



Hotel Valuation

Introduction

We have changed CAMALot to allow you to base the Income Valuation on 'stabilized' income and expense information. You can choose to use Actual Income or Market Income to generate the value.

Weighting

Stabilization of Income is only done for Hotel/Motel Type Properties. In order to enter the Weighting, the primary or secondary Actual Use of the property must begin with C102 (Improved Commercial/Lodging). If the Actual Use is set to Lodging, you will see a 'Weighting' Tab in the Income Module. You can weight based on two or three years. The total of the years must equal 100%.

SUMMARY | Property | Market Land | **Income** | Marshall_Swift

Asmt Year: 2013 Header: 2800 - 200 - 5 Building #:

Header | Lease Group | Lease | Property-Wide | **Other Income** | Expenses | **Weighting**

For Stabilizing Income:

Year: 2013	34
Year: 2012	33%
Year: 2011	33%

Revenue - Rooms

You should enter the Revenue for the Rooms in the Lease Tab tied to a Tenant Type and Quality. You enter the 'actual' income from rooms (if provided) as well as entering the 'market' rate per room.

Location: 2800 - Highway Commercial

Lease Type: 200 - Hotel

Quality: 5 - Semi-Custom

Size: Area: 0 Ft² Units: 90

Lease Rate: x \$0.00

Periods / Year: x 365

Annual Income: + \$3,283,855

Other Income: + \$0 Desc:

Total: \$3,283,855

ProRation

Actual Rate:	\$99.97	Rounded To: One Dollar
Market Rate:	\$134.00	Min: \$100.00 Max: \$200.00

We only want Room Revenue entered onto the Lease Tab so that we can calculate ADR (Average Daily Room Rate) and REVPAR (Revenue Per Available Room) for you.

Revenue - Other

You should enter all other revenue on the Other Income Tab. We have changed this tab to allow you to add an unlimited number of lines of Income.

Amount	Description
17890	Meeting room rental
3863	Catering / Pop Vending
781	Telephone
15943	Valet Service
17894	Movie Bar Rentals
6497	Other

Expenses

There are a few ways to enter expenses. You could enter a lump sum amount or an expense ratio on the Income Header.

Actual		Tabled		Override
Vacancy %:	0.00%			
Occupancy %:	73.50%	74.00%		
Cap. Rate:	N/A	11.00%		+0.2
GIM:	N/A			
Expense Ratio %:		55.00%		

Or you could itemize them in the Expenses Tab.

Type	Percent	Size	Rate	Periods	Annual	Total	Overr
Rooms		90	\$0.00	1	\$697,836.00	\$697,836.00	
Catering - Food & Beverage		90	\$0.00	1	\$1,242.00	\$1,242.00	
Laundry		90	\$0.00	1	\$14,494.00	\$14,494.00	
Movie Bar Rental		90	\$0.00	1	\$17,060.00	\$17,060.00	
Administration		90	\$0.00	1	\$268,517.00	\$268,517.00	
Management		90	\$0.00	1	\$167,322.00	\$167,322.00	
Advertising & Promotion		90	\$0.00	1	\$284,916.00	\$284,916.00	

Occupancy % and Furniture, Fixtures & Equip (FF&E)

In order to complete the valuation of the hotel, you will need to add both an Occupancy % and a percentage for FF&E.

Rates		Actual	Tabled	Override
Vacancy %:	0.00%	\$:		
Occupancy %:	73.50%		74.00%	
Cap. Rate:	N/A		11.00%	+0.20
GIM:	N/A			
Expense Ratio %:		\$:	55.00%	
Reserves:				
Non Recoverables:	2%		2%	
FF & E:	15%		15%	

The Occupancy Percentage is used to calculate the ADR (Average Daily Room Rate) when valuing based on Actual Income (Gross Revenue from Rooms / Number of Rooms / 365 days / Occupancy %). This shows the average hotel room rate if the rooms were 100% occupied.

When using the Market Income, the Occupancy Percentage is used to reduce the Potential Gross Income of the rooms for occupancy.

