HOTTEL

Creating a new era of 'stable' real estate-backed Crypto Currency with transparent and trackable assets and valuations

Rich Tuckwell-Skuda
Founder: Beach Avenue Financial & Beach Avenue Financial Manager
Rich@beachavenuefinancial.com

Abstract

Beach Avenue Financial has created HOTTEL to bridge 3 core issues within 3 separate but connected industries.

1. The Crypto market has shown itself to be volatile, unforgiving, and easily manipulatable by both 'celebrity' backers/investors and mass-market engagement. Its excessive highs, lows and non-tangible asset values have created a new 'world' problem.

2. Although the hotel industry has started to recover significantly post-Covid devastation on the sector. Covid has highlighted some profound things within the industry that account for the pre-covid poor performance of many hotels

a. There are too many hotels in core markets.
b. Too many hotels have been built in the wrong places for the wrong markets.
c. Many of those hotels are too big for the size of the market they serve.

The above 3 factors lead to overall poor performance of the asset, poor valuation of both property asset and business unit, and heavy devaluation of the overall business.

3. The Luxury Senior Living Market (unassisted living) is woefully underserviced and underdeveloped currently, with a shortfall of MILLIONS of beds in 2022/2023 and tens of millions of beds by 2028.

Introduction

Beach Avenue Financial (BAF) is the world's first fully digitalized commercial real estate asset portfolio fund. BAF is, in short, a digitalized asset fund with 600m digital shares, each share issued in the form of a Digital Token. This Digital 'Share' Token called 'HOTTEL', better known as a 'Cryptocoin', is an ownership vehicle used to digitize and productize a large chain of commercial real estate assets within the hospitality, residential, and senior living sectors.

As we know, every vehicle needs a driver. The better the driver, the smoother the journey. The 'Driver' of BAF is Beach Avenue Financial Manager (BAFM) BAFM is the fund manager of BAF and is responsible for the smooth operation of the fund, its acquisitions, its investments and rein-vestments, and its day-to-day operations.

Founder and Team

BAF and BAFM are the brainchildren of industry-leading hotelier, technologist, operational excellence expert, and marketing guru, CEO Rich Tuckwell-Skuda. Having turned round the fortunes of hundreds of hotels during his 20-year career, some of his highlights include:

- Created the industry's first-ever AI-powered booking technology platform currently in use by thousands of hotels globally

- Rewritten the industry's Digital Marketing degree and accreditation at the request of HSMAI and Google in 2018 (he literally wrote the book on Digital Marketing in hospitality)

- Named as a Hospitality Sales and Marketing Association International (HSMAI) 'Top 20 Extraordinary Mind' in 2016 alongside Terry Scriven of Google Europe

- Founder and CEO of The Anything Group (TAG), who currently works with hundreds of hotels in North America on digital and meta marketing, operational and revenue management, technology, and software implementation and management, brand alignment, and guest engagement

- Founder and CEO of 'Le Voyage Hotels and Resorts' 'Le Voyage Residences' and 'Le Voyage De La Vie'

- Former president of Avvio, Inc. and leading voice in the creation of its 'Allora' software platform, the world's first (and only) AI-based hotel booking engine, the highest revenue converting booking engine globally, as verified by Google

- In 2019 alone, conducted over 120 educational seminars and talks at global trade shows, industry conferences, and exhibitions, often as the keynote speaker

- Sits on boards for HSMAI, Emerald Exhibitions, AVIXA, and Ronald McDonald House Charities

Beach Avenue Financial Manager's remaining board is just as impressive with Giorgina Ance Perez holding the CFO post. Giorgina has an MBA and her diverse work experience has given her a global perspective and sound business judgment. Ivanna Vaisman, CCO, is an innovative and strategic PR and Comms professional, with more than 12 years of experience. Angela Neil, the financial advisor to the board, previously held a senior financial position within a globally recognized public REIT and hospitality management heavyweight. This team will create, curate, reposition, and oversee the management of the portfolio of assets purchased using the funds generated by the sale of HOTTEL tokens.

The Token and Purchase

HOTTEL: The world's first fully tangible real estate asset-backed digital (or crypto) currency.

This totally unique investment product allows for investors globally to be vested in the first 'digital commercial real estate portfolio'. Based and built on the ETH V2 cryptocoin structure, future-proofed, fully tradable, and an independent currency about to be used, in later life, as a spendable currency (future features are also planned and require minimal development).

