



EAGLE HOSPITALITY TRUST

Comprising:

EAGLE HOSPITALITY REAL ESTATE INVESTMENT TRUST (a real estate investment trust constituted on 11 April 2019 under the laws of the Republic of Singapore)	EAGLE HOSPITALITY BUSINESS TRUST (a business trust constituted on 11 April 2019 under the laws of the Republic of Singapore)
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Update Announcement #35 – Summary Update on Properties in EHT’s Initial Portfolio and Repayment of DIP Financing Facility

1. INTRODUCTION

- 1.1 DBS Trustee Limited, in its capacity as trustee (the “**REIT Trustee**”) of Eagle Hospitality Real Estate Investment Trust (“**EH-REIT**”) wishes to provide a summary update to stapled securityholders (the “**Stapled Securityholders**”) of Eagle Hospitality Trust (“**EHT**”) on (a) the status of the 18 properties in EHT’s initial portfolio, and (b) the repayment of the DIP Financing Facility.
- 1.2 References are also made to (a) the announcement “Update Announcement #25” dated 9 March 2021, (b) the announcement “Update Announcement #26” dated 29 March 2021 (“**Announcement #26**”), (c) the announcement “Termination of Purchase and Sale Agreement for the Disposal of Crowne Plaza Dallas Near Galleria-Addison” dated 7 May (the “**CPDG Sale Termination Announcement**”), (d) the announcement “Update Announcement #31” dated 1 June 2021 (“**Announcement #31**”), (e) the announcement “Update Announcement #33” dated 7 June 2021 (“**Announcement #33**”), and (f) the announcement “Update Announcement #34” dated 8 June 2021 (“**Announcement #34**”, collectively with the aforesaid announcements, the “**Earlier Announcements**”). Unless otherwise defined, all capitalised terms used and not defined herein shall have the same meanings as given in the Earlier Announcements (as the context requires).

2. Overview of the Status of the 18 Properties in EHT’s Initial Portfolio

14 Chapter 11 Properties¹ (excluding the Queen Mary Long Beach) – Sale of Properties

- 2.1 As disclosed in Announcement #33, the sale of four (4) of the Chapter 11 Properties (being the Sheraton Denver Tech Center, Four Points by Sheraton San Jose Airport, Embassy Suites by Hilton Anaheim North and Double Tree by Hilton Salt Lake City) to the respective successful bidders were completed on 3 June 2021 (United States time).

1 The Chapter 11 Properties are the (a) Doubletree by Hilton Salt Lake City Airport, (b) Hilton Atlanta Northeast, (c) Sheraton Denver Tech Center, (d) Holiday Inn Resort Orlando Suites - Waterpark, (e) Embassy Suites by Hilton Anaheim North, (f) Holiday Inn Denver East - Stapleton, (g) Renaissance Denver Stapleton, (h) Four Points by Sheraton San Jose Airport, (i) Holiday Inn Hotel & Suites Anaheim, (j) Holiday Inn Hotel & Suites San Mateo, (k) Sheraton Pasadena, (l) Crowne Plaza Danbury, (m) Embassy Suites by Hilton Palm Desert, (n) Queen Mary Long Beach and (o) Westin Sacramento.

- 2.2 In addition, the sale of the Hilton Atlanta Northeast to the successful bidder was completed on 8 June 2021 (United States time).
- 2.3 Completion of the sale of the remaining Chapter 11 Properties (excluding the Queen Mary Long Beach) is currently expected to take place by the end of June 2021.

Queen Mary Long Beach – Filing of Motion to Reject QM Agreements

- 2.4 As mentioned in Announcement #34, the Chapter 11 Entities² filed the QM Motion with the United States Bankruptcy Court to, *inter alia*, seek the United States Bankruptcy Court's approval of the rejection of the QM Agreements³ (being the lease and operational agreements relating to the Queen Mary Long Beach property).
- 2.5 Should the United States Bankruptcy Court grant the QM Motion at the hearing on the QM Motion, which is currently expected to take place on 7 July 2021, the Queen Mary Long Beach property will be deemed rejected as of the date the property was surrendered to the City of Long Beach, being 4 June 2021. Consequently, upon approval of the QM Motion, UCQ would no longer hold the leasehold interest in the Queen Mary Long Beach property. Please refer to Announcement #34 for the rationale for the filing of the QM Motion.