The FF&E Adjustment is used to reduce the NOI of the property to account for the revenue that is generated from personal property

Calculations (Based on Actual Income)

	2011(33%)	2012(33%)	2013(34%)	Stabilized
Average Room Rate (ADR)	(76.4%) \$139	(74.3%) \$140	(73.5%) \$136	(74.7%) \$138
Average Room Rate (REVPAR)	\$106	\$104	\$100	\$103
Potential Gross Income	\$3,479,457	\$3,427,245	\$3,283,855	\$3,395,722
Other Income	\$68,030	\$66,863	\$62,868	\$65,890
Effective Gross Income	\$3,547,487	\$3,494,108	\$3,346,723	\$3,461,612
Total Actual Expenses	-\$1,989,495	-\$1,922,775	-\$1,866,226	-\$1,925,566
Non-Recoverables	-\$70,950	-\$69,882	-\$66,934	-\$69,232
NOI (Before FF & E)	\$1,487,042	\$1,501,451	\$1,413,563	(42.4%) \$1,466,814
FF & E				(15%) -\$220,022
Net Operating Income				(34.5%) \$1,193,541
Valuation / Cap. Rate				(11.2%) \$10,656,616

Calculations (Based on Market Income)

	2011(33%)	2012(33%)	2013(34%)	Stabilized
Average Room Rate (ADR)	(73.5%) \$137	(74.0%) \$139	(74.0%) \$134	(73.8%) \$137
Average Room Rate (REVPAR)	\$101	\$103	\$99	\$101
Potential Gross Income	\$4,500,450	\$4,566,150	\$4,401,900	\$4,488,624
Less Occupancy Allowance	-\$1,192,619	-\$1,187,199	-\$1,144,494	-\$1,174,468
Other Income	\$68,030	\$66,863	\$62,868	\$65,890
Effective Gross Income	\$3,375,861	\$3,445,814	\$3,320,274	\$3,380,046
Total Actual Expenses	-\$1,989,495	-\$1,922,775	-\$1,866,226	-\$1,925,566
Non-Recoverables	-\$67,517	-\$68,916	-\$66,405	-\$67,601
NOI (Before FF & E)	\$1,451,620	\$1,481,700	\$1,427,718	(43.0%) \$1,453,420
FF & E				(15%) -\$218,013
Net Operating Income				(35.8%) \$1,209,705
Valuation / Cap. Rate				(11.2%) \$10,800,938

Detailed Calculations for 2013

No. Tenant/Income Description	Type/Qual	Lease Date start-end	Quantity	Actual		Market	
				Rate	Income	Rate	Income
	200 / 5		90 unit	\$99.97	\$3,283,855	\$134.00	\$4,401,900
	Potential Gross Income				\$3,283,855		\$4,401,900
	Less Vacancy Allowance				\$0	0.00%	\$0
	Less Occupancy Allowance			73.50%	\$0	74.00%	-\$1,144,494
	Meeting room rental				\$17,890		\$17,890
	Catering / Pop Vending				\$3,863		\$3,863
	Telephone				\$781		\$781
	Valet Service				\$15,943		\$15,943
	Movie Bar Rentals				\$17,894		\$17,894
	Other				\$6,497		\$6,497
	Effective Gross Income				\$3,346,723		\$3,320,274
<u>Less Building Expenses</u>							
Description	Quantity	Rate	% of EGI	Averaged	Total		
Rooms				\$697,836	\$697,836		
Catering - Food & Beverage				\$1,242	\$1,242		
Laundry				\$14,494	\$14,494		
Movie Bar Rental				\$17,060	\$17,060		
Administration				\$268,517	\$268,517		
Management				\$167,322	\$167,322		
Advertising & Promotion				\$284,946	\$284,946		
Property Operation & Maintenance				\$33,446	\$33,446		
Heat/Light/Power/Cable				\$100,620	\$100,620		
Telephone				\$13,139	\$13,139		
Commissions				\$55,160	\$55,160		
Franchise Royalties & Fees				\$197,031	\$197,031		
Insurance Dues & Licenses				\$15,413	\$15,413		
	Total Actual Expenses						-\$1,866,226
	Expense Ratio						55%
	Non-Recoverables					2%	-\$66,934
	NOI (Before FF & E)				\$1,413,563		\$1,427,718
	FF & E					15%	-\$214,158
	Net Operating Income				\$1,201,529		\$1,213,560
	Valuation / Cap. Rate					11.20%	\$10,727,938
						11.20%	\$10,835,357

Roll: 0001000	Income Year: 2013	Legal: 8222019 G
Alt. Key: 12345		
Address:		Land Area: 15.97 Acres
Description: Langworthy Park		
IncomeID: 4221	Highway Commercial / Hotel / Semi-Custom	
Status:		
	Building Area:	Gross 46,860 Ft ²
	Number of Units:	Net 90 (100%)

