



**DoubleTree by Hilton Atlanta Perimeter Dunwoody**  
*Atlanta, Georgia*



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## Opportunity Overview

HREC Investment Advisors has been retained as the exclusive advisor to the Owner and is pleased to offer for sale the 250-room DoubleTree by Hilton Atlanta Perimeter Dunwoody (the “Hotel” or “Property”), located in one of Atlanta’s most dynamic submarkets.

The DoubleTree Perimeter is located in the heart of Atlanta’s Central Perimeter market, which features the largest Class “A” office submarket in greater Atlanta with over 29 million Sq. Ft. Within the “mecca” of Atlanta’s corporate space, the Hotel is close to “Headquarters Row” – State Farm, Mercedes Benz, UPS, and Cox Communications. The DoubleTree is located directly off of I-285, near the major interchange of GA 400 and I-285, and located proximate to Pill Hill, the largest concentration of major hospitals (Northside, Emory St. Joe’s, and Children’s Healthcare) in the Southeast.

Investors have the opportunity to purchase a high quality DoubleTree Hotel with a very low property improvement plan (“PIP”) required upon acquisition. No significant investment is required by the brand until 2026 when a soft goods refresh will be required to be completed by June 2026. This allows a buyer to build up their FF&E reserves in order to fund the refresh. The offering presents investors with an unparalleled opportunity to acquire an upscale, Hilton-branded hotel in a robust and expanding Atlanta submarket, fee-simple and unencumbered by management.

## Terms of Sale

**Interest:** Fee-Simple

**Price:** Please contact Monty Levy for pricing guidance

**Terms:** Contact HREC Capital Markets Team for Debt Inquiries

**Franchise:** DoubleTree by Hilton

**Management:** Unencumbered by Management







## AUCTION DETAILS

The sale of the DoubleTree Atlanta Perimeter Dunwoody, located in the city of Atlanta, GA will take place through a secure online open bid web portal on the Ten-X.com web platform ("The Auction"). **The auction is scheduled to begin April 3rd, 2023 with the closing time for all bidding to fall on April 5th, 2023.** THIS SCHEDULE IS SUBJECT TO FURTHER REVISION BY THE SELLER AND/OR TEN-X.COM IN THEIR SOLE AND ABSOLUTE DISCRETION. ALL PROSPECTIVE BIDDERS ARE ENCOURAGED TO FREQUENTLY CHECK THE SPECIFIC PROPERTY LANDING PAGE ON THE TEN-X.COM WEBSITE FOR ANY CHANGES.



### GETTING STARTED

- 1 STEP 1** – Create a free profile at <https://www.ten-x.com/commercial/signup/>
- 2 STEP 2** – Once you have confirmed your email, return to [www.ten-x.com](http://www.ten-x.com) homepage, use the search box at the top and search "DoubleTree by Hilton Atlanta Perimeter"
- 3 STEP 3** – Find a specific asset webpage by selecting the photo or asset address within the search list. Here you are able to view the property details, photos and due diligence materials.

### BECOME AN APPROVED BIDDER

- 1 STEP 1** – Click on "Register to Bid" and Confirm your Contact Info
- 2 STEP 2** – Upload your Proof of Funds (read carefully what is accepted as liquid proof of funds)
- 3 STEP 3** – Complete "Issue Contract To" step
- 4 STEP 4** – Carefully review the Participation Terms. If you accept, click "Accept and Agree"

*\*Your registration will be sent to our Registrations Team for review. They will reach out to you if anything is needed to complete your registration.*

### ACCESSING DUE DILIGENCE MATERIALS

- 1 STEP 1** – On the asset webpage, scroll down to, "Document Vault".
- 2 STEP 2** – If you "Agree" with the terms of the digital Confidentiality Agreement, simply click accept to be granted access to the Document Vault.
- 3 STEP 3** – Review Due Diligence items for the property. Contact listing broker with any questions.

**THERE WILL BE NO DUE DILIGENCE CONTINGENCY PERIOD ALLOWED FOR THE WINNING BIDDER.**  
For all details and Auction Terms and Conditions, <https://www.ten-x.com/company/legal/participation-terms/>



## Investment Highlights

### Near Heart of Central Perimeter Market

The DoubleTree Perimeter is located near the heart of the Central Perimeter market, surrounded by the largest concentration of class “A” office space in greater Atlanta, featuring over 29 million square feet. As such, the DoubleTree is located proximate to multiple regional, national, and global headquarters such as UPS, Mercedes Benz, Cox Communications, State Farm, and many more. In fact, State Farm is in the midst of a three-tower development fit for 8,500 additional employees. State Farm’s Dunwoody complex includes more than 1.7 million square feet of office space—substantially more than Midtown’s Bank of America Plaza, the Southeast’s tallest building. Furthermore, the DoubleTree is two miles away from “Pill Hill,” the largest concentration of major hospitals in the Southeast, comprised of Northside, Emory St. Joe’s, and Children’s Healthcare. A new owner will be able to witness the DoubleTree concurrently ramp up post-PIP with the return of corporate demand in the market.

### Atlanta Market’s Robust and Dynamic Economy – I-285/GA 400 Corporate Expansion

Atlanta is firing on all economic cylinders. From company relocation and expansion activity, its place as a distribution hub for the Southeast region, region, and the world’s busiest airport to robust job growth and construction activity, Atlanta is a top destination amongst investors, businesses, and job seekers. The city contains the world headquarters of corporations such as Coca-Cola, Home Depot, UPS, Cox Communications, Delta Air Lines and Turner Broadcasting. Corporate expansion and relocation to the Atlanta area has fueled job and population growth for the last several years. Recent expansions and job announcements include Inspire Brands, State Farm, Salesforce, Starbucks, Hapag-Lloyd, and Pandora. Atlanta’s economy is diverse, with key industries consisting of technology, logistics and professional services. Construction is also a bright spot, as mobility enhancements such as the addition of commuter lanes along major interstates and the redesign of the I-285/GA Highway 400 interchange will prepare Atlanta for additional growth.



MARTA Bus Station Development

### Highly Accessible Locations – Along Major Regional Roadways (GA 400/I-285)

The DoubleTree Perimeter is located off of I-285, and proximate to its interchange with GA 400. This allows easy access to the mecca of office space nearby, Buckhead, Midtown, and downtown Atlanta.



Central Perimeter



Perimeter Mall

### Highly-Desirable Brand Affiliation

The Hotel maintains brand affiliation with Hilton and benefits from one of the best guest loyalty programs in the lodging industry and arguably the strongest parent brand in the world. As one of the most trusted names in hotels, Hilton is renowned for its consistent quality and service. Hilton has continued its leadership and brand recognition as the choice for travelers, owners, and franchisees for over 50 years. The Hotel is able to drive demand through this Hilton affiliation and its reservation system.



### Unencumbered by Management

The Hotel is being offered free and clear of a management contract allowing for the opportunity to implement strategic cost control initiatives and employ aggressive revenue management strategies.



Dunwoody Outdoor Park

### Massive Renovation Completed

The Hotel underwent a transformative PIP renovation in 2017 that was over \$12.5 million or over \$50,000 per key.



Atlanta, Georgia



View of State Farm and MARTA Rail Line



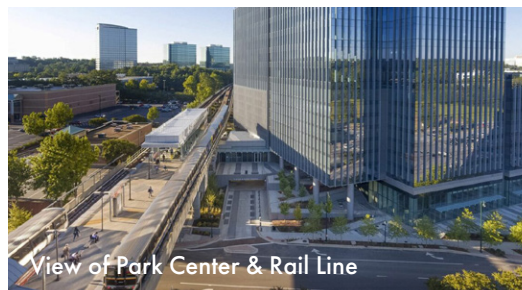
Truist Park



Sandy Springs

### Significant Recovery Expected in 2023

The Hotel outperformed Jan 2023 budget by over \$200k in sales. The DoubleTree is expected to exceed last year's NOI by 162% in 2023, as shown in the 2023 Budget which is being exceeded based upon Jan 2023 numbers (displayed in the back of the book).



View of Park Center & Rail Line

### Excellent Condition – Minimal Change of Ownership PIP

Due to COVID, the Hotel has stayed in excellent shape since the renovation. This is evident when looking at the very minimal change of ownership PIP.





