



Rockport VAL, LLC in collaboration with **MOODY'S**
ANALYTICS

A background image of a modern hotel interior, featuring a white reception desk, a lounge area with blue armchairs and a sofa, and a dining area with tables and chairs. The room has a high ceiling with exposed ductwork and modern lighting fixtures.

Hotel Training Manual

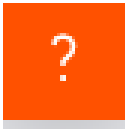
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Introduction to VAL

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.



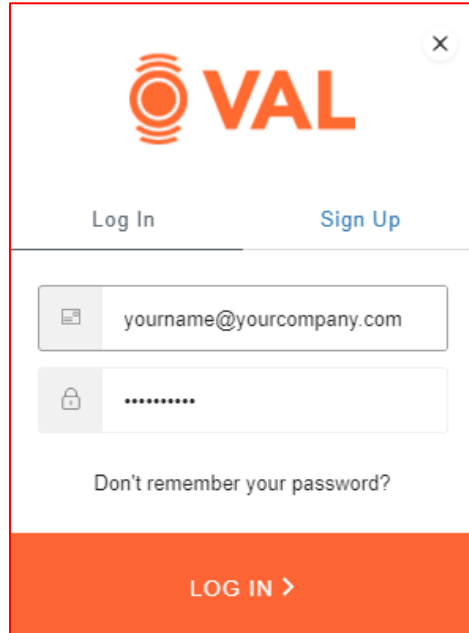
YouTube Channel: Access numerous tutorial videos at <https://www.youtube.com/rockportval>



Support: Email support at support@rockportval.com.

Login to VAL

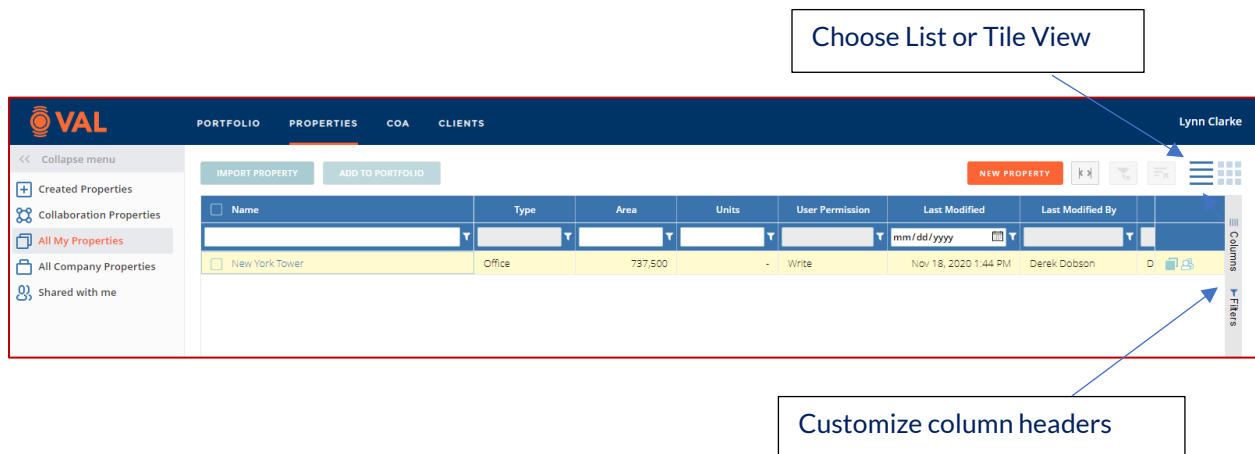
Go to www.rockportval.com and click “**Log In**” in the upper right-hand corner and enter credential to access VAL.



The login form features the VAL logo at the top, followed by 'Log In' and 'Sign Up' tabs. Below these are input fields for an email address (placeholder: yourname@yourcompany.com) and a password (masked with dots). A 'Don't remember your password?' link is positioned below the password field. A large orange 'LOG IN >' button is at the bottom.

VAL User Interface

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



The screenshot shows the VAL user interface with several annotations:

- Choose List or Tile View:** Points to the view toggle icons (list and grid) in the top right corner.
- Customize column headers:** Points to the 'Columns' and 'Filters' icons in the bottom right corner of the table.

