

ROCKPORT

VAL

Rockport VAL, LLC in collaboration with MOODY'S
ANALYTICS



Hotel
Training Manual

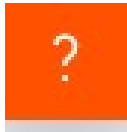
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Introduction to VAL

VAL is a cash flow modeling & valuation platform that is user friendly, affordable, efficient and a powerful alternative to all other products on the market. It is cloud-based so you can login to VAL from anywhere, on any device. Seamlessly collaborate and share with colleagues and clients. Today, you will learn how your team can benefit from technology's newest solution to DCF modeling and valuation.

Questions about VAL?



On-Screen Tutorials: Click on the question mark located at the bottom right corner of any VAL screen to access the tutorials. Tutorials include slide shows, interactive data entry assistance, and pdf downloads.



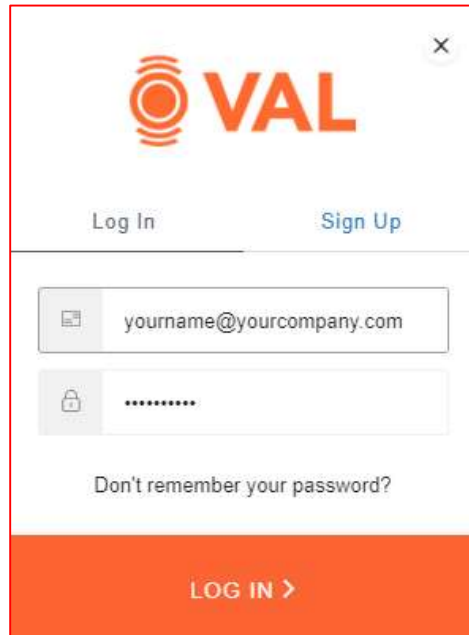
YouTube Channel: Access numerous tutorial videos at <https://www.youtube.com/rockportval>



Support: Email support at support@rockportval.com.

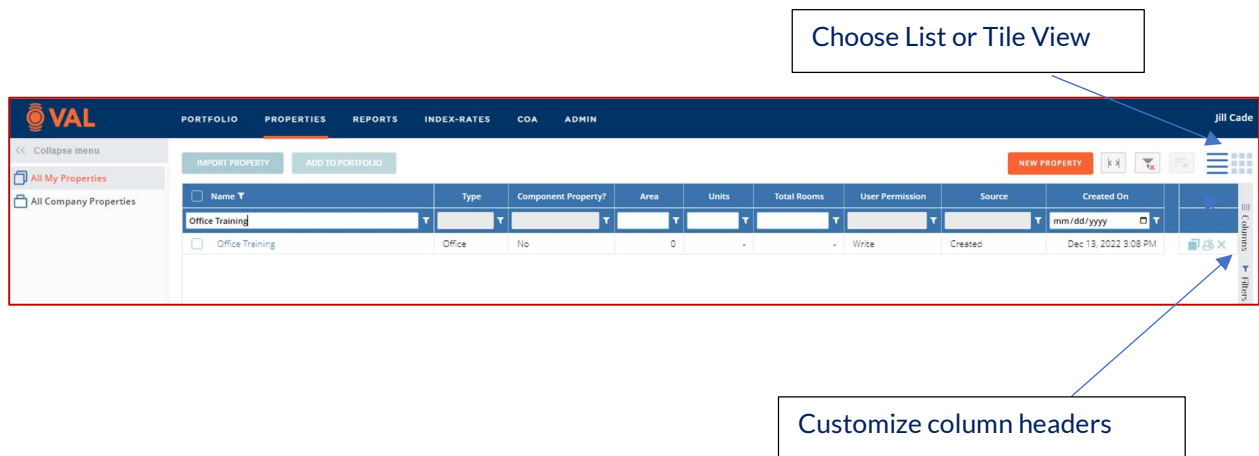
Login to VAL

Go to www.rockportval.com and click “Log In” in the upper right-hand corner and enter credential to access VAL.



VAL User Interface

The VAL user interface is designed to be intuitive and easy to navigate.



Create New Property

In this training scenario, we will create a hotel property.



- Click **New Property**.

Click New Property

Welcome

Welcome to Rockport VAL, get started by adding your property

Property Name VAL Hotel	Street 424 East Palm Canyon Drive
Property Type Lodging	City Palm Springs
Total Rooms 100	State CA
	Zip 92264
	Country United States

CANCEL
CREATE

Click Create

Add the following property details:

- Property Name: VAL Hotel
- Property Type: Lodging
- Total Rooms: 100
- Address: 424 East Palm Canyon Drive, Palm Springs, CA
- Click **Create**.



