

**FEASIBILITY OF A BUSINESS AND CORPORATE
TRAVELER CLASS HOTEL IN MEDELLÍN, COLOMBIA**

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GLOSSARY

ADR (AVERAGE DAILY RATE): hotel KPI used to calculate the average price or rate for each hotel room sold for a specific day. $ADR = \text{Room Revenue} / \text{Rooms Sold}$

AMENITIES: articles that are available in the room for the guest free of charge.

BRAND LOYALTY: affinity of a customer to a certain company or brand.

B&C (BUSINESS AND CORPORATE): acronym used to represent the Business and Corporate traveler market, or those who travel for professional obligations, contrary to leisure travel.

CHANNEL MANAGEMENT SYSTEM: computerized system that facilitates the management of different hotel channels by controlling rates and inventory in one integrated interface connected to the hotel website, OTAs and GDS. The Channel Management System enables connectivity with GDS, OTAs and other online transaction facilitators and wholesalers.

CHECK-IN: process through which the entry of one or several guests to a hotel or other lodging establishment is recorded, a room is assigned and the means of payment is specified, through the intervention of a receptionist or front desk agent.

CHECK-OUT: process through which the hotel accepts the return of the room or rooms that have been occupied by the guest during his or her stay, and the payment is formalized.

CONCIERGE: area of the hotel whose functions are to appropriately attend or coordinate, or both, the requirements and petitions of hotel guests and visitors, including delivery of messages, luggage assistance, tourist or general information, reservations, among others.

COTELCO: Hotel Association of Colombia, created to strengthen lodging establishments' competitiveness and service offer within the country's hospitality industry.

COST OF CAPITAL (CK): refers to the opportunity cost of making a specific investment, in other words, it is the rate of return that could have been earned by putting the same money into a different investment with equal risk. Thus, the cost of capital is the minimum rate of return required to persuade the investor to make a given investment.

CMS (CONTENT MANAGEMENT SYSTEM): computerized software applications or programs that are used to create and manage digital content on hotel websites or private enterprise documents.

CRM (CUSTOMER RELATIONSHIP MANAGEMENT): strategy for managing a company's relationships and interactions with its customers and potential customers.

CRS (CENTRAL RESERVATION SYSTEM): computerized system used to store and retrieve information related directly to hotel room inventory and guest reservations.

DANE (DEPARTAMENTO NACIONAL DE ESTADÍSTICA): Colombian entity founded that strives to research and obtain statistics in industry, economy, agriculture, population and quality of life, aimed at supporting decision-making in the country.

ECONOMIES OF SCALE: financial advantages that a company gains when it produces large quantities of products or increases its level of output.

FREE CASH FLOW (FCF): tool used for measuring a company's financial performance, representing the cash that a company is able to generate after spending the money required to maintain or expand its asset base, in pursuance of enhancing shareholder value.

FULL-SERVICE HOTEL: refers to hotels that offer its guests services and amenities that cover all possible needs, including in-house restaurants, pools and wet zones, conference and event rooms, room service, and ironing and laundry cleaning.

HOTEL WEBSITE: online webpage managed by the hotel to offer special rates, packages and a reservation engine for customers to use.

ICONTEC: Colombian multinational company concerned with the sustainable development of organizations to promote technical standardization and methodology, satisfaction assessment and quality management in Colombia and Latin America.

INTERNAL RATE OF RETURN (IRR): refers to a discount rate that makes the net present value (NPV) of all cash flows from a particular project equal to zero, and is utilized to analyze the profitability of an investment or project.

GDS (GLOBAL DISTRIBUTION SYSTEM): efficient and cost-effective system for hotels to reach travel agencies and create awareness that will inform, position, and ultimately promote the hotel.

GOPPAR (GROSS PROFIT PER AVAILABLE ROOM): hotel KPI used to calculate the operating profit obtained per room in a hotel. $GopPAR = \frac{GOP \text{ (Gross Operating Profit)}}{\text{Available Rooms}}$

JUNIOR SUITE: lodging unit consisting of a Standard Room and a separate lounge where more people can be accommodated in beds or sofa beds.

KPI (KEY PERFORMANCE INDICATOR): measurable value that demonstrates how effectively a company or business is achieving key business objectives.

LIMITED-SERVICE HOTEL: refers to hotels that offer basic services to its guests, but do not cover all possible needs, by only offering certain select services within the property.

NET PRESENT VALUE (NPV): corresponds to the difference between the present value of cash inflows and the present value of cash outflows over a period of time, and is utilized to analyze the profitability of an investment or project.

NREVPAR (NET REVENUE PER AVAILABLE ROOM): hotel KPI used to calculate net revenues in a hotel (accounting for distribution costs, transaction fees and travel agency commissions). $N \text{ RevPAR} = (\text{Room Revenue} - \text{Distribution Costs}) / \text{Available Rooms}$

OCCUPANCY: hotel KPI calculation that shows the percentage of available rooms being sold (occupied) for a certain period of time. $\text{Occupancy} = \text{Rooms Sold} / \text{Room Available}$

OTA (ONLINE TRAVEL AGENCY): online company whose website allows consumers to purchase various travel related services directly via Internet, such as hotels, car rentals, flights and vacation packages.

PMS (PROPERTY MANAGEMENT SYSTEM): computerized system that facilitates the management of hotels, by automating operations such as guest reservations, accounts payable and receivables, payroll, quality control, sales and marketing, among others.

REVPAR (REVENUE PER AVAILABLE ROOM): hotel KPI used to calculate how much revenue a hotel has actually billed within a certain period of time, given its occupancy and ADR. $\text{RevPAR} = \text{Rooms Revenue} / \text{Rooms Available}$; $\text{RevPAR} = \text{Occupancy} * \text{ADR}$

RMS (REVENUE MANAGEMENT SYSTEM): computerized system that helps predict consumer demand to optimize room inventory and hotel rates in order to maximize hotel revenue growth.

SHM (STRATEGIC HIERARCHICAL MATRIX): strategic tool used for determining the attractiveness of investment in a certain sector or industry.

STANDARD ROOM: single room with one or two beds and one private bathroom.

SUITE: lodging unit consisting of two bedrooms with two private bathrooms, a reception room and corridor. Its maximum capacity must be for 6 people.

TRM (TASA REPRESENTATIVA DE MERCADO): the amount of Colombian pesos for a United States dollar.

ABSTRACT

The exciting city of Medellín, Colombia, is undertaking a fascinating process to become a metropolitan hub for technological innovation. With this revolutionary process, Medellín has observed a sky-rocketing rate of arrivals of both foreigners and Colombian nationals alike to the city, resulting in a business and corporate travel boom. However, with such an abundant supply of hotel rooms, and the culmination of the income tax absolute benefit for new and remodeled hotels in December 2017, a probing question ensues: is it feasible to launch a business and corporate traveler class hotel in Medellín, Colombia? In order to answer the question, a feasibility study comprised of five independent, but interrelated studies, was elaborated regarding the viability of investment in a franchised Fairfield Inn and Suites by Marriott hotel project directed specifically to business and corporate travelers near the “Milla de Oro” (The Gold Mile) in Medellín. The Sector Study gathered information on relevant economic indicators, industry performance, demand, supply and averages, while the Market Study obtained client expectations and needs to assemble a commercialization plan and hotel structure to cater to their needs. The Technical Study determined the operative technology, employee detail, size and distribution necessary for the hotel to cover projected demand. On the other hand, the Organizational, Legal and Environmental Study amassed information required for the company’s establishment and start-up. Finally, the Financial Study converted information compiled from the previous studies into numerical data to evaluate project feasibility from an operational and investor standpoint. Specialized modeling and simulation software was used to compute and analyze Net Present Value (NPV) and Internal Rate of Return (IRR) values and determine feasibility. Results obtained from two different simulations concluded that the proposed hotel project is feasible, but only when certain capital budgeting requirements are met. When structured properly, the hotel project could become incredibly profitable, but could also produce cataclysmic losses in the contrary case.

Keywords: Hotel Feasibility, Medellín Hospitality, Hotel Market Study, Hotel Technical Study, Hotel Financial Study.

RESUMEN (ESPAÑOL)

La emocionante ciudad de Medellín, Colombia, está llevando a cabo un proceso fascinante para convertirse en un centro metropolitano de innovación tecnológica. Con este proceso revolucionario, Medellín ha observado una tasa de llegadas vertiginosas tanto de extranjeros como de colombianos por igual a la ciudad, lo que ha resultado en un boom de viajes corporativos y empresariales. Sin embargo, con una oferta tan abundante de habitaciones de hotel y la culminación del beneficio de la absolución del impuesto sobre la renta para hoteles nuevos y remodelados en diciembre de 2017, surge una pregunta perspicaz: ¿es factible lanzar un hotel de clase ejecutiva y de negocios en Medellín, Colombia? Para responder a la pregunta, se elaboró un Estudio de Factibilidad compuesto por cinco estudios independientes, pero relacionados entre sí, sobre la viabilidad de la inversión en un hotel franquiciado Fairfield Inn and Suites by Marriott dirigido específicamente a viajeros de negocios y corporativos cerca a la Milla de Oro en Medellín. El Estudio Sectorial recopiló información sobre indicadores económicos relevantes, desempeño de la industria, demanda, oferta y promedios, mientras que el Estudio de Mercado obtuvo las expectativas del cliente para armar un plan de comercialización y estructura hotelera para satisfacer sus necesidades. El Estudio Técnico determinó la tecnología operativa, el detalle de empleados, el tamaño y la distribución necesaria para que el hotel cubra la demanda proyectada. Por otro lado, el Estudio Organizacional, Legal y Ambiental reunió la información requerida para el establecimiento y puesta en marcha de la empresa. Finalmente, el Estudio Financiero convirtió la información compilada de los estudios previos en datos numéricos para evaluar la factibilidad del proyecto desde el punto de vista operativo e inversor. Se utilizó un software especializado de modelado y simulación para calcular y analizar los valores del Valor Presente Neto (VPN) y la Tasa Interna de Retorno (TIR) y determinar su viabilidad. Los resultados obtenidos de dos simulaciones diferentes concluyeron que el proyecto hotelero propuesto es factible, pero solo cuando se cumplen ciertos requisitos de presupuesto de capital. Cuando se estructura adecuadamente, el proyecto del hotel podría ser increíblemente rentable, pero también podría producir pérdidas catastróficas en el caso contrario.

Palabras Clave: Viabilidad Hotelera, Hotelería Medellín, Estudio Mercado Hotelero, Estudio Técnico Hotelero, Estudio Financiero Hotelero.

INTRODUCTION

In this thesis paper, the feasibility of investment in a franchised Fairfield Inn and Suites by Marriott hotel project designated specifically to business and corporate travelers in the city of Medellín is presented, after identifying the proposed hotel project as a potentially rewarding business opportunity due to the ever-increasing arrival rate of foreign and Colombian national businessmen to Medellín.

In Chapter One, the reader will encounter the paper's preliminary passages, starting with the formulation of the problem, which identifies the topic to be investigated and the tool to be used. In this specific case, the question of whether the investment in a hotel project directed to business and corporate travelers in Medellín, Colombia, was answered by employing a Feasibility Study, which implied identifying, understanding and analyzing all external and internal factors and variables that surround the project and its viability. Afterwards, the justification of studying the project's feasibility is explained, after detecting a potential business opportunity in the business and corporate travel market in the city. Then, the thesis paper's objectives were outlined, with the general objective being the determination of the proposed hotel project's financial feasibility. To finish, the project's framework is detailed; in other words, the importance of performing a Feasibility Study before investing in any given project, especially those with high initial investment, risk and uncertain variables, such as in the Fairfield Inn and Suites hotel project, is explained, and the general methodology guideline is announced. For this work, the methodology was based on Sapag & Sapag (2008), taking into account certain factors that should be studied in a feasibility analysis of a hotel mentioned by Hodgson (1973), by elaborating five complementary studies: a market, technical, organizational-administrative-legal, financial and environmental study.

In Chapter Two, the detailed methodology employed in the paper's independent studies is laid out, classified by the specific objectives set in Chapter One. Initially, the methodology used for the first specific objective, the Sector and Market Study, is described. Then, the procedure used for elaborating the second specific objective, in other words, the Technical, Legal and Environmental Studies, is detailed. The third sub-chapter in this section designates the method applied in completing the third specific objective: The Organizational Study. Lastly, a very thorough and comprehensive explanation for the methodology administered for the elaboration of the fourth and final specific objective, the Financial Study, is defined.

In Chapter Three, the results obtained from the Sector, Market, Technical, Legal, Environmental and Organizational Studies are displayed, interpreted and meticulously analyzed. This chapter contains corresponding sub-chapters, or numerals, to the ones presented in Chapter Two. Therefore, it is recommended that the reader first comprehend the methodology for any given sub-chapter in Chapter Two and then proceed towards understanding the respective result in Chapter Three. The final sub-chapter or numeral in Chapter Three details the final recommendation of investment in the Fairfield Inn and Suites by Marriott hotel project, after an in-depth analysis of the results provided by the simulations executed on the project's financial model.

Subsequently, Chapter 4 summarizes lessons learned in the elaboration of this work, along with recommendations for future projects and ventures into the hospitality industry. Finally, Chapter 5 houses the bibliography and references cited in this paper, and immediately thereupon, detailed annexes providing additional information for the reader can be reached and studied.

1. PRELIMINARIES

1.1 FORMULATION OF THE PROBLEM

Problem of the Investigation:

What is the feasibility of launching a business and corporate traveler class hotel in Medellín, Colombia?

Context:

Feasibility studies are strategic tools implemented in the pre-planning phase of a business model, and it involves collecting and analyzing information prior to the start of the project, in order to use that obtained knowledge and apply it to the construction of the business plan (Castrogiovanni, 1996). Employing a detailed feasibility analysis during the planning process defines how the project will develop under assumptions derived from studies of economic and non-economic factors that affect its progress (Graaskamp, 1972), and ultimately, an informed decision can be made on whether to invest or abandon the project.

However, in the literature, there are many studies on what factors to consider and investigate in a feasibility analysis, and the authors hardly concur on an ideal feasibility structure. Generally, the literature on feasibility studies emphasizes the importance of assessing gains and market share (Barrett & Blair, 1982; Geltner & Miller, 2007). Still, for many industries, such as the hotel and tourism industry, where feasibility analysis is critical in the planning phase, a study that focuses only on market and financial factors is not enough, since the total investment capital is usually very large and the uncertain variables are numerous and unclear.

Many feasibility studies for the hospitality and tourism industry include location, organization and management factors as key components in the evaluation phase of the feasibility analysis (Economic Planning Group of Canada, 2005; Neal & Trocke, 1971). Similarly, these studies do not cover the full range of possible economic and non-economic influential elements, and as a result, more authors have tried to involve additional factors to take into account, but without reaching a general consensus.

For example, Dey (2001) presents the necessity to make a study of general requirements and objectives in order to carry out a market and demand study, a technical study, a financial study and a study of expected impacts, in that order. Previously, Graaskamp (1972) had given other factors, setting up his feasibility structure with six elements to examine: a location study, a market study, a financial study, a technical study, an environmental study, and a study of legal policies. On the other hand, Hodgson (1973) created his feasibility model for the hotel and tourism industry focusing on a market study consisting of an analysis of supply and demand in the industry, a competitiveness analysis, a location study, an organizational study and a financial study. Taking some few common features, authors Sapag & Sapag (2008) and Rosillo (2007) agree on a methodology, emphasizing on five studies necessary to carry out a feasibility study: A technical study of the project, a market and segment study, an organizational, administrative and legal study, a financial study, and an environmental study.

In addition, there are authors who designed empirical investigations to determine the ideal composition of a feasibility study. For instance, Costello & Preller (2010) conducted an empirical project feasibility study, using a sample of 20 constructors, and found consistencies in five factors used in the feasibility studies: Compilation of general project information, study of constraints and limitations, location study, market study and financial study. Shen, Tam, Tam, & Ji (2010) also developed an empirical research, using 87 project feasibility studies from 2008 to 2009, finding three

essential pillars. The first, economic attributes such as legal and tax policies, marketing studies, economic indicators, risk analysis and budget controls; the second, social attributes such as employment capacity, capacity of public services, infrastructure and safety standards; the third, environmental attributes such as effects on water, land and air, and energy consumption. Nonetheless, the two studies yielded different results without reaching a common census.

In conclusion, from the literature, it can be understood that the main approaches of feasibility studies usually revolve around marketing and financial aspects, specifically, obtaining profit and market share indicators as the main factors in the final investment decision of the project or business plan. Nevertheless, a comprehensive and effective feasibility study must cover additional variables to these, understanding that they directly influence the viability of a business, in this case, a new hotel. Moreover, it is a fundamental tool for any project, especially for an intensive capital project such as the construction of a hotel, which is why it is necessary to carry out a comprehensive and thorough feasibility study, in order to increase the chances of success of the project, or to understand which factors need to be changed in order for it to be a viable project.

1.2 JUSTIFICATION

The possibility of opening a hotel in Colombia, especially in Medellín, has never been as strong as it is at this time, thanks to multiple favorable economic, social and political variables, and for this reason, it is a business opportunity that should be evaluated through a feasibility study.

Colombia is one of the most fast-developing economies in South America, and its reputation as a dangerous country is disappearing quickly, as security in the country improves. It has generated a better international image thanks to publicity movements such as Proexport's campaign, "Colombia, the only risk is wanting to stay," and Marca País. It is already a country that is considered to have a stable and safe economy, ideal for business and foreign direct investment (FDI). Furthermore, it is highly considered by foreign tourists adding to their list of main destinations to visit. This position is clearly reflected in the remarkable increase in arrivals of international travelers to the country, creating the vital clientele needed for any hotel to prosper.

According to the Colombian Ministry of Commerce, Industry and Tourism, between the first ten months of 2016, there was a 13.47% increase in foreign arrivals to Colombia, compared to the first ten months of 2015; between the first 10 months of 2015 there was a 17.08% increase of foreign arrivals to Colombia, compared to the first 10 months of 2014. This is a trend that has been booming for several years, showing no sign of stagnating (Ministerio de Comercio Industria y Turismo, 2017).

As a result, tourism in Colombia is flourishing, growing at a rate of approximately 5% per year, as of 2012. With its geographical and cultural offer, being the second most diverse country in the world in terms of fauna and flora, and the rhythm of its metropolitan cities, including the vibrant capital Bogotá, Medellín, considered the most innovative city in the world in 2014, and Cali, considered as the salsa capital in the world, the industry is strengthened. Therefore, there are excellent and abundant opportunities for hotel and tourism companies to take advantage of the potential of the sector (Abreu, 2013).

The Minister of Commerce, Industry and Tourism, María Claudia Lacouture, revealed that FDI for tourism grew 741% between 2010 and 2015, largely due to final advances in peace talks with insurgent guerilla groups in the country (HostelTur Latinoamérica, 2017). Specifically, investment in the sector increased from US\$ 221 million in 2010 to US\$ 1,851 million in 2015. Employment increased by 17% between 2010 and 2015, totaling 1,188,000 employed people, and 163 new hotels (16,839 rooms) and 48 air routes were opened. Clearly, with the signing of the peace treaty, more tourist destinations that were previously not accessible are not only open, but today are very attractive

with great potential. An example is La Macarena (Meta), where visitors multiplied by a factor of 10 between 2010 and 2015.

Today, the tourism and hospitality industry accounts for 60% of service exports in Colombia and generates one out of every 12 jobs in the local population. In effect, Colombia has exhibited notable growth potential in the industry since 2009, as noted at the SAHIC (South American Hotel & Tourism Investment Conference) conference in September 2010, with new hotels, cruise ships, and attractions opening monthly. The Marriott Hotel brand, the largest hotel chain in the world, already has presence in Colombia, with the extravagant JW Marriott Hotel Bogotá of 264 suites, the Bogotá Marriott of 239 suites, and several projects in Medellín, Cali, Cartagena, and Barranquilla. Sonesta's expansion in South America continued with facilities in Bogotá, Cartagena and Barranquilla. Hilton, with properties such as Hilton Cartagena and Embassy Suites Bogota-Rosales, has plans to introduce its Hilton Garden Inn, Hampton Inn and DoubleTree brands throughout the country. Sheraton, recently acquired by Marriott, will have the Ocean Tower in Cartagena, consisting of two towers, one a 27 stories sky rise for the Sheraton Cartagena of 256 suites, and the other a residential tower of 35 floors (Pike, 2011).

Since then, the hotel investment boom in Colombia, where there has been more than double-digit growth in hotel supply over the last three years, has not stopped. Many national and foreign hotel chains, as well as Colombian magnates such as Santo Domingo, Gilinski and Sarmiento, are now betting on the sector (Portafolio Negocios, 2014).

The primary factors that spark the hotel boom in the country include improved safety indicators, legal and political stability, robust economic growth, and a young workforce (with 5,200 graduates in tourism-related careers from 2001 to 2009). Additionally, a large increase in foreign visitors (totaling 3.7 million in 2013), including a sizeable number of business travelers, not just for leisure, was recorded in the country. Lastly, above all, the 30-year income tax exemption for lodging services provided in new, refurbished or expanded hotels in projects registered before December 31, 2017 was paramount in incentivizing entrepreneurs to invest in the sector (Article 4 of Decree 2755 of 2003, modified by Decree 920 of 2009) (Portafolio Negocios, 2014).

In the first half of 2017, the arrival of nonresident foreigners to Colombia continued its positive trend and presented a growth of 20.2%, compared to the same semester of the previous year, according to Procolombia (2017). With this newfound touristic prosperity in the country, the city of Medellín has responded with more force than some major traveler city destinations such as Cartagena and the international city of Bogotá. Medellín, without having beach and sea and without being the capital of the Republic of Colombia, reported the highest growth of arrival of international visitors in 2015, surpassing that which was reported by cities like Bogotá, Cartagena, Cali and San Andrés.

In accordance to data provided by Procolombia, in 2015, the city reported a 34% increase in arrivals of international travelers, receiving 8 times as many travelers of this class as in 2014. Meanwhile, national growth was 16% on average, comparing with a more modest average of 4% increase in international travel in the world, or 5% in the Americas, according to World Tourism Organization (WTO) figures. With the 272,305 international travelers arriving in Medellín in 2015, the city surpassed the growth rates of the most important tourist destinations in the country, such as Bogotá, which grew by 13%, Cartagena, with a 16% increase, and San Andrés, with a 9% growth rate. In 2016, Medellín received 331,139 international travelers, an increase of 21.6%, and in the first six months of 2017, 160,254 international travelers have been received, which is 3,347 more than during the first six months of 2016, as Table 1 shows. In sum, the city should maintain this trend on a steady course for the near future.

Table 1: International arrival growth in Colombia's main cities

<i>International Foreign (Non-Resident) Arrivals</i>							
City	% Var 2015/2014	2015	% Var 2016/2015	2016	January – June 2016	% Var 2017/2016	January – June 2017
Bogotá	13%	1.146.405	5,8%	1.212.843	565.666	12,1%	634.239
Cartagena	16%	299.168	22,4%	366.121	186.239	15,4%	214.835
Medellín	34%	272.305	21,6%	331.139	156.907	2,1%	160.254
Cali	23%	161.600	12,5%	181.826	80.265	7,8%	86.564
San Andrés	9%	88.330	10,9%	97.940	50.943	14,3%	58.240

Source: Data obtained from Procolombia (2017)

The differential tourism offer in the Valley of Aburrá were key factors in positioning the region as an attractive destination that proposes innovative and unique experiences, according to the Medellín Bureau, and WTO criteria. With eco-friendlier conscience, travelers demand more green spaces and natural riches, as those offered by the department of Antioquia, through natural experiences such as the Arví Park, and the wealth of rivers and extreme nature tourism seen in eastern Antioquia, including the Samaná River or the natural reserve of El Peñol. This encourages the international development of the region and the city, which, in return, increases foreign investment in business, in large part due to this leverage in tourism. As a result, professional and business related travel to Medellín has increased, creating an interesting niche market to capitalize on.

Subsequently, there is a matchless opportunity to meet this demand, and there is a growing necessity for the continuous internationalization of Medellín, through a comprehensive, recognized, and world-class hotel project, or one that responds to the needs of worldwide demand and, to a certain extent, local demand. A project of this magnitude will bring numerous economic and social benefits to the region. First, it will attract more travelers, which will boost tourism and thus, economic growth, by bringing more capital, FDI, business and opportunities to the city. Second, a significant labor demand will be created in order to materialize the supply that is required, generating better social benefits and social opportunities. In addition, technological and innovative growth is stimulated, in turn, giving Medellín more international prestige.

As it can be inferred, the hotel and tourism boom in Colombia, specifically in Medellín, is a business opportunity that deserves to be studied, and it is the ideal time to do so. Therefore, the focus of this thesis project will be precisely to find out if it is feasible to open a business and corporate traveler class hotel in the second largest city in the country, and the third with the most flow of international tourists.

1.3 PROJECT OBJECTIVES

1.3.1 General Objective

Evaluate the feasibility of launching a hotel for business and corporate travelers in Medellín.

1.3.2 Specific Objectives

1.3.2.1 Specific Objective 1:

To perform a sector and market study of the hotel and tourism industry in Medellín.

1.3.2.2 Specific Objective 2:

To identify the technical, legal and environmental requirements necessary for the creation of the hotel, along with its exact location.

1.3.2.3 Specific Objective 3:

To determine the organizational structure on which the hotel should be based upon at the start of operations.

1.3.2.4 Specific Objective 4:

To determine the financial feasibility of the hotel project.

1.4 PROJECT FRAMEWORK

1.4.1 Antecedents/Background

Due to the dynamic and changing environment in modern industries and organizations, decision making has become a fundamental piece of business practices, directly influencing the success or failure of a project or entire companies. The hotel industry is no exception. Lodging demand reacts to changes in the local and international (O'Neill, 2013), and as a result, decision making is crucial to success in this industry. As Akdere (2011), explains, one of the best ways to avoid bad decisions is to adopt a very disciplined approach to understanding and employing forecasts and probabilities, developed, for example, in feasibility or viability studies.

In new project developments, a feasibility or viability analysis is the essential basis for the decision-making process in which entrepreneurs or executives determine whether or not to invest in the project, taking into account the results of financial indicators such as Net Present Value (NPV) and Internal Rate of Return (IRR) (Burneo-Valarezo, S., Delgado Vítore, R., & Antonia Vérez, 2016). Specifically, in the development of new hotel projects, given their great complexity, cost, uncertain variables and wide associated public of interest, feasibility studies are of paramount importance. According to Hodari & Samson (2014), all creditors, investors, operators and builders usually require an analysis of the projected financial returns and overall operating performance of the hotel in order to proceed with the project.

Unfortunately, the lack of research on the subject has led to feasibility studies being ignored or considered "a necessary evil" by corporations and entrepreneurs (Singh, Damitio, & Schmidgall, 2011), and as Hodari & Samson (2014) argue, it is essential to move forward with research in feasibility studies relevant to hotel projects in the interest of updating the literature and the factors that determine hotel viability. In definitive, a more rigorous methodology is required to improve the accuracy of forecasts and probabilities provided by feasibility studies, which remains a significant pillar in investment projects. Recently, Currie, Wesley, & Pandher (2014) note that many hotel feasibility studies do not take into account hotel location analysis, along with O'Neill (2013) and Singh et al. (2011), who observe insufficiencies in demand market research, growth in employment levels, average daily rates (ADR), and unsophisticated financial analysis. Additionally, Currie & Wesley (2010) also defend this position by stating that hotel feasibility studies are often very limited in scope, stressing the urgent necessity to further investigate the issue, emphasizing the importance of these preliminary studies on hotel projects.

The current literature clearly establishes the lack of research in pre-project feasibility studies, in this case hotels, and the undeniable obligation to update the literature that responds to the needs and characteristics of the industry. Before proceeding with projects as large as the construction of a hotel, it is imperative to carry out feasibility studies before investing a huge sum of capital, in favor of better understanding the risks that may occur when undertaking a project of this magnitude. This thesis paper will be completed under this premise, with the intention of apprehending all the requirements that are needed to be successful with the development of a new hotel.

1.4.2 Theoretical Framework

Traditionally, the feasibility analysis is a set of multidisciplinary studies used to define and evaluate a project so that the decision invest in it can be taken with better certainty and confidence. Many quantitative and qualitative factors of economic, social, political nature, among others, which change with high frequency, influence the feasibility of a project, hence the reason as to why the feasibility study must include all of these parameters and maintain a dynamic and continuous control that constantly evaluate the objectives of the project (Del Caño, 1992).

Concretely, feasibility studies for the construction of new hotels have had a significant impact on their subsequent development processes and future operations, and accordingly, it is essential to employ a comprehensive feasibility model to evaluate all the key components that influence the success of any hotel project (Kim, 2002). Academics infrequently investigate hotel feasibility studies, despite their prominence, and, as noted in the previous literature, the format of feasibility studies has remained almost the same for the past 40 years, focusing primarily on a market and demand study, along with a financial study.

For this research paper, the following methodology proposed by Sapag & Sapag (2008) will be implemented, taking into account certain factors that should be studied in a feasibility analysis of a hotel mentioned by Hodgson (1973). Utilizing the structure developed by Sapag & Sapag (2008), a very general and comprehensive coverage of all possible quantitative and qualitative factors that can influence a project will be attained, and moreover, it can be customized for the hotel case including the key factors of the Hodgson (1973) model.

According to Sapag & Sapag (2008), the feasibility study of any project, regardless of depth, distinguishes two major stages. The first is the formulation and preparation stage, which has two objectives: to define all the characteristics that have some degree of effect on the flow of income and monetary output of the project, and to calculate its magnitude. Here, information is collected and information is systematized, in monetary and tangible terms, resulting in the construction of a projected cash flow, which will serve as the basis for the evaluation of the project.

