

Property Information:

Acquisition Price:

Location:

Acquired:

Rooms:

Type:

Built:

Converted to a Hotel:

\$51.2M (\$271K per room) Downtown Seattle, WA April 7, 2011 189

Upper Upscale, Full-Service 1969 1997



Historic Performance and Valuation:

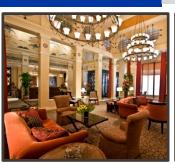
Estimated Discount to Replacement Cost: 30% - 35% 2010 Occupancy 81% 2010 ADR: \$147

Forward 12-Month Cap Rate (Projected EBITDA)⁽¹⁾: 5.5% - 6.0% Forward 12-Month Cap Rate (Projected NOI)⁽¹⁾: 4.5% - 5.0%

(1) Based on previously disclosed forecasted net operating income after capital reserves ("NOI") and previously disclosed forecasted hotel partings before interest, taxes, depreciation and amortization ("FRITDA")

Property Amenities:

- 189 guestrooms, including 45 suites
- Over 6,000 SF of meeting space spread across 9 meeting rooms, including the 2.160-SF Paris Ballroom
- Sazerac, a 135-seat, award winning, threemeal-a-day, stand-alone restaurant and bar featuring southern-style cuisine
- · Fitness center
- Full-service business center
- ·On-site, below grade parking







(Lobby) (Guest Room)

Market Highlights:

Market Overview:

- Proven history of strong recovery from market downturns with a compounded annual RevPAR growth of 9.4% from 2003 through 2007
- Downtown Seattle has over 33 million square feet of office space
- Most populous city in the northwest United States
- Highly diverse employment base with notable concentrations in the technology, industrial and service industries



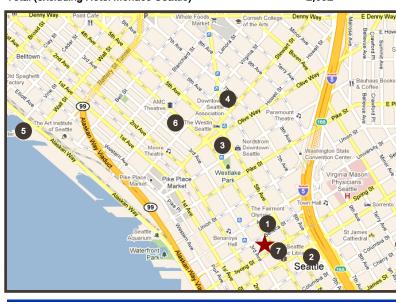
Demand Generators:

- Strong corporate environment with three Fortune 500 Companies
- Headquarters of Amazon.com, Nordstrom and Starbucks
- Five largest and highest-quality office towers within 5 blocks of the hotel
- Washington State Convention Center
- Tourism:
- Seattle Waterfront
- Seattle Aquarium
- Seattle Art Museum
- Pioneer Square
- Seattle Center
- Home of the Seattle Mariners and Seattle Seahawks

(Exterior) Port and cruise ship terminals Seattle - Downtown Sub-Market Operating Performance ADR (\$) RevPAR (\$) 2000-2010 ADR CAGR: 0.6% 2000-2010 RevPAR CAGR: 0.7% \$170 75% \$150 73% 71% \$130 69% \$90 2000

Competitive Set:

Hotels	Map Marker	Rooms	Year Opened
Hotel Monaco Seattle	*	189	1997
Fairmont Olympic Hotel	1	450	1924
Renaissance Seattle Hotel	2	553	1978
Mayflower Park Hotel	3	160	1927
Hotel Max	4	163	1935
The Edgewater	5	223	1962
Hotel Andra	6	119	1926
W Hotel Seattle	7 _	424	1999
Total (excluding Hotel Monaco Seattle)	_	2.092	-



Investment Highlights:

Strengths

- Strong and growing coastal market with excellent fundamentals
- Unique boutique product
- Consistently successful restaurant / bar
- Seattle is a gateway city to Asia
- Significant discount to replacement cost

Opportunities

- Hotel NOI down approximately 50% from the prior peak
- Comprehensive rooms renovation
- Planned convention center expansion
- No new immediate hotel supply
- Improved cash flow through asset management and best practices

This summary information sheet contains certain "forward-looking" statements relating to, among other things, hotel EBITDA, and hotel net operating income after capital reserves. The forward-looking statements anded are based on our beliefs, is essumptions and expectations of future performance, taking into account all information currently available to us. Advait are sulfs could differ materially from the forward-looking statements and plans of thing harties made on this summary information sheet are subject to the safe harbor of the Private Securities Litigation Reform Act of 1995. All information on this sheet is as of April 7, 2011. We undertake no duty to update the information to conform to actual results or changes in our expectations. For additional information, please visit our velosite at www. pebblobrokhotels.com.