WHARTON RM HOSPITALITY, LLC
TWO-PROPERTY HOTEL PORTFOLIO

AMENDED AND RESTATED
INVESTMENT SUMMARY

$10,000,000

LIMITED LIABILITY COMPANY UNITS
OFFERED IN UNITS OF $100,000 EACH
PARTIAL UNITS AVAILABLE

Comfort Suites, Raleigh-Durham, NC

Holiday Inn Express, Montrose, CO

PLACEMENT AGENT:
NHCOHEN CAPITAL LLC
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MARCH 23, 2016

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NHCohen CAPITAL LLC
MEMBER FINRA

This Investment Summary (this "Summary") is being furnished on a confidential basis to "accredited investors" (as such term is defined in Regulation D promulgated by the United States ("U.S.") Securities and Exchange Commission (the "SEC") under the U.S. Securities Act of 1933, as amended (the "Securities Act"), for their consideration in connection with the private offering (the "Offering") of limited liability company interests in Wharton RM Hospitality, LLC, a Delaware limited liability company (the "Company"). This Summary replaces in its entirety any prior offering materials related to the Company including, but not limited to, that certain Investment Summary dated January 8, 2016. Such limited liability company interests are referred to herein as "Units." By its acceptance hereof, each recipient agrees that this Summary may not be reproduced or distributed to others, at any time, without the prior written consent of the Company and that the recipient will keep permanently confidential all information contained herein not already in the public domain and will use this Summary for the sole purpose of evaluating a possible investment in the Company.

No person has been authorized to make any statement concerning the Company or the Offering other than as set forth in this Summary and any such statements, if made, may not be relied upon. Prospective investors should not construe the contents of this Summary as legal, tax or other advice offered hereby. Investors should make their own investigations and evaluations of the investment offered hereby. Each prospective investor should consult its own attorneys, business advisers and tax advisers as to the Company and the Offering and as to the legal, business, tax and related matters concerning an investment in Units and the Offering. An investment in the Company involves significant risks. See "Exhibit D - Certain Risk Factors." Investors should have the financial ability and willingness to accept the risk associated with an investment in the Company's investments.

The information in this Summary (including market, financial information and information concerning prior transactions) has been obtained from published and non-published sources, but no representation or warranty, express or implied, is made by the Company, the Company's Managing Member (as defined herein) or the Company's Placement Agent as to the accuracy or completeness of such information. The sole sponsor of the offering of Units is the Managing Member.

Although this Summary contains summaries of particular terms of certain documents, you should refer to the actual documents (copies of which are attached hereto or are available from the Managing Member) for complete information concerning the rights and obligations of the parties thereto. All such summaries are qualified in their entirety by the terms of the actual documents. Only those particular representations and warranties which may be made by the Company in a definitive subscription agreement, when and if one is executed, and subject to such limitations and restrictions as may be specified in such subscription agreement, shall have any legal effect.

Except where otherwise indicated, the information contained in this Summary has been compiled as date set forth above, and neither the Company, the Managing Member nor the Placement Agent has any obligation to update this Summary. Under no circumstances should the delivery of this Summary create any implication that there has been no change in the affairs of the Company since the date hereof. This Summary shall remain the property of the Company. The Company reserves the right to require the return of this Summary (together with any copies or extracts thereof) at any time. This Summary is not an offer to sell, nor shall any Units be offered or sold to any person, in any jurisdiction

in which such offer, solicitation, purchase or sale would be unlawful under the securities laws of such jurisdiction.

There are statements in this Investment Summary that are not historical facts and constitute "forward looking" statements. These "forward-looking statements" can be identified by use of terminology such as "believe," "hope," "may," "anticipate," "should," "intend," "plan," "will," "expect," "estimate," "project," "positioned," "strategy" and similar expressions. Each prospective investor should be aware that these forward-looking statements are subject to risks and uncertainties that are beyond the control of the Company. Due to the various risks and uncertainties, including those set forth under the Exhibit D entitled "Certain Risk Factors," actual events or results or the actual performance of the Company may differ materially from those reflected or contemplated in such forward looking statements. Each prospective investor is cautioned to not place undue reliance on these forward-looking statements, which speak only as of their dates. The Company does not undertake any obligation to update or revise any forward-looking statements.

The Units have not been approved or disapproved by the SEC or by the securities regulatory authority of any state or foreign jurisdiction and neither the SEC nor any such authority has passed upon the accuracy or adequacy of this Summary nor is it intended that the SEC or any such authority will do so. The Units have not been and will not be registered under the Securities Act, or the securities laws of any state or foreign jurisdiction. There will be no public market for the Units. The Units may not be resold except under limited circumstances in compliance with applicable laws and other restrictions described herein.

Any targeted returns, projections or other estimates in this Summary, including estimates of returns or performance, are forward looking statements and are based upon certain assumptions. For the reasons set forth in this Summary, the Managing Member believes there is a sound basis for achieving any targeted returns contained herein. Other events, which were not taken into account, may occur and may significantly affect the outcome. Any assumptions should not be construed to be indicative of the actual events that will occur. Actual events are difficult to predict and may depend upon factors that are beyond the control of the Company and the Managing Member. Certain assumptions have been made to simplify the presentation and, accordingly, actual results will differ, and may differ significantly, from those presented. Accordingly, there can be no assurance that estimated returns or projections can be realized or that actual returns or results will not be materially lower or inferior than those estimated herein. Such estimated returns and projections should be viewed as hypothetical and do not represent the actual returns that may be achieved by an investor. Investors should conduct their own analysis, using such assumptions as they deem appropriate, and should fully consider other available information, including the information described in Exhibit D entitled "Certain Risk Factors" in making an investment decision.

In considering any prior performance information of affiliates of the Managing Member contained in this Summary, investors should bear in mind that past performance is not necessarily indicative of future results and there can be no assurance that the Company will achieve comparable results.

Each purchaser of Units offered hereby must be an "accredited investor" as such term is defined in Regulation D promulgated by the SEC under the Act. The Managing Member reserves the right to refuse any subscription for any reason, including the failure of any offeree to meet the suitability criteria described herein. This Summary is not to be construed under any circumstances as an advertisement or public offering of the securities described herein.

The Managing Member has no prior performance. The Managing Member will be relying on services provided by its officers and affiliates pursuant to contractual relationships. There are significant risks in connection with an investment in Units in the Company. See "Exhibit D - Certain Risk Factors".

WHARTON RM HOSPITALITY, LLC

EXECUTIVE SUMMARY

Wharton RM Hospitality, LLC (the "Company") is in final negotiations to acquire two premium select service hotels comprising 247 rooms, located in Raleigh/Durham, NC and Montrose, CO (the "Properties"). LBP Hotels LLC (the "Sponsor" or "LBP") is a New York based real estate investment firm formed in 2012.

LBP is a real estate investment firm and through affiliates has interests in 35 hotels. Its principals have been engaged in real estate investment for over 25 years and since 2011 have exclusively focused on investing in income-producing hotels on behalf of family offices and high net worth individuals.

LBP is currently a minority partner in the Properties and will cause the Company to acquire a 100% interest in the Properties through a privately-negotiated transaction. LBP expects to capitalize on its familiarity with the assets and facilitate a seamless transition to Company ownership. Interstate Hotels & Resorts ("Interstate"), the world's largest independent management company, will continue to manage the Properties.

The Company is acquiring assets that are benefitting from strong local demand, recent renovations, and professional hospitality management by Interstate. Upward trending performance at the Raleigh-Durham Comfort Suites suggests increasing market share in a dynamic market. The Montrose Holiday Inn Express & Suites maintains a dominant market position in a stable and growing commercial hub of western Colorado.

Hotels have historically performed well during inflationary periods due to flexibility in setting room rates. Within the lodging industry, the simpler business model of select service hotels (e.g., limited food and beverage, lighter payroll, efficient buildings with a smaller percentage of space dedicated to meetings and common areas) allows for more nimble operations in changing market conditions as compared with other lodging segments.

Quarterly distributions to investors are anticipated to be greater than 7% annually from inception, and the pre-tax equivalent annual yield is projected to average in excess of 13% over the anticipated five-year investment period.

INVESTMENT HIGHLIGHTS

- Strong and experienced sponsor in business since 1987
- Projected 7% initial distribution paid quarterly
- Attractive after-tax yields with favorable depreciation
- Inflation hedge & diversification - low correlation to stocks
- Upward trending cash flows aided by recent renovations
- Dynamic markets with diverse business and leisure drivers
- Sponsor experience with these hotels as current JV owner
- Acquiring direct / off-market and below replacement cost
- Interstate: proven manager of the hotels to remain in-place
- Select-service hotels: profitable operating model
- Prudent debt levels and debt term flexibility mitigate risks

PROPERTY DESCRIPTIONS

Comfort Suites: 5219 Page Road, Durham, NC	
Property:	Built 1998; 125 rooms; 1,800 SF meeting space
Location:	Research Triangle Park (2.5 mi.); RDU Airport (5 mi.)
Amenities:	Business center, gym, swimming pool, shuttle service
Renovation:	$700K in 2013 (rooms, lobby) & $750K from 2007-2012
•	Forbes #1 Top Place for Business and Careers (2014)
•	Three top universities - Duke, UNC, NC State within a half-hour
•	A top US economy 'mega-region' / 190 high-tech firms at RTP

Holiday Inn Express: 1391 S. Townsend Ave., Montrose, CO	
Property:	Built 1997; 122 rooms; 5,990 SF meeting space
Location:	Gateway to Telluride; regional airport hub
Amenities:	Business center, gym, pools, shuttle, nearby retail
Renovation:	$2.5MM (2013); rooms, lobby, meeting space, pool
•	Most rooms and best amenities in the area lodging market
•	Holiday Inn Express - one of the world's leading hotel brands
•	Montrose Airport - direct flights to major cities throughout the US

OVERVIEW

Introduction:

Wharton RM Hospitality, LLC (the "Company"), will acquire a 100% fee simple interest in two premium select service hotels: the 125-room Comfort Suites in Raleigh-Durham, NC (the "Raleigh-Durham Property"), and the 122-room Holiday Inn Express & Suites in Montrose, CO (the "Montrose Property") (collectively, the "Properties"). The combined purchase price for the Properties is $21.0 million. The purchase represents an opportunity to acquire two high quality, recently-renovated hotels in markets experiencing growing demand from both business and leisure travelers. The hotels were constructed in 1998 and 1997, respectively, and underwent a combined $3.2 million in renovation and property improvements from 2012 to 2013.

Affiliates of the Company currently own minority interests in the Properties. This relationship (i) enabled the Company to pre-empt a broad-based marketing process of the Properties and (ii) allows for a smooth post-closing transition and continued execution of an effective in-place business plan. The Company also has an established relationship with the Properties' current hotel management company, Interstate Hotels & Resorts (the world's largest independent management company), which will continue to manage the Properties after the acquisition.

Professional management and marketing together with favorable hotel market factors should result in increasing income and distributions. A financing of the Properties will be completed at acquisition on the most advantageous terms available.

Offering:

$10,000,000 in Limited Liability Company interests, offered in 100 units of $100,000 with partial units accepted at the Manager's discretion. Affiliates of the Sponsor will purchase 10% of the investor interests on the same terms as other investors.

Ownership/ Managing Member & Sponsor:

LBP Hotel Advisors, LLC (the "Managing Member" or the "Sponsor"), an affiliate of LBP Hotels LLC ("LBP").

Purchase Price:

$21,000,000
(Raleigh-Durham Property: $8,500,000; Montrose Property: $12,500,000).

The aggregate Purchase Price is approximately $84,000 per key which reflects a discount to replacement cost.

Projected Closing:

April 29, 2016

Investment Thesis:

The Sponsor's familiarity with the Properties, coupled with Interstate's continuity as hotel manager, is expected to provide a smooth transition for the execution of the Sponsor's business plan. Upward trending operating performance, dynamic markets, and $3.2 million in recent renovations provide a stable base for

continued growth, bolstered by asset management oversight provided by Waramaug Hospitality, with whom the Manager has an affiliation. (Please see Asset Manager).

As an investment class, real estate can be a tax-efficient source of income while providing portfolio diversification and inflation protection. Its low historical correlation to stocks and bonds can reduce portfolio volatility. Other advantages include capital preservation and the opportunity for capital appreciation.

Select-service hotels have an efficient operating model, characterized by reduced staffing, less reliance on food and beverage revenues, and optimally sized property. These factors tend to raise operating margins and result in more predictable cash flows. The Properties are expected to benefit from their established franchise brands' reservation systems, loyalty programs, and marketing scale.

The Properties demonstrate a stable performance history with prospects for growing revenues through the investment period which will be driven by exceptional management and increasing demand for select service accommodations in the subject markets.

LBP is an experienced hotel investment firm which will provide asset management and supervisory services for the Company. LBP has operated in a similar capacity on behalf of family offices and high net worth individuals. LBP's principals have deep experience in the hospitality industry, with interests in 35 hotels currently.

Distributions: Distributions net to investors are projected to commence in excess of 7.0%. Due to favorable tax depreciation schedules associated with hotel ownership, initial pre-tax equivalent returns over the anticipated five year holding period are expected to average greater than 13.0%. (Please see Exhibit A for Combined Performance and Exhibit B for Investment Analysis.)

Note: THE ABBREVIATED INFORMATION ABOVE IS NECESSARILY INCOMPLETE IN MANY IMPORTANT RESPECTS AND IS QUALIFIED BY THE SUBSCRIPTION DOCUMENTS AND THE LIMITED LIABILITY COMPANY AGREEMENT OF THE COMPANY, WHICH MUST BE CAREFULLY REVIEWED IN THEIR ENTIRETY BEFORE MAKING AN INVESTMENT DESCISION.

THIS SUMMARY IS NOT TO BE CONSTRUED UNDER ANY CIRCUMSTANCES AS AN ADVERTISEMENT OR PUBLIC OFFERING OF THE SECURITIES DESCRIBED HEREIN. THIS OFFERING MATERIAL IS SUBJECT TO AMENDMENT. NO OFFER MAY BE MADE, AND NO DEPOSIT OR SUBSCRIPTION AGREEMENT MAY BE ACCEPTED, EXCEPT IN ACCORD WITH THE TERMS AND CONDITIONS OF THE SUBSCRIPTION DOCUMENTS AND THE LIMITED LIABILITY COMPANY AGREEMENT OF THE COMPANY.

HOTEL INDUSTRY

National Market:

National hotel market fundamentals are strong, with consensus among industry leading research firms PKF, STR, and PwC that occupancy, ADR, and RevPAR will continue improving through 2016, as reflected in the chart at right.[1] These trends, coupled with modest projected additions of new properties due to more stringent lending requirements should contribute to sustained positive market fundamentals over the next several years.

2016: % Change vs. 2015	PKF	STR	PwC
Supply	1.8%	1.4%	2.0%
Demand	2.2%	2.2%	2.1%
Occupancy	0.4%	0.8%	0.1%
ADR	5.9%	5.2%	5.8%
RevPAR	6.3%	6.0%	5.9%

Catalysts for Hotel Demand

- Current levels of corporate profits and corresponding business travel expenditures continue to drive both transient and group demand.
- The leisure segment is improving, marked by increasing real personal income, strong consumer confidence, and lower gas prices.
- Group demand is rebounding, with healthy increases in bookings supplementing demand growth and allowing for rate increases.
- Positive trends in international travel to the US are expected to continue for the foreseeable future

Select-Service Hotels:

Hotels are broadly categorized as: limited-service, full-service, or select-service. Select service hotels, the Properties' segment, offer a selection of services and amenities characteristic of full-service properties, but in moderation. Such properties may operate with reduced staffing, limit restaurant services and offer less conference facilities that may otherwise increase overhead costs and room rates. In-room amenities, however, can approach those levels found at full-service hotels. The better operating efficiencies of select-service hotels (e.g., less maintenance, lower payrolls, and smaller physical properties) result in higher profit margins and more consistent cash flows.

Branded select service hotels with strong franchisors, as in the case of the Properties' Comfort Suites and Holiday Inn Express & Suites, are experiencing growing demand among both guests and investors. Aspects such as efficient design, streamlined operations, room consistency, guest value and experience, brand reservation systems, loyalty programs, and global marketing capabilities often translate to higher occupancy, margins, and net operating income.

Comfort Suites is noted for its large rooms, free breakfasts, and pools and/or fitness centers at each of its 600+ locations. Guests earn 'Choice Privileges' points through parent Choice Hotels (www.choicehotels.com), which owns ten other brands and has over 6,000 locations worldwide. Holiday Inn Express is a practical, reasonably-priced brand that offers fitness centers, pools, and business centers at most of its 2,300+ locations worldwide. Parent company Intercontinental Hotels Group (www.ihg.com) is the world's largest hotel company with nine brands and 700,000+ rooms, all which honor IHG Rewards Club points.

[1] Revenue per available room ("RevPAR") equates to occupancy multiplied by the average daily room rate ("ADR")

PROPERTIES AND MARKETS

Property Description:

COMFORT SUITES RALEIGH-DURHAM

The 125-room Raleigh-Durham Property was built in 1998 with concrete construction and features an attractive all-brick façade. The five-story hotel is visible from I-40, and is well-located less than one mile from the interchange of I-40 and I-540 (Raleigh's circumferential road). The hotel is approximately 2.5 miles from Research Triangle Park; five miles from the RDU Airport; 10 miles from the PNC Arena; 10 miles from downtown Durham; and 15 miles from downtown Chapel Hill and downtown Raleigh.

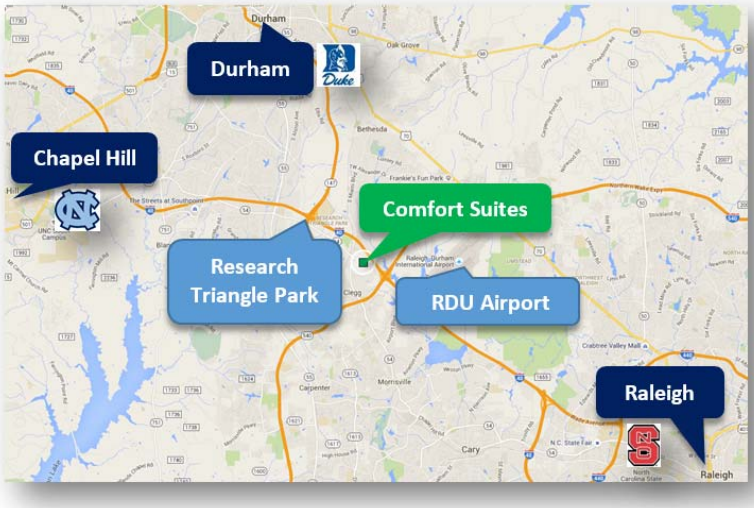
Two meeting rooms combine to form a function room that accommodates 200 people. Hotel amenities include a business center, gym, pool, free breakfast, and shuttle service to the airport and to local area shopping and restaurants. The hotel offers uncommon features for a select service hotel, including oversized rooms and suites, and a terrace level lounge area on the second floor. The accommodation mix consists of 52 kings, 53 queens, 13 suites, and 7 ADA rooms.

Approximately $700,000 in renovations were completed in 2013, including refurbishment of public areas, guestroom furniture, administrative and support areas, as well as upgrades and replacements of mechanical systems and equipment. An annual furniture, fixtures and equipment (FF&E) replacement program is in place under current ownership.

The Comfort Suites franchise agreement runs through 2022 and includes a franchisee-held option to terminate the agreement in 2017. The Sponsor will explore several options, including early renewal / extension, rebranding the hotel to capitalize on demand from other brands, or selling the Raleigh-Durham Property in advance of expiration to afford optionality to a new buyer.

Raleigh-Durham Market:

The Comfort Suites is located in Durham at the nexus of the Triangle Region, so-called for the geographical situation, proximities, and shared economies of Raleigh, Durham and Chapel Hill. The region is home to the state capital, has a diverse and growing economic base, and consistently rates as one of the best places to live and work in the US. The area is a key part of one of the main 'mega-regions' expected to power the US economy in the coming decades.



The Raleigh Durham International Airport ("RDU") is located five miles from the Comfort Suites. RDU recently underwent a major expansion, now housing operations for 10 major airlines. In 2014 RDU served 9.5 million passengers, and with further expansion, planned passenger capacity is expected to double by 2020. Research Triangle Park ("RTP"), located 2.5 miles from the hotel, is the world's largest and most successful R&D business park, and a main hub for high technology and biotechnology activities. The Triangle Region also has a stable university base, anchored by UNC Chapel Hill, Duke University, and N.C. State, which are each located within a 20-minute drive of the Comfort Suites.

The area's universities have significant collaboration with RTP in computer and medical-device-related high tech research and manufacturing. These ventures have generated $2.5 billion of federal R&D funding in each of the past few years, created more than 400 start-ups, and designed various new products and processes. Such activities have contributed to the region's strong job growth of approximately 2.5% annually over the past several years, and are expected to continue to bolster the local economy going forward. The medical industry is another major local economic driver that dovetails with the local university base. One of Durham's largest employers, Duke Medical Center, is located approximately 10 miles from the Comfort Suites.

The area's strengths in medical, education, and technology sectors have the added advantage of tending to be among the more steady sectors through boom-and-bust economic cycles. Such resilience was demonstrated during the downturn that began in 2008, in which Durham sustained 23% fewer job losses than the US on average, according to the Bureau of Labor Statistics. Durham was also quicker to recover lost jobs, regaining its pre-recession peak employment in the first quarter of 2013, while the US had not recovered pre-recession peak employment until June 2014.

Raleigh-Durham Accolades and Area Highlights

- Top 10 Great Cities for Raising Families (Kiplinger's)
- #1 Strongest Job Market in the Nation (Manpower)
- #3 Best Places for Business and Careers (Forbes)
- #4 of America's Brainiest Places to Live (CNN Money)
- Top Public Schools for Mid-to-Large Metros (Great Schools)

Research Triangle Park (RTP)

RTP, the nation's largest R&D park, is located 2.5 miles from the Comfort Suites. RTP houses over 190 firms employing 60,000 workers, including IBM, Cisco, Fidelity, NetApp, Credit Suisse, RTI, Glaxo, and the Environmental Protection Agency.

Raleigh-Durham International Airport (RDU)

RDU, located within five miles of the Comfort Suites, served 9.5 million travelers in 2014, with airlines including Delta, United, American and JetBlue. Terminal 1 was recently renovated, and a $570 million 32-gate Terminal 2 project is underway.

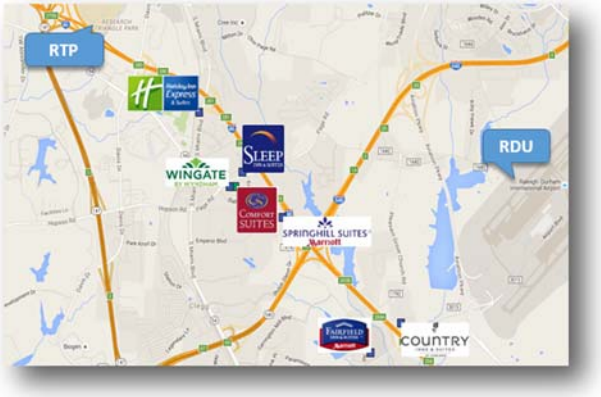
University Life

NC State (Raleigh), UNC Chapel Hill, and Duke University (Durham) are each within 20 minutes of the hotel. While these are the best known, there are a total of 15 universities and 10 colleges in the Triangle Region, fueling its innovation economy.

Shopping and Dining

Shopping center Brier Creek Commons is located five miles from the hotel, featuring big box retailers, boutiques, and several bar and restaurant options. Triangle Town and Streets at Southpoint are two other nearby retail centers with dining options.

Competitive Set: Local hotel market fundamentals are strong, with a favorable supply and demand outlook. Limited availability of suitable hotel building sites and a lack of available brands in the competitive area are expected to keep supply in check.



The STR report below summarizes key hotel industry metrics for the subject property and competitive hotels in the market area. The report compares occupancy, ADR, and RevPAR. Over the past year RevPAR has been increasing at the subject property disproportionately to its competitive set, largely due to occupancy gains. The Index scores for each of the three metrics are the subject property's results divided by the competitive set. Index scores in the 80's and 90's, coupled with the Comfort Suite's momentum, suggest opportunity for further penetration. The Raleigh-Durham Property's 125 rooms represent 18.3% of the 683 room competitive set.

Comfort Suites RDU/RTP - November 2015 STR Report Results

	Occupancy (%)			ADR			RevPAR		
	Subject	Comp Set	Index	Subject	Comp Set	Index	Subject	Comp Set	Index
Running 3 Month	74.0%	74.7%	99.0	$80.38	$ 88.33	91.0	$59.50	$ 66.01	90.1
Running 12 Month	67.7%	72.9%	92.9	$81.39	$ 87.97	92.5	$55.09	$ 64.10	85.9

The chart below isolates the property's performance over the past four years. The effects of 2013 renovations, amplified by positive market factors, are apparent in 2014 and 2015 results. (2015 year-end financials were not available as of this presentation and reflect a combination of actual and projected performance.)

Comfort Suites RDU/RTP Operating & Financial Summary: 2012-2015

	2012 Actual	2013 Actual	2014 Actual	2015 Act. / Proj.
ADR	$ 76.89	$ 71.42	$ 80.26	$ 82.46
Occ %	57.9%	63.5%	65.4%	64.8%
RevPAR	$ 44.52	$ 45.35	$ 52.49	$ 53.43
Total Revenue	$ 2,109,263	$ 2,147,803	$ 2,472,204	$ 2,540,100
Gross Operating Profit	$ 880,052	$ 774,410	$ 916,728	$ 1,029,745
NOI	$ 618,421	$ 506,618	$ 619,488	$ 714,499

LBP believes that it has conservatively underwritten the projections, assuming an average of 3% ADR growth and 1% occupancy growth for the five-year projection period. LBP has anticipated an increase in property taxes based on a review by its property tax consultants. Reserves are projected for renovations, working capital, and furniture, fixtures, and equipment (FF&E) to allow for future improvements.

Property Description:

MONTROSE HOLIDAY INN EXPRESS & SUITES

The 122-room Holiday Inn Express & Suites was built in 1997 with concrete construction and an attractive exterior. It is set amidst the scenic San Juan Mountains in Montrose, CO, the primary commercial and tourist hub of Western Colorado. Montrose is the gateway to the famed Telluride ski and resort area 60 miles south. The hotel offers access to area demand generators with visibility and access from US 550 via US 50, the major thoroughfare.

The hotel has 6,000 sf of meeting space, and its market-leading amenities include a business center, gym, indoor and outdoor pool, shuttle service, and an adjacent (independently-owned) retail center. The hotel also features a two-story lobby lounge. The accommodation mix is 45 kings, 62 queens, 10 suites, and five ADA rooms.

During 2012 and 2013, the hotel underwent a comprehensive renovation and upgrade to latest brand standards. Approximately $2.5 million has been invested in new room furniture, fixtures and equipment. Significant improvements and reconfigurations were made to most areas of the hotel, as well as to the property's exterior, base building, and building systems.

The Holiday Inn Express & Suites franchise agreement runs through 2021. Sponsor will explore several options, including early renewal / extension, rebranding the hotel to capitalize on demand from other brands, or selling the Montrose Property in advance of expiration to afford optionality to a new buyer.

Montrose Market:

The Holiday Inn Express is located in Montrose, the county seat of Montrose County, Colorado. Montrose first developed in the 19th century as a regional shipping center during the westward expansion of railroads. The mineral-rich San Juan Mountains added mining relevance, and by the early 20th century Montrose became a major regional agricultural hub.

Today, Montrose's local economy has a diverse base, including private industry, government, healthcare and higher education. Tourism and recreation are also important to the local economy. Aided by Montrose Regional Airport, and the town's location along US Highway 550, Montrose has become a regional transportation hub for several resort areas including Telluride. The above map shows the national (and international) reach of Montrose's airport, with colored lines signifying direct flights.

