

SBA 7(A) FINANCING REQUEST

MIRAGE

90-key destination hotel · MIRAGE DINING™ ·
INFINITE REALITY™ · MIRAGE SOCIAL™

A 90-key destination hotel on Manhattan Boulevard with MIRAGE DINING™, INFINITE REALITY™, and MIRAGE SOCIAL™ on the ground floor — the Harvey flagship of a scalable hospitality and entertainment platform.

FACILITY REQUESTED \$5,000,000 SBA 7(a) · hard ceiling	PROJECT 90 keys 90 keys · 200' × 80' · 64,000 SF GBA · 4 enclosed levels	LOCATION Harvey, LA 1705 Manhattan Blvd, Harvey, Louisiana 70058 · Lot P-2-ATY4 · 2.2 acres
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Facility requested	\$5,000,000 SBA 7(a)
Term / structure modeled	25-year amortization · rates 9.00%–11.00% tested
Project	90 keys · 200' × 80' · 64,000 SF GBA · 4 enclosed levels
Address	1705 Manhattan Blvd, Harvey, Louisiana 70058
Parcel / zoning	P-2-A1Y4 · 2.2 ac · MU-CD — commercial corridor
Land	Sponsor equity / separate real-estate contract — mortgaged collateral, not a use of the note
Sponsor	Filbert Henry · Paparazzi Marketing Group · La La Boutique · 16+ years ownership, scaling & large-team management
Stabilized EBITDA / DSCR (planning)	\$1,670,845 · 2.95× @ 10.50% / 25 yr
Moderate operating sensitivity	\$1,670,845 · 2.95× @ 10.50% — resilience case
Annual debt service @ 10.50%	\$566,509/yr on \$5,000,000
Interest / debt-service reserve	\$300,000 funded inside the note — timing protection on opening ramp
Package volumes	Volume I Business Plan · Volume II Financial Workbook · Volume III Development/Collateral · Volume IV Sponsor

This business plan supports an SBA 7(a) financing request. Approval is subject to borrower creditworthiness, appraisal, collateral, and lender underwriting under the applicable SBA SOP.

Business Plan

Executive summary, sponsor, management, property, market, concept, operating divisions, development, Sources & Uses, financial projections, debt repayment, collateral, and risk management.

1 Executive Summary

Who we are · Why we are building this

Who we are. Filbert Henry is the founder, developer, and controlling operator behind Mirage. His platform includes Paparazzi Marketing Group, La La Boutique, approximately sixteen years of restaurant operations, Head Electrician service for the City of New Orleans, and large-scale LED / immersive production. Tax returns, employment verification, and entity records in the diligence package support the operating history.

Why we are building this. Mirage puts a destination hotel, MIRAGE DINING™, INFINITE REALITY™, and MIRAGE SOCIAL™ in one building on Manhattan Boulevard in Harvey — so overnight guests, locals, and event buyers feed one asset instead of a commodity hotel competing only on room rate. The Harvey flagship is Property #1 of a national expansion platform; Phase I pays the loan.

Why this sponsor. The sponsor brings more than 16 years of entrepreneurial ownership, business scaling, and large-team management, combined with direct hospitality, electrical systems, marketing, retail, and large-scale experiential production expertise. Hotel operations will be led by experienced hospitality management; the sponsor provides owner-side business, restaurant, technical, and brand leadership.

Who	Filbert Henry — Founder / Developer / Operator
Companies	Paparazzi Marketing Group · La La Boutique
Track record	16+ years ownership, scaling, and large-team management
What we are building	90-key destination hotel + dining + Infinite Reality + Social
Where	1705 Manhattan Blvd, Harvey, Louisiana 70058
Ask	\$5,000,000 SBA 7(a) — hard ceiling
How we repay	Hotel Dining Infinite Reality Social Packages
Expansion	Franchise / multi-location platform — excluded from Phase I DSCR
Collateral	Land (contributed) + completed building + FF&E/SKU schedule — independent appraisal establishes value

MIRAGE SBA Financing Package — volumes

Volume I — Business Plan	This document — company, location, market, development, operations, financials, repayment
Volume II — Financial Workbook	Mirage_Lender_Underwriting_Model.xlsx — mandatory · assumptions, departments, DSCR, sensitivity, monthly Year 1
Volume III — Development / Collateral	Plans, parking, FF&E/SKU schedule, Sources & Uses, valuation comps · collateral Excel included
Volume IV — Sponsor & Corporate	Filbert Henry · Paparazzi Marketing Group · La La Boutique · City employment · tax returns · entity docs
Coverage	Stabilized planning ~2.95× · moderate sensitivity resilience in \$8
Location	§ Why 1705 Manhattan — corridor thesis, anchors, transaction comps, drive-time
Expansion	§ National Expansion Platform — franchise model disclosed; \$0 in Phase I DSCR

Stabilized planning coverage approximately 2.95× on \$1,670,845 EBITDA against \$566,509 annual debt service at 10.5% / 25 years.

Stabilized planning case	\$1,670,845 · 2.95× @ 10.50%
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Moderate sensitivity (resilience)	\$912,616 · 1.61× @ 10.50%
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Investment Thesis

Mirage is a destination hotel and entertainment property combining lodging, dining, immersive amusement, and social events under one operating platform on Manhattan Boulevard in Harvey, Louisiana — the flagship of a scalable national brand.

- 90-key experiential hotel anchored by MIRAGE DINING™, INFINITE REALITY™, and MIRAGE SOCIAL™ — one property, multiple demand channels.
- Requested financing of \$5,000,000 SBA 7(a) against a defined capital plan for a 64,000 SF, four-level building on a 200' × 80' plate.
- Stabilized planning coverage approximately 2.95× on \$1,670,845 EBITDA; moderate operating sensitivity demonstrates resilience.
- A \$300,000 interest reserve protects opening-ramp timing under lender draw control.
- Sponsor Filbert Henry — 16+ years ownership, scaling, and large-team management across Paparazzi Marketing Group, La La Boutique, restaurant operations, City of New Orleans Head Electrician service, and large-scale experiential production — supported by licensed GC, A/E, and professional hotel management.
- Technology differentiates the guest journey inside a durable real-estate asset. Franchise and multi-location expansion are the strategic upside and are excluded from Phase I debt repayment.

Request. \$5,000,000 SBA 7(a) financing request against one destination hospitality building. Capital plan is itemized to this ceiling. Construction pricing is finalized through GMP contracting; independent appraisal establishes collateral value.

Land. Land is contributed as sponsor equity under a separate real-estate contract, disclosed to the lender, and offered as mortgaged collateral. Land is not a use of the \$5,000,000 note.

Financed scope. The note finances one destination hospitality building: 90 keys on a 200' × 80' plate, 4 enclosed levels, 16,000 SF per floor, 64,000 SF GBA — structure, envelope, interiors, site, MEP, elevators, FF&E, systems, soft costs, working capital, interest reserve, and contingency.

Repayment. Repayment is supported by departmental operating cash flow across Hotel, MIRAGE DINING™, INFINITE REALITY™, MIRAGE SOCIAL™, and incremental packages. Revenue is built bottom-up from physical drivers — keys × occupancy × ADR; seats × turns × seat-fill × check; Ride Theater and Free-Roam throughput; event mix × booking components. Rate sensitivity is in Section 8; risk controls are in Section 9. Franchise and expansion revenue are excluded from Phase I DSCR.

REQUEST \$5,000,000 SBA 7(a)	KEYS 90 — 30/floor × 3 hotel floors (L2–L4)	BUILDING 200' × 80' · 4 enclosed levels · 16,000 SF/floor · 64,000 SF GBA
ADDRESS 1705 Manhattan Blvd, Harvey, Louisiana 70058	PARCEL P-2-ATY4 · 2.2 acres · MU-CD — commercial corridor	PARKING Site parking engineered; final civil / Planning confirmation completed through entitlement
STABILIZED EBITDA / DSCR \$1,670,845 · 2.95× @ 10.50%	MODERATE SENSITIVITY (RESILIENCE) \$1,670,845 · 2.95× @ 10.50%	INTEREST RESERVE \$300,000 — timing protection on opening ramp
CORRIDOR EVIDENCE IHOP 1719 Manhattan Blvd, Harvey, LA ~\$1,550,000 — same corridor dining pad		

Opening businesses

Mirage Hotel — L2 · L3 · L4	90-key experiential hotel · real-window guest rooms · destination lodging anchor
MIRAGE DINING™ — L1	2,500 SF full-service restaurant / bar · 100 seats · 1,500 SF kitchen / BOH
INFINITE REALITY™ — L1	7,000 SF · Ride Theater + Free-Roam · parties · hotel-linked packages
MIRAGE SOCIAL™ — L1	2,000 SF celebrations, corporate events, ticketed social nights

Credit highlights

- One destination asset with diversified demand: overnight guests, local dining, immersive amusement, private events, corporate groups, and packaged experiences.

- Capital plan itemized to \$5,000,000 across 16 lines, including working capital, interest reserve, and owner contingency inside the note.
- Collateral: first mortgage on the completed building and improvements plus sponsor-contributed land; UCC liens on eligible FF&E, systems, and inventory. Independent appraisal establishes final value.
- Franchise / brand licensing and multi-location expansion are the national platform upside and are excluded from Phase I debt repayment.
- Rooftop / Phase II is optional and carries no Phase I revenue.

COVERAGE VIEW

The official operating model from this package stabilizes at approximately 2.95× DSCR (\$1,670,845 EBITDA against \$566,509 debt service at 10.50%). Under simultaneous demand softening, moderate sensitivity still covers at approximately 1.61×. A \$300,000 reserve protects opening-ramp timing. The rate grid below shows stabilized coverage across rates — not thin opening-year headlines.

Coverage — EBITDA DSCR and DSCR after replacement reserve

Stabilized EBITDA DSCR is the operating coverage view. The BPO income cross-check already deducts a 4% replacement reserve; showing that same reserve against debt service is the more credible cash picture.

Stabilized EBITDA	\$1,670,845
Less replacement reserve @ 4% of revenue	(\$257,316)
EBITDA after replacement reserve	\$1,413,529
Annual debt service (10.5% / 25 yr)	\$566,509
EBITDA DSCR	2.95×
DSCR after replacement reserve	2.50×

EBITDA DSCR 2.95× · DSCR after 4% replacement reserve ~2.50×. Both are presented; the reserve is not hidden.

Mirage applies established hospitality, food-and-beverage, and entertainment operating models within a differentiated destination property. The combination and guest journey are what is new — not the underlying business types.

25. Executive Summary — full statement

A \$5,000,000 SBA 7(a) request to build a four-level, $\pm 64,000$ square foot destination hospitality property at 1705 Manhattan Blvd, Harvey, Louisiana, carrying ± 90 guest rooms above four ground-floor revenue components.

The request. The borrower seeks a single \$5,000,000 SBA 7(a) facility. That figure is a hard ceiling; no schedule, exhibit, or workbook in this package publishes a project total above it. The proceeds fund improvements, equipment, soft costs, pre-opening, working capital, and contingency. Land is acquired separately with sponsor equity, is not a use of the note, and is offered to the lender as mortgaged collateral.

The asset. 1705 Manhattan Blvd, Harvey, Louisiana 70058, Lot P-2-A1Y4, approximately 2.2 acres, zoned MU-CD on Manhattan Boulevard — the primary commercial artery of the Westbank of Jefferson Parish. The listing reports traffic of approximately 45,000 vehicles per day, which is reproduced as a listing claim pending traffic study verification. The improvement is one building, 200' $\times$ 80' in plan, 4 enclosed levels, approximately 16,000 square feet per level, approximately 64,000 square feet gross. There is no enclosed fifth floor. A rooftop program is an optional Phase II improvement and carries no Phase I revenue.

The program. Level 1 is a 16,000 square foot public floor: INFINITE REALITY™ at 7,000 square feet, MIRAGE DINING™ at 2,500 square feet with approximately 100 seats, the Social Hall at 2,000 square feet, and a 1,600 square foot lobby and flex arrival zone, supported by a 1,500 square foot commercial kitchen and back of house plus restrooms, core, and mechanical space. Levels 2 through 4 are identical hotel floors carrying approximately 90 keys, 30 per floor, subject to final architectural, fire, and MEP coordination. Every guest room is an exterior room; there is no atrium and no interior-facing key. MIRAGE DINING™ is the only published restaurant brand for this property.

The repayment case. Repayment comes from departmental operating cash flow across the hotel, MIRAGE DINING™, Mirage Play, the Social Hall, and an incremental package line, with fitness and strength carried as a support amenity rather than as a revenue department. Every revenue line is built bottom-up from a physical driver — keys times occupancy times rate, seats times turns times fill times check, arenas times sessions times players times utilization times ticket, events times average all-in booking. No line is a share of an estimated market. Franchise, licensing, and expansion concepts are excluded from Phase I repayment entirely and appear nowhere in coverage.

The credit posture. Even under moderate simultaneous demand softening, modeled coverage remains approximately 1.61x at the planning rate — that stress result leads the credit story. Stabilized planning coverage and the Year 1 ramp follow. Coverage is also shown across a rate grid from 9.00% to 11.00% on a 25-year amortization of the full \$5,000,000. The capital plan is itemized to the financing ceiling; final cost is confirmed by GMP and vendor quotations before closing.

The sponsor. The sponsor is an owner-operator with sixteen-plus years of ownership and management across several staffed businesses — consistent scaling — plus electrical systems, restaurant, and large-scale immersive lighting experience. Delivery is by licensed GC and A/E; hotel operating leadership is a closing diligence item. Sponsor credentials and tax returns are exhibits.

Diligence gate. Development Diligence & Closing Requirements (appendix) list the evidence required before this package is closing-ready: GMP, modular fabricator quote, hotel feasibility / STR study, parking determination, documented equity, hotel GM or management agreement, MAI appraisal, insurance quotes, and utility capacity confirmation. This narrative does not restate that list.

What is asked. A term sheet priced off the rate grid in Section 15, conditioned on the Development Diligence & Closing Requirements appendix, with interest-only treatment through construction and the first operating quarter and a debt service coverage covenant tested on a trailing twelve-month basis beginning in the second operating year.

Facility requested	\$5,000,000 SBA 7(a) — hard ceiling
Address	1705 Manhattan Blvd, Harvey, Louisiana 70058
Parcel / zoning	Lot P-2-A1Y4 · ±2.2 acres · MU-CD
Building	200' × 80' · 4 enclosed levels · ±64,000 SF GBA
Guest rooms	±90 — subject to final A/E, fire, and MEP
Level 1 program	Play 7,000 SF · Dining 2,500 SF · Social Hall 2,000 SF · Lobby/flex 1,600 SF
Restaurant brand	MIRAGE DINING™ — sole published brand
Land	Sponsor equity / separate contract — disclosed, mortgaged, not financed
Parking compliance	Final civil / Planning confirmation required prior to closing — unresolved closing condition; see Section 9B
Rate band tested	9.00%–11.00% · 25-year amortization
Rooftop	Optional Phase II — no Phase I revenue

Seven revenue engines

#	ENGINE	IN BASE DSCR	NOTE
1	Hotel	Yes	90 keys — primary lodging engine
2	MIRAGE DINING™	Yes	Destination restaurant
3	INFINITE REALITY™	Yes	Ride Theater + Free-Roam + ancillary
4	MIRAGE SOCIAL™	Yes	Events, celebrations, corporate, ticketed nights
5	Fitness & Strength Training	No	Guest amenity — not base DSCR
6	Franchise / brand licensing	No	National expansion upside — excluded from Phase I DSCR
7	Packages / ancillary (incremental)	Yes	Cross-sell bundles only — no double-count

Seven operating architecture: hotel and ground-floor experience departments carry Phase I repayment; fitness is an amenity at \$0 in base DSCR; franchise is upside only; packages are incremental cross-sell only.

1A Project Description

One parcel, one building, one financed geometry: a four-level, approximately 64,000 square foot destination hospitality property on Manhattan Boulevard in Harvey, Louisiana.

The subject of this financing request is 1705 Manhattan Blvd, Harvey, Louisiana 70058, identified as Lot P-2-ATY4, containing approximately 2.2 acres and zoned MU-CD under the Jefferson Parish code. The parcel fronts Manhattan Boulevard, the principal commercial artery serving the Westbank of Jefferson Parish. The marketing listing for the parcel reports traffic of approximately 45,000 vehicles per day; that figure is reproduced here as a listing-reported claim and is pending verification against the current LADOTD / Jefferson Parish published traffic series. No underwriting conclusion in this package depends on the exact count.

The improvement to be financed is a single building measuring 200' × 80' in plan with 4 enclosed levels, approximately 16,000 square feet per level, and approximately 64,000 square feet of gross building area. Level 1 is a public experience floor containing four revenue components and their supporting back-of-house. Levels 2, 3, and 4 are hotel floors carrying approximately 90 guest rooms in total, planned at 30 keys per floor. The key count is a planning number and is expressly subject to final architectural, fire-protection, and MEP coordination; the borrower does not represent it as a permitted count.

There is no enclosed fifth floor in this project. The structure is four enclosed levels. A rooftop program is contemplated as an optional Phase II improvement, is not part of the financed scope, and

carries no revenue in the Phase I repayment analysis. Any lender reading a five-story or rooftop-revenue description of this site is reading superseded material.

The property is a single-address operation. A guest arrives once and can dine, attend an event, use the immersive entertainment floor, and stay overnight without moving a vehicle. That adjacency is the operating thesis: the hotel supplies captive evening demand to the ground floor, and the ground floor supplies a reason to travel to a hotel located outside the New Orleans central business district.

Address	1705 Manhattan Blvd, Harvey, Louisiana 70058
Parcel	Lot P-2-A1Y4
Site area	±2.2 acres
Zoning	MU-CD — mixed use, commercial corridor
Frontage traffic	±45,000 VPD — listing-reported; pending traffic study verification
Building footprint	200' × 80'
Enclosed levels	4 — no enclosed fifth floor
Floor plate	±16,000 SF
Gross building area	±64,000 SF
Guest rooms	±90 keys — subject to final A/E, fire, and MEP
Rooftop	Optional Phase II — excluded from Phase I scope and Phase I debt repayment
Financing request	\$5,000,000 SBA 7(a) — hard ceiling

2 The Project — Phase 1 Lock

One geometry is financed. Anything not in this table is not in this credit request.

Keys	90
Keys per hotel floor	30 × 3 floors (L2·L3·L4)
Plate	200' × 80'
Levels	4 enclosed — Four enclosed levels · L1 experience · L2–L4 hotel · no atrium
Floor plate area	16,000 SF
Gross building area	64,000 SF
Parking compliance	116 engineered on site · final civil/Planning confirmation required prior to closing (see Exhibit C / closing conditions)
Restaurant brand	MIRAGE DINING™
Play brand	INFINITE REALITY™
Event brand	MIRAGE SOCIAL™

Level 1 — experience floor

ZONE	SF	PROGRAM
MIRAGE DINING™ dining room	2,500	100 seats · full-service destination dining
Social Hall	2,000	Private celebrations, buyouts, corporate events
INFINITE REALITY™	7,000	Ride Theater + Free-Roam · arcade / ancillary
Kitchen / BOH	1,500	Commercial kitchen, cold/dry storage, service corridor
Lobby / flex	1,600	Arrival, front desk, micro-market, circulation
Programmed L1	14,600	of 16,000 SF plate — balance is circulation, service, and code area

Vertical stack

L1	16,000 SF	Experience floor — dining · Social Hall · Play · lobby · kitchen / BOH
L2	16,000 SF	30 keys · guest corridor · housekeeping · service core
L3	16,000 SF	30 keys · identical plate to L2
L4	16,000 SF	30 keys · identical plate to L2

KEY UNDERWRITING CASE

Up to 90 keys — 30/floor × 3 hotel floors on the 200' × 80' plate. The 90-key case is the underwriting base and is subject to final A/E, fire, and MEP confirmation. Even at 72 keys, modeled stabilized coverage remains above 2.0× at the planning rate.

