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| **FAQ for Property Owners** |  |  |  |
| Your Guide to Fractional Ownership: Unlock Capital, Retain Control |  |  |  |
| 1. What is fractional ownership? |  |  |  |
| Fractional ownership allows you to sell shares of your property to multiple investors. You can sell the entire property or only a portion of it while retaining operational control. Think of it like selling to a group of silent partners who share costs and benefits proportionally. |  |  |  |
| 2. How does it work? |  |  |  |
| Legal Structure: The portion of the property offered for sale is held in separate entity, with investors owning shares. |  |  |  |
| Capital Raise: Sell all or a certain percentage of shares to fund goals like renovations, debt repayment, or expansion. eg. 30% or 50% |  |  |  |
| Investor Management: The platform handles all investor reporting, communciation, payouts, etc. |  |  |  |
| 3. Why choose this over a bank loan or PE deal? |  |  |  |
| Feature | Fractional Ownership | Bank Loan | Private Equity |
| Control | Retain full control | Retain control | Lose control to PE firm |
| Debt | No debt or interest | High interest (8–12%) | Equity dilution (20–50%) |
| Liquidity | Access capital in 60–90 days | 6–12-month approval | Lengthy negotiation |
| 5. Will investors interfere with my operations? |  |  |  |
| No. Investors are passive shareholders with no voting rights. You (if you currently operate) or the property management company will run the property as usual. |  |  |  |
| 6. What are tax implications? |  |  |  |
| Deductible Expenses: Renovations, management fees, and depreciation. |  |  |  |
| Tax Savings: Cost segregation can accelerate depreciation, reducing taxable income. |  |  |  |
| 7. What if I want to sell later? |  |  |  |
| Buyback Option: Repurchase shares at market price. |  |  |  |
| Full Sale: The platform markets the property, with proceeds split by ownership. |  |  |  |
| 8.How do you determine eligibility? |  |  |  |
| We prefer properties with strong occupancy, financials, reputation and value add potential (renovations, tech upgrades, etc.) |  |  |  |
| 9. How are usage rights managed? |  |  |  |
| Automated Scheduling: Fair allocation via a digital calendar |  |  |  |
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| Next Steps: [Schedule a call] to explore your property’s potential. |  |  |  |
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| FAQ for Retail Investors |  |  |  |
| Your Guide to Fractional Hotel Investing: Passive Income, Real Ownership |  |  |  |
| 1. What is fractional hotel investing? |  |  |  |
| You buy shares in a hospitality property like hotel or resort, earning passive income from rentals and potential appreciation—all for as little as $5000. You can buy multiple shares increasing your potential to earn more. |  |  |  |
| 2. How does it work? |  |  |  |
| Ownership: Shares represent actual LLC membership (e.g., 1% = $50k in a $5M hotel). Example: A $50k investment in a Boston boutique hotel could yield: Potential of $5k/year in dividends. (estimate)  Discounted stays. (30%-50%) Appreciation if the property value grows. |  |  |  |
| 3. Why invest in hotels vs. stocks/REITs? What are expected returns |  |  |  |
| It varies by property and the unique characteristics |  |  |  |
| Metric | Fractional Hotel | S&P 500 | Hotel REITs |
| Avg. Return | 8–12% + appreciation | 7–10% | 5–8% |
| Volatility | Low (real asset-backed) | High | Moderate |
| Tangible Perks | Free stays, events | None | None |
| 4. Is my investment safe? |  |  |  |
| SEC Compliance: All offerings meet Regulation D/A+ standards. |  |  |  |
| Asset-Backed: You own real property shares, not speculative tokens. |  |  |  |
| Insurance: Properties carry liability and hazard coverage. |  |  |  |
| 5. How liquid is this investment? |  |  |  |
| Secondary Market: Sell shares anytime on our platform (planned in 2027). |  |  |  |
| Buybacks: The platform may repurchase shares at NAV during liquidity events. |  |  |  |
| 6. What are the risks? |  |  |  |
| Market Risk: Hospitality demand fluctuates, macro economic factors, real estate market conditions |  |  |  |
| Platform Safeguards: Escrow accounts, SEC compliance, and insurance. |  |  |  |
| Please refer to the entire disclosure statement |  |  |  |
| 7. What are other ownership benefits? |  |  |  |
| Discounted stays, exclusive investor events, access to industry reports |  |  |  |
| 8. How does the platform handle property management? |  |  |  |
| Professional Oversight: Vetted managers handle daily operations (e.g., staffing, repairs). |  |  |  |
| Transparency: Real-time dashboards track occupancy, revenue, and expenses. |  |  |  |
| 9. How do I start? |  |  |  |
| Sign Up: Complete KYC/AML checks in <10 minutes, browse listings, complete payment via secure portals (eg. Stripe, Plaid, etc.) |  |  |  |
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| 7. What tax benefits do I get? | |  |  |  |
| Pass-Through Income: Report earnings via Schedule K-1 (LLC structure). | |  |  |  |
| Deductions: Claim a share of depreciation, mortgage interest, and property taxes. | |  |  |  |
| Why Trust Us? | |  |  |  |
| Proven Models: Inspired by Pacaso (vacation homes) and Arrived Homes (rental properties). | |  |  |  |
| Audited Financials: Annual third-party audits ensure transparency. | |  |  |  |
| 24/7 Support: Dedicated team for owners and investors. | |  |  |  |
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