Population in Montrose is steadily rising, having grown 30% cumulatively over the past ten years. Clean air, mountain views, ample recreation venues, low crime rates, and an average 320 days of sunshine a year contribute positively to Montrose's high quality of life standards. While families and millennials are moving to Montrose, it has become a particular magnet for retirees, and 42% of Montrose residents are aged 45 or older.

Outdoor recreation opportunities abound, with residents and tourists taking advantage of skiing, river rafting, wildlife watching tours, hunting, visiting working cattle ranches, exploring old mines, and playing on five golf courses. Montrose also has a growing assortment of restaurants and shopping venues, craft shows, art walks, farmers' markets, festivals, mountain bike races, and various other events. The Valley Symphony and Valley Symphony Chorus add to the cultural attractions. Harkening to Montrose's 19th century roots, Victorian homes add to the city's ambience and charm.

Montrose Highlights

Population: Montrose County's population has increased by 23% in the past decade. Montrose was recently ranked the 18th fastest growing US 'micropolitan' area, with population growth attributable to its unique and progressive business atmosphere, friendly people, and excellent quality of life. According to the US Census Bureau, population is projected to roughly double to approximately 75,000 by 2030.

Air Transportation: Montrose Regional Airport, located three miles from the Holiday Inn Express, offers direct flights to several major cities. It is served by Delta, United, and American. In inclement weather, flights scheduled to land in Telluride are often diverted to Montrose which generates room night demand. Travelers tend to book Telluride trips through Montrose, given more direct flights and average Montrose room rates less than half of those of Telluride.

Industry: Montrose County is home to 70+ manufacturing companies, including:

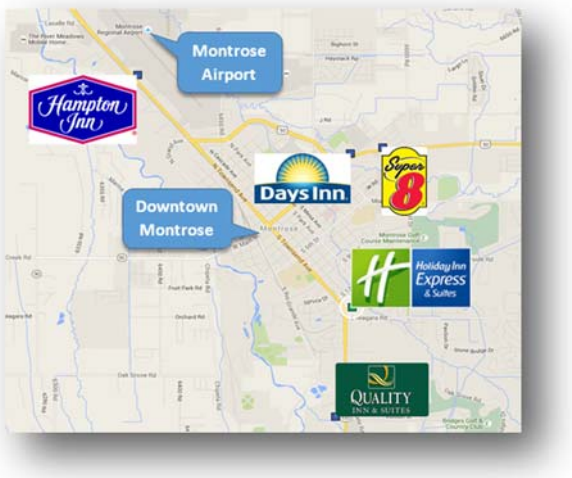
- Russell Stover: 400+ workers / one of the larger local employers - 0.5 mi.
- Western Skyways: piston and turbine engine overhauling facility - 4.6 mi.
- Scott Fly Rod: internationally known fly fishing rod company - 3.0 mi.
- Ross Reels: well-known fly-fishing reel manufacturer - 2.5 mi.

Colorado Mesa University: The Colorado Mesa University Montrose Campus is located one mile from the hotel. The campus provides a variety of associate and bachelor degree programs. Formerly known as Mesa State College, it was renamed and granted university status in 2011. The university has since grown in enrollment, academic programs, and facilities, as have related bookings at the Holiday Inn Express. Continued growth should strengthen this demand driver.

A view from Montrose Bridges - one of five golf courses in Montrose

Competitive Set:

Local hotel market occupancy levels evidence strong demand and the Holiday Inn Express is outperforming its competitive set. Very limited new supply is expected for western Colorado during the projected investment period, and industry experts predict continued revenue gains for existing hotels.



The Holiday Inn Express's dominant market position is expressed in the STR report results below, which compares occupancy, ADR, and RevPAR for the subject property and its competitive set. The Montrose Property maintains high index scores (calculated as the Montrose Property's results divided by the competitive set average) for each of the three metrics. Demand from both leisure and business segments remains strong. The Montrose Property's 122 rooms is 35% of the 350 room comp set, with its largest and best meeting facilities a key differentiating factor.

Holiday Inn Express Montrose - November 2015 STR Report Results

	Occupancy (%)			ADR			RevPAR		
	Subject	Comp Set	Index	Subject	Comp Set	Index	Subject	Comp Set	Index
Running 3 Month	70.3%	55.8%	126.0	$99.17	$ 91.50	108.4	$69.74	$ 51.09	136.5
Running 12 Month	70.2%	56.8%	123.5	$97.96	$ 88.90	110.2	$68.78	$ 50.53	136.1

The chart below isolates the subject property's performance over the past four years, with 2013 renovations and positive market forces resulting in strong growth in recent years. (2015 year-end financials were not available as of this presentation and reflect a combination of actual and projected performance.)

Holiday Inn Express Montrose Operating & Financial Summary: 2012-2015

	2012 Actual	2013 Acutal	2014 Actual	2015 Act. / Proj.
ADR	$ 89.67	$ 94.97	$ 96.43	$ 99.70
Occ %	59.1%	57.5%	63.7%	68.2%
RevPAR	$ 52.99	$ 54.61	$ 61.43	$ 68.00
Total Revenue	$ 2,512,770	$ 2,545,303	$ 2,872,912	$ 3,167,174
Gross Operating Profit	$ 984,986	$ 948,057	$ 1,135,205	$ 1,345,302
NOI	$ 648,977	$ 612,231	$ 724,852	$ 914,162

LBP has conservatively underwritten the projections, assuming an average of 3% ADR growth and 1% occupancy growth for the five-year projection period. LBP has anticipated an increase in property taxes based on a review by its property tax consultants. Reserves are projected for renovations, working capital, and furniture, fixtures, and equipment (FF&E), to allow for future improvements.

MANAGEMENT

Property Manager: The Company will retain Interstate Hotels and Resorts (www.interstatehotels.com) to manage and market the Properties in exchange for a management fee equal to 3.5% of total revenues. Interstate is a leading global hotel management company with 440 hotels and 79,000 rooms under management throughout the U.S. and world. Its rich history spanning 55 years of innovation, consistency and success is unmatched in the hospitality industry, making Interstate the preferred hotel management company of major global brands. Interstate consistently delivers results for real estate investors, ownership groups, publicly-traded REITs, privately held companies, and private equity funds.

Asset Manager: Under the supervision of the Managing Member, Waramaug Hospitality (www.waramaughospitality.com) ("Waramaug") will provide asset management services to the Company. Waramaug is a privately held investment group focused on applying its wealth of resources to create a track record in successfully rebranding, repositioning and renovating assets to reach their full potential and become market leaders. Waramaug is active with flagged and independent full service hotels and resorts, as well as select service hotels under premium brands. Waramaug's platform will support the Company with a dedicated team of specialists in room operations, food & beverage, meetings, technology services, business systems, accounting, and human resources to maximize revenue and profitability. Principals of Waramaug will invest in the Company alongside LBP.

Supervision and Reporting: The Sponsor shall provide an investment update letter to investors on a quarterly basis. Investors will be provided an annual report and tax information concerning the Company. NHCohen Partners, an affiliate of the Placement Agent, will provide investment relations consulting services on behalf of the Members for a fee.

OFFERING

Placement: $10,000,000 in Limited Liability Company interests, offered in 100 units of $100,000 each, with partial units accepted at Manager's discretion, to U.S. "accredited investors". Affiliates of the Sponsor will purchase 10% of the investor interests on the same terms as other investors.

The Manager is authorized to admit any subscriber who purchases more than $2,000,000 of units in a separate member class on different terms, so long as there is no adverse effect on non-separate member class subscribers or their cash distribution or tax shelter.

Projected Closing Date: April 29, 2016

Purchase Price: $21,000,000

Mortgage Financing: It is anticipated that acquisition loans will be obtained in the aggregate approximate amount of $13,200,000 reflecting a conservative debt ratio of 56.9% loan to total cost. The loans are expected to include amortization on a 25-year self-liquidating schedule and carry interest rates at a blended average rate of approximately 4.7%. Initial debt service coverage ratio (available cash flow before debt payments, divided by the debt payment) is expected to exceed 1.8x. The Sponsor believes the prospective acquisition financing terms to be advantageous. The Sponsor may secure interest-only debt payments for the initial year, which would supplement reserves at the Properties and/or be distributable at its discretion.

Proceeds of the Offering: The Sponsor projects the Company's sources and uses of funds to be approximately as follows:

Sources		
Members' Investments (includes Sponsor contribution)	$	10,000,000
Debt		13,200,000
Total Sources	**$**	**23,200,000**

Uses		
Purchase Price	$	21,000,000
NHCohen Equity Placement Fee (6% of net equity)		508,252
Reserves for Capital Expenditures / Renovations		500,000
LBP Hotels Acquisition Fee (.75% of Purchase Price)		157,500
Mortgage Costs, Fees, and Lender Legal		160,000
Working Capital and Contingency		305,000
Purchaser Legal and Marketing		150,000
Lender Mandated Tax and Insurance Reserves		155,498
Franchise Application Fees		100,000
Title Insurance, Formation and Searches		88,750
PCA/ESA, Permits, Survey, Transfer & Recording		75,000
Total Uses	**$**	**23,200,000**

Distributions: **Cash Flow from Operations.** The Company shall distribute Distributable Cash (defined below) on such date(s) as determined by the Managing Member in its sole discretion. The Managing Member anticipates that the Company will make quarterly distributions to investors.

Any distribution of Distributable Cash will be distributed as follows:

(a) *7.0% Preferred Return*: First, 100.0% to the members of the Company, pro rata in proportion to their accrued and unpaid Preferred Return (as defined below), until each member has received distributions under this clause (a) equal to 7.0% per annum on the aggregate amount of the unreturned capital contributions to the Company by such member, as outstanding from time to time (the "Preferred Return");

(b) *Members-Carried Interest Split*: Then, to the members based on their respective aggregate capital contributions, which shall be divided between the members and the Managing Member: (i) 80.0% to the members, pro rata, on the basis of their capital contributions to the Company and (ii) 20.0% to the Managing Member.

For purposes of this Summary, "Distributable Cash" means (i) all cash flow from all sources other than Capital Proceeds (defined below) less (ii) working capital requirements and all costs and expenses of the Company, including payment of the Asset Management Fee, and reserves, and otherwise not restricted from distributions, as are reasonably determined by the Managing Member.

Capital Proceeds. The Company will distribute Capital Proceeds arising from and related to each of the Properties to the members within twenty (20) business days of receipt as follows:

(a) *7.0% Preferred Return*: First, 100.0% to the members of the Company, pro rata in proportion to their accrued and unpaid Preferred Return (as defined below), until each member has received distributions under this clause (a) equal to the Preferred Return;

(b) *Return of Contributed Capital*: Then, 100.0% to the members, in proportion to their unreturned capital contributions, until each member has received distributions under this clause (b) equal to the aggregate amount of the capital contributions to the Company by such member;

(c) *Members-Carried Interest Split*: Then, to the members based on their respective aggregate capital contributions, which shall be divided between the members and the Managing Member:

(i) first, until each member has received distributions under this clause (c)(i) equal to 12%, per annum, compounded annually, on the aggregate amount of unreturned capital contributed to the Company, (A) 80% to the members, pro rata, on the basis of their capital contributions to the Company; and (B) 20% to the Managing Member; and

(ii) thereafter, (A) 70% to the members, pro rata, on the basis of their capital contributions to the Company and (B) 30% to the Managing member (the distributions to the Managing Member described in the Distributable Cash Section under clause (b)(ii) and in this Capital Proceeds Section under clause (c)(i)(B) and this clause (c)(ii)(B) being referred to as "Carried Interest").

For purposes of this Summary, "Capital Proceeds" means (i) the proceeds from the sale or refinancing of any of the Properties or any refinancing of any indebtedness relating to the Properties less (ii) all costs and expenses incurred by the Company (including reimbursements to the Managing Member) in connection with such sale or refinancing of a Property, including payment of the Disposition Fee.

Compensation to The Sponsor:

The Sponsor or its affiliates shall receive the following compensation in connection with the transaction:

(i) An acquisition fee of 0.75% of the purchase price of the Properties paid at Closing (the "Acquisition Fee");

(ii) An annual asset management fee in the amount of 0.25% of Purchase Price (the "Asset Management Fee"); and

(iii) A disposition fee of 1.0% of the gross sales proceeds (the "Disposition Fee").

The Sponsor will be reimbursed for all reasonable expenses incurred in the acquisition and supervision of the Properties, including but not limited to travel, due diligence, and partnership administration costs (e.g., accounting, filing fees).

Placement Agent: The Placement Agent for the Offering is NHCohen Capital LLC ("NHCohen"), a broker-dealer registered with the SEC and FINRA, an affiliate of NHCohen Partners LLC. The Placement Agent shall earn a fee of 6% of capital raised from the Offering. An affiliate of the Placement Agent will receive a fee for ongoing investment relations activities, including the consulting services described under "Supervision and Reporting". NHCohen is dedicated to identifying and structuring investment opportunities through private placement programs that harness the many potential benefits of direct ownership of income-producing real estate. NHCohen was formed to provide high net worth individuals, family entities, registered investment advisors, trusts and institutions that are accredited investors, the advantages of real estate ownership through a simplification of the investing process. The investment opportunities are intended to provide cash distributions, partial tax shelter such as depreciation and pass-through income/loss, protection against inflation and tax deferred distributions from periodic refinancing.

SPONSOR

Sponsor: The Sponsor is LBP Hotel Advisors, LLC, an affiliate of LBP Hotels LLC, a New York based real estate investment firm founded in 2011. LBP is managed by Paul Stern, who has been transacting hospitality business for more than twenty-five years, as advisor and principal. Throughout his career, Mr. Stern has represented major hotel companies, institutional investors and family offices and high-net-worth investors in a range of hospitality investments. His extensive experience ranges from urban, resort and boutique hotels to branded select service and full service properties. Expertise includes investment management, asset management, and negotiation of franchise, management and joint venture agreements with a range of hotel companies, partners and operators. Since 2011, LBP has exclusively focused on investments in select service hotels franchised under major brands. During this time, LBP has raised private investment equity which was deployed into twenty distinct hospitality investments that comprise over 3,500 rooms with aggregate total investment capitalization in excess of $366 million. In these investments LBP maintains investment discretion and responsibility for investment supervision and oversight for a key group of the firm's high net worth investors in these vehicles. (Please see Exhibit C - Representative Transactions of Affiliates of LBP Hotels LLC.)

INVESTOR SUITABILITY

Investor Suitability Standards: An investment in the Company involves significant risks. See "Exhibit D - Certain Risk Factors".

Placement Agent: NHCohen Capital LLC, 2 Park Avenue, 14th Floor, New York, NY 10016 (212) 498-6960 is a SEC registered broker-dealer and a member of FINRA.

Investment Risks: An investment in the Company involves significant risks. See "Exhibit D - Certain Risk Factors."

Note: NEITHER THE SPONSOR, LBP, NOR THE PLACEMENT AGENT PROVIDES ASSURANCE THAT ANY INVESTMENT STRATEGY DESCRIBED HEREIN WILL RESULT IN A PROFIT OR PROTECT AGAINST A LOSS. THE ABBREVIATED INFORMATION ABOVE IS NECESSARILY INCOMPLETE IN MANY IMPORTANT RESPECTS AND IS QUALIFIED BY THE LIMITED PARTNERSHIP AGREEMENT OF THE COMPANY, WHICH MUST BE CAREFULLY REVIEWED IN ITS ENTIRETY BEFORE MAKING AN INVESTMENT DECISION.

THIS SUMMARY IS NOT TO BE CONSTRUED UNDER ANY CIRCUMSTANCES AS AN ADVERTISEMENT OR PUBLIC OFFERING OF THE SECURITIES DESCRIBED HEREIN. THIS SUMMARY IS SUBJECT TO AMENDMENT.

EXHIBIT A

Wharton RM Hospitality, LLC

Cash Flow Projections (1)

	Year 1	Year 2	Year 3	Year 4	Year 5
ADR	$ 92.70	$ 95.69	$ 98.79	$ 101.75	$ 104.53
Occ %	70.3%	71.0%	71.7%	72.5%	73.2%
RevPAR	$ 65.39	$ 68.17	$ 71.07	$ 73.94	$ 76.71
Revenue					
Rooms	$ 5,895,234	$ 6,146,022	$ 6,425,071	$ 6,665,739	$ 6,915,723
Other	244,896	253,528	263,184	271,717	281,295
Total Revenue	**6,140,130**	**6,399,550**	**6,688,255**	**6,937,456**	**7,197,018**
Dept. Expenses					
Rooms	$ 1,586,438	$ 1,642,360	$ 1,704,912	$ 1,760,188	$ 1,822,234
Other	75,460	78,120	81,095	83,725	86,676
Total Departmental Expenses	**$ 1,661,899**	**$ 1,720,480**	**$ 1,786,007**	**$ 1,843,912**	**$ 1,908,910**
Departmental Profit	**$ 4,478,231**	**$ 4,679,070**	**$ 4,902,248**	**$ 5,093,544**	**$ 5,288,108**
Undist. Expenses					
Administrative & General	$ 566,189	$ 590,147	$ 608,248	$ 625,586	$ 643,465
Marketing	324,130	337,787	352,987	366,139	379,796
Energy	254,231	260,586	267,101	273,779	280,623
Property Operation & Maintenance	206,967	212,141	217,445	222,881	228,453
Royalty & Mktg Fees	530,571	553,142	578,256	599,916	622,415
Total Undistributed Expenses	**$ 1,882,088**	**$ 1,953,804**	**$ 2,024,037**	**$ 2,088,301**	**$ 2,154,752**
Gross Operating Profit	**2,596,144**	**2,725,265**	**2,878,210**	**3,005,243**	**3,133,356**
Management Fees	214,905	223,984	234,089	242,811	251,896
Income Before Fixed	**$ 2,381,239**	**$ 2,501,281**	**$ 2,644,122**	**$ 2,762,432**	**$ 2,881,460**
Fixed Expenses					
RE Taxes	$ 307,511	$ 354,073	$ 364,695	$ 375,636	$ 386,905
Insurance	78,909	81,277	83,715	86,226	88,813
FFE Reserve	245,605	255,982	267,530	277,498	287,881
Total Fixed Charges	**$ 632,026**	**$ 691,332**	**$ 715,940**	**$ 739,361**	**$ 763,599**
NOI	**1,749,213**	**1,809,949**	**1,928,181**	**2,023,071**	**2,117,861**
Asset Management Fee	52,500	52,500	52500	52,500	52,500
Partnership Administrative Expense	50,000	50,000	50,000	50,000	50,000
Cash Flow Before Debt Service	**1,646,713**	**1,707,449**	**1,825,681**	**1,920,571**	**2,015,361**
Debt Service (2)	893,967	893,967	893,967	893,967	893,967
Net Cash Flow	**$ 752,746**	**$ 813,482**	**$ 931,714**	**$ 1,026,604**	**$ 1,121,394**

Note

(1) Above cash flow projections do not reflect any benefit from the sale of the Property; no assurance can be given the projections shown will in fact be achieved.

(2) Debt service is estimated and is subject to negotiation with lender(s).

EXHIBIT B

Wharton RM Hospitality, LLC

Investment Analysis (1) (2) (3)

Assumptions

Tax Rate:	42.2%	**(A)**
Tax Income Coverage:	75.0%	**(B)**

	Investment	Operating Cash Distributions	Less: Tax	Income After Tax	Pre-Tax Yield	After-Tax Yield	Pre-Tax Equivalent Distribution	Less: Tax	Income After Tax	Pre-Tax Equivalent Yield **(C)**
Initial	$ 100,000									
Year 1		$ 7,418	$ 782	$ 6,636	7.4%	6.6%	$ 11,476	$ 4,840	$ 6,636	11.5%
Year 2		7,900	833	7,067	7.9%	7.1%	12,220	5,154	7,067	12.2%
Year 3		8,844	932	7,912	8.8%	7.9%	13,682	5,770	7,912	13.7%
Year 4		9,602	1,012	8,590	9.6%	8.6%	14,855	6,265	8,590	14.9%
Year 5		10,363	1,093	9,271	10.4%	9.3%	16,032	6,761	9,271	16.0%
Total:	$ 100,000	$ 44,127	$ 4,653	$ 39,475	44.1%	39.5%	$ 68,265	$ 28,790	$ 39,475	68.3%
Average:		$ 8,825	$ 931	$ 7,895	8.8%	7.9%	$ 13,653	$ 5,758	$ 7,895	13.7%

General Notes:

(1) The above projections do not reflect any potential distributions from an eventual sale of the Property.

(2) No assurance can be given that these projected distributions will be achieved; actual amounts may vary from these projected amounts.

(3) Above fiscal year projections are based on a 12/31/15 closing; actual closing is anticipated to be during the first quarter of 2016.

Tax Notes:

(A) After tax income was computed based on a combined federal and New York State tax rate of 42.2%

(B) Assumes 25% of operating cash distributions are subject to taxation.

(C) The Pre-Tax Equivalent Return is computed as after-tax return divided by (1-tax rate).

EXHIBIT C

Representative Transactions of Affiliates of LBP Hotels LLC

Opportunistic Hotel Investments: During the recovery from the recession of 2008-2010, LBP Hotels, along with a joint venture partner, identified certain recovering markets and made several targeted investments. Acquiring assets from a commercial bank and other motivated sellers, the venture undertook property renovation programs in accordance with various brands' standards, and executed asset repositioning plans including replacement of management and implementing new sales and marketing strategies. This program represented over $25 million in aggregate investment basis.

360-Room Hilton Lexington Downtown Hotel, Lexington, Kentucky: Approximately $45 million acquisition and re-development of 360-room hotel from The Blackstone Group. Affiliates of LBP participated in a joint venture with an opportunity fund to reposition the hotel through implementation of a $15 million property improvement program, and rebranded the property from a Radisson to a Hilton.

National Select Service Hotel Portfolio: In 2012, LBP co-founded and became a partner of the managing member entity that is the operating partner for an investment program that has acquired sixteen hotels nationwide, totaling $160 million in aggregate investment basis. LBP is responsible for asset underwriting, purchase negotiation, debt and equity structuring and ongoing investment supervision and reporting. The sixteen hotels are managed by Interstate, who will continue to manage the Properties.

Hospitality Separate Account Advisory: LBP is a member of the general partner entities in two discrete hotel investment ventures with offshore investment partners. The ventures own a total of eleven hotels comprising over 1,250 rooms. LBP was responsible for raising and deploying a portion of the equity required for the acquisitions and maintains investment management supervision and reporting for three distinct investor groups in the ventures;

Income-Producing Hotel Syndication: LBP has structured four separate investment entities comprised of individual investors seeking steady dividends, partially tax-sheltered, with a strong focus on capital preservation and safety. The programs total $32 million in aggregate investment basis; LBP was responsible for raising over $10 million of limited partner equity and directly oversees the investments on behalf of these limited partners.

EXHIBIT D

Certain Risk Factors

The investment in the Units involves a high degree of risk and should only be considered by those who can afford the loss of their entire investment. Furthermore, the purchase of the Units should only be undertaken by persons whose financial resources are sufficient to enable them to indefinitely retain an illiquid investment. Each investor in the Company should consider all of the information provided to such potential investor regarding the Company as well as the following risk factors.

The following risk factors are not intended, and shall not be deemed to be, a complete description of the commercial and other risks inherent an investment in the Units. You should not view any description of any risk factor to be complete. You should ask additional questions from executives of the Managing Member and not make an investment unless you have received all of the information you requested.

The following summary of certain material risks are not all of the factors that are outside the control of the Company or that could cause an investor to lose some or all of such investor's investment in the Company.

The information provided to you and other investors in the Company was developed by the Company. Neither the Company nor the Managing Member has prepared any prospectus or offering memorandum to assist the evaluation of this investment opportunity by you or any other investor. Each prospective investor and any professional retained by him or it, as applicable, must independently and without reliance on the Company or the Managing Member make its own investigations, analysis and decisions.

Risks Relating to the Company Purpose

The Company was formed for the primary purpose of, directly or indirectly, owning 100% of the limited liability company interests in (i) WBC RDU, LLC ("Property Sub 1"), a Delaware limited liability company formed for the purpose of investing in, owning and operating a hotel in Raleigh-Durham, North Carolina (the "NC Hotel") and (ii) WBC Montrose, LLC ("Property Sub 2" together with Property Sub 1, the "Operating Companies" and each, an "Operating Company"), a Delaware limited liability company formed for the purpose of investing in, owning and operating a hotel in Montrose, CO (the "CO Hotel" and together with the NC Hotel, the "Real Property Investments" and each, a "Real Property Investment"). Accordingly, many of the risks of an investment in the Company are substantially similar to the risks of the businesses of the Operating Companies. A failure of the business of any Operating Company would likely result in a loss of some or all of

an investment in the Company. Some of the specific risks of the business of the Operating Companies, and therefore risks of the Company, include but are not limited to the following matters described below:

1. Third-Party Management.

   a. The Operating Companies do not operate or manage the NC Hotel or the CO Hotel, respectively. Instead, each Operating Company will retain a third-party management company to manage and market its Real Property Investment pursuant to a management contract. Cash flow from the Real Property Investments may be adversely affected if the hotel managers fail to provide quality services and amenities or if they or their affiliates fail to maintain to provide services amenities required under the applicable franchise agreement and system.

   b. The Company and the Managing Member have limited authority to require any hotel property to be operated in a particular manner or to govern any particular aspect of the daily operations of any hotel property (for example, setting room rates). Thus, even if the Company or the Managing Member believe the Real Property Investments are being operated inefficiently or in a manner that does not result in satisfactory occupancy rates, the Company may have limited ability to force the third party property management company to change its method of operating our hotels. We generally will attempt to resolve issues with the hotel manager(s) through discussions and negotiations. However, if we are unable to reach satisfactory results through discussions and negotiations, we may choose to litigate the dispute or submit the matter to third-party dispute resolution. We can only seek redress if a management company violates the terms of the applicable management contract with an Operating Company, and then only to the extent of the remedies provided for under the terms of the management contract. Additionally, in the event that we need to replace the management company, we may be required by the terms of the management contract to pay substantial termination fees and may experience significant disruptions at the affected hotels and we may be restricted in terminating the management company and substituting or retaining another management company by the applicable hotel franchisor.

   c. It is anticipated that Interstate Hotels and Resorts ("Interstate") will serve as the hotel management company for the Real Property Investments. Interstate and its affiliates manage, and in some cases may own, invest in or provide credit support or operating guarantees, to hotels that compete with our Real Property Investments, which may result in conflicts of interest and decisions regarding the operation of our hotels that are not in our best interests.

2. Franchises.

a. The NC Hotel operates as a Comfort Suites and is the subject of a franchise agreement with Choice Hotels. The Comfort Suites franchise agreement expires in 2022 and includes a franchisee held option to terminate the agreement in 2017. The Managing Member and the Company intend to explore several options including early renewal and extension of the franchise agreement, a rebranding of the NC Hotel or the sale of the NC Hotel in advance of the franchise agreement expiration date. There can be no assurances that the efforts of the Managing Member and the Company will (i) be successful, (ii) result in a renewed or extended franchise agreement for the NC Hotel or (iii) result in a favorable sale price for the NC Hotel.

b. The CO Hotel operates as a Holiday Inn Express & Suites and is the subject of a franchise agreement with Intercontinental Hotels Group. The Holiday in franchise agreement expires in 2021. The Managing Member and the Company intend to explore several options including early renewal and extension of the franchise agreement or a rebranding of the CO Hotel. There can be no assurances that the efforts of the Managing Member and the Company will be successful or result in a renewed or extended franchise agreement for the CO Hotel.

c. Each franchise agreement provides for detailed operating requirements and restricts the ability of the Company to transfer the property or the franchise agreement. If there are any defaults by the an Operating Company under its franchise agreement, the franchisor will have significant rights or remedies, including the termination of the franchise agreement, and the exercise of such remedies would have a material adverse effect on the Company.

d. Each of the Operating Companies owns only one Real Property Investment and is therefore subject to the risks associated with concentrating hotel investments in a single franchise brand, including reductions in business following negative publicity related to the brand or the general decline of the brand.

e. The loss of a franchise license could materially and adversely affect the operations and the underlying value of the Real Property Investment because of the loss of associated name recognition, marketing support and centralized reservation system provided by the franchisor and adversely affect the revenues of the Operating Companies and the Company, financial condition, results of operations, and our ability to make distributions to the members of the Company.

f. Maintenance of franchise licenses for the Real Property Investments is subject to franchisors' operating standards and other terms and conditions including the requirement to make certain capital improvements. Franchisors periodically inspect hotel properties to ensure

that the Operating Companies and management company follow their standards. Failure by the Operating Companies or the third-party management company to maintain these standards or other terms and conditions could result in a franchise license being canceled. If a franchise license is canceled due to the failure of an Operating Company to make required improvements or to otherwise comply with its terms, such Operating Company also may be liable to the franchisor for a termination payment, which varies by franchisor and by hotel property.

g. Each hotel property will be operated by a third party management company. The Company will not be able to control the operating company and the operating company may operate a hotel property in an inefficient manner or in a manner that causes a breach of the applicable franchise agreement. The Company may not have sufficient and effective remedies against the third party management company.

