

Development Plan for Holiday Inn Express & Suites, Santa Maria, CA

TIMELINES:

- Estimated 18-month construction timeline.
- Land has already been purchased outright.
- Construction completion targeted within the designated timeframe while managing costs and quality.
- The existing 200-room Holiday Inn in Santa Maria will exit the IHG system six months after groundbreaking.

PHASES:

1. Pre-Construction Phase:

- Site procurement and permit acquisition.
- Budgeting, cost estimation, and sustainability analysis.
- Finalizing construction loan and equity arrangements.

2. Construction Phase:

- Groundbreaking and structural development.
- FF&E (Furniture, Fixtures & Equipment) procurement and installation.
- Ongoing oversight of contractor's draws and change orders.

3. Pre-Opening Phase:

- Coordination of pre-opening items with the Regional Director of Operations.
- Completion of final inspections and regulatory approvals.
- Staff hiring and training.

4. Operational Phase:

- Hotel management handed over to Lotus Management, Inc.
- Official opening and commencement of hotel operations.

CONSTRUCTION DETAILS:

- 93 guest rooms in a modern Holiday Inn Express format.
- Contingency fund set at 5% of construction costs, dependent on lender requirements.
- Construction oversight provided by Lotus Management, Inc. through site visits, cost tracking, and contractor coordination.
- Deferred Development Fee and Construction Accounting/Pre-opening Fee to reduce initial cash requirements.
- Lotus Real Estate and Development managing construction accounting, monthly reports, and funding coordination.



KEY MILESTONES:

- **Land Acquisition:** Completed.
- **Groundbreaking:** To be scheduled, Holiday Inn transition from IHG system.
- **Structural Completion:** Approximately 9-12 months of post-groundbreaking.
- **Interior & FF&E Installation:** Final 3-4 months before opening.
- **Final Inspections & Permits:** Last 2 months prior to operations.
- **Hotel Opening:** Estimated 14-18 months of construction initiation.