

CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
FEBRUARY 20, 2007 AGENDA

Subject:	Type:	Submitted By:
ECONOMIC DEVELOPMENT PROGRAM – LOAN FUND & APPLICATION	RESOLUTION ► ORDINANCE RECEIVE/FILE	BRENDA GUNN CITY ADMINISTRATOR

SYNOPSIS

An application to the Economic Development Program has been received from John Q. Hammons to construct a full-service hotel and conference center facility in the Southport West subdivision. Ordinances to establish the loan fund and guidelines and to approve the application have been prepared for consideration.

FISCAL IMPACT

The City will provide a grant of \$3M. It is estimated that the City can recoup this investment in the first three (3) years the hotels & conference center are open through enhanced revenues. The City will provide an \$18M loan which will be repaid by JQH with interest in seven (7) years. The City will work with bond counsel to structure the debt to minimize any interest differential.

RECOMMENDATION

Approval.

BACKGROUND

The City of La Vista received an application to the Economic Development Program from John Q. Hammons (JQH) to construct in Southport West a full service hotel and conference center facility comprised of:

- Full service Embassy Suites Hotel (257 guest suites)
- Adjacent conference center (approximately 80,000 gross s.f.)
- Adjacent limited service Marriott Courtyard (221 guest rooms)

The current cost for JQH to design, develop, construct, equip and furnish the hotels and conference center is estimated to be \$110M.

The application is summarized as follows:

La Vista Obligations

- **\$3M grant** for land for the conference center & parking
- **\$18M loan** to finance and pay part of the actual cost (*estimated at \$23-24M*) for designing, developing, constructing, equipping, furnishing and acquiring the Conference Center & Parking. (*To be fully repaid by JQH, with interest in 7 years*).
- Annual debt service on financing (*City bonds to finance the grant and loan to JQH*) will not exceed \$2.0 M

JQH Obligations

- JQH will acquire, construct, equip, own and operate all of the hotels, conference center and related facilities.
- JQH will pay or obtain private financing for approximately 80% of the nearly \$110M estimated project cost.
- JQH will fund all costs of the conference center & parking in excess of \$18M (*current project estimate is \$23-24M*)
- JQH will repay the entire principal of the EDP Construction Loan in a single balloon payment no later than July 31, 2014.
- JQH will make quarterly interest payments on the loan. Interest rate will be equal to the rate of the City bond issue.
- JQH personally guarantees obligations to the city. From financial statements he provided, he has a net worth in excess of \$1 billion. (*Net worth is generally understood to reflect the amount of assets JQH would have left over after paying off all of his loans and other obligations*).

Construction Schedule

Construction of Embassy Suites is underway.

Construction of Conference Center & Marriott must commence no later than *August 1, 2007*

Opening Schedule

Embassy Suites & Conference Center to open on or before *January 9, 2009*

Marriott Courtyard to open on or before *March 1, 2009*

Analysis

Sarpy County and the City of La Vista currently lack sufficient hotel and public meeting/conference facilities. This is an excellent opportunity for La Vista to obtain an upscale full-service hotel/conference center, with ***significantly less*** exposure than commonly required of municipalities in these types of developments and originally proposed by the applicant in 2004; not to mention additional tax receipts for the City. In addition, the development of this premier project in Southport West will be a catalyst for further development, enhanced tourism and economic activity for both the City and Sarpy County.

For its investment in the project, the City will recoup nearly 85% of its investment at the end of 7 years; and the City and its residents would expect to receive sales and other taxes from the project and enjoyment and use of some top quality facilities for many years to come.

The City has been collecting sales tax revenue for the Economic Development fund since its effective date. To date the fund has \$480,000. The City has authority to issue bonds to finance activities under the Economic Development Program (EDP). The City would issue bonds for the grant and loan to Mr. Hammons. Over the next seven years, tax receipts and payments from Mr. Hammons on the loan would be deposited into the Economic Development Fund. These funds would be used by the City to pay the principal and interest on the bonds for a set number of years. All of this would be permitted under the EDP.

In accordance with the EDP Guidelines, the Application Review Committee (ARC) met on November 28, 2006 to review the application. The Committee unanimously approved Resolution No. 06-001 which recommended that the Economic Development Program Application submitted by John Q. Hammons be approved and funded by the La Vista City Council. The Application was also reviewed with the Citizen Advisory Review (CAR) committee which does not act upon the application.

History of Proposal

- In March 2004, in response to a request for proposals by the City, JQH submitted a proposal to develop a concept for a destination center in Southport West.
- In April 2004, the Mayor and City Council approved a nonbinding terms sheet setting forth a preliminary statement of intent with JQH for the *joint development* of a full service hotel and conference center in what is now Southport West. (*The current proposal is vastly different from that original statement of intent, as described further below*).
- The current proposal was submitted in November 2006.
- In the original proposal (2004 terms sheet), JQH would have built the hotel and the City would have been responsible for constructing, owning, operating and upkeep of the conference center and parking. La Vista would have paid \$18M for the conference center and parking and also been responsible for regular upkeep & maintenance estimated at over \$30M over the life of the facility (*estimated to be 40 or more years*).
- In the current proposal, JQH would build, own, and maintain the hotel, conference center and parking. In addition, he would build a second hotel on the site, which would nearly double the total number of hotel rooms for the project from the number originally proposed. The City's participation in the project would be limited to a \$3M grant and an \$18M loan to be repaid in 7 years. At the end of 7 years, the City's financial participation in the project would end (*vs. 40 or more years originally proposed*). JQH would personally guarantee repayment of the loan. He has an estimated net worth of \$1.2 billion.

About the Economic Development Program

- The Mayor & Council adopted Ordinance No. 919 (as amended by Ordinance No. 921) in accordance with Neb. Rev. Stat. Sections 18-2701 ("Local Option Municipal Economic Development Act") and thereby established an economic development program.
- Economic Development Program was previously approved by a majority of affirmative votes of registered voters at a special election held on September 30, 2003.
- In accordance with the "Local Option Municipal Economic Development Act" the City is authorized to issue bonds for purposes of the Act.
- Proprietary or commercial information that the applicant or JQH in this case provides to the City and desires to remain confidential shall remain confidential and not be publicly disclosed.
- There is a \$2M per year maximum under State Statute that can be appropriated from funds derived directly from local sources of revenue for all economic development programs.



...a City better by design.

CITY OF LA VISTA

ECONOMIC DEVELOPMENT PROGRAM APPLICATION

DO NOT LEAVE ANY QUESTIONS BLANK

(Attach additional pages if needed)

A. APPLICANT INFORMATION:

NAME OF APPLICANT:

John Q. Hammons or one or more single member LLCs owned by John Q. Hammons **

Federal ID# 494-20-1375

Address: 300 John Q. Hammons Parkway, Suite 900

City: Springfield State: MO Zip Code: 65806

Contact Person: Debra M. Shantz Telephone # (417) 864-4300

Fax # (417) 873-3503 E-Mail (if applicable) debbie.shantz@jqh.com

Web Address (if applicable) www.jqhhotels.com

APPLICANT CLASSIFICATION:

<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Research & Development
<input type="checkbox"/> Warehouse & Distribution	<input type="checkbox"/> Sales
<input type="checkbox"/> Services	<input type="checkbox"/> Headquarter Facilities
<input type="checkbox"/> Telecommunications	<input checked="" type="checkbox"/> Tourism
<input type="checkbox"/> Housing Construction or Rehabilitation	<input type="checkbox"/> Other, please explain: _____

APPLICANT ORGANIZATION:

<input checked="" type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> General Partnership
<input type="checkbox"/> "S" Corporation	<input type="checkbox"/> "C" Corporation
<input type="checkbox"/> Limited Partnership	<input checked="" type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Limited Liability Partnership	<input type="checkbox"/> Trust
Other: _____	

Does Applicant have a parent, subsidiary, affiliated company or other person or entity that Applicant proposes to have any role in the project Applicant is proposing under the Economic Development Program? Yes No

If yes, Identify Name and describe role: _____

Address: _____

City: _____ State: _____ Zip Code: _____

APPLICANT BUSINESS TYPE: Start-up (0-5 Yrs.) Acquisition Existing, years in business: 50+

OWNERSHIP IDENTIFICATION: List all officers, directors, partners, owners, co-owners, stockholders, trustees, co-trustees and beneficiaries. Enter under Minority Code: "1" =Female, "2" =Minority, "3" =Disabled

Name	Title	Percent Ownership	Minority Code
John Q. Hammons **	Owner/Trustee	100%	

PERSONNEL: Full-Time Equivalent Employees of Applicant (FTE) based on 2,080 hours per year.

Existing Number of FTE Positions in City: 0

FTE Positions to be created in City within 18 months of application approval: ES=140; CY=90

Number of Seasonal Positions Created in City (Any non- FTE job which is at least 40 hours per week for at least 3 consecutive months and recurs annually): ES=28; CY=18

Attach list of starting wages for FTE and Seasonal Positions. See attached.

Does Applicant employ, or will it employ within the year after this application is submitted, people in more than one city in Nebraska? X Yes _____ No. If "Yes," complete the following:

AVERAGE FTE

City See attached.	<u>Current Year</u>	Projected	
		<u>Next Year</u>	<u>In 2 Years</u>

B. PROPOSED PROJECT INFORMATION:

1. DESCRIBE PROPOSED PROJECT, AND APPLICANT AND CITY PARTICIPATION: _____
See attached.

2. INITIAL APPLICANT/CITY PARTICIPATION:

See attached.	APPLICANT SHARE	CITY SHARE	TOTAL COST
Land Acquisition	\$_____	\$_____	\$_____
Building Acquisition/Renovation	\$_____	\$_____	\$_____
New Facility Construction	\$_____	\$_____	\$_____
Infrastructure	\$_____	\$_____	\$_____
Acquisition of Machinery/Equipment	\$_____	\$_____	\$_____
Acquisition of Furniture/Fixtures	\$_____	\$_____	\$_____
Working Capital (includes Inventory)	\$_____	\$_____	\$_____
 TOTAL	\$_____	\$_____	\$_____

3. APPLICANT SOURCE OF FUNDS FOR INITIAL SHARE OF PROJECT COSTS: Specify sources of funding for Applicant's share of the proposed project.

Cash investment of Applicant in project: \$95,000,000 +/-.

Amount Applicant will finance: \$76,000,000 +/-.

We may proceed with construction by utilizing our own funds or
Name of Lending Institution: a loan with First National Bank of Omaha or other appropriate
primary lender.

Address: 11404 W. Dodge Road, 3rd Floor

City: Omaha State: NE Zip Code: 68154

Contact Person: Eric W. Musgierd Telephone # (402) 498-5336
LIBOR + 150

Loan Amount: \$76,000,000 +/- Term: 5 Years Interest Rate: %
Variable X Fixed

Collateral Required 1st mortgage

Equity Required 20% of construction costs

4. ON GOING APPLICANT/CITY PARTICIPATION: Attach schedule of projected annual costs and expenses associated with the project that will be required in addition to those already specified in "B2" above, segregated by Applicant and City responsibility. See attached.

5. PROJECT LOCATION:

Within the City Limits of La Vista
 Outside the City Limits, but within the Zoning Jurisdiction of La Vista
 Outside the City Limits and Zoning Jurisdiction, but within Sarpy County

6. PUBLIC BENEFIT: Describe and quantify to the extent possible any public benefits the City can expect to realize from its participation in the proposed project: See attached.

7. PERSONAL FINANCIAL STATEMENT:

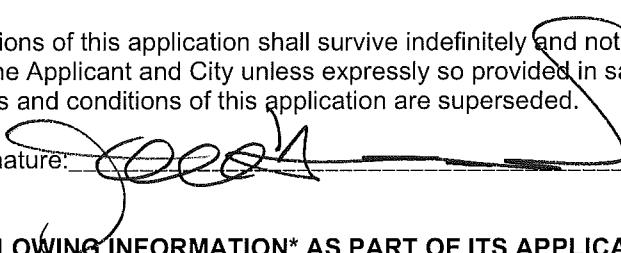
Complete the attached personal Financial Statement Form for each person owning 20% or more of the business or current beneficial interests of Applicant. N/A

The Program Administrator may use any method he or she determines appropriate to verify the information provided by the Applicant, including, but not limited to the following: credit checks, Dun & Bradstreet reports, examination of internal records and audit reports, and any other reasonable methods as determined by the Program Administrator. Applicant hereby authorizes and consents to any such methods the Program Administrator uses.

Applicant represents and certifies to City that the information provided in and with this application is to the best of Applicant's knowledge and belief current, accurate and complete and is provided so the City can assess the Applicant and proposed project under the City's Economic Development Program, and the City's participation therein. Applicant acknowledges receiving a copy of the City's Economic Development Program, all provisions of which are incorporated herein by this reference, and agrees to be bound by and act in accordance with the Program, as amended from time to time, and all requirements now or hereafter established by the Program, Program Administrator, City or its officials or employees, and to provide City such further information and assurances, and access to Applicant's records of or related to this application or this project, as from time to time requested. Applicant further agrees to provide such additional application and other information as required by the City if the City considers Applicant for a loan under the Economic Development Program, and Applicant agrees to supplement this application for any subsequent material development or information that Applicant becomes aware of that is related to the proposed project or any information reported in or with this application. Any information Applicant subsequently provides City shall be and become a part of this application.