3. Lodging Market. The Company will invest solely in the Operating Companies which will, in turn, invest in the lodging market. The lodging market is highly competitive and generally subject to greater volatility than other market segments and could negatively affect our profitability. The hotel business is highly competitive. Our hotel properties compete on the basis of location, room rates, quality, service levels, reputation and reservations systems, among many factors. There are many competitors in the segment, and many of these competitors may have substantially greater marketing and financial resources than we have. This competition could reduce occupancy levels and revenue at our hotels. In addition, in periods of weak demand, as may occur during a general economic recession, profitability is adversely affected by the relatively high fixed costs of operating hotels.

4. No Guaranteed Cash Flow. There can be no assurance that cash flow or profits will be generated by the Operating Companies. NEITHER THE COMPANY, THE MANAGING MEMBER NOR ANY OF THEIR RESPECTIVE AFFILIATES IS OBLIGATED TO PROVIDE ANY OF THE MEMBERS WITH A GUARANTEE AGAINST A LOSS ON THE COMPANY'S INVESTMENT IN THE OPERATING COMPANIES OR THE REAL PROPERTY INVESTMENTS OR NEGATIVE CASH FLOWS, AND NEITHER THE COMPANY, THE MANAGING MEMBER, NOR ANY OF THEIR RESPECTIVE AFFILIATES HAS OR INTENDS TO PROVIDE SUCH A GUARANTEE.

5. Debt Service Obligations.

a. The business strategy of the Company and the Operating Companies contemplates the use of debt to finance the acquisition of the Real Property Investments. Incurring debt could subject the Company and the Operating Companies to many risks, including the risks that cash flow from the operations of the Real Property Investments will be insufficient to

make required payments of interest and, if applicable, principal. The debt of the Company and/or the Operating Companies may increase the Company and the Operating Companies vulnerability to adverse economic and industry conditions, we may be required to dedicate a substantial portion of cash flow from operations to payments on such debt, and the terms of any refinancing will not be as favorable as the terms of the debt being refinanced.

b. The financing secured by the Company and the Operating Companies to acquire the Real Property Investments may be secured by mortgages on such Real Property Investments. To the extent the Company or the Operating Companies cannot meet any of the debt service obligations, the Operating Companies may be required to sell the Real Property Investments or the Operating Companies will risk losing to foreclosure some or all of the mortgaged hotel properties. If the Operating Companies are required to sell one or more of our hotel properties to meet debt service obligations, the Company and the Operating Companies may have to accept unfavorable terms. If the Company or the Operating Companies violate covenants relating to indebtedness, the Company and the Operating Companies could be required to repay all or a portion of such indebtedness before maturity at a time when the Company or the Operating Companies, as applicable, might be unable to arrange financing for such repayment on attractive terms, if at all. In addition, future indebtedness agreements may require that the Company or the Operating Companies meet certain covenant tests in order to make distributions to the members of the Company.

c. Higher interest rates could increase debt service requirements on any floating rate debt and could reduce the amounts available for distribution to the members of the company, as well as reduce funds available for the operations of the Operating Companies, or other purposes. The Company and the Operating Companies may obtain one or more forms of interest rate protection – in the form of swap agreements, interest rate cap contracts or similar agreements– to "hedge" against the possible negative effects of interest rate fluctuations. However, such hedging incurs costs and the Company cannot assure investors that any hedging will adequately relieve the adverse effects of interest rate increases or that counterparties under these agreement will honor their obligations thereunder. Adverse economic conditions could also cause the terms on which the Company or the Operating Companies borrow to be unfavorable.

6. Environmental Issues. U.S. federal, state, and local laws may impose liability on landowners for releases, or the otherwise improper presence on the premises of any real property, of hazardous substances and toxic materials. This liability is without regard to fault for, or knowledge of, the presence of such

hazardous substances. The Company cannot guarantee that hazardous substances or toxic materials do not exist at any of the Real Property Investments. Neither the Managing Member, the Company nor the Operating Companies will be required to purchase an environmental insurance policy for any of the real property investment.

7. Risks Relating to Insufficient Capital. The Operating Companies may require additional debt and/or equity funds in order to operate their businesses. There can be no assurance that the Company will have funds to make additional capital contributions required by the Operating Companies to fund their operations. Also, there can be no assurance that the Operating Companies will be able to obtain financing on attractive terms. If an Operating Company does not obtain any additional debt and/or equity required to operate its business, such Operating Company may not continue as a going concern and the Company's investment in such Operating Company will lose value. If an Operating Company requires additional capital to invest in an Operating Company to fund operating losses, any casualty loss that is not adequately or timely covered by net insurance proceeds, required improvements in a property or any other reason, and debt financing is not available on acceptable terms, then the Company may syndicate its investment in an Operating Company by causing the Operating Company to issue a security to other investors. Any such investors would have a direct investment in the Operating Company and, accordingly, the investors in the Company will be structurally subordinate to, and diluted by, any such investment in an Operating Company.

Company Risks

1. Lack of Operating History. The Company and the Managing Member are new entities with limited operating histories. The Company and the Managing Member are subject to the risks involved with any speculative new venture. No assurance can be given that the Company or the Managing Member will be profitable or that the Managing Member will manage the Company successfully. Members must rely on the Managing Member and the Principals to implement the Company's policies, to evaluate the Company's opportunities and to structure the terms of the Operating Companies' property management agreements.

2. Risk of Loss. An investment in the Company is speculative. Members may incur substantial losses on their investments in the Company.

3. The Placement Agent Did Not Determine The Offering Price. The offering price for the Units was determined by the Company and its Managing Member. The Placement Agent did not determine the offering price as would be similar in an underwritten offering. No assurance is provided by the Placement Agent that the offering price for the Units accurately reflects the fair value for the Units. There has not been any independent assessment of the offering price or

confirmation of the adequacy of factual representations through an underwriter's or Placement Agent's due diligence investigation.

4. Investment Selection. The Managing Member selected the Real Property Investments for the Company in part on the basis of available information, including, without limitation, information provided by the current owners of the NC Hotel and the CO Hotel. The Managing Member will also rely on information obtained from others regarding financial, economic, business and market conditions, factors and trends. Although the Managing Member will generally evaluate such information and data and seek independent corroboration when the Managing Member considers it appropriate and when it is reasonably available, the Managing Member will not be in a position to confirm the completeness, genuineness or accuracy of such information and data.

5. Limited Liquidity. The Units are not freely transferable. In connection with the purchase of the Units, each Member must represent that the Member has acquired the Units for investment purposes only and not with a view to or for resale, distribution or fractionalization of the Units. The Units have neither been registered under the Securities Act of 1933, as amended (the "Securities Act"), the Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor under the securities or "blue sky" laws of any state and, therefore, are subject to transfer restrictions. There is no right on the part of the investor to require such registration of the Units. A secondary market does not exist, and one is not expected to develop, for the Units.

6. Withdrawal of Capital. The Members will not generally receive a withdrawal of their invested capital other than through distributions made upon the sale, refinancing or other disposition of the Real Property Investments.

7. No Certainty of Distributions. While the Company intends to make distributions to the Members, there can be no assurance with respect to the amount or timing of such distributions or that such distributions will be made or, if made, will be in an amount sufficient to pay a Member's income tax liability arising from income allocated by the Company to such Member. The Company may have taxable income that is allocated to the Members that, due to the provisions of federal, state, local or, if applicable, foreign tax laws are in excess of the net cash proceeds of the Company. As such, Members may be allocated income tax liabilities to applicable tax authorities in excess of cash that the Members may receive from the Company.

8. Additional Working Capital Requirements. To conduct the business of the Company, additional equity may be required to the extent the funds necessary for such activities are not available from the Capital Contributions of the Members, operations or otherwise provided for in reserve accounts. There can be no assurance that any such additional equity will be available when needed or that such additional equity will be available on attractive terms. There is no

assurance that the amount of the aggregate equity investment required by the Company will be raised by the issuance and sale of the Units.

9. Sector Concentration. The Managing Member intends to invest all of the Company's assets in the Real Property Investments. Thus, the Company and the Members are expected to have limited diversification. By investing solely in the Real Property Investments, the Company's assets are exposed entirely to the risks of the hotel business sector without the protections against loss afforded by diversification. Concentration of investments in a single sector or industry has the effect of exposing the Company's capital to the same or similar risks, as well as return or other characteristics, and thereby increases investment risk.

10. Real Estate Industry. An investment in the Company is subject to certain risks associated with the direct ownership of real estate and with the real estate industry in general. These risks include, among others: (a) possible declines in the value of real estate; (b) risks related to general and local economic conditions; (c) possible lack of availability of mortgage funds; (d) overbuilding; (e) extended vacancies of properties and fluctuations in hotel occupancy rates; (f) increases in competition, property taxes and operating expenses; (g) changes in zoning laws; (h) unforeseen delays in entitlement; (i) costs resulting from the clean-up of, and liability to third parties for damages resulting from, environmental problems; (j) casualty or condemnation losses; (k) uninsured damages from floods, earthquakes or other natural disasters; (l) limitations on and variations in rents; and (m) fluctuations in interest rates. To the extent that assets underlying the Company's investments are concentrated geographically (which the Managing Member expects to be the case), by property type or in certain other respects, the Company may be subject to certain of the foregoing risks to a greater extent.

11. Consummation of the Acquisitions. We are entering into purchase and sale agreements for the CO Hotel and the NC Hotel. These transactions, whether or not consummated, require substantial time and attention from management. Furthermore, potential acquisitions require significant expense, including expenses for due diligence, legal fees and related overhead. There is a risk that we may be unable to consummate one or more of the transactions and fail to acquire one or all of these hotels.

12. Concentration of Investments. A significant amount of the Company's equity will be indirectly invested in limited real estate investments. Furthermore, it is expected that the Company's assets may be geographically concentrated in Montrose, Colorado and Raleigh-Durham, North Carolina. Thus, the Company and the Members are expected to have limited diversification.

13. Fees, Expenses and Carried Interest. The operating expenses of the Company, the Acquisition Fee, the Asset Management Fee, the Disposition Fee, the Property Management Fee and the Carried Interest may, in the aggregate,

constitute a high percentage relative to the expenses, fees and allocations of other investment entities. The operating expenses of the Company and such fees reduce the Company's investment capital and potential for profitability. The Managing Member, in its sole and absolute discretion, may waive or reduce the Carried Interest or the applicable fees, as applicable, attributable to its own investment in the Company and attributable to investments made by its affiliates and others.

14. Side Letter Agreements and Arrangements. The Managing Member is authorized to enter into one or more side agreements and arrangements with any Member (without notice to, or consent of, any other Member) in order to implement or document the exercise of the Managing Member's discretionary authority under any provision of the limited liability company agreement of the Company (the "LLC Agreement"), or to modify the terms of the LLC Agreement with respect to such affected Member. Such side agreements and arrangements may result in certain Members receiving preferential terms regarding fees, liquidity, reporting or access to information, notices of certain events or other investment terms in comparison to the terms governing the investment of other Members. In addition, the Managing Member and its affiliates have the right to waive their rights to charge or receive fees or special allocations or carried interests with respect to one or more Members. Accordingly, Members who have side letter agreements may be deemed to hold a different class of Interests than other Members.

15. Reserve for Contingent Liabilities. Under certain circumstances, the Managing Member may find it necessary to establish a reserve for contingent liabilities, in which case, the reserved portion would remain at the risk of the Company's activities.

16. Due Diligence Issues. There can be no assurance that the Managing Member's due diligence processes will uncover all relevant facts that would be material to its decision to invest in the Real Property Investments. In making the assessment and otherwise conducting customary due diligence, the Managing Member will rely on the resources available to it and, in some cases, investigations by third parties.

17. No Participation in Management. The management of the Company's operations is vested solely in the Managing Member, and the Members (other than the Managing Member) will have no right to take part in the conduct or control of the business of the Company. In connection with the management of the Company's business, the Managing Member will contribute services to the Company and devote thereto such time, in its sole and absolute discretion, as it deems appropriate.

18. Dependence on the Managing Member; Reliance on Key Individuals. All decisions regarding management of the Company and operations of the

Properties will be made exclusively by the Managing Member, an affiliate of LBP Hotels LLC ("LBP") and Waramaug Hospitality Asset Management, LLC "Waramaug"), and their principals and not by any of the other Members. The success of the Company depends upon the ability of the Managing Member and their principals to oversee and manage the Company and the Operating Companies. There can be no assurance that the Managing Member will be able to do so. If the Managing Member should lose the services of certain key personnel, its ability to perform its responsibilities might be impaired and Members will have no special withdrawal rights in such event. LBP and Waramaug are engaged in other real estate and hospitality ventures and activities and will not be providing any services to the Company on any exclusive basis and may be distracted and have their attention dedicated to other investment funds or other individual investments or other commercial activities.

19. Lack of Separate Representation.

a. Neither the LLC Agreement nor any of the agreements, contracts and arrangements between the Company, on the one hand, and the Managing Member and its affiliates, on the other hand, were or will be the result of arm's-length negotiations. The attorneys, accountants and others who have performed services for the Company, and who will perform services for the Company in the future, have been and will be selected by the Managing Member.

b. The attorneys, accountants and other service providers to the Company and the Managing Member will not oversee or monitor the Company's investment activities and the Members, including you, should not rely on them to do so.

20. Limitation of Liability and Indemnification. The LLC Agreement limits the circumstances under which the Managing Member and its affiliates and their respective officers, directors, managers, shareholders, partners, members, employees, agents, consultants and authorized persons (collectively, "Covered Persons") can be held liable to the Company. Therefore, a Member may have a more limited right of action against the Managing Member than a Member would have had absent these provisions in the LLC Agreement. In addition, such Covered Persons will be entitled to indemnification from the Company, except in certain circumstances. The assets of the Company will be available to satisfy these indemnification obligations. A successful claim for indemnification would deplete the Company's assets by the amount paid and thus reduce cash flow available to the Company to distribute to the Members.

21. Valuation of the Company's Assets. The Managing Member values the assets held by the Company in accordance with the LLC Agreement. When no market exists for an asset or when the Managing Member determines that the market price does not fairly represent the value of the investment, the Managing Member values such investment as it reasonably determines. A valuation is only an estimate of value and is not a precise measure of realizable value. Ultimate

realization of the value of an asset depends to a great extent on economics and conditions which may be beyond the control of the Company. Further, valuations do not necessarily represent the price at which an investment would sell since market prices of investments can only be determined by negotiation between a willing buyer and seller. If the Company were to liquidate a particular investment, the realized value may be more than or less than the appraised valuation of such asset.

22. Loss on Dissolution or Termination. In the event of dissolution or termination of the Company or the Managing Member, the proceeds realized from the liquidation of the Company's or Managing Member's assets will be distributed among the Members, but only after the satisfaction of the claims of any secured third-party creditors of the Company, including any lender.

23. Delayed Schedule K-1s. The Managing Member will endeavor to provide a final Schedule K-1 to each Member for any given calendar year prior to April 15th of the following year. In the event that the Schedule K-1 is not available by such date, a Member will either have to file for an extension and pay taxes based on an estimated amount or file a return and pay taxes and then file an amended return once the final Schedule K-1 is received.

24. Conflicts of Interest. The Managing Member, in such capacity, is subject to certain potentially material conflicts of interest.

a. The Managing Member has the authority to enter into agreements with affiliates on behalf of the Company.

b. The Managing Member and its affiliates may pursue other investments and participate in other pooled investment vehicles and have pooled investment vehicles that are actively engaged in real estate investment strategies that are substantially similar to the strategy of the Company. Such activities would require the commitment of certain resources by the Managing Member and its affiliates, including their time and attention to such other activities.

c. The Managing Member is a current affiliate of the sellers of the Real Property Investments. Specifically, affiliates of LBP currently own 17% of the CO Hotel and 20% of the NC Hotel. Based on market factors reviewed by the Managing member, the Managing Member has determined that the purchase price for the Real Property Investments is fair. Notwithstanding the foregoing, there is no assurance that the Company obtained the lowest possible purchase price for each of the Real Property Investments.

d. Waramaug will receive a portion of the property management fee in connection with the management and operations of the Real Property Investments.

25. Other Clients and Funds. The Managing Member and its affiliates may from time to time sponsor or advise other clients or investment vehicles. In connection with the operation of the accounts of such clients or vehicles, the Managing Member may employ substantially similar investment strategies and/or invest in substantially similar assets to the strategies employed or assets invested in by the Company. In either case, the Managing Member or its affiliates may receive fees from both the Company and such clients or vehicles.

26. Legal, Tax and Regulatory Risks. Legal, tax and regulatory changes could occur during the term of the Company that may adversely affect the Company. The regulatory environment for private investment funds is evolving, and changes in the direct or indirect regulation of investment funds may adversely affect the ability of the Company to pursue its investment objective. Furthermore, amendments to or changes in interpretation of existing laws, rules and regulations of applicable jurisdictions may cause the Company to incur certain expenses in order to achieve compliance with such changes.

Market Risks

1. Fund's Investment Activities. The Company's investment activities involve a high degree of risk. The performance of any investment is subject to numerous factors which are neither within the control of, nor predictable by, the Managing Member. Such factors include a wide range of economic, political, competitive and other conditions which may affect investments in general or specific industries or companies. As a result of the nature of the Company's investment activities, it is possible that the Company's financial performance may fluctuate substantially from period to period.

2. Leverage. The Managing Member may cause the Company to (a) employ leverage or (b) cause the Operating Companies to employ leverage. This includes the use of acquisition loans for the Real Property Investments and interest-only debt payments. While such strategies and techniques increase the opportunity to achieve higher returns on the amounts invested, they also increase the risk of loss. The level of interest rates generally, and the rates at which such funds may be borrowed in particular, could affect the operating results of the Company. In addition, the lender or counterparty, as the case may be, may have a security interest in, or otherwise acquire, all or a portion of the Company's assets. In the event that the Company defaults under any such arrangement, such lender or counterparty will have the right to become or remain the owner of all or that portion of the Company's assets, if any, secured pursuant to such arrangement. If such arrangement is terminated, the Company's ability to meet its investment objective may be adversely impaired. The Company will bear all of the costs and expenses incurred in connection therewith, including, without limitation, any interest expense charged on funds borrowed or otherwise accessed.

3. Liquidity. An investment in the Company requires a long term commitment with no certainty of return. The Company's investment in the Operating Companies will be highly illiquid with no established market, and there can be no assurance that the Company will be able to realize on such investments in a timely manner. This could present a problem for those Members that may want to make withdrawals from their capital accounts and that want to realize the full value potential of the investments being made by the Company. The Company will invest in the Operating Companies which will, in turn, invest in the Real Property Investments. The Real Property Investments are illiquid investments which could result in a significant loss in value should the Operating Companies be forced to sell such illiquid investments.

4. Counterparty Creditworthiness. The Company may engage in transactions with counterparties. Accordingly, the Company could suffer losses if there were a default or bankruptcy by such third parties, including borrowers, developers and other real estate professionals, and financial institutions with which the Company does business.

5. Fraud. The Company could be subject to losses due to fraudulent and negligent acts on the part of third parties, including property managers, service providers, sellers and vendors.

6. Systemic Risk. World events and/or the activities of one or more large participants in the financial markets and/or other events or activities of others could result in a temporary systemic breakdown in the normal operation of real estate and financial markets. Such events could result in the Company losing substantial value caused predominantly by liquidity and counterparty issues (as noted above) which could result in the Company incurring substantial losses.

7. General Economic Conditions. The success of any investment activity is affected by general economic conditions, which may affect the level and volatility of interest rates and the extent and timing of investor participation in the real estate market. Unexpected volatility or illiquidity in the lodging markets in which the Operating Companies holds Real Property Investments could cause the Company to incur losses.

8. Risk of terrorist attacks and terrorism insurance. The terrorist attacks on September 11, 2001 disrupted the U.S. financial markets, including the real estate capital markets, and negatively impacted the U.S. economy in general. Any future terrorist attacks, the anticipation of any such attacks, and the consequences of continued military and other responses by the U.S. and its allies may have a further adverse impact on the U.S. financial and real estate markets and the economy generally. The Company cannot predict the severity of the effect that such future events would have on the U.S. financial markets, the economy or the Company's business. In addition, the events of September 11, 2001 created significant uncertainty regarding the ability of real estate owners of

high profile assets to obtain insurance coverage protecting against terrorist attacks at commercially reasonable rates, if at all. If the Operating Companies determine not to acquire such insurance because of prohibitive cost, the value of the Real Property Investments could decline and in the event of an uninsured loss, the Operating Companies could lose all or a portion of their investment, thus affecting the investment of the Company. The economic impact of any future terrorist attacks could also adversely affect the occupancy rates at the hotels. The Company may suffer losses as a result of the adverse impact of any future attacks and these losses may adversely impact the Company's results of operations.

Regulatory Risks

1. No Registration as an Investment Adviser. The Managing Member is not registered with the SEC as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act") or as an investment adviser with any state. Consequently, the Members will not benefit from certain of the protections afforded by the Advisers Act.

2. No SEC Regulation or Audit. The Company is not registered as an investment company under the Investment Company Act of 1940, as amended (the "ICA") and the investment in the Company is not being offered in an offering that is registered under the Securities Act. If it is determined that the Company is an "investment company" under the ICA, there is a risk that the Company would need to rely on an exclusion or exemption from investment company status which could, in turn, subject the Company to additional oversight by, and reporting obligations to, the SEC. The SEC regulations provide required disclosures to you. The disclosures that are made by the Company in this offering do not satisfy the requirements of the SEC under the Exchange Act and you do not have the obligations of the Managing Member or the Company under the Advisers Act, the ICA or the Securities Act, including but not limited to, the right to receive audited financial statements by a certified public accounting firm that is registered with the PCAOB (the Public Company Accounting Oversight Board).

3. No CFTC Regulation. The Managing Member will not have any duties of a "commodity pool operator" ("CPO") in relation to the Company, because the Company is not expected to invest in derivatives regulated by the U.S. Commodity Futures Trading Commission (the "CFTC") and thus does not constitute a "commodity pool" as defined in the U.S. Commodity Exchange Act, as amended (the "CEA"). As a result, with respect to the Company, the Managing Member is not required to file with the CFTC or deliver to the Members the disclosure document that would be required of a registered CPO in relation to a commodity pool under CFTC regulations, nor is the Managing Member required to file with the CFTC or provide to the Members annual or other periodic reports in the form that would be required of a registered CPO in relation to a commodity pool.

4. Changes in Applicable Law. The Company must comply with various legal requirements, including, without limitation, requirements imposed by the securities laws, tax laws and pension laws in various jurisdictions. Should any of those laws change, the legal requirements to which the Company and the Members may be subject could differ materially from current requirements.

5. Tax Risk.

a. At any time, the federal income tax laws governing taxation or the administrative interpretations of those laws may be amended. Any of those new laws or interpretations may take effect retroactively and could adversely affect the taxation of the Company or its Members. Therefore, changes in tax laws could diminish the value of an investment in the Company or the value or the resale potential of the Company's investments. None of the Managing Member, its affiliates, nor the Placement Agent are providing tax advice to prospective investors, and the Managing Member recommends that each prospective investor consult with its own tax advisor with respect to the impact of any relevant legislation on its investment in the Units and the status of legislative, regulatory or administrative developments and proposals and their potential effect on an investment in the Company. All statements contained in this Agreement concerning the federal income tax consequences of any investment in the Company are based upon existing law and the interpretations thereof. Therefore, no assurance can be given that the currently anticipated income tax treatment of an investment in the Company will not be modified by legislative, judicial or administrative changes, possibly with retroactive effect, to the detriment of the Members.

b. Any of the Company's losses and deductions generally will be treated as losses and deductions generated in a passive activity. Losses and deductions from passive activities generally may only be deducted against income from the same or other passive activities. In addition, the Company's losses and deductions may be subject to one or more other limitations (such as the at-risk limitation) on their use by the investor.

c. Each Member will be required to pay federal, state, local and, if applicable, foreign income taxes at its individual rate on its allocable share of the Company's taxable income. No assurance can be given that cash will be available for distribution or will be distributed to a Member in an amount commensurate with the income and gain allocable to such Member at any specific time.

d. Cash distributions by the Company to the Members will result in taxable gain to the Members for federal income tax purposes to the extent those distributions exceed the Members' basis for their Units.

e. The tax returns of the Company may be subject to audit by the federal, state and local tax authorities. Any such audit may increase the probability of an audit of, the investor's tax returns by the applicable tax authorities.

6. Benefit Plan Regulatory Risks. The Company intends to limit investment in the Company by "benefit plan investors" so that the assets of the Company will not constitute "plan assets" of an investing benefit plan which is subject to Title I of ERISA, or to Section 4975 of the Code. Accordingly, the Company does not anticipate that it, the Managing Member will be subject to the fiduciary and other requirements of ERISA, the prohibited transaction rules of ERISA or the Code or any other related requirements with respect to any investing benefit plan. However, if the Company were at any point to be deemed to hold "plan assets" for purposes of ERISA or the Code, the Managing Member could be exposed to litigation, penalties and liabilities which might adversely affect their ability to fully satisfy their contractual obligations to the Company. If the assets of the Company were deemed to be "plan assets" of the Members which are employee benefit plans subject to ERISA, transactions involving the assets of the Company with "Parties in Interest" under ERISA or "Disqualified Persons" under the Code with respect to such employee benefit plans might be prohibited under Section 406 of ERISA and Section 4975 of the Code. Accordingly, the Managing Member may require any Member at any time to withdraw, to be effective upon the last day of the fiscal quarter in which a legal opinion is received, to ensure that the assets of the Company will not constitute "plan assets."

Additional Note: Please read carefully the Limited Partnership Agreement of the Company and the subscription documents enclosed herewith before deciding to subscribe.

You should examine the suitability of this type of investment in the context of your own needs, investment objectives, and financial capabilities and should make your own independent investigation and decision as to suitability and as to the risk and potential gain involved. Also, you are encouraged to consult with your own attorney, accountant, financial consultant or other business or tax advisor regarding the risks and merits of the proposed investment.

Please contact the Placement Agent, NHCohen Capital LLC, with any question.

PLACEMENT AGENT:
NHCOHEN CAPITAL LLC
2 PARK AVENUE, 14TH FLOOR
NEW YORK, NY 10016
ATTENTION: NED H. COHEN
212-498-6960
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WHARTON RM HOSPITALITY, LLC

A Delaware Limited Liability Company

Limited Liability Company Agreement

Dated as of March 23, 2016

WHARTON RM HOSPITALITY, LLC

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WHARTON RM HOSPITALITY, LLC

This Limited Liability Company Agreement (this "Agreement") of WHARTON RM HOSPITALITY, LLC, a Delaware limited liability company (the "Company"), is entered into, as of March 21, 2016, by and among: (i) LBP Hotel Advisors, LLC (the "Managing Member"); and (ii) the purchasers of the limited liability company interests in the Company on the Closing Date pursuant to the terms and conditions of the Subscription Documents (the "Initial Members"); and (iii) other Persons who purchase or otherwise acquire limited liability company interests in the Company and become members of the Company in compliance with the terms of this Agreement (collectively with the Initial Members, each, a "Member" and, collectively, the "Members" and, together with the Managing Member, each, individually, a "Member" and, collectively, the "Members").

