

AUREVIA HOSPITALITY PARTNERS

Hotel Feasibility and Investment Model

Upscale hotel development, Lisbon (220 keys) · EUR · Construction 2027-2029, operations 2030-2039

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PURPOSE

Tests whether a 220-key upscale hotel is worth building. Monthly demand, rates and department revenues flow into a USALI operating statement, development budget, construction loan, permanent debt, financial statements, an LP/GP distribution waterfall and live return sensitivities.

QUESTIONS THIS MODEL ANSWERS

- Does the stabilised yield on cost justify development over buying an existing hotel?
- What equity IRR do investors earn, and how is it split between LP and GP?
- How exposed are returns to occupancy, ADR, cost overruns and exit cap rate?

HEADLINE RESULTS (SELECTED SCENARIO)

Scenario: Base

TOTAL PROJECT COST €61.0m	STABILISED OCCUPANCY 74.0%	STABILISED ADR €224	STABILISED REVPAR €166
STABILISED GOP MARGIN 36.3%	YIELD ON COST 9.0%	EQUITY IRR 12.1%	EQUITY MULTIPLE 3.27x

HOW TO USE

Choose the scenario in Dashboard cell D7 (Base, Upside, Downside). Every sheet and chart updates.

Blue text on yellow = input you can change · Black = formula · Green = link from another sheet.

Section divider tabs (>>) group the sheets: outputs first, then drivers, schedules and statements.

Results are stored with the file and recalculate automatically whenever an input changes.

SHEET MAP

Sheet	What it does
EXECUTIVE	
Dashboard	Investment committee KPIs, scenario selector and charts
Investment Summary	Sources and uses, stabilised operations and returns
OPERATING MODEL	
Assumptions	Development, operating, financing, tax and waterfall inputs
Monthly Operations	Monthly seasonality, occupancy, ADR and department revenue
Market & Demand	Room nights, comp-set indices (MPI, ARI, RGI)
Rooms Plan	Segment mix, rates and OTA commissions
F&B and Other	Food and beverage, events, spa and other revenue
Payroll Plan	Staffing establishment, FTE and payroll with benefits
Operating Costs	Departmental and undistributed costs and fees
Hotel P&L	USALI operating statement with RevPAR, TRevPAR, GOPPAR and CPOR
DEVELOPMENT & FINANCING	
Development Budget	Project cost, capitalised interest and funding
Construction Draw	Monthly construction spend, equity and debt
Debt Schedule	Permanent loan, interest-only period and covenants
Financial Statements	Income statement, tax losses, balance sheet and cash flow
INVESTMENT & RISK	
Cash Flow & Returns	Project and equity cash flows, exit and IRR
Waterfall	LP/GP distribution waterfall with IRR hurdles
Sensitivity	Live IRR and multiple sensitivities and downside tests
Risks & Actions	Risk register with owners and actions
INTERNAL REVIEW	
Due Diligence	Due diligence status register

Investment Committee Dashboard

Aurevia Grand Hotel, Lisbon | Development and 10-year operating outlook

Scenario

Base

BASE — 1.00x development cost, on-time opening, 3.0% payroll and cost inflation, 5.75% debt cost, 7.0% exit cap and 36-month stabilisation.

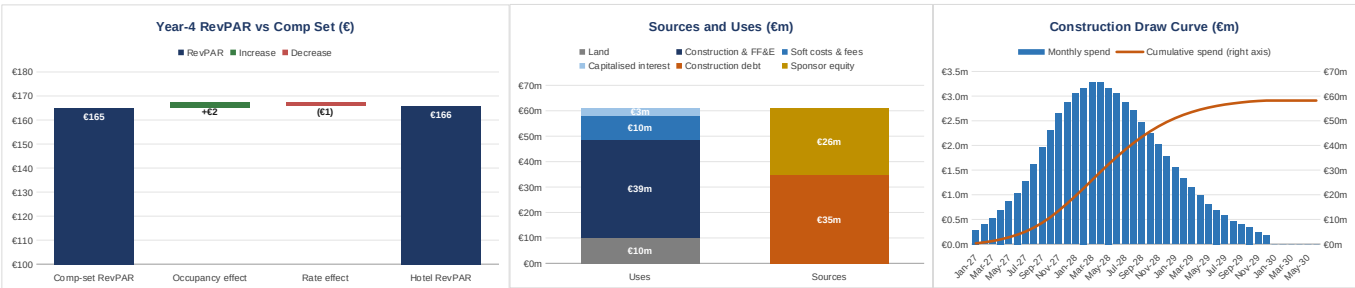
Total Project Cost	Stabilised Occupancy (Yr 4)	Stabilised ADR (Yr 4)	Stabilised RevPAR (Yr 4)
€61.0m	74.0%	€224	€166
Stabilised GOP Margin (Yr 4)	Stabilised NOI (Yr 4)	Project IRR	Equity IRR
36.3%	€5.5m	9.2%	12.1%
Equity Multiple	Minimum DSCR	Exit Value (2039)	LP Net IRR
3.27x	1.50x	€101.5m	11.8%