Applicant agrees that all terms and conditions of this application shall survive indefinitely and not be superseded by any subsequent agreement between the Applicant and City unless expressly so provided in said agreement by specific reference stating that the terms and conditions of this application are superseded.

Dated: 11-22-04

Signature: 

APPLICANT SHALL ATTACH THE FOLLOWING INFORMATION* AS PART OF ITS APPLICATION:

- (1) A brief description of the Applicant's business, history, and relevant experience, expertise, organization, management, key managers/employees, contingency/succession plans or processes and other resources as related to the project. See attached.
- (2) List of other projects of Applicant that are similar to the proposed project with City. Identify any of those projects for which actual aggregate gross revenues during the first five years of operations were 5% greater or lesser than revenues initially projected for the project for the same period. By year, specify the percentage and reasons for the variances. See attached.
- (3) For the current and last 4 calendar years, description of any actual or potential litigation that is material, or arises out of, results from or involves a project like the project Applicant proposes with City. N/A.
- (4) Complete set of current organizational documents, and any amendments thereto, of Applicant and any parent, subsidiary, affiliate or other person or entity that Applicant proposes to have any role in the proposed project. See attached.
- (5) SBA Form 4. See attached.
- (6) Business plan of the Applicant which includes financial projections for the next three years and takes into account and identifies known and reasonably possible business, industry, financial and nonfinancial opportunities, risks, developments and assessments that could affect the project or Applicant. See attached.
- (7) Signed copies of the most recent three years' federal tax returns of Applicant and any parent, subsidiary, affiliate or other person or entity that Applicant proposes to have any role in the proposed project, or all years where the Applicant or such other person or entity has been in existence for less than three years. See attached.
- (8) Signed copies of financial statements of the Applicant and any parent, subsidiary, affiliate or other person or entity that Applicant proposes to have any role in the proposed project for the three most recent fiscal years, or all fiscal years where the Applicant or such other person or entity has been in existence for less than three years. See attached.
- (9) Where the Applicant or any parent, subsidiary, affiliate or other person or entity that Applicant proposes to have any role in the proposed project is a closely held entity or trust, signed balance sheets from the holders or beneficial owners of more than 20% of the ownership or current beneficial interests in the entity or trust. See #8 above.
- (10) Current statement of projected cash flows of Applicant and City from project for the duration of the project. If Applicant does not have sufficient information to produce a statement of City cash flows, Applicant must provide the information needed to produce a statement of such City cash flows. See attached Pro Formas for each project.
- (11) Clearly identify, and if possible segregate, any information submitted with the application that Applicant prefers to remain confidential in accordance with La Vista Municipal Code Sections 33.70 et seq. As a condition to the City accepting such information, an Applicant might be required to enter a written agreement concerning the information and the conditions under which it will be held and disclosed by the City. In any event, the City cannot guaranty the confidentiality of any information submitted with the City. See attached.
- (12) Other information as from time to time requested by the Program Administrator or the Application Review Committee. Please advise if additional information is requested.

(13) All other information that Applicant knows or is aware of that is material to Applicant, its operations, the proposed project or information provided by Applicant in or with the application.

Please advise if additional information is requested.

* The Program Administrator may waive the furnishing of all or any portion of the above items or any other requirement where the Program Administrator is able to obtain reasonable assurances as to the stability of the qualifying business from other reliable sources or information, including audited financial statements and filings with regulatory agencies (i.e. SEC filings).

The Program Administrator may also waive the furnishing of all or any portion of the above items where the qualifying business agrees that no funds shall be paid to or for the benefit of the qualifying business until the qualifying business has performed according to agreed upon criteria.

The Program Administrator may use any method he or she determines appropriate to verify the information provided by the applicant, including, but not limited to the following: credit checks, Dun & Bradstreet reports, examination of internal records and audit reports, and any other reasonable methods as determined by the Program Administrator.

**ECONOMIC DEVELOPMENT APPLICATION
for
LaVISTA, NEBRASKA PROJECT**

Embassy Suites, Courtyard and Conference Center

A. APPLICANT INFORMATION:

Name of Applicant:

** or John Q. Hammons, Trustee of The Revocable Trust of John Q. Hammons, dated December 28, 1989, as Amended and Restated

Ownership Identification: List all officers, directors, partners, owners, co-owners, stockholders, trustees, co-trustees and beneficiaries.

Name

** will guaranty obligations to the City under the Economic Development Program, both personally and as Trustee of The Revocable Trust of John Q. Hammons, dated December 28, 1989, as Amended and Restated

Personnel: Attach list of starting wages for FTE and Seasonal Positions.

The undersigned applicant certifies that the hotel/conference center development described in this application will benefit low to moderate income persons through job creation or job retention, or both, as evidenced by the employment of persons, the majority of whom will be low to moderate income persons (as defined by the City, but generally defined as members of a family where the family has an income equal to or less than the most recent HUD-established income limits for the family residence location). Furthermore, if applicant employs people and carries on activities in more than one city in Nebraska or will do so at any time during the first year following its application under the City of La Vista Economic Development Program, applicant hereby certifies that, in each such city, applicant shall maintain employment for the first two years following the date the applicant begins operations in the City of La Vista as a participant in the City's Economic Development Program at a level not less than its average employment in such city over the twelve-month period preceding participation.

Does Applicant employ, or will it employ within the year after this application is submitted, people in more than one city in Nebraska? **Yes**. If "Yes," complete the following:

All numbers are in FTE's:

City	<u>Current Year</u>	<u>Next Year</u>	<u>In 2 Years</u>
	2006	2007	2008
Lincoln Embassy Suites	117.26	120	125
Omaha Embassy Suites	124.97	130	136

B. PROPOSED PROJECT INFORMATION:

1. **Describe Proposed Project, and Applicant and City Participation:**

Applicant would construct in Southport West a full service hotel and conference center facility comprised of an Embassy Suites Hotel with 257 guest suites, with an adjacent conference center having approximately 80,000 gross square feet, and adjacent limited service Marriott Courtyard having 221 guest rooms.

Applicant has acquired or is in the process of acquiring the land required for the hotel/conference center development. Applicant will acquire, construct, equip, own and operate all of the hotel, conference center and related facilities. Applicant will directly pay or obtain private financing to pay approximately 80% of the nearly \$100 million estimated cost of the project. For the City's part, the applicant is seeking a \$3 million grant for land for the conference center and parking, and a loan in principal amount equal to 80% of the cost of the conference center and parking, but not to exceed \$18 million, under the City's economic development program. Applicant will directly pay or independently finance all costs of the conference center and parking in excess of \$18 million.

The applicant believes this to be an extraordinary opportunity for the City to obtain an upscale hotel/conference center development, with significantly less exposure than commonly required of municipalities in these types of developments and originally proposed by the applicant in a 2004 terms sheet. Under the 2004 terms sheet, the City would have been responsible for constructing, owning, operating and upkeep of the conference center and parking. This would have required the City to pay approximately \$18 million for the conference center. The City only would have recouped approximately 20% of this amount. Further, the City would have been responsible for costs of regular upkeep and maintenance, which, is estimated to be more than \$30 million over the life of the facility. The deal as originally proposed is a common form of municipal participation in development of full service hotels.

Under this current application the applicant is proposing, the City would stand to recoup approximately 85% of its investment in the project at the end of 7 years, plus interest payments over the life of the loan until principal repayment. Further, the City would not be responsible for upkeep and maintenance of the conference center. The developer of this project, Mr. John Q. Hammons, would personally guarantee obligations to the City.

2. **Initial Applicant/City Participation:**

See attached.

4. **On Going Applicant/City Participation:** Attach schedule of projected annual costs and expenses associated with the project that will be required in addition to those already specified in "B2" above, segregated by Applicant and City responsibility.

See attached capital replacement and repair schedule (Confidential), all of which costs applicant will be responsible for paying. City would not be expected to make any additional contributions to the project beyond the initial grant and loan described in B2 above.

6. **Public Benefit:** Describe and quantify to the extent possible any public benefits the City can expect to realize from its participation in the proposed project:

Public benefits would include direct sales, property and occupation tax receipts for many years from project. Financial projections are being submitted for the project with this application so the City can calculate estimated tax receipts from the project. In addition, the project will provide quality hotel and conference room facilities that currently are not available in La Vista or immediate vicinities of Sarpy County. Finally, it is expected that a project of this magnitude will be a catalyst for further desirable development in Southport East and West and bring additional services and benefits to La Vista and its residents, as well as resulting in additional tax revenues to the City.

APPLICANT SHALL ATTACH THE FOLLOWING INFORMATION* AS PART OF ITS APPLICATION:

(1) A brief description of the Applicant's business, history, and relevant experience, expertise, organization, management, key managers/employees, contingency/succession plans or processes and other resources as related to the project.

For a brief overview of our industry, company history, a brief presentation on our company, and the awards received by Mr. Hammons and our company please refer to our web site at <http://www.jqhhotels.com/home.aspx>. In addition, you will also be able to review the Historical Timeline for our company and brief information on our management team.

Succession plans for the property are, we will promote internal candidates for our General Manager, and typically Assistant General Manager and Director of Sales. The

other management team members are recruited from the hospitality and lodging industry. These positions are human resources manager, chief engineer, executive housekeeper, bookkeeper, and banquets manager.

The majority of the line and management team positions will be recruited from the local labor market.

(2) List of other projects of Applicant that are similar to the proposed project with City. Identify any of those projects for which actual aggregate gross revenues during the first five years of operations were 5% greater or lesser than revenues initially projected for the project for the same period. By year, specify the percentage and reasons for the variances.

This project is unique from other John Q. Hammons projects in that it involves multiple hotels and a convention center that are all owned by our company. In other instances, the convention centers are publicly owned and have one hotel and therefore, the revenue numbers are dramatically different.

(3) For the current and last 4 calendar years, description of any actual or potential litigation that is material, or arises out of, results from or involves a project like the project Applicant proposes with City.

N/A.

(4) Complete set of current organizational documents, and any amendments thereto, of Applicant and any parent, subsidiary, affiliate or other person or entity that Applicant proposes to have any role in the proposed project.

See attached.

(5) SBA Form 4.

Bank of Business Account and Address:

Empire Bank
Attn: Mike Williamson
1800 S. Glenstone Avenue
Springfield, MO 65806
(417) 881-3100

(6) Business plan of the Applicant which includes financial projections for the next three years and takes into account and identifies known and reasonably possible business, industry, financial and nonfinancial opportunities, risks, developments and assessments that could affect the project or Applicant.

Applicant is working on the feasibility of providing a business plan. Applicant certifies that there is nothing in its business plan that presents risks to the City that are

extraordinary or beyond the normal scope of risks ordinarily understood to be associated with a project such as the one described in this application.

(7) Signed copies of the most recent three years' federal tax returns of Applicant and any parent, subsidiary, affiliate or other person or entity that Applicant proposes to have any role in the proposed project, or all years where the Applicant or such other person or entity has been in existence for less than three years.

See attached.

(8) Signed copies of financial statements of the Applicant and any parent, subsidiary, affiliate or other person or entity that Applicant proposes to have any role in the proposed project for the three most recent fiscal years, or all fiscal years where the Applicant or such other person or entity has been in existence for less than three years.

See attached.

(9) Where the Applicant or any parent, subsidiary, affiliate or other person or entity that Applicant proposes to have any role in the proposed project is a closely held entity or trust, signed balance sheets from the holders or beneficial owners of more than 20% of the ownership or current beneficial interest in the entity or trust.

See (8) above.

(10) Current statement of projected cash flows of Applicant and City from project for the duration of the project. If Applicant does not have sufficient information to produce a statement of City cash flows, Applicant must provide the information needed to produce a statement of such City cash flows.

See attached Pro Formas for each project.

(11) Clearly identify, and if possible segregate, any information submitted with the application that Applicant prefers to remain confidential in accordance with La Vista Municipal Code Sections 33.70 et seq. As a condition to the City accepting such information, an applicant might be required to enter a written agreement concerning the information and the conditions under which it will be held and disclosed by the City. In any event, the City cannot guaranty the confidentiality of any information submitted with the City.

All information contained in the attached documents that have been stamped "CONFIDENTIAL" is proprietary or commercial, and confidential. The disclosure of such information is strictly prohibited, except for disclosure, as the City Administrator of the City determines necessary or appropriate, to designees of the City for purposes of any analysis, assessment or decision of the City in any way related to the project, or disclosure of any such analysis, assessment or decision incorporating or including any such information.

(12) Other information as from time to time requested by the Program Administrator or the Application Review Committee.

Please advise if additional information is needed.

(13) All other information that Applicant knows or is aware of that is material to Applicant, its operations, the proposed project or information provided by Applicant in or with the application.

Please advise if additional information is needed.

2. **Initial Applicant/City Participation:**

See attached.