Helpful Hint: Property name must be unique. If multiple users are working on this training case study simultaneously add initials to the property name.

Property Interface

When opening a property, the dashboard will display key performing metrics of the property such as Valuation, Average Rent, and Average Occupancy (assuming all relevant inputs have been made).

Property KPIs

The screenshot shows the VAL Property Interface for 'VAL Hotel'. At the top, there are navigation tabs: PORTFOLIO, PROPERTIES, REPORTS, INDEX-RATES, COA, and ADMIN. The main dashboard displays key metrics: '100 Total Rooms', 'Yr 1 Occupancy %' (0%), 'Yr 1 ADR', and 'Yr 1 Rev/PAR'. A 'Scenarios' dropdown menu is visible. On the left, a 'Property Details' sidebar is highlighted with a red box, containing sections like Settings, Model Settings, Area Settings, COA, and Valuation. A map of the property location is shown on the right. Callouts with arrows point to the 'Scenarios' dropdown, the 'Data Inputs' section in the sidebar, and the 'Property KPIs' box.

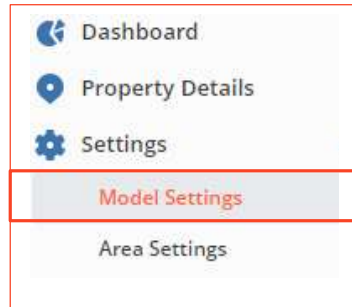
Navigation Pane

Helpful Hint: Click **F1** to view VAL hot keys and short cuts.

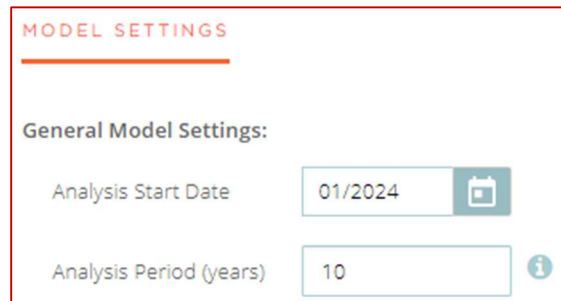
Keyboard Shortcuts	Keyboard Shortcuts	Keyboard Shortcuts
Property Details Press this key To do this Ctrl + 1-9 Tabs navigation ⌘/Ctrl + E Edit ⌘/Ctrl + S Save	General top bar Press this key To do this Alt + 1-3 Tabs navigation Alt + U User menu	General hotkeys Press this key To do this F2 Open DDL Space Toggle On/Off Space Checkbox check/uncheck
Model Settings Press this key To do this Ctrl + 1-9 Tabs navigation	Portfolio Left navigation sidebar Press this key To do this Alt + Up/Down Sidebar navigation	Popup hotkeys Press this key To do this ⌘/Ctrl + + Add a new row ⌘/Ctrl + + in numeric keypad ⌘/Ctrl + - Delete a row Alt + E Copy value into all cells to the right (applicable for vectors only)
Area Measures Press this key To do this ⌘/Ctrl + D Erase Varying Values	arrow keys Shift + M My Portfolios Shift + N Create Portfolio Shift + S Shared Portfolios	Header bar Press this key To do this Alt + B Collapse/Expand bar Alt + S Open scenarios drop down menu
Tenant Based Areas Press this key To do this ⌘/Ctrl + - Delete tenant ⌘/Ctrl + O Open pop up screen (pencil)	Right page Press this key To do this Tab or Arrow keys Navigation Return/Enter Select portfolio	
COA		

Model Settings

The settings window is where users specify property settings such as analysis start date, number of years of analysis.



- From the navigation pane go to **Model Settings**.



A screenshot of the 'MODEL SETTINGS' window. The title 'MODEL SETTINGS' is at the top in red. Below it is a section titled 'General Model Settings:'. There are two input fields: 'Analysis Start Date' with a calendar icon and a date picker showing '01/2024', and 'Analysis Period (years)' with a text input field showing '10' and an information icon (i).

Add the following Model Settings:

- Analysis Start Date: 1/2024
- Analysis Period (years): 10

Area Settings

Add area measurements in the Area Settings such as Rooms, SF, Seats, Holes or Guests.

Area Settings		
AREA MEASURES		
Name	Area	UoM
Total Rooms	100 	Rooms
Total Available Rooms	100 	Rooms



Helpful Hint: By default, VAL sets the Total Available Rooms equal to the Total Rooms. For Room Revenue calculations, VAL uses Total Available Rooms. For Valuation/Room calculations, VAL uses Total Rooms. The primary use case for a different set of Total Available Rooms versus Total Rooms is in the case where Rooms may be offline due to a PIP or otherwise unavailable.

