Summary of Major Assumptions - 7/11/2012

Hotel Type:

Full Service

GLI	NERAL, TIMIN	G AND RENOVA	TION			RETURNS SUMMARY								
Total Rooms/Keys Average Room SF	450 400 SF		Retail Spa	1,000 RSF 2,500 SF		IRR (calculated off of Annual cash flo Net Cash Flow	ows)					27.51% 93,293,629		
Total Room SF	180,000 SF 310,000 SF	Ad	min./Mechanical Public Area	750 SF 1,250 SF		Total Equity Investment*					\$	32,825,962 5.89x		
Gross Square Footage * Food & Beverage	655 SF	St	tructured Parking	1,250 SF 150 Spaces		Multiple on Equity NPV at 8.00%					s	5.89x 83,979,237		
Function	655 SF		Surface Parking	10 Spaces		Total Hold Period						120 months		
* Excludes parking SF							OPF	RATING ASSI	IMPTIONS					
	Month 24	Reno	ovation Duration:	25 Months		Trailing 12 Months Actuals								
Renovation Completion: A	Month 49					Room Nights Sold	105,072			ADR Nominal Gro	owth		4.00%	
Average Unit Renovation and	Re-Marketing I	Ourations (Down M	Ionths)			RevPAR ADR	\$140.14 \$225.00			Occupancy Income Inflation			63.8% 4.00%	
Renovation 2	2 Months		Total Down Mont	ns		Yr 1 Escalation from TTM	Income	3.00%		Operating Exp. Int	flation		3.00%	
Marketing 1	Months		3 Months				Expense	1.00%						
						Year 1 Year 2 Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
	ACQUISITION	AND FINANCIN	NG			Occupancy 63.8% 66.8% 68	.8% 70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	75.0%
Acquisition Timing			Date			Unescalated Future ADR (Pro-forma			70.070	70.070	70.070	70.070	70.070	751070
Date of Purchase			12/31/2012				200 \$215	\$215	\$215	\$225	\$225	\$225	\$225	\$225
Acquisition Price		Going-In Cap Rate	11.47%	Per Key		Departmental Expenses % Room Sale 45.0% 45.0% 45	.0% 45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%
TTM Net Operating Income	\$8,601,500	Purchase Price	\$75,000,000	\$166,667		Renovation Cost/Unit								
Closing Costs *	1.00% D	urch. Price	\$1,000,000 \$750,000			\$3,000 \$3,090 \$3	,183 \$3,278	\$3,377	\$3,478	\$3,582	\$3,690	\$3,800	\$3,914	\$4,032
Acquisition Fee Broker Fee		urch. Price	\$750,000					TTM		% Total Sales		Pro-Form	a Year 4	Change
Recording Fees/Misc.	2.80% P	urch. Price	\$2,100,000			Rooms		\$23,018,000		56%			\$25,937,114	
Transfer Tax Renovation Cost	3.50% P	urch. Price	\$2,625,000 (\$21,000)			Food & Beverage Rev. Telecommunications		\$13,241,000 \$94,000		32% 0%			\$15,532,536 \$110,268	
Total Acquisition Cost			\$81,454,000			Minor Operating Depts.		\$408,000		1%			\$478,610	
-						Parking		\$3,110,000		8%			\$3,648,228	
Loan Fee Total Leveraged Uses	0.50% o	f Loan Amt.	\$244,362 \$81,698,362	\$181,552		Office NOI, Net Retail NOI, Net		\$405,000 \$845,000		1% 2%			\$475,091 \$991,239	
* Incl. Settlement, Feasibility, and Le	egal		ψ01,070,302	ψ101,33 <u>2</u>		Rentals & Other Income		\$243,000 \$243,000		1%			\$285,054	
						TOTAL SALES		\$41,364,000		100%			\$47,458,140	15%
Acquisition Loan (Senior Deb Loan Funding Date	12/31/2012					COST OF SALES & LABOR				% Room Sales				
Loan Principal Amount	\$48,872,400		% Total Cost	60% LTC		Rooms		\$6,568,000		29%			\$7,412,595	
Annual Interest Rate Monthly Payment	6.00% (\$293,015)		% Total Debt Loan Term	100.00% 30 Years		Food & Beverage Telecommunications		\$10,404,000 \$355,000		45% 2%			\$11,741,875 \$400,650	
Broker Fee	0.50%		ortization Period	30 Years		Parking		\$769,000		3%			\$867,888	
Loan Fee	1.00%	I/O Pe	riod (# of Years)	0 Years		Minor Operating Depts. Rentals & Other Income		\$559,000 \$12,000		2% 0%			\$630,883 \$13,543	
						TOTAL SALES COST	s	\$18,667,000		81%			\$21,067,434	13%
Acquisition Total Debt		% of Total Cost* 60%	Per Key \$108,605	Total \$48,872,400		VARIABLE EXPENSES - SG&A				% Total Sales				