One, Two, and Three Ravinia

State Farm Atlanta Hub – Dunwoody

Pill Hill

Perimeter Mall

Cox Communications Headquarters



Sandy Springs - Marta Station



Mercedes Benz USA Corporate Headquarters



# Property Overview

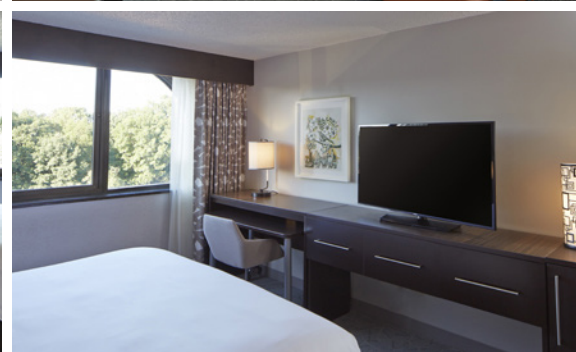
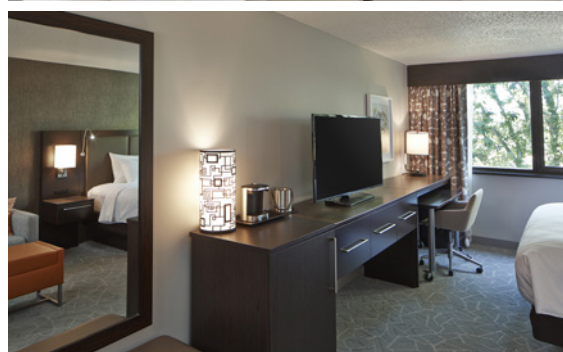
## Guestrooms

The Hotel features 250 guestrooms, each with a Sweet Dreams bed, work desk with complimentary WiFi access and an adjustable chair, 51-inch HDTV, coffeemaker and a mini fridge. Rooms types are 1 king bed with fridge (261 sq. ft.), 1 king bed with sofa (306 sq. ft.), and 2 queen beds (303 sq. ft.).

## Food & Beverage

Southern Grove is the Hotel's full restaurant. The operation features southern cuisine with a modern twist in a communal space and inviting atmosphere. The contemporary southern comfort dishes presented by a friendly, experienced staff are a charming treat for guests and a profitable revenue stream for owners.

Property Overview	
Address	4386 Chamblee Dunwoody Road Atlanta, GA 30341
STR Market/Submarket	Atlanta, GA Perimeter, GA
Year Built	1978
Stories	5
Guestrooms	250
Parking	300 Spaces
Building Size	166,446 Sq. Ft.
Lot Size	5.5 acres
Ownership Interest	Fee-Simple
Facilities & Amenities	Pool Fitness Center 24-Hour Business Center Full Restaurant Lobby Market Wireless High-Speed Internet





### Other Amenities

The DoubleTree has an outdoor pool and fitness center featuring a Peloton® Bike with toe cages. Furthermore, the Hotel offers a business center and market pantry.

### Antenna Lease

Another revenue stream for the DoubleTree is the Hotel's rooftop cell tower lease with American Tower. The lease is posted to the deal room.

### CapEx

In 2017, the Hotel underwent a \$12.5M (\$50,000 per key) renovation. Subsequent to that, an additional \$1.5M has been invested in the Property. A full breakdown of CapEx since 2017 can be viewed and downloaded in the virtual deal room. The DoubleTree change-of-ownership PIP is posted and reflects that no major expenditures are required until 2026.

### Event Space

The Hotel features 12,000 square feet of flexible event space across 11 rooms. The largest room setup is 5,500 square feet, which can fit up 700 people. In-house catering is available for events.



Event Room Name	Banquet	Conference	Square	Reception	School Room	Theatre	U-Shape
<b>Azalea Ballroom – Square Feet: 5,500</b>	400	160	160	700	360	700	155
<b>Azalea 1 – Square Feet: 2,750</b>	200	80	80	300	200	300	80
<b>Azalea 2 – Square Feet: 1,595</b>	100	50	50	200	100	200	45
<b>Dogwood – Square Feet: 1,144</b>	30	30	30	90	50	120	30
<b>Peach – Square Feet: 1,056</b>	60	30	30	90	50	120	30
<b>King – Square Feet: 720</b>	30	20	20	50	20	50	20
<b>Azalea 3 – Square Feet: 672</b>	50	25	20	75	30	75	25
<b>Azalea 4 – Square Feet: 672</b>	50	25	25	75	30	75	25
<b>Georgia – Square Feet: 325</b>	20	20	20	30	15	40	15
<b>Live Oak – Square Feet: 325</b>	20	20	20	30	15	40	15
<b>Stone Mountain – Square Feet: 325</b>	20	20	20	30	15	40	15
<b>Maple – Square Feet: 260</b>	10	10	10	20	10	20	8

## Area Overview – Central Perimeter

Perimeter Center is a major edge city in metro Atlanta, Georgia. It is centered on Perimeter Mall, the nucleus around which it has formed. Perimeter Center is located north of Atlanta proper, and lies within three cities: Dunwoody, Sandy Springs, and Brookhaven. It is one of metro Atlanta's largest business districts, and one of the largest edge cities in the United States, comprising over 29 million square feet of office space, 6 million square feet of retail space, and 40,000 residents. Furthermore, the neighborhood, serving as the headquarters for many of Atlanta's Fortune 1000 companies, offers unrivaled access to three MARTA stations and major interstates.

### State Farm Atlanta Hub – Dunwoody

Seven years ago, State Farm announced plans for a regional hub at Atlanta's Perimeter Center, under two miles away from the DoubleTree Perimeter. State Farm chose the Dunwoody submarket of Atlanta for its proximity to the MARTA rail line, its plethora of

walkable amenities, its deep and well-educated labor pool as well as a considerable supply of reasonably priced homes and apartments nearby.

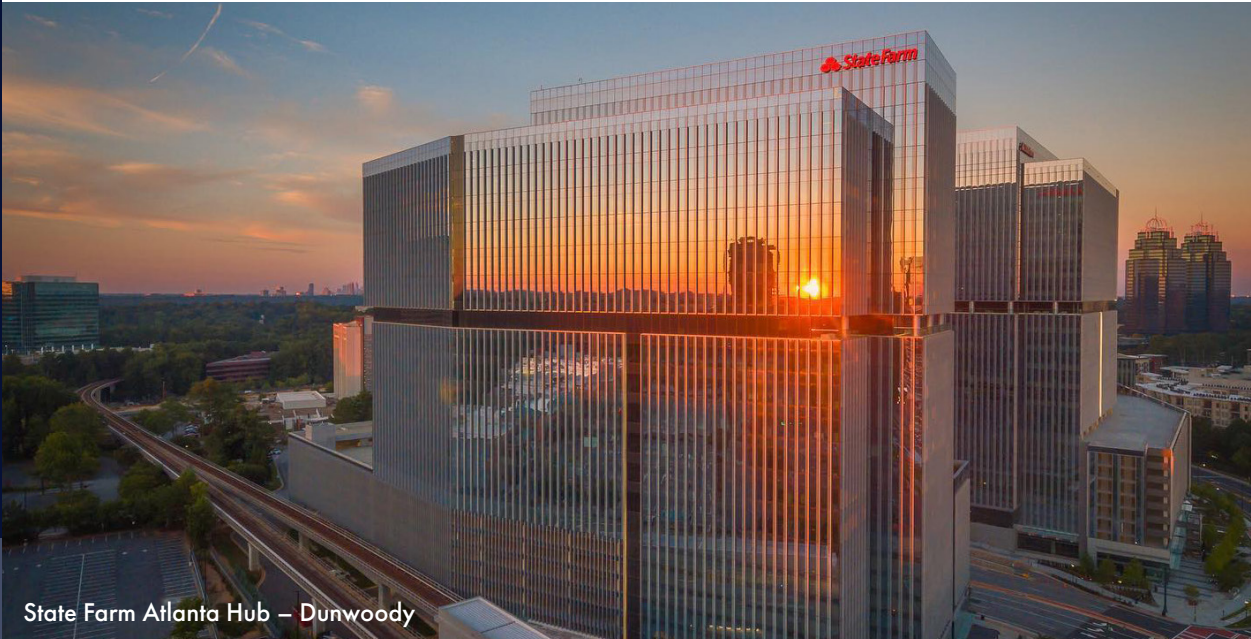
As of 2023, the three-tower development is complete (one tower is subleased to Carvana). The Dunwoody complex includes more than 1.7 million square feet of office space—substantially more than Midtown's Bank of America Plaza, the Southeast's tallest building. It has 61 total stories, 46 breakrooms, and 44 elevators. Nearly 400,000 pounds of dynamite were required to clear the site, and it's taken 3 million manhours to build it so far. The development is fit for 8,500 employees. Although one of the towers is subleased to Carvana, State Farm has retained 6,600 employees at its Dunwoody campus.

