

HOOD RIVER WATERFRONT HOTEL



May 28, 2021

Michael McElwee, Executive Director, Port of Hood River 1000 E. Port Marina Drive, Hood River, OR 97031

RE: Request for Developer Interest, Lot 900.

Bhakta Capital ("BC") is pleased to be re-engaged in the Request for Interest from the Port of Hood River ("PHR") for the Barman Site located on an approximately 0.86-acre piece of property at 151 N 2nd St, Hood River, OR 97031. Internally, we call the site, "Gateway Site" to Hood River, given its strategic location between downtown and the waterfront, making it a truly walkable central node to explore.

As a refresher, and point of introduction, BC initially put forth a proposal and presented it to PHR to develop a Fairfield Inn & Suites by Marriott back in June 2019. Almost two years later, and getting back to recovery post-COVID, we are picking up where we left off. Taking all our learnings from the past two years and implementing them into our revised bid. BC probably has the longest standing interest in this project that started back in 2019 and we never took our eye off the prize -- always evolving and making the proposed project even better.

BC's partners bring over 60 combined years of hospitality operations and real estate experience, having been involved in over \$3 billion of hotel transactions globally, along with 20 combined years of technology and data science experience at Stanford University, Amazon.com, and extensive involvement with Silicon Valley startups leveraging AI and machine learning. In fact, our proprietary hotel investment BIG DATA tool puts Hood River as one of the top markets that embody a "true" supply demand imbalance -- truly signifying the need for a new, localized, boutique hotel. In addition to supporting the large demand for weddings, local wedding venues require additional rooms in Hood River.

All that said, we have changed gears from our last proposal to include but are not limited to the following:

- 81 Room Boutique Hotel vs. 84 Room Fairfield Inn & Suites by Marriott
 - The Boutique Hotel of Hood River, name to be established by branding agency, <u>Brand Bureau</u>, during Design Development phase, is the sister company of <u>AvroKO</u>, the Interior Designers we plan to use. One of the four founders of AvroKO, Kristina O'Neal's family is Oregonian. Again, rooted back to getting as localized as possible. Their <u>Design Direction</u> can be found here.
 - 2 Options for Management / Soft Branding
 - Tribute by Marriott (Soft Brand), each hotel has its own unique identity and name / branding, just powered by Marriott's Frequent Guest Program, Sales & Marketing, and other Systems
 - 3rd Party Managed by <u>HVMG</u>

- <u>Life House</u> Hood River, the hottest localized boutique hotel brand, that is tech enabled and offers a truly unique value proposition both to owners and guests
- We would respect the wishes of the PHR to what direction they would like to see on the Brand / Operator selection.
- Initial Project Costs are much higher than 2 years ago because of the following:
 - Input Costs for Construction Materials and Labor are 25% 35% higher than 2 years go.
 - Going for a higher end product now, to get stronger Average Daily Rate to bring in higher spending guests to Hood River
 - Segmentation from Upper Midscale to Upscale / Upper Upscale
 - Branded to Unbranded / Soft Brand
 - From No Food & Beverage Programming in the hotel to bringing in a Local Food & Beverage Operator like Celilo into the hotel to run the F&B component of hotel

Structure

- Initially we proposed buying the site as the only alternative with the option for the PHR to invest back into the project via Land as Equity
 - However, given the site is in an Opportunity Zone ("OZ"), contributing Land as Equity would disqualify the project as OZ, and even if PHR sold BC the land, PHR could not reinvest their capital gains into the OZ project as would be classified round tripping of gains and is a deemed capital contribution of the property, which makes it a non-qualifying property.
- New Proposal is a Long-Term Land Lease with a possible Profit Share allocation to PHR depending on the fixed land lease payment.
- BC will be executing on the hotel development as a Qualified OZ Business ("QOZB") to qualify for Capital Gains tax relief.
 - This means internally we have Qualified OZ Fund ("QOZF") set up with Capital Gains to secure the project in terms of Soft Costs.
 - Will raise additional QOZF capital to execute on the project, soft commitments already in the works from family offices, experienced institutional real estate investors, and other high net worth individuals with a hospitality operating background.
 - All this means we are long term holders as to get the full tax benefits of OZ will have to hold the hotel for 10 years.

Land Lease Terms

- 99 Year Lease with one 50-year extension
- Rent Free During Construction
- Year 1 50% of Rent
- Year 2 75% of Rent
- Year 3 Fixed Payment for 5 Years, with every 5-year increases based on CPI
- Methodology:
 - \$20,000 a key land cost, total land cost of \$1.62m multiplied by cap rate of 4% (prevailing market cap rate for land lease) = \$64,800 / annually for land lease
 - Incorporated ground rent at 4% of \$20K/key allocation or ~\$65K
 - The ground rent ramps up as discussed (50% year 1 of operations, 75% year 2 and then 100% next 5 years).
 - Then growth every 5 years starting year 8 of operations at CPI (Assuming 7.5% that year)

- Inclusion of a 99-year ground lease
- The ground lease is structured as a \$25K/year guaranteed payment (indexed at inflation conservatively assumed to be 3%), plus a 2% "profit share" (2% of property NOI)
- This results in an ~\$1M ground lease valuation (i.e., value to the Port)

LEASE	ETERMS						
Term			99.0 Yrs.				
	Payment		25,000				
	Growth		3.0%				
	Participation		2.0%				
1101111	ui tieipution		2.070				
Present	Value						
PV	Dics. Rate	9.0%	\$1,056,865				
			+-,,				
LEASE	E PAYMENT SCH	EDULE					
Period	Payment	Profit Share	Total Payment				
1	25,000	24,137	49,137	51	109,598	174,766	284,363
2	25,750	34,198	59,948	52	112,886	180,009	292,894
3	26,523	42,279	68,802	53	116,272	185,409	301,681
4	27,318	43,550	70,868	54	119,760	190,971	310,732
5	28,138	44,858	72,996	55	123,353	196,700	320,054
6	28,982	46,206	75,188	56	127,054	202,601	329,655
7	29,851	47,594	77,445	57	130,865	208,680	339,545
8	30,747	49,024	79,771	58	134,791	214,940	349,731
9	31,669	50,496	82,166	59	138,835	221,388	360,223
10	32,619	52,013	84,633	60	143,000	228,030	371,030
11	33,598	53,576	87,174	61	147,290	234,871	382,161
12	34,606	55,183	89,789	62	151,709	241,917	393,626
13	35,644	56,838	92,482	63	156,260	249,174	405,434
14	36,713	58,544	95,257	64	160,948	256,649	417,597
15	37,815	60,300	98,115	65	165,776	264,349	430,125
16	38,949	62,109	101,058	66	170,750	272,279	443,029
17	40,118	63,972	104,090	67	175,872	280,448	456,320
18	41,321	65,891	107,212	68	181,148	288,861	470,009
19	42,561	67,868	110,429	69	186,583	297,527	484,110
20	43,838	69,904	113,742	70	192,180	306,453	498,633
21	45,153	72,001	117,154	71	197,946	315,646	513,592
22	46,507	74,161	120,669	72	203,884	325,116	529,000
23		76,386	124,289	73	210,000	334,869	544,870
24	47,903 49,340	$9^{-78,678}$	128,017	74	216,300	344,915	561,216
25	50,820	81,038	131,858	75	222,789	355,263	578,052
26	52,344	83,469	135,814	76	229,473	365,921	595,394
27	53,915	85,973	139,888	77	236,357	376,898	613,256
28	55,532	88,552	144,085	78	243,448	388,205	631,653
29	57,198	91,209	148,407	79	250,751		650,603
30	58,914	93,945	152,859	80	258,274	411,847	670,121
31	60,682	96,764	157,445	81	266,022	424,202	690,225
32	62,502	99,666	162,169	82	274,003	436,929	710,931
33	64,377	102,656	167,034	83	282,223	450,036	732,259
34	66,308	105,736	172,045	84	290,690	463,537	754,227
35	68,298	108,908	177,206	85	299,410	477,444	776,854
36	70,347	112,176	182,522	86	308,393	491,767	800,160
37	72,457	115,541	187,998	87	317,644	506,520	824,164
38	74,631	119,007	193,638	88	327,174	521,716	848,889
39	76,870	122,577	199,447	89	336,989	537,367	874,356
40	79,176	126,255	205,430	90	347,099	553,488	900,587
41	81,551	130,042	211,593	91	357,512	570,093	927,604
42	83,997	133,943	217,941	92	368,237	587,195	955,432
43	86,517	137,962	224,479	93	379,284	604,811	984,095
44	89,113	142,101	231,214	94	390,663	622,956	1,013,618
45	91,786	146,364	238,150	95	402,383	641,644	1,044,027
46	94,540	150,755	245,294	96	414,454	660,894	1,075,348
47	97,376	155,277	252,653	97	426,888	680,720	1,107,608
48	100,297	159,935	260,233	98	439,694	701,142	1,140,836
49	103,306	164,734	268,040	99	452,885	722,176	1,175,061
50	106,405	169,676	276,081				
50	100,403	109,070	270,001	_			

Positive Externalities

- o Hotel Construction will be focused on bringing on local subcontractors
- Hotel will create about 40 45 Jobs when operational (full-time & part-time)
 - Rooms Division 13 15 people
 - Food & Beverage 16 20 people (local operator in the works)
 - Administration & General 5 people
 - Other 5 people

Bhakta Capital understands the value that the Port of Hood River requires from this project, both financially, and for the benefit of the community, and we aim to provide that. We are agile and flexible to the requirements of PHR -- fully cooperative and aligned.

We look forward to continued dialogue for a mutually beneficial outcome. We look forward to working with PHR, to make this project come to fruition for the benefit of the Waterfront of Hood River and the city as a whole.

Sincerely,

Pranav R. Bhakta Managing Partner

Bhakta Capital

PROPOSAL CONCEPTS

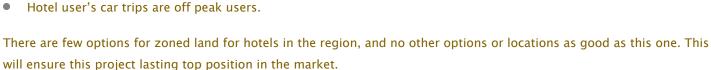
Our team has diligently researched the market and with that, envisioned a unique development project that is the highest and best use of the Barman site. The key concepts of this development:

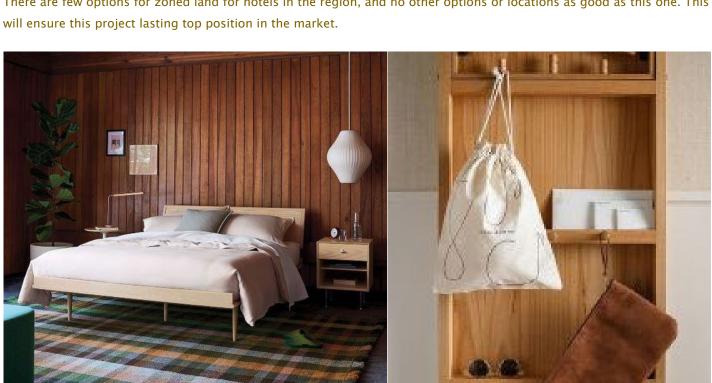
- Build a 4-star boutique, locally oriented full-service Hotel
- Includes a locally operated food and beverage operation
- Include a marketplace for locally made products
- Include recreation partnerships with the Port

REASONS FOR A HOTEL

The details of this development reveal an outstanding opportunity for the Barman site, and the Port of Hood River:

- Highest and best use of the land- After the 10 year hold period to qualify for Opportunity Zone tax benefits, the hotel will be valued at \$27.6m
- Perfect location for hotel parking- Guests can walk to waterfront and downtown, hence, internally we call it The **Gateway Site**
- Market demand for hotel greater than any other demand
- \$7+ M Annual Revenue and local economic penetration higher than any other use
- 24-hour use will activate the waterfront







DESIGN GOALS

In addition to the mentioned development concept, the site demands a high level of design quality.

- Define the Entrance to Port's waterfront, and connection to downtown Hood River
- Connect 2nd street pedestrians to boat basin and esplanade
- Provide a High-quality building, designed for lasting appeal
- Achieve LEED certification
- Maintain the view corridor from downtown to the Columbia River
- Mitigate the view of parking by building over it and screening it
- Create active plaza spaces on two streetscape faces



HOTEL PROGRAM

We've envisioned a series of uses that best implement these design goals, and meets the unmet demand for hospitality:

- 81 guest rooms
- Full service 3 meal locally operated restaurant with outdoor space overlooking the waterfront
- 2 plazas, one at 2nd street and one at 1st.
- Large marketplace for locally sourced products
- Meeting rooms
- Exercise room
- Roof top wine tasting room with exceptional view of the Port's waterfront and windsurfing.
- Dropoff and lobby
- Parking for 81 cars





LOCAL IMPACT

Create the Hood River Experience and boost the local economy with these key features:

- Provides for high demand guest rooms for tourists
- Much needed guestrooms for Event Venues
- Food and beverage operations by a local vendor
- Connection to recreation uses by the Port and Others
- The project will create 40-45 jobs



PROJECT BRAND

We have assembled a team of industry leading firms and individuals to lead this project to success:

- Tribute boutique brands by Marriott- See Tribute Brand book in the appendix,
- Life House boutique hotel See Life House Brand book in the appendix

We welcome the Port's suggestion on the Brand Partner



THE PROJECT TEAM

Create the Hood River Experience and boost the local economy with these key features:

Developer- Bhakta Capital

Pranav R. Bhakta, Managing Partner Parth Bhakta, Chairman Ram Bhakta, Managing Partner Sejal Bhakta, Managing Partner Pinank Bhakta, Managing Partner

Brand Partnership- Tribute by Marriott

The Glenmark, Glendale, CA	http://theglenmarkhotel.com/
Noelle, Nashville, TN	https://www.noelle-nashville.com/
Hotel Zachary, Chicago, IL	https://www.hotelzachary.com/
Cotton House, Cleveland, MS	https://www.cottonhousecleveland.com/
Sessions Hotel, Bristol, VA	https://www.sessionshotel.com/
The Alida, Savannah, GA	https://www.thealidahotel.com/
The Sarasota Modern, Sarasota, FL	https://www.thesarasotamodern.com/

- Operator HVMG Hospitality Management
- Architect- Surround Architecture- Mark VanderZanden

Hoxton Hotel, Columbia Gorge Hotel, Hood River Hampton Inn

Interior designer – AvroKO – Kristina O'Neal

FINANCIALS

The financial detail of this proposal confirms that this product will be the highest and best use of the site. The keynotes of these figures are:

- \$18.5 M of total project costs investment
- This use backs into a Land value of \$1.6M, or roughly \$40/ sq ft.
- High land value equals a high land lease value- maximum Port Income
- \$7-8 M+ revenue annually
- Property and Tourism taxes will benefit the local economy
- The project will create 40-45 jobs

See the appendix for the two pro forma summaries

MARKET DEMAND

Our team has been reviewing the market in Hood River for 2 years and sees that the post covid demand to be exceeding the already pent-up demand from the previous years. Hotel use has already bounced back and is exceeding supply in the Hood River market.

- Hotel rooms growth has exceeded demand for several years
- Unmet demand equals 200 guest rooms
- Further restrictions to short term rentals by city will curtail supply.

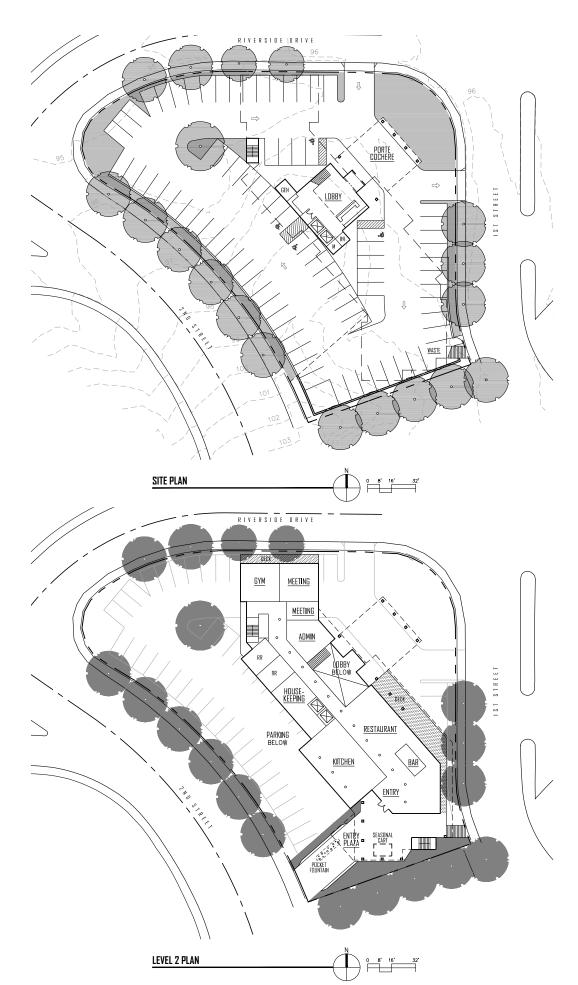
See the appendix for a summary of the market research study

OUR DUE DILIGENCE

Our team has been working on this proposal for 2 years and has the benefit of redefining the proposal after the effects of the Covid Pandemic. This amount of analysis provides the Port confidence that this project will meet its goals and financial targets. Specific details of analysis include:

- Schematic design level architectural analysis
- In depth look at infrastructure, layout, costs
- Pro forms generated by multiple operators
- Commitments from Marriott and Life House
- Cost estimates from multiple contractors
- Meeting with Hood River Planning Director-
- Project will meet all waterfront design guidelines and zoning regulations
- Capital and financing in place

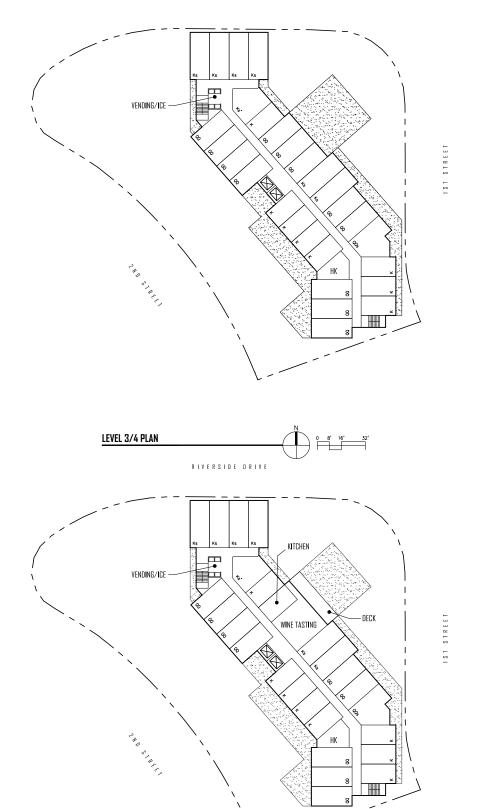
See the appendix for the back up to this research and analysis.



