



755 Crossover Lane
Memphis, TN 38117

May 23, 2018

Wells Fargo Bank, National Association
1808 Aston Avenue
Suite 250
Carlsbad, California 92008

Re: Hampton Inn and Suites Newark/Harrison- Riverwalk (Harrison, NJ) – Facility No. 29007

Ladies and Gentlemen:

HILTON FRANCHISE HOLDING LLC, a Delaware limited liability company (“Franchisor”) and EXCEL HOLDINGS 11 LLC, a Delaware limited liability company (“Franchisee”) are parties to a franchise agreement dated May 23, 2018, including all amendments, riders, supplemental agreements and assignments (collectively, “Franchise Agreement”). Franchisee operates the Hampton Inn & Suites by Hilton hotel located at 100 Passaic Avenue, Harrison, NJ 07029 (“Hotel”) under the terms of the Franchise Agreement.

This letter agreement is being entered into in connection with a mortgage loan in the amount of \$18,850,000.00 dated May 23, 2018, as such mortgage loan may be periodically amended, modified, supplemented, extended or restated (“Loan”), from WELLS FARGO BANK, National Association (“Lender”) to Franchisee (“Borrower”) to be used for the direct benefit of the Hotel.

1. Cure Period.

(a) Notice of Franchisee Default. Franchisor will concurrently provide Lender a copy of any default notice sent to Franchisee under the Franchise Agreement. The notice will be sent to Lender at the address set forth above or such other address designated by Lender in writing, provided that only a single address may be designated and it may not be a P.O. Box.

(b) Lender’s Cure Periods. Lender shall have the right, but not the obligation, to cure the default within fifteen (15) calendar days beyond the expiration of any cure period given to Franchisee (“Lender’s Cure Period”). If the default is for failure to comply with physical standards or other non-monetary default which could only be cured by Lender acquiring possession and/or ownership of the Hotel (each, an “Acquisition”), Lender may have an additional period of one hundred eighty (180) calendar days, commencing at the expiration of Lender’s Cure Period, for Lender to complete its Acquisition, through foreclosure or other appropriate proceedings (“Additional Period”); provided that Lender must: (i) notify Franchisor no later than the date it commences proceedings (or promptly after action is stayed or enjoined) that Lender wants the Additional Period; (ii) commence proceedings and diligently prosecute such proceedings to completion; and (iii) comply with the obligations of Franchisee under the Franchise Agreement not being performed by Franchisee during the Additional Period including payment of all monetary obligations but excluding those obligations which can only be performed by Franchisee or which Lender cannot perform without possession and/or ownership of the Hotel. On request by Lender, the Additional Period may be further extended by Franchisor in its determination, which determination shall take into consideration the period of time required to complete an Acquisition in the applicable jurisdiction, and any period of time in which Lender’s action has been stayed or enjoined. If Franchisor has not issued a default notice to Franchisee or Lender has cured Franchisee’s default during Lender’s Cure Period and Lender commences a foreclosure or other proceeding intended to result in an Acquisition, Lender may exercise the rights under this letter agreement under the terms and timelines

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outlined in this Subparagraph. If Franchisor has not issued a default notice, Lender's notice to Franchisor of Franchisee's default under the Loan will be deemed to initiate the timeline outlined under the Lender's Cure Period and Additional Period. Franchisor acknowledges and agrees that an Acquisition shall not be deemed a sale or lease of the Hotel under the Franchise Agreement, nor a violation of any control or transfer provisions of the Franchise Agreement, and shall not be subject to any right of first refusal or right of first offer contained in the Franchise Agreement.

(c) Franchisor's Rights to Terminate Franchise Agreement. Notwithstanding any other provision of this letter agreement, Franchisor may terminate the Franchise Agreement if any of the following occur: (i) Franchisee's default or any subsequent default, in the sole opinion of Franchisor, damages the image or reputation of Franchisor or any brand name owned and/or licensed by Hilton Worldwide Holdings Inc., a Delaware corporation, or its subsidiaries or affiliates (collectively, "Hilton"); (ii) Franchisor is required to terminate the Franchise Agreement by court order or action of any trustee in bankruptcy or debtor in possession of the Hotel; or (iii) the Additional Period expires without other arrangements, satisfactory to Franchisor in its sole discretion, having been entered into between Franchisor and Lender.