### One, Two, and Three Ravinia

In the heart of Central Perimeter, and only two miles from the DoubleTree, One and Two Ravinia consist

of two 17-story, Class A office towers situated within one of the most prestigious, well-known suburban office parks in the region. With recently completed renovations, the 828,733-square-foot complex delivers the convenience and accessibility today's workforce seeks, including convenient access to multiple outdoor workspaces on-site, the Perimeter Mall, and dozens of dining options.

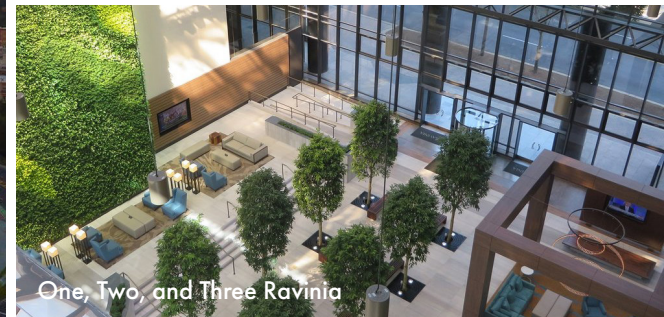
Three Ravinia is the tallest building in Dunwoody and is a part of the same business complex as One and Two. The 31-story building features 816,748 square feet and saw big companies sign leases in December 2021. Hapag-Lloyd signed a 127,000-square-foot lease, relocating its Americas headquarters to Atlanta. Hapag-Lloyd is expected to create 250 new jobs and occupy Three Ravinia by the third quarter of 2023. With this latest announcement, the building is now 94% leased, a testament to the area's resilience coming out of the pandemic.



State Farm Atlanta Hub – Dunwoody



One, Two, and Three Ravinia



One, Two, and Three Ravinia





Mercedes-Benz USA Corporate Headquarters



Pill Hill Medical Center



Cox Communications Headquarters

### Intercontinental Hotel Group

IHG's Americas Headquarters is located in Three Ravinia. The office has been in the building since 2002 and employs 970 people. Globally, InterContinental Hotels Group is incorporated and registered in England and Wales. Approximately 350,000 people work across IHG's hotels and corporate offices internationally.

### Mercedes-Benz USA Corporate Headquarters

The corporate headquarters for Mercedes-Benz is along GA 400, about 4.5 miles from the Hotel. The headquarters, formerly located in Montvale, NJ, moved to Sandy Springs in July 2015. Of the more than 1,600 people who work for Mercedes-Benz USA, between 800 and 900 are based out of the Sandy Springs headquarters. Mercedes-Benz USA (MBUSA) is responsible for the distribution, marketing, and customer service for all Mercedes-Benz products in the United States. Mercedes-Benz is an economic stimulant for the

area, creating hospitality demand and further stretching its local presence by getting the naming rights to the Mercedes-Benz Stadium five years ago.

### UPS World Headquarters

Located 4 miles from the DoubleTree, the UPS World Headquarters in Sandy Springs has been the supply-chain company's global heartbeat for the past 27 years. UPS employs over 14,000 across the state of Georgia. In 2018, UPS opened its second-largest ground package facility in the United States in Atlanta. The facility is 1.2 million square feet and has added around 3,000 new jobs for Atlanta residents.

### Cox Communications Headquarters

Cox Communications, the third largest cable provider in the nation, is headquartered at the Perimeter, about a three miles from the DoubleTree. Cox does about \$21 billion in annual revenue and employs approximately 55,000 nationwide.

### Perimeter Mall

Located at the interchange of Interstate 285 and Georgia 400, the Perimeter Mall is an area destination as the second largest shopping mall in the state of Georgia. The mall includes valet parking, open-air shops, upscale restaurants, and salons, all connected by gardens and scenic paths. The mall is anchored by Dillard's, Nordstrom, Von Maur, and Macy's.

### Sandy Springs Medical Center – Pill Hill

The DoubleTree is strategically located about two miles from the Sandy Springs Medical Center, best known as "Pill Hill" and the healthcare mecca of Atlanta. Known as Atlanta's most substantial and dynamic healthcare market, Pill Hill is recognized for being an advanced and exceptional center for innovation of medicine and world-renowned patient care. Pill Hill is home to three nationally acclaimed hospitals, Northside Hospital of Atlanta, Emory at Saint Joseph's, and Children's Healthcare.



## Market Overview – Atlanta, GA

Atlanta is the capital and the most populous city in the state of Georgia, with an estimated MSA population of over 5.9 million residents. Additionally, Atlanta is the third most visited city in the United States as it welcomes an average of more than 50 million visitors each year. The city has a variety of entertainment and attractions, Fortune 500 companies, a top business city, a primary transportation hub of the Southeastern U.S. and has the world's largest airport. Since 1998, Hartsfield-Jackson Atlanta International Airport has been the busiest airport in the world and functions as the headquarters for Delta Air Lines. Hartsfield-Jackson currently serves 150 U.S. destinations and more than 75 international destinations in 50 countries.

Downtown Atlanta is the historic business district of Atlanta. Downtown is the largest of the city's three commercial districts, and the location of many corporate and regional headquarters, city, county, state and federal government facilities, Georgia State University, sporting venues, and most of Atlanta's major tourist attractions. The city contains the world

headquarters of corporations such as Coca-Cola, Home Depot, UPS, Delta Air Lines, Mercedes Benz and Turner Broadcasting. Atlanta's premier tourist attraction is the world's largest aquarium, the Georgia Aquarium which is home to hundreds of species and thousands of animals across its seven major galleries, all of which reside in more than 10 million US gallons of fresh and salt water. Other popular attractions include the World of Coca-Cola, Centennial Olympic Park, Mercedes-Benz Stadium, State Farm Arena, the CNN Center and SunTrust Park Complex.

Atlanta is firing on all economic cylinders. From company relocation and expansion activity, its place as a distribution hub for the Southeast region, expanding ports and airports, to robust job growth and construction activity, Atlanta is a top destination amongst investors, businesses and job seekers. Corporate expansion and relocation to the Atlanta area has fueled job and population growth for the last several years. Atlanta's economy is diverse, with key industries consisting of technology, logistics and professional services.

### Fortune 500 Companies

Rank	Company	Revenue (\$ mil)
27	The Home Depot	\$108,203
41	United Parcel Service (UPS)	\$71,861
69	Delta Air Lines, Inc.	\$44,438
100	The Coca-Cola Company	\$31,856
131	The Southern Company	\$23,495
169	Genuine Parts Company	\$18,735
190	WestRock	\$16,285
304	Truist (Formerly SunTrust) Banks	\$10,431
312	PulteGroup, Inc.	\$10,188
335	AGCO	\$9,352
347	Veritiv	\$8,696
439	Asbury Automotive Group, Inc.	\$6,874
465	NCR Corporation	\$6,405
469	Intercontinental Exchange	\$6,276
479	HD Supply Holdings, Inc.	\$6,047
480	Graphic Packaging Holding Co.	\$6,023



Atlanta, Georgia



## Metro Atlanta Economic Overview

Metro Atlanta is a thriving region and a top tech hub, backed by a renowned business climate. Georgia's business climate has been ranked #1 in the nation for eight consecutive years by Site Selection, and Area Development ranked Georgia the top state for doing business for the seventh year in a row. The region continues to outgrow and outpace the nation's best-known metropolitan regions and thousands of international businesses have made their way to Atlanta. On May 18, 2020, Fortune released its annual 2020 Fortune 500/1000 list of America's largest companies based on revenues. Thirty companies headquartered in metro Atlanta are among the 2020 Fortune 1000, of which 16 companies ranked in the elite Fortune 500. In fiscal year 2019, these 30 companies generated aggregate revenues of \$438 billion.

Powered by the strength of more than 13,000 technology companies, metro Atlanta is praised for its strengths in telecom, cyber security, financial technology, digital media, and a thriving mobility ecosystem. As one of the fastest-growing, high-tech urban centers in the nation, metro Atlanta is leading the way in creating a national center for digital innovation and tech industry growth. More than 160 financial technology organizations

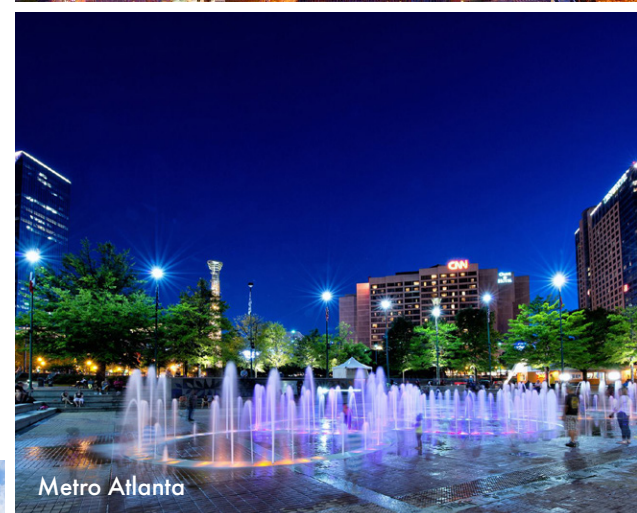
call Georgia home, including global giants like NCR, Worldpay, Equifax, and Global Payments, as well as Atlanta's industry disrupters including Kabbage, Bitpay, Paymetric, GreenSky, ControlScan, GroundFloor, and Cardlytics. On par with London, New York, Zurich and Singapore, metro Atlanta is a global center for money, markets and transactions.

