

SOURCES

4.50%

300 months

nstruction	
Loan to Cost	75.00%
Loan Interest	6.00%
Libor	6.00%
Lender Spread	0.00%
Add'l Spread	0.00%
Last Disbursement	30 months
Loan Term	30 months
Total Interest Carry	346,528
Max Loan Balance	11,005,521

Disposition		
Month of Sale	12/31/2027	Month 120
Sale NOI Trailing 12		\$ 20,600,933
Sale CAP Rate		6.00%
Sale Amount	\$ 1,384,471	\$ 343,348,888
Cost of Sale		2.00%
Stabilized NOI / Input Occ %	70%	\$ 17,574,711
Breakeven NOI Month		13
Breakeven NOI F-12		\$ 16,685,160

Oct



rmanent Financing	
Perm Loan Funding Date	Month
Perm Loan LTV	80
Perm Loan CAP Rate	20.0
Perm Loan NOI Used <sup>2</sup>	\$ 16,940,28
Perm Loan Amount	\$ 67,761,14
Perm Loan Amount Override <sup>1</sup>	\$ -

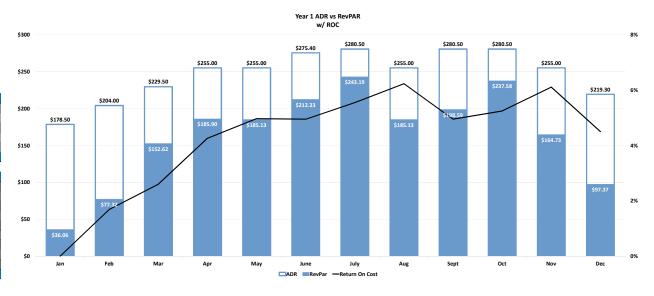
Mezz Debt	
Mezz Loan Amount	\$ -
I/R - Stated	10.0%
I/R - Paid	0.0%
Mezz Payhack Tyne	Cash Sween

Perm Loan Interest

Perm Loan Amortization

LP Equity (less Mezz Debt)	3,301,656
GP Equity	366,851
Construction Loan Draws	11,005,521
Mezzanine Debt	-
Mezzanine Int Reserve	-
Total Sources	14,674,028
USES	
Land and Related Costs	5,000,000
Financing costs/Contingencies	1,152,500
Other Development Costs	125,000
Operating Deficit	-
Hard Costs	6,050,000
Soft Costs	2,000,000
Interest Reserve	346,528
Mezz Interest Reserve	
Total Uses	14,674,028