Hilton Houston Galleria Area and Delta Woodbridge – Appointment of Receiver

- 2.6 As disclosed in Announcement #26, on the application of the lender of the HHG Mortgage Loan, an order was granted for the appointment of a receiver to take possession of and operate the HHG for the limited purpose of protecting and preserving the HHG. In respect of the DW Mortgage Loan, on an application by the lender of the DW Mortgage Loan, an order was granted for a rent receiver to be appointed to take charge of the DW and to, *inter alia*, manage the same (including the hotel operations) and to collect and receive rent and profit from the tenants, occupants and hotel guests.
- 2.7 As at the date of this Announcement, each of the HHG and DW remains under receivership.

Crowne Plaza Dallas Near Galleria-Addison – Termination of Proposed Sale

- 2.8 The proposed sale of the CPDG property for a purchase price of US\$18 million was terminated as the proposed buyer was unable to meet the deadline for payment of a deposit required under the Revised CPDG Disposal, as announced in the CPDG Sale Termination Announcement.
- 2.9 Accordingly, as at the date of this Announcement, the CPDG is still an asset in EHT's portfolio but the CPDG Mortgage Loan remains in default for, among other things, failure to pay all amounts when due thereunder.
- 2.10 The Appendix to this Announcement contains a summary table which sets out information relating to the status of the individual properties in EHT's initial portfolio, including information on the valuation of the individual properties as compared against, where applicable, the sale price of the individual properties to the successful bidders following the Auction.

2 The Chapter 11 Entities are (a) 5151 Wiley Post Way, Salt Lake City, LLC, (b) ASAP Cayman Atlanta Hotel LLC, (c) ASAP Cayman Denver Tech LLC, (d) ASAP Cayman Salt Lake City Hotel LLC, (e) ASAP Salt Lake City Hotel, LLC, (f) Atlanta Hotel Holdings, LLC, (g) CI Hospitality Investment, LLC, (h) Eagle Hospitality Real Estate Investment Trust, (i) EHT Cayman Corp Ltd., (j) Eagle Hospitality Trust S1 Pte. Ltd., (k) Eagle Hospitality Trust S2 Pte. Ltd., (l) EHT US1, Inc., (m) Sky Harbor Atlanta Northeast, LLC, (n) Sky Harbor Denver Holdco, LLC, (o) Sky Harbor Denver Tech Center LLC, (p) UCCONT1, LLC, (q) UCF 1, LLC, (r) UCHIDH, LLC, (s) UCRDH, LLC, (t) Urban Commons 4th Street A, LLC, (u) Urban Commons Anaheim HI, LLC, (v) Urban Commons Bayshore A, LLC, (w) Urban Commons Cordova A, LLC, (x) Urban Commons Danbury A, LLC, (y) Urban Commons Highway 111 A, LLC, (z) Urban Commons Queensway, LLC, (aa) Urban Commons Riverside Blvd., A, LLC, and (bb) USHIL Holdco Member, LLC.

3 The QM Motion also seeks to authorise Urban Commons Queensway, LLC ("**UCQ**") to abandon any personal property remaining at the Queen Mary Long Beach property on the basis that the costs associated with removing, storing, and liquidating any such personal property will likely approach or exceed their residual value.