ARTICLE I
General Provisions

Section 1.01 Formation of the Company. The Company was formed as a limited liability company under the Delaware Limited Liability Company Act (as amended, the "Act") by the filing of its Certificate of Formation with the Secretary of State of Delaware (as may be from time to time amended in accordance with the terms of this Agreement, the "Certificate"). The Managing Member, for itself and as agent for the Members, shall accomplish all filing, recording, publishing and other acts necessary or appropriate for compliance with all the requirements for the formation and operation of the Company as a limited liability company under this Agreement and the Act and under all other laws of the State of Delaware and such other jurisdictions in which the Managing Member determines that the Company may conduct business. Each Member admitted to the Company by the Managing Member shall promptly execute all relevant certificates and other documents, as the Managing Member shall from time to time reasonably request.

Section 1.02 Company Name. The name of the Company is "WHARTON RM HOSPITALITY, LLC" or such other name as the Managing Member shall determine.

Section 1.03 Purpose.

(a) The Company was formed to pool investment funds of the Members for the purpose of, directly or indirectly, owning 100% of the limited liability company interests in (i) WBC RDU, LLC, a Delaware limited liability company (the "NC Operating Company") formed for the purpose of investing in, owning and operating a hotel in Raleigh-Durham, North Carolina and (ii) WBC Montrose, LLC, a Delaware limited liability company (the "CO Operating Company") formed for the purpose of investing in, owning and operating a hotel in Montrose, CO (collectively, the "Real Property Investments" and each, a "Real Property Investment").

(b) The Company shall also have authority to engage in all activities related or incidental to the management and the operation of its investments in any Real Property Investment including the operation of any business that is situated on any Real Property

Investment. In furtherance of the foregoing, the Company may engage in any lawful act or activity for which limited liability companies may be formed under the Act related to the foregoing and any and all activities necessary or incidental thereto.

Section 1.04 Offices. The Company shall maintain a registered office as specified in the Certificate, or elsewhere as the Managing Member may from time to time determine. The Company may have more than one office as may from time to time be determined by the Managing Member. The name and address of the Company's registered agent in Delaware is as specified in the Certificate. The Company's registered agent may be changed from time to time by the Managing Member. The Company shall qualify as a foreign limited liability company in each jurisdiction that such qualification is required or deemed advisable by the Managing Member.

Section 1.05 Fiscal Year and Fiscal Quarter. The fiscal year of the Company shall end on December 31 of each year (the "Fiscal Year"). The Fiscal Year may be changed by the Managing Member. In the event that the Managing Member changes the Company's Fiscal Year, the dates and time periods referred to in this Agreement shall be appropriately adjusted. The term "Fiscal Quarter" shall mean any one or more of the following: (a) January 1 to March 31 of each Fiscal Year; (b) April 1 to June 30 of each Fiscal Year; (c) July 1 to September 30 of each Fiscal Year; (d) October 1 to December 31 of each Fiscal Year; and (e) such other periods as may be designated from time to time as a Fiscal Quarter by the Managing Member. The Company's taxable year shall be its Fiscal Year to the extent permitted by applicable tax laws.

Section 1.06 Term of the Company. The term of the Company commenced upon filing of the Company's Certificate with the Delaware Secretary of State and shall continue until the Company is dissolved upon the occurrence of any one of the events set forth in Section 14.01 below.

ARTICLE II
Definitions

Section 2.01 Defined Terms. Unless otherwise defined herein, each of the following capitalized terms shall have the respective meaning ascribed to such term in this Section.

(a) "Adjusted Capital Account" shall mean, with respect to any Member at any time, such Member's Capital Account at such time (i) increased by the sum of (A) the amount of such Member's share of partnership minimum gain (as defined in Regulations Section 1.704-2(g)(1)), (B) the amount of such Member's share of the minimum gain attributable to a Member nonrecourse debt and (C) the amount of the deficit balance in such Member's Capital Account which such Member is obligated to restore, if any, and (ii) decreased by reasonably expected adjustments, allocations and distributions described in Regulations Section 1.704-1(b)(2)(ii)(*d*)(4),(5) and (6). The foregoing definition of Adjusted Capital Account is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(*d*) and shall be interpreted consistently therewith.

(b) "Affiliate" shall mean, when used with reference to a specified Person, any Person that, directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, the specified Person whether by ownership of a majority of voting interests in such Person, contract or otherwise.

(c) "Business Day" shall mean any day on which banks located in New York, New York, United States of America are not required by law to remain closed.

(d) "Capital Contribution" and "Capital Contributed" shall mean, with respect to any Member, the amount of capital contributed by such Member to the Company under this Agreement and subject to such adjustments as are provided hereby.

(e) "Capital Proceeds" shall mean, with respect to any period, (i) the proceeds from the sale or refinancing of any Real Property Investment of the Company or any refinancing of any indebtedness relating to the Real Property Investments less (ii) all costs and expenses incurred by the Company (including reimbursements to the Managing Member) in connection with such sale or refinancing of a Real Property Investment, including payment of the Disposition Fee.

(f) "Closing Date" shall mean the first date that the Membership Interests are issued by the Company and Members are admitted as Members, which shall be the date that, as determined by the Managing Member, the Company has received binding subscriptions for the purchase of Membership Interests in an amount sufficient to acquire one or more of the Real Property Investments.

(g) "Depreciation" shall mean for each Fiscal Year, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such Fiscal Year, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Fiscal Year, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the depreciation, amortization or other cost recovery deduction for federal income tax purposes for such Fiscal Year bears to such beginning adjusted tax basis; provided, however, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such Fiscal Year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Managing Member.

(h) "Distributable Cash" shall mean, with respect to any period, (i) all cash flow from all sources other than Capital Proceeds less (ii) working capital requirements and all costs and expenses of the Company, including payment of the Asset Management Fee, and Reserves, and otherwise not restricted from distributions, as are reasonably determined by the Managing Member.

(i) "DOL Regulations" shall mean Department of Labor Regulation Section 2510.3-101, as modified by Section 3(42) of ERISA.

(j) "Eighty Percent Vote" shall mean a vote of the Members, at a duly convened meeting or by written consent in lieu thereof, owning eighty percent (80%) or more of the aggregate Capital Contributions in respect of the Membership Interests (including the vote of each MM Affiliated Member).

(k) "Company Nonrecourse Debt" has the meaning given the term "nonrecourse liability" in Treasury Regulations Section 1.752‑1(a)(2).

(l) "GAAP" shall mean the U.S. generally accepted accounting principles.

(m) "Gross Asset Value" shall mean, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

(i) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the contributing Member and the Managing Member;

(ii) The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Managing Member as of the following times: (A) the acquisition of an additional interest in the Company by any Member in exchange for more than a de minimis Capital Contribution; (B) the distribution by the Company to a Member of more than a de minimis amount of property as consideration for an interest in the Company; (C) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(*g*); and (D) immediately prior to the issuance by the Company of a non-compensatory option (as defined in Treasury Regulations Section 1.761-3(b)(2)), other than an option to acquire a de minimis interest in the Company; and (E) immediately prior to the grant of an interest in the Company (other than a de minimis interest) as consideration for the provision of services to or for the benefit of the Company by an existing Member acting in a Member capacity, or by a new Member acting in a Member capacity or in anticipation of being a Member; provided, however, that adjustments pursuant to clauses (A) and (B) shall be made only if the Managing Member reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company;

(iii) The Gross Asset Value of any Company asset distributed to any Member shall be adjusted to equal the gross fair market value of such asset on the date of distribution or other applicable date, in each case, as determined by the Managing Member; and

(iv) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(*m*) and ARTICLE X hereof; provided, however, that Gross Asset Values shall not be adjusted to the extent the Managing Member determines that an

adjustment pursuant to subparagraph (ii) of this definition is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph. If the Gross Asset Value of an asset has been determined or adjusted pursuant to subparagraphs (i), (ii) or (iii) of this definition, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Net Profits and Net Losses.

(n) "Investment Advisers Act" shall mean the Investment Advisers Act of 1940, as amended.

(o) "Liquidators" shall mean: (i) the Managing Member or, if there is no Managing Member at the applicable time; (ii) the person or persons previously designated in writing by the Managing Member as evidenced in writing; or (iii) if the Managing Member has not made such a designation, the Person or Persons designated by the Majority Vote of the Members. For purposes hereof, the term "Liquidators" shall also include the trustees, receivers or other persons required by law to wind up the affairs of the Company.

(p) "Majority Vote" shall mean a vote of the Members, at a duly convened meeting or by written consent in lieu thereof, owning more than fifty percent (50%) of the aggregate Capital Contributions in respect of the Membership Interests.

(q) "MM Affiliated Member" means any Member that is an Affiliate of the Managing Member.

(r) "Net Profits and Net Losses" shall mean, for any Fiscal Year or such other period as determined by the Managing Member, the net income or net loss of the Company for such Fiscal Year or such other period, as the case may be, determined in accordance with Section 703(a) of the Code, including any items that are separately stated for purposes of Section 702(a) of the Code, as determined in accordance with federal income tax accounting principles, with the following adjustments:

(i) any income of the Company that is exempt from federal income tax shall be included as income;

(ii) any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(*i*) shall be treated as current expenses;

(iii) except as otherwise provided in Treasury Regulations Section 1.704-1(b)(2)(iv)(m), the computation of all items of income, gain, loss and deduction shall be made without regard to any election under Section 754 of the Code which may be made by the Company, provided that the amounts of any adjustments to the adjusted bases of the assets of the Company, made pursuant to Section 734 of the Code as a result of the distribution of property by the Company to a Member (to the extent that such adjustments have not previously been reflected in the Members' Capital Accounts) shall

be reflected in the Capital Accounts of the Members in the manner and subject to the limitations prescribed in Treasury Regulations Section 1.704-1(b)(2)(iv)(*m*)(4);

(iv) any income, gain or loss attributable to the taxable disposition of any Company property shall be determined as if the adjusted basis of such property as of such date of disposition were equal in amount to the Company's Gross Asset Value with respect to such property as of such date;

(v) in lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Fiscal Year;

(vi) in the event the Gross Asset Value of any Company asset is adjusted pursuant to its definition, the amount of any such adjustment shall be taken into account as gain or loss from the disposition of such asset, as specified in the definition; and

(vii) amounts that are specially allocated under Section 10.04 shall not be taken into account.

(s) "Membership Interest" shall mean, with respect to a Member holding limited liability company interests, the Member's rights and obligations as a member in the Company under the Act, including all rights and obligations under the terms and conditions of this Agreement. Each Member's Membership Interest in the Company shall be represented by Units in the Company.

(t) "Person" shall mean any association, corporation, general partnership, individual, limited partnership, limited liability company, joint stock association, joint venture, trust, business trust, cooperative and any foreign association of like structure.

(u) "Private Placement Summary Presentation" shall mean the documentation provided to the Members by the Company to solicit the investment of the Members.

(v) "Reserves" shall mean the amount of the reserves determined from time to time by the Managing Member for the payment of Organizational Expenses, Operating Expenses and other liabilities and general contingencies of the Company as well as for any required tax withholdings, even if such reserves are not required by GAAP.

(w) "Subscription Documents" shall mean the subscription agreement, investor questionnaire and other documents executed and delivered by a Person in connection with its subscription or purchase of limited liability company interests in the Company and/or its admission as a Member of the Company.

(x) "Transfer" or "Transferred" with respect to a Membership Interest, shall mean any sale, transfer, assignment, exchange, hypothecation, pledge or other disposition of a

Membership Interest, including without limitation, any such transfer or assignment by will, intestate succession or operation of law.

(y) "Unit" means a unit of Membership Interest in the Company that represents an initial investment of $100,000.

ARTICLE III
Composition; Admissions

Section 3.01 Names of the Members. The Managing Member is the sole managing member of the Company. The names and addresses, Capital Contributions and Units of the Managing Member and of each of the Members shall be set forth in a confidential schedule to this Agreement or otherwise set forth in the books and records of the Company and shall be kept on file at all times at the principal office of the Company.

Section 3.02 Substitute Members. A Person that acquires a Membership Interest may be admitted as a substitute or additional member in accordance with the provisions of Section 11.02. The Company shall not issue additional interests in the Company.

ARTICLE IV
Management

Section 4.01 Management of the Company.

(a) The business and affairs of the Company shall be managed exclusively by the Managing Member. None of the Members other than the Managing Member shall take any part in the management or control of the Company's business and shall have no authority to act on behalf of or to bind the Company.

(b) The Managing Member shall be responsible for all management and decision-making matters with respect to the Company, including overseeing the Company's day-to-day operations and affairs. The Managing Member may delegate investment, property management and investor relations responsibilities with respect to all or any portion of the Company's assets to one or more third parties as it may select from time to time in the exercise of its reasonable discretion.

(c) The Managing Member and its principals shall devote a sufficient portion of their respective business time to the management of the affairs of the Company. Notwithstanding the foregoing, the Managing Member and members, managers, officers, employees and their respective Affiliates may, in any region or geographic location, subject to the provisions of Section 4.05, engage and hold interests in business ventures of every kind and description for their respective accounts or participate or manager any such interests. Neither the Company nor any of the Members shall have any rights in such independent business ventures or participation or management of any such interests by virtue of this Agreement.

(d) The Managing Member may establish one or more additional collective investment vehicles or other arrangements (each such vehicle or arrangement with investment objectives, economic terms, conditions and management substantially identical, to the extent practicable, to those of the Company being referred to as an "Additional Capital Company") to provide additional funds to any Real Property Investment (in excess of Distributable Cash or available Reserves that the Managing Member believes is prudent to spend) through the issuance of securities by either the NC Operating Company or the CO Operating Company and raise additional investment capital in the specified Real Property Investment. Each such Additional Capital Company shall be directly or indirectly controlled by the Managing Member and would have, and would invest in all or any investments as the Company.

(e) In the event that the Managing Member uses an Additional Capital Company to acquire additional funds (debt or equity) for either the NC Operating Company or the CO Operating Company or which would be used for additional investment, repair or pay any operating expense, capital expenditure or liability with respect to either Real Property Investment, then each Member shall be provided the right (the "Preemptive Right") to invest in any such Additional Capital Company on the same terms and conditions as any Person that is not a Member as described in this Section 4.01(e)

(i) The Managing Member shall promptly notify each Member in writing of any proposal to, if applicable, form any Additional Capital Company or to cause any Additional Capital Company to issue any new or additional securities to (the "Preemptive Rights Notice"). The Preemptive Rights Notice shall be given to each Member not less than twenty (20) days prior to the proposed closing date of such issuance and shall set forth: (A) the name and other designation of such security, the number of such securities and the rights of such securities; (B) the proposed issue price per security, as express in a unit, percentage interest or share as the case may be (the "Issue Price"); (C) the scheduled closing date for such issuance, (D) the Percentage Interests of each Member immediately prior to such issuance, and (E) any other terms and conditions of such issuance and such Additional Capital Company that is provided to any other solicited investor.

(ii) The allocation of investment in an Additional Capital Company, which each Member may subscribe to purchase pursuant to such Member's Preemptive Right (the "Proportionate Amount") shall be equal to the Percentage Interests of such Member immediately prior to such issuance multiplied by the aggregate investment in such Additional Capital Company with respect to such issuance. Each Member may subscribe to purchase all, but not less than all, of such Member's Proportionate Amount at a price equal to the Issue Price.

(iii) The Preemptive Right may be exercised by delivery of a written notice by a Member to the Managing Member (the "Rights Acceptance Notice") on or prior to fifteen (15) days after the date such Member has been given the Preemptive Rights Notice. The Rights Acceptance Notice shall constitute an irrevocable obligation of such Member to purchase the Proportionate Amount of such Member on the terms and conditions of such issuance set forth in the Preemptive Rights Notice.

(iv) In the event that a Member duly exercises its Preemptive Right by delivering a Rights Acceptance Notice and does not pay the aggregate investment required by such Member, then such Additional Capital Company shall be paid all distributions that are otherwise due and payable to the defaulting Member to the extent of the losses and damages that are incurred by such Additional Capital Company arising from or related to such breach or default.

Section 4.02 Powers of the Managing Member. Without in any way intending to limit the powers of the Managing Member, subject to the provisions of Section 4.05, the Managing Member shall have the right, power and authority on behalf of the Company:

(a) As provided in Section 4.01, to allocate all of the assets of the Company among the Real Property Investments selected by the Managing Member, in its sole and absolute discretion;

(b) To execute and perform any and all agreements, contracts, leases, documents, certifications and instruments necessary or convenient for the efficient conduct and operation of the Company's business and to amend any such agreements, contracts, documents, certifications and instruments, except as expressly limited by this Agreement;

(c) To acquire and enter into any contract of insurance, including directors' and officers' and errors and omissions policies;

(d) To engage in any transaction with Affiliates of the Managing Member, to provide services in acquiring, developing and managing the Real Property Investments, in each case, consistent with the terms contemplated by this Agreement; provided, that (i) such transaction is as contemplated by Section 4.01(e) or (ii) such transaction is on terms and conditions that are reasonably determined by the Managing Member to be, in the aggregate and in all material respects, not less than the terms and conditions that the Company is then able to obtain in a bona fide arms' length transaction.

(e) To file, conduct and defend legal proceedings of any form, including proceedings against Members, and to compromise and settle any such proceedings, or any claims against any persons, including claims against Members, on whatever terms deemed appropriate by the Managing Member;

(f) To obtain any loans or mortgages, or enter into any loan agreements with any of the Members or any third Person, on a secured or unsecured basis and on such other terms and conditions approved by the Managing Member; provided, that the net proceeds of such loans shall be used in connection with the business of the Company or distributed as Capital Proceeds in accordance with Section 10.07(b);

(g) To provide loans to the Managing Member or the Members as contemplated in Section 10.07(e);

(h) To designate an individual to act as the Tax Matters Partner (the initial person so designated being Paul Stern) and make any and all elections and handle other matters under the U.S. Internal Revenue Code of 1986, as amended (the "Code"), or any similar provision and in similar capacity under the tax laws of any other jurisdiction, including any of the elections referred to in Section 754 of the Code;

(i) To engage the independent accountants, attorneys, investment advisors, sub-advisers, broker-dealers, administrators, custodians, and such other persons as the Managing Member may deem necessary or advisable;

(j) To require a provision in all Company contracts that the Managing Member shall not have any personal liability therefor, but that the Person contracting with the Company is to look solely to the Company and its assets for satisfaction;

(k) To waive or reduce, in whole or in part, any fee or any special allocation to the Managing Member or any of its Affiliates; and

(l) To incur other debt or use non-equity financial structures to increase or leverage the Company's assets, including, without limitation, through REMIC, sale of interests in securitization vehicles, debt financings of the Company, "mezzanine" debt and/or equity financing that may be accomplished by the Company transferring assets to a subsidiary and then selling or financing the interests in such subsidiary, in whole or in part; provided, that the net proceeds of such debt or non-equity financial structures shall be used in connection with the business of the Company or distributed as Capital Proceeds in accordance with Section 10.07(b).

Section 4.03 Actions of Managing Member. The Managing Member is authorized, directed and empowered to act individually on behalf of the Company and, in accordance therewith, to execute all documents and instruments on behalf of the Company. Third parties may rely on execution of any documents on behalf of the Company by the Managing Member.

Section 4.04 Exculpation and Indemnification. Notwithstanding any provision of this Agreement to the contrary and to the fullest extent not prohibited by applicable law:

(a) To the extent that, at law or in equity, a Member or manager or other person has duties (including fiduciary duties) to the Company or to another Member or manager or to another person that is a party to or is otherwise bound by this Agreement, such duties shall be eliminated; provided, that this provision shall not eliminate the implied contractual covenant of good faith and fair dealing.

(b) No Member or manager or other person shall be liable to the Company or to another Member or manager or to another person that is a party to or is otherwise bound by this Agreement for breach of fiduciary duty for such Member's or manager's or other person's good faith reliance on the provisions of this Agreement.

(c) There shall not be any liability for breach of contract and breach of duties (including fiduciary duties) of a Member, manager or other person that is a party to or is

otherwise bound by this Agreement other than liability for any act or omission that constitutes a bad faith violation of the implied contractual covenant of good faith and fair dealing.

(d) To the fullest extent not prohibited by applicable law, neither the Managing Member nor any of its Affiliates and their respective officers, directors, managers, shareholders, partners, members and employees, consultants, other authorized persons or other persons acting in any similar capacity (collectively, each, a "Covered Person") shall be liable to the Company or any of the Members for any action taken or omitted to be taken in connection with the business or affairs of the Company other than for a breach of good faith in contract, willful misconduct or gross negligence, in each case, as evidenced by a final non-appealable judgment of a court of competent jurisdiction. It shall be conclusively presumed and established that such Covered Person acted in good faith if any action is taken, or not taken, by it on reasonable reliance on the advice of legal counsel or other independent outside consultants.

(e) The Company agrees to indemnify and hold harmless each of the Managing Member, its Affiliates and their respective officers, directors, managers, shareholders, partners, members and employees, agents, consultants, other authorized persons or other persons acting in any similar capacity (each, a "Covered Person") from and against any and all claims, actions, demands, losses, costs, expenses (including attorneys' fees and other expenses of litigation), damages, penalties or interest, as a result of any claim or legal proceeding related to any action taken or omitted to be taken in connection with the business and affairs of the Company (including the settlement of any such claim or legal proceeding); provided, however, that the Covered Person against whom the claim is made or legal proceeding is directed is not determined to be guilty of fraud, willful misconduct or, gross negligence, in each case, only to the extent such is determined specifically by a final non-appealable judgment of a court of competent jurisdiction. Any indemnity under this Section 4.04 shall be paid from and to the extent of Company assets only, and only to the extent that such indemnity does not violate applicable laws. The Company shall advance the costs and expenses with respect to any such claim, action or demand that are incurred by any Covered Person to the fullest extent permitted by applicable law, subject to an undertaking by such Covered Person to reimburse the Company in the event such reimbursement is required under applicable law or in the event that the Covered Person is not entitled to indemnification under this Section 4.04(b).

Section 4.05 Restrictions.

(a) The Managing Member shall not take any action or fail to take any action that would make it impossible to carry on the normal business of the Company other than any act required by the Members or to dissolve and terminate the Company in accordance with Section 14.01.

(b) The Managing Member shall not perform any act in contravention of this Agreement or applicable law.

(c) Notwithstanding anything to the contrary herein, the Managing Member may not effect any transaction that constitutes an "assignment" of this Agreement in contravention of requirements under applicable law (such as the Advisers Act, if applicable)

requiring consents of advisory clients, unless and to the extent all consents required by such laws have been obtained. The Managing Member may at any time solicit the consent of the Members (including the Membership Interests held by MM Affiliated Member) to approve any specified assignment and such Members may authorize and approve such transaction.

Section 4.06 Duty to Keep Books, Financial and Tax Reports.

(a) At all times during the existence of the Company, the Managing Member shall keep true and complete records and books of account. The Managing Member has the power and authority to delegate some or all of the administrative bookkeeping functions relating to the Company to an administrator or agent, which may be the Company's accountants. Upon reasonable advance written notice and during reasonable business hours, subject to such procedures and restrictions as the Managing Member may from time to time require, a Member may inspect and copy, at the Member's expense and solely for a purpose reasonably related to the Member's interest as a Member, any records of the Company required to be maintained pursuant to the Act and any financial statements maintained by the Company. Any such inspection must be in good faith without any intent to damage the Company or any of its Members or Affiliates in any manner and may be subject to such other restrictions as the Managing Member may reasonably require.

(b) The Managing Member shall take commercially reasonable efforts to cause to be prepared and distributed to each Member the following reports:

(i) within one hundred and twenty (120) days after completion of the fiscal year end of the Company (or as soon as reasonably practicable thereafter), annual financial statements accompanied by a review opinion of the Company's accountants; provided, however, that, at least ninety (90) days prior to the end of a Fiscal Year, the Members owning more than two thirds (66.67%) of the aggregate Capital Contributions in respect of the Membership Interests may require the Company to, within one hundred and twenty (120) days after completion of such Fiscal Year (or as soon as reasonably practicable thereafter), furnish the Members a report of the Company's accountants stating that an audit of the foregoing financial statements for such Fiscal Year has been made in accordance with GAAP together with the opinion of such accountants in respect of such financial statements for such Fiscal Year and the accounting principles and practices reflected therein and any matter to which such accountants take exception and, to the extent practicable, the effect of each such exception on such financial statements; and

(ii) within sixty (60) days after each fiscal quarter's-end (or as soon as reasonably practicable thereafter), a quarterly narrative progress report.

(c) The Managing Member shall also have prepared and filed all applicable income, franchise, gross receipts, payroll and other tax returns that the Company is obligated to file. Copies of Schedule K-1 of the Company's Tax Return (Form 1065) shall be distributed to all Members as soon as practicable after the Company's Fiscal Year.

(d) The Managing Member may agree to provide certain Members with additional information on the underlying Real Property Investments, as well as access to the Managing Member and its employees for relevant information.

Section 4.07 Annual Meetings. The Managing Member may hold an annual meeting that will provide the Members with the opportunity to review and discuss the Company's investment activities. The Company will not reimburse any Member for any cost of attending any annual meeting.

Section 4.08 Delegation of Power. At all times during the existence of the Company, the Managing Member has the power and authority to delegate some or all of its obligations and responsibilities hereunder to one or more third parties as it may select from time to time in the exercise of its reasonable discretion. The Managing Member shall delegate any investment adviser services with respect to any securities held by the Company to the extent that such services are required to be performed by a registered investment adviser under the Investment Advisers Act or applicable similar state law.

Section 4.09 Guarantees. It is acknowledged and agreed that in no event will the Managing Member, any of Covered Person be required to provide any bond, guaranty or other credit enhancement or accommodation, including any limited or springing recourse guaranty, environmental indemnity or completion guarantees in connection with the acquisition, development or management of any Real Property Investments. If and to the extent the Managing Member, any of the senior executives of the Managing Member or any Covered Person provides any bond, guaranty or other credit enhancement or accommodation for any Real Property Investment, then the Company shall indemnify the Managing Member or such Covered Person, as applicable, for any expenses and loss incurred in connection with such bond, guaranty, credit enhancement or accommodation. To the extent that a claim for indemnification pursuant to this Section 4.09 is unenforceable or otherwise not permitted under a separate contract or other instrument facilitating the business of the Company, the Managing Member or such Covered Person, as applicable, shall be reimbursed by the Company, promptly upon demand, for any expenses and losses incurred in connection with such bond, guaranty, credit enhancement or accommodation.

Section 4.10 No Prohibition Against Other Business Ventures.

(a) The Managing Member and any Covered Person and each of their respective heirs, trustees, executors, administrators or affiliates, may, directly or indirectly, may:

(i) engage and hold interests in other investments or business ventures of any kind and description for their own account including, without limitation, other investment entities similar to the Company, whether such business ventures are in direct or indirect competition with the Company and whether the Company or any of the Members also has an interest therein, without having to account to the Company or any Member for any profits or other benefits derived therefrom and without incurring any obligation to offer any interest in any such activity to the Company or any Member;

(ii) provide investment or property or similar advice to other parties and may manage other accounts and private investment vehicles (both domestic and offshore), including any such that are similar to the Company, as described in the Memorandum; or

(iii) buy or sell investment for their own accounts or for the accounts of Affiliates or participate or manage any such investments, including the same or similar investments that are held, directly or indirectly, by the Company.

(b) Neither the Company nor any of the Members shall have any rights in such investments or business ventures (or any participation or management thereof) under the terms of this Agreement or arising from or related to any action, role or capacity that the Managing Member or any Covered Person may have by or on behalf of the Company or any Affiliate of the Company.