BARMAN SITE HOTEL

GUEST ROOMS	81
TOTAL SQ FT	49,178 SF
TOTAL SITE AREA	39,109 SF
PARKING SPACES	81

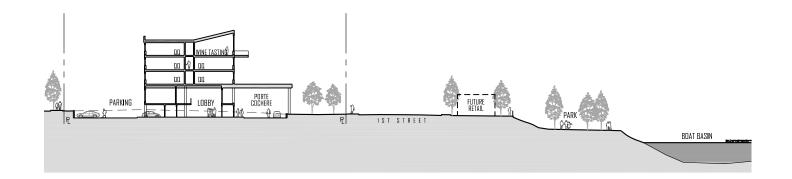
AREAS		
LOBBY	912	SF
RESTAURANT	1346	SF
BAR	1008	SF
DECK	1094	SF
GYM	663	SF
MEETING	922	SF
ADMIN	598	SF
HOUSEKEEPING	715	SF
KITCHEN	1672	SF
TOTAL AREA OF Concrete Deck	14,436	SF



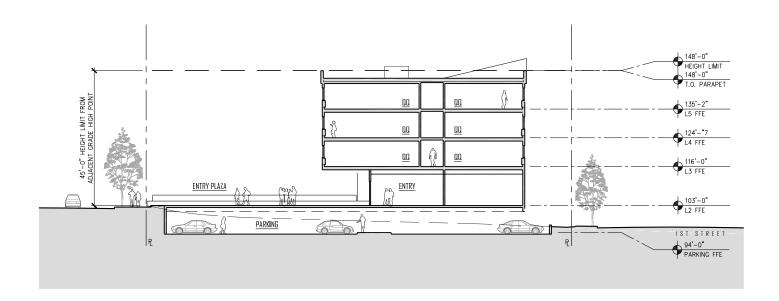
LEVEL 5 PLAN

<u>Guest room sizes</u>

QQ	33	353	SF
QQS	3	503	SF
K	24	301	SF
KS	18	409.5	SF
KS'	3	419	SF







The design provides for maintaining the view corridor of the Columbia River from downtown Hood River



The design includes a pedestrian connection via a public plaza to the boat basin and waterfront park



70% of guestrooms face the waterfront



Landscaping and plaza decks conceal the underbuilding parking



APPENDIX

- Team Member Biographies and Project Experience
- Market Demand Analysis
- Tribute HVMG development Model (Proforma)
- HVMG Development Valuation Model
- HVMG Company Profile
- Lifehouse Brand Deck
- Tribute Brand Deck
- Marriott Letter of Support

TEAM MEMBER BIOGRAPHIES AND PROJECT EXPERIENCE

DEVELOPER

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Denish Patel & Ram Bhakta

denish0528@gmail.com (562) 665-6312 ram@bhaktacapital.com (919) 667-6365

PRANAV R. BHAKTA, MANAGING PARTNER

Pranav is responsible for overseeing new development & acquisition efforts and joint venture partnerships at Bhakta Capital by building a deep project pipeline through his relationship-driven network in markets nationwide. His track record includes negotiating over \$3 billion of hospitality transactions including asset acquisitions and dispositions, restructurings, debt and equity financings, and new development projects (ground up and conversion). Pranav's expertise includes performing diligence and developing comprehensive financial analyses for a large variety of hospitality projects in an international context.

Pranav's family office, Nillians Investments LLC and RamRan Holdings LLC, is a vertically integrated hotel development company (in-¬house GC) and investment vehicle. Currently, they are developing 5 hotels in Texas: Element (Marriott), Even (IHG), Holiday Inn Express (IHG), Cambria Suites (Choice), and Hampton Inn & Suites (Hilton). Pranav has been involved with the family business since he was 13 years old.

Pranav was previously responsible for the market entry of various hospitality companies into India, including the Trump Organization and Vantage Hospitality, and has also helped consult numerous successful hospitality startups worldwide with market caps in excess of \$10 billion. He has deep seeded relationships with virtually all the major and regional hotel brands and brings his relationships and industry expertise to help build the Bhakta Capital portfolio.

While in India, he also set up hospitality verticals for various prominent family offices in India, Singapore, and Africa. In his mid-20s, as Vice President with Molinaro Koger, he had the opportunity to work on the firm's expansion to India, advising on site and brand selection, as well as project feasibility and market studies.

Prior to his role at Molinaro Koger, Pranav was team leader for a disposition of a 892 – room hotel portfolio with Sperry Van Ness.

Pranav received his Bachelor of Arts and Science in Urban Sociology and City and Regional Planning from the University of California, Berkeley and his Masters in Hospitality Administration (MBA) from the Ecole Hôtelière de Lausanne. He has also completed courses for CCIM (Certified Commercial Investment Manager), and NYU Real Estate School courses in Private Equity Structuring in Real Estate Acquisitions and Development.

PARTH BHAKTA, CHAIRMAN

Parth is responsible for overseeing the data analysis efforts, chairs the investment committee for new hospitality projects, and directs the equity and debt capital formation activities at Bhakta Capital. He has worked in the hospitality industry since age 14 when he inherited ownership of a Hampton Inn & Suites property in Palm Desert, California.

At age 19, Parth became the youngest sole franchisee in the history of Hilton Worldwide, successfully opening a new Hampton Inn & Suites with his sister Sejal in Blythe, California.

Parth graduated from Stanford University in 2013 with a B.S. in Symbolic Systems and a M.S. in Computer Science. From 2012 to 2015, he was the Co-founder and Chief Executive Officer of Chatous, Inc., a venture capital backed consumer internet startup with over 35 million users, \$18 million in funding, and a valuation of over \$100 million. He has been an active angel investor in numerous technology startups and currently serves on the Board of Directors of Unsettled, Inc., a travel experience company hosting co-working retreats for remote work. Parth currently serves as the Founder and Chief Executive Officer of Vivian Health, an online marketplace in the healthcare staffing industry which was acquired by the \$10 billion Nasdaq-listed IAC in 2019.

As a long-time franchisee of Hilton Worldwide in Southern California, he is an active commercial real estate developer and hotel operator, most recently with the new opening of a 93 room Hampton Inn & Suites project in Indio, California. Parth is now launching Bhakta Capital with his partners to scale up data-driven hotel investment efforts across the nation.

RAM BHAKTA, MANAGING PARTNER

Ram is responsible for the data analytics and data gathering infrastructure at Bhakta Capital and also serves on the investment committee for evaluating new acquisitions and ground up development projects. Ram brings his software development background and his expertise in machine learning from his career at Amazon.com combined with his hospitality industry knowledge through Haven Ventures where he has acquired and sold numerous hospitality assets across California, Texas, and New Jersey successfully closing over \$60 million in debt and equity placements across his hospitality portfolio.

Growing up with a strong network of family and friends in the hospitality industry, Ram gained an early exposure into all aspects of hotel management. He has become adept at identifying operational inefficiencies and has gained extensive experience in renovating, rebranding, and repositioning hotel assets to maximize value. He has also personally overseen pre construction activity for various branded hotel development projects.

Ram graduated with a B.S. and M.S in Computer Science from the University of California, Irvine with a research focus on Artificial Intelligence and Machine Learning. His professional experience includes working at Amazon's Grand Challenge organization, an innovation lab/think tank exploring disruptive initiatives in new verticals for the company. During his time, Ram has published and worked on the cutting-edge of ML/AI, including publicly launching a machine learning service from the ground up. Ram has witnessed firsthand how AI can be used as a competitive advantage and is passionate about bringing this expertise into the hospitality industry for Bhakta Capital.

SEJAL BHAKTA, MANAGING PARTNER

Sejal is responsible for hotel operations, construction management, and oversees financial reporting for all new development projects and operating assets at Bhakta Capital. She has worked in the hospitality industry since age 16, with primary ownership and financial oversight responsibilities since age 23 when she inherited the Hampton Inn & Suites property in Palm Desert, California along with the former Hampton Inn in Blythe, California.

Since then, Sejal has successfully started and completed multiple new hotel construction projects, overseeing construction management, funds control, and managing relationships with general contractors and subcontractors to ensure that projects are delivered on time and on budget. She, with her husband Pinank, most recently completed a successful 93 room Hampton Inn & Suites project in Indio, California, and prior to that they successfully developed and continue to operate a new 81 room Hampton Inn & Suites in Blythe, California.

Sejal has successfully hired and trained award-winning operations and management teams at select-service hotels, resulting in Leadership Circle and Circle of Excellence recognition from Hilton (given to top 10% of properties worldwide based on guest reviews and quality assurance inspections). Under Sejal's operational oversight, each property has consistently been the top performing hotel in their respective market, and each asset has consistently outperformed cost benchmarks for the asset class through operational efficiencies and cost controls.

Sejal graduated from the University of California, Riverside in 2005 with a B.S. in Information Systems and in 2007 with Masters in Business Administration.

PINANK BHAKTA, MANAGING PARTNER

Active as a Director of Operations & General Manager since 2009. Responsible for staff of 55+ across multiple hotels. Successfully navigated hospitality operations profitably during two financial crises and has hired an award-winning leadership team at hotels.

DENISH PATEL, MANAGING PARTNER

Mr. Denish Patel is responsible for all aspects of hotel acquisition and day-to-day operations for his portfolio of branded and boutique hotels. Denish hails over 16 years of hospitality management experience, including a former GM position at the Wynn Hotels in Las Vegas and also various roles working in capital markets and commercial lending. As a principal with 60m in assets under management, Denish oversees all hiring, marketing, rate strategy and sales efforts and continually offers leadership and guidance to his personnel to help drive profitability. He has also successfully scaled up a regional management team to support his strategic vision of expansion into different states.

With an investment track record primarily focused on value-add opportunities, Denish has become adept at identifying underperforming assets and realizing operational efficiencies through his streamlined and focused management style. He also has extensive experience revitalizing and adding value to properties through the prudent use of capital for renovation and redevelopment. He is currently managing the progressive repositioning of several hotels into luxury boutique offerings, as well as branded conversions to Marriott and IHG.

Denish graduated with a B.S. in Business Management from the California State University, Fullerton in 2005.



Opened during COVID



Parth, Sejal, and Pinank: Hampton Inn & Suites, Indio, CA 93 keys - \$15m Cost

	Dutt Hospitality Group Inc	Chandra Hospitality LLC		CSP Hospitality LLC	
	Hampton Inn and Suites Palm Desert, CA	Hampton Inn and Suites Blythe, CA		Hampton Inn and Suites Indio, CA	
	Opened in 2003	Opened in 2015		Opened in 2020	
Land			\$100,154.00	\$856,385.00	
Architect, Eng, Bank Fees, Report Costs, Permit Feeds, Funds Control Fees,			\$1,380,371.00	\$1,507,147.00	
Other Costs		Road Costs	\$832,841.60	\$524,707.20	Electric and Sewer Line Extra
Hard Costs			\$6,558,760.26	\$9,431,700.00	
FFE, Franchise Fee, Main Equipment, Working Capital			\$1,064,055.00	\$2,078,060.15	
	These are estimates only				
Total Project Costs	\$8,000,000.00		\$9,936,181.86	\$14,397,999.35	
Number of Rooms	88		81	93	
Cost Per Room	\$90,909.09		\$122,668.91	\$154,817.20	
SF of Hotel	46467		53903	52290	
Cost Per SF	\$172.17		\$184.33	\$275.35	
Started Construction	Aug-01		Aug-13	Oct-18	
Opened Hotel	Mar-03		Feb-15	Jul-20	
Total Months of Construction	20 Months		18	22	Covid

Pranav R. Bhakta: Subsidiary company Is also the General Contractor for his family's hotel developments



Hampton Inn & Suites, Farmers Branch, Dallas, TX - 116 keys - \$14m



Under Construction: Hotel Element, Waco, TX - 106 keys - \$13.5m



Cambria Hotel, Waco, TX - 130 keys - \$16.5m



Even Hotel, Waco, TX - 128 keys - \$16m



Holiday Inn Express, Waco, TX - 110 keys - \$12.5m

HOOD RIVER WATERFRONT HOTEL

Bhakta Captial Acquisitions	Fort Stockton, CA	2009 - 2013
Astro Hotel	San Bernardino, CA	2010 - 2015
Solaire Inn and Suites Completed 300k Capex for renovation	Santa Maria, CA	December 2014 – January 2017
Inn on Spring Completed 790k CapEx renovation into a luxury boutique	Paso Robles, CA	June 2015 – December 2019
Monterey Adobe Motel Ongoing 500k CapEx for room expansion and renovation	Monterey Park, CA	June 2016 – Current
Quality Inn & Suites	Chula Vista, CA	January 2017 - May 2021
Candlewood Inn & Suites Ongoing 800k CapEx for IHG PIP renovation	Georgetown, TX	September 2018 – Current
Best Western Plus Ongoing 3.5m CapEx for PIP conversion to Marriott Fairfield Inn	Atascadero, CA	April 2019 – Current
Rodeway Inn Planned 3m CapEx for conversion into a luxury boutique	Encino, CA	April 2020 – Current
Independent Boutique Motel Ongoing 200k CapEx for renovation and rebranding	Long Beach, CA	May 2021 - Current
Marriott Fairfield Inn & Suites Planned 100k PIP CapEx	Killeen, TX	May 2021 - Current
El Colibri Hotel & Spa Luxury Boutique	Cambria, CA	Projected Acquisition by July 2021
Hampton Inn & Suites	Uvalde, TX	Projected Acquisition by August 2021

ARCHITECT - SURROUND ARCHITECTURE INC

Surround Architecture began in Hood River in 1992 and since that first project has designed over 50 buildings in Hood River worth an estimated \$100 million. Surround hospitality experience includes the 110 room Hoxton Hotel in Portland's Chinatown district, the additions and renovation to the Columbia Gorge Hotel, and the Hood River Hampton Inn and Suites. Surround has also provided design services for golf club resorts in California, Costa Rica, El Salvador and the Philippines.



Campo Real, El Salvador

MARK VANDERZANDEN, CREATIVE DIRECTOR

Mark VanderZanden is the founder of Surround and is creative director. His broad design experiences include retail, entertainment, residential developments, and corporate campuses and environments. He has also completed award winning urban design projects in Portland, OR and Seattle, WA. His client list includes work for Nike, the Portland Trailblazers, the Sacramento Kings, Hugo Boss, Superstar, and Paul Allen. He designed Autobistro, a quick–serve food concept prototype for Gordon Balker, co–founder of Starbucks coffee. He has worked on projects in Germany, England, China, New Zealand, and across the US. Mark designed interior spaces for Paul Allen's Experience Music Project in Seattle, WA and a traveling brand experience project for ESPN. He has won numerous American Institute of Architects design awards, and his work has been published in periodicals such as Architecture, Interiors, Visual Merchandising and Store Design, Elle Décor, New York Times, as well as noted in several books.