Equity Required		40%	\$72,947	\$32,825,962		Adminstative & General		\$3,494,000		8%			\$0	
77 . 1 4 . 1 . 2 . 6			0404 550	001 (00 3/3		Sales & Marketing		\$2,660,000		6%			\$3,943,302	
Total Acquisition Sources of F *This value excludes the cost of loan for			\$181,552	\$81,698,362		Management Fee Franchise Application Fee		\$1,120,000 \$500,000		3% 1%			\$1,264,023 \$564,296	
						Royalty Fees		\$0		0%			\$0	
F/	OHTV DARTNI	ERSHIP STRUCT	TIDE			Property Repairs & Maintenance Energy		\$1,790,000 \$1,458,000		4% 4%			\$2,020,180 \$1,645,488	
Equity Structure	% Equity		Op. Deficits	Total	% Acq. Cost	TOTAL SG&A		\$11,022,000		27%			\$9,437,290	-14%
Sponsor Equity	10%	\$3,282,596	\$0	\$3,282,596	4.03%	FIXED EXPENSES				Cost/Room				
Investor Equity	90% 100.00%	\$29,543,366 \$32,825,962	\$0 \$0	\$29,543,366 \$32,825,962	36.27% 40.30%	Ground Lease Property Taxes		\$0 \$1,043,000		\$0 \$2,318			\$0 \$1,177,122	
				,- ,,-		Insurance		\$375,000		\$833			\$423,222	
		DAN (REFINANC				Reserve - CapEx		<u>\$1,655,500</u>		\$3,679			\$1,868,385	
	Amount Taken: i. (Beg. of Year)	Remaining Princi Month 65	pal Balance on E	xisting Loans		NOI TOTAL FIXED		\$3,073,500 \$8,601,500		\$6,830			\$3,468,729 \$13,484,687	
	of Refinancing	05/31/2018				NOI		\$6,001,500					\$13, 4 04,007	27 70
Annual NOI at Point		\$12,301,824						DISPOSITI	ION			D 11		
Loan Term / Amoi	Loan Amount * ertization Period	\$45,146,474 30 Years	/ 30 Years				Anr	nual NOI 12 mos	s. after sale	\$17,254,70	66 S	Per Key 38,344		
,	Interest Rate	7.75%	,			Sale Date Month 12		12/31/2022		¥ - · · , _ · · · · · · · · · · · · · · · · · ·		,		
	onthly Payment	(\$323,435) 0.50%				Terminal Cap Rate 9.00%				\$191,719,6	10 6	124 044		
LOan/ Broke	er Fees/Closing LTV	29%				Sale Price Selling Costs 2.00%				(\$3,834,39		126,044		
Interest Only Period		0 Years				Net Sale Proceeds				\$187,885,2				
	Loan Fee Broker Fee	3.00% 1.00%				Less Outstanding Perm. Loan Principal Net Sales Proceeds After Debt Repayme	nt			(\$43,050,3 \$144,834,8		321,855		
						Net Sales Froceeds After Debt Repayme	iit			9177,007,0	500 g.	21,033		
* The Lesser of the Two Maximum I	Loan Proceeds Amou	ents												
				242.4		Future RevPAR		** *		** -	** -	** -		
Permanent Loan Test				\$12,301,824		Year 1 Year 2 Year 3 \$128 \$139 \$	Year 4 149 \$169	Year 5 \$176	Year 6 \$183	Year 7 \$199	Year 8 \$207	Year 9 \$216	Year 10 \$224	
Annual NOI at Point of Refinan				8.00%		7.00	4	4	4.00	W		0		
Annual NOI at Point of Refinan Capitalization Rate at Point of Ro Gross Valuation at Point of Refi	lefinancing		\$153,772,797	8.00%										
Annual NOI at Point of Refinan Capitalization Rate at Point of Ro Gross Valuation at Point of Refi Maximum LTV	lefinancing	200.052.242	\$153,772,797	8.00% 65%		Entered ADB (Vol. 12. 1. 12.								
Annual NOI at Point of Refinan Capitalization Rate at Point of Ro Gross Valuation at Point of Refi	lefinancing	\$99,952,318	\$153,772,797			Future ADR (Values Escalated) Year 1 Year 2 Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Annual NOI at Point of Refinan Capitalization Rate at Point of Re Gross Valuation at Point of Refi Maximum LTV Maximum Loan Proceeds Annual NOI at Point of Refinan	definancing inancing	\$99,952,318	\$153,772,797	65% \$12,301,824		Year 1 Year 2 Year 3	Year 4 216 \$242	Year 5 \$252	Year 6 \$262	Year 7 \$285	Year 8 \$296	Year 9 \$308	Year 10 \$320	
Annual NOI at Point of Refinan Capitalization Rate at Point of R. Gross Valuation at Point of Refi Maximum LTV Maximum Loan Proceeds	definancing inancing encing	\$99,952,318	\$153,772,797	65%		Year 1 Year 2 Year 3								