Use For Capitalization Rate: Yes 0.00%	Use For Vacancy Rate: Yes
Site Coverage: Parcel Area: 695,653 Ft ²	Footprint Area: Coverage: 0%
	Overall Vacancy: 0%

	<u>2011(33%)</u>	<u>2012(33%)</u>	<u>2013(34%)</u>	<u>Stabilized</u>
Average Room Rate (ADR)	(73.5%) \$137	(74.0%) \$139	(74.0%) \$134	(73.8%) \$137
Average Room Rate (REVPAR)	\$101	\$103	\$99	\$101
Potential Gross Income	\$4,500,450	\$4,566,150	\$4,401,900	\$4,488,624
Less Occupancy Allowance	-\$1,192,619	-\$1,187,199	-\$1,144,494	-\$1,174,468
Other Income	\$68,030	\$66,863	\$62,868	\$65,890
Effective Gross Income	\$3,375,861	\$3,445,814	\$3,320,274	\$3,380,046
Total Actual Expenses	-\$1,989,495	-\$1,922,775	-\$1,866,226	-\$1,925,566
Expense Ratio	-\$1,856,724	-\$1,895,198	-\$1,826,151	-\$1,859,026
Non-Recoverables	-\$67,517	-\$68,916	-\$66,405	-\$67,601
NOI (Before FF & E)	\$1,451,620	\$1,481,700	\$1,427,718	(43.0%) \$1,453,420
FF & E				(15%) -\$218,013
Net Operating Income				(35.8%) \$1,209,705
Valuation / Cap. Rate				(11.2%) \$10,800,938

<u>Tenant Descriptions</u>	<u>Market Rent (Min)</u>	<u>Market Rent (Max)</u>
200 / 5 Hotel / Semi-Custom	\$100.00	\$200.00

<u>Assessment / Tax Coding</u>	Value Per Ft²: \$230
202 ~ Commercial Improved 100%	Value Per Unit: \$120,010
	Assessed Value: 10,800,900

Roll: 0001000	Income Year: 2013	Legal: 8222019 G
Alt. Key: 12345		
Address:		Land Area: 15.97 Acres
Description: Langworthy Park		
IncomeID: 4221	Highway Commercial / Hotel / Semi-Custom	
Status:		
	Building Area:	Gross 46,860 Ft ²
	Number of Units:	90
		Net 90 (100%)

Use For Capitalization Rate: Yes 0.00%	Use For Vacancy Rate: Yes
Site Coverage: Parcel Area: 695,653 Ft ²	Footprint Area: Coverage: 0%
	Overall Vacancy: 0%

	<u>2011(33%)</u>	<u>2012(33%)</u>	<u>2013(34%)</u>	<u>Stabilized</u>
Average Room Rate (ADR)	(76.4%) \$137	(74.3%) \$139	(73.5%) \$134	(74.7%) \$137
Average Room Rate (REVPAR)	\$105	\$104	\$99	\$103
Potential Gross Income	\$3,479,457	\$3,427,245	\$3,283,855	\$3,395,722
Other Income	\$68,030	\$66,863	\$62,868	\$65,890
Effective Gross Income	\$3,547,487	\$3,494,108	\$3,346,723	\$3,461,612
Total Actual Expenses	-\$1,989,495	-\$1,922,775	-\$1,866,226	-\$1,925,566
Non-Recoverables	-\$70,950	-\$69,882	-\$66,934	-\$69,232
NOI (Before FF & E)	\$1,487,042	\$1,501,451	\$1,413,563	(42.4%) \$1,466,814
FF & E				(15%) -\$220,022
Net Operating Income				(34.5%) \$1,193,541
Valuation / Cap. Rate				(11.2%) \$10,656,616

<u>Tenant Descriptions</u>	<u>Market Rent (Min)</u>	<u>Market Rent (Max)</u>
200 / 5 Hotel / Semi-Custom	\$100.00	\$200.00

<u>Assessment / Tax Coding</u>	Value Per Ft ² : \$227
202 ~ Commercial Improved 100%	Value Per Unit: \$118,406
	Assessed Value: 10,656,600

Roll: 0001000	Income Year: 2011	Legal: 8222019 G
Alt. Key: 12345		
Address:		Land Area: 15.97 Acres
Description: Langworthy Park		
IncomeID: 4221	Highway Commercial / Hotel / Semi-Custom	
Status:		
	Building Area: 46,860 Ft ²	Gross
	Number of Units: 90	Net
		90 (100%)