Growth Rates

Enter the growth rates to be applied to the model. Growth rates can be overridden at the line-item level.



Select **Display Varying Rates** to show every year

Growth Rate Name	Rate Type	Rate	Year Ending											
			Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32	Dec-33	Dec-34	
General Growth	Direct Entry	3.00%												
Average Rate Growth	Direct Entry	Varies	0.00%	1.00%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Dept Revenue Growth	Use General													
Misc. Income Growth	Use General													
Dept Expense Growth	Use General													
Undist OpEx Growth	Use General													
Fixed Expense Growth	Use General													
Capital Expense Growth	Use General													

Right click and select **Copy Right** to replicate value

Add the following Growth Rates:

- General Growth: 3%
- Average Rate Growth:
 - 2025 - 0%
 - 2026 - 1%,
 - 2027 - 2%
 - 3% each year thereafter



Helpful Hint: To copy values to the right, click **Alt + E** or right click on the field and select **Copy Right**. Expand the grid to see growth rates for all years by clicking the ">>" icon at the top of the Rate column. The grid can be collapsed by clicking the icon again.

Other Revenue & Expense

Revenue and Expenses are reflected on a single screen, which makes it easy to model an item based on a % of another item and link. Revenue and Expenses are organized by Type which is how the items will display on the reports. Every VAL model includes a Rooms Expense line item by default. VAL supports all the customary units of measure related to a hotel property type.

Revenue and Expense Types in VAL include:

- Departmental Revenue
- Room Expense
- Undistributed Operating Expense
- Management Fee
- Fixed Expense
- Capital Expense
- FF&E

Revenue and Expense Unit of Measures include:

- \$ POR (Per Occupied Room)
- \$ PAR (Per Available Room)
- % of Room Revenue
- % of Total Revenue
- % of Line
- \$ Amount
- \$/Area



Other Revenue & Expense						
Note: Enter the same Description in order to tie Dept Rev & Dept Exp items to each other for purposes of calculating Dept Profit.						
	Type	Description	COA		Amount	UoM
			Account Name	Account Code		
	ROOM EXP	Rooms			30.00%	% of Room Rev...

- Rooms Expense is 30% of Room Revenue.

Type	Description	Account Name	Account Code	Amount	UoM	Frequency	Area	Growth Assump...	Growth Rate
ROOM EXP	Rooms			30.00%	% of Room Rev...		Total Rooms		
DEPT REV	F&B			5.00%	% of Room Rev...		Total Rooms		

Add Revenue & Expense item below:

- Click **Add** to insert a new row
- Select **Dept Rev** as the Type
- **Food & Beverage (F&B)** is 5% of Room Revenue

Clone as Department Expense

When entering a Departmental Revenue, select the line item and right click to clone as Departmental Expense to easily model the corresponding expense when applicable.



Type	Description	Account
ROOM EXP	Rooms	
DEPT REV	F&B	

- Clone
- Clone X times
- Clone as DEPT EXP
- Delete

- Right-click F&B revenue line item
- Select **Clone as Dept Exp**

Other Revenue & Expense [Helpful Hints](#)

Note: Enter the same Description in order to tie Dept Rev & Dept Exp items to each other for purposes of calculating Dept Profit.

Type	Description	Account	Amount	UoM	Frequency
ROOM EXP	Rooms		30.00%	% of Room Rev...	
DEPT REV	F&B		5.00%	% of Room Rev...	
DEPT EXP	F&B		0.00% of F&B	% of Line	

- Click on the pencil icon to edit.

Percent of line

Apply to: Analysis Period | Start Date: / / | End Date: / / | Term:

	Min	Max
Applied	Annually	
Amount		
Growth Rate		

Sort Revenue & Expenses: As Entered

Cash Flow Item	%
Departmental Revenue	
Rooms	
F&B	40.00%
Departmental Expenses	
Rooms	
F&B	
Departmental Profit	
Rooms	
F&B	

Buttons: Cancel, SAVE

- Enter 40% of F&B (Departmental Revenue)
- Click Save.



Helpful Hint: Variable Expense Formula = (Expense \$ x Variable % x Occupancy %) + (Expense \$ x % Fixed)



Other Revenue & Expense

Note: Enter the same Description in order to tie Dept Rev. & Dept Exp items to each other for purposes of calculating Dept Profit.

