



CASE STUDY

HOTEL DEVELOPMENT WITH OPERATIONAL CALCULATION

INTRODUCTION

This case study demonstrates a development feasibility model by a Hotel Developer, for a 4 Star Boutique Hotel located in Derbyshire, UK. For demonstration purposes, the EstateMaster DF application was primarily used for the development phase, in conjunction with EstateMaster HF (Hotel Feasibility) for calculating the Net Operating Income on a stabilised year basis. In this instance, it assumes a Sale on a stabilised year 5 NOI.

Local data has been used at the time of devising this.

The Development itself is funded with 50% equity and 50% external financing, at an 8% coupon rate.

DEVELOPMENT OF HOTEL

This assumes a land purchase price of £16 m to build a 176 bedroom Boutique 4 plus star Hotel:

The Hotel is developed by the Developer and managed by an Operator until the Hotel is sold on to a 3rd by the Developer. The development is financed by equity (50% of Net Cash flow to be funded) and external financing debt 50% at a projected Interest rate of 8%. The loan is for the Construction phase and agreed to be repaid on a principal and interest basis over 5 years.

INPUTS AND PREFERENCES

PREFERENCES

- General > Regional Settings UK
 - Set Stamp Duty to 'NIL'
 - Set Taxation Format to NIL Tax (assumes limited VAT impact at feasibility level)
- General > Cash Flow Periods
 - Set cash flow rest periods to 'Monthly'
 - Resize model to 90 time periods
- Financing > Global Settings
 - Financing Level is set to 'Simple- Equity and Senior Debt only'
- Financing > Equity
 - Facility Limit Calculation Method 'Net Cashflow to be Funded'
 - Equity Injection Method – "Progressively as Required"
 - Equity Repayment Method "Repaid when available- retain cash for future costs"
 - Interest Payment Method is "Capitalised"
 - Check box "Equity to repay any outstanding Debt at End"
- Financing > Senior Debt
 - Loan Type is set to "Debt" '
 - Facility Limit is set to "No Limit – Acts as Overdraft"
 - Interest Payment Method is "Capitalised"
 - Loan Ratio Calculation Method is "Net Cashflow to be Funded"

PRELIMINARY

- Cash Flow Title = Boutique Hotel Model
- Project Start Date = Jan 2015
- Project Size A = 176 Bedrooms
- Project Size B = 8,598 SqM GFA
- Site Area = 1,484 SqM

LAND PURCHASE COSTS

- Land Purchase £16.0m, month start 0 span 1.
- Other Acquisition Costs: Legal fees of 0.25% of land paid in time period 0 and span 1 month.

1000

LAND PURCHASE & ACQUISITION COSTS

Land Purchase Price16,000,000

Code	Stage		% of Land Purchase Price		AND/OR	Month	Month	Cash Flow
			% paid	Amount	Lump Amount	Start	Span	Period
1002	-	Deposit in Trust Account ¹	0.00%	-	-	0	-	-
1003	-	Payment 1	0.00%	-	-	0	-	-
1004	-	Payment 2	0.00%	-	-	0	-	-
1005	-	Payment 3	0.00%	-	-	0	-	-
1006	-	Payment 4	0.00%	-	-	0	-	-
1007	-	Settlement (Balance)	100.00%	-	16,000,000	0	1	Jan-16 - Jan-16
1008	-	Stamp Duty ¹	NIL	-	-	0	1	Jan-16 - Jan-16
		Interest on Deposit in Trust Account	0.00%	Interest from deposit shared between parties				
		Profit Share to Land Owner	0.00%	Paid progressively as project makes a profit.				

