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UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

In re: SHILO INN, TWIN FALLS, LLC, Debtor and Debtor in Possession.	Lead Case No.: 2:13-bk-21601-VZ Jointly administered with: Case No. 2:13-bk-21603-VZ Case No. 2:13-bk-21604-VZ Case No. 2:13-bk-21605-VZ Case No. 2:13-bk-21606-VZ Case No. 2:13-bk-21607-VZ Case No. 2:13-bk-21608-VZ
In re: SHILO INN, BOISE AIRPORT, LLC, SHILO INN, NAMPA BLVD, LLC, SHILO INN, NEWBERG, LLC, SHILO INN, SEASIDE EAST, LLC, SHILO INN, MOSES LAKE, INC., SHILO INN, ROSE GARDEN, LLC, Debtors and Debtors in Possession.	Chapter 11 Cases **DISCLOSURE STATEMENT AND JOINT PLAN OF REORGANIZATION FOR DEBTORS: SHILO INN, TWIN FALLS, LLC; SHILO INN, BOISE AIRPORT, LLC; SHILO INN, NAMPA BLVD, LLC; SHILO INN, SEASIDE EAST, LLC; SHILO INN, MOSES LAKE, INC.; AND SHILO INN ROSE GARDEN, LLC; DATED AUGUST 29, 2013**
☒ Affects All Debtors ☐ Affects SHILO INN, TWIN FALLS, LLC ☐ Affects SHILO INN, BOISE AIRPORT, LLC ☐ Affects SHILO INN, NAMPA BLVD, LLC ☐ Affects SHILO INN, NEWBERG, LLC ☐ Affects SHILO INN, SEASIDE EAST, LLC ☐ Affects SHILO INN, MOSES LAKE, INC. ☐ Affects SHILO INN, ROSE GARDEN, LLC Debtors and Debtors in Possession	Disclosure Statement Hearing: Date: October 17, 2013 Time: 1:30 p.m. Ctrm: 255 East Temple Street Courtroom 1368 Los Angeles, CA 90012 Plan Confirmation Hearing: [To Be Set]

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I. INTRODUCTION

On May 1, 2013 (the "Petition Date"), Shilo Inn, Twin Falls, LLC ("Shilo Twin Falls"), Shilo Inn, Boise Airport, LLC ("Shilo Boise Airport"), Shilo Inn, Nampa Blvd, LLC ("Shilo Nampa Blvd"), Shilo Inn, Newberg, LLC ("Shilo Newberg"), Shilo Inn, Seaside East, LLC ("Shilo Seaside East"), Shilo Inn, Moses Lake, Inc. ("Shilo Moses Lake"), and Shilo Inn, Rose Garden, LLC ("Shilo Rose Garden") (singularly, each a "Debtor" and collectively, the "Debtors" or "Proponents" herein) the debtors and debtors in possession in the above-captioned, jointly administered chapter 11 bankruptcy cases, each filed a bankruptcy petition under Chapter 11 of the Bankruptcy Code (the "Code"). The document you are reading is both the Plan of Reorganization (the "Plan") and the Disclosure Statement (the "Disclosure Statement"). This Plan and Disclosure Statement is a joint plan and disclosure statement, proposed jointly by all seven of the Debtors. The Debtors have proposed the Plan to treat the claims of the Debtors' creditors and, if applicable, the interests of shareholders or partners and to reorganize the Debtors' business affairs. Pursuant to the Plan, the Debtors propose to pay all claims in full (100%), unless otherwise agreed to with the claimholder, with unsecured claims to be paid over a period of three (3) months from the Effective Date, as that term is defined below. A disclosure statement describes the assumptions that underlie the Plan and how the Plan will be executed. The Bankruptcy Court (the "Court") has approved the form of this document as an adequate disclosure statement, containing enough information to enable parties affected by the Plan to make an informed judgment about the Plan. The Court has not yet confirmed the Plan, which means the terms of the Plan are not now binding on anyone.

The Proponents have reserved _____, 2013 in Courtroom 1368 for a hearing to determine whether the Court will confirm the Plan.

Any interested party desiring further information should contact:

Levene, Neale, Bender, Yoo & Brill L.L.P.
10250 Constellation Blvd., Suite 1700
Los Angeles, CA 90067
Tel: (310) 229-1234

Fax: (310) 229-1244
Attention: David B. Golubchik & J.P. Fritz

II. GENERAL DISCLAIMER AND VOTING PROCEDURE

PLEASE READ THIS DOCUMENT, INCLUDING THE ATTACHED EXHIBITS, CAREFULLY. IT EXPLAINS WHO MAY OBJECT TO CONFIRMATION OF THE PLAN. IT EXPLAINS WHO IS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN. IT ALSO TELLS ALL CREDITORS AND ANY SHAREHOLDERS OR PARTNERS WHAT TREATMENT THEY CAN EXPECT TO RECEIVE UNDER THE PLAN, SHOULD THE PLAN BE CONFIRMED BY THE COURT.

THE SOURCES OF FINANCIAL DATA RELIED UPON IN FORMULATING THIS DOCUMENT ARE SET FORTH IN THE DECLARATIONS APPENDED HERETO. ALL REPRESENTATIONS ARE TRUE TO THE PROPONENT'S BEST KNOWLEDGE.

NO REPRESENTATIONS CONCERNING THE DEBTOR THAT ARE INCONSISTENT WITH ANYTHING CONTAINED HEREIN ARE AUTHORIZED EXCEPT TO THE EXTENT, IF AT ALL, THAT THE COURT ORDERS OTHERWISE.

After carefully reviewing this document and the attached exhibits, please vote on the enclosed ballot and return it in the enclosed envelope.

The Proponents have reserved a hearing date for a hearing to determine whether the Court will confirm the Plan. Please refer to Section I above for the specific hearing date. If, after receiving the ballots, it appears that the Proponents have the requisite number of votes required by the Code, the Proponents will file a motion for an order confirming the Plan.

The Motion shall at least be served on all impaired creditors and partners or shareholders who reject the Plan and on the Office of the United States Trustee. Any opposition to the Motion shall be filed and served on the Proponent and the Office of the United States Trustee no later

than eleven days prior to the hearing date. Failure to oppose the confirmation of the Plan may be deemed consent to the Plan's confirmation.

III. WHO MAY OBJECT TO CONFIRMATION OF THE PLAN

Any party in interest may object to confirmation of the Plan, but, as explained below, not everyone is entitled to vote to accept or reject the Plan.

IV. WHO MAY VOTE TO ACCEPT OR REJECT THE PLAN

It requires both an allowed and impaired claim or interest in order to vote either to accept or reject the Plan. A claim is defined by the Code to include a right to payment from the Debtors. An interest represents an ownership stake in the Debtors.

In order to vote a creditor or interest-holder must first have an allowed claim or interest. With the exceptions explained below, a claim is allowed if proof of the claim or interest is properly filed before any bar date and no party in interest has objected, or if the court has entered an order allowing the claim or interest. Please refer to Section VI below for specific information regarding bar dates in these cases.

Under certain circumstances a creditor may have an allowed claim even if a proof of claim was not filed and the bar date for filing a proof of claim has passed. A claim is deemed allowed if the claim is listed on the Debtors' schedules and is not scheduled as disputed, contingent, or unliquidated. **Exhibit "A"** contains a list of claims that are not scheduled as disputed, contingent, or unliquidated. **Exhibit "A"** is subdivided into **Exhibits "A-1," "A-2," "A-3," "A-4," "A-5," "A-6,"** and **"A-7"** to separately indicate the seven sets of creditors for the seven Debtors.

Similarly, an interest is deemed allowed if it is shown on the list of equity security holders filed by the Debtors with the court and is not scheduled as disputed.

In order to vote, an allowed claim or interest must also be impaired by the Plan.

Impaired creditors include those whose legal, equitable, and contractual rights are altered by the Plan, even if the alteration is beneficial to the creditor. A contract provision that entitles a creditor to accelerated payment upon default does not, however, necessarily render the claimant impaired, even if the Debtors defaulted and the Plan does not provide the creditor with accelerated payment. The creditor is deemed unimpaired so long as the Plan cures the default, reinstates the maturity of such claim as it existed before default, compensates for any damages incurred as a result of reasonable reliance upon the acceleration clause, and (except for a default arising from failure to operate a nonresidential lease subject to 11 U.S.C. § 365(b)(1)(A)) compensates for any actual pecuniary loss incurred as a result of any failure to perform a non-monetary obligation.

Impaired interest-holders include those whose legal, equitable, and contractual rights are altered by the Plan, even if the alteration is beneficial to the interest holder.

There are also some types of claims that the Code requires be treated a certain way. For that reason they are considered unimpaired and therefore holders of these claims cannot vote.

To summarize, there are two prerequisites to voting: a claim or interest must be both allowed and impaired under the Plan.

If a creditor or interest-holder has an allowed and impaired claim or interest, then he or she may vote either to accept or reject the Plan (unimpaired claimants or interest-holders are deemed to have accepted the Plan). Impaired claims or interests are placed in classes and it is the class that must accept the Plan. Members of unimpaired classes do not vote, although as stated above, they may object to confirmation of the Plan. Even if all classes do not vote in favor of the Plan, the Plan may nonetheless be confirmed if the dissenting classes are treated in a manner prescribed by the Code. Please refer to Section VI below for information regarding impaired and unimpaired classes in this case.

Section IX sets forth which claims are in which class. Secured claims are placed in separate classes from unsecured claims. Fed. R. Bankr. P. 3018(d) provides: "A creditor whose claim has been allowed in part as a secured claim and in part as an unsecured claim shall be entitled to accept or reject a plan in both capacities."

V. VOTES NECESSARY TO CONFIRM THE PLAN

The Court may confirm the Plan if at least one non-insider impaired class of claims has accepted and certain statutory requirements are met as to both nonconsenting members within a consenting class and as to dissenting classes. A class of claims has accepted the Plan when more than one-half in number and at least two-thirds in amount of the allowed claims actually voting, vote in favor of the Plan. A class of interests has accepted the Plan when at least two-thirds in amount of the allowed interests of such class actually voting have accepted it. It is important to remember that even if the requisite number of votes to confirm the Plan are obtained, the Plan will not bind the parties unless and until the Court makes an independent determination that confirmation is appropriate, which is the subject of any upcoming confirmation hearing.

VI. INFORMATION REGARDING VOTING IN THESE CASES

The bar date for filing a proof of claim in these cases was August 20, 2013.

The bar date for hearing objections to claims is January 14, 2014[1].

In these cases, and based on the descriptions provided above, the Proponents believe that all of the classes 1 through 4 (including sub-classes therein) are impaired and therefore entitled to vote. Class 5 is unimpaired, deemed to have accepted the Plan, and therefore does not vote. A party that disputes the Proponents' characterization of its claim or interest as unimpaired may request a finding of impairment from the Court in order to obtain the right to vote.

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[1] The Debtors intend to assert objection to the claims of CBT with respect to, among other things, asserted default interest, late fees and excessive attorneys' fees.

Ballots must be received by the Proponents, addressed to Levene, Neale, Bender, Yoo & Brill L.L.P., 10250 Constellation Blvd., Suite 1700, Los Angeles, CA 90067, Attention: J.P. Fritz, by _____, 2013.

VII. DESCRIPTION OF DEBTORS' PAST AND FUTURE BUSINESS AND EVENTS PRECIPITATING BANKRUPTCY FILINGS

The Debtors are each limited liability companies formed under the laws of the state of Oregon, except for Shilo Inn, Moses Lake, Inc., which is a corporation formed under the laws of Washington state.

A. The Seven Hotels

Mark S. Hemstreet has been the proud owner and president of the Shilo Inn Suites Hotel chain since 1974. Today, there are 35 company-owned Shilo Inn hotels across nine (9) western states plus Texas.

Shilo Twin Falls operates a 129-room, all-suites, four-story, limited-service hotel in Twin Falls, Idaho (the "Twin Falls Hotel"), on fee title land, with additional adjoining vacant land for future expansion, operated pursuant to a franchise agreement with Shilo Franchise International, LLC ("SFI") and managed by Shilo Management Corporation ("SMC"). The Shilo Inn Twin Falls property has an indoor pool, spa, steam and sauna room, fitness and business center, and two meeting rooms. The Twin Falls Hotel has 18 employees. Based on the appraisal report of Herald Haskell, MAI, the fair market value of the Twin Falls Hotel is $10,700,000.

Shilo Boise Airport operates a 126-room (inclusive of 88 suites), four-story, limited-service hotel in Boise, Idaho (the "Boise Airport Hotel"), on fee title land, operated pursuant to a franchise agreement with SFI and managed by SMC. The Shilo Inn Boise Airport property has an outdoor pool, spa, sauna, and steam room, fitness and business center and meeting room. The Boise Airport Hotel has 15 employees. Based on the appraisal report of Herald Haskell, MAI, the fair market value of the Boise Airport Hotel is $7,100,000.

Shilo Nampa Blvd operates a 61-room, two-story, limited-service hotel in Nampa, Idaho (the "Nampa Blvd Hotel"), on fee title land, operated pursuant to a franchise agreement with SFI and managed by SMC. The Shilo Inn, Nampa Blvd property has an outdoor pool, spa, and steam and sauna room. The Nampa Blvd Hotel has 10 employees. Based on the appraisal report of Herald Haskell, MAI, the fair market value of the Nampa Blvd Hotel is $3,000,000.

Shilo Newberg operates a 61-room, all-suites, three-story, limited-service hotel in Newberg, Oregon (the "Newberg Hotel"), on fee title land, operated pursuant to a franchise agreement with SFI and managed by SMC. The Shilo Inn, Newberg property has an outdoor pool, spa, steam and sauna room, fitness and business center, and meeting room. The Newberg Hotel has 14 employees. Based on the appraisal report of Herald Haskell, MAI, the fair market value of the Newberg Hotel is $3,600,000.

Shilo Seaside East operates a 59-room, all-suites, three-story, limited-service hotel in Seaside, Oregon (the "Seaside East Hotel"), on fee title land, operated pursuant to a franchise agreement with SFI and managed by SMC. The Shilo Inn, Seaside East property has an indoor pool, spa, steam and sauna room, fitness and business center, and meeting room. The Seaside East Hotel has 13 employees. Based on the appraisal report of Herald Haskell, MAI, the fair market value of the Seaside East Hotel is $3,540,000.

Shilo Moses Lake operates a 100-room, all-suites, two-story, limited-service hotel in Moses Lake, Washington (the "Moses Lake Hotel"), which is subject to a long-term land lease and is operated pursuant to a franchise agreement with SFI and managed by SMC. The Shilo Inn Moses Lake property has an indoor pool, spa, steam and sauna room, fitness and business center, meeting rooms, and a fuel and deli convenience mart store that is leased out to a third-party tenant on a triple-net basis. The Moses Lake Hotel has 15 employees. Based on the appraisal report of Herald Haskell, MAI, the fair market value of the Moses Lake Hotel is $6,500,000.

Shilo Rose Garden operates a 44-room, two-story, limited-service hotel in Portland, Oregon, within easy walking distance of the Portland Convention Center and Portland Rose

Garden (the "Rose Garden Hotel"), subject to a long-term land lease, operated pursuant to a franchise agreement with SFI and managed by SMC. The Shilo Inn, Rose Garden property has a sauna, business center, and guest laundry facility. The Rose Garden Hotel has 10 employees. Based on the appraisal report of Herald Haskell, MAI, the fair market value of the Rose Garden Hotel is $3,000,000.

The Twin Falls Hotel, Boise Airport Hotel, Nampa Blvd Hotel, Newberg Hotel, Seaside East Hotel, Moses Lake Hotel, and Rose Garden Hotel are collectively referred to herein as the "Hotels." In the aggregate, the Hotels employ 95 employees.

Based on the appraisal reports of Herald Haskell, MAI, the current fair market value of the Hotels, in the aggregate, is approximately $37,440,000. As discussed in greater detail below, the total secured debt owing to California Bank & Trust, is approximately $18,272,000 plus a credit line of $5,000,000[2], which is secured by five (5) of the seven (7) Hotels, totaling approximately $23 million of secured debt.

The Hotels have enjoyed historical success as stand-alone businesses leading up to the severe economic downturn in the later part of 2008 and have continued to struggle since that time due to the decline in corporate and leisure travel, the freeze of credit markets, and the rising costs of products to service customers. Despite this downturn in the economy, the Debtors continued to maintain the properties in a first-class, excellent condition and in compliance with Shilo Inn franchise standards.

B. The Hotels' Secured Loans with California Bank & Trust

In April 2005, (i) Shilo Twin Falls, (ii) Shilo Boise Airport, (iii) Shilo Nampa Blvd, (iv) Shilo Newberg, and (v) Shilo Moses Lake entered into loan agreements with Vineyard Bank, a California Bank ("Vineyard"). Thereafter, in April 2006 and August 2006, respectively, Shilo Seaside East and Shilo Rose Garden also entered into loan agreements with Vineyard

[2] The Debtors are investigating whether the $5,000,000 credit line, which was not an obligation of the Debtors and did not benefit the Debtors, is avoidable as a fraudulent conveyance. The Debtors intend to assert such claims, if appropriate, shortly.

(collectively, the "7 Shilo Loans"). Mark S. Hemstreet, founder of Shilo Inns, was a guarantor of the 7 Shilo Loans. Some, but not all, of the 7 Shilo Loans were cross-collateralized. In April 2005, Vineyard issued an additional unsecured $5 million revolving operating credit line loan to Mark Hemstreet, individually (the "Hemstreet Loan"). The Debtors and Mr. Hemstreet made timely payments on the 7 Shilo Loans and Hemstreet Loan until the historic recession that began in late 2008.

What follows is a brief summary of the dates and circumstances that led Debtors to file bankruptcy.

In July 2009, like many other banks, Vineyard went into FDIC receivership, and California Bank and Trust, a California Bank ("CBT") acquired the 7 Shilo Loans. Shortly thereafter, in November 2010, the Debtors entered into a loan modification agreement (the "First Modification") on the 7 Shilo Loans. As the recession continued, faced with foreclosure in July 2011, Shilo agreed to enter into a second loan modification (the "Second Modification") with CBT.

The Second Modification was based on terms required by CBT, which included extremely aggressive obligations to market and sell some of the properties within very short time periods. On November 10, 2011, while in the midst of finalizing second amended trust deeds for Shilo Moses Lake and Shilo Rose Garden as part of the Second Modification, CBT issued a notice of default ("NOD") on the 7 Shilo Loans and Hemstreet Loan, claiming monetary and nonmonetary defaults.

In April 2012, CBT filed seven separate federal lawsuits in three different District Courts to foreclose on the seven Hotels in Oregon, Washington, and Idaho on account of the 7 Shilo Loans and Hemstreet Loan. Additionally, CBT filed a separate suit against Mark Hemstreet, the common guarantor, for breach of the guarantees on the 7 Loans. Throughout the litigation, the Debtors continued to actively engage CBT to resolve the disputes, but CBT refused these

overtures in favor of litigation.

In the initial receivership proceedings, CBT only pursued a financial oversight receiver. In lieu of granting the limited receiver, the federal district court in the District of Oregon ruled that CBT had to provide the Debtors with reinstatement figures for the 7 Shilo Loans. Upon receipt of CBT's reinstatement figures, the Debtors promptly paid to CBT the total amount of **$1,410,548.12** in good faith and under a reservation of rights for what the Debtors believed was to fully reinstate the 7 Shilo Loans, which included $470,181.08 in disputed default interest, $47,109.71 in late fees, and $21,701.25 of undisputed legal fees.

The Debtors challenged the $470,181.00 in default interest, $47,109.71 in late fees, and $374,820.12 of disputed attorneys' fees (the "CBT Disputed Charges") (the Debtors paid $21,701.25 of undisputed attorneys' fees to CBT). The federal district court in Oregon ruled in the Debtors' favor, which decision was followed by the federal district courts in both Idaho and Washington, ruling that CBT's default interest was unreasonable but deferred its decision on the disputed attorneys' fees[3]. Less than two weeks after payment and receipt of the $1,410,548.12, CBT then issued a new NOD against the Debtors, purporting to accelerate the loans for alleged non-monetary defaults and monetary default of the Hemstreet Loan (despite being ordered by the federal district courts to provide full reinstatement amounts previously) and began a new round of foreclosure[4].

In a good faith effort to keep the relationship positive (despite the NOD and litigation filed by CBT) between June-December 2012, the Debtors continued to make timely, monthly mortgage payments to CBT, which CBT held the checks totaling $466,355.98 but refused apply them to the Debtors. The Debtors attempted to reason with CBT and recognize the reinstatement

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[3] Because CBT's claims in these cases include the foregoing claims again, the Debtors intend to assert objections to such claims.

[4] The Debtors are consulting with counsel to pursue lender liability claims against CBT with respect to CBT's wrongful declaration of default, through the NOD, only two (2) weeks after the cure and reinstatement by the Debtors through the payment to CBT of over $1.4 million. Debtors reserve all rights to commence and prosecute such claims against CBT.

of the loans under state foreclosure laws, but CBT continued to pursue litigation. In December 2012, the Debtors entered into an agreement with CBT to forbear all litigation and allow the Debtors until April 30, 2013, to refinance the 7 Shilo Loans and the Hemstreet Loan at a total $21 million discounted payoff. As part of this agreement, CBT accepted the monthly payments from June-December 2012 in the amount of $466,355.98.

For over a year prior to the foregoing forbearance agreement, the Debtors were working with Cabot Land Holdings, LLC ("Cabot"), as lender/sponsor, to effectuate a financing transaction (revenue pass-through certificates), in the amount of $59.5 million, which would fund a pool of Shilo Inns hotel properties, including taking out CBT. BB&T Capital Markets was the bonding facilitator for the transaction. The Debtors timely completed all necessary due diligence related to valuation and operations, with CBT being apprised of the developments as such developments occurred.

Conditional commitment letters were provided to the Debtors by Cabot in January 2013. The only remaining condition was an approval rating from Moody's in order to designate the pass-through certificates a "rated" designation. All parties, through the settlement agreement between the Debtors and CBT, believed that such rating would be received since all other requirements have been satisfied and initial drafts of the transaction documents (e.g., ground leases) were prepared. Unfortunately, in the first week of April 2013 and to the surprise of the Debtors, Cabot advised the Debtors that it did not receive the requisite Moody's rating and, based on the foregoing, the proposed transaction was terminated[5]. The foregoing was a terrible result for the Debtors, as well as for CBT, since everyone believed that the proposed transaction had proceeded far enough where consummation would be achieved and Debtors' obligations to CBT would be satisfied in fully.

Although the Debtors had other qualified investors that wanted to refinance the 7 Shilo Loans, the continuing litigation from CBT proved too great a hurdle, and refinancing could not

[5] The Shilo entities paid tens of thousands of dollars in connection with due diligence investigation and reporting, as well as countless man-hours and resources of the companies.

be achieved in time. The Debtors requested a 90-day extension of the forbearance in good faith and again voluntarily offered up 100% access to the receivables for the Hotels to CBT through a cash management agreement to avoid the disruption that receiverships and bankruptcies would have on finalizing funding, and overall operations to the Hotels, but CBT moved forward with receiverships and aggressive litigation against the Debtors and their Hotels.

On May 1, 2013, CBT filed for receiverships in district court, while the Debtors continued to reach out to CBT to settle the matter to preserve the overall Hotel collateral. In order to save the Hotels and the approximately 95 jobs at the Hotels, preserve property of the estates, and for the benefit of all of the Debtors' creditors, employees, and parties in interest, the Debtors determined, exercising their reasonable business judgment, to file for chapter 11 bankruptcy protection and seek to reorganize their financial affairs.

What follows is a **brief** description of the Debtors' business and future business plans. Further details relating to the Debtors' financial condition and post-confirmation operation of the Debtors are found in sections X, XI, XII, XVI, and XV.

As discussed above, the Debtors operate their seven Hotels, pursuant to a franchise agreement with SFI. The Debtors intend to continue in these businesses under the "Shilo Inn" flag, which is well known on the West Coast.

The Debtors have taken market steps in mid-2012 to date to improve overall performance for the seven (7) hotel properties, such as: (1) benefiting from a substantial 2012 investment in Genares Worldwide Reservation Services, Ltd, which has opened up and dramatically improved online portals of revenue like with Expedia, Travelocity, Orbitz and other global distribution sites; (2) new, fresh sales teams have been implemented and an aggressive, but achievable 2013 sales incentive plan has been introduced to improve RevPar numbers, along with increasing revenue numbers by 7% over the previous year; (3) after extensive review of performance of the seven (7)

Debtors' hotel manager performances, new general managers have been hired at certain properties; (4) investments in online marketing, advertisement and customer experience increased dramatically in 2012 by investing in new mobile applications, the Debtors' website for booking and internet search improvements to give the Debtors more online visibility; (5) feasible maintenance and capital improvement budgets have been created as part of this plan to help keep the Debtors' properties competitive and increase overall revenues; (6) new budget and labor tools have been implemented in order to better manage labor, utilities and supplies; (7) a concerted effort has been made to reintroduce bus tour groups to certain of the Debtors' properties to improve overall occupancy and revenue; and (8) opening up a new relationship with Booking.com which has proved beneficial to the Debtors' Hotels.

Year to date, due to systematic changes in operations for the Debtors' properties, the pool of Debtors' properties have seen increases in revenue. Boise Airport, Moses Lake, Rose Garden, Newberg, Seaside East and Nampa Blvd are up $86,976, $118,986, $73,164, $8,563, $39,635 and $81,667 YTD respectfully (approximately $408,991 total). Twin Falls, which has always been a solid performer, is only slightly down due to a decline in construction crews for the Chobani yogurt plant being constructed, but are up for the month by $5,351. In the first four (4) months of these cases, the Debtors have accumulated, in the aggregate, in excess of $1.4 million in cash, net of all expenses and adequate protection payments to CBT. In other words, the Debtors have a viable business model and their strong performance during the pendency of these cases support the Debtors' reorganization efforts.

The Debtors' Dealings with California Bank & Trust During the Bankruptcy Cases

During the bankruptcy cases, the Debtors negotiated consensual use of CBT's cash collateral for May 2013 through December 2013, allowing the Debtors to continue operating the Hotels and preserve the value of the estates for all creditors. In exchange for consensual use of

cash collateral, the Debtors provided CBT monthly payments totaling approximately $75,948.08 per month for all seven Debtors, which was calculated on 4.5% per annum interest rate on the outstanding principal balance of each Debtors' secured loan to CBT. After considering the adequate protection payments to date, the Debtors have managed to accumulate over $1,400,000 in the seven (7) Debtor Hotel DIP accounts.

Throughout the bankruptcy cases, the Debtors requested that CBT enter mediation with the Debtors to resolve the secured debt issues with CBT and permit operations to continue and permit general unsecured creditors, vendors, and employees to receive payments on their claims in full. As of the mailing of this Disclosure Statement and Plan, CBT has rejected offers for mediation or otherwise to discuss a resolution of the parties' disputes, despite initially indicating they would consider mediation if the Debtors agreed to adequate protection payments and financial reporting, both of which Debtors agreed to in good faith.

VIII. CRITICAL PLAN PROVISIONS

Listed below are the sources of money earmarked to pay creditors and interest-holders.

a. Debtors' cash on hand as of the Effective Date of the Plan; and

b. Future earnings from continued operations of the Debtors.

Non-insider general unsecured creditors can expect to have their claims paid in full (100%) as follows:

a. The first payment will be made on the Effective Date of the Plan, which is anticipated to be on January 2, 2014, in the aggregate amount of $64,596;

b. The Reorganized Debtors will make two (2) additional payments, each in the amount of $64,596 in months two and three following the Effective Date, for a total payout to non-insider general unsecured creditors in the amount of $193,788, which the Debtors believe constitutes 100% payment, excluding interest. Non-insider general unsecured creditors can

expect to receive their pro rata share of each payment made by the Reorganized Debtors, until such time as 100% of allowed general unsecured non-insider claims are paid in full.

IX. DESCRIPTION AND TREATMENT OF CLAIMS

a. Overview of Plan Payments

Below is a summary of who gets paid what and when and from what source. The identity of members within a particular class is explained beginning on the next page. The second column lists two amounts. First, the amount of each payment, or if only one is to be made, then that amount; second, the total amount that will be paid. The Proponents are usually not required by law to pay an unsecured creditor or interest holder everything it would otherwise be entitled to, had a bankruptcy case not commenced. The "Payment Due Date" column states the frequency with which payments will be made and the starting and ending dates. Look at the starting date to figure out who will be paid before and after you and in what amount. The "Source of Payment" column describes the expected source of payment. Further details regarding the source of payment are found in sections X and XI.

The timing of payments to many creditors is determined by the "Effective Date." Administrative claims, unless otherwise stated, must be paid by the Effective Date. The timing of payments to impaired creditors is measured from the Effective Date. In this case, the Effective Date of the Plan (the "Effective Date") will be January 2, 2014, assuming that the Bankruptcy Court has entered an order confirming the Plan (the "Plan Confirmation Order") at least 14 days prior to January 2, 2014, and there is no stay in effect, in which case the Effective Date shall be the first business day after the stay is no longer in effect with respect to the Plan Confirmation Order. The Debtors, following the Effective Date, will be referred to herein as the "Reorganized Debtors."

Payment Recipient	Amount of each Payment and Total Amount to be paid	Payment Due Date	Source of Payment
Levene, Neale, Bender, Yoo & Brill L.L.P. (bankruptcy counsel to the Debtors)	Total amount of approximately $150,000* to be paid in one (1) payment *estimated unpaid fees and expenses in excess of any retainer payments received	Payment shall be made upon the later of (1) Effective Date, and (2) 14 days after date of entry of order allowing the final fee application, provided that payments will be funded into LNBYB's trust account on the Effective Date	Reorganized Debtors' cash on hand available on Effective Date
Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 1.1 – Allowed Secured Claim of Twin Falls County Treasurer (property taxes) For Shilo Twin Falls Oversecured **IMPAIRED**	Total amount of $55,439.53 plus interest from the Effective Date at 9% per annum, calculated as $56,605 Three (3) payments 100% to be paid.	Month 1: $18,121 Month 2: $19,104 Month 3: $18,680	Post-confirmation income of Reorganized Debtor, Shilo Twin Falls
Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 1.2 – Allowed Secured Claim of Ada County Tax Collector (property taxes) For Shilo Boise Airport Oversecured **IMPAIRED**	Total amount of $29,824.07 plus interest from the Effective Date at 9% per annum, calculated as $32,402 Three (3) payments 100% to be paid.	Month 1: $10,774 Month 2: $10,935 Month 3: $10,693	Post-confirmation income of Reorganized Debtor, Shilo Boise Airport
Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 1.3 – Allowed	Total amount of	Month 1: $4,481	Post-confirmation

Secured Claim of Canyon County Tax Collector (property taxes) For Shilo Nampa Blvd Oversecured **IMPAIRED**	$13,443.90 plus interest from the Effective Date at 9% per annum, calculated as $13,478 Three (3) payments 100% to be paid.	Month 2: $4,549 Month 3: $4,448	income of Reorganized Debtor, Shilo Nampa Blvd
Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 1.4 – Allowed Secured Claim of Yamhill County Tax Collector (property taxes) For Shilo Newberg Oversecured **IMPAIRED**	Total amount of $7,136.81 plus interest from the Effective Date at 9% per annum, calculated as $7,155 Three (3) payments 100% to be paid.	Month 1: $2,379 Month 2: $2,415 Month 3: $2,361	Post-confirmation income of Reorganized Debtor, Shilo Newberg
Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 1.5 – Allowed Secured Claim of Clatsop County Tax Collector (property taxes) For Shilo Seaside East Oversecured **IMPAIRED**	Total amount of $5,953.72 plus interest from the Effective Date at 9% per annum, calculated as $5,969 Three (3) payments 100% to be paid.	Month 1: $1,985 Month 2: $2,014 Month 3: $1,970	Post-confirmation income of Reorganized Debtor, Shilo Seaside East
Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 1.6 – Allowed Secured Claim of Grant County Tax Collector (property taxes) For Shilo Moses Lake Oversecured **IMPAIRED**	Total amount of $26,429.37 plus interest from the Effective Date at 9% per annum, calculated as $26,496 Three (3) payments 100% to be paid.	Month 1: $8,810 Month 2: $8,942 Month 3: $8,744	Post-confirmation income of Reorganized Debtor, Shilo Moses Lake
Payment Recipient	**Amount of each Payment and Total**	**Payment Due Date**	**Source of Payment**

	Amount to be paid		
Class 1.7 – Allowed Secured Claim of Multnomah County Tax Collector (property taxes) For Shilo Rose Garden Oversecured **IMPAIRED**	Total amount of $7,525.58 plus interest from the Effective Date at 9% per annum, calculated as $8,364 Three (3) payments 100% to be paid.	Month 1: $2,781 Month 2: $2,823 Month 3: $2,760	Post-confirmation income of Reorganized Debtor, Shilo Rose Garden

The following Classes 2.1 – 2.5 claims of CBT are subject to adjudication of CBT's secured claims and, specifically, the Debtors' objection to the CBT Disputed Claims, in the aggregate amount of $892,110.83, as discussed above. The foregoing amount, which has been paid to CBT under protest, and subject to adjudication of the appropriate amount owed, is currently in CBT's possession. To the extent that any portion of the foregoing amount is disallowed as a claim, such disallowed amount shall be deemed to be a credit with respect to payments to be made to CBT under the Plan. For example, if $700,000 of the foregoing payment is deemed to be on account of a disallowed claim of CBT, then proposed payments to CBT under the Plan shall be deferred until such time as the full credit of $700,000 is applied to the Plan payments, as provided herein below.

Because Shilo Nampa Blvd and Shilo Newberg are cross-collateralized and cross-defaulted the debts to CBT, they are combined into one class. Similarly, because Shilo Seaside East and Shilo Moses Lake are cross-collateralized and cross-defaulted on the debts to CBT, they, too, are combined into one class. Hence, there are five (5) sub-classes instead of seven (7).

