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Proposed Attorneys for Debtors and
Debtors in Possession

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

-----X
: **Chapter 11 Case No.**
: **09-____()**
: **(Joint Administration Requested)**
: **Debtors.**
: **EXTENDED STAY INC., et al.,**
: **In re**
-----X

**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**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Extended Stay Inc. and its debtor affiliates, as debtors and debtors in possession
(collectively, “Extended Stay” or the “Debtors”),¹ respectfully represent:

Background

1. On the date hereof (the “Commencement Date”), the Debtors each
commenced with this Court a voluntary case under chapter 11 of title 11 of the United States
Code (the “Bankruptcy Code”). The Debtors are authorized to operate their business and

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.”



manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. Contemporaneously herewith, the Debtors filed a motion seeking joint administration of their chapter 11 cases pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

Extended Stay’s Business

3. Extended Stay is the largest owner and operator of mid-price extended stay hotels in the United States, holding one of the most geographically diverse portfolios in the lodging sector with properties located across 44 states (including 11 hotels located in New York) and two provinces in Canada. As a result of acquisitions and mergers, Extended Stay’s portfolio has expanded to encompass over 680 properties, consisting of hotels directly owned or leased by Extended Stay or one of its affiliates. Extended Stay currently operates five hotel brands: (i) Crossland Economy Studios, (ii) Extended Stay America, (iii) Extended Stay Deluxe, (iv) Homestead Studio Suites, and (v) StudioPLUS Deluxe Studios, each designed to appeal to value-conscious customers at different price points in their respective markets, and offering Extended Stay guests a range of amenities and services.

4. Extended Stay’s business model is a hybrid between a hotel and an apartment, as it provides value-conscious guests seeking longer-term accommodations with an affordable, attractive alternative to traditional hotels and apartments. Extended Stay achieves lower operating costs than traditional hotels, which provide higher service levels such as room service and daily maid service, by eliminating these services and other amenities in exchange for a lower per night price and a fully equipped kitchen, cable TV, and wireless internet access in each of its available rooms, in addition to on site laundry facilities. Typical Extended Stay

guests include government and business travelers, people on temporary work assignments or training programs, individuals relocating or purchasing a home and individuals with other short-term housing needs.

5. For the year ending December 31, 2008, Extended Stay's audited financial statements show consolidated assets (including nondebtor affiliates) totaling approximately \$7.1 billion and consolidated liabilities totaling approximately \$7.6 billion. Consolidated revenues for the 12 months ending December 31, 2008 were approximately \$1 billion.

6. All Extended Stay hotels are managed by HVM L.L.C. ("HVM"), an entity that is affiliated with, but not directly owned by, the Extended Stay family of companies. HVM, on behalf of Extended Stay, pays all property level expenses of the hotels, contracts with service providers and purchases all goods and materials utilized in the operation of the business. HVM employs approximately 10,000 employees in connection with the operation of the hotels at any given point in time.

Jurisdiction and Venue

7. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Relief Requested

8. The Debtors seek court approval pursuant to section 327(a) of the Bankruptcy Code to employ and retain Weil, Gotshal & Manges LLP ("WG&M"), *nunc pro tunc* to the Commencement Date, as their attorneys in connection with the commencement and prosecution of their chapter 11 cases. Further, the Debtors, as debtors in possession, request that the Court approve the retention of WG&M, under a general retainer, as their attorneys, to

perform the extensive legal services that will be necessary during their chapter 11 cases in accordance with WG&M's normal hourly rates in effect when services are rendered and normal reimbursement policies. In support of this Application, the Debtors are submitting the affidavit of Jacqueline Marcus, a Member of WG&M (the "Marcus Affidavit"), annexed hereto as "Exhibit B". A proposed form of order is attached hereto as "Exhibit C" (the "Proposed Order").

The Retention of WG&M is Warranted

9. The Debtors have been informed that Marcia L. Goldstein and Jacqueline Marcus, as well as other members of, counsel to, and associates of WG&M who will be employed in these chapter 11 cases, are members in good standing of, among others, the Bar of the State of New York and the United States District Court for the Southern District of New York.

10. The Debtors have selected WG&M as their attorneys because of the firm's knowledge of the Debtors' business and financial affairs and its extensive general experience and knowledge, and in particular, its recognized expertise in the field of debtor's protections and creditors' rights and business reorganizations under chapter 11 of the Bankruptcy Code. Over the last several decades, WG&M has been actively involved in major chapter 11 cases. WG&M currently represents or has represented the following debtors: General Motors Corp., General Growth Properties, Inc., Lehman Brothers Holdings Inc., Washington Mutual, Inc., BearingPoint, Inc., LandSource Communities Development, LLC, Pilgrim's Pride, Corp., Magna Entertainment, Corp., Vertis, Inc., Aleris International Inc., Lenox Group, Inc., Sharper Image Corporation, PRC, LLC, Silicon Graphics, Inc., Atkins Nutritionals, Inc., Footstar, Inc., New World Pasta Company, Parmalat USA Corp., Loral Space & Communications Ltd., TL Administration Corporation, Republic Engineered Product Holdings, WestPoint Stevens Inc., Worldcom, Inc., Adelphia Business Solutions, Inc., Enron Corp., APW Ltd., Agway, Inc.,