Code	Stage	Other Acquisition Costs	% of Land Purchase Price		AND/OR	Month	Month	Cash Flow
			% paid	Amount	Lump Amount	Start	Span	Period
1011	-	Legals	0.25%	40,000	-	1	1	Jan-16 - Jan-16

COST ESCALATION AND PROJECT CONTINGENCY

- Cost Escalations have been assumed at 2% for all categories except Built form, which is at 3%.
- Project Contingency is 10%

COST ESCALATION										
			Escalation Rates (Monthly Compounded Escalation) based on Cashflow Period Years commencing							
			Jan-16	Jan-17	Jan-18	Jan-19	Jan-20	Jan-21	Jan-22	Jan-23
	Professional Fees		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Code	Construction Costs (Uncategorised)		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
SUB	Subdivision Costs		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
STG	Stage Costs		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
BUI	Built Form		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
OT1	Other		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
OT2	Other		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Statutory Fees		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Pre Opening Fees		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Miscellaneous Costs 2		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Miscellaneous Costs 3		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Land Holding Costs		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Selling and Leasing Costs		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Finance Costs		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

PROFESSIONAL FEES

- All professional fees are lumped into one line at 13% of Construction Costs.
- Start in month 0 and span 18 months.
- All costs are escalated to start of cost being incurred ("E") and have the base s-curve applied ("S")

3000 PROFESSIONAL FEES									
Code	Stage	Description	% of Construct. ¹	AND / OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve	Month Start ²	Month Span
3001	-	Global	13.00%	-	-	E	S	0	18

CONSTRUCTION COSTS

- Construction costs are all entered in lump sum amounts:
 - Foundation – 2,400,000
 - Structure – 4,800,000
 - Cladding – 4,800,000
 - M & E – 3,600,000
 - Fit Out – 8,400,000
- Month start and spans are as below
- All costs are escalated to start of cost being incurred ("E") and have the base s-curve applied ("S")
- Contingency covered by Project Contingency

4000 CONSTRUCTION COSTS									
Code	Stage	Description	Cost Type	Units	Base Rate / Units	Escalate (E,R,N) ¹	S-Curve	Month Start	Month Span
4001	-	Foundation	SUB	1	2,400,000	E	S	1	10
4002	-	Structure	BUI	1	4,800,000	E	S	11	2
4003	-	Cladding	BUI	1	4,800,000	E	S	13	2
4004	-	M&E	BUI	1	3,600,000	E	S	13	5
4005	-	Fit out	BUI	1	8,400,000	E	S	13	5

STATUTORY FEES

- Costs as below, all starting in month 8 and span 1 month.

5000 Statutory Fees									
Code	Stage	Description	Units	Base Rate / Units	Escalate (E,R,N)	S-Curve	Month Start	Month Span	Cash Flow Period
5001	-	Builders security deposit	1	137,865	-	-	8	1	Sep-16 - Sep-16
5002	-	Development Control	1	1,350	-	-	8	1	Sep-16 - Sep-16
5003	-	Tree maintenance Bond	1	6,000	-	-	8	1	Sep-16 - Sep-16
5004	-	S106 TCPA contribution	1	140,936	-	-	8	1	Sep-16 - Sep-16
5005	-	Statutory Other	1	100,000	-	-	8	1	Sep-16 - Sep-16

PRE OPENING FEES

- Allow for Pre-Opening Costs of 100,000.
- Month start 15 and span 3 months.

6000		Pre Opening Fees								
Code	Stage	Description	%of Construction¹	AND / OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve	Month Start²	Month Span	Cash Flow Period
6001	-	Pre Opening Fees	0.00%	1	100,000	-	-	15	3	Apr-17 - Jun-17
6002	-	.	0.00%	-	-	-	-	0	-	-

FINANCING

- Set Equity at 50% of "Net Cash Flow to be funded"
- Senior Debt (the Construction Loan):
 - Set the interest rate at 8.0%.
 - Fees are 50,000, paid in Month 10

PROJECT HURDLE RATES

Set the Target IRR/Discount Rate at 20% to represent a commercial return inclusive of inflation and 30% for Development Margin.

