

OFFERING MEMORANDUM

May, 2026

FOR SALE

FAIRFIELD BY MARRIOTT INN & SUITES

NAPA AMERICAN CANYON

80 Rooms

American Canyon, California

\$10,500,000

(\$131,250/room)

- Gateway to Napa Valley Location
- 35 miles from San Francisco
- Attractive Marriott Select Service Brand
- Foreign Ownership, Owner-Managed
- Unencumbered by Management
- Discount to Replacement Cost
- Renovation and Management Upside - PIP exists

Exclusive Broker

MAXIM
HOTEL BROKERAGE

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*Gateway location capturing strong
Napa Valley leisure demand*

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BY MARRIOTT



This confidential Offering Memorandum (“OM”) is being delivered subject to the terms and conditions of the Confidentiality Agreement (“CA”) signed by you and constitutes part of the Evaluation Material as defined in the CA. It is being given to you for the sole purpose of evaluating the possible investment in or acquisition of Fairfield Inn & Suites Napa American Canyon (“Property”) and is not to be used for any other purposes or made available to any other party without the prior written consent of Owner, or its exclusive broker, Maxim Hotel Brokerage, Inc. (“Broker”).

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INVESTMENT SUMMARY

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Maxim Hotel Brokerage, Inc. is pleased to present an exclusive listing on the **Fairfield Inn & Suites Napa American Canyon**. Strategically located along Highway 29 at the southern gateway to Napa Valley, the Property benefits from strong regional connectivity and proximity to one of the most visited wine destinations in the United States. Positioned within close driving distance to Napa Valley wineries, Six Flags Discovery Kingdom, and key Bay Area employment centers, the hotel captures a diverse mix of leisure, corporate, and weekend getaway demand.

The Property offers investors the opportunity to acquire a well-located Marriott-branded select-service asset at a significant discount to replacement cost, with meaningful upside through renovation, revenue optimization and operational efficiencies.

Overview

The Property consists of an 80-room, all-suites Fairfield Inn & Suites operating under the Marriott flag, known for its efficient operating model and broad consumer appeal. Key investment highlights include:

- ▶ **Premium Brand Affiliation (Marriott)** – Fairfield Inn & Suites benefits from Marriott's global reservation system, Bonvoy loyalty program, and strong distribution channels, driving consistent occupancy and long-term brand strength.
- ▶ **Gateway to Napa Valley** – Strategically located along Highway 29 at the southern entrance to Napa Valley, the hotel captures strong leisure demand driven by wineries, tourism, and weekend travel, while maintaining access to the greater Bay Area.
- ▶ **All-Suite Product Offering** – Spacious suite-style accommodations with kitchenettes support extended-stay functionality, longer length-of-stay, and enhanced guest satisfaction.
- ▶ **Foreign-Owned / Unencumbered by Management** – The Property is foreign-owned and managed and will be delivered unencumbered by a management agreement, providing investors the flexibility to install best-in-class management and optimize operations.
- ▶ **Significant Renovation & Repositioning Opportunity** – Completion of a comprehensive PIP will allow a new owner to modernize the asset, enhance guest experience, and reposition the hotel within the competitive Napa Valley submarket.
- ▶ **Below Replacement Cost Basis (~70%)** – Even after completion of the renovation, an investor is projected to be into the deal at approximately 70% of replacement cost, offering a meaningful margin of safety and long-term value.
- ▶ **Stable Select-Service Model** – Limited-service operations with no full-scale food and beverage reduce labor intensity and operating complexity while supporting attractive margins.
- ▶ **Strong Leisure & Weekend Demand** – Proximity to Napa Valley, Six Flags Discovery Kingdom, and regional attractions drives consistent weekend occupancy and seasonal ADR growth.
- ▶ **Accessible Regional Location** – Convenient access to San Francisco, Oakland, and Sacramento supports both drive-to leisure demand and regional corporate travel.
- ▶ **Operational Upside** – Opportunity to enhance ADR, RevPAR, and profitability through improved revenue management, segmentation strategy, and channel mix optimization.
- ▶ **Efficient Amenity Set** – Features including outdoor pool, fitness center, complimentary breakfast, and business facilities support strong guest appeal with a limited expense burden.
- ▶ **Defensive Investment Profile** – Marriott branding, diversified demand drivers, and an efficient operating model provide downside protection with upside through improved execution and repositioning.

Value Enhancement Opportunities

The Fairfield Inn & Suites Napa American Canyon presents a compelling opportunity to drive revenue growth and margin expansion through a combination of physical repositioning, operational improvements, and strategic revenue management initiatives.

- ▶ **PIP Completion & Asset Repositioning** – Execute a comprehensive renovation to modernize guestrooms and public areas, aligning the Property with current Fairfield brand standards and elevating its competitive positioning within the Napa Valley market.
- ▶ **ADR Growth Post-Renovation** – Following renovation, implement a more aggressive pricing strategy to capture higher-rated leisure demand, particularly during peak Napa Valley seasons, weekends, and special events.
- ▶ **Channel Mix Optimization** – Reduce reliance on OTA channels and associated commissions by increasing direct bookings through Marriott Bonvoy and targeted digital marketing, improving net RevPAR.
- ▶ **Leverage Marriott Bonvoy Ecosystem** – More effectively utilize Marriott's distribution platform and loyalty base to drive occupancy, improve rate integrity, and capture higher-value repeat guests.
- ▶ **Weekend & Leisure Demand Optimization** – Capitalize on the Property's location at the gateway to Napa Valley by implementing minimum length-of-stay restrictions, premium weekend pricing, and curated packages tied to wine tourism and local events.
- ▶ **Corporate & Midweek Base Expansion** – Grow negotiated corporate accounts and regional business travel demand from the greater Bay Area, balancing the strong weekend leisure segment and improving weekday occupancy.
- ▶ **Extended-Stay & Suite Utilization Strategy** – Maximize the all-suite product by targeting longer length-of-stay guests, including relocation, project-based, and small group demand, improving occupancy consistency and operational efficiency.