Grove Hotel, Portland Oregon



Columbia Gorge Hotel expansion

AvroKO

Since its launch in 2001, AvroKO has earned a reputation as one of the world's most innovative design firms, due in large part our integrated design process and focus on creating emotionally connected experiences. In the past decade, the firm has grown to four offices working on projects across 22 countries in 32 cities, launched over a dozen company owned-and-operated restaurants, created a furniture and lighting company, and established a stand-alone hospitality branding and strategy agency. Our critically hailed portfolio includes restaurants, bars, hotels, retail, residential and mixed-use projects from New York to Hong Kong, all characterized by a unique convergence between the ideals of the past and an off-beat, forward-looking sensibility. The James Beard Awards, Hospitality Design Awards, and HA&D Award are among those that have recognized our interior design

KRISTINA O'NEAL - CREATIVE DIRECTOR

Kristina O'Neal's New York-headquartered design-and-concept firm AvroKO, is equally adept at the varied disciplines of architecture, furniture, graphics, and even fashion. She shares the helm with 3 additional partners —William Harris, Greg Bradshaw, and Adam Farmerie—each contributing a unique vision to the company's multifaceted design mission. AvroKO has established a new paradigm in the hospitality industry, encompassing a multitude of disciplines and creating thoughtful, provocative architecture, brands, products, and environments

Pranav R. Bhakta

301 Main St., Unit 9H, San Francisco, CA 94105 & 9619 Anchusa Trail, Austin, TX 78736 Mobile: (737) 228-2780 | E-Mail: prbhakta@gmail.com

BIO:

Pranav Rambhai Bhakta has mastered the Business Model Canvas ("BMC"). He has had the opportunity to work on BMCs for notable companies like Nestle to innovate on a product known as Nespresso. Along those lines, he also published a case study on using the BMC for Innovation and Blue Ocean Strategy for hospitality companies like citizenM Hotels. The value-add factor lies in the fact that Pranav has been honored to learn the BMC through practical exposure grounded by theoretical framework in Lausanne, Switzerland and Amsterdam, Netherlands, with Business Models Inc. (Patrick van der Pijl) and Strategyzer (Alexander Osterwalder).

His transactional track record includes negotiating over US \$2.8 Billion of transactions (M&A, Distressed Dispositions, Restructuring), capital markets (debt and equity/fund raising/VC), developments (ground up and conversion), including investment committee memorandums and private placement memorandums in an international context.

Unlike many professionals, he brings a 360-degree, cross-functional and multi-disciplinary perspectives to the table – innovation and strategy through business model canvasing, principal investor, third party advisor, developer, and operator/asset manager – that collide into one objective: delivering shareholder value.

Considering his previous international, cross-border (Go-To-Market Strategies for USA, Africa, Europe and India) professional experiences coupled with a Master in Hospitality Administration (MBA) from Ecole hoteliere de Lausanne he adds tremendous value to the hospitality organizations he is involved with, including various hospitality tech companies. He has been responsible for the Market Entry and Success of various companies into India, including the TRUMP Organization, Vantage Hospitality, and other hospitality companies from F&B to Tech. He has deep seeded relationships with virtually all the major and regional hotel brands, Private Equity, Venture Capital, Family Offices, Angel Investors, & HNWI within Asia and Globally. PRB also graduated from UC Berkeley, hence, has a strong network in Silicon Valley as well.

Experience

Managing Director & Investment Committee Member, DV Hospitality LLC & Bhakta Capital LLC

March 2019 - Present

- A Programmatic Master Joint Venture between Bhakta Capital and T2 Hospitality (www.t2hospitality.com) to develop limited to select service hotels with Hilton and Marriott brands across secondary and tertiary markets in the 11 Western States, leveraging BIG DATA to identify true supply demand imbalance markets.
- Formulated the investment thesis strategy to get us to a portfolio of 30 hotels within 5 years.
- Before finalizing with T2, sourced other LP investors, handled all fund-raising efforts; also, construction financing from regional, community banks to life insurance debt funds for each project.
- Involved with all tax, legal, and structuring matters of the JV. Including Franchise relationships with Marriott and Hilton.
- Worked with the Data Scientist and Computer Programmers to develop our in-house data centric proprietary software to do market identification and feasibility.
- Headed all efforts related to building our pipeline of our initial 21 markets.
- Managed our analyst for all financial underwriting, investment committee and debt memos.

 Lead all municipality related planning for entitlements and all General Contractor bids including Modular Manufactures; Project Management.

Investment Committee Member, Nillians Investments LLC & RamRan Holdings LLC (family business)

2019 Investments include \$22 million into 4 hotel developments.

Investor and Advisor, Science Clinic

Science uses artificial intelligence to solve the triple aim of healthcare at scale: improving the health of populations, the quality of individual care, and the cost of that care. It does that by offering doctors instant, independent medical practices that automate most of the admin work doctors hate, from data entry to actuarial projections for value-based care. Their team includes founders who built machine learning startups for Data Collective, and have successfully created some of the core infrastructure for leading health data companies like Validic.

Investor and Advisor, Transfr

TRANSFR aims to provide every person an opportunity to acquire the skills needed for employment. The company has created a pre-apprenticeship platform in virtual reality in which trainees can acquire, master and demonstrate the skills needed to qualify for employment at scale. Trainees wear a VR headset and log into a job simulation where a digital coach instructs them to learn to perform tasks and procedures as a domain expert would. Clients include AIDT, a division of Alabama Department of Commerce (Advanced Manufacturing). BreakThru Beverages (Mixology), and MasterCard (Hospitality Training / Soft Skills).

Investor and Advisor, Elli Quark

A FMCG company in the dairy space, selling Quark Cheese. Elli Quark is a yummy fresh cheese better than Greek Yogurt and Cottage Cheese offering higher protein with no added sugars or artificial anything. With only 2,200 stores in distribution, currently the fastest growing brand in the natural yogurt segment. Revenue had 2X growth in 2018 over the previous year, and projected to have 3X revenue growth in 2019. Along with our family of 0% Nonfat and Whole Milk snacking cups, recently just launched Elli Complete meal cups - perfectly balanced with heart healthy superfoods.

Founding Partner, InCa Growth Partners LLP (India)

April 2016 - Present

- InCa focuses on building new ventures across hospitality, student housing, sports & fitness, personal care, financial analytics and capital markets.
- Acted as a growth catalyst that translates innovative concepts to sustainable cash flows.
- Infused "business-life" to concepts by co-executing design-centric strategies with innovators to launch new products or services, to access new markets and to scale effectively.
- Strategically co-created value for innovators by intersecting consumer insights, product & service design, technology, go-to-market and prudent capital. Blended creative freshness with analytical rigour to run the arduous marathon of concepts to cash flows.
- Formulated and implemented "growth roadmap" for new ventures, rapidly growing ventures and mid-market ventures. Played the catalyst for its partner-clients by "venture-preneuring".
- Focused on value-add strategies through dedicated efforts on entrepreneurial problem solving, customer discovery, product design & development, sales acceleration, operational scaling up, technology development, fund-raising and building critical human capital.
- Built deep ingress of relationships with top echelons at corporate houses and governments across 5 continents, angel investors, private equity firms, banks & NBFCs, HNIs, and corporate venture funds further add to our forte.

Select Ventures:

- Indian Institute of Management (IIM) (Incubator) Set up from ground level, IIM Lucknow's Noida Campus (Delhi NCR) Incubator, L-Incubator.

InCa: Knowledge Partner and Advisory Counsel

- The Circle.Work, GoWork, and The A (Co-Working Companies)

InCa: Hospitality Strategy, Operations, Service Design and Innovation Knowledge Partner

- IndeCampus (Student Housing) is a full service student accommodation development business. IndeCampus aggregates or buys land parcels near large universities in tier 2 or tier 3 cities to build student accommodation units. Targets to build 30,000 beds across high density university towns in India. Dehradun going live in May 2019; Pune in 2020 and Ahmedabad and Solan being negotiated.

InCa: Own the hospitality (Stay, F&B and allied avenues) experience element and student entrepreneurship initiatives that would roll up into InCa's incubation, acceleration, education foray; implementing key partnerships, building a revenue and growth strategy and Business Development.

President, Nillians Hospitality Advisors, Inc.

January 2008 - May 2011 / January 2013 - Present

- OYO Rooms, Hospitality and Development Strategy. Advised Ritesh Agarwal on turning his Room Aggregator business model into a true Hospitality Company. Now, valued at over \$5 billion.
- The Collective, Hospitality Strategy, vertically integrated Co-Living company, has built a strong track record by raising over \$500 million in debt and equity for co-living developments around the world and currently has more than 20 projects operational or under development. Also, an investor.
- Business Development consultant for *Revolution Precrafted*, a unicorn startup company, valued at over \$1Billion with presence in 28 markets in Asia, Africa, Europe, North and South America. Supply both prefabricated and traditional structures and serve as a global marketplace connecting global architects and designers with developers, fabricators, and customers, to create design-driven homes, museums, offices, pop-up retails spaces, and other verticals. The company has seen a 917% percent growth in revenues for the past year alone and is on track on achieving further acceleration in the next five years. Structures designed by some of the world's best architects including Pritzker-winners Jean Nouvel, Christian de Portzamparc, Zaha Hadid, Tom Dixon, and celebrities like supermodel Helena Christensen and designer Camilla Staerk, music icon Lenny Kravitz and boxing legend Manny Paquiao.
- Acquisitions, development, and operations consultant for *Priya Living* a lifestyle oriented senior independent living company with properties in Santa Clara, two in Fremont, and Cypress, CA tailored to Indian seniors. Also, an investor.
- Business Development consultant to hospitality technology companies: Hotelogix, Destination Software, Zonetail, KnowCross, GuestBook, and Urban Translations.
- Development & Strategy (Deep Dive and Business Model Canvasing) Consultant for Bonjour Hotels
 (www.bonjourhotels.in) -- a new innovative budget brand for India: pre-slab, pre-fab, modular construction & technology focused. Three deals signed in Bangalore with Mantri and evaluating 8 others in the pipeline.
- Advised the *Rockwell Group* in authoring a business plan for a one for one sustainable hotel concept where every occupied room provides food and shelter for a child in need—*TOMS Casa* following *TOMS Shoes* business model. Included feasibility, site selection, brand strategy, and concept image boards.
- Retained, Sole, and Exclusive Consultant to *Miraya Hotel Management Pvt. Ltd.* in advising, securing, and negotiating a Master License with a leading Economy to Mid-Market hotel brand in the USA for India. Consulting agreement signed to closing of Master License with Vantage Hospitality within 6 months. Also, further became Corporate Advisor to the Board and Chairman in all strategic fronts of the company.

- Brand Consultant for *ChalakMitra Group*, parent company of Genghis Grill a USA based Asian fast casual dining concept for their entry into India with a tie up with a local operating partner and MNC investor.
- Regional Development Consultant South Asia for *Centara Hotels & Resorts* (Thailand's leading hotel company, with more than 40 properties in Thailand, and 20 overseas).
- Managing the RFP process, negotiating Hotel Management Agreement ("HMA"), and analyzing PIP on behalf of Italian based Royal Group for two 5-star hotels in Rome and Sorrento.
- Project Management includes architecture, design, and operator selection and Capital Advisory to *Aeacus Limited* for a low-density, villa-style luxury resort in Zanzibar, Tanzania to be developed on 20 hectares of beachfront land as well as a similar resort in the Cultural Triangle of Sri Lanka, Ambokka Resort.
- Consultant to the African Development Bank for risk mitigation policies and strategies on their hospitality portfolio for disposition, repositioning, and asset management.
- Strategic Advisor to *Panchshil Realty* on new International brand alliances including branded residential, hospitality, entertainment, food & beverage, office and retail developments in Pune, India.
- Capital and Strategy Consultant to Noesis Capital Advisors on fund raising and go-to-market business plan for a branded
 2-star hotel concept in Tier II and III cities pan-India targeting existing operating hotels (lease).

Area Vice President of Business Development South Asia, SilverNeedle Hospitality July 2012 - January 2013

- SilverNeedle Hospitality / NEXT Hotels is an active pan-Asian integrated investment, development and management company (Nadathur Investments, Family Office of N.S. Ragavan -- one of the Co-Founders of Infosys).
- M&A of a Franchised based hotel company in Australia & New Zealand and boutique Hotel Management Company in the Mekong region.
- Within 4 months filled the development pipeline with 9 deals: 4 Investment/Development, 4 Lease, and 1 HMA.
- Worked with the Business Development Team at the Corporate Singapore office to formulate and produce a Go to Market Business Development Strategy for South Asia.
- Deal Team for Next Brisbane, Australia.

Independent Development Consultant, Trump Organization & Trump Hotel Collection May 2011 - July 2012

- Sole and exclusive development consultant for Trump International Development LLC for India.
- Responsibility includes sourcing, underwriting, negotiating, structuring, and closing HMAs and License Agreements
 ("LA") for Trump Hotel Collection, Trump Branded Residences, and Trump Golf.
- Closed a Branded Residences LA signed in Pune, India also lead active negotiations for an executed LOI for a mixed-use development (HMA & LA) in South Mumbai. Other deals include an integrated mixed-use resort encompassing all three verticals: Trump Golf Club, Branded Residences, and Hotel in Goa as well as a HMA with Key Money in Maldives.
- Future pipeline of deals with credible development partners can have a potential Net Present Value ("NPV") of future fee stream in excess of \$75 million.

Family Office Companies:

<u>Director of Development & Acquisitions (Silent Partner), Nillians Investments LLC</u> <u>January 2008 - May</u> 2011

 Present deals to the investment committee, which focus includes hotel acquisitions for repositioning, management, ground-up developments, and joint venture transactions, including financial waterfall analysis and business plan.

- Manage all corporate finance activities for my family operated hotel investment and development companies: structured acquisition and construction financing for assets in the U.S., South Africa, and India across the mid-market and full-service segment including pre-opening logistic coordination.
- Involved in all aspects of acquisition execution, including due diligence, financial analysis, and contract negotiations.
- Handled project deadlines and 3rd party specialists including architects, engineers, suppliers, and sub-contractors in order to minimize construction change orders to less than 8% of total construction cost totaling 927 rooms, 7 IHG franchised hotels (2 Holiday Inns, 2 Holiday Inn Expresses, Hotel Indigo, Staybridge Suites, and Candlewood Suites).
- Managed market disposition of the aforementioned 7 IHG hotel portfolio with a total value of \$85 Million that generated a realized unlevered IRR of 33.59% to the fund.
- Developed an 80-room La Quinta Inn & Suite in Austin (nominated for best development of the year) with a build-out asset value of \$8.25 Million and acquired an existing building to convert into a boutique hotel in downtown Austin.
- Co-drafted Private Placement Memorandum (PPM) and fund raised for CASA Hotel Fund I & II (\$8 Million and \$12 Million committed capital, respectively). Spearheaded CAMS CASA III (target fund raise \$100 Million) to develop a new select-service brand of hotels in South Africa under the flag Hampshire Hotels (www.hampshirehotel.co.za), owned by the fund. CASA Hotel Fund I & II development pipeline includes projects in Ballito/Durban (operational), Port Elizabeth, and Midrand (Erand Gardens) with 5 future green field development sites acquired in South Africa.

<u>Director of Asset Management (Silent Partner), Marvel Hospitality Management Inc.</u> January 2008 - April 2011

- Successful track record in managing 27 hotels with a total projected market capitalization in excess of \$300 Million.
- Identified and acquired distressed properties and structured distressed debt buyouts suitable for management contracts and equity positions (debt to own) totaling \$32.5 Million.
- Managed \$37 Million of capital expenditure renovations and Product Improvement Plans (PIP) for all existing, newly acquired and distressed acquisitions pursuant to initial business plan including Globi West Hospitality Portfolio.
- Reviewing operational/financial reports with General Managers and Departmental Heads; analyzing current and past key performance indicators: variance tracking of all revenue streams, cost of sales, expenses, flow thru and competitive markets; conducted zero based operational expense reviews, which reduced expenses by 7% across the portfolio.

Assistant Vice President, Molinaro Koger - India Group January 2007 - January 2008

- Analyzed the feasibility and investment returns of hospitality developments in India ranging from \$10 Million to \$300
 Million in project size across all star segments in Tier I, II, and III cities.
- Within 3 months built business development relationships and credibility with over 50 Indian developers, global and regional hotel brands, land banks, and private equity funds.
- Created memorandums and presentations relating to potential investments for Molinaro Koger's investor database.
- Evaluated deal terms and participated in negotiations with potential sponsors including local developers, government entities, international investors and hotel brands.
- Reviewed and negotiated terms for potential project financing with institutional lenders; collaborated with lenders in their due diligence process for proposed projects; coordinate with lenders and legal counsel to execute financing plans.
- Assisted Molinaro Koger's equity and debt capital markets team to create marketing materials for the India Group.
- Participated in meetings with potential and existing investors; answered investor queries relating to underwriting, local markets, development costs, and operations.
- Co-drafted initial business plan, compiled budgets, conducted professional interviews, and assisted with infrastructure.

Senior Advisor, Sperry Van Ness Commercial Real Estate - USA National Hospitality Team

January 2004 - December 2006

- Managed investment sales and due diligence processes: identified risks and created risk mitigation strategies; coordinated third-party consultant inspections; resolved issues to position assets for efficient closing resulting in more than \$400 Million of closed transactions nationwide.
- Team leader for the largest hospitality transaction in Sperry Van Ness history PHG's 892-Room Orange County Full-Service Portfolio.
- Achiever's Award winner 2004-2006 based on total asset disposition sales value, client roster, and 360-degree review.
- Worked with private and institutional investors to establish acquisition and disposition criteria, performed Broker's
 Opinion of Value on over \$1 Billion of hospitality real estate
- Organized and communicated with all parties involved in hotel transaction cycle including structuring financing with experience in conventional loans, securitized loans, mezzanine debt, and chapter 11 reorganizations.
- Lead team of financial analysts throughout pre-marketing processes: finalized offering memorandums and economics; reviewed and critiqued key document abstracts; oversaw development of due diligence website.
- Negotiated key agreements in coordination with senior team members and respective counsel including leases, purchase and sale agreements, management and franchise agreements, partnership and loan agreements.

