

**REQUEST FOR WAIVER OF THE SPECIAL USE PERMIT  
REQUIREMENT FOR NON-HOURLY RATE HOTELS/MOTELS  
AND WAIVER AGREEMENT**

DATE FILED: 12/02/08  
NAME OF APPLICANT: Yogesh Jaiswal  
NAME OF HOTEL/MOTEL: ECONO-LODGE INN & SUITES.  
ADDRESS OF HOTEL/MOTEL: 2945 Airways Blvd, Memphis T.N. 38132.

**INSTRUCTIONS**

Any entity acquiring an existing non-hourly rate hotel/motel may request waiver of the requirement of a Special Use Permit necessary for issuance of a construction and/or Use and Occupancy permit. Each proposed new owner shall execute the attached Application and Agreement and submit, in writing, responses to the questions attached as Exhibit B. The Agreement will be recorded with the Shelby County Register of Deeds at the expense of the waiver applicant.

The original Agreement, exhibits thereto and 14 copies collated into individual packets, the order of which shall follow sequentially as outlined in Exhibit B to the Agreement, and a compact disc with all application documents in PDF format and any proposed conditions in WORD format shall be delivered to the Office of Planning and Development (OPD), Room 476, City Hall, 125 North Main Street, Memphis, TN 38103 together with a non-refundable application fee of two hundred and fifty dollars (\$250.00), which may be applied against the Special Use Permit fee should the Council refuse to grant a waiver. OPD shall immediately forward the application to the City Council office and Council Records for placement on the next available Planning and Zoning Committee agenda. The submission must be received by OPD at least 2 weeks prior to the meeting date on which the applicant wishes to appear.

The applicant or representative shall appear before the Planning and Zoning Committee on the designated date and time to respond to questions about the Hotel/Motel. A Resolution will be prepared by the City Council office which will go before the City Council for approval the same evening. If approved, the Resolution granting the waiver of a Special Use Permit will then be certified through the Council Records office two weeks later when the minutes from the previous meeting date are read and approved. After approval of the minutes for the meeting at which the waiver was approved, the Hotel/motel owner may call Council Records at 901-576-8140 to obtain a copy of the certified Resolution. Construction Code Enforcement will issue the appropriate permit upon presentation of the certified Council Resolution waiving the requirement of a Special Use Permit. If after the required inspections of the premises all other construction code requirements are met, a new Certificate of Occupancy can be granted.

DEC-11-2008 16:17  
REC'D BY US-00PM FROM

T-022 P.003/008 F-338

**APPLICANT'S AGREEMENTS**

The Applicant, by executing and submitting this request for waiver application to the City of Memphis, agrees the Hotel/ the Motel will not be operated as a public nuisance, or as an adult or "hourly rate" motel. Applicant understands that he/she/it has the absolute right to seek a special use permit and is not required to seek a waiver or to make any of the agreements contained herein, but in order to induce the City to waive the requirement and attendant time and expense of obtaining a special use permit, the Applicant agrees that the following terms, covenants and conditions shall apply to its use, occupancy and operation of the subject Hotel/Motel should the Council determine, in its discretion, to grant the requested waiver.

1. Definitions. For the purpose of this Agreement, the capitalized terms shall mean:

"LAND" means the real estate described in Exhibit "A" attached hereto and made a part hereof by reference.

"ADULT MOTEL" means a hotel, motel or similar commercial establishment which:

- a. Offers accommodations to the public for any form of consideration; sexually-oriented material, devices, or paraphernalia or specified sexual activities, or any combination or form thereof, whether printed, filmed, recorded or live.
- b. Offers a sleeping room for rent more than two times in a period of ten hours; or
- c. Allows a tenant or occupant of a sleeping room to subrent the room for a period of time that is less than 10 hours; or
- d. Offers or allows a discount or refund which is less than half the normal daily rate.

"HOURLY RATE HOTEL/MOTEL"

"Motel" means a building in which lodging, or boarding and lodging, are provided and offered to the public for compensation and in which at least a portion of the rooms are directly accessible from a public or private right-of-way, from a parking lot or space or from the exterior of the building. As such, it is open to the general public in contradistinction to a boarding house or apartment. To be considered an hourly rate motel, such lodging must be offered to the public more than twice within any ten-(10) hour period.

"Hotel" means a building in which lodging or boarding and lodging are provided and offered to the public for compensation, and in which ingress and egress to and from all rooms are made through an inside lobby or office supervised by a person in charge at all contradistinction to a boarding house, a lodging house, or an apartment. To be considered an hourly rate Hotel, such lodging must be offered to the public more than twice within any ten-(10) hour period.

"OPERATES OR CAUSES TO BE OPERATED" means to cause to function or to put or keep in operation. A person may be found to be operating or causing to be operated an Adult Motel whether or not that person is an owner, part-time owner, or permittee of the business.

"PERSON" means an individual, proprietorship, partnership, corporation, association or other legal entity.

"RESIDENTIAL DISTRICT" means a district whose designation begins with the letter "R" according to the Memphis and Shelby County Zoning Ordinances.

2. The Applicant agrees that it will not operate the hotel/ motel or cause the hotel/ motel to be operated as an hourly rate hotel/motel or as an Adult Motel. For the purposes of monitoring compliance with this Agreement, the Applicant agrees to periodic, random inspections of books and records pertaining to the hotel/motel's operation and rentals. Where there is an apparent pattern that rooms have been rented and vacated more than 2 times in less than 10 hours, a rebuttable presumption is created that the establishment is an Adult Motel.

