

# **“UNDERSTANDING HOTEL INVESTMENT & VALUATION METHODOLOGIES AND PRO-FORMAS/ANALYSIS”**

## **HANDOUT**

Presented by:

Rick Pastorino, *REVPAR* International, Inc.

Rachel Roginsky, Pinnacle Advisory

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## PERFORMANCE TERMINOLOGY

1. **Available Rooms** - The number of rooms at a hotel.
2. **Occupied Room Nights** – The number of rooms rented or in use.
3. **Occupancy** - Occupancy is the percentage of available rooms that were sold during a specified period of time. Occupancy is calculated by dividing the number of rooms sold by rooms available. (Occupancy = Rooms Sold / Rooms Available)
4. **Average Daily Rate (ADR)** – A measure of the average rate paid for rooms sold, calculated by dividing room revenue by rooms sold. (ADR = Room Revenue / Rooms Sold)
5. **Revenue per Available Room (RevPAR)** – average revenue generated by all rooms in the hotel calculated by multiplying a hotel's occupancy by the ADR. RevPAR is used throughout the lodging industry to compare the revenue of competing facilities. RevPAR differs from ADR because RevPAR is affected by the amount of unoccupied available rooms, while ADR shows only the average rate of rooms actually sold. (RevPAR = Occupancy x ADR)
6. **Penetration Rate** – An index designed to measure a hotel's share of the segment's (comp set, market, tract, etc.) demand (demand = rooms sold). (Penetration Rate = (Hotel Occupancy / Segment Occupancy) x 100)
7. **ADR Index** - The ADR Index measures a hotel's ADR performance relative to an aggregated grouping of hotels (e.g., competitive set, market, submarket/tract). An ADR Index of 100 equals fair share of ADR, compared to the aggregated group of hotels. An ADR Index greater than 100 represents more than a fair share of the aggregated group's ADR performance. Conversely, an ADR Index below 100 reflects less than a fair share of the aggregated group's ADR performance. (ADR Index =(Hotel ADR / Aggregated group of hotels' ADR) x 100)
8. **Yield** – the percentage relationship of a hotel's average room rate performance relative to a defined competitive set.
9. **STR (Smith Travel Research)** - STR tracks historical performance data for tens of thousands of hotels in the hotel industry and provides market share analysis for all major international hotel chains and brands.
10. **STR (Trend) Report** - A report that displays up to six years of monthly performance data including occupancy, ADR, RevPAR, supply, demand and revenue for a defined market. (No individual hotel data is provided.) Customized Trend Reports are available as well by choosing your own set of hotels. (Sample attached – Exhibit 14.)

### FINANCIAL TERMINOLOGY

1. **USALI (Uniform System of Accounts for the Lodging Industry)** - Industry accepted, highly departmentalized system of accounting for hotels, which provides accounting standards and guidelines for financial reporting practices that reflect terminology and activity unique to the hospitality industry. (Sample attached –Exhibits 8 and 9.)
2. **GRR (Gross Rooms Revenue)** - Total room revenue generated from the sale or rental of rooms.
3. **Revenue** – Rooms, Food and Beverage, Other Operated Departments, and Rentals and Other Income.
4. **Departmental Expenses** – Rooms, Food and Beverage, and Other Operated Departments. According to USALI, these categories relate to an operated department revenue category:
5. **Undistributed Operating Expenses** – Expenses that are considered applicable to the entire property: Administrative and General, Sales and Marketing, Property Operation and Maintenance, and Utilities.
6. **Fixed Expenses** – Rent, Property and Other Taxes, and Insurance.
7. **Gross Operating Profit** = Total Departmental Income - Undistributed Operating Expenses
8. **NOI (Net Operating Income)** = Income Before Fixed Charges – Total Fixed Charges
9. **EBIDTA** (Earnings Before Interest, Taxes, Depreciation and Amortization) - Calculated by taking operating income and adding back interest, depreciation, and amortization expenses. Used to analyze a company's operating profitability before non-operating expense (such as interest and "other" non-core expenses) and non-cash charges (depreciation and amortization).  
  
This earnings measure is of particular interest in cases where companies have large amounts of fixed assets which are subject to heavy depreciation charges (such as manufacturing companies) or in the case where a company has a large amount of acquired intangible assets on its books and is thus subject to large amortization charges (such as a company that has purchased a brand or a company that has recently made a large acquisition).
10. **STR HOST Report (Hotel Operating Statistics)** – An annual study published by STR that contains information on hotel revenues and expenses broken down by departments including rooms, food and beverage, marketing, utility costs, and maintenance. The results are based on the operating statements of over 5,000 U.S. hotels. Custom HOST Reports are also available for entire states, metropolitan areas or competitive sets. (Sample attached – Exhibit 15.)

**VALUATION TERMINOLOGY**

1. **Capitalization (Cap) Rate** – Capitalization is the process of converting net income from a property into an expression of overall value for the hotel. It generally indicates the return an investor expects to achieve on his or her investment. Because most hotels are financed by several entities, usually a debt lender and an equity investor, the capitalization rate is actually a weighted average of the desired rates of return. (Cap Rate = Net Income / Sale Price)
  - a. **Going-in Rate** - The capitalization rate computed by dividing the current or 1<sup>st</sup> year's net operating income by the initial price of the property.
  - b. **Terminal/Reversion Rate** - A rate used to estimate the resale value of a property at the end of the holding period. The terminal or reversionary capitalization rate is based on forecasts and estimates and changes based on the person doing the calculation. (Terminal Rate = Expected net operating income (NOI) per year / terminal cap rate)
2. **DCF (Discounted Cash Flow)** – A method of estimating an investment's current value based on the discounting of projected future revenues and costs. The answer derived from the technique is only as accurate as the estimates used, which, in many case, are from certain.
3. **RRM (Rooms Revenue Multiplier)** – The relationship, or ratio, between sale price and gross rooms revenue. (RRM = Hotel Value / Room Revenues)
4. **DSCR (Debt Service Coverage Ratio)** - The debt coverage ratio is the ratio of the company's operating profit to its expenses. This ratio indicates its ability to cover its expenses using its profits from operations. If it is low, the company might encounter difficulties meeting financial expenses out of its current activities. A high ratio indicates relatively low expenses and a good financial position. (Debt Coverage Ratio = Operating Profit / Finance Expenses)
5. **IRR (Internal Rate of Return)** – The rate of discount on an investment that equates the present value of the investment's cash outflows with the present value of the investment's cash inflows. Internal rate of return is analogous to yield to maturity for a bond.
6. **NPV (Net Present Value)** – The discounted value of an investment's cash inflows minus the discounted value of its cash outflows. To be adequately profitable, an investment should have a net present value greater than zero. For investment in securities, the initial cost is usually the only outflow.
7. **Payback Period** – The time needed to recover the project investment costs. The straight payback period method is the simplest way of determining the investment potential of a major project. Expressed in time, it tells management how many days, months or years it will require to recover the original cash cost of the project. (Payback Period = Cost of project / Annual cash revenues or profit)



### HOTEL OPTIONS

Hotel classifications are driven primarily by building structure and secondarily by service level. Chain management has provided us with hotel type classifications for a significant number of locations. Hotel types include:

- **All-Suite** - All guest rental units consist of one or more bedrooms and may include a separate living area. Many suites contain kitchenettes or mini-refrigerators. Suite hotels often have no integrated dining facilities available; however, many offer complimentary breakfast.
- **Boutique** - These are hotels that appeal to their guests because of their unusual amenity and room configurations. They are normally independent and smaller than 200 rooms with a high rack rate. However there are three chains whose hotels are automatically coded as "Boutique": W Hotels (a Starwood brand), Kimpton Hotels and Joie de Vivre Hotels.
- **Conference** - Lodging hotels that place major focus on conference operations. Hotels must meet guidelines of the International Association of Conference Centers.
- **Convention** - Hotels with a minimum of 300 rooms and large meeting facilities (minimum of 20,000 Square feet) and not part of the Conference Center Group.
- **Destination Resorts** - Hotels that appeal to leisure and family vacation travelers, typically located in resort markets, and are considered a destination in and of themselves. Destination resorts provide guests with extensive amenities normally associated and oriented toward the vacation and/or family experience- such as: pools, golf, tennis, restaurants, spa facilities, beach, ski, casino, etc. These more exclusive hotels are typically larger, full-service, Luxury chains, Upper Upscale chains, or higher priced (ADR) independents.
- **Gaming/Casino** - Lodging hotels that place major focus on casino operations.
- **Golf** - Hotel must have a golf course on hotel to be considered. It is not sufficient if the hotel only has privileges on the course next door.
- **Ski** - Guests have easy access to ski slopes.
- **Spa** - Hotel must have designated spa facility and offer treatments. Offering a sauna or hot tub/whirlpool would not qualify.
- **Waterpark** - An indoor or outdoor waterpark resort as a lodging establishment containing an aquatic facility with a minimum of 10,000 square feet of waterpark space and inclusive of amenities such as slides, tubes and a variety of water play features.

### MARKET MIX SEGMENTATION

- **University/College-Related Demand** - Demand generated by universities and colleges located in the market area; as well as demand created by university/college-sponsored activities (i.e., research, special events, graduations, homecoming, move-in, parents' weekend, sporting events.)
- **Corporate/Commercial Transient** - Demand generated by individual business travelers conducting business with companies that have headquarters, regional offices, retail centers, and training centers in the market. Traditionally, corporate travel occurs Sunday through Thursday. Businesses/organizations generating a significant volume of room night demand typically receive discounted or high volume rates.
- **Leisure Transient** - Leisure demand includes independent tourists visiting tourist attractions in market area and interstate travelers using area hotels as a convenient stopover point on the way to their primary destination. Some independent tourists stay in hotels when visiting friends, families, and attending area events or social functions such as weddings, bar/bat mitzvahs, or reunions. Travelers within this market segment are highly seasonal with the majority of visits associated with summer travel occurring May through October.
- **Group** - Group demand consists of those travelers and associated guests who meet as a group to attend conferences, trade shows, and seminars.
- **Government/Military** - Government/military demand consists of those guests who are associated with either the government or military, either on official business or not, but holding government identification or equivalent which entitles them to discounted room rates.
- **Extended-Stay Segment** - Extended-stay demand is generated by travelers who are staying five nights or more at any of the area's competitive hotels. Such demand can be a result of corporate and government training classes, as well as relocation demand.
- **SMERF** - Social, Military, Ethnic, Religious, Fraternal group demand. Guests participating in social (weddings, reunions, etc.), recreational, or religious activities.



### DEFINITIONS OF DEMAND

- **Latent Demand** - demand that is not currently being realized and consists of unaccommodated demand and induced demand
- **Unaccommodated Demand** – demand from individuals who are unable to secure accommodations in a market because all of the local hotels are filled. These travelers end up deferring their trip, settling for less desirable accommodations, or staying at properties outside the market area. If a hotel is reaching occupancy levels of 75% or greater on any given night, it is likely unaccommodated demand exists.
- **Induced Demand** – demand from room nights that are attracted into a market. These room nights can be induced through the opening of a new demand generator such as a convention centre or manufacturing plant, but also through the opening of a hotel. A new hotel can bring a new franchise affiliation and reservations system into a market, or unique facilities, which draw new guests. A new property will also have a sales team, which can target markets that haven't been focused on in the past. All of these factors will bring guests that haven't previously visited into the market.

## Summary Operating Statement (in a Stabilized Year) Proposed Inn

For a Representative Year in Current Value Dollars

Number of Rooms:	40
Annual # of Available Rooms:	14,600
Annual occupancy rate:	55%
Annual # of Occupied Rooms	8,030
Average Daily Rate	\$141.00
RevPAR	\$77.55

	Amount	Ratio	Amount per Avail. Rms.	Amount per Occ. Rms.
<b>DEPARTMENTAL REVENUES</b>				
Rooms	\$1,132,000	44.4%	\$28,300	\$140.97
Food & Beverage	\$1,375,000	53.9%	\$34,375	\$171.23
Other Operated Departments	\$21,000	0.8%	\$525	\$2.62
Rentals & Other Income	\$22,000	0.9%	\$550	\$2.74
<b>TOTAL REVENUE</b>	<b>\$2,550,000</b>	<b>100.0%</b>	<b>\$63,750</b>	<b>\$317.56</b>
<b>DEPARTMENTAL EXPENSES <sup>(1)</sup></b>				
Rooms	\$321,000	28.4%	\$8,025	\$39.98
Food and Beverage	\$1,031,000	75.0%	\$25,775	\$128.39
Other Operated Departments	\$21,000	100.0%	\$525	\$2.62
<b>TOTAL DEPARTMENTAL EXPENSES</b>	<b>\$1,373,000</b>	<b>53.8%</b>	<b>\$34,325</b>	<b>\$170.98</b>
<b>TOTAL DEPARTMENTAL INCOME</b>	<b>\$1,177,000</b>	<b>46.2%</b>	<b>\$29,425</b>	<b>\$146.58</b>
<b>UNDISTRIBUTED OPERATING EXPENSES</b>				
Administrative and General	\$250,000	9.8%	\$6,250	\$31.13
Sales and Marketing	\$152,000	6.0%	\$3,800	\$18.93
Property Operations and Maintenance	\$160,000	6.3%	\$4,000	\$19.93
Utilities	\$132,000	5.2%	\$3,300	\$16.44
<b>TOTAL UNDISTRIBUTED EXPENSES</b>	<b>\$694,000</b>	<b>27.2%</b>	<b>\$17,350</b>	<b>\$86.43</b>
<b>GROSS OPERATING PROFIT</b>	<b>\$483,000</b>	<b>18.9%</b>	<b>\$12,075</b>	<b>\$60.15</b>
MANAGEMENT FEES	\$102,000	4.0%	\$2,550	\$12.70
<b>INCOME BEFORE FIXED CHARGES</b>	<b>\$381,000</b>	<b>14.9%</b>	<b>\$9,525</b>	<b>\$47.45</b>
<b>FIXED CHARGES</b>				
Rent	\$0	0.0%	\$0	\$0.00
Property and Other Taxes	\$29,000	1.1%	\$725	\$3.61
Insurance	\$16,000	0.6%	\$400	\$1.99
<b>TOTAL FIXED CHARGED</b>	<b>\$45,000</b>	<b>1.8%</b>	<b>\$1,125</b>	<b>\$5.60</b>
<b>NET OPERATING INCOME</b>	<b>\$336,000</b>	<b>13.2%</b>	<b>\$8,400</b>	<b>\$41.84</b>
LESS: REPLACEMENT RESERVES	\$102,000	4.0%	\$2,550	\$12.70
<b>ADJUSTED NET OPERATING INCOME</b>	<b>\$234,000</b>	<b>9.2%</b>	<b>\$5,850</b>	<b>\$29.14</b>

Notes:

(1) Departmental ratios reflect a percentage of department expenses to department revenues and will not add to total department expenses.

(2) Net Operating Income defined as income before debt, taxes, depreciation and amortization.

Please note that columns may not add due to rounding.

Source: REVPAR International, Inc.