The Class 2.6 claim of CBT is on account of the $5 million line of credit. The Debtors intend to file a cause of action against CBT with respect to the Class 2.6 claim for avoidance of fraudulent transfer to the detriment of the Debtors' estates. In the two-year period prior to the Petition Date, the Debtors were caused to provide the Shilo Twin Falls Hotel, Shilo Boise Airport Hotel, Shilo Nampa Blvd Hotel, Shilo Newberg Hotel, and Shilo Seaside East Hotel as collateral to secure a personal loan of $5 million to Mark S. Hemstreet from California Bank & Trust. The Debtors received less than reasonably equivalent value for the pledge of collateral and seek to avoid the transfer. The payments for the Class 2.6 claim will be put in a reserve and paid under protest until the claim is deemed allowed.

Payment Recipient	Amount of each Payment and Total Amount to be paid	Payment Due Date	Source of Payment
Class 2.1 – Allowed Secured Claim of California Bank & Trust For Shilo Twin Falls Oversecured **IMPAIRED**	Total amount of $20,869 per month for first 24 payments $31,275 per month for payments # 25-120 $4,393,711 balloon payment Total payment of $7,396,112, inclusive of default interest, late fees, attorneys' fees and other costs related to a default (collectively, the "Default Costs") 100% to be paid.	Interest only payments for first two (2) years, paid monthly, in the amount of $20,869 per month. After first two (2) years, loan converts to amortizing loan based on a 25-year amortization, with principal and interest payments in the amount of $31,275 per month, with a final payment in month 120 after the Effective Date plus a balloon payment. Payments due on the first business day of the month, with a 10-day grace period Market interest rate to be proven at plan confirmation, but which the Debtors believe to be a fixed rate at 4.5% per annum for the life of the loan. Payment Frequency: Monthly Start Date: Effective Date End Date: 120 months following Effective Date Payments for months 1-24: $20,869 Payments for months 25-120: $31,275 Balloon Payment on month 120: $4,393,711 Until such time as the obligation is repaid as set forth hereinabove, credit	Post-confirmation income of Reorganized Debtor, Shilo Twin Falls

		shall retain its lien(s) with the same extent, validity and priority as on the Petition Date. The foregoing treatment shall be in full and complete satisfaction of all claims in this class.	
Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 2.2 – Allowed Secured Claim of California Bank & Trust For Shilo Boise Airport Oversecured **IMPAIRED**	Total amount of $13,913 per month for first 24 payments $20,850 per month for payments # 25-120 $2,929,135 balloon payment Total payment of $4,930,732, inclusive of default interest, late fees, attorneys' fees and other costs related to a default (collectively, the "Default Costs") 100% to be paid.	Interest only payments for first two (2) years, paid monthly, in the amount of $13,913 per month. After first two (2) years, loan converts to amortizing loan based on a 25-year amortization, with principal and interest payments in the amount of $20,850 per month, with a final payment in month 120 after the Effective Date plus a balloon payment. Payments due on the first business day of the month, with a 10-day grace period Market interest rate to be proven at plan confirmation, but which the Debtors believe to be a fixed rate at 4.5% per annum for the life of the loan. Payment Frequency: Monthly Start Date: Effective Date End Date: 120 months following Effective Date Payments for months 1-24: $13,913	Post-confirmation income of Reorganized Debtor, Shilo Boise Airport

		Payments for months 25-120: $20,850 Balloon Payment on month 120: $2,929,135 Until such time as the obligation is repaid as set forth hereinabove, credit shall retain its lien(s) with the same extent, validity and priority as on the Petition Date. The foregoing treatment shall be in full and complete satisfaction of all claims in this class.	
Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 2.3 – Allowed Secured Claim of California Bank & Trust For Shilo Nampa Blvd and Shilo Newberg Oversecured **IMPAIRED**	Total amount of $10,608 per month for first 24 payments $15,898 per month for payments # 25-120 $2,233,465 balloon payment Total payment of $3,759,683, inclusive of default interest, late fees, attorneys' fees and other costs related to a default (collectively, the "Default Costs") 100% to be paid.	Interest only payments for first two (2) years, paid monthly, in the amount of $10,608 per month. After first two (2) years, loan converts to amortizing loan based on a 25-year amortization, with principal and interest payments in the amount of $15,898 per month, with a final payment in month 120 after the Effective Date plus a balloon payment. Payments due on the first business day of the month, with a 10-day grace period Market interest rate to be proven at plan confirmation, but which the Debtors believe to be a fixed rate at 4.5% per annum for the life of the loan. Payment Frequency:	Post-confirmation income of Reorganized Debtors, Shilo Nampa Blvd and Shilo Newberg

		Monthly Start Date: Effective Date End Date: 120 months following Effective Date Payments for months 1-24: $10,608 Payments for months 25-120: $15,898 Balloon Payment on month 120: $2,233,465 Until such time as the obligation is repaid as set forth hereinabove, credit shall retain its lien(s) with the same extent, validity and priority as on the Petition Date. The foregoing treatment shall be in full and complete satisfaction of all claims in this class.	
Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 2.4 – Allowed Secured Claim of California Bank & Trust For Shilo Seaside East and Shilo Moses Lake Oversecured **IMPAIRED**	Total amount of $17,586 per month for first 24 payments $26,355 per month for payments # 25-120 $3,702,532 balloon payment Total payment of $6,232,623, inclusive of default interest, late fees, attorneys' fees and other costs related to a default (collectively, the "Default Costs") 100% to be paid.	Interest only payments for first two (2) years, paid monthly, in the amount of $17,586 per month. After first two (2) years, loan converts to amortizing loan based on a 25-year amortization, with principal and interest payments in the amount of $26,355 per month, with a final payment in month 120 after the Effective Date plus a balloon payment. Payments due on the first business day of the month, with a 10-day grace period	Post-confirmation income of Reorganized Debtors, Shilo Seaside East and Shilo Moses Lake

		Market interest rate to be proven at plan confirmation, but which the Debtors believe to be a fixed rate at 4.5% per annum for the life of the loan. Payment Frequency: Monthly Start Date: Effective Date End Date: 120 months following Effective Date Payments for months 1-24: $17,586 Payments for months 25-120: $26,355 Balloon Payment on month 120: $3,702,532 Until such time as the obligation is repaid as set forth hereinabove, credit shall retain its lien(s) with the same extent, validity and priority as on the Petition Date. The foregoing treatment shall be in full and complete satisfaction of all claims in this class.	
Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 2.5 – Allowed Secured Claim of California Bank & Trust For Shilo Rose Garden Oversecured **IMPAIRED**	Total amount of $5,378 per month for first 24 payments $8,509.08 per month for payments # 25-120 $1,132,194 balloon payment Total payment of	Interest only payments for first two (2) years, paid monthly, in the amount of $5,378 per month. After first two (2) years, loan converts to amortizing loan based on a 25-year amortization, with principal and interest payments in the amount	Post-confirmation income of Reorganized Debtor, Shilo Rose Garden

	$1,905,868, inclusive of default interest, late fees, attorneys' fees and other costs related to a default (collectively, the "Default Costs") 100% to be paid.	of $8,509.08 per month, with a final payment in month 120 after the Effective Date plus a balloon payment. Payments due on the first business day of the month, with a 10-day grace period Market interest rate to be proven at plan confirmation, but which the Debtors believe to be a fixed rate at 4.5% per annum for the life of the loan. Payment Frequency: Monthly Start Date: Effective Date End Date: 120 months following Effective Date Payments for months 1-24: $5,378 Payments for months 25-120: $8,509.08 Balloon Payment on month 120: $1,132,194 Until such time as the obligation is repaid as set forth hereinabove, credit shall retain its lien(s) with the same extent, validity and priority as on the Petition Date. The foregoing treatment shall be in full and complete satisfaction of all claims in this class.	
Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 2.6 – Allowed	Total amount of	Interest only payments	Post-confirmation

Secured Claim of California Bank & Trust For Shilo Rose Garden Oversecured **IMPAIRED** Subject to avoidance action	$18,750 per month for first 24 payments $28,100 per month for payments # 25-120 $4,049,678 balloon payment Total payment of $6,747,239, inclusive of default interest, late fees, attorneys' fees and other costs related to a default (collectively, the "Default Costs") 100% to be paid.	for first two (2) years, paid monthly, in the amount of $18,750 per month. After first two (2) years, loan converts to amortizing loan based on a 25-year amortization, with principal and interest payments in the amount of $28,100 per month, with a final payment in month 120 after the Effective Date plus a balloon payment. Payments due on the first business day of the month, with a 10-day grace period Market interest rate to be proven at plan confirmation, but which the Debtors believe to be a fixed rate at 4.5% per annum for the life of the loan. Payment Frequency: Monthly Start Date: Effective Date End Date: 120 months following Effective Date Payments for months 1-24: $18,750 Payments for months 25-120: $28,100 Balloon Payment on month 120: $4,049,678 Until such time as the obligation is repaid as set forth hereinabove, credit shall retain its lien(s) with the same extent, validity and priority as on the Petition Date.	income of Reorganized Debtors

		The foregoing treatment shall be in full and complete satisfaction of all claims in this class.	

Because Shilo Nampa Blvd and Shilo Newberg are cross-collateralized and cross-defaulted the debts to CBT, they are combined into one class for purposes of Class 3. Similarly, because Shilo Seaside East and Shilo Moses Lake are cross-collateralized and cross-defaulted on the debts to CBT, they, too, are combined into one class for Class 3. Hence, there are five (5) sub-classes instead of seven (7).

Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 3.1 – Allowed Unsecured Claims, excluding Insiders For Shilo Twin Falls **IMPAIRED**	Total amount of $45,354. 100% to be paid (excluding interest)	Effective Date: $15,118 plus $15,118 each month for two (2) additional months following the Effective Date Payments due on the first business day of the month	Post-confirmation income of Reorganized Debtor, Twin Falls

Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 3.2 – Allowed Unsecured Claims, excluding Insiders For Shilo Boise Airport **IMPAIRED**	Total amount of $37,911. 100% to be paid (excluding interest)	Effective Date: $12,637 plus $12,637 each month for two (2) additional months following the Effective Date Payments due on the first business day of the month	Post-confirmation income of Reorganized Debtor, Shilo Boise Airport

Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**

Class 3.3 – Allowed Unsecured Claims, excluding Insiders For Shilo Nampa Blvd and Shilo Newberg **IMPAIRED**	Total amount of $45,216. 100% to be paid (excluding interest)	Effective Date: $15,072 plus $15,072 each month for two (2) additional months following the Effective Date Payments due on the first business day of the month	Post-confirmation income of Reorganized Debtors, Shilo Nampa Blvd and Shilo Nerberg
Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 3.4 – Allowed Unsecured Claims, excluding Insiders For Shilo Seaside East and Shilo Moses Lake **IMPAIRED**	Total amount of $43,284. 100% to be paid (excluding interest)	Effective Date: $14,428 plus $14,428 each month for two (2) additional months following the Effective Date Payments due on the first business day of the month	Post-confirmation income of Reorganized Debtors, Shilo Seaside East and Shilo Moses Lake
Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 3.5 – Allowed Unsecured Claims, excluding Insiders For Shilo Rose Garden **IMPAIRED**	Total amount of $22,023. 100% to be paid (excluding interest)	Effective Date: $7,341 plus $7,341 each month for two (2) additional months following the Effective Date Payments due on the first business day of the month	Post-confirmation income of Reorganized Debtor, Shilo Rose Garden

Class 4 claims (consisting of classes 4.1 through 4.5), are composed of the general unsecured claims of insiders. These claims will not be paid until such time as all Class 3 claims are paid in full, and as cash flow permits. Payments will be due on the first business day of the month. The source of payment will be the post-confirmation income of the applicable Reorganized Debtor (or Reorganized Debtors, where cross-collateralized and cross-defaulted, as indicated below).

Similar to the class 3 claims, the class 4 classes are designated as follows: 4.1 Shilo Twin Falls; 4.2 Shilo Boise Airport; 4.3 Shilo Nampa Blvd and Shilo Newberg; 4.4 Shilo Seaside East and Shilo Moses Lake; and 4.5 Shilo Rose Garden.

Because Shilo Nampa Blvd and Shilo Newberg are cross-collateralized and cross-defaulted the debts to CBT, they are combined into one class. Similarly, because Shilo Seaside East and Shilo Moses Lake are cross-collateralized and cross-defaulted on the debts to CBT, they, too, are combined into one class. Hence, there are five (5) sub-classes instead of seven (7).

Payment Recipient	**Amount of each Payment and Total Amount to be paid**	**Payment Due Date**	**Source of Payment**
Class 5 – Interest Holders, Mark S. Hemstreet and Shannon Hemstreet **UNIMPAIRED**	No Payments	No Payments	No Payments

All claims listed in **Exhibits A-1, A-2, A-3, A-4, A-5, A-6**, and **A-7** attached hereto are undisputed. On the Effective Date (and on the payment dates as the case may be), the Disbursing Agent will deposit into a segregated account (the "Reserve Account") an amount of cash equal to 100% of the estimated distribution to be paid on the disputed portion of any claim. Cash together with interest accruing thereon will be held in trust for the benefit of holders of disputed claims. No claimant or interest holder is an affiliate of the Debtors, with the exception of those unsecured creditors listed on **Exhibits B-1, B-2, B-3, B-4, B-5, B-6**, and **B-7** attached hereto.

Below is a detailed description and treatment of administrative expenses, claims and interests

a. Administrative Expenses

i. These include the "actual, necessary costs and expenses of preserving the estate" as determined by the Court after notice to creditors of a request for

payment and after a hearing thereon. These also include the fees and expenses incurred by professionals employed in this case at the expense of the estate which have been approved by the Court on a final basis.

ii. The Code requires that allowed administrative expenses be paid on the effective date unless the party holding the administrative expense agrees otherwise. The claimants have not agreed otherwise.

Administrative Expense #1.

Claimant: Levene, Neale, Bender, Yoo & Brill L.L.P., bankruptcy counsel to the Debtors

- $150,000 (estimated unpaid fees and expenses in excess of retainer payments received), subject to court approval.

TOTAL $150,000 (estimated)

b. Unsecured Tax Claims

i. These include certain types of property, sales, income, and other taxes.

ii. The Code requires that the holders of such claims receive on account of such claim regular installment payments in cash (i) of a total value, as of the Effective Date of the Plan, equal to the allowed amount of such claim; (ii) over a period ending not later than 5 years after the date of the order for relief under section 301, 201 or 303 of the Bankruptcy Code; and (iii) in a manner not less favorable than the most favored nonpriority unsecured claim provided for by the Plan (other than cash payments made to a class of creditors under section 1122(b) of the Bankruptcy Code). The amount of the allowed claim includes the amount of tax owed plus interest. The present value is calculated as of the Effective Date.

- Shilo Twin Falls - $0.00 for the Idaho State Tax Commission
- Shilo Boise Airport - $0.00 for the Idaho State Tax Commission
- Shilo Nampa Blvd – $0.00 for the Idaho State Tax Commission
- Shilo Newberg – None
- Shilo Seaside East – None
- Shilo Moses Lake – None
- Shilo Rose Garden – None

TOTAL UNSECURED TAX CLAIMS: $0

c. **CLASS 1.1**

Secured Claim of **TWIN FALLS COUNTY TAX COLLECTOR (claim is oversecured)**

Total amount of allowed claim:	$56,464.13
Total amount of payments (over time) to satisfy the secured claim:	$56,605
Interest rate (to compensate creditor because claim is paid over time):	9% per annum (per 11 U.S.C. § 1129(a)(9)(D))
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	$18,821; $19,104: $18,680
Frequency of payments:	Monthly
Total yearly payments:	$56,605
Final payment date:	March 1, 2014
Lien is not modified in any way by the Plan	No lien modification
Description of Collateral:	Statutory first priority lien on Debtor's real property, Shilo Twin Falls Hotel

Additional Comments:	The Debtor shall have the right to prepay this claim prior to maturity without penalty or fee.

a. **CLASS 1.2**

Secured Claim of **ADA COUNTY TAX COLLECTOR (claim is oversecured)**

Total amount of allowed claim:	$32,320,80
Total amount of payments (over time) to satisfy the secured claim:	$32,402
Interest rate (to compensate creditor because claim is paid over time):	9% per annum (per 11 U.S.C. § 1129(a)(9)(D))
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	$10.774; $10,935; $10,693
Frequency of payments:	Monthly
Total yearly payments:	$32,402
Final payment date:	March 1, 2014
Lien is not modified in any way by the Plan	No lien modification
Description of Collateral:	Statutory first priority lien on Debtor's real property, Shilo Boise Airport Hotel
Additional Comments:	The Debtor shall have the right to prepay this claim prior to maturity without penalty or fee.

a. **CLASS 1.3**

Secured Claim of **CANYON COUNTY TAX COLLECTOR (claim is oversecured)**

Total amount of allowed claim:	$13,443.90
Total amount of payments (over time) to satisfy the secured claim:	$13,478
Interest rate (to compensate	9% per annum (per 11 U.S.C. §

creditor because claim is paid over time):	1129(a)(9)(D))
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	$4,481; $4,549; $4,448
Frequency of payments:	Monthly
Total yearly payments:	$13,478
Final payment date:	March 1, 2014
Lien is not modified in any way by the Plan	No lien modification
Description of Collateral:	Statutory first priority lien on Debtor's real property, Shilo Nampa Blvd Hotel
Additional Comments:	The Debtor shall have the right to prepay this claim prior to maturity without penalty or fee.

a. **CLASS 1.4**

Secured Claim of **YAMHILL COUNTY TAX COLLECTOR (claim is oversecured)**

Total amount of allowed claim:	$7,136.81
Total amount of payments (over time) to satisfy the secured claim:	$7,155
Interest rate (to compensate creditor because claim is paid over time):	9% per annum (per 11 U.S.C. § 1129(a)(9)(D))
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	$2,379; $2,415; $2,361
Frequency of payments:	Monthly
Total yearly payments:	$7,155
Final payment date:	March 1, 2014
Lien is not modified in any	No lien modification

way by the Plan	
Description of Collateral:	Statutory first priority lien on Debtor's real property, Shilo Newberg Hotel
Additional Comments:	The Debtor shall have the right to prepay this claim prior to maturity without penalty or fee.

a. **CLASS 1.5**

Secured Claim of **CLATSOP COUNTY TAX COLLECTOR (claim is oversecured)**

Total amount of allowed claim:	$5,953.72
Total amount of payments (over time) to satisfy the secured claim:	$5,969
Interest rate (to compensate creditor because claim is paid over time):	9% per annum (per 11 U.S.C. § 1129(a)(9)(D))
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	$1,985; $2,014; $1,970
Frequency of payments:	Monthly
Total yearly payments:	$5,969
Final payment date:	March 1, 2014
Lien is not modified in any way by the Plan	No lien modification
Description of Collateral:	Statutory first priority lien on Debtor's real property, Shilo Seaside East Hotel
Additional Comments:	The Debtor shall have the right to prepay this claim prior to maturity without penalty or fee.

a. **CLASS 1.6**

Secured Claim of **GRANT COUNTY TAX COLLECTOR (claim is oversecured)**

Total amount of allowed claim:	$26,429.37
Total amount of payments (over time) to satisfy the secured claim:	$26,495
Interest rate (to compensate creditor because claim is paid over time):	9% per annum (per 11 U.S.C. § 1129(a)(9)(D))
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	$8,810; $8,942; $8,744
Frequency of payments:	Monthly
Total yearly payments:	$26,495
Final payment date:	March 1, 2014
Lien is not modified in any way by the Plan	No lien modification
Description of Collateral:	Statutory first priority lien on Debtor's real property, Shilo Moses Lake Hotel
Additional Comments:	The Debtor shall have the right to prepay this claim prior to maturity without penalty or fee.

a. **CLASS 1.7**

Secured Claim of **MULTNOMAH COUNTY TAX COLLECTOR (claim is oversecured)**

Total amount of allowed claim:	$7,525.58
Total amount of payments (over time) to satisfy the secured claim:	$8,364
Interest rate (to compensate creditor because claim is paid over time):	9% per annum (per 11 U.S.C. § 1129(a)(9)(D))
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	$2,781; $2,823; $2,760

Frequency of payments:	Monthly
Total yearly payments:	$8,364
Final payment date:	March 1, 2014
Lien is not modified in any way by the Plan	No lien modification
Description of Collateral:	Statutory first priority lien on Debtor's real property, Shilo Rose Garden Hotel
Additional Comments:	The Debtor shall have the right to prepay this claim prior to maturity without penalty or fee.

b. **CLASS 2.1**

Secured Claim of **CALIFORNIA BANK & TRUST** Against Shilo Twin Falls

Total amount of allowed claim:	$5,565,019 inclusive of Default Costs
Total amount of payments (over time) to satisfy the secured claim:	$7,396,112
Interest rate (to compensate creditor because claim is paid over time):	Market interest rate, as may be determined at Plan confirmation hearing, but which the Debtor believes to be fixed 4.5% per annum for the life of the Plan.
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	Interest only payments for first two (2) years, in the amount of $20,869 per month. After first two (2) years, loan converts to an amortizing loan based on a 25 year amortization, with principal and interest payments in the amount of $31,275 per month, plus a balloon payment at the end of the ten-year plan of $4,393,711.
Frequency of payments:	Monthly All payments due on the 20th of the month, with 10 day grace period
Total yearly payments:	$250,426 in years 1 and 2 $375,300 in years 3 through 10
Final payment date:	December 2023

Lien is not modified in any way by the Plan	No lien modification as to lien rights. Terms related to payment of obligation being modified as set forth herein.
Description of Collateral:	All real and personal property upon which CBT held a valid prepetition lien for the following Debtors: Shilo Inn, Twin Falls, LLC
Additional Comments:	The Debtor shall have the right to prepay this claim prior to maturity without penalty or fee. Debtor shall open a segregated tax impound account and shall make necessary deposits to insure timely property tax payments. Existing personal guaranty of Mark S. Hemstreet shall remain unaffected. The remainder of the loan documents with CBT will remain unchanged except as explicitly set forth in the Plan.

a. **CLASS 2.2**

Secured Claim of **CALIFORNIA BANK & TRUST** Against Shilo Boise Airport

Total amount of allowed claim:	$3,710,012 inclusive of Default Costs
Total amount of payments (over time) to satisfy the secured claim:	$4,930,732
Interest rate (to compensate creditor because claim is paid over time):	Market interest rate, as may be determined at Plan confirmation hearing, but which the Debtor believes to be fixed 4.5% per annum for the life of the Plan.
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	Interest only payments for first two (2) years, in the amount of $13,913 per month. After first two (2) years, loan converts to an amortizing loan based on a 25 year amortization, with principal and interest payments in the amount of $20,850 per

	month, plus a balloon payment at the end of the ten-year plan of $2,929,135.
Frequency of payments:	Monthly All payments due on the 20th of the month, with 10 day grace period
Total yearly payments:	$166,951 in years 1 and 2 $250,200 in years 3 through 10
Final payment date:	December 2023
Lien is not modified in any way by the Plan	No lien modification as to lien rights. Terms related to payment of obligation being modified as set forth herein.
Description of Collateral:	All real and personal property upon which CBT held a valid prepetition lien for the following Debtors: Shilo Inn, Boise Airport, LLC
Additional Comments:	The Debtor shall have the right to prepay this claim prior to maturity without penalty or fee. Debtor shall open a segregated tax impound account and shall make necessary deposits to insure timely property tax payments. Existing personal guaranty of Mark S. Hemstreet shall remain unaffected. The remainder of the loan documents with CBT will remain unchanged except as explicitly set forth in the Plan.

a. **CLASS 2.3**

Secured Claim of **CALIFORNIA BANK & TRUST** Against Shilo Nampa Blvd and Shilo Newberg

Total amount of allowed claim:	$2,828,884 inclusive of Default Costs
Total amount of payments (over time) to satisfy the secured claim:	$3,759,683

Interest rate (to compensate creditor because claim is paid over time):	Market interest rate, as may be determined at Plan confirmation hearing, but which the Debtor believes to be fixed 4.5% per annum for the life of the Plan.
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	Interest only payments for first two (2) years, in the amount of $10,608 per month. After first two (2) years, loan converts to an amortizing loan based on a 25 year amortization, with principal and interest payments in the amount of $15,898 per month, plus a balloon payment at the end of the ten-year plan of $2,233,465.
Frequency of payments:	Monthly All payments due on the 20th of the month, with 10 day grace period
Total yearly payments:	$127,300 in years 1 and 2 $190,777 in years 3 through 10
Final payment date:	December 2023

Lien is not modified in any way by the Plan	No lien modification as to lien rights. Terms related to payment of obligation being modified as set forth herein.
Description of Collateral:	All real and personal property upon which CBT held a valid prepetition lien for the following Debtors: Shilo Inn, Nampa Blvd, LLC Shilo Inn, Newberg, LLC
Additional Comments:	The Debtor shall have the right to prepay this claim prior to maturity without penalty or fee. Debtor shall open a segregated tax impound account and shall make necessary deposits to insure timely property tax payments. Existing personal guaranty of Mark S. Hemstreet shall remain unaffected. The remainder of the loan documents with CBT will remain unchanged except as explicitly set forth in the Plan.

a. **CLASS 2.4**

Secured Claim of **CALIFORNIA BANK & TRUST** Against Shilo Seaside East and Shilo Moses Lake

Total amount of allowed claim:	$4,689,589 inclusive of Default Costs
Total amount of payments (over time) to satisfy the secured claim:	$6,232,623
Interest rate (to compensate creditor because claim is paid over time):	Market interest rate, as may be determined at Plan confirmation hearing, but which the Debtor believes to be fixed 4.5% per annum for the life of the Plan.
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	Interest only payments for first two (2) years, in the amount of $17,586 per month. After first two (2) years, loan converts to an

	amortizing loan based on a 25 year amortization, with principal and interest payments in the amount of $26,355 per month, plus a balloon payment at the end of the ten-year plan of $3,702,532.
Frequency of payments:	Monthly All payments due on the 20th of the month, with 10 day grace period
Total yearly payments:	$211,032 in years 1 and 2 $316,261 in years 3 through 10
Final payment date:	December 2023
Lien is not modified in any way by the Plan	No lien modification as to lien rights. Terms related to payment of obligation being modified as set forth herein.
Description of Collateral:	All real and personal property upon which CBT held a valid prepetition lien for the following Debtors: Shilo Inn, Seaside East, LLC Shilo Inn, Moses Lake, Inc.
Additional Comments:	The Debtor shall have the right to prepay this claim prior to maturity without penalty or fee. Debtor shall open a segregated tax impound account and shall make necessary deposits to insure timely property tax payments. Existing personal guaranty of Mark S. Hemstreet shall remain unaffected. The remainder of the loan documents with CBT will remain unchanged except as explicitly set forth in the Plan.

a. **CLASS 2.5**

Secured Claim of **CALIFORNIA BANK & TRUST** Against Shilo Rose Garden

Total amount of allowed claim:	$1,434,025 inclusive of Default Costs
Total amount of payments (over time) to satisfy the	$1,905,868

secured claim:	
Interest rate (to compensate creditor because claim is paid over time):	Market interest rate, as may be determined at Plan confirmation hearing, but which the Debtor believes to be fixed 4.5% per annum for the life of the Plan.
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	Interest only payments for first two (2) years, in the amount of $5,378 per month. After first two (2) years, loan converts to an amortizing loan based on a 25 year amortization, with principal and interest payments in the amount of $8,509.08 per month, plus a balloon payment at the end of the ten-year plan of $1,132,194.
Frequency of payments:	Monthly All payments due on the 20th of the month, with 10 day grace period
Total yearly payments:	$64,531 in years 1 and 2 $96,709 in years 3 through 10
Final payment date:	December 2023

Lien is not modified in any way by the Plan	No lien modification as to lien rights. Terms related to payment of obligation being modified as set forth herein.
Description of Collateral:	All real and personal property upon which CBT held a valid prepetition lien for the following Debtors: Shilo Inn, Rose Garden, LLC
Additional Comments:	The Debtor shall have the right to prepay this claim prior to maturity without penalty or fee. Debtor shall open a segregated tax impound account and shall make necessary deposits to insure timely property tax payments. Existing personal guaranty of Mark S. Hemstreet shall remain unaffected. The remainder of the loan documents with CBT will remain unchanged except as explicitly set forth in the Plan.

a. **CLASS 2.6**

Secured Claim of **CALIFORNIA BANK & TRUST** for Line of Credit

Total amount of allowed claim:	$5,000,000 inclusive of Default Costs
Total amount of payments (over time) to satisfy the secured claim:	$6,747,239
Interest rate (to compensate creditor because claim is paid over time):	Market interest rate, as may be determined at Plan confirmation hearing, but which the Debtor believes to be fixed 4.5% per annum for the life of the Plan.
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	Interest only payments for first two (2) years, in the amount of $18,750 per month. After first two (2) years, loan converts to an amortizing loan based on a 25 year

	amortization, with principal and interest payments in the amount of $28,100 per month, plus a balloon payment at the end of the ten-year plan of $4,049,678.
Frequency of payments:	Monthly All payments due on the 20th of the month, with 10 day grace period
Total yearly payments:	$225,000 in years 1 and 2 $337,195 in years 3 through 10
Final payment date:	December 2023

Lien is not modified in any way by the Plan	No lien modification as to lien rights. Terms related to payment of obligation being modified as set forth herein.
Description of Collateral:	All real and personal property upon which CBT held a valid prepetition lien for the following Debtors: Shilo Inn, Twin Falls, LLC; Shilo Inn, Boise Airport, LLC; Shilo Inn, Nampa Blvd, LLC; Shilo Inn, Newberg, LLC; Shilo Inn, Seaside East, LLC
Additional Comments:	The Debtor shall have the right to prepay this claim prior to maturity without penalty or fee. Debtor shall open a segregated tax impound account and shall make necessary deposits to insure timely property tax payments. Existing personal guaranty of Mark S. Hemstreet shall remain unaffected. The remainder of the loan documents with CBT will remain unchanged except as explicitly set forth in the Plan. The Debtors intend to file a cause of action against CBT for avoidance of fraudulent transfer to the detriment of the Debtors' estates. In the two-year period prior to the Petition Date, the Debtors were caused to provide the Shilo Twin Falls Hotel, Shilo Boise Airport Hotel, Shilo Nampa Blvd Hotel, Shilo Newberg Hotel, and Shilo Seaside East Hotel as collateral to secure a personal loan of $5 million to Mark S. Hemstreet from California Bank & Trust. The Debtors received less than reasonably equivalent value for the pledge of collateral and seek to avoid the transfer.

b. **CLASS 3.1**

All General Unsecured Claims of Shilo Twin Falls, Excluding Insiders

See **Exhibit A-1** for list of claimants and amount owed each:

Total amount of allowed claims:	$45,354
Total amount of payments (over time) to satisfy the claims:	$45,354 (100% of allowed claims)
Interest rate:	None
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	$15,118
Frequency of payments:	Three (3) monthly payments, commencing on effective Date and two (2) additional months thereafter.
Total yearly payments:	$45,354
Final payment date:	March 1, 2014
Additional Comments:	Such treatment shall be in full and complete satisfaction of all Class 3.1 claims

a. **CLASS 3.2**

All General Unsecured Claims of Shilo Boise Airport, Excluding Insiders

See **Exhibit A-2** for list of claimants and amount owed each:

Total amount of allowed claims:	$37,911
Total amount of payments (over time) to satisfy the claims:	$37,911 (100% of allowed claims)
Interest rate:	None
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	$12,637
Frequency of payments:	Three (3) monthly payments, commencing on effective Date and two (2) additional months thereafter.
Total yearly payments:	$37,911
Final payment date:	March 1, 2014
Additional Comments:	Such treatment shall be in full and complete satisfaction of all Class 3.2 claims

a. **CLASS 3.3**

All General Unsecured Claims of Shilo Nampa Blvd and Shilo Newberg, Excluding Insiders

See **Exhibit A-3** for list of claimants and amount owed each:

Total amount of allowed claims:	$45,216
Total amount of payments (over time) to satisfy the claims:	$45,216 (100% of allowed claims)
Interest rate:	None
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	$15,072
Frequency of payments:	Three (3) monthly payments, commencing on effective Date and two (2) additional months thereafter.
Total yearly payments:	$45,216
Final payment date:	March 1, 2014
Additional Comments:	Such treatment shall be in full and complete satisfaction of all Class 3.3 claims

a. **CLASS 3.4**

All General Unsecured Claims of Shilo Seaside East and Shilo Moses Lake, Excluding Insiders

See **Exhibit A-4** for list of claimants and amount owed each:

Total amount of allowed claims:	$43,284
Total amount of payments (over time) to satisfy the claims:	$43,284 (100% of allowed claims)
Interest rate:	None
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	$14,428
Frequency of payments:	Three (3) monthly payments, commencing on effective Date and two (2) additional months thereafter.
Total yearly payments:	$43,284
Final payment date:	March 1, 2014
Additional Comments:	Such treatment shall be in full and complete satisfaction of all Class 3.4 claims

a. **CLASS 3.5**

All General Unsecured Claims of Shilo Rose Garden, Excluding Insiders

See **Exhibit A-5** for list of claimants and amount owed each:

Total amount of allowed claims:	$22,023
Total amount of payments (over time) to satisfy the claims:	$22,023 (100% of allowed claims)
Interest rate:	None
Impaired	Yes
First payment date:	Effective Date
Amount of each installment:	$7,341
Frequency of payments:	Three (3) monthly payments, commencing on effective Date and two (2) additional months thereafter.
Total yearly payments:	$22,023
Final payment date:	March 1, 2014
Additional Comments:	Such treatment shall be in full and complete satisfaction of all Class 3.5 claims

b. **CLASS 4.1-4.5**

Unsecured Claims Of Insiders

See **Exhibit B-1** through **Exhibit B-5** list the claimants and amount owed each for general unsecured insiders. These claims will not be paid until such time as all Class 3 claims are paid in full, and as cash flow permits. Payments will be due on the first business day of the month. The source of payment will be the post-confirmation income of the applicable Reorganized Debtor (or Reorganized Debtors, where cross-collateralized and cross-defaulted, as indicated below).

Similar to the class 3 claims, the class 4 classes are designated as follows: 4.1 Shilo Twin Falls; 4.2 Shilo Boise Airport; 4.3 Shilo Nampa Blvd and Shilo Newberg; 4.4 Shilo Seaside East and Shilo Moses Lake; and 4.5 Shilo Rose Garden.