TENANCY SCHEDULE

HOTEL NOI

The Tenancy Schedule is used to Cashflow out the NOI (Net Operating Income) and capitalise the Stabilised Year (whatever that may be...in this instance Year 5)

The NOI itself is calculated by using the EstateMaster HF (Hotel Feasibility) model, and then importing the relevant worksheets into DF to reference them in the inputs. There is a separate section denoting the Hotel Operational Viability later

12000	EstateMaster		Development Feasibility	RENTAL INCOME & CAPITALISED SALES										
Code	Stage	Description	Land Use Code	Total Area	Current Rent	Outgoings and Vacancies			Pre-Commit Month	Lease Month Start	Lease Month Span	Cash Flow Period	Escalated Rent at Lease Start /SqM/annum	
				SqM	/SqM/annum	Amount /SqM/annum	% of Rent	Total Per Annum						
12001	-	Hotel Year 1 NOI	HOT	1	5,183,727	-	0.00%	-	-	18	12	Jul-17 - Jun-18	5,183,727	
12002	-	Hotel year 2	HOT	1	6,427,734	-	0.00%	-	-	30	12	Jul-18 - Jun-19	6,427,734	
12003	-	Hotel Year 3	HOT	1	7,137,766	-	0.00%	-	-	42	12	Jul-19 - Jun-20	7,137,766	
12004	-	Hotel Year 4	HOT	1	7,873,821	-	0.00%	-	-	54	12	Jul-20 - Jun-21	7,873,821	
12005	-	Hotel Year 5	HOT	1	8,636,464	-	0.00%	-	-	66	12	Jul-21 - Jun-22	8,636,464	
12006	-		-	-	-	-	0.00%	-	-	0	-	-	-	
12007	-	NOI=	-	-	-	-	0.00%	-	-	0	-	-	-	
12008	-	Net Operating Income of Hotel	-	-	-	-	0.00%	-	-	0	-	-	-	

The NOI is linked to the relevant year in the “Hotel Inputs” tab and entered as the current rent:

- Year one of Operation “Lease” start Month 18 span 12 months
- Year two of Operation “Lease” start Month 30 span 12 months
- Year three of Operation “Lease” start Month 42 span 12 months
- Year four of Operation “Lease” start Month 54 span 12 months
- Year five of Operation “Lease” start Month 66 span 12 months

This populates the cashflow with the monthly Net Operating income from the Hotel.

HOTEL CAPITALISED SALES

- The Stabilised NOI will then be capitalised to work out the sale value.
- This is $8,636,464 / 7\% = 123,378,057$ in month 78 (i.e. at the end of the Year 5 “Lease”).

12000 EstateMaster Development Feasibility													
Code	Stage	Description	Residual Cap. Rate	Pre-Sale Exchange Month	Settlement Month	Leasing Up Period Months Vacant	Discount Rate	Purchaser's Costs	Current Net Annual Rent	Current End Sale Value ²	Total Net Rental Income less Incentives	Escalated End-Sale Value	
12001	-	Hotel Year 1 NOI	0.00%	-	-	-	0.00%	0.00%	5,183,727	-	5,183,727	-	-
12002	-	Hotel year 2	0.00%	-	-	-	0.00%	0.00%	6,427,734	-	6,427,734	-	-
12003	-	Hotel Year 3	0.00%	-	-	-	0.00%	0.00%	7,137,766	-	7,137,766	-	-
12004	-	Hotel Year 4	0.00%	-	-	-	0.00%	0.00%	7,873,821	-	7,873,821	-	-
12005	-	Hotel Year 5	0.00%	-	-	-	0.00%	0.00%	8,636,464	123,378,056	8,636,464	123,378,056	-
12006	-		0.00%	-	-	-	0.00%	0.00%	-	-	-	-	-
12007	-	NOI=	0.00%	-	-	-	0.00%	0.00%	-	-	-	-	-
12008	-	Net Operating Income of Hotel	0.00%	-	-	-	0.00%	0.00%	-	-	-	-	-
12009	-		0.00%	-	-	-	0.00%	0.00%	-	-	-	-	-
12010	-		0.00%	-	-	-	0.00%	0.00%	-	-	-	-	-
TOTAL									35,259,513	123,378,056	35,259,513	123,378,056	

HOTEL FEASIBILITY – OPERATIONAL ASSUMPTIONS

- This calculates the operational viability of the hotel. The viability is contained on the two tabs
 - Hotel Inputs
 - Hotel Summary

Note: These 2 tabs have been imported from a values-only Excel dump of a separate EstateMaster HF (Hotel Feasibility) model used to calculate the operational viability of the Hotel. They have **no active formulas**, so therefore **any changes** to these tabs will **not flow through to any dependent results**.