	APPLICANT SHARE	CITY SHARE	TOTAL COST
Land Acquisition	\$ _____	\$ 3,000,000 ¹	\$ _____
Building Acquisition/Renovation	\$ _____	\$ _____	\$ _____
New Facility Construction	\$ _____	\$ 18,000,000 ²	\$ _____
Infrastructure	\$ _____	\$ _____	\$ _____
Acquisition of Machinery/Equipment	\$ _____	\$ _____	\$ _____
Acquisition of Furniture/Fixtures	\$ _____	\$ _____	\$ _____
Working Capital (includes Inventory)	\$ _____	\$ _____	\$ _____
TOTAL	\$ _____	\$ 21,000,000	\$ _____

¹ \$3 million grant for land acquisition.

² \$18 million loan for development, construction, equipping, furnishing, acquiring and financing conference center and parking; to be fully repaid to City in 7-10 years by applicant, with interest.

**APPLICANT SHALL ATTACH THE FOLLOWING INFORMATION* AS PART OF
ITS APPLICATION:**

(1) A brief description of the Applicant's business, history, and relevant experience, expertise, organization, management, key managers/employees, contingency/succession plans or processes and other resources as related to the project.



John Q Hammons
HOTELS & RESORTS

JOHN Q. HAMMONS

Founder, Chairman and Chief Executive Officer
John Q. Hammons Hotels & Resorts, LLC

For 48 years, John Q. Hammons has been a leading innovator in the lodging industry. He is well known for his shrewd market analysis and for creating signature-style full-service hotels featuring atrium lobbies, expansive meeting and convention space, large guest rooms, podium check-in stations and complete business traveler amenities. Over the years, Hammons has developed 171 hotel properties in 40 states.

A Missouri native, Hammons grew up during the Great Depression near Joplin. He earned his degree from Southwest Missouri State University (SMSU) in nearby Springfield and began his professional career as a junior high school teacher in Cassville. Widely known as an advocate of education, Hammons holds honorary doctorate degrees from SMSU, Drury University and Northwood University.

Following his service in the U.S. military, Hammons recognized that G.I.s returning from World War II would need quality housing in which to raise their families. He began building the first suburban housing in Springfield in the late 1940s and established a number of real estate ventures, including housing tracts, apartment complexes and shopping centers.

Hammons entered the hotel industry in 1958 and joined with Roy E. Winegardner to purchase the first 10 Holiday Inn franchises from founder Kemmons Wilson. Winegardner & Hammons Incorporated (WHI) of Cincinnati, Ohio, a hotel development company, was formed in 1961. By the late 1960s, WHI had constructed nearly three dozen Holiday Inn hotels. Hammons formed John Q. Hammons Hotels in 1969.

Today, John Q. Hammons Hotels & Resorts, LLC operates properties nationwide under the following brands: Embassy Suites Hotel, Renaissance, Marriott, Radisson, Residence Inn, Homewood Suites, Holiday Inn and Hampton Inn & Suites. The company owns or manages 65 hotels in 23 states and is considered to be the leading independent manager of hotel meeting space in the country, with more than 1.8 million square-feet of meeting and convention space under management.

Throughout his 48 years in the hotel industry, Hammons has been honored with countless awards for his achievements as not only a hotelier, but also as a philanthropist. The November 2003 issue of *HOTELS* magazine featured Hammons as "Corporate Hotelier of the World," an annual award that recognizes excellence in establishment and maintenance of high-quality service and standards, demonstration of management skills, volunteer efforts to support industry committees and local charities, as well as support of educational endeavors.

-MORE-

Additionally, in March 2002, the Hilton Hotels Corporation presented Hammons with the Connie Award (named after founder Conrad N. Hilton), which is usually bestowed internally within the Hilton organization. Recognizing him as one of the most committed developers of the Embassy Suites Hotel brand, Hilton Hotels selected Hammons for his dedication and loyalty to the Hilton organization, as well as his impressive philanthropic efforts in Springfield.

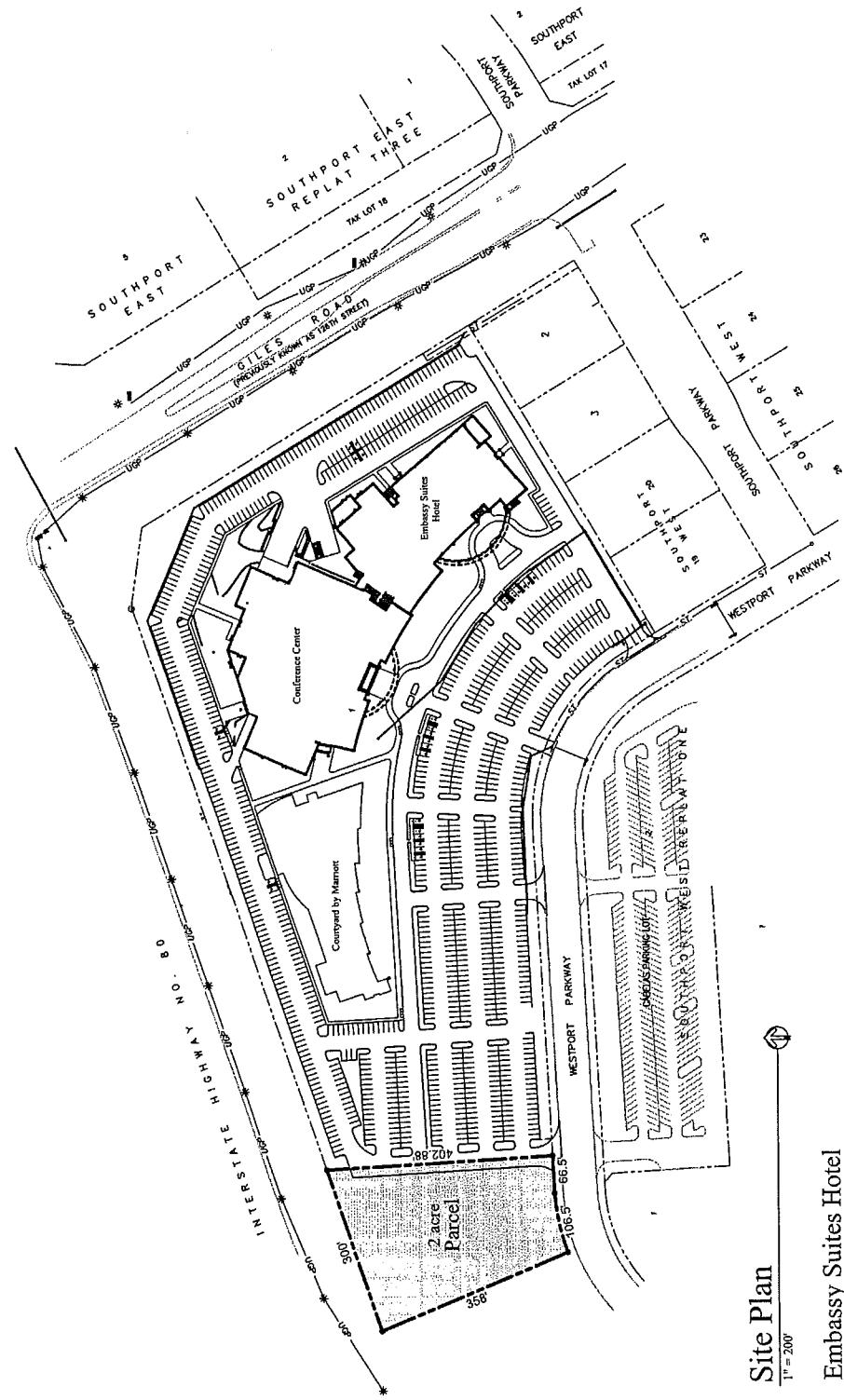
Hilton Hotels also recognized Hammons in March 2004 as the 2003 Embassy Suites Hotel Developer of the Year for developing properties that enhance the brand's image. To be considered, all hotels in Hammons' Hilton Family portfolio had to be rated high quality and in good status.

Hammons and former business partner, Roy E. Winegardner, were presented with a Lifetime Achievement Award during ceremonies at the 15th Annual Industry Investment Conference at the Century Plaza Hotel and Tower in Los Angeles the fall of 2000. The award was sponsored by the University of California in Los Angeles Extension.

In October 2003, *USA TODAY*'s Newspapers in Education Program honored Hammons with an appreciation award for his ongoing commitment to Springfield-area school students. Since 1993, he has dedicated a portion of funds to provide more than 706,600 copies of *USA TODAY* to more than 5,464 schools and 682 teachers, to inspire student education of current events.

Hammons and his wife, Juanita, live in Springfield and are active in the community, funding the Hammons Heart Institute and Hammons Life Line helicopter for St. John's Regional Health Center; the Hammons Student Center, Hammons Fountains and Juanita K. Hammons Hall for the Performing Arts at Southwest Missouri State University; the Hammons School of Architecture at Drury University and the recently opened Hammons Field, a 10,000-seat Double-A Minor League baseball stadium which will be home to the St. Louis Cardinals' Double-A Minor League team, the Springfield Cardinals, for the 2005 inaugural season.

#



Site Plan

Embassy Suites Hotel
Courtyard by Marriott
and Convention Center
La Vista, Nebraska
11-3-06

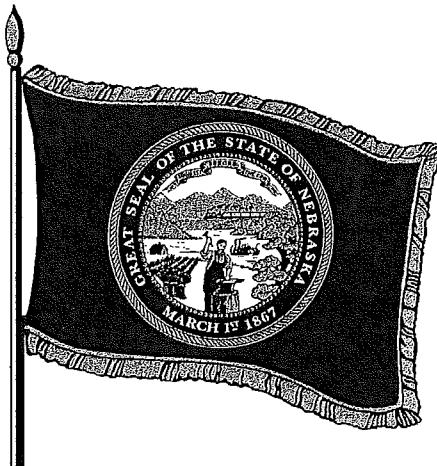
**APPLICANT SHALL ATTACH THE FOLLOWING INFORMATION* AS PART OF
ITS APPLICATION:**

(4) Complete set of current organizational documents, and any amendments thereto, of Applicant and any parent, subsidiary, affiliate or other person or entity that Applicant proposes to have any role in the proposed project.

STATE OF

NEBRASKA

United States of America,
State of Nebraska } ss.



Department of State
Lincoln, Nebraska

I, John A. Gale, Secretary of State of Nebraska do hereby certify;

the attached is a true and correct copy of the Certificate of Authority
to transact business in the State of Nebraska for

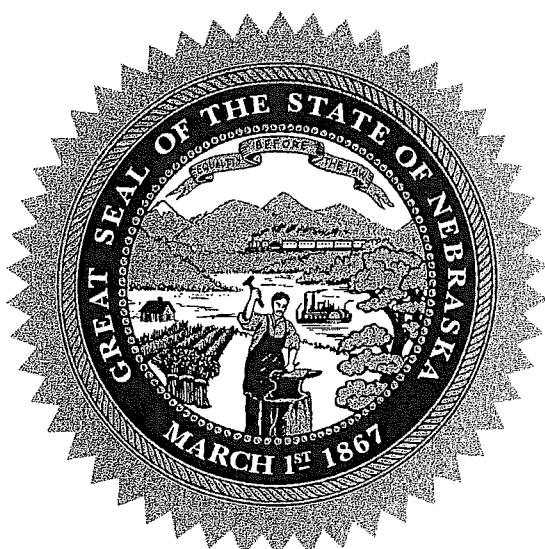
JQH - LA VISTA III DEVELOPMENT, LLC

a Missouri limited liability company, as filed in this office on
April 7, 2006.

I further certify that said limited liability company is hereby
authorized to transact business in the State of Nebraska.

In Testimony Whereof,

I have hereunto set my hand and
affixed the Great Seal of the State
of Nebraska on April 7, 2006.

A handwritten signature of John A. Gale is written over a horizontal line. The signature is cursive and appears to read "John A. Gale".

SECRETARY OF STATE

**APPLICATION FOR CERTIFICATE
OF AUTHORITY
LIMITED LIABILITY COMPANY
(FOREIGN)**
Submit in Duplicate

John A. Gale, Secretary of State
Room 1301 State Capitol, P.O. Box 94608
Lincoln, NE 68509
(402) 471-4079
<http://www.sos.state.ne.us>

An original certificate of good standing from the appropriate authority in the jurisdiction or state under whose laws the limited liability company was organized must be filed with this document.

NOTE: A certified copy of the company's articles of organization may not be filed in lieu of a certificate of good standing.

Name of Limited Liability Company JQH - LaVista III Development, LLC

Address of Principal Business office:

300 John Q. Hammons Pkwy., Ste. 900, Springfield, MO 65806

Street Address

City

State

Zip

Organized under the laws of the State of Missouri

Date of Organization March 15, 2006

Nature of the Business or purposes to be conducted or promoted in this state:

To own, develop, construct, manage and operate full service or extended-stay hotel projects, including any adjacent convention facilities, condo/hotels, restaurants and ancillary retail components properties.