The interface includes a top navigation bar with 'PORTFOLIO', 'PROPERTIES', 'COA', and 'CLIENTS'. A left sidebar shows a 'Collapse menu' and a list of property categories: 'Created Properties', 'Collaboration Properties', 'All My Properties', 'All Company Properties', and 'Shared with me'. The main content area has 'IMPORT PROPERTY' and 'ADD TO PORTFOLIO' buttons. A table displays property data with columns: Name, Type, Area, Units, User Permission, Last Modified, Last Modified By, and Actions. The table contains one row for 'New York Tower'.

Name	Type	Area	Units	User Permission	Last Modified	Last Modified By	Actions
New York Tower	Office	737,500	-	Write	Nov 18, 2020 1:44 PM	Derek Dobson	[Icons]

Create New Property

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



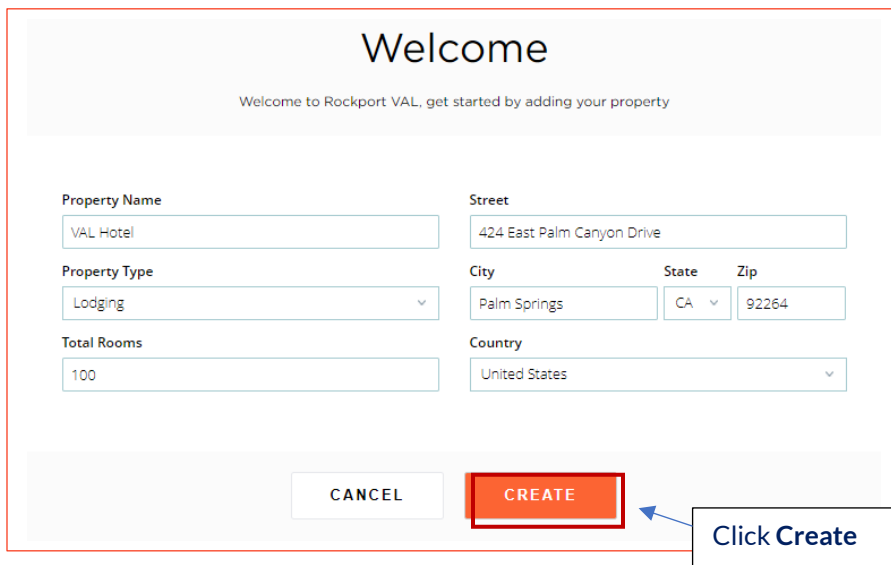

PORTFOLIO PROPERTIES COA CLIENTS

IMPORT PROPERTY ADD TO PORTFOLIO

NEW 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 State: CA Zip: 92264

Total Rooms: 100

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
- 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).

The screenshot displays the VAL Hotel interface. The top navigation bar includes 'PORTFOLIO', 'PROPERTIES', 'COA', and 'CLIENTS'. The main dashboard shows 'VAL Hotel' with a valuation of '\$ - / Room' and '100 Total Rooms'. Key metrics include 'W1 Occupancy %', 'W1 ADR', and 'W1 Rev. Per Room'. The left sidebar contains a 'Navigation Pane' with categories like 'Property Settings', 'Assumptions', 'Reports', and 'Versions'. The 'Scenarios' section is highlighted, showing 'Legal Property Address' and 'Physical Property Address'. The 'Data Inputs' section is also highlighted, showing 'Physical Location' with latitude and longitude coordinates. A map of the Palm Springs area is visible on the right.

Property KPIs

Scenarios

Data Inputs

Navigation Pane

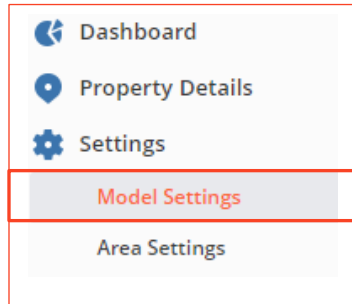


Helpful Hint: Click **F1** to view **VAL** hot keys and short cuts.

Keyboard Shortcuts	
General top bar	
Press this key	To do this
Alt + 1-3	Tabs navigation
Alt + U	User menu
Portfolio	
Left navigation sidebar	
Press this key	To do this
Alt + Up/Down	Sidebar navigation
arrow keys	
Shift + M	My Portfolios
Shift + N	Create Portfolio

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**.

