68.47	\$62.78	\$58.93
% Change		14.2%	2.7%	-8.3%	-6.1%
Index (RGI)	102.8	100.5	102.9	108.5	98.6

Competitive set includes: Doubletree Hotel Dallas Near The Galleria (290 rooms), Courtyard Dallas Addison Midway (145 rooms), Sheraton Dallas Hotel By The Galleria (309 rooms), Renaissance Dallas Addison Hotel (528 rooms), Wyndham Garden Hotel Dallas North (350 rooms), Holiday Inn Express & Suites Dallas Addison (102 rooms), Radisson Hotel Dallas North Addison (101 rooms).

Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel’s market based upon the performance of all upscale, branded hotels in the Dallas lodging market. As shown in the following charts, upscale, branded hotels in the Dallas lodging market are not subject to seasonal demand patterns that are significantly more pronounced than those generally experienced by hotels in the United States. Typically, RevPAR in the U.S. declines during the colder winter months, especially in December when the holidays result in a decline in business-related transient and group travel.





Airport Access

Dallas/Fort Worth International Airport is located approximately 12.1 miles west of the Subject Site. From the Subject, motorists would take Interstate 635 West 13.6 miles then continue onto International Parkway in Grapevine to reach the airport. The subject hotel is also served by Addison Airport, which is approximately 1.7 north of the subject site.

Regional/Local Access

Primary regional access is provided by Interstates 30, 35E, and 45, three major thoroughfares that run either directly through or into the city. Interstate 30 runs east through Greenville and west through Fort Worth. Interstate 35E runs north to Denton and south toward Hillsboro. Interstate 45 runs northward from Houston, terminating near Downtown Houston. Secondary roadways offer additional connectivity throughout the area. For instance, Interstate 20, which runs east/west along the southern edge of Dallas, and Interstate 635, which forms a partial loop connecting Interstate 20 to Grapevine/DFW International Airport via North Dallas. Several alternative routes, such as US Highways 67 (north/south), 75 (north/south), 80 (east/west), and 175 (north/south). and several Texas State Routes provide enhanced accessibility to and from Addison and the surrounding areas.

Public Transportation

The Dallas Area Rapid Transit ("DART") operates a robust system that offers light-rail, commuter rail, and buses. The light-rail covers more than 66 miles across four lines, providing connectivity among Dallas neighborhoods, as well as to the commuter rail. The commuter rail provides connectivity between Dallas and Fort Worth. The buses operate along 121 regular routes, including 50 routes that connect rail stations to areas of business.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:

Crowne Plaza Dallas Near Galleria Addison	
Attraction	Distance to Subject
Cavanaugh Flight Museum	1.9 mi.
Galleria Dallas	1.6 mi.
Vitruvian Park	0.9 mi.
Addison Circle Park	1.4 mi.
Green Trail	3.3 mi.
Sandy Lake Amusement Park	5.1 mi.
Addison Improv	1.1 mi.
Bitter Sisters Brewery	0.8 mi.
Bosque Park	1.5 mi.
MidTown ARTwalk	2.3 mi.

Convention Center

The Kay Bailey Hutchison Convention Center is the primary convention facility for Dallas, Texas and is located approximately 12.0 miles south of the Subject Hotel. The complex is situated along the southern perimeter of downtown, immediately adjacent to Interstate 30. The center originally opened



in 1957, originally debuting as Dallas Memorial Auditorium before being expanded and renamed to Dallas Convention Center in the 1970's.

Since opening, the venue has undergone four expansions, with the last major addition reportedly completed in 2002. The convention center currently features 2.0 million square feet of space, including more than 1.0 million square feet of exhibition space. The largest exhibit space is roughly 727,000 square feet.

Alternatively, the Irving Convention Center in Irving, Texas is located 7.5 miles southwest of the Subject Hotel. The center was opened in 2011 and features a total of 100,000 square feet of exhibit space and a 19,000-square-foot ballroom.

Community/Infrastructure Development

Notable developments in Dallas include:

- In 2023, Downtown Dallas is expected to become the only city in the country with a high-speed rail station. The Texas Central Rail will connect Dallas-Fort Worth to Houston, traveling the distance in 90 minutes.
- In November 2016, a \$1.05 billion bond program was approved to improve streets, upgrade traffic signals, expand pedestrian ways, repair bridges, and expand parks. Roughly \$50 million will be spent on flood protection and drainage.
- In 2017, DFW Airport tentatively completed a \$2.7 billion Terminal Renewal and Improvement Program (“TRIP”) consisting of three renovated terminals. The fourth terminal renovation was delayed at the request of American Airlines and remains uncertain.
- In summer 2018, the “Mobility 2045” plan was approved by the Regional Transportation Council. The plan outlines \$135.4 billion in projects, including new technology implementation, expanded highways, infrastructure maintenance, and extensions to passenger train and bus lines.
- Trinity Metro is currently constructing a commuter rail line that will provide access from Fort Worth communities to DFW International Airport via Tarrant County. The line is expected to open in January 2019 and cost \$1.0 billion to construct.

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Proximity to Galleria Mall and Addison Center • Location among nearby office complexes with 12 million sq. ft. of space and occupied by major tenants such as Mary Kay and Bank of America • Two convention centers within twelve miles including the Kay Bailey Hutchison Convention Center which is the primary convention centre facility for Dallas • Newly renovated (2017) DFW Airport is roughly twelve miles west, which is the fourth busiest airport in the U.S. by passenger traffic • Notable suburban social destination with mix of cultural attractions, retail, restaurants and bars and numerous outdoor festivals 	<ul style="list-style-type: none"> • Distance from downtown Dallas • Location does not offer direct routes via Public Transit to Dallas attractions or DFW airport



Opportunities	Threats
<ul style="list-style-type: none"> Mobility 2045 to increase connectivity in the region via buses and passenger trains 	<ul style="list-style-type: none"> Supply growth in the market may impact RevPAR growth potential to some extent

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Addison/LBJ Freeway submarket in which the Subject Hotel is located is primarily known for the large concentration of office developments and company headquarters in the area located near the intersection of the LBJ Freeway (Interstate 635) with the Dallas North Tollway. It is also the site of large retail shopping developments that serve the surrounding suburban residential communities, the most notable of which is the Dallas Galleria, which contains approximately 200 retail and dining establishments. The location of notable company offices and retail developments in the area have been shown on the following map as well.



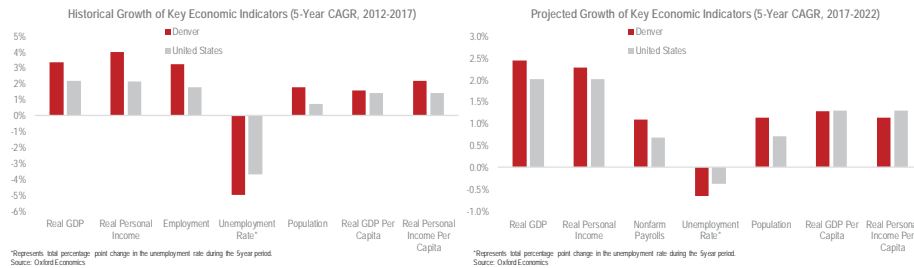


6.3 Denver-Aurora-Lakewood Metropolitan Statistical Area

The subject portfolio includes three hotels in the Denver-Aurora-Lakewood metropolitan statistical area, namely the 399-room Renaissance Denver Stapleton Hotel, the 300-room Holiday Inn Denver East Stapleton, and the 262-room Sheraton Denver Tech Center.

6.3.1 Economic Overview

The Denver-Aurora-Lakewood metropolitan statistical area (“Denver” or “Denver metropolitan area”) has achieved stronger economic growth, as measured by a range of economic indicators, than the United States from 2012 - 2017, and this trend is generally expected to continue during the next five years according to projections from Oxford Economics. From 2012 - 2017, real GDP growth averaged 3.4% per year compared to 2.2% for the U.S. and the unemployment rate declined 5.0 percentage points compared to 3.7 percentage points for the U.S. Both stronger population and productivity growth contributed to Denver’s high real GDP growth rate. From 2017 - 2022, high population growth is primarily expected to drive real GDP growth of 2.4% per year, compared to 2.0% per year for the U.S.



6.3.2 Industry Composition and Key Corporate Demand Drivers

The Denver-Aurora-Lakewood metropolitan statistical area’s largest sectors in terms of total employment are the Trade, Transportation & Utilities and Professional & Business Services sectors. While the metropolitan area’s population and gross domestic product rank 19th and 20th in the nation, respectively, its economy is the largest in the Rocky Mountains and western Great Plains regions of the United States, which occupy a large swath of the western United States. Additionally, Denver International Airport ranks as the fifth busiest in the United States given its relatively central geographic location in the country, world-class facilities, and status as a hub location for several major airlines. Given the large size of its economy relative to the surrounding region and its excellent transportation, the Denver-Aurora-Lakewood metropolitan area’s Trade, Transportation & Utilities and Professional & Business Services sectors are positioned to thrive. The table below summarizes the share of employment by sector in the Denver-Aurora-Lakewood metropolitan statistical area in comparison to the national average:



Share of Employment by Industry (2017)		
Sector	Denver-Aurora-Lakewood, CO	United States
Trade, Transportation & Utilities	18%	19%
Professional & Business Services	18%	14%
Government	14%	15%
Education & Health Services	13%	16%
Leisure & Hospitality	11%	11%
Financial Activities	7%	6%
Natural Resources, Mining & Construction	7%	5%
Manufacturing	5%	8%
Other Services	4%	4%
Information	3%	2%
Total	100%	100%

Source: U.S. Bureau of Labor Statistics, Moody's Analytics, JLL

The largest employers in the Denver area include a diverse mix of companies. Health and educational institutions, including HealthONE, University of Colorado Hospital, and University of Denver, rank among the region's largest employers, along with several airlines, including United Airlines, Frontier Airlines, and Southwest Airlines. The largest companies in the Denver-Aurora-Lakewood metropolitan statistical area are summarized in the following table:

Major Employers: Denver-Aurora-Lakewood, CO Metropolitan Statistical Area		
Rank	Employer	Employees
1	HealthONE	8,880
2	University of Colorado Hospital	7,110
3	Lockheed Martin Corp.	6,250
4	Centura Health	5,900
5	United Airlines Inc.	5,700
6	Children's Hospital	5,670
7	Kaiser Permanente	5,340
8	Denver Health	5,210
9	CenturyLink	5,100
10	Banner Health	4,570
11	Comcast	4,540
12	University of Denver	4,140
13	Charles Schwab & Co. Inc.	3,700
14	Frontier Airlines	3,430
15	Southwest Airlines Co.	3,110
16	GlobalFoundries	2,800
17	Xcel Energy Inc.	2,690
18	Great-West Financial	2,680
19	United Parcel Service Inc.	2,630
20	Dish Network LLC	2,620

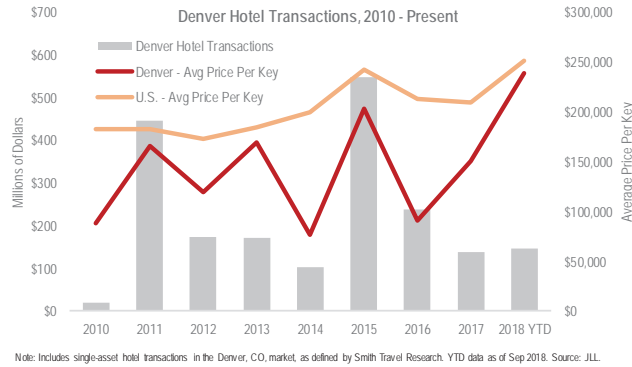
Source: Metro Denver EDC, 2017

6.3.3 Hotel Investment Overview

Hotel transactions totaling approximately \$2.0 billion have occurred in the Denver lodging market since 2010, making it among the twenty most liquid lodging markets in the U.S. Hotel sales in the Denver lodging market have been relatively steady at approximately \$200 million per year in recent years, though they spiked to nearly \$450 million in 2011 and nearly \$550 million in 2015. Surveying hotel transactions in the market since 2015, Denver's average capitalization rate amounts to 8.9%, compared to 7.4% for transactions nationwide, and its average sales price is approximately \$156,000 per key, compared to \$228,000 per key for the U.S. Most recently, however, the market's average price per key for year-to-date transactions through September 2018 rose significantly to \$239,000 per key, bringing it close to the national average of \$251,000 per key for the same period. Additionally, we note that there have been relatively few transactions for which cap rate data are available in Denver during recent

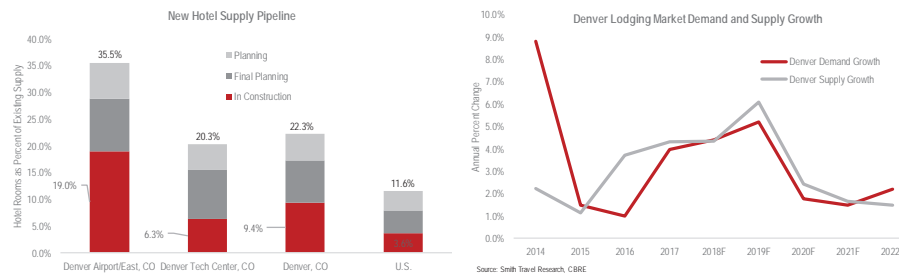


years, and therefore, the average cap rate for these transactions may not be representative of investor expectations for most assets in the market.



6.3.4 Lodging Market Performance

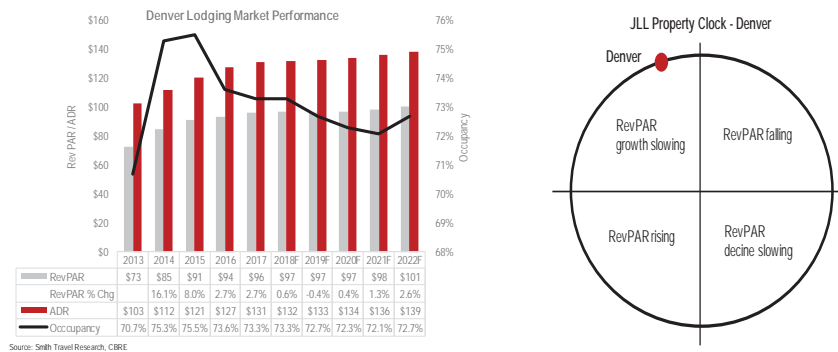
The active new supply pipeline for the Denver lodging market, which includes hotel rooms in the planning, final planning, and construction stages, is significantly higher than the national average. According to data compiled by Smith Travel Research, the Denver lodging market’s pipeline amounts to 22.3% of existing rooms inventory, compared to 11.6% for the U.S. The Denver Airport/East submarket, which contains two of the subject portfolio’s three Denver area hotels, features an even larger pipeline mainly due to the construction of the 1,500-room Gaylord Rockies Hotel & Conference Center, while the Denver Tech Center submarket, which contains the subject portfolio’s remaining Denver area hotel, has a supply pipeline that is in line with the broader market. Although Denver’s supply pipeline is elevated, a substantial proportion of the new hotel openings are scheduled for 2018 and 2019 and supply growth is expected to abate thereafter. Additionally, the Gaylord Rockies Hotel & Conference Center, is expected to induce significant new demand, softening the impact on area hotels. Therefore, supply and demand growth are expected to remain balanced in Denver during the next few years according to projections from CBRE. We expect that this trend will apply to Denver Airport/East and Denver Tech Center submarkets as well given that their pipelines are similarly sized relative to the broader market after excluding the impact of the Gaylord Rockies.



The Denver lodging market realized average annual RevPAR growth between 2013 and 2017 of 7.2%, ranking 18th among 60 major U.S. lodging markets for which we have available data. The market has endured relatively high supply growth for several years, resulting in a decline in occupancy from 75.5% in 2015 to approximately 73% in 2017 with a further decline to about 72% projected by 2021. At the



same time, ADR growth in the market has decelerated significantly, declining from 9.1% in 2014 to 3.0% in 2017, and ADR growth is expected to continue to decelerate to 0.6% in 2018 before falling into negative territory with an ADR decline of 0.4% in 2019 when supply growth peaks. As a result, RevPAR growth between 2017 and 2022 is expected to average 0.9% annually, ranking 52nd among 60 major U.S. lodging markets according to projections from CBRE. The charts below summarize historical and projected RevPAR growth in the Denver market as well as Denver’s position on JLL’s Property Clock.



6.3.5 Holiday Inn Denver East - Stapleton: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of the Holiday Inn Denver East - Stapleton (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Holiday Inn Denver East - Stapleton is among three hotels in the subject portfolio that are located in the Denver metropolitan area.

Location Description

The Subject Hotel is situated at 3333 Quebec Street in the City of Denver, in Denver County, Colorado. The hotel is approximately 0.9 mile directly south of the intersection formed by Interstate 70 and Quebec Street/Northfield Quebec Street. It is located along the western side of Quebec Street, between East 33rd and East 35th Avenues in northwest Stapleton.

Access to the site is granted via Quebec Street which runs north/south along the east perimeter of the site. Additional access is available via Poplar Street or East 33rd Avenue, located along the west and south perimeters of the property. The site is bordered by an office building to the North; Quebec Street to the East; East 33rd Avenue to the South; and Poplar Street to the West.

The Subject's location is considered very good, given its immediate proximity to the Colorado Science and Technology Park, as well as sufficient university, medical, and airline demand generators. The Subject Site is located approximately 5.0 miles east of Downtown Denver.

Market Positioning

The Subject Hotel is located within the Denver Airport/East tract within the greater Denver lodging market, according to STR. This tract is comprised of 14,138 rooms across a total of 105 hotels. Of the rooms supply, approximately 29.0% are within the upscale class, followed by 23.2% within the upper midscale class, and 20.4% within the economy class. The Subject Hotel falls within the upper midscale



class. In this submarket, the greatest room shares are attributed to Marriott International hotels, Hilton Worldwide hotels, Choice Hotels International hotels, Intercontinental Hotels Group hotels, and Independent hotels, respectively. The Subject belongs to the Intercontinental Hotels Group family of brands, which account for 10.4% of the rooms supply in this submarket.

Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized average annual RevPAR growth of 4.0% between 2013 and 2018. The Subject Hotel's competitive set realized average annual RevPAR growth of 9.4% during this time, resulting in a decline in the Subject Hotel's RevPAR Index from approximately 112% in 2013 to 87% in 2018.

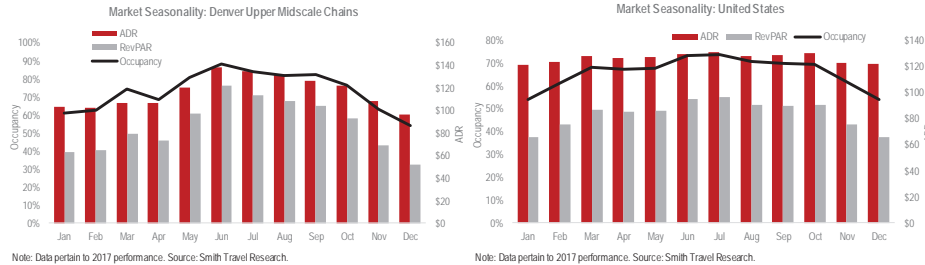
Competitive Set Performance							
Occupancy	2012	2013	2014	2015	2016	2017	2018
Holiday Inn Denver East Stapleton	67.6%	70.8%	80.8%	82.4%	73.7%	53.4%	67.3%
% Change		4.8%	14.1%	2.0%	-10.6%	-27.6%	26.0%
Competitive Set		66.9%	69.5%	71.0%	72.2%	67.9%	73.0%
% Change			3.8%	2.3%	1.7%	-6.1%	7.6%
Index (MPI)		105.8	116.3	116.0	102.0	78.7	92.2
Average Daily Rate (USD)							
Holiday Inn Denver East Stapleton	\$77.00	\$79.83	\$86.61	\$94.64	\$103.56	\$102.66	\$102.09
% Change		3.7%	8.5%	9.3%	9.4%	-0.9%	-0.5%
Competitive Set		\$75.63	\$88.58	\$97.65	\$102.08	\$109.57	\$108.78
% Change			17.1%	10.2%	4.5%	7.3%	-0.7%
Index (ARI)		105.5	97.8	96.9	101.5	93.7	93.9
RevPAR (USD)							
Holiday Inn Denver East Stapleton	\$52.05	\$56.53	\$69.96	\$77.99	\$76.33	\$54.81	\$68.68
% Change		8.6%	23.8%	11.5%	-2.1%	-28.2%	25.3%
Competitive Set		\$50.61	\$61.54	\$69.37	\$73.75	\$74.35	\$79.39
% Change			21.6%	12.7%	6.3%	0.8%	6.8%
Index (RGI)		111.7	113.7	112.4	103.5	73.7	86.5

Competitive set includes: Radisson Hotel Denver Central (220 rooms), DoubleTree Denver Stapleton North (300 rooms), Courtyard Denver Stapleton (146 rooms), Quality Inn & Suites Denver Stapleton (139 rooms), Drury Inn & Suites Denver Stapleton (180 rooms).

Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel's market based upon the performance of all upper midscale, branded hotels in the Denver lodging market. As shown in the following charts, upper midscale, branded hotels in the Denver lodging market are subject to seasonal demand patterns that are moderately more pronounced than those generally experienced by hotels in the United States. Denver can experience relatively cold temperatures and inclement weather during the winter months given its proximity to the Rocky Mountains, and consequently, its RevPAR declines more significantly during the winter months than the average U.S. hotel.



Airport Access

Denver International Airport is located approximately 13.2 miles northeast of the Subject Site. From the Subject, motorists would take Interstate 70 East, traveling 1.2 miles to Peña Boulevard, then another 16.4 miles northward to the airport.

Regional/Local Access

Primary regional access is provided by Interstates 25, 70, and 76, three major thoroughfares that run directly through or into the city of Denver, Colorado. Interstate 25 runs north through Fort Collins and Cheyenne, Wyoming and south through Colorado Springs. Interstate 70 runs east through the State of Kansas and west through Grand Junction before entering Utah. Interstate 76 runs directly through the northeast portion of the State of Colorado from its terminus near the northwest corner of Denver. Secondary roadways offer additional connectivity throughout the area. For instance, US Routes 6 (east/west), 36 (east/west), 85 (north/south), 287 (northwest/southeast), and several Colorado State Highways provide enhanced accessibility to and from Denver and the surrounding areas.

Public Transportation

The Regional Transport District ("RTD") operates a robust system that offers buses and light rail trains. RTD buses offer access to eight counties in the Denver metro area, servicing more than 9,000 bus stops. The RTD light rail services the City of Denver, extending 86.5 miles across nine rail lines. FasTracks is a current initiative to expand existing transportation services and add commuter rail service. As of 2018, a significant portion of the project had been completed, including the West, East, and Northwest Rail Lines. The East Rail Line provides access to Denver International Airport. In 2017 and 2018, the R Line through Aurora and the North Metro Line to Thornton were opened. Denver also offers a free MetroRide, providing service to and from Downtown Denver destinations.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:



Holiday Inn Denver East - Stapleton	
Attraction	Distance to Subject
Central Park Stapleton	0.7 Mi.
The Urban Farm	1.7 Mi.
Denver Zoo	2.6 Mi.
Denver Museum of Nature and Science	3.6 Mi.
Dicks Sporting Goods Park	3.6 Mi.
Denver Botanic Gardens	3.8 Mi.
Rocky Mountain Arsenal	3.8 Mi.
Four Mile Historic Park	4.4 Mi.
Hammond's Candies Factory	4.7 Mi.
Coors Field	4.7 mi.
Washington Park	5.6 Mi.
Downtown Aquarium	5.8 Mi.

Convention Center

The Colorado Convention Center, which is located 5 miles from the Subject Hotel, is situated immediately north of US Highway 40/287 and east of Speer Boulevard in Downtown Denver, Colorado. The center originally opened in June of 1990, debuting a total of 800,000 square feet of event space at an original construction cost of \$7 million.

Since opening, the venue has undergone only one expansion, with the last update completed in 2004 at a cost of \$340 million. The convention center currently features a total of 2.2 million square feet of space, including 584,000 square feet of exhibit space, 100,000 square feet of meeting rooms, a nearly 95,000-square-foot ballroom, and the 5,000-seat Wells Fargo Theatre. The convention center is slated for further expansion, beginning at the end of 2018. The expansion will cost an estimated \$233 million and will introduce an additional 85,000 square feet of flexible meeting and ballroom space, as well as 100,000 square feet of pre-function space in 2020.

Community/Infrastructure Development

Notable developments in the Greater Denver area include:

- In late 2017, Denver Transportation received \$430 million in funding to address deferred maintenance and repave roads. Additionally, the funds are expected to address the construction of sidewalks and new bike and pedestrian bridges.
- In mid-2017, the US Department of Transportation provided \$2.25 million in grants for infrastructure improvements to Denver International Airport. In 2016, DIA received \$7.54 million. The latest grants are expected to fund the rehabilitation of an existing taxiway.
- In 2018, DIA broke ground on a \$1.5 billion gate expansion project that will add an additional 39 gates over the next three years. Additionally, a separate \$1.8 billion deal includes a complete terminal renovation that will consolidate ticket areas, move security screening, and construct new concessions.
- FasTracks is RTD's \$7.4 billion expansion of Metro Denver's mass transit system. The project will add 122 miles of rail and extend the regional bus network upon completion. As of 2018, the



G Line remains to be fully constructed and is planned to extend RTD service through northwest Denver.

- Up to 50 transit-related developments are planned or underway along eight different rail lines stemming from downtown Denver.

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Direct proximity to the Colorado Science and Technology Park • Connectivity to nearby interstates via I-70 • Visibility within neighborhood • Full service amenities in a submarket where the bulk of hotels are of a select service positioning • Accessibility to roadways and airport • Access to FasTracks A-Line within 1.0 miles • Proximity to Johnson and Wales university campus 	<ul style="list-style-type: none"> • Given the airport submarket location, hotel is not proximate to Denver’s top leisure attractions
Opportunities	Threats
<ul style="list-style-type: none"> • Airport expansion and renovation, Denver International Airport is the fifth busiest in the U.S. • Location within a quickly growing, young neighborhood development • Proximity to United pilot training facilities • Corporate contracts as area business base continues to grow 	<ul style="list-style-type: none"> • Potential impact from hotel supply pipelines for DIA and Downtown

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Denver Airport/East submarket in which the Subject Hotel is located is primarily known for its proximity to Denver International Airport, the 5th busiest airport by passenger traffic in the United States, as well as its proximity to the Anschutz Medical Campus. The Stapleton neighborhood in which the Subject Hotel is located was formerly the site of Denver’s Stapleton International Airport, which was converted into mixed-use and residential neighborhoods following its closure and the opening of the city’s new airport in 1995.

Market Research Overview
U.S. Hotel Asset Portfolio | March 19, 2019





6.3.6 Renaissance Denver Stapleton: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of the Renaissance Denver Stapleton Hotel (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. Since the Renaissance Denver Stapleton is located less than 0.5 miles from the Holiday Inn Denver East Stapleton, they benefit from demand generated by the same convention center, airport, and regional transportation and infrastructure initiatives. Accordingly, we refer to Section 6.3.4 for a description of these demand generators in an effort to avoid duplication. The Renaissance Denver Stapleton Hotel is among three hotels in the subject portfolio that are located in the Denver metropolitan area.

Location Description

The Subject Hotel is situated at 3801 Quebec Street in the City of Denver, in Denver County, Colorado. The hotel is approximately 0.6 mile directly south of the intersection formed by Interstate 70 and Quebec Street/Northfield Quebec Street. It is located along the western side of Quebec Street, between East 38th and East 39th Avenues in northwest Stapleton.

Access to the site is granted via Quebec Street which runs north/south along the east perimeter of the site. The site is bordered by a parking garage and East 39th Avenue to the North; Quebec Street to the East; East 38th Avenue to the South; and Poplar Street to the West.

The Subject's location is considered very good, given its immediate proximity to the Colorado Science and Technology Park, as well as sufficient university, medical, and airline demand generators. The Subject Site is located approximately 5.0 miles east of Downtown Denver.

Market Positioning

The Subject Hotel is located within the Denver Airport/East tract within the greater Denver lodging market, according to STR. This tract is comprised of 14,138 rooms across a total of 105 hotels. Of the rooms supply, approximately 29.0% are within the upscale class, followed by 23.2% within the upper midscale class, and 20.4% within the economy class. The Subject Hotel falls within the upper upscale class which comprises 16.2% of the submarket. In this submarket, the greatest room shares are attributed to Marriott International hotels, Hilton Worldwide hotels, Choice Hotels International hotels, Intercontinental Hotels Group hotels, and Independent hotels, respectively. The Subject belongs to the Marriott International family of brands, which account for 21.3% of the rooms supply in this submarket.

Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized average annual RevPAR growth of 4.2% between 2012 and 2018, and the Subject Hotel's competitive set realized average annual RevPAR growth of 5.0% during this time, resulting in a decline in the Subject Hotel's RevPAR Index from approximately 115% in 2012 to 110% in 2018.

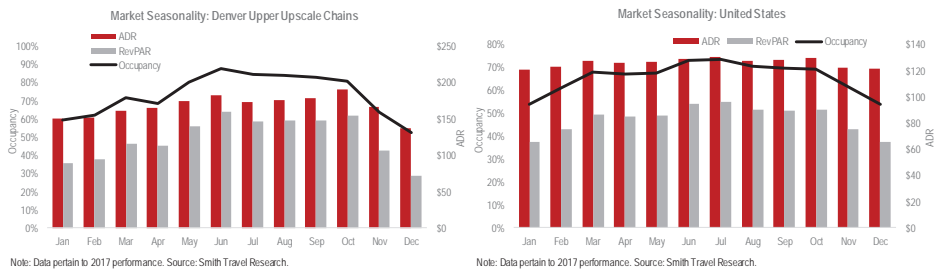


Competitive Set Performance							
Occupancy	2012	2013	2014	2015	2016	2017	2018
Renaissance Denver Stapleton Hotel	69.5%	75.5%	84.6%	86.2%	78.3%	59.6%	75.1%
% Change		8.6%	12.0%	1.9%	-9.1%	-23.8%	26.0%
Competitive Set	72.0%	75.2%	82.8%	84.0%	80.3%	74.3%	72.9%
% Change		4.4%	10.1%	1.5%	-4.4%	-7.5%	-1.8%
Index (MPI)	96.6	100.5	102.2	102.6	97.5	80.3	103.1
Average Daily Rate (USD)							
Renaissance Denver Stapleton Hotel	\$108.20	\$109.91	\$112.35	\$114.31	\$120.12	\$125.24	\$128.03
% Change		1.6%	2.2%	1.7%	5.1%	4.3%	2.2%
Competitive Set	\$90.59	\$91.65	\$98.85	\$105.03	\$115.31	\$118.36	\$119.74
% Change		1.2%	7.9%	6.2%	9.8%	2.6%	1.2%
Index (ARI)	119.4	119.9	113.6	108.8	104.2	105.8	106.9
RevPAR (USD)							
Renaissance Denver Stapleton Hotel	\$75.21	\$83.01	\$95.03	\$98.48	\$94.03	\$74.67	\$96.17
% Change		10.4%	14.5%	3.6%	-4.5%	-20.6%	28.8%
Competitive Set	\$65.20	\$68.89	\$81.84	\$88.22	\$92.56	\$87.89	\$87.28
% Change		5.6%	18.8%	7.8%	4.9%	-5.1%	-0.7%
Index (RGI)	115.3	120.5	116.1	111.6	101.6	85.0	110.2

Competitive set includes: Crowne Plaza Denver Airport Convention Center (255 rooms), Doubletree Denver (561 rooms), Embassy Suites Denver Stapleton (210 rooms), Holiday Inn Denver East Stapleton (298 rooms).
Source: Smith Travel Research

Demand Seasonality

As shown in the following charts, upper upscale, branded hotels in the Denver lodging market are subject to seasonal demand patterns that are moderately more pronounced than those generally experienced by hotels in the United States. Denver can experience relatively cold temperatures and inclement weather during the winter months given its proximity to the Rocky Mountains, and consequently, its RevPAR declines more significantly during the winter months than the average U.S. hotel.



List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:



Renaissance Denver Stapleton Hotel		
Attraction	Distance to Subject	
Denver Botanic Gardens	4.0 mi.	
Washington Park	5.9 mi.	
Denver Zoo	2.7 mi.	
Rocky Mountain Arsenal	3.4 mi.	
Hammond's Candies Factory	4.5 mi.	
The Urban Farm	1.7 mi.	
Four Mile Historic Park	4.8 mi.	
Central Park Stapleton	1.0 mi.	
Downtown Aquarium	6.0 mi.	
Coors Field	4.9 mi.	

SWOT Analysis

Please cross-reference the comments with the above Holiday Inn Denver property too

Strengths	Weaknesses
<ul style="list-style-type: none"> • Large amount of meeting space • Visibility within neighborhood • Full service amenities • Accessibility to roadways and airport • FasTracks A-Line within 1.0 miles • Proximate to Johnson and Wales University • Denver's business friendly environment and proximity to outdoor activities has made it a popular destination for leisure travelers as well as corporate relocations • Access to I-70 and light rail • 	<ul style="list-style-type: none"> • Lack of immediate proximity to most popular demand generators in the Denver CBD, such as the Colorado Convention Center and sports stadiums
Opportunities	Threats
<ul style="list-style-type: none"> • Airport expansion and renovation • Location within a quickly growing, young neighborhood development • Proximate to United pilot training facilities • Corporate contracts as area business base continues to grow 	<ul style="list-style-type: none"> • Impacted by hotel supply pipelines for DIA and Downtown

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Denver Airport/East submarket in which the Subject Hotel is located is primarily known for its proximity to Denver International Airport, the 5th busiest airport by passenger traffic in the United States, as well as its proximity to the Anschutz Medical Campus. The Stapleton neighborhood in which the Subject Hotel is located was formerly the site of Denver's Stapleton International Airport, which was converted into mixed-use and residential neighborhoods following its closure and the opening of the city's new airport in 1995.

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6.3.7 Sheraton Denver Tech Center: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of the Sheraton Denver Tech Center (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. Since the Sheraton Denver Tech Center is expected to benefit from the same regional infrastructure initiatives and the same convention center as the Renaissance Denver Stapleton and the Holiday Inn Denver East - Stapleton, we refer to Section 6.3.4 for a summary of these demand generators in an effort to avoid duplication. The Sheraton Denver Tech Center is among three hotels in the subject portfolio that are located in the Denver metropolitan area.

Location Description

The Subject Hotel is situated at 7007 South Clinton Street in the City of Greenwood Village, in Arapahoe County, Colorado. The hotel is approximately 3.5 miles southeast of the T-intersection formed by Interstates 25 and 225. It is located adjacent to Interstate 25, 0.4 miles south of East Arapahoe Road along the west side of South Clinton Street.

Access to the site is granted via South Clinton Street which runs north/south along the east perimeter of the site. The site is bordered by Hyatt House to the North; South Clinton Street, followed by Roof Depot and a commercial building to the East; La Quinta Inn & Suites and IHOP to the South; and Interstate 25 and a parking lot to the West.

The Subject's location is considered very good, given its immediate proximity to major class-A office complexes, business parks, and mixed-use developments; Interstate 25; and sufficient leisure and corporate demand generators. The Subject Site is located 12.3 miles southeast of Downtown Denver and 2.3 miles south southeast of Denver Tech Center, along Interstate 25 in Greenwood Village.

Market Positioning

The Subject Hotel is located within the Denver Tech Center tract within the greater Denver lodging market, according to STR. This tract is comprised of 6,413 rooms across a total of 43 hotels. Of the rooms supply, approximately 29.0% are within the upper upscale class, followed by 26.4% within the upscale class, and 16.1% within the economy class. The Subject Hotel falls within the upper upscale class. In this submarket, the greatest room shares are attributed to Marriott International, Hilton Worldwide, Hyatt, Extended Stay Hotels, and Intercontinental Hotels Group, respectively. The Subject belongs to the Marriott International family of brands, which account for 25.3% of the rooms supply in this submarket.

Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized average annual RevPAR growth of 7.3% between 2012 and 2018, compared to 2.4% for its competitive set. As a result, its RevPAR Index has improved from approximately 68% in 2012 to 91% in 2018.



Competitive Set Performance							
Occupancy	2012	2013	2014	2015	2016	2017	2018
Sheraton Hotel Denver Tech Center	55.4%	61.3%	64.9%	71.6%	72.8%	72.2%	69.1%
% Change		10.6%	5.8%	10.4%	1.7%	-0.9%	-4.2%
Competitive Set	67.4%	70.1%	70.1%	70.1%	68.7%	63.7%	67.8%
% Change		4.0%	0.0%	0.1%	-2.1%	-7.2%	6.4%
Index (MPI)	82.3	87.4	92.6	102.1	106.0	113.3	102.0
Average Daily Rate (USD)							
Sheraton Hotel Denver Tech Center	\$95.50	\$104.65	\$113.77	\$112.94	\$118.41	\$117.57	\$117.16
% Change		9.6%	8.7%	-0.7%	4.8%	-0.7%	-0.3%
Competitive Set	\$115.05	\$122.06	\$120.70	\$123.55	\$129.01	\$132.43	\$131.68
% Change		6.1%	-1.1%	2.4%	4.4%	2.7%	-0.6%
Index (ARI)	83.0	85.7	94.3	91.4	91.8	88.8	89.0
RevPAR (USD)							
Sheraton Hotel Denver Tech Center	\$52.94	\$64.13	\$73.80	\$80.88	\$86.23	\$84.84	\$81.00
% Change		21.1%	15.1%	9.6%	6.6%	-1.6%	-4.5%
Competitive Set	\$77.53	\$85.55	\$84.58	\$86.65	\$88.60	\$84.38	\$89.24
% Change		10.3%	-1.1%	2.4%	2.3%	-4.8%	5.8%
Index (RGI)	68.3	75.0	87.3	93.3	97.3	100.5	90.8

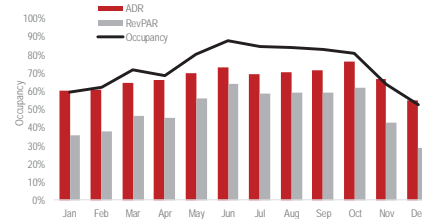
Competitive set includes: DoubleTree Denver Aurora (250 rooms), Embassy Suites Denver Tech Center (236 rooms), Marriott Denver South @ Park Meadows (279 rooms), element Denver Park Meadows (123 rooms), Radisson Hotel Denver Aurora (287 rooms).

Source: Smith Travel Research

Demand Seasonality

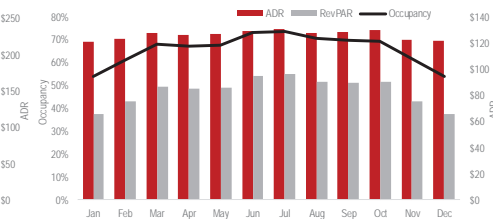
We have estimated the seasonality of demand in the Subject Hotel’s market based upon the performance of all upper upscale, branded hotels in the Denver lodging market. As shown in the following charts, upper upscale, branded hotels in the Denver lodging market are subject to seasonal demand patterns that are moderately more pronounced than those generally experienced by hotels in the United States. Denver can experience relatively cold temperatures and inclement weather during the winter months given its proximity to the Rocky Mountains, and consequently, its RevPAR declines more significantly during the winter months than the average U.S. hotel.

Market Seasonality: Denver Upper Upscale Chains



Note: Data pertain to 2017 performance. Source: Smith Travel Research.

Market Seasonality: United States



Note: Data pertain to 2017 performance. Source: Smith Travel Research.

Airport Access

Denver International Airport is located approximately 21.5 miles northeast of the Subject Site. From the Subject, motorists would take Interstate 25 North to Interstate 225 North, driving 12.2 miles before continuing onto Peña Boulevard for 11.6 miles toward the airport. The significantly smaller Centennial Airport is located 2.1 miles southeast of the Subject Hotel.

Regional/Local Access

Primary regional access through the Denver, Colorado area is provided by Interstates 25, 70, and 76, three major thoroughfares that run directly through or into the city. Interstate 25 runs north through



Fort Collins and Cheyenne, Wyoming and south through Centennial toward Colorado Springs. Interstate 70 runs along the northern edge of Denver, east through the State of Kansas and west through Grand Junction before entering Utah. Interstate 76 runs directly through the northeast portion of the State of Colorado from its terminus near the northwest corner of Denver. Secondary roadways offer additional connectivity throughout the area. For instance, Interstate 225 serves as a connector between Interstate 25 and 70, largely circumventing Denver to the east and traversing parts of Greenwood Village and Aurora, Colorado. US Routes 6 (east/west), 36 (east/west), 85 (north/south), 285 (extends south from Englewood), 287 (northwest/southeast), and several Colorado State Highways provide enhanced accessibility to and from Greenwood Village, Denver, and the surrounding areas.

Public Transportation

The Regional Transport District ("RTD") operates a robust system that offers buses and light rail trains. RTD buses offer access to eight counties in the Denver metro area, servicing more than 9,000 bus stops. The RTD light rail services the City of Denver, extending 86.5 miles across nine rail lines. The Southeast Light Rail Line serves Greenwood Village. FasTracks is a current initiative to expand existing transportation services and add commuter rail service. As of 2018, a significant portion of the project had been completed, including the West, East, and Northwest Rail Lines. The East Rail Line provides access to Denver International Airport. In 2017 and 2018, the R Line through Aurora and the North Metro Line to Thornton were opened. Denver also offers a free MetroRide, providing service to and from Downtown Denver destinations.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:

Sheraton Denver Tech Center	
Attraction	Distance to Subject
Centennial Center Park	8.0 Mi.
Bluffs Regional Park	4.3 Mi.
Westlands Park	2.1 Mi.
Pirates Cove Family Fun Aquatic Center	7.0 Mi.
Cherry Creek State Park	3.3 Mi.
Unser Karting & Events	3.0 Mi.
Fiddler's Green Amphitheatre	1.1 Mi.
Washington Park	8.7 Mi.
Snobahn	4.4 Mi.
Kennedy Golf Course	4.4 Mi.



SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Proximity to public transit • Location adjacent to I-25, near Arapahoe Road, which features numerous dining options • Immediate proximity to class-A office complexes, business parks and mixed-use developments • Highly visible structure from surrounding roadways • 12,000 square feet of meeting space 	<ul style="list-style-type: none"> • Lack of proximity to downtown Denver • Distance from Denver International Airport
Opportunities	Threats
<ul style="list-style-type: none"> • Group and corporate business as Denver continues to grow • Increased regional connectivity via public transit 	<ul style="list-style-type: none"> • Supply growth in the market may impact RevPAR growth potential to some extent • Revitalization of Downtown Denver may result in a decline in the relative attractiveness of Greenwood Village and the Denver Tech Center to corporate tenants and residents

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Denver Tech Center submarket in which the Subject Hotel is located is primarily known for the large concentration of office developments and company headquarters in the area located near the intersection of Interstate 25 with Interstate 225. The Subject Hotel is also in close proximity to large retail shopping centers that serve the surrounding suburbs, the most notable of which is the Meadows Retail Resort, or Park Meadows, which contains approximately 200 retail and dining establishments. The location of notable company offices and retail developments in the area have been shown on the following map as well.

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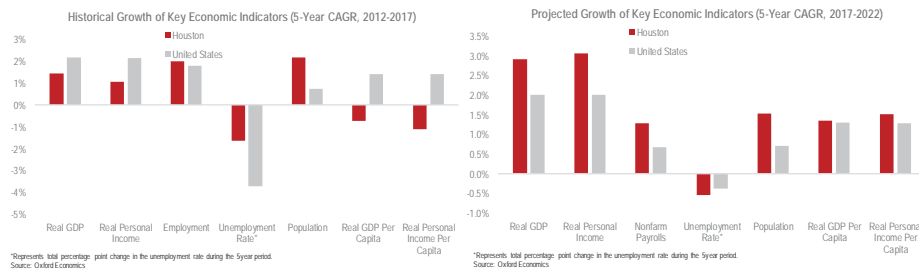


6.4 Houston-The Woodlands-Sugar Land Metropolitan Statistical Area

The subject portfolio includes one hotel in the Houston-The Woodlands-Sugar Land metropolitan statistical area, namely the 292-room Hilton Houston Galleria Area.

6.4.1 Economic Overview

As shown in the charts below, the Houston-The Woodlands-Sugar Land metropolitan statistical area (“Houston” or “Houston metropolitan area”) generally realized slower economic growth, as measured by a range of economic indicators, than the United States during the past five years primarily due to weakness in global energy markets since 2015. Population growth averaged 2.2% per year in Houston during the last 5 years compared to 0.7% for the U.S., but negatively productivity growth resulted in average real GDP growth of 1.4% in Houston compared to 2.2% for the U.S. However, as global energy markets appear poised for a recovery and the metropolitan area recovers from Hurricane Harvey, the metropolitan area is expected to achieve stronger economic growth than the nation according to projections from Oxford Economics for the next five years. Houston is expected to realize average real GDP growth of 2.9% per year compared to 2.0% for the U.S., and its employment level is expected to rise 1.3% per year compared to 0.7% for the U.S.



6.4.2 Industry Composition and Key Corporate Demand Drivers

The Houston-The Woodlands-Sugar Land metropolitan statistical area’s largest sectors in terms of employment are the Trade, Transportation & Utilities sector and the Professional & Business Services sector. The metropolitan area has the second largest population and gross domestic product in the South Central United States – and the fifth largest population and sixth largest gross domestic product in the United States. Additionally, it features two commercial airports, including William P. Hobby Airport and George Bush Intercontinental/Houston Airport, and port access to the Gulf of Mexico. Given these strong economic and geographic advantages, the metropolitan area provides an attractive location for companies in the Trade, Transportation & Utilities and Professional & Business Services sectors. Notably, while the Natural Resources, Mining & Construction sector represents only 10% of total employment in the metropolitan area, this ratio is significantly higher than the national average. Houston is known as the epicenter of the energy industry in the U.S. and benefits from its proximity to oil production in West Texas and the Gulf of Mexico. The table below summarizes the share of employment by sector in the Houston-The Woodlands-Sugar Land metropolitan statistical area in comparison to the national average:



Share of Employment by Industry (2017)		
Sector	Houston-The Woodlands-Sugar Land, TX	United States
Trade, Transportation & Utilities	20%	19%
Professional & Business Services	16%	14%
Government	13%	15%
Education & Health Services	13%	16%
Leisure & Hospitality	11%	11%
Natural Resources, Mining & Construction	10%	5%
Manufacturing	7%	8%
Financial Activities	5%	6%
Other Services	4%	4%
Information	1%	2%
Total	100%	100%

Source: U.S. Bureau of Labor Statistics, Moody's Analytics, JLL

Given Houston's status as the epicenter of the U.S. energy industry, energy companies represent many of the region's largest employers. Exxon Mobil and Shell Oil are headquartered in the Houston-The Woodlands-Sugar Land metropolitan statistical area, and while Chevron is headquartered in the San Francisco Bay Area, it also maintains significant employment in the Houston area. The largest employers in the Houston-The Woodlands-Sugar Land metropolitan statistical area are summarized in the following table:

Major Employers: Houston-The Woodlands-Sugar Land, TX Metropolitan Statistical Area		
Rank	Employer	Employees
1	Memorial Hermann Health System	26,021
2	The University of Texas Health Science Center	14,720
3	Schlumberger Ltd.	12,207
4	Landry's Inc.	11,200
5	Exxon Mobile Corp.	11,000
6	Baylor College of Medicine	9,071
7	National Oilwell Varco Inc.	8,960
8	Chevron Corp.	8,000
9	Shell Oil Co.	7,900
10	Baker Hughes Inc.	5,695
11	The Dow Chemical Co.	5,563
12	BP America	5,000
13	TechnipFMC PLC	4,800
14	Fiesta Mart Inc.	4,500
15	Goodman Global Inc.	3,500
16	NASA Johnson's Space Center Houston	3,092
17	ConocoPhillips	3,000
18	Kinder Morgan	2,913
19	Wood Group	2,850
20	Clear Lake Regional Medical Center	2,564

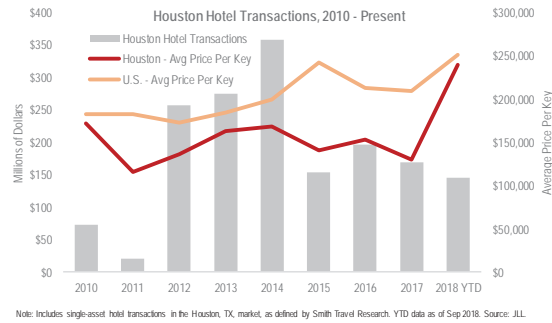
Source: Houston Business Journal, Book of Lists 2017

6.4.3 Hotel Investment Overview

Hotel transactions totaling approximately \$1.7 billion have occurred in the Houston lodging market since 2010, making it among the twenty most liquid lodging markets in the U.S. Hotel sales volume in the Houston lodging market has generally been lower during the last few years, declining from more than \$350 million in 2015 to an average of approximately \$175 million per year since then as weakness in global energy markets and supply growth concerns dampened investor interest in the market. Surveying hotel transactions in the market since 2015, Houston's average capitalization rate amounts to 8.1%, compared to 7.4% for transactions nationwide, and its average sales price is approximately \$155,000 per key, compared to \$228,000 per key for the U.S. Most recently, however, the market's average price per key for year-to-date transactions through September 2018 rose significantly to \$240,000 per key, bringing it close to the national average of \$251,000 per key for the same period. As

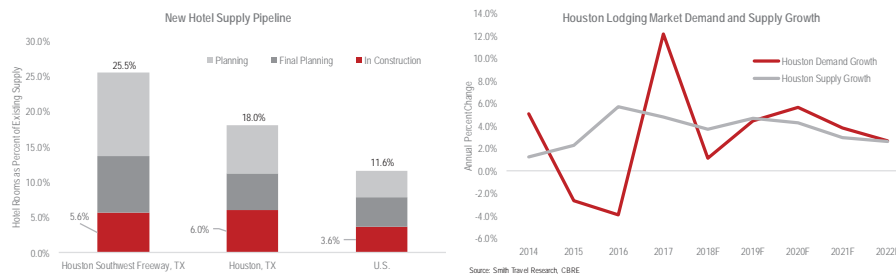


global energy markets appear poised to recover, we expect renewed investor interest and pricing gains for the Houston market.



6.4.4 Lodging Market Performance

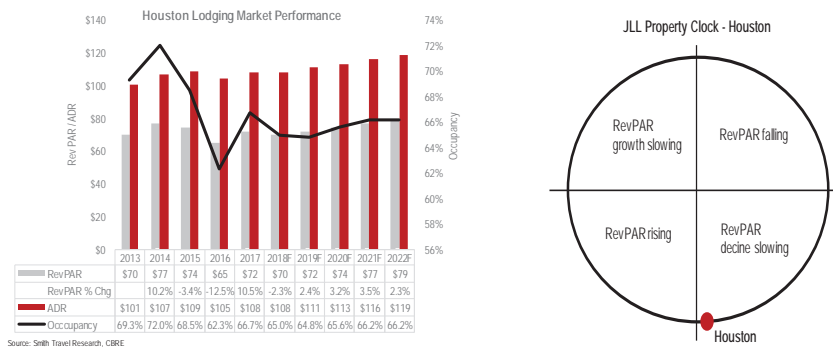
The active new supply pipeline for the Houston lodging market, which includes hotel rooms in the planning, final planning, and construction stages, is significantly higher than the national average. According to data compiled by Smith Travel Research, the Houston lodging market’s pipeline amounts to 18.0% of existing rooms inventory, compared to 11.6% for the U.S. The supply pipeline can vary significantly by submarket, however, and the submarket in which the subject portfolio’s only Houston area hotel is located, the Houston Southwest Freeway submarket, features a noticeably larger active pipeline, as shown in the first chart below. While Houston’s supply pipeline is elevated, demand growth is also expected to be high given that the metropolitan area’s projected real GDP growth rate for the next five-year period is among the highest in the U.S. As a result, supply growth and demand growth are expected to be generally balanced in Houston during the next few years according to projections from CBRE. In the case of the Houston Southwest Freeway submarket, however, supply growth may be more likely to materially outpace demand growth in the event that a large number of its projects in the planning stage come to fruition.



The Houston lodging market realized average annual RevPAR growth between 2013 and 2017 of 0.7%, ranking 58th among 60 major U.S. lodging markets for which we have available data. Given the combined impact of large supply increases and weakness in global energy markets, Houston experienced a 3.4% decline in RevPAR in 2015, followed by a 12.5% RevPAR decline in 2016. In 2017, the market sustained RevPAR growth of 10.5%, mostly due to a temporary occupancy increase associated with the impact of Hurricane Harvey. While RevPAR growth is expected to decline again in 2018, a nascent recovery in the global energy markets on which the market’s lodging sector depends is expected to propel renewed RevPAR growth in the market beginning in 2019. As a result, RevPAR growth



between 2017 and 2022 is expected to rise to 1.8% annually, ranking 31st among 60 major U.S. lodging markets according to projections from CBRE. The charts below summarize historical and projected RevPAR growth in the Houston market as well as Houston’s position on JLL’s Property Clock.



6.4.5 Hilton Houston Galleria Area: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of the Hilton Houston Galleria Area (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Hilton Houston Galleria Area is the only hotel in the subject portfolio that is located in the Houston metropolitan area.

Location Description

The Subject Hotel is situated at 6780 Southwest Freeway in the City of Houston, in Harris County, Texas. The hotel is approximately 2.8 miles west southwest of the intersection formed by Interstates 69 and 610. It is located 0.5 miles south of Westpark Tollway, immediately north and adjacent to where Interstate 69/Southwest Freeway and Savoy Drive converge.

Access to the site is granted via Southwest Freeway which runs northeast/southwest along the southeast perimeter of the site. The site is bordered by offices and vacant land to the North; Southwest Freeway to the East; Southwest Freeway and La Quinta Inn & Suites, followed by Zuma Fun Center to the South; and offices, vacant land, and retail to the West.

The Subject’s location is considered very good, given its proximity to shopping and entertainment, as well as sufficient leisure and corporate demand generators in the area. The Subject Site is located 2.8 miles to the Galleria shopping center and Uptown Houston, as well as 8.5 miles west southwest of Downtown Houston.

Market Positioning

The Subject Hotel is located within the Houston Southwest Freeway tract within the greater Houston lodging market, according to STR. This tract is comprised of 7,703 rooms across a total of 93 hotels. Of the rooms supply, approximately 36.6% are within the economy class, followed by 22.9% within the upper midscale class, and 22.3% within the upscale class. The Subject Hotel is a full-service hotel that falls within the upper upscale class, which comprises 7.7% of the submarket. In this submarket, the greatest room shares are attributed to Independent hotels, Marriott International hotels,



Intercontinental Hotels Group hotels, Hilton Worldwide hotels, and Choice Hotels International hotels, respectively. The Subject belongs to the Hilton Worldwide family of brands, which account for 14.2% of the rooms supply in this submarket.

Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized average annual RevPAR growth 3.2% between 2012 and 2018, while its competitive set experience an average annual decline in RevPAR of -1.3%, primarily due to a significant RevPAR decline in 2018. As a result, the Subject Hotel's RevPAR Index has improved from approximately 105% in 2012 to 138% in 2018.

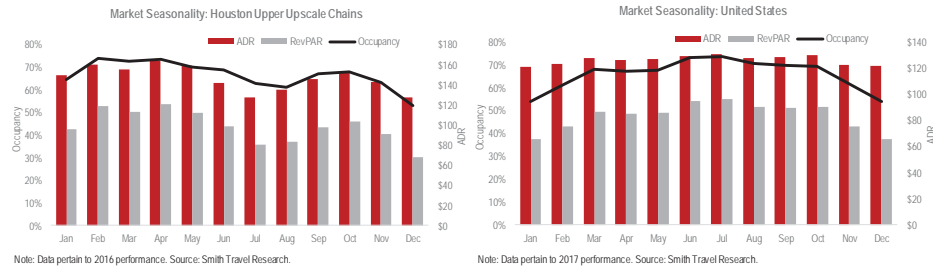
Competitive Set Performance							
	2012	2013	2014	2015	2016	2017	2018
Occupancy							
Hilton Houston Galleria	58.6%	62.8%	65.4%	52.3%	69.0%	74.9%	72.6%
% Change		7.1%	4.0%	-19.9%	31.9%	8.5%	-3.0%
Competitive Set	73.3%	77.5%	75.4%	78.7%	66.3%	69.8%	61.1%
% Change		5.8%	-2.7%	4.3%	-15.7%	5.2%	-12.4%
Index (MPI)	80.0	81.0	86.6	66.5	104.1	107.3	118.8
Average Daily Rate (USD)							
Hilton Houston Galleria	\$102.34	\$111.29	\$114.98	\$107.87	\$97.39	\$105.18	\$99.84
% Change		8.8%	3.3%	-6.2%	-9.7%	8.0%	-5.1%
Competitive Set	\$77.82	\$87.23	\$95.19	\$93.27	\$87.68	\$96.52	\$85.99
% Change		12.1%	9.1%	-2.0%	-6.0%	10.1%	-10.9%
Index (ARI)	131.5	127.6	120.8	115.7	111.1	109.0	116.1
RevPAR (USD)							
Hilton Houston Galleria	\$60.01	\$69.92	\$75.14	\$56.47	\$67.23	\$78.76	\$72.51
% Change		16.5%	7.5%	-24.9%	19.1%	17.1%	-7.9%
Competitive Set	\$57.02	\$67.63	\$71.82	\$73.37	\$58.14	\$67.35	\$52.57
% Change		18.6%	6.2%	2.2%	-20.8%	15.8%	-22.0%
Index (RGI)	105.2	103.4	104.6	77.0	115.6	116.9	137.9

Competitive set includes: Four Points by Sheraton Houston Greenway Plaza (216 rooms), Crowne Plaza Suites Houston Near Sugar Land (243 rooms), Comfort Inn Southwest Freeway @ Westpark (112 rooms), La Quinta Inns & Suites Houston Southwest (117 rooms).
Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel's market based upon the performance of all upper upscale, branded hotels in the Houston lodging market.²⁰ As shown in the following charts, upper upscale, branded hotels in the Houston lodging market are subject to seasonal demand patterns that are moderately more pronounced than those generally experienced by hotels in the United States. RevPAR in Houston declines moderately during the summer months given the region's hot, humid climate during this time as well as during the winter holiday months, when RevPAR also declines significantly for the average U.S. hotel.

²⁰ Given the impact of Hurricane Harvey in 2017, we have utilized monthly data for 2016 to estimate the Houston market's seasonality.



Airport Access

George Bush Intercontinental Airport is located approximately 21.5 miles north northeast of the Subject Site. From the Subject, motorists would take Interstate 69 North for 24.8 miles to Texas State Route 8/Beltway Frontage Road, then driving north on John F. Kennedy Boulevard for 3.3 miles to reach the airport. The subject hotel is also served by William P. Hobby Airport, which is approximately 14.0 miles southeast of the subject site.

Regional/Local Access

Primary regional access is provided by Interstates 10, 45, and 69, three major thoroughfares that run directly through the city. Interstate 10 runs east through central Houston and west toward San Antonio. Interstate 45 runs from Galveston northward, continuing through Houston toward Dallas. Interstate 69 originates in Rosenberg, Texas, running northeast through the center of Houston before terminating in Cleveland, Texas. Secondary roadways offer additional connectivity throughout the area. For instance, Interstate 610 forms a loop around the center of Houston. Several alternative routes, such as US Highway 90 (southwest/northeast), US Highway 290 (northwest/southeast), and several Texas State Routes provide enhanced accessibility to and from Houston and the surrounding areas.

Public Transportation

The Metropolitan Transit Authority of Harris County, Texas ("METRO") operates a transportation system that offers light-rail ("METRORail") and buses. METRORail provides access from Downtown Houston to areas north and south of the CBD. The buses help to connect commuters from parking lots to major areas of employment.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:



Hilton Houston Galleria Area	
Attraction	Distance to Subject
The Music Box Theater	5.2 mi.
Houston Arboretum & Nature Center	4.6 mi.
The Houston Museum of Natural Science	6.8 mi.
Children's Museum of Houston	6.7 mi.
Museum of Fine Arts - Houston	6.7 mi.
Nature Discovery Center	3.2 mi.
Houston Museum District	6.9 mi.
Zuma Fun Center South Houston	0.2 mi.
Arena Theater	1.3 mi.
The Galleria	3.0 mi.

Convention Center

The George R. Brown Convention Center is the primary convention facility for Houston, Texas and is located approximately 9.1 miles northeast of the Subject Hotel. The complex is situated on the eastern edge of Houston's Central Business District, immediately northwest of Interstate 69. The center originally opened in September of 1987, at a cost of \$104.9 million.

Since opening, the venue has undergone two expansions, with the last update completed in 2016. The convention center currently features 1.9 million square feet, including 88 meeting rooms, a ballroom, a theater, a 90,000-square-foot mezzanine, a 95,000-square-foot grand concourse, a 97,000-square-foot plaza, and an outdoor special event space dubbed "The Wharf."

