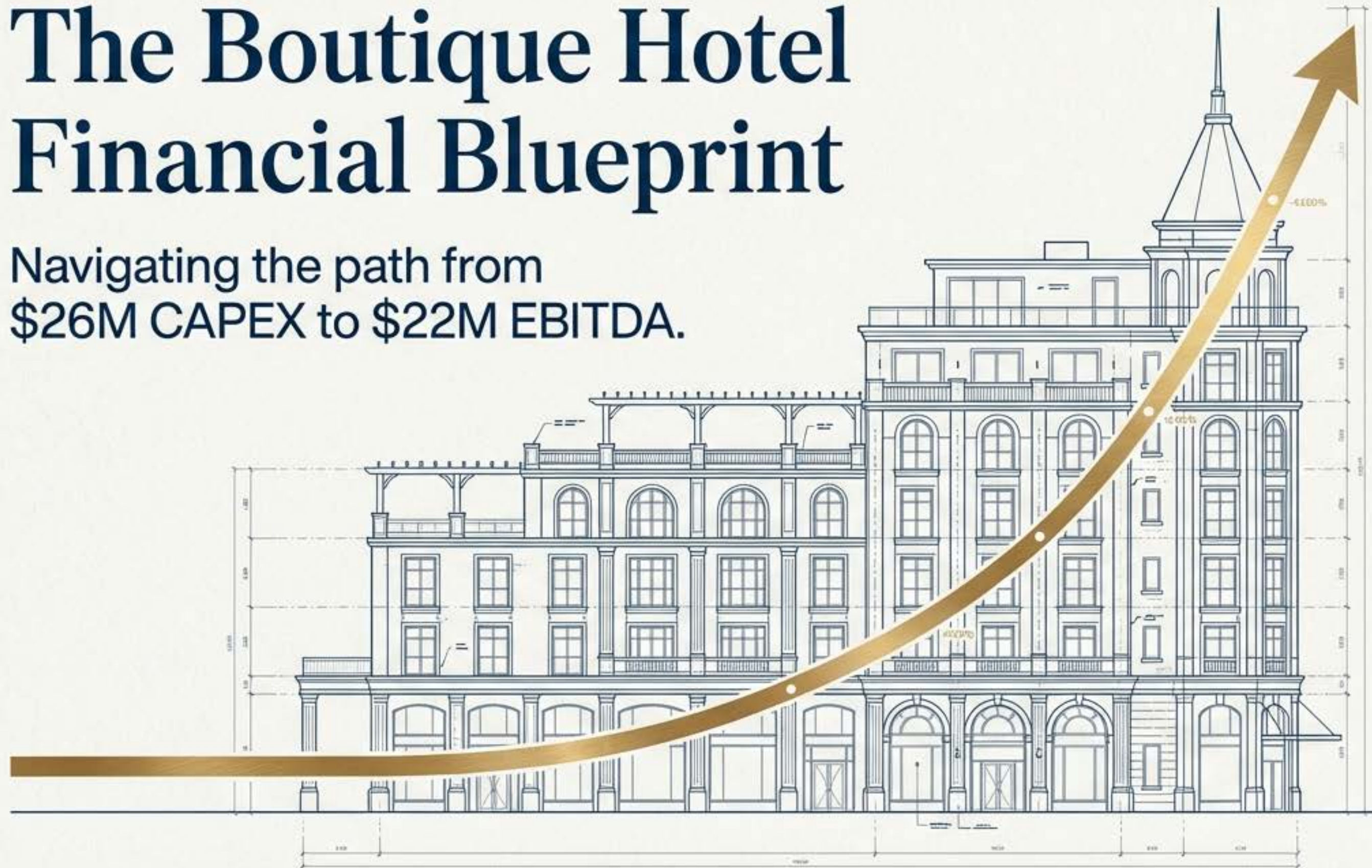


# The Boutique Hotel Financial Blueprint

Navigating the path from  
\$26M CAPEX to \$22M EBITDA.



Confidential Investment Strategy  
& Operational Analysis

# The Investment Thesis: High Barriers, Exponential Exits

The boutique model requires a massive upfront injection and patience. It is a game of survival during the stabilization phase, followed by unrivaled scaling.