## Forecast of Income &amp; Expense (\$,000)

Year (1)	2011		2012		2013		2014		2015		2016	
Number of Rooms:	498		502		502		502		502		502	
Occupancy:	80%		78%		79%		79%		79%		79%	
Average Rate:	\$161.38		\$170.80		\$187.53		\$200.39		\$206.40		\$212.59	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
<b>REVENUES</b>												
Rooms	23,377	70.7%	24,408	70.1%	27,213	70.5%	29,079	70.2%	29,951	70.2%	30,850	70.2%
Food and Beverage	8,673	26.2%	9,360	26.9%	10,252	26.6%	11,116	26.9%	11,450	26.9%	11,793	26.9%
Other Operated Departments	516	1.6%	556	1.6%	610	1.6%	661	1.6%	681	1.6%	701	1.6%
Rentals & Other Income	486	1.5%	494	1.4%	514	1.3%	529	1.3%	545	1.3%	561	1.3%
Total	33,052	100.0%	34,818	100.0%	38,589	100.0%	41,385	100.0%	42,627	100.0%	43,905	100.0%
<b>DEPARTMENTAL EXPENSES (2)</b>												
Rooms	6,244	26.7%	6,389	26.2%	6,630	24.4%	6,829	23.5%	7,034	23.5%	7,245	23.5%
Food & Beverage	6,158	71.0%	6,552	70.0%	7,177	70.0%	7,538	67.8%	7,764	67.8%	7,997	67.8%
Other Operated Departments	797	154.5%	816	146.7%	844	138.4%	869	131.5%	895	131.4%	922	131.5%
Total	13,199	39.9%	13,757	39.5%	14,651	38.0%	15,236	36.8%	15,693	36.8%	16,164	36.8%
DEPARTMENTAL INCOME	19,853	60.1%	21,061	60.5%	23,939	62.0%	26,149	63.2%	26,934	63.2%	27,741	63.2%
<b>OPERATING EXPENSES</b>												
Administrative & General	2,493	7.5%	2,718	7.8%	2,975	7.7%	3,237	7.8%	3,335	7.8%	3,435	7.8%
Sales and Marketing	2,446	7.4%	2,519	7.2%	2,605	6.8%	2,689	6.5%	2,770	6.5%	2,853	6.5%
Property Oper. & Maintenance	1,376	4.2%	1,417	4.1%	1,465	3.8%	1,513	3.7%	1,558	3.7%	1,605	3.7%
Utilities	1,770	5.4%	1,822	5.2%	1,890	4.9%	1,954	4.7%	2,012	4.7%	2,073	4.7%
Total	8,085	24.5%	8,476	24.3%	8,935	23.2%	9,393	22.7%	9,675	22.7%	9,966	22.7%
GROSS OPERATING PROFIT	11,768	35.6%	12,585	36.2%	15,003	38.8%	16,756	40.5%	17,259	40.5%	17,775	40.5%
Management Fee	992	3.0%	1,045	3.0%	1,158	3.0%	1,242	3.0%	1,279	3.0%	1,317	3.0%
<b>FIXED EXPENSES</b>												
Rent	26	0.1%	27	0.1%	27	0.1%	28	0.1%	29	0.1%	30	0.1%
Property and Other Taxes	2,629	8.0%	2,708	7.8%	2,789	7.2%	2,873	6.9%	2,959	6.9%	3,048	6.9%
Insurance	294	0.9%	303	0.9%	313	0.8%	323	0.8%	332	0.8%	342	0.8%
Replacement Reserve	1,322	4.0%	1,393	4.0%	1,544	4.0%	1,655	4.0%	1,705	4.0%	1,756	4.0%
Total	4,271	13.0%	4,431	12.8%	4,673	12.1%	4,879	11.8%	5,025	11.8%	5,176	11.8%
NET OPERATING INCOME (3)	6,505	19.6%	7,109	20.4%	9,172	23.7%	10,635	25.7%	10,955	25.7%	11,282	25.7%

Notes

(1) All years represent fiscal years beginning March 1 and ending February 31

(2) Departmental expense ratios are expressed as a percentage of their respective departmental revenues.

(3) Income before other deductions such debt service, interest, depreciation, amortization, and income taxes

(4) This forecast is intended to be read in conjunction with supporting documentation prepared by

**Forecast of Income & Expense (\$,000)**

Year (1)	2017		2018		2019		2020		2021	
Number of Rooms:	502		502		502		502		502	
Occupancy:	79%		79%		79%		79%		79%	
Average Rate:	\$218.97		\$225.54		\$232.30		\$239.27		\$246.45	
	\$	%	\$	%	\$	%	\$	%	\$	%
<b>REVENUES</b>										
Rooms	31,775	70.2%	32,728	70.2%	33,710	70.2%	34,722	70.2%	35,763	70.2%
Food and Beverage	12,147	26.9%	12,511	26.9%	12,887	26.9%	13,273	26.9%	13,671	26.9%
Other Operated Departments	722	1.6%	744	1.6%	766	1.6%	789	1.6%	813	1.6%
Rentals & Other Income	578	1.3%	595	1.3%	613	1.3%	632	1.3%	651	1.3%
Total	45,222	100.0%	46,578	100.0%	47,976	100.0%	49,416	100.0%	50,898	100.0%
<b>DEPARTMENTAL EXPENSES (2)</b>										
Rooms	7,462	23.5%	7,686	23.5%	7,917	23.5%	8,154	23.5%	8,399	23.5%
Food & Beverage	8,237	67.8%	8,484	67.8%	8,739	67.8%	9,001	67.8%	9,271	67.8%
Other Operated Departments	950	131.6%	978	131.5%	1,008	131.6%	1,038	131.6%	1,069	131.5%
Total	16,649	36.8%	17,148	36.8%	17,664	36.8%	18,193	36.8%	18,739	36.8%
DEPARTMENTAL INCOME	28,573	63.2%	29,430	63.2%	30,312	63.2%	31,223	63.2%	32,159	63.2%
<b>OPERATING EXPENSES</b>										
Administrative & General	3,538	7.8%	3,644	7.8%	3,753	7.8%	3,866	7.8%	3,982	7.8%
Sales and Marketing	2,938	6.5%	3,026	6.5%	3,117	6.5%	3,211	6.5%	3,307	6.5%
Property Oper. & Maintenance	1,653	3.7%	1,702	3.7%	1,753	3.7%	1,806	3.7%	1,860	3.7%
Utilities	2,135	4.7%	2,199	4.7%	2,265	4.7%	2,333	4.7%	2,403	4.7%
Total	10,264	22.7%	10,571	22.7%	10,888	22.7%	11,216	22.7%	11,552	22.7%
GROSS OPERATING PROFIT	18,309	40.5%	18,859	40.5%	19,424	40.5%	20,007	40.5%	20,607	40.5%
Management Fee	1,357	3.0%	1,397	3.0%	1,439	3.0%	1,482	3.0%	1,527	3.0%
<b>FIXED EXPENSES</b>										
Rent	31	0.1%	32	0.1%	33	0.1%	34	0.1%	35	0.1%
Property and Other Taxes	3,139	6.9%	3,233	6.9%	3,330	6.9%	3,430	6.9%	3,533	6.9%
Insurance	353	0.8%	363	0.8%	374	0.8%	385	0.8%	397	0.8%
Replacement Reserve	1,809	4.0%	1,863	4.0%	1,919	4.0%	1,977	4.0%	2,036	4.0%
Total	5,332	11.8%	5,491	11.8%	5,656	11.8%	5,826	11.8%	6,001	11.8%
NET OPERATING INCOME (3)	11,620	25.7%	11,971	25.7%	12,329	25.7%	12,699	25.7%	13,079	25.7%

**Notes**

(1) All years represent fiscal years beginning March 1 and ending February 31

(2) Departmental expense ratios are expressed as a percentage of their respective departmental revenues.

(3) Income before other deductions such debt service, interest, depreciation, amortization, and income taxes

(4) This forecast is intended to be read in conjunction with supporting documentation prepared by

## Historical Operating Results for Comparable Properties

	Comparable 1	Comparable 2	Comparable 3
Year	2007	2007	2008
Inflated to Present Value \$ by:	1.061	1.061	1.031
Number of Rooms	80	30	84.23
Annual # of Available Rooms	29,200	10,950	30,744
Occupancy	58.0%	67.4%	40.4%
Annual # of Occupied Rooms	16,936	7,380	12,408
Average Daily Rate	\$377.69	\$810.54	\$137.26
RevPAR	\$219.06		

	Comparable 1				Comparable 2				Comparable 3			
	Amount	Ratio	Amount per Avail. Rms.	Amount per Occ. Rms.	Amount	Ratio	Amount per Avail. Rms.	Amount per Occ. Rms.	Amount	Ratio	Amount per Avail. Rms.	Amount per Occ. Rms.
<b>Revenues</b>												
Rooms	\$6,424,485	56.5%	\$80,306	\$379.34	\$5,978,299	52.2%	\$199,277	\$810.03	\$1,703,046	53.4%	\$20,219	\$137.25
Food & Beverage	\$3,935,408	34.6%	\$49,193	\$232.37	\$2,448,980	21.4%	\$81,633	\$331.83	\$1,388,231	43.5%	\$16,481	\$111.88
Other Operated Departments	\$1,009,555	8.9%	\$12,619	\$59.61	\$3,014,919	26.3%	\$100,497	\$408.51	\$42,532	1.3%	\$505	\$3.43
Rentals and Other	\$0	0.0%	\$0	\$0.00	\$0	0.0%	\$0	\$0.00	\$54,305	1.7%	\$645	\$4.38
<b>Total</b>	<b>\$11,369,447</b>	<b>100.0%</b>	<b>\$142,118</b>	<b>\$671.32</b>	<b>\$11,442,198</b>	<b>100.0%</b>	<b>\$381,407</b>	<b>\$1,550.37</b>	<b>\$3,188,113</b>	<b>100.0%</b>	<b>\$37,850</b>	<b>\$256.93</b>
<b>Departmental Expenses (1)</b>												
Rooms	\$1,757,293	27.4%	\$21,966	\$103.76	\$1,853,273	31.0%	\$61,776	\$251.11	\$651,512	38.3%	\$7,735	\$52.51
Food & Beverage	\$2,533,605	64.4%	\$31,670	\$149.60	\$1,560,655	63.7%	\$52,022	\$211.46	\$1,646,891	118.6%	\$19,552	\$132.73
Other Operated Departments	\$1,037,134	102.7%	\$12,964	\$61.24	\$2,308,297	76.6%	\$76,943	\$312.76	\$44,904	105.6%	\$533	\$3.62
<b>Total</b>	<b>\$5,328,032</b>	<b>46.9%</b>	<b>\$66,600</b>	<b>\$314.60</b>	<b>\$5,722,225</b>	<b>50.0%</b>	<b>\$190,741</b>	<b>\$775.34</b>	<b>\$2,343,306</b>	<b>73.5%</b>	<b>\$27,820</b>	<b>\$188.85</b>
<b>Departmental Income</b>	<b>\$6,041,415</b>	<b>53.1%</b>	<b>\$75,518</b>	<b>\$356.72</b>	<b>\$5,719,973</b>	<b>50.0%</b>	<b>\$190,666</b>	<b>\$775.03</b>	<b>\$844,807</b>	<b>26.5%</b>	<b>\$10,030</b>	<b>\$68.08</b>
<b>Undistributed Operating Expenses</b>												
Administrative and General	\$1,044,619	9.2%	\$13,058	\$61.68	\$800,954	7.0%	\$26,698	\$108.53	\$562,439	17.6%	\$6,677	\$45.33
Sales and Marketing	\$783,499	6.9%	\$9,794	\$46.26	\$594,994	5.2%	\$19,833	\$80.62	\$554,569	17.4%	\$6,584	\$44.69
Property Operations and Maintenance	\$686,738	6.0%	\$8,584	\$40.55	\$572,110	5.0%	\$19,070	\$77.52	\$421,932	13.2%	\$5,009	\$34.00
Utilities	\$480,314	4.2%	\$6,004	\$28.36	\$228,844	2.0%	\$7,628	\$31.01	\$309,245	9.7%	\$3,671	\$24.92
<b>Total</b>	<b>\$2,995,170</b>	<b>26.3%</b>	<b>\$37,440</b>	<b>\$176.85</b>	<b>\$2,196,902</b>	<b>19.2%</b>	<b>\$73,230</b>	<b>\$297.67</b>	<b>\$1,848,185</b>	<b>58.0%</b>	<b>\$21,942</b>	<b>\$148.95</b>
<b>Gross Operating Profit</b>	<b>\$3,046,245</b>	<b>26.8%</b>	<b>\$38,078</b>	<b>\$179.87</b>	<b>\$3,523,070</b>	<b>30.8%</b>	<b>\$117,436</b>	<b>\$477.36</b>	<b>(\$1,003,378)</b>	<b>(31.5%)</b>	<b>(\$11,912)</b>	<b>(\$80.86)</b>
Management Fee	\$0	0.0%	\$0	\$0.00	\$0	0.0%	\$0	\$0.00	\$123,766	3.9%	\$1,469	\$9.97
<b>Income Before Fixed Charges</b>	<b>\$3,046,245</b>	<b>26.8%</b>	<b>\$38,078</b>	<b>\$179.87</b>	<b>\$3,523,070</b>	<b>30.8%</b>	<b>\$117,436</b>	<b>\$477.36</b>	<b>(\$1,127,145)</b>	<b>(35.4%)</b>	<b>(\$13,382)</b>	<b>(\$90.84)</b>
<b>Fixed Charges</b>												
Rent	\$0	0.0%	\$0	\$0.00	\$0	0.0%	\$0	\$0.00	\$4,317	0.1%	\$51	\$0.35
Property and Other Taxes	\$225,083	2.0%	\$2,814	\$13.29	\$127,716	1.1%	\$4,257	\$17.30	\$75,220	2.4%	\$893	\$6.06
Insurance	\$132,265	1.2%	\$1,653	\$7.81	\$89,247	0.8%	\$2,975	\$12.09	\$51,367	1.6%	\$610	\$4.14
<b>Total</b>	<b>\$357,348</b>	<b>3.1%</b>	<b>\$4,467</b>	<b>\$21.10</b>	<b>\$216,963</b>	<b>1.9%</b>	<b>\$7,232</b>	<b>\$29.40</b>	<b>\$130,905</b>	<b>4.1%</b>	<b>\$1,554</b>	<b>\$10.55</b>
<b>Income Before Reserves</b>	<b>\$2,688,897</b>	<b>23.7%</b>	<b>\$33,611</b>	<b>\$158.77</b>	<b>\$3,306,108</b>	<b>28.9%</b>	<b>\$110,204</b>	<b>\$447.96</b>	<b>(\$1,258,049)</b>	<b>(39.5%)</b>	<b>(\$14,936)</b>	<b>(\$101.39)</b>
Reserves for Replacement	\$0	0.0%	\$0	\$0.00	\$0	0.0%	\$0	\$0.00	\$0	0.0%	\$0	\$0.00
<b>Net Operating Income (2)</b>	<b>\$2,688,897</b>	<b>23.7%</b>	<b>\$33,611</b>	<b>\$158.77</b>	<b>\$3,306,108</b>	<b>28.9%</b>	<b>\$110,204</b>	<b>\$447.96</b>	<b>(\$1,258,049)</b>	<b>(39.5%)</b>	<b>(\$14,936)</b>	<b>(\$101.39)</b>

Notes: (1) Departmental ratios reflect percentage of department expense to department revenues and will not add to total departmental expenses.  
(2) Net Operating Income defined as income before debt, taxes, depreciation and amortization.

Please note that columns may not add due to rounding.

Source: REVPAR International, Inc.