Name and address of registered agent in Nebraska:

Registered Agent Name: CSC-Lawyers Incorporating Service Company

Address: 1900 First Bank Building, 233 South 13th St., Lincoln NE 68508

Street Address

City

Zip

John Q. Hammons
Signature of Member

By: John Q. Hammons Hotels Development, LLC, it's sole
Printed name of Member
By: John Q. Hammons, Manager

FILING FEE: \$120.00

Revised 12/19/2000

Neb. Rev. Stat. 21-2638

STATE OF MISSOURI



Robin Carnahan
Secretary of State

CERTIFICATE OF ORGANIZATION

WHEREAS,

JQH - La Vista III Development, LLC
LC0724416

filed its Articles of Organization with this office on the 15th day of March, 2006, and that filing was found to conform to the Missouri Limited Liability Company Act.

NOW, THEREFORE, I, ROBIN CARNAHAN, Secretary of State of the State of Missouri, do by virtue of the authority vested in me by law, do certify and declare that on the 15th day of March, 2006, the above entity is a Limited Liability Company, organized in this state and entitled to any rights granted to Limited Liability Companies.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 15th day of March, 2006.

A handwritten signature of Robin Carnahan in black ink.

Secretary of State





State of Missouri
Robin Carnahan, Secretary of State

Corporations Division
P.O. Box 778 / 600 W. Main Street, Rm 322
Jefferson City, MO 65102

File Number: 200607453218
LC0724416
Date Filed: 03/15/2006
Robin Carnahan
Secretary of State

Articles of Organization

(Submit with filing fee of \$105)

1. The name of the limited liability company is:

JQH - La Vista III Development, LLC

(Must include "Limited Liability Company," "Limited Company," "LC," "L.C.," "L.L.C.," or "LLC")

2. The purpose(s) for which the limited liability company is organized: Own, develop, construct, manage and operate a full service hotel, and any other lawful purposes

3. The name and address of the limited liability company's registered agent in Missouri is:

CSC - Lawyers Incorporating Service Co., 221 Bolivar Street, Jefferson City, MO 65101

Name

Street Address: *May not use P.O. Box unless street address also provided*

City/State/Zip

4. The management of the limited liability company is vested in: managers members *(check one)*

5. The events, if any, on which the limited liability company is to dissolve or the number of years the limited liability company is to continue, which may be any number or perpetual: perpetual

(The answer to this question could cause possible tax consequences. you may wish to consult with your attorney or accountant)

6. The name(s) and street address(es) of each organizer *(P.O. Box may only be used in addition to a physical street address):*
(Organizer(s) are not required to be member(s), manager(s) or owner(s))

Debra M. Shantz, Esq., 300 John Q. Hammons Parkway, Suite 900, Springfield, MO 65806

7. The effective date of this document is the date it is filed by the Secretary of State of Missouri, unless you indicate a future date, as follows: _____

(Date may not be more than 90 days after the filing date in this office)

In Affirmation thereof, the facts stated above are true and correct:

(The undersigned understands that false statements made in this filing are subject to the penalties provided under Section 575.040, RSMo)

Organizer Signature

Debra M. Shantz

03/08/06

Printed Name

Date

Organizer Signature

Printed Name

Date

Organizer Signature

Printed Name

Date

Name and address to return filed document:

**State of Missouri
Creation - LLC/LP 1 Page(s)**

Name: _____
Address: _____
City, State, and Zip Code: _____



T0607442412

DECLARATION OF
JQH – LA VISTA III DEVELOPMENT, LLC

THIS DECLARATION (the "Declaration") is made and entered into this 15th day of March, 2006, John Q. Hammons, as Trustee of the Revocable Trust of John Q. Hammons, dated December 28, 1989, as amended and restated (hereinafter sometimes referred to as "Declarant").

W I T N E S S E T H:

WHEREAS, Declarant desires to form a one member limited liability company (the "Company") under The Missouri Limited Liability Company Act (the "Act"), for the purpose of ownership, construction and operation of a full-service hotel or hotels and related facilities; and

WHEREAS, as provided in the Act, this Declaration is the written declaration by the Declarant, as the sole member of the Company, concerning the conduct of the business and affairs of the Company;

NOW, THEREFORE, in consideration of the premises, the Declarant hereby declares the following:

ARTICLE I
FORMATION

Declarant hereby forms a limited liability company pursuant to the Act, to be managed by a manager ("Manager") as designated, appointed or elected herein. Unless the Act expressly provides that the Act supersedes any provision contained in this Declaration, the terms and conditions of this Declaration shall apply. Declarant hereby ratifies the Articles of Organization (the "Articles") filed in the Office of the Secretary of State for the State of Missouri on the 15th day of March, 2006 (the "Effective Date"), with respect to the Company, a copy of which is attached hereto as Exhibit "A", and made a part hereof by this reference. The interest of any member in the Company (the Declarant and any substituted or additional members being hereinafter referred to individually sometimes as a "Member" and collectively as the "Members") shall be personal property for all purposes. All real or personal property owned by the Company shall be owned by the Company as an entity, and no Member individually shall have any ownership interest in such property. All references to the "Code" refer to the Internal Revenue Code of 1986, as amended.

ARTICLE II
NAME

The name of the Company is JQH – La Vista III Development, LLC. The business and affairs of the Company shall be conducted solely under such name, or under such fictitious names as may be filed by the Manager.

ARTICLE III BUSINESS OF THE COMPANY

The purpose of the Company is ownership, construction and operation of a full-service hotel or hotels and related facilities and any other lawful purpose for which a limited liability company may be formed in the State of Missouri.

ARTICLE IV PRINCIPAL OFFICE

The principal office of the Company shall be 300 John Q. Hammons Parkway, Suite 900, Springfield, MO 65806, or such other place or places as may hereafter be approved by the Manager. The initial registered office of the Company, and the initial registered agent at such office, shall be set forth in the Articles.

ARTICLE V TERM OF THE COMPANY

The term of the Company shall be perpetual, unless the Company shall be sooner dissolved in accordance with the Act, the Articles or this Declaration.

ARTICLE VI ACCOUNTING METHOD, RECORDS, AND FISCAL YEAR

6.1 Accounting Method. The Company shall keep its accounting records and shall report its income for income tax purposes on the cash receipts and disbursements method of accounting or in accordance with generally accepted accounting principles, at the discretion of the Manager.

6.2 Books and Records. All books and records of the Company (including those records required by the Act) shall be maintained at the principal office of the Company.

6.3 Fiscal Year. The fiscal year of the Company shall be the calendar year.

ARTICLE VII CAPITAL CONTRIBUTIONS

7.1 Contributions. The capital account of a Member shall be credited by the amount of money and fair market value of the property contributed by that Member. Simultaneously with the transfer of any property to the capital of the Company, all liabilities encumbering such property, if any, shall be assumed by the Company. All property transferred to the Company by a Member shall be titled into the name of the Company.

7.2 Capital Accounts. A separate capital account shall be maintained for each Member, with the following provisions:

(a) Credits. To each Member's capital account there shall be credited its initial capital contribution to the Company, plus any additional capital contributions by the Member to the Company, such Member's distributive share of profits, and the amount of any Company liabilities that are assumed by such Member.

(b) Debits. To each Member's capital account there shall be debited the amount of money and the fair market value of any property distributed to such Member pursuant to any provision of this Declaration, such Member's distributive share of losses, and the amount of any liabilities of such Member that are assumed by the Company or that are secured by any property contributed by such Member to the Company.

ARTICLE VIII ALLOCATIONS

8.1 Percentage and Membership Interests.

(a) Percentage Interest. A Member's interest in the profits and losses of the Company, and distributions thereof, expressed as a percentage, is hereinafter sometimes referred to as the Member's "Percentage Interest".

(b) Membership Interest. The ownership interest and rights of a member in the Company, including, without limitation, the Member's right to a distributive share of the profits and losses, distributions and the property of the Company, and the right (if any) to consent or approve of any matter submitted for the approval or consent of the Members, is hereinafter sometimes referred to as the Member's "Membership Interest".

8.2 Allocations. For accounting and federal and state income tax purposes, all profits and losses of the Company (including capital gains and losses attributable to the sale or disposition of all or substantially all of the assets of the Company), and all income, deductions and credits, with respect to each fiscal year of the Company, shall be allocated among the Members in accordance with the Percentage Interests held by the Members with respect to such fiscal year. The initial Percentage Interest of the Declarant is 100%. In the event the Percentage Interests of the Members vary during the fiscal year, profits and losses, and distributions thereof, shall be allocated as if the period between such variations were separate years. All items of income and loss shall be considered to have been earned ratably over the fiscal year of the Company, except that gains or losses arising from the disposition of assets shall be taken into account as of the date of said disposition.

ARTICLE IX POWERS, RIGHTS AND DUTIES OF MANAGER

9.1 Management of the Company. The Manager shall be solely responsible for and shall have exclusive control over the management, direction and control of the business affairs of the Company. The Manager need not be a Member. If there is more than one Manager, all obligations of the Managers shall be joined and several. A Manager may be a natural person or an entity.

9.2 Powers of Manager. Subject to the restrictions set forth in this Declaration, the Manager shall have full power to do all things appropriate for carrying out the purposes of the Company, including, but not limited to, the following:

(a) To carry on any activity necessary to or incidental to the accomplishment of the purposes of the Company and in connection therewith, to execute and deliver on behalf of the Company, all contracts, instruments, documents, and undertakings, including, without limitation, checks, drafts, notes and other negotiable instruments, mortgages, deeds of trust, security agreements, financing statements, listing agreements, partnership and operating agreements, documents providing for the acquisition, mortgage, operation, development, improvement or disposition of Company assets, assignments, bills of sale, leases, deeds, settlement statements, closing documents, and other instruments or documents necessary, in the opinion of the Manager, for the operation of any business and the management and sale of any assets owned by the Company;

(b) To open and maintain bank accounts, investment accounts and other arrangements, and to invest any Company funds in bank accounts, time deposits, certificates of deposit, commercial paper or other investments, and otherwise to conduct the banking activities of the Company;

(c) To employ from time to time persons, firms or corporations for the operation and management of various aspects of the Company's business, including, without limitation, agents, contractors, subcontractors, architects, engineers, accountants and attorneys, on such terms and for such compensation as the Manager may determine, notwithstanding the fact that the Manager or any Member may have a financial interest in such firms or corporations;

(d) To make distributions to Members as provided herein;

(e) To prepare and file, or cause to be prepared and filed, all tax returns (if any) and payments relating to income tax, employment taxes, and other taxes imposed upon the Company;

(f) To institute, prosecute, or defend any legal proceeding by or on behalf of the Company; to pay, collect, compromise, arbitrate, or otherwise adjust any and all claims or demands of or against the Company;

(g) To borrow money or otherwise commit the credit of the Company for Company activities, and to voluntarily prepay or extend any such borrowings;

(h) To obtain general liability, property and other insurance for the Company, and to purchase insurance on the life of any Member or any employee of the Company for the benefit of the Company;

(i) To pay all Company debts, obligations and expenses;

(j) To maintain proper books of account for the Company; and

(k) To do and perform all other acts as may be necessary or appropriate for the conduct of the Company's business which are not inconsistent with the Act or this Declaration.

9.3 Exercise of Business Judgment. The Manager shall exercise his or her business judgment in the management of the business, operations and affairs of the Company. However, the Manager does not in any way guarantee the return of the capital contributions or investment in the Company by the Members or a profit for the Members from the operations of the Company. In no event may the Manager possess any property of the Company for other than a purpose of the Company, nor do any act in violation of this Declaration or the Act.

9.4 Liability of Manager. The Manager shall not be liable to the Company or any Member for any losses suffered by the Company or a Member which arise out of any act or omission by the Manager in the exercise of his or her business judgment in managing the affairs of the Company's business; provided, however, that this provision shall not eliminate or limit the liability of the Manager for fraud, bad faith, gross negligence, or other breach of his or her fiduciary duty to the Company.

9.5 Indemnification of Manager. The Company shall indemnify and hold the Manager harmless from any loss, damage, fine, penalty, expense (including attorneys fees), judgment or amount paid in settlement, incurred by the Manager by reason of his or her performance or non-performance of any act concerning the business or investment activities of the Company; provided, however, that (a) there shall be no indemnification in relation to matters as to which the Manager is adjudicated to have been guilty of fraud, bad faith, gross negligence or breach of his or her fiduciary duty to the Company, and (b) any action taken by the Manager under advice of independent legal counsel shall be deemed to be an action taken by him or her in good faith.

9.6 Action by Two or More Managers. In the event there are two (2) or more Managers, unless otherwise expressly provided by the Act, the Articles, or by the terms of this Declaration, the vote, approval or consent of a majority of the Managers, determined on a per capita basis, shall be necessary and sufficient for the Managers to take any action on behalf of the Company that the Managers are authorized to take pursuant to the Act, the Articles or this Declaration.

9.7 Single Manager. If at any time there is only one person serving as a Manager, such Manager shall be entitled to exercise all powers of the Manager as set forth in this Article IX, and all references in this Article and otherwise in this Declaration to "Manager" shall be deemed to refer to such single Manager.

9.8 Restrictions on Manager. The Manager shall not take any of the actions described below without the affirmative vote of a majority of the Members then entitled to vote:

(a) The sale or exchange of all or substantially all of the assets of the Company in a single transaction or in a series of related transactions;

(b) The merger or consolidation of the Company with another entity; or

(c) The doing of any act in violation of this Declaration or the Act.

