

Sample Hotel Model

Summary

Levered Sources & Uses			
	Total	% of Total	Per Key
			106 keys
Uses:			
Purchase Price	\$40,000,000	87.5%	\$377,358
Acquisition Costs	800,000	89.3%	384,906
Interest Reserve	1,560,000	92.7%	399,623
Tax Reserve	530,121	93.8%	404,624
DD / Legal	0	93.8%	404,624
CapEx/Renovation	2,000,000	98.2%	423,492
Financing	320,000	94.5%	407,643
Other	500,000	95.6%	412,360
Operating Cash Flow Shortfalls	0	61.3%	264,151
Total Uses	\$45,710,121	100.0%	\$431,228
Sources:			
Senior Loan	24,000,000	52.5%	226,415
Mezzanine Loan / Preferred Equity	4,000,000	61.3%	264,151
Equity	17,710,121	100.0%	\$431,228
Total Sources	\$45,710,121	100.0%	\$431,228

Return Summary				
	Peak Equity	IRR	Profit	Multiple
Unlevered Project	\$43,830,121	11.5%	\$41,237,982	1.94x
Levered Project	\$17,710,121	18.8%	\$26,094,098	2.47x
Limited Partner	\$16,824,615	16.2%	\$19,378,495	2.15x
General Partner	\$885,506	41.3%	\$6,715,603	8.58x
Sponsor Promote Only	n/a	n/a	\$5,695,682	n/a

NOI Summary					
Year	Date	Forward NOI	Growth	Unlevered NOI Yield	Δ to Exit Cap
Year 1	12/31/2023	3,255,310		8.0%	0.5%
Year 2	12/31/2024	3,792,394	16.5%	9.3%	1.8%
Year 3	12/31/2025	3,929,296	3.6%	9.6%	2.1%
Year 4	12/31/2026	4,071,091	3.6%	10.0%	2.5%
Year 5	12/31/2027	4,217,952	3.6%	10.3%	2.8%
Year 6	12/31/2028	4,370,061	3.6%	10.7%	3.2%
Year 7	12/31/2029	4,527,602	3.6%	11.1%	3.6%
Year 8	12/31/2030	4,690,768	3.6%	11.5%	4.0%
Year 9	12/31/2031	4,859,759	3.6%	11.9%	4.4%
Year 10	12/31/2032	5,034,780	3.6%	12.3%	4.8%

Exit Summary		
Exit Year	Per Key	\$ Amount
		Year 7
Exit NOI	\$42,713	\$4,527,602
Exit Cap Rate		7.50%
Exit Value	\$569,510	\$60,368,023
Selling Costs	(\$5,695)	(\$603,680)
Net Sales Price	\$563,815	\$59,764,343

Debt Summary	
Senior Loan (at Acquisition)	
Loan Proceeds	\$24,000,000
Leverage (% of Purchase Price)	60.0%
Interest Rate	6.50%
Financing Fee	\$240,000
Type	Interest Only
Amortization Years	N/A
Annual Payment	1,560,000
DSCR Year 1	0.73x
DSCR Year 3 (Stabilized)	2.43x

Mezzanine Loan / Preferred Equity	
Loan Proceeds	\$4,000,000
Leverage (% of Purchase Price)	70.0%
Interest Rate	13.00%
Financing Fee	\$80,000
Type	Interest Only
Amortization Years	N/A
Annual Payment	520,000
DSCR Year 1	0.55x
DSCR Year 3 (Stabilized)	1.82x

Senior Loan (Refinance)	
Loan Proceeds	\$36,486,318
Leverage (% of Value)	65.0%
Interest Rate	5.75%
Financing Fee	\$364,863
Type	Amortized
Amortization Years	30 years
Annual Payment	2,580,175

Sample Hotel Model

Inputs

Return Summary			
Project Level IRR	18.77%	Net LP IRR	16.24%
Project Level EM	2.47x	Net LP EM	2.15x
		Sponsor Promote	5,695,682

