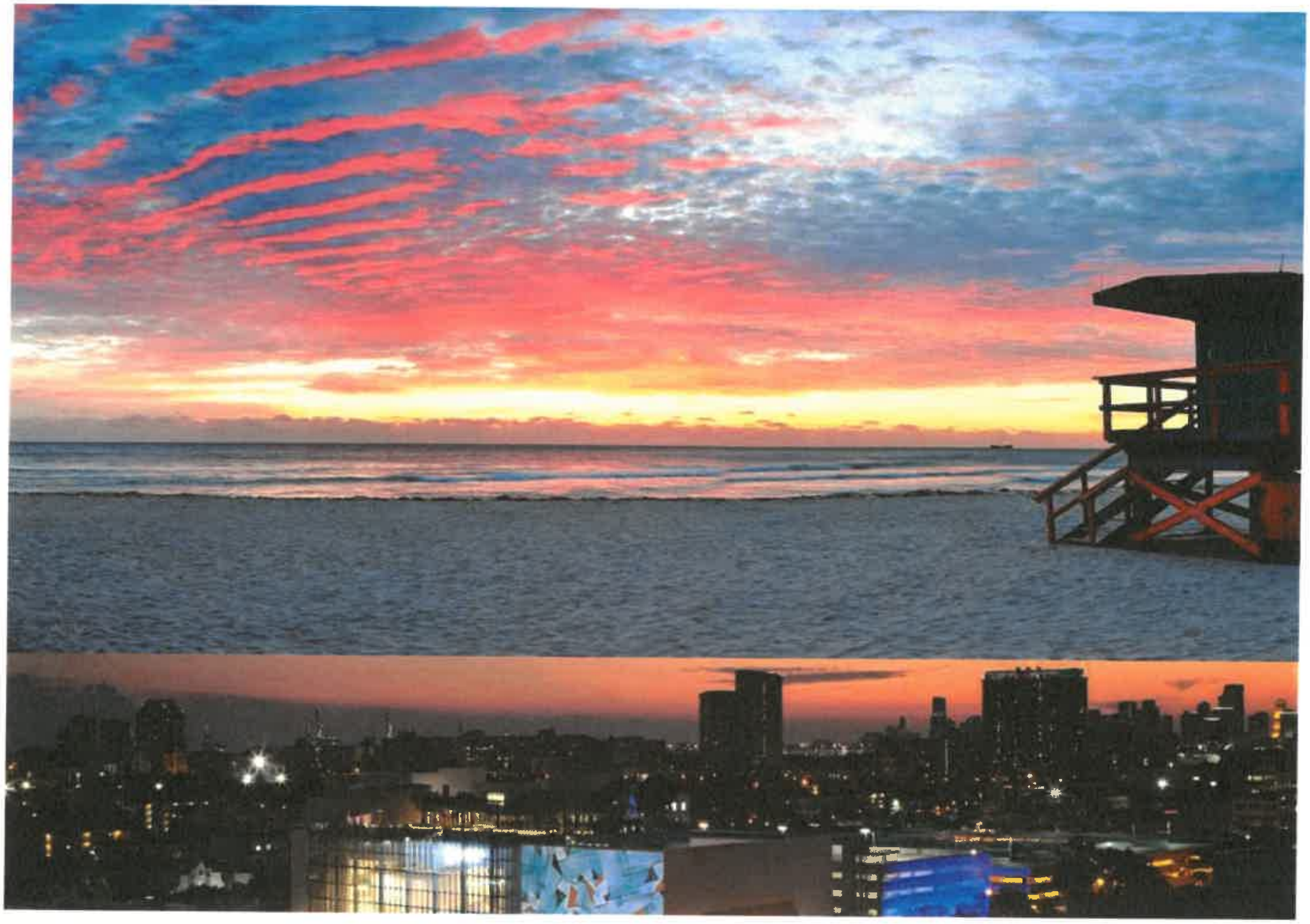

Proposal for a Convention Center Headquarter Hotel

April 2, 2018

Jointly Submitted by:

Matthews Southwest Hospitality, LLC
320 W. Main Street
Lewisville, Texas 75057

Preston Hollow Capital, LLC
1717 Main Street, Suite 3900
Dallas, Texas 75201

MATTHEWS SOUTHWEST HOSPITALITY

PRESTON HOLLOW CAPITAL

NUNZIO MARC DESANTIS ARCHITECTS

MATTHEWS SOUTHWEST HOSPITALITY

PRESTON HOLLOW CAPITAL

NUNZIO MARC DESANTIS ARCHITECTS

April 2, 2018

Mr. Jimmy L. Morales, City Manager
City of Miami Beach
1700 Convention Center Drive
Miami Beach, Florida 33139

Dear Mr. Morales:

We are pleased to provide to the City of Miami Beach with the attached proposal for a new Miami Beach Convention Center Headquarter Hotel. Our team is comprised of Preston Hollow Capital, LLC (**"PHC"**), Matthews Southwest Hospitality LLP (**"MSWH"**) and Nunzio Marc Desantis Architects (**"NMDA"**, and collectively PHC, MSWH and NMDA are referred to as the **"Team"**). We believe that our proposal to design, build, finance, operate and maintain the new Miami Beach Convention Center Headquarter Hotel (the "**Project**") will provide the City of Miami Beach (the **"City"**) with an iconic hotel adjacent to its state-of-the-art convention center, and that the City will benefit from our turnkey solution that, among other things:

- *Members of the Team are key project participants, each of which possess a depth and breadth of experience that is well suited to making the Project a reality;*
- *The Team members are familiar with one another;*
- *Structures a transaction that allows for the most timely and efficient delivery for the Project while maintaining City ownership of the Hotel with no upfront or ongoing financial commitments of the City;*
- *Fosters a spirit of partnering in which all stakeholders are identified and engaged from the outset, communication is open and effective, and each team member's expertise helps inform the work of the others such that the final product is holistically conceived, delivered, and operated.*

We are confident that we will be able to deliver this project, consisting of 553 keys, approximately 136,000 sf of meeting space, including 32,000 of Ballroom space, and multiple F&B outlets with connectivity to the City's Convention Center. The Project will be located on the parking lot behind the Fillmore Miami Beach. The design allows for the potential expansion to 1,000 keys should the City decide to do so in the future. Aside from the design highlights, one of the principal benefits of our structure is that Project ownership remains with the City; however, the City is ***not*** obligated in any way with regard to the repayment of the bonds or the operations of the Project. This is a principal proposal and is not an agented or syndicated transaction requiring any additional capital providers.

Unless extended by the Team, the terms of our proposal expire on July 31, 2018. Please note that our Team is requesting the City to protect the confidentiality of this unsolicited proposal and supporting documentation as provided under section 255.065(15). Please also note that any documents marked as "trade secret" are to be exempt from public record inspection, regardless of whether the statutorily-provided exemption for unsolicited proposals has expired or been lifted due to a notice of award.

We look forward to working with you on this exciting transaction. If you have any questions, please do not hesitate to call Mike at 972.221.1199 or Ramiro at 214.389.0811.

Sincerely,

Michael A. Garcia, President
Matthews Southwest Hospitality, LLC

Ramiro Albarran, Managing Director
Preston Hollow Capital, LLC

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A. Project in the Public's Interest

Our Team is confident that this Project is in the City's, as well as its constituency's, best interest.

1. The City is currently undertaking a large-scale renovation and expansion of its Convention Center. Our Team agrees with the City when they state that the Convention Center "will set the standard of excellence and redefine meeting and entertainment solutions when hosting large-scale business, trade, civic and cultural benefits." Such a marquee facility requires a Headquarter Hotel, as it will help attract additional national conventions, which will translate to new and greater revenues for the Convention center and the community. Miami Beach is already a well-known destination, and adding a new world-class Hotel will only serve to enhance the City for decades to come.
2. The City of Miami Beach will own the Project. However, as discussed throughout the proposal, ***there is <u>no</u> governmental entity, including the City, guaranteeing the Bonds or the operations of the Project.***
3. There will be adequate safeguards in place to ensure that additional costs or service disruptions are not imposed on the public. As we discuss, as the Bondholder Representative, PHC would have substantial authority to ensure the timely construction and optimal operation of the Project including authorization to, among other things, act on behalf of any other project-related bondholders in the exercise of rights and remedies under any debt authorization documents and make additional loans to the Hotel owner to address shortfalls in funds available for operation and maintenance of the Project. ***The overall Bond structure also provides a committed financial partner that can make decisions to protect its investment including the contribution of additional capital, if needed.***
4. Our structure also provides the ability to add capacity to the proposed Project. To the extent that the Project is performing and the City desires additional keys and / or convention meeting space, the key documents will provide for additional bonds to be issued to fund such expansion.
5. As stated in #2 above, the Project will be owned by the City. Once the Bonds have been fully repaid, the City will continue to retain ownership, if it so desires.