RevPAR: Revenue Per Available Room ADR: Average Daily Rate

Definitions
POR: Per Occupied Room
PAR: Per Available Room

Capital Structure For Acquisition, Operation, And Renovation, if any

(Bar heights are not to scale.)

		Acq	uisition			Operation	Total Equity
	Acquisition Debt	Acquisition Equity Amount **	% Equity	Total Acquisition Costs	% Total Acquisition Costs	Deficits, pro-rata	
Sponsor/Owner Equity		\$3,282,596	10.00%		4.02%	\$ O	\$3,282,596
Third Party Investor Equity		\$29,543,366	90.00%		36.16%	\$ O	\$29,543,366
Acquisition Loan *	\$48,872,400				59.82%		
Total	\$48,872,400	\$32,825,962		\$81,698,362	100%	\$0	\$32,825,962

^{*} The Loan total is calculated off of all uses of funds excluding the Loan Fee, which is funded by Equity.

^{**} Equity amounts in this column do not include the pro-rata portion of any Deficits to be funded by the Equity investors. See Column N for adjusted totals.

Partnership Structure

Total Required Equity (Purch	ase + Operation)	\$32,825,962
Sponsor/Owner Equity	10.00%	\$3,282,596
Third Party Investor	90.00%	\$29,543,366
	100.00%	\$32,825,962

Profit Sharing Waterfall Hur	dles and Promote Structure	Preferred Return	Residual Split		
				8.00%	
Partnership Structure	% Total Equity				
Sponsor/Owner Equity	10.00%	Profit>>	Sponsor/Owner Equity	10.00%	50.00%
Third Party Investor	90.00%	Sharing>>	Sponsor/Owner Promote	0.00%	
Total	100.00%	Splits>>	Investor Equity	90.00%	50.00%
			_	100.00%	100.00%

