

## LIMITED GUARANTY

This Limited Guaranty ("Guaranty"), effective \_\_\_\_\_, 2017, is made by ZACHRY HOSPITALITY, LLC ("Guarantor") to and for the benefit of HEMISFAIR PARK AREA REDEVELOPMENT CORPORATION, a Texas local government corporation formed under Subchapter D of Chapter 431 of the Texas Transportation Code ("HPARC"). Capitalized terms not otherwise defined herein have the meanings specified in the Lease (as defined below).

### Recitals

ZH Downtown Development Company, LLC, a Texas limited liability company ("Developer"), and HPARC are parties to that certain Development Sublease Agreement (the "Lease") effective as of the date hereof, pertaining to that certain real property located in the City of San Antonio, Bexar County, Texas, more particularly described in the Lease. Capitalized words or phrases that are not defined herein will have the meaning ascribed to such capitalized words and phrases in the Lease, unless the context clearly indicates another meaning.

### Guaranty

In consideration of the foregoing and to induce HPARC to enter into the Lease, Guarantor agrees as follows:

1. Subject to paragraph 9 below, Guarantor unconditionally and absolutely guarantees to HPARC the prompt and full payment and performance when due and owing of all present and future obligations of Developer under the Lease that are not timely paid or performed by Developer in accordance with the terms of the Lease.
2. Guarantor shall perform all obligations under this Guaranty strictly in accordance with the terms and provisions of the Lease.
3. Guarantor waives (a) presentment and demand for payment of any indebtedness to Developer or Guarantor, and (b) protest and notice of dishonor or default to Developer or Guarantor to which Developer or Guarantor might otherwise be entitled under a guaranty.
4. This Guaranty is an absolute, continuing and unconditional guaranty of payment and performance and not of collection. Notice to Guarantor of any and all defaults is waived and consent is hereby given to all extensions of time that HPARC may grant to Developer in the payment or performance of any of the terms or provisions of the Lease and/or to the waiving in whole or in part of any such payment or performance, and/or to the releasing of Developer in whole or in part from any such performance, and/or to the adjusting of any dispute in connection with the Lease, and/or to the assignment of the Lease to any other entity; and no such defaults, extensions, waivers, releases, adjustments, or assignments, with or without the knowledge of Guarantor, shall affect or discharge the liability of Guarantor. Guarantor and HPARC hereby waive any and all right to a trial by jury in any action or proceeding to enforce this Guaranty. Guarantor and HPARC further agree that the prevailing party in any action to enforce this Guaranty

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will be entitled to receive from the other party all reasonable expenses, including legal fees and disbursements paid or incurred by the prevailing party in any action seeking to enforce this Guaranty. Guarantor agrees that it is not necessary for HPARC, in order to enforce this Guaranty, to institute suit or exhaust its legal remedies against Developer; but the sole condition precedent to enforcement of the obligations of Guarantor hereunder is that Developer does not timely perform its payment or performance obligations in accordance with the terms of the Lease.

5. This Guaranty shall not be impaired by, and Guarantor hereby consents to (i) any modification, supplement, extension or amendment of the Lease to which the parties thereto may hereafter agree, (ii) any assignment of the Lease, (iii) any exercise or non-exercise of any right, remedy, power, or privilege under or in respect of this Guaranty or the Lease; or (iv) any assignment or transfer of the assets of Developer to, or any consolidation or merger of Developer with or into any other person, partnership, or corporation, or any disposition by Guarantor of any interest in Developer. The liability of Guarantor hereunder is primary, direct, unconditional and co-extensive with that of the Developer and may be enforced without requiring HPARC first to resort to any other right, remedy or security. The enforceability of this Guaranty shall not be affected by any bankruptcy proceeding or other proceeding affecting the rights of creditors of Developer, nor by discharge or modification of Developer's liability under the Lease in any bankruptcy proceeding. Guarantor shall have no right of subrogation, reimbursement or indemnity whatsoever, nor any right of recourse to security for the debts and obligations of Developer to HPARC, unless and until all of said debts and obligations have been satisfied in full.
6. This Guaranty is governed as to its validity, construction and performance by the laws of the State of Texas, without regard to its conflict of law provisions.
7. Subject to paragraph 9 below, Guarantor agrees that this Guaranty is a continuing and irrevocable guaranty and shall remain in full force and effect until all payment and performance obligations under the Lease have been paid and performed as set forth in the Lease. Nothing in this paragraph 7 shall be construed to diminish in any way the effect of paragraph 9 below.
8. This Guaranty is binding upon Guarantor, its successors and assigns, and inures to the benefit of HPARC and its successors and assigns.
9. Upon Substantial Completion of the Project in accordance with the Lease, this Guaranty shall terminate completely, including without limitation as to all obligations of Developer under the Lease, including those arising prior to the date of Substantial Completion, provided that the obligations of Guarantor under this Guaranty shall continue and remain in full force and effect with respect to the payment of any unpaid Rent under the Lease for the period prior to the date of Substantial Completion.

[SIGNATURE ON NEXT PAGE]

EXECUTION VERSION

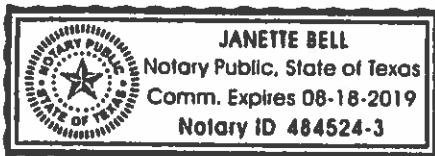
ZACHRY HOSPITALITY, LLC,  
a Delaware limited liability company

By: Warren A. Stokes  
Name: Warren A. Stokes  
Title: Manager

STATE OF TEXAS

COUNTY OF BEXAR

Before me, on this 27<sup>th</sup> day of January, 2017, personally appeared Warren A. Stokes, the Manager of ZACHRY HOSPITALITY, LLC, a Delaware limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and the in capacity therein set forth.



Janette Bell  
Notary Public

Commission Data:

08-18-2019  
(NOTARIAL SEAL)