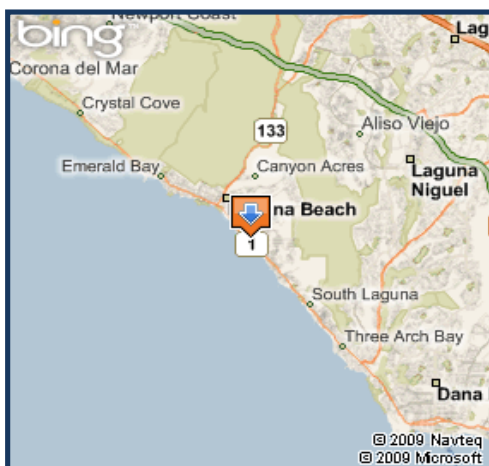


EXCLUSIVE HOSPITALITY OFFERING

Comfortable Inn Hotel with Restaurant/Sportsbar Laguna Beach, CA.

Asking Price \$35,000,000

224 Room Hotel & Restaurant



- >> Diverse Economic Base
- >> 65% Occupancy Average
- >> Good Location
- >> 12.38% Cap Rate
- >> Renovated 2004
- >> 100 Seat Grill Restaurant
- >> 75 Seat Sportsbar

Presented by David Condon of NAI Capital

www.naidavidcondon.com

Offering Highlights

Solid Product offering- The Comfortable Inn was built in 1988 and is an 8-story, 224-room full service hotel. It was renovated 4 years ago with \$1,500,000 of renovation and FF & E replacements including guest rooms, public space, back of the house facilities, and exterior upgrades. The property features the 100-seat 3,500 Sq Ft Plaza Grill restaurant and 75-seat Scoreboards sports bar, a swimming pool, Jacuzzi and fitness room. The hotel offers over 5,000 sq. ft. of meeting and banquet space, and is also located directly next to the 45,000 sq. ft. exhibit and convention Conference Center. The asset is being offered fee simple, non-union and unencumbered by management.

Strategic Central Southern California Location- The Comfortable Inn is highly visible from interstate-405 and is easily accessible, located adjacent to the Carson Blvd. off-ramp of Interstate-405. The hotel is located centrally between Downtown Los Angeles and Orange County with direct access to both Los Angeles International Airport and Long Beach International Airport. Additionally, Carson is at the crossroads to interstates 405,110, and 710, and Highways 1 and 91, serving as a primary distribution center and Foreign Trade Zone for the Ports of San Pedro and Long Beach.

Current Room Mix

King Standard	85
King Presidential Suite	2
King Executive Suite	2
King Petite Suite	12
Double/ Double	123
Total	224

Rooms include both ADA, smoking, and non- smoking rooms. Currently, the hotel has several smoking rooms, however, a variance to become a fully non-smoking facility is pending:

Meeting Room	Sq ft	Ceiling Height
Champagne Ballroom	3,075	10'
Cabernet	1,025	10"
Chardonnay	1,025	10"
Merlot	1,025	10"
Executive Boardroom	312	9"
Monte Dom	650	9"
Mont Blanc	910	9"
Monte Rosa	702	11"
Total	5,649	

Strong Corporate Presence- The South Bay is one of the major economic hubs of Southern California. A partial list of the corporate presence within a 15 minute drive of the hotel include: The Port of San Pedro and Port of Long Beach, Dominquez Technology Center , Watson Industrial Center , Toyota USA, American Honda Motor Company, Nissan North America, Exxon Mobile, BP (British Petroleum), West Coast Products, and See 's Candy factory and distribution center .

Improving Financial Performance- In 2008, the Doubletree Hotel Carson Civic Plaza completed the year with over \$3,000,000 in NOI, the Property's third full year under the Doubletree flag. As the property finished its renovation in 2002 and it ramps up its awareness in the marketplace, MWP Inc. believes it will be able to stabilize occupancy at 75% and an ADR of \$130 in coming years.