Because Shilo Nampa Blvd and Shilo Newberg are cross-collateralized and cross-

defaulted the debts to CBT, they are combined into one class. Similarly, because Shilo Seaside East and Shilo Moses Lake are cross-collateralized and cross-defaulted on the debts to CBT, they, too, are combined into one class. Hence, there are five (5) sub-classes instead of seven (7).

Total amount of allowed claims:	Class 4.1: $ 11,350.39 Class 4.2: $ 15,187.69 Class 4.3: $ 181,464.25 Class 4.4: $ 211,144.93 Class 4.5: $ 36,344.00 Total $ 455,491.26
Total amount of payments (over time) to satisfy the claims:	$455,491.26
Interest rate:	None
Impaired	Yes
First payment date:	After class 3 claims have been paid in full, and as cash flow permits
Amount of each installment:	Varies as cash flow permits
Frequency of payments:	Monthly
Total yearly payments:	Variable
Final payment date:	Variable

a. CLASS FIVE

Equity Interests

Under the Plan, members of the Debtors, Mark S. Hemstreet and Shannon Hemstreet, shall retain all of their membership interests in the Debtors and shall be unimpaired under the Plan.

X. SOURCE OF MONEY TO PAY CLAIMS AND INTEREST-HOLDERS

The Plan cannot be confirmed unless the Court finds that it is "feasible," which means that the Proponents have timely submitted evidence establishing that the Debtors will have

sufficient funds available to satisfy all expenses, including the scheduled creditor payments discussed above. What follows is a statement of projected cash flow for the duration of the Plan. The focus is on projected cash receipts and cash disbursements. All non-cash items such as depreciation, amortization, gains and losses are omitted. A positive number reflects a source of cash; a (negative number) reflects a use of cash. A more detailed statement of cash flow projections for the duration of Plan payments is attached as **Exhibit "C"**.

Section XV(c) states the assumptions and details surrounding the statement of projected cash flow.

On the Effective Date, the Plan pays the amounts as follows:

Shilo Inn, Twin Falls

Administrative and executory claims	-	$ 40,627
Class 1	-	$18,821
Class 2	-	$20,869
Class 3	-	$15,118
TOTAL		$95,436
Funds Available on Effective Date	-	$405,920

Shilo Inn, Boise Airport

Administrative and executory claims	-	$ 39,074
Class 1	-	$ 10,774
Class 2	-	$ 13,913
Class 3	-	$ 12,637
TOTAL		$76,397
Funds Available on Effective Date	-	$125,269

Shilo Inn, Nampa Blvd & Shilo Inn, Newberg

Administrative and executory claims	-	$ 3,248
Class 1.3	-	$ 4,481
Class 1.4	-	$ 2,379

Class 2	-	$ 10,608
Class 3	-	$ 15,072
TOTAL		$ 35,788
Funds Available on Effective Date	-	$ 201,178
Shilo Inn, Seaside East & Shilo Inn, Moses Lake		
Administrative and executory claims	-	$ 170,017
Class 1.5	-	$ 1,985
Class 1.6	-	$ 8,810
Class 2	-	$ 17,586
Class 3	-	$ 14,428
TOTAL		$ 212,826
Funds Available on Effective Date	-	$ 433,932
Shilo Inn, Rose Garden		
Administrative and executory claims	-	$ 72,260
Class 1	-	$ 2,781
Class 2	-	$ 5,378
Class 3	-	$ 7,341
TOTAL		$ 87,760
Funds Available on Effective Date	-	$ 215,206

The Effective Date is projected to occur on January 2, 2014. As shown by the projected cash flow attached hereto as **Exhibit "C,"** the Reorganized Debtors will have cash on hand in sufficient amount on or about January 2, 2014. Therefore, the Debtors are expected to have sufficient cash on hand on the Effective Date to make the payments required to be made on the Effective Date.

XI. FINANCIAL RECORDS TO ASSIST IN DETERMINING WHETHER PROPOSED PAYMENT IS FEASIBLE

As discussed above, cash flow projections for the Plan repayment period are attached hereto as **Exhibit "C"**. Balance sheets, income and expense statements and financial information for the two years prior to the Petition Date are attached as **Exhibit "D"** hereto. All such financials have been prepared by SMC, as the managing company overseeing the Debtors' operations, with input from managers and staff of the Hotels.

XII. ASSETS AND LIABILITIES OF THE ESTATES

a. Assets

The latest available appraisals of the Hotels, which encompass substantially all of the Debtors' assets, are attached hereto as **Exhibit "E"**. The appraisal reports value the Hotels, as shown below, on an "as-is" basis provided they continue to operate as going concerns.

Property	Date of Appraisal	Value
Shilo Twin Falls Hotel	June 26, 2013	$10,700,00
Shilo Boise Airport Hotel	June 26, 2013	$7,100,000
Shilo Nampa Blvd Hotel	June 25, 2013	$3,000,000
Shilo Newberg Hotel	July 5, 2013	$3,600,000
Shilo Seaside East Hotel	July 2, 2013	$3,540,000
Shilo Moses Lake Hotel	June 25, 2013	$6,500,000
Shilo Rose Garden Hotel	July 3, 2013	$3,000,000

Whether the Plan proposes to sell any of these assets is discussed in section XVI. At this time, however, the Plan does not contemplate the sale of assets.

b. Liabilities

Exhibits A-1, A-2, A-3, A-4, A-5, A-6, and **A-7** and **Exhibits B-1, B-2, B-3, B-4, B-5, B-6,** and **B-7** show all general unsecured claims asserted against the estate, claims whose treatment is explained in detail by section IX.

c. Summary

The fair market value of all assets equals approximately $37.44 million. Total liabilities

equal approximately $23,867,690.58.

XIII. TREATMENT OF NONCONSENTING CLASSES

As stated above, even if all classes do not consent to the proposed treatment of their claims under the Plan, the Plan may nonetheless be confirmed if the dissenting classes are treated in a manner prescribed by the Code. The process by which dissenting classes are forced to abide by the terms of a plan is commonly referred to as "cramdown." The Code allows dissenting classes to be crammed down if the Plan does not "discriminate unfairly" and is "fair and equitable." The Code does not define discrimination, but it does provide a minimum definition of "fair and equitable." The term can mean that secured claimants retain their liens and receive cash payments whose present value equals the value of their security interest. For example, if a creditor lends the Debtor $100,000 and obtains a security interest in property that is worth only $80,000, the "fair and equitable" requirement means that the claimant is entitled to cash payments whose present value equals $80,000 and not $100,000. The term means that unsecured claimants whose claims are not fully satisfied at least know that no claim or interest that is junior to theirs will receive anything under the Plan, except where the Debtor is an individual, has elected to retain property included in the Estate under 11 U.S.C. § 1115 and has satisfied 11 U.S.C. § 1129(b)(2)(B)(ii). "Fair and equitable" means that each holder of an interest must receive the value of such interest or else no junior interest is entitled to receive anything.

Therefore, if a class of general unsecured claims votes against the Plan, the Plan cannot be confirmed where the Debtor or a class of interest holders (e.g. shareholders or partners) will receive or retain any property under the Plan, unless the Plan provides that the class of general unsecured claims shall be paid in full with interest. If a class of interest holders votes against the Plan, the Plan cannot be confirmed where the Debtor will receive or retain any property under the Plan, unless the Plan provides that the class of interest holders shall be paid in full with interest. These are complex statutory provisions and the preceding paragraphs do not purport to state or explain all of them.

XIV. TREATMENT OF NONCONSENTING MEMBERS OF CONSENTING CLASS (CHAPTER 7 LIQUIDATION ANALYSIS)

The Plan must provide that a nonconsenting impaired claimant or interest holder of a consenting class receive at least as much as would be available had the Debtors filed Chapter 7 petitions instead.

In a Chapter 7 case the general rule is that the Debtor's assets are sold by a trustee. Unsecured creditors generally share in the proceeds of sale only after secured creditors and administrative claimants are paid. Certain unsecured creditors get paid before other unsecured creditors do. Unsecured creditors with the same priority share in proportion to the amount of their allowed claim in relationship to the total amount of allowed claims.

A creditor would recover from the assets of the bankruptcy estates less under Chapter 7 than under Chapter 11 for at least three reasons. First, the recovery by unsecured creditors in a liquidation would be less than the recovery proposed under the Plan because the trustee would in all probability be unable to realize the full value of all of the Debtors' assets. Upon liquidation, a trustee would face the difficulties of processing, marketing and obtaining value for the Debtors' assets on a distressed sale basis. Thus, in a liquidation, the value of the Debtors' assets would, in all likelihood, decrease considerably from the current market values. The value would further be decreased based on the fact that, in a liquidation, the Debtors would lose their "Shilo Inn" flag and any liquidation sale would therefore include a no-name hotel. The "Shilo Inn" is a highly respected and valuable asset, particularly in the Pacific Northwest and inland neighboring states, which would be lost based on the provisions of the franchise agreement with SFI. Additionally, the cost for a buyer to "re-flag" a no-name hotel is extraordinarily high and will result in a decrease of the hotel purchase price because the buyer must devote and commit funds elsewhere to bring the no-name hotel into line with the prospective flag's standards for a property improvement plan (PIP).

Second, in a chapter 7 case, a trustee is appointed and is entitled to compensation from the bankruptcy estates in an amount no more than 25% of the first $5,000 of all moneys

disbursed, 10% on any amounts over $5,000 and up to $50,000, 5% on all amounts over $50,000 and up to $1,000,000, and such reasonable compensation no more than 3% of moneys over $1,000,000. Therefore, the distribution to creditors will be diluted further by the trustee's compensation.

Third, the current economic market would further depress the value of the Hotels in a liquidation. Liquidating the Debtors' assets would trend the business elsewhere for many years to come until a new "brand" can establish itself in the local communities.

If a liquidation was initiated, it would put these Hotels squarely in public eye of their respective communities and significantly reduce the value of the assets. In addition, the value of each Debtor asset would be greatly diminished by essentially dumping the Hotels on an open market wherein there is a close-knit buying community. The Debtors have maintained the Hotels' business operations and value during the bankruptcy cases by demonstrating to hotel guests that Hotels are operating as usual in the high Shilo standard to which guests are accustomed. The adverse publicity surrounding a liquidation scenario would be highly detrimental to the Hotels' reputation in the communities, their business activities, and subsequent values in a liquidation. Shilo has proven to be a very efficient and cost-conscious company in how it operates the Hotels through its affiliate management company, SMC. In a liquidation, the reservation service and related amenities provided by the Shilo franchise and SMC terminate. Even a short term disruption in the reservation process would have a dramatic impact on the Hotels and their businesses. Existing reservations would likely be lost, and new reservations would not be able to be made. The adverse public relations associated with such disruption would be drastic. The Debtors believe that such disruption would result in an additional discount of 15% to the value of the Hotels in a liquidation.

Shilo has been an institution in the respective Oregon, Idaho and Washington markets for over twenty years. Shilo has invested heavily into the local communities and maintained a superb reputation with customers, vendors and governmental officials. SFI, as the franchisor, has significant value. In the event of a liquidation, the Shilo flag would be pulled from the Hotel

pursuant to the terms of the franchise agreement and would result in an additional approximate 20% diminution in value to the Hotel.

The Debtors believe that the foregoing factors would result in not less than a 35% reduction in value of the Hotels in the event of a liquidation.

XV. FUTURE DEBTORS

a. Management of Debtors

i. ***Names of persons who will manage the Debtors' business affairs***: The pre-petition management of the Debtors will remain and continue to manage the Debtors' business affairs following confirmation of the Plan. SMC will continue to act as the Debtors' management company. Mark S. Hemstreet and Shannon Hemstreet will continue to be the members of the Debtors.

ii. ***Proposed compensation to persons listed above***: The Debtors do not employ management and, therefore, do not compensate such persons. Instead, the Debtors are managed by SMC and pays to SMC a management fee equal to 4% per month of adjusted gross revenue plus costs reimbursement. After confirmation of the Plan, management fees will remain unchanged.

iii. ***Qualifications***: SMC employs all Shilo employees, including those that work at the Hotels. SMC manages all of the Shilo "flagged" properties in a very efficient and cost effective manner. SMC prides itself on keeping its labor, material and services costs to a minimum, while at the same time providing maximum services for the Debtors' customers and vendors.

iv. ***Affiliation of persons to Debtors***: Mark S. Hemstreet and Shannon Hemstreet are the members of the Debtors. SMC is the management company of the Debtors. SMC also manages all other "Shilo Inn" hotels.

v. ***Job description***: SMC will continue to oversee the general operations of

the Debtors' businesses on a day-to-day basis and take all steps and actions necessary to ensure and maintain the smooth and successful operation of the business.

b. Disbursing Agent

SMC, as the management of the Reorganized Debtors, is responsible for collecting money intended for distribution to claimants and transmitting it to them. The disbursing agent's address and telephone number are: Shilo Management Corporation, 11600 SW Shilo Lane, Portland, OR 97225-5995, Tel: (503) 641-6565.

i. ***Proposed compensation to person listed above***: With the exception of its 4% management fee and reimbursable costs in connection with operations, SMC shall serve as the disbursing agent under the Plan without compensation or bond.

ii. ***Qualifications***: Given that the primary source of the payments required to be made under this Plan is the Debtors' cash on hand as of the Effective Date and the Debtors' post-confirmation income, the Debtors believe that SMC, as management of the Debtors, is the best qualified to serve as the disbursing agent. James Earl Duckworth, the CFO of SMC, will oversee, supervise and ensure that SMC competently performs the tasks of a disbursing agent. SMC, the Reorganized Debtors, and Mr. Duckworth are familiar with the claims in these cases and the terms of the Plan; thus, they are qualified to implement the Plan's provisions and make the necessary disbursements.

iii. ***Affiliation of person to Debtors***: SMC manages all of the Debtors' operations and financial matters. Mr. Duckworth is the CFO of SMC and intimately familiar with the Debtors' operations and the provisions of the Plan.

iv. ***Job description***: The disbursing agent shall make all distributions in accordance with the provisions of the Plan. SMC shall be the disbursing agent responsible for collecting all of the money intended for distribution to the Debtors' claimants and transmitting it

to them.

c. The Debtors' Charters

To the extent applicable, each of the Debtors' charters shall be amended to include a provision prohibiting the issuance of nonvoting equity securities. Furthermore, to the extent applicable, each of the Debtors' charters shall be amended to provide, as to the several classes of securities possessing voting power, an appropriate distribution of such power amount such classes.

d. Future Financial Outlook

The Proponents believe that the Debtors' economic health will improve from their pre-bankruptcy state. Some of the reasons for the improvement, as discussed above, are as follows:

Section X provides a summary of the projected cash flow of the Debtors for the duration of the Plan. The assumptions that underlie the projections are set forth in Exhibit "C" attached hereto. As previously stated, Plan payments will primarily come from the continued operation of the Debtors' businesses.

The Debtors used a complex and sophisticated model to prepare their plan projections, including conservative revenue and expense factors. The Debtors generally assumed a 3%-5% increase in occupancy for 2014, which results in higher occupancy than that for 2012 and 2013 year-to-date, but which is still lower than the peak occupancies achieved in prior years and indicates yet more room for improvement as the Debtors increase performance by focusing on improving operations and serving guest versus litigation. Year-to-date as of August 15, 2013, the Debtors' collective occupancy is up 7.4%, Average Daily Rate ("ADR") is up 1.2%, and total room revenues are up 8.4%. The Debtors increased their ADR in the projections approximately 1.7% by year-end for 2014 over the August 15, 2013 year-to-date actual ADRs achieved, and this increase is supported by figures for 2013, which continue to rise. Revenue is increased conservatively by approximately 4.6% - 7% annually from 2015 through 2023. At the same time, expenses are increased on an average of 3% each year to account for inflation; additional expenditures in sales, marketing & property improvements; increases in the cost of living; and

competitive wages. The Debtor's projections are more than generalized expectations of an improving economic environment. Rather, they are supported by conservative financial information and conservative financial adjustments. These projections are extremely conservative and err on the side of caution at every turn. However, if the Court sets an interest rate on the payment of CBT's claim that is materially higher than what is set forth in the Plan, then the Plan will become infeasible if that rate exceeds 8.5%.

The Reorganized Debtors may pursue the sale of their assets to the extent necessary for the Reorganized Debtors to meet their payment obligations under the Plan.

XVI. SALE OR TRANSFER OF PROPERTY; ASSUMPTION OF CONTRACTS AND LEASES; OTHER PROVISIONS

The Plan provides for the following:

The Plan does not provide for the sale or transfer of any property of the Debtors.

In connection with confirmation of the Plan, the Debtors intend to assume the unexpired leases and executory contracts listed on Exhibit "F" hereto. Cure amounts for each of the respective contracts and leases appear on Exhibit "F." Such assumptions include the Debtors' executory contract with SMC for management services (cure amount - $151,515) and with SFI for franchising services (cure amount - $195,004), with cure amounts to be paid upon the Effective Date.

The Debtors intend to reject all executory contracts and unexpired leases that do not appear on Exhibit "F." The Plan Effective Date shall be the operative date of assumption or rejection of executory contracts and unexpired leases listed (or not listed) on Exhibit "F," as the case may be.

The Court must make certain findings of fact before approving the aforementioned provisions as part of the Plan. The Proponents will request that the Court make the appropriate findings at the confirmation hearing, based upon evidence submitted in support of the confirmation motion.

XVII. BANKRUPTCY PROCEEDINGS

Following the Petition Date, the Court has authorized the employment of the following professionals:

1. Levene, Neale, Bender, Yoo & Brill L.L.P. as bankruptcy counsel to the Debtors (order entered on August 9, 2013).

Additionally, the following orders have been entered by the Court in the lead case of Shilo Inn, Twin Falls, LLC:

Filing Date	Docket #	Docket Text
05/06/2013	10	Order Granting, Without a Hearing, Debtor's Motion for Entry of an Order for Joint Administration of Cases (BNC-PDF) on Case 2:13-bk-21601 (Related Doc # 3) Signed on 5/6/2013. (Le, James) (Entered: 05/06/2013)
05/06/2013	11	ORDER Granting, without Hearing, Debtor's Motion for Entry of an Order for Joint Administration of Cases (BNC-PDF) Signed on 5/6/2013. (Queen, Sandra) (Entered: 05/06/2013)
05/10/2013	36	Order: (1) Setting Conference on Status of Reorganization Case; (2) Requiring Debtors-In-Possession to Appear at Status Conference and File Report on Status of Reorganization Case, or Face Possible (A) Conversion of Case to Chapter 7; (B) Dismissal of Case; or (C) Appointment of Trustee; (3) Requiring Compliance with Standards Re Employment and Fee Applications; (4) Giving Notice of Probable Use of Court-Appointed Expert for Contested Valuation Requests; (5) Mandating Use of LBR Forms By Individual Debtors; and (6) Establishing Procedures for (A) Motion for Order Approving Adequacy of Disclosure Statement; and (B) Motion for Order Confirming Plan (Related Doc # 1) Signed on 5/10/2013 (Le, James) (Entered: 05/10/2013)
05/15/2013	42	Amended Order: (1) Setting Conference on Status of Reorganization Case; (2) Requiring Debtors-In-Possession to Appear at Status Conference and File Report on Status of Reorganization Case, or Face Possible (A) Conversion of Case to Chapter

			7; (B) Dismissal of Case; or (C) Appointment of Trustee; (3) Requiring Compliance with Standards Re Employment and Fee Applications; (4) Giving Notice of Probable Use of Court-Appointed Expert for Contested Valuation Requests; (5) Mandating Use of LBR Forms By Individual Debtors; and (6) Establishing Procedure for (A) Motion for Order Approving Adequacy of Disclosure Statement; and (B) Motion for Order Confirming Plan (Related Doc # 36) Signed on 5/15/2013 (Le, James) (Entered: 05/15/2013)
05/16/2013		47	Order Granting Motion To Extend Deadline to File Schedules or Provide Required Information up to May 29, 2013 (BNC-PDF) (Related Doc # 38) Signed on 5/16/2013. (Le, James) (Entered: 05/16/2013)
05/30/2013		51	Order (1) Granting on an Interim Basis Debtors' Emergency Motion for Entry of an Order Authorizing the Continued Use of Debtors' Cash Management Systems; and (2) Setting a Final Hearing (Related Doc # 14) Signed on 5/30/2013 (Le, James) (Entered: 05/30/2013)
05/30/2013		52	Order (1) Granting on an Interim Basis Debtors' Emergency Motion for Authority to (A) Pay Prepetition Priority Wages, Commissions and Bonuses; and (B) Honor Accrued Vacation and Leave Benefits in the Ordinary Course of Business; and (2) Setting A Final Hearing (Related Doc # 15) Signed on 5/30/2013 (Le, James) (Entered: 05/30/2013)
05/30/2013		53	Order Granting Debtors' Emergency Motion for Authority to Provide Adequate Assurance of Future Payment to Utility Companies Pursuant to Section 366(C) of the Bankruptcy Code (Related Doc # 18) Signed on 5/30/2013 (Le, James) (Entered: 05/30/2013)
05/30/2013		55	Order (1) Granting on an Interim Basis Debtors' Emergency Motion Authorizing Debtors to use Cash Collateral Pending A Final Hearing; and (2) Setting A Final Hearing (Related Doc # 13) Signed on 5/30/2013 (Le, James) (Entered: 05/30/2013)
06/19/2013		66	Order Approving Stipulation Between Debtors and the United States Trustee on Permanently

		Extending Deadline to File Monthly Operating Reports (Related Doc # 61) Signed on 6/19/2013 (Le, James) (Entered: 06/19/2013)
07/29/2013	119	Order Approving Stipulation Authorizing Use of Cash Collateral Through December 31, 2013 (Related Doc # 102) Signed on 7/29/2013 (Le, James) (Entered: 07/29/2013)
08/06/2013	123	Order After Initial Status Conference in Chapter 11 Case: (1) Setting Bar Date for Filing Proofs of Claim or Interest and Requiring Compliance with LBR 3001-1; (2) Setting Deadline For Holding Hearing On Objections to Claims or Interests; (3) Setting Date for Hearing on Motion for Order Approving Adequacy of Disclosure Statement (Related Doc # 36) Signed on 8/6/2013 (Le, James) (Entered: 08/06/2013)
08/09/2013	127	Order Granting Application of Debtors and Debtors in Possession to Employ Levene, Neale, Bender Yoo & Brill LLP as General Bankruptcy Counsel (BNC-PDF) (Related Doc # 67) Signed on 8/9/2013. (Le, James) (Entered: 08/09/2013)

XVIII. TAX CONSEQUENCES OF PLAN

The tax consequences of the Plan are in many cases uncertain and many vary depending on the individual circumstances of the holders of claims and interests. The tax consequences of the Plan to a holder of a claim will depend, in part, on the type of consideration received for the claim, whether the holder is a resident of the United States for tax purposes, and whether the holder reports income on the accrual or cash basis method. Holders of claims likely will recognize gain or loss, as the case may be, equal to the difference between the amount realized under the Plan in respect of their claims and their respective tax basis in their claims. The amount realized for this purpose generally will equal the sum of cash and the fair market value of any other consideration received under the Plan in respect of their claims. Any gain or loss

recognized in the exchange will be capital or ordinary depending on the status of the claim in the holder's hands.

PERSONS CONCERNED WITH THE TAX CONSEQUENCES OF THIS PLAN SHOULD CONSULT THEIR OWN ACCOUNTANTS, ATTORNEYS AND/OR ADVISORS. THE PROPONENTS MAKE THE AFOREMENTIONED DISCLOSURE OF POSSIBLE TAX CONSEQUENCES FOR THE SOLE PURPOSE OF ALERTING READERS OF TAX ISSUES THEY MAY WISH TO CONSIDER. THE PROPONENTS CANNOT AND DO NOT REPRESENT THAT THE TAX CONSEQUENCES MENTIONED ABOVE ARE COMPLETELY ACCURATE BECAUSE THE TAX LAW EMBODIES MANY COMPLICATED RULES, WHICH MAKE IT DIFFICULT TO ACCURATELY STATE WHAT THE TAX IMPLICATIONS OF ANY ACTION MIGHT BE.

XIX. EFFECT OF CONFIRMATION OF PLAN

a. General comments

The provisions of a confirmed Plan bind the Debtors, any entity acquiring property under the Plan, and any creditor, interest holder, or general partner of the Debtors, even those who do not vote to accept the Plan.

The confirmation of the Plan vests all property of the estate in the Reorganized Debtors.

The automatic stay is lifted upon confirmation as to property of the estates. However, the stay continues to prohibit collection or enforcement of pre-petition claims against the Debtors or the Debtors' property until the date the Debtors receive a discharge, if any. If the Debtors do not seek a discharge, the discharge is deemed denied, and the stay as to the Debtors and the Debtors' property terminates upon entry of the order confirming the Plan.

b. Discharge of liability for payment of debts; status of liens; equity security holders

Unless the Debtors are not entitled to receive a discharge pursuant to 11 U.S.C. 1141(d)(3), the debtor may obtain a discharge only upon specific order of the Court. The confirmation of the Plan does not discharge the Debtors from any debt of a kind specified in

Sections 523(a)(2)(A)-(B) of the Bankruptcy Code (West 2004 & Supp 2006) that is owed to a domestic governmental unit, or owed to a person as the result of an action filed under subchapter III of chapter 37 or title 31 or any similar State statute or for a tax or customs duty with respect to which the debtor made a fraudulent tax return or willfully attempted in any manner to evade or to defeat such tax or such customs duty.

c. Modification of the Plan

The Proponents may modify the Plan pursuant to 11 U.S.C. § 1127.

d. Post-Confirmation Causes of Action

The Reorganized Debtors are designated as representatives of the estates under 11 U.S.C. § 1123(b)(3) and shall have the right to assert any or all of the estates' causes of action post-confirmation in accordance with applicable law.

The Debtors intend to file a cause of action against CBT for avoidance of fraudulent transfer to the detriment of the Debtors' estates. In the two-year period prior to the Petition Date, the Debtors were caused to provide the Shilo Twin Falls Hotel, Shilo Boise Airport Hotel, Shilo Nampa Blvd Hotel, Shilo Newberg Hotel, and Shilo Seaside East Hotel as collateral to secure a personal loan of $5 million to Mark S. Hemstreet from California Bank & Trust. The Debtors received less than reasonably equivalent value for the pledge of collateral and seek to avoid the transfer.

In addition, the Debtors believe that the estates hold valuable lender liability claims against CBT in connection with its issuance of the NOD shortly after receiving cure and reinstatement payments of over $1.4 million from the Debtors. Upon conclusion of their investigation and retention of lender liability counsel, the Debtors intend to pursue such claims against CBT.

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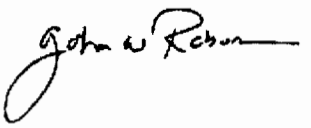
e. Final Decree

Once the Plan has been consummated, a final decree may be entered upon motion of the Proponent. The effect of the final decree is to close the bankruptcy case. After such closure, a party seeking any type of relief relating to a Plan provision can seek such relief in a state court of general jurisdiction.

Dated: August 29, 2013

SHILO INN, TWIN FALLS, LLC;
SHILO INN, BOISE AIRPORT, LLC;
SHILO INN, NAMPA BLVD, LLC;
SHILO INN, NEWBERG, LLC;
SHILO INN, SEASIDE EAST, LLC;
SHILO INN, MOSES LAKE, INC.;
SHILO INN, ROSE GARDEN, LLC



By: JOHN WESLEY RABORN
Its: Authorized Agent

Presented By:
LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.

By: */s/ David B. Golubchik*
DAVID B. GOLUBCHIK
KURT RAMLO
JOHN-PATRICK M. FRITZ
LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.
Attorneys for Chapter 11 Debtors and Debtors in Possession

XX. DECLARATION IN SUPPORT OF DISCLOSURE STATEMENT AND PLAN

Declaration of John Wesley Raborn

I, John Wesley Raborn, hereby declare as follows:

1. I am over 18 years of age. I have personal knowledge of the facts set forth below and, if called to testify, would and could competently testify thereto.

2. I am currently employed as the General Counsel of Shilo Management Corporation ("SMC"), which is the manager of Shilo Inn, Twin Falls, LLC ("Shilo Twin Falls"), Shilo Inn, Boise Airport, LLC ("Shilo Boise Airport"), Shilo Inn, Nampa Blvd, LLC ("Shilo Nampa Blvd"), Shilo Inn, Newberg, LLC ("Shilo Newberg"), Shilo Inn, Seaside East, LLC ("Shilo Seaside East"), Shilo Inn, Moses Lake, Inc. ("Shilo Moses Lake"), and Shilo Inn, Rose Garden, LLC ("Shilo Rose Garden") (collectively, the "Debtors") the debtors and debtors in possession herein.

3. I have reviewed and am familiar with and am knowledgeable about the books and records of SMC and the Debtors, which books and records are made in the regular practice of business, kept in the regular course of business, made by a person with knowledge of the events and information related thereto, and made at or near the time of events and information recorded.

4. I am an attorney duly licensed to practice law in the state of Oregon and am qualified to practice law in the state of Louisiana. I was hired as General Counsel of SMC in September 2009, in which role I have continued to serve to this present day. I am the authorized agent for the Debtors in their respective chapter 11 bankruptcy cases.

5. I make this declaration in support of the Debtors' Plan and Disclosure Statement to which it is attached.

6. David B. Golubchik and J.P. Fritz of Levene, Neale, Bender, Yoo & Brill L.L.P. ("LNBYB") are the individuals at LNBYB who prepared this document. Mr. Golubchik and Mr. Fritz are the attorneys at LNBYB who are primarily responsible for representing the Debtors in connection with their chapter 11 bankruptcy cases.

7. The source of all financial data is Debtors' books and records, which are maintained in the ordinary course of business of the Debtors. The Debtors' projections were prepared by SMC, as the management company of the Debtors, and supervised by Earl James Duckworth, the CFO of SMC. In order to ensure complete and accurate information, Mr. Duckworth solicited information and input from managers and other staff of SMC. After consultation with Mr. Duckworth, I believe, to the best of my knowledge, all projections and financial information attached hereto are accurate.

8. The liquidation analysis discussed in the Plan was prepared by Mr. Duckworth and myself with input from Christopher Campbell, SMC's prior CFO for ten years to December 31, 2012. The discounts applied are based on my experience in the hotel industry. While a discount of 15% was used for the liquidation analysis, I am confident that, in the event of an actual liquidation, where the "Shilo" flag would be pulled, the applicable discount would be substantially greater.

9. All facts and representations in the Plan and Disclosure Statement are true to the best of my knowledge.

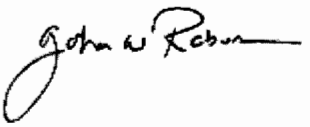
10. To the best of my knowledge, no fact material to a claimant or equity security holder in voting to accept or reject the proposed Plan has been omitted.

11. The names of the person who prepared the cash flow projections and the other financial documents are Earl James Duckworth, in his capacity as current CFO of SMC and Christopher Campbell, the former CFO of SMC.

12. The accounting method used to prepare the cash flow projections and the other financial documents is Income Tax-Basis, subject to assumptions as are inherently required in making projections. To the best of my knowledge, the Plan projections were prepared to track, as closely as possible, form of financials prepared by the Debtors prior to the bankruptcy. However, based on certain bankruptcy requirements and plan payments, the projections cannot mirror the format previously utilized. To the best of my knowledge, and after consultation to Messrs. Duckworth and Campbell, the projections, as attached hereto, are clear and descriptive

as to the categories and amounts of expenses projected to be paid during the Plan period.

Executed on this 29th day of August 2013, at Portland, Oregon.



