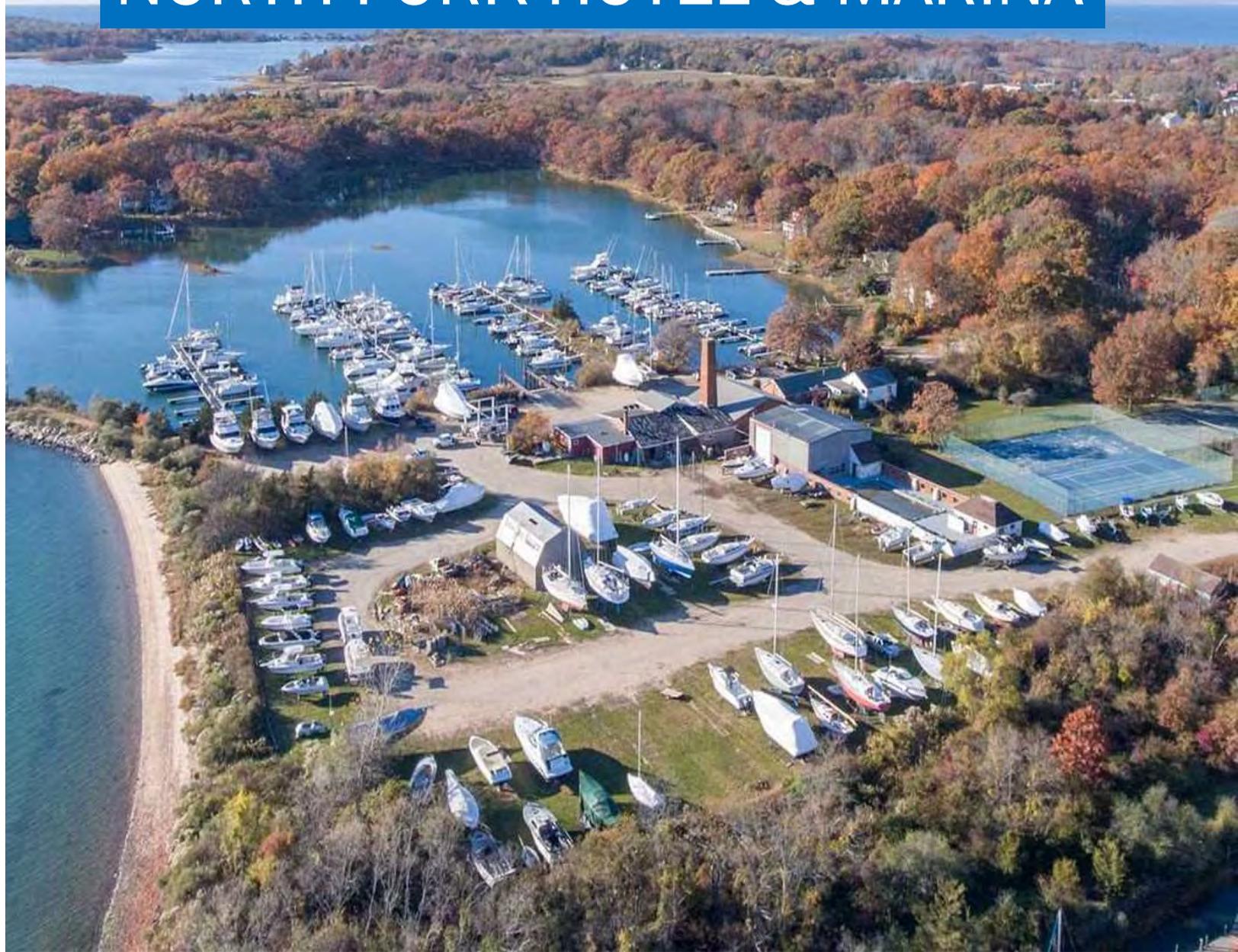


NORTH FORK HOTEL & MARINA



Prepared By: Mac Means

Table of Contents

Executive Summary

Development Concept

Program, Design & Architectural Synopsis

Zoning & Entitlements

Market Analysis

Financial Analysis & Capital Structure

Project Delivery Schedule & Exit Strategy

Marketing Strategy

Risks & Mitigants

Appendix

Executive Summary

Washington Street Capital is pleased to present the following investment opportunity in a hotel and marina redevelopment located at 1670 Sage Boulevard, Southold, NY 11944. We are proposing an upscale 40-key boutique hotel coupled with an existing marina containing 118 boat slips. The use mostly conforms to local zoning laws but will require some special approvals.

The 12.49-acre site (8.29 upland, 4.20 under water) is well-positioned to capitalize on the increase in popularity of the Nork Fork, the positive local demand drivers and the lack of comparable product in the immediate area. The in-place revenue from the existing marina will mitigate the project's risk by diversifying its income stream and providing cash flow on day one.

Washington Street Capital is under contract to purchase the site for \$7,999,200 including closing costs and has underwritten a total development budget of \$16,253,389. The project will initially be funded with an acquisition loan of \$4,533,651 and will be refinanced with a construction loan of \$10,564,703, which will repay the acquisition loan and fund future soft costs, hard costs and financing costs (including interest reserves). Our underwriting assumes that we will deliver the completed hotel in July 2022, we will refinance the construction loan upon stabilization at month-end June 2023, and we will sell the Property in June 2026.

Washington Street Capital is seeking an LP equity investment of \$5,119,818 in exchange for a 90% share in the Partnership.

Sources			
	\$	\$/Buildable SF	%
Acquisition Loan	\$4,533,651	\$191.1	27.9%
Construction Loan	\$6,031,052	\$254.2	37.1%
Sponsor Equity	\$568,869	\$24.0	3.5%
LP Equity	\$5,119,818	\$215.8	31.5%
Total	\$16,253,389	\$685.1	100.0%

Uses			
	\$	\$/Buildable SF	%
Land Acquisition	\$7,999,200	\$337.2	49.2%
Construction Hard Costs	\$5,694,000	\$240.0	35.0%
Soft Costs	\$1,138,800	\$48.0	7.0%
Financing Costs	\$301,967	\$12.7	1.9%
Interest Reserves	\$1,119,422	\$47.2	6.9%
Total	\$16,253,389	\$685.1	100.0%

Returns Summary			
	IRR	Multiple	Profit
Project Level			
Unlevered	12.09%	1.73x	\$10,470,079
Levered	19.22%	2.12x	\$6,004,249
LP Equity	17.82%	2.03x	\$4,803,974

Investment Highlights

Unmatched Waterfront Location

The Property's unique waterfront location provides an ideal site for a hotel. Visitors will be drawn to the Property's beautiful views and easy access to the beach and water-related activities.

Existing In-Place Revenue

The day-one revenue from the Marina will mitigate the overall risk of the project and provide steady cash flow prior to the delivery of the hotel.

Local Demand Drivers

The Property will capitalize on its proximity to Shelter Island and the Hamptons, its partnership with the Peconic Bay Yacht club to accommodate wedding guests, and the increase in popularity of the area as a whole driven by its many vineyards and beautiful scenery.

Differentiated Product

The existing comp set in Greenport is comprised of lower scale/limited-service motels and hotels. Our hotel will provide visitors with a superior experience to the comp set while still being priced below the semi upscale lodging options on Shelter Island.

Attractive Risk-Adjusted Returns

The proposed development provides attractive risk-adjusted returns. Expected deal-level returns are 19.22% at 65% leverage. The return to LP investors is expected to be 17.82% with a 2.03x multiple on invested capital.



Overarching Development Concept

“In recent years, the North Fork has experienced steadily rising home prices, as more buyers have been drawn to the bucolic setting and its relative value compared with its neighbor to the south, the Hamptons. That interest has also put more traffic on the roads, as day-trippers from the South Fork or farther west on Long Island come to visit the area’s many wineries and farm stands.” - “The Ever-Evolving North Fork”, Julie Satow, The New York Times

Opportunity to Capitalize on the Increase in Popularity of the North Fork

This trend is something that’s regularly talked about amongst people from Long Island, and it was recently covered in an article from the New York Times titled “The Ever-Evolving North Fork”. There are a few factors driving the North Fork’s increase in tourism. For one, the area is known for its beautiful wineries and picturesque scenery. While some people are drawn to the area due to its laid-back feel in comparison to the Hamptons, others are coming because they’ve been priced out of the South Fork. Previously seasonal retailers in Southold have started staying open year-round to capitalize on the increase in demand. All of these factors contribute to the viability of a new, waterfront boutique hotel in Southold from a macro perspective.



