

HOUSTON FIRST CORPORATION
MINUTES OF HOTEL COMMITTEE
NOVEMBER 7, 2012

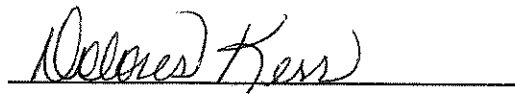
The Hotel Committee of Houston First Corporation (the "Corporation"), a Texas non-profit corporation created and organized by the City of Houston as a local government corporation pursuant to TEX.TRANSP.CODE ANN. §431.101 et seq. and TEX.LOC.GOV'T.CODE ANN §394.001 et seq., held a meeting in the 3rd Floor Executive Conference Room, 1001 Avenida de las Americas, Houston, Harris County, Texas 77010, on Wednesday, November 7, 2012, commencing at 11:30 A.M. Written notice of the meeting including the date, hour, place and agenda for the meeting, was posted in accordance with the Texas Open Meetings Act. The following members participated in the meeting: David Solomon, Joe Ting, Hasu Patel and Dawn Ullrich .

Chairperson Solomon called the meeting to order at approximately 11:40 A.M. and a quorum was established.

1. Approval of Minutes. After a motion duly seconded, the August 31, 2011 were reapproved.
2. Discussion of, and possible action on, Hilton's proposed CY13 budget and capital plans. Joe Palmieri presented an overview of the budgets for calendar year 2013. Discussion followed concerning risk factors of the budget, growth rate and comparisons with previous years. It was noted that Hilton would 'True-up' the budget based on actual numbers for calendar year ending December 31, 2012. After a motion duly seconded, the Committee agreed to recommend Hilton's proposed CY13 budget and capital plans to the Board of Directors.
3. Discussion of, and possible action on, a recommendation to the Board of Directors on the acceptance of the list of obsolete property, presented by Hilton. Chairperson Solomon advised the committee that the Corporation has a policy in place for the disposition of obsolete and excess assets, which will be followed for the list of items presented. After a motion duly seconded, the Committee agreed to recommend to the Board that the list of items presented be accepted.
4. Operations Update. Joe Palmieri advised the Committee that 2012 has been a very solid year. The Hotel's 'Customer Satisfaction' scores continue upward.

5. Sales Update. Janice O'Neill-Cox advised that 6 months ago the 2014 variance was at 47% of pace but as of the end of October 2012 the variance is at 27% of pace.
6. SCS Update. Tom Werner of SCS Hotels advised the Committee that they felt the budget was vetted by all and that with the latitude of the 'True-Up' will add to the completion of the overall process.

The meeting adjourned at approximately 12:40 P.M.

A handwritten signature in cursive script, reading "Dolores Kerr", is written above a solid horizontal line.

Dolores Kerr, Secretary