The second stage is the evaluation phase, which ultimately seeks to determine the profitability of the investment in the project with very defined methodologies. In sum, it is at this stage where the project's lucrativeness, the analysis of the qualitative variables and the awareness of the project are measured.

Furthermore, a complete feasibility analysis requires at least five complementary studies: a sector and market, technical, organizational-administrative-legal, financial and environmental study. The first three provide primarily economic information on costs and benefits; the financial, in addition to generating information, builds the cash flows and evaluates the project, and the environmental impact analysis is a cross-sectional study to study the ecological sustainability and viability of the project in the long run.

Firstly, the technical study aims to provide data in order to later quantify the amount of investments and operating costs relevant to the project. From here, information on capital needs, labor and material resources, both for the startup and for the subsequent operation of the project can be acquired.

Secondly, in the market and sector study, the total amount of demand and operating income is defined, as by implicit costs and investments. In this section, a few concepts of the Hodgson (1973) model will be employed. This author suggests analyzing the supply and demand of the hotel market, including an inventory of hotels in the area, new constructions, general hotel occupancy of the area, the competition and their attributes, sources of demand and their growth potential, along with an evaluation of the hotel's location site. In addition, a marketing plan should be proposed that includes the total number of rooms, room mix, and other space considerations.

Thirdly, the organizational-administrative-legal study defines the organizational structure that will consolidate the base of the future operations of the project. This is vital for defining the needs of qualified personnel for administrative management and, eventually, for estimating more accurately the indirect costs of the executive workforce. Also, it is necessary to study the legal aspects that can affect the organization and development of the project, such as restrictions, taxes, and other tributary aspects.

Fourthly, the financial study is the last stage of the economic feasibility analysis of a project. The objectives of this stage are to organize and systematize the monetary information provided by the previous stages, to elaborate the analytical tables and additional data for the evaluation of the project and to assess the antecedents in order to determine its profitability. According to Hodgson (1973), in this segment, it is necessary to estimate the cost of capital, justify a rate of return or profitability (IRR), and establish a financial plan, including a Pro Forma income statement.

Lastly, the environmental impact study evaluates the costs or benefits that the project can have on its surroundings, taking into account all the hazards, risks and impacts associated with people, the environment, and the adjoining community, in accordance with ISO 14000 standards, with the interest of obtaining a sustainable economic growth.

In this thesis paper, the aforementioned methodology will be followed, in order to not only determine whether the project is profitable or not, but also, to observe alternative action strategies or contingencies that allow for assuredly recommending approval or rejection of the project under an operation in the optimum degree of its real potential.

2. METHODOLOGY

2.1 SECTOR AND MARKET STUDY.

2.1.1 Sector Analysis

The data recollection method for the Sector Analysis was primarily through the creation of a direct relationship with COTELCO's (the Hotel and Tourism Association of Colombia) Antioquia – Chocó Chapter, a non-profit organization created with the aim of grouping and strengthening accommodation and lodging establishments. With reports and sector studies supplied by the COTELCO Chapter, the information needed to perform the sector analysis for the thesis paper was obtained. Additionally, other secondary data sources such as government reports, newspaper articles and other scholarly articles were used to supplement the information supplied by COTELCO.

2.1.1.1 Identification and analysis of the sector and subsector

Identification of ISIC (International Standard Industrial Classification of all Economic Activities) code and description of the sector and its main characteristics, such as history, main actors, performance, economic power and importance for the country's economy. Two reports graciously and discretely supplied by COTELCO's Antioquia – Chocó chapter, "Operación Hotelera Colombia 2015-2016" (2016) and "Cualificación de los Establecimientos de Alojamiento y Hospedaje de la ciudad de Medellín" (2017), were used as the main sources for the sector analysis. For this section, the three main indicators for the hospitality sector, Occupancy levels, ADR (Average Daily Rate) and RevPAR (Revenue Per Available Room) were thoroughly analyzed from a national and local standpoint. Furthermore, supporting information explaining the indicators' performance was added from other sources, such as the DANE (Departamento Nacional de Estadística).

2.1.1.2 Analysis of macroeconomic factors

Analysis of variables relevant to the hotel project such as investment, currency exchange rates, and current political and social events; Analysis of trends in the sector, such as growth or decline, expansion and technology. For this section, based on statistics from Colombia's Central Bank, El Banco de la República (2018), two main macroeconomic variables were analyzed: Exchange Rate based on the TRM (Tasa Representativa de Mercado) and Inflation. Additionally, information on sector investment growth and trends supplied by COTELCO's Antioquia - Chocó chapter (2017) was used to supplement the study of the hospitality sector in terms of macroeconomic variables.

2.1.1.3 Analysis of sector technology

Exploration of the technology used in the sector, identification of its level of maturity and any possible trends towards the replacement of existing technology. In order to quantify the level of technology in the hospitality sector in Medellín, information and statistics derived from COTELCO Antioquia - Chocó chapter's (2017) investigation, "Cualificación de los Establecimientos de Alojamiento y Hospedaje de la Ciudad de Medellín", based on a sample of 300 lodging establishments in the city, were applied to understand the level of development in management procedures, personnel preparedness and property installments.

2.1.1.4 Analysis of the competitive forces

Study of the five competitive forces in the sector developed by Michael Porter (Entry Barriers to the Sector, Substitute Products, Suppliers, Consumers or Clients and Current and Potential Competitors), using Cheng's study on the hospitality industry (2013) as the main source of information for this section of the Sector Analysis.

2.1.1.5 Identification of threats and opportunities

Use of a PESTEL (Political, Economic, Social, Technological, Environmental and Legal) analysis to determine the main threats and opportunities for the business, based on information and general conclusions compiled in the previous four sections of the Sector Analysis.

2.1.1.6 Attractiveness of investment in the sector

Use of the Strategic Hierarchical Matrix (SHM) to determine the attractiveness of investment in the sector and posterior analysis, based on information compiled in the previous five sections of the Sector Analysis. In accordance with Prada (2011), to elaborate the Strategic Hierarchical Matrix (SHM) and evaluate the attractiveness of the hospitality industry in Medellín, seven criteria were taken into account: Market Attractiveness, Intensity of the Competition, Stability of the Environments, Strengths of the Business, Market Gaps, Technological Gaps in Industry, and Alliances and Cooperation. Each criterion was assigned respective sub-criteria with a hierarchy of numerical value associated with a percentage of importance, according to information and general conclusions obtained from the Sector Analysis. After making a weighted sum, the numerical score of the criterion is obtained, and it is divided by 5.0 (the maximum), obtaining a percentage that is interpreted as the "Decision Indicator", from which three possible basic recommendations emerge:

- a) < 40%: do not invest;
- b) > 40% and <69%: invest selectively and carefully;
- c) > = 70%: invest.

2.1.2 Market Analysis

The market study's objective was to determine useful and trustworthy information applicable to the technical, organizational and legal studies, and especially for the evaluation of the hotel project's feasibility in the financial study. In order to obtain this information, the hotel's consumer or client target market was identified and a market projection to discover information on the aforementioned target market was executed. The market projection's results then enabled the creation of the hotel's marketing or commercialization plan, detailing the hotel's rates, services to be offered in the hotel, the appropriate promotional means for the hotel, the total number of rooms, room mix, and other space considerations. Finally, with the market study, a fully detailed description of the type of clientele the hotel will target was elaborated.

2.1.2.1 Identification of consumer target market

Includes the identification of the available and actual demand market and segmentation of the market by means of the most appropriate variables along with the identification and description of the characteristics of the target market. For this investigation, the consumer target market was segmented by one main variable, purpose of travel, which in this case, would be any travel necessity

created by professional work requirements. Additionally, the target market includes both domestic (Colombian nationals) and foreign travelers. The reason for selecting this specific target market, as the thesis title indicates, is a personal decision based on past work experience at a flagship Marriott hotel in the state of Georgia, USA, a hotel focused primarily on corporate and business travelers. With previous knowledge on the aforementioned target market already gathered, a familiarity with the corporate and business travel market was created, leading to the decision of selecting this particular segment for this thesis paper.

2.1.2.2 Market projection

Includes the use of Interviews, a Focus Group, and posterior Market Surveys to determine the possible hotel rate to be offered, expected level of occupancy (monthly or annual) for the provision of the hotel room services, market needs and expectations, and possible hotel operational expenditures. The methodology for the market projection involved a two-part qualitative and quantitative investigation, each with its own pilot test. The Interview and Focus Group technique in the qualitative investigation would allow for the identification of variables related to the target market, their purchase process and needs, while the Market Surveys technique in the following quantitative investigation would quantify the variables obtained in the qualitative investigation in order to determine its relevancy.

First, it was essential to attain qualitative data that would describe how the target market carried out the purchase process to make a reservation in a hotel, and what intermediaries, if any, acted during the process. In addition, it was necessary to identify the target market's perception of what services and hotel characteristics were indispensable for their own requirements, the price they have normally paid, and what means of communication they have with hotels. The selected techniques for the qualitative investigation were interviews with experts and customers, along with a focus group with several customers, considering their direct and thorough exploration of customers' thought processes. The observation technique was ruled out for the qualitative investigation due to the difficulty of observing clients reserve hotel rooms while understanding their reasons for selecting the hotels they stayed in. As a result, the qualitative investigation was composed of one interview with an expert and four interviews to people who travel for professional reasons and, finally a focus group composed of five different people who travel for professional reasons, with the author of the paper as a moderator. The customers and experts used in this investigation not necessarily had to be from regions alien to the Valley of Aburrá, since the objective of the qualitative investigation was to identify variables in the purchase process, motivations for selection and hotel services and characteristics demanded. On the other hand, the pilot test for this part of the investigation was done with the help of Mr. Rafael Mauricio Molina, one of the interviewees, without needing to change the original interview question format. The question format for the interviews with the expert, travelers and focus group can be appraised in Annex 3.

Second, with the qualitative information obtained, a quantitative investigation was implemented, in pursuance of quantifying data and determining the relevancy of it. The selected technique for the quantitative investigation was market survey, given its effective means of capturing and quantifying information on a mass scale. For this investigation, the people surveyed ideally had to travel for professional reasons while being from regions alien to Medellín, since they represent the target market of the hotel project. Nevertheless, people who traveled for professional reasons without necessarily having traveled to Medellín as a requisite for taking the survey were also used. The market surveys were diffused electronically through social media, family and personal contacts. Additionally, field work was done at the hotel San Fernando Plaza in Medellín. With the hotel's permission, surveys were personally conducted on guests via personal survey for a week between Monday, February 5 and Friday, February 9. As a result, the quantitative investigation was composed of 385 market surveys directed to Colombian nationals and foreigners who travel for professional reasons (80% of the sample) and personal reasons (20% of the sample).

The hotel will focus primarily on business and corporate travelers, but there is a possibility of attracting personal and leisure travelers to the hotel on the weekend, when business and corporate travel traffic is light, thus, information on leisure travelers was also recollected. In an infinite population of travelers, 385 surveys must be collected to obtain a 5% error margin and a confidence level of 95%. In order to obtain a sample portion of 20% of leisure travel responses, responses that exceeded the 20% sample portion requirement were randomly deleted. As a result, the objective in the quantitative investigation was to obtain 308 surveys answered by business and corporate travelers, while the other 77 surveys were answered by leisure travelers. The market surveys would have a question structure derived from the results of the anterior qualitative investigation, and the pilot test for this part of the investigation was again done with the help of Mr. Rafael Mauricio Molina, without needing to change the original survey question forma, which can be appraised in

Annex 4. However, due to conditions imposed by the hotel San Fernando Plaza, question 11 (in surveys answered by leisure travelers) and question 14 (in surveys answered by business and corporate travelers), regarding affiliation towards hotel rewards programs, was deleted from the survey. Before conducting surveys at the hotel San Fernando Plaza, 260 surveys were collected; the other 120 were collected during the week allotted by the hotel and afterwards.

The objectives of the Market Projection were as follows:

- a) To identify and describe the characteristics of the hotel project's target market: The business and corporate (B&C) traveler;*
- b) To identify B&C travelers' main requirements when selecting a hotel and during their stay;*
- c) To obtain information on the B&C traveler's hotel brand preference in order to determine the project's hotel brand and type;*
- d) To identify possible commercialization and marketing strategies for the hotel project to employ;*
- e) To determine the hotel project's possible nightly rates;*
- f) To gather basic information on leisure travelers.*

2.1.2.3 Definition of commercialization strategy and plan

Consisted in applying the analysis of the results of the anterior market projection to the creation of marketing plan, including the total number of rooms, room mix, and other space considerations, along with the definition of services offered in the hotel; Determination of the appropriate promotional means for the hotel, along with the frequency, use, price and other characteristics of the selected promotional strategy.

2.1.2.4 Characterization of clients

Consisted in applying the analysis of the results of the anterior market projection to refining a final, detailed description of the consumer or customer that the hotel project will target, the motivators of purchase, consumer trends, among others.

2.2 TECHNICAL, LEGAL AND ENVIRONMENTAL STUDY.

2.2.1 Technical Analysis

The data recollection method for the Technical Analysis consisted mainly on expert consultations, the results of the previous sector and market study, and technical requirements established by COTELCO's and ICONTEC's NTS TS 002 and NTSH 006 technical norms for the hospitality industry in Colombia. In sum, the sector and market study, along with recommendations from the expert interview with Mr. Brian A. Plemmons (

ANNEX 7), president of Valley Hospitality (A Hotel and F&B Management company based in the state of Georgia, USA), determined that a franchised, limited-service, or select-service, 107-room Fairfield Inn and Suites hotel by Marriott was the first-choice option for the proposed project in this thesis paper. Based on the established requirements laid out by the NTSH 006 norm, fundamental technical considerations were identified in order to comply with the classification of the proposed hotel as a three-star hotel. Consequently, with the help of two professional civil engineers, Mrs. Liliana Roldán Giraldo and Mr. Germán Mira Yepes, basic layouts were designed for the hotel project, according to spatial considerations granted by the selection of a 625 m² terrain, which allowed a designated professional delineator to develop the hotel blueprints. Afterwards, the technology, equipment, workforce and main processes needed for the proper operation of the hotel were identified and detailed, founded on Mr. Brian A. Plemmons' recommendations and Marriott International's FDD (Franchise Disclosure Agreement) for Fairfield Inn and Suites franchisees (Annex 8). Furthermore, respective costs for start-up and operation began to be identified.

2.2.1.1 Definition of hotel size

Determination of the space in square meters that the property should occupy, depending on the established total number of rooms, room mix, and other spatial considerations; Analysis of projected demand vs. the installed capacity and unsatisfied demand (idle occupancy). In order to determine the hotel project's dependency sizes, Orsini Cuadrado's (2006) guide for the management and assembly of a hotel establishment and COTELCO's and ICONTEC's NTSH 006 technical norm for the requisites of pertaining to a one to five star classification were applied. Considering the limited, or select-service nature of the proposed hotel project, a mid-ranged classification of three stars was deemed ideal, since a Fairfield Inn and Suites hotel requires less services and installations. In general, information derived from the expert interview with Mr. Brian A. Plemmons (

ANNEX 7) allowed for the identification of required dependencies for the hotel project, while Orsini Cuadrado's (2006) guide, along with technical norm NTSH 006, allowed for the determination of minimum dependency sizes in pursuance of classifying as a three-star hotel.

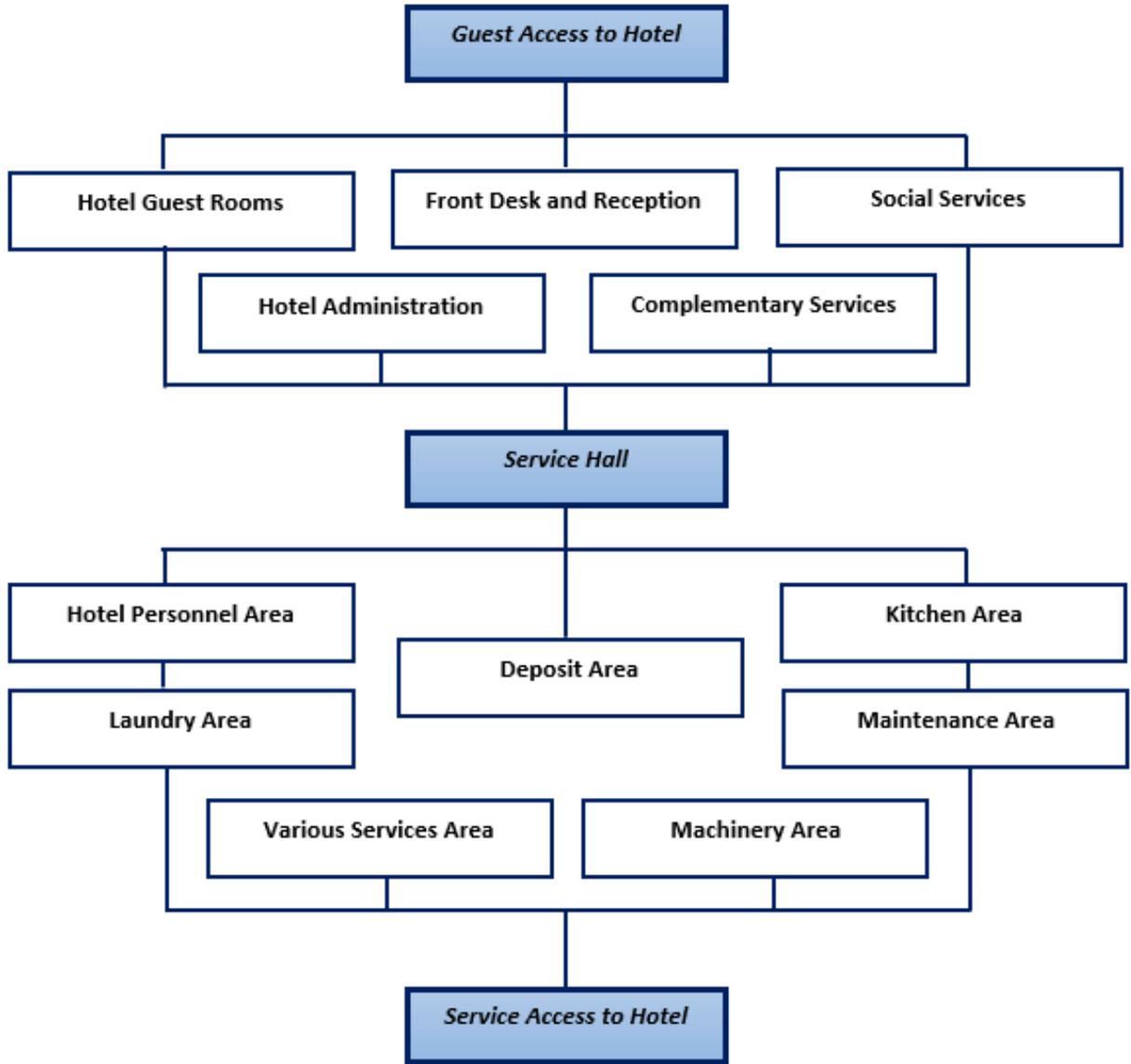
According to Orsini Cuadrado (2006), every type of hotel has two type of dependencies within the property establishment: external, or outside the property walls, and internal, or within the property walls. In sum, any hotel's main dependencies, subject to hotel characteristics, are as follow:

1. **Accessibility:** Corresponds to the arrival of guests and services (personnel, supplies and waste disposal), in other words, the parking area (parking lots, bays, loading and unloading areas).
2. **Front Desk and Reception:** Corresponds to hotel Reception with Front Desk counter and cashier, hotel lobby, reservations, luggage room, sound management, telephones, office of the Front Desk manager, Bell Service captain vestibule, public telephones and cabins, public restrooms (for men and women), and guest elevators and stairs.
3. **Administration:** Corresponds to the executive office hall, pertaining to the General Manager and assistant, Executive secretary, Human Resources director, Accounting and Finance director, Sales and Marketing director, Guest Relations manager, Housekeeping manager, and F&B manager. Includes a restroom for both sexes.
4. **Social Services:** Corresponds to restaurants, cafeterias, lounges, bars, and guest sitting areas. Includes a restroom for both sexes.
5. **General Services:** Corresponds to Personnel area (Employee lounge, dressing rooms for both sexes, and restrooms for both sexes), Purchasing Deposit area (Storage of dry and refrigerated foods and beverages, with the Purchasing manager's office), Kitchen area (restaurant kitchen, bakery and pastry, daily pantry, cold storage rooms, and employee kitchen), Laundry area (laundry deposit, uniform deposit, washing and drying machines), Machinery area (Machine room, electrical substation, auxiliary power plant, emergency power plant, electrical control room, and telephone control room), Maintenance area (Chief engineer office, maintenance workshops, and tool and furniture deposit), and Various Services Area (garbage rooms with waste treatment system: compactor, incinerator, or similar; general cleaning units and janitor room, service elevators and lifts, dumbwaiters, service and emergency stairs, fire emergency equipment storage, water storage and supply tanks room, and nursing and first aid office).

6. **Hotel Guest Rooms:** Guest floors with standard rooms, junior suites and other suites. Includes a service area for each floor.
7. **Complementary Services:** Corresponds to additional hotel services, depending on each case. For example, pools and wet zones, hairdresser, beauty salon, event and convention rooms, sports areas, among others.

The distribution of the aforementioned dependencies must be clearly differentiated, especially between those dependencies that interact with guests and those that interact only with hotel employees, as illustrated in Figure 1 below. Hotel guests should only navigate between the hotel guest room area, the hotel's front desk and reception, the social services area, the hotel administration, and any other complementary service. In case that they connect with hotel general service areas for employees only, a service hall must separate the two areas. Hotel general service areas for employees have their own corridors, staircases and elevators.

Figure 1: Typical Hotel Dependency Flowchart



Source: Orsini Cuadrado (2006)

Additionally, based on Orsini Cuadrado (2006), and on ICONTEC's NTSH 006 technical norms (2009), a minimum size requirement, in m², for each hotel dependency described above, depending on hotel category can be established (Refer to Table 2 below). Each dependency has an index, which is part of an added subtotal. Any supplementary services are added to the subtotal, circulation and walls are calculated as a percentage of the total, and finally, the total is multiplied by the hotel's room capacity to obtain the total size of the establishment, in m². Complementary services, such as pools, fitness centers, business centers and event rooms, are not taken into account in specific indexes, as they vary according to each hotel's consideration.

The accessibility area has no size index as it is typically an external area to the physical establishment; if the building itself houses the parking space, then it must be considered as a complementary service. Table 2 also shows the minimum parking spaces the hotel should have in order to pertain to a specific category.

Table 2: Minimum Hotel Dependency Size According to Hotel Category (m²)

Hotel Dependency	5 Star Hotel		4 Star Hotel		3 Star Hotel		2 Star Hotel		1 Star Hotel	
	(+)	(-)	(+)	(-)	(+)	(-)	(+)	(-)	(+)	(-)
Parking Spaces (% of Total Rooms)	25%	25%	20%	20%	15%	15%	N/A	N/A	N/A	N/A
Front Desk and Reception	2,29	1,78	2,18	1,67	1,95	1,44	1,33	0,97	1,03	0,8
Administration	2,19	1,47	2,19	1,47	1,74	1,23	1,43	0,93	1,16	0,78
Social Areas	5,3	5,07	5,2	4,77	4,75	3,58	3,62	2,74	3,24	2,5
General Services	11,17	8,28	11,17	8,09	8,57	7,12	5,61	5,31	4,65	4,46
Hotel Guest Rooms	29	29	29	29	22,45	22,45	19,25	19,25	18,25	18,25
Subtotal	49,95	45,6	49,74	45	39,46	35,82	31,24	29,2	28,33	26,79
Circulation and Walls (% of Subtotal)	20%	20%	20%	20%	18%	18%	16%	16%	15%	15%
Complementary Areas (Varies among Hotels)	0	0	0	0	0	0	0	0	0	0
Total Hotel Size (Multiply by Total Rooms)	59,94	54,72	59,688	54	46,563	42,268	36,238	33,872	32,58	30,809

Source: ICONTEC (2009; Orsini Cuadrado (2006)

Regarding the guest lodging area in the hotel, according to ICONTEC's NTSH 006 technical norms (2009), a hotel can have three types of guest rooms:

- A. **Standard Room:** Single room with one or two beds and one private bathroom.
- B. **Junior Suite:** Lodging unit consisting of a Standard Room and a separate lounge where more people can be accommodated in beds or sofa beds.
- C. **Suite:** Lodging unit consisting of two bedrooms with two private bathrooms, a reception room and corridor. Its maximum capacity must be for 6 people.

Depending on the property's category, ICONTEC's NTSH 006 technical norms (2009) establishes a minimum size for each type of hotel room, in square meters, as can be observed in Table 3.

Table 3: Minimum Hotel Room Size According to Hotel Category (m²)

Room Type	5 Star Hotel	4 Star Hotel	3 Star Hotel	2 Star Hotel	1 Star Hotel
Standard	29,00	29,00	22,45	19,25	18,25
Junior Suite	42,00	39,00	31,45	27,25	25,75
Suite	60,00	53,00	46,10	39,85	37,75

Source: (ICONTEC, 2009)

2.2.1.2 Definition of hotel location

Hotel location was selected by one main criteria: strategic situation. In other words, the Fairfield project had to be situated near Medellín's main business and financial district, in compliance with the conclusion obtained from the sector and market study that location relative to the B&C traveler's work destination was paramount for selecting the hotel they stay at. Despite the high cost of land in the area pertaining to "La Milla de Oro" (The Gold Mile), which covers most of the city's business and financial district, location at this area was clearly justified. The area was consequently canvassed for the availability of a terrain or property for sale that accounted for a space of minimum 500 m². Ultimately, an adequate property of 625 m² was found listed for sale on fincaraiz.com.co (Sales Code 3059981).

2.2.1.3 Definition of hotel inner distribution

The Fairfield project's basic, preliminary layouts were designed with the help of professional civil engineers Mrs. Liliana Roldán Giraldo and Mr. Germán Mira Yepes, according the established total number of rooms, room mix, and other spatial considerations previously set. Afterwards, the preliminary layouts were presented to a designated professional delineator, Plotter y Trámites C.M.A., to develop the preliminary hotel blueprints detailing the hotel's inner distribution and total area of construction, in m², required for the calculation of construction tariffs and fees in the Legal Study of this thesis paper.

2.2.1.4 Definition of hotel operation processes

Corresponded to the elaboration of a flow chart outline of the hotel value chain, including the hotel's strategic, core (primary), support and evaluation processes, according to Michael E. Porter's (2008) value chain model. The hotel's value chain processes helped in identifying workforce requirements for the Fairfield project's operation and expected income sources. The Fairfield project's operation processes were elaborated based on Mr. Brian A. Plemmons' information (

ANNEX 7) and the author's past work experience in a flagship Marriott hotel in the USA.

2.2.1.5 Definition of hotel workforce

Consisted in the detail of labor and hotel workforce inventory, according to the expert interview (

ANNEX 7), including job profiles and descriptions courtesy of information provided by Valley Hospitality, for the horizon of the project with their respective salaries and social benefits according to Colombian law (Article 145 of the CST – Código Sustancial del Trabajo) for the 2018 fiscal year, summarized in Table 4 below. In terms of applicable work hazards benefits (ARL – Administradora de Riesgos Laborales), Article 25 of Legislative Decree 1294 of 1994 determined a level two risk for employees in the hospitality industry. In the spirit of keeping up with Marriott International's habits of treating employees well and compensating them properly and generously, a salary policy to incentivize the workforce, and minimize turnover, was established. The hotel would pay its employees 0,3 more minimum salaries (SMMLV – Salario Mínimo Mensual Legal Vigente) than the market average, which was compiled during the sector study. For the calculation of the hotel's payroll costs, a single 30-day-month period, beginning on Monday and ending on Tuesday, containing two pay periods, between the 1st day and the 15th day and between the 16th day and the 30th day, was simulated for each required hotel employee, according to their specific work schedules. The company will pay biweekly, and the single-month simulation will provide a very precise estimation of the hotel's payroll costs, which may be slightly higher during the hotel's real operations, due to the fact that all festive periods in the year were not included in the simulation, as well as potential re-scheduling due to unexpected events and variable business needs. It can be estimated that the hotel's operative payroll cost may be between the calculated total and a 3% higher variation of the same. For detailed information involving the hotel's work schedules and payroll costs, refer to

Table 4: Salary and Social Benefits in Colombia 2018

Salary in Colombia 2018 - Article 145 CST			
Ordinary Day and Hour		Transport Assistance (Applicable up to 2 SMMLV)	
Minimum Monthly Salary - 48 h/week; 8 h/day	\$ 781.242	Monthly	\$ 88.211
Minimum Daily Salary	\$ 26.041	Sundays and Holidays	
Minimum Ordinary Hourly Salary (6 am - 8 pm)	\$ 3.255	Minimum Ordinary Hourly Salary (6 am - 8 pm)	\$ 5.697
Minimum Nocturnal Hourly Salary (9 pm - 6 am)	\$ 4.394	Minimum Nocturnal Hourly Salary (9 pm - 6 am)	\$ 6.836
Extra Daily Hours	\$ 4.069	Extra Daily Hours	\$ 6.510
Extra Nocturnal Hours	\$ 5.697	Extra Nocturnal Hours	\$ 8.138
Layoffs (Cesantías)		Legal Premium (Prima de Servicios)	
Monthly Provision	\$ 72.454	Monthly Provision	\$ 72.454
Layoffs Interest (Intereses de Cesantías)		Vacations (15 consecutive paid vacation days per year worked)	
Monthly Provision	\$ 8.695	Monthly Provision	\$ 32.552
Social Security (Seguridad Social)			
Health Benefits (Salud EPS)		Pension (Pensión)	
Monthly Provision	\$ 66.406	Monthly Provision	\$ 93.749
Occupational Hazards (Riesgos Profesionales ARL)		Compensation Fund (Caja de Compensación)	
Monthly Provision (Risk Level 1)	\$ 4.078	Monthly Provision	\$ 31.250
Monthly Provision (Risk Level 2)	\$ 8.156		
Parafiscals (Parafiscales)			
SENA (Exempt for companies with two or more employees)		ICBF (Exempt for companies with two or more employees)	
Monthly Provision	\$ 15.625	Monthly Provision	\$ 23.437

Source: Ministerio de Protección Social (2018)

2.2.1.6 Definition of hotel technology equipment

Involved the identification of hotel equipment and technology, necessary for operation, required by Marriott International in Item 11 of their FDD for Fairfield Inn and Suites franchisees (Annex 8). Moreover, their respective costs and periodical expenditures were also gathered in the FDD agreement, but were not listed in this numeral; instead, they would be detailed in the financial study of this thesis paper.