JOHN WESLEY RABORN

EXHIBIT A

	FILED CLAIM					SCHEDULED CLAIM				OBJECTION	PROPOSED TREATMENT OF CLAIM		
Creditor	Claim No.	Date Claim Filed	Secured	Priority	General Unsecured	Schedule "D" Secured	Schedule "E" Priority	Schedule "F" Unsecured	C/U/D	Basis of Objection, If Any	Proposed Secured Amount	Proposed Priority Amount	Proposed Unsecured Amount
TAH ENTERPRISES LLC								220.59					220.59
Saflok								4,971.93					4,971.93
LODGING SUPPLY COMPANY								6,760.20					6,760.20
LODGENET ENTERTAINMENT CORP	4	6/17/2013			2,614.23			2,614.23					2,614.23
LaserCare								707.88					707.88
INTERMOUNTAIN GAS	1	6/3/2013			91,625.26			4,818.27					5,478.84
IDAHO POWER INC	10	8/21/2013			4,042.51			7,624.75					4,042.51
HEARTLAND FOOD PRODUCTS INC								614.98					614.98
Fire Protection Services								700.20					700.20
CLARK SIGNS EMC LLC								10,200.00					10,200.00
CLARK SIGNS								3,043.73					3,043.73
CENTURYLINK	3	6/17/2013			1,984.51			1,297.44					1,984.51
CENTURYLINK	2	6/17/2013			298.91			184.60					298.91
Cable One								169.96					169.96
Boiler Maintenance								204.34					204.34
BATTERIES PLUS OF IDAHO FALLS								86.63					86.63
Boise City Taxi, Inc.	6	7/22/2013			3,360.10					x			0.00
Taskbar Kibbee & Assoc	7	8/19/2013			3,255.00								3,255.00
			0.00	**0.00**	**107,180.52**	**0.00**	**0.00**	**44,219.73**			**0.00**	**0.00**	**45,354.44**

Exhibit A
Shilo Inn
Twin Falls

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	FILED CLAIM					SCHEDULED CLAIM				OBJECTION	PROPOSED TREATMENT OF CLAIM		
Creditor	Claim No.	Date Claim Filed	Secured	Priority	General Unsecured	Schedule "D" Secured	Schedule "E" Priority	Schedule "F" Unsecured	C/U/D	Basis of Objection, If Any	Proposed Secured Amount	Proposed Priority Amount	Proposed Unsecured Amount
Idaho State Tax Commission							0.00						0.00
UNITED WATER IDAHO								1,461.48					1,461.48
TYCO STRUCTURAL ENT INC								3,524.00					3,524.00
Taylor'd Painting								3,480.00					3,480.00
TASKAR KIBBEE & ASSOCIATES PC	9	8/19/2013			1,600.00			1,600.00					1,600.00
ServePro of Boise								5,000.00					5,000.00
Saflok								4,722.46					4,722.46
PARADIGM TAX GROUP								1,311.00					1,311.00
LODGENET ENTERTAINMENT CORP	3	6/17/2013			1,565.99			1,175.93					1,565.99
Intermountain Gas								812.91					1,531.94
IDAHO POWER INC	12	8/21/2013			2,207.69			6,648.83					2,207.69
FIRE PROTECTION SERVICES								5,522.77					5,522.77
Clark Signs								249.10					249.10
CENTURYLINK	2	6/17/2013			3,549.33			3,291.62					3,549.33
CENTURYLINK	1	6/17/2013			79.62			367.20					79.62
BOISE CITY TAXI INC	4	6/17/2013			3,360.10			1,530.10		x			2,105.10
IDAHO POWER INC	13	8/21/2013				823.49				x			0.00
			0.00		**12,362.73**	**823.49**		**40,697.40**			**0.00**		**37,910.48**

Exhibit A
Shilo Inn
Boise Airport

	FILED CLAIM					SCHEDULED CLAIM				OBJECTION	PROPOSED TREATMENT OF CLAIM		
Creditor	Claim No.	Date Claim Filed	Secured	Priority	General Unsecured	Schedule "D" Secured	Schedule "E" Priority	Schedule "F" Unsecured	C/U/D	Basis of Objection, If Any	Proposed Secured Amount	Proposed Priority Amount	Proposed Unsecured Amount
Thompson Inc.								119.50					119.50
TASKAR KIBBEE &ASSOCIATES	4	8/19/2013			1,600.00			1,600.00					1,600.00
TAH ENTERPRISES LLC								671.27					671.27
MOUNTAIN RANGE RESTAURANTS LLC								4,063.82					4,063.82
LODGENET ENTERTAINMENT CORP	3	6/17/2013			1,147.20			1,147.20					1,147.20
Intermountain Gas								1,835.88					2,154.48
IDAHO POWER INC								3,121.48					3,121.48
HD SUPPLY								332.79					332.79
FIRE PROTECTION SERVICES								1,400.40					1,400.40
City of Nampa								1,001.74					1,001.74
CENTURYLINK	1	6/17/2013			964.05			2,377.13					964.05
CENTURYLINK	2	6/17/2013			6,240.46			400.46					6,240.46
CABLE ONE								131.50					131.50
C.C.T.V.								1,399.55					1,399.55
			0.00	**0.00**	**9,951.71**	**0.00**	**0.00**	**19,602.72**			**0.00**	**0.00**	**24,348.24**

Exhibit A
Shilo Inn
Nampa Blvd

		FILED CLAIM					SCHEDULED CLAIM				OBJECTION	PROPOSED TREATMENT OF CLAIM		
Creditor	Address1	Claim No.	Date Claim Filed	Secured	Priority	General Unsecured	Schedule "D" Secured	Schedule "E" Priority	Schedule "F" Unsecured	C/U/D	Basis of Objection, If Any	Proposed Secured Amount	Proposed Priority Amount	Proposed Unsecured Amount
THYSSENKRUPP ELEVATOR CO INC									1,748.46					1,748.46
TASKAR KIBBEE & ASSOCIATES PC		5	8/19/2013			1,600.00			1,600.00					1,600.00
PORTLAND GENERAL ELECTRIC		3	6/14/2013			102.73			102.73					102.73
Megapath									0.00					0.00
LODGENET ENTERTAINMENT CORP		4	6/17/2013			694.73			694.73					694.73
Kenny Hostetler									751.93					751.93
FRONTIER COMMUNICATION SERVICES INC									0.00					0.00
FIRE PROTECTION SERVICES									1,490.40					1,490.40
CLARK SIGNS									3,639.16					3,639.16
CITY OF NEWBERG		1	5/17/2013			6,142.88			4,028.93					6,142.88
CENTURYLINK		2	6/17/2013			2,980.64			1,714.83					2,980.64
Bestline Paint									1,225.00					1,225.00
BEAVERTON PLUMBING									491.00					491.00
				0.00	**0.00**	**11,520.98**	**0.00**	**0.00**	**17,487.17**			**0.00**	**0.00**	**20,866.93**

	FILED CLAIM					SCHEDULED CLAIM				OBJECTION	PROPOSED TREATMENT OF CLAIM		
Creditor	Claim No.	Date Claim Filed	Secured	Priority	General Unsecured	Schedule "D" Secured	Schedule "E" Priority	Schedule "F" Unsecured	C/U/D	Basis of Objection, If Any	Proposed Secured Amount	Proposed Priority Amount	Proposed Unsecured Amount
Western Oregon Waste								490.86					490.86
THYSSENKRUPP ELEVATOR CO INC								1,748.48					1,748.48
PACIFIC POWER	1	6/10/2013			1,827.53			4,287.32					1,827.53
NW NATURAL								1,984.61					1,984.61
LODGING SUPPLY								3,612.00					3,612.00
LODGENET ENTERTAINMENT CORP	4	6/17/2013			1,096.67			1,096.67					1,096.67
FIRE PROTECTION SERVICES								1,454.40					1,454.40
Ecolab Inc								102.26					102.26
CLARK SIGNS								5,088.41					5,088.41
CITY OF SEASIDE								174.16					174.16
Charter Communications								0.00					0.00
CENTURYLINK	3	6/17/2013			3,697.51			1,265.33					3,697.51
CENTURYLINK	2	6/17/2013			2,330.19			939.13					2,330.19
C.C.T.V.								1,329.00					1,329.00
Bob Steiner								591.00					591.00
Taskar Kibbee & Assoc	5	8/19/2013			3,255.00								3,255.00
			0.00	**0.00**	**12,206.90**	**0.00**	**0.00**	**24,163.63**			**0.00**	**0.00**	**28,782.08**

Exhibit A
Shilo Inn
Seaside East

	FILED CLAIM					SCHEDULED CLAIM				OBJECTION	PROPOSED TREATMENT OF CLAIM		
Creditor	Claim No.	Date Claim Filed	Secured	Priority	General Unsecured	Schedule "D" Secured	Schedule "E" Priority	Schedule "F" Unsecured	C/U/D	Basis of Objection, If Any	Proposed Secured Amount	Proposed Priority Amount	Proposed Unsecured Amount
WASHINGTON DEPT OF NATURAL RESOURCE								13,611.56					13,611.56
TASKAR KIBBEE &ASSOCIATES	4	8/19/2013			1,600.00			1,600.00					1,600.00
TAH ENTERPRISES LLC								270.29					270.29
LODGING SUPPLY								2,746.06					2,746.06
LODGENET ENTERTAINMENT CORP	3	6/17/2013			589.00			589.00					589.00
GREENE & MARKLEY								356.50					356.50
GRANT COUNTY PUD								1,874.63					1,874.63
FIVE FOODS INC MOSES LAKE								2,535.50					2,535.50
Ecolab								38.08					38.08
CORPORATE EXPRESS								0.00					0.00
CITY OF MOSES LAKE								1,227.88					1,227.88
CHARLIE'S WATER/FIRE RESTORATION & CC								1,122.16					1,122.16
CENTURYLINK	2	6/17/2013			1,555.31			1,340.62					1,555.31
CENTURYLINK	1	6/17/2013			587.03								587.03
			0.00	**0.00**	**4,331.34**	**0.00**	**0.00**	**27,312.28**			**0.00**	**0.00**	**28,114.00**

Exhibit A
Shilo Inn
Moses Lake

	FILED CLAIM					SCHEDULED CLAIM				OBJECTION	PROPOSED TREATMENT OF CLAIM		
Creditor	Claim No.	Date Claim Filed	Secured	Priority	General Unsecured	Schedule "D" Secured	Schedule "E" Priority	Schedule "F" Unsecured	C/U/D	Basis of Objection, If Any	Proposed Secured Amount	Proposed Priority Amount	Proposed Unsecured Amount
RESOURCE MAINTENANCE AND FLOORING								779.00					779.00
RECOLOGY PORTLAND								1,010.97					1,010.97
PACIFIC POWER	1	6/10/2013			4,832.30			5,272.34					4,832.30
Lodgenet	4	6/17/2013			290.70			240.78		x			240.78
Kenny Hostetler								184.00					184.00
GREENE & MARKLEY P.C.								724.00					724.00
GARDEN HOTELS INVESTMENT CO.								37,220.40					37,220.40
FIRE PROTECTION SERVICES								3,180.60					3,180.60
City of Portland								0.00					0.00
CITY OF PORTLAND								2,331.89					2,331.89
CENTURYLINK	3	6/13/2013			1,134.31			1,629.56					1,134.31
CENTURYLINK	2	6/13/2013			3,682.75			371.45					3,682.75
C.C.T.V.								667.06					667.06
			0.00	**0.00**	**9,940.06**	**0.00**	**0.00**	**53,612.05**			**0.00**	**0.00**	**55,988.06**

Exhibit A
Shilo Inn
Rose Garden

EXHIBIT B

	FILED CLAIM					SCHEDULED CLAIM				OBJECTION	PROPOSED TREATMENT OF CLAIM		
Creditor	Claim No.	Date Claim Filed	Secured	Priority	General Unsecured	Schedule "D" Secured	Schedule "E" Priority	Schedule "F" Unsecured	C/U/D	Basis of Objection, If Any	Proposed Secured Amount	Proposed Priority Amount	Proposed Unsecured Amount
SMC - TRAVEL AGENT ACCT								610.93					610.93
Shilo Management Corp								4,492.20					4,492.20
SHILO INN NAMPA BLVD								112.32					112.32
Shilo Franchise International								6,134.94					6,134.94
			0.00	**0.00**	**0.00**	**0.00**	**0.00**	**11,350.39**			**0.00**	**0.00**	**11,350.39**

	FILED CLAIM					SCHEDULED CLAIM				OBJECTION	PROPOSED TREATMENT OF CLAIM		
Creditor	Claim No.	Date Claim Filed	Secured	Priority	General Unsecured	Schedule "D" Secured	Schedule "E" Priority	Schedule "F" Unsecured	C/U/D	Basis of Objection, If Any	Proposed Secured Amount	Proposed Priority Amount	Proposed Unsecured Amount
SHILO MANAGEMENT TRAVEL AGENT ACCT								407.20					407.20
SHILO MANAGEMENT CORP								2,451.83					2,451.83
SHILO INN NAMPA SUITES								3,178.30					3,178.30
SHILO INN NAMPA BLVD								2,438.54					2,438.54
Shilo Inn Boise Riverside								496.69					496.69
SHILO FRANCHISE INTERNATIONAL LLC								6,215.13					6,215.13
			0.00		**0.00**	**0.00**		**15,187.69**			**0.00**		**15,187.69**

	FILED CLAIM					SCHEDULED CLAIM				OBJECTION	PROPOSED TREATMENT OF CLAIM		
Creditor	Claim No.	Date Claim Filed	Secured	Priority	General Unsecured	Schedule "D" Secured	Schedule "E" Priority	Schedule "F" Unsecured	C/U/D	Basis of Objection, If Any	Proposed Secured Amount	Proposed Priority Amount	Proposed Unsecured Amount
Shilo Management Corp								0.00					0.00
SHILO MANAGEMENT CORP								91,512.31					91,512.31
SHILO INN NAMPA SUITES								31,455.85					31,455.85
SHILO FRANCHISE INTERNATIONAL LLC								39,114.93					39,114.93
			0.00	**0.00**	**0.00**	**0.00**	**0.00**	**162,083.09**			**0.00**	**0.00**	**162,083.09**

			FILED CLAIM						SCHEDULED CLAIM				OBJECTION	PROPOSED TREATMENT OF CLAIM			
	Creditor	Address1	Claim No.	Date Claim Filed	Secured	Priority	General Unsecured	Schedule "D" Secured	Schedule "E" Priority	Schedule "F" Unsecured	C/ U/ D	Basis of Objection, If Any	Proposed Secured Amount	Proposed Priority Amount	Proposed Unsecured Amount
Shilo Management										1,781.22					1,781.22
SHILO INN SALEM										16,133.09					16,133.09
SHILO FRANCHISE										1,466.85					1,466.85
					0.00	0.00	0.00	0.00	0.00	19,381.16			0.00	0.00	19,381.16

Exhibit B
Shilo Inn
Newberg

	FILED CLAIM					SCHEDULED CLAIM				OBJECTION	PROPOSED TREATMENT OF CLAIM		
Creditor	Claim No.	Date Claim Filed	Secured	Priority	General Unsecured	Schedule "D" Secured	Schedule "E" Priority	Schedule "F" Unsecured	C/U/D	Basis of Objection, If Any	Proposed Secured Amount	Proposed Priority Amount	Proposed Unsecured Amount
Shilo Management								2,101.33					2,101.33
SHILO INN SEASIDE OCEANFRONT								22,656.69					22,656.69
Shilo Franchise								2,400.72					2,400.72
			0.00	**0.00**	**0.00**	**0.00**	**0.00**	**27,158.74**			**0.00**	**0.00**	**27,158.74**

	FILED CLAIM					SCHEDULED CLAIM				OBJECTION	PROPOSED TREATMENT OF CLAIM		
Creditor	Claim No.	Date Claim Filed	Secured	Priority	General Unsecured	Schedule "D" Secured	Schedule "E" Priority	Schedule "F" Unsecured	C/U/D	Basis of Objection, If Any	Proposed Secured Amount	Proposed Priority Amount	Proposed Unsecured Amount
SHILO MANAGEMENT CORP								47,166.13					47,166.13
SHILO INN COEUR D'ALENE								178.46					178.46
SHILO FRANCHISE INTERNATIONAL LLC								136,641.60					136,641.60
			0.00	**0.00**	**0.00**	**0.00**	**0.00**	**183,986.19**			**0.00**	**0.00**	**183,986.19**

Exhibit B
Shilo Inn
Moses Lake

	FILED CLAIM					SCHEDULED CLAIM				OBJECTION	PROPOSED TREATMENT OF CLAIM		
Creditor	Claim No.	Date Claim Filed	Secured	Priority	General Unsecured	Schedule "D" Secured	Schedule "E" Priority	Schedule "F" Unsecured	C/U/D	Basis of Objection, If Any	Proposed Secured Amount	Proposed Priority Amount	Proposed Unsecured Amount
Shilo Management Corp								2,009.57					2,009.57
SHILO INN WASHINGTON SQUARE LLC								753.70					753.70
SHILO INN PORTLAND/205 LLC								632.84					632.84
SHILO INN HAZEL DELL LLC								25,524.98					25,524.98
SHILO INN BEAVERTON LLC								4,392.68					4,392.68
Shilo Franchise International								3,030.23					3,030.23
			0.00	**0.00**	**0.00**	**0.00**	**0.00**	**36,344.00**			**0.00**	**0.00**	**36,344.00**

Exhibit B
Shilo Inn
Rose Garden

EXHIBIT C

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SHILO INN - TWIN FALLS

2014 CONFIRMATION PLAN BUDGET SUMMARY

REVENUE	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL	%
ROOMS	97,289	80,877	123,313	143,278	174,332	236,277	249,562	237,433	184,754	168,678	116,768	94,696	1,907,257	97.7%
OTHER INCOME	2,399	2,021	3,020	3,350	4,479	5,083	5,836	5,107	4,179	3,866	2,731	2,229	44,300	2.3%
TOTAL REVENUE	99,688	82,898	126,333	146,628	178,811	241,360	255,398	242,540	188,933	172,544	119,499	96,925	1,951,557	100.0%
DEPARTMENTAL PROFIT														
ROOMS	70,124	56,604	91,369	108,788	125,787	183,217	194,050	189,448	143,390	129,726	86,046	67,817	1,446,366	75.8%
TELEPHONE-LINE CHARGES	(755)	(755)	(755)	(755)	(755)	(755)	(755)	(755)	(755)	(755)	(755)	(755)	(9,060)	
OTHER	1,399	1,172	1,773	1,972	3,328	3,745	4,304	3,030	2,471	2,282	1,600	1,296	28,372	64.0%
TOTAL DEPARTMENTAL PROFIT	70,768	57,021	92,387	110,005	128,360	186,207	197,599	191,723	145,106	131,253	86,891	68,358	1,465,678	75.1%
SALES & MARKETING	3,443	3,443	3,443	3,443	8,491	7,115	8,805	2,443	2,443	2,443	2,443	2,443	50,398	2.6%
REPAIRS & MAINTENANCE	7,402	6,517	8,869	9,892	17,966	19,243	21,975	13,501	11,369	10,646	8,187	7,010	142,577	7.3%
ADMINISTRATION & GENERAL	8,726	8,253	10,048	10,488	11,491	13,088	16,599	12,605	11,796	11,930	9,292	9,125	133,441	6.8%
ENERGY	4,866	4,058	6,148	6,808	6,342	6,899	6,899	7,837	8,436	7,604	5,540	4,523	75,960	3.9%
TOTAL OVERHEAD EXPENSE	24,437	22,271	28,508	30,631	44,290	46,345	54,278	36,386	34,044	32,623	25,462	23,101	402,376	20.6%
GROSS OPERATING PROFIT	46,331	34,750	63,879	79,374	84,070	139,862	143,321	155,337	111,062	98,630	61,429	45,257	1,063,302	54.5%
OTHER FIXED EXPENSES														
INSURANCE, TAXES, & RENT	11,222	11,222	11,222	11,222	11,222	11,222	11,222	11,222	11,222	11,222	11,222	11,222	134,664	6.9%
INTEREST	0	0	0	0	0	0	0	0	0	0	0	0	1	0.0%
FRANCHISE FEE (ROYALTY, RESERV., MKTG)	3,891	3,235	4,933	5,731	6,973	9,451	9,982	9,496	7,390	6,747	4,672	3,787	76,288	3.9%
MANAGEMENT FEE	6,478	6,478	6,478	6,478	6,478	6,478	6,478	6,478	6,478	6,478	6,478	6,478	77,736	4.0%
TOTAL OTHER FIXED EXPENSES	21,591	20,935	22,633	23,431	24,673	27,151	27,682	27,196	25,090	24,447	22,372	21,487	288,689	14.8%
PLAN PAYMENTS														
CLASS 1 - PROPERTY TAX	18,821	19,104	18,680	0	0	0	0	0	0	0	0	0	56,605	2.9%
CLASS 2 - SECURED LENDER	20,869	20,869	20,869	20,869	20,869	20,869	20,869	20,869	20,869	20,869	20,869	20,869	250,426	12.8%
CLASS 3 - GENERAL UNSECURED CREDITORS *	15,118	15,118	15,118	0	0	0	0	0	0	0	0	0	45,354	2.3%
CLASS 4 - INSIDER CREDITOR CLAIMS	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
CLASS 5 - MEMBERSHIP INTERESTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
ADMINISTRATIVE & EXECUTORY	40,627	0	0	0	0	0	0	0	0	0	0	0	40,627	2.1%
TOTAL PLAN PAYMENTS	95,436	55,091	54,667	20,869	20,869	20,869	20,869	20,869	20,869	20,869	20,869	20,869	393,013	20.1%
TOTAL INCOME AFTER PLAN PAYMENTS	(70,696)	(41,276)	(13,421)	35,074	38,528	91,842	94,770	107,272	65,103	53,314	18,188	2,901	381,601	19.6%
CASH BEGINNING OF PERIOD	405,920	335,225	293,949	280,528	315,602	354,130	445,972	540,742	648,014	713,118	766,432	784,620	405,920	
CHANGE IN CASH DURING PERIOD	(70,696)	(41,276)	(13,421)	35,074	38,528	91,842	94,770	107,272	65,103	53,314	18,188	2,901	381,601	19.55%
CASH ENDING OF PERIOD	335,225	293,949	280,528	315,602	354,130	445,972	540,742	648,014	713,118	766,432	784,620	787,521	787,521	

NOTES:

1) MORTGAGE PAYMENT PREDICATED ON INTEREST-ONLY FOR FIRST TWO YEARS OF TEN-YEAR TERM, WITH A BALLOON DUE DECEMBER 31, 2023.
2) BUDGET PREDICATED ON EXITING CHAPTER 11 ON JANUARY 1, 2014, WITH ALL NON-INSIDER UNSECURED CREDITORS PAID IN FULL. THE UNPAID PORTION OF EXECUTORY CONTRACT OBLIGATIONS & PAYMENTS FOR INSIDER UNSECURED CLAIMS WILL BE MADE AFTER NON-INSIDER CREDITORS ARE PAID AND AS CASH FLOW PERMITS.

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SHILO INN - TWIN FALLS

2015-2023 CONFIRMATION PLAN BUDGET SUMMARY

	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUE									
ROOMS	2,003,000	2,132,000	2,256,000	2,396,000	2,541,000	2,705,000	2,861,000	2,953,000	3,089,000
OTHER INCOME	47,000	49,000	51,000	54,000	57,000	60,000	63,000	66,000	69,000
TOTAL REVENUE	2,050,000	2,181,000	2,307,000	2,450,000	2,598,000	2,765,000	2,924,000	3,019,000	3,158,000
DEPARTMENTAL PROFIT									
ROOMS	1,533,000	1,625,000	1,723,000	1,826,000	1,936,000	2,052,000	2,175,000	2,306,000	2,444,000
TELEPHONE-LINE CHARGES	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)
OTHER	30,000	32,000	34,000	36,000	38,000	40,000	42,000	45,000	48,000
TOTAL DEPARTMENTAL PROFIT	1,554,000	1,648,000	1,748,000	1,853,000	1,965,000	2,083,000	2,208,000	2,342,000	2,483,000
SALES & MARKETING	51,000	52,000	53,000	54,000	55,000	56,000	57,000	58,000	59,000
REPAIRS & MAINTENANCE	145,000	148,000	151,000	154,000	157,000	160,000	163,000	166,000	169,000
ADMINISTRATION & GENERAL	136,000	139,000	142,000	145,000	148,000	151,000	154,000	157,000	160,000
ENERGY	77,000	79,000	81,000	83,000	85,000	87,000	89,000	91,000	93,000
TOTAL OVERHEAD EXPENSE	409,000	418,000	427,000	436,000	445,000	454,000	463,000	472,000	481,000
GROSS OPERATING PROFIT	1,145,000	1,230,000	1,321,000	1,417,000	1,520,000	1,629,000	1,745,000	1,870,000	2,002,000
OTHER FIXED EXPENSES									
INSURANCE, TAXES, & RENT	138,700	143,000	147,000	151,000	156,000	161,000	166,000	171,000	176,000
INTEREST	0	0	0	0	0	0	0	0	0
FRANCHISE FEE (ROYALTY, RESERV., MKTG)	79,300	82,000	85,000	88,000	92,000	96,000	100,000	104,000	108,000
MANAGEMENT FEE	80,800	84,000	87,000	90,000	94,000	98,000	102,000	106,000	110,000
TOTAL OTHER FIXED EXPENSES	298,800	309,000	319,000	329,000	342,000	355,000	368,000	381,000	394,000
PLAN PAYMENTS									
CLASS 2 - SECURED LENDER	250,426	375,300	375,300	375,300	375,300	375,300	375,300	375,300	375,300
CLASS 4 - INSIDER CREDITOR CLAIMS	0	0	0	0	0	0	0	0	0
CLASS 5 - MEMBERSHIP INTERESTS	0	0	0	0	0	0	0	0	0
TOTAL PLAN PAYMENTS	250,426	375,300	375,300	375,300	375,300	375,300	375,300	375,300	375,300
TOTAL INCOME AFTER PLAN PAYMENTS	595,774	545,700	626,700	712,700	802,700	898,700	1,001,700	1,113,700	1,232,700
CASH BEGINNING OF PERIOD	787,521	1,383,295	1,928,994	2,555,694	3,268,394	4,071,094	4,969,794	5,971,494	7,085,194
CHANGE IN CASH DURING PERIOD	595,774	545,700	626,700	712,700	802,700	898,700	1,001,700	1,113,700	1,232,700
CASH ENDING OF PERIOD	1,383,295	1,928,994	2,555,694	3,268,394	4,071,094	4,969,794	5,971,494	7,085,194	8,317,893

NOTES:

1) MORTGAGE PAYMENT PREDICATED ON INTEREST-ONLY FOR FIRST TWO YEARS OF TEN-YEAR TERM, WITH A BALLOON DUE DECEMBER 31, 2023.
2) BUDGET PREDICATED ON EXITING CHAPTER 11 ON JANUARY 1, 2014, WITH ALL NON-INSIDER UNSECURED CREDITORS PAID IN FULL. THE UNPAID PORTION OF EXECUTORY CONTRACT OBLIGATIONS & PAYMENTS FOR INSIDER UNSECURED CLAIMS WILL BE MADE AFTER NON-INSIDER CREDITORS ARE PAID AND AS CASH FLOW PERMITS.

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SHILO INN - BOISE AIRPORT

2014 CONFIRMATION PLAN BUDGET SUMMARY

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL	%
REVENUE														
ROOMS	76,114	68,432	91,202	80,915	99,605	149,048	149,405	166,762	127,639	110,559	88,324	73,604	1,281,609	97.6%
OTHER INCOME	1,882	1,696	2,281	1,991	2,752	3,710	3,834	3,816	2,794	2,456	1,991	1,660	30,863	2.4%
TOTAL REVENUE	77,996	70,128	93,483	82,906	102,357	152,758	153,239	170,578	130,433	113,015	90,315	75,264	1,312,472	100.0%
DEPARTMENTAL PROFIT														
ROOMS	51,195	45,621	61,781	54,771	67,446	101,909	107,248	120,042	91,927	78,659	61,130	50,145	891,874	69.6%
TELEPHONE-LINE CHARGES	(1,893)	(1,893)	(1,893)	(1,893)	(1,893)	(1,893)	(1,893)	(1,893)	(1,893)	(1,893)	(1,893)	(1,893)	(22,716)	
OTHER	713	643	864	754	1,136	1,393	1,601	1,447	1,060	932	754	630	11,927	38.6%
TOTAL DEPARTMENTAL PROFIT	50,015	44,371	60,752	53,632	66,689	101,409	106,956	119,596	91,094	77,698	59,991	48,882	881,085	67.1%
SALES & MARKETING	3,481	3,481	3,481	3,481	7,005	3,481	3,481	2,431	2,431	2,431	2,431	2,431	40,046	3.1%
REPAIRS & MAINTENANCE	6,970	6,371	8,249	7,320	8,729	12,989	11,574	12,473	9,377	8,360	7,320	6,256	105,988	8.1%
ADMINISTRATION & GENERAL	10,037	9,802	11,089	10,180	11,315	12,819	15,760	12,690	11,784	12,236	10,438	10,409	138,559	10.6%
ENERGY	6,552	5,856	7,963	6,944	6,235	7,244	7,244	10,630	9,675	8,295	6,930	5,775	89,343	6.8%
TOTAL OVERHEAD EXPENSE	27,040	25,510	30,782	27,925	33,284	36,533	38,059	38,224	33,267	31,322	27,119	24,871	373,936	28.5%
GROSS OPERATING PROFIT	22,975	18,861	29,970	25,707	33,405	64,876	68,897	81,372	57,827	46,376	32,872	24,011	507,149	38.6%
OTHER FIXED EXPENSES														
INSURANCE, TAXES, & RENT	6,685	6,685	6,685	6,685	6,685	6,685	6,685	6,685	6,685	6,685	6,685	6,685	80,220	6.1%
INTEREST	0	0	0	0	0	0	0	0	0	0	0	0	1	0.0%
FRANCHISE FEE (ROYALTY, RESERV., MKTG)	3,045	2,737	3,648	3,237	3,984	5,962	5,976	6,670	5,106	4,422	3,533	2,944	51,264	3.9%
MANAGEMENT FEE	4,339	4,339	4,339	4,339	4,339	4,339	4,339	4,339	4,339	4,339	4,339	4,339	52,068	4.0%
TOTAL OTHER FIXED EXPENSES	14,069	13,761	14,672	14,261	15,008	16,986	17,000	17,695	16,130	15,446	14,557	13,968	183,553	14.0%
PLAN PAYMENTS														
CLASS 1 - PROPERTY TAX	10,774	10,935	10,693	0	0	0	0	0	0	0	0	0	32,402	2.5%
CLASS 2 - SECURED LENDER	13,913	13,913	13,913	13,913	13,913	13,913	13,913	13,913	13,913	13,913	13,913	13,913	166,951	12.7%
CLASS 3 - GENERAL UNSECURED CREDITORS *	12,637	12,637	12,637	0	0	0	0	0	0	0	0	0	37,910	2.9%
CLASS 4 - INSIDER CREDITOR CLAIMS	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
CLASS 5 - MEMBERSHIP INTERESTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
ADMINISTRATIVE & EXECUTORY	39,074	0	0	0	0	0	0	0	0	0	0	0	39,074	3.0%
TOTAL PLAN PAYMENTS	76,397	37,485	37,242	13,913	13,913	13,913	13,913	13,913	13,913	13,913	13,913	13,913	276,337	21.1%
TOTAL INCOME AFTER PLAN PAYMENTS	(67,491)	(32,385)	(21,944)	(2,466)	4,484	33,978	37,984	49,765	27,785	17,017	4,402	(3,870)	47,260	3.6%
CASH BEGINNING OF PERIOD	125,269	57,778	25,394	3,449	983	5,467	39,445	77,429	127,194	154,979	171,996	176,399	125,269	
CHANGE IN CASH DURING PERIOD	(67,491)	(32,385)	(21,944)	(2,466)	4,484	33,978	37,984	49,765	27,785	17,017	4,402	(3,870)	47,260	3.60%
CASH ENDING OF PERIOD	57,778	25,394	3,449	983	5,467	39,445	77,429	127,194	154,979	171,996	176,399	172,529	172,529	

NOTES:

1) MORTGAGE PAYMENT PREDICATED ON INTEREST-ONLY FOR FIRST TWO YEARS OF TEN-YEAR TERM, WITH A BALLOON DUE DECEMBER 31, 2023.
2) BUDGET PREDICATED ON EXITING CHAPTER 11 ON JANUARY 1, 2014, WITH ALL NON-INSIDER UNSECURED CREDITORS PAID IN FULL. THE UNPAID PORTION OF EXECUTORY CONTRACT OBLIGATIONS & PAYMENTS FOR INSIDER UNSECURED CLAIMS WILL BE MADE AFTER NON-INSIDER CREDITORS ARE PAID AND AS CASH FLOW PERMITS.

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SHILO INN - BOISE AIRPORT

2015-2023 CONFIRMATION PLAN BUDGET SUMMARY

	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUE									
ROOMS	1,360,000	1,448,000	1,532,000	1,594,000	1,658,000	1,729,000	1,792,000	1,866,000	1,941,000
OTHER INCOME	32,000	34,000	36,000	38,000	40,000	42,000	44,000	46,000	48,000
TOTAL REVENUE	1,392,000	1,482,000	1,568,000	1,632,000	1,698,000	1,771,000	1,836,000	1,912,000	1,989,000
DEPARTMENTAL PROFIT									
ROOMS	960,000	1,029,000	1,097,000	1,148,000	1,194,000	1,245,000	1,290,000	1,343,000	1,397,000
TELEPHONE-LINE CHARGES	(23,000)	(24,000)	(25,000)	(26,000)	(27,000)	(28,000)	(29,000)	(30,000)	(31,000)
OTHER	12,600	13,400	14,200	15,100	16,000	17,000	18,000	19,100	20,200
TOTAL DEPARTMENTAL PROFIT	949,600	1,018,400	1,086,200	1,137,100	1,183,000	1,234,000	1,279,000	1,332,100	1,386,200
SALES & MARKETING	41,000	42,000	43,000	44,000	45,000	46,000	47,000	48,000	49,000
REPAIRS & MAINTENANCE	108,000	110,000	112,000	114,000	116,000	118,000	120,000	122,000	124,000
ADMINISTRATION & GENERAL	141,000	144,000	147,000	150,000	153,000	156,000	159,000	162,000	165,000
ENERGY	91,000	93,000	95,000	97,000	99,000	101,000	103,000	105,000	107,000
TOTAL OVERHEAD EXPENSE	381,000	389,000	397,000	405,000	413,000	421,000	429,000	437,000	445,000
GROSS OPERATING PROFIT	568,600	629,400	689,200	732,100	770,000	813,000	850,000	895,100	941,200
OTHER FIXED EXPENSES									
INSURANCE, TAXES, & RENT	82,600	85,000	88,000	91,000	94,000	97,000	100,000	103,000	106,000
INTEREST	0	0	0	0	0	0	0	0	0
FRANCHISE FEE (ROYALTY, RESERV., MKTG)	53,300	55,000	57,000	59,000	61,000	63,000	66,000	69,000	72,000
MANAGEMENT FEE	54,200	56,000	58,000	60,000	62,000	64,000	67,000	70,000	73,000
TOTAL OTHER FIXED EXPENSES	190,100	196,000	203,000	210,000	217,000	224,000	233,000	242,000	251,000
PLAN PAYMENTS									
CLASS 2 - SECURED LENDER	166,951	250,200	250,200	250,200	250,200	250,200	250,200	250,200	250,200
CLASS 4 - INSIDER CREDITOR CLAIMS	0	0	0	0	0	0	0	0	0
CLASS 5 - MEMBERSHIP INTERESTS	0	0	0	0	0	0	0	0	0
TOTAL PLAN PAYMENTS	166,951	250,200	250,200	250,200	250,200	250,200	250,200	250,200	250,200
TOTAL INCOME AFTER PLAN PAYMENTS	211,549	183,200	236,000	271,900	302,800	338,800	366,800	402,900	440,000
CASH BEGINNING OF PERIOD	172,529	384,078	567,279	803,279	1,075,179	1,377,980	1,716,780	2,083,581	2,486,481
CHANGE IN CASH DURING PERIOD	211,549	183,200	236,000	271,900	302,800	338,800	366,800	402,900	440,000
CASH ENDING OF PERIOD	384,078	567,279	803,279	1,075,179	1,377,980	1,716,780	2,083,581	2,486,481	2,926,481

NOTES:

1) MORTGAGE PAYMENT PREDICATED ON INTEREST-ONLY FOR FIRST TWO YEARS OF TEN-YEAR TERM, WITH A BALLOON DUE DECEMBER 31, 2023.
2) BUDGET PREDICATED ON EXITING CHAPTER 11 ON JANUARY 1, 2014, WITH ALL NON-INSIDER UNSECURED CREDITORS PAID IN FULL. THE UNPAID PORTION OF EXECUTORY CONTRACT OBLIGATIONS & PAYMENTS FOR INSIDER UNSECURED CLAIMS WILL BE MADE AFTER NON-INSIDER CREDITORS ARE PAID AND AS CASH FLOW PERMITS.