Formica Corp., Global Crossing Ltd., Kasper A.S.L., Ltd., Ames Department Stores, Inc., AI Realty Marketing of New York, Inc., Pergament Home Centers, Inc., Regal Cinemas, Inc., Republic Technologies Int'l, LLC, Rhythms NetConnections Inc., Sunbeam Corporation, Bethlehem Steel Corporation, Armstrong Worldwide Industries, Genesis Health Services Corp., Grand Union Corporation, Weiner's Stores, Carmike Cinemas, Inc., DIMAC Marketing Corporation, Sun Healthcare Group, Inc., United Companies Financial Corporation, Bruno's, Inc., Consolidated Hydro, Inc., G. Heileman Brewing Company, Inc., Olympia & York Development Limited, R.H. Macy & Co., Inc., Best Products Co., Inc. I & II, The Drexel Burnham Lambert Group, Inc., Eastern Air Lines, Inc., Edison Brothers Stores, Inc. I & II, Texaco Inc., and many others.

11. Since 2008, WG&M has represented the Debtors in connection with the Debtors' restructuring efforts. During the course of this representation, WG&M has become familiar with the Debtors' businesses, financial affairs, and capital structure. Accordingly, WG&M has the necessary background to deal effectively with many of the potential legal issues and problems that may arise in the context of the Debtors' chapter 11 cases. The Debtors believe that WG&M is both well qualified and uniquely able to represent them in their chapter 11 cases in a most efficient and timely manner.

12. Were the Debtors required to retain attorneys other than WG&M in connection with the prosecution of these chapter 11 cases, the Debtors, their estates and all parties in interest would be unduly prejudiced by the time and expense necessarily attendant to such attorneys' familiarization with the intricacies of the Debtors and their business operations.

13. The Debtors also will be submitting an application to retain Covington & Burling LLP ("Covington") as special litigation counsel to the Debtors. In addition to

Covington, the Debtors have filed or expect to file shortly, applications seeking to employ Lazard Frères & Co. LLC as their financial advisor and investment banker, and Kurtzman Carson Consultants as their noticing and claims agent. WG&M intends to monitor and carefully coordinate the efforts of all professionals, and clearly delineate their respective duties so as to prevent duplication of effort, whenever possible. Rather than resulting in any extra expense to the Debtors' estates, it is anticipated that the efficient coordination of efforts of the Debtors' attorneys and other professionals will greatly add to the progress and effective administration of these chapter 11 cases.

Scope of Services

14. The employment of WG&M under a general retainer is appropriate and necessary to enable the Debtors to execute their duties as debtors and debtors in possession faithfully and to implement the restructuring and reorganization of the Debtors. Subject to the order of this Court, the Debtors propose to employ WG&M to render the following professional services:

- a. take all necessary action to protect and preserve the estates of the Debtors, including the prosecution of actions on the Debtors' behalf, the defense of any actions commenced against the Debtors, the negotiation of disputes in which the Debtors are involved, and the preparation of objections to claims filed against the Debtors' estates;
- b. prepare on behalf of the Debtors, as debtors in possession, all necessary motions, applications, answers, orders, reports, and other papers in connection with the administration of the Debtors' estates;
- c. to take all necessary actions in connection with a plan or plans of reorganization and related disclosure statement(s) and all related documents, and such further actions as may be required in connection with the administration of the Debtors' estates; and

- d. perform all other necessary legal services in connection with the prosecution of these chapter 11 cases.

15. It is necessary for the Debtors to employ attorneys under a general retainer to render the foregoing professional services. WG&M has stated its desire and willingness to act in these chapter 11 cases and render the necessary professional services as attorneys for the Debtors and debtors in possession.

WG&M's Disinterestedness

16. To the best of the Debtors' knowledge, the members of, counsel to, and associates of, WG&M do not have any connection with or any interest adverse to the Debtors, their creditors, or any other party in interest, or their respective attorneys and accountants, except as may be set forth in the Marcus Affidavit.

17. Based upon the Marcus Affidavit, the Debtors submit that WG&M is a "disinterested person," as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code. The Debtors have been informed that WG&M will conduct an ongoing review of its files to ensure that no disqualifying circumstances arise, and if any new relevant facts or relationships are discovered, WG&M will supplement its disclosure to the Court.

Professional Compensation

18. As set forth in the Marcus Affidavit, WG&M received certain amounts from the Debtors as compensation for professional services performed relating to the potential restructuring of the Debtors' financial obligations and the potential commencement of these chapter 11 cases, and additional amounts for the reimbursement of reasonable and necessary expenses incurred in connection therewith. WG&M also has received a retainer fee and an

advance against expenses for services to be performed in preparation for and prosecution of these chapter 11 cases, in the amount disclosed in the Marcus Affidavit.

19. The Debtors understand that WG&M hereafter intends to apply to the Court for allowances of compensation and reimbursement of expenses in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”), the guidelines (the “Guidelines”) established by the United States Trustee for the Southern District of New York (the “U.S. Trustee”), and further orders of this Court (“Orders”) for all services performed and expenses incurred after the Commencement Date.

20. The Debtors, subject to the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the Guidelines, and the Orders, propose to pay WG&M its customary hourly rates for services rendered that are in effect from time to time, as set forth in the Marcus Affidavit, and to reimburse WG&M according to its customary reimbursement policies, and respectfully submit that such rates are reasonable. WG&M shall notify the Debtors and the U.S. Trustee of any change in the hourly rates charged by WG&M for services rendered.