3. In addition, the Applicant, employee, agent or independent contractor employed on the premises shall not:
- a. Allow excessive use of alcoholic beverages while on the business premises;
  - b. Refuse to allow an unimpeded inspection of the business premises as authorized by this Agreement;
  - c. Knowingly permit gambling by any person on the business premises;
  - d. Demonstrate inability to operate or manage a business in a peaceful and law-abiding manner thus necessitating action by law enforcement officers;
  - e. Give false or misleading information in the material submitted during the waiver application process;
  - f. Allow possession, use or sale of controlled substances on the premises by any person;
  - g. Allow prostitution on the premises;
  - h. Operate the business during a period of time when the a required permit is suspended;
  - i. Be delinquent in payment to the city for hotel occupancy taxes, ad valorem taxes, or sales taxes related to the business.

4. The Applicant agrees any violation of the Applicant's agreement not to operate the Motel as an Adult Motel will cause irreparable harm to the City and its citizens and damages alone for any such violation will be inadequate and as a result of any breach or threatened breach of this Agreement by the Applicant, its successors and assignees, the City may

- (a) seek any and all remedies available to it including but not limited to injunctive relief, both affirmative and negative;
- (b) by Resolution of the City Council terminate the Agreement or revoke the waiver and the Certificate of Occupancy.

The Applicant agrees to pay the reasonable attorneys fees and court costs of the City's attorneys should they be successful in obtaining relief against the Applicant for violation of this Agreement.

5. The Applicant's obligations hereunder shall be deemed continuing and shall bind its successors and assignees and to this extent shall run with the land.

6. Each of the covenants contained herein shall be deemed a separate covenant, each being enforceable irrespective of enforceability (with or without reformation) of other covenants contained in this Agreement. If any provision of this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provisions had never comprised a part hereof.

7. This Agreement constitutes the entire understanding and agreement between the Applicant and the City with regard to all matters herein; except that any conditions imposed by the Council in Resolution approving the waiver and/or this Agreement shall be incorporated herein by reference. There are no other agreements, conditions or representations, oral or written, express or implied, between the Applicant and the City concerning matters addressed herein.

- 8. This Agreement may be amended only in writing and signed by the Applicant with approval of the City Council.
- 9. This Agreement is executed in and will be performed in the State of Tennessee and shall be construed, controlled and interpreted according to the laws of the State of Tennessee.
- 10. This Agreement is binding upon and shall inure the benefit of the respective parties hereto, their successors and assigns and this Agreement shall specifically run with the Land and be binding upon the Applicant's successors in interest in the Land and improvements.

COMPANY NAME

*PNRCY LLC DBA. Econolodge Inn & Suits.*

BY: *Joseph Ferriwader*  
NAME

STATE OF TENNESSEE  
COUNTY OF SHELBY

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared *Joseph S Ferriwader* with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the owner of \_\_\_\_\_, a corporation, and that he as such owner, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as such owner.

WITNESS my hand and seal at office, on this the 2 day of December 2008.

*Jason W. Snell*  
NOTARY PUBLIC

My Commission Expires: 02-29-12



My Comm. Exp. 2-29-2012

**EXHIBIT A  
LEGAL DESCRIPTION****PARCEL 1**

Being Lots 2A & 2B, of the Resubdivision of Lot 2 of Airways Plaza Section B, recorded in Plat Book 88, Page 51 in the Shelby County Register's Office, Memphis, Tennessee, being more particularly described as follows:

**DESCRIPTION:** Beginning at an iron pin found at the southeast corner of Lot 2A of the Resubdivision of Lot 2 of Airways Plaza Section B, recorded in Plat Book 88, Page 51, said point being on the west right-of-way line of Airways Boulevard (106' R.O.W.), approximately 300' northeast of the north line of Democrat Road, then along the east and north line of Nonconnah Corporate Center Section A the following three courses: North 06° 28' 58" East, 42.54 feet to a point; then North 86° 24' 14" West, 438.80 feet to a point; then North 03° 54' 02" East, 860.39 feet to an iron pin found at the northwest corner of Lot 2A; then South 85° 58' 21" East along the south line of Lot 1 of the Resubdivision of Section B Nonconnah Corporate Center recorded in Plat Book 45, Page 40, a called distance of 82.84 feet, but a measured distance of 82.71 feet to an iron pipe found; then along the west and south lines of Lot 1 of Airways Plaza Section A the following three courses: South 03° 25' 21" West, 332.58 feet to a point; then South 86° 51' 42" East, 128.84 feet to an iron pin found; then South 50° 21' 01" East, 326.87 feet to the west right-of-way line of Airways Boulevard; then South 17° 20' 48" West along chord of a 2808.82' radius right of way curve to the right an arc length of 183.61 feet (chord = 183.58') to the Point of Beginning.

The above described property contains 3.62 acres, by calculation.

**PARCEL 2**

Being the La Quinta Motor Inns, Inc. tract recorded in Instrument U9 6528, joining the north line of Lot 2A of the Resubdivision of Lot 2 of Airways Plaza Section B, recorded in Plat Book 88, Page 51 in the Shelby County Register's Office, Memphis, Tennessee, being more particularly described as follows:

**DESCRIPTION:** Beginning at an iron pipe found at the northeast corner of Lot 2A of the Resubdivision of Lot 2 of Airways Plaza Section B, recorded in Plat Book 88, Page 51, said point being the southeast corner of Lot 1 of the Resubdivision of Section B, Nonconnah Corporate Center, recorded in Plat Book 45, Page 40, then North 85° 58' 21" West, 10.00 feet along the north line of Lot 2A to a point; then North 03° 25' 21" East parallel to the east line of Lot 1 a distance of 170.00 feet to a point; then South 85° 58' 21" East parallel to the south line of Lot 1 a distance of 10.00 feet to a point; then South 03° 25' 21" West passing the northeast corner of Lot 1 at 23.63', but continuing along the east line of Lot 1 for a total distance of 170.00 feet to the Point of Beginning.

The above described property contains 1,700 square feet, by calculation.