(Pictured: Sparkling Pointe Vineyards and Winery - Southold, NY)

Target Unmet Demand in the Area

From a micro perspective, there are a number of reasons, apart from the growing popularity of the area, that this particular hotel will meet unmet demand. There are few traditional hotels in the immediate area with whom we would compete. The Soundview, Drossos Motel, the Harborfront Inn and the Greenporter are the main competing hotels in the surrounding vicinity. These hotels are relatively simple and don't necessarily appeal to tourists looking for a more upscale experience. On the flip side, the site is a short ferry ride away from Shelter Island, another popular tourist destination connecting the North Fork to the South Fork. The more upscale hotel options on Shelter Island, such as Sunset Beach and The Pridwin, are priced more in line with The Hamptons. I strongly believe there is demand for an upscale boutique hotel on the North Fork that would be priced at a discount to the options on Shelter Island. The Peconic Bay Yacht club, which is less than one mile from our site, is an extremely popular wedding destination in the warmer months. The yacht club doesn't have rooms on site for the wedding guests forcing them to find accommodations elsewhere. I would propose exploring a partnership with the Yacht Club whereby we could be the direct beneficiaries of their wedding demand.



(Pictured: Peconic Bay Yacht Club - Southold, NY)

Existing Revenue

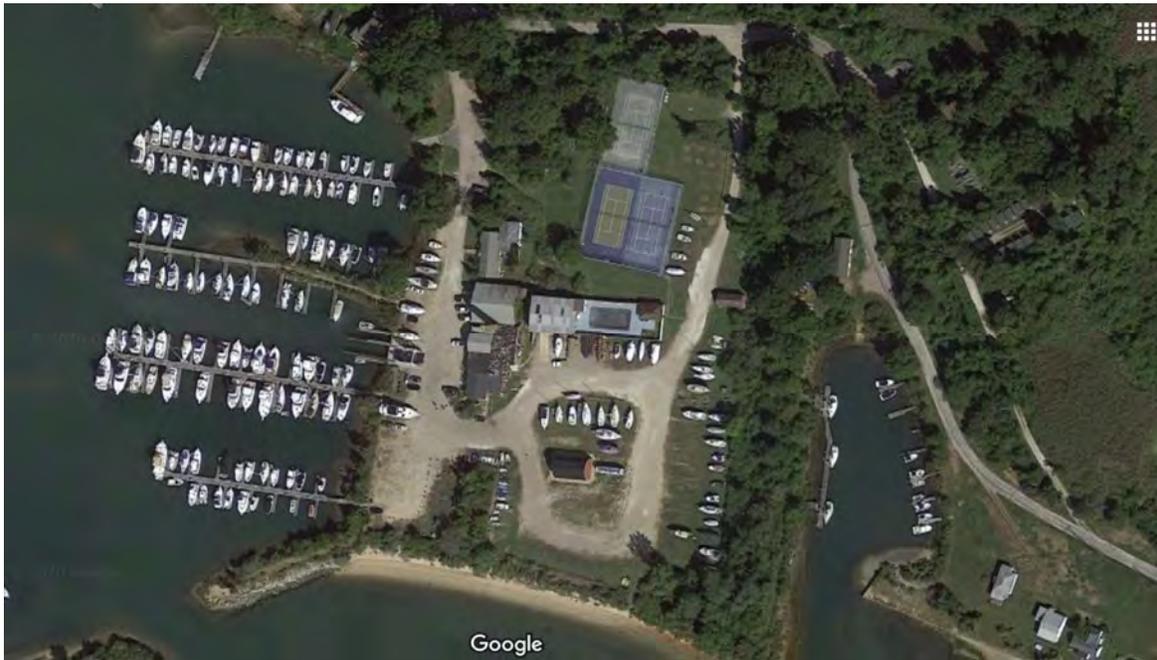
The Property has a unique component to it that significantly mitigates its risk. The fact that the site comes with an existing cash flowing marina makes it an extremely compelling development site. The site can generate \$1.5mm per year in revenue without much additional capital expenditure. This steady cash flow stream is independent from the hotel and offers investors value creation from two distinct businesses with minimal correlation.



(Existing Marina at the Property)

Program, Design & Architectural Synopsis

Site Program



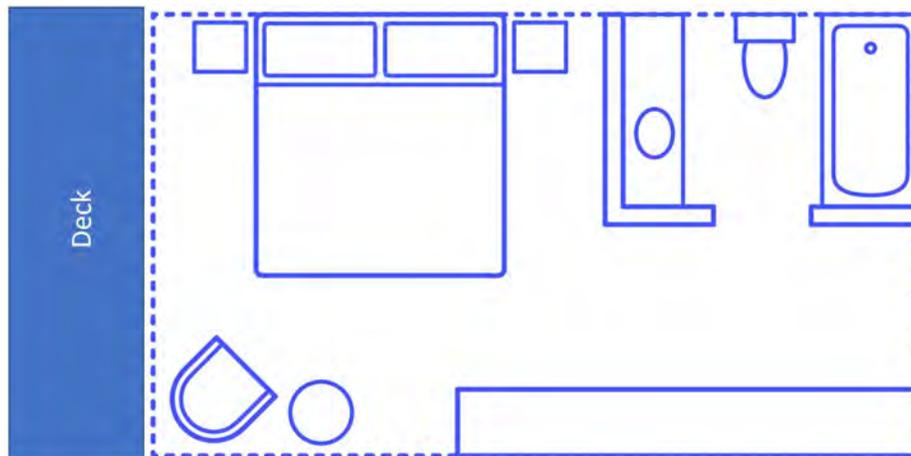
(Before)



(After)

We have strategically designed the site to facilitate the mutual exclusivity of the Marina and Hotel. As shown on the site plan above, the Marina and Hotel each have their own entrances and roads.

The building that will house the guest units will be rectangular in shape and two stories high. There will be downstairs and upstairs units and all of them will have decks. The units on average will be 22.5' X 20' (450 SF) and there will be 20 units that face the water and 20 units that face the parking circle. We will build a pool on the water facing side of the building for our guests to use in the spring/summer months.



(Room Floor Plan - Source: Dimensions Guide)

There will be a 4,000 SF two-floor amenity space to the Northeast of the building housing the guest units. This space will include a spa as well as a fitness center for guest use. It can be accessed from the road as well as from the hotel room building directly via a walking path.



(Fitness Center Rendering - Source: Shutterstock)

The building to the west of the units is the lobby and restaurant building. This building will be one-story and approximately 3,000 SF in total. There will be a parking lot outside of the lobby for exclusive use by hotel and restaurant guests. This parking lot and additional shrubbery helps to fully separate the boat slip portion of the site from the hospitality section. In order to facilitate this separation, we decided to remove approximately 20 boat slips located at the very end of the original driveway. We intentionally decided not to have a direct access link between the lobby/restaurant and the rooms. Since the restaurant is open to the general public and will have space for events, we think separating the rooms from this building will be better for privacy and noise purposes.

The final building will be separated from the three hospitality related assets and will be located near the northern end of the property line. This building will be used as an office for the marina activities. This building will only be one story tall and approximately 30' by 30' or 900 SF in total. The larger parking lot located near this building will be accessible from the boat storage/marina entrance as well as the hotel entrance. This lot will be available to our boat storage/marina customers as well as our hotel guests.

It's also important to note that the buildings are being placed strategically on the site so as to be protected from potential flooding associated with waterfront property. As you can see on the below flood map, the buildings will be situated within the area of minimal flood hazard within the site.



(Pictured: FEMA Flood Map)

Design & Architectural Synopsis

From a building design perspective, we plan to use a lot of the same design elements from the Montauk Yacht Club, a hotel on a similar piece of beachfront property in nearby Montauk, NY. The exterior of the buildings will have a rustic feel with Cape Cod style wooden shutters on the outside.



(Pictured: Montauk Yacht Club - Montauk, NY)

The interior of the lobby and restaurant building will be nautically themed as shown in the rendering below.