2.2.1.7 Definition of hotel initial investment items

Entailed the identification of elements required for the proposed hotel project's construction and start-up, based on Marriott International's design prototype for the respective system hotel in Item 7 of their FDD for Fairfield Inn and Suites franchisees (Annex 8). Moreover, their respective costs were also gathered in the FDD agreement, but were not listed in this numeral; instead, they would be detailed in the financial study of this thesis paper.

2.2.2 Legal Analysis

The data recollection method for the Legal Analysis was primarily through expert consultation with COTELCO's Antioquia-Chocó Chapter, supplemented by secondary data (investigation articles, news articles and government reports). In sum, through the direct relationship that was previously established with the COTELCO organization, all information required for the legal constitution of the company was obtained, and, in accordance with their expertise and advisory, emphasis was placed on COTELCO's and ICONTEC's NTS TS 002 and NTS 006 technical norms for the hospitality industry in Colombia. The fundamental objective of the Legal Analysis was to obtain a thorough understanding of the legal elements that surround and compromise the creation of a company to manage the hotel project proposed in this thesis paper, along with the applicable taxes and tariffs useful for the Financial Study of this thesis paper.

2.2.2.1 Definition of company society type

Corresponds to the description of the type of company to be established, explaining the reasons for its selection. For this thesis paper, the project is to be registered as a simplified corporation, known as S.A.S. (Sociedad Anónima Simplificada) in Colombian legislature, due to the legal facilities it entails (low costs and simple constitution and transformation procedures), and its flexibility in terms of corporate purpose. The established S.A.S. company, hereby named Medellín Hospitality S.A.S., will own and operate the proposed lodging establishment project.

2.2.2.2 Definition of company constitution expenses

Refers to the detail of the expenses required for setting up the S.A.S. company, as per local legislature. Medellín Chamber of Commerce information was utilized to describe the constitution process, and any related applicable tariffs.

2.2.2.3 Definition of additional legal certification expenses

Includes the elaboration of a Matrix of Applicable Legal Requirements, a table detailing every legal document, imposition or obligation that must be met by the aforementioned S.A.S. company and the proposed hotel project, courtesy of information and expertise provided by COTELCO's Antioquia - Chocó chapter (2017).

2.2.2.4 Definition of taxes and tariffs

Consisted in summarizing the respective taxes and fees that the company must pay to the local government and other agencies, in accordance with information supplied by COTELCO's Antioquia - Chocó chapter.

2.2.2.5 Analysis of intellectual property protection

Refers to the description of industrial property or copyrights registration that must be respected by the company, along with the types of brand registries that are necessary for the proposed hotel project, based on clauses and restrictions laid out in Item 13 and 14 of Marriott International's FDD for Fairfield Inn and Suites franchisees (Annex 8).

2.2.3 Environmental Analysis

The data recollection method for the Environmental Analysis was primarily through secondary data (investigation articles, news articles and government reports) and expert consultation with COTELCO's Antioquia-Chocó Chapter and Mr. Brian A. Plemmons, president of Valley Hospitality, and consultant to this thesis paper. In general, COTELCO's and ICONTEC's NTS TS 002 technical norm was studied to acquire a comprehensive understanding of environmental requirements applicable to the hotel project, assimilating COTELCO Antioquia-Chocó chapter's expertise and consultation. The primary objective of this secondary support study was to complement and strengthen the proposed hotel project's processes and differentiation factor during its operations by taking conscience in sustainable tourism and service through compliance with the country's technical norms for the hospitality sector.

2.2.3.1 Definition of environmental requirements

Corresponds to a detailed description of local environmental protection laws and requirements that the hotel must comply with, along with any additional environmental certificates that should be obtained, as demanded by COTELCO's and ICONTEC's NTS TS 002 technical norm.

2.2.3.2 Analysis of environmental impact

Includes the definition of any hazardous effects and impacts that the hotel project may have on the local environment and community, as established in the Technical, Environmental and Organizational interview with the expert consultant, Mr. Brian A. Plemmons, which can be viewed in detail in

ANNEX 7. The identification of the environmental impacts allowed for the elaboration of counteractive management measures to suppress and minimize the proposed hotel project's impacts on the environment during its daily operations, in pursuance of achieving sustainable tourism.

2.3 ORGANIZATIONAL STUDY.

The data recollection method for the Organizational Study consisted mainly in expert consultation with Mr. Brian A. Plemmons, by means of a personal interview, which can be visualized in detail in

ANNEX 7. Additionally, information from the Sector and Market Studies, Marriott International's FDD for Fairfield Inn and Suites franchisees (Annex 8), and the author's past work experience in a flagship Marriott hotel in the USA, complemented Mr. Brian A. Plemmons' recommendations. The quintessential objective of the Organizational Study was to describe the aforementioned S.A.S. company's corporate and administrative structure necessary to manage the proposed hotel project, along with administrative payroll salary costs, and the establishment of required operational expenditures.

2.3.2 Determination of executive and administrative personnel

Consisted in the detail of administrative personnel inventory, based on Mr. Brian A. Plemmons' recommendations in the Technical, Environmental and Organizational interview, for the project horizon with their respective salaries and social benefits according to Colombian law (Article 145 of the CST – Código Sustancial del Trabajo) for the 2018 fiscal year, as summarized in Table 4 above. Similar to the hotel's operative payroll calculation, administrative personnel would be paid 0,3 SMMLV more than the market average, as discovered in the Sector Analysis.

The main difference between the two personnel is derived from the nature of administrative personnel management positions, who will be granted a fixed salary and variable work schedule of 5 and a half days per week, Monday through to Saturday, subject to change based on business needs, a clause which will be installed in their respective contracts. For this reason, there was no need for the simulation of a single 30-day-month period with schedules, as the company's administrative personnel would earn a fixed salary, independently of their variable work schedules. For detailed information involving the hotel's administrative payroll costs, refer to

ANNEX 10.

2.3.3 Establishment of organizational structure

Includes the description and outline of the type of organizational structure to be implemented in the proposed hotel project, which, in this case, would require a divisional or departmental organizational structure, where two main departments are differentiated, each with their established positions, objectives and work force: A Rooms Department, and an Administrative Department. This type of organizational structure is explained by the hotel's different departments and areas, which necessitate defined and specific positions, knowledge and skills. The elaboration of the project's organizational structure was based on the author's past work experience in a flagship Marriott hotel in the USA.

2.3.4 Description of profiles and positions

Corresponds to the description of corporate and administrative profiles and positions required for the hotel's operation, courtesy of information provided by Mr. Brian A. Plemmons and Valley Hospitality, a Hotel and F&B Management Company based in the state of Georgia, USA, which can be regarded in detail in Annex 11.

2.3.5 Determination of operational expenditures

Entailed the identification of expenditures required for the proposed hotel project's day-to-day operations. The operational expenditures were determined with specifications based on Marriott International's design prototype for the respective system hotel in their FDD (Franchise Disclosure Agreement) for Fairfield Inn and Fairfield Inn and Suites franchisees, as can be observed with more detail in Item 6, Annex 8, and information provided by Mr. Brian A. Plemmons and Valley Hospitality. With Valley Hospitality's financial statements for similar, company-owned and managed hotels to the Fairfield Inn and Suites by Marriott Medellín, these expenditures were calculated on a percentage of revenue basis, as most of these expenditures increase as hotel occupation and operations grow. The financial statements provided by Mr. Brian A. Plemmons and Valley Hospitality were not annexed in this thesis paper in order to respect the company's confidential information. Moreover, their respective percentage and numerical values were not listed in this numeral; instead, they were detailed in the Financial Study of this thesis paper.

2.4 FINANCIAL STUDY.

The main objective of the Financial Study was to quantify information obtained from the previous Sector, Market, Technical, Legal, Environmental and Organizational Studies, transforming it into useful numeric and financial data to construct a project discounted Free Cash Flow model, and ultimately determine the proposed hotel project's financial feasibility, according to a profound analysis of Net Present Value (NPV) and Internal Rate of Return (IRR) values attained from simulations performed on the FCF model with specialized modeling and simulation software.

2.4.1 Calculation of Total Initial Investment

Taking into account Marriott International's FDD (Franchise Disclosure Agreement) for Fairfield Inn and Fairfield Inn and Suites franchisees, which can be observed with more detail in Item 7, Annex 8, and according to information from the Technical and Legal Study of this thesis paper, the Fairfield Inn and Suites by Marriott Medellín's construction and start-up would require an estimated initial investment between USD 10,360,675 (Approximately COL 29,000,000,000) and USD 12,160,665 (Approximately COL 34,000,000,000). Utilizing a specialized simulation software, Risk Simulator, a single simulation of 10,000 trials, with a Confidence Level of 95% and an Error Margin of 5%, was executed to determine the average total initial investment required for the Fairfield Inn and Suites by Marriott Medellín.

The elements constituting the initial investment were all modeled as a uniform distribution between the minimum and maximum value of the estimate range presented in Table 5 below, except the Building Construction, which was modeled as a triangular distribution between a minimum value, USD 6.848.000, a most probable value, USD 6.955.000, and a maximum value, USD 7.650.000. According to information provided via e-mail by Mr. Michael Leon Volko, the director of development for Marriott international in Colombia, the construction of a typical Fairfield Inn and Suites in the country should cost no more than USD 65.000 per guest room. As a 107-room hotel, the building construction will most likely cost around USD 6.955.000. As according to Marriott International's FDD for Fairfield Inn and Fairfield Inn and Suites franchisees, the construction of a typical system hotel would cost at least USD 64.000 per guest room, or USD 6.848.000 in the specific case of the proposed hotel project. Ultimately, the maximum cost of the building was calculated as a 10% additional contingency of the most probable cost (USD 6.955.000), totaling up to USD 7.650.000.

Regardless of the fact that a typical Fairfield Inn and Suites franchised hotel could cost up to almost 15 million (Item 7, Annex 8), the information compiled in this investigation allowed the possibility of narrowing the initial investment estimate range considerably in pursuance of finding the actual investment required.

Table 5: Fairfield Inn and Suites by Marriott Medellín Estimated Initial Investment Range

Type of Expenditure	Amount (USD)	
	Min.	Max.
<i>Initial Franchise Application Fee</i>	\$ 50.000	\$ 50.000
<i>Pre-Opening Training and Services</i>	\$ 22.685	\$ 39.770
<i>Pre-Opening Revenue Management Support</i>	\$ 3.000	\$ 3.500
<i>Property Technology</i>	\$ 51.000	\$ 76.500
<i>Cost of Land</i>	\$ 945.000	\$ 950.000
<i>Building Permit, Tap, and Impact Fees</i>	\$ 210.000	\$ 215.000
<i>Building Construction</i>	\$ 6.848.000	\$ 7.650.500
<i>Laundry and Kitchen Equipment</i>	\$ 96.300	\$ 160.500
<i>Furniture and Fixtures</i>	\$ 1.048.600	\$ 1.380.300
<i>Telephone System</i>	\$ 107.000	\$ 179.800
<i>Operating Supplies</i>	\$ 117.900	\$ 156.800
<i>Professional Design Services</i>	\$ 100.000	\$ 240.900
<i>Insurance</i>	\$ 21.000	\$ 80.000
<i>Start-up Costs</i>	\$ 117.700	\$ 181.900
<i>Hard Cost Contingencies (5% of hard costs)</i>	\$ 426.390	\$ 499.190
<i>Opening Advertising</i>	\$ 25.000	\$ 50.000
<i>Additional Funds (First 3 months)</i>	\$ 128.400	\$ 203.300
<i>Company Constitution Expenditures</i>	\$ 42.700	\$ 42.705
TOTAL INITIAL INVESTMENT RANGE	\$ 10.360.675	\$ 12.160.665

Source: Fairfield Inn and Fairfield Inn and Suites FDD (Annex 8); Own Elaboration.

2.4.2 Definition of Bank Loans and Debt

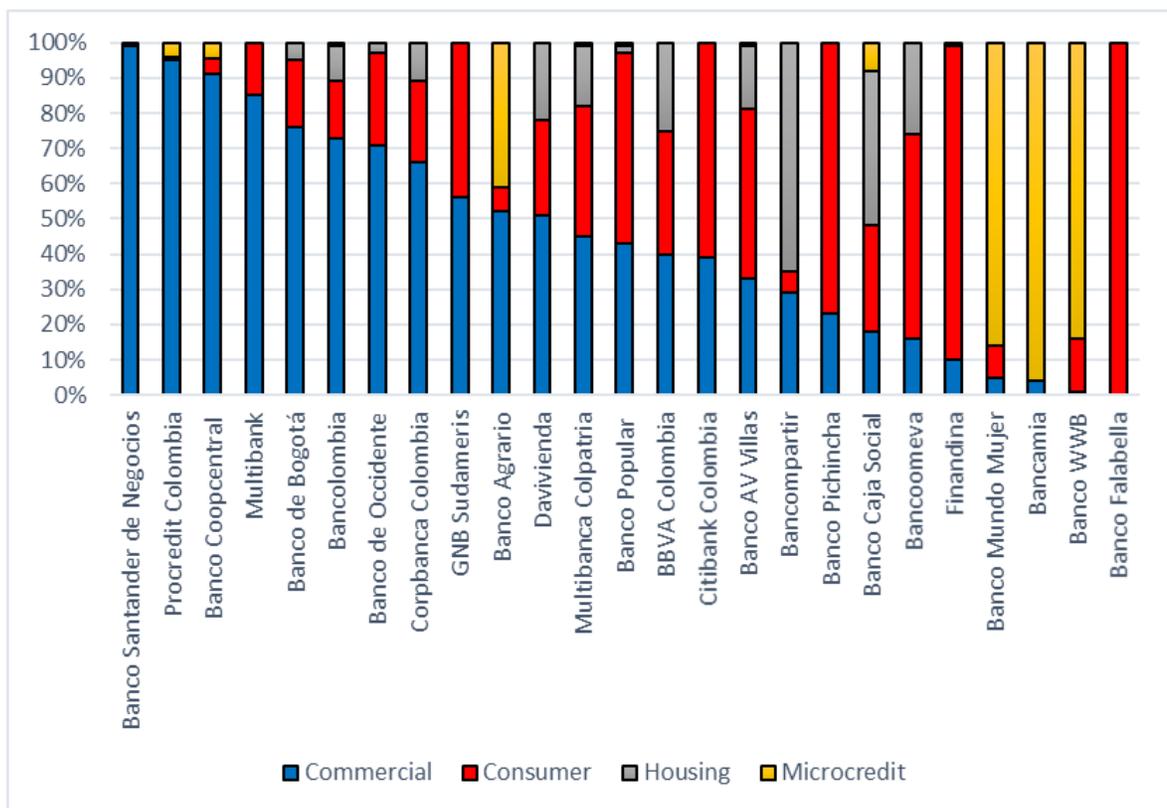
Detail of any bank loan(s) or debt(s) the company will obtain to finance the project, along with interest rates, quotas, period of debt and total debt, including interest, to pay.

As established in numeral 2.4.1, the Fairfield Inn and Suites by Marriott Medellín's construction and start-up requires an estimated initial investment between USD 10,360,675 (Approximately COL 29,000,000,000) and USD 12,160,665 (Approximately COL 34,000,000,000). Mr. Brian A. Plemmons' recommendations (Question 4,

ANNEX 7) implicates that Medellín Hospitality S.A.S. should search for two main investor partners with the financial muscle to fund at least 40% of the company's start-up costs between the two of them. As a result, the company's financial structure would be ideally composed of 40% equity and 60% debt. As a guideline, as established in the Legal and Organizational Study of this thesis paper, the minimum shareholder contributions were fixed at 40% of USD 15 million, the theoretical maximum cost of a Fairfield Inn and Suites project, with any exceeding costs to be financed with a line of credit.

As reported by Asobancaria's (2017) Typification Report of The Colombian Bank in 2016, as of December 2016, Colombian banks offer four main lines of credit within their portfolios: commercial credit, consumer credit, housing credit and microcredit. Due to the nature of the proposed commercial project, a commercial line of credit is required to finance the remaining 60% of the Fairfield Inn and Suites by Marriott Medellín's initial investment. Subsequently, the company must search for a bank that specializes in commercial credits. As stated in Asobancaria's (2017) report and summarized in Figure 2 below, Banco Santander de Negocios (99%), Procredit Colombia (95%), and Coopcentral (91%) are the financial entities in Colombia that offer the most commercial loans within their portfolio.

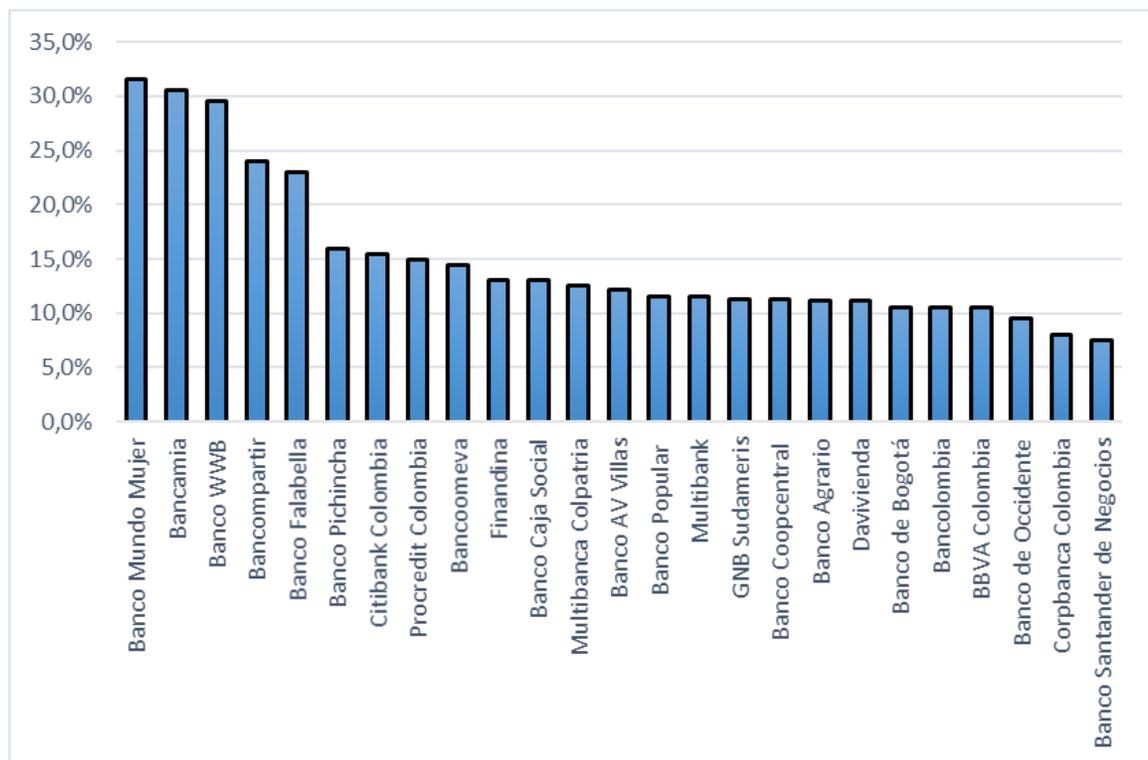
Figure 2: Portfolio Modality Participation by Financial Entity



Source: Asobancaria (2017)

Furthermore, in consonance with Asobancaria's (2017) report, Colombia's financial institutions manage variable interest rates, depending mainly on the bank's portfolio specialty. Figure 3 below displays that entities that specialize in riskier lines of credit, such as microcredits, manage high interest rates close to 30%. On the other hand, banks that specialize in large credit loans for commercial purposes, such as Banco Santander de Negocios and Banco Coopcentral, manage lower interest rates, anywhere from 8% to 12%, annually, with the market average for these types of credits being approximately 11,2%, annually.

Figure 3: Colombian Banks' Active Interest Rates



Source: Asobancaria (2017)

Taking into account the aforementioned information derived from Asobancaria's (2017) report, it is recommended that Medellín Hospitality S.A.S. acquire a long-term commercial loan from Colombia's most specialized bank in commercial loans: Banco Santander de Negocios. Additionally, this bank, designed specifically for providing corporate and business banking services, offers the lowest interest rates in the market (approximately 8%, annually). Nevertheless, the interest rate the company must pay for the commercial loan may be anywhere between 8% and 12%, annually, with a more probable rate of 11,2%, annually, which is the market average. Henceforth, a triangular distribution with these parameters was used to model the payable interest rate. Utilizing a specialized simulation software, Risk Simulator, a single simulation of 10,000 trials, with a Confidence Level of 95% and an Error Margin of 5%, was executed to determine the average interest rate applicable to the proposed hotel project.

Taking into consideration the fact that a typical Fairfield Inn and Suites hotel project should take approximately one year to build (Question 3,

ANNEX 7), it is recommended that Medellín Hospitality S.A.S. acquire two loans, each with the same interest rate; the first loan would be at Time 0, at the moment construction begins, and the second loan would be immediately after construction is finished, one year later. Shareholder contributions would be used in its entirety at Time 0, with any remaining start-up costs to be financed with debt, in order to finance the hotel's construction. It will be assumed that, after the hotel building is constructed, it should take little time to equip the hotel. Therefore, at the start of the first year of operations, the second loan would finance any additional start-up cost. Table 6 summarizes which investment element is financed by each loan and total shareholder contributions, and in what period.

Table 6: Fairfield Inn and Suites by Marriott Medellín Investment Period

Pre-Operational/Hotel Construction Year (Time 0)		Post-Construction Year (First Year of Operations)	
Investment Item	Finance Source	Investment Item	Finance Source
<i>Initial Franchise Application Fee</i>	<i>Shareholder Contributions + Loan 1</i>	<i>Pre-Opening Training and Services</i>	<i>Loan 2</i>
<i>Cost of Land</i>	<i>Shareholder Contributions + Loan 1</i>	<i>Pre-Opening Revenue Management Support</i>	<i>Loan 2</i>
<i>Building Permit, Tap, and Impact Fees</i>	<i>Shareholder Contributions + Loan 1</i>	<i>Property Technology</i>	<i>Loan 2</i>
<i>Building Construction</i>	<i>Shareholder Contributions + Loan 1</i>	<i>Laundry and Kitchen Equipment</i>	<i>Loan 2</i>
<i>Professional Design Services</i>	<i>Shareholder Contributions + Loan 1</i>	<i>Furniture and Fixtures</i>	<i>Loan 2</i>
<i>Insurance</i>	<i>Shareholder Contributions + Loan 1</i>	<i>Telephone System</i>	<i>Loan 2</i>

Company Constitution Expenditures	Shareholder Contributions + Loan 1	Operating Supplies	Loan 2
		Start-up Costs	Loan 2
		Hard Cost Contingencies (5% of hard costs)	Loan 2
		Opening Advertising	Loan 2
		Additional Funds (First 3 months)	Loan 2

Source: Own Elaboration.

In sum, Medellín Hospitality S.A.S. would finance the hotel project with USD 6 million in shareholder contributions (equity) and the remaining investment with long-term debt. The company would acquire two, 20-year commercial loans, with past-due constant payments, and an annual interest rate between 8% and 12%, modeled as a triangular distribution with a minimum parameter of 8%, a most probable parameter of 11,2% and a maximum parameter of 12%.

2.4.3 Calculation of Total Revenue, Expenditures and Net Operating Income (NOI)

Determination of Base-Case, Worst-Case and Best-Case Scenarios for total hotel Revenue, Expenditures and Net Operating Income (NOI) for the project horizon.

Capitalizing on information provided by the Sector and Market Study of this thesis paper, it was decided that the Fairfield Inn and Suites by Marriott Medellín, as a limited, or select-service, hotel, offer nightly rates between USD 60 (Approximately COL 170,000) and USD 75 (Approximately COL 210,000), not including sales tax payable by the guest. The nightly rate includes breakfast, which will therefore be complementary for guests every morning between 6 am and 9 am. For the simulation, the hotel's annual ADR was modeled as a triangular distribution between the minimum, average and maximum value of the range illustrated in Table 7 below.

Table 7: Fairfield Inn and Suites by Marriott Medellín Nightly Rates

USD (Taxes Not Included)			
Minimum	Average	Maximum	Distribution
\$ 60	\$ 68	\$ 75	Triangular
COL (Taxes Not Included)			
Minimum	Average	Maximum	Distribution
\$ 170.000	\$ 190.000	\$ 210.000	Triangular

Source: Sector and Market Study; Own Elaboration.

Also according to information obtained from the previous Sector and Market Study, it should be expected that the hotel averages between 55% and 65% occupancy levels during its first year of operation. Afterwards, as the hotel progressively adapts to sector and market requirements, the Fairfield Inn and Suites by Marriott Medellín should be able to attain hotel occupancy levels between 70% and 75%, which can be achieved through an adequate management of the commercial offers defined in the Market Study during low-occupancy in weekends and holidays.

It can also be expected that the Fairfield Inn and Suites by Marriott Medellín gradually improve occupancy levels with time, eventually reaching the ideal occupancy level of 75%, the main target, when alliances with companies and relationships with loyal guests are consolidated, and the portfolio of service packages to B&C travelers (and leisure travelers, to a smaller extent) in the hotel is optimized. Taking into account this scenario, occupancy levels should gradually improve, before reaching business maturity after 5 years of operations, where occupancy levels then stabilize between 65% and 75%, as depicted in Table 8. For simulation purposes, the hotel project's annual occupancy was modeled as a uniform distribution for each year of operation.

Table 8: Projected Annual Occupancy Levels (%) for Project Horizon

Year	Worst-Case	Base-Case	Best-Case
1	55%	60%	65%
2	59%	64%	69%
3	62%	67%	72%
4	64%	69%	74%
5	65%	70%	75%
6	65%	70%	75%
∞	65%	70%	75%

Source: Sector and Market Study; Own Elaboration.

In order to calculate the hotel's total room sales, it is necessary to multiply the ADR times the percent occupancy times the total number of rooms available in the year, or 107 rooms (which is the hotel capacity as established in the Technical Study) times 360 days, as the company will consider 12 monthly pay periods of 30 days each. As a result, based on the aforementioned ADR and occupancy projections, the Fairfield Inn and Suites by Marriott Medellín's Worst-Case, Base-Case and Best-Case total room sales scenarios for the project horizon are illustrated in Table 9.

Table 9: Projected Annual Room Revenue (COL\$) for Project Horizon

Year	Worst-Case	Base-Case	Best-Case
1	\$ 3.601.620.000	\$ 4.391.280.000	\$ 5.257.980.000
2	\$ 3.863.556.000	\$ 4.684.032.000	\$ 5.581.548.000
3	\$ 4.060.008.000	\$ 4.903.596.000	\$ 5.824.224.000
4	\$ 4.190.976.000	\$ 5.049.972.000	\$ 5.986.008.000
5	\$ 4.256.460.000	\$ 5.123.160.000	\$ 6.066.900.000
6	\$ 4.256.460.000	\$ 5.123.160.000	\$ 6.066.900.000
∞	\$ 4.256.460.000	\$ 5.123.160.000	\$ 6.066.900.000

Source: Own Elaboration.

Furthermore, room sales originate from reservations made by guests in different distribution channels, each with their associated costs. According to the Sector Study, there are five main distribution channels through which reservations are made: Central Reservations, Hotel Websites, OTAs (Online Travel Agencies), GDS (Global Distribution System) and Third Party Agencies. For the proposed hotel project, each channel will be managed as demanded by Marriott International.

Information obtained from the Sector Study suggests that the channels that represent the majority of hotel room sales are Central Reservations (40-50%), Hotel Websites (10-20%), and OTAs (Online Travel Agencies) (10-25%), totaling up to a little over 75% of the hotel's total room sales, on average. Lately, OTA sales have diminished and are expected to continue to weaken (refer to Figure 13 in the Sector Study), due to the strengthening of hotel direct channels, in retaliation to extremely high OTA commissions.

Marriott International is one of many large hotel brands to invest heavily in its own reservation channels and online websites, improving its content and reserve platform, and using it to offer special rates and packages (Best Guarantee Rate). Consequently, it should be expected that hotel websites amass more room sales than OTAs. Table 10 below illustrates how reservations made in the hotel's website (10-25%) should overtake reservations made in OTA channels (10-20%), at least by the third year of hotel operation.

For the simulation, the percentage of sales made through the Central Reservation, Hotel Website and OTA channels were modeled as a uniform distribution between their respective minimum and maximum values, since their maximum values will never exceed 100%. Sales made through GDS and Travel Agency channels were calculated as a proportional percentage of the remainder between 100% and the sum of the three other channels. Since the most expensive channel to operate is the OTA channel, the worst case scenario was considered to be the one where the maximum totality of sales made through OTA channels overtakes the minimum totality of sales made through Central Reservations and Hotel Websites (detailed in Table 10). Accordingly, Table 11 exhibits the corresponding cost for each channel, which were modeled as uniform distributions in the simulation.