Community/Infrastructure Development

Notable developments in Houston include:

- \$450 million expansion of the Museum of Fine Arts Houston, which will include 54,000 square feet of gallery space, a theater, a restaurant, and an underground parking garage. The project will open in late 2019.
- The Holocaust Museum Houston expansion is also underway, costing \$33.8 million and slated to open in mid-2019.
- East Downtown Houston is currently being developed into an arts and entertainment district.
- Texas Medical Center Corporation has unveiled plans for a \$1.5 billion expansion to its research campus by 2022.
- Phase I of the redevelopment of the Houston Zoo is underway, with its completion expected in 2022.
- In the Galleria area, The Post Oak is set to debut in 2018. The development will include 150,000 square feet of Class-A office space, a 250-room hotel, 20 luxury apartments, a Rolls-Royce showroom, a spa, a salon, and several high-end restaurants.
- The Metropolitan Transit Authority of Harris County has presented a preliminary plan for more than \$3 billion in projects. The plan involves extensions to light rail and bus lines, including a light rail service serving William P. Hobby Airport from Fannin South Transit



Center and an express bus service between downtown Houston and George Bush Intercontinental Airport.

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> Proximity to Galleria shopping facilities and area leisure activities Connectivity to downtown Houston Ease of accessibility via Public Transit 	<ul style="list-style-type: none"> Distant from Houston's primary destinations and attractions
Opportunities	Threats
<ul style="list-style-type: none"> Galleria undergoing a renovation and introducing additional major tenants Global energy markets appear poised for recovery, allowing for accelerating economic growth in the Houston area 	<ul style="list-style-type: none"> The Houston economy's sensitivity to global energy markets can make its trajectory difficult to predict in the short term Proximity to the Gulf of Mexico exposes the Houston metropolitan area to hurricanes and flooding, potentially disrupting business

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Houston Southwest Freeway submarket in which the Subject Hotel is located is primarily known for the large concentration of office developments and company headquarters, many of which are in the energy industry, in the area located near the intersection of Interstate 69 with Interstate 610. It is also the site of large retail shopping developments that serve the surrounding suburban residential communities, the most notable of which is the upscale Houston Galleria, which contains approximately 375 retail and dining establishments. The location of notable company offices and retail developments in the area have been shown on the following map as well.

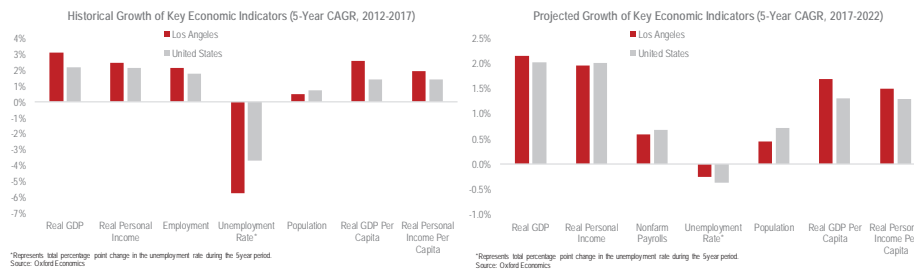


6.5 Los Angeles-Long Beach-Anaheim Metropolitan Statistical Area

The subject portfolio includes four hotels in the Los Angeles-Long Beach-Anaheim metropolitan statistical area, namely the 255-room Holiday Inn Hotel & Suites Anaheim, the 222-room Embassy Suites Anaheim North, the 347-room Queen Mary, and the 333-room Sheraton Pasadena.

6.5.1 Economic Overview

The Los Angeles-Long Beach-Anaheim metropolitan statistical area (“Los Angeles” or “Los Angeles metropolitan area”) has achieved stronger economic growth, as measured by a range of economic indicators, than the United States from 2012 - 2017, and this trend is generally expected to continue during the next five years according to projections from Oxford Economics. From 2012 - 2017, real GDP growth averaged 3.1% per year compared to 2.2% for the U.S. and the unemployment rate declined 5.8 percentage points compared to 3.7 percentage points for the U.S. Strong productivity growth primarily contributed to the Los Angeles metropolitan area’s high real GDP growth rate. From 2017 – 2022, strong productivity and income growth are primarily expected to drive real GDP growth of 2.2% per year, compared to 2.0% per year for the U.S. Population growth in the Los Angeles area is generally constrained by its high base level as the second most populous metropolitan area in the U.S. and high barriers to new development.



6.5.2 Industry Composition and Key Corporate Demand Drivers

The Los Angeles-Long Beach-Anaheim metropolitan statistical area features a highly diversified economy in which each industry’s share of total metropolitan area employment is broadly in line with the national average. The Trade, Transportation & Utilities sector and the Education & Health Services sector provide the largest share of employment in both the metropolitan area and the nation. The metropolitan area has the second largest population and gross domestic product in the United States and the largest population and gross domestic product on the country’s West Coast. The region also features Los Angeles International Airport, the second busiest airport in the U.S., and the busiest port complex in the U.S.²¹ The Trade, Transportation & Utilities sector benefits from the region’s excellent transportation infrastructure, and the Education & Health Services sector benefits from the region’s large population base as well as the presence of several world-class educational institutions, including the University of Southern California, the University of California, Los Angeles (UCLA), and the University of California, Irvine. The table below summarizes the share of employment by sector in the Los Angeles-Long Beach-Anaheim metropolitan statistical area in comparison to the national average:

²¹ Rankings for the busiest ports in the world are provided by the World Shipping Council: <http://www.worldshipping.org/about-the-industry/global-trade/top-50-world-container-ports>.



Share of Employment by Industry (2017)		
Sector	Los Angeles-Long Beach- Anaheim, CA	United States
Trade, Transportation & Utilities	18%	19%
Education & Health Services	17%	16%
Professional & Business Services	15%	14%
Government	12%	15%
Leisure & Hospitality	12%	11%
Manufacturing	8%	8%
Financial Activities	6%	6%
Natural Resources, Mining & Construction	4%	5%
Information	4%	2%
Other Services	3%	4%
Total	100%	100%

Source: U.S. Bureau of Labor Statistics, Moody's Analytics, JLL

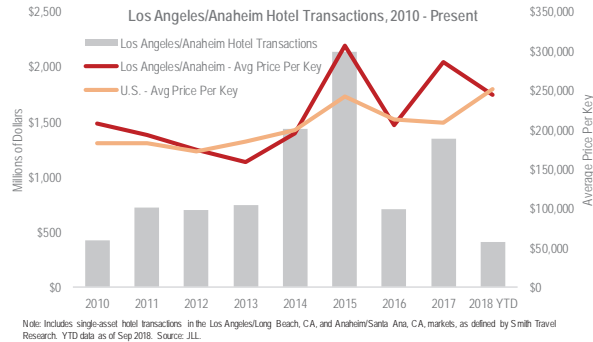
The Los Angeles-Long Beach-Anaheim metropolitan statistical area is widely known as the epicenter of the U.S. entertainment industry given that both Hollywood and Disneyland reside within its boundaries. As a result, Disneyland Resort, the Walt Disney Company, and NBC Universal rank among the region's largest employers along with its large hospital and educational institutions. The largest companies in the Los Angeles-Long Beach-Anaheim metropolitan statistical area are summarized in the following table:

Major Employers: Los Angeles-Long Beach-Anaheim, CA Metropolitan Division		
Rank	Employer	Employees
1	University of California Los Angeles	46,220
2	The Walt Disney Co.	42,000
3	Kaiser Permanente	36,468
4	Disneyland Resort	30,550
5	University of California, Irvine	23,605
6	University of Southern California	20,163
7	Northrop Grumman Corp.	16,600
8	Providence Health Systems	15,255
9	Target Brands Inc.	15,000
10	The Kroger Co.	14,970
11	The Boeing Co.	13,294
12	Albertsons/Vons/Pavilions	13,000
13	Bank of America Corp.	12,500
14	Cedars-Sinai Medical Center	12,242
15	NBC Universal	12,000
16	St. Joseph Health	11,925
17	AT&T	11,500
18	The Home Depot U.S.A. Inc.	10,600
19	Wells Fargo & Co.	9,282
20	ABM Industries Inc.	8,500

Source: Oxford Economics, JLL

6.5.3 Hotel Investment Overview

Hotel transactions totaling approximately \$8.6 billion have occurred in the combined Los Angeles-Long Beach-Anaheim lodging market since 2010, making it the third most liquid lodging market in the U.S. after New York and San Francisco/San Jose. Hotel sales volume in Los Angeles/Anaheim peaked at \$2.1 billion in 2015 but has remained high with sales volume rising to \$1.3 billion in 2017 from approximately \$700 million in 2016. Surveying hotel transactions in the market since 2015, the Los Angeles/Anaheim market's average capitalization rate amounts to 7.0%, compared to 7.4% for transactions nationwide, and its average sales price is approximately \$274,000 per key, compared to \$228,000 per key for the U.S. As the third largest market in the U.S. with relatively high barriers to entry, Los Angeles/Anaheim attracts significant investor interest and commands premium pricing relative to most other U.S. lodging markets.

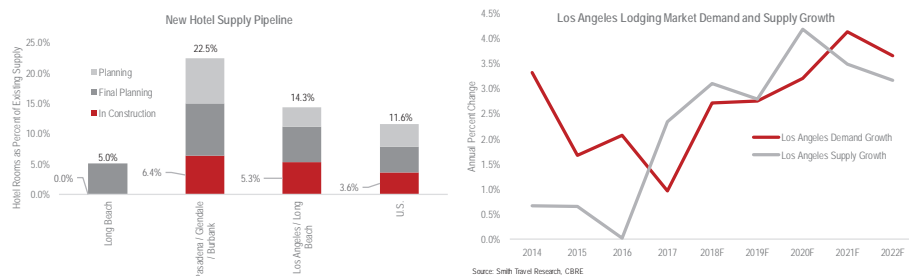


6.5.4 Lodging Market Performance

The Los Angeles-Long Beach-Anaheim metropolitan statistical area includes two large lodging markets, namely the Los Angeles/Long Beach lodging market and the Anaheim/Santa Ana lodging market, both of which are relevant with respect to the subject portfolio.

Los Angeles/Long Beach Lodging Market Performance

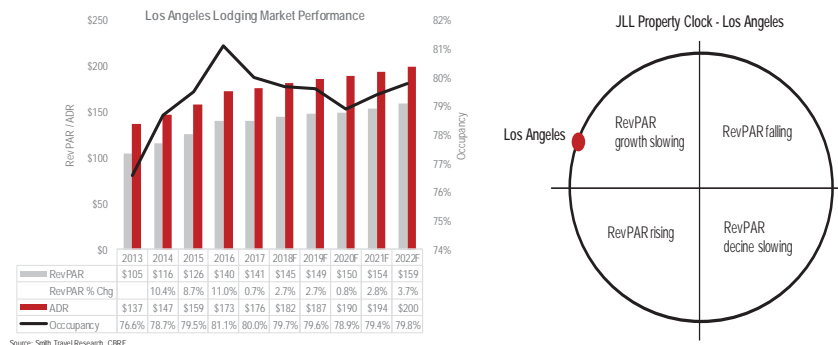
The active new supply pipeline for the Los Angeles/Long Beach lodging market, which includes hotel rooms in the planning, final planning, and construction stages, is moderately higher than the national average. According to data compiled by Smith Travel Research, the pipeline in the Los Angeles/Long Beach lodging market amounts to 14.3% of existing rooms inventory, compared to 11.6% for the U.S. The Long Beach submarket, which contains one of the subject portfolio’s two Los Angeles area hotels, features a significantly smaller pipeline, while the Pasadena/Glendale/Burbank submarket, which contains the subject portfolio’s other Los Angeles area hotel, has a supply pipeline that is significantly larger than the broader market. Although the supply pipeline for the Los Angeles/Long Beach lodging market is elevated, the area’s robust economy and high occupancy rates are expected to allow for strong demand growth as well. Therefore, supply and demand growth are expected to remain balanced in the Los Angeles/Long Beach lodging market during the next few years according to projections from CBRE. We expect that demand growth may outpace supply growth in the Long Beach submarket given its smaller pipeline, while demand and supply growth may remain balanced in Pasadena/Glendale/Burbank submarket despite its larger pipeline given low base levels of supply in the submarket and the large proportion of relatively uncertain hotel projects in the early planning stage.



The Los Angeles/Long Beach lodging market realized average annual RevPAR growth between 2013 and 2017 of 7.6%, ranking 12th among 60 major U.S. lodging markets for which we have available data.

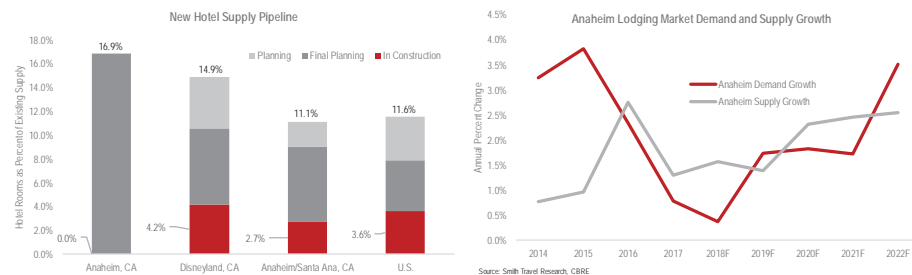


ADR growth has been the primary driver of RevPAR gains given limited capacity for further occupancy growth with the market’s occupancy rate hovering near 80% since 2014. While rising supply growth is expected to result in decelerating ADR growth, occupancy is expected to remain relatively stable given the market’s strong economic profile and our estimation of material unaccommodated demand in the market. As a result, RevPAR growth between 2017 and 2022 is expected to average 2.5% annually, ranking 9th among 60 major U.S. lodging markets according to projections from CBRE. The charts below summarize historical and projected RevPAR growth in the Los Angeles/Long Beach lodging market as well as its position on JLL’s Property Clock.



Anaheim/Santa Ana Lodging Market Performance

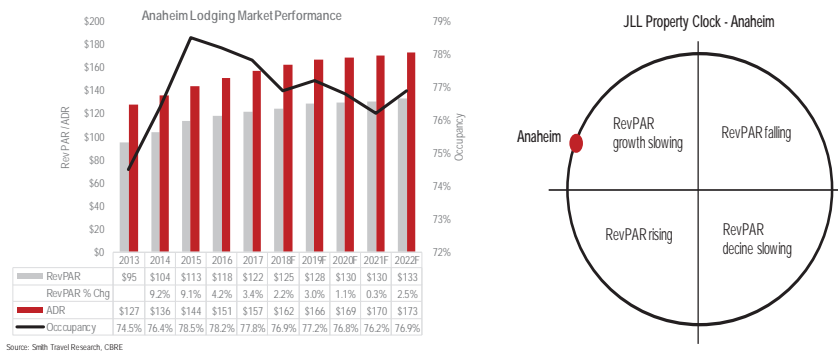
The active new supply pipeline for the Anaheim/Santa Ana lodging market, which includes hotel rooms in the planning, final planning, and construction stages, is slightly lower than the national average. According to data compiled by Smith Travel Research, Anaheim/Santa Ana’s pipeline amounts to 11.1% of existing rooms inventory, compared to 11.6% for the U.S. Both the Anaheim and Disneyland submarkets, which contain the subject portfolio’s two Anaheim/Santa Ana area hotels, feature moderately larger pipelines than the broader market. The composition of the market’s pipeline suggests rising supply growth during the next few years, but demand growth is expected to generally keep pace with supply growth according to projections from CBRE given the area’s robust economy. Additionally, we note that while the Anaheim and Disneyland markets feature larger supply pipelines, most of the rooms in their pipelines are not yet in the construction stage and rooms in the early planning stage often do not come to fruition.



The Anaheim/Santa Ana lodging market realized average annual RevPAR growth between 2013 and 2017 of 6.5%, ranking 27th among 60 major U.S. lodging markets for which we have available data. Similar to the Los Angeles market, the Anaheim/Santa Ana market has maintained a high occupancy



rate during recent years, and ADR growth has primarily propelled RevPAR growth. ADR growth has been decelerating, however, as supply growth has weighed on the market to some extent, and we expect that this trend will continue with ADR growth decelerating from 3.9% in 2017 to 1.0% by 2021. At the same time, robust economic growth is expected to keep supply-driven occupancy declines in the market minimal but noticeable. As a result, RevPAR growth between 2017 and 2022 is expected to average 1.8% annually, ranking 32nd among 60 major U.S. lodging markets according to projections from CBRE. The charts below summarize historical and projected RevPAR growth in the Anaheim/Santa Ana lodging market as well as its position on JLL’s Property Clock.



6.5.5 The Queen Mary Long Beach: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of The Queen Mary Long Beach (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Queen Mary Long Beach is among four hotels in the subject portfolio that are located in the Los Angeles-Long Beach-Anaheim metropolitan statistical area and among two hotel hotels in the subject portfolio that are located in the Los Angeles lodging market.

Location Description

The Subject Hotel is situated at 1126 Queens Highway in the City of Long Beach, in Los Angeles County, California. The hotel is 1.4 miles southeast of the interchange formed by Interstate 710/Seaside Freeway and West Ocean Boulevard, at the northeastern tip of the Harbor Plaza peninsula, and immediately North of the Long Beach Cruise Terminal.

Access to the site is granted via an access road that runs parallel to Queens Highway and South Harbor Scenic Drive which runs northwest/southeast along the southwest perimeter of the dock. The site is bordered by Queensway Bay and mouth of the Los Angeles River to the North; Pacific Ocean and Long Beach Cruise Terminal to the East; Long Beach Cruise Terminal and parking to the South; and Harry Bridges Memorial Park and parking to the West.

The Subject's location is considered very good, given its immediate proximity to entertainment venues and adequate leisure and corporate demand generators. The Subject Site is located approximately 1.0 mile directly south of Downtown Long Beach.



Market Positioning

The Subject Hotel is located within the Long Beach tract within the greater Los Angeles/Long Beach lodging market, according to STR. This tract is comprised of 6,250 rooms across a total of 59 hotels. Of the rooms supply, approximately 35.5% are within the upper upscale class, followed by 23.8% within the economy class, and 23.8% within the upscale class. The Subject Hotel is a full-service hotel that falls within the upscale class. In this submarket, the greatest room shares are attributed to Marriott International hotels, Independent hotels, Hilton Worldwide hotels, Hyatt hotels, and Best Western Hotels & Resorts hotels, respectively. The Subject belongs to the Independent family of brands, which account for 23.7% of the rooms supply in this submarket.

Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized average annual RevPAR growth of 3.6% between 2013 and 2018, compared to 6.8% for its competitive set. As a result, its RevPAR Index has declined from approximately 77% in 2012 to 66% in 2018.

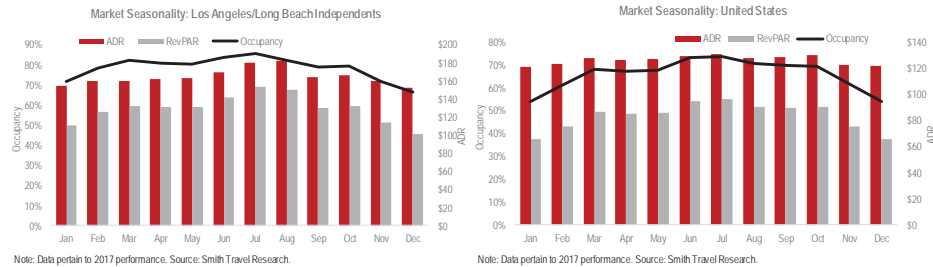
Competitive Set Performance						
	2013	2014	2015	2016	2017	2018
Occupancy						
Hotel Queen Mary	65.3%	70.3%	71.2%	65.2%	68.3%	69.8%
% Change		7.6%	1.3%	-8.4%	4.8%	2.1%
Competitive Set	77.7%	78.9%	77.5%	80.8%	82.4%	82.1%
% Change		1.5%	-1.8%	4.3%	2.0%	-0.4%
Index (MPI)	84.0	89.1	91.9	80.7	82.9	85.0
Average Daily Rate (USD)						
Hotel Queen Mary	\$129.21	\$130.89	\$136.94	\$144.07	\$144.63	\$144.36
% Change		1.3%	4.6%	5.2%	0.4%	-0.2%
Competitive Set	\$140.23	\$148.08	\$166.30	\$176.20	\$185.82	\$184.77
% Change		5.6%	12.3%	6.0%	5.5%	-0.6%
Index (ARI)	92.1	88.4	82.3	81.8	77.8	78.1
RevPAR (USD)						
Hotel Queen Mary	\$84.42	\$92.02	\$97.50	\$93.93	\$98.79	\$100.70
% Change		9.0%	6.0%	-3.7%	5.2%	1.9%
Competitive Set	\$109.00	\$116.84	\$128.88	\$142.37	\$153.17	\$151.64
% Change		7.2%	10.3%	10.5%	7.6%	-1.0%
Index (RGI)	77.4	78.8	75.7	66.0	64.5	66.4

Competitive set includes: Courtyard Long Beach Downtown (216 rooms), Hyatt Regency Long Beach (528 rooms), Doubletree Hotel Maya (199 rooms), Renaissance Long Beach Hotel (374 rooms), Westin Long Beach (469 rooms), Hilton Long Beach (399 rooms).

Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel's market based upon the performance of all independent hotels in the Los Angeles/Long Beach lodging market. As shown in the following charts, independent hotels in the Los Angeles/Long Beach lodging market are not subject to seasonal demand patterns that are significantly more pronounced than those generally experienced by hotels in the United States. Typically, RevPAR in the U.S. declines during the colder winter months, especially in December when the holidays result in a decline in business-related transient and group travel.



Airport Access

Long Beach Airport is located approximately 5.0 miles north northeast of the Subject Site. From the Subject, motorists would take Interstate 710 North to California State Route 1 South/Pacific Coast Highway, traveling 4.7 miles before following North Lakewood Boulevard to arrive at the airport. The subject hotel is also served by Los Angeles International Airport, which is approximately 18.0 miles northwest of the subject site.

Regional/Local Access

Primary regional access is provided by Interstate 405 and Interstate 710, two major thoroughfares that run through the city of Long Beach, California. Interstate 405 runs north to San Fernando and south to Irvine, carving a path through the western and southern parts of the Los Angeles area. Interstate 710 (Long Beach Freeway) runs north from Long Beach toward its terminus near Alhambra. Secondary roadways offer additional connectivity throughout the area. For instance, Interstate 110 runs outside the eastern edge of Long Beach, from San Pedro in the south to its terminus in Downtown Los Angeles. Alternative routes, including several California State Routes, provide enhanced accessibility to and from Long Beach and the surrounding areas.

Public Transportation

The Long Beach Transit operates a network of buses, water taxis ("AquaLink and AquaBus"), and a free shuttle service ("Passport"). Bus service provides public transport for Long Beach, Lakewood, and Signal Hill via 34 routes. Four of these routes serve the Long Beach Airport. The service also provides access to the Metrolink services to Los Angeles and other neighboring cities. AquaLink and AquaBus provide transport between six ports, serving coastal points of interest in and around Long Beach during the summer months. Passport connects riders to Long Beach attractions, including the Queen Mary.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:



The Queen Mary Long Beach	
Attraction	Distance to Subject
The Queen Mary	0.0 Mi.
Aquarium of the Pacific	0.7 Mi.
Anaheim Theme Parks	12.7 Mi.
Belmont Shore	3.1 Mi.
El Dorado East Regional Park & Golf Course	6.5 Mi.
Earl Burns Miller Japanese Garden	4.7 Mi.
ShoreLine Aquatic Park	0.6 Mi.
The Museum of Latin American Art (MOLAA)	1.6 Mi.
Long Beach Museum of Art	1.7 Mi.
Rancho Los Cerritos	6.0 Mi.

Convention Center

The Long Beach Convention & Entertainment Center, which is located 0.9 miles from the Subject Hotel, is situated along East Ocean Boulevard in Downtown Long Beach, California. The center originally opened in 1977, adjacent to the arena and on the former site of the Long Beach Municipal Auditorium demolished two years prior.

Since opening, the venue has undergone two renovations/expansions, with the last update completed in 2013, at a cost of \$10 million. The convention center now boasts more than 570,000 square feet of space, with 224,000 attributed to exhibition space.

Community/Infrastructure Development

Nearby Los Angeles is currently undergoing a massive expansion of the area's transit network. Los Angeles Department of Transportation ("LADOT") is expected to overhaul sections of the Blue Line which provides access to and from Long Beach. Partial closures of the line are expected for a period of eight months in 2019, during which time LADOT would provide express buses to replace the service. The line is expected to reopen in late 2019.

Long Beach Airport is expected to undergo \$58.8 million in improvements to rental car facilities, the historic terminal building, and baggage claim over the course of three years. Later stages of the plan call for improvements to the terminal loop, signage, and the development of a new area for ground transportation.



SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Hotel's status as leisure and events destination • Accessibility to roadways and airport • Accessibility to water taxis and other coastal points of interest • Diversified revenue streams 	<ul style="list-style-type: none"> • Lack of affiliation, distribution system
Opportunities	Threats
<ul style="list-style-type: none"> • Improved features, amenities • Opportunities to expand event roster for complex • Surrounding land represents future development opportunity • Enhance partnerships with area business and contracts with event companies • Continued growth of the port of Long Beach / Los Angeles 	<ul style="list-style-type: none"> • Large supply growth in the Los Angeles/Long Beach area may negatively impact RevPAR growth potential in the short to medium term

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Long Beach submarket in which the Subject Hotel is located is primarily known for its leisure attractions, including the Long Beach Cruise Terminal, the Aquarium of the Pacific, and several art museums, as well as the adjacent Long Beach and Los Angeles port complexes, which are the busiest container ports in the U.S.





6.5.6 Sheraton Pasadena: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of the Sheraton Pasadena (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Sheraton Pasadena is among four hotels in the subject portfolio that are located in the Los Angeles-Long Beach-Anaheim metropolitan statistical area and among two hotel hotels in the subject portfolio that are located in the Los Angeles lodging market.

Location Description

The Subject Hotel is situated at 303 Cordova Street in the City of Pasadena, in Los Angeles County, California. The hotel is approximately 0.75 mile southeast of the intersection formed by Interstates 210 and 710. It is located along Cordova Street, immediately south of the Pasadena Convention Center in Downtown Pasadena.

Access to the site is granted via an access road that runs parallel to Cordova Street, which runs east/west along the south perimeter of the site. Additional access is available via South Marengo Avenue or South Euclid Avenue, located along the east and west perimeters of the property. The site is bordered by Pasadena Visitor's Center, Pasadena Ice Skating Center, and Pasadena Convention Center to the North; South Euclid Avenue and residential to the East; an access road, Arpeggio Pasadena, residential apartments, and Cordova Street to the South; and South Marengo Avenue and offices to the West.

The Subject's location is considered good, given its immediate proximity to Pasadena Convention Center, as well as leisure and corporate demand generators. The Subject Site is in Downtown Pasadena.

Market Positioning

The Subject Hotel is located within the Pasadena/Glendale/Burbank tract within the greater Los Angeles/Long Beach lodging market, according to STR. This tract is comprised of 7,333 rooms across a total of 68 hotels. Of the rooms supply, approximately 30.0% are within the upper upscale class, followed by 21.9% within the economy class, and 21.8% within the upscale class. The Subject Hotel is a full-service hotel that falls within the upper upscale class. In this submarket, the greatest room shares are attributed to Marriott International hotels, Hilton Worldwide hotels, Independent hotels, Intercontinental Hotels Group hotels, and Wyndham Worldwide hotels, respectively. The Subject belongs to the Marriott International family of brands, which account for 29.1% of the rooms supply in this submarket.

Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized average annual RevPAR growth of 3.9% between 2014 and 2018, compared to average annual RevPAR growth of 3.3% for its competitive set during this time. As a result, the Subject Hotel's RevPAR Index increased from approximately 84% in 2014 to 86% in 2018.

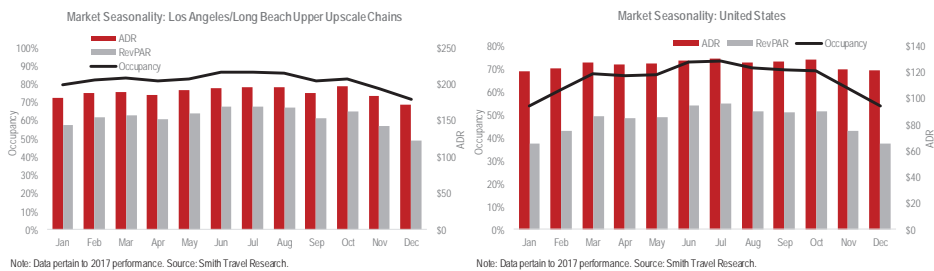


Competitive Set Performance					
	2014	2015	2016	2017	2018
Occupancy					
Sheraton Hotel Pasadena	85.9%	87.3%	85.9%	50.6%	76.9%
% Change		1.6%	-1.6%	-41.1%	52.0%
Competitive Set	83.9%	86.9%	86.4%	79.3%	84.8%
% Change		3.6%	-0.6%	-8.2%	6.8%
Index (MPI)	102.4	100.5	99.4	63.8	90.7
Average Daily Rate (USD)					
Sheraton Hotel Pasadena	\$131.58	\$140.32	\$160.17	\$176.41	\$171.06
% Change		6.6%	14.1%	10.1%	-3.0%
Competitive Set	\$160.68	\$164.09	\$179.51	\$184.55	\$181.05
% Change		2.1%	9.4%	2.8%	-1.9%
Index (ARI)	81.9	85.5	89.2	95.6	94.5
RevPAR (USD)					
Sheraton Hotel Pasadena	\$113.03	\$122.50	\$137.59	\$89.22	\$131.47
% Change		8.4%	12.3%	-35.2%	47.4%
Competitive Set	\$134.81	\$142.59	\$155.10	\$146.40	\$153.45
% Change		5.8%	8.8%	-5.6%	4.8%
Index (RGI)	83.8	85.9	88.7	60.9	85.7

Competitive set includes: Best Western Pasadena Inn (62 rooms), Hilton Pasadena (296 rooms), Best Western Pasadena Royale Inn & Suites (63 rooms), Westin Pasadena (350 rooms), Holiday Inn Express & Suites Pasadena Colorado Boulevard (93 rooms), Courtyard Los Angeles Pasadena Old Town (314 rooms), dusitD2 Hotel Constance Pasadena (129 rooms).
Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel's market based upon the performance of all upper upscale, branded hotels in the Los Angeles/Long Beach lodging market. As shown in the following charts, upper upscale, branded hotels in the Los Angeles/Long Beach lodging market are not subject to seasonal demand patterns that are significantly more pronounced than those generally experienced by hotels in the United States. Typically, RevPAR in the U.S. declines during the colder winter months, especially in December when the holidays result in a decline in business-related group and transient travel.



Airport Access

Los Angeles International Airport is located approximately 20.7 miles southwest of the Subject Site. From the Subject, motorists would take South Marengo Avenue south to California State Route 110, continuing onto Interstates 110 South and 105 West for 24.9 miles before reaching California State Route 1 North and driving another 0.8 miles north to reach the airport. The subject hotel is also served by Ontario International Airport, which is approximately 31.8 miles east southeast of the subject site.



Regional/Local Access

Primary regional access is provided by Interstate 210, a major thoroughfare that runs east/west through the city of Pasadena. Interstate 210 runs east toward Covina before continuing as a State Route. Its western terminus is at Interstate 5 in San Fernando.

An Interstate 710 stub runs directly south from Interstate 210 to East California Boulevard in Pasadena. Construction of the Interstate southward, to connect it to another Interstate 710 stub just south of Pasadena, had been contested for 60 years. As a result, the stretch of missing highway was dubbed "the South Pasadena Gap". In 2017, authorities officially abandoned the project, reallocating the \$780 million to improve existing traffic conditions in the area.

Secondary roadways offer additional connectivity throughout the area. For instance, California State Route 134 (east/west), and State Route 110 (extends south toward Interstate 110) provide enhanced accessibility to and from Pasadena and the surrounding areas.

Public Transportation

Pasadena offers a robust network of light-rail, trains, and buses. The Los Angeles Metro Gold Line provides 31 miles of light rail service to and from a total of 27 stations, which extend west to Los Angeles and east through Pasadena to Azusa. Local bus services are provided by Pasadena Transit and are supplemented by regional bus lines, such as those operated by the Los Angeles Department of Transportation ("LADOT") and Foothill Transit. Foothill Transit operates public bus lines within the San Gabriel and Pomona Valleys, providing access to Los Angeles County destinations. Geographic Cluster 3 originates in Arcadia and runs through Pasadena before reaching its western terminus in Temple City.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:

Sheraton Pasadena	
Attraction	Distance to Subject
Rose Bowl	1.9 Mi.
Descanso Gardens	5.5 Mi.
Norton Simon Museum	0.9 Mi.
Huntington Library	1.9 Mi.
The Gamble House	1.1 Mi.
San Gabriel Mission	3.8 Mi.
Old Pasadena	0.5 Mi.
Eaton Canyon Falls Trail	3.7 Mi.
Pasadena City Hall	0.3 Mi.
Pasadena Museum of California Art	0.4 Mi.

Convention Center

The Pasadena Convention Center is located immediately north of the Subject Hotel and consists of three major components: Pasadena Civic Auditorium, an exhibition building, and a conference building. The center originally opened in 1931 and has since regularly hosted several high-profile events.



The venue's most recent renovations were completed in February of 2015 and included a \$900,000 update of Exhibit Hall C and \$1.9 million in upgrades to the conference building. The convention center currently features 55,000 square feet of divisible exhibition space and an adjacent Grand Ballroom with 25,000 of flexible exhibition space. Exhibit Hall C is located on the north end of the Civic Auditorium building and offers an additional 17,000 square feet of exhibition space. The conference building features a total of 28,000 square feet across 18 meeting rooms and the Civic Auditorium holds 3,000 seats.

Community/Infrastructure Development

Los Angeles, California is planning to host the 2028 Olympic games. Infrastructure improvements expected include a massive expansion of the local transit network. The expansion includes a nine-mile extension of the Westside subway, opening in 2023. Currently under construction, the 8.5-mile Crenshaw Line is to add light rail service south from Crenshaw Station through Inglewood, opening in late 2019. By 2024, Metro will add a station to help connect travelers to LAX via the new LAX Automated People Mover, opening in 2023. The Downtown Regional Connector is expected to be complete in 2021, connecting the Gold Line directly to the Blue and Expo Lines and adding three stations to Downtown Los Angeles. The connector will eliminate at least one transfer between Downtown Los Angeles and Pasadena. LADOT also intends to build a Bus Rapid Transit line connecting North Hollywood Red Line Station to Del Mar Gold Line Station in Pasadena.

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Immediately adjacent to newly renovated Civic Auditorium and Pasadena convention facilities • Location in heart of Old Town Pasadena • Proximity to numerous leisure and corporate demand generators, including Huntington Library/Gardens, California Institute of Technology, and office complexes in nearby Glendale • Highly desirable neighborhood with strong retail, dining, and entertainment venues and a high-income local population • Proximity to Paseo Colorado Mall • Hotel offers Club Lounge 	<ul style="list-style-type: none"> • High cost of labor in the Los Angeles market
Opportunities	Threats
<ul style="list-style-type: none"> • Improved public transit to and from LA by 2021, as well as LAX airport access by public transit in 2023/24 	<ul style="list-style-type: none"> • Supply growth in the market may impact RevPAR growth potential to some extent

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Pasadena/Glendale/Burbank submarket in which the Subject Hotel is located is primarily known for the large concentration of office and retail developments as well as cultural attractions in the area. Pasadena also features upscale



residential neighborhoods and a relatively high income per capita, which supports the area's many cultural amenities and retail developments. Notable cultural attractions include the Norton Simon Museum, Rose Bowl, and the Huntington Library, Art Collections, and Botanical Gardens, which accommodates approximately 750,000 visitors per year.





6.5.7 Embassy Suites by Hilton Anaheim North: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of the Embassy Suites by Hilton Anaheim North (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Embassy Suites by Hilton Anaheim North is among four hotels in the subject portfolio that are located in the Los Angeles-Long Beach-Anaheim metropolitan statistical area and among two hotel hotels in the subject portfolio that are located in the Anaheim lodging market.

Location Description

The Subject Hotel is situated at 3100 East Frontera Street in the City of Anaheim, in Orange County, California. The hotel is 1.4 miles east of the intersection formed by California State Routes 57 and 91, within the southeast quadrant of the Glassell Street and California State Route 91 intersection, and immediately south of the Anaheim Canyon commercial and industrial area.

Access to the site is granted via Frontera Street which runs east/west along the northwest perimeter of the site. Additional access is available via Newkirk Road, located along the eastern perimeter of the property. The site is bordered by Frontera Street and California State Route 91 to the North; Newkirk Road and SA Recycling to the East; Santa Ana River to the South; and Xalos Event Center, Frontera Street, and Glassell Street to the West.

The Subject's location is considered very good, given its immediate proximity to public transportation and substantial corporate demand generators. The Subject Site is located approximately 2.0 miles east northeast of Downtown Anaheim.

Market Positioning

The Subject Hotel is located within the Anaheim tract within the greater Anaheim/Santa Ana lodging market, according to STR. This tract is comprised of 5,888 rooms across a total of 66 hotels. Of the rooms supply, approximately 46.3% are within the economy class, followed by 19.3% within the upper midscale class, and 16.5% within the upscale class. The Subject Hotel is a full-service hotel that falls within the upper upscale class, which comprises 8.1% of the submarket. In this submarket, the greatest room shares are attributed to Independent hotels, Hilton Worldwide, Marriott International, Ayres, and G6 Hospitality, respectively. The Subject belongs to the Hilton Worldwide family of brands, which account for 15.5% of the rooms supply in this submarket.

Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized average annual RevPAR growth 3.4% between 2012 and 2018, compared to 5.2% for its competitive set. As a result, its RevPAR Index has declined from approximately 121% in 2012 to 109% in 2018.



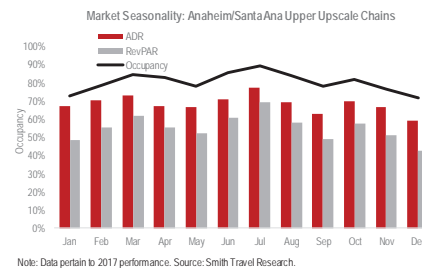
Competitive Set Performance							
Occupancy	2012	2013	2014	2015	2016	2017	2018
Embassy Suites Anaheim North	80.0%	78.2%	71.9%	83.3%	87.4%	81.7%	81.2%
% Change		-2.2%	-8.2%	15.9%	4.9%	-6.4%	-0.6%
Competitive Set	78.1%	79.3%	79.8%	80.8%	79.1%	78.9%	77.6%
% Change		1.6%	0.6%	1.3%	-2.2%	-0.2%	-1.6%
Index (MPI)	102.5	98.6	90.0	103.0	110.5	103.6	104.6
Average Daily Rate (USD)							
Embassy Suites Anaheim North	\$124.10	\$129.56	\$133.11	\$134.60	\$140.30	\$144.94	\$149.41
% Change		4.4%	2.7%	1.1%	4.2%	3.3%	3.1%
Competitive Set	\$105.35	\$110.62	\$119.67	\$128.35	\$134.21	\$139.41	\$143.56
% Change		5.0%	8.2%	7.2%	4.6%	3.9%	3.0%
Index (ARI)	117.8	117.1	111.2	104.9	104.5	104.0	104.1
RevPAR (USD)							
Embassy Suites Anaheim North	\$99.33	\$101.37	\$95.64	\$112.06	\$122.57	\$118.48	\$121.35
% Change		2.1%	-5.6%	17.2%	9.4%	-3.3%	2.4%
Competitive Set	\$82.25	\$87.75	\$95.52	\$103.76	\$106.12	\$110.01	\$111.43
% Change		6.7%	8.9%	8.6%	2.3%	3.7%	1.3%
Index (RGI)	120.8	115.5	100.1	108.0	115.5	107.7	108.9

Competitive set includes: Doubletree Anaheim Orange County (461 rooms), Radisson Suites Hotel Anaheim Buena Park (200 rooms), Embassy Suites Anaheim Orange (230 rooms), Embassy Suites Brea North Orange County (228 rooms), Marriott Fullerton @ California State University (224 rooms), Delta Hotel Anaheim Garden Grove (376 rooms).

Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel’s market based upon the performance of all upper upscale, branded hotels in the Anaheim/Santa Ana lodging market. As shown in the following charts, upper upscale, branded hotels in the Anaheim/Santa Ana lodging market are not subject to seasonal demand patterns that are significantly more pronounced than those generally experienced by hotels in the United States. Typically, RevPAR in the U.S. declines during the colder winter months, especially in December when the holidays result in a decline in business-related group and transient travel.



Note: Data pertain to 2017 performance. Source: Smith Travel Research.



Note: Data pertain to 2017 performance. Source: Smith Travel Research.

Airport Access

John Wayne Airport is located approximately 12.0 miles directly south of the Subject Site. From the Subject, motorists would take California State Route 91 East to California State Route 55, traveling southward an approximate 14.0 miles to arrive at the airport. The subject hotel is also served by Long Beach Airport, which is approximately 17.0 miles west of the subject site.

Regional/Local Access

Primary regional access is provided by Interstate 5, a major thoroughfare that runs directly through the city of Anaheim. Interstate 5 runs north through Los Angeles and south through San Diego, terminating at the border of Mexico. Secondary roadways offer additional connectivity throughout the area. For



instance, California State Route 91 (east/west), State Route 57 (north/south), and State Route 55 (extends south) provide enhanced accessibility to and from Anaheim and the surrounding areas.

Public Transportation

Public transportation in Anaheim is facilitated by a robust network of railways and buses. The Anaheim Regional Transportation Intermodal Center ("ARTIC") is located proximate to Angel Stadium, and serves as a regional hub for Amtrak, Metrolink, and several bus lines. In addition to operating local Metrolink stations, Orange County Transportation Authority ("OCTA") offers extensive bus services throughout Orange County. Los Angeles County Metro also provides connecting bus routes to Anaheim. Additionally, Anaheim Resort Transit ("ART") operates shuttles, providing enhanced access to Anaheim resorts and theme parks.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:

Embassy Suites by Hilton Anaheim North	
Attraction	Distance to Subject
Disneyland Resort & Area Theme Parks	4.5 Mi.
Anaheim Packing District	3.6 Mi.
Angela Stadium of Anaheim	3.6 Mi.
Honda Center	3.0 Mi.
Anaheim Convention Center	5.1 Mi.
City National Grove of Anaheim	3.6 Mi.
Anaheim Ice	3.9 Mi.
Muzeo Museum and Cultural Center	3.6 Mi.
Anaheim GardenWalk	4.5 Mi.
Bowers Museum	5.8 Mi.

Convention Center

The Anaheim Convention Center, located 5.1 miles from the Subject Hotel, is situated across from the Disneyland Resort on Katella Avenue in Anaheim, California. The center originally opened in July of 1967 for a total construction cost of \$15 million.

Since opening, the venue has undergone six renovations/expansions, with the last update completed in 2017. The convention center now boasts 1.6 million square feet of space, making it the largest exhibit facility on the west coast.

Community/Infrastructure Development

Anaheim community and infrastructure improvements include:

- Disney Resorts currently working to introduce Star Wars lands in 2019.
- In terms of transportation, OCTA is currently receiving bids to move forward with the Anaheim Canyon Metrolink Station Improvement Project. The project calls for the construction of new tracks, new control points, an extension of the existing platform, a new second platform, a western retaining wall, and ADA compliant access points.



- In early 2018, an Interstate 405 expansion in Orange County began. The \$1.9 billion expansion runs 16 miles between Costa Mesa and the Los Angeles County line. The project is slated for completion in 2023.

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Proximity to area office parks • Proximity to Disneyland, which attracted over 18 million visitors in 2017 • 5.1 miles from Anaheim Convention Centre which is the largest exhibit facility on the west coast • Immediate accessibility to CA-91; proximity to CA-55 and CA 57 • Listed on Disneyland’s “Good Neighbor Hotels” 	<ul style="list-style-type: none"> • Relatively farther away from area theme parks • Relatively farther away from convention center • High cost of labor in the Los Angeles/Anaheim market
Opportunities	Threats
<ul style="list-style-type: none"> • Potential for improvement to RevPAR following renovation • Location near growing Anaheim Canyon business base • Nearby Anaheim Canyon station construction/expansion • Increased demand with the addition of Star Wars Land 	<ul style="list-style-type: none"> • Potential impact of hotel supply pipeline for Disney

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Anaheim submarket in which the Subject Hotel is located is primarily known for the large concentration of office and retail developments in the area as well as for its proximity to Disneyland Resort in the immediately adjacent Disneyland submarket. The locations of notable companies in the area are included on the map as well.

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6.5.8 **Holiday Inn Hotel & Suites Anaheim: Asset Overview and Market Positioning**

In the following sections, we have summarized key aspects of the Holiday Inn Hotel & Suites Anaheim (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Holiday Hotel Inn & Suites Anaheim is among four hotels in the subject portfolio that are located in the Los Angeles-Long Beach-Anaheim metropolitan statistical area and among two hotel hotels in the subject portfolio that are located in the Anaheim lodging market.

Location Description

The Subject Hotel is situated at 1240 South Walnut Street in the City of Anaheim, in Orange County, California. The hotel is 4.0 miles southeast of the intersection formed by Interstate 5 and California State Route 91, in the southeast quadrant of the West Ball Road and South Walnut Street intersection, and immediately northwest of the Disneyland Complex.

Access to the site is granted via South Walnut Street which runs north/south along the west perimeter of the site. The site is bordered by a Shell Gas Station, a post office, and SpringHill Suites by Marriott Anaheim to the North; Disneyland parking to the East; Disneyland parking to the South; and South Walnut Street and residences to the West.

The Subject's location is considered excellent, given its immediate proximity to the Disneyland Complex and Anaheim Convention Center, as well as substantial corporate and leisure demand generators. The Subject Site is located immediately northwest of Disneyland and approximately 1.4 miles southwest of Downtown Anaheim.

Market Positioning

The Subject Hotel is located within the Disneyland tract within the greater Anaheim/Santa Ana lodging market, according to STR. This tract is comprised of 19,268 rooms across a total of 89 hotels. Of the rooms supply, approximately 33.2% are within the upscale class, followed by 28.7% within the upper upscale class, and 24.2% within the upper midscale class. The Subject Hotel is a full-service hotel that falls within the upper midscale class. In this submarket, the greatest room shares are attributed to Marriott International hotels, Independent hotels, Hilton Worldwide hotels, Disney Hotels, and Hyatt hotels, respectively. The Subject belongs to the Intercontinental Hotels Group family of brands, which account for 5.2% of the rooms supply in this submarket.

Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized average annual RevPAR growth 6.6% between 2012 and 2018, compared to 6.9% for its competitive set. As a result, its RevPAR Index has declined from approximately 104% in 2012 to 103% in 2018.



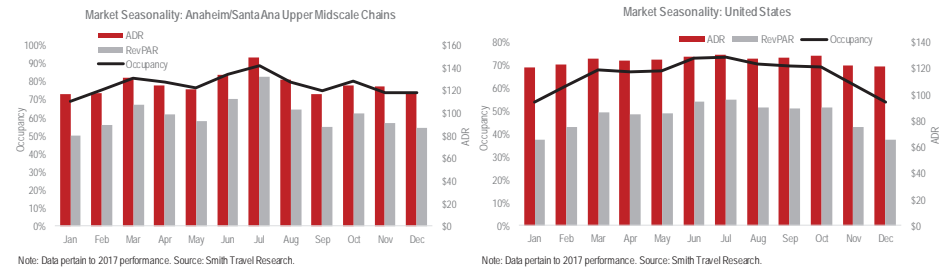
Competitive Set Performance							
	2012	2013	2014	2015	2016	2017	2018
Occupancy							
Holiday Inn & Suites Anaheim Disneyland	84.8%	83.7%	87.0%	91.9%	87.9%	87.9%	86.5%
% Change		-1.3%	3.9%	5.7%	-4.3%	-0.1%	-1.6%
Competitive Set	75.1%	76.1%	79.8%	80.6%	81.7%	81.1%	82.4%
% Change		1.4%	4.8%	1.1%	1.3%	-0.8%	1.6%
Index (MPI)	113.0	109.9	109.1	114.0	107.6	108.4	105.0
Average Daily Rate (USD)							
Holiday Inn & Suites Anaheim Disneyland	\$90.32	\$99.48	\$110.31	\$118.20	\$118.48	\$122.12	\$130.09
% Change		10.1%	10.9%	7.2%	0.2%	3.1%	6.5%
Competitive Set	\$97.73	\$107.85	\$116.05	\$124.19	\$126.18	\$129.90	\$132.56
% Change		10.3%	7.6%	7.0%	1.6%	2.9%	2.0%
Index (ARI)	92.4	92.2	95.1	95.2	93.9	94.0	98.1
RevPAR (USD)							
Holiday Inn & Suites Anaheim Disneyland	\$76.64	\$83.29	\$96.00	\$108.68	\$104.20	\$107.31	\$112.52
% Change		8.7%	15.3%	13.2%	-4.1%	3.0%	4.9%
Competitive Set	\$73.38	\$82.12	\$92.59	\$100.14	\$103.09	\$105.33	\$109.21
% Change		11.9%	12.7%	8.2%	2.9%	2.2%	3.7%
Index (RGI)	104.4	101.4	103.7	108.5	101.1	101.9	103.0

Competitive set includes: Competitive set includes: Red Lion Hotel Anaheim (308 rooms), Best Western Plus Stovall's Inn (289 rooms), Howard Johnson Anaheim Hotel & Water Playground (303 rooms), Clarion Hotel Anaheim Resort (284 rooms), Four Points by Sheraton Anaheim (246 rooms), Fairfield Inn Anaheim Resort (467 rooms), Hotel Indigo Anaheim Maingate (104 rooms), Hilton Garden Inn Anaheim Garden Grove (169 rooms), Portofino Inn & Suites Anaheim (190 rooms), Holiday Inn Anaheim Resort Area (264 rooms).

Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel's market based upon the performance of all upper midscale, branded hotels in the Anaheim/Santa Ana lodging market. As shown in the following charts, upper midscale, branded hotels in the Anaheim/Santa Ana lodging market are not subject to seasonal demand patterns that are significantly more pronounced than those generally experienced by hotels in the United States. Typically, RevPAR in the U.S. declines during the colder winter months, especially in December when the holidays result in a decline in business-related transient and group travel.



Airport Access

John Wayne Airport is located approximately 10.3 miles south southeast of the Subject Site. From the Subject, motorists would take Interstate 5 South, traveling 12.3 miles southward to California State Route 55 South to arrive at the airport. The subject hotel is also served by Long Beach Airport, which is approximately 12.8 miles west of the subject site.



Regional/Local Access

Primary regional access is provided by Interstate 5, a major thoroughfare that runs directly through the city of Anaheim. Interstate 5 runs north through Los Angeles and south through San Diego, terminating at the border of Mexico. Secondary roadways offer additional connectivity throughout the area. For instance, California State Route 91 (east/west), State Route 57 (north/south), and State Route 55 (extends south) provide enhanced accessibility to and from Anaheim and the surrounding areas.

Public Transportation

Public transportation in Anaheim is facilitated by a robust network of railways and buses. The Anaheim Regional Transportation Intermodal Center ("ARTIC") is located proximate to Angel Stadium, and serves as a regional hub for Amtrak, Metrolink, and several bus lines. In addition to operating local Metrolink stations, Orange County Transportation Authority ("OCTA") offers extensive bus services throughout Orange County. Los Angeles County Metro also provides connecting bus routes to Anaheim. Additionally, Anaheim Resort Transit ("ART") operates shuttles, providing enhanced access to Anaheim resorts and theme parks.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:

Holiday Inn Hotel & Suites Anaheim	
Attraction	Distance to Subject
Disneyland Resort & Area Theme Parks	0.3 Mi.
Anaheim Packing District	1.4 Mi.
Angela Stadium of Anaheim	2.8 Mi.
Honda Center	3.0 Mi.
Anaheim Convention Center	1.2 Mi.
City National Grove of Anaheim	2.6 Mi.
Anaheim Ice	1.4 Mi.
Muzeo Museum and Cultural Center	1.4 Mi.
Anaheim GardenWalk	1.2 Mi.
Bowers Museum	4.9 Mi.

Convention Center

The Anaheim Convention Center, located 1.3 miles from the Subject Hotel, is situated across from the Disneyland Resort on Katella Avenue in Anaheim, California. The center originally opened in July of 1967 for a total construction cost of \$15 million.

Since opening, the venue has undergone six renovations/expansions, with the last update completed in 2017. The convention center now boasts 1.6 million square feet of space, making it the largest exhibit facility on the west coast.

Community/Infrastructure Development

Anaheim community and infrastructure improvements include:



- Disney Resorts currently working to introduce Star Wars lands in 2019.
- In terms of transportation, OCTA is currently receiving bids to move forward with the Anaheim Canyon Metrolink Station Improvement Project. The project calls for the construction of new tracks, new control points, an extension of the existing platform, a new second platform, a western retaining wall, and ADA compliant access points.
- In early 2018, an Interstate 405 expansion in Orange County began. The \$1.9 billion expansion runs 16 miles between Costa Mesa and the Los Angeles County line. The project is slated for completion in 2023.

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Proximity to area theme parks and convention center, walking distance to downtown Disney • 1.3 miles from Anaheim Convention Centre which is the largest exhibit facility on the west coast • 2.0 miles from Downtown Anaheim • Fireworks view from Disneyland • Splash park on site • Disney-themed suites • Disneyland in California is the second most visited theme park in the world with over 18 million visitors in 2017 • Listed on Disneyland’s “Good Neighbor” Hotels • Proximity to Honda Center • Immediate accessibility to I-5 	<ul style="list-style-type: none"> • Primary focus on leisure demand base which is dependent on economy and discretionary spending patterns
Opportunities	Threats
<ul style="list-style-type: none"> • Increased demand with the addition of Star Wars Land • Newly renovated convention center 	<ul style="list-style-type: none"> • Supply growth in the market may impact RevPAR growth potential to some extent

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Disneyland submarket in which the Subject Hotel is located is primarily known for its namesake Disneyland Resort, which achieved approximately 18.3 million visitors in 2017, making it the second most visited amusement park in the world after Orlando’s Magic Kingdom. Additionally, the submarket is proximate to the Anaheim Convention Center, which drives significant group lodging demand in the area.

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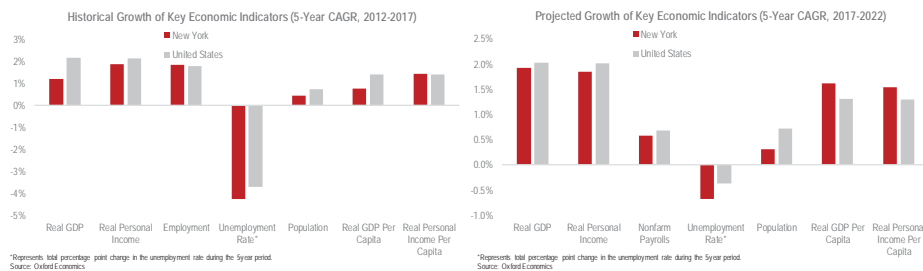


6.6 New York-Newark-Jersey City Metropolitan Statistical Area

The subject portfolio includes two hotels in the vicinity of the New York-Newark-Jersey City metropolitan statistical area, namely the 238-room Crowne Plaza Danbury and the 312-room Renaissance Woodbridge.²²

6.6.1 Economic Overview

The New York-Newark-Jersey City metropolitan statistical area (“New York” or “New York metropolitan area”) has experienced stronger employment and personal income per capita growth than the United States from 2012 - 2017, but the metropolitan area has experienced moderately weaker real GDP growth due to lower population and productivity growth. Specifically, real GDP growth in New York averaged 1.2% from 2012 - 2017 compared to 2.2% for the U.S., while the metropolitan area’s unemployment rate declined 4.3 percentage points compared to 3.7 percentage points for the nation. Population and productivity growth in New York have been constrained by their high base levels and soft growth in the financial sector to some extent. However, according to projections from Oxford Economics for 2017 - 2022, economic growth in New York is expected to be generally in line with the national average. Real GDP growth is projected to average 1.9% per year in New York compared to 2.0% for the U.S. as relatively strong productivity growth is expected to counterbalance the region’s relatively low rate of population growth. With more than 20.3 million people in 2017, the New York metropolitan area is still the most populous in the United States by a wide margin.



6.6.2 Industry Composition and Key Corporate Demand Drivers

The Education & Health Services sector and the Trade, Transportation & Utilities sector provide the largest share of employment in both the New York-Newark-Jersey City metropolitan statistical area and the nation. The metropolitan area has the largest population and gross domestic product in the United States by a large margin, providing significant demand for its world-class health and educational institutions. Additionally, the metropolitan area offers the largest port complex on the U.S. East Coast and the second largest in the nation, and it benefits from three major airports, including LaGuardia Airport, Newark Liberty International Airport, and John F. Kennedy International Airport, the sixth busiest airport in the U.S. The region’s extensive transportation infrastructure and large, economically productive population allow for a strong Trade, Transportation & Utilities sector. The table below summarizes the share of employment by sector in the New York-Newark-Jersey City metropolitan statistical area in comparison to the national average:

²² The Crowne Plaza Danbury is technically located within the adjacent Bridgeport-Stamford-Norwalk metropolitan statistical area, which is significantly smaller in terms of economic output than the New York-Newark-Jersey City metropolitan statistical area. Given the predominance of the New York-Newark-Jersey City metropolitan statistical area in the regional economy and the Crowne Plaza Danbury’s close proximity to New York, NY, we have focused on growth trends in the New York-Newark-Jersey City metropolitan statistical area in our analysis.



Share of Employment by Industry (2017)		
Sector	New York-Newark-Jersey City, NY-NJ-PA	United States
Education & Health Services	20%	16%
Trade, Transportation & Utilities	18%	19%
Professional & Business Services	16%	14%
Government	13%	15%
Leisure & Hospitality	9%	11%
Financial Activities	8%	6%
Other Services	4%	4%
Natural Resources, Mining & Construction	4%	5%
Manufacturing	4%	8%
Information	3%	2%
Total	100%	100%

Source: U.S. Bureau of Labor Statistics, Moody's Analytics, JLL

The New York-Newark-Jersey City metropolitan statistical area is also widely known as the epicenter of the U.S. financial services industry given the presence of Wall Street within its boundaries. As a result, JP Morgan Chase, Bank of America, Citigroup, and Morgan Stanley rank among the region's largest employers along with its large hospital and educational institutions. The largest companies in the New York-Newark-Jersey City metropolitan statistical area are summarized in the following table:

Major Employers: New York-Jersey City-White Plains, NY-NJ Metropolitan Division		
Rank	Employer	Employees
1	Montefiore Health System	32,232
2	Mount Sinai Health System	32,074
3	JPMorgan Chase & Co.	29,000
4	Bank of America	27,000
5	Newark International Airport	24,000
6	New York-Presbyterian Healthcare System	23,709
7	NYU Langone Medical Center	23,491
8	Macy's Inc.	22,100
9	Verizon Communications	34,000
10	Columbia University	16,136
11	Citigroup Inc.	15,878
12	Univ. of Medicine and Dentistry of New Jersey	15,759
13	Morgan Stanley	15,380
14	Memorial Sloan-Kettering Cancer Center	14,908
15	City University of New York	13,777
16	NJ Transit	11,500
17	PwC	11,429
18	Staffing Alternatives	11,382
19	United Airlines Inc.	11,000
20	Delta Air Lines Inc.	10,851

Source: Oxford Economics, JLL

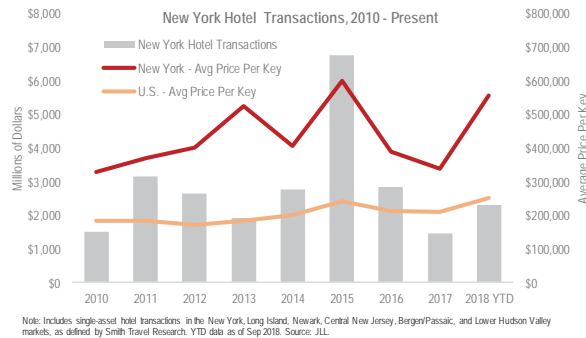
6.6.3 Hotel Investment Overview

Hotel transactions totaling approximately \$25.4 billion have occurred in the New York City and adjacent suburban lodging markets since 2010, making it the most liquid lodging market in the U.S. by a wide margin.²³ Hotel sales volume in the New York City and immediately adjacent suburban lodging markets have generally ranged from approximately \$2.0 billion to \$3.0 billion per year, though transactions surged to \$6.8 billion in 2015 due to several high-profile transactions involving significant foreign capital. Surveying hotel transactions in the market since 2015, New York's average capitalization rate amounts to 6.0%, compared to 7.4% for transactions nationwide, and its average sales price is approximately \$495,000 per key, compared to \$228,000 per key for the U.S. Given New York's high

²³ We have combined the lodging markets that principally comprise the New York-Newark-Jersey metropolitan statistical area, namely the New York, Newark, Central New Jersey, Bergen/Passaic, Lower Hudson Valley, and Long Island lodging markets.



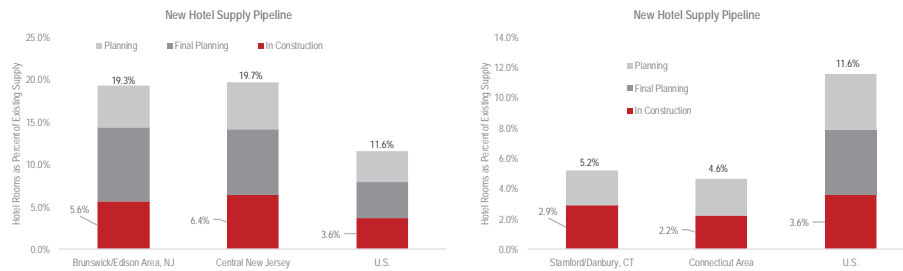
barriers to entry and considering that it features the highest RevPAR and most liquidity in the nation, it commands significant investor interest and the highest pricing among urban markets in the U.S.