(c) Neither the Managing Member nor any of its principals, employees, executives or persons acting in any similar capacity shall be required to devote their full time to the business of the Company, but shall devote so much of their time and efforts to the affairs of the Company as may in their respective judgment be necessary to accomplish their contribution to the purposes of the Company.

ARTICLE V
Investments

Section 5.01 General. The Managing Member shall effect the Company's investment in, and disposition of, each Real Property Investment.

Section 5.02 Investment Limitations and Syndication of Investments. Consistent with Section 1.03, the Managing Member shall limit the investments of the Company to the Real Property Investments and other temporary or short term investments.

Section 5.03 Investments in or from Affiliates. The Members acknowledge and agree that the Company may purchase all or a portion of one or more Real Property Investments from an Affiliate of the Managing Member.

Section 5.04 Valuation of Investments. The investments of the Company shall be valued in accordance with GAAP or other comprehensive basis of accounting as determined by the Managing Member including tax basis reporting. In valuing any investment of the Company the Managing Member may reasonably rely on investment consultants, appraisers and other professionals.

ARTICLE VI
Resignation; Prohibition Against Transfer; Continuation of the Company; Removal or Substitution of Managing Member

Section 6.01 Managing Member Involuntary Withdrawal; Admission of Additional Managing Members and Transfer by the Managing Member. The Managing Member shall not be permitted to voluntarily withdraw or resign as the Managing Member. In the event of dissolution of the Managing Member, or if a voluntary or involuntary petition for bankruptcy shall be filed by or against the Managing Member, or the Managing Member shall make any assignment for the benefit of its creditors (any of which, an "Involuntary Withdrawal"), the Managing Member or the Managing Member's trustee, receiver or assignee shall become inactive in the affairs of the Company, shall have none of the rights and powers of a Managing Member hereunder, shall have no authority to act on behalf of the Company or have any voice in the management and operation of the Company, except as provided in Section 14.02.

Section 6.02 Removal of the Managing Member For Cause.

(a) Following the occurrence of an event constituting Cause and a failure of the Managing Member to cure such Cause as provided in this Section 6.02, the Members, by the Eighty Percent Vote of all of the Members, may at any time on or prior to ninety (90) days after notice of each event delivered in accordance with Section 6.02(a), either: (i) require the removal of the Managing Member from the Company, effective as of a date specified by the Members in such Eighty Percent Vote; provided, that such date is not less than sixty (60) days from the date of such Eighty Percent Vote, and the substitution of another Person as managing member of the Company (such successor managing member shall be approved by the same Eighty Percent Vote that removes the Managing Member and which removal shall be effected in accordance with the procedures set forth in Section 6.02(e)); provided, that such substitute managing member shall be subject to the consent of the Managing Member, which consent shall not be unreasonably withheld, delayed or conditioned; or (ii) dissolve the Company, in which case the Company shall be dissolved and liquidated in accordance with Article XIV below; provided, that the Managing Member shall be deemed to have cured any finding of Cause if it terminates or causes the termination of employment with the Managing Member and its Affiliates of all individuals who engaged in the conduct constituting such Cause and makes the Company whole for any actual financial loss which such conduct had caused the Company; and provided; further, that any successor to the Managing Member shall be substituted immediately prior to the removal of the Managing Member.

(b) The Managing Member shall give notice to the Members of the occurrence of any event constituting Cause of which it has actual knowledge on or prior to the date that is two (2) Business Days after such event.

(c) For purposes of this Section 6.02, the term "Cause" means (i) a non-appealable finding by any court or governmental body of competent jurisdiction or an admission by the Managing Member in a settlement of any lawsuit (x) of fraud, gross negligence, or willful misconduct by the Managing Member in connection with the performance of its duties under the terms of this Agreement, (y) that the Managing Member (with respect to its activities relating to

the Company) has otherwise committed a knowing and material breach of its duties under this Agreement (it being acknowledged and agreed that the failure to timely deliver a report or cause an event or transaction is not a material breach of its duties) or a material violation of applicable United States federal securities laws, or (ii) a conviction of, or plea of guilty or nolo contendere by any senior executive in respect of a felony that is related to the business of the Company. For purposes of clause (ii) of the foregoing sentence, the conduct of any senior executive of the Managing Member in connection with their activities relating to the Company shall be attributable to the Managing Member.

(d) A cure of any event constituting Cause under this Section 6.02 must occur within forty-five (45) Business Days after such non-appealable finding, conviction or plea; provided, that an event of Cause shall be deemed to be cured in the event (i) the Managing Member submits a plan to the Members for their consideration describing the Managing Member's intended course of action and period of time required to cure the event constituting Cause, (ii) the Members by Eighty Percent Vote approve such plan prior to the expiration of the cure period applicable to such event of Cause pursuant to this Section 6.02(d) and (iii) the Managing Member actually cures the event of Cause in the manner contemplated by the plan approved pursuant to clause (ii) within the time period specified therein.

(e) In the event that the Members by Eighty Percent Vote elect to remove the Managing Member for Cause as provided in this Section 6.02, then on or prior to the date of such removal the Managing Member shall execute and deliver a resignation letter and withdraw as member of the Company effective as of the date of such removal and from and after such effective date the Carried Interest will be paid to the successor managing member or any Person designated by such successor managing member. On the effective date of the removal of the Managing Member, the Managing Member will execute and deliver an instrument that confirms that from and after such effective date of its removal, the Managing Member will not be entitled to any future distributions of the Carried Interest, which rights shall be assigned to the successor Managing Member or its designee. The Managing Member and its Affiliates shall remain liable for all of their respective obligations and liabilities to the Company that were incurred on or prior to such removal date and shall be entitled to all of their respective rights under Section 4.04 and provided that notwithstanding any provision of this Agreement to the contrary, the Managing Member and any other MM Affiliated Member shall not have any liabilities to the Company that are incurred after such removal date, including obligations to contribute additional capital to the Company under Section 10.07(e). In addition to the foregoing, the Managing Member shall execute and deliver such other agreements, documents or instruments necessary to effect its removal and replacement as the managing member of the Company. On the effective date of the removal of the Managing Member, the provisions of Section 7.09 shall be appropriately supplemented or modified by the provisions of this Section 6.02(e). The successor managing member of the Company shall be deemed admitted as the managing member of the Company upon its execution of a counterpart to this Agreement, effective immediately prior to the removal of the replaced Managing Member and from and after the date of such admission all references in this Agreement to the "Managing Member" shall be a reference to such successor managing member.

Section 6.03 Continuation of the Company; Appointment of Substitute Managing Member by Members. If an event as set forth in Section 14.01(a) occurs, the Members shall have the right, within ninety (90) days after such event, by affirmative unanimous vote of Members, to appoint a substitute Managing Member, in which event the Company shall not dissolve and shall continue its existence.

Section 6.04 Substitute Managing Member Requirements. Any substitute Managing Member shall execute and acknowledge any and all instruments that are necessary or appropriate to effect the admission of any such person or entity as a substitute Managing Member, including, without limitation, the written acceptance and adoption by such person of the provisions of this Agreement. Any successor to such office of Managing Member shall assume the status of and shall have all of the rights, powers and obligations that the Managing Member possessed prior to its Involuntary Withdrawal from the Company.

ARTICLE VII
Status, Rights, Powers and Voting Rights of Members

Section 7.01 Limited Liability. No Member, including any Substitute Member, shall be personally liable or bound for the expenses, liabilities or obligations of the Company.

Section 7.02 Capital Contributions.

(a) No Member shall be entitled to a return of such Member's Capital Contributions or any portion thereof and no time has been agreed upon for the return of any Member's Capital Contribution except as provided in this Agreement.

(b) Each Member, if such Member receives a return of all or any part of such Member's Capital Contribution, may be liable to the Company for an amount equal to such distribution to the extent provided for in the Act if at the time of such distribution, the Member knew the Company was prohibited from making such distributions under the Act.

(c) It is the intent of the Members that no distribution to any Member pursuant to Section 10.07 shall be deemed a return of money or other property paid or distributed in violation of the Act. The payment or distribution of any such money or other property to a Member shall be deemed to be a compromise within the meaning of Section 18-502(b) of the Act and, except as otherwise expressly provided herein and by applicable law, the Member receiving any such money or property shall not be required to return any such money or property to the Company or any creditor of the Company. However, if any court of competent jurisdiction holds that, notwithstanding the provisions of this Agreement, any Member is obligated to make any such payment, such obligation shall be the obligation of such Member and not the obligation of the Managing Member.

Section 7.03 Liability of Member. No Member shall be obligated to provide any contributions to the Company in excess of the Capital Contribution of such Member set forth in the Subscription Documents accepted by the Managing Member on behalf of the Company. No Member shall be obligated to make any loan to the Company.

Section 7.04 No Restriction on Other Activities. Each of the Members may engage and hold interests in business ventures of every kind and description for their own accounts including, without limitation, business ventures which are, directly or indirectly, in competition with the Company and whether the Company or any of the Members also has an interest therein. Neither the Company nor any of the Members shall have any rights in such independent business ventures by virtue of this Agreement.

Section 7.05 Voting Rights. Each Member shall only have those voting rights and privileges which are explicitly granted pursuant to the terms of this Agreement and only with respect to the Membership Interests held by such Member. Unless otherwise provided in this Agreement, the Majority Vote of the Members shall be required at any meeting of the Members, or by written consent in lieu thereof, to approve any transaction or matter proposed to the Members for their consent or approval. A meeting of the Members may be called by the Managing Member upon ten (10) days written notice thereof mailed or otherwise delivered to the address of the Members maintained by the Company, which notice shall state the date, time, place and purpose of such meeting, provided that such date may not be more than sixty (60) days after the date of such written notice. A meeting of Members shall also be called by the Managing Member upon written request of or demand by Members holding thirty (30%) percent or more of the aggregate Capital Contributions in respect of the Membership Interests on the date determined by the Managing Member that is not earlier than ten (10) days nor later than twenty (20) days after such request or demand for the purpose specified by such Members delivering such request or demand. A Member may vote in person or by proxy in form and substance reasonably acceptable to the Managing Member. Any Member that attends any such meeting other than to protest the notice thereof, shall be deemed to have waived notice of such meeting. Each Person that is a Member on the date of notice of a meeting of the Members shall be entitled to vote at such meeting.

Section 7.06 Rights as to Dissolution. The Members shall have no right or power to cause the dissolution and winding up of the Company by court decree or otherwise, except as set forth in this Agreement.

Section 7.07 Consent by Members in Lieu of Meeting. Any action required by this Agreement or the Act to be taken at any regular or special meeting of the Members or any Members, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the Members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voted.

Section 7.08 Affiliates of the Managing Member. Any action taken by an individual that is a member of the Managing Member by or on behalf of the Company or the Managing Member shall be deemed to have been taken in his or her capacity as a director, officer, partner, member, manager or other authorized person of the Managing Member and not in their individual capacity or any other capacity unless such action is taken pursuant to a document that is signed by such individual expressly in his or her individual capacity or such other capacity. If no capacity is noted in any such document, then such individual shall be deemed to have

executed such document in his or her capacity as a member, manager or other authorized person of the Managing Member.

Section 7.09 Carried Interest. The Membership Interest in the Company held by the Managing Member shall, subject to the provisions of Section 6.02, be entitled to the distributions of the Carried Interest pursuant to Section 10.07(a) and Section 10.07(a)(ii) and no other Member shall be entitled to any distribution with respect to the Carried Interest. The limited liability company interest held by the Managing Member shall be entitled to all other distributions to the Members to the extent that the Managing Member makes a Capital Contribution to the Company. The rights of the Managing Member to the distributions of the Carried Interest are intended to constitute a separate class or group of Members in accordance with Section 18-302 of the Act. Notwithstanding any provision of this Agreement to the contrary, the Managing Member may admit any Person as a member with the right to receive the Carried Interest together with the distributions that such Member would otherwise be entitled to under the provisions of this Agreement with respect to any cash investment by such Member.

Section 7.10 Membership Certificates. At the option of the Managing Member, Units may be evidenced by certificates issued by the Company, provided that any such certificate shall carry a conspicuous legend noting the existence of the restrictions on transfer set forth in Article XI. Nothing contained herein, nor the issuance of any such certificate, shall be deemed evidence of, or an admission that, any Membership Interest constitutes a security for any purpose.

ARTICLE VIII
Fees and Expenses

Section 8.01 Fees.

(a) Acquisition Fee.

(i) In consideration for finding and arranging the acquisition of each Real Property Investment, the Managing Member, or any designated Affiliate of the Managing Member, shall receive an acquisition fee (the "Acquisition Fee") in an amount equal to three quarters of one percent (0.75%) of the stated contractual purchase price for each Real Property Investment of the Company (the "RPI Purchase Price"), which amount shall include all closing and related costs and expenses incurred by the Company in connection with the acquisition of such Real Property Investment as stated on the settlement statement for such acquisition and the amount of any financings used by the Company in connection with the acquisition of such Real Property Investment (collectively, the "Investment Amount"), and would include any Real Property Investment acquisition from or in an Affiliate.

(ii) All Acquisition Fees of the Company shall be paid to the Managing Member, or a designated Affiliate of the Managing Member, and charged to the Company.

(iii) Any Acquisition Fees may be paid out of funds otherwise available for distribution or from the proceeds of additional Capital Contributions of the Members.

(b) Asset Management Fee.

(i) In consideration for its services, the Managing Member or any Affiliate that is designated by the Managing Member, shall receive an annual asset management fee (the "Asset Management Fee") in an amount that, in the aggregate, is equal to one half of one percent (0.5%), per annum (or 0.0417% per month), of the aggregate Real Property Investments Purchase Price and shall be allocated, from time to time, as directed by the Managing Member, any payment that is authorized by the Managing Member being conclusive evidence of such allocation. The Asset Management Fee shall be allocated to the Members pro rata, on the basis of their respective Capital Contributions. Such Asset Management Fee shall be paid as of the beginning of each fiscal quarter.

(ii) The Asset Management Fee shall be due on the first day of the calendar month in which the Closing Date occurs (in a prorated amount for the period commencing on the Closing Date and ending on such last day of the month) and payable on the Closing Date and thereafter quarterly in advance commencing on the first day of the succeeding calendar quarter. No portion of the Asset Management Fee shall be refundable. To the extent that the Asset Management Fee is payable for a period that is not a full Fiscal Year, the amount shall be appropriately prorated.

(iii) All Asset Management Fees of the Company shall be paid to the Managing Member, or a designated Affiliate of the Managing Member, and charged to the Company. The Asset Management Fee may be paid out of funds otherwise available for distribution or from the proceeds of additional Capital Contributions of the Members.

(c) Property Management Fee. The Company shall enter into a property management agreement (the "Property Management Agreement") with a property manager (the "Property Manager"). Pursuant to the Property Management Agreement, (i) the Property Manager shall service one or more of the Company's Real Property Investments and (ii) the Company shall pay the Property Manager a fee. Amounts paid to the Property Manager pursuant to the Property Management Agreement are in addition to the Asset Management Fee and shall not reduce the Asset Management Fee. The initial Property Manager shall be Interstate Hotels and Resorts and Interstate Hotels and Resorts, together with certain Affiliates of the Managing Member, shall receive property management fees which, in the aggregate, are equal to three and one half percent (3.5%) per annum of the gross revenue from the Real Property Investments. The Managing Member may, in its sole discretion, appoint a new Property Manager without the approval of the Members, although the Managing Member will promptly notify the Members in the event of such an appointment of a new Property Manager. Any such new Property Manager may be the Managing Member or any of its Affiliates or any other Person.

(d) Disposition Fee.

(i) In consideration for services rendered hereunder, the Managing Member, or any designated Affiliate of the Managing Member, shall receive a disposition fee (the "Disposition Fee") in an amount equal to one percent (1.0%) of the gross sales proceeds from the sale or disposition of each Real Property Investment.

(ii) The Disposition Fee with respect to a Real Property Investment shall be due within ten (10) Business Days of receipt by the Company of the sales proceeds from the sale or disposition of such Real Property Investment.

(iii) All Disposition Fees shall be paid to the Managing Member, or a designated Affiliate of the Managing Member, and charged to the Company.

(e) The Managing Member and its Affiliates may receive certain other fees attributable to the Real Property Investments of the Company, as described in the Subscription Documents and/or the Private Placement Summary Presentation or otherwise permitted under the terms and conditions of this Agreement.

(f) The Managing Member has the power and authority by agreement with any Member to defer, reduce or waive the Asset Management Fee, the Acquisition Fee or the Disposition Fee with respect to the investment by such Member. The Managing Member will not charge the Asset Management Fee, the Acquisition Fee or the Disposition Fee with respect to the Capital Contributions made by the Managing Member. Any reduction or waiver of the Asset Management Fee, the Acquisition Fee and/or the Disposition Fee shall be made by the amount of such fee being reduced on the basis of the Capital Contributions by the Managing Member or any other applicable Member, as conclusively determined in good faith by the Managing Member.

Section 8.02 Expenses.

(a) Organizational Expenses. The Company shall, as allocated by the Managing Member, pay or reimburse the Managing Member for all expenses relating to organizing the Company including, but not limited to, initial offering expenses, legal and accounting fees, marketing expenses, consulting fees, printing and mailing expenses, government filing fees (including blue sky filing fees and all offshore filing fees and costs incurred by the Managing Member) and structuring fees incurred by the Company, the Managing Member or any of their Affiliates in connection with the organization of the Company (including the formation of such entities) and the offering and closings of the purchase of limited liability company interests in the Company (collectively, "Organizational Expenses"). The Organization Expenses shall include, without limitation, the fees and expenses paid to the placement agent for the offering of the Units.

(b) Operating Expenses. The Company shall, as allocated by the Managing Member, pay, or reimburse the Managing Member for all expenses related to, or arising out of, the operation of the Company including, but not limited to: Acquisition Fees, Asset Management Fees; third-party fees and expenses (including consultancy fees and commissions on transactions); legal fees; marketing expenses; accounting and/or tax preparation fees; any taxes

imposed on the Company; all costs and expenses related to the sourcing, evaluation, development, negotiation, acquisition, implementation, ownership, disposition or financing of any actual project or investment, including related travel expenses (whether or not the project or investment is acquired by the Company); administrator and administrative fees and expenses; meeting costs; insurance (including liability insurance and other coverages for the benefit of the Company, the Managing Member and their respective personnel); the costs and expenses of any litigation (including fees and disbursements of counsel) involving the Company and the amount of any judgments or settlements paid in connection therewith; and any other extraordinary expenses attributable to the business of the Company (collectively, "Operating Expenses"). The Managing Member or its Affiliates, in their sole discretion, may from time to time pay for any of the foregoing Organizational Expenses and/or Operating Expenses or waive their right to reimbursement for any such expenses, as well as terminate any such voluntary payment or waiver of reimbursement. Any waiver by the Managing Member of its right to reimbursement for a particular expense payable by the Company shall not impair or operate as a waiver of the Managing Member's right to reimbursement for such expense or any other expense in the future. In addition, where possible and appropriate, certain third party fees, funding costs and other expenses may be charged to a Real Property Investment.

(c) Managing Member Expenses. The Managing Member shall pay its own general operating and overhead type expenses associated with providing the management and administrative services required under this Agreement, which shall include office space and general administrative services but shall not include any expense that is an Operating Expense. These expenses include all costs and expenses incurred by the Managing Member in providing for its normal operating overhead, including, but not limited to, compensation and benefits of its employees and the cost of providing relevant support and administrative services (e.g., rent, office equipment, insurance (other than insurance for directors and officers liability or errors or omissions), utilities, telephone, secretarial and bookkeeping services, etc.) but not including any of the Organizational Expenses or Operating Expenses described above.

(d) Allocation of Expenses. Where possible and appropriate, Operating Expenses (other than the Asset Management Fee) incurred for the benefit of the Company and any Additional Capital Company shall be allocated to and paid by the Company and such Additional Capital Company on the basis, determined by the Managing Member in good faith, of the aggregate investment capital or other appropriate allocation between the Company and such Additional Capital Company.

(e) Placement Agent Expenses.

(i) The Managing Member has agreed to compensate NHCohen Capital LLC (the "Placement Agent"), a placement agent who assists Members in connection with an investment in the Company, a fee of six percent (6%) of the Capital Contributions made by Members to the Company. The Placement Agent may, in its sole and absolute discretion, decide to waive or reduce its fees with respect to the Capital Contributions made by any Member to the Company.

(ii) The Placement Agent (or an Affiliate thereof) shall be engaged by the Managing Member to provide certain professional services to the Company relating to investment relations for a monthly fee, payable in arrears, equal to the greater of (A) $1,000 per month or (B) 0.005% of the gross revenue from the Real Property Investments. The Placement Agent shall also pay for or reimburse the Placement Agent for all out-of-pocket expenses incurred by the Placement Agent in the performance of its investment relations services for the Company.

ARTICLE IX
Units and Capital Contributions

Section 9.01 Units; Capital Contributions of the Members.

(a) The Company is authorized to issue Units (and fractional Units) evidencing Membership Interests in the Company to each Member who makes a Capital Contribution to the Company. Each Unit of the Company issued on the Closing Date shall evidence a Capital Contribution in the amount of one hundred thousand and 00/100 Dollars ($100,000.00). Each Member other than the Managing Member will be required to make the Capital Contribution set forth in the Subscription Documents accepted by the Managing Member on behalf of the Company. The Capital Contribution of each Member shall, at a minimum, be equal to one hundred thousand and 00/100 Dollars ($100,000.00), except to the extent that such minimum is waived or reduced by the Managing Member. The amount of any Capital Contribution accepted by the Company and the number of Units issued by the Company shall be as set forth in the books and records of the Company.

(b) The Managing Member and its Affiliates shall make Capital Contributions to the Company which, in the aggregate, are equal to not less than five percent (5%) of the total Capital Contributions to the Company.

Section 9.02 Additional Capital Contributions. Except as set forth in Section 9.01, no Member shall be required to make additional Capital Contributions to the Company.

Section 9.03 Further Actions. To the extent necessary, the Managing Member shall cause the books and records of the Company to be amended to reflect as appropriate the occurrence of any of the transactions referred to in this ARTICLE IX or in ARTICLE XI as promptly as is practicable after such occurrence.

ARTICLE X
Capital Accounts; Allocations; Distributions; Withdrawals

Section 10.01 Capital Accounts. There shall be established and maintained on the books of the Company a separate capital account for each Member in accordance with Treasury Regulations Section 1.704-1(b) and with the definitions and methods of adjustment set forth in this Agreement (a "Capital Account").

Section 10.02 Adjustments to Capital Accounts. As of the close of business of the last day of each Fiscal Year, the balance in each Member's Capital Account shall be adjusted by: (a) increasing such balance by such Member's (i) allocable share of Net Profits (allocated in accordance with this ARTICLE X) and (ii) Capital Contributions, if any, and (b) decreasing such balance by (x) the amount of cash and other property (net of liability) distributed to such Member during such Fiscal Year and (y) such Member's allocable share of Net Losses (allocated in accordance with this ARTICLE X).

Section 10.03 Allocation of Net Profits and Net Losses. Subject to any special allocations pursuant to Section 10.04 thereof, Net Profits and Net Losses for any Fiscal Year (or items thereof as necessary) shall be allocated among the Members, pro rata, in such a manner as to cause the balance in the Capital Account of each Member, as adjusted to reflect the allocations provided hereunder, to be, as nearly as possible, equal to the aggregate amount of cash such Member would receive if the Company were liquidated and each asset of the Company were sold for an amount of cash equal to its respective Gross Asset Value, all debt obligations were satisfied in accordance with their respective terms (limited with respect to each Company Nonrecourse Debt or Member Nonrecourse Debt to the Gross Asset Value of the asset(s) securing such debt) and the remaining cash were distributed as provided in Section 10.07 of this Agreement.

Section 10.04 Special Allocations.

(a) Minimum Gain Chargeback. Notwithstanding any other provision of this Agreement to the contrary, if there is a net decrease in the Company's "partnership minimum gain" (as defined in Treasury Regulations Section 1.704-2(d)), items of income and gain shall be allocated to all Members in accordance with Treasury Regulations Section 1.704-2(f); such allocations are intended to comply with the minimum gain chargeback requirements of Treasury Regulations Section 1.704-2 and shall be interpreted consistently therewith.

(b) Partner Minimum Gain Chargeback. Except as otherwise provided in Treasury Regulations Section 1.704‑2(i)(4) and notwithstanding any other provision of this ARTICLE X to the contrary, if there is a net decrease in "partner nonrecourse debt minimum gain" (as determined in accordance with Treasury Regulations Section 1.704-2(i)(4) ("Member Nonrecourse Debt Minimum Gain") attributable to a "partner nonrecourse debt" (as determined under Treasury Regulations Section 1.704-2(i)(5) ("Member Nonrecourse Debt") during any Fiscal Year, each Member who has a share of such Member Nonrecourse Debt Minimum Gain shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in such Member Nonrecourse Debt Minimum Gain. Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Treasury Regulations Sections 1.704‑2(i)(4) and 1.704‑2(j)(2). This Section is intended to comply with the partner nonrecourse debt minimum gain chargeback requirement in Treasury Regulations Section 1.704‑2(i)(4) and shall be interpreted consistently therewith.

(c) Qualified Income Offset. No allocation may be made to a Member to the extent such allocation causes or increases a deficit balance in such Member's Adjusted Capital Account. Notwithstanding any other provision of this Agreement to the contrary except paragraphs (a) and (b) of this Section 10.04, in the event that a Member unexpectedly receives an adjustment, allocation or distribution described in Treasury Regulations Section 1.704-1(b)(2)(ii)(*d*)(4), (5) or (6) which results in such Member having or increasing a negative adjusted Capital Account balance (as determined above), then such Member shall be allocated items of income and gain in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, such negative balance in such Member's Adjusted Capital Account as quickly as possible. This provision is intended to satisfy the "qualified income offset" items of the Code.

(d) Risk of Loss Allocation. Any item of "partner nonrecourse deduction" (as defined in Treasury Regulation Section 1.704-2(i)(2)) with respect to a "partner nonrecourse debt" (as defined in Treasury Regulation Section 1.704-2(b)(4)) shall be allocated to the Member or Members who bear the economic risk of loss for such Member Nonrecourse Debt in accordance with Treasury Regulations Section 1.704-2(i)(1).

(e) Allocation of Excess Nonrecourse Liabilities. For the purpose of determining each Member's share of Company nonrecourse liabilities pursuant to Treasury Regulations Section 1.752-3(a)(3), and solely for such purpose, each Member's interest in Company profits is hereby specified to be equal to the ratio (stated as a percentage) of their respective Capital Contributions to the Company.

(f) Gross Income Allocation. In the event any Member has a deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of (i) the amount such Member is obligated to restore pursuant to any provision of this Agreement, and (ii) the amount such Member is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5), each such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section shall be made only if and to the extent that such Member would have a deficit Capital Account in excess of such sum after all other allocations provided for in this ARTICLE X have been made.

(g) Section 704(c) Allocation. Solely for federal, state, and local income tax purposes and not for book or Capital Account purposes, depreciation, amortization, gain, or loss with respect to property that is properly reflected on the Company's books at a value that differs from its adjusted basis for federal income tax purposes shall be allocated in accordance with the principles and requirements of Code Section 704(c) and the Treasury Regulations promulgated thereunder, and in accordance with the requirements of the relevant provisions of the Treasury Regulations issued under Code Section 704(b). The Managing Member may use any method permitted pursuant to Treasury Regulations Section 1.704-3 for all allocations with respect to contributed property. For Capital Account purposes, depreciation, amortization, gain, or loss with respect to property that is properly reflected on the Company's books at a value that differs

from its adjusted basis for tax purposes shall be determined in accordance with the rules of Treasury Regulations Section 1.704-1(b)(2)(iv)(*g*).