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SHILO INN - NAMPA AND NEWBERG COMBINED

2014 CONFIRMATION PLAN BUDGET SUMMARY

REVENUE	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL	%
ROOMS	53,010	73,080	80,650	75,863	109,666	148,439	152,273	170,951	137,861	95,903	75,407	53,783	1,226,886	97.97%
OTHER INCOME	1,130	1,488	1,664	1,529	2,870	2,596	4,146	3,001	2,511	1,886	1,502	1,083	25,406	2.03%
TOTAL REVENUE	54,140	74,568	82,314	77,392	112,536	151,035	156,419	173,952	140,372	97,789	76,909	54,866	1,252,292	100.00%
DEPARTMENTAL PROFIT														
ROOMS	29,632	45,849	51,514	48,228	66,487	103,304	101,396	127,867	98,555	63,357	46,440	29,387	812,016	66.19%
TELEPHONE-LINE CHARGES	(2,341)	(2,341)	(2,341)	(2,341)	(2,341)	(2,341)	(2,341)	(2,341)	(2,341)	(2,341)	(2,341)	(2,341)	(28,092)	
OTHER	513	666	757	672	1,967	1,756	2,742	1,398	1,169	857	722	498	13,717	53.99%
TOTAL DEPARTMENTAL PROFIT	27,804	44,174	49,930	46,559	66,113	102,719	101,797	126,924	97,383	61,873	44,821	27,544	797,641	63.69%
SALES & MARKETING	4,282	4,282	5,007	4,314	9,664	7,994	9,117	3,281	3,589	3,281	3,281	3,281	61,372	4.90%
REPAIRS & MAINTENANCE	5,740	7,208	7,746	7,928	16,610	16,811	21,053	12,169	10,433	8,453	6,627	5,474	126,252	10.08%
ADMINISTRATION & GENERAL	12,427	13,002	13,937	14,079	14,658	15,887	19,220	15,751	15,535	16,179	14,661	13,430	178,766	14.28%
ENERGY	4,164	5,371	6,196	5,572	4,837	11,665	11,905	6,095	9,292	6,486	5,717	4,026	81,326	6.49%
TOTAL OVERHEAD EXPENSE	26,613	29,863	32,886	31,893	45,769	52,357	61,295	37,296	38,849	34,399	30,286	26,211	447,716	35.75%
GROSS OPERATING PROFIT	1,191	14,311	17,044	14,666	20,344	50,362	40,502	89,628	58,534	27,474	14,535	1,333	349,925	27.94%
OTHER FIXED EXPENSES														
INSURANCE, TAXES, & RENT	8,298	8,298	8,298	8,298	8,298	8,298	8,298	8,298	8,298	8,298	8,298	8,298	99,576	7.95%
INTEREST	0	0	0	0	0	0	0	0	0	0	0	0	1	0.00%
FRANCHISE FEE (ROYALTY, RESERV., MKTG)	2,121	2,922	3,226	3,034	4,386	5,938	6,090	6,838	5,515	3,835	3,017	2,152	49,075	3.92%
MANAGEMENT FEE	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	49,800	3.98%
TOTAL OTHER FIXED EXPENSES	14,569	15,370	15,674	15,482	16,834	18,386	18,539	19,286	17,963	16,283	15,465	14,600	198,452	15.85%
PLAN PAYMENTS														
CLASS 1.3 - PROPERTY TAX CANYON COUNTY	4,481	4,549	4,448	0	0	0	0	0	0	0	0	0	13,478	1.08%
CLASS 1.4 - PROPERTY TAX YAMHILL COUNTY	2,379	2,415	2,361	0	0	0	0	0	0	0	0	0	7,155	0.57%
CLASS 2 - SECURED LENDER	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	127,300	10.17%
CLASS 3 - GENERAL UNSECURED CREDITORS *	15,072	15,072	15,072	0	0	0	0	0	0	0	0	0	45,215	3.61%
CLASS 4 - INSIDER CREDITOR CLAIMS	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
CLASS 5 - MEMBERSHIP INTERESTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
ADMINISTRATIVE & EXECUTORY [3]	3,248	0	0	0	0	0	0	0	0	0	0	0	3,248	0.26%
TOTAL PLAN PAYMENTS	35,788	32,643	32,489	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	196,395	15.68%
TOTAL INCOME AFTER PLAN PAYMENTS	(49,166)	(33,702)	(31,119)	(11,424)	(7,098)	21,368	11,355	59,733	29,963	582	(11,538)	(23,875)	(44,922)	-3.59%
CASH BEGINNING OF PERIOD	201,178	152,012	118,310	87,191	75,766	68,668	90,036	101,391	161,124	191,087	191,670	180,131	201,178	
CHANGE IN CASH DURING PERIOD	(49,166)	(33,702)	(31,119)	(11,424)	(7,098)	21,368	11,355	59,733	29,963	582	(11,538)	(23,875)	(44,922)	-3.59%
CASH ENDING OF PERIOD	152,012	118,310	87,191	75,766	68,668	90,036	101,391	161,124	191,087	191,670	180,131	156,256	156,256	

NOTES:

1) MORTGAGE PAYMENT PREDICATED ON INTEREST-ONLY FOR FIRST TWO YEARS OF TEN-YEAR TERM, WITH A BALLOON DUE DECEMBER 31, 2023.
2) BUDGET PREDICATED ON EXITING CHAPTER 11 ON JANUARY 1, 2014, WITH ALL NON-INSIDER UNSECURED CREDITORS PAID IN FULL. THE UNPAID PORTION OF EXECUTORY CONTRACT OBLIGATIONS & PAYMENTS FOR INSIDER UNSECURED CLAIMS WILL BE MADE AFTER NON-INSIDER CREDITORS ARE PAID AND AS CASH FLOW PERMITS.
3) NAMPA'S AFFILIATED COMPANY EXECUTORY CONTRACT CURE PAYMENTS WILL BE MADE AS CASH FLOW PERMITS. NEWBERG'S EXECUTORY CONTRACT CURE PAYMENTS WILL BE MADE IN FULL ON OR BEFORE THE EFFECTIVE DATE.

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SHILO INN - MOSES LAKE AND SEASIDE EAST COMBINED

2014 CONFIRMATION PLAN BUDGET SUMMARY

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL	%
REVENUE														
ROOMS	55,148	69,338	127,825	130,985	170,662	229,379	285,723	360,840	207,901	114,546	82,826	74,291	1,909,464	97.4%
OTHER INCOME	2,749	2,892	3,928	3,985	5,520	4,856	6,384	6,093	4,936	3,843	3,263	3,144	51,593	2.6%
TOTAL REVENUE	57,897	72,230	131,753	134,970	176,182	234,235	292,107	366,933	212,837	118,389	86,089	77,435	1,961,057	100.0%
DEPARTMENTAL PROFIT														
ROOMS	27,668	38,232	80,545	83,574	99,991	162,001	208,487	279,450	144,417	69,946	46,572	39,839	1,280,722	67.1%
TELEPHONE-LINE CHARGES	(2,305)	(2,305)	(2,305)	(2,305)	(2,305)	(2,305)	(2,305)	(2,305)	(2,305)	(2,305)	(2,305)	(2,305)	(27,660)	
OTHER	2,267	2,313	2,897	2,922	4,406	3,993	4,971	4,062	3,442	2,882	2,567	2,502	39,224	76.0%
TOTAL DEPARTMENTAL PROFIT	27,630	38,240	81,137	84,191	102,092	163,689	211,153	281,207	145,554	70,523	46,834	40,036	1,292,286	65.9%
SALES & MARKETING	5,667	5,671	6,370	5,667	11,045	9,368	10,534	3,640	4,128	3,647	3,640	3,662	73,038	3.7%
REPAIRS & MAINTENANCE	5,822	7,051	10,823	11,253	26,598	25,102	32,325	19,587	14,768	9,718	7,443	7,012	177,502	9.1%
ADMINISTRATION & GENERAL	16,338	16,527	18,339	19,941	19,674	21,278	26,016	23,880	20,592	20,241	17,135	17,978	237,939	12.1%
ENERGY	2,793	3,477	6,495	6,705	5,406	11,570	11,630	8,520	9,426	5,582	4,088	3,749	79,441	4.1%
TOTAL OVERHEAD EXPENSE	30,620	32,726	42,027	43,566	62,723	67,318	80,505	55,627	48,914	39,188	32,306	32,401	567,920	29.0%
GROSS OPERATING PROFIT	(2,990)	5,514	39,110	40,625	39,369	96,371	130,648	225,580	96,640	31,335	14,528	7,635	724,366	36.9%
OTHER FIXED EXPENSES														
INSURANCE, TAXES, & RENT	11,898	11,898	11,898	11,898	11,898	11,898	11,898	11,898	11,898	11,898	11,898	11,898	142,776	7.3%
INTEREST	0	0	0	0	0	0	0	0	0	0	0	0	1	0.0%
FRANCHISE FEE (ROYALTY, RESERV., MKTG)	2,202	2,761	5,089	5,216	6,802	9,134	11,367	14,349	8,274	4,566	3,306	2,965	76,030	3.9%
MANAGEMENT FEE	6,507	6,507	6,507	6,507	6,507	6,507	6,507	6,507	6,507	6,507	6,507	6,507	78,084	4.0%
TOTAL OTHER FIXED EXPENSES	20,607	21,166	23,494	23,621	25,207	27,539	29,772	32,754	26,679	22,971	21,711	21,370	296,891	15.1%
PLAN PAYMENTS														
CLASS 1.5 - PROPERTY TAX CLATSOP COUNTY	1,985	2,014	1,970	0	0	0	0	0	0	0	0	0	5,969	0.3%
CLASS 1.6 - PROPERTY TAX GRANT COUNTY	8,810	8,942	8,744	0	0	0	0	0	0	0	0	0	26,495	1.4%
CLASS 2 - SECURED LENDER	17,586	17,586	17,586	17,586	17,586	17,586	17,586	17,586	17,586	17,586	17,586	17,586	211,032	10.8%
CLASS 3 - GENERAL UNSECURED CREDITORS [2]	14,428	14,428	14,428	0	0	0	0	0	0	0	0	0	43,285	2.2%
CLASS 4 - INSIDER CREDITOR CLAIMS	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
CLASS 5 - MEMBERSHIP INTERESTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
ADMINISTRATIVE & EXECUTORY [3]	170,017	0	0	0	0	0	0	0	0	0	0	0	170,017	8.7%
TOTAL PLAN PAYMENTS	212,826	42,970	42,728	17,586	17,586	17,586	17,586	17,586	17,586	17,586	17,586	17,586	456,798	23.3%
TOTAL INCOME AFTER PLAN PAYMENTS	(236,423)	(58,623)	(27,111)	(582)	(3,424)	51,246	83,290	175,240	52,375	(9,222)	(24,769)	(31,321)	(29,323)	-1.5%
CASH BEGINNING OF PERIOD	433,932	197,509	138,886	111,775	111,193	107,769	159,015	242,305	417,546	469,921	460,699	435,930	433,932	
CHANGE IN CASH DURING PERIOD	(236,423)	(58,623)	(27,111)	(582)	(3,424)	51,246	83,290	175,240	52,375	(9,222)	(24,769)	(31,321)	(29,323)	-1.50%
CASH ENDING OF PERIOD	197,509	138,886	111,775	111,193	107,769	159,015	242,305	417,546	469,921	460,699	435,930	404,609	404,609	

NOTES:

1) MORTGAGE PAYMENT PREDICATED ON INTEREST-ONLY FOR FIRST TWO YEARS OF TEN-YEAR TERM, WITH A BALLOON DUE DECEMBER 31, 2023.
2) BUDGET PREDICATED ON EXITING CHAPTER 11 ON JANUARY 1, 2014, WITH ALL NON-INSIDER UNSECURED CREDITORS PAID IN FULL. THE UNPAID PORTION OF EXECUTORY CONTRACT OBLIGATIONS & PAYMENTS FOR INSIDER UNSECURED CLAIMS WILL BE MADE AFTER NON-INSIDER CREDITORS ARE PAID AND AS CASH FLOW PERMITS.
3) MOSES LAKE'S AFFILIATED EXECUTORY CONTRACT CURE PAYMENTS WILL BE PAID 50% ON THE EFFECTIVE DATE WITH THE BALANCE PAID AS CASH FLOW PERMITS. THE MOSES LAKE LAND LEASE EXECUTORY CONTRACT CURE AND SEASIDE EAST'S AFFILIATED EXECUTORY CONTRACT CURE PAYMENTS WILL BE MADE IN FULL ON OR BEFORE THE EFFECTIVE DATE.

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SHILO INN - MOSES LAKE AND SEASIDE EAST COMBINED

2015-2023 CONFIRMATION PLAN BUDGET SUMMARY

	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUE									
ROOMS	2,064,000	2,260,000	2,463,000	2,653,000	2,860,000	3,041,000	3,217,000	3,412,000	3,622,000
OTHER INCOME	55,000	58,000	61,000	64,000	67,000	71,000	75,000	79,000	83,000
TOTAL REVENUE	2,119,000	2,318,000	2,524,000	2,717,000	2,927,000	3,112,000	3,292,000	3,491,000	3,705,000
DEPARTMENTAL PROFIT									
ROOMS	1,358,000	1,439,000	1,525,000	1,617,000	1,715,000	1,818,000	1,927,000	2,042,000	2,165,000
TELEPHONE-LINE CHARGES	(28,000)	(28,000)	(28,000)	(28,000)	(28,000)	(28,000)	(28,000)	(28,000)	(28,000)
OTHER	41,000	43,000	45,000	47,000	50,000	53,000	56,000	59,000	62,000
TOTAL DEPARTMENTAL PROFIT	1,371,000	1,454,000	1,542,000	1,636,000	1,737,000	1,843,000	1,955,000	2,073,000	2,199,000
SALES & MARKETING	74,000	76,000	78,000	80,000	82,000	84,000	86,000	88,000	90,000
REPAIRS & MAINTENANCE	181,000	185,000	189,000	193,000	197,000	201,000	205,000	209,000	213,000
ADMINISTRATION & GENERAL	242,000	247,000	252,000	257,000	262,000	267,000	273,000	279,000	285,000
ENERGY	81,000	83,000	85,000	87,000	89,000	91,000	93,000	95,000	97,000
TOTAL OVERHEAD EXPENSE	578,000	591,000	604,000	617,000	630,000	643,000	657,000	671,000	685,000
GROSS OPERATING PROFIT	793,000	863,000	938,000	1,019,000	1,107,000	1,200,000	1,298,000	1,402,000	1,514,000
OTHER FIXED EXPENSES									
INSURANCE, TAXES, & RENT	147,100	151,000	156,000	161,000	166,000	171,000	176,000	181,000	186,000
INTEREST	0	0	0	0	0	0	0	0	0
FRANCHISE FEE (ROYALTY, RESERV., MKTG)	79,000	82,000	86,000	90,000	94,000	98,000	102,000	106,000	110,000
MANAGEMENT FEE	81,200	85,000	89,000	93,000	97,000	101,000	105,000	109,000	113,000
TOTAL OTHER FIXED EXPENSES	307,300	318,000	331,000	344,000	357,000	370,000	383,000	396,000	409,000
PLAN PAYMENTS									
CLASS 2 - SECURED LENDER	211,032	316,261	316,261	316,261	316,261	316,261	316,261	316,261	316,261
CLASS 4 - INSIDER CREDITOR CLAIMS	0	0	0	0	0	0	0	0	0
CLASS 5 - MEMBERSHIP INTERESTS	0	0	0	0	0	0	0	0	0
TOTAL PLAN PAYMENTS	211,032	316,261	316,261	316,261	316,261	316,261	316,261	316,261	316,261
TOTAL INCOME AFTER PLAN PAYMENTS	274,668	228,739	290,739	358,739	433,739	513,739	598,739	689,739	788,739
CASH BEGINNING OF PERIOD	404,609	679,278	908,016	1,198,755	1,557,494	1,991,232	2,504,971	3,103,710	3,793,448
CHANGE IN CASH DURING PERIOD	274,668	228,739	290,739	358,739	433,739	513,739	598,739	689,739	788,739
CASH ENDING OF PERIOD	679,278	908,016	1,198,755	1,557,494	1,991,232	2,504,971	3,103,710	3,793,448	4,582,187

NOTES:

1) MORTGAGE PAYMENT PREDICATED ON INTEREST-ONLY FOR FIRST TWO YEARS OF TEN-YEAR TERM, WITH A BALLOON DUE DECEMBER 31, 2023.
2) BUDGET PREDICATED ON EXITING CHAPTER 11 ON JANUARY 1, 2014, WITH ALL NON-INSIDER UNSECURED CREDITORS PAID IN FULL. THE UNPAID PORTION OF EXECUTORY CONTRACT OBLIGATIONS & PAYMENTS FOR INSIDER UNSECURED CLAIMS WILL BE MADE AFTER NON-INSIDER CREDITORS ARE PAID AND AS CASH FLOW PERMITS.

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SHILO INN - ROSE GARDEN

2014 CONFIRMATION PLAN BUDGET SUMMARY

REVENUE	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL	%
ROOMS	42,078	50,384	55,770	74,176	67,837	75,349	100,553	114,765	91,698	101,185	53,220	37,366	864,381	98.6%
OTHER INCOME	683	717	746	1,068	1,224	906	1,753	1,444	1,232	1,210	675	526	12,184	1.4%
TOTAL REVENUE	42,761	51,101	56,516	75,244	69,061	76,255	102,306	116,209	92,930	102,395	53,895	37,892	876,565	100.0%
DEPARTMENTAL PROFIT														
ROOMS	25,638	33,451	38,428	52,184	40,296	50,115	70,032	87,303	66,796	76,629	35,928	22,218	599,018	69.3%
TELEPHONE-LINE CHARGES	(897)	(897)	(897)	(897)	(897)	(897)	(897)	(897)	(897)	(897)	(897)	(897)	(10,764)	
OTHER	344	361	376	539	1,250	1,060	1,687	728	620	610	341	265	8,181	67.1%
TOTAL DEPARTMENTAL PROFIT	25,085	32,915	37,907	51,826	40,649	50,278	70,822	87,134	66,519	76,342	35,372	21,586	596,435	68.0%
SALES & MARKETING	4,010	4,010	4,010	4,010	9,400	7,730	8,853	3,010	3,010	3,010	3,010	3,010	57,073	6.5%
REPAIRS & MAINTENANCE	1,407	1,450	1,486	2,228	8,064	7,142	9,761	2,325	2,065	2,034	1,396	1,206	40,564	4.6%
ADMINISTRATION & GENERAL	6,693	6,798	7,232	8,021	7,800	7,934	11,662	8,593	8,974	9,307	7,111	6,944	97,069	11.1%
ENERGY	2,659	2,744	2,922	4,153	1,444	6,899	6,899	3,085	4,743	4,454	2,620	2,044	44,666	5.1%
TOTAL OVERHEAD EXPENSE	14,769	15,002	15,650	18,412	26,708	29,705	37,175	17,013	18,792	18,805	14,137	13,204	239,372	27.3%
GROSS OPERATING PROFIT	10,316	17,913	22,257	33,414	13,941	20,573	33,647	70,121	47,727	57,537	21,235	8,382	357,063	40.7%
OTHER FIXED EXPENSES														
INSURANCE, TAXES, & RENT	4,793	4,793	4,793	4,793	4,793	4,793	4,793	4,793	4,793	4,793	4,793	4,793	57,516	6.6%
INTEREST	0	0	0	0	0	0	0	0	0	0	0	0	1	0.0%
FRANCHISE FEE (ROYALTY, RESERV., MKTG)	1,683	2,016	2,232	2,968	2,714	3,013	4,022	4,590	3,667	4,048	2,128	1,494	34,575	3.9%
MANAGEMENT FEE	2,899	2,899	2,899	2,899	2,899	2,899	2,899	2,899	2,899	2,899	2,899	2,899	34,788	4.0%
TOTAL OTHER FIXED EXPENSES	9,375	9,708	9,924	10,660	10,406	10,705	11,714	12,282	11,359	11,740	9,820	9,186	126,880	14.5%
PLAN PAYMENTS														
CLASS 1 - PROPERTY TAX	2,781	2,823	2,760	0	0	0	0	0	0	0	0	0	8,364	1.0%
CLASS 2 - SECURED LENDER	5,378	5,378	5,378	5,378	5,378	5,378	5,378	5,378	5,378	5,378	5,378	5,378	64,531	7.4%
CLASS 3 - GENERAL UNSECURED CREDITORS *	7,341	7,341	7,341	0	0	0	0	0	0	0	0	0	22,023	2.5%
CLASS 4 - INSIDER CREDITOR CLAIMS	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
CLASS 5 - MEMBERSHIP INTERESTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
ADMINISTRATIVE & EXECUTORY	72,260	0	0	0	0	0	0	0	0	0	0	0	72,260	8.2%
TOTAL PLAN PAYMENTS	87,760	15,541	15,479	5,378	5,378	5,378	5,378	5,378	5,378	5,378	5,378	5,378	167,178	19.1%
TOTAL INCOME AFTER PLAN PAYMENTS	(86,819)	(7,336)	(3,146)	17,376	(1,843)	4,490	16,555	52,461	30,990	40,419	6,037	(6,182)	63,006	7.2%
CASH BEGINNING OF PERIOD	215,206	128,387	121,051	117,905	135,281	133,439	137,929	154,485	206,946	237,936	278,356	284,393	215,206	
CHANGE IN CASH DURING PERIOD	(86,819)	(7,336)	(3,146)	17,376	(1,843)	4,490	16,555	52,461	30,990	40,419	6,037	(6,182)	63,006	7.19%
CASH ENDING OF PERIOD	128,387	121,051	117,905	135,281	133,439	137,929	154,485	206,946	237,936	278,356	284,393	278,211	278,211	

NOTES:

1) MORTGAGE PAYMENT PREDICATED ON INTEREST-ONLY FOR FIRST TWO YEARS OF TEN-YEAR TERM, WITH A BALLOON DUE DECEMBER 31, 2023.
2) BUDGET PREDICATED ON EXITING CHAPTER 11 ON JANUARY 1, 2014, WITH ALL NON-INSIDER UNSECURED CREDITORS PAID IN FULL. THE UNPAID PORTION OF EXECUTORY CONTRACT OBLIGATIONS & PAYMENTS FOR INSIDER UNSECURED CLAIMS WILL BE MADE AFTER NON-INSIDER CREDITORS ARE PAID AND AS CASH FLOW PERMITS.

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SHILO INN - ROSE GARDEN

2015-2023 CONFIRMATION PLAN BUDGET SUMMARY

	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUE									
ROOMS	908,000	966,000	1,021,000	1,064,000	1,103,000	1,147,000	1,179,000	1,215,000	1,252,000
OTHER INCOME	13,000	14,000	15,000	16,000	17,000	18,000	19,000	20,000	21,000
TOTAL REVENUE	921,000	980,000	1,036,000	1,080,000	1,120,000	1,165,000	1,198,000	1,235,000	1,273,000
DEPARTMENTAL PROFIT									
ROOMS	635,000	673,000	713,000	756,000	801,000	849,000	900,000	954,000	1,011,000
TELEPHONE-LINE CHARGES	(11,000)	(11,000)	(11,000)	(11,000)	(11,000)	(11,000)	(11,000)	(11,000)	(11,000)
OTHER	9,000	10,000	11,000	12,000	13,000	14,000	15,000	16,000	17,000
TOTAL DEPARTMENTAL PROFIT	633,000	672,000	713,000	757,000	803,000	852,000	904,000	959,000	1,017,000
SALES & MARKETING	58,000	59,000	60,000	61,000	62,000	63,000	64,000	65,000	66,000
REPAIRS & MAINTENANCE	41,000	42,000	43,000	44,000	45,000	46,000	47,000	48,000	49,000
ADMINISTRATION & GENERAL	99,000	101,000	103,000	105,000	107,000	109,000	111,000	113,000	115,000
ENERGY	46,000	47,000	48,000	49,000	50,000	51,000	52,000	53,000	54,000
TOTAL OVERHEAD EXPENSE	244,000	249,000	254,000	259,000	264,000	269,000	274,000	279,000	284,000
GROSS OPERATING PROFIT	389,000	423,000	459,000	498,000	539,000	583,000	630,000	680,000	733,000
OTHER FIXED EXPENSES									
INSURANCE, TAXES, & RENT	59,200	61,000	63,000	65,000	67,000	69,000	71,000	73,000	75,000
INTEREST	0	0	0	0	0	0	0	0	0
FRANCHISE FEE (ROYALTY, RESERV., MKTG)	36,000	37,000	38,000	40,000	42,000	44,000	46,000	48,000	50,000
MANAGEMENT FEE	36,200	38,000	40,000	42,000	44,000	46,000	48,000	50,000	52,000
TOTAL OTHER FIXED EXPENSES	131,400	136,000	141,000	147,000	153,000	159,000	165,000	171,000	177,000
PLAN PAYMENTS									
CLASS 2 - SECURED LENDER	64,531	96,709	96,709	96,709	96,709	96,709	96,709	96,709	96,709
CLASS 4 - INSIDER CREDITOR CLAIMS	0	0	0	0	0	0	0	0	0
CLASS 5 - MEMBERSHIP INTERESTS	0	0	0	0	0	0	0	0	0
TOTAL PLAN PAYMENTS	64,531	96,709	96,709	96,709	96,709	96,709	96,709	96,709	96,709
TOTAL INCOME AFTER PLAN PAYMENTS	193,069	190,291	221,291	254,291	289,291	327,291	368,291	412,291	459,291
CASH BEGINNING OF PERIOD	278,211	471,280	661,571	882,862	1,137,153	1,426,443	1,753,734	2,122,025	2,534,315
CHANGE IN CASH DURING PERIOD	193,069	190,291	221,291	254,291	289,291	327,291	368,291	412,291	459,291
CASH ENDING OF PERIOD	471,280	661,571	882,862	1,137,153	1,426,443	1,753,734	2,122,025	2,534,315	2,993,606

NOTES:

1) MORTGAGE PAYMENT PREDICATED ON INTEREST-ONLY FOR FIRST TWO YEARS OF TEN-YEAR TERM, WITH A BALLOON DUE DECEMBER 31, 2023.
2) BUDGET PREDICATED ON EXITING CHAPTER 11 ON JANUARY 1, 2014, WITH ALL NON-INSIDER UNSECURED CREDITORS PAID IN FULL. THE UNPAID PORTION OF EXECUTORY CONTRACT OBLIGATIONS & PAYMENTS FOR INSIDER UNSECURED CLAIMS WILL BE MADE AFTER NON-INSIDER CREDITORS ARE PAID AND AS CASH FLOW PERMITS.

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SHILO INN - 7 SHILO INN PROPERTIES COMBINED

2015-2023 CONFIRMATION PLAN BUDGET SUMMARY

	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUE									
ROOMS	7,693,000	8,253,000	8,806,000	9,337,000	9,875,000	10,429,000	10,945,000	11,443,000	12,004,000
OTHER INCOME	174,000	184,000	194,000	205,000	216,000	228,000	240,000	252,000	264,000
	0	0	0	0	0	0	0	0	0
TOTAL REVENUE	7,867,000	8,437,000	9,000,000	9,542,000	10,091,000	10,657,000	11,185,000	11,695,000	12,268,000
DEPARTMENTAL PROFIT									
ROOMS	5,396,000	5,740,000	6,099,000	6,455,000	6,810,000	7,189,000	7,579,000	7,998,000	8,439,000
TELEPHONE-LINE CHARGES	(100,000)	(101,000)	(102,000)	(103,000)	(104,000)	(105,000)	(106,000)	(107,000)	(108,000)
OTHER	106,800	113,900	121,000	128,200	136,400	144,700	153,000	162,500	172,000
TOTAL DEPARTMENTAL PROFIT	5,402,800	5,752,900	6,118,000	6,480,200	6,842,400	7,228,700	7,626,000	8,053,500	8,503,000
SALES & MARKETING	286,000	293,000	300,000	307,000	314,000	321,000	328,000	335,000	342,000
REPAIRS & MAINTENANCE	604,000	616,000	628,000	640,000	652,000	664,000	676,000	688,000	701,000
ADMINISTRATION & GENERAL	800,000	817,000	834,000	851,000	868,000	885,000	903,000	921,000	939,000
ENERGY	378,000	387,000	396,000	405,000	414,000	423,000	432,000	441,000	450,000
TOTAL OVERHEAD EXPENSE	2,068,000	2,113,000	2,158,000	2,203,000	2,248,000	2,293,000	2,339,000	2,385,000	2,432,000
GROSS OPERATING PROFIT	3,334,800	3,639,900	3,960,000	4,277,200	4,594,400	4,935,700	5,287,000	5,668,500	6,071,000
OTHER FIXED EXPENSES									
INSURANCE, TAXES, & RENT	530,100	546,000	563,000	580,000	598,000	616,000	634,000	653,000	672,000
INTEREST	0	0	0	0	0	0	0	0	0
FRANCHISE FEE (ROYALTY, RESERV., MKTG)	298,600	309,000	321,000	334,000	348,000	362,000	377,000	392,000	407,000
MANAGEMENT FEE	304,200	316,000	329,000	342,000	356,000	370,000	385,000	400,000	415,000
TOTAL OTHER FIXED EXPENSES	1,132,900	1,171,000	1,213,000	1,256,000	1,302,000	1,348,000	1,396,000	1,445,000	1,494,000
PLAN PAYMENTS									
CLASS 2 - SECURED LENDER	820,239	1,229,248	1,229,248	1,229,248	1,229,248	1,229,248	1,229,248	1,229,248	1,229,248
CLASS 2 - SECURED LENDER-$5 Million LOC	225,000	337,195	337,195	337,195	337,195	337,195	337,195	337,195	337,195
CLASS 4 - INSIDER CREDITOR CLAIMS	0	0	0	0	0	0	0	0	0
CLASS 5 - MEMBERSHIP INTERESTS	0	0	0	0	0	0	0	0	0
TOTAL PLAN PAYMENTS	1,045,239	1,566,443	1,566,443	1,566,443	1,566,443	1,566,443	1,566,443	1,566,443	1,566,443
TOTAL INCOME AFTER PLAN PAYMENTS	1,156,661	902,457	1,180,557	1,454,757	1,725,957	2,021,257	2,324,557	2,657,057	3,010,557
CASH BEGINNING OF PERIOD	1,074,127	2,230,787	3,133,245	4,313,802	5,768,559	7,494,517	9,515,774	11,840,331	14,497,389
CHANGE IN CASH DURING PERIOD	1,156,661	902,457	1,180,557	1,454,757	1,725,957	2,021,257	2,324,557	2,657,057	3,010,557
CASH ENDING OF PERIOD	2,230,787	3,133,245	4,313,802	5,768,559	7,494,517	9,515,774	11,840,331	14,497,389	17,507,946

NOTES:

1) LOAN PAYMENTS PREDICATED ON INTEREST-ONLY FOR FIRST TWO YEARS OF TEN-YEAR TERM, WITH A BALLOON DUE DECEMBER 31, 2023.
2) BUDGET PREDICATED ON EXITING CHAPTER 11 ON JANUARY 1, 2014, WITH ALL NON-INSIDER UNSECURED CREDITORS PAID IN FULL. THE UNPAID PORTION OF EXECUTORY CONTRACT OBLIGATIONS & PAYMENTS FOR INSIDER UNSECURED CLAIMS WILL BE MADE AFTER NON-INSIDER CREDITORS ARE PAID AND AS CASH FLOW PERMITS.

