

There are 4 key risk questions that address the safety of equity:



What does the project cost?

Thirty years of hotel development and operating experience, coupled with in-depth market analyses, provides reliable costing data and forecasts. Local development team members—contractor, architect, engineers and designers—are all highly experienced.



How much revenue and free cash flow will be produced?

Impact of top hotel branding and historical room and food and beverage data provide sound, conservative revenue projections. Staffing models and operational expense experience provide the bases for free cash flow projections.



What costs are required for ramp-up?

Feasibility study and working documents provide actual cost data, and contingencies are included in the budget. Also, marketing the property for meeting and group bookings starts 6 to 9 months before opening for faster ramp-up possibilities.



How much financing is needed?

Utilizing only 50% debt provides lower debt-service requirements and business model removes management fees.