EXCLUSIVE OFFERING MEMORANDUM

CASH-FLOWING 212-KEY TWO-HOTEL PORTFOLIO AT AN 11.2% GOING-IN CAP FLORIDA CITY

409 & 333 SE 1ST AVE, FLORIDA CITY, FL 33034

212 KEYS | $5.08M GROSS INCOME |

11.2% GOING-IN CAP | TWO FLAGGED HOTELS

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01

ASSET OVERVIEW

INVESTMENT SUMMARY

THE OFFERING

Fausto Commercial is pleased to present the Florida City Hotel Portfolio, a 212-key, two-hotel offering at the gateway to the Florida Keys, delivering $2.04M of in-place NOI at an 11.2% going-in cap rate.

The offering pairs two adjacent limited-service hotels in Florida City: the 88-key Travelodge by Wyndham at 409 SE 1st Avenue and the 124-key Quality Inn - Gateway to the Keys at 333 SE 1st Avenue. Both sit at the US-1 / Florida's Turnpike / Krome Avenue gateway, capturing drive-to traffic moving between Miami-Dade, Homestead, the Florida Keys, Everglades National Park, and Biscayne National Park.

Combined T-12 performance (Mar 2025 - Feb 2026) shows $5,080,208 of gross income and $2,041,660 of net operating income, a 40.2% margin. At $18,250,000 the portfolio prices to an 11.2% going-in cap and $86,085 per key, with upside through rate management, brand-standard capital work, and expense consolidation across the two assets.

$18,250,000

LIST PRICE

$2.04M

NOI

212 KEYS

TOTAL KEYS

11.2%

GOING-IN CAP RATE

PROPERTY HIGHLIGHTS

CONNECTIVITY

- Direct US-1 / Krome Avenue frontage at the gateway to the Florida Keys
- 15 minutes to Everglades National Park; 30 minutes to Key Largo
- Under an hour to Downtown Miami and Miami International Airport
- Adjacent to the Florida Keys Outlet Marketplace

VISIBILITY

- Travelodge by Wyndham and Quality Inn, both with US-1 highway signage
- First-stop lodging for drive-to leisure, park visitors, and workforce demand

INCOME & UPSIDE

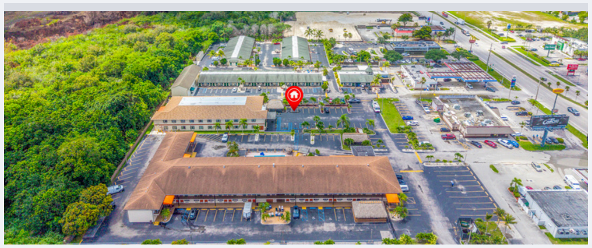
- $2,041,660 T-12 NOI at an 11.2% going-in cap on in-place income
- 59.8% expense ratio with consolidation upside across two assets
- Year-round leisure, workforce, and industrial demand

PORTFOLIO BREAKDOWN

Two flagged, adjacent limited-service hotels sold as one portfolio at the Florida Keys gateway

PORTFOLIO METRIC	TRAVELODGE	QUALITY INN	PORTFOLIO
Flag / Brand	Travelodge by Wyndham	Quality Inn / Choice	**Two Flags**
Address	409 SE 1st Ave	333 SE 1st Ave	**Florida City, FL 33034**
Keys	88	124	**212**
T-12 Gross Income	$2,498,854	$2,581,354	**$5,080,208**
T-12 Operating Expenses	$1,489,228	$1,549,320	**$3,038,549**
T-12 Net Operating Income	$1,009,626	$1,032,034	**$2,041,660**
Operating Expense Ratio	59.6%	60.0%	**59.8%**
Revenue Per Key	$28,396	$20,817	**$23,963**
NOI Per Key	$11,473	$8,323	**$9,631**
RevPAR (Total Revenue)	$77.80	$57.03	**$65.65**
Share of Portfolio NOI	49.5%	50.5%	**100%**

T-12 period: March 2025 - February 2026. Revenue per key, NOI per key and RevPAR are calculated on total revenue and total keys.