(d) Expiration of Franchise Agreement. Nothing in this letter agreement will extend the Franchise Agreement beyond its stated expiration date.

(e) Receiver Appointment. If a receiver is appointed to operate the Hotel at the request of Lender, Franchisor may require the receiver to enter into Franchisor's then-current form of receiver agreement, with such modifications as mutually agreed between Franchisor, Lender and receiver, or other documentation that Franchisor considers reasonably necessary.

2. Acquisition and Assumption.

(a) Lender's Election to Waive Assumption of Franchise Agreement. Lender may give written notice to Franchisor of Lender's election to waive Lender's right to assume the Franchise Agreement at any time (i) during Lender's Cure Period, or the Additional Period, as the Additional Period may be extended in accordance with Subparagraph 1(b) of this letter agreement, or (ii) within twenty (20) calendar days after the Acquisition. If given, the notice will be effective twenty (20) calendar days after Franchisor's receipt of the notice, and Franchisor may rely on the notice to exercise its remedies against Franchisee under the Franchise Agreement, including termination of the Franchise Agreement. Lender shall not be liable for any termination fees or liquidated damages arising from the early termination of the Franchise Agreement; provided, however, if Lender or its designee is or comes into possession of the Hotel before the notice is effective, then Lender shall be responsible for post-termination de-identification obligations at the Hotel, and for payment of any fees owed to Franchisor pursuant to the Franchise Agreement that accrued while Lender was in possession of the Hotel before the notice is effective, but excluding termination fees or liquidated damages.

(b) Assumption of Franchise Agreement. If Lender does not give written notice to Franchisor under Subparagraph 2(a), the Franchise Agreement will continue in full force and effect. Lender will be deemed to have assumed the Franchise Agreement as of the date of the Acquisition. Lender will be obligated to perform all of the obligations of Franchisee under the Franchise Agreement existing at or accruing after the Acquisition date, including the payment of fees owed to Franchisor ("**Assumption**"). Any conditions in the transfer provisions of the Franchise Agreement that Franchisor deems relevant shall apply with respect to the Assumption, including but not limited to the obligation for Lender to submit its ownership structure, organizational documents and evidence of insurance. Lender must, within ten (10) business days after receipt of a request from Franchisor, provide to Franchisor all information necessary for Franchisor to determine that Lender is not a Sanctioned Person (as defined below), as well as the other information reasonably requested. If Franchisor confirms that Lender is not a Sanctioned Person, Franchisor will promptly prepare Franchisor's then-current form assumption

agreement ("**Assumption Agreement**") to document the Assumption, and deliver the Assumption Agreement to Lender. Lender must execute and return the Assumption Agreement to Franchisor within ten (10) business days after receipt from Franchisor. Lender's failure to timely execute and deliver the Assumption Agreement may be deemed a default under the Franchise Agreement entitling Franchisor to terminate the Franchise Agreement. Any renovation requirements imposed by Franchisor in connection with the Assumption will not exceed those which Franchisor could have imposed had Franchisee remained as the Franchisee under the Franchise Agreement. In lieu of any transfer or application fee for the Assumption, Lender agrees to pay Franchisor a processing fee of Five Thousand Dollars (\$5,000). In connection with the Assumption, Lender must diligently cure all defaults which it could not cure before the Acquisition under the terms of Subparagraph 1(b), within the time period determined by Franchisor based on the nature of the default and/or the condition of the Hotel at the time of Lender's Acquisition except for personal and non-curable defaults. "Personal and non-curable defaults" means that the default (i) occurred before the date of Lender's Acquisition; (ii) is a non-curable default; (iii) is purely personal to Franchisee (e.g., failure to provide adequate notice or past failure to maintain Franchisee's company status); and (iv) is unrelated to the operation of the Hotel.

(c) Lender's Sale to Third Party After Assumption. The transfer provisions of the Franchise Agreement will apply to any sale, assignment or transfer by Lender after an Assumption. If the transfer is to a third party who desires to continue to operate the Hotel, these provisions require a change of ownership application, approval of the third party, and payment of an application fee.