ADR: Average Daily Rate based upon 365 day season. Primary season is Spring thru September with average daily rates from \$225 to \$250 with 75% occupancy. Non seasonal ADR's average \$125 to \$135 with 60% occupancy. Busy days are from wednesday thru sunday.

HOTEL INVESTMENT SUMMARY

Project Name:	Comfortable Inn Hotel Demo			Total Building Sq Ft	\$150,000
Property Address	12345 Ocean Breeze Ave.			Cost Per Sq Ft	233.33
City, State, Zip Code	Laguna Beach, CA.			Current Cap Rate	11.15%
	Proposed Sales Price	\$35,000,000		Market Cap Rate	11.15%
	Proposed Financing (1ST TD)	\$24,500,000	70.00%	Occupancy	65.00%
	Secondary Financing			Average Daily Rate (ADR)	\$165.00
	Total Financing	\$24,500,000	70.00%	Land Area (Lot Size)	2.5 Acres
	Cash Down Payment	\$10,500,000	30.00%		

PROPERTY DESCRIPTION

	Current	Stabilized
Number Of Rooms:	224	224
Occupancy:	65.00%	65.00%
Occupied Rooms:	53,144	53,144
Average Daily Rate:	\$165.00	\$165.00

AMENITIES	
Restaurant:	Yes
Restaurant, Bar, Club:	Yes
House Pool / Jacuzzi:	Yes
Gym & Spa:	Yes
Tennis Court:	No
Golf Course:	No
Cable TV:	Yes
Internet Connection:	Yes
Scenic View:	Yes
Banquet Facilities:	Yes

Year Built / Year Renoviated:	1988	2004
Gross Building Area (Sq Ft):	150,000	
Hotel Type:	Luxury	
Type of Facilities Offered:	Convention	
Hotel Class:	Luxury	
Hotel Chain / Franchise:	Yes	

Amenities: Ocean view suites, 5,649 Sq Ft of meeting & banquet rooms, pool, spa, gym and 3,500 Sq Ft restaurant.

Strong corporate presence, strategic central southern california location and improving financial performance.

Revenue	Current	Stabilized	% of Gross	PAR	POR
Rooms	\$8,768,760	\$8,768,760	52.10%	\$39,146	\$165.00
Food	\$5,215,000	\$5,215,000	30.98%	\$23,281	\$98.13
Beverage	\$2,031,000	\$2,031,000	12.07%	\$9,067	\$38.22
Telephone	\$361,000	\$361,000	2.14%	\$1,612	\$6.79
Other Income	\$456,000	\$456,000	2.71%	\$2,036	\$8.58
Total Revenue	\$16,831,760	\$16,831,760	100.00%	\$75,142	\$316.72

Less Operating Expenses	\$12,931,000
Net Operating Income	\$3,900,760
1st TD Debt Service	7.250% \$2,172,634
2nd TD Debt Service	
Total Debt Service	\$2,172,634
Cash Flow after Debt Service	\$1,728,126
Cash on Cash Return (ROE)	16.46%

