

Hotel Andrew Johnson // Knoxville Tennessee

Pro Forma Income Statement

	Year 1
Number of Rooms	94
Available Rooms	34,310
Occupied Rooms	22,302
Occupancy Rate	65.0%
ADR	\$ 165.00
RevPAR	\$ 107.25

	Amount	%	PAR	POR
<u>Revenue by Department</u>				
Rooms Revenue	\$ 3,673,748	45.3%	39,082	164.7
Other Operated Hotel Revenue	194,363	2.4%	2,068	8.7
Food and Beverage Revenue	3,300,000	40.7%	35,106	148.0
Residential Revenue	831,822	10.3%	8,849	37.3
Parking Income, net	111,508	1.4%	1,186	5.0
Total Revenue	8,111,440	100.0%	86,292	363.7
<u>Departmental Expenses</u>				
Rooms Department Expense	1,149,972	31.3%	12,234	51.6
Other Operated Department Expense	167,121	86.0%	1,778	7.5
Food & Beverage Department Expense	<u>2,510,000</u>	<u>76.1%</u>	<u>26,702</u>	<u>112.5</u>
Total Departmental Expenses	3,827,093	47.2%	40,714	171.6
<u>Unallocated Expenses</u>				
A & G	503,569	6.2%	5,357	22.6
Sales & Marketing	223,050	2.7%	2,373	10.0
Property R & M Expense	257,990	3.2%	2,745	11.6
Utilities Expense	<u>134,000</u>	<u>1.7%</u>	<u>1,426</u>	<u>6.0</u>
Total Undistributed OpEx	1,118,609	13.8%	11,900	50.2
Gross Operating Profit	3,165,737	39.0%	33,678	142.0
<u>Fixed Expenses</u>				
Property Insurance	185,900	2.3%	1,500	8.3
Hotel Property Taxes (Base Yr)	34,000	0.4%	362	1.5
Hotel Property Taxes (Incremental)	-	0.0%	-	-
Management Fees (Hotel)	<u>192,458</u>	<u>2.4%</u>	<u>2,047</u>	<u>8.6</u>
Total Fixed Expenses	412,358	5.1%	3,909	18
EBITDA	\$ 2,753,380	33.9%	29,291	123
FF&E Reserve	<u>162,229</u>	<u>2.0%</u>	<u>1,726</u>	<u>7.3</u>
NOI	\$ 2,591,151	31.9%	27,565	116.2

Year 2		Year 3		Year 4		Year 5	
94		94		94		94	
34,310		34,310		34,310		34,310	
24,017		24,703		25,389		25,733	
70.0%	7.7%	72.0%	7.5%	74.0%	0.0%	75.0%	0.0%
\$ 169.95	2.9%	\$ 175.05	2.9%	\$ 180.30	2.9%	\$ 185.71	2.9%
\$ 118.97		\$ 126.03	5.9%	\$ 133.42	5.9%	\$ 139.28	4.4%
Amount	%	Amount	%	Amount	%	Amount	%
\$ 4,075,329	46.6%	\$ 4,317,527	47.4%	\$ 4,570,595	48.3%	\$ 4,771,250	48.8%
194,459	2.2%	194,557	2.1%	194,658	2.1%	194,761	2.0%
3,399,000	38.8%	3,500,970	38.5%	3,605,999	38.1%	3,714,179	38.0%
894,432	10.2%	894,432	9.8%	894,432	9.5%	894,432	9.1%
114,853	1.3%	118,298	1.3%	121,847	1.3%	125,503	1.3%
8,754,681	100.0%	9,102,393	100.0%	9,464,139	100.0%	9,776,733	100.0%
1,278,209	31.4%	1,302,080	30.2%	1,344,780	29.4%	1,384,480	29.0%
167,207	86.0%	167,296	86.0%	167,387	86.0%	167,480	86.0%
<u>2,585,300</u>	<u>76.1%</u>	<u>2,662,859</u>	<u>76.1%</u>	<u>2,742,745</u>	<u>76.1%</u>	<u>2,825,027</u>	<u>76.1%</u>
4,030,716	46.0%	4,132,235	45.4%	4,254,912	45.0%	4,376,986	44.8%
526,154	6.0%	544,698	6.0%	563,895	6.0%	582,014	6.0%
229,742	2.6%	236,634	2.6%	243,733	2.6%	251,045	2.6%
263,905	3.0%	271,822	3.0%	279,976	3.0%	288,376	2.9%
<u>138,020</u>	<u>1.6%</u>	<u>142,161</u>	<u>1.6%</u>	<u>146,425</u>	<u>1.5%</u>	<u>150,818</u>	<u>1.5%</u>
1,157,820	13.2%	1,195,314	13.1%	1,234,029	13.0%	1,272,253	13.0%
3,566,145	40.7%	3,774,844	41.5%	3,975,198	42.0%	4,127,493	42.2%
191,477	2.2%	197,221	2.2%	203,138	2.1%	209,232	2.1%
34,680	0.4%	35,374	0.4%	36,081	0.4%	36,803	0.4%
-	0.0%	-	0.0%	-	0.0%	-	0.0%
<u>211,163</u>	<u>2.4%</u>	<u>220,993</u>	<u>2.4%</u>	<u>231,261</u>	<u>2.4%</u>	<u>239,438</u>	<u>2.4%</u>
437,320	5.0%	453,588	5.0%	470,480	5.0%	485,473	5.0%
\$ 3,128,825	36%	\$ 3,321,257	36%	\$ 3,504,718	37%	\$ 3,642,021	37%
<u>262,640</u>	<u>3.0%</u>	<u>364,096</u>	<u>4.0%</u>	<u>378,566</u>	<u>4.0%</u>	<u>391,069</u>	<u>4.0%</u>
\$ 2,866,185	32.7%	\$ 2,957,161	32.5%	\$ 3,126,152	33.0%	\$ 3,250,951	33.3%