6.6.4 Lodging Market Performance

The New York-Newark-Jersey City metropolitan statistical area includes the New York City lodging market as well as several large suburban lodging markets in the surrounding tri-state area. The Central New Jersey lodging market and the Connecticut Area lodging market are two of the surrounding suburban lodging markets that are relevant to the subject portfolio.

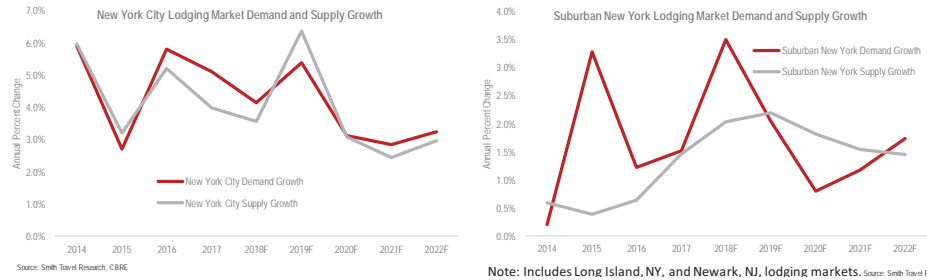
The active new supply pipeline for Central New Jersey is significantly higher than the national average, while the active pipeline for the Connecticut Area is significantly lower than the national average. According to data compiled by Smith Travel Research, Central New Jersey’s pipeline amounts to 19.7% of existing rooms inventory, compared to 11.6% for the U.S. The Brunswick/Edison submarket, which contains the subject portfolio’s hotel in Central New Jersey, features a similarly sized pipeline. With respect to the Connecticut Area lodging market, its pipeline amounts to 4.6% of existing rooms inventory, and the Stamford/Danbury submarket, which contains the subject portfolio’s hotel in Connecticut, has a pipeline of a similar magnitude as shown in the charts below.



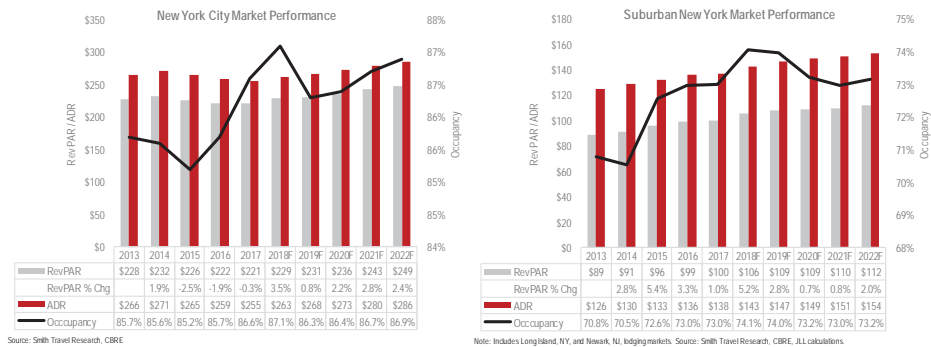
Given their relatively small size, supply and demand growth projections for the suburban lodging markets of Central New Jersey and the Connecticut Area are not produced independently. However, projections are available for the New York City market as well as its largest suburban lodging markets, Long Island and Newark. As shown in the charts below, CBRE projects that demand and supply growth will remain balanced in New York City as high rates of supply growth are counterbalanced by strong demand growth. In the suburban New York markets of Long Island and Newark, demand growth is generally expected to meet or exceed supply growth, though economy-driven demand growth is expected to temporarily dip in 2020. Central New Jersey’s elevated pipeline suggests a greater

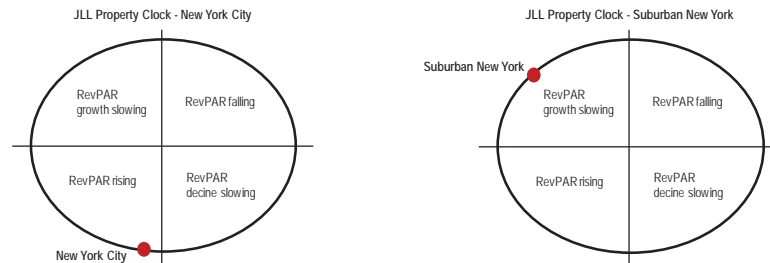


likelihood of larger supply than demand growth, while the Connecticut Area’s pipeline suggests the opposite.



New York City ranked 59th among 60 major lodging markets in RevPAR growth for the period from 2013 to 2017 as supply growth in the market soared and U.S. dollar strength weighed on growth in international visitation to some extent. While RevPAR in New York City declined at an average annual rate of 0.7% during this period, the Long Island and Newark markets realized moderate RevPAR growth of 2.7% and 3.5%, respectively, given their more moderate supply pipelines and greater reliance on domestic demand. However, with supply growth in New York City expected to peak in 2019 and substantially abate thereafter, the New York City market is expected to realize renewed RevPAR growth beginning in 2018. Given a relatively balanced supply and demand outlook for Long Island and Newark, the suburban lodging markets are expected to maintain moderate RevPAR growth during the next few years. Specifically, New York City’s RevPAR growth between 2017 and 2022 is expected to average 2.4% annually, ranking 14th among 60 major U.S. lodging markets, while Long Island and Newark are expected to achieve slightly lower RevPAR growth of 2.3% per year according to projections from CBRE. The charts below summarize historical and projected RevPAR growth in the New York City and suburban New York lodging markets as well as their positions on JLL’s Property Clock.





6.6.5 Crowne Plaza Danbury: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of the Crowne Plaza Danbury (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Crowne Plaza Danbury is among two hotels in the subject portfolio that are located in the vicinity of the New York-Newark-Jersey City metropolitan statistical area.²⁴

Location Description

The Subject Hotel is situated at 18 Old Ridgebury Road in the City of Danbury, in Fairfield County, Connecticut. The hotel is approximately 2.0 miles west northwest of the intersection formed by Interstate 84 and U.S. Highway 7. It is located immediately adjacent to Interstate 84 and east of Old Ridgebury Road approximately 1.4 miles from the Connecticut/New York State border.

Access to the site is granted via Old Ridgebury Road which runs north/south along the west perimeter of the site. The site is bordered by Interstate 84 (on-ramp immediately adjacent) to the North; vacant land, followed by residential to the East; a storage facility and commercial land to the South; and Old Ridgebury Road to the West.

The Subject's location is considered good, given its immediate proximity to Interstate 84, corporate headquarters and office parks, medical facilities, and leisure demand generators. The Subject Site is located approximately 50.0 miles north northeast of Manhattan, 23.7 miles north of Stamford, and 3.1 miles west of Downtown Danbury.

Market Positioning

The Subject Hotel is located within the Stamford/Danbury tract within the greater Connecticut lodging market, according to STR. This tract is comprised of 9,088 rooms across a total of 79 hotels. Of the rooms supply, approximately 37.4% are within the upscale class, followed by 25.5% within the upper upscale class, and 12.3% within the economy class. The Subject Hotel is a full-service hotel that falls within the upscale class. In this submarket, the greatest room shares are attributed to Marriott International hotels, Independent hotels, Hilton Worldwide hotels, Intercontinental Hotels Group

²⁴ The Crowne Plaza Danbury is technically located within the adjacent Bridgeport-Stamford-Norwalk metropolitan statistical area, which is significantly smaller in terms of economic output than the New York-Newark-Jersey City metropolitan area. Given the predominance of the New York-Newark-Jersey City metropolitan statistical area in the regional economy and the Crowne Plaza Danbury's close proximity to New York, NY, we have focused on growth trends in the New York-Newark-Jersey City metropolitan statistical area in our analysis.



hotels, and Wyndham Worldwide hotels, respectively. The Subject belongs to the Intercontinental Hotels Group family of brands, which account for 13.2% of the rooms supply in this submarket.

Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized average annual RevPAR growth 11.2% between 2012 and 2018, compared to 2.8% for its competitive set. As a result, its RevPAR Index has improved from approximately 49% in 2012 to 79% in 2018.

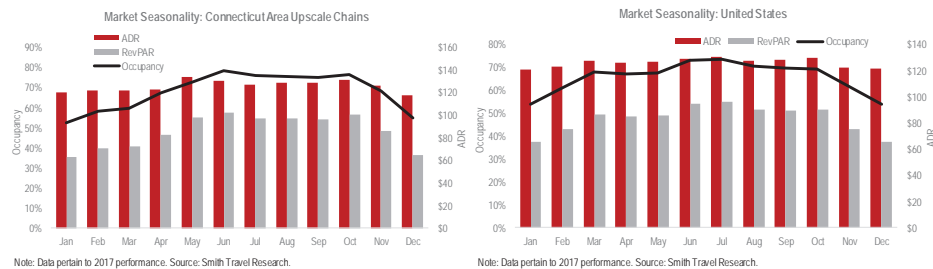
Competitive Set Performance							
	2012	2013	2014	2015	2016	2017	2018
Occupancy							
Crowne Plaza Danbury	36.6%	44.7%	46.4%	50.0%	68.4%	58.9%	65.4%
% Change		22.1%	3.8%	7.8%	36.8%	-13.8%	11.0%
Competitive Set	63.0%	60.2%	62.2%	66.6%	65.5%	61.1%	66.3%
% Change		-4.4%	3.3%	7.1%	-1.7%	-6.7%	8.5%
Index (MPI)	58.1	74.3	74.6	75.1	104.4	96.4	98.6
Average Daily Rate (USD)							
Crowne Plaza Danbury	\$90.21	\$98.00	\$97.47	\$96.43	\$92.34	\$93.27	\$95.25
% Change		8.6%	-0.5%	-1.1%	-4.2%	1.0%	2.1%
Competitive Set	\$106.48	\$108.62	\$111.68	\$113.47	\$118.90	\$118.13	\$119.20
% Change		2.0%	2.8%	1.6%	4.8%	-0.7%	0.9%
Index (ARI)	84.7	90.2	87.3	85.0	77.7	79.0	79.9
RevPAR (USD)							
Crowne Plaza Danbury	\$33.02	\$43.81	\$45.23	\$48.22	\$63.16	\$54.96	\$62.28
% Change		32.7%	3.2%	6.6%	31.0%	-13.0%	13.3%
Competitive Set	\$67.08	\$65.39	\$69.46	\$75.57	\$77.88	\$72.18	\$79.01
% Change		-2.5%	6.2%	8.8%	3.1%	-7.3%	9.5%
Index (RGI)	49.2	67.0	65.1	63.8	81.1	76.1	78.8

Competitive set includes: Holiday Inn Danbury Bethel @ 184 (112 rooms), Hampton Inn Danbury (116 rooms), The Ethan Allen Hotel (193 rooms), Hilton Garden Inn Danbury (158 rooms), Courtyard Danbury (124 rooms), Springhill Suites Danbury (106 rooms).

Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel’s market based upon the performance of all upscale, branded hotels in the Connecticut Area lodging market. As shown in the following charts, upscale, branded hotels in the Connecticut Area lodging market are not subject to seasonal demand patterns that are significantly more pronounced than those generally experienced by hotels in the United States. Typically, RevPAR in the U.S. declines during the colder winter months, especially in December when the holidays result in a decline in business-related transient and group travel.





Airport Access

Westchester County Airport is located approximately 25.0 miles southwest of the Subject Site. From the Subject, motorists would take Interstate 84 west to Interstate 684 South, traveling another 28.2 miles to Airport Road.

Regional/Local Access

Primary regional access is provided by Interstate 84, a major thoroughfare that runs directly through the city of Danbury, Connecticut. Interstate 84 runs northeast toward Hartford and west through Upstate New York before continuing into the state of Pennsylvania. Secondary roadways offer additional connectivity throughout the area. For instance, US Route 6 (east/west), 7 (north/south), US Route 202 (north/south), and several Connecticut State Routes provide enhanced accessibility to and from Danbury and the surrounding areas.

Public Transportation

Housatonic Area Regional Transit ("HARTransit") operates buses through Danbury, Connecticut and the surrounding areas. HARTransit currently operates 7 fixed routes through Danbury. In addition, the Route 7 Link bus line runs between Danbury, Norwalk, and surrounding communities. Shuttles are also available between Danbury and Brewster Metro-North Railroad station, which provides access to New York City's Grand Central Terminal via the Harlem Line.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:

Crowne Plaza Danbury	
Attraction	Distance to Subject
Tarrywile Park & Mansion	3.6 mi.
Danbury Railway Museum	3.4 mi.
Danbury Fair Mall	1.8 mi.
Shelter Rock Winery	4.3 mi.
Military Museum of Southern New England	2.5 mi.
Bear Mountain Reservation	4.7 mi.
Danbury Ice Arena	3.4 mi.
Ives Concert Park	1.0 mi.
Blue Jay Orchards	7.1 mi.
Danbury Sports Dome	4.7 mi.

Convention Center

The Connecticut Convention Center is located nearly 50.0 miles northeast of the Subject Property in Downtown Hartford, Connecticut. The center is situated on the west bank of the Connecticut River, adjacent to Interstate 91. The center originally opened in 2005, debuting as the largest convention center between New York City and Boston, Massachusetts.

The convention center offers 140,000 square feet of exhibit space, 25,000 square feet of meeting space, and a 40,000-square-foot ballroom.



SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Central location between Hartford, CT and Westchester County, NY • Proximity to area transport and connectivity to NYC trains • Location convenient to corporate demand generators/business parks along I-84 corridor • Immediately adjacent to I-84 and US Highway 202 • Visible from I-84 • Largest conference center hotel in Fairfield County, CT and Putnam County, NY. Over 26,000 square feet of flexible venues set the stage for successful meetings, banquets and corporate events. 	<ul style="list-style-type: none"> • Less well-located in relation to substantial leisure demand generators
Opportunities	Threats
<ul style="list-style-type: none"> • Negotiate contracts with area schools and businesses which are good and stable sources of demand? 	<ul style="list-style-type: none"> • Urban revitalization in the U.S. is decreasing the relative attractiveness of surrounding suburban areas to both potential corporate tenants and residents

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Danbury area of the Connecticut Area submarket in which the Subject Hotel is located is primarily known for its suburban office and retail developments and as the home of Western Connecticut State University. It is also recognized for its bucolic atmosphere and outdoor recreation opportunities as well as for its proximity to New York City, which is located approximately 70 miles south of Danbury.



6.6.6 Renaissance Woodbridge: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of the Renaissance Woodbridge (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Renaissance Woodbridge is among two hotels in the subject portfolio that are located in the vicinity of the New York-Newark-Jersey City metropolitan statistical area.

Location Description

The Subject Hotel is situated at 515 US Highway 1 South in the community of Iselin, Woodbridge Township, in Middlesex County, New Jersey. The hotel is approximately 1.3 miles directly north of the intersection formed by Interstate 95 and the Garden State Parkway. It is located along the north side of US Highway 1, immediately west of Gill Lane, and diagonally west of the Woodbridge Center shopping mall.

Access to the site is granted via US Highway 1 which runs northeast/southwest along the southeast perimeter of the site. The site is bordered by residential to the North; Gill Lane, followed by Buffalo Wild Wings and Best Buy to the East; Kona Grill, KFC, and US Highway 1, followed by Beth Israel Cemetery/Woodbridge Memorial Park to the South; and Hobby Lobby and residential to the West.

The Subject’s location is considered excellent, given its proximity to Rutgers University, retail establishments, pharmaceutical companies, and other corporate demand generators. The Subject Site is located 14.0 miles to central Newark, 8.5 miles to Rutgers-New Brunswick, and 3.0 miles to the New York State border.

Market Positioning

The Subject Hotel is located within the Brunswick/Edison Area tract within the greater Central New Jersey lodging market, according to STR. This tract is comprised of 7,383 rooms across a total of 64 hotels. Of the rooms supply, approximately 32.2% are within the economy class, followed by 23.4% within the upper upscale class, and 21.3% within the upper midscale class. The Subject Hotel is a full-service hotel that falls within the upper upscale class. In this submarket, the greatest room shares are attributed to Independent hotels, Hilton Worldwide hotels, Marriott International hotels, Intercontinental Hotels Group hotels, and Choice Hotels International hotels, respectively. The Subject belongs to the Marriott International family of brands, which account for 14.1% of the rooms supply in this submarket.

Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized average annual RevPAR growth 1.4% between 2014 and 2018, compared to average annual RevPAR growth of 0.6% for its competitive set. As a result, its RevPAR Index has improved from approximately 118% in 2014 to 124% in 2018.

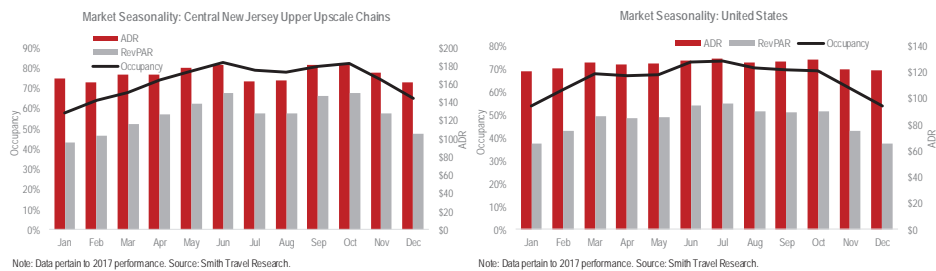


Competitive Set Performance					
Occupancy	2014	2015	2016	2017	2018
Renaissance Woodbridge Hotel	73.6%	72.6%	72.7%	79.9%	79.8%
% Change		-1.4%	0.1%	9.9%	-0.1%
Competitive Set	71.2%	72.0%	67.2%	69.5%	70.4%
% Change		1.1%	-6.7%	3.4%	1.2%
Index (MPI)	103.4	100.8	108.2	115.0	113.4
Average Daily Rate (USD)					
Renaissance Woodbridge Hotel	\$136.47	\$138.38	\$137.10	\$134.11	\$137.13
% Change		1.4%	-0.9%	-2.2%	2.2%
Competitive Set	\$119.29	\$120.48	\$124.51	\$121.91	\$125.18
% Change		1.0%	3.3%	-2.1%	2.7%
Index (ARI)	114.4	114.9	110.1	110.0	109.5
RevPAR (USD)					
Renaissance Woodbridge Hotel	\$100.48	\$100.46	\$99.67	\$107.15	\$109.42
% Change		0.0%	-0.8%	7.5%	2.1%
Competitive Set	\$84.95	\$86.75	\$83.67	\$84.73	\$88.07
% Change		2.1%	-3.5%	1.3%	3.9%
Index (RGI)	118.3	115.8	119.1	126.5	124.2

Competitive set includes: Hyatt Regency New Brunswick (288 rooms), APA Hotel Woodbridge (196 rooms), Crowne Plaza Edison (169 rooms), Sheraton Hotel Edison Raritan Center (276 rooms), Hilton East Brunswick & Executive Meeting Center (393 rooms), Heldrich Hotel & Conference Center (235 rooms).
Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel's market based upon the performance of all upper upscale, branded hotels in the Central New Jersey lodging market. As shown in the following charts, upper upscale, branded hotels in the Central New Jersey lodging market are not subject to seasonal demand patterns that are significantly more pronounced than those generally experienced by hotels in the United States. Typically, RevPAR in the U.S. declines during the colder winter months, especially in December when the holidays result in a decline in business-related transient and group travel as well.



Airport Access

Newark Liberty International Airport is located approximately 11.7 miles northeast of the Subject Site. From the Subject, motorists would take US Highway 9 North continuing onto New Jersey State Route 81 for a total of 12.2 miles toward the airport.



Regional/Local Access

Primary regional access is provided by Interstate 95, a major thoroughfare that runs through the Woodbridge Township area. Interstate 95 runs the length of the eastern seaboard from Florida to Maine; in the tri-state area, I-95 is a toll road that runs along much of the New Jersey Turnpike. Secondary roadways offer additional connectivity throughout the area. For instance, Interstate 287 runs from its southern terminus at Interstate 95 in Edison, New Jersey northward to Interstate 95 in Rye, New York, following a C-shaped route. Several alternative routes, such as US Highway 1 (north/south), and US Highway 9/Garden State Parkway (north/south) and several New Jersey State Routes provide enhanced accessibility to and from Woodbridge Township and the surrounding areas.

Public Transportation

The New Jersey Transit ("NJ Transit") operates a relatively modest system in the area that offers commuter train service, which provides access via the North Jersey Coast Line, which runs from Hoboken and New York City to Bay Head, New Jersey. Amtrak service is also available from Metropark station in Iselin to Newark, New Jersey, New York City, Philadelphia, Washington D.C., and Boston. NJ Transit also offers bus service locally, to nearby Elizabeth, and to Midtown Manhattan.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:

Renaissance Woodbridge Hotel	
Attraction	Distance to Subject
Roosevelt Park	1.8 Mi.
Thomas Edison Museum	1.5 Mi.
Thomas Edison Center at Menlo Park	1.5 Mi.
Merrill Park	1.5 Mi.
Edison Tower	1.5 Mi.
Woodbridge Center	0.7 Mi.
Altitude Trampoline Park	0.8 Mi.
Union County Performing Arts Center	4.1 Mi.
Topgolf	3.9 Mi.
Fords Park	1.6 Mi.

Convention Center

The New Jersey Convention and Exposition Center is located 5.1 miles southwest of the Subject Hotel, in nearby Edison, New Jersey. The center is situated along the north bank of the Raritan River, directly south of the intersection formed by Interstates 95 and 287. The convention center currently features a total of 155,000 square feet, including 135,500 square feet of exhibit space, and 14,500 square feet of meeting space.

Alternatively, the Jacob K. Javits Convention Center in the Hell's Kitchen neighborhood of New York City is located 21.3 miles northeast of the Subject Hotel. The center was opened in 1986 and has a total of 1.8 million square feet of space, including 840,000 square feet of exhibit space. The center was last renovated in 2014 at a cost of \$460 million. With another 1.2 million square-foot expansion underway at the center's northern end, the Javits Center will contain approximately 3.3 million total square feet of space by 2021.



SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Location at the intersections of Garden State Parkway and US Highway 1, and proximity to Interstate 95/New Jersey Turnpike • Immediately opposite Woodbridge Center Mall; several dining options in the vicinity • Within twelve miles of Newark Liberty International Airport • Proximity to Rutgers University facilities (which is the largest and most comprehensive higher education institution in the state of New Jersey with enrolment of approximately 69,000), pharmaceutical companies, and other corporate demand generators • Robust meeting facilities 	<ul style="list-style-type: none"> • Suburban location • Lack of direct public transportation and connectivity to points of interest within the region, apart from NYC
Opportunities	Threats
<ul style="list-style-type: none"> • Lack of significant, meeting and convention space in area provides opportunity for the property to capture such demand • Enhance Meeting and Events business at the property 	<ul style="list-style-type: none"> • Urban revitalization in the U.S. is decreasing the relative attractiveness of surrounding suburban areas to both potential corporate tenants and residents, though the Woodbridge area is expected to be insulated from this trend to some degree given especially high living and business costs in New York City • Supply growth in the market may negatively impact RevPAR growth potential to some extent

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Woodbridge area of the Central New Jersey submarket in which the Subject Hotel is located is primarily known for its suburban office and retail developments including the Woodbridge Center, which contains approximately 200 retail and dining establishments. It is also recognized for its proximity to Newark Liberty International Airport and New York City. Lower Manhattan is approximately a 30-mile drive from Woodbridge, NJ.

Market Research Overview
U.S. Hotel Asset Portfolio | March 19, 2019



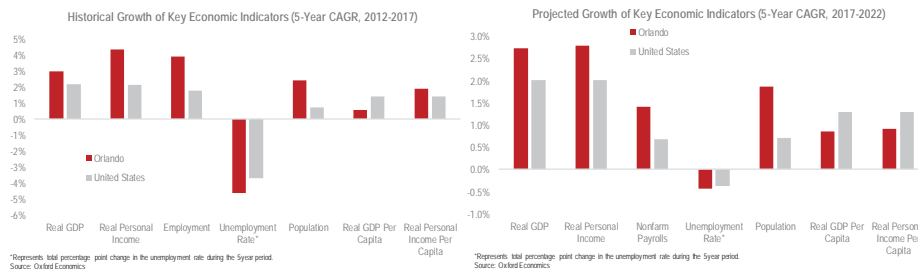


6.7 Orlando-Kissimmee-Sanford Metropolitan Statistical Area

The subject portfolio includes one hotel in the Orlando-Kissimmee-Sanford metropolitan statistical area, namely the 777-room Holiday Inn Resort Orlando Suites Waterpark.

6.7.1 Economic Overview

The Orlando-Kissimmee-Sanford metropolitan statistical area (“Orlando” or “Orlando metropolitan area”) has achieved stronger economic growth, as measured by a range of economic indicators, than the United States from 2012 - 2017, and this trend is generally expected to continue during the next five years according to projections from Oxford Economics. From 2012 - 2017, real GDP growth averaged 3.0% per year compared to 2.2% for the U.S. and the unemployment rate declined 4.6 percentage points compared to 3.7 percentage points for the U.S. Strong population and personal income growth primarily contributed to Orlando’s high real GDP growth rate. From 2017 - 2022, robust population growth is primarily expected to drive real GDP growth of 2.7% per year, compared to 2.0% per year for the U.S.



6.7.2 Industry Composition and Key Corporate Demand Drivers

The Leisure & Hospitality sector and the Trade, Transportation & Utilities sector provide the largest share of employment in the Orlando-Kissimmee-Sanford metropolitan statistical area, and in the case of the Leisure & Hospitality sector, its share of employment in the metropolitan area is significantly larger than the national average. Orlando does not rank among the top-20 metropolitan areas by population or gross domestic product, but its world-renowned tourist attractions, warm Florida climate, and excellent accessibility via Orlando International Airport, the eleventh busiest airport in the United States, attracted 72 million visitors to the metropolitan area in 2017, making it the most popular tourist destination in the U.S. according to Visit Orlando.²⁵ The table below summarizes the share of employment by sector in the Orlando-Kissimmee-Sanford metropolitan statistical area in comparison to the national average:

²⁵ By comparison, approximately 63 million people visited New York City in 2017, and approximately 42 million people visited Las Vegas in 2017 according to data reported by the Orlando Sentinel: <https://www.orlandosentinel.com/business/tourism/os-bz-visit-orlando-tourism-2017-story.html>.



Share of Employment by Industry (2017)		
Sector	Orlando-Kissimmee-Sanford, FL	United States
Leisure & Hospitality	21%	11%
Trade, Transportation & Utilities	19%	19%
Professional & Business Services	18%	14%
Education & Health Services	12%	16%
Government	10%	15%
Financial Activities	6%	6%
Natural Resources, Mining & Construction	6%	5%
Manufacturing	4%	8%
Other Services	4%	4%
Information	2%	2%
Total	100%	100%

Source: U.S. Bureau of Labor Statistics, Moody's Analytics, JLL

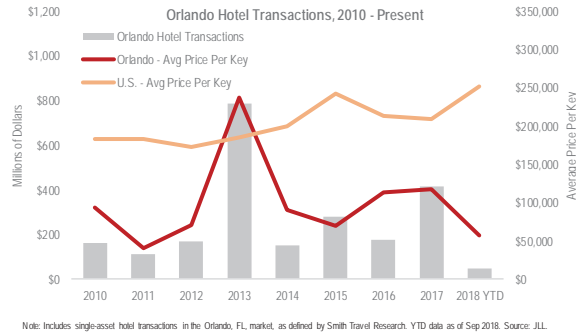
Given the Orlando-Kissimmee-Sanford metropolitan statistical area's status as the top tourist destination in the U.S., hospitality companies and entertainment venues feature prominently among the largest employers in the region. Walt Disney World Resort and Universal Orlando are its the largest employers with approximately 74,000 employees and 21,000 employees, respectively, as shown in the following table:

Major Employers: Orlando-Kissimmee-Sanford, FL Metropolitan Statistical Area		
Rank	Employer	Employees
1	Walt Disney World Resort	74,000
2	Universal Orlando (Comcast)	21,000
3	Adventist Health System/Florida Hospital	20,413
4	Publix Super Markets Inc.	19,783
5	Orlando International Airport	18,000
6	Orlando Health	16,828
7	University of Central Florida	11,833
8	Lockheed Martin	7,000
9	Darden Restaurants	6,149
10	SeaWorld Parks & Entertainment	6,032
11	Rosen Hotels & Resorts	4,526
12	Siemens	4,448
13	Wal-Mart Stores Inc.	4,016
14	Westgate Resorts	3,992
15	Wyndham Vacation Ownership	3,509
16	Valencia College	3,449
17	Hilton Grand Vacations Club	3,078
18	AT&T Mobility	3,063
19	JP Morgan Chase	3,053
20	Bright House Networks	3,000

Source: Oxford Economics, JLL

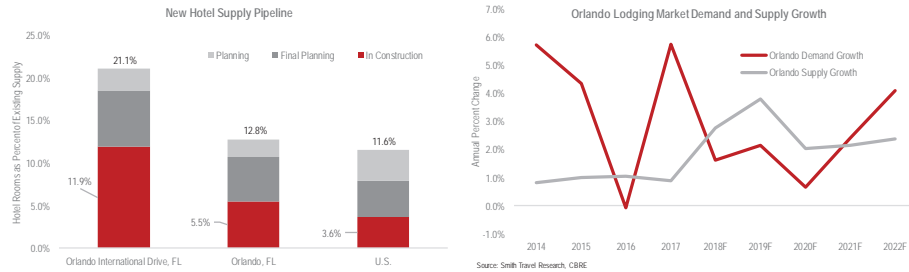
6.7.3 Hotel Investment Overview

Hotel transactions totaling approximately \$2.3 billion have occurred in the Orlando lodging market since 2010, making it among the fifteen most liquid lodging markets in the U.S. In 2017, hotel sales volume in Orlando rose to \$414 million, the highest level in recent years with the exception of 2013, when hotel sales volume soared to \$786 million. Surveying hotel transactions in the market since 2015, Orlando's average capitalization rate amounts to 6.4%, compared to 7.4% for transactions nationwide, and its average sales price is approximately \$92,000 per key, compared to \$228,000 per key for the U.S. Notably, there have been relatively few transactions for which cap rate data are available in Orlando during recent years, and therefore, the average cap rate for these transactions may not be representative of investor expectations for most assets in the market.

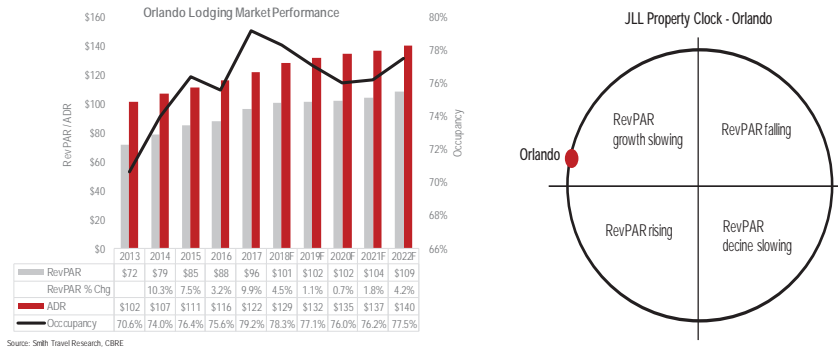


6.7.4 Lodging Market Performance

The active new supply pipeline for the Orlando lodging market, which includes hotel rooms in the planning, final planning, and construction stages, is slightly higher than the national average. According to data compiled by Smith Travel Research, the Orlando lodging market’s pipeline amounts to 12.8% of existing rooms inventory, compared to 11.6% for the U.S. The supply pipeline can vary significantly by submarket, however, and the submarket in which the subject portfolio’s only Orlando area hotel is located, the Orlando International Drive submarket, features a noticeably larger active pipeline, as shown in the first chart below. Considering Orlando’s supply pipeline as well as expectations for decelerating real GDP growth, supply growth is expected to temporarily outpace demand growth in the Orlando lodging market during the next few years according to projections from CBRE. In the case of the Orlando International Drive submarket, supply growth may outpace demand growth by a wider margin given its materially larger pipeline.



The Orlando lodging market realized average annual RevPAR growth between 2013 and 2017 of 7.7%, ranking 11th among 60 major U.S. lodging markets for which we have available data. Given the expectation that supply growth will outpace demand growth during the next few years, the market’s occupancy is expected to decline slightly from approximately 79% in 2017 to 76% by 2021, while ADR growth is expected to moderate from 5.7% in 2018 to 1.5% by 2021 as the market’s new supply is absorbed. As a result, RevPAR growth between 2017 and 2022 is expected to average 2.4% annually, ranking 12th among 60 major U.S. lodging markets according to projections from CBRE. The charts below summarize historical and projected RevPAR growth in the Orlando market as well as Orlando’s position on JLL’s Property Clock.



6.7.5 Holiday Inn Resort Orlando Suites - Waterpark: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of the Holiday Inn Resort Orlando Suites - Waterpark (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Holiday Inn Resort Orlando Suites - Waterpark is the only hotel in the subject portfolio that is located in the Orlando metropolitan area.

Location Description

The Subject Hotel is situated at 14500 Continental Gateway Drive in the City of Orlando, in Orange County, Florida. The hotel is approximately 0.6 mile east southeast of the intersection formed by Florida State Road 536 and Interstate 4. It is located immediately adjacent to Florida State Road 536 and west of Continental Gateway Drive.

Access to the site is granted via Continental Gateway Drive which runs north/south along the east perimeter of the site. The site is bordered by Florida State Road 536 and Orlando Marriott World Center to the North; Continental Gateway Drive and vacant land to the East; International Drive South and vacant land to the South; and vacant land to the West.

The Subject's location is considered very good, given its relatively immediate proximity to the Walt Disney World Resort and other area theme parks, International Drive 360, Orange County Convention Center, and a variety of other leisure and corporate demand generators. The Subject Site is located approximately 3.8 miles southeast of Walt Disney World and 14.8 miles southwest of Central Orlando.

Market Positioning

The Subject Hotel is located within the Orlando International Drive tract within the greater Orlando lodging market, according to STR. This tract is comprised of 46,425 rooms across a total of 131 hotels. Of the rooms supply, approximately 34.5% are within the upscale class, followed by 20.5% within the upper upscale class, and 14.4% within the upper midscale class. The Subject Hotel is a full-service hotel that falls within the upper midscale class. In this submarket, the greatest room shares are attributed to Independent hotels, Hilton Worldwide hotels, Marriott International hotels, Loews Hotels Company hotels, and Intercontinental Hotels Group hotels, respectively. The Subject belongs to the Intercontinental Hotels Group family of brands, which account for 5.8% of the rooms supply in this submarket.



Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized an average annual RevPAR decline of -2.2% between 2014 and 2018, mostly due to significant RevPAR declines in 2015 and 2016. Given that the competitive set realized average annual RevPAR growth of 9.3% during this time, the Subject Hotel’s RevPAR Index declined from approximately 116% in 2014 to 74% in 2018.

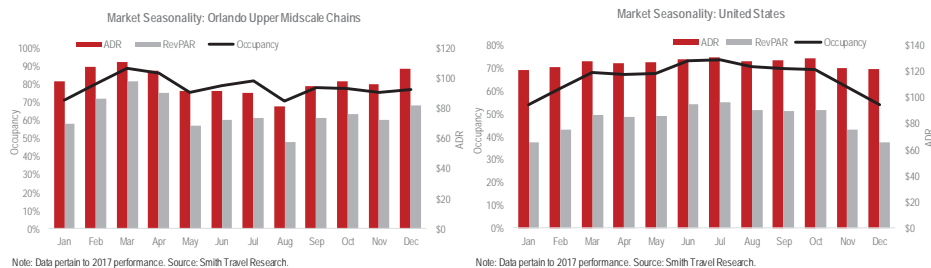
Competitive Set Performance					
Occupancy	2014	2015	2016	2017	2018
Holiday Inn Resort Orlando Suites Waterpark	58.6%	47.1%	41.1%	61.1%	70.5%
% Change		-19.5%	-12.9%	48.7%	15.4%
Competitive Set	74.8%	79.0%	80.3%	84.2%	83.6%
% Change		5.6%	1.6%	4.9%	-0.6%
Index (MPI)	78.3	59.7	51.2	72.6	84.3
Average Daily Rate (USD)					
Holiday Inn Resort Orlando Suites Waterpark	\$140.35	\$154.94	\$116.87	\$101.65	\$106.65
% Change		10.4%	-24.6%	-13.0%	4.9%
Competitive Set	\$94.75	\$104.60	\$110.70	\$115.81	\$120.98
% Change		10.4%	5.8%	4.6%	4.5%
Index (ARI)	148.1	148.1	105.6	87.8	88.2
RevPAR (USD)					
Holiday Inn Resort Orlando Suites Waterpark	\$82.21	\$73.02	\$47.99	\$62.07	\$75.17
% Change		-11.2%	-34.3%	29.3%	21.1%
Competitive Set	\$70.85	\$82.62	\$88.85	\$97.48	\$101.17
% Change		16.6%	7.5%	9.7%	3.8%
Index (RGI)	116.0	88.4	54.0	63.7	74.3

Competitive set includes: Wyndham Lake Buena Vista Resort (232 rooms), Embassy Suites Orlando Lake Buena Vista Resort (334 rooms), Holiday Inn Resort Orlando Lake Buena Vista (503 rooms), DoubleTree Suites Orlando Disney Springs (229 rooms), Springhill Suites Orlando Lake Buena Vista In The Marriott Village (400 rooms).

Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel’s market based upon the performance of all upper midscale, branded hotels in the Orlando lodging market. As shown in the following charts, upper midscale, branded hotels in the Orlando lodging market are subject to seasonal demand patterns that differ from those generally experienced by hotels in the United States. Typically, RevPAR in the U.S. declines during the colder winter months, especially in December when the holidays result in a decline in business-related transient and group travel. In Orlando, however, the region’s mild winter climate allows for stronger RevPAR during the winter months, while its hot, humid climate during the summer months impacts RevPAR during this time of the year.





Airport Access

Orlando International Airport is located approximately 13.8 miles northeast of the Subject Site. From the Subject, motorists would take northbound Florida State Road 417/Central Florida GreeneWay 11.6 miles to Jeff Fuqua Boulevard, driving an additional 3.2 miles north to reach the airport.

Regional/Local Access

Primary regional access is provided by Interstate 4/Florida State Road 400, a major thoroughfare that runs directly through the city of Orlando. Interstate 4/Florida State Road 400 runs northeast toward its eastern terminus in Daytona Beach and west toward Tampa, ending at an interchange with Interstate 275. Secondary roadways offer additional connectivity throughout the area. For instance, US Route 17 (north/south), US Route 441 (north/south), and several Florida State Roads provide enhanced accessibility to and from Orlando and the surrounding areas.

Public Transportation

Public transportation in Orlando is facilitated by a network of railways and buses. Lynx operates a local/regional bus service extending across five counties. SunRail offers a local commuter rail service between DeBar and Poinciana, running directly through Downtown Orlando. SunRail's latest extension included four rail stations, extending the service 17.0 miles southward. The extension opened in July of 2018. In addition to the SunRail service, a private high-speed rail service initiative ("Brightline") currently offers service between Fort Lauderdale and MiamiCentral. Brightline service to Orlando is expected to commence in 2021.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:

Holiday Inn Resort Orlando Suites - Waterpark	
Attraction	Distance to Subject
The Wizarding World of Harry Potter	8.3 Mi.
Discovery Cove	4.6 Mi.
Universal's Island of Adventure	8.2 Mi.
Magic Kingdom Park	6.0 Mi.
Disney's Animal Kingdom	4.9 Mi.
Walt Disney World Resort	3.8 Mi.
Epcot	2.6 Mi.
Universal Studios Florida	8.5 Mi.
Disney Springs	1.0 Mi.
Avatar Flight of Passage	5.0 Mi.
SeaWorld	6.5 Mi.

Convention Center

The Orange County Convention Center is located 5.3 miles northeast of the Subject Hotel, along International Drive and immediately northeast of the intersection formed by Interstate 4 and Florida State Road 528. Phase I of the convention center opened in 1983 at a cost of \$54 million.

Since opening, the venue has undergone six expansions, with the last update completed in 2008. The convention center currently features approximately 7.0 million square feet, including nearly 2.1 million



square feet of exhibition space across the West and North/South Buildings. The center also offers nearly 480,000 square feet of space across 74 meeting rooms, as well as a 62,000-square foot ballroom. The Orange County Convention Center serves as the primary convention facility for Central Florida and is the second largest convention center in the nation.

In 2018, a further expansion of the Orange County Convention Center was proposed, with plans to build two additions to the center's North/South building, totaling 800,000 square feet.

Community/Infrastructure Development

Proposed Projects that will impact the area include the following:

- A 40-mile Brightline rail services extension to Orlando is currently under construction, connecting Miami to Orlando International Airport by 2021.
- A proposed extension referred to as “North Quarter” of Lynx bus services connecting Downtown Orlando to businesses north of Colonial Drive.
- A proposed further expansion of the Orange County Convention Center, with plans to build two additions to the North/South building.
- Orlando International Airport began the \$2.1 billion first phase of an expansion plan in early 2018, introducing a new South Terminal to the facility. The South Terminal is expected to open in 2020, expanding the airport’s capacity to 50 million annual passengers.
- A 21-mile stretch of Interstate 4 is currently being rebuilt at an estimated cost of \$2.3 billion.

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Proximity to area theme parks, including from Disney, Universal and SeaWorld • Robust family-friendly amenities in-house • Accessibility to major roadways I-4/SR 400 • Walt Disney World’s Magic Kingdom is the most visited theme park in the world with 20.5m visitors in 2017 • On-site water park and full entertainment facilities including a 4D movie theatre • Multiple F&B outlets 	<ul style="list-style-type: none"> • Lack of efficient public transit between hotel location and main points of interest; other attractions outside of theme park vicinity
Opportunities	Threats
<ul style="list-style-type: none"> • Increasing regional connectivity via growth in air traffic • Convention Center expansion 	<ul style="list-style-type: none"> • Supply growth in the market may impact RevPAR growth potential to some extent

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Orlando International Drive submarket in which the Subject Hotel is located is primarily known for housing the numerous amusement parks and entertainment venues at Walt Disney World Resort, including Epcot, Disney’s



Animal Kingdom Park, and Magic Kingdom Park, which achieved approximately 20.5 million visitors in 2017, making it the most visited amusement park in the world.



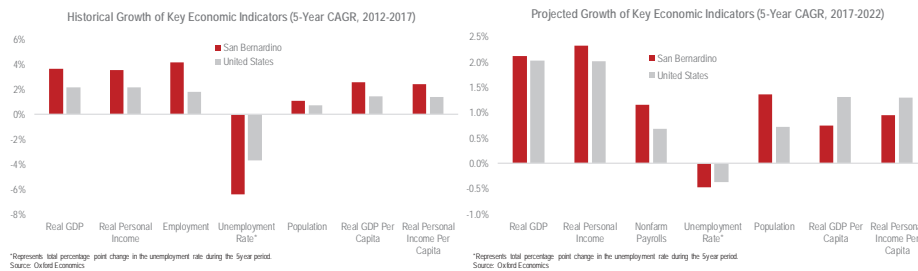


6.8 Riverside-San Bernardino-Ontario Metropolitan Statistical Area

The subject portfolio includes one hotel in the Riverside-San Bernardino-Ontario metropolitan statistical area, namely the 198-room Embassy Suites Palm Desert.

6.8.1 Economic Overview

The Riverside-San Bernardino-Ontario metropolitan statistical area (“San Bernardino” or “San Bernardino metropolitan area”) has achieved stronger economic growth, as measured by a range of economic indicators, than the United States from 2012 - 2027, and this trend is generally expected to continue during the next five years according to projections from Oxford Economics. From 2012 - 2017, real GDP growth averaged 3.6% per year compared to 2.2% for the U.S. and the unemployment rate declined 6.5 percentage points compared to 3.7 percentage points for the U.S. Robust population and productivity growth both contributed to San Bernardino’s high real GDP growth rate. From 2017 - 2022, strong population and employment growth are primarily expected to drive real GDP growth of 2.1% per year, compared to 2.0% per year for the U.S.



6.8.2 Industry Composition and Key Corporate Demand Drivers

The Riverside-San Bernardino-Ontario metropolitan statistical area’s largest sectors in terms of total employment are the Trade, Transportation & Utilities and Government sectors. While the metropolitan area’s population and gross domestic product rank 13th and 19th in the nation, respectively, it is located in close proximity to the Los Angeles-Long Beach-Anaheim metropolitan area, which ranks as the nation’s second largest economy. San Bernardino is approximately 60 miles east of Los Angeles, and their metropolitan areas’ economies are closely intertwined. Additionally, the Riverside-San Bernardino-Ontario metropolitan area offers two commercial airports, Ontario International Airport and Palm Springs International Airport, which further support the region’s robust Trade, Transportation & Utilities Sector. Palm Springs, which is located at the eastern edge of the metropolitan area, is also a popular leisure destination, as its desert landscape, retail and entertainment venues, and warm climate attract leisure travelers from Southern California and throughout the world. The table below summarizes the share of employment by sector in the Riverside-San Bernardino-Ontario metropolitan statistical area in comparison to the national average:



Share of Employment by Industry (2017)		
Sector	Riverside-San Bernardino-Ontario, CA	United States
Trade, Transportation & Utilities	25%	19%
Government	17%	15%
Education & Health Services	15%	16%
Leisure & Hospitality	11%	11%
Professional & Business Services	10%	14%
Manufacturing	7%	8%
Natural Resources, Mining & Construction	7%	5%
Other Services	3%	4%
Financial Activities	3%	6%
Information	1%	2%
Total	100%	100%

Source: U.S. Bureau of Labor Statistics, Moody's Analytics, JLL

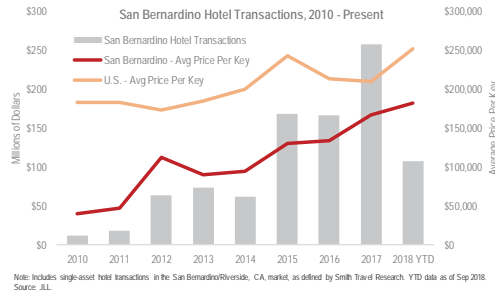
The largest employers in the Riverside-San Bernardino-Ontario metropolitan statistical area include a diverse mix of companies as summarized in the following table:

Major Employers: Riverside-San Bernardino-Ontario, CA Metropolitan Statistical Area		
Rank	Employer	Employees
1	Staler Brothers Markets	18,000
2	Arrowhead Regional Medical Center	18,000
3	U.S. Marine Corps. Air Ground Combat Center	16,266
4	Fort Irwin	13,805
5	Wal-Mart Stores Inc.	12,263
6	U.C. Riverside	8,686
7	Loma Linda University	8,582
8	March Air Reserve Base	8,500
9	Ontario International Airport	7,510
10	Amazon	7,500
11	VA Loma Linda Healthcare System	6,147
12	Kaiser Permanente	5,739
13	Target Brands Inc.	4,800
14	Pechanga Resort & Casino	4,000
15	Riverside County Regional Medical Center	3,876
16	Eisenhower Medical Center	3,665
17	San Manuel Band of Mission Indians	3,261
18	Morongo Casino, Resort & Spa	3,000
19	JW Marriott Desert Springs Resort & Spa	2,304
20	California Baptist University	2,285

Source: Oxford Economics, JLL

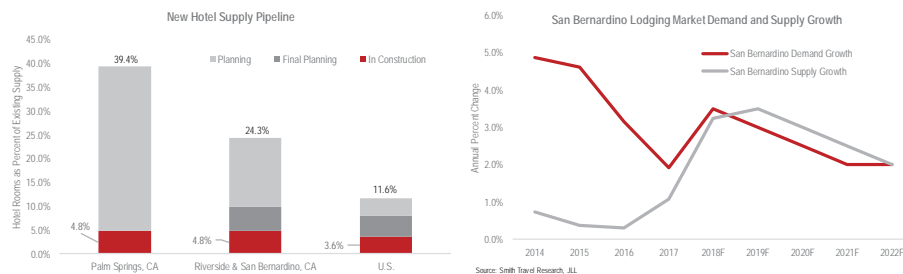
6.8.3 Hotel Investment Overview

Hotel transactions totaling approximately \$900 million have occurred in the Riverside-San Bernardino-Ontario ("San Bernardino") lodging market since 2010, and hotel sales volume has increased significantly during recent years. Most recently, hotel transactions increased to \$257 million in 2017 from \$166 million in 2016. Surveying hotel transactions in the market since 2015, San Bernardino's average capitalization rate amounts to 6.9%, compared to 7.4% for transactions nationwide, and its average sales price is approximately \$149,000 per key, compared to \$228,000 per key for the U.S. Sales prices have increased steadily in the market during the past several years, rising from \$89,000 per key in 2013 to \$182,000 per key for year-to-date transactions through September 2018.

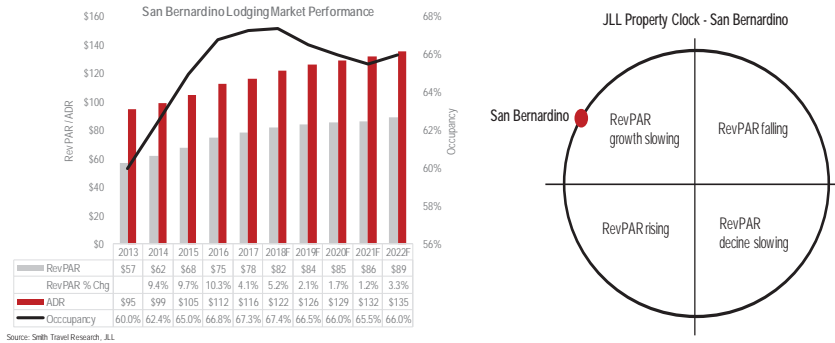


6.8.4 Lodging Market Performance

The active new supply pipeline for the Riverside/San Bernardino/Ontario lodging market, which includes hotel rooms in the planning, final planning, and construction stages, is significantly higher than the national average, though a large portion of the pipeline’s rooms remain in the early planning stage. According to data compiled by Smith Travel Research, the Riverside/San Bernardino/Ontario lodging market’s pipeline amounts to 24.3% of existing rooms inventory, compared to 11.6% for the U.S. The supply pipeline can vary significantly by submarket, however, and the submarket in which the subject portfolio’s only San Bernardino area hotel is located, the Palm Springs submarket, features a noticeably larger active pipeline, as shown in the first chart below. Considering San Bernardino’s supply pipeline as well as expectations for decelerating real GDP growth, supply growth is expected to temporarily outpace demand growth in the San Bernardino market during the next few years according to JLL’s projections. In the case of the Palm Springs submarket, supply growth may outpace demand growth by a wider margin given its materially larger pipeline.



The San Bernardino lodging market realized average annual RevPAR growth between 2013 and 2017 of 8.3%. Although San Bernardino is not included among the list of 60 major U.S. lodging markets for which data are compiled, its rate of RevPAR growth during this period is higher than all but 6 of the 60 major markets. Given the expectation that supply growth will outpace demand growth during the next few years, the market’s occupancy is expected to decline slightly from approximately 67% in 2017 to 65.5% by 2021, while ADR growth is expected to moderate from 5.0% in 2018 to 2.0% by 2021 as the market’s new supply is absorbed. As a result, RevPAR growth between 2017 and 2022 is expected to average 2.7% annually, according to JLL’s projections. The charts below summarize historical and projected RevPAR growth in the San Bernardino market as well as its position on JLL’s Property Clock.



6.8.5 Embassy Suites Palm Desert: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of the Embassy Suites Palm Desert (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Embassy Suites Palm Desert is the only hotel in the subject portfolio that is located in the San Bernardino metropolitan area.

Location Description

The Subject Hotel is situated at 74-700 Highway 111 in the City of Palm Desert, in Riverside County, California. The hotel is 1.6 miles directly east of the intersection formed by California State Route 71/ Monterey Avenue and California State Route 111/Palm Desert Drive North, in the northeast quadrant of the Deep Canyon Road and California State Route 111 intersection.

Access to the site is granted via California State Route 111/Palm Desert Drive North which runs east/west along the south perimeter of the site. The site is bordered by offices and a vacant lot to the North; offices to the East; California State Route 111/Palm Desert Drive North to the South; and Starbucks and Albertsons Grocery Store to the West.

The Subject’s location is considered very good, given its immediate proximity to adequate leisure demand generators. The Subject Site is in Downtown Palm Desert.

Market Positioning

The Subject Hotel is located within the Palm Springs tract within the greater Riverside & San Bernardino lodging market, according to STR. This tract is comprised of 15,083 rooms across a total of 137 hotels. Of the rooms supply, approximately 33.7% are within the upper upscale class, followed by 17.4% within the luxury class, and 14.3% within the upper midscale class. The Subject Hotel is a full-service hotel that falls within the upper upscale class. In this submarket, the greatest room shares are attributed to Independent hotels, Marriott International hotels, Hilton Worldwide hotels, G6 Hospitality hotels, and Intercontinental Hotels Group hotels, respectively. The Subject belongs to the Hilton Worldwide family of brands, which account for 15.7% of the rooms supply in this submarket.



Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized average annual RevPAR growth 4.5% between 2015 and 2018, compared to 4.2% for its competitive set. As a result, its RevPAR Index has increased from approximately 95% in 2015 to 96% in 2018.

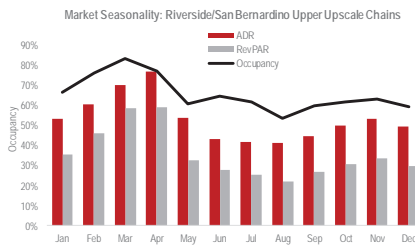
Competitive Set Performance				
	2015	2016	2017	2018
Occupancy				
Embassy Suites Palm Desert	63.8%	70.7%	67.8%	64.2%
% Change		10.7%	-4.1%	-5.4%
Competitive Set	68.2%	70.7%	69.2%	66.7%
% Change		3.8%	-2.2%	-3.6%
Index (MPI)	93.7	99.9	98.0	96.2
Average Daily Rate (USD)				
Embassy Suites Palm Desert	\$128.07	\$136.17	\$136.10	\$145.32
% Change		6.3%	0.0%	6.8%
Competitive Set	\$126.56	\$134.87	\$135.64	\$146.27
% Change		6.6%	0.6%	7.8%
Index (ARI)	101.2	101.0	100.3	99.4
RevPAR (USD)				
Embassy Suites Palm Desert	\$81.75	\$96.24	\$92.27	\$93.24
% Change		17.7%	-4.1%	1.1%
Competitive Set	\$86.26	\$95.39	\$93.82	\$97.58
% Change		10.6%	-1.6%	4.0%
Index (RGI)	94.8	100.9	98.3	95.6

Competitive set includes: Holiday Inn Express Palm Desert (129 rooms), Autograph Collection Hotel Paseo (150 rooms), Courtyard Palm Desert (151 rooms), Homewood Suites Palm Desert (128 rooms), Homewood Suites La Quinta (129 rooms), Embassy Suites La Quinta Hotel & Spa (157 rooms).

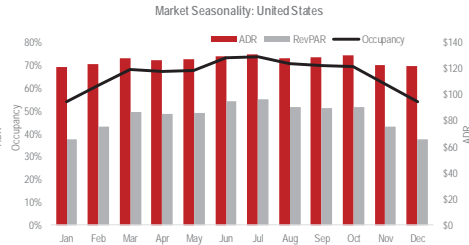
Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel’s market based upon the performance of all upper upscale, branded hotels in the Riverside/San Bernardino lodging market. As shown in the following charts, upper upscale, branded hotels in the Riverside/San Bernardino lodging market are subject to seasonal demand patterns that differ from those generally experienced by hotels in the United States, primarily due to the desert location of the market’s Palm Springs submarket. Typically, RevPAR in the U.S. declines during the colder winter months, especially in December when the holidays result in a decline in business-related transient and group travel. In Riverside/San Bernardino, however, the region’s mild winter climate allows for stronger RevPAR during the winter months, while its extremely high summer temperatures impact RevPAR during the summer months.



Note: Data pertain to 2017 performance. Source: Smith Travel Research.



Note: Data pertain to 2017 performance. Source: Smith Travel Research.



Airport Access

Palm Springs International Airport is located approximately 11.0 miles northwest of the Subject Site. From the Subject, motorists would take California State Route 111, traveling 10.0 miles north before continuing onto East Palm Canyon Drive. Motorists would then turn right onto Escoba Drive then left onto El Cielo Road, leading directly to the airport. The subject hotel is also served by Ontario International Airport, which is approximately 1 hour west of the subject site by car.

Regional/Local Access

Primary regional access is provided by Interstate 10, a major thoroughfare along the northernmost edge of the city of Palm Desert. Interstate 10 runs east toward Phoenix, Arizona and west through Los Angeles before terminating in Santa Monica. Secondary roadways offer additional connectivity throughout the area. For instance, California State Route 74 (east/west) and State Route 111 (north/south) provide enhanced accessibility to and from Palm Desert and the surrounding areas.

Public Transportation

The SunLine Transit Agency operates a modest system that offers bus transportation throughout the Coachella Valley along 15 routes. Bus service runs from Desert Hot Springs in the north to North Shore in the south.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:

Embassy Suites Palm Desert	
Attraction	Distance to Subject
The Living Desert Zoo and Gardens	1.7 mi.
Coachella Valley/Thousand Palms Oasis Preserve	8.5 mi.
Agua Caliente Casino Resort & Spa	6.9 mi.
Desert Adventures	1.6 mi.
El Paseo Shopping District	1.0 mi.
Santa Rosa and San Jacinto Mountains National Monument	6.8 mi.
Palm Springs Art Museum in Palm Desert	2.2 mi.
CODA Gallery	1.3 mi.
Palm Desert Aquatic Center	1.3 mi.
Joshua Tree National Park	16.0 mi.

Convention Center

The Palm Springs Convention Center, located 12 miles from the Subject Hotel, is situated along North Avenida Caballeros, between East Alejo Road and East Tahquitz Canyon Way, running parallel to North Indian Canyon Drive in Downtown Palm Springs, California. The center originally opened in 1974.

The venue's most recent expansion was completed in 2005. This expansion added an additional 100,000 square feet, totaling 245,000 square feet of meeting and exhibition space.



SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Location within downtown • Situated proximate to several world-class championship golf courses and country clubs; proximity to shopping district • Palm Spring’s status as a world-class leisure destination with iconic mid-century architecture, a warm climate, and numerous retail, dining, and entertainment venues • Located within Coachella Valley which hosts the annual Coachella Valley Music and Arts Festival 	<ul style="list-style-type: none"> • Distance from airport • Seasonality of demand creates challenges for revenue management and profit margins during low season
Opportunities	Threats
<ul style="list-style-type: none"> • Balance out seasonality by driving more corporate negotiated business with local companies 	<ul style="list-style-type: none"> • Supply growth in the market may impact RevPAR growth potential to some extent

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Palm Springs submarket in which the Subject Hotel is located is primarily known as a popular leisure travel destination in Southern California. Its warm and dry desert climate, attractive mid-century modern architecture, and plethora of retail, dining, and entertainment venues attracted approximately 13.6 million visitors in 2017. Its close proximity to the Los Angeles, which is situated approximately 100 miles west of Palm Springs, also makes it an easily accessible leisure travel destination for Southern California’s large population base.

Market Research Overview
U.S. Hotel Asset Portfolio | March 19, 2019



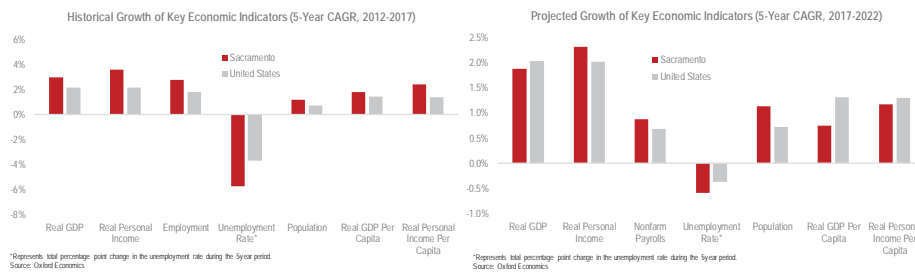


6.9 Sacramento-Roseville-Arden-Arcade Metropolitan Statistical Area

The subject portfolio includes one hotel in the Sacramento-Roseville-Arden-Arcade metropolitan statistical area, namely the 101-room Westin Sacramento.

6.9.1 Economic Overview

The Sacramento-Roseville-Arden-Arcade metropolitan statistical area (“Sacramento” or “Sacramento metropolitan area”) has achieved stronger economic growth, as measured by a range of economic indicators, than the United States from 2012 - 2017. Real GDP growth averaged 3.0% per year compared to 2.2% for the U.S. and the unemployment rate declined 5.8 percentage points compared to 3.7 percentage points for the U.S. Strong personal income and employment growth have been primarily responsible for the area’s relatively high economic growth rate from 2012 - 2017. While strong employment growth is expected to continue in the region from 2017 - 2022, softening productivity growth is expected to bring real GDP growth broadly in line with the national average. According to projections from Oxford Economics, real GDP is expected to average 1.9% per year, compared to 2.0% per year for the U.S.