Annual Operating Cash Flow Projection

		Trailing	TTM	7		Acquisition											
		Twelve Months	Ratio			Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
		Actuals	Analysis				1/1/2013	1/2/2014	1/3/2015	1/4/2016	1/5/2017	1/6/2018	1/7/2019	1/8/2020	1/9/2021	1/10/2022	1/11/2023
			,				1/1/2014	1/2/2015	1/3/2016	1/4/2017	1/5/2018	1/6/2019	1/7/2020	1/8/2021	1/9/2022	1/10/2023	1/11/2024
							, ,	, - ,	, -,	, ,,	, -,	, .,	, . ,	, -, -	, , , , , , , , , , , , , , , , , , , ,	, .,	, , ,
Rooms		450					450	450	450	450	450	450	450	450	450	450	450
Occupancy		63.80%					63.80%	66.80%	68.80%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	75.00%
Room Nights Sold		105,072					104,792	109,719	113,004	114,975	114,975	114,975	114,975	114,975	114,975	114,975	123,188
ADR - Nominal Growth	4.00%	\$225					\$200	\$208	\$216	\$242	\$252	\$262	\$285	\$296	\$308	\$320	\$333
RevPAR		\$140					\$128	\$139	\$149	\$169	\$176	\$183	\$199	\$207	\$216	\$224	\$250
Income Inflation	4.00%					Renovation Factor	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Expense Inflation	3.00%																
SALES				Data Series Profile	Total	Dept. Expenses % Room Sales	45%	45%	45%	45%	45%	45%	45%	45%	45%	45%	45%
Rooms	\$140.14	\$23,018,000			\$306,635,080		\$20,877,274	\$22,821,552	\$24,445,025	\$25,937,114	\$26,900,898	\$27,976,933	\$29,096,011	\$30,342,755	\$31,470,245	\$32,729,055	\$34,038,217
Food & Beverage		\$13,241,000	57.52%		\$185,807,776		\$13,770,640	\$14,321,466	\$14,894,324	\$15,532,536	\$16,109,701	\$16,754,089	\$17,424,253	\$18,170,870	\$18,846,072	\$19,599,915	\$20,383,911
Telecommunications		\$94,000	0.41%		\$1,319,079		\$97,760	\$101,670	\$105,737	\$110,268	\$114,365	\$118,940	\$123,698	\$128,998	\$133,791	\$139,143	\$144,709
Minor Operating Departments		\$408,000	1.77%		\$5,725,366		\$424,320	\$441,293	\$458,945	\$478,610	\$496,394	\$516,250	\$536,900	\$559,906	\$580,711	\$603,940	\$628,097
Parking		\$3,110,000	13.51%		\$43,641,884		\$3,234,400	\$3,363,776	\$3,498,327	\$3,648,228	\$3,783,791	\$3,935,142	\$4,092,548	\$4,267,911	\$4,426,500	\$4,603,560	\$4,787,702
Office Component NOI, Net		\$405,000	1.76%		\$5,683,268		\$421,200	\$438,048	\$455,570	\$475,091	\$492,744	\$512,454	\$532,952	\$555,789	\$576,441	\$599,499	\$623,479
Retail Component NOI, Net		\$845,000	3.67%		\$11,857,682		\$878,800	\$913,952	\$950,510	\$991,239	\$1,028,072	\$1,069,195	\$1,111,962	\$1,159,609	\$1,202,698	\$1,250,806	\$1,300,839
Rentals & Other Income		\$243,000	1.06%		\$3,409,961		\$252,720	\$262,829	\$273,342	\$285,054	\$295,647	\$307,473	\$319,771	\$333,473	\$345,865	\$359,699	\$374,087
TOTAL SALES		\$41,364,000			\$564,080,096		39,957,114	42,664,586	45,081,780	47,458,140	49,221,612	51,190,476	53,238,095	55,519,311	57,582,324	59,885,617	62,281,041
COST OF SALES & LABOR																	
Rooms		\$6,568,000	28.53%		\$86,688,298		\$6,765,040	\$6,967,991	\$7,177,031	\$7,412,595	\$7,614,112	\$7,842,535	\$8,077,812	\$8,342,941	\$8,569,750	\$8,826,843	\$9,091,648
Food & Beverage		\$10,404,000	78.57%		\$137,318,065		\$10,716,120	\$11,037,604	\$11,368,732	\$11,741,875	\$12,061,087	\$12,422,920	\$12,795,608	\$13,215,584	\$13,574,860	\$13,982,106	\$14,401,569