## The Risk



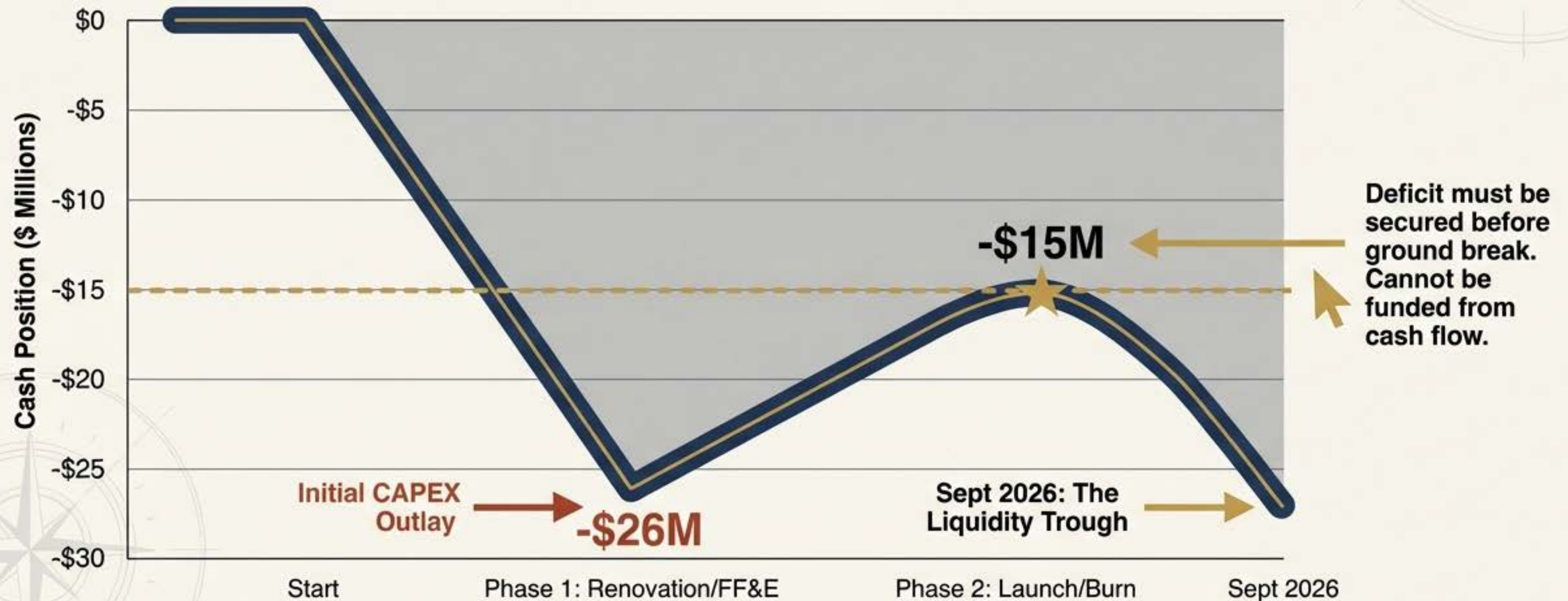
## The Reward



# The Price of Entry: Capitalizing the Deficit

Before breaking ground, the deficit must be fully capitalized. Funding isn't just for the build; it is for the burn.

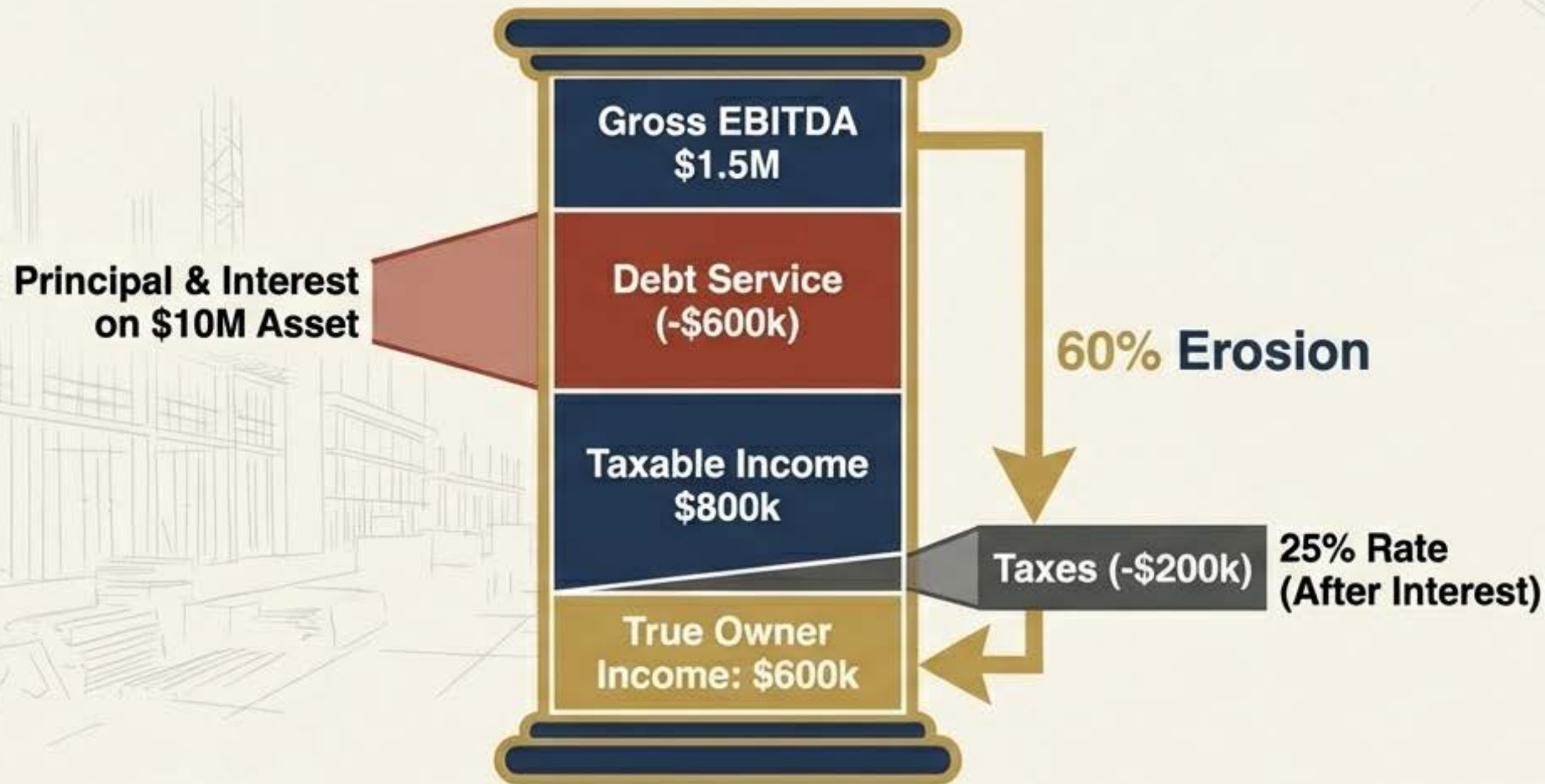
## Cash Flow Waterfall



# The Debt Drag: Why EBITDA is Not Cash Flow

High upfront costs lock in large loan obligations. Debt service is a fixed cash drain that ignores occupancy dips.