Debt covenants met in every year (DSCR 1.35x minimum, LTV 65% maximum)

Operating Outlook



Investment and Development Analytics



Key Risks and Actions

Risk / trigger	Current indicator	Priority action	Owner	Timing
Ramp-up below plan	62.0%	Activate account-based sales and flex channel mix	Commercial Director	90 days
Development cost pressure	1.00x	Lock packages and retain contingency until procurement	Development Director	Before award
Debt-service pressure	1.50x	Maintain interest reserve and covenant headroom	CFO	Quarterly
Exit-cap expansion	7.0%	Protect NOI and test refinance before sale decision	Investment Committee	Before exit

Investment Summary

Development economics, financing, operating performance and valuation | Active case: Base

Sources and Uses

Use	EUR	Per key	Source	EUR	% of total
Land	€10,000,000	€45,455	Construction debt (incl. interest)	€34,841,036	57.1%
Construction, FF&E and OS&E	€38,500,000	€175,000	Sponsor equity	€26,187,678	42.9%
Soft costs, contingency and fees	€7,494,839	€34,067	of which LP (90%)	€23,568,910	38.6%
Pre-opening costs and working capital	€2,200,000	€10,000	of which GP co-invest (10%)	€2,618,768	4.3%
Capitalised construction interest	€2,833,875	€12,881			
Total project cost	€61,028,713	€277,403	Total sources	€61,028,713	100.0%

Stabilised Operations (Year 4, 2033)

Metric	Hotel	Comp set	Index / margin
Occupancy	74.0%	73.0%	101.4%
ADR	€224.06	€226.00	99.1%
RevPAR	€165.85	€164.98	100.5%
Total operating revenue	€22,188,965		
Gross operating profit (GOP)	€8,048,515		36.3%
EBITDA	€6,355,127		28.6%
Net operating income (NOI)	€5,467,569		24.6%
GOPPAR	€100.23		
NOI per key	€24,853		
Yield on total project cost	9.0%		

Investment Returns

Metric	Result
Project IRR (unlevered, after tax)	9.2%
Equity IRR (levered, after tax)	12.1%
Equity multiple	3.27x
LP net IRR (after promote)	11.8%
LP equity multiple	3.14x
GP promote	€2,959,508
Exit value (2039, trailing NOI)	€101,534,963
Exit value per key	€461,523
Exit cap rate (active scenario)	7.00%
Development spread over exit cap	2.0%
Minimum DSCR	1.50x
Maximum LTV	65.9%
Peak equity invested	€26,187,678

Hotel Operating Statement

USALI departmental statement from revenue through NOI, with industry KPIs (EUR) | Active case: Base