**EXHIBIT B  
SUPPLEMENTAL INFORMATION**

1. **Site Plan** – a sketch or diagram must be included with the Agreement showing the configuration of the premises such as a site plan or plot plan taken from a survey of the property and include a building footprint, display of parking areas, landscaping areas, any type of existing or proposed fencing and access to and from the property. The site plan or plot plan need not be professionally prepared but must be drawn to scale of no smaller than 1 inch equaling 100 feet.
2. Identify every person who has an ownership interest in the subject application whether they be the current owners, the contract buyers, or the lenders. If current owner and/or contract buyer is a public corporation, please note the fact and list no other owners. Only lenders which are not institutions (banks, saving and loans or credit unions) need be listed.
3. A statement as to whether or not the applicant or any officer, director, partner, managing agent or manager has been employed at a sexually oriented business as defined in the Tennessee Code Annotated for the previous five (5) years.
4. Whether or not the applicant or any officer, director, partner, managing agent or manager has been convicted of a crime involving the following:
  - a. Aggravated rape;
  - b. Rape;
  - c. Rape of a child;
  - d. Aggravated sexual battery;
  - e. Sexual battery by an authority figure;
  - f. Sexual battery;
  - g. Statutory rape;
  - h. Public indecency;
  - i. Prostitution;
  - j. Promoting prostitution;
  - k. Distribution of obscene materials;
  - l. Sale, loan or exhibition to a minor of material harmful to minors;
  - m. The display for sale or rental of material harmful to minors;
  - n. Sexual exploitation of a minor;
  - o. Aggravated sexual exploitation of a minor;
  - p. Especially aggravated sexual exploitation of a minor;
  - q. Criminal attempt, conspiracy or solicitation to commit any of the foregoing offenses.
5. Whether the hotel, motel or similar commercial establishment offers accommodations to the public for consideration and provides patrons with closed circuit television transmissions, films, motion pictures, videos, slides or any other photographic reproductions which are characterized by the depiction or description of "specified sexual activities" or "specified anatomical areas" as defined by Appendix A – Zoning, Section 2 and whether the hotel, motel or similar commercial establishment displays signs visible from the public right-of-way which advertises the availability of this type of photographic reproduction. This definition shall not include "R-rated" films so defined by the Motion Picture Association.

- 6. Whether the hotel, motel or similar commercial establishment offers a sleeping room for rent more than two (2) times in a period of less than ten (10) hours.
- 7. Whether the hotel, motel or similar commercial establishment allows a tenant or occupant of a sleeping room to subrent the room for a period of time that is less than ten (10) hours.
- 8. Whether the hotel, motel or similar commercial establishment offers or allows a discount or refund which is less than half the normal daily rate.
- 9. The names of any commercial lenders financing the acquisition, construction and/or renovation of the facility.
- 10. A copy of the instrument or purchase agreement pursuant to which the owner or applicant acquired or will acquire title to the property and the names and addresses of any lessees or sublessees of the facility including a legal description.



\*\*\*\*\* CHIEF: SUPERIOR FURNITURE PLLC

NO17521661

T-888 P.009/093 F-797

### AMENDMENT TO OPERATING AGREEMENT

The undersigned Members of PNR CY, LLC hereby amend the Operating Agreement of the Company dated January 26, 2007, as follows:

The Initial Officers section on page 13 of the original Operating Agreement is hereby amended to reflect that the Officers are as follows:

Chief Manager  
Secretary

Pallaviben Patel  
Yogesh Jariwala

By signing below, the Members hereby affirm and reaffirm all of the provisions of the Operating Agreement, as hereby amended, and agree to be bound thereby according to the terms thereof.

EXECUTED by each Member on the Date indicated.

Pallavi Patel  
Pallaviben Patel

Dated as of: April 23, 2007

Yogesh Jariwala  
Yogesh Jariwala

Dated as of: April 23, 2007

Chirag Patel  
Chirag Patel

Dated as of: April 23, 2007

N.M. Patel  
Nirev Patel

Dated as of: April 23, 2007

Rushabh Patel  
Rushabh Patel

Dated as of: April 23, 2007

### AMENDMENT TO OPERATING AGREEMENT

The undersigned Members of PNRGY, LLC hereby amend the Operating Agreement of the Company dated January 26, 2007, as follows:

The Initial Officers section on page 13 of the original Operating Agreement is hereby amended to reflect that the Officers are as follows:

Chief Manager  
Secretary

Pallaviben Patel  
Yogesh Jariwala

By signing below, the Members hereby affirm and reaffirm all of the provisions of the Operating Agreement, as hereby amended, and agree to be bound thereby according to the terms thereof.

EXECUTED by each Member on the Date indicated.

Pallavi Patel  
Palliviben Patel

4/26/07  
Dated as of: April 23, 2007

\_\_\_\_\_  
Yogesh Jariwala

Dated as of: April 23, 2007

\_\_\_\_\_  
Chirag Patel

Dated as of: April 23, 2007

\_\_\_\_\_  
Nirev Patel

Dated as of: April 23, 2007

\_\_\_\_\_  
Rushabh Patel

Dated as of: April 23, 2007

Attested sign for Pallavi Patel only.  
[Signature] April 20, 2007



01-09-07 16:51

From: GRIFFIN CLIFT EVERTON THORNTON PLCC

0017021001

T-450 P 002/004 F-450

State of Tennessee



Department of State  
Corporate Filings  
312 Eighth Avenue North  
6<sup>th</sup> Floor, William B. Sledge Tower  
Nashville, TN 37243

ARTICLES OF ORGANIZATION  
(LIMITED LIABILITY COMPANY)

(For use on or after 7/1/2006)

RECEIVED  
STATE OF TENNESSEE

2007 JAN 26 PM 12:07

RILEY DARHELL  
SECRETARY OF STATE

The Articles of Organization presented herein are adopted in accordance with the provisions of the Tennessee Revised Limited Liability Company Act.