Use For Capitalization Rate: Yes 0.00%	Use For Vacancy Rate: Yes
Site Coverage: Parcel Area: 695,653 Ft ²	Footprint Area: Coverage: 0%
	Overall Vacancy: 0%

No.	Tenant/Income Description	Type/Qual	Lease Date start-end	Quantity	Actual		Market	
					Rate	Income	Rate	Income
		200 / 5		90 unit	\$105.92	\$3,479,457	\$137.00	\$4,500,450
	Potential Gross Income					\$3,479,457		\$4,500,450
	Less Vacancy Allowance					\$0	0.00%	\$0
	Less Occupancy Allowance				76.40%	\$0	73.50%	-\$1,192,619
				Meeting Room Rental		\$21,286		\$21,286
				Catering / Pop Vending		\$3,990		\$3,990
				Telephone		\$1,344		\$1,344
				Valet Service		\$10,254		\$10,254
				Movie Bar Rentals		\$21,330		\$21,330
				Other		\$9,826		\$9,826
	Effective Gross Income					\$3,547,487		\$3,375,861
Less Building Expenses								
	Description	Quantity	Rate	% of EGI	Averaged	Total		
	Rooms				\$703358	\$703,358		
	Catering - Food and Beverage				\$715	\$715		
	Laundry				\$17205	\$17,205		
	Moviebar Rental				\$21801	\$21,801		
	Administration				\$278014	\$278,014		
	Management				\$177354	\$177,354		
	Advertising & Promotion				\$319787	\$319,787		
	Property Operation & Maintenance				\$50511	\$50,511		
	Heat/Light/Power/Cable				\$110463	\$110,463		
	Telephone				\$15122	\$15,122		
	Commissions				\$62983	\$62,983		
	Franchise Royalties & Fees				\$208711	\$208,711		
	Insurance Dues & Licenses				\$23471	\$23,471		
	Total Actual Expenses						-\$1,989,495	
	Expense Ratio							55% -\$1,856,724
	Non-Recoverables				2%	-\$70,950	2%	-\$67,517
	NOI (Before FF & E)					\$1,487,042		\$1,451,620
	FF & E				15%	-\$223,056	15%	-\$217,743
	Net Operating Income					\$1,263,986		\$1,233,877
	Valuation / Cap. Rate				10.70%	\$11,812,953	10.70%	\$11,531,561

<u>Tenant Descriptions</u>		<u>Market Rent (Min)</u>	<u>Market Rent (Max)</u>
200 / 5	Hotel / Semi-Custom	\$100.00	\$200.00

<u>Assessment / Tax Coding</u>	Value Per Ft ² : \$246
202 ~ Commercial Improved 100%	Value Per Unit: \$128,128
	Assessed Value: 11,531,600

Roll: 0001000	Income Year: 2012	Legal: 8222019 G
Alt. Key: 12345		
Address:		Land Area: 15.97 Acres
Description: Langworthy Park		
IncomeID: 4221	Highway Commercial / Hotel / Semi-Custom	
Status:		
	Building Area: 46,860 Ft ²	Gross
	Number of Units: 90	Net
		90 (100%)

Use For Capitalization Rate: Yes 0.00%	Use For Vacancy Rate: Yes
Site Coverage: Parcel Area: 695,653 Ft ²	Footprint Area: Coverage: 0%
	Overall Vacancy: 0%

No.	Tenant/Income Description	Type/Qual	Lease Date start-end	Quantity	Actual		Market	
					Rate	Income	Rate	Income
		200 / 5		90 unit	\$104.33	\$3,427,245	\$139.00	\$4,566,150
	Potential Gross Income					\$3,427,245		\$4,566,150
	Less Vacancy Allowance					\$0	0.00%	\$0
	Less Occupancy Allowance				74.30%	\$0	74.00%	-\$1,187,199
			Meeting Room Rentals			\$18,389		\$18,389
			Catering / Pop Vending			\$1,725		\$1,725
			Telephone			\$1,338		\$1,338
			Valet Service			\$18,301		\$18,301
			Movie Bar Rentals			\$18,252		\$18,252
			Other			\$8,858		\$8,858
	Effective Gross Income					\$3,494,108		\$3,445,814
Less Building Expenses								
	Description	Quantity	Rate	% of EGI	Averaged	Total		
	Rooms				\$718,789	\$718,789		
	Catering - Food & Beverage				\$593	\$593		
	Laundry				\$15,862	\$15,862		
	Moviebar Rental				\$17,945	\$17,945		
	Administration				\$272,142	\$272,142		
	Management				\$174,732	\$174,732		
	Advertising & Promotion				\$295,884	\$295,884		
	Property Operation & Maintenance				\$34,200	\$34,200		
	Heat/Light/Power/Cable				\$100,097	\$100,097		
	Telephone				\$13,153	\$13,153		
	Commissions				\$56,082	\$56,082		
	Franchise Royalties & Fees				\$205,251	\$205,251		
	Insurance Dues & Licenses				\$18,045	\$18,045		
	Total Actual Expenses						-\$1,922,775	
	Expense Ratio							55%
	Non-Recoverables				2%	-\$69,882		2%
	NOI (Before FF & E)					\$1,501,451		\$1,481,700
	FF & E				15%	-\$225,218		15%
	Net Operating Income					\$1,276,233		\$1,259,445
	Valuation / Cap. Rate				10.70%	\$11,927,411		10.70%