Table 10: Channel Participation in the Fairfield Inn and Suites by Marriott Medellín Total Room Sales for the Project Horizon

<i>Year 1 - 2</i>			
Channel	Worst-Case	Base-Case	Best-Case
<i>Central Reservations</i>	40,0%	45,0%	50,0%
<i>Hotel Website</i>	10,0%	15,0%	20,0%
<i>OTA</i>	25,0%	17,5%	10,0%
<i>GDS (62,5% of the Remainder)</i>	15,6%	14,1%	12,5%
<i>Travel Agency (37,5% of the Remainder)</i>	9,4%	8,4%	7,5%
<i>Year 3 +</i>			
Channel	Worst-Case	Base-Case	Best-Case
<i>Central Reservations</i>	40,0%	45,0%	50,0%
<i>Hotel Website</i>	10,0%	17,5%	25,0%
<i>OTA</i>	20,0%	15,0%	10,0%
<i>GDS (62,5% of the Remainder)</i>	18,8%	14,1%	9,4%
<i>Travel Agency (37,5% of the Remainder)</i>	11,3%	8,4%	5,6%

Source: Sector Study.

Table 11: Reservation Channel Commission/Cost

Channel	Worst-Case	Base-Case	Best-Case
<i>Central Reservations</i>	5,0%	4,0%	3,0%
<i>Hotel Website</i>	5,0%	4,0%	3,0%
<i>OTA</i>	20,0%	19,0%	18,0%
<i>GDS</i>	8,0%	9,5%	8,0%
<i>Travel Agency</i>	10,0%	10,0%	10,0%

Source: Sector Study.

Finally, the Fairfield Inn and Suites by Marriott Medellín will generate a small percentage of additional revenue due to mini bar sales, conference room rentals, external room service commissions and guest dry-cleaning, which is to be outsourced. Based on the financial statements provided by Mr. Brian A. Plemmons and Valley Hospitality, this additional income represents an almost insignificant part of similar hotel's total revenue; between 0,5% and 0,75% of total room sales.

Nevertheless, as part of the proposed hotel project's commercial and marketing plan defined in the Market Study of this thesis paper, the rental of the Fairfield Inn and Suites by Marriott Medellín's two

conference rooms presents an alternative for B&C travelers, local organizations and companies to host events and meetings at the hotel. Therefore, as the hotel's alliances with companies and relationships with loyal guests are consolidated, and the portfolio of service packages to B&C travelers (and leisure travelers, to a smaller extent) in the hotel is optimized, event room rental sales should boost the hotel's additional revenue stream. Moreover, Medellín Hospitality S.A.S. could evaluate additional revenue source possibilities, such as the inclusion of gift shops in the hotel lobby, in order to obtain further income. In any case, room sales will always represent the majority of the hotel's sales. Henceforth, this thesis paper will not delve into other possible business ventures.

In sum, the Fairfield Inn and Suites by Marriott Medellín's additional income should still represent an almost insignificant percentage of total revenue. Table 12 below showcases the Worst-Case, Base-Case and Best-Case expected additional income growth scenarios for the hotel during the project horizon, modeled as uniform distributions for the financial simulation.

Table 12: Fairfield Inn and Suites by Marriott Medellín Additional Income for Project Horizon (% of Total Room Revenue)

Year	Worst-Case	Base-Case	Best-Case
1	0,50%	0,63%	0,75%
2 - 4	0,75%	0,88%	1,00%
5 +	1,00%	1,13%	1,25%

Source: Valley Hospitality; Own Elaboration.

Taking into account the above-mentioned room revenue, additional income and occupancy level Worst-Case, Base-Case and Best-Case scenarios, the Fairfield Inn and Suites by Marriott Medellín's total annual income can be projected, as illustrated by Table 13 below. In consequence, the simulation is limited by these established minimum and maximum ranges. It should be noted that, due to the precedence of room revenue over additional income, the proposed hotel project's total annual income is also directly influenced by its occupancy levels. As a result, as occupancy levels grow, the Fairfield Inn and Suites by Marriott Medellín's total annual income increases.

In terms of expenses, the hotel project's operational expenditure values, mostly on a percentage of sales basis, were calculated with financial information provided by Valley Hospitality and specifications obtained in Marriott International's FDD for respective Fairfield Inn and Suites franchisees, as established in the Organizational Study of this thesis paper, and were modeled as uniform distributions in the simulation, as shown in Table 14. Subsequently, Net Operating Income (NOI) can be calculated by subtracting total Expenditures from total Revenue, with Table 13 showcasing the respective Worst-Case, Base-Case and Best-Case scenarios.

Table 13: Projected Annual Total Revenue (COL\$), Expenditures (COL\$) and Net Operating Income - NOI (COL\$) for Project Horizon

Year	Worst-Case	Base-Case	Best-Case
TOTAL REVENUE			
1	\$ 3.619.628.100	\$ 4.418.725.500	\$ 5.297.414.850
2	\$ 3.892.532.670	\$ 4.725.017.280	\$ 5.637.363.480
3	\$ 4.090.458.060	\$ 4.946.502.465	\$ 5.882.466.240
4	\$ 4.222.408.320	\$ 5.094.159.255	\$ 6.045.868.080
5	\$ 4.299.024.600	\$ 5.180.795.550	\$ 6.142.736.250
6 +	\$ 4.299.024.600	\$ 5.180.795.550	\$ 6.142.736.250
EXPENDITURES			
1	\$ 2.628.254.588	\$ 2.813.323.554	\$ 2.961.660.656
2	\$ 2.749.480.779	\$ 2.936.908.975	\$ 3.085.060.634
3	\$ 2.819.474.907	\$ 3.008.983.589	\$ 3.158.300.736
4	\$ 2.878.211.272	\$ 3.068.743.411	\$ 3.217.825.438
5	\$ 2.910.564.297	\$ 3.102.085.938	\$ 3.251.534.307
6 +	\$ 2.910.564.297	\$ 3.102.085.938	\$ 3.251.534.307
NET OPERATING INCOME - NOI			
1	\$ 991.373.512	\$ 1.605.401.946	\$ 2.335.754.194
2	\$ 1.143.051.891	\$ 1.788.108.305	\$ 2.552.302.846
3	\$ 1.270.983.153	\$ 1.937.518.876	\$ 2.724.165.504
4	\$ 1.344.197.048	\$ 2.025.415.844	\$ 2.828.042.642
5	\$ 1.388.460.303	\$ 2.078.709.612	\$ 2.891.201.943
6 +	\$ 1.388.460.303	\$ 2.078.709.612	\$ 2.891.201.943

Source: Own Elaboration.

Table 14: Fairfield Inn and Suites by Marriott Medellín Expenditures

Expenditure	Best-Case	Base-Case	Worst-Case
PAYROLL EXPENDITURES (COL\$)			
Monthly Operative Payroll Costs (COL\$)	\$ 46.588.549	\$ 47.287.378	\$ 47.986.206
Monthly Administrative Payroll Costs (COL\$)	\$ 36.289.167	\$ 36.289.167	\$ 36.289.167
OPERATIONAL EXPENDITURES (% of Total Revenue/COL)			
Marriott Franchise Fees (Royalties) (% of Gross Room Sales)	5,50%	5,50%	5,50%
Reservation System (MARSHA) Fees (% of Gross Room Sales)			
% of Room Sales Booked Through Marriott Channels	3,0%	4,0%	5,0%
% of Total Gross Room Sales	0,8%	0,8%	0,8%
Third Party Reservation Commissions (% of Room Sales Booked Through Respective Channel)			
OTA Commissions	18,00%	19,00%	20,00%
GDS Commissions	8,00%	9,50%	11,00%
Travel Agency Commissions	10,00%	10,00%	10,00%
Marriott Marketing Fund (% of Gross Room Sales)	2,50%	2,50%	2,50%
Guest Loyalty Program Fee (% of Gross Room Sales)	1,85%	2,73%	3,60%
Credit Card Processing Fee	2,50%	2,60%	2,70%
Dues & Subscriptions	0,10%	0,13%	0,15%
Business Systems Maintenance Fees	0,59%	0,61%	0,62%
Advertising and Promotion	0,25%	0,28%	0,30%
Outside Third-Party Services	0,65%	0,70%	0,75%
Linen	0,68%	0,69%	0,70%
Guest Supplies and Amenities	0,93%	0,94%	0,95%
Breakfast Supplies	5,00%	5,10%	5,20%
Cleaning and Laundry Supplies	0,36%	0,40%	0,44%
Pool Maintenance	0,05%	0,08%	0,10%
Maintenance Supplies	0,40%	0,50%	0,60%
Building, Rooms and Equipment Maintenance	0,10%	0,15%	0,20%
Landscaping Maintenance	0,35%	0,38%	0,40%
Utilities - Electricity	3,30%	3,45%	3,60%
Utilities - Water	0,55%	0,65%	0,75%
Utilities - Phone	1,40%	1,45%	1,50%
Utilities - Gas	0,50%	0,53%	0,55%
Utilities - Waste Disposal and Garbage	0,90%	0,95%	1,00%
Utilities - Cable	0,75%	0,76%	0,76%
Administrative Cell Phones/Pagers	0,03%	0,04%	0,05%
Administrative Office Supplies	0,20%	0,21%	0,21%
Employee Uniforms	0,05%	0,06%	0,07%
Insurance - Guest and Employee	0,18%	0,19%	0,20%
Insurance - Property and Equipment	0,70%	0,73%	0,75%
Commercial/Merchant Registry Renovation(COL\$)	\$ 1.907.000	\$ 1.911.000	\$ 1.915.000
Copyrights (Sayco and Acinpro Payment)(COL\$)	\$ 2.200.000	\$ 2.200.000	\$ 2.200.000

Source: Fairfield Inn and Fairfield Inn and Suites FDD (Annex 8); Valley Hospitality

2.4.4 Calculation of hotel and equipment depreciation

Use of the Straight-Line Depreciation method to depreciate all physical structures, including buildings and tangible assets, and hotel equipment.

According to Article 137 of Colombia's National Tax Statute (*Estatuto Tributario Nacional*), the maximum depreciation rates for each type of depreciable asset, for income tax and complementary deduction purposes, are as follow:

Table 15: Depreciable Assets and Respective Depreciation Rates

Depreciable Asset	Annual Tax Depreciation Rate
BUILDINGS AND CONSTRUCTIONS	2,22%
AQUEDUCT, PLANT AND NETWORKS	2,50%
COMMUNICATION ARRAYS	2,50%
AIR FLEET AND EQUIPMENT	3,33%
RAILWAY FLEET AND EQUIPMENT	5,00%
MARINE FLEET AND EQUIPMENT	6,67%
ARMAMENT AND SURVEILLANCE EQUIPMENT	10%
ELECTRICAL EQUIPMENT	10%
LAND TRANSPORTATION FLEET AND EQUIPMENT	10%
MACHINERY AND EQUIPMENT	10%
FURNITURE AND FIXTURES	10%
SCIENTIFIC/MEDICAL EQUIPMENT	12,50%
CONTAINERS, PACKAGING AND TOOLING	20%
COMPUTER EQUIPMENT	20%
DATA PROCESSING NETWORKS	20%
COMMUNICATION EQUIPMENT	20%

Source: Estatuto Tributario Nacional (2018)

Specifically, the Fairfield Inn and Suites by Marriott Medellín assets subject to depreciation, taking into account the initial investment elements defined in numeral 2.4.1, are the following:

Table 16: Fairfield Inn and Suites by Marriott Medellín Depreciable Assets

Initial Investment Item	Type of Depreciable Asset	Assets to Depreciate	Annual Tax Depreciation Rate
Building Construction	<i>Buildings and Constructions</i>	<i>Hotel Building.</i>	2,22%
Property Technology	<i>Computer Equipment and Data Processing Networks</i>	<i>Refers to the technology required to operate the hotel, including Desktops, PMS/GPMS, MARSHA, One Yield and the other systems and networks detailed in Chapter 3's Table 34.</i>	20%
Laundry and Kitchen Equipment	<i>Machinery and Equipment</i>	<i>Includes laundry equipment (washers, dryers and rollers), kitchen equipment and guestroom appliances (AM/FM alarm clock radio, safety-deposit box, microwave oven, micro fridge, iron and ironing board, mini bar and coffeemaker).</i>	10%
Furniture and Fixtures	<i>Furniture and Fixtures</i>	<i>Takes into account public space furniture, seating and case goods, decorative and plug-in light fixtures, window treatments, carpet, vinyl wall coverings and other soft goods.</i>	10%
Telephone System	<i>Communication Equipment</i>	<i>Consists of the telephone, voicemail, and call accounting systems, along with the high-speed internet access equipment.</i>	20%
Operating Supplies	<i>Machinery and Equipment</i>	<i>Comprised of hotel inventory items, such as towels, linens, guestroom amenities, maintenance equipment (water storage equipment including boilers, heaters and pumps, and electrical substation and control room) and supplies, paper goods and uniforms.</i>	10%

Source: Estatuto Tributario Nacional (2018); Own Elaboration.

In addition to the Fairfield Inn and Suites by Marriott Medellín hotel's depreciable assets, certain re-investments in equipment and machinery is required for the project horizon. According to Mr. Brian A. Plemmons (Question 3,

ANNEX 7), the following reinvestments must be made in the hotel:

Table 17: Hotel Equipment Re-Investment Detail

<i>Renewable Asset</i>	<i>Periodicity</i>	<i>Cost</i>	<i>Salvage Value</i>
Soft Goods (Carpet and Wall Coverings)	6 years	20% of cost of Furniture and Fixtures Initial Investment Item.	20% of total re-investment cost.
Case Goods (Public and Guest Furniture)	10 years	40% of cost of Furniture and Fixtures Initial Investment Item.	
Machinery (Kitchen, Laundry, Guest and Maintenance Equipment)	15 years	Entire cost of Kitchen and Laundry Equipment Initial Investment Item.	

Source: Own Elaboration.

In the project Free Cash Flow (FCF) simulation, annual depreciation (excluding building depreciation), was saved as a provision for re-investments. This increase in fixed assets would allow for the possibility of already having the capital ready for re-investments as required, without the need of acquiring additional debt or shareholder contributions. The hotel building depreciation was not included in the provision for re-investments, as it is assumed that another new building will not replace the already existent one, while maintenance and repairs to the hotel structure is already considered as an operational expenditure.

2.4.5 Calculation of the Weighted Average Cost of Capital (WACC)

Calculation of the cost of debt, according to total debt and interest rates, and cost of equity, according to the CAPM (Capital Asset Pricing Model) method, in order to obtain the hotel project's total Cost of Capital (CK).

In order to find the project's Cost of Capital (CK), it is necessary to find the project's Cost of Equity (KE), which is calculated with the following formula, in accordance with the CAPM method:

$KE = KRF + \beta*(KM - KRF) + KCR + KP$, where:

KRF = Risk Free Rate of Return;

KM = Market Rate of Return;

β = Systematic Risk of the Asset;

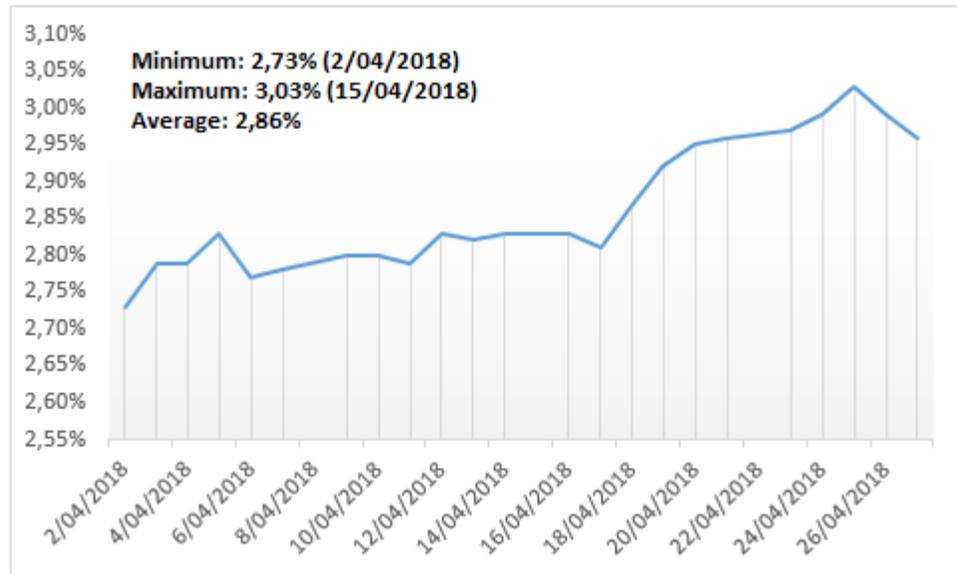
KCR = Country Risk Premium;

KP = Project Risk Premium.

Given that the calculation of the Systematic Risk of the Asset, or Leveraged Beta (**β**), depends on the unleveraged Beta (**β_u**) and on the capital structure of the asset; in other words, the percentage of debt and equity, which varies annually due to the decrease in debt percentage, the Cost of Capital (**CK**) is variable, along with the **β** . Nevertheless, the Risk Free Rate of Return (**KRF**), the Market Rate of Return (**KM**), the Unleveraged Beta (**β_u**), the Country Risk Premium (**KCR**) and the Project Risk Premium (**KP**) are assumed to remain constant for the calculation of the Cost of Capital (**CK**). Since the two loans previously defined in numeral 2.4.2 result in a 20-year-long debt, and assuming no additional debt will be acquired afterwards, the simulation considered a valuation horizon at year 22. After 21 years of operation, Medellín Hospitality S.A.S. will be comprised in its entirety of equity, since all debt would have been paid by then. At this moment, the Cost of Capital (**CK**) remains constant, therefore, the calculation of the horizon cash flow at year 22 will use the Cost of Capital (**CK**) pertaining to year 21. In sum, the Cost of Capital (**CK**) was calculated independently, according to the variation in the capital structure, for 21 years of operation.

First, the 10-year US treasury bond yield will be considered as the Risk Free Rate of Return (**KRF**), since the United States is a powerhouse economy expected to maintain its stability. According to Bloomberg Markets (2018), in the month of April of 2018, between the 2nd and 27th day of the month, the 10-year US treasury bond yield averaged 2.86%, closing on 2/04/2018 at a minimum 2.73% and on 15/04/2018 at a maximum of 3.03%, illustrated in Figure 4 underneath. As a result, **KRF** was fixed at 2.86%.

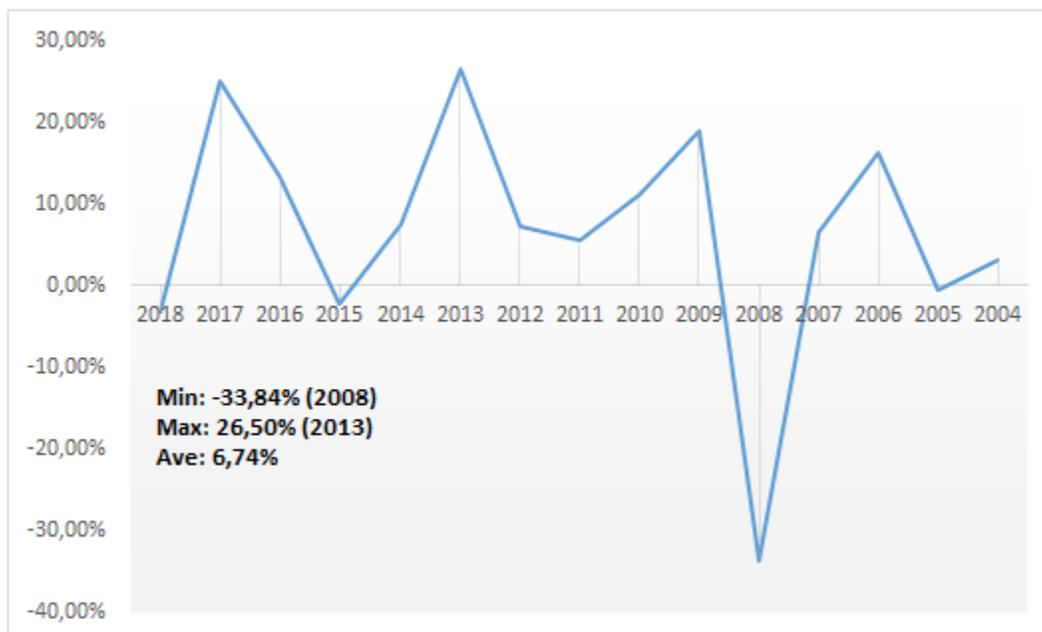
Figure 4: 10-year US Treasury Bond Yield – April of 2018



Source: Bloomberg Markets (2018)

Second, the annual profitability of the DOW Jones Industrial Average, the stock market index that shows how 30 large, publicly owned companies based in the United States have traded during a standard trading session in the stock market will be considered as the Market Rate of Return (**KM**). According to Bloomberg Markets (2018), the rate of return of the DJIA averaged 6.74% between 2004 and 2018, reaching a minimum of -33.84% during the financial crisis of 2008 and reaching a maximum of 26.50% in 2013, depicted in Figure 5. Thus, the **KM** was established at 6.74%.

Figure 5: Dow Jones Industrial Average Annual Rate of Return (2004-2018)



Source: Bloomberg Markets (2018)

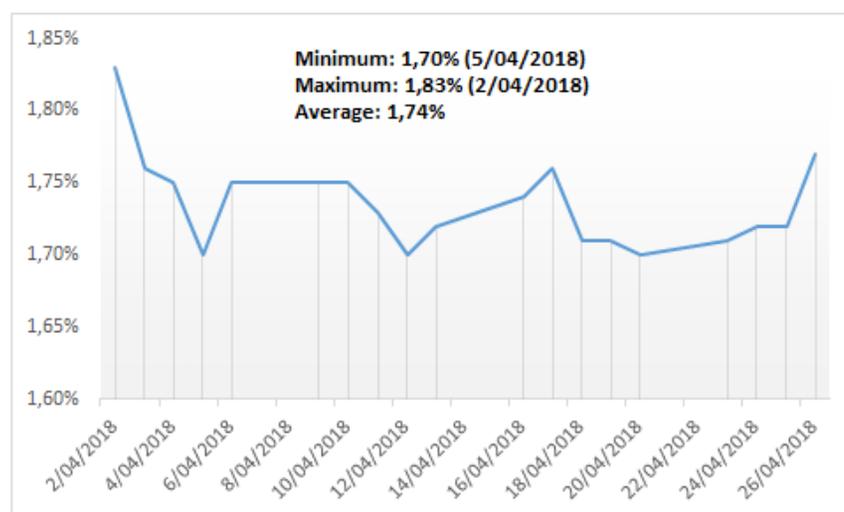
Third, as stated by NYU Stern (2018), as of 2018, the unlevered Beta (β_u) for the hospitality sector in the US market is 0,72. The leveraged Beta (β) can be obtained by using the following formula:

$$\beta = \beta_u * (1 + (Debt/Equity))$$

In consequence, the Unleveraged Beta (β_u) for the proposed hotel project was fixed at 0.72, while the Beta (β) remained variable, dependent on the change in capital structure (Debt to Equity).

Fourth, according to Ambito.com (2018) and elaborated by JP Morgan, Colombia's country risk premium (EMBI – Emerging Markets Bond Index) in the month of April of 2018, between the 2nd and 27th day of the month, averaged 1.74%, closing on 5/04/2018 at a minimum 1.70% and on 2/04/2018 at a maximum of 1.83%, illustrated in Figure 6 below. As a result, **KCR** was fixed at 1.74%.

Figure 6: Colombia Country Risk Premium (EMBI) – April of 2018



Source: Ambito.com (2018)

Finally, the Project Risk Premium (**KP**) was calculated with a valuation template elaborated by Bancolombia, one of the country's biggest financial entities. Through a series of factors evaluating the company's processes and characteristics, as described in Table 18, the **KP** was determined to be 0.87%.

Table 18: Project Risk Premium Calculation

Factor	Valuation	0	1	2	3	4
Company Size	2	Multinational	Very Large	Large	Medium	Small
Access to Equity Capital	2	Very Easy	Easy	Difficult	Very Difficult	Impossible
Access to Financial Capital	1	Very Easy	Easy	Difficult	Very Difficult	Impossible
Market Share	2	Monopoly	Oligopoly	Leader	Medium	Small
Level of Management	0	Very Prepared	Prepared	Medium	Slightly Inexperienced	Experimental
Dependence on Key Employees	1	Very Low	Low	Medium	High	Very High
Access to Publicity and Marketing Channels	0	Unlimited	High	Medium	Low	No Access
Flexibility of Room Reservations	0	Very Flexible	Flexible	Medium	Rigid	Very Rigid
Strength of Own Reservation Channels	1	Very Strong	Strong	Medium	Weak	Very Weak
Bargaining Power of Suppliers	1	Very Low	Low	Medium	High	Very High
Bargaining Power of Clients	2	Very Low	Low	Medium	High	Very High
Possibility of Economies of Scale	1	Very High	High	Medium	Low	Very Low
Access to Distribution Channels	0	Unlimited	High	Medium	Low	No Access
Integrated Information Management	0	Very Technified	Technified	Medium	Rudimentary	Very Rudimentary
Audit System	0	Permanent	Frequent	Occasionally	Rare	Non-Existent
Quality Control	0	Very Technified	Technified	Medium	Rudimentary	Very Rudimentary
Geographical Risk	0	Very Low Risk	Low Risk	Medium Risk	High Risk	Very High Risk
Sustainability Management	0	Very Technified	Technified	Medium	Rudimentary	Very Rudimentary
Maximum Premium						4,80%
Project Risk Premium						0,87%

Source: Grupo Bancolombia (2018)

Ultimately, the Cost of Capital (**CK**) was obtained through the following formula:

$$CK = (E / (D + E)) * KE + (D / (D + E)) * KD * (1 - T), \text{ where:}$$

E = Total Equity;

D = Total Debt;

KE = Cost of Equity;

KD = Cost of Debt;

T = Corporate Tax Rate.

The Cost of Debt (**KD**) is considered to be the loan's interest rate, while the Corporate Tax Rate (**T**) was fixed at 33%, given that the income tax and complementary rate in Colombia is 33%, according to the Legal Study. The proportion of Debt to Equity varies over time, influencing the Cost of Equity (**KE**), and eventually, the Cost of Capital (**CK**).

2.4.6 Creation of Worst-Case, Base-Case and Best-Case Project Free Cash Flow (FCF) Scenarios for 21 Years of Operation and Terminal Horizon at 22nd year of Operation; Sensitivity Analysis over Base-Case FCF

As established in numeral 2.4.5, the project Free Cash Flows would consider a terminal valuation horizon at year 22, after 21 years of operation when all debt is cancelled and the Cost of Capital (**CK**) remains constant. In this thesis paper, the proposed hotel project would be owned by a parent company, Medellín Hospitality S.A.S., that intends to manage the property as a long term investment, enough to at least recover the initial investment and create a sustainable profit over time. Therefore, company assets would not be liquidated at the end of the project horizon; instead, the 22nd year of operations was considered as the terminal horizon for the project's valuation. Additionally, Free Cash Flow at this time period was calculated as an average of Free Cash Flows from Year 0 to Year 21, and the Net Present Value (NPV) of Operational and Investor Free Cash Flows was evaluated. Utilizing the Cost of Capital (**CK**) calculation, the operational and investor cash flows were brought to present value and then added together to obtain the NPV from both an operational and an investor standpoint.

Before uncertainty was incorporated in the Free Cash Flow simulation, three deterministic models were created: A Worst-Case Scenario, a Base-Case Scenario, and a Best-Case Scenario. Each model was constructed with their respective Revenue and Expenditure case projections, while initial investments, debt (interest and deposit payments), shareholder contributions, cost of debt, depreciation and re-investments remained constant for all three models. The objective was to determine the effect of Revenue and Expenditures on the Operational and Investor NPV calculation. Table 19 below showcases the structure that was used to build the project Free Cash Flows for both the three deterministic models and the simulation model with uncertainty.

Finally, utilizing Analytic Solver Platform, a specialized modeling and simulation software, a Sensitivity, or What-If, Analysis over the Base-Case FCF scenario was performed to determine the main variables that the model's output, in this case, NPV, was most sensitive to. For this purpose, a Tornado Analysis was performed on both the Base-Case Operational NPV and Investor NPV.

Table 19: Project FCF Structure

Item
(+) Total Revenue
(-) Total Expenditures
(=) NET OPERATING INCOME (NOI)/EBITDA
<i>(-) Depreciation</i>
(=) EBIT - EARNINGS BEFORE INTEREST AND TAXES
<i>(-) Interest (Loan 1 & 2)</i>
(=) EBT - EARNINGS BEFORE TAXES
(-) Total Taxes
(=) NET INCOME - PROFIT/LOSS
<i>(+) Depreciation</i>
<i>(+) Salvage Value</i>
(=) GROSS CASH FLOW (GCF)
<i>(-) Investments</i>
<i>(-) Increase in Fixed Assets (Provision for Re-investments)</i>
<i>(+) Shareholder Contributions</i>
<i>(+) Bank Loans</i>
(=) FREE CASH FLOW (FCF) - Operation
<i>(-) Debt Obligations (Loan 1 & 2)</i>
(=) FREE CASH FLOW (FCF) - Investor
NET PRESENT VALUE (NPV): FCF - OPERATION
NET PRESENT VALUE (NPV): FCF - INVESTOR

Source: Own Elaboration.

2.4.7 First Project Free Cash Flow Simulation (Stochastic Model)

In order to determine the proposed hotel project's feasibility more accurately from an Operational and Investor point of view, uncertainty was added to the Base-Case deterministic FCF model. This new Stochastic FCF Model was limited by the inferior and superior constraints set by the Worst-Case FCF Model and the Best-Case FCF Model. The Stochastic FCF simulation modeled revenue components and operational expenditures using the probability distributions established in the previous numerals: ADR levels were modeled as triangular distributions between a minimum rate of COL\$ 170.000, a most probable rate of COL\$ 190.000 and a maximum rate of COL\$ 210.000, while Occupancy levels and Operational Expenditures were modeled as uniform distributions between their respective minimum and maximum values.