1. The name of the Limited Liability Company is: PNRCY, LLC

(NOTE: Pursuant to the provisions of TCA 548-249-106, each limited liability company name must contain the words "Limited Liability Company" or the abbreviation "LLC" or "L.L.C.")

2. The name and complete address of the Limited Liability Company's initial registered agent and office located in the state of Tennessee is:

Chris Patel TN 38132  
(Name) (State/Zip Code)  
2748 Airways Blvd.  
(Street address) Memphis  
(City)  
Shelby  
(County)

3. The Limited Liability Company will be: (NOTE: PLEASE MARK APPLICABLE BOX)  
 Member Managed  Manager Managed  Director Managed

4. Number of Members at the date of filing, if more than six (6): \_\_\_\_\_

5. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date and time is: (Not to exceed 90 days) Date: \_\_\_\_\_ Time: \_\_\_\_\_

6. The complete address of the Limited Liability Company's principal executive office is:  
2748 Airways Blvd. Memphis TN Shelby 38132  
(Street Address) (City) (State/County/Zip Code)

7. Period of Duration if not perpetual: \_\_\_\_\_

8. Other Provisions: none

9. THIS COMPANY IS A NONPROFIT LIMITED LIABILITY COMPANY (Check if applicable)

January 26, 2007  
Signature Date

Glenn D. Everton  
Signature

Organizer  
Signer's Capacity (if other than individual capacity)

Glenn D. Everton  
Name (printed or typed)

5922.2398

**COMMERCIAL LEASE  
WITH OPTION TO PURCHASE**

1. Parties. THIS LEASE made this 23rd day of April, 2007, between R & B LODGING, INC., a Tennessee Corporation, ("Lessor"), and PNR CY, LLC, a Tennessee limited liability company, ("Lessee").

2. Consideration/Duration/Property Leased. Lessor, in consideration of the agreements of Lessee herein contained, leases to Lessee the commercial property (including motel, land and restaurant) known as Econo Lodge, 2745 Airways Blvd., Memphis, Tennessee, 38132, and more particularly described on Exhibit A attached hereto ("Property") for the term beginning on the 23rd day of April, 2007, and ending on the 27th day of May, 2024.

3. Rent/Option to Purchase. The Lessee shall pay rent for the demised premises per month due and payable beginning on the 1st day of May, 2007, and a like sum on the 1st day of each and every month thereafter through and including May 1, 2024. If rent is not received by the tenth (10th) day of each month, a late charge equal to 5% of the rent amount shall be added. Rent shall be payable to Lessor's account as shown below or as Lessor shall direct otherwise.

Monthly Rent shall be equal to the following amounts:

a. The amount of the mortgage payment (which includes principal, interest, taxes and insurance) owed to Citizens Bank. Lessee will deposit this amount in Lessor's account which is automatically drafted by Citizens Bank for said mortgage payment. Lessor agrees to add Lessee's name on this account in such a manner that Lessor will not be able to make any withdrawals out of this account without Lessee's written authorization.

b. The amount of the premium owed (currently \$668.00 per month) on the life insurance policy for Ramesh Patel which stands as collateral for the Citizens Bank loan. Lessee will deposit this amount in Lessor's account as mentioned in 3.a. above.

c. The amount of \$1,551.76 which represents the monthly payment on a Promissory Note to be executed by Lessee in favor of Lessor. The principal amount of this Note (\$185,519.00) was determined as follows:

total lease/purchase price	\$1,700,000.00
less down payment	350,000.00
less outstanding principal balance owed to Citizens Bank	<u>1,164,481.00</u>
"second mortgage" Note amount	\$ 185,519.00

Lessee will split this payment between the principals of R & B Lodging, Inc. by giving a check to Ramesh Patel in the amount of \$775.88 and a check to Baldev Patel in the amount of \$775.88. The Note will bear interest at 8% amortized over 20 years with a balloon payment due in 5 years. Lessor agrees to extend the maturity date of the loan on the same terms if Lessee requests same at the end of the initial 5-year term.

At any time during the lease period, and upon satisfactory payment of all sums

owed under this Agreement, Lessee shall have the option to purchase the Property for the sum of \$1.00. Lessee may exercise said purchase option at any time by giving Lessor written evidence from Citizens Bank that the loan has been paid in full and by completing the payments due under the "second mortgage" Note owed to Lessor. Upon receipt of such written evidence from Citizens Bank and payment in full of the "second mortgage" Note, Lessor/Seller will (1) convey Property to Lessee/Buyer by General Warranty Deed based on a deed valuation of \$1,700,000.00 and (2) mark the "second mortgage" Note "paid in full." Closing costs will be allocated according to the custom of practice for commercial transactions in Shelby County, Tennessee.

4. Security Deposit. [Intentionally left blank.]

5. Consideration by Lessor. The Lessor does hereby covenant and agree that it will keep and secure the Lessee in the peaceful use and possession of said premises during the term of this Lease unless the said Lessee defaults in the payment of rent, or in the fulfillment of any of its obligations, requirements and conditions of this contract.

6. Purpose. Lessee agrees to use the premises only for a motel business, and not for any illegal or immoral purpose.

7. Nuisances. The Lessee agrees not to allow any nuisance to exist on said premises and will, when required by the proper authorities, abate all nuisances at its own expense.

8. Maintenance. Lessee agrees to keep the premises in good repair, reasonable wear and tear excepted, during the term of this Lease. Lessee also shall be responsible for all routine maintenance which shall include maintenance and repair of all furniture, fixtures, equipment, furnishings, etc. Lessee agrees to maintain the heating, cooling, electrical and plumbing systems serving the leased premises.