3. Repayment of the DIP Financing Facility

- 3.1 The Chapter 11 Entities received net proceeds of approximately US\$153.9 million⁴ from the sale of five (5) of the Chapter 11 Properties which have completed as at the date of this Announcement. Such net proceeds have been partially utilised to repay the full outstanding amount under the DIP Financing Facility and the accrued interest thereunder, as well as payment (or cash collateralisation) of certain obligations to reimburse out of pocket costs of the lenders of the DIP Financing Facility.
- 3.2 Following the utilisation of such net proceeds to repay the DIP Financing Facility and the Stalking Horse “break-up” fee, the balance of the net proceeds from the sale of five (5) of the Chapter 11 Properties is approximately US\$109.7 million.
- 3.3 As mentioned in Announcement #25, the balance of the net proceeds from the sale of the Chapter 11 Properties will be utilised to repay ongoing post-petition expenses and prepetition creditors of the Chapter 11 Entities in the order of priority of their respective rights, including approximately US\$380 million under the pre-petition Facilities Agreement (including accrued interest) and related swap agreements as well as trade creditors against these entities (which claims cannot be quantified at this time). To the extent any value remains, other junior creditors would be paid. The Chapter 11 Entities reserve all their rights with respect to any of the foregoing claims.

Stapled Securityholders are advised to read this Announcement issued by the REIT Trustee and any further announcements by the REIT Trustee carefully. Stapled Securityholders should note that there is no certainty or assurance that there will be a restructuring and/or reorganisation under Chapter 11 or that Stapled Securityholders will receive any value in the event of a disposal of EHT’s properties whether pursuant to the Chapter 11 cases and/or the Section 363 sale process, a foreclosure sale or otherwise. Stapled Securityholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

Issued by:

DBS Trustee Limited

(Company Registration No.: 197502043G)

as trustee of Eagle Hospitality Real Estate Investment Trust

Date: 17 June 2021

⁴ Following the completion of the sale of the Hilton Atlanta Northeast on 8 June 2021 (United States time), the Chapter 11 Entities received net proceeds of approximately US\$37.9 million from such sale. Accordingly, the Chapter 11 Entities received net proceeds of approximately US\$153.9 million from the sale of these five (5) Chapter 11 Properties.

APPENDIX

No.	Property	Unaudited Book Value as at 30 September 2020 (US\$'mil)	Latest Valuation ("As Is") at 31 August 2020 (US\$'mil)	Disposal Value (US\$'mil)	Stalking Horse Bid (US\$'mil)	Estimated Gain / (Loss) on Disposal (US\$'mil)	Status of property disposal	Identity of buyer, or status of Auction/Stalking Horse
Non-Auctioned Properties								
1.	Holiday Inn Resort Orlando Suites - Waterpark	91.2	91.2	326.5 ⁽¹⁾	326.5 ⁽¹⁾	(54.0) ⁽²⁾	Completion of sale to Stalking Horse Bidder to take place by end June 2021	To be sold to Stalking Horse Bidder pursuant to terms of Stalking Horse Agreement
2.	Holiday Inn Denver East -Stapleton	30.7	30.7				Completion of sale to Stalking Horse Bidder to take place by end June 2021	To be sold to Stalking Horse Bidder pursuant to terms of Stalking Horse Agreement
3.	Renaissance Denver Stapleton	61.1	61.1				Completion of sale to Stalking Horse Bidder to take place by end June 2021	To be sold to Stalking Horse Bidder pursuant to terms of Stalking Horse Agreement
4.	Holiday Inn Hotel & Suites Anaheim	43.8	43.8				Completion of sale to Stalking Horse Bidder to take place by end June 2021	To be sold to Stalking Horse Bidder pursuant to terms of Stalking Horse Agreement
5.	Holiday Inn Hotel & Suites San Mateo	40.1	40.1				Completion of sale to Stalking Horse Bidder to take place by end June 2021	To be sold to Stalking Horse Bidder pursuant to terms of Stalking Horse Agreement
6.	Sheraton Pasadena	64.4	64.4				Completion of sale to Stalking Horse Bidder to take place by end June 2021	To be sold to Stalking Horse Bidder pursuant to terms of Stalking Horse Agreement
7.	Crowne Plaza Danbury	5.2	5.2				Completion of sale to Stalking Horse Bidder to take place by end June 2021	To be sold to Stalking Horse Bidder pursuant to terms of Stalking Horse Agreement