6.9.2 Industry Composition and Key Corporate Demand Drivers

The Sacramento-Roseville-Arden-Arcade metropolitan statistical area’s largest sectors in terms of total employment are the Government and Trade, Transportation & Utilities sectors. While the metropolitan area’s population and gross domestic product do not rank among the top-20 metropolitan areas in the nation, Sacramento is the capital city of California, the largest state in the U.S. As a result, significant government-related business is conducted in the metropolitan area. The metropolitan area is also attractively positioned only 90 miles northeast of San Francisco, which benefits its Trade, Transportation & Utilities sector. The table below summarizes the share of employment by sector in the Sacramento-Roseville-Arden-Arcade metropolitan statistical area in comparison to the national average:



Share of Employment by Industry (2017)		
Sector	Sacramento-Roseville-- Arden-Arcade, CA	United States
Government	24%	15%
Trade, Transportation & Utilities	16%	19%
Education & Health Services	16%	16%
Professional & Business Services	13%	14%
Leisure & Hospitality	11%	11%
Natural Resources, Mining & Construction	6%	5%
Financial Activities	5%	6%
Manufacturing	4%	8%
Other Services	3%	4%
Information	1%	2%
Total	100%	100%

Source: U.S. Bureau of Labor Statistics, Moody's Analytics, JLL

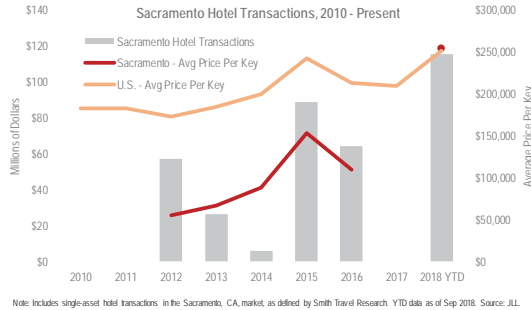
The largest employers in the Sacramento-Roseville-Arden-Arcade metropolitan statistical area include a diverse mix of companies as summarized in the following table:

Major Employers: Sacramento-Roseville-Arden-Arcade, CA Metropolitan Statistical Area		
Rank	Employer	Employees
1	University of California, Davis and UC Davis Health	20,100
2	Kaiser Permanente	16,100
3	Sutter Health	15,200
4	Dignity Health	7,850
5	Intel Corp.	6,000
6	Raley's Inc.	4,800
7	California State University Sacramento	3,125
8	Thunder Valley Casino Resort	2,500
9	Apple Inc.	2,500
10	Squaw Valley Resort	2,500
11	VSP Global	2,382
12	Health Net Inc.	2,299
13	Wells Fargo	2,190
14	Cache Creek Casino Resort	2,150
15	Sacramento Municipal Utility District	2,046
16	Hewlett-Packard Co.	2,000
17	Northstar-At-Tahoe Resort	1,950
18	Sierra Joint Community College	1,940
19	Bank of America	1,892
20	California Health Services	1,890

Source: Oxford Economics, JLL

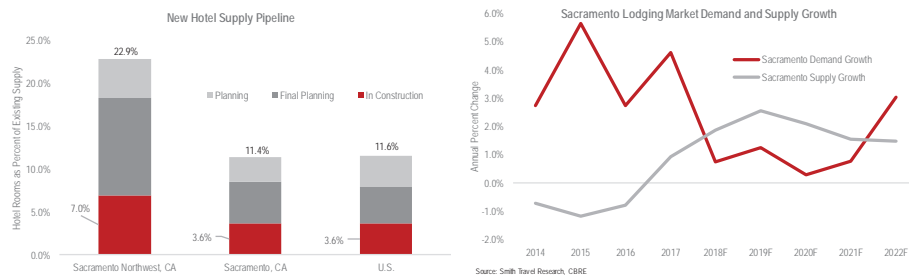
6.9.3 Hotel Investment Overview

Hotel transactions totaling approximately \$360 million have occurred in the Sacramento lodging market since 2010. After no major transactions occurred in 2017, year-to-date transactions through September 2018 rose to a multi-year high of \$115 million. Surveying hotel transactions in the market since 2015, Sacramento's average capitalization rate amounts to 8.8%, compared to 7.4% for transactions nationwide, and its average sales price is approximately \$166,000 per key, compared to \$228,000 per key for the U.S. Most recently, sales prices increased significantly to \$254,000 for the year-to-date transactions through September 2018. Additionally, we note that there have been relatively few transactions for which cap rate data are available in Sacramento during recent years, and therefore, the average cap rate for these transactions may not be representative of investor expectations for most assets in the market.

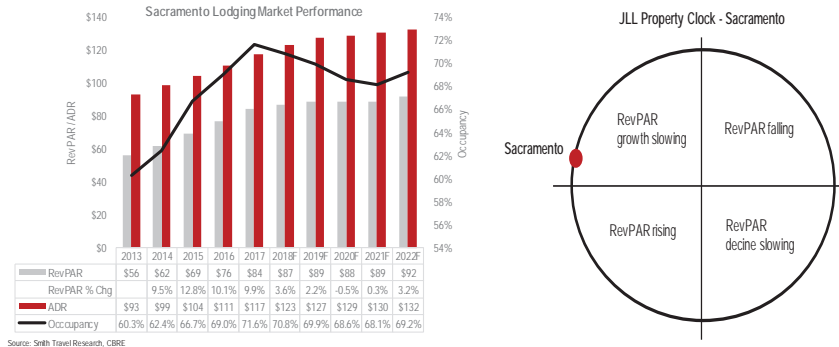


6.9.4 Lodging Market Performance

The active new supply pipeline for the Sacramento lodging market, which includes hotel rooms in the planning, final planning, and construction stages, is slightly lower than the national average. According to data compiled by Smith Travel Research, the Sacramento lodging market’s pipeline amounts to 11.4% of existing rooms inventory, compared to 11.6% for the U.S. The supply pipeline can vary significantly by submarket, however, and the submarket in which the subject portfolio’s only Sacramento area hotel is located, the Sacramento Northwest submarket, features a noticeably larger active pipeline, as shown in the first chart below. Considering Sacramento’s supply pipeline as well as expectations for decelerating real GDP growth, supply growth is expected to temporarily outpace demand growth in the Orlando market during the next few years according to projections from CBRE. In the case of the Sacramento Northwest submarket, supply growth may outpace demand growth by a wider margin given its materially larger pipeline.



The Sacramento lodging market realized average annual RevPAR growth between 2013 and 2017 of 10.6%, ranking 1st among 60 major U.S. lodging markets for which we have available data. Given the expectation that supply growth will outpace demand growth during the next few years, the market’s occupancy is expected to decline slightly from approximately 72% in 2017 to 68% by 2021, while ADR growth is expected to moderate from 6.0% in 2017 to 1.1% by 2021 as the market’s new supply is absorbed. As a result, RevPAR growth between 2017 and 2022 is expected to average 1.7% annually, ranking 34th among 60 major U.S. lodging markets according to projections from CBRE. The charts below summarize historical and projected RevPAR growth in the Sacramento market as well as Sacramento’s position on JLL’s Property Clock.



6.9.5 The Westin Sacramento: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of The Westin Sacramento (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Westin Sacramento is the only hotel in the subject portfolio that is located in the Sacramento metropolitan area.

Location Description

The Subject Hotel is situated at 4800 Riverside Boulevard in the City of Sacramento, in Sacramento County, California. The hotel is 2.4 miles south of the intersection formed by the Interstate 80 Business Loop and Interstate 5, at the northernmost point of the Little Pocket neighborhood.

Access to the site is granted via Riverside Boulevard via Captains Table Road which runs north/south along the east perimeter of the site. The site is bordered by the Sacramento River to the North; Captain's Table Road to the East; Captain's Table Road and residences to the South; and residences and the Sacramento River to the West.

The Subject's location is considered very good, given its immediate proximity to area universities, as well as adequate leisure and corporate demand generators. The Subject Site is located approximately 3.0 miles south southwest of Downtown Sacramento.

Market Positioning

The Subject Hotel is located within the Sacramento Northwest tract within the greater Sacramento lodging market, according to STR. This tract is comprised of 6,912 rooms across a total of 75 hotels. Of the rooms supply, approximately 38.2% are within the economy class, followed by 31.3% within the upscale class, and 17.1% within the upper midscale class. The Subject Hotel is a full-service hotel that falls within the upper upscale class which comprises 6.3% of the submarket. In this submarket, the greatest room shares are attributed to Hilton Worldwide hotels, Marriott International hotels, Independent hotels, Wyndham Worldwide hotels, and Intercontinental Hotels Group hotels, respectively. The Subject belongs to the Marriott International family of brands, which account for 19.2% of the rooms supply in this submarket.



Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized average annual RevPAR growth of 8.8% between 2014 and 2018, compared to 7.7% for its competitive set. As a result, its RevPAR Index has improved from approximately 116% in 2014 to 121% in 2018.

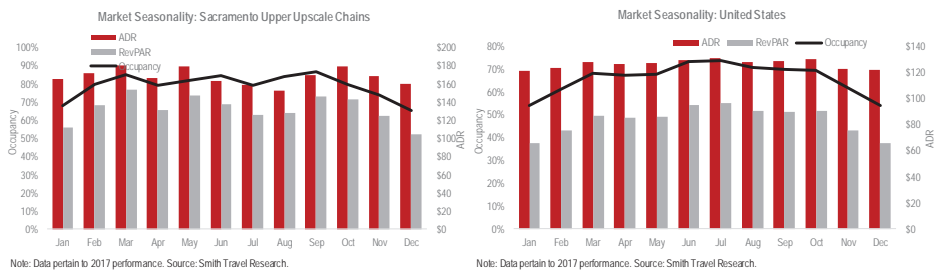
Competitive Set Performance					
Occupancy	2014	2015	2016	2017	2018
Westin Sacramento	71.4%	73.4%	81.0%	82.1%	82.7%
% Change		2.8%	10.4%	1.3%	0.7%
Competitive Set	75.4%	77.8%	77.4%	81.6%	81.8%
% Change		3.2%	-0.5%	5.4%	0.3%
Index (MPI)	94.7	94.3	104.7	100.6	101.1
Average Daily Rate (USD)					
Westin Sacramento	\$167.22	\$182.17	\$186.84	\$199.62	\$202.68
% Change		8.9%	2.6%	6.8%	1.5%
Competitive Set	\$136.66	\$144.85	\$153.99	\$163.25	\$169.58
% Change		6.0%	6.3%	6.0%	3.9%
Index (ARI)	122.4	125.8	121.3	122.3	119.5
RevPAR (USD)					
Westin Sacramento	\$119.40	\$133.71	\$151.36	\$163.83	\$167.56
% Change		12.0%	13.2%	8.2%	2.3%
Competitive Set	\$103.04	\$112.69	\$119.15	\$133.17	\$138.70
% Change		9.4%	5.7%	11.8%	4.2%
Index (RGI)	115.9	118.7	127.0	123.0	120.8

Competitive set includes: Holiday Inn Sacramento Downtown Arena (359 rooms), Hilton Sacramento Arden West (335 rooms), Hyatt Regency Sacramento (505 rooms), Sheraton Hotel Grand Sacramento (503 rooms), Embassy Suites Sacramento Riverfront Promenade (242 rooms), Autograph Collection The Citizen Hotel (196 rooms).

Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel’s market based upon the performance of all upper upscale, branded hotels in the Sacramento lodging market. As shown in the following charts, upper upscale, branded hotels in the Sacramento lodging market are subject to seasonal demand patterns that are not significantly more pronounced than those generally experienced by hotels in the United States. Typically, RevPAR in the U.S. declines during the colder winter months, especially in December when the holidays result in a decline in business-related transient and group travel.





Airport Access

Sacramento International Airport is located approximately 11.3 miles north northwest of the Subject Site. From the Subject, motorists would take Interstate 5 north, traveling 12.1 miles north to Airport Boulevard.

Regional/Local Access

Primary regional access is provided by Interstates 5 and 80, two major thoroughfares that run directly through the city of Sacramento. Interstate 5 runs north through Redding and south through Stockton toward Los Angeles. Interstate 80 runs east toward Reno, Nevada and west toward San Francisco. Secondary roadways offer additional connectivity throughout the area. For instance, US Highway 50 (east/west) and several California State Routes provide enhanced accessibility to and from Sacramento and the surrounding areas.

Public Transportation

The Regional Transit operates a robust network of light-rail trains ("RT Light Rail") and buses ("RT Bus"). RT Light Rail provides nearly 40.0 miles of rail service that covers 418 square miles of the Sacramento area. RT Bus connects riders to light rail trains and provides service to nearly 3,700 stops in Sacramento. Additional services in the area are provided by YoloBus (service to airport) and Amtrak.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:

The Market (Sacramento)	
Attraction	Distance to Subject
California State Capitol Museum	1.2 mi.
California State Railroad Museum	1.6 mi.
Sutter's Fort State Historic Park	3.7 mi.
Clocker Museum of Art	3.8 mi.
Old Sacramento	4.5 mi.
California Automobile Museum	1.3 mi.
Fairytale Tower	1.0 mi.
Sacramento Zoo	0.8 mi.
Midtown	1.2 mi.
The American River Trail	6.1 mi.

Convention Center

The Sacramento Convention Center, located 3.5 miles from the Subject Hotel, is situated along the south side of J Street, between 13th and 15th Streets, in Downtown Sacramento, California. The center is one component of a four-venue complex that includes two theaters and an auditorium. The center originally opened in 1974.

In 2017, Sacramento approved an expansion plan that would begin in 2019 and reach completion in late 2020, offering a total of 160,000 square feet of exhibition space, 37 breakouts, and 79,100 square feet of meeting space. The expansion was last estimated to cost \$328 million and would involve the current center ceasing operation during that time. The convention center currently features 137,000



square feet of contiguous exhibition space, which includes a 24,000-square-foot ballroom and 10,000-square-foot junior ballroom, and 31 meeting rooms.

Community/Infrastructure Development

Proposed Infrastructure projects that will impact the area include the expansion of the Sacramento Convention Center, and improvements to light-rail service in the city. In April 2018, Sacramento Regional Transit District (“SacRT”) received \$84 million in grants to purchase 20 new light-rail vehicle replacements and modify several stations to accommodate the new low-floor design. Service is expected to begin by mid-2021. Additionally, SacRT will construct three express routes from Folsom to downtown Sacramento during peak weekday times. Additionally, SacRT was awarded an additional \$12-million grant to expand a newly introduced on-demand SmaRT Ride service, which allows for small shuttle buses to service passengers along residential streets.

Sacramento International Airport is subject to a proposed plan that would expand Terminal A and/or B by six gates, enhance light-rail and passenger car access, as well as build a new parking garage with rental car facilities.

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Access to roadways and bus transportation, 3.0 miles from downtown Sacramento • Event capacity onsite, with focus on wedding events • Strong branding; Westin affiliation is considered desirable in the market • Sacramento is the capital city of California • AAA Four-Diamond award • Upscale on-site amenities such as Spa LeLe and Scott’s Seafood 	<ul style="list-style-type: none"> • Lack of immediate proximity to most popular leisure demand generators in region
Opportunities	Threats
<ul style="list-style-type: none"> • Expansion in public transit may allow for enhanced connectivity • 3.5 miles from Sacramento Convention Centre with expansion plans that is slated to commence in 2019 	<ul style="list-style-type: none"> • Supply growth in the market may impact RevPAR growth potential to some extent

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Sacramento Northwest submarket in which the Subject Hotel is located is primarily known for its proximity to Downtown Sacramento, the capital city of California, and for housing the Sacramento Zoo and Sacramento City College. The area also features a large number of commercial offices and retail shopping centers.

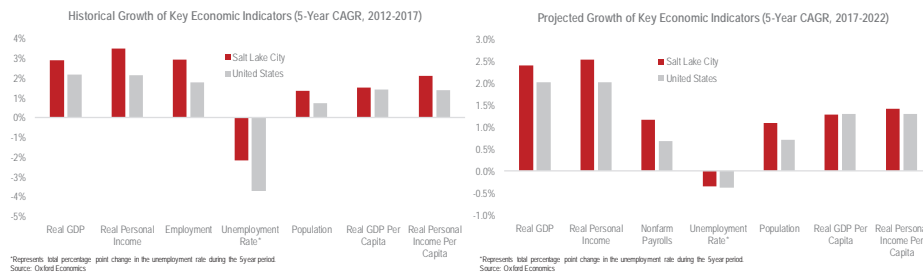


6.10 Salt Lake City Metropolitan Statistical Area

The subject portfolio includes one hotel in the Salt Lake City metropolitan statistical area, namely the 288-room Doubletree Salt Lake City Airport.

6.10.1 Economic Overview

The Salt Lake City metropolitan statistical area (“Salt Lake City” or “Salt Lake City metropolitan area”) has achieved stronger economic growth, as measured by a range of economic indicators, than the United States from 2012 - 2017, and this trend is generally expected to continue during the next five years according to projections from Oxford Economics. From 2012 - 2017, real GDP growth averaged 2.9% per year compared to 2.2% for the U.S. While the 2.2-percentage-point decline in Salt Lake City’s unemployment was less than the 3.7-percentage-point decline in the national unemployment rate during this time, Salt Lake City’s unemployment rate of 3.1% is among the lowest in the U.S. and remains significantly below the national average of 4.4% as of 2017. Strong population, employment, and personal income growth all contributed to Salt Lake City’s high real GDP growth rate. From 2017 – 2022, , robust population and employment growth are expected to drive strong real GDP growth of 2.4% per year, compared to 2.0% per year for the U.S.



6.10.2 Industry Composition and Key Corporate Demand Drivers

The Salt Lake City metropolitan statistical area’s largest sectors in terms of total employment are the Trade, Transportation & Utilities and Professional & Business Services sectors. While the metropolitan area’s population and gross domestic product do not rank among the top-20 metropolitan areas in the nation, Salt Lake City is the second largest city by population and gross domestic product in the Rocky Mountain region of the United States and the capital city of Utah. The metropolitan area also features Salt Lake City International Airport, which serves as a hub for Delta Airlines. Given its strong infrastructure and large economy in the Rocky Mountain region, the metropolitan area’s Trade, Transportation & Utilities and Professional & Business Services sectors offer robust regional employment. The table below summarizes the share of employment by sector in the Salt Lake City metropolitan statistical area in comparison to the national average:



Share of Employment by Industry (2017)		
Sector	Salt Lake City, UT	United States
Trade, Transportation & Utilities	20%	19%
Professional & Business Services	17%	14%
Government	15%	15%
Education & Health Services	12%	16%
Leisure & Hospitality	8%	11%
Manufacturing	8%	8%
Financial Activities	8%	6%
Natural Resources, Mining & Construction	6%	5%
Other Services	3%	4%
Information	3%	2%
Total	100%	100%

Source: U.S. Bureau of Labor Statistics, Moody's Analytics, JLL

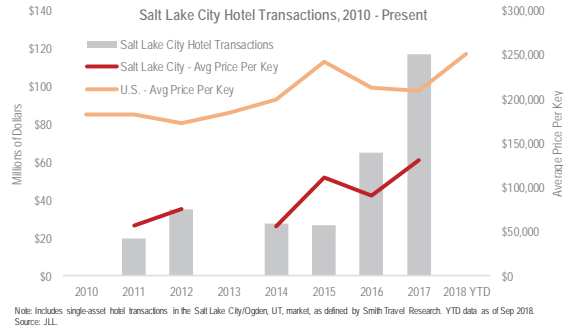
The largest employers in the Salt Lake City metropolitan statistical area include a diverse mix of companies as summarized in the following table:

Major Employers: Salt Lake City, UT Metropolitan Statistical Area			
Rank	Employer	Employees	
1	University of Utah	>20,000	
2	Intermountain Health Care Inc.	15,000-19,999	
3	Wal-Mart Stores Inc.	4,000-4,999	
4	Delta Airlines	3,000-3,999	
5	Smith's Food & Drug	3,000-3,999	
6	Discover Products Inc.	3,000-3,999	
7	Zions Bancorp.	3,000-3,999	
8	C.R. England Inc.	3,000-3,999	
9	L-3 Communications Corp.	3,000-3,999	
10	Department of Veterans Affairs	3,000-3,999	
11	Salt Lake City Park	3,000-3,999	
12	ARUP Laboratories	3,000-3,999	
13	Salt Lake City Community College	2,000-2,999	
14	Wells Fargo Bank	2,000-2,999	
15	Jet Blue Airways Corp.	2,000-2,999	
16	Dental Select	2,000-2,999	
17	Harmons Grocery	2,000-2,999	
18	Skywest Airlines	2,000-2,999	
19	United Parcel Service	1,000-1,999	
20	Goldman Sachs and Co.	1,000-1,999	

Source: Oxford Economics, JLL

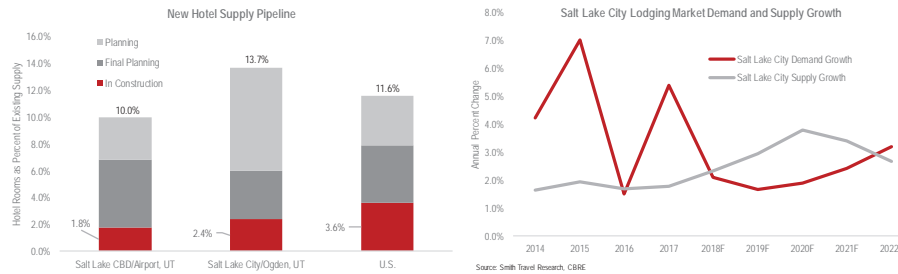
6.10.3 Hotel Investment Overview

Hotel transactions totaling approximately \$290 million have occurred in the Salt Lake City/Ogden ("Salt Lake City") lodging market since 2010. Hotel sales volume has generally trended higher during the last several years, most recently rising to \$117 million in 2017 from \$65 million in 2016. Surveying hotel transactions in the market since 2015, Salt Lake City's average capitalization rate amounts to 8.7%, compared to 7.4% for transactions nationwide, and its average sales price is approximately \$113,000 per key, compared to \$228,000 per key for the U.S. Most recently, sales prices increased noticeably from \$91,000 per key in 2016 to \$131,000 per key in 2017. Additionally, we note that there have been relatively few transactions for which cap rate data are available in Salt Lake City during recent years, and therefore, the average cap rate for these transactions may not be representative of investor expectations for most assets in the market.

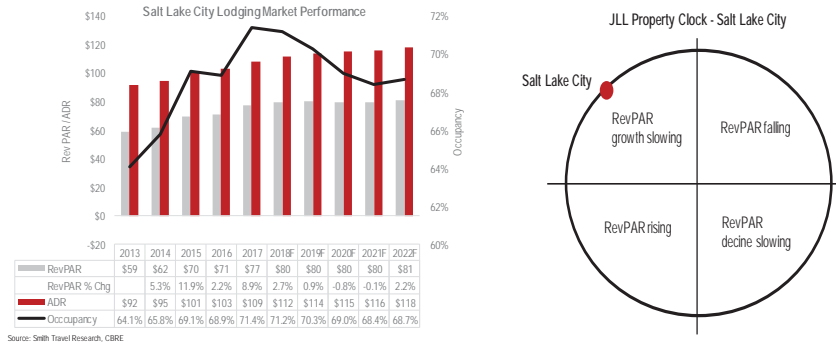


6.10.4 Lodging Market Performance

The active new supply pipeline for the Salt Lake City/Ogden (“Salt Lake City”) lodging market, which includes hotel rooms in the planning, final planning, and construction stages, is slightly higher than the national average. According to data compiled by Smith Travel Research, the Salt Lake City/Ogden lodging market’s pipeline amounts to 13.7% of existing rooms inventory, compared to 11.6% for the U.S. The submarket in which the subject portfolio’s only Salt Lake City area hotel is located, the Salt Lake City CBD/Airport submarket, features a slightly smaller active pipeline, as shown in the first chart below. Considering Salt Lake City’s supply pipeline as well as expectations for decelerating real GDP growth, supply growth is expected to temporarily outpace demand growth in the Salt Lake City market during the next few years according to projections from CBRE. In the case of the Salt Lake City CBD/Airport submarket, supply growth and demand growth may be more balanced given its smaller pipeline.



The Salt Lake City/Ogden lodging market realized average annual RevPAR growth between 2013 and 2017 of 7.0%, ranking 21st among 60 major U.S. lodging markets for which we have available data. Given the expectation that supply growth will outpace demand growth during the next few years, the market’s occupancy is expected to decline slightly from approximately 71% in 2017 to 68% by 2021, while ADR growth is expected to moderate from 5.2% in 2017 to 0.9% by 2021 as the market’s new supply is absorbed. As a result, RevPAR growth between 2017 and 2022 is expected to average 1.0% annually, ranking 51st among 60 major U.S. lodging markets according to projections from CBRE. The charts below summarize historical and projected RevPAR growth in the Salt Lake City/Ogden market as well as its position on JLL’s Property Clock.



6.10.5 Doubletree by Hilton Salt Lake City Airport: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of the Doubletree by Hilton Salt Lake City Airport (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Doubletree by Hilton Salt Lake City Airport is the only hotel in the subject portfolio that is located in the Salt Lake City metropolitan area.

Location Description

The Subject Hotel is situated at 5151 Wiley Post Way in Salt Lake City, in Salt Lake County, Utah. The hotel is approximately 1.5 miles west of Salt Lake City International Airport and 3.4 miles west of the intersection formed by Interstates 80 and 215. It is located immediately west and adjacent to Charles Lindbergh Drive.

Access to the site is granted via Wiley Post Way which runs east/west along the north perimeter of the site. The site is bordered by Wiley Post Way, followed by offices and retail to the North; Charles Lindbergh Drive, followed by Holiday Inn & Suites and offices to the East; W. Douglas Corrigan Way and Interstate 80 to the South; and office buildings to the West.

The Subject’s location is considered excellent, given its immediate proximity to Salt Lake City International Airport, Interstate 80, and sufficient leisure and corporate demand generators. The Subject Site is located 6.0 miles west of Downtown Salt Lake City.

Market Positioning

The Subject Hotel is located within the Salt Lake CBD/Airport tract within the greater Salt Lake City/Ogden lodging market, according to STR. This tract is comprised of 11,323 rooms across a total of 69 hotels. Of the rooms supply, approximately 45.6% are within the upscale class, followed by 20.5% within the upper upscale class, and 15.1% within the upper midscale class. The Subject Hotel is a full-service hotel that falls within the upscale class. In this submarket, the greatest room shares are attributed to Marriott International hotels, Hilton Worldwide hotels, Grand America Hotels & Resort hotels, Independent hotels, and Intercontinental Hotels Group hotels, respectively. The Subject belongs to the Hilton Worldwide family of brands, which account for 17.4% of the rooms supply in this submarket.



Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized average annual RevPAR growth 8.0% between 2014 and 2018, compared to 4.2% for its competitive set. As a result, its RevPAR Index has improved from approximately 88% in 2014 to 101% in 2018.

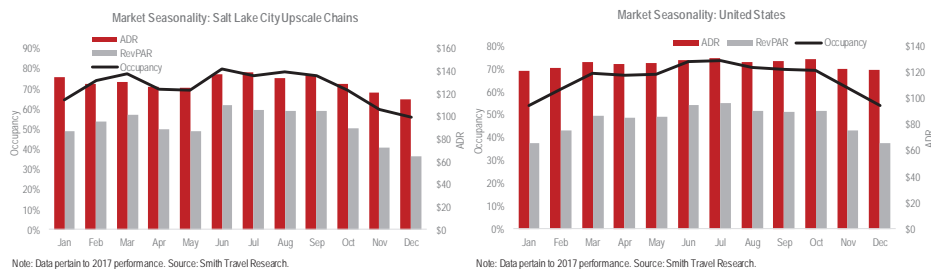
Competitive Set Performance					
Occupancy	2014	2015	2016	2017	2018
DoubleTree Salt Lake City Airport	72.7%	81.5%	88.1%	87.0%	83.7%
% Change		12.1%	8.1%	-1.3%	-3.8%
Competitive Set	72.3%	74.0%	74.5%	78.7%	76.8%
% Change		2.4%	0.7%	5.6%	-2.4%
Index (MPI)	100.6	110.1	118.3	110.6	108.9
Average Daily Rate (USD)					
DoubleTree Salt Lake City Airport	\$93.51	\$100.80	\$106.63	\$113.95	\$110.44
% Change		7.8%	5.8%	6.9%	-3.1%
Competitive Set	\$107.47	\$113.60	\$114.07	\$118.32	\$119.40
% Change		5.7%	0.4%	3.7%	0.9%
Index (ARI)	87.0	88.7	93.5	96.3	92.5
RevPAR (USD)					
DoubleTree Salt Lake City Airport	\$67.98	\$82.15	\$93.94	\$99.12	\$92.40
% Change		20.8%	14.4%	5.5%	-6.8%
Competitive Set	\$77.67	\$84.06	\$84.98	\$93.07	\$91.69
% Change		8.2%	1.1%	9.5%	-1.5%
Index (RGI)	87.5	97.7	110.5	106.5	100.8

Competitive set includes: Radisson Hotel Salt Lake City Airport (125 rooms), Courtyard Salt Lake City Airport (154 rooms), Holiday Inn Hotel & Suites Salt Lake City Airport West (111 rooms), Hyatt Place Salt Lake City International Airport (123 rooms), Hilton Garden Inn Salt Lake City Airport (172 rooms).

Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel’s market based upon the performance of all upscale, branded hotels in the Salt Lake City lodging market. As shown in the following charts, upscale, branded hotels in the Salt Lake City lodging market are subject to seasonal demand patterns that are not significantly more pronounced than those generally experienced by hotels in the United States. Typically, RevPAR in the U.S. declines during the colder winter months, especially in December when the holidays result in a decline in business-related transient and group travel.





Airport Access

Salt Lake City International Airport is located approximately 1.5 miles east of the Subject Site. From the Subject, motorists would take Interstate 80 East and continuing onto Terminal Drive for a total of 4.0 miles to reach the airport.

Regional/Local Access

Primary regional access is provided by Interstate 80 and Interstate 15, two major thoroughfares that run directly through the city. Interstate 80 runs east toward Cheyenne, Wyoming and west along Great Salt Lake's southern bank toward Reno, Nevada. Interstate 15 runs north toward Idaho Falls, Idaho and south toward Las Vegas, Nevada. Secondary roadways offer additional connectivity throughout the area. For instance, Interstate 215 diverges from Interstate 80 on the east side of Salt Lake City, looping south and west around the city, and then directly north through the western part of the city before converging with Interstate 15 in North Salt Lake. Several alternative routes, such as US Highway 89 (north/south) and several Utah State Routes provide enhanced accessibility to and from Salt Lake City and the surrounding areas.

Public Transportation

The Utah Transit Authority operates a robust system that offers commuter trains ("FrontRunner"), light-rail, ("TRAX") and buses. FrontRunner provides transportation from Ogden to Provo, Utah with limited stops. TRAX lines provide access to Downtown from across the valley. The buses help to connect FrontRunner and TRAX, as well as provide access to the public transportation of other cities in the region.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:

DoubleTree Salt Lake City Airport	
Attraction	Distance to Subject
Clark Planetarium	5.9 Mi.
City Creek Center	6.4 Mi.
Hale Centre Theatre	6.2 Mi.
Getout Games	6.2 Mi.
Church History Museum	6.3 Mi.
Smith's Ballpark	6.8 Mi.
Temple Square	6.4 Mi.
Utah State Capital	6.6 Mi.
Joseph Smith Memorial Building	6.5 Mi.
Ensign Peak Park	6.7 Mi.

Convention Center

The Calvin L. Rampton Salt Palace Convention Center is located 6.0 miles directly east of the Subject Hotel. The facility sits along both South and West Temple, immediately east of John Stockton Drive in Downtown Salt Lake City, Utah. The center originally opened in 1996, for a total construction cost of \$93 million.



Since opening, the venue has undergone two expansions, with the last update completed in 2005. The convention center currently features 515,000 square feet of exhibit space, 164,000 square feet of meeting space, and a 45,000-square-foot ballroom, all of which are divisible.

Community/Infrastructure Development

Reportedly the largest construction project in Utah history, a new Salt Lake City International Airport (“SLC”) is under construction adjacent to the existing airport. The project is estimated to cost a total of \$3.6 billion. Phase I, currently underway, includes the central terminal, a parking garage, and portions of the new concourses. The number of international gates at SLC will double. Phase I is expected to reach completion in 2020, followed by Phase II by 2024. The new construction will be accessible by light rail, with an access point adjacent to the terminal entrance.

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Located 1.5 miles from Salt Lake International Airport, which is a hub for Delta Airlines • Visible from Interstate 80 • Adjacent/proximity to area business parks catering to technology, defense, manufacturing, pharmaceuticals, life sciences and logistics • 6.0 miles from Salt Lake City which is the capital of Utah • Within one hour of multiple ski resorts 	<ul style="list-style-type: none"> • Predominantly reliant on SLC Airport • No direct public transit route into Salt Lake City Downtown
Opportunities	Threats
<ul style="list-style-type: none"> • New airport under construction (representing the largest construction project in Utah history) • Immediately adjacent to existing airport; will increase capacity as well as international access 	<ul style="list-style-type: none"> • Supply growth in the market may impact RevPAR growth potential to some extent

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The Salt Lake CBD/Airport submarket in which the Subject Hotel is located is primarily known for housing the Salt Lake City International Airport as well as numerous office and retail developments and cultural attractions in Downtown Salt Lake City. The capital city of Utah, Salt Lake City also contains the world headquarters for the Church of Jesus Christ of Latter-day Saints at Temple Square, as shown on the map below.

Market Research Overview
U.S. Hotel Asset Portfolio | March 19, 2019



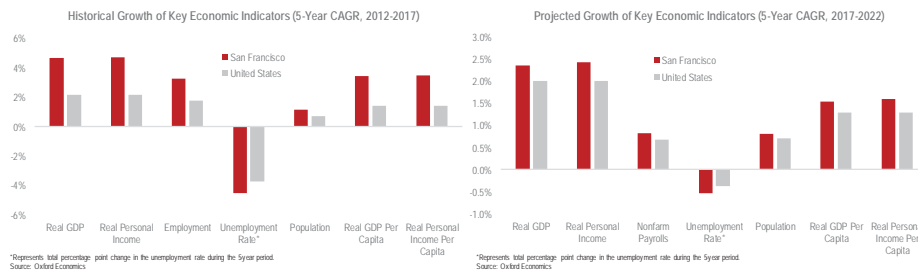


6.11 San Francisco-Oakland-Hayward Metropolitan Statistical Area

The subject portfolio includes two hotels in the vicinity of the San Francisco-Oakland-Hayward metropolitan statistical area, namely the 195-room Four Points by Sheraton San Jose Airport and the 172-room Holiday Inn & Suites San Mateo San Francisco.²⁶

6.11.1 Economic Overview

The San Francisco-Oakland-Hayward metropolitan statistical area (“San Francisco” or “San Francisco metropolitan area”) has achieved stronger economic growth, as measured by a range of economic indicators, than the United States from 2012 - 2017, and this trend is generally expected to continue during the next five years according to projections from Oxford Economics. From 2012 – 2017, real GDP growth averaged 4.7% per year compared to 2.2% for the U.S. and the unemployment rate declined 4.5 percentage points compared to 3.7 percentage points for the U.S. Robust personal income, employment, and productivity growth all contributed to San Francisco’s high real GDP growth rate, which ranks among the highest in the U.S. From 2017 – 2022, strong personal income, employment, and productivity growth are expected to drive a relatively high real GDP growth rate of 2.4% per year, compared to 2.0% per year for the U.S.



6.11.2 Industry Composition and Key Corporate Demand Drivers

The San Francisco-Oakland-Hayward metropolitan statistical area’s economy features a high share of employment in the Professional & Business Services sector as well as in the Trade, Transportation & Utilities sector. The metropolitan area has the seventh largest gross domestic product and twelfth largest population in the United States. The region also features port access to the Pacific Ocean and several commercial airports, including Oakland International Airport, San Jose International Airport, and San Francisco International Airport, which ranks as the seventh busiest by passenger volume in the U.S. The Trade, Transportation & Utilities sector benefits from the region’s excellent transportation infrastructure, and the Profession & Business Services sector benefits from its large, economically productive population base. The table below summarizes the share of employment by sector in the San Francisco-Oakland-Hayward metropolitan statistical area in comparison to the national average:

²⁶ The Four Points by Sheraton San Jose Airport is technically located within the adjacent San Jose-Sunnyvale-Santa Clara metropolitan statistical area, which is significantly smaller in terms of economic output than the San Francisco-Oakland-Hayward metropolitan area. Given the predominance of the San Francisco-Oakland-Hayward metropolitan statistical area in the regional economy and the Four Points by Sheraton San Jose Airport Hotel’s proximity to San Francisco, CA, we have focused on growth trends in the San Francisco-Sunnyvale-Santa Clara metropolitan statistical area in our analysis.



Share of Employment by Industry (2017)		
Sector	San Francisco-Oakland-Hayward, CA	United States
Professional & Business Services	20%	14%
Trade, Transportation & Utilities	16%	19%
Education & Health Services	15%	16%
Government	13%	15%
Leisure & Hospitality	11%	11%
Financial Activities	6%	6%
Manufacturing	6%	8%
Natural Resources, Mining & Construction	5%	5%
Information	4%	2%
Other Services	4%	4%
Total	100%	100%

Source: U.S. Bureau of Labor Statistics, Moody's Analytics, JLL

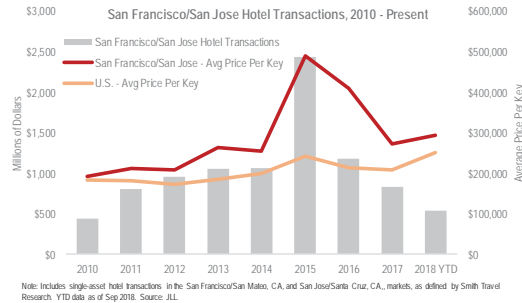
The San Francisco-Oakland-Hayward metropolitan statistical area is also widely known as the epicenter of the U.S. technology industry given its proximity to Silicon Valley and the abundance of world-class educational institutions in the region. As a result, Oracle, Salesforce.com, Tesla, and Uber as well the University of California, San Francisco and the University of California, Berkeley rank among the region's largest employers. The largest companies in the San Francisco-Oakland-Hayward metropolitan statistical area are summarized in the following table:

Major Employers: San Francisco-Oakland-Hayward, CA Metropolitan Division		
Rank	Employer	Employees
1	University of California, San Francisco	25,522
2	University of California, Berkeley	23,962
3	Kaiser Permanente	16,251
4	Safeway Inc.	15,682
5	Wells Fargo	13,749
6	Tesla	10,000
7	Genentech Inc.	8,800
8	Chevron Corp.	8,000
9	Oracle Corp.	7,000
10	Salesforce.com Inc.	7,000
11	John Muir Health	6,570
12	Sutter Health	6,447
13	California Pacific Medical Center	6,000
14	Dignity Health	5,393
15	Lam Research Corp.	5,265
16	Uber Technologies Inc.	5,000
17	Alta Bates Summit Medical Center	4,561
18	PG&E Corp.	4,325
19	Gap Inc.	4,268
20	Lawrence Berkeley National Laboratory	4,200

Source: Oxford Economics, JLL

6.11.3 Hotel Investment Overview

Hotel transactions totaling approximately \$9.3 billion have occurred in the combined San Francisco/San Mateo and San Jose/Santa Cruz lodging markets since 2010, making it the second most liquid lodging market in the U.S. after New York. Hotel sales volume in the San Francisco/San Jose lodging market peaked at \$2.4 billion in 2015 but has remained high with sales volume of \$1.2 billion in 2016 and approximately \$800 million in 2017. Surveying hotel transactions in the market since 2015, the San Francisco/San Jose market's average capitalization rate amounts to 6.1%, compared to 7.4% for transactions nationwide, and its average sales price is approximately \$392,000 per key, compared to \$228,000 per key for the U.S. As the second largest investment market in the U.S. with especially high barriers to new development, the combined San Francisco/San Mateo and San Jose/Santa Cruz lodging market ("San Francisco/San Jose") attracts significant investor interest and commands premium pricing relative to most other U.S. lodging markets.

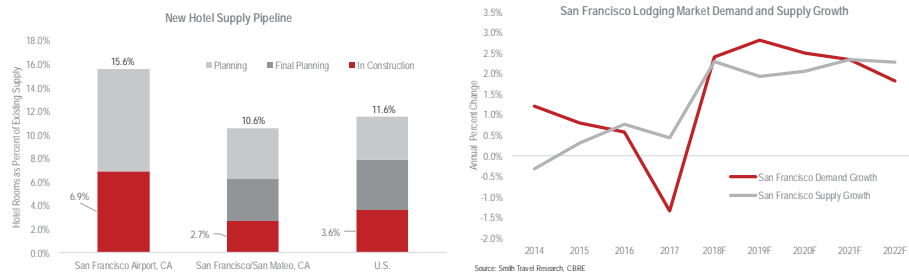


6.11.4 Lodging Market Performance

There are two large lodging markets in the vicinity of the San Francisco-Oakland-Hayward metropolitan statistical area, namely the San Francisco/San Mateo (“San Francisco”) lodging market and the San Jose/Santa Cruz (“San Jose”) lodging market, both of which are relevant with respect to the subject portfolio.

San Francisco/San Mateo Lodging Market Performance

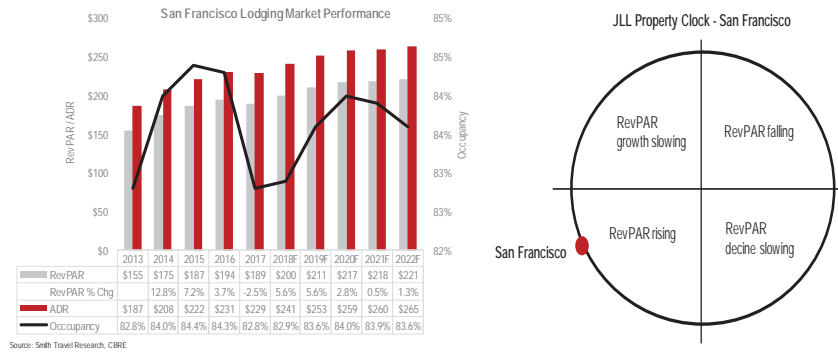
The active new supply pipeline for the San Francisco lodging market, which includes hotel rooms in the planning, final planning, and construction stages, is slightly lower than the national average. According to data compiled by Smith Travel Research, the pipeline in San Francisco amounts to 10.6% of existing rooms inventory, compared to 11.6% for the U.S. The San Francisco Airport submarket, which contains the subject portfolio’s San Francisco area hotel, features a moderately larger pipeline. Despite rising supply growth in San Francisco, high development costs and a restrictive entitlement process are expected to keep supply growth moderate, while the region’s robust economy and the reopening of the Moscone Convention Center are expected to fuel strong demand growth. As a result, demand growth is expected to outpace supply growth during the next few years according to projections from CBRE. We expect that demand growth and supply growth may be more balanced in the San Francisco Airport submarket, however, given its larger supply pipeline.



The San Francisco lodging market realized average annual RevPAR growth between 2013 and 2017 of 5.1%, ranking 38th among 60 major U.S. lodging markets for which we have available data. ADR growth has been the primary driver of RevPAR gains given limited capacity for further occupancy growth with the market’s occupancy rate hovering at or above 83% since 2013. Moderate increases in supply coupled with the disruption of activity at the Moscone Convention Center during its multi-year renovation resulted decelerating ADR growth from 7.2% in 2015 to -0.7% in 2017. Following the reopening of the convention center in 2018, the San Francisco market is expected to benefit from

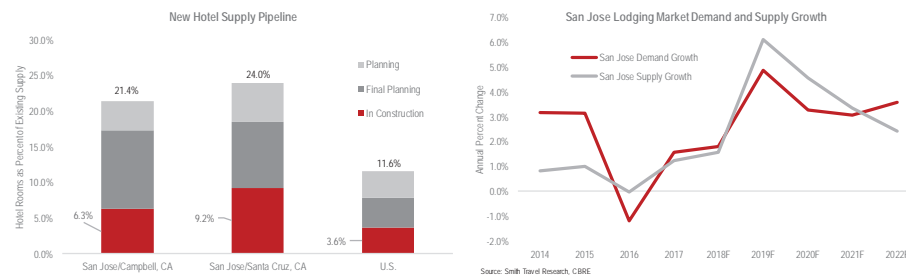


renewed RevPAR growth of 5.6% per year in 2018 and 2019. As a result, RevPAR growth between 2017 and 2022 is expected to average 3.1% annually, ranking 3rd among 60 major U.S. lodging markets according to projections from CBRE. In addition, San Francisco International Airport has seen its passenger traffic increase by 20 million passengers per annum from 2007 to 2017. The charts below summarize historical and projected RevPAR growth in the San Francisco market as well as its position on JLL's Property Clock.



San Jose/Santa Cruz Lodging Market Performance

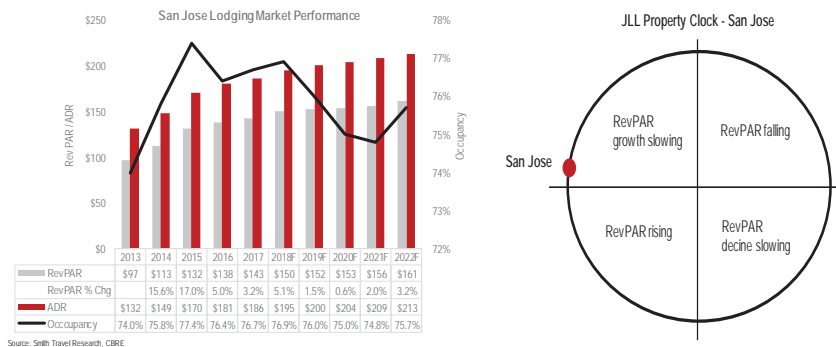
The active new supply pipeline for the San Jose/Santa Cruz market, which includes hotel rooms in the planning, final planning, and construction stages, is significantly higher than the national average. According to data compiled by Smith Travel Research, San Jose/Santa Cruz's pipeline amounts to 24.0% of existing rooms inventory, compared to 11.6% for the U.S. The San Jose/Campbell submarket, which contains the subject portfolio's hotel in the area, features a similarly sized pipeline. The composition of the market's pipeline suggests rising supply growth during the next few years, but demand growth is expected to nearly keep pace with supply growth according to projections from CBRE given the area's robust economy.



The San Jose/Santa Cruz lodging market realized average annual RevPAR growth between 2013 and 2017 of 10.0%, ranking 3rd among 60 major U.S. lodging markets for which we have available data. Similar to the San Francisco lodging market, the San Jose lodging market has maintained relatively steady occupancy during recent years, and ADR growth has primarily propelled RevPAR growth. ADR growth has been decelerating, however, as supply growth has weighed on the market to some extent, and we expect that this trend will continue with ADR growth decelerating from 4.9% in 2018 to 1.9% by 2020. At the same time, robust economic growth is expected to keep supply-driven occupancy declines in the market minimal but noticeable. As a result, RevPAR growth between 2017 and 2022 is expected



to average 2.5% annually, ranking 11th among 60 major U.S. lodging markets according to projections from CBRE. The charts below summarize historical and projected RevPAR growth in the San Jose lodging market as well as its position on JLL's Property Clock.



6.11.5 Holiday Inn Hotel & Suites San Mateo: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of the Holiday Inn Hotel & Suites San Mateo ("Subject Hotel") that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Holiday Inn Hotel & Suites San Mateo is among two hotels in the subject portfolio that are located in the San Francisco Bay Area.

Location Description

The Subject Hotel is situated at 330 North Bayshore Boulevard in the City of San Mateo, in San Mateo County, California. The hotel is approximately 3.8 miles southeast of San Francisco International Airport and 2.3 miles northwest of the intersection formed by U.S. Route 101 and California State Route 92. It is located along North Bayshore Boulevard, along the northeastern perimeter of the Shoreview neighborhood.

Access to the site is granted via North Bayshore Boulevard which runs southeast/northwest along the southwest perimeter of the site. Additional access is available via Dore Avenue, located along the southeast perimeter of the property. The site is bordered by Rogell Avenue to the North; North Kingston Street to the East; Dore Avenue to the South; and North Bayshore Boulevard to the West.

The Subject's location is considered excellent, given its immediate proximity to San Francisco International Airport and peninsula-based corporate demand generators. The Subject Site is located approximately 15.0 miles south of Downtown San Francisco and approximately 1.3 miles north of Central San Mateo.

Market Positioning

The Subject Hotel is located within the San Francisco Airport tract within the greater San Francisco/San Mateo lodging market, according to STR. This tract is comprised of 8,943 rooms across a total of 61 hotels. Of the rooms supply, approximately 32.7% are within the upper upscale class, followed by 27.6% within the upscale class, and 19.4% within the upper midscale class. The Subject Hotel is a full-service hotel that falls within the upper midscale class. In this submarket, the greatest room shares are



attributed to Marriott International hotels, Hilton Worldwide hotels, Intercontinental Hotels Group hotels, Independent hotels, and Hyatt hotels, respectively. The Subject belongs to the Intercontinental Hotels Group family of brands, which account for 11.5% of the rooms supply in this submarket.

Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized an average annual decline in RevPAR of 5.0% between 2015 and 2018, compared to average annual RevPAR growth of 0.1% for its competitive set. As a result, its RevPAR Index has declined from approximately 101% in 2015 to 87% in 2018.

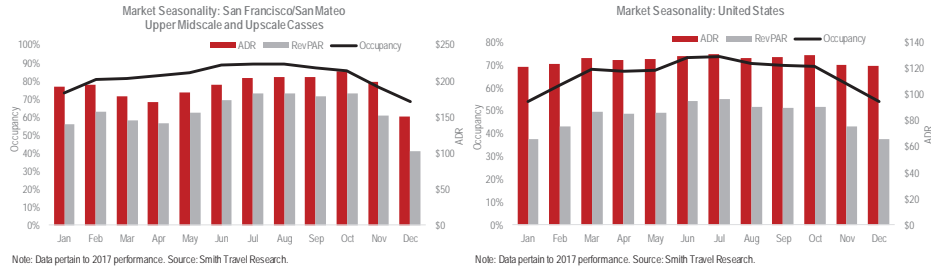
Competitive Set Performance				
	2015	2016	2017	2018
Occupancy				
Holiday Inn & Suites San Mateo San Francisco / San Mateo Airport Hotel	93.6%	89.6%	75.7%	79.7%
% Change		-4.2%	-15.5%	5.3%
Competitive Set	87.7%	86.0%	85.7%	83.7%
% Change		-1.9%	-0.3%	-2.3%
Index (MPI)	106.7	104.2	88.3	95.2
Average Daily Rate (USD)				
Holiday Inn & Suites San Mateo San Francisco / San Mateo Airport Hotel	\$162.27	\$169.65	\$168.27	\$163.36
% Change		4.5%	-0.8%	-2.9%
Competitive Set	\$171.12	\$174.47	\$175.64	\$179.64
% Change		2.0%	0.7%	2.3%
Index (ARI)	94.8	97.2	95.8	90.9
RevPAR (USD)				
Holiday Inn & Suites San Mateo San Francisco / San Mateo Airport Hotel	\$151.81	\$152.02	\$127.38	\$130.19
% Change		0.1%	-16.2%	2.2%
Competitive Set	\$150.04	\$150.08	\$150.58	\$150.42
% Change		0.0%	0.3%	-0.1%
Index (RGI)	101.2	101.3	84.6	86.5

Competitive set includes: Holiday Inn San Francisco Airport (224 rooms), Hilton Garden Inn San Mateo (157 rooms), Four Points by Sheraton Hotel & Suites San Francisco Airport (101 rooms), Hampton Inn Suites San Francisco Burlingame (78 rooms), Best Western Coyote Point Inn (99 rooms).

Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel's market based upon the performance of all hotels in the upper midscale and upscale classes in the San Francisco/San Mateo lodging market. As shown in the following charts, hotels in these classes in the San Francisco/San Mateo lodging market are subject to seasonal demand patterns that are not significantly more pronounced than those generally experienced by hotels in the United States. Typically, RevPAR in the U.S. declines during the colder winter months, especially in December when the holidays result in a decline in business-related transient and group travel.



Airport Access

San Francisco International Airport is located approximately 4.5 miles northwest of the Subject Site. From the Subject, motorists would take North Bayshore Boulevard, following signage to US Highway 101 North, traveling 3.5 miles to arrive at the airport.

Regional/Local Access

Primary regional access is provided by Interstate 280, a major thoroughfare that runs north/south along the western edge of the city of San Mateo. Interstate 280 runs north toward its terminus in San Francisco and south toward San Jose, California. Secondary roadways offer additional connectivity throughout the area. For instance, US Highway 101 (north/south) and several California State Routes provide enhanced accessibility to and from San Mateo and the surrounding areas.

Public Transportation

The San Mateo County Transportation Authority ("SMCTA") operates a network of bus, train, and ferry services in the area. Caltrain provides a rail service that travels through San Mateo, running from Gilroy in the south to its northern terminus in the City of San Francisco. Bus service by samTrans provides connectivity throughout San Mateo County and into parts of San Francisco to the north and Palo Alto to the south. Regional transit is also facilitated by Bay Area Rapid Transit ("BART") with northbound train service at Millbrae station (4.0 miles northwest of the Subject Hotel) through the city of San Francisco and several east bay destinations. Additional transit service is available via the San Francisco Bay Area Water Emergency Transportation Authority, which offers commuter ferry services between South San Francisco and Oakland.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:



Holiday Inn & Suites San Mateo	
Attraction	Distance to Subject
San Simeon	3.8 mi.
Coyote Point Recreation Area	6.0 mi.
Pulgas Water Temple	6.6 mi.
Japanese Gardens	1.2 mi.
Central Park	1.2 mi.
Sawyer Camp Trail	4.1 mi.
Shoreline Park	1.1 mi.
Parkside Aquatic Park and Launch Ramp	2.0 mi.
Burlingame Museum of Post Memorabilia	1.3 mi.
Bedford Park	2.9 mi.

Convention Center

The San Mateo County Event Center, located 2.5 miles from the Subject Hotel, is situated adjacent to Bay Meadows Park in San Mateo, directly east of California State Route 82/South El Camino Real, south of California State Route 92, and west of US Highway 101.

The convention center currently offers 195,000 square feet of space, including a 100,000-square-foot exhibition hall. The facility also features 48 acres of parking and outside activities space.

Alternatively, the Moscone Center in Downtown San Francisco is located 15.0 miles north northwest of the Subject Hotel. The center was opened in 1981 and has since undergone a series of expansions since. The Moscone Center is currently undergoing a \$551 million expansion and renovation slated to open in 2019. Upon completion, the center will feature an additional 305,000 square feet of functional space. The center currently consists of more than 700,000 square feet of exhibit space, up to 106 meeting rooms, and nearly 123,000 square feet of prefunction/registration space.

Community/Infrastructure Development

Proposed Projects that will impact the area include an underground connection between CalTrain and the new Transbay Transit Center in Downtown San Francisco, at an estimated cost of \$2.6 billion and completion date of 2026. The Valley Transportation Authority also plans to extend BART through downtown San Jose and Santa Clara at a cost of \$4.9 billion. Currently, Milpitas BART Station is one of two stations that are part of the 10-mile Berryessa Extension into Silicon Valley, which will run directly through San Mateo. As of September 2018, delays to the extension were announced, indicating that some of the equipment installed did not comply with contract requirements. Passenger service is expected to begin by the end of 2019.

Meanwhile, San Francisco International Airport is undergoing a renovation of Terminal 1 as part of a larger four-phase project, slated for completion in 2022. The cost of the construction is an estimated \$2.4 billion.



SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • 4.5 miles from to San Francisco International Airport • 1.3 miles from central San Mateo • Full restaurant on-site • Accessibility to roadways and airport • 2.5 miles from to San Mateo Event Center & corporate offices • Hotel offers airport shuttle 	<ul style="list-style-type: none"> • Predominantly reliant on SFO business •
Opportunities	Threats
<ul style="list-style-type: none"> • Potential for RevPAR growth post renovation • Major airport renovations should allow SFO to accommodate more passengers; increased visitation • Location along Berryessa BART extension to open in late 2019 • Airline crew contracts as airport operations grow • MSA is widely known as the epicenter of the U.S. technology industry given proximity to Silicon Valley and abundance of world-class educational institutions. • San Mateo County is home to Facebook HQ 	<ul style="list-style-type: none"> • Potential impact of hotel supply pipeline for SFO • Rising labor costs in the San Francisco market

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The San Francisco Airport submarket in which the Subject Hotel is located is primarily known as the site of San Francisco International Airport as well as for the large concentration of office developments and technology company headquarters in the area given its proximity to Silicon Valley. The location of notable company offices in the area have been shown on the following map as well.

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U.S. Hotel Asset Portfolio | March 19, 2019





6.11.6 Four Points by Sheraton San Jose Airport: Asset Overview and Market Positioning

In the following sections, we have summarized key aspects of the Four Points by Sheraton San Jose Airport (“Subject Hotel”) that are expected to impact its future performance. We have included a summary of its location, market positioning, demand generators, and historical RevPAR performance relative to its competitive set. We have also included an assessment of its key strengths, weaknesses, opportunities, and threats. The Four Points by Sheraton San Jose Airport is among two hotels in the subject portfolio that are located in the San Francisco Bay Area.

Location Description

The Subject Hotel is situated at 1471 North 4th Street in the City of San Jose, in Santa Clara County, California. The hotel is less than 0.5 mile west of the intersection formed by Interstate 880 and U.S. Route 101. It is located along North 4th Street, roughly halfway between East Gish Road and Archer Street.

Access to the site is granted via North 4th Street which runs north/south along the northeast perimeter of the site. The site is bordered by Diamond Mitsubishi Fuso Truck Service and Repair to the North; North 4th Street to the East; 4th Street Bowl to the South; and atrium gardens and parking garage to the West.

The Subject's location is considered very good, given its immediate proximity to Mineta San Jose International Airport and Levi's Stadium, as well as leisure and tech-related corporate demand generators. The Subject Site is located approximately 2.0 miles east of Mineta San Jose International Airport San Jose.

Market Positioning

The Subject Hotel is located within the San Jose/Campbell tract within the greater San Jose/Santa Cruz lodging market, according to STR. This tract is comprised of 9,879 rooms across a total of 82 hotels. Of the rooms supply, approximately 32.4% are within the upscale class, followed by 20.1% within the economy class, and 17.6% within the upper midscale class. Although hotels affiliated with the Four Points by Sheraton brand typically feature select-service amenities, the Subject Hotel is a full-service hotel that falls within the upscale class. In this submarket, the greatest room shares are attributed to Marriott International hotels, Hilton Worldwide hotels, Independent hotels, Accor Company hotels, and Wyndham Worldwide hotels, respectively. The Subject belongs to the Marriott International family of brands, which account for 29.9% of the rooms supply in this submarket.

Competitive Set and Relative RevPAR Performance

In the table below, we have summarized the historical Occupancy, ADR, and RevPAR performance of the Subject Hotel relative to its competitive set. The Subject Hotel realized average annual RevPAR growth 19.3% between 2014 and 2018, primarily due to significant RevPAR growth in 2015, compared to 6.8% for its competitive set. As a result, its RevPAR Index has improved from approximately 75% in 2014 to 116% in 2018.

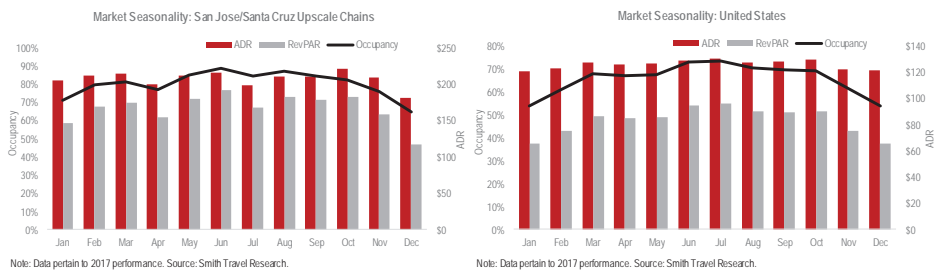


Competitive Set Performance					
Occupancy	2014	2015	2016	2017	2018
Four Points by Sheraton San Jose Airport	65.7%	78.0%	83.0%	80.7%	83.8%
% Change		18.8%	6.3%	-2.7%	3.8%
Competitive Set	74.4%	73.4%	72.3%	72.9%	72.9%
% Change		-1.3%	-1.5%	0.8%	0.0%
Index (MPI)	88.3	106.3	114.8	110.7	114.9
Average Daily Rate (USD)					
Four Points by Sheraton San Jose Airport	\$116.08	\$149.93	\$161.66	\$171.39	\$184.38
% Change		29.2%	7.8%	6.0%	7.6%
Competitive Set	\$137.46	\$160.22	\$166.13	\$167.01	\$182.24
% Change		16.6%	3.7%	0.5%	9.1%
Index (ARI)	84.4	93.6	97.3	102.6	101.2
RevPAR (USD)					
Four Points by Sheraton San Jose Airport	\$76.26	\$117.01	\$134.10	\$138.34	\$154.43
% Change		53.4%	14.6%	3.2%	11.6%
Competitive Set	\$102.30	\$117.62	\$120.09	\$121.73	\$132.85
% Change		15.0%	2.1%	1.4%	9.1%
Index (RGI)	74.6	99.5	111.7	113.6	116.2

Competitive set includes: Wyndham Garden Hotel San Jose (196 rooms), La Quinta Inns & Suites San Jose Airport (145 rooms), Sonesta Silicon Valley San Jose (236 rooms), Holiday Inn San Jose Silicon Valley (354 rooms), Courtyard San Jose Airport (151 rooms), Country Inn & Suites San Jose International Airport (126 rooms).
Source: Smith Travel Research

Demand Seasonality

We have estimated the seasonality of demand in the Subject Hotel's market based upon the performance of all upscale, branded hotels in the San Jose/Santa Cruz lodging market. As shown in the following charts, upscale, branded hotels in the San Jose/Santa Cruz lodging market are subject to seasonal demand patterns that are not significantly more pronounced than those generally experienced by hotels in the United States. Typically, RevPAR in the U.S. declines during the colder winter months, especially in December when the holidays result in a decline in business-related transient and group travel.