Telecommunications		\$355,000	377.66%		\$4,685,497		\$365,650	\$376,620	\$387,918	\$400,650	\$411,542	\$423,889	\$436,605	\$450,935	\$463,194	\$477,090	\$491,403
Parking		\$769,000	24.73%		\$10,149,711		\$792,070	\$815,832	\$840,307	\$867,888	\$891,482	\$918,226	\$945,773	\$976,815	\$1,003,371	\$1,033,472	\$1,064,476
Minor Operating Departments		\$559,000	138.02%		\$7,378,008		\$575,770	\$593,043	\$610,834	\$630,883	\$648,034	\$667,475	\$687,499	\$710,065	\$729,368	\$751,249	\$773,787
Rentals & Other Income		\$12,000	0.00%		\$158,383		\$12,360	\$12,731	\$13,113	\$13,543	\$13,911	\$14,329	\$14,758	\$15,243	\$15,657	\$16,127	\$16,611
TOTAL COSTS OF SALES		\$18,667,000	0.0070				19,227,010	19,803,820	20,397,935	21,067,434	21,640,169	22,289,374	22,958,055	23,711,583	24,356,201	25,086,887	25,839,494
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VARIABLE EXPENSES - SG&A																	
Adminstative & General		\$3,494,000	8.45%		\$46,115,852		\$3,598,820	\$3,706,785	\$3,817,988	\$3,943,302	\$4,050,504	\$4,172,019	\$4,297,179	\$4,438,221	\$4,558,878	\$4,695,644	\$4,836,513
Sales & Marketing		\$2,660,000	6.43%		\$35,108,233		\$2,739,800	\$2,821,994	\$2,906,654	\$3,002,056	\$3,083,669	\$3,176,179	\$3,271,464	\$3,378,840	\$3,470,697	\$3,574,818	\$3,682,062
Management Fee (Market Rate)		\$1,120,000	2.71%		\$14,782,414		\$1,153,600	\$1,188,208	\$1,223,854	\$1,264,023	\$1,298,387	\$1,337,339	\$1,377,459	\$1,422,670	\$1,461,346	\$1,505,186	\$1,550,342
Franchise Application Fee		\$500,000	1.21%		\$6,599,292		\$515,000	\$530,450	\$546,364	\$564,296	\$579,637	\$597,026	\$614,937	\$635,120	\$652,387	\$671,958	\$692,117
Royalty Fees		\$0	0.00%	5	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property Repairs & Maintenance		\$1,790,000	4.33%		\$23,625,465		\$1,843,700	\$1,899,011	\$1,955,981	\$2,020,180	\$2,075,101	\$2,137,354	\$2,201,474	\$2,273,731	\$2,335,544	\$2,405,610	\$2,477,779
Energy		\$1,458,000	3.52%		\$19,243,535		\$1,501,740	\$1,546,792	\$1,593,196	\$1,645,488	\$1,690,222	\$1,740,928	\$1,793,156	\$1,852,011	\$1,902,359	\$1,959,430	\$2,018,213
TOTAL SG&A EXPENSES		\$11,022,000			\$145,474,790		11,352,660	11,693,240	12,044,037	12,439,345	12,777,519	13,160,844	13,555,670	14,000,593	14,381,210	14,812,646	15,257,026
FIXED EXPENSES																	
Ground Lease		\$0	0.00%	0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property Taxes		\$1,043,000	2.52%		\$13,766,123		\$1,074,290	\$1,106,519	\$1,139,714	\$1,177,122	\$1,209,123	\$1,245,397	\$1,282,758	\$1,324,861	\$1,360,878	\$1,401,705	\$1,443,756
Insurance		\$375,000	0.91%		\$4,949,469		\$386,250	\$397,838	\$409,773	\$423,222	\$434,728	\$447,770	\$461,203	\$476,340	\$489,290	\$503,969	\$519,088
Reserve - Capital Replacements		\$1,655,500	4.00%		\$21,850,255		\$1,705,165	\$1,756,320	\$1,809,010	\$1,868,385	\$1,919,178	\$1,976,754	\$2,036,056	\$2,102,883	\$2,160,052	\$2,224,854	\$2,291,599
TOTAL FIXED EXPENSES		\$3,073,500			\$40,565,847		3,165,705	3,260,676	3,358,496	3,468,729	3,563,029	3,669,920	3,780,017	3,904,085	4,010,220	4,130,527	4,254,443

