

## Lender Services – Receivership Strategy

### Take Over

Immediate implementation to effectuate transition.

- Develop and implement transition plan
- Identify operating components and immediate requirements (hotel, legal, risk, operating, etc..) to mitigate risk and stabilize asset
- Initiate team introduction and establish on-going communication, reporting schedules and points of contact
- Evaluate management company's existing reporting and operating protocol
- Develop and implement detailed oversight Process – CHM's Best Practices Manual: Standard of Performance
- Review current financials and forecast to identify immediate cash flow situation and management plan
- Review and assess Emergency and Life Safety SOPs to ensure sufficiency
- Evaluate working capital requirements



### Operational Review.

Identifying opportunities for enhanced performance and accountability.

- Evaluate management team performance
- Assess staffing levels and labor costs
- Review balance sheet, confirm asset and liability accounts and identify irregularities
- Review accounting procedures, controls and systems
- Review Aging Accounts Receivable/Payable reports, credit and collection policies and activities
- Review significant contracts, focusing on relevant business terms and the extent to which terms affect the operation, cash flow, commitment and asset value

### Strategic Plan

Developing the roadmap to achieving investment objectives.

- Review marketing plan, initiatives and action steps
- Benchmark and analyze financial performance
- Review and assess website, internet marketing and rate-parity
- Review competitive market
- Assess hotel market positioning
- Evaluate opportunities for alternative use of under-utilized, non-profitable space, land, retail, etc.
- Develop strategies for enhancing operation and financial performance and ultimately hotel value
- Prepare proforma and timeline for initiative implementation
- Develop hold/sell analysis to determine optimal exit strategy
- Execute plan