### Fortune 1000 Companies

Rank	Company	Revenue (\$ mil)
647	Aaron's Inc.	\$3,828
665	Acuity Brands, Inc.	\$3,680
689	Carter's Inc.	\$3,462
696	Equifax Inc.	\$3,412
703	Global Payments Inc.	\$3,366
786	BlueLinx Holdings Inc.	\$2,862
852	GMS Inc.	\$2,511
872	FleetCor Technologies, Inc.	\$2,433
955	SiteOne Landscape Supply	\$2,112
956	Beazer Homes USA, Inc.	\$2,107



Bank of America Plaza



Metro Atlanta



Metro Atlanta



Metro Atlanta



Also recognized as the Center of Global Health, metro Atlanta and Georgia are powerful hubs for the rapidly growing bioscience industry. Headquarters for renowned national and global biomedical health organizations that call metro Atlanta home include the Centers of Disease Control and Prevention (CDC), American Cancer Society, Arthritis Foundation, CARE (Cooperation for Assistance and Relief Everywhere), The Carter Center, and the Task Force for Global Health. Further, metro Atlanta is a leader in areas of cold chain storage, fill and finish hematology and immunology, medical devices, and health IT.

Additionally, Metro Atlanta is one of the most important global logistics centers in the United States. Atlanta has been one of the most important transportation hubs in the U.S. since its founding as a railroad hub terminus in 1837. The region has grown into a leading global logistics center for supply chain management due to its strong cluster of corporate headquarters that demand efficient supply chain services, vital southeast geographic location, and robust infrastructure. Atlanta's global access, innovation and talent create an unparalleled logistics network for companies that demand an efficient and consistent global supply chain.



View of Downtown Atlanta

### Top 25 Metro Atlanta Employers

Rank	Employer	# of Employees	Rank	Employer	# of Employees
1	Delta Air Lines	34,500	14	Centers for Disease Control and Prevention	8,403
2	Emory University & Emory Healthcare	32,091	15	The Coca-Cola Company	8,000
3	The Home Depot	16,510	16	Southern Company (Includes Georgia Power)	7,753
4	Northside Hospital	16,000	17	Grady Health System	7,600
5	Piedmont Healthcare	15,900	18	Truist (Formerly SunTrust) Bank	7,478
6	Publix Super Markets	15,591	19	Georgia Institute of Technology (Georgia Tech)	7,139
7	WellStar Health System	15,353	20	State Farm	6,000
8	The Kroger Co.	15,000	21	Turner	6,000
9	AT&T	15,000	22	Kennesaw State University	5,488
10	UPS	14,594	23	Bank of America	5,130
11	Marriott International	12,000	24	MARTA	4,700
12	Children's Healthcare of Atlanta	9,000	25	Allied Universal Security Services	4,570
13	Cox Enterprises	8,894			



## Leisure Attractions

### Truist Park

Truist Park, the home of the Atlanta Braves is the first of its kind, a destination that simultaneously builds and integrates a state-of-the-art Major League Baseball ballpark with a multi-use development and community. Originally named SunTrust Park, the stadium was renamed to Truist Park in January 2020. The stadium cost \$622 million to construct and officially open in 2017. It holds a capacity of over 41,000 and is located nine miles from the Hotel.

### Children's Healthcare of Atlanta Training Ground – Atlanta United FC

Located 12 miles from the Property sits Atlanta United FC's recently opened, state-of-the-art training facility and headquarters. Named Children's Healthcare of Atlanta Training Ground, the facility sits on a 33-acre site, featuring a 30,000 square foot headquarters and six full-size fields, including three natural grass pitches

and three FieldTurf surfaces. Aside from the elegant first team locker room and fields, the facility houses six different academy locker rooms, a full-service kitchen and dining room with balcony access, state-of-the-art sports science facilities with two hydrotherapy pools, and a show pitch with a 2,500-seat capacity that hosted the 2018 MLS Homegrown Game presented by Energizer

### Six Flags White Water

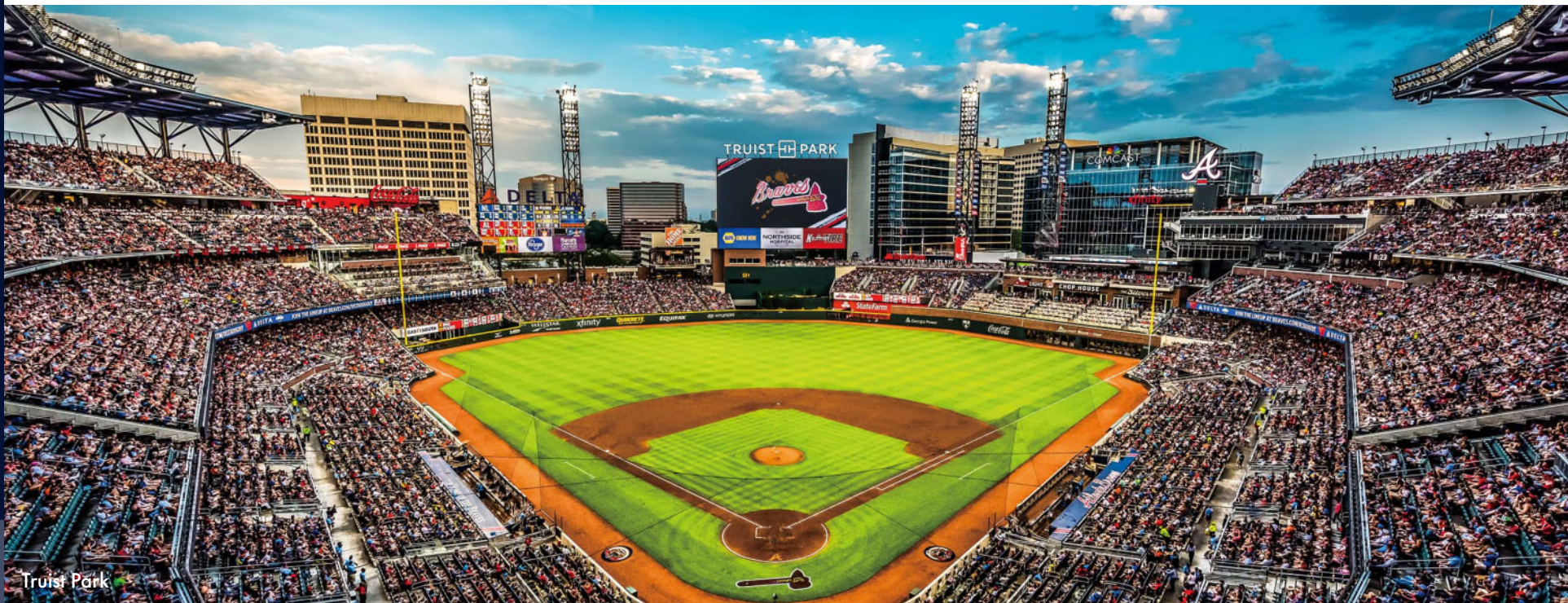
Six Flags White Water is a 69-acre water park located 11 miles from of the Hotel. Originally opening in 1984 as White Water Atlanta, the park became part of the Six Flags family of parks in 1999. Today, it is marketed as a second gate to Six Flags Over Georgia, and the two parks often cross-promote each other. In 2018, the park ranked as the third Best Outdoor Water Park in the country by USA TODAY.