21. WG&M intends to seek reimbursement for expenses incurred in connection with its representation of the Debtors in accordance with WG&M’s normal reimbursement policies, subject to any modifications to such policies that WG&M may be required to make to comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Guidelines or the Orders. WG&M’s disbursement policies pass through to clients 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, WG&M will charge \$.10 per page because the actual cost is difficult to determine. Similarly, as it relates to computerized research,

WG&M 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 WG&M in-house or through a third party vendor) include, but are not limited to, facsimiles, toll calls, overtime, overtime meals, deliveries, court costs, cost of food at meetings, transcript fees, travel, and clerk fees.

Notice

22. No trustee, examiner, or creditors' committee has been appointed in these chapter 11 cases. The Debtors have served notice of this Motion on the parties listed on "Exhibit 1" attached to the Proposed Order, and those creditors holding the five largest unsecured claims against the Debtors' estates (on a consolidated basis). The Debtors submit that no other or further notice need be provided.

23. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as it deems just and proper.

Dated: June 15, 2009
New York, New York

Extended Stay Inc.,
(for itself and on behalf of its affiliated
Debtors and Debtors in Possession)

By: /s/ Joseph Teichman
Joseph Teichman
General Counsel and Secretary

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
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

Debtor	Last Four Digits of Federal Tax I.D. Number
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
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

Debtor	Last Four Digits of Federal Tax I.D. Number
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

Exhibit B

Marcus Affidavit

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

Proposed Attorneys for Debtors and
Debtors in Possession

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

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: **Chapter 11 Case No.**
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: **Debtors.**
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: **(Joint Administration Requested)**
-----X

**AFFIDAVIT OF JACQUELINE MARCUS AND DISCLOSURE
STATEMENT OF WEIL, GOTSHAL & MANGES LLP PURSUANT TO
BANKRUPTCY CODE SECTIONS 327, 329 AND 504 AND
FEDERAL RULES OF BANKRUPTCY PROCEDURE 2014(a) AND 2016(b)
IN SUPPORT OF DEBTORS' APPLICATION FOR AUTHORIZATION
TO EMPLOY AND RETAIN WEIL, GOTSHAL & MANGES LLP AS ATTORNEYS
FOR THE DEBTORS, NUNC PRO TUNC TO THE COMMENCEMENT DATE**

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

Jacqueline Marcus, being duly sworn, deposes and says:

1. I am a member of the firm of Weil, Gotshal & Manges LLP (“WG&M” or the “Firm”), a law firm with principal offices at 767 Fifth Avenue, New York, New York 10153; regional offices in Washington, D.C.; Houston, Dallas and Austin, Texas; Miami, Florida; Boston, Massachusetts; Redwood Shores, California; Providence, Rhode Island; and Wilmington, Delaware; and foreign offices in London, United Kingdom; Paris, France;

Budapest, Hungary; Warsaw, Poland; Frankfurt and Munich, Germany; Prague, The Czech Republic; Shanghai, Hong Kong and Beijing, China; and Dubai. I am admitted to practice before this Court.

2. I submit this Affidavit in connection with the application dated June 15, 2009 (the "Application") of Extended Stay Inc. and its debtor affiliates, as debtors and debtors in possession (collectively, "Extended Stay" or the "Debtors"), for approval of the Debtors' retention of WG&M, as their attorneys in the above-captioned chapter 11 cases, *nunc pro tunc* to the date of commencement of these cases (the "Commencement Date"), at WG&M's normal hourly rates in effect from time-to-time and in accordance with their normal reimbursement policies, in compliance with sections 327, 329, and 504 of title 11 of the United States Code (the "Bankruptcy Code"), and to provide the disclosure required under Rules 2014(a) and 2016(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"). Unless otherwise stated in this Affidavit, I have personal knowledge of the facts set forth herein. To the extent any information disclosed herein requires amendment or modification upon WG&M's completion of further review or as additional party in interest information becomes available to it, a supplemental affidavit will be submitted to the Court reflecting such amended or modified information.

3. Neither I, WG&M, nor any member, counsel to, or associate of the Firm represents any entity other than the Debtors in connection with the Debtors' chapter 11 cases. In addition, except as set forth herein, to the best of my knowledge, after due inquiry, neither I, WG&M, nor any member, counsel to, or associate of the Firm represents any party in interest in these chapter 11 cases in matters related to the Debtors' chapter 11 cases.

WG&M Disclosure Procedures

4. WG&M, which employs approximately 1,300 attorneys, has a large and diversified legal practice that encompasses the representation of many financial institutions and commercial corporations. WG&M has in the past represented, currently represents, and may in the future represent entities that are claimants of or interest holders in the Debtors in matters unrelated to the Debtors' pending chapter 11 cases. Some of these entities are, or may consider themselves to be, creditors or parties in interest in the Debtors' pending chapter 11 cases or to otherwise have interests in these cases.

