Hotel Investment Analysis & Financing: A 1-Week Intensive

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Edinburgh (UK)



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Why This Course

Hotel investment decisions require a strong understanding of hospitality operations, property valuation, financial modelling, financing structures, market dynamics, and risk assessment. Investors, asset managers, developers, lenders, and hospitality professionals need the ability to evaluate hotel assets accurately, forecast performance, structure deals, and make informed acquisition or development decisions.

This intensive 1-week Hotel Investment Analysis and Financing Training program equips participants with practical knowledge and tools for evaluating hotel investment opportunities. The course covers hotel operating structures, financial statements, USALI, valuation methods, pro forma modelling, revenue and expense forecasting, capital expenditure planning, financing strategies, loan underwriting, investment return metrics, asset management, and acquisition analysis. Through case studies and applied exercises, participants will learn how to assess hotel investments with confidence and communicate investment recommendations effectively.

What You'll Learn and Practice

By joining this program, you will:

- Understand the hotel investment landscape and key market drivers.
- Identify the main factors that influence hotel property values.
- Analyze hotel operating structures, contracts, and management arrangements.
- Interpret hotel financial statements using USALI principles.
- Apply hotel valuation techniques, including income capitalization and discounted cash flow analysis.
- Use comparable sales and replacement cost approaches.
- Build hotel pro forma models for investment analysis.
- Forecast hotel revenues, operating expenses, and cash flows.
- Plan capital expenditures and assess their impact on investment returns.
- Apply sensitivity and scenario analysis to evaluate risk.
- Understand debt, equity, mezzanine financing, and preferred equity structures.
- Analyze lending criteria, underwriting requirements, terms, and covenants.
- Use investment return metrics such as IRR, equity multiple, and cap rate.
- Apply asset management and value enhancement strategies.



The Program Flow

Day 1: Introduction to Hotel Investments

- Understand the hotel investment landscape and major investor profiles.
- Identify key drivers of hotel property values, including location, demand, brand, and operations.
- Explore hotel operating structures, management contracts, leases, and franchise agreements.
- Understand hotel financial statements and their relationship to asset performance.
- Get introduced to USALI and its role in hospitality financial reporting.

Day 2: Hotel Valuation Techniques

- Apply the income capitalization approach to hotel valuation.
- Build understanding of discounted cash flow analysis for hotel assets.
- Use comparable sales methods to benchmark market value.
- Understand the replacement cost approach and when it is useful.
- Compare valuation methods and interpret results for investment decision-making.

Day 3: Financial Modeling for Hotel Investments

- Build a hotel pro forma for acquisition or development analysis.
- Forecast room revenue, food and beverage revenue, and other income streams.
- Model operating expenses, departmental margins, and cash flow.
- Plan capital expenditures and renovation assumptions.
- Apply sensitivity and scenario analysis to test key investment assumptions.

Day 4: Hotel Financing Strategies

- Understand debt and equity structures used in hotel investments.
- Explore mezzanine financing and preferred equity options.
- Review hotel lending criteria and loan underwriting considerations.
- Analyze loan terms, covenants, interest rates, amortization, and repayment structures.
- Apply negotiation principles for financing terms and investor requirements.

Day 5: Investment Analysis and Decision Making

- Calculate and interpret investment return metrics, including IRR, equity multiple, and cap rate.
- Conduct risk assessment and develop mitigation strategies.
- Explore portfolio management and asset allocation considerations.
- Apply asset management strategies to enhance hotel value.
- Complete a hotel acquisition analysis case study and present investment recommendations.



Individual Impact

- Build confidence in analyzing and valuing hotel investment opportunities.
- Strengthen skills in hotel financial statement analysis and pro forma modelling.
- Improve understanding of hotel financing structures and lending requirements.
- Gain practical ability to assess investment risk and return.
- Develop stronger decision-making and communication skills for hotel acquisition and development projects.

Work Impact

- Improve the quality of hotel investment evaluations and recommendations.
- Support better acquisition, development, and financing decisions.
- Strengthen financial modelling and valuation capabilities within hospitality teams.
- Improve communication between investors, lenders, developers, operators, and asset managers.
- Enhance portfolio and asset management decisions through stronger financial analysis.

Training Methodology

This program combines hospitality investment theory with practical financial application through:

- Hotel investment case studies and market scenarios.
- Financial statement and USALI analysis exercises.
- Valuation workshops using multiple hotel valuation approaches.
- Hotel pro forma and cash flow modelling activities.
- Financing structure and loan underwriting exercises.
- Acquisition analysis case study and investment presentation practice.

Beyond the Course

Upon completion, participants will be able to:

- Analyze and value hotel investment opportunities independently.
- Build comprehensive financial models for hotel acquisitions and developments.
- Forecast revenues, expenses, cash flows, and capital expenditure needs.
- Structure and assess hotel financing deals.
- Apply risk, return, and scenario analysis to investment decisions.
- Present clear investment recommendations for hotel assets and development projects.

