



Department of **Housing and Community Development**

Delta Hotel by Marriott

Rosalyn Clemens, Director

Emily Schnipke, Neighborhood Development Specialist

Sumeer Kakar, 935 Toledo LLC

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Delta Hotel by Marriott

- 3100 Glendale Avenue (UTMC Campus)
- Owned by 935 Toledo LLC and 935 Lakshmi LLC
- \$2,000,000 HUD 108 Loan (20 year term, 6.25% interest rate) for furniture, equipment, training and working capital

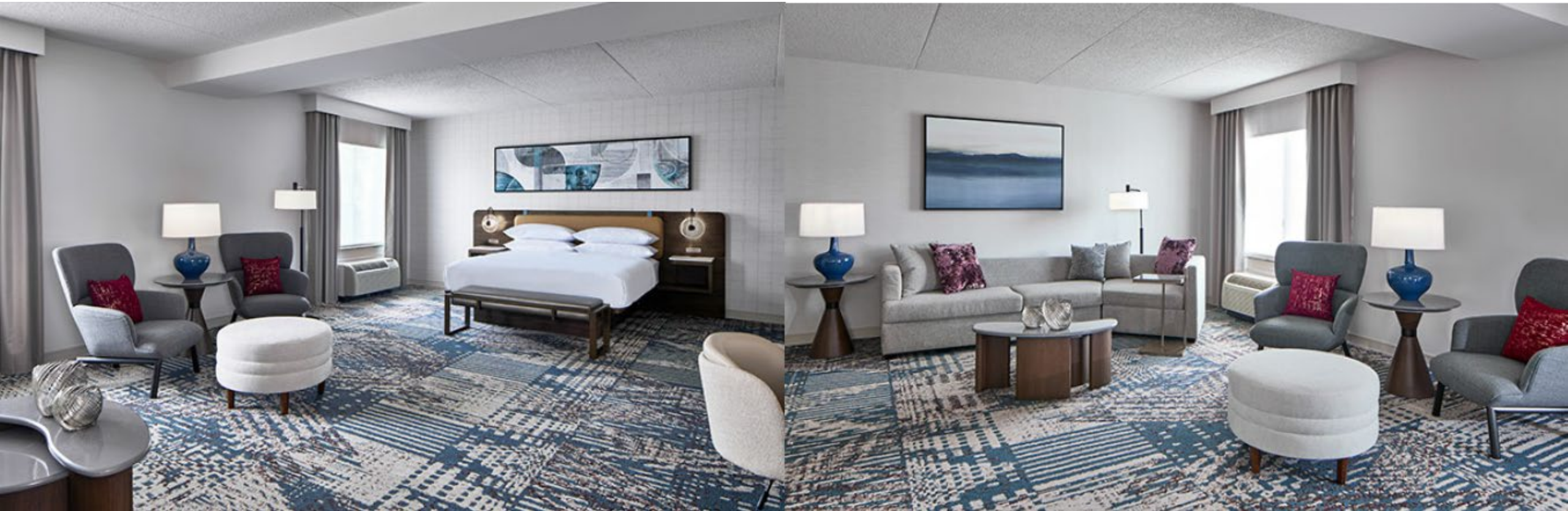
Delta Hotel by Marriott

- Purchased LLC in 2021 for \$2.5 million, formerly Radisson Hotel
- Complete renovation and rehabilitation for \$9 million
- Renovated restaurant, rooms, ballrooms; upgrades to the entire facility
- Newly rehabilitated appraisal value is \$10.2 million



Rehabilitation & Construction

Delta Hotel by Marriott



Four star hotel with 212 guest rooms, full service restaurant, and banquet spaces







Axis Restaurant
(open to the public)
will enhance the
Toledo culinary
scene



Underwriting Due Diligence

LOAN COVERAGE

- **Loans to value: 71.57%**
(HUD standard 80%)
- **Debt Coverage Ratio: 1.56**
(HUD standard 1.20) (Year One)
- **Total loans: \$7,300,000**
(\$5m SBA, \$2m HUD 108,
\$300,000 ECDI bridge loan)

FINANCIAL REVIEW

ECDI Credit Memo

- Personal and business tax returns and financials
- Real Estate Owned Schedule
- Personal and business credit reports

Experience and Management

- Principals are Sumeer Kakar, Sudhir Kakar, Sangeeta Kakar, and Kushank Gupta (935 Toledo LLC and 935 Lakshmi LLC)
- Owners have experience and success in owning other hotels:
 - Best Western Bennington
 - The Roslyn Hotel (Hilton)
 - Palmer House Resort (Ascend Collection by Choice)

Hotel Operations

BUSINESS PLAN

- Three year “ramp up” period until stabilization
- Solid footing with backing of Marriott’s 75.7% channel contribution

TARGET AUDIENCE

- Interest and renewed excitement from University of Toledo and subdepartments
- Pursuing the modern business and transient traveler – targeting top employers in Toledo

Public Benefit

- Project will generate 45 and retain 5 full-time jobs
- Community Benefit Agreement for the project will create internship program in hospitality management and other areas for Toledo Public Schools graduates

Projected Revenue

YEAR	OCCUPANCY RATE (AVERAGE)	YEARLY REVENUE (ROOM, FOOD, BEVERAGE)	NET OPERATING INCOME
Year 1	54%	\$5,263,801.64	\$983,849.99
Year 2	56%	\$8,224,296.50	\$1,445,275.60
Year 3 (Stabilization)	59%	\$8,896,809.00	\$1,693,865.55

We have also projected a potential year 1 with a low average occupancy rate (39%) and the hotel's yearly revenue and net operating income continue to support the debt (DCR 1.23).

This project has undergone comprehensive renovations and enhancements. The management and ownership team have extensive experience and a robust business plan, including regaining a partnership with the University of Toledo and the Medical Center.

Hotel Opening

Projected opening is August 29th

- The hotel is receiving final certifications and checks as well as finishing touches on rooms and common spaces.





Thank you.

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