9. Utilities/Taxes. Lessee shall be responsible for and agrees to pay all utility charges for the leased premises during the term of this Lease. Lessee shall be responsible for all sales, business and employment taxes during the term of this Lease and shall provide Lessor written evidence of such payment no later than the 20th of each month. Lessee is responsible for obtaining its own business tax license and state and federal tax identification numbers.

Lessee is responsible for all real and personal property taxes assessed against the building and the business operation during the term of this Lease. The real property taxes will be paid by Citizens Bank through the escrow account set up and funded through the ongoing monthly mortgage payments.

10. Alterations. Lessee may make alterations or additions, including painting, carpeting, decorating or the like, to or on the premises without the written consent of Lessor being obtained. If the purchase option is not exercised, any such improvements shall remain with the property upon termination of occupancy without charge to Lessor.

11. Assignment. Lessee may assign this Lease or sublet the premises or any part thereof, without the prior written consent of the Lessor, but only if the underlying loan to Citizens Bank and sums due Lessor hereunder are paid in full and satisfied.

12. Access. (Intentionally omitted.)

13. Property Condition. Lessee has examined, knows, and accepts the condition of said premises and furnishings and has received the same in good order and repair, except as herein otherwise specified in writing, and no representations as to the condition or repair thereof have been made by Lessor or its agents or employees prior to or at the execution of this Lease that are not herein expressed or endorsed hereon.

14. Insurance Coverage. Lessee is responsible for liability insurance on the premises during the term of this Lease in an amount not less than \$1,000,000.00. Lessor shall be shown as an additional insured on Lessee's liability insurance policy. Lessor shall maintain the existing hazard insurance and workers' compensation coverage on the property.

15. Lessor Held Harmless. The Lessee covenants and agrees to keep and to hold the Lessor harmless from any liability or costs, including attorney fees, for loss or damages to persons, property, or things, both real or asserted, accruing from any cause or causes in or connected with Lessee's business operation on or about the within-leased premises during the term of this Lease.

16. Delivery at End of Lease. (Intentionally omitted.)

17. Proof of Payment. No setoff in the payment of the rent herein reserved shall be allowed unless signed by the Lessor, its legal representative, or assigns, and the proof of payment of the rent shall be on the Lessee in all controversies.

18. Collection Costs. The Lessee agrees to pay all costs of collection, including reasonable attorney fees, if all or any part of the rent reserved herein is collected after maturity with the aid of an attorney; also, to pay a reasonable attorney fee in the event it becomes necessary for the Lessor to employ an attorney to force the Lessee to comply with any obligations, conditions or requirements imposed by this Agreement.

19. Waiver of Breach. The waiver by the Lessor of any breach of any covenant or covenants shall be limited to the particular instance, and shall not operate or be deemed to waive any future breaches of the same covenant or covenants, nor any other covenant or covenants.

20. Default of Rent, Etc. It is expressly agreed between the parties that if default be made in the payment of the rent or any part thereof for which notice of nonpayment is expressly waived, or shall refuse to allow Lessor free access to said premises during reasonable hours for the purpose of examining the same or exhibiting same, or to make

repairs, alterations or changes in the premises demised of such kind and character as the Lessor may deem fit to make, or in case of default in keeping or complying with any of the covenants and agreements and stipulations herein contained, all and each of which Lessee herein agrees to comply with, and notwithstanding the fact that the Lessee may not be in default in the payment of rent hereunder, it shall be lawful for Lessor reenter and take full and absolute possession of the above-demised premises, and hold and enjoy the same wholly and absolutely, and to expel, remove, and put out said Lessee or any other person occupying said demised premises, or any part thereof, and Lessee hereby expressly waives all right to any demand or notice from said Lessor, at Lessor's election, to reenter such premises, and that Lessee shall be deemed guilty of unlawful detainer of said premises. Such reentry of Lessor shall be without prejudice to any remedy or remedies which might otherwise be lawfully used for rent arrearage of breach of any covenant, agreement, or stipulation contained in this Lease. Lessee hereby expressly waives any and all claims of every kind and nature which Lessee might have against Lessor or the agents of Lessor for or on account of such reentry into or upon such demised premises or on account of the rerenting of the same, and agrees that Lessor shall not be liable for any damages on account of such reentry or such rerenting, except as provided by law.

21. Binding Effect. It is agreed by the parties to this contract that all covenants, agreements and undertakings contained in this Lease shall extend to and be binding on the respective heirs, executors, administrators, successors, and assigns of the respective parties hereto.

22. Franchise. Lessee agrees to maintain the premises according to the standards set by the current Franchisor, Choice Hotels International, or by any other national hotel/motel franchise or membership organization. Lessee agrees to pay all obligations due to maintain good standing status with the current Franchisor, Choice Hotels International, or any other national hotel/motel franchise or membership organization.

23. Miscellaneous. This Lease is conditioned upon the following:

A. Lessee agrees to pay Lessor \$350,000.00 upon signing this Lease as consideration for entering into this Lease/Purchase Agreement. Lessor agrees to pay off and obtain a release of the second mortgage loan from Merchants & Farmers Bank from the proceeds of this \$350,000.00 payment.

B. Lessor and Lessee agree that Lessee will be able to claim depreciation, property tax and insurance expenses for Federal Income Tax purposes.

C. Lessee has conducted its own due diligence of the property and the books and records of Lessor's operation and is fully satisfied with same prior to entering into this Lease.

D. Lessee will be responsible for all operating expenses from and after April 23, 2007. Both parties will prorate any expenses and deposits as of that date.

E. Lessee will furnish Lessor annual financial statements on the Property no later than March 31 of every year.

F. This Commercial Lease With Option To Purchase will be recorded in

the Register's Office of Shelby County, Tennessee, at Lessee's expense.