## Range of Financial Comparables' Summary of Operating Statements

Comparables	Min	Max	Average
Number of Rooms	30	84	61
Occupancy	30.0%	80.0%	55.0%
Average Daily Rate	\$85.00	\$810.00	\$270.00
RevPAR	\$25.50	\$648.00	\$148.50

	Ratio to Sales				Per Available Room				Per Occ. Rm. Night				
	Comparables			Subject SOR	Comparables			Subject SOR	Comparables			Subject SOR	
	Min	Max	Average		Min	Max	Average		Min	Max	Average		
Revenues													
Rooms	47.7%	99.7%	68.0%	44.4%	\$10,874	\$199,277	\$61,448	\$28,300	\$102.83	\$810.03	\$275.37	\$140.97	
Food & Beverage	0.0%	43.5%	23.7%	53.9%	\$0	\$81,633	\$26,179	\$34,375	\$0.00	\$331.83	\$128.38	\$171.23	
Other Operated Departments	0.3%	26.3%	8.0%	0.8%	\$94	\$100,497	\$19,378	\$525	\$0.33	\$408.51	\$82.39	\$2.62	
Rentals and Other	0.0%	1.7%	0.3%	0.9%	\$0	\$645	\$107	\$550	\$0.00	\$4.38	\$0.73	\$2.74	
Total	100.0%	100.0%	100.0%	100.0%	\$22,803	\$381,407	\$107,112	\$63,750	\$104.46	\$1,550.37	\$486.88	\$317.56	
Departmental Expenses (1)													
Rooms	27.4%	47.0%	34.3%	28.4%	\$5,107	\$61,776	\$19,098	\$8,025	\$33.18	\$251.11	\$87.56	\$39.98	
Food & Beverage	0.0%	118.6%	41.3%	75.0%	\$0	\$52,022	\$17,228	\$25,775	\$0.00	\$211.46	\$82.50	\$128.39	
Other Operated Departments	19.3%	195.3%	91.0%	100.0%	\$182	\$76,943	\$15,204	\$525	\$0.64	\$312.76	\$63.84	\$2.62	
Total	24.8%	73.5%	43.0%	53.8%	\$5,651	\$190,741	\$51,530	\$34,325	\$33.94	\$775.34	\$233.90	\$170.98	
Departmental Income	26.5%	75.2%	57.0%	46.2%	\$10,030	\$190,666	\$55,582	\$29,425	\$68.08	\$775.03	\$252.98	\$146.58	
Undistributed Operating Expenses													
Administrative and General	7.0%	17.6%	11.3%	9.8%	\$2,378	\$26,698	\$9,223	\$6,250	\$9.96	\$108.53	\$44.90	\$31.13	
Sales and Marketing	0.2%	17.4%	8.4%	6.0%	\$52	\$19,833	\$7,091	\$3,800	\$0.51	\$80.62	\$32.58	\$18.93	
Property Operations and Maintenance	2.2%	13.2%	5.6%	6.3%	\$734	\$19,070	\$5,862	\$4,000	\$2.59	\$77.52	\$27.71	\$19.93	
Utilities	2.0%	9.7%	5.5%	5.2%	\$1,177	\$7,628	\$3,617	\$3,300	\$4.14	\$31.01	\$18.44	\$16.44	
Total	19.2%	58.0%	30.8%	27.2%	\$5,826	\$73,230	\$25,793	\$17,350	\$29.08	\$297.67	\$123.63	\$86.43	
Gross Operating Profit	(31.5%)	49.7%	26.2%	18.9%	(\$11,912)	\$117,436	\$29,789	\$12,075	(\$80.86)	\$477.36	\$129.35	\$60.15	
Management Fee	0.0%	5.0%	2.0%	4.0%	\$0	\$1,678	\$649	\$2,550	\$0.00	\$9.97	\$3.17	\$12.70	
Income Before Fixed Charges	(35.4%)	49.7%	24.2%	14.9%	(\$13,382)	\$117,436	\$29,139	\$9,525	(\$90.84)	\$477.36	\$126.18	\$47.45	
Fixed Charges													
Rent	0.0%	0.3%	0.1%	0.0%	\$0	\$74	\$21	\$0	\$0.00	\$0.72	\$0.18	\$0.00	
Property and Other Taxes	0.0%	5.0%	2.4%	1.1%	\$0	\$4,257	\$1,781	\$725	\$0.00	\$17.30	\$7.82	\$3.61	
Insurance	0.0%	2.1%	1.1%	0.6%	\$0	\$2,975	\$1,020	\$400	\$0.00	\$12.09	\$4.58	\$1.99	
Total	0.3%	6.2%	3.6%	1.8%	\$74	\$7,232	\$2,823	\$1,125	\$0.72	\$29.40	\$12.58	\$5.60	
Net Operating Income	(39.5%)	49.3%	20.5%	13.2%	(\$14,936)	\$110,204	\$26,317	\$8,400	(\$101.39)	\$447.96	\$113.59	\$41.84	
Less: Reserves for Replacement	0.0%	4.0%	0.7%	4.0%	\$0	\$997	\$168	\$2,550	\$0.00	\$4.18	\$0.71	\$12.70	
Adjusted Net Operating Income (2)	(39.5%)	49.3%	19.9%	9.2%	(\$14,936)	\$110,204	\$26,149	\$5,850	(\$101.39)	\$447.96	\$112.88	\$29.14	

Notes: (1) Departmental ratios reflect percentage of department expense to department revenues and will not add to total departmental expenses.

(2) Net Operating Income defined as income before debt, taxes, depreciation and amortization.

Please note that columns may not add due to rounding.

Source: REVPAR International, Inc.

Insert DCF

**Discounted Cash Flow Analysis****As of 3/1/2010**

Discount Rate	10.5%
Terminal Capitalization Rate	8.5%

Year	Cash Flow	Present Value		Cash on Cash Return
		Factor at 10.5%	Present Value Cash Flow	
2011	6,505,000	0.904977	5,886,875	5.8%
2012	7,109,000	0.818984	5,822,157	6.3%
2013	9,172,000	0.741162	6,797,938	8.2%
2014	10,635,000	0.670735	7,133,267	9.5%
2015	10,955,000	0.607000	6,649,685	9.7%
2016	11,282,000	0.549321	6,197,440	10.0%
2017	11,620,000	0.497123	5,776,569	10.3%
2018	11,971,000	0.449885	5,385,573	10.7%
2019	12,329,000	0.407136	5,019,580	11.0%
2020	12,699,000	0.368449	4,678,934	11.3%
Reversion	\$153,101,235	0.368449	56,409,997	
Indication of market value "as is"				\$115,758,015

Estimated reversion:

Terminal Year Expected Cash Flow (Year 2021)	13,079,000
Terminal capitalization rate	8.5%
Estimated sales price in Year 11	\$153,870,588
Less: Costs of sale (0.5%)	\$769,353
Amount of reversion	\$153,101,235
Indication of market value "as is"	\$115,758,015
Less: Capital Deduction	3,400,000
Indication of market value "as is"	\$112,358,015
(Rounded)	\$112,400,000

**Estimated Acquisition/Development**

<b>Project Scenario</b>	<b>Proposed Inn</b>				
<b>Sq feet of Hotel Bldg</b>	<b>40</b>				
<b>Hotel Size</b>	<b>32,000</b>	<b>Estimate</b>			13000
	40 rooms				3000
					4000
					<u>20000</u>
<b><u>Cost Factor</u></b>	<b><u>Estimated Cost</u></b>	<b><u>Per Unit</u></b>	<b><u>Per Sq Ft</u></b>	<b><u>% of Total</u></b>	
Land	\$0	\$0	\$0.00	0.0%	
Parking	\$0	\$0	\$0.00	0.0%	
Site Prep Costs	\$0	\$0	\$0.00	0.0%	
Hard Construction	\$4,000,000	\$100,000	\$125.00	77.9%	
FF&E	\$50,000	\$1,250	\$1.56	1.0%	
Soft Costs	\$772,500	\$19,313	\$24.14	15.0%	
Acquisition Costs	\$0	\$0	\$0.00	0.0%	
Construction Contingency	\$241,125	\$6,028	\$7.54	4.7%	\$4,822,500.00
Dev Fee	<u>\$0</u>	<u>\$0</u>	<u>\$0.00</u>	0.0%	0.05
Subtotal	<u>\$5,063,625</u>	<u>\$126,591</u>	<u>\$158.24</u>	<u>98.6%</u>	\$241,125.00
Const Financing	\$70,728	\$1,768	\$2.21	1.4%	
<b>Total</b>	<b>\$5,134,353</b>	<b>\$128,359</b>	<b>\$160.45</b>	100.0%	



**Mortgage Interest and Principal Calculation**

**Loan Amount**        **\$3,362,084**  
**Interest**            **4.00%**  
**Amortization**        **25**

<u>Year</u>	<u>Loan Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Loan Balance</u>
0	0	0	\$0	\$3,362,084
1	(\$215,213.63)	(134,483)	-\$80,730	\$3,281,354
2	(\$215,213.63)	(131,254)	-\$83,959	\$3,197,395
3	(\$215,213.63)	(127,896)	-\$87,318	\$3,110,077
4	(\$215,213.63)	(124,403)	-\$90,811	\$3,019,266
5	(\$215,213.63)	(120,771)	-\$94,443	\$2,924,823
6	(\$215,213.63)	(116,993)	-\$98,221	\$2,826,603
7	(\$215,213.63)	(113,064)	-\$102,150	\$2,724,453
8	(\$215,213.63)	(108,978)	-\$106,235	\$2,618,218
9	(\$215,213.63)	(104,729)	-\$110,485	\$2,507,733
10	(\$215,213.63)	(100,309)	-\$114,904	\$2,392,828
11	(\$215,213.63)	(95,713)	-\$119,500	\$2,273,328
12	(\$215,213.63)	(90,933)	-\$124,281	\$2,149,047
13	(\$215,213.63)	(85,962)	-\$129,252	\$2,019,796
14	(\$215,213.63)	(80,792)	-\$134,422	\$1,885,374
15	(\$215,213.63)	(75,415)	-\$139,799	\$1,745,575
16	(\$215,213.63)	(69,823)	-\$145,391	\$1,600,185
17	(\$215,213.63)	(64,007)	-\$151,206	\$1,448,978
18	(\$215,213.63)	(57,959)	-\$157,254	\$1,291,724
19	(\$215,213.63)	(51,669)	-\$163,545	\$1,128,179
20	(\$215,213.63)	(45,127)	-\$170,086	\$958,093
21	(\$215,213.63)	(38,324)	-\$176,890	\$781,203
22	(\$215,213.63)	(31,248)	-\$183,966	\$597,237
23	(\$215,213.63)	(23,889)	-\$191,324	\$405,913
24	(\$215,213.63)	(16,237)	-\$198,977	\$206,936
25	(\$215,213.63)	(8,277)	-\$206,936	\$0

## Return on Investment Analysis

Fiscal Year	<a href="#">31-Dec-10</a>	<a href="#">31-Dec-11</a>	<a href="#">31-Dec-12</a>	<a href="#">31-Dec-13</a>	<a href="#">31-Dec-14</a>	<a href="#">31-Dec-15</a>	<a href="#">31-Dec-16</a>	<a href="#">31-Dec-17</a>	<a href="#">31-Dec-18</a>	<a href="#">31-Dec-19</a>	<a href="#">31-Dec-20</a>	<a href="#">31-Dec-21</a>	<a href="#">31-Dec-22</a>	<a href="#">31-Dec-23</a>	<a href="#">31-Dec-23</a>
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Reversion
Net Operating Income from Hotel	\$0	\$0	\$0	\$0	(\$48,000)	\$169,000	\$283,000	\$291,000	\$298,000	\$313,000	\$319,000	\$330,000	\$340,000	\$351,000	
Interest	0	\$0	\$0	\$0	(\$134,483)	(\$131,254)	(\$127,896)	(\$124,403)	(\$120,771)	(\$116,993)	(\$113,064)	(\$108,978)	(\$104,729)	(\$100,309)	
Amortization	0	0	0	0	(80,730)	(80,730)	(87,318)	(90,811)	(94,443)	(98,221)	(102,150)	(106,235)	(110,485)	(114,904)	
Cash Out (Equity Out)/Cash In (NOI After PI)	(\$88,613)	(\$265,840)	(\$531,681)	(\$886,134)	(\$263,214)	(\$42,984)	\$67,786	\$75,786	\$82,786	\$97,786	\$103,786	\$114,786	\$124,786	\$135,786	\$1,187,172
Total Equity Invested	\$88,613	\$354,454	\$886,134	\$1,772,269	\$2,035,482	\$2,078,467	\$2,010,680	\$1,934,894	\$1,852,108	\$1,754,321	\$1,650,535	\$1,535,749	\$1,410,962	\$1,275,176	
Cash on Cash Return of Original Equity		-75.0%	-150.0%	-250.0%	-74.3%	-12.1%	19.1%	21.4%	23.4%	27.6%	29.3%	32.4%	35.2%	38.3%	
Cash on Cash Return of Amortized Equity		-75.0%	-60.0%	-50.0%	-12.9%	-2.1%	3.4%	3.9%	4.5%	5.6%	6.3%	7.5%	8.8%	10.6%	

IRR -0.44%  
XIRR #NUM!

**Estimated Acquisition/Development**

<b>Project Scenario</b>	<b>Proposed Inn</b>				
<b>Sq feet of Hotel Bldg</b>	<b>40</b>				
<b>Hotel Size</b>	<b>32,000</b>	<b>Estimate</b>			13000
	40 rooms				3000
					4000
					<u>20000</u>
<b><u>Cost Factor</u></b>	<b><u>Estimated Cost</u></b>	<b><u>Per Unit</u></b>	<b><u>Per Sq Ft</u></b>	<b><u>% of Total</u></b>	
Land	\$0	\$0	\$0.00	0.0%	
Parking	\$0	\$0	\$0.00	0.0%	
Site Prep Costs	\$0	\$0	\$0.00	0.0%	
Hard Construction	\$3,200,000	\$80,000	\$100.00	75.2%	
FF&E	\$50,000	\$1,250	\$1.56	1.2%	
Soft Costs	\$762,500	\$19,063	\$23.83	17.9%	
Acquisition Costs	\$0	\$0	\$0.00	0.0%	
Construction Contingency	\$200,625	\$5,016	\$6.27	4.7%	\$4,012,500.00
Dev Fee	<u>\$0</u>	<u>\$0</u>	<u>\$0.00</u>	0.0%	0.05
Subtotal	<u>\$4,213,125</u>	<u>\$105,328</u>	<u>\$131.66</u>	<u>99.0%</u>	\$200,625.00
Const Financing	\$44,136	\$1,103	\$1.38	1.0%	
<b>Total</b>	<b>\$4,257,261</b>	<b>\$106,432</b>	<b>\$133.04</b>	100.0%	