Type	Description	COA		Amount	UoM	Frequency	Area	Growth Assump...	Growth Rate	Variable	% Variabl
		Account Name	Account Code								
ROOM EXP	Rooms			30,00%	% of Room Rev...		Total Rooms			No	
DEPT REV	F&B			5,00%	% of Room Rev...		Total Rooms			No	X
DEPT EXP	F&B			40,00% of F&B	% of Line		Total Rooms	Dept Expense ...	3,00%	No	X
UNDIST	General & Administrative			700	\$ PAR		Total Rooms	Dept Revenue...	3,00%	No	X
UNDIST	Repairs & Maintenance			8,00	\$ POR		Total Rooms	Dept Revenue...	3,00%	No	X
UNDIST	Utilities			350,000	\$ amount	Annual	Total Rooms	Dept Revenue...	3,00%	No	X
UNDIST	Franchise Fee			8,00% of Departmental Profit	% of Line		Total Rooms	Dept Revenue ...	3,00%	No	X
MGMT FEE	Management Fee			4,00%	% of Total Reve...		Total Rooms			No	X
FIXED EXP	Insurance			275,000	\$ amount	Annual	Total Rooms	Dept Revenue...	3,00%	No	X
FIXED EXP	Real Estate Taxes			Detailed	\$ amount	Monthly	Total Rooms	Custom	2,00%	No	X

Add the following entries to Other Revenue & Expenses, all growing by General Growth unless otherwise specified:

- **UNDIST OPEX:** General & Administrative is \$700 Per Available Room
- **UNDIST OPEX:** Repairs & Maintenance is \$8 Per Occupied Room
- **UNDIST OPEX:** Utilities is \$350,000 per year
- **UNDIST OPEX:** Franchise Fee is 8% of Departmental Profit
- **MGMT FEE:** Management Fee is 4% of Total Revenue
- **FIXED EXP:** Insurance is \$275,000 per year
- **FIXED EXP:** Real Estate Taxes are \$400,000 paid every October with 2% Growth (click the pencil icon to edit).

Property Cash Flow

Reports ▼

All Reports ▼

Cash Flow

Investment Analysis

Valuation

Audit

▼ Undistributed Operating Expenses											
General & Administrative	70,000	72,100	74,263	76,491	78,786	81,149	83,584	86,091	88,674	91,334	94,074
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Utilities	350,000	360,500	371,315	382,454	393,928	405,746	417,918	430,456	443,370	456,671	470,371
Franchise Fee	-	-	-	-	-	-	-	-	-	-	-
Total Undistributed Operating Expenses	420,000	432,600	445,578	458,945	472,714	486,895	501,502	516,547	532,043	548,005	564,445
Gross Operating Profit	(420,000)	(432,600)	(445,578)	(458,945)	(472,714)	(486,895)	(501,502)	(516,547)	(532,043)	(548,005)	(564,445)
▶ Management Fees	-	-	-	-	-	-	-	-	-	-	-
Income Before Fixed & Capital Expenses	(420,000)	(432,600)	(445,578)	(458,945)	(472,714)	(486,895)	(501,502)	(516,547)	(532,043)	(548,005)	(564,445)
▼ Fixed Expenses											
Insurance	275,000	283,250	291,748	300,500	309,515	318,800	328,364	338,215	348,362	358,813	369,577
Real Estate Taxes	400,000	408,000	416,160	424,483	432,973	441,632	450,465	459,474	468,664	478,037	487,598
Total Fixed Expenses	675,000	691,250	707,908	724,983	742,488	760,433	778,829	797,690	817,026	836,850	857,175
Net Operating Income	(1,095,000)	(1,123,850)	(1,153,485)	(1,183,928)	(1,215,201)	(1,247,328)	(1,280,331)	(1,314,237)	(1,349,069)	(1,384,854)	(1,421,620)
▼ Capital Expenses											
FF&E	-	-	-	-	-	-	-	-	-	-	-
Other Capital Expenses	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenses	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow	(1,095,000)	(1,123,850)	(1,153,485)	(1,183,928)	(1,215,201)	(1,247,328)	(1,280,331)	(1,314,237)	(1,349,069)	(1,384,854)	(1,421,620)

Room Revenue

Every model requires a baseline room revenue set where revenue is projected based on the average daily rate and estimated occupancy of the hotel property. Create an unlimited number of room revenue sets to run numerous scenarios by changing the occupancy and ADR.

Occupancy %

Enter a static percent for occupancy or click on the pencil icon to enter a varying rate either monthly or annually to address seasonality trends.

ADR (Average Daily Rate)

Enter a static rate for room revenue or click on the pencil icon to enter a varying rate either monthly or annually to address seasonality trends.



Name	Occupancy %		Average Daily Rate		
	Rate	UoM	Amount	UoM	Growth Assumption
Baseline	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
		% of Total Available Rooms		\$ Amount	Average Rate Growth

- Click on the Occupancy Rate pencil icon to enter a varying rate.