24. Entire Agreement. This Lease contains all of the agreements and conditions made between the parties hereto, and no representations or statements claimed to have been made and not herein contained shall vary or modify this Lease in any way.

IN TESTIMONY WHEREOF, the Lessor and Lessee hereunto set their hands and affix their seals.

LESSOR:

LESSEE:

R & B LODGING, INC.

PNRCY, LLC

BY: Ramesh Patel  
Ramesh Patel  
President

BY: Yogesh Jariwala  
Yogesh Jariwala  
Secretary

STATE OF TENNESSEE  
COUNTY OF SHELBY

Before me, a Notary Public in and for said state and county, personally appeared RAMESH PATEL, with whom I am personally acquainted and who, upon oath, acknowledged himself to be the President of R & B LODGING, INC., the within named bargainer, a corporation, and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the Corporation by himself as such President.

WITNESS my hand and seal at office this 23rd day of April, 2007.

Glenn D. Everton  
Notary Public

My commission expires:

2/23/09



STATE OF TENNESSEE  
COUNTY OF SHELBY

Before me, a Notary Public in and for said state and county, personally appeared YOGESH JARIWALA, with whom I am personally acquainted and who, upon oath, acknowledged himself to be the Secretary of PNRKY, LLC, the within named bargainor, a limited liability company, and that he as such Secretary, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the LLC by himself as such Secretary.

WITNESS my hand and seal at office this 23rd day of April, 2007.

  
\_\_\_\_\_  
Notary Public

My commission expires:

2/23/09



PREPARED BY:  
Glenn D. Everton  
Griffin, Clift, Everton & Thornton, PLLC  
6489 Quail Hollow #100  
Memphis, TN 38120  
C2092996

**EXHIBIT A****PARCEL 1**

**Description of Lots 2A & 2B, of the Resubdivision of Lot 2 of Airways Plaza Section B, recorded in Plat Book 88, Page 51 in the Shelby County Register's Office, Memphis, Tennessee, being more particularly described as follows:**

**DESCRIPTION:** Beginning at an iron pin found at the southeast corner of Lot 2A of the Resubdivision of Lot 2 of Airways Plaza Section B, recorded in Plat Book 88, Page 51, said point being on the west right-of-way line of Airways Boulevard (166' R.O.W.), approximately 308' northeast of the north line of Hancock Road, then along the east and north line of Hancock Corporate Center Section A the following three courses: North  $06^{\circ} 26' 58''$  East, 42.54 feet to a point; then North  $86^{\circ} 24' 14''$  West, 438.80 feet to a point; then North  $03^{\circ} 54' 02''$  East, 688.38 feet to an iron pin found at the northwest corner of Lot 2A; then South  $85^{\circ} 58' 21''$  East along the south line of Lot 1 of the Resubdivision of Section B Hancock Corporate Center recorded in Plat Book 45, Page 48, a called distance of 82.84 feet, but a measured distance of 82.71 feet to an iron pipe found; then along the west and south lines of Lot 1 of Airways Plaza Section A the following three courses: South  $03^{\circ} 25' 21''$  West, 332.58 feet to a point; then South  $86^{\circ} 51' 42''$  East, 128.84 feet to an iron pin found; then South  $58^{\circ} 21' 01''$  East, 328.87 feet to the west right-of-way line of Airways Boulevard; then South  $17^{\circ} 20' 49''$  West along chord of a 2008.82' radius right of way curve to the right an arc length of 183.61 feet (chord = 183.58') to the Point of Beginning.

The above-described property contains 3.62 acres, by calculation.

**PARCEL 2**

**Description of the La Quinta Motor Inns, Inc. tract recorded in Instrument U9 6828, joining the north line of Lot 2A of the Resubdivision of Lot 2 of Airways Plaza Section B, recorded in Plat Book 88, Page 51 in the Shelby County Register's Office, Memphis, Tennessee, being more particularly described as follows:**

Beginning at an iron pipe found at the northeast corner of Lot 2A of the Resubdivision of Lot 2 of Airways Plaza Section B, recorded in Plat Book 88, Page 51, said point being the southeast corner of Lot 1 of the Resubdivision of Section B, Hancock Corporate Center recorded in Plat Book 45, Page 48, then North  $85^{\circ} 58' 21''$  West, 18.00 feet along the north line of Lot 2A to a point; then North  $03^{\circ} 25' 21''$  East parallel to the east line of Lot 1 a distance of 178.00 feet to a point; then South  $85^{\circ} 58' 21''$  East parallel to the south line of Lot 1 a distance of 18.00 feet to a point; then South  $03^{\circ} 25' 21''$  West passing the northeast corner of Lot 1 at 23.63', but continuing along the east line of Lot 1 for a total distance of 178.00 feet to the Point of Beginning.

The above-described property contains 1,700 square feet, by calculation.

This being the same property conveyed to R & B Lodging, Inc. by Special Warranty Deed of record at Instrument No. 04088886 in the Register's Office of Shelby County, Tennessee.