## Return on Investment Analysis

Fiscal Year	<a href="#">31-Dec-10</a>	<a href="#">31-Dec-11</a>	<a href="#">31-Dec-12</a>	<a href="#">31-Dec-13</a>	<a href="#">31-Dec-14</a>	<a href="#">31-Dec-15</a>	<a href="#">31-Dec-16</a>	<a href="#">31-Dec-17</a>	<a href="#">31-Dec-18</a>	<a href="#">31-Dec-19</a>	<a href="#">31-Dec-20</a>	<a href="#">31-Dec-21</a>	<a href="#">31-Dec-22</a>	<a href="#">31-Dec-23</a>	<a href="#">31-Dec-23</a>
	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>	<u>Year 11</u>	<u>Year 12</u>	<u>Year 13</u>	<u>Reversion</u>
Net Operating Income from Hotel	\$0	\$0	\$0	\$0	(\$48,000)	\$169,000	\$283,000	\$291,000	\$298,000	\$313,000	\$319,000	\$330,000	\$340,000	\$351,000	
Interest	0	\$0	\$0	\$0	(\$111,307)	(\$108,634)	(\$105,854)	(\$102,964)	(\$99,957)	(\$96,831)	(\$93,579)	(\$90,197)	(\$86,680)	(\$83,022)	
Amortization	0	0	0	0	(66,817)	(66,817)	(72,270)	(75,160)	(78,167)	(81,293)	(84,545)	(87,927)	(91,444)	(95,102)	
Cash Out (Equity Out)/Cash In (NOI After PI)	(\$73,730)	(\$221,189)	(\$442,378)	(\$737,297)	(\$226,124)	(\$6,451)	\$104,876	\$112,876	\$119,876	\$134,876	\$140,876	\$151,876	\$161,876	\$172,876	\$1,599,548
Total Equity Invested	\$73,730	\$294,919	\$737,297	\$1,474,594	\$1,700,718	\$1,707,169	\$1,602,293	\$1,489,417	\$1,369,541	\$1,234,665	\$1,093,789	\$941,913	\$780,037	\$607,161	
Cash on Cash Return of Original Equity		-75.0%	-150.0%	-250.0%	-76.7%	-2.2%	35.6%	38.3%	40.6%	45.7%	47.8%	51.5%	54.9%	58.6%	
Cash on Cash Return of Amortized Equity		-75.0%	-60.0%	-50.0%	-13.3%	-0.4%	6.5%	7.6%	8.8%	10.9%	12.9%	16.1%	20.8%	28.5%	

IRR 4.84%

XIRR 5.14%



**United Kingdom**  
Blue Fin Building  
110 Southwark Street  
London SE1 0TA  
Phone: +44 (0)20 7922 1930  
Fax: +44 (0)20 7922 1931  
www.strglobal.com

**United States**  
735 East Main Street  
Hendersonville  
TN 37075  
Phone: +1 (615) 824 8664  
Fax: +1 (615) 824 3848  
www.str.com

## Clemson, SC Area Selected Properties

January 2004 to March 2010

Currency: USD - US Dollar

Job Number: 296545\_SADIM Staff: SS Created: May 10, 2010

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# Tab 2 - Data by Measure

Clemson, SC Area Selected Properties

Job Number: 296545\_SADIM Staff: SS Created: May 10, 2010

Occupancy (%)														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2004	38.5	50.2	64.3	76.4	62.1	71.2	62.9	54.3	56.8	68.1	63.0	43.5	59.3	51.0
2005	43.4	51.4	64.0	69.2	52.7	76.6	58.6	56.6	52.6	64.7	50.1	44.3	57.0	53.0
2006	42.4	50.0	65.6	65.3	62.9	75.3	56.0	49.1	52.0	68.7	52.2	31.5	55.9	52.8
2007	33.2	54.2	56.2	58.4	59.5	58.0	54.1	49.2	53.1	54.1	57.5	31.5	51.5	47.7
2008	35.1	55.2	61.0	62.3	49.9	61.9	50.7	47.7	48.5	57.9	55.0	33.5	51.5	50.3
2009	32.9	46.0	49.5	58.4	48.9	55.4	51.3	45.1	44.8	53.7	35.1	27.5	45.7	42.7
2010	31.1	37.7	45.3											38.1
<b>Avg</b>	36.7	49.2	58.0	65.0	56.0	66.4	55.6	50.3	51.3	61.2	52.1	35.3	53.5	47.9

ADR (\$)														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2004	53.61	54.14	54.23	54.11	60.65	56.77	57.00	57.42	64.85	72.75	61.11	55.66	58.83	54.04
2005	55.62	56.81	57.84	57.67	61.97	60.74	58.41	59.42	92.94	66.71	79.88	61.68	63.80	56.91
2006	60.98	60.89	60.99	60.51	64.58	62.47	61.18	65.69	83.69	69.13	84.11	59.14	66.08	60.95
2007	58.34	57.60	62.11	61.31	65.87	62.29	58.02	63.06	80.00	77.18	72.65	61.02	65.34	59.61
2008	59.77	62.47	62.51	61.00	66.92	61.26	60.46	63.81	83.93	66.64	67.67	60.49	64.76	61.84
2009	59.06	60.29	59.61	61.17	67.85	61.51	60.65	65.98	84.18	67.88	75.09	58.31	65.08	59.69
2010	58.49	60.02	58.80											59.09
<b>Avg</b>	57.91	58.86	59.39	59.05	64.50	60.77	59.20	62.34	81.27	69.99	72.79	59.34	63.86	58.83

RevPAR (\$)														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2004	20.63	27.17	34.87	41.36	37.68	40.39	35.85	31.20	36.86	49.51	38.51	24.22	34.87	27.57
2005	24.17	29.20	37.01	39.89	32.65	46.54	34.21	33.60	48.93	43.19	40.01	27.32	36.37	30.16
2006	25.84	30.45	40.02	39.52	40.62	47.03	34.25	32.24	43.52	47.48	43.93	18.66	36.94	32.16
2007	19.35	31.23	34.93	35.79	39.18	36.10	31.37	31.01	42.49	41.78	41.78	19.21	33.65	28.41
2008	20.96	34.50	38.14	37.99	33.39	37.95	30.63	30.43	40.68	38.56	37.19	20.29	33.33	31.09
2009	19.43	27.70	29.51	35.73	33.18	34.11	31.11	29.73	37.73	36.44	26.33	16.03	29.73	25.47
2010	18.21	22.63	26.64											22.49
<b>Avg</b>	21.23	28.98	34.45	38.38	36.12	40.35	32.90	31.37	41.70	42.83	37.96	20.95	34.15	28.19

Supply														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2004	17,205	15,540	17,205	16,650	17,205	16,650	17,205	17,205	16,650	17,205	16,650	17,205	202,575	49,950
2005	17,205	15,540	17,205	16,650	17,205	16,650	17,205	17,205	16,650	17,205	16,650	17,205	202,575	49,950
2006	17,205	15,540	17,205	16,650	17,205	16,650	17,205	17,205	16,650	17,205	16,650	17,205	202,575	49,950
2007	17,205	15,540	17,205	16,650	17,205	16,650	17,205	17,205	16,650	17,205	16,650	17,205	202,575	49,950
2008	17,205	15,540	17,205	16,650	17,205	16,650	17,205	17,205	16,650	17,205	16,650	17,205	202,575	49,950
2009	17,205	15,540	17,205	16,650	17,205	16,650	17,205	17,205	16,650	17,205	16,650	17,205	202,575	49,950
2010	17,205	15,540	17,205											49,950
<b>Avg</b>	17,205	15,540	17,205	16,650	17,205	16,650	17,205	17,205	16,650	17,205	16,650	17,205	202,575	49,950

Demand														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2004	6,620	7,799	11,064	12,725	10,688	11,847	10,823	9,349	9,463	11,709	10,492	7,488	120,067	25,483
2005	7,475	7,987	11,008	11,519	9,063	12,758	10,076	9,730	8,766	11,140	8,341	7,620	115,483	26,470
2006	7,291	7,772	11,291	10,873	10,821	12,537	9,631	8,444	8,658	11,815	8,695	5,428	113,256	26,354
2007	5,708	8,426	9,677	9,719	10,234	9,649	9,301	8,460	8,843	9,314	9,575	5,417	104,323	23,811
2008	6,033	8,583	10,496	10,370	8,585	10,313	8,715	8,206	8,070	9,954	9,152	5,770	104,247	25,112
2009	5,659	7,141	8,517	9,726	8,413	9,232	8,824	7,752	7,463	9,237	5,837	4,730	92,531	21,317
2010	5,357	5,860	7,795											19,012
<b>Avg</b>	6,306	7,653	9,978	10,822	9,634	11,056	9,562	8,657	8,544	10,528	8,682	6,076	108,318	23,937

Revenue (\$)														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2004	354,919	422,253	599,978	688,579	648,218	672,502	616,863	536,832	613,666	851,870	641,194	416,763	7,063,637	1,377,150
2005	415,795	453,759	636,737	664,251	561,677	774,869	588,521	578,157	814,738	743,121	666,247	470,034	7,367,906	1,506,291
2006	444,576	473,213	688,605	657,964	698,837	783,124	589,259	554,703	724,590	816,817	731,374	320,989	7,484,051	1,606,394
2007	332,989	485,308	600,992	595,886	674,091	601,056	539,651	533,477	707,465	718,875	695,618	330,561	6,815,969	1,419,289
2008	360,564	536,192	656,141	632,583	574,505	631,809	526,941	523,625	677,296	663,382	619,277	349,005	6,751,320	1,552,897
2009	334,214	430,501	507,695	594,944	570,841	567,864	535,202	511,450	628,254	627,016	438,322	275,793	6,022,096	1,272,410
2010	313,354	351,727	458,375											1,123,456
<b>Avg</b>	365,202	450,422	592,646	639,035	621,362	671,871	566,073	539,707	694,335	736,847	632,005	360,524	6,917,497	1,408,270

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# Tab 3 - Percent Change from Previous Year - Detail by Measure

Clemson, SC Area Selected Properties

Job Number: 296545\_SADIM Staff: SS Created: May 10, 2010

Occupancy														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2005	12.9	2.4	-0.5	-9.5	-15.2	7.7	-6.9	4.1	-7.4	-4.9	-20.5	1.8	-3.8	3.9
2006	-2.5	-2.7	2.6	-5.6	19.4	-1.7	-4.4	-13.2	-1.2	6.1	4.2	-28.8	-1.9	-0.4
2007	-21.7	8.4	-14.3	-10.6	-5.4	-23.0	-3.4	0.2	2.1	-21.2	10.1	-0.2	-7.9	-9.6
2008	5.7	1.9	8.5	6.7	-16.1	6.9	-6.3	-3.0	-8.7	6.9	-4.4	6.5	-0.1	5.5
2009	-6.2	-16.8	-18.9	-6.2	-2.0	-10.5	1.3	-5.5	-7.5	-7.2	-36.2	-18.0	-11.2	-15.1
2010	-5.3	-17.9	-8.5											-10.8
<b>Avg</b>	-2.8	-4.1	-5.2	-5.0	-3.9	-4.1	-4.0	-3.5	-4.5	-4.1	-9.4	-7.7	-5.0	-4.4

ADR														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2005	3.8	4.9	6.7	6.6	2.2	7.0	2.5	3.5	43.3	-8.3	30.7	10.8	8.4	5.3
2006	9.6	7.2	5.4	4.9	4.2	2.8	4.8	10.6	-10.0	3.6	5.3	-4.1	3.6	7.1
2007	-4.3	-5.4	1.8	1.3	2.0	-0.3	-5.2	-4.0	-4.4	11.6	-13.6	3.2	-1.1	-2.2
2008	2.4	8.5	0.7	-0.5	1.6	-1.7	4.2	1.2	4.9	-13.7	-6.9	-0.9	-0.9	3.7
2009	-1.2	-3.5	-4.6	0.3	1.4	0.4	0.3	3.4	0.3	1.9	11.0	-3.6	0.5	-3.5
2010	-1.0	-0.4	-1.4											-1.0
<b>Avg</b>	1.6	1.9	1.4	2.5	2.3	1.7	1.3	2.9	6.8	-1.0	5.3	1.1	2.1	1.6

RevPAR														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2005	17.2	7.5	6.1	-3.5	-13.4	15.2	-4.6	7.7	32.8	-12.8	3.9	12.8	4.3	9.4
2006	6.9	4.3	8.1	-0.9	24.4	1.1	0.1	-4.1	-11.1	9.9	9.8	-31.7	1.6	6.6
2007	-25.1	2.6	-12.7	-9.4	-3.5	-23.2	-8.4	-3.8	-2.4	-12.0	-4.9	3.0	-8.9	-11.6
2008	8.3	10.5	9.2	6.2	-14.8	5.1	-2.4	-1.8	-4.3	-7.7	-11.0	5.6	-0.9	9.4
2009	-7.3	-19.7	-22.6	-6.0	-0.6	-10.1	1.6	-2.3	-7.2	-5.5	-29.2	-21.0	-10.8	-18.1
2010	-6.2	-18.3	-9.7											-11.7
<b>Avg</b>	-1.0	-2.2	-3.6	-2.7	-1.6	-2.4	-2.7	-0.9	1.6	-5.6	-6.3	-6.3	-3.0	-2.7

Supply														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2005	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2006	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2007	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2008	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2009	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2010	0.0	0.0	0.0											0.0
<b>Avg</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Demand														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2005	12.9	2.4	-0.5	-9.5	-15.2	7.7	-6.9	4.1	-7.4	-4.9	-20.5	1.8	-3.8	3.9
2006	-2.5	-2.7	2.6	-5.6	19.4	-1.7	-4.4	-13.2	-1.2	6.1	4.2	-28.8	-1.9	-0.4
2007	-21.7	8.4	-14.3	-10.6	-5.4	-23.0	-3.4	0.2	2.1	-21.2	10.1	-0.2	-7.9	-9.6
2008	5.7	1.9	8.5	6.7	-16.1	6.9	-6.3	-3.0	-8.7	6.9	-4.4	6.5	-0.1	5.5
2009	-6.2	-16.8	-18.9	-6.2	-2.0	-10.5	1.3	-5.5	-7.5	-7.2	-36.2	-18.0	-11.2	-15.1
2010	-5.3	-17.9	-8.5											-10.8
<b>Avg</b>	-2.8	-4.1	-5.2	-5.0	-3.9	-4.1	-4.0	-3.5	-4.5	-4.1	-9.4	-7.7	-5.0	-4.4

Revenue														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Mar YTD
2005	17.2	7.5	6.1	-3.5	-13.4	15.2	-4.6	7.7	32.8	-12.8	3.9	12.8	4.3	9.4
2006	6.9	4.3	8.1	-0.9	24.4	1.1	0.1	-4.1	-11.1	9.9	9.8	-31.7	1.6	6.6
2007	-25.1	2.6	-12.7	-9.4	-3.5	-23.2	-8.4	-3.8	-2.4	-12.0	-4.9	3.0	-8.9	-11.6
2008	8.3	10.5	9.2	6.2	-14.8	5.1	-2.4	-1.8	-4.3	-7.7	-11.0	5.6	-0.9	9.4
2009	-7.3	-19.7	-22.6	-6.0	-0.6	-10.1	1.6	-2.3	-7.2	-5.5	-29.2	-21.0	-10.8	-18.1
2010	-6.2	-18.3	-9.7											-11.7
<b>Avg</b>	-1.0	-2.2	-3.6	-2.7	-1.6	-2.4	-2.7	-0.9	1.6	-5.6	-6.3	-6.3	-3.0	-2.7

# Tab 4 - Percent Change from Previous Year - Detail by Year

Clemson, SC Area Selected Properties

Job Number: 296545\_SADIM Staff: SS Created: May 10, 2010

	Jan 05	Feb 05	Mar 05	Apr 05	May 05	Jun 05	Jul 05	Aug 05	Sep 05	Oct 05	Nov 05	Dec 05	Total Year	Mar YTD
Occ	12.9	2.4	-0.5	-9.5	-15.2	7.7	-6.9	4.1	-7.4	-4.9	-20.5	1.8	-3.8	3.9
ADR	3.8	4.9	6.7	6.6	2.2	7.0	2.5	3.5	43.3	-8.3	30.7	10.8	8.4	5.3
RevPAR	17.2	7.5	6.1	-3.5	-13.4	15.2	-4.6	7.7	32.8	-12.8	3.9	12.8	4.3	9.4
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	12.9	2.4	-0.5	-9.5	-15.2	7.7	-6.9	4.1	-7.4	-4.9	-20.5	1.8	-3.8	3.9
Revenue	17.2	7.5	6.1	-3.5	-13.4	15.2	-4.6	7.7	32.8	-12.8	3.9	12.8	4.3	9.4