5. In preparing this Affidavit, I used a set of procedures developed by WG&M to ensure compliance with the requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Bankruptcy Rules for the Southern District of New York (the "Local Rules"), regarding the retention of professionals by a debtor under the Bankruptcy Code (the "Firm Disclosure Procedures"). Pursuant to the Firm Disclosure Procedures, I performed, or caused to be performed, the following actions to identify the parties relevant to this Affidavit and to ascertain WG&M's connection to such parties:

- a. A comprehensive list of the types of entities that may have contacts with the Debtors was developed through discussions with the WG&M attorneys who have provided services to the Debtors and in consultation with senior management of the Debtors, a copy of which is annexed hereto as Exhibit 1 (the "Retention Checklist").
- b. WG&M obtained information responsive to the Retention Checklist through several inquiries of the Debtors' senior management and review of documents provided by the Debtors to WG&M. WG&M then used that information, together with other information identified by WG&M, to compile a list of the names of entities that may be parties in interest in the chapter 11 cases (the "Potential Parties In Interest").
- c. WG&M maintains a master client database as part of its conflict clearance and billing records. The master client database includes the names of the entities for which any attorney time charges have been billed since the database was first created, approximately 25 years ago (the "Client").

Database”). The Client Database includes the name of each current or former client, the names of the parties who are or were related or adverse to such current or former client, and the names of the WG&M personnel who are or were responsible for current or former matters for such client. It is the policy of WG&M that no new matter may be accepted or opened within the Firm without completing and submitting to those charged with maintaining the conflict clearance system the information necessary to check each such matter for conflicts, including the identity of the prospective client, the name of the matter, adverse parties and, in some cases, parties related to the client or to an adverse party. Accordingly, the database is updated for every new matter undertaken by WG&M. The accuracy of the system is a function of the completeness and accuracy of the information submitted by the attorney opening a new matter.

- d. WG&M compared the names of each of the Potential Parties In Interest to client matters in the Client Database for which professional time was recorded during the two years prior to the comparison.¹ Any matches to names in the Client Database generated by the comparison were compiled in a list, together with the names of the respective WG&M personnel responsible for the identified client matters (the “Match List”).
- e. A WG&M attorney then reviewed the Match List and deleted obvious name coincidences and individuals or entities that were adverse to WG&M’s clients in both this matter and the matter referenced on the Match List.
- f. Using information in the Client Database concerning entities on the Match List, and making general and, if applicable, specific inquiries of WG&M personnel, WG&M verified that it does not represent and has not represented any entity on the Match List in connection with the Debtors or the chapter 11 cases.
- g. In addition, a general inquiry to all WG&M personnel (attorneys and staff) was sent by electronic mail to determine whether any such individual or any member of his or her household (i) owns any debt or equity securities of any of the Debtors; (ii) holds a claim against or interest adverse to any of the Debtors; or (iii) is or was an officer, director, or employee of any of the Debtors or any of its affiliates.

¹ For purposes of the Firm Disclosure Procedures, WG&M considers an entity a “former client” if all matters for such client have been closed or, if any matters for such client have not been closed, if no billable time for such client has been recorded in the past two years. Because the Firm Disclosure Procedures only reflect client activity during the past two years, matches to client matters outside that timeframe are not reflected in this Affidavit.

WG&M's Connections with the Debtors

6. WG&M compiled responses to the foregoing inquiries for the purposes of preparing this Affidavit. Responses to the inquiry described in paragraph 5(g) hereof indicate that no WG&M personnel or member of the household of any WG&M personnel holds any claims against, stock of, or other interests in any of the Debtors and that no such individuals were ever employed by any of the Debtors.

7. Since 2008, WG&M has advised the Debtors in connection with reviewing and analyzing the Debtors' business operations, and evaluating their recapitalization alternatives. In addition, prior to the commencement of these cases, WG&M had been counseling the Debtors on their financial restructuring efforts and engaging, on the Debtors' behalf, in extensive negotiations with the Debtors' various creditor groups regarding the terms of a potential financial restructuring.

WG&M's Connections with Parties in Interest in Matters Unrelated to these Chapter 11 Cases

8. Any identified client connections with regard to which WG&M had represented the client within the last two years were reviewed by an attorney working under my supervision and from such review I determined that, with respect to each connection between WG&M and such parties, WG&M does not hold or represent an interest that is adverse to the Debtors' estates, and that WG&M is a "disinterested person" as such term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, for the reasons discussed below.

9. WG&M previously has represented, currently represents, and may represent in the future the entities described below (or their affiliates) in matters unrelated to the Debtors. The disclosures are the product of implementation of the Firm Disclosure Procedures.

The following is a list of Current Clients or affiliates of Current Clients whom WG&M has represented within the past two years, in matters totally unrelated to the Debtors:

Matched Entity	Relationship to Debtors	Relationship to WG&M
American Express	Bank	Current Client
American International Specialty Lines Insurance Co	Insurer	Affiliate of Current Client
Aozora Bank	Debt Holder	Current Client
Archon	Debt Holder	Affiliate of Current Client
Armstrong World Industries, Inc.	Creditor	Current Client
Bank of America, N.A.	Bank, Debt Holder	Current Client
Barclays	Professional	Current Client
Bear Stearns Commercial Mortgage, Inc.	Debt Holder	Affiliate of Current Client
Blackstone	Debt Holder	Current Client
BoA Canada	Bank	Affiliate of Current Client
BoA Securities	Bank	Affiliate of Current Client
Cambridge Place Investments	Debt Holder	Current Client
Cerberus	Debt Holder	Affiliate of Current Client
Chase Paymentech	Bank	Affiliate of Current Client
Citigroup	Bank	Current Client
City of New York	Taxing Authority	Current Client
Deloitte Tax LLP	Professional	Affiliate of Current Client
Deutsche Bank Trust Company Americas	Bank	Affiliate of Current Client
Fidelity National Property & Casualty	Insurer	Affiliate of Current Client
First Sun America Life Insurance	Debt Holder	Affiliate of Current Client
Fortress	Debt Holder	Affiliate of Current Client
GEM	Debt Holder	Affiliate of Current Client
Goldman Sachs	Debt Holder	Current Client
Hartford Life Insurance	Debt Holder	Affiliate of Current Client
Hartford Light	Debt Holder	Affiliate of Current Client
Houlihan Lokey Howard & Zukin Capital Inc.	Professional	Affiliate of Current Client
HSBC Treasury Fund	Bank	Affiliate of Current Client
JP Morgan Chase & Co.	Debt Holder	Current Client
JPMorgan Chase Bank	Bank	Current Client
Lazard Freres & Co. LLC	Professional	Affiliate of Current Client
Liberty Mutual Insurance	Insurer	Current Client
M&T Investment Trust	Bank	Affiliate of Current Client
Manufacturers & Traders Trust Company	Creditor, Indenture Trustee to Subordinated Note Holder	Current Client
Merrill Lynch	Debt Holder	Current Client
Merrill Lynch Mortgage Lending, Inc.	Debt Holder	Affiliate of Current Client
Silver Point Finance LLC	ESH Professional	Affiliate of Current Client

Matched Entity	Relationship to Debtors	Relationship to WG&M
St. Paul Fire & Marine Insurance Company	Insurer	Affiliate of Current Client
Starwood Hotels & Resorts Worldwide	Affiliation of Current Officers	Current Client
Swiss Re IRI	Insurer	Affiliate of Current Client
TD Bank	Bank	Affiliate of Current Client
TD Canada Trust	Bank	Affiliate of Current Client
Thomson Property Tax Services	Professional	Affiliate of Current Client
TIAA	Debt Holder	Current Client
TIAA CREF Life	Debt Holder	Current Client
Wachovia Bank, N.A.	Bank, Debt Holder	Affiliate of Current Client
Wells Fargo Bank, National Association	Bank, Debt Holder	Current Client
Willis of Maryland Inc.	Creditor	Affiliate of Current Client
XL Insurance America, Inc.	Insurer	Affiliate of Current Client
XL Insurance Company	Insurer	Affiliate of Current Client
Zurich North America	Insurer	Affiliate of Current Client

10. In addition to the entities identified above, the following entities either (i) have a name similar to a client in the Client Database, or (ii) are or may be related to a client (collectively, the “Potential Clients”). After a diligent effort, WG&M was unable to determine whether the similarity of names was in fact a name coincidence or whether, and to what extent, the Potential Client is related to a client in the Client Database. However, out of an abundance of caution, WG&M has confirmed that, similar to the clients identified above, WG&M does not represent any of the Potential Clients in matters related to the Debtors’ chapter 11 cases.

Matched Entity	Relationship to Debtors	Relationship to WG&M
Automatic Data Processing Inc.	Professional	Related to a Current Client
Blackrock Investment Management	Debt Holder	Related to an Affiliate of a Current Client
Five Mile Capital Partners	Debt Holder	Related to an Affiliate of a Current Client
Houston Independent School District	Taxing Authority	Related to a Current Client
Lexington Insurance Company	Insurer	Related to a Current Client
Midland National Life Insurance Co.	Debt Holder	Related to a Current Client

Matched Entity	Relationship to Debtors	Relationship to WG&M
MVE, Inc.	Creditor	Related to an Affiliate of a Current Client
National Union Fire Insurance Company	Insurer	Related to an Affiliate of a Current Client
New York Life Insurance Co.	Debt Holder	Related to a Current Client
Robert Hughes Associates Inc.	Professional	May be Related to an Affiliate of a Current Client
Starwood Capital	Debt Holder	Related to an Affiliate of a Current Client

11. To the best of my knowledge and information, none of the entities listed as Current Clients represents more than one percent (1%) of WG&M's annual revenues over the past twelve (12) months, other than Citigroup, which represented 1.1% of WG&M's annual revenues for the past 12 months.

12. In addition to the foregoing, through diligent inquiry, I have ascertained no connection, as such term is used in section 101(14)(C) of the Bankruptcy Code, as modified by section 1107(b), and Bankruptcy Rule 2014(a), between WG&M and (i) the United States Trustee for the Southern District of New York (the "U.S. Trustee") or any person employed by the Office of the U.S. Trustee, (ii) any attorneys, accountants, or financial consultants in the chapter 11 cases, and (iii) any investment bankers that represent or may represent the Debtors or claimants or other parties in interest in the chapter 11 cases, except as set forth herein. As part of its practice, WG&M appears in cases, proceedings, and transactions involving many different attorneys, accountants, financial consultants, and investment bankers, some of which now or may in the future represent claimants and other parties in interest in these cases. WG&M has not represented, and will not represent, any of such parties in relation to the Debtors or their chapter 11 cases. WG&M does not have any relationship with any such attorneys, accountants, financial consultants, and investment bankers that would be adverse to the Debtors or their estates.