## Total EBITDA (\$1.5M Example)



# The 53-Month Horizon: Surviving the Valley

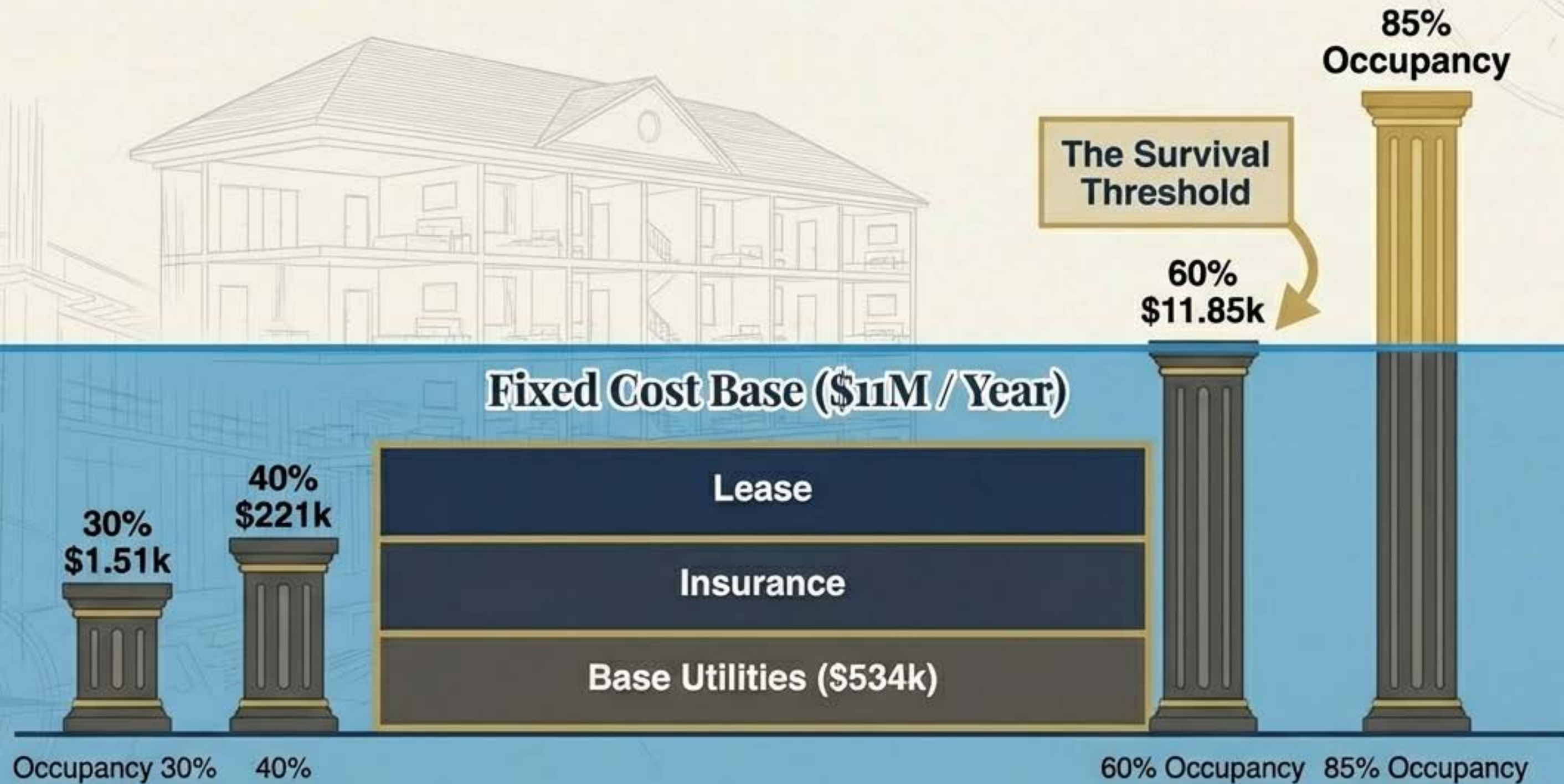
Patience is a financial metric. The runway is long, requiring strict liquidity management.



Revenue ramp-up determines the slope. Managing the burn rate is the only way to shorten this timeline.