3. Notice to Franchisor. Lender agrees to notify Franchisor (a) contemporaneously with commencement of any action that may result in an Acquisition, (b) contemporaneously with the filing of a petition for appointment of a receiver or any other action initiated by Lender that materially impacts possession of the Hotel, (c) promptly after an Acquisition of the date the Acquisition occurred, or (d) promptly after Lender no longer has a security interest in the Hotel or the Loan is paid in full, but Lender's failure to give notice under this Subparagraph 3(d) will not affect the automatic termination of this letter agreement under Paragraph 14. Lender further agrees to promptly provide to Franchisor a copy of any order appointing a receiver, or any other judicial or administrative order from an action initiated by Lender that materially impacts possession of the Hotel. All notices to Franchisor should be sent to the following address or such other address periodically designated by Franchisor in writing:

Hilton Worldwide Holdings Inc.
Attention: General Counsel
7930 Jones Branch Drive, Suite 1100
McLean, VA 22102

4. Confidentiality and Non-Disclosure. The provisions of this letter agreement shall not be disclosed by Lender or Franchisee to any third party, excepting (a) the respective employees, directors, officers, agents, regulators or legal and financial representatives of each of Franchisee, Lender and Lender's servicers, trustees and certificate holders, on a need-to-know basis; (b) as required by law; (c) as mutually agreed to by the parties; (d) as part of any due diligence performed as a part of a sale, assignment, participation or securitization of the Loan by Lender or a sale of the Hotel after an Acquisition; (e) any investor or potential investor in, or underwriter of, the Loan; and/or (f) any rating agency that rates securities backed by the Loan. Except as provided above, Franchisee and Lender agree not to copy, reproduce or otherwise make available in any form whatsoever to any other person, firm, corporation, or business, the provisions of this letter agreement.

5. Franchisee Estoppel and Release. As consideration for this letter agreement relating to the Loan:

(a) Franchisee hereby certifies to Franchisor that the Franchise Agreement is in full force and effect, and no default, claim, breach, offset, defense to full and strict enforcement, waiver, or estoppel (collectively, a “Claim”), or condition that could with passage of time, giving notice or otherwise become a Claim, currently exists or has existed against Franchisor under the Franchise Agreement.

(b) Franchisee hereby agrees that this letter agreement will remain in full force and effect in favor of Lender with respect to the Loan, as the Loan may periodically be modified, amended, extended, supplemented, or restated.

(c) Franchisee hereby agrees that this letter agreement was provided to Lender at Franchisee’s request.

(d) Franchisee hereby fully and forever releases, discharges, and agrees to indemnify, defend, and hold harmless Franchisor, its predecessors, successors and assigns and each of their respective former and present officers, employees, directors, shareholders, partners, members, parents, subsidiaries, affiliates, alter egos, representatives, agents, and attorneys (collectively, the “Released Parties”), from any and all Claims, demands, liens, actions, agreements, suits, causes of action, obligations, controversies, debts, costs, attorney’s fees, expenses, damages, judgments, orders, and liabilities of whatever kind or nature in law, equity, or otherwise, whether now known or suspected which have existed, may or do exist (“Released Claims”), based on any facts, events, or omissions occurring before the execution of this letter agreement which arise out of, concern, pertain, or relate in any way to the Franchise Agreement. Franchisee acknowledges that it may hereafter discover Claims presently unknown or unsuspected, or facts in addition to or different from those which it now knows or believes to be true, with respect to the matters released by this letter agreement. Nevertheless, Franchisee fully and finally settles and releases all such matters, and all Claims relative thereto, which do now exist, may exist or have existed between the Released Parties and Franchisee.

6. **Lender Estoppel and Release.** As consideration for this letter agreement relating to the Loan:

(a) Lender hereby certifies to Franchisor that Lender is not a Sanctioned Person. “Sanctioned Person” means any person, entity, or Government, including those with Control over such persons or entities, or acting on behalf of such persons or entity, who is subject to Trade Restrictions that prohibit or restrict the Parties’ performance of the Parties’ obligations under this Agreement.

(b) Lender hereby agrees that this letter agreement shall remain in full force and effect in favor of Lender with respect to the Loan, as the Loan may periodically be modified, amended, extended, supplemented or restated, without the need for further action by Lender or Franchisor.