Acquisition Assumptions			
Acquisition Date			12/31/2022
Purchase Price	(entry cap rate)	2.84%	40,000,000
Acquisition Costs		2.00%	800,000
Interest Reserve		12 month(s)	1,560,000
Tax Reserve		12 month(s)	530,121
DD / Legal			0
CapEx/Renovation			2,000,000
Other		1.25%	500,000
Total			45,390,121
Keys			106
All-In Basis Per Key			431,228
Purchase Price per Key		100.0%	377,358
Mezzanine Per Key		70.0%	264,151
Senior Loan Per Key		60.0%	226,415

Initial Financing Assumptions			
Senior Loan			
Leverage on Purchase Price			60.0%
Interest Rate			6.50%
Loan Amount			24,000,000
Financing Fees		1.0%	240,000
Type			Interest Only
Amortization Length (Years)			30 years
Payment			1,560,000
Mezz/Preferred Equity			
Leverage on Purchase Price		70.0%	10.0%
Interest Rate			13.00%
Loan Amount			4,000,000
Financing Fees		2.0%	80,000
Type			Interest Only
Amortization Length (Years)			30 years
Payment			520,000

Equity Splits + Waterfall			
GP	5.0%	885,506	
LP	95.0%	<u>16,824,615</u>	
		17,710,121	
Preferred Return Hurdle	7.0%	Sponsor Promote	Equity Investors
from a 7.0% IRR	up to a 14.0% IRR	25.0%	75.0%
from a 14.0% IRR	up to a 20.0% IRR	35.0%	65.0%
after a 20.0% IRR		50.0%	50.0%

Exit Assumptions	
Exit Year	Year 7
Exit NOI (Forward)	4,527,602
Exit Cap Rate	7.50%
Exit Value	60,368,023
Disposition Costs	1.0% (603,680)
Net Sale Proceeds	59,764,343

Refinancing Assumptions	
Senior Loan (Refinance)	
Assume Refinance?	Yes
Repay Mezzanine?	Yes
Refinance Year	Year 3
Refinance Year Forward NOI	3,929,296
Refinance Year Valuation Cap Rate	7.00%
Refinance Year Valuation	56,132,796
Leverage on Value	65.0%
Interest Rate	5.75%
Loan Amount	36,486,318
Financing Fees	1.0% 364,863
Type	Amortized
Amortization Length (Years)	30 years
Payment	2,580,175

Sample Hotel Model

Sensitivity Analysis

Levered Project Level IRR, Profit (in \$M), EM						
Entry Cap Rate	Entry Purchase Price	Exit Cap Rate				
		7.00%	7.50%	8.00%	8.50%	9.00%
3.07%	\$37,000,000	24.2% \$34.0 3.0x	22.6% \$29.7 2.8x	21.1% \$25.9 2.6x	19.6% \$22.7 2.4x	18.2% \$19.7 2.2x
2.95%	\$38,500,000	22.2% \$32.2 2.9x	20.6% \$27.9 2.6x	19.1% \$24.2 2.4x	17.5% \$20.9 2.2x	16.1% \$17.9 2.0x
2.84%	\$40,000,000	20.4% \$30.4 2.7x	18.8% \$26.1 2.5x	17.2% \$22.4 2.3x	15.6% \$19.1 2.1x	14.0% \$16.1 1.9x
2.74%	\$41,500,000	18.7% \$28.6 2.6x	17.0% \$24.3 2.3x	15.4% \$20.6 2.1x	13.7% \$17.3 1.9x	12.1% \$14.3 1.8x
2.65%	\$43,000,000	17.1% \$26.8 2.4x	15.4% \$22.5 2.2x	13.7% \$18.8 2.0x	12.0% \$15.5 1.8x	10.3% \$12.5 1.7x