MODEL SETTINGS

Analysis Start Date

01/2021 

Analysis Period (years)



10 

Add the following Model Settings:

- Analysis Start Date: 1/2021
- 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.



<< Collapse menu

- Property Details
- Settings
- Other Revenue & Expense
- Room Revenue
- Assumptions
 - Growth Rates**
 - Scenarios & Sets
- Valuation
- Debt
- Reports
 - All Reports
 - Cash Flow

Growth Rates

Name	Rate Type	Rate	Year Ending											
			Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	
General Growth	Direct Entry	3.00%		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Average Rate Growth	Direct Entry	varies by		0.00%	1.00%	2.00%	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													

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

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

Add the following Growth Rates:

- General Growth: 3%
- Average Rate Growth:
 - 2022 – 0%
 - 2023 – 1%,
 - 2024 – 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



<< Collapse menu

- Property Details
- Settings
- Other Revenue & Expense**
- Room Revenue
- Assumptions

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	Account	Amount	UoM	Frequency	Area
ROOM EXP	Rooms		30.00%	% of Room Rev...		Total Rooms

- Rooms Expense is 30% of Room Revenue

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	Account	Amount	UoM	Frequency	Area	Growth Assumption	Growth Rate	Variable	%
ROOM EXP	Rooms		30.00%	% of Room Rev...		Total Rooms			No	
DEPT REV	F&B		5.00%	% of Room Rev...		Total Rooms			No	

Add Revenue & Expense item below:

- Click **Add** to insert a new row
- Select **Dept Rev** as the Type
- 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.



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	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

Note: Enter the same Description in order to tie Dept Rev & Dept Exp items to each other for purposes of calculating Dept Profit. [Helpful Hints](#)

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%	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	

Cancel SAVE

- Enter 40% of F&B
- 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.

[Helpful Hints](#)
[ADD TO PARENT](#)
[ADD](#)

Type	Description	Account	Amount	UoM	Frequency	Area	Growth Assumption	Growth Rate	variable
ROOM EXP	Rooms		30.00%	% of Room Rev...		Total Rooms			No
DEPT REV	F&B		5.00%	% of Room Rev...		Total Rooms			No
DEPT EXP	F&B		40.00% of F&B	% of Line		Total Rooms	Dept Expense ...	3.00 %	No
UNDIST ...	General & Administrative		700	\$ PAR		Total Rooms	Dept Revenue...	3.00 %	No
UNDIST ...	Repairs & Maintenance		8.00	\$ POR		Total Rooms	Dept Revenue...	3.00 %	No
UNDIST ...	Utilities		350,000	\$ amount	Annual	Total Rooms	Dept Revenue...	3.00 %	No
UNDIST ...	Franchise Fee		8.00% of Depa...	% of Line		Total Rooms			No
MGMT FEE	Management Fee		4.00%	% of Total Reve...		Total Rooms			No
FIXED EXP	Insurance		275,000	\$ amount	Annual	Total Rooms	Dept Revenue...	3.00 %	No
FIXED EXP	Real Estate Taxes		Detailed	\$ amount		Total Rooms	Real Estate Tax...	2.00 %	No
FF&E	FF&E		75	\$ PAR		Total Rooms	Dept Revenue...	3.00 %	No
CAP EXP	PIP		Detailed	\$ amount	Annual	Total Rooms			No

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

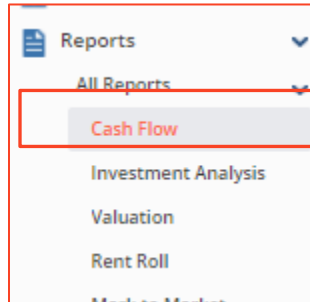
- UNDIST OPEX: General & Administrative is \$700 Per Available Room
- UNDIST OPEX: Repairs & Maintenance is \$8 Per Occupied Room
- UNDIST OPEX: Utilities is \$350,000 per year
- UNDIST OPEX: Franchise Fee is 8% of Departmental Profit
- MGMT FEE: Management Fee is 4% of Total Revenue
- FIXED EXP: Insurance is \$275,000 per year
- FIXED EXP: Real Estate Taxes is \$400,000 paid in October with 2% Growth
- FF&E: FF&E is \$75 Per Available Room
- CAP EXP: PIP is \$60,000 in March 2022 with 0% Growth

Checkpoint – check your inputs during each checkpoint with the reports on the following page(s).