212 KEYS | $5,080,208 GROSS INCOME | $2,041,660 NOI | 11.19% CAP | $86,085 PER KEY

TRAVELODGE BY WYNDHAM

409 SE 1st Ave, Florida City, FL 33034 | 88 keys | Wyndham Hotels & Resorts

AT A GLANCE

Address	**409 SE 1st Ave, Florida City**
Brand / Flag	**Travelodge by Wyndham**
Franchisor	**Wyndham Hotels & Resorts**
Keys	**88**
Share of Portfolio Revenue	**49.2%**
Share of Portfolio NOI	**49.5%**

T-12 OPERATING PERFORMANCE

METRIC	T-12
Gross Income	**$2,498,854**
Operating Expenses	**$1,489,228**
Net Operating Income	**$1,009,626**
Operating Expense Ratio	**59.6%**
Revenue Per Key	**$28,396**
NOI Per Key	**$11,473**
RevPAR (Total Revenue)	**$77.80**

POSITIONING

The higher-revenue asset of the two despite the smaller key count. At $28,396 of revenue per key and $77.80 RevPAR on total revenue, the Travelodge runs well ahead of its neighbor and holds the tighter expense ratio at 59.6%. The Wyndham system and its loyalty base feed drive-to leisure, park and workforce demand along the US-1 Keys corridor.

Figures are trailing twelve months, March 2025 - February 2026.

QUALITY INN FLORIDA CITY

333 SE 1st Ave, Florida City, FL 33034 | 124 keys | Choice Hotels International

T-12 OPERATING PERFORMANCE

METRIC	T-12
Gross Income	**$2,581,354**
Operating Expenses	**$1,549,320**
Net Operating Income	**$1,032,034**
Operating Expense Ratio	**60.0%**
Revenue Per Key	**$20,817**
NOI Per Key	**$8,323**
RevPAR (Total Revenue)	**$57.03**

AT A GLANCE

Address	**333 SE 1st Ave, Florida City**
Brand / Flag	**Quality Inn**
Franchisor	**Choice Hotels International**
Keys	**124**
Share of Portfolio Revenue	**50.8%**
Share of Portfolio NOI	**50.5%**

POSITIONING

The larger asset by key count and the bigger contributor to portfolio revenue and NOI. Revenue per key of $20,817 and $57.03 RevPAR sit well below the Travelodge next door, which is where the clearest operational upside in the portfolio lies. Marketed as the Gateway to the Keys under the Choice system.

Figures are trailing twelve months, March 2025 - February 2026.

STRATEGIC POSITIONING

Four reasons this portfolio is difficult to replicate in the South Dade lodging market

01

SCALE AT THE KEYS GATEWAY

212 keys across two adjacent parcels on the last mainland commercial stretch before the Overseas Highway. No comparable block of flagged rooms is available in Florida City, and the corridor has seen effectively no new limited-service supply.

02

TWO FLAGS, ONE PLATFORM

Wyndham and Choice reservation systems and loyalty bases feed a single 212-key operation on one site. Two rate tiers and two guest bases, one management team, one set of overhead.

03

INCOME IN PLACE, NOT PROJECTED

$5,080,208 of trailing gross income and $2,041,660 of net operating income are already on the books. The 11.19% going-in yield does not depend on a business plan being executed first.

04

FOUR INDEPENDENT DEMAND STREAMS

Everglades and Biscayne park visitors, Keys-bound drive-to leisure, Homestead Speedway events, and South Dade agricultural and logistics workforce. None of it is tied to office absorption or a single employer.

TWO ADJACENT FLAGGED HOTELS | ONE OPERATING PLATFORM | 11.19% YIELD ON TRAILING INCOME

02

LOCATION & DEMAND DRIVERS

Local Market Profile

Neighborhood Connectivity

Nearby Demand Drivers

Visibility & Connectivity

LOCAL MARKET PROFILE

NEIGHBORHOOD

Florida City, Florida is the southernmost municipality on mainland Miami-Dade County and the gateway to both the Florida Keys and Everglades National Park. The submarket captures US-1, Florida's Turnpike, and Krome Avenue traffic and is supported by Homestead's fast-growing residential base, South Dade's agricultural and industrial employment, and year-round park and Keys-bound tourism.

TOURISM & RECREATION

Florida City sits at the doorstep of Everglades National Park, Biscayne National Park, and the Overseas Highway to Key Largo and Key West. The Florida Keys Outlet Marketplace, Homestead-Miami Speedway, and Homestead Bayfront Park add year-round leisure and event demand to the corridor.