Not in this request

- No second geometry, second building, or later phase is financed by this note.
- No land acquisition inside the \$5,000,000 request.
- No franchise, licensing, or systems-sales business is underwritten.
- No brand other than MIRAGE DINING™ is published for the restaurant.
- No enclosed fifth floor. The rooftop is optional Phase II and carries no Phase I revenue.

Single financed project: 90 keys · 200' × 80' · 64,000 SF GBA · four enclosed levels. Parking compliance completes through civil entitlement. Land is sponsor equity / separate contract.

2A Phase I Public Program — Level 1

Four public components share the 16,000 square foot ground floor, supported by a commercial kitchen, restrooms, core, and mechanical space.

Level 1 is programmed at 16,000 square feet and is fully allocated. The four public components are INFINITE REALITY™ at 7,000 square feet, MIRAGE DINING™ at 2,500 square feet of main dining room, the Social Hall at 2,000 square feet for VIP celebrations and private events, and the lobby / flex arrival zone at 1,600 square feet. Support area consists of 1,500 square feet of commercial kitchen and back of house, 500 square feet of public restrooms, 600 square feet of elevator, stair, and service core, and 300 square feet of mechanical and storage.

Mirage Play / Infinite Reality Studio is the largest single tenant of the plate and the component that differentiates the property from every commodity lodging box on the corridor. It is planned as 2 free-roam arenas plus an ancillary arcade and redemption area within the 7,000 square foot

envelope — a technology-enabled entertainment floor inside conventional construction, not a standalone software product.

MIRAGE DINING™ is the only published restaurant brand for this property. It is a full-service destination restaurant planned at approximately 100 seats in 2,500 square feet, served by the 1,500 square foot kitchen and back-of-house block. The same kitchen supports Social Hall catering, which is why the kitchen is sized above what a 100-seat dining room alone would require.

The Social Hall is a bookable 2,000 square foot room for private celebrations, corporate meetings, and buyouts. It is deliberately not a nightclub, and it is not underwritten as one. Its revenue is booked by the event date, not by cover count.

Fitness and strength space is carried as a guest support amenity rather than as a Level 1 public component. Its final location and area are assigned at design development within the hotel floors and flex area. It is treated in this package as an ancillary amenity that supports rate and guest satisfaction; it is not given an independent revenue line in the Phase I repayment model.

INFINITE REALITY™	7,000 SF
MIRAGE DINING™ — main dining room	2,500 SF
Social Hall — VIP celebrations and private events	2,000 SF
Commercial kitchen + back of house	1,500 SF
Lobby + flex / arrival	1,600 SF
Public restrooms	500 SF
Elevator, stairs, and service core	600 SF
MEP and storage	300 SF
Level 1 total	16,000 SF

- The four public components above are the Phase I program. Nothing else is financed on Level 1.
- The square footages in this table govern. Any earlier draft showing a 4,500 square foot social component or a 2,000 square foot main dining room is superseded.

- Final area takeoffs will move modestly at design development; material changes will be re-issued to the lender before closing.

2B Operating Separation & Acoustic Strategy

Four public uses and ninety guest rooms occupy one structure, so separation of noise, circulation, service, and hours is an underwriting issue, not a decorating issue.

The principal operating risk of a mixed-use hospitality building is that the entertainment program degrades the lodging product it is supposed to feed. The design response is separation on four axes: vertical, horizontal, mechanical, and procedural.

Vertically, all entertainment, dining, and event uses sit on Level 1. No guest room shares a demising wall with an arena, a dining room, or the Social Hall. The first occupied hotel floor is Level 2, separated from the public floor by the Level 1 to Level 2 structural assembly. The assembly is to be specified by the design team for a rated sound transmission class and impact isolation class appropriate to hotel guest rooms over assembly occupancy, with the target values set in the acoustic specification at design development.

Horizontally, the Social Hall and the Mirage Play arenas — the two loudest programs — are separated from the dining room by the kitchen and back-of-house block and by the core. The lobby and flex arrival zone acts as the acoustic and circulation buffer between the public entertainment volume and the guest elevator bank.

Mechanically, the loud programs are on independent air handling and are not ducted through guest room systems, so there is no cross-talk path through shared plenums. Kitchen exhaust, grease interceptor, and make-up air are carried in the MEP line of the budget.

Procedurally, the Social Hall is booked to a published curfew, arena sessions run to a scheduled last call, and hotel check-in circulation is routed away from the event pre-function area. Late-night event bookings are priced with a staffing and sound-management premium rather than accepted at standard rate.

- No guest room is adjacent to an arena, the Social Hall, or the dining room.
- Guest circulation and event circulation share an entry court but not a corridor.
- Service, refuse, and delivery routing is separated from the guest arrival sequence.
- Acoustic assemblies, target STC/IIC values, and vibration isolation are to be specified by the licensed design team and confirmed by the general contractor before closing — pending verification.

2C Hotel Program

Three identical hotel floors carrying approximately ninety keys, operated independently under the property's own marks with no franchise fee or royalty in the model.

Levels 2, 3, and 4 are hotel floors on the same 200' × 80' plate as Level 1. Each floor is planned at 30 guest rooms with a double-loaded corridor, a housekeeping and linen closet, an ice and vending alcove, and a service core shared with the floors above and below. Repeating one floor plate three times is a cost and schedule decision as much as a design decision: it standardizes the guest room module, the MEP riser locations, and the finish package.

The 90-key figure is a planning count. It is subject to final architectural layout, egress and fire-protection review, accessible-room distribution under the applicable accessibility standard, and MEP riser coordination. The borrower's position with the lender is that the model should be tested at the planned count and re-run if the permitted count changes; the key count will not be inflated to make a coverage table work.

The rooms are underwritten as upper-midscale product for the Westbank submarket, not as French Quarter boutique product. The stabilized planning rate is \$175 average daily rate at 65% occupancy, with the opening year modeled at \$155 and 52%. These are planning assumptions pending a local hotel market and STR competitive-set field study.

The property operates independently under its own marks. No franchise agreement, brand license, key money, or royalty is contemplated or carried in the budget or the operating model. That removes a fixed cost from the expense stack and removes a brand-standard capital obligation from the collateral analysis, at the cost of losing a reservation system — which is the reason the distribution plan carries a direct-booking, OTA, and group-sales channel mix rather than a flag contribution.

Hotel floors	L2 · L3 · L4
Keys per floor	30 (planning)
Total keys	±90 — subject to final A/E, fire, and MEP
Plate	200' × 80' — identical on all three hotel floors
Corridor	Double-loaded, with service core and housekeeping on each floor
Stabilized planning ADR	\$175
Stabilized planning occupancy	65%
Opening-year planning ADR / occupancy	\$155 · 52%
Brand	Independent — no franchise, license, key money, or royalty

2D Delivery Strategy, Guest Room Windows & Architecture

A hybrid delivery: factory-built guest room modules on the hotel floors, conventional open-span construction on Level 1.

The delivery strategy is hybrid rather than doctrinaire. The guest room floors are repetitive, dimensionally identical, and heavily loaded with plumbing and electrical work in a small footprint — the exact conditions under which factory-built modules outperform stick-built construction on cost certainty, schedule, and quality control. Level 1 is the opposite condition: large open spans for free-room arenas, a dining room, and an event hall, with no repeating module to exploit. Level 1 is therefore delivered conventionally.

Guest room modules are manufacturing components. They are fabricated in a controlled environment, delivered, set, and then integrated into a conventional structural frame, envelope, and finish system. The completed building reads as a conventional four-level hospitality building from the street and from the corridor. This is not a shipping-container aesthetic, and the borrower does not propose an exposed-container elevation, exposed corrugated siding, or any expression of the modules as a design motif.

The commercial case for the hybrid is schedule overlap and rework reduction: module fabrication proceeds in parallel with site work, foundations, and the Level 1 structure, and the finished module arrives with its bathroom pod, in-wall MEP, and interior finishes already inspected. The trade-off is

that a modular strategy front-loads deposits and requires a fabricator contract and shop-drawing approvals earlier in the schedule than a conventional job.

The specific fabricator, module dimensions, transport route, crane plan, set sequence, warranty ownership, and the division of scope between the fabricator and the general contractor are open items and must be answered by RFQ before closing. Controlled-cost philosophy is not a substitute for a fabricator quote and GC GMP. See the modular procurement checklist in Section 11.

- Hotel floors (L2–L4): factory-built guest room modules integrated into a conventional frame and envelope.
- Level 1: conventional open-span construction for the arenas, dining room, Social Hall, and lobby.
- Modules are manufacturing components, not an architectural motif. No exposed-container aesthetic.
- Fabricator selection, module schedule, transport and crane plan, and scope split with the GC are pending verification.
- No guaranteed maximum price exists yet. The budget lines in Section 8 are ceilings until bids are received.

6. Guest Room Windows & Daylight

Every guest room is an exterior room with an operable-code-compliant window opening on a real façade — not a light well, not a borrowed light, not an interior atrium room.

The 200 foot by 80 foot plate with a double-loaded corridor produces two long window walls, which is what allows 30 exterior rooms per floor without an atrium. There is no interior-facing guest room in this building and no atrium is proposed. That matters to the credit file for three reasons: exterior rooms rate higher, exterior rooms are what a guest expects to receive when they book a hotel rather than a windowless module, and an atrium would have added smoke-control and fire-protection cost that this budget does not carry.

Guest room glazing is specified for the Gulf South climate and for the wind and impact criteria applicable in Jefferson Parish. Thermal performance, solar heat gain coefficient, acoustic rating at the window assembly, and any required impact resistance are to be set by the design team in the envelope specification and confirmed against the adopted building code edition. Because the property sits on a lit commercial corridor, the window assembly also carries the room-darkening and acoustic requirements typical of a roadside hotel.

Where a room faces the media element on the street elevation, the design intent is that no guest room glazing sits behind an illuminated surface. The media element is confined to the façade zones described in Section 7 and is not carried across guest room glazing.

- No interior-facing guest rooms. No atrium. No light-well rooms.

- Two long exterior window walls off a double-loaded corridor.
- Glazing performance, impact criteria, and acoustic rating to be fixed in the envelope specification — pending verification against the adopted code edition.
- Media lighting is not carried across guest room glazing.

7. Architectural Strategy — Quiet by Day, Media by Night

The building spends its money on programmable systems rather than on expensive permanent finishes: a simple, disciplined façade by day and a media surface after dark.

The architectural strategy deliberately separates the cost of the structure from the value of the guest experience. Rather than buying a theatrical building, the project buys a plain, well-proportioned one and puts the differentiation into lighting, media, and interior systems that can be reprogrammed without construction. That is a cost-control decision first and a design position second.

By day the elevation reads as a quiet corridor building: matte charcoal panel field, dark trim and reveals, a recessed and clearly signaled entry canopy, and continuous storefront glazing at the lobby and MIRAGE DINING™ so the ground floor is legible from the boulevard. There is no applied theming, no faux material, and no ornament that has to be maintained.

After dark the same elevation becomes a media surface. Programmable LED mesh and architectural lighting in defined façade zones convert the street elevation into a changing display. Because the media is a system rather than a finish, the building can be seasonally reprogrammed, sold as a sponsorship surface, or dimmed entirely at no capital cost.

Exterior lighting and signage are subject to Jefferson Parish sign and lighting regulations, including any limits on illumination, animation, and brightness at a residential interface. Compliance review, permitting, and any variance path are open items for the design team and are listed as pending verification. The operating model carries no signage or media sponsorship revenue.

- Simple, low-maintenance façade — matte charcoal field, dark trim, bronze entry accent, continuous ground-floor glazing.
- Media and lighting are programmable systems inside the IT / LED / signage budget line, not permanent finishes.
- Quiet daytime elevation; changing nighttime display.
- Sign, illumination, and animation compliance under the Jefferson Parish code — pending verification.
- No media, signage, or sponsorship revenue is credited anywhere in the repayment model.

2E Rooftop — Optional Phase II

A rooftop amenity is contemplated as a future optional improvement. It is not financed, not built, not permitted, and carries no revenue in this credit.

The building as financed is four enclosed levels with a conventional roof. There is no enclosed fifth floor. A rooftop amenity — an open-air terrace, bar, or event deck — is contemplated as an optional Phase II improvement at some future date if operating results, demand, and capital availability support it.

Phase II is excluded from this credit request in every respect. It is not in the scope of work, not in the Sources and Uses, not in the construction schedule, not in any revenue engine, and not in any coverage, downside, or collateral figure in this package. Striking the concept changes no number in this file.

If Phase II is ever pursued it would require its own analysis: structural verification that the roof and frame accept the added occupied load, an occupancy and egress path for a rooftop assembly use, code and permit review, additional vertical transportation and restroom capacity, additional parking demand, weather protection, a separate capital source, and lender consent under whatever covenants govern additional indebtedness and property alterations at that time.

The borrower raises Phase II in this package only to disclose it, so that the concept's appearance in marketing or design material is not later read as an undisclosed scope item.

- Four enclosed levels. No enclosed fifth floor.
- Rooftop is optional Phase II — not financed, not scheduled, not permitted.
- Zero rooftop revenue in Phase I repayment, coverage, downside, or collateral analysis.
- Any Phase II requires separate structural, code, parking, and capital analysis plus lender consent.

3 Revenue Model

Every revenue line is built from a physical driver: keys, seats, arenas, or event dates. No top-down percentage of a market is used anywhere in this model.

ENGINE	STABILIZED DRIVER	STABILIZED	YEAR 1
Hotel — 90 keys Keys $\times$ 365 $\times$ occupancy $\times$ ADR	65% occupancy $\cdot$ \$175 ADR $\cdot$ 21,353 occupied nights Y1: 52% occupancy $\cdot$ \$155 ADR	\$3,736,688	\$2,647,710
MIRAGE DINING™ — 100 seats Seats $\times$ turns $\times$ seat-fill $\times$ average check $\times$ operating days	1.35 turns $\cdot$ 65% seat fill $\cdot$ ~88 covers/day $\cdot$ \$40 check $\cdot$ 360 days Y1: 1.1 turns $\cdot$ 55% fill $\cdot$ ~61 covers/day $\cdot$ \$36 check	\$1,263,600	\$784,080
INFINITE REALITY™ — 7,000 SF Ride Theater (shows $\times$ seats $\times$ fill $\times$ \$29.99 $\times$ days) + Free-Room (arenas $\times$ sessions $\times$ players $\times$ util $\times$ ticket $\times$ days) + arcade ancillary	Ride Theater 5 shows/day $\times$ 20 seats $\times$ 50% fill $\times$ \$29.99 + Free-Room 2 arenas $\times$ 5 sessions $\times$ 4 players $\times$ 50% util $\times$ \$35 + arcade \$80,000 Y1: Ride 4 shows $\times$ 40% fill $\cdot$ Free-Room 4 sessions $\times$ 40% util $\cdot$ arcade \$50,000	\$871,820	\$542,941
MIRAGE SOCIAL™ — 2,000 SF Bookable dates $\times$ utilization $\rightarrow$ event mix; each event = room rental + F&B + ancillary; sum = annual revenue	48 events/year $\cdot$ \$9,042 average all-in $\cdot$ 46% of 104 bookable dates Y1: 30 events/year $\cdot$ \$7,333 average booking	\$434,000	\$220,000
Packages / ancillary Σ (package units $\times$ incremental attach price) — incremental only, no double-count	520 $\times$ \$75 $\cdot$ 360 $\times$ \$55 $\cdot$ 80 $\times$ \$250 $\cdot$ 40 $\times$ \$1200 Y1: 280 $\times$ \$65 $\cdot$ 180 $\times$ \$45 $\cdot$ 40 $\times$ \$200 $\cdot$ 20 $\times$ \$900	\$126,800	\$52,300
Total revenue		\$6,432,908	\$4,027,031

Conservative $\cdot$ Base $\cdot$ Upside

DEPARTMENT	CONSERVATIVE	BASE	UPSIDE
Hotel	\$2,800,463	\$3,736,688	\$4,369,050
MIRAGE DINING™	\$712,800	\$1,263,600	\$1,866,240
INFINITE REALITY™	\$610,274	\$871,820	\$1,046,184
MIRAGE SOCIAL™	\$260,400	\$434,000	\$542,500
Packages / ancillary	\$88,760	\$126,800	\$177,520
Total	\$4,472,697	\$6,432,908	\$8,001,494

Conservative holds hotel at 55% / \$155 and discounts play, social, and packages. Upside assumes 70% / \$190 with mature attachment. The base case drives every coverage table in this package.

Packages

Room + dinner	Key night + two covers at MIRAGE DINING™
Room + play	Key night + arena session credits
Celebration buyout	Social Hall + catering + block of keys
Corporate day	Social Hall meeting + lunch + team arena block

Package revenue is booked incrementally. Room nights, covers, and arena sessions already counted in their own engines are not double-counted here.

Seven operating architecture: hotel and ground-floor experience departments carry Phase I repayment; fitness is an amenity at \$0 in base DSCR; franchise is upside only; packages are incremental cross-sell only.

3A Revenue Methodologies — Department by Department

One write-up per engine: the formula, the inputs, the discipline in the build, and the survey that has to verify it.

14. Hotel — Revenue Methodology

Keys times 365 times occupancy times average daily rate, with the rate set to the Westbank submarket rather than to the French Quarter.

Hotel revenue is built as keys $\times$ 365 $\times$ occupancy $\times$ adr on 90 keys. The stabilized planning case is 65% occupancy at a \$175 average daily rate, producing approximately 21,353 occupied room nights. The opening year is modeled at 52% and \$155. A conservative sensitivity holds 55% at \$155, and an upside case runs 70% at \$190.

Rooms revenue is the only revenue credited to the hotel department. Food and beverage consumed by hotel guests is credited to MIRAGE DINING™; entertainment purchased by hotel guests is credited to Mirage Play. The hotel does not claim ancillary spend that another department has already booked.

The rate assumption is a Westbank upper-midscale rate. The property is not underwritten at a central business district or French Quarter rate, and no premium is assumed for the entertainment program beyond what the stabilized occupancy already implies. If the property earns an experience premium in practice, it is upside that this credit does not require.

Occupancy and rate are the two assumptions with the largest single effect on coverage, and they are the two assumptions least supported by documentation today. They are planning figures pending a local hotel market study with an STR or comparable competitive-set report covering the Westbank and metro comparable hotels. The borrower expects the lender to require that study and to re-run coverage on its output.

Formula	Keys $\times$ 365 $\times$ occupancy $\times$ ADR
Keys	90
Stabilized occupancy $\cdot$ ADR	65% $\cdot$ \$175
Stabilized occupied room nights	21,353
Opening-year occupancy $\cdot$ ADR	52% $\cdot$ \$155
Conservative sensitivity	55% $\cdot$ \$155
Upside sensitivity	70% $\cdot$ \$190
Verification	Local hotel market / STR competitive-set field study — pending

11. MIRAGE DINING™ — Revenue Methodology

Seats times turns times seat fill times average check times operating days. Seats are not covers, and the model never treats them as if they were.

MIRAGE DINING™ is planned at approximately 100 seats in 2,500 square feet. Revenue is built as $\text{seats} \times \text{turns} \times \text{seat-fill} \times \text{average check} \times \text{operating days}$. Every one of those five inputs is a physical or observable driver; none is a share of a market estimate.

The stabilized planning case runs 1.35 turns per operating day at 65% seat fill, which produces approximately 88 covers per day at a \$40 average check across 360 operating days. The opening-year case runs 1.1 turns at 55% fill — approximately 61 covers per day — at a \$36 check.

The seat-fill term is the discipline in this build. A restaurant does not seat a four-top with four guests every time it turns a table; applying a fill factor below one is what separates a bottom-up dining model from a capacity fantasy. At 65% fill and 1.35 turns, the stabilized case asks the dining room to serve roughly 88 covers a day — a number a Westbank full-service restaurant can be tested against directly.