Levered Project Level IRR, Profit (in \$M), EM, Exit Year NOI Margin					
ADR Growth Rate per Year	Stabilized Occupancy				
	70.0%	75.0%	80.0%	85.0%	90.0%
1.4%	-0.4% -\$0.4 1.0x 29%	6.6% \$7.5 1.4x 31%	12.4% \$14.8 1.8x 33%	17.9% \$22.1 2.2x 35%	23.1% \$29.4 2.7x 36%
2.4%	4.1% \$4.9 1.3x 30%	10.2% \$12.7 1.7x 33%	15.7% \$20.3 2.1x 34%	21.0% \$28.0 2.6x 36%	25.9% \$35.6 3.0x 38%
3.4%	7.7% \$10.1 1.6x 32%	13.4% \$18.1 2.0x 34%	18.8% \$26.1 2.5x 36%	23.8% \$34.1 2.9x 37%	28.6% \$42.1 3.4x 39%
4.4%	11.0% \$15.4 1.9x 33%	16.4% \$23.8 2.3x 35%	21.6% \$32.1 2.8x 37%	26.5% \$40.5 3.3x 39%	31.2% \$48.9 3.8x 40%
5.4%	13.9% \$20.9 2.2x 35%	19.2% \$29.7 2.7x 37%	24.3% \$38.5 3.2x 38%	29.0% \$47.2 3.7x 40%	33.6% \$56.0 4.2x 41%

Levered Project Level IRR, Profit (in \$M), EM					
Exit Year	Exit Cap Rate				
	7.00%	7.50%	8.00%	8.50%	9.00%
Year 6	20.8% \$25.8 2.5x	18.7% \$21.7 2.2x	16.6% \$18.0 2.0x	14.6% \$14.9 1.8x	12.6% \$12.0 1.7x
Year 7	20.4% \$30.4 2.7x	18.8% \$26.1 2.5x	17.2% \$22.4 2.3x	15.6% \$19.1 2.1x	14.0% \$16.1 1.9x
Year 8	20.1% \$35.2 3.0x	18.8% \$30.8 2.7x	17.5% \$26.9 2.5x	16.2% \$23.5 2.3x	15.0% \$20.5 2.2x
Year 9	19.8% \$40.4 3.3x	18.7% \$35.8 3.0x	17.6% \$31.8 2.8x	16.6% \$28.2 2.6x	15.6% \$25.1 2.4x
Year 10	19.5% \$45.8 3.6x	18.6% \$41.0 3.3x	17.7% \$36.9 3.1x	16.9% \$33.2 2.9x	16.1% \$30.0 2.7x

Sample Hotel Model

Sensitivity Analysis

Levered Project Level IRR, Profit (in \$M), EM, Refinance Loan Amount (in \$M)

Refinance Loan to Value	Refinance Cap Rate				
	6.00%	6.50%	7.00%	7.50%	8.00%
55.0%	18.6% \$26.2 2.5x \$36.0	17.9% \$26.9 2.5x \$33.2	17.4% \$27.4 2.5x \$30.9	17.0% \$27.9 2.6x \$28.8	16.6% \$28.0 2.6x \$27.0
60.0%	19.6% \$25.4 2.4x \$39.3	18.7% \$26.1 2.5x \$36.3	18.1% \$26.8 2.5x \$33.7	17.5% \$27.3 2.5x \$31.4	17.1% \$27.7 2.6x \$29.5
65.0%	20.6% \$24.7 2.4x \$42.6	19.6% \$25.4 2.4x \$39.3	18.8% \$26.1 2.5x \$36.5	18.1% \$26.7 2.5x \$34.1	17.6% \$27.2 2.5x \$31.9
70.0%	21.7% \$23.9 2.3x \$45.8	20.5% \$24.7 2.4x \$42.3	19.6% \$25.4 2.4x \$39.3	18.8% \$26.1 2.5x \$36.7	18.2% \$26.6 2.5x \$34.4
75.0%	23.0% \$23.1 2.3x \$49.1	21.5% \$24.0 2.4x \$45.3	20.4% \$24.8 2.4x \$42.1	19.6% \$25.4 2.4x \$39.3	18.9% \$26.0 2.5x \$36.8