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SHILO INN - 7 SHILO INN PROPERTIES COMBINED

2014 CONFIRMATION PLAN BUDGET SUMMARY

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL	%
REVENUE														
ROOMS	323,639	342,111	478,760	505,217	622,102	838,492	937,516	1,050,751	749,853	590,871	416,545	333,740	7,189,597	97.8%
OTHER INCOME	8,843	8,814	11,639	11,923	16,845	17,151	21,953	19,461	15,652	13,261	10,162	8,642	164,346	2.2%
TOTAL REVENUE	332,482	350,925	490,399	517,140	638,947	855,643	959,469	1,070,212	765,505	604,132	426,707	342,382	7,353,943	100.0%
DEPARTMENTAL PROFIT														
ROOMS	204,257	219,757	323,637	347,545	400,007	600,546	681,213	804,110	545,085	418,317	276,116	209,406	5,029,996	70.0%
TELEPHONE-LINE CHARGES	(8,191)	(8,191)	(8,191)	(8,191)	(8,191)	(8,191)	(8,191)	(8,191)	(8,191)	(8,191)	(8,191)	(8,191)	(98,292)	
OTHER	5,236	5,155	6,667	6,859	12,087	11,947	15,305	10,665	8,762	7,563	5,984	5,191	101,421	61.7%
TOTAL DEPARTMENTAL PROFIT	201,302	216,721	322,113	346,213	403,903	604,302	688,327	806,584	545,656	417,689	273,909	206,406	5,033,125	68.4%
SALES & MARKETING	20,883	20,887	22,311	20,915	45,605	35,688	40,790	14,805	15,601	14,812	14,805	14,827	281,926	3.8%
REPAIRS & MAINTENANCE	27,341	28,597	37,173	38,621	77,967	81,287	96,688	60,055	48,012	39,211	30,973	26,958	592,883	8.1%
ADMINISTRATION & GENERAL	54,221	54,382	60,645	62,709	64,938	71,006	89,257	73,519	68,681	69,893	58,637	57,886	785,774	10.7%
ENERGY	21,034	21,506	29,724	30,182	24,264	44,277	44,577	36,167	41,572	32,421	24,895	20,117	370,736	5.0%
TOTAL OVERHEAD EXPENSE	123,479	125,372	149,853	152,427	212,774	232,258	271,312	184,546	173,866	156,337	129,310	119,788	2,031,319	27.6%
GROSS OPERATING PROFIT	77,823	91,349	172,260	193,786	191,129	372,044	417,015	622,038	371,790	261,352	144,599	86,618	3,001,806	40.8%
OTHER FIXED EXPENSES														
INSURANCE, TAXES, & RENT	42,896	42,896	42,896	42,896	42,896	42,896	42,896	42,896	42,896	42,896	42,896	42,896	514,752	7.0%
INTEREST	0	0	0	0	0	0	0	0	0	0	0	0	4	0.0%
FRANCHISE FEE (ROYALTY, RESERV., MKTG)	12,941	13,672	19,128	20,185	24,859	33,498	37,437	41,943	29,951	23,619	16,656	13,342	287,232	3.9%
MANAGEMENT FEE	24,373	24,373	24,373	24,373	24,373	24,373	24,373	24,373	24,373	24,373	24,373	24,373	292,476	4.0%
TOTAL OTHER FIXED EXPENSES	80,211	80,941	86,398	87,455	92,129	100,767	104,707	109,213	97,220	90,888	83,925	80,611	1,094,464	14.9%
PLAN PAYMENTS														
CLASS 1 - PROPERTY TAX	50,031	50,781	49,655	0	0	0	0	0	0	0	0	0	150,467	2.0%
CLASS 2 - SECURED LENDER	68,353	68,353	68,353	68,353	68,353	68,353	68,353	68,353	68,353	68,353	68,353	68,353	820,239	11.2%
CLASS 2 - SECURED LENDER-$5 Million LOC	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	225,000	3.1%
CLASS 3 - GENERAL UNSECURED CREDITORS	64,596	64,596	64,596	0	0	0	0	0	0	0	0	0	193,787	2.6%
CLASS 4 - INSIDER CREDITOR CLAIMS	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
CLASS 5 - MEMBERSHIP INTERESTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
ADMINISTRATIVE & EXECUTORY [3]	325,227	0	0	0	0	0	0	0	0	0	0	0	325,227	4.4%
INITIAL RESERVE ACCOUNTS FUNDING [4]	500,000	0	0	0	0	0	0	0	0	0	0	0	500,000	6.8%
TOTAL PLAN PAYMENTS	1,026,957	202,480	201,354	87,103	87,103	87,103	87,103	87,103	87,103	87,103	87,103	87,103	2,214,721	30.1%
TOTAL INCOME AFTER PLAN PAYMENTS	(1,029,344)	(192,072)	(115,492)	19,228	11,897	184,174	225,205	425,722	187,466	83,361	(26,429)	(81,096)	(307,379)	-4.2%
CASH BEGINNING OF PERIOD	1,381,506	352,162	160,089	44,598	63,826	75,723	259,897	485,102	910,825	1,098,291	1,181,652	1,155,223	1,381,506	
CHANGE IN CASH DURING PERIOD	(1,029,344)	(192,072)	(115,492)	19,228	11,897	184,174	225,205	425,722	187,466	83,361	(26,429)	(81,096)	(307,379)	-4.2%
CASH ENDING OF PERIOD	352,162	160,089	44,598	63,826	75,723	259,897	485,102	910,825	1,098,291	1,181,652	1,155,223	1,074,127	1,074,127	

NOTES:

1) LOAN PAYMENTS PREDICATED ON INTEREST-ONLY FOR FIRST TWO YEARS OF TEN-YEAR TERM, WITH A BALLOON DUE DECEMBER 31, 2023.
2) BUDGET PREDICATED ON EXITING CHAPTER 11 ON JANUARY 1, 2014, WITH ALL NON-INSIDER UNSECURED CREDITORS PAID IN FULL. THE UNPAID PORTION OF AFFILIATED COMPANY EXECUTORY CONTRACT OBLIGATIONS & PAYMENTS FOR INSIDER UNSECURED CLAIMS WILL BE MADE AFTER NON-INSIDER GENERAL UNSECURED CREDITORS ARE PAID IN FULL AND AS CASH FLOW PERMITS.
3) EXECUTORY CONTRACT ASSUMPTION INCLUDES CURE OF PRE-PETITION PAYMENTS OF APPROXIMATELY $400,000 AND OF WHICH APPROXIMATELY $222,500 IN PAYMENTS DUE AFFILIATED COMPANIES WILL BE DEFERRED UNTIL CASH FLOW PERMITS PAYMENT.
4) RESERVE ACCOUNT FUNDS USAGE LIMITED TO PROPERTY TAX, DEBT SERVICE, &/OR CAPITAL IMPROVEMENTS AS NEEDED.

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EXHIBIT D

SHILO INN, TWIN FALLS, LLC

BALANCE SHEET
DATED 12/31/12 & 12/31/11

STATEMENT OF INCOME
DATED 12/31/12 w/ PRIOR YEAR

JOB H9 UBSDET

ROUNDING- 1

SHILO INN TWIN FALLS, LLC
BALANCE SHEET
PERIOD ENDING 12/31/11

COMPANY - 9U SHILO INN, TWIN FALLS, LLC
DEPT - 0 SHILO INNS B/S

	ASSETS	
	CURRENT ASSETS	
	CASH	
101002	CASH ON HAND	1,200
101003	CASH - BANK GENERAL	8,865
103000	CASH-A/P DISBURSEMENTS	29,073
	TOTAL CASH	39,138
	ACCOUNTS RECEIVABLE	
108001	A/R - TRADE	7,019
108003	ACCOUNTS RECEIVABLE - OTHER	12,298
108005	A/R-SFI (GIFT PAPER)	52
108020	A/R - LENDING POOL	2,456,000
108090	A/R-SFI (GIFT CARDS)	2,191
	TOTAL ACCOUNTS RECEIVABLE	2,477,560
	TOTAL CURRENT ASSETS	2,516,698
	FIXED ASSETS	
151001	LAND	568,661
151501	LAND IMPROVEMENTS	351,927
152001	BUILDING	4,853,354
153001	FURNITURE	1,300,026
153002	FIXTURES & EQUIPMENT	752,375
154001	SIGNS	327,750
155000	REORGANIZATION COSTS	185,064
	TOTAL GROSS FIXED ASSETS	8,339,157
160001	ACCUMULATED DEPR & AMORT	(4,687,173)
160002	ACCUMULATED AMORTIZATION	(53,048)
	TOTAL FIXED ASSETS	3,598,936
	OTHER ASSETS	
140001	PREPAID INSURANCE	8,480
140050	PREPAID - OTHER	5,655
190002	LOAN FEES	83,752
190501	LINENS	27,865
190602	UTILITY DEPOSITS	6,137
190620	OTHER DEPOSITS	3,426
191001	SUSPENSE	602
	TOTAL OTHER ASSETS	135,916
	TOTAL ASSETS	6,251,550

□JOB H9 UBSDET

ROUNDIN G- 1

SHILO INN TWIN FALLS, LLC
BALANCE SHEET
PERIOD ENDING 12/31/11

COMPANY - 9U SHILO INN, TWIN FALLS, LLC
DEPT - 0 SHILO INNS B/S

	LIABILITIES AND EQUITY	
	CURRENT LIABILITIES	
200101	CURRENT MATURITY L-T DEBT	127,139
	ACCOUNTS PAYABLE	
2100TA	A/P - T/A REIMBURSEMENTS	456
210001	ACCOUNTS PAYABLE - TRADE	1,205,210
210005	A/P - TRAVEL AGENT	16,273
210009	ACCOUNTS PAYABLE - OTHER	(707,780)
210017	A/P - SHILO MANAGEMENT	858
	TOTAL ACCOUNTS PAYABLE	515,017
	ACCRUED EXPENSES	
220000	SALARIES & WAGES PAYABLE	13,408
240002	INSURANCE PAYABLE	16,960
240003	INTEREST PAYABLE	512,593
240008	SALES TAXES PAYABLE	5,899
	TOTAL ACCRUED EXPENSES	548,860
	TOTAL CURRENT LIABILITIES	1,191,015
	L-T LIABILITIES	
250001	L-T DEBT LESS CURRENT MATURITY	(127,139)
260001	N/P-PRIMARY MORTGAGE	5,565,029
	TOTAL L-T LIABILITIES	5,437,890
	EQUITY	
300101	MSH CAPITAL	13,358
300102	MSH ADVANCES	894,080
300103	MSH DRAWS	(1,581,266)
305500	CURRENT YEAR PROFIT & LOSS	296,472
	TOTAL EQUITY	(377,356)
	TOTAL LIABILITIES AND EQUITY	6,251,550

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL
□

JOB H9 UBSDET

ROUNDING- 1

SHILO INN TWIN FALLS, LLC
BALANCE SHEET
PERIOD ENDING 12/31/12

COMPANY - 9U SHILO INN, TWIN FALLS, LLC
DEPT - 0 SHILO INNS B/S

	ASSETS	
	CURRENT ASSETS	
	CASH	
101002	CASH ON HAND	1,200
101003	CASH - BANK GENERAL	17,194
103000	CASH-A/P DISBURSEMENTS	(7,322)
	TOTAL CASH	11,072
	ACCOUNTS RECEIVABLE	
108001	A/R - TRADE	6,152
108003	ACCOUNTS RECEIVABLE - OTHER	16,397
108005	A/R-SFI (GIFT PAPER)	52
108020	A/R - LENDING POOL	2,456,000
108090	A/R-SFI (GIFT CARDS)	2,337
	TOTAL ACCOUNTS RECEIVABLE	2,480,939
	TOTAL CURRENT ASSETS	2,492,011
	FIXED ASSETS	
151001	LAND	568,661
151501	LAND IMPROVEMENTS	351,927
152001	BUILDING	4,853,354
153001	FURNITURE	1,300,026
153002	FIXTURES & EQUIPMENT	775,553
154001	SIGNS	327,750
155000	REORGANIZATION COSTS	185,064
	TOTAL GROSS FIXED ASSETS	8,362,334
160001	ACCUMULATED DEPR & AMORT	(4,836,373)
160002	ACCUMULATED AMORTIZATION	(53,048)
	TOTAL FIXED ASSETS	3,472,913
	OTHER ASSETS	
140001	PREPAID INSURANCE	8,772
140050	PREPAID - OTHER	3,740
190002	LOAN FEES	106,937
190501	LINENS	27,865
190602	UTILITY DEPOSITS	6,137
190620	OTHER DEPOSITS	3,426
	TOTAL OTHER ASSETS	156,876
	TOTAL ASSETS	6,121,800

□JOB H9 UBSDET

ROUNDIN G- 1

SHILO INN TWIN FALLS, LLC
BALANCE SHEET
PERIOD ENDING 12/31/12

COMPANY - 9U SHILO INN, TWIN FALLS, LLC
DEPT - 0 SHILO INNS B/S

	LIABILITIES AND EQUITY	
	CURRENT LIABILITIES	
200101	CURRENT MATURITY L-T DEBT	127,139
	ACCOUNTS PAYABLE	
2100TA	A/P - T/A REIMBURSEMENTS	1,496
210001	ACCOUNTS PAYABLE - TRADE	122,688
210005	A/P - TRAVEL AGENT	18,637
210009	ACCOUNTS PAYABLE - OTHER	929
210017	A/P - SHILO MANAGEMENT	858
	TOTAL ACCOUNTS PAYABLE	144,608
	ACCRUED EXPENSES	
220000	SALARIES & WAGES PAYABLE	9,220
240002	INSURANCE PAYABLE	34,503
240003	INTEREST PAYABLE	14,376
240008	SALES TAXES PAYABLE	7,257
	TOTAL ACCRUED EXPENSES	65,357
	TOTAL CURRENT LIABILITIES	337,104
	L-T LIABILITIES	
250001	L-T DEBT LESS CURRENT MATURITY	(127,139)
260001	N/P-PRIMARY MORTGAGE	5,565,029
	TOTAL L-T LIABILITIES	5,437,890
	EQUITY	
300101	MSH CAPITAL	(377,356)
300102	MSH ADVANCES	1,602,622
300103	MSH DRAWS	(1,034,107)
305500	CURRENT YEAR PROFIT & LOSS	155,647
	TOTAL EQUITY	346,806
	TOTAL LIABILITIES AND EQUITY	6,121,800

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL
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JOB HTW9USUMPL
STR TW9USUMPL
ROUNDING- 1

SHILO INN, TWIN FALLS, LLC
STATEMENT OF INCOME--INCOME TAX-BASIS
MONTHS ENDING 12/31/12 (UNAUDITED)

CURRENT MONTH								YEAR-TO-DATE							
ACTUAL	%	BUDGET	%	VARIANCE	%	PRIOR YEAR	%		ACTUAL	%	BUDGET	%	VARIANCE	%	PRIOR YEAR	%
								REVENUE								
91,522	97.05	0		91,522		74,276	97.40	ROOMS	1,824,344	98.42	0		1,824,344		1,610,563	98.22
2,785	2.95	0		2,785		1,985	2.60	OTHER INCOME	29,271	1.58	0		29,271		29,172	1.78
94,307	100.00	0		94,307		76,261	100.00	TOTAL REVENUE	1,853,615	100.00	0		1,853,615		1,639,735	100.00
								DEPARTMENTAL PROFIT								
66,695	70.72	0		66,695		50,227	65.86	ROOMS	1,364,740	73.63	0		1,364,740		1,214,855	74.09
(745)	(0.79)	0		(745)		(740)	(0.97)	TELEPHONE	(8,884)	(0.48)	0		(8,884)		(8,969)	(0.55)
1,831	1.94	0		1,831		1,030	1.35	OTHER	17,447	0.94	0		17,447		15,028	0.92
67,782	71.87	0		67,782		50,517	66.24	TOTAL DEPARTMENTAL PROFIT	1,373,304	74.09	0		1,373,304		1,220,914	74.46
7,148	7.58	0		(7,148)		9,592	12.58	SALES & MARKETING	98,941	5.34	0		(98,941)		95,790	5.84
6,050	6.42	0		(6,050)		10,052	13.18	REPAIRS & MAINTENANCE	115,714	6.24	0		(115,714)		103,706	6.32
16,364	17.35	0		(16,364)		7,253	9.51	ADMINISTRATION & GENERAL	184,837	9.97	0		(184,837)		132,551	8.08
4,789	5.08	0		(4,789)		5,885	7.72	ENERGY	79,856	4.31	0		(79,856)		85,710	5.23
34,351	36.42	0		(34,351)		32,783	42.99	TOTAL OVERHEAD EXPENSE	479,347	25.86	0		(479,347)		417,757	25.48
33,431	35.45	0		33,431		17,734	23.25	GROSS OPERATING PROFIT	893,957	48.23	0		893,957		803,157	48.98
								OTHER FIXED EXPENSES								
1,462	1.55	0		(1,462)		1,413	1.85	INSURANCE	17,252	0.93	0		(17,252)		20,268	1.24
49,100	52.06	0		(49,100)		3,530	4.63	TAXES	117,973	6.36	0		(117,973)		23,729	1.45
14,376	15.24	0		(14,376)		57,661	75.61	INTEREST - MORTGAGE	388,469	20.96	0		(388,469)		235,123	14.34
5,457	5.79	0		(5,457)		5,894	7.73	MANAGEMENT FEE	65,484	3.53	0		(65,484)		70,728	4.31
70,395	74.64	0		(70,395)		68,498	89.82	TOTAL OTHER EXPENSE	589,178	31.79	0		(589,178)		349,848	21.34
								OTHER INCOME								
0	0.00	0		0		0	0.00	INTEREST INCOME	(69)	(0.00)	0		69		0	0.00
0	0.00	0		0		0	0.00	OTHER INCOME	0	0.00	0		0		(739)	(0.05)
0	0.00	0		0		0	0.00	TOTAL OTHER INCOME	(69)	(0.00)	0		69		(739)	(0.05)
(36,964)	(39.20)	0		(36,964)		(50,764)	(66.57)	TOTAL INC BEFORE DEPN/FEES/AMORT	304,847	16.45	0		304,847		454,048	27.69
1,881	1.99	0		(1,881)		1,037	1.36	DEPRECIATION	149,200	8.05	0		(149,200)		149,200	9.10
0	0.00	0		0		8,376	10.98	LOAN FEE AMORTIZATION	0	0.00	0		0		8,376	0.51
(38,845)	(41.19)	0		(38,845)		(60,177)	(78.91)	TOTAL NET INCOME/(LOSS)	155,647	8.40	0		155,647		296,472	18.08
								STATISTICS								
3,999		0		3,999		3,999		ROOMS AVAILABLE	47,214		0		47,214		47,085	
1,271		0		1,271		1,102		ROOMS SOLD	25,115		0		25,115		22,172	
1,273		0		1,273		1,102		ROOMS OCCUPIED	25,202		0		25,202		22,232	
31.83		0.00		31.83		27.56		PERCENTAGE OF OCCUPANCY	53.38		0.00		53.38		47.22	
71.89		0.00		71.89		67.40		AVERAGE DAILY RATE	72.39		0.00		72.39		72.44	
22.89		0.00		22.89		18.57		REVENUE PER AVAILABLE ROOM	38.64		0.00		38.64		34.21	

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

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SHILO INN, BOISE AIRPORT, LLC

BALANCE SHEET
DATED 12/31/12 & 12/31/11

STATEMENT OF INCOME
DATED 12/31/12 w/ PRIOR YEAR

JOB HBO BSDET

ROUNDING- 1

SHILO INN BOISE AIRPORT, LLC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/11 (UNAUDITED)

COMPANY - BO SHILO INN, BOISE AIRPORT, LLC
DEPT - 0 SHILO INNS B/S

	ASSETS	
	CURRENT ASSETS	
	CASH	
101002	CASH ON HAND	1,500
101003	CASH - BANK GENERAL	5,670
103000	CASH-A/P DISBURSEMENTS	5,942
	TOTAL CASH	13,112
	ACCOUNTS RECEIVABLE	
108001	A/R - TRADE	10,471
108003	ACCOUNTS RECEIVABLE - OTHER	48,946
108005	A/R-SFI (GIFT PAPER)	197
108020	A/R - LENDING POOL	104,500
108090	A/R-SFI (GIFT CARDS)	2,717
	TOTAL ACCOUNTS RECEIVABLE	166,832
	TOTAL CURRENT ASSETS	179,944
	FIXED ASSETS	
151001	LAND	318,455
151501	LAND IMPROVEMENTS	233,639
152001	BUILDING	2,968,840
153001	FURNITURE	1,095,802
153002	FIXTURES & EQUIPMENT	1,129,228
153004	SOFTWARE	960
154001	SIGNS	135,301
	TOTAL GROSS FIXED ASSETS	5,882,224
160001	ACCUMULATED DEPR & AMORT	(4,196,630)
160002	ACCUMULATED AMORTIZATION	(36,550)
	TOTAL FIXED ASSETS	1,649,044
	OTHER ASSETS	
140001	PREPAID INSURANCE	6,425
140004	PREPAID PROPERTY TAXES	1,745
140050	PREPAID - OTHER	5,155
190002	LOAN FEES	58,221
190501	LINENS	59,834
190602	UTILITY DEPOSITS	4,436
	TOTAL OTHER ASSETS	135,816
	TOTAL ASSETS	1,964,804

JOB HB OBSDET

SHILO INN BOISE AIRPORT, LLC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/11 (UNAUDITED)

ROUNDING- 1

COMPANY - BO SHILO INN, BOISE AIRPORT, LLC
DEPT - 0 SHILO INNS B/S

	LIABILITIES AND EQUITY	
	CURRENT LIABILITIES	
200101	CURRENT MATURITY L-T DEBT	84,759
	ACCOUNTS PAYABLE	
2100TA	A/P - T/A REIMBURSEMENTS	522
210001	ACCOUNTS PAYABLE - TRADE	910,997
210005	A/P - TRAVEL AGENT	6,605
210009	ACCOUNTS PAYABLE - OTHER	(498,317)
210017	A/P - SHILO MANAGEMENT	4,978
	TOTAL ACCOUNTS PAYABLE	424,785
	ACCRUED EXPENSES	
220000	SALARIES & WAGES PAYABLE	13,724
240002	INSURANCE PAYABLE	12,849
240003	INTEREST PAYABLE	381,451
240008	SALES TAXES PAYABLE	6,911
	TOTAL ACCRUED EXPENSES	414,935
	TOTAL CURRENT LIABILITIES	924,479
	L-T LIABILITIES	
250001	L-T DEBT LESS CURRENT MATURITY	(84,759)
260001	N/P-PRIMARY MORTGAGE	3,710,012
	TOTAL L-T LIABILITIES	3,625,253
	EQUITY	
300101	MSH CAPITAL	(2,249,416)
300102	MSH ADVANCES	805,978
300103	MSH DRAWS	(828,552)
300401	SAH CAPITAL	(67,683)
300403	SAH DRAWS	(30,000)
305500	CURRENT YEAR PROFIT & LOSS	(215,255)
	TOTAL EQUITY	(2,584,928)
	TOTAL LIABILITIES AND EQUITY	1,964,804

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

JOB HBO BSDET

ROUNDIN G- 1

SHILO INN BOISE AIRPORT, LLC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/12 (UNAUDITED)

COMPANY - BO SHILO INN, BOISE AIRPORT, LLC
DEPT - 0 SHILO INNS B/S

	ASSETS	
	CURRENT ASSETS	
	CASH	
101002	CASH ON HAND	1,500
101003	CASH - BANK GENERAL	5,371
103000	CASH-A/P DISBURSEMENTS	(17,232)
	TOTAL CASH	(10,361)
	ACCOUNTS RECEIVABLE	
108001	A/R - TRADE	8,739
108003	ACCOUNTS RECEIVABLE - OTHER	71,174
108020	A/R - LENDING POOL	104,500
108090	A/R-SFI (GIFT CARDS)	2,775
	TOTAL ACCOUNTS RECEIVABLE	187,188
	TOTAL CURRENT ASSETS	176,827
	FIXED ASSETS	
151001	LAND	318,455
151501	LAND IMPROVEMENTS	233,639
152001	BUILDING	2,971,179
153001	FURNITURE	1,095,802
153002	FIXTURES & EQUIPMENT	1,136,247
153004	SOFTWARE	960
154001	SIGNS	135,301
	TOTAL GROSS FIXED ASSETS	5,891,583
160001	ACCUMULATED DEPR & AMORT	(4,310,763)
160002	ACCUMULATED AMORTIZATION	(36,550)
	TOTAL FIXED ASSETS	1,544,270
	OTHER ASSETS	
140001	PREPAID INSURANCE	6,188
140050	PREPAID - OTHER	2,982
190002	LOAN FEES	77,833
190501	LINENS	59,834
190602	UTILITY DEPOSITS	4,436
	TOTAL OTHER ASSETS	151,273
	TOTAL ASSETS	1,872,370

JOB HB OBSDET

ROUNDIN G- 1

SHILO INN BOISE AIRPORT, LLC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/12 (UNAUDITED)

COMPANY - BO SHILO INN, BOISE AIRPORT, LLC
DEPT - 0 SHILO INNS B/S

	LIABILITIES AND EQUITY	
	CURRENT LIABILITIES	
200101	CURRENT MATURITY L-T DEBT	84,759
	ACCOUNTS PAYABLE	
2100TA	A/P - T/A REIMBURSEMENTS	522
210001	ACCOUNTS PAYABLE - TRADE	134,861
210005	A/P - TRAVEL AGENT	7,969
210009	ACCOUNTS PAYABLE - OTHER	693
210017	A/P - SHILO MANAGEMENT	4,978
	TOTAL ACCOUNTS PAYABLE	149,022
	ACCRUED EXPENSES	
220000	SALARIES & WAGES PAYABLE	13,908
240002	INSURANCE PAYABLE	25,226
240003	INTEREST PAYABLE	9,584
240008	SALES TAXES PAYABLE	7,542
	TOTAL ACCRUED EXPENSES	56,259
	TOTAL CURRENT LIABILITIES	290,041
	L-T LIABILITIES	
250001	L-T DEBT LESS CURRENT MATURITY	(84,759)
260001	N/P-PRIMARY MORTGAGE	3,710,012
	TOTAL L-T LIABILITIES	3,625,253
	EQUITY	
300101	MSH CAPITAL	(2,487,245)
300102	MSH ADVANCES	1,053,309
300103	MSH DRAWS	(231,768)
300401	SAH CAPITAL	(97,683)
300403	SAH DRAWS	(12,500)
305500	CURRENT YEAR PROFIT & LOSS	(267,037)
	TOTAL EQUITY	(2,042,924)
	TOTAL LIABILITIES AND EQUITY	1,872,370

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

JOB HBABOSUMPL
STR BABOSUMPL
ROUNDING- 1

SHILO INN, BOISE AIRPORT, LLC
SUMMARY STATEMENT OF INCOME--INCOME TAX-BASIS
MONTHS ENDING 12/31/12 (UNAUDITED)

CURRENT MONTH ACTUAL	%	BUDGET	%	VARIANCE	%	PRIOR YEAR	%		YEAR-TO-DATE ACTUAL	%	BUDGET	%	VARIANCE	%	PRIOR YEAR	%
								REVENUE								
57,036	97.64	0		57,036		52,300	97.37	ROOMS	966,732	97.75	0		966,732		829,224	97.21
1,382	2.37	0		1,382		1,414	2.63	OTHER INCOME	22,270	2.25	0		22,270		23,821	2.79
58,417	100.00	0		58,417		53,713	100.00	TOTAL REVENUE	989,002	100.00	0		989,002		853,045	100.00
								DEPARTMENTAL PROFIT								
28,016	47.96	0		28,016		33,973	63.25	ROOMS	657,192	66.45	0		657,192		513,661	60.21
(184)	(0.31)	0		(184)		(1,822)	(3.39)	TELEPHONE	(21,617)	(2.19)	0		(21,617)		(23,708)	(2.78)
750	1.28	0		750		1,024	1.91	OTHER	13,902	1.41	0		13,902		12,588	1.48
28,583	48.93	0		28,583		33,175	61.76	TOTAL DEPARTMENTAL PROFIT	649,478	65.67	0		649,478		502,541	58.91
3,131	5.36	0		(3,131)		4,468	8.32	SALES & MARKETING	57,597	5.82	0		(57,597)		58,522	6.86
4,654	7.97	0		(4,654)		4,758	8.86	REPAIRS & MAINTENANCE	92,267	9.33	0		(92,267)		68,726	8.06
13,857	23.72	0		(13,857)		6,640	12.36	ADMINISTRATION & GENERAL	186,997	18.91	0		(186,997)		89,777	10.52
4,313	7.38	0		(4,313)		6,243	11.62	ENERGY	80,529	8.14	0		(80,529)		82,251	9.64
25,955	44.43	0		(25,955)		22,109	41.16	TOTAL OVERHEAD EXPENSE	417,391	42.20	0		(417,391)		299,276	35.08
2,628	4.50	0		2,628		11,066	20.60	GROSS OPERATING PROFIT	232,087	23.47	0		232,087		203,265	23.83
								OTHER FIXED EXPENSES								
1,031	1.76	0		(1,031)		1,071	1.99	INSURANCE	12,613	1.28	0		(12,613)		16,391	1.92
7,228	12.37	0		(7,228)		4,723	8.79	TAXES	61,394	6.21	0		(61,394)		56,674	6.64
9,584	16.41	0		(9,584)		27,442	51.09	INTEREST - MORTGAGE	276,779	27.99	0		(276,779)		185,427	21.74
2,843	4.87	0		(2,843)		3,211	5.98	MANAGEMENT FEE	34,256	3.46	0		(34,256)		40,072	4.70
20,687	35.41	0		(20,687)		36,447	67.86	TOTAL OTHER EXPENSE	385,041	38.93	0		(385,041)		298,565	35.00
								OTHER INCOME								
0	0.00	0		0		0	0.00	INTEREST INCOME	(50)	(0.01)	0		50		0	0.00
0	0.00	0		0		0	0.00	TOTAL OTHER INCOME	(50)	(0.01)	0		50		0	0.00
(18,058)	(30.91)	0		(18,058)		(25,381)	(47.25)	TOTAL INC BEFORE DEPN/FEES/AMORT	(152,904)	(15.46)	0		(152,904)		(95,300)	(11.17)
(5,799)	(9.93)	0		5,799		(10,438)	(19.43)	DEPRECIATION	114,133	11.54	0		(114,133)		114,133	13.38
0	0.00	0		0		5,822	10.84	LOAN FEE AMORTIZATION	0	0.00	0		0		5,822	0.68
(12,259)	(20.99)	0		(12,259)		(20,765)	(38.66)	TOTAL NET INCOME/(LOSS)	(267,037)	(27.00)	0		(267,037)		(215,255)	(25.23)
								STATISTICS								
3,906		0		3,906		3,906		ROOMS AVAILABLE	46,116		0		46,116		45,990	
898		0		898		862		ROOMS SOLD	15,366		0		15,366		13,091	
898		0		898		864		ROOMS OCCUPIED	15,404		0		15,404		13,117	
22.99		0.00		22.99		22.12		PERCENTAGE OF OCCUPANCY	33.40		0.00		33.40		28.52	
63.51		0.00		63.51		60.53		AVERAGE DAILY RATE	62.76		0.00		62.76		63.22	
14.60		0.00		14.60		13.39		REVENUE PER AVAILABLE ROOM	20.96		0.00		20.96		18.03	

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

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SHILO INN, NEWBERG, LLC

BALANCE SHEET
DATED 12/31/12 & 12/31/11

STATEMENT OF INCOME
DATED 12/31/12 w/ PRIOR YEAR

□JOB HN GBSDET

ROUNDIN G- 1

SHILO INN NEWBERG, LLC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/11 (UNAUDITED)

COMPANY - NG SHILO INN, NEWBERG, LLC
DEPT - 0 SHILO INNS B/S

	ASSETS	
	CURRENT ASSETS	
	CASH	
101002	CASH ON HAND	900
101003	CASH - BANK GENERAL	3,571
103000	CASH-A/P DISBURSEMENTS	(16,068)
	TOTAL CASH	(11,597)
	ACCOUNTS RECEIVABLE	
108001	A/R - TRADE	1,901
108003	ACCOUNTS RECEIVABLE - OTHER	3,636
	TOTAL ACCOUNTS RECEIVABLE	5,537
	TOTAL CURRENT ASSETS	(6,060)
	FIXED ASSETS	
151001	LAND	105,000
151501	LAND IMPROVEMENTS	84,985
152001	BUILDING	1,555,389
153001	FURNITURE	402,720
153002	FIXTURES & EQUIPMENT	236,354
153004	SOFTWARE	4,085
154001	SIGNS	45,437
	TOTAL GROSS FIXED ASSETS	2,433,970
160001	ACCUMULATED DEPR & AMORT	(1,777,685)
160002	ACCUMULATED AMORTIZATION	(16,357)
	TOTAL FIXED ASSETS	639,928
	OTHER ASSETS	
140001	PREPAID INSURANCE	5,431
140004	PREPAID PROPERTY TAXES	21,510
140050	PREPAID - OTHER	2,932
190002	LOAN FEES	25,485
190501	LINENS	29,686
190620	OTHER DEPOSITS	5,672
191001	SUSPENSE	0
	TOTAL OTHER ASSETS	90,716
	TOTAL ASSETS	724,584

JOB HN GBSDET

SHILO INN NEWBERG, LLC
BALANCE SHEET--INCOME TAX-BASIS
ROUNDING- 1 PERIOD ENDING 12/31/11 (UNAUDITED)

COMPANY - NG SHILO INN, NEWBERG, LLC
DEPT - 0 SHILO INNS B/S

	LIABILITIES AND EQUITY	
	CURRENT LIABILITIES	
200101	CURRENT MATURITY L-T DEBT	36,023
	ACCOUNTS PAYABLE	
2100TA	A/P - T/A REIMBURSEMENTS	80
210001	ACCOUNTS PAYABLE - TRADE	484,834
210003	A/P-SFI (GIFT CARDS)	48,376
210005	A/P - TRAVEL AGENT	6,076
210009	ACCOUNTS PAYABLE - OTHER	(194,473)
210017	A/P - SHILO MANAGEMENT	(938)
210020	A/P - LENDING POOL	316,400
	TOTAL ACCOUNTS PAYABLE	660,355
	ACCRUED EXPENSES	
220000	SALARIES & WAGES PAYABLE	8,513
240002	INSURANCE PAYABLE	10,863
240003	INTEREST PAYABLE	157,724
240006	TRANSIENT TAX PAYABLE	7,135
	TOTAL ACCRUED EXPENSES	184,235
	TOTAL CURRENT LIABILITIES	880,613
	L-T LIABILITIES	
250001	L-T DEBT LESS CURRENT MATURITY	(36,023)
260001	N/P-PRIMARY MORTGAGE	1,576,755
	TOTAL L-T LIABILITIES	1,540,732
	EQUITY	
300101	MSH CAPITAL	(1,476,435)
300102	MSH ADVANCES	460,543
300103	MSH DRAWS	(630,239)
305500	CURRENT YEAR PROFIT & LOSS	(50,630)
	TOTAL EQUITY	(1,696,761)
	TOTAL LIABILITIES AND EQUITY	724,584

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

JOB HN GBSDET — SHILO INN NEWBERG, LLC
BALANCE SHEET--INCOME TAX-BASIS
ROUNDIN G- 1 — PERIOD ENDING 12/31/12 (UNAUDITED)

COMPANY - NG SHILO INN, NEWBERG, LLC
DEPT - 0 SHILO INNS B/S

	ASSETS	
	CURRENT ASSETS	
	CASH	
101002	CASH ON HAND	900
101003	CASH - BANK GENERAL	4,745
103000	CASH-A/P DISBURSEMENTS	(7,258)
	TOTAL CASH	(1,614)
	ACCOUNTS RECEIVABLE	
108001	A/R - TRADE	(186)
108003	ACCOUNTS RECEIVABLE - OTHER	1,583
	TOTAL ACCOUNTS RECEIVABLE	1,397
	TOTAL CURRENT ASSETS	(217)
	FIXED ASSETS	
151001	LAND	105,000
151501	LAND IMPROVEMENTS	84,985
152001	BUILDING	1,555,389
153001	FURNITURE	402,720
153002	FIXTURES & EQUIPMENT	252,069
153004	SOFTWARE	4,085
154001	SIGNS	45,437
	TOTAL GROSS FIXED ASSETS	2,449,686
160001	ACCUMULATED DEPR & AMORT	(1,858,721)
160002	ACCUMULATED AMORTIZATION	(16,357)
	TOTAL FIXED ASSETS	574,608
	OTHER ASSETS	
140001	PREPAID INSURANCE	5,154
140004	PREPAID PROPERTY TAXES	21,411
140050	PREPAID - OTHER	1,426
190002	LOAN FEES	39,191
190501	LINENS	29,686
190620	OTHER DEPOSITS	5,672
	TOTAL OTHER ASSETS	102,539
	TOTAL ASSETS	676,930