B. Team Members

We have assembled a team that is uniquely qualified to deliver the new Miami Beach Convention Center Headquarter Hotel for the City of Miami Beach. Each of the team members is an expert in their respective field and is committed to delivering a first-class facility. Following is a brief description of each major participant on our team, along with brief bios of its key team members.

Preston Hollow Capital

Preston Hollow Capital is the leading solution provider in municipal finance. Headquartered in Dallas, PHC is an independent specialty finance company with more than $1 billion in permanent equity capital and over $2 billion in investment capacity from a diverse investor base comprised of founding management, institutional investors including funds managed by Stone Point Capital and HarbourVest Partners, and several prominent family offices. PHC is uniquely focused upon certain sectors of the municipal bond market including real estate, infrastructure, education, hospitality and tourism, economic development and general government. To date, PHC has invested more than $1.4 billion in a variety of such projects.

PHC's ability to provide speed, certainty and flexibility to each project allows our team to focus on the project and deliver capital when promised: there are no pitch teams, no "B" teams. As the lead capital provider for the project, PHC's involvement will ensure a successful transaction and allows the project team to avoid the laborious and uncertain task of piecing together the financing for the project. PHC's ability to adapt and provide flexible capital solutions grants the team greater freedom to bring innovative solutions to the City.

Key Personnel -- PHC

- **Ramiro Albarran, Managing Director & Head of Originations.** Ramiro brings over 25 years of experience in originating and structuring complex municipal, real estate and infrastructure transactions. Prior to joining Preston Hollow Capital, Ramiro most recently led the Municipal and Infrastructure Finance Group at Guggenheim Securities. Before Guggenheim, he served as a senior banker at Stone & Youngberg and an investor at Starwood Infrastructure. He also held senior positions at Bank of America including leading its Public Finance efforts. Ramiro has originated and structured a variety of complex municipal transactions including infrastructure concessions, tax increment, special assessments, and Liberty Bond transactions including the rebuilding of 7 World Trade Center.
- **Matt Levin, Executive Director & Senior Originator.** Prior to joining Preston Hollow Capital Matt spent six years as a senior banker in J.P. Morgan's Public Finance Department as a member of the Infrastructure Group. Matt had been an investment banker for nearly 20 years focused on energy, infrastructure, sports facility and project finance, having completed transactions in excess of $25 billion. Prior to J.P. Morgan, Matt was a banker at Goldman, Sachs & Co. in the Public Sector and Infrastructure Banking Group and Morgan Stanley in the Public Finance Department. Matt has extensive transactional experience with complex revenue bond financings, public-private partnerships, derivative transactions, tender offers and capital restructurings.
- **Chad Ohlendorf, Associate Director.** Chad joined Preston Hollow Capital in March 2016 as an Associate, focusing on the firm's asset origination activities. His primary responsibilities include the evaluation and

structuring of the firm's investments. Prior to joining Preston Hollow Capital, Chad most recently spent two years in the Oil & Gas Investment Banking Group at J.P. Morgan, where he advised upstream and midstream clients on mergers & acquisitions and capital raising transactions. Before oil & gas investment banking, Chad served in J.P. Morgan's Public Finance Energy Group, where he focused on the origination and structuring of debt financings for municipal utility and project finance sponsors.

