

[Letterhead of U.S Bank National Association]

\$39,900,000
CITY OF SAN ANTONIO, TEXAS
EMPOWERMENT ZONE DEVELOPMENT CORPORATION
CONTRACT REVENUE EMPOWERMENT ZONE REFUNDING BONDS
(DRURY SOUTHWEST HOTEL PROJECT), SERIES 2013A AND SERIES 2013B

PURCHASE CONTRACT

November __, 2013

City of San Antonio, Texas Empowerment Zone Development Corporation and
City of San Antonio, Texas
c/o City of San Antonio Economic Development Department
100 W. Houston Street, 19th Floor
San Antonio, Texas 78205

Ladies and Gentlemen:

The undersigned, as an authorized representative of U.S. Bank National Association (the "**Purchaser**"), offers to enter into this Purchase Contract (this "**Contract**") with the **CITY OF SAN ANTONIO, TEXAS EMPOWERMENT ZONE DEVELOPMENT CORPORATION** (the "**Issuer**"), and **ALAMO NATIONAL BUILDING DEVELOPMENT, LP**, a Missouri limited partnership (the "**Borrower**"). This offer is made subject to the Issuer's and the Borrower's acceptance of this Contract on or before 10:00 P.M., Central Time, on the date hereof.

1. Purchase and Sale of the Bonds. Upon the terms and conditions and upon the basis of the representations set forth herein, the Purchaser hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Purchaser, \$39,900,000 in aggregate principal amount of the following obligations (collectively, the "**Bonds**"):

City of San Antonio, Texas Empowerment Zone Development Corporation Contract Revenue Empowerment Zone Refunding Bonds (Drury Southwest Hotel Project), Series 2013A in the aggregate principal amount of \$21,900,000 (the "**Series 2013A Bonds**"); and

City of San Antonio, Texas Empowerment Zone Development Corporation Contract Revenue Empowerment Zone Refunding Bonds (Drury Southwest Hotel Project), Series 2013B in the aggregate principal amount of \$18,000,000 (the "**Series 2013B Bonds**").

The Bonds will be dated November 1, 2013, will mature on the dates and in the principal amounts, and will bear interest at the rates and from the dates, all as specified in the Indenture (defined below). The purchase price for the Bonds will be equal to par and no accrued interest.

2. **Bonds.** The Bonds will be as described in and will be issued and secured under the provisions of (i) a Resolution adopted by the Board of Directors of the Issuer on November 21, 2013 by the Issuer (the "**Resolution**"), (ii) an Indenture of Trust, dated as of November 1, 2013 (the "**Indenture**"), between the Issuer and U.S. Bank National Association, as trustee (the "**Trustee**"), and (iii) a Loan Agreement, dated as of November 1, 2013, between the Issuer and the Borrower (the "**Loan Agreement**") pursuant to which the Borrower has agreed to make "Loan Payments" to the Trustee at the times and in the amounts sufficient to pay debt service on the Bonds.

THE BONDS SHALL BE DEEMED NOT TO CONSTITUTE A DEBT OF THE STATE OF TEXAS, THE CITY OF SAN ANTONIO, TEXAS (THE "CITY"), OR OF ANY OTHER POLITICAL CORPORATION, SUBDIVISION, OR AGENCY OF THE STATE OF TEXAS, OR A PLEDGE OF THE FAITH AND CREDIT OF ANY OF THEM. NO RECOURSE SHALL BE HAD FOR ANY CLAIM BASED ON THE LOAN AGREEMENT, THE INDENTURE, OR THE BONDS AGAINST ANY MEMBER, OFFICER OR EMPLOYEE, PAST, PRESENT OR FUTURE, OF THE ISSUER, OR OF ANY SUCCESSOR BODY THERETO, EITHER DIRECTLY OR THROUGH THE ISSUER, OR ANY SUCH SUCCESSOR BODY, OR THE CITY, UNDER ANY CONSTITUTIONAL PROVISION, STATUTE OR RULE OF LAW OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY OR OTHERWISE. NEITHER THE STATE OF TEXAS, THE CITY, NOR ANY POLITICAL CORPORATION, SUBDIVISION, OR AGENCY OF THE STATE OF TEXAS SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, OR INTEREST ON, OR PURCHASE PRICE OF THE BONDS AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE CITY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION, OR AGENCY IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, OR INTEREST ON, OR PURCHASE PRICE OF, THE BONDS. THE BONDS SPECIAL REVENUE OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE SOURCES DESCRIBED THEREIN AND THE HOLDERS THEREOF SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT FROM MONEYS DERIVED BY TAXATION OR ANY REVENUES OF THE ISSUER EXCEPT THE FUNDS PLEDGED TO THE PAYMENT HEREOF. THE ISSUER HAS NO TAXING AUTHORITY.

