



Holiday Inn
EXPRESS[®]
HOTEL & SUITES

Holiday Inn Express
Business Plan / Executive
Summary

Prepared for:
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Confidential

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Summary Project

The subject property is a 3.2 acre vacant parcel situated on Baker Boulevard south of the intersection with Park Avenue. The property is situated between Baker Boulevard and Interstate 15, and has excellent visibility from the interstate. The immediate neighborhood of the subject property is dominated by vacant parcels of land, a Baker municipal services building, a senior activities building, and the new San Bernardino Fire Department building.

The proposed hotel construction site is on the west end of Baker's primary commercial district. The Baker Boulevard commercial corridor functions as an Interstate 15 travelers oasis, offering seven fuel stops with convenience stores, numerous full service and fast-food restaurants, and three motels. These comprise the principle concentration of travel services between Barstow, CA, 65 miles to the west, and Las Vegas, NV, 95 miles to the east. This section of interstate is one of the heaviest traveled in the country, particularly on weekends, with travelers between those two major cities. The combined population of Los Angeles and Las Vegas is estimated at 12 million people. Interstate 15 is the primary connector between these two cities, with an average daily traffic count at Baker, CA being 37,500.

Baker is a town of approximately 600 residents located at the intersection of Interstate 15 and State Route 127 in eastern San Bernardino County. Baker is also strategically located between the famous Death Valley and Mojave Deserts. These National Parks have few services except for camping, therefore peripheral services are a necessity. The town is located on the north end of the Mojave National Preserve and 20 miles south of Death Valley National Park. Baker is at the south end of SR-127, which is the primary access to Death Valley and into Nevada. SR-127 also connects to US-95, the main route between Las Vegas and Reno, NV.

Please find below the estimated total project cost for the Baker, CA Holiday Inn Express, to be owned by Baker Hotel LLC.

Land Cost		
139392 Sq. Ft. @ \$8.00 / sq. ft.	1,115,136	
Total Land Cost		1,115,136
Construction Cost		
Total Construction Cost	3,348,597	
Total Construction Cost		3,348,597
Construction Soft Cost		
Soil Test / EPA Phase 2 / Site Work	9,480	
Traffic Study	11,000	
Appraisal	4,740	
Market Study	2,370	
Architect, Structural, Civil, Plumbing, Mechanical, and Electrical Engineering	135,000	
Legal and Accounting	10,665	
Plans and Printing	5,925	
Survey / Topographical Maps / Recoding	7,500	
Traffic Impact Fees	67,655	
Plan Check Fee	14,013	
Permits	16,932	
Total Construction Soft Cost		285,280
Construction / Other Cost		
Construction Interest	311,026	
Construction Insurance	19,750	
Construction Contingencies	334,860	
Total Contingencies / Other Cost		665,636
FF&E, Franchise and Loan Fees		
Signs	35,550	
FF&E	533,556	
Construction Fee	38,000	

Bank Fee	24,000	
Closing Cost	30,000	
Total FF&E / Franchise / Loan Fees		661,106
Total Project Cost		6,075,755

Start up expenses will be financed through the Small Business Association Development Loan. For those expenses such as working capital and other non-building or non-equipment purchases, Baker Hotel LLC will use personal funds and funds that have obtained privately.

Source		Amount
SBA (30%)		1,798,682
Bank (50%)		2,997,803
Owners Equity (20%)	1,315,829 (Actual)	1,199,121 (Required)
Franchise Fee	50,000	
Other Closing Costs	15,800	
Working Capital	75,050	
Total		6,112,314

As you can see, Baker Hotel LLC has already invested and committed significant capital to this project, including over \$140,000 in funds already.