(Lobby Rendering - Source: TRYP by Windham Fort Lauderdale)

The interior of the hotel rooms will be simple, modern and elegant as highlighted in the below rendering.



(Hotel Room Interior Rendering - Source: Shutterstock)

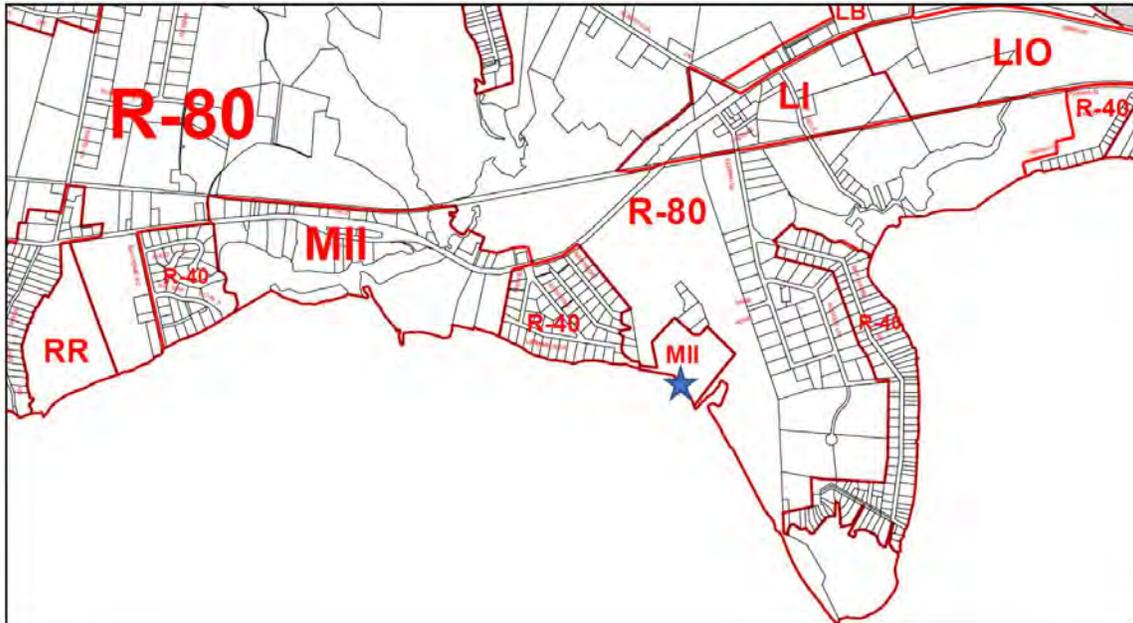
The interior of the boat storage facility will have a simple warehouse feel and design.



(Boat Storage Facility - Source: Shrock Repair)

Zoning & Entitlements

The current zoning for the Property is MII as shown in the below Southold zoning map.



“The purpose of the Marine II (MII) District is to provide a waterfront location for a wide range of water-dependent and water-related uses, which are those uses which require or benefit from direct access to or location in marine or tidal waters and which, in general, are located on major waterways, open bayfronts or the Long Island Sound.”

- Town of Southold Zoning Code

The strategy to maintain the existing marina, boat slip and boat storage uses should have no issue gaining approval because they are as of right. A restaurant and transient hotel can be permitted on the site via a special exception by the Board of Appeals. It is allowable to have one guest room per every 4,000 square feet of land due to the capacity of sewer and public water systems. Given that the site has 8.29 acres upland, the zoning would allow for a 90-key hotel. That being said, due to our understanding of the local political environment and potential pushback of a project, we anticipate that a 40-key hotel with a spa, fitness center, and public restaurant is a far more realistic project.

While we foresee some local resistance to the development, our plan is to emphasize how the hotel and restaurant will improve the local economy by bringing new jobs, spending and tax dollars to the neighborhood. We will solicit input from local officials regarding the building design and site layout, however we anticipate that our initial plans will be accepted.

Our project will not only benefit tourists but will also have utility for members of the local community. We anticipate that the majority of customers for the marina will be residents, and the new event space on the Property can host banquets, weddings and other local events that people in the community will be able to benefit from. If necessary, we can explore discounted access to the event space for locals. We have underwritten a pre-construction timeline of 12 months to obtain the necessary approvals and entitlements to commence construction.

Our site plan will comply with the below requirements set forth by the local zoning code.

M-II Marine II	
District	
Minimum requirement for business, office, industrial or other nonresidential use	
Lot size (square feet)	80,000
Lot width (feet)	150
Lot depth (feet)	150
Front yard (feet)	35
Side yard (feet)	25
Both side yards (feet)	50
Rear yard (feet)	25
Landscape area (percent)	20
Maximum permitted dimensions	
Lot Coverage (percent)	30
Building height (feet)	35
Number of stories	2

The final square footage breakdowns for the four new buildings will be as follows:

Use	Stories	Length	Width	Total Square Feet
Lobby & Restaurant Building	1	55'	55'	3,025
Guest Unit Building	2	225'	40'	9,000
Amenity Facility	2	30'	30'	900
Marina & Boat Storage Facility	1	30'	30'	900
				13,825

The 8.29 acres of upland space on the lot equates to approximately 360,000 SF of land. The maximum permitted lot coverage results in over 100,000 SF of lot coverage. Given the four buildings as well as the two parking lots, the site will be far less developed than the maximum permitted dimensions. None of the buildings will be taller than two stories or 35 feet in height ensuring compliance with the dimension requirements.

Market Analysis

In order to understand where we will be able to price our rooms and predict an exit value of the project, it is important to understand comps in the local market. We took a look at a few competing hotels in the area and were able to break down some important metrics. The three operating comps are shown below:



Room Number: 55
Class: Upper Upscale



Room Number: 67
Class: Upper Upscale



Room Number: 24
Class: Upper Upscale

We analyzed a four-year average trend of performance for these hotels based on an STR Trend report analysis. As expected, these hotels had extreme performance discrepancies based on the time of year. Occupancy rates varied from 20% in January to 85% in August while ADR varied from \$142.38 in January to \$449.62 in August. On average over the past four years, the occupancy rate was 49.9% and the ADR was \$315 for our competitive set. These metrics are shown graphically on the below charts.



From an operating perspective, we can use these comps to help us determine reasonable assumptions that can be used as inputs into our financial analysis. Based on the fact that our hotel will be new construction and it will contain amenities such as a fitness center, spa and restaurant, we are going to assume a slightly higher average ADR of \$310. We are also assuming a higher average occupancy of 60% due to our hotel being of higher quality than the comp set coupled with the increase in popularity of the North Fork in the offseason. These figures can be sensitized in the financial analysis to help us understand various potential outcomes.

Sales Comps



Name: Harborfront Inn
Sale Price: \$9,500,000
Number Units: 35
Price per unit: \$271,429
Location: Greenport, NY
Sale Date: November 2019



Name: Montauk Yacht Club
Sale Price: \$60,000,000
Number Units: 107
Price per unit: \$560,748
Location: Montauk, NY
Sale Date: May 2018



Name: Atlantic Terrace
Sale Price: \$32,150,000
Number Units: 96
Price per unit: \$334,896
Location: Montauk, NY
Sale Date: July 2018