HOTEL INPUTS

PRELIMINARIES

- 1.3 guests per room
- Open 365 days a year
- Stabilisation Year 5 (Note: HF model runs off a 3 year standard, but we have manually used Year 5 in the DF by bringing in the 5 years of NOI into the Tenants sheet.)
- Cap Rate 7%

Cash Flow Title	Base Appraisal
Description	Base
Hotel Brand	Specialist
Hotel Star Rating	4 +
Operational Month/Year	Jul-2017
Project Status	Under Review
Hotel Type	Boutique
Currency / Denomination	GBP

Guests/Room	1.3
Days/Year	365
Stabilisation Year	5
Discount Rate (Target IRR)	15.00%
Cap Rate (Terminal Yield)	7.00%
Notional Hotel Holding Period for DCF (Yrs)	5
Notional Terminal Value @ Jul 2018 based on EBITDA in 2018	91,824,788

ROOM REVENUE

- Enter the relevant ADR (Average Daily Rate) for Year 1 against the Room Mix as below (the Occupancy Levels are stated in the Profit and Loss section)

Room Description	Count	Yr1 ADR
Standard	165	200
Deluxe Accessible	11	200
	-	-
	-	-
	-	-
	-	-
Compound ADR	176	200

FOOD AND BEVERAGE

- There are up to 20 different types of Restaurant/ Coffee shop etc that can be accommodated in the model. In this instance an all-day rate and capture has been used.
- All Day Dining - 65% capture at £30 GBP
- Car Parking - 20% Capture at £50

		2017	2018	2019	2020	2021
All day dining						
	Capture	65%				
	GBP/covers	30	31	31	32	32
	Total Revenue GBP	814,242	996,632	1,101,279	1,209,712	1,322,043
Car parking						
	Capture	20%				
	GBP/covers	50	51	52	53	54
	Total Revenue GBP	417,560	511,093	564,758	620,365	677,971

ESCALATION

- Escalations are set at 2% to reflect increases in the Retail Prices Index
- It is assumed no escalation in Year 1 plus no escalations for Meeting Room Revenue until after year 4

	Year 1	Year 2	Year 3	Year 4	Year 5 +
Room Rates	No Escalation	2.00%	2.00%	2.00%	2.00%
F&B Revenue	No Escalation	2.00%	2.00%	2.00%	2.00%
Meeting Room Revenue	No Escalation	No Escalation	No Escalation	2.00%	2.00%
Expenses	No Escalation	2.00%	2.00%	2.00%	2.00%

MEETING ROOM / CONFERENCE/ SPA REVENUE

- This section can be used to reflect revenue from Spa/ Gym /Conference areas
- Inputs are as below.

	2017		2018		2019
Meeting Space (SqM)	15		15		15
Rental Revenue as a % of the additional F&B Revenue	25%		25%		25%
SqM/pax	2		2		2
Capacity (pax)	10		10		10
Days/Year	260		260		260
Occupancy	60%		60%		60%
Pax/Year	1,560		1,560		1,560
Additional F&B Revenue GBP/pax	15		15		15
Additional F&B revenue AUD/annum	23,400.0		23,400.0		23,400.0
Revenue - F&B	23,400		23,400		23,400
Revenue - Rental	5,850		5,850		5,850
Total Revenue	29,250		29,250		29,250
Expense - F&B	-14,040	60%	-14,040	60%	-14,040
Expense - Rental	-4,388	75%	-4,388	75%	-4,388
Total Expense	-18,428		-18,428		-18,428
Dept Profit - F&B	9,360	40%	9,360	40%	9,360
Dept Profit - Rental	1,463	25%	1,463	25%	1,463
Total Profit	10,823		10,823		10,823
% of total revenue	0.1%		0.1%		0.1%

MANAGEMENT FEES

- Management Fees are 2% of Total Revenue
- Incentive Fees are 7.3 of the Adjusted Gross Operating Profit (defined)