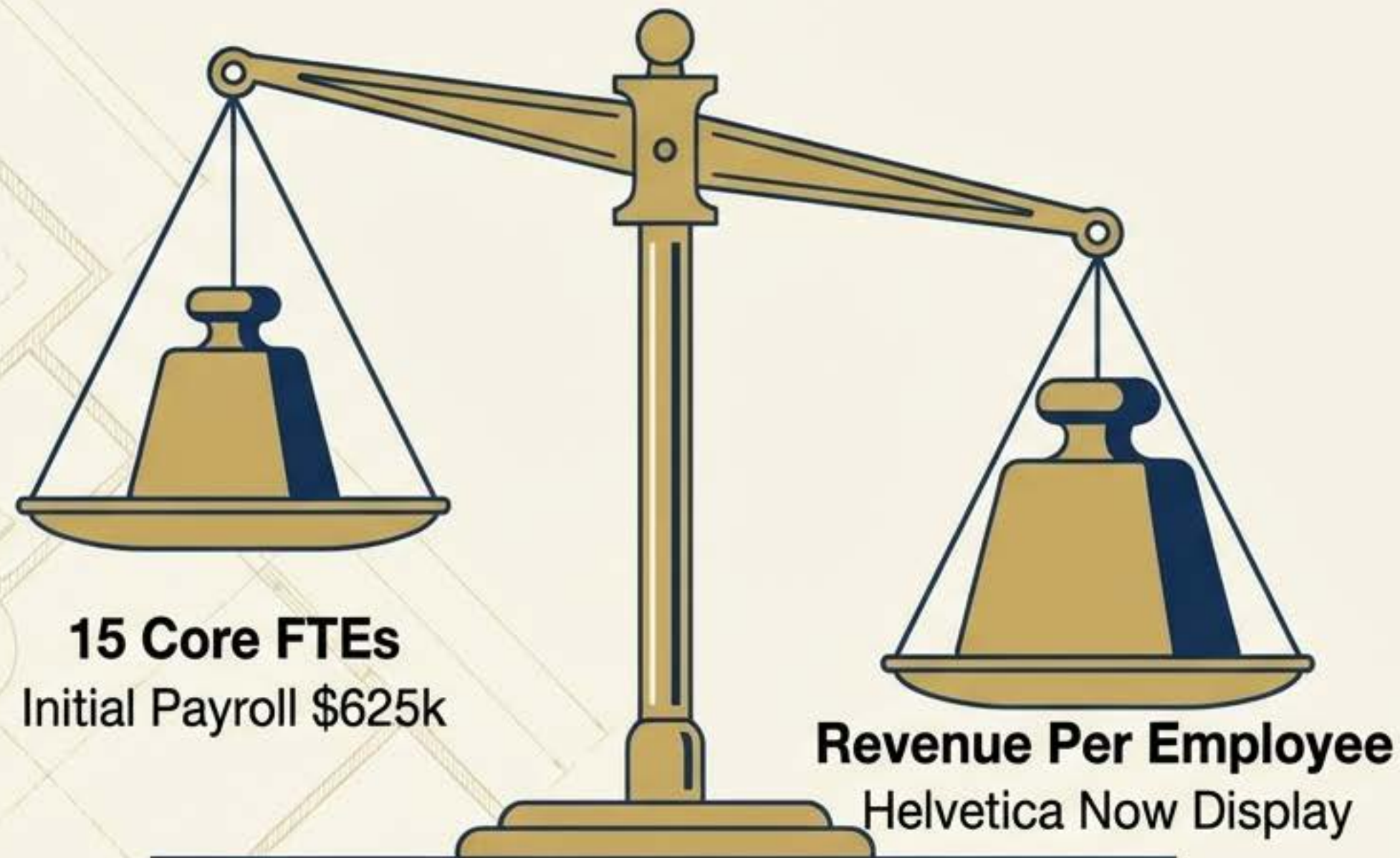
# The Fixed Cost Hurdle: \$11M in Static Pressure

OpEx exceeds \$11M annually. This creates a hurdle rate that must be cleared monthly.



# Labor Efficiency: The Elastic Workforce

With a \$534k fixed overhead, staffing must flex with demand, not fixed schedules.



## The Strategy

- Avoid hiring ahead of demand.
- Link F&B/Spa hires strictly to revenue targets.
- Use flexible contracts for weekend spikes.
- Average Loaded Cost: ~\$41,667 per employee.

# Ancillary Income: The Structural Safety Net

Spa, Events, and Parking are not optional amenities; they cover the fixed burn when rooms are empty.

Operational Continuity

Room Revenue

Ancillary Income  
(\$17,500 / Month)

Fixed Costs  
(\$44.5k/mo)