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8.	Westin Sacramento	26.6	26.6				Completion of sale to Stalking Horse Bidder to take place by end June 2021	To be sold to Stalking Horse Bidder pursuant to terms of Stalking Horse Agreement
9.	Embassy Suites by Hilton Palm Desert	17.4	17.4				Completion of sale to Stalking Horse Bidder to take place by end June 2021	To be sold to Stalking Horse Bidder pursuant to terms of Stalking Horse Agreement
Auctioned Properties								
10.	Sheraton Denver Tech Center	23.9	23.9	9.2	8.5	(15.0) ⁽³⁾	Sale Completed on 3 June 2021 (United States Time)	Solid Rock Ventures, LLC
11.	Four Points by Sheraton San Jose Airport	43.9	43.9	41.1	33.5	(4.3) ⁽³⁾	Sale Completed on 3 June 2021 (United States Time)	BPEHT LLC
12.	Embassy Suites Hilton Anaheim North	35.6	35.6	33.1	26.0	(2.5) ⁽³⁾	Sale Completed on 3 June 2021 (United States Time)	Stalking Horse Bidder
13.	Doubletree by Hilton Salt Lake City Airport	39.5	39.5	33.8	27.5	(6.4) ⁽³⁾	Sale Completed on 3 June 2021 (United States Time)	BPEHT LLC
14.	Hilton Atlanta Northeast	33.6	33.6	38.2	33.0	3.6 ⁽³⁾	Sale Completed on 8 June 2021 (United States Time)	FullG Capital Ltd.
Queen Mary Long Beach								
15.	Queen Mary Long Beach	95.8 ⁽⁴⁾	89.0	N.A.	N.A.	N.A.	Filed QM Motion to reject QM Agreements on 4 June 2021 (United States Time)	Rejection of QM Agreements (including the lease agreements relating to the Queen Mary Long Beach property) is pending the United States Bankruptcy Court's approval. Once approved, the Queen Mary Long Beach property will no longer be an asset in EHT's portfolio
Non-Chapter 11 Properties								
16.	Delta Woodbridge	37.6	37.6	N.A.	N.A.	N.A.	Remains in EHT's portfolio but is subject to receivership	-

No.	Property	Unaudited Book Value as at 30 September 2020 (US\$'mil)	Latest Valuation ("As Is") at 31 August 2020 (US\$'mil)	Disposal Value (US\$'mil)	Stalking Horse Bid (US\$'mil)	Estimated Gain / (Loss) on Disposal (US\$'mil)	Status of property disposal	Identity of buyer, or status of Auction/Stalking Horse
17.	Hilton Houston Galleria Area	24.8	24.8	N.A.	N.A.	N.A.	Remains in EHT's portfolio but is subject to receivership	-
18.	Crowne Plaza Dallas Near Galleria-Addison	18.6	18.6	N.A.	N.A.	N.A.	Remains in EHT's portfolio	-

Notes:

- (1) No individual bids were received for the nine (9) Non-Auctioned Properties during the Second Bid Round. As such, these properties have been sold on a portfolio basis to the Stalking Horse Bidder, in accordance with the Second Bid Round bidding procedures and as approved by the United States Bankruptcy Court.
- (2) As the sale is expected to take place by end June 2021, the estimated gain / (loss) on disposal for the nine (9) Non-Auctioned Properties have been computed based on the consideration to be received from the sale to the Stalking Horse Bidder before accounting for transaction costs (i.e., recording fees, transfer taxes, cure costs on assumed contracts and other normal and customary closing prorations), prorated prepaid expenses, and accrued post-petition property taxes.
- (3) The gain / (loss) on disposal for the five (5) Auctioned Properties have been computed based on the consideration received from the sale to the respective successful bidders, and as adjusted to account for negotiated transaction costs (i.e., recording fees, transfer taxes, cure costs on assumed contracts and other normal and customary closing prorations), prorated prepaid expenses, accrued post-petition property taxes and the Stalking Horse "break-up" fee, if applicable.
- (4) Queen Mary Long Beach's book value as at 30 September 2020 differs from its latest "as is" valuation as at 31 August 2020 due to the recognition of certain rights-of-use asset arising from the IFRS 16 in relation to EHT's operating lease that qualifies as an investment property. Please refer to EHT's unaudited financial statements for the third quarter 2020 and financial period from 1 January 2020 to 30 September 2020 released on 13 November 2020 for further information.

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