Occupancy % > Detailed

Frequency: Monthly

For the Years Ending	Year 1 Dec-2024	Year 2 Dec-2025	Year 3 Dec-2026	Year 4 Dec-2027	Year 5 Dec-2028	Year 6 Dec-2029	Year 7 Dec-2030	Year 8 Dec-2031	Year 9 Dec-2032	Year 10 Dec-2033	Year 11 Dec-2034
January	50.00%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
February	50.00%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
March	50.00%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
April	50.00%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
May	50.00%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
June	50.00%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
July	65.00%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
August	65.00%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
September	65.00%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
October	65.00%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
November	65.00%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
December	65.00%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
Annual	57.54%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%

Use Control C and Control V to copy and paste values in the grid

Cancel SAVE

Select Monthly Frequency:

- Jan – June 2024 – 50%
- **July – December 2024 – 65%**
- 2025 – 75%
- 2026 and each year thereafter – 85%
- **Click Save.**

Room Revenue

MY PROPERTY MARKET COMPETITION

Name	Occupancy %		Average Daily Rate	
	Rate	UoM	Amount	UoM
Baseline	Varies	% of Total Available Rooms		\$ Amount

Click on the ADR Amount pencil icon to enter a varying rate.

Average Daily Rate > Detailed

Frequency: Annual

For the Years Ending	Year 1 Dec-2024	Year 2 Dec-2025	Year 3 Dec-2026	Year 4 Dec-2027	Year 5 Dec-2028	Year 6 Dec-2029	Year 7 Dec-2030	Year 8 Dec-2031	Year 9 Dec-2032	Year 10 Dec-2033	Year 11 Dec-2034
Annual (uninflated)	180.00	190.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00
Average Rate Growth		0.00	1.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Annual (inflated)	180.00	190.00	202.00	206.04	212.22	218.59	225.15	231.90	238.86	246.02	253.40

Cancel SAVE

- 2024 - \$180
- 2025 - \$190
- 2026 and each year thereafter: \$200
- Click **Save**.

Market Competition

Create an unlimited number of Market Competition sets in the Market Competition tab to reflect the market occupancy and ADR to reference in the Room Revenue window. Market competition sets can include a specific comp or market average.



Room Revenue

MY PROPERTY MARKET COMPETITION

Name	Rate
Baseline	Varies

Click on the Market Competition tab.

Room Revenue Helpful Hints **ADD**

MY PROPERTY MARKET COMPETITION

Name	Occupancy %		Average Daily Rate			Filters
	Rate	UoM	Amount	UoM	Growth Assump	
Market Comps Average	83.00%	% of Total Available Rooms	168.00	\$ Amount	Average Rate Growth	

- Click **ADD** located on the top right corner of screen to insert row
- Name: Market Comps Average
- Occupancy Rate: 83%
- ADR: \$168

Room Revenue

MY PROPERTY MARKET COMPETITION

The Revenue Per Available Room in Year 1 displays for each room revenue set

Name	Occupancy %		Average Daily Rate			RevPAR (Year 1)	Filters
	Rate	UoM	Amount	UoM	Growth Assumption		
Baseline	Varies	% of Total Available Rooms	Varies	\$ Amount	Average Rate Growth	103.57	
100% Market Penetration	100.00%	% of Market - Market Comps Av...	100.00%	% of Market - Market Com...		139.44	

Add below Rollover Lease Assumptions:

- Click on the **My Property** tab
- Click **ADD** to insert new row
- Name: 100% Market Penetration
- Occupancy: 100% of Market Competition Average set
- ADR: 100% of Market Competition Average set

Valuation

Create an unlimited number of valuations. VAL supports the following valuation methods:

- DCF
- Direct Capitalization
- Direct Entry
- Room Revenue Multiplier



Room Revenue Multiplier displays for each valuation set

Use as Default	Valuation		Valuation Description	Valuation As of Date	Valuation Method	NOI to Cap	NOI Adj for Residual Value Calc.	Capitalization Rate (%)	Discount Rate (%)	Room Revenue Multiplier	Hold Period (Yrs)	Capitalization Year	
	Amount	Per UoM											
<input checked="" type="checkbox"/>	32,352,285	323,523 / Room	As is DCF	Analysis Start	DCF	NOI Less FF&E	None	8.00	9.00	5.08	10	11	No
<input type="checkbox"/>	22,744,800	227,448 / Room	As is RR	Analysis Start	Room Revenue Multiplier	None	None	-4.94		6.00			No
<input type="checkbox"/>	33,719,117	337,191 / Room	As Stabilized Direct	01/2026	Direct Capitalization	NOI Less FF&E	None	7.50		5.38			No