		2017		2018		2019		2020		2021
Base Management Fee	% of Total Revenue	153,701.0	2.0%	187,999.0	2.0%	207,677.5	2.0%	228,079.9	2.0%	249,215.2
Incentive Fee	As % of AGOP	405,197.0	7.3%	502,437.5	7.3%	557,938.6	7.3%	615,473.9	7.3%	675,087.5

PROFIT AND LOSS ACCOUNT

GROSS OPERATING PROFIT

Having established the Core Revenue stream we turn our attention to the costs and to the Profit and Loss account to determine the Net Operating Income (NOI) and Free Cash

- Enter perceived Occupancy Levels to year 5 - 75%
- Automatically calculates Revenues, based on ADR inputs.
- Populate anticipated percentages for Operating Expenses
- Enter Sales and Marketing and Group Chain Percentages (% of Total Revenue and Room Revenue respectively)
- Resulting Figure is Gross Operating Profit (GOP)

	2017		2018		2019		2020		2021
Occupancy Rate	50.0%		60.0%		65.0%		70.0%		75.0%
Average Daily Rate (ADR)	200.0		204.0		208.1		212.2		216.5
Revenue per Available Room (RevPAR)	100.0		122.4		135.3		148.6		162.4
Room Nights Sold	32,120		38,544		41,756		44,968		48,180
Guests	41,756		50,107		54,283		58,458		62,634
REVENUES									
Room	6,424,000.0	83.6%	7,862,976.0	83.6%	8,688,588.5	83.7%	9,544,080.3	83.7%	10,430,316.3
Food & Beverage	1,231,802.0	16.0%	1,507,725.6	16.0%	1,666,036.8	16.0%	1,830,077.4	16.0%	2,000,013.1
Other Operating Depts.	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0
Meeting Space	29,250.0	0.4%	29,250.0	0.3%	29,250.0	0.3%	29,835.0	0.3%	30,431.7
Total Revenues	7,685,052	100%	9,399,952	100%	10,383,875	100%	11,403,993	100%	12,460,761
DEPARTMENTAL OPERATING EXPENSES									
Room	1,284,800.0	20.0%	1,572,595.2	20.0%	1,737,717.7	20.0%	1,908,816.1	20%	2,086,963.3
Food & Beverage	61,590.1	5.0%	75,386.3	5.0%	83,301.8	5.0%	91,503.9	5%	100,000.7
Other Operating Depts.	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0
Meeting Space	18,427.5	63%	18,427.5	63%	18,427.5	63%	18,796.1	63%	19,172.0
Total Dep. Operating Expenses	1,364,818	18%	1,666,409	18%	1,839,447	18%	2,019,116	18%	2,206,236
DEP. OPERATING INCOME	6,320,234	82%	7,733,543	82%	8,544,428	82%	9,384,877	82%	10,254,525
UNDISTRIBUTED OPERATING EXPENSES									
Admin & General	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0
Sales & Marketing	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0
Property Repairs & Maintenance	299,419.7	3.9%	305,408.1	3.2%	311,516.3	3.0%	317,746.6	2.8%	324,101.5
Utility	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0
Base Management Fee	153,701.0	2.0%	187,999.0	2.0%	207,677.5	2.0%	228,079.9	2.0%	249,215.2
Group (Chain) Services	120,480.0	2.0%	157,259.5	2.0%	173,771.8	2.0%	190,881.8	2.0%	208,606.3
Total UOE	581,691	7.6%	650,667	6.9%	692,866	6.7%	736,708	6.5%	781,923
GROSS OPERATING PROFIT (GOP)	5,738,543	75%	7,082,876	75%	7,851,563	76%	8,648,169	76%	9,473,602

EBITDA

The main post GOP items are:

- Incentive Fee (see previous)
- Buildings Insurance, Operators Liability and Taxes- all of which can be changed from Year 3 (stabilised year)
- Net Operating Income – at the stabilised year, this is capitalised to give the Hotel Value (alternatively this can be done using the EBITDA or Free Cash)
- Any Lease Payments (to the owner for example) will be deducted after NOI to derive EBITDA (Earnings before Interest Tax Depreciation and Amortisation)
- Free Cash is derived after any allowance for Furniture Fittings and Equipment Reserve (FFE)