Food cost is carried at approximately 28% of food and beverage revenue for planning, inside the departmental cost ratio applied in the operating model. Menu engineering, final pricing, and the beverage mix are open items. The average check is a planning assumption pending a competitive menu-pricing survey of the Westbank and metro destination-dining set.

Two adjacent revenue sources are deliberately excluded from this engine to avoid double counting: catering revenue produced by the Social Hall is credited to the Social Hall, and food and beverage sold inside a room-and-dine package is credited to the package line only to the extent it is incremental.

Formula	$\text{Seats} \times \text{turns} \times \text{seat-fill} \times \text{average check} \times \text{operating days}$
Seats (planning)	100
Dining room area	2,500 SF
Kitchen / BOH	1,500 SF — also serves Social Hall catering
Stabilized turns · fill · check	$1.35 \cdot 65\% \cdot \$40$
Stabilized covers per day	≈ 88
Opening-year turns · fill · check	$1.1 \cdot 55\% \cdot \$36$
Opening-year covers per day	≈ 61
Operating days	360
Planning food cost	$\approx 28\%$ of F&B

12. INFINITE REALITY™ — Revenue Methodology

Ride Theater throughput plus Free-Room arena throughput plus a separately stated arcade and ancillary line.

INFINITE REALITY™ occupies 7,000 square feet on Level 1. Revenue is built as Ride Theater (shows × seats × fill × \$29.99 × days) + Free-Room (arenas × sessions × players × util × ticket × days) + arcade ancillary.

Ride Theater: 20 seats, \$29.99 ticket, 15-minute complete cycle. The stabilized planning case runs 5 shows per day at 50% seat fill over 360 operating days.

Free-Room: 2 arenas, 5 sessions per arena per day, 4 players, 50% utilization, \$35 ticket, plus \$80,000 of arcade and ancillary revenue at stabilization. The opening year runs lower shows, fill, sessions, and utilization.

Seat fill and utilization are the sensitive inputs — the share of scheduled capacity that actually sells. Attraction demand is weekend- and holiday-weighted; staffing follows that curve.

Ticket pricing and party packages are planning assumptions aligned to the guest ticket menu. The arcade and ancillary line is stated separately so a lender can discount it independently.

Formula	Ride Theater (shows × seats × fill × \$29.99 × days) + Free-Roam (arenas × sessions × players × util × ticket × days) + arcade ancillary
Area	7,000 SF
Ride Theater seats · ticket	20 · \$29.99
Stabilized shows / day · seat fill	5 · 50%
Free-Roam arenas · sessions · players	2 · 5 · 4
Free-Roam utilization · ticket	50% · \$35
Arcade / ancillary — stabilized	\$80,000
Arcade / ancillary — opening year	\$50,000
Operating days	360

13. MIRAGE SOCIAL™ — Revenue Methodology

Bookable dates × utilization → event mix; each event = room rental + F&B + ancillary. The Social Hall is underwritten by the calendar, not by seat count.

MIRAGE SOCIAL™ is a 2,000 square foot bookable room for private celebrations, corporate meetings, receptions, ticketed social nights, and buyouts. Revenue is built as Bookable dates × utilization → event mix; each event = room rental + F&B + ancillary; sum = annual revenue.

The bookable calendar is 104 dates per year. Stabilized utilization is 46%, producing 48 events at an average all-in booking of \$9,042. Opening year utilization produces 30 events at \$7,333.

Each event line in the assumption bridge states room rental, food and beverage, and ancillary separately so the mix is auditable. Catering for Social events is produced in the same commercial kitchen that serves MIRAGE DINING™; F&B margin on event business is recognized in the Social department so the two departments do not both claim the same plate.

MIRAGE SOCIAL™ is also the property's most direct attachment point to hotel demand: a wedding block, corporate meeting, or family celebration converts into room nights on the floors above. Those room nights are counted once, in the hotel engine.

Formula	Bookable dates × utilization → event mix; each event = room rental + F&B + ancillary; sum = annual revenue
Area	2,000 SF
Bookable dates / year	104
Stabilized events · utilization	48 · 46%
Stabilized average all-in booking	\$9,042
Opening-year events	30
Opening-year average booking	\$7,333
Catering	Produced in the shared commercial kitchen; margin credited to MIRAGE SOCIAL™
Room nights generated	Counted once, in the hotel engine

Key-count underwriting case — recalculated coverage

Up to 90 keys is the base underwriting case, subject to final architectural, fire-protection, and MEP confirmation. Holding stabilized occupancy, ADR, Level 1 engines, and property-wide G&A constant, the table below recalculates revenue, EBITDA, and DSCR if permitted keys land lower.

KEYS	CASE	REVENUE	EBITDA / DSCR
90	Base	\$6,432,908	\$1,670,845 EBITDA · 2.95× DSCR
84	Downside	\$6,183,795	\$1,541,306 EBITDA · 2.72× DSCR
78	Stress	\$5,934,683	\$1,411,768 EBITDA · 2.49× DSCR
72	Deep cut	\$5,685,570	\$1,282,229 EBITDA · 2.26× DSCR

Up to 90 keys — 30/floor × 3 hotel floors on the 200' × 80' plate. The 90-key case is the underwriting base and is subject to final A/E, fire, and MEP confirmation. Even at 72 keys, modeled stabilized coverage remains above 2.0× at the planning rate.

INFINITE REALITY™ — capacity schedule

Ride Theater and Free-Roam are separate throughput engines inside the 7,000 SF floor. Reset, loading, and downtime are explicit.

Ride Theater seats	20
Ride ticket (base)	\$29.99
Ride cycle (complete)	15 minutes
Stabilized shows / day	5
Stabilized seat fill	50%
Free-Roam arenas	2
Free-Roam sessions / arena / day	5
Free-Roam players / session	4
Free-Roam utilization	50%
Free-Roam ticket	\$35
Arcade / ancillary (stabilized)	\$80,000

Ride Theater: 5 shows × 20 seats × 50% fill × \$29.99. Free-Roam: 2 arenas × 5 sessions × 4 players × 50% util × \$35.

MIRAGE SOCIAL™ — event mix assumption bridge

Stabilized Social revenue is derived from 48 booked events on a 104-date bookable calendar (46% utilization). Each event = room rental + F&B + ancillary.

EVENT TYPE	COUNT	ILLUSTRATIVE ALL-IN
Celebration / birthday	16	\$7,500
Corporate / private buyout	12	\$10,000
Wedding / rehearsal	8	\$14,500
Ticketed social night	12	\$6,500

Counts sum to 48. Average all-in booking \$9,042. This is the same mix that feeds the P&L — not a second stack.

3A Why 1705 Manhattan Boulevard

A DESTINATION PROPERTY ON ONE OF THE WESTBANK'S PRIMARY COMMERCIAL CORRIDORS

Mirage sits on Manhattan Boulevard in Harvey — the principal north-south commercial arterial serving Jefferson Parish's Westbank. The site is ±2.2 acres, MU-CD, with direct boulevard frontage. Mirage does not require the guest to already be visiting the property: MIRAGE DINING™, INFINITE REALITY™, and MIRAGE SOCIAL™ create the reason to come; the hotel captures the overnight stay.

Address	1705 Manhattan Blvd, Harvey, Louisiana 70058
Parcel	Lot P-2-A1Y4 · ±2.2 acres · MU-CD

Why this location

- Visibility — direct Manhattan Boulevard frontage on a flag-lot arrival sequence.
- Daily traffic — approximately 45,000 vehicles per day reported in current property marketing; transportation counts confirmed from public agency sources in diligence.
- Retail validation — national tenants already operating along the corridor (Target, Walmart, Sam's Club, Raising Cane's, Chili's, and surrounding restaurants and hotels).
- Lodging demand — existing select-service and extended-stay hotel cluster in the corridor.
- Destination positioning — restaurant + Infinite Reality + Social create day-use and overnight demand beyond commodity room rate.

Corridor anchors

IHOP (corridor restaurant sale evidence) · Target · Walmart · Sam's Club · Raising Cane's · Chili's · Manhattan Place / surrounding retail · Holiday Inn Express · Hampton · Home2 · TownePlace · Best Western Plus Westbank

Drive-time / proximity thesis

Mirage is positioned to capture both local day-use demand and destination overnight demand from the greater New Orleans market.

5-minute	Westbank residential, corridor retail employment, nearby lodging guests
10-minute	Harvey / Marrero / Gretna trade area — dining, entertainment, and weekend stay demand
15-minute	Crescent City Connection access toward CBD, French Quarter, convention and business demand

- Downtown New Orleans / CBD — approximately 10–20 minutes across the bridge depending on traffic
- Major Westbank employment and retail nodes along Manhattan and Lapalco
- Existing hotel cluster validates lodging site selection on this corridor
- Hospitals, residential subdivisions, and entertainment corridors inside the 15-minute ring

Manhattan Boulevard market validation

Closed and reported corridor transactions — what each proves and does not prove.

PROPERTY	TYPE	SALE	RELEVANCE
1719 Manhattan Blvd, Harvey, LA	IHOP restaurant / pad	\$1,550,000 · ~\$316/SF	Same-corridor restaurant evidence — dining pad value; not a hotel multiply-through
1544 Manhattan Blvd, Harvey, LA	Retail (former Walgreens)	\$3,398,000 · June 2024	Same commercial corridor — retail capital market evidence
Best Western Plus Westbank — 1700 Lapalco Blvd, Harvey, LA	Hotel	\$8,275,000 · 138 keys	Local hotel transaction — lodging demand and capital market, not a subject appraisal
Travelodge West — Westbank lodging trade	Hotel	\$4,500,000	Westbank lodging trade — confirm keys/date in diligence

MIRAGE DINING™ (±2,500 SF) sits in a corridor where a comparable restaurant building has traded near \$1,550,000. The subject also carries a 7,000 SF Infinite Reality floor and a 90-key hotel — keys-only valuation understates the asset.

Approximately 45,000 VPD appears in current property marketing for Manhattan Boulevard frontage. Final transportation data is confirmed from LADOTD / Jefferson Parish published counts in the diligence appendix.

4 Market & Competitive Set

Corridor	Manhattan Boulevard — primary Jefferson Parish commercial artery with national retail and lodging already trading on it.
Access	Westbank gateway; roughly 10–20 minutes to the New Orleans CBD and French Quarter via the Crescent City Connection.
Trade area	Local Westbank residents, Jefferson / Orleans metro drive-to demand, and New Orleans visitors seeking a destination outside the Quarter.
Why demand travels here	The competitive set sells a room. Mirage sells a room plus MIRAGE DINING™, the MIRAGE SOCIAL™, and a 7,000 SF play floor under one roof.
Rate posture	Underwritten at \$175 stabilized ADR — a Westbank upper-midscale rate, not a French Quarter boutique rate.

Primary competitive set — lodging

COMP	SCALE	METRIC	DISTANCE	READ
Westbank select-service (Harvey / Gretna)	≈80–120 keys	Field ADR/occ	3–8 mi	Commodity lodging — Mirage wins on experience
Westbank extended-stay	≈100 keys	Field ADR/occ	5–10 mi	Long-stay — different trip purpose
New Orleans boutique / experiential	≈50–150 keys	Field ADR/occ	8–15 mi	CBD/Quarter walkability — Mirage is reason-to-travel

Dining

Westbank destination restaurants	— Check / turns	2–10 mi	Local celebration / date-night set
New Orleans experiential dining	— Check / turns	8–15 mi	Tourist pull — Mirage captures Westbank + drive-to

Entertainment & events

Local VR / arcade / social gaming	— Ticket / session	5–20 mi	Category comps for Mirage Play
Karaoke / event halls / private dining	— \$/event	5–15 mi	Category comps for Social Hall

Replace placeholder ADR/occ/RevPAR with field survey before filing. Category brands (Topgolf / D&B) are secondary validation only — not the primary set.

National category operators (large-format entertainment and eatertainment brands) are cited only as secondary validation that the attraction category monetizes. They are not the primary competitive set and no national brand's unit economics are used in this model.

Diligence before filing

1. Commission a hotel feasibility / market study with a field ADR, occupancy, and RevPAR survey of the Westbank and metro comp set before filing.
2. Field-verify Manhattan Boulevard traffic counts with the current Jefferson Parish / LADOTD published series.
3. Confirm event-market pricing for the Social Hall against local halls, hotel ballrooms, and private dining rooms.
4. Confirm arena ticket pricing against the metro entertainment and attraction set.

5 Development Budget · Sources & Uses

The loan ask is \$5,000,000. No Sources & Uses, build budget, or Exhibit A on this packet exceeds \$5,000,000.

Filing Sources — transaction structure

SOURCE	AMOUNT	NOTE
SBA 7(a) loan (ask)	\$5,000,000	Hard ceiling — sole financed ask in this packet
Borrower cash equity injection	TBD	AMOUNT REQUIRED BEFORE AUTHORIZATION — document % of total project cost, timing, and verified liquidity (no 'equity TBD' on the filing)
Land contribution (sponsor equity / separate contract)	\$0	VALUE REQUIRED BEFORE AUTHORIZATION — PSA / deed + MAI or lender appraisal · mortgaged · NOT a use of the \$5M note
Seller contribution / other source	\$0	If any — disclose; otherwise \$0

The \$5M note finances improvements, FF&E, soft costs, WC, interest reserve, and contingency. Land and cash equity complete the capital stack and must be quantified with contracts, appraisal, and bank statements before filing. Do not treat 'land is equity' as a finished equity story until the math is in the file.

- SBA / lender equity injection requirements apply to total eligible project cost — not only the \$5M note.
- Land equity is recognized only after contract + appraisal support the contributed value.
- Cash equity timing (before first draw / at closing) must match lender policy.
- Sponsor liquidity and global cash flow are separate from land equity and must be evidenced.

Land acquisition is sponsor equity / separate real-estate contract. It is disclosed to the lender but is not a use of the \$5,000,000 note unless the lender structures a different package.

BUILDING LINE — PENDING GMP

Building, site, MEP, and elevator uses are planning ceilings until an executed GMP reconciles hard costs. Scope is cut before the ask moves off \$5,000,000.

Uses — expanded

USE	AMOUNT	% OF ASK	SCOPE / COLLATERAL CLASS
Building — structure, envelope, interiors	\$1,550,000	31.0%	Four enclosed levels · 64,000 SF GBA · PENDING GC GMP + fabricator quotes — VE if bids exceed Realty — 1st mortgage
Site — civil, parking, utilities, drainage, fire line	\$240,000	4.8%	116 stalls engineered · connections · landscaping · parking compliance path separate Realty — 1st mortgage
MEP — HVAC, plumbing, electrical, sprinkler, life safety	\$420,000	8.4%	Commercial kitchen exhaust · grease interceptor · code life safety Realty — 1st mortgage
Vertical transportation — elevators	\$140,000	2.8%	Guest + service elevator package Realty — 1st mortgage
Hotel FF&E + OS&E — 90 keys	\$480,000	9.6%	Rooms, corridor, linen, housekeeping, front desk — ~\$5,333/key planning · 90 keys only UCC — equipment / FF&E / inventory
MIRAGE DINING™ — kitchen + F&B FF&E	\$420,000	8.4%	Kitchen equipment, dining room, bar package, tabletop UCC — equipment / FF&E / inventory
Mirage Social / Social Hall — FF&E / AV / bar / event package	\$120,000	2.4%	2,000 SF programmed social + private events · sound isolation in build line UCC — equipment / FF&E / inventory
Entertainment & amusement / Mirage Play — systems	\$300,000	6.0%	INFINITE REALITY™ — 20-seat Ride Theater carry + free-roam/haptic within envelope · 7,000 SF · PENDING vendor quotes UCC — equipment / FF&E / inventory
Fitness & performance training — equipment	\$50,000	1.0%	Advanced performance training systems · guest amenity + lab support UCC — equipment / FF&E / inventory
IT / PMS / POS / security / LED / signage	\$140,000	2.8%	Hotel PMS, dining POS, cameras, network, façade media controller, monument UCC — equipment / FF&E / inventory
Architecture / engineering / permits / inspections	\$200,000	4.0%	Design, PE stamps, parish permits, inspections Soft — appraiser allocation to realty

USE	AMOUNT	% OF ASK	SCOPE / COLLATERAL CLASS
Pre-opening / training / launch	\$90,000	1.8%	Soft-open burn before revenue stabilizes Not hard collateral
Opening inventory	\$70,000	1.4%	Food, beverage, OS&E consumables, retail starters UCC — equipment / FF&E / inventory
Working-capital reserve	\$200,000	4.0%	Initial payroll, utilities, insurance, marketing — lender-authorized Not hard collateral
Interest / debt-service reserve	\$300,000	6.0%	~6 months of primary-stress ADS at 10.5%/25yr — funded opening-year cushion Not hard collateral
Owner contingency	\$280,000	5.6%	~5.6% of ask — overruns / life-safety surprises — cut scope; do not raise the ask · \$60K reallocated into Play / Ride Theater Not hard collateral
Total SBA 7(a) request	\$5,000,000	100.0%	Reconciles to the \$5,000,000 ceiling exactly.

PER KEY (ALL-IN NOTE)

\$55,556

Total note ÷ 90 keys

PER SF OF GBA

\$78

Total note ÷ 64,000 SF

DRAW SCHEDULE

\$5,000,000

12 monthly draws against inspection

Twelve-month draw schedule

PERIOD	WORK	DRAW
Month 1	Mobilization / permits / site start	\$250,000
Month 2	Foundation / underground utilities	\$400,000
Month 3	Structure / floors	\$600,000
Month 4	Envelope / MEP rough-in	\$650,000
Month 5	Interior — hotel / dining / Social Hall	\$700,000
Month 6	MEP trim / elevator / FF&E deposits	\$550,000
Month 7	Mirage Play systems install	\$400,000
Month 8	Hotel + dining FF&E install	\$450,000
Month 9	IT / security / PMS / POS / LED / signage	\$250,000
Month 10	Site / parking / landscaping finish	\$200,000
Month 11	Pre-opening / training / inventory	\$280,000
Month 12	Working capital / contingency / punch	\$270,000
Total drawn		\$5,000,000

Twelve-month draw against lender inspection and GC pay applications, pro-rated across the construction curve so the schedule reconciles to the note exactly. Working capital and contingency release last, on lender authorization.

Budget governance

- GC contract or GMP is required before closing; the building, site, MEP, and elevator lines are ceilings until then.
- Vendor quotes for hotel FF&E, dining kitchen, Social Hall AV, and Play systems roll up to the category ceilings above.
- If a bid exceeds a line, scope is cut. The ask does not move off \$5,000,000.
- The workbook, this package, and the filed Sources & Uses must reconcile dollar-for-dollar.

Target capital plan inside the \$5M ask. Every line is a ceiling until GC and vendors bid. Land = sponsor equity (separate). Building dollars are planning until GMP reconciles.

PRELIMINARY

This is a preliminary controlled-cost budget. No line has been competitively bid, there is no guaranteed maximum price, and every hard-cost line is a ceiling until the general contractor and vendors bid.

8. Use of Proceeds — Preliminary Controlled-Cost Budget

A \$5,000,000 hard ceiling, itemized to the dollar, with every line held as a ceiling until the general contractor and vendors bid.

The request is \$5,000,000 and that figure is a hard ceiling. No schedule, exhibit, or workbook in this package publishes a project total above it. The budget covers structure, envelope, interiors, site work, MEP, vertical transportation, furniture, fixtures and equipment across all four revenue components, information technology and systems, architecture and engineering, permits, pre-opening, opening inventory, working capital, and owner contingency.

The budget is a preliminary controlled-cost budget. It is not a guaranteed maximum price. Each line functions as a ceiling: the design team designs to the line; if a bid exceeds it, scope is reduced rather than the request increased.

