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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
: **Chapter 11 Case No.**
: **09-13764 (JMP)**
: **(Jointly Administered)**
: **Debtors.**
: **(Jointly Administered)**
: **(Jointly Administered)**
: **(Jointly Administered)**
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**SUMMARY SHEETS PURSUANT TO UNITED STATES TRUSTEE
GUIDELINES FOR REVIEWING APPLICATIONS FOR COMPENSATION
AND REIMBURSEMENT OF EXPENSES FILED UNDER 11 U.S.C. § 330**

SECOND INTERIM FEE APPLICATION

NAME OF APPLICANT: Weil, Gotshal & Manges LLP

TIME PERIOD: November 1, 2009 through and including February 28, 2010

ROLE IN THE CASE: Attorneys for the Debtors

CURRENT APPLICATION: Total Fees Requested: \$2,705,232.00
Total Expenses Requested: \$60,611.88

PRIOR APPLICATIONS:
First Interim Fee Application June 15, 2009 through and including October 31, 2009¹
Total Fees Requested: \$2,178,127.50
Total Fees Awarded: \$2,158,127.50
Total Expenses Requested: \$132,474.31
Total Expenses Awarded: \$131,474.31

¹ Weil, Gotshal & Manges LLP agreed to reduce its fees and expenses per the request of the Office of the United States Trustee for the Southern District of New York by a requested \$20,000 and \$1,000, respectively.

**COMPENSATION BY PROFESSIONAL
NOVEMBER 1, 2009 THROUGH FEBRUARY 28, 2010²**

NAME OF PROFESSIONAL PERSON	DEPARTMENT AND YEAR ADMITTED ³ Position of the Applicant, Year of Obtaining License to Practice, Area of Expertise	HOURLY BILLING RATE	TOTAL BILLED HOURS	TOTAL COMPENSATION
PARTNERS & OF COUNSELS:				
Schiff, Kenneth E.	CORP – 1988	\$1,030.00	0.30	\$309.00
Goldstein, Marcia L.	BFR – 1976	\$990.00	79.20	\$78,408.00
Goldstein, Marcia L.	BFR – 1976	\$950.00	60.70	\$57,665.00
Rosen, J.P.	CORP – 1982	\$990.00	5.50	\$5,445.00
Gold, Simeon	CORP – 1974	\$990.00	16.20	\$16,038.00
Gold, Simeon	CORP – 1975	\$925.00	18.80	\$17,390.00
Waksman, Ted S.	CORP – 1974	\$990.00	138.20	\$136,818.00
Kam, Michael K.	TAX – 1987	\$900.00	14.20	\$12,780.00
Kam, Michael K.	TAX – 1987	\$875.00	5.30	\$4,637.50
Dedyo, John J.	CORP – 1994	\$900.00	27.40	\$24,660.00
Dedyo, John J.	CORP – 1994	\$850.00	18.40	\$15,640.00
Stangland, Elaine	CORP – 1991	\$900.00	1.90	\$1,710.00
Stangland, Elaine	CORP – 1991	\$860.00	5.90	\$5,074.00
Gelbfish, Larry J.	TAX - 1988	\$885.00	41.90	\$37,081.50
Gelbfish, Larry J.	TAX - 1988	\$850.00	2.40	\$2,040.00
Meyer, Bruce S.	LR – 1987	\$885.00	7.00	\$6,195.00
Meyer, Bruce S.	LR – 1987	\$850.00	0.20	\$170.00
Marcus, Jacqueline	BFR – 1983	\$870.00	400.70	\$348,609.00
Marcus, Jacqueline	BFR – 1983	\$810.00	256.10	\$207,441.00
Cohn, Paul T.	CORP – 1988	\$865.00	10.80	\$9,342.00

² During the Second Compensation Period, the billing rates of WG&M’s professionals increased as of January 1, 2010, as is customarily the practice.

³ BFR- Business Finance & Restructuring, CORP – Corporate, LR – Litigation/Regulatory, TAX – Tax, LS – Litigation Support.

Cohn, Paul T.	CORP – 1988	\$825.00	7.80	\$6,435.00
Comet, Howard B.	LR – 1976	\$865.00	117.80	\$101,897.00
Comet, Howard B.	LR – 1976	\$825.00	90.70	\$74,827.50
Sontag, Scott M.	TAX – 1998	\$780.00	58.30	\$45,474.00
Sontag, Scott M.	TAX – 1998	\$725.00	1.60	\$1,160.00
Ferrillo, Paul A.	LR – 1989	\$720.00	3.20	\$2,304.00
Whittaker, Donald R.	CORP – 1983	\$670.00	0.70	\$469.00
Murgio, David P.	CORP – 2000	\$650.00	28.10	\$18,265.00
Total Partners and Of Counsel			1419.30	\$1,238,284.50

NAME OF PROFESSIONAL PERSON	DEPARTMENT AND YEAR ADMITTED Position of the Applicant, Year of Obtaining License to Practice, Area of Expertise	HOURLY BILLING RATE (including changes)	TOTAL BILLED HOURS	TOTAL COMPENSATION
ASSOCIATES:				
Meyrowitz, Melissa	CORP – 1999	\$695.00	3.50	\$2,432.50
Meyrowitz, Melissa	CORP – 1999	\$640.00	2.20	\$1,408.00
Hahn, Arlene A.	CORP – 2002	\$695.00	25.70	\$17,861.50
Petherbridge, Vaughn	CORP – 2008	\$665.00	118.10	\$78,536.50
Lichter, Jason	LR – 2005	\$630.00	70.60	\$44,478.00
Lichter, Jason	LR – 2005	\$540.00	63.70	\$34,128.00
Noethen, Kirsten A.	CORP – 2005	\$630.00	68.70	\$43,281.00
Noethen, Kirsten A.	TAX – 2004	\$540.00	31.10	\$16,794.00
Wolff, Jennifer M.	CORP – 2006	\$630.00	3.40	\$2,142.00
Bliss, Joanna	CORP – 2004 ⁴	\$630.00	288.90	\$182,007.00
Bliss, Joanna	CORP – 2004	\$540.00	41.20	\$22,248.00
Goldman, John T.	CORP – 2003	\$630.00	1.00	\$630.00
Kim, Jae Y.	BFR – 2006	\$595.00	344.40	\$204,918.00
Kim, Jae Y.	BFR – 2006	\$500.00	174.00	\$84,625.00

⁴ Admitted in Ontario, Canada.

