

**Omni Convention Center Hotel**

## 2013 Net Income

(amounts in 000's)

## Revenue

Rooms		\$43,882
Food and beverage		35,087
Other sales and services		6,354
Total Revenues		<u>85,322</u>

## Departmental Expenses

Rooms		8,894
Food & beverage		23,466
Other sales and services		3,872
Total Departmental Expenses		<u>36,232</u>

## Departmental Income

49,091

## Undistributed Operating Expenses

G&A		9,904
Marketing		7,062
Repairs & maintenance		2,517
Utilities		2,233
Total Undistributed Expenses		<u>21,716</u>

## House Profit

\$27,375

Reserve for replacement

2,560**Net Operating Income Before Property Tax****\$24,816**

## Property taxes

2013 assessed value	217,481	
X assessment rate	<u>2.732885</u>	
Property taxes		<u>5,943</u>

**Net Operating Income****\$18,872**

Cash interest expense

31,607**Net Income After Property Tax & Interest (Private-Market NI)****(\$12,735)**

## Government subsidies

City, county & DISD property tax exemption	\$5,943	
City & state sales & occupancy taxes	7,650	
Federal interest subsidy	<u>8,864</u>	
Total public subsidy		<u>22,458</u>

**Net Income After Government Subsidies****\$9,723**

Net Operating Income (from above)

18,872

Compound for Two Years at 5% p.a.

20,807

Divided by Cap Rate (per CBRE)

8.00%**Estimated Hotel Value****\$260,083****Amount Required to Retire Debt (per DMN)****\$659,000**