- Direct access to US-1, Florida's Turnpike, and Krome Avenue
- Gateway stop for Everglades and Biscayne park visitors
- Established workforce base across agriculture, logistics, and retail
- Steady drive-to leisure demand to and from the Florida Keys
- Limited new hotel supply in the Florida City / Homestead corridor

The Florida City Hotel Portfolio is a rare chance to acquire two stabilized, flagged hotels at the gateway to the Florida Keys: 212 keys, strong in-place cash flow, and a clear operational upside path.

86K+
HOMESTEAD RESIDENTS (2025)

778K
ANNUAL EVERGLADES PARK VISITS

$65K
MEDIAN HOUSEHOLD INCOME

Source: U.S. Census Bureau 2025 estimates / National Park Service Visitor Use Statistics 2025

NEIGHBORHOOD CONNECTIVITY

Both hotels sit along the SE 1st Avenue / US-1 corridor in Florida City, the last mainland exit before the Overseas Highway. Guests benefit from direct highway access, adjacent retail and dining, and short drives to Everglades National Park, Biscayne National Park, and the Florida Keys.

NEIGHBORHOOD CONNECTIVITY

- Located at the US-1 / Florida's Turnpike / Krome Avenue gateway
- Approximately 15 minutes to Everglades National Park
- Roughly 30 minutes to Key Largo and the Overseas Highway
- Walkable to the Florida Keys Outlet Marketplace

GUEST ACCESS & MOBILITY

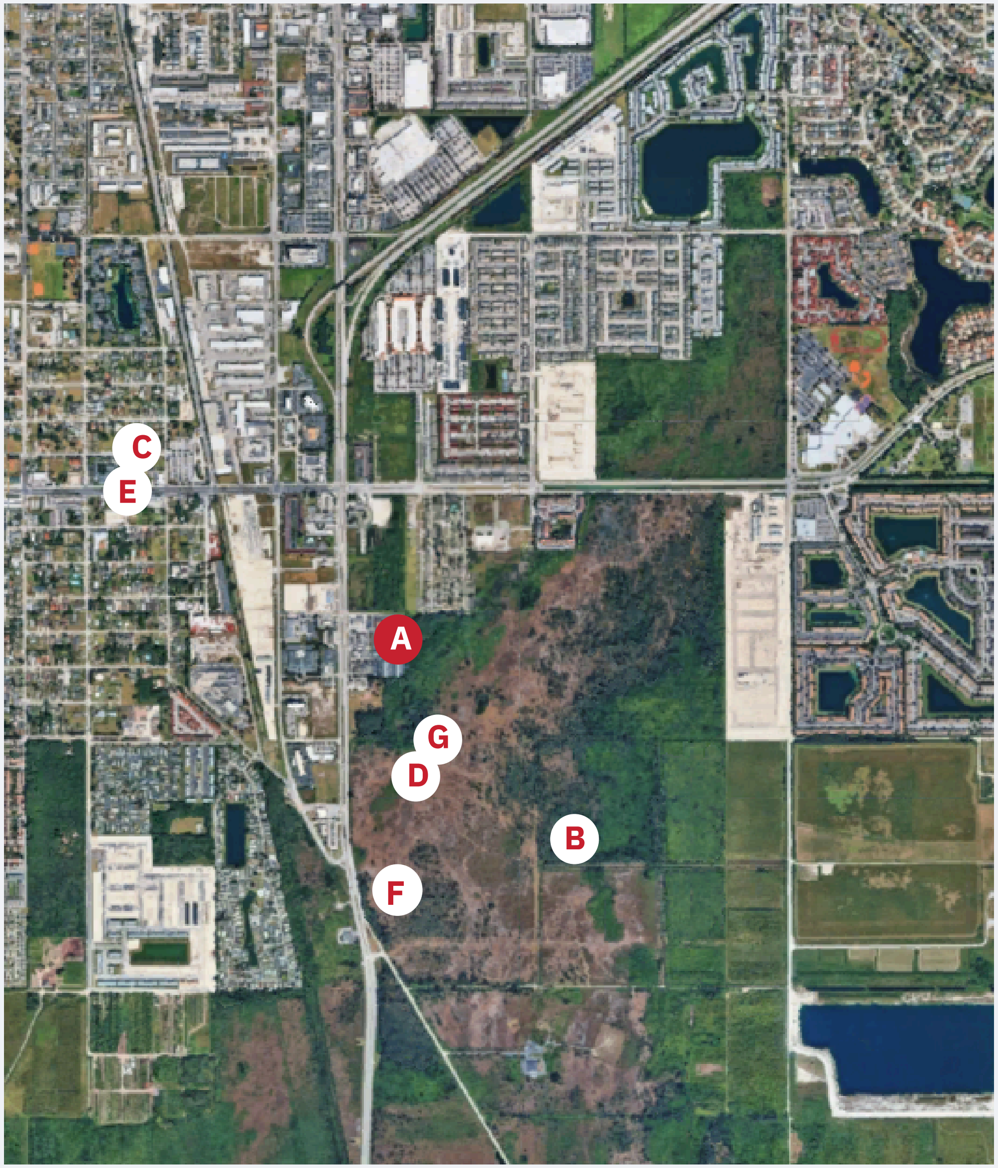
- Florida's Turnpike terminus feeds directly into the US-1 Keys corridor
- Krome Avenue (SR-997) connects to west Miami-Dade and I-75
- Under an hour to Downtown Miami, MIA, and PortMiami