Bailey, Andrew C.	CORP – 2009	\$550.00	2.00	\$1,100.00
Bailey, Andrew C.	CORP – 2009	\$465.00	44.80	\$20,832.00
Goslin, Thomas D.	LR – 2003	\$595.00	11.90	\$7,080.50
Beyer, Stefanie K.	BFR – 2008	\$515.00	37.00	\$19,055.00
Beyer, Stefanie K.	BFR – 2008	\$415.00	48.40	\$20,086.00
Reicher, Aliza	BFR – 2008	\$515.00	241.60	\$124,424.00
Reicher, Aliza	BFR – 2008	\$415.00	279.40	\$115,660.50
Packer, Tlalit	TAX – 2008	\$465.00	6.30	\$2,929.50
Anusionwu, Ijeoma	BFR – 2009	\$455.00	59.40	\$27,027.00
Anusionwu, Ijeoma	BFR – 2009	\$355.00	73.40	\$26,057.00
Gokhale, Ajit	TAX – 2010	\$455.00	61.20	\$27,846.00
Gokhale, Ajit	TAX – 2010	\$355.00	4.70	\$1,668.50
Kulawik, Tomasz	CORP – 2008	\$455.00	50.80	\$23,114.00
Kulawik, Tomasz	CORP – 2008	\$355.00	3.50	\$1,242.50
Liou, Jessica	BFR – 2009	\$455.00	46.80	\$21,294.00
Liou, Jessica	BFR – 2009	\$355.00	38.00	\$13,490.00
Gelfand, Joshua S.	TAX – 2007	\$455.00	107.90	\$49,094.50
Perry, Adrian	CORP – 2009	\$455.00	18.60	\$8,463.00
Bookspan, Tracy K.	CORP – 2009	\$455.00	57.50	\$26,162.50
Bookspan, Tracy K.	CORP – 2009	\$355.00	26.20	\$9,301.00
Drozda, Brian C.	CORP – 2009	\$455.00	16.60	\$7,553.00
Veit, Cheri	LR – 2009	\$455.00	78.80	\$35,854.00
Veit, Cheri	LR – 2009	\$355.00	67.20	\$23,856.00
Total Associates			2618.50	\$1,348,680.00

NAME OF PROFESSIONAL	DEPARTMENT AND YEAR ADMITTED Position of the Applicant	HOURLY BILLING RATE (including changes)	TOTAL BILLED HOURS	TOTAL COMPENSATION
Paralegals, Clerks, Library Staff and Other Non-Legal Staff:				
Lee, Kathleen	BFR	\$275.00	2.50	\$687.50
Lee, Kathleen	BFR	\$245.00	2.30	\$563.50
Jones, Peggy	CORP	\$260.00	0.20	\$52.00
Shiroma, Lance	CORP	\$260.00	7.90	\$2,054.00
O'Connor, Colin	CORP	\$260.00	0.80	\$208.00
Stauble, Christopher	BFR	\$275.00	3.40	\$935.00
Stauble, Christopher	BFR	\$245.00	0.30	\$73.50
Eng-Bendel, Cheryl	Litigation Support	\$235.00	29.20	\$6,862.00
DeCoteau, Meshawn	Litigation Support	\$235.00	46.50	\$10,927.50
Sam, Mili	Litigation Support	\$235.00	1.20	\$282.00
Reynolds, Cory M.	Litigation Support	\$230.00	2.90	\$667.00
Dang, Thai	Litigation Support	\$220.00	1.50	\$330.00
Scopas, George	Litigation Support	\$215.00	11.10	\$2,386.50
Larangeira, Scott	Litigation Support	\$215.00	30.70	\$6,600.50
Gijral, Geetinder	Litigation Support	\$215.00	7.80	\$1,677.00
Bollen, MaryAnne	Litigation Support	\$215.00	8.10	\$1,741.50
Robin, Artur	Litigation Support	\$215.00	4.10	\$881.50
Quarry, Michael	Litigation Support	\$215.00	10.60	\$2,279.00
Nudelman, Peter	Litigation Support	\$215.00	9.40	\$2,021.00
Reid, Tashan Q.	LR	\$215.00	5.60	\$1,204.00
Chan, Herbert	LR	\$215.00	5.90	\$1,268.50
Haiken, Lauren C.	Litigation Support	\$210.00	4.00	\$840.00
George, Camille A.	BFR	\$210.00	24.10	\$5,061.00
Romero, Jorge A.	Litigation Support	\$205.00	19.90	\$4,079.50
Roth, Debra	CORP	\$200.00	0.50	\$100.00
Amponsah, Duke	BFR	\$200.00	110.30	\$22,060.00

Amponsah, Duke	BFR	\$180.00	88.10	\$15,858.00
Koul, Yashomati B.	BFR	\$200.00	4.50	\$900.00
Koul, Yashomati B.	BFR	\$181.00	5.00	\$900.00
Rodriguez, Ilusion	BFR	\$200.00	4.60	\$920.00
Justice, Pauline	LR	\$200.00	8.20	\$1,640.00
Bell, Andrew	Litigation Support	\$190.00	2.10	\$399.00
Daniele, Mariel	LR	\$180.00	27.50	\$4,950.00
Lynch, Michael R.	CORP	\$180.00	3.30	\$594.00
Etienne, Donald	BFR	\$180.00	0.80	\$144.00
Ribaudo, Mark	Managing Clerk	\$170.00	2.10	\$357.00
Aliseo, Nicole K.	BFR	\$180.00	7.00	\$1,260.00
Aliseo, Nicole K.	BFR	\$160.00	23.60	\$3,776.00
Schoenfeld, Matthew	BFR	\$160.00	9.20	\$1,472.00
Wilmer, Andrea	BFR	\$160.00	4.00	\$640.00
Swaney, Nicole	LR	\$160.00	12.60	\$2,016.00
Casey, Mary A.	CORP	\$160.00	34.30	\$5,488.00
Betton, Merlyn A.	CORP	\$160.00	4.00	\$640.00
Paison, Luis L.	BFR	\$140.00	2.00	\$280.00
Cruz, Luis	Library	\$135.00	0.60	\$81.00
Greco, Maximiliano	Library	\$85.00	1.30	\$110.50
Total Paraprofessionals			595.60	\$118,267.50

PROFESSIONALS	BLENDED RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
TOTALS:			
Partners and Of Counsel	\$872.46	1,419.30	\$1,238,284.50
Associates	\$515.06	2,618.50	\$1,348,680.00
Paraprofessionals	\$198.57	595.60	\$118,267.50
Total Fees Incurred		4,633.40	\$2,705,232.00
Blended Attorney Rate	\$640.69		
Grand Total Fees Requested		4,633.40	\$2,705,232.00

COMPENSATION BY PROJECT CATEGORY
NOVEMBER 1, 2009 THROUGH FEBRUARY 28, 2010

PROJECT CODE	PROJECT DESCRIPTION	HOURS	AMOUNT
001	Adversary Proceedings	241.10	\$181,406.00
002	Asset Disposition / 363 Sales	0.10	\$81.00
003	Automatic Stay	2.20	\$1,581.00
004	Bar Date Motion and Claims Reconciliation Issues	60.10	\$21,989.50
006	Case Administration	104.90	\$37,711.50
007	Cash Collateral	226.90	\$110,809.50
009	Client Communications	6.30	\$5,326.50
010	Committee & Bondholders Issues /Meetings /Communications	8.20	\$6,342.00
011	Communications and Public Relations	0.70	\$597.00
012	Corporate Governance / Securities / D&O Insurance	92.40	\$68,018.00
014	Disclosure Statement / Solicitation / Voting	333.90	\$195,416.50
015	Exclusivity	87.20	\$56,345.50
017	General Business Operations	42.10	\$17,347.00
018	General Strategy/Internal Communications and Meetings (includes calls)	118.70	\$97,629.50
019	General Corporate Issues	117.40	\$81,323.50
022	General Employee / ERISA / Benefits Issues	179.60	\$98,978.00
023	General Real Property / Contract / 365 Issues	224.90	\$119,869.50
025	Hearing and Court Matters	53.40	\$29,290.00
026	Insurance & Workers Comp Issues	0.80	\$400.00
028	Investigations & 2004 Exams	844.80	\$372,864.00
029	Non-Bankruptcy Litigation	2.20	\$1,162.00
030	Non-Working Travel	12.70	\$3,079.50
031	Plan of Reorganization (Negotiations and Drafting) / Plan Confirmation	1384.60	\$960,703.50
032	Retention/Fee Application: Ordinary Course Professionals	15.60	\$7,586.50
033	Retention/Fee Application: Other Professionals	38.60	\$19,081.50
034	Retention / Billing / Fee Applications: WGM	255.70	\$100,244.50
035	Schedules/Statement of Financial Affairs/MORs	8.80	\$4,041.00
036	Secured Lenders Issues / Meetings / Communications	28.30	\$21,624.00
037	Tax Issues	86.40	\$57,900.00
038	US Trustee	8.70	\$3,954.50
039	Utility Issues	5.10	\$2,638.50
040	Additional Debtor Filing	41.00	\$19,891.00
TOTAL		4633.40	\$2,705,232.00