9.9 Resignation. A Manager may resign at any time by giving written notice to the Members. The resignation of a Manager shall take effect upon receipt of said notice or at such later time as may be specified in the notice.

9.10 Removal of a Manager. A Manager may be removed, with or without cause, by the affirmative vote a majority of the Members then entitled to vote on the matter.

9.11 Vacancies. In the event a Manager resigns, is removed, or otherwise vacates his or her office, the remaining or surviving Manager, if any, shall act as the Manager, or, if there is no surviving or remaining Manager, a new Manager of the Company may be elected by affirmative vote of the majority of the Members. The new Manager elected to fill said vacancy shall have all of the powers of the Manager designated herein. Unless and until the Members appoint a new Manager or Managers as provided in this Section 9.11, the powers of the Managers as set forth herein shall be exercised by the Members as provided in the Act and this Declaration.

9.12 Designation of Initial Manager. The initial Manager of the Company shall be the Revocable Trust of John Q. Hammons dated December 28, 1989, as amended and restated.

ARTICLE X RIGHTS AND OBLIGATIONS OF MEMBERS

10.1 Limitation on Liability. No Member shall be personally liable for any debts or obligations of the Company beyond the Member's initial and additional capital contributions to the Company, except those obligations which have been specifically guaranteed in writing by the Member.

10.2 Voting. Each Member shall be entitled to vote its then applicable Percentage Interest on any matter submitted for the vote, approval or consent of the Members. A Member shall not be entitled to participate in the day to day affairs of the Company, but instead, the Member's right to vote or otherwise participate with respect to matters relating to the Company shall be limited to those matters as to which the express terms of the Act, the Articles or this Declaration vest in the Members the right to so vote or otherwise participate. With respect to any matter requiring the approval or consent of a majority of the Members, such matters shall require the affirmative vote, approval or consent by the Members then having Percentage Interests in excess of one-half (1/2) of the Percentage Interests of all of the Members then entitled to vote on the matter.

10.3 Actions by Members. In exercising their rights as provided herein, the Members may act collectively through meeting and/or written consents. With respect to any meeting of the Members, a Member may vote his or her Percentage Interest in person or by proxy executed in writing by the Member.

ARTICLE XI DISSOLUTION OF THE COMPANY

11.1 Dissolving Events. The Company shall dissolve upon the occurrence of the first of the following events:

- (a) The agreement or declaration in writing of all Members to dissolve the Company;
- (b) The bankruptcy or receivership of the Company; or
- (c) The sale of all or substantially all of the assets of the Company.

11.2 Effects of Dissolution. Upon the dissolution of the Company:

(a) The Company's books shall be closed as of the day of the dissolving event, as if such day were last day of a Company year. The profits and losses of the Company shall be determined for such period ending on such date, and shall be allocated to the Members according to the provisions of Article VIII hereof.

(b) Following the occurrence of a dissolving event, the Company's activities shall be strictly limited to winding up its affairs by selling its assets in an orderly manner (so as to avoid the loss normally associated with forced sales), and applying the proceeds of such sale, together with the other funds held by the Company, to satisfy the Company's outstanding unpaid obligations and the expenses of liquidation. The Company's net assets, after satisfaction of its liabilities and expenses (hereinafter sometimes referred to as "liquidation proceeds"), shall be distributed to the Members as set forth in Section 11.3 hereof. All gains or losses recognized by the Company after the date of the dissolving event attributable to the sale or other disposition of all or substantially all of the Company's assets shall be allocated among the Members according to the provisions of Article VIII hereof. Upon the conclusion of winding up, the appropriate representative of the Company shall execute all documents required by the Act at the time of completion of winding up and file or record such statements with the appropriate officials.

(c) The Manager shall have the authority and responsibility for liquidating the Company in the manner provided herein; provided, however, that if there is no Manager at the time of the dissolving event, a majority of the Members may appoint one or more liquidators (who need not be Members) who shall be vested with the same authority and responsibility to liquidate the Company as would have been held by the Manager.

11.3 Distribution of Liquidation Proceeds. The liquidation proceeds of the Company (less any reasonable portion thereof reserved by the Manager or liquidators for a reasonable time to pay contingent or unforeseen Company liabilities) shall be distributed to the Members in the following priority and order:

- (a) To the Members in satisfaction of, and in proportion to, the relative, positive balances standing in the capital accounts of the Members at the time of distribution, until

there shall have been distributed to the Members liquidation proceeds sufficient to reduce their respective capital accounts to a zero balance; and

(b) Any remaining liquidation proceeds shall be distributed to the Members in accordance with their then applicable Percentage Interests.

11.4 Distributions in Kind. Notwithstanding the provisions of Section 11.2 hereof, if, on the dissolution of the Company, the Manager or the liquidators determine that an immediate sale of part or all of the Company's assets would cause undue loss to the Members, they may either defer for a reasonable time the liquidation of any assets, except those necessary to satisfy the liabilities of the Company to others than Members, or they may distribute to the Members, as tenants in common, and in accordance with Section 11.3 hereof, undivided interests in Company assets in lieu of cash, liquidating only assets which are necessary to satisfy Company liabilities.

11.5 No Recourse Against Members. Except as provided by law or as expressly provided in this Declaration, upon dissolution, each Member shall look solely to the assets of the Company for the return of his or her capital contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the capital contributions of each Member, such Member shall have no recourse against any other Member.

ARTICLE XII GENERAL PROVISIONS

12.1 Binding Effect and Benefits. This Declaration shall be binding upon, and shall inure to the benefit of, and be enforceable by, the Members and their heirs, personal representatives, successors and assigns.

12.2 Notices. All notices under this Declaration shall be in writing and shall be given to the Member entitled by personal service or by certified or registered mail, return receipt requested, except that the notice of any meeting of the Members or the furnishing of any financial statement to the Members may be done by regular mail. Any notice shall be deemed received after twenty-four (24) hours from the date and time of postmark if it is deposited with the United States Mail pursuant to the above (if mailed) or when personally received if the mail service is not used.

12.3 Further Action. The Members shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Declaration.

12.4 Counterparts. This Declaration may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

12.5 Creditors. None of the provisions of this Declaration shall be for the benefit of or enforceable by any creditors of the Company or other third parties.

12.6 Gender and Number. Whenever the context of this Declaration requires, the masculine gender includes the feminine and neuter genders, and vice versa, and the singular number includes the plural, and vice versa.

12.7 Headings. The headings used in this Declaration are for convenience only and shall not be construed in interpreting this Declaration.

12.8 Entire Agreement. This Declaration contains the entire agreement among the Members with respect to the matters of this Declaration and shall supersede and govern all prior agreements, written or oral.

12.9 Severability. All provisions of this Declaration shall be severable. Any provision that, for any reason, is determined to be invalid shall not affect the validity of any other provision of this Declaration.

12.10 Amendments. This Declaration may not be altered, amended or modified except pursuant to a written instrument executed by all Members.

IN WITNESS WHEREOF, the Declarant has executed this Declaration as of the day and year first-above written.

DECLARANT:

THE REVOCABLE TRUST OF JOHN
Q. HAMMONS, DATED DECEMBER 28,
1989, AS AMENDED AND RESTATED



John Q. Hammons, Trustee



State of Missouri
Robin Carnahan, Secretary of State

Corporations Division
P.O. Box 778 / 600 W. Main Street, Rm 322
Jefferson City, MO 65102

File Number: 200601212917
LC0690028
Date Filed: 01/11/2006
Robin Carnahan
Secretary of State

**Statement of Correction for
Limited Liability Company**

(Submit with filing fee of \$10)

1. The name of the limited liability company is:

JQH - La Vista CY Development, LLC.

2. The jurisdiction under whose laws it was organized is:

Missouri.

3. Type of document being corrected (or filed copy thereof attached):

Articles of Organization.

4. Describe the incorrect statement and the reason for the correction:

Articles IV and V should be deleted in their entirety, as the members and management of the limited liability company are referenced within the Declaration of the Company.

5. If the correction is for a foreign limited liability company with regard to an incorrect name, provide a certificate of existence or document of similar import duly authenticated by the appropriate official of the state or country where the foreign llc is registered.

6. Date the original document was filed with the Missouri Secretary of State: 10/06/2005

Month/Day/Year

Please see next page

Name and address to return filed document:

Name: Carrie Bellim, John Q. Hammons Hotels
Address: 300 John Q. Hammons Pkwy, #900
City, State, and Zip Code: Springfield, MO 65806

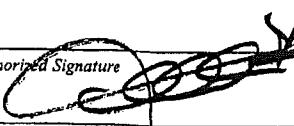
State of Missouri
Statement of Correction 2 Page(s)



T0601155006

In Affirmation thereof, the facts stated above are true and correct:

(The undersigned understands that false statements made in this filing are subject to the penalties provided under Section 575.040, RSMo)

 Revocable Trust of John Q. Hammons dated		
Authorized Signature	Printed Name	Date
December 28, 1989, as amended and restated,		
Authorized Signature	Printed Name	Date
Member, by John Q. Hammons, Trustee 1/10/2006		
Authorized Signature	Printed Name	Date

DECLARATION OF
JQH - LA VISTA CY DEVELOPMENT, LLC

DECLARATION ("Declaration"), made and entered into this 15th day of November, 2005, John Q. Hammons, as Trustee of the Revocable Trust of John Q. Hammons dated December 28, 1989, as amended and restated (hereinafter sometimes referred to as "Declarant").

W I T N E S S E T H:

WHEREAS, Declarant desires to form a one member limited liability company (the "Company") under The Missouri Limited Liability Company Act (the "Act"), for the purpose of ownership, construction and operation of a full-service hotel or hotels and related facilities; and

WHEREAS, as provided in the Act, this Declaration is the written declaration by the Declarant, as the sole member of the Company, concerning the conduct of the business and affairs of the Company;

NOW, THEREFORE, in consideration of the premises, the Declarant hereby declares the following:

ARTICLE I
FORMATION

Declarant hereby forms a limited liability company pursuant to the Act, to be managed by a manager ("Manager") as designated, appointed or elected herein. Unless the Act expressly provides that the Act supersedes any provision contained in this Declaration, the terms and conditions of this Declaration shall apply. Declarant hereby ratifies the Articles of Organization (the "Articles") filed in the Office of the Secretary of State for the State of Missouri on the 6th day of October, 2005, (the "Effective Date"), with respect to the Company, a copy of which is attached hereto as Exhibit "A", and made a part hereof by this reference. The interest of any member in the Company (the Declarant and any substituted or additional members being hereinafter referred to individually sometimes as a "Member" and collectively as the "Members") shall be personal property for all purposes. All real or personal property owned by the Company shall be owned by the Company as an entity, and no Member individually shall have any ownership interest in such property. All references to the "Code" refer to the Internal Revenue Code of 1986, as amended.

ARTICLE II
NAME

The name of the Company is JQH - LA VISTA CY DEVELOPMENT, LLC . The business and affairs of the Company shall be conducted solely under such name, or under such fictitious names as may be filed by the Manager.

ARTICLE III
BUSINESS OF THE COMPANY

The purpose of the Company is ownership, construction and operation of a full-service hotel or hotels and related facilities and any other lawful purpose for which a limited liability company may be formed in the State of MISSOURI.

ARTICLE IV PRINCIPAL OFFICE

The principal office of the Company shall be 300 John Q. Hammons Pkwy, Suite 900, Springfield, MO, 65806, or such other place or places as may hereafter be approved by the Manager. The initial registered office of the Company, and the initial registered agent at such office, shall be set forth in the Articles.

ARTICLE V TERM OF THE COMPANY

The term of the Company shall be perpetual, unless the Company shall be sooner dissolved in accordance with the Act, the Articles or this Declaration.

ARTICLE VI ACCOUNTING METHOD, RECORDS, AND FISCAL YEAR

6.1 Accounting Method. The Company shall keep its accounting records and shall report its income for income tax purposes on the cash receipts and disbursements method of accounting or in accordance with generally accepted accounting principles, at the discretion of the Manager.

6.2 Books and Records. All books and records of the Company (including those records required by the Act) shall be maintained at the principal office of the Company.

6.3 Fiscal Year. The fiscal year of the Company shall be the calendar year.

ARTICLE VII CAPITAL CONTRIBUTIONS

7.1 Contributions. The capital account of a Member shall be credited by the amount of money and fair market value of the property contributed by that Member. Simultaneously with the transfer of any property to the capital of the Company, all liabilities encumbering such property, if any, shall be assumed by the Company. All property transferred to the Company by a Member shall be titled into the name of the Company.

7.2 Capital Accounts. A separate capital account shall be maintained for each Member, with the following provisions:

(a) Credits. To each Member's capital account there shall be credited its initial capital contribution to the Company, plus any additional capital contributions

by the Member to the Company, such Member's distributive share of profits, and the amount of any Company liabilities that are assumed by such Member.

(b) **Debits.** To each Member's capital account there shall be debited the amount of money and the fair market value of any property distributed to such Member pursuant to any provision of this Declaration, such Member's distributive share of losses, and the amount of any liabilities of such Member that are assumed by the Company or that are secured by any property contributed by such Member to the Company.