Analysis Year	State ( 26)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Occupancy %	Stab. (mo 36) <b>70.0</b> %	Year 1	4ear 2 64.25%	70.00%	75.00%	80.00%	чеаг 6 85.00%	90.00%	95.00%	100.00%	100.00%
ADR	\$247.35	\$0.00	\$247.35	\$247.35	\$247.35	\$247.35	\$247.35	\$247.35	\$247.35	\$247.35	\$247.35
RevPAR	\$185.51	\$0.00	\$164.66	\$173.15	\$185.51	\$197.88	\$210.25	\$222.62	\$234.98	\$247.35	\$247.35
Revenue											
Rooms Revenue	16,791,107	-	14,902,950	15,672,096	16,791,107	17,910,119	19,029,130	20,148,142	21,267,153	22,389,133	22,389,133
Food & Beverage	737,752	-	709,104	723,286	737,752	752,507	767,557	782,908	798,566	814,538	830,828
Other Income	7,895,388	-	7,588,800	7,740,576	7,895,388	8,053,295	8,214,361	8,378,648	8,546,221	8,717,146	8,891,489
Total Effective Revenue	25,424,247	-	23,200,854	24,135,958	25,424,247	26,715,921	28,011,048	29,309,698	30,611,941	31,920,816	32,111,450
Operating Expenses											
Total Departmental Expenses	(2,870,992)	-	(2,759,508)	(2,814,698)	(2,870,992)	(2,928,412)	(2,986,980)	(3,046,720)	(3,107,654)	(3,169,807)	(3,233,203)
Total Overhead Expenses	(1,591,812)	-	(1,530,000)	(1,560,600)	(1,591,812)	(1,623,648)	(1,656,121)	(1,689,244)	(1,723,029)	(1,757,489)	(1,792,639)
Management Fee	(335,822)	-	(298,059)	(313,442)	(335,822)	(358,202)	(380,583)	(402,963)	(425,343)	(447,783)	(447,783)
Incentive Fee	(508,485)	-	(464,017)	(482,719)	(508,485)	(534,318)	(560,221)	(586,194)	(612,239)	(638,416)	(642,229)
Franchise Fee	(508,485)		(464,017)	(482,719)	(508,485)	(534,318)	(560,221)	(586,194)	(612,239)	(638,416)	(642,229)
Equipment Leases/Telephone	(508,485)	-	(464,017)	(482,719)	(508,485)	(534,318)	(560,221)	(586,194)	(612,239)	(638,416)	(642,229)
Insurance	(508,485)		(464,017)	(482,719)	(508,485)	(534,318)	(560,221)	(586,194)	(612,239)	(638,416)	(642,229)
Property Taxes	(508,485)	-	(464,017)	(482,719)	(508,485)	(534,318)	(560,221)	(586,194)	(612,239)	(638,416)	(642,229)
FF&E Reserve	(508,485)	-	(464,017)	(482,719)	(508,485)	(534,318)	(560,221)	(586,194)	(612,239)	(638,416)	(642,229)
Total Operating Expenses	(7,849,536)	-	(7,371,669)	(7,585,055)	(7,849,536)	(8,116,173)	(8,385,010)	(8,656,090)	(8,929,459)	(9,205,577)	(9,326,999)
Net Operating Income	17,574,711		15,829,184	16,550,903	17,574,711	18,599,748	19,626,039	20,653,608	21,682,482	22,715,239	22,784,451
Other Capital Expenditures & Reserves			(6,276)	(6,589)	(6,919)	(7,265)	(7,628)	(8,009)	(8,410)	(8,830)	(9,272)
Cash on Cash	355.87%	0.00%	413.75%	371.79%	355.87%	383.81%	411.79%	439.80%	467.84%	495.99%	502.56%
DSC Ratio	3.89		24.20	11.91	3.89	4.12	4.34	4.57	4.80	5.03	5.36
Debt Yield	26.60%	0.00%	145.95%	37.77%	26.60%	28.84%	31.23%	33.80%	36.56%	39.57%	44.77%
Return on Cost	119.77%	0.00%	107.87%	112.79%	119.77%	126.75%	133.75%	140.75%	147.76%	154.80%	155.27%