Education

Ecole hôtelière de Lausanne (Lausanne Hotel School) August 2010

Master in Hospitality Administration (accredited MBA)

Activities:

- MHA Class & Distinguished Speaker Series Ambassador (1 of 3 selected by faculty out of the MHA class);
- Authored published case study on citizenM Hotels to be used for a Business Model Innovation course;
- EHL representative for HICAP 2009, IHIF Berlin and South Asia 2010 conferences (1 of 6 board selected);
- Young Hoteliers Summit Panel Speaker (1 of 3 students selected by faculty out of all EHL students);
- EHL Job Fair coordination team member and host for Aareal Bank, Special Property Financing Hotels;
- Research Assistant to Kevin Kearney, ex-EVP of Development for Marriott EMEA, for a faculty discussion seminar
 on the Lodging Industry from the Point of View of Global Chains (hand-selected);
- Lecturer on Structuring Private Equity Transactions for Hospitality Real Estate (Prof. Toman's Real Estate Finance Course)

University of California, BERKELEY December 2003

Bachelor of the Arts in Sociology Minor in City and Regional Planning

Related Coursework:

- EHL MHA classes in Corporate Finance, Real Estate Finance, HVS Valuation, Hotel Development, Corporate Strategy, Tourism Economics, Revenue Management, Sales & Marketing, Organizational Behavior, and Business Statistics;
- UC Berkeley Haas School of Business courses in Real Estate Finance and Real Estate Valuation & Underwriting;
- Certified Commercial Investment Member (CCIM) course in Commercial Investment Real Estate Analysis;
- New York University course in Structuring Equity for Real Estate Acquisitions and Development;
- Investment Banking Institute Course in Private Equity Financial Modeling; and
- StratX training Blue Ocean Strategy

Skills & Activities

- Mother Tongue: English; Conversational in: Gujarati and Hindi
- Proficient in Microsoft Excel (financial modeling), Word, PowerPoint, and hospitality related PMS software
- Member U.C. Berkeley Real Estate Alumni Association, Mentorship Program (2001-Present)
- Member Asian American Hotel Owners Association (2003-Present)
- Hospitality Team Liaison to Sperry Van Ness Legacy Foundation (2005-2006)
- Co-founder annual Ram-Sheila Health Fair in memory of my late father. Responsible for coordinating
- doctors, sponsorship funds, marketing materials, and volunteers increasing year over year donations by
- 12% (1996-Present)
- Enjoy golf, travel (Africa, Asia, Europe, and Central & South America), cooking, and restaurant reviews

Select Transactions Deal Sheet for Pranav R. Bhakta

Select Transactions Sear Sheet for Transactin Shakes					
Company	Asset(s)/Rooms	Clients	Value (Approx)	Key Activities & Responsibilities	
Sperry Van Ness	Portfolio Transaction: Crowne Plaza Anaheim Disneyland, Double Tree John Wayne Airport, and Double Tree Irvine / 932 Rooms	Pacific Hospitality Group and MeriStar Hospitality (Wachovia)	\$286m	Team Leader: Procured sell side listing, pitched investment committee of disposition strategy, ran complex financial models, marketed, answered investor inquiries, conducted property inspections, and facilitated due diligence.	
Sperry Van Ness	Portfolio Transaction: 14- property limited service portfolio (Hampton Inn and Holiday Inn Express) in various US locations, including Best Western in Hawaii / 1,052 rooms	Buena Vista Equities and FOCUS	\$86m	Managed due diligence processes: identified risks and created risk mitigation strategies; coordinated third-party consultant inspections; resolved issues to position assets for efficient closing.	
Molinaro Koger	Single Asset Transaction: Ambassador East Hotel Chicago/ 285 Rooms	Harp Group (iStar Financial)	\$44.5m	Lead team of financial analysts throughout 'pre-marketing' processes: finalized offering memoranda and economics; reviewed and critiqued key document abstracts; oversaw development of due diligence website.	
Sperry Van Ness	Single Asset Transaction: Radisson John Wayne Airport Newport Beach / 335 Rooms	Buy Side Acquisition: Pacific West Financial (Ixes Real Estate Capital, Inc.)	\$52m	Sourced, underwrote, and closed transaction including financing (Senior A/B and Mezzanine). Drafted business plan to realize operational upside and capital expenditure renovations (rooms and common areas). Following conversions and stabilization, asset achieved significant gains in market share and operating margins.	
Nillians Investments	Central Texas IHG Portfolio Development: 2 Holiday Inns, 2 Holiday Inn Express, Hotel Indigo, Staybridge Suites Candlewood Suites / 927 rooms	Nillians Investments and Aston Development (in- house General Contractor)	Total market disposition asset values: \$85m	Lead the acquisition of development sites, negotiated all franchise agreements, secured construction financing, handled construction management including engineers, subcontractors, architects, and designers, pre-opening and disposition.	
Marvel Hospitality Management	Brand agnostic asset management totaling over 30 hotels / 3,200 rooms	Globi West Hospitality and subsidiaries of Marvel Hospitality Management and Nillians Investments	Total Revenue: +/- \$90m Capital Expenditure Renovation: \$37m	Reviewing operational/financial reports with General Managers and Departmental Heads; analyzing current and past key performance indicators including all revenue streams, cost of sales, expenses, flow thru and competitive markets.	

Casa Hotel Funds I, II, and III.	Fund Raising for Hampshire Hotels in South Africa: 1 hotel operational, 2 under development, 5 additional sites acquired (end-to-end business model) / 1,200+ rooms	Hampshire Hotels, Cams Global, and Intervent	\$7.5m, \$12m, and \$100m (currently fund raising), respectively	Drafted Private Placement Memorandum (PPM), which included site specific development plans. Engaged HNWI to raise equity capital for funds I and II and institutional capital for fund III.
Molinaro Koger	Courtyard Marriott project in Bangalore, India / 201 Rooms	Pacifica Companies	Proposed \$93m	Engagement included the following deliverables: full feasibility study, development budgets and timeline, and cash flow projections.
Molinaro Koger	Fairmont Hotel Hyderabad, India / 350 Rooms	Maheshwari Group of Companies and Fairmont Raffles Hotels International	Total development cost \$105m	Managed RFP process for brand selection, negotiated management contract terms and equity participation waterfall structure, as well as drafting 5-year operational business plan.
Nillians Hospitality Advisors	135 unit lifestyle condominium (independent living) senior housing complex tailored to Indian seniors	Priya Living	\$7m site for a \$55m development	Acquisitions consultant to identify, underwrite, and acquire the first site for development. Compiled market data, site specific development feasibility (BMR requirements and impact fees), built financial model, drafted pitch book and operating plan. Secured development partner, Thompson Dorfman.
TRUMP Organization	2-tower full-floor flats Branded Luxury Residential License Agreement - TRUMP Towers Pune	Panchshil Realty	\$100 Million in residential sales	Sourced, Negotiated detailed documentation, including local legal and tax provisions, to close transaction. Coordinated internal development, legal, design & construction, operations and sales/marketing resources with owner's teams.
TRUMP Organization	300 Branded Residences (License Agreement) and 200 Room Hotel (HMA) in South Mumbai	IndiaREIT	\$225m development cost	Sourced, Negotiated detailed documentation, including local legal and tax provisions, to close transaction. Coordinated internal development, legal, design & construction, operations and sales/marketing resources with owner's teams.
Nillians Hospitality Advisors	2 Luxury Independent Hotels in Italy (151 rooms in Rome and 96 rooms in Sorrento)	Royal Group	EV post-repositioning after stabilization \$65m	Brand RFP, negotiations on terms and PIP analysis
Nillians Hospitality Advisors	150 Villa Resort Development	Aeacus Limited	\$30m development cost	Project Management includes architecture, design, and operator selection and Capital Advisory, including multi-promote structure
Marvel Hospitality Management	Courtyard Marriott Acquisitions (238 Rooms)	Nillians Investments and Marvel Hospitality Management	\$18m acquisition cost, \$6m PIP	Lead the full hotel real estate investment cycle from acquisition, HMA, to closing and capital expenditure on PIP.

Nillians Hospitality Advisors	Maser License Agreement between Vantage Hospitality (a top 10 US based hotel compnay with 1,200+ rooms) and Miraya Hotel Management Pvt. Ltd. for all of India for Best Value Inns & Hotels.	Miraya Hotel Management Pvt. Ltd.	\$100m investment	Brand Matrix of potential economy and mid-scale brands, SWOT analysis, India entry strategy canvas, business plan, negotiated all key commercial terms of the Master Licenese Agreement with respective legal counsel and tax advisors. Successful closing within 5 months.
Nillians Hospitality Advisor	Recap existing portfolio as GP - LP from Family Office structure	CG Hospitality	\$300m	Programmatic Recap of legacy family captial to external LPs as earn out model
Nillians Hospitality Advisors	Fund to Acquire 20 hotels: Lifestyle/Business = 57% Luxury = 31% Resort = 9% Select Services = 3%	CGI Merchant Group	\$500m Hotel Fund	Consultant on overall hospitality fundraising and acquisitions. Raised \$50m from my LPs as well as \$1m of Co-GP contribution
Avrox Capital	Fund to acquire 20 Selective Service Hotels	Avrox Capital	\$250m - \$500m	Strategic Advisor Raised \$32.5 Million from LPs
The Sundry Group	Revelo Fund to Acquire 30 Limited Service Hotels	Revelo Hospitality Fund	\$200m	Strategic Advisor Raised \$15 Million from LPs
Urban Commons	2 Hilton Big Box Hotels in Seattle and Nashville	Urban Commons	\$20m	Structured Pref Equity
Repvblik	5 Motels to Affordable Housing	Repvblik	\$42m	Programmatic LP via Lubert Adler
KB Hotels	5 new hotel developments (element, Even, Cambria Suites, etc)	KB Hotels, Nillians Investments, RamRan Holdings	\$75m	GP Investor \$10m
BluePrint Hospitality	5 Adapative Reuse Lifestyle Hotels across the midwest	BluePrint Hospitality	\$200m	Structuring a Programmactic RCF for equity in the about \$50m
Hawkins Way	Sidecar			
TwoKings Real Estate / Best Hospitality	Co-GP		\$120m	Last two cycles
Revelo				
Bhakta Capital	1,500 rooms for development	Programmtic Master JV with T2 Hospitality	\$250m Total Co-GP \$25m	Managing Director - Structured entire deal between all parties.

TOTAL: \$3 Billion

SEJAL C BHAKTA

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KEY HIGHLIGHTS

- Development and construction project management experience with completed 81 room Hampton Inn & Suites in Blythe (2015) and under construction 93 room Hampton Inn & Suites project in Indio, CA (2019)
- Direct hotel operating experience across 40+ employees and \$6 million+ in combined revenue
- Consistently managed top performing hotels in region (#1 RevPar Rank, and RevPar Index of 120+ in Palm Desert, and 200+ in Blythe) with consistent 40%+ NOI margins

EDUCATION

University of California, Riverside
MBA, Entrepreneurial Management

June 2005 – June 2007

University of California, Riverside Sept 2000 – June 2004

Bachelor of Science, Information Systems

National University of Singapore June 2002 - Dec 2002

University Education Abroad Program

CURRENT PROFESSIONAL EXPERIENCE

Developer

Hampton Inn and Suites Indio, CA
Hampton Inn and Suites Blythe, CA
October 2016 to Present
July 2013 to February 2015

Finance Director/Hotel Operations

Hampton Inn and Suites Palm Desert, CA

Hampton Inn and Suites Blythe, CA

February 2005 to Present
February 2015 to Present

• P&L + financial reporting oversight for the hotels. Responsible for accounting, accounts payable, and investor relations functions.

PREVIOUS PROFESSIONAL EXPERIENCE

General Manager

Hampton Inn and Suites, Palm Desert, CA

December 2005 to June 2012

Operations Manager

Hampton Inn, Blythe, CA December 2005 to June 2008

Disney Consumer Products

Undergraduate Associate – IT Dept July 2004 to February 2005

Sony Entertainment Television

Broadcast Operations Intern – Singapore Operations July 2002 to November 2002

SEJAL C BHAKTA

128 TESORI DR PALM DESERT, CA 92211 760-408-6111 | SEJBHAKTA@GMAIL.COM

Bio/History:

My family has been in the hotel business since we arrived in the United States in 1987. My parents and I came to America when I was 5 years old and started living with my grandfather at his independent motel in Blythe, CA. I watched my parents help my grandparents clean rooms and manage the small hotel.

In 1994, my father with the help of his uncles built his first hotel as a Hampton Inn (formerly Promus Hotels) in Blythe, CA. I used to help my parents with their business. My first job was picking up cigarette buds from the parking lot on the weekend. From there, I helped my parents' clean rooms when we were short on staff and started helping with front desk and back office management work.

While I was in college at UCR, my parents built the Hampton Inn and Suites in Palm Desert, CA opening in 2003. I would come help them during holidays and summer vacations.

After college, I began to work for Disney in Burbank in information technology. I was offered a full-time job there but decided to come home and stay with my parents. After returning home I started applying for MBA school and started in September 2005.

December 2005 was my toughest time when my father passed away. That is when I realized it is my responsibility to take care of my family. I grabbed my father's key ring and never looked back.

While attending MBA school I managed both properties, Hampton Inn and Suites in Palm Desert and Hampton Inn Blythe. I was very lucky to have good staff at both properties during that time to help us while I was completing my MBA.

In 2007 I met my husband and in May 2009 he was able to move in with my family and help with our businesses.

Since 2009 my husband and I have managed and developed a strong and successful hotel business in our desert communities. We have consistently ranked as the top hotels in our STR comp set, managed successfully and profitably throughout downturns and recessions, and have retained talented and loyal staff for years.

Our Hampton Inn & Suites in Blythe CA has won many Hampton Wall Of Fame Awards given each quarter to the top performing hotel within all Hampton properties in America. In 2016, we won the Hilton Circle of Excellence Award that is given to the top 10% of hotels for their commitment to Product Service and Excellence.

Our Hampton Inn and Suites in Palm Desert, CA has also won many Hampton WOW Awards for providing excellent customer service to our guests. We have many personal letters from the then Global Head of Hampton Phil Cordell congratulating us for our excellent team, strong financial performance, and outstanding efforts in customer service.

Pinank R Bhakta

128 Tesori Dr., Mobile: (760) 413-8885 Palm Desert, CA 92211 bhaktapinank@gmail.com

		1 08
EDUCATION	Global Business Leadership MBA Johnson & Wales University, Providence, RI	Nov 06 – Mar 09
	Bachelor of Business Management Bangalore University, CNK Reddy College of Business Management, Bangalore India	July 01 – Apr 04
	Diploma in Aviation, Hospitality & Travel Management Frank Finn Institute of Airhostess Training, Bangalore India	Oct 04- Nov 05
EXPERIENCE	Hampton Inn and Suites Indio, CA	Oct 2018 – Present
	Construction Management Competitive bidding for general contractor & negotiations with local trades achieved Construction is on time and on budget.	l∼18% cost savings
	Hampton Inn and Suites Palm Desert, CA Hampton Inn and Suites Blythe, CA	Jan 2015 - Present
	Director of Operations Palm Desert: #1 performing hotel in market (consistently for last 10+ years) with I (capturing 1.2x fair share of revenue compared to local competition) Blythe: Consistently #1 performing hotel in market with RevPar Index of 220+ (capturing 2.2x fair share of revenue compared to local competition)Hilton Circle of Excellence Award Winner (given to top 10% of hotels worldwide based on customer rankings)	RevPar Index of 120+
	Hampton Inn and Suites Palm Desert, CA General Manager	Jan 2012 – Jan 2015
	Hampton Inn & Suites Palm Desert, CA Assistant General Manager	May 2009 – Jan 2012
	Comfort Inn Seekonk, MA	Nov 06- June 09
	Assistant General Manager Helped manage the day to day operations of the hotel. Including payroll, scheduling, reviews and local area research for guests.	customer service
	Bird Travels Pvt Ltd, Bangalore, India Reservations Officer	Dec 05 – Sep 06
	Spencer Travels Service LTD, Bangalore, India Customer Service Agent	July 05- Nov 05
BIO/HISTORY	I grew up in India and came to the US to further my studies. While studying for n helping my family's friends, who I lived with at the time, to help manage their Co Massachusetts. With them, I learned many of my hotel management skills through experiences, and was exposed to how the hotel businesses in the US works.	omfort Inn hotel in
	In 2007, I was introduced to my wife Sejal Bhakta. Since her father passed away, family business she was running in California she could not move. After we got n California and started helping her with her family business. Sejal Bhakta and I hat together and growing our family and businesses since 2009	narried, I moved to

together and growing our family and businesses since 2009.

DENISH PATEL

3212 Ridge Park Court Long Beach, CA 90804 Phone: 5626656312: Denish0528@gmail.com

KEY HIGHLIGHTS

- Experienced Hotel General Manager with over 16 years of experience managing various franchised chain scales and independent, boutique offerings
- Provided strategic leadership for hotel operations and management to drive sales and profitability in highly competitive markets.
- Adept at repositioning and renovating assets to maximize revenue potential and overall bottom line.

EDUCATION

California State University, Fullerton Bachelor of Science, Business Management 2005

PROFESSIONAL EXPERIENCE

Hotel Principal

• Responsible for all aspects of hotel operations and revenue for each hotel listed below.