Working capital and owner contingency are inside the note and are held for lender-authorized release rather than drawn at closing — putting opening-year burn under lender control and keeping contingency off scope creep.

Closing requires a GC contract or GMP and vendor quotations for hotel FF&E, kitchen, Social Hall AV, and Mirage Play systems. Hard-cost lines in this package are planning ceilings until those documents are attached. See Development Diligence & Closing Requirements appendix.

- Total request: \$5,000,000. Hard ceiling. Nothing in this package exceeds it.
- Land is not a use of these proceeds — see Section 9.
- Hard-cost lines are planning ceilings until GMP and quotes are attached.
- Working capital and contingency release on lender authorization, not at closing.
- If a bid exceeds a line, scope is cut. The ask does not move.

5A Land

The land is handled outside the \$5,000,000 request as sponsor equity under a separate real estate contract, and is disclosed to the lender as mortgaged collateral.

The subject parcel — Lot P-2-A1Y4, approximately 2.2 acres at 1705 Manhattan Blvd — is being acquired under a separate real estate contract funded by sponsor equity and the acquisition stack. It

is not a use of the \$5,000,000 note. The entire request is applied to improvements, equipment, soft costs, and working capital.

The land is nonetheless part of the credit. It is disclosed to the lender, it is intended to be mortgaged to the lender as part of the first lien on the completed realty, and its appraised value is additive to the improvement cost basis in the collateral analysis. The lender receives the benefit of the sponsor's land contribution without financing it.

The listing history for the parcel shows variance in the asking price, which the borrower discloses rather than resolves in its own favor. The preliminary land value band used in the collateral section is tied to that asking and transaction history, not to a desired outcome. No claim is made in this package that the land carries a value approaching the loan amount.

Closing conditions on the land include a clear title commitment, an ALTA survey, a Phase I environmental site assessment or other environmental screen satisfactory under the applicable SBA standard operating procedure, a flood determination and elevation certificate, and confirmation that the parcel's MU-CD zoning permits the proposed hospitality, restaurant, event, and indoor amusement uses as configured.

- Land is sponsor equity / separate acquisition contract — outside the \$5,000,000 uses.
- Land is disclosed and offered as mortgaged collateral.
- Purchase price, title commitment, ALTA survey, and environmental screen are pending verification.
- No land value approaching the loan amount is claimed anywhere in this package.

6 Operations & Staffing

OPENING HEADCOUNT 51 Across all departments	OPENING PAYROLL \$1,965,000 Annualized wage base	PROPERTY-WIDE G&A \$1,240,000 Central cost, near-fixed
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Opening staffing — by department

ROLE	FTE	ANNUAL WAGES	DEPARTMENT
General Manager	1	\$120,000	Property-wide — ties to G&A
Hotel — front desk / night audit	6	\$210,000	Hotel — in departmental cost ratio
Hotel — housekeeping	8	\$240,000	Hotel — in departmental cost ratio
Engineering / maintenance	2	\$130,000	Property-wide — ties to G&A
Dining — kitchen	8	\$320,000	MIRAGE DINING™ — in departmental cost ratio
Dining — FOH / bar	10	\$280,000	MIRAGE DINING™ — in departmental cost ratio
Social Hall — events / AV	3	\$120,000	Social Hall — in departmental cost ratio
Mirage Play — attendants / tech	6	\$195,000	Play — in departmental cost ratio
Security	3	\$95,000	Property-wide — ties to G&A
Sales / marketing / events sales	2	\$145,000	Property-wide — ties to G&A
Admin / accounting	2	\$110,000	Property-wide — ties to G&A
Total	51	\$1,965,000	

Property-wide wage lines (GM \$120K, engineering \$130K, security \$95K, sales \$145K, admin \$110K) tie exactly to the property-wide G&A schedule. Departmental wages sit inside departmental cost ratios and are not added again in G&A. Total opening headcount: 51.

Departmental economics at stabilization

DEPARTMENT	REVENUE	DIRECT COST	CONTRIBUTION	MARGIN	BREAK-EVEN
Hotel (90 keys · 65% occ · \$175 ADR)	\$3,736,688	\$1,793,610	\$1,943,078	52.0%	0.42 42% occ Occupancy @ \$165 ADR to cover hotel dept
MIRAGE DINING™ (100 seats · ~88 covers/day · \$40 check)	\$1,263,600	\$909,792	\$353,808	28.0%	55 covers/day Covers/day @ \$38 check
INFINITE REALITY™ (2 arenas · 7,000 SF)	\$871,820	\$479,501	\$392,319	45.0%	28 sessions/day Blended arena sessions/day
MIRAGE SOCIAL™ (2,000 SF · 48 events)	\$434,000	\$282,100	\$151,900	35.0%	18 events/year Events/year @ ~\$7.5K avg
Packages / ancillary (incremental)	\$126,800	\$57,060	\$69,740	55.0%	5,000 \$/month Incremental package \$/month

Property-wide G&A (central)

General manager	\$120,000
Admin / accounting / HR	\$110,000
Sales / marketing / events sales	\$145,000
Security	\$95,000
Engineering / maintenance	\$130,000
Utilities	\$210,000
Property insurance	\$110,000
Property taxes	\$140,000
Landscaping / exterior	\$35,000
Trash / pest / misc.	\$45,000
IT / network / cybersecurity	\$55,000
Legal / accounting	\$45,000
Property-wide total	\$1,240,000

Operating cadence

Management	Single general manager over all departments; department leads for hotel, dining, Social Hall, and Play report to the GM.
Labor model	Cross-trained front-of-house staffing between dining, Social Hall events, and Play so evening peaks are covered without a second full crew.
Hours	Hotel 24/7. MIRAGE DINING™ and INFINITE REALITY™ operate 360 days. Social Hall is booked by date.
Controls	Daily flash P&L by department, weekly labor-to-revenue review, monthly close against this model.
Systems	One PMS for rooms, one POS across dining and Play, one events / CRM stack for the Social Hall — all inside the IT line of the budget.

Expense ratios

Stabilized departmental cost ratio	54.8%
Property-wide G&A	\$1,240,000
Total stabilized operating expense ratio	74.0%
Year-1 operating expense ratio	84.5%

18. Management & Staffing Structure

A single general manager over four department leads, with a cross-trained evening crew — the structure is stated here; the payroll dollars live in the operating model.

The property operates under one general manager with property-wide authority. Four department leads report to that position: a hotel operations lead responsible for front office, housekeeping, and night audit; a food and beverage lead responsible for MIRAGE DINING™ kitchen and front of house; an events lead responsible for Social Hall sales, booking, and execution; and an attractions lead responsible for Mirage Play operations, technical uptime, and guest safety. A chief engineer or maintenance lead and a security function report property-wide.

Sales and marketing is a property-wide function rather than a departmental one, because the same salesperson selling a wedding is selling a room block and a rehearsal dinner. Accounting and administration are likewise centralized, with departmental profit and loss reporting produced daily and reviewed weekly against the model in this package.

The labor model depends on cross-training across the evening peak. Dining, event, and attraction demand all concentrate in the same evening and weekend windows, and a property that staffed three separate full crews for those windows would carry payroll it cannot support. Front-of-house staff are cross-trained across dining service, event service, and arena attendant roles so a single scheduled crew covers the peak.

This section deliberately does not publish a payroll figure. Headcount by role and annualized wage assumptions are carried in the staffing schedule of the operating model and flow through departmental costs and property-wide general and administrative expense there. Actual compensation will be set against a local wage survey at hiring, and the general manager and department lead offers or management agreements are closing diligence items.

General Manager	Property-wide authority; all department leads report to this position
Hotel operations lead	Front office, housekeeping, night audit, guest services
Food & beverage lead	MIRAGE DINING™ kitchen and front of house; Social Hall catering production
Events lead	Social Hall sales, booking, and event execution
Attractions lead	Mirage Play operations, technical uptime, guest safety
Engineering / maintenance	Property-wide building systems and preventive maintenance
Security	Property-wide; weighted to evening and event hours
Sales & marketing	Property-wide — rooms, events, and packages sold together
Accounting & administration	Centralized; daily departmental flash, weekly labor review, monthly close

- One general manager. Four department leads. No parallel management structures.
- Front-of-house cross-training across dining, events, and attractions covers the shared evening peak.
- Headcount and wage assumptions are carried in the operating model's staffing schedule, not invented here.
- Local wage survey, executed offers, and any management agreements — pending verification.

6A Insurance · Property Taxes · Utilities

Insurance, property tax, and utilities are the three property-wide lines with the widest error band on an unbuilt Gulf South hospitality asset. Each is carried as a planning allowance, each is disclosed as an allowance rather than a quotation, and each is a closing diligence item.

19. Insurance

The coverage program required for this asset class is identified; the premiums carried in the model are planning allowances and no binder or quotation has been issued.

The property requires a coastal Louisiana commercial insurance program: builder's risk during construction, then commercial property covering the building and contents, general liability at

hospitality limits, liquor liability, business interruption, workers' compensation, commercial auto if the property operates a shuttle, cyber and privacy liability given the property management and point-of-sale systems, employment practices liability, and umbrella or excess liability over the primary layers. Flood insurance is required to the extent the parcel's flood zone determination requires it. Coverage naming the lender as mortgagee and loss payee is required through construction and operations.

The Gulf South property insurance market is the single most volatile line item in this expense stack. Named-storm deductibles, wind and hail sublimits, and replacement cost valuation terms all move premium materially, and the Louisiana market has repriced sharply in recent years. A property insurance allowance is carried in property-wide general and administrative expense in the operating model as a planning figure.

No insurance quotation has been obtained and no binder has been issued for this project. The premium in the model is an allowance, not a quote. Bound coverage at or below the modeled allowance is treated as a closing diligence item, and if the bound premium exceeds the allowance, the operating model must be re-run and coverage re-tested before closing. The borrower would rather disclose that exposure than absorb it silently.

The flood determination and elevation certificate for the parcel, the resulting flood insurance requirement, and any elevation or floodproofing design consequence are open items to be confirmed with the current effective flood insurance rate map.

- Builder's risk during construction; full commercial program at occupancy.
- General, liquor, cyber, employment practices, and umbrella liability at hospitality limits.
- Business interruption and workers' compensation carried.
- Lender named as mortgagee and loss payee through construction and operations.
- No quotation and no binder exists. The modeled premium is an allowance — pending verification.
- Flood determination, elevation certificate, and flood insurance requirement — pending verification.

20. Property Taxes

An ad valorem allowance is carried from Year 1, but the assessed value of an unbuilt hospitality improvement is not knowable until the assessor values the completed property.

Louisiana ad valorem taxation assesses commercial real property at a statutory percentage of fair market value, with the parish millage applied to that assessment. The Jefferson Parish Assessor determines fair market value for the completed improvement, and the parish and its taxing districts set the applicable millage. Both inputs are outside the borrower's control and neither can be fixed before the improvement exists.

A property tax allowance is carried in property-wide general and administrative expense in the operating model from the first operating year at full run rate, rather than being phased in. That is deliberately conservative for a property that will be partially assessed during its construction year.

The allowance is a planning estimate. It is not a determination, an agreement with the assessor, or a projection endorsed by any taxing authority. The borrower has not applied for and does not assume any abatement, exemption, payment-in-lieu-of-taxes arrangement, restoration tax abatement, industrial exemption, or other incentive. If an incentive is later obtained, it is upside that this credit does not require.

A written estimate of the assessed value and the applicable combined millage for the completed improvement should be obtained before closing, together with the current tax bill and assessment history for the parcel as vacant land.

- Louisiana ad valorem: statutory assessment percentage of fair market value, times parish millage.
- Full-year allowance carried in property-wide G&A from Year 1 — conservative for a partial first-year assessment.
- No abatement, exemption, PILOT, or incentive is assumed anywhere in the model.
- Assessor estimate of completed value, applicable millage, and current parcel tax history — pending verification.

21. Utilities

A 64,000 square foot property with ninety keys, a commercial kitchen, and an immersive entertainment floor is an unusual load profile, and the load study that sizes it has not been performed.

The property requires electrical service sized for ninety guest rooms, a full commercial kitchen with exhaust and make-up air, a large-span entertainment floor with lighting, projection, tracking, and computing loads, an event hall with audiovisual and lighting loads, an exterior media and signage system, elevators, and full-building HVAC. Water and sanitary sewer service must be sized for ninety keys plus commercial kitchen and public restroom fixture counts. Natural gas is required for kitchen equipment and domestic hot water. A fire line and, depending on the final fire-protection design, a fire pump and a dedicated water supply are required. Redundant fiber service is required for the property management system, point-of-sale, and the entertainment platform.

Utility allowance is carried in property-wide general and administrative expense in the operating model. It is a planning figure derived from the building's size and program, not from a load calculation or a utility company estimate.

No electrical load study has been performed, no service capacity confirmation has been obtained from the serving electric utility, and no capacity or availability confirmation has been obtained from

the water and sewer authority. Those are material items: an inadequate existing service or a required off-site utility extension would be a hard-cost consequence to the site line of the budget, and the site line is a ceiling. Utility capacity confirmation and any tap, impact, or extension fees are closing diligence items.

The entertainment floor is a continuous, sustained electrical load rather than an intermittent one, and the exterior media system adds an evening-weighted load. Both should be included in the load study rather than treated as incidental.

- Electric, water, sanitary sewer, natural gas, fire line, and redundant fiber all required.
- Entertainment floor and exterior media are sustained loads and belong in the load calculation.
- Utility allowance in the model is a planning figure, not a utility estimate.
- Electrical load study, service capacity confirmation, and tap / impact / extension fees — pending verification.
- Any required off-site utility extension is a hard-cost consequence to a capped site budget line.

7 Five-Year Financial Model

YEAR-1 WEIGHTING

Year 1 is not a flat twelfth. Revenue is spread across the twelve opening months using ramp weights from 0.55 in month 1 to 1.20 in month 12 (sum 10.85). Fixed property-wide cost is carried evenly, which is why the first quarter is the cash trough and why the working-capital reserve sits inside the note.

Annual model

YEAR	REVENUE	DEPARTMENTAL	PROPERTY- WIDE	EBITDA	DEBT SERVICE	DSCR
Year 1 — opening ramp	\$4,027,031	\$2,287,047	\$1,116,000	\$623,984	\$566,509	1.10×
Year 2 — ramp continues	\$5,274,985	\$2,974,734	\$1,078,800	\$1,221,451	\$566,509	2.16×
Year 3 — near stabilized	\$5,982,604	\$3,308,274	\$1,215,200	\$1,459,130	\$566,509	2.58×
Year 4 — stabilized	\$6,432,908	\$3,522,063	\$1,240,000	\$1,670,845	\$566,509	2.95×
Year 5 — stabilized hold	\$6,432,908	\$3,522,063	\$1,240,000	\$1,670,845	\$566,509	2.95×

Debt service shown at the 10.50% stress rate over 25 years. Section 8 restates coverage across the full rate grid.

Year 1 detail — departmental build

Hotel (52% · \$155 ADR)	\$2,647,710
MIRAGE DINING™ (~61 covers/day)	\$784,080
INFINITE REALITY™ (ramped)	\$542,941
MIRAGE SOCIAL™ (30 events)	\$220,000
Packages / ancillary	\$52,300
Year-1 revenue	\$4,027,031
Departmental costs	(\$2,287,047)
Property-wide G&A	(\$1,116,000)
Year-1 EBITDA	\$623,984
Debt service · DSCR	\$566,509 · 1.10×

Same engines as stabilized — lower occupancy, turns, utilization, and event count. Not a second project.

Year-1 monthly shape

MONTH	WEIGHT	REVENUE	DEPARTMENTAL	PROPERTY-WIDE	EBITDA	DEBT SERVICE
M1	0.55	\$204,135	\$115,933	\$93,000	-\$4,798	\$47,209
M2	0.62	\$230,116	\$130,688	\$93,000	\$6,428	\$47,209
M3	0.70	\$259,808	\$147,551	\$93,000	\$19,257	\$47,209
M4	0.78	\$289,501	\$164,414	\$93,000	\$32,087	\$47,209
M5	0.85	\$315,482	\$179,170	\$93,000	\$43,312	\$47,209
M6	0.90	\$334,039	\$189,709	\$93,000	\$51,330	\$47,209
M7	0.95	\$352,597	\$200,248	\$93,000	\$59,349	\$47,209
M8	1.00	\$371,155	\$210,788	\$93,000	\$67,367	\$47,209
M9	1.05	\$389,713	\$221,327	\$93,000	\$75,386	\$47,209
M10	1.10	\$408,270	\$231,867	\$93,000	\$83,403	\$47,209
M11	1.15	\$426,828	\$242,406	\$93,000	\$91,422	\$47,209
M12	1.20	\$445,386	\$252,945	\$93,000	\$99,441	\$47,209

Year-1 cash waterfall — opening liquidity strategy

The opening year is modeled with positive debt-service coverage at the planning rate. The \$300,000 interest / debt-service reserve (~6.4 months of planning-rate ADS) protects against timing volatility in the ramp — monthly shortfalls, then restoration — under lender draw control. It is not a substitute for operating cash flow.

MO	EBITDA	DEBT SVC	CASH BEFORE RESERVE	RESERVE DRAW/(RESTORE)	ENDING RESERVE
1	-\$4,798	\$47,209	-\$52,007	\$52,007	\$247,993
2	\$6,428	\$47,209	-\$40,781	\$40,781	\$207,212
3	\$19,257	\$47,209	-\$27,952	\$27,952	\$179,260
4	\$32,087	\$47,209	-\$15,122	\$15,122	\$164,138
5	\$43,312	\$47,209	-\$3,897	\$3,897	\$160,241
6	\$51,330	\$47,209	\$4,121	-\$4,121	\$164,362
7	\$59,349	\$47,209	\$12,140	-\$12,140	\$176,502
8	\$67,367	\$47,209	\$20,158	-\$20,158	\$196,660
9	\$75,386	\$47,209	\$28,177	-\$28,177	\$224,837
10	\$83,403	\$47,209	\$36,194	-\$36,194	\$261,031
11	\$91,422	\$47,209	\$44,213	-\$38,969	\$300,000
12	\$99,441	\$47,209	\$52,232	\$0	\$300,000

EBITDA follows Section 7 monthly weights with property-wide cost carried evenly. Reserve draws cover ADS timing gaps; surplus months restore the reserve up to the funded amount.

Model assumptions

- Year 2 lands at 82% of stabilized revenue; Year 3 at 93%; Years 4–5 hold stabilized.
- Departmental cost ratios bleed slightly higher during ramp (Year 2 +3%, Year 3 +1%) because volume discounts and labor productivity are not yet mature.
- Property-wide G&A is near-fixed and reaches full run rate before revenue does.
- No capital expenditure, licensing revenue, refinance, or asset sale is assumed in any year.
- Replacement-reserve funding is a lender condition, not an assumption in this table.

8 Debt Structure & Rate Scenarios

PRIMARY CREDIT VIEW

The official operating model from this package stabilizes at approximately 2.95× DSCR (\$1,670,845 EBITDA against \$566,509 debt service at 10.50%). Under simultaneous demand softening, moderate sensitivity still covers at approximately 1.61×. A \$300,000 reserve protects opening-ramp timing. The rate grid below shows stabilized coverage across rates — not thin opening-year headlines.

Rate grid — stabilized coverage on \$5,000,000

Face grid shows stabilized DSCR across rates. Opening-ramp and severe schedules live in the underwriting workbook — not as page-one headlines.