Add the following Valuations to the Hotel Model to run different valuations models:

- As is DCF: Select DCF as the Valuation Method calculating as of the analysis start date with 8% Cap Rate and 9% Discount Rate over a 10 year hold capping the 11th
- As is Room Revenue Multiplier: Select Room Revenue Multiplier as the Valuation Method with a multiplier of 6 as of the analysis start date
- As Stabilized Direct Cap: Select Direct Capitalization as the Valuation Method calculating as of 01/2026 with a 7.5% Cap Rate

Cash Flow

Cash Flow

MAIN

Show data: Annual | Layout: Standard | Sort Revenue & Expenses: As Entered | Show ratios: No | Show figures in '000s: 18

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
For the Years Ending	Dec-2024	Dec-2025	Dec-2026	Dec-2027	Dec-2028	Dec-2029	Dec-2030	Dec-2031	Dec-2032	Dec-2033	Dec-2034
Metrics											
Total Available Rooms	100	100	100	100	100	100	100	100	100	100	100
Days	366	365	365	365	366	365	365	365	366	365	365
Room Nights Available	36,600	36,500	36,500	36,500	36,600	36,500	36,500	36,500	36,600	36,500	36,500
Room Nights Occupied	21,060	27,375	31,025	31,025	31,110	31,025	31,025	31,025	31,110	31,025	31,025
Occupancy %	57.54%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
Average Daily Rate	180.00	190.00	202.00	206.04	212.22	218.59	225.15	231.90	238.86	246.02	253.40
RevPAR	103.57	142.50	171.70	175.13	180.39	185.80	191.37	197.11	203.03	209.12	215.39
Departmental Revenue											
Rooms	3,790,800	5,201,250	6,267,050	6,392,391	6,602,202	6,781,688	6,985,138	7,194,692	7,430,836	7,632,849	7,861,835
F&B	189,540	260,063	313,353	319,620	330,110	339,084	349,257	359,735	371,542	381,642	393,092
Total Departmental Revenue	3,980,340	5,461,313	6,580,403	6,712,011	6,932,312	7,120,772	7,334,395	7,554,427	7,802,378	8,014,492	8,254,926
Departmental Expenses											
Rooms	1,137,240	1,560,375	1,880,115	1,917,717	1,980,660	2,034,506	2,095,541	2,158,408	2,229,251	2,289,855	2,358,550
F&B	75,816	104,025	125,341	127,848	132,044	135,634	139,703	143,894	148,617	152,657	157,237
Total Departmental Expenses	1,213,056	1,664,400	2,005,456	2,045,565	2,112,704	2,170,140	2,235,244	2,302,302	2,377,868	2,442,512	2,515,787
Departmental Profit											
Rooms	2,653,560	3,640,875	4,386,935	4,474,674	4,621,541	4,747,181	4,889,597	5,036,285	5,201,585	5,342,994	5,503,284
F&B	113,724	156,038	188,012	191,772	198,066	203,451	209,554	215,841	222,925	228,985	235,855
Total Departmental Profit	2,767,284	3,796,913	4,574,947	4,666,445	4,819,607	4,950,632	5,099,151	5,252,125	5,424,510	5,571,980	5,739,139
Undistributed Operating Expenses											
General & Administrative	70,000	72,100	74,263	76,491	78,786	81,149	83,584	86,091	88,674	91,334	94,074
Repairs & Maintenance	168,480	225,570	263,315	271,215	280,117	287,732	296,364	305,255	315,274	323,845	333,560
Utilities	350,000	360,500	371,315	382,454	393,928	405,746	417,918	430,456	443,370	456,671	470,371
Franchise Fee	221,383	303,753	365,996	373,316	385,569	396,051	407,932	420,170	433,961	445,758	459,131
Total Undistributed Operating Expenses	809,863	961,923	1,074,889	1,103,476	1,138,399	1,170,677	1,205,798	1,241,972	1,281,278	1,317,608	1,357,136
Gross Operating Profit	1,957,421	2,834,990	3,500,057	3,562,970	3,681,208	3,779,954	3,893,353	4,010,154	4,143,232	4,254,372	4,382,003
Management Fees	159,214	218,453	263,216	268,480	277,292	284,831	293,376	302,177	312,095	320,580	330,197
Income Before Fixed & Capital Expenses	1,798,208	2,616,537	3,236,841	3,294,489	3,403,916	3,495,124	3,599,977	3,707,977	3,831,137	3,933,792	4,051,806
Fixed Expenses											
Insurance	275,000	283,250	291,748	300,500	309,515	318,800	328,364	338,215	348,362	358,813	369,577
Real Estate Taxes	400,000	408,000	416,160	424,483	432,973	441,632	450,465	459,474	468,664	478,037	487,598
Total Fixed Expenses	675,000	691,250	707,908	724,983	742,488	760,433	778,829	797,690	817,026	836,850	857,175
Net Operating Income	1,123,208	1,925,287	2,528,934	2,569,506	2,661,428	2,734,691	2,821,148	2,910,287	3,014,112	3,096,943	3,194,631
Capital Expenses											
FF&E	-	-	-	-	-	-	-	-	-	-	-
Other Capital Expenses	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenses	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow	1,123,208	1,925,287	2,528,934	2,569,506	2,661,428	2,734,691	2,821,148	2,910,287	3,014,112	3,096,943	3,194,631