EXPENSE SUMMARY
NOVEMBER 1, 2009 THROUGH FEBRUARY 28, 2010

EXPENSES	AMOUNTS
Document Processing	\$1,207.20
Local Transportation	\$4,245.72
Meals	\$2,666.43
Postage	\$1.05
Air Courier/Express Mail	\$380.43
Duplicating	\$6,510.82
Computerized Research	\$30,921.55
O/S Messenger Service	\$398.36
Court Reporting	\$51.40
Filing Fees	\$5,705.00
Telephone (Out-of-Pocket)	\$1.50
Telephone-Credit/Collect/3rd Party	\$11.97
Court Call - Telephone - Deposited Accounts	\$30.00
Meals-Meetings/Conference Cost	\$3,215.01
Domestic Travel/ Domestic Travel Meals	\$835.08
Special Secretarial Services	\$191.25
E-Discovery Services	\$4,031.01
Corporation Service	\$208.10
Total Expenses Requested:	\$60,611.88

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Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
: **Chapter 11 Case No.**
: **09-13764 (JMP)**
: **(Jointly Administered)**
:
:
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In re	:	Chapter 11 Case No.
EXTENDED STAY INC., <u>et al.</u> ,	:	09-13764 (JMP)
Debtors.	:	(Jointly Administered)

**SECOND APPLICATION OF WEIL, GOTSHAL & MANGES LLP,
ATTORNEYS FOR THE DEBTORS, FOR INTERIM ALLOWANCE
OF COMPENSATION FOR PROFESSIONAL SERVICES
RENDERED AND REIMBURSEMENT OF ACTUAL AND NECESSARY
EXPENSES INCURRED FROM NOVEMBER 1, 2009 THROUGH FEBRUARY 28, 2010**

TO THE HONORABLE JAMES M. PECK,
UNITED STATES BANKRUPTCY JUDGE:

Weil, Gotshal & Manges LLP (“WGM”), attorneys for Extended Stay Inc. and its debtor affiliates, as debtors and debtors in possession (collectively, “Extended Stay” or the “Debtors”),¹ hereby files this application (the “Application”) and respectfully represents as follows:

¹ A list of the Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, is attached hereto as “Exhibit A.”

Preliminary Statement

1. WGM requests, pursuant to sections 330(a) and 331 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the interim allowance of compensation for professional services performed by WGM for the period commencing November 1, 2009 through and including February 28, 2010 (the “Second Compensation Period”), and for reimbursement of its actual and necessary expenses incurred during the Second Compensation Period.

2. As previously noted, the Debtors’ chapter 11 cases (the “Chapter 11 Cases”) represent one of the biggest restructuring filings in the commercial mortgage-backed securities (“CMBS”) market, involving approximately \$7.4 billion in debt, including a \$4.1 billion mortgage loan and ten levels of mezzanine debt. During the Second Compensation Period, the Debtors focused on discussions and negotiations with parties-in-interest, regarding the terms of a proposed plan of reorganization and more importantly, a strategy for the Debtors’ emergence from chapter 11. Partly in light of the untested issues under the relevant loan documents, and partially due to the increasing number of interested parties, the discussions regarding a proposed plan of reorganization for the Debtors have been complicated, extensive and comprehensive. During the Second Compensation Period, WGM expended a significant amount of time and resources negotiating with various constituents regarding the economic terms and the mechanics of a potential plan of reorganization, which resulted in extensive negotiations with two separate groups of potential investors willing to sponsor the Debtors’ plan of reorganization that will enable the Debtors to successfully reorganize, continue their business, and emerge from bankruptcy.

3. During the Second Compensation Period, WGM has assisted the Debtors in making significant progress in these chapter 11 cases. Specifically, during the four months comprising the Second Compensation Period, the Debtors have, among other things: (i) negotiated the terms of a commitment letter, an investment agreement, a plan of reorganization and the disclosure statement related thereto, with Centerbridge Partners, L.P. and Paulson & Co. Inc. (the “C/P Investors”), and filed a motion seeking approval of such investment and standby purchase agreement and the Debtors’ Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code; (ii) negotiated the terms of a commitment letter, an investment agreement, and a plan of reorganization with Starwood ESH, L.L.C. (the “Starwood Investor”), the indirect members of which are (a) Starwood Global Opportunity Fund VIII, L.P., Starwood U.S. Opportunity Fund VIII-1, L.P., Starwood U.S. Opportunity Fund VIII-2, L.P., Starwood Capital Hospitality Fund II Global, L.P. and Starwood Capital Hospitality Fund II U.S., L.P., (b) Five Mile Capital Partners II LP, FMCP II Principals LP and Five Mile Capital Partners II (AIV), LP, and (c) TPG Partners V, L.P. and TPG Partners VI, L.P., and responded to extensive due diligence requests; (iii) negotiated and participated in discussions regarding the relevant scope of the investigation of Ralph R. Mabey as examiner in the Chapter 11 Cases (the “Examiner”), participated in discussions with the Examiner and his professionals regarding information requests and background materials, participated in depositions, and responded to document requests; (iv) negotiated and received approval of a revised incentive plan for the senior management of HVM, L.L.C. (“HVM”); (v) prepared and filed five additional debtor entities; and (vi) obtained a necessary second extension of the Debtors’ exclusive period for filing and completing solicitation for a plan of reorganization.

Background

4. On June 15, 2009 or February 18, 2010 (as applicable, the “Commencement Date”), the Debtors each commenced with this Court a voluntary case under chapter 11 of the Bankruptcy Code. The Chapter 11 Cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Bankruptcy Rule 1015(b). The Debtors are authorized to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

5. On June 19, 2009, the United States Trustee for the Southern District of New York (the “U.S. Trustee”) appointed the statutory committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code (the “Creditors’ Committee”). Although no trustee has been appointed in the Chapter 11 Cases, on September 28, 2009, the Examiner was appointed and by order dated September 29, 2009, the Court approved the appointment of the Examiner. On April 8, 2010, the Examiner publicly filed his report.

6. On June 15, 2009, the Debtors filed their Application Pursuant to Section 327(a) of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 2014(a) for Authorization to Employ and Retain Weil, Gotshal & Manges LLP as Attorneys for the Debtors Nunc Pro Tunc to the Commencement Date [Docket No. 14].

7. By order of this Court, dated July 17, 2009 [Docket No. 175], the Debtors were authorized to retain WGM as their attorneys to render legal services in connection with the Chapter 11 Cases (the “Retention Order”). The Retention Order authorized WGM to be compensated on an hourly basis and to be reimbursed for actual and necessary out-of-pocket expenses, in accordance with sections 330 and 331 of the Bankruptcy Code, applicable provisions of the Bankruptcy Rules, the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”), and the Guidelines (as defined below).