RATE	MONTHLY PAYMENT	ANNUAL DEBT SERVICE	STABILIZED DSCR
9.00% · 25 yr	\$41,960	\$503,518	3.32×
9.75% · 25 yr	\$44,557	\$534,682	3.12×
10.50% · 25 yr	\$47,209	\$566,509	2.95×
11.00% · 25 yr	\$49,006	\$588,068	2.84×

MODERATE SENSITIVITY @ 10.50%

1.61×

Lead coverage case — simultaneous softening

STABILIZED @ 10.50%

2.95×

Mature operating case

Structure

Facility	\$5,000,000 SBA 7(a) term loan
Amortization modeled	25 years, level monthly payment
Rates tested	9.00% · 9.75% · 10.50% · 11.00%
Payment range	\$41,960 – \$49,006 per month
Annual debt service range	\$503,518 – \$588,068
Construction period	Interest-only during the 12-month draw is requested; full amortization begins at certificate of occupancy.
Guaranty	Standard 7(a) structure with unlimited personal guaranty from each 20%+ owner, per SBA SOP and lender policy.
Prepayment	Standard SBA prepayment provisions for loans with maturities of 15 years or more.

Terms requested

- Interest-only through construction and the first operating quarter.
- Working capital and contingency held back for lender-authorized release.
- DSCR covenant tested on a trailing-twelve-month basis beginning in Year 2, not at opening.

Primary stress @ 10.5% / 25 years on \$5,000,000. Also model 9% · 9.75% · 11%.

15. Debt Service Capacity

Coverage is presented as a rate grid across a 9.00% to 11.00% band on a 25-year amortization, and the credit should be sized off the weakest cell in that grid.

Debt service is modeled on the full \$5,000,000 request over a 25-year amortization, tested across four rate scenarios from 9.00% to 11.00%. Annual debt service ranges from \$503,518 at the low end of the band to \$588,068 at the high end. The primary presentation rate is 10.50%, which is a stress rate rather than an expected rate.

The methodology matters more than any single coverage number in this package. Coverage is computed as departmental contribution less property-wide general and administrative expense, divided by annual debt service, using the same bottom-up engines described in Sections 11 through 14. There is no top-down market-share assumption anywhere in the chain, and no revenue line appears in the coverage calculation that is not produced by a physical driver.

Coverage is led by the moderate stress case, then the opening-year ramp, then the stabilized planning case. A stabilized ratio alone from an unopened property is arithmetic, not proof. The credit argument is bottom-up revenue engines, a capped capital plan, a rate grid, and disclosed downside cases.

Interest-only treatment through the construction draw period and the first operating quarter is requested, with full amortization commencing at certificate of occupancy. A debt service coverage covenant tested on a trailing twelve-month basis beginning in the second year — rather than at opening — is offered.

9.00% · 25 years	\$41,960 per month · \$503,518 per year
9.75% · 25 years	\$44,557 per month · \$534,682 per year
10.50% · 25 years	\$47,209 per month · \$566,509 per year
11.00% · 25 years	\$49,006 per month · \$588,068 per year

- Principal modeled: \$5,000,000 — the full request, with no assumed paydown.
- Amortization: 25 years, level monthly payment.
- Rate band tested: 9.00% · 9.75% · 10.50% · 11.00%.
- Size the credit off the weakest cell in the grid at the highest rate tested, not off the stabilized headline.
- Rate, term, guaranty fee treatment, and prepayment terms are set by the lender and SBA — pending term sheet.

9 Risk Management & Operating Controls

Mirage applies established hospitality, food-and-beverage, entertainment, and event operating controls within a diversified destination property. Construction will be delivered by licensed professionals under A/E oversight. Departments are managed as distinct P&Ls on a common property platform. The financial model uses a measured opening ramp; franchise and expansion opportunities are excluded from the core repayment thesis.

CASE	REVENUE	EBITDA	DSCR	CUSHION
Base	\$6,432,908	\$1,670,845	2.95×	\$1,104,336
Base stabilized				
Bottom-up engines at base occupancy / turns / utilization				
Moderate	\$4,977,656	\$912,616	1.61×	\$346,107
Moderate stress — hotel 58% / \$160 · dining soft · play -20% · social -25%				
Primary credit question: does debt still clear under soft demand?				

Cushion is EBITDA less annual debt service at 10.50%.

Coverage summary

- Lead with moderate sensitivity: approximately 1.61× DSCR under simultaneous softening across hotel, dining, Play, and Social at the 10.50% planning rate.
- Stabilized planning case covers approximately 2.95× at the same rate.
- A \$300,000 interest reserve protects opening-ramp timing under lender draw control.
- Detailed monthly ramp and additional scenario work live in the underwriting workbook — not as face headlines.

Mitigants

Interest / debt-service reserve	\$300,000 funded inside the note (~6.4 months of planning-rate ADS). Opening coverage is modeled positive; the reserve absorbs ramp timing gaps under lender draw control.
Working capital + contingency inside the note	\$200,000 working-capital reserve plus \$280,000 owner contingency — lender-authorized release.
Demand diversification	Transient hotel guests, local dining, immersive entertainment, fitness and performance programming, private events, corporate groups, and packaged experiences — reducing reliance on any single customer segment.
Departmental operating structure	Hotel, dining, Mirage Social, and Mirage Play are separately managed profit centers within one property platform.
Professional delivery	Licensed GC, A/E of record, and specialty contractors; sponsor provides owner-side oversight informed by sixteen-plus years of staffed-business management and electrical experience.
Hospitality management	Experienced hotel general manager or management agreement engaged before opening — a opening operating condition.
Scope discipline	Capital lines are ceilings. Final cost confirmed through GMP and vendor quotes; scope is managed to the financing ceiling.

Departmental break-even

DEPARTMENT	METRIC	BREAK-EVEN
Hotel (90 keys · 65% occ · \$175 ADR)	Occupancy @ \$165 ADR to cover hotel dept	0.42 42% occ
MIRAGE DINING™ (100 seats · ~88 covers/day · \$40 check)	Covers/day @ \$38 check	55 covers/day
INFINITE REALITY™ (2 arenas · 7,000 SF)	Blended arena sessions/day	28 sessions/day
MIRAGE SOCIAL™ (2,000 SF · 48 events)	Events/year @ ~\$7.5K avg	18 events/year
Packages / ancillary (incremental)	Incremental package \$/month	5,000 \$/month

Risk register

RISK	MITIGATION
Construction cost overrun	\$195,000 owner contingency plus GC contract or GMP before closing; scope reduction rather than an increased ask.
Opening delay	Interest-only through construction; working-capital reserve sized for a soft-open burn before revenue stabilizes.
Parking compliance	116 stalls engineered on site. Final civil / Planning confirmation is a closing condition (pathways: additional stalls, shared parking, off-site agreement, permitted reduction, or PE reconfiguration). Key count is not reduced to clear the arithmetic.
Ramp slower than modeled	Year-1 model already assumes reduced occupancy, turns, utilization, and event count relative to stabilization.
Labor availability	Cross-trained evening crew across dining, events, and Play reduces total headcount required at peak.
Flood / insurance cost	Property insurance carried at full run rate in property-wide G&A from Year 1; elevation and flood documentation are pre-close conditions.
Key-money / brand risk	No franchise fee, brand license, or royalty is carried; the property operates independently under its own marks.
Entertainment technology obsolescence	Systems allocation is a capped minority line; the arena volume converts to another use without structural work; refresh is funded from a replacement reserve rather than new debt.

16. Risk Management & Operating Controls

Mirage's development and operating strategy incorporates established controls appropriate to a hospitality property combining lodging, food and beverage, entertainment, and events.

Construction will be performed by qualified professional contractors under architectural and engineering oversight. Operating departments will have dedicated management and staffing structures. Capital expenditures will be controlled through defined procurement budgets. The hotel, restaurant, entertainment, and event operations will be managed as distinct revenue departments within a common property platform.

Demand diversification is intentional. Mirage is structured around complementary channels — transient hotel guests, local dining, immersive entertainment, fitness and performance programming, private events, corporate groups, and packaged experiences — so the property

monetizes both overnight and day-use demand rather than depending on a single customer segment.

The financial model incorporates a measured opening-year ramp and rate sensitivity across a planning band. A funded interest and debt-service reserve inside the note supports the opening period. Franchise, licensing, and future expansion opportunities are excluded from the core repayment thesis.

Detailed sensitivity schedules are available to the lender as underwriting exhibits. The face of this business plan presents the operating story and the base coverage path; it does not turn the primary narrative into a catalogue of failure scenarios.

- Professional construction delivery under A/E oversight.
- Departmental P&Ls: hotel, dining, entertainment, and events.
- Diversified demand across overnight and day-use channels.
- Funded interest reserve and contingency inside the capital plan.
- Franchise / licensing treated as upside, not repayment dependency.

9A Technology Risk

Hotel operations anchor the asset. Guest experience differentiates it. Commercial technology enables the experience — as an operating advantage, not as the identity of the credit.

The credit hierarchy is stated plainly for committee reading. First, the hotel: ninety keys and rooms revenue are the primary lodging engine and the largest single department in the repayment model. Second, the ground-floor experience — MIRAGE DINING™, Mirage Social, and Mirage Play — supplies the reason to travel to this address and feeds captive demand into the hotel. Third, commercial technology enables that experience floor inside a technology-enabled operating environment: programmable lighting, media, point-of-sale, property-management, and security systems sized in the IT budget line. The building and its collateral class are real estate — structure, envelope, site, and mortgaged improvements — not a software product. Franchise, brand licensing, and intellectual-property monetization are upside only and carry no Phase I repayment weight.

Mirage Play / Infinite Reality Studio is described as real windows and daylight by day and programmable media by night — the same disciplined façade strategy as the street elevation. The immersive floor is an entertainment and amusement use inside conventional open-span construction with power, data, and rigging infrastructure. It is not underwritten as a perpetual technology platform with a twenty-five-year life.

The exposure is bounded three ways. First, by capital: the Mirage Play systems allocation is a defined, capped line in the budget rather than an open-ended technology program, and it is a minority of the note. Second, by structure: the arena envelope converts to another attraction, event, or leased use

without structural work if the current format ages. Third, by revenue weight: no single department, including Mirage Play, is relied upon to carry the note by itself.

Refresh and replacement capital is expected to be funded from operating cash flow through a replacement reserve. No refinance, equipment loan, or additional debt is assumed to fund technology refresh. Vendor quotations, license terms, and support agreements are pending verification items.

- Credit order: hotel → experience → technology-enabled operations → building collateral → franchise upside.
- Commercial technology and a technology-enabled operating environment — not a vendor laundry list on the credit memo face.
- Infinite Reality: real window by day, media by night — programmable systems inside the IT / LED budget line.
- Entertainment systems are capped, convertible space, and a minority of the note.
- Franchise / IP / systems-sales revenue excluded from Phase I repayment entirely.
- Vendor quotations, license terms, and support agreements — pending verification.

9B Parking & Transportation

116 stalls are engineered on site against approximately 133 required at ninety keys. The roughly seventeen-stall shortfall is disclosed here rather than solved on paper.

The site plan engineers 116 parking stalls on the ±2.2 acre parcel. Applying the parish parking requirement to the hotel keys and to the parkable Level 1 floor area produces a requirement of approximately 133 stalls at 90 keys, leaving a shortfall of approximately 17 stalls. That gap is disclosed as an open entitlement item.

The borrower is not resolving the gap by reducing the key count in the model, and is not asserting that the parish will grant relief. The available paths are a shared-parking analysis reflecting that hotel demand peaks overnight while dining, event, and attraction demand peaks in the evening and on weekends; a professional-engineer restripe or reconfiguration of the site plan; an off-site parking or shared-use agreement with a corridor property owner; a variance or administrative adjustment under the applicable parish provisions; or a reduction in the permitted program. Which path applies is a determination for Jefferson Parish planning, not for this document.

The temporal complementarity argument is strong for this program mix and is the likely basis of a shared-parking submission. It remains an argument until Jefferson Parish issues a determination. Parking is a pre-closing entitlement condition and a program gate — not an administrative footnote.

Beyond parking, the site plan must resolve the flag-lot access geometry to Manhattan Boulevard, fire apparatus access and turning radii, refuse and delivery truck circulation separated from guest arrival, accessible parking counts and routes, and any rideshare or shuttle drop-off zone at the entry court. Traffic impact analysis requirements, if any, are set by the parish.

Stalls engineered on site	116
Requirement at ±90 keys	≈133
Parking status	PRE-CLOSING ENTITLEMENT CONDITION — parish determination required
Compliance pathways	Additional stalls · shared-parking analysis · off-site agreement · permitted reduction · PE reconfiguration
Not a path	Reducing the modeled key count solely to make the arithmetic work on paper
Disclosed gap (desk)	≈17 stalls vs parish desk requirement — not asserted as solved

10 Collateral — The Building, Land & What's Inside

Collateral = the building + land · Value = BPO (then MAI appraisal)

Yes. The lender takes a first mortgage on the completed building and the land. That is the collateral.

Yes — we did a preliminary BPO. That BPO is how this package estimates what that collateral is worth before the lender's MAI appraisal. As-completed / stabilized planning band: \$4,500,000 – \$6,000,000 (Cost 55% · Sales 35% · Income 10%). Land contribution BPO: \$500,000–\$750,000.

Cost basis in the \$5M note is what we spend to build and equip it — not a substitute for the BPO. The BPO works the collateral value; the Sources & Uses work the funding.

The SKU list is the UCC schedule for FF&E inside the mortgaged building. The lender-engaged MAI appraisal governs final value.

COLLATERAL VALUE — WORKED FROM THE BPO

The mortgaged collateral is valued here with the preliminary BPO in this package. Detail and methodology are in §10A.

INDICATION	AMOUNT / BAND	NOTE
As-completed building + land (preliminary BPO band)	\$4,500,000 – \$6,000,000	Primary collateral value indication — §10A
Land alone — contribution BPO	\$500,000 – \$750,000	As-is land piece · mortgaged with the building · §10A Land BPO
Approach weights	Cost 55% · Sales 35% · Income 10%	Income heavily discounted until feasibility is filed
Governing value for credit decision	Lender-engaged MAI appraisal	As-is · as-completed · as-stabilized

WHAT IS PLEDGED (SECURITY INTEREST) VS WHAT IT COSTS TO BUILD

Security interest = mortgage on building + land + UCC on contents. Cost basis below is funding — the BPO above is value.

BPO — as-completed collateral value (building + land)	\$4,500,000 – \$6,000,000
BPO — land contribution	\$500,000 – \$750,000
Cost basis — hard assets funded inside the \$5M note	\$4,130,000
SKU / model list (UCC contents)	44 lines · peak list \$1,735,954
Loan request	\$5,000,000
Final value	Lender MAI appraisal governs — BPO is preliminary

What makes up “the building” in the mortgage (cost / funding)

LINE	AMOUNT	ROLE
Building — structure, envelope, interiors	\$1,550,000	Becomes part of mortgaged building
Site — civil, parking, utilities, drainage	\$240,000	Becomes part of mortgaged realty
MEP — HVAC, plumbing, electrical, life safety	\$420,000	Becomes part of mortgaged realty / fixtures
Elevators	\$140,000	Becomes part of mortgaged realty
A/E · permits · inspections (allocable to realty)	\$200,000	Allocable to realty cost
Building / improvements subtotal (mortgage)	\$2,550,000	1st mortgage with the land

Full collateral stack — dollars

COMPONENT	AMOUNT	LIEN / NOTE
Building + site + MEP + elevators + soft (cost in note)	\$2,550,000	Funded by note · becomes 1st-mortgage collateral
FF&E / systems / inventory (UCC budget in note)	\$1,580,000	Funded by note · UCC collateral inside the building
Land (sponsor contribution — not in note)	\$500,000	BPO band \$500,000–\$750,000 · mortgaged with building
Cost stack (note hard assets + land contribution band)	\$4,630,000 – \$4,880,000	Funding view only — collateral value is the BPO band above; MAI governs

Proposed lien / collateral stack

1st mortgage — THE BUILDING + LAND	Completed four-level hospitality building and land at 1705 Manhattan Blvd, Harvey, Louisiana 70058 (Lot P-2-A1Y4) — valued preliminarily by BPO in §10A
UCC-1 — all equipment / FF&E / fixtures	Hotel FF&E, restaurant equipment, Infinite Reality systems, fitness/boxing, IT, LED, site fixtures
UCC-1 — inventory / proceeds	Opening inventory and after-acquired inventory, accounts, chattel paper, general intangibles where permitted
Assignment of leases / rents / contracts	Hotel, restaurant, event, package, and training contracts as required by lender
Personal / entity guaranties	Per lender / SBA SOP — ownership percentage triggers; life insurance assignment if required
Hazard / builder's risk / liability insurance	Lender / SBA as mortgagee / loss payee — required through construction and operations

Cost basis inside the note (by class)

BASIS	AMOUNT	LIEN
Building + site + MEP + elevators (cost → mortgaged building)	\$2,350,000	First mortgage
Soft costs allocable to the building	\$200,000	Appraiser allocation
Equipment / FF&E / systems / inventory inside the building	\$1,580,000	UCC-1 blanket
Working capital, pre-opening, contingency	\$870,000	Not hard collateral
Hard-asset cost basis inside the note	\$4,130,000	Building + what's inside · plus contributed land

Land under the building is contributed and mortgaged with the building. Land BPO: \$500,000–\$750,000 (mid \$625,000). Not funded by the note. Full land BPO write-up: §10A.

FF&E / systems inside the building — category rollup

44 lines in this section · peak schedule \$1,735,954. UCC schedule for contents of the mortgaged building. Peak prices are a conservative high-band list; purchases must still fit Section 5 ceilings. Serial numbers blank until receipt. Volume III collateral workbook carries the same schedule.

CATEGORY	PEAK SCHEDULE
HOTEL_FFE	\$393,380
RESTAURANT_EQUIP	\$563,014
VR_IMMERSIVE	\$394,200
BEYOND_REALITY	\$171,000
FITNESS_BOXING	\$44,360
IT_SECURITY_LED	\$170,000
Peak total (this section)	\$1,735,954

Full list — what's inside the building (manufacturer / model / SKU)

UCC schedule for contents of the mortgaged building. Listed here in §10 — not a separate required document. Collateral workbook: Mirage_SBA_Collateral_Package.xlsx.

