



Requested Program:	5 Year Fixed-Balloon			Broker Company:	
Interest Rate:	7.250%	Amortization:	2.083333333	Contact Person:	Lee O'Donnell
Borrowing Entity:	TBD (Listing pre-qual).			Address:	1990 S. Bundy Drive, Suite 630
Primary Guarantor:				City:	Los Angeles
RE Assets:				State / Zip:	CA. 90066
Credit Mid-Score:				Phone:	(310) 614-1579 Extension:
Liquid Assets:				FAX:	(310) 362-8989 Alternate Fax:
Estimated Net Worth:				E-mail Address:	lee@wilshirefp.com
# Years Experience:				Website:	www.wilshirelenders.com

FINANCING REQUEST TRANSACTION SUMMARY

PURCHASE			REFINANCE		
Sales Price:	\$35,000,000		Date Acquired:		Estimated Value:
Cash Down:	\$10,500,000	30.00%	Original Cost:		Renovation Cost:
Requested Financing (1st TD):	\$24,500,000	70.00%	Existing Debt:		Existing Lender:
Subordinate Financing:	\$0	0.00%	New 1st TD:		#DIV/0!
Total Financing:	\$24,500,000	70.00%	Subordinate Debt:	\$0	#DIV/0!
Total Cash Down Payment:	\$10,500,000	30.00%	Total Financing:	\$0	#DIV/0!
Source of Dn. Payment:			Net Proceeds:	\$0	

TRANSACTION COMMENTS

Project Name:	Comfortable Inn Hotel Demo		
Property Address:	12345 Ocean Breeze Ave.		
City / State / Zip:	Laguna Beach, CA.	County:	

	Current	Stabilized	AMENITIES	
Number Of Rooms:	224	224	Restaurant:	Yes
Occupancy:	65%	65%	Restaurant, Bar, Club:	Yes
Occupied Rooms:	53,144	53,144	House Pool / Jacuzzi:	Yes
Average Daily Rate:	\$165.00	\$165.00	Gym & Spa:	Yes
Year Built / Year Renoviated:	1988	2004	Tennis Court:	No
Gross Building Area (Sq Ft) / Lot Size	150,000	2.5 Acres	Golf Course:	No
Hotel Type:	Luxury		Cable TV:	Yes
Type of Facilities Offered:	Convention		Internet Connection:	Yes
Hotel Class:	Luxury		Scenic View:	Yes
Hotel Chain / Franchise:	Yes		Banquet Facilities:	Yes
			# of Stories:	4-Story

Other Amenities: Ocean view suites, 5,649 Sq Ft of meeting & banquet rooms, pool, spa, gym and 3,500 Sq Ft restaurant.

Other Amenities: Strong corporate presence, strategic central southern california location and improving financial performance.

Revenue	Current	Stabilized	% of Gross	PAR	POR
Rooms	\$8,768,760	\$8,768,760	52.10%	\$39,146	\$165.00
Food	\$5,215,000	\$5,215,000	30.98%	\$23,281	\$98.13
Beverage	\$2,031,000	\$2,031,000	12.07%	\$9,067	\$38.22
Telephone	\$361,000	\$361,000	2.14%	\$1,612	\$6.79
Other Income	\$456,000	\$456,000	2.71%	\$2,036	\$8.58
Total Revenue	\$16,831,760	\$16,831,760	100%	\$75,142	\$316.72

Department Expenses

Rooms	\$2,122,000	\$2,122,000	24.20%	\$9,473	\$39.93
Food & Beverage	\$5,208,000	\$5,208,000	71.87%	\$23,250	\$98.00
Telephone	\$320,000	\$320,000	88.64%	\$1,429	\$6.02
Other Income	\$265,000	\$265,000	58.11%	\$1,183	\$4.99
Total Departmental Expenses	\$7,915,000	\$7,915,000	47.02%	\$35,335	\$148.93
Department Income	\$8,916,760	\$8,916,760	52.98%	\$39,807	\$167.78