13. WG&M will continue to apply the Firm Disclosure Procedures as additional information concerning entities having a connection with the Debtors is developed and will file appropriate supplemental disclosure with the Court.

WGM Is Disinterested

14. Based on the foregoing, insofar as I have been able to ascertain after diligent inquiry, I believe WG&M does not hold or represent an interest adverse to the Debtors' estates in the matters upon which WG&M is to be employed, and WG&M is "disinterested" as such term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code.

WG&M's Retainer, Rates, and Billing Practices

15. WG&M is not a creditor of the Debtors. WG&M has received periodic fee advances from the Debtors for professional services to be performed and expenses to be incurred in connection with the services WG&M has and will render on behalf of the debtors. WG&M used the advance payments to credit the Debtors' account for actual professional services performed and expenses incurred and reduced the balance of the credit available to the Debtors by the amount of such charges. As of the Commencement Date, (i) the fees and expenses incurred by WG&M in the one year prior to the Commencement Date approximated \$4,750,225.28 and (ii) WG&M had a remaining credit balance in favor of the Debtors for future professional services to be performed, and expenses to be incurred, in the approximate amount of \$186,239.72. After application of amounts for any additional prepetition professional services and related expenses, the excess advance amounts will be held by WG&M as a retainer. Annexed hereto as Exhibit 2 is an accounting summary of payments made to WG&M and estimated amounts incurred by WG&M prior to the commencement of these cases.

16. None of the Debtors' prepetition payments to WG&M constitute voidable preferential transfers pursuant to section 547 of the Bankruptcy Code. Indeed, all payments to WG&M were made in a time and manner consistent with the ordinary payment practice between the Debtors and WG&M.

17. WG&M intends to charge the Debtors for services rendered in these chapter 11 cases at WG&M's normal hourly rates in effect at the time the services are rendered. WG&M's current customary hourly rates, subject to change from time to time, are \$655 to \$950 for members and counsel, \$355 to \$640 for associates, and \$155 to \$290 for paraprofessionals.

18. WG&M also intends to seek reimbursement for expenses incurred in connection with its representation of the Debtors in accordance with WG&M's normal reimbursement policies, subject to any modifications to such policies that WG&M may be required to make to comply with orders of this Court, the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the guidelines (the "Guidelines") established by the U.S. Trustee. WG&M'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, WG&M will charge \$.10 per page because the actual cost is difficult to determine. Similarly, as it relates to computerized research, WG&M 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 WG&M in-house or through a third party vendor) include, but are not limited to, facsimiles, toll calls, overtime, overtime meals, deliveries, court costs, cost of food at meetings, transcript fees, travel, and clerk fees.

19. No promises have been received by WG&M or any member, counsel or associate thereof as to payment or compensation in connection with these cases other than in accordance with the provisions set forth herein. WG&M has no agreement with any other entity to share with such entity any compensation received by WG&M or by such entity.

20. The Debtors' Application requests approval of their retention of WG&M on rates, terms, and conditions consistent with what WG&M charges non-chapter 11 debtors, namely, prompt payment of WG&M's hourly rates as adjusted from time to time and reimbursement of out-of-pocket disbursements at cost or based on formulas that approximate the actual cost where the actual cost is not easily ascertainable. Subject to these terms and conditions, WG&M intends to apply pursuant to section 330 of the Bankruptcy Code for allowances of compensation for professional services rendered in these chapter 11 cases and for reimbursement of actual and necessary expenses incurred in connection therewith in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the Guidelines, and any further orders of this Court.

Coordination with Other Professionals for the Debtors

21. As noted earlier, WG&M understands that the Debtors will seek to retain several other professionals in connection with the Debtors' chapter 11 cases. WG&M intends to monitor and coordinate carefully the efforts of all professionals, and delineate clearly their respective duties so as to prevent duplication of effort, whenever possible. Rather than resulting in extra expense to the Debtors' estates, it is anticipated that the efficient coordination of efforts of the Debtors' attorneys will greatly add to the progress and effective administration of these chapter 11 cases.

22. The foregoing constitutes the statement of WG&M pursuant to sections 327(a), 329, and 504 of the Bankruptcy Code and Bankruptcy Rules 2014(a) and 2016(b).

/s/ Jacqueline Marcus
Jacqueline Marcus

Sworn to and subscribed before me, a notary public for the State of New York, County of New York, this 15th day of June, 2009.

/s/ Andrea Wilmer
Andrea Wilmer
Notary Public, State of New York
No. 01W16172356
Qualified in Kings County
Commission Expires August 6, 2011

Exhibit 1

Retention Checklist

Debtors and Non-Debtor Affiliates
Former Names
Directors
Independent Directors
Officers
Affiliation of Certain Officers
Debt Holders
Creditors
Professionals
Insurance Companies
Taxing Authorities
Litigation Parties
Banks, Credit Card Processors & Investments
Indenture Trustee to Sr. Subordinated Note
Employees of the United States Trustee
Lessors