8. On December 15, 2009, WGM filed its First Interim Application For Allowance of Compensation for Professional Services Rendered and Reimbursement of Actual and Necessary Expenses Incurred from June 15, 2009 Through October 31, 2009 (the “First Application”). Pursuant to the First Application, WGM requested interim allowance and payment of (i) fees in the amount of \$2,178,127.50, and (ii) expenses in the amount of \$132,474.31. On January 14, 2010, following a hearing with respect to the First Application, the Court entered an order (the “First Compensation Order”) which, among other things, (i) awarded fees to WGM in the amount of \$2,158,127.50, and (ii) awarded expenses to WGM in the amount of \$131,474.31, and (ii) authorized and directed the Debtors to make payment to WGM in satisfaction of all such allowed fees and expenses that had not otherwise been paid pursuant to the Administrative Order (as defined below), subject to a 10% holdback.⁶

9. The Debtors have advised WGM that, to date, they have paid all quarterly fees due to the U.S. Trustee and have filed all monthly operating reports with the U.S. Trustee. The Debtors are generally paying their administrative expenses as they become due, with the exception of certain items, such as professional fees, which are subject to orders of this Court that provide otherwise.

10. As of the close of business on April 12, 2010, the Debtors had approximately \$35.1 million in their debtor in possession account. The Debtors do not believe that they have any unencumbered funds.

⁶ Weil, Gotshal & Manges LLP agreed to reduce its fees and expenses per the request of the U.S. Trustee by a requested \$20,000 and \$1,000, respectively. In addition, the U.S. Trustee requested that the fees and expenses of all professionals pursuant to the First Compensation Order be subject to a 10% holdback.

**Summary of Professional Compensation
and Reimbursement of Expenses Requested**

11. This Application has been prepared in accordance with the guidelines established by the Office of the United States Trustee (the “UST Guidelines”), the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on November 25, 2009 (the “Local Guidelines”), and the Second Amended Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a) Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals [Docket No. 486] (the “Administrative Order,” and together with the Local Guidelines and the UST Guidelines, the “Guidelines”). Pursuant to the Local Guidelines, a certification regarding compliance with the same is annexed hereto as “Exhibit B.” The Debtors have approved the amounts requested by WGM for services performed and expenses incurred in each of the monthly fee statements filed with the U.S. Trustee during the Second Compensation Period.

12. By this Application, WGM requests allowance of interim compensation for professional services rendered to the Debtors during the Compensation Period in the amount of \$2,705,232.00 and expense reimbursements of \$60,611.88. During the Second Compensation Period, WGM attorneys and paraprofessionals expended a total of approximately 4,633 hours for which compensation is sought.

13. In accordance with the Administrative Order, WGM has received payments totaling \$1,587,179.07 for the Second Compensation Period, which amount consists of \$1,541,216.40 representing 80% of the fees invoiced for the Second Compensation Period and \$45,962.67 representing 100% of the expenses invoiced for the Second Compensation Period. Pursuant to WGM’s monthly statement for the period of February 1, 2010 through February 28,

2010 (the “February Compensation Period”), WGM billed the Debtors a total of \$637,618.41, which amount consists of \$622,969.20 representing 80% of the fees incurred, and \$14,649.21 representing 100% of the expenses incurred. As of the date hereof, the objection deadline has not passed for monthly fee and expense statement for the February Compensation Period.

14. WGM consistently monitors its charges and expenses before and after the submission of monthly fee statements for potential errors or charges that might be inappropriate or otherwise should be reduced. As a result, prior to the submission of monthly fee statements for the Second Compensation Period, WGM reduced its charges by \$46,811.00 and its expenses by \$3,372.32 for a total of \$50,183.32 in voluntary reductions. WGM will continue to diligently monitor its charges and expenses and, where appropriate, make reductions.

15. Before the Commencement Date, WGM received fee advances from the Debtors in the aggregate amount of \$1,065,000.00, which have been applied against payment for services rendered, disbursements made, and expenses incurred in connection with the prepetition preparation of these cases for filing and related prepetition services. Before the filing of the Chapter 11 Cases, WGM estimated the amount of anticipated charges for professional services to be performed and expenses to be incurred up to the Commencement Date and reduced the balance of the fee advances accordingly. WGM has since reconciled the estimated charges originally applied to the fee advances with the actual charges billed by WGM. The net result as of the date of this Application is a credit balance in favor of the Debtors for future professional services to be performed and expenses to be incurred in the amount of \$354,605.92 as set forth in the First Supplemental Affidavit and Disclosure Statement on behalf of Weil, Gotshal & Manges LLP pursuant to Sections 327, 329 and 504 of the Bankruptcy Code and Rules 2014(a) and 2016 (b) of the Federal Rules of Bankruptcy Procedure, dated December 7, 2009 [Docket No. 606].

16. Except to the extent of the advance payments made to WGM as described above or payments made in accordance with the Administrative Order, WGM has received no payment and no promises of payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered during the Second Compensation Period and addressed by this Application. There is no agreement or understanding between WGM and any other person, other than members of the firm, for the sharing of compensation to be received for services rendered in these cases.

17. WGM maintains computerized records of the time spent by all WGM attorneys and paraprofessionals in connection with its prosecution of the Debtors' chapter 11 cases. Subject to redaction where necessary to preserve the attorney-client privilege, WGM has provided itemized time records for professionals and paraprofessionals performing services for the Debtors during the Compensation Period to this Court, the U.S. Trustee, the Creditors' Committee, and attorneys for TriMont Real Estate Advisors, Inc. (the "Special Servicer") and U.S. Bank National Association, as successor in interest to Wells Fargo Bank, N.A. (the "Successor Trustee").⁷ All entries itemized in WGM's time records comply with the requirements set forth in the Guidelines, including the use of separate matter numbers for different project types, as hereinafter described.

⁷ Due to the voluminous nature of the WGM's Billing Summary Report ("BSR"), the BSR is not annexed as an exhibit to this Application. Copies of the BSR have been provided to this Court, the U.S. Trustee, and the attorneys for the Special Servicer and the Successor Trustee and the Creditors' Committee, and will be made available upon request. A summary of WGM's time billed during the Second Compensation Period by project category is included in the Summary Sheets filed contemporaneously with this Application and described in detail below.

**Summary of Services Performed by
WGM During the Compensation Period**

18. As described above, in the four months comprising the Second Compensation Period, WGM rendered an extraordinary level of professional services in order to formulate a strategy and process for the Debtors to successfully restructure their debt and business, and engage the necessary parties-in-interest in negotiations regarding the terms of a plan of reorganization that will enable the Debtors to emerge successfully from bankruptcy. In doing so, WGM confronted certain issues unique to these Chapter 11 Cases, in particular, relating to the Debtors' ability to structure a proposed plan of reorganization in light of the convoluted mechanics present in the CMBS market and related loan documentation. In addition to garnering interest for the Debtors' hotel business and beginning a marketing process to encourage plan sponsors to come forward, the Debtors successfully negotiated commitment letters, investment agreements, proposed plans of reorganization and disclosure statements with both the C/P Investors and the Starwood Investor during the Second Compensation Period. WGM's efforts during this compensation period not only resulted in receiving two committed offers from plan sponsors, but also led to an informal auction process that promised to maximize the value of the Debtors' estates through competitive bidding from two separate groups of investors with the ability to invest sufficient cash to sponsor a chapter 11 plan.