Six Flags White Water



Atlanta United FC Training Ground



Truist Park



# Transportation

## Hartsfield-Jackson International Airport ("ATL")

Hartsfield-Jackson Atlanta International Airport is the busiest and most efficient airport in the world and, by some accounts, the best in North America. ATL is the economic jewel of Georgia, generating a \$34.8 billion economic impact for metro Atlanta and providing more than 63,000 jobs on-site, making it the state's largest employer. Hartsfield-Jackson is a global gateway, offering nonstop service to more than 150 domestic and 70 international destinations. These locales include major commercial centers in Europe, Asia, the Caribbean, Africa, and South and Central America. ATL also holds the distinction of being the first airport in the world to serve more than 100 million passengers in a single year. Now with its capital improvement plan ATLNext, a 20-year blueprint for growth, the Airport is poised to modernize its Domestic Terminal, expand its cargo operations and concourses, replace two of its parking facilities, and pave the way for a hotel and mixed-use development that will further solidify Hartsfield-Jackson as a beacon of economic strength and customer service in Georgia. Before the pandemic struck, the airport hit a

world-record 110 million total passengers in 2019, 2.9% increase from the previous record self-set in 2018.

## Hartsfield-Jackson International Airport Recent Awards:

- **World's Busiest Passenger Airport –**  
*Airports Council International*
- **World's Most Efficient Airport, Global Efficiency Excellence Award –**  
*Air Transport Research Society*
- **Best Airport in North America, Business Travel Award –**  
*Business Traveler Magazine*
- **Inclusion Champion Award –**  
*Airports Council International-North America*
- **Best Airport Dining Award –**  
*Global Traveler Magazine*
- **World Air Cargo Award –**  
*Air Cargo Week Magazine*
- **Best Overall Concessions Program –**  
*Airport Revenue News*

## Hartsfield-Jackson Atlanta International Airport

Year	Passengers	% Change
2012	95,513,828	-
2013	94,431,224	-1.1%
2014	96,178,899	1.9%
2015	101,491,106	5.5%
2016	104,171,935	2.6%
2017	103,934,417	-0.2%
2018	107,394,029	3.3%
2019	110,531,300	2.9%
2020	42,918,685	-61.2%
2021	75,537,213	76.0%



Hartsfield-Jackson International Airport ("ATL")



### Cobb County International Airport – McCollum Field

Cobb County Airport-McCollum Field is a public airport located three miles from the Property. The airport has over 350 aircraft based on it, including two charter companies and two major fixed-based operators. Aerial tours are a popular demand generator for the airport, as the Appalachian Mountains are less than a 30-minute flight away. The airport also supports several of the major employers of the region, as well as flight training, air cargo, military exercise and real estate tours. The airport employs over 840 people with nearly \$113 million in economic output for the local and regional economies.

### Interstate 285

Interstate 285 is a highway loop that encircles the city of Atlanta for nearly 64 miles. Traveled by an estimated two million people per day, I-285 is by far the busiest interstate in the Atlanta metropolitan area, and one of the most heavily traveled roadways in the United States. Also known as the Perimeter, this highway intersects with I-75 ten miles southeast from the Property.

### I-285/Georgia 400 Interchange Redesign Project

An \$800 million “major project” is expected to transform the interchange of I-285 and Georgia 400 in North Fulton County. The Georgia Department of Transportation said about 400,000 vehicles pass through the interchange every day -- and with all the growth it was time for a major overhaul. GDOT’s transformation project is designed to improve traffic flow on 285 and 400. That includes the construction of 32 bridges, many of them flyover ramps.

### MARTA

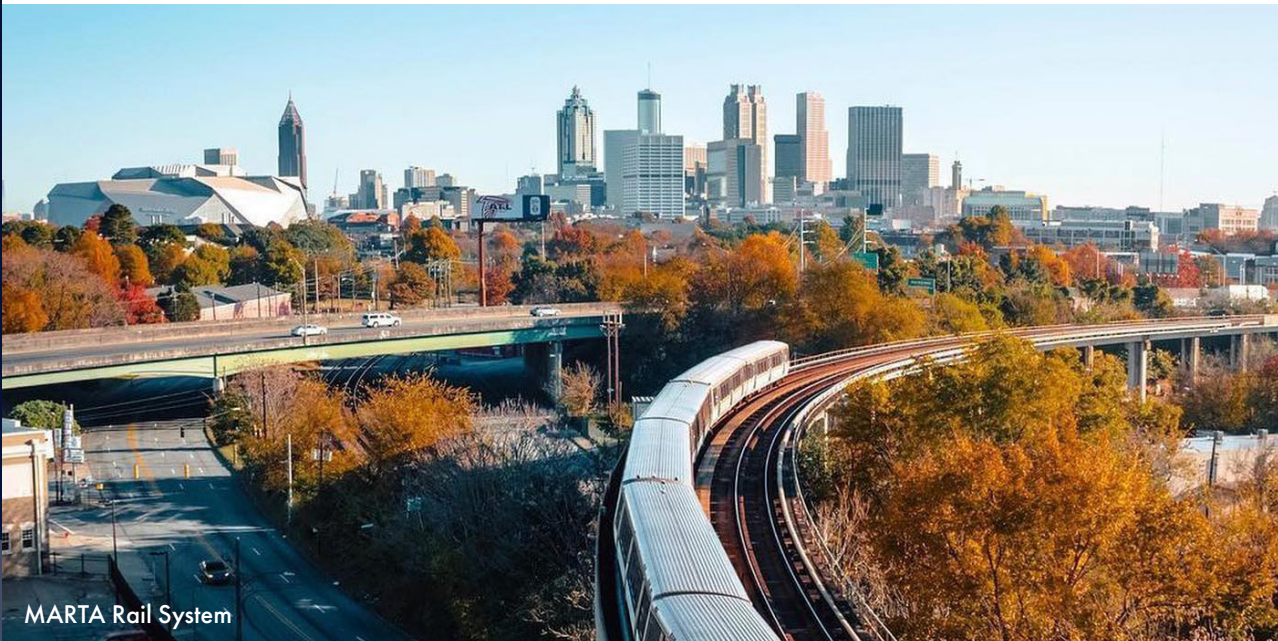
The Metropolitan Atlanta Rapid Transit Authority or MARTA is the principle public transport providing bus and rapid rail service to the most urbanized portions of the Atlanta metropolitan area. As the ninth largest transit system in the United States, MARTA serves an average of more than 550,000 passengers a day. There is a MARTA bus station (Dunwoody Park & Chamblee Dunwoody Road) a two-minute walk from the Hotel. This bus stop connects to the rail system and allows the hotel public transit access to downtown, midtown, Buckhead, and the airport.



Interstate 285



I-285/Georgia 400 Interchange Redesign Project



MARTA Rail System



MARTA Rail System



# Atlanta Lodging Summary

Throughout the pandemic, Atlanta's hospitality metrics have remained in line with U.S. averages. This is somewhat unusual; most major metros were hit harder than the rest of the country due to their reliance on meetings/conventions, business travel, and international visitors. But the strength of the local economy indicates that Atlanta has been able to supplement the missing business transient share with domestic leisure demand.

RevPAR for the Atlanta market over the Jan 2023 TTM period is higher than the same period in 2019/2020.

According to CoStar, occupancy rates have risen nearly 10% year over year but remain below pre-pandemic levels. Although demand has set several monthly highs since April 2022, more than 3,500 rooms opened in 2021 and another 2,000 in 2022, offsetting the growth in demand and delaying the recovery in occupancy rates.

The outlook for Atlanta's hospitality market remains positive despite expectations of a weakening economy and possible recession in 2023. All KPIs are forecast to rise in 2023, but at slower growth rates than in the last two years. ADR and RevPAR growth slows from double-digit paces in 2021 and 2022 to low single digit growth in 2023. Demand growth is forecast to outpace supply, lifting annual occupancy above 65% in 2023 but still trailing 2019's occupancy of 69%. The current forecast indicates it could take until 2026 for occupancy rates to reach pre-pandemic levels as the market absorbs significant supply growth.

## Perimeter

On the other hand, the Perimeter submarket is outpacing 2019 in occupancy, which is impressive considering the new supply seen over the past few years. Unlike most hotel markets, the submarket is lagging behind 2019 in ADR. As corporate transient demand slowly picks up, rate should adjust in the market. Also, there are no active construction projects in the Perimeter submarket.

