

Josie Model  
Summary

Control			
Start Period	31-Jul-16		
Frequency	Monthly		
Number of Periods	72 periods		
Number of Years	6.0 years		
End Period	31-Jul-22		
Currency in?	Dollars		
Currency Denomination	CAD		
Phase B?	No		
Extra Density?	No		

Unit Information			
	# of Units	GFA Saleable	Income per unit (or sf)
Hotel	106 units		\$191,674 /unit

Sources & Uses			
Sources		\$ Value	% of Total
	Construction Loan	\$24,000,000	61%
	Deposits	\$0	0%
	Equity	\$15,536,834	39%
	Deposit contingency	\$0	0%
Total Sources		\$39,536,834	
Uses		\$ Value	% of Total
	Property Acquisition	\$1,511,903	4%
	Soft Costs	\$4,265,982	11%
	Hard Costs	\$32,610,650	82%
	Operational Reserves	\$0	0%
	Financial Costs	\$1,148,299	3%
Total Uses		\$39,536,834	

Purchase Price and Development Analysis	
	\$ Value
Total Acquisition costs	\$1,511,903
Closing costs	\$1,148,299
Development	
Hard costs	\$32,610,650
Soft costs	\$4,265,982
Total	\$39,536,834

Projected Revenue			
	Total	PSF Saleable	Per unit
Hotel			
(+) Room	\$38,107,449		\$359,504 /unit
(+) Phone	\$11,883		\$112 /unit
(+) F&B	\$10,514,208		\$99,191 /unit
(+) Spa	\$6,087,770		\$57,432 /unit
Total Hotel Revenue	\$54,721,310		\$516,239 /unit
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Investor Returns Summary			
	GP	LP	Preferred
Ownership		66.64%	33.36%
Total Investment		\$10,353,559	\$5,183,275
IRR		22.79%	22.79%
Total Proceeds		\$39,105,714	\$33,935,429
Net Profit	\$1,837,912	\$28,752,154	\$28,752,154
MOIC		2.85 x	2.97 x

Capital Structure Assumptions				
Equity Split	\$ Value	% of Total	Pref Dividend	Split Money/Promote
LPs	\$17,653,559	100.0%	8%	95%
GPs	—	0.0%	0%	5%
Total	\$17,653,559			
Debt Assumption	\$ Value	Length (yrs)	Fixed Or Variable	Fixed Rate / Spread
Land Loan	—	2	Fixed	11.0%
Debt Financing	\$31,500,000	25	Fixed	6.0%
Average/Total	\$ 31,500,000	25		6.0%

Waterfall Structure			
Return		Hurdle 1	Hurdle 2
		8.0%	5.0%

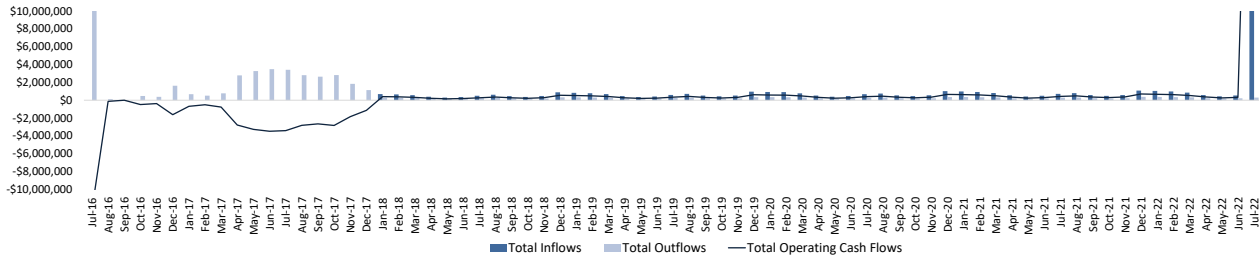
Hotel Operating Costs					
	Starting Period	Starting Cost	End Cost	CAGR	Avg. % of Hotel Revenues
Administrative	18	\$76,485	\$66,565	-0.25%	5.9%
Credit Card	18	\$29,929	\$32,325	0.14%	2.7%
Utilities	18	\$44,118	\$39,628	-0.19%	3.5%
Repairs & Maint.	18	\$25,939	\$23,465	-0.18%	2.1%
Sales & Marketing	18	\$54,316	\$46,931	-0.27%	4.1%
Management Fees	18	\$33,255	\$35,916	0.14%	3.0%
Total		\$264,041	\$244,830		

Projected Returns Summary	
Inflows	\$ Value
(+) Hotel Sale	\$59,987,916
(+) Hotel Income	\$20,317,459
Total Inflows	\$80,305,375
(-) Total Costs	\$39,536,834
Net Profit	\$40,768,541