19. As a result of the efforts expended by the Debtors' professionals, including WGM, during the Second Compensation Period, the Debtors executed a commitment letter with the C/P Investors on February 19, 2010 (the "C/P Commitment Letter"), which provided for a \$450 million cash infusion by the C/P Investors to the reorganized Debtors, consisting of a \$225 million equity investment in the Debtors, as well as a \$225 million rights offering that was fully backstopped by the C/P Investors. In addition, the Debtors filed a motion

seeking to authority to enter into the Investment and Standby Purchase Agreement with the C/P Investors (the “C/P Investment Agreement”), and a proposed plan of reorganization with the C/P Investors (the “C/P Plan”). Additionally, WGM also coordinated with the professionals for the C/P Investors to negotiate and prepare the attendant disclosure schedules with respect to the C/P Investment Agreement. During the Second Compensation Period, the Debtors also drafted and negotiated the disclosure statement relating to the C/P Plan and further amended the C/P Plan.

20. During the Second Compensation Period, the Debtors also negotiated with the Starwood Investor and assisted the Starwood Investor in its diligence efforts. Although the agreements resulting from the negotiations with the Starwood Investor were not finalized or filed until shortly after the Second Compensation Period, the foundation for completing all of the Starwood agreements was laid during the Second Compensation Period. The Starwood Agreement eventually became the template for a new and improved offer from the C/P Investors. Thus, during the Second Compensation Period, WGM succeeded in proceeding down parallel tracks for two different plan sponsors and generated a competitive process that will maximize the benefits to the Debtors’ creditors.

21. During the Second Compensation Period, WGM also expended a substantial amount of time assisting the Examiner with his investigation. Specifically, WGM responded to extensive diligence, information and document requests, coordinated with the Debtors with respect to the Examiners’ information requests, and participated in numerous informal interviews and depositions.

22. In addition, during the Second Compensation Period, WGM: (i) successfully negotiated with the U.S. Trustee, the Creditors’ Committee, and the Special Servicer regarding the use of cash collateral to fund an incentive program for HVM’s senior executives;

(ii) prepared, filed, and obtained an extension of the Debtors' exclusive right to propose and file a chapter 11 plan and obtain acceptances thereof (collectively, the "Exclusive Periods") to April 2, 2010 and May 31, 2010, respectively; (iii) prepared and filed WGM's First Application for interim expenses of fees and expenses; (iv) participated in board meetings and board update calls, participated in update calls with the independent board members; and (v) prepared and filed the chapter 11 petitions for five additional debtors (the "Subsequent Debtors").

23. During the Second Compensation Period, WGM continued to maintain an open dialogue with the Creditors' Committee and the Special Servicer with respect to the plan process and numerous matters occurring in the ordinary course, including addressing settlement proceedings, condemnation matters and extensions of the Debtors' time to reject or assume nonresidential real property leases.

24. WGM rendered a substantial amount of other professional services in furtherance of the Chapter 11 Cases during the Second Compensation Period. The following is a summary of the professional services rendered by WGM during the Second Compensation Period. This summary is organized in accordance with the internal system of work codes set up by WGM at the outset of the Chapter 11 Cases. There may be work codes that WGM did not bill time to during the Second Compensation Period, but may utilize during subsequent compensation periods.

- a. Plan of Reorganization (Negotiations and Drafting)/Plan Confirmation (Task Code 031)
- Participated in negotiations with the C/P Investors regarding the C/P Commitment Letter, the C/P Investment Agreement, the C/P Plan, and the related disclosure schedules for the C/P Investment Agreement;
 - Drafted, reviewed, and revised the C/P Plan, C/P Commitment Letter and C/P Investment Agreement and participated in numerous meetings and internal conferences regarding same;

- Drafted, reviewed and filed motion seeking approval of C/P Investment Agreement, including the payment of the Commitment Fee and research related to the same; and
 - Participated in negotiations and discussions with the Starwood Investor regarding the terms of a proposed plan of reorganization and responded to diligence requests from the Starwood Investor.
- b. Investigations & 2004 Exams (Task Code 028)
- Participated in numerous conferences and negotiations regarding Examiner's work plan;
 - Prepared objection to Examiner's proposed work plan and budget and corresponded with Examiner and Examiner's professionals regarding same;
 - Reviewed and responded to Examiner's document requests, reviewed materials provided for production to Examiner and participated in conferences regarding the same;
 - Participated in Examiner's depositions of Joseph Teichman, David Lichtenstein, and Joseph Rogers; participated in follow up calls with Joseph Rogers and David Kim, and Examiner interviews of Bruno de Vinck and independent directors; and
 - Prepared documents related to the Debtors' motion for entry of an order pursuant to Bankruptcy Rule 2004 authorizing examination of the Certificate Registrar, including the Debtors' reply to objections to same, proposed order granting discovery request, and subpoena requesting production of Certificate Register.
- c. Disclosure Statement/Solicitation/Voting (Task Code 014)
- Drafted, reviewed and revised the Debtors' disclosure statement related to the C/P Plan, participated in numerous conferences with the C/P Investors regarding same, and conducted research regarding tax, employee benefits and ERISA issues related to the same; and
 - Participated in discussions with Debtors' professionals regarding exhibits to the disclosure statement related to the C/P Plan, including historical financial statements, projections, and liquidation analysis.
- d. Adversary Proceedings (Task Code 001)
- Drafted supplemental designations of issues on appeal and civil cover sheets with respect to multiple adversary proceedings, participated in multiple conferences regarding same, and conducted research regarding issues on appeal; and

- Researched and drafted appellate briefs for Line Trust and Five Mile adversary proceedings.
- e. Cash Collateral (Task Code 007)
- Attended to issues regarding the Debtors’ motion and proposed order authorizing the use of cash collateral by ESA UD Properties L.L.C.;
 - Drafted and negotiated modification of the Final Cash Collateral Order to permit reduction of adequate protection payments under certain circumstances; and
 - Prepared and filed the Debtors’ appellate brief in response to Manufacturers & Traders Trust Company’s appeal of the Final Cash Collateral Order.
- f. General Employee / ERISA / Benefits Issues (Task Code 022)
- Participated in numerous teleconferences and conferences with the U.S. Trustee, the Creditors’ Committee, the Special Servicer, and their respective advisors, regarding the use of cash collateral to fund incentive plan for the senior executives of HVM L.L.C. (the “HVM Incentive Plan”); drafted supplements to the Debtors’ motion to authorize the use of cash collateral to fund the HVM Incentive Plan, declarations in support of the HVM Incentive Plan, and the Debtors’ reply to objections to the HVM Incentive Plan; and
 - Prepared for and attended hearings on the HVM Incentive Plan.
- g. Secured Lenders Issues / Meetings / Communications (Task Code 036)
- Corresponded and negotiated with the Special Servicer and Successor Trustee on various issues, including adequate protection payments, various motions filed by Debtors, information requests, plan issues; and
 - Reviewed Special Servicer’s monthly requests for fees.
- h. Committee & Bondholders Issues / Meetings / Communications (Task Code 010)
- Responded to numerous requests for information and documents from the Creditors’ Committee; and
 - Participated in discussions with Creditors’ Committee regarding various pending matters.
- i. General Strategy / Internal Communications & Meetings (includes calls) (Task Code 018)
- Participated in numerous conferences with the Debtors and their financial advisors regarding strategic issues in the Debtors’ chapter 11 cases; and
 - Participated in semi-weekly conference calls regarding chapter 11 issues.

