



**BUYER'S ACKNOWLEDGEMENT OF INTRODUCTION AND CONFIDENTIALITY AGREEMENT**

The undersigned prospective purchaser ("Buyer") acknowledges being first introduced to the hotel identified herein by Sunbelt Realty Group, Inc. ("Broker") and requests information relating to the following hotel opportunities:

**Hotels I am interested in: Knights Inn, Northern Indiana #N2975**

Such information shall be provided to the undersigned for the sole purpose of entering into discussions with Seller ("Seller") of said Hotel(s) for the possible purchase by the undersigned of the hotel. The term "Buyer" applies to the undersigned and any partnership, corporation, individual, or other entity with which the undersigned is affiliated. The undersigned agrees as follows:

**1. NON-DISCLOSURE OF INFORMATION:** The undersigned acknowledges that Seller desires to maintain the confidentiality of the information disclosed. The undersigned agrees with Broker not to disclose or permit access to any Confidential Information without the prior written consent of Seller, to anyone other than Buyer's employees, legal counsel, accountants, lenders or other agents or advisors to whom disclosure or access is necessary for Buyer to evaluate the Hotel. Disclosure of Confidential Information shall be made to these parties only in connection with the potential acquisition of the Hotel, and then only if these parties understand and agree to maintain the confidentiality of such Confidential Information. The undersigned shall be responsible for any breach of this Agreement by these parties, and neither Buyer nor these parties shall use or permit the use of Confidential Information in any manner whatsoever, except as may be required for Buyer to evaluate the Hotel or as may be required by legal process. If the Buyer does not purchase the Hotel, Buyer, at the close of negotiations, will destroy or return to Broker (at Broker's option) all information provided to Buyer and will not retain any copy, reproduction, or record thereof.

**2. DEFINITION OF "CONFIDENTIAL INFORMATION":** The term "Confidential Information" shall mean all information including the fact that the Hotel is for sale, all financial, marketing, hotel methods, hotel manuals, procedures, correspondence, processes, data, contracts, customer lists, employee lists and any other information whether written, oral or otherwise made known to Buyer: (a) from any inspection, examination, or other review of the books, records, assets, liabilities, or other financial information of Seller, (b) from communications with Seller or its directors, officers, employees, agents, suppliers, customers or representatives; (c) during visits to Seller's premises, or (d) through disclosure or discovery in any other manner. However, Confidential Information does not include any information which is readily available and known to the public.

**3. DISCLAIMER OF BROKER'S LIABILITY AND BUYER'S RESPONSIBILITY:** When hotel brokers take a hotel to market they receive information about the hotel from the seller, usually including but not limited to tax returns, financial statements, equipment lists and facilities leases. Based on information provided by the seller, brokers often prepare a summary description of the hotel which may include a cash flow projection, an adjusted income statement, or a seller discretionary cash flow statement. Buyer understands that the Broker does not audit or verify any information given to Broker or make any warranty or representation as to its accuracy or completeness, nor in any way guarantee future hotel performance. Buyer is solely responsible to examine and investigate the hotel, its assets, liabilities, financial statements, tax returns, and any other facts which might influence Buyer's decision to purchase or the price Buyer is willing to pay. Any decision by Buyer to purchase the Hotel shall be based solely on Buyer's own investigation and that of Buyer's legal, tax and other advisors. **Broker urges Buyer to obtain independent legal and tax counsel.**

**4. NON-CIRCUMVENTION AGREEMENT:** The Seller has entered into an agreement providing that Seller shall pay a fee to listing Broker if during the term of that agreement or after this agreement, if the Hotel is transferred to a buyer introduced by listing Broker or a cooperating broker. Buyer shall conduct all inquiries into and discussions about the Hotel solely through Broker and shall not directly contact the Seller or the Seller's representatives. Should Buyer purchase all or part of the stock or assets of Hotel, acquire any interest in, or become affiliated in any capacity with Hotel without Broker's participation, or in any way interfere with Brokers right to a fee, Buyer shall be liable to listing broker or cooperating broker for such a fee and any other damages including reasonable arbitration fees, attorney's fees and costs.