3. **Representations, Warranties, and Agreements of Purchaser.** The Purchaser hereby makes the following representations and warranties to the Issuer:

(a) The Purchaser has the full right, power, and authority to enter into this Contract, and this Contract constitutes a valid and binding obligation of the Purchaser, enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, moratorium, reorganization, or other laws of general application affecting the enforcement of creditors' rights or by equitable principles, and subject to the unavailability in any jurisdiction of specific performance or any other equitable remedy.

(b) The Purchaser is a sophisticated and well informed purchaser, has knowledge and experience in financial and business matters relating to the purchase of the Bonds, and is capable of evaluating the merits and risks (including the security pledged to the payment of the Bonds) of such purchase and protecting its interests in connection with this financing. The Purchaser has the financial ability to bear the economic risks of purchasing the Bonds, including the complete loss of the purchase.

(c) The Purchaser is: (i) an "accredited investor" within the meaning of Regulation D promulgated under the Securities Act of 1933, or (ii) a state or national bank organized under the laws of the United States, and the Purchaser has sufficient knowledge and experience in financial and business

matters, including purchase and ownership of municipal obligations, to be able to evaluate the economic risks and merits of the purchase of the Bonds.

(d) The Purchaser understands that no offering statement, prospectus, offering circular, or other comprehensive offering statement containing material information with respect to the Bonds have been issued and the Purchaser acknowledges that the Purchaser has either been furnished with or has had access to all necessary information that the Purchaser desires in order to enable the Purchaser to make an informed purchase decision concerning purchase of the Bonds, and the Purchaser has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the purpose for which the proceeds of the Bonds will be utilized, and the security therefore, so that the Purchaser has been able to make an informed decision to purchase the Bonds.

(e) The Purchaser understands that the Bonds (i) are not being registered under the Securities Act of 1933 and are not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state due to exemptions from registration provided for therein, (ii) will not be listed on any stock or other securities exchange, (iii) will carry no rating from any rating service, and (iv) will not be readily marketable.

(f) The Purchaser acknowledges that the Purchaser is responsible for consulting with the Purchaser’s advisors concerning satisfaction of any obligations, including, but not limited to, any obligations arising under federal and state securities and income tax laws, of the Purchaser with respect to subsequent purchasers of the Bonds if and when any such future disposition of the Bonds may occur.

(g) The Purchaser has made its own inquiry and analysis with respect to the Bonds, the security therefor, the property to be refinanced with the proceeds of the Bonds, and other material factors affecting the security and payment of the Bonds and, except as set forth in this Contract and the documents, instruments, and agreements executed in connection herewith, the Purchaser has not relied upon any statement (other than those set forth in such documents, instruments, and agreements) by the Issuer, its officers, trustees, or employees, or its financial consultants or legal advisors in connection with such inquiry and analysis or in connection with the offer and sale of the Bonds.

(h) The Purchaser acknowledges that it and its representatives have been furnished, prior to the date hereof, or will be furnished at or prior to the Closing pursuant to the terms of this Contract, all documents and certificates executed in connection with the issuance of the Bonds and all information concerning the financing needed to make an informed decision with respect to its purchase of the Bonds. The Purchaser further acknowledges that it has full opportunity to ask questions and receive answers from officers and representatives of the Issuer and the Borrower concerning the financing and to obtain any additional information that the Borrower possesses which was necessary to verify the accuracy of the information regarding the Borrower, the financing, or otherwise desired in connection with its evaluation of the decision to purchase the Bonds.

(i) The Purchaser is purchasing the Bonds for its own account as evidence of a loan, and the Purchaser has no present intention of reselling or distributing the Bonds. In making the foregoing representation, the Purchaser is aware that it must bear the economic risk of such purchase for an indefinite period of time, and, in the event that the Bonds are sold by the Purchaser, such sale may only be made to persons who are able to and do confirm in writing to the Issuer in advance of such sale the representations contained in paragraphs (a) through (i) hereof.

4. **Representations, Warranties, and Agreements of Issuer.** The Issuer hereby makes the following representations and warranties to the Purchaser:

(a) The Issuer has full legal right, power, and authority under the constitution and laws of the State of Texas, to issue, sell and deliver the Bonds as provided herein and in the Resolution and the Indenture.

(b) By all necessary official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized and approved the issuance and sale of the Bonds upon the terms set forth herein and in the Resolution and the Indenture.