<u>Tenant Descriptions</u>		<u>Market Rent (Min)</u>	<u>Market Rent (Max)</u>
200 / 5	Hotel / Semi-Custom	\$100.00	\$200.00

<u>Assessment / Tax Coding</u>	Value Per Ft²: \$251
202 ~ Commercial Improved 100%	Value Per Unit: \$130,783
	Assessed Value: 11,770,500

Roll: 0001000	Income Year: 2013	Legal: 8222019 G
Alt. Key: 12345		
Address:		Land Area: 15.97 Acres
Description: Langworthy Park		
IncomeID: 4221	Highway Commercial / Hotel / Semi-Custom	
Status:		
	Building Area: 46,860 Ft ²	Gross
	Number of Units: 90	Net
		90 (100%)

Use For Capitalization Rate: Yes 0.00%	Use For Vacancy Rate: Yes
Site Coverage: Parcel Area: 695,653 Ft ²	Footprint Area: Coverage: 0%
	Overall Vacancy: 0%

No.	Tenant/Income Description	Type/Qual	Lease Date start-end	Quantity	Actual		Market	
					Rate	Income	Rate	Income
		200 / 5		90 unit	\$99.97	\$3,283,855	\$134.00	\$4,401,900
	Potential Gross Income					\$3,283,855		\$4,401,900
	Less Vacancy Allowance					\$0	0.00%	\$0
	Less Occupancy Allowance				73.50%	\$0	74.00%	-\$1,144,494
			Meeting room rental			\$17,890		\$17,890
			Catering / Pop Vending			\$3,863		\$3,863
			Telephone			\$781		\$781
			Valet Service			\$15,943		\$15,943
			Movie Bar Rentals			\$17,894		\$17,894
			Other			\$6,497		\$6,497
	Effective Gross Income					\$3,346,723		\$3,320,274
Less Building Expenses								
	Description	Quantity	Rate	% of EGI	Averaged	Total		
	Rooms				\$697836	\$697,836		
	Catering - Food & Beverage				\$1242	\$1,242		
	Laundry				\$14494	\$14,494		
	Movie Bar Rental				\$17060	\$17,060		
	Administration				\$268517	\$268,517		
	Management				\$167322	\$167,322		
	Advertising & Promotion				\$284946	\$284,946		
	Property Operation & Maintenance				\$33446	\$33,446		
	Heat/Light/Power/Cable				\$100620	\$100,620		
	Telephone				\$13139	\$13,139		
	Commissions				\$55160	\$55,160		
	Franchise Royalties & Fees				\$197031	\$197,031		
	Insurance Dues & Licenses				\$15413	\$15,413		
	Total Actual Expenses						-\$1,866,226	
	Expense Ratio							55%
	Non-Recoverables				2%	-\$66,934		2%
	NOI (Before FF & E)					\$1,413,563		\$1,427,718
	FF & E				15%	-\$212,034		15%
	Net Operating Income					\$1,201,529		\$1,213,560
	Valuation / Cap. Rate				11.20%	\$10,727,938		11.20%

<u>Tenant Descriptions</u>		<u>Market Rent (Min)</u>	<u>Market Rent (Max)</u>
200 / 5	Hotel / Semi-Custom	\$100.00	\$200.00

<u>Assessment / Tax Coding</u>	Value Per Ft ² : \$228
202 ~ Commercial Improved 100%	Value Per Unit: \$119,198
	Assessed Value: 10,727,900