Undistributed Operating Expenses (UDOE)

Administrative & General	\$1,359,000	\$1,359,000	8.07%	\$6,067	\$25.57
Management Fee	\$502,000	\$502,000	2.98%	\$2,241	\$9.45
Marketing	\$821,000	\$821,000	4.88%	\$3,665	\$15.45
Property Operations & Maintenance	\$623,000	\$623,000	3.70%	\$2,781	\$11.72
Energy	\$644,000	\$644,000	3.83%	\$2,875	\$12.12
Total Undistributed Operating Expenses (UDOE)	\$3,949,000	\$3,949,000	23.46%	\$17,629	\$74.31
Income Before Fixed Charges	\$4,967,760	\$4,967,760	29.51%	\$22,178	\$93.48

Fixed Charges

Property Tax	\$456,000	\$456,000	2.71%	\$2,036	\$8.58
Insurance	\$107,000	\$107,000	0.64%	\$478	\$2.01
Reserves (FF& E's)	\$504,000	\$504,000	2.99%	\$2,250	\$9.48
Total Fixed Charges	\$1,067,000	\$1,067,000	6.34%	\$4,763	\$20.08
Net Operating Income (NOI)	\$3,900,760	\$3,900,760	23.17%	\$17,414	\$73.40
Total Expenses	\$12,931,000	\$12,931,000	76.83%	\$57,728	\$243.32

Debt Service 1st TD	(\$2,172,634)	(\$2,172,634)			
Debt Service 2nd TD	\$0	\$0			
Total Debt Service	(\$2,172,634)	(\$2,172,634)			
DCR 1st TD	1.80	1.80			
CDCR	1.80	1.80			
Cash Flow	\$1,728,126	\$1,728,126			
% Cash on Cash Return (ROE)	16.46%	16.46%			
Principal Reduction	\$396,384				

Ratios

Food to Rooms	59.47%	Cap Rate	11.15%
Food to Beverage to Rooms	82.63%	Value per Room	\$156,250
Telephone to Rooms	4.12%	Cost per Sq Ft	\$233
Other to Rooms	5.20%	1st TD LTV	70.00%
Beverage to Food	23.16%	CLTV	70.00%
% Total Expenses	76.83%	% Occupancy	65.00%
		Average Daily Rate	\$165.00
		Lot Size	2.5 Acres

