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We are pleased to inform you that Hospitality loans are finally making a comeback!! We are actively engaged in analyzing and submitting multiple loan request presentations.

The news of vaccinations, a hope for the return to normal life, additional stimulus, and continued Fed policies are contributing to optimism in the capital markets. Retail & hotel loans are now being considered (at the right leverage with a good story). Indeed, our well-supported & professionally prepared presentations increases the likelihood you will get needed funds, at the right pricing with SBA assistance (read below).

Establish a Good Story

We are currently communicating with 60+ lenders who are back in the business of making hotel loans. Here is what they are telling us:

- 1 Letters of Intent are issued with a deeper upfront review of financials.
- 2 Where pre-COVID DSCRs are solid, but revenues were reduced in 2020, lenders are looking for ONE solid QUARTER of revenue generation in 2021 that shows return to profitability.
- 3 Cash out requests can be made but are made where borrower liquidity is strong and there are cash reserves.
- 4 LTV must still be good and within underwriting guidelines – if you have an appraisal 2-4 years old, send it to us!!
- 5 Loans are made to properties that have historically performed WELL.
- 6 Borrower liquidity is a positive.
- 7 Global INCOME to DEBT are best at 115+% positive without regard to cash reserves.
- 8 Great hotel location is a major positive.
- 9 Experienced management / operators is a persuasive positive – builds lender confidence.
- 10 Disclosure of physical condition of property is important – if rehab is needed, spell it out with ‘real’ construction bid estimates.

While lenders are DEFINITELY processing / funding hospitality loans, we ask that you provide us with specific financials that are scrutinize in order to get questions answered BEFORE presented to lenders. Our goal is the same as yours – to generate lender interest that results in issuance of a Letter of Intent that sets forth loan pricing upon which you can make informed decisions.

Reality Check

It is imperative that we match expectations with performance. We agree with lenders that it might be Q3 or Q4 2021 when your hotel shows positive revenue generation and profitability. It is for this reason that we strongly recommend engaging us now, and through the upcoming several months, so that we have the BEST chance of being on the top of the pile of loan requests. We want to be smart about what we do for you in order to deliver positive results. It is a collaborative effort!

The Benefits

In an effort to assist small businesses adversely affected by COVID-19, the CARES Act is offering and extended borrower benefits for certain loans by waiving loan fees and even offers to make the first SIX (6) MONTHS payments on qualified loans! These attributes equate to increased cash flow for your business!

Our TEAM has combined SIXTY (60) YEARS banking, real estate, finance, cash flow, Attorney and Broker specialization that manifests itself in precise lender communications to help you get the loan needed for your business.

The Bottomline

Lenders are saying “YES” to well-cultivated / communicated REFI requests! Give us a no-obligation opportunity to carefully look at your financials and needs so we can make recommendations that can lead to a positive cash flow path forward!

Confidentially UPLOAD Financial Documents to my encrypted server here: <https://stansen.com/loans/>

OUR AIM IS TO HELP YOU MAKE INFORMED DECISIONS!

If your property is currently listed for sale this is not intended as a solicitation. We do not solicit the offerings of other brokers.

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