ARTICLE VIII ALLOCATIONS

8.1 Percentage and Membership Interests.

(a) **Percentage Interest.** A Member's interest in the profits and losses of the Company, and distributions thereof, expressed as a percentage, is hereinafter sometimes referred to as the Member's "Percentage Interest".

(b) **Membership Interest.** The ownership interest and rights of a member in the Company, including, without limitation, the Member's right to a distributive share of the profits and losses, distributions and the property of the Company, and the right (if any) to consent or approve of any matter submitted for the approval or consent of the Members, is hereinafter sometimes referred to as the Member's "Membership Interest".

8.2 **Allocations.** For accounting and federal and state income tax purposes, all profits and losses of the Company (including capital gains and losses attributable to the sale or disposition of all or substantially all of the assets of the Company), and all income, deductions and credits, with respect to each fiscal year of the Company, shall be allocated among the Members in accordance with the Percentage Interests held by the Members with respect to such fiscal year. The initial Percentage Interest of the Declarant is 100%. In the event the Percentage Interests of the Members vary during the fiscal year, profits and losses, and distributions thereof, shall be allocated as if the period between such variations were separate years. All items of income and loss shall be considered to have been earned ratably over the fiscal year of the Company, except that gains or losses arising from the disposition of assets shall be taken into account as of the date of said disposition.

ARTICLE IX POWERS, RIGHTS AND DUTIES OF MANAGER

9.1 **Management of the Company.** The Manager shall be solely responsible for and shall have exclusive control over the management, direction and control of the business affairs of the Company. The Manager need not be a Member. If there is more than one Manager, all

obligations of the Managers shall be joined and several. A Manager may be a natural person or an entity.

9.2 Powers of Manager. Subject to the restrictions set forth in this Declaration, the Manager shall have full power to do all things appropriate for carrying out the purposes of the Company, including, but not limited to, the following:

- (a) To carry on any activity necessary to or incidental to the accomplishment of the purposes of the Company and in connection therewith, to execute and deliver on behalf of the Company, all contracts, instruments, documents, and undertakings, including, without limitation, checks, drafts, notes and other negotiable instruments, mortgages, deeds of trust, security agreements, financing statements, listing agreements, partnership and operating agreements, documents providing for the acquisition, mortgage, operation, development, improvement or disposition of Company assets, assignments, bills of sale, leases, deeds, settlement statements, closing documents, and other instruments or documents necessary, in the opinion of the Manager, for the operation of any business and the management and sale of any assets owned by the Company;
- (b) To open and maintain bank accounts, investment accounts and other arrangements, and to invest any Company funds in bank accounts, time deposits, certificates of deposit, commercial paper or other investments, and otherwise to conduct the banking activities of the Company;
- (c) To employ from time to time persons, firms or corporations for the operation and management of various aspects of the Company's business, including, without limitation, agents, contractors, subcontractors, architects, engineers, accountants and attorneys, on such terms and for such compensation as the Manager may determine, notwithstanding the fact that the Manager or any Member may have a financial interest in such firms or corporations;
- (d) To make distributions to Members as provided herein;
- (e) To prepare and file, or cause to be prepared and filed, all tax returns (if any) and payments relating to income tax, employment taxes, and other taxes imposed upon the Company;
- (f) To institute, prosecute, or defend any legal proceeding by or on behalf of the Company; to pay, collect, compromise, arbitrate, or otherwise adjust any and all claims or demands of or against the Company;
- (g) To borrow money or otherwise commit the credit of the Company for Company activities, and to voluntarily prepay or extend any such borrowings;

(h) To obtain general liability, property and other insurance for the Company, and to purchase insurance on the life of any Member or any employee of the Company for the benefit of the Company;

(i) To pay all Company debts, obligations and expenses;

(j) To maintain proper books of account for the Company; and

(k) To do and perform all other acts as may be necessary or appropriate for the conduct of the Company's business which are not inconsistent with the Act or this Declaration.

9.3 Exercise of Business Judgment. The Manager shall exercise his or her business judgment in the management of the business, operations and affairs of the Company. However, the Manager does not in any way guarantee the return of the capital contributions or investment in the Company by the Members or a profit for the Members from the operations of the Company. In no event may the Manager possess any property of the Company for other than a purpose of the Company, nor do any act in violation of this Declaration or the Act.

9.4 Liability of Manager. The Manager shall not be liable to the Company or any Member for any losses suffered by the Company or a Member which arise out of any act or omission by the Manager in the exercise of his or her business judgment in managing the affairs of the Company's business; provided, however, that this provision shall not eliminate or limit the liability of the Manager for fraud, bad faith, gross negligence, or other breach of his or her fiduciary duty to the Company.

9.5 Indemnification of Manager. The Company shall indemnify and hold the Manager harmless from any loss, damage, fine, penalty, expense (including attorneys fees), judgment or amount paid in settlement, incurred by the Manager by reason of his or her performance or non-performance of any act concerning the business or investment activities of the Company; provided, however, that (a) there shall be no indemnification in relation to matters as to which the Manager is adjudicated to have been guilty of fraud, bad faith, gross negligence or breach of his or her fiduciary duty to the Company, and (b) any action taken by the Manager under advice of independent legal counsel shall be deemed to be an action taken by him or her in good faith.

9.6 Action by Two or More Managers. In the event there are two (2) or more Managers, unless otherwise expressly provided by the Act, the Articles, or by the terms of this Declaration, the vote, approval or consent of a majority of the Managers, determined on a per capita basis, shall be necessary and sufficient for the Managers to take any action on behalf of the Company that the Managers are authorized to take pursuant to the Act, the Articles or this Declaration.

9.7 Single Manager. If at any time there is only one person serving as a Manager, such Manager shall be entitled to exercise all powers of the Manager as set forth in this Article IX, and all references in this Article and otherwise in this Declaration to "Manager" shall be deemed to refer to such single Manager.

9.8 Restrictions on Manager. The Manager shall not take any of the actions described below without the affirmative vote of a majority of the Members then entitled to vote:

- (a) The sale or exchange of all or substantially all of the assets of the Company in a single transaction or in a series of related transactions;
- (b) The merger or consolidation of the Company with another entity; or
- (c) The doing of any act in violation of this Declaration or the Act.

9.9 Resignation. A Manager may resign at any time by giving written notice to the Members. The resignation of a Manager shall take effect upon receipt of said notice or at such later time as may be specified in the notice.

9.10 Removal of a Manager. A Manager may be removed, with or without cause, by the affirmative vote a majority of the Members then entitled to vote on the matter.

9.11 Vacancies. In the event a Manager resigns, is removed, or otherwise vacates his or her office, the remaining or surviving Manager, if any, shall act as the Manager, or, if there is no surviving or remaining Manager, a new Manager of the Company may be elected by affirmative vote of the majority of the Members. The new Manager elected to fill said vacancy shall have all of the powers of the Manager designated herein. Unless and until the Members appoint a new Manager or Managers as provided in this Section 9.11, the powers of the Managers as set forth herein shall be exercised by the Members as provided in the Act and this Declaration.

9.12 Designation of Initial Manager. The initial Manager of the Company shall be the Revocable Trust of John Q. Hammons dated December 28, 1989, as amended and restated.

ARTICLE X RIGHTS AND OBLIGATIONS OF MEMBERS

10.1 Limitation on Liability. No Member shall be personally liable for any debts or obligations of the Company beyond the Member's initial and additional capital contributions to the Company, except those obligations which have been specifically guaranteed in writing by the Member.

10.2 Voting. Each Member shall be entitled to vote its then applicable Percentage Interest on any matter submitted for the vote, approval or consent of the Members. A Member

shall not be entitled to participate in the day to day affairs of the Company, but instead, the Member's right to vote or otherwise participate with respect to matters relating to the Company shall be limited to those matters as to which the express terms of the Act, the Articles or this Declaration vest in the Members the right to so vote or otherwise participate. With respect to any matter requiring the approval or consent of a majority of the Members, such matters shall require the affirmative vote, approval or consent by the Members then having Percentage Interests in excess of one-half (1/2) of the Percentage Interests of all of the Members then entitled to vote on the matter.

10.3 Actions by Members. In exercising their rights as provided herein, the Members may act collectively through meeting and/or written consents. With respect to any meeting of the Members, a Member may vote his or her Percentage Interest in person or by proxy executed in writing by the Member.

ARTICLE XI DISSOLUTION OF THE COMPANY

11.1 Dissolving Events. The Company shall dissolve upon the occurrence of the first of the following events:

- (a) The agreement or declaration in writing of all Members to dissolve the Company;
- (b) The bankruptcy or receivership of the Company; or
- (c) The sale of all or substantially all of the assets of the Company.

11.2 Effects of Dissolution. Upon the dissolution of the Company:

(a) The Company's books shall be closed as of the day of the dissolving event, as if such day were last day of a Company year. The profits and losses of the Company shall be determined for such period ending on such date, and shall be allocated to the Members according to the provisions of Article VIII hereof.

(b) Following the occurrence of a dissolving event, the Company's activities shall be strictly limited to winding up its affairs by selling its assets in an orderly manner (so as to avoid the loss normally associated with forced sales), and applying the proceeds of such sale, together with the other funds held by the Company, to satisfy the Company's outstanding unpaid obligations and the expenses of liquidation. The Company's net assets, after satisfaction of its liabilities and expenses (hereinafter sometimes referred to as "liquidation proceeds"), shall be distributed to the Members as set forth in Section 11.3 hereof. All gains or losses recognized by the Company after the date of the dissolving event attributable to the sale or other disposition of all or substantially all of the Company's assets shall be allocated among the Members according to the provisions of Article VIII hereof. Upon the conclusion of winding up,

the appropriate representative of the Company shall execute all documents required by the Act at the time of completion of winding up and file or record such statements with the appropriate officials.

(c) The Manager shall have the authority and responsibility for liquidating the Company in the manner provided herein; provided, however, that if there is no Manager at the time of the dissolving event, a majority of the Members may appoint one or more liquidators (who need not be Members) who shall be vested with the same authority and responsibility to liquidate the Company as would have been held by the Manager.

11.3 **Distribution of Liquidation Proceeds.** The liquidation proceeds of the Company (less any reasonable portion thereof reserved by the Manager or liquidators for a reasonable time to pay contingent or unforeseen Company liabilities) shall be distributed to the Members in the following priority and order:

(a) To the Members in satisfaction of, and in proportion to, the relative, positive balances standing in the capital accounts of the Members at the time of distribution, until there shall have been distributed to the Members liquidation proceeds sufficient to reduce their respective capital accounts to a zero balance; and

(b) Any remaining liquidation proceeds shall be distributed to the Members in accordance with their then applicable Percentage Interests.

11.4 **Distributions in Kind.** Notwithstanding the provisions of Section 11.2 hereof, if, on the dissolution of the Company, the Manager or the liquidators determine that an immediate sale of part or all of the Company's assets would cause undue loss to the Members, they may either defer for a reasonable time the liquidation of any assets, except those necessary to satisfy the liabilities of the Company to others than Members, or they may distribute to the Members, as tenants in common, and in accordance with Section 11.3 hereof, undivided interests in Company assets in lieu of cash, liquidating only assets which are necessary to satisfy Company liabilities.

11.5 **No Recourse Against Members.** Except as provided by law or as expressly provided in this Declaration, upon dissolution, each Member shall look solely to the assets of the Company for the return of his or her capital contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the capital contributions of each Member, such Member shall have no recourse against any other Member.

ARTICLE XII GENERAL PROVISIONS

12.1 **Binding Effect and Benefits.** This Declaration shall be binding upon, and shall inure to the benefit of, and be enforceable by, the Members and their heirs, personal representatives, successors and assigns.

12.2 **Notices.** All notices under this Declaration shall be in writing and shall be given to the Member entitled by personal service or by certified or registered mail, return receipt requested, except that the notice of any meeting of the Members or the furnishing of any financial statement to the Members may be done by regular mail. Any notice shall be deemed received after twenty-four (24) hours from the date and time of postmark if it is deposited with the United States Mail pursuant to the above (if mailed) or when personally received if the mail service is not used.

12.3 **Further Action.** The Members shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Declaration.

12.4 **Counterparts.** This Declaration may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

12.5 **Creditors.** None of the provisions of this Declaration shall be for the benefit of or enforceable by any creditors of the Company or other third parties.

12.6 **Gender and Number.** Whenever the context of this Declaration requires, the masculine gender includes the feminine and neuter genders, and vice versa, and the singular number includes the plural, and vice versa.

12.7 **Headings.** The headings used in this Declaration are for convenience only and shall not be construed in interpreting this Declaration.

12.8 **Entire Agreement.** This Declaration contains the entire agreement among the Members with respect to the matters of this Declaration and shall supersede and govern all prior agreements, written or oral.