HOTTEL launches on Coinstore's exchanges in Singapore, Dubai and London on the 25th of October 2023, currently all coins sold have been sold 'off-exchange' meaning they are held in either the buyers, or the fund's, private offline currency wallet within one of the safest wallet systems within the industry, 'METAMASK'. All coins are minted, verified, and registered on the international token/coin database and logged ready for transfer to new owners.

All coins can be privately onward tradable to other METAMASK wallet holders without this information being forwarded to the fund. When the token assets are live 'on exchange' any and all traded tokens will be able to be uploaded to any cryptocurrency exchanges where the token asset has been onboarded. Exchanges perform KYC Due

Diligence on all funds used to purchase HOTTEL to SEC standard regulations to ensure funds used on all coin sales are not from any SEC 'unacceptable activities' list.

Although the SEC does not currently regulate the crypto markets and currencies, Beach Avenue Financial, Beach Avenue Financial Manager, and HOTTEL are all registered and operated outside of North America, based in Dubai, only our properties will be based in within North America, and we have taken the decision to operate all aspects of the businesses, tokens, and assets as if they were SEC-regulated. This is to ensure that in the future should the SEC end up regulating the Crypto markets, investments, and platforms we would be fully compliant with all past requirements. We believe this gives our investors unrivaled protection offered by no other crypto investment on the market currently.

The Value Calculation

The structuring of HOTTEL token value has been done in a completely new and unique way. Both tax efficient worldwide and easily excitable if needed, the valuation calculation is completely tied and trackable to the assets that have been purchased from its sale. This means that unlike the regular non-tangible asset backed 'service backed' crypto-coins on the market, HOTTEL's valuation is controlled by its bricks and mortar assets and passive business revenue values, NOT the crypto market's 'value'. This makes HOTTEL significantly more stable than almost all other crypto-coins on the market. Its base or 'worst case' valuation is derived and regulated by the outside fund administrator (industry heavyweight and SEC-regulated Northern Trust are under negotiation to fill this role) based on the value of the property and businesses within the portfolio. This value is calculated, announced, and adjusted quarterly on all exchanges where the currency is listed.

Base Value, Demand Value, and Quarterly Value Adjustments

Example: *Quarterly base value of the coin is valued at $15 based on administrators' valuation of the funds kard assets, compared to the exchange value from the previous quarter of $8.*
Action: *The coin purchase price on all networks increases by $7 to a new base value of $15 per token. If the market value increases to $15, driven by demand for HOTTEL by on-exchange investors, the value of the token remains unchanged until the base asset valuation is calculated above the demand value. If the initial first sale of the coin continues to increase in value due to demand from the public, those funds are used to buy more properties and increase the coin's value. This means investors may initially pay more than the value of the portfolio for a coin, but the value of the portfolio will very rapidly exceed the price paid by an investor..*

Administrator's Quarterly Fund and Asset Valuation

Example: *$5bn raised from the sale of HOTTEL tokens at $15.50 per token.*

- *$4.8bn in brick-and-mortar assets purchased, repositioned, and force appreciated by 40% =$6,720bn Real Estate valuation.*

- *Add $915m in forecasted EBITDA profits plus reinvestment of these profits into 41 more assets at 3x valuation within the first year*

- *Portfolio valuation now $16bn*

- *$16bn / 600,000,000 = $26,67 per token within 24 months*

With a forecasted growth rate of 22% in year two, 26% in year three, 42% in year four, and 48% in year five, the 'worst case' base token value of $70 within 5 years suggests a 467% increase in value or ROI on the investment.

An aggressive uplift by the general investment community paying potentially 2-3.5x the base value is expected, given the forecasting ability of the valuation and tangible revenues compared to non-tangible coins. This level of uplift would push the base value of each token to a value of over $140, an 933% uplift.

Tokenomics

Like all cryptocurrency and tokens/coins, HOTTEL has preset 'Tokenomics' that control and manage the expenditure of the revenue generated by the sale of the tokens. These are as follows:

Coinbase Platform: Ethereum V2

Open or Limited Supply: Limited Supply, The only coins in circulation will be the originally minted amount.