Airport Access

Norman Y. Mineta San Jose International Airport is located approximately 1.1 miles west of the Subject Site. From the Subject, motorists would take North 4th Street, continuing onto Matrix Boulevard/Technology Place before turning left onto Airport Parkway.



Regional/Local Access

Primary regional access is provided by Interstates 280, 680, and 880, three major thoroughfares that run directly through or into the city of San Jose. Interstate 280 runs northwest toward San Francisco, with a southeastern terminus just south of Downtown San Jose. Interstate 680 runs north from its terminus just south of Downtown San Jose to Interstate 80 in Fairfield. Interstate 880 runs northward from its southern terminus at I-280 in southwest San Jose to Oakland. Secondary roadways offer additional connectivity throughout the area. For instance, US Highway 101 (north/south) and several California State Routes provide enhanced accessibility to and from San Jose and the surrounding areas.

Public Transportation

The Valley Transportation Authority ("VTA") operates a network of bus and light rail throughout Santa Clara County. Caltrain provides a rail service that runs through San Jose, connecting Gilroy in the south to its northern terminus in the City of San Francisco. Access to Stockton is provided by the Altamont Corridor Express ("ACE") and Capitol Corridor provides rail services extending north through Sacramento.

List of Top Attractions

The table below provides a summary of attractions in the local market as well as their distance from the Subject Hotel:

Four Points by Sheraton San Jose Airport	
Attraction	Distance to Subject
Downtown San Jose	2.2 mi.
California's Great America	4.4 mi.
Solar4America Ice	4.0 mi.
The Tech Museum of Innovation	2.5 mi.
Levi's Stadium	4.3 mi.
Santana Row	3.7 mi.
Municipal Rose Garden	2.5 mi.
San Jose Museum of Art	2.4 mi.
San Pedro Square Market	2.1 mi.
Willow Glen	4.3 mi.

Convention Center

The San Jose McEnery Convention Center, located 2.7 miles from the Subject Hotel, is situated along the southwest side of South Market Street, between Viola Avenue and West San Carlos Street in Downtown San Jose. The center originally opened in 1989.

The venue's most recent expansion was completed in 2013. The convention center currently features 630,000 square feet of space, including 245,000 of exhibit space across two halls, 31 meeting rooms, and banquet facilities.

Community/Infrastructure Development

Proposed Projects that will impact the area include an underground connection between CalTrain and the new Transbay Transit Center in Downtown San Francisco, at an estimated cost of \$2.6 billion and completion date of 2026. The Valley Transportation Authority also plans to extend BART through



downtown San Jose and Santa Clara at a cost of \$4.9 billion. Currently, the 10-mile Berryessa Extension into Silicon Valley is under construction. As of September 2018, delays to the extension were announced, indicating that some of the equipment installed did not comply with contract requirements. Passenger service is expected to begin by the end of 2019.

Meanwhile, Norman Y. Mineta San Jose International Airport is expected to begin a billion-dollar expansion over the next few years. The project would expand Terminal B with a four-gate facility connected at the south end by mid-2019, costing roughly \$50 million. The facility is intended to serve as a temporary solution to the increasing traffic, while officials plan to construct permanent facilities.

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> Proximity and access to San Jose International Airport which is 1.1 miles away Immediately adjacent to I-880, US Highway 101; proximate to CA Route 87, Interstate 680 	<ul style="list-style-type: none"> Predominantly reliant on Airport business Industrial, airport-adjacent neighborhood
Opportunities	Threats
<ul style="list-style-type: none"> Airport renovations should allow SJC to accommodate more passengers; enhance profile of airport BART extension through San Jose to Berryessa/North San Jose will open by end of 2019 Airline crew contracts as airport operations grow South Bay corporate business Capture additional demand from proximity to Silicon Valley; San Jose is home to eBay, Paypal, Cisco Systems, Adobe Systems Addition of new parking system may capture more parking revenue 	<ul style="list-style-type: none"> Supply growth in the market may impact RevPAR growth potential to some extent

Map of Local Market Highlights

In the following map, we have illustrated the location of the Subject Hotel in relation to proximate attractions in the area as well as other key points of interest. The San Jose/Campbell submarket in which the Subject Hotel is located is primarily known as the site of San Jose International Airport as well as for the large concentration of office developments and technology company headquarters in the area given its location within Silicon Valley. The location of notable company offices in the area have been shown on the following map as well.

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7 Appendix

7.1 Summary of Sources

JLL relied upon data provided by third parties in the production of this report. As referenced throughout JLL's report, JLL primarily relied upon economic forecasts from Oxford Economics and Moody's Analytics and historical economic data from the U.S. Bureau of Economic Analysis and the U.S. Bureau of Labor Statistics. JLL also relied upon Occupancy, ADR, RevPAR, lodging supply, and lodging demand projections from CBRE and historical hotel performance data from Smith Travel Research. JLL summarized key characteristics of the U.S. lodging market and global lodging markets based upon Smith Travel Research's list of existing global hotel supply and proposed hotel development projects as of August 2018.

7.2 Summary of Public Lodging REIT Portfolios

In Section 5, JLL compared the composition of the subject portfolio to the portfolios of other publicly traded lodging REITs in the U.S. JLL excluded any international assets, which were few in number, from its compilation. JLL generally included partially owned assets, except in instances where assets were co-owned by more than one REIT. The list of assets in each portfolio was compiled in late August 2018, based upon the property lists provided on each REIT's website, and is available upon request.



7.3 Summary of 60 Lodging Markets Tracked by CBRE

In Section 6, JLL ranked the performance of the subject portfolio's lodging markets among the 60 major lodging markets tracked by CBRE. The following table summarizes the historical and projected RevPAR growth for each of the 60 lodging markets and provides the growth ranking for each market as well.

60 U.S. Lodging Markets Tracked by CBRE					
Rank	Market	Historical RevPAR Growth (2013-2017 CAGR)	Rank	Market	Projected RevPAR Growth (2017-2022 CAGR)
1	Sacramento	10.6%	1	Jacksonville	3.3%
2	Nashville	10.5%	2	Tucson	3.2%
3	San Jose-Santa Cruz	10.0%	3	San Francisco	3.1%
4	Jacksonville	9.4%	4	Fort Lauderdale	3.0%
5	Oakland	9.3%	5	Miami	2.8%
6	Tampa	9.2%	6	Oakland	2.8%
7	Richmond	8.0%	7	Philadelphia	2.8%
8	Portland	8.0%	8	West Palm Beach	2.7%
9	Atlanta	7.9%	9	Los Angeles	2.5%
10	Kansas City	7.8%	10	Norfolk-VA Beach	2.5%
11	Orlando	7.7%	11	San Jose-Santa Cruz	2.5%
12	Los Angeles	7.6%	12	Orlando	2.4%
13	Seattle	7.4%	13	San Diego	2.4%
14	Phoenix	7.4%	14	New York	2.4%
15	Tucson	7.3%	15	Newark	2.3%
16	Norfolk-VA Beach	7.3%	16	Atlanta	2.3%
17	Charlotte	7.3%	17	Long Island	2.3%
18	Denver	7.2%	18	Pittsburgh	2.2%
19	Dayton	7.2%	19	Detroit	2.1%
20	Indianapolis	7.1%	20	San Antonio	2.1%
21	Salt Lake City	7.0%	21	Raleigh-Durham	2.1%
22	Savannah	6.8%	22	Columbia	2.0%
23	Cincinnati	6.5%	23	Cincinnati	2.0%
24	Detroit	6.5%	24	Cleveland	2.0%
25	Charleston	6.5%	25	Minneapolis	2.0%
26	Memphis	6.5%	26	Tampa	1.9%
27	Anaheim	6.5%	27	Hartford	1.9%
28	San Diego	6.3%	28	Chicago	1.8%
29	Fort Worth	6.2%	29	Phoenix	1.8%
30	Dallas	6.1%	30	New Orleans	1.8%
31	Raleigh-Durham	6.0%	31	Houston	1.8%
32	Columbia	5.6%	32	Anaheim	1.8%
33	Fort Lauderdale	5.5%	33	Albany	1.7%
34	Albuquerque	5.3%	34	Sacramento	1.7%
35	West Palm Beach	5.3%	35	Oahu	1.7%
36	Saint Louis	5.2%	36	Indianapolis	1.7%
37	Columbus	5.2%	37	Seattle	1.7%
38	San Francisco	5.1%	38	Louisville	1.6%
39	Boston	4.9%	39	Dallas	1.5%
40	Washington DC	4.8%	40	Saint Louis	1.5%
41	Louisville	4.8%	41	Albuquerque	1.5%
42	Hartford	4.4%	42	Omaha	1.5%
43	Austin	4.1%	43	Richmond	1.4%
44	Milwaukee	3.9%	44	Fort Worth	1.4%
45	Minneapolis	3.6%	45	Boston	1.4%
46	Newark	3.5%	46	Austin	1.3%
47	San Antonio	3.2%	47	Milwaukee	1.2%
48	Philadelphia	3.1%	48	Memphis	1.2%
49	Chicago	3.0%	49	Dayton	1.1%
50	Oahu	2.8%	50	Washington DC	1.0%
51	Long Island	2.7%	51	Salt Lake City	1.0%
52	Baltimore	2.5%	52	Denver	0.9%
53	Cleveland	1.9%	53	Nashville	0.9%
54	Miami	1.7%	54	Charlotte	0.9%
55	Albany	1.7%	55	Baltimore	0.7%
56	New Orleans	1.6%	56	Columbus	0.7%
57	Omaha	1.4%	57	Charleston	0.4%
58	Houston	0.7%	58	Savannah	0.3%
59	New York	-0.7%	59	Portland	0.2%
60	Pittsburgh	-2.0%	60	Kansas City	-0.1%

Source: CBRE, Projections as of August 2018



7.4 Summary of 25 Most Liquid U.S. Lodging Markets

In Section 6, JLL also referenced its rankings of the most liquid lodging markets in the U.S., as measured by total hotel transactions volume occurring since 2010. JLL's complete list of the 25 most liquid lodging markets in the U.S. is summarized in the following table.

Total Hotel Transactions by Market, 2010 -2018		
1	New York	\$24,200,000,000
2	San Francisco/San Jose	\$9,300,000,000
3	Los Angeles/Anaheim	\$8,600,000,000
4	Washington DC	\$7,100,000,000
5	Miami/Fort Lauderdale	\$8,200,000,000
6	Oahu Island	\$4,900,000,000
7	Chicago	\$4,700,000,000
8	Boston	\$4,400,000,000
9	San Diego	\$4,000,000,000
10	Atlanta	\$3,100,000,000
11	Phoenix	\$2,700,000,000
12	Orlando	\$2,300,000,000
13	Dallas/Fort Worth	\$2,500,000,000
14	Seattle	\$2,100,000,000
15	Denver	\$2,000,000,000
16	Florida Keys	\$1,900,000,000
17	California Central Coast	\$1,800,000,000
18	Tampa	\$1,800,000,000
19	Minneapolis	\$1,700,000,000
20	Houston	\$1,700,000,000
21	Philadelphia	\$1,500,000,000
22	California North	\$1,500,000,000
23	New Orleans	\$1,500,000,000
24	Austin	\$1,400,000,000
25	Portland	\$1,400,000,000

Source: JLL



7.5 Smith Travel Research Definitions

We have provided key definitions related to aspects of hotel positioning, hotel operations, and hotel management from Smith Travel Research below:

Chain Scale – *Chain Scale segments are grouped primarily according to actual average room rates. An independent hotel regardless of average room rate, is included as a separate Chain Scale category. The Chain Scale segments are: Luxury, Upper Upscale, Upscale, Upper Midscale, Midscale, Economy and Independent. These Chain Scales are generally defined as follows:*

- **Upper Upscale:** full service hotels that typically offer a full range of on-property amenities and services, including full service, all-day restaurants, room service (in most cases), recreational facilities, a fitness center, and business centres. In some cases, the hotels feature concierges and spas. For hotels that are in an airport market, they often offer a shuttle service to airport.
- **Upscale:** hotels that are generally of a premium select service positioning, offering an array of on-property amenities and services, including a F&B outlet offering breakfast (and in some cases a three-meal operation), recreational facilities (in some cases), a fitness center and business centres. For hotels that are in an airport market, they often offer a shuttle service to airport.
- **Upper Midscale:** select service hotels that feature a breakfast buffet, selected on-property amenities to include a fitness center and selected business services. For hotels that are in an airport market, they often offer a shuttle service to airport.

Class – *A categorization of chain-affiliated and independent hotels. The class for a chain-affiliated hotel is the same as its Chain Scale. An independent hotel is assigned a class based on its ADR, relative to that of the chain hotels in their geographic proximity. The class segments are: Luxury, Upper Upscale, Upscale, Upper Midscale, Midscale and Economy.*

Location Type – *Property classification driven by physical location regardless of amenities or services offered. Location types include:*

- *Urban: Densely populated location in a large metropolitan area. (e.g., Atlanta, Boston, San Francisco, London, Tokyo).*
- *Suburban: Suburbs or metropolitan markets. Examples are Sag Harbor and White Plains, NY (near New York City, USA) and Croydon and Wimbledon (near London, UK). Distance from center city varies based on population and market orientation.*
- *Airport: Property in close proximity to an airport that primarily serves demand from airport traffic. Distance may vary.*
- *Interstate/Motorway: Property in close proximity to major highway, motorway or other major roads with the primary source of business via passerby travel. Hotels located in suburban areas have the suburban classification.*
- *Resort: Property located in a resort area or market where a significant source of business is derived from leisure/destination travel. Examples: Orlando, Lake Tahoe, Daytona Beach, Hilton Head Island, Virginia Beach.*
- *Small Metro/Town: Area with either a smaller population or remote locations with limited services. Size varies by market orientation. Suburban locations do not exist in proximity to*



these areas. In North America, metropolitan small town areas are populated with less than 150,000 people.

Group Rooms – Typically defined as 10 or more rooms per night, sold pursuant to a signed agreement.

Transient Rooms – Includes rooms sold to individuals or groups occupying less than 10 rooms per night.

Contract Rooms – A consistent block of rooms committed at stipulated contract rates for an extended period over 30 days with payment guaranteed regardless of use, such as for airline crews and permanent guests.

Franchise Company (Company Type) – A group of independently-owned operations that have been issued a contract to use a specific name and logo, purchased for an annual fee plus “royalties” – usually based on a percentage of sales. Members share benefits like brand-name identity, corporate image advertising, centralized reservation systems, corporate training programs and volume purchasing.

Management Company (Company Type) – Company that manages a property’s operations for its owners, typically in return for fees and/or revenue share.

Other key definitions per Smith Travel Research are available at the following website:

<http://www.strglobal.com/resources/glossary>

Source: Smith Travel Research

7.6 Smith Travel Research Chain Scale Designations

In the following tables, we have provided Smith Travel Research’s chain scale designation for each brand.

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STR Classification of Brands by Chain Scale							
Brand	Chain Scale	Brand	Chain Scale	Brand	Chain Scale	Brand	Chain Scale
21c Museum Hotel	Luxury Chains	Trump Hotel Collection	Luxury Chains	Pan Pacific	Upper Upscale Chains	Eurostars Hotel	Upscale Chains
AKA	Luxury Chains	Valencia Group	Luxury Chains	Pestana	Upper Upscale Chains	EVEN Hotels	Upscale Chains
Aman	Luxury Chains	Viceroy	Luxury Chains	Pullman	Upper Upscale Chains	Four Points by Sheraton	Upscale Chains
Andaz	Luxury Chains	W Hotel	Luxury Chains	Radisson Blu	Upper Upscale Chains	Graduate Hotel	Upscale Chains
Belmond Hotels	Luxury Chains	Waldorf Astoria	Luxury Chains	Radisson RED	Upper Upscale Chains	Grand America	Upscale Chains
COMO	Luxury Chains	Ace Hotel	Upper Upscale Chains	Red Carnation	Upper Upscale Chains	Great Wolf Lodge	Upscale Chains
Conrad	Luxury Chains	Affinia Hotel	Upper Upscale Chains	Renaissance	Upper Upscale Chains	Hilton Garden Inn	Upscale Chains
Destination Hotels	Luxury Chains	Ailia	Upper Upscale Chains	Sheraton Hotel	Upper Upscale Chains	Homewood Suites	Upscale Chains
Dorchester Collection	Luxury Chains	Autograph Collection	Upper Upscale Chains	Silver Cloud	Upper Upscale Chains	Hotel RL	Upscale Chains
Dyle Collection	Luxury Chains	Bridgestreet Accommodations	Upper Upscale Chains	St. Giles Hotel	Upper Upscale Chains	Hyatt House	Upscale Chains
Edifton	Luxury Chains	Canopy by Hilton	Upper Upscale Chains	Starhotels	Upper Upscale Chains	Hyatt Place	Upscale Chains
Fairmont	Luxury Chains	Club Quarters	Upper Upscale Chains	Swissotel	Upper Upscale Chains	iberostar Hotels & Resorts	Upscale Chains
Firmdale	Luxury Chains	Curio Collection	Upper Upscale Chains	Time Hotels	Upper Upscale Chains	Inside by Melia	Upscale Chains
Four Seasons	Luxury Chains	Delta Hotel	Upper Upscale Chains	Tribute Portfolio	Upper Upscale Chains	Larkspur Landing	Upscale Chains
Grand Hyatt	Luxury Chains	Dolce Hotels & Resorts	Upper Upscale Chains	Virgin Hotel	Upper Upscale Chains	Legacy Vacation Club	Upscale Chains
InterContinental	Luxury Chains	Dream Hotels	Upper Upscale Chains	Wanda Vista	Upper Upscale Chains	Mantra	Upscale Chains
JW Marriott	Luxury Chains	Embassy Suites	Upper Upscale Chains	Warwick Hotel	Upper Upscale Chains	Melia	Upscale Chains
Langham	Luxury Chains	Fireside Inn & Suites	Upper Upscale Chains	WestIn	Upper Upscale Chains	Miyako	Upscale Chains
Loews	Luxury Chains	Gaylord	Upper Upscale Chains	Wyndham Grand	Upper Upscale Chains	Novotel	Upscale Chains
Lotte Hotel	Luxury Chains	Hard Rock	Upper Upscale Chains	AC Hotels by Marriott	Upscale Chains	NYLO Hotel	Upscale Chains
Luxury Collection	Luxury Chains	Hilton	Upper Upscale Chains	alott Hotel	Upscale Chains	Prince Hotel	Upscale Chains
Mandarin Oriental	Luxury Chains	Hilton Grand Vacations	Upper Upscale Chains	Apa Hotel	Upscale Chains	Radisson	Upscale Chains
ME	Luxury Chains	Hotel Indigo	Upper Upscale Chains	Ascend Collection	Upscale Chains	Residence Inn	Upscale Chains
Miraval	Luxury Chains	Hotel Nikko	Upper Upscale Chains	Aston Hotel	Upscale Chains	RIU Hotel	Upscale Chains
Mokara	Luxury Chains	Hyatt	Upper Upscale Chains	Alton	Upscale Chains	Room Mate	Upscale Chains
Montage	Luxury Chains	Hyatt Centric	Upper Upscale Chains	Best Western Premier	Upscale Chains	Shell Vacations Club	Upscale Chains
Nobu Hotels	Luxury Chains	Hyatt Regency	Upper Upscale Chains	BW Premier Collection	Upscale Chains	Sonesta Hotel	Upscale Chains
Park Hyatt	Luxury Chains	Hotel Indigo	Upper Upscale Chains	Cambria hotel & suites	Upscale Chains	Springhill Suites	Upscale Chains
Regent	Luxury Chains	Jale De Vivre	Upper Upscale Chains	Canad Inn	Upscale Chains	Staybridge Suites	Upscale Chains
Ritz-Carlton	Luxury Chains	Kimpton	Upper Upscale Chains	Citadines	Upscale Chains	Stoney Creek	Upscale Chains
RockResorts	Luxury Chains	Le Meridien	Upper Upscale Chains	citizenM	Upscale Chains	Tapestry Collection	Upscale Chains
Rosewood	Luxury Chains	Lytic Suites	Upper Upscale Chains	Club Med	Upscale Chains	Travel Inn	Upscale Chains
Six Senses	Luxury Chains	Magnolia	Upper Upscale Chains	Coast Hotels USA	Upscale Chains	Vacation Condos by Outrigger	Upscale Chains
Sixty Hotels	Luxury Chains	Margaritaville	Upper Upscale Chains	Courtyard	Upscale Chains	Vib	Upscale Chains
Softel	Luxury Chains	Marriott	Upper Upscale Chains	Crowne Plaza	Upscale Chains	Westmark	Upscale Chains
St Regis	Luxury Chains	Marriott Conference Center	Upper Upscale Chains	Dazzler	Upscale Chains	Wyndham	Upscale Chains
Taj	Luxury Chains	Millennium	Upper Upscale Chains	Disney Hotels	Upscale Chains	Wyndham Vacation Resort	Upscale Chains
The Peninsula	Luxury Chains	New Otani	Upper Upscale Chains	DoubleTree	Upscale Chains	Aqua Hotels & Resorts	Upper Midscale Chains
The Unbound Collection	Luxury Chains	Omni	Upper Upscale Chains	dusid2	Upscale Chains	Ayres	Upper Midscale Chains
Thompson Hotels	Luxury Chains	Outrigger Resorts	Upper Upscale Chains	element	Upscale Chains	Best Western Plus	Upper Midscale Chains

Source: Smith Travel Research

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STR Classification of Brands by Chain Scale (Continued)					
Brand	Chain Scale	Brand	Chain Scale	Brand	Chain Scale
Boarders Inn & Suites	Upper Midscale Chains	A Victory	Midscale Chains	Downlowner Inn	Economy Chains
Boulders Inn & Suites	Upper Midscale Chains	AmericInn	Midscale Chains	Econo Lodge	Economy Chains
Centerstone Hotels	Upper Midscale Chains	Baymont	Midscale Chains	Extended Stay America	Economy Chains
Chase Suites	Upper Midscale Chains	Best Western	Midscale Chains	E-Z 8	Economy Chains
Clarion	Upper Midscale Chains	Cabot Lodge	Midscale Chains	Family Inn	Economy Chains
Cobblestone	Upper Midscale Chains	Candlewood Suites	Midscale Chains	Good Nile Inn	Economy Chains
Comfort Inn	Upper Midscale Chains	ClubHouse	Midscale Chains	Great Western	Economy Chains
Comfort Suites	Upper Midscale Chains	Crystal Inn	Midscale Chains	GreenTree Inn	Economy Chains
Country Inn & Suites	Upper Midscale Chains	FairBridge Inn	Midscale Chains	Home-Towne Suites	Economy Chains
DoubleTree Club	Upper Midscale Chains	GuestHouse Inn	Midscale Chains	Howard Johnson	Economy Chains
Drury Inn	Upper Midscale Chains	Hawthorn Suites by Wyndham	Midscale Chains	InTown Suites	Economy Chains
Drury Inn & Suites	Upper Midscale Chains	ibis styles	Midscale Chains	Jameson Inn	Economy Chains
Drury Plaza Hotel	Upper Midscale Chains	InnSuites Hotel	Midscale Chains	Key West Inn	Economy Chains
Drury Suites	Upper Midscale Chains	La Quinta Inns & Suites	Midscale Chains	Knights Inn	Economy Chains
Fairfield Inn	Upper Midscale Chains	Loyalty Inn	Midscale Chains	Life Hotels	Economy Chains
Glo Hotel	Upper Midscale Chains	MainStay Suites	Midscale Chains	Master Hosts Inns	Economy Chains
GrandStay Hotels	Upper Midscale Chains	Oak Tree Inn	Midscale Chains	Masters Inn	Economy Chains
Hampton	Upper Midscale Chains	Palace Inn	Midscale Chains	Microtel Inn & Suites by Wyndm	Economy Chains
Holiday Inn	Upper Midscale Chains	Quality Inn	Midscale Chains	Motel 6	Economy Chains
Holiday Inn Express	Upper Midscale Chains	Ramada	Midscale Chains	National 9	Economy Chains
Holiday Inn Select	Upper Midscale Chains	Red Lion Inn & Suites	Midscale Chains	Passport Inn	Economy Chains
Home2 Suites	Upper Midscale Chains	Rode Inn	Midscale Chains	Pear Tree Inn	Economy Chains
Isle of Capri	Upper Midscale Chains	Settle Inn	Midscale Chains	Red Carpet Inn	Economy Chains
Lexington	Upper Midscale Chains	Signature Inn	Midscale Chains	Red Roof Inn	Economy Chains
Mama Shelter	Upper Midscale Chains	Sleep Inn	Midscale Chains	Rodeway Inn	Economy Chains
MOXY	Upper Midscale Chains	Tru by Hilton	Midscale Chains	Savannah Suites	Economy Chains
My Place	Upper Midscale Chains	UpTown Suites	Midscale Chains	Scottish Inn	Economy Chains
OHANA	Upper Midscale Chains	Vagabond Inn	Midscale Chains	Select Inn	Economy Chains
Oxford Suites	Upper Midscale Chains	Vista	Midscale Chains	Studio 6	Economy Chains
Park Inn	Upper Midscale Chains	Wingale by Wyndham	Midscale Chains	Suburban Extended Stay	Economy Chains
Quality	Upper Midscale Chains	Affordable Suites of America	Economy Chains	Super 8	Economy Chains
Red Lion Hotel	Upper Midscale Chains	America's Best Inn	Economy Chains	SureStay	Economy Chains
Shilo Inn	Upper Midscale Chains	America's Best Value Inn	Economy Chains	SureStay Collection	Economy Chains
Sonesta ES Suites	Upper Midscale Chains	AmeriVu Inn & Suites	Economy Chains	SureStay Plus	Economy Chains
TownePlace Suites	Upper Midscale Chains	Budget Host	Economy Chains	Travelodge	Economy Chains
Trademark Hotel Collection	Upper Midscale Chains	Budget Suites of America	Economy Chains	Value Place	Economy Chains
Tryp by Wyndham	Upper Midscale Chains	Budgetel	Economy Chains	WoodSpring Suites	Economy Chains
Wyndham Garden Hotel	Upper Midscale Chains	Country Hearth Inn	Economy Chains		
Yotel	Upper Midscale Chains	Crossland Economy Studios	Economy Chains		
3 Palms	Midscale Chains	Days Inn	Economy Chains		

Source: Smith Travel Research



7.7 JLL Select Service and Full Service Designations

In the following tables, we have summarized JLL’s classification of brands into either the full-service or select-service segment based upon the brand’s typical programming attributes.

JLL Classification of Brands by Positioning Segment							
Brand	Segment	Brand	Segment	Brand	Segment	Brand	Segment
21c Museum Hotel	Full service	Canad Inn	Select service	Dream Hotels	Full service	Hawthorn Suites by Wyndham	Select service
3 Palms	Select service	Candlewood Suites	Select service	Drury Inn	Full service	Heritage	Select service
A Victory	Select service	Canopy by Hilton	Select service	Drury Inn & Suites	Full service	Hilton	Full service
AC Hotels by Marriott	Select service	Capella	Full service	Drury Lodge	Full service	Hilton Garden Inn	Select service
Ace Hotel	Full service	Centerstone Hotels	Select service	Drury Plaza Hotel	Full service	Hilton Grand Vacations	Full service
Affinia Hotel	Full service	Chase Suites	Select service	Drury Suites	Full service	Holiday Inn	Full service
Affordable Suites of America	Select service	Citadines	Select service	dustID2	Select service	Holiday Inn Express	Select service
AKA	Full service	citizenM	Independent	Econo Lodge	Select service	Holiday Inn Garden Court	Select service
Allia	Full service	CitizenM Hotels	Select service	Edillon	Full service	Holiday Inn Select	Select service
aloft Hotel	Select service	Clarion	Full service	element	Select service	Home Inn	Select service
Aman	Full service	Club Med	Full service	Embassy Suites	Full service	Home2 Suites	Select service
America’s Best Inn	Select service	Club Quarters	Full service	Eurostars Hotel	Full service	Home-Towne Suites	Select service
America’s Best Suites	Select service	ClubHouse	Select service	EVEN Hotels	Select service	Homewood Suites	Select service
Americas Best Value Inn	Select service	Coast Hotels & Resorts USA	Select service	Extended Stay America	Select service	Hotel Indigo	Select service
AmericInn	Select service	Coast Hotels USA	Full service	E-Z 8	Select service	Hotel Nikko	Full service
AmeriVu Inn & Suites	Select service	Cobblestone	Select service	FairBridge Inn	Select service	Hotel RL	Select service
Andaz	Full service	Comfort Inn	Select service	Fairfield Inn	Select service	Howard Johnson	Select service
Apa Hotel	Full service	Comfort Suites	Select service	Fairmont	Full service	Hyatt	Full service
Aqua Hotels & Resorts	Select service	COMO	Full service	Family Inn	Select service	Hyatt Centric	Full service
Ascend Collection	Select service	Conrad	Full service	Fireside Inn & Suites	Full service	Hyatt House	Select service
Aston Hotel	Select service	Country Hearth Inn	Select service	Firmdale	Full service	Hyatt Place	Select service
Alton	Select service	Country Inn & Suites	Select service	Four Points by Sheraton	Select service	Hyatt Regency	Full service
Autograph Collection	Full service	Courtyard	Select service	Four Seasons	Full service	Iberostar Hotels & Resorts	Full service
Ayres	Select service	Crestwood Suites	Select service	Gaylord	Full service	ibis	Select service
Baymont	Select service	Crossings by GrandStay	Select service	Glo Hotel	Full service	ibis styles	Select service
Belmond Hotels	Full service	Crossland Economy Studios	Select service	Golden Tulip	Select service	Independent	Independent
Best Western	Select service	Crowne Plaza	Full service	Good Nile Inn	Select service	Innkeeper’s Lodge	Select service
Best Western Plus	Select service	Crystal Inn	Select service	Graduate Hotel	Full service	Inside by Mella	Select service
Best Western Premier	Select service	Curio Collection	Full service	Grand America	Select service	InnSuites Hotel	Select service
Boarders Inn & Suites	Select service	Days Inn	Select service	Grand Hyatt	Full service	Insinct Hotels	Full service
Boulders Inn & Suites	Select service	Dazzler	Select service	GrandStay Hotels	Full service	InterContinental	Full service
Bridgestreet Accommodations	Full service	Delta Hotel	Full service	GrandStay Residential Suites	Select service	InTown Suites	Select service
Budget Host	Select service	Destination Hotels	Full service	Great Western	Select service	Isle of Capri	Full service
Budget Suites of America	Select service	Disney Hotels	Select service	Great Wolf Lodge	Full service	Jameson Inn	Select service
Budgetel	Select service	Dolce Hotels & Resorts	Full service	GreenTree Inn	Select service	Jole De Vivre	Full service
BW Premier Collection	Select service	Dorchester Collection	Full service	GuestHouse Inn	Select service	Jolly	Select service
Cabot Lodge	Select service	DoubleTree	Full service	Hampton	Select service	JW Marriott	Full service
Cambria hotel & suites	Select service	DoubleTree Club	Select service	Hampton Inn	Select service	Key West Inn	Select service
Cambria Suites	Select service	Downowner Inn	Select service	Hampton Inn & Suites	Select service	Kimpton	Full service
Camino Real	Full service	Doyle Collection	Full service	Hard Rock	Full service	Knights Inn	Select service

Source: JLL

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JLL Classification of Brands by Positioning Segment (Continued)							
Brand	Segment	Brand	Segment	Brand	Segment	Brand	Segment
La Quinta Inns & Suites	Select service	Novotel	Full service	Rodeway Inn	Select service	TownPlace Suites	Select service
Lakeview	Select service	NYLO Hotel	Full service	Room Mate	Select service	Toyoko Inn	Select service
Langham	Full service	O'Callaghan	Select service	Rosewood	Full service	Trademark Hotel Collection	Full service
Larkspur Landing	Select service	Oak Tree Inn	Select service	Sandman	Select service	Travel Inn	Select service
Le Meridien	Full service	OHANA	Full service	Savannah Suites	Select service	Travelodge	Select service
Legacy Vacation Club	Select service	Omni	Full service	Scottish Inn	Select service	Tribute Portfolio	Full service
Lexington	Select service	Outrigger Resorts	Full service	Select Inn	Select service	Tru by Hilton	Select service
Lite Hotels	Select service	Oxford	Select service	Settle Inn	Select service	Trump Hotel Collection	Full service
Loews	Full service	Oxford Suites	Select service	Shell Vacations Club	Select service	Tryp by Wyndham	Select service
Lotte Hotel	Full service	Palace Inn	Select service	Sheraton Hotel	Full service	UpTown Suites	Select service
Lotte Hotels & Resorts	Full service	Pan Pacific	Full service	Shilo Inn	Select service	Vacation Condos by Outrigger	Select service
Loyalty Inn	Select service	Park Hyatt	Full service	Signature Inn	Select service	Vagabond Inn	Select service
Luxury Collection	Full service	Park Inn	Select service	Silver Cloud	Select service	Valencia Group	Full service
Lyric Suites	Full service	Park Plaza	Select service	Six Senses	Full service	Value Place	Select service
Magnolia	Full service	Passport Inn	Select service	Sixty Hotels	Full service	Vib	Select service
MainStay Suites	Select service	Pear Tree Inn	Select service	Sleep Inn	Select service	Viceroy	Full service
Mama Shelter	Select service	Pestana	Full service	Softel	Full service	Virgin Hotel	Full service
Mandarin Oriental	Full service	Phoenix Inn	Select service	Sonesta ES Suites	Select service	Vista	Select service
Mantra	Independent	Prince Hotel	Select service	Sonesta Hotel	Full service	W Hotel	Full service
Margaritaville	Full service	Pullman	Full service	Springhill Suites	Select service	Waldorf Astoria	Full service
Marriott	Full service	Quality	Select service	St Regis	Full service	Wanda Vista	Full service
Marriott Conference Center	Full service	Quality Inn	Select service	St. Giles Hotel	Full service	Warwick Hotel	Full service
Master Hosts Inns	Select service	Radisson	Full service	Starhotels	Full service	Westin	Full service
Masters Inn	Select service	Radisson Blu	Full service	Staybridge Suites	Select service	Westmark	Select service
ME	Independent	Radisson RED	Full service	Stoney Creek	Select service	Wingate by Wyndham	Select service
Melia	Full service	Ramada	Full service	Studio 6	Select service	WoodSpring Suites	Select service
MGallery by Sofitel	Full service	Ramada Plaza	Select service	Suburban Extended Stay	Select service	Wyndham	Full service
MGallery Hotel	Full service	Red Campton	Full service	Sun Suites	Select service	Wyndham Garden Hotel	Select service
Microtel Inn & Suites by Wynd	Select service	Red Carpet Inn	Select service	Super 8	Select service	Wyndham Grand	Full service
Millennium	Full service	Red Lion	Full service	SureStay	Select service	Wyndham Grand Hotels	Full service
Miraval	Full service	Red Lion Hotel	Select service	SureStay Collection	Select service	Wyndham Vacation Resort	Full service
Miyako	Select service	Red Lion Inn & Suites	Select service	SureStay Plus	Select service	Xanterra	Full service
Mokara	Full service	Red Roof Inn	Select service	SureStay Signature Collection	Select service	Yotel	Select service
Montage	Full service	Regent	Full service	Swissotel	Full service		
Motel 6	Select service	Renaissance	Full service	Taj	Full service		
MOXY	Select service	Residence Inn	Select service	Tapestry Collection	Full service		
My Place	Select service	Ritz-Carlton	Full service	The Peninsula	Full service		
National 9	Select service	RIU Hotel	Select service	The Unbound Collection	Full service		
New Otani	Full service	RockResorts	Full service	Thompson Hotels	Full service		
Nobu Hotels	Full service	Rode Inn	Select service	Time Hotels	Full service		

Source: JLL



7.8 Average Price Per Key for Full-Service and Select-Service Hotel Transactions in the Subject Portfolio's Markets

JLL has compiled the average price per key for full-service and select-service hotel transactions in the United States as well as in the lodging markets in which the subject portfolio contains assets since 2015. As shown in the table below, the average price per key for full-service hotel transactions was higher than the average price per key for select-service hotel transactions in all of the subject portfolio's markets, except Salt Lake City:

Average Price Per Key (Hotel Transactions, 2015-Present)		
	Full Service	Select Service
United States - Total	\$226,572	\$168,554
Atlanta, GA	\$157,473	\$119,823
Dallas / Fort Worth ¹	\$154,926	\$110,203
Denver	\$168,030	\$116,709
Houston	\$164,933	\$113,105
Los Angeles / Anaheim ²	\$292,932	\$200,551
New York ³	\$423,389	\$361,556
Orlando	\$96,096	\$88,624
San Bernardino	\$166,417	\$121,319
Sacramento	\$165,042	\$129,581
Salt Lake City	\$107,783	\$118,993
San Francisco / San Jose ⁴	\$415,028	\$306,312

1. Includes the Dallas and Fort Worth/Arlington lodging markets.
2. Includes the Los Angeles/Long Beach and Anaheim/Santa Ana lodging markets.
3. Includes the New York, Newark, Central NJ, Bergen/Passaic, Lower Hudson Valley, and Long Island lodging markets.
4. Includes the San Francisco/San Mateo and San Jose/Santa Cruz lodging markets.

Source: JLL

7.9 Summary of Smith Travel Research Designations for the Subject Portfolio

The table below provides a summary of the location type, chain scale, and class assigned to each property in the hotel by Smith Travel Research as well as JLL's classification of each branded hotel into either the full-service or select-service segment.

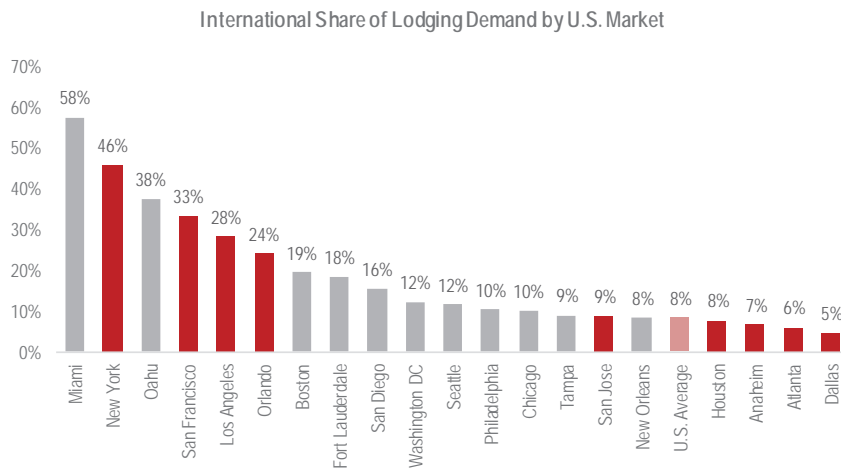
Property	Rooms	Lodging Market	Subject Portfolio			Location Type	Chain Scale	Class	Positioning*
			Lodging Submarket	Metropolitan Area					
Hilton Atlanta Northeast	271	Atlanta, GA	Atlanta Chamblee/Norcross, GA	Atlanta-Sandy Springs-Roswell, GA		Suburban	Upper Upscale Chairs	Upper Upscale Class	Full service
Crowne Plaza Dallas Near Galleria - Addison	428	Dallas, TX	Addison/LBJ Freeway, TX	Dallas-Fort Worth-Arlington, TX		Suburban	Upscale Chairs	Upscale Class	Full service
Renaissance Denver Stapleton	400	Denver, CO	Denver Airport/East, CO	Denver-Aurora-Lakewood, CO		Urban	Upper Upscale Chairs	Upper Upscale Class	Full service
Holiday Inn Denver East - Stapleton	299	Denver, CO	Denver Airport/East, CO	Denver-Aurora-Lakewood, CO		Urban	Upper Midscale Chairs	Upper Midscale Class	Full service
Sheraton Denver Tech Center	263	Denver, CO	Denver Tech Center, CO	Denver-Aurora-Lakewood, CO		Suburban	Upper Upscale Chairs	Upper Upscale Class	Full service
Hilton Houston Galleria Area	292	Houston, TX	Houston Southwest Freeway, TX	Houston-The Woodlands-Sugar Land, TX		Suburban	Upper Upscale Chairs	Upper Upscale Class	Full service
Holiday Inn Hotel & Suites Anaheim	255	Anaheim/Santa Ana, CA	Disneyland, CA	Los Angeles-Long Beach-Anaheim, CA		Resort	Upper Midscale Chairs	Upper Midscale Class	Full service
Embassy Suites by Hilton Anaheim North	223	Anaheim/Santa Ana, CA	Anaheim, CA	Los Angeles-Long Beach-Anaheim, CA		Suburban	Upper Upscale Chairs	Upper Upscale Class	Full service
The Queen Mary Long Beach	347	Los Angeles/Long Beach, CA	Long Beach, CA	Los Angeles-Long Beach-Anaheim, CA		Urban	Independents	Upscale Class	Independent
Sheraton Pasadena	311	Los Angeles/Long Beach, CA	Pasadena/Glendale/Burbank, CA	Los Angeles-Long Beach-Anaheim, CA		Suburban	Upper Upscale Chairs	Upper Upscale Class	Full service
Crowne Plaza Danbury	242	Connecticut Area	Stamford/Danbury, CT	Bridgeport-Stamford-Norwalk, CT		Suburban	Upscale Chairs	Upscale Class	Full service
Renaissance Woodbridge	312	Central New Jersey	Brunswick/Edison Area, NJ	New York-Newark-Jersey City, NY-NJ-PA		Suburban	Upper Upscale Chairs	Upper Upscale Class	Full service
Holiday Inn Resort Orlando Suites - Waterpark	777	Orlando, FL	Orlando International Drive, FL	Orlando-Kissimmee-Sanford, FL		Resort	Upper Midscale Chairs	Upper Midscale Class	Full service
Embassy Suites by Hilton Palm Desert	198	Riverside & San Bernardino, CA	Palm Springs, CA	Riverside-San Bernardino-Ontario, CA		Resort	Upper Upscale Chairs	Upper Upscale Class	Full service
The Westin Sacramento	101	Sacramento, CA	Sacramento Northwest, CA	Sacramento-Roseville-Arden-Arcade, CA		Suburban	Upper Upscale Chairs	Upper Upscale Class	Full service
Doubletree by Hilton Salt Lake City Airport	288	Salt Lake City/Ogden, UT	Salt Lake CBD/Airport, UT	Salt Lake City, UT		Airport	Upscale Chairs	Upscale Class	Full service
Four Points by Sheraton San Jose Airport	195	San Jose/Santa Cruz, CA	San Jose/Campbell, CA	San Jose-Sunnyvale-Santa Clara, CA		Airport	Upscale Chairs	Upscale Class	Full service**
Holiday Inn Hotel & Suites San Mateo	172	San Francisco/San Mateo, CA	San Francisco Airport, CA	San Francisco-Oakland-Hayward, CA		Airport	Upper Midscale Chairs	Upper Midscale Class	Full service

*STR does not designate properties in the full-service or select-service segment. However, JLL classifies each branded hotel in the full-service or select-service segment based upon its brand's typical programming profile, regardless of property's individual programming attributes. JLL's brand classifications are summarized in Section 7.7. **Although Four Points by Sheraton is classified as select service (and counted as such in our portfolio analyses), the Four Points by Sheraton San Jose Airport delivers a product offering and service standard equivalent to that of a full service hotel.
Source: Smith Travel Research, JLL



7.10 International Share of U.S. Lodging Demand

Smith Travel Research does not collect and report data on the share of room nights at U.S. hotels that are occupied by international travels. However, CBRE has produced estimates for international visitors' share of total lodging demand in the U.S. as well as in 20 U.S. lodging markets.²⁷ The results of CBRE's analysis are summarized in the following chart:



Note: The estimates are based on overseas visitation and total lodging demand in 2015. Source: CBRE

²⁷ The methodology and results of CBRE's analysis are further detailed by Hotel News Now: <http://www.hotelnewsnow.com/Articles/240035/A-look-at-US-hotels-dependence-on-international-guests>.



7.11 Top-30 Metropolitan Statistical Areas by Nominal GDP

Top-30 U.S. Metropolitan Statistical Areas, Ranked by 2017 Nominal GDP		
	Metropolitan Statistical Area	Nominal GDP in 2017 (Millions of U.S. Dollars)
1	New York-Newark-Jersey City, NY-NJ-PA ¹	\$1,673,315.77
2	Los Angeles-Long Beach-Anaheim, CA	\$1,039,435.69
3	San Francisco-Oakland-Hayward, CA ²	\$643,861.57
4	Chicago-Naperville-Elgin, IL-IN-WI	\$635,210.11
5	Dallas-Fort Worth-Arlington, TX	\$493,613.26
6	Washington-Arlington-Alexandria, DC-VA-MD-WV	\$491,281.90
7	Houston-The Woodlands-Sugar Land, TX	\$465,892.92
8	Boston-Cambridge-Newton, MA-NH	\$417,252.07
9	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	\$402,863.45
10	Atlanta-Sandy Springs-Roswell, GA	\$355,049.16
11	Seattle-Tacoma-Bellevue, WA	\$330,079.43
12	Miami-Fort Lauderdale-West Palm Beach, FL	\$311,105.75
13	San Diego-Carlsbad, CA	\$245,772.86
14	Minneapolis-St. Paul-Bloomington, MN-WI	\$244,938.81
15	Detroit-Warren-Dearborn, MI	\$242,038.91
16	Phoenix-Mesa-Scottsdale, AZ	\$233,614.79
17	Baltimore-Columbia-Towson, MD	\$196,166.50
18	Riverside-San Bernardino-Ontario, CA	\$195,273.95
19	Denver-Aurora-Lakewood, CO	\$193,351.14
20	Portland-Vancouver-Hillsboro, OR-WA	\$164,129.52
21	Pittsburgh, PA	\$158,012.60
22	Tampa-St. Petersburg-Clearwater, FL	\$154,917.28
23	St. Louis, MO-IL	\$154,279.69
24	Charlotte-Concord-Gastonia, NC-SC	\$146,227.65
25	Sacramento-Roseville-Arden-Arcade, CA	\$144,952.02
26	Orlando-Kissimmee-Sanford, FL	\$137,703.91
27	Austin-Round Rock, TX	\$133,978.97
28	Columbus, OH	\$129,651.19
29	Cincinnati, OH-KY-IN	\$129,132.61
30	Cleveland-Elyria, OH	\$127,895.28

1. Includes the Bridgeport-Stamford-Norwalk MSA.

2. Includes the San Jose-Sunnyvale-Santa Clara MSA.

Source: U.S. Bureau of Economic Analysis, Moody's Analytics, JLL

7.12 Definition of Development Pipeline Phases

The definition of the pipeline phases from Smith Travel Research, referenced in this report are as follows:

- **In Construction:** Vertical construction on the physical building is reported to have begun. This does not include construction on any subgrade structures including, but not limited to, parking garages, underground supports/footers or any other type of sub-grade construction.

Market Research Overview

U.S. Hotel Asset Portfolio | March 19, 2019



- **Final Planning:** Refers to confirmed, under contract projects where construction is expected to begin within the next 12 months.
- **Planning:** Refers to confirmed, under contract projects where construction is not expected to begin for more than 13 months.



7.13 Statement of Assumptions and Limiting Conditions

1. Any report prepared by JLL represents an opinion of value, based on forecasts of net income such as are typically used in valuing income-producing properties. Actual results may vary from those forecast in the report. There is no guaranty or warranty that the opinion of value reflects the actual value of the property.
2. JLL is not obligated to predict future political, economic or social trends. JLL assumes no responsibility for economic factors that may affect or alter the opinions in any produced report if said economic factors were not present as of the date of the letter of transmittal accompanying this report.
3. Any report(s) prepared by JLL for the Client reflects a valuation of the property free and clear of any or all liens or encumbrances unless otherwise stated.
4. Responsible ownership and competent property management are assumed.
5. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
6. All engineering studies provided to JLL, if applicable, are assumed to be correct. The plot plans and illustrative material in this report are included only to help the reader visualize the property.
7. It is assumed that there are no hidden or unapparent conditions of the property, subsoil or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.
8. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the report.
9. It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless a non-conformity has been identified, described and considered in the report.
10. It is assumed that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
11. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
12. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by JLL. JLL has no knowledge of the existence of such materials on or in the property. JLL, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation and other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. Client is urged to retain an expert in this field, if desired.
13. Any allocation of the total value estimated in this report between the land and the improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other report and are invalid if so used.
14. Possession of this report, or a copy thereof, does not carry with it the right of publication.
15. JLL, by reason of the report, is not required to give further consultation or testimony or to be in attendance in court with reference to the property in question unless arrangements have been previously made.
16. Notwithstanding anything to the contrary in the engagement letter, maximum damages recoverable from JLL or any of its affiliates or their respective officers or employees shall be subject to applicable laws and regulations (including the Singapore Securities and Futures Act, Chapter 289 of Singapore).
17. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the consultant who prepared the report, or the firm with which the consultant is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of JLL, except as outlined in the attached engagement letter.

INDEPENDENT TAXATION REPORT

The Board of Directors
Eagle Hospitality REIT Management Pte. Ltd.
in its capacity as Manager of Eagle Hospitality Real Estate Investment Trust (the "REIT Manager")
50 Raffles Place
#32-01
Singapore Land Tower
Singapore 048623

DBS Trustee Limited
in its capacity as Trustee of Eagle Hospitality Real Estate Investment Trust (the "REIT Trustee")
12 Marina Boulevard
Level 44 Marina Bay Financial Centre Tower 3
Singapore 018982

The Board of Directors
Eagle Hospitality Business Trust Management Pte. Ltd.
in its capacity as Trustee-Manager of Eagle Hospitality Business Trust (the "Trustee-Manager")
50 Raffles Place
#32-01
Singapore Land Tower
Singapore 048623

16 May 2019

Dear Sirs

INDEPENDENT TAXATION REPORT

This letter has been prepared at the request of Eagle Hospitality REIT Management Pte. Ltd. (the "REIT Manager") for inclusion in the prospectus (the "**Prospectus**") to be issued in relation to the initial public offering of the stapled securities (the "**Stapled Securities**") in Eagle Hospitality Trust ("**EHT**") on the Main Board of Singapore Exchange Securities Trading Limited.

The purpose of this letter is to provide prospective purchasers of the Stapled Securities with an overview of the Singapore tax consequences of the acquisition, ownership and disposal of the Stapled Securities. This letter addresses principally purchasers who hold the Stapled Securities as investment assets. Purchasers who acquire the Stapled Securities for dealing purposes should consult their own tax advisers concerning the tax consequences of their particular situations.

This letter also provides an overview of the tax consequences that may be applicable to the entities within EHT in the Cayman Islands and the United States.

This letter is not a tax advice and does not attempt to describe comprehensively all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Stapled Securities. Prospective purchasers of the Stapled Securities should consult their own tax advisers to take into account the tax law applicable to their particular situations. In particular, prospective purchasers who are not Singapore tax residents are advised to consult their own tax advisers to take into account the tax laws of their respective country of tax residence and the existence of any tax treaty which their country of tax residence may have with Singapore.

This letter is based on the Singapore, the Cayman Islands and the United States income tax laws and relevant interpretations thereof current as at 8.00 a.m. Singapore time on the date of this letter, all of which are subject to change, possibly with retroactive effect.

Words and expressions defined in the Prospectus have the same meaning in this letter. In addition, unless the context requires otherwise, words in the singular include the plural and the other way around and words of one gender include the other gender.

SINGAPORE TAXATION

INCOME TAX

Tax Ruling

An application for the Tax Ruling was made based on the structure diagram of EHT as illustrated in "Structure of EHT" and, inter alia, the following representations and information:

- (a) The initial portfolio of EHT will, on the Initial Public Offering ("IPO") date, comprise 18 hotel properties located in the United States.
- (b) Each of Eagle Hospitality Trust S1 Pte Ltd ("SG Corp") and Eagle Hospitality S2 Pte Ltd ("SG Lending Sub") will be a wholly-owned subsidiary of Eagle Hospitality Real Estate Investment Trust ("EH-REIT").
- (c) EHT USI, Inc. ("US Corp"), a wholly-owned subsidiary of SG Corp, may make the following distributions to SG Corp:
 - (i) Ordinary income dividends paid out of US Corp's current or accumulated earnings and profits;
 - (ii) Return of capital from SG Corp's tax cost basis in US Corp's stock; and
 - (iii) Capital gain distributions where the distribution exceeds SG Corp's tax cost basis in US Corp's stock.
- (d) In the event of a future disposal of any of the Properties, distributions from US Corp to SG Corp should be made in the same manner as described above.
- (e) SG Lending Sub will wholly own a Cayman Islands Corporation ("**Cayman Corp 1**").
- (f) Cayman Corp 1 will extend an interest-bearing loan to US Corp which indirectly holds the Properties, from which Cayman Corp 1 is expected to derive interest income.
- (g) The terms of the loan will be at arm's length and based on transfer pricing studies performed.
- (h) Cayman Corp 1 is expected to make distributions to SG Lending Sub.
- (i) SG Corp and SG Lending Sub are each expected to pay dividends to EH-REIT.

Pursuant to the Tax Ruling, the Inland Revenue Authority of Singapore ("IRAS") confirmed the following:

- (a) The foreign-sourced dividends receivable by SG Corp from US Corp attributable to ordinary income dividends and capital gain distributions will not be subject to tax under Section 13(8) of the Income Tax Act, subject to meeting the conditions in Section 13(9) of the Income Tax Act;
- (b) The distributions receivable by SG Corp from US Corp attributable to return of capital will not be subject to tax;
- (c) The payment of one-tier exempt dividends by SG Lending Sub out of its unremitted foreign-sourced distribution income from Cayman Corp 1 kept in its offshore bank account to SG REIT's bank account in Singapore will not result in SG Lending Sub being deemed to have received the foreign-sourced income in Singapore from outside Singapore for the purposes of Section 10(1) and 10(25) of the Income Tax Act, subject to certain conditions;
- (d) The tax-exempt (one-tier) dividends receivable by EH-REIT from SG Corp and SG Lending Sub will not be subject to tax;
- (e) The distributions receivable by the Stapled Securityholders from EH-REIT, which is payable by EH-REIT out of tax-exempt (one-tier) dividends from SG Corp and SG Lending Sub, will not be subject to tax; and
- (f) To the extent that the structure of EH-REIT, the activities of the relevant entities held directly or indirectly by EH-REIT, the transaction and distribution flows remain the same as those represented in the Tax Ruling application, the Tax Ruling will remain valid in relation to future acquisitions of properties post-IPO and for the duration or term that EHT is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

Terms and conditions of the Tax Ruling

The Tax Ruling was made based on facts presented to the IRAS and IRAS' current interpretation and application of the existing tax law and the Tax Ruling will cease to apply if:

- (a) the arrangement is materially different from the arrangement identified in the Tax Ruling application;
- (b) there was a material omission or misrepresentation in, or in connection with, the application for the Tax Ruling;
- (c) an assumption about a future event or another matter that is material to the Tax Ruling, stated either in the Tax Ruling or in the application for the Tax Ruling subsequently proves to be incorrect; or
- (d) the IRAS stipulates a condition in the Tax Ruling that is not satisfied.

Where a provision of the Income Tax Act is repealed or amended, the Tax Ruling shall automatically not apply from the date of the repeal or amendment to the extent that the repeal or the amendment changes the way the provision applies in the Tax Ruling. Further, the IRAS may at any time withdraw the Tax Ruling from such date specified, by notifying EH-REIT in writing of the withdrawal and the reasons therefor.

General Principles of Taxation of a Trust

The income of a trust derived from or accrued in Singapore is chargeable to Singapore income tax. In addition, income earned outside Singapore and received or deemed received in Singapore is also chargeable to Singapore income tax unless otherwise exempted. There is no capital gains tax in Singapore. However, gains from the sale of investments are chargeable to tax if such gains are derived from a trade or business of dealing in investments. Singapore income tax is imposed

on all income chargeable to tax after deduction of the allowable expenses incurred and capital allowances, if any. Such income of the trust is assessed to tax in the name of the trustee at the prevailing corporate tax rate.

However, where a trust derives tax exempt income, the beneficiary of the trust is also exempt from tax on the tax exempt income of the trust to which he is beneficially entitled.

Taxation of EH-REIT

EH-REIT is expected to derive dividends from SG Corp and SG Lending Sub, and may derive gains from the sale of the shares in SG Corp and/or the shares of SG Lending Sub.

Taxable Income of EH-REIT

Except as detailed in the paragraphs below, the REIT Trustee will be subject to Singapore income tax at the prevailing corporate tax rate on taxable income (i.e. income ascertained to be chargeable to tax in accordance with the provisions of the Income Tax Act, after deduction of allowable expenses and applicable tax allowances) of EH-REIT. The current Singapore corporate tax rate is 17.0%

Tax Exempt Income of EH-REIT

Pursuant to the Tax Ruling, the IRAS has confirmed that tax-exempt dividends receivable by EH-REIT from SG Corp and SG Lending Sub will not be subject to tax, provided SG Corp and SG Lending Sub are each tax resident in Singapore respectively. For the purposes of the Income Tax Act, a company is considered to be tax resident of Singapore if the control and management of its business is exercised in Singapore.

Return of Capital to EH-REIT

Any return of capital received by EH-REIT from SG Corp and/or SG Lending Sub is capital in nature and hence, is not taxable in the hands of the REIT Trustee.

Disposal Gains of EH-REIT

Singapore does not impose tax on capital gains. In the event that the REIT Trustee disposes of the shares SG Corp and SG Lending Sub, gains arising from the disposal will not be subject to Singapore income tax unless the gains are considered income of a trade or business. If the gains are considered to be trading gains and derived in or received or deemed received in Singapore, such gains will be assessed to tax, currently at 17.0%.

Taxation of SG Corp and SG Lending Sub

Taxable Income of SG Corp and SG Lending Sub

Generally, SG Corp and SG Lending Sub will be subject to Singapore income tax at the prevailing corporate tax rate of 17.0% on its taxable income (i.e. income ascertained to be chargeable to tax in accordance with the provisions of the Income Tax Act, after deduction of allowable expenses and applicable tax allowances).

Distributions received by SG Corp and SG Lending Sub

Pursuant to the Tax Ruling, the IRAS has confirmed that:

- (a) The foreign-sourced dividends receivable by SG Corp from US Corp attributable to ordinary income dividends and capital gain distributions will not be subject to tax under Section 13(8) of the Income Tax Act, subject to meeting the conditions in Section 13(9) of the Income Tax Act;
- (b) The distributions receivable by SG Corp from US Corp attributable to return of capital will not be subject to tax;
- (c) The payment of one-tier exempt dividends by SG Lending Sub out of its unremitted foreign-sourced distribution income from Cayman Corp 1 kept in its offshore bank account to SG REIT's bank account in Singapore will not result in SG Lending Sub being deemed to have received the foreign-sourced income in Singapore from outside Singapore for the purposes of Section 10(1) and 10(25) of the Income Tax Act, and hence not taxable to SG Lending Sub, subject to certain conditions.

Disposal Gains of SG Corp and SG Lending Sub

Singapore does not impose tax on capital gains. In the event that the SG Corp or SG Lending Sub dispose their respective interests in US Corp and Cayman Corp 1, as the case may be, gains arising from the disposal will not be subject to Singapore income tax unless the gains are considered income of a trade or business. If the gains are considered to be trading gains and derived in or received or deemed received in Singapore, such gains will be assessed to tax, currently at 17.0%.

Taxation of Eagle Hospitality Business Trust ("EH-BT")

EH-BT which is registered as a business trust in Singapore under the Business Trusts Act will be treated like a company under the corporate tax system for Singapore income tax purposes. Consequently, EH-BT will be assessed to Singapore income tax on its Taxable Income, if any, at the prevailing corporate tax rate in accordance with the Income Tax Act.

Taxation of Stapled Securityholders

EH-REIT Distributions out of Taxable Income

Stapled Securityholders should not be subject to Singapore income tax on distributions made out of EH-REIT's income that has been taxed at the REIT Trustee level. Accordingly, distributions made by EH-REIT out of taxable income should not be subject to any tax deduction at source. No tax credit will be given to any Stapled Securityholder on the tax payable by the REIT Trustee on such taxable income.

EH-REIT Distributions out of Tax Exempt Income

Pursuant to the Tax Ruling, Stapled Securityholders will not be subject to Singapore income tax on distributions made out of EH-REIT's tax exempt income. No tax will be deducted at source on such distributions.

EH-REIT Distributions out of Return of Capital

Stapled Securityholders will not be subject to Singapore income tax on distributions made by EH-REIT out of its capital receipts, such as return of capital from SG Corp or SG Lending Sub. No tax will be deducted at source on such distributions.

EH-BT Distributions

Distributions made by EH-BT to the Stapled Securityholders should be exempt from Singapore income tax in the hands of the Stapled Securityholders, regardless of their respective status.

Disposal of Stapled Securities

Singapore does not impose tax on capital gains. Any gains on disposal of the Stapled Securities are not liable to tax provided the Stapled Securities are not held as trading assets. Where the Stapled Securities are held as trading assets of a trade or business carried on in Singapore, any gains on disposal of the Stapled Securities are liable to Singapore income tax at the applicable tax rate.

GOODS AND SERVICES TAX (“GST”)

GST Registration of EH-REIT

EH-REIT would not be eligible for GST registration as the dividends received from its investment in SG Corp and SG Lending Sub do not constitute taxable supplies for GST purposes.