EUR	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
ROOMS										
Rooms revenue	€9,713,650	€11,200,024	€12,520,960	€13,317,905	€13,979,944	€14,593,776	€15,113,391	€15,713,778	€16,208,700	€16,703,622
Rooms payroll and related costs	€1,319,307	€1,490,391	€1,624,780	€1,720,669	€1,796,239	€1,874,795	€1,930,299	€2,015,141	€2,075,595	€2,137,863
Commissions and reservation costs (OTA)	€274,508	€316,513	€353,842	€376,364	€395,073	€412,420	€427,104	€444,071	€458,058	€472,044
Rooms other expenses (linen, amenities, guest supplies)	€679,956	€784,002	€876,467	€932,253	€978,596	€1,021,564	€1,057,937	€1,099,964	€1,134,609	€1,169,254
Rooms departmental profit	€7,439,881	€8,609,119	€9,665,870	€10,288,618	€10,810,035	€11,284,996	€11,698,051	€12,154,602	€12,540,439	€12,924,462
FOOD AND BEVERAGE										
Food and beverage revenue	€4,233,085	€4,806,600	€5,275,238	€5,587,351	€5,843,586	€6,104,639	€6,302,589	€6,556,061	€6,741,610	€6,927,159
Cost of food and beverage sales	€1,142,933	€1,297,782	€1,424,314	€1,508,585	€1,577,768	€1,648,253	€1,701,699	€1,770,137	€1,820,235	€1,870,333
Food and beverage payroll and related costs	€1,395,420	€1,576,375	€1,718,517	€1,819,939	€1,899,869	€1,982,956	€2,041,662	€2,131,399	€2,195,341	€2,261,201
Food and beverage other expenses	€423,309	€480,660	€527,524	€558,735	€584,359	€610,464	€630,259	€655,606	€674,161	€692,716
Food and beverage departmental profit	€1,271,423	€1,451,783	€1,604,883	€1,700,093	€1,781,590	€1,862,967	€1,928,969	€1,998,920	€2,051,874	€2,102,909
EVENTS AND CONFERENCE										
Events revenue (room hire and audio-visual)	€1,445,400	€1,525,700	€1,610,400	€1,686,300	€1,766,600	€1,846,900	€1,932,480	€2,007,500	€2,087,800	€2,168,100
Events expenses	€433,620	€457,710	€483,120	€505,890	€529,980	€554,070	€579,744	€602,250	€626,340	€650,430
Events departmental profit	€1,011,780	€1,067,990	€1,127,280	€1,180,410	€1,236,620	€1,292,830	€1,352,736	€1,405,250	€1,461,460	€1,517,670
SPA AND WELLNESS										
Spa revenue	€597,612	€682,756	€753,605	€802,439	€843,404	€885,173	€917,853	€958,669	€989,594	€1,020,519
Spa payroll and related costs	€253,713	€286,614	€312,458	€330,898	€345,431	€360,537	€371,211	€387,527	€399,153	€411,127
Spa other expenses	€268,925	€307,240	€339,122	€361,097	€379,532	€398,328	€413,034	€431,401	€445,317	€459,234
Spa departmental profit	€74,974	€88,902	€102,025	€110,443	€118,442	€126,308	€133,608	€139,741	€145,124	€150,158
OTHER OPERATED DEPARTMENTS AND MISCELLANEOUS INCOME										
Other revenue (parking, laundry, retail)	€722,700	€746,790	€772,992	€794,970	€819,060	€843,150	€869,616	€891,330	€915,420	€939,510
Other departmental expenses	€108,405	€112,019	€115,949	€119,246	€122,859	€126,473	€130,442	€133,700	€137,313	€140,927
Other departmental profit	€614,295	€634,772	€657,043	€675,725	€696,201	€716,678	€739,174	€757,631	€778,107	€798,584
TOTAL DEPARTMENTAL RESULTS										
Total operating revenue	€16,712,448	€18,961,870	€20,933,195	€22,188,965	€23,252,593	€24,273,637	€25,135,929	€26,127,338	€26,943,124	€27,758,910
Total departmental expenses	€6,300,095	€7,109,304	€7,776,093	€8,233,676	€8,609,705	€8,989,860	€9,283,392	€9,671,195	€9,966,121	€10,265,128
Total departmental profit	€10,412,353	€11,852,565	€13,157,102	€13,955,289	€14,642,888	€15,283,778	€15,852,537	€16,456,143	€16,977,003	€17,493,783
Departmental profit margin	62.3%	62.5%	62.9%	62.9%	63.0%	63.0%	63.1%	63.0%	63.0%	63.0%