Name: Gansett Green Manor

Sale Price: \$6,137,500

Number Units: 14

Price per unit: \$438,393

Location: Amagansett, NY

Sale Date: June 2019



Name: Jamesport Bay Suites

Sale Price: \$4,810,400

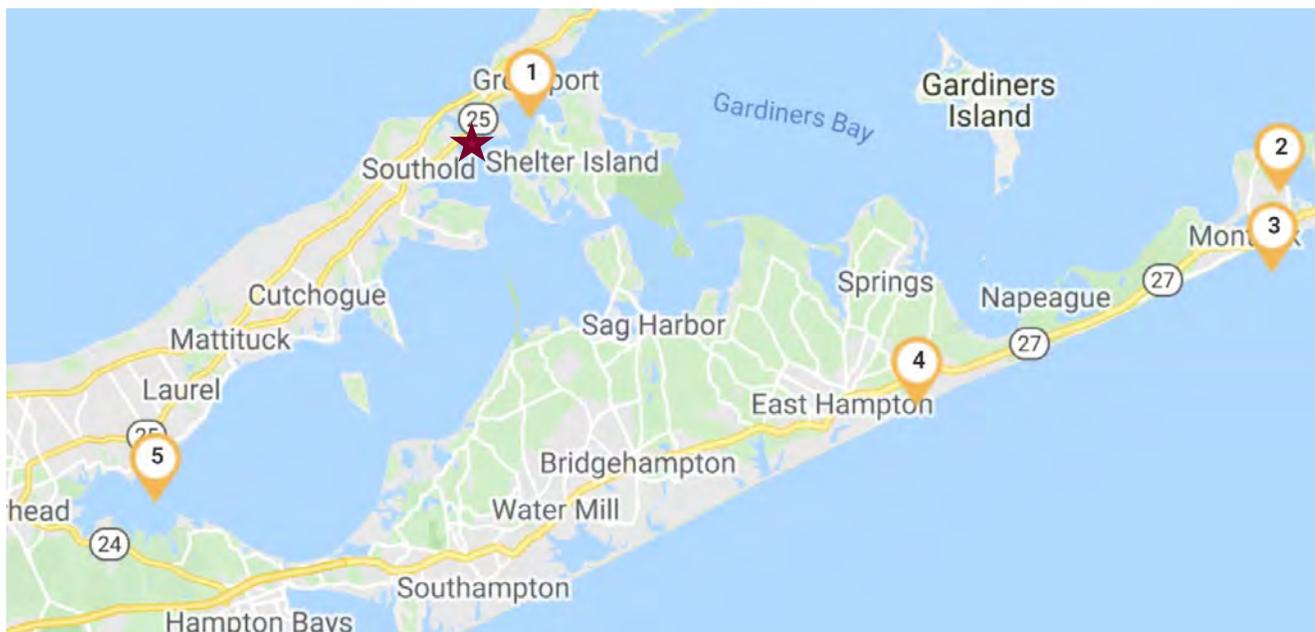
Number Units: 15

Price per unit: \$320,693

Location: Jamesport, NY

Sale Date: April 2018

Comps Map



Sales Comps Explanation & Methodology

We've identified five hotels in Eastern Long Island that recently sold. These assets are comparable to our site due to their size, proximity and likely customer bases. What we can gather from these sales is that there are clearly discrepancies on a per-key sale basis when it comes to location and quality. Unsurprisingly, the hotels in Montauk and Amagansett sold for higher per-key prices than the hotels in Greenport and Jamesport. This represents the relative attractiveness of the South Fork from a tourism perspective.

The closest comp on the basis of quality is the Gurney's Montauk Yacht Club as it is the only full-service hotel and resort of the comp set. Our sale price of ~\$402,000 per unit is significantly discounted to the Montauk Yacht Club largely due to location. Conversely, our valuation on a per unit basis is much higher than that of the Harborfront Inn, which is the property that is geographically closest to our site. It's important to note that this property sat on the market for 30 months before being sold at a bargain by a highly motivated seller. A recent article from the *Northforker* points out that the Kontokosta family "sold the property in an effort to focus on their nearby winery" (source: "Harborfront Inn in Greenport sold for \$9.5M to Sound View owners" - *Northforker*). The quality of our hotel and the associated amenities puts us in a different league than the Harborfront. One differentiator of our Property is the marina component, so for valuation purposes we bifurcated the hotel and the marina. The \$402,000 per unit is for the hotel only, and while this valuation is aggressive, the continuing increase in popularity of the North Fork puts us in position to achieve it.

We analyzed rates for pricing of boat storage in the summer months. While we will be removing approximately 20 slips as a part of our construction, we will still be able to collect revenue off of 118 slips in the warm weather months. The rates for boat storage vary depending on the location but based on the pricing from Village of Greenport website, we can expect around \$100 per slip per day on average. It is important to note that boat pricing varies based on the size of the boats as well as the day of the week and month of the year. If we assume that we can store boats outside for 5 months per year at 10% vacancy, we should be able to collect revenue of around \$1.5mm per year in just boat storage.

Financial Analysis & Capital Structure

Key Assumptions

Purchase Price	\$7,920,000
Total Development Budget	Total Development budget of \$16,253,385. Hard Cost data is based on RS Means construction estimates for Riverhead, NY plus a 40% premium due to the increase in quality of our hotel.
Debt Financing	Total loan proceeds of \$10,564,703 (including \$1,000,949 of interest reserves) - \$4,533,651 acquisition loan at 50% LTC - \$6,031,052 Construction loan at 65% LTC
Equity Capitalization	Washington Street Capital is seeking limited partners to contribute \$5,119,818 which represents 90% of the equity. Washington Street Capital will contribute the remaining 10% of the equity, which equals \$568,869.
Distribution Waterfall	Distributions will be pari passu up to a 12% hurdle rate at which point the GP will take a 20% promote up to a 20% hurdle rate at which point the GP will take a 30% promote.
Schedule	There will be 12 months of pre-development to close on the land and obtain the necessary permits and financing. Following pre-development there will be a 12-month construction period. -We are projected a 12 month stabilization period following construction completion. -We plan to refinance the construction loan upon hotel stabilization. -We plan to sell the Property 3 years following the refinance.
Refinance Valuation	Refinance valuation of \$17,397,647 is based on a 10-year DCF following stabilization at a 12.5% discount rate with an exit cap of 10.5% for the hotel and 12% for the marina.
Sale Valuation	Sale valuation is based on an exit cap rate of 10.5% for the hotel and 12% for the marina in March 2026.

Development Budget

	\$	% (Total)	\$/SF
Land	\$7,920,000	49%	\$333.83
Closing Costs	\$79,200	0%	\$3.34
Total Land Costs	\$7,999,200	49%	\$337.16
Construction Hard Costs	\$		\$/SF
Demolition	\$113,880	1%	\$4.80
Substructure	\$284,700	2%	\$12.00
Shell	\$1,138,800	7%	\$48.00
Interiors	\$1,879,020	12%	\$79.20
Services	\$1,423,500	9%	\$60.00
Equipment & Furnishings	\$284,700	2%	\$12.00
Contingency	\$569,400	4%	\$24.00
Total Hard Costs	\$5,694,000	35%	\$240.00
Soft Costs	\$		\$/SF
Architecture & Engineering	\$432,744	3%	\$18.24
Due Diligence	\$34,164	0%	\$1.44
Legal	\$34,164	0%	\$1.44
Appraisal & Title	\$34,164	0%	\$1.44
Branding	\$22,776	0%	\$0.96
Marketing	\$56,940	0%	\$2.40
Operations	\$91,104	1%	\$3.84
Taxes During Construction	\$91,104	1%	\$3.84
Insurance During Construction	\$56,940	0%	\$2.40
Contingency	\$113,880	1%	\$4.80
Developer Fee	\$170,820	1%	\$7.20
Total Soft Costs	\$1,138,800	7%	\$48.00
Total Development Budget (Before Financing Fee & Reserves)	\$14,832,000	91%	\$625.16
Financing Fee	\$301,967	2%	\$12.73
Interest Reserves	\$1,119,422	7%	\$47.18
Total Development Budget	\$16,253,389	100%	\$685.07

Capitalization & Returns

Capitalization		
Debt		
Acquisition Loan	\$4,533,651	27.9%
Construction Loan	\$6,031,052	37.1%
Total Debt	\$10,564,703	65.0%
Equity		
Sponsor Equity	\$568,869	3.5%
LP Equity	\$5,119,818	31.5%
Total Equity	\$5,688,686	35.0%
Total Capitalization	\$16,253,389	100%

Deal Level Returns - Unlevered	
Profit	\$10,470,079
MOIC	1.73x
IRR	12.1%
Development Yield (Year Stabilized)	11.4%

Deal Level Returns - Levered	
Profit	\$6,004,249
MOIC	2.12x
IRR	19.2%
Cash on Cash (Stabilized)	15.1%