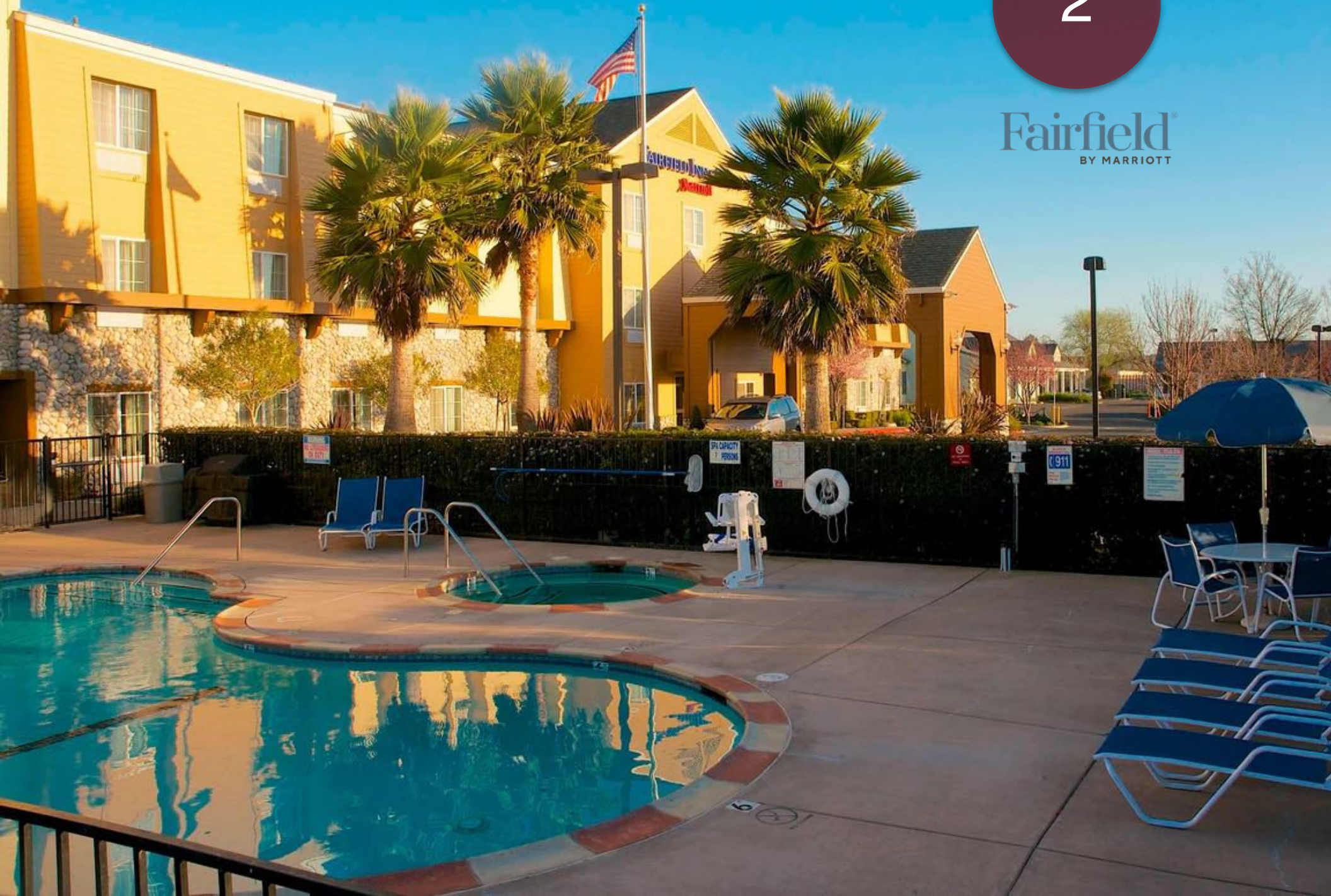
- ▶ **Expense Rationalization** – Implement more efficient labor scheduling, housekeeping optimization, and departmental cost controls to improve flow-through and overall margins.
- ▶ **Management Upgrade Opportunity** – With the Property delivered unencumbered by management, a new owner can install a best-in-class operator to drive operational efficiencies, enhance revenue management practices, and improve overall asset performance.
- ▶ **Ancillary Revenue Growth** – Evaluate opportunities to enhance ancillary income streams, including parking, premium room upgrades, and partnerships with local wineries and attractions.
- ▶ **Digital & Revenue Management Enhancements** – Deploy more sophisticated revenue management tools and digital marketing strategies to better segment demand, optimize pricing, and capture higher-rated business.



PROPERTY OVERVIEW

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Property Overview

The Property is a three-story, wood-frame hotel with a pitched roof design and durable exterior finishes, consistent with Marriott's Fairfield Inn & Suites prototype. The asset's construction allows for cost-effective renovations and ongoing maintenance, supporting efficient long-term ownership.

A summary of the facility is shown on the following table.

SUMMARY	
Address	- 3800 Broadway Hwy 29 American Canyon, California, 94503
Guestrooms	- 80
Food & Beverage	- Lobby Breakfast Room
Meeting Space	- 650 SF Vineyard Room
Shared Amenities	- Swimming pool / hot tub - Fitness center - Business center
Number of Stories	- 3
Elevators	- 1 guest
Gross Square Footage	- 43,219 SF
Year Built / Renovated	- 2004 / 2016
HVAC	- Thru-wall PTAC
Fire & Life Safety	- Fire sprinkler system
Construction	- Wood frame.
Assessor's Parcel Number	- 059-072-003
Zoning	- LSMU (Local-Serving Mixed Use) – Broadway District Specific Plan, legal conforming use
Flood Zone	- B and X Area of moderate flood hazard, usually the area between the limits of the 100-year and 500-year floods.
Parking	- 86
Hotel Site	- 1.98± total acres
Ownership Interest	- Fee simple





Guestrooms

The Property features well-appointed, all-suite accommodations designed to deliver both comfort and functionality for business and leisure travelers. Guestrooms offer spacious layouts with defined living and sleeping areas, complemented by modern furnishings, ample natural light, and a clean, contemporary aesthetic. Select suites include sofa seating and flexible workspace configurations, supporting extended-stay and multi-night demand.

While the guestrooms are well-maintained, they present a clear opportunity for enhancement through a comprehensive renovation program, allowing a new owner to align the product with current Fairfield brand standards and elevate the overall guest experience. Post-renovation, the updated design and refreshed finishes are expected to support meaningful ADR growth and improved competitive positioning within the Napa Valley market.

Room Type	Count	SF
King Suite	45	340
Queen Queen Suite	25	380
Executive King Suite	5	350
Executive Queen Queen Suite	4	380
Hospitality Suite	1	420
Total	80	

FOOD & BEVERAGE

A breakfast area is located off the Lobby and serves complementary breakfast to hotel guests between the hours of 6:00 to 10:00 AM.

Several casual and full-service restaurants are located within walking distance, including South Kelly Grill, a well-regarded local breakfast and lunch spot, Le Paris Artisan & Gourmet Café for coffee and light fare, and dinner options such as Ristorante Pasta D'Oro and La Strada Cucina Italiana, which provide approachable sit-down dining.

A marketplace grab-and-go is located off the front desk area, offering guests numerous conveniences.

MEETING SPACE

One meeting room (Vineyard Room), measuring 26x25x8, with total square footage of 650 square feet. The Vineyard Room is located directly off the Lobby and offers capacity for 40 persons under a variety of seating configurations.

OTHER AMENITIES

Other amenities include an outdoor swimming pool, hot tub, fitness center, guest laundry and a business center.



Breakfast Area



Vineyard Room



King Suite



Lobby

Hotel Site

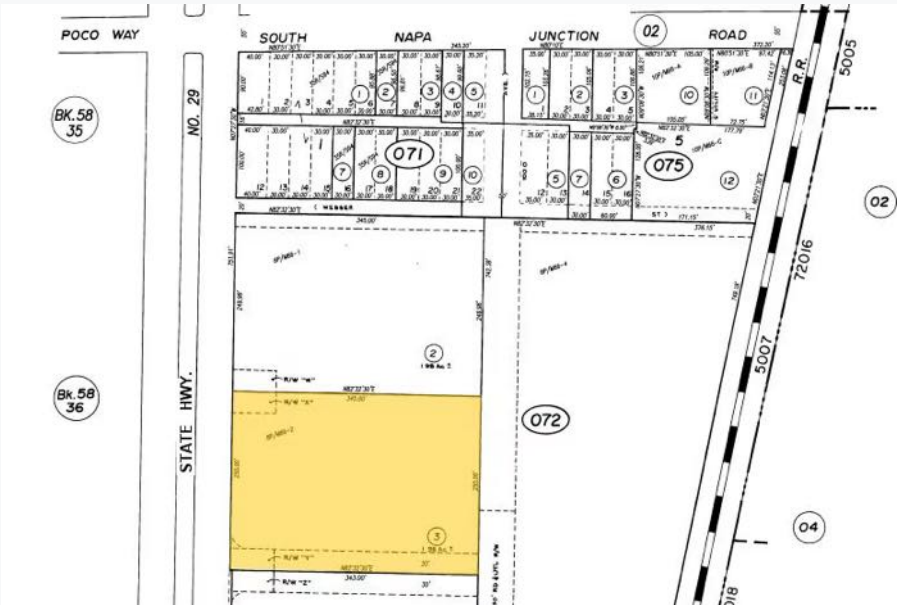
The subject property is situated on a 1.98-acre site located at 3800 Broadway Hwy 29, American Canyon, California. The site is rectangular in shape and features approximately 250 feet of frontage along the east side of State Highway 29, the primary northbound access route into Napa Valley.