(c) Lender hereby fully and forever releases, discharges, and agrees to indemnify, defend and hold harmless the Released Parties from any and all Released Claims by Lender based on any facts, events, or omissions occurring before the execution of this letter agreement which arise out of, concern, pertain, or relate in any way to this letter agreement.

7. **Franchisor Estoppel.** Subject to the acknowledgement by Lender that Franchisor does not own or operate the Hotel, Franchisor hereby certifies to Lender that, to Franchisor’s knowledge as of the date indicated on the first page of this letter agreement, (a) the Franchise Agreement is in full force and effect, and (b) no Default currently exists under the Franchise Agreement. “Franchisor’s knowledge” means the actual knowledge of applicable and reasonably obvious Hotel operational matters regularly reviewed by company employees who have given their attention to such matters in the ordinary course of business and does not include any investigation by those employees or others of other matters or beyond their usual and customary reviews of the Hotel, nor does it include constructive notice of matters or information located in public or Hotel records. “Default” means matters which have been the

subject of an actual notice of default under the Franchise Agreement and does not include matters which are or may be in process, under discussion, or otherwise addressed.

8. **Assignment.** This letter agreement may not be assigned by Lender without the written consent of Franchisor; provided, however, Franchisor's consent is not required for any assignment to:

(a) a direct or indirect subsidiary or affiliate of Lender in connection with an Acquisition.

(b) the trustee in a securitization if Lender (i) directly transfers the Loan to the trustee and (ii) gives notice to Franchisor within thirty (30) days of the transfer, identifying the new "Lender" and the new address for notice. If Lender fully complies with the provisions of this Subparagraph, Franchisor will recognize the trustee as "Lender" under this letter agreement; but Franchisor may, in its discretion, reject any notice that is not sent by Lender or that is not sent in a timely manner in accordance with this Subparagraph.

(c) any subsequent holder or holders of the Loan ("**Assignee**") if (1) the Loan is not in default when notice is given; (2) Lender gives notice to Franchisor, identifying Assignee and the new address for notice, within thirty (30) days of the transfer; and (3) the Assignee (i) is a national bank, state-chartered bank, commercial bank, investment bank, pension fund, finance company, insurance company, or other financial institution engaged in the business of making loans or any fund managed by any of the foregoing, (ii) is not a Competitor of Franchisor, and (iii) does not own directly or indirectly, any equity interest in Franchisee or its constituent owners; provided, however, that Franchisor may, in its discretion, reject a notice if the Loan is in default when notice is given, or if the notice is not sent by Lender, or if notice is not sent in a timely manner in accordance with this Subparagraph. On receipt and acceptance of the notice, Franchisor will promptly prepare its then-current form of Assignment and Assumption Agreement ("**Assignment**") and Lender and Assignee must promptly execute and return the Assignment. Franchisor may charge a nominal fee for processing the Assignment. If there is more than one Assignee, the Assignees must (i) designate a single representative to receive notices, negotiate on behalf of and bind each Assignee in connection with this letter agreement and any assignment thereof, and (ii) acknowledge that Franchisor shall be entitled to rely on such designation and deal solely with such representative without the necessity of notifying, negotiating with, or obtaining the consent of, each Assignee.

9. **Communication with Lender.** Franchisee agrees that Franchisor may discuss with Lender or its designee the status of the Hotel, the Franchise Agreement, or any matter to which Lender is entitled to notice under the terms of this letter agreement. Franchisee agrees that the Released Parties shall not be liable to Franchisee for taking any action or providing any information required or contemplated by this letter agreement.

10. **Management.** Any change to the management company for the Hotel ("**Management**") made by Lender or a receiver before an Assumption is subject to Franchisor's prior written approval. Franchisor will use its business judgment in determining whether to approve the new Management. After an Assumption, the terms of the Franchise Agreement will govern with respect to Management, provided, however, Lender shall not be bound by any requirements of the Franchise Agreement to manage the Hotel itself.

11. **Subordination.** Franchisor acknowledges and agrees that the Franchise Agreement, to the extent that it creates any interest in the Hotel, is and shall be subordinate to the mortgage or deed of trust of Lender placed or to be placed on the Hotel in accordance with the terms of the Loan.