Annual Pro Forma

	Analysis Year	0	1	2	3	4	5	6
	Analysis Date	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025	6/30/2026
Marina								
Potential Gross Revenue		\$0	\$2,070,000	\$1,805,400	\$1,841,508	\$1,878,338	\$1,915,905	\$1,954,223
Vacancy		0%	10%	10%	10%	10%	10%	10%
Effective Gross Revenue		\$0	\$1,863,000	\$1,624,860	\$1,657,357	\$1,690,504	\$1,724,314	\$1,758,801
Expense Percentage	85%							
Marina Operating Expenses		\$0	(\$1,583,550)	(\$1,381,131)	(\$1,408,754)	(\$1,436,929)	(\$1,465,667)	(\$1,494,981)
Marina NOI		\$0	\$279,450	\$243,729	\$248,604	\$253,576	\$258,647	\$263,820
Value at Sale (Marina)		\$0	\$0	\$0	\$0	\$0	\$0	\$2,242,471
Sales Cost		\$0	\$0	\$0	\$0	\$0	\$0	(\$22,425)
Sales Proceeds (Marina)		\$0	\$0	\$0	\$0	\$0	\$0	\$2,220,046
Hotel								
Revenues								
Room		\$0	\$0	\$0	\$1,465,680	\$2,777,501	\$2,825,310	\$2,881,816
Food & Beverage		\$0	\$0	\$0	\$874,680	\$1,657,541	\$1,686,072	\$1,719,794
Total Revenues		\$0	\$0	\$0	\$2,340,360	\$4,435,042	\$4,511,382	\$4,601,610
Department Expenses								
Total Department Expenses		\$0	\$0	\$0	(\$949,146)	(\$1,798,656)	(\$1,829,616)	(\$1,866,209)
Gross Profit		\$0	\$0	\$0	\$1,391,214	\$2,636,386	\$2,681,766	\$2,735,402
Undistributed Expenses								
Total Undistributed Expenses		\$0	\$0	\$0	(\$648,700)	(\$1,040,531)	(\$1,059,055)	(\$1,080,236)
Hotel NOI		\$0	\$0	\$0	\$742,514	\$1,595,855	\$1,622,711	\$1,655,165
Value at Sale (Hotel)		\$0	\$0	\$0	\$0	\$0	\$0	\$16,078,749
Sales Cost		\$0	\$0	\$0	\$0	\$0	\$0	(\$160,787)
Sales Proceeds (Hotel)		\$0	\$0	\$0	\$0	\$0	\$0	\$15,917,962
Total Property NOI		\$0	\$279,450	\$243,729	\$991,117	\$1,849,430	\$1,881,358	\$1,918,985
Sales Proceeds (Total Property)		\$0	\$0	\$0	\$0	\$0	\$0	\$18,138,008
% of Hard Cost	100.0%	0%	0%	100%	0%	0%	0%	0%
% of Soft Cost	100.0%	0%	50%	50%	0%	0%	0%	0%
Acquisition Cost	\$7,999,200	\$7,999,200	\$0	\$0	\$0	\$0	\$0	\$0
Hard Cost	\$5,694,000	\$0	\$0	\$5,694,000	\$0	\$0	\$0	\$0
Soft Cost	\$1,138,800	\$0	\$569,400	\$569,400	\$0	\$0	\$0	\$0
Total Cost	\$14,832,000	\$7,999,200	\$569,400	\$6,263,400	\$0	\$0	\$0	\$0
Unlevered CF (Hotel)	\$6,702,207	(\$7,999,200)	(\$569,400)	(\$6,263,400)	\$742,514	\$1,595,855	\$1,622,711	\$17,573,127
Unlevered CF (Total Property)	\$10,470,079	(\$7,999,200)	(\$289,950)	(\$6,019,671)	\$991,117	\$1,849,430	\$1,881,358	\$20,056,994
Multiple	1.73x							
IRR	12.09%							
LIBOR	1.54%	1.35%	1.24%	1.27%	1.34%	1.43%	1.50%	
Interest Rate	9.00%	9.00%	7.24%	7.27%	7.34%	7.43%	7.50%	
Interest	\$1,662,296	\$0	\$408,029	\$489,708	\$764,559	\$0	\$0	\$0
Financing Cost - Acquisition Loan	\$90,673	\$90,673	\$0	\$0	\$0	\$0	\$0	\$0
Financing Cost - Construction Loan	\$211,294	\$0	\$0	\$211,294	\$0	\$0	\$0	\$0
Total Cost	\$1,964,263	\$90,673	\$408,029	\$701,002	\$764,559	\$0	\$0	\$0
Equity	\$5,688,686	\$3,556,222	\$977,429	\$1,155,035	\$0	\$0	\$0	\$0
Cumulative Drawn		\$3,556,222	\$4,533,651	\$5,688,686	\$5,688,686	\$5,688,686	\$5,688,686	\$5,688,686
Max Equity		\$4,533,651	\$4,533,651	\$5,688,686	\$5,688,686	\$5,688,686	\$5,688,686	\$5,688,686
Beginning Balance		\$0	\$4,533,651	\$4,533,651	\$10,343,017	\$0	\$0	\$0
Loan Draw - Acquisition Loan	\$4,533,651	\$4,533,651	\$0	\$0	\$0	\$0	\$0	\$0
Interest Owed - Construction Loan	\$1,254,267	\$0	\$0	\$489,708	\$764,559	\$0	\$0	\$0
Interest Paid from Hotel CF	(\$542,873)	\$0	\$0	\$0	(\$542,873)	\$0	\$0	\$0
Financing Cost - Construction Loan	\$211,294	\$0	\$0	\$211,294	\$0	\$0	\$0	\$0
Loan Draw	\$5,108,365	\$0	\$0	\$5,108,365	\$0	\$0	\$0	\$0
Paydown	(\$10,564,703)	\$0	\$0	\$0	(\$10,564,703)	\$0	\$0	\$0
Ending Balance		\$4,533,651	\$4,533,651	\$10,343,017	\$0	\$0	\$0	\$0
Refinance Proceeds	\$13,048,236	\$0	\$0	\$0	\$13,048,236	\$0	\$0	\$0
Payment	(\$2,969,054)	\$0	\$0	\$0	\$0	(\$989,685)	(\$989,685)	(\$989,685)
Paydown	(\$12,580,749)	\$0	\$0	\$0	\$0	\$0	\$0	(\$12,580,749)
Levered CF (Property)	\$6,004,249	(\$3,556,222)	(\$697,979)	(\$911,306)	\$2,931,776	\$859,746	\$891,674	\$6,486,560
Multiple	2.12x							
IRR	19.22%							

Sensitivity Tables

		Marina Exit Cap				
		11.0%	11.5%	12.0%	12.5%	13.0%
Hotel Exit Cap	9.5%	23.27% Levered IRR / 2.45x Levered MOIC	23.05% Levered IRR / 2.43x Levered MOIC	22.85% Levered IRR / 2.41x Levered MOIC	22.67% Levered IRR / 2.40x Levered MOIC	22.50% Levered IRR / 2.38x Levered MOIC
	10.0%	21.43% Levered IRR / 2.29x Levered MOIC	21.20% Levered IRR / 2.28x Levered MOIC	20.99% Levered IRR / 2.26x Levered MOIC	20.80% Levered IRR / 2.24x Levered MOIC	20.62% Levered IRR / 2.23x Levered MOIC
	10.5%	19.68% Levered IRR / 2.15x Levered MOIC	19.44% Levered IRR / 2.14x Levered MOIC	19.22% Levered IRR / 2.12x Levered MOIC	19.02% Levered IRR / 2.10x Levered MOIC	18.83% Levered IRR / 2.09x Levered MOIC
	11.0%	18.01% Levered IRR / 2.03x Levered MOIC	17.77% Levered IRR / 2.01x Levered MOIC	17.54% Levered IRR / 1.99x Levered MOIC	17.32% Levered IRR / 1.97x Levered MOIC	17.13% Levered IRR / 1.96x Levered MOIC
	11.5%	16.42% Levered IRR / 1.91x Levered MOIC	16.16% Levered IRR / 1.89x Levered MOIC	15.92% Levered IRR / 1.87x Levered MOIC	15.70% Levered IRR / 1.86x Levered MOIC	15.49% Levered IRR / 1.84x Levered MOIC