Property Cash Flow

Check the cash flow below to validate the Other Revenue & Expenses are entered correctly in the Hotel model.



▼ 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	850,000	860,500	871,315	882,454	893,928	905,746	917,918	930,456	943,370	956,671	970,371
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	7,500	7,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079
► Other Capital Expenses	-	60,000	-	-	-	-	-	-	-	-	-
Total Capital Expenses	7,500	67,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079
Net Cash Flow	(1,102,500)	(1,191,575)	(1,161,442)	(1,192,124)	(1,223,643)	(1,256,022)	(1,289,287)	(1,323,461)	(1,358,570)	(1,394,640)	(1,431,699)

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.



<< Collapse menu

- Property Details
- Settings
 - Model Settings
 - Area Settings
 - Other Revenue & Expense
 - Room Revenue**
 - Assumptions

Room Revenue

MY PROPERTY
MARKET COMPETITION

Name	Occupancy %	
	Rate	UoM
Baseline		% of Total Available Rooms

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



Occupancy % - Detailed

Frequency
Monthly

For the Years Ending	Year 1 Dec-2021	Year 2 Dec-2022	Year 3 Dec-2023	Year 4 Dec-2024	Year 5 Dec-2025	Year 6 Dec-2026	Year 7 Dec-2027	Year 8 Dec-2028	Year 9 Dec-2029	Year 10 Dec-2030	Year 11 Dec-2031
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	57.56%	75.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%

Cancel
SAVE

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

- Select Monthly Frequency
- Jan – June 2021 – 65%
- **July – December 2021 – 70%**
- 2022 – 75%
- 2023 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-2021	Year 2 Dec-2022	Year 3 Dec-2023	Year 4 Dec-2024	Year 5 Dec-2025	Year 6 Dec-2026	Year 7 Dec-2027	Year 8 Dec-2028	Year 9 Dec-2029	Year 10 Dec-2030	Year 11 Dec-2031
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

- 2021 - \$180
- 2022 - \$190
- 2023 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](#)

MY PROPERTY
MARKET COMPETITION

Name	Occupancy %		Average Daily Rate		
	Rate	UoM	Amount	UoM	Growth Assumption
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	Rate	UoM	Amount	UoM	Growth Assumption	RevPAR (Year 1)
Baseline	Varies	% of Total Available Rooms	Varies	\$ Amount	Average Rate Growth	121.54
100% Market Penetration	100.00%	% of Market - Market Comps Av...	100.00%	% of Market - Market Com...		139.44

- 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

Property Valuation

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
	Amount	Per UoM								
<input checked="" type="checkbox"/>	32,541,668	325,417 / Room	As is DCF	Analysis Start	DCF	NOI Less FF&E	None	8.00	9.00	8.97
<input type="checkbox"/>	26,616,600	266,166 / Room	As is RR	Analysis Start	Room Revenue...	None	None	5.61		6.00
<input type="checkbox"/>	33,613,027	336,130 / Room	As Stabilized DC	01/2023	Direct Capitali...	NOI Less FF&E	None	7.50		5.36

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 01/2023 with a 7.5% Cap Rate