12. **Collateral Assignment.** If the Franchise Agreement is being pledged by Franchisee to Lender as security for Franchisee's obligations to Lender under the Loan, issuance of this letter agreement evidences Franchisor's consent to the collateral assignment. Lender's rights in connection with the Franchise Agreement are governed by the terms and conditions in this letter agreement.

13. **Execution.** Franchisee and Lender must sign three (3) duplicate originals of this letter agreement and return them to Franchisor to the attention of Shelley Weatherbie, Legal Department, 755 Crossover Lane, Memphis, TN 38117. An authorized representative of Franchisor will countersign on behalf of Franchisor when all conditions are fulfilled, and will provide fully-executed originals for Lender and Franchisee. This letter agreement may be signed in counterparts, each of which will be considered an original.

14. **Effectiveness and Termination.** This letter agreement will be effective only when Franchisor receives signatures indicating acceptance by Lender and Franchisee and Franchisor's authorized representative countersigns on the signature page. If Franchisor does not receive signed copies from Lender and Franchisee within thirty (30) days from the date indicated on the first page of this letter agreement, Franchisor's offer to enter into this letter agreement may be withdrawn. Once effective, this letter agreement will automatically terminate if (a) Lender no longer has a security interest in the Hotel or the Loan is paid in full, (b) Lender transfers the Loan to another entity unless this letter agreement is assigned in compliance with its terms, (c) Lender materially breaches this letter agreement, (d) Lender has been taken over in any manner by any state or federal agency, (e) Franchisee transfers the Franchise Agreement and the transfer results in a new franchise agreement being entered, or (f) Franchisor terminates the Franchise Agreement in accordance with the terms of this letter agreement.

15. **General.** No entity may exercise any rights as Lender under this letter agreement if the entity or any affiliate is or becomes the owner of a direct or indirect beneficial interest (except a strictly passive interest) in Franchisee, other than through the exercise of rights under the Loan. The provisions of this letter agreement are applicable only for the Hotel and the parties to this letter agreement. Issuance and execution of this letter agreement or the granting of any conditions provided in this letter agreement does not constitute an obligation on Franchisor's part to provide the same at any future date. This letter agreement sets forth the entire agreement of the parties to this letter agreement in regard to the matters addressed in this letter agreement.

Sincerely,

HILTON FRANCHISE HOLDING LLC

Signature Blocks on Following Page

LENDER:

WELLS FARGO BANK

By: 

Name: Darcy McLaren

Title: Director

Accepted and agreed to 5-22-2018
DATE

FRANCHISEE:

EXCEL HOLDINGS 11 LLC

By: Excel Manager 6 LLC,
a Delaware limited liability company

By: _____

Name: Shoham Amin

Title: Manager

Accepted and agreed to _____
DATE

FRANCHISOR:

HILTON FRANCHISE HOLDING.LLC

By: _____

Name: _____

Title: Authorized Signatory

Effective Date: _____

LENDER:

WELLS FARGO BANK

By: _____

Name: _____

Title: _____

Accepted and agreed to _____
DATE

FRANCHISEE:

EXCEL HOLDINGS 11 LLC

By: ~~Excel Manager 6 LLC,
a Delaware limited liability company~~

By: _____

Name: Shoham Amin

Title: Manager

Accepted and agreed to _____
DATE

FRANCHISOR:

HILTON FRANCHISE HOLDING LLC

By: _____

Name: _____

Title: Authorized Signatory

Effective Date: _____

Wells Fargo Bank, National Association

Re: Hampton Inn and Suites Newark/Harrison- Riverwalk (Harrison, NJ) – Facility No. 29007

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LENDER:

WELLS FARGO BANK

By: _____

Name: _____

Title: _____

Accepted and agreed to _____

DATE

FRANCHISEE:

EXCEL HOLDINGS 11 LLC

By: Excel Manager 6 LLC,
a Delaware limited liability company

By: _____

Name: Shoham Amin

Title: Manager

Accepted and agreed to _____

DATE

FRANCHISOR:

HILTON FRANCHISE HOLDING LLC

By: _____

Name: Kenneth Shaw

Title: Authorized Signatory

Effective Date: 5/29/18