

April 3, 2009



Mr. John Gates
General Manager
Rancho Bernardo Inn
17550 Bernardo Oaks Drive
San Diego, CA 92128

Dear John:

We are proud that the ranks of Preferred Hotels & Resorts are populated with many fine luxury properties, including ten that have been ranked as Five Star by Mobil Travel Guide. Many are also highly rated by respected organizations like Michelin, AAA, Condé Nast and Travel & Leisure. A prestigious group of hotels to be sure.

Within our own organization the *Preferred Global Standards of Excellence*[™] is an award winning quality assurance program that is recognized internationally as one of the most respected in the industry. It is therefore with great pleasure that we inform you that Rancho Bernardo Inn has ranked among the top 10% of all Preferred Hotels surveyed worldwide in 2008. This is indeed a very prestigious honor, one you can be proud of achieving.

We know that quality assurance is very important to our hoteliers and also our valued guests. With continuous effort it is our goal to provide a consistent product throughout the diverse range of hotels and locations that we serve in more than 30 different countries. Since 1983 each Preferred hotel has been inspected on an annual basis to assure that the hundreds of service and facility standards are met, then measured against a brand benchmark. In this case, your hotel has exceeded the average brand benchmark by a significant margin.

Congratulations to your employees on a job well done. This recognition carries with it a large measure of trust and we are confident that you and your staff will continue to provide a superlative customer service experience in the coming months. We urge you to share these results with your staff and management team.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Cornell", with a stylized flourish at the end.

Rob Cornell
Sr. Vice President, Development

c Craig Jacobs, Regional Director