Zoning – LSMU (Local-Serving Mixed Use) – Broadway District Specific Plan

The Property is located within the City of American Canyon’s Broadway District Specific Plan and is zoned Local-Serving Mixed Use (LSMU). This designation permits a range of commercial and hospitality uses and is intended to support lodging, retail, and service-oriented development along the Highway 29 corridor, the City’s primary commercial spine.

Utilities

SERVICE	PROVIDER
Water	City of American Canyon (Public Works)
Electricity	Pacific Gas & Electric (PG&E)
Gas	Pacific Gas & Electric (PG&E)
Trash	Napa Recycling & Waste Services
Internet	Comcast Xfinity / AT&T



AREA OVERVIEW

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NAPA VALLEY

THE TOWNS OF NAPA VALLEY

CALISTOGA

ST. HELENA

RUTHERFORD

OAKVILLE

YOUNTVILLE

NAPA

AMERICAN
CANYON

CARPE-TRAVEL.COM

Napa Valley Overview

Napa Valley is one of the most recognized wine and leisure destinations in the world, attracting millions of visitors annually and supporting a robust hospitality ecosystem. The region is defined by its premium wineries, Michelin-starred dining, and high-end resorts, which collectively drive strong tourism demand and elevated lodging performance.

The Napa Valley hotel market is characterized by **high average daily rates (ADR)**, **strong occupancy**, and **limited new supply**, as strict land-use regulations and agricultural preservation policies constrain development. These barriers to entry have historically supported pricing power and long-term value appreciation across the region's lodging assets.

As a result, demand frequently exceeds available supply—particularly during peak seasons and major events—creating consistent **compression and overflow demand** into surrounding submarkets.

American Canyon Overview

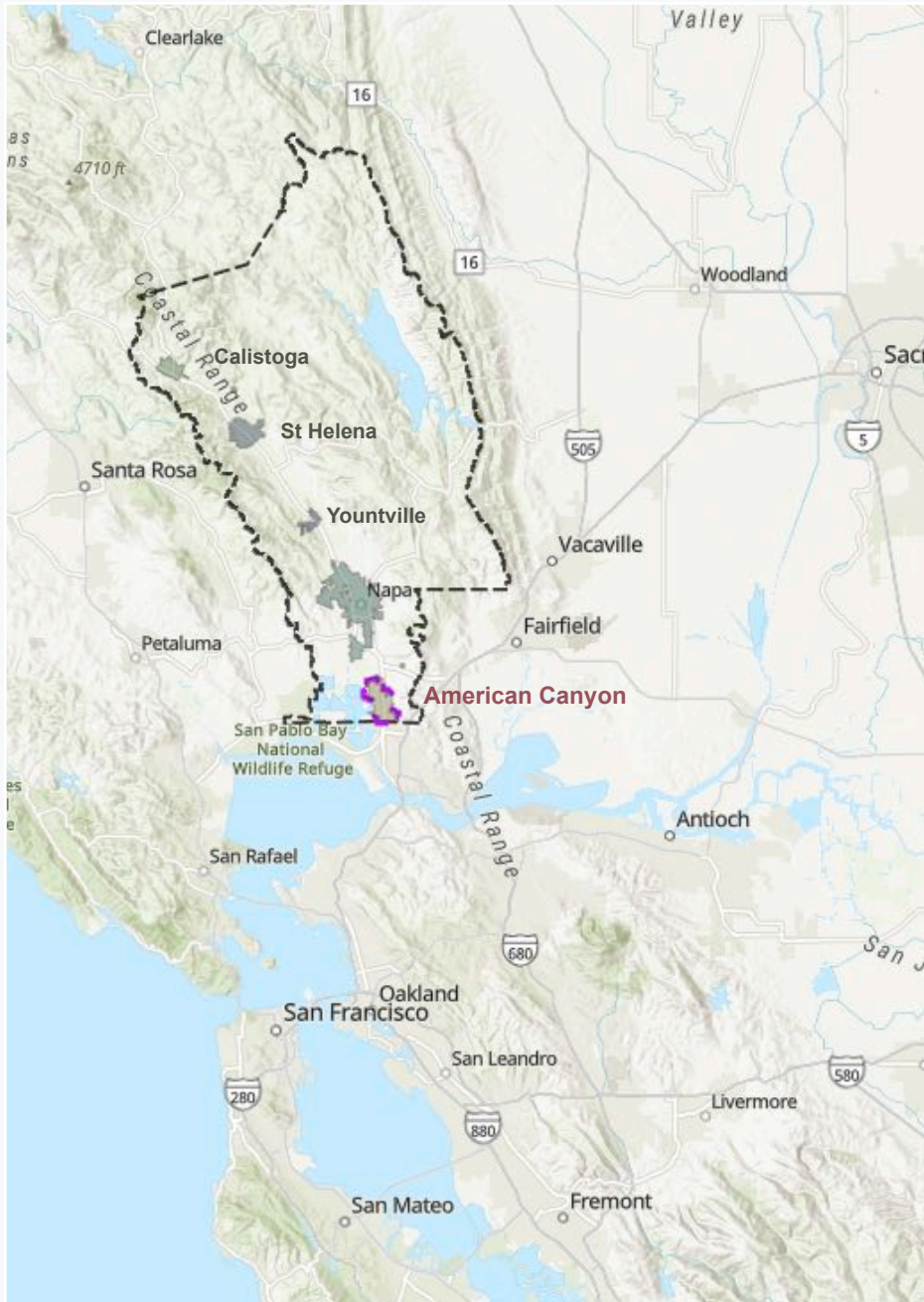
Located at the southern gateway to Napa Valley, American Canyon serves as the **primary entry point for visitors traveling into the region via Highway 29 from the San Francisco Bay Area**. The city occupies a strategic position within Napa County, offering immediate access to the Valley while maintaining a more accessible cost structure for development and lodging.

Unlike the core Napa submarkets, American Canyon is a **diversified, mixed-use community** supported by residential neighborhoods, retail corridors, and a growing industrial base. This positioning allows the city to function as both a **support market for Napa Valley tourism** and a **standalone economic hub**.

The city increasingly captures **overflow lodging demand from Napa Valley**, particularly from price-sensitive travelers, group segments, and visitors during periods of peak occupancy.



Napa Valley Vineyards



Location & Accessibility

American Canyon benefits from exceptional regional connectivity, making it highly accessible for both leisure and business travelers.

- Direct access to **Highway 29**, the primary corridor into Napa Valley
- Immediate proximity to **Interstate 80**, connecting to San Francisco, Oakland, and Sacramento
- Approximately:
 - 15 minutes to Downtown Napa
 - 45–60 minutes to San Francisco
 - 45 minutes to Oakland International Airport

This strategic location positions American Canyon to capture **drive-to tourism demand** from the Bay Area while also serving as a convenient base for visitors exploring Napa Valley.

Economic Outlook

American Canyon is entering a new phase of growth, supported by targeted development initiatives and continued infrastructure investment. The city's long-term trajectory is anchored by the **Watson Ranch Specific Plan**, a large-scale master-planned development that will introduce residential units, retail, hospitality, and community amenities.