	2007	2008	YTD-2009 12/31/2009	YTD-ANULZD 12	Actual Current Rents	Stabilized	FINAL UW
Comfortable Inn Hotel Demo							
Number Of Rooms:	290	290	290	290	224	224	224
Occupancy:	67.00%	67.00%	67.00%	67.00%	65.00%	65.00%	65.00%
Occupied Rooms:	70,920	70,920	70,920	70,920	53,144	53,144	53,144
Average Daily Rate:	\$122.70	\$122.70	\$122.70	\$122.70	\$165.00	\$165.00	\$165.00
Rooms	8,701,823	8,701,823	8,701,823	8,701,823	8,768,760	8,768,760	8,768,760
Food	5,215,000	5,215,000	5,215,000	5,215,000	5,215,000	5,215,000	5,215,000
Beverage	2,031,000	2,031,000	2,031,000	2,031,000	2,031,000	2,031,000	2,031,000
Telephone	361,000	361,000	361,000	361,000	361,000	361,000	361,000
Other Income	456,000	456,000	456,000	456,000	456,000	456,000	456,000
Total Revenue	16,764,823	16,764,823	16,764,823	16,764,823	16,831,760	16,831,760	16,831,760
Operating Expenses							
Rooms	5,215,000	5,215,000	5,215,000	5,215,000	2,122,000	2,122,000	2,122,000
Food & Beverage	2,031,000	2,031,000	2,031,000	2,031,000	5,208,000	5,208,000	5,208,000
Telephone	361,000	361,000	361,000	361,000	320,000	320,000	320,000
Other Income Expenses	456,000	456,000	456,000	456,000	265,000	265,000	265,000
Administration & General	1,359,000	1,359,000	1,359,000	1,359,000	1,359,000	1,359,000	1,359,000
Management Fee	502,000	502,000	502,000	502,000	502,000	502,000	502,000
Marketing	821,000	821,000	821,000	821,000	821,000	821,000	821,000
Property Operations & Maintenance	623,000	623,000	623,000	623,000	623,000	623,000	623,000
Utilities/Energy (Undetailed)	644,000	644,000	644,000	644,000	644,000	644,000	644,000
Real Estate Taxes	456,000	456,000	456,000	456,000	456,000	456,000	456,000
Property Insurance	107,000	107,000	107,000	107,000	107,000	107,000	107,000
Reserves (FF& E's)	504,000	504,000	504,000	504,000	504,000	504,000	504,000
Miscellaneous				0			
Advertising & Promotion				0			
Health Insurance				0			
Liability Insurance				0			
Worker's Compensation Insurance				0			
License & Permits				0			
Linens & Laundry				0			
Payroll				0			
Office Expense				0			
Legal Fees				0			
Accounting				0			
R & M (Building)				0			
R & M (Grounds)				0			
R & M (Heating & Cooling)				0			
R & M (Equipment)				0			
R & M (Pool)				0			
Utilities (Cable TV)				0			
Utilities (Electricity)				0			
Utilities (Heating Gas)				0			
Utilities (Trash Disposal)				0			
Utilities (Water & Sewer)				0			
Salaries & Wages (Office)				0			
Salaries & Wages (Maids)				0			
TOTAL OPERATING EXPENSES	\$13,079,000	\$13,079,000	\$13,079,000	\$13,079,000	\$12,931,000	\$12,931,000	\$12,931,000
Expenses %	78.01%	78.01%	78.01%	78.01%	76.83%	76.83%	76.83%
NET OPERATING INCOME	\$3,685,823	\$3,685,823	\$3,685,823	\$3,685,823	\$3,900,760	\$3,900,760	\$3,900,760
1st TD Debt Service	(\$2,172,634)	(\$2,172,634)	(\$2,172,634)	(\$2,172,634)	(\$2,125,052)	(\$2,125,052)	(\$2,172,634)
DSCR (Qualifying)	1.70	1.70	1.70	1.70	1.84	1.84	1.80
2nd TD Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Combined Debt Service	(\$2,172,634)	(\$2,172,634)	(\$2,172,634)	(\$2,172,634)	(\$2,125,052)	(\$2,125,052)	(\$2,172,634)
COMBINED DSCR (Qualifying)	1.70	1.70	1.70	1.70	1.84	1.84	1.80
Breakeven Interest Rate					15.590%	15.590%	15.590%
Cap Rate					11.145%	11.145%	11.145%

Loan Amount	\$24,500,000	Interest Rate	7.250%	Qualifying Rate	7.500%	1ST TD LTV	70.00%
Estimated Value	\$35,000,000		Amortization	25		CLTV	70.00%
Total Sq Ft (GBA)	150,000	Subordinate Financing (2nd TD)	\$0	Rate (2nd TD)	0.00%	20	Amortization

APPRAISAL GUIDELINE ESTIMATE CAP RATE SIZER

Cap Rate Sizer	NOI	Cap Rate	Value	% Max LTV	Max Loan	LTV to Sales Price
	\$3,900,760	12.000%	\$32,506,333	80.00%	\$26,005,067	74.30%

Maximum loan amount based on LTV & Cap Rate guidelines: \$26,005,067
Purchase Price \$35,000,000
% Loan to Purchase Price 74.30%