Recovery of GST incurred by EH-REIT

While it is not registered for GST or not eligible for GST registration, subject to conditions, EH-REIT would be allowed to claim the GST incurred on its business expenses (such as offering-related and routine operating expenses) except for certain disallowed expenses, by way of GST remission granted by the Minister for Finance.

Pursuant to the GST remission, EH-REIT (as a Singapore listed REIT) is allowed to claim:

- GST on its allowable business expenses (such as offering-related and routine operating expenses), notwithstanding that it holds the underlying non-residential properties located outside Singapore indirectly through its SPVs; and
- GST incurred on the setting up of the SPVs or GST incurred by its SPVs on the acquisition and holding of the non-residential properties located outside Singapore.

These GST claims are subject to conditions governing the GST remission and the general input tax claims prescribed under the GST legislation. These conditions include the following:

- EH-REIT is listed or to be listed on the SGX-ST;
- EH-REIT has veto rights over key operational issues of its SPVs holding the underlying non-residential properties;
- the underlying non-residential properties of EH-REIT make taxable supplies or out-of-scope supplies which would have been taxable supplies if made in Singapore (e.g. lease of non-residential properties located outside Singapore); and
- EH-REIT may need to apportion its input tax claims if EH-REIT/its SPVs makes non-regulation 33 exempt supplies (“NR 33 EX SS”) or out-of-scope NR 33 EX SS.

The aforementioned GST remission is applicable for expenses incurred up to and including 31 December 2025. If this remission is not subsequently extended, EH-REIT will not be able to claim GST incurred on its business expenses and those that are incurred by its SPVs if they continue not to be eligible for GST registration after 31 December 2025.

GST Registration of EH-BT

EH-BT would not be eligible for GST registration as it is currently dormant and does not make any taxable supplies. Hence, the GST incurred on EH-BT's business expenses (such as offering-related and routine operating expenses) is not claimable from the IRAS. The non-recoverable GST will thus be part of EH-BT's business cost.

However, in the event that it subsequently undertakes business activities that derive taxable supplies, it would be eligible for GST registration, and hence, is able to claim GST incurred on its business expenses subject to the normal input tax claiming conditions.

GST Registration of SG Corp and SG Lending Sub

SG Corp and SG Lending Sub would not be eligible for GST registration as the dividends or distributions received from their investments in US Corp and Cayman Corp 1 respectively do not constitute taxable supplies for GST purposes.

Recovery of GST incurred by SG Corp and SG Lending Sub

While SG Corp and SG Lending Sub are not eligible for GST registration, subject to conditions, SG Corp and SG Lending Sub would be allowed to claim the GST on expenses incurred on their indirect acquisitions and holding of the non-residential properties by way of GST remission valid till 31 December 2025.

Issue and Transfer of Stapled Securities

The issue or transfer of ownership of a unit under any unit trust in Singapore is exempt from GST. Hence, Stapled Securityholders would not incur any GST on the subscription of the Stapled Securities.

The subsequent disposal or transfer of the Stapled Securities by Stapled Securityholders belonging in Singapore through the SGX-ST to the extent that the identity of the buyer is not known or to another person belonging in Singapore is regarded as an exempt supply and is not subject to GST. Similar disposal or transfer of the Stapled Securities to another person belonging outside Singapore would constitute zero-rated supplies for Singapore GST purposes.

The subsequent disposal or transfer of the Stapled Securities by Stapled Securityholders belonging outside Singapore is outside the Singapore GST regime.

Recovery of GST incurred by the Stapled Securityholders

Generally, services such as legal fee, brokerage, handling and clearing charges rendered by a GST-registered person to Stapled Securityholders belonging in Singapore in connection with their purchase and sale of the Stapled Securities would be subject to GST at the prevailing standard-rate of 7% (note that the rate will be increased to 9% between 2021 to 2025). Similar services rendered to Stapled Securityholders belonging outside Singapore could be zero-rated when certain conditions are met.

For Stapled Securityholders belonging in Singapore who are registered for GST, any GST on expenses incurred in connection with the subscription/acquisition or disposal of the Stapled Securities is generally not recoverable as input tax credit from the IRAS unless certain conditions are satisfied (e.g. the subsequent disposal of the Stapled Securities is made to an investor belonging outside Singapore).

Investors should seek the advice of their own tax advisers on the recoverability of GST incurred on expenses in connection with the purchase and disposition of the Stapled Securities.

Stamp Duty

Stamp duty should not be imposed on instruments of transfers relating to the Stapled Securities.

CAYMAN ISLANDS TAXATION

As the Cayman Islands does not impose any direct taxes (including income tax and withholding tax), Cayman Corp 1 (which receives interest from US Corp), Cayman Corp 2 (which receives distributions from the Cayman LLCs) and the Cayman LLCs (which receives distributions from the ASAP6 Holdcos) are not expected to be subject to tax in the Cayman Islands. In addition, withholding tax will not be applicable on distributions paid by Cayman Corp 1 to SG Lending Sub.

UNITED STATES TAXATION

The following is a description of (i) certain U.S. federal income tax consequences relating to EH-REIT and its wholly-owned Singapore corporations SG Corp and SG Lending Sub, (ii) certain U.S. federal income tax consequences relating to the U.S. subsidiary of the EH-REIT US Corp indirectly held through SG Corp, the Cayman Islands subsidiary of US Corp (“Cayman Corp 2”), and the Cayman Islands subsidiary of SG Lending Sub (“Cayman Corp 1”), and (iii) certain U.S. federal income tax consequences of the ownership and disposition of the Stapled Securities to Non-U.S. Stapled Securityholders (as defined below).

The discussion below is based on the applicable provisions of the Internal Revenue Code of 1986, as amended (“IRC”), the Treasury Regulations issued under the foregoing, income tax treaties, and judicial and administrative interpretations thereof. The Tax Cuts and Jobs Act was signed into law on December 22, 2017. The Tax Cuts and Jobs Act make significant changes to the U.S. federal income tax rules for taxation of individuals and corporations.

The above authorities are subject to change, retroactively and/or prospectively, and any such changes could affect the validity of the conclusions reached. Prospective purchasers are urged to consult with their tax advisors with respect to the above authorities and any other regulatory or administrative developments and proposals and their potential effect on investment in the Stapled Securities.

Taxation of EH-REIT

Classification of EH-REIT as a Partnership for U.S. Federal Income Tax Purposes

Although EH-REIT is organised as a trust in Singapore, it has elected to be treated as a partnership for U.S. federal income tax purposes. While publicly traded partnerships are generally taxable as corporations under applicable U.S. tax rules, an exception exists with respect to a publicly traded partnership that would not be a regulated investment company were it organised as a U.S. corporation and of which 90% or more of the gross income for every taxable year consists of “qualifying income.” Qualifying income includes, among other things, income and gains derived from (i) interest (other than that from a financial business), (ii) dividends, (iii) the sale of real property and (iv) the sale or other disposition of capital assets that otherwise produce qualifying income. EH-REIT expects it will meet both of these requirements and will, therefore, be taxable as a partnership. EH-REIT does not expect that any other rules that result in EH-REIT being subject to corporate-level tax, including the so-called U.S. inversion rules of IRC section 7874, should apply. If the IRS were to challenge EHT’s partnership status on this basis and, contrary to expectations, were to succeed in such a challenge, EHT could be treated as a corporation for U.S. federal corporate income tax and Stapled Securityholders could be subject to

a 30% withholding tax on distributions. The Managers understand that the risk of this outcome is low. See more generally the tax risk factor regarding EHT being treated as engaging in a U.S. trade or business.

EH-REIT as a Withholding Foreign Partnership

EH-REIT intends to enter into an agreement with the IRS to be a withholding foreign partnership (“WFP”). Under the agreement, EH-REIT would assume primary withholding responsibility with respect to distributions it makes to Stapled Securityholders. As a result, documentation collected by EH-REIT from Stapled Securityholders is retained and does not get transferred by EH-REIT to other funds, portfolio companies, upstream withholding agents, or the IRS, and U.S. tax reporting and compliance will thus be simplified.

As a WFP, EH-REIT also must agree to assume certain obligations, including applying the appropriate U.S. withholding tax rates on amounts distributed to all partners. US Corp will generally pay all interest to Cayman Corp 1 gross (that is, without reduction for any U.S. withholding taxes). Similarly, SG Corp and the SG Lending Sub will generally pay all dividends to EH-REIT gross. EH-REIT will then be required to apply the appropriate amount of withholding tax based on the type of income received and the respective tax classifications of the Stapled Securityholders. EH-REIT may be liable for any under-withholding as well as associated penalties and/or interest.

FATCA

Non-United States financial institutions are subject to specific due diligence and reporting requirements for purposes of identifying accounts and investments held directly or indirectly by United States persons. The failure of a Non-United States financial institution to comply with these additional information reporting, certification and other requirements could result in a 30% withholding tax on applicable payments of United States sourced income. Pursuant to the legislation regarding Intergovernmental Agreements between the United States and the Singapore government for the implementation of FATCA (“Singapore IGA Legislation”), The Central Depository (Pte) Limited (“CDP”) and CDP depository agents may be required to withhold 30% of the gross amount of “withholdable payments” (generally allocable shares of income as defined in the IRC) paid or deemed paid to a foreign financial institution (“FFI”) or to a nonfinancial foreign entity, unless (i) the FFI undertakes specified diligence and reporting obligations regarding ownership of its accounts by United States persons or (ii) the nonfinancial foreign entity either certifies it does not have any substantial U.S. owners or furnishes identifying information regarding each substantial U.S. owner, respectively. FFIs located in jurisdictions that have an intergovernmental agreement with the United States with respect to these requirements may be subject to different rules.

The foregoing withholding regime is now in effect for payments from sources within the United States but, according to recent administrative guidance, would apply to “foreign passthru payments” two years after the date of publication in the Federal Register of final regulations defining the term “foreign passthru payment”. Stapled Securityholders should consult with their tax adviser regarding their compliance.

Partnership Information Returns and Audit Procedures

EH-REIT intends to make available to each Stapled Securityholders that is a United States person, after the close of each taxable year, required tax information, which sets forth each Unit’s share EH-REIT’s income, gain, loss and deduction for the preceding taxable year. The IRS may audit the federal income tax information returns filed by EH-REIT. Adjustments resulting from any such audit may require each partner to adjust a prior year’s tax liability.

EH-REIT intends to elect to adopt newly issued audit procedures effective as of its date of formation. Under these procedures, if the IRS makes audit adjustments to EH-REIT's income tax information returns, it may assess and collect any taxes (including any applicable penalties and interest) resulting from such audit adjustment directly from EH-REIT. Generally, instead of paying any taxes itself, EH-REIT may elect to have any adjustments to its taxable income passed through to those persons who held Stapled Securities during the tax year under audit in proportion to their Stapled Securityholdings in EH-REIT during the tax year under audit, but there can be no assurance that such election will be effective in all circumstances. If EH-REIT does not or is unable to make this election, then the Stapled Securityholders at the time of the audit may bear some or all of the tax liability resulting from such audit adjustment, even if such Stapled Securityholders did not own Stapled Securities during the tax year under audit. If, as a result of any such audit adjustments, EH-REIT is required to make payments of taxes, penalties and interest, its cash available for distribution to Stapled Securityholders would be reduced.

Taxation of US Corp

Classification of US Corp as a Corporation for U.S. Federal Income Tax Purposes

US Corp is classified as a corporation for U.S. federal income tax purposes. US Corp is organised under the laws of Delaware and, therefore, is treated as a domestic corporation.

Income Subject to U.S. Taxation

A domestic corporation is generally subject to U.S. corporate-level tax (the maximum federal rate is 21%) on its worldwide taxable income (i.e., gross income less allowable deductions). The income generated by the USHI Portfolio and the ASAP 6 Portfolio is includable by US Corp in determining its taxable income. In addition, US Corp may be subject to state and local income or other taxation in various jurisdictions, and such treatment may differ from the U.S. federal income tax treatment described herein.

Expenses Deductible in Computing U.S. Taxable Income

US Corp may deduct ordinary and necessary business expenses paid or incurred during the taxable year in computing their U.S. taxable income. Such expenses include state and local taxes, depreciation expense with respect to the properties and interest expense subject to certain limitations.

A number of limitations may apply on the amount of deductible interest expense. For example, the loan must be respected as debt for U.S. tax purposes and interest on a loan owed to a related party is only deductible when paid. In addition, because Cayman Corp 1 and US Corp are under common control, the IRS could seek to reallocate gross income and deductions between these related parties if it determines that the rate of interest charged is in excess of an arm's length rate. In order to avoid such reallocation, US Corp intends to comply with transfer pricing practice relevant to determining the proper rate of interest payable to the Cayman Corp 1. In addition, US Corp intends to comply with available guidance regarding treatment of the loan from Cayman Corp 1 as *bona fide* debt.

A number of other rules also apply that may deny or limit the amount of interest deduction of US Corp. In particular, section 267A, enacted by the *Tax Cuts and Jobs Act*, denies the payor of interest a deduction for any "disqualified related party amount" paid or accrued pursuant to a "hybrid transaction" or by, or to, a "hybrid entity." On December 20th 2018, the IRS released new proposed regulations under Section 267A (the "267A Proposed Regulations"). Under these proposed regulations US Corp is not expected to be disallowed a deduction for the interest payments made to Cayman Corp 1. It is noted, however, that the 267A Proposed Regulations have not been finalised and, although not expected, it is possible that subsequent interpretations of

these regulations or the finalised 267A regulations will alter this conclusion. The loss of interest deductions for US Corp would severely impact EH-REIT's financial condition, cash flows and results of operations, with potentially negative impacts on the holders of stapled securities.

Although the interest income received by Cayman Corp 1 is not subject to an entity level tax in the Cayman Islands, this non-inclusion is not the result of hybridity but rather a result of the Cayman Island not imposing any direct taxes (including income or withholding tax) under existing legislation on its corporate entities. Furthermore, it is not expected for any investor in EH-REIT who is (i) tax resident in a jurisdiction that treats EH-REIT as fiscally transparent and (ii) a related investor (under the rules of section 954(d)(3) but without regard to downward attribution), to not include the interest income paid to Cayman Corp 1 in such investor's taxable income. For these reasons, it is not expected for the 267A Proposed Regulations to disallow US Corp a deduction for the interest payments made to Cayman Corp 1.

The Managers believe that the interest rate on the loan from Cayman Corp 1 is on an arm's length basis under applicable US transfer pricing regulations, that the deductibility of interest is not otherwise limited, and that the loan will be respected as *bona fide* debt. As such, the interest payments are expected to be fully deductible for US tax purpose.

Section 163(j), as amended by the *Tax Cuts and Jobs Act*, disallows a deduction for net business interest expense of any taxpayer in excess of 30% of a business's adjusted taxable income ("**ATI**"). ATI generally resembles a business's EBITDA. For tax years beginning after 2022, the definition of ATI is modified to take into account depreciation and amortization deductions (i.e., the definition becomes closer to a business's EBIT). Any business interest disallowed would be carried forward indefinitely. Taxpayers that conduct a "real property trade or business" may make an irrevocable election to avoid the section 163(j) limitation. The term "real property trade or business", for this purpose, generally means any real property development, redevelopment, construction, reconstruction, acquisition, conversion, rental, operation, management, leasing, or brokerage trade or business. The Treasury Department and the IRS issued proposed section 163(j) regulations on November 26, 2018. The proposed regulations provide guidance on certain definitional and structural matters but reserve on a number of issues such as the definition of what constitutes a "real property rental" business for this purpose. As such, although US Corp is currently not expected to be precluded from making a real property trade or business election for section 163(j) purposes, this is however subject to any clarification issued in the future by the Treasury Department and the IRS.

The REIT Manager intends to follow the development of these new rules closely in order to assess if US Corp may avail itself to the election to not apply the section 163(j) limitation in order to maximize the companies' deduction on interest expenses. The REIT Manager will seek the relevant US tax advice as appropriate.

Interest payments made by US Corp should generally be deductible in determining their U.S. taxable income taking into account the above provisions. Section 59A, enacted by the *Tax Cuts and Jobs Act*, imposes a base erosion and anti-abuse tax ("**BEAT**") on large multinationals. The tax is imposed on a group with average annual domestic gross receipts of US\$500 million or more for the three preceding tax years) that make significant deductible payments to related foreign parties (generally 25% related foreign persons related to the taxpayer or its shareholders.) The tax is computed by applying a special tax rate (generally, 5% for the 2018 tax year, 10% for years through 2025, and 12.5% thereafter, to an adjusted tax base (known as modified taxable income or "**MTI**"). BEAT applies to the extent that the resulting tax is greater than the taxpayer's regular federal corporate income tax (computed after the application of most credits). Taxpayers are subject to the BEAT only if they have a "base erosion percentage" of, generally, 3% or higher for the tax year. The interest payments by US Corp to Cayman Corp 1 are not expected to be subject to BEAT at the present time because the group does not have US\$500 million gross receipts.

In general, the deductions for interest and depreciation discussed above in respect of federal taxation are also applicable at the state and local level. However, some states do not conform to the federal taxation provisions, and such states may disallow the interest expense deduction. In those states that do not conform to the IRC or require certain modifications, even though federal taxable income may be in a loss position, there may be state taxable income due.

U.S. Federal Income Taxation of Distributions from US Corp to SG Corp

A distribution by US Corp to SG Corp (which has filed an election to confirm its classification as a corporation for U.S. federal income tax purposes) generally will be treated as dividend for U.S. federal income tax purposes to the extent that it is made out of current or accumulated earnings and profits. A distribution of this type will generally be subject to U.S. federal income tax and withholding at a rate of 30%. On the other hand, distributions in excess of US Corp's current and accumulated earnings and profits are generally a non-taxable return of capital to the extent that they do not exceed SG Corp's adjusted basis in its US Corp's stock, with the non-taxable return of capital reducing the adjusted basis in those Stapled Securities. Although distributions in excess of US Corp's current and accumulated earnings and profits are generally non-taxable to the extent that they do not exceed SG Corp's adjusted basis in its US Corp's stock, such distributions are nevertheless subject to 15% withholding. SG Corp may seek a refund from the IRS of any amounts withheld on distributions to it in excess of US Corp's current and accumulated earnings and profits, if the applicable withholding agent has properly deposited the withheld amounts with the IRS and such amounts exceed SG Corp's U.S. federal income tax liability.

US Corp is a USRPHC (i.e., a U.S. corporation whose assets consist principally of U.S. real property interests). Therefore, distributions that are in excess of its current and accumulated earnings and profits and cost basis will be taxed to SG Corp as if these distributions were ECI to SG Corp. Accordingly, SG Corp (i) will be taxed on these amounts at the ordinary U.S. federal income tax rates applicable to a U.S. corporation, currently at 21% and (ii) will be required to file a U.S. federal income tax return reporting these amounts, even if applicable withholding is imposed as described below. US Corp will generally be required to withhold 15% of any distributions to SG Corp that is not treated as a dividend for U.S. federal income tax purposes. The amount of any such tax withholding will be creditable against SG Corp's U.S. federal income tax liability, and SG Corp may file for a refund from the IRS of any amount withheld that is in excess of that tax liability, provided that the applicable withholding agent has properly deposited the withheld amounts with the IRS.

Taxation of Cayman Corp 2

Classification of Cayman Corp 2 as a Disregarded Entity for U.S. Federal Income Tax Purposes

Cayman Corp 2 is formed under the laws of Cayman Islands and for U.S. federal income tax purposes is a foreign eligible entity with a single owner that defaults to treatment as an association taxable as a corporation. Notwithstanding this default tax status, Cayman Corp 2 has made an election using Form 8832 to be disregarded as a separate entity for U.S. federal income tax purposes.

Taxation of Non-U.S. Stapled Securityholders

THE RULES GOVERNING THE U.S. FEDERAL INCOME TAXATION OF NON-U.S. HOLDERS ARE COMPLEX AND THIS SUMMARY IS FOR GENERAL INFORMATION ONLY. NON-U.S. HOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS TO DETERMINE THE IMPACT OF U.S. FEDERAL, STATE, LOCAL AND NON-U.S. INCOME TAX LAWS ON OWNERSHIP OF THE STAPLED SECURITIES, INCLUDING ANY REPORTING REQUIREMENTS.

The following discussion describes certain U.S. federal income tax consequences to Non-U.S. Holders (as defined below) of an investment in the Stapled Securities. This discussion applies only to investors that hold the Stapled Securities as capital assets and that acquire Stapled Securities in the Offering. This discussion is based upon current provisions of the Code, existing and proposed Treasury Regulations thereunder, current administrative rulings, judicial decisions and other applicable authorities. All of the foregoing authorities are subject to change, which change could apply retroactively and could affect the tax consequences described below.

The following discussion does not deal with the tax consequences to any particular investor or to persons in special tax situations (except as specifically addressed herein) such as banks, certain financial institutions, insurance companies, broker dealers, U.S. expatriates, traders that elect to mark to market, tax-exempt entities, persons liable for alternative minimum tax or persons holding a Unit as part of a straddle, hedging, conversion or integrated transaction.

A “**Non-U.S. Stapled Securityholder**” is a beneficial owner of a Unit that is neither a U.S. Holder nor a partnership (including an entity that is treated as a partnership for U.S. federal income tax purposes). A “**U.S. Stapled Securityholder**” is a beneficial owner of a Unit that is, for U.S. federal income tax purposes: (i) an individual citizen or resident of the U.S., (ii) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) organized in or under the laws of the U.S., any state thereof or the District of Columbia, (iii) an estate whose income is subject to U.S. federal income taxation regardless of its source or (iv) a trust that (a) is subject to the supervision of a court within the U.S. and the control of one or more U.S. persons or (b) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

The U.S. federal income tax treatment of a partner in a partnership or other entity treated as a partnership that holds Stapled Securities depends on the status of the partner and the activities of the partnership. Partners in a partnership that owns Stapled Securities should consult their own tax advisors as to the particular U.S. federal income tax considerations applicable to them.

U.S. Federal Income Taxation of Stapled Securityholders

Interest Payments from US Corp

SG Lending Sub and Cayman Corp 1 will be disregarded as separate from EH-REIT. Interest payments to Cayman Corp 1 will, therefore, be treated as being received by EH-REIT. As discussed above, EH-REIT will be treated as a partnership for U.S. federal income tax purposes. As such, each Stapled Securityholder will be required to take into account for U.S. federal income tax purposes its allocable share of interest payments from US Corp.

The interest payments from US Corp to Cayman Corp 1 will be free of U.S. federal income tax and the 30% withholding requirement to the extent the interest qualifies as “**portfolio interest.**” The interest is expected to qualify as portfolio interest with respect to any Non-U.S. Stapled Securityholder provided that (i) the beneficial owner does not actually or constructively own 10% or more of the total combined voting power of all classes of Stapled Securities entitled to vote, (ii) the beneficial owner is not a CFC to which US Corp is a “related person” within the meaning of the IRC, and (iii) the beneficial owner has provided a statement signed under penalties of perjury that includes its name and address and certifies that it is a Non-U.S. Stapled Securityholder in compliance with applicable requirements, on an applicable IRS Form W-8.

The constructive ownership rules generally attribute ownership of stock (i) to individuals from spouses, children, grandchildren and parents (“family attribution”), (ii) to beneficial owners of entities from such entities (“upward attribution”), (iii) to entities from their beneficial owners (“downward attribution”) and (iv) to option holders from options to acquire such stock (“option attribution”). In the case of (i) upward attribution and (ii) downward attribution from a shareholder that owns less than 50 percent of the value of a corporation, the stock attributed is proportional to (i) the beneficial owner’s ownership of the entity and (ii) the shareholder’s ownership interest in the corporation measured by value, respectively. In all other cases of downward attribution, all of the stock owned is attributed down.

All of the attribution rules generally apply simultaneously, except (i) stock constructively owned by an individual through family attribution cannot be subsequently treated as constructively owned by another individual through family attribution, (ii) stock constructively owned through downward attribution cannot be subsequently treated as constructively owned through upward attribution, (iii) stock constructively owned through option attribution cannot be subsequently treated as constructively owned through family, upward or downward attribution, and (iv) if option attribution and family attribution apply to the same stock, the stock is treated as constructively owned through option attribution.

Interest received that does not qualify as portfolio interest will generally be subject to U.S. federal income tax and withholding at a rate of 30% (or a lower applicable tax treaty rate) unless received by Cayman Corp 1 in respect of (i) a Non-U.S. Stapled Securityholder whose investment in the Stapled Securities is effectively connected with its conduct of a trade or business in the United States and a properly completed Form W-8ECI has not been completed or (ii) a Stapled Securityholder that is a U.S. person. Such Stapled Securityholders will be subject to tax with respect to interest from US Corp as ordinary income, and a corporate Non-U.S. Stapled Securityholder also may be subject to the 30% branch profits tax thereon. Non-U.S. Stapled Securityholders who have not submitted the relevant U.S. tax forms completely and accurately will also be subject to U.S. federal income tax and withholding tax at a rate of 30.0% (or a lower tax treaty rate, if applicable).

Disposition of the Stapled Securities

Gain on sale of Stapled Securities by a Non-U.S. Stapled Securityholder will not be subject to U.S. federal income taxation unless (i) the Non-U.S. Stapled Securityholder's investment in the Stapled Securities is effectively connected with its conduct of a trade or business in the United States (and, if provided by an applicable income tax treaty, is attributable to a permanent establishment or fixed base the Non-U.S. Stapled Securityholder maintains in the United States) and a properly completed Form W-8ECI has not been completed, (ii) the Non-U.S. Stapled Securityholder is present in the United State for 183 days or more in the taxable year of the sale and other specified conditions are met, or (iii) the Non-U.S. Stapled Securityholder is subject to U.S. federal income tax pursuant to the provisions of the U.S. tax law applicable to U.S. expatriates.

If gain on the sale of Stapled Securities would be subject to U.S. federal income taxation, the Stapled Securityholder would generally recognise any gain or loss equal to the difference between the amount realised and the Stapled Securityholder's adjusted basis in its Stapled Securities that are sold or exchanged. This gain or loss would be capital gain or loss, and would be long-term capital gain or loss if the Stapled Securityholder's holding period in its Stapled Securities exceeds one year. In addition, a corporate Non-U.S. Stapled Securityholder may be subject to the branch profits tax thereon.

Other Distributions by EH-REIT

Distributions by EH-REIT to a Non-U.S. Stapled Securityholder attributable to distributions received from SG Corp will not be subject to U.S. federal income taxation unless (i) the Non-U.S. Stapled Securityholder's investment in the Stapled Securities is effectively connected with its conduct of a trade or business in the United States (and, if provided by an applicable income tax treaty, is attributable to a permanent establishment or fixed base the Non-U.S. Stapled Securityholder maintains in the United States) and if a properly completed Form W-8ECI has not been completed or (ii) the Non-U.S. Stapled Securityholder is subject to U.S. federal income tax pursuant to the provisions of the U.S. tax law applicable to U.S. expatriates.

(See Annex for the United States Taxation Report issued by KPMG LLP (US).)

Yours faithfully

Leonard Ong
Executive Director, Tax
For and on behalf of
KPMG Services Pte. Ltd.

UNITED STATES TAXATION REPORT

The Board of Directors
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16 May 2019

Dear Sirs

Certain U.S. Federal Income Tax Considerations

THIS SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSIDERATIONS IS FOR GENERAL INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. THE SUMMARY DOES NOT DISCUSS ALL ASPECTS OF U.S. FEDERAL TAXATION THAT MAY BE RELEVANT TO A PARTICULAR PROSPECTIVE INVESTOR IN LIGHT OF ITS PARTICULAR CIRCUMSTANCES AND INCOME TAX SITUATION AND DOES NOT DESCRIBE ANY ESTATE, GIFT, STATE, LOCAL OR OTHER NON-TAX CONSIDERATIONS. PROSPECTIVE STAPLED SECURITYHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISERS REGARDING THE FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE STAPLED SECURITIES.

The following is a description of (i) certain U.S. federal income tax consequences relating to Eagle Hospitality Real Estate Investment Trust ("EH-REIT") and its wholly-owned Singapore corporations ("SG Corp" and "SG Lending Sub"), (ii) certain U.S. federal income tax consequences relating to the U.S. subsidiary of the EH-REIT ("US Corp") indirectly held through SG Corp, the Cayman Islands subsidiary of US Corp ("Cayman Corp 2"), and the Cayman Islands subsidiary of SG Lending Sub ("Cayman Corp 1"), and (iii) certain U.S. federal income tax consequences of the ownership and disposition of the Stapled Securities to Non-U.S. Stapled Securityholders (as defined below). (See Appendix F, "Independent Taxation Report – United States Taxation" and Appendix F, "Independent Taxation Report – Annex – United States Taxation Report")

The discussion below is based on the applicable provisions of the IRC, as amended, the Treasury Regulations issued under the foregoing, income tax treaties, and judicial and administrative interpretations thereof, as at 8.00 a.m. Singapore time on the date of this letter. The *Tax Cuts and Jobs Act* was signed into law on December 22, 2017. The *Tax Cuts and Jobs Act* make significant changes to the U.S. federal income tax rules for taxation of individuals and corporations.

The above authorities are subject to change, retroactively and/or prospectively, and any such changes could affect the validity of the conclusions reached. Prospective purchasers are urged to consult with their tax advisors with respect to the above authorities and any other regulatory or administrative developments and proposals and their potential effect on investment in the Stapled Securities.

Taxation of EH-REIT

Classification of EH-REIT as a Partnership for U.S. Federal Income Tax Purposes

Although EH-REIT is organised as a trust in Singapore, it has elected to be treated as a partnership for U.S. federal income tax purposes. While publicly traded partnerships are generally taxable as corporations under applicable U.S. tax rules, an exception exists with respect to a publicly traded partnership that would not be a regulated investment company were it organised as a U.S. corporation and of which 90% or more of the gross income for every taxable year consists of “qualifying income.” Qualifying income includes, among other things, income and gains derived from (i) interest (other than that from a financial business), (ii) dividends, (iii) the sale of real property and (iv) the sale or other disposition of capital assets that otherwise produce qualifying income. EH-REIT expects it will meet both of these requirements and will, therefore, be taxable as a partnership. EH-REIT does not expect that any other rules that result in EH-REIT being subject to corporate-level tax, including the so-called U.S. inversion rules of IRC section 7874, should apply. If the IRS were to challenge EHT’s partnership status on this basis and, contrary to expectations, were to succeed in such a challenge, EHT could be treated as a corporation for U.S. federal corporate income tax and Stapled Securityholders could be subject to a 30% withholding tax on distributions. The Managers understand that the risk of this outcome is low. See more generally the tax risk factor regarding EHT being treated as engaging in a U.S. trade or business.

EH-REIT as a Withholding Foreign Partnership

EH-REIT intends to enter into an agreement with the IRS to be a withholding foreign partnership (“WFP”). Under the agreement, EH-REIT intends to assume primary withholding responsibility with respect to distributions it makes to Stapled Securityholders. As a result, documentation collected by EH-REIT from Stapled Securityholders is retained and does not get transferred by EH-REIT to other funds, portfolio companies, upstream withholding agents, or the IRS, and U.S. tax reporting and compliance will thus be simplified.

As a WFP, EH-REIT also must agree to assume certain obligations, including applying the appropriate U.S. withholding tax rates on amounts distributed to all partners. US Corp will generally pay all interest to Cayman Corp 1 gross (that is, without reduction for any U.S. withholding taxes). Similarly, SG Corp and the SG Lending Sub will generally pay all dividends to EH-REIT gross. EH-REIT will then be required to apply the appropriate amount of withholding tax based on the type of income received and the respective tax classifications of the Stapled Securityholders. EH-REIT may be liable for any under-withholding as well as associated penalties and/or interest.

FATCA

Non-United States financial institutions are subject to specific due diligence and reporting requirements for purposes of identifying accounts and investments held directly or indirectly by United States persons. The failure of a Non-United States financial institution to comply with these additional information reporting, certification and other requirements could result in a 30% withholding tax on applicable payments of United States sourced income. Pursuant to the legislation regarding intergovernmental agreements between the United States and the Singapore government for the implementation of FATCA ("Singapore IGA Legislation"), The Central Depository (Pte) Limited ("CDP") and CDP depository agents may be required to withhold 30% of the gross amount of "withholdable payments" (generally allocable shares of income as defined in the IRC) paid or deemed paid to a foreign financial institution ("FFI") or to a nonfinancial foreign entity, unless (i) the FFI undertakes specified diligence and reporting obligations regarding ownership of its accounts by United States persons or (ii) the nonfinancial foreign entity either certifies it does not have any substantial U.S. owners or furnishes identifying information regarding each substantial U.S. owner, respectively. FFIs located in jurisdictions that have an intergovernmental agreement with the United States with respect to these requirements may be subject to different rules.

The foregoing withholding regime is now in effect for payments from sources within the United States but, according to recent administrative guidance, will apply to "foreign passthru payments" (a term not yet defined) no earlier than 1 January 2019. Stapled Securityholders should consult with their tax adviser regarding their compliance.

Partnership Information Returns and Audit Procedures

EH-REIT intends to make available to each Stapled Securityholders that is a United States person, after the close of each taxable year, required tax information, which sets forth each Unit's share EH-REIT's income, gain, loss and deduction for the preceding taxable year. The IRS may audit the federal income tax information returns filed by EH-REIT. Adjustments resulting from any such audit may require each partner to adjust a prior year's tax liability.

EH-REIT intends to elect to adopt newly issued audit procedures effective as of its date of formation. Under these procedures, if the IRS makes audit adjustments to EH-REIT's income tax information returns, it may assess and collect any taxes (including any applicable penalties and interest) resulting from such audit adjustment directly from EH-REIT. Generally, instead of paying any taxes itself, EH-REIT may elect to have any adjustments to its taxable income passed through to those persons who held Stapled Securities during the tax year under audit in proportion to their Stapled Securityholdings in EH-REIT during the tax year under audit, but there can be no assurance that such election will be effective in all circumstances. If EH-REIT does not or is unable to make this election, then the Stapled Securityholders at the time of the audit may bear some or all of the tax liability resulting from such audit adjustment, even if such Stapled Securityholders did not own Stapled Securities during the tax year under audit. If, as a result of any such audit adjustments, EH-REIT is required to make payments of taxes, penalties and interest, its cash available for distribution to Stapled Securityholders would be reduced.

Taxation of US Corp***Classification of US Corp as a Corporation for U.S. Federal Income Tax Purposes***

US Corp is classified as a corporation for U.S. federal income tax purposes. US Corp is organised under the laws of Delaware and, therefore, is treated as a domestic corporation.

Income Subject to U.S. Taxation

A domestic corporation is generally subject to U.S. corporate-level tax (the maximum federal rate is 21%) on its worldwide taxable income (i.e., gross income less allowable deductions). The income generated by the USHI Portfolio and the ASAP 6 Portfolio is includable by US Corp in determining its taxable income. In addition, US Corp may be subject to state and local income or other taxation in various jurisdictions, and such treatment may differ from the U.S. federal income tax treatment described herein.

Expenses Deductible in Computing U.S. Taxable Income

US Corp may deduct ordinary and necessary business expenses paid or incurred during the taxable year in computing their U.S. taxable income. Such expenses include state and local taxes, depreciation expense with respect to the properties and interest expense subject to certain limitations.

A number of limitations may apply on the amount of deductible interest expense. For example, the loan must be respected as debt for U.S. tax purposes and interest on a loan owed to a related party is only deductible when paid. In addition, because Cayman Corp 1 and US Corp are under common control, the IRS could seek to reallocate gross income and deductions between these related parties if it determines that the rate of interest charged is in excess of an arm's length rate. In order to avoid such reallocation, US Corp intends to comply with transfer pricing practice relevant to determining the proper rate of interest payable to the Cayman Corp 1. In addition, US Corp intends to comply with available guidance regarding treatment of the loan from Cayman Corp 1 as *bona fide* debt.

A number of other rules also apply that may deny or limit the amount of interest deduction of US Corp. In particular, section 267A, enacted by the *Tax Cuts and Jobs Act*, denies the payor of interest a deduction for any "disqualified related party amount" paid or accrued pursuant to a "hybrid transaction" or by, or to, a "hybrid entity." On December 20th 2018, the IRS released new proposed regulations under Section 267A (the "267A Proposed Regulations"). Under these proposed regulations US Corp is not expected to be disallowed a deduction for the interest payments made to Cayman Corp 1. It is noted, however, that the 267A Proposed Regulations have not been finalised and, although not expected, it is possible that subsequent interpretations of these regulations or the finalised 267A regulations will alter this conclusion. The loss of interest deductions for US Corp would severely impact EH-REIT's financial condition, cash flows and results of operations, with potentially negative impacts on the holders of stapled securities.

Although the interest income received by Cayman Corp 1 is not subject to an entity level tax in the Cayman Islands, this non-inclusion is not the result of hybridity but rather a result of the Cayman Island not imposing any direct taxes (including income or withholding tax) under existing legislation on its corporate entities. Furthermore, it is not expected for any investor in EH-REIT who is (i) tax resident in a jurisdiction that treats EH-REIT as fiscally transparent and (ii) a related investor (under the rules of section 954(d)(3) but without regard to downward attribution), to not include the interest income paid to Cayman Corp 1 in such investor's taxable income. For these reasons, it is not expected for the 267A Proposed Regulations to disallow US Corp a deduction for the interest payments made to Cayman Corp 1.

The REIT Manager believes that the interest rate on the loan from Cayman Corp 1 is on an arm's length basis under applicable US transfer pricing regulations, that the deductibility of interest is not otherwise limited, and that the loan will be respected as *bona fide* debt. As such, the interest payments are expected to be fully deductible for US tax purpose.

Section 163(j), as amended by the *Tax Cuts and Jobs Act*, disallows a deduction for net business interest expense of any taxpayer in excess of 30% of a business's adjusted taxable income ("**ATI**"). ATI generally resembles a business's EBITDA. For tax years beginning after 2022, the definition of ATI is modified to take into account depreciation and amortization deductions (i.e., the definition becomes closer to a business's EBIT). Any business interest disallowed would be carried forward indefinitely. Taxpayers that conduct a "real property trade or business" may make an irrevocable election to avoid the section 163(j) limitation. The term "real property trade or business", for this purpose, generally means any real property development, redevelopment, construction, reconstruction, acquisition, conversion, rental, operation, management, leasing, or brokerage trade or business. The Treasury Department and the IRS issued proposed section 163(j) regulations on November 26, 2018. The proposed regulations provide guidance on certain definitional and structural matters but reserve on a number of issues such as the definition of what constitutes a "real property rental" business for this purpose. As such, although US Corp is currently not expected to be precluded from making a real property trade or business election for section 163(j) purposes, this is however subject to any clarification issued in future by the Treasury Department and the IRS.

The REIT Manager intends to follow the development of these new rules closely in order to assess if US Corp may avail themselves to the election to not apply the section 163(j) limitation in order to maximize the companies' deduction on interest expenses. The REIT Manager will seek the relevant US tax advice as appropriate.

Interest payments made by US Corp should generally be deductible in determining their U.S. taxable income taking into account the above provisions. Section 59A, enacted by the *Tax Cuts and Jobs Act*, imposes a base erosion and anti-abuse tax ("**BEAT**") on large multinationals. The tax is imposed on a group with average annual domestic gross receipts of US\$500 million or more for the three preceding tax years) that make significant deductible payments to related foreign parties (generally 25% related foreign persons related to the taxpayer or its shareholders.) The tax is computed by applying a special tax rate (generally, 5% for the 2018 tax year, 10% for years through 2025, and 12.5% thereafter, to an adjusted tax base (known as modified taxable income or "**MTI**"). BEAT applies to the extent that the resulting tax is greater than the taxpayer's regular federal corporate income tax (computed after the application of most credits). Taxpayers are subject to the BEAT only if they have a "base erosion percentage" of, generally, 3% or higher for the tax year. The interest payments by US Corp to Cayman Corp 1 are not expected to be subject to BEAT at the present time because the group does not have US\$500 million gross receipts.

In general, the deductions for interest and depreciation discussed above in respect of federal taxation are also applicable at the state and local level. However, some states do not conform to the federal taxation provisions, and such states may disallow the interest expense deduction. In those states that do not conform to the IRC or require certain modifications, even though federal taxable income may be in a loss position, there may be state taxable income due.

U.S. Federal Income Taxation of Distributions from US Corp to SG Corp

A distribution by US Corp to SG Corp (which has filed an election to confirm its classification as a corporation for U.S. federal income tax purposes) generally will be treated as dividend for U.S. federal income tax purposes to the extent that it is made out of current or accumulated earnings and profits. A distribution of this type will generally be subject to U.S. federal income tax and withholding at a rate of 30%. On the other hand, distributions in excess of US Corp's current and accumulated earnings and profits are generally a non-taxable return of capital to the extent that they do not exceed SG Corp's adjusted basis in its US Corp's stock, with the non-taxable return of capital reducing the adjusted basis in those Stapled Securities. Although distributions in excess of US Corp's current and accumulated earnings and profits are generally non-taxable to the extent that they do not exceed SG Corp's adjusted basis in its US Corp's stock, such distributions are nevertheless subject to 15% withholding. SG Corp may seek a refund from the IRS of any amounts

withheld on distributions to it in excess of US Corp's current and accumulated earnings and profits, if the applicable withholding agent has properly deposited the withheld tax with the IRS.

US Corp is a USRPHC (i.e., a U.S. corporation whose assets consist principally of U.S. real property interests). Therefore, distributions that are in excess of its current and accumulated earnings and profits and cost basis will be taxed to SG Corp as if these distributions were ECI to SG Corp. Accordingly, SG Corp (i) will be taxed on these amounts at the ordinary federal income tax rates applicable to a U.S. corporation, currently at 21% and (ii) will be required to file a U.S. federal income tax return reporting these amounts, even if applicable withholding is imposed as described below. US Corp will generally be required to withhold 15% of any distributions to SG Corp that is not treated as a dividend for U.S. federal income tax purposes. The amount of any such withholding will be creditable against SG Corp's U.S. federal income tax liability, and SG Corp may file for a refund from the IRS of any amount withheld that is in excess of that tax liability, provided that the applicable withholding agent has properly deposited the withheld amounts with the IRS.

Taxation of Cayman Corp 2

Classification of Cayman Corp 2 as a Disregarded Entity for U.S. Federal Income Tax Purposes

Cayman Corp 2 is formed under the laws of Cayman Islands and for U.S. federal income tax purposes is a foreign eligible entity with a single owner that defaults to treatment as an association taxable as a corporation. Notwithstanding this default tax status, Cayman Corp 2 has made an election using Form 8832 to be disregarded as a separate entity for U.S. federal income tax purposes.

Taxation of Non-U.S. Stapled Securityholders

THE RULES GOVERNING THE U.S. FEDERAL INCOME TAXATION OF NON-U.S. HOLDERS ARE COMPLEX AND THIS SUMMARY IS FOR GENERAL INFORMATION ONLY. NON-U.S. HOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS TO DETERMINE THE IMPACT OF U.S. FEDERAL, STATE, LOCAL AND NON-U.S. INCOME TAX LAWS ON OWNERSHIP OF THE STAPLED SECURITIES, INCLUDING ANY REPORTING REQUIREMENTS.

The following discussion describes certain U.S. federal income tax consequences to Non-U.S. Holders (as defined below) of an investment in the Stapled Securities. This discussion applies only to investors that hold the Stapled Securities as capital assets and that acquire Stapled Securities in the Offering. This discussion is based upon current provisions of the Code, existing and proposed Treasury Regulations thereunder, current administrative rulings, judicial decisions and other applicable authorities. All of the foregoing authorities are subject to change, which change could apply retroactively and could affect the tax consequences described below.

The following discussion does not deal with the tax consequences to any particular investor or to persons in special tax situations (except as specifically addressed herein) such as banks, certain financial institutions, insurance companies, broker dealers, U.S. expatriates, traders that elect to mark to market, tax-exempt entities, persons liable for alternative minimum tax or persons holding a Unit as part of a straddle, hedging, conversion or integrated transaction.

A "**Non-U.S. Stapled Securityholder**" is a beneficial owner of a Unit that is neither a U.S. Holder nor a partnership (including an entity that is treated as a partnership for U.S. federal income tax purposes). A "**U.S. Stapled Securityholder**" is a beneficial owner of a Unit that is, for U.S. federal income tax purposes: (i) an individual citizen or resident of the U.S., (ii) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) organised in or under the

laws of the U.S., any state thereof or the District of Columbia, (iii) an estate whose income is subject to U.S. federal income taxation regardless of its source or (iv) a trust that (a) is subject to the supervision of a court within the U.S. and the control of one or more U.S. persons or (b) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

The U.S. federal income tax treatment of a partner in a partnership or other entity treated as a partnership that holds Stapled Securities depends on the status of the partner and the activities of the partnership. Partners in a partnership that owns Stapled Securities should consult their own tax advisors as to the particular U.S. federal income tax considerations applicable to them.

U.S. Federal Income Taxation of Stapled Securityholders

Interest Payments from US Corp

SG Lending Sub and Cayman Corp 1 will be disregarded as separate from EH-REIT. Interest payments to Cayman Corp 1 will, therefore, be treated as being received by EH-REIT. As discussed above, EH-REIT will be treated as a partnership for U.S. federal income tax purposes. As such, each Stapled Securityholder will be required to take into account for U.S. federal income tax purposes its allocable share of interest payments from US Corp.

The interest payments from US Corp to Cayman Corp 1 will be free of U.S. federal income tax and the 30% withholding requirement to the extent the interest qualifies as “**portfolio interest.**” The interest is expected to qualify as portfolio interest with respect to any Non-U.S. Stapled Securityholder provided that (i) the beneficial owner does not actually or constructively own 10% or more of the total combined voting power of all classes of Stapled Securities entitled to vote, (ii) the beneficial owner is not a CFC to which US Corp is a “related person” within the meaning of the IRC, and (iii) the beneficial owner has provided a statement signed under penalties of perjury that includes its name and address and certifies that it is a Non-U.S. Stapled Securityholder in compliance with applicable requirements, on an applicable IRS Form W-8.

The constructive ownership rules generally attribute ownership of stock (i) to individuals from spouses, children, grandchildren and parents (“family attribution”), (ii) to beneficial owners of entities from such entities (“upward attribution”), (iii) to entities from their beneficial owners (“downward attribution”) and (iv) to option holders from options to acquire such stock (“option attribution”). In the case of (i) upward attribution and (ii) downward attribution from a shareholder that owns less than 50 percent of the value of a corporation, the stock attributed is proportional to (i) the beneficial owner’s ownership of the entity and (ii) the shareholder’s ownership interest in the corporation measured by value, respectively. In all other cases of downward attribution, all of the stock owned is attributed down.

All of the attribution rules generally apply simultaneously, except (i) stock constructively owned by an individual through family attribution cannot be subsequently treated as constructively owned by another individual through family attribution, (ii) stock constructively owned through downward attribution cannot be subsequently treated as constructively owned through upward attribution, (iii) stock constructively owned through option attribution cannot be subsequently treated as constructively owned through family, upward or downward attribution, and (iv) if option attribution and family attribution apply to the same stock, the stock is treated as constructively owned through option attribution.

Interest received that does not qualify as portfolio interest will generally be subject to U.S. federal withholding at a rate of 30% (or a lower applicable tax treaty rate) unless received by Cayman Corp 1 in respect of (i) a Non-U.S. Stapled Securityholder whose investment in the Stapled Securities is effectively connected with its conduct of a trade or business in the United States and a properly completed Form W-8ECI has not been completed or (ii) a Stapled Securityholder that is a U.S. person. Such Stapled Securityholders will be subject to tax with respect to interest from

US Corp as ordinary income, and a corporate Non-U.S. Stapled Securityholder also may be subject to the 30% branch profits tax thereon. Non-U.S. Stapled Securityholders who have not submitted the relevant U.S. tax forms completely and accurately will also be subject to U.S. federal income tax and withholding tax at a rate of 30.0% (or a lower tax treaty rate, if applicable).

Disposition of the Stapled Securities

Gain on sale of Stapled Securities by a Non-U.S. Stapled Securityholder will not be subject to U.S. federal income taxation unless (i) the Non-U.S. Stapled Securityholder's investment in the Stapled Securities is effectively connected with its conduct of a trade or business in the United States (and, if provided by an applicable income tax treaty, is attributable to a permanent establishment or fixed base the Non-U.S. Stapled Securityholder maintains in the United States) and a properly completed Form W-8ECI has not been completed, (ii) the Non-U.S. Stapled Securityholder is present in the United State for 183 days or more in the taxable year of the sale and other specified conditions are met, or (iii) the Non-U.S. Stapled Securityholder is subject to U.S. federal income tax pursuant to the provisions of the U.S. tax law applicable to U.S. expatriates.

If gain on the sale of Stapled Securities would be subject to U.S. federal income taxation, the Stapled Securityholder would generally recognise any gain or loss equal to the difference between the amount realised and the Stapled Securityholder's adjusted basis in its Stapled Securities that are sold or exchanged. This gain or loss would be capital gain or loss, and would be long-term capital gain or loss if the Stapled Securityholder's holding period in its Stapled Securities exceeds one year. In addition, a corporate Non-U.S. Stapled Securityholder may be subject to the branch profits tax thereon.

Other Distributions by EH-REIT

Distributions by EH-REIT to a Non-U.S. Stapled Securityholder attributable to distributions received from SG Corp will not be subject to U.S. federal income taxation unless (i) the Non-U.S. Stapled Securityholder's investment in the Stapled Securities is effectively connected with its conduct of a trade or business in the United States (and, if provided by an applicable income tax treaty, is attributable to a permanent establishment or fixed base the Non-U.S. Stapled Securityholder maintains in the United States) and a properly completed Form W-8ECI has not been completed or (ii) the Non-U.S. Stapled Securityholder is subject to U.S. federal income tax pursuant to the provisions of the U.S. tax law applicable to U.S. expatriates.

Yours faithfully

Daniel J. Paulos
Principal, Tax
For and on behalf of
KPMG LLP (a Delaware limited liability partnership)

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APPENDIX G

**TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION FOR AND
ACCEPTANCE OF THE STAPLED SECURITIES IN SINGAPORE**

Applications are invited for the subscription of the Stapled Securities at the Offering Price per Stapled Security on the terms and conditions set out below and in the printed application forms to be used for the purpose of the Offering and which forms part of this Prospectus (the “**Application Forms**”) or, as the case may be, the Electronic Applications (as defined below).

Investors applying for the Stapled Securities in the Offering by way of Application Forms or Electronic Applications are required to pay (in the case of Public Offer Stapled Securities) in Singapore dollars and (in the case of Placement Stapled Securities) in United States dollars, the Offering Price of US\$0.78 per Stapled Security (such amount being S\$1.071 based on the exchange rate of US\$1.00 to approximately S\$1.3731 as determined by the Managers in consultation with DBS Bank Ltd.), subject to a refund of the full amount or, as the case may be, the balance of the application monies (in each case without interest or any share of revenue or other benefit arising therefrom) where (i) an application is rejected or accepted in part only, or (ii) if the Offering does not proceed for any reason.

- (1) **The minimum initial subscription is for 1,000 Stapled Securities. You may subscribe for a larger number of Stapled Securities in integral multiples of 100 thereof. Your application for any other number of Stapled Securities will be rejected.**
- (2) You may apply for the Stapled Securities only during the period commencing at 9.00 p.m. on 16 May 2019 and expiring at 12.00 noon on 22 May 2019. The Offering period may be extended or shortened to such date and/or time as the Managers may agree with the Joint Bookrunners, subject to all applicable laws and regulations and the rules of the SGX-ST.
- (3) (a) Your application for the Stapled Securities offered in the Public Offer (the “**Public Offer Stapled Securities**”) may be made by way of the printed **WHITE** Public Offer Stapled Securities Application Forms or by way of Automated Teller Machines (“**ATM**”) belonging to the Participating Banks (“**ATM Electronic Applications**”), the Internet Banking (“**IB**”) website of the relevant Participating Banks (“**Internet Electronic Applications**”) or the DBS Bank Ltd. (“**DBS Bank**”) mobile banking interface (“**mBanking Applications**”), which together with the ATM Electronic Applications and Internet Electronic Applications, shall be referred to as “**Electronic Applications**”).
- (b) Your application for the Stapled Securities offered in the Placement Tranche (the “**Placement Stapled Securities**”) may be made by way of the printed **BLUE** Placement Stapled Securities Application Forms (or in such other manner as the Joint Bookrunners may in their absolute discretion deem appropriate).
- (4) **You may not use your CPF Funds or CPF investible savings to apply for the Stapled Securities.**
- (5) **Only one application may be made for the benefit of one person for the Public Offer Stapled Securities in his own name. Multiple applications for the Public Offer Stapled Securities will be rejected, except in the case of applications by approved nominee companies where each application is made on behalf of a different beneficiary.**

You may not submit multiple applications for the Public Offer Stapled Securities via the Public Offer Stapled Securities Application Form, or Electronic Applications. A person who is submitting an application for the Public Offer Stapled Securities by way

of the Public Offer Stapled Securities Application Form may not submit another application for the Public Offer Stapled Securities by way of Electronic Applications and vice versa.

A person, other than an approved nominee company, who is submitting an application for the Public Offer Stapled Securities in his own name should not submit any other applications for the Public Offer Stapled Securities, whether on a printed Application Form or by way of an Electronic Application, for any other person. Such separate applications will be deemed to be multiple applications and shall be rejected.

Joint or multiple applications for the Public Offer Stapled Securities shall be rejected. Persons submitting or procuring submissions of multiple applications for the Public Offer Stapled Securities may be deemed to have committed an offence under the Penal Code, Chapter 224 of Singapore and the Securities and Futures Act, and such applications may be referred to the relevant authorities for investigation. Multiple applications or those appearing to be or suspected of being multiple applications (other than as provided herein) will be liable to be rejected at our discretion.

- (6) **Multiple applications may be made in the case of applications by any person for (i) the Placement Stapled Securities only (via Placement Stapled Securities Application Forms or such other form of application as the Joint Bookrunners may in their absolute discretion deem appropriate) or (ii) the Placement Stapled Securities together with a single application for the Public Offer Stapled Securities.**
- (7) Applications from any person under the age of 18 years, undischarged bankrupts, sole proprietorships, partnerships, chops or non-corporate bodies, joint Securities Account holders of CDP will be rejected.
- (8) Applications from any person whose addresses (furnished in their printed Application Forms or, in the case of Electronic Applications, contained in the records of the relevant Participating Bank, as the case may be) bear post office box numbers will be rejected. No person acting or purporting to act on behalf of a deceased person is allowed to apply under the Securities Account with CDP in the deceased's name at the time of the application.
- (9) The existence of a trust will not be recognised. Any application by a trustee or trustees must be made in his/her or their own name(s) and without qualification or, where the application is made by way of a printed Application Form by a nominee, in the name(s) of an approved nominee company or approved nominee companies after complying with paragraph 10 below.
- (10) **Nominee applications may only be made by approved nominee companies.** Approved nominee companies are defined as banks, merchant banks, finance companies, insurance companies, licensed securities dealers in Singapore and nominee companies controlled by them. Applications made by nominees other than approved nominee companies will be rejected.
- (11) **If you are not an approved nominee company, you must maintain a Securities Account with CDP in your own name at the time of your application.** If you do not have an existing Securities Account with CDP in your own name at the time of application, your application will be rejected (if you apply by way of an Application Form) at the sole discretion of the Managers or you will not be able to complete your application (if you apply by way of an Electronic Application). If you have an existing Securities Account with CDP but fail to provide your CDP Securities Account number or provide an incorrect CDP Securities Account number in your Application Form or in your Electronic Application, as the case may be, your application is liable to be rejected.

- (12) Subject to paragraphs 14 to 17 below, your application is liable to be rejected if your particulars such as name, National Registration Identity Card (“**NRIC**”) number or passport number or company registration number, nationality and permanent residence status, and CDP Securities Account number provided in your Application Form, or in the case of an Electronic Application, contained in the records of the relevant Participating Bank at the time of your Electronic Application, as the case may be, differ from those particulars in your Securities Account as maintained by CDP. If you have more than one individual direct Securities Account with CDP, your application shall be rejected.
- (13) If your address as stated in the Application Form or, in the case of an Electronic Application, contained in the records of the relevant Participating Bank, as the case may be, is different from the address registered with CDP, you must inform CDP of your updated address promptly, failing which the notification letter on successful allocation from CDP will be sent to your address last registered with CDP.
- (14) This Prospectus and its accompanying documents (including the Application Forms) have not been registered in any jurisdiction other than in Singapore. The distribution of this Prospectus and its accompanying documents (including the Application Forms) may be prohibited or restricted (either absolutely or unless various securities requirements, whether legal or administrative, are complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions.

Without limiting the generality of the foregoing, neither this Prospectus and its accompanying documents (including the Application Forms) nor any copy thereof may be taken, transmitted, published or distributed, whether directly or indirectly, in whole or in part in or into the United States or any other jurisdiction (other than Singapore) and they do not constitute an offer of securities for sale into the United States or any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such an offer. The Stapled Securities have not been and will not be registered under the Securities Act and may not be offered or sold within the United States (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state laws. The Stapled Securities are being offered and sold outside the United States (including institutional and other investors in Singapore) in reliance on Regulation S. There will be no public offer of Stapled Securities in the United States. Any failure to comply with this restriction may constitute a violation of securities laws in the United States and in other jurisdictions.

The Managers reserve the right to reject any application for Stapled Securities where the Managers believe or have reason to believe that such applications may violate the securities laws or any applicable legal or regulatory requirements of any jurisdiction.

No person in any jurisdiction outside Singapore receiving this Prospectus or its accompanying documents (including the Application Forms) may treat the same as an offer or invitation to subscribe for any Stapled Securities unless such an offer or invitation could lawfully be made without compliance with any regulatory or legal requirements in those jurisdictions.

- (15) The Managers reserve the right to reject any application which does not conform strictly to the instructions or with the terms and conditions set out in this Prospectus (including the instructions set out in the accompanying Application Forms, in the ATMs and IB websites of the relevant Participating Banks and the mobile banking interface (“**mBanking Interface**”) of DBS Bank) or, in the case of an application by way of an Application Form, the contents of which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly drawn up or improper form of remittance.

- (16) The Managers further reserve the right to treat as invalid any applications not completed or submitted or effected in all respects in accordance with the instructions and terms and conditions set out in this Prospectus (including the instructions set out in the accompanying Application Forms and in the ATMs and IB websites of the relevant Participating Banks and the mBanking Interface of DBS Bank), and also to present for payment or other processes all remittances at any time after receipt and to have full access to all information relating to, or deriving from, such remittances or the processing thereof. Without prejudice to the rights of the Managers, each of the Joint Bookrunners as agents of the Managers, has been authorised to accept, for and on behalf of the Managers, such other forms of application as the Joint Bookrunners may, in consultation with the Managers, deem appropriate.
- (17) The Managers reserve the right to reject or to accept, in whole or in part, or to scale down or to ballot, any application, without assigning any reason therefor, and none of the Managers, nor any of the Joint Bookrunners will entertain any enquiry and/or correspondence on the decision of the Managers. This right applies to applications made by way of Application Forms and by way of Electronic Applications and by such other forms of application as the Joint Bookrunners may, in consultation with the Managers, deem appropriate. In deciding the basis of allocation, the Managers, in consultation with the Joint Bookrunners, will give due consideration to the desirability of allocating the Stapled Securities to a reasonable number of applicants with a view to establishing an adequate market for the Stapled Securities.
- (18) In the event that the Managers lodge a supplementary or replacement prospectus (“**Relevant Document**”) pursuant to the Securities and Futures Act or any applicable legislation in force from time to time prior to the close of the Offering, and the Stapled Securities have not been issued, the Managers will (as required by law) at their sole and absolute discretion either:
- (a) within two days (excluding any Saturday, Sunday or public holiday) from the date of the lodgment of the Relevant Document, give you notice in writing of how to obtain, or arrange to receive, a copy of the same and provide you with an option to withdraw your application and take all reasonable steps to make available within a reasonable period the Relevant Document to you if you have indicated that you wish to obtain, or have arranged to receive, a copy of the Relevant Document; or
 - (b) within seven days of the lodgment of the Relevant Document, give you a copy of the Relevant Document and provide you with an option to withdraw your application; or
 - (c) deem your application as withdrawn and cancelled and refund your application monies (without interest or any share of revenue or other benefit arising therefrom) to you within seven days from the lodgment of the Relevant Document.

Any applicant who wishes to exercise his option under paragraphs 18(a) and 18(b) above to withdraw his application shall, within 14 days from the date of lodgment of the Relevant Document, notify the Managers whereupon the Managers shall, within seven days from the receipt of such notification, return all monies in respect of such application (without interest or any share of revenue or other benefit arising therefrom at his own risk).

In the event that the Stapled Securities have already been issued at the time of the lodgment of the Relevant Document but trading has not commenced, the Managers will (as required by law) either:

- (i) within two days (excluding any Saturday, Sunday or public holiday) from the date of the lodgment of the Relevant Document, give you notice in writing of how to obtain, or arrange to receive, a copy of the same and provide you with an option to return to the Managers the Stapled Securities which you do not wish to retain title in and take all

reasonable steps to make available within a reasonable period the Relevant Document to you if you have indicated that you wish to obtain, or have arranged to receive, a copy of the Relevant Document; or

- (ii) within seven days from the lodgment of the Relevant Document, give you a copy of the Relevant Document and provide you with an option to return the Stapled Securities which you do not wish to retain title in; or
- (iii) deem the issue as void and refund your payment for the Stapled Securities (without interest or any share of revenue or other benefit arising therefrom) within seven days from the lodgment of the Relevant Document.