NET OPERATING INCOME		\$8,601,500		\$131,661,496	Year 0	Year 1 6,211,739	Year 2 7,906,849	Year 3 9,281,312	Year 4 10,482,632	Year 5 11,240,895	Year 6 12,070,338	Year 7 12,944,353	Year 8 13,903,051	Year 9 14,834,692	Year 10 15,855,556	Year 11 16,930,079
Yield On Cost						7.60%	9.68%	11.36%	12.83%	13.76%	14.77%	15.84%	17.02%	18.16%	19.41%	20.72%
Renovation Costs (enter negative values in cells in	between "Renovat	ion" label)		(\$21,000)		(\$21,000)	\$0	\$0	\$0	\$ 0	\$0	\$ 0	\$0	\$0	\$0	\$0
OPERATING CASH FLOW				\$131,640,496		\$6,190,739	\$7,906,849	\$9,281,312	\$10,482,632	\$11,240,895	\$12,070,338	\$12,944,353	\$13,903,051	\$14,834,692	\$15,855,556	\$16,930,079
Acquisition/Disposition																
Acquisition Cost				(\$81,698,362)	(\$81,698,362)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property Sale Capitalized Value (Gross)				\$191,719,619	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$191,719,619	\$0
Less Selling Costs	2.00%			(\$3,834,392)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,834,392)	\$0
Debt Service - Acquisition Loan				(\$18,875,032)	\$0	(\$3,516,177)	(\$3,516,177)	(\$3,516,177)	(\$3,516,177)	(\$3,516,177)	(\$1,294,148)	\$0	\$0	\$0	\$0	\$0
Debt Service - Permanent Loan				(\$17,977,588)	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,452,714)	(\$3,881,218)	(\$3,881,218)	(\$3,881,218)	(\$3,881,218)	\$0
Less Pre-payment/Defeasance Fees				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less Loan Origination Costs	0.50%			(\$225,732)	\$0	\$0	\$0	\$0	\$0	\$0	(\$225,732)	\$0	\$0	\$0	\$0	\$0
Cash Flow After Debt Service				\$200,749,010	(\$81,698,362)	\$2,674,562	\$4,390,673	\$5,765,135	\$6,966,455	\$7,724,718	\$8,097,743	\$9,063,135	\$10,021,833	\$10,953,474	\$199,859,565	\$16,930,079
Operating Deficits				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Financing Cash Flows		Total														
Acquisition Loan Proceeds		48,872,400		\$48,872,400	\$48,872,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Acquisition Loan Fees	1.00%	488,724	_	\$488,724	\$488,724	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Acquisition Loan Broker Fees	0.50%	244,362	•	\$244,362	\$244,362	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Acquisition Loan Repayment Permanent Loan Proceeds		(45,146,474) 45,146,474		(\$45,146,474) \$45,146,474	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	(\$45,146,474) \$45,146,474	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
Permanent Loan Froceeds Permanent Loan Fees	3.00%	1,354,394		\$1,354,394	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$1,354,394	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
Permanent Loan Broker Fees	1.00%	451,465		\$451,465	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0	\$0	\$451,465	\$0 \$0	\$0 \$0	\$ 0	\$0	\$0
Permanent Loan Repayment	1.0070	(39,397,702)	_	(\$39,397,702)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$39,397,702)	\$0
Sponsor Equity Draw	10%	(3,282,596)		(\$3,282,596)	(\$3,282,596)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sponsor Deficit Draw		0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investor Equity Draw	90%	(29,543,366)		(\$29,543,366)	(\$29,543,366)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investor Deficit Draw		0		\$0	\$0	\$0	\$0	\$0	\$0	\$ 0	\$0	\$0	\$0	\$0	\$0	\$0
LEVERAGED DEAL SUMMARY																
Levered Before-Tax Cash Flow				\$193,293,629	(\$32,825,962)	\$2,674,562	\$4,390,673	\$5,765,135	\$6,966,455	\$7,724,718	\$8,097,743	\$9,063,135	\$10,021,833	\$10,953,474	\$160,461,863	\$0
Leveraged Cash on Cash Return Debt Service Coverage Ratio (DSCR)						8.15% 1.77	13.38% 2.25	17.56% 2.64	21.22% 2.98	23.53% 3.20	24.67% 3.22	27.61% 3.34	30.53% 3.58	33.37% 3.82	488.83% 4.09	0.00% 0.00
Yield On Cost						1.//	2.23	2.04	2.98	3.20	3.22	3.34	3.30	3.62	4.09	0.00
Levered IRR	27.51%															
Net Cash Flow \$193,29																
NPV at 8% \$83,9	79,237															
UNLEVERAGED DEAL SUMMARY				\$237,827,361	(\$81,698,362)	\$6,190,739	\$7,906,849	\$9,281,312	\$10,482,632	\$11,240,895	\$12,070,338	\$12,944,353	\$13,903,051	\$14,834,692	\$203,740,783	\$16,930,079
						Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Total Revenues				\$564,080,096		\$39,957,114	\$42,664,586	\$45,081,780	\$47,458,140	\$49,221,612	\$51,190,476	\$53,238,095	\$55,519,311	\$57,582,324	\$59,885,617	\$62,281,041
Total Operating Expenses						\$33,745,375	\$34,757,736	\$35,800,468	\$36,975,508	\$37,980,717	\$39,120,138	\$40,293,743	\$41,616,260	\$42,747,631	\$44,030,060	\$45,350,962
Net Operating Income				, - , ,		\$6,211,739	\$7,906,849	\$9,281,312	\$10,482,632	\$11,240,895	\$12,070,338	\$12,944,353	\$13,903,051	\$14,834,692	\$15,855,556	\$16,930,079
Net Sales Proceeds				\$187,885,227		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$187,885,227	\$0
Unlevered Net Cash Flow Unleveraged Cash on Cash Return					(\$81,698,362)	\$6,211,739 8%	\$7,906,849 10%	\$9,281,312 11%	\$10,482,632 13%	\$11,240,895 14%	\$12,070,338 15%	\$12,944,353 16%	\$13,903,051 17%	\$14,834,692 18%	\$14,508,920 18%	\$1,437,897 2%