□JOB HN GBSDET

SHILO INN NEWBERG, LLC
BALANCE SHEET--INCOME TAX-BASIS
ROUNDIN G- 1 PERIOD ENDING 12/31/12 (UNAUDITED)

COMPANY - NG SHILO INN, NEWBERG, LLC
DEPT - 0 SHILO INNS B/S

	LIABILITIES AND EQUITY	
	CURRENT LIABILITIES	
200101	CURRENT MATURITY L-T DEBT	36,023
	ACCOUNTS PAYABLE	
2100TA	A/P - T/A REIMBURSEMENTS	80
210001	ACCOUNTS PAYABLE - TRADE	69,328
210003	A/P-SFI (GIFT CARDS)	50,070
210005	A/P - TRAVEL AGENT	6,516
210009	ACCOUNTS PAYABLE - OTHER	52
210017	A/P - SHILO MANAGEMENT	(938)
210020	A/P - LENDING POOL	316,400
	TOTAL ACCOUNTS PAYABLE	441,508
	ACCRUED EXPENSES	
220000	SALARIES & WAGES PAYABLE	5,190
240002	INSURANCE PAYABLE	21,171
240003	INTEREST PAYABLE	4,073
240006	TRANSIENT TAX PAYABLE	7,750
	TOTAL ACCRUED EXPENSES	38,184
	TOTAL CURRENT LIABILITIES	515,715
	L-T LIABILITIES	
250001	L-T DEBT LESS CURRENT MATURITY	(36,023)
260001	N/P-PRIMARY MORTGAGE	1,576,755
	TOTAL L-T LIABILITIES	1,540,732
	EQUITY	
300101	MSH CAPITAL	(1,696,408)
300102	MSH ADVANCES	692,991
300103	MSH DRAWS	(268,617)
301301	SMH CAPITAL	(322)
303001	HOTEL CORP CAPITAL	(32)
305500	CURRENT YEAR PROFIT & LOSS	(107,130)
	TOTAL EQUITY	(1,379,517)
	TOTAL LIABILITIES AND EQUITY	676,930

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

JOB HNWNGSUMPL
STR NWNGSUMPL
ROUNDING- 1

SHILO INN, NEWBERG, LLC
STATEMENT OF INCOME--INCOME TAX-BASIS
MONTHS ENDING 12/31/12 (UNAUDITED)

CURRENT MONTH ACTUAL	%	BUDGET	%	VARIANCE	%	PRIOR YEAR	%		YEAR-TO-DATE ACTUAL	%	BUDGET	%	VARIANCE	%	PRIOR YEAR	%
								REVENUE								
27,493	97.69	0		27,493		24,061	98.28	ROOMS	667,182	98.20	0		667,182		634,982	98.49
651	2.31	0		651		421	1.72	OTHER INCOME	12,216	1.80	0		12,216		9,719	1.51
28,144	100.00	0		28,144		24,482	100.00	TOTAL REVENUE	679,398	100.00	0		679,398		644,702	100.00
								DEPARTMENTAL PROFIT								
14,642	52.03	0		14,642		12,511	51.10	ROOMS	443,435	65.27	0		443,435		415,726	64.48
(878)	(3.12)	0		(878)		(857)	(3.50)	TELEPHONE	(10,548)	(1.55)	0		(10,548)		(10,526)	(1.63)
528	1.88	0		528		236	0.96	OTHER	8,772	1.29	0		8,772		5,920	0.92
14,291	50.78	0		14,291		11,890	48.57	TOTAL DEPARTMENTAL PROFIT	441,659	65.01	0		441,659		411,120	63.77
1,835	6.52	0		(1,835)		2,638	10.78	SALES & MARKETING	48,121	7.08	0		(48,121)		33,152	5.14
993	3.53	0		(993)		2,153	8.79	REPAIRS & MAINTENANCE	28,931	4.26	0		(28,931)		29,531	4.58
8,320	29.56	0		(8,320)		6,673	27.26	ADMINISTRATION & GENERAL	155,895	22.95	0		(155,895)		79,702	12.36
5,542	19.69	0		(5,542)		4,615	18.85	ENERGY	64,489	9.49	0		(64,489)		58,576	9.09
16,690	59.30	0		(16,690)		16,080	65.68	TOTAL OVERHEAD EXPENSE	297,436	43.78	0		(297,436)		200,962	31.17
(2,399)	(8.52)	0		(2,399)		(4,190)	(17.11)	GROSS OPERATING PROFIT	144,223	21.23	0		144,223		210,158	32.60
								OTHER FIXED EXPENSES								
859	3.05	0		(859)		905	3.70	INSURANCE	10,585	1.56	0		(10,585)		11,963	1.86
3,568	12.68	0		(3,568)		2,657	10.85	TAXES	43,071	6.34	0		(43,071)		48,735	7.56
4,073	14.47	0		(4,073)		21,599	88.22	INTEREST - MORTGAGE	91,708	13.50	0		(91,708)		88,305	13.70
2,151	7.64	0		(2,151)		2,306	9.42	MANAGEMENT FEE	25,812	3.80	0		(25,812)		28,220	4.38
10,652	37.85	0		(10,652)		27,468	112.20	TOTAL OTHER EXPENSE	171,176	25.20	0		(171,176)		177,223	27.49
								OTHER INCOME								
0	0.00	0		0		0	0.00	INTEREST INCOME	(10)	(0.00)	0		10		(20)	(0.00)
0	0.00	0		0		0	0.00	OTHER INCOME	(850)	(0.13)	0		850		0	0.00
0	0.00	0		0		0	0.00	TOTAL OTHER INCOME	(860)	(0.13)	0		860		(20)	(0.00)
(13,051)	(46.37)	0		(13,051)		(31,658)	(129.31)	TOTAL INC BEFORE DEPN/FEES/AMORT	(26,094)	(3.84)	0		(26,094)		32,955	5.11
5,277	18.75	0		(5,277)		452	1.85	DEPRECIATION	81,036	11.93	0		(81,036)		81,036	12.57
0	0.00	0		0		2,549	10.41	LOAN FEE AMORTIZATION	0	0.00	0		0		2,549	0.40
(18,328)	(65.12)	0		(18,328)		(34,659)	(141.57)	TOTAL NET INCOME/(LOSS)	(107,130)	(15.77)	0		(107,130)		(50,630)	(7.85)
								STATISTICS								
1,891		0		1,891		1,891		ROOMS AVAILABLE	22,326		0		22,326		22,265	
396		0		396		345		ROOMS SOLD	8,973		0		8,973		8,517	
396		0		396		348		ROOMS OCCUPIED	8,979		0		8,979		8,540	
20.94		0.00		20.94		18.40		PERCENTAGE OF OCCUPANCY	40.22		0.00		40.22		38.36	
69.43		0.00		69.43		69.14		AVERAGE DAILY RATE	74.30		0.00		74.30		74.35	
14.54		0.00		14.54		12.72		REVENUE PER AVAILABLE ROOM	29.88		0.00		29.88		28.52	

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

SHILO INN, NAMPA BLVD, LLC

BALANCE SHEET
DATED 12/31/12 & 12/31/11

STATEMENT OF INCOME
DATED 12/31/12 w/ PRIOR YEAR

JOB H7 SBSDET

ROUNDIN G- 1

SHILO INN NAMPA BLVD., LLC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/11 (UNAUDITED)

COMPANY - 7S SHILO INN, NAMPA BLVD., LLC
DEPT - 0 SHILO INNS B/S

	ASSETS	
	CURRENT ASSETS	
	CASH	
101002	CASH ON HAND	1,000
101003	CASH - BANK GENERAL	1,793
103000	CASH-A/P DISBURSEMENTS	(13,758)
	TOTAL CASH	(10,965)
	ACCOUNTS RECEIVABLE	
108001	A/R - TRADE	6,703
108003	ACCOUNTS RECEIVABLE - OTHER	5,514
108020	A/R - LENDING POOL	175,060
108090	A/R-SFI (GIFT CARDS)	302
	TOTAL ACCOUNTS RECEIVABLE	187,579
	TOTAL CURRENT ASSETS	176,614
	FIXED ASSETS	
151001	LAND	153,755
151501	LAND IMPROVEMENTS	162,980
152001	BUILDING	1,323,501
153001	FURNITURE	415,486
153002	FIXTURES & EQUIPMENT	161,274
153004	SOFTWARE	960
154001	SIGNS	87,855
155000	REORGANIZATION COSTS	67,651
	TOTAL GROSS FIXED ASSETS	2,373,462
160001	ACCUMULATED DEPR & AMORT	(1,816,236)
160002	ACCUMULATED AMORTIZATION	(15,862)
	TOTAL FIXED ASSETS	541,364
	OTHER ASSETS	
140001	PREPAID INSURANCE	4,700
140050	PREPAID - OTHER	1,543
190002	LOAN FEES	24,722
190501	LINENS	29,439
190602	UTILITY DEPOSITS	2,326
190610	FRANCHISE DEPOSIT	4,430
191001	SUSPENSE	(72)
	TOTAL OTHER ASSETS	67,088
	TOTAL ASSETS	785,067

JOB H7 SBSDET

SHILO INN NAMPA BLVD., LLC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/11 (UNAUDITED)

ROUNDIN G- 1

COMPANY - 7S SHILO INN, NAMPA BLVD., LLC
DEPT - 0 SHILO INNS B/S

	LIABILITIES AND EQUITY	
	CURRENT LIABILITIES	
200101	CURRENT MATURITY L-T DEBT	26,918
	ACCOUNTS PAYABLE	
2100TA	A/P - T/A REIMBURSEMENTS	8
210001	ACCOUNTS PAYABLE - TRADE	383,452
210005	A/P - TRAVEL AGENT	1,437
210009	ACCOUNTS PAYABLE - OTHER	(148,827)
210017	A/P - SHILO MANAGEMENT	66
	TOTAL ACCOUNTS PAYABLE	236,136
	ACCRUED EXPENSES	
220000	SALARIES & WAGES PAYABLE	8,715
240002	INSURANCE PAYABLE	9,400
240003	INTEREST PAYABLE	115,333
240008	SALES TAXES PAYABLE	982
	TOTAL ACCRUED EXPENSES	134,430
	TOTAL CURRENT LIABILITIES	397,484
	L-T LIABILITIES	
250001	L-T DEBT LESS CURRENT MATURITY	(26,918)
260001	N/P-PRIMARY MORTGAGE	1,252,129
	TOTAL L-T LIABILITIES	1,225,211
	EQUITY	
300101	MSH CAPITAL	(678,223)
300102	MSH ADVANCES	333,063
300103	MSH DRAWS	(310,459)
305500	CURRENT YEAR PROFIT & LOSS	(182,009)
	TOTAL EQUITY	(837,628)
	TOTAL LIABILITIES AND EQUITY	785,067

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

JOB H7 SBSDET

SHILO INN NAMPA BLVD., LLC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/12 (UNAUDITED)

ROUNDING- 1

COMPANY - 7S SHILO INN, NAMPA BLVD., LLC
DEPT - 0 SHILO INNS B/S

	ASSETS	
	CURRENT ASSETS	
	CASH	
101002	CASH ON HAND	1,000
101003	CASH - BANK GENERAL	2,428
103000	CASH-A/P DISBURSEMENTS	(23,525)
	TOTAL CASH	(20,097)
	ACCOUNTS RECEIVABLE	
108001	A/R - TRADE	5,304
108003	ACCOUNTS RECEIVABLE - OTHER	18,574
108020	A/R - LENDING POOL	175,060
108090	A/R-SFI (GIFT CARDS)	302
	TOTAL ACCOUNTS RECEIVABLE	199,240
	TOTAL CURRENT ASSETS	179,143
	FIXED ASSETS	
151001	LAND	153,755
151501	LAND IMPROVEMENTS	162,980
152001	BUILDING	1,323,501
153001	FURNITURE	418,454
153002	FIXTURES & EQUIPMENT	163,416
153004	SOFTWARE	960
154001	SIGNS	87,855
155000	REORGANIZATION COSTS	67,651
	TOTAL GROSS FIXED ASSETS	2,378,572
160001	ACCUMULATED DEPR & AMORT	(1,849,299)
160002	ACCUMULATED AMORTIZATION	(15,862)
	TOTAL FIXED ASSETS	513,411
	OTHER ASSETS	
140001	PREPAID INSURANCE	4,992
140050	PREPAID - OTHER	604
190002	LOAN FEES	38,934
190501	LINENS	29,439
190602	UTILITY DEPOSITS	2,326
190610	FRANCHISE DEPOSIT	4,430
	TOTAL OTHER ASSETS	80,724
	TOTAL ASSETS	773,279

□JOB H7 SBSDET

SHILO INN NAMPA BLVD., LLC
BALANCE SHEET--INCOME TAX-BASIS
ROUNDIN G- 1 PERIOD ENDING 12/31/12 (UNAUDITED)

COMPANY - 7S SHILO INN, NAMPA BLVD., LLC
DEPT - 0 SHILO INNS B/S

	LIABILITIES AND EQUITY	
	CURRENT LIABILITIES	
200101	CURRENT MATURITY L-T DEBT	26,918
	ACCOUNTS PAYABLE	
2100TA	A/P - T/A REIMBURSEMENTS	(518)
210001	ACCOUNTS PAYABLE - TRADE	190,300
210005	A/P - TRAVEL AGENT	1,302
210009	ACCOUNTS PAYABLE - OTHER	411
210017	A/P - SHILO MANAGEMENT	66
	TOTAL ACCOUNTS PAYABLE	191,561
	ACCRUED EXPENSES	
220000	SALARIES & WAGES PAYABLE	4,771
240002	INSURANCE PAYABLE	19,348
240003	INTEREST PAYABLE	3,235
240008	SALES TAXES PAYABLE	1,319
	TOTAL ACCRUED EXPENSES	28,673
	TOTAL CURRENT LIABILITIES	247,152
	L-T LIABILITIES	
250001	L-T DEBT LESS CURRENT MATURITY	(26,918)
260001	N/P-PRIMARY MORTGAGE	1,252,129
	TOTAL L-T LIABILITIES	1,225,211
	EQUITY	
300101	MSH CAPITAL	(836,664)
300102	MSH ADVANCES	510,726
300103	MSH DRAWS	(159,526)
305500	CURRENT YEAR PROFIT & LOSS	(213,621)
	TOTAL EQUITY	(699,084)
	TOTAL LIABILITIES AND EQUITY	773,279

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

JOB HNA7SSUMPL
STR NA7SSUMPL
ROUNDING- 1

SHILO INN, NAMPA BLVD., LLC
STATEMENT OF INCOME--INCOME TAX-BASIS SIS
MONTHS ENDING 12/31/12 (UNAUDITED)

CURRENT MONTH ACTUAL	%	BUDGET	%	VARIANCE	%	PRIOR YEAR	%		YEAR-TO-DATE ACTUAL	%	BUDGET	%	VARIANCE	%	PRIOR YEAR	%
								REVENUE								
16,126	96.93	0		16,126		13,460	97.25	ROOMS	374,747	97.86	0		374,747		323,913	98.39
511	3.07	0		511		381	2.75	OTHER INCOME	8,193	2.14	0		8,193		5,306	1.61
16,637	100.00	0		16,637		13,841	100.00	TOTAL REVENUE	382,939	100.00	0		382,939		329,219	100.00
								DEPARTMENTAL PROFIT								
9,556	57.44	0		9,556		6,488	46.88	ROOMS	226,455	59.14	0		226,455		192,572	58.49
(1,394)	(8.38)	0		(1,394)		(1,396)	(10.09)	TELEPHONE	(16,493)	(4.31)	0		(16,493)		(16,595)	(5.04)
100	0.60	0		100		(36)	(0.26)	OTHER	2,855	0.75	0		2,855		1,418	0.43
8,262	49.66	0		8,262		5,056	36.53	TOTAL DEPARTMENTAL PROFIT	212,817	55.57	0		212,817		177,396	53.88
(1,172)	(7.04)	0		1,172		1,256	9.07	SALES & MARKETING	40,690	10.63	0		(40,690)		26,016	7.90
3,634	21.84	0		(3,634)		3,509	25.35	REPAIRS & MAINTENANCE	65,067	16.99	0		(65,067)		50,418	15.31
14,231	85.54	0		(14,231)		5,114	36.95	ADMINISTRATION & GENERAL	128,506	33.56	0		(128,506)		72,775	22.11
2,216	13.32	0		(2,216)		2,419	17.48	ENERGY	33,295	8.69	0		(33,295)		31,688	9.63
18,908	113.65	0		(18,908)		12,298	88.85	TOTAL OVERHEAD EXPENSE	267,558	69.87	0		(267,558)		180,897	54.95
(10,646)	(63.99)	0		(10,646)		(7,242)	(52.32)	GROSS OPERATING PROFIT	(54,741)	(14.29)	0		(54,741)		(3,501)	(1.06)
								OTHER FIXED EXPENSES								
832	5.00	0		(832)		783	5.66	INSURANCE	9,656	2.52	0		(9,656)		10,605	3.22
(4,657)	(27.99)	0		4,657		13,662	98.71	TAXES	26,874	7.02	0		(26,874)		43,426	13.19
0	0.00	0		0		0	0.00	INTEREST	0	0.00	0		0		9	0.00
(7,269)	(43.69)	0		7,269		19,124	138.17	INTEREST - MORTGAGE	82,437	21.53	0		(82,437)		69,801	21.20
1,096	6.59	0		(1,096)		1,666	12.04	MANAGEMENT FEE	10,557	2.76	0		(10,557)		19,992	6.07
(9,998)	(60.09)	0		9,998		35,236	254.58	TOTAL OTHER EXPENSE	129,524	33.82	0		(129,524)		143,832	43.69
								OTHER INCOME								
0	0.00	0		0		0	0.00	INTEREST INCOME	(25)	(0.01)	0		25		0	0.00
(7)	(0.04)	0		7		0	0.00	OTHER INCOME	(3,683)	(0.96)	0		3,683		(859)	(0.26)
(7)	(0.04)	0		7		0	0.00	TOTAL OTHER INCOME	(3,707)	(0.97)	0		3,707		(859)	(0.26)
(641)	(3.85)	0		(641)		(42,478)	(306.90)	TOTAL INC BEFORE DEPN/FEES/AMORT	(180,558)	(47.15)	0		(180,558)		(146,474)	(44.49)
2,755	16.56	0		(2,755)		(7,404)	(53.49)	DEPRECIATION	33,063	8.63	0		(33,063)		33,063	10.04
0	0.00	0		0		2,472	17.86	LOAN FEE AMORTIZATION	0	0.00	0		0		2,472	0.75
(3,396)	(20.41)	0		(3,396)		(37,546)	(271.27)	TOTAL NET INCOME/(LOSS)	(213,621)	(55.78)	0		(213,621)		(182,009)	(55.29)
								STATISTICS								
1,891		0		1,891		1,891		ROOMS AVAILABLE	22,326		0		22,326		22,265	
260		0		260		237		ROOMS SOLD	5,991		0		5,991		5,445	
260		0		260		237		ROOMS OCCUPIED	6,009		0		6,009		5,467	
13.75		0.00		13.75		12.53		PERCENTAGE OF OCCUPANCY	26.91		0.00		26.91		24.55	
62.02		0.00		62.02		56.79		AVERAGE DAILY RATE	62.36		0.00		62.36		59.25	
8.53		0.00		8.53		7.12		REVENUE PER AVAILABLE ROOM	16.79		0.00		16.79		14.55	

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

SHILO INN, SEASIDE EAST, LLC

BALANCE SHEET
DATED 12/31/12 & 12/31/11

STATEMENT OF INCOME
DATED 12/31/12 w/ PRIOR YEAR

□JOB HS EBSDET

ROUNDIN G- 1

SHILO INN SEASIDE EAST, LLC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/11 (UNAUDITED)

COMPANY - SE SHILO INN, SEASIDE EAST, LLC
DEPT - 0 SHILO INNS B/S

	ASSETS	
	CURRENT ASSETS	
	CASH	
101002	CASH ON HAND	800
101003	CASH - BANK GENERAL	3,092
103000	CASH-A/P DISBURSEMENTS	(7,990)
	TOTAL CASH	(4,098)
	ACCOUNTS RECEIVABLE	
108001	A/R - TRADE	4,468
108003	ACCOUNTS RECEIVABLE - OTHER	2,821
108005	A/R-SFI (GIFT PAPER)	139
108090	A/R-SFI (GIFT CARDS)	8,246
	TOTAL ACCOUNTS RECEIVABLE	15,674
	TOTAL CURRENT ASSETS	11,576
	FIXED ASSETS	
151001	LAND	200,000
151501	LAND IMPROVEMENTS	22,043
152001	BUILDING	1,495,822
153001	FURNITURE	389,222
153002	FIXTURES & EQUIPMENT	237,103
153004	SOFTWARE	3,510
154001	SIGNS	57,512
	TOTAL GROSS FIXED ASSETS	2,405,212
160001	ACCUMULATED DEPR & AMORT	(1,713,711)
160002	ACCUMULATED AMORTIZATION	(18,955)
	TOTAL FIXED ASSETS	672,546
	OTHER ASSETS	
140001	PREPAID INSURANCE	5,546
140004	PREPAID PROPERTY TAXES	18,960
140050	PREPAID - OTHER	4,008
190002	LOAN FEES	29,535
190501	LINENS	27,894
190602	UTILITY DEPOSITS	3,207
191001	SUSPENSE	0
	TOTAL OTHER ASSETS	89,151
	TOTAL ASSETS	773,273

JOB HS EBSDET

ROUNDING- 1

SHILO INN SEASIDE EAST, LLC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/11 (UNAUDITED)

COMPANY - SE SHILO INN, SEASIDE EAST, LLC
DEPT - 0 SHILO INNS B/S

	LIABILITIES AND EQUITY	
	CURRENT LIABILITIES	
200101	CURRENT MATURITY L-T DEBT	42,380
	ACCOUNTS PAYABLE	
2100TA	A/P - T/A REIMBURSEMENTS	919
210001	ACCOUNTS PAYABLE - TRADE	553,227
210005	A/P - TRAVEL AGENT	10,660
210009	ACCOUNTS PAYABLE - OTHER	(236,828)
210017	A/P - SHILO MANAGEMENT	59,681
210020	A/P - LENDING POOL	59,300
	TOTAL ACCOUNTS PAYABLE	446,958
	ACCRUED EXPENSES	
220000	SALARIES & WAGES PAYABLE	24,540
240002	INSURANCE PAYABLE	10,057
240003	INTEREST PAYABLE	148,145
240006	TRANSIENT TAX PAYABLE	4,816
	TOTAL ACCRUED EXPENSES	187,558
	TOTAL CURRENT LIABILITIES	676,896
	L-T LIABILITIES	
250001	L-T DEBT LESS CURRENT MATURITY	(42,380)
260001	N/P-PRIMARY MORTGAGE	1,854,990
	TOTAL L-T LIABILITIES	1,812,610
	EQUITY	
300101	MSH CAPITAL	(1,504,162)
300102	MSH ADVANCES	506,940
300103	MSH DRAWS	(710,919)
305500	CURRENT YEAR PROFIT & LOSS	(8,092)
	TOTAL EQUITY	(1,716,234)
	TOTAL LIABILITIES AND EQUITY	773,273

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

JOB HS EBSDET

SHILO INN SEASIDE EAST, LLC
BALANCE SHEET--INCOME TAX-BASIS
ROUNDING- 1 PERIOD ENDING 12/31/12 (UNAUDITED)

COMPANY - SE SHILO INN, SEASIDE EAST, LLC
DEPT - 0 SHILO INNS B/S

	ASSETS	
	CURRENT ASSETS	
	CASH	
101002	CASH ON HAND	800
101003	CASH - BANK GENERAL	4,338
103000	CASH-A/P DISBURSEMENTS	(6,635)
	TOTAL CASH	(1,497)
	ACCOUNTS RECEIVABLE	
108001	A/R - TRADE	5,871
108003	ACCOUNTS RECEIVABLE - OTHER	3,450
108090	A/R-SFI (GIFT CARDS)	11,641
	TOTAL ACCOUNTS RECEIVABLE	20,963
	TOTAL CURRENT ASSETS	19,466
	FIXED ASSETS	
151001	LAND	200,000
151501	LAND IMPROVEMENTS	22,043
152001	BUILDING	1,495,822
153001	FURNITURE	389,222
153002	FIXTURES & EQUIPMENT	247,653
153004	SOFTWARE	3,510
154001	SIGNS	57,512
	TOTAL GROSS FIXED ASSETS	2,415,761
160001	ACCUMULATED DEPR & AMORT	(1,776,836)
160002	ACCUMULATED AMORTIZATION	(18,955)
	TOTAL FIXED ASSETS	619,970
	OTHER ASSETS	
140001	PREPAID INSURANCE	5,110
140004	PREPAID PROPERTY TAXES	18,869
140050	PREPAID - OTHER	2,137
190002	LOAN FEES	42,249
190501	LINENS	27,894
190602	UTILITY DEPOSITS	3,207
	TOTAL OTHER ASSETS	99,466
	TOTAL ASSETS	738,902

□JOB HS EBSDET

SHILO INN SEASIDE EAST, LLC
BALANCE SHEET--INCOME TAX-BASIS
ROUNDIN G- 1 PERIOD ENDING 12/31/12 (UNAUDITED)

COMPANY - SE SHILO INN, SEASIDE EAST, LLC
DEPT - 0 SHILO INNS B/S

	LIABILITIES AND EQUITY	
	CURRENT LIABILITIES	
200101	CURRENT MATURITY L-T DEBT	42,380
	ACCOUNTS PAYABLE	
2100TA	A/P - T/A REIMBURSEMENTS	919
210001	ACCOUNTS PAYABLE - TRADE	69,488
210005	A/P - TRAVEL AGENT	9,744
210009	ACCOUNTS PAYABLE - OTHER	41
210017	A/P - SHILO MANAGEMENT	59,681
210020	A/P - LENDING POOL	59,300
	TOTAL ACCOUNTS PAYABLE	199,173
	ACCRUED EXPENSES	
220000	SALARIES & WAGES PAYABLE	7,068
240002	INSURANCE PAYABLE	19,238
240003	INTEREST PAYABLE	4,792
240006	TRANSIENT TAX PAYABLE	5,075
	TOTAL ACCRUED EXPENSES	36,173
	TOTAL CURRENT LIABILITIES	277,726
	L-T LIABILITIES	
250001	L-T DEBT LESS CURRENT MATURITY	(42,380)
260001	N/P-PRIMARY MORTGAGE	1,854,990
	TOTAL L-T LIABILITIES	1,812,610
	EQUITY	
300101	MSH CAPITAL	(1,716,234)
300102	MSH ADVANCES	818,224
300103	MSH DRAWS	(327,253)
305500	CURRENT YEAR PROFIT & LOSS	(126,171)
	TOTAL EQUITY	(1,351,434)
	TOTAL LIABILITIES AND EQUITY	738,902

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

JOB HS2SESUMPL
STR S2SESUMPL
ROUNDING- 1

SHILO INN, SEASIDE EAST, LLC
STATEMENT OF INCOME--INCOME TAX-BASIS
MONTHS ENDING 12/31/12 (UNAUDITED)

CURRENT MONTH ACTUAL	%	BUDGET	%	VARIANCE	%	PRIOR YEAR	%		YEAR-TO-DATE ACTUAL	%	BUDGET	%	VARIANCE	%	PRIOR YEAR	%
								REVENUE								
14,115	99.25	0		14,115		11,275	99.45	ROOMS	790,578	99.01	0		790,578		707,535	98.65
108	0.76	0		108		62	0.55	OTHER INCOME	7,939	0.99	0		7,939		9,668	1.35
14,222	100.00	0		14,222		11,337	100.00	TOTAL REVENUE	798,517	100.00	0		798,517		717,203	100.00
								DEPARTMENTAL PROFIT								
3,826	26.90	0		3,826		(1,636)	(14.43)	ROOMS	516,622	64.70	0		516,622		441,659	61.58
(1,371)	(9.64)	0		(1,371)		(1,442)	(12.72)	TELEPHONE	(17,163)	(2.15)	0		(17,163)		(17,175)	(2.39)
67	0.47	0		67		39	0.34	OTHER	4,937	0.62	0		4,937		5,228	0.73
2,522	17.73	0		2,522		(3,039)	(26.81)	TOTAL DEPARTMENTAL PROFIT	504,395	63.17	0		504,395		429,712	59.91
912	6.41	0		(912)		1,416	12.49	SALES & MARKETING	52,709	6.60	0		(52,709)		44,650	6.23
5,454	38.35	0		(5,454)		8,617	76.01	REPAIRS & MAINTENANCE	78,242	9.80	0		(78,242)		70,004	9.76
3,064	21.54	0		(3,064)		4,227	37.28	ADMINISTRATION & GENERAL	147,962	18.53	0		(147,962)		72,820	10.15
3,311	23.28	0		(3,311)		3,137	27.67	ENERGY	43,441	5.44	0		(43,441)		44,485	6.20
12,741	89.59	0		(12,741)		17,397	153.45	TOTAL OVERHEAD EXPENSE	322,354	40.37	0		(322,354)		231,959	32.34
(10,219)	(71.85)	0		(10,219)		(20,437)	(180.27)	GROSS OPERATING PROFIT	182,042	22.80	0		182,042		197,753	27.57
								OTHER FIXED EXPENSES								
817	5.74	0		(817)		890	7.85	INSURANCE	10,240	1.28	0		(10,240)		11,777	1.64
3,134	22.04	0		(3,134)		3,193	28.16	TAXES	37,829	4.74	0		(37,829)		37,855	5.28
4,792	33.69	0		(4,792)		(23,883)	(210.66)	INTEREST - MORTGAGE	168,600	21.11	0		(168,600)		55,650	7.76
2,372	16.68	0		(2,372)		2,874	25.35	MANAGEMENT FEE	28,464	3.56	0		(28,464)		34,488	4.81
11,115	78.15	0		(11,115)		(16,927)	(149.31)	TOTAL OTHER EXPENSE	245,133	30.70	0		(245,133)		139,770	19.49
								OTHER INCOME								
0	0.00	0		0		0	0.00	INTEREST INCOME	(2)	(0.00)	0		2		(3)	(0.00)
0	0.00	0		0		0	0.00	OTHER INCOME	(43)	(0.01)	0		43		0	0.00
0	0.00	0		0		0	0.00	TOTAL OTHER INCOME	(46)	(0.01)	0		46		(3)	(0.00)
(21,333)	(150.00)	0		(21,333)		(3,510)	(30.96)	TOTAL INC BEFORE DEPN/FEES/AMORT	(63,046)	(7.90)	0		(63,046)		57,987	8.09
(13,746)	(96.65)	0		13,746		(21,614)	(190.65)	DEPRECIATION	63,125	7.91	0		(63,125)		63,125	8.80
0	0.00	0		0		2,954	26.06	LOAN FEE AMORTIZATION	0	0.00	0		0		2,954	0.41
(7,588)	(53.35)	0		(7,588)		15,150	133.63	TOTAL NET INCOME/(LOSS)	(126,171)	(15.80)	0		(126,171)		(8,092)	(1.13)
								STATISTICS								
1,829		0		1,829		1,829		ROOMS AVAILABLE	21,594		0		21,594		21,535	
215		0		215		172		ROOMS SOLD	8,084		0		8,084		7,487	
219		0		219		205		ROOMS OCCUPIED	8,241		0		8,241		7,821	
11.97		0.00		11.97		11.21		PERCENTAGE OF OCCUPANCY	38.16		0.00		38.16		36.32	
64.45		0.00		64.45		55.00		AVERAGE DAILY RATE	95.93		0.00		95.93		90.47	
7.72		0.00		7.72		6.16		REVENUE PER AVAILABLE ROOM	36.61		0.00		36.61		32.86	

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

SHILO INN, MOSES LAKE, INC

BALANCE SHEET
DATED 12/31/12 & 12/31/11

STATEMENT OF INCOME
DATED 12/31/12 w/ PRIOR YEAR

□JOB HM LBSDET

SHILO INN MOSES LAKE, INC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/11 (UNAUDITED)

ROUNDING- 1

COMPANY - ML SHILO INN, MOSES LAKE, LLC
DEPT - 0 SHILO INNS B/S

	ASSETS	
	CURRENT ASSETS	
	CASH	
101002	CASH ON HAND	1,100
101003	CASH - BANK GENERAL	7,739
103000	CASH-A/P DISBURSEMENTS	(32,616)
105003	LAND PAYMENT SAVINGS	21,152
105006	REPLACE.RESERVE-LEASED REST.	6,789
	TOTAL CASH	4,164
	ACCOUNTS RECEIVABLE	
108001	A/R - TRADE	4,585
108003	ACCOUNTS RECEIVABLE - OTHER	211
108020	A/R - LENDING POOL	360,700
108090	A/R-SFI (GIFT CARDS)	1,230
109008	DELI MART RENT RECEIVABLE	2,868
	TOTAL ACCOUNTS RECEIVABLE	369,594
	TOTAL CURRENT ASSETS	373,758
	FIXED ASSETS	
151501	LAND IMPROVEMENTS	82,424
152000	BUILDING FEES	43,997
152001	BUILDING	2,985,787
153001	FURNITURE	512,531
153002	FIXTURES & EQUIPMENT	342,221
153004	SOFTWARE	9,012
154001	SIGNS	179,611
	TOTAL GROSS FIXED ASSETS	4,155,583
160001	ACCUMULATED DEPR & AMORT	(3,157,503)
160002	ACCUMULATED AMORTIZATION	(76,239)
	TOTAL FIXED ASSETS	921,841
	OTHER ASSETS	
140001	PREPAID INSURANCE	8,880
140007	PREPAID RENT	24,438
140050	PREPAID - OTHER	2,441
190002	LOAN FEES	51,963
190501	LINENS	45,751
190602	UTILITY DEPOSITS	6,504
190620	OTHER DEPOSITS	688
191001	SUSPENSE	1,091
	TOTAL OTHER ASSETS	141,756
	TOTAL ASSETS	1,437,355