Super 8	Fort Stockton, CA	2009 - 2013
Astro Hotel	San Bernardino, CA	2010 - 2015
Solaire Inn and Suites	Santa Maria, CA	December 2014 - January 2017
Inn on Spring	Paso Robles, CA	June 2015 - December 2019
Monterey Adobe Motel	Monterey Park, CA	June 2016 - Current
Quality Inn	Chula Vista, CA	January 2017 - Current
Candlewood Inn & Suites	Georgetown, TX	September 2018 - Current
Best Western	Atascasdero, CA	April 2019 - Current
Rodeway Inn	Encino, CA	April 2020 - Current
Fairfield Inn Marriott	Killeen, TX	<i>May 2021</i>
El Colibri Hotel & Spa	Cambria, CA	(Projected Acquisition) July 2021
Hampton Inn	Uvalde, TX	(Projected Acquisition) August 2021

Loan Manager

May 2013 - September 2014

Rozelle Financial – Santa Ana, CA

- Identified client financial goals and worked with them to achieve those goals.
- Approved loans within specified limits and refer loan applications outside those limits to management for approval.
- Provided information to clients on their credit application and property evaluations to determine feasibility of granting loans.

Account Executive

November 2012 - April 2013

Beach Business Bank – Manhattan Beach, CA

- Collaborated with clients and underwriters to structure both recourse and non-recourse debt.
- Managed customer complaints and took appropriate action to resolve them.
- Scoped out client's financial goals and worked with them to achieve those goals.

Office Manager

July 2009 - June 2012

Pmm Inc. – Rolling Hills Estate, CA

- Reviewed employment applications, interviewed applicants and hired employees as necessary. Responsible for day to day operations of retail store.
- Arranged employee schedules.
- Reviewed time cards and worked with payroll to issue employee paychecks.
- Prepared daily retail and lottery sale reports.
- Reviewed employment applications, interviewed applicants and hired employees as necessary.

Account Executive

November 2006 - October 2008

Monday Capital – Santa Ana, CA

- Met with applicants to obtain information for loan applications and answered questions related to the loan process.
- Analyzed applicant's financial status, credit, and property evaluations to determine feasibility of granting loans.
- Discussed the types and terms of various loan and credit options to find one that best matched the needs of the customer.
- Conferred with underwriters to aid in resolving loan application issues.

Assistant Manager

August 2005 to November 2006

Wynn Hotel- Las Vegas, NV

- Recruited, trained and supervised staff.
- Advised on revenue management and sales strategy.
- Addressed and resolved customer complaints.
- Directed administrative duties related to maintenance work, events and room bookings.

Office Manager

July 2000 to March 2003

Rodeway Inn Hotel – Inglewood, CA

- Worked with Staff to promote and advertise hotel lodging.
- Maintained day to day financial records.
- Greeted customers as they checked in and out of the hotel for their visit.
- Responded to customer queries and complaints.

Bio/History:

Mr. Denish Patel is responsible for all aspects of hotel acquisition and day-to-day operations for his portfolio of branded and boutique hotels. Denish hails over 16 years of hospitality management experience, including a former GM position at the Wynn Hotels in Las Vegas and also various roles working in capital markets and commercial lending. As a principal with 60m in assets under management, Denish oversees all hiring, marketing, rate strategy and sales efforts and continually offers leadership and guidance to his personnel to help drive profitability. He has also successfully scaled up a regional management team to support his strategic vision of expansion into different states.

With an investment track record primarily focused on value-add opportunities, Denish has become adept at identifying underperforming assets and realizing operational efficiencies through his streamlined and focused management style. He also has extensive experience revitalizing and adding value to properties through the prudent use of capital for renovation and redevelopment. He is currently managing the progressive repositioning of several hotels into luxury boutique offerings, as well as branded conversions to Marriot and IHG.

Denish graduated with a B.S. in Business Management from the California State University, Fullerton in 2005.

WHY IS THIS SITE GOOD FOR A HOTEL?

Surround Architecture has been an intrinsic partner in the development of Hood River for three decades

In that time, we have amassed considerable experience in designing and developing for the area, thoroughly researching each project, as a key factor of our approach

For this initiative, we analyzed current and developing research data on visitor patterns, trends, and behaviors within the Gorge and Hood River.

These included:

- Reasons for Visit
- Average Visitor Profile
- Chosen Activities
- Visitor Perceptions
- Examination of the steady increase in
- Culinary Toursim
- These included :

GROWTH IN VISITORS AND REVENUE*

The Columbia Gorge draws in 3.3 million visitors a year, with over 2 million of those people traveling to Hood River Spending by international visitors to the state rose by 25 % in 2011–2016

The Oregon Tourist Commission projects a 49 % growth between 2016 and 2021

* OREGON TOURISM COMMISSION: ANNUAL REPORT FY 2016-2017

* LONGWOODS: OREGON - REGIONAL VISITOR REPORT 2017

TRENDS

Between 2010 and 2018, hotel revenue grew 61 %

During 2016 and 2018, hotel nights increased 10 % (or 46,000 nights) over a two year period

46,000 nights = 63 additional guest rooms on average, but would equate to 80 additional guest rooms at peak

Using this trend, Hood River should add 240 new guest rooms by 2022

This trend equates to adding a new 80-room hotel every 2 years

WHO ARE THE HOOD RIVER VISITORS? **

- The region's typical visitors are slightly younger than average, positively active, and have a higher average income
- They take more marketable trips, but with fewer children than average, and are less likely to be visiting friends and relatives
- They stay 2 nights in Hood River, having arrived by car, from Washington, California, or Oregon, with over 27 % driving from Portland, only an hour away
- 'Accessibility' and 'affordability' rank highly as key attractors to the area
- We would see these factors as keys to geographic / demographic growth
 - ** ECO NORTHWEST COLUMBIA RIVER GORGE VISITOR OPPORTUNITIES STUDY

WHAT DO THFY WANT? ***

Outdoor Activities

hiking, windsurfing, sailing, paddle boarding, mountatin biking, etc

Food and Drink

vineyard / brewery / culinary tours, farmers markets, wine tasting, agri-tourism, etc

Rest and Relaxation

historic and cultural touring, sightseeing, wildlife spotting, urban exploration, retail, etc

*** TRAVEL OREGON: REGIONAL VISITOR REPORT (MT HOOD / COLUMBIA GORGE) 2015-16

WHY DOES THIS LOCATION MAKE SENSE?

This location is a direct, 5-minute walk into Historic Downtown

Is is also highly likely that guests would walk to the Waterfront Parks and the waterfront businesses

By being able to allow guests to explore Hood River on foot, it reduces the amount of traffic and the need for additional parking spaces

This walkability factor supports all local businesses

The location is a 'gateway' and a welcoming entrance to Waterfront Park and showcases all its amenities

The location can act as a bridge to the waterfront with active urban spaces connecting downtown and waterfront parks



Anne Bertsch VP Lodging Development (240) 463-0782

April 27, 2021

Mr. Pranav Bhakta Bhakta Capital LLC 301 Main St., Suite 9H San Francisco, CA 94105

Dear Pranav:

We understand that you intend to develop a full service lifestyle hotel (the "Hotel") in Hood River, Oregon. We think that a Tribute Portfolio hotel would be a great addition to the waterfront development in Hood River, and we would welcome the opportunity to work with you on this project.

Marriott International, Inc. is a leading lodging company based in Bethesda, Maryland with more than 7,000 properties in 130 countries and territories. For more than 90 years, the company has been committed to guest satisfaction, and we operate and franchise hotels under 30 brands, including Marriott Hotels, The Ritz-Carlton, St. Regis, JW Marriott, Bulgari, EDITION, Sheraton, Renaissance, Westin, Gaylord Hotels, Le Meridien, Luxury Collection, Delta Hotels, Tribute Portfolio, and Autograph Collection, and license vacation ownership resorts under the Marriott Vacation Club brand. The company also manages the award-winning guest loyalty program, Bonvoy, which surpasses 140 million members.

Please note that this project will be subject to our standard underwriting and corporate approval process. We are excited about the opportunity to work with you on this project and sincerely appreciate your consideration of Marriott and the Tribute Portfolio brand. We look forward to working with you further.

Sincerely,

Anne Bertsch

VP Lodging Development

AVROKO

HOOD RIVER HOTEL

Preliminary Interior Look & Feel

April 26, 2021

"CREATE AN ICONIC HOSPITALITY DESTINATION ROOTED IN HOOD RIVER'S NATURAL SPLENDOR"

As an Oregonian who grew up experiencing and being inspired by Oregon's natural splendor I am very pleased to support Mr Bhakta's interest in creating a new boutique hotel concept within Hood River.

Based on our conversations to date, AvroKO has began to ideate a strategic direction and concept that upholds the vibrant spirit and ambition of the concept — to create a truly unique and immersive Hood River hotel experience.

We envision creating an environment that brings forth creative moments of surprise and delight by designing narrative driven, emotional and authentic interior experiences, creating a space where guests' aspirations and lifestyles are truly elevated.

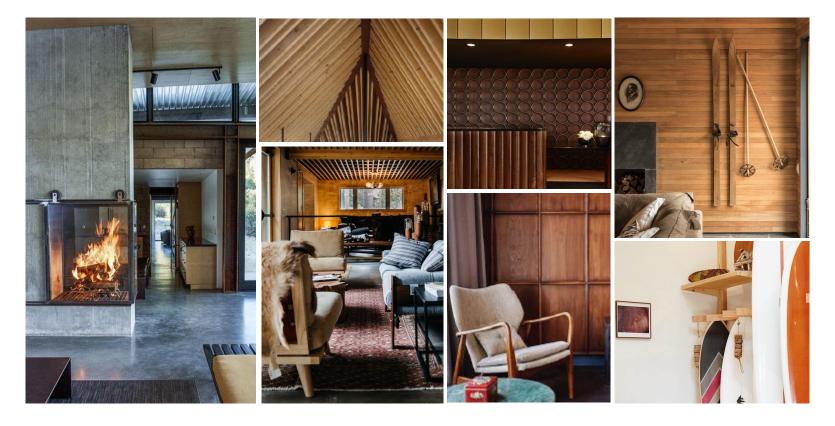
Our deep experience in designing hospitality experiences across the globe will play a crucial role in ensuring the hotel becomes an iconic and timeless destination for visitors and locals alike.

- Kristina O'Neal

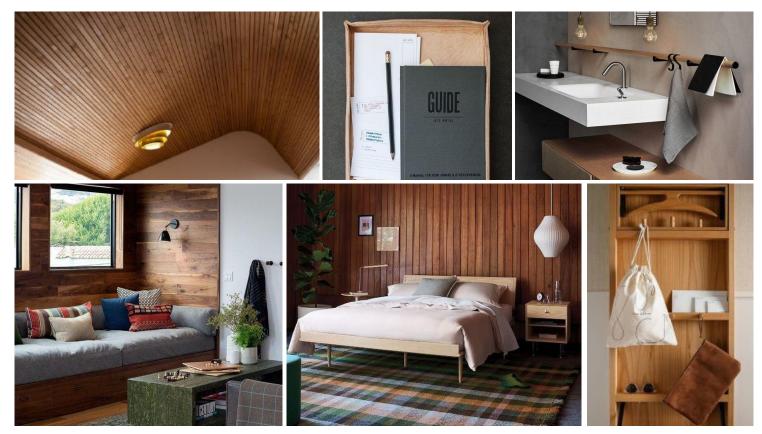
AvroKO Founding Partner



LOBBY



GUESTROOMS



SPECIALTY RESTAURANT















GARDEN BAR



thank you





WHO WE ARE PURPOSE-DRIVEN

"Our Purpose is to be excellent in all that we do so our associates, guests, and partners LOVE us!"

HVMG is led by a team of hospitality management and real estate experts, who have successfully maximized results together for more than 25 years. We know that success is more than a number and excellence is more than just a word. It is in our DNA, it is what we strive for...and what we deliver.

OUR VISION

To be the most sought-after employer, operator, and partner in hospitality.

WHAT WE VALUE

Talent - Relationships - Performance





Robert Cole

President & Chief Executive Officer



"We are in the talent and relationship business, we just happen to manage hotels."

- Robert Cole

30+ YEARS OF EXPERIENCE FOUNDER OF HVMG

Robert Cole, founder, president and chief executive officer of HVMG, is a second-generation hotelier, who has successfully led and cultivated three award winning hospitality companies and teams.

In 1990, Robert founded Impac Hotel Group, the successful owner, operator, and developer of more than 60 hotels throughout the United States, and one of Marriott's first franchisee and IHG's largest franchisees. Starting his business with just one hotel, Robert grew the company's portfolio and eventually merged with publicly traded Servico.

Robert then led the newly formed company, renamed Lodgian, as its new president and chief executive officer to subsequently became one of the largest owners of hotels in the country.

During his tenure, Lodgian grew to a portfolio of 143 owned and operated hotels, with more than 26,000 rooms in 35 states and Canada, and totaling more than \$1.2 billion in assets.

In 2000, Robert left Lodgian to form HVMG. Under his leadership and strategic direction, the company has steadily grown in from a single property to 45 hotels throughout the United States. Since its founding, HVMG has been involved in over 90 hotel transactions, maximizing ROI for investors and owners. Robert and his team have instituted a culture of Excellence that resulted has maximizing value for owners along numerous awards with recognitions for notable operational expertise. including improved market share performance, excellent guest service, and quality renovation projects.

HVMG EXECUTIVE LEADERSHIP TEAM













Mary Beth Cutshall

EVP & Chief Development Officer

28+ Years Industry Experience Joined HVMG -2011

Richard Jones

EVP & Chief Operating Officer

27+ Years Industry Experience Joined HVMG -2013

Maria D'Alessandro

EVP Analytics & Chief Strategy Officer

10+ Years Industry Experience Joined HVMG -2010

Sue Sanders

EVP & Chief Human Resource Officer

27+ Years Industry Experience Joined HVMG -2010

Matthew Woodruff

EVP Guest Excellence & Chief Brand Partner Officer 30+ Years Industry Experience Joined HVMG -2007

Brian Young

EVP Investments & Chief Financial Officer

20+ Years Industry Experience Joined HVMG -2021

Cover Page

81-Key Tribute Hotel - Hood River, OR

May 19, 2021

Development Proforma Model

81-Key Tribute Hotel Hood River, OR May 19, 2021

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Page 1	Cover Page
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Page 4	Operating Inputs
Page 5	10-Year Proforma



Zoning: General Commercial (C2)

Height Limit: 45 ft.

Access: Only from Riverside Dr. north and east

Setbacks: None

Allowed Uses: Wide Range – Housing cannot exceed 50% of floor area $\,$

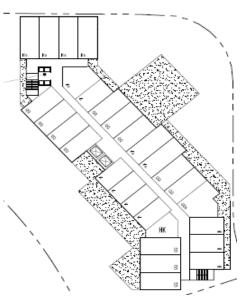
Special Conditions:

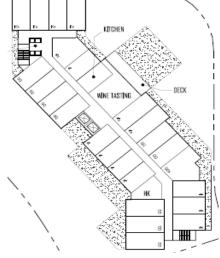
o Waterfront Overlay Zone (City of Hood River), including design review

o Interchange Access Management Plan (ODOT)

View Corridor from 2nd St. downtown







AKCAS		
LOBBA	912	SE
RESTAURANT	1346	SF
BAR	1008	SF
DECK	1094	SF
GYM	663	S
MEETING	922	SF
ADMIN	598	SF
HOUSEKEEPING	715	SF
KITCHEN	1672	SE





Disclaimer - Hospitality Ventures Management Group and its respective affiliates, officers, and directors neither warrant nor guarantee the results of these projections and analyses since unanticipated events and/or circumstances may occur. Investors must conduct and rely upon their own due diligence as well as underwriting with respect to estimating the future operating performance of the property.