		Average Stabilized ADR				
		\$270	\$290	\$310	\$330	\$350
Stabilized Occup.	55.0%	5.89% Levered IRR / 1.32x Levered MOIC	9.74% Levered IRR / 1.54x Levered MOIC	13.62% Levered IRR / 1.77x Levered MOIC	17.39% Levered IRR / 2.00x Levered MOIC	21.04% Levered IRR / 2.23x Levered MOIC
	57.5%	8.36% Levered IRR / 1.46x Levered MOIC	12.48% Levered IRR / 1.71x Levered MOIC	16.45% Levered IRR / 1.95x Levered MOIC	20.30% Levered IRR / 2.19x Levered MOIC	24.02% Levered IRR / 2.43x Levered MOIC
	60.0%	10.97% Levered IRR / 1.62x Levered MOIC	15.17% Levered IRR / 1.87x Levered MOIC	19.22% Levered IRR / 2.12x Levered MOIC	23.14% Levered IRR / 2.37x Levered MOIC	26.93% Levered IRR / 2.62x Levered MOIC
	62.5%	13.52% Levered IRR / 1.77x Levered MOIC	17.80% Levered IRR / 2.03x Levered MOIC	21.93% Levered IRR / 2.29x Levered MOIC	25.91% Levered IRR / 2.55x Levered MOIC	29.75% Levered IRR / 2.82x Levered MOIC
	65.0%	16.02% Levered IRR / 1.92x Levered MOIC	20.37% Levered IRR / 2.19x Levered MOIC	24.57% Levered IRR / 2.46x Levered MOIC	28.61% Levered IRR / 2.74x Levered MOIC	32.50% Levered IRR / 3.01x Levered MOIC

		Land Purchase Price				
		\$7,040,000	\$7,480,000	\$7,920,000	\$8,360,000	\$8,800,000
Hotel Exit Cap	9.5%	27.84% Levered IRR / 2.72x Levered MOIC	25.25% Levered IRR / 2.56x Levered MOIC	22.85% Levered IRR / 2.41x Levered MOIC	20.61% Levered IRR / 2.27x Levered MOIC	18.52% Levered IRR / 2.14x Levered MOIC
	10.0%	25.96% Levered IRR / 2.56x Levered MOIC	23.39% Levered IRR / 2.40x Levered MOIC	20.99% Levered IRR / 2.26x Levered MOIC	18.76% Levered IRR / 2.12x Levered MOIC	16.67% Levered IRR / 2.00x Levered MOIC
	10.5%	24.18% Levered IRR / 2.41x Levered MOIC	21.61% Levered IRR / 2.26x Levered MOIC	19.22% Levered IRR / 2.12x Levered MOIC	17.00% Levered IRR / 1.99x Levered MOIC	14.91% Levered IRR / 1.87x Levered MOIC
	11.0%	22.49% Levered IRR / 2.27x Levered MOIC	19.92% Levered IRR / 2.13x Levered MOIC	17.54% Levered IRR / 1.99x Levered MOIC	15.31% Levered IRR / 1.86x Levered MOIC	13.23% Levered IRR / 1.75x Levered MOIC
	11.5%	20.87% Levered IRR / 2.14x Levered MOIC	18.30% Levered IRR / 2.00x Levered MOIC	15.92% Levered IRR / 1.87x Levered MOIC	13.70% Levered IRR / 1.75x Levered MOIC	11.61% Levered IRR / 1.64x Levered MOIC

		Refi LTV				
		55%	60.0%	65.0%	70.0%	75.0%
Interest Rate	6.0%	18.82% Levered IRR / 2.35x Levered MOIC	17.67% Levered IRR / 2.22x Levered MOIC	18.13% Levered IRR / 2.21x Levered MOIC	18.87% Levered IRR / 2.18x Levered MOIC	19.68% Levered IRR / 2.15x Levered MOIC
	6.5%	18.54% Levered IRR / 2.33x Levered MOIC	17.34% Levered IRR / 2.19x Levered MOIC	17.76% Levered IRR / 2.18x Levered MOIC	18.46% Levered IRR / 2.15x Levered MOIC	19.22% Levered IRR / 2.12x Levered MOIC
	7.0%	18.26% Levered IRR / 2.30x Levered MOIC	17.01% Levered IRR / 2.17x Levered MOIC	17.39% Levered IRR / 2.15x Levered MOIC	18.04% Levered IRR / 2.12x Levered MOIC	18.76% Levered IRR / 2.08x Levered MOIC
	7.5%	17.97% Levered IRR / 2.27x Levered MOIC	16.68% Levered IRR / 2.14x Levered MOIC	17.01% Levered IRR / 2.12x Levered MOIC	17.61% Levered IRR / 2.08x Levered MOIC	18.28% Levered IRR / 2.05x Levered MOIC
	8.0%	17.68% Levered IRR / 2.25x Levered MOIC	16.34% Levered IRR / 2.11x Levered MOIC	16.63% Levered IRR / 2.09x Levered MOIC	17.18% Levered IRR / 2.05x Levered MOIC	17.79% Levered IRR / 2.01x Levered MOIC

		Land Purchase Price				
		\$7,040,000	\$7,480,000	\$7,920,000	\$8,360,000	\$8,800,000
Hard Costs	\$220 PSF	27.21% Levered IRR / 2.63x Levered MOIC	24.51% Levered IRR / 2.47x Levered MOIC	22.00% Levered IRR / 2.32x Levered MOIC	19.66% Levered IRR / 2.17x Levered MOIC	17.48% Levered IRR / 2.04x Levered MOIC
	\$230 PSF	25.69% Levered IRR / 2.52x Levered MOIC	23.06% Levered IRR / 2.36x Levered MOIC	20.61% Levered IRR / 2.22x Levered MOIC	18.32% Levered IRR / 2.08x Levered MOIC	16.19% Levered IRR / 1.95x Levered MOIC
	\$240 PSF	24.18% Levered IRR / 2.41x Levered MOIC	21.61% Levered IRR / 2.26x Levered MOIC	19.22% Levered IRR / 2.12x Levered MOIC	17.00% Levered IRR / 1.99x Levered MOIC	14.91% Levered IRR / 1.87x Levered MOIC
	\$250 PSF	22.68% Levered IRR / 2.31x Levered MOIC	20.18% Levered IRR / 2.16x Levered MOIC	17.85% Levered IRR / 2.03x Levered MOIC	15.68% Levered IRR / 1.90x Levered MOIC	13.65% Levered IRR / 1.78x Levered MOIC
	\$260 PSF	21.20% Levered IRR / 2.20x Levered MOIC	18.76% Levered IRR / 2.06x Levered MOIC	16.49% Levered IRR / 1.94x Levered MOIC	14.38% Levered IRR / 1.82x Levered MOIC	12.40% Levered IRR / 1.70x Levered MOIC

Project Delivery Schedule & Exit Strategy

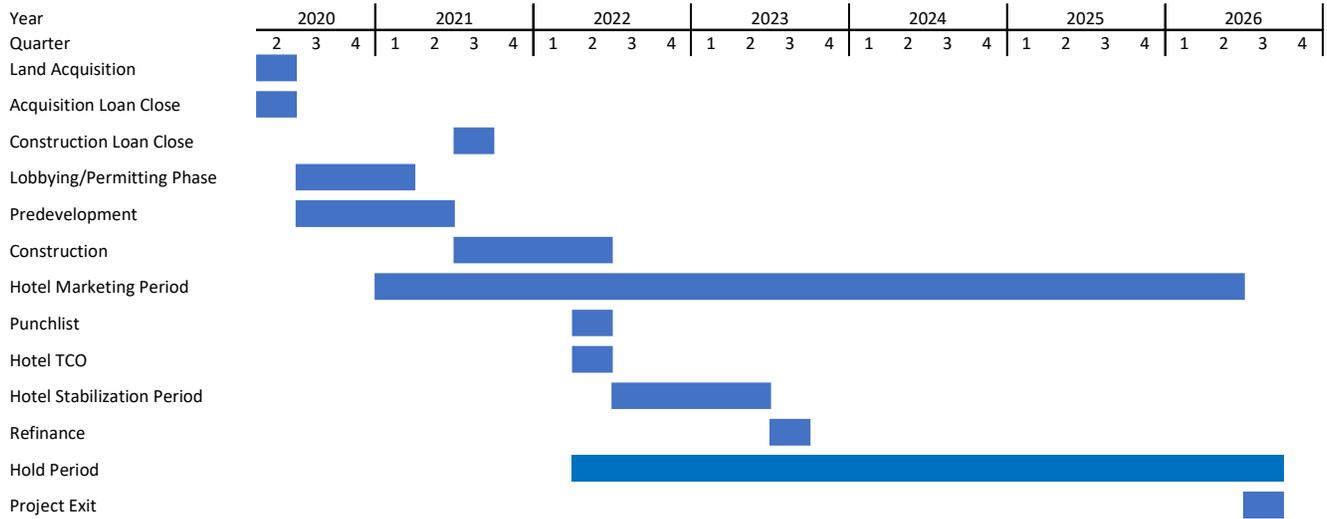
We are currently in contract to close on the land on June 30, 2020. We anticipate a pre-construction period of 12 months, where we will continue our lobbying efforts of local residents and elected officials to obtain a special exception from the Board of Appeals. We expect to construction period to take 12 months with a delivery date of July 1, 2022.