	Year Beginning Analysis Year	Jan-18 1	Jan-19 2	Jan-20 3	Jan-21 4	Jan-22 5	Jan-23 6	Jan-24 7	Jan-25 8	Jan-26 9	Jan-2
CQUISITION & CONSTRUCTION COSTS											
Total Acquisition Costs								-	-		-
Total Development Costs		13,739,861	934,167						-		
otal Acquisition & Construction Costs	14,674,028	13,739,861	934,167	-	-	-	•	-	-	•	-
PERATIONS											
Rooms Sold Decupancy %			58,150 64.3%	63,360 70.0%	67,884 75.0%	72,408 80.0%	76,932 85.0%	81,456 90.0%	85,980 95.0%	90,516 100.0%	90,51 100.0
Average Daily Rate		\$0.00	\$247.35	\$247.35	\$247.35	\$247.35	\$247.35	\$247.35	\$247.35	\$247.35	\$247.
RevPAR		\$0.00	\$164.66	\$173.15	\$185.51	\$197.88	\$210.25	\$222.62	\$234.98	\$247.35	\$247.3
Rooms Revenue		-	14,902,950	15,672,096	16,791,107	17,910,119	19,029,130	20,148,142	21,267,153	22,389,133	22,389,13
ood & Beverage Other Income		-	709,104	723,286	737,752	752,507	767,557	782,908	798,566	814,538	830,82
Telephone/Internet Sales Conference Room Rental		-	910,656	928,869	947,447	966,395	985,723	1,005,438	1,025,547	1,046,057	1,066,9
Misc		-	1,214,208 1,517,760	1,238,492 1,548,115	1,263,262 1,579,078	1,288,527 1,610,659	1,314,298 1,642,872	1,340,584 1,675,730	1,367,395 1,709,244	1,394,743 1,743,429	1,422,6 1,778,2
Other Other 2		-	1,821,312 2,124,864	1,857,738 2,167,361	1,894,893 2,210,709	1,932,791 2,254,923	1,971,447 2,300,021	2,010,876 2,346,022	2,051,093 2,392,942	2,092,115 2,440,801	2,133,9 2,489,6
otal Other Income		-	7,588,800	7,740,576	7,895,388	8,053,295	8,214,361	8,378,648	8,546,221	8,717,146	8,891,4
otal Effective Revenue			23,200,854	24,135,958	25,424,247	26,715,921	28,011,048	29,309,698	30,611,941	31,920,816	32,111,4
lepartmental Expenses											
Daily Room Operating Cost Payroll Daily Room Operating Cost Other		-	(102) (102)	(104) (104)	(106) (106)	(108) (108)	(110) (110)	(113) (113)	(115) (115)	(117) (117)	(1 (1
Cost of Service - Food Sales		-	(5,100)	(5,202)	(5,306)	(5,412)	(5,520)	(5,631)	(5,743)	(5,858)	(5,9
Cost of Service - Beverage Sales Cost of Service - Telephone/Internet Sales		-	(204,000)	(208,080) (312,120)	(212,242) (318,362)	(216,486) (324,730)	(220,816) (331,224)	(225,232) (337,849)	(229,737) (344,606)	(234,332) (351,498)	(239,0 (358,5
Cost of Service - Conference Room Rental		-	(408,000)	(416,160)	(424,483)	(432,973)	(441,632)	(450,465)	(459,474)	(468,664)	(478,0
Cost of Service - Misc Cost of Service - Other		-	(510,000) (612,000)	(520,200) (624,240)	(530,604) (636,725)	(541,216) (649,459)	(552,040) (662,448)	(563,081) (675,697)	(574,343) (689,211)	(585,830) (702,996)	(597,5 (717,0