Any applicant who wishes to exercise his option under paragraphs 18(i) and 18(ii) above to return the Stapled Securities issued to him shall, within 14 days from the date of lodgment of the Relevant Document, notify the Managers of this and return all documents, if any, purporting to be evidence of title of those Stapled Securities, whereupon the Managers shall, within seven days from the receipt of such notification and documents, pay to him all monies paid by him for the Stapled Securities without interest or any share of revenue or other benefit arising therefrom and at his own risk, and the Stapled Securities issued to him shall be deemed to be void.

Additional terms and instructions applicable upon the lodgment of the Relevant Document, including instructions on how you can exercise the option to withdraw, may be found in such Relevant Document.

- (19) The Stapled Securities may be reallocated between the Placement Tranche and the Public Offer for any reason, including in the event of excess applications in one and a deficit of applications in the other at the discretion of the Joint Bookrunners, in consultation with the Managers subject to any applicable laws.
- (20) There will not be any physical security certificates representing the Stapled Securities. It is expected that CDP will send to you, at your own risk, within 15 Market Days after the close of the Offering, and subject to the submission of valid applications and payment for the Stapled Securities, a statement of account stating that your Securities Account has been credited with the number of Stapled Securities allocated to you. This will be the only acknowledgement of application monies received and is not an acknowledgement by the Managers. You irrevocably authorise CDP to complete and sign on your behalf as transferee or renounee any instrument of transfer and/or other documents required for the issue or transfer of the Stapled Securities allocated to you. This authorisation applies to applications made both by way of Application Forms and by way of Electronic Applications.
- (21) You irrevocably authorise CDP to disclose the outcome of your application, including the number of Stapled Securities allocated to you pursuant to your application, to the Managers, the Sole Financial Adviser and Issue Manager, the Joint Bookrunners and any other parties so authorised by CDP, the Managers, the Sole Financial Adviser and Issuer Manager and/or the Joint Bookrunners.
- (22) Any reference to "you" or the "Applicant" in this section shall include an individual, a corporation, an approved nominee company and trustee applying for the Stapled Securities by way of an Application Form or by way of Electronic Application or by such other manner as the Joint Bookrunners may, in their absolute discretion, deem appropriate.

- (23) By completing and delivering an Application Form and, in the case of: (i) an ATM Electronic Application, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key or any other relevant key on the ATM, (ii) in the case of an Internet Electronic Application, by clicking “Submit” or “Continue” or “Yes” or “Confirm” or any other button on the IB website screen, or (iii) in the case of an mBanking Application, by transmitting “Submit” or “Continue” or “Yes” or “Confirm” or any other icon via the mBanking Interface in accordance with the provisions herein, you:
- (a) irrevocably agree and undertake to purchase the number of Stapled Securities specified in your application (or such smaller number for which the application is accepted) at the Offering Price and agree that you will accept such number of Stapled Securities as may be allocated to you, in each case on the terms of, and subject to the conditions set out in, the Prospectus and its accompanying documents (including the Application Forms), as well as the Stapling Deed, the EH-REIT Trust Deed and the EH-BT Trust Deed;
 - (b) agree that, in the event of any inconsistency between the terms and conditions for application set out in this Prospectus and its accompanying documents (including the Application Form) and those set out in the IB websites, mBanking Interface or ATMs of the relevant Participating Banks, the terms and conditions set out in this Prospectus and its accompanying documents (including the Application Forms) shall prevail;
 - (c) in the case of an application by way of a Public Offer Stapled Securities Application Form or an Electronic Application, agree that the Offering Price for the Public Offer Stapled Securities applied for is due and payable to the Managers upon application;
 - (d) in the case of an application by way of a Placement Stapled Securities Application Form or such other forms of application as the Joint Bookrunners may in their absolute discretion deem appropriate, agree that the Offering Price for the Placement Stapled Securities applied for is due and payable to the Managers upon application;
 - (e) warrant the truth and accuracy of the information contained, and representations and declarations made, in your application, and acknowledge and agree that such information, representations and declarations will be relied on by the Managers in determining whether to accept your application and/or whether to allocate any Stapled Securities to you;
 - (f) (i) consent to the collection, use, processing and disclosure of your name, NRIC/passport number or company registration number, address, nationality, permanent resident status, Securities Account number, Stapled Security application amount, the outcome of your application (including the number of Stapled Securities allocated to you pursuant to your application) and other personal data (“**Personal Data**”) by the Stapled Security Registrar, CDP, Securities Clearing Computer Services (Pte) Ltd (“**SCCS**”), the SGX-ST, the Participating Banks, the Managers, the Sole Financial Adviser and Issue Manager, the Joint Bookrunners and/or other authorised operators (the “**Relevant Parties**”) for the purpose of the processing of your application for the Stapled Securities, and in order for the Relevant Parties to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”) and warrant that such Personal Data is true, accurate and correct, (ii) warrant that where you, as an approved nominee company, disclose the Personal Data of the beneficial owner(s) to the Relevant Parties, you have obtained the prior consent of such beneficial owner(s) for the collection, use, processing and disclosure by the Relevant Parties of the Personal Data of such beneficial owner(s) for the Purposes, (iii) agree that the Relevant Parties may do anything or disclose any Personal Data or matters without notice to you if the Sole Financial Adviser and Issue Manager and/or the Joint Bookrunners considers them to be required or desirable in respect of any applicable policy, law, regulation, government entity, regulatory authority or similar body, and (iv) agree that you will

indemnify the Relevant Parties in respect of any penalties, liabilities, claims, demands, losses and damages as a result of your breach of warranties. You also agree that the Relevant Parties shall be entitled to enforce this indemnity (collectively, the “**Personal Data Privacy Terms**”);

- (g) agree and warrant that, if the laws of any jurisdictions outside Singapore are applicable to your application, you have complied with all such laws and none of the Managers nor any of the Joint Bookrunners will infringe any such laws as a result of the acceptance of your application;
 - (h) agree and confirm that you are outside the United States (within the meaning of Regulation S); and
 - (i) understand that the Stapled Securities have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from or in a transaction not subject to the registration requirements of the Securities Act and applicable state securities laws. There will be no public offer of the Stapled Securities in the United States. Any failure to comply with this restriction may constitute a violation of the United States securities laws.
- (24) Acceptance of applications will be conditional upon, among others, the Managers being satisfied that:
- (a) permission has been granted by the SGX-ST to deal in and for the quotation of all of the (i) Stapled Securities comprised in the Offering, (ii) the Sponsor Stapled Securities, (iii) the Cornerstone Stapled Securities and (iv) Stapled Securities which will be issued to the REIT Manager or the Trustee-Manager from time to time in full or in part payment of fees payable to the REIT Manager or the Trustee-Manager;
 - (b) the Underwriting Agreement, referred to in the section on “Plan of Distribution” in this Prospectus, has become unconditional and has not been terminated; and
 - (c) the Authority has not served a stop order which directs that no or no further Stapled Securities to which this Prospectus relates be allotted or issued (“**Stop Order**”). The Securities and Futures Act provides that the Authority shall not serve a Stop Order if all the Stapled Securities have been issued, sold, and listed for quotation on the SGX-ST and trading in them has commenced.
- (25) In the event that a Stop Order in respect of the Stapled Securities is served by the Authority or other competent authority, and:
- (a) the Stapled Securities have not been issued (as required by law), all applications shall be deemed to be withdrawn and cancelled and the Managers shall refund the application monies (without interest or any share of revenue or other benefit arising therefrom) to you within 14 days of the date of the Stop Order; or
 - (b) if the Stapled Securities have already been issued but trading has not commenced, the issue will (as required by law) be deemed void and the Managers shall refund your payment for the Stapled Securities (without interest or any share of revenue or other benefit arising therefrom) to you within 14 days from the date of the Stop Order.

This shall not apply where only an interim Stop Order has been served.

- (26) In the event that an interim Stop Order in respect of the Stapled Securities is served by the Authority or other competent authority, no Stapled Securities shall be issued to you until the Authority revokes the interim Stop Order. The Authority is not able to serve a Stop Order in respect of the Stapled Securities if the Stapled Securities have been issued and listed on the SGX-ST and trading in them has commenced.
- (27) Additional terms and conditions for applications by way of Application Forms are set out in the section “Additional Terms and Conditions for Applications using Printed Application Forms” on pages G-8 to G-12 of this Prospectus.
- (28) Additional terms and conditions for applications by way of Electronic Applications are set out in the section “Additional Terms and Conditions for Electronic Applications” on pages G-12 to G-23 of this Prospectus.
- (29) All payments in respect of any application for Public Offer Stapled Securities, and all refunds where (a) an application is rejected or accepted in part only or (b) the Offering does not proceed for any reason, shall be made in Singapore dollars.
- (30) All payments in respect of any application for Placement Stapled Securities, and all refunds where (a) an application is rejected or accepted in part only or (b) the Offering does not proceed for any reason, shall be made in United States dollars.
- (31) All refunds where (a) an application is rejected or accepted in part only or (b) the Offering does not proceed for any reason, shall be made in Singapore dollars (in the case of Public Offer Stapled Securities) and in United States dollars (in the case of Placement Stapled Securities).
- (32) No application will be held in reserve.
- (33) This Prospectus is dated 16 May 2019. No Stapled Securities shall be allotted or allocated on the basis of this Prospectus later than six months after the date of this Prospectus.

Additional Terms and Conditions for Applications using Printed Application Forms

Applications by way of an Application Form shall be made on, and subject to the terms and conditions of this Prospectus, including but not limited to the terms and conditions set out below, as well as those set out under the section entitled “Terms, Conditions and Procedures for Application for and Acceptance of the Stapled Securities in Singapore” on pages G-1 to G-23 of this Prospectus, as well as the Stapling Deed, the EH-REIT Trust Deed and the EH-BT Trust Deed.

- (1) Applications for the Public Offer Stapled Securities must be made using the printed **WHITE** Public Offer Stapled Securities Application Forms and printed **WHITE** official envelopes “A” and “B”, accompanying and forming part of this Prospectus.

Applications for the Placement Stapled Securities must be made using the printed **BLUE** Placement Stapled Securities Application Forms (or in such manner as the Joint Bookrunners may in their absolute discretion deem appropriate), accompanying and forming part of this Prospectus.

Without prejudice to the rights of the Managers and the Joint Bookrunners, the Joint Bookrunners, as agents of the Managers, have been authorised to accept, for and on behalf of the Managers, such other forms of application, as the Joint Bookrunners may (in consultation with the Managers) deem appropriate.

Your attention is drawn to the detailed instructions contained in the Application Forms and this Prospectus for the completion of the Application Forms, which must be carefully followed. **The Managers reserve the right to reject applications which do not conform strictly to the instructions set out in the Application Forms and this Prospectus (or, in the case of applications for the Placement Stapled Securities, followed) which are illegible, incomplete, incorrectly completed or which are accompanied by improperly drawn remittances or improper form of remittances.**

- (2) You must complete your Application Forms in English. Please type or write clearly in ink using **BLOCK LETTERS**.
- (3) You must complete all spaces in your Application Forms except those under the heading **"FOR OFFICIAL USE ONLY"** and you must write the words **"NOT APPLICABLE"** or **"N.A."** in any space that is not applicable.
- (4) Individuals, corporations, approved nominee companies and trustees must give their names in full. If you are an individual, you must make your application using your full name as it appears on your NRIC (if you have such an identification document) or in your passport and, in the case of a corporation, in your full name as registered with a competent authority. If you are not an individual, you must complete the Application Form under the hand of an official who must state the name and capacity in which he signs the Application Form. If you are a corporation completing the Application Form, you are required to affix your common seal (if any) in accordance with your Constitution or equivalent constitutive documents of the corporation. If you are a corporate applicant and your application is successful, a copy of your Constitution or equivalent constitutive documents must be lodged with EHT's Stapled Security Registrar. The Managers reserve the right to require you to produce documentary proof of identification for verification purposes.
- (5)
 - (a) You must complete Sections A and B and sign page 1 of the Application Form.
 - (b) You are required to delete either paragraph 7(c) or 7(d) on page 1 of the Application Form. Where paragraph 7(c) is deleted, you must also complete Section C of the Application Form with particulars of the beneficial owner(s).
 - (c) If you fail to make the required declaration in paragraph 7(c) or 7(d), as the case may be, on page 1 of the Application Form, your application is liable to be rejected.
- (6) You (whether an individual or corporate applicant, whether incorporated or unincorporated and wherever incorporated or constituted) will be required to declare whether you are a citizen or permanent resident of Singapore or a corporation in which citizens or permanent residents of Singapore or any body corporate constituted under any statute of Singapore have an interest in the aggregate of more than 50% of the issued share capital of or interests in such corporation. If you are an approved nominee company, you are required to declare whether the beneficial owner of the Stapled Securities is a citizen or permanent resident of Singapore or a corporation, whether incorporated or unincorporated and wherever incorporated or constituted, in which citizens or permanent residents of Singapore or any body corporate incorporated or constituted under any statute of Singapore have an interest in the aggregate of more than 50% of the issued share capital of or interests in such corporation.
- (7) You may apply and make payment for your application for the Public Offer Stapled Securities in Singapore currency and for the Placement Stapled Securities in United States currency using only cash. Each application must be accompanied by a cash remittance in Singapore or United States currency for the full amount payable in Singapore dollars (in the case of the Public Offer Stapled Securities such amount being S\$1.071 based on the exchange rate of

US\$1.00 to approximately S\$1.3731, as determined by the Managers in consultation with DBS Bank Ltd.) or United States dollars (in the case of the Placement Stapled Securities) of the Offering Price per Stapled Security, in respect of the number of Stapled Securities applied for. The remittance must be in the form of a **BANKER'S DRAFT or CASHIER'S ORDER** drawn on a bank in Singapore, made out in favour of "**EAGLE HT SGD ISSUE ACCOUNT (for Singapore dollars) and EAGLE HT USD ISSUE ACCOUNT (for United States currency)**" crossed "**A/C PAYEE ONLY**" with your name, CDP Securities Account number and address written clearly on the reverse side. Applications not accompanied by any payment or accompanied by any other form of payment will not be accepted. No combined Banker's Draft or Cashier's Order for different CDP Securities Accounts shall be accepted. Remittances bearing "**NOT TRANSFERABLE**" or "**NON-TRANSFERABLE**" crossings will be rejected. No acknowledgement of receipt will be issued for applications and application monies received.

- (8) Monies paid in respect of unsuccessful applications are expected to be returned (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post, in the event of oversubscription for the Stapled Securities, within 24 hours of the balloting (or such shorter period as the SGX-ST may require), at your own risk. Where your application is rejected or accepted or in part only, the full amount or the balance of the application monies, as the case may be, will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk within 14 Market Days after the close of the Offering, PROVIDED THAT the remittance accompanying such application which has been presented for payment or other processes has been honoured and the application monies received in the designated Stapled Security issue account. If the Offering does not proceed for any reason, the full amount of application monies (without interest or any share of revenue or other benefit arising therefrom) will be returned to you within three Market Days after the Offering is discontinued.
- (9) Capitalised terms used in the Application Forms and defined in this Prospectus shall bear the meanings assigned to them in this Prospectus.
- (10) By completing and delivering the Application Forms, you agree that:
 - (a) in consideration of the Managers having distributed the Application Form to you and by completing and delivering the Application Form before the close of the Offering:
 - (i) your application is irrevocable;
 - (ii) your remittance will be honoured on first presentation and that any monies returnable may be held pending clearance of your payment without interest or any share of revenue or other benefit arising therefrom; and
 - (iii) you represent and agree that you are located outside the United States and are not a US Person (within the meaning of Regulation S);
 - (b) all applications, acceptances or contracts resulting therefrom under the Offering shall be governed by and construed in accordance with the laws of Singapore and that you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts;
 - (c) in respect of the Stapled Securities for which your application has been received and not rejected, acceptance of your application shall be constituted by written notification by or on behalf of the Managers and not otherwise, notwithstanding any remittance being presented for payment by or on behalf of the Managers;

- (d) you will not be entitled to exercise any remedy of rescission for misrepresentation at any time after acceptance of your application;
- (e) reliance is placed solely on information contained in this Prospectus and that none of the Managers, the Sponsor, the Sole Financial Adviser and Issue Manager, the Joint Bookrunners or any other person involved in the Offering shall have any liability for any information not contained therein;
- (f) you accept and agree to the Personal Data Privacy Terms set out in this Prospectus; and
- (g) you irrevocably agree and undertake to purchase the number of Stapled Securities applied for as stated in the Application Form or any smaller number of such Stapled Securities that may be allocated to you in respect of your application. In the event that the Managers decide to allocate any smaller number of Stapled Securities or not to allocate any Stapled Securities to you, you agree to accept such decision as final.

Procedures Relating to Applications for the Public Offer Stapled Securities by Way of Printed Application Forms

- (1) Your application for the Public Offer Stapled Securities by way of printed Application Forms must be made using the **WHITE** Public Offer Stapled Securities Application Forms and **WHITE** official envelopes “**A**” and “**B**”.
- (2) You must:
 - (a) enclose the **WHITE** Public Offer Stapled Securities Application Form, duly completed and signed, together with correct remittance for the full amount payable at the Offering Price in Singapore currency in accordance with the terms and conditions of this Prospectus and its accompanying documents, in the **WHITE** official envelope “**A**” provided;
 - (i) write your name and address;
 - (ii) state the number of Public Offer Stapled Securities applied for; and
 - (iii) tick the relevant box to indicate form of payment;
 - (b) **SEAL THE WHITE OFFICIAL ENVELOPE “A”**;
 - (c) write, in the special box provided on the larger **WHITE** official envelope “**B**” addressed to Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623, the number of Public Offer Stapled Securities you have applied for;
 - (d) insert the **WHITE** official envelope “**A**” into the **WHITE** official envelope “**B**” and seal the **WHITE OFFICIAL ENVELOPE “B”**; and
 - (e) affix adequate Singapore postage on the **WHITE** official envelope “**B**” (if dispatching by ordinary post) and thereafter **DESPATCH BY ORDINARY POST OR DELIVER BY HAND** the documents at your own risk to Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623, so as to arrive by 12.00 noon on 22 May 2019 or such other date(s) and time(s) as the Managers may agree with the Joint Bookrunners. **Courier services or Registered Post must NOT be used.**

- (3) Applications that are illegible, incomplete or incorrectly completed or accompanied by improperly drawn remittances or which are not honoured upon their first presentation are liable to be rejected. Except for applications for the Placement Stapled Securities where remittance is permitted to be submitted separately, applications for the Public Offer Stapled Securities not accompanied by any payment or any other form of payment will not be accepted.
- (4) **ONLY ONE APPLICATION** should be enclosed in each envelope. No acknowledgement of receipt will be issued for any application or remittance received.

Procedures Relating to Applications for the Placement Stapled Securities by Way of Printed Application Forms

- (1) Your application for the Placement Stapled Securities by way of printed Application Forms must be made using the **BLUE** Placement Stapled Securities Application Forms.
- (2) The completed and signed BLUE Placement Stapled Securities Application Form and your remittance, in accordance with the terms and conditions of this Prospectus, for the full amount payable at the Offering Price, as the case may be, for each Stapled Security in respect of the number of Placement Stapled Securities applied for, with your name, CDP Securities Account number and address clearly written on the reverse side, must be enclosed and sealed in an envelope to be provided by you. Your application for Placement Stapled Securities must be delivered to Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623, to arrive by 12.00 noon on 22 May 2019 or such other date(s) and time(s) as the Managers may agree with the Joint Bookrunners. **Courier services or Registered Post must NOT be used.**
- (3) Applications that are illegible, incomplete or incorrectly completed or accompanied by improperly drawn remittances or which are not honoured upon their first presentation are liable to be rejected.
- (4) **ONLY ONE APPLICATION** should be enclosed in each envelope. No acknowledgement of receipt will be issued for any application or remittance received.

Additional Terms and Conditions for Electronic Applications

Electronic Applications shall be made on and subject to the terms and conditions of this Prospectus, including but not limited to the terms and conditions set out below and those under the section "Terms, Conditions and Procedures for Application for and Acceptance of the Stapled Securities in Singapore" on pages G-1 to G-23 of this Prospectus, as well as the Stapling Deed, the EH-REIT Trust Deed and the EH-BT Trust Deed.

- (1) The procedures for Electronic Applications are set out on the ATM screens of the relevant Participating Banks (in the case of ATM Electronic Applications), the IB website screens of the relevant Participating Banks (in the case of Internet Electronic Applications) and the mBanking Interface of DBS Bank (in the case of mBanking Applications). DBS Bank is the only Participating Bank through which mBanking Applications may be made.
- (2) For illustrative purposes, the procedures for Electronic Applications for Public Offer Stapled Securities through ATMs, the IB website and the mBanking Interface of DBS Bank (together the "**Steps**") are set out in pages G-18 to G-23 of this Prospectus. The Steps set out the actions that you must take at ATMs, the IB website or the mBanking Interface of DBS Bank to complete an Electronic Application. The actions that you must take at the ATMs or the IB websites of the other Participating Banks are set out on the ATM screens, the IB website screens of the respective Participating Banks. Please read carefully the terms and conditions

of this Prospectus and its accompanying documents (including the Application Form), the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application.

- (3) Any reference to “you” or the “Applicant” in these Additional Terms and Conditions for Electronic Applications and the Steps shall refer to you making an application for Public Offer Stapled Securities through an ATM of one of the relevant Participating Banks, the IB website of a relevant Participating Bank or the mBanking Interface of DBS Bank.
- (4) If you are making an ATM Electronic Application:
 - (a) You must have an existing bank account with and be an ATM cardholder of one of the Participating Banks. An ATM card issued by one Participating Bank cannot be used to apply for Public Offer Stapled Securities at an ATM belonging to other Participating Banks.
 - (b) You must ensure that you enter your own CDP Securities Account number when using the ATM card issued to you in your own name. If you fail to use your own ATM card or do not key in your own CDP Securities Account number, your application will be rejected. If you operate a joint bank account with any of the Participating Banks, you must ensure that you enter your own CDP Securities Account number when using the ATM card issued to you in your own name. Using your own CDP Securities Account number with an ATM card which is not issued to you in your own name will render your Electronic Application liable to be rejected.
 - (c) Upon the completion of your ATM Electronic Application, you will receive an ATM transaction slip (“**Transaction Record**”), confirming the details of your ATM Electronic Application. The Transaction Record is for your retention and should not be submitted with any printed Application Form.
- (5) If you are making an Internet Electronic Application or an mBanking Application:
 - (a) You must have an existing bank account with, and a User Identification (“**User ID**”) as well as a Personal Identification Number (“**PIN**”) given by, the relevant Participating Bank.
 - (b) You must ensure that the mailing address of your account selected for the application is in Singapore and you must declare that the application is being made in Singapore. Otherwise, your application is liable to be rejected. In connection with this, you will be asked to declare that you are in Singapore at the time you make the application.
 - (c) Upon the completion of your Internet Electronic Application through the IB website of the relevant Participating Bank or your mBanking Application through the mBanking Interface of DBS Bank, there will be an on-screen confirmation (“**Confirmation Screen**”) of the application which can be printed out or screen captured by you for your record. This printed record or screen capture of the Confirmation Screen is for your retention and should not be submitted with any printed Application Form.
- (6) In connection with your Electronic Application for Public Offer Stapled Securities, you are required to confirm statements to the following effect in the course of activating the Electronic Application:
 - (a) that you have received a copy of the Prospectus (in the case of Electronic Applications) and have read, understood and agreed to all the terms and conditions of application for

the Public Offer Stapled Securities and the Prospectus prior to effecting the Electronic Application and agree to be bound by the same;

- (b) you accept and agree to the Personal Data Privacy Terms set out in this Prospectus; and
- (c) where you are applying for the Public Offer Stapled Securities, that this is your only application for the Public Offer Stapled Securities and it is made in your name and at your own risk.

Your application will not be successfully completed and cannot be recorded as a completed transaction unless you press the "Enter" or "OK" or "Confirm" or "Yes" or any other relevant key in the ATM or click "Confirm" or "OK" or "Submit" or "Continue" or "Yes" or any other relevant button on the IB website screen or the mBanking Interface. By doing so, you shall be treated as signifying your confirmation of each of the statements above. In respect of statement 6(b) above, your confirmation, by pressing the "Enter" or "OK" or "Confirm" or "Yes" or any other relevant key in the ATM or clicking "Confirm" or "OK" or "Submit" or "Continue" or "Yes" or any other relevant button, shall signify and shall be treated as your written permission, given in accordance with the relevant laws of Singapore, including Section 47(2) of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars of your account(s) with that Participating Bank to the Relevant Parties.

By making an Electronic Application you confirm that you are not applying for the Public Offer Stapled Securities as a nominee of any other person and that any Electronic Application that you make is the only application made by you as the beneficial owner. You shall make only one Electronic Application for the Public Offer Stapled Securities and shall not make any other application for the Public Offer Stapled Securities whether at the ATMs of any Participating Bank, the IB websites of the relevant Participating Banks or the mBanking Interface of DBS Bank or on the Application Forms. Where you have made an application for the Public Offer Stapled Securities on an Application Form, you shall not make an Electronic Application for the Public Offer Stapled Securities and vice versa.

- (7) You must have sufficient funds in your bank account with your Participating Bank at the time you make your ATM Electronic Application, Internet Electronic Application or mBanking Application, failing which such Electronic Application will not be completed. Any Electronic Application which does not conform strictly to the instructions set out in this Prospectus or on the screens of the ATMs or on the IB website of the relevant Participating Bank or the mBanking Interface of DBS Bank, as the case may be, through which your Electronic Application is being made shall be rejected.
- (8) You may apply and make payment for your application for the Public Offer Stapled Securities in Singapore currency through any ATM or IB website of your Participating Bank or the mBanking Interface of DBS Bank (as the case may be) by authorising your Participating Bank to deduct the full amount payable from your bank account(s) with such Participating Bank.
- (9) You irrevocably agree and undertake to subscribe for and to accept the number of Public Offer Stapled Securities applied for as stated on the Transaction Record or the Confirmation Screen or any lesser number of such Public Offer Stapled Securities that may be allocated to you in respect of your Electronic Application. In the event that the Managers decide to allocate any lesser number of such Public Offer Stapled Securities or not to allocate any Public Offer Stapled Securities to you, you agree to accept such decision as final. If your Electronic Application is successful, your confirmation (by your action of pressing the "Enter" or "OK" or "Confirm" or "Yes" or any other relevant key in the ATM or clicking "Confirm" or

“OK” or “Submit” or “Continue” or “Yes” or any other relevant button on the IB website screen or the mBanking Interface of DBS Bank) of the number of Public Offer Stapled Securities applied for shall signify and shall be treated as your acceptance of the number of Public Offer Stapled Securities that may be allocated to you and your agreement to be bound by the Stapling Deed, the EH-REIT Trust Deed and the EH-BT Trust Deed.

- (10) The Managers will not keep any application in reserve. Where your Electronic Application is unsuccessful, the full amount of the application monies will be returned (without interest or any share of revenue or other benefit arising therefrom) to you by being automatically credited to your account with your Participating Bank, within 24 hours of the balloting (or such shorter period as the SGX-ST may require) provided that the remittance in respect of such application which has been presented for payment or other processes has been honoured and the application monies received in the designated Stapled Security issue account.

Where your Electronic Application is accepted or rejected in full or in part only, the balance of the application monies, as the case may be, will be returned (without interest or any share of revenue or other benefit arising therefrom) to you by being automatically credited to your account with your Participating Bank, within 14 Market Days after the close of the Offering provided that the remittance in respect of such application which has been presented for payment or other processes has been honoured and the application monies received in the designated Stapled Security issue account.

If the Offering does not proceed for any reason, the full amount of application monies (without interest or any share of revenue or other benefit arising therefrom) will be returned to you within three Market Days after the Offering is discontinued.

Responsibility for timely refund of application monies (whether from unsuccessful or partially successful Electronic Applications or otherwise) lies solely with the respective Participating Banks. Therefore, you are strongly advised to consult your Participating Bank as to the status of your Electronic Application and/or the refund of any money to you from an unsuccessful or partially successful Electronic Application, to determine the exact number of Public Offer Stapled Securities, if any, allocated to you before trading the Stapled Securities on the SGX-ST. None of the SGX-ST, CDP, SCCS, the Participating Banks, the Managers, the Sole Financial Adviser and Issue Manager, the Joint Bookrunners assume any responsibility for any loss that may be incurred as a result of you having to cover any net sell positions or from buy-in procedures activated by the SGX-ST.

- (11) If your Electronic Application is unsuccessful, no notification will be sent by the relevant Participating Bank.
- (12) Applicants who make ATM Electronic Applications through the ATMs of the following Participating Banks may check the provisional results of their ATM Electronic Applications as follows:

Bank	Telephone	Other Channels	Operating Hours	Service expected from
DBS Bank Ltd. (including POSB) ("DBS Bank")	1800 339 6666 (for POSB account holders) 1800 111 1111 (for DBS account holders)	IB http://www.dbs.com ⁽¹⁾	24 hours a day	Evening of the balloting day
Oversea-Chinese Banking Corporation Limited ("OCBC")	1800 363 3333	Phone Banking/ATM/IB http://www.ocbc.com ⁽²⁾	24 hours a day	Evening of the balloting day
United Overseas Bank Limited ("UOB")	1800 222 2121	ATM (Other Transactions "IPO Results Enquiry")/ Phone Banking/IB http://www.uobgroup.com ⁽³⁾	24 hours a day	Evening of the balloting day

Notes:

- (1) Applicants who have made Internet Electronic Applications through the IB websites of DBS Bank or mBanking Applications through the mBanking Interface of DBS Bank may also check the results of their applications through the same channels listed in the table above in relation to ATM Electronic Applications made at the ATMs of DBS Bank.
- (2) Applicants who have made Electronic Application through the ATMs of OCBC may check the results of their applications through OCBC Personal Internet Banking, OCBC ATMs or OCBC Phone Banking services.
- (3) Applicants who have made Electronic Application through the ATMs or the IB website of UOB may check the results of their applications through UOB Personal Internet Banking, UOB ATMs or UOB Phone Banking services.
- (13) ATM Electronic Applications shall close at 12.00 noon on 22 May 2019 or such other date(s) and time(s) as the Managers may agree with the Joint Bookrunners. All Internet Electronic Applications and mBanking Applications must be received by 12.00 noon on 22 May 2019, or such other date(s) and time(s) as the Managers may agree with the Joint Bookrunners. Internet Electronic Applications and mBanking Applications are deemed to be received when they enter the designated information system of the relevant Participating Bank.
- (14) You are deemed to have irrevocably requested and authorised the Managers to:
- register the Public Offer Staped Securities allocated to you in the name of CDP for deposit into your Securities Account;
 - return or refund (without interest or any share of revenue earned or other benefit arising therefrom) the application monies, should your Electronic Application be rejected or if the Offering does not proceed for any reason, by automatically crediting your bank account with your Participating Bank, with the relevant amount within 24 hours after balloting (or such shorter period as the SGX-ST may require), or within three Market Days if the Offering does not proceed for any reason, after the close or discontinuation (as the case may be) of the Offering, PROVIDED THAT the remittance in respect of such application which has been presented for payment or such other processes has been honoured and application monies received in the designated Staped Security issue account; and
 - return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should your Electronic Application be

rejected or accepted in part only, by automatically crediting your bank account with your Participating Bank, at your risk, with the relevant amount within 14 Market Days after the close of the Offering, PROVIDED THAT the remittance in respect of such application which has been presented for payment or such other processes has been honoured and application monies received in the designated Staped Security issue account.

- (15) You irrevocably agree and acknowledge that your Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdown, fires, acts of God and other events beyond the control of the Participating Banks, the Managers, the Sole Financial Adviser and Issue Manager, the Joint Bookrunners, and if, in any such event the Managers, the Sole Financial Adviser and Issue Manager, the Joint Bookrunners, and/or the relevant Participating Bank do not receive your Electronic Application, or any data relating to your Electronic Application or the tape or any other devices containing such data is lost, corrupted or not otherwise accessible, whether wholly or partially for whatever reason, you shall be deemed not to have made an Electronic Application and you shall have no claim whatsoever against the Managers, the Sole Financial Adviser and Issue Manager, the Joint Bookrunners and/or the relevant Participating Bank for any Public Offer Staped Securities applied for or for any compensation, loss or damage.
- (16) The existence of a trust will not be recognised. Any Electronic Application by a trustee must be made in his own name and without qualification. The Managers shall reject any application by any person acting as nominee (other than approved nominee companies).
- (17) All your particulars in the records of your Participating Bank at the time you make your Electronic Application shall be deemed to be true and correct and your Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in your particulars after making your Electronic Application, you must promptly notify your Participating Bank.
- (18) You should ensure that your personal particulars as recorded by both CDP and the relevant Participating Bank are correct and identical, otherwise, your Electronic Application is liable to be rejected. You should promptly inform CDP of any change in address, failing which the notification letter on successful allocation will be sent to your address last registered with CDP.
- (19) By making and completing an Electronic Application, you are deemed to have agreed that:
 - (a) in consideration of the Managers making available the Electronic Application facility, through the Participating Banks acting as agents of the Managers, at the ATMs and IB websites of the relevant Participating Banks and the mBanking Interface of DBS Bank:
 - (i) your Electronic Application is irrevocable;
 - (ii) your Electronic Application, the acceptance by the Managers and the contract resulting therefrom under the Public Offer shall be governed by and construed in accordance with the laws of Singapore and you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts; and
 - (iii) you represent and agree that you are not located in the United States (within the meaning of Regulation S);
 - (b) none of CDP, the Managers, the Sole Financial Adviser and Issue Manager, the Joint Bookrunners and the Participating Banks shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating

to your Electronic Application to the Managers, or CDP or the SGX-ST due to breakdowns or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 15 above or to any cause beyond their respective controls;

- (c) in respect of the Public Offer Stapled Securities for which your Electronic Application has been successfully completed and not rejected, acceptance of your Electronic Application shall be constituted by written notification by or on behalf of the Managers and not otherwise, notwithstanding any payment received by or on behalf of the Managers;
- (d) you will not be entitled to exercise any remedy for rescission for misrepresentation at any time after acceptance of your application;
- (e) reliance is placed solely on information contained in this Prospectus and that none of the Managers, the Sponsor, the Sole Financial Adviser and Issue Manager, the Joint Bookrunners or any other person involved in the Offering shall have any liability for any information not contained therein; and
- (f) you irrevocably agree and undertake to subscribe for the number of Public Offer Stapled Securities applied for as stated in your Electronic Application or any smaller number of such Public Offer Stapled Securities that may be allocated to you in respect of your Electronic Application. In the event the Managers decide to allocate any smaller number of such Public Offer Stapled Securities or not to allocate any Public Offer Stapled Securities to you, you agree to accept such decision as final.

ATM Electronic Application through the ATMs of DBS Bank (including POSB)

Certain words appearing on the screen are in abbreviated form (“A/C”, “amt”, “appln”, “CDP”, “&”, “Max.”, “SGX”, “No.” and “PIN” refer to “Account”, “amount”, “application”, “The Central Depository (Pte) Limited”, “Central Provident Fund”, “and”, “Maximum”, “SGX-ST”, “Number” and “Personal Identification Number” respectively).

Steps

- Step 1: Insert your personal DBS Bank or POSB ATM Card.
- 2: Enter your Personal Identification Number.
- 3: Select “MORE SERVICES”.
- 4: Select language (for customers using multi-language card).
- 5: Select “ESA IPO/RIGHTS APPLN/BONDS/SGS/INVESTMENTS”.¹
- 6: Select “ELECTRONIC SECURITY APPLN (IPOS/BOND/SECURITIES)”.
- 7: Read and understand the following statements which will appear on the screen:
 - (IN THE CASE OF A SECURITIES OFFERING THAT REQUIRES A PROSPECTUS/OFFER INFORMATION STATEMENT/PROFILE STATEMENT/SIMPLIFIED DISCLOSURE DOCUMENT AND/OR PRODUCT HIGHLIGHTS SHEET TO BE LODGED WITH AND/OR REGISTERED BY, THE MONETARY AUTHORITY OF SINGAPORE OR, AS THE CASE MAY BE, THE RELEVANT SECURITIES EXCHANGE AND/OR TO BE ANNOUNCED OR DISSEMINATED

¹ This service is not available in the Malay language.

TO THE SECURITIES MARKET OPERATED BY THE RELEVANT SECURITIES EXCHANGE) THE OFFER OF SECURITIES WILL BE MADE IN OR ACCOMPANIED BY A COPY OF THE PROSPECTUS/OFFER INFORMATION STATEMENT/PROFILE STATEMENT/SIMPLIFIED DISCLOSURE DOCUMENT AND/OR PRODUCT HIGHLIGHTS SHEET (AS SUPPLEMENTED OR REPLACED, IF APPLICABLE) WHICH CAN BE OBTAINED DIRECTLY FROM OUR INTERNET BANKING WEBSITE, THE ISSUE MANAGER(S)/MANAGER(S) FOR THE OFFER, OR IF APPLICABLE, DBS/POSB BRANCHES IN SINGAPORE AND THE VARIOUS PARTICIPATING BANKS DURING BANKING HOURS, SUBJECT TO AVAILABILITY.

- A COPY OF THE PROSPECTUS/OFFER INFORMATION STATEMENT/PROFILE STATEMENT/SIMPLIFIED DISCLOSURE DOCUMENT AND/OR PRODUCT HIGHLIGHTS SHEET (AS SUPPLEMENTED OR REPLACED, IF APPLICABLE) HAS BEEN LODGED WITH/AND OR REGISTERED BY THE MONETARY AUTHORITY OF SINGAPORE OR, AS THE CASE MAY BE, THE RELEVANT SECURITIES EXCHANGE AND IS MADE AVAILABLE ON OUR INTERNET BANKING WEBSITE (IF APPLICABLE) AS ANNOUNCED OR DISSEMINATED TO THE SECURITIES MARKET OPERATED BY THE RELEVANT SECURITIES EXCHANGE AND NEITHER THE MONETARY AUTHORITY OF SINGAPORE NOR THE RELEVANT SECURITIES EXCHANGE TAKES ANY RESPONSIBILITY FOR ANY OF THE CONTENTS CONTAINED IN THESE DOCUMENTS.
- (IN THE CASE OF A SECURITIES OFFERING THAT DOES NOT REQUIRE A PROSPECTUS/OFFER INFORMATION STATEMENT/PROFILE STATEMENT/SIMPLIFIED DISCLOSURE DOCUMENT AND/OR PRODUCT HIGHLIGHTS SHEET TO BE LODGED WITH AND/OR REGISTERED BY, THE MONETARY AUTHORITY OF SINGAPORE OR, AS THE CASE MAY BE, THE RELEVANT SECURITIES EXCHANGE AND/OR TO BE ANNOUNCED OR DISSEMINATED TO THE SECURITIES MARKET OPERATED BY THE RELEVANT SECURITIES EXCHANGE), THE OFFER OF SECURITIES MAY BE MADE IN A NOTICE PUBLISHED IN A NEWSPAPER AND/OR CIRCULAR/DOCUMENT DISTRIBUTED TO SECURITY HOLDERS. ANYONE WISHING TO ACQUIRE SUCH SECURITIES SHOULD READ THE NOTICE/CIRCULAR/DOCUMENT BEFORE SUBMITTING HIS/HER APPLICATION IN THE MANNER SET FORTH THEREIN. ALL INVESTMENTS IN SECURITIES CARRIES RISKS AND BY AGREEING TO SUBSCRIBE FOR THESE SECURITIES, YOU UNDERSTAND AND ACKNOWLEDGE THAT YOU ARE RESPONSIBLE FOR YOUR OWN INVESTMENT DECISION AND ARE WILLING TO ASSUME ALL THE RISKS ASSOCIATED WITH INVESTING IN SUCH SECURITIES, INCLUDING THE RISK THAT YOU MAY LOSE ALL OR PART OF YOUR INVESTMENT. YOU SHOULD READ THE APPLICABLE DOCUMENTS AS LISTED ABOVE BEFORE SUBMITTING YOUR APPLICATION IN THE MANNER SET FORTH THEREIN.

(Press "ENTER" to continue)

- Select "EAGLEHT".

(Press button to continue)

- FOR SECURITY APPLNS, THE PROSPECTUS AND PRODUCT HIGHLIGHTS SHEET ARE AVAILABLE AT SELECTED DBS/POSB BRANCHES, WHERE AVAILABLE.

(Press "ENTER" to continue)

8: Press the "ENTER" key to acknowledge:

PLEASE CONFIRM ALL THE FOLLOWING:

FOR THE PURPOSES OF FACILITATING YOUR APPLICATION, YOU CONSENT TO THE BANK COLLECTING AND USING YOUR NAME, NRIC/PASSPORT NUMBER, ADDRESS, NATIONALITY, CDP SECURITIES ACCOUNT NUMBER, APPLICATION DETAILS AND OTHER PERSONAL DATA AND DISCLOSING THE SAME FROM OUR RECORDS TO REGISTRARS OF SECURITIES OF THE ISSUER, SGX, CDP, ISSUER/VENDOR(S) AND ISSUE MANAGER(S).

THIS APPLICATION IS MADE IN YOUR OWN NAME AND AT YOUR OWN RISK.

- FOR FIXED AND MAXIMUM PRICE SECURITIES APPLICATION, THIS IS YOUR ONLY APPLICATION AND IS MADE IN YOUR OWN NAME.

THE MAXIMUM PRICE FOR EACH SECURITY IS PAYABLE IN FULL ON APPLICATION AND SUBJECT TO REFUND IF THE FINAL PRICE IS LOWER.

FOR TENDER PRICE SECURITIES APPLICATION, THIS IS YOUR ONLY APPLICATION AT THE SELECTED TENDER PRICE AND IS MADE IN YOUR OWN NAME.

YOU ARE NOT A US PERSON AS REFERRED TO IN (WHERE APPLICABLE) THE PROSPECTUS/OFFER INFORMATION STATEMENT/PROFILE STATEMENT/SIMPLIFIED DISCLOSURE DOCUMENT/PRODUCT HIGHLIGHTS SHEET, REPLACEMENT OR SUPPLEMENTARY PROSPECTUS/PROFILE STATEMENT/SIMPLIFIED DISCLOSURE DOCUMENT AND/OR NOTICE/CIRCULAR.

THERE MAY BE A LIMIT ON THE MAXIMUM NUMBER OF SECURITIES THAT YOU CAN APPLY FOR. SUBJECT TO AVAILABILITY, YOU MAY BE ALLOTTED/ALLOCATED A SMALLER NUMBER OF SECURITIES THAN YOU APPLIED FOR.

9: Select your nationality.

10: Select your payment method.

11: Please select the DBS Bank account (Autosave/Current/Savings/Savings Plus) or the POSB account (Current/Savings) from which to debit your application moneys. Enter the number of securities you wish to apply for using cash.

(Press "ENTER" to continue)

12: Enter or confirm (if your CDP Securities Account number has already been stored in DBS Bank's records) your own 12-digit CDP Securities Account number (Note: This step will be omitted automatically if your Securities Account Number has already been stored in DBS Bank's records).

(Press "ENTER" to continue)

13: Check the details of your securities application, your CDP Securities Account number, the principal amount of Bonds applied and application amount on the screen and press the "ENTER" key to confirm your application.

14: Remove the ATM Transaction Record for your reference and retention only

Internet Electronic Application through the IB website of DBS Bank

Certain words appearing on the screen are in abbreviated form (“A/C”, “&”, “amt”, “CDP”, “SGX”, “No.” and “PIN” refer to “Account”, “and”, “Amount”, “The Central Depository (Pte) Limited”, “Central Provident Fund”, “SGX-ST”, “Number” and “Personal Identification Number” respectively).

Steps

Step 1: Click on DBS Bank website <https://www.dbs.com>.

2: Login to Internet banking.

3: Enter your User ID and PIN.

4: Enter your DBS IB Secure PIN.

5: Under “Invest” on the top navigation, select “Electronic Securities Application (ESA)”.

6: Click “Yes” to represent and warrant, among others, that you are currently in Singapore, you have observed and complied with all applicable laws and regulations, that your mailing address for DBS Internet Banking is in Singapore and that you are not a U.S. person (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended). Click “Next” to proceed.

7: Select your country of residence and click “Next”.

8: Select “EAGLEHT” and click “Next”.

9: **Important**

The information provided herein is for general circulation only. It does not form part of any offer or recommendation, and does not have any regard to the investment objectives, financial situation or particular needs of any person. Before committing to an investment, please seek advice from a financial adviser regarding the suitability of the product.

If you do not wish to seek financial advice, by continuing the application, you confirm that you have independently assessed that this product is suitable for you. You have not relied on any previous advice or recommendation given by DBS Bank in making your investment decision and you accept that should you wish to proceed with the transaction, you will not be able to rely on Section 27 of the Financial Advisers Act (Cap 110) to file any civil claim against DBS Bank.

Before you proceed, you are advised to read the Important Terms in the Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet and in respect of the Securities you are intending to apply for. [Click here to read.](#)

[Click on logo to read or download Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet.](#)

Agreement

Click on "Next" to confirm, among others, that you confirm the following:

- all investment in securities carries risks and by agreeing to subscribe for these securities, you understand and acknowledge that you are responsible for your own investment decision and are willing to assume all the risks associated with investing in such securities, including the risk that you may lose all or part of your investment.
- have read, understood and agree to all terms of application set out in the Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet and if applicable, the Supplementary or Replacement Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet.
- for the purposes of facilitating your application, consent to the Bank collecting and using your name, NRIC/passport number, address, nationality, CDP securities account number, application details and other personal data and disclosing the same from the Bank's records to registrars of securities of the issuer, SGX, CDP, issuer/vendor(s) and issue manager(s).
- you are not a U.S. Person (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended) (the "U.S. Securities Act").
- the securities mentioned herein have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, any "U.S. person" (as defined in Regulation S under the U.S. Securities Act) except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state security laws. There will be no public offer of the securities mentioned herein in the United States. Any failure to comply with this restriction may constitute a violation of the United States securities laws.
- that this application is made in your own name subject to the conditions on securities application.

10: Click on "here" to read the following:

- **Apply for ESA**

The offer of securities on our website will, where applicable, be made in, or accompanied by, a copy of the Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet and, if applicable, a copy of the Replacement or Supplementary Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet.

You are advised to read the Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet (as supplemented or replaced, if applicable) carefully before acquiring these securities. Investing in securities involves risks. Prospective investors should read the Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet (as supplemented or replaced, if applicable) in its entirety and, in particular, the section relating to risk factors and/or investment considerations. Words and

expressions not defined herein have the same meaning as in the main body of the Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet (as supplemented or replaced, if applicable), unless the context requires otherwise.

You may obtain a copy of the Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet (as supplemented or replaced, if applicable) directly from our website, the issue manager/manager and where applicable DBS/POSB branches in Singapore and the various participating banks during banking hours, subject to availability.

Where applicable, a copy of the Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet (as supplemented or replaced, if applicable) has been lodged with and/or registered by the Monetary Authority of Singapore or, as the case may be, the relevant securities exchange and is made available on our website as announced (if applicable) or disseminated to the securities market operated by the relevant securities exchange and neither the Monetary Authority of Singapore nor the relevant securities exchange takes any responsibility for any of the contents contained in these documents.

By downloading a copy of the Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet (as supplemented or replaced, if applicable), you agree not to copy, forward or otherwise distribute the Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet (as supplemented or replaced, if applicable) to any other person and not to use the information contained in the Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet (as supplemented or replaced, if applicable) for any purpose other than to evaluate an investment in the subject security.

No representation or warranty, express or implied, is made by us as to the accuracy or completeness of any of the information contained in the Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet (as supplemented or replaced, if applicable) listed on our website. Any information falling outside the demarcated areas of the electronic Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet (as supplemented or replaced, if applicable) does not form part of the Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet (as supplemented or replaced, if applicable). The security offered herein is offered on the basis of the information in the electronic Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet (as supplemented or replaced, if applicable) set out within the demarcated areas.

The securities mentioned herein have not been approved for offer, subscription, sale or purchase by any authority outside Singapore and are intended to be available only to residents of Singapore. The information contained herein is not intended to and does not constitute a distribution, an offer to sell or the solicitation of any offer to buy any securities in any jurisdiction in which such distribution or offer is not authorised to any person. There are restrictions on the offer and sale of securities in certain jurisdictions including Canada, Hong Kong, Japan, United Kingdom and the United States of America. The materials included in the following pages are not an offer of securities for sale in any jurisdictions other than Singapore.

The information herein or any copy thereof, is not to be published or distributed, directly or indirectly, in or into the United States of America. The securities mentioned herein have not been and will not be registered under the U.S. Securities Act of 1933 as amended (the "U.S. Securities Act") or the securities laws of any state of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, any "U.S. person" (as defined in Regulation S under the U.S. Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state security laws. There will be no public offer of the securities mentioned herein in the United States. Any failure to comply with this restriction may constitute a violation of United States securities laws.

You are required to observe and comply with all applicable laws and regulations of your jurisdiction when accessing the information contained herein. If you are in any doubt as to the applicable laws and regulations or the action you should take, you must consult your professional advisers immediately.

11: Click on "U.S. person" to read the following:

- "U.S. Person" means:
 - any natural person resident in the United States;
 - any partnership or corporation organised or incorporated under the laws of the United States;
 - any estate of which any executor or administrator is a U.S. person;
 - any trust of which any trustee is a U.S. person;
 - any agency or branch of a foreign entity located in the United States;
 - any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
 - any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
 - any partnership or corporation if:
 - a. organised or incorporated under the laws of any foreign jurisdiction; and
 - b. formed by a U.S. person principally for the purpose of investing in securities not registered under the United States Securities Act of 1933, as amended unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the United States Securities Act of 1933) who are not natural persons, estates or trusts.

12: Click on "conditions on securities application" to read the following:

- For **FIXED/MAXIMUM** price securities application, this is your only application. For TENDER price securities application, this is your only application at the selected tender price.

- For **FOREIGN CURRENCY** securities, subject to the terms of the issue, please note the following:
 - The application monies will be debited from your bank account in S\$, based on the Bank's prevailing board rates at time of application. Any refund monies will be credited in S\$ based on the Bank's prevailing board rates at the time of refund. The different prevailing board rates at the time of application and at the time of refund of application monies may result in either a foreign exchange profit or loss. Alternatively, application monies may be debited and refunds credited in S\$ at the same exchange rate.
 - For 1ST-COME-1ST-SERVE securities, the number of securities applied for may be reduced, subject to availability at the point of application.

13: Input details for the securities application, and click "Next".

14: Verify the details of your securities application and click "Confirm" to confirm your application.

15: You may print a copy of the IB Confirmation Screen for your reference and retention.

Steps for mBanking Application through the mBanking Interface of DBS Bank

For illustrative purposes, the steps for making an mBanking Application through the mBanking Interface of DBS Bank are shown below.

Certain words appearing on the screen are in abbreviated form ("A/c", "amt", "&", "I/C", "SGX" and "No." refer to "Account", "amount", "and", "NRIC", "SGX-ST" and "Number" respectively).

Steps

1. Click on DBS Bank mBanking application and login using your User ID and PIN.
2. Select "Invest".
3. Select "Electronic Securities Application (ESA)".
4. Select "Yes" to proceed and to warrant, among others, that you are currently in Singapore, you have observed and complied with all applicable laws and regulations and that your mailing address for DBS Bank Internet Banking is in Singapore and that you are not a U.S. person (as such term is defined in Regulation S under the Securities Act of 1933, as amended).
5. Select your country of residence and click "Next".
6. Select "EAGLEHT" and payment method and click "Next".
7. Click "I agree" to confirm, among others:
 - All investment in securities carries risks and by agreeing to subscribe for these securities, you understand and acknowledge that you are responsible for your own investment decision and are willing to assume all the risks associated with investing in such securities, including the risk that you may lose all or part of your investment.

- You have read, understood and agreed to all terms of application set out in the Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet and if applicable, the Supplementary or Replacement Prospectus/Simplified Disclosure Document/Profile Statement and/or Product Highlights Sheet.
 - For the purposes of facilitating your application, you consent to the Bank collecting and using your name, NRIC/passport number, address, nationality, Securities Account number, CPF Investment Account number, application details and other personal data and disclosing the same from the Bank's records to registrars of securities of the issuer, SGX, CDP, CPF, issuer/vendor(s) and issue manager(s).
 - You are not a U.S. person (as such term is defined in Regulation S under the Securities Act).
 - You understand that the securities mentioned herein have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States or to, or for the account or benefit of any "U.S. person" (as defined in Regulation S under the Securities Act) except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.
 - There will be no public offer of the securities mentioned herein in the United States. Any failure to comply with this restriction may constitute a violation of the United States securities laws.
 - This application will be made in your own name.
 - For FIXED/MAXIMUM price securities application, this is your only application. For TENDER price securities application, this is your only application at the selected tender price.
 - FOR FOREIGN CURRENCY Securities, subject to the terms of the issue, please note the following: the application monies will be debited from your bank account in S\$, based on the Bank's prevailing board rates at the time of application. Any refund monies will be credited in S\$ based on the Bank's prevailing board rates at the time of refund. The different prevailing board rates at the time of application and at the time of refund of application monies may result in either a foreign exchange profit or loss. Alternatively, application monies may be debited and refund credited in S\$ at the same exchange rate.
 - FOR 1ST-COME-1ST-SERVE securities, the number of securities applied for may be reduced, subject to availability at the point of application.
8. Fill in details for securities application and click "Next".
 9. Check the details of your securities application, your CDP Securities Account number and click "Confirm" to confirm your application.
 10. Where applicable, capture Confirmation Screen (optional) for your reference and retention only.

APPENDIX H

**LIST OF PRESENT AND PAST PRINCIPAL DIRECTORSHIPS OF
DIRECTORS AND EXECUTIVE OFFICERS OF THE MANAGERS**

The principal present directorships, other than those held in the Managers, and the principal past directorships in the last five years of each of the directors and executive officers (named in "Management and Corporate Governance") of the Managers are as follows:

(A) Directors of the Managers**(1) Howard Wu**

<u>Current Directorships</u>	<u>Past Directorships (for a period of five years preceding the Latest Practicable Date)</u>
Eagle Hospitality REIT Management Pte. Ltd.	Nil
Eagle Hospitality Business Trust Management Pte. Ltd.	
Eagle Hospitality Trust S1 Pte. Ltd.	
Eagle Hospitality Trust S2 Pte. Ltd.	
Urban Commons, LLC	
US Hospitality Investments, LLC	
2W Asset Management, LLC	
Asset Investment Management, LLC	
Epic Events, LLC	
Global Investment Services, LLC	
Urban Commons 2 West, LLC	
Urban Commons Battery Park, LLC	
Urban Commons Sunset Blvd, LLC	
US Hospitality Common Co, LLC	
Pasadena Investment Capital, LLC	
Grover Beach Capital, LLC	
Urban Commons El Camino Real, LLC	
Queensway Holdco, LLC	
Queensway, LP	
UCQ Holding, LLC	
UCQUEENSWAYLL, LC	
Urban Commons Global, LLC	
Urban Commons Queensway, LLC	
Urban Commons Gramercy, LLC	
UC4LL, LLC	
Urban Commons 4th Street A, LLC	
UCBAYLL, LLC	
Urban Commons Bayshore A, LLC	
Urban Commons Bayshore, LLC	
UCDANLL, LLC	
Urban Commons Danbury A, LLC	
UCHLL, LLC	
Urban Commons Highway III, LLC	
Urban Commons Hwy 111A, LLC	
Urban Commons Riverside Blvd., A, LLC	
Urban Commons Riverside Blvd., LLC	
UCCONT1, LLC	
Urban Commons Continental, LLC	

UCF1, LLC
 UCFLL, LLC
 Urban Commons Frontera, LLC
 Newport Bayside Resort, LLC
 UCH1, LLC
 Urban Commons Hialeah, LLC
 UCHIDH, LLC
 UCHIDHLL, LLC
 Urban Commons HIDH, LLC
 UCRDHLL, LLC
 Urban Commons RDH, LLC
 UCRDH, LLC
 MIC, LLC
 UCCH, LLC
 Urban Commons Harvard, LLC
 Urban Commons Anaheim HI, LLC
 Urban Commons Anaheim, LLC
 UCCORDOVALL, LLC
 Urban Commons Cordova A, LLC
 Urban Commons Cordova, LLC
 Urban Common Royal, LLC
 4th Street Upper Holdco, LLC
 4th Street Lower Holdco, LLC
 CCCH, LLC
 UC Junior Mezz, LLC
 UC Senior Mezz, LLC
 UCBLL, LLC
 Urban Barbecue, LLC
 Urban Commons Summit, LLC
 USHIL Holdco Member, LLC
 USHIL Holdco, LLC

(2) Taylor Woods

Current Directorships

Past Directorships (for a period of five years preceding the Latest Practicable Date)

Eagle Hospitality REIT Management Pte. Ltd.
 Eagle Hospitality Business Trust Management Pte. Ltd.
 Urban Commons, LLC
 US Hospitality Investments, LLC
 2W Asset Management, LLC
 Asset Investment Management, LLC
 Epic Events, LLC
 Global Investment Services, LLC
 Urban Commons 2 West, LLC
 Urban Commons Battery Park, LLC
 Urban Commons Sunset Blvd, LLC
 US Hospitality Common Co, LLC
 Pasadena Investment Capital, LLC
 Grover Beach Capital, LLC
 Urban Commons El Camino Real, LLC
 Queensway Holdco, LLC

Nil

Queensway, LP
UCQ Holding, LLC
UCQUEENSWAYLL, LC
Urban Commons Global, LLC
Urban Commons Queensway, LLC
Urban Commons Gramercy, LLC
UC4LL, LLC
Urban Commons 4th Street A, LLC
Urban Commons 4th Street, LLC
UCBAYLL, LLC
Urban Commons Bayshore A, LLC
Urban Commons Bayshore, LLC
UCDANLL, LLC
Urban Commons Danbury, LLC
Urban Commons Danbury A, LLC
UCHLL, LLC
Urban Commons Hwy 111A, LLC
Urban Commons Riverside Blvd., A, LLC
Urban Commons Riverside Blvd., LLC
UCCONT1, LLC
Urban Commons Continental, LLC
UCF1, LLC
UCFLL, LLC
Urban Commons Frontera, LLC
Newport Bayside Resort, LLC
UCH1, LLC
Urban Commons Hialeah, LLC
UCHIDH, LLC
UCHIDHLL, LLC
Urban Commons HIDH, LLC
UCRDHLL, LLC
Urban Commons RDH, LLC
UCRDH, LLC
MIC, LLC
UCCH, LLC
Urban Commons Harvard, LLC
Urban Commons Anaheim HI, LLC
Urban Commons Anaheim, LLC
UCCORDOVALL, LLC
Urban Commons Cordova A, LLC
Urban Commons Cordova, LLC
Urban Common Royal, LLC
4th Street Upper Holdco, LLC
4th Street Lower Holdco, LLC
CCCH, LLC
UC Junior Mezz, LLC
UC Senior Mezz, LLC
UCBLL, LLC
Urban Barbecue, LLC
Urban Commons Summit, LLC
USHIL Holdco Member, LLC
USHIL Holdco, LLC
Woods Development, LLC

(3) Davy Lau

Current Directorships

Eagle Hospitality REIT Management Pte. Ltd.
Eagle Hospitality Business Trust Management Pte. Ltd.
Japan Home (Retail) Pte. Ltd.
Manulife US Real Estate Management Pte. Ltd.
DGL Group Inc
IVC Global Partners Pte. Ltd.
Sentiens Asia Pte. Ltd.
International Housewares Retail Ltd
Hong Kong-ASEAN Economic Cooperation Foundation
Make-A-Wish Foundation (Singapore) Limited
The Mustard Seed Business Angel Fund LLP
United World College of South East Asia
The UWCSEA Foundation Limited
United World College of South East Asia – East

Past Directorships (for a period of five years preceding the Latest Practicable Date)

AL Group Ltd
Strategic Investment Partners Inc
eZoo School of Music and Fine Arts Pte. Ltd.
Ocean Rich Group Ltd
Gooute Pte. Ltd.

(4) Tan Wee Peng Kelvin

Current Directorships

Eagle Hospitality REIT Management Pte. Ltd.
Eagle Hospitality Business Trust Management Pte. Ltd.
Sabana Real Estate Investment Management Pte. Ltd.
IREIT Global Group Pte. Ltd.
Unusual Limited
Golden Equator Capital Pte. Ltd.
NL Consulting Pte. Ltd.
YK Management Pte. Ltd.
Viking Offshore and Marine Limited
GBE Investments Pte. Ltd.
Orient Straits Fund II-D
Association of Taxation Technicians (S) Limited
Institute of Singapore Chartered Accountants Pte. Ltd.
Global Investments Limited

Past Directorships (for a period of five years preceding the Latest Practicable Date)

Shanghai Turbo Enterprises Ltd.
Marshal Systems Private Limited
Great Wall Majestic Pte. Ltd.
Citistate Capital Pte. Ltd.
M! Capital Ventures Pte. Ltd.
Accrelist Ltd.
Asero Worldwide Pte. Ltd.
Asia Business Development Pte. Ltd.
Transcorp Holdings Limited
Aperio Technology Pte. Ltd.
GBE Holdings Pte. Ltd.
DBE Consulting Pte. Ltd.