**5. FURTHER TERMS:** Neither Buyer nor Buyer's agents will contact Seller's employees, customers, landlords or suppliers without Seller's consent. Now or in the future, Buyer shall not directly or indirectly solicit for employment any employees of Seller. Broker involved is acting as an agent and representative of the Seller in the sale of the Hotel and will be paid by Seller. Seller is specifically intended to be beneficiary of the duties and obligations of this Agreement and may prosecute any action at law or in equity necessary to enforce its terms and conditions as though a party hereto. Seller may assign this Agreement to any new ownership of Hotel. This Agreement can only be modified in writing, signed by both Broker and Buyer. Waiver of any breach of this Agreement shall not be a waiver of any subsequent breach. This Agreement supersedes all prior understandings or agreements between the parties with respect to its subject matter. This Agreement shall be construed under and governed by the laws of the State of Indiana. If Buyer is a corporation, partnership, or other such entity, the undersigned executes this Agreement on behalf of Buyer and warrants that he/she is duly authorized to do so. **Buyer acknowledges receipt of a fully completed copy of this Agreement.**

Signature \_\_\_\_\_ Date \_\_\_\_\_

Name (Please Print) \_\_\_\_\_

E-Mail Address \_\_\_\_\_

Hotel Telephone \_\_\_\_\_ Fax \_\_\_\_\_

Home Address \_\_\_\_\_

Home Telephone \_\_\_\_\_

**Brian Knoderer  
Broker, Sunbelt Realty Group, Inc.**

City, State, Zip \_\_\_\_\_



## Buyer Profile

THE SELLER HAS REQUESTED THAT YOU PROVIDE THE FOLLOWING INFORMATION PRIOR TO RELEASING TO YOU ANY INFORMATION ABOUT THEIR BUSINESS

Do you currently own hotels? \_\_\_\_ If so, what brands? \_\_\_\_\_

Explain all experience you have related to the business you are inquiring about:

\_\_\_\_\_

Please identify all businesses that you've owned:

\_\_\_\_\_

Place a check mark beside each hotel type or brand that interests you:

- |  |   |
|--|---|
| <input type="checkbox"/> Comfort       | <input type="checkbox"/> Turnaround opportunity             |
| <input type="checkbox"/> Holiday Inn   | <input type="checkbox"/> Currently performing               |
| <input type="checkbox"/> Hampton       | <input type="checkbox"/> Limited Service                    |
| <input type="checkbox"/> Clarion Hotel | <input type="checkbox"/> Full Service                       |
| <input type="checkbox"/> Knights Inn   | <input type="checkbox"/> Interstate                         |
| <input type="checkbox"/> Microtel      | <input type="checkbox"/> City Location                      |
| <input type="checkbox"/> Other _____   | <input type="checkbox"/> Gas Stations/Mini Marts/Car Washes |

How much cash do you have to invest? \_\_\_\_\_

What is the MINIMUM you need to get by the first year of owning your own hotel? \_\_\_\_\_

Do you have the flexibility to go without income for a year while building your business? \_\_\_\_\_

Do you already have financing available? \_\_\_\_\_

What is the source of funds for your down payment? \_\_\_\_\_

What is the equity in any real estate you own? \_\_\_\_\_ Will you be borrowing money from friends/family? \_\_\_\_\_

What is your net worth (all assets you own less all debt you owe)? \_\_\_\_\_

Have you ever filed bankruptcy? \_\_\_\_ Had a foreclosure? \_\_\_\_ Had an unpaid civil judgment against you? \_\_\_\_

Is there any reason you might be declined a loan for a hotel acquisition? \_\_\_\_\_

Who will manage the property? \_\_\_\_\_ Would you consider a management company? \_\_\_\_\_

How soon can you close? \_\_\_\_\_

How far from your home are you willing to drive one way to the hotel you will buy? \_\_\_\_\_

Will anyone advise you in the review of hotel records and the decision to purchase any hotel? \_\_\_\_\_

What is your time frame to purchase?  Immediate  No hurry

How long have you been looking for a hotel? \_\_\_\_\_

What hotels have you looked at and why didn't you buy them? \_\_\_\_\_

**Printed Name**

**Signature**

**Date**

**Phone**

I certify that the above information is true and correct and understand that Sellers may rely on my answers in providing information about their business to me and/or entering into a contract with me.