INVENTORY

Inventory for Baker Hotel LLC will represent a significantly one time purchase, with a very low turnover rate, with the only major inventory expense being cleaning products and spare furniture should it become damaged during a guests stay. Please see below for a detailed breakdown of inventory, and its purchase price:

Start-Expenses		
Item	Quantity	Amount
Box Springs	110	\$11,000
Head Boards	110	\$2,530
Mattresses	110	\$38,500
Bedding	110	\$3,300
Pillows	500	\$3,500
Case Goods	71	\$31,950
Chairs	150	\$10,500
Couches and Sofas	71	\$15,975
Desks	71	\$8,875
Fitness Equipment	1	\$4,000
Laundry Machines	1	\$15,000
Plants and Planter	10	\$1,500
Ice Machines	3	\$1,950
Breakfast Counter Equipment	1	\$1,500
Pantry Refrigerator / Freezer	2	\$2,500
Juice Machine	1	\$400
Meeting Rm Furniture	1	\$2,500
Mirrors	145	\$19,575
Bathroom / Hallway Wall Visconce	115	\$4,025
Lobby Chandeliers	3	\$975
Sleeper Sofas	30	\$15,000
Public Area Furniture	1	\$3,000
Breakfast Furniture	1	\$3,000
Window Treatments	71	\$14,200
Public Area Draperies	1	\$2,500
Smoking Stands	3	\$375
Luggage Carts	2	\$400
Building Sign	2	\$40,000
Monument Sign	1	\$40,000
Art Work	225	\$7,875
Interior Signs	1	\$2,500
Clocks	75	\$937.50

Hangars and Hooks	450	\$900
Lamps	110	\$3,850
Lamp Shades	110	\$1,100
Shower Curtains	75	\$1,125
Guest Room Refridg.	72	\$12,600
Guest Room Microwav.	72	\$5,400
Coffee Makers	75	\$3,375
Computer System	1	\$13,000
Telephone System	1	\$20,000
Hair Dryers	75	\$1,500
Ice Buckets	75	\$375
Ironing Boards	72	\$1,800
Irons	72	\$1,080
Luggage Racks	72	\$1,080
Night Lights	72	\$1,800
Bathrobes	72	\$504
Bellmans Cart	3	\$1,050
Towels	600	\$1,800
Bed Covers	110	\$2,200
Blankets	120	\$1,800
Comforters	120	\$3,000
Pillow Cases	500	\$2,000
Sheets	120	\$2,160
Cleaning Supplies	1	\$1,500
Music System	1	\$1,800
Security Cameras	1	\$2,000
Wi-Fi System	1	\$1,500
Design Services	1	\$10,000
Installation Services	1	\$15,000
Freight	1	\$10,000
	Total	\$435,306.50

PROJECTIONS

Baker Hotel LLC estimates that guests will stay an average of two nights, once per year. Baker Hotel LLC expects to be the best choice for hotel service in the Baker, CA area, and as such, will encourage guests to stay longer and pay more.

Baker Hotel LLC estimates that in addition to the room rate, guests will purchase food from vending machines, purchase small to medium size souvenirs such as post cards and keychains, as well as t-shirts and other like merchandise. Guests of the hotel may also partake in in-room entertainment, purchase wireless internet, or use the in-room telephone, all for an additional nominal charge. Baker Hotel LLC estimates from these figures that each guest stay will generate between 15% - 20% more revenue than the actual room rate.

HOURS OF OPERATION AND RESERVATIONS

Because of the nature of the business venture that Baker Hotel is taking part in, there will need to be staff on hand 24 hours a day, 7 days a week. Reservations for rooms will be taken 24/7, by Holiday Inn national, HolidayInn.com, through other internet brokers such as Hotels.com, by calling the hotel directly, through Holiday Inn's national reservation system, and also through walk-in guests who have no reservation.

COST OF SALES

Projected cost of sales for Baker Hotel LLC are around 45.5% and 50%, with national and industry averages being in the neighborhood of between 34% to 45%. The reason for any discrepancy can be attributed to the size of Baker Hotel LLC. With a room inventory of 71, and industry averages nearly double that at 150, Baker Hotel LLC will still run an efficient operation with high margins despite its size.