EUR	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
UNDISTRIBUTED OPERATING EXPENSES										
Administrative and general payroll (incl. executive team)	€1,142,820	€1,177,105	€1,212,418	€1,248,790	€1,286,254	€1,324,842	€1,364,587	€1,405,524	€1,447,690	€1,491,121
Administrative and general other (incl. card charges)	€820,549	€866,142	€908,956	€943,758	€976,847	€1,010,034	€1,041,944	€1,076,050	€1,108,715	€1,142,066
Information and telecommunications systems	€200,549	€227,542	€251,198	€266,268	€279,031	€291,284	€301,631	€313,528	€323,317	€333,107
Sales and marketing payroll	€403,200	€415,296	€427,755	€440,588	€453,805	€467,419	€481,442	€495,885	€510,762	€526,085
Sales and marketing other	€501,373	€568,856	€627,996	€665,669	€697,578	€728,209	€754,078	€783,820	€808,294	€832,767
Brand, reservation and loyalty fees	€485,683	€560,001	€626,048	€665,895	€698,997	€729,689	€755,670	€785,689	€810,435	€835,181
Property operations and maintenance payroll	€453,600	€467,208	€481,224	€495,661	€510,531	€525,847	€541,622	€557,871	€574,607	€591,845
Property operations and maintenance other	€520,000	€535,600	€551,668	€568,218	€585,265	€602,823	€620,907	€639,534	€658,720	€678,482
Utilities (energy and water)	€560,000	€576,800	€594,104	€611,927	€630,285	€649,193	€668,669	€688,729	€709,391	€730,673
Total undistributed operating expenses	€5,087,775	€5,394,551	€5,681,367	€5,906,774	€6,118,592	€6,329,339	€6,530,549	€6,746,631	€6,951,932	€7,161,327
Gross operating profit (GOP)	€5,324,578	€6,458,015	€7,475,734	€8,048,515	€8,524,296	€8,954,439	€9,321,987	€9,709,512	€10,025,072	€10,332,455
GOP margin	31.9%	34.1%	35.7%	36.3%	36.7%	36.9%	37.1%	37.2%	37.2%	37.2%
MANAGEMENT FEES AND NON-OPERATING EXPENSES										
Base management fee	€501,373	€568,856	€627,996	€665,669	€697,578	€728,209	€754,078	€783,820	€808,294	€832,767
Incentive management fee (on GOP after base fee)	€385,856	€471,133	€547,819	€590,628	€626,137	€658,098	€685,433	€714,055	€737,342	€759,975
Property tax (IMI) and insurance	€400,000	€412,000	€424,360	€437,091	€450,204	€463,710	€477,621	€491,950	€506,708	€521,909
EBITDA	€4,037,348	€5,006,026	€5,875,559	€6,355,127	€6,750,377	€7,104,422	€7,404,856	€7,719,687	€7,972,728	€8,217,804
EBITDA margin	24.2%	26.4%	28.1%	28.6%	29.0%	29.3%	29.5%	29.5%	29.6%	29.6%
FF&E replacement reserve	€334,249	€568,856	€837,328	€887,559	€930,104	€970,945	€1,005,437	€1,045,094	€1,077,725	€1,110,356
Net operating income (NOI)	€3,703,099	€4,437,170	€5,038,232	€5,467,569	€5,820,273	€6,133,477	€6,399,419	€6,674,593	€6,895,003	€7,107,447
NOI margin	22.2%	23.4%	24.1%	24.6%	25.0%	25.3%	25.5%	25.5%	25.6%	25.6%
KEY PERFORMANCE INDICATORS										
Available room nights	80,300	80,300	80,520	80,300	80,300	80,300	80,520	80,300	80,300	80,300
Occupied room nights	49,801	54,620	57,970	59,440	60,243	61,046	61,190	61,850	61,850	61,850
Occupancy	62.0%	68.0%	72.0%	74.0%	75.0%	76.0%	76.0%	77.0%	77.0%	77.0%
Average daily rate (ADR)	€195.05	€205.05	€215.99	€224.06	€232.06	€239.06	€246.99	€254.06	€262.07	€270.07
RevPAR	€120.97	€139.48	€155.50	€165.85	€174.10	€181.74	€187.70	€195.69	€201.85	€208.02
TRevPAR (total revenue per available room)	€208.13	€236.14	€259.98	€276.33	€289.57	€302.29	€312.17	€325.37	€335.53	€345.69
GOPPAR	€66.31	€80.42	€92.84	€100.23	€106.16	€111.51	€115.77	€120.92	€124.85	€128.67
NOI per key	€16,832	€20,169	€22,901	€24,853	€26,456	€27,879	€29,088	€30,339	€31,341	€32,307
Rooms cost per occupied room (CPOR)	€45.66	€47.43	€49.25	€50.96	€52.62	€54.20	€55.82	€57.55	€59.31	€61.10
Rooms departmental margin	76.6%	76.9%	77.2%	77.3%	77.3%	77.3%	77.4%	77.3%	77.4%	77.4%
Food and beverage cost of sales %	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%	27.0%
Payroll and related % total revenue	29.7%	28.5%	27.6%	27.3%	27.1%	26.9%	26.8%	26.8%	26.7%	26.7%
Rooms revenue % total revenue	58.1%	59.1%	59.8%	60.0%	60.1%	60.1%	60.1%	60.1%	60.2%	60.2%
GOP flow-through on revenue growth	n/a	50.4%	51.6%	45.6%	44.7%	42.1%	42.6%	39.1%	38.7%	37.7%
FTE per key	0.59	0.63	0.66	0.67	0.68	0.68	0.68	0.69	0.69	0.69