Levered Project Level IRR, Profit (in \$M), EM

Initial Senior Loan to Value	Mezzanine Loan to Value				
	65.00%	70.00%	75.00%	80.00%	85.00%
45.0%	17.4% \$25.7 2.3x	17.6% \$24.9 2.4x	17.9% \$24.0 2.6x	18.1% \$23.2 2.7x	18.3% \$22.4 2.9x
50.0%	17.8% \$26.1 2.3x	18.0% \$25.3 2.4x	18.3% \$24.5 2.6x	18.6% \$23.6 2.7x	18.8% \$22.8 2.9x
55.0%	18.1% \$26.5 2.4x	18.4% \$25.7 2.5x	18.7% \$24.9 2.6x	19.0% \$24.0 2.8x	19.3% \$23.2 3.0x
60.0%	18.5% \$26.9 2.4x	18.8% \$26.1 2.5x	19.1% \$25.3 2.6x	19.4% \$24.5 2.8x	19.8% \$23.6 3.0x
65.0%	18.9% \$27.3 2.4x	19.2% \$26.5 2.5x	19.5% \$25.7 2.6x	19.9% \$24.9 2.8x	20.3% \$24.0 3.0x

Sample Hotel Model

Annual Proforma Cash Flows

Annual Cash Flows												
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	12/31/2022	12/31/2023	12/31/2024	12/31/2025	12/31/2026	12/31/2027	12/31/2028	12/31/2029	12/31/2030	12/31/2031	12/31/2032	12/31/2033
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Number of Rooms	106	106	106	106	106	106	106	106	106	106	106	106
Annual Available Rooms	38,690	38,690	38,690	38,690	38,690	38,690	38,690	38,690	38,690	38,690	38,690	38,690
Occupancy		55.0%	75.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
Occupied Rooms	21,280	29,018	30,952	30,952	30,952	30,952	30,952	30,952	30,952	30,952	30,952	30,952
Average Daily Rate (ADR)		\$210.00	\$252.00	\$260.57	\$269.43	\$278.59	\$288.06	\$297.85	\$307.98	\$318.45	\$329.28	\$340.48
RevPAR		\$115.50	\$169.00	\$208.45	\$215.54	\$222.87	\$230.45	\$238.28	\$246.38	\$254.76	\$263.42	\$272.38
Budget (Unlevered):												
Purchase Price	(\$40,000,000)											
Acquisition Costs	(800,000)											
Tax Reserve	(530,121)	530,121										
DD / Legal	0											
CapEx/Renovation	(2,000,000)											
Other	(500,000)											
Total Budget	(\$43,830,121)	\$530,121	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue												
Rooms		\$4,468,695	\$7,312,410	\$8,065,101	\$8,339,314	\$8,622,851	\$8,916,028	\$9,219,173	\$9,532,625	\$9,856,734	\$10,191,863	\$10,538,386
Food & Beverage		1,074,686	1,509,445	1,658,377	1,708,128	1,759,372	1,812,153	1,866,518	1,922,513	1,980,189	2,039,594	2,100,782
Minor Operated Departments		648,121	910,315	1,030,133	1,030,137	1,061,041	1,092,872	1,125,658	1,159,428	1,194,211	1,230,037	1,266,939
Total Revenue	\$6,191,502	\$9,732,170	\$10,723,610	\$11,077,579	\$11,443,264	\$11,821,053	\$12,211,349	\$12,614,566	\$13,031,133	\$13,461,494	\$13,906,107	
Departmental Expenses												
Rooms Expense	(\$1,027,800)	(\$1,681,854)	(\$1,854,973)	(\$1,918,042)	(\$1,983,256)	(\$2,050,686)	(\$2,120,410)	(\$2,192,504)	(\$2,267,049)	(\$2,344,128)	(\$2,423,829)	
Food & Beverage Expense	(806,014)	(1,132,084)	(1,243,783)	(1,281,096)	(1,319,529)	(1,359,115)	(1,399,888)	(1,441,885)	(1,485,141)	(1,529,696)	(1,575,587)	
Minor Operated Departments Expense	(129,624)	(182,063)	(200,027)	(206,027)	(212,208)	(218,574)	(225,132)	(231,886)	(238,842)	(246,007)	(253,388)	
Total Departmental Expenses	(\$1,963,438)	(\$2,996,001)	(\$3,298,782)	(\$3,405,166)	(\$3,514,993)	(\$3,628,376)	(\$3,745,430)	(\$3,866,274)	(\$3,991,032)	(\$4,119,832)	(\$4,252,803)	
Departmental Income (Loss)		\$4,228,063	\$6,736,169	\$7,424,828	\$7,672,413	\$7,928,271	\$8,192,677	\$8,465,919	\$8,748,292	\$9,040,101	\$9,341,663	\$9,653,304
Undistributed Operating Expenses												