PRICING

Baker Hotel LLC expects to charge an average room rate of \$75 for the first year, and then slowly increasing the room rate, leveling out at \$94 per night at the end of Year 5. This is higher than the current average room rate currently offered, but due to the age of the property, national brand recognition, and amenities offered, Baker Hotel LLC feels that people will not only pay these room rates happily, but flock to the property to stay over other limited service hotels in the area.

PERSONNEL AND KEY STAFF

Baker Hotel LLC plans to bring on 20 people to begin with as staff to provide support to the management team. These include front desk people, cleaning staff, maids, grounds keeping, and maintenance staff. Most positions will be full time on an hourly basis, and wages will range between \$9 per hour and \$15 per hour.

Baker Hotel LLC expects there to be a natural attrition of workers, and will be left with between 15 and 13 employees. This will help eliminate redundant positions and workers, and ensure that Baker Hotel LLC is running the leanest, most profitable operation possible.

Below, find an estimated staffing chart:

Front Desk: 2 people per shift (3 shifts)

Cleaning Staff: 1

Maids: 1 from 6 am-12 pm; 1 from 11am-7pm; 1 from 7pm-3am

* (From 3 am until 6 am, Front Desk clerks will be responsible for handling guest needs such as extra pillows, extra blankets, light clean-up, ect.)

Grounds keeping: 2

Maintenance: 2

Reservations: 1

MANAGEMENT EXPERIENCE

Jaspal Sidhu

Jaspal Sidhu is the majority owner (90%) of Baker Hotel LLC. Jaspal is the current owner and operator of Ace Engineering and Akal Construction, located in Las Vegas, NV. Jaspal has an extensive 15 year career in the planning, construction, and design of a variety of residential, commercial, and industrial projects, as well as in office and business management.

Jaspal has worked on and successfully built 4 limited service hotels, all with major branding agreements with chains such as Comfort Inn and Suites, Hampton Inn, and Holiday Inn Express. In addition, he currently is working on an additional hotel project that is slated for completion in December of 2009.

Below are a list of completed projects that Jaspal has worked on and been instrumental for their completion:

Holiday Inn Express - Carson City, NV

Hampton Inn and Suites - Reno, NV

Comfort Inn and Suites - Reno, NV

Comfort Inn and Suites - Las Vegas, NV

Tamba Cuisine Restaurant - Las Vegas, NV

Polos Verde Plaza - Las Vegas,, NV

AM / PM Gas Station - Las Vegas, NV

Gurbax "Rai" Marwah

Rai Marwah is a minority stake holder in Baker Hotel LLC, owning 10%. While his ownership may be small, Rai has extensive management and operation experience when it comes to hotels and hospitality oriented businesses.

Rai owned and operated a limited service hotel almost identical to the proposed Baker Hotel LLC project for over ten years, from late 1980's to the late 1990's. He currently owns and operates twenty six Denny's and Subway restaurants, three 7-11 franchises, and 2 Popeyes Chickens.

In addition to the food service operations, Rai also currently owns and operates an 83-unit Comfort Suites built from the ground up (By Akal Construction). The Comfort Suites, located in Barstow, CA, has been operational since December of 2008, and has had a positive cash flow.

Rai also is in the process of building and finishing up a second hotel project, an 87-unit Fairfield Inn and Suites. This project is halfway completed, and is slated for open in December of 2009.

Deepwater Hospitality

Deepwater Hospitality is a comprehensive professional consultancy and management firm offering a range of services to the hospitality industry -- from financing of existing hotel assets to hotel brokerage and investment; from development to construction, construction supervision, and interior design; and from management to purchasing. The management group's combined experience in the hospitality industry has strong ties and relationships with franchisors, hotel owners, and industry leaders.

The depth of our network provides the essential tools and information to give our clients the edge they need in the quest for the best performance of their hospitality assets.

Deepwater Hospitality will be responsible for the hiring and oversight of all of the management positions within the Baker Hotel LLC project, and may take over all aspects of staffing. Deepwater is also an approved management company, which is required due to IHG regulations and the Holiday Inn Express franchise agreement.