(h) Transfers During the Taxable Year. All items of income, gain, loss and deductions allocable pursuant to ARTICLE X hereof for a Fiscal Year with respect to any Membership Interest which may have been transferred (if permitted pursuant to the terms hereof) during such year shall be allocable between the transferor and transferee using any reasonable method determined by the Managing Member; provided, that in all events that the method utilized shall be permitted under the Code and the applicable regulations promulgated under the Code.

Section 10.05 Negative Capital Accounts. Except as may be required by law, no Member shall be required to reimburse the Company for any negative balance in such Member's Capital Account.

Section 10.06 Tax Matters. For federal, state and local income tax purposes, the income, gains, losses, deductions and credits of the Company shall, for each taxable period, except as otherwise provided herein, be allocated among the Members in the same manner and in the same proportion as such items have been allocated to the Members' Capital Accounts. Notwithstanding the foregoing, the Managing Member shall have the power to make such allocations as may be necessary to ensure that such allocations are in accordance with the interests of the Members in the Company. The Company shall be operated in a manner consistent with that of a partnership for federal income tax purposes until such time as when the Managing Member determines that the Company's treatment as a partnership for federal income tax purposes is not in the best interest of the Company or the Members. The Members agree to the tax treatment of the Company as provided herein and shall not take any action inconsistent with such treatment. All matters concerning allocations for federal, state and local and foreign income tax purposes, including accounting procedures, not expressly provided for by the terms of this Agreement shall be equitably determined in good faith by the Managing Member. At the written request of any Member, the Managing Member may cause the Company to make the election under Section 754 of the Code. The Managing Member is hereby designated as the initial tax matters partner of the Company (the "Tax Matters Partner"), as provided in the Treasury Regulations pursuant to Section 6231 of the Code. The Managing Member shall have the sole discretion to appoint a successor Tax Matters Partner. Each Member hereby consents to such designation and agrees that upon the request of the Tax Matters Partner it will execute, certify, acknowledge, deliver, swear to, file and record at the appropriate public offices such documents as may be necessary or appropriate for such consent.

Section 10.07 Distributions.

(a) Distributable Cash. The Company shall distribute Distributable Cash arising from and related to each Real Property Investment to the Members on such dates during the year as determined from time to time by the Managing Member. All such distributions of Distributable Cash shall be paid by the Company to the Members in the following amounts and priorities:

(i) *7.0% Preferred Return*: First, 100.0% to the Members, pro rata in proportion to their accrued and unpaid Preferred Return, until each Member has received distributions under this clause (i) and Section 10.07(b)(i) below equal to 7.0% per annum on the aggregate amount of the unreturned Capital Contribution of such Member to the Company, as outstanding from time to time (the "Preferred Return");

(ii) *Members-Carried Interest Split*: Then, to the Members based on their respective aggregate Capital Contributions, which shall be divided between each Member and the Managing Member: (A) 80.0% to the Members, pro rata, on the basis of their Capital Contributions to the Company, and (B) 20.0% to the Managing Member.

(b) Capital Proceeds. The Company shall distribute Capital Proceeds arising from and related to each Real Property Investment to the Members within twenty (20) Business Days of receipt/on such dates during the year as determined from time to time by the Managing Member. All such distributions of Capital Proceeds shall be paid by the Company to the Members in the following amounts and priorities:

(i) *7.0% Preferred Return*: First, 100.0% to the Members, pro rata in proportion to their accrued and unpaid Preferred Return, until each Member has received distributions equal to the Preferred Return; and

(ii) *Return of Contributed Capital*: Then, 100.0% to the Members, in proportion to their unreturned Capital Contributions, until each Member has received distributions under this clause (ii) equal to the aggregate amount of the Capital Contributions to the Company by such Member;

(iii) *Capital Account/ Carried Interest:* Then, to the Members based on their respective aggregate Capital Contributions to the Company, which shall be allocated and paid between each Member and the Managing Member, as follows:

(A) first, until each Member has received distributions under this clause (iii)(A) equal to 12%, per annum, compounded annually, on the aggregate amount of unreturned Capital Contributed to the Company, (1) 80% to the Members, pro rata, on the basis of their Capital Contributions to the Company; and (2) 20% to the Managing Member; and

(B) thereafter, (1) 70% to the Members, pro rata, on the basis of their Capital Contributions to the Company and (2) 30% to the Managing Member (the distributions to the Managing Member described in Section 10.07(a)(ii)(B), Section 10.07(b)(iii)(A)(2) and this clause (iii)(B)(2) being referred to as "Carried Interest").

(c) Other than pursuant to Section 14.04, all distributions shall be made in cash.

(d) To the extent aggregate distributions to the Managing Member in any Fiscal Year as Carried Interest are less than the amount of taxes payable with respect to income and gain allocated to it in respect to the Carried Interest with respect to the same Fiscal Year, the Managing Member may cause the Company to make a cash distribution to the Managing Member in an amount equal to the excess of such taxes over the distributions with respect to the same Fiscal Year (a "Tax Advance"). For this purpose taxes shall equal be calculated at a deemed tax rate equal to the highest marginal combined federal, state and local income tax rate applicable to an individual taxpayer residing in New York, New York, then in effect under applicable law, taking into account the character of the taxable income, gain, loss and deduction allocated to the Managing Member on account of the Carried Interest, but without taking into account any other tax attributes of the Managing Member or its members (the "Tax Advance Rate"). Tax Advances will be treated as advances with respect to Carried Interest and repaid by offsetting future distributions with respect to the Carried Interest.

(e) The Managing Member shall, at least annually prior to April 15th of each year make distributions, on a pro rata basis, to the extent of the Company's Distributable Cash that has not been distributed in accordance with this Section 10.07, as cash advances against regular distributions, to the Members in amounts sufficient to satisfy the Members' income tax liability with respect to their allocated portion of the Company's taxable income, computed at the Tax Advance Rate multiplied by such allocated taxable income; provided, that each such loan shall accrue interest at the long term applicable federal rate and, unless otherwise provided in this Agreement, shall be recourse and payable by such Member out of future distributions payable on account of the Membership Interests held by the Member on the date of such loan (which repayment obligation shall be an obligation of, and assumed by, each such transferee or assignee of such Membership Interests or ratable part thereof).

Section 10.08 Withholding Taxes.

(a) Notwithstanding the foregoing provisions, each Member hereby authorizes the Managing Member to withhold and to pay over, or otherwise pay, any withholding or other taxes payable by the Company or any of its Affiliates (pursuant to the Code or any provision of any state, local or foreign tax law) with respect to such Member or as a result of such Member's participation in the Company. Any such amount paid with funds of the Company shall be treated as an amount actually distributed to such Member. To the extent that the aggregate of such payments to a Member for any period exceeds the distributions to which such Member is entitled for such period, the Managing Member shall notify such Member as to the amount of such excess and such Member shall make a prompt payment to the Company of such amount. The amount due from such Member under this Section 10.08(a) shall constitute recourse debt of such Member to the Company secured by the Member's Membership Interest and shall accrue interest at the long term applicable federal rate. The Company shall have the right to use subsequent distributions payable to the Member to satisfy the Member's obligations arising under such debt.

(b) If the Company makes a distribution and such distribution is subject to withholding or other taxes payable by the Company on behalf of any Member (the "Withheld Amount"), the Managing Member shall notify such Member as to the extent (if any) of the Withheld Amount paid by the Company and such Member shall make a prompt payment to the

Company of such Withheld Amount. The amount due from such Member under this Section 10.08(b) shall constitute a recourse debt of such Member to the Company and shall accrue interest at the long term applicable federal rate.

(c) Any withholdings referred to in this Section 10.08 may be made at the maximum applicable statutory rate under the applicable tax law unless the Managing Member shall have received an opinion of counsel or other evidence satisfactory to the Managing Member to the effect that a lower rate is applicable or that no withholding is applicable.

(d) Each Member shall timely provide the Company such tax forms and information as are necessary or appropriate for the Company to comply with all applicable tax information reporting and withholding obligations, and cooperate with the Company in a reasonable manner, in order to avoid the imposition of any tax (including increase thereof), interest or penalties, that would result from such Member's failure to comply with this Section 10.08(d).

(e) Each Member shall, to the fullest extent permitted by applicable law, indemnify and hold harmless the Company, each Covered Person and other Members against all claims, liabilities and expenses of whatever nature relating to such Person's obligation to withhold and pay over, or otherwise pay, any withholding or other taxes (including an increase thereof) with respect to such Member or as a result of such Member's participation in the Company, including such Member's failure to comply with applicable tax internal reporting requirements.

Section 10.09 No Withdrawal of Capital. Except as otherwise expressly provided in this Agreement, no Member shall have the right to withdraw capital from the Company or to receive any distribution or return of such Member's Capital Contributions.

Section 10.10 Final Distribution. The final distributions following dissolution shall be made in accordance with the provisions of Section 14.02.

Section 10.11 Overriding Provision. Notwithstanding any other provision of this Agreement to the contrary, distributions shall be made only to the extent of available assets and in accordance with the Act.

ARTICLE XI
Restrictions on Transfers of Membership Interests of Members; Admission of Substitute Members; Other Matters Affecting Membership Interests

Section 11.01 Restrictions on Transfer of Membership Interests of Members.

(a) Except for Transfers by will or intestate succession, no Member may offer to Transfer or Transfer, in whole or in part, such Member's Membership Interest without the prior written consent of the Managing Member; provided, that the Managing Member shall permit any bona fide Transfer for estate planning purposes, Transfers pursuant to the laws of

descendant transfers, and other Transfers to a Person that does not compete with the Company, the Managing Member or its Affiliates on terms and conditions that do not add any material expense to the Company resulting from the personal status of the transferee or its members or partners. Any purported Transfers made in violation of this ARTICLE XI shall be void ab initio.

(b) No Member may Transfer, in whole or in part, such Member's Membership Interest if such Transfer would cause the termination of the Company for federal income tax purposes, and any purported Transfer that would cause the termination of the Company or cause the Company to be taxed as a corporation for federal income tax purposes shall be void ab initio. No Member shall withdraw from the Company without the prior written consent of the Managing Member. If requested by the Managing Member, counsel for the Company shall give its written opinion to the Managing Member (the expenses of which shall be borne by the transferring Member) as to whether any contemplated Transfer would cause the termination of the Company or cause the Company to be taxed as a corporation for federal income tax purposes and the Managing Member shall be entitled to rely conclusively upon such opinion in determining whether such Transfer would cause the termination of the Company and whether consent to such disposition should be given.

(c) Unless otherwise permitted by the Managing Member, no Transfer of any Membership Interest of a Member may be made unless the Managing Member shall have received a written opinion of counsel satisfactory to the Managing Member that such proposed Transfer may be effected without (absent waiver by the Managing Member):

(i) registration of the Membership Interest being made under the Securities Act of 1933, as amended;

(ii) violating any applicable state securities or "Blue Sky" law (including investment suitability standards) of the U.S. or the laws of any other jurisdiction;

(iii) causing the assets of the Company to be considered assets of an "employee benefit plan" within the meaning of the DOL Regulations;

(iv) the Company becoming subject to the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act");

(v) violating the Act or any other applicable laws or regulations; or

(vi) cause the Company to be (1) terminated as a partnership for federal income tax purposes or (2) treated as a corporation for federal income tax purposes.

(d) In no event shall the Membership Interest of a Member or any portion thereof be Transferred to a minor or incompetent, unless by will or intestate succession.

Section 11.02 Admission of Substitute Member.

(a) Subject to the provisions of this ARTICLE XI, unless expressly waived by the Managing Member in writing, an assignee of the Membership Interest of a Member shall be deemed admitted to the Company as a Member (hereinafter a "Substitute Member") only upon the satisfactory completion of each of the following:

(i) consent of the Managing Member shall have been given, which consent shall be evidenced by a written consent executed by the Managing Member;

(ii) the assignee shall have accepted and agreed to be bound by the terms and provisions of this Agreement (as it may be amended from time to time) and such assignee shall have expressly assumed all of the obligations of the assignor Member hereunder, and shall have executed such other documents or instruments as the Managing Member may require in order to effect the admission of such person as a Member;

(iii) an amendment to any applicable document if required by the Act, evidencing the admission of such person as a Member shall have been filed;

(iv) the assignee shall have delivered a letter containing a representation that the assignee's acquisition of the Membership Interest is made as a principal, for the assignee's own account, for investment purposes only and not with a view to the resale or distribution of such Membership Interest, and that the assignee will not Transfer such Membership Interest or any fraction thereof to anyone in violation of this Agreement;

(v) if the assignee is a corporation, trust, partnership, limited liability company or other entity, the assignee shall have provided to the Managing Member evidence satisfactory to counsel for the Company of its authority to become a Member under the terms and provisions of this Agreement;

(vi) the assignee shall have complied with all applicable governmental rules and regulations, if any;

(vii) the assignee meets the suitability requirements for investing in the Company and the assignee completes the Subscription Documents provided by the Managing Member; and

(viii) all costs and expenses incurred by the Company and the Managing Member in connection with this Section 11.02 shall be paid by the person or entity seeking to become a Substitute Member.

Section 11.03 Rights of Assignee of Membership Interest.

(a) Subject to the provisions of Section 11.01, and except as required by operation of law, the Company shall not be obligated for any purposes whatsoever to recognize the assignment by any Member of such Member's Membership Interest until the Company has received notice thereof.

(b) Any Person who is the assignee of all or any portion of the Membership Interest of a Member, but who has not become a Substitute Member, and desires to make a further disposition of such Membership Interest, shall be subject to all the provisions of this ARTICLE XI to the same extent and in the same manner as any Member desiring to make a disposition of such Member's Membership Interest.

Section 11.04 Effect of Bankruptcy, Death or Incompetence of a Member. The bankruptcy of a Member or an adjudication that a Member is incompetent (which term shall include, but not be limited to, insanity), shall not cause the termination or dissolution of the Company and the business of the Company shall continue. If a Member becomes bankrupt, the trustee or receiver of such Member's estate or, if a Member dies, such Member's executor, administrator or trustee, or, if such Member is adjudicated incompetent, such Member's committee, guardian or conservator, shall have the rights of such Member for the purposes of settling or managing such Member's estate or property and such power as the bankrupt, deceased or incompetent Member possessed to dispose of all or any part of such Member's Membership Interest and to join with any assignee in satisfying conditions precedent to the admission of the assignee as a Substitute Member.

Section 11.05 No Recognition of Certain Transfers. If a Member Transfers all or a portion of its Membership Interest, including pursuant to any attachment by a creditor, or assignment for the benefit of any creditor, the transferee or assignee shall: (a) be entitled only to receive that proportion of Net Profits and Net Losses, and any distribution of Distributable Cash attributable to the Membership Interest acquired by reason of such disposition from and after the effective date of such disposition, and only upon written notification of same to the Managing Member; and (b) have no other rights as a Member unless admitted as a Substitute Member in accordance with the terms of this Agreement.

ARTICLE XII
Representations and Warranties; Confidentiality

Section 12.01 Members. Each Member represents and warrants to the Company and to every other Members as follows:

(a) Each Member will provide promptly, upon request by the Managing Member, all financial data, documents, reports, certifications or other information necessary or appropriate to enable the Company to apply for and obtain an exemption from the registration provisions of applicable law, and any other information required by governmental agencies having jurisdiction over the Company.

(b) There is no misrepresentation contained in the Subscription Documents completed by the Member.

(c) If such Member is a corporation, trust, partnership, limited liability company or other entity, that the officer signing on its behalf has been duly authorized to execute and deliver this Agreement.

Section 12.02 Managing Member. The Managing Member hereby represents and warrants as of the date hereof to the Company and to the Members as follows:

(a) That no commitments or obligations that would bind the Company have been entered into except as disclosed in this Agreement, the Private Placement Summary Presentation or the Subscription Documents, as amended from time to time, and as permitted under this Agreement or as otherwise provided in a notice to Members or otherwise with respect to the Real Property Investments.

(b) That to its knowledge, no material default by it or the Company (or event which, with the giving of notice or the passage of time or both, would constitute a default) has occurred under any agreement affecting the Company or its assets.

(c) That it has no actual knowledge of any claim, litigation, investigation, legal action or other proceeding in regard to liens affecting the Company or its assets; that to the best of its knowledge, no such claim, litigation, investigation, legal action or other proceeding is threatened before any court, commission, administrative body or other authority.

Section 12.03 Confidentiality.

(a) Unless otherwise approved in writing by the Managing Member, each Member agrees to keep confidential, and not to make any use of (other than for purposes reasonably related to its Membership Interest in the Company or for purposes of filing such Member's tax returns or for other routine matters required by law) nor to disclose to any Person, any information or matter relating to the Company or any of its affairs and any information or matter related to any Real Property Investment, other than disclosure to such Member's owners, managers, officers, partners employees, agents, advisors or representatives having a duty to such Member to maintain the confidentiality of such information (each such Person or Person acting in a similar capacity being hereinafter referred to as an "Authorized Representative"); provided; that such Member and its Authorized Representatives may make such disclosure to the extent that: (i) the information being disclosed is publicly known at the time of any proposed disclosure by such Member or its Authorized Representative through no act or omission by such Member or its Authorized Representative that is in breach of or violates the terms of this Agreement, (ii) the information subsequently becomes publicly known through no act or omission of such Member or its Authorized Representative, (iii) the information otherwise is, or becomes known to, such Member other than through disclosure by the Company, the Managing Member or by a Person that the Member or its Authorized Representative knows has an obligation to the Company to maintain the confidentiality of such information, (iv) such disclosure, in the reasonable opinion of legal counsel (which may be inside counsel) of such Member or its Authorized Representative, is required by law, (v) such disclosure is required to be made to examiners, auditors, inspectors, attorneys or Persons with similar responsibilities or duties of a recognized industry self-regulatory association, regulatory or governmental body, taxation authority, or securities exchange or (vi) such disclosure is in connection with any litigation or other proceeding between such Member and the Managing Member. Prior to making any disclosure required by law, the applicable Member shall notify the Managing Member of such disclosure and advise the Managing Member as to the opinion referred to above. Prior to any disclosure to

any Authorized Representative, the applicable Member shall advise such Authorized Representative of the obligations set forth in this Section 12.03(a), inform such Authorized Representative of the confidential nature of such information and direct such Authorized Representative to keep all such information in the strictest confidence and to use such information only for purposes relating to such Member's Membership Interest. Any disclosure of confidential information by an Authorized Representative of a Member that conflicts with or violates the terms and provisions of this Section 12.03(a) (interpreted as if the Authorized Representative was bound by the terms hereof) shall be deemed a breach of the provisions of this Section 12.03(a) by the applicable Member.

(b) The provisions of this Section 12.03 shall survive for a period of one (1) year from the date of dissolution of the Company. The provisions of this Section 12.03 were negotiated in good faith by the parties hereto and the parties hereto agree that such provisions are reasonable and are not more restrictive than is necessary to protect the legitimate interests of the Members and the Company.

(c) Any obligation of a Member pursuant to this Section 12.03 may be waived by the Managing Member.

ARTICLE XIII
Special Power of Attorney

Section 13.01 Execution and Consent. Each Member hereby irrevocably constitutes and appoints the Managing Member and its respective successors (hereinafter referred to as "Special Attorney") as the attorney in fact for such Member with power and authority to act in the Member's name and on the Member's behalf to execute, acknowledge, swear to and file documents and instruments necessary or appropriate to the conduct of Company business, which will include, but not be limited to, the following:

(a) this Agreement, as well as amendments thereto as required by applicable law; and

(b) any other certificates, instruments and documents, including fictitious name certificates, as may be required by, or may be appropriate under, the laws of any jurisdiction; and any documents that may be required to effect the continuation of the Company, the admission of an Additional or Substitute Member, the withdrawal of a Member, or the dissolution and termination of the Company; provided such continuation, admission or dissolution and termination are in accordance with the terms of this Agreement and applicable law.

Section 13.02 Procedural Aspects. No Member shall revoke the power of attorney granted by each Member to the Special Attorney and such power of attorney:

(a) may be exercised by the Special Attorney for each Member by listing all of the Members executing any instrument with a single signature of such Special Attorney acting as attorney in fact for all of them; and

(b) shall survive the delivery of an assignment by a Member of the whole or any portion of such Member's Membership Interest; except that where the assignee has been approved in accordance with the provisions of this Agreement for admission to the Company as a Substitute Member, the Power of Attorney shall survive the delivery of such assignment for the sole purpose of enabling the Special Attorney to execute, acknowledge and file any instrument necessary to effect such substitution.

ARTICLE XIV
Dissolution and Liquidation

Section 14.01 Dissolution. The Company shall be dissolved upon the earliest to occur of:

(a) the Involuntary Withdrawal of the Managing Member, or any other event that results in such entity ceasing to be a Managing Member, unless the remaining Members by the Majority Vote of the Members agree, within ninety (90) days after such event, to continue the Company with a new and qualified substitute Managing Member pursuant to and in accordance with the terms and conditions set forth in ARTICLE VI hereof;

(b) the Eighty Percent Vote of the Members (including for this purpose the MM Affiliated Members) in accordance with Section 6.02 ;

(c) an election to dissolve the Company made by the Managing Member;

(d) the election by the Managing Member to dissolve the Company because, due to a change in the market conditions or law or new application of existing law, the Company will not likely be able to operate in the manner originally contemplated and, as a consequence, are unlikely to achieve its investment objectives upon prior written notice to the Members; or

(e) the happening of any other event that under the Act or any other law of the Delaware that requires the dissolution of the Company.

Section 14.02 Liquidation. Upon the dissolution of the Company pursuant to Section 14.01, the Liquidators shall use their commercially reasonable efforts to cause the termination of the Company, and liquidate (or distribute in kind in accordance with Section 14.04) the assets of the Company, pay off known liabilities, establish reserves for contingent liabilities and expenses of liquidation, apply and distribute the balance of the proceeds of such liquidation in accordance with Section 10.07 of this Agreement and the Act, and shall take all other steps necessary to wind up the affairs of the Company as promptly as practicable. Any such liquidation may include a purchase of any such assets by Affiliates of the Managing Member. To the extent reasonable, the business of the Company may continue to be conducted until liquidation is complete.

Section 14.03 Notice of Dissolution. Upon the dissolution of the Company, the Liquidators shall promptly notify the Members of such dissolution as well as known creditors and claimants whose addresses appear on the Company's records.

Section 14.04 Distribution in Kind. Notwithstanding the provisions of Section 14.02, if on dissolution of the Company the Liquidators shall determine that an immediate sale of part or all of the Company's assets would be impractical or would cause undue harm, loss or injury to the Members, the Liquidators may, in their absolute discretion, either defer for a reasonable time the liquidation of any assets except those necessary to satisfy liabilities of the Company (other than those to Members) or distribute to the Members, in lieu of cash, interests in a liquidating trust with terms and conditions determined by the Liquidators. The Liquidators will provide a notice to the Members not less than ten (10) Business Days prior to such distribution describing in reasonable detail the property to be distributed, the terms and conditions of the liquidating trust, if any, and the fair market value of such property (as determined by the Liquidators in good faith). Any such in-kind distribution shall be made to the Members in accordance with the priorities provided in Section 10.07 as if the fair market value of such property were Distributable Cash, provided, that with respect to any such in-kind distribution, each Member shall have the right and authority to disavow and refuse to accept such distribution or assign or direct that such distribution be paid to any other Person, in whole or in part, and each such transfer or assignment shall be approved by the Managing Member subject to applicable law; provided, that the Company shall have no obligation to such transferee or assignee other than to make such in-kind distribution that would otherwise be made to the transferring or assigning Member.

Section 14.05 Final Statement. As soon as practicable after the dissolution of the Company, a final statement of its assets and liabilities shall be prepared by the accountants for the Company and furnished to the Members.

ARTICLE XV
ERISA

Section 15.01 General. If, to the extent, and at such times as any assets of the Company are deemed to be "plan assets" within the meaning of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), of any Member that is an employee benefit plan governed by ERISA, the Managing Member will be, and hereby acknowledges that it will be considered to be, a fiduciary within the meaning of Section 3(21) of ERISA as to that Member. In such an event, or if any partner, employee, agent or Affiliate of the Managing Member, is ever held to be a fiduciary of any Member, then, in accordance with Sections 405(b)(1), 405(c)(2) and 405(d) of ERISA, the fiduciary responsibilities of that Person shall be limited to the person's duties in administering the business of the Company, and the Person shall not be responsible for any other duties to such Member, specifically including evaluating the initial or continued appropriateness of this investment in the Company under Section 404(a)(1) of ERISA.

Section 15.02 ERISA Matters.

(a) Each Member that is an "employee benefit plan" or that is an entity that is deemed to hold "plan assets" (an "ERISA Member") within the meaning of, and subject to the provisions of ERISA, hereby (i) acknowledges that it is its understanding that neither the Company, the Managing Member, nor any of the Affiliates of the Managing Member, are "fiduciaries" of such Member within the meaning of ERISA by reason of the Member investing

its assets in, and being a Member of, the Company; (ii) acknowledges that it has been informed of and understands the investment objectives and policies of, and the investment strategies that may be pursued by, the Company; (iii) acknowledges that it is aware of the provisions of Section 404 of ERISA relating to the requirements for investment and diversification of the assets of employee benefit plans and trusts and subject to ERISA; (iv) represents that it has given appropriate consideration to the facts and circumstances relevant to the investment by that ERISA Member's plan in the Company and has determined that such investment is reasonably designed, as part of such portfolio, to further the purposes of such plan; (v) represents that, taking into account the other investments made with the assets of such plan, and the diversification thereof, such plan's investment in the Company is consistent with the requirements of Section 404 and other provisions of ERISA; (vi) acknowledges that it understands that the current distribution of cash will not be a primary objective of the Company; and (vii) represents that, taking into account the other investments made with the assets of such plan, the investment of assets of such plan in the Company is consistent with the cash flow requirements and funding objectives of such plan.

(b) Notwithstanding any other provision of this Agreement to the contrary, each ERISA Member upon demand by the Managing Member shall withdraw from the Company or Transfer its Membership Interests to another Person, in whole or in part, at the time and in the manner hereinafter provided, that either the ERISA Member or the Managing Member shall obtain an opinion of counsel (which counsel shall be reasonably acceptable to the Managing Member) to the effect that, as a result of applicable statutes, regulations, case law, administrative interpretations, or similar authority (i) the continuation of the ERISA Member as a Member of the Company or the conduct of the Company will result, or there is a material likelihood the same will result, in a material violation of ERISA, or (ii) all or any portion of the assets of the Company constitute assets of the ERISA Member for the purposes of ERISA and are subject to the provisions of ERISA to substantially the same extent as if owned directly by the ERISA Member. In the event of the issuance of such opinion of counsel, a copy of such opinion shall, if required by the Managing Member, be given to all the ERISA Members, together with the written demand of the Managing Member for the ERISA Member to withdraw or so Transfer its Membership Interests, in whole or in part. Thereupon, unless the Managing Member is able to eliminate the necessity for such withdrawal or Transfer to the reasonable satisfaction of the ERISA Member and the Managing Member, whether by correction of the condition giving rise to the necessity of such Member's withdrawal or Transfer of Membership Interests, or the amendment of this Agreement, or otherwise, such Member shall withdraw or Transfer its interest in the Company to the extent demanded by the Managing Member, such withdrawal or Transfer to be effective upon the last day of the fiscal quarter during which such written notice and opinion is received.

(c) The Member that withdraws or Transfer its interest in the Company under this ARTICLE XV shall be entitled to receive within one hundred twenty (120) days after the date of such withdrawal or Transfer an amount equal to the fair market value of such Member's Membership Interest subject to such withdrawal or Transfer as of the effective date of such withdrawal or Transfer, as determined by the Managing Member in good faith; provided, that (i) the Managing Member shall provide such Member with a notice of its fair market valuation of such Membership Interest; and (ii) if such Member objects to such fair market valuation of such

Membership Interest within ten (10) Business Days after receipt of such notice, then the fair market value of such Member's Membership Interest subject to such withdrawal or Transfer shall be conclusively determined by an independent qualified appraiser proposed by such Member and approved by the Managing Member (which approval shall not be unreasonably withheld, delayed or conditioned).