LOCATION ADVANTAGE

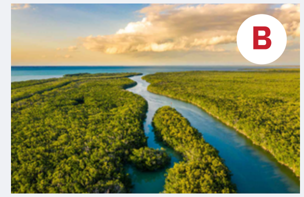
- Two flagged hotels in a supply-constrained South Dade lodging corridor
- Appeal to drive-to leisure, park visitors, and extended-stay guests
- Adjacent outlet retail, dining, and national park visitor services
- Year-round Keys tourism plus Homestead workforce demand

NEARBY DEMAND DRIVERS & DEVELOPMENT ACTIVITY

A SUBJECT PROPERTIES FLORIDA CITY HOTEL PORTFOLIO | 409 & 333 SE 1ST AVE



Locations are approximate and provided for general reference.



EVERGLADES NATIONAL PARK

778,200 recreation visits in 2025. The main park entrance and Ernest F. Coe Visitor Center sit roughly 15 minutes west, making Florida City the primary lodging stop for park visitors.

OVERSEAS HIGHWAY

US-1 south of Florida City is the only road into the Florida Keys, funneling drive-to visitors past the subject corridor toward Key Largo, Islamorada, and Key West.

BISCAYNE NATIONAL PARK

The Dante Fascell Visitor Center in Homestead is about 25 minutes away, drawing boaters, divers, and day visitors to the same South Dade corridor.

KEYS OUTLET MARKETPLACE

Open-air outlet center at the US-1 / Florida's Turnpike interchange adjacent to the properties, anchoring highway retail, dining, and traveler stops at the Keys gateway.

HOMESTEAD SPEEDWAY

NASCAR and motorsports venue roughly 10 minutes north, generating event-weekend compression and multi-night room demand across the Homestead / Florida City market.

SOUTH DADE INDUSTRY

Homestead and Florida City anchor Miami-Dade's agricultural belt and a growing logistics and distribution base, supporting steady contractor, crew, and workforce lodging demand year-round.

VISIBILITY & CONNECTIVITY

Both properties front the SE 1st Avenue / US-1 corridor in Florida City, the last mainland commercial stretch before the Overseas Highway, with immediate access to Florida's Turnpike and Krome Avenue.

US-1 Keys Gateway Frontage

Frontage on the primary north-south route into the Florida Keys, with signage exposure to drive-to leisure, park, and workforce traffic.

Regional Highway Access

Immediate access to Florida's Turnpike, Krome Avenue (SR-997), and US-1, with direct connectivity to Homestead, west Miami-Dade, and Downtown Miami.

Regional Accessibility

Approximately 15 minutes from Everglades National Park, 25 minutes from Biscayne National Park, and 30 minutes from Key Largo.