Minted: 600,000,000 (six hundred million) coins

Pre-Assigned / Pre-Sold: 175,000,000 (one hundred and seventy five million) coins

Available to Open Market: 325,000,000 (three hundred and twenty five million)

Current Coin Purchase Price: $7.50 per coin

Current Market Cap: $5bn

Estimated Coin Value in 5 Years: $70

Estimated Market Cap in 5 Years: $42bn

Estimated Coin Value in 10 Years: $195.75

Estimated Market Cap in 10 Years: $117.45bn

Unlike other cryptocurrency management companies in the industry, BAF has chosen not to follow the standard route of assigning its allowed spending based on a percentage of revenue raised from the sale of tokens, nor to be based on percentages of token value being attributed to business operations such as marketing, sales, operations, etc. Instead, BAF has created a fully auditable 'management company' that must report its financials to the open market, allowing for capped and controlled spending and forecasted profits, same as any tangible business and investment. This means that all commercial real estate, regardless of its operating form, will be assigned to the Le Voyage brand and run by Rich Tuckwell-Skuda hotel management arm. Thus, ensuring that the operating partners of BAFM have direct control of the assets expenditure and operations via a known entity with a proven track record as discounted rates to ensure high GOP.

All funds from the sale of HOTTEL tokens will be used to fund the acquisition, associated deal and closing fees, and repositioning of commercial real estate assets for the fund. It is expected that repositioning costs will be around 10% of the asset's purchase price.

It is also expected that the average purchase price of assets will be between $12m - $25m, so based on a mean average, we equate $17m per asset with a repositioning cost of $1.7m per Property.

Deal fees will equate to around 3.5% including brokers' and agents' commissions, giving a total acquisition price (mean averaged) of $19.21m per property.

With the $4.8bn HOTTEL will raise:

- $4.8bn will be used to purchase and reposition an estimated 240 individual real estate assets (including deal fees)
- $60m will be used for the acquisition of operating software companies (a Property Management System and Booking Engine provider), which also have independent revenue lines, are profitable, and will save a further $20m per year at the property level (group saving) on topline expenditure.

- $120m per year 1st year will be paid to the management of the fund itself.

Capped Operating Expenditures: Fund Level

- 3% - Deal fees for the purchase of the real estate
- 2.5% - BAFM fund management fee
- $50m - USD maximum property acquisition cost

- 10% - Maximum cost of repositioning
- 20% - BAFM bonus for delivery of exceptional operating profits. This is calculated per year, at the end of each year, and is based on the yearly P+L of the fund- as approved and signed off by an independent 3 rd party administrator based on outstanding performance (EBITDA in excess of 30% of forecast, 20% is the on excess, NOT total revenue).

Capped Operating Expenditures: Asset Level

- 4.5% - Le Voyage franchise fee regardless of entity
- 3% - Management fee if residential
- 4% - Management fee of the hotel, spa, and resort
- 4% - Management fee if senior living
- 30% - Maximum percentage of revenue spent on staffing
- 5% - Maximum percentage of revenue spent on sales and marketing

Target Markets for Acquisition Properties:

- California – San Diego, San Francisco, LA,, Marina Del Rey, Malibu, and Santa Monica
- Utah – Provo, Salt Lake, Park City
- Nevada – Las Vegas, Reno, Laughlin
- Arizona – Phoenix, Tucson, Scottsdale

- Florida – Destin, Key West, Miami, Fort Lauderdale, Pensacola, Pan Handle
- Texas – Dallas, Fort Worth, Houston, Austin, San Marcos,
- Tennessee – Nashville
- New York - NYC (specifically Manhattan), Sarasota, Yonkers
- Boston
- Chicago
- Drive and Fly-to Markets

- Puerto Rico
- Hawaii

Why HOTTEL will be successful

- Proof of concept, scale, and consistency with ground-up deals and data analysis, including past performance and enhanced forward-facing improvement strategy
- Globally recognized and multiply-awarded team of experts in hotel operations, direct revenue, revenue management, and reputation management for both branded and independent hotels
- Beach Avenue Financial has partnered with specialist management companies for the operation of all purchased hotel assets. Partners have industry-leading uplifts in GOP, direct, and EBITDA,

ensuring outstanding revenue and performance uplifts on investments regardless of whether ope-rating as a hotel, independent living, residential, or student accommodation.

- Working with industry heavy-weight partners for fund administration, currently negotiating with Northern Trust to be fund administrator
- Accredited and approved Marriott, Hilton, Choice, Hyatt, Accor, Best Western, IHG leaders, and boutique hotel specialists, so HOTTEL could acquire almost any brand
- C-suite has over 120 yrs combined experience in all disciplines of investment funds, finance, hotel management, operations, sales, marketing, and third-party asset Management.

The Assets Beach Avenue will Acquire:

Independent Buildings

- Upscale, upper upscale, and luxury boutique
- Destination, resort, city, and unique boutique
- Renovation and inward investment considered
- Strong pre-COVID-19 performance required
- Not soft-branded

- Suitable for repositioning
- Special interest in multi-use/split use properties with an extended stay or aparthotel/serviced apartments ability, pre-existing all-suite/apartment properties in metro centers (NYC/DC/San Francisco, etc.)