Unlevered IRR Net Cash Flow 5.81% \$31,686,418

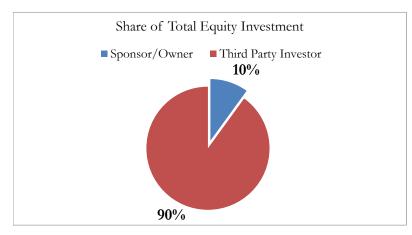
Joint Venture Return Detail

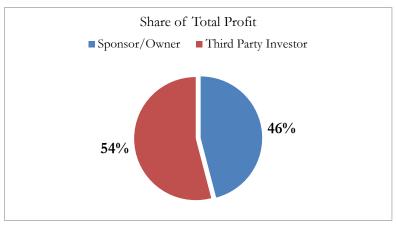
	Owner	Investor	
Equity Investment	\$3,282,596	\$29,543,366	\$32,825,962
Share of Equity Investment	10.00%	90.00%	100.00%
Gross Return	\$95,113,883	\$131,005,708	\$226,119,591
Net Profit (Return on Equity)	\$91,831,287	\$101,462,342	\$193,293,629
Multiple on Equity	28.98x	4.43x	6.89x
Internal Rate of Return	47.51%	23.64%	28.92%
Time from Equity Investment to Final	120.00	120.00	120.00
Return (months)			

Profit Sharing Summary						
Tier	Sponsor/	Sponsor/	Third Party	Third Party	Total Cashflow	
	Owner	Owner Share	Investor	Investor Share		
	Cashflow		Cashflow			
Return of Capital and Pref. Return	\$4,486,478	10%	\$40,378,302	90%	\$44,864,780	
Tier 1	\$90,627,405	50%	\$90,627,405	50%	\$181,254,810	
Total	\$95,113,883	42%	\$131,005,708	58%	\$226,119,591	
Less Equity Investment	(\$3,282,596)	10%	(\$29,543,366)	90%	(\$32,825,962)	
Net Profit (Return on Equity)	\$91,831,287	48%	\$101,462,342	52%	\$193,293,629	

Sponsor/

Profit Sharing Structure												
	IRR Hur	dle Ranges		Sponsor/ Owner Promote	Sponsor Equity Pro- Rata Share		Total (must be 100%)					
Preferred Return From Residual Split	0%	through Above	8% 8%	0% 40%	10% 10%	90% 50%	100% 60%					





Total Project

Third Party