Cost of Service - Other 2		-	(714,000)	(728,280)	(742,846)	(757,703)	(772,857)	(788,314)	(804,080)	(820,162)	(836,
Food & Beverage Payroll Other Operating Income Expense		-	(102) (102)	(104) (104)	(106) (106)	(108) (108)	(110) (110)	(113) (113)	(115) (115)	(117) (117)	(1
OTAL Departmental Expenses			(2,759,508)	(2,814,698)	(2,870,992)	(2,928,412)	(2,986,980)	(3,046,720)	(3,107,654)	(3,169,807)	(3,233,2
VERHEAD EXPENSES											
dmin & General redit Card Commissions		-	(102,000) (204,000)	(104,040) (208,080)	(106,121) (212,242)	(108,243) (216,486)	(110,408) (220,816)	(112,616) (225,232)	(114,869) (229,737)	(117,166) (234,332)	(119,5 (239,0
ales & Marketing		-	(306,000)	(312,120)	(318,362)	(324,730)	(331,224)	(337,849)	(344,606)	(351,498)	(358,5
epairs & Maintenance tilities		-	(408,000) (510,000)	(416,160) (520,200)	(424,483) (530,604)	(432,973) (541,216)	(441,632) (552,040)	(450,465) (563,081)	(459,474) (574,343)	(468,664) (585,830)	(478,0 (597,5
OTAL OVERHEAD EXPENSES			(1,530,000)	(1,560,600)	(1,591,812)	(1,623,648)	(1,656,121)	(1,689,244)	(1,723,029)	(1,757,489)	(1,792,6
EES, TAXES, AND INSURANCE											
lanagement Fee			(298,059)	(313,442)	(335,822)	(358,202)	(380,583)	(402,963)	(425,343)	(447,783)	(447,7
ncentive Fee ranchise Fee			(464,017) (464,017)	(482,719) (482,719)	(508,485) (508,485)	(534,318) (534,318)	(560,221) (560,221)	(586,194) (586,194)	(612,239) (612,239)	(638,416) (638,416)	(642,2 (642,2
quipment Leases/Telephone		-	(464,017)	(482,719)	(508,485)	(534,318)	(560,221)	(586,194)	(612,239)	(638,416)	(642,2
nsurance roperty Taxes		-	(464,017) (464,017)	(482,719) (482,719)	(508,485) (508,485)	(534,318) (534,318)	(560,221) (560,221)	(586,194) (586,194)	(612,239) (612,239)	(638,416) (638,416)	(642,2 (642,2
F&E Reserve		-	(464,017)	(482,719)	(508,485)	(534,318)	(560,221)	(586,194)	(612,239)	(638,416)	(642,2
OTAL FEES, TAXES, AND INSURANCE		-	(3,082,161)	(3,209,757)	(3,386,732)	(3,564,113)	(3,741,908)	(3,920,127)	(4,098,776)	(4,278,281)	(4,301,1
otal Operating Expenses		-	(7,371,669)	(7,585,055)	(7,849,536)	(8,116,173)	(8,385,010)	(8,656,090)	(8,929,459)	(9,205,577)	(9,326,9
let Operating Income			15,829,184	16,550,903	17,574,711	18,599,748	19,626,039	20,653,608	21,682,482	22,715,239	22,784,4
		/s anm									
ther Capital Expenditures & Reserves ross Sales Price		(5,977)	(6,276)	(6,589)	(6,919)	(7,265)	(7,628)	(8,009)	(8,410)	(8,830)	(9,2 343,348,8
ost Of Sale			-	-	-	-	-	-	-	-	(6,866,9
