



CREModels Client Eternal Companies Sets its Sights on Nationwide Growth

cremodels.com

~75

Iterated models created
for lenders/investors

2

Hotel acquisitions
successfully financed

Thousands

of dollars saved
vs. staffing a full-time analyst

Eternal Companies relies on CREModels for deal-screening, real estate financial modeling and a team-based approach to giving investors and lenders everything they need to pull the trigger on prospective deals.

Founder and managing principal Damon Healey is scaling up his Bethesda, Maryland-based asset-management and investment firm with an initial focus on portfolio acquisitions in the economy / extended-stay hotel sector.

CREModels analysts played a key role in Healey's May 2024 acquisitions at auction of two Georgia hotels (in Macon and Columbus). The team was especially helpful, he said, after the Fed's July 2023 rate increase set off an avalanche of time-consuming questions and modeling requests from financing and investment prospects.

"As an entrepreneur, you're wearing a lot of hats—looking at deals, forging partnerships with lenders and investors, marketing yourself, you name it," Healey said. "There isn't enough time in the day for me to evaluate all the deals that hit my desk, and I also cannot afford to spend hours in the weeds of financial models. So having the CREModels team as a resource is huge."

HIGH-EFFICIENCY DEAL SCREENING

A 20-year CRE veteran, Healey brings experience in nearly all facets of the industry—including brokerage, analysis, investment sales, financing, leasing, acquisitions/dispositions and development/redevelopment. His past employers include Marcus & Millichap, KeyBank Real Estate Capital, Jair Lynch Development Partners, Lidl U.S. and Brookfield Properties.

It was in executive roles at the latter two firms where



Healey deepened his understanding of two current areas of focus for Eternal Cos.—both rapidly scaling up as well as seizing opportunities in the economy / extended stay hospitality sector.

"I was the fifth employee at Lidl U.S. back in 2014 when they started rolling out operations here," Healey recalled. "In terms of scale, we went from it being myself, the CEO, COO, and two others in a room to having 5,000 employees across the country. It was a lot of fun."

In 2018, Healey began serving as a VP and Head of Real Estate at Brookfield Properties. He led the nationwide expansion of the WoodSpring Suites extended-stay hospitality portfolio, which had grown to more than 100 hotels before it was sold to a JV between The Blackstone Group and Starwood Capital Group.

After launching Eternal Cos. in January 2023, Healey turned to CREModels' expert analyst team for high-efficiency screening of potential deals. "We sourced through a lot of deals and ended up chasing three hotels that were owned by the same group," Healey recalled. "CREModels helped me underwrite and secure the first two hotels at auction."

'THEN THE WORLD CHANGED'

When that hotel acquisition process first got started, Healey had relied on his existing relationships to secure early term sheets from lenders. Then the Fed suddenly kicked off its first rate-increase cycle in decades. "As soon as we went under contract, the world changed dramatically," he recalled. "We had to go out to the broader capital markets to seek



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Damon Healey
Eternal Companies
Founder and Managing Principal

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In paying close scrutiny to the acquisitions, Healey’s lenders and investors wanted to see a broad array of modeled scenarios. For Healey to run so many iterations and “What-ifs?” on his own would have required dozens of hours of work. His only other option would have been to shell out the annual salary of a full-time commercial real estate analyst. “The CREModels team was able to iterate somewhere between 50 and 75 different models for us to get to the finish line,” Healey said. “They were there throughout the process.”

‘WE HAVE A TEAM’

For Eternal Cos., having the CREModels analyst team as a live resource for investors and lenders proved valuable as well. “They were able to jump on calls with us and our prospective or selected investors to run through models, interrogate our assumptions and explain how we derived our numbers,” Healey noted.

And because the analysts quickly grasped the types of deals Healey was looking for, as well as his ideal underwriting criteria, they required no hand-holding, which freed up even more of Healey’s time.

“If we found a new lender or investor, we could have a quick call and say, ‘OK, we need another version, here are the new assumptions,’” Healey explained. “CREModels could run it on their own. We would finalize it with a quick back-and-forth.”

Another benefit was the flexibility of CREModels’ cloud-based CRESuite software application. The platform allows users to preserve and easily access dozens of model iterations as needed, protecting data integrity with the company’s proprietary model-governance system. Equity investors, in particular, appreciated having the ability to see and play with the different iterations of models, whether in the cloud or in Excel-based file exports.

Offering the team as a resource showed investor prospects that Eternal Cos. was coming to the table with strong resources and relationships, Healey said. “To be able to say ‘We have a team’ is part of the value



that CREModels brings. When they’re operating on behalf of your firm, it demonstrates bench strength. You’re not just a startup out there on your own.”

NEXT STEPS...

The overall vision for Eternal Cos. is as an investment and asset-management firm with development capabilities. Healey aims to bring institutional capital to overlooked middle-market and even lower-tier markets as he scales the enterprise.

“We like economy and extended-stay hospitality because the segment is comprised of mostly local and regional operators,” he explained. “Our inaugural investment strategy is to scale up in that space and operate on a national basis. But we see ourselves as research-based CRE investors who play the cycle, so we like other niche opportunities as well, such as office conversions or even extended stay-to-residential conversion opportunities.”

CREModels Managing Director Mike Jaworski has been impressed with Healey’s persistence, acumen and vision. “I can easily see Damon growing to 20 or 30 hotels within a fairly short period of time as he pursues these portfolio opportunities,” he said. “We’re really looking forward to contributing to that effort as Damon gets in front of more institutional investors and relies on us for high-efficiency screening and modeling. He’s a great partner with an exciting investment thesis.”

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