- **John Dinan, General Counsel.** John serves as General Counsel for Preston Hollow Capital, and his responsibilities include oversight of legal and compliance matters, transaction negotiation, documentation and execution, as well as the application of his specialized expertise in credit-related matters. John previously served as Director and Senior Legal Counsel for a Dallas-based financial services firm, which he joined in 2001 to provide a multifaceted range of legal and investment support to the real estate, capital markets, corporate finance and municipal investment divisions. Prior to that role, John was a development partner with one of the nation's largest multifamily merchant builders. He began his legal career in 1981 with concentrated expertise in the areas of real estate tax and finance, creditor's rights, bankruptcy and debt restructuring, and later became a founding member of one of the 20 largest law firms in Dallas.

MATTHEW SOUTHWEST HOSPITALITY

Established in 1993, Mathews Southwest (**"MSW"**) is a privately held full-service real estate company that has acquired, built and managed the development of hotel, office, mixed-use retail, residential and industrial developments. Matthews Southwest Hospitality, LLC was formed in 2017 to lead the growing hospitality efforts for Matthews Southwest. MSWH focuses its efforts on new and value-added developments, asset management and deploying MSW capital in selected hospitality opportunities. We are in the process of developing over 8 million square feet of hospitality, office, residential and mixed-use retail developments throughout North America. MSW is comprised of 130 affiliated companies in the U.S. and 38 in Canada and controls over $400M of real estate and currently manages over $2B in completed and construction projects. Headquartered in Lewisville, Texas with offices in Dallas, Alberta, Toronto and Dubai. From conception to completion, MSWH and MSW bring together financial resources and experienced management focused on creating projects of lasting excellence and long-term value.

Key Personnel -- MSWH

- **Michael A Garcia, President.** Mike is a 20-year-plus veteran in the hotel industry, and currently serves as President of Matthews Southwest Hospitality, LLC, where he is responsible for leading the company's hospitality division to include the development of new hotels and resorts throughout North America. Previously, Mike has held positions as Chief Financial Officer and Chief Development Officer with Omni Hotels and Resorts, one of the country's fastest growing privately held hotel chains. From conception to completion, Mike's knowledge and expertise in the hospitality sector will provide our clients and partners with the results we have built our reputation on. Mike has extensive experience in overseeing accounting and reporting, treasury, purchasing, risk management and capital project accounting. He formerly led Omni's impressive growth within the convention center hotel sphere with the addition of the Fort Worth, Dallas, Nashville and Louisville hotels. He also serves on the Advisory Council to the Dean of the University of Texas at San Antonio College of Business.
- **Dave Snell, Senior Vice President, Development.** Dave joined the management team of Matthews Southwest in 1999 to help implement strategic growth by identifying viable development opportunities while at the same time maintaining effective cost management. While doing this, Dave has been responsible in a senior role for the development of the 1001 room $346M Dallas Omni Convention Center Hotel, the 2

million square foot $1.6B BOW office tower in downtown Calgary, AB and the 1.2 million square foot $100M residential loft conversion project known as South Side on Lamar in Dallas, TX. Among current responsibilities, Dave leads our Hospitality Division as the Asset Manager for the Omni Dallas Hotel and as well as for our 755-room dual branded W / Element by Westin Hotel development project currently under construction in Philadelphia, PA. Dave has extensive experience in acquisitions, leasing, servicing, permitting, designing and development of large scale commercial, industrial and hospitality projects. His knowledge and expertise in these areas have proven to be very beneficial in ensuring projects are delivered on time and on budget. Prior to joining Matthews Southwest, Dave spent seven years in the commercial real estate business with Canada's largest independent real estate broker.

Nunzio Marc Desantis Architects

Nunzio Marc Desantis Architects is a firm of designers, innovators and leaders solely focused on the betterment of the way people escape, engage and experience. NMDA believes those experiences can and should be enriched by the built environments in which they take place and uses great architectural design services to create engaging hotels and resorts around the world.

NMDA was established in 2017 my Nunzio Desantis. Nunzio's career started at HKS 35 years ago, where he created the HKS Hospitality Group. Nunzio has 35 years of worldwide experience to balance a destination's culture and ambiance with ever-changing guests forget. After leaving HKS, Nunzio started HKS to start a firm solely dedicated to hospitality without distraction by architects moving from one discipline to another. The firm is equally committed to enhancing the client experience by using its hospitality expertise to build long lasting relationships with recognizable brand developers and owners.

In the short time since its establishment, NMDA's projects and designers have already been featured in notable publications, bringing the quickly growing firm into the public eye.