Layout follows the Uniform System of Accounts for the Lodging Industry (USALI, 11th ed.): departmental results, undistributed expenses, GOP, management fees, non-operating expenses, EBITDA and NOI after the FF&E reserve.

Project Cash Flow and Returns

Development funding, operating cash flow, exit and equity returns | Active case: Base

EUR	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Development spend (incl. working-capital reserve)	(€16,446,368)	(€33,065,249)	(€8,683,222)	-	-	-	-	-	-	-	-	-	-
Construction debt proceeds	-	€23,323,939	€8,683,222	-	-	-	-	-	-	-	-	-	-
Equity contribution	(€16,446,368)	(€9,741,310)	-	-	-	-	-	-	-	-	-	-	-
NOI (after FF&E reserve)	-	-	-	€3,703,099	€4,437,170	€5,038,232	€5,467,569	€5,820,273	€6,133,477	€6,399,419	€6,674,593	€6,895,003	€7,107,447
Debt service (interest and amortisation)	-	-	-	(€2,003,360)	(€2,003,360)	(€3,356,934)	(€3,276,799)	(€3,196,665)	(€3,116,531)	(€3,036,396)	(€2,956,262)	(€2,876,128)	(€2,795,993)
Taxable profit (after depreciation and losses)	-	-	-	-	€380,094	€1,085,266	€2,354,404	€2,702,994	€3,004,301	€3,246,163	€4,283,209	€4,514,835	€4,767,350
Income tax paid	-	-	-	-	(€95,024)	(€271,317)	(€588,601)	(€675,749)	(€751,075)	(€811,541)	(€1,070,802)	(€1,128,709)	(€1,191,837)
Operating cash to / (from) equity	-	-	-	€1,281,929	€2,282,551	€1,360,698	€1,570,774	€1,921,269	€2,240,344	€2,529,924	€2,622,744	€2,869,772	€3,099,222
Gross exit value (trailing Year-10 NOI / exit cap)	-	-	-	-	-	-	-	-	-	-	-	-	€101,534,963
Selling costs	-	-	-	-	-	-	-	-	-	-	-	-	(€2,030,699)
Debt repayment	-	-	-	-	-	-	-	-	-	-	-	-	(€23,691,904)
Net sale proceeds	-	-	-	-	-	-	-	-	-	-	-	-	€75,812,359
Project cash flow (unlevered)	(€16,446,368)	(€33,065,249)	(€8,683,222)	€3,168,184	€3,608,598	€4,019,545	€4,376,784	€4,667,178	€4,926,153	€5,155,632	€5,188,351	€5,375,278	€93,031,884
Equity cash flow (levered)	(€16,446,368)	(€9,741,310)	-	€1,281,929	€2,282,551	€1,360,698	€1,570,774	€1,921,269	€2,240,344	€2,529,924	€2,622,744	€2,869,772	€66,894,574
Project IRR	9.2%												
Equity IRR	12.1%												
Equity multiple	3.27x												
Project NPV @ 10%	(€3,463,736)												
Total equity invested	€26,187,678												
Supporting lines													
Release of working capital and cash reserve at exit	-	-	-	-	-	-	-	-	-	-	-	-	€1,193,973
Tax on gain on sale (after remaining tax losses)	-	-	-	-	-	-	-	-	-	-	-	-	(€13,210,980)
Change in trade working capital	-	-	-	(€417,811)	(€56,236)	(€49,283)	(€31,394)	(€26,591)	(€25,526)	(€21,557)	(€24,785)	(€20,395)	(€20,395)
Unlevered income tax (memo, no interest shield)	-	-	-	(€117,104)	(€772,336)	(€969,403)	(€1,059,390)	(€1,126,504)	(€1,181,798)	(€1,222,229)	(€1,461,457)	(€1,499,330)	(€1,542,425)