	Jan 06	Feb 06	Mar 06	Apr 06	May 06	Jun 06	Jul 06	Aug 06	Sep 06	Oct 06	Nov 06	Dec 06	Total Year	Mar YTD
Occ	-2.5	-2.7	2.6	-5.6	19.4	-1.7	-4.4	-13.2	-1.2	6.1	4.2	-28.8	-1.9	-0.4
ADR	9.6	7.2	5.4	4.9	4.2	2.8	4.8	10.6	-10.0	3.6	5.3	-4.1	3.6	7.1
RevPAR	6.9	4.3	8.1	-0.9	24.4	1.1	0.1	-4.1	-11.1	9.9	9.8	-31.7	1.6	6.6
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	-2.5	-2.7	2.6	-5.6	19.4	-1.7	-4.4	-13.2	-1.2	6.1	4.2	-28.8	-1.9	-0.4
Revenue	6.9	4.3	8.1	-0.9	24.4	1.1	0.1	-4.1	-11.1	9.9	9.8	-31.7	1.6	6.6

	Jan 07	Feb 07	Mar 07	Apr 07	May 07	Jun 07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07	Dec 07	Total Year	Mar YTD
Occ	-21.7	8.4	-14.3	-10.6	-5.4	-23.0	-3.4	0.2	2.1	-21.2	10.1	-0.2	-7.9	-9.6
ADR	-4.3	-5.4	1.8	1.3	2.0	-0.3	-5.2	-4.0	-4.4	11.6	-13.6	3.2	-1.1	-2.2
RevPAR	-25.1	2.6	-12.7	-9.4	-3.5	-23.2	-8.4	-3.8	-2.4	-12.0	-4.9	3.0	-8.9	-11.6
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	-21.7	8.4	-14.3	-10.6	-5.4	-23.0	-3.4	0.2	2.1	-21.2	10.1	-0.2	-7.9	-9.6
Revenue	-25.1	2.6	-12.7	-9.4	-3.5	-23.2	-8.4	-3.8	-2.4	-12.0	-4.9	3.0	-8.9	-11.6

	Jan 08	Feb 08	Mar 08	Apr 08	May 08	Jun 08	Jul 08	Aug 08	Sep 08	Oct 08	Nov 08	Dec 08	Total Year	Mar YTD
Occ	5.7	1.9	8.5	6.7	-16.1	6.9	-6.3	-3.0	-8.7	6.9	-4.4	6.5	-0.1	5.5
ADR	2.4	8.5	0.7	-0.5	1.6	-1.7	4.2	1.2	4.9	-13.7	-6.9	-0.9	-0.9	3.7
RevPAR	8.3	10.5	9.2	6.2	-14.8	5.1	-2.4	-1.8	-4.3	-7.7	-11.0	5.6	-0.9	9.4
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	5.7	1.9	8.5	6.7	-16.1	6.9	-6.3	-3.0	-8.7	6.9	-4.4	6.5	-0.1	5.5
Revenue	8.3	10.5	9.2	6.2	-14.8	5.1	-2.4	-1.8	-4.3	-7.7	-11.0	5.6	-0.9	9.4

	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09	Nov 09	Dec 09	Total Year	Mar YTD
Occ	-6.2	-16.8	-18.9	-6.2	-2.0	-10.5	1.3	-5.5	-7.5	-7.2	-36.2	-18.0	-11.2	-15.1
ADR	-1.2	-3.5	-4.6	0.3	1.4	0.4	0.3	3.4	0.3	1.9	11.0	-3.6	0.5	-3.5
RevPAR	-7.3	-19.7	-22.6	-6.0	-0.6	-10.1	1.6	-2.3	-7.2	-5.5	-29.2	-21.0	-10.8	-18.1
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	-6.2	-16.8	-18.9	-6.2	-2.0	-10.5	1.3	-5.5	-7.5	-7.2	-36.2	-18.0	-11.2	-15.1
Revenue	-7.3	-19.7	-22.6	-6.0	-0.6	-10.1	1.6	-2.3	-7.2	-5.5	-29.2	-21.0	-10.8	-18.1

	Jan 10	Feb 10	Mar 10	Apr 10	May 10	Jun 10	Jul 10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Total Year	Mar YTD
Occ	-5.3	-17.9	-8.5											-10.8
ADR	-1.0	-0.4	-1.4											-1.0
RevPAR	-6.2	-18.3	-9.7											-11.7
Supply	0.0	0.0	0.0											0.0
Demand	-5.3	-17.9	-8.5											-10.8
Revenue	-6.2	-18.3	-9.7											-11.7

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# Tab 5 - Twelve Month Moving Average

Clemson, SC Area Selected Properties

Job Number: 296545\_SADIM Staff: SS Created: May 10, 2010

Occupancy (%)													
	January	February	March	April	May	June	July	August	September	October	November	December	
2005	59.7	59.8	59.8	59.2	58.4	58.8	58.4	58.6	58.3	58.0	56.9	57.0	57.0
2006	56.9	56.8	57.0	56.6	57.5	57.4	57.2	56.5	56.5	56.8	57.0	55.9	55.9
2007	55.1	55.4	54.7	54.1	53.8	52.4	52.2	52.2	52.3	51.1	51.5	51.5	51.5
2008	51.7	51.7	52.1	52.5	51.6	52.0	51.7	51.6	51.2	51.5	51.3	51.5	51.5
2009	51.3	50.6	49.6	49.3	49.2	48.7	48.7	48.5	48.2	47.8	46.2	45.7	45.7
2010	45.5	44.9	44.5										

ADR (\$)													
	January	February	March	April	May	June	July	August	September	October	November	December	
2005	58.92	59.09	59.42	59.81	59.90	60.30	60.45	60.60	62.66	62.04	63.41	63.80	63.80
2006	64.15	64.44	64.73	65.04	65.24	65.43	65.69	66.22	65.50	65.75	66.12	66.08	66.08
2007	66.02	65.74	65.91	66.04	66.16	66.25	65.99	65.78	65.50	66.14	65.24	65.34	65.34
2008	65.40	65.78	65.80	65.74	65.82	65.70	65.95	66.01	66.21	65.27	64.81	64.76	64.76
2009	64.74	64.62	64.42	64.46	64.53	64.59	64.60	64.78	64.68	64.78	65.14	65.08	65.08
2010	65.07	65.12	65.09										

RevPAR (\$)													
	January	February	March	April	May	June	July	August	September	October	November	December	
2005	35.17	35.33	35.51	35.39	34.96	35.46	35.32	35.53	36.52	35.98	36.11	36.37	36.37
2006	36.51	36.61	36.87	36.83	37.51	37.55	37.56	37.44	37.00	37.36	37.68	36.94	36.94
2007	36.39	36.45	36.02	35.71	35.59	34.69	34.45	34.34	34.26	33.78	33.60	33.65	33.65
2008	33.78	34.03	34.31	34.49	34.00	34.15	34.08	34.04	33.89	33.61	33.24	33.33	33.33
2009	33.20	32.68	31.94	31.76	31.74	31.42	31.46	31.40	31.16	30.98	30.09	29.73	29.73
2010	29.62	29.24	28.99										

Supply													
	January	February	March	April	May	June	July	August	September	October	November	December	
2005	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575
2006	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575
2007	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575
2008	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575
2009	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575	202,575
2010	202,575	202,575	202,575										

Demand													
	January	February	March	April	May	June	July	August	September	October	November	December	
2005	120,922	121,110	121,054	119,848	118,223	119,134	118,387	118,768	118,071	117,502	115,351	115,483	115,483
2006	115,299	115,084	115,367	114,721	116,479	116,258	115,813	114,527	114,419	115,094	115,448	113,256	113,256
2007	111,673	112,327	110,713	109,559	108,972	106,084	105,754	105,770	105,955	103,454	104,334	104,323	104,323
2008	104,648	104,805	105,624	106,275	104,626	105,290	104,704	104,450	103,677	104,317	103,894	104,247	104,247
2009	103,873	100,431	100,452	99,808	99,636	98,555	98,664	98,210	97,603	96,886	93,571	92,531	92,531
2010	92,229	90,948	90,226										

Revenue (\$)													
	January	February	March	April	May	June	July	August	September	October	November	December	
2005	7,124,513	7,156,019	7,192,778	7,168,450	7,081,909	7,184,276	7,155,934	7,197,259	7,398,331	7,289,582	7,314,635	7,367,906	7,367,906
2006	7,396,687	7,416,141	7,468,009	7,461,722	7,598,882	7,607,137	7,607,875	7,584,421	7,494,273	7,567,969	7,633,096	7,484,051	7,484,051
2007	7,372,464	7,384,559	7,296,946	7,234,868	7,210,122	7,028,054	6,978,446	6,957,220	6,940,095	6,842,153	6,806,397	6,815,969	6,815,969
2008	6,843,544	6,894,428	6,949,577	6,986,274	6,886,688	6,917,441	6,904,731	6,894,879	6,864,710	6,809,217	6,732,876	6,751,320	6,751,320
2009	6,724,970	6,619,279	6,470,833	6,433,194	6,429,530	6,365,585	6,373,846	6,361,671	6,312,629	6,276,263	6,095,308	6,022,096	6,022,096
2010	6,001,236	5,922,462	5,873,142										

High value is boxed.

Low value is boxed and italicized.

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# Tab 6 - Day of Week Analysis

Clemson, SC Area Selected Properties

Job Number: 296545\_SADIM Staff: SS Created: May 10, 2010

Occupancy (%)								Total Month
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Apr - 09	31.3	50.3	57.2	56.9	61.5	79.7	71.7	58.4
May - 09	28.4	35.1	42.9	47.3	53.8	70.4	61.2	48.9
Jun - 09	35.1	51.8	44.6	59.4	64.1	74.3	62.3	55.4
Jul - 09	35.6	53.5	52.6	51.9	48.1	61.0	54.5	51.3
Aug - 09	29.6	41.8	44.7	44.9	41.7	58.7	55.9	45.1
Sep - 09	26.7	36.6	43.3	41.9	38.1	61.6	66.6	44.8
Oct - 09	36.0	45.9	51.2	50.3	44.6	72.3	69.2	53.7
Nov - 09	21.7	32.9	30.8	30.0	30.4	47.7	55.7	35.1
Dec - 09	15.8	29.5	30.9	34.8	29.5	26.1	22.5	27.5
Jan - 10	17.6	31.4	35.0	33.6	28.2	38.2	34.6	31.1
Feb - 10	19.6	27.5	31.3	35.0	38.2	60.6	51.8	37.7
Mar - 10	27.8	36.7	40.2	44.6	49.7	71.3	50.4	45.3
<b>Total Year</b>	<b>26.9</b>	<b>39.5</b>	<b>41.9</b>	<b>44.4</b>	<b>44.1</b>	<b>60.2</b>	<b>54.7</b>	<b>44.5</b>

Three Year Occupancy (%)								Total Year
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Apr 07 - Mar 08	32.4	49.0	51.0	52.4	50.3	68.6	61.8	52.1
Apr 08 - Mar 09	29.3	47.1	49.7	52.2	48.9	63.5	56.5	49.6
Apr 09 - Mar 10	26.9	39.5	41.9	44.4	44.1	60.2	54.7	44.5
<b>Total 3 Yr</b>	<b>29.5</b>	<b>45.2</b>	<b>47.5</b>	<b>49.6</b>	<b>47.8</b>	<b>64.1</b>	<b>57.7</b>	<b>48.8</b>

ADR								Total Month
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Apr - 09	59.12	57.17	58.03	58.17	60.74	66.02	65.44	61.17
May - 09	59.95	56.90	57.46	59.09	82.03	77.12	67.15	67.85
Jun - 09	61.61	60.28	58.17	60.55	62.08	63.58	63.59	61.51
Jul - 09	60.49	59.81	58.83	58.14	60.62	62.60	63.65	60.65
Aug - 09	63.07	58.49	59.26	60.00	62.73	77.93	73.16	65.98
Sep - 09	63.52	61.16	62.34	59.42	64.15	118.06	122.43	84.18
Oct - 09	59.16	58.02	56.38	56.63	59.56	82.53	80.14	67.88
Nov - 09	66.67	55.09	55.37	56.70	58.59	92.08	109.29	75.09
Dec - 09	60.34	52.70	54.12	61.13	66.48	55.63	55.66	58.31
Jan - 10	56.10	54.59	55.10	56.25	56.39	63.18	63.23	58.49
Feb - 10	58.51	55.55	55.97	58.04	59.84	63.11	63.28	60.02
Mar - 10	59.09	56.14	57.11	57.72	58.82	61.18	60.58	58.80
<b>Total Year</b>	<b>60.77</b>	<b>57.55</b>	<b>57.63</b>	<b>58.58</b>	<b>62.94</b>	<b>74.01</b>	<b>75.69</b>	<b>65.09</b>

Three Year ADR								Total Year
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Apr 07 - Mar 08	63.29	61.51	58.05	59.45	62.43	74.64	75.31	65.80
Apr 08 - Mar 09	58.70	56.71	57.33	59.17	62.19	75.40	74.58	64.42
Apr 09 - Mar 10	60.77	57.55	57.63	58.58	62.94	74.01	75.69	65.09
<b>Total 3 Yr</b>	<b>61.02</b>	<b>58.71</b>	<b>57.67</b>	<b>59.09</b>	<b>62.51</b>	<b>74.69</b>	<b>75.19</b>	<b>65.11</b>

RevPAR								Total Month
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Apr - 09	18.52	28.77	33.17	33.09	37.33	52.62	46.89	35.73
May - 09	17.00	19.98	24.62	27.97	44.09	54.30	41.07	33.18
Jun - 09	21.62	31.24	25.96	36.00	39.80	47.27	39.61	34.11
Jul - 09	21.51	31.98	30.97	30.16	29.18	38.20	34.70	31.11
Aug - 09	18.65	24.47	26.51	26.95	26.17	45.76	40.88	29.73
Sep - 09	16.94	22.40	26.97	24.92	24.43	72.77	81.59	37.73
Oct - 09	21.31	26.65	28.85	28.50	26.54	59.67	55.49	36.44
Nov - 09	14.48	18.12	17.05	17.03	17.84	43.94	60.84	26.33
Dec - 09	9.55	15.56	16.72	21.28	19.64	14.54	12.53	16.03
Jan - 10	9.88	17.17	19.30	18.90	15.88	24.14	21.90	18.21
Feb - 10	11.49	15.27	17.53	20.33	22.85	38.22	32.75	22.63
Mar - 10	16.44	20.61	22.95	25.75	29.25	43.63	30.51	26.64
<b>Total Year</b>	<b>16.34</b>	<b>22.75</b>	<b>24.14</b>	<b>26.01</b>	<b>27.78</b>	<b>44.55</b>	<b>41.43</b>	<b>28.99</b>

Three Year RevPAR								Total Year
Sun	Mon	Tue	Wed	Thu	Fri	Sat		
Apr 07 - Mar 08	20.52	30.13	29.61	31.15	31.40	51.17	46.52	34.31
Apr 08 - Mar 09	17.19	26.69	28.50	30.87	30.42	47.86	42.14	31.94
Apr 09 - Mar 10	16.34	22.75	24.14	26.01	27.78	44.55	41.43	28.99
<b>Total 3 Yr</b>	<b>18.03</b>	<b>26.55</b>	<b>27.42</b>	<b>29.32</b>	<b>29.87</b>	<b>47.85</b>	<b>43.36</b>	<b>31.75</b>