(d) Any distribution or payment to a withdrawing Member pursuant to this Section 15.02: (i) may, as determined by the Managing Member, be made in cash, in securities, in the form of a promissory note, the terms of which shall be mutually agreed upon by the Managing Member and the withdrawing Member, or any combination thereof (which agreement shall not be unreasonably withheld, delayed or conditioned); and (ii) shall reduce the amount of the Capital Contributions of such Member and the Preferred Return thereon, but not below zero.

Section 15.03 Governmental Plan Members. Notwithstanding any other provision of this Agreement to the contrary, any Member that is a "governmental plan" as defined in Title 29, section 1002(32) of the United States Code (a "Governmental Plan Member") may elect (and upon the approval of the Managing Member shall be permitted) to withdraw from the Company, or upon demand by the Managing Member shall withdraw from the Company, in each case, in whole or in part to the extent demanded by the Managing Member, if either the Governmental Plan Member or the Managing Member shall obtain an opinion of counsel (which counsel shall be reasonably acceptable to the Managing Member) to the effect that the Governmental Plan Member, the Company, or the Managing Member (including its Affiliates) would be in material violation of any law, statute, regulation or ordinance applicable to the Governmental Plan Member, the Company or the Managing Member as a result of the Governmental Plan Member continuing as a Member. In the event of the issuance of the opinion of counsel referred to in the preceding sentence, the withdrawal of and disposition of the Governmental Plan Member's interest in the Company shall be governed by the last two sentences of Section 15.02(b) and Sections 15.02(c) and (d) of this Agreement, as if the Governmental Plan Member were an ERISA Member.

Section 15.04 Private Foundation Members. Notwithstanding any other provision of this Agreement to the contrary, any Member that is a "private foundation" as described in Section 509 of the Code (a "Private Foundation Member"), may elect (and upon the approval of the Managing Member shall be permitted) to withdraw from the Company, or upon demand by the Managing Member shall withdraw from the Company, in each case, in whole or in part to the extent demanded by the Managing Member, if either the Private Foundation Member or the Managing Member shall obtain an opinion of counsel (which counsel shall be reasonably acceptable to the Managing Member) to the effect that such withdrawal is necessary in order for the Private Foundation Member to avoid (a) excise taxes imposed by Subchapter A of Chapter 42 of the Code (other than Sections 4940 and 4942 thereof), or (b) a material breach of the fiduciary duties of its trustees under any federal or state law applicable to private foundations or any rule or regulation adopted thereunder by any agency, commission, or authority having jurisdiction. In the event of the issuance of the opinion of counsel referred to in the preceding sentence, the withdrawal of and disposition of the Private Foundation Member's interest in the Company shall be governed by the last two sentences of Section 15.02(b) and Sections 15.02(c) and (d) of this Agreement, as if the Private Foundation Member were an ERISA Member.

ARTICLE XVI
General Provisions

Section 16.01 Address and Notices. The address of each Member for all purposes shall be the address set forth on the signature page of this Agreement or such other address of which the Managing Member has received written notice. Any notice, demand or request required or permitted to be given or made hereunder shall be in writing and shall be deemed given or made (a) when delivered in person or (b) one (1) Business Day after deposit thereof to a nationally recognized overnight courier including the U.S. Postal Service Express Mail and Federal Express (with the applicable postage or fee paid); (c) three (3) Business Days after deposit thereof with the U.S. Postal Service with the applicable postage paid; or (d) when delivered by telecopy or electronic mail, if a copy of such notice is also sent in a manner described in the foregoing clauses of this Section 16.01. All Members shall notify the Managing Member in writing of any change in address promptly after any such change.

Section 16.02 Interpretation. All Article and Section titles and captions in this Agreement are for convenience only. They shall not be deemed part of this Agreement and in no way define, limit, extend or describe the scope or intent of any provisions hereof. Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine or neuter forms. Any reference to any statute or other law shall include amendments to such statute or law and any interpretations of such statute or law by a court of competent jurisdiction or applicable regulatory authority. The singular form of nouns, pronouns and verbs shall include the plural and vice versa. The term "including" shall be deemed to mean "including without limitation". Any reference to a Section, Exhibit, or Schedule shall be deemed to mean a Section to this Agreement or an Exhibit or Schedule to this Agreement unless the context otherwise requires. Unless otherwise provided in this Agreement, any reference in this Agreement to the power, discretion or authority of the Managing Member shall mean that such power, discretion or authority may be exercised or withheld or not exercised in the sole and absolute discretion of such Person, which may be arbitrary, unless otherwise provided in this Agreement.

Section 16.03 Further Action. The parties shall execute and deliver all documents, provide all information and take or forbear from taking all such action as may be necessary or appropriate to achieve the purposes set forth in this Agreement.

Section 16.04 Applicable Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware and the parties hereto agree to submit to the exclusive jurisdiction of the federal and state courts located within the County of New York of New York State in connection herewith.

Section 16.05 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their heirs, executors, administrators, successors, legal representatives and assigns. The provisions of Section 4.04 and Section 10.08(d) shall inure to the benefit of each of the Covered Parties, each being an express third party beneficiary of such terms.

Section 16.06 Integration. This Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof, and supersedes all prior agreements and understandings pertaining thereto. No covenant, representation or condition not expressed in this Agreement shall affect or be deemed to interpret, change or restrict the express provisions hereof. Notwithstanding the foregoing, each of the Subscription Documents shall continue in full force and effect in accordance with their terms.

Section 16.07 Amendment.

(a) This Agreement may be modified or amended only by affirmative vote of the Managing Member and the affirmative Majority Vote of the Members, except that the Managing Member may amend this Agreement from time to time without the consent, approval or other authorization of, or notice to, any of the Members if, in the opinion of the Managing Member: (i) the amendment does not have a material adverse effect on any Member; or (ii) such amendment is to reflect a Transfer of a Membership Interest, as otherwise permitted under the terms and conditions of this Agreement.

(b) Notwithstanding the foregoing, no amendment may: (i) convert a Member's Membership Interest to that of the Managing Member or modify the limited liability of any Member or require an additional Capital Contribution from any Member, without the consent of each affected Member; or (ii) amend or modify the rights of the Members to distributions pursuant to the provisions of Section 10.07 or, upon liquidation of the Company, Section 14.02 or Section 14.04; or (iii) amend or modify the allocation of income, gains, losses or deductions of the Company to the Members in accordance with the provisions of ARTICLE X; or (iv) amend the provisions of this Section 16.07 without the consent of the Members, at a vote at a duly convened meeting or by written consent in lieu thereof, owning eighty percent (80%) or more of the aggregate Capital Contributions in respect of the Membership Interests (including the aggregate Capital Contributions of the MM Affiliated Members, if any,); or (v) amend any provision of ARTICLE XV without the prior consent of the ERISA Members holding fifty percent (50%) or more of the aggregate Capital Contributions in respect of the Membership Interests of the ERISA Members; or (vi) amend any provision of Section 6.02(e) or Section 10.07(e) without the consent of the Managing Member; or (vii) amend any provision hereof which requires the consent or approval of Members holding a specified percentage of the Capital Contributions in the Company without the consent of Members holding such specified percentage of Capital Contributions.

(c) In addition to the foregoing, the Managing Member shall be authorized to enter into one or more side agreements with any Member without notice to or consent of any Member, in order to implement or document the exercise of the Managing Member's discretionary authority under any provision of this Agreement to modify the terms of this Agreement with respect to such affected Member.

Section 16.08 Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company.

Section 16.09 Waiver by Member.

(a) Any Member by notice to the Managing Member may, but shall be under no obligation to, waive any of its rights or any conditions to its obligations hereunder, or any duty, obligation or covenant of any other Member.

(b) No such waiver shall affect or alter the remainder of this Agreement, but each and every covenant, agreement, term and condition hereof shall continue in full force and effect with respect to any other existing or subsequent breach.

Section 16.10 Rights and Remedies.

(a) The rights and remedies of any of the Members hereunder shall not be mutually exclusive, and the implementation of one or more of the provisions of this Agreement shall not preclude the implementation of any other provision.

(b) Each of the Members confirms that damages at law may be an inadequate remedy for a breach or threatened breach of any provision hereof. The respective rights and obligations hereunder shall be enforceable by specific performance, injunction or other equitable remedy but nothing herein contained is intended to or shall limit or affect any rights at law or by statute or otherwise of any Member aggrieved as against the other Members for a breach or threatened breach of any provision hereof, it being the intention of this paragraph to make clear that the respective rights and obligations of the Members hereunder shall be enforceable in equity as well as at law or otherwise.

Section 16.11 Counterparts. This Agreement may be executed in counterparts, all of which taken together shall constitute one agreement binding on all parties, notwithstanding that all the parties are not signatories to the original or the same counterpart. Each party shall become bound by the Agreement immediately upon affixing his or its signature hereto, independently of the signature of any other party.

Section 16.12 Waiver of Partition. Each Member hereby waives any right to partition of the Company property.

Section 16.13 Waiver of Jury Trial. EACH MEMBER, THE COMPANY AND THE MANAGER HEREBY AGREE NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVE ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS AGREEMENT, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY EACH MEMBER, THE COMPANY AND THE MANAGER, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. EITHER PARTY IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY THE OTHER.

Section 16.14 Attorneys' Fees. In any action or proceeding brought to enforce any provision of this Agreement, or where any provision of this Agreement is validly asserted as a defense, the successful party shall be entitled to recover its actual attorneys' fees and all disbursements in addition to any other available remedy.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this Agreement has been duly executed as a deed as of the day and year first above written.

Company:

WHARTON RM HOSPITALITY, LLC

By: _____
Name:
Title:

Managing Member:

LBP HOTEL ADVISORS, LLC

By: _____
Name:
Title:

Signatures of Members to this Agreement are attached hereto as separate pages.

Wharton RM Hospitality, LLC

A Delaware Limited Liability Company

Subscription Documents

March 2016

To subscribe for limited liability company interests ("Interests") in Wharton RM Hospitality, LLC (the "Company"), a prospective investor must complete the subscription documents contained in this booklet (the "Subscription Documents") in accordance with the instructions set forth herein. The Subscription Documents should be emailed to NHCohen Capital LLC, the placement agent (the "Placement Agent") at:

NHCOHEN CAPITAL LLC
Attn: Investor Services
2 Park Avenue, 14th Floor
New York, NY 10016
Tel. (212) 498-6960
E-mail: ncohen@nhcohenpartners.com

Please be sure that your name is the same in all signatures and places where it is printed on the documents. Duplicate copies of each signed document will be returned to you after your subscription is accepted and the closing (the "Closing") with respect to your subscription for Interests has occurred.

This booklet of Subscription Documents is being delivered to the Subscriber together with the Amended and Restated Investment Summary of the Company, dated as of March 15, 2016 (as further amended and supplemented from time to time, the "Investment Summary"), relating to the private offering of the Interests. NO PERSON IS AUTHORIZED TO RECEIVE THESE SUBSCRIPTION DOCUMENTS UNLESS SUCH PERSON HAS PREVIOUSLY RECEIVED, OR SIMULTANEOUSLY RECEIVES, COPIES OF THE INVESTMENT SUMMARY AND LIMITED LIABILITY COMPANY AGREEMENT OF THE COMPANY (THE "LLC AGREEMENT"). Delivery of these Subscription Documents to anyone other than the intended recipient is unauthorized, and any reproduction or circulation of this booklet, in whole or in part, is prohibited.

Unless otherwise defined herein, or unless otherwise required by the context, all capitalized terms used in these Subscription Documents have the meanings ascribed to them in the LLC Agreement provided together with the Investment Summary.

Subscriptions from suitable prospective investors will be accepted in the sole discretion of the Managing Member after receipt of all Subscription Documents, properly completed and executed, and proper payment has been received.

WHARTON RM HOSPITALITY, LLC
INSTRUCTIONS TO SUBSCRIBERS

Company Documents	To subscribe for Interests in the Company, as described below, a prospective investor must complete the enclosed Subscription Agreement and Signature Page to the LLC Agreement, as described below. In addition, if a prospective investor has not previously provided the Placement Agent with information with respect to its status as an "accredited investor", as that term is defined in Regulation D under the Securities Act, such prospective investor must complete the enclosed Investor Questionnaire. In addition, in connection with a subscription for Interests, each prospective investor should carefully read the LLC Agreement and the Investment Summary in their entirety.
Subscription Agreement	Please read, complete, date and sign. *Corporations, partnerships, limited liability companies, trusts and other entities must attach appropriate authorizing instruments (i.e., corporate resolution or by-laws, partnership agreement, operating agreement or trust instrument) and a list of authorized signatories.* *The Managing Member may accept qualified retirement plans and requires all such plans to attach all plan and trust documents and any other instruments necessary to establish the status of the person executing the Subscription Agreement as a named fiduciary of the plan. For IRAs, the IRA owner must complete the subscription documents, and the IRA custodian must approve the subscription documents on behalf of the IRA subscriber. For additional information please ask the Placement Agent.* *In the event that the Subscriber is governed pursuant to the rules and regulations of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), the person executing this Agreement on behalf of the Subscriber should contact the Placement Agent for additional instructions.*
Investor Questionnaire	If a prospective investor has not previously provided the Placement Agent with information with respect to its status as an "accredited investor", please read, complete, date and sign.
Privacy Policy	Please review the enclosed copy of the Company's Privacy Policy.
Signature Page to LLC Agreement	Please complete, date and sign.
Payment and Delivery of Subscription Documents	Each Subscriber must contribute its full Capital Contribution amount to the Company not less than ten (10) business days prior to the date of the Closing.

Wire transfers must be made to:

Bank Name: Wilmington Trust
Account Name: Wharton RM/Cohen NH Subscription Escrow
Account No.: 115414-000
ABA #: 031100092
Under Reference: Attn: Deb Daniello 617-457-2020
For Benefit Of: [Name of Investor]

[If wiring, please notify NHCohen Capital to assure credit to the correct account.]

Checks delivered to the Company must be made **payable to** "**Wilmington Trust N.A., Escrow Agent for Wharton RM Hospitality, LLC**" and delivered to the Managing Member as follows:

LBP Hotels LLC
c/o NHCohen Capital LLC
2 Park Avenue, 14th Floor
New York NY 10016
Attention: Investor Services
212-498-6962 (Phone)
855-856-6483 (Fax)

If you pay by check, your subscription will not be effective until the check has cleared and we receive payment on the check.

IRA accounts, if acceptable to the Company, should be opened through a mutually acceptable custodian.

Tax Certification

Each Subscriber that is a U.S. person (e.g., a U.S. citizen or resident, a partnership organized under U.S. law, a corporation organized under U.S. law, a limited liability company organized under U.S. law, or an estate or trust (other than a foreign estate or trust whose income from sources without the U.S. is not includible in the beneficiaries' gross income)) must provide the Managing Member with its taxpayer identification number on a signed IRS Form W-9. This form is necessary for the Company to comply with its U.S. tax filing obligations and to establish that the Subscriber is not subject to certain withholding tax obligations applicable to non-U.S. persons. The completed form should be returned to the Placement Agent on behalf of the Company. Do not send it to the IRS.

Subscribers that are not U.S. persons or resident aliens are required to provide information about their status for withholding purposes on Form W-8BEN or W-8BEN-E, as applicable (for foreign beneficial owners). Subscribers that are not U.S. persons should provide the Managing Member with the appropriate Form W-8. Please contact the Managing Member if you need further information regarding these forms, or your tax advisers if you need assistance completing these forms.

Subscribers may access the IRS website (www.irs.gov) to obtain IRS Form W-8, W-9 and the other appropriate forms and their instructions.

IF YOU HAVE ANY QUESTIONS ABOUT THESE SUBSCRIPTION DOCUMENTS, PLEASE CONTACT NED H. COHEN AT THE PLACEMENT AGENT AT TELEPHONE NO. (212) 498-6960 or VIA E-MAIL AT NCOHEN@NHCOHENPARTNERS.COM.

WHARTON RM HOSPITALITY, LLC
SUBSCRIPTION AGREEMENT

ARTICLE I
PURCHASE OF MEMBERSHIP INTEREST

1.01. Subscription. The undersigned (the "Subscriber") hereby subscribes (the "Subscription") to a limited liability company interest in the amount set forth as the "Amount of Capital Contribution" on the signature page hereto (the "Contribution") in Wharton RM Hospitality, LLC (the "Company"), a limited liability company formed under the laws of the State of Delaware, with offices at c/o LBP Hotels LLC, 505 Park Avenue, 18th Floor, New York NY 10022. The Contribution shall be evidenced by units (the "Units") in the Company set forth on the signature page hereto. This subscription shall become effective when it has been duly executed by the Subscriber and this Subscription Agreement (this "Agreement") has been accepted and agreed to by [LBP Hotels LLC] (the "Managing Member").

1.02. Receipt of Investment Summary and LLC Agreement Acknowledged. The Subscriber acknowledges receipt of a copy of the Company's Investment Summary, dated as of January 2016, and related Exhibits (as supplemented by that certain Supplement to Investment Summary, dated as of February 2016, and as further amended and supplemented from time to time, the "Investment Summary"), including the Company's Limited Liability Company Agreement (as amended or supplemented from time to time, the "LLC Agreement"). Capitalized terms used but not defined shall have the meanings set forth in the Investment Summary and the LLC Agreement, as applicable. The form of the LLC Agreement that will be in effect as of the Closing has been provided to you.

THE SUBSCRIBER ACKNOWLEDGES THAT THE SUBSCRIBER IS ACQUIRING THE INTEREST AFTER INVESTIGATION OF THE COMPANY AND ITS PROSPECTS AND THAT NO OFFER OR SOLICITATION HAS BEEN MADE TO THE SUBSCRIBER EXCEPT THROUGH THE INVESTMENT SUMMARY AND THE LLC AGREEMENT. THE SUBSCRIBER FURTHER ACKNOWLEDGES THAT THE SUBSCRIBER IS NOT RELYING UPON ANY REPRESENTATION MADE BY ANY PERSON EXCEPT AS CONTAINED IN THE INVESTMENT SUMMARY AND THE LLC AGREEMENT.

1.03. Payment for Subscription. The Subscriber agrees that the Capital Contribution to the Company, in the amount specified by the Managing Member in accordance with the Investment Summary and the LLC Agreement, in connection with the Subscriber's Subscription to the Company, (a) shall be paid by wire transfer to the Company's escrow account in accordance with the Wire Transfer Instructions set forth on page 1 to the Instructions to Subscribers enclosed herewith, or (b) shall be payable by check in accordance with the Instructions set forth on page 2 to the Instructions to Subscribers enclosed herewith, and (c) is due on the date that this Agreement and the Member's Signature Page is executed and delivered.

1.04. Terms and Conditions. The Company shall have the right to accept or reject the Subscription, in whole or in part, for no reason at all or for any reason whatsoever. If the Subscription is rejected in whole or in part, the Subscriber will be promptly refunded the rejected amount of its Subscription payment without deduction, and this Agreement shall be rendered null and void and have no further force and effect as to such rejected amount; provided, further that only the Subscription amount which is accepted shall then be given effect as the Subscription for all purposes hereunder and under the Agreement.

ARTICLE II
REPRESENTATIONS AND WARRANTIES

2.01. Representations and Warranties by the Managing Member. The Managing Member represents and warrants to the Subscriber that:

(a) The Managing Member has the full legal right, power and authority to: (i) enter into this Agreement and to perform the Managing Member's obligations hereunder; and (ii) execute and deliver this Agreement, and the consummation of the transactions contemplated herein will not result in a breach or violation of, or a default under, any agreement, law, regulation or decree by which the Company is bound.

(b) The Subscriber will acquire the Subscriber's Interest free and clear of any liens, charges or encumbrances.

(c) No registration with, application to, approval of, or other action by any Federal, state or other governmental commission or regulatory body is required in connection with this Agreement and no Federal or state agency has passed upon the Interest or made any findings or determination as to the fairness of this investment.

2.02. Survival of Representations and Warranties. The representations and warranties of the Managing Member shall survive the Closing and shall be fully enforceable at law or in equity against the Managing Member and the Managing Member's heirs and personal representatives.

2.03. Disclaimer.

(a) It is specifically understood and agreed by the Subscriber that the Managing Member, NHCohen Capital LLC (the "Placement Agent") and their respective affiliates have not made, nor by this Agreement shall be construed to make, directly or indirectly, explicitly or by implication, any representation, warranty, projection, assumption, promise, covenant, opinion, recommendation or other statement of any kind or nature with respect to the anticipated profits or losses of the Company.

(b) The Managing Member has made available to the Subscriber and the Subscriber's accountants, attorneys and other advisors full and complete information concerning the financial structure of the Company, and any and all data requested by the Subscriber as a basis for estimating the potential profits and losses of the Company and the Subscriber acknowledges that the Subscriber has either reviewed such information or has waived review of such information.

2.04. General Representations and Warranties by the Subscriber. The Subscriber represents and warrants to the Managing Member that:

(a) The Subscriber has been furnished, has carefully read, and has relied solely (except for information obtained pursuant to paragraph (b) below), on the information contained in the Investment Summary and the LLC Agreement and the Subscriber has not received any other offering literature or prospectus and no representations or warranties have been made to the Subscriber by the Managing Member or the Company, other than the representations set forth in the Investment Summary, the LLC Agreement and this Agreement.

(b) The Subscriber has had an unrestricted opportunity to: (i) obtain additional information concerning the offering of Interests pursuant to the Investment Summary (the "Offering"), the Interests, the Managing Member, the Company and any other matters relating directly or indirectly to the Subscriber's purchase of the Interest; and (ii) ask questions of, and receive answers from, the Managing Member and/or the Placement Agent concerning the terms and conditions of the Offering and to obtain such additional information as may have been necessary to verify the accuracy of the information contained in the Investment Summary, LLC Agreement or otherwise provided.

(c) The Subscriber hereby reconfirms that it is an Accredited Investor (for the reasons previously disclosed to the Placement Agent or as indicated in the attached Investor Questionnaire). The Subscriber acknowledges and understands that the Managing Member will rely on the information provided by the Subscriber in this Agreement and, if applicable, in the Investor Questionnaire that accompanies this Agreement for purposes of complying with applicable Federal and state securities laws.

(d) The Subscriber has not dealt with any broker other than the Placement Agent in connection with the purchase of the Interest and agrees to indemnify and hold the Managing Member, the Placement Agent and the Company harmless from any claims for brokerage commissions or fees in connection with the transactions contemplated herein other than to the Placement Agent.

(e) The Subscriber is not relying on the Managing Member, the Company or the references to any legal opinion in the Investment Summary with respect to any legal, investment or tax considerations involved in the purchase, ownership and disposition of an Interest. The Subscriber has relied solely on the advice of, or has consulted with, in regard to the legal, investment and tax considerations involved in the purchase, ownership and disposition of an Interest, the Subscriber's own legal counsel, business and/or investment adviser, accountant and tax adviser.

(f) **If the Subscriber is a corporation, partnership, limited liability company, trust or other entity:** (i) it is authorized and qualified to become a member in, and authorized to make its Capital Contributions to, the Company; (ii) the person signing this Agreement on behalf of such entity has been duly authorized by such entity to do so; and (iii) unless otherwise approved by the Managing Member, such entity was not organized or reorganized for the specific purpose of acquiring the Interest.

(g) The Subscriber understands that Interests (and corresponding Units) cannot be sold, assigned, transferred, exchanged, hypothecated or pledged, or otherwise disposed of or encumbered without the prior written consent of the Managing Member, which may be given or withheld in its sole and absolute discretion, and that no market will exist for the resale of any Interests or Units. The Subscriber understands that no withdrawals of capital are permitted and that distributions will not be made for an indefinite period of time. In addition, the Subscriber understands that the Interests (and corresponding Units) have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or under any applicable state securities or blue-sky laws or the laws of any other jurisdiction, and cannot be resold unless they are so registered or unless an exemption from registration is available. The Subscriber understands that there is no plan to register the Interests or the Units under any law.

(h) The Subscriber understands the various risks of an investment in the Company and that the Managing Member and its principals each have conflicts of interest with the Company, and the Subscriber has carefully reviewed the various risks and conflicts summarized under *"EXHIBIT D - CERTAIN RISK FACTORS"* in the Investment Summary.

(i) The Subscriber represents that it understands that an investment in the Company involves significant risks not associated with other investment vehicles and is suitable only for persons of adequate financial means who have no need for liquidity in this investment. The Subscriber also represents that no assurances or guarantees have been made to the Subscriber by anyone regarding whether the Company's investment objective will be realized or whether the Company's investment strategy will prove successful. The Subscriber recognizes that he or she may lose all or a portion of its investment in the Company. The Subscriber also understands that if he or she is subject to income tax, an investment in the Company is likely (if the Company is successful) to create taxable income or tax liabilities in excess of cash distributions to pay such liabilities.

(j) The Subscriber is willing and able to bear the economic risks of an investment in the Company over the Term. The Subscriber offers, as evidence of its ability to bear economic risk, the information required hereinafter in these Subscription Documents. The Subscriber has read and understands the provisions of the LLC Agreement.

(k) The Subscriber maintains its domicile and principal place of business, and is not merely a transient or temporary resident, at the residence address shown on the signature page of this Agreement.

(l) Except as indicated herein, any purchase of an Interest will be solely for the account of the Subscriber, and, not for the account of any other person or with a view toward resale, assignment, fractionalization or distribution thereof. In connection with this Subscription to the Company, if the Subscriber is acting as custodian, nominee or agent for another person or persons (the "Beneficial Owner"), the Subscriber represents that the representations, warranties and agreements made in the Subscription Documents for the Company are made by the Subscriber as the investor: (i) with respect to the Subscriber and (ii) with respect to the Beneficial Owner, except as otherwise disclosed in writing by the Subscriber to the Managing Member. The Subscriber further represents and warrants that it has all requisite power and authority from said Beneficial Owner to execute and perform the obligations under the Subscription Documents for the Company. The Subscriber also agrees to indemnify and hold harmless the Company, the Managing Member, the Placement Agent and their respective managers, members, partners, shareholders, directors, officers, employees, agents and affiliates for any and all costs, fees and expenses (including legal fees and disbursements) in connection with any damages resulting from any misrepresentation or misstatement contained in the Subscription Documents, or the assertion of the Subscriber's lack of proper authorization from the Beneficial Owner to enter into the Subscription Documents or perform the obligations thereunder.

(m) The Subscriber represents that all of the information contained in this Agreement is complete and accurate and that the Subscriber will notify the Managing Member and the Placement Agent immediately of any material change in any such information. Further, the Subscriber represents that any and all documentation presented to the Managing Member and the Placement Agent in connection with the completion of this Agreement is accurate and genuine. The Subscriber understands that the Managing Member and the Placement Agent will rely on the information contained herein, as well as the documentation with which it is provided in connection with the completion of this Agreement. The Subscriber agrees to indemnify and hold harmless the Company, the Managing Member, the Placement Agent and their respective managers, members, partners, shareholders, directors, officers, employees, agents and affiliates against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all expenses whatsoever reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon (i) any false representation or warranty or breach or failure by the Subscriber to comply with any covenant or agreement made by the Subscriber in this Agreement or in any other document furnished by the Subscriber to any of the foregoing in connection with this transaction or (ii) any action for securities law violations instituted by the Subscriber which is finally resolved by judgment against the Subscriber.

(n) The Subscriber represents that it has relied solely upon investigations made by himself/herself/itself, his/her/its attorney and accountant and agents in making the decision to participate in the proposed offering. The Subscriber further acknowledges that no statement, printed material or inducement has been given or made by the Company or its representatives which is contrary to the information contained in the Investment Summary and related Exhibits.

(o) The Subscriber acknowledges that the Company, the Managing Member and the Placement Agent may disclose to each other, to any other service provider to the Company or to any regulatory or governmental body in any applicable jurisdiction, copies of the Subscriber's subscription application and any information concerning the Subscriber provided by the Subscriber to the Company, the Managing Member or the Placement Agent, and any such disclosure shall not be treated as a breach of any restriction upon the disclosure of information imposed on such person by law or otherwise.