Transaction Assumptions Overview 81-Key Tribute Hotel - Hood River, OR May 19, 2021

				Sources & Uses			
	Total Cost	Per Key	% Total		Total Cost	Per Key	% Total
Purchase Price	\$ 750,000	9,259	4.1%	Developer Equity @ 45.0%	\$ 8,244,683	101,786	45.0%
Direct Costs	15,390,000	190,000	84.0%	Capitalized Interest @ 45.0%	-	-	0.0%
Soft Costs	2,080,750	25,688	11.4%	Total Equity Required	\$ 8,244,683	101,786	45.0%
Indirect & Financing Costs	100,768	1,244	0.6%				
Project Cost	\$ 18,321,518	226,192	100.0%	Total Debt LTC @ 55.0%	\$ 10,076,835	124,405	55.0%
				Capitalized Interest @ 55.0%	-	-	0.0%
Capitalized Interest	-	-	0.0%	Total Debt	\$ 10,076,835	124,405	55.0%
Total Capitalization	\$ 18,321,518	226,192	100.0%	Total Capitalization	\$ 18,321,518	226,192	100.0%

Hold Period	5 Years	7 Years	10 Years
Terminal Projected NOI	1,961,201	2,102,580	2,210,694
Total Sale Price @ 8.00% cap rate	24,515,013	26,282,244	27,633,669
Sale Costs @ 2.00%	(490,300)	(525,645)	(552,673)
Net Sales Price	24,024,713	25,756,599	27,080,996
Implied Sale Price / Key	302,654	324,472	341,156

Implied Land Value	1,620,000	20,000
Annual Ground Rent & Rate	64,800	4.00%

N/A

Price Guidance

Unlevered IRR	12.82%
Unlevered EM	1.91x
Levered IRR	19.59%
Levered EM	2.60x
Average COC	12.02%

Sensitivity at Cap Rate		
7.50%	21.03% / 2.81x	
8.00%	19.59% / 2.60x	
8.50%	18.22% / 2.42x	

Hotel Details		Cash Flow	Summary			
81		Year 1	Year 2	Year 3	Year 4	Year 5
Lot # 900	Occupancy	67.0%	74.0%	76.0%	76.0%	76.0%
922 SF	ADR	\$204.13	\$215.27	\$221.52	\$227.05	\$232.73
Lobby R&B and Totp Level Wine Tasting plus Deck	RevPAR	\$136.76	\$159.30	\$168.35	\$172.56	\$176.87
81	RevPAR % Chg		16.48%	5.68%	2.50%	2.50%
5	RevPAR Index	131.0%	149.9%	155.6%	155.6%	155.6%
July 31, 2021	Revenue	\$5,613,730	\$6,909,508	\$7,574,804	\$7,827,583	\$8,031,588
24 months	% Growth		23.08%	9.63%	3.34%	2.61%
July 31, 2023	GOP	\$1,915,418	\$2,531,810	\$2,827,267	\$2,924,202	\$3,016,333
7 Years	% Growth		32.18%	11.67%	3.43%	3.15%
3rd Party Management	GOP Margin	34.1%	36.6%	37.3%	37.4%	37.6%
April 9, 2021	NOI	\$1,289,946	\$1,735,677	\$1,961,201	\$2,033,079	\$2,102,580
	% Growth		34.55%	12.99%	3.67%	3.42%
Revelo	NOI Margin	23.0%	25.1%	25.9%	26.0%	26.2%
2023	Debt Service	\$816,474	\$650,159	\$899,688	\$899,688	\$899,688
	NCF After Debt Service	\$473,472	\$1,085,517	\$1,061,513	\$1,133,391	\$1,202,891
0.80	DSCR	1.58	2.67	2.18	2.26	2.34
49,178	Average Cash on Cash	5.7%	13.2%	12.9%	13.7%	14.6%
TBD						
N/A						
N/A	All-In Basis Cap Rate	7.04%	9.47%	10.70%	11.10%	11.48%
N/A						
	Lot # 900 922 SF Lobby R&B and Totp Level Wine Tasting plus Deck 81 5 July 31, 2021 24 months July 31, 2023 7 Years 3rd Party Management April 9, 2021 Revelo 2023 0.80 49,178 TBD N/A N/A	81 Lot # 900 922 SF Lobby R&B and Totp Level Wine Tasting plus Deck 81 RevPAR 81 RevPAR / Chg 5 RevPAR Index July 31, 2021 Revenue 24 months July 31, 2023 GOP 7 Years 3rd Party Management April 9, 2021 Revelo 2023 Revelo 2023 Debt Service NCF After Debt Service NCF After Debt Service DSCR 49,178 TBD N/A N/A All-In Basis Cap Rate	81 Year 1 Lot # 900 Occupancy 67.0% 922 SF ADR \$204.13 Lobby R&B and Totp Level Wine Tasting plus Deck RevPAR \$136.76 81 RevPAR % Chg *131.0% 5 RevPAR Index 131.0% July 31, 2021 Revenue \$5,613,730 24 months % Growth **1,915,418 July 31, 2023 GOP \$1,915,418 7 Years % Growth *** 3rd Party Management GOP Margin 34.1% April 9, 2021 NOI \$1,289,946 Revelo NOI Margin 23.0% 2023 Debt Service \$816,474 NCF After Debt Service \$473,472 0.80 DSCR 1.58 49,178 Average Cash on Cash 5.7% TBD NI/A NI/A All-In Basis Cap Rate 7.04%	81 Year 1 Year 2 Lot # 900 Occupancy 67.0% 74.0% 922 SF ADR \$204.13 \$215.27 Lobby R&B and Totp Level Wine Tasting plus Deck RevPAR \$136.76 \$159.30 81 RevPAR R % Chg 16.48% 5 RevPAR Index 131.0% 149.9% July 31, 2021 Revenue \$5,613,730 \$6,909,508 24 months % Growth 23.08% July 31, 2023 GOP \$1,915,418 \$2,531,810 7 Years % Growth 32.18% 3rd Party Management GOP Margin 34.1% 36.6% April 9, 2021 NOI \$1,289,946 \$1,735,677 Revelo NOI Margin 23.0% 25.1% 2023 Debt Service \$816,474 \$650,159 NCF After Debt Service \$473,472 \$1,085,517 0.80 DSCR 1.58 2.67 49,178 Average Cash on Cash 5.7% 13.2% TBD NIA NIA All-In Basis Cap Rate 7.04% 9.47% <td>81 Year 1 Year 2 Year 3 Lot # 900 Occupancy 67.0% 74.0% 76.0% 922 SF ADR \$204.13 \$215.27 \$221.52 Lobby R&B and Totp Level Wine Tasting plus Deck RevPAR \$136.76 \$159.30 \$168.35 81 RevPAR M Chg 16.48% 5.68% 5 RevPAR Index 131.0% 149.9% 155.6% July 31, 2021 Revenue \$5,613,730 \$6,909,508 \$7,774,804 24 months % Growth 23.08% 9.63% July 31, 2023 GOP \$1,915,418 \$2,531,810 \$2,827,267 7 Years % Growth 32.18% 11.67% 3rd Party Management GOP Margin 34.1% 36.6% 37.3% April 9, 2021 NOI \$1,289,946 \$1,735,677 \$1,961,201 Revelo NOI Margin 23.0% 25.1% 25.9% 2023 Debt Service \$816,474 \$650,159 \$899,688 NCF After Debt Service \$47</td> <td>81 Year 1 Year 2 Year 3 Year 4 Lot # 900 Occupancy 67.0% 74.0% 76.0% 76.0% 922 SF ADR \$204.13 \$215.27 \$221.52 \$227.56 Lobby R&B and Totp Level Wine Tasting plus Deck RevPAR \$136.76 \$159.30 \$168.35 \$172.56 81 RevPAR % Chg 16.48% 5.68% 2.50% 5 RevPAR lindex 131.0% 149.9% 155.6% 2.50% July 31, 2021 Revenue \$5,613,730 \$6,909.508 \$7,74,804 \$7,827,583 24 months % Growth 23.08% 9.63% 3.34% 24 months % Growth 23.08% 9.63% 3.34% 24 months % Growth 23.08% 9.63% 3.34% 24 months % Growth 23.18% 11.67% 3.43% 34 y 31, 2023 GOP \$1,915,418 \$2,531,810 \$2,827,267 \$2,924,202 7 Years % Growth 32.18% \$11.67% 3.43%</td>	81 Year 1 Year 2 Year 3 Lot # 900 Occupancy 67.0% 74.0% 76.0% 922 SF ADR \$204.13 \$215.27 \$221.52 Lobby R&B and Totp Level Wine Tasting plus Deck RevPAR \$136.76 \$159.30 \$168.35 81 RevPAR M Chg 16.48% 5.68% 5 RevPAR Index 131.0% 149.9% 155.6% July 31, 2021 Revenue \$5,613,730 \$6,909,508 \$7,774,804 24 months % Growth 23.08% 9.63% July 31, 2023 GOP \$1,915,418 \$2,531,810 \$2,827,267 7 Years % Growth 32.18% 11.67% 3rd Party Management GOP Margin 34.1% 36.6% 37.3% April 9, 2021 NOI \$1,289,946 \$1,735,677 \$1,961,201 Revelo NOI Margin 23.0% 25.1% 25.9% 2023 Debt Service \$816,474 \$650,159 \$899,688 NCF After Debt Service \$47	81 Year 1 Year 2 Year 3 Year 4 Lot # 900 Occupancy 67.0% 74.0% 76.0% 76.0% 922 SF ADR \$204.13 \$215.27 \$221.52 \$227.56 Lobby R&B and Totp Level Wine Tasting plus Deck RevPAR \$136.76 \$159.30 \$168.35 \$172.56 81 RevPAR % Chg 16.48% 5.68% 2.50% 5 RevPAR lindex 131.0% 149.9% 155.6% 2.50% July 31, 2021 Revenue \$5,613,730 \$6,909.508 \$7,74,804 \$7,827,583 24 months % Growth 23.08% 9.63% 3.34% 24 months % Growth 23.08% 9.63% 3.34% 24 months % Growth 23.08% 9.63% 3.34% 24 months % Growth 23.18% 11.67% 3.43% 34 y 31, 2023 GOP \$1,915,418 \$2,531,810 \$2,827,267 \$2,924,202 7 Years % Growth 32.18% \$11.67% 3.43%

	Trailing 12	Year 1
Going in Cap Rate	0.00%	171.99%
All-in Cap Rate	0.00%	7.04%
	Ocht Assumptions	

	Debt Assumptions	
Orgination Date	7/31/2021	7/31/2024
Loan Type	Bridge	Permanent
	10,076,835	12,825,063
LTC/LTV	55.00%	70.00%
Debt Yield	N/A	10.06%
Fixed / Floating	Fixed	Fixed
Index Base Rate (Floating Rate)	0.00%	0.00%
Interest Rate Spread	6.50%	5.00%
Projected Debt Rate	6.50%	5.00%
Interest Calculation	Actual/360	Actual/360
Amortization	25 Years	25 Years
Term	3 Years	5 Years
I/O Period	24 Months	12 Months
Origination Fee	1.00%	1.00%

Supply & Demand Analysis 81-Key Tribute Hotel - Hood River, OR May 19, 2021

		Histori	cal		Starting Jul-23		Projections		
	3/18 TTM	3/19 TTM	3/20 TTM	3/21 TTM	Year 1	Year 2	Year 3	Year 4	Year
Competitive Set									
Occupancy	74.9%	74.8%	73.0%	51.4%	73.5%	73.0%	72.5%	72.5%	72.5%
% Ġrowth		(0.2%)	(2.4%)	(29.5%)	42.9%	(0.7%)	(0.7%)	0.0%	0.0%
ADR	131.37	135.04	139.89	125.04	142.00	145.55	149.19	152.92	156.7
% Growth		2.8%	3.6%	(10.6%)	13.6%	2.5%	2.5%	2.5%	2.5%
RevPAR	98.44	100.96	102.06	64.33	104.37	106.25	108.16	110.87	113.6
% Growth		2.6%	1.1%	(37.0%)	62.2%	1.8%	1.8%	2.5%	2.5%
% Change vs 2019 RevPAR				(37.0%)	3.4%	5.2%	7.1%	9.8%	12.6%
88-Key Hampton Inn - Hood River, OR									
Occupancy	87.0%	82.8%	82.5%	63.4%	81.6%	80.7%	80.1%	80.1%	80.1%
% Growth		(4.8%)	(0.4%)	(23.1%)	28.6%	(1.1%)	(0.7%)	0.0%	0.0%
Index	116.1%	110.8%	113.1%	123.3%	111.0%	110.5%	110.5%	110.5%	110.5
ADR	139.32	154.99	153.78	127.28	163.30	168.84	173.06	177.39	181.8
% Growth		11.2%	(0.8%)	(17.2%)	28.3%	3.4%	2.5%	2.5%	2.5%
Index	106.1%	114.8%	109.9%	101.8%	115.0%	116.0%	116.0%	116.0%	116.0
RevPAR	121.22	128.40	126.87	80.73	133.23	136.19	138.64	142.11	145.6
% Growth		5.9%	(1.2%)	(36.4%)	65.0%	2.2%	1.8%	2.5%	2.5%
Index	123.1%	127.2%	124.3%	125.5%	127.7%	128.2%	128.2%	128.2%	128.2
% Change vs 2019 RevPAR				(36.4%)	3.8%	6.1%	8.0%	10.7%	13.4%
81-Key Tribute Hotel - Hood River, OR									
Occupancy					67.0%	74.0%	76.0%	76.0%	76.0%
% Growth						10.4%	2.7%	0.0%	0.0%
Index vs Compset					91.2%	101.4%	104.8%	104.8%	104.8%
% Growth						11.2%	3.4%	0.0%	0.0%
Index vs Hampton					82.1%	91.7%	94.9%	94.9%	94.9%
ADR					204.13	215.27	221.52	227.05	232.7
% Growth						5.5%	2.9%	2.5%	2.5%
Index					143.8%	147.9%	148.5%	148.5%	148.5%
% Growth						2.9%	0.4%	0.0%	0.0%
Index vs Hampton					125.0%	127.5%	128.0%	128.0%	128.0%
RevPAR					136.76	159.30	168.35	172.56	176.8
% Growth						16.5%	5.7%	2.5%	2.5%
Index					131.0%	149.9%	155.6%	155.6%	155.6%
% Growth						14.4%	3.8%	0.0%	0.0%
Index vs Hampton					102.7%	117.0%	121.4%	121.4%	121.49

Competitive Set	Distance (mi)	Keys	Opened	Transaction Date	Sale / Appr.	\$ / Key	Occ	ADR	RevPAR	Notes
Hampton by Hilton Inn & Suites Hood River	0.2	88	Jul-16			-	82.5%	\$153.78	\$126.87	3/19 TTM
Holiday Inn Express & Suites Hood River	1.5	64	Aug-97				65 - 70%	\$115 - \$120	\$80 - \$85	Estimated 2018
Best Western Plus Hood River Inn	0.7	194	May-62				65 - 70%	\$120 - \$125	\$85 - \$90	Estimated 2018
Cousins Country Inn	16.0	97	Jun-75							
Comfort Inn Columbia Gorge The Dalles	19.3	57	Jun-93							
Fairfield Inn & Suites The Dalles	16.0	80	Jun-14				78.5%	\$134.24	\$105.38	YE 2018

	Total:	580								
Other Area Hotels	Distance (mi)	Keys	Opened	Transaction Date	Sale / Appr.	\$ / Key	Осс	ADR	RevPAR	Notes
Columbia Gorge Inn & Spa	2.2	40	1921				60.9%	\$204.40	\$124.46	YE 2019

	i otai:	40		
New Supply	Distance (mi)	Keys	Opening	Notes
Columbia Gorge Inn Expansion & Tapestry Conversion	2.2	80	On Hold	Planning
	Total:	80		

Operating Input Assumptions 81-Key Tribute Hotel - Hood River, OR May 19, 2021

	Comp 1	Comp 2	Comp 3	Hampton Inn	Year 1	Year 2	Year 3	Year 4	Year 5
Rooms Occupied	33,984	25,783	41,787	26,572	19,863	21,878	22,469	22,469	22,531
Available Rooms	48,545	42,340	50,370	32,208	29,646	29,565	29,565	29,565	5 29,646
Kevs	133	116	138	&	<u>&</u>	<u>8</u>	<u>&</u>	<u>&</u>	o
Meeting Space	N/A	4,019	2,600	1,000	922	922	922	922	92
Occupancy	70.0%	60.9%	83.0%	82.5%	67.0%	74.0%	76.0%	76.0%	76.0%
% Change					-54.5%	10.4%	2.7%	0.0%	0.09
ADR	\$152.13	\$193.69	\$141.02	\$158.54	\$204.13	\$215.27	\$221.52	\$227.05	\$232.7
% Change					46.4%	5.5%	2.9%	2.5%	2.59
RevPAR	\$106.50	\$117.95	\$116.99	\$130.80	\$136.76	\$159.30	\$168.35	\$172.56	\$176.8
% Change					-33.3%	16.5%	5.7%	2.5%	2.59
Inflation Assumption					2.0%	2.0%	2.0%	2.0%	2.09
Revenues	es 160 838	¢/ 003 833	es 160 838 ex 000 800 es 800 708 ex 010 785	¢4 242 785	¢4 054 408	67 700 655 67 077 340 65 404 753 65 373 633	¢/ 077 340	¢5 101 753	¢E 2/3 62
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\$8,031,588	\$7,827,583	\$7,574,804	\$6,909,508 \$7,574,804 \$7,827,583 \$8,031,588	\$5,613,730	\$4,362,015	\$5,947,697 \$6,159,492 \$6,515,764 \$4,362,015	\$6,159,492	\$5,947,697	Total Revenue
\$0.81	\$0.80	\$0.78	\$0.77	\$0.75	2.54	0.40	29.53	0.35	POR
\$18.29	\$17.884	\$17.533	\$16.737	\$14.897	\$67.517	\$16.600	\$761.293	\$11.813	Misc. Income
\$1.89	\$1.86	\$1.82	\$1.79	\$1.75	3.08	1.31	0.15	2.01	POR
\$42,679	\$41,728	\$40,910	\$39,052	\$34,760	\$81,713	\$54,565	\$3,797	\$68,476	Minor Operated
\$11.44	\$11.22	\$11.00	\$10.00	\$7.00					Event Space
\$22.89	\$22.44	\$22.00	\$18.00	\$14.00					Wine Tasting with Outdoor Seating
\$86.70	\$85.00	\$80.00	\$70.00	\$55.00					Restaurant & Bar with Outdoor Seating
\$121.03	\$118.66	\$113.00	\$98.00	\$76.00	0.00	13.21	15.54	20.53	POR
\$2,726,994	\$2,666,219	\$2,539,042	\$2,144,054	\$1,509,574	\$0	\$551,871	\$400,581	\$697,569	Food & Beverage