DEBT COVERAGE RATIO SIZER ANALYSIS

DCR SIZER-CURRENT RENTS		DCR SIZER-MARKET RENTS		DCR SIZER	
ACTUAL RENTS		APPRAISAL GUIDELINES		FINAL UNDERWRITING	
NOI	\$3,900,760	NOI	\$3,900,760	NOI	\$3,900,760
NOI for DS	\$2,786,257	NOI for DS	\$2,786,257	NOI for DS	\$2,786,257
Minimum DCR	1.400	Minimum DCR	1.400	Minimum DCR	1.400
Max Loan / DCR	\$28,822,003	Max Loan / DCR	\$28,822,003	Max Loan / DCR	\$28,822,003
Interest Rate	7.500%	Interest Rate	7.500%	Interest Rate	7.500%
Amortization	240	Amortization	240	Amortization	240
Loan to Value	82.35%	Loan to Value	82.35%	Loan to Value	82.35%

COMMENTS

2007 Operating History: _____
2007 Operating History: _____
2007 Operating History: _____
2008 Operating History: _____
2008 Operating History: _____
2008 Operating History: _____
2009 YTD Annualized: _____
2009 YTD Annualized: _____
2009 YTD Annualized: _____
Actual / Current Rents: _____
Market Rents: _____
Final Underwriting (UW): _____
2007 Replacements: _____
2008 Replacements: _____
2009 Replacements: _____
2007 Capital Improvements: _____
2008 Capital Improvements: _____
2009 Capital Improvements: _____

COMMENTS

EXIT STRATEGY

Long term holding plan. Permanant long term fixed rate financing for 7 to 10 year terms.

Project Name:	Comfortable Inn Hotel Demo			
Property Address	12345 Ocean Breeze Ave.	Total Building Sq Ft	150,000	
	Laguna Beach, CA.	Cost / Sq Ft	\$233	
Estimated Value	\$35,000,000	Cap Rate	11.15%	
Proposed Financing (1st TD)	\$24,500,000	70.00%	Market Cap Rate	11.15%
Subordinate Financing (2nd TD)	\$0	0.00%	% Occupancy	65.00%
Total Financing	\$24,500,000	70.00%	ADR	\$165.00
Cash Down Payment	\$10,500,000	30.00%	Land Area	2.5 Acres

	Current	Stabilized
Number Of Rooms:	224	224
Occupancy:	65.00%	65.00%
Occupied Rooms:	53,144	53,144
Average Daily Rate:	\$165.00	\$165.00

PROPERTY FEATURES

Restaurant:	Yes
Restaurant, Bar, Club:	Yes
House Pool / Jacuzzi:	Yes
Gym & Spa:	Yes
Tennis Court:	No
Golf Course:	No
Cable TV:	Yes
Internet Connection:	Yes
Scenic View:	Yes
Banquet Facilities:	Yes

Year Built / Year Renoviated:	1988	2004
Gross Building Area (Sq Ft):	150,000	
Hotel Type / # of Stories:	Luxury	4-Story
Type of Facilities Offered:	Convention	
Hotel Class:	Luxury	
Hotel Chain / Franchise:	Yes	

Amenities: Ocean view suites, 5,649 Sq Ft of meeting & banquet rooms, pool, spa, gym and 3,500 Sq Ft restaurant.
 Strong corporate presence, strategic central southern california location and improving financial performance.

Revenue	Current	Stabilized	POR	% of Gross	PAR
Rooms	\$8,768,760	\$8,768,760	\$165.00	52.10%	\$39,146
Food	\$5,215,000	\$5,215,000	\$98.13	30.98%	\$23,281
Beverage	\$2,031,000	\$2,031,000	\$38.22	12.07%	\$9,067
Telephone	\$361,000	\$361,000	\$6.79	2.14%	\$1,612
Other Income	\$456,000	\$456,000	\$8.58	2.71%	\$2,036
Total Revenue	\$16,831,760	\$16,831,760	\$316.72	100.00%	\$75,142