Exit at the end of 2039 on trailing NOI. The sale is treated as an asset deal, so the gain over tax book value is taxed after using any remaining tax losses.

LP / GP Periodic Waterfall

Annual LP / GP waterfall: pro-rata return of capital and 8% preference, then 12% and 18% LP IRR hurdles | Active case: Base

EUR	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Equity cash flow before waterfall	(€16,446,368)	(€9,741,310)	-	€1,281,929	€2,282,551	€1,360,698	€1,570,774	€1,921,269	€2,240,344	€2,529,924	€2,622,744	€2,869,772	€66,894,574
LP contribution	€14,801,731	€8,767,179	-	-	-	-	-	-	-	-	-	-	-
GP contribution (co-investment)	€1,644,637	€974,131	-	-	-	-	-	-	-	-	-	-	-
Gross distribution	-	-	-	€1,281,929	€2,282,551	€1,360,698	€1,570,774	€1,921,269	€2,240,344	€2,529,924	€2,622,744	€2,869,772	€66,894,574
LP 8% account before distribution	€14,801,731	€24,753,048	€26,733,292	€28,871,955	€29,935,677	€30,111,892	€31,198,245	€32,167,312	€32,873,224	€33,325,467	€33,532,417	€33,665,704	€33,569,542
Tier 1: return of capital and 8% preferred return (pro rata)	-	-	-	€1,281,929	€2,282,551	€1,360,698	€1,570,774	€1,921,269	€2,240,344	€2,529,924	€2,622,744	€2,869,772	€37,299,491
LP share	-	-	-	€1,153,736	€2,054,296	€1,224,628	€1,413,697	€1,729,142	€2,016,310	€2,276,932	€2,360,470	€2,582,795	€33,569,542
GP share	-	-	-	€128,193	€228,255	€136,070	€157,077	€192,127	€224,034	€252,992	€262,274	€286,977	€3,729,949
LP 8% account after distribution	€14,801,731	€24,753,048	€26,733,292	€27,718,220	€27,881,382	€28,887,264	€29,784,548	€30,438,170	€30,856,914	€31,048,535	€31,171,948	€31,082,909	-
LP 12% account before distribution	€14,801,731	€25,345,117	€28,386,532	€31,792,915	€34,315,881	€36,132,976	€39,097,349	€42,205,691	€45,333,734	€48,515,515	€51,787,213	€55,357,953	€59,108,177
Tier 2: to LP 12% IRR (80 / 20)	-	-	-	-	-	-	-	-	-	-	-	-	€29,595,083
LP share	-	-	-	-	-	-	-	-	-	-	-	-	€23,676,066
GP promote	-	-	-	-	-	-	-	-	-	-	-	-	€5,919,017
LP 12% account after distribution	€14,801,731	€25,345,117	€28,386,532	€30,639,180	€32,261,585	€34,908,347	€37,683,652	€40,476,549	€43,317,424	€46,238,583	€49,426,744	€52,775,158	€1,862,569
LP 18% account before distribution	€14,801,731	€26,233,221	€30,955,201	€36,527,137	€41,740,614	€46,829,855	€53,814,168	€61,832,556	€70,922,029	€81,308,748	€93,257,543	€107,258,546	€123,517,387
Tier 3: to LP 18% IRR (70 / 30)	-	-	-	-	-	-	-	-	-	-	-	-	-
LP share	-	-	-	-	-	-	-	-	-	-	-	-	-
GP promote	-	-	-	-	-	-	-	-	-	-	-	-	-
LP 18% account after distribution	€14,801,731	€26,233,221	€30,955,201	€35,373,402	€39,686,318	€45,605,227	€52,400,471	€60,103,414	€68,905,719	€79,031,816	€90,897,073	€104,675,752	€66,271,779
Tier 4: residual (60 / 40); LP share below, GP promote = balance	-	-	-	-	-	-	-	-	-	-	-	-	-
LP share	-	-	-	-	-	-	-	-	-	-	-	-	-
Total LP distribution	-	-	-	€1,153,736	€2,054,296	€1,224,628	€1,413,697	€1,729,142	€2,016,310	€2,276,932	€2,360,470	€2,582,795	€57,245,608
Total GP distribution	-	-	-	€128,193	€228,255	€136,070	€157,077	€192,127	€224,034	€252,992	€262,274	€286,977	€9,648,966
LP net cash flow	(€14,801,731)	(€8,767,179)	-	€1,153,736	€2,054,296	€1,224,628	€1,413,697	€1,729,142	€2,016,310	€2,276,932	€2,360,470	€2,582,795	€57,245,608
GP net cash flow	(€1,644,637)	(€974,131)	-	€128,193	€228,255	€136,070	€157,077	€192,127	€224,034	€252,992	€262,274	€286,977	€9,648,966