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# Tab 7 - Raw Data

Clemson, SC Area Selected Properties

Job Number: 296545\_SADIM Staff: SS

Created: May 10, 2010

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Jan 04	38.5		53.61		20.63		17,205		6,620		354,919		7	555	89.5
Feb 04	50.2		54.14		27.17		15,540		7,799		422,253		7	555	89.5
Mar 04	64.3		54.23		34.87		17,205		11,064		599,978		7	555	89.5
Apr 04	76.4		54.11		41.36		16,650		12,725		688,579		7	555	89.5
May 04	62.1		60.65		37.68		17,205		10,688		648,218		7	555	89.5
Jun 04	71.2		56.77		40.39		16,650		11,847		672,502		7	555	89.5
Jul 04	62.9		57.00		35.85		17,205		10,823		616,863		7	555	89.5
Aug 04	54.3		57.42		31.20		17,205		9,349		536,832		7	555	89.5
Sep 04	56.8		64.85		36.86		16,650		9,463		613,666		7	555	89.5
Oct 04	68.1		72.75		49.51		17,205		11,709		851,870		7	555	89.5
Nov 04	63.0		61.11		38.51		16,650		10,492		641,194		7	555	89.5
Dec 04	43.5		55.66		24.22		17,205		7,488		416,763		7	555	89.5
Jan 05	43.4	12.9	55.62	3.8	24.17	17.2	17,205	0.0	7,475	12.9	415,795	17.2	7	555	89.5
Feb 05	51.4	2.4	56.81	4.9	29.20	7.5	15,540	0.0	7,987	2.4	453,759	7.5	7	555	89.5
Mar 05	64.0	-0.5	57.84	6.7	37.01	6.1	17,205	0.0	11,008	-0.5	636,737	6.1	7	555	89.5
Apr 05	69.2	-9.5	57.67	6.6	39.89	-3.5	16,650	0.0	11,519	-9.5	664,251	-3.5	7	555	89.5
May 05	52.7	-15.2	61.97	2.2	32.65	-13.4	17,205	0.0	9,063	-15.2	561,677	-13.4	7	555	100.0
Jun 05	76.6	7.7	60.74	7.0	46.54	15.2	16,650	0.0	12,758	7.7	774,869	15.2	7	555	100.0
Jul 05	58.6	-6.9	58.41	2.5	34.21	-4.6	17,205	0.0	10,076	-6.9	588,521	-4.6	7	555	100.0
Aug 05	56.6	4.1	59.42	3.5	33.60	7.7	17,205	0.0	9,730	4.1	578,157	7.7	7	555	92.1
Sep 05	52.6	-7.4	92.94	43.3	48.93	32.8	16,650	0.0	8,766	-7.4	814,738	32.8	7	555	100.0
Oct 05	64.7	-4.9	66.71	-8.3	43.19	-12.8	17,205	0.0	11,140	-4.9	743,121	-12.8	7	555	100.0
Nov 05	50.1	-20.5	79.88	30.7	40.01	3.9	16,650	0.0	8,341	-20.5	666,247	3.9	7	555	100.0
Dec 05	44.3	1.8	61.68	10.8	27.32	12.8	17,205	0.0	7,620	1.8	470,034	12.8	7	555	100.0
Jan 06	42.4	-2.5	60.98	9.6	25.84	6.9	17,205	0.0	7,291	-2.5	444,576	6.9	7	555	100.0
Feb 06	50.0	-2.7	60.89	7.2	30.45	4.3	15,540	0.0	7,772	-2.7	473,213	4.3	7	555	100.0
Mar 06	65.6	2.6	60.99	5.4	40.02	8.1	17,205	0.0	11,291	2.6	688,605	8.1	7	555	100.0
Apr 06	65.3	-5.6	60.51	4.9	39.52	-0.9	16,650	0.0	10,873	-5.6	657,964	-0.9	7	555	100.0
May 06	62.9	19.4	64.58	4.2	40.62	24.4	17,205	0.0	10,821	19.4	698,837	24.4	7	555	88.6
Jun 06	75.3	-1.7	62.47	2.8	47.03	1.1	16,650	0.0	12,537	-1.7	783,124	1.1	7	555	100.0
Jul 06	56.0	-4.4	61.18	4.8	34.25	0.1	17,205	0.0	9,631	-4.4	589,259	0.1	7	555	100.0
Aug 06	49.1	-13.2	65.69	10.6	32.24	-4.1	17,205	0.0	8,444	-13.2	554,703	-4.1	7	555	100.0
Sep 06	52.0	-1.2	83.69	-10.0	43.52	-11.1	16,650	0.0	8,658	-1.2	724,590	-11.1	7	555	100.0
Oct 06	68.7	6.1	69.13	3.6	47.48	9.9	17,205	0.0	11,815	6.1	816,817	9.9	7	555	88.8
Nov 06	52.2	4.2	84.11	5.3	43.93	9.8	16,650	0.0	8,695	4.2	731,374	9.8	7	555	88.8
Dec 06	31.5	-28.8	59.14	-4.1	18.66	-31.7	17,205	0.0	5,428	-28.8	320,989	-31.7	7	555	88.8
Jan 07	33.2	-21.7	58.34	-4.3	19.35	-25.1	17,205	0.0	5,708	-21.7	332,989	-25.1	7	555	88.8
Feb 07	54.2	8.4	57.60	-5.4	31.23	2.6	15,540	0.0	8,426	8.4	485,308	2.6	7	555	88.8
Mar 07	56.2	-14.3	62.11	1.8	34.93	-12.7	17,205	0.0	9,677	-14.3	600,992	-12.7	7	555	88.8
Apr 07	58.4	-10.6	61.31	1.3	35.79	-9.4	16,650	0.0	9,719	-10.6	595,886	-9.4	7	555	88.8
May 07	59.5	-5.4	65.87	2.0	39.18	-3.5	17,205	0.0	10,234	-5.4	674,091	-3.5	7	555	78.4
Jun 07	58.0	-23.0	62.29	-0.3	36.10	-23.2	16,650	0.0	9,649	-23.0	601,056	-23.2	7	555	78.4
Jul 07	54.1	-3.4	58.02	-5.2	31.37	-8.4	17,205	0.0	9,301	-3.4	539,651	-8.4	7	555	78.4
Aug 07	49.2	0.2	63.06	-4.0	31.01	-3.8	17,205	0.0	8,460	0.2	533,477	-3.8	7	555	78.4
Sep 07	53.1	2.1	80.00	-4.4	42.49	-2.4	16,650	0.0	8,843	2.1	707,465	-2.4	7	555	78.4
Oct 07	54.1	-21.2	77.18	11.6	41.78	-12.0	17,205	0.0	9,314	-21.2	718,875	-12.0	7	555	78.4
Nov 07	57.5	10.1	72.65	-13.6	41.78	-4.9	16,650	0.0	9,575	10.1	695,618	-4.9	7	555	78.4
Dec 07	31.5	-0.2	61.02	3.2	19.21	3.0	17,205	0.0	5,417	-0.2	330,561	3.0	7	555	78.4
Jan 08	35.1	5.7	59.77	2.4	20.96	8.3	17,205	0.0	6,033	5.7	360,564	8.3	7	555	78.4
Feb 08	55.2	1.9	62.47	8.5	34.50	10.5	15,540	0.0	8,583	1.9	536,192	10.5	7	555	78.4
Mar 08	61.0	8.5	62.51	0.7	38.14	9.2	17,205	0.0	10,496	8.5	656,141	9.2	7	555	78.4

# Tab 7 - Raw Data

Clemson, SC Area Selected Properties

Job Number: 296545\_SADIM Staff: SS Created: May 10, 2010

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Apr 08	62.3	6.7	61.00	-0.5	37.99	6.2	16,650	0.0	10,370	6.7	632,583	6.2	7	555	78.4
May 08	49.9	-16.1	66.92	1.6	33.39	-14.8	17,205	0.0	8,585	-16.1	574,505	-14.8	7	555	78.4
Jun 08	61.9	6.9	61.26	-1.7	37.95	5.1	16,650	0.0	10,313	6.9	631,809	5.1	7	555	70.5
Jul 08	50.7	-6.3	60.46	4.2	30.63	-2.4	17,205	0.0	8,715	-6.3	526,941	-2.4	7	555	78.4
Aug 08	47.7	-3.0	63.81	1.2	30.43	-1.8	17,205	0.0	8,206	-3.0	523,625	-1.8	7	555	78.4
Sep 08	48.5	-8.7	83.93	4.9	40.68	-4.3	16,650	0.0	8,070	-8.7	677,296	-4.3	7	555	78.4
Oct 08	57.9	6.9	66.64	-13.7	38.56	-7.7	17,205	0.0	9,954	6.9	663,382	-7.7	7	555	78.4
Nov 08	55.0	-4.4	67.67	-6.9	37.19	-11.0	16,650	0.0	9,152	-4.4	619,277	-11.0	7	555	78.4
Dec 08	33.5	6.5	60.49	-0.9	20.29	5.6	17,205	0.0	5,770	6.5	349,005	5.6	7	555	78.4
Jan 09	32.9	-6.2	59.06	-1.2	19.43	-7.3	17,205	0.0	5,659	-6.2	334,214	-7.3	7	555	78.4
Feb 09	46.0	-16.8	60.29	-3.5	27.70	-19.7	15,540	0.0	7,141	-16.8	430,501	-19.7	7	555	78.4
Mar 09	49.5	-18.9	59.61	-4.6	29.51	-22.6	17,205	0.0	8,517	-18.9	507,695	-22.6	7	555	78.4
Apr 09	58.4	-6.2	61.17	0.3	35.73	-6.0	16,650	0.0	9,726	-6.2	594,944	-6.0	7	555	88.8
May 09	48.9	-2.0	67.85	1.4	33.18	-0.6	17,205	0.0	8,413	-2.0	570,841	-0.6	7	555	88.8
Jun 09	55.4	-10.5	61.51	0.4	34.11	-10.1	16,650	0.0	9,232	-10.5	567,864	-10.1	7	555	88.8
Jul 09	51.3	1.3	60.65	0.3	31.11	1.6	17,205	0.0	8,824	1.3	535,202	1.6	7	555	88.8
Aug 09	45.1	-5.5	65.98	3.4	29.73	-2.3	17,205	0.0	7,752	-5.5	511,450	-2.3	7	555	88.8
Sep 09	44.8	-7.5	84.18	0.3	37.73	-7.2	16,650	0.0	7,463	-7.5	628,254	-7.2	7	555	88.8
Oct 09	53.7	-7.2	67.88	1.9	36.44	-5.5	17,205	0.0	9,237	-7.2	627,016	-5.5	7	555	88.8
Nov 09	35.1	-36.2	75.09	11.0	26.33	-29.2	16,650	0.0	5,837	-36.2	438,322	-29.2	7	555	88.8
Dec 09	27.5	-18.0	58.31	-3.6	16.03	-21.0	17,205	0.0	4,730	-18.0	275,793	-21.0	7	555	88.8
Jan 10	31.1	-5.3	58.49	-1.0	18.21	-6.2	17,205	0.0	5,357	-5.3	313,354	-6.2	7	555	88.8
Feb 10	37.7	-17.9	60.02	-0.4	22.63	-18.3	15,540	0.0	5,860	-17.9	351,727	-18.3	7	555	88.8
Mar 10	45.3	-8.5	58.80	-1.4	26.64	-9.7	17,205	0.0	7,795	-8.5	458,375	-9.7	7	555	88.8

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# Tab 8 - Classic

Clemson, SC Area Selected Properties  
 Job Number: 296545\_SADIM Staff: SS Created: May 10, 2010

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Jan 04	38.5		53.61		20.63		17,205		6,620		354,919		7	555	89.5
Feb 04	50.2		54.14		27.17		15,540		7,799		422,253		7	555	89.5
Mar 04	64.3		54.23		34.87		17,205		11,064		599,978		7	555	89.5
Apr 04	76.4		54.11		41.36		16,650		12,725		688,579		7	555	89.5
May 04	62.1		60.65		37.68		17,205		10,688		648,218		7	555	89.5
Jun 04	71.2		56.77		40.39		16,650		11,847		672,502		7	555	89.5
Jul 04	62.9		57.00		35.85		17,205		10,823		616,863		7	555	89.5
Aug 04	54.3		57.42		31.20		17,205		9,349		536,832		7	555	89.5
Sep 04	56.8		64.85		36.86		16,650		9,463		613,666		7	555	89.5
Oct 04	68.1		72.75		49.51		17,205		11,709		851,870		7	555	89.5
Nov 04	63.0		61.11		38.51		16,650		10,492		641,194		7	555	89.5
Dec 04	43.5		55.66		24.22		17,205		7,488		416,763		7	555	89.5
Mar YTD 2004	51.0		54.04		27.57		49,950		25,483		1,377,150				
Total 2004	59.3		58.83		34.87		202,575		120,067		7,063,637				
Jan 05	43.4	12.9	55.62	3.8	24.17	17.2	17,205	0.0	7,475	12.9	415,795	17.2	7	555	89.5
Feb 05	51.4	2.4	56.81	4.9	29.20	7.5	15,540	0.0	7,987	2.4	453,759	7.5	7	555	89.5
Mar 05	64.0	-0.5	57.84	6.7	37.01	6.1	17,205	0.0	11,008	-0.5	636,737	6.1	7	555	89.5
Apr 05	69.2	-9.5	57.67	6.6	39.89	-3.5	16,650	0.0	11,519	-9.5	664,251	-3.5	7	555	89.5
May 05	52.7	-15.2	61.97	2.2	32.65	-13.4	17,205	0.0	9,063	-15.2	561,677	-13.4	7	555	100.0
Jun 05	76.6	7.7	60.74	7.0	46.54	15.2	16,650	0.0	12,758	7.7	774,869	15.2	7	555	100.0
Jul 05	58.6	-6.9	58.41	2.5	34.21	-4.6	17,205	0.0	10,076	-6.9	588,521	-4.6	7	555	100.0
Aug 05	56.6	4.1	59.42	3.5	33.60	7.7	17,205	0.0	9,730	4.1	578,157	7.7	7	555	92.1
Sep 05	52.6	-7.4	92.94	43.3	48.93	32.8	16,650	0.0	8,766	-7.4	814,738	32.8	7	555	100.0
Oct 05	64.7	-4.9	66.71	-8.3	43.19	-12.8	17,205	0.0	11,140	-4.9	743,121	-12.8	7	555	100.0
Nov 05	50.1	-20.5	79.88	30.7	40.01	3.9	16,650	0.0	8,341	-20.5	666,247	3.9	7	555	100.0
Dec 05	44.3	1.8	61.68	10.8	27.32	12.8	17,205	0.0	7,620	1.8	470,034	12.8	7	555	100.0
Mar YTD 2005	53.0	3.9	56.91	5.3	30.16	9.4	49,950	0.0	26,470	3.9	1,506,291	9.4			
Total 2005	57.0	-3.8	63.80	8.4	36.37	4.3	202,575	0.0	115,483	-3.8	7,367,906	4.3			
Jan 06	42.4	-2.5	60.98	9.6	25.84	6.9	17,205	0.0	7,291	-2.5	444,576	6.9	7	555	100.0
Feb 06	50.0	-2.7	60.89	7.2	30.45	4.3	15,540	0.0	7,772	-2.7	473,213	4.3	7	555	100.0
Mar 06	65.6	2.6	60.99	5.4	40.02	8.1	17,205	0.0	11,291	2.6	688,605	8.1	7	555	100.0
Apr 06	65.3	-5.6	60.51	4.9	39.52	-0.9	16,650	0.0	10,873	-5.6	657,964	-0.9	7	555	100.0
May 06	62.9	19.4	64.58	4.2	40.62	24.4	17,205	0.0	10,821	19.4	698,837	24.4	7	555	88.6
Jun 06	75.3	-1.7	62.47	2.8	47.03	1.1	16,650	0.0	12,537	-1.7	783,124	1.1	7	555	100.0
Jul 06	56.0	-4.4	61.18	4.8	34.25	0.1	17,205	0.0	9,631	-4.4	589,259	0.1	7	555	100.0
Aug 06	49.1	-13.2	65.69	10.6	32.24	-4.1	17,205	0.0	8,444	-13.2	554,703	-4.1	7	555	100.0
Sep 06	52.0	-1.2	83.69	-10.0	43.52	-11.1	16,650	0.0	8,658	-1.2	724,590	-11.1	7	555	100.0
Oct 06	68.7	6.1	69.13	3.6	47.48	9.9	17,205	0.0	11,815	6.1	816,817	9.9	7	555	88.8
Nov 06	52.2	4.2	84.11	5.3	43.93	9.8	16,650	0.0	8,695	4.2	731,374	9.8	7	555	88.8
Dec 06	31.5	-28.8	59.14	-4.1	18.66	-31.7	17,205	0.0	5,428	-28.8	320,989	-31.7	7	555	88.8
Mar YTD 2006	52.8	-0.4	60.95	7.1	32.16	6.6	49,950	0.0	26,354	-0.4	1,606,394	6.6			
Total 2006	55.9	-1.9	66.08	3.6	36.94	1.6	202,575	0.0	113,256	-1.9	7,484,051	1.6			
Jan 07	33.2	-21.7	58.34	-4.3	19.35	-25.1	17,205	0.0	5,708	-21.7	332,989	-25.1	7	555	88.8
Feb 07	54.2	8.4	57.60	-5.4	31.23	2.6	15,540	0.0	8,426	8.4	485,308	2.6	7	555	88.8
Mar 07	56.2	-14.3	62.11	1.8	34.93	-12.7	17,205	0.0	9,677	-14.3	600,992	-12.7	7	555	88.8
Apr 07	58.4	-10.6	61.31	1.3	35.79	-9.4	16,650	0.0	9,719	-10.6	595,886	-9.4	7	555	88.8
May 07	59.5	-5.4	65.87	2.0	39.18	-3.5	17,205	0.0	10,234	-5.4	674,091	-3.5	7	555	78.4
Jun 07	58.0	-23.0	62.29	-0.3	36.10	-23.2	16,650	0.0	9,649	-23.0	601,056	-23.2	7	555	78.4
Jul 07	54.1	-3.4	58.02	-5.2	31.37	-8.4	17,205	0.0	9,301	-3.4	539,651	-8.4	7	555	78.4
Aug 07	49.2	0.2	63.06	-4.0	31.01	-3.8	17,205	0.0	8,460	0.2	533,477	-3.8	7	555	78.4
Sep 07	53.1	2.1	80.00	-4.4	42.49	-2.4	16,650	0.0	8,843	2.1	707,465	-2.4	7	555	78.4
Oct 07	54.1	-21.2	77.18	11.6	41.78	-12.0	17,205	0.0	9,314	-21.2	718,875	-12.0	7	555	78.4
Nov 07	57.5	10.1	72.65	-13.6	41.78	-4.9	16,650	0.0	9,575	10.1	695,618	-4.9	7	555	78.4
Dec 07	31.5	-0.2	61.02	3.2	19.21	3.0	17,205	0.0	5,417	-0.2	330,561	3.0	7	555	78.4