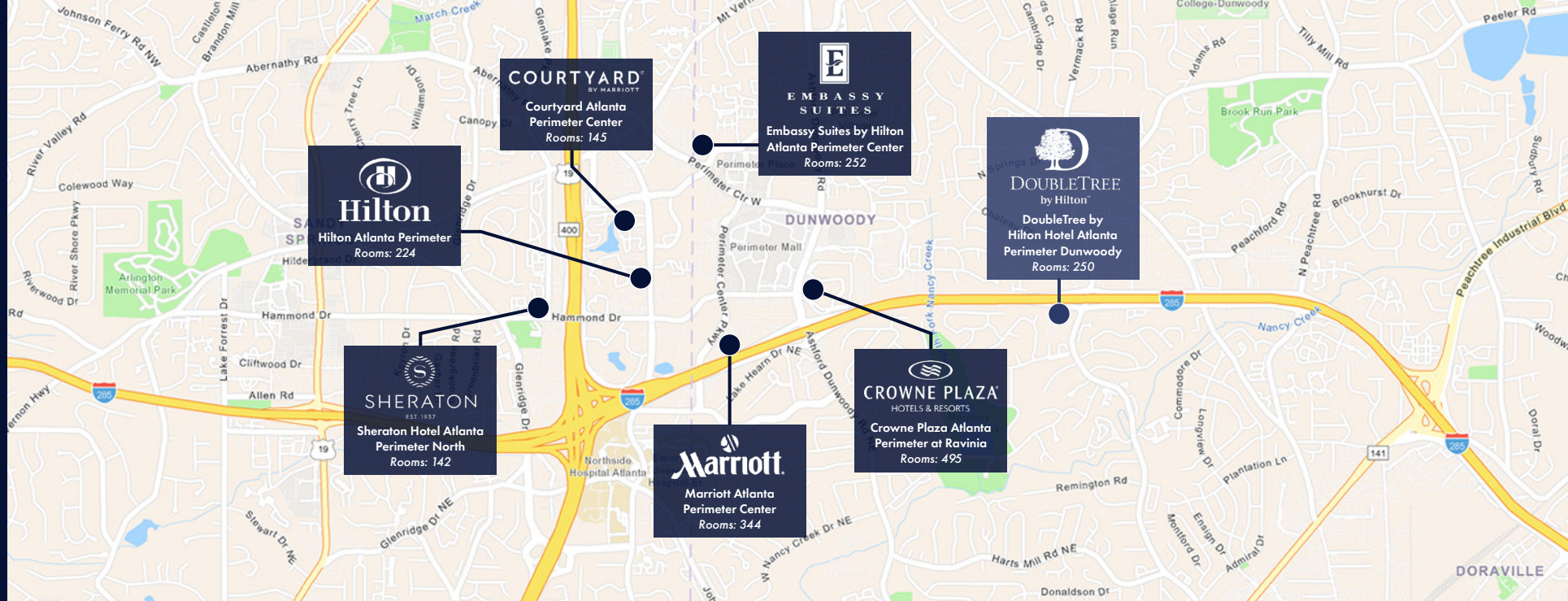


Piedmont Park



View of Downtown Atlanta from Pill Hill





## Hotel Market Overview

### Primary Competitive Set Overview

Ownership has identified competitive hotels in the DoubleTree Perimeter competitive set. These properties have been selected for the potential competitive set based on location, size, market positioning and overall quality of facilities. The comp set, including the Property, totals six properties with 1,852 guestrooms. Details of the secondary competitive set can be found in the STR Reports.

### STR Results

The table below summarizes the occupancy, ADR, RevPAR of the hotels in the competitive set for the December 2018 YE – December 2022 YE periods.

### Primary Competitive Set

#	Hotel	# of Rooms	Opening Date
-	<b>DoubleTree by Hilton Hotel Atlanta Perimeter Dunwoody</b>	<b>250</b>	<b>Jan - 1986</b>
1	Marriott Atlanta Perimeter Center	344	Mar - 1976
2	Embassy Suites by Hilton Atlanta Perimeter Center	252	Dec - 1985
3	Crowne Plaza Atlanta Perimeter at Ravinia	495	Mar - 1986
4	Courtyard Atlanta Perimeter Center	145	Dec - 1987
5	Hilton Atlanta Perimeter	224	Mar - 1987
6	Sheraton Hotel Atlanta Perimeter North	142	Apr - 1987
<b>Totals</b>		<b>1,852</b>	

### Occupancy, ADR & RevPAR Primary Competitive Set

Year	Occupancy			ADR			RevPAR		
	Hotel	Comp Set	Penet.	Hotel	Comp Set	Penet.	Hotel	Comp Set	Penet.
<b>Dec 2018 YE</b>	65.6%	56.8%	115.5%	\$124.05	\$146.38	84.7%	\$81.41	\$83.12	97.9%
<b>Dec 2019 YE</b>	64.9%	52.4%	123.9%	\$122.28	\$149.81	81.6%	\$79.33	\$78.44	101.1%
<b>Dec 2020 YE</b>	28.1%	31.4%	89.6%	\$100.51	\$114.17	88.0%	\$28.29	\$35.86	78.9%
<b>Dec 2021 YE</b>	39.6%	45.9%	86.1%	\$109.86	\$112.85	97.4%	\$43.45	\$51.82	83.9%
<b>Dec 2022 YE</b>	46.0%	53.9%	85.4%	\$118.81	\$132.55	89.6%	\$54.68	\$71.41	76.6%
<b>% Change ('21-'22)</b>	16.4%	17.3%	-0.8%	8.1%	17.5%	-7.9%	25.8%	37.8%	-8.7%



# Financial Overview

The following page provides the historical results of operations for the DoubleTree Perimeter for YE 2018 through YE 2022, and the January 2023 TTM and 2023 Budget (including Jan Actuals). The profit and loss statements, although deemed to be accurate, are presented for informational purposes only and should not be relied upon in making a final investment decision with regard to the Hotel. In this regard, HREC Investment Advisors and the Owner encourage potential investors to conduct their own research and analysis of the Hotel and the market.