Administrative and General	(633,209)	(654,677)	(674,317)	(694,547)	(715,383)	(736,845)	(758,950)	(781,719)	(805,170)	(829,325)	(854,205)	
Information and Telephone	(152,688)	(158,770)	(163,533)	(168,439)	(173,492)	(178,697)	(184,058)	(189,580)	(195,267)	(201,125)	(207,159)	
Marketing	(418,410)	(435,912)	(448,989)	(462,459)	(476,333)	(490,623)	(505,341)	(520,502)	(536,117)	(552,200)	(568,766)	
Property Operations and Maintenance	(366,136)	(381,451)	(392,895)	(404,681)	(416,822)	(429,326)	(442,206)	(455,472)	(469,137)	(483,211)	(497,707)	
Utilities	(211,088)	(218,245)	(224,792)	(231,536)	(238,482)	(245,637)	(253,006)	(260,596)	(268,414)	(276,466)	(284,760)	
Total Undistributed Expenses	(\$1,781,531)	(\$1,849,055)	(\$1,904,527)	(\$1,961,662)	(\$2,020,512)	(\$2,081,128)	(\$2,143,562)	(\$2,207,868)	(\$2,274,104)	(\$2,342,328)	(\$2,412,597)	
Cash Flow After Undistributed Operating Expenses		\$2,446,532	\$4,887,114	\$5,520,301	\$5,710,751	\$5,907,759	\$6,111,550	\$6,322,358	\$6,540,423	\$6,765,997	\$6,999,335	\$7,240,706
Management Fee		(247,660)	(516,167)	(568,751)	(587,524)	(606,919)	(626,956)	(647,656)	(669,042)	(691,135)	(713,960)	(737,541)
Income Before Fixed Charges		\$2,198,872	\$4,370,947	\$4,951,551	\$5,123,227	\$5,300,840	\$5,484,594	\$5,674,701	\$5,871,382	\$6,074,861	\$6,285,375	\$6,503,165
Fixed Charges												
Property Taxes	(530,121)	(546,025)	(562,405)	(579,278)	(596,656)	(614,556)	(632,992)	(651,982)	(671,541)	(691,688)	(712,438)	
Insurance	(158,966)	(163,735)	(168,647)	(173,706)	(178,918)	(184,285)	(189,814)	(195,508)	(201,373)	(207,415)	(213,637)	
Reserve for Replacement	(372,250)	(405,877)	(428,104)	(440,947)	(454,176)	(467,801)	(481,835)	(496,290)	(511,179)	(526,514)	(542,309)	
Total Fixed Charges	(\$1,061,337)	(\$1,115,637)	(\$1,159,156)	(\$1,193,931)	(\$1,229,749)	(\$1,266,641)	(\$1,304,641)	(\$1,343,780)	(\$1,384,093)	(\$1,425,616)	(\$1,468,385)	
Net Operating Income	\$1,137,535	\$3,255,310	\$3,792,394	\$3,929,296	\$4,071,091	\$4,217,952	\$4,370,061	\$4,527,602	\$4,690,768	\$4,859,759	\$5,034,780	
NOI Margin	18.4%	33.4%	35.4%	35.5%	35.5%	35.6%	35.8%	35.9%	36.0%	36.1%	36.2%	
Exit Cap Rate (Forward)								7.50%				
Exit Sales Value								60,368,023				
Disposition Costs								(603,660)				
Net Sales Value								\$59,764,343				
Unlevered Cash Flow	(\$43,830,121)	\$1,667,656	\$3,255,310	\$3,792,394	\$3,929,296	\$4,071,091	\$4,217,952	\$4,370,061	\$4,527,602	\$4,690,768	\$4,859,759	\$5,034,780
Unlevered Cash Flow (adj. for full equity raise upfront)	(\$43,830,121)	\$1,667,656	\$3,255,310	\$3,792,394	\$3,929,296	\$4,071,091	\$4,217,952	\$4,370,061	\$4,527,602	\$4,690,768	\$4,859,759	\$5,034,780
Unlevered Return Metrics												
Peak Equity	\$43,830,121											
IRR	11.52%											
Profit	\$41,237,982											
Multiple	1.94x											
Debt Financing:												
Senior Loan (Refinance):												
Beginning Balance	0	0	0	0	36,486,318	36,004,106	35,494,167	34,954,906	0	0	0	0
Draw	0	0	0	36,486,318	0	0	0	0	0	0	0	0
Repayment (Amortization)	0	0	0	0	(482,212)	(509,939)	(539,261)	(570,268)	0	0	0	0
Repayment (Sale)	0	0	0	0	0	0	0	(34,384,638)	0	0	0	0
Ending Balance	0	0	0	36,486,318	36,004,106	35,494,167	34,954,906	0	0	0	0	0
Financing / Debt Placement Fees		0	0	(364,863)	0	0	0	0	0	0	0	0
Interest Expense	5.75%	0	0	0	(2,097,963)	(2,070,236)	(2,040,915)	(2,009,907)	0	0	0	0