GROSS OPERATING PROFIT (GOP)	5,738,834	75%	7,082,876	75%	7,851,463	76%	8,648,169	76%	9,473,602	76%
OTHER DEDUCTIONS										
Incentive Fee	405,197.0	5.3%	502,437.5	5.3%	557,938.6	5.4%	615,473.9	5.4%	675,087.5	5.4%
Operators Liability Insurance	49,903.3	0.6%	50,901.3	0.5%	51,919.4	0.5%	52,957.8	0.5%	54,016.9	0.4%
Building Insurance	49,903.3	0.6%	50,901.3	0.5%	51,919.4	0.5%	52,957.8	0.5%	54,016.9	0.4%
Taxes, Licences & Permits	49,903.3	0.6%	50,901.3	0.5%	51,919.4	0.5%	52,957.8	0.5%	54,016.9	0.4%
Total Other Deductions	554,907	7.2%	655,142	7.9%	713,697	6.9%	774,347	6.8%	837,138	6.7%
NET OPERATING PROFIT (NOP)	5,183,727	67%	6,427,734	68%	7,137,766	69%	7,873,821	69%	8,636,464	69%
Lease	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
EBITDA	5,183,727	67%	6,427,734	68%	7,137,766	69%	7,873,821	69%	8,636,464	69%
FF&E Reserve	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Free Cash	5,183,727	67%	6,427,734	68%	7,137,766	69%	7,873,821	69%	8,636,464	69%

PERFORMANCE SUMMARY

The KPIs below show that the Hotel is indeed worth developing, holding for 5 years and selling.

The Equity IRR achieved is at 27.31% - 7.31% better than the Target Return.

Performance Indicators		
¹ Net Development Profit		104,903,412
³ Development Margin (Profit/Risk Margin)	Based on total costs (inc selling costs)	195.23%
⁴ Residual Land Value	Based on Target Margin of 30%	66,741,232
⁵ Net Present Value	Based on Discount Rate of 20% p.a. Nominal	8,356,629
⁶ Benefit Cost Ratio		1.1982
⁷ Project Internal Rate of Return (IRR)	Per annum Nominal	23.75%
⁸ Residual Land Value	Based on NPV	24,195,896
Equity IRR	Per annum Nominal	27.31%
Equity Contribution		24,100,093
Peak Debt Exposure		24,571,036
Equity to Debt Ratio		100.00%
⁹ Weighted Average Cost of Capital (WACC)		4.00%
¹⁰ Breakeven Date for Cumulative Cash Flow	Month 77	Jun-2022
¹¹ Yield on Cost		65.62%
¹² Rent Cover		2 Yrs, 12 Mths

FINANCE STRUCTURE

This was modelled on a Simple Equity and Debt basis as below- split 50 /50. Despite the high level of Equity Invested the returns are very good.

Returns on Funds Invested	Developer's Equity	Senior Loan
		Debt HSBC plc
¹ Funds Invested (Cash Outlay)	24,100,093	24,100,093
% of Total Funds Invested	50.00%	50.00%
² Peak Exposure	24,100,093	24,571,036
Date of Peak Exposure	Jan-17	Jun-17
Month of Peak Exposure	Month 12	Month 17
Weighted Average Interest Rate	N.A.	8.00%
Interest Charged	-	5,483,971
Line Fees Charged	-	-
Application Fees Charged	-	50,000
Profit Share Received	-	-
³ Total Profit to Funders	104,903,412	5,533,971
⁴ Margin on Funds Invested	435.28%	22.96%
⁵ Payback Date	Jun-22	Nov-21
Month of Payback	Month 77	Month 70
⁶ IRR on Funds Invested	27.31%	8.09%
⁷ Equity to Debt Ratio		100.00%
⁸ Loan to Value Ratio	19.53%	19.92%
⁹ Loan Ratio	50.00%	61.48%
	of Net Cash Flow to be Funded	of Net Cash Flow to be Funded