## Historical Operating Analysis – DoubleTree by Hilton Atlanta Perimeter Dunwoody

Year	YE 2018	% REV	\$POR	\$PAR	YE 2019	% REV	\$POR	\$PAR	YE 2020	% REV	\$POR	\$PAR	YE 2021	% REV	\$POR	\$PAR
Number of Guestrooms:	250				250				250				250			
Number of Days in Year:	365				365				366				365			
Occupancy:	66.2%				64.9%				28.1%				39.6%			
Average Room Rate:	\$123.01				\$122.23				\$100.40				\$109.29			
RevPAR:	\$81.41				\$79.35				\$28.26				\$43.23			
Occupied Rooms:	60,387				59,237				25,753				36,093			
Available Rooms:	91,250				91,250				91,500				91,250			
<b>REVENUES</b>																
Rooms	\$7,428,273	79.3%	\$123.01	\$29,713	\$7,240,597	80.8%	\$122.23	\$28,962	\$2,585,581	83.8%	\$100.40	\$10,342	\$3,944,647	88.0%	\$109.29	\$15,779
Food and Beverage	1,842,314	19.7%	30.51	7,369	1,618,630	18.1%	27.32	6,475	402,165	13.0%	15.62	1,609	420,719	9.4%	11.66	1,683
Other Income	<u>101,479</u>	<u>1.1%</u>	<u>1.68</u>	<u>406</u>	<u>101,420</u>	<u>1.1%</u>	<u>1.71</u>	<u>406</u>	<u>97,649</u>	<u>3.2%</u>	<u>3.79</u>	<u>391</u>	<u>118,342</u>	<u>2.6%</u>	<u>3.28</u>	<u>473</u>
<b>TOTAL REVENUES</b>	<b>\$9,372,066</b>	<b>100.0%</b>	<b>\$155.20</b>	<b>\$37,488</b>	<b>\$8,960,647</b>	<b>100.0%</b>	<b>\$151.27</b>	<b>\$35,843</b>	<b>\$3,085,395</b>	<b>100.0%</b>	<b>\$119.81</b>	<b>\$12,342</b>	<b>\$4,483,708</b>	<b>100.0%</b>	<b>\$124.23</b>	<b>\$17,935</b>
<b>DEPARTMENTAL COSTS<sup>1</sup></b>																
Rooms	\$1,720,847	23.2%	\$28.50	\$6,883	\$1,728,632	23.9%	\$29.18	\$6,915	\$710,738	27.5%	\$27.60	\$2,843	\$973,721	24.7%	\$26.98	\$3,895
Food and Beverage	1,481,807	80.4%	24.54	5,927	1,336,129	82.5%	22.56	5,345	364,842	90.7%	14.17	1,459	431,131	102.5%	11.95	1,725
Other Expenses	<u>33,697</u>	<u>33.2%</u>	<u>0.56</u>	<u>135</u>	<u>33,732</u>	<u>33.3%</u>	<u>0.57</u>	<u>135</u>	<u>16,212</u>	<u>16.6%</u>	<u>0.63</u>	<u>65</u>	<u>18,573</u>	<u>15.7%</u>	<u>0.51</u>	<u>74</u>
<b>TOTAL DEPARTMENTAL COSTS</b>	<b>\$3,236,351</b>	<b>34.5%</b>	<b>\$53.59</b>	<b>\$12,945</b>	<b>\$3,098,493</b>	<b>34.6%</b>	<b>\$52.31</b>	<b>\$12,394</b>	<b>\$1,091,792</b>	<b>35.4%</b>	<b>\$42.39</b>	<b>\$4,367</b>	<b>\$1,423,425</b>	<b>31.7%</b>	<b>\$39.44</b>	<b>\$5,694</b>
<b>GROSS OPERATING INCOME</b>	<b>\$6,135,715</b>	<b>65.5%</b>	<b>\$101.61</b>	<b>\$24,543</b>	<b>\$5,862,154</b>	<b>65.4%</b>	<b>\$98.96</b>	<b>\$23,449</b>	<b>\$1,993,603</b>	<b>64.6%</b>	<b>\$77.41</b>	<b>\$7,974</b>	<b>\$3,060,283</b>	<b>68.3%</b>	<b>\$84.79</b>	<b>\$12,241</b>
<b>UNDIST. OPERATING EXPENSES</b>																
Administrative & General	\$831,072	8.9%	\$13.76	\$3,324	\$887,138	9.9%	\$14.98	\$3,549	\$534,399	17.3%	\$20.75	\$2,138	\$520,525	11.6%	\$14.42	\$2,082
Information & Telecom	167,180	1.8%	2.77	669	160,563	1.8%	2.71	642	120,640	3.9%	4.68	483	127,747	2.8%	3.54	511
Management Fee <sup>2</sup>	281,162	3.0%	4.66	1,125	268,819	3.0%	4.54	1,075	92,562	3.0%	3.59	370	134,511	3.0%	3.73	538
Franchise Fees	520,594	5.6%	8.62	2,082	549,000	6.1%	9.27	2,196	222,544	7.2%	8.64	890	385,268	8.6%	10.67	1,541
Sales & Marketing	934,132	10.0%	15.47	3,737	926,200	10.3%	15.64	3,705	489,918	15.9%	19.02	1,960	556,005	12.4%	15.40	2,224
Property Operations & Maint.	377,415	4.0%	6.25	1,510	376,604	4.2%	6.36	1,506	222,552	7.2%	8.64	890	283,841	6.3%	7.86	1,135
Utility Cost	<u>365,013</u>	<u>3.9%</u>	<u>6.04</u>	<u>1,460</u>	<u>366,592</u>	<u>4.1%</u>	<u>6.19</u>	<u>1,466</u>	<u>268,147</u>	<u>8.7%</u>	<u>10.41</u>	<u>1,073</u>	<u>347,284</u>	<u>7.7%</u>	<u>9.62</u>	<u>1,389</u>
<b>TOTAL UNDIST. OPERATING EXPENSES</b>	<b>\$3,476,568</b>	<b>37.1%</b>	<b>\$57.57</b>	<b>\$13,906</b>	<b>\$3,534,916</b>	<b>39.4%</b>	<b>\$59.67</b>	<b>\$14,140</b>	<b>\$1,950,762</b>	<b>63.2%</b>	<b>\$75.75</b>	<b>\$7,803</b>	<b>\$2,355,181</b>	<b>52.5%</b>	<b>\$65.25</b>	<b>\$9,421</b>
<b>GROSS OPERATING PROFIT</b>	<b>\$2,659,147</b>	<b>28.4%</b>	<b>\$44.04</b>	<b>\$10,637</b>	<b>\$2,327,238</b>	<b>26.0%</b>	<b>\$39.29</b>	<b>\$9,309</b>	<b>\$42,841</b>	<b>1.4%</b>	<b>\$1.66</b>	<b>\$171</b>	<b>\$705,102</b>	<b>15.7%</b>	<b>\$19.54</b>	<b>\$2,820</b>
<b>FIXED CHARGES</b>																
Property Taxes	\$188,998	2.0%	\$3.13	\$756	\$249,965	2.8%	\$4.22	\$1,000	\$294,575	9.5%	\$11.44	\$1,178	\$258,643	5.8%	\$7.17	\$1,035
Insurance	81,379	0.9%	1.35	326	99,814	1.1%	1.68	399	82,668	2.7%	3.21	331	103,958	2.3%	2.88	416
Rent, Misc. Taxes & Other	3,699	0.0%	0.06	15	0	0.0%	0.00	0	25,792	0.8%	1.00	103	21,357	0.5%	0.59	85
Antenna Lease	<u>-35,822</u>	<u>-0.4%</u>	<u>-0.59</u>	<u>-143</u>	<u>-43,807</u>	<u>-0.5%</u>	<u>-0.74</u>	<u>-175</u>	<u>-30,319</u>	<u>-1.0%</u>	<u>-1.18</u>	<u>-121</u>	<u>-2,169</u>	<u>0.0%</u>	<u>-0.06</u>	<u>-9</u>
<b>TOTAL FIXED CHARGES</b>	<b>\$238,254</b>	<b>2.5%</b>	<b>\$3.95</b>	<b>\$953</b>	<b>\$305,972</b>	<b>3.4%</b>	<b>\$5.17</b>	<b>\$1,224</b>	<b>\$372,716</b>	<b>12.1%</b>	<b>\$14.47</b>	<b>\$1,491</b>	<b>\$381,789</b>	<b>8.5%</b>	<b>\$10.58</b>	<b>\$1,527</b>
<b>C/F BEFORE RESERVE</b>	<b>\$2,420,893</b>	<b>25.8%</b>	<b>\$40.09</b>	<b>\$9,684</b>	<b>\$2,021,266</b>	<b>22.6%</b>	<b>\$34.12</b>	<b>\$8,085</b>	<b>-\$329,875</b>	<b>-10.7%</b>	<b>-\$12.81</b>	<b>-\$1,319</b>	<b>\$323,313</b>	<b>7.2%</b>	<b>\$8.96</b>	<b>\$1,293</b>
Reserve for Replacement <sup>2</sup>	<u>374,883</u>	<u>4.0%</u>	<u>6.21</u>	<u>1,500</u>	<u>358,426</u>	<u>4.0%</u>	<u>6.05</u>	<u>1,434</u>	<u>123,416</u>	<u>4.0%</u>	<u>4.79</u>	<u>494</u>	<u>179,348</u>	<u>4.0%</u>	<u>4.97</u>	<u>717</u>
<b>NET OPERATING INCOME</b>	<b>\$2,046,010</b>	<b>21.8%</b>	<b>\$33.88</b>	<b>\$8,184</b>	<b>\$1,662,840</b>	<b>18.6%</b>	<b>\$28.07</b>	<b>\$6,651</b>	<b>-\$453,291</b>	<b>-14.7%</b>	<b>-\$17.60</b>	<b>-\$1,813</b>	<b>\$143,964</b>	<b>3.2%</b>	<b>\$3.99</b>	<b>\$576</b>

Note 1: Departmental expenses ratios are expressed as a percentage of their respective departmental revenues.

Note 2: A base management fee of 3% and a reserve for replacement expense of 4% of total revenues were imputed.