Departmental Expenses									
Rooms	\$1,098,127	\$1,213,383	\$1,373,713	\$1,124,907	\$889,854	\$992,391	\$1,039,596	\$1,060,388	\$1,084,559
Rooms (POR)	\$32.31	\$47.06	\$32.87	\$42.33	\$44.80	\$45.36	\$46.27	\$47.19	\$48.14
Payroll (POR)	21.74	27.81	18.63	24.47	\$26.50	\$26.75	\$27.29	\$27.83	\$28.39
PTEB (% of Payroll)	5.6%	17.7%	13.9%	20.4%	20.0%	20.0%	20.0%	20.0%	20.0%
Other (POR)	9.02	14.19	11.25	7.29	\$12.75	\$13.01	\$13.27	\$13.53	\$13.80
Comp Breakfast (POR)	0.34	0.13	0.40	5.58	\$0.25	\$0.26	\$0.26	\$0.27	\$0.27
% of Rooms Revenue	21.2%	24.3%	23.3%	26.7%	21.9%	21.1%	20.9%	20.8%	20.7%
Food & Beverage	\$453,932	\$305,292	\$478,356		\$1,224,265 \$1	\$1,657,354	\$1,904,282	\$1,999,664	\$2,045,246
Food & Beverage (% of Revenue)	65.1%	76.2%	86.7%		81.1%	77.3%	75.0%	75.0%	75.0%
Payroll (% of Revenue)	30.7%	36.5%	48.7%		38.0%	36.5%	35.0%	35.0%	35.0%
PTEB (% of Payroll)	13.5%	21.8%	16.5%		20.0%	20.0%	20.0%	20.0%	20.0%
F&B Cost (% of Revenue)	24.4%	25.8%	23.5%		26.5%	25.5%	25.0%	25.0%	25.0%
Other (% of Revenue)	5.9%	6.0%	6.5%	0.0%	9.0%	8.0%	8.0%	8.0%	8.0%
Minor Operated	\$28,584	\$1,550	\$30,182	\$33,302	\$15,642	\$17,574	\$18,410	\$18,778	\$19,206
Minor Operated (% of Revenue)	41.7%	40.8%	55.3%	40.8%	45.0%	45.0%	45.0%	45.0%	45.0%

Undistributed Expenses Administrative & General	\$174.875	\$398.830	\$417.491	\$273.039	\$306,704	\$312.652	\$318.905	\$325.283	\$331.986
Administrative & General (PAR)	\$3.60	\$9.42	\$8.29	\$8.48	\$10.35	\$10.58	\$10.79	\$11.00	\$11.20
Payroll (\$)	90,957	226,206	219,468	167,415	\$200,000	\$204,000	\$208,080	\$212,242	\$216,486
PTEB (% of Payroll)	15.0%	16.7%	31.8%	7.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Other (PAR)	1.45	3.18	2.55	2.92	\$2.25	\$2.30	\$2.34	\$2.39	\$2.44
% of Revenue	2.9%	6.5%	6.4%	6.3%	5.5%	4.5%	4.2%	4.2%	4.1%
Credit Card Commissions	\$138,105	\$139,358	\$182,909	\$116,467	\$140,343	\$172,738	\$189,370	\$195,690	\$200,790
Credit Card Commissions (% of Total Rev)	2.3%	2.3%	2.8%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%
Information & Telecommunication	\$100,449	\$109,020	\$94,208	\$58,285	\$81,527	\$82,930	\$84,588	\$86,280	\$88,247
Information & Telecommunication (PAR)	\$2.07	\$2.57	\$1.87	\$1.81	\$2.75	\$2.81	\$2.86	\$2.92	\$2.98
Franchise Fees (% of Room Rev)	\$632,505	\$582,694	\$769,472	\$535,259	\$498,929	\$567,197	\$595,087	\$608,053	\$622,836
Franchise Fees	12.2%	11.7%	13.1%	12.7%	12.3%	12.0%	12.0%	11.9%	11.9%
Sales & Marketing	\$122,032	\$331,944	\$250,708	\$71,372	\$237,527	\$247,815	\$252,771	\$257,827	\$263,241
Cales & Maixellig (1 City)	30 069	152 526	111 120	11 566	\$130,000	\$132,600	\$135,252	\$137.957	\$140.716
PTEB (% of Payroll)	16.9%	15.6%	19.4%	14.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Other (PAR)	1.79	3.68	2.34	1.81	\$2.75	\$3.00	\$3.06	\$3.12	\$3.18
% of Revenue	2.1%	5.4%	3.8%	1.6%	4.2%	3.6%	3.3%	3.3%	3.3%
Repair & Maintenance	\$270,962	\$274,266	\$290,486	\$129,377	\$155,292	\$164,441	\$173,791	\$177,267	\$181,023
Repair & Maintenance (PAR)	\$5.58	\$6.48	\$5.77	\$4.02	\$5.24	\$5.56	\$5.88	\$6.00	\$6.11
Payroll (\$)	138,247	108,982	126,597	57,709	\$80,000	\$81,600	\$83,232	\$84,897	\$86,595
PTEB (% of Payroll)	10.1%	23.8%	22.5%	19.4%	20.0%	20.0%	20.0%	20.0%	20.0%
Other (PAR)	2.45	3.29	2.69	1.88	\$2.00	\$2.25	\$2.50	\$2.55	\$2.60
% of Revenue	4.6%	4.5%	4.5%	3.0%	2.8%	2.4%	2.3%	2.3%	2.3%
Utility	\$203,746	\$235,326	\$221,927	\$116,763	\$148,230	\$162,608	\$170,738	\$174,153	\$178,122
Utility (PAR)	\$4.20	\$5.56	\$4.41	\$3.63	\$5.00	\$5.50	\$5.78	\$5.89	\$6.01
POR	\$6.00	\$9.13	\$5.31	\$4.39	\$7.46	\$7.43	\$7.60	\$7.75	\$7.91
% of Revenue	3.4%	3.8%	3.4%	2.7%	2.6%	2.4%	2.3%	2.2%	2.2%
	45.8%	77 70/		2000			37 30/	27 40/	

Rents & Other Lease Expense	Reserve for Replacement	Management Fee	Fixed Expenses Real & Personal Tax PAR Insurance Insurance (PAR)
ease Expense	vlacement	Ó	Тах
\$2,883	4.0%	3.0%	\$175,629 3.6 \$146,622 \$3.02
(\$129,924)	4.0%	3.0%	\$313,153 7.4 \$93,676 \$2.21
\$28,681	4.0%	3.0%	\$229,807 4.6 \$55,800 \$1.11
\$0	4.0%	3.0%	\$132,094 4.1 \$49,302 \$1.53
\$32,400	4.0%	3.00%	\$125,996 \$4.25 \$74,115 \$2.50
\$48,600	4.0%	3.00%	\$188,477 \$6.38 \$75,391 \$2.55
\$64,800	4.0%	3.00%	\$194,131 \$6.57 \$76,899 \$2.60
\$64,800	4.0%	3.00%	\$199,955 \$6.76 \$78,437 \$2.65
\$64,800	4.0%	3.00%	\$206,518 \$6.97 \$80,224 \$2.71

10-Year Proforma 81-Key Tribute Hotel - Hood River, OR May 19, 2021

Review A 4,644-486 201-1 136-8 7-226 4,709-486 215-1 195-9 625 4,077-310 215 1864 4 557k 5 17.009 215 1864 5 187k 5 17.009 215 187k 5 187k		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Review Month Review For Principle Service Fo	Room Nights Sold Occupancy ADR RevPAR	19,863 67.0% \$204.13 \$136.76	21,878 74.0% \$215.27 \$159.30	22,469 76.0% \$221.52 \$168.35	22,469 76.0% \$227.05 \$172.56	22,531 76.0% \$232.73 \$176.87	22,469 76.0% \$237.38 \$180.41	22,469 76.0% \$242.13 \$184.02	22,469 76.0% \$246.97 \$187.70	22,531 76.0% \$251.91 \$191.45	22,469 76.0% \$256.95 \$195.28
Floor September	Rooms Revenue Food & Beverage Revenue Minor Operated Revenue Misc. Income Revenue	4,054,498 204.1 136.8 72.2% 1,509,574 76.0 50.9 26.9% 34,760 1.8 1.2 0.6% 14,897 0.8 0.5 0.3%	4,709,665 215.3 159.3 68.2% 2,144,054 98.0 72.5 31.0% 39,052 1.8 1.3 0.6% 16,737 0.8 0.6 0.2%	4,977,319 221.5 168.4 65.7% 2,539,042 113.0 85.9 33.5% 40,910 1.8 1.4 0.5% 17,533 0.8 0.6 0.2%	5,101,752 227.1 172.6 65.2% 2,666,219 118.7 90.2 34.1% 41,728 1.9 1.4 0.5% 17,884 0.8 0.6 0.2%	5,243,623 232.7 176.9 65.3% 2,726,994 121.0 92.0 34.0% 42,679 1.9 1.4 0.5% 18,291 0.8 0.6 0.2%	5,333,882 237.4 180.4 65.3% 2,773,934 123.5 93.8 34.0% 43,533 1.9 1.5 0.5% 18,657 0.8 0.6 0.2%	5,440,560 242.1 184.0 65.3% 2,829,413 125.9 95.7 34.0% 44,404 2.0 1.5 0.5% 19,030 0.8 0.6 0.2%	5,549,371 247.0 187.7 65.3% 2,886,001 128.4 97.6 34.0% 45,292 2.0 1.5 0.5% 19,411 0.9 0.7 0.2%	5,675,866 251.9 191.5 65.3% 2,951,786 131.0 99.6 34.0% 46,198 2.1 1.6 0.5% 19,799 0.9 0.7 0.2%	3,002,596 133.6 101.6 34.0% 47,122 2.1 1.6 0.5%
Administrative & General Good 16, 4 10, 3 55% 316, 55% 316, 55% 318, 55% 31	Rooms Expense Food & Beverage Expense Minor Operated Expense Total Departmental Expenses	1,224,265 61.6 41.3 81.1% 15,642 0.8 0.5 45.0% 2,129,761 107.2 71.8 37.9%	1,657,354 75.8 56.1 77.3% 17,574 0.8 0.6 45.0% 2,667,318 121.9 90.2 38.6%	1,904,282 84.8 64.4 75.0% 18,410 0.8 0.6 45.0% 2,962,287 131.8 100.2 39.1%	1,999,664 89.0 67.6 75.0% 18,778 0.8 0.6 45.0% 3,078,830 137.0 104.1 39.3%	2,045,246 90.8 69.0 75.0% 19,206 0.9 0.6 45.0% 3,149,011 139.8 106.2 39.2%	2,086,151 92.8 70.6 75.2% 19,590 0.9 0.7 45.0% 3,211,991 142.9 108.6 39.3%	2,127,874 94.7 72.0 75.2% 19,982 0.9 0.7 45.0% 3,276,231 145.8 110.8 39.3%	2,170,431 96.6 73.4 75.2% 20,381 0.9 0.7 45.0% 3,341,755 148.7 113.0 39.3%	2,213,840 98.3 74.7 75.0% 20,789 0.9 0.7 45.0% 3,408,590 151.3 115.0 39.2%	2,258,116 100.5 76.4 75.2%
Fixed Charges Taxes	Administrative & General Credit Card Commissions Information & Telecommunications Franchise Fees Sales & Marketing Repairs & Maintenance Utilities	140,343 7.1 4.7 2.5% 81,527 4.1 2.8 1.5% 498,929 25.1 16.8 12.3% 237,527 12.0 8.0 4.2% 155,292 7.8 5.2 2.8% 148,230 7.5 5.0 2.6%	172,738 7.9 5.8 2.5% 82,930 3.8 2.8 1.2% 567,197 25.9 19.2 12.0% 247,815 11.3 8.4 3.6% 164,441 7.5 5.6 2.4% 162,608 7.4 5.5 2.4%	189,370 8.4 6.4 2.5% 84,588 3.8 2.9 1.1% 595,087 26.5 20.1 12.0% 252,771 11.2 8.5 3.3% 173,791 7.7 5.9 2.3% 170,738 7.6 5.8 2.3%	195,690 8.7 6.6 2.5% 86,280 3.8 2.9 1.1% 608,053 27.1 20.6 11.9% 257,827 11.5 8.7 3.3% 177,267 7.9 6.0 2.3% 174,153 7.8 5.9 2.2%	200,790 8.9 6.8 2.5% 88,247 3.9 3.0 1.1% 622,836 27.6 21.0 11.9% 263,241 11.7 8.9 3.3% 181,023 8.0 6.1 2.3% 178,122 7.9 6.0 2.2%	204,805 9.1 6.9 2.5% 90,012 4.0 3.0 1.1% 633,556 28.2 21.4 11.9% 268,506 11.9 9.1 3.3% 184,643 8.2 6.2 2.3% 181,685 8.1 6.1 2.2%	208,902 9.3 7.1 2.5% 91,812 4.1 3.1 1.1% 646,228 28.8 21.9 11.9% 273,876 12.2 9.3 3.3% 188,336 8.4 6.4 2.3% 185,319 8.2 6.3 2.2%	213,080 9.5 7.2 2.5% 93,648 4.2 3.2 1.1% 659,152 29.3 22.3 11.9% 279,354 12.4 9.4 3.3% 192,103 8.5 6.5 2.3% 189,025 8.4 6.4 2.2%	217,341 9.6 7.3 2.5% 95,521 4.2 3.2 1.1% 674,177 29.9 22.7 11.9% 284,941 12.6 9.6 3.3% 195,945 8.7 6.6 2.3% 192,805 8.6 6.5 2.2%	221,688 9.9 7.5 2.5% 97,432 4.3 3.3 1.1% 685,782 30.5 23.2 11.9% 290,639 12.9 9.8 3.3% 199,864 8.9 6.8 2.3% 196,661 8.8 6.7 2.2%
Taxes 125,96 6.3 4.3 2.2 188,477 8.6 6.4 2.7 194,131 8.6 6.6 2.6 199,955 8.9 6.8 2.6 205,518 9.2 7.0 2.6 214,861 9.6 7.3 2.6 219,159 9.8 7.4 2.6 235,42 9.9 7.5 2.6 228,013 10.1 7.7 19.4 19.4 19.4 19.4 19.4 19.4 19.4 19.4	Gross Operating Profit	1,915,418 96.4 64.6 34.1%	2,531,810 115.7 85.6 36.6%	2,827,267 125.8 95.6 37.3%	2,924,202 130.1 98.9 37.4%	3,016,333 133.9 101.7 37.6%	3,056,182 136.0 103.4 37.4%	3,117,306 138.7 105.4 37.4%	3,179,652 141.5 107.5 37.4%	3,264,976 144.9 110.1 37.6%	3,308,110 147.2 111.9 37.4%
Net Operating Income 1,289,946 64.9 43.5 23.0% 1,735,677 79.3 58.7 25.1% 1,961,201 87.3 66.3 25.9% 2,033,079 90.5 68.8 26.0% 2,102,580 93.3 70.9 26.2% 2,127,005 94.7 71.9 26.0% 2,170,841 96.6 73.4 26.0% 2,210,694 98.4 74.8 26.0% 2,276,381 101.0 76.8 26.2% 2,302,820 102.5 77.9 3	Taxes Insurance Management Fee FF&E Reserve Rents & Other Lease Expense Total Fixed Charges	74,115 3.7 2.5 1.3% 168,412 8.5 5.7 3.0% 224,549 11.3 7.6 4.0% 32,400 1.6 1.1 0.6% 625,472 31.5 21.1 11.1%	75,391 3.4 2.6 1.1% 207,285 9.5 7.0 3.0% 276,380 12.6 9.3 4.0% 48,600 2.2 1.6 0.7% 796,133 36.4 26.9 11.5%	76,899 3.4 2.6 1.0% 227,244 10.1 7.7 3.0% 302,992 13.5 10.2 4.0% 64,800 2.9 2.2 0.9% 866,066 38.5 29.3 11.4%	76,437 3.5 2.7 1.0% 234,827 10.5 7.9 3.0% 313,103 13.9 10.6 4.0% 64,800 2.9 2.2 0.8% 891,122 39.7 30.1 11.4%	80,224 3.6 2.7 1.0% 240,948 10.7 8.1 3.0% 321,264 14.3 10.8 4.0% 64,800 2.9 2.2 0.8% 913,754 40.6 30.8 11.4%	81,829 3.6 2.8 1.0% 245,100 10.9 8.3 3.0% 326,800 14.5 11.1 4.0% 64,800 2.9 2.2 0.8% 929,178 41.4 31.4 11.4%	83,466 3.7 2.8 1.0% 250,002 11.1 8.5 3.0% 333,336 14.8 11.3 4.0% 64,800 2.9 2.2 0.8% 946,465 42.1 32.0 11.4%	85,135 3.8 2.9 1.0% 255,002 11.3 8.6 3.0% 340,003 15.1 11.5 4.0% 69,660 3.1 2.4 0.8% 968,959 43.1 32.8 11.4%	86,838 3.9 2.9 1.0% 260,809 11.6 8.8 3.0% 347,746 15.4 11.7 4.0% 69,660 3.1 2.3 0.8% 988,595 43.9 33.3 11.4%	88,574 3.9 3.0 1.0% 265,304 11.8 9.0 3.0% 353,739 15.7 12.0 4.0% 69,660 3.1 2.4 0.8%



Q12021 HIGHLY CONFIEDENTIAL

Life House is the first Silicon Valley-backed lifestyle hotel brand & management company.