Branded Hotels

- Midscale Limited / Full-Service within drive markets
- Destination and Resort
- Ideally post-PIP with no renovation requirements
- Weak Pre-COVID ADR and OCC Revenue
- Closed or reduced operations
- Already in, or close to, Foreclosure
- Special interest in grouped properties with shared markets and audience
- Properties with land for conversion

Asset Metrics of Properties to be Purchased:

Hotels

- 200–300 rooms
- Prior ADR of $150-$450,
- 55%+ OCC

Apartment Buildings

- 100–200 apartment unit buildings
- $1,000-$6,000 PCM unit rental value
- 40%+ OCC

Strip Malls

- Minimum 150,000 sq ft (converts to 200 apartments plus public spaces)
- Ability to redevelop into individual hotel/housing mixed-use units Office Buildings
- Minimum 125,000 sq ft (converts to 125 apartments plus public spaces)
- Ability to redevelop into individual hotel/housing mixed-use units

Office Buildings

- Minimum 125,000 sq ft (converts to 125 apartments plus public spaces)

- Ability to redevelop into individual hotel/housing mixed-use units Key Attributes of All Assets:
- Parking garage or surface parking for at least 150 vehicles
- Operating or recently closed (less than 15 months)
- New builds that have run out of funds are especially interesting
- All properties must be able to be repositionable into luxury independent hotels, aparthotel, multi-family communities, 65+ luxury living,, or a mix of all in one building
- A mix of a longer stay serviced apartment and studio type accommodation to de-risk the portfolio as well as easier/more cost-effective to convert to independent living and residential or student accommodations
- Ideally has its own self-contained ecosystem and complex ability after conversion Repositioning Costs.

The true cost of repositioning a commercial accommodation building into a different usage is surprisingly low in comparison to building new or 'renovation into new purpose', predominantly because the bare bones required for all the uses we reposition into are identical.

By having 'all suite' hotels, resorts, luxury senior living, and 'city style' apartment buildings, the requirements are the same: main bedroom, family area, small kitchen, and a bathroom. By creating open-plan designs with only the bedroom and bathroom in a separate room, we utilize the ability to maximize the living space into zones, giving a lighter, more spacious layout. Ideally, 600 sq ft feels like 900 sq ft, and 900 sq ft feels like 1,300. Because we do not wish to go above 2 bedroom units, outside of the odd 3-bedroom penthouse, this also minimizes repositioning costs into merely combining existing rooms into one.

With all our repositions, the ability to generate external revenue through food and beverage, spa, and pool revenue is hugely important. Not only do our residents and guests benefit from top-of-the-line amenities, but we also can create reputational excellence in other outside channels. This drives the desirability of the property overall.

Independent Living

- Distressed hotel, apartment/condo complex, extended stay hotel purchase = $10m-$15m
- Refresh fitness and wellness facilities, dining, kitchen, pool, and common areas $1.5m-$3m
- Technology upgrade = $500k

- ADA FF+E throughout = $250k
- Lifestyle Facilities (Gym, Bar, Restaurant, hair salon etc.) = $400k

Multi-Family Community

- Distressed hotel, apartment/condo complex, extended stay hotel purchase = $10m-$15m
- Refresh social facilities, external landscaping, pool and spa, common areas $1.5m-$2m
- Technology upgrade = $450k
- Social programming = $250k
- Fitness and Wellness = $500k

Introducing Le Voyage 'Flexibode' Multi-Zonal Living Structure

The concept is simple. Take a building that is currently at 50% occupancy or lower, reposition it into the most needed accommodation requirement, then zone the whole building for transient, residential, and senior living.

This concept of building zoning enables the entire building to 'flex' to the requirement most needed, and then be filled with its secondary market's revenue. This ensures the building is at a minimum of 95% always occupied at the maximum revenue yield. Rather than cutting rates to fill and ensure occupancy, we now have lower inventory levels in all classes, which enables us to drive much higher rate yields without fear of low occupancy.

Example:
160-unit apartment building charging $1,900 per month on 12-month lease at 60% average occupancy:

- *160 x $1,900 x 12 / 100% occ = $3,648,000 in yearly revenue*

- *160 x $1,900 x 12 / 60% occ = $2,188,800 in yearly revenue, a shortfall of the true revenue potential by $1,459,200 a year*
- *160 room hotel, charging $125 a night = 60 x $125 x 365 / 100% occ = $5,300,000 a year*
- *160 x $125 x 365 / 60% occ = $4,380,000, a shortfall of true revenue potential of $920k*

These two scenarios offer a combined loss of over $2.5m in revenue.