Sample Hotel Model

Debt and Yield Metrics

Debt and Yield Metrics											
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
NOI	\$1,137,535	\$3,255,310	\$3,792,394	\$3,929,296	\$4,071,091	\$4,217,952	\$4,370,061	\$4,527,602	\$4,690,768	\$4,859,759	\$5,034,780
Total Debt Service	(2,080,000)	(2,080,000)	(2,080,000)	(2,580,175)	(2,580,175)	(2,580,175)	(2,580,175)	0	0	0	0
DSCR	0.55x	1.57x	1.82x	1.52x	1.58x	1.63x	1.69x	NA	NA	NA	NA
Senior Loan	24,000,000	24,000,000	24,000,000	36,486,318	36,004,106	35,494,167	34,954,906	0	0	0	0
Mezzanine Loan	4,000,000	4,000,000	4,000,000	0	0	0	0	0	0	0	0
Total Debt	28,000,000	28,000,000	28,000,000	36,486,318	36,004,106	35,494,167	34,954,906	0	0	0	0
Debt Yield	4.1%	11.6%	13.5%	10.8%	11.3%	11.9%	12.5%	N/A	N/A	N/A	N/A
Value	43,404,134	50,565,259	52,390,610	54,281,207	56,239,364	58,267,476	60,368,023	62,543,573	64,796,782	67,130,402	
Total Debt	28,000,000	28,000,000	28,000,000	36,486,318	36,004,106	35,494,167	34,954,906	0	0	0	
Debt Loan to Value	64.5%	55.4%	53.4%	67.2%	64.0%	60.9%	57.9%	0.0%	0.0%	0.0%	
Yield on Unlevered Cost	2.6%	7.4%	8.7%	9.0%	9.3%	9.6%	10.0%	10.3%	10.7%	11.1%	11.5%
Cash on Cash Yield	6.5%	6.6%	55.5%	7.6%	8.4%	9.2%	153.4%	0.0%	0.0%	0.0%	0.0%

Sample Hotel Model

Penetration

Subject Property Penetration				
	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Subject				
Occ. %	55.0%	75.0%	80.0%	80.0%
% Ch.		20.0%	5.0%	0.0%
ADR	\$210.00	\$252.00	\$260.57	\$269.43
% Ch.		20.0%	3.4%	3.4%
RevPAR	\$115.50	\$189.00	\$208.45	\$215.54
% Ch.		63.6%	10.3%	3.4%
XX Area/Market Outlook - Upper Tier Properties				
Occ. %	75.7%	76.9%	75.8%	76.0%
% Ch.		1.2%	-1.1%	0.2%
ADR	\$230.91	\$234.35	\$236.24	\$240.92
% Ch.		1.5%	0.8%	2.0%
RevPAR	\$174.80	\$180.22	\$179.07	\$183.10
% Ch.		3.1%	(0.6%)	2.3%
Penetration				
Occ. %	72.7%	97.5%	105.5%	105.3%
ADR	90.9%	107.5%	110.3%	111.8%
RevPAR	66.1%	104.9%	116.4%	117.7%