POR: Per Occupied Room

PAR: Per Available Room

OPERATING EXPENSES

Department Expenses	Current	Stabilized	% of Gross	PAR	POR
Rooms	\$2,122,000	\$2,122,000	24.20%	\$9,473	\$39.93
Food & Beverage	\$5,208,000	\$5,208,000	71.87%	\$23,250	\$98.00
Telephone	\$320,000	\$320,000	88.64%	\$1,429	\$6.02
Other Income	\$265,000	\$265,000	58.11%	\$1,183	\$4.99
Total Departmental Expenses	\$7,915,000	\$7,915,000	47.02%	\$35,335	\$148.93
Department Income	\$8,916,760	\$8,916,760	52.98%	\$39,807	\$167.78
Undistributed Operating Expenses (UDOE)					
Administrative & General	\$1,359,000	\$1,359,000	8.07%	\$6,067	\$25.57
Management Fee	\$502,000	\$502,000	2.98%	\$2,241	\$9.45
Marketing	\$821,000	\$821,000	4.88%	\$3,665	\$15.45
Property Operations & Maintenance	\$623,000	\$623,000	3.70%	\$2,781	\$11.72
Energy	\$644,000	\$644,000	3.83%	\$2,875	\$12.12
Total UDOE	\$3,949,000	\$3,949,000	23.46%	\$17,629	\$74.31
Income Before Fixed Charges	\$4,967,760	\$4,967,760	29.51%	\$22,178	\$93.48
Fixed Charges					
Property Tax	\$456,000	\$456,000	2.71%	\$2,036	\$8.58
Insurance	\$107,000	\$107,000	0.64%	\$478	\$2.01
Reserves (FF& E's)	\$504,000	\$504,000	2.99%	\$2,250	\$9.48
Total Fixed Charges	\$1,067,000	\$1,067,000	6.34%	\$4,763	\$20.08
Net Operating Income (NOI)	\$3,900,760	\$3,900,760	23.17%	\$17,414	\$73.40
Total Operating Expenses	\$12,931,000	\$12,931,000	76.83%		
Income Ratios					
Food to Rooms	59.47%				
Food to Beverage to Rooms	82.63%				
Telephone to Rooms	4.12%				
Other to Rooms	5.20%				
Beverage to Food	23.16%				
				POR: Per Occupied Room	
				PAR: Per Available Room	