03

FINANCIALS

T-12 Operating Statement

Operating Expense Detail

Value-Add & Sensitivity

Acquisition Structures

FINANCIALS

409 & 333 SE 1ST AVE

Portfolio Summary (T-12)

METRIC	PORTFOLIO
T-12 Period	Mar 2025 - Feb 2026
Gross Income	$5,080,208
Operating Expenses	$3,038,549
Net Operating Income	**$2,041,660**
List Price	$18,250,000
Going-In Cap Rate	11.19%
Total Keys	212
Price Per Key	$86,085
Operating Expense Ratio	59.8%

$5.08M

YEARLY REVENUE

$2.04M

NET OPERATING INCOME

Operating Expenses (T-12)

OPERATING EXPENSE	T-12 COMBINED
Payroll & Contract Labor	$991,063
Royalties & Commissions	$452,969
Insurance	$366,844
Utilities, Cable & Phone	$269,517
Breakfast & Food Service	$246,679
Real Estate Taxes	$211,225
Credit Card & Bank Fees	$157,322
Repairs, Maint. & Grounds	$146,157
Room & Guest Supplies	$134,259
G&A, Professional & Other	$62,514
Total Operating Expenses	**$3,038,549**
Net Operating Income	**$2,041,660**

OPERATING EXPENSE DETAIL

Trailing twelve month portfolio expenses by category, as a share of revenue and per key

EXPENSE CATEGORY	T-12 COMBINED	% OF REVENUE	PER KEY
Payroll & Contract Labor	$991,063	19.51%	$4,675
Royalties & Commissions	$452,969	8.92%	$2,137
Insurance	$366,844	7.22%	$1,730
Utilities, Cable & Phone	$269,517	5.31%	$1,271
Breakfast & Food Service	$246,679	4.86%	$1,164
Real Estate Taxes	$211,225	4.16%	$996
Credit Card & Bank Fees	$157,322	3.10%	$742
Repairs, Maintenance & Grounds	$146,157	2.88%	$690
Room & Guest Supplies	$134,259	2.64%	$633
G&A, Professional & Other	$62,514	1.23%	$295
Total Operating Expenses	**$3,038,549**	**59.81%**	**$14,333**

Percentages are calculated on $5,080,208 of T-12 gross income; per key on 212 keys. Individual lines may not sum to the total due to rounding.

WHERE THE MONEY GOES

PAYROLL & FRANCHISE

Payroll, contract labor, royalties and commissions together run 28.4% of revenue, the largest single block of spend in the portfolio.

INSURANCE EXPOSURE

Insurance runs $366,844, or 7.2% of revenue and 12.1% of operating expenses. Florida coastal placement is a live diligence item for any buyer.

CONCENTRATION

The top three categories account for 59.6% of total operating expenses, so consolidation effort concentrates in a small number of line items.

$3,038,549 TOTAL OPERATING EXPENSES | 59.8% OF REVENUE | $14,333 PER KEY

VALUE-ADD LEVERS & SENSITIVITY

Where the next dollar of NOI comes from, and what it does to yield

UPSIDE LEVERS

01 RATE & REVENUE MANAGEMENT

Portfolio RevPAR runs $65.65 on a total-revenue basis. A 5% revenue lift with expenses held flat adds roughly $254,000 of NOI and moves the going-in yield to 12.6%.

02 EXPENSE CONSOLIDATION

The portfolio runs at a 59.8% expense ratio. Operating at 56% on the same revenue produces about $2,235,000 of NOI, a 12.25% yield on the asking price.

03 CLOSING THE GAP BETWEEN THE TWO

The Quality Inn earns $20,817 per key against the Travelodge's $28,396. Narrowing that gap is the single clearest operational opportunity in the portfolio.

04 SINGLE-OPERATOR SCALE

Adjacent assets allow shared management, maintenance, laundry, procurement and back-office overhead across 212 keys.

SENSITIVITY

GOING-IN YIELD AT THE $18,250,000 ASK

SCENARIO	NOI	CAP RATE
In-place T-12	$2,041,660	11.19%
NOI +3%	$2,102,910	11.52%
NOI +5%	$2,143,743	11.75%
NOI +10%	$2,245,826	12.31%

VALUE AT EXIT CAP, IN-PLACE NOI HELD

EXIT CAP	VALUE	PER KEY
9.0%	$22,685,000	$107,005
10.0%	$20,417,000	$96,305
11.0%	$18,561,000	$87,550

At the asking price the portfolio prices to $86,085 per key. Each 100 basis points of cap rate compression is worth roughly $1.9 million of value on in-place income.

Sensitivities are arithmetic illustrations applied to trailing twelve month results. They are not projections, forecasts or representations of future performance, and no assurance is given that any scenario will be achieved.

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