ITEM	MANUFACTURER	MODEL / SKU	QTY	PEAK UNIT	PEAK EXT.
Hospitality mattress + foundation set (Queen) HOTEL_FFE	Serta Hospitality	500600572 / Star Suite / Perfect Sleeper Hospitality	40 set	\$899	\$35,960
Hospitality mattress + foundation set (King) HOTEL_FFE	Serta Hospitality	Serta Perfect Sleeper Hospitality King set	20 set	\$1,099	\$21,980
Guestroom TV 55" hospitality HOTEL_FFE	Samsung / LG Hospitality	HG55AU800 / similar Pro:Centric / LYNK hospitality SKU	60 ea	\$749	\$44,940
Electronic guestroom lock + encoder system HOTEL_FFE	Onity / dormakaba / ASSA ABLOY	Onity HT24 / similar RFID lock	60 door	\$575	\$34,500
Guestroom casegoods package (desk, dresser, luggage, nightstands) HOTEL_FFE	Hospitality casegoods (contract)	Project package — Mirage guestroom standard	60 room	\$2,200	\$132,000
Guestroom seating + bedding textiles + OS&E starter HOTEL_FFE	Various hospitality	Multi-SKU OS&E kit (towels, robes, hangers, amenities, irons)	60 room kit	\$650	\$39,000
Lobby / public area FF&E HOTEL_FFE	Contract furniture	Lobby seating / desks / décor package	1 lot	\$85,000	\$85,000
36" heavy-duty gas range w/ convection oven RESTAURANT_EQUIP	Vulcan	V6B36C / V2FT36C (config TBD)	2 ea	\$24,832	\$49,664
Combi oven RESTAURANT_EQUIP	Rational / Convothem / Alto-Shaam	iCombi Pro 6-1/1 or equal	1 ea	\$28,500	\$28,500
Fryer battery (2-vat) RESTAURANT_EQUIP	Pitco / Frymaster	SSH55 / similar	1 ea	\$9,800	\$9,800
Charbroiler 36" RESTAURANT_EQUIP	Vulcan / Imperial	VCCB36 or equal	1 ea	\$6,500	\$6,500
Griddle 36" RESTAURANT_EQUIP	Vulcan / Star	MSA36 or equal	1 ea	\$5,800	\$5,800
Reach-in freezer 2-door RESTAURANT_EQUIP	True	T-49F-HC (SKU refs TU0004DF class)	2 ea	\$7,500	\$15,000

ITEM	MANUFACTURER	MODEL / SKU	QTY	PEAK UNIT	PEAK EXT.
Reach-in refrigerator 2-door RESTAURANT_EQUIP	True	T-49-HC	2 ea	\$6,800	\$13,600
Walk-in cooler / freezer package RESTAURANT_EQUIP	Amerikooler / Kolpak / Nor-Lake	Custom box + remote/self- contained	1 lot	\$55,000	\$55,000
Dishmachine + tables + sinks RESTAURANT_EQUIP	Hobart / Champion	AM-15 / CLPS66 class + soiled/clean tables	1 lot	\$28,000	\$28,000
Exhaust hood + MUA + fire suppression RESTAURANT_EQUIP	CaptiveAire / Ansul	Project hood package + Ansul R- 102	1 lot	\$85,000	\$85,000
Bar refrigeration + ice + glasswasher RESTAURANT_EQUIP	Perlick / Hoshizaki / Manitowoc	Back-bar / KMice / underbar package	1 lot	\$32,000	\$32,000
Dining chairs (peak) RESTAURANT_EQUIP	Contract seating	Restaurant side chair — Mirage standard	190 ea	\$285	\$54,150
Dining tables + booths/banquettes lot RESTAURANT_EQUIP	Contract furniture	Table/booth package	1 lot	\$95,000	\$95,000
China / flatware / glassware / smallwares opening package RESTAURANT_EQUIP	Steelite / Libbey / Oneida / various	Multi-SKU 3-par package	1 lot	\$75,000	\$75,000
POS terminals + KDS + printers RESTAURANT_EQUIP	Toast / Square for Restaurants / NCR	Toast hardware kit / equal	8 station	\$1,250	\$10,000
Meta Quest 3 512GB headset + Touch Plus VR_IMMERSIVE	Meta	Quest 3 512GB (retail/business channel SKU)	24 ea	\$650	\$15,600
High-performance VR PC / GPU workstation VR_IMMERSIVE	Custom / Alienware / HP / Dell	RTX 4070 Ti / 4080 class VR PC	12 ea	\$2,800	\$33,600
Arena tracking / networking / charging / sanitation lot	Various	Base stations / Wi-Fi 6 AP / charge carts / hygiene kits	2 arena	\$18,000	\$36,000

ITEM	MANUFACTURER	MODEL / SKU	QTY	PEAK UNIT	PEAK EXT.
VR_IMMERSIVE					
Game-master stations + displays + audio VR_IMMERSIVE	Various	GMPC + monitor + arena audio	2 station	\$4,500	\$9,000
INFINITE REALITY™ Ride Theater — 20-seat motion / VR theater system package VR_IMMERSIVE					
Commercial VR theater integrator (vendor TBD)	20-motion-seat theater class · headsets · control · effects	1 system	\$300,000	\$300,000	
Immersive Performance & Strength Training — full-body haptic / mocap / biometrics systems BEYOND_REALITY					
Commercial performance-training systems (vendor TBD)	Commercial full-body haptic training class	6 suit	\$9,900	\$59,400	
Performance training haptic gloves (force feedback class) BEYOND_REALITY					
Commercial performance-training systems (vendor TBD)	Commercial haptic glove class	6 pair	\$4,500	\$27,000	
Lab XR headsets (dedicated Beyond Reality) BEYOND_REALITY					
Meta / Pico / Varjo	Quest 3 / Pico 4 Enterprise / Varjo Aero class	8 ea	\$1,200	\$9,600	
Motion / performance capture + biometric sensors lot BEYOND_REALITY					
Integrated haptic suite / Polar / Whoop-class / OptiTrack lite	Lab mocap + HR package	1 lot	\$28,000	\$28,000	
Lab displays / AV / networking / dashboards BEYOND_REALITY					
Samsung / LG / Ubiquiti	Commercial displays + switch + AP	1 lot	\$22,000	\$22,000	
Software / SDK / commercial XR training licenses (prepaid) BEYOND_REALITY					
Commercial XR studio / Unity / Unreal / content vendors	Annual/prepaid seats — intangible	1 lot	\$25,000	\$25,000	
Heavy bag + hanger package FITNESS_BOXING					
Title / Everlast / Ringside	100 lb heavy bag + mount	4 ea	\$450	\$1,800	

ITEM	MANUFACTURER	MODEL / SKU	QTY	PEAK UNIT	PEAK EXT.
Speed bag + double-end bag + platform FITNESS_BOXING	Title / Everlast	Speed bag platform kit / double-end	2 set	\$380	\$760
Gloves / mitts / wraps / ropes lot FITNESS_BOXING	Title / Hayabusa	Multi-SKU consumable/gear lot	1 lot	\$3,500	\$3,500
Functional trainer / rack FITNESS_BOXING	Life Fitness / Rogue / Hammer Strength	Dual adjustable pulley / half rack	1 ea	\$6,500	\$6,500
Treadmill commercial FITNESS_BOXING	Life Fitness / Precor / Matrix	Integrity / 4000 class	2 ea	\$7,800	\$15,600
Bike + rower FITNESS_BOXING	Life Fitness / Concept2	Upright/spin + Concept2 RowErg	1 pair	\$4,200	\$4,200
Dumbbells / kettlebells / benches / mats / flooring lot FITNESS_BOXING	Rogue / CAP / Eleiko	Rubber hex DB set + KB + benches + rolls	1 lot	\$12,000	\$12,000
Hotel PMS (Opera Cloud / Cloudbeds / equal) — hardware + startup IT_SECURITY_LED	Oracle Opera Cloud / Cloudbeds / Mews	PMS subscription + workstations	1 lot	\$35,000	\$35,000
Network core + APs + firewall IT_SECURITY_LED	Ubiquiti / Cisco / Fortinet	UDM-SE / FortiGate / UniFi 6 AP pack	1 lot	\$28,000	\$28,000
CCTV NVR + cameras IT_SECURITY_LED	Hikvision / Axis / Verkada	Property camera package	1 lot	\$32,000	\$32,000
LED / media façade + controllers IT_SECURITY_LED	Absen / Novastar / Brompton class	Outdoor LED modules + processor	1 lot	\$75,000	\$75,000

Collateral conditions

- Collateral pledged = completed building + land (1st mortgage) + FF&E (UCC).
- Collateral value in this package is worked from the preliminary BPO (\$10A). Lender MAI appraisal governs.

- Cost basis in Sources & Uses is funding of the collateral — not a replacement for the BPO.
- Hazard, builder's risk, flood, and liability insurance with the lender as mortgagee / loss payee are required.
- Unlimited personal guaranty from each 20%+ owner per SBA SOP.

Collateral package — planning exhibit (not a filed appraisal)

- Nobody can honestly guarantee SBA approval. The lender originates the loan; SBA may guaranty a portion if the file meets program rules. Borrower must be creditworthy and show reasonable ability to repay.
- Serial numbers for new equipment do not exist until manufacture/shipment. This schedule uses manufacturer model/SKU identifiers. Serial # column is filled from invoices / packing lists at receipt.
- Peak unit prices are conservative list / high-band quotes for collateral scheduling — actual purchase may be lower. Do not treat peak as the spend mandate.
- As-completed real estate value is illustrative methodology only. A licensed appraisal (as-is / as-completed / as-stabilized) is required before closing.
- Working capital and contingency are not hard collateral. Soft costs (A/E, permits, pre-opening) have limited collateral value.

10. Collateral & Valuation Posture

Collateral is documented from cost basis and a preliminary broker-style analysis; the appraisal, not this package, establishes value.

The collateral offered is a first mortgage on the completed realty — land, structure, envelope, interiors, site improvements, MEP, and vertical transportation — supported by a UCC-1 blanket lien on furniture, fixtures, equipment, technology systems, and inventory, and by unlimited personal guaranties from each owner of twenty percent or more in accordance with the applicable SBA standard operating procedure and lender policy.

The valuation posture of this package is deliberately conservative. A preliminary collateral analysis is included at Section 10A in broker-price-opinion form. It is not an appraisal, it was not prepared by a state-certified general appraiser, and it does not comply with the Uniform Standards of Professional Appraisal Practice. A licensed as-is, as-completed, and as-stabilized appraisal by an MAI-designated or state-certified general appraiser engaged by the lender is a condition precedent, and that appraisal governs.

The borrower specifically does not offer a national average cost-per-key or a national average price-per-square-foot as evidence of value. Multiplying a national hospitality transaction average by ninety keys produces a number that no Westbank Jefferson Parish appraiser would support and that no credit committee should accept. The preliminary analysis instead reconciles a project cost

benchmark, a local sales-comparison cross-check with explicit adjustment language, and an income cross-check derived from this package's own operating model, and reports the result as a range rather than a point.

Because the income cross-check rests on unverified revenue assumptions, it is treated in the reconciliation as the weakest of the three indications. Where the income indication exceeds the cost indication materially, the borrower reads that as a signal that the revenue assumptions require third-party validation — not as evidence of value creation.

- First mortgage on completed realty plus UCC-1 blanket on FF&E, systems, and inventory.
- Preliminary BPO included for information. It is not an appraisal and does not comply with USPAP.
- Lender-engaged as-is / as-completed / as-stabilized appraisal is a condition precedent and governs.
- No national cost-per-key or price-per-square-foot average is offered as proof of value.
- Advance rates, eligibility, and loan-to-value are determined by the lender and SBA.

NO NATIONAL AVERAGES

No national average cost-per-key or price-per-square-foot appears anywhere in this package as evidence of value. The preliminary BPO reconciles cost, local sales, and an income cross-check, subject to the lender's MAI appraisal.

PART II

Supporting Exhibits

Collateral analysis, market comps, capital schedules, and underwriting workbooks referenced in Part I.

10A What the Property Should Be Worth — Preliminary BPO

Lender-engaged MAI appraisal governs. The figures below are a borrower-prepared planning band from cost and local sales evidence — not an appraisal and not a loan-to-value argument.

BPO — PRELIMINARY · NOT AN APPRAISAL

Independent as-is / as-completed / as-stabilized MAI appraisal sets collateral value for credit decision.

What the completed property should be worth — preliminary

As-completed planning band	\$4,500,000 – \$6,000,000
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Approach weights	Cost 55% · Sales 35% · Income 10%
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Land contribution band	\$500,000 – \$750,000
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Governing document	Lender-engaged MAI appraisal
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AS-COMPLETED / STABILIZED PLANNING BAND

\$4,500,000 – \$6,000,000

Cost 55% · Sales 35% · Income 10%

LAND CONTRIBUTION (LAND BPO)

\$500,000 – \$750,000

(central mid-band

\$625,000)

Mortgaged collateral · not financed by the note

Land contribution — preliminary BPO

The land is sponsor-contributed equity and first-mortgage collateral. It is not financed by the \$5,000,000 note. This section states the preliminary contribution band clearly.

Subject	1705 Manhattan Blvd, Harvey, Louisiana 70058 · Lot P-2-A1Y4
Site area	±2.2 acres
Zoning	MU-CD — commercial corridor
Current condition	Vacant land — no improvement
Role in credit	Sponsor equity contribution · mortgaged to lender · not a use of the note
Preliminary contribution band	\$500,000 – \$750,000
Central indication (mid-band)	\$625,000
Per-acre band	\$227,273 – \$340,909 / acre
Basis	Marketed asking price and listing history for the subject parcel. The listing has shown variance across the marketing period, which is disclosed here rather than resolved in the borrower's favor.

- Land value is additive to improvement cost basis for collateral documentation.
- Executed purchase contract, ALTA survey, title commitment, and closed Westbank land comps are required before treating any figure as underwritten equity.
- MAI as-is land value governs; this band is a preliminary contribution indication only.

This is an asking-price band, not a closed-sale band. Two to four closed Westbank commercial land sales on comparable arterial frontage are required to support a land conclusion. No claim is made in this package that the land approaches the loan amount in value.

Disclaimer — read before using any figure in this section

- This is a preliminary broker-style price opinion. It is NOT an appraisal.
- It was not prepared by a state-certified general appraiser and it does not comply with the Uniform Standards of Professional Appraisal Practice (USPAP).
- It was prepared by the borrower / sponsor. It is not independent and should not be treated as independent.

- No interior inspection of any comparable was performed. No comparable sale was verified with a party to the transaction.
- The subject improvement does not exist. Every as-completed figure is hypothetical and assumes completion in accordance with the plans and budget described in this package — plans and a budget that are themselves preliminary.
- The income cross-check uses this package's own unaudited planning model. No third-party feasibility study, STR report, or occupancy study supports it.
- No national average cost-per-key or price-per-square-foot is used anywhere in this analysis as evidence of value.
- Results are expressed as a range with a central indication. Any single point taken out of that range misrepresents this analysis.
- SBA 7(a) is a cash-flow-primary program. Collateral shortfall does not by itself disqualify a credit, and collateral adequacy does not by itself support one.
- The NASA / Michoud / Folgers property sometimes associated with the sponsor's broader interests is unrelated to this borrower, this parcel, and this request, and is excluded from this analysis entirely.

Subject property

Address	1705 Manhattan Blvd, Harvey, Louisiana 70058
Parcel identifier	Lot P-2-A1Y4
Parish	Jefferson Parish, Louisiana (Westbank)
Site area	±2.2 acres
Zoning	MU-CD — mixed use, commercial corridor
Frontage	Manhattan Boulevard — primary Westbank commercial arterial
Reported traffic	±45,000 VPD — listing-reported; pending traffic study verification
Current condition	Vacant land — no improvement exists
Proposed improvement	200' × 80' · 4 enclosed levels · ±64,000 SF GBA
Proposed use	Destination hotel over a ground-floor dining, event, and indoor amusement program
Proposed keys	±90 — subject to final A/E, fire, and MEP coordination
Level 1 program	Mirage Play 7,000 SF · MIRAGE DINING™ 2,500 SF · Social Hall 2,000 SF · kitchen/BOH 1,500 SF · lobby/flex 1,600 SF · restrooms 500 · core 600 · MEP/storage 300
Rooftop	Optional Phase II — not built, not financed, not valued here
Parking	116 engineered vs ≈133 required at 90 keys — ≈17 short, unresolved
Flood zone	Field verify against the current effective FIRM — pending
Utilities	Corridor service available; capacity confirmation and load study pending
Excluded property	NASA / Michoud / Folgers site — unrelated and excluded

Only 1705 Manhattan Blvd is analyzed. No other parcel, holding, or affiliate property is included in, or implied by, any figure in this section.

Location analysis — verified listing facts and corridor evidence

Manhattan Boulevard is an established, nationally tenanted retail corridor with an existing lodging cluster. That is location evidence a lender can check; it is not, by itself, evidence of value for a purpose-built hospitality asset.

The subject fronts Manhattan Boulevard in Harvey, the principal north-south commercial arterial serving the Westbank of Jefferson Parish. The marketing listing for the parcel reports ±45,000 vehicles per day. That figure is reproduced as a listing-reported claim and should be replaced with the published LADOTD or Jefferson Parish count before it appears in a credit approval.

The corridor carries national retail anchors — Target, Walmart, and Sam's Club among them — together with the national quick-service and casual-dining pads that follow that kind of anchor tenancy. The presence of those tenants is meaningful because national retailers underwrite traffic, demographics, and access before they sign, and their commitments are a third-party read on the corridor that the borrower did not commission.

Nearby commercial and mixed-use development includes Fountain Park Centre and The Waters at Manhattan. These support the characterization of the immediate area as an active, absorbing commercial node rather than a declining strip.

Most relevant to this request, Harvey already functions as a lodging market. Several nationally flagged select-service and extended-stay hotels operate on or near the Westbank corridor, including the Holiday Inn Express at 2433 Manhattan Boulevard in Harvey-Marrero, and Hampton, Home2 Suites, TownePlace Suites, and Best Western Plus Westbank product in the immediate submarket. Those brands performed their own site and market selection. Their presence establishes that lodging demand exists here and is served by flagged product — which is the argument for the subject's location and, simultaneously, the argument that the subject must differentiate on experience rather than compete on commodity room rate.

The location conclusion for collateral purposes is narrow and deliberately so: the corridor supports commercial and lodging use, an alternative user or a lender in possession would find a functional site with arterial frontage, and the site is not functionally obsolete or isolated. It does not follow that a 64,000 square foot single-purpose hospitality and entertainment improvement is liquid in this submarket. It would not be.

FACTOR	EVIDENCE	VERIFICATION STATUS
Corridor	Manhattan Boulevard — primary Westbank commercial arterial	Listing / observable
Site area	±2.2 acres	Listing
Zoning	MU-CD	Listing / parish code — confirm permitted uses
Traffic	±45,000 VPD	Listing-reported — pending LADOTD verification
National retail anchors	Target · Walmart · Sam's Club corridor	Observable
Nearby development	Fountain Park Centre · The Waters at Manhattan	Observable
Existing lodging cluster	Holiday Inn Express (2433 Manhattan Blvd) · Hampton · Home2 Suites · TownePlace Suites · Best Western Plus Westbank	Observable — keys, ADR, and occupancy field verify
Metro access	Westbank gateway to the New Orleans CBD via the Crescent City Connection	Observable — drive times field verify

Comparable evidence — grid — improved sales

COMPARABLE	TYPE	DATE	PRICE	UNIT BASIS	DISTANCE	ADJUSTMENT DIRECTION VS SUBJECT	VERIFICATION
1544 Manhattan Blvd, Harvey, LA	Former Walgreens — single- tenant retail building	June 2024	\$3,398,000	\$234.51 / SF on ≈14,490 SF	≈0.2 mi north on Manhattan Blvd — field verify	Large net downward adjustment required for size, use, buyer pool, and improvement type. Not a per-SF proxy for the subject.	Not verified with a party to the transaction — field verify against the parish conveyance record
Westbank commercial improved sale #2	Field verify — retail / flex / hospitality	Field verify	Field verify	Field verify	Field verify	Field verify	Not yet identified — appraiser to source
Westbank commercial improved sale #3	Field verify	Field verify	Field verify	Field verify	Field verify	Field verify	Not yet identified — appraiser to source

Corridor lodging evidence & competitive set

COMPARABLE	TYPE	DATE	PRICE	UNIT BASIS	DISTANCE	ADJUSTMENT DIRECTION VS SUBJECT	VERIFICATION
Best Western Plus Westbank — 1700 Lapalco Blvd, Harvey, LA	Flagged select-service hotel — corridor trade	Field verify	\$8,275,000	\$59,964 / key on 138 keys	≈1–2 mi — field verify	Downward for flag / reservation-system contribution; upward for the subject's newer construction and larger ground-floor revenue base. Net direction unresolved.	Date, terms, condition, and per-key basis all field verify before reliance
Holiday Inn Express Harvey-Marrero — 2433 Manhattan Blvd	Flagged select-service — competitive set	No transaction cited	n/a — operating comp	Keys / ADR / occupancy field verify	Same corridor — field verify	Competitive set member, not a sale comparable	STR or comparable competitive-set report required
Hampton Inn & Suites — Westbank	Flagged select-service — competitive set	No transaction cited	n/a — operating comp	Keys / ADR / occupancy field verify	Field verify	Competitive set member, not a sale comparable	STR or comparable competitive-set report required
Home2 Suites — Westbank	Flagged extended-stay — competitive set	No transaction cited	n/a — operating comp	Keys / ADR / occupancy field verify	Field verify	Different trip purpose — extended stay	STR or comparable competitive-set report required

COMPARABLE	TYPE	DATE	PRICE	UNIT BASIS	DISTANCE	ADJUSTMENT DIRECTION VS SUBJECT	VERIFICATION
TownePlace Suites — Westbank	Flagged extended- stay — competitive set	No transaction cited	n/a — operating comp	Keys / ADR / occupancy field verify	Field verify	Different trip purpose — extended stay	STR or comparable- competitive- set report required

Land evidence

COMPARABLE	TYPE	DATE	PRICE	UNIT BASIS	DISTANCE	ADJUSTMENT DIRECTION VS SUBJECT	VERIFICATION
Subject parcel — Lot P-2- AIY4 asking / listing history	±2.2 ac MU-CD arterial frontage	Current listing period	\$500,000 — \$750,000 asking band	≈\$227,273 — \$340,909 / acre	Subject	Asking, not closed. No adjustment applied.	Contract, conveyance record, and closed land comps — pending
Westbank arterial commercial land sale #2	Field verify	Field verify	Field verify	Field verify	Field verify	Field verify	Not yet identified — appraiser to source
Westbank arterial commercial land sale #3	Field verify	Field verify	Field verify	Field verify	Field verify	Field verify	Not yet identified — appraiser to source

Fields marked 'field verify' are not yet documented. They are shown as placeholders so the grid structure is complete and so a reviewer can see exactly what is missing rather than infer that it exists.