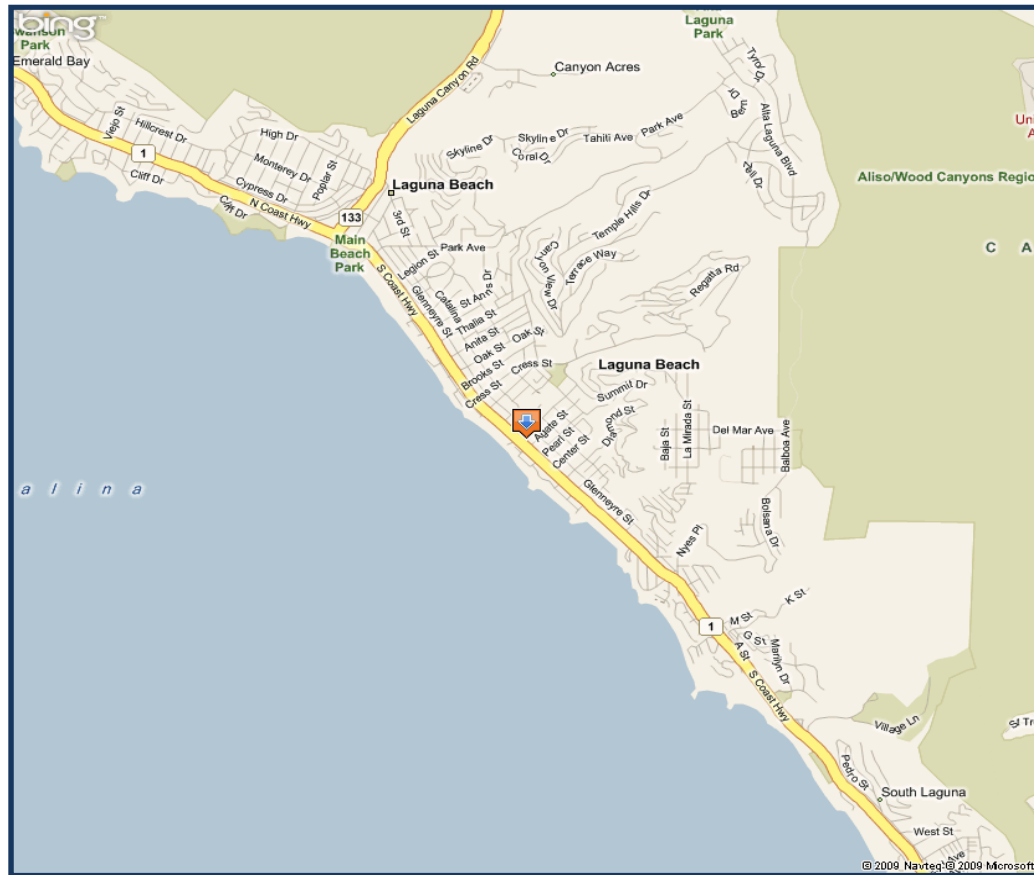
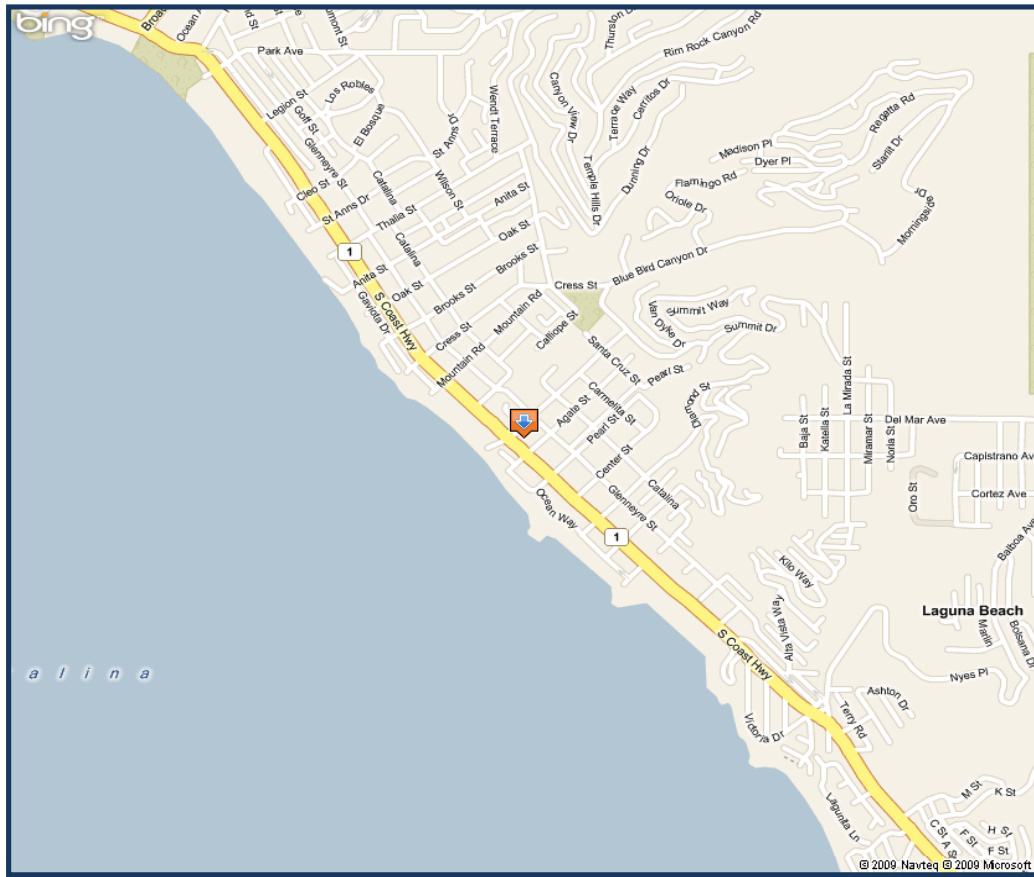
ADDITIONAL PHOTOS



ADDITIONAL PHOTOS



MAP LOCATION



CONFIDENTIALITY AGREEMENT

PLEASE DO NOT DISTURB THE TENANTS. PLEASE CALL THE LISTING AGENT FOR AN APPOINTMENT FOR A PREVIEW OF THE SUBJECT PROPERTY. ALL INSPECTIONS ARE SUBJECT TO OFFER AND ACCEPTANCE.

The information contained in the following Investment Summary & Marketing Package is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving and should not be made available to any other person or entity without the written consent of NAI Capital.