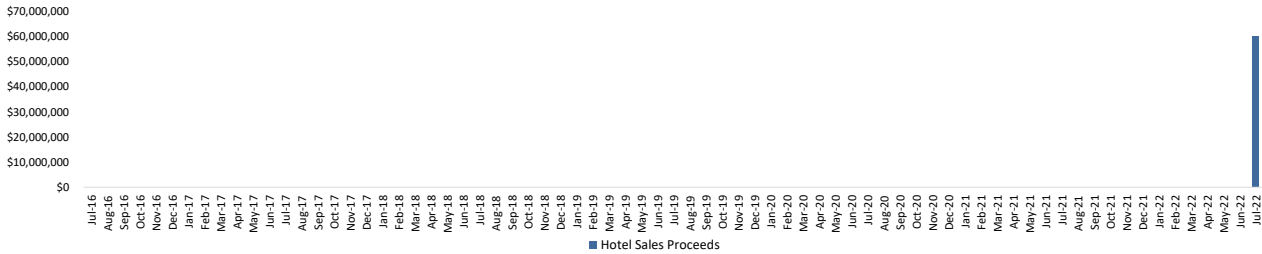
Hotel & Retail Profitability					
	Start Period	Start Net Income	End Net Income	CAGR	
Hotel	18	\$402,646	\$433,146	0.1%	

## Summary Charts

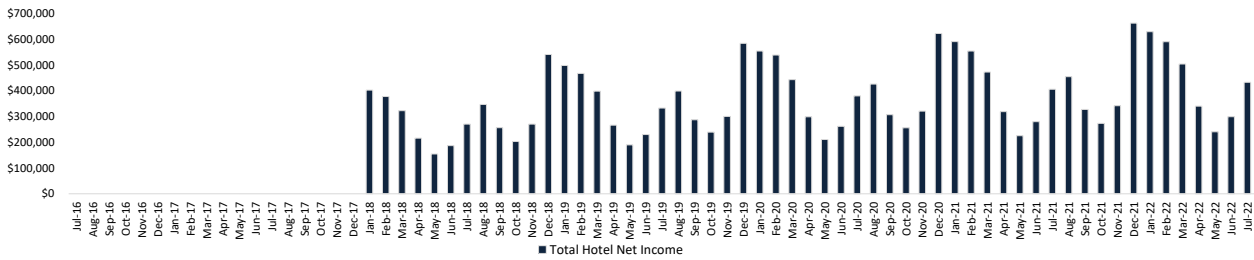
### Cash Flows



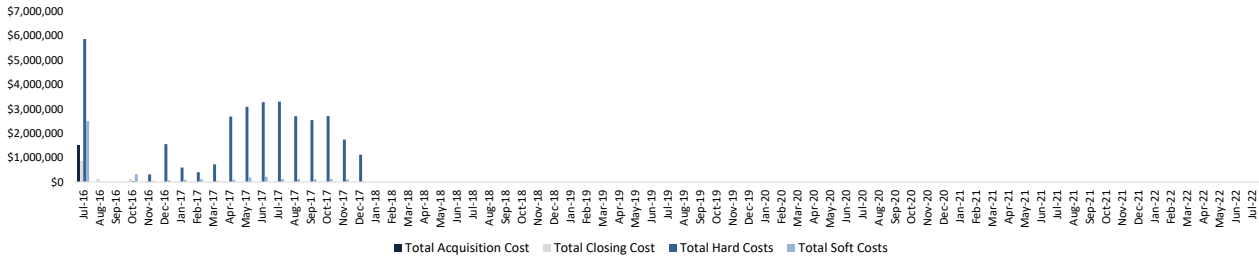
### Gross Sales Proceeds



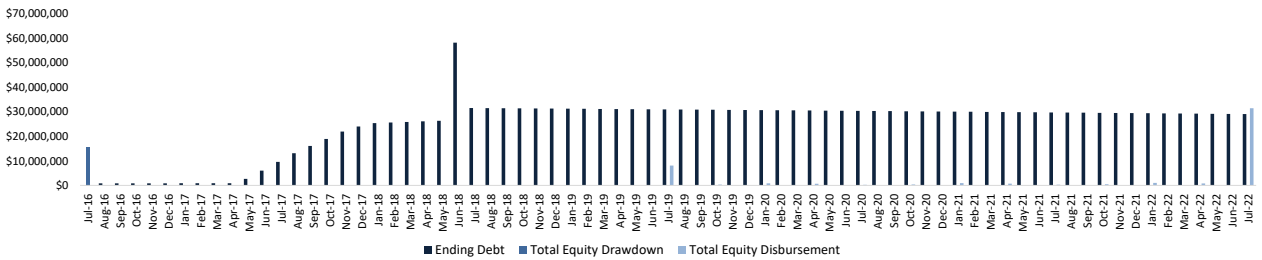
### Hotel and Retail Net Income



### Total Acquisition and Development Costs



### Financial Engineering



### Cash-on-cash Returns