# Tab 8 - Classic

Clemson, SC Area Selected Properties  
 Job Number: 296545\_SADIM Staff: SS Created: May 10, 2010

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Mar YTD 2007	47.7	-9.6	59.61	-2.2	28.41	-11.6	49,950	0.0	23,811	-9.6	1,419,289	-11.6			
Total 2007	51.5	-7.9	65.34	-1.1	33.65	-8.9	202,575	0.0	104,323	-7.9	6,815,969	-8.9			
Jan 08	35.1	5.7	59.77	2.4	20.96	8.3	17,205	0.0	6,033	5.7	360,564	8.3	7	555	78.4
Feb 08	55.2	1.9	62.47	8.5	34.50	10.5	15,540	0.0	8,583	1.9	536,192	10.5	7	555	78.4
Mar 08	61.0	8.5	62.51	0.7	38.14	9.2	17,205	0.0	10,496	8.5	656,141	9.2	7	555	78.4
Apr 08	62.3	6.7	61.00	-0.5	37.99	6.2	16,650	0.0	10,370	6.7	632,583	6.2	7	555	78.4
May 08	49.9	-16.1	66.92	1.6	33.39	-14.8	17,205	0.0	8,585	-16.1	574,505	-14.8	7	555	78.4
Jun 08	61.9	6.9	61.26	-1.7	37.95	5.1	16,650	0.0	10,313	6.9	631,809	5.1	7	555	70.5
Jul 08	50.7	-6.3	60.46	4.2	30.63	-2.4	17,205	0.0	8,715	-6.3	526,941	-2.4	7	555	78.4
Aug 08	47.7	-3.0	63.81	1.2	30.43	-1.8	17,205	0.0	8,206	-3.0	523,625	-1.8	7	555	78.4
Sep 08	48.5	-8.7	83.93	4.9	40.68	-4.3	16,650	0.0	8,070	-8.7	677,296	-4.3	7	555	78.4
Oct 08	57.9	6.9	66.64	-13.7	38.56	-7.7	17,205	0.0	9,954	6.9	663,382	-7.7	7	555	78.4
Nov 08	55.0	-4.4	67.67	-6.9	37.19	-11.0	16,650	0.0	9,152	-4.4	619,277	-11.0	7	555	78.4
Dec 08	33.5	6.5	60.49	-0.9	20.29	5.6	17,205	0.0	5,770	6.5	349,005	5.6	7	555	78.4
Mar YTD 2008	50.3	5.5	61.84	3.7	31.09	9.4	49,950	0.0	25,112	5.5	1,552,897	9.4			
Total 2008	51.5	-0.1	64.76	-0.9	33.33	-0.9	202,575	0.0	104,247	-0.1	6,751,320	-0.9			
Jan 09	32.9	-6.2	59.06	-1.2	19.43	-7.3	17,205	0.0	5,659	-6.2	334,214	-7.3	7	555	78.4
Feb 09	46.0	-16.8	60.29	-3.5	27.70	-19.7	15,540	0.0	7,141	-16.8	430,501	-19.7	7	555	78.4
Mar 09	49.5	-18.9	59.61	-4.6	29.51	-22.6	17,205	0.0	8,517	-18.9	507,695	-22.6	7	555	78.4
Apr 09	58.4	-6.2	61.17	0.3	35.73	-6.0	16,650	0.0	9,726	-6.2	594,944	-6.0	7	555	88.8
May 09	48.9	-2.0	67.85	1.4	33.18	-0.6	17,205	0.0	8,413	-2.0	570,841	-0.6	7	555	88.8
Jun 09	55.4	-10.5	61.51	0.4	34.11	-10.1	16,650	0.0	9,232	-10.5	567,864	-10.1	7	555	88.8
Jul 09	51.3	1.3	60.65	0.3	31.11	1.6	17,205	0.0	8,824	1.3	535,202	1.6	7	555	88.8
Aug 09	45.1	-5.5	65.98	3.4	29.73	-2.3	17,205	0.0	7,752	-5.5	511,450	-2.3	7	555	88.8
Sep 09	44.8	-7.5	84.18	0.3	37.73	-7.2	16,650	0.0	7,463	-7.5	628,254	-7.2	7	555	88.8
Oct 09	53.7	-7.2	67.88	1.9	36.44	-5.5	17,205	0.0	9,237	-7.2	627,016	-5.5	7	555	88.8
Nov 09	35.1	-36.2	75.09	11.0	26.33	-29.2	16,650	0.0	5,837	-36.2	438,322	-29.2	7	555	88.8
Dec 09	27.5	-18.0	58.31	-3.6	16.03	-21.0	17,205	0.0	4,730	-18.0	275,793	-21.0	7	555	88.8
Mar YTD 2009	42.7	-15.1	59.69	-3.5	25.47	-18.1	49,950	0.0	21,317	-15.1	1,272,410	-18.1			
Total 2009	45.7	-11.2	65.08	0.5	29.73	-10.8	202,575	0.0	92,531	-11.2	6,022,096	-10.8			
Jan 10	31.1	-5.3	58.49	-1.0	18.21	-6.2	17,205	0.0	5,357	-5.3	313,354	-6.2	7	555	88.8
Feb 10	37.7	-17.9	60.02	-0.4	22.63	-18.3	15,540	0.0	5,860	-17.9	351,727	-18.3	7	555	88.8
Mar 10	45.3	-8.5	58.80	-1.4	26.64	-9.7	17,205	0.0	7,795	-8.5	458,375	-9.7	7	555	88.8
Mar YTD 2010	38.1	-10.8	59.09	-1.0	22.49	-11.7	49,950	0.0	19,012	-10.8	1,123,456	-11.7			

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## Methodology

While virtually every chain in the United States provides STR with data on almost all of their properties, there are still some hotels that don't submit data. But we've got you covered.

Every year we examine guidebook listings and hotel directories for information on hotels that don't provide us with data. We don't stop there. We call each hotel in our database every year to obtain "published" rates for multiple categories. Based on this information we group all hotels - those that report data and those that don't - into groupings based off of price level and geographic proximity. We then estimate the non-respondents based off of nearby hotels with similar price levels.

Similarly, we sometimes obtain monthly data from a property, but not daily data. We use a similar process. We take the monthly data that the property has provided, and distribute it to the individual days based on the revenue and demand distribution patterns of similar hotels in the same location.

We believe it imperative to perform this analysis in order to provide interested parties with our best estimate of total lodging demand and room revenue on their areas of interest. Armed with this information a more informed decision can be made.

## Glossary

### **ADR (Average Daily Rate)**

Room revenue divided by rooms sold.

### **Affiliation Date**

Date the property affiliated with current chain/flag

### **Census (Properties and Rooms)**

The number of properties and rooms that exist (universe)

### **Change in Rooms**

Indicator of whether or not an individual hotel has had added or deleted rooms.

### **Exchange Rate**

The factor used to convert revenue from U.S. Dollars to the local currency.  
The exchange rate data is obtained from Oanda.com. Any aggregated number in the report (YTD, Running 3 month, Running 12 month) uses the exchange rate of each relative month when calculating the data.

### **Demand (Rooms Sold)**

The number of rooms sold (excludes complimentary rooms).

### **Full Historical TREND**

Data on selected properties or segments starting in 1987.

### **Occupancy**

Rooms sold divided by rooms available.

### **Open Date**

Date the property opened

### **Percent Change**

Amount of growth, up, flat, or down from the same period last year (month, ytd, three months, twelve months). Calculated as  $((TY-LY)/LY) * "100"$ .

### **Revenue (Room Revenue)**

Total room revenue generated from the sale or rental of rooms.

### **RevPAR - Revenue Per Available Room**

Room revenue divided by rooms available (occupancy times average room rate will closely approximate RevPAR).

### **Sample % (Rooms)**

The % of rooms STR receives data from. Calculated as  $(\text{Sample Rooms}/\text{Census Rooms}) * "100"$ .

### **Standard Historical TREND**

Data on selected properties or segments starting in 1997.

### **STR Code**

Smith Travel Research's proprietary numbering system. Each hotel in the lodging census has a unique STR code.

### **Supply (Rooms Available)**

The number of rooms times the number of days in the period.

### **Twelve Month Moving Average**

The value of any given month is computed by taking the value of that month and the values of the eleven preceding months, adding them together and dividing by twelve.

### **Year to Date**

Average or sum of values starting January 1 of the given year.



## Tab 11 - Terms and Conditions

Before purchasing this product you agreed to the following terms and conditions.

In consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Smith Travel Research, Inc. ("STR") and purchaser of this product ("Licensee") agree as follows:

### 1. LICENSE

#### 1.1 Definitions.

(a) "Agreement" means these Standard Terms and Conditions and any additional terms specifically set out in writing in the document(s) (if any) to which these Standard Terms and Conditions are attached or in which they are incorporated by reference, and, if applicable, any additional terms specifically set out in writing in any Schedule attached hereto.

(b) "Licensed Materials" means the newsletters, reports, databases or other information resources, and all lodging industry data contained therein, provided to Licensee hereunder.

**1.2 Grant of License.** Subject to the terms and conditions of this Agreement, and except as may be expressly permitted elsewhere in this Agreement, STR hereby grants to Licensee a non-exclusive, non-transferable, indivisible, non-sublicensable license to use, copy, manipulate and extract data from the Licensed Materials for its own INTERNAL business purposes only.

**1.3 Copies.** Except as expressly permitted elsewhere in this Agreement, Licensee may make and maintain no more than two (2) copies of any Licensed Materials.

**1.4 No Service Bureau Use.** Licensee is prohibited from using the Licensed Materials in any way in connection with any service bureau or similar services. "Service bureau" means the processing of input data that is supplied by one or more third parties and the generation of output data (in the form of reports, charts, graphs or other pictorial representations, or the like) that is sold or licensed to any third parties.

**1.5 No Distribution to Third Parties.** Except as expressly permitted in this Agreement, Licensee is prohibited from distributing, republishing or otherwise making the Licensed Materials or any part thereof (including any excerpts of the data and any manipulations of the data) available in any form whatsoever to any third party, other than Licensee's accountants, attorneys, marketing professionals or other professional advisors who are bound by a duty of confidentiality not to disclose such information.

**1.6 Security.** Licensee shall use commercially reasonable efforts to protect against unauthorized access to the Licensed Materials.

**1.7 Reservation of Rights.** Licensee has no rights in connection with the Licensed Materials other than those rights expressly enumerated herein. All rights to the Licensed Materials not expressly enumerated herein are reserved to STR.

### 2. DISCLAIMERS AND LIMITATIONS OF LIABILITY

**2.1 Disclaimer of Warranties.** The licensed materials are provided to the licensee on an "as is" and "as available" basis. STR makes no representations or warranties of any kind, express or implied, with respect to the licensed materials, the services provided or the results of use thereof. Without limiting the foregoing, STR does not warrant that the licensed materials, the services provided or the use thereof are or will be accurate, error-free or uninterrupted. STR makes no implied warranties, including without limitation, any implied warranty of merchantability, noninfringement or fitness for any particular purpose or arising by usage of trade, course of dealing, course of performance or otherwise.

**2.2 Disclaimers.** STR shall have no liability with respect to its obligations under this agreement or otherwise for consequential, exemplary, special, incidental, or punitive damages even if STR has been advised of the possibility of such damages. Furthermore, STR shall have no liability whatsoever for any claim relating in any way to any decision made or action taken by licensee in reliance upon the licensed materials.

**2.3 Limitation of Liability.** STR's total liability to licensee for any reason and upon any cause of action including without limitation, infringement, breach of contract, negligence, strict liability, misrepresentations, and other torts, shall be limited to all fees paid to STR by the licensee during the twelve month period preceding the date on which such cause of action first arose.