- j. Exclusivity (Task Code 015)
- Prepared and filed the Debtors' second motion to extend the Exclusive Periods;
 - Prepared the Debtors' responses to objections to the Debtors' second motion to extend the Exclusive Periods; and
 - Prepared the Debtors' third motion to extend the Exclusive Periods and related bridge order.
- k. Corporate Governance / Securities / D&O Insurance (Task Code 012)
- Participated in board meetings and board update calls, participated in update calls with independent board members, and reviewed board presentations for same; and
 - Reviewed organizational documents and prepared board resolutions and consents, approving, among other things, the filing of the proposed plans of reorganization and investment agreements with the C/P Investors.
- l. General Real Property / Contract / 365 Issues (Task Code 023)
- Coordinated closing on purchase of real property in Anchorage, Alaska;
 - Prepared and filed the Debtors' motion and proposed bridge order with respect to a further extension of time to assume or reject unexpired leases;
 - Prepared the Debtors' motion for approval of a settlement of the Kentucky condemnation proceeding; negotiated and revised the terms of the proposed order approving the settlement of the Kentucky condemnation proceeding; and
 - Prepared the Debtors' motion for authority to enter into certain agreements related to restructuring of HFI; corresponded and participated in conference calls regarding same; responded to information requests regarding same.
- m. Additional Debtor Filing (Task Code 040)
- Prepared and filed the chapter 11 petitions for the Subsequent Debtors.
- n. Schedules / Statement of Financial Affairs / MORs (Task Code 035)
- Assisted the Debtors in the preparation and filing of monthly operating reports.
- o. Bar Date Motion and Claims Reconciliation Issues (Task Code 004)
- Addressed creditor inquiries regarding claims process; and

- Provided assistance to directors and officers regarding proofs of claim.
- p. Asset Dispositions/363 Sales (Task Code 002)
- Addressed inquiries from third parties regarding sale of assets.
- q. Non-Bankruptcy Litigation (Task Code 029)
- Addressed inquiries regarding Windows litigation and conferred with Debtors' litigation counsel regarding same.
- r. Automatic Stay (Task Code 003)
- Reviewed motion to vacate the automatic stay filed by Alexandra Shaw and conferred with the Debtors' regarding background of relevant litigation.
- s. Retention / Fee Application: Other Professionals (Task Code 033)
- Coordinated filing of first interim fee application for compensation and reimbursement of expenses for the Debtors' professionals and noticing of the same;
 - Prepared omnibus fee order approving the first interim applications for compensation and reimbursement of expenses for all retained professionals;
 - Reviewed monthly fee statements submitted by Creditors' Committee's professionals. and other retained professionals; and
 - Coordinated Debtors' payments of monthly fees.
- t. Retention / Fee Application: Ordinary Course Professionals (Task Code 032)
- Prepared and filed supplemental lists of ordinary course professionals.
- u. Retention / Billing / Fee Applications: WGM (Task Code 034)
- Prepared and filed WGM's First Application;
 - Responded to U.S. Trustee inquiry and objection regarding WGM's First Application; and
 - Prepared WGM monthly fee statements.
- v. Insurance and Workers Comp Issues (Task Code 026)
- Reviewed and revised the order granting the Debtors' motion to renew the Zurich Insurance Policies.

- w. US Trustee (Task Code 038)
- Conferred with the U.S. Trustee regarding case matters; and
 - Monitored compliance with the U.S. Trustee Guidelines and Local Guidelines.
- x. General Business Operations (Task Code 017)
- Drafted and filed the Debtors' motion to approve the settlement agreement among ESH/HV Properties L.L.C. and Wermers Multi-Family Corporation et al.; negotiated and revised proposed order approving the settlement;
 - Advised the Debtors on continuation of their business operations while in bankruptcy; and
 - Conferred with financial advisors regarding the Debtors' business operations.
- y. General Creditor Inquiries / Meetings (includes 341 meetings) (Task Code 020)
- Responded to telephone and email inquiries from creditors and other parties in interest.
- z. Client Communications (Task Code 009)
- Corresponded with the client regarding general operational issues and general case strategy.
- aa. Utility Issues (Task Code 039)
- Responded to multiple inquiries, termination notices, and utility deposit requests from utilities, and conferred with client regarding same.
- bb. Hearings and Court Matters (Task Code 025)
- Prepared for and attended court hearings and status conferences during the Second Compensation Period; and
 - Coordinated with the Court regarding hearings and agenda items.
- cc. Case Administration (Task Code 006)
- Maintained a project list, case calendar, working group list, master service list, hearing transcripts, and case docket of documents filed with the Court;
 - Filed numerous motions, notices, applications, objections, and orders;
 - Prepared and filed agenda letters, affidavits of service, and notices for each hearing;

- Coordinated with the Debtors' claims agent with respect to service of pleadings;
 - Compiled document binders in advance of hearings;
 - Compiled and organized documents in response to numerous document requests; and
 - Corresponded with multiple parties regarding case status, pending matters and open issues.
- dd. General Corporate Issues (Task Code 019)
- Drafted and negotiated confidentiality agreements between the Debtors and various parties.
- ee. Communications and Public Relations (Task Code 011)
- Conferred with the Debtors regarding press releases, other communications, and public relations issues related to the Debtors' plan negotiations.
- ff. Tax Issues (Task Code 037)
- Reviewed and responded to inquiries from various taxing authorities; and
 - Prepared analysis of tax issues relating to the plan of reorganization.
- gg. Non-Working Travel (Task Code 030)
- Traveled to and from meetings and hearings.

25. Professional services performed by WGM on behalf of the Debtors during the Second Compensation Period required an aggregate expenditure of 4,633.40 recorded hours by WGM's partners, counsel, associates, and paraprofessionals. Of the aggregate time expended, 1,419.30 recorded hours were expended by partners or by counsel of WGM, 2,618.50 recorded hours were expended by associates, and 595.60 recorded hours were expended by paraprofessionals of WGM.

26. During the Compensation Period, WGM's hourly billing rates for attorneys ranged from \$355 to \$1,030 per hour. Allowance of compensation in the amount requested would result in a blended hourly rate for attorneys of approximately \$640.69 (based on

4,633.40 recorded attorney hours at WGM's regular billing rates in effect at the time of the performance of services).

Actual and Necessary Disbursements

27. As set forth in the Summary Sheets filed contemporaneously with this Application, WGM disbursed \$60,611.88 as expenses incurred in providing professional services during the Second Compensation Period. WGM's disbursement policies pass through all out of pocket expenses at actual cost or an estimated actual cost when the actual cost is difficult to determine. For example, with respect to duplication charges, WGM charges \$0.10 per page because the actual cost is difficult to determine. Similarly, as it relates to computerized research, WGM believes that it does not make a profit on that service as a whole, although the cost of any particular search is difficult to ascertain. Other reimbursable expenses (whether the service is performed by WGM in-house or through a third party vendor) include, but are not limited to, facsimiles, toll calls, overtime meals, deliveries, court costs, transcript fees, travel, and filing fees.

The Requested Compensation Should be Allowed

28. Section 331 of the Bankruptcy Code provides for interim compensation of professionals and incorporates the substantive standards of section 330 to govern the Court's award of such compensation. 11 U.S.C. § 331. Section 330 provides that a court may award a professional employed under section 327 of the Bankruptcy Code "reasonable compensation for actual necessary services rendered . . . and reimbursement for actual, necessary expenses." Id. § 330(a)(1)(A). Section 330 also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded . . . the court shall consider the nature, the extent, and the

value of such services, taking into account all relevant factors, including –

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (E) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and expertise in the bankruptcy field; and
- (F) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

Id. § 330(a)(3).