This Marketing Package has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a complete due diligence investigation. NAI Capital has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects .

The information contained in the Marketing Package has been obtained from sources we believe to be reliable; however, this information has not been verified and we make no warranty or representation regarding the accuracy or completeness of the information provided. All potential buyers must conduct their own investigation. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The above information is from sources deemed to be reliable. Please complete your own due diligence and investigations.

The proposed Financing Options are provided by Wilshire Finance Partners. The loan programs and rates & terms are subject to change with market conditions.

NAI Capital
Commercial Real Estate Services, Worldwide.
1640 S. Sepulveda Blvd., Suite 500
Los Angeles, Ca 90025

David M. Condon
Senior Vice President
DRE License # 00676270

(310) 440-8500 Ext 105
Fax: (310) 440-8525
Cell: (310) 413-8462
dcondon@naicapital.com
www.naidavidcondon.com

Real Estate Software Services provided by:



www.WebVest.info



1990 South Bundy Drive, Suite 630 | Los Angeles | California | 90025

Prepared for:

RE: Comfortable Inn Hotel Demo

12345 Ocean Breeze Ave.

Laguna Beach, CA.

Date: 6/1/2007

CURRENT / MARKET RENTS	Current Rents	Current Rents	Current Rents	Current Rents	Current Rents
LOAN PROGRAM OPTIONS	ARM- 12 MAT	3-Year Fixed / ARM	5-Year Fixed / Balloon	7-Year Fixed / Balloon	10-Year Fixed / Balloon
PURCHASE PRICE / VALUE	\$35,000,000	\$35,000,000	\$35,000,000	\$35,000,000	\$35,000,000
LOAN AMOUNT	\$24,500,000	\$24,500,000	\$24,500,000	\$24,500,000	\$24,500,000
LOAN TO VALUE (DCR)	70.00%	70.00%	70.00%	70.00%	70.00%
LOAN TO VALUE (Guidelines)	70%	70%	70%	70%	70%
DEBT COVERAGE RATIO	1.35	1.35	1.35	1.35	1.35
CURRENT INTEREST RATE	6.250%	7.000%	7.500%	7.875%	8.000%
VARIABLE RATE MARGIN	2.55%	2.65%	0.00%	0.00%	0.00%
CEILING (First Adjustment)	10.700%	11.250%	0.000%	0.000%	0.000%
LOAN TERM	30/30	30/30	30/5	30/7	30/10
AMORTIZATION IN YEARS	25	25	25	25	30
MONTHLY PAYMENT	\$161,619	\$173,161	\$181,053	\$187,071	\$189,095
RECOURSE	Negotiable	Negotiable	Negotiable	Negotiable	Negotiable
IMPOUNDS	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance
PRE-PAYMENT	1.25, 1.25, 1.25	1.25, 1.25, 1.25	Yield Maintenance	Yield Maintenance	Yield Maintenance
LOAN FEE	1.00%	1.00%	1.00%	1.00%	1.00%

Current financing options from preliminary underwriting as of above date. Please call for current update. To complete a preliminary submission (underwriting pre-qual), please provide the following documentation: Prior three (3) years operating statement and current YTD (Year to date) operating statement, current Financial Statement for the borrowing entity and all applicable individuals, copy of schedule of real estate owned with resume and or profile of property management experience and current credit report if available.

Rates & Terms are subject to change without notice with market conditions.

Situs Address
City, State, Zip

Subject Property
12345 Ocean Breeze Ave.
Laguna Beach, CA.

Sales Comp #1
300 W Ocean Ave.
Laguna Beach, CA.

Sales Comp #2
200 E Ocean Ave.
Laguna Beach, CA.

Sales Comp #3
6 N. Ocean Ave.
Laguna Beach, CA.