In addition to planned development, the city continues to benefit from:

- Ongoing population growth
- Infrastructure upgrades to support traffic and accessibility
- Expansion of industrial and logistics uses

While growth in Napa County is intentionally moderated by land-use restrictions, this controlled environment contributes to **long-term supply constraints**, particularly in the hospitality sector.

Demand Drivers

American Canyon benefits from a diverse set of demand generators that support both weekday and weekend lodging demand.

Leisure Demand

- Proximity to Napa Valley's wineries, restaurants, and events
- Access to one of the premier wine tourism destinations globally

Corporate & Industrial Demand

- Presence of major employers in:
 - Wine production and distribution
 - Food manufacturing and packaging
 - Logistics and warehousing
- Consistent business travel supporting weekday occupancy

Group & Overflow Demand

- Compression from Napa Valley's supply-constrained hotel market
- Spillover demand during peak tourism periods and regional events

This diversified demand base provides a balance of seasonal leisure demand and stable year-round business activity.



Growth & Development Pipeline

Future growth in American Canyon is expected to be driven by a combination of residential, commercial, and mixed-use developments.

The Watson Ranch project represents a significant catalyst, introducing:

- New housing and population growth
- Retail and dining destinations
- Potential hospitality components

These developments are expected to enhance the city's ability to **capture visitor spending and generate in-market demand**, supporting long-term economic expansion.

Attractions & Lifestyle

In addition to its proximity to Napa Valley, American Canyon offers access to a range of outdoor and recreational amenities, including:

- Wetlands Edge Park and Napa River access
- Trails, open space, and outdoor recreation
- Community-oriented retail and dining options

These amenities contribute to the city's quality of life and appeal as a residential and lodging destination, particularly for extended-stay and weekend travelers.

Conclusion

American Canyon represents a **strategically positioned submarket within Napa County**, benefiting from proximity to a globally recognized destination while offering a more accessible and diversified economic base.

Supported by **supply constraints, identifiable growth catalysts, and a balanced demand profile**, the market offers a compelling environment for long-term hospitality investment.

LODGING MARKET OVERVIEW

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Hawthorn Suites



Springhill Suites



NAPA

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AMERICAN CANYON

Home2 Suites



DoubleTree Hotel



Holiday Inn Express & Suites



Courtyard by Marriott



Hampton Inn



Quality Inn



VALLEJO

Hotel Market Positioning

American Canyon occupies a distinct position within the broader Napa Valley lodging market. While Napa, Yountville, and St. Helena are characterized by luxury, destination-oriented hotels with premium pricing, American Canyon serves as a **value-oriented alternative with broader demand segmentation**.

The submarket is well-suited for:

- Select-service and limited-service hotels
- Extended-stay accommodations
- Midscale lodging products

This positioning allows properties in American Canyon to capture:

- Price-sensitive leisure travelers
- Corporate and logistics-related demand
- Extended-stay guests and workforce-related lodging needs

Supply & Barriers to Entry

Napa County is widely recognized for its **stringent development regulations**, which limit new construction in order to preserve agricultural land and open space. These restrictions have historically constrained hotel supply growth across the region.

In American Canyon, while development is more feasible relative to core Napa Valley, entitlement processes and land availability remain controlled, contributing to:

- Limited new hotel supply
- Reduced competitive pressure
- Long-term support for occupancy and ADR growth

Competitive Hotel Market Performance

The Fairfield competes with the following hotels.

PROPERTY	ROOMS	OPEN
Fairfield Inn & Suites Napa American Canyon	80	2004
Hampton Inn Vallejo	116	1990
Courtyard by Marriott Vallejo Napa Valley	172	1989
Quality Inn Near Six Flags Discovery Kingdom-Napa Valley	79	1988
DoubleTree by Hilton Hotel & Spa Napa Valley - American Canyon	132	2006
Holiday Inn Express & Suites Napa Valley American Canyon	101	2009
Hawthorn Suites by Wyndham Napa Valley	60	2000
SpringHill Suites Napa Valley	100	2009
Home2 Suites by Hilton American Canyon*	102	2026
	840	

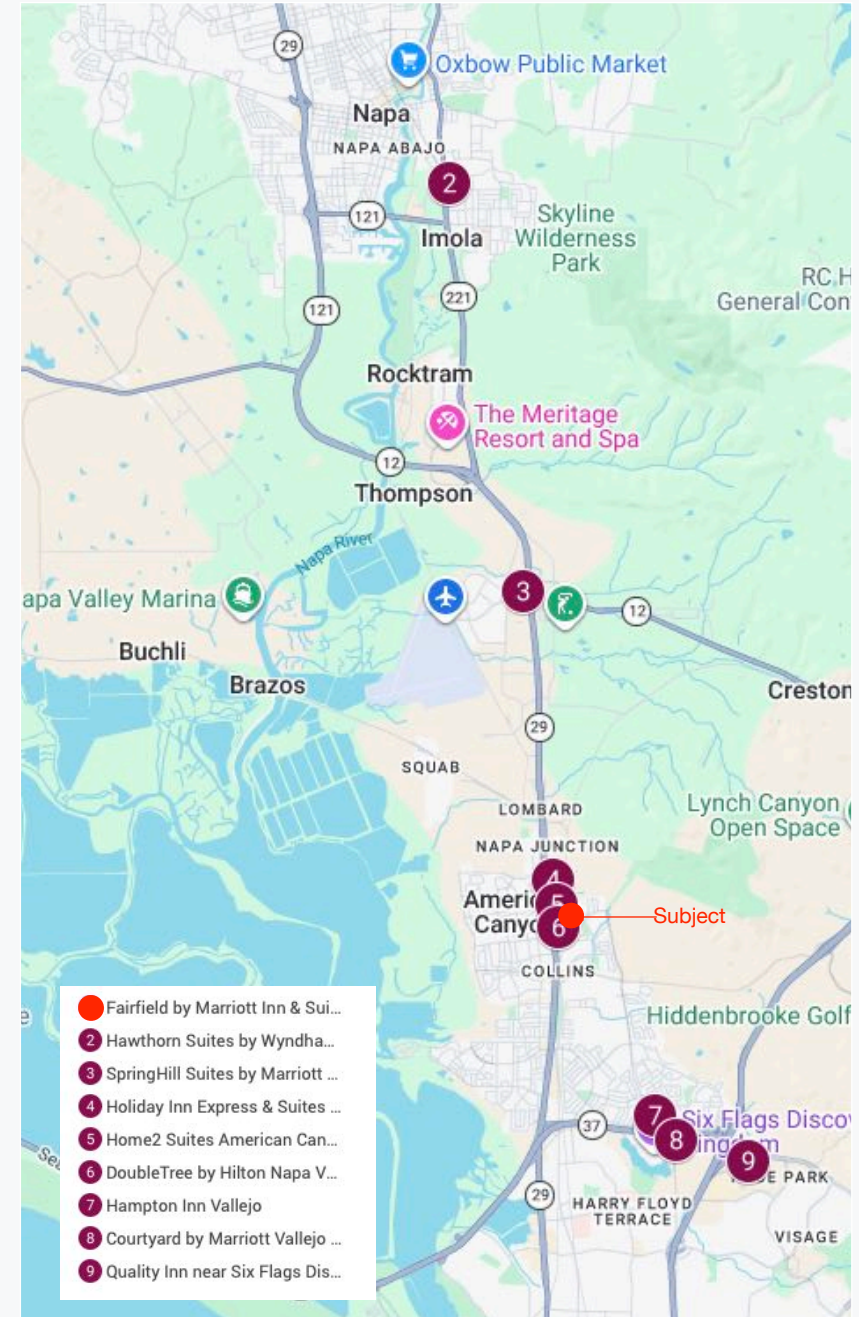
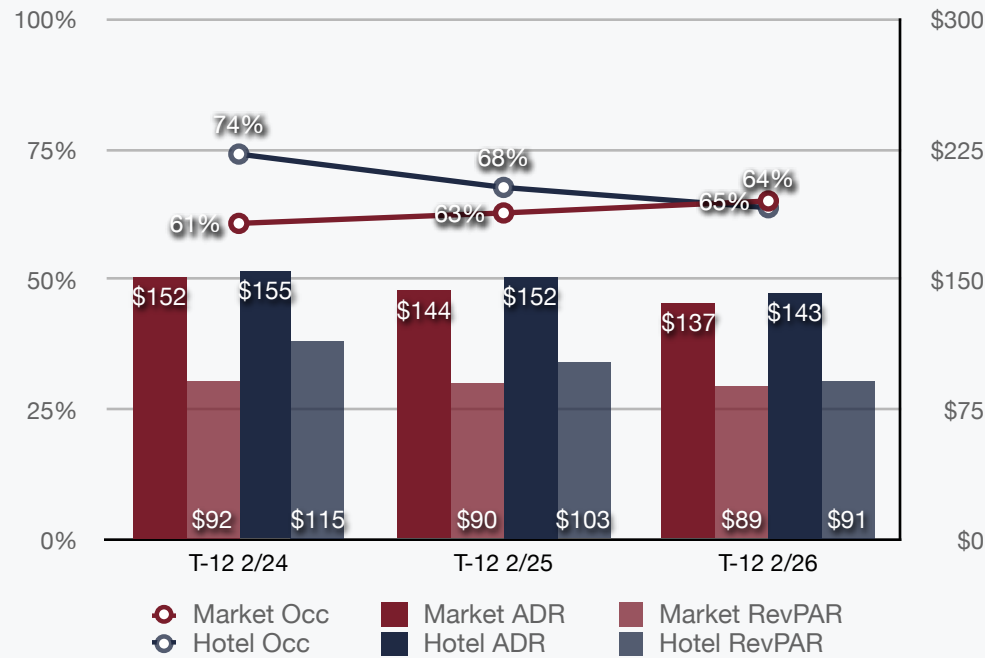
*The Home2 Suites is under construction, set to open this quarter (second quarter) of 2026. The hotel is expected to primarily serve extended-stay and corporate demand, complementing—rather than directly competing with—existing transient-oriented hotels in the submarket.