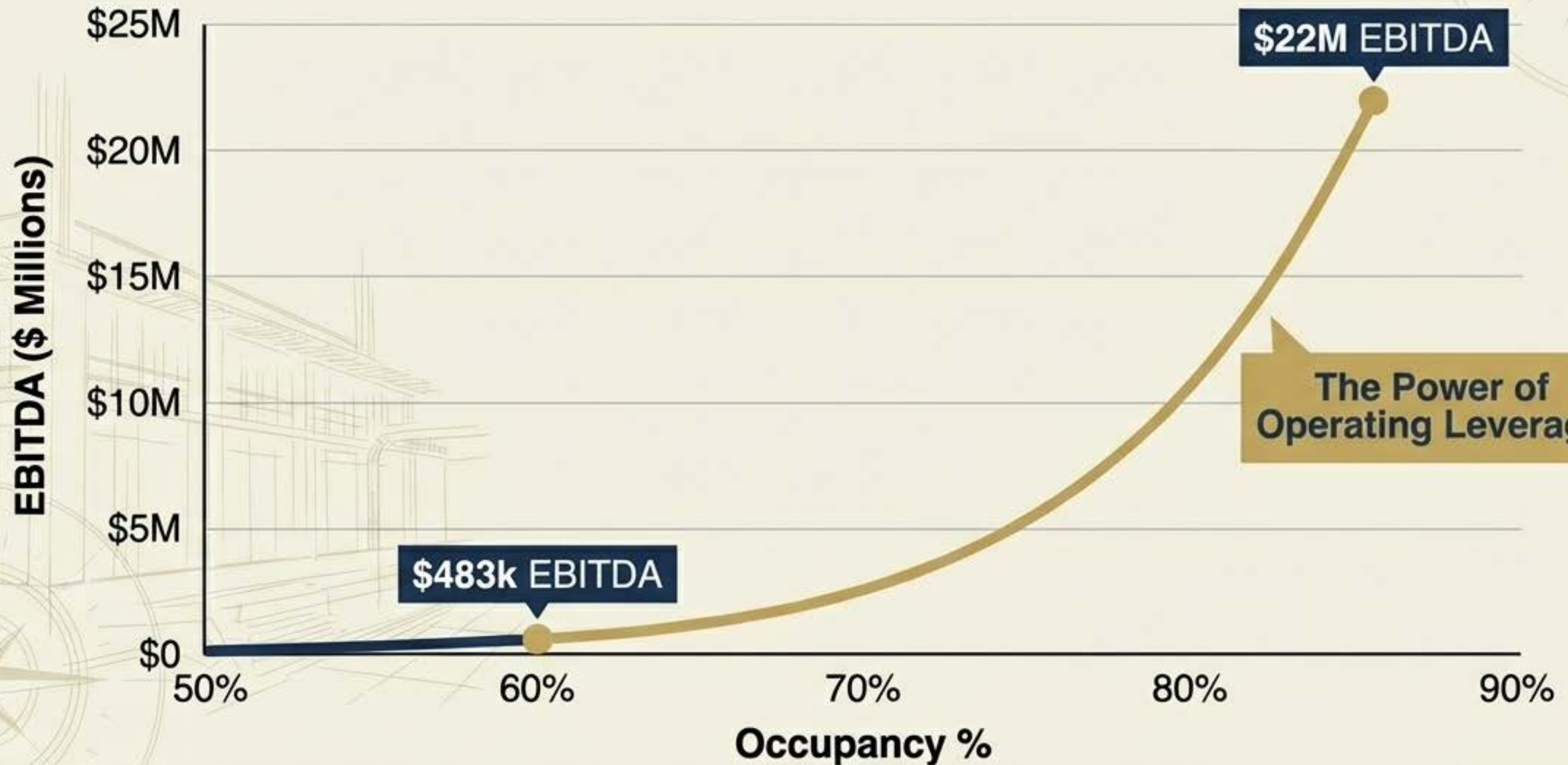
Covers ~40% of  
fixed nut immediately.

## The Strategy

- Critical Sources:
  - Spa
  - Events
  - Parking

# Operating Leverage: The Multiplier Effect

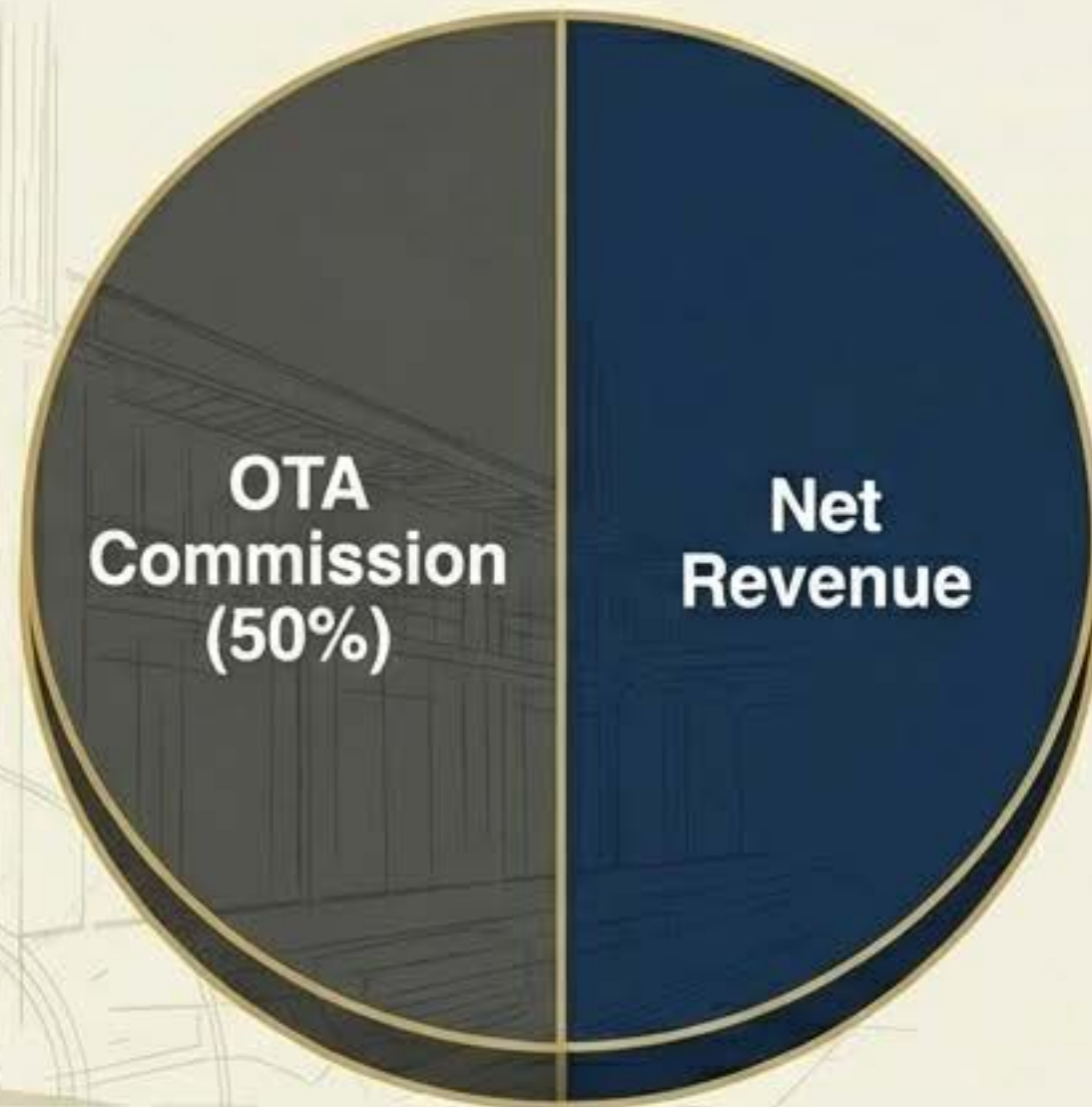
Once the break-even point is cleared, every incremental dollar drops to the bottom line.



