

BOUTIQUE HOTEL ACQUISITION CHECKLIST

STEP-BY-STEP CHECKLIST FOR EVALUATING BOUTIQUE HOSPITALITY PROPERTIES

1. MARKET & LOCATION

- ☐ Analyze tourism demand and growth trends
- ☐ Evaluate competitive set and market positioning
- ☐ Review barriers to entry and new supply pipeline
- ☐ Assess seasonality and demand drivers
- ☐ Confirm zoning and allowable use

2. PROPERTY & OPERATIONS

- ☐ Inspect physical condition and deferred maintenance
- ☐ Review PIP / renovation needs
- ☐ Evaluate room mix and amenities
- ☐ Assess operational systems and tech stack
- ☐ Review brand affiliation or independence benefits

3. DEAL STRUCTURE

- ☐ Determine purchase price and valuation method
- ☐ Evaluate seller financing options
- ☐ Review earn-outs and contingencies
- ☐ Assess working capital requirements
- ☐ Analyze closing costs and timing

4. FINANCIALS

- ☐ Review 3+ years of financial statements
- ☐ Analyze revenue by segment
- ☐ Calculate RevPAR and GOPPAR
- ☐ Review expense structure and trends
- ☐ Verify tax returns and seller add-backs

5. LEGAL & COMPLIANCE

- ☐ Review title report and encumbrances
- ☐ Confirm licenses and permits
- ☐ Review franchise / brand agreements if applicable
- ☐ Assess contracts and vendor agreements
- ☐ Evaluate insurance coverage

6. POST-ACQUISITION PLAN

- ☐ Define value-add initiatives
- ☐ Create a 100-day action plan
- ☐ Build operating budget and forecast
- ☐ Identify key hires and roles
- ☐ Plan for systems and process improvements