Similar to the deterministic models, the Stochastic FCF Model considered a project terminal horizon at the 22nd year of operations, while varying each of the other 21 years of operations' revenue and expenses independently and fixing the previously established initial investment (defined in 2.4.1), capital structure, debt and cost of debt (defined in 2.4.2), depreciation, re-investments and salvage value (defined in 2.4.4) and cost of capital projection (defined in 2.4.5). For the project FCF terminal value at year 22, each cash flow element was calculated as the average of the other 21-year operation cash flows.

Employing a specialized simulation software, Analytic Solver Platform, a single simulation of 5,000 trials, with a Confidence Level of 95% and an Error Margin of 5%, was executed to determine the feasibility of the Fairfield Inn and Suites hotel project by analyzing two main financial indicators: Net Present Value (NPV) and Internal Rate of Return (IRR), both from an Operational and Investor standpoint. Microsoft Excel's built-in formula for computing IRR was applied on the Present Value of the Operational and Investor cash flows.

2.4.8 Second Project Free Cash Flow Simulation (Stochastic Model)

After analyzing the simulation results, specific changes were made to the Stochastic FCF Model in accordance to recommendations derived from the Sensitivity Analysis performed in numeral 2.4.6, in order to run a second 5,000-trial simulation with Analytic Solver Platform, and compare results between the two simulations and draw final conclusions of investment. Refer to Annex 15 to observe the changes made to the Stochastic FCF model for the second simulation, detailed below.

Results obtained from the anterior simulation deemed the project viable from an operational perspective, but not from an investor one. Thus, the next step was to determine which changes needed to be made in the Stochastic FCF Model in order for the Fairfield Inn and Suites by Marriott Medellín hotel project to become financially feasible from not only an Operational perspective, but also from an Investor standpoint. Conclusions derived from the Sensitivity Analysis in numeral 3.4.5 (Chapter 3) included paying close attention to Revenue Management, Cost Management, and Capital Funding. Aside from the uncontrollable market assumptions such as the Unleveraged Beta – β_u and the Market Rate of Return – K_M , Medellín Hospitality S.A.S. has the possibility of controlling Revenue, Expense and Capital Funding variables. According to the Tornado Analysis performed on the operational and investor NPV, the parameters that influenced the output the most were Revenue (ADR and long-term Occupancy forecasts), Initial Investment costs (specifically, the building construction and its posterior furnishing) and lastly, Expenditures (particularly payroll costs).

Due to the traditional unpredictability of market changes in the hospitality sector, it was decided that the second simulation should not consider changes in the original revenue projection, as it is the most difficult forecast to assert. Additionally, Net Operating Income is considerably high (almost 40% on average - Figure 78 in the corresponding numeral in Chapter 3), which suggests that the infeasibility of the hotel project does not originate from revenue stream. NPV output is less sensitive to Expenses, chiefly operative and administrative wages and benefits, than it is to Capital Funding, especially the elevated initial investment and the expensive cost of debt (10.40% interest, annually). Furthermore, results obtained from both the deterministic and stochastic FCF models suggest that investor cash flows are negative due to the immense interest and deposit payments originating from the two loans to finance almost 50% of the company's start-up, with the bank consuming all operational profit.

Henceforth, the most logical decision was to change the company's capital structure by acquiring more shareholder contributions and guarantee a debt to equity ratio of 35% to 65%. In addition, it was assumed that the project could acquire a less expensive cost of debt, considering that the Fairfield Inn and Suites by Marriott Medellín would be backed by a substantial financial muscle, offering more assurances to the bank that the project would be well-funded. For the second simulation, an annual interest rate of 9% was supposed. Finally, due to the elevated initial investment, the most sensitive variable in the investor NPV (Refer to Figure 77 in the respective numeral in Chapter 3), it was presumed that the Fairfield Inn and Suites by Marriott Medellín hotel project could be elaborated with USD 10.595.611, (COL\$ 29.575.529.251, with an exchange rate of COL\$ 2.791 for 1 USD, as of April 4, 2018), which is the minimum initial investment amount produced by the simulation performed in numeral 3.4.1. The probability that the required amount is less than USD 11 million is much more than the probability of it being more than USD 11.5 million (26.06% vs 7.93%), therefore, for the second FCF simulation, it was considered that it was possible to minimize the project's required investment by employing cost-effective project management, minimizing construction and furnishing costs without losing structure quality.

The reconsideration of company capital structure to become 35% debt and 65% equity implied a change in the two bank loans defined in numeral 2.4.2. With a new initial investment of USD 10.595.611 (COL\$ 30.311.989.258), shareholder contributions were originally set at USD 6.795.328 (COL\$ 18.967.800.000) to finance the rest of the investment with debt at 9% annual interest. This time, however, instead of obtaining more debt to cover interest and deposit payments during the pre-operational year, a total of USD 7.059.170 (COL\$ 19.704.260.007) shareholder contributions was obtained, resulting in a necessary debt of COL\$ 10.607.729.251 and a capital structure of 35% debt and 65% equity to finance the new required initial investment of COL\$ 30.311.989.258. For the construction of the hotel at time 0, COL\$ 23.228.228.623 was required; similarly, for the furnishing of the hotel before the first year of operations, COL\$ 6.347.300.628 was needed. COL\$ 18.704.260.007 of equity was invested in time 0, and the remaining COL\$ 1.000.000.000 was used before year one of operations. In effect, two 20-year constant payment, commercial loans at 9% interest, annually, were acquired: COL\$ 5.260.428.623 at time 0 and COL\$ 5.347.300.628 to partially fund the hotel's start-up.

2.4.9 Analysis of Results and Final Recommendation of Investment

In the Financial Study's final numeral, based on a thorough analysis of the NPV, IRR and Cost of Capital (CK) values obtained from the two simulations performed on the Stochastic FCF Model, a final recommendation of investment in the Fairfield Inn and Suites by Marriott Medellín was detailed. The analysis of the financial indicators involved determining whether the NPV implies a significant and positive financial profit for investors, and whether the IRR is higher than the minimum percentage of return demanded by the Cost of Capital (CK). The final recommendation of investment included tips for potential investors venturing in the hospitality sector in Medellín with an ambitious project such as the one proposed in this thesis paper, and advice for managing the hotel to world-class standards and generating substantial profits for shareholders.

3 PRESENTATION AND DISCUSSION OF RESULTS

3.1 SECTOR AND MARKET STUDY.

3.1.1 Sector Analysis

3.1.1.1 Identification and analysis of the sector and subsector

General Analysis of the Hospitality Sector in Colombia

The project proposed in this paper will be a hotel establishment dedicated to the provision of services, classifying it in the tertiary or service sector, since the hotel carries out activities that do not produce any type of merchandise but contributes financially to the economy of a country. In Colombia, any activity that results in the accommodation of people in hotels, hostels and aparthotels is identified by ISIC (International Standard Industrial Classification of all Economic Activities) code 5511, or CIUU (Clasificación Industrial Internacional Uniforme de todas las actividades económicas) code 5511, as it is known in Colombian legislature, according to the DANE (Departamento Administrativo Nacional de Estadística).

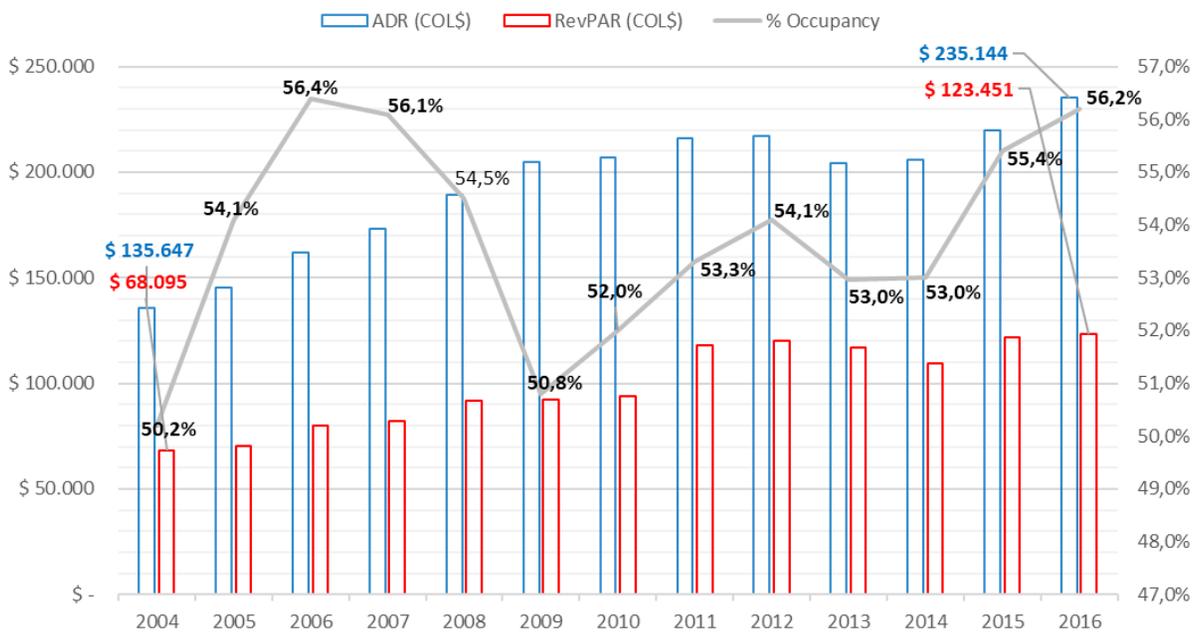
Colombia, in recent years, has experienced a strengthening and stabilization of the economy that has allowed for not only a boost in the development of business and investment activities, but also to promote the arrival of foreign tourists in recent years, increasing the interest of companies in the hospitality sector in Colombia to expand its hotel offer. According to Gustavo Adolfo Toro, executive president of the Hotel and Tourism Association of Colombia (COTELCO), between January 2003 and November 2016, 43,653 new hotel rooms have been put into operation, with an investment of US\$4.7 billion, and 26,091 have been remodeled, with an investment of US\$0.6 billion (El Espectador, 2016). Clearly, the hospitality sector is proving to be a very attractive local and foreign investment option, with annual growth being recorded since 2003.

Today, the tourism and hospitality industry accounts for 60% of service exports in Colombia and generates one out of every 12 jobs in the local population. In effect, Colombia has exhibited notable growth potential in the industry since 2009, as noted at the SAHIC (South American Hotel & Tourism Investment Conference) conference in September 2010, with new hotels, cruise ships, and attractions opening monthly. The primary factors that spark the hotel boom in the country include improved safety indicators, legal and political stability, robust economic growth, and a young workforce (with 5,200 graduates in tourism-related careers from 2001 to 2009). Additionally, a large increase in foreign visitors (totaling 3.7 million in 2013), including a sizeable number of business travelers, not just for leisure, was recorded in the country. Lastly, above all, the 30-year income tax exemption for lodging services provided in new, refurbished or expanded hotels in projects registered before December 31, 2017 was paramount in incentivizing entrepreneurs to invest in the sector (Article 4 of Decree 2755 of 2003, modified by Decree 920 of 2009) (Portafolio Negocios, 2014). With the tax exemption law having ended in December 31 of 2017, the question of whether or not there will be continued growth in the sector is yet to be answered. This thesis will determine whether or not it is feasible to invest in a new hotel, focused on business and corporate travelers, without the incentive of Article 4 of Decree 2755 of 2003, modified by Decree 920 of 2009.

Specifically, according to reports from COTELCO, the hospitality sector in Colombia has consolidated an average occupancy level of 53,8%, an ADR (Average Daily Rate) of COL\$193.504, and a RevPAR (Revenue Per Available Room) of COL\$99.042, which implies each individual hotel room creates COL\$99.042 of revenue for the hotel, given occupancy levels of approximately 54%, over the last 13 years between 2004 and 2016.

Occupancy levels are on the rise, showing clear signs of recuperation from the 2008 financial crisis that deeply affected the sector. The ADR, in current Colombian pesos, has experienced a very close growth to that of the country's annual inflation, which has allowed the sector to maintain competitiveness with other regions in the country. On the other hand, the RevPAR's growth is consistent with the occupancy levels and ADR, albeit it tends to maintain stable, due to the increase in competition, obliging hotels to reduce ADR levels in order to increase occupancy levels (COTELCO, 2016). The behavior of these variables can be observed in Figure 7 below.

Figure 7: Percent Occupancy, ADR and RevPAR (Colombia 2004 – 2016)

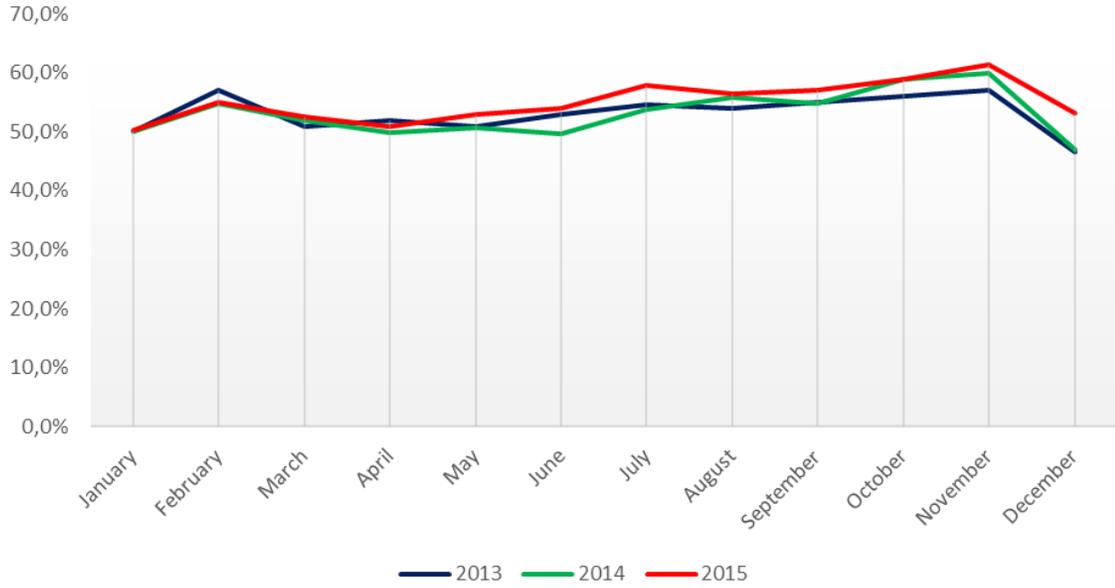


Source: COTELCO (2016)

Further analyzing hotel occupancy levels in the country, per month, it can be inferred that they are mainly stationary, showing little variation between the years' months. In Figure 8 below, it can be appraised that October and November of the year 2015 had the highest occupancy levels, 58,87% and 61,44%, respectively, that the month of July presents the highest percent variation, 5,08% between 2014 and 2015 (COTELCO, 2016), and that the month with the lowest occupancy levels is December.

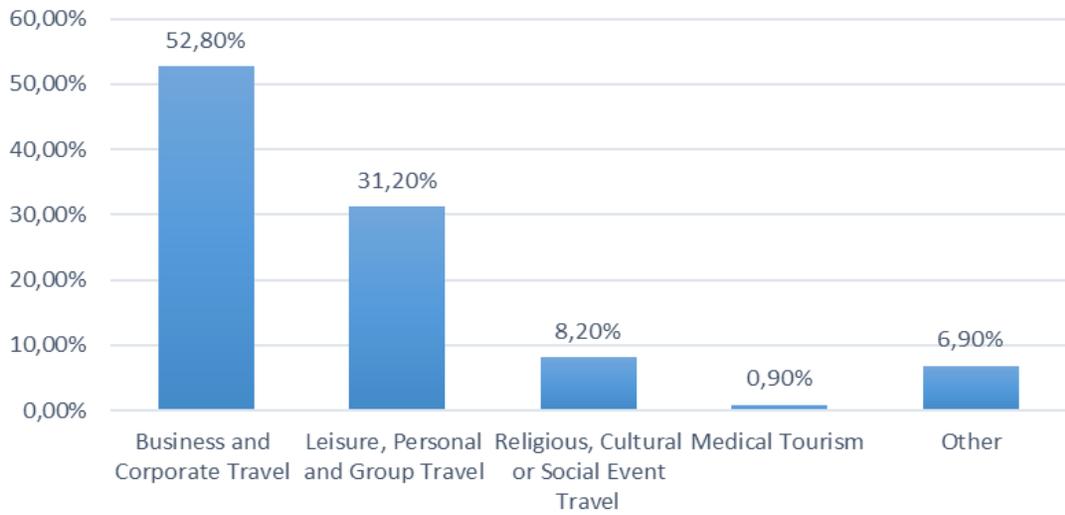
This behavior can be explained due to the fact that, in Colombia, the business and corporate event travel market is bigger than the personal and leisure travel market, with the former consisting of approximately 50% of the motive of travel within and to the nation, as can be seen in Figure 9. When the business and corporate travel market is in low season during the holidays, hotel occupancy levels in the country fall, especially in December.

Figure 8: Monthly % Occupancy (Colombia 2013 – 2015)



Source: COTELCO (2016); COTELCO (2015)

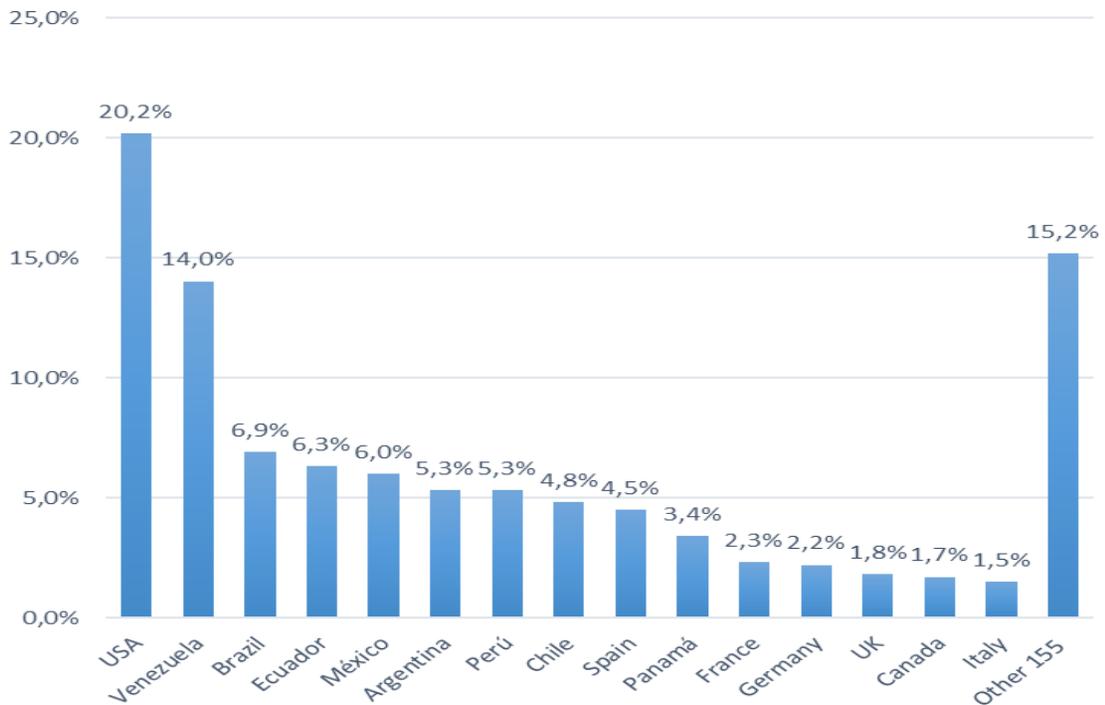
Figure 9: Distribution of Travel Motives in Colombia



Source: COTELCO (2016)

Also according to reports from COTELCO (2016), approximately 64% of guests at hotels are of domestic origin, while the other 36% is of foreign origin. In 2016, 2'698.301 foreigners entered the country. Of the international arrivals, around 18,5% of the guests are from the United States, followed by Venezuela (14%) and Brazil, who represent the largest amount of visitors from Latin America, accounting for 6,9%. Even though the country is strengthening itself as a main tourist destination for other Latin American countries, relationships with European and Asian countries are still not as strong (COTELCO Capítulo Antioquia - Chocó, 2017).

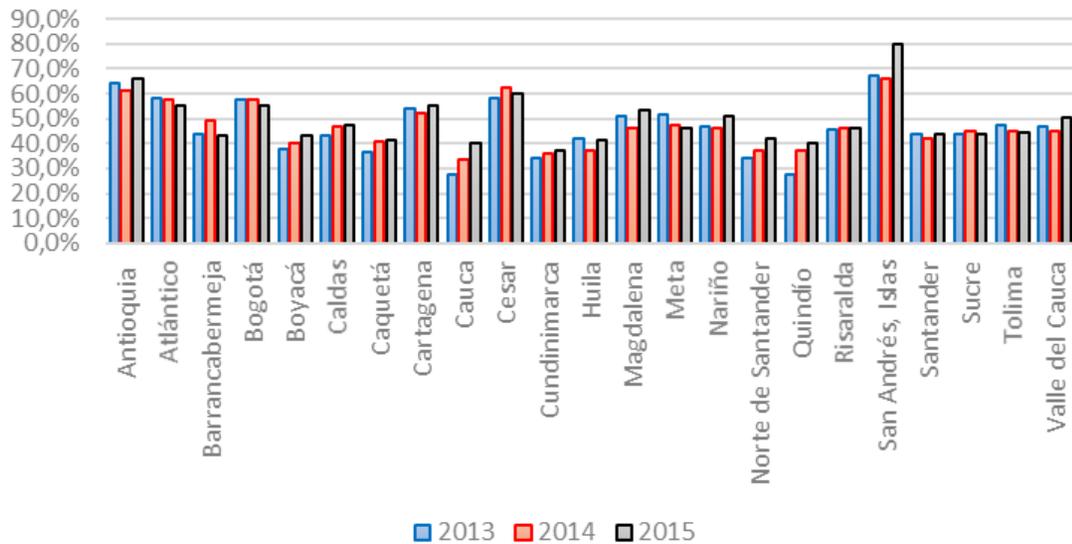
Figure 10: Foreign Hotel Guest Origin



Source: (COTELCO Capítulo Antioquia - Chocó, 2017)

In terms of individual department occupancy levels, Antioquia, home to Medellín and capital of Antioquia, has outperformed every other department except San Andrés Islas, the most popular tourist destination in Colombia, strategically located in the Caribbean, including the major metropolitan nation capital, Bogotá. Over the past years, Antioquia has managed to obtain outstanding occupancy levels over 60%, ideal for hotel operation, as can be observed in Figure 11.

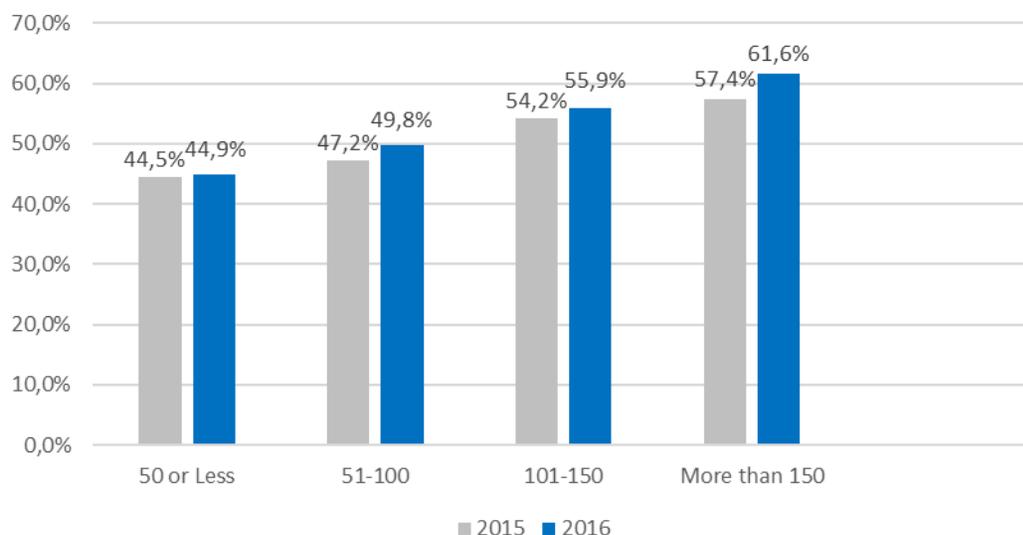
Figure 11: Occupancy Levels per Department, 2013 – 2015



Source: COTELCO (2016); COTELCO (2015)

Hotel occupancy levels in Colombia can also be affected by the number of rooms the lodging establishment has. Typically, the bigger the establishment, the higher its occupancy, given its recognized brand or name and its ability to attract more guests by a more effective use of hotel channels. Larger hotels usually are backed financially by a large hotel chain company or an affluent investor, which can allow for a higher investment in the property, and therefore, the creation of more rooms. According to the DANE (2017), lodging establishments that have 100 or more rooms can surpass the 50% occupancy level more easily than lodging establishments with less than 100 rooms. Establishments that contain less than 50 rooms can hardly surpass the 40% occupancy mark, which can make it very difficult for the establishment to produce a profit. As evidenced in Figure 12, there is very little variation between 2015 and 2016's occupancy levels according to number of hotel rooms, which suggests the importance of attempting to reach, at least, the 100 room mark for lodging establishments.