Key Personnel -- NMDA

- **Nunzio Desantis, Principal Designer.** Nunzio is the founding partner of Nunzio Marc Desantis Architects. His approach to architecture is based on 35 years of experience and an understanding of hospitality requirements related to developing truly unique and memorable architecture and environments. Nunzio is very involved in the design of projects and begins each by understanding challenges, local architectural vernacular, culture, weather and materials. Nunzio leads teams by establishing early concepts through drawing and exploration which determines a project's architectural planning, individuality, style and expression.

C. Project Description and Schedule for Initiation and Completion

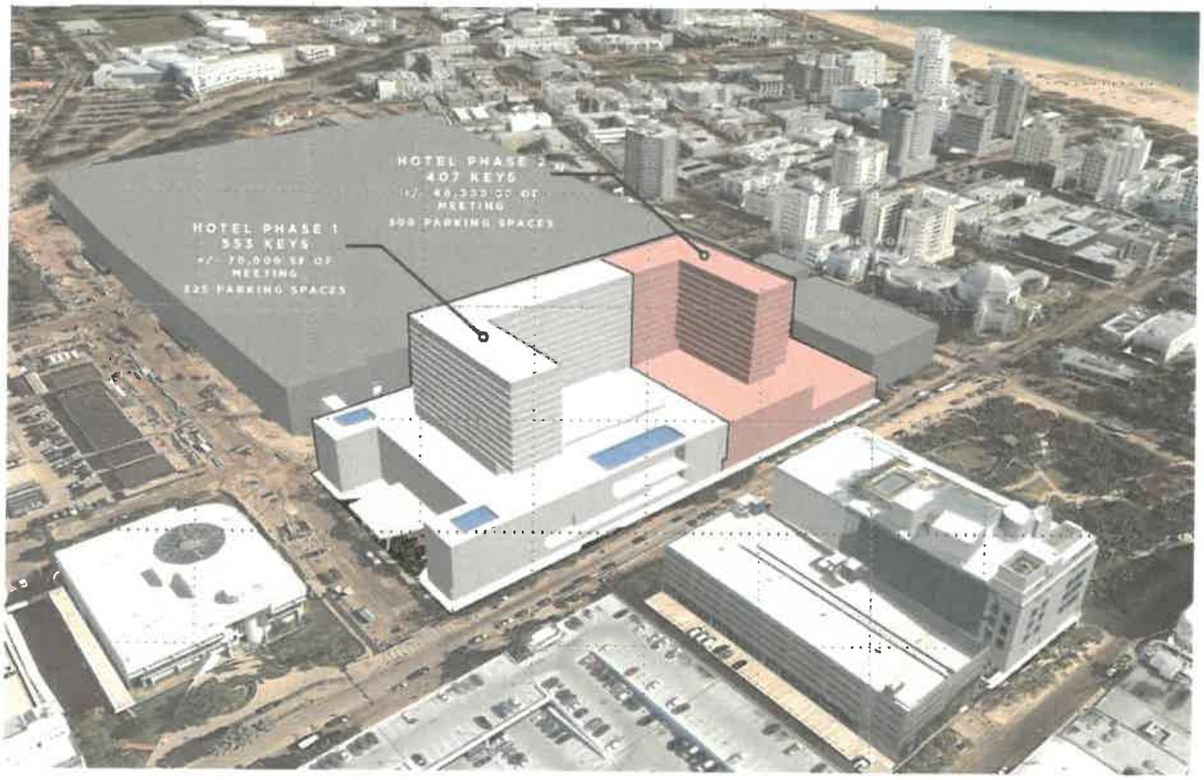
Project Description

The Miami Beach Convention Center Headquarter Hotel presented by our Team is an extremely exciting project. It will serve as a wonderful addition to an already successful convention center as well as the already vibrant city of Miami Beach. This hotel and conference center will bring tourists and community together with meaningful amenities and offerings for public use, as well as elevating the overall competitiveness of the convention center and the city of Miami Beach.