29. In the instant case, WGM respectfully submits that the services for which it seeks compensation and the expenditures for which it seeks reimbursement in this Application were necessary for and beneficial to the Debtors' orderly administration of their estates. WGM worked assiduously to anticipate or respond to the Debtors' needs and assist in the Debtors' chapter 11 process and such services and expenditures were necessary and in the best interests of the Debtors' estates and creditors. In light of the nature, extent, and value of such services to the Debtors, their estates, and all parties in interest, WGM submits that the compensation requested herein is reasonable.

30. Compensation for the foregoing services as requested is commensurate with the complexity, importance and nature of the problems, issues and tasks involved. The professional services were performed expediently and efficiently. Whenever possible, WGM sought to minimize the costs of its services to the Debtors by utilizing talented junior attorneys and paraprofessionals to handle more routine aspects of case administration. Groups of the same WGM attorneys were utilized for similar tasks in these cases to minimize the costs of intra-WGM communication and education about the Debtors' circumstances.

31. The majority of services performed by WGM were rendered by members of the Business Finance and Restructuring Department, which is a preeminent bankruptcy practice and enjoys a national reputation for its expertise in financial reorganizations and restructurings of troubled entities. WGM has been actively involved in major chapter 11 cases, and currently represents or has represented, among others, the following debtors: General Motors, Inc.; Lehman Brothers Holdings Inc.; General Growth Properties, Inc.; BearingPoint, Inc.; Pilgrim's Pride Corporation; LandSource Communities Development LLC; Vertis Holdings, Inc.; PRC, LLC; Atkins Nutritionals, Inc.; Footstar, Inc.; Parmalat USA Corp.; Worldcom, Inc.; and Enron Corp. Consequently, WGM brings to these cases a high level of expertise and experience that inures to the benefit of the Debtors and all parties in interest.

32. The fees charged by WGM in these cases are billed in accordance with its existing billing rates and procedures in effect during the Second Compensation Period. The rates WGM charges for the services rendered by its professionals and paraprofessionals in the Chapter 11 Cases are the same rates WGM charges for professional and paraprofessional services rendered in comparable nonbankruptcy related matters. Such fees are reasonable based on the

customary compensation charged by comparably skilled practitioners in comparable nonbankruptcy cases in a competitive national legal market.

33. In sum, the services rendered by WGM were necessary and beneficial to the Debtors' estates, were consistently performed in a timely manner, and reasonable in light of the value of such services to the Debtors, their estates, and all parties in interest, WGM's demonstrated skill and expertise in the bankruptcy field, and the customary compensation charged by comparably skilled practitioners at WGM. Accordingly, WGM submits that approval of the compensation for professional services and reimbursement of expenses sought herein is warranted.

Reservation of Rights

34. To the extent that time or disbursement charges for services rendered or disbursements incurred relate to the Second Compensation Period but were not processed prior to the preparation of this Application, or WGM has for any other reason not sought compensation or reimbursement of expenses herein with respect to any services rendered or expenses incurred during the Second Compensation Period, WGM reserves the right to request additional compensation for such services and reimbursement of such expenses in a future application.

Conclusion

WHEREFORE WGM respectfully requests (i) an interim allowance of compensation for professional services rendered during the Second Compensation Period in the amount of \$2,705,232.00 and expense reimbursement in the amount of \$60,611.88; (ii) a determination that the allowance of such compensation for professional services rendered and reimbursement of actual and necessary expenses incurred be without prejudice to WGM's right to seek additional compensation for services performed and expenses incurred during the Second

Compensation Period which were not processed at the time of this Application; and (iii) such other and further relief as is just. Consistent with the agreement reached with the U.S. Trustee with respect to WGM's First Application, WGM seeks payment of all allowed fees and expenses that have not otherwise been paid pursuant to the Administrative Order, subject to a 10% holdback.

Dated: April 13, 2010
New York, New York

/s/ Jacqueline Marcus
Marcia L. Goldstein
Jacqueline Marcus
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

Attorneys for Debtors and
Debtors in Possession

Exhibit A

Debtor	Last Four Digits of Federal Tax I.D. Number
Extended Stay Inc.	7401
ESA P Portfolio L.L.C. f/k/a BRE/ESA P Portfolio L.L.C.	7190
ESA 2005 Portfolio L.L.C. f/k/a BRE/ESA 2005 Portfolio L.L.C.	8617
ESA 2005-San Jose L.L.C. f/k/a BRE/ESA 2005-San Jose L.L.C.	1317
ESA 2005-Waltham L.L.C. f/k/a BRE/ESA 2005-Waltham L.L.C.	1418
ESA Acquisition Properties L.L.C. f/k/a BRE/ESA Acquisition Properties L.L.C.	8149
ESA Alaska L.L.C. f/k/a BRE/ESA Alaska L.L.C.	8213
ESA Canada Properties Borrower L.L.C. f/k/a BRE/ESA Canada Properties Borrower L.L.C.	7476
ESA FL Properties L.L.C. f/k/a BRE/ESA FL Properties L.L.C.	7687
ESA MD Borrower L.L.C. f/k/a BRE/ESA MD Borrower L.L.C.	8839
ESA MN Properties L.L.C. f/k/a BRE/ESA MN Properties L.L.C.	0648
ESA P Portfolio MD Borrower L.L.C. f/k/a BRE/ESA P Portfolio MD Borrower L.L.C.	7448
ESA P Portfolio PA Properties L.L.C. f/k/a BRE/ESA P Portfolio PA Properties L.L.C.	6306
ESA P Portfolio TXNC Properties L.P. f/k/a BRE/ESA P Portfolio TXNC Properties L.P.	7378
ESA PA Properties L.L.C. f/k/a BRE/ESA PA Properties L.L.C.	7652
ESA Properties L.L.C. f/k/a BRE/ESA Properties L.L.C.	1249
ESA TX Properties L.P. f/k/a BRE/ESA TX Properties L.P.	1295
ESH/Homestead Portfolio L.L.C. f/k/a BRE/Homestead Portfolio L.L.C.	9049
ESH/HV Properties L.L.C. f/k/a BRE/HV Properties L.L.C.	8927
ESH/MSTX Property L.P. f/k/a BRE/MSTX Property L.P.	5862
ESH/TN Properties L.L.C. f/k/a BRE/TN Properties L.L.C.	5781