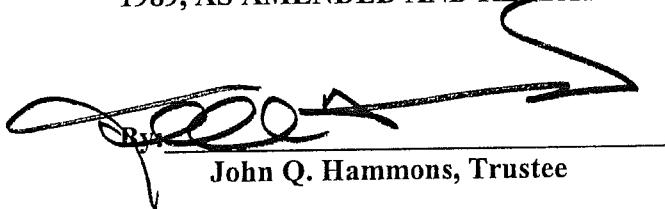
12.9 **Severability.** All provisions of this Declaration shall be severable. Any provision that, for any reason, is determined to be invalid shall not affect the validity of any other provision of this Declaration.

12.10 **Amendments.** This Declaration may not be altered, amended or modified except pursuant to a written instrument executed by all Members.

IN WITNESS WHEREOF, the Declarant has executed this Declaration as of the day and year first-above written.

DECLARANT:

THE REVOCABLE TRUST OF JOHN
Q. HAMMONS DATED DECEMBER 28,
1989, AS AMENDED AND RESTATED



A handwritten signature in black ink, appearing to read "John Q. Hammons", is written over a horizontal line. The signature is fluid and cursive, with a prominent 'J' at the beginning.

John Q. Hammons, Trustee

STATE OF

NEBRASKA

United States of America,
State of Nebraska } ss.



Department of State
Lincoln, Nebraska

I, John A. Gale, Secretary of State of Nebraska do hereby certify;

the attached is a true and correct copy of the Certificate of Authority
to transact business in the State of Nebraska for

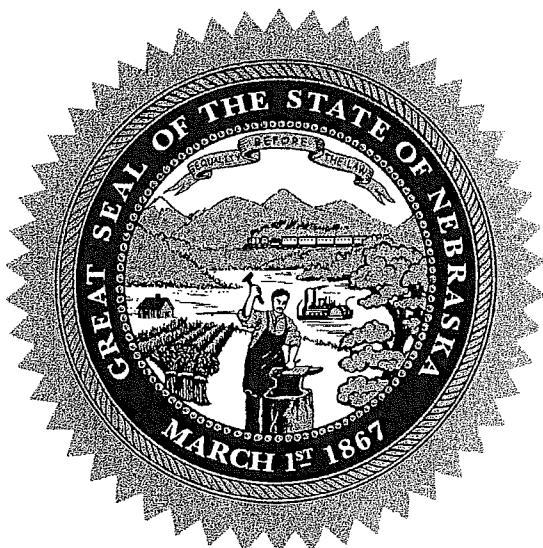
JQH - LAVISTA RI DEVELOPMENT, LLC

a Missouri limited liability company, as filed in this office on
April 7, 2006.

I further certify that said limited liability company is hereby
authorized to transact business in the State of Nebraska.

In Testimony Whereof,

I have hereunto set my hand and
affixed the Great Seal of the State
of Nebraska on April 7, 2006.

A handwritten signature in black ink that reads "John A. Gale".

SECRETARY OF STATE

**APPLICATION FOR CERTIFICATE
OF AUTHORITY
LIMITED LIABILITY COMPANY
(FOREIGN)**
Submit in Duplicate

John A. Gale, Secretary of State
Room 1301 State Capitol, P.O. Box 94608
Lincoln, NE 68509
(402) 471-4079
<http://www.sos.state.ne.us>

An original certificate of good standing from the appropriate authority in the jurisdiction or state under whose laws the limited liability company was organized must be filed with this document.

NOTE: A certified copy of the company's articles of organization may not be filed in lieu of a certificate of good standing.

Name of Limited Liability Company JQH - LaVista RI Development, LLC

Address of Principal Business office:

300 John Q. Hammons Pkwy., Ste. 900, Springfield, MO 65806

Street Address

City

State

Zip

Organized under the laws of the State of Missouri

Date of Organization October 6, 2005

Nature of the Business or purposes to be conducted or promoted in this state:

To own, develop, construct, manage and operate full service or extended-stay hotel projects, including any adjacent convention facilities, condo/hotels, restaurants and ancillary retail components properties.

Name and address of registered agent in Nebraska:

Registered Agent Name: CSC-Lawyers Incorporating Service Company

Address: 1900 First Bank Building, 233 South 13th St., Lincoln NE 68508

Street Address

City

Zip

By: John Q. Hammons Hotels Development, LLC, it's sole member
Printed name of Member

By: John Q. Hammons, Manager

FILING FEE: \$120.00

Revised 12/19/2000

Neb. Rev. Stat. 21-2638



State of Missouri
Robin Carnahan, Secretary of State

Corporations Division
P.O. Box 778 / 600 W. Main Street, Rm 322
Jefferson City, MO 65102

File Number: 200601212918
LC0690029
Date Filed: 01/11/2006
Robin Carnahan
Secretary of State

Statement of Correction for
Limited Liability Company

(Submit with filing fee of \$10)

1. The name of the limited liability company is:

JQH - La Vista RI Development, LLC.

2. The jurisdiction under whose laws it was organized is:

Missouri.

3. Type of document being corrected (or filed copy thereof attached):

Articles of Organization.

4. Describe the incorrect statement and the reason for the correction:

Articles IV and V should be deleted in their entirety, as the members and management of the limited liability company are

referenced within the Declaration of the Company.

5. If the correction is for a foreign limited liability company with regard to an incorrect name, provide a certificate of existence or document of similar import duly authenticated by the appropriate official of the state or country where the foreign llc is registered.

6. Date the original document was filed with the Missouri Secretary of State: 10/06/2005

Month/Day/Year

Please see next page

Name and address to return filed document:

Name: Carrie Bellm, John Q. Hammons Hotels
Address: 300 John Q. Hammons Pkwy, #900
City, State, and Zip Code: Springfield, MO 65806

State of Missouri
Statement of Correction 2 Page(s)



T0601155007

In Affirmation thereof, the facts stated above are true and correct:
(The undersigned understands that false statements made in this filing are subject to the penalties provided under Section 575.040, RSMo)



John Q. Hammons _____

<i>Authorized Signature</i>	<i>Printed Name</i>	<i>Date</i>
Revocable Trust of John Q. Hammons dated		
December 28, 1989, as amended and restated,		
<i>Authorized Signature</i>	<i>Printed Name</i>	<i>Date</i>
Member, by John Q. Hammons, Trustee		
1/10/2006		
<i>Authorized Signature</i>	<i>Printed Name</i>	<i>Date</i>

STATE OF MISSOURI



Robin Carnahan
Secretary of State

AMENDED ARTICLES OF ORGANIZATION

WHEREAS,

JQH - LaVista RI Development, LLC
LC0690029

Formerly,

JQH - LaVista Residence Inn Development, LLC

filed its amended Articles of Organization with this office and WHEREAS that filing was found to conform to the Missouri Limited Liability Company Act;

NOW, THEREFORE, I, ROBIN CARNAHAN, Secretary of State of Missouri, by virtue of authority vested in me by law do hereby certify and declare that the above entity's Articles of Organization are amended.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 7th day of December, 2005.

A handwritten signature of Robin Carnahan in black ink.

Secretary of State





State of Missouri
Robin Carnahan, Secretary of State

Corporations Division
P.O. Box 778 / 600 W. Main Street, Rm 322
Jefferson City, MO 65102

File Number: 200534212919
LC0690029
Date Filed: 12/07/2005
Robin Carnahan
Secretary of State

Amendment of Articles of Organization
(Submit with filing fee of \$25)

1. The current name of the limited liability company is:
JQH - LaVista Residence Inn Development, LLC

2. The effective date of this document is the date it is filed by the Secretary of State of Missouri, unless a future date is indicated, as follows:

(Date may not be more than 90 days after the filing date in this Office)

3. State date of occurrence that required this amendment: December 5, 2005
Month/Day/Year

4. The articles of organization are hereby amended as follows:

Article I: The name of the limited liability company is JQH - LaVista RI Development, LLC.

5. (Check if applicable) This amendment is required to be filed because:

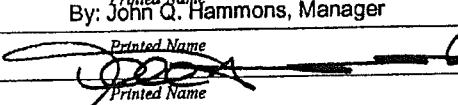
management of the limited liability company is vested in one or more managers where management had not been so previously vested.
 management of the limited liability company is no longer vested in one or more managers where management was previously so vested.
 a change in the name of the limited liability company.
 a change in the time set forth in the articles of organization for the limited liability company to dissolve.

6. This amendment is (check either or both):

authorized under the operating agreement
 required to be filed under the provisions of RSMo Chapter 347

In affirmation thereof, the facts stated above are true:
(The undersigned understands that false statements made in this filing are subject to the penalties provided under Section 575.040, RSMo)

John Q. Hammons Hotels Development, LLC

Authorized Signature	Printed Name By: John Q. Hammons, Manager	Date
Authorized Signature	Printed Name 	Date 12-7-05
Authorized Signature	Printed Name	Date

Name and address to return filed document:

Name: Debra M. Shantz
Address: 300 John Q Hammons Pkwy., Suite 900
City, State, and Zip Code: Springfield, MO 65806

State of Missouri
Amend/Restate - LLC/LP/LLP/LLLP 1 Page(s)



T0534155006

DECLARATION OF
JQH - LA VISTA RI DEVELOPMENT, LLC

DECLARATION ("Declaration"), made and entered into this 15th day of November, 2005, John Q. Hammons, as Trustee of the Revocable Trust of John Q. Hammons dated December 28, 1989, as amended and restated (hereinafter sometimes referred to as "Declarant").

W I T N E S S E T H:

WHEREAS, Declarant desires to form a one member limited liability company (the "Company") under The Missouri Limited Liability Company Act (the "Act"), for the purpose of ownership, construction and operation of a full-service hotel or hotels and related facilities; and

WHEREAS, as provided in the Act, this Declaration is the written declaration by the Declarant, as the sole member of the Company, concerning the conduct of the business and affairs of the Company;

NOW, THEREFORE, in consideration of the premises, the Declarant hereby declares the following:

ARTICLE I
FORMATION

Declarant hereby forms a limited liability company pursuant to the Act, to be managed by a manager ("Manager") as designated, appointed or elected herein. Unless the Act expressly provides that the Act supersedes any provision contained in this Declaration, the terms and conditions of this Declaration shall apply. Declarant hereby ratifies the Articles of Organization (the "Articles") filed in the Office of the Secretary of State for the State of Missouri on the 6th day of October, 2005, (the "Effective Date"), with respect to the Company, a copy of which is attached hereto as Exhibit "A", and made a part hereof by this reference. The interest of any member in the Company (the Declarant and any substituted or additional members being hereinafter referred to individually sometimes as a "Member" and collectively as the "Members") shall be personal property for all purposes. All real or personal property owned by the Company shall be owned by the Company as an entity, and no Member individually shall have any ownership interest in such property. All references to the "Code" refer to the Internal Revenue Code of 1986, as amended.

ARTICLE II
NAME

The name of the Company is JQH - LA VISTA RI DEVELOPMENT, LLC. The business and affairs of the Company shall be conducted solely under such name, or under such fictitious names as may be filed by the Manager.

ARTICLE III
BUSINESS OF THE COMPANY

The purpose of the Company is ownership, construction and operation of a full-service hotel or hotels and related facilities and any other lawful purpose for which a limited liability company may be formed in the State of MISSOURI.

ARTICLE IV PRINCIPAL OFFICE

The principal office of the Company shall be 300 John Q. Hammons Pkwy, Suite 900, Springfield, MO, 65806, or such other place or places as may hereafter be approved by the Manager. The initial registered office of the Company, and the initial registered agent at such office, shall be set forth in the Articles.

ARTICLE V TERM OF THE COMPANY

The term of the Company shall be perpetual, unless the Company shall be sooner dissolved in accordance with the Act, the Articles or this Declaration.

ARTICLE VI ACCOUNTING METHOD, RECORDS, AND FISCAL YEAR

6.1 Accounting Method. The Company shall keep its accounting records and shall report its income for income tax purposes on the cash receipts and disbursements method of accounting or in accordance with generally accepted accounting principles, at the discretion of the Manager.

6.2 Books and Records. All books and records of the Company (including those records required by the Act) shall be maintained at the principal office of the Company.

6.3 Fiscal Year. The fiscal year of the Company shall be the calendar year.

ARTICLE VII CAPITAL CONTRIBUTIONS

7.1 Contributions. The capital account of a Member shall be credited by the amount of money and fair market value of the property contributed by that Member. Simultaneously with the transfer of any property to the capital of the Company, all liabilities encumbering such property, if any, shall be assumed by the Company. All property transferred to the Company by a Member shall be titled into the name of the Company.

7.2 Capital Accounts. A separate capital account shall be maintained for each Member, with the following provisions:

(a) Credits. To each Member's capital account there shall be credited its initial capital contribution to the Company, plus any additional capital contributions

by the Member to the Company, such Member's distributive share of profits, and the amount of any Company liabilities that are assumed by such Member.

(b) **Debits.** To each Member's capital account there shall be debited the amount of money and the fair market value of any property distributed to such Member pursuant to any provision of this Declaration, such Member's distributive share of losses, and the amount of any liabilities of such Member that are assumed by the Company or that are secured by any property contributed by such Member to the Company.

ARTICLE VIII ALLOCATIONS

8.1 Percentage and Membership Interests.

(a) **Percentage Interest.** A Member's interest in the profits and losses of the Company, and distributions thereof, expressed as a percentage, is hereinafter sometimes referred to as the Member's "Percentage Interest".