(c) This Contract constitutes a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms, and the Bonds, when issued, authenticated and delivered as provided herein, will be the legal, valid, and binding special obligations of the Issuer enforceable in accordance with their terms; in all cases, except as the enforceability of this Contract and the Bonds may be limited by bankruptcy, insolvency, reorganization, and similar laws affecting creditor's rights generally and general principles of equity which permit the exercise of judicial discretion.

(d) The Issuer is not in breach of or default in any material respect under any applicable constitutional provision, law or administrative regulation of the State of Texas or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, ordinance, or other instrument to which the Issuer is a party or to which the Issuer is or any of its property or assets are otherwise subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the Issuer under any of the foregoing.

(e) The adoption, execution and delivery of the Bonds and compliance with the provisions on the Issuer's part contained therein, will not, in any material manner, conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, ordinance, agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its property or assets are otherwise subject, and such adoption, execution, delivery or compliance will not result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature upon the property or assets, if any, of the Issuer to be pledged to secure the Bonds or under the terms of any such law, regulation or instrument, except as provided by the Bonds.

5. **Closing.** At 10:00 A.M., Central Time, on December 2, 2013, or such other date as the parties agree to (the "**Closing**"), the Issuer will deliver to the Purchaser one Series 2013A Bond in the aggregate principal amount of \$21,900,000, and one Series 2013B in the aggregate principal amount of \$18,000,000, numbered in accordance with the provisions of the Indenture, duly executed and authenticated, together with the other documents hereinafter mentioned, and the Purchaser will accept such delivery and pay the purchase price of the Bonds as set forth in Paragraph 1 hereof in immediately available funds. Delivery and payment as aforesaid will be made at the offices of the Trustee or such other place as will have been mutually agreed upon by the Issuer and the Purchaser. The definitive Bonds may be delivered in typed form and may be issued in exchange for the initial Series 2013A Bond and Series 2013B Bond that were registered by the Comptroller of Public Accounts of the State of Texas. In addition, as a condition precedent to Purchaser's obligation to purchase the Bonds as provided in this Contract, the Issuer shall deliver to the Purchaser at Closing a complete transcript of all executed documents, certificates and opinions related to issuance, sale and delivery of the Bonds.

6. **Expenses.** The Purchaser will be under no obligation to pay, and the Borrower will pay, all expenses incident to the performance of the Issuer's obligations hereunder, including but not limited to: (i) the cost of the preparation and, if necessary, printing of the Bonds; (ii) the fees and expenses of Financial Advisor and Bond Counsel to the Issuer; (iii) the fees payable to the Municipal Advisory Council, and (iv) the fees and disbursements of the Issuer's and the Borrower's accountants, advisors, and of any other experts or consultants retained by the Issuer or the Borrower.

7. **Parties in Interest.** This Contract is made solely for the benefit of the Issuer, the Borrower and the Purchaser (including the successors or assigns of the Purchaser) and no other person will acquire or have any right hereunder or by virtue hereof. The Issuer's representations, warranties, and agreements contained in this Contract will remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of the Purchaser, and (ii) delivery of any payment for the Bonds hereunder; and the Purchaser's representations and warranties contained in Paragraph 3 of this Contract, will remain operative and in full force and effect, regardless of any termination of this Contract.

8. **Counterparts.** This Contract may be executed in several counterparts, each of which will be regarded as an original and all of which will constitute one and the same instrument. The section headings of this Purchase Contract are for convenience of reference only and will not affect its interpretation.

9. **Effective Date.** This Contract will become effective upon the execution of the acceptance hereof by the President or Vice President of the Issuer and will be valid and enforceable as of the time of such acceptance.

(The remainder of this page is intentionally left blank.)

Very truly yours,

U.S. BANK NATIONAL ASSOCIATION

By: _____

Name: _____

Title: _____

Accepted and agreed to this 21st day of November, 2013.

**CITY OF SAN ANTONIO, TEXAS
EMPOWERMENT ZONE DEVELOPMENT CORPORATION**

By: _____
President, Board of Directors

Accepted and agreed to this _____ day of November, 2013.

ALAMO NATIONAL BUILDING DEVELOPMENT, LP, a Missouri limited partnership

By: **ALAMO NATIONAL BUILDING MANAGEMENT, LP**, its general partner

By: **DSW ALAMO MANAGEMENT, LLC**, its general partner

By: **DRURY SOUTHWEST, INC.**, its manager

By: _____
Name: Dennis J. Vollink
Title: President

Execution Page to Purchase Contract Relating to
City of San Antonio, Texas Empowerment Zone Development Corporation
Contract Revenue Empowerment Zone Refunding Bonds
(Drury Southwest Hotel Project), Series 2013A and Series 2013B