Solution 1:
160-unit building + $400 night hotel = $1,900 monthly leases for 60% lease, 40% remaining 'empty occ' used as hotel:

- *96 x $1,900 x 12 = $2,188,800*

- *64 x $400 x 365 = $9,344,000*

Result: 100% occupancy = $11,532,800 in revenue

Or Solution 2:
Let's use those 24 apartments for 65+ Independent Living, calculated at the lowest end value of $24,000 per month:
- 24 x $24,000 x 12 = $6,912,000, creating an additional $6,365,600 in revenue

Or Solution 3:
Let's 32 hotel rooms, and 32 apartments as Independent Living:
- 32 x $24,000 x 12 = $9,216,000 – over 2.2x the revenue yield, and a total building yield of $5,415,000, nearly $3.3m more!

Why Senior Living?

Americans are aging out, and fast! There is a significant shortfall of beds for those members of the general population that are 'aging out'. This term refers to singles and couples over the age of 65 that no longer wish to live alone in private residences, but also do not wish to, or have no requirement, to move into assisted senior living. 'But there are senior communities all over America.' Yes, there are, however as the population that is currently aging out will attest, these communities are seen by a large majority of its intended demographic as 'old people' which they don't wish to be 'trapped' living with.

Statistically*People are living longer and longer, and the quality of life, abilities and cognitive engagement of a 75-year-old in 2022 is significantly improved compared to that of a 75-year-old in 1992. 30 years of medical advances, mental and physical health awareness, uplifts in fitness, and earlier diagnosis of debilitating illness mean that a 75-year-old now is more like a 60-year -old. Equally today's 75-year-olds will live

significantly longer and significantly more independently than ever before. And every day this extends.

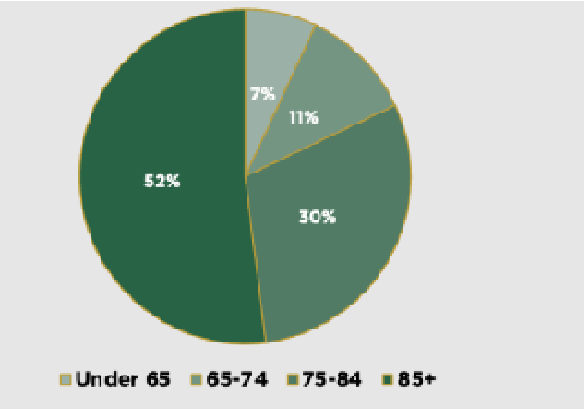
In 2020
- 47 million Americans were aged between 65–84*1
- 7 million Americans were 85 and over*
- 10% of this population fell into the 'luxury requirement'
- There were 28,900 independent living communities*
- Fewer than 3% of the above were at the 'luxury' level with 996,100 licensed beds*
- Only 33% of these were considered 'large facilities' of 26–100 beds*
- Only 8% are 'extra large facilities' of 100+ beds*
- There are just over 800,000 residents currently of these facilities*
- This represents a huge ongoing shortfall of apartments and beds, especially in the Northeast and Midwest
- Estimated projected 2020 market value of $420 billion*

- Fewer than 70,000 apartments/'beds' were under construction in 2020*, and fewer than 50,000 were planned for 2021 and 2022 each with an average build time of 24 months

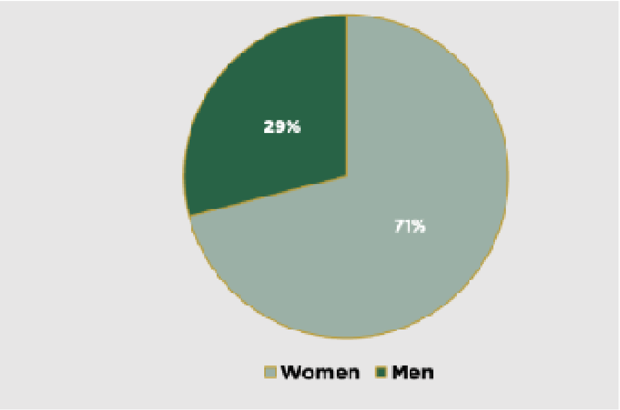
The Makeup of Residents:
Women live longer, this is no surprise and something we are statistically aware of. Women are also more social by nature during senior years, and when polled, show a higher desire to be in a community environment, whilst retaining independence.