As you can see, Baker Hotel LLC has assembled a "dream team" of owners and construction firms, management experience, and also a hospitality group designed to bring the best of the best in this project, and to provide Baker Hotel LLC the needed tools for success.

PROPOSED LOCATION

The proposed location for the Baker Hotel LLC project is Baker, CA. Baker, CA presents a unique opportunity for hotel and lodging operators.

Located along the I-15, one of the busiest roadways in America, Baker Hotel LLC has the ability to not only capture travelers from Las Vegas and Los Angeles, but it also can capture the majority of tourists that head to the Mojave National Preserve, as well as the Death Valley National Park. These national park facilities have limited resources, and Baker Hotel LLC expects that it will be the starting or stopping point for a majority of travelers, allowing them to get a good nights sleep and a hot shower before or after their outdoor excursion.

For a more detailed breakdown of traffic counts and site feasibility, please see the included Baker, CA Feasibility study.

FRANCHISE AGREEMENT

Please see the attached franchise documentation for Baker Hotel LLC and Holiday Inn Express

PROJECTIONS

Please see the attached Profit and Loss Statements for Baker Hotel LLC, given monthly for Year 1, and quarterly for Years 2 and 3.



Holiday Inn Express, Baker, CA

Operating projections, 71 Units

	M1		M2		M3		M4		M5		M6		M7		M8		M9		M10		M11		M12	
Occupancy Percent	65%		65%		65%		65%		65%		65%		65%		65%		65%		65%		65%		65%	
Average Daily Rate	\$75.00		\$75.00		\$75.00		\$75.00		\$75.00		\$75.00		\$75.00		\$75.00		\$75.00		\$75.00		\$75.00		\$75.00	
Revenues																								
Room Revenue	105,280	98.5%	105,280	98.5%	105,280	98.5%	105,280	98.5%	105,280	98.5%	105,280	98.5%	105,280	98.5%	105,280	98.5%	105,280	98.5%	105,280	98.5%	105,280	98.5%	105,280	98.5%
Gift Shop	600	0.6%	600	0.6%	600	0.6%	600	0.3%	600	0.6%	600	0.6%	600	0.6%	600	0.3%	600	0.6%	600	0.6%	600	0.6%	600	0.3%
Meeting Room		0.0%		0.0%		0.0%				0.0%		0.0%		0.0%				0.0%		0.0%		0.0%		
Telephone	441	0.4%	441	0.4%	441	0.4%	441	0.2%	441	0.4%	441	0.4%	441	0.4%	441	0.2%	441	0.4%	441	0.4%	441	0.4%	441	0.4%
Vending	458	0.4%	458	0.4%	458	0.4%	458	0.2%	458	0.4%	458	0.4%	458	0.4%	458	0.2%	458	0.4%	458	0.4%	458	0.4%	458	0.4%
Other	142	0.1%	142	0.1%	142	0.1%	142	0.1%	142	0.1%	142	0.1%	142	0.1%	142	0.1%	142	0.1%	142	0.1%	142	0.1%	142	0.1%
Total Revenue	106,921	100%	106,921	100%	106,921	100%	106,921	99%	106,921	100%	106,921	100%	106,921	100%	106,921	99%	106,921	100%	106,921	100%	106,921	100%	106,921	99%
Expenses																								
Advertising	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%
Bank Charges	455	0.0%	483	0.0%	520	0.0%	573	0.0%	590	0.0%	483	0.0%	520	0.0%	573	0.0%	590	0.0%	483	0.0%	520	0.0%	573	0.0%
Continental Breakfast	2,673	2.5%	2,673	2.5%	2,673	2.5%	2,673	2.5%	2,673	2.5%	2,673	2.5%	2,673	2.5%	2,673	2.5%	2,673	2.5%	2,673	2.5%	2,673	2.5%	2,673	2.5%
