



STUDIO 6 MIDTOWN KANSAS CITY
3517 MAIN STREET
KANSAS CITY, MO 64111

OFFERING SUMMARY

| | |
|------------------------------|-------------------|
| Price | \$5,200,000 |
| PIP | \$0 |
| Down Payment | 20% / \$1,040,000 |
| Loan Amount | \$4,160,000 |
| Loan Type | Proposed New |
| Interest Rate / Amortization | 6.25% / 25 Years |
| Number of Rooms | 52 |
| Price/Room | \$100,000 |
| Ownership Type | Fee Simple |
| Year Built | 1912/2018 |
| Lot Size | 0.5 acre(s) |

ASSET PERFORMANCE DATA

| | CURRENT | YEAR 2 |
|----------------------------------|--------------------|--------------------|
| CAP Rate | 8.26% | 10.25% |
| Room Revenue Multiplier | 3.99 | 3.74 |
| Occupancy | 72.00% | 73.00% |
| ADR | \$94.94 | \$100.64 |
| Rev PAR | \$68.36 | \$73.47 |
| Room Revenue | \$1,304,620 | \$1,389,812 |
| Total Expenses | \$805,758 | \$781,588 |
| Net Operating Income | \$429,322 | \$532,938 |
| Net Cash Flow After Debt Service | \$100,015 | \$203,631 |
| Total Return | 16.48% / \$171,342 | 26.44% / \$274,958 |

INVESTMENT HIGHLIGHTS

- Located Directly on Main Street - Kansas City, MO - Near Many Restaurants & Bars
- Excellent Location Less than 2 Miles from Downtown & the Country Club Plaza
- KC Streetcar Main Street Extension - \$1.5B+ Invested Along Existing Line since 2014
- Fully Renovated Historic Building
- Studios / 1 and 2 Bedroom Suites with Living Areas - All with Kitchenettes
- Over \$85 RevPAR within Comp Set

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| Subject Property | | | | 4/30/2018 | | | | | |
|-----------------------|--------|--------|--------|-----------|----------|----------|----------|----------|----------|
| | 2015 | 2016 | 2017 | Pro-Forma | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 |
| Occupancy | | | | 72.4% | 72.76% | 73.13% | 73.49% | 73.86% | 74.23% |
| % Change | | | | | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% |
| Occupancy Penetration | 0% | 0% | 0% | 100% | 100% | 100% | 100% | 100% | 100% |
| Average Daily Rate | | | | \$94.94 | \$100.64 | \$103.66 | \$106.77 | \$108.90 | \$111.08 |
| % Change | | | | | 6.00% | 3.00% | 3.00% | 2.00% | 2.00% |
| ADR Penetration | 0% | 0% | 0% | 78% | 81% | 81% | 81% | 81% | 81% |
| RevPAR | \$0.00 | \$0.00 | \$0.00 | \$68.74 | \$73.23 | \$75.80 | \$78.46 | \$80.43 | \$82.45 |
| % Change | | | | | | 3.52% | 3.51% | 2.51% | 2.51% |
| Rev PAR Penetration | 0% | 0% | 0% | 78% | 81% | 81% | 81% | 81% | 81% |

| Competitive Set | | | | 4/30/2018 | | | | | |
|---------------------|----------|----------|----------|-----------|----------|----------|----------|----------|----------|
| | 2015 | 2016 | 2017 | Pro-Forma | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 |
| Occupancy | 70.50% | 70.10% | 72.40% | 72.40% | 72.76% | 73.13% | 73.49% | 73.86% | 74.23% |
| % Change | | -0.57% | 3.28% | 0.00% | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% |
| Average Daily Rate | \$108.66 | \$115.82 | \$118.76 | \$121.73 | \$124.77 | \$127.89 | \$131.09 | \$134.37 | \$137.73 |
| % Change | | 6.59% | 2.54% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% |
| Rev PAR | \$76.61 | \$81.19 | \$85.98 | \$88.13 | \$90.79 | \$93.52 | \$96.34 | \$99.24 | \$102.23 |
| % Change | | 5.98% | 5.90% | 2.50% | 3.01% | 3.01% | 3.01% | 3.01% | 3.01% |
| Room Supply | 608 | 627 | 626 | 626 | 678 | 678 | 678 | 678 | 678 |
| % Change | | 3.08% | -0.16% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Accommodated Demand | 154,374 | 158,230 | 163,161 | 163,161 | 177,597 | 178,485 | 179,378 | 180,275 | 181,176 |
| % Change | | 2.50% | 3.12% | 0.00% | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% |

MARKET COMPETITORS

| HOTEL/MOTEL | ADDRESS | NUMBER OF ROOMS | OPEN DATE | MILES TO SUBJECT |
|--|--|-----------------|-----------|------------------|
| Fairfield Inn Kansas City Downtown Union Hill | 3001 Main Street, Kansas City, MO 64108 | 115 | 04/2001 | 0.7 |
| Extended Stay America Kansas City Country Club Plaza | 4535 Main Street, Kansas City, MO 64111 | 100 | 03/1998 | 1.2 |
| AC Hotels by Marriott Kansas City Westport | 560 Westport Road, Kansas City, MO 64111 | 123 | 06/1986 | 0.8 |
| Best Western Plus Seville Plaza Hotel | 4309 Main Street, Kansas City, MO 64111 | 75 | 06/1985 | 0.9 |
| 816 Hotel | 801 Westport Road, Kansas City, MO 64111 | 107 | 02/1987 | 1.0 |