Source: Ownership



# Financial Overview

## Historical Operating Analysis – DoubleTree by Hilton Atlanta Perimeter Dunwoody

Year	YE 2022	% REV	\$POR	\$PAR	Jan 2023 TTM	% REV	\$POR	\$PAR	2023 Budget (including Jan Actuals)	% REV	\$POR	\$PAR
Number of Guestrooms:	250				250				250			
Number of Days in Year:	365				365				365			
Occupancy:	46.1%				48.1%				54.4%			
Average Room Rate:	\$118.81				\$118.87				\$129.98			
RevPAR:	\$54.73				\$57.18				\$70.68			
Occupied Rooms:	42,034				43,891				49,618			
Available Rooms:	91,250				91,250				91,250			
<b>REVENUES</b>												
Rooms	\$4,993,867	85.0%	\$118.81	\$19,975	\$5,217,320	84.9%	\$118.87	\$20,869	\$6,449,286	84.3%	\$129.98	\$25,797
Food and Beverage	751,701	12.8%	17.88	3,007	793,739	12.9%	18.08	3,175	1,048,532	13.7%	21.13	4,194
Other Income	<u>130,726</u>	<u>2.2%</u>	<u>3.11</u>	<u>523</u>	<u>135,713</u>	<u>2.2%</u>	<u>3.09</u>	<u>543</u>	<u>154,464</u>	<u>2.0%</u>	<u>3.11</u>	<u>618</u>
<b>TOTAL REVENUES</b>	<b>\$5,876,295</b>	<b>100.0%</b>	<b>\$139.80</b>	<b>\$23,505</b>	<b>\$6,146,772</b>	<b>100.0%</b>	<b>\$140.05</b>	<b>\$24,587</b>	<b>\$7,652,281</b>	<b>100.0%</b>	<b>\$154.22</b>	<b>\$30,609</b>
<b>DEPARTMENTAL COSTS<sup>1</sup></b>												
Rooms	\$1,495,342	29.9%	\$35.57	\$5,981	\$1,563,055	30.0%	\$35.61	\$6,252	\$1,775,880	27.5%	\$35.79	\$7,104
Food and Beverage	675,389	89.8%	16.07	2,702	716,673	90.3%	16.33	2,867	889,010	84.8%	17.92	3,556
Other Expenses	<u>30,157</u>	<u>23.1%</u>	<u>0.72</u>	<u>121</u>	<u>31,385</u>	<u>23.1%</u>	<u>0.72</u>	<u>126</u>	<u>35,014</u>	<u>22.7%</u>	<u>0.71</u>	<u>140</u>
<b>TOTAL DEPARTMENTAL COSTS</b>	<b>\$2,200,888</b>	<b>37.5%</b>	<b>\$52.36</b>	<b>\$8,804</b>	<b>\$2,311,113</b>	<b>37.6%</b>	<b>\$52.66</b>	<b>\$9,244</b>	<b>\$2,699,904</b>	<b>35.3%</b>	<b>\$54.41</b>	<b>\$10,800</b>
<b>GROSS OPERATING INCOME</b>	<b>\$3,675,407</b>	<b>62.5%</b>	<b>\$87.44</b>	<b>\$14,702</b>	<b>\$3,835,659</b>	<b>62.4%</b>	<b>\$87.39</b>	<b>\$15,343</b>	<b>\$4,952,377</b>	<b>64.7%</b>	<b>\$99.81</b>	<b>\$19,810</b>
<b>UNDIST. OPERATING EXPENSES</b>												
Administrative & General	\$669,720	11.4%	\$15.93	\$2,679	\$700,540	11.4%	\$15.96	\$2,802	\$763,261	10.0%	\$15.38	\$3,053
Information & Telecom	128,230	2.2%	3.05	513	131,995	2.1%	3.01	528	124,391	1.6%	2.51	498
Management Fee <sup>2</sup>	176,289	3.0%	4.19	705	184,403	3.0%	4.20	738	229,568	3.0%	4.63	918
Franchise Fees	430,718	7.3%	10.25	1,723	481,672	7.8%	10.97	1,927	582,616	7.6%	11.74	2,330
Sales & Marketing	691,878	11.8%	16.46	2,768	697,321	11.3%	15.89	2,789	790,785	10.3%	15.94	3,163
Property Operations & Maint.	373,001	6.3%	8.87	1,492	381,334	6.2%	8.69	1,525	466,242	6.1%	9.40	1,865
Utility Cost	<u>361,302</u>	<u>6.1%</u>	<u>8.60</u>	<u>1,445</u>	<u>367,663</u>	<u>6.0%</u>	<u>8.38</u>	<u>1,471</u>	<u>413,305</u>	<u>5.4%</u>	<u>8.33</u>	<u>1,653</u>
<b>TOTAL UNDIST. OPERATING EXPENSES</b>	<b>\$2,831,138</b>	<b>48.2%</b>	<b>\$67.35</b>	<b>\$11,325</b>	<b>\$2,944,928</b>	<b>47.9%</b>	<b>\$67.10</b>	<b>\$11,780</b>	<b>\$3,370,169</b>	<b>44.0%</b>	<b>\$67.92</b>	<b>\$13,481</b>
<b>GROSS OPERATING PROFIT</b>	<b>\$844,269</b>	<b>14.4%</b>	<b>\$20.09</b>	<b>\$3,377</b>	<b>\$890,731</b>	<b>14.5%</b>	<b>\$20.29</b>	<b>\$3,563</b>	<b>\$1,582,209</b>	<b>20.7%</b>	<b>\$31.89</b>	<b>\$6,329</b>
<b>FIXED CHARGES</b>												
Property Taxes	\$257,424	4.4%	\$6.12	\$1,030	\$255,455	4.2%	\$5.82	\$1,022	\$256,666	3.4%	\$5.17	\$1,027
Insurance	102,021	1.7%	2.43	408	99,221	1.6%	2.26	397	119,446	1.6%	2.41	478
Rent, Misc. Taxes & Other	18,277	0.3%	0.43	73	17,890	0.3%	0.41	72	20,240	0.3%	0.41	81
Antenna Lease	<u>-74,686</u>	<u>-1.3%</u>	<u>-1.78</u>	<u>-299</u>	<u>-77,798</u>	<u>-1.3%</u>	<u>-1.77</u>	<u>-311</u>	<u>-37,344</u>	<u>-0.5%</u>	<u>-0.75</u>	<u>-149</u>
<b>TOTAL FIXED CHARGES</b>	<b>\$303,036</b>	<b>5.2%</b>	<b>\$7.21</b>	<b>\$1,212</b>	<b>\$294,768</b>	<b>4.8%</b>	<b>\$6.72</b>	<b>\$1,179</b>	<b>\$359,008</b>	<b>4.7%</b>	<b>\$7.24</b>	<b>\$1,436</b>
<b>C/F BEFORE RESERVE</b>	<b>\$541,233</b>	<b>9.2%</b>	<b>\$12.88</b>	<b>\$2,165</b>	<b>\$595,963</b>	<b>9.7%</b>	<b>\$13.58</b>	<b>\$2,384</b>	<b>\$1,223,201</b>	<b>16.0%</b>	<b>\$24.65</b>	<b>\$4,893</b>
Reserve for Replacement <sup>2</sup>	<u>235,052</u>	<u>4.0%</u>	<u>5.59</u>	<u>940</u>	<u>245,871</u>	<u>4.0%</u>	<u>5.60</u>	<u>983</u>	<u>306,091</u>	<u>4.0%</u>	<u>6.17</u>	<u>1,224</u>
<b>NET OPERATING INCOME</b>	<b>\$306,181</b>	<b>5.2%</b>	<b>\$7.28</b>	<b>\$1,225</b>	<b>\$350,092</b>	<b>5.7%</b>	<b>\$7.98</b>	<b>\$1,400</b>	<b>\$917,110</b>	<b>12.0%</b>	<b>\$18.48</b>	<b>\$3,668</b>

Note 1: Departmental expenses ratios are expressed as a percentage of their respective departmental revenues.

Note 2: A base management fee of 3% and a reserve for replacement expense of 4% of total revenues were imputed.

Source: Ownership



## Confidentiality & Conditions

This is a **confidential** Investment Offering Memorandum ("Memorandum"), which is intended solely for your limited use and benefit in determining whether you desire to express any further interest in participating in the acquisition of the **DoubleTree by Hilton Atlanta Perimeter Dunwoody (the "Property" or "Hotel") in Atlanta, GA**. You are bound by the Confidentiality Agreement executed in connection with your receipt of this Memorandum. This Memorandum was prepared by HREC Investment Advisors and has been reviewed by the Owner. It contains select information pertaining to the Property and does not purport to be all-inclusive or to contain all of the information, which prospective investors may desire. It should be noted that all the market analysis projections are provided for general reference purposes and are based on assumptions relating to the general economy, competition and other factors beyond our control and, therefore, are subject to material variation. Additional information and an opportunity to inspect material related to the Property will be made available to interested and qualified prospective investors. Neither the Owner nor HREC Investment Advisors nor any of their respective officers have made any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitments or obligations shall arise by reason of this Memorandum or its contents. It is essential that all parties to real estate transactions be aware of the health, liability and economic impact of environmental factors on real estate. HREC Investment Advisors does not conduct investigations or analyses of environmental matters and, accordingly, urges interested parties to retain qualified environmental professionals to determine whether hazardous or toxic wastes or substances (such as asbestos, PCBs and other contaminants or petrochemical products stored in underground tanks) or other undesirable materials or conditions are present at the Property and if so, whether any health danger or other liability exists. Various laws and regulations have been enacted at the federal, state and local levels dealing with the use, storage, handling, removal, transport and disposal of toxic or hazardous wastes and substances. Depending on past, current and proposed uses of the Property, it may be prudent to retain an environmental expert to conduct a site investigation and/or building inspection. If such substances exist or are contemplated to be used at the Property, special governmental approvals or permits may be required. Consequently, legal counsel and technical experts should be consulted where these substances are or may be present. In this Memorandum, certain documents are described in summary form. The summaries do not purport to be complete descriptions of the full agreements involved, nor do they purport to constitute any legal analysis of the provisions of the documents. This brochure shall not be deemed an indication of the state of affairs of the Owner nor constitute an indication that there has been no change in the business or affairs of the Owner since the date of preparation of this Memorandum. **Photocopying or other duplication of the Investment Offering Memorandum in part or entirety is not authorized.**



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