Proposed to be located immediately east of City Hall, south and adjacent to the Miami Beach Convention Center, to the east of Convention Center road, and north along 17th street. The Project will position itself as a center for a variety of community and entertainment venues. Neighboring to the east resides The Fillmore Miami Beach Theatre and across 17th Street is home to the New World Center and Sundance Park. These venues are home for pre- and post-entertainment and enjoyment. The Miami Beach Botanical Gardens are located just across the street from the hotel and convention center along Convention Center Drive. Location to these community facilities and venues will make for a wonderful stay for guests visiting Miami Beach for business. Provided below are illustrations for Phase 1 and Phase 2 (expansion) of the Project.

Proposed Project (Phase 1)

PROPOSED PROJECT EXPANSION (PHASE 1 & 2)



Standing under 198 feet high, the hotel tower houses 553 rooms and suites. The guestrooms and suites offer an array of room types and sizes - each highly appointed and planned with all the comforts for today's travelers. Hotel amenities include 4 restaurants and bars, 24-hour fitness center, full service spa, business and shipping center, and a world-class collection of meeting spaces supported by state of the art technology, acoustics, sound systems, monitors and events marquees. As a part of the design, we have located a roof top pool with relaxation and entertainment perch that celebrates the ocean over the tops of surrounding Miami Beach buildings. This pool deck will offer an escape from the daily rigor of meetings and provide an escape above it all with captivating views of the gulf and the embrace of the warm Florida sun and sunset, cooled by the ocean breezes from the Atlantic. These outdoor roof tops anticipate year-round programming, planned events and celebrations. The pool deck and associate roof top areas act as a private park in the sky with unobstructed views and private, exclusive opportunities.

The Project will house the newest and finest meeting spaces to be found in the City. We have included a 20,000 square foot (**"sf"**) column-free grand ballroom with 22 feet clear height, and a 12,000 sf junior ballroom and a multitude of small breakout rooms and meeting venues. The meeting venues will be linked by well thought-out pedestrian walks and corridors with ample pre-function and side aisles that provide individual and undisturbed use for each user. Additionally, this meeting and gathering area will be properly backed-served and supported for service

attendants, cleaning, storage and food service so that the back-of-house (BOH) remains out of sight for the guests, users and meeting goers.

The planning intent of the design is to help activate and connect visitors and locals with a variety of restaurants and retail offerings, such as a world class spa and fitness facilities, restaurants, shops, coffee houses and outdoor elevated pools and decks and event lawns. The connection to the convention center occurs on the street level and has a direct access to the street concourse of the convention center. The proximity and connectivity provides meeting goers a seamless and ideal relationship from the hotel to the larger meeting and exhibitions areas that is so desirable and required by meeting planners making this hotel addition a compete event edge for Miami Beach.

The lobby will be south facing along Convention Center Road welcoming the great Florida sun to warm and grace the lobby and public spaces that run north and south along Convention Center Road with a direct on-grade connection to the Miami Beach Convention Center. The hotel restaurants serve hotel guests, conventioneers and Miami Beach residences and anchor the street edges of the Podium. The restaurants provide energy and vitality to the street scene making the development active, welcoming and inviting.

The tower is an L shaped tower that maximizes the views of the gulf and city while capturing extraordinary sunsets to the west. The orientation of the tower allows for well over 20,000 sf of roof top entertainment space and uninterrupted access to the Florida sun. The tower is 11 levels above the podium with 51 keys per floor. The above-grade hotel, meeting components and restaurants will be served by a two level above grade 325 cars parking garage. Should the City allow the hotel to utilize other adjacent parking facilities, the parking garage could be reduced in size; and if parking garage is removed completely from the design, the hotel's height could be reduced by approximately 25 feet.

The Architecture will be a modern form relevant in shape and materials. The podium personality reflects on the architectural culture of Miami Beach. The podium architecture will be an expression of plaster, cast stone, exposed steel columns and the use of wood to bring warmth and scalability to the façade. Large expanses of glass will be framed by these solid honest walls of plaster to frame views inward to the lobby and meeting spaces and outward to form the podium. The restaurants along the park will be a collection of street facing façades that offer indoor/outdoor dining. Walls open up allowing the interior space to stretch out and become a part of this park like atmosphere. Each restaurant will enjoy an individual architectural expression made from the same honest materials of brick, steel, stone and glass to create a unique and diverse backdrop for the center of park.