STAR Analysis

Key observations:

- American Canyon is a stable hotel market. The STAR report for the selected hotels for the period ending February, 2026 shows overall performance of 61% occupancy and \$152 ADR, resulting in \$92 RevPAR for the selected comp set.
- Fairfield Inn historically outperformed the selected competitive set, with 125% RevPAR Index (\$115 versus \$92). However Fairfield has lost market share due to condition. RevPAR Index was 102% for T-12 Feb, 2026.
- RevPAR Index has potential to improve to previous levels following renovation and completion of the PIP.

Fairfield Inn vs. Market
(T-12 Ending Feb '26)



FINANCIAL OVERVIEW

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Fairfield
BY MARRIOTT



Financial Performance

The table below summarizes performance over the past few years:

Performance Summary - Fairfield Inn & Suites

	2022	2023	2024	2025	T-12 Feb, 2026	Stabilized 2028
Occupancy	80.8%	75.5%	69.4%	65.4%	63.8%	73.8%
Average Daily Rate	\$156.06	\$154.92	\$150.79	\$141.42	\$142.86	\$162.36
RevPAR	\$126.10	\$116.96	\$104.65	\$92.49	\$91.17	\$119.81
Rooms Revenue	\$3,681,975	\$3,415,264	\$3,064,117	\$2,700,644	\$2,662,038	\$3,508,054
Total Revenue	\$3,735,840	\$3,461,842	\$3,105,487	\$2,754,786	\$2,717,363	\$3,564,105
NOI ⁽¹⁾	\$1,015,195	\$700,248	\$335,156	\$82,651	\$78,183	\$1,008,911

⁽¹⁾ NOI reflects deductions for management fees (3%) and reserves for replacement costs (4%).

Financial Highlights

- ▶ Financial performance in 2024/2025 reflects an underinvested, pre-PIP asset.
- ▶ The Fairfield PIP is available to review in the Due Diligence Center link. We estimate PIP costs $\pm$ \$50,000 per room, or \$4 million.
- ▶ Performance relative to the competitive set of hotels declined considerably from 2022 to 2025. This trend is forecast to be reversed following completion of the PIP.
- ▶ This proforma was created by Maxim Hotel Brokerage based on STAR data, market knowledge and general hospitality statistics in order to provide a viable scenario in support of the pricing guidance. Prospects should build their own operating proforma.

Proforma Highlights

- ▶ Revenue Premium (PIP-driven)
 - ▶ Product upgrade results in ADR lift (7% growth)
 - ▶ Better reviews results in occupancy lift (from 69% to 73%)
- ▶ Labor Efficiency
 - ▶ Reset the operating model through renovation, repositioning, change in management
 - ▶ New FF&E results in water housekeeping turns
- ▶ Cost Normalization
 - ▶ 2026 is recast to industry benchmark levels (28%)
 - ▶ Departmental and Undistributed Operating Expenses are adjusted industry benchmark levels
 - ▶ Proforma forecasts from adjusted 2026 P&L



Fairfield Inn & Suites by Marriott Napa American Canyon
Historical and Projected Operating Budget