Credit Card Discount	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%
Commission	1,069	1.0%	1,069	1.0%	1,069	1.0%	1,069	1.0%	1,069	1.0%	1,069	1.0%	1,069	1.0%	1,069	1.0%	1,069	1.0%	1,069	1.0%	1,069	1.0%	1,069	1.0%
Dues & Subscription	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%
Education & Seminars	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%
Franchisee Fee	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%	5,346	5.0%
Insurance	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%
Internet	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%
Legal & Accounting	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%
Laundry & Uniform	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%
Management Fee	4,277	4.0%	4,277	4.0%	4,277	4.0%	4,277	4.0%	4,277	4.0%	4,277	4.0%	4,277	4.0%	4,277	4.0%	4,277	4.0%	4,277	4.0%	4,277	4.0%	4,277	4.0%
Miscellaneous	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%
Office Supplies	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%
Pest Control	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%
Repairs & Maint	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%
Salary - Front Desk	8,019	7.5%	8,019	7.5%	8,019	7.5%	8,019	7.5%	8,019	7.5%	8,019	7.5%	8,019	7.5%	8,019	7.5%	8,019	7.5%	8,019	7.5%	8,019	7.5%	8,019	7.5%
Salary - Housekeeping	6,950	6.5%	6,950	6.5%	6,950	6.5%	6,950	6.5%	6,950	6.5%	6,950	6.5%	6,950	6.5%	6,950	6.5%	6,950	6.5%	6,950	6.5%	6,950	6.5%	6,950	6.5%
Supplies	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%
Payroll Taxes	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%	2,138	2.0%
License & Permits	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%	107	0.1%
Telephone	321	0.3%	321	0.3%	321	0.3%	321	0.3%	321	0.3%	321	0.3%	321	0.3%	321	0.3%	321	0.3%	321	0.3%	321	0.3%	321	0.3%
Television & Cable	748	0.7%	748	0.7%	748	0.7%	107	0.1%	642	0.6%	748	0.7%	748	0.7%	107	0.1%	642	0.6%	748	0.7%	748	0.7%	107	0.1%
Travel	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%
Trash Removal	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%	214	0.2%
Utilities	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%	1,604	1.5%
Water	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%	535	0.5%
Workmans Comp	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%	748	0.7%
Total Expenses	49,104	45.5%	49,132	45.5%	49,169	45.5%	48,580	44.9%	49,132	45.4%	49,132	45.5%	49,169	45.5%	48,580	44.9%	49,132	45.4%	49,132	45.5%	49,169	45.5%	48,580	44.9%
Net Operating Profit	57,817	54.5%	57,789	54.5%	57,752	54.5%	58,341	54.4%	57,789	54.6%	57,789	54.5%	57,752	54.8%	58,341	54.4%	57,789	54.6%	57,789	54.5%	57,752	54.5%	58,341	54.4%
Loan Payment	41,469		41,469		41,469		41,469		41,469		41,469		41,469		41,469		41,469		41,469		41,469		41,469	
Ratio	1.39		1.39		1.39		1.41		1.39		1.39		1.39		1.41		1.39		1.39		1.39		1.41	
Net Cash Flow	16,348		16,320		16,283		16,872		16,320		16,320		16,283		16,872		16,320		16,320		16,283		16,872	