Cash Flow

Cash Flow

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

Hotel metrics included in Cash Flow

	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-2021	Dec-2022	Dec-2023	Dec-2024	Dec-2025	Dec-2026	Dec-2027	Dec-2028	Dec-2029	Dec-2030	Dec-2031
▼ Metrics											
Total Available Rooms	100	100	100	100	100	100	100	100	100	100	100
Days	365	365	365	366	365	365	365	366	365	365	365
Room Nights Available	36,500	36,500	36,500	36,600	36,500	36,500	36,500	36,600	36,500	36,500	36,500
Room Nights Occupied	24,645	27,375	31,025	31,110	31,025	31,025	31,025	31,110	31,025	31,025	31,025
Occupancy %	67.52%	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	121.54	142.50	171.70	175.13	180.39	185.80	191.37	197.11	203.03	209.12	215.39
▼ Departmental Revenue											
Rooms	4,436,100	5,201,250	6,267,050	6,409,904	6,584,163	6,781,688	6,985,138	7,214,404	7,410,533	7,632,849	7,861,835
F&B	221,805	260,063	313,353	320,495	329,208	339,084	349,257	360,720	370,527	381,642	393,092
Total Departmental Revenue	4,657,905	5,461,313	6,580,403	6,730,400	6,913,371	7,120,772	7,334,395	7,575,124	7,781,060	8,014,492	8,254,926
▼ Departmental Expenses											
Rooms	1,330,830	1,560,375	1,880,115	1,922,971	1,975,249	2,034,506	2,095,541	2,164,321	2,223,160	2,289,855	2,358,550
F&B	88,722	104,025	125,341	128,198	131,683	135,634	139,703	144,288	148,211	152,657	157,237
Total Departmental Expenses	1,419,552	1,664,400	2,005,456	2,051,169	2,106,932	2,170,140	2,235,244	2,308,609	2,371,371	2,442,512	2,515,787
▼ Departmental Profit											
Rooms	3,105,270	3,640,875	4,386,935	4,486,933	4,608,914	4,747,181	4,889,597	5,050,083	5,187,373	5,342,994	5,503,284
F&B	133,083	156,038	188,012	192,297	197,525	203,451	209,554	216,432	222,316	228,985	235,855
Total Departmental Profit	3,238,353	3,796,913	4,574,947	4,679,230	4,806,439	4,950,632	5,099,151	5,266,515	5,409,689	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	197,160	225,570	263,315	271,958	279,351	287,732	296,364	306,091	314,412	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	259,068	303,753	365,996	374,338	384,515	396,051	407,932	421,321	432,775	445,758	459,131
Total Undistributed Operating Expenses	876,228	961,923	1,074,889	1,105,242	1,136,580	1,170,677	1,205,798	1,243,959	1,279,231	1,317,608	1,357,136
Gross Operating Profit	2,362,125	2,834,990	3,500,057	3,573,989	3,669,859	3,779,954	3,893,353	4,022,556	4,130,458	4,254,372	4,382,003
► Management Fees	186,316	218,453	263,216	269,216	276,535	284,831	293,376	303,005	311,242	320,580	330,197
Income Before Fixed & Capital Expenses	2,175,809	2,616,537	3,236,841	3,304,773	3,393,324	3,495,124	3,599,977	3,719,551	3,819,216	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	1,500,809	1,925,287	2,528,934	2,579,789	2,650,836	2,734,691	2,821,148	2,921,861	3,002,190	3,096,943	3,194,631
▼ Capital Expenses											
► FF&E	7,500	7,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079
► Other Capital Expenses	-	60,000	-	-	-	-	-	-	-	-	-
Total Capital Expenses	7,500	67,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079
Net Cash Flow	1,493,309	1,857,562	2,520,977	2,571,594	2,642,395	2,725,996	2,812,193	2,912,637	2,992,690	3,087,157	3,184,552

Investment Analysis: Investment Cash Flow

Investment Analysis
Collapse Report Export

INVESTMENT CASH FLOW
RETURN SENSITIVITIES

Show data?
 Annual
Show Levered?
 No
Show figures in 000s?
 No

Select As is DCF Valuation

Enter a 6% cap rate at sale

Investment Period				Purchase/Start				Sale/Exit				IRR Methodology																																																																																																																																																																	
Start Date	Investment Period	Exit Date	Exit Costs (%)	Valuation	Cap Rate	Discount Rate	Room Revenue Multiplier	Amount	Valuation	Cap Rate	Discount Rate	Room Revenue Multiplier	Amount	Discounting	Actual Day Count																																																																																																																																																														
Analysis Start	120M	12/2030		As is DCF An...	8.00	9.00	8.97	32,541,668	Direct Cap	6.00		6.75	53,075,867	Annual	No																																																																																																																																																														
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	Time 0 Jan-01-2021	Year 1 Dec-2021	Year 2 Dec-2022	Year 3 Dec-2023	Year 4 Dec-2024	Year 5 Dec-2025	Year 6 Dec-2026	Year 7 Dec-2027	Year 8 Dec-2028	Year 9 Dec-2029	Year 10 Dec-2030																																																																																																																																																																		
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Investment Analysis: Return Sensitivities