Debtor	Last Four Digits of Federal Tax I.D. Number
ESH/TX Properties L.P. f/k/a BRE/TX Properties L.P.	6964
ESH/Homestead Mezz L.L.C. f/k/a BRE/Homestead Mezz L.L.C.	9883
ESA P Mezz L.L.C. f/k/a BRE/ESA P Mezz L.L.C.	7467
ESA Mezz L.L.C. f/k/a BRE/ESA Mezz L.L.C.	0767
ESH/Homestead Mezz 2 L.L.C. f/k/a BRE/Homestead Mezz 2 L.L.C.	9903
ESA P Mezz 2 L.L.C. f/k/a BRE/ESA P Mezz 2 L.L.C.	7480
ESA Mezz 2 L.L.C. f/k/a BRE/ESA Mezz 2 L.L.C.	0866
ESH/Homestead Mezz 3 L.L.C. f/k/a BRE/Homestead Mezz 3 L.L.C.	9936
ESA P Mezz 3 L.L.C. f/k/a BRE/ESA P Mezz 3 L.L.C.	8977
ESA Mezz 3 L.L.C. f/k/a BRE/ESA Mezz 3 L.L.C.	0929
ESH/Homestead Mezz 4 L.L.C. f/k/a BRE/Homestead Mezz 4 L.L.C.	9953
ESA P Mezz 4 L.L.C. f/k/a BRE/ESA P Mezz 4 L.L.C.	8997
ESA Mezz 4 L.L.C. f/k/a BRE/ESA Mezz 4 L.L.C.	0964
ESH/Homestead Mezz 5 L.L.C. f/k/a BRE/Homestead Mezz 5 L.L.C.	9613
ESA P Mezz 5 L.L.C. f/k/a BRE/ESA P Mezz 5 L.L.C.	9186
ESA Mezz 5 L.L.C. f/k/a BRE/ESA Mezz 5 L.L.C.	1006
ESH/Homestead Mezz 6 L.L.C. f/k/a BRE/Homestead Mezz 6 L.L.C.	9667
ESA P Mezz 6 L.L.C. f/k/a BRE/ESA P Mezz 6 L.L.C.	9247
ESA Mezz 6 L.L.C. f/k/a BRE/ESA Mezz 6 L.L.C.	8995
ESH/Homestead Mezz 7 L.L.C. f/k/a BRE/Homestead Mezz 7 L.L.C.	9722
ESA P Mezz 7 L.L.C. f/k/a BRE/ESA P Mezz 7 L.L.C.	9349
ESA Mezz 7 L.L.C. f/k/a BRE/ESA Mezz 7 L.L.C.	9065
ESH/Homestead Mezz 8 L.L.C. f/k/a BRE/Homestead Mezz 8 L.L.C.	9779
ESA P Mezz 8 L.L.C.	9402

Debtor	Last Four Digits of Federal Tax I.D. Number
ESA Mezz 8 L.L.C. f/k/a BRE/ESA Mezz 8 L.L.C.	9117
ESH/Homestead Mezz 9 L.L.C. f/k/a BRE/Homestead Mezz 9 L.L.C.	1011
ESA P Mezz 9 L.L.C.	0281
ESA Mezz 9 L.L.C.	0923
ESH/Homestead Mezz 10 L.L.C. f/k/a BRE/Homestead Mezz 10 L.L.C.	1063
ESA P Mezz 10 L.L.C.	0224
ESA Mezz 10 L.L.C.	0175
Homestead Village L.L.C. f/k/a BRE/Homestead Village L.L.C.	8930
ESA MD Beneficiary L.L.C. f/k/a BRE/ESA MD Beneficiary L.L.C.	7038
ESA P Portfolio MD Trust f/k/a BRE/ESA P Portfolio MD Trust	8258
ESA MD Properties Business Trust f/k/a BRE/ESA MD Properties Business Trust	6992
ESA P Portfolio MD Beneficiary L.L.C. f/k/a BRE/ESA P Portfolio MD Beneficiary L.L.C.	8432
ESA Canada Properties Trust f/k/a BRE/ESA Canada Properties Trust	2314
ESA Canada Trustee Inc. f/k/a BRE/ESA Canada Trustee Inc.	2861
ESA Canada Beneficiary Inc. f/k/a BRE/ESA Canada Beneficiary Inc.	7543
ESA UD Properties L.L.C.	7075
ESA 2007 Operating Lessee Inc. f/k/a BRE/ESA 2007 Operating Lessee Inc.	9408
ESA 2005 Operating Lessee Inc. f/k/a BRE/ESA 2005 Operating Lessee Inc.	8471
ESA Operating Lessee Inc. f/k/a BRE/ESA Operating Lessee Inc.	4369
ESA P Portfolio Operating Lessee Inc. f/k/a BRE/ESA P Portfolio Operating Lessee Inc.	7433
ESA Business Trust f/k/a BRE/ESA Business Trust	8078
ESA Management L.L.C.	9101
ESA P Portfolio Holdings L.L.C. f/k/a BRE/ESA P Portfolio Holdings L.L.C.	8432
ESA Canada Operating Lessee Inc. f/k/a BRE/ESA Canada Operating Lessee Inc.	8838
Extended Stay Hotels L.L.C.	7438
ESH/MSTX GP L.L.C. f/k/a BRE/MSTX GP L.L.C.	5876

Debtor	Last Four Digits of Federal Tax I.D. Number
ESH/TXGP L.L.C. f/k/a BRE/TXGP L.L.C.	6936
ESA TXGP L.L.C. f/k/a BRE/ESA TXGP L.L.C.	1199
ESA P Portfolio TXNC GP L.L.C. f/k/a BRE/ESA P Portfolio TXNC GP L.L.C.	7210
ESH/TN Member Inc. f/k/a BRE/TN Member Inc.	8365

Exhibit B

Certification of Jacqueline Marcus

WEIL, GOTSHAL & MANGES LLP
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New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Marcia L. Goldstein
Jacqueline Marcus

Attorneys for Debtors and
Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
In re : Chapter 11 Case No.
EXTENDED STAY INC., et al. : 09-13764 (JMP)
Debtors. : (Jointly Administered)
-----X

**CERTIFICATION UNDER GUIDELINES FOR FEES AND
DISBURSEMENTS FOR PROFESSIONALS IN RESPECT OF
FIRST APPLICATION OF WEIL, GOTSHAL & MANGES LLP FOR
INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES**

I, Jacqueline Marcus, hereby certify that:

1. I am a partner with the applicant firm, Weil, Gotshal & Manges LLP (“WGM”), with responsibility for the chapter 11 cases of Extended Stay Inc. and its debtor affiliates, as debtors and debtors in possession (collectively, “Extended Stay” or the “Debtors”).

2. In accordance with the guidelines established by the Office of the United States Trustee (the “UST Guidelines”), the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on November 25, 2009 (the “Local Guidelines”), and the Second Amended Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a) Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals

[Docket No. 486] (the “Administrative Order,” and together with the Local Guidelines and the UST Guidelines, the “Guidelines”), this certification is made with respect to WGM’s application, dated April 14, 2010 (the “Application”), for interim compensation and reimbursement of expenses for the period from November 1, 2009 through and including February 28, 2010 (the “Compensation Period”).

3. In respect of section A.1 of the Local Guidelines, I certify that:
 - a. I have read the Application;
 - b. to the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Local Guidelines and the UST Guidelines;
 - c. the fees and disbursements sought are billed at rates and in accordance with practices customarily employed by WGM and generally accepted by WGM’s clients; and
 - d. in providing a reimbursable service, WGM does not make a profit on that service, whether the service is performed by WGM in-house or through a third party.

4. In accordance with section A.2 of the Local Guidelines and as required by the Administrative Order, I certify that WGM has complied with those provisions requiring it to provide the Debtors and any official committee appointed in these cases with a statement of WGM’s fees and disbursements accrued during the previous month, although such statements were not always provided within the timeframe set forth in the Local Guidelines as the Administrative Order enlarged the timeframe in which to provide statements.

5. In respect of section A.3 of the Local Guidelines, I certify that the Debtors, the Office of the United States Trustee for the Southern District of New York, counsel for the official committee of unsecured creditors, and attorneys for TriMont Real Estate Advisors, Inc. (the “Special Servicer”) and U.S. Bank National Association, as successor in

interest to Wells Fargo Bank, N.A. (the “Successor Trustee”) are each being provided with a copy of the Application.

Dated: April 13, 2010
New York, New York

/s/ Jacqueline Marcus
Jacqueline Marcus
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