# The Distribution War: Reclaiming the 50% Tax

OTAs are taxing your gross margin. The battle is for the direct booking.

## Current State (Year 1)

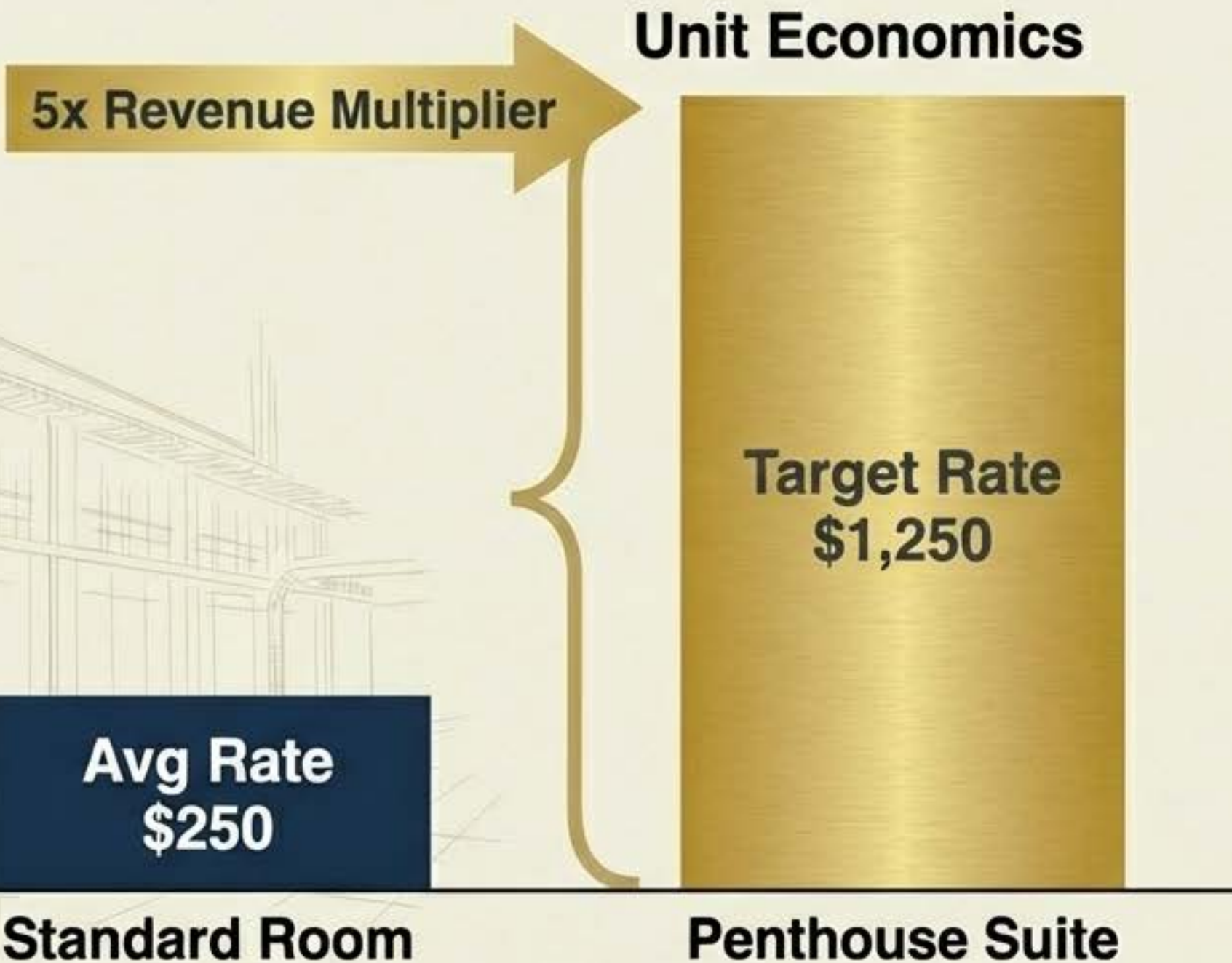


## Future State (Optimized)



# Premium Inventory: The Penthouse Strategy

Your wealth is hidden in the Penthouses. It's about quality of revenue, not just quantity.