Exhibit 2

Account Summary of Payments

<u>Date</u>	<u>Transaction</u>	<u>Amount</u>	<u>Fee Advance Balance</u>
5/15/2008	Fee advance received by WG&M via wire transfer from Extended Stay (Initial)	\$65,000.00	\$65,000.00
7/9/2008	Invoice Number: 10334764. Fee advance amount drawn down based on services performed from the period through 06/30/08. This amount represents the fees and expenses associated with all such services, including fees and expenses already recorded in WG&M's billing system.	\$63,860.35	\$1,139.65
7/17/2008	Fee advance received by WG&M via wire transfer from Extended Stay	\$120,000.00	\$121,139.65
8/20/2008	Invoice Number: 10339773. Fee advance amount drawn down based on services performed from the period through 07/31/08. This amount represents the fees and expenses associated with all such services, including fees and expenses already recorded in WG&M's billing system.	\$121,575.86	(\$436.21)
8/20/2008	Fee advance received by WG&M via wire transfer from Extended Stay	\$121,575.86	\$121,139.65
10/28/2008	Invoice Number: 10346769. Fee advance amount drawn down based on services performed from the period through 09/30/08. This amount represents the fees and expenses associated with all such services, including fees and expenses already recorded in WG&M's billing system.	\$108,536.42	\$12,603.23
10/30/2008	Fee advance received by WG&M via wire transfer from Extended Stay	\$408,536.42	\$421,139.65
11/26/2008	Invoice Number: 10351555. Fee advance amount drawn down based on services performed from the period through 10/31/08. This amount represents the fees and expenses associated with all such services, including fees and expenses already recorded in WG&M's billing system.	\$369,243.17	\$51,896.48
12/3/2008	Fee advance received by WG&M via wire transfer from Extended Stay	\$549,243.17	\$601,139.65

<u>Date</u>	<u>Transaction</u>	<u>Amount</u>	<u>Fee Advance Balance</u>
12/22/2008	Invoice Number: 10354078. Fee advance amount drawn down based on services performed from the period through 11/30/08. This amount represents the fees and expenses associated with all such services, including fees and expenses already recorded in WG&M's billing system.	\$302,933.85	\$298,205.80
12/31/2008	Fee advance received by WG&M via wire transfer from extended Stay	\$302,933.85	\$601,139.65
1/21/2009	Invoice Number: 10357588. Fee advance amount drawn down based on services performed from the period through 12/31/08. This amount represents the fees and expenses associated with all such services, including fees and expenses already recorded in WG&M's billing system.	\$351,850.62	\$249,289.03
1/30/2009	Fee advance received by WG&M via wire transfer from Extended Stay	\$351,850.62	\$601,139.65
2/10/2009	Invoice Number: 10359905. Fee advance amount drawn down based on services performed from the period through 01/31/09. This amount represents the fees and expenses associated with all such services, including fees and expenses already recorded in WG&M's billing system.	\$407,702.51	\$193,437.14
2/20/2009	Fee advance received by WG&M via wire transfer from Extended Stay	\$407,702.51	\$601,139.65
3/12/2009	Invoice Number: 10362446. Fee advance amount drawn down based on services performed from the period through 02/28/09. This amount represents the fees and expenses associated with all such services, including fees and expenses already recorded in WG&M's billing system.	\$546,446.71	\$54,692.94
3/18/2009	Fee advance received by WG&M via wire transfer from Extended Stay	\$546,446.71	\$601,139.65
4/7/2009	Invoice Number: 10365978. Fee advance amount drawn down based on services performed from the period through 03/31/09. This amount represents the fees and expenses associated with all such services, including fees and expenses already recorded in WG&M's billing system. (\$10K was credited to client on this bill)	\$437,036.26	\$164,103.39
4/16/2009	Fee advance received by WG&M via wire transfer from Extended Stay	\$437,036.26	\$601,139.65

<u>Date</u>	<u>Transaction</u>	<u>Amount</u>	<u>Fee Advance Balance</u>
5/6/2009	Invoice Number: 10369476. Fee advance amount drawn down based on services performed from the period through 4/30/09. This amount represents the fees and expenses associated with all such services, including fees and expenses already recorded in WG&M's billing system.	\$339,954.27	\$261,185.38
5/8/2009	Fee advance received by WG&M via wire transfer from Extended Stay	\$339,954.27	\$601,139.65
5/19/2009	Fee advance received by WG&M via wire transfer from Extended Stay	\$200,000.00	\$801,139.65
5/26/2009	Invoice Number: 10371833. Fee advance amount drawn down based on services performed from the period through 05/13/09. This amount represents the fees and expenses associated with all such services, including fees and expenses already recorded in WG&M's billing system.	\$687,646.40	\$113,493.25
6/2/2009	Fee advance received by WG&M via wire transfer from Extended Stay	\$537,646.40	\$651,139.65
6/9/2009	Invoice Number: 10372900. Fee advance amount drawn down based on services performed from the period through 05/31/09. This amount represents the fees and expenses associated with all such services, including fees and expenses already recorded in WG&M's billing system.	\$348,538.93	\$302,600.72
6/9/2009	Fee advance received by WG&M via wire transfer from Extended Stay	\$348,538.93	\$651,139.65
6/12/2009	Invoice Number: 10373200. Fee advance amount drawn down based on services performed from the period through 06/12/09. This amount represents the fees and expenses associated with all such services, including fees and expenses already recorded in WG&M's billing system.	\$464,268.43	\$186,871.22
6/12/2009	Fee advance received by WG&M via wire transfer from Extended Stay.	\$200,000.00	\$386,871.22
6/14/2009	Invoice Number: 10373290. Fee advance amount drawn down based on services performed from the period through 06/14/09. This amount represents the fees and expenses associated with all such services, including fees and expenses already recorded in WG&M's billing system.	\$200,631.50	\$186,239.72