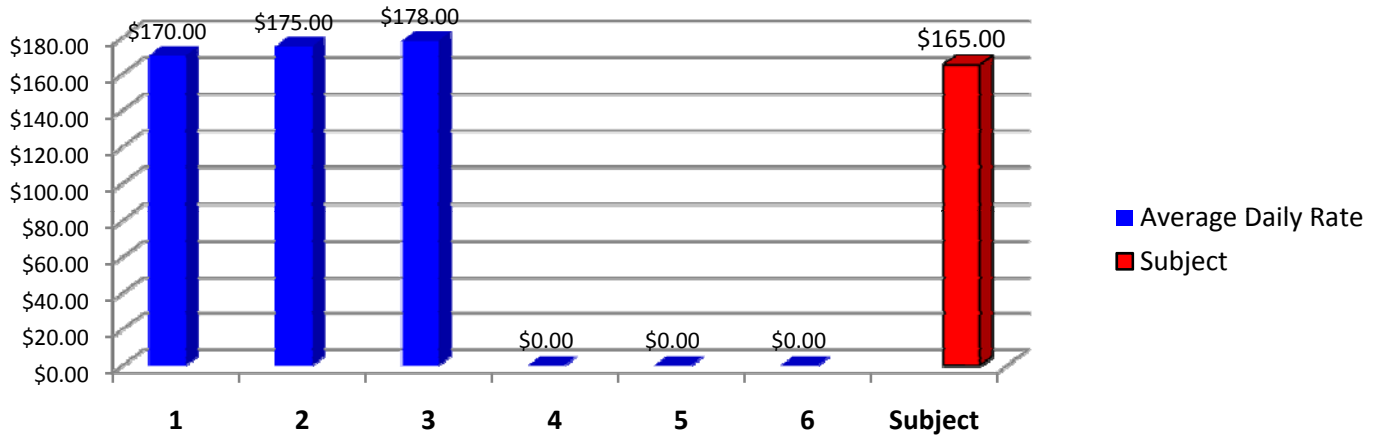
Project Name	Comfortable Inn Hotel Demo	Doubletree	Marriott	Lowes
Sales Price	\$35,000,000	\$32,000,000	\$38,500,000	\$38,000,000
Sale Date		07/01/09	06/01/09	05/01/09
# Rooms	224	250	235	250
Bldg Sq Ft (GBA)	150,000	165,000	155,000	155,000
% Occupancy	65.00%	68.00%	68.00%	67.50%
ADR	\$165.00	\$170.00	\$175.00	\$178.00
Cap Rate	11.15%	10.75%	10.75%	10.75%
Market Cap Rate	11.15%	10.75%	10.75%	10.75%
Cost per Sq Ft	\$233	\$233	\$233	\$233
Lot Size	2.5 Acres	3 Acres	3 Acres	3 Acres
Type of Hotel	Luxury	Luxury	Luxury	Luxury
Year Built	1988	1990	1990	1990
# of Stories	4-Story	3-Story	2-Story	2-Story
Restaurant	Yes	Yes	Yes	Yes
Bar / Club	Yes	Yes	Yes	Yes
Gym / Spa	Yes	Yes	Yes	Yes
House Pool / Jacuzzi	No	Yes	Yes	Yes
Scenic View	Yes	No	No	No
Amenities		Extended Stay Options	Extended Stay Options	Extended Stay Options
Comments	Business Center	Business Center	Business Center	Business Center
Comments	Internet Connection	Internet Connection	Internet Connection	Internet Connection

Comments / Amenities:

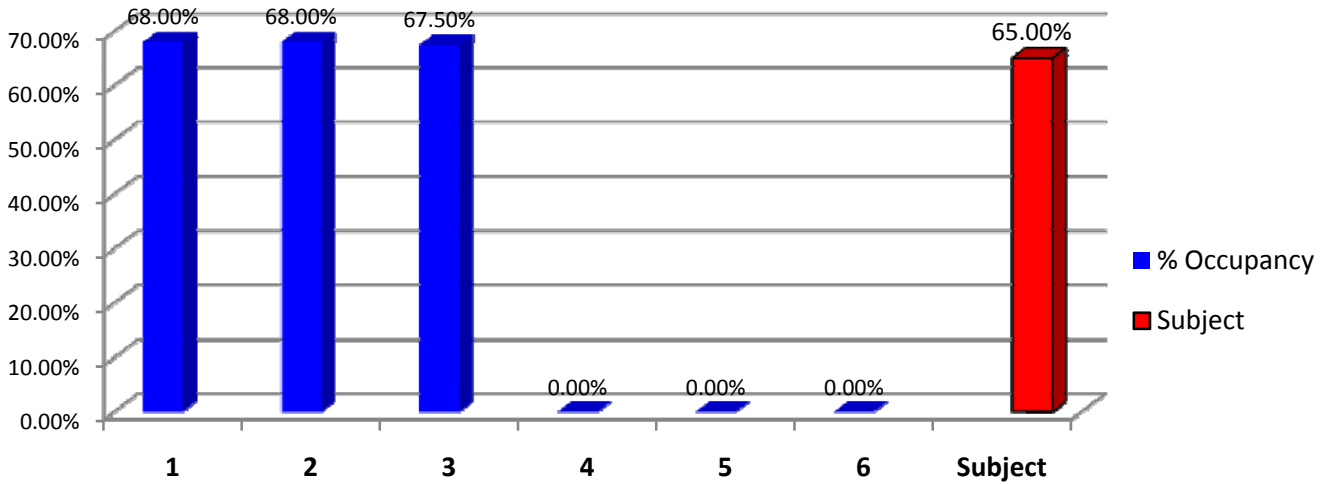
Subject Property	
Comparable #1	
Comparable #2	
Comparable #3	

SALES COMPARISONS TO SUBJECT PROPERTY

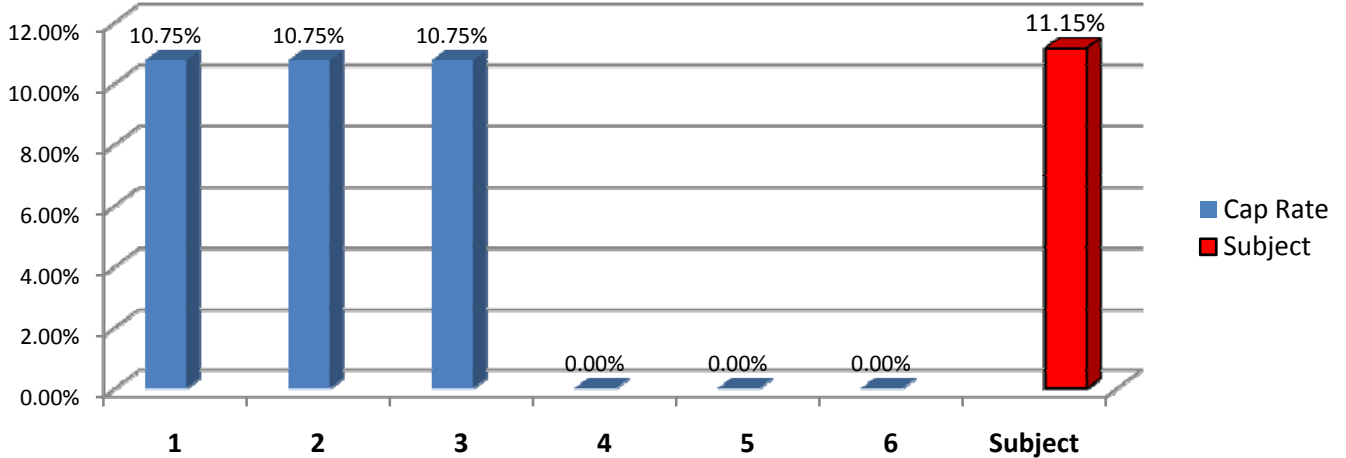
Average Daily Rate (ADR)



% Occupancy



Cap Rate



SALES COMPARISONS TO SUBJECT PROPERTY

% LTV Financing