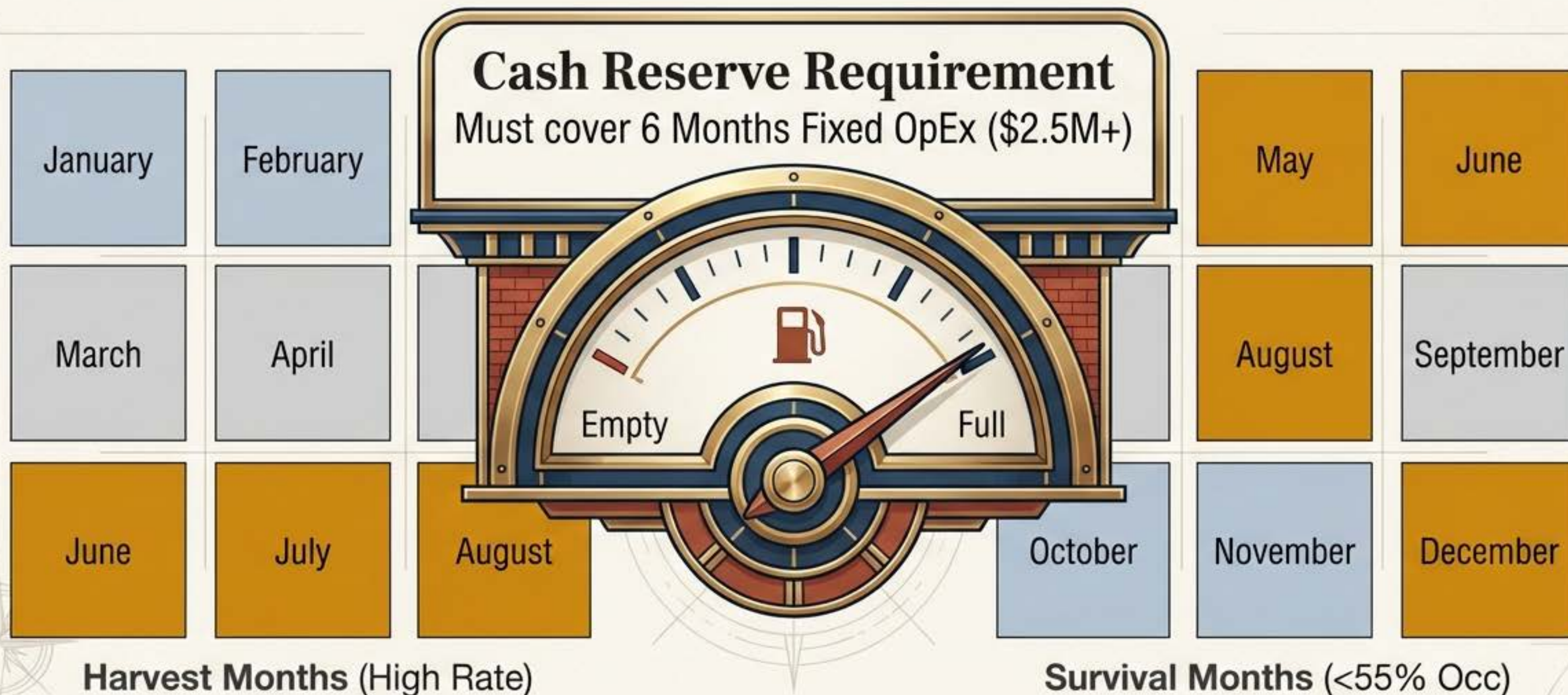


## Strategy:

- Requires premium FF&E investment.
- Dynamic pricing for weekend peaks.
- Priority sales focus.

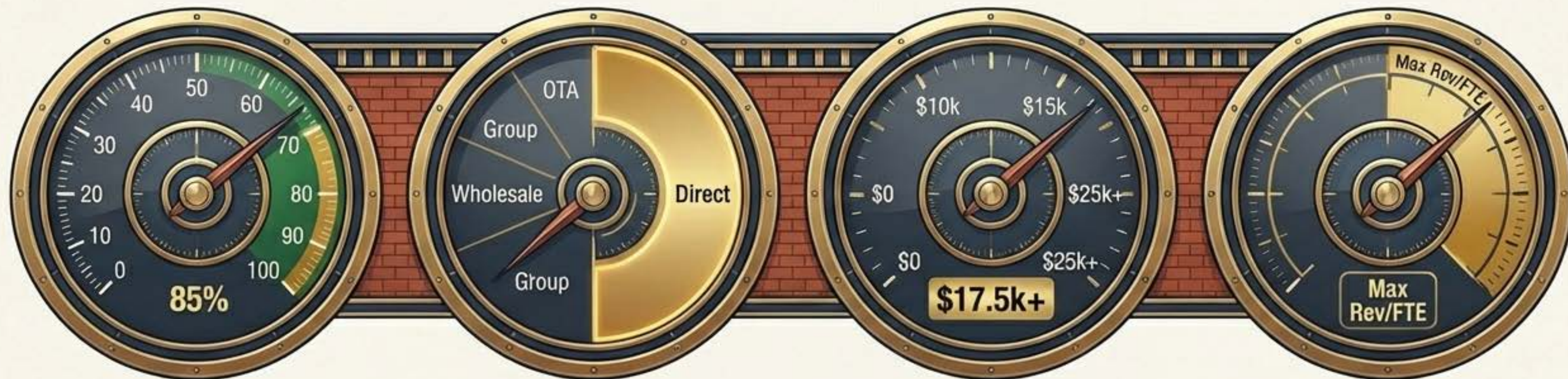
# Managing Seasonality: The Liquidity Buffer

You must harvest the peaks to survive the troughs. Cash reserves must cover 6 months of OpEx.