Figure 12: Hotel Occupancy According to Number of Rooms



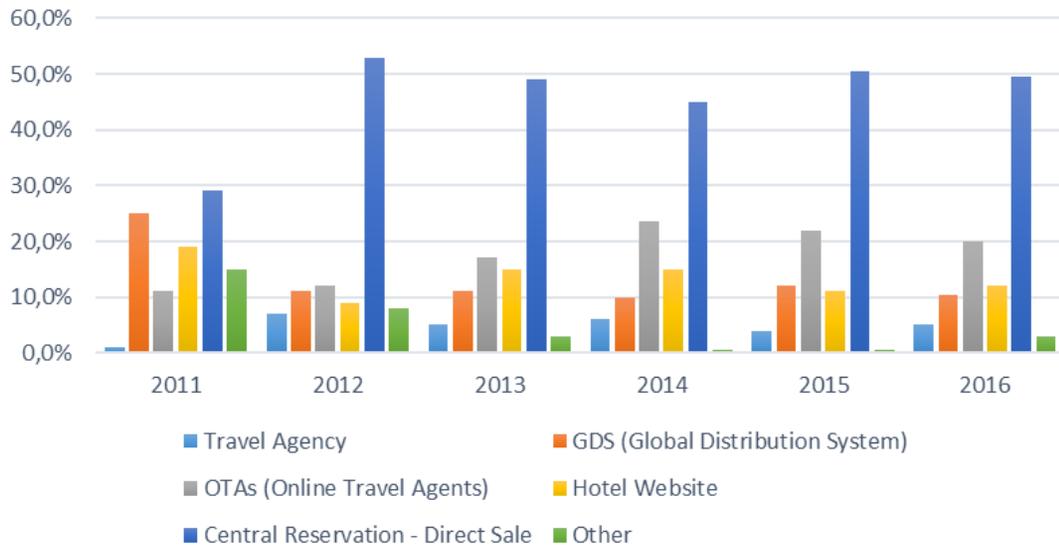
Source: DANE (2017)

Hotel Reservation Channels in the Sector

Furthermore, in Colombia, lodging establishments have had to employ several strategies to capture reservations as a response to globalization and high competition from international markets, particularly through five main channels: Central Reservations, Hotel Websites, OTAs (Online Travel Agencies), GDS (Global Distribution System) and Third Party Travel Agencies. According to a survey performed by Cárdenas Becerra (2017), in alliance with COTELCO, the channel with the most participation in hotel sales over the years, between 2011 and 2016, is through the hotel's Central Reservation, in other words, a direct sale, averaging between 45% and 50% of the hotel's total revenue stream, except in 2011, when it only had a participation of 29%. (Cárdenas Becerra, 2017)

The direct sale channel is the most important source of income for hotels, although OTAs have experienced a significant growth in hotels' incomes. Starting with a slim participation of 11%, OTAs have recently represented close to 25% of hotels' income, albeit between 2014 and 2016, OTAs have seen their participation drop from 24% to 20%, as can be observed in Figure 13. Travel agencies and GDS channels, on the other hand, have maintained constant participations between 5% to 6% and 10% to 12%, respectively. Finally, Hotel Websites have had more volatile participation, averaging as little as 9% and as much as 19% between 2011 and 2016. Summarizing, the channels with the most participation in hotel income are Central Reservation (46% on average) and OTAs (18% on average), followed by Hotel Website and GDS channels (13% on average for both). The channels with the least participation in hotel income are Travel Agencies and Other Channels, such as airlines and other travel packages, with a mere 5% participation on average. (Cárdenas Becerra, 2017)

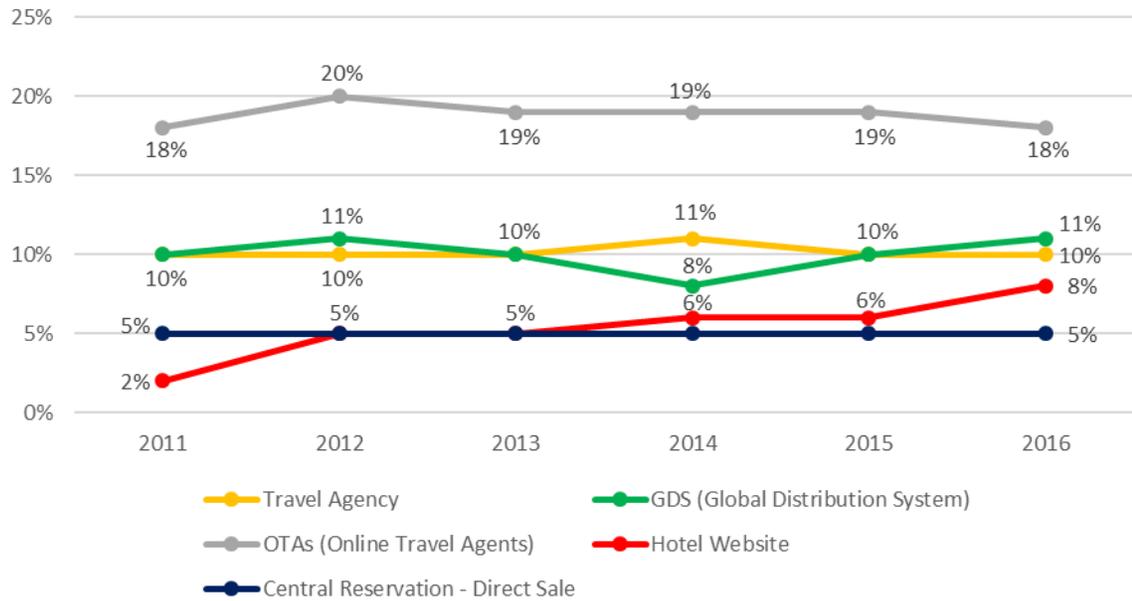
Figure 13: % Participation of Channel in Total Hotel Sales



Source: Cárdenas Becerra (2017)

As shown in Figure 14, lodging establishments focus on Central Reservation channels as it is the cheapest channel to operate, representing an average 5% cost. Analogically, the most expensive channel to operate are through OTAs, who charge on commission anywhere between 18% and 20% on average; with their commissions expected to continue to grow in the near future. As a result, hotels have responded by developing direct channels, such as Hotel Websites and Central Reservations, in order to depend less on OTA sales, evidenced by the drop in OTA participation in hotel income between 2014 and 2016 (See Figure 13 above). It is recommended that hotels invest in their online websites, improving its content and reserve platform, using it to offer special rates and packages (Best Guarantee Rate). Websites, with their low 5% average cost, are ideal channels for capturing more sales. Finally, GDS channels and Travel Agencies have maintained constant costs through the years, averaging between 8% and 10%. (Cárdenas Becerra, 2017)

Figure 14: Hotel Channel Cost/Commission (% of Rate)



Source: Cárdenas Becerra (2017)

Analysis of the Hospitality Sector in Medellín

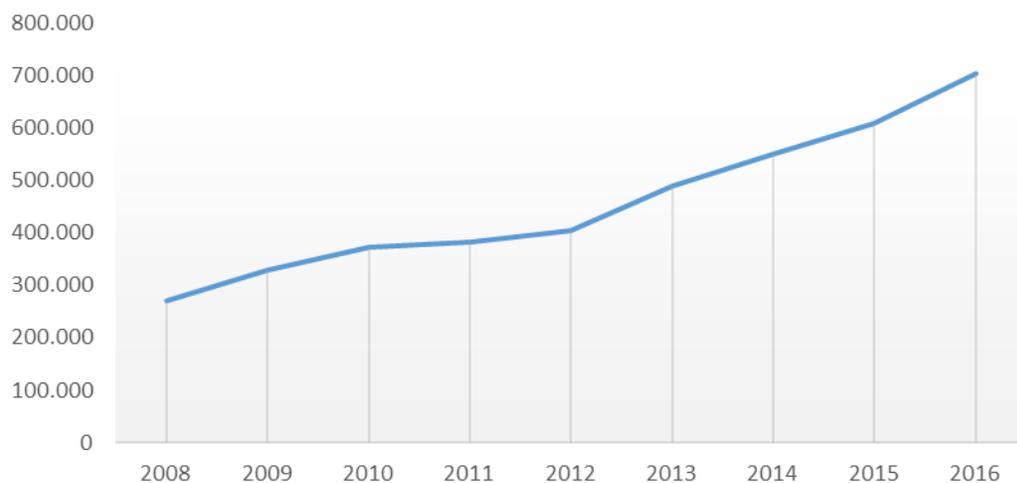
Specifically, the city of Medellín has propelled Antioquia’s growth in the hospitality sector. According to information from COTELCO’s Antioquia - Chocó chapter (2017), based on data from ANATO (Asociación Colombiana de Agencias de Viajes y Turismo), while the average growth of foreign travelers to Colombia in 2016 was 12%, Medellín registered a growth of 24% during the same period, in other words, double of that of the national average. Medellín was host to several international events, such as the World Economic Forum, Latin America Chapter, and other national events such as ColombiaTex, which has converted Medellín into the epicenter for many large economic movements and promotional imaging. As a result, a record 702.086 tourists arrived at Medellín in 2016, accounting for a 15% increase from the previous year, with the city preparing to receive a total of 800.000 tourists in 2017 and 2018. The following table and figure evidences how impressive the continuous flow of tourists to the city has been over the last nine years, with an average increase of 12,86% per year.

Table 20: Historical Arrival of Visitors to Medellín

Year	Total Visitors	% Variation
2008	270.080	N/A
2009	328.252	21,54%
2010	372.415	13,45%
2011	381.098	2,33%
2012	403.925	5,99%
2013	489.938	21,29%
2014	549.455	12,15%
2015	608.525	10,75%
2016	702.086	15,38%
Average	456.197	12,86%

Source: Medellín Convention & Visitors Bureau (2017)

Figure 15: Historical Arrival of Visitors to Medellín



Source: Medellín Convention & Visitors Bureau (2017)

Furthermore, the Mayor of Medellín, in alliance with COTELCO's Antioquia - Chocó chapter (2017), has recollected invaluable information on the hospitality sector in the city, using a sample of 300 lodging establishments in the urban communes 10 (La Candelaria), 11 (Laureles – Estadio), 14 (El Poblado), 15 (Guayabal), 16 (Belén) and the rural communes of Santa Elena and San Sebastián de Palmitas between September and November of 2016, obtaining a concrete, clear, precise and trustworthy scenario of the sector for the first time, in pursuance of continuing commitment in promoting competitiveness and sustainability in tourism in the city and in the country.

Their investigation, “Cualificación de los Establecimientos de Alojamiento y Hospedaje de la Ciudad de Medellín”, based on the aforementioned sample of 300 lodging establishments, which allows for a more realistic and trustworthy analysis of the sector, found a very positive tendency in annual occupancy level growth. COTELCO’s analysis shows average occupancy levels in the city reaching record highs at the end of 2016, reaching an outstanding mark of 68,9%, a drastic increase from 2009’s 47,70% mark (See Table 21 and Figure 16 below). Growing at an average 5,53% over the last eight years, occupancy levels have not only been better with respect to previous years, but they have also overtaken occupancy levels in other touristic cities in the country and in the continent, which ended, as a whole, at an average of 65,1% in 2016. This evidences how impressive the continuous growth in occupancy levels in the city has been over the last decade, showing clear recuperation from the 2008 world crisis and very optimistic signs for the future of the hospitality sector. (COTELCO Capítulo Antioquia - Chocó, 2017).

Analyzing hotel occupancy levels month by month, as shown in Table 22 and Figure 17, it is evident that the constant flow of visitors to the city helps stabilize monthly occupancy levels, since the range between the month with the highest occupancy (November, 75,20%) and the month with the lowest occupancy (October, 64,90%) is a mere 10,30%. Due to the abundant and flowing business and corporate travel market, along with a large number of conferences, exhibitions and events taking place in the city, occupancy levels are thriving. In November of 2016, for example, the city was host to enormous international events, such as the 3rd Aesthetic & Anti-Aging Medicine World Congress – Latin America, which hosted more than 800 visitors from 32 countries, Expoaccesorios, Medejazz, the Leadership Conference for Happiness, InnovationLand, the Southamerican Congress of Governance, and the Ingenuity Fair (COTELCO Capítulo Antioquia - Chocó, 2017).

Furthermore, the future looks promising for hotel occupancy levels in Medellín. COTELCO's Antioquia - Chocó chapter (2017) projects hotel occupancy levels to grow a minimum of 2% from the previous year, closing at 71,5% at December 2017. Observable in Table 22 and Figure 17, COTELCO forecasts a larger demand in the second semester of the year, with monthly occupancy levels surpassing 70% from the month of August onwards, due to the large number of events that the city plans to host. Even December, a month with traditionally low occupancy levels because of low business and corporate travel traffic, presents high hopes with Medellín attracting more leisure travelers than ever before. With this projection, Medellín is close to overtaking Cartagena, considered to be Colombia’s most touristic city and currently the country’s second most receptive city, after the capital, Bogotá, within a few years (COTELCO Capítulo Antioquia - Chocó, 2017).

Regarding the ADR, Medellín has shown yearly systematic increases ever since 2012, after maintaining a stable level a few years before 2012. Growing at an average 6,04% for the past 8 years, the ADR ended at COL\$200.109 in 2016, a 47.5% increase compared to 2009’s COL\$135.625 ADR (See Table 21 and Figure 16 above). The ADR in the city is highly attractive to international visitors, given that the city’s ADR in 2016, at the time at approximately EURO\$63,5, was significantly lower than the ADR in North America, close to EURO\$110. Without losing competitiveness, the city’s lodging establishments have slowly increased prices as international reputation improves. (COTELCO Capítulo Antioquia - Chocó, 2017)

Examining the ADR’s behavior month by month, as shown in Table 22 and Figure 17, Medellín tends to maintain constant and equitable rates, with an average monthly variation of 0,35%, which is highly attractive to tourists. August presented the highest ADR (COL\$216.600) in 2016, as a result of the traditional “Feria de las Flores” which takes place in Medellín during that time of year, and developments in events such as “La Rueda de Innovación y Negocios” (Wheel of Innovation and Business), Tecnova and the 58th Equine Expo International. (COTELCO Capítulo Antioquia - Chocó, 2017)

Additionally, COTELCO's Antioquia - Chocó chapter (2017) projects a lower ADR in the following years, as a response to incoming competition in the sector. With new offerings that came into play in the second semester of 2016, 380 new rooms in the first semester of 2017 and 1383 new rooms in the second semester of 2017, lodging establishments are expected to sacrifice ADR to improve occupancy. ADR is projected to average COL\$190.511 at the end of 2017, a 4,5% decrease from the following year (See Table 22 and Figure 17 below). The rate is competitive both in Medellín and in the country, with ADR levels in Medellín being much lower than that of the country's. (COTELCO Capítulo Antioquia - Chocó, 2017)

In terms of the RevPAR, the actual revenue per room, numbers have duplicated over the past seven years, as can be appraised in Table 21 and Figure 16, an outstanding growth which has even been highlighted by international firms, such as STR Global, as one of the main reasons for attracting FDI (Foreign Direct Investment) to the hospitality sector in Medellín (COTELCO Capítulo Antioquia - Chocó, 2017). In 2016, RevPAR averaged COL\$137.875, a 17,5% increase from the previous year, which represents an impressive revenue intake for each individual hotel room.

Exploring the RevPAR's behavior month by month, as shown in Table 22 and Figure 17, Medellín tends to maintain a constant pattern. During the first semester of 2016, RevPAR levels oscillated a little under COL\$140.000, but exceeded the mark during the second semester of 2016. Again, August presented the highest benefits, with a RevPAR of COL\$159.418, inducing a remarkable billing product of the high occupancy levels and beneficial ADR during that same month. (COTELCO Capítulo Antioquia - Chocó, 2017)

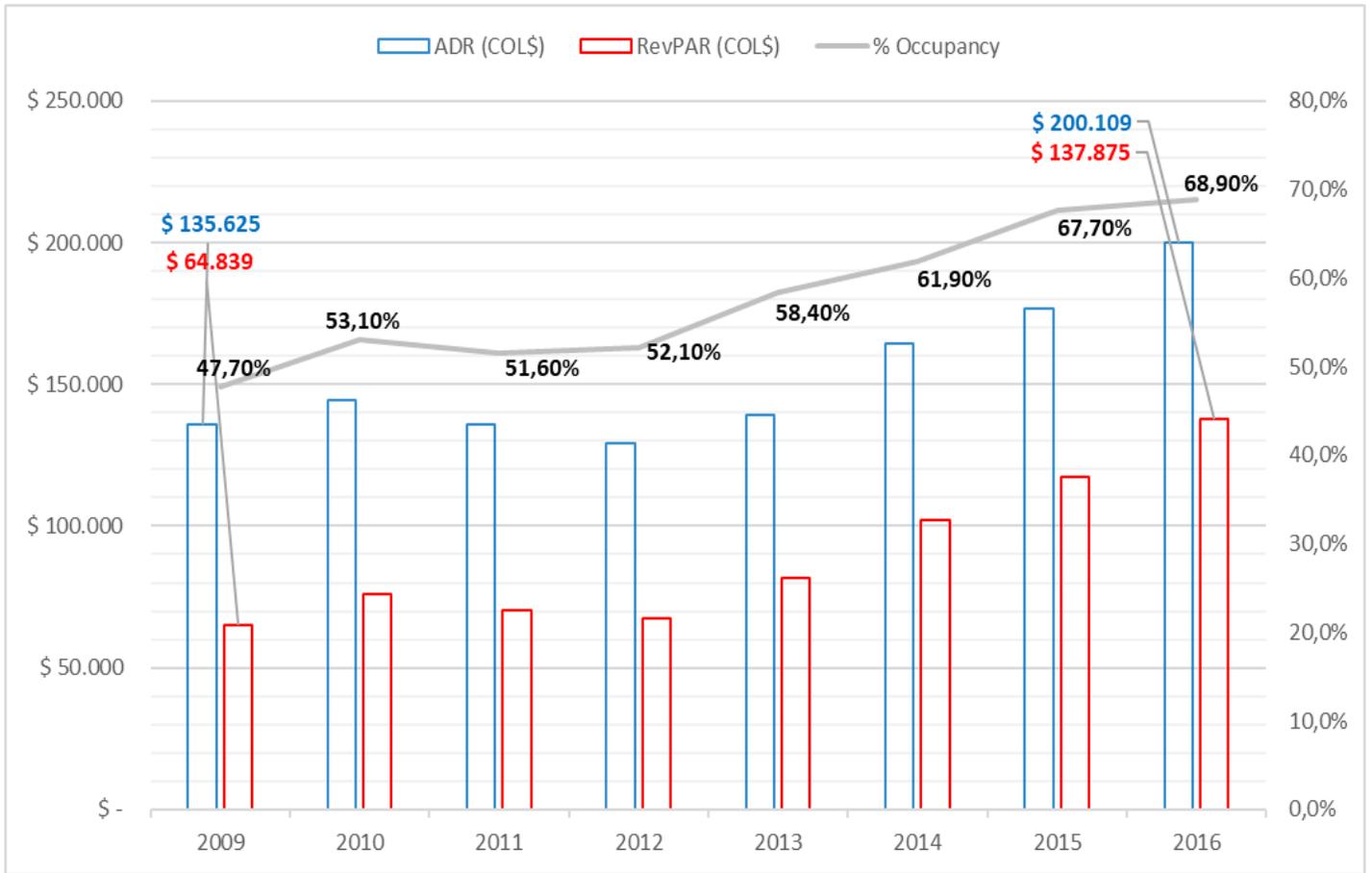
Moreover, COTELCO's Antioquia - Chocó chapter (2017) projects a stable RevPAR analogous to the discrete occupancy level growth and stable ADR behavior, ending at COL\$136.579 (See Table 22 and Figure 17 below). It is expected for the RevPAR to perform better during the second semester of 2017, taking into account the more than 600 national and international events the city of Medellín plans to host during the year, many of which are during the final six months. (COTELCO Capítulo Antioquia - Chocó, 2017)

Table 21: Historical Occupancy, ADR and RevPAR in Medellín (2009 – 2016)

Year	ADR (COL\$)	% Variation	RevPAR (COL\$)	% Variation	% Occupancy	% Variation
2009	\$ 135.625	N/A	\$ 64.839	N/A	47,70%	N/A
2010	\$ 144.193	6,32%	\$ 76.153	17,45%	53,10%	11,32%
2011	\$ 135.972	-5,70%	\$ 70.155	-7,88%	51,60%	-2,82%
2012	\$ 128.960	-5,16%	\$ 67.470	-3,83%	52,10%	0,97%
2013	\$ 139.065	7,84%	\$ 81.525	20,83%	58,40%	12,09%
2014	\$ 164.369	18,20%	\$ 101.933	25,03%	61,90%	5,99%
2015	\$ 176.534	7,40%	\$ 117.325	15,10%	67,70%	9,37%
2016	\$ 200.109	13,35%	\$ 137.875	17,52%	68,90%	1,77%
Average	\$ 153.103	6,04%	\$ 89.659	12,03%	57,68%	5,53%

Source: COTELCO Capítulo Antioquia - Chocó (2017)

Figure 16: Historical Occupancy, ADR and RevPAR in Medellín (2009 – 2016)



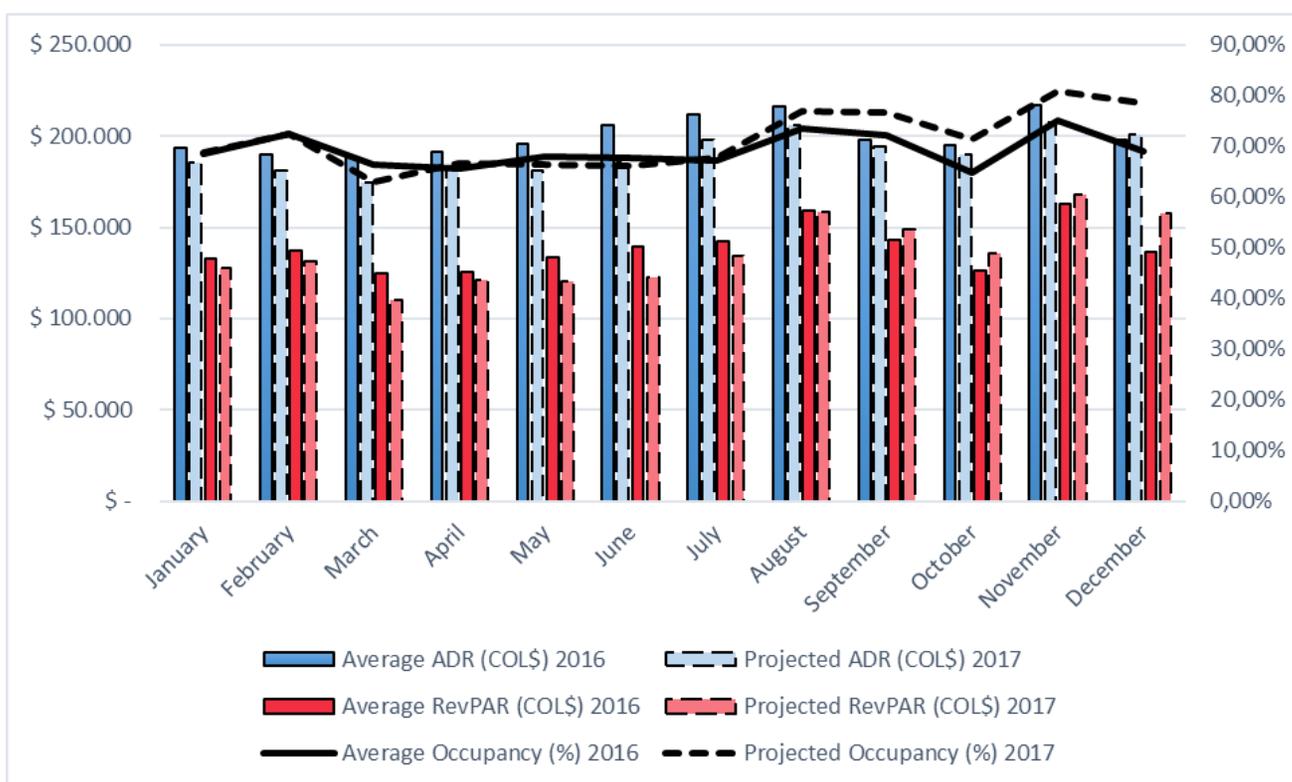
Source: COTELCO Capítulo Antioquia - Chocó (2017)

Table 22: Monthly Average (2016) and Projected (2017) ADR, RevPAR and Occupancy in Medellín

<i>Average 2016</i>						
Month	ADR (COL\$)	% Variation	RevPAR (COL\$)	% Variation	Occupancy (%)	% Variation
January	\$ 193.835	N/A	\$ 133.029	N/A	68,60%	N/A
February	\$ 189.736	-2,11%	\$ 137.369	3,26%	72,40%	5,54%
March	\$ 188.287	-0,76%	\$ 125.004	-9,00%	66,40%	-8,29%
April	\$ 191.176	1,53%	\$ 125.574	6,62%	65,50%	-1,36%
May	\$ 195.650	2,34%	\$ 133.277	4,58%	68,10%	3,97%
June	\$ 205.858	5,22%	\$ 139.386	1,94%	67,70%	-0,59%
July	\$ 211.764	2,87%	\$ 142.094	12,19%	67,10%	-0,89%
August	\$ 216.600	2,28%	\$ 159.418	-10,37%	73,60%	9,69%
September	\$ 197.904	-8,63%	\$ 142.887	-11,45%	72,20%	-1,90%
October	\$ 195.011	-1,46%	\$ 126.523	28,45%	64,90%	-10,11%
November	\$ 216.711	11,13%	\$ 162.523	-15,96%	75,20%	15,87%
December	\$ 198.232	-8,53%	\$ 136.582	1,51%	68,90%	-8,38%
Average	\$ 200.064	0,35%	\$ 138.639	1,07%	69,22%	0,32%
<i>Projected 2017</i>						
Month	ADR (COL\$)	% Variation	RevPAR (COL\$)	% Variation	Occupancy (%)	% Variation
January	\$ 185.175	N/A	\$ 127.387	N/A	68,80%	N/A
February	\$ 181.106	-2,20%	\$ 131.117	2,93%	72,40%	5,23%
March	\$ 174.269	-3,78%	\$ 110.010	-16,10%	63,10%	-12,85%
April	\$ 181.619	4,13%	\$ 120.948	9,69%	66,60%	5,55%
May	\$ 181.463	2,29%	\$ 120.667	1,50%	66,50%	-0,15%
June	\$ 185.616	6,68%	\$ 122.472	9,38%	66,00%	-0,75%
July	\$ 198.006	3,91%	\$ 133.961	18,07%	67,70%	2,58%
August	\$ 205.753	-5,70%	\$ 158.164	-6,06%	76,90%	13,59%
September	\$ 194.015	-2,00%	\$ 148.581	-8,46%	76,60%	-0,39%
October	\$ 190.130	9,28%	\$ 136.018	23,74%	71,50%	-6,66%
November	\$ 207.773	-3,16%	\$ 168.313	-6,25%	81,00%	13,29%
December	\$ 201.211	-5,32%	\$ 157.801	-13,63%	78,40%	-3,21%
Average	\$ 190.511	0,38%	\$ 136.287	1,35%	71,29%	1,48%

Source: COTELCO Capítulo Antioquia - Chocó (2017)

Figure 17: Monthly Average (2016) and Projected (2017) ADR, RevPAR and Occupancy in Medellín



Source: COTELCO Capítulo Antioquia - Chocó (2017)

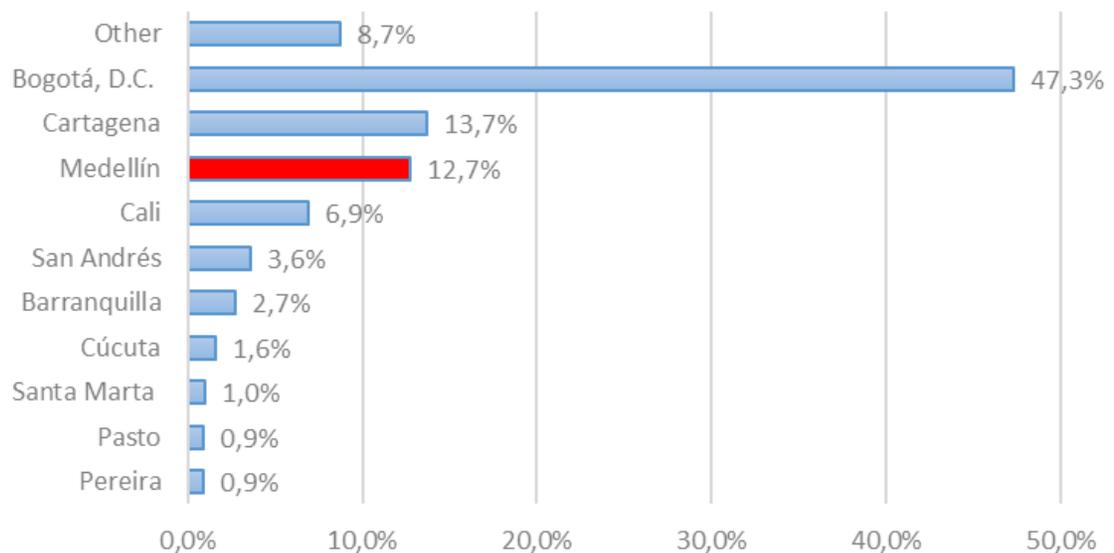
Another factor that contributes to Medellín's incredible hospitality sector indicators is the increasing traffic of both international and national passengers in the city's airport, José María Córdova (JMC) in the municipality of Rionegro. In 2016, airport JMC received 667.898 international passengers, 70.833 more than 2015, representing an 11,9% increase. Similarly, the airport received 3'524.871 national passengers in 2016, 258.309 more than 2015, representing a 7,9% increase. Many variables affected this increase in flight arrival traffic, including the exchange rate, the opening of several new air routes through Medellín, and the arrival of new airlines. During these past years, the dollar has strengthened its position versus the Colombian peso, facilitating international travelers' trips to Medellín and mitigating national travelers' trips outside of the country. As a result, it was cheaper for both foreigners and nationals to travel to Medellín, and with the city incentivizing leisure travel to complement the city's booming business and corporate travel market, traffic in airport JMC is higher than ever. (COTELCO Capítulo Antioquia - Chocó, 2017)

Of the 2'698.301 foreigners that entered the country in 2016, 12,7% choose Medellín as their destination, occupying third place after Bogotá (47,3%) and Cartagena (13,7%), as can be visualized in Figure 18. The rest of the cities in the country participate with only one digit. The fact that Medellín occupied third place is of transcendent value, an extraordinary feat attributable to the city's strong position and differentiation for the business and corporate market. Even competing against Cartagena, a city whose tourism offer depends on sun, beach and events and conventions, Medellín has come out on top, consolidating itself as the number one destination chosen by foreigners for the hosting of events and conventions.

This is remarkable progress for the city, because not only has it improved its tourism offer, but it has outperformed almost every other city in the country. (COTELCO Capítulo Antioquia - Chocó, 2017)

Moreover, the percentage of foreigners (12,7% in 2016) that select to stay in Medellín maintains a very stable behavior during the twelve months of the year. There is less than 5% variation between the months with the most participation in the reception of foreigners (June, 15,5%) and the months with the least participation (September and October, 10,8%). This stability is reflected on the city's low dependence on low and high leisure travel seasons, since its main business and corporate travel market allows for a constant reception of foreigners all throughout the year and that way, maintain a healthy dynamic in the sector that mirrors on high occupancy levels. (COTELCO Capítulo Antioquia - Chocó, 2017)

Figure 18: Foreign Guest City Stay



Source: COTELCO Capítulo Antioquia - Chocó (2017)

Types of Lodging Establishments in Medellín

There are four types of lodging establishments in Medellín: Hotels, Hostels, Aparthotels and Rural Lodges. According to the characteristics laid out by ICONTEC's NTSH 006 technical norms (2009), each type of lodging establishment aforementioned is defined as:

- 1) **Hotel:** *Establishment in which the accommodation service is provided in private rooms and other types of private housing units, in smaller quantities, in a building or an independent part of it, with its dependencies constituting a homogeneous whole and providing an entrance for exclusive guest use. In addition, it has, as a minimum, reception service, breakfast service and lounge or lobby for the stay of guests, without prejudice to provide other complementary services. (ICONTEC, NTSH 006, Chapter 3, Numeral 3.23, page 3, 2009)*

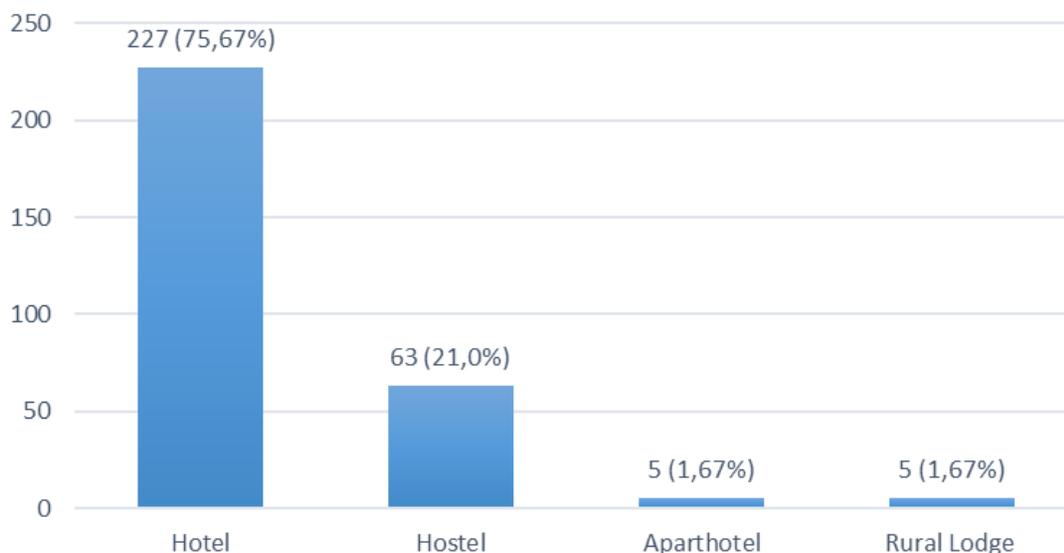
- 2) **Hostel:** Establishment in which the accommodation service is provided, preferably, in semi-private or common rooms, as well as its bathrooms, and which may also have a common room adequately equipped for guests to prepare their own meals, without prejudice to providing other complementary services. (ICONTEC, NTSH 006, Chapter 3, Numeral 3.3, page 2, 2009)
- 3) **Aparthotel:** Establishment in which the accommodation service is provided in a building's independent apartments that integrate a management and operation unit, and may offer other complementary services. Each apartment is composed of at least the following areas: bedroom with private bathroom, living room, fully equipped kitchen and dining room. (ICONTEC, NTSH 006, Chapter 3, Numeral 3.3, page 2, 2009)
- 4) **Rural Lodge:** Establishment in which the accommodation service is provided in private housing units, located in rural areas and whose main purpose is the development of activities associated with its natural and cultural environment. They also offer at least food services under the full-board modality, without prejudice to providing other complementary services. (ICONTEC, NTSH 006, Chapter 3, Numeral 3.4, page 2, 2009)

According to COTELCO's Antioquia - Chocó chapter's (2017) investigation, a sample of 300 lodging establishments in the city of Medellín found that hotel and hostel-type lodging establishments constituted the majority, a total of 96,7%, of which 75,67% were hotels and 21% were hostels. The remaining 3,4% is distributed evenly among aparthotels and rural lodges (See Figure 19 below). (COTELCO Capítulo Antioquia - Chocó, 2017)

This sample only considers those establishments that are legally constituted, and in recent years, a large amount of illegal hostels has been opened in the city of Medellín, a plague that the mayor of Medellín, in alliance with COTELCO, has been very proactive in shutting down. For this reason, illegal establishments will not be considered as relevant competitors in this thesis paper. Each type of lodging establishment focuses on different clientele types, according to the characteristics of the tourist. Specifically, hotel-type lodging establishments mark the tendencies and preferences for the business and corporate traveler, reason as to why this specific type of establishment dominates the hospitality sector in the city, in order to attend the huge demand of visitors who travel for business and corporate reasons.