Hotel metrics included in Cash Flow

Investment Analysis: Investment Cash Flow

Investment Analysis

INVESTMENT CASH FLOW RETURN SENSITIVITIES SOURCES & USES RESERVES ACTIVITY

Show data: Annual Show Lev: No

Select As is DCF Valuation Enter a 6% cap rate at sale

Start Date	Investment Period			Exit Costs (%)	Purchase/Start					Sale/Exit					IRR Methodology	
	Investment Period	Exit Date	Valuation		Cap Rate	Discount Rate	Room Revenue Multiplier	Amount	Valuation	Cap Rate	Discount Rate	Room Revenue Multiplier	Amount	Discounting	Actual Day Count?	
Analysis St	120M	12/2033	As Is DCF An...	8.00	9.00	5.08	32,352,285	Direct Cap	6.00		6.77	53,243,856	Annual	Yes		
			Override:													
For the Years Ending		Time 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10				
		Jan-01-2024	Dec-2024	Dec-2025	Dec-2026	Dec-2027	Dec-2028	Dec-2029	Dec-2030	Dec-2031	Dec-2032	Dec-2033				
Property Cashflows																
Net Operating Income			1,123,208	1,925,287	2,528,934	2,569,506	2,661,428	2,734,691	2,821,148	2,910,287	3,014,112	3,096,943				
Capital Expenses			-	-	-	-	-	-	-	-	-	-				
Net Cash Flow			1,123,208	1,925,287	2,528,934	2,569,506	2,661,428	2,734,691	2,821,148	2,910,287	3,014,112	3,096,943				
Purchase/Sale																
Purchase/Sale		(32,352,285)	-	-	-	-	-	-	-	-	-	-	53,243,856			
Exit Costs		-	-	-	-	-	-	-	-	-	-	-	-			
Net Proceeds		(32,352,285)	-	-	-	-	-	-	-	-	-	-	53,243,856			
Cash Flow Available for Distribution IRR/MOC																
Total Unlevered Cash Flow		11.19% / 2.43x	(32,352,285)	1,123,208	1,925,287	2,528,934	2,569,506	2,661,428	2,734,691	2,821,148	2,910,287	3,014,112	56,340,799			
Unlevered Cash On Cash		-	3.47%	5.95%	7.82%	7.94%	8.23%	8.45%	8.72%	9.00%	9.32%	9.57%				

Investment Analysis: Return Sensitivities

Investment Analysis										
INVESTMENT CASH FLOW			RETURN SENSITIVITIES			SOURCES & USES			RESERVES ACTIVITY	
Investment Period			Purchase/Start							
Start Date	Investment Period	Exit Date	Exit Costs (%)	Valuation	Cap Rate	Discount Rate	Room Revenue Multiplier	Amou...	Valuation	Cap Rate
Analysis 5	120M	12/2033		As Is DCF: An...	8.00	9.00	5.08	32,352,285	Direct Cap	6.00
				Override:					Override:	

Sale/Exit Cap Rate (%)	Investment Period (Mos)					
	UNLEVERED IRR			UNLEVERED Equity Multiple (MOC)		
	108	120	132	108	120	132
5.00%	13.06%	12.67%	13.41%	2.60x	2.76x	3.23x
5.50%	12.16%	11.89%	12.69%	2.43x	2.58x	3.01x
6.00%	11.35%	11.19%	12.05%	2.28x	2.43x	2.84x
6.50%	10.63%	10.56%	11.48%	2.16x	2.30x	2.69x
7.00%	9.97%	9.99%	10.95%	2.06x	2.20x	2.56x

Purchase/Start Value	Investment Period (Mos)					
	UNLEVERED IRR			UNLEVERED Equity Multiple (MOC)		
	108	120	132	108	120	132
30,352,285	12.33%	12.08%	12.89%	2.43x	2.59x	3.02x
31,352,285	11.83%	11.63%	12.46%	2.36x	2.51x	2.93x
32,352,285	11.35%	11.19%	12.05%	2.28x	2.43x	2.84x
33,352,285	10.90%	10.76%	11.66%	2.22x	2.36x	2.75x
34,352,285	10.45%	10.36%	11.28%	2.15x	2.29x	2.67x