otal Unlevered Cash Flows		(13,745,838)	14,888,742	16,544,314	17,567,792	18,592,483	19,618,410	20,645,599	21,674,072	22,706,409	359,257,0
		(13,743,030)	24,000,742	20,544,524	17,307,732	20,332,403	13,010,410	20,043,333	22,074,072	22,700,403	333,237,0
EBT											
ebt Construction/Mini-Perm Loan											
oan Draws		(10,071,354)	(934,167)		-	-		-	-	-	
oan Interest oan Principal		(346,528)	(650,737)	(275,138)	-	-	-	-	-	-	
oan Payoff		-	-	(11,005,521)	-	-	-	-	-	-	
Aini-Perm #1 Funding		-	-	-	-	-	-	-	-	-	
Aini-Perm #1 Loan Interest			-			-	-				
Aini-Perm #1 Loan Principal Aini-Perm #1 Loan Payoff		-	-	-	-	-	-		-		
Aini-Perm #2 Funding											
Mini-Perm #2 Loan Interest		-	-	-	-	-	-	-	-	-	
Aini-Perm #2 Loan Principal Aini-Perm #2 Loan Payoff		-	-		-	-		-	-	-	
Mini Perm Loan Fees Permanent Loan											
erm Loan Funding erm Loan Interest				67,761,141 (1,769,020)	(2,978,691)	(2,907,900)	(2,833,855)	(2,756,410)	(2,675,406)	(2,590,682)	(2,502,
erm Loan Interest erm Loan Principal			-	(867,449)	(1,540,970)	(1,611,762)	(1,685,806)	(1,763,251)	(1,844,255)	(1,928,980)	(1,845,9
erm Loan Payoff		-								-	(54,672,6
otal Funding All Sources otal Principal Paid Const., Mini Perms, Perm		13,739,861	934,167	67,761,141 (867,449)	(1,540,970)	(1,611,762)	(1,685,806)	(1,763,251)	(1,844,255)	(1,928,980)	(1,845,9
			(650,737)	(275,138)		-			-		
otal Construction and Mini Perm Interest Paid		-	-	(1,769,020)	(2,978,691)	(2,907,900)	(2,833,855)	(2,756,410)	(2,675,406)	(2,590,682)	(2,502,
otal Construction and Mini Perm Interest Paid otal Mezz Payments			-	(11,005,521)		-	-	-	-	-	(54,672,
otal Construction and Mini Perm Interest Paid otal Mezz Payments otal Perm Loan Interest Paid											
otal Construction and Mini Perm Interest Paid otal Mezz Payments otal Perm Loan Interest Paid otal Payoff		13,739,861	283,429	53,844,014	(4,519,661)	(4,519,661)	(4,519,661)	(4,519,661)	(4,519,661)	(4,519,661)	(59,020,7
Crial Construction and Mini Perm Interest Paid Cotal Mezz Payments Crial Perm Loan Interest Paid Cotal Payorf  OTAL FINANCING CASH FLOWS		13,739,861									(59,020,7
otal Construction and Mini Perm Interest Paid otal Mezz Payments otal Perm Loan Interest Paid otal Payoff	352.2%	13,739,861	283,429 (650,737) 16,473,646	53,844,014 (1,142,587) 17,686,901	(4,519,661) (1,540,970) 19,108,762	(4,519,661) (1,611,762) 20,204,245	(4,519,661) (1,685,806) 21,304,216	(4,519,661) (1,763,251) 22,408,850	(4,519,661) (1,844,255) 23,518,327	(4,519,661) (1,928,980) 24,635,388	(1,845,9 361,103,0