Operating Year	Actual 2022				Actual 2023				Actual 2024			
Number of Rooms	80				80				80			
Days Open	365				365				366			
Rooms Available	29,200				29,200				29,280			
Rooms Sold	23,594				22,046				20,320			
	Index				YoY %Δ Index				YoY %Δ Index			
Occupancy	80.8% 109.3%				75.5% -6.6% 121.0%				69.4% -8.1% 109.3%			
Average Daily Rate	\$156.06 105.7%				\$154.92 -0.7% 102.3%				\$150.79 -2.7% 105.4%			
Rooms RevPAR	\$126.10 115.6%				\$116.96 -7.2% 123.8%				\$104.65 -10.5% 115.2%			
Total RevPAR	\$127.94				\$118.56 -7.3%				\$106.06 -10.5%			
OPERATING REVENUE	\$ Amount	% Total	\$ PAR	\$ POR	\$ Amount	% Total	\$ PAR	\$ POR	\$ Amount	% Total	\$ PAR	\$ POR
Rooms	\$3,681,975	98.6%	\$46,025	\$156.06	\$3,415,264	98.7%	\$42,691	\$154.92	\$3,064,117	98.7%	\$38,301	\$150.79
Food and Beverage	0	0.0%	0	0.00	0	0.0%	0	0.00	0	0.0%	0	0.00
Other Operating Departments	30,396	0.8%	380	1.29	28,394	0.8%	355	1.29	25,567	0.8%	320	1.26
Miscellaneous Income	23,469	0.6%	293	0.99	18,184	0.5%	227	0.82	15,803	0.5%	198	0.78
Total Operating Revenue	\$3,735,840	100.0%	\$46,698	\$158.34	\$3,461,842	100.0%	\$43,273	\$157.03	\$3,105,487	100.0%	\$38,819	\$152.83
DEPARTMENTAL EXPENSES												
Rooms	\$1,164,358	31.6%	\$14,554	\$49.35	\$1,137,159	33.3%	\$14,214	\$51.58	\$1,189,834	38.8%	\$14,873	\$58.55
Food and Beverage	0	0.0%	0	0.00	0	0.0%	0	0.00	0	0.0%	0	0.00
Other Operating Departments	18,364	60.4%	230	0.78	15,240	53.7%	191	0.69	12,069	47.2%	151	0.59
Total Departmental Expenses	\$1,182,722	31.7%	\$14,784	\$50.13	\$1,152,399	33.3%	\$14,405	\$52.27	\$1,201,903	38.7%	\$15,024	\$59.15
Total Departmental Profit	\$2,553,118	68.3%	\$31,914	\$108.21	\$2,309,443	66.7%	\$28,868	\$104.76	\$1,903,584	61.3%	\$23,795	\$93.68
UNDISTRIBUTED EXPENSES												
Administrative & General	\$166,513	4.5%	\$2,081	\$7.06	\$152,363	4.4%	\$1,905	\$6.91	\$141,646	4.6%	\$1,771	\$6.97
Credit Card Commissions	89,054	2.4%	1,113	3.77	86,401	2.5%	1,080	3.92	84,540	2.7%	1,057	4.16
Information and Telecommunications Systems	27,582	0.7%	345	1.17	33,970	1.0%	425	1.54	29,059	0.9%	363	1.43
Sales and Marketing	3,764	0.1%	47	0.16	8,590	0.2%	107	0.39	6,059	0.2%	76	0.30
Franchise & Other Brand Fees	440,864	11.8%	5,511	18.69	444,185	12.8%	5,552	20.15	406,030	13.1%	5,075	19.98
Property Operation and Maintenance	193,269	5.2%	2,416	8.19	192,025	5.5%	2,400	8.71	212,106	6.8%	2,651	10.44
Utilities	157,773	4.2%	1,972	6.69	158,323	4.6%	1,979	7.18	160,138	5.2%	2,002	7.88
Total Undistributed Expenses	\$1,078,819	28.9%	\$13,485	\$45.73	\$1,075,857	31.1%	\$13,448	\$48.80	\$1,039,578	33.5%	\$12,995	\$51.16
Gross Operating Profit	\$1,474,299	39.5%	\$18,429	\$62.49	\$1,233,586	35.6%	\$15,420	\$55.96	\$864,006	27.8%	\$10,800	\$42.52
Management Fees	\$112,075	3.0%	\$1,401	\$4.75	\$103,855	3.0%	\$1,298	\$4.71	\$93,165	3.0%	\$1,165	\$4.58
Income before Non-Operating Income and Expenses	\$1,362,224	36.5%	\$17,028	\$57.74	\$1,129,731	32.6%	\$14,122	\$51.24	\$770,841	24.8%	\$9,636	\$37.93
NON-OPERATING INCOME AND EXPENSES												
Income	\$0	0.0%	\$0	\$0.00	\$0	0.0%	\$0	\$0.00	\$0	0.0%	\$0	\$0.00
Rent	0	0.0%	0	0.00	0	0.0%	0	0.00	0	0.0%	0	0.00
Property and Other Taxes	141,967	3.8%	1,775	6.02	147,044	4.2%	1,838	6.67	147,235	4.7%	1,840	7.25
Insurance	55,628	1.5%	695	2.36	143,965	4.2%	1,800	6.53	164,231	5.3%	2,053	8.08
Other	0	0.0%	0	0.00	0	0.0%	0	0.00	0	0.0%	0	0.00
Total Non-Operating Income And Expenses	\$197,595	5.3%	\$2,470	\$8.37	\$291,009	8.4%	\$3,638	\$13.20	\$311,466	10.0%	\$3,893	\$15.33
EBITDA	\$1,164,629	31.2%	\$14,558	\$49.36	\$838,722	24.2%	\$10,484	\$38.04	\$459,375	14.8%	\$5,742	\$22.61
Replacement Reserve	\$149,434	4.0%	\$1,868	\$6.33	\$138,474	4.0%	\$1,731	\$6.28	\$124,219	4.0%	\$1,553	\$6.11
EBITDA Less Replacement Reserve	\$1,015,195	27.2%	\$12,690	\$43.03	\$700,248	20.2%	\$8,753	\$31.76	\$335,156	10.8%	\$4,189	\$16.49

Fairfield Inn & Suites by Marriott Napa Americ
Historical and Projected Operating Budget

Operating Year	Actual 2025				T-12 as of 2/28/26				Actual/Forecast 2026			
Number of Rooms	80				80				80			
Days Open	365				365				365			
Rooms Available	29,200				29,200				29,200			
Rooms Sold	19,097				18,634				20,818			
		YoY %Δ		Index						YoY %Δ		Index
Occupancy	65.4%	-5.8%		102.7%	63.8%				71.3%	9.01%		109.7%
Average Daily Rate	\$141.42	-6.2%		102.6%	\$142.86				\$148.69	5.14%		103.7%
Rooms RevPAR	\$92.49	-11.6%		105.3%	\$91.17				\$106.00	14.61%		113.8%
Total RevPAR	\$94.34	-11.0%			\$93.06				\$107.79	14.25%		
OPERATING REVENUE	\$ Amount	% Total	\$ PAR	\$ POR	\$ Amount	% Total	\$ PAR	\$ POR	\$ Amount	% Total	\$ PAR	\$ POR
Rooms	\$2,700,644	98.0%	\$33,758	\$141.42	\$2,662,038	98.0%	\$33,275	\$142.86	\$3,095,339	98.3%	\$38,692	\$148.69
Food and Beverage	0	0.0%	0	0.00	0	0.0%	0	0.00	1	0.0%	0	0.00
Other Operating Departments	26,675	1.0%	333	1.40	27,368	1.0%	342	1.47	30,600	1.0%	383	1.47
Miscellaneous Income	27,467	1.0%	343	1.44	27,957	1.0%	349	1.50	21,500	0.7%	269	1.03
Total Operating Revenue	\$2,754,786	100.0%	\$34,435	\$144.25	\$2,717,363	100.0%	\$33,967	\$145.83	\$3,147,440	100.0%	\$39,343	\$151.19
DEPARTMENTAL EXPENSES												
Rooms	\$1,156,383	42.8%	\$14,455	\$60.55	\$1,115,580	41.9%	\$13,945	\$59.87	\$1,284,131	41.5%	\$16,052	\$61.68
Food and Beverage	0	0.0%	0	0.00	0	0.0%	0	0.00	1	100.0%	0	0.00
Other Operating Departments	18,375	68.9%	230	0.96	16,186	59.1%	202	0.87	15,300	50.0%	191	0.73
Total Departmental Expenses	\$1,174,758	42.6%	\$14,684	\$61.52	\$1,131,766	41.6%	\$14,147	\$60.74	\$1,299,432	41.3%	\$16,243	\$62.42
Total Departmental Profit	\$1,580,028	57.4%	\$19,750	\$82.74	\$1,585,597	58.4%	\$19,820	\$85.09	\$1,848,008	58.7%	\$23,100	\$88.77
UNDISTRIBUTED EXPENSES												
Administrative & General	\$142,874	5.2%	\$1,786	\$7.48	\$155,189	5.7%	\$1,940	\$8.33	\$202,471	6.4%	\$2,531	\$9.73
Credit Card Commissions	74,736	2.7%	934	3.91	75,321	2.8%	942	4.04	78,686	2.5%	984	3.78
Information and Telecommunications Systems	24,038	0.9%	300	1.26	24,568	0.9%	307	1.32	25,380	0.8%	317	1.22
Sales and Marketing	1,674	0.1%	21	0.09	1,175	0.0%	15	0.06	8,299	0.3%	104	0.40
Franchise & Other Brand Fees	369,858	13.4%	4,623	19.37	363,561	13.4%	4,545	19.51	407,108	12.9%	5,089	19.56
Property Operation and Maintenance	192,169	7.0%	2,402	10.06	197,458	7.3%	2,468	10.60	277,843	8.8%	3,473	13.35
Utilities	182,321	6.6%	2,279	9.55	181,921	6.7%	2,274	9.76	193,614	6.2%	2,420	9.30
Total Undistributed Expenses	\$987,670	35.9%	\$12,346	\$51.72	\$999,193	36.8%	\$12,490	\$53.62	\$1,193,401	37.9%	\$14,918	\$57.33
Gross Operating Profit	\$592,358	21.5%	\$7,404	\$31.02	\$586,404	21.6%	\$7,330	\$31.47	\$654,607	20.8%	\$8,183	\$31.44
Management Fees	\$82,644	3.0%	\$1,033	\$4.33	\$81,521	3.0%	\$1,019	\$4.37	\$94,423	3.0%	\$1,180	\$4.54
Income before Non-Operating Income and Expenses	\$509,714	18.5%	\$6,371	\$26.69	\$504,883	18.6%	\$6,311	\$27.09	\$560,184	17.8%	\$7,002	\$26.91
NON-OPERATING INCOME AND EXPENSES												
Income	\$0	0.0%	\$0	\$0.00	\$0	0.0%	\$0	\$0.00	\$0	0.0%	\$0	\$0.00
Rent	0	0.0%	0	0.00	0	0.0%	0	0.00	0	0.0%	0	0.00
Property and Other Taxes	146,863	5.3%	1,836	7.69	147,152	5.4%	1,839	7.90	150,000	4.8%	1,875	7.21
Insurance	170,009	6.2%	2,125	8.90	170,854	6.3%	2,136	9.17	162,000	5.1%	2,025	7.78
Other	0	0.0%	0	0.00	0	0.0%	0	0.00	0	0.0%	0	0.00
Total Non-Operating Income And Expenses	\$316,872	11.5%	\$3,961	\$16.59	\$318,006	11.7%	\$3,975	\$17.07	\$312,000	9.9%	\$3,900	\$14.99
EBITDA	\$192,842	7.0%	\$2,411	\$10.10	\$186,877	6.9%	\$2,336	\$10.03	\$248,184	7.9%	\$3,102	\$11.92
Replacement Reserve	\$110,191	4.0%	\$1,377	\$5.77	\$108,695	4.0%	\$1,359	\$5.83	\$125,898	4.0%	\$1,574	\$6.05
EBITDA Less Replacement Reserve	\$82,651	3.0%	\$1,033	\$4.33	\$78,183	2.9%	\$977	\$4.20	\$122,286	3.9%	\$1,529	\$5.87