Source: XX source company

RETURN SUMMARY		
	Project Level	Net to LPs
IRR	18.77%	16.24%
Equity Multiple	2.47x	2.15x

Sample Hotel Model

Multi-Tier IRR Waterfall

PROJECT LEVEL LEVERED CASH FLOW		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
		Month 0 Dec-22	Month 12 Dec-23	Month 24 Dec-24	Month 36 Dec-25	Month 48 Dec-26	Month 60 Dec-27	Month 72 Dec-28	Month 84 Dec-29	Month 96 Dec-30	Month 108 Dec-31	Month 120 Dec-32	Month 132 Dec-33
Limited Partner Equity Contribution	95%	\$16,824,615	\$16,824,615										
General Partner Equity Contribution	5%	\$885,506	\$885,506										
Total Equity Contribution		\$17,710,121	\$17,710,121	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Project Distributions		\$43,804,219	\$0	\$1,147,656	\$1,175,310	\$9,833,849	\$1,349,121	\$1,490,915	\$1,637,777	\$27,169,590	\$0	\$0	\$0
Total Cash Flow to Equity		\$26,094,098	-\$17,710,121	\$1,147,656	\$1,175,310	\$9,833,849	\$1,349,121	\$1,490,915	\$1,637,777	\$27,169,590	\$0	\$0	\$0

PROJECT LEVEL RETURNS

Project Level IRR	18.77%
Project Level Equity Multiple	2.47x

TIER 1

IRR Hurdle #1	IRR Hurdle	Equity Split
Limited Partner	7%	95%
General Partner + Sponsor		5%

Beginning Balance (LP Capital Account)		\$0	\$16,824,615	\$16,912,065	\$16,979,365	\$8,825,764	\$8,161,902	\$7,316,866	\$6,273,158	\$0	\$0	\$0	\$0
LP Equity Injections		\$16,824,615	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LP Equity Accruals		\$5,690,561	\$0	\$1,177,723	\$1,183,845	\$1,188,556	\$617,803	\$571,333	\$512,181	\$439,121	\$0	\$0	\$0
Tier 1 LP Equity Distributions (Including Return of Capital)		-\$22,515,176	\$0	-\$1,090,273	-\$1,116,545	-\$9,342,157	-\$1,281,665	-\$1,416,370	-\$1,555,888	-\$6,712,279	\$0	\$0	\$0
Ending Balance (LP Capital Account)		\$0	\$16,824,615	\$16,912,065	\$16,979,365	\$8,825,764	\$8,161,902	\$7,316,866	\$6,273,158	\$0	\$0	\$0	\$0
General Partner Equity Injections		\$885,506	\$885,506	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Limited Partner Cash Flow	95%	\$5,690,561	-\$16,824,615	\$1,090,273	\$1,116,545	\$9,342,157	\$1,281,665	\$1,416,370	\$1,555,888	\$6,712,279	\$0	\$0	\$0
General Partner Cash Flow	5%	\$299,503	-\$885,506	\$57,383	\$58,766	\$491,692	\$67,456	\$74,546	\$81,889	\$353,278	\$0	\$0	\$0
Sponsor Promote Cash Flow	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Remaining Cash to Distribute		\$20,104,033	\$0	\$0	\$0	\$0	\$0	\$0	\$20,104,033	\$0	\$0	\$0	\$0

TIER 2

IRR Hurdle #2	IRR Hurdle	Equity Split
Limited Partner	14%	71%
General Partner + Sponsor		29%

