

JDHQ Hotels LLC
2398 East Camelback Road, Suite 1000
Phoenix, Arizona 85016

November __, 2021

VIA EMAIL AND FEDEX

City of San Marcos
630 East Hopkins
San Marcos, Texas 78666
Attention: City Manager

City of San Marcos
630 East Hopkins
San Marcos, Texas 78666
Attention: City Attorney

Re: San Marcos Embassy Suites, 1001 E. McCarty Lane, San Marcos, Texas (the “Hotel”) and the Conference Center (as defined in the Lease, as defined below).

Ladies and Gentlemen:

Reference is made to (i) the Conference Center Lease Agreement, dated September 10, 2007 between the City of San Marcos, Texas (“**Lessor**”) and JHQ - San Marcos Development LLC (“**Original Lessee**”), as assigned by Original Lessee to JDHQ Hotels LLC, a Delaware limited liability company (“**Lessee**”), pursuant to the Assignment and Assumption Agreement, dated May 17, 2018 (collectively, the “**Lease**”) and (ii) the Master Development Agreement, dated March 6, 2006, between Lessor and Original Lessee, as amended.

Lessee intends to enter into certain transactions consisting of (i) an initial public offering of the direct or indirect equity ownership interest of Lessee, (ii) an acquisition of the direct or indirect equity ownership interest of Lessee by, or merger of Lessee with, an existing publicly traded company with a net worth of no less than \$1 billion, and/or (iii) an equity recapitalization of the direct or indirect equity ownership interests in Lessee, provided that Lessee will continue to be majority owned or controlled by one or more of the existing direct or indirect equity owners of Lessee (the transactions set forth in the foregoing clauses (i) through (iii), collectively, the “**Transfer**”). In connection with the Transfer, Lessee intends to sublet the Hotel and the Conference Center (the “**Subletting**”) to an operating company (the “**Operating Company**”), which Operating Company is an affiliated entity commonly owned and controlled as Lessee. The Transfer, together with the Subletting, is hereinafter collectively referred to as, the “**Transaction**”.

Pursuant to Section 7 of the Lease, Lessor's consent is required for the Transaction. This letter agreement constitutes Lessee's request, pursuant to Section 7 of the Lease, for Lessor's consent to the Transaction.

We hereby request you confirm your consent to the Transaction by signing this letter agreement in the space provided on the following page and delivering a copy back to Lessee at the below address:

To Lessee: JDHQ Hotels LLC
c/o Atrium Holding Company
2398 E. Camelback Road, Suite 1000
Phoenix, Arizona 85016
Attention: Brian E. Cameron, General Counsel

with a copy to: Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, New York 10003
Attention: Kabaye Liku, Esq.

In addition, please send a copy of the signed letter agreement via email to bcameron@atriumllc.com and Kabaye.Liku@friedfrank.com.

This letter agreement may be executed in counterparts, each of which shall be deemed an original agreement, but all of which together shall constitute one and the same instrument. Execution and delivery of this agreement by email transmission (including the delivery of documents in Adobe PDF format) shall constitute execution and delivery of this letter agreement for all purposes, with the same force and effect as execution and delivery of an original manually signed copy hereof.

Please feel free to contact Brian E. Cameron, General Counsel, at (212)-730-7211 with any questions you may have with respect to this request for consent.

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Sincerely,

LESSEE:

JDHQ HOTELS LLC, a Delaware limited liability
company

By:_____

Name:

Title:

Acknowledged and agreed
this ____ day of November, 2021:

LESSOR:

CITY OF SAN MARCOS, TEXAS,
A Texas municipal corporation

By: _____
Bert Lumbreras, City Manager