In this thesis paper, even though a hotel project is proposed, hostels, aparthotels and rural lodges are considered in the Sector Analysis, given these establishments affect the sector's occupancy levels, as well as compete with hotels to attract leisure travelers. Nonetheless, they will not be considered direct, although perhaps indirect, competitors for this hotel project.

Figure 19: Lodging Establishments in Medellín

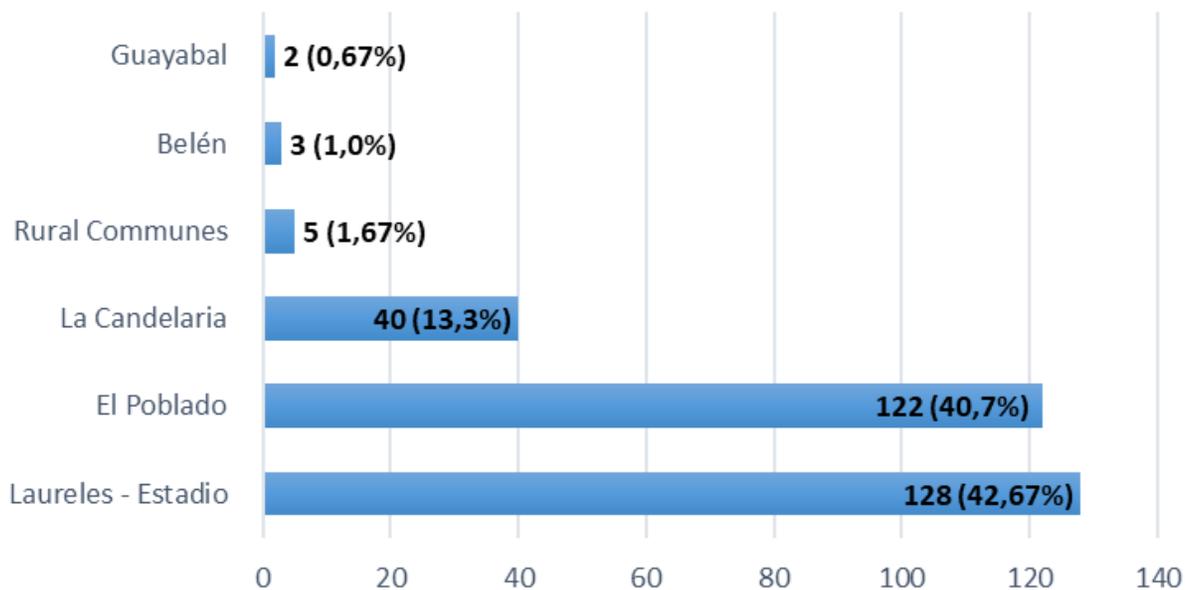


Source: COTELCO Capítulo Antioquia - Chocó (2017)

The city of Medellín is divided into six zones, classified in 16 urban communes and 5 rural communes. COTELCO's Antioquia - Chocó chapter's (2017) investigation sample considered only territories that are classified by the "Plan de Ordenamiento Territorial" (Plan of Territorial Arrangement) as strategic areas that are equipped to incentivize and propel tourism in the city, home to the most of the city's lodging establishments. As a result, only the communes 10 (La Candelaria), 11 (Laureles – Estadio), 14 (El Poblado), 15 (Guayabal), 16 (Belén) and the rural communes of Santa Elena and San Sebastián de Palmitas were considered. Most of the lodging establishments in the city are located in the communes 10, 11 and 14 (La Candelaria and El Poblado, and Laureles – Estadio), with a staggering 96,7% of the total sample (See Figure 20). Additionally, commune 14 (El Poblado) is where the majority of lodging establishments dedicated to business and corporate travelers reside, a total of 40,7%, due to its closeness to the city's financial and business district. These areas, consolidated around the formation of lodging establishments, have become major commercial, gastronomical and service development poles in the city. (COTELCO Capítulo Antioquia - Chocó, 2017)

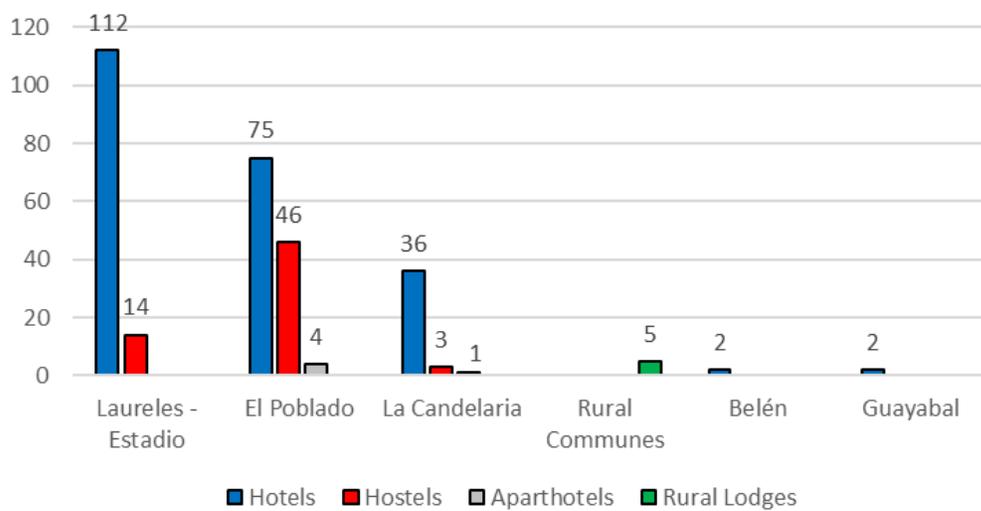
Further scrutinizing the type of establishment that predominates in each commune, as can be observed in Figure 21, the most important communes (10 – La Candelaria, 11 – Laureles – Estadio, and 14 – El Poblado), present mostly hotels, 90% (36 hotels) for La Candelaria, 87,5% (112 hotels) for Laureles, and 61,5% (75 hotels) for El Poblado. El Poblado also accounts for 73% of all the hostels in Medellín, a trend that is expected to grow. However, for this thesis, the rise in hostel numbers is irrelevant, given that they are created for attending a very different market than the one intended for this project. The anterior information suggests that the proposed hotel project be close to El Poblado, to be close to the city's main financial and business district, despite higher competition and more expensive land. (COTELCO Capítulo Antioquia - Chocó, 2017)

Figure 20: Number of Establishments per Commune



Source: COTELCO Capítulo Antioquia - Chocó (2017)

Figure 21: Type of Establishments per Commune



Source: COTELCO Capítulo Antioquia - Chocó (2017)

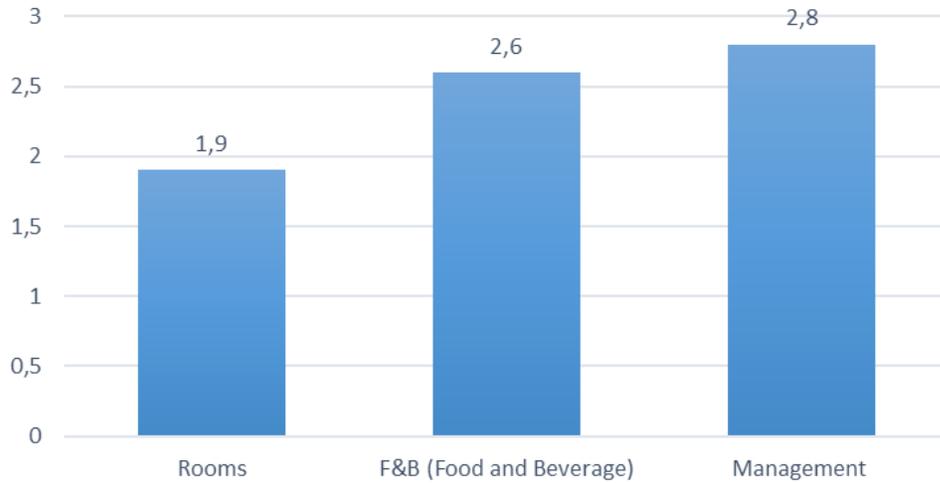
Salaries in the Hospitality Sector

Lastly, in terms of salary and employment in the hospitality sector in the country, according to reports from COTELCO (2016), 75% of positions in the industry are at an operative level, with a 57% pertaining to the rooms and F&B (Food and Beverage) departments altogether. The other 25% corresponds to managing positions. Specifically, regarding remuneration, based on the current legal monthly minimum wage (SMMLV – Salario Mínimo Mensual Legal Vigente), fixed at COL\$781.242 in 2018, the department with the highest salary is the Management Department, with an average salary of 2,8 SMMLV, followed by the F&B Department, with an average salary of 2,6 SMMLV, and the Rooms Department, with an average salary of 1,9 SMMLV, as shown in Figure 22.

Salaries in the sector depend mainly on the quantity and quality of the employment offer available, as well as candidate preparedness, experience, attitudes and aptitudes and orientation towards service, and as a result, salaries are volatile and present an ample range. COTELCO's report of salaries in the sector includes a survey to all lodging establishment it has affiliated to it, meaning the averages presented in their report do not necessarily reflect wages of that of a five star hotel. Nevertheless, as a benchmark, COTELCO's report is useful to determine what salaries, as a minimum, can be allotted in the hotel project proposed in this thesis paper.

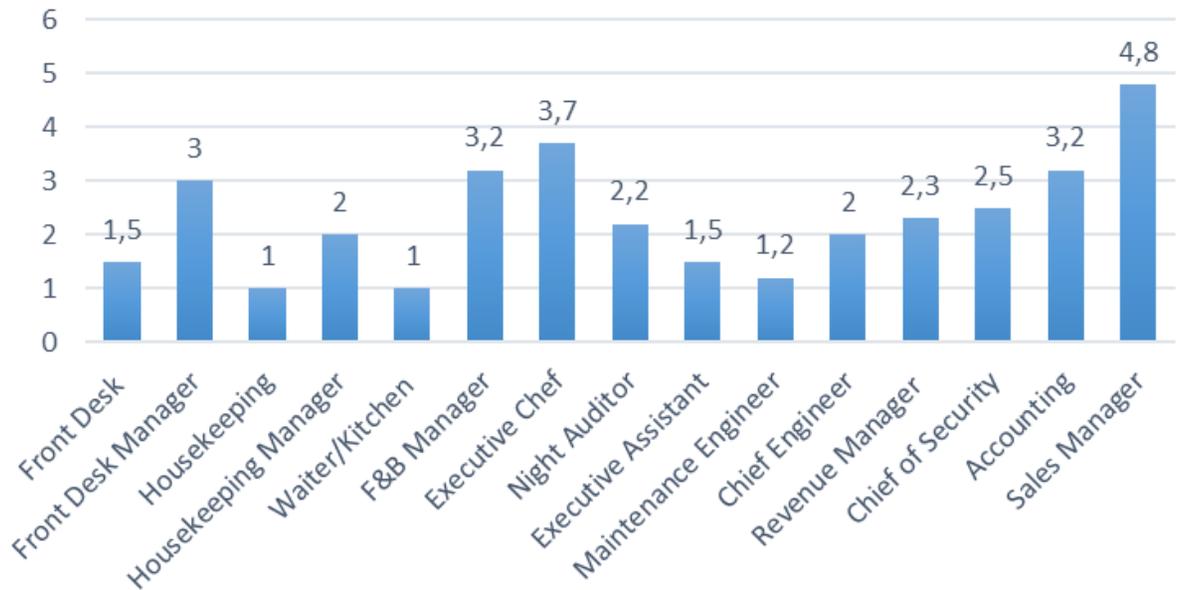
Further analyzing COTELCO's report, it can be inferred that the lowest-paying positions in the industry pertain to those occupying positions as waiters, kitchen staff and housekeepers, with a minimum monthly wage. These operative positions require very little academic and professional preparation, and is the easiest position to fill in any hotel, due to the abundant offer present for low-level jobs in the city. Front desk agents, executive assistants and maintenance engineers, with an average salary of 1.5, 1.5 and 1.2 SMMLV, respectively, follow. Positions in the hotel that require more experience and specific skillsets include the Front Desk Manager, Chief of Security, Revenue Manager, Housekeeping Manager and Night Auditor, with an average salary of 3, 2.5, 2.3, 2, and 2.2 SMMLV. Finally, the highest-paying positions in the hotel, not including the General Manager (the highest paid executive) who has a variable salary based on results or similar, are the Sales Manager, the Accountant, F&B Manager, and Executive chef, with an average salary of 4.8, 3.2, 3.2 and 3.7 SMMLV, respectively (See Figure 23 below).

Figure 22: Average Salary per Department (SMMLV)



Source: COTELCO (2016)

Figure 23: Average Salary per Position (SMMLV)



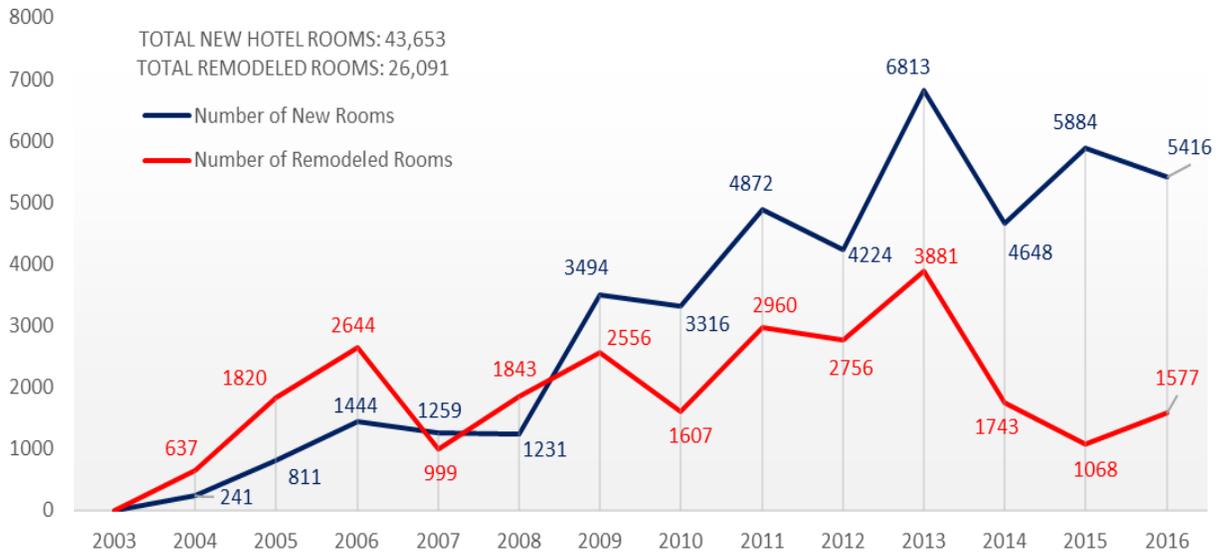
Source: COTELCO (2016)

3.1.1.2 Analysis of macroeconomic factors

In general terms, as studied in the previous numeral, the hospitality sector in Colombia has progressed significantly in the latter years of the first decade of the 21st century. The main catalysts for this unprecedented growth were two variables, one at a political level and one at a macroeconomic level.

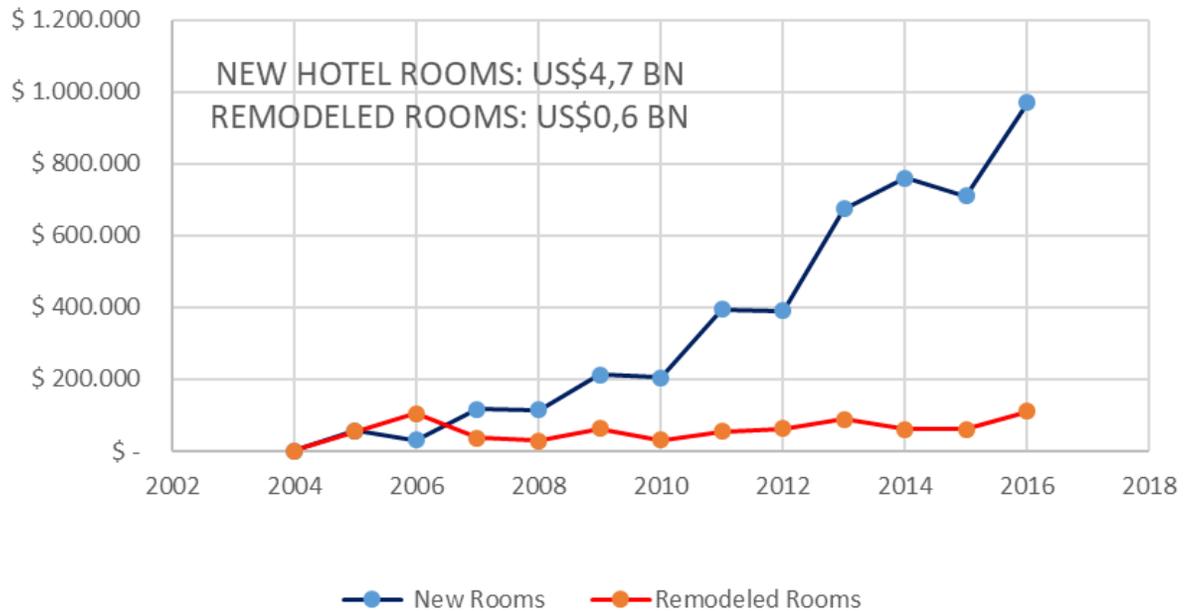
First, from a political standpoint, the Colombian government had implemented Decree 2755 in 2003, (Article 4 of Decree 2755 of 2003, modified by Decree 920 of 2009) which exempted lodging establishments from paying income tax for three decades for new hotels built or remodeled between that year and December 31, 2017, when the agreement expired (Portafolio Negocios, 2014). Additionally, the signing of the peace agreement between the Government and the FARC guerrillas in 2016, though controversial, inspired confidence in national and international entrepreneurs to invest in Colombia's hospitality sector. In sum, between January 2003 and November 2016, 43,653 new hotel rooms have been put into operation, with an investment of US\$4.7 billion, and 26,091 have been remodeled, with an investment of US\$0.6 billion, as stated by Gustavo Adolfo Toro, executive president of the Hotel and Tourism Association of Colombia (COTELCO) (El Espectador, 2016). Figure 24 and Figure 25 showcase how the investment in the creation of new hotel rooms and in the remodeling of old hotel rooms has progressed since 2003, when Decree 2755 was implemented.

Figure 24: Number of New and Remodeled Rooms (Colombia 2003 – 2016)



Source: COTELCO (2016)

Figure 25: Investment in the Hospitality Sector (Millions of COL\$)



Source: COTELCO (2016)

The year of greatest investment was 2016, concurring with the signing of the peace agreement, when a total amount of COL\$1.1 billion (US\$378 million) was inverted in the sector. In consequence, 5.416 new rooms were built during this period and 1.577 were remodeled. According to María Lorena Gutiérrez, minister of commerce, the peace treaty allows for an enrichment and a development of the nation's tourism offer by generating confidence and more opportunities. Besides the signing of the peace treaty, investment in the sector has grown over the past years due to entrepreneurs and large hotel chains racing to the country to invert before the end of Decree 2755. Nevertheless, with the tax exemption decree having ended in December 31, 2017, it is yet to be seen whether the sector is attractive enough to incentivize continuous investment, one of the main purposes of this thesis paper. With the end of the tax benefit, COTELCO executive president Gustavo Adolfo Toro foresees a decrease in investment in new and remodeled hotel rooms for the near future. On the other hand, ADR levels will increase, and accordingly, RevPAR levels will increase, accounting for higher revenue stream, since less competition will enter the sector in the years to come. (Diario La República, 2018)

In spite of the proposed hotel project not being able to qualify for the tax exemption benefit, there are other benefits within Colombian legislature that can be utilized. For example, in accordance with Law 1715 of 2014 and resolution 121 of 2017, the hotel could deduct up to 50% (of the total investment) of taxes on its income statement for 5 consecutive years if it becomes a generator and distributor of Non-Conventional Renewable Energy Sources (FN CER – Fuentes No Convencionales de Energía Renovable) on a small scale. Therefore, contemplating an investment in solar panels in the roof of the hotel in order for it to generate and distribute its own solar energy may prove to be a potentially rewarding business decision. (Ministerio de Minas y Energía, 2014)

Secondly, from a macroeconomic standpoint, exchange rates have favorably affected the hospitality sector in Colombia. During these past years, the dollar has strengthened its position versus the Colombian peso, facilitating international travelers' trips to Colombia and mitigating national travelers' trips outside of the country. As a result, it was cheaper for both foreigners and nationals to travel within the country's borders.

During the past eight years, between 2010 and 2018, the TRM (Tasa Representativa del Mercado) exchange rate has averaged a decent COL\$2.278,97, reaching a minimum low of COL\$1.748,41 on July 15, 2011 and a maximum high of COL\$3.434,89 on February 12, 2016. Nonetheless, analyzing the exchange rate during the past three years, between 2015 and 2018, there has been a considerable increase in the exchange rate with respect to the north American dollar, averaging a considerably higher number, COL\$2.913,42 (See Figure 26 below).

The 69% decrease in international crude oil prices, one of Colombia's most important export commodities, in two years, between 2014 and 2016, from a WTI (West Texas Intermediate) benchmark of US\$106,91 per barrel in 2014 to US\$33,62 in 2016, was paramount in exchange rate spikes. The impact of lowering oil prices affected Colombian fiscal policy to the extent of passing from a 15,6% income in 2014 from the oil industry to a 7,5% income from the sector for the central Colombian government. This fiscal deficiency reduced the country's income by close to COL\$20 billion, creating a need to restructure fiscal policy and alleviate the deficit. On the other hand, along with the decrease in value of exports of crude oil, monetary policy decisions by the Federal Reserve of the United States implied a considerably lower flow of foreign exchange currencies to the country, and consequently, the Colombian peso lost significant value versus the American dollar. (COTELCO, 2016)

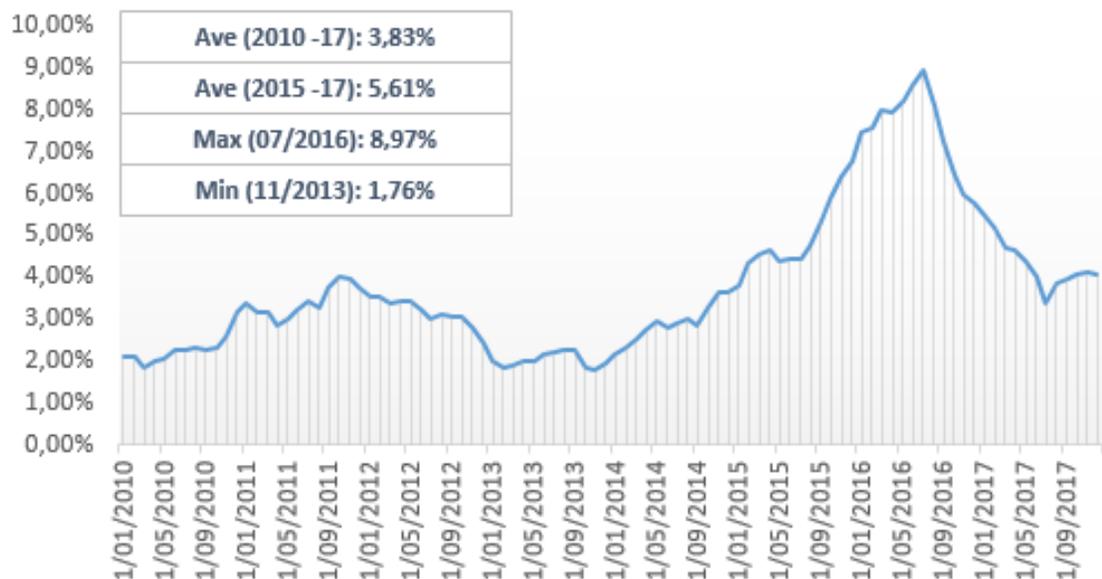
Figure 26: Historical Exchange Rate US\$/COL\$



Source: Banco de la República (2018)

Another side effect of the depreciation of the Colombian peso was the significant increase in inflation. As can be observed in Figure 27, over the past seven years, between 2010 and 2017, inflation levels averaged 3,83%, well within the Banco de la República's (Colombia's Central Bank) inflation objective between 2% and 4%. However, with the beginning of the increase in exchange rate around 2015, inflation spiked in response, averaging 5,61% between 2015 and 2017, and reaching a maximum high of 8,97% in July of 2016. 2015 and 2016 closed with an inflation of 6,77% and 5,75%, respectively. As a result, hotel ADR levels rose. Attempting to reverse the situation, el Banco de la República increased its intervention rate four times in 2015 and seven times before August 2016. Only until now have they started to take effect, with inflation levels starting to drop, albeit still high and slightly above the Central Bank's maximum objective of 4%. (Banco de la República, 2018)

Figure 27: Annual Inflation, 2010 – 2017



Source: Banco de la República (2018)

Fortunately for the tourism sector in Colombia, exchange rate prices have generated an increase in arrivals of foreign tourists, due to favorable prices allotted by the exchange rate, and an abundant flow of domestic tourism, due to the replacing of international destinations for national ones because of unfavorable prices allotted by the depreciation of the Colombian peso. Along with the ever present business and corporate travel market, demand in lodging establishments in the country increased. Even with the increase in inflation, hotel occupancy levels in the country grew, although slightly, from 55,4% in 2015 to 56,2% in 2016. As a result, the hospitality sector has positioned itself as an attractive alternative for local and international investors, evidenced by the large amounts of capital endowed in the sector over the past years, facilitating the arrival of large hotel chains such as Marriott Hotels, Accor Hotels, Hyatt Hotels, Best Western Hotels, Hilton Hotels, among others.

Specifically, at a local level, with Medellín prepared to receive more than 800.000 visitors during the 2017 and 2018 years, strategies have been set in place to incentivize quality and productivity in lodging establishments. In order to attend the enormous demand projected in the future, the Mayor of Medellín and the Undersecretary of Tourism, attached to the Ministry of Economic Development, has proposed plans to increment the levels of preparation and quality in lodging establishments in Medellín, as well as plans to improve the levels of bilingualism (English) in the sector, in pursuance of better attending guests from foreign countries, with a special priority on preparing establishments to compete in the business and corporate travel market, Medellín's specialty. The objective is to create an international brand recognizable in the world and unleash the city's potential to become an international metropolis, through commerce, investment and development leveraged on growth in the hospitality sector. The department of Antioquia, in general, possesses the main elements needed to become the main tourist attraction in Colombia: diversity, geographical landscape, adventure, nature offerings, heritage and culture. To reach this objective, the Model of Economic Development and for the Good Living, Antioquia 2050, (El Modelo de Desarrollo Económico y para el Buen Vivir, Antioquia 2050) has been implemented as a regional common goal that involves the formulation and execution of nine macro strategies articulated for incentivizing touristic activity as one of the most important economic and social activities directed to enriching the people's quality of life (COTELCO Capítulo Antioquia - Chocó, 2017). The nine poles of touristic development proposed in Antioquia are the following:

- *In the Southwest: Conception of the "Ruta del Café" (Route of the Coffee);*
- *In the North: Conception of the "Ruta de la Leche" (Route of the Milk);*
- *In the East: Conception of the "Ruta Verde de Antioquia" (Green Route of Antioquia);*
- *In the lower Cauca: Conception of the "Ruta del Oro, Ganado y Caña" (Route of Gold, Cattle and Cane);*
- *In the middle Magdalena: Conception of "Una Leyenda de Agua" (A Legend of Water);*
- *In the Northeast: Conception of "Un Tren Cargado de Oro y Caña" (A Train Loaded with Gold and Cane);*
- *In the West: Conception of "Ruta del Sol y la Fruta" (Route of the Sun and the Fruit);*
- *In Urabá: Conception of "Un Mar de Alegrías y Riquezas" (A Sea of Happiness and Richness);*
- *In the Valley of Aburrá, home to Medellín: Concept of trends and industry, "Más progreso Social y Económico" (More Social and Economic Progress).*

In sum, the macroeconomic scenario in the country has positively influenced the hospitality sector, propelling its growth. Additionally, local governments are incentivizing tourism activity and using them as an engine for development. Therefore, while the future looks promising for the sector, with occupancy levels in Medellín reaching record highs, investment in the sector should deaccelerate, especially given the end of Decree 2755, although that does not implicate an unfeasibility for investing in new hotel projects in the future.