1*Statistics and figures are all taken from the 2020 US government Census paper 'The Graying of America' , PRB Fact sheet on 'The aging of America' released in 2019, The Urban Institute Whitepaper 'The US Population is Aging' published in 2020 and updated in 2022 with research stats and figures from the ACL research paper and project 'Projected Future Growth of Older Population.

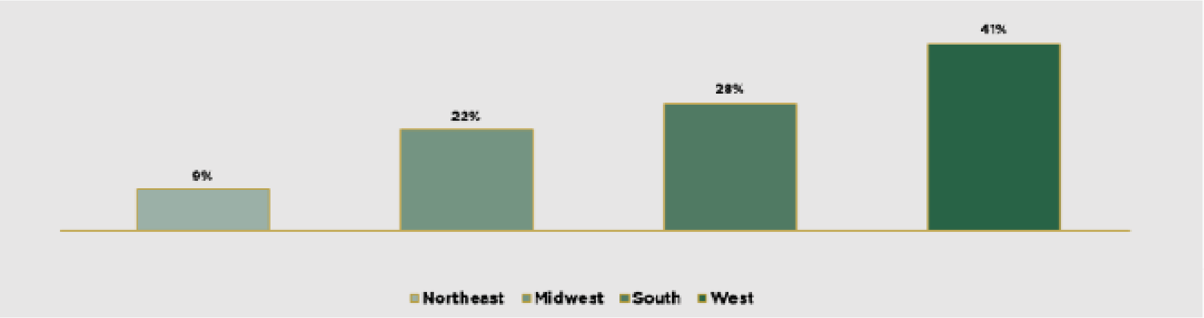
Residents by age brackets



Residents by gender



Current facilities by region



By 2030

- 65 million Americans will between the ages of 65–84*

- 15 million Americans will be 85 and over
- 15% of the above will be in the 'luxury' market
- The market value of more than $1.3 trillion USD
- An even bigger shortfall of apartments/beds than experienced in 2020
- Over 3.4m Americans will be seeking senior living apartments, and only 1.8m will exist under current construction and planned developments
- 15% of the above will be in search of the 'luxury'
- The average estimated spend per adult per year will be $48K–$72K USD
- Submarket of Luxury Senior estimates each adult will spend $175K–$250K per year USD
- The average length of occupancy is forecasted to be 5-7 years

By 2040

- 85 million Americans will between the ages of 65–84*
- 21 million Americans will be 85 and over
- 22% of the above will be in the 'luxury' market
- The market value of over $3 trillion USD +
- Continued ongoing shortage
- Over 8 million Americans will be seeking senior living apartments, but only 3.2 million are forecast to have been built or be under construction
- The average estimated spend per adult will continue to be the equivalent of $84k – $126k USD (adjusted for inflation)
- The average estimated luxury senior living spend per adult will continue to be the equivalent of $284k-$425k (adjusted for inflation)
- The average length of occupancy will be forecasted at 8-12 years

- The estimated shortfall of workers and trained professionals of 40% will be due to a lack of facilities, training, and employment opportunities All of the above forecasts, the one driver that does not change, is the desire to live within a 'normal' 'mixed' age community, independently, but with the ability to request everyday tasks and chores (cleaning, laundry, changing a lightbulb, valeting the car, walking the dog) can be taken care of by team members on site. This allows the resident to beindependent with a higher quality of life, but without the stress of hiring and maintaining staff or a 'team'

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Digitized Real Estate Investment (HOTTEL) vs Cryptocurrency Investment vs Traditional Real Estate Investment

No investment is ever even guaranteed to return your original investment, never mind a profit. A cryptocurrency investment carries significantly more risk than a 'regular' investment due to its inherent volatility. It's also, we argue, a significantly more stressful investment with the rollercoaster ride that is purchasing any Crypto. It's up 400% today, it's down 700% tomorrow.

Within an hour any one of the major names can drop 000's (if not 10's of 0000's in the case of Bitcoin). One day you've made $100k, the next you've lost $20k.