Investor Returns	
Metric	Result
LP net IRR	11.8%
GP net IRR (co-investment plus promote)	15.0%
LP equity multiple	3.14x
GP promote (above pro-rata share)	€2,959,508
LP capital and 8% preferred return unpaid at exit	-
GP equity multiple	4.40x
GP share of total distributions	13.5%

Hurdle accounts compound at each hurdle rate on annual year-end cash flows, so each tier stops exactly when the LP reaches that IRR. The GP co-invests 10% pari passu and earns its promote in tiers 2 to 4.

Investment Sensitivity

Equity return sensitivity to operating performance, exit valuation, development cost and financing (live engine) | Active case: Base

Equity IRR: Exit Cap Rate vs NOI

Rows scale NOI in every operating year; columns move the exit cap rate around the active scenario.

NOI multiplier / exit cap	6.00%	6.50%	7.00%	7.50%	8.00%
0.90x	11.7%	11.0%	10.4%	9.7%	9.2%
0.95x	12.6%	11.9%	11.3%	10.7%	10.1%
1.00x	13.5%	12.8%	12.1%	11.6%	11.0%
1.05x	14.2%	13.6%	13.0%	12.4%	11.8%
1.10x	15.0%	14.3%	13.7%	13.2%	12.6%

Equity Multiple: Total Project Cost vs ADR

Rows scale total project cost (land, construction, fees and interest), funded pro rata by equity and debt; columns scale ADR. This is broader than the Development cost multiplier on Assumptions, which scales hard cost and FF&E only.

Project cost / ADR multiplier	0.90x	0.95x	1.00x	1.05x	1.10x
0.90x	2.97x	3.37x	3.76x	4.16x	4.55x
0.95x	2.75x	3.13x	3.50x	3.88x	4.25x
1.00x	2.55x	2.91x	3.27x	3.62x	3.98x
1.05x	2.36x	2.71x	3.05x	3.40x	3.73x
1.10x	2.20x	2.53x	2.86x	3.19x	3.51x

Key Downside Tests (selected scenario)

Test	Shock	Equity IRR	Change vs model (bps)	Equity multiple	What it tests
Model case	None	12.1%	-	3.27x	Reproduces the model's equity IRR
Occupancy -10%	-10%	9.4%	(272)	2.60x	Demand shortfall
ADR -10%	-10%	9.2%	(297)	2.55x	Rate pressure
Total project cost +10%	+10%	10.6%	(158)	2.86x	Overrun on every cost line, incl. land
Exit cap +100 bps	+1.00%	11.0%	(112)	2.91x	Valuation compression
Interest rate +150 bps	+1.50%	11.4%	(76)	3.13x	Debt-service pressure
Combined moderate stress	Occ -5%, ADR -5%, cost +5%, cap +50 bps	7.8%	(430)	2.24x	Several smaller shocks at once

Flow-through Assumptions (derived from the operating model)

ADR change flowing to NOI	66.7%
Occupancy-driven revenue change flowing to NOI	41.6%

About 67% of an ADR gain reaches NOI because administration, maintenance, utilities and insurance are fixed; brand, OTA, management and incentive fees and the FF&E reserve move with price. Occupancy gains also carry departmental costs and staffing, so only about 42% reaches NOI.