We will begin our marketing effort for the hotel in early 2021, shortly before closing on our construction loan. The marketing period for the hotel will continue throughout the holding period.

We expect to achieve stabilization 12 months after construction completion, however it's important to point out that occupancy will fluctuate from month-to-month due to the seasonality of the hotel. For the purpose of the financial analysis we take an average of ADR & occupancy.

The ideal holding strategy involves refinancing the construction loan upon stabilization of the hotel. We plan to refinance with a 3-year bridge loan from a debt fund allowing us the flexibility to sell in year 6. We have built in an option in the model to sell instead of refinance upon stabilization (cell "B19" in "Assumptions" tab). The refinance versus sell upon stabilization strategy provides superior IRR, multiple on invested capital and affords us more time to hold the hotel in the event of an economic downturn. We think a likely buyer in the long-term is private equity fund who specializes in the hotel space. Given the high-anticipated exit cap for the hotel as well as the Marina, the buyer will be looking for yield and likely is willing to take more risk than an insurance company or traditional asset manager. We think that the buyer pool upon stabilization may be limited based on where we are in the economic cycle coupled with the short track record of the hotel at that point, so we feel better about refinancing and holding the hotel for a few more years in order to maximize returns for our investors.

Acquisition Date:	June 30, 2020
Construction Start/Loan Close:	July 1, 2021
Construction Completion	July 1, 2022
Hotel Stabilization/Project Refinance	June 30, 2023
Project Exit	June 30, 2026



Marketing Strategy



Our plan is to hire IdeaWork Studios, a full-service agency that specializes in branding, advertising, graphic design and website development. Our target customer base is primarily New York City and Long Island residents. It will be critical to have a strong online and social media presence to promote the hotel and brand. We will begin marketing the hotel before breaking ground on construction and will continue throughout the hold period. Ideawork has worked with a number of upscale clients in the hospitality space, including Gurney's in Montauk.

Ideawork Sample Clients:



Risks & Mitigants

The hotel use requires an exemption from Board of Appeals

It is necessary to obtain a special approval from the Board of Appeals in order to build a hotel in an MII-zoned property.

Mitigant: We have taken a number of steps to ensure that we will be successful in obtaining our approval. For one, we are only proposing a 40-key hotel despite the fact that the maximum allowable number is closer to 90-keys. We have been soliciting input from town residents and elected officials so that they can be a part of the design process. We are highlighting the economic and tax-revenue benefits that the town of Southold will receive from our project. Lastly, we are complying with all of the site plan requirements that are set forth in the below zoning table. While it will take time to obtain our necessary approvals, we have built in that flexibility into our financial analysis, and we feel confident that we will be able to get the project completed on schedule.

District	M-II Marine II
Minimum requirement for business, office, industrial or other nonresidential use	
Lot size (square feet)	80,000
Lot width (feet)	150
Lot depth (feet)	150
Front yard (feet)	35
Side yard (feet)	25
Both side yards (feet)	50
Rear yard (feet)	25
Landscape area (percent)	20
Maximum permitted dimensions	
Lot Coverage (percent)	30
Building height (feet)	35
Number of stories	2

The Hotel & Marina are seasonal businesses

An obvious risk to the project is the fact that Southold is perceived as a seasonal town and the marina will only be up and running for part of the year.

Mitigant: While ADR and occupancy will undoubtedly be strongest in the summer months, the North Fork is becoming a more popular destination in the other seasons as well. As highlighted in the aforementioned New York Times article business owners in Southold have seen “enough of an uptick in business that [they] now stay open year-round”. While the marina will only be producing income for part of the year, we can charge for boat storage in the winter months as well. We feel our underwritten ADR, boat storage pricing & occupancy numbers are conservative leaving us ample room for outperformance.

Market Risk

What if valuations and cap rates are trading at less desirable levels at the point of exit?

Mitigant: This investment isn't part of a broader fund that has an explicit timeframe for an exit. The way the deal has been underwritten involves a 3-year refinance following stabilization. Our relationships with debt funds coupled with the differentiated cash flow from the hotel and marina puts us in a strong position to obtain favorable short-term financing if necessary. Since this is a syndicated real estate investment not tied to a specific fund life, we have the flexibility to exit the investment at a time that best suits our investors.

Construction & Pre-construction Delays

How is the project mitigating risk from delays?

Mitigant: Fortunately for this project it will be cash-flowing from the day we purchase the land. Having an existing revenue stream from the marina dramatically mitigates the risk of construction delays. While we haven't underwritten this scenario, we can use cash-flow from the marina to help pay debt service in the case of unforeseen delays. We've also sensitized the model to account for delays in construction and preconstruction as shown below.

		Pre-Construction (months)		
		12	14	16
Construction (months)	12	19.22% Levered IRR / 2.12x Levered MOIC	16.27% Levered IRR / 2.13x Levered MOIC	16.19% Levered IRR / 2.15x Levered MOIC
	14	16.06% Levered IRR / 2.11x Levered MOIC	16.08% Levered IRR / 2.14x Levered MOIC	16.00% Levered IRR / 2.15x Levered MOIC
	16	15.88% Levered IRR / 2.11x Levered MOIC	15.89% Levered IRR / 2.14x Levered MOIC	15.86% Levered IRR / 2.17x Levered MOIC

Appendix

Detailed Assumptions

<u>Property Assumptions</u>		
Land		\$7,920,000
Closing Costs	1.00%	\$79,200
Property GSF		544,064 SF
Buildable GSF		23,725 SF

<u>Timing Assumptions</u>	
Analysis Start Date	6/30/2020
Closing Date	0
Preconstruction Period	12
Construction Loan Closing	13
Construction Period	12
Pre/Construction Period	24

<u>Exit Assumptions</u>	
Exit Cap (Hotel)	10.5%
Exit Cap (Marina)	12%
Sales Cost	1%
Sale Month (w/ refi)	72 months
Sale Month (no refi)	36
Refi or Sale at Stabilization	Refi
Sale Per Key (Hotel Portion)	\$401,969

<u>Expense Assumptions</u>		
Marina Expenses	85%	of Marina Effective Revenue
Room Expenses	20%	of Room Revenue
F&B Expenses	75%	of F&B Revenue
Credit Card Fees	1.5%	of total Revenue
Administrative & General	5%	of total Revenue
Property & Maintenance	2%	of total Revenue
Sales & Marketing	2%	of total Revenue
Energy	\$2.50	PSF
Property Taxes	\$91,104	Year 1
Insurance	\$56,940	Year 1
Management Fee Hotel	4%	of total Revenue
FFE Reserve	4%	of total Revenue

<u>Construction Cost</u>	
Hard Cost	\$240 PSF
Soft Cost (% HC)	20%
Soft Costs	\$48 PSF

<u>Operating Assumptions</u>	
Number Keys	40
Stabilized Occupancy	60%
Stabilized ADR	\$310
RevPar	\$186
F&B Rate	\$185
F&B Par	\$111
Time to Stabilization	12 months
Boat Slips (Preconstruction)	138
Boat Slips (Postconstruction)	118
Boat Slip Rate (Annualized)	\$15,000
Boat Slip Vacancy	10%
Inflation	2%