# The Wealth Formula: Synchronized Execution

To achieve \$22M EBITDA, all operational levers must be pulled simultaneously.



**Occupancy**

**Channel Mix**

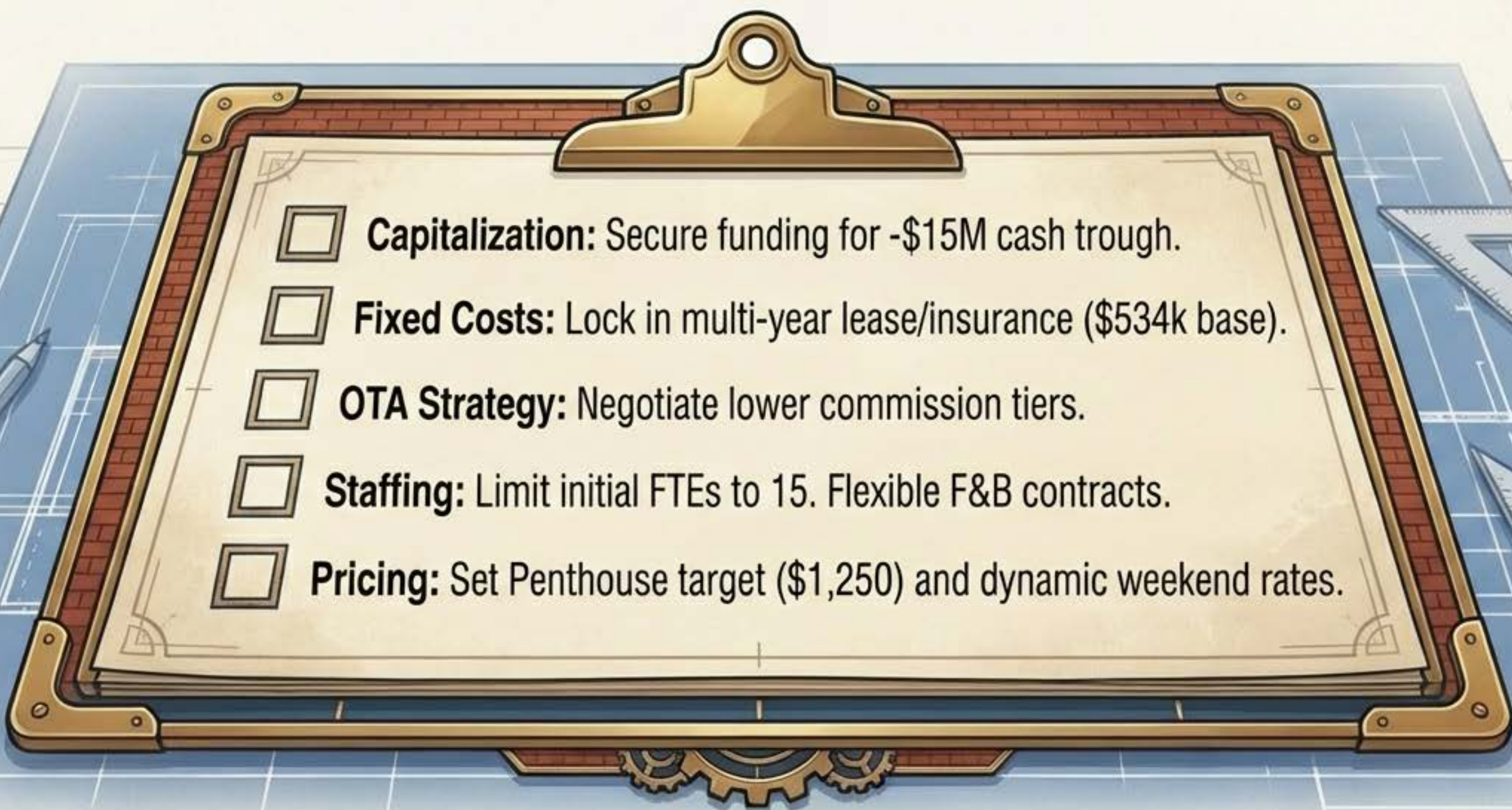
**Ancillary Income**

**Labor Efficiency**

**Result: High Operating Leverage**

# The Owner's Pre-Launch Checklist

Operational discipline required before breaking ground.

- 
- Capitalization:** Secure funding for -\$15M cash trough.
  - Fixed Costs:** Lock in multi-year lease/insurance (\$534k base).
  - OTA Strategy:** Negotiate lower commission tiers.
  - Staffing:** Limit initial FTEs to 15. Flexible F&B contracts.
  - Pricing:** Set Penthouse target (\$1,250) and dynamic weekend rates.

# From Blueprint to **Asset Class Leader**

The risks are calculated. The debt is heavy. But the scale-up is unrivaled.

# From Blueprint to **Asset Class Leader**

The risks are calculated. The debt is heavy.  
But the scale-up is unrivaled.

53-Month Payback | \$26M CAPEX | \$22M EBITDA