JOB HM LBSDET — SHILO INN MOSES LAKE, INC
BALANCE SHEET--INCOME TAX-BASIS
ROUNDIN G- 1 — PERIOD ENDING 12/31/11 (UNAUDITED)

COMPANY - ML SHILO INN, MOSES LAKE, LLC
DEPT - 0 SHILO INNS B/S

	LIABILITIES AND EQUITY	
	CURRENT LIABILITIES	
200101	CURRENT MATURITY L-T DEBT	63,394
	ACCOUNTS PAYABLE	
2100TA	A/P - T/A REIMBURSEMENTS	1,024
210001	ACCOUNTS PAYABLE - TRADE	798,541
210005	A/P - TRAVEL AGENT	21,749
210009	ACCOUNTS PAYABLE - OTHER	(364,177)
210010	ADVANCE RENT	1,500
210016	A/P - RESTAURANT #2	9
210017	A/P - SHILO MANAGEMENT	26,736
	TOTAL ACCOUNTS PAYABLE	485,382
	ACCRUED EXPENSES	
220000	SALARIES & WAGES PAYABLE	13,566
240002	INSURANCE PAYABLE	15,731
240003	INTEREST PAYABLE	258,810
240005	LAND RENT PAYABLE	109,580
240007	LESSEE'S TAX & INS RESERVE PAY	(82,986)
240008	SALES TAXES PAYABLE	8,219
	TOTAL ACCRUED EXPENSES	322,920
	TOTAL CURRENT LIABILITIES	871,696
	L-T LIABILITIES	
250001	L-T DEBT LESS CURRENT MATURITY	(63,394)
260001	N/P-PRIMARY MORTGAGE	2,834,600
260007	PAYABLE-MSH/AFFILIATES	(1,145,302)
	TOTAL L-T LIABILITIES	1,625,904
	EQUITY	
300101	MSH CAPITAL	(1,487,192)
305500	CURRENT YEAR PROFIT & LOSS	30,248
350500	CAPITAL STOCK	396,699
	TOTAL EQUITY	(1,060,245)
	TOTAL LIABILITIES AND EQUITY	1,437,355

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

□JOB HM LBSDET

SHILO INN MOSES LAKE, INC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/12 (UNAUDITED)

ROUNDIN G- 1

COMPANY - ML SHILO INN, MOSES LAKE, LLC
DEPT - 0 SHILO INNS B/S

	ASSETS	
	CURRENT ASSETS	
	CASH	
101002	CASH ON HAND	1,100
101003	CASH - BANK GENERAL	7,427
101006	CASH - DEPOSITORY ACCOUNT	2,539
103000	CASH-A/P DISBURSEMENTS	(2,573)
105006	REPLACE.RESERVE-LEASED REST.	3,139
	TOTAL CASH	11,632
	ACCOUNTS RECEIVABLE	
108001	A/R - TRADE	5,812
108003	ACCOUNTS RECEIVABLE - OTHER	1,859
108020	A/R - LENDING POOL	360,700
108090	A/R-SFI (GIFT CARDS)	1,246
109008	DELI MART RENT RECEIVABLE	3,614
	TOTAL ACCOUNTS RECEIVABLE	373,231
	TOTAL CURRENT ASSETS	384,863
	FIXED ASSETS	
151501	LAND IMPROVEMENTS	82,424
152000	BUILDING FEES	43,997
152001	BUILDING	2,985,787
153001	FURNITURE	515,797
153002	FIXTURES & EQUIPMENT	352,190
153004	SOFTWARE	9,012
154001	SIGNS	179,611
	TOTAL GROSS FIXED ASSETS	4,168,818
160001	ACCUMULATED DEPR & AMORT	(3,275,672)
160002	ACCUMULATED AMORTIZATION	(76,239)
	TOTAL FIXED ASSETS	816,907
	OTHER ASSETS	
140001	PREPAID INSURANCE	9,531
140007	PREPAID RENT	24,438
140050	PREPAID - OTHER	2,511
190002	LOAN FEES	65,237
190501	LINENS	45,751
190602	UTILITY DEPOSITS	6,504
190620	OTHER DEPOSITS	688
	TOTAL OTHER ASSETS	154,660
	TOTAL ASSETS	1,356,430

□JOB HM LBSDET

SHILO INN MOSES LAKE, INC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/12 (UNAUDITED)

ROUNDING- 1

COMPANY - ML SHILO INN, MOSES LAKE, LLC
DEPT - 0 SHILO INNS B/S

	LIABILITIES AND EQUITY	
	CURRENT LIABILITIES	
200101	CURRENT MATURITY L-T DEBT	63,394
	ACCOUNTS PAYABLE	
2100TA	A/P - T/A REIMBURSEMENTS	1,024
210001	ACCOUNTS PAYABLE - TRADE	264,742
210005	A/P - TRAVEL AGENT	21,404
210009	ACCOUNTS PAYABLE - OTHER	410
210010	ADVANCE RENT	1,500
210016	A/P - RESTAURANT #2	(3,506)
210017	A/P - SHILO MANAGEMENT	26,736
	TOTAL ACCOUNTS PAYABLE	312,309
	ACCRUED EXPENSES	
220000	SALARIES & WAGES PAYABLE	11,167
240002	INSURANCE PAYABLE	32,371
240003	INTEREST PAYABLE	7,323
240005	LAND RENT PAYABLE	131,350
240007	LESSEE'S TAX & INS RESERVE PAY	(109,588)
240008	SALES TAXES PAYABLE	5,103
	TOTAL ACCRUED EXPENSES	77,726
	TOTAL CURRENT LIABILITIES	453,429
	L-T LIABILITIES	
250001	L-T DEBT LESS CURRENT MATURITY	(63,394)
260001	N/P-PRIMARY MORTGAGE	2,834,599
260007	PAYABLE-MSH/AFFILIATES	(1,145,302)
	TOTAL L-T LIABILITIES	1,625,904
	EQUITY	
300101	MSH CAPITAL	(1,456,944)
300102	MSH ADVANCES	1,425,130
300103	MSH DRAWS	(731,593)
305500	CURRENT YEAR PROFIT & LOSS	(356,195)
350500	CAPITAL STOCK	396,699
	TOTAL EQUITY	(722,903)
	TOTAL LIABILITIES AND EQUITY	1,356,430

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

JOB HMOMLSUMPL
STR MOMLSUMPL
ROUNDING- 1

SHILO INN, MOSES LAKE, INC
STATEMENT OF INCOME--INCOME TAX-BASIS
MONTHS ENDING 12/31/12 (UNAUDITED)

ACTUAL	%	BUDGET	CURRENT %	MONTH VARIANCE	%	PRIOR YEAR	%		ACTUAL	%	BUDGET	YEAR-TO %	-DATE VARIANCE	%	PRIOR YEAR	%
								REVENUE								
47,985	95.11	0		47,985		34,521	91.41	ROOMS	938,583	96.53	0		938,583		1,206,266	94.62
967	1.92	0		967		1,744	4.62	OTHER INCOME	15,786	1.62	0		15,786		32,524	2.55
1,500	2.97	0		1,500		1,500	3.97	RENT	18,000	1.85	0		18,000		36,000	2.82
50,452	100.00	0		50,452		37,765	100.00	TOTAL REVENUE	972,369	100.00	0		972,369		1,274,790	100.00
								DEPARTMENTAL PROFIT								
30,563	60.58	0		30,563		16,644	44.07	ROOMS	605,308	62.25	0		605,308		804,544	63.11
(806)	(1.60)	0		(806)		(796)	(2.11)	TELEPHONE	(9,653)	(0.99)	0		(9,653)		(9,458)	(0.74)
1,965	3.89	0		1,965		2,658	7.04	OTHER	27,642	2.84	0		27,642		57,911	4.54
31,722	62.88	0		31,722		18,507	49.01	TOTAL DEPARTMENTAL PROFIT	623,297	64.10	0		623,297		852,997	66.91
169	0.33	0		(169)		1,888	5.00	SALES & MARKETING	43,629	4.49	0		(43,629)		49,964	3.92
3,165	6.27	0		(3,165)		7,776	20.59	REPAIRS & MAINTENANCE	49,080	5.05	0		(49,080)		84,839	6.66
14,933	29.60	0		(14,933)		10,101	26.75	ADMINISTRATION & GENERAL	364,255	37.46	0		(364,255)		244,771	19.20
3,318	6.58	0		(3,318)		3,435	9.10	ENERGY	42,249	4.34	0		(42,249)		41,969	3.29
21,586	42.79	0		(21,586)		23,198	61.43	TOTAL OVERHEAD EXPENSE	499,212	51.34	0		(499,212)		421,543	33.07
10,136		0		10,136		(4,692)		GROSS OPERATING PROFIT	124,085		0		124,085		431,454	
								OTHER FIXED EXPENSES								
1,263	2.50	0		(1,263)		1,226	3.25	INSURANCE	14,930	1.54	0		(14,930)		17,545	1.38
3,441	6.82	0		(3,441)		3,433	9.09	TAXES	41,477	4.27	0		(41,477)		40,905	3.21
1,721	3.41	0		(1,721)		1,225	3.24	RENT	32,764	3.37	0		(32,764)		41,881	3.29
7,323	14.51	0		(7,323)		(9,658)	(25.57)	INTEREST - MORTGAGE	223,363	22.97	0		(223,363)		113,175	8.88
4,146	8.22	0		(4,146)		5,117	13.55	MANAGEMENT FEE	49,752	5.12	0		(49,752)		61,404	4.82
17,893	35.47	0		(17,893)		1,344	3.56	TOTAL OTHER EXPENSE	362,286	37.26	0		(362,286)		274,910	21.57
								OTHER INCOME								
0	0.00	0		0		0	0.00	INTEREST INCOME	(2)	(0.00)	0		2		(5)	(0.00)
0	0.00	0		0		0	0.00	OTHER INCOME	(173)	(0.02)	0		173		0	0.00
0	0.00	0		0		0	0.00	TOTAL OTHER INCOME	(175)	(0.02)	0		175		(5)	(0.00)
(7,757)	(15.38)	0		(7,757)		(6,035)	(15.98)	TOTAL INC BEFORE DEPN/FEES/AMORT	(238,026)	(24.48)	0		(238,026)		156,548	12.28
7,593	15.05	0		(7,593)		4,992	13.22	DEPRECIATION	118,169	12.15	0		(118,169)		118,169	9.27
0	0.00	0		0		8,131	21.53	LOAN FEE AMORTIZATION	0	0.00	0		0		8,131	0.64
(15,350)	(30.42)	0		(15,350)		(19,158)	(50.73)	TOTAL NET INCOME/(LOSS)	(356,195)	(36.63)	0		(356,195)		30,248	2.37
								STATISTICS								
3,100		0		3,100		3,100		ROOMS AVAILABLE	36,600		0		36,600		36,509	
719		0		719		490		ROOMS SOLD	12,646		0		12,646		15,646	
719		0		719		490		ROOMS OCCUPIED	12,669		0		12,669		15,676	
23.19		0.00		23.19		15.81		PERCENTAGE OF OCCUPANCY	34.61		0.00		34.61		42.94	
66.74		0.00		66.74		70.45		AVERAGE DAILY RATE	74.09		0.00		74.09		76.95	
15.48		0.00		15.48		11.14		REVENUE PER AVAILABLE ROOM	25.64		0.00		25.64		33.04	

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

SHILO INN, ROSE GARDEN, LLC

BALANCE SHEET
DATED 12/31/12 & 12/31/11

STATEMENT OF INCOME
DATED 12/31/12 w/ PRIOR YEAR

□JOB HL LBSDET

ROUNDIN G- 1

SHILO INN ROSE GARDEN, LLC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/11 (UNAUDITED)

COMPANY - LL SHILO INN, ROSE GARDEN, LLC
DEPT - 0 SHILO INNS B/S

	ASSETS	
	CURRENT ASSETS	
	CASH	
101002	CASH ON HAND	800
101003	CASH - BANK GENERAL	3,851
102000	CASH-TRANSIENT TAX RESERVE	6,102
103000	CASH-A/P DISBURSEMENTS	(37,326)
	TOTAL CASH	(26,573)
	ACCOUNTS RECEIVABLE	
108001	A/R - TRADE	5,173
108003	ACCOUNTS RECEIVABLE - OTHER	4,575
108020	A/R - LENDING POOL	300,026
108090	A/R-SFI (GIFT CARDS)	1,275
	TOTAL ACCOUNTS RECEIVABLE	311,049
	TOTAL CURRENT ASSETS	284,475
	FIXED ASSETS	
151501	LAND IMPROVEMENTS	27,067
152000	BUILDING FEES	14,224
152001	BUILDING	618,436
153001	FURNITURE	184,303
153002	FIXTURES & EQUIPMENT	193,736
153004	SOFTWARE	7,625
154001	SIGNS	10,500
	TOTAL GROSS FIXED ASSETS	1,055,889
160001	ACCUMULATED DEPR & AMORT	(522,517)
160002	ACCUMULATED AMORTIZATION	(48,555)
	TOTAL FIXED ASSETS	484,817
	OTHER ASSETS	
140001	PREPAID INSURANCE	4,211
140004	PREPAID PROPERTY TAXES	23,157
140050	PREPAID - OTHER	1,917
190002	LOAN FEES	15,000
190501	LINENS	7,076
190901	START-UP EXPENSE	74,572
191001	SUSPENSE	149
	TOTAL OTHER ASSETS	126,082
	TOTAL ASSETS	895,375

□JOB HL LBSDET

ROUNDIN G- 1

SHILO INN ROSE GARDEN, LLC
BALANCE SHEET--INCOME TAX-BASIS
PERIOD ENDING 12/31/11 (UNAUDITED)

COMPANY - LL SHILO INN, ROSE GARDEN, LLC
DEPT - 0 SHILO INNS B/S

	LIABILITIES AND EQUITY	
	CURRENT LIABILITIES	
200101	CURRENT MATURITY L-T DEBT	28,715
	ACCOUNTS PAYABLE	
2100TA	A/P - T/A REIMBURSEMENTS	1,282
210001	ACCOUNTS PAYABLE - TRADE	423,545
210005	A/P - TRAVEL AGENT	12,886
210009	ACCOUNTS PAYABLE - OTHER	(167,418)
210017	A/P - SHILO MANAGEMENT	478
	TOTAL ACCOUNTS PAYABLE	270,773
	ACCRUED EXPENSES	
220000	SALARIES & WAGES PAYABLE	11,283
240002	INSURANCE PAYABLE	8,422
240003	INTEREST PAYABLE	147,354
240006	TRANSIENT TAX PAYABLE	5,438
	TOTAL ACCRUED EXPENSES	172,497
	TOTAL CURRENT LIABILITIES	471,985
	L-T LIABILITIES	
250001	L-T DEBT LESS CURRENT MATURITY	(28,715)
260001	N/P-PRIMARY MORTGAGE	1,434,025
	TOTAL L-T LIABILITIES	1,405,310
	EQUITY	
300101	MSH CAPITAL	(818,713)
300102	MSH ADVANCES	437,973
300103	MSH DRAWS	(654,359)
305500	CURRENT YEAR PROFIT & LOSS	53,178
	TOTAL EQUITY	(981,921)
	TOTAL LIABILITIES AND EQUITY	895,375

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

□JOB HL LBSDET

SHILO INN ROSE GARDEN, LLC
BALANCE SHEET--INCOME TAX-BASIS
ROUNDIN G- 1 PERIOD ENDING 12/31/12 (UNAUDITED)

COMPANY - LL SHILO INN, ROSE GARDEN, LLC
DEPT - 0 SHILO INNS B/S

	ASSETS	
	CURRENT ASSETS	
	CASH	
101002	CASH ON HAND	1,000
101003	CASH - BANK GENERAL	6,789
102000	CASH-TRANSIENT TAX RESERVE	4,777
103000	CASH-A/P DISBURSEMENTS	(42,310)
	TOTAL CASH	(29,744)
	ACCOUNTS RECEIVABLE	
108001	A/R - TRADE	4,538
108003	ACCOUNTS RECEIVABLE - OTHER	2,235
108020	A/R - LENDING POOL	300,026
	TOTAL ACCOUNTS RECEIVABLE	306,800
	TOTAL CURRENT ASSETS	277,057
	FIXED ASSETS	
151501	LAND IMPROVEMENTS	27,067
152000	BUILDING FEES	14,224
152001	BUILDING	618,436
153001	FURNITURE	184,303
153002	FIXTURES & EQUIPMENT	202,578
153004	SOFTWARE	7,625
154001	SIGNS	10,500
	TOTAL GROSS FIXED ASSETS	1,064,732
160001	ACCUMULATED DEPR & AMORT	(546,812)
160002	ACCUMULATED AMORTIZATION	(48,555)
	TOTAL FIXED ASSETS	469,365
	OTHER ASSETS	
140001	PREPAID INSURANCE	3,719
140004	PREPAID PROPERTY TAXES	23,807
140050	PREPAID - OTHER	3,196
190002	LOAN FEES	26,140
190501	LINENS	7,076
190901	START-UP EXPENSE	74,572
	TOTAL OTHER ASSETS	138,510
	TOTAL ASSETS	884,932

□JOB HL LBSDET

SHILO INN ROSE GARDEN, LLC
BALANCE SHEET--INCOME TAX-BASIS
ROUNDIN G- 1 PERIOD ENDING 12/31/12 (UNAUDITED)

COMPANY - LL SHILO INN, ROSE GARDEN, LLC
DEPT - 0 SHILO INNS B/S

	LIABILITIES AND EQUITY	
	CURRENT LIABILITIES	
200101	CURRENT MATURITY L-T DEBT	28,715
	ACCOUNTS PAYABLE	
2100TA	A/P - T/A REIMBURSEMENTS	1,652
210001	ACCOUNTS PAYABLE - TRADE	101,889
210003	A/P-SFI (GIFT CARDS)	395
210005	A/P - TRAVEL AGENT	15,429
210009	ACCOUNTS PAYABLE - OTHER	32,556
	TOTAL ACCOUNTS PAYABLE	151,922
	ACCRUED EXPENSES	
220000	SALARIES & WAGES PAYABLE	6,980
240002	INSURANCE PAYABLE	15,861
240003	INTEREST PAYABLE	3,705
240006	TRANSIENT TAX PAYABLE	5,160
	TOTAL ACCRUED EXPENSES	31,705
	TOTAL CURRENT LIABILITIES	212,342
	L-T LIABILITIES	
250001	L-T DEBT LESS CURRENT MATURITY	(28,715)
260001	N/P-PRIMARY MORTGAGE	1,434,025
	TOTAL L-T LIABILITIES	1,405,310
	EQUITY	
300101	MSH CAPITAL	(981,921)
300102	MSH ADVANCES	562,961
300103	MSH DRAWS	(176,473)
305500	CURRENT YEAR PROFIT & LOSS	(137,288)
	TOTAL EQUITY	(732,721)
	TOTAL LIABILITIES AND EQUITY	884,932

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

JOB HRGLLSUMPL
STR RGLLSUMPL
ROUNDING- 1

SHILO INN, ROSE GARDEN, LLC
STATEMENT OF INCOME--INCOME TAX-BASIS
MONTHS ENDING 12/31/12 (UNAUDITED)

CURRENT MONTH ACTUAL	%	BUDGET	%	VARIANCE	%	PRIOR YEAR	%		YEAR-TO-DATE ACTUAL	%	BUDGET	%	VARIANCE	%	PRIOR YEAR	%
								REVENUE								
34,276	99.03	0		34,276		36,090	99.59	ROOMS	788,340	99.21	0		788,340		707,815	98.62
336	0.97	0		336		149	0.41	OTHER INCOME	6,248	0.79	0		6,248		9,928	1.38
34,612	100.00	0		34,612		36,240	100.00	TOTAL REVENUE	794,589	100.00	0		794,589		717,743	100.00
								DEPARTMENTAL PROFIT								
18,031	52.09	0		18,031		21,529	59.41	ROOMS	534,918	67.32	0		534,918		472,672	65.86
(1,120)	(3.24)	0		(1,120)		(937)	(2.59)	TELEPHONE	(11,403)	(1.44)	0		(11,403)		(11,430)	(1.59)
175	0.51	0		175		(53)	(0.15)	OTHER	4,479	0.56	0		4,479		7,031	0.98
17,086	49.36	0		17,086		20,539	56.67	TOTAL DEPARTMENTAL PROFIT	527,994	66.45	0		527,994		468,273	65.24
4,585	13.25	0		(4,585)		4,922	13.58	SALES & MARKETING	68,656	8.64	0		(68,656)		63,144	8.80
868	2.51	0		(868)		682	1.88	REPAIRS & MAINTENANCE	19,855	2.50	0		(19,855)		16,541	2.30
6,614	19.11	0		(6,614)		4,397	12.13	ADMINISTRATION & GENERAL	191,673	24.12	0		(191,673)		91,575	12.76
4,655	13.45	0		(4,655)		3,366	9.29	ENERGY	59,369	7.47	0		(59,369)		42,616	5.94
16,721	48.31	0		(16,721)		13,368	36.89	TOTAL OVERHEAD EXPENSE	339,552	42.73	0		(339,552)		213,877	29.80
365	1.05	0		365		7,171	19.79	GROSS OPERATING PROFIT	188,442	23.72	0		188,442		254,396	35.44
								OTHER FIXED EXPENSES								
620	1.79	0		(620)		702	1.94	INSURANCE	7,930	1.00	0		(7,930)		9,012	1.26
3,968	11.46	0		(3,968)		3,972	10.96	TAXES	48,702	6.13	0		(48,702)		44,906	6.26
3,900	11.27	0		(3,900)		6,663	18.39	RENT	46,795	5.89	0		(46,795)		46,796	6.52
0	0.00	0		0		0	0.00	INTEREST	64	0.01	0		(64)		3,792	0.53
3,705	10.70	0		(3,705)		(31,556)	(87.08)	INTEREST - MORTGAGE	170,856	21.50	0		(170,856)		39,229	5.47
2,373	6.86	0		(2,373)		2,494	6.88	MANAGEMENT FEE	28,476	3.58	0		(28,476)		29,933	4.17
14,565	42.08	0		(14,565)		(17,726)	(48.91)	TOTAL OTHER EXPENSE	302,824	38.11	0		(302,824)		173,668	24.20
								OTHER INCOME								
0	0.00	0		0		0	0.00	OTHER INCOME	(1,389)	(0.17)	0		1,389		(1,716)	(0.24)
0	0.00	0		0		0	0.00	TOTAL OTHER INCOME	(1,389)	(0.17)	0		1,389		(1,716)	(0.24)
(14,200)	(41.03)	0		(14,200)		24,897	68.70	TOTAL INC BEFORE DEPN/FEES/AMORT	(112,993)	(14.22)	0		(112,993)		82,444	11.49
2,025	5.85	0		(2,025)		(29,524)	(81.47)	DEPRECIATION	24,295	3.06	0		(24,295)		24,295	3.38
0	0.00	0		0		4,971	13.72	LOAN FEE AMORTIZATION	0	0.00	0		0		4,971	0.69
(16,225)	(46.88)	0		(16,225)		49,450	136.45	TOTAL NET INCOME/(LOSS)	(137,288)	(17.28)	0		(137,288)		53,178	7.41
								STATISTICS								
1,364		0		1,364		1,364		ROOMS AVAILABLE	16,104		0		16,104		16,060	
431		0		431		511		ROOMS SOLD	9,367		0		9,367		8,928	
433		0		433		512		ROOMS OCCUPIED	9,392		0		9,392		8,969	
31.74		0.00		31.74		37.54		PERCENTAGE OF OCCUPANCY	58.32		0.00		58.32		55.85	
79.16		0.00		79.16		70.49		AVERAGE DAILY RATE	83.94		0.00		83.94		78.92	
25.13		0.00		25.13		26.46		REVENUE PER AVAILABLE ROOM	48.95		0.00		48.95		44.07	

INTERNALLY PREPARED ON INCOME TAX-BASIS; NOT PRESENTED IN COMPLIANCE WITH GAAP; NOTES OMITTED.
2012 YEAR-END ADJUSTMENTS ARE NOT COMPLETE AND ARE NOT EXPECTED TO BE MATERIAL

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(Exhibits E-1 through E-7 are voluminous and filed separately and concurrently herewith)

EXHIBIT E

EXHIBIT F

SHILO INN, TWIN FALLS, LLC
EXECUTORY CONTRACTS/LEASES

Contract/Lease Party	Address	Assume	Cure Amount
Shilo Management Corp	11600 SW Shilo Ln, Portland, OR 97225	Y	5,103.13
Shilo Franchise International, LLC	11600 SW Shilo Ln, Portland, OR 97225	Y	6,134.94
Clark Signs	PO Box 1113, Saint Helens, OR 97051	Y	3,043.73
Fire Protection Services	5573 SW Artic Dr., Beaverton, OR 97005	Y	700.20
Lodgenet	3900 West Innovation St., Sioux Falls, ID 57107-7002	Y	2,614.23
Sysco	PO Box 170007, Boise, ID 83717	Y	0.00
World Cinema	9801 Westheimer Ste #409, Houston, TX 77042	Y	0.00
		TOTAL:	**17,596.23**

SHILO INN, BOISE AIRPORT, LLC
EXECUTORY CONTRACTS/LEASES

Contract/Lease Party	Address	Assume	Cure Amount
Shilo Management Corp	11600 SW Shilo Ln, Portland, OR 97225	Y	2,859.03
Shilo Franchise International, LLC	11600 SW Shilo Ln, Portland, OR 97225	Y	6,215.13
Clark Signs	PO Box 1113, Saint Helens, OR 97051	Y	249.10
Fire Protection Services	5573 SW Artic Dr., Beaverton, OR 97005	Y	5,522.77
Lodgenet	3900 West Innovation St., Sioux Falls, ID 57107-7002	Y	1,565.99
Sysco	PO Box 170007, Boise, ID 83717	Y	0.00
World Cinema	9801 Westheimer Ste #409, Houston, TX 77042	Y	0.00
		TOTAL:	16,412.02

SHILO INN, NAMPA BLVD, LLC
EXECUTORY CONTRACTS/LEASES

Contract/Lease Party	Address	Assume	Cure Amount
Shilo Management Corp	11600 SW Shilo Ln, Portland, OR 97225	Y	91,512.31
Shilo Franchise International, LLC	11600 SW Shilo Ln, Portland, OR 97225	Y	39,114.93
Clark Signs	PO Box 1113, Saint Helens, OR 97051	Y	0.00
Fire Protection Services	5573 SW Artic Dr., Beaverton, OR 97005	Y	1,400.40
Lodgenet	3900 West Innovation St., Sioux Falls, ID 57107-7002	Y	1,147.20
Sysco	PO Box 170007, Boise, ID 83717	Y	0.00
World Cinema	9801 Westheimer Ste #409, Houston, TX 77042	Y	0.00
		TOTAL:	133,174.84

SHILO INN, NEWBERG, LLC
EXECUTORY CONTRACTS/LEASES

Contract/Lease Party	Address	Assume	Cure Amount
Shilo Management Corp	11600 SW Shilo Ln, Portland, OR 97225	Y	1,781.22
Shilo Franchise International, LLC	11600 SW Shilo Ln, Portland, OR 97225	Y	1,466.85
Clark Signs	PO Box 1113, Saint Helens, OR 97051	Y	3,639.16
Fire Protection Services	5573 SW Artic Dr., Beaverton, OR 97005	Y	1,490.40
Lodgenet	3900 West Innovation St., Sioux Falls, ID 57107-7002	Y	694.73
Sysco	PO Box 170007, Boise, ID 83717	Y	0.00
World Cinema	9801 Westheimer Ste #409, Houston, TX 77042	Y	0.00
		TOTAL:	**9,072.36**

SHILO INN, SEASIDE EAST, LLC
EXECUTORY CONTRACTS/LEASES

Contract/Lease Party	Address	Assume	Cure Amount
Shilo Management Corp	11600 SW Shilo Ln, Portland, OR 97225	Y	2,101.33
Shilo Franchise International, LLC	11600 SW Shilo Ln, Portland, OR 97225	Y	2,400.72
Clark Signs	PO Box 1113, Saint Helens, OR 97051	Y	5,088.41
Fire Protection Services	5573 SW Artic Dr., Beaverton, OR 97005	Y	1,454.40
Lodgenet	3900 West Innovation St., Sioux Falls, ID 57107-7002	Y	1,096.67
Sysco	PO Box 170007, Boise, ID 83717	Y	0.00
World Cinema	9801 Westheimer Ste #409, Houston, TX 77042	Y	0.00
		TOTAL:	12,141.53

SHILO INN, MOSES LAKE, INC
EXECUTORY CONTRACTS/LEASES

Contract/Lease Party	Address	Assume	Cure Amount
Shilo Management Corp	11600 SW Shilo Ln, Portland, OR 97225	Y	47,166.13
Shilo Franchise International, LLC	11600 SW Shilo Ln, Portland, OR 97225	Y	136,641.60
Wa Dept of Natural Resource	PO Box 47041, Olympia, WA 98504-7041	Y	13,611.56
Sunny Kohil	13739 41 Avenue South, Seattle, WA 98168	y	0.00
Clark Signs	PO Box 1113, Saint Helens, OR 97051	Y	0.00
Fire Protection Services	5573 SW Artic Dr., Beaverton, OR 97005	Y	0.00
Lodgenet	3900 West Innovation St., Sioux Falls, ID 57107-7002	Y	589.00
Sysco	PO Box 170007, Boise, ID 83717	Y	0.00
World Cinema	9801 Westheimer Ste #409, Houston, TX 77042	Y	0.00
		TOTAL:	**198,008.29**

SHILO INN, ROSE GARDEN, LLC
EXECUTORY CONTRACTS/LEASES

Contract/Lease Party	Address	Assume	Cure Amount
Shilo Management Corp	11600 SW Shilo Ln, Portland, OR 97225	Y	2,009.57
Shilo Franchise International, LLC	11600 SW Shilo Ln, Portland, OR 97225	Y	3,030.23
Garden Hotels Investment Co.	3128 Montecito Meadow Dr., Santa Rose, CA 95404	Y	37,220.40
Clark Signs	PO Box 1113, Saint Helens, OR 97051	Y	0.00
Fire Protection Services	5573 SW Artic Dr., Beaverton, OR 97005	Y	3,180.60
Lodgenet	3900 West Innovation St., Sioux Falls, ID 57107-7002	Y	240.78
Sysco	PO Box 170007, Boise, ID 83717	Y	0.00
World Cinema	9801 Westheimer Ste #409, Houston, TX 77042	Y	0.00
		TOTAL:	45,681.58

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90017.

A true and correct copy of the foregoing document entitled (*specify*): **DISCLOSURE STATEMENT AND JOINT PLAN OF REORGANIZATION FOR DEBTORS: SHILO INN, TWIN FALLS, LLC; SHILO INN, BOISE AIRPORT, LLC; SHILO INN, NAMPA BLVD, LLC; SHILO INN, SEASIDE EAST, LLC; SHILO INN, MOSES LAKE, INC.; AND SHILO INN ROSE GARDEN, LLC; DATED AUGUST 29, 2013** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. **TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF)**: Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On ***August 29, 2013***, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. **SERVED BY UNITED STATES MAIL**: On ***August 29, 2013***, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

3. **SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on ***August 29, 2013,*** I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

VIA ATTORNEY SERVICE

The Hon. Vicente Zurzolo
United States Bankruptcy Court
255 E. Temple St., #1360
Los Angeles, CA 90012

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

August 29, 2013	Jason Klassi	*/s/ Jason Klassi*
Date	*Printed Name*	*Signature*

2:13-bk-21601-VZ Notice will be electronically mailed to:

John-patrick M Fritz on behalf of Debtor Shilo Inn, Boise Airport, LLC
jpf@lnbrb.com

John-patrick M Fritz on behalf of Debtor Shilo Inn, Moses Lake, Inc.
jpf@lnbrb.com

John-patrick M Fritz on behalf of Debtor Shilo Inn, Nampa Blvd, LLC
jpf@lnbrb.com

John-patrick M Fritz on behalf of Debtor Shilo Inn, Newberg, LLC
jpf@lnbrb.com

John-patrick M Fritz on behalf of Debtor Shilo Inn, Seaside East, LLC
jpf@lnbrb.com

John-patrick M Fritz on behalf of Debtor Shilo Inn, Twin Falls, LLC
jpf@lnbrb.com

David B Golubchik on behalf of Debtor Shilo Inn, Boise Airport, LLC
dbg@lnbrb.com, dbg@ecf.inforuptcy.com;mayra@lnbyb.com

David B Golubchik on behalf of Debtor Shilo Inn, Moses Lake, Inc.
dbg@lnbrb.com, dbg@ecf.inforuptcy.com;mayra@lnbyb.com

David B Golubchik on behalf of Debtor Shilo Inn, Nampa Blvd, LLC
dbg@lnbrb.com, dbg@ecf.inforuptcy.com;mayra@lnbyb.com

David B Golubchik on behalf of Debtor Shilo Inn, Newberg, LLC
dbg@lnbrb.com, dbg@ecf.inforuptcy.com;mayra@lnbyb.com

David B Golubchik on behalf of Debtor Shilo Inn, Seaside East, LLC
dbg@lnbrb.com, dbg@ecf.inforuptcy.com;mayra@lnbyb.com

David B Golubchik on behalf of Debtor Shilo Inn, Twin Falls, LLC
dbg@lnbrb.com, dbg@ecf.inforuptcy.com;mayra@lnbyb.com

Mary D Lane on behalf of Interested Party Courtesy NEF
mal@msk.com, mec@msk.com

Hal M Mersel on behalf of Creditor California Bank & Trust
mark.mersel@bryancave.com

Kelly L Morrison on behalf of U.S. Trustee United States Trustee (LA)
kelly.l.morrison@usdoj.gov

Kerry A Moynihan on behalf of Creditor California Bank & Trust
kerry.moynihan@bryancave.com, raul.morales@bryancave.com

Terence A Pruit on behalf of Interested Party Washington State Department of Natural Resources
terryp@atg.wa.gov

Kurt Ramlo on behalf of Interested Party Courtesy NEF
kr@lnbyb.com, marla@lnbyb.com

United States Trustee (LA)
ustpregion16.la.ecf@usdoj.gov

Sharon Z. Weiss on behalf of Creditor California Bank & Trust
sharon.weiss@bryancave.com, raul.morales@bryancave.com