Investment Analysis

INVESTMENT CASH FLOW

RETURN SENSITIVITIES

Investment Period				Purchase/Start						
Start Date	Investment Period	Exit Date	Exit Costs (%)	Valuation	Cap Rate	Discount Rate	Room Revenue Multiplier	Amount	Valuation	Cap Rate
Analysis Start	120M	12/2030		As is DCF: Annual	8.00	9.00	8.97	32,541,668	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%	13.07%	12.68%	13.44%		2.59x	2.74x	3.22x
5.50%	12.16%	11.89%	12.72%		2.42x	2.57x	3.01x
6.00%	11.36%	11.19%	12.08%		2.27x	2.42x	2.83x
6.50%	10.63%	10.56%	11.51%		2.15x	2.29x	2.68x
7.00%	9.98%	9.99%	10.99%		2.05x	2.19x	2.55x

Investment Analysis – As Stabilized

Investment Analysis

INVESTMENT CASH FLOW RE

Enter 01/2023 as Start Date

Select As Stabilized Direct Cap as Valuation

Show data?

Annual

Show Levered?

No

Show figures in 000s?

No

Investment Period				Purchase/Start						
Start Date	Investment Period	Exit Date	Exit Costs (%)	Valuation	Cap Rate	Discount Rate	Room Revenue Multiplier	Amount	Valuation	Cap Rate
01/2023	96M	12/2030		As Stabilized ...	7.50		5.36	33,613,027	Direct Cap	6.00
Override:				Override:						

▼ For the Years Ending		Time 0 Jan-01-2023	Year 1 Dec-2023	Year 2 Dec-2024	Year 3 Dec-2025	Year 4 Dec-2026	Year 5 Dec-2027	Year 6 Dec-2028	Year 7 Dec-2029	Year 8 Dec-2030
▼ Property Cashflows										
Net Operating Income			2,528,934	2,579,789	2,650,836	2,734,691	2,821,148	2,921,861	3,002,190	3,096,943
Capital Expenses			7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786
Net Cash Flow			2,520,977	2,571,594	2,642,395	2,725,996	2,812,193	2,912,637	2,992,690	3,087,157
▼ Purchase/Sale										
Purchase/Sale		(33,613,027)	-	-	-	-	-	-	-	53,075,867
Exit Costs		-	-	-	-	-	-	-	-	-
Net Proceeds		(33,613,027)	-	-	-	-	-	-	-	53,075,867
▼ Cash Flow Available for Distribution IRR/MOC										
Total Unlevered Cash Flow	12.72% / 2.24x	(33,613,027)	2,520,977	2,571,594	2,642,395	2,725,996	2,812,193	2,912,637	2,992,690	56,163,024
Unlevered Cash On Cash		-	7.50%	7.65%	7.86%	8.11%	8.37%	8.67%	8.90%	9.18%

Audit Report

Audit Report

SUMMARY

Show data

Annual

For the Years Ending	Year 1 Dec-2021	Year 2 Dec-2022	Year 3 Dec-2023	Year 4 Dec-2024	Year 5 Dec-2025	Year 6 Dec-2026	Year 7 Dec-2027	Year 8 Dec-2028	Year 9 Dec-2029	Year 10 Dec-2030	Year 11 Dec-2031
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	365	365	365	366	365	365	365	366	365	365	365
Room Nights Available	36,500	36,500	36,500	36,600	36,500	36,500	36,500	36,600	36,500	36,500	36,500
Room Nights Occupied	24,645	27,375	31,025	31,110	31,025	31,025	31,025	31,110	31,025	31,025	31,025
Occupancy %	67.52%	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	121.54	142.50	171.70	175.13	180.39	185.80	191.37	197.11	203.03	209.12	215.39
% Change	NA	17.25%	20.49%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
▼ Room Revenue	4,436,100	5,201,250	6,267,050	6,409,904	6,584,163	6,781,688	6,985,138	7,214,404	7,410,533	7,632,849	7,861,835
% Change	NA	17.25%	20.49%	2.28%	2.72%	3.00%	3.00%	3.28%	2.72%	3.00%	3.00%