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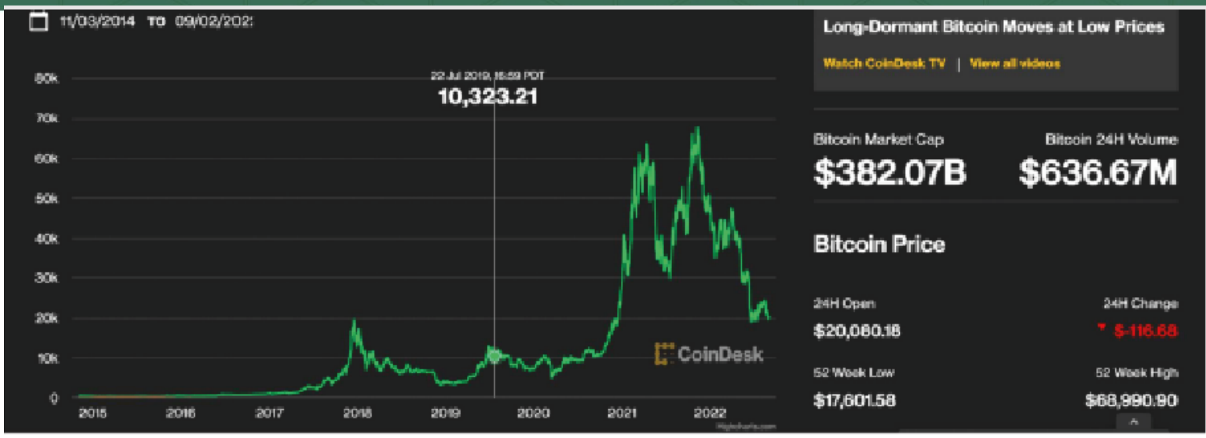
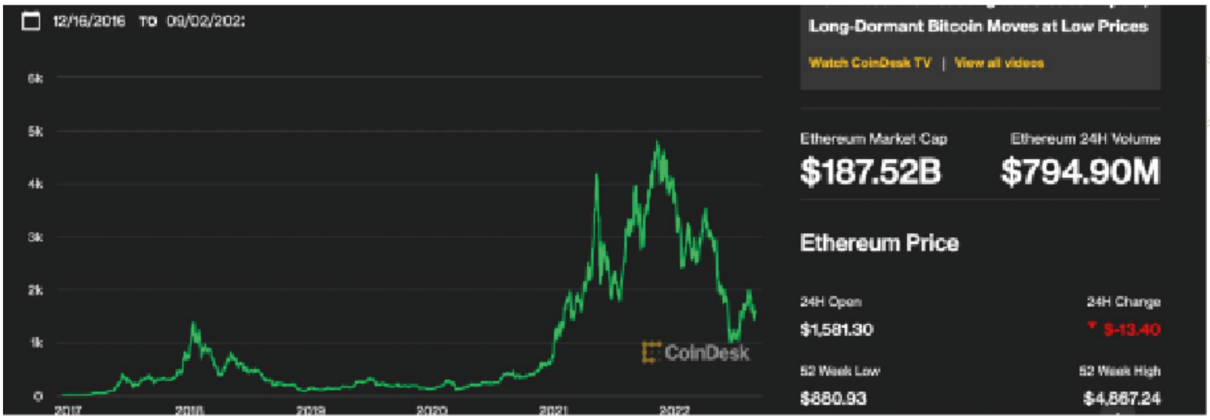
2 Screenshots taken from Coindesk Cryptocurrency dashboard and based on asset performance from launch on network to 1st September 2022





HOTTEL is different, it's not a disappearing 'might be' non-tangible coin. HOTTEL is a token directly attached and backed on the asset network and real estate portfolio that is purchased with the sale of HOTTEL tokens. It has an intrinsic base value that is unlikely to drop below its initial purchase value.
Why is Bitcoin worth $60k today and $38k a week later? Because someone said it was. There isn't an intrinsic attachment to anything real that gives it a real, tangible street value.

So HOTTEL won't drop then? Commercial Real Estate has been a safe investment since the dawn of time, bricks and mortar earn value through deployment as an asset (shopping mall, hotel, apartments, etc.) creating passive income. Whilst the hard asset (the property) appreciates over time, as well as rises in line with property values, inflation, and development.

So, a hotel that costs $10m today is worth more in 10 years, with the passive income being generated over the years adding to the pot.

Distressed Assets + Diversified Portfolio = Growth

With thousands of hotels, apartment buildings, and accommodation projects across North America in a financially distressed state, with more to follow as soon as interest rates and 'covid abatement payments start to fall due in 2024 / 2025' and needing to be sold to new financially stable owners, there could not be a better time to invest heavily into commercial real estate within the commercial accommodations sector.