The tower will rise up in a modern manner supporting the language of the city yet is refreshing and memorable. The materials will be precast, brick, steel, window wall glass systems and curtain wall. The tower will celebrate the architecture by sculpting the edges and top to create exciting forms and shapes. The infill skin will be precast, brick, stone with exposed steel accents all woven together by the glass systems and colors. Lastly, the tower will illuminate at night along its edges and will be an exciting addition to the dramatic skyline of Miami Beach.

On the following page is an indicative schedule for the initiation and completion of the Project.

INDICATIVE SCHEDULE FOR INITIATION AND COMPLETION OF THE PROJECT

DATE		TASK
2018	April 2	• Submission of Unsolicited Proposal to the City
	April 2 – May 1	• City Review of the Proposal
	May 1	• City to Issue Notice for Alternative Proposals
	June 1	• Alternative Proposals Due to City
	July 1	• Selection and Awarding of Proposal
	September 1	• Execution of Comprehensive Agreement Between the City and Team (Master Development Agreement) • Financial Closing of Pre-Development Phase by PHC • Capital commitment for permanent financing, subject to satisfaction of customary funding conditions
	October 1	• Selection of Hotel Operator
	December 1	• Completion of Project Documents (see Section 4 of Term Sheet in Exhibit A, including Booking Agreement)
2019	June - September	• Completion of Design Build Contract • Final Approval of Plans and Specifications • Final GMP • Final Permits • Financial Closing of Permanent Financing • Commencement of Construction
2022	August - November	• Construction Completion

D. Securing the Necessary Property Interests

The Project is to be located on City-owned property, and it is anticipated that the Project will be an enterprise of the City. The bonds issued to finance the construction of the Project, as discussed more fully in Section E, will be secured by a pledge of gross Project revenues, Project accounts and other accounts under the Trust Indenture, covenants regarding the use and disposition of the Project, and collateral assignments of contracts.

E. Project Financing

Convention center hotels have traditionally been owned by either 1) a private party (on land leased from a governmental entity) and financed with a combination of debt and equity on a non-recourse basis to the governmental entity, or 2) a governmental entity and financed by tax-exempt bonds on a recourse basis to that entity. Our proposal is unique and affords the City of Miami Beach many benefits in that the City would retain ownership, but have none of the risks associated with owning the Project. As an overview, the following are the key highlights of our proposed structure:

- The City will own the Project;
- Subject to the City's approval, the bonds will be issued either by the City, a local Florida municipal issuer or a national conduit issuer to fund the full amount of (i) construction costs, (ii) pre-opening expenses and (iii) initial funding of certain reserve funds;
- The debt issuance will consist of multiple tranches of bonds:
    - In general, the Senior bonds can be thought of as traditional debt while the Subordinate bonds essentially take the place of traditional equity funding;
- The Bonds will be secured by a pledge of gross Project revenues, Project accounts and other accounts under the Trust Indenture, covenants regarding the use and disposition of the Project, and collateral assignments of contracts; and
- ***There is <u>no</u> governmental entity, including the City, guaranteeing the Bonds or the operations of the Project.***

Project Financing and Financial Plan

The Comprehensive Agreement (the **"CA"**) between the City and the Team will obligate the Team to develop, finance, construct and operate the Project. The City will own the Project and will borrow the necessary funds through the issuance of tax-exempt and taxable revenue bonds, in one or more series. The bonds will be issued, by the City, a local Florida municipal issuer or a national conduit issuer, subject to the City's approval. The debt will be secured by appropriate security interests in the project agreements, and Project gross revenues from the operation of the Project, but will be otherwise be fully non-recourse to the City.

The debt issuance will likely consist of multiple tranches of Bonds, including Senior and Subordinate Bonds (the **"Bonds"**). Each series of Bonds will have varying rights in terms of priority of payment and bondholder rights. The Bonds would be special limited obligations of the issuing entity (payable only from Project revenues), and the City would not be obligated in any way with regard to the Bonds or the operations of the Project.