Beginning Balance (LP Capital Account)		\$0	\$16,824,615	\$18,089,788	\$19,505,813	\$12,894,471	\$13,418,032	\$13,880,187	\$14,267,525	\$0	\$0	\$0	\$0
LP Equity Injections		\$16,824,615	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LP Equity Accruals		\$15,243,260	\$0	\$2,355,446	\$2,532,570	\$2,730,814	\$1,805,226	\$1,878,524	\$1,943,226	\$1,997,453	\$0	\$0	\$0
Tier 1 LP Equity Distributions		-\$22,515,176	\$0	-\$1,090,273	-\$1,116,545	-\$9,342,157	-\$1,281,665	-\$1,416,370	-\$1,555,888	-\$6,712,279	\$0	\$0	\$0
Tier 2 LP Equity Distributions		-\$9,552,699	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$9,552,699	\$0	\$0	\$0
Ending Balance (LP Capital Account)		\$0	\$16,824,615	\$18,089,788	\$19,505,813	\$12,894,471	\$13,418,032	\$13,880,187	\$14,267,525	\$0	\$0	\$0	\$0
Limited Partner Cash Flow	71%	\$9,552,699	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,552,699	\$0	\$0	\$0
General Partner Cash Flow	4%	\$502,774	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$502,774	\$0	\$0	\$0
Sponsor Promote Cash Flow	25%	\$3,351,824	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,351,824	\$0	\$0	\$0
Remaining Cash to Distribute		\$6,696,737	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,696,737	\$0	\$0	\$0

TIER 3

IRR Hurdle #3	IRR Hurdle	Equity Split
Limited Partner	20%	62%
General Partner + Sponsor		38%

Beginning Balance (LP Capital Account)		\$0	\$16,824,615	\$19,099,265	\$21,802,573	\$16,820,931	\$18,903,453	\$21,267,774	\$23,965,440	\$8,358,315	\$10,029,978	\$12,035,973	\$14,443,168
LP Equity Injections		\$16,824,615	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LP Equity Accruals		\$36,710,297	\$0	\$3,364,923	\$3,819,853	\$4,360,515	\$3,364,196	\$3,780,691	\$4,253,555	\$4,793,088	\$1,671,663	\$2,005,996	\$2,407,195
Tier 1 LP Equity Distributions		-\$22,515,176	\$0	-\$1,090,273	-\$1,116,545	-\$9,342,157	-\$1,281,665	-\$1,416,370	-\$1,555,888	-\$6,712,279	\$0	\$0	\$0
Tier 2 LP Equity Distributions		-\$9,552,699	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$9,552,699	\$0	\$0	\$0
Tier 3 LP Equity Distributions		-\$4,135,235	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$4,135,235	\$0	\$0	\$0
Ending Balance (LP Capital Account)		\$17,331,802	\$16,824,615	\$19,099,265	\$21,802,573	\$16,820,931	\$18,903,453	\$21,267,774	\$23,965,440	\$8,358,315	\$10,029,978	\$12,035,973	\$14,443,168
Limited Partner Cash Flow	62%	\$4,135,235	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,135,235	\$0	\$0	\$0
General Partner Cash Flow	3%	\$217,644	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$217,644	\$0	\$0	\$0
Sponsor Promote Cash Flow	35%	\$2,343,858	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,343,858	\$0	\$0	\$0
Remaining Cash to Distribute		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

TIER 4

Final Distributions	Above...	Equity Split
Limited Partner	20%	48%
General Partner + Sponsor		53%

Limited Partner Cash Flow	48%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Partner Cash Flow	3%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sponsor Promote Cash Flow	50%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

RETURNS SUMMARY

Total Project Cash Flow													
IRR	18.77%												
Net Cash Flow	\$26,094,098												
Invested Equity	\$17,710,121												
Equity Multiple	2.47x												

Limited Partner Cash Flow

IRR	16.24%												
Net Cash Flow	\$16,378,495												
Invested Equity	\$16,824,615												
Equity Multiple	2.15x												

General Partner Equity Co-Invest Cash Flow

IRR	16.24%												
Net Cash Flow	\$1,019,921												
Invested Equity	\$885,506												
Equity Multiple	2.15x												

Sponsor Promote Cash Flow

IRR	n/a
Net Cash Flow	\$5,695,682
Invested Equity	n/a
Equity Multiple	n/a

\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$5,695,682 \$0 \$0 \$0 \$0

GP Co-Invest + Sponsor Promote Cash Flow	
IRR	41.33%
Net Cash Flow	\$6,715,603
Invested Equity	\$885,506
Equity Multiple	8.58x

-\$885,506 \$57,383 \$58,766 \$491,692 \$67,456 \$74,546 \$81,889 \$6,769,377 \$0 \$0 \$0 \$0