<u>Capital Structure</u>	
Total Construction Debt	\$10,564,703
Total Equity	\$5,688,686
GP Split	10%
LP Split	90%
GP Contribution	\$568,869
LP Contribution	\$5,119,818
Tier 1 IRR Hurdle	12%
Tier 1 Promote	0%
Tier 2 IRR Hurdle	20%
Tier 2 Promote	20%
Tier 3 IRR Hurdle	>20%
Tier 3 Promote	30%

<u>Financing Assumptions</u>	
Construction Loan	65%
Loan Closing Month	13
Interest Rate	L + 6.0%
Mortgage Recording Tax	0.50%
Loan Arrangement Fee	0.50%
Loan Origination Fee	1.00%

<u>Refinance Assumptions</u>	
Refinance Month	36 months
Refinance Term	36 months
Discount Rate	12.50%
Valuation (DCF at Stabilization)	\$17,397,647
Amortization	30
Interest	6.5%
LTV	75%
Amount - LTV	\$13,048,236
NOI - Stabilized	\$1,849,430
DSCR	1.25
Payment	\$1,479,544
Amount - DSCR	\$19,506,660
DY	10%
Amount - DY	\$18,494,304
Refinance	\$13,048,236
Payment - Monthly	\$82,474

Refinance Valuation Pro Forma

Analysis Date	6/30/2020	6/30/2024	6/30/2025	6/30/2026	6/30/2027	6/30/2028	6/30/2029	6/30/2030	6/30/2031	6/30/2032	6/30/2033
Analysis Year	0	1	2	3	4	5	6	7	8	9	10
Marina											
Potential Gross Revenue		\$1,878,338	\$1,915,905	\$1,954,223	\$1,993,307	\$2,033,174	\$2,073,837	\$2,115,314	\$2,157,620	\$2,200,773	\$2,244,788
Vacancy		10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Effective Gross Revenue		\$1,690,504	\$1,724,314	\$1,758,801	\$1,793,977	\$1,829,856	\$1,866,453	\$1,903,782	\$1,941,858	\$1,980,695	\$2,020,309
Expense Percentage	85%										
Marina Operating Expenses		(\$1,436,929)	(\$1,465,667)	(\$1,494,981)	(\$1,524,880)	(\$1,555,378)	(\$1,586,485)	(\$1,618,215)	(\$1,650,579)	(\$1,683,591)	(\$1,717,263)
Marina NOI		\$253,576	\$258,647	\$263,820	\$269,097	\$274,478	\$279,968	\$285,567	\$291,279	\$297,104	\$303,046
Value at Sale (Marina) Year 10		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,575,894
Sales Cost		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$25,759)
Sales Proceeds (Marina)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,550,135
Hotel											
Daily Available Rooms		40	40	40	40	40	40	40	40	40	40
Occupancy		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%
ADR		\$316.20	\$322.52	\$328.97	\$335.55	\$342.27	\$349.11	\$356.09	\$363.21	\$370.48	\$377.89
RevPar		\$189.72	\$193.51	\$197.38	\$201.33	\$205.36	\$209.47	\$213.66	\$217.93	\$222.29	\$226.73
F&B ADR		\$188.70	\$192.47	\$196.32	\$200.25	\$204.25	\$208.34	\$212.51	\$216.76	\$221.09	\$225.51
F&B RevPar		\$113.22	\$115.48	\$117.79	\$120.15	\$122.55	\$125.00	\$127.50	\$130.05	\$132.66	\$135.31
Revenues											
Room		\$2,777,501	\$2,825,310	\$2,881,816	\$2,939,453	\$3,006,456	\$3,058,207	\$3,119,371	\$3,181,758	\$3,254,285	\$3,310,301
Food & Beverage		\$1,657,541	\$1,686,072	\$1,719,794	\$1,754,190	\$1,794,175	\$1,825,059	\$1,861,560	\$1,898,791	\$1,942,073	\$1,975,502
Total Revenues		\$4,435,042	\$4,511,382	\$4,601,610	\$4,693,642	\$4,800,632	\$4,883,265	\$4,980,931	\$5,080,549	\$5,196,358	\$5,285,804
Department Expenses											
Rooms		(\$555,500)	(\$565,062)	(\$576,363)	(\$587,891)	(\$601,291)	(\$611,641)	(\$623,874)	(\$636,352)	(\$650,857)	(\$662,060)
Food & Beverage		(\$1,243,156)	(\$1,264,554)	(\$1,289,845)	(\$1,315,642)	(\$1,345,632)	(\$1,368,794)	(\$1,396,170)	(\$1,424,093)	(\$1,456,555)	(\$1,481,627)
Total Department Expenses		(\$1,798,656)	(\$1,829,616)	(\$1,866,209)	(\$1,903,533)	(\$1,946,923)	(\$1,980,435)	(\$2,020,044)	(\$2,060,445)	(\$2,107,412)	(\$2,143,687)
Gross Profit		\$2,636,386	\$2,681,766	\$2,735,402	\$2,790,110	\$2,853,709	\$2,902,830	\$2,960,887	\$3,020,104	\$3,088,946	\$3,142,117
Undistributed Expenses											
Credit Card Fees		(\$66,526)	(\$67,671)	(\$69,024)	(\$70,405)	(\$72,009)	(\$73,249)	(\$74,714)	(\$76,208)	(\$77,945)	(\$79,287)
Administrative & General		(\$221,752)	(\$225,569)	(\$230,081)	(\$234,682)	(\$240,032)	(\$244,163)	(\$249,047)	(\$254,027)	(\$259,818)	(\$264,290)
Property & Maintenance		(\$88,701)	(\$90,228)	(\$92,032)	(\$93,873)	(\$96,013)	(\$97,665)	(\$99,619)	(\$101,611)	(\$103,927)	(\$105,716)
Sales & Marketing		(\$88,701)	(\$90,228)	(\$92,032)	(\$93,873)	(\$96,013)	(\$97,665)	(\$99,619)	(\$101,611)	(\$103,927)	(\$105,716)
Energy		(\$62,943)	(\$64,202)	(\$65,486)	(\$66,796)	(\$68,131)	(\$69,494)	(\$70,884)	(\$72,302)	(\$73,748)	(\$75,223)
Property Taxes		(\$96,680)	(\$98,614)	(\$100,586)	(\$102,598)	(\$104,650)	(\$106,743)	(\$108,878)	(\$111,055)	(\$113,276)	(\$115,542)
Insurance		(\$60,425)	(\$61,634)	(\$62,866)	(\$64,124)	(\$65,406)	(\$66,714)	(\$68,049)	(\$69,410)	(\$70,798)	(\$72,214)
Management Fee Hotel		(\$177,402)	(\$180,455)	(\$184,064)	(\$187,746)	(\$192,025)	(\$195,331)	(\$199,237)	(\$203,222)	(\$207,854)	(\$211,432)
FFE Reserve		(\$177,402)	(\$180,455)	(\$184,064)	(\$187,746)	(\$192,025)	(\$195,331)	(\$199,237)	(\$203,222)	(\$207,854)	(\$211,432)
Total Undistributed Expenses		(\$1,040,531)	(\$1,059,055)	(\$1,080,236)	(\$1,101,841)	(\$1,126,304)	(\$1,146,355)	(\$1,169,282)	(\$1,192,668)	(\$1,219,148)	(\$1,240,852)
Hotel NOI		\$1,595,855	\$1,622,711	\$1,655,165	\$1,688,269	\$1,727,405	\$1,756,475	\$1,791,604	\$1,827,436	\$1,869,798	\$1,901,265
Value at Sale (Hotel)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,469,429
Sales Cost		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$184,694)
Sales Proceeds (Hotel)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,284,735
Total Property NOI		\$1,849,430	\$1,881,358	\$1,918,985	\$1,957,365	\$2,001,883	\$2,036,443	\$2,077,172	\$2,118,715	\$2,166,902	\$2,204,311
Sales Proceeds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,834,870
Unlevered Cash Flow		\$1,849,430	\$1,881,358	\$1,918,985	\$1,957,365	\$2,001,883	\$2,036,443	\$2,077,172	\$2,118,715	\$2,166,902	\$23,039,181
Discount Rate	12.50%										
Valuation for Refi at Stabilizator		\$17,397,647									