(b) **Membership Interest.** The ownership interest and rights of a member in the Company, including, without limitation, the Member's right to a distributive share of the profits and losses, distributions and the property of the Company, and the right (if any) to consent or approve of any matter submitted for the approval or consent of the Members, is hereinafter sometimes referred to as the Member's "Membership Interest".

8.2 **Allocations.** For accounting and federal and state income tax purposes, all profits and losses of the Company (including capital gains and losses attributable to the sale or disposition of all or substantially all of the assets of the Company), and all income, deductions and credits, with respect to each fiscal year of the Company, shall be allocated among the Members in accordance with the Percentage Interests held by the Members with respect to such fiscal year. The initial Percentage Interest of the Declarant is 100%. In the event the Percentage Interests of the Members vary during the fiscal year, profits and losses, and distributions thereof, shall be allocated as if the period between such variations were separate years. All items of income and loss shall be considered to have been earned ratably over the fiscal year of the Company, except that gains or losses arising from the disposition of assets shall be taken into account as of the date of said disposition.

ARTICLE IX POWERS, RIGHTS AND DUTIES OF MANAGER

9.1 **Management of the Company.** The Manager shall be solely responsible for and shall have exclusive control over the management, direction and control of the business affairs of the Company. The Manager need not be a Member. If there is more than one Manager, all

obligations of the Managers shall be joined and several. A Manager may be a natural person or an entity.

9.2 Powers of Manager. Subject to the restrictions set forth in this Declaration, the Manager shall have full power to do all things appropriate for carrying out the purposes of the Company, including, but not limited to, the following:

- (a) To carry on any activity necessary to or incidental to the accomplishment of the purposes of the Company and in connection therewith, to execute and deliver on behalf of the Company, all contracts, instruments, documents, and undertakings, including, without limitation, checks, drafts, notes and other negotiable instruments, mortgages, deeds of trust, security agreements, financing statements, listing agreements, partnership and operating agreements, documents providing for the acquisition, mortgage, operation, development, improvement or disposition of Company assets, assignments, bills of sale, leases, deeds, settlement statements, closing documents, and other instruments or documents necessary, in the opinion of the Manager, for the operation of any business and the management and sale of any assets owned by the Company;
- (b) To open and maintain bank accounts, investment accounts and other arrangements, and to invest any Company funds in bank accounts, time deposits, certificates of deposit, commercial paper or other investments, and otherwise to conduct the banking activities of the Company;
- (c) To employ from time to time persons, firms or corporations for the operation and management of various aspects of the Company's business, including, without limitation, agents, contractors, subcontractors, architects, engineers, accountants and attorneys, on such terms and for such compensation as the Manager may determine, notwithstanding the fact that the Manager or any Member may have a financial interest in such firms or corporations;
- (d) To make distributions to Members as provided herein;
- (e) To prepare and file, or cause to be prepared and filed, all tax returns (if any) and payments relating to income tax, employment taxes, and other taxes imposed upon the Company;
- (f) To institute, prosecute, or defend any legal proceeding by or on behalf of the Company; to pay, collect, compromise, arbitrate, or otherwise adjust any and all claims or demands of or against the Company;
- (g) To borrow money or otherwise commit the credit of the Company for Company activities, and to voluntarily prepay or extend any such borrowings;

(h) To obtain general liability, property and other insurance for the Company, and to purchase insurance on the life of any Member or any employee of the Company for the benefit of the Company;

(i) To pay all Company debts, obligations and expenses;

(j) To maintain proper books of account for the Company; and

(k) To do and perform all other acts as may be necessary or appropriate for the conduct of the Company's business which are not inconsistent with the Act or this Declaration.

9.3 Exercise of Business Judgment. The Manager shall exercise his or her business judgment in the management of the business, operations and affairs of the Company. However, the Manager does not in any way guarantee the return of the capital contributions or investment in the Company by the Members or a profit for the Members from the operations of the Company. In no event may the Manager possess any property of the Company for other than a purpose of the Company, nor do any act in violation of this Declaration or the Act.

9.4 Liability of Manager. The Manager shall not be liable to the Company or any Member for any losses suffered by the Company or a Member which arise out of any act or omission by the Manager in the exercise of his or her business judgment in managing the affairs of the Company's business; provided, however, that this provision shall not eliminate or limit the liability of the Manager for fraud, bad faith, gross negligence, or other breach of his or her fiduciary duty to the Company.

9.5 Indemnification of Manager. The Company shall indemnify and hold the Manager harmless from any loss, damage, fine, penalty, expense (including attorneys fees), judgment or amount paid in settlement, incurred by the Manager by reason of his or her performance or non-performance of any act concerning the business or investment activities of the Company; provided, however, that (a) there shall be no indemnification in relation to matters as to which the Manager is adjudicated to have been guilty of fraud, bad faith, gross negligence or breach of his or her fiduciary duty to the Company, and (b) any action taken by the Manager under advice of independent legal counsel shall be deemed to be an action taken by him or her in good faith.

9.6 Action by Two or More Managers. In the event there are two (2) or more Managers, unless otherwise expressly provided by the Act, the Articles, or by the terms of this Declaration, the vote, approval or consent of a majority of the Managers, determined on a per capita basis, shall be necessary and sufficient for the Managers to take any action on behalf of the Company that the Managers are authorized to take pursuant to the Act, the Articles or this Declaration.

9.7 Single Manager. If at any time there is only one person serving as a Manager, such Manager shall be entitled to exercise all powers of the Manager as set forth in this Article IX, and all references in this Article and otherwise in this Declaration to "Manager" shall be deemed to refer to such single Manager.

9.8 Restrictions on Manager. The Manager shall not take any of the actions described below without the affirmative vote of a majority of the Members then entitled to vote:

- (a) The sale or exchange of all or substantially all of the assets of the Company in a single transaction or in a series of related transactions;
- (b) The merger or consolidation of the Company with another entity; or
- (c) The doing of any act in violation of this Declaration or the Act.

9.9 Resignation. A Manager may resign at any time by giving written notice to the Members. The resignation of a Manager shall take effect upon receipt of said notice or at such later time as may be specified in the notice.

9.10 Removal of a Manager. A Manager may be removed, with or without cause, by the affirmative vote a majority of the Members then entitled to vote on the matter.

9.11 Vacancies. In the event a Manager resigns, is removed, or otherwise vacates his or her office, the remaining or surviving Manager, if any, shall act as the Manager, or, if there is no surviving or remaining Manager, a new Manager of the Company may be elected by affirmative vote of the majority of the Members. The new Manager elected to fill said vacancy shall have all of the powers of the Manager designated herein. Unless and until the Members appoint a new Manager or Managers as provided in this Section 9.11, the powers of the Managers as set forth herein shall be exercised by the Members as provided in the Act and this Declaration.

9.12 Designation of Initial Manager. The initial Manager of the Company shall be the Revocable Trust of John Q. Hammons dated December 28, 1989, as amended and restated.

ARTICLE X RIGHTS AND OBLIGATIONS OF MEMBERS

10.1 Limitation on Liability. No Member shall be personally liable for any debts or obligations of the Company beyond the Member's initial and additional capital contributions to the Company, except those obligations which have been specifically guaranteed in writing by the Member.

10.2 Voting. Each Member shall be entitled to vote its then applicable Percentage Interest on any matter submitted for the vote, approval or consent of the Members. A Member

shall not be entitled to participate in the day to day affairs of the Company, but instead, the Member's right to vote or otherwise participate with respect to matters relating to the Company shall be limited to those matters as to which the express terms of the Act, the Articles or this Declaration vest in the Members the right to so vote or otherwise participate. With respect to any matter requiring the approval or consent of a majority of the Members, such matters shall require the affirmative vote, approval or consent by the Members then having Percentage Interests in excess of one-half (1/2) of the Percentage Interests of all of the Members then entitled to vote on the matter.

10.3 Actions by Members. In exercising their rights as provided herein, the Members may act collectively through meeting and/or written consents. With respect to any meeting of the Members, a Member may vote his or her Percentage Interest in person or by proxy executed in writing by the Member.

ARTICLE XI DISSOLUTION OF THE COMPANY

11.1 Dissolving Events. The Company shall dissolve upon the occurrence of the first of the following events:

- (a) The agreement or declaration in writing of all Members to dissolve the Company;
- (b) The bankruptcy or receivership of the Company; or
- (c) The sale of all or substantially all of the assets of the Company.

11.2 Effects of Dissolution. Upon the dissolution of the Company:

(a) The Company's books shall be closed as of the day of the dissolving event, as if such day were last day of a Company year. The profits and losses of the Company shall be determined for such period ending on such date, and shall be allocated to the Members according to the provisions of Article VIII hereof.

(b) Following the occurrence of a dissolving event, the Company's activities shall be strictly limited to winding up its affairs by selling its assets in an orderly manner (so as to avoid the loss normally associated with forced sales), and applying the proceeds of such sale, together with the other funds held by the Company, to satisfy the Company's outstanding unpaid obligations and the expenses of liquidation. The Company's net assets, after satisfaction of its liabilities and expenses (hereinafter sometimes referred to as "liquidation proceeds"), shall be distributed to the Members as set forth in Section 11.3 hereof. All gains or losses recognized by the Company after the date of the dissolving event attributable to the sale or other disposition of all or substantially all of the Company's assets shall be allocated among the Members according to the provisions of Article VIII hereof. Upon the conclusion of winding up,

the appropriate representative of the Company shall execute all documents required by the Act at the time of completion of winding up and file or record such statements with the appropriate officials.

(c) The Manager shall have the authority and responsibility for liquidating the Company in the manner provided herein; provided, however, that if there is no Manager at the time of the dissolving event, a majority of the Members may appoint one or more liquidators (who need not be Members) who shall be vested with the same authority and responsibility to liquidate the Company as would have been held by the Manager.

11.3 Distribution of Liquidation Proceeds. The liquidation proceeds of the Company (less any reasonable portion thereof reserved by the Manager or liquidators for a reasonable time to pay contingent or unforeseen Company liabilities) shall be distributed to the Members in the following priority and order:

(a) To the Members in satisfaction of, and in proportion to, the relative, positive balances standing in the capital accounts of the Members at the time of distribution, until there shall have been distributed to the Members liquidation proceeds sufficient to reduce their respective capital accounts to a zero balance; and

(b) Any remaining liquidation proceeds shall be distributed to the Members in accordance with their then applicable Percentage Interests.

11.4 Distributions in Kind. Notwithstanding the provisions of Section 11.2 hereof, if, on the dissolution of the Company, the Manager or the liquidators determine that an immediate sale of part or all of the Company's assets would cause undue loss to the Members, they may either defer for a reasonable time the liquidation of any assets, except those necessary to satisfy the liabilities of the Company to others than Members, or they may distribute to the Members, as tenants in common, and in accordance with Section 11.3 hereof, undivided interests in Company assets in lieu of cash, liquidating only assets which are necessary to satisfy Company liabilities.

11.5 No Recourse Against Members. Except as provided by law or as expressly provided in this Declaration, upon dissolution, each Member shall look solely to the assets of the Company for the return of his or her capital contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the capital contributions of each Member, such Member shall have no recourse against any other Member.

ARTICLE XII GENERAL PROVISIONS

12.1 **Binding Effect and Benefits.** This Declaration shall be binding upon, and shall inure to the benefit of, and be enforceable by, the Members and their heirs, personal representatives, successors and assigns.

12.2 **Notices.** All notices under this Declaration shall be in writing and shall be given to the Member entitled by personal service or by certified or registered mail, return receipt requested, except that the notice of any meeting of the Members or the furnishing of any financial statement to the Members may be done by regular mail. Any notice shall be deemed received after twenty-four (24) hours from the date and time of postmark if it is deposited with the United States Mail pursuant to the above (if mailed) or when personally received if the mail service is not used.

12.3 **Further Action.** The Members shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Declaration.

12.4 **Counterparts.** This Declaration may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

12.5 **Creditors.** None of the provisions of this Declaration shall be for the benefit of or enforceable by any creditors of the Company or other third parties.

12.6 **Gender and Number.** Whenever the context of this Declaration requires, the masculine gender includes the feminine and neuter genders, and vice versa, and the singular number includes the plural, and vice versa.

12.7 **Headings.** The headings used in this Declaration are for convenience only and shall not be construed in interpreting this Declaration.

12.8 **Entire Agreement.** This Declaration contains the entire agreement among the Members with respect to the matters of this Declaration and shall supersede and govern all prior agreements, written or oral.

12.9 **Severability.** All provisions of this Declaration shall be severable. Any provision that, for any reason, is determined to be invalid shall not affect the validity of any other provision of this Declaration.

12.10 **Amendments.** This Declaration may not be altered, amended or modified except pursuant to a written instrument executed by all Members.

IN WITNESS WHEREOF, the Declarant has executed this Declaration as of the day and year first-above written.

DECLARANT:

**THE REVOCABLE TRUST OF JOHN
Q. HAMMONS DATED DECEMBER 28,
1989, AS AMENDED AND RESTATED**

By:

John Q. Hammons, Trustee