MEMPHIS AND SHELBY COUNTY TENNESSEE  
BUSINESS TAX RECEIPT DATE 08/05/2008

TAX PERIOD: 07/01/2007 TO 07/01/2008

Receipt Number: 0200824694 RL  
Account Number: 107002638

3C Retail \$ 676594.00  
Wholesale \$

Business Tax 1272.37 CITY COUNTY  
Less Credits 452.68  
Manufacturing Bus. Tax 15.40  
Penalty 0.00  
Interest 0.00  
Polling Fee 0.00  
Local Retained 0.00  
Total Received 676136.79

SECOND-LIBRARY  
PARCY, LLC  
P. O. BOX 171516

MEMPHIS TN 38187  
2745 AIRWAYS BLVD N

BY: *Debbie Stanson*  
TAXPAYER'S COPY

MEMPHIS AND SHELBY COUNTY TENNESSEE  
BUSINESS TAX LICENSE

Receipt Number: 0200824694 RL  
Account Number: 107002638

3C  
MUST BE POSTED IN A CONSPICUOUS PLACE

THIS LICENSE EXPIRES: 07/01/2008

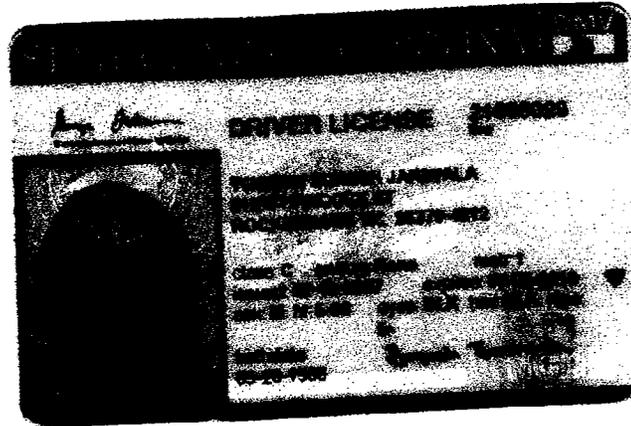
EGGNO, LODGE  
PARCY, LLC  
P. O. BOX 171516

MEMPHIS TN 38187  
2745 AIRWAYS BLVD N



DEBBIE STANSON, COUNTY CLERK  
*Debbie Stanson*

BY: \_\_\_\_\_  
TAXPAYER'S COPY





Human Resources  
Development Canada

Développement des  
ressources humaines Canada

SOCIAL  
INSURANCE  
NUMBER

NUMÉRO  
D'ASSURANCE  
SOCIALE

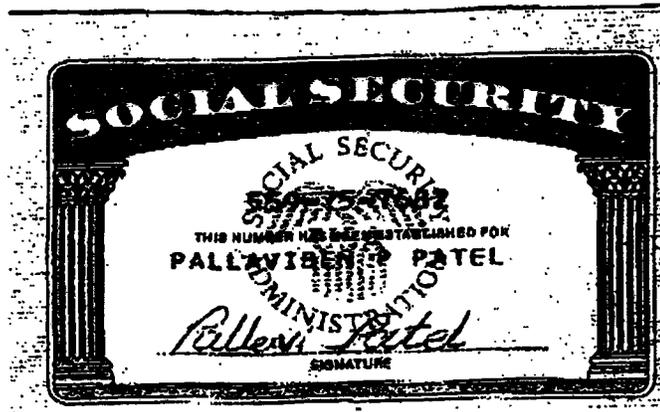
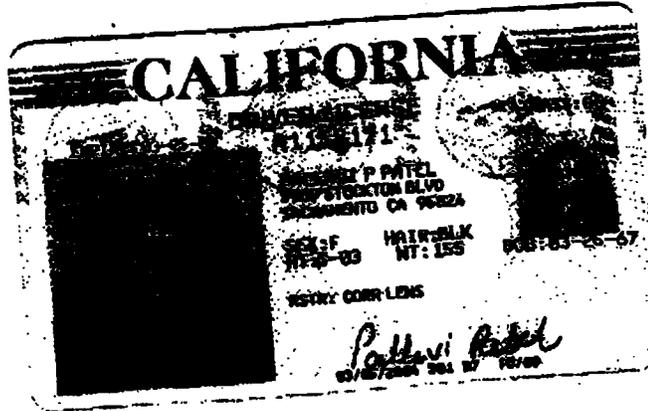
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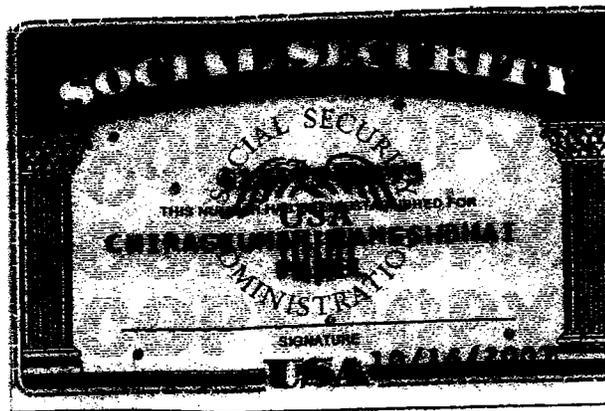
NIRAVKUMAR M PATEL