Furthermore, our proposal will include committed funding from PHC, which will purchase 100% of the Bonds at financial close. PHC anticipates retaining a majority of the Bonds on a going-forward basis. PHC will actively manage its investment and exposure including regular review of the performance of the Project; of Matthews Southwest as developer and construction manager, as well as the chosen operator; and of the ongoing capital needs of the Project, etc. ***It is absolutely in PHC's financial interest to ensure the Project is built on time and on budget, and is operated properly, given its long-term view on its investment.***

PHC will also have both an incentive and ability to deploy additional capital, if necessary, in the future to protect the performance of the Project. Our proposed financing structure will create a Bondholder Representative role (PHC would function as the Bondholder Representative) to make certain enforcement decisions for all bondholders. As the Bondholder Representative, PHC would have substantial authority to ensure the timely construction and optimal operation of the Project including authorization to, among other things, act on behalf of any other project-related bondholders in the exercise of rights and remedies under any debt authorization documents and make additional loans to the Hotel owner to address shortfalls in funds available for operation and maintenance of the Project.

Even though this is an all debt structure, the Subordinate Bonds will be structured such that they cannot default and any unpaid Subordinate Bond interest simply accrues to the principal balance of the Subordinate Bonds and will be paid whenever funds are available through the life of project. In this way, the Subordinate Bonds essentially take the place of traditional equity in that they will be the last "bucket" that gets paid and do not have default rights due to failure to make principal and/or interest payments. As a result, the Subordinate Bonds are an effective replacement of equity in a traditional model. ***The overall Bond structure also provides a committed financial partner that can make decisions to protect its investment including the contribution of additional capital if needed.***

Based on an estimated Project cost of $260 million, and a preliminary construction timeline of ~26 months, PHC proposes to finance 100% of the Project construction-related costs (plus 100% of related pre-development expenses incurred by the development team, financing and issuance costs, capitalized interest, reserves for debt service, working capital and pre-stabilization operating costs, and attorney fees and expenses) pursuant to a tax-exempt bond issuance, consisting of multiple tranches of Senior and Subordinate bonds (collectively, the Bonds), with maturity dates ranging from 30 to 40 years. The funding of initial working capital and certain reserves will require additional capital in excess of the $260 million development budget and will likely require a small amount of taxable bonds, with the vast majority of PHC's investment being structured as tax-exempt bonds.

As noted previously, the long-term, permanent financing Bonds will be issued, subject to the City's approval, by the City, a local Florida municipal issuer or a national conduit issuer. Again, PHC will purchase 100% of the Bonds as of financial close and will covenant to retain "bondholder control" with respect to all major financial, operational and enforcement decisions.

In sum, the net proceeds of the Bonds purchased by PHC will be used to finance 100% of the costs of developing, constructing, furnishing and equipping the Project. PHC shall be obligated to purchase additional subordinate bonds to the extent necessary to cover any construction costs in excess of $260 million. The Developers shall be fully responsible for completion of the Project by an agreed upon completion deadline (set forth in the Master CA to be entered into with the City).

Financing Benefits

The salient structural benefits to the City of PHC's proposed financing plan are as follows:

- 100% privately financed non-recourse bond financing, meaning that the City is not obligated in any way to make debt service payments on the Project Bonds, provide any credit enhancement or guarantee any of the construction or operational costs;

- Long-term capital structure, incorporating both construction and permanent financing for the Project, would secure a 40-year Bond structure with no capital markets risk; and
- Simplicity, speed and certainty of financing execution through (a) a single-source of funding (PHC) with immediately available capital and (b) eliminating third party lenders and equity investors and non-alignment of traditional debt and equity economic interests.

F. Proposed Fees, Lease Payments or Other Service Payments

As detailed in Section D, our proposal does not require any user fees, lease payments, or other service payments over the term of the financing. Further, our proposal does not require any subsidy, upfront or on-going, to support the transaction. Our financing structure would be special limited obligations of the issuing authority, payable only from Project revenues, and the City would not be obligated in any way with regard to the Bonds or the operations of the Project.

G. Points of Contact

Michael Garcia, President of Matthews Southwest Hospitality and Ramiro Albarran, Managing Director of Preston Hollow Capital will be the primary contacts in connection with the proposal. Contact information for both Mike and Ramiro are provided below..

Michael Garcia
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Lewisville, Texas 75057
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Ramiro Albarran
Managing Director and Head of Originations
Preston Hollow Capital, LLC
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