We make owning a hotel more seamless and more profitable through a technology-enabled platform and a responsive, lifestyle brand.



WHO WE ARE

Life House is a technology-enabled hotel brand & management company. We design, develop, and operate hotels using software and process innovation to drive down costs and increase revenues with a tailored approach to suit each owners' needs.

AT A GLANCE

- 27 hotels signed across North America
- 10 states spanning all corners of the US, plus Mexico
- 12 other hotels under LOI or in advanced negotiations
- 8 (and counting) proprietary software products built & deployed
- \$40M in venture capital raised
- 375 keys in our largest operational hotel
- 17 keys in our smallest operational hotel
- \$950 ADR in our AAA Five-diamond, Forbes Five-star hotel

PERFORMANCE TO DATE

- ~65% direct-bookings across our entire portfolio
- 2-3 weeks to completely take-over / launch a hotel
- 80 days to renovate a 50-key hotel
- >30% higher revenues without a renovation
- >50% increases in NOI without a renovation
- >20% lower design/development costs







WHERE WE ARE (AND WHERE WE'RE GOING)



LIFE HOUSE

OUR BACKERS

Life House is backed by top-tier internationally-focused venture capital groups and institutional real estate investors who want to change how people interact with the built environment during their travels. Our investors understand technology as a fundamental part of business, not as a cost center, and believe in the ever-changing needs, wants, and unknowns of consumers, and believe in our ability to execute on these beliefs.

Building software, particularly complex, multi-faceted and industry-changing software, requires expertise, DNA, and capital. We're fortunate to be backed by some best combination of expert tech, hotel & real estate investors, allowing us to invest (aggressively) in building the most advanced hotel technology stack in the world.

~\$40M RAISED FROM A TOP WELL-ROUNDED INVESTOR BASE

Life House has raised nearly \$40M in operating capital to be spent exclusively on its team, tech platform (i.e. to drive value for hotel owners). With ~\$30M in the bank and a tech architecture that was built and designed for continuous innovation, our platform today is only the beginning of what we will be delivering in the near future.

HOTEL TECHNOLOGY ARCHITECTURE 101

Life House is the first lifestyle hotel company to launch with its own fully proprietary system and in-house software development team that is designed to continuously innovate. We are the de facto customer of our own tech, which means we have a very fast feedback loop and we can innovate and launch new features every week instead of waiting & hoping that Opera will launch a new feature for one of their needle in a haystack clients.

EXPERT TECH INVESTORS

TIGERGLOBAL







— HOTEL & REAL ESTATE BACKING



THAYER VENTURES

EXPERIENCED CONSUMER INVESTORS



SOUND)))

Ashton Kutcher & Guy Oseary

OUR FOUNDER & TEAM

With the hands-on support and oversight of a deeply experienced corporate team, which is based between New York, Montreal, and Boston and collectively possess 250+ years of hospitality experience, Life House was designed to extract the greatest value possible from property-level team members all-the-while eliminating the traditional risk associated with owning and operating small hotels.



RAMI A. ZEIDAN Founder, Chief Executive Officer

The genesis of Life House comes after significantly valuable professional & personal experiences. After almost a decade working for some of the best firms in the industry, Rami learned the ins & outs of the hotel business from acquisitions, to operations, to branding, to asset management, to F&B, to the incumbent tech infrastructures etc. As a creative at heart (and as a millennial), Rami had the perfect combination of experience as a hotel

owner/investor/operator and creative thought, that led him to the vision of reinventing the hotel business and the process of creating high-touch, locallyrooted lifestyle hotels.



Hotel & Real Estate Investing

Sydell Group

Acquisitions, Asset & Brand Management (NoMad, NED, Freehand, LINE)

Starwood Capital & SH Group Acquisitions, Asset & Brand Management (1 Hotels, Baccarat)

The London School of Economics & Johns Hopkins University

Civil Engineering, Economics Entrepreneurship & Management



NICK PAPA Sales & Marketing



JAMES GILLIS Product Management



JENNY BUKOVEC Design



HERMAN YU Finance & Business Strategy



BRYAN DUNN Growth, Business Development



ROHAN SETH Revenue Management



EVAN BAILEY Hotel Operations & Asset Management



DANIEL LEVINE Food & Beverage

50+ TEAM MEMBERS



SYDELL GROUP

cıtızen

HANK MORRIS

RE Development



tunecore.

NOMAD





YAMEN BAKR

Technology



CREDIT SUISSE



SONDER

fond rockwellgroup







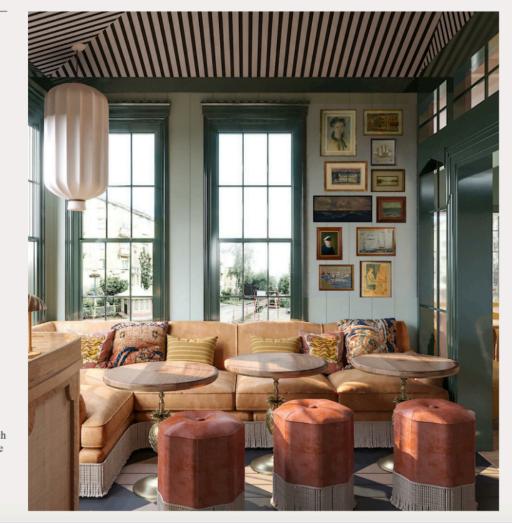




PAGE NO. 9

Our award-winning design team, creates timeless places & stories at a fraction of the cost and timeline.

We have innovated on the design & creative process in a way that allows for unique/bespoke creation of substantive narratives at each hotel that cater to the market, neighborhood and real estate, and we do it a fraction of the cost and timeline of the best third-party agencies.



AWARD WINNING DESIGN

We have innovated on the design & creative process in a way that allows for the creation of bespoke narratives that cater to the market, the neighborhood and the real estate.

PILLARI

AWARD-WINNING DESIGN WITH A FOCUS ON NARRATIVE



CERAMIC SHOWER TILES HAND PAINTED WITH BOTANICAL DETAILS AT LIFE HOUSE, NANTUCKET

Our team is comprised of some of the best design talent in the world and their work has won prestigious industry awards and has been featured across acclaimed design publications including Design Hotels. Monocle, Sleener Magazine and is a member of Design Hotels.

PILLARII

RECORD TIME TURNAROUND



SOUTH BEACH'S EQUESTRIAN HISTORY AND COLOMBIA'S TROPICAL HUES REFLECTED IN LIFE HOUSE, OCEAN DRIVE

Unlike third party firms, we have developed a creative process that is tailored specifically to our values of creating hotels with contextual narratives & substance. This allows our team to concept, design and document award winning hotels, in as little as 6-8 weeks translating to a better more bespoke product at a fraction of the cost and time. We also include our owners in the creative process.

PILLARIII

PROVEN COST-SAVINGS RELATIVE TO 3RD PARTY SHOPS



QUAKER MINIMALISM, WITH A COASTAL TOUCH AT LIFE HOUSE, COLLINS PARK

In addition to the time savings, our vertically-integrated platform (with development and procurement also in-house) allows us to design award-winning at a fraction of the hard costs and soft costs. As we continue to grow our relationships with vintage furniture shops and custom furniture manufacturers, these costs and timelines will continue to drop down.

LIFE HOUSE

RESPONSIVE DEVELOPMENT

We brought development in-house to enable our partners to drive greater ROI with smaller budgets & shorter timelines.

PILLAR I PILLAR II

RII PILLARIII

2X FASTER TO DEVELOP



EXPERIENCED IN-HOUSE TEAM



Our thoughtful and streamlined construction management process allows us to begin and finish property renovations faster than reliance on a third-party firms. Recently, Life Hospitality closed and renovated a property in less than 60 days, reducing downtime during the construction/renovation period.



Our development team leverages our design team to find the most costeffective and creative solution to renovate a property in the most ROI positive manner to drive the highest possible topline without the 'markup'. Life Hospitality was able to renovate, and re-brand an independent hotel to a Life House - a full-service hotel in Miami - with less than \$20,000 per key whereas a comparable brand would average \$40,000 to \$60,000 per key for similar scope.



Our team has years of real estate development experience centered on the design, construction, and branding of hotels and unique real estate asset and have developed projects for some of the most institutional companies in hospitality across many markets nationally.

OPERATIONAL EXPERTISE

We take care of all aspects of day-to-day operations of the property. By implementing our operating platform, we deliver risk-free cost reductions and a level of management sophistication traditionally unavailable to small hotels.

PILLAR I

PILLAR II

PILLAR III

HOTEL OPERATIONS

SALES, MARKETING & REVENUE MANAGEMENT

FINANCIAL REPORTING



Simply put, hotel operations is a service supply chain model, whereby our job is to first define a robust hospitality service offering and then deliver on it with radical precision every single day. Our team and platform have developed sophisticated processes that allows us to do this while maximizing profitability and minimizing the variability in guest experience.



We have developed a highly sophisticated marketing and revenue management engine that is able to drive ~65% of hotel bookings directly through our property websites at a materially lower customer acquisition cost than an OTA.



We have fully automated the traditionally on-property finance and accounting department. As a result, we deliver accurate and insightful reporting to owners immediately after period-end. Since we spend no time preparing accounting reports, we spend our time analyzing performance and identifying opportunities to enhance value for our owners.

LIFE HOUSE PAGE NO.



The quick changing F&B trends represent a massive opportunity for hoteliers. F&B is still an important revenue stream, second to accommodation income, and the main reason for having F&B facilities in a hotel is to enhance the accommodation income. This enables the hotel to offer dining/drinking facilities for guests, while the food and beverage facilities benefit from access to a continuous stream of potential consumers.

OPERATIONAL SOPHISTICATION

The F&B industry is more fragmented and less sophisticated than the hotel industry which creates opportunity to implement robust standard operating procedures that reduce the risk associated with onproperty F&B outlets. We actively manage procurement, vendor relationships, staffing models and competitive market dynamics (i.e. menu pricing) to ensure F&B operations meet or exceed budgets.

THOUGHTFUL RE-CONCEPTING TO DRIVE REVENUES

By leveraging creative talent in combination operational rigor, we can increase revenues with little to no cost by merely by re-thinking the F&B concept and culinary program. We have demonstrated an ability to increase revenues by 4x versus the previous F&B operator in one of our Miami properties. solely by implementing a thoughtful new concept for the restaurant.

DRIVING TRAFFIC THROUGH PRESS ENGAGEMENT

The proliferation of online media has become a key channel for driving traffic to F&B outlets outside of hotel guests. In our existing portfolio of restaurants and bars, we have generated significant media coverage allowing us to quickly drive traffic to our F&B venues immediately as they open.

Draft & Confidential, USD 5/25/21

Life House & Co.
Life House, Hood River

 GENERAL INFORMATION

 LH Market
 Hood River, Oregon

 Name
 Life House, Hood River

 Property Address
 N/A

 Gross Property SF (Less Parking)
 49,178 SF

 No. of Floors
 3

ROOM MIX & COUNT							
Type	No.	% Keys	Beds Per	Beds No.	% Beds	Type	HK Credits
Standard	81	100%	1	81	100%	Standard	1.00
-	-	-	-	-	-	Standard	-
-	-	-	-	-	-	Standard	-
-	-	-	-	-	-	Standard	-
-	-	-	-	-	-	Standard	-
Total / W.A.	81	100%	1	81	100%		1.00
Standard	81	100%		81	100%		
DI.							

F&B OUTLET SUMMARY		
Outlet	SF	Seats
Ground Floor Restaurant & Bar	2,354	66
N/A	-	-
N/A	-	-
Total	2,354	66
Event Space	SF	Capacity (Pax)
Total Event Space	-	-

Fixed Charges	Basis	Inpu
Utilities	PAR	\$5.00
Property Taxes	Total	
Property Insurance	% of Total Revenues	1.25%
Fixed Charge Allocation	Basis	Stabilized
Utilities Allocation to Hotel	Allocated based on GOP	94%
Property Taxes Allocation to Hotel	Allocated based on GOP	94%
FF&E Reserve	Basis	%
FF&E Reserve Y1	% of Total Revenues	2.00%
FF&E Reserve Y2	% of Total Revenues	3.00%
FF&E Reserve Y3	% of Total Revenues	4.00%

DISTRIBUTION / CUSTOMER ACQUISIT	TION COST (STABILIZED)				
Channel	Revenue	% of Rev.	CAC	Exp. %	of Total Rev.
Direct & Organic	\$3,374,941	75%	3.5%	\$118,123	2.6%
OTAs	661,721	15%	17.0%	112,493	2.5%
Sales Team	463,260	10%	15.0%	69,489	1.5%
Total	\$4,499,922	100%	6.7%	\$300,104	6.7%

GROUND LEASE		
Ground Lease Term		99.0 Yrs.
Annual Payment	Growth 3.0%	\$25,000
Profit Share		2.0%
Present Value for the City		\$1,056,865

Timing			Input/Period
Transaction Closing Date			30-Jun-21
Hold Period From Closing Date (10Y Max)		5.0 Yrs.	60 Mos.
Operate During Reno			No
Phase	Start	Duration	End
Pre-Construction	30-Jun-21	6 Mos.	31-Dec-21
Construction	31-Dec-21	18 Mos.	30-Jun-23
Pre-Opening	31-Mar-23	3 Mos.	30-Jun-23
Hotel Re-Opening Date/Disposition	30-Jun-23	36 Mos.	30-Jun-26
Hold (10Y Hold Max.)		60 Mos.	5.0 Yrs.

ACQUISITION		
Metric		Tota
Property Acquisition Price		\$
Total Transaction Costs		_
Gross Purchase Price	\$0 Per Key	\$
Implied \$/Key		\$6
In-Place NOI		
Implied Cap Rate on In-Place		
Owner's Basis [Info Purposes Only]		
Premium to Owner's Basis		n.a

Metric	Tota
	1014
Property Acquisition (Excl. Trans. Costs)	\$0
Total Repositioning Costs (Excl. Carry Costs)	18,005,097
Total Basis	\$18,005,097
Assumed LTC	60%
Total Debt Financing Fees (% of Total Loan Value)	\$10,875,000 1.25%
Annual Interest Rate (Fixed)	6.00%
Annual Debt Service	\$652,500

Forward NOI	52,133,938
Exit Cap Rate	8.65%
Gross Exit Value	
Closing Costs	
Gross Exit Value/Key	\$304,566
Trailing Exit Cap Rate	8.3%
VEV TRANSACTION COMPS	

Property Name	Keys	Price	Price/Key
Life House - Acquisition	81	\$0	\$0
Life House - Cost Basis	81	18,005,097	222,285
Life House - Exit Value	81	24,669,806	304,566
Cannery Pier Hotel & Spa	46	12,698,553	276,056
Inn At Manzanita	13	2,500,000	192,308
Blue Gull Inn	14	2,566,265	183,305
Γotal/W.A.	24	\$8,939,194	\$243,354

SOURCES & USES				
Uses	PSF	Per Key	%	Total
Acquisition Costs	0	\$0	0%	\$0
Hard Costs	283	172,016	76%	13,933,271
FF&E	46	27,630	12%	2,238,068
Soft Costs	28	16,919	7%	1,370,412
Working Capital	9	5,720	3%	463,346
Financing Costs	3	1,678	1%	135,938
Interest Reserve	5	3,294	1%	266,793
Total Uses	374	\$227,257	100%	\$18,407,828
Sources		Per Kev	%	Total
	221			
Debt	221	\$134,259	59%	\$10,875,000
Property CF (Phased Development)	-	-	-	-
Equity	153	92,998	41%	7,532,828
Total Sources	374	\$227,257	100%	\$18,407,828
Financing Cost Reserve (Equity Funded	5	\$3,294	1%	\$266,793
Equity	148	89.704	39%	7.266.034

RETURNS		
Calculated off of monthly CFs with XIRR and XNPV.	Unlevered	Levered
IRR	15%	21%
Profit Multiple	1.6x	2.2x
Yield on Cost (Stab.)	12%	20%
ROI	64%	123%
Peak Equity	\$18,005,097	\$7,532,828
Profit	11,270,855	8,962,479

Unlevered scenario excludes carry costs.. To be conservative, assumes no refinance.

SUMMARY PRO FORMA			Stabilization
Period	Yr. 1	Yr. 2	Yr. 3
Calendar Year	2023	2024	2025
Rooms Metrics			
Occupancy	64%	70%	75%
ADR	\$182	\$193	\$204
RevPAR	\$117	\$136	\$152
RevPAR Growth	N/A	16%	12%
RevPAR Penetration Index	1.07	1.16	1.27
Revenue			
Rooms Revenue	\$3,454,364	\$4,012,351	\$4,499,922
F&B Revenue	425,466	703,897	992,385
Other Revenue			
Total Revenue	\$3,879,829	\$4,716,248	\$5,492,307
NOI After Reserves	\$1,206,851	\$1,709,909	\$2,113,971
GOP Margin	39%	46%	49%
NOI Margin	31%	36%	38%
NOI Per Key	\$14,899	\$21,110	\$26,098
Unlevered Yield On Cost	7%	9%	12%
NOI Contribution from Hotel (Post-Reno Yrs.1-3)		103%	\$5,160,379
NOI Contribution from F&B (Post-Reno Yrs.1-3)		(3%)	(\$129,647)