FINANCIAL OVERVIEW

Fairfield Inn & Suites by Marriott Napa Americ Historical and Projected Operating Budget

Operating Year	Buyer Full Year 2026				Projected 2027				Projected 2028			
Number of Rooms	80				80				80			
Days Open	365				365				366			
Rooms Available	29,200				29,200				29,280			
Rooms Sold	20,818				20,818				21,606			
		YoY %Δ				YoY %Δ	Index			YoY %Δ	Index	
Occupancy	71.3%	9.01%			71.3%	0.00%	109.7%		73.8%	3.50%	113.6%	
Average Daily Rate	\$148.69	5.14%			\$154.63	4.00%	104.7%		\$162.36	5.00%	106.7%	
Rooms RevPAR	\$106.00	14.61%			\$110.24	4.00%	114.9%		\$119.81	8.68%	121.2%	
Total RevPAR	\$107.79	14.25%			\$112.08	3.98%			\$121.72	8.60%		
OPERATING REVENUE	\$ Amount	% Total	\$ PAR	\$ POR	\$ Amount	% Total	\$ PAR	\$ POR	\$ Amount	% Total	\$ PAR	\$ POR
Rooms	\$3,095,339	98.3%	\$38,692	\$148.69	\$3,219,153	98.4%	\$40,239	\$154.63	\$3,508,054	98.4%	\$43,851	\$162.36
Food and Beverage	1	0.0%	0	0.00	1	0.0%	0	0.00	1	0.0%	0	0.00
Other Operating Departments	30,600	1.0%	383	1.47	31,518	1.0%	394	1.51	32,464	0.9%	406	1.50
Miscellaneous Income	21,500	0.7%	269	1.03	22,145	0.7%	277	1.06	23,586	0.7%	295	1.09
Total Operating Revenue	\$3,147,440	100.0%	\$39,343	\$151.19	\$3,272,817	100.0%	\$40,910	\$157.21	\$3,564,105	100.0%	\$44,551	\$164.96
DEPARTMENTAL EXPENSES												
Rooms	\$866,695	28.0%	\$10,834	\$41.63	\$892,696	27.7%	\$11,159	\$42.88	\$936,879	26.7%	\$11,711	\$43.36
Food and Beverage	1	95.0%	0	0.00	1	95.0%	0	0.00	1	94.7%	0	0.00
Other Operating Departments	15,300	50.0%	191	0.73	15,759	50.0%	197	0.76	16,785	51.7%	210	0.78
Total Departmental Expenses	\$881,996	28.0%	\$11,025	\$42.37	\$908,456	27.8%	\$11,356	\$43.64	\$953,664	26.8%	\$11,921	\$44.14
Total Departmental Profit	\$2,265,444	72.0%	\$28,318	\$108.82	\$2,364,361	72.2%	\$29,555	\$113.57	\$2,610,440	73.2%	\$32,631	\$120.82
UNDISTRIBUTED EXPENSES												
Administrative & General	\$204,584	6.5%	\$2,557	\$9.83	\$210,721	6.4%	\$2,634	\$10.12	\$218,275	6.1%	\$2,728	\$10.10
Credit Card Commissions	78,686	2.5%	984	3.78	81,820	2.5%	1,023	3.93	89,103	2.5%	1,114	4.12
Information and Telecommunications Systems	12,000	0.4%	150	0.58	12,360	0.4%	155	0.59	12,779	0.4%	160	0.59
Sales and Marketing	8,299	0.3%	104	0.40	8,548	0.3%	107	0.41	8,904	0.2%	111	0.41
Franchise & Other Brand Fees	340,487	10.8%	4,256	16.36	354,107	10.8%	4,426	17.01	385,886	10.8%	4,824	17.86
Property Operation and Maintenance	157,372	5.0%	1,967	7.56	162,093	5.0%	2,026	7.79	168,536	4.7%	2,107	7.80
Utilities	193,614	6.2%	2,420	9.30	199,422	6.1%	2,493	9.58	205,794	5.8%	2,572	9.52
Total Undistributed Expenses	\$995,042	31.6%	\$12,438	\$47.80	\$1,029,072	31.4%	\$12,863	\$49.43	\$1,089,277	30.6%	\$13,616	\$50.42
Gross Operating Profit	\$1,270,402	40.4%	\$15,880	\$61.02	\$1,335,289	40.8%	\$16,691	\$64.14	\$1,521,164	42.7%	\$19,015	\$70.40
Management Fees	\$94,423	3.0%	\$1,180	\$4.54	\$98,184	3.0%	\$1,227	\$4.72	\$106,923	3.0%	\$1,337	\$4.95
Income before Non-Operating Income and Expenses	\$1,175,979	37.4%	\$14,700	\$56.49	\$1,237,104	37.8%	\$15,464	\$59.42	\$1,414,241	39.7%	\$17,678	\$65.46
NON-OPERATING INCOME AND EXPENSES												
Income	\$0	0.0%	\$0	\$0.00	\$0	0.0%	\$0	\$0.00	\$0	0.0%	\$0	\$0.00
Rent	0	0.0%	0	0.00	0	0.0%	0	0.00	0	0.0%	0	0.00
Property and Other Taxes	120,000	3.8%	1,500	5.76	122,400	3.7%	1,530	5.88	124,848	3.5%	1,561	5.78
Insurance	130,000	4.1%	1,625	6.24	133,900	4.1%	1,674	6.43	137,917	3.9%	1,724	6.38
Other	0	0.0%	0	0.00	0	0.0%	0	0.00	0	0.0%	0	0.00
Total Non-Operating Income And Expenses	\$250,000	7.9%	\$3,125	\$12.01	\$256,300	7.8%	\$3,204	\$12.31	\$262,765	7.4%	\$3,285	\$12.16
EBITDA	\$925,979	29.4%	\$11,575	\$44.48	\$980,804	30.0%	\$12,260	\$47.11	\$1,151,476	32.3%	\$14,393	\$53.29
Replacement Reserve	\$125,898	4.0%	\$1,574	\$6.05	\$130,913	4.0%	\$1,636	\$6.29	\$142,564	4.0%	\$1,782	\$6.60
EBITDA Less Replacement Reserve	\$800,081	25.4%	\$10,001	\$38.43	\$849,892	26.0%	\$10,624	\$40.82	\$1,008,911	28.3%	\$12,611	\$46.70