A. Cost benchmark cross-check

Cited as a construction-cost benchmark, not as a cost approach to value. No entrepreneurial profit or incentive is added, and no depreciation study was performed.

The proposed capital plan totals \$5,000,000. Not all of it is real property. Allocating the budget by collateral class produces \$2,350,000 of realty hard cost — structure, envelope, interiors, site work, MEP, and vertical transportation — plus \$200,000 of architecture, engineering, permits, and

inspections allocable to realty, \$1,460,000 of furniture, fixtures, equipment, and technology systems, and \$640,000 of pre-opening, inventory, working capital, and contingency that is not hard collateral at all.

Adding the sponsor-contributed land at the disclosed \$500,000 to \$750,000 band gives a real property cost benchmark of \$3,050,000 to \$3,300,000. Including furniture, fixtures, and equipment — which an as-completed hospitality appraisal would ordinarily reflect — gives \$4,510,000 to \$4,760,000.

Two cautions. First, none of these costs has been competitively bid; there is no guaranteed maximum price and every line is a ceiling. Second, cost is not value. In a submarket where a single-purpose hospitality and entertainment improvement has a thin buyer pool, cost is more likely to be the ceiling on value than the floor.

Realty hard cost — structure, envelope, interiors, site, MEP, elevators	\$2,350,000
Soft cost allocable to realty — A/E, permits, inspections	\$200,000
Land — sponsor contributed, disclosed band	\$500,000 – \$750,000
Real property cost benchmark	\$3,050,000 – \$3,300,000
FF&E, systems, and technology	\$1,460,000
Cost benchmark including FF&E	\$4,510,000 – \$4,760,000
Not hard collateral — pre- opening, inventory, working capital, contingency	\$640,000
Entrepreneurial profit / incentive	Not claimed

B. Sales comparison cross-check

One documented local improved sale, one corridor lodging trade, and an honest statement of why neither can be multiplied straight through to the subject.

The best-documented local improved sale is 1544 Manhattan Blvd, Harvey, LA, a former Walgreens single-tenant retail building that sold in June 2024 for approximately \$3,398,000, reported at approximately \$234.51 per square foot on roughly 14,490 square feet, per ELIFIN Realty. That transaction is real evidence about the corridor: an institutional-quality retail building on Manhattan Boulevard cleared at that level within the last two years.

It is not, however, a per-square-foot proxy for the subject, and the borrower will not present it as one. Multiplying \$234.51 by the subject's $\pm 64,000$ square feet would produce approximately \$15,008,640, and that number is unsupported for at least five reasons.

First, scale: the subject is roughly four and a half times the comparable's building area, and per-square-foot pricing declines materially with size in this submarket because the buyer pool thins as the check size grows. Second, use: single-tenant net-leased retail and single-purpose hospitality-plus-entertainment are different property types with different buyers, different financing, and different exit assumptions. Third, income character: a net-leased retail building trades on credit tenancy and lease term, while the subject trades on operating performance it does not yet have. Fourth, marketability: an alternative user for a 64,000 square foot purpose-built hotel and entertainment building on the Westbank is not readily identifiable. Fifth, the comparable has not been verified with a party to the transaction.

Corridor lodging evidence is more relevant to the subject's use. Prior diligence cites the Best Western Plus Westbank — 1700 Lapalco Blvd, Harvey, LA trading at approximately \$8,275,000 across 138 keys — roughly \$59,964 per key. Applied to the subject's ± 90 keys that indicates approximately \$5,396,760, before any adjustment for the subject's ground-floor revenue components, its newer construction, or the absence of a flag and reservation system. That local per-key figure is a fraction of national hospitality transaction averages, and it is deliberately the one used here.

The sales comparison conclusion is directional rather than numeric: local evidence supports a value in the range of project cost, not a multiple of it.

Local improved sale	1544 Manhattan Blvd, Harvey, LA — \$3,398,000 · \$234.51/SF · June 2024
Comparable building area	≈14,490 SF
Subject building area	±64,000 SF
Unadjusted extension (rejected)	\$15,008,640 — not supportable; shown only to be rejected
Corridor lodging trade	\$8,275,000 / 138 keys = \$59,964 per key
Local per-key indication at ±90 keys	\$5,396,760 — before adjustment
National \$/key averages	Not used. Not relevant to Westbank Jefferson Parish.

C. Income cross-check — using this package's own model

Direct capitalization of the operating model's stabilized result, presented as the weakest of the three indications because the revenue assumptions behind it are unverified.

The operating model in this package produces stabilized revenue of \$6,432,908 and stabilized EBITDA of \$1,670,845. Deducting a reserve for replacement at 4% of revenue — \$257,316 — gives an indicated net operating income of approximately \$1,413,529 for capitalization purposes. Management expense is embedded in the property-wide general and administrative schedule of the model rather than deducted again here.

Capitalizing that figure at 9.5% to 11.5% — a band reflecting an independent, unflagged, single-purpose hospitality and entertainment asset in a tertiary submarket with no operating history — indicates \$12,291,557 to \$14,879,253.

That result is materially above both the cost benchmark and the local sales evidence, and the borrower treats that gap as a warning rather than as good news. When an income indication on an unopened property exceeds its cost by a wide margin, the most probable explanation is that the revenue assumptions are optimistic, not that the developer has created value. The correct response is a third-party feasibility study and an MAI appraisal, both of which are pending, and a reconciliation that discounts the income indication heavily. That is what Section 10C does.

The capitalization rate band is itself an estimate. No verified local hospitality capitalization rate evidence is presented, and no investor survey is cited. The appraiser should develop the rate from market evidence.

Stabilized revenue — planning model	\$6,432,908
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Stabilized EBITDA — planning model	\$1,670,845
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Less reserve for replacement @ 4% of revenue	(\$257,316)
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Indicated NOI for capitalization	\$1,413,529
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Capitalization rate band applied	9.5% – 11.5%
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Income indication	\$12,291,557 – \$14,879,253
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Weight in reconciliation	Lowest — unverified assumptions, no feasibility study, no operating history
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Reconciled preliminary as-completed indication — PRELIMINARY, subject to MAI appraisal

A range, not a number, weighted to cost and local sales evidence and discounting the income indication.

Approach weights

Cost approach / construction benchmark	55%
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Sales comparison / local lodging evidence	35%
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Income capitalization (model NOI)	10%
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Weighting the three cross-checks — cost 55%, local sales 35%, income 10% — produces a preliminary as-completed and stabilized planning band of \$4,500,000 to \$6,000,000. The lender-engaged MAI appraisal governs value.

The low end is anchored at the cost benchmark including furniture, fixtures, and equipment, cross-checked against the \$5,396,760 local per-key indication. The high end applies a bounded twenty-five percent allowance above cost. The income indication itself is not carried as a face value.

This is a preliminary planning band prepared by the borrower. It is not an appraisal, it does not comply with USPAP, and it is superseded by the lender-engaged as-is, as-completed, and as-stabilized appraisal.

Indications reconciled

INDICATION	VALUE	WEIGHT
Cost benchmark including FF&E	\$4,510,000 – \$4,760,000	Primary – 55% weight
Real property cost benchmark only	\$3,050,000 – \$3,300,000	Supporting
Local per-key sales indication	\$5,396,760	Secondary – 35% weight · field verify
Income cross-check on model NOI	\$12,291,557 – \$14,879,253	Heavily discounted – 10% weight · unverified
Unadjusted retail \$/SF extension	\$15,008,640	Rejected – 0% · not supportable

Collateral — statement for the main plan

Primary collateral is the completed hospitality building and sponsor-contributed land under a first mortgage. Eligible FF&E, systems, and inventory inside that building are covered by a UCC-1 blanket with the SKU list in §10. Personal guaranties follow SBA SOP.

Collateral value in this package is worked from the preliminary BPO in §10 / §10A (as-completed planning band and Land BPO). Cost basis in the note is how the building is funded — not a substitute for that BPO. The lender-engaged MAI appraisal governs the final credit value.

PRELIMINARY BPO

Worth is stated as a planning band above. Borrower-prepared point values and LTV arithmetic are omitted from this face packet — the lender-engaged MAI appraisal sets value and LTV.

Extraordinary assumptions & conditions

- Completion of the improvement substantially in accordance with the plans and budget described in this package.
- Achievement of the stabilized operating results modeled in this package — which are unverified planning assumptions.
- Resolution of the parking shortfall and confirmation of permitted use under MU-CD.
- Clear title, an acceptable ALTA survey, and an acceptable environmental screen.
- No adverse flood zone determination or elevation requirement beyond what the budget carries.

Sensitivity

If stabilized revenue lands 20% below model	Income indication falls proportionally; cost benchmark and local per-key evidence are unaffected. The reconciled range does not move, because income carries minimal weight.
If the GMP exceeds the budget	Cost benchmark rises but value does not follow automatically. Additional cost above the ceiling is absorbed by scope reduction, not by an increased request.
If land closes above the disclosed band	Real property cost benchmark rises by the excess; the borrower funds it with equity, not with note proceeds.
If the appraisal supports less than the low end	Collateral shortfall is disclosed and the credit is evaluated on repayment ability, guaranties, and equity injection under the applicable SBA standard operating procedure.

Collateral position — statement for the credit packet

The borrower offers a first mortgage on the completed realty at 1705 Manhattan Blvd, Harvey, Louisiana 70058 (Lot P-2-A1Y4, ±2.2 acres, MU-CD), supported by a UCC-1 blanket lien on furniture, fixtures, equipment, technology systems, and inventory, and by unlimited personal guaranties from each owner of twenty percent or more in accordance with the applicable SBA standard operating procedure and lender policy. The land is contributed by the sponsor under a separate contract outside the \$5,000,000 request and is offered to the lender as mortgaged collateral, so the lender receives its benefit without financing it.

A preliminary, internally prepared collateral analysis accompanies this package. It reconciles three weighted cross-checks — cost benchmark (55%), local sales evidence (35%), and a heavily discounted income cross-check (10%) — and produces a preliminary as-completed and stabilized planning band of \$4,500,000 to \$6,000,000. The lender-engaged MAI appraisal governs value.

Disclosures: this is not an appraisal and does not comply with USPAP; the income indication exceeds cost and sales evidence and is therefore discounted; final collateral adequacy is set by the appraisal, equity injection, and repayment ability.

A lender-engaged as-is, as-completed, and as-stabilized appraisal by an MAI-designated or state-certified general appraiser is a condition precedent and governs collateral value. No national average cost-per-key or price-per-square-foot is offered as proof of value.

Scope: the property analyzed and offered is 1705 Manhattan Blvd only. The NASA / Michoud / Folgers property is unrelated and excluded.

ONE PARAGRAPH FOR THE CREDIT MEMO

First mortgage on the subject land and completed hospitality building, plus a UCC-1 blanket on FF&E and systems and personal guaranties per SBA SOP. Collateral value will be established by the lender-engaged as-is, as-completed, and as-stabilized MAI appraisal. Preliminary borrower BPO (land + as-completed) is attached as an exhibit for context only.

For scale, annual debt service on the full request at the 10.50% planning rate over 25 years is \$566,509.

Sources & verification status

ITEM	SOURCE	STATUS
Subject site facts — acreage, zoning, lot, frontage	Marketing listing for 1705 Manhattan Blvd	Confirm against parish assessor and survey
±45,000 VPD traffic	Marketing listing — listing-reported	PENDING — LADOTD / Jefferson Parish published count
Land asking band	Listing history, \$500,000–\$750,000 variance disclosed	PENDING — executed contract and closed land comps
Improved sale — 1544 Manhattan Blvd	ELIFIN Realty; June 2024; \$3,398,000; \$234.51/SF	Field verify against the parish conveyance record
Corridor lodging trade	Prior corridor diligence file	Field verify date, terms, and condition
Competitive hotel set	Observable operating properties on the Westbank corridor	PENDING — STR or comparable competitive-set report
Corridor retail anchors and nearby development	Observable — Target, Walmart, Sam's Club, Fountain Park Centre, The Waters at Manhattan	Confirm tenancy and status
Cost benchmark	Preliminary controlled-cost budget in this package	PENDING — GMP / executed GC contract and vendor quotes
Income cross-check	mirage-operating-pnl and lender-underwriting-model in this repository	PENDING — third-party feasibility study
Capitalization rate band	Estimated for an unflagged single-purpose asset in a tertiary submarket	PENDING — appraiser to develop from market evidence
Flood, environmental, utility, and parking status	Not yet obtained	PENDING — all four
NASA / Michoud / Folgers property	Not analyzed	Excluded — unrelated to this borrower and this request

11 Milestones, Covenants & Close

Development Diligence & Closing Requirements

Closing conditions for a destination hospitality credit. Full narrative strategy is in the body; this matrix indexes diligence items.

ITEM	WHY IT MATTERS	GATE	STATUS	OWNER
GC GMP / executed contract — building, site, MEP, elevators	Construction pricing will be finalized through GMP contracting. The \$5M ask is the financing ceiling for the capital plan.	Closing	Open	Sponsor · GC · A/E
Modular fabricator quote — modules, transport, crane/set, warranty, scope split	Modular guestroom procurement and fabricator contracts complete the building-line execution path.	Closing	Open	Sponsor · Fabricator · GC
Major subcontractor quotes — MEP, elevator, fire sprinkler, site/civil	Those four lines are where a Gulf South hospitality + entertainment stack most often overruns a planning budget.	Closing	Open	GC · Trades
Vendor quotes — hotel FF&E, restaurant equipment, Play/VR, LED/media, IT/PMS/POS	Category ceilings must roll up to real quotations. Technology is not the credit — but it must be funded honestly.	Closing	Open	Sponsor · Vendors
Jefferson Parish parking determination (≈17-stall desk shortfall)	Parking is a pre-closing entitlement condition, not a risk-register footnote. It can change the permitted program.	Pre-closing	Pre-closing entitlement	Civil · Planning counsel · Parish
Utility capacity — electrical load study, water/sewer, tap/impact/extension	Hotel + kitchen + VR/AV/LED + elevators is not a normal 64,000 SF lodging load. Service upgrades hit the site line.	Closing	Open	MEP · Utility providers
Hotel feasibility / STR competitive-set study	65% occupancy and \$175 ADR are disciplined assumptions — and still the least-supported revenue inputs until field-verified.	Closing	Open	Independent hotel consultant

ITEM	WHY IT MATTERS	GATE	STATUS	OWNER
Insurance quotations / binder — property, liability, liquor, BI, WC, flood	Coastal Louisiana hotel + entertainment + liquor is not an allowance that can stay unquoted.	Closing	Open	Insurance broker
Capital stack — cash equity \$ and land contribution value documented	“Land is sponsor equity” is not a finished sources schedule. Lender needs every dollar sourced.	Closing	Open	Sponsor · Counsel · CPA
Named hotel GM or executed third-party management agreement	Sponsor manufacturing / electrical / F&B experience is relevant; hotel operating leadership still must be identified.	Closing	Open	Sponsor · Hospitality recruiter
Lender-engaged MAI appraisal — as-is, as-completed, as-stabilized	Collateral value is set by the lender’s appraisal. Preliminary BPO stays in the exhibit binder.	Closing	Open	Lender · MAI appraiser
Environmental screen, flood determination, elevation certificate	Standard SBA real-estate diligence with cost and timing consequences if adverse.	Closing	Open	Environmental · Surveyor

CONSTRUCTION PROOF

Mirage does not need to prove that conventional construction costs ~\$24/SF. It needs to prove that factory-fabricated guestroom modules + conventional L1/open-span + shared structural/MEP/core infrastructure deliver the required cost inside the \$5M ceiling.

- Obtain GC GMP and modular manufacturer quote before treating \$5M as a demonstrated project cost.
- Stop spending pages explaining the ceiling; attach the contracts and quotes instead.
- If bids exceed a line, apply the value-engineering ladder — do not silently starve technology, FF&E, or life safety.

Conditions before Authorization (summary)

1. GC GMP / executed contract — building, site, MEP, elevators — Closing · Open

2. Modular fabricator quote — modules, transport, crane/set, warranty, scope split — Closing · Open
3. Major subcontractor quotes — MEP, elevator, fire sprinkler, site/civil — Closing · Open
4. Vendor quotes — hotel FF&E, restaurant equipment, Play/VR, LED/media, IT/PMS/POS — Closing · Open
5. Jefferson Parish parking determination (≈17-stall desk shortfall) — Pre-closing · Pre-closing entitlement
6. Utility capacity — electrical load study, water/sewer, tap/impact/extension — Closing · Open
7. Hotel feasibility / STR competitive-set study — Closing · Open
8. Insurance quotations / binder — property, liability, liquor, BI, WC, flood — Closing · Open
9. Capital stack — cash equity \$ and land contribution value documented — Closing · Open
10. Named hotel GM or executed third-party management agreement — Closing · Open
11. Lender-engaged MAI appraisal — as-is, as-completed, as-stabilized — Closing · Open
12. Environmental screen, flood determination, elevation certificate — Closing · Open

24. Development Schedule

A twelve-month construction and draw period followed by a soft open, with the closing diligence document list as the true gate.

The construction period is modeled at twelve months from mobilization to certificate of occupancy, drawn monthly against lender inspection and general contractor pay applications. The modular guest-room strategy in Section 5 is the reason a twelve-month schedule is credible on a four-level, 64,000 square foot building: module fabrication runs in parallel with site work, foundations, and the Level 1 structure rather than after them.

The schedule below is a planning schedule. It is not a contractor's baseline schedule, it has not been validated by a general contractor, and it does not carry a contractor's float or a weather allowance specific to this site. A contractor-issued schedule accompanies the guaranteed maximum price and replaces this one.

The governing constraint before the schedule starts is the closing diligence document set: general contractor contract or guaranteed maximum price, vendor quotations rolled up to the budget ceilings, the hotel market and feasibility study, the lender-engaged appraisal, the environmental screen, the flood determination and elevation certificate, bound insurance, the parking determination, the utility capacity confirmation, and the permit path with Jefferson Parish. Several of those items have lead times measured in weeks to months and several depend on each other. The realistic gate on this project is document readiness, not construction duration.

Interest-only treatment is requested through the construction draw period and the first operating quarter, with amortization commencing at certificate of occupancy. The opening-year revenue ramp

is weighted across the twelve operating months in the operating model rather than assumed flat, which is why the working-capital reserve sits inside the note.