Holiday Inn Express, Baker, CA

Operating projections, 71 Units

	Year 2 (Q1)		Year 2 (Q2)		Year 2 (Q3)		Year 2 (Q4)	
Occupancy Percent	67%%		67%		67%		67%%	
Average Daily Rate	\$75.00		\$75.00		\$75.00		\$75.00	
Revenues								
Room Revenue	325,557	98.5%	325,557	98.5%	325,557	98.5%	325,557	98.5%
Gift Shop	1,800	0.5%	1,800	0.5%	1,800	0.5%	1,800	0.3%
Meeting Room		0.0%		0.0%		0.0%		
Telephone	1,325	0.4%	1,325	0.4%	1,325	0.4%	1,325	0.2%
Vending	1,375	0.4%	1,375	0.4%	1,375	0.4%	1,375	0.2%
Other	427	0.1%	427	0.1%	427	0.1%	427	0.1%
Total Revenue	330,484	100%	330,484	100%	330,484	100%	330,484	99%
Expenses								
Advertising	16,524	5.0%	16,524	5.0%	16,524	5.0%	16,524	5.0%
Bank Charges	455	0.0%	483	0.0%	520	0.0%	573	0.0%
Continental Breakfast	8,262	2.5%	8,262	2.5%	8,262	2.5%	8,262	2.5%
Credit Card Discount	4,957	1.5%	4,957	1.5%	4,957	1.5%	4,957	1.5%
Commission	3,305	1.0%	3,305	1.0%	3,305	1.0%	3,305	1.0%
Dues & Subscription	330	0.1%	330	0.1%	330	0.1%	330	0.1%
Education & Seminars	330	0.1%	330	0.1%	330	0.1%	330	0.1%
Franchisee Fee	16,524	5.0%	16,524	5.0%	16,524	5.0%	16,524	5.0%
Insurance	2,313	0.7%	2,313	0.7%	2,313	0.7%	2,313	0.7%
Internet	1,652	0.5%	1,652	0.5%	1,652	0.5%	1,652	0.5%
Legal & Accounting	661	0.2%	661	0.2%	661	0.2%	661	0.2%
Laundry & Uniform	2,313	0.7%	2,313	0.7%	2,313	0.7%	2,313	0.7%
Management Fee	13,219	4.0%	13,219	4.0%	13,219	4.0%	13,219	4.0%
Miscellaneous	661	0.2%	661	0.2%	661	0.2%	661	0.2%
Office Supplies	661	0.2%	661	0.2%	661	0.2%	661	0.2%
Pest Control	330	0.1%	330	0.1%	330	0.1%	330	0.1%
Repairs & Maint	6,610	2.0%	6,610	2.0%	6,610	2.0%	6,610	2.0%
Salary - Front Desk	24,786	7.5%	24,786	7.5%	24,786	7.5%	24,786	7.5%
Salary - Housekeeping	21,481	6.5%	21,481	6.5%	21,481	6.5%	21,481	6.5%
Supplies	4,957	1.5%	4,957	1.5%	4,957	1.5%	4,957	1.5%
Payroll Taxes	6,610	2.0%	6,610	2.0%	6,610	2.0%	6,610	2.0%
License & Permits	330	0.1%	330	0.1%	330	0.1%	330	0.1%
Telephone	991	0.3%	991	0.3%	991	0.3%	991	0.3%
Television & Cable	2,313	0.7%	2,313	0.7%	2,313	0.7%	330	0.1%
Travel	661	0.2%	661	0.2%	661	0.2%	661	0.2%
Trash Removal	661	0.2%	661	0.2%	661	0.2%	661	0.2%
Utilities	4,957	1.5%	4,957	1.5%	4,957	1.5%	4,957	1.5%
Water	1,652	0.5%	1,652	0.5%	1,652	0.5%	1,652	0.5%
Workmans Comp	2,313	0.7%	2,313	0.7%	2,313	0.7%	2,313	0.7%
Total Expenses	150,825	45.5%	150,853	45.5%	150,890	45.5%	148,960	44.9%
Net Operating Profit	179,659	54.5%	179,631	54.5%	179,594	54.5%	181,524	54.4%
Loan Payment	124,408		124,408		124,408		124,408	
Ratio	1.44		1.44		1.44		1.46	
Net Cash Flow	55,251		55,223		55,186		57,116	