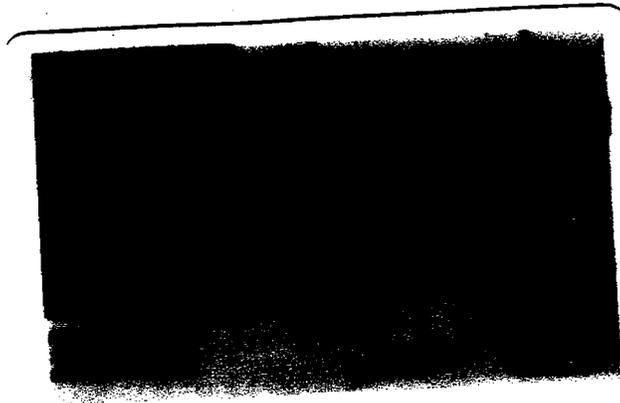
FROM :NIKIDIP

FAX NO. :19164526162

Apr. 03 2008 08:31PM P1









BY CHOICE HOTELS

**Econo Lodge Inn**

2745 Airways Blvd.  
 Memphis, TN 38132  
 Phone: 901.396.1000  
 Fax: 901.332.5726

**1. WHETHER EVER PALLAVI D PATEL HAS BEEN CONVICTED OF A CRIME INVOLVING THE FOLLOWING:**

<u>QUESTIONS</u>	<u>ANSWER</u>
AGGRAVATED RAPE:	NO
RAPE	NO
RAPE OF CHILD	NO
AGGRAVATED SEXUAL BATTERY	NO
SEXUAL BATTERY BY AUTHORITY FIGURE	NO
SEXUAL BATTERY	NO
STATUTORY RAPE	NO
PUBLIC INDECENCY	NO
PROSTITUTION	NO
PROMOTING PROSTITUTION	NO
DISTRIBUTION OF OBSCENE MATERIALS	NO
SALE LOAN OR EXHIBITION TO A MINOR OF MATERIAL HARMFUL TO MINORS	NO
THE DISPLAY FOR SALE OR RENTAL OF - MATERIAL HARMFUL TO MINORS	NO
SEXUAL EXPLOTATION OF A MINOR -	
AGGRAVATED SEXUAL EXPLOITATIION OF A MINOR	NO
CRIMINAL ATTEMPT, CONSPIRACY OR - SOLICITATION TO COMMIT ANY OF THE FOREGOING OFFENSES	NO



BY CHOICE HOTELS

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 Memphis, TN 38132  
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 Fax: 901.332.5726

**2. WHETHER EVER YOGESH JARWALA HAS BEEN CONVICTED OF A CRIME INVOLVING THE FOLLOWING:**

<b>QUESTIONS</b>	<b>ANSWER</b>
<b>AGGRAVATED RAPE:</b>	<b>NO</b>
<b>RAPE</b>	<b>NO</b>
<b>RAPE OF CHILD</b>	<b>NO</b>
<b>AGGRAVATED SEXUAL BATTERY</b>	<b>NO</b>
<b>SEXUAL BATTERY BY AUTHORITY FIGURE</b>	<b>NO</b>
<b>SEXUAL BATTERY</b>	<b>NO</b>
<b>STATUTORY RAPE</b>	<b>NO</b>
<b>PUBLIC INDECENCY</b>	<b>NO</b>
<b>PROSTITUTION</b>	<b>NO</b>
<b>PROMOTING PROSTITUTION</b>	<b>NO</b>
<b>DISTRIBUTION OF OBSCENE MATERIALS</b>	<b>NO</b>
<b>SALE LOAN OR EXHIBITION TO A MINOR OF MATERIAL HARMFUL TO MINORS</b>	<b>NO</b>
<b>THE DISPLAY FOR SALE OR RENTAL OF - MATERIAL HARMFUL TO MINORS</b>	<b>NO</b>
<b>SEXUAL EXPLOTATION OF A MINOR - AGGRAVATED SEXUAL EXPLOITATIION OF A MINOR</b>	<b>NO</b>
<b>CRIMINAL ATTEMPT, CONSPIRACY OR - SOLICITATION TO COMMIT ANY OF THE FOREGOING OFFENSES</b>	<b>NO</b>



BY CHOICE HOTELS

**Econo Lodge Inn**

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 Memphis, TN 38132  
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 Fax: 901.332.5726

**3. WHETHER EVER NIRAV PATEL HAS BEEN CONVICTED OF A CRIME INVOLVING THE FOLLOWING:**

<u>QUESTIONS</u>	<u>ANSWER</u>
AGGRAVATED RAPE:	NO
RAPE	NO
RAPE OF CHILD	NO
AGGRAVATED SEXUAL BATTERY	NO
SEXUAL BATTERY BY AUTHORITY FIGURE	NO
SEXUAL BATTERY	NO
STATUTORY RAPE	NO
PUBLIC INDECENCY	NO
PROSTITUTION	NO
PROMOTING PROSTITUTION	NO
DISTRIBUTION OF OBSCENE MATERIALS	NO
SALE LOAN OR EXHIBITION TO A MINOR OF	NO
MATERIAL HARMFUL TO MINORS	NO
THE DISPLAY FOR SALE OR RENTAL OF -	
MATERIAL HARMFUL TO MINORS	NO
SEXUAL EXPLOTATION OF A MINOR -	
AGGRAVATED SEXUAL EXPLOITATIION OF A MINOR	NO
CRIMINAL ATTEMPT, CONSPIRACY OR -	
SOLICITATION TO COMMIT ANY OF THE FOREGOING OFFENSES	NO



BY CHOICE HOTELS

**Econo Lodge Inn**

2745 Airways Blvd.  
 Memphis, TN 38132  
 Phone: 901.396.1000  
 Fax: 901.332.5726

**4. WHETHER EVER RUSHABH PATEL HAS BEEN CONVICTED OF A CRIME INVOLVING THE FOLLOWING:**

<u>QUESTIONS</u>	<u>ANSWER</u>
AGGRAVATED RAPE:	NO
RAPE	NO
RAPE OF CHILD	NO
AGGRAVATED SEXUAL BATTERY	NO
SEXUAL BATTERY BY AUTHORITY FIGURE	NO
SEXUAL BATTERY	NO
STATUTORY RAPE	NO
PUBLIC INDECENCY	NO
PROSTITUTION	NO
PROMOTING PROSTITUTION	NO
DISTRIBUTION OF OBSCENE MATERIALS	NO
SALE LOAN OR EXHIBITION TO A MINOR OF	NO
MATERIAL HARMFUL TO MINORS	NO
THE DISPLAY FOR SALE OR RENTAL OF -	
MATERIAL HARMFUL TO MINORS	NO
SEXUAL EXPLOTATION OF A MINOR -	
AGGRAVATED SEXUAL EXPLOITATIION OF A MINOR	NO
CRIMINAL ATTEMPT, CONSPIRACY OR -	
SOLICITATION TO COMMIT ANY OF THE FOREGOING OFFENSES	NO