As most of these assets are 25% - 40% under their 2020 market valuations, this ensures that just through the strategy of 'purchase and hold', the asset value will rise accordingly over the preceding 2-5 year period back to, and above, its 'Pre-COVID' value. With many of these assets needing little to no work to reopen (or to remain open), just requiring cash flow to continue to trade, this creates more passive income straight away, and an excellent investment opportunity.

Those assets that are no longer profitable in their current guise (as a hotel for instance), simply require 10% -15% of their acquired value to be spent to reposition them into new, or our unique 'Flexi-bode', asset classes. During the repositioning process, this will also increase the value of the assets due to 'Forced Appreciation'. Meaning any funds used to renovate are recouped almost immediately in increased asset valuation.

This strategy ensures solid revenue creation of further passive income and a diversified portfolio,further de-risking and stabilizing revenues, and values, and most importantly drastically increasing the value of each 'HOTTEL' coin in circulation.

Appreciated assets and reinvested passive revenue creates further growth and value
If HOTTEL can reach its desired Token Sale Target (TST) of 325,000,000 Tokens sold. This will enable the purchase, renovation, repositioning, and operation of anywhere between 240 - 300 Properties, all positioned as Hotels, Multi-Family, and Independent Living Communities, with the potential to expand into Residential or Student Housing with our unique 'Flexi-bode' mixed-use communities. The portfolio's asset value at this point is still worth roughly the same as our initial deployment of capital + 40% in forced appreciation.

Each one of these initial properties, in the worst revenue generation case, creates a passive profit income of between $6m - $8m per year each, or between $1.4bn - $2.4bn.. These profits will be reinvested into MORE distressed properties with the fund, thus increasing the value of the portfolio and the value of each HOTTEL Token without any further requirement for onward investment or loan.

We forecast that within 5yrs

- We aim to have added between 230+ further distressed assets to the portfolio with a rough market value of $6.bnm+

- The initial deployed capital should have increased a minimum of 45%+ inflation to a value of $7,516bn+
- The total value of assets within the portfolio at this time should be in excess of $11.5bn+, these assets will be generating passive income of $4,7bn+ a year (buying 60+ properties a year)
- Over the next 15 yrs HOTTEL aim to create a multi-billion-dollar asset fund, employ tens of thousands of people across North America and generate billions of dollars in income and profits for Token owners.

Tax efficient investment vehicle

Lastly, the huge tax efficiency of investing in a digitalized asset, registered and based in Dubai that currently both regulates the crypto market and businesses there and also offers zero taxation on the sale and profits of Crypto assets, allows for both a profitable and quick exit from HOTTEL without the requirement for long-winded sale and purchase contracts, finding buyers, and negotiations makes investing in HOTTEL even more attractive.

The ability to transfer an investment in HOTTEL into multiple tax-efficient countries to release funds within a more tax-friendly environment and then onward invest within that region without the requirement for huge amounts of legal paperwork that would be associated with moving hundreds of millions of dollars from the US to Europe, India, or elsewhere to the US, etc., means that the secondary benefits of investment in HOTTEL become more and more attractive as the benefits add up.

Investment Highlights

- Stable, asset-backed
- Massive growth
- Immediate exit potential
- Tax efficient in many countries globally, tax free currently in home country of Dubai

- Ease of moving potentially billions of dollars globally without the regular headaches of moving FIAT funds

- Ability to transfer funds to any legally registered digital wallet globally between family members, friends, suppliers
- Ability to onward purchase assets using HOTTEL as payment (due to its stability)

Conclusion

Overall, Beach Avenue Financial (BAF) has created HOTTEL to bridge 3 core issues within 3 separate, yet connected, industries.

First, the Crypto market has shown itself to be volatile, unforgiving, and easily manipulatable. Its excessive fluctuation and intangible asset values have created a new 'world' problem.

Second, a variety of issues have been identified within the hotel industry post-pandemic. These include a surplus of hotels in core markets, an abundance of hotels that have been built in places for the incorrect markets, and the fact that many of those hotels are too big for the size of the market they serve. These factors lead to the overall poor performance of the asset, poor valuation of both property asset and business unit, and heavy devaluation of the overall business.

The third and final issue identified is the under-service of the Luxury Senior Living Market (unassisted living). There is a current lack of MILLIONS of beds with a trajectory of TENS OF MILLIONS by 2028.

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References

Statistics and figures are all taken from the 2020 US government Census paper 'The Graying of America', PRB Fact sheet on 'The aging of America' released in 2019, The Urban Institute Whitepaper 'The US Population is Aging' published in 2020 and updated in 2022 with research stats and figures from the ACL research paper and project 'Projected Future Growth of Older Population.