# **EQUITY STRUCTURE & RETURNS**

Sample Property

3/28/2019

[INSERT PROPERTY IMAGE]

Levered Returns						
Project IRR	352.21%					
Project Profit	\$475,809,663					
Project Multiple	130.51					
Equity Structure						
Preferred Return	5%					

LP Split after Pref		50%
Manager Split after Pref		50%
1st Hurdle		8%
1st Hurdle Type	Monthly	Compounding
LP Split after 1st Hurdle		50%
Manager Split after 1st Hurdle		50%
2nd Hurdle		12%
2nd Hurdle Type	Semiannual	Compounding

Preferred Return Type

and marate type	ocimania	compounding
LP Split after 2nd Hurdle		50%
Manager Split after 2nd Hurdle		50%
3rd Hurdle		15%
3rd Hurdle Type	Annual	Compounding
LP Residual Split		50%
Manager Residual Split		50%

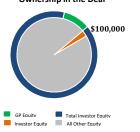
\*Equity will be returned on capital events only

Quarterly Compounding

### **Equity Contribution Breakdown**

Investor	90%
GP Co-Investment	10%

### Ownership in the Deal



										3/26/2019
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Levered Cash Flow	(3,673,988)	15,172,171	70,388,327	13,048,131	14,072,822	15,098,749	16,125,937	17,154,411	18,186,747	300,236,355
Manager Fees										
9	(22 (20)	(26.605)	(2( (05)	(26.605)	(26.605)	(26.605)	(26.605)	(2( (05)	(26.605)	(26.605)
Asset Management Fee	(33,628)	(36,685)	(36,685)	(36,685)	(36,685)	(36,685)	(36,685)	(36,685)	(36,685)	(36,685)
Acquisition Fee	(50,000)	-	-	-	-	-	-	-		
Debt Fee (Initial)	(110,055)	-		-	-	-	-	-		-
Debt Fee (Refi)	-		(677,611)						-	- (2.422.400)
Disposition Fee 0	-	-	-	-	-	-	-		-	(3,433,489)
	(4.502)	- (5.000)			- (5.000)	- (5.000)		(5,000)	- (5.000)	-
Legal Fee 0	(4,583)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
-	-	-			-	-		-	-	-
0 Total Manager Fees	(198,266)	(41,685)	(719,296)	(41,685)	(41,685)	(41,685)	(41,685)	(41,685)	(41,685)	(3,475,174)
Total Manager Pees	(170,200)	(41,003)	(/17,270)	(41,003)	(41,003)	(41,003)	(41,003)	(41,003)	(41,003)	(3,773,177)
Levered Cash Flow Net Fees	(3,972,254)	15,130,486	69,669,031	13,006,446	14,031,137	15,057,064	16,084,252	17,112,726	18,145,062	296,761,181
Investor Pref	(3,575,029)	187,043	3,834,379				_	_		_
GP Co-Investment Pref	(397,225)	20,783	426,042				_			
Manager Pref (N/A)	(377,223)	20,763	420,042	-	_			-	_	
Remaining Cash Flow After Pref	-	14,922,661	65,408,609	13,006,446	14,031,137	15,057,064	16,084,252	17,112,726	18,145,062	296,761,181
Investor CF up to First Hurdle		122,565	190,523							
GP Co-Investment CF up to First Hurdle	-	13,618	21,169	-	-	-	-	-	-	-
•	-		21,169	-	-	-	-	-	-	-
Manager CF up to First Hurdle	-	136,183	211,092	-	-	-	-	-	-	-
Remaining Cash Flow After First Hurdle	•	14,650,294	64,985,225	13,006,446	14,031,137	15,057,064	16,084,252	17,112,726	18,145,062	296,761,181
Investor CF up to Second Hurdle		172,349	232,383							
GP Co-Investment CF up to Second Hurdle	-	19,150	25,820	-	-	-	-	-	-	-
Manager CF up to Second Hurdle	-	191,499	258,203	-	-	-	-	-	-	-
Manager Cr up to Second Hurdie	-	191,499	236,203	-	-	-	-	-	-	-
Remaining Cash Flow After Second Hurdle	-	14,267,296	64,468,819	13,006,446	14,031,137	15,057,064	16,084,252	17,112,726	18,145,062	296,761,181
Investor CF up to Third Hurdle	_	135,204	165,705	_	_	_	_	-		
GP Co-Investment CF up to Third Hurdle	_	15,023	18.412	-	-	_	_	_	_	-
Manager CF up to Third Hurdle	-	150,227	184,117	-	-	-	-	-	-	-
Remaining Cash Flow After Third Hurdle	-	13,966,842	64,100,585	13,006,446	14,031,137	15,057,064	16,084,252	17,112,726	18,145,062	296,761,181
Investor Residual Split	-	6,285,079	28,845,263	5,852,901	6,314,011	6,775,679	7,237,913	7,700,727	8,165,278	133,542,532
GP Co-Investment Residual Split	-	698,342	3,205,029	650,322	701,557	752,853	804,213	855,636	907,253	14,838,059
Manager Residual Split	-	6,983,421	32,050,292	6,503,223	7,015,568	7,528,532	8,042,126	8,556,363	9,072,531	148,380,591
Total Investor Cash Flow	(3,483,986)	6,719,084	32,385,457	5,697,590	6,146,465	6,595,881	7,045,851	7,496,383	7,948,607	129,998,886
								832,931	883,179	14,444,321
Total GP Co-Investment Cash Flow	(387,110)	746,565	3,598,384	633,066	682,941	732,876	782,872	032,931	003,179	14,444,341

#### **Investor Returns**

Investor Profit	Investor IRR
\$206,550,217	215.12%

Investor Multiple
60.29

Investor Total Cash Distributions \$210,034,202

#### GP Returns

GP Profit	GP IRR
\$258,214,593	1009.92%

GP Multiple 668.03 GP Total Cash Distributions \$258,601,703

## Returns Based on Amount Invested

100,000
6,028,562
12,813
100,000
5,928,562

Multiple 60.29 Total Cash Distributions \$6,028,562