Annual Operating Expenses

Less Operating Expenses	\$12,931,000	Rooms	\$2,122,000
Net Operating Income	\$3,900,760	Food & Beverage	\$5,208,000
1st TD Debt Service	7.250% \$2,172,634	Telephone	\$320,000
2nd TD Debt Service	0.000% \$0	Other Income Expenses	\$265,000
Total Debt Service	\$2,172,634	Administration & General	\$1,359,000
Cash Flow after Debt Service	\$1,728,126	Management Fee	\$502,000
Cash on Cash Return (ROE)	16.46%	Marketing	\$821,000
		Property Operations & Maintenance	\$623,000
		Utilities/Energy (Undetailed)	\$644,000
		Real Estate Taxes	\$456,000
		Property Insurance	\$107,000
		Reserves (FF& E's)	\$504,000
		Miscellaneous	\$0
		Advertising & Promotion	\$0

PLEASE DO NOT CONTACT THE HOTEL. CALL LISTING AGENT.

NAI makes no warranty or representation about the content of this investment summary. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The above information is from sources deemed to be reliable. Please complete your own due diligence and investigations.

Total Operating Expenses	\$12,931,000
% Gross Operating Income:	76.83%



Financing Options Addendum

www.WilshireLenders.com

www.WebVest.info

Lee O'Donnell, Senior Underwriter
Wilshire Finance Partners
(866) 575-5070 Toll Free
(310) 736-1370 Local
(310) 362-8989 Fax
lee@wilshirefp.com

Prepared for:

RE: Comfortable Inn Hotel Demo

12345 Ocean Breeze Ave.

Laguna Beach, CA.

Date: 6/1/2007

CURRENT / MARKET RENTS	Current Rents	Current Rents	Current Rents	Current Rents	Current Rents
LOAN PROGRAM OPTIONS	ARM- 12 MAT	3-Year Fixed / ARM	5-Year Fixed / Balloon	7-Year Fixed / Balloon	10-Year Fixed / Balloon
PURCHASE PRICE / VALUE	\$35,000,000	\$35,000,000	\$35,000,000	\$35,000,000	\$35,000,000
LOAN AMOUNT	\$24,500,000	\$24,500,000	\$24,500,000	\$24,500,000	\$24,500,000
LOAN TO VALUE (DCR)	70.00%	70.00%	70.00%	70.00%	70.00%
LOAN TO VALUE (Guidelines)	70%	70%	70%	70%	70%
DEBT COVERAGE RATIO	1.35	1.35	1.35	1.35	1.35
CURRENT INTEREST RATE	6.250%	7.000%	7.500%	7.875%	8.000%
VARIABLE RATE MARGIN	2.55%	2.65%	0.00%	0.00%	0.00%
CEILING (First Adjustment)	10.700%	11.250%	0.000%	0.000%	0.000%
LOAN TERM	30/30	30/30	30/5	30/7	30/10
AMORTIZATION IN YEARS	25	25	25	25	30
MONTHLY PAYMENT	\$161,619	\$173,161	\$181,053	\$187,071	\$189,095
RECOURSE	Negotiable	Negotiable	Negotiable	Negotiable	Negotiable
IMPOUNDS	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance
PRE-PAYMENT	1.25, 1.25, 1.25	1.25, 1.25, 1.25	Yield Maintenance	Yield Maintenance	Yield Maintenance
LOAN FEE	1.00%	1.00%	1.00%	1.00%	1.00%

Current financing options from preliminary underwriting as of above date. Please call for current update. To complete a preliminary submission (underwriting pre-qual), please provide the following documentation: Prior three (3) years operating statement and current YTD (Year to date) operating statement, current Financial Statement for the borrowing entity and all applicable individuals, copy of schedule of real estate owned with resume and or profile of property management experience and current credit report if available.

Rates & Terms are subject to change without notice with market conditions.