(5) Gabriel Stubbe

Current Directorships

Eagle Hospitality REIT Management Pte. Ltd.
Eagle Hospitality Business Trust Management
Pte. Ltd.
Peredigm Private Limited

**Past Directorships (for a period of five
years preceding the Latest Practicable
Date)**

The Gaia Hotels
OUE Commercial REIT Management Pte. Ltd.
Bowsprit Capital Corporation Limited

(6) Tarun Kataria

Current Directorships

Eagle Hospitality REIT Management Pte. Ltd.
Eagle Hospitality Business Trust Management
Pte. Ltd.
Mapletree Logistics Trust Management Ltd.
B.D. Kataria & Co. (Maritime) Pvt. Ltd.
Westlife Development Ltd.
Poddar Housing and Development Ltd.
Global Moats Fund
HSBC Bank (Singapore) Limited
Sterlite Investment Managers Limited
Jubilant Pharma Limited
WWF-World Wide Fund For Nature
(Singapore) Limited

**Past Directorships (for a period of five
years preceding the Latest Practicable
Date)**

Oceanspan Shipping Co., Ltd.
38 Degrees Pte. Ltd.
New Opera Singapore Ltd.

(7) Salvatore G. Takoushian

Current Directorships

Eagle Hospitality REIT Management Pte. Ltd.
Eagle Hospitality Business Trust Management
Pte. Ltd.
Advanced Service Solutions, Inc

**Past Directorships (for a period of five
years preceding the Latest Practicable
Date)**

Nil

(B) Executive Officers of the Managers

(1) Salvatore G. Takoushian

Current Directorships

Eagle Hospitality REIT Management Pte. Ltd.
Eagle Hospitality Business Trust Management
Pte. Ltd.
Advanced Service Solutions, Inc

**Past Directorships (for a period of five
years preceding the Latest Practicable
Date)**

Nil

(2) John Bovian Jenkins Jr

Current Directorships

Sydjul Hospitality, LLC

Past Directorships (for a period of five years preceding the Latest Practicable Date)

Nil

(3) Cheah Zhuo Yue, Joel

Current Directorships

Nil

Past Directorships (for a period of five years preceding the Latest Practicable Date)

Nil

(4) Goh Lilian

Current Directorships

Nil

Past Directorships (for a period of five years preceding the Latest Practicable Date)

Nil

APPENDIX I

PROCEDURES FOR THE SUBMISSION OF U.S. TAX FORMS

In order for EHT to comply with FATCA, the Singapore IGA Legislation and other US withholding requirements, Stapled Securityholders that are not US Persons ("**Non-US Stapled Securityholders**") must establish their status for FATCA purposes and their eligibility for the portfolio interest exemption by providing a properly completed and duly exercised applicable IRS Form W-8 ("**Form W-8**") and the certifications below. Stapled Securityholders that are US Persons ("**US Stapled Securityholders**") must provide a properly completed and duly exercised IRS Form W-9 ("**Form W-9**") and collectively with Form W-8 and the certifications below, "**US Tax Forms**". The U.S. Tax Compliance Certificate (a sample can be found attached behind) is one of the certifications which must be submitted along with the applicable IRS Form in order for Stapled Securityholders to declare their eligibility status to qualify for the portfolio interest exemption.

Boardroom Corporate & Advisory Services Pte. Ltd., the Unit Registrar of EHT, will dispatch US Tax Forms and certifications to each Stapled Securityholder that does not have valid documentation on file prior to EHT making any Distributions to Stapled Securityholders. See Note 7 below regarding validity and resubmission of US Tax Forms.

US Tax Forms may also be obtained from EHT's website at <http://www.eagleht.com> and the US Internal Revenue Service website at <http://www.irs.gov>. The U.S. Tax Compliance Certificate may be obtained from EHT's website at <http://www.eagleht.com> or from Boardroom Corporate & Advisory Services Pte. Ltd., the Unit Registrar of EHT.

Please read the following important notes carefully before completion of a US Tax Form and the certifications below:

- (1) No US tax will be deducted or withheld from distributions made out of EHT's taxable income to Non-US Stapled Securityholders that have provided a properly completed and duly executed applicable US Tax Form and the certifications set forth below unless:
 - (a) the Stapled Securityholder's investment in the Stapled Securities is effectively connected with its conduct of a trade or business in the United States and a properly completed Form W-8ECI has not been provided, or
 - (b) the Stapled Securityholder actually or constructively holds 10%¹ or more of all outstanding Stapled Securities.

For this purpose, the constructive ownership rules generally attribute ownership of stock:

- (a) to individuals from spouses, children, grandchildren and parents ("family attribution"),
- (b) to beneficial owners of entities from such entities ("upward attribution"),
- (c) to entities from their beneficial owners ("downward attribution") and
- (d) to option holders from options to acquire such stock ("option attribution").

In the case of (i) upward attribution and (ii) downward attribution from a shareholder that owns less than 50 percent of the value of a corporation, the stock attributed is proportional to (i) the beneficial owner's ownership of the entity and (ii) the shareholder's ownership interest in the corporation measured by value, respectively. In all other cases of downward attribution, all of the stock owned is attributed down.

¹ Section 318 of the U.S. Internal Revenue Code ("**IRC**") modified by the provisions of Section 871(h)(3)(C) of the IRC.

All of the attribution rules generally apply simultaneously, except:

- (a) stock constructively owned by an individual through family attribution cannot be subsequently treated as constructively owned by another individual through family attribution,
 - (b) stock constructively owned through downward attribution cannot be subsequently treated as constructively owned through upward attribution,
 - (c) stock constructively owned through option attribution cannot be subsequently treated as constructively owned through family, upward or downward attribution, and
 - (d) if option attribution and family attribution apply to the same stock, the stock is treated as constructively owned through option attribution.
- (2) For distributions made to Stapled Securityholders that have not provided proper certifications or that fall within one of the categories described in Note 1:
- (a) US withholding at a rate of 30% (or lower applicable treaty rate) may be imposed on any distribution to the extent attributable to interest payments from US Corp to Cayman Corp 1; and/or
 - (b) US withholding under FATCA at a rate 30% may be imposed on the gross amount of any “withholdable payments”.
- (3) If the amount of any US withholding exceeds the amount of US federal income tax owed by a Stapled Securityholder, such Stapled Securityholder generally may request a refund of such excess amount by filing a US federal income tax return (generally IRS Form 1040-NR in the case of a Stapled Securityholder that is an individual or IRS Form 1120-F in the case of a Stapled Securityholder that is taxable as a corporation) and attaching a copy of IRS Form 1042-S (provided by EHT, CDP, or a CDP depository agent, as applicable) that shows the amount of income and the amount of US tax withheld. If a Stapled Securityholder is not otherwise subject to US tax and is eligible for the Portfolio Interest Exemption, the amount of US withholding will generally exceed the amount of US federal income tax owed by 100%, and thus the Stapled Securityholder will generally be eligible for a refund provided that the applicable withholding agent has properly deposited the withheld tax with the IRS.

The relevant forms and instructions may be found on the IRS website at <http://www.irs.gov>. Stapled Securityholders are encouraged to consult with their own tax advisors regarding their eligibility to file for a refund and how to do so.

- (4) Non-US Stapled Securityholders should use the following chart to determine which Form W-8 to provide:

If a Non-US Stapled Securityholder is:	Then:
A natural person whose investment in Stapled Securities is not effectively connected with its conduct of a trade or business in the United States	The Stapled Securityholder must provide an IRS Form W-8BEN
An entity that is disregarded as separate from a natural person for US federal income tax purposes and for which its investment in Stapled Securities is not effectively connected with its or its sole-owner's conduct of a trade or business in the United States	The sole owner of the Stapled Securityholder must provide an IRS Form W-8BEN
An entity that is not a foreign intermediary or flow through entity for US federal income tax purposes and for which its investment in the Stapled Securities is not effectively connected with its conduct of a trade or business in the United States	The Stapled Securityholder must provide an IRS Form W-8BEN-E
An entity that is disregarded as separate from an entity that is not a foreign intermediary or flow through entity for US federal income tax purposes and for which its investment in the Stapled Securities is not effectively connected with its conduct of a trade or business in the United States	The sole owner of the Stapled Securityholder must provide an IRS Form W-8BEN-E
A foreign government, international organisation, foreign central bank of issue, foreign tax-exempt organisation, foreign private foundation, or government of a US possession that is claiming the applicability of Section(s) 115(2), 501(c), 892, 895, or 1443(b) (unless claiming treaty benefits)	The Stapled Securityholder must provide an IRS Form W-8EXP
Any person described above except that its investment in the Stapled Securities is effectively connected with its conduct of a trade or business in the United States	The Stapled Securityholder (or the sole owner of the Stapled Securityholder in the case of a disregarded entity) must provide an IRS Form W-8ECI
Acting as a foreign intermediary (that is, acting not for its own account, but for the account of others as an agent, nominee, or custodian) or a flow through entity	The Stapled Securityholder must provide an IRS Form W-8IMY that contains all applicable attachments

Stapled Securityholders that are US persons or that are entities disregarded as separate from a US person for US federal income tax purposes must provide a Form W-9.

- (5) Instructions to the US Tax Forms may be obtained from EHT's website at <http://www.eagleht.com> or from the US Internal Revenue Service website at <http://www.irs.gov>;

- (6) Instructions to the U.S. Tax Compliance Certificate may be obtained from EHT's website at <http://www.eagleht.com>.
- (7) Submission instructions for US Tax Forms and U.S. Tax Compliance Certificate will be provided to Stapled Securityholders by the Unit Registrar. It is the responsibility of Stapled Securityholders to return the relevant US Tax Forms and U.S. Tax Compliance Certificate to the Unit Registrar within the time stipulated by the Unit Registrar. If a Stapled Securityholder fails to return the relevant US Tax Form and U.S. Tax Compliance Certificate to the Unit Registrar or any US Tax Form previously returned by the Stapled Securityholder to the Unit Registrar has ceased to remain valid, the REIT Trustee and Manager will be obliged to withhold tax as described in Note 2, above. The REIT Trustee and Manager will not be obliged to assist such Stapled Securityholder from obtaining a refund for the amounts deducted or withheld by the IRS, the IRAS or other applicable tax or regulatory authorities.
- (8) Prior to submitting a Form W-8 and the certifications below, please make certain that the information given and the certifications made are true and correct. Each Form W-8 must be signed under penalties of perjury.
- (9) A Form W-8 will generally remain valid from the date signed until the last day of the third succeeding calendar year. For example, a form signed on 31 December 2018 will remain valid through 31 December 2021. All US Tax Forms cease to be valid upon any change in circumstance that renders a previously submitted US Tax Form inaccurate. A Stapled Securityholder must submit a new properly completed and duly executed US Tax Form if its previously submitted US Tax Form becomes invalid or if Manager or the Unit Registrar otherwise requests within the time stipulated by Manager or the Unit Registrar.



U.S. TAX COMPLIANCE CERTIFICATE

This Tax Compliance Certificate will generally remain valid from the date signed until there is any change in circumstance that renders the declaration under this Tax Compliance Certificate inaccurate, upon which this Tax Compliance Certificate shall cease to be valid. A Stapled Securityholder must submit a new properly completed and duly executed Tax Compliance Certificate if its previously submitted Tax Compliance Certificate becomes invalid or if the Manager or the Unit Registrar otherwise requests within the time stipulated by Manager or the Unit Registrar.

In connection with the acquisition of Stapled Securities of **Eagle Hospitality Trust**, the undersigned hereby certifies that **(Please see Explanatory Note)**:

- (i) it is the sole record and beneficial owner of the Stapled Securities in respect of which it is providing this certificate;
- (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code;
- (iii) it is not a controlled foreign corporation related to the Issuer as described in Section 881(c)(3)(C) of the Code; and
- (iv) it is not a ten percent shareholder of Issuer within the meaning of Section 871(h)(3)(B) of the Code.

The undersigned has furnished **Eagle Hospitality Trust** with a certificate of its non-U.S. Person status on an applicable U.S. Internal Revenue Service Form W-8.

By: _____ Date: _____
 Name: Title:

This US Tax Compliance Certificate must be submitted along with the applicable IRS Form in order for Eagle Hospitality Trust Stapled Securityholders to declare their eligibility status to qualify for portfolio interest exemption.

EXPLANATORY NOTE:

For this purpose, the constructive ownership rules generally attribute ownership of stock:

- (a) to individuals from spouses, children, grandchildren and parents ("**family attribution**"),
- (b) to beneficial owners of entities from such entities ("**upward attribution**"),
- (c) to entities from their beneficial owners ("**downward attribution**") and
- (d) to option holders from options to acquire such stock ("**option attribution**").

In the case of (i) upward attribution and (ii) downward attribution from a shareholder that owns less than 50 percent of the value of a corporation, the stock attributed is proportional to (i) the beneficial owner's ownership of the entity and (ii) the shareholder's ownership interest in the corporation measured by value, respectively. In all other cases of downward attribution, all of the stock owned is attributed down.

All of the attribution rules generally apply simultaneously, except:

- (a) stock constructively owned by an individual through family attribution cannot be subsequently treated as constructively owned by another individual through family attribution,
- (b) stock constructively owned through downward attribution cannot be subsequently treated as constructively owned through upward attribution,
- (c) stock constructively owned through option attribution cannot be subsequently treated as constructively owned through family, upward or downward attribution, and
- (d) if option attribution and family attribution apply to the same stock, the stock is treated as constructively owned through option attribution.

THE CONDITIONS LISTED ABOVE ARE FOR THE PURPOSES OF GENERAL INFORMATION ONLY AND DO NOT CONSTITUTE FORMAL TAXATION ADVICE IN RESPECT OF DECLARING ELIGIBILITY STATUS. STAPLED SECURITYHOLDERS ARE URGED TO CONSULT WITH THEIR OWN TAX ADVISORS BEFORE MAKING SUCH A DECLARATION.

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APPENDIX J

AIFMD DISCLOSURES

This **Appendix J** should be read by prospective investors domiciled, or with a registered office, in a member state of the European Economic Area (“**EEA**”). The REIT Manager and the Trustee-Manager (collectively, the “**Managers**”) are due to offer Stapled Securities in Eagle Hospitality Trust (“**EHT**”), with each Stapled Security comprising one unit in Eagle Hospitality Real Estate Investment Trust (“**EH-REIT**”) and one unit in Eagle Hospitality Business Trust (“**EH-BT**”), that are anticipated to be marketed in the United Kingdom which is a member state of the EEA.

EHT will be an “alternative investment fund” (“**AIF**”), as defined in the Alternative Investment Fund Managers Directive 2011/61/EU of the European Parliament and of the European Council (the “**AIFMD**”). Each of the REIT Manager and the Trustee-Manager is considered the “alternative investment fund manager” of EHT (the “**AIFM**”), as defined in the AIFMD.

Unless otherwise defined herein, capitalised terms used in this Appendix shall have the same meanings as those defined in this Prospectus.

No.	Nature of disclosure	Disclosure
Article 23(1)(a)		
1.	Objectives of the AIF.	The investment objective and strategy of EHT are to deliver regular and stable distributions to Stapled Securityholders of EHT and to achieve long-term growth in distribution per Stapled Security and in the NAV per Stapled Security, while maintaining an appropriate capital structure.
2.	Investment strategy of the AIF.	<p>EH-REIT is established with the principal investment strategy of investing on a long-term basis, directly or indirectly, in a diversified portfolio of income-producing real estate which is used primarily for hospitality and/or hospitality-related purposes, as well as real estate-related assets in connection with the foregoing, with an initial focus on the US. Real estate used for “hospitality” purposes includes hotels, serviced residences, resorts and other lodging facilities, whether in existence by themselves as a whole or as part of larger mixed-use developments, which may include commercial, entertainment, retail and leisure facilities.</p> <p>EH-BT is currently dormant. It will, however, become active if any of the following occurs:</p> <p>(i) it is appointed by EH-REIT, in the absence of any other master lessee(s) being appointed, as a Master Lessee of one of the Properties. EH-BT exists primarily as “a master lessee of last resort”;</p>

No.	Nature of disclosure	Disclosure
		<p>(ii) EH-REIT acquires hotels in the future, and, if there are no other suitable master lessees, EH-REIT will lease these acquired hotels to EH-BT. EH-BT will then become a master lessee for that hotel and will appoint a Hotel Manager to manage that hotel, where such hotel management fees will be borne by the EH-BT (as master lessee); or</p> <p>(iii) it undertakes certain hospitality and hospitality-related development projects, acquisitions and investments which may not be suitable for EH-REIT.</p>
3.	Location of any master AIF.	This is not applicable as neither EH-REIT nor EH-BT qualifies as a feeder within the meaning of the AIFMD.
4.	Where underlying funds are established if the AIF is a fund of funds	This is not applicable as neither EH-REIT nor EH-BT is a fund of funds.
5.	Types of assets in which the AIF may invest.	<p>Under its current investment strategy, EH-REIT may invest on a long-term basis, directly or indirectly, in a diversified portfolio of income-producing real estate which is used primarily for hospitality and/or hospitality-related purposes, as well as real estate-related assets in connection with the foregoing, with an initial focus on the US.</p> <p>EH-BT is currently dormant and does not have an investment strategy or objective setting out the types of assets it may invest.</p>
6.	Techniques which the AIF may employ and all associated risks.	<p>Please refer to the disclosure in paragraph 2 above for EH-REIT's principal investment strategy and the section entitled "Risk Factors" of this Prospectus for the risks relating to the techniques which the Managers may employ.</p> <p>EH-REIT has an investment policy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate which is used primarily for hospitality and/or hospitality-related purposes, as well as real estate-related assets in connection with the foregoing, with an initial focus on the US. Such investments may be made by way of direct ownership of such assets or by way of direct or indirect holdings of shares, units or interests (as the case may be) in special purpose vehicles which are unlisted, each of whose primary purpose is to hold or own real estate or real estate related assets.</p>

No.	Nature of disclosure	Disclosure
		<p>EH-BT is established to principally carry on the following businesses:</p> <ul style="list-style-type: none"> (i) the acquisition, disposition and ownership of authorised investments and all activities, concerns, functions and matters reasonably incidental thereto; (ii) ownership of subsidiaries which are engaged in the acquisition, disposition and ownership of authorised investments and all activities, concerns, functions and matters reasonably incidental thereto; and (iii) any business, undertaking or activity associated with, incidental and/or ancillary to the carrying on of the businesses referred to in paragraphs (i) and (ii) of this definition, including (without limitation) the management and leasing of the authorised investments. <p>EH-BT is currently dormant. It will, however, become active if any of the following occurs:</p> <ul style="list-style-type: none"> (i) it is appointed by EH-REIT, in the absence of any other master lessee(s) being appointed, as a Master Lessee of one of the Properties. EH-BT exists primarily as “a master lessee of last resort”; (ii) EH-REIT acquires hotels in the future, and, if there are no other suitable master lessees, EH-REIT will lease these acquired hotels to EH-BT. EH-BT will then become a master lessee for that hotel and will appoint a Hotel Manager to manage that hotel, where such hotel management fees will be borne by the EH-BT (as master lessee); or (iii) it undertakes certain hospitality and hospitality-related development projects, acquisitions and investments which may not be suitable for EH-REIT.

No.	Nature of disclosure	Disclosure
7.	Any applicable investment restrictions on the AIF.	<p>(i) EH-REIT is required to comply with the Property Funds Appendix issued by the MAS and the applicable provisions of the EH-REIT Trust Deed.</p> <p>(ii) Pursuant to paragraph 6 of the Property Funds Appendix and the EH-REIT Trust Deed, EH-REIT may only invest in:</p> <ul style="list-style-type: none"> (a) real estate, whether freehold or leasehold, in or outside Singapore, which may be by way of direct ownership or a shareholding in an unlisted special purpose vehicle constituted to hold or own real estate; (b) any improvement or extension of or addition to, or reconstruction, refurbishment, retrofitting, renovation or other development of any real estate or any building thereon; (c) real estate-related assets, wherever the issuers/assets/securities are incorporated/located/issued/traded; (d) listed or unlisted debt securities and listed shares of, or issued, by local or foreign non-property corporations; (e) government securities (issued on behalf of the Singapore Government or governments of other countries) and securities issued by a supranational agency or a Singapore statutory board; (f) cash and cash equivalent items; (g) financial derivatives only for the purposes of (a) hedging existing positions in EH-REIT's portfolio where there is a strong correlation to the underlying investments or (b) efficient portfolio management by EH-REIT, provided that such derivatives are not used to gear the overall portfolio of EH-REIT or intended to be borrowings or any form of financial indebtedness of EH-REIT; and

No.	Nature of disclosure	Disclosure
		<p>(h) any other investment not covered by paragraph (a) to (g) of this definition but specified as a permissible investment in the Property Funds Appendix or otherwise permitted by the Authority and selected by the Manager for investment by the Trust and approved by the Trustee in writing.</p> <p>(iii) Pursuant to paragraph 7.1 of the Property Funds Appendix, EH-REIT is required to comply with the following restrictions and requirements:</p> <p>(a) at least 75% of EH-REIT's deposited property (as defined in the Property Funds Appendix) should be invested in income-producing real estate;</p> <p>(b) EH-REIT should not undertake property development activities whether on its own, in a joint venture with others, or by investing in unlisted property development companies, unless EH-REIT intends to hold the developed property upon completion. For this purpose, property development activities do not include refurbishment, retrofitting and renovations;</p> <p>(c) EH-REIT should not invest in vacant land and mortgages (except for mortgage-backed securities). This prohibition does not prevent EH-REIT from investing in real estate to be built on vacant land that has been approved for development or other uncompleted property developments;</p>

No.	Nature of disclosure	Disclosure
		<p>(d) the total contract value of property development activities undertaken and investments in uncompleted property developments should not exceed 10% of EH-REIT's deposited property. The total contract value of property development activities may exceed 10% of EH-REIT's deposited property (subject to a maximum of 25% of EH-REIT's deposited property) only if:</p> <p>(i) the additional allowance of up to 15% of EH-REIT's deposited property is utilised solely for the redevelopment of an existing property that has been held by EH-REIT for at least three years and which EH-REIT will continue to hold for at least three years after the completion of the redevelopment; and</p> <p>(ii) EH-REIT obtains the specific approval of Unitholders' at a general meeting for the redevelopment of the property.</p> <p>For the purpose of this paragraph (d), the value of the investment refers to the contracted purchase price and not the value of progress payments made to date; and</p> <p>(e) for investments in permissible investments under sub-paragraphs (ii)(c), (ii)(d) or (ii)(e) above (except for deposits placed with eligible financial institutions and investments in high-quality money market instruments or debt securities), not more than 5% of EH-REIT's deposited property may be invested in any one issuer's securities or any one manager's funds.</p> <p>(iv) EH-BT is required to comply with the applicable provisions of the EH-BT Trust Deed. For the avoidance of doubt, the Property Funds Appendix issued by the MAS is not applicable to EH-BT.</p>

No.	Nature of disclosure	Disclosure
		<p>(v) Pursuant to the EH-BT Trust Deed, EH-BT may only invest in:</p> <ul style="list-style-type: none"> (a) real estate; (b) any improvement or extension of or addition to or reconstruction, refurbishment, retrofitting, renovation or other development of any real estate or any building thereon; (c) real estate related assets, wherever the issuers, assets or securities are incorporated, located, issued or traded; (d) listed or unlisted debt securities and listed shares or stock and (if permitted by the MAS) unlisted shares or stock of or issued by local or foreign non-property companies or corporations; (e) government securities (issued on behalf of the Singapore Government or governments of other countries) and securities issued by a supra-national agency or a Singapore statutory board; (f) cash and cash equivalent items; (g) financial derivatives only for the purposes of (a) hedging existing positions in EH-BT's portfolio where there is a strong correlation to the underlying investments or (b) efficient portfolio management by EH-BT, PROVIDED THAT such derivatives are not used to gear the overall portfolio of EH-BT or intended to be borrowings or any form of financial indebtedness of EH-BT; and (h) any other investment not covered by paragraph (a) to (g) of this definition but is not an investment which is prohibited in any applicable guidelines issued by the Authority and selected by the Trustee-Manager for investment by EH-BT incidental to or in connection with the carrying on of any authorised businesses under the EH-BT Trust deed. <p>(vi) EH-BT is currently dormant and does not have any investment strategy or plans.</p>

No.	Nature of disclosure	Disclosure
8.	Circumstances in which the AIF may use leverage.	<p>Pursuant to paragraph 9.1 of the Property Funds Appendix, EH-REIT may use borrowings for investment or redemption purposes. It may mortgage its assets to secure such borrowings.</p> <p>EH-BT is currently dormant and does not expected to incur any leverage. If EH-BT becomes active, it may use borrowings for its authorised businesses and investments.</p>
9.	Types and sources of leverage permitted and associated risks.	<p>Types of leverage permitted include guarantees, bonds, notes, syndicated loans, bilateral loans or other debt.</p> <p>Please refer to the section entitled “Risk Factors” of this Prospectus for the risks factors relating to leverage entitled “Risks Relating to EHT’s Operations – The amount EH-REIT may borrow is subject to the aggregate leverage limit set out in the Property Funds Appendix, which may affect the operations of EHT.” and “– EHT faces risks associated with debt financing.”</p>
10.	Any restrictions on the use of leverage.	<p>Pursuant to paragraph 9.2 of the Property Funds Appendix, the total borrowings and deferred payments of EH-REIT should not exceed 45.0% of EH-REIT’s deposited property. Such restriction does not apply to EH-BT.</p>
11.	Any restrictions on the use of collateral and asset reuse arrangements.	<p>Pursuant to paragraph 9.1 of the Property Funds Appendix and the EH-REIT Trust Deed, EH-REIT may mortgage its assets to secure borrowings which are used for investment or redemption purposes.</p> <p>In connection with such collateral, EH-REIT’s assets would be given in security only and can be appropriated to the satisfaction of payment of outstanding borrowings by EH-REIT to the relevant chargees/mortgagees, and not by way of transfer of title or possession of the assets to such chargees/mortgagees (as opposed to, for example, a prime broker to whom securities are pledged and who can use them for securities lending purposes); EH-REIT would continue to have the rights to possess and enjoy its assets, including leasing of its real properties; and there would be no arrangement under which such collaterals and assets may be reused by the relevant chargees/mortgagees.</p> <p>EH-BT is permitted under the EH-BT Trust Deed to mortgage its assets to to secure the payment of any moneys or the performance of any obligation whatsoever or howsoever arising of any person upon such terms and conditions as the Trustee-Manager may think fit. EH-BT is currently dormant and has no assets.</p>

No.	Nature of disclosure	Disclosure
12.	Maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF.	Please refer to the disclosure in paragraph 10 of this Appendix J above.
Article 23(1)(b)		
13.	Procedure by which the AIF may change its investment strategy or policies, or both.	<p>The investment strategy of EH-REIT and EH-BT shall be determined by the Managers from time to time at its absolute discretion subject to the terms of the EH-REIT Trust Deed and the EH-BT Trust Deed.</p> <p>The Managers may from time to time change its investment policies for EH-REIT and EH-BT so long as they have given not less than 30 days' prior notice of the change to the REIT Trustee (in the case of EH-REIT only) and the Stapled Securityholders by way of an announcement to the SGX-ST.</p> <p>The REIT Manager is also required under the Code on Collective Investment Schemes to notify the MAS of any significant change of EH-REIT's investment strategy not later than one month before the change is to take effect.</p>
Article 23(1)(c)		
14.	Main legal implications of the contractual relationship entered into for the purposes of investment (including jurisdiction, applicable law and the existence or not of any legal instruments providing for the recognition and enforcement of judgements in the territory where the AIF is established).	<p>Investors who have acquired or subscribed for Stapled Securities in EHT are Stapled Securityholders. The rights and interests of Stapled Securityholders are provided for in the EH-REIT Trust Deed, EH-BT Trust Deed and the Stapling Deed, which are governed by the laws of Singapore.</p> <p>The terms and conditions of the EH-REIT Trust Deed, EH-BT Trust Deed and the Stapling Deed shall be binding on each Stapled Securityholder as if such Stapled Securityholder has been a party to the Trust Deed and as if the EH-REIT Trust Deed, EH-BT Trust Deed and the Stapling Deed contain covenants by such Stapled Securityholder to observe and be bound by the provisions of the EH-REIT Trust Deed, EH-BT Trust Deed and the Stapling Deed and an authorisation by each Stapled Securityholder to do all such acts and things as the EH-REIT Trust Deed, EH-BT Trust Deed and the Stapling Deed may require the REIT Trustee or the Managers (as the case may be) to do.</p>

No.	Nature of disclosure	Disclosure
		<p>A Stapled Securityholder has no equitable or proprietary interest in the underlying assets of EH-REIT or EH-BT. A Stapled Securityholder is not entitled to the transfer to him of EHT's deposited property or any part of EHT's deposited property or of any estate or interest in the deposited property or in any part of the deposited property.</p> <p>There is no single legal regime in Singapore governing the recognition and enforcement of foreign judgements in Singapore. Rather, under Singapore law, there exists common law, and statutory mechanisms for the recognition and enforcement of foreign judgements in Singapore. Each of these is subject to its own procedures and qualifications and whether a judgement given in a foreign court will be enforced in Singapore must be considered in light of the relevant factors in each case, including the applicable regime under which such judgement was given, the specific jurisdiction where such judgement was given and whether the requirements for recognition and enforcement of the foreign judgement have been satisfied.</p> <p>The EH-REIT Trust Deed, EH-BT Trust Deed and the Stapling Deed are available for inspection by investors and prospective investors at the registered office of the Managers for as long as EH-REIT and EH-BT are in existence.</p>
Article 23(1)(d)		
15.	The identity of the AIFM.	<p>The REIT Manager, Eagle Hospitality REIT Management Pte. Ltd., is incorporated in Singapore under the Companies Act, Chapter 50 of Singapore on 30 August 2018. As at the date of this Prospectus, the issued share capital of the REIT Manager is S\$1,000,000 comprising 1,000,000 ordinary shares. Its registered office is 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.</p> <p>The REIT Manager's contact details are as follows:</p> <p>Telephone No. : +65 6653 4434</p> <p>Facsimile No. : +65 6653 4788</p>

No.	Nature of disclosure	Disclosure
		<p>The Trustee-Manager, Eagle Hospitality Business Trust Management Pte. Ltd., is incorporated in Singapore under the Companies Act, Chapter 50 of Singapore on 30 August 2018. As at the date of this Prospectus, the issued share capital of the Trustee-Manager is S\$1.00 comprising 1 ordinary share. Its registered office is 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.</p> <p>The Trustee-Manager's contact details are as follows:</p> <p>Telephone No. : +65 6653 4434</p> <p>Facsimile No. : +65 6653 4788</p> <p>The Managers will be categorised as an "<i>alternative investment fund manager</i>" (as defined in the AIFMD) and the agents appointed by the Managers will conduct the marketing of EHT in the United Kingdom in accordance with the requirements of the AIFMD and applicable regulations.</p>
16.	The identity of the AIF's depository, a description of their duties and the investors' rights.	<p>EHT's depository and clearing organisation is The Central Depository (Pte) Limited, a corporation established under the laws of Singapore. For the avoidance of doubt, investors are expressly notified that this entity does not constitute a depository within the meaning of the AIFMD; EHT is not obliged to appoint an AIFMD depository and The Central Depository (Pte) Limited is not obliged to comply with the requirements of the AIFMD.</p> <p>The contact details of The Central Depository (Pte) Limited are as follows:</p> <p>Address : 9 North Buona Vista Drive #01-19/20, The Metropolis Singapore 138588</p> <p>Telephone No. : +65 6535 7511</p> <p>Facsimile No. : +65 6535 0775</p>

No.	Nature of disclosure	Disclosure
17.	The identity of the AIF's auditor, a description of their duties and the investors' rights.	<p>EHT's auditor is KPMG LLP (the "Reporting Auditors"). The contact details of the Reporting Auditors are as follows:</p> <p>Address : 16 Raffles Quay #22-00 Hong Leong Building Singapore 048581</p> <p>Telephone No. : +65 6213 3388</p> <p>Facsimile No. : +65 6225 0984</p> <p>The Reporting Auditors were responsible for preparing the Reporting Auditors' Report on the Profit Forecast and Profit Projection and the Reporting Auditors' Report on the Examination of the Unaudited Pro Forma Consolidated Financial Information, set out in Appendix A and Appendix B of this Prospectus, respectively.</p> <p>The Reporting Auditors have given and have not withdrawn their written consents to the issue of this Prospectus with the inclusion herein of their names and their reports in this Prospectus. Pursuant to Section 254 and Section 302 of the SFA, the Reporting Auditors shall be liable to compensate any person who suffers loss or damage as a result of a false or misleading statement made by them in the Prospectus, which includes their reports as set out in Appendix A and Appendix B of this Prospectus.</p> <p>Save for the above and without prejudice to any potential right of action in tort or any potential derivative action, investors in EHT may not have a direct right of recourse against the Reporting Auditors as such a right of recourse will lie with the relevant contracting counterparty (in this case being the Managers and the REIT Trustee) rather than the investors. Any contractual claim, demand or action against the Reporting Auditors may, in the absence of any derivative action, be brought only by the Managers and/or the REIT Trustee.</p> <p>In the event that an investor in EHT considers that it may have a claim against the Reporting Auditors in connection with its investment in EHT, such investor should consult its own legal advisers.</p>

No.	Nature of disclosure	Disclosure
18.	The identity of any other AIF service providers, a description of their duties and the investors' rights.	<p data-bbox="730 210 1011 239"><u>Independent Valuers</u></p> <p data-bbox="730 277 1390 999">EH-REIT will engage independent professional valuers with the appropriate professional qualifications and experience in the location and category of the real estate assets being valued, to conduct a full valuation of its real estate assets at least once per financial year in accordance with the Property Funds Appendix. Generally, where the Managers propose to issue new Stapled Securities for subscription (except in the case where new Stapled Securities are being issued in payment of the Managers' management fees) or to redeem existing Stapled Securities and EHT-REIT's real estate assets were valued more than six months ago, the REIT Manager should exercise discretion in deciding whether to conduct a desktop valuation of the real estate assets, especially when market conditions indicate that real estate values have changed materially. The REIT Manager or the REIT Trustee may at any other time arrange for the valuation of any of the real properties held by EH-REIT if it is of the opinion that it is in the best interest of Stapled Securityholders to do so.</p> <p data-bbox="730 1039 1390 1361">Colliers International Consultancy & Valuation (Singapore) Pte. Ltd. ("Colliers") and SG&R Singapore Pte Ltd¹ ("HVS") were appointed to conduct independent valuations of the Hotels comprising the Initial Portfolio as at 31 December 2018. Valuation reports were issued by Colliers and HVS in respect of their respective engagements, and the independent property valuation summary reports by both Colliers and HVS can be found in Appendix D of this Prospectus.</p> <p data-bbox="730 1402 1390 1756">Colliers and HVS have each given and have not withdrawn their written consents to the issue of this Prospectus with the inclusion herein of their names and their respective reports in this Prospectus. Pursuant to Section 254 and Section 302 of the SFA, each of Colliers and HVS shall be liable to compensate any person who suffers loss or damage as a result of a false or misleading statement made by them in the Prospectus, which includes their respective valuation reports as set out in Appendix D of this Prospectus.</p>

¹ SG&R Singapore Pte Ltd is the Singapore entity of HVS.

No.	Nature of disclosure	Disclosure
		<p>Save for the above and without prejudice to any potential right of action in tort or any potential derivative action, investors in EHT may not have a direct contractual right of recourse against the valuers as such a right of recourse will lie with the relevant contracting counterparty (such as the REIT Manager or the REIT Trustee, as the case may be) rather than the investors. Any contractual claim, demand or action against any independent professional valuer may, in the absence of any derivative action, be brought only by the relevant contracting counterparty (such as the REIT Manager or the REIT Trustee, as the case may be).</p> <p><u>Tax Adviser</u></p> <p>KPMG Services Pte. Ltd. (the “Independent Tax Adviser”) has been engaged to prepare the Independent Taxation Report found in Appendix F of this Prospectus.</p> <p>The Independent Tax Adviser has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its name and the Independent Taxation Report as set out in Appendix F of this Prospectus. Pursuant to Section 254 and Section 302 of the SFA, the Independent Tax Adviser shall be liable to compensate any person who suffers loss or damage as a result of a false or misleading statement made by it in the Prospectus, which includes the Independent Taxation Report as set out in Appendix F of this Prospectus.</p> <p>KPMG LLP (a Delaware limited liability partnership), was responsible for preparing the “United States Taxation Report” appended to the Independent Taxation Report found in Appendix F of this Prospectus (“KPMG LLP (US)”).</p> <p>KPMG LLP (US) has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its name and the “United States Taxation Report” appended to the Independent Taxation Report found in Appendix F of this Prospectus. Pursuant to Section 254 and Section 302 of the SFA, KPMG LLP (US) shall be liable to compensate any person who suffers loss or damage as a result of a false or misleading statement made by it in the Prospectus, which includes the “United States Taxation Report” appended to the Independent Taxation Report found in Appendix F of this Prospectus.</p>

No.	Nature of disclosure	Disclosure
		<p>Save for the above and without prejudice to any potential right of action in tort or any potential derivative action, investors in EHT may not have a direct right of recourse against the Independent Tax Adviser and KPMG LLP (US) as such a right of recourse will lie with the relevant contracting counterparty (such as the Managers or the REIT Trustee, as the case may be) rather than the investors. Any contractual claim, demand or action against the Independent Tax Adviser and KPMG LLP (US) may, in the absence of any derivative action, be brought only by the relevant contracting counterparty (such as the Managers or the REIT Trustee, as the case may be).</p> <p><u>Compliance Officer</u></p> <p>The REIT Manager has outsourced the compliance function to Deloitte & Touche Enterprise Risk Services Pte. Ltd. (“Deloitte”). Deloitte will report to the Chief Executive Officer and President. The duties under the compliance function by Deloitte are set out in the section entitled “Management and Corporate Governance – EH-REIT – Compliance Officer”.</p> <p>Deloitte may also be engaged to provide regulatory compliance advice from time to time as may be required by the REIT Manager. Deloitte will carry out the above compliance activities and the REIT Manager is responsible for ensuring compliance with all applicable laws, regulations and guidelines. The REIT Manager may, if it considers necessary, directly employ a compliance officer in the future.</p> <p>Investors in EHT may not have a direct right of recourse against Deloitte or any other outsourced compliance service provider as such a right of recourse will lie with the relevant contracting counterparty, being the REIT Manager, rather than the investors. Any contractual claim, demand or action against the outsourced compliance service provider may, in the absence of any derivative action, be brought only by the relevant contracting counterparty, being the REIT Manager.</p> <p>Further, in circumstances where an affiliate or third party delegate is appointed by the Managers or the REIT Trustee, any contractual claim, demand or action against such delegate may, in the absence of any derivative action, be brought only by the Managers and/or the REIT Trustee.</p>

No.	Nature of disclosure	Disclosure
		In the event that an investor in EHT considers that it may have a claim against any of the service providers described above in connection with its investment in EHT, such investor should consult its own legal advisers.
Article 23(1)(e)		
19.	Description of how the AIFM complies with the requirements to cover professional liability risks (own funds/professional indemnity insurance).	<p>The REIT Manager is required to satisfy the base capital requirement of S\$1.0 million for its regulated activity of REIT management as per Regulation 3 of the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations of Singapore. There is no similar regulatory requirement for the Trustee-Manager.</p> <p>As set out in the disclosure in paragraph 15 above, as at the Latest Practicable Date, the issued share capital of the REIT Manager is S\$1,000,000 comprising 1,000,000 ordinary shares, and the issued share capital of the Trustee-Manager is S\$1.00 comprising 1 ordinary share.</p> <p>In addition, the REIT Manager maintains professional indemnity insurance coverage for the liability of its Directors and officers. The Trustee-Manager does not maintain professional indemnity insurance coverage as EH-BT is currently dormant and does not hold any assets.</p>
Article 23(1)(f)		
20.	Description of any delegated management function (such as portfolio management or risk management) by the AIFM to third parties, the identity of the delegate(s) and any conflicts of interest that may arise from such delegation(s).	<p>The Managers have not delegated any management function to third parties.</p> <p>The Hotels in the Initial Portfolio will be leased to wholly-owned subsidiaries of the Sponsor pursuant to master lease agreements. Each Hotel, except The Queen Mary Long Beach, will be operated under a brand owned by one of the Hotel Franchisors pursuant to the franchise agreements between the applicable Hotel Franchisor and the Master Lessees, and the day-to-day operations of each Hotel will be managed by a third party hotel management company pursuant to hotel management agreements between the applicable Master Lessee and the applicable Hotel Manager. None of the Managers or the REIT Trustee is a party to the agreements with the Hotel Managers and the Hotel Franchisors.</p>

No.	Nature of disclosure	Disclosure
		<p>The REIT Manager has incorporated a wholly-owned subsidiary in the United States (the “REIT Manager US Sub”) so that to the extent activities of the REIT Manager would be required to be performed within the United States, those activities will be delegated to the REIT Manager US Sub. The scope of activities which the REIT Manager US Sub will be undertaking will cover, among others, the U.S. specific investment and asset management oversight services of the REIT Manager which need to take place in the United States, such as meeting and negotiating with potential vendors, inspecting properties and performing oversight over the U.S. service providers. Such services in the U.S. will be provided by the REIT Manager US Sub pursuant to a services agreement between the REIT Manager, the REIT Manager US Sub and US Corp. There is no conflict arising from such delegation as the REIT Manager US Sub is a wholly-owned subsidiary of the REIT Manager.</p> <p>In any event, as disclosed in the section entitled “Management and Corporate Governance – EH-REIT – Corporate Governance of the REIT Manager – Potential Conflicts of Interest” of this Prospectus, the following principles and procedures have been established to deal with potential conflicts of interest which the REIT Manager may encounter in managing EH-REIT:</p> <ul style="list-style-type: none"> (i) The REIT Manager will not manage any other real estate investment trust which invests in the same type of properties as EH-REIT; (ii) All executive officers will be employed by the REIT Manager and will not hold executive positions in any other entities; (iii) All resolutions in writing of the REIT Manager Directors in relation to matters concerning EH-REIT must be approved by a majority of the directors, including at least one director independent from management and business relationships with the REIT Manager;

No.	Nature of disclosure	Disclosure
		<p>(iv) At least one-third of the REIT Manager Board shall comprise independent directors, provided that where (i) the Chairman of the REIT Manager Board and the Chief Executive Officer is the same person, (ii) the Chairman of the REIT Manager Board and the Chief Executive Officer are immediate family members, (iii) the Chairman of the REIT Manager Board is part of the management team; (iv) the Chairman of the REIT Manager Board is not an independent director or (v) the EH-REIT Unitholder do not have the right to appoint directors, at least half the board shall comprise independent directors;</p> <p>(v) In respect of matters in which a REIT Manager Director or his associates (as defined in the Listing Manual) has an interest, direct or indirect, such interested director will abstain from voting. In such matters, the quorum must comprise a majority of the REIT Manager Directors and must exclude such interested director;</p> <p>(vi) In respect of matters in which the Sponsor has an interest, direct or indirect, for example, in matters relating to;</p> <p>(A) potential acquisitions of additional properties or property-related investments by EH-REIT in competition with the Sponsor; and</p> <p>(B) competition for tenants between properties owned by EH-REIT and properties owned by the Sponsor,</p> <p>any nominees appointed by the Sponsor to the REIT Manager Board to represent its interests will abstain from deliberations and voting on such matters. In such matters, the quorum must comprise a majority of the REIT Manager Directors independent from management and business relationships with the REIT Manager and must exclude nominee directors of the Sponsor;</p>

No.	Nature of disclosure	Disclosure
		<p>(vii) Save as to resolutions relating to the removal of the REIT Manager, the REIT Manager and its associates are prohibited from voting or being counted as part of a quorum for any meeting of the holders of EH-REIT Units convened to approve any matter in which the REIT Manager and/or any of its associates has an interest, and for so long as the REIT Manager is the manager of EH-REIT, the controlling shareholders of the REIT Manager and of any of its associates are prohibited from voting or being counted as part of a quorum for any meeting of the holders of EH-REIT Units convened to consider a matter in respect of which the relevant controlling shareholders of the REIT Manager and/or of any of its associates have an interest; and</p> <p>(viii) It is also provided in the EH-REIT Trust Deed that if the REIT Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the REIT Trustee for and on behalf of EH-REIT with Related Party (as defined in the Prospectus) of the REIT Manager, the REIT Manager shall be obliged to consult with a reputable law firm (acceptable to the REIT Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the REIT Trustee, on behalf of EH-REIT, has a <i>prima facie</i> case against the party allegedly in breach under such agreement, the REIT Manager shall be obliged to take appropriate action in relation to such agreement. The REIT Manager Directors will have a duty to ensure that the REIT Manager so complies. Notwithstanding the foregoing, the REIT Manager shall inform the REIT Trustee as soon as it becomes aware of any breach of any agreement entered into by the REIT Trustee for and on behalf of EH-REIT with a Related Party of the REIT Manager and the REIT Trustee may take such action as it deems necessary to protect the rights of the holders of EH-REIT Units and/or which is in the interests of the holders of EH-REIT Units. Any decision by the REIT Manager not to take action against a Related Party of the REIT Manager shall not constitute a waiver of the REIT Trustee's right to take such action as it deems fit against such Related Party.</p>

No.	Nature of disclosure	Disclosure
		<p>The REIT Manager has established an internal control system to ensure that all future Related Party Transactions will be undertaken on normal commercial terms and will not be prejudicial to the interests of EH-REIT and the Stapled Securityholders.</p> <p>In relation to the Trustee-Manager, as disclosed in the section entitled “Management and Corporate Governance – EH-BT – Corporate Governance of the Trustee-Manager – Potential Conflicts of Interest” of this Prospectus, the following principles and procedures have been established to deal with potential conflicts of interest which the Trustee-Manager may encounter in managing EH-BT:</p> <ul style="list-style-type: none"> (i) All key executive officers will be employed by the Trustee-Manager and will not hold executive positions in other entities; (ii) All resolutions in writing of the Trustee-Manager Directors in relation to matters concerning EH-BT must be approved by at least a majority of the Trustee-Manager Directors (excluding any interested Director), including at least one independent Trustee-Manager Director; (iii) At least one-third of the Trustee-Manager Board shall comprise independent directors, provided that where the (i) the Chairman of the Trustee-Manager Board and the Chief Executive Officer is the same person, (ii) the Chairman of the Trustee-Manager Board and the Chief Executive Officer are immediate family members, (iii) the Chairman of the Trustee-Manager Board is part of the management team; (iv) the Chairman of the Trustee-Manager Board is not an independent director or (v) the Stapled Securityholders do not have the right to appoint directors, at least half the Trustee-Manager Board shall comprise independent directors; (iv) In respect of matters in which a Trustee-Manager Director or his associates (as defined in the Listing Manual) has an interest, direct or indirect, such interested director will abstain from voting. In such matters, the quorum must comprise a majority of the Trustee-Manager Directors and must exclude such interested director;

No.	Nature of disclosure	Disclosure
		<p>(v) In respect of matters in which the Sponsor and/or its subsidiaries have an interest, direct or indirect, for example, in matters relating to;</p> <p>(A) potential acquisitions of additional properties or property-related investments by EH-BT in competition with the Sponsor; and/or</p> <p>(B) competition for tenants, hotel management operators and Hotel Franchisors between properties owned by EH-BT and properties owned by the Sponsor,</p> <p>any nominees appointed by the Sponsor and/or its subsidiaries to the Trustee-Manager Board to represent their interests will abstain from deliberation and voting on such matters. In such matters, the quorum must comprise a majority of the independent Trustee-Manager directors and must exclude nominee directors of the Sponsor and/or its subsidiaries;</p> <p>(vi) Where matters concerning EH-BT relate to transactions entered into or to be entered into by the Trustee-Manager for and on behalf of EH-BT with a Related Party of the Trustee-Manager (which would include relevant associates thereof) or the EH-BT, the Trustee-Manager Board is required to consider the terms of the transactions to satisfy itself that the transactions are conducted on normal commercial terms, are not prejudicial to the interests of EH-BT and Stapled Securityholders and are in compliance with all applicable requirements of the Listing Manual and the Business Trusts Act, Chapter 31A of Singapore ("BTA") relating to the transaction in question. If the Trustee-Manager is to sign any contract with a Related Party of the Trustee-Manager or EH-BT, the Trustee-Manager will review the contract to ensure that it complies with the provisions of the Listing Manual and the BTA relating to Interested Person Transactions (as may be amended from time to time) as well as any other guidelines as may from time to time be prescribed by the MAS and the SGX-ST that apply to business trusts;</p>

No.	Nature of disclosure	Disclosure
		<p>(vii) Save as to resolutions relating to the removal of the Trustee-Manager, the Trustee-Manager and its associates are prohibited from voting or being counted as part of a quorum for a meeting of the Stapled Securityholders convened to approve any matter in which the Trustee-Manager and/or any of its associates has an interest, and for so long as the Trustee-Manager is the manager of the EH-BT, the controlling shareholders (as defined in the Listing Manual) of the Trustee-Manager and of any of its associates are prohibited from voting or being counted as part of a quorum for any meeting of the Stapled Securityholders convened to consider a matter in respect of which the relevant controlling shareholders of the Trustee-Manager and/or any of its associates have an interest; and</p> <p>(viii) It is also provided in the EH-BT Trust Deed that if the Trustee-Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee-Manager for and on behalf of EH-BT with a Related Party of the Trustee-Manager, the Trustee-Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee-Manager) who shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee-Manager, on behalf of the EH-BT, has a <i>prima facie</i> case against the party allegedly in breach under such agreement, the Trustee-Manager shall be obliged to take appropriate action in relation to such agreement. The Trustee-Manager Directors (including the independent directors) will have a duty to ensure that the Trustee-Manager so complies.</p> <p>It should be noted that under Section 6(3) of the BTA, the Trustee-Manager is prohibited from carrying on any business other than the management and operation of EH-BT as its trustee-manager.</p>
21.	Description of any safe-keeping function delegated by the AIF's depositary, the identity of the delegate(s) and any conflicts of interest that may arise from such delegation(s).	This is not applicable as EH-REIT and EH-BT are not obliged to appoint a depositary within the meaning of the AIFMD. Please also see paragraph 16 above.

No.	Nature of disclosure	Disclosure
Article 23(1)(g)		
22.	Description of the AIF's valuation procedure.	<p>Paragraph 8.1 of the Property Funds Appendix requires EH-REIT to conduct a full valuation of its real estate assets at least once per financial year, in accordance with any applicable code of practice for such valuations. Generally, where the Managers propose to issue new Stapled Securities for subscription (except in the case where new Stapled Securities are being issued in payment of the Managers' management fees) or to redeem existing Stapled Securities and EHT-REIT's real estate assets were valued more than six months ago, the REIT Manager should exercise discretion in deciding whether to conduct a desktop valuation of the real estate assets, especially when market conditions indicate that real estate values have changed materially. The REIT Manager or the REIT Trustee may at any other time arrange for the valuation of any of the real properties held by EH-REIT if it is of the opinion that it is in the best interest of Stapled Securityholders to do so.</p> <p>EHT-REIT engages independent professional valuers with the appropriate professional qualifications and recent experience in the location and category of the properties being valued.</p>
23.	Description of the AIF's pricing methodology for valuing assets (including the methods used in valuing hard-to-value assets).	<p>In accordance with its accounting policy, EHT-REIT's investment properties are stated at fair values as at the reporting date.</p> <p>EHT-REIT engages independent professional valuers with the appropriate professional qualifications and recent experience in the location and category of the properties being valued to determine the fair value of its properties.</p> <p>The fair value of EH-REIT's properties are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably, prudently and without compulsion, and are determined by independent real estate valuation experts using approved valuation methodologies which may involve, among others, certain estimates including those relating to discounted cash flow approach and direct sales comparison, which are unobservable. The valuation methods involve certain estimates. The key assumptions used to determine the fair value of investment properties include discount rate, terminal yield and valuation per key. In relying on the valuation reports, the REIT Manager has exercised its judgment and is satisfied that the valuation methods and estimates are reflective of current market conditions and that the valuation reports are prepared in accordance with recognised appraisal and valuation standards.</p>

No.	Nature of disclosure	Disclosure
		<p>The independent valuations of the Hotels in the Initial Portfolio as at 31 December 2018 undertaken by Colliers and HVS were based on the discounted cash flow method and the direct sales comparison method in arriving at the open market value as at 31 December 2018.</p> <p>EH-BT is currently dormant and does not hold any assets.</p>
Article 23(1)(h)		
24.	Description of the AIF's liquidity risk management (including redemption rights in normal and exceptional circumstances and existing redemption arrangements with investors).	<p>Liquidity risk is the risk that EH-REIT, EH-BT and their subsidiaries will encounter difficulty in meeting the obligations associated with their financial liabilities that are settled by delivering cash or another financial asset.</p> <p>The Managers will monitor and maintain sufficient cash and credit facilities on demand to meet expected operational expenses for a reasonable period including the servicing of financial obligations. In addition, the REIT Manager will monitor and observe the limitations imposed by the Property Funds Appendix on EH-REIT's aggregate leverage.</p> <p>For so long as the Stapled Securities are listed and traded on the SGX-ST, the Stapled Securityholders have no right to request the Managers to repurchase or redeem their Stapled Securities. Stapled Securityholders may only deal in their listed Units through trading on the SGX-ST.</p>
Article 23(1)(i)		
25.	Description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by investors.	Please refer to the section entitled "Overview – The Structure of EHT – Certain Fees and Charges" of this Prospectus.
Article 23(1)(j)		
26.	Description of how the AIFM ensures a fair treatment of investors and details of any preferential treatment received by investors (including where the right to obtain preferential treatment exists, a description of that preferential treatment, the type of investors who obtain such preferential treatment and, where relevant, their legal or economic links with the AIF or AIFM).	No unfair or preferential treatment is afforded to any Stapled Securityholder. Under the EH-REIT Trust Deed, the EH-BT Trust Deed and the Stapling Deed, every Stapled Security carries the same voting rights. Each of EH-REIT and EH-BT has only issued one class of units, and as a result all Stapled Securityholders will be treated equally with respect to both EH-REIT and EH-BT.

No.	Nature of disclosure	Disclosure
		<p>The EH-REIT Trust Deed, the EH-BT Trust Deed and the Stapling Deed provide that in relation to any rights issue, the Managers may, in their absolute discretion, elect not to extend an offer of Stapled Securities under a rights issue to those Stapled Securityholders whose addresses, as registered with CDP, are outside Singapore. In such event, the rights or entitlements to the Stapled Securities of such Stapled Securityholders will be offered for sale by the Managers, and the proceeds of any such sale if successful will be paid to the relevant Stapled Securityholders. See the risk factor entitled “Risk Factors – Risks Relating to an Investment in the Stapled Securities – Foreign Stapled Securityholders may not be permitted to participate in future rights issues and preferential offerings by EHT” in this Prospectus.</p>
Article 23(1)(k)		
27.	<p>The latest annual report prepared for the AIF (to include, at a minimum:</p> <ul style="list-style-type: none"> (i) a balance sheet or statement of assets and liabilities; (ii) any income and expenditure report for the financial year; (iii) a report on the activities of the financial year; (iv) any material changes in Article 23 disclosures during the financial year covered by the report; (v) the total amount of remuneration for the financial year, split into fixed and variable remuneration, paid by the AIFM to its staff, and number of beneficiaries, and, where relevant, carried interest paid by the AIF; and (vi) the aggregate amount of remuneration broken down by senior management and members of staff of the AIFM whose actions have a material impact on the risk profile of the AIF). 	<p>This is not applicable as EHT has yet to issue its first annual report.</p>

No.	Nature of disclosure	Disclosure
Article 23(1)(l)		
28.	The procedure and conditions for the issue and sale of units or shares.	<p>Pursuant to the Stapling Deed, the Managers shall have the joint exclusive right to issue Stapled Securities. The issuance of any Stapled Securities by the Manager must be in compliance with the EH-REIT Trust Deed, the EH-BT Trust Deed and the Stapling Deed, which sets out among others the requirements in relation to the issue price of Stapled Securities.</p> <p>Stapled Securityholders have no right to request the REIT Manager or the Trustee-Manager to redeem their Stapled Securities while the Stapled Securities are listed on the SGX-ST. Stapled Securityholders may only deal in their listed Stapled Securities through trading on the SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.</p>
Article 23(1)(m)		
29.	The latest net asset value of the AIF or the latest market price of the unit or share of the AIF, calculated in accordance with the law of the country where the AIF is established.	<p>As at the Latest Practicable Date, EH-REIT does not hold any assets as it will only acquire the Initial Portfolio immediately prior to Listing. EH-BT is dormant and does not hold any assets as at the Latest Practicable Date.</p> <p>The pro forma NAV per Stapled Security as at the Listing Date is US\$0.88, after giving effect to the issue of 580,558,000 new Stapled Securities in connection with the Offering (based on the Offering Price).</p> <p>Upon the listing of EHT on the SGX-ST, the unit price will be publicly available on the SGX-ST website, EHT's corporate website, and from financial information vendors.</p>
Article 23(1)(n)		
30.	Details of the historical performance of the AIF (where available).	As EH-REIT and EH-BT were constituted and stapled on 11 April 2019, and EH-REIT will only complete the acquisition of the Initial Portfolio on or around the Listing Date, there is no meaningful historical performance track record of EHT.

No.	Nature of disclosure	Disclosure
		<p>However, please refer to the unaudited pro forma consolidated financial information can be found in the section entitled “Unaudited Pro Forma Consolidated Financial Information” of this Prospectus. The unaudited pro forma consolidated statements of comprehensive income for the years ended 31 December 2016, 2017 and 2018 and the unaudited pro forma consolidated statement of cash flows for the year ended 31 December 2018 of EH-REIT and its subsidiaries as disclosed in this Prospectus only relate to the USHI Portfolio and do not include the pro forma financial results and cash flows arising from the ASAP6 Portfolio as the Managers do not have the historical financial information of the ASAP6 Portfolio for the aforementioned three years.</p> <p>No pro forma financial information of EH-BT has been presented as it has been will be dormant since its establishment.</p>
Article 23(1)(o)		
31.	The identity of the prime broker.	This is not applicable as EHT is not obliged to appoint prime brokers within the meaning of the AIFMD.
32.	Description of any material arrangements of the AIF with its prime brokers and the way the conflicts of interest in relation thereto are managed.	This is not applicable as EHT is not obliged to appoint prime brokers within the meaning of the AIFMD.
33.	Details of the provision in the contract with the AIF’s depository on the possibility of transfer and reuse of AIF assets.	This is not applicable as EHT is not obliged to appoint a depository within the meaning of the AIFMD.
34.	Information about any transfer of liability to the prime broker that may exist.	This is not applicable as EHT is not obliged to appoint prime brokers within the meaning of the AIFMD.
Article 23(1)(p)		
35.	<p>Details of how and when the AIFM will provide reports on the following topics to its investors in relation to each EU AIF that it manages and each AIF that it markets within the EU:</p> <p>(i) the percentage of the AIF’s assets which are subject to special arrangements arising from their illiquid nature;</p>	<p>The Managers will make the relevant announcements via SGXNET in the event that there is material information on these topics to be disclosed in accordance with the prevailing listing rules of the SGX-ST and such announcements are accessible via the SGX-ST’s website.</p> <p>Such announcements will also be published on EHT’s corporate website and will be publicly available to all investors.</p>

No.	Nature of disclosure	Disclosure
	<p>(ii) any new arrangements for managing the liquidity of the AIF; and</p> <p>(iii) the current risk profile of the AIF and the risk management systems employed by the AIFM to manage those risks.</p>	
36.	<p>Details of how and when the AIFM will (when managing EU AIFs employing leverage or marketing in the EU AIFs employing leverage) will disclose, for each AIF, on a regular basis:</p> <p>(i) any changes to the maximum level of leverage which the AIFM may employ on behalf of the AIF as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangement; and</p> <p>(ii) the total amount of leverage employed by that AIF.</p>	<p>The Managers will make periodic disclosures about EH-REIT's and EH-BT's aggregate leverage, where applicable, during the quarterly financial reporting of EHT, and such information will be made available to investors via the announcements released on SGXNET or the published annual reports.</p> <p>Please refer to the disclosure in paragraph 10 above on the permitted maximum level of leverage as stated in the Property Funds Appendix which is applicable to EH-REIT. Any changes to the Property Funds Appendix (as far as maximum level of leverage is concerned) may be communicated by way of publication of notices on the MAS website which can be found at http://www.mas.gov.sg/.</p> <p>The expected leverage ratio of EH-REIT as at the Listing Date determined in accordance with:</p> <p>(a) the Property Funds Appendix is 38.0%;</p> <p>(b) the gross method under the AIFMD is 58.4%; and</p> <p>(c) the commitment method under the AIFMD is 66.3%.</p> <p>EH-BT is dormant since its establishment and will not have any leverage as at the Listing Date.</p> <p>The leverage ratio under the Property Funds Appendix is calculated using total borrowings divided by deposited property (which is total assets), while the leverage ratios under the gross and commitment methods under the AIFMD are calculated using the components of these methods to determine EH-REIT's exposure divided by net assets.</p>

No.	Nature of disclosure	Disclosure
		<p>No historical financial statement of EHT has been prepared or disclosed in this Prospectus. As the capital structure of EHT will be significantly changed as a result of the Offering, it is immaterial to show any leverage figures prior to the Listing. Therefore, the leverage ratios disclosed above are determined by the management of the Managers which would have taken into account the Offering and loan facilities which will be drawn down on or around the Listing Date and will be more meaningful to investors investing in EHT.</p> <p>Changes to the total amount of leverage calculated based on the above will be publicly disclosed by EHT on a quarterly basis in its quarterly results announcements on the SGXNET.</p>

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