3.1.1.3 Analysis of sector technology

There are two types of technology used in the hospitality sector: digital (hardware and software) and physical (plant characteristics and preparation of personnel). First, there is specialized technology used directly by the hotel to manage their relationship with customers, an opportunity to offer a more personalized service, including software with web solutions for booking management and distribution channels, as well as tools for marketing management and online sales. There is another type of software that is accounting and administrative; This class serves to streamline the administrative management of hotels, including billing to individuals, agencies and corporations, and general planning. These tools provide information on hotel room inventory, clients, companies, agencies, tour operators, invoices, occupation statistics, among others. Additionally, there are social networks and web pages that facilitate reservations, rates, promotions, tourism plans, direct communication with the client, among others.

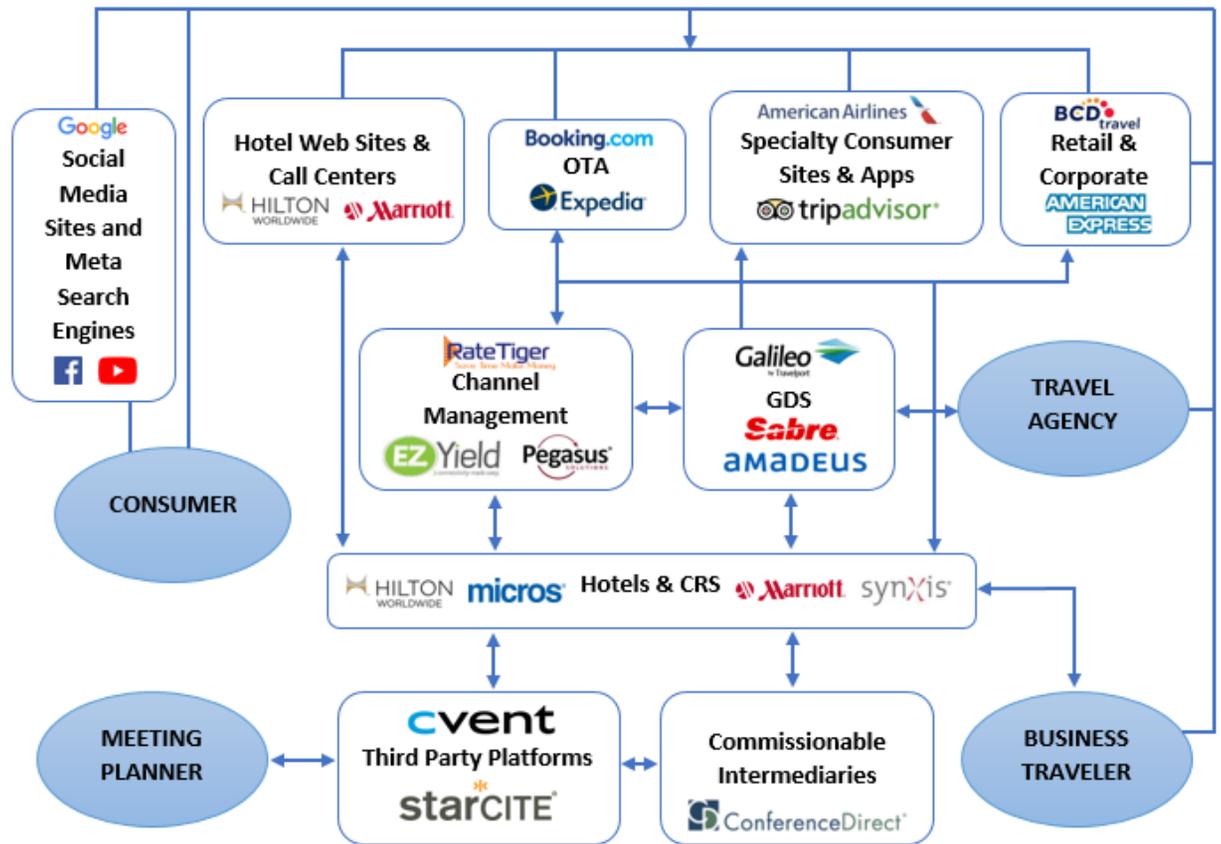
This first type of digital technology is fundamental for hotel operation, especially for managing distribution channels, including Central Reservations, Hotel Websites, OTAs (Online Travel Agencies), GDS (Global Distribution System) and Third Party Agencies. Traditionally, reservations were made directly through the hotel or through a physical agency. However, the tendency in the sector points to digital platforms, and the use of Big Data along with an effective CRM (Customer Relationship Management) software, which can provide a personalized experienced for travelers (e.g. PPC – Pay Per Click, Private Offers, Remarketing, Geo-Targeting, among others). By 2019, 90% of internet traffic will be video content, with humans watching, on average, three videos every day (Cárdenas Becerra, 2017). The hospitality sector will be no stranger to digital tendencies, as more reservations are made on a smartphone with each passing day. As a result, with this unprecedented transformation in the sector, there is an unsurpassable opportunity to exploit several channels and increase customer loyalty.

Therefore, within the complexity of hotel reservation channels, as illustrated in Figure 28, the main digital technologies that a hotel must have in order to compete in the fast-changing, global world are the following:

- 1) **Central Reservation System (CRS):** Computerized system used to store and retrieve information related directly to hotel room inventory and guest reservations.
- 2) **Property Management System (PMS):** Computerized system that facilitates the management of hotels, by automating operations such as guest reservations, accounts payable and receivables, payroll, quality control, sales and marketing, among others.
- 3) **Revenue Management System (RMS):** Computerized system that helps predict consumer demand to optimize room inventory and hotel rates in order to maximize hotel revenue growth.
- 4) **Content Management System (CMS):** Computerized software applications or programs that are used to create and manage digital content on hotel websites or private enterprise documents.
- 5) **Channel Management System:** Computerized system that facilitates the management of different hotel channels by controlling rates and inventory in one integrated interface connected to the hotel website, OTAs and GDS. The Channel Management System enables connectivity with GDS, OTAs and other online transaction facilitators and wholesalers.
- 6) **Hotel Website:** Online webpage managed by the hotel.

Moreover, all systems are interconnected between them in one sole interface, in pursuance of guaranteeing an adequate management of information regarding ADR levels, which is constantly changing according to the laws of supply and demand, hotel availability, which is also constantly changing with so many options for customers to book rooms, multimedia content, such as photos, videos and media commentary, and other hotel information, such as special rates, packages, services offered, location, and contact. An effective and collective use of all these systems will allow the lodging establishment to make better operative decisions and thus, survive in the long run by optimizing revenue streams and sustaining profitability.

Figure 28: Hotel Distribution Channels



Source: Cárdenas Becerra (2017)

Second, there is a tangible technology that is fundamental in any hotel's success. As the hospitality sector is a service oriented sector performed by individuals, their preparedness and qualification to serve, along with an updated, trendy and well-maintained property, is a type of technology that is constantly changing as well. Innovation is not only applicable to physical products. In any service-oriented business, innovation is as equally, or even more, important. Innovation in service offerings, in the quality of service, and innovation in new ways to serve the guest so that he or she feels satisfied is paramount, especially as a differentiation technique or strategy in a sector packed with competition.

A good example is provided by Marriott International, the world's largest hotel chain and number 33 in Fortune's top 100 companies to work for. Marriott's business model is based on world-class service principles developed by the brand since its foundation in 1927. It is about converting service into an art, turning all employees into "brilliant hosts", and creating intimate interpersonal relationships with guests, thus providing an attractive bilateral service, both standardized and personalized, for the guest. For Marriott, guest satisfaction is the priority, and the brand is a pioneer in developing service offerings to maximize guests' satisfaction, which in turn ensures loyalty. (Marriott International Hotels, 2018)

Specifically, regarding technology used in management level in the hospitality sector in Medellín, according to COTELCO's Antioquia - Chocó chapter (2017), 32% of lodging establishments operate without any Property Management System (PMS), while the other 68% utilize at least one type of managing system (PMS, RMS, CMS, CRS). Hotels are the lodging establishments that most utilize these managing systems, as their operation is more complex, with approximately 71.5% of hotels in Medellín utilizing at least one type of managing system, as can be observed in item 1, Table 24.

Despite the fact that many lodging establishments lack basic and proper managing software, almost 80% of them have online websites. Nevertheless, it is surprising to find that only 75% of hotels in the area have a website (See item 2, Table 24 below), which suggests a notable deficiency of development in digital technologies in the city's hotels.

Regardless of the shortage of formal and technical software, programs and digital technologies, essential in the hospitality sector in the 21st century, almost every lodging establishment elaborates periodical business plans and strategies, and keeps respective records. Nearly nine out of ten hotels in Medellín have corresponding procedures, as pictured in item 3, Table 24. Similarly, in terms of operational budgeting, nearly nine out of ten hotels elaborate budgets for their departments (See item 4, Table 24), significantly more than hostels and rural lodges, a logical fact understanding the differences in size, operation complexity and investment between them. Also, as item 5, Table 24 illustrates, close to 90% of hotels have a proper standardization and characterization of the services they offer, meaning guests typically can experience similar services without much variation between them, particularly important for business travelers, who already know beforehand the services they are paying for, and expect the same treatment on every visit. In addition, a similar proportion of hotels in the city present customer satisfaction and quality control programs or projects, on average 96.5% and 90.3%, respectively (See item 6 and 7 of Table 24 below). Clearly, hotels in Medellín operate normally with basic management procedures, but not all present the proper computerized systems to do so, which represents an opportunity for the proposed hotel project in this thesis paper.

On the other hand, it is surprising to find that only 65% of hotels in the area offer rewards programs to incentivize loyalty, as depicted in item 8, Table 24. Loyalty programs are playing a huge part in hotel sales, especially when partnering with third party agencies, such as OTAs. According to a report from BTG Pactual (2018), digital channels, such as OTAs, is where the main opportunities for hotel revenue growth are, and loyalty programs have been building up successful partnerships with leading OTAs for hotel bookings. The key to the success of a rewards program is inherently related to its ability to be present in the consumption trends and desires of its members, offering a more potent value proposition than a simple frequent flyer program (diversifying accrual/ redemption sources). Partnerships with OTAs follow this trend, by paving the way for loyalty players to access part of the fees on travelers' bookings. Equally important, the success of an OTA relies on its ability to drive traffic to its platform, and partners with strong brand awareness are vital. In sum, it is fundamental that hotels offer rewards programs, or at least, participate in successful programs, such as Marriott Rewards or Hilton Honors, through franchising.

Another technology component in the sector regards to the lodging establishment's preparedness to affront competition in the sector. Key to this is having a holistic and trustworthy scenario of the sector, which can illustrate the level of technology present in the sector's lodging establishment. Usually, establishments with access to better tools, technology and computerized systems can more accurately predict sales and evaluate internal and external performance.

According to COTELCO's Antioquia - Chocó chapter (2017), 78.5% of hotels in Medellín elaborate sector and market studies to better understand the competition and guest requirements, as shown in item 9, Table 24. Moreover, 72% of hotels create periodical marketing and sales plans (See item 10, Table 24 below), which suggests the use of systemized computer programs such as RMS to forecast revenue based on demand and occupancy projections. In addition, 70% of lodging establishments create alliances with other companies in pursuance of boosting sales, which also suggests a frequent use of Channel Management Systems to create direct relationships with different channels, such as OTAs, GDS channels, Third Party Travel Agencies, and other local businesses.

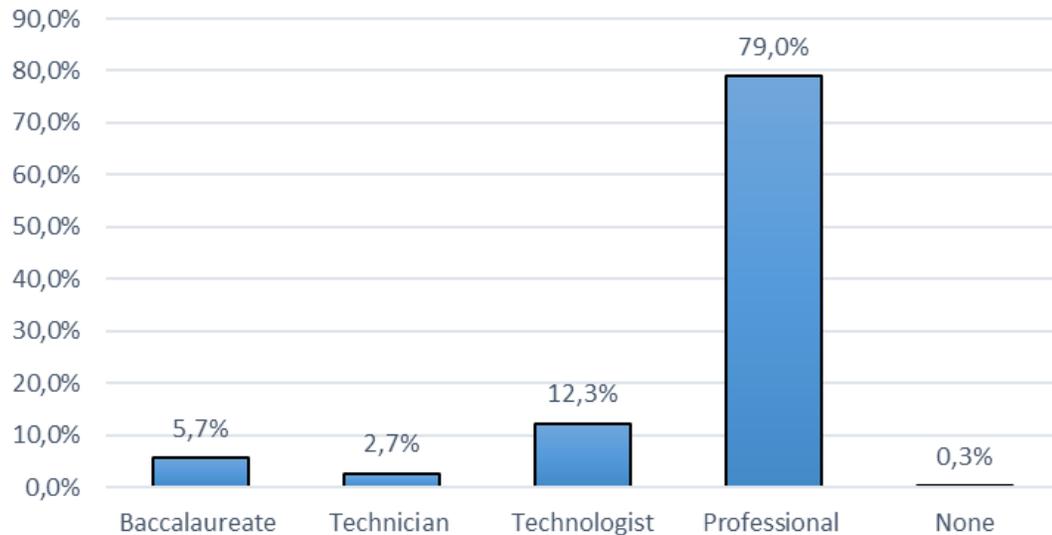
Probably one of the most important technologies in the hospitality sector is an intangible one: preparedness and qualification of personnel in lodging establishments. In a sector as challenging and demanding as this one, talent and ability is of the essence, especially as a differential component in a service-oriented business carried out by human actions. Therefore, the best technology that any hotel can have resides intangible within their personnel. The better trained the members of the team are, the better the service, and in consequence, better sales.

According to COTELCO's Antioquia - Chocó chapter (2017), 79% of managing personnel in the hospitality sector in Medellín has, as a minimum, a professional title, which implies a high level of academic preparation in management position, ensuring higher quality in the hotel's administration. Very few personnel within managing positions have not completed an undergraduate degree; only 5.7% present high school diplomas, as illustrated in Figure 29.

One aspect that highlights a significant deficiency in personnel preparedness is the lack of English proficiency within lodging establishments, which, on average, count with bilingual personnel at least in Front Desk 58% of the time. The statistic is even worse for hotels; only 50% of hotels have bilingual personnel at least in Front Desk (See item 12, Table 24 below). With the increasing number of international arrivals (667.898 arrivals in Medellín's JMC Airport in 2016 alone), there is a pressing need for English proficiency in the city, especially in service-related industries that receive travelers. Again, an opportunity to differentiate the hotel project proposed in this paper through employees fluent in two idioms presents itself.

Additionally, despite the efforts of local institutions, such as COTELCO and the local government, to form and strengthen lodging establishments' knowledge on Technical Norms regarding the hospitality sector, 22.3% of them, including an 18% of hotels, affirm its personnel has no, or very little, knowledge on these norms, as shown in item 13, Table 24.

Figure 29: Academic Level in Management Positions



Source: COTELCO Capítulo Antioquia - Chocó (2017)

Hospitality sector technologies also include additional services, such as F&B (Food and Beverage) and security measures, an important part of guests' experience. Typically, the business and corporate traveler has a lesser need for F&B offerings within the hotel than a leisure traveler, as most of them have lunch and dinner outside the hotel while they are on business during the day, but tend to have breakfast at the hotel during the morning. Given Medellín's tendency to receive more business and corporate travelers than leisure travelers, it is not surprising to find that only 43% of lodging establishments have in-house restaurants, while only a 47.3% of hotel-type establishments count with in-house restaurants (See item 11, Table 24 below). It should be understood that while only 47,3% of hotels have an in-house restaurant, all hotels offer breakfast service, as required by ICONTEC's NTSH 006 technical norm (2009). Furthermore, 58,9% and 55% of lodging establishments that have in-house restaurants provide lunch and dinner service, respectively.

In terms of security measures, only 66% of lodging establishments offer integral insurance policies to the guest to cover any unexpected calamity or incident, which presents a business opportunity and differentiation strategy for the proposed hotel project in this paper. In contrast, approximately 90% of lodging establishments, including 93% of hotels, count with security protocols such as fire extinguishers and sprinklers, as evidenced in item 14, Table 24. In addition, 81% of establishments present an emergency plan, including evacuations during a fire, natural disaster, criminal acts or employee, guest or visitor accident and trained personnel for such an occasion. However, as Table 23 exemplifies, only 48% of establishments have the emergency plan documented, which implies that, in reality, more than half of the establishments lack a proper emergency plan.

Table 23: Documentation of Emergency Plan

Emergency Plan	Documented Emergency Plan		
		No	Yes
No	36,5%	0,0%	19,0%
Yes	63,5%	100,0%	81,0%
Total	52,0%	48,0%	100,0%

Source: COTELCO Capítulo Antioquia - Chocó (2017)

Lastly, the analysis of technology in the hospitality sector must include an understanding of how lodging establishments respond to established normativity, laid out mainly by ICONTEC's NTS TS 002 technical norm (2014), which also represents an opportunity for the hotel project proposed in this thesis. The sectoral technical norm for sustainable tourism NTS 002 includes environmental, socio-cultural and economic sustainability requirements that aim to provide accommodation and lodging establishments with tools to satisfy an increasingly challenging and informed demand for sustainable tourism.

The World Tourism Organization (WTO) defines sustainable tourism as tourism that takes into account the current and future economic, social and environmental impacts to meet the needs of visitors, the industry, the environment and host communities. The norm establishes that every type of tourism must be developed under the equilibrium of fulfilling three principles: 1) to optimize the use of environmental resources; 2) to ensure viable economic activities that bring benefits and; 3) to respect the socio-cultural value of the territories in which the activity takes place. (COTELCO Capítulo Antioquia - Chocó, 2017)

NTS 002 intends to develop a service culture of excellence that leads to economic development while raising quality of life and social welfare without damaging the right of future societies to benefit from the resource. COTELCO's Antioquia - Chocó chapter's (2017) efforts to sensitize lodging establishments regarding the norm have produced mixed results; only 57.3% of establishments, and 59.5% of hotels, in the city of Medellín present a sustainability policy or plan (Refer to item 15, Table 24 below). Moreover, as item 16 of Table 24 displays, on average, only 44% of lodging establishments (and 47% of hotels) count with a waste management plan, one of the requisites established in NTS 002, which indicates that the establishment must keep a record of the waste it generates and implement a corresponding comprehensive management program, which must be of public domain and must include recycling, separation and proper disposal. (ICONTEC, 2014)

Furthermore, Colombia's Labor Ministry has developed SG-SST (Sistema de Gestión de la Seguridad y Salud en el Trabajo), or system for managing security and health in the workplace, policy enforceable in the year 2017 which orders companies to implement a system that aims to improve work and health conditions, as well as employee welfare. As of 2016, only 72.7% of lodging establishments present such a system. (COTELCO Capítulo Antioquia - Chocó, 2017)

Finally, according to COTELCO's Antioquia - Chocó chapter (2017), 70% of lodging establishments in the city contain knowledge on Tourism Quality Norms, guidelines promoted by the chapter destined to improve tourism services offered to visitors by exalting quality and excellence, and increasing competitiveness within the sector.

Table 24: Technification of the Hospitality Sector in Medellín

Rural Lodge		Aparthotel		Hostel		Hotel		Total	
Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
LODGING ESTABLISHMENT TECHNOLOGY AND BUSINESS PROCEDURES									
<i>Item 1. Presence of Property Management System/Software</i>									
30,0%	70,0%	30,0%	70,0%	61,9%	38,1%	71,5%	28,5%	68,0%	32,0%
<i>Item 2. Presence of Online Website</i>									
40,0%	60,0%	100,0%	0,0%	95,0%	5,0%	75,3%	24,7%	79,3%	20,7%
<i>Item 3. Elaboration of Business Plans and Registry Procedures</i>									
80,0%	20,0%	100,0%	0,0%	87,3%	12,7%	91,2%	8,8%	90,3%	9,7%
<i>Item 4. Elaboration of Operational Budgets</i>									
60,0%	40,0%	100,0%	0,0%	79,0%	21,0%	89,0%	11,0%	86,7%	13,3%
<i>Item 5. Standardization and Characterization of Services</i>									
80,0%	20,0%	100,0%	0,0%	76,2%	23,8%	88,1%	11,9%	85,7%	14,3%
<i>Item 6. Presence of Customer Satisfaction Programs/Projects</i>									
100,0%	0,0%	100,0%	0,0%	93,7%	6,3%	96,5%	3,5%	96,0%	4,0%
<i>Item 7. Presence of Quality Control Programs/Projects</i>									
40,0%	60,0%	60,0%	40,0%	85,0%	15,0%	90,3%	9,7%	88,0%	12,0%
<i>Item 8. Presence of Hotel Rewards/Loyalty Programs</i>									
40,0%	60,0%	60,0%	40,0%	38,1%	61,9%	65,2%	34,8%	59,0%	41,0%
<i>Item 9. Elaboration of Sector and Competition Analysis</i>									
60,0%	40,0%	80,0%	20,0%	70,0%	30,0%	78,5%	21,5%	76,5%	23,5%
<i>Item 10. Elaboration of Marketing and Sales Plan</i>									
60,0%	40,0%	80,0%	20,0%	49,2%	50,8%	72,0%	28,0%	67,0%	33,0%
<i>Item 11. Presence of In-House Restaurant</i>									
100,0%	0,0%	40,0%	60,0%	23,8%	76,2%	47,3%	52,7%	43,0%	57,0%
PREPAREDNESS AND QUALIFICATION OF PERSONNEL IN LODGING ESTABLISHMENTS									
<i>Item 12. Presence of Bilingual Personnel (At least in Front Desk)</i>									
60,0%	40,0%	60,0%	40,0%	85,7%	14,3%	50,2%	49,8%	58,0%	42,0%
<i>Item 13. Personnel Knowledge of Hotel Sector Technical Norms</i>									
80,0%	20,0%	60,0%	40,0%	63,5%	36,5%	81,9%	18,1%	77,7%	22,3%
LODGING ESTABLISHMENT COMPLIANCE WITH SECTOR NORMS									
<i>Item 14. Presence of Security Protocols</i>									
80,0%	20,0%	80,0%	20,0%	77,8%	22,2%	93,2%	6,8%	89,6%	10,4%
<i>Item 15. Elaboration of Sustainability Policies</i>									
60,0%	40,0%	60,0%	40,0%	50,8%	49,2%	59,5%	40,5%	57,3%	42,7%
<i>Item 16. Presence of a Waste Plan</i>									
80,0%	20,0%	60,0%	40,0%	28,6%	71,4%	47,1%	52,9%	44,0%	56,0%

Source: COTELCO Capítulo Antioquia - Chocó (2017)

3.1.1.4 Analysis of the competitive forces

According to Porter (1980), industry is defined as a cluster of similar corporations that produce products and services that attend to a specific need, in other words, products and services that are close substitutes for each other. Porter's (1980) Five Competitive Forces of Industry helps identify threats and opportunities in a specific industry in order to construct a business strategy aimed at creating a sustainable competitive advantage over other competitors. For this particular case, in the hospitality sector, the feasibility of a potential hotel project focused on business and corporate travelers in Medellín may be partially answered from a sector feasibility standpoint by analyzing Porter's (1980) Five Competitive Forces of Industry: Threat of New Entrants (Barrier to Entry), Threat of Substitute Products, Bargaining Power of Suppliers, Bargaining Power of Clients, and Current and Potential Competitors.

1. Threat of New Entrants (Barrier to Entry)

As Porter (1980) explains, the threat of new entrants to the sector depends on barriers to entry, such as capital requirements to finance the project and start its operation, economies of scale contingent on size and scope necessary to attain a viable cost structure, differentiation strategies, switching costs, brand or client loyalty, competitive advantages including location and brand, access to distribution channels, government regulation and policy, and strength of rivalry.

Firstly, the hospitality industry is characterized, worldwide, by high capital requirements and a high proportion of fixed costs to total costs, meaning fixed costs account for the majority of hotel costs, while variable costs account for less. As a result, there are significant economies of scale; the larger a hotel project is, the easier it can spread fixed costs among its total number of rooms to achieve higher profitability. The optimum size for a hotel depends on its scope as a full-service or limited service property, where a full-service hotel in most metropolitan cities should contain at least 350 rooms, preferably closer to the 500-room mark, whereas a limited service hotel in most metropolitan cities should contain at least 80 rooms, preferably closer to the 150-room mark. Given the high capital costs required, a hotel project must be managed to obtain the most cost-effective use of resources applied to construction, furnishing, pre-operational expenses and start-up financing. (Cheng, 2013)

Secondly, lodging establishments must endeavor to sell rooms as profitably as possible, through a right balance of occupancy levels and nightly rate levels. In order for hotels to differentiate themselves and achieve profitability, the two main factors are location and quality of service, both relative to the specific target market, with the latter contingent on effective and prepared management and well-trained and motivated hotel employees. As a result, hotel tariffs are fixed depending on the level of differentiation obtained through competitive advantages, such as location, management, staff, guest satisfaction, property furnishing quality and brand. Pertaining to a large hotel brand, through franchising, gives enormous benefits to the project, especially benefitting from brand image and loyalty. Increasing occupancy levels depends on all these factors, along with a just and equitable rate. (Cheng, 2013)

Moreover, as capital requirements for hotel projects are high, switching costs are high, and trading away from the hotel is not easy; hotels must be retained as a long-term investment. In other words, once a creditor is vested in the project, there is no turning back, especially as capital investments increase. Regardless of competitive advantages, or disadvantages, obtained from the size of the hotel, the success of a hotel project is very sensitive to location, proper management and preparedness of personnel. (Cheng, 2013)

In conclusion, the growth of the hospitality industry in most metropolitan cities, as in the case of Medellín, is greatly restricted by the availability of appropriate locations, which implies that hotel feasibility in the area exists as long as it can be set in a suitable location. For this hotel project, location may be limited to availability in Medellín's commune 14 (El Poblado) or its immediate surroundings, in order for the hotel to be close to the city's main business and financial district. While access to distribution channels may be an impediment to incoming competition, pertaining to an international hotel brand through franchising will solve this issue. Additionally, local governments are typically receptive of new hotel projects, as they understand that they are engines for development in the community, as in Medellín's case. Competition within the sector may be intense, but varies according to market segments and strategic groups. In sum, the hospitality industry exhibits considerably high entry barriers, restraining the entry of new competitors, specifically because of high capital requirements and the limited supply of suitable locations in the city. (Cheng, 2013)

2. Threat of Substitute Products

According to Michael Porter (1980), substitute products or services can either be existing or potentially new products or services that can satisfy the same need. They are threats because they can reduce costs for the consumer or even provide better quality performance or value, result of technology innovation.

Specifically, within the hospitality industry in all major cities, hotels are not really threatened by substitute products or services, except in the case of hotels focused on leisure travelers: in times of recession, domestic travel might replace international travel, as domestic destinations would be less expensive than international destinations. Furthermore, low-cost, informal lodging options, as in the case of Air B&B, hostels and family apartments, represents a threat for hotels focused on leisure travelers, but not for business and corporate travel-oriented hotels, since the person who travels for professional reasons will not typically take a risk in low-cost lodging accommodations. In the "lower" strategic groups for tourist traffic, Air B&B, hostels, motels and staying with kinsfolks might replace cheaper hotels but in any case, this segment is either low-income or cost-conscious, and is quite price-sensitive. Therefore, low-cost and informal lodging establishments will not be considered as competition or substitute products for the hotel project proposed in this thesis paper. (Cheng, 2013)

Nevertheless, any hotel may easily compete against modern, comfortable, but not lavish, hotels situated in convenient locations on low prices within a specific segment by offering good value to price-sensitive guests. Whether this strategy is profitable in the long run or not is ambiguous, as new hotels can easily compete in prices, but is harder to do so with service quality and special offerings. While location is definitely important, hotels may not be able to rely solely on that competitive advantage in order to retain their market share in a state of oversupply and, subsequently, intense competition. In any scenario, the only possible substitute product for a hotel focused on the corporate travel market may be technology itself: virtual meetings with clients or company subsidiaries may replace certain business trips, albeit not enough to be considered a threat to corporate hotels, at least not for the foreseeable future. (Cheng, 2013)

In sum, there is no major threat of substitute products specific to a hotel's product and service, or in this case, a business and corporate class hotel. Hotels may not appear to be particularly locked within strong rivalry because of the varied nature of the competition within the sector and the potential growth rate of its target market. In the "upper" strategic groups, for example, those hotels aiming for business and corporate travelers, or the upper middle aged and old aged range, there is very little opportunity for substitute products or services. As a result, substitute products are neither a major present nor possible potential threat to the hospitality industry in general. (Cheng, 2013)

3. Bargaining Power of Suppliers

Porter (1980) theorized that suppliers to any given industry may be considerable threats if they are less rivaled and