FINANCIAL OVERVIEW

Fairfield Inn & Suites by Marriott Napa Americ Historical and Projected Operating Budget

Operating Year	Projected 2029				Projected 2030				Projected 2031			
Number of Rooms	80				80				80			
Days Open	365				365				365			
Rooms Available	29,200				29,200				29,200			
Rooms Sold	21,547				21,547				21,547			
		YoY %Δ	Index			YoY %Δ	Index			YoY %Δ	Index	
Occupancy	73.8%	0.00%	113.6%		73.8%	0.00%	113.6%		73.8%	0.00%	113.6%	
Average Daily Rate	\$170.48	5.00%	108.8%		\$175.60	3.00%	108.8%		\$180.87	3.00%	108.8%	
Rooms RevPAR	\$125.80	5.00%	123.6%		\$129.58	3.00%	123.6%		\$133.46	3.00%	123.6%	
Total RevPAR	\$127.78	4.97%			\$131.61	3.00%			\$135.56	3.00%		
OPERATING REVENUE	\$ Amount	% Total	\$ PAR	\$ POR	\$ Amount	% Total	\$ PAR	\$ POR	\$ Amount	% Total	\$ PAR	\$ POR
Rooms	\$3,673,398	98.5%	\$45,917	\$170.48	\$3,783,600	98.5%	\$47,295	\$175.60	\$3,897,108	98.5%	\$48,714	\$180.87
Food and Beverage	1	0.0%	0	0.00	1	0.0%	0	0.00	1	0.0%	0	0.00
Other Operating Departments	33,437	0.9%	418	1.55	34,441	0.9%	431	1.60	35,474	0.9%	443	1.65
Miscellaneous Income	24,234	0.6%	303	1.12	24,961	0.6%	312	1.16	25,710	0.6%	321	1.19
Total Operating Revenue	\$3,731,071	100.0%	\$46,638	\$173.16	\$3,843,003	100.0%	\$48,038	\$178.35	\$3,958,293	100.0%	\$49,479	\$183.71
DEPARTMENTAL EXPENSES												
Rooms	\$963,667	26.2%	\$12,046	\$44.72	\$992,577	26.2%	\$12,407	\$46.07	\$1,022,355	26.2%	\$12,779	\$47.45
Food and Beverage	1	94.7%	0	0.00	1	94.7%	0	0.00	1	94.7%	0	0.00
Other Operating Departments	17,246	51.6%	216	0.80	17,763	51.6%	222	0.82	18,296	51.6%	229	0.85
Total Departmental Expenses	\$980,914	26.3%	\$12,261	\$45.52	\$1,010,342	26.3%	\$12,629	\$46.89	\$1,040,652	26.3%	\$13,008	\$48.30
Total Departmental Profit	\$2,750,156	73.7%	\$34,377	\$127.64	\$2,832,661	73.7%	\$35,408	\$131.46	\$2,917,641	73.7%	\$36,471	\$135.41
UNDISTRIBUTED EXPENSES												
Administrative & General	\$224,731	6.0%	\$2,809	\$10.43	\$231,473	6.0%	\$2,893	\$10.74	\$238,417	6.0%	\$2,980	\$11.06
Credit Card Commissions	93,277	2.5%	1,166	4.33	96,075	2.5%	1,201	4.46	98,957	2.5%	1,237	4.59
Information and Telecommunications Systems	13,159	0.4%	164	0.61	13,554	0.4%	169	0.63	13,960	0.4%	175	0.65
Sales and Marketing	9,164	0.2%	115	0.43	9,439	0.2%	118	0.44	9,722	0.2%	122	0.45
Franchise & Other Brand Fees	404,074	10.8%	5,051	18.75	416,196	10.8%	5,202	19.32	428,682	10.8%	5,359	19.90
Property Operation and Maintenance	173,473	4.6%	2,168	8.05	178,678	4.6%	2,233	8.29	184,038	4.6%	2,300	8.54
Utilities	211,939	5.7%	2,649	9.84	218,297	5.7%	2,729	10.13	224,846	5.7%	2,811	10.44
Total Undistributed Expenses	\$1,129,817	30.3%	\$14,123	\$52.43	\$1,163,711	30.3%	\$14,546	\$54.01	\$1,198,622	30.3%	\$14,983	\$55.63
Gross Operating Profit	\$1,620,340	43.4%	\$20,254	\$75.20	\$1,668,950	43.4%	\$20,862	\$77.46	\$1,719,018	43.4%	\$21,488	\$79.78
Management Fees	\$111,932	3.0%	\$1,399	\$5.19	\$115,290	3.0%	\$1,441	\$5.35	\$118,749	3.0%	\$1,484	\$5.51
Income before Non-Operating Income and Expenses	\$1,508,408	40.4%	\$18,855	\$70.01	\$1,553,660	40.4%	\$19,421	\$72.11	\$1,600,270	40.4%	\$20,003	\$74.27
NON-OPERATING INCOME AND EXPENSES												
Income	\$0	0.0%	\$0	\$0.00	\$0	0.0%	\$0	\$0.00	\$0	0.0%	\$0	\$0.00
Rent	0	0.0%	0	0.00	0	0.0%	0	0.00	0	0.0%	0	0.00
Property and Other Taxes	127,345	3.4%	1,592	5.91	129,892	3.4%	1,624	6.03	132,490	3.3%	1,656	6.15
Insurance	142,055	3.8%	1,776	6.59	146,316	3.8%	1,829	6.79	150,706	3.8%	1,884	6.99
Other	0	0.0%	0	0.00	0	0.0%	0	0.00	0	0.0%	0	0.00
Total Non-Operating Income And Expenses	\$269,399	7.2%	\$3,367	\$12.50	\$276,208	7.2%	\$3,453	\$12.82	\$283,195	7.2%	\$3,540	\$13.14
EBITDA	\$1,239,008	33.2%	\$15,488	\$57.50	\$1,277,452	33.2%	\$15,968	\$59.29	\$1,317,074	33.3%	\$16,463	\$61.13
Replacement Reserve	\$149,243	4.0%	\$1,866	\$6.93	\$153,720	4.0%	\$1,922	\$7.13	\$158,332	4.0%	\$1,979	\$7.35
EBITDA Less Replacement Reserve	\$1,089,765	29.2%	\$13,622	\$50.58	\$1,123,732	29.2%	\$14,047	\$52.15	\$1,158,743	29.3%	\$14,484	\$53.78