Pre-close	GMP, vendor quotes, feasibility study, appraisal, environmental, flood, insurance, parking and utility determinations, permit path
Month 0	Authorization, closing, land contribution documented, notice to proceed
Months 1–3	Mobilization, permits, site work, foundations, Level 1 structure; module fabrication begins in parallel
Months 4–6	Module delivery and set, envelope, MEP rough-in, Level 1 interior build
Months 7–9	Mirage Play systems, hotel and dining FF&E, IT / PMS / POS / security commissioning
Months 10–11	Site, parking, and landscape completion; hiring, training, and inventory buy
Month 12	Certificate of occupancy, soft open, transition to full amortization
Months 13–24	Opening-year ramp; first trailing-twelve-month covenant test

- Planning schedule only — not a contractor baseline and not validated by a GC. Pending verification.
- Document readiness, not construction duration, is the governing gate.
- Interest-only requested through construction and the first operating quarter.

Milestones

Month 0	Authorization, closing, and equity / land contribution documented.
Months 1–3	Mobilization, permits, site work, foundation, and structure.
Months 4–6	Envelope, MEP rough-in, interior build for hotel floors and the L1 experience floor.
Months 7–9	Play systems, hotel and dining FF&E installation, IT / PMS / POS / security commissioning.
Months 10–11	Site and parking completion, pre-opening hiring and training, inventory buy.
Month 12	Certificate of occupancy, soft open, and transition to full amortization.
Months 13–24	Year-1 ramp against the monthly weighting in Section 7; first covenant test at trailing twelve months.

Covenants offered

- Minimum DSCR tested on a trailing-twelve-month basis beginning in Year 2.
- Annual audited or reviewed financial statements plus monthly internal statements during Year 1.
- Replacement reserve funded from operations beginning at stabilization.
- Limits on distributions, additional indebtedness, and related-party payments while the note is outstanding.
- Lender-authorized release of the working-capital and contingency lines.

Close

The request is a single \$5,000,000 SBA 7(a) facility against one building, one geometry, and four revenue departments plus an incremental packages line. The capital plan is itemized to the dollar and capped. The repayment case is built bottom-up and presented alongside a rate grid through 11.00%. Development diligence — GMP, independent appraisal, hotel market study, bound insurance, utility confirmation, parking determination, and hotel operating leadership — is indexed in the appendix. The sponsor seeks a term sheet on that basis.

PROPERTY

Property	1705 Manhattan Blvd, Harvey, Louisiana 70058
Parcel	P-2-A1Y4 · 2.2 acres · MU-CD — commercial corridor
Phone	504-314-8441
Email	hello@miragemanhattan.com

DOCUMENT CONTROLS

Project geometry	90 keys · 200' × 80' · 64,000 SF GBA · 4 enclosed levels
Ask	\$5,000,000 — hard ceiling
Restaurant brand	MIRAGE DINING™ only
Land	Sponsor equity / separate contract — disclosed, not financed
Coverage view	Methodology, the rate grid, and the disclosed downside govern. No stabilized headline stands alone.
Levels	4 enclosed — no enclosed fifth floor; rooftop is optional Phase II with no Phase I revenue
Level 1 SF	Play 7,000 · Dining 2,500 · Social Hall 2,000 · Kitchen/BOH 1,500 · Lobby/flex 1,600 · WC 500 · Core 600 · MEP 300
Parking	116 engineered on site · PRE-CLOSING ENTITLEMENT CONDITION — parish determination required before lender attachment to 90-key case
Collateral value	Preliminary BPO only. The lender-engaged MAI appraisal governs.
Excluded property	NASA / Michoud / Folgers — unrelated to this borrower and this request

12 Sponsor Qualifications

The sponsor brings more than 16 years of entrepreneurial ownership, business scaling, and large-team management to Mirage, combined with direct hospitality, electrical systems, marketing, retail, and large-scale experiential production expertise. Mirage converts those existing capabilities into a vertically integrated hospitality and entertainment platform.

Sponsor	Filbert Henry
Role	Founder / Developer / Operator
Companies	Paparazzi Marketing Group · La La Boutique
Track record	16+ years ownership, scaling, and large-team management
Technical	Head Electrician — City of New Orleans
Hospitality	~16 years restaurant / F&B operations
Experiential	Large-scale LED / lighting / immersive production
Project	90-key Mirage · 1705 Manhattan Blvd
Request	\$5,000,000

EVIDENCE STANDARD

Sponsor operating history is supported by business tax returns, financial statements, entity records, employment verification, and ownership documentation in the lender diligence package.

Sponsor & Ownership

Filbert Henry is the founder, developer, and controlling operator behind Mirage. He brings more than sixteen years building, scaling, and managing operating companies and large teams — combined with direct restaurant/F&B experience, City of New Orleans head-electrician credentials, retail ownership, marketing platform leadership, and large-scale LED / immersive production expertise that maps directly onto Mirage’s systems-heavy destination property.

Filbert Henry owns and operates Paparazzi Marketing Group, a marketing and brand company he scaled and managed over many years — clients, campaigns, teams, cash discipline, and growth. That

entrepreneurial operating history is a core management credential behind this request.

He is also the owner of La La Boutique, adding retail ownership and customer-facing brand operations to the platform.

Over approximately sixteen years he has owned and managed family restaurant operations, including a prior restaurant partnership — payroll, purchasing, vendor management, service standards, and food-and-beverage economics that support MIRAGE DINING™.

His technical background includes service as Head Electrician for the City of New Orleans — a major credential for a systems-heavy property. Electrical load, distribution, controls, and life-safety interfaces are the disciplines that allow a commercial kitchen, an Infinite Reality floor, MIRAGE SOCIAL™, and ninety guest rooms to coexist in one building. Title, department, dates, and classification are confirmed by employment verification in the diligence package.

Large-scale LED, lighting, and immersive production — including award-recognized public Christmas light installations requiring design, electrical distribution, programming, crew coordination, and fixed-date public execution — maps directly to Infinite Reality, façade media, events, and guest experience.

Project delivery is executed through licensed architectural, engineering, general contracting, and hospitality management professionals. Hotel operations will be led by experienced hospitality management, while the sponsor provides established business, restaurant, technical, and owner-side operating leadership.

Claims stated in this section

Founder / Developer / Operator	Controlling owner · Paparazzi Marketing Group · La La Boutique
Ownership & management	16+ years building, scaling, and managing operating companies and large teams
Marketing platform	Paparazzi Marketing Group — scaled and managed over many years
Retail	La La Boutique — owner / operator
Hospitality / F&B	~16 years family restaurant operations; prior restaurant partnership
Electrical systems	Head Electrician — City of New Orleans (verification in diligence package)
Experiential production	Large-scale LED / lighting / immersive production — design through fixed-date execution
Delivery structure	Owner-side leadership with licensed GC, A/E of record, and professional hotel operations

Sponsor capabilities mapped to project execution

PROJECT REQUIREMENT	SPONSOR CAPABILITY	EXECUTION SUPPORT
Multi-department operating discipline — payroll, staffing, vendors, and cash control across hotel, dining, Infinite Reality, and Social	16+ years ownership and large-team management; Paparazzi Marketing Group; La La Boutique	Sponsor operating platform · tax returns and financial statements in the diligence package
Food & beverage operations — MIRAGE DINING™ covers, check, and food cost	~16 years family restaurant operations; prior restaurant partnership	Direct F&B operating experience supporting the dining engine
Brand, guest journey, and experience programming	Ownership of Paparazzi Marketing Group and La La Boutique; large-scale public lighting and immersive productions	Brand and experience direction · hotel rooms led by professional hospitality management
Construction delivery and cost control	Owner-side project oversight from operating-business ownership; vendor and contractor coordination	Licensed general contractor holds the construction contract and schedule
Modular / manufactured guestroom integration	Owner-side evaluation of vendor schedules, shop drawings, and delivery sequencing	Fabricator contract and GC scope split finalized through procurement
Electrical, life safety, and high-load MEP interfaces	Head Electrician — City of New Orleans; electrical systems ownership background	MEP engineer of record stamps the design; GC installs
Infinite Reality, façade media, and event production systems	Large-scale LED / lighting / immersive production — design, distribution, programming, crews, fixed-date delivery	Directly relevant to INFINITE REALITY™, media façade, and MIRAGE SOCIAL™ events

PROJECT REQUIREMENT	SPONSOR CAPABILITY	EXECUTION SUPPORT
Hotel rooms revenue management and lodging operations	Entrepreneurial operating platform and destination-property leadership	Experienced hotel GM or third-party management platform leads rooms operations

Professional construction, design, and hotel operations partners execute alongside sponsor leadership.

Sponsor role on Mirage

- Founder, developer, and controlling owner of the borrowing entity
- Owner-side development leadership and operating oversight
- Brand, guest experience, and destination programming direction
- Capital stack coordination and lender relationship

Professional development & operating team

- Licensed general contractor — construction contract, schedule, means and methods
- Architect of record — design, life safety, and permit drawings
- Structural / MEP / civil / fire engineers — stamped engineering and utility coordination
- Modular fabricator — factory guestroom modules, transport, set, warranty
- Hotel general manager / management company — rooms operations and revenue management

Professional team

Mirage is delivered through a professionally managed hospitality development platform: licensed GC, architect and engineers of record, modular fabricator, and experienced hotel operating leadership.

The sponsor combines established entrepreneurial operating experience with that professional team — the structure SBA lenders expect on destination hospitality credits.

Large-scale LED / experiential production

Award-recognized public lighting and immersive installations — design through fixed-date execution.

Sponsor has produced award-recognized large-scale public lighting installations requiring design, electrical distribution, programming, crew coordination, public safety, and fixed-date execution.

That credential supports INFINITE REALITY™, façade media, MIRAGE SOCIAL™ events, and destination guest experience — commercial tools on a hospitality real-estate platform.

- Design and electrical distribution
- Programming and crew coordination
- Public safety and fixed-date delivery

Supports experiential systems and brand execution alongside professional hotel and construction leadership.

Operating history across cycles

The sponsor has successfully navigated multiple business cycles, including the extraordinary operating disruption of 2020–2021, while continuing to build and operate businesses. Complete sponsor disclosure is provided in the confidential lender diligence package.

- Full disclosure schedule in the confidential diligence binder
- Tax returns and entity records as requested by lender / SBA

UNDERWRITING READ

Cycle experience is part of the operating history; detailed disclosure lives in the diligence package rather than the face narrative.

Sponsor evidence — diligence package

ATTACHMENT	SUPPORTS	STATUS
Business tax returns — operating entities	Operating history	Diligence package
Personal tax returns — sponsor	Credit / SBA file	Diligence package
Entity records / ownership	Authority & ownership	Diligence package
Paparazzi Marketing Group financials	Marketing platform scale	Diligence package
La La Boutique ownership evidence	Retail ownership	Diligence package
City of New Orleans employment verification	Head Electrician credential	Diligence package
Restaurant operating history	F&B credential	Diligence package
Personal financial statement	SBA personal analysis	Diligence package

Exhibits are assembled for lender review; this table is an index, not a substitute for the binder.

Unlimited personal guaranty from each owner of twenty percent or more, in accordance with the applicable SBA standard operating procedure and lender policy. Any sponsor loan to the borrower is subject to a standby debt agreement.

12B MIRAGE National Expansion Platform

Mirage is being developed as a scalable hospitality, dining, and experiential-entertainment platform. The Harvey flagship establishes the operating prototype, brand standards, guest journey, technology infrastructure, and financial benchmarks for expansion into additional company-owned, joint-venture, and franchised locations.

PHASE I INDEPENDENCE

Mirage operates independently during Phase I, allowing the flagship property to establish operating standards, guest experience protocols, financial benchmarks, and brand systems before national expansion.

REPAYMENT BOUNDARY

The flagship is designed as the operating prototype for future company-owned and franchised Mirage properties. Expansion revenue is excluded from the Phase I debt-service model. Property #1 pays the SBA loan; the national platform is the upside.

Expansion phases

Phase I	Harvey, Louisiana Flagship	90-key Mirage — Hotel · MIRAGE DINING™ · INFINITE REALITY™ · MIRAGE SOCIAL™. Operating prototype.
Phase II	Company-owned / joint-venture locations	Additional Mirage destinations in selected regional markets after flagship benchmarks are proven.
Phase III	Franchise / licensing platform	Franchise fee · royalty · technology/platform fee · marketing fee · design/development fee · procurement where appropriate.
Phase IV	National Mirage portfolio	Company-owned properties + franchise locations + licensing — national brand network.

Location scale

1 flagship	Harvey — operating prototype and Phase I repayment asset
5 locations	Regional platform
10 locations	Multi-market platform
25 locations	National platform
50+ locations	National franchise / ownership network

Franchise / licensing fee architecture

Franchise fee	Initial brand / system entry
Royalty	Ongoing brand + operating system
Technology / platform fee	Infinite Reality content, Mirage OS, media systems
Marketing fee	National / regional brand fund
Design / development fee	Prototype adaptation and opening support
Procurement / management (where used)	Optional group purchasing and management services

Revenue streams at scale

- Property EBITDA (owned locations)
- Franchise fees
- Royalties
- Licensing
- Technology / platform
- Brand services
- Procurement
- Management fees

Long-term company vision: a national hospitality and experiential-entertainment platform. None of the multi-location or franchise revenue is required to repay the Phase I SBA facility on the Harvey flagship.

Revenue architecture

BASE SBA REPAYMENT

- Hotel (90 keys)
- MIRAGE DINING™
- INFINITE REALITY™
- MIRAGE SOCIAL™
- Packages / validated ancillary (incremental)

STRATEGIC UPSIDE

- Franchise fees and royalties
- Licensing / technology platform
- Additional company-owned and JV locations
- Brand services and procurement
- Future phases beyond the Harvey flagship

Base SBA repayment is built only from Phase I operating departments. Strategic upside is disclosed — not underwritten into DSCR.

PART III

Appendices & Closing Requirements

Closing conditions, evidence checklist, reliance notes, and exhibit downloads.

13 Closing Conditions & Diligence Items

Closing conditions for a destination hospitality credit. Diligence evidence completes the file; the development strategy is presented in the body of this plan.

Development Diligence & Closing Requirements

ITEM	WHY IT MATTERS	STATUS
GC GMP / executed contract — building, site, MEP, elevators	Construction pricing will be finalized through GMP contracting. The \$5M ask is the financing ceiling for the capital plan.	Open
Modular fabricator quote — modules, transport, crane/set, warranty, scope split	Modular guestroom procurement and fabricator contracts complete the building-line execution path.	Open
Major subcontractor quotes — MEP, elevator, fire sprinkler, site/civil	Those four lines are where a Gulf South hospitality + entertainment stack most often overruns a planning budget.	Open
Vendor quotes — hotel FF&E, restaurant equipment, Play/VR, LED/media, IT/PMS/POS	Category ceilings must roll up to real quotations. Technology is not the credit — but it must be funded honestly.	Open
Jefferson Parish parking determination (≈17-stall desk shortfall)	Parking is a pre-closing entitlement condition, not a risk-register footnote. It can change the permitted program.	Pre-closing entitlement
Utility capacity — electrical load study, water/sewer, tap/impact/extension	Hotel + kitchen + VR/AV/LED + elevators is not a normal 64,000 SF lodging load. Service upgrades hit the site line.	Open
Hotel feasibility / STR competitive-set study	65% occupancy and \$175 ADR are disciplined assumptions — and still the least-supported revenue inputs until field-verified.	Open
Insurance quotations / binder — property, liability, liquor, BI, WC, flood	Coastal Louisiana hotel + entertainment + liquor is not an allowance that can stay unquoted.	Open
Capital stack — cash equity \$ and land contribution value documented	“Land is sponsor equity” is not a finished sources schedule. Lender needs every dollar sourced.	Open
Named hotel GM or executed third-party management agreement	Sponsor manufacturing / electrical / F&B experience is relevant; hotel operating leadership still must be identified.	Open

ITEM	WHY IT MATTERS	STATUS
Lender-engaged MAI appraisal — as-is, as-completed, as-stabilized	Collateral value is set by the lender's appraisal. Preliminary BPO stays in the exhibit binder.	Open
Environmental screen, flood determination, elevation certificate	Standard SBA real-estate diligence with cost and timing consequences if adverse.	Open

Value-engineering ladder (if bids exceed a line)

The \$5M ceiling is a discipline, not a promise to cut life safety. If bids exceed a category, scope moves down this ladder — never into the never-cut list.

TIER	ACTION IF BIDS EXCEED THE LINE
Tier 1	Cosmetic finishes — upgrade materials deferred or substituted
Tier 2	Exterior architectural treatments beyond weather envelope
Tier 3	Nonessential FF&E and decorative packages
Tier 4	Phaseable Play equipment (core arenas remain; ancillary delayed)
Tier 5	Room-count adjustment — re-run underwriting (see key sensitivity)

Never cut

- Structural system
- Fire / life safety
- MEP capacity sized for the program
- Elevators
- Accessibility
- Waterproofing / envelope integrity
- Hotel room quality (beds, baths, HVAC, windows)
- Core technology required to operate (PMS, POS, life-safety network)

Modular procurement — RFQ checklist

The hybrid thesis is factory-built guestrooms + conventional L1/open-span + shared core. The packet stops arguing the philosophy and starts requiring procurement answers.

QUESTION	EVIDENCE REQUIRED
Who fabricates?	Named manufacturer · plant location · hotel module track record
What is the module?	Dimensions · bathroom pod · finishes · fire rating · window package
Delivered cost?	Per-module price · transport · crane/set · tax · warranty retainage
Who transports / sets?	Carrier · route permits · crane plan · laydown · weather contingencies
Who owns warranty?	Fabricator vs GC vs trades — written split
Who connects MEP?	Module stubs · riser coordination · testing responsibility
Damaged module protocol?	Reject / repair / schedule float · insurance
Schedule?	Factory slots · shipping · set sequence · GC critical path to CO

Package Contents — Mandatory Workbooks & Exhibits

This financing package is self-contained. Volume II and III workbooks are required reading — not optional exports. Figures in the workbooks reconcile to the tables in Volume I.

#	EXHIBIT	CONTENTS
Vol II	Lender underwriting model (required)	Assumptions · departments · DSCR · sensitivity · monthly Year 1
Vol II	Lender appendix / case schedules (required)	Supporting schedules and stress cases
Vol III	Collateral / UCC package (required)	Same SKU list as §10 — spreadsheet for UCC filing
Vol I	Business plan PDF	Print copy of this Volume I

Institutional credit-memo exhibits

Credit-memo exhibits wired from operating P&L, lender model, and \$5M ceiling — deal box, site, parking, operating, underwriting, Sources & Uses, five-year and stress tables.

REF	EXHIBIT	CONTENTS
O	Transaction facts	90 keys · official DSCR · \$5M ceiling
A	Site / civil	200×80 · neck feed
B	Flood / FIRM	Zone X pad
C	Parking (closing condition)	116 vs ~133 — unresolved
D	L1 program SF	16,000 lock
E	Hotel plate / keys	90 keys · real window
I	Operating assumptions	Seven engines · bottom-up
J	Underwriting	One DSCR model · stress
K	Sources & Uses	Exact \$5,000,000
L	SBA peer set (APPENDIX)	Reference only — not proof

Narrative sections in this package

A	Business plan narrative	Company · location · market · development · operations · financials · expansion
B	Preliminary collateral analysis (BPO)	Subject · location · comps · three approaches · reconciled range
C	Sponsor qualifications	Filbert Henry · Paparazzi Marketing Group · La La Boutique · experience matrix · evidence
D	Development Diligence & Closing Requirements	Appraisal · GMP · insurance · utilities · parking · hotel study · management · environmental
E	National Expansion Platform	Franchise / multi-location model — excluded from Phase I DSCR

Planning exhibit only. Not a guarantee of SBA approval. Replace assumptions with feasibility, bids, and signed lender terms before filing.

This business plan supports an SBA 7(a) financing request. Approval is subject to borrower creditworthiness, appraisal, collateral, and lender underwriting under the applicable SBA SOP.