(p) The Subscriber understands and acknowledges that any distributions or other payments to the Subscribers by the Company shall only be made directly to the Subscriber, and not to any third party or designee of the Subscriber.

(q) The Subscriber acknowledges that the law firm of Herrick, Feinstein LLP acts as legal counsel to the Company, the Managing Member and the Placement Agent. The Subscriber acknowledges and consents to such multiple representation, and acknowledges that Herrick, Feinstein LLP is not representing the interests of the Subscriber, nor is Herrick, Feinstein LLP responsible for monitoring or overseeing the activities of the Company, the Managing Member and the Placement Agent.

2.05. Representations and Warranties by Subscriber under applicable U.S. Anti-Money Laundering Regulations.

(a) The USA Patriot Act (the "Act")[1] was enacted to detect and deter the occurrence of money laundering and other illegal activity. Of particular applicability to the proposed contribution by the Subscriber, are the Act's requirements relating to customer identification, the derivation of the funds to be contributed, as well as the general purpose and objective of the investment.

(b) The proposed Subscription by the Subscriber in the Company does not directly or indirectly contravene United States federal, state, international or other laws or regulations, including anti-money laundering laws (a "Prohibited Investment"). The Subscriber further represents and warrants that the funds invested by the Subscriber in the Company are not derived from illegal or illegitimate activities.

(c) Federal regulations and Executive Orders administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") prohibit U.S. persons from, among other things, engaging in transactions with or providing services to certain foreign countries, entities and individuals. The identities of OFAC-prohibited countries, territories and Persons ("Sanctioned Countries and Persons") can be found at 31 CFR Chapter V and on the OFAC website at www.treas.gov/ofac. The Subscriber hereby represents and warrants that none of the Subscriber or any of its Affiliates is a Sanctioned Country or Person or a resident of a Sanctioned Country, nor is the Subscriber or any of its Affiliates a natural person or entity with whom dealings by U.S. persons are, unless licensed, prohibited under any Executive Orders or regulations administered by OFAC.

(d) Notwithstanding any contrary provision in this Subscription or any related agreement, the Subscriber understands and agrees that, if, at any time following the Subscriber's investment in the Company, the Managing Member reasonably believes that the investment is or has become a Prohibited Investment, or applicable law then otherwise so requires, the Company may "freeze the account" of the Subscriber, including without limitation restricting distributions. In such event, if required by law, the Subscriber may be forced to forfeit its investment or withdraw from the Company or may otherwise be subject to the remedies required by law, and, to the fullest extent permitted by applicable law, the Subscriber shall have no claim against any Person for any form of damages as a result of any of the actions described in this paragraph. The Company may also be required to report such action and to disclose the Subscriber's identity or provide other information with respect to the Subscriber to OFAC or other governmental entities. In the event that the Managing Member is required to take any of the foregoing actions, the Subscriber understands and agrees that it shall have no claim against the Company or the Managing Member, and their respective affiliates, directors, members, partners, shareholders, officers, employees, service providers and agents for any form of damages as a result of any of the aforementioned actions.

(e) Except as otherwise disclosed to the Company in writing: (i) the Subscriber is not resident in, or organized or chartered under the laws of, (A) a jurisdiction that has been designated by the U.S. Secretary of the Treasury under Section 311 or 312 of the Act as warranting special measures due to money laundering concerns or (B) any foreign country that has been designated as non-cooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering, of which the United States is a member and with which designation the United States representative to the group or organization continues to concur (a "Non-Cooperative Jurisdiction"); (ii) the subscription funds of the Subscriber do not originate from, nor will they be routed through, an account maintained at (A) a foreign bank without a physical presence in any country that is not a Regulated Affiliate (as hereinafter defined), (B) a foreign bank (other than a Regulated Affiliate) that is barred, pursuant to its banking license, from conducting banking activities with the citizens of, or with the local currency of, the country that issued the license or (C) a bank organized or chartered under the laws of a Non-Cooperative Jurisdiction and (iii) the Subscriber is not a senior foreign political figure, or any immediate family member or close associate of a senior foreign political figure, in each case within the meaning of the Patriot Act. As used herein, a "Regulated Affiliate" is a foreign bank that (i) is an affiliate of a depositary institution, credit union or foreign bank that maintains a physical presence in the United

[1] This Act is officially known as "The Uniting and Strengthening America Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001."

States or a foreign country, as applicable, and (ii) is subject to supervision by a banking authority in the country regulating such affiliated depositary institution, credit union, or foreign bank.

(f) The Subscriber agrees to provide any information requested by the Managing Member which the Managing Member reasonably believes will enable the Company to comply with all applicable anti-money laundering statutes, rules, regulations and policies, including any policies applicable to an investment held or proposed to be held by the Company. The Subscriber understands and agrees that the Managing Member and its designees may release confidential information about the Subscriber to any Person, if the Managing Member, in its sole discretion, determines that such disclosure is required by applicable law, including the relevant rules and regulations concerning Prohibited Investments.

(g) The Subscriber agrees promptly to notify the Company should the Subscriber become aware of any change in the information set forth in paragraphs (a) - (f) of this Section 2.05.

(h) The Subscriber agrees that any distributions paid to it will be paid to the same account from which its investment in the Company was originally remitted which shall also be the account specified as the account from which payments will be made by the Subscriber to the Company and for distributions from the Company to the Subscriber in the Subscriber's Subscription Agreement, unless the Managing Member, in its sole discretion, agrees otherwise.

2.06. Representations and Warranties by Subscriber regarding Certain Tax Matters. The Subscriber agrees to timely provide the Company with such documents and other information as the Company may request in order for the Company to comply with all legal and tax information reporting and withholding obligations and requirements applicable to the Company and/or its Members (including, without limitation, under the Foreign Account Tax Compliance Act, contained in Sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended, or under any applicable tax and anti-money laundering statutes), and to avoid any penalty or withholding or other adverse consequence resulting from the Company's failure to comply with such obligations and requirements. If the Subscriber fails to timely provide the Company with such documents and information, completely and accurately, and such failure results in the Company's inability to comply with any such obligation or requirement, the Subscriber agrees that it (i) shall be liable for any penalty, withholding or other adverse consequence imposed on the Company, any entity that the Company is invested in, their respective and owners, and/or any of their respective directors, officers, employees, agents, managers, owners, shareholders and/or partners as a result, and associated costs and expenses, (ii) shall promptly indemnify any such party in full for all such amounts, costs and expenses, and (iii) shall timely provide any such party with any and all information reasonably related to any proceeding involving the party in connection with the matters described in this paragraph.

ARTICLE III
PLACEMENT AGENT

3.01. Placement Agent. The Managing Member, on behalf of the Company, has engaged the Placement Agent as the placement agent to offer the Interests (and corresponding Units) on a "reasonable efforts" basis. The Placement Agent may engage co-agents or other sub-agent broker-dealers to assist in the Offering. The agreement with the Placement Agent and the Company generally provides that:

(a) The Placement Agent shall receive a cash fee equal to six percent (6.00%) of the aggregate Capital Contributions made by Subscribers to the Company as a result of the sale of the Interests (and corresponding Units).

(b) The Company will be responsible for all of its own expenses (e.g., legal, accounting, printing) in connection with the Offering, along with: (i) actual expenses incurred by the Placement Agent in relation to diligence, travel and entertainment in support of its efforts; and (ii) reasonable and documented expenses of the Placement Agents 's transaction counsel.

ARTICLE IV
ESCROW OF SUBSCRIPTION PAYMENT

4.01. Escrow of Subscription Payment. All funds tendered by subscribers will be held in a non-interest bearing escrow account in the Company's name at Wilmington Trust N.A. (the "Escrow Bank"). It is contemplated that the funds will be released from escrow at such time (or promptly thereafter) as all conditions to Closing have been satisfied (or otherwise waived) and the Closing is consummated. It is contemplated that in the event that the Company and the Placement Agent do not provide written instructions to the Escrow Bank with respect to the disbursement of funds on or before 5:00 p.m. New York time, on July 31, 2016, unless extended to September 30, 2016 or in the event that there shall have occurred any material adverse change in the financial markets of the United States, any outbreak or escalation of hostilities or other national or international calamity or crisis the effect of which is such to make it, in the judgment of the Placement Agent, impracticable to market the Units or enforce contracts for the sale of the Units, such date not to exceed thirty (30) days from the later of July 31, 2016 or such later date as may have been previously extended by the Placement Agent and the Company, the Company will refund all subscription funds, without interest accrued thereon or deduction therefrom, and will return the documents previously delivered to each subscriber, and such documents will be terminated and of no force or effect.

ARTICLE V
MISCELLANEOUS

5.01. Addresses and Notices. The address of each party for all purposes shall be the address set forth on the first page of this Agreement or on the signature page annexed hereto, or such other address of which the other parties have received written notice. Any notice, demand or request required or permitted to be given or made hereunder shall be in writing and shall be deemed given or made when delivered in person or when sent to such party at such address by registered or certified mail, return receipt requested.

5.02. Titles and Captions. All Article and Section titles or captions in this Agreement are for convenience only. They shall not be deemed part of this Agreement and do not in any way define, limit, extend or describe the scope or intent of any provisions hereof.

5.03. Assignability. Except as provided in the LLC Agreement, this Agreement is not transferable or assignable by the Subscriber.

5.04. Pronouns and Plurals. Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine or neuter forms. The singular form of nouns, pronouns and verbs shall include the plural and vice versa.

5.05. Further Action. The parties shall execute and deliver all documents, provide all information and take or forbear from taking all such action as may be necessary or appropriate to achieve the purposes of this Agreement. Each party shall bear its own expenses in connection therewith.

5.06. Applicable Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware without regard to Delaware conflict of law rules.

5.07. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, administrators, successors, legal representatives, personal representatives, permitted transferees and permitted assigns. If the Subscriber is more than one person, the obligation of the Subscriber shall be joint and several and the agreements, representations, warranties and acknowledgments herein contained shall be deemed to be made by and be binding upon each such person and such person's heirs, executors, administrators and successors.

5.08. Integration. This Agreement, together with the LLC Agreement, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes and replaces all prior and contemporaneous agreements and understandings, whether written or oral, pertaining thereto. No covenant,

representation or condition not expressed in this Agreement shall affect or be deemed to interpret, change or restrict the express provisions hereof.

5.09. Amendment. This Agreement may be modified or amended only with the written approval of all parties.

5.10. Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by creditors of any party.

5.11. Waiver. No failure by any party to insist upon the strict performance of any covenant, agreement, term or condition of this Agreement or to exercise any right or remedy available upon a breach thereof shall constitute a waiver of any such breach or of such or any other covenant, agreement, term or condition.

5.12. Rights and Remedies. The rights and remedies of each of the parties hereunder shall be mutually exclusive, and the implementation of one or more of the provisions of this Agreement shall not preclude the implementation of any other provision.

5.13. Counterparts. This Agreement may be executed in counterparts, all of which taken together shall constitute one agreement binding on all the parties notwithstanding that all the parties are not signatories to the original or the same counterpart.

[*Signatures appear on the following page(s).*]

Wharton RM Hospitality, LLC

SUBSCRIPTION AGREEMENT AND MEMBER SIGNATURE PAGE

This signature page constitutes the signature page for the Subscription Agreement of Wharton RM Hospitality, LLC, a Delaware limited liability company (the "Company"). By executing this signature page, the undersigned (the "Subscriber") acknowledges that (s)he or it, as applicable, is subscribing for limited liability company interests (the "Interests") of the Company and that all terms and conditions set forth in the Subscription Documents relate to his, her or its subscription for Interests in the Company, and Subscriber agrees to be bound by the terms thereof and to become a Member.

Reports and Notices. By executing this signature page, the Subscriber consents to receive account statements, notices, investors reports and other information relating to Subscriber's investment in the Company through electronic format, (i) via electronic mail with an attached PDF file or (ii) via a password protected website by downloading a PDF file (note that certain notices and other communications pursuant to the limited liability company agreement of the Company may be sent in accordance with Section 16.01 thereof).

IN WITNESS WHEREOF, intending to be legally bound hereby, the undersigned has executed this Signature Page as of the date set forth below as a Member of the Company and individually.

Total Subscription Amount: $_____ Date: _____

Number of Units: _____
($100,000 per Unit)

SIGNATURE FOR SUBSCRIBER:

(Print Full Name of Individual or Entity)	(Signature)
Social Security Number or Tax Identification Number	(If Partnership, Corporation, Limited Liability Company, Trust or Other Entity Subscriber, Print Name and Title of Person Signing)
Residence or Business Address:	Mailing Address (if different from Residence Address):
_____	_____
_____	_____

Phone No.:_____ Facsimile No.:_____ E-mail: _____

Alt. Phone: _____

The foregoing subscription is hereby accepted as to $_____ as of _____, 2016.

LBP Hotels LLC,
Managing Member

By: _____
Name:

Title:

THE INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND MAY NOT BE SOLD OR OTHERWISE TRANSFERRED (i) UNLESS THE SAME HAS BEEN INCLUDED IN AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR (ii) AN APPROPRIATE OPINION OF COUNSEL TO THE COMPANY HAS BEEN OBTAINED STATING THAT REGISTRATION IS NOT REQUIRED. IN ADDITION, TRANSFER OR OTHER DISPOSITION OF THE INTERESTS IS RESTRICTED AS PROVIDED IN THE LLC AGREEMENT.

WHARTON RM HOSPITALITY, LLC
INVESTOR QUESTIONNAIRE

To establish a prospective investor's eligibility to subscribe for limited liability company interests ("Interests") in Wharton RM Hospitality, LLC (the "Company"), a prospective investor must complete this Investor Questionnaire with respect to their status as an "accredited investor", as that term is defined in Regulation D under the Securities Act.

A. Accredited Investor Status

Unless otherwise determined by the Managing Member in its sole discretion, the Managing Member will accept subscription offers only from persons who are "Accredited Investors," as that term is defined in Regulation D under the Securities Act. PLEASE CHECK THE APPROPRIATE SPACE(S) IN THIS SECTION INDICATING THE BASIS ON WHICH YOU QUALIFY AS AN ACCREDITED INVESTOR.

I. Qualification as an Accredited Investor. Please check the categories applicable to you indicating the basis upon which you qualify as an Accredited Investor for purposes of the Securities Act and Regulation D thereunder.

☐ (a) **INDIVIDUAL WITH NET WORTH IN EXCESS OF $1.0 MILLION.** A natural person (not an entity) whose net worth, or joint net worth with his or her spouse, at the time of purchase exceeds $1,000,000. (Explanation: In calculating your net worth, you must exclude the value of your primary residence. This means you must exclude both the equity in your primary residence and any mortgage or other debt secured by your primary residence up to the fair market value of your primary residence; provided, however, that any indebtedness secured by your primary residence that (i) you have incurred in the 60 day period prior to the date of your subscription to the Company or (ii) is in excess of the fair market value of your primary residence should be considered a liability and deducted from your aggregate net worth. In calculating your net worth, you may include your equity in personal property and real estate (excluding your primary residence), cash, short-term investments, stock and securities. Your inclusion of equity in personal property and real estate (excluding your primary residence) should be based on the fair market value of such property less debt secured by such property.)

☐ (b) **INDIVIDUAL WITH A $200,000 INDIVIDUAL ANNUAL INCOME.** A natural person (not an entity) who had an individual income of more than $200,000 in each of the preceding two calendar years, and has a reasonable expectation of reaching the same income level in the current year.

☐ (c) **INDIVIDUAL WITH A $300,000 JOINT ANNUAL INCOME.** A natural person (not an entity) who had joint income with his or her spouse in excess of $300,000 in each of the preceding two calendar years, and has a reasonable expectation of reaching the same income level in the current year.

☐ (d) **CORPORATIONS OR PARTNERSHIPS.** A corporation, partnership, or similar entity that has in excess of $5 million of assets and was not formed for the specific purpose of acquiring an Interest in the Company.

☐ (e) **REVOCABLE TRUST.** A trust that is revocable by its grantors and *each* of whose grantors is an accredited investor. (If this category is checked, please also check the additional category or categories under which the grantor qualifies as an accredited investor.)

☐ (f) **IRREVOCABLE TRUST.** A trust (other than an ERISA plan) that (i) is not revocable by its grantors, (ii) has in excess of $5 million of assets, (iii) was not formed for the specific purpose of acquiring an Interest, and (iv) is directed by a person who has such knowledge and experience in financial and business matters that such person is capable of evaluating the merits and risks of an investment in the Company.

☐ (g) **IRA OR SIMILAR BENEFIT PLAN.** An IRA, Keogh or similar benefit plan that covers a natural person who is an accredited investor. (If this category is checked, please also check the additional category or categories under which the natural person covered by the IRA or plan qualifies as an accredited investor.)

☐ (h) **PARTICIPANT-DIRECTED EMPLOYEE BENEFIT PLAN ACCOUNT.** A participant-directed employee benefit plan investing at the direction of, and for the account of, a participant who is an accredited investor. (If this category is checked, please also check the additional category or categories under which the participant qualifies as an accredited investor.)

☐ (i) **OTHER ERISA PLAN.** An employee benefit plan within the meaning of Title I of the ERISA Act *other than* a participant-directed plan with total assets in excess of $5 million *or* for which investment decisions (including the decision to purchase an Interest) are made by a bank, registered investment adviser, savings and loan association, or insurance company.

☐ (j) **GOVERNMENT BENEFIT PLAN.** A plan established and maintained by a state, municipality, or any agency of a state or municipality, for the benefit of its employees, with total assets in excess of $5 million.

☐ (k) **NON-PROFIT ENTITY.** An organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "IRC"), with total assets in excess of $5 million (including endowment, annuity and life income funds), as shown by the organization's most recent audited financial statements.

☐ (l) **OTHER INSTITUTIONAL INVESTOR (check one).**

- ☐ A bank, as defined in Section 3(a)(2) of the Securities Act (whether acting for its own account or in a fiduciary capacity);
- ☐ A savings and loan association or similar institution, as defined in Section 3(a)(5)(A) of the Securities Act (whether acting for its own account or in a fiduciary capacity;
- ☐ A broker-dealer registered under the Securities Exchange Act of 1934, as amended;
- ☐ An insurance company, as defined in section 2(13) of the Securities Act;
- ☐ A "business development company," as defined in Section 2(a)(48) of the Investment Company Act;
- ☐ A small business investment company licensed under Section 301(c) or (d) of the Small Business Investment Act of 1958, as amended; or
- ☐ A "private business development company" as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended.

☐ (m) **EXECUTIVE OFFICER OR DIRECTOR.** A natural person who is an executive officer, director or managing member of the Company or the Managing Member.

☐ (n) **ENTITY OWNED ENTIRELY BY ACCREDITED INVESTORS.** A corporation, partnership, private investment company or similar entity *each* of whose equity owners is a natural person who is an accredited investor. (If this category is checked, please also check the additional category or categories under which each natural person qualifies as an accredited investor.)

B. **Representations and Warranties By Limited Liability Companies, Corporations, Partnerships, Trusts and Estates**

If Subscriber is a corporation, partnership, limited liability company or trust, the Subscriber and each person signing on behalf of Subscriber certifies that the following responses are accurate and complete:

1. Was the Subscriber organized or reorganized for the specific purpose, or for the purpose among other purposes, of acquiring interests in the Company?

   Yes ☐ No ☐

2. Will the Subscriber, at any time, invest more than 40% of Subscriber's assets in the Company?

   Yes ☐ No ☐

3. Under the Subscribing entity's governing documents and in practice, are the Subscribing entity's investment decisions based on the investment objectives of the Subscribing entity and its owners generally and not on the particular investment objectives of any one or more of its individual owners?

   Yes ☐ No ☐

4. Does any individual shareholder, partner or member or group of shareholders, partners or members of the Subscriber have the right to elect whether or not to participate in the investment in the Company or to determine the level of participation of such partner or group therein?

   Yes ☐ No ☐

5. Is the Subscribing entity authorized and qualified to become a Member in the Company and does the Subscribing entity and the Subscriber hereto further represent and warrant that such signatory has been duly authorized by the Subscribing entity to execute the Subscription Documents?

   Yes ☐ No ☐

C.

C. **Taxpayer ID Number; No Backup Withholding; Not a Foreign Person or Entity**

If Subscriber is a "non-U.S. person or entity," allocations of Company income may be subject to withholding and taxation under the IRC. Subscriber acknowledges that it may be required to file U.S. income tax returns.

1. Subscriber certifies that the taxpayer identification number being supplied herewith by Subscriber is Subscriber's correct taxpayer identification number and that Subscriber is not subject to backup withholding under Section 3406 of the IRC and the regulations thereunder?

   Yes ☐ No ☐

2. Subscriber certifies that Subscriber is not a "Non-U.S. person" or, if an entity, that Subscribing entity is not a foreign corporation, foreign partnership, foreign trust or foreign estate, as those terms are defined the IRC and the regulations thereunder.

   Yes ☐ No ☐

3. If Subscriber's non-foreign status changes or if any other information in this item changes, Subscriber agrees to notify the Managing Member within 30 days thereafter.

   Yes ☐ No ☐

D. Compliance with Anti-Money Laundering Regulations and "Know Your Customer" Requirements

To comply with applicable anti-money laundering/U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") rules and regulations, you are required to provide the following information:

I. Subscriber Identification

The following information and documentation must be provided to the Managing Member:

Type of owner or form of ownership:

☐ Individual ☐ Partnership ☐ Corporation

☐ Trust ☐ Limited Liability Company ☐ Other _____ (Specify)

For Individual Subscribers

Full name: _____

Residential address: _____

_____

Home telephone: _____

Email Address: _____

Mailing address (if different from residential address): _____

_____

Occupation: _____

Employer name and address: _____

_____

Business telephone: _____ Facsimile: _____

Date and place of birth (including city/state or country): _____

Social Security number, if applicable: _____
(A Subscriber who does not have a Social Security number will not be admitted to the Company, unless the Managing Member expressly waives such requirement.)

Nationality: _____

Documents to be Provided by Individual Subscribers

Any one of the following items:

☐ A copy of a driver's license with photograph; or

☐ A copy of a Passport with photograph; or

☐ A copy of a Government issued identification with photograph.

For Entity Subscribers

Legal name of entity: _____

Tax ID#, if applicable: _____
(A Subscriber who does not have a Taxpayer ID number will not be admitted to the Company, unless the Managing Member expressly waives such requirement.)

Principal business address: _____

_____

Email address _____

Name of primary contact: _____ Primary phone: _____

Name of secondary contact: _____ Secondary phone: _____

Ownership of entity: Private ☐ or Public ☐

Listing on major/regulated Exchange? Yes ☐ No ☐

If not, is the subscriber a subsidiary or pension fund of such a company? Yes ☐ No ☐

Jurisdiction of formation of entity? _____

Description of business:

_____

_____

Documentation to be Provided by Entity Subscribers

TRUSTS

- ☐ A copy of the Trust Agreement
- ☐ Identity of settlor/grantor*
- ☐ Identity of Trustees or individuals who have the power to remove Trustees*
- ☐ Identity of the beneficiaries*

* Please provide one or more of the documents listed under Individuals above

CORPORATE ENTITIES

- ☐ A copy of the Certificate of Incorporation
- ☐ A copy of the Bylaws
- ☐ Identity of the Directors*
- ☐ Identity of significant shareholders or other control persons (for example, holders of more than 10% of a corporation's outstanding shares)*

List each regulatory body with authority over the investor entity:

_____

_____

* Please provide one or more of the documents listed under Individuals above.

LIMITED LIABILITY COMPANIES

- ☐ A copy of Certificate of Formation or other formation document
- ☐ A copy of the Limited Liability Company Agreement or Operating Agreement
- ☐ Identity of General Partner or Managers*
- ☐ Identity of significant members (for example, holders of more than 10% of a limited liability company's membership interests)

List of each regulatory body with authority over the investor entity:

_____

_____

*Please provide the relevant documentation with respect to such person(s) (for example, if such person is an entity, please provide additional information as listed for such entity or if such person is an individual, please provide the documents listed under Individuals above).

PARTNERSHIPS

- ☐ A copy of the Certificate of Limited Partnership or other formation document
- ☐ A copy of the Limited Partnership Agreement
- ☐ Identity of General Partner(s)*
- ☐ Identity of significant limited partners or other control persons (for example, holders of more than 10% of a partnership's limited partnerships interests)*

List of each regulatory body with authority over the investor entity:

_____

_____

E. Distribution Information

Subscriber will have the option to receive distributions from the Company in the form of a ***paper check*** (**Option 1**) to Subscriber's address of record unless an alternate address is provided OR to receive distributions as a ***direct deposit*** (**Option 2**) into an account provided by Subscriber (as acceptable to the Managing Member). Please elect form of distribution:

Subscriber elects **Option 1** ☐ _____
(Address if different than above)

_____

Subscriber elects **Option 2** ☐ **[Please include a copy of a voided check with this form.].**

Banking Institution: _____

Type of Account: Checking ☐ Savings ☐ Brokerage ☐ Money Market ☐

Exact Name on Account: _____

Account Number: _____

Routing Number: _____

F. Additional Subscriber Information

If the Subscriber is a corporation, limited liability company, partnership or a trust, please provide the names and addresses of the officers, directors, partners, managers, members and principal beneficiaries, as the case may be. *To the extent the context permits, all of the information in this questionnaire is furnished on behalf of and is applicable to each of the persons listed below. The Managing Member may require any one of these individuals to complete a separate Investor Questionnaire.*

_____

_____

_____

[*Signatures appear on the following page.*]

Wharton RM Hospitality, LLC

INVESTOR QUESTIONNAIRE SIGNATURE PAGE

SIGNATURE FOR INDIVIDUAL SUBSCRIBER:

(Signature)

(Print Name)

Social Security or Tax Identification Number of Subscriber

SIGNATURE FOR PARTNERSHIP, CORPORATION, LIMITED LIABILITY COMPANY, TRUST OR OTHER ENTITY SUBSCRIBER:

(Print Name of Subscriber)

(Signature)

(Print Name of Person Signing)

(Title)

Tax Identification Number for Entity Subscriber

WHARTON RM HOSPITALITY, LLC
PRIVACY POLICY

Please review the privacy policy set forth herein:

This privacy policy explains the manner in which the Company and the Managing Member (collectively, for the purposes of this section, the "Company") collects, utilizes and maintains nonpublic personal information regarding our advisory clients, as required under applicable law.

Collection of Client Information. We collect personal information about our clients mainly through the following sources:

- subscription documents, application forms, due diligence and other questionnaires and other information provided by the client in writing, in person, by telephone, electronically or by any other means. This information includes name, address, nationality, tax identification number, and financial and investment qualifications and objectives; and

- transactions within the Company, including account balances, investments and redemptions.

Disclosure of Nonpublic Personal Information. We do not sell or rent client information. We do not disclose nonpublic personal information about our clients or former clients, except as permitted by law. For example, we may share nonpublic personal information with service providers (e.g., attorneys, accountants, administrators and other professionals) in connection with the administration and servicing of your investment in the Company. In addition, we may disclose information to service providers, including administrators and counterparties with whom we do business, in order to satisfy any anti-money laundering related customer identification procedures required by any laws or regulations applicable to such entities.

Protection of Client Information. We maintain physical, electronic and procedural safeguards that comply with federal standards to protect your nonpublic personal information. Our policy is to require that all employees, financial professionals and companies providing services on our behalf keep our client information confidential. In particular, we restrict access to the personal and account information of clients to those employees who need to know that information in the course of their job responsibilities. Also, third parties with whom we share client information must agree to follow appropriate standards of security and confidentiality.

Changes to Privacy Policy. We will not change our privacy policy in the future in a way that affects you without first sending you a revised privacy policy describing the change.

For information about our Privacy Policy, please contact:

Investor Services
LBP Hotels LLC
505 Park Avenue, 18th Floor
New York, NY 10022