Target IRR	Investment Period (Mos)		
	UNLEVERED Purchase/Start Value		
	108	120	132
9.19%	37,446,772	37,440,067	40,584,612
10.19%	34,981,482	34,779,792	37,441,046
11.19%	32,715,209	32,352,285	34,595,898
12.19%	30,629,827	30,134,647	32,017,511
13.19%	28,709,024	28,106,439	29,677,878

Target Equity Multiple (MOC)	Investment Period (Mos)		
	UNLEVERED Purchase/Start Value		
	108	120	132
1.93x	38,284,206	40,731,915	47,550,341
2.18x	33,894,647	36,061,707	42,098,352
2.43x	30,408,135	32,352,285	37,767,981
2.68x	27,571,992	29,334,812	34,245,391
2.93x	25,219,764	26,832,194	31,323,840

Investment Analysis – As Stabilized

Investment Analysis

INVESTMENT CASH FLOW RE... RVES A...

Show data: Annual

Show Levered? No

Show figures in 000s? No

Enter 01/2026 as Start Date and 12/2033 as End Date

Select As Stabilized Direct Cap as Valuation

Investment Period				Purchase/Start					Sale/Exit		
Start Date	Investment Period	Exit Date	Exit Costs (%)	Valuation	Cap Rate	Discount Rate	Room Revenue Multiplier	Amount	Valuation	Cap Rate	Discount Rate
01/2026	96M	12/2033		As Stabilized ...	7.50		5.38	33,719,117	Direct Cap	6.00	
Override:				Override:							
For the Years Ending		Time 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	
		Jan-01-2026	Dec-2026	Dec-2027	Dec-2028	Dec-2029	Dec-2030	Dec-2031	Dec-2032	Dec-2033	
Property Cashflows											
Net Operating Income			2,528,934	2,569,506	2,661,428	2,734,691	2,821,148	2,910,287	3,014,112	3,096,943	
Capital Expenses											
Net Cash Flow			2,528,934	2,569,506	2,661,428	2,734,691	2,821,148	2,910,287	3,014,112	3,096,943	
Purchase/Sale											
Purchase/Sale		(33,719,117)	-	-	-	-	-	-	-	53,243,856	
Exit Costs		-	-	-	-	-	-	-	-	-	
Net Proceeds		(33,719,117)	-	-	-	-	-	-	-	53,243,856	
Cash Flow Available for Distribution		IRR/MOC									
Total Unlevered Cash Flow		12.71% / 2.24x	(33,719,117)	2,528,934	2,569,506	2,661,428	2,734,691	2,821,148	2,910,287	3,014,112	56,340,799
Unlevered Cash On Cash			-	7.50%	7.62%	7.89%	8.11%	8.37%	8.63%	8.94%	9.18%

Audit Report

Audit Report											
SUMMARY											
Show data											
Annual											
For the Years Ending	Year 1 Dec-2024	Year 2 Dec-2025	Year 3 Dec-2026	Year 4 Dec-2027	Year 5 Dec-2028	Year 6 Dec-2029	Year 7 Dec-2030	Year 8 Dec-2031	Year 9 Dec-2032	Year 10 Dec-2033	Year 11 Dec-2034
Total Rooms	100	100	100	100	100	100	100	100	100	100	100
Total Available Rooms	100	100	100	100	100	100	100	100	100	100	100
Days	366	365	365	365	366	365	365	365	366	365	365
Room Nights Available	36,600	36,500	36,500	36,500	36,600	36,500	36,500	36,500	36,600	36,500	36,500
Room Nights Occupied	21,060	27,375	31,025	31,025	31,110	31,025	31,025	31,025	31,110	31,025	31,025
Occupancy %	57.54%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
▾ Average Daily Rate	180.00	190.00	202.00	206.04	212.22	218.59	225.15	231.90	238.86	246.02	253.40
% Change	NA	5.56%	6.32%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
▾ RevPAR	103.57	142.50	171.70	175.13	180.39	185.80	191.37	197.11	203.03	209.12	215.39
% Change	NA	37.58%	20.49%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
▾ Room Revenue	3,790,800	5,201,250	6,267,050	6,392,391	6,602,202	6,781,688	6,985,138	7,194,692	7,430,836	7,632,849	7,861,835
% Change	NA	37.21%	20.49%	2.00%	3.28%	2.72%	3.00%	3.00%	3.28%	2.72%	3.00%