### 3. MISCELLANEOUS

**3.1 Liquidated Damages.** In the event of a violation of Section 1.5 of these Standard Terms and Conditions, Licensee shall be required to pay STR an amount equal to the sum of (i) the highest aggregate price that STR, in accordance with its then-current published prices, could have charged the unauthorized recipients for the Licensed Materials that are the subject of the violation, and (ii) the full price of the lowest level of republishing rights that Licensee would have been required to purchase from STR in order to have the right to make the unauthorized distribution, regardless of whether Licensee has previously paid for any lower level of republishing rights, and (iii) fifteen percent (15%) of the total of the previous two items. This provision shall survive indefinitely the expiration or termination of this Agreement for any reason.

**3.2 Obligations on Termination.** Within thirty (30) days of the termination or expiration of this Agreement for any reason, Licensee shall cease all use of the Licensed Materials and shall return or destroy, at STR's option, all copies of the Licensed Materials and all other information relating thereto in Licensee's possession or control as of the such date. This provision shall survive indefinitely the expiration or termination of this Agreement for any reason.

**3.3 Governing Law; Jurisdiction and Venue.** This Agreement shall be governed by the substantive laws of the State of Tennessee, without regard to its or any other jurisdiction's laws governing conflicts of law. Any claims or actions regarding or arising out of this Agreement shall be brought exclusively in a court of competent jurisdiction located in Nashville, Tennessee, and the parties expressly consent to personal jurisdiction thereof. The parties also expressly waive any objections to venue.

**3.4 Assignment.** Licensee is prohibited from assigning this Agreement or delegating any of its duties under this Agreement without the prior written consent of STR.

**3.5 Independent Relationship.** The relationship between the parties is that of an independent contractor. Nothing in this Agreement shall be deemed to create an employer/employee, principal/agent, partnership or joint venture relationship.

**3.6 Notices.** All notices required or permitted to be given hereunder shall be in writing and shall be deemed given i) when delivered in person, at the time of such delivery; ii) when delivered by facsimile transmission or e-mail, at the time of transmission (provided, however, that notice delivered by facsimile transmission shall only be effective if such notice is also delivered by hand or deposited in the United States mail, postage prepaid, registered, certified or express mail or by courier service within two (2) business days after its delivery by facsimile transmission); iii) when delivered by a courier service or by express mail, at the time of receipt; or iv) five (5) business days after being deposited in the United States mail, postage prepaid, registered or certified mail, addressed (in any such case) to the addresses listed on the first page of this Agreement or to such other address as either party may notify the other in writing.

**3.7 Waiver.** No waiver of any breach of this Agreement will be deemed to constitute a waiver of any subsequent breach of the same or any other provision.

**3.8 Entire Agreement.** This Agreement constitutes the entire agreement of the parties with respect to the matters described herein, superseding in all respects any and all prior proposals, negotiations, understandings and other agreements, oral or written, between the parties.

**3.9 Amendment.** This Agreement may be amended only by the written agreement of both parties.

**3.10 Recovery of Litigation Costs.** If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any of the provisions of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

**3.11 Injunctive Relief.** The parties agree that, in addition to any other rights or remedies which the other or STR may have, any party alleging breach or threatened breach of this Agreement will be entitled to such equitable and injunctive relief as may be available from any court of competent jurisdiction to restrain the other from breaching or threatening to breach any of the provisions of this Section, without posting bond or other surety.

**3.12 Notice of Unauthorized Access.** Licensee shall notify STR immediately upon Licensee's becoming aware of any facts indicating that a third party may have obtained or may be about to obtain unauthorized access to the Licensed Materials, and shall fully cooperate with STR in its efforts to mitigate the damages caused by any such breach or potential breach.

**3.13 Conflicting Provisions.** In the event that any provision of these Standard Terms and Conditions directly conflicts with any other provision of the Agreement, the conflicting terms of such other provision shall control.

**3.14 Remedies.** In addition to any other rights or remedies that STR may have, in the event of any termination by STR on account of a breach by Licensee, STR may, without refund, immediately terminate and discontinue any right of Licensee to receive additional Licensed Materials from STR.



**United Kingdom**

Blue Fin Building  
110 Southwark Street  
London SE1 0TA

Phone: +44 (0)20 7922 1930

Fax: +44 (0)20 7922 1931

**United States**

735 East Main Street  
Hendersonville

TN 37075

Phone: +1 (615) 824 8664

Fax: +1 (615) 824 3848

[www.strglobal.com](http://www.strglobal.com)

## Custom HOST Report

**2009 Full-Service: Selected Properties**

**Date Created: 6/30/2010**

**Year End 2009**

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Full Service HOST Report

Response

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**STR**  
**Custom HOST Report**  
**2009 Full-Service: Selected Properties**

Job #: 70095  
 Props: 6  
 Rooms: 273

Occupancy: 55.4%  
 ADR: \$146.09  
 RevPAR: \$80.93

	Ratio to Sales <sup>1</sup>	Amount Per Available Room	Amount Per Occupied Room Night
	%	\$	\$
<b>REVENUE</b>			
Rooms	52.1 %	\$27,834	\$146.10
Food	31.5	16,813	\$88.25
Beverage	6.5	3,470	\$18.21
Other Food & Beverage	1.3	702	\$3.69
Telecommunications	0.0	6	\$0.03
Other Operated Departments	7.4	3,957	\$20.77
Rentals & Other Income	0.8	427	\$2.24
Cancellation Fee	0.2	125	\$0.66
<b>TOTAL REVENUE</b>	<b>100.0 %</b>	<b>\$53,334</b>	<b>\$279.95</b>
<b>DEPARTMENTAL EXPENSES</b>			
Rooms	28.8 %	\$8,018	\$42.08
Food & Beverage	77.3	16,391	\$85.10
Telecommunications	2229.0	142	\$0.75
Other Operated Depts & Rentals	8.2	4,370	\$22.94
<b>TOTAL DEPARTMENTAL EXPENSES</b>	<b>53.9 %</b>	<b>\$28,921</b>	<b>\$150.87</b>
<b>DEPARTMENTAL PROFITS</b>			
Rooms	71.2 %	\$19,816	\$104.02
Food & Beverage	22.7	4,594	\$25.05
Telecommunications	-2129.0	-136	-\$0.72
Other Operated Depts & Rentals	91.8	139	\$0.73
<b>TOTAL DEPARTMENTAL PROFITS</b>	<b>46.1 %</b>	<b>\$24,413</b>	<b>\$129.08</b>
<b>UNDISTRIBUTED OPERATING EXPENSES</b>			
Administrative & General	11.5 %	\$6,136	\$32.21
Marketing	5.2	2,762	\$14.50
Utility Costs	5.5	2,936	\$15.41
Property Operation & Maintenance	7.6	4,041	\$21.21
<b>TOTAL UNDISTRIBUTED OPERATING EXPENSES</b>	<b>29.8 %</b>	<b>\$15,875</b>	<b>\$83.33</b>
<b>GROSS OPERATING PROFIT</b>			
	16.3 %	\$8,538	\$45.75
Franchise Fees (Royalty)	0.0	0	\$0.00
Management Fees	3.9	2,065	\$10.84
<b>INCOME BEFORE FIXED CHARGES</b>	<b>12.5 %</b>	<b>\$6,473</b>	<b>\$34.91</b>
<b>SELECTED FIXED CHARGES</b>			
Property Taxes	1.5 %	\$818	\$4.29
Insurance	1.7	908	\$4.77
Reserve For Capital Replacement	0.1	49	\$0.26
<b>AMOUNT AVAILABLE FOR DEBT SERVICE &amp; OTHER FIXED CHARGES <sup>2</sup></b>	<b>9.2 %</b>	<b>\$4,698</b>	<b>\$25.59</b>
<b>SUPPLEMENTAL PAYROLL ANALYSIS <sup>3</sup></b>			
Rooms	19.2 %	\$5,396	\$28.02
Total Food and Beverage	37.8	8,010	\$41.59
Telecommunications			
Other Operated Departments	64.7	3,906	\$23.61
Administrative & General	8.1	4,483	\$22.93
Marketing	6.8	3,398	\$19.37
Property Operations & Maintenance	5.5	3,084	\$15.78
<b>TOTAL PAYROLL &amp; RELATED EXPENSES</b>	<b>45.7 %</b>	<b>\$24,663</b>	<b>\$128.05</b>
<b>SUPPLEMENTAL FOOD &amp; BEVERAGE INFORMATION <sup>3</sup></b>			
Cost of Food Sales	30.1 %	\$6,562	\$39.44
Cost of Beverage Sales	32.8	2,166	\$9.07
<b>Total Cost of F&amp;B Sales</b>	<b>29.6</b>	<b>6,270</b>	<b>\$32.56</b>
<b>Food &amp; Beverage Payroll</b>	<b>37.8</b>	<b>8,010</b>	<b>\$41.59</b>
<b>Food &amp; Beverage Other Expenses</b>	<b>9.9</b>	<b>2,110</b>	<b>\$10.96</b>

<sup>1</sup> Rooms, F&B, and Telecommunications expense ratios to sales for departmental expenses and profits are based on their respective departmental revenues. All other expenses are based on total revenue.

<sup>2</sup> Other Fixed Charges include Depreciation and Amortization, Interest, Rent, and Equipment Leases

<sup>3</sup> Payroll and Costs of Sales are included in expenses. Amounts shown here are for additional detail only. Not all HOST participants provide detailed data on payroll and F&B costs; therefore, the following supplemental analyses provide the ratios for only these hotels in the samples that reported detailed information. Consequently, the amounts may not tie to the departmental figures provided.

NOTE: Totals may not add due to rounding.



## Help/Definitions

*Following please find definitions for the terms used in the HOST report.*

### Revenues

**Rooms Revenue** - Revenues derived from the rental of sleeping rooms at the hotel, net of any rebates and discounts.

**Rooms - Other** - Revenue from no shows and late checkout fees.

**Food Revenue** - Revenues derived from the sale of food, including coffee, milk, tea, and soft drinks.

**Beverage Revenue** - Revenues derived from the sale of beverages, including beer, wine and liquors. Also includes banquet beverage revenues.

**Other Food and Beverage Revenue** - Revenues derived from other sources such as meeting room rentals, cover or service charges, or revenues derived from the sale of goods or services made in connection with banquets, such as equipment rental, music, decorations and souvenirs. Also includes banquet service charges.

**Telecommunications Revenue** - Revenues derived from guest-use of telephones in the hotel, including local and long distance calls, service charges, facsimile service, modem and commissions received from pay stations.

**Other Operated Departments Revenue** - Revenues generated from garage and parking, golf and tennis, health club, swimming pool, barber/beauty shop, gift shop, newsstand, etc., **when operated by the hotel**. Excludes casinos. (Departments must have a payroll expense associated with them)

**Rentals and Other Income** - Income from rentals of space for business purposes, including concessions in any of the departments mentioned under other operated departments. Also includes income generated from sources not included elsewhere, but excludes investment income.

**Cancellation Fees** - Consist of non-refundable deposits and cancellation fees from conventions/group meetings.

### Departmental Expenses

**Payroll and Related Expenses (broken out by department)** - Includes salaries and wages of departmental personnel and management including overtime, severance, incentive, holiday, sick, vacation and bonus pay. Also included are employee benefits, payroll taxes and allocations for workers' compensation insurance.

**Rooms Departmental Expenses** - Rooms departmental expenses include labor costs such as salaries and wages for front desk, housekeeping, reservations, bell staff, and laundry, plus employee benefits. Other operating expenses in the rooms department include linen, cleaning supplies, guest supplies, uniforms, central or franchise reservation fees, equipment leases, travel agent commissions and continental breakfast cost.

**Cost of Sales** - Departmental purchases required to deliver the services for that department especially food and beverage. Also, in the telecommunications department, the amounts billed by the telephone companies for local and long distance calls made by guests.

**Food Expense** - Food departmental expenses include the cost of goods, labor and related benefits, and other operating expenses. Labor costs include departmental management, cooks and kitchen personnel, service staff (server, host/hostess, bus person, etc), banquet staff. Other operating expenses include china, silverware, linens, restaurant and kitchen supplies, menus and printing, and special promotions. (Does not include continental breakfast costs. This is a Rooms Expense.)

**Beverage Expense** - Beverage departmental expenses include the cost of goods sold, labor and related benefits, and other operating expenses. Labor costs include departmental management, lounge service staff, banquet bartender, bartenders and mini-bar staff. Other operating expenses include china, silverware, linens, and special promotions.

**Telecommunications Expense** - Telephone departmental expenses includes costs of calls, labor cost of operators, and other related expenses, but excludes capital lease payments.

**Other Departmental** - Other departmental expenses would comprise those expenses (labor and other) which offset the revenue generated by other operated departments such as garage, athletic facilities, and gift shop, as well as rental activity.

### Undistributed Operating Expenses

**Administrative and General (A&G) Expense** - Included in this category are the payroll and related expenses for the general manager, human resources and training, security, clerical staff, controller, and accounting staff. Other A&G expenses include office supplies, computer services, accounting and legal fees, cash overages and shortages, bad debt expenses, travel insurance, credit card commissions, transportation (non-guest) and travel and entertainment.

**Marketing Expense** - Marketing expense includes payroll and related expenses for the sales and marketing staff, direct sales expenses, advertising and promotion, travel expenses for the sales staff, and civic and community projects. Includes national advertising fee or assessment paid to Franchise Company plus cost of frequent guest stay programs. Does not include royalty fees charged by the franchise company

**Utility Costs** - Utility expenses typically include electricity, fuel (oil, gas, and coal), purchased steam, and water. Includes central plant and energy management systems. (Does not include waste removal, which is included in Property Operation and Maintenance Expenses).

**Property Operations and Maintenance** - This category includes payroll and related expenses for maintenance personnel, cost of maintenance supplies, cost of repairs and maintenance of the building, furniture and equipment, the grounds, and the removal of waste.

**Franchise Fee** - Includes **only the royalty fees** charged by franchise companies. Other fees or assessments should be in Marketing or Rooms Other Expenses.

**Management Fees** - Fees charged by management organizations for management services or supervision. Includes both base and incentive fees.

### Fixed Charges

**Rent** - Includes charges for lease of land and/or building and capital leases for rental of data processing equipment, telephone equipment and other major items.

**Property Taxes** - Typically include taxes on real estate, business and occupation, personal property, utilities, and other municipal taxes.

**Insurance** - Cost of insuring the hotel building and contents against fire, weather, sprinkler leakage, boiler explosion, plate glass breakage, or other perils. Includes all insurance except workers' compensation.

**Interest** - Includes all interest expenses on any obligations such as mortgages, notes payable, bonds, debentures, taxes in arrears, or any other indebtedness on which interest is charged.

**Depreciation and Amortization** - Deductions on the building, leaseholds and leasehold improvements, furnishings and equipment, and assets held under capital leases.

**Other Fixed Charges** - Includes any other expenses that relate to the ownership of the hotel and gains or losses from any sale of assets.

**Reserve for Capital Replacement** - Amount set aside for replacement of furniture, fixtures, and equipment (as may be required by loan, franchise or management agreement).

### Other Terms

**Number of Rooms in Hotel** - Rooms in the hotel.

**Number of Room Nights Available** - Number of Rooms in hotel times number of days (366) reporting.

**Number of Occupied Room Nights** - Rooms occupied by hotel guests on a paid basis.

*For a more detailed discussion of the accepted structure of hotel financial statements please refer to the 9th revised edition of the Uniform System of Accounts for the Lodging Industry.*

For further questions, please contact Rachele Johnston at (615) 824-8664 ext. 3328 or host@smithtravelresearch.com.