Quarterly Projections Y3

Holiday Inn Express, Baker, CA									
Operating projections, 71 Units									
	Year 3 (Q1)		Year 3 (Q2)		Year 3 (Q3)		Year 3 (Q4)		
Occupancy Percent	70%		70%		70%		70%		
Average Daily Rate	\$84.00		\$84.00		\$84.00		\$84.00		
Revenues									
Room Revenue	364,624	98.7%	364,624	98.7%	364,624	98.7%	364,624	98.7%	
Gift Shop	1,800	0.5%	1,800	0.5%	1,800	0.5%	1,800	0.3%	
Meeting Room		0.0%		0.0%		0.0%			
Telephone	1,325	0.4%	1,325	0.4%	1,325	0.4%	1,325	0.2%	
Vending	1,375	0.4%	1,375	0.4%	1,375	0.4%	1,375	0.2%	
Other	427	0.1%	427	0.1%	427	0.1%	427	0.1%	
Total Revenue	369,551	100%	369,551	100%	369,551	100%	369,551	99%	
Expenses									
Advertising	18,478	5.0%	18,478	5.0%	18,478	5.0%	18,478	5.0%	
Bank Charges	455	0.0%	483	0.0%	520	0.0%	573	0.0%	
Continental Breakfast	9,239	2.5%	9,239	2.5%	9,239	2.5%	9,239	2.5%	
Credit Card Discount	5,543	1.5%	5,543	1.5%	5,543	1.5%	5,543	1.5%	
Commission	3,696	1.0%	3,696	1.0%	3,696	1.0%	3,696	1.0%	
Dues & Subscription	370	0.1%	370	0.1%	370	0.1%	370	0.1%	
Education & Seminars	370	0.1%	370	0.1%	370	0.1%	370	0.1%	
Franchisee Fee	18,478	5.0%	18,478	5.0%	18,478	5.0%	18,478	5.0%	
Insurance	2,587	0.7%	2,587	0.7%	2,587	0.7%	2,587	0.7%	
Internet	1,848	0.5%	1,848	0.5%	1,848	0.5%	1,848	0.5%	
Legal & Accounting	739	0.2%	739	0.2%	739	0.2%	739	0.2%	
Laundry & Uniform	2,587	0.7%	2,587	0.7%	2,587	0.7%	2,587	0.7%	
Management Fee	14,782	4.0%	14,782	4.0%	14,782	4.0%	14,782	4.0%	
Miscellaneous	739	0.2%	739	0.2%	739	0.2%	739	0.2%	
Office Supplies	739	0.2%	739	0.2%	739	0.2%	739	0.2%	
Pest Control	370	0.1%	370	0.1%	370	0.1%	370	0.1%	
Repairs & Maint	7,391	2.0%	7,391	2.0%	7,391	2.0%	7,391	2.0%	
Salary - Front Desk	27,716	7.5%	27,716	7.5%	27,716	7.5%	27,716	7.5%	
Salary - Housekeeping	24,021	6.5%	24,021	6.5%	24,021	6.5%	24,021	6.5%	
Supplies	5,543	1.5%	5,543	1.5%	5,543	1.5%	5,543	1.5%	
Payroll Taxes	7,391	2.0%	7,391	2.0%	7,391	2.0%	7,391	2.0%	
License & Permits	370	0.1%	370	0.1%	370	0.1%	370	0.1%	
Telephone	1,109	0.3%	1,109	0.3%	1,109	0.3%	1,109	0.3%	
Television & Cable	2,587	0.7%	2,587	0.7%	2,587	0.7%	370	0.1%	
Travel	739	0.2%	739	0.2%	739	0.2%	739	0.2%	
Trash Removal	739	0.2%	739	0.2%	739	0.2%	739	0.2%	
Utilities	5,543	1.5%	5,543	1.5%	5,543	1.5%	5,543	1.5%	
Water	1,848	0.5%	1,848	0.5%	1,848	0.5%	1,848	0.5%	
Workmans Comp	2,587	0.7%	2,587	0.7%	2,587	0.7%	2,587	0.7%	
Total Expenses	168,601	45.5%	168,629	45.5%	168,666	45.5%	166,501	44.9%	
Net Operating Profit	200,950	54.5%	200,923	54.5%	200,886	54.5%	203,050	54.6%	
Loan Payment	124,408		124,408		124,408		124,408		
Ratio	1.62		1.62		1.61		1.63		
Net Cash Flow	76,542		76,515		76,478		78,642		