Exhibit C

Proposed Order

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re : Chapter 11 Case No.
EXTENDED STAY INC., et al., : 09-____()
Debtors. : (Joint Administration Requested)
-----X

**ORDER PURSUANT TO SECTION 327(a) OF THE
BANKRUPTCY CODE AND FEDERAL RULE OF BANKRUPTCY
PROCEDURE 2014(a) AUTHORIZING THE EMPLOYMENT AND
RETENTION OF WEIL, GOTSHAL & MANGES LLP AS ATTORNEYS
FOR THE DEBTORS, NUNC PRO TUNC TO THE COMMENCEMENT DATE**

Upon the application dated June __, 2009 (the "Application") of Extended Stay Inc. and its debtor affiliates, as debtors and debtors in possession (collectively, the "Debtors"), pursuant to section 327(a) of title 11 of the United States Code (the "Bankruptcy Code") and Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for authorization to employ and retain Weil, Gotshal & Manges LLP ("WG&M") as their attorneys under a general retainer, all as more fully described in the Application; and upon consideration of the Affidavit of Jacqueline Marcus, a member of WG&M, sworn to on June 15, 2009 (the "Marcus Affidavit"); and the Court having jurisdiction to consider the Application and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Application having been provided to the parties listed on "Exhibit 1"

attached hereto, and those creditors holding the five largest unsecured claims against the Debtors' estates (on a consolidated basis), and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Application (the "Hearing"); and the appearances of all interested parties having been noted in the record of the Hearing; and upon the Declaration of Joseph Teichman Pursuant to Rule 1007-2 of the Local Bankruptcy Rules for the Southern District of New York in Support of First-Day Motions and Applications, filed contemporaneously with the Application, the record of the Hearing, and all of the proceedings had before the Court; and it appearing that the members and associates of WG&M who will be engaged in these chapter 11 cases are duly admitted to practice before this Court; and the Court being satisfied that WG&M represents or holds no interest adverse to the Debtors or their estates and is disinterested under section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code; and the Court having found and determined that the relief sought in the Application is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Application approved; and it is further

ORDERED that pursuant to section 327(a) of the Bankruptcy Code, the Debtors' retention of WG&M as their attorneys under a general retainer in accordance with WG&M's normal hourly rates and disbursement policies as set forth in the Marcus Affidavit is approved *nunc pro tunc* to the Commencement Date; and it is further

ORDERED that WG&M shall apply for compensation and reimbursement in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code,

applicable provisions of the Bankruptcy Rules, the Local Rules of Civil Practice and Procedure of the United States District Court for the Southern District of New York, the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Southern District of New York, the guidelines established by the Office of the United States Trustee, and such other procedures as may be fixed by order of this Court; and it is further

ORDERED that notice of the Application as provided herein shall be deemed good and sufficient notice of the Application; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order.

Dated: June __, 2009
New York, New York

UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

<p>The Office of the United States Trustee for the Southern District of New York</p> <p>33 Whitehall Street, 21st Floor, New York New York 10004 Attn: Paul Schwartzburg, Esq.</p>	<p>Counsel to the Supporting Certificate Holders</p> <p>Fried Frank Harris Shriver & Jacobson LLP One New York Plaza, New York, New York 10004 Attn: Brad Eric Scheler, Esq. Jennifer Rodburg, Esq.</p>
<p>Counsel to the Ad Hoc Mezzanine Lender Group</p> <p>Cleary, Gottlieb, Steen & Hamilton One Liberty Plaza 37th Floor New York, NY 10006 Attn: Michael Weinberger, Esq.</p>	<p>- and-</p> <p>Counsel to Cerberus Capital Management, L.P.</p> <p>Schulte Roth & Zabel LLP 919 Third Avenue New York, NY 10022 Attn: Adam Harris, Esq.</p>
<p>Counsel to Wachovia Bank National Association, the Agent under the Mortgage Loan Agreement and the Mezzanine Loan Agreements</p> <p>Morrison & Foerster L.L.P. 1290 Avenue of the Americas New York, N.Y. 10104-0050 Attn: Jeffrey Temple, Esq.</p>	<p>Counsel to the Ad Hoc Mezzanine Lender Group</p> <p>Kaye Scholer LLP 425 Park Avenue, New York, New York 10022 Attn: Jeannie Bionda, Esq. and Louis Hait, Esq.</p>
<p>Trustee under the Trust and Servicing Agreement</p> <p>Wells Fargo Corporate Trust Services MAC N2702-011 9062 Old Annapolis Road Columbia, MD 21045 Attn: Elizabeth A. Brewster, Vice President</p>	<p>Counsel to Fortress Investment Group L.L.C.</p> <p>Sidley Austin L.L.P. 787 Seventh Avenue New York, New York 10019 Attn: Robert L. Golub, Esq.</p>
<p>Servicer under the Trust and Servicing Agreement</p> <p>Wachovia Securities 201 South College Street NC1075 Charlotte, NC 28288 Attn: Mike Benner</p>	<p>Counsel to the Servicer under the Trust and Servicing Agreement</p> <p>Seyfarth Shaw LLP 620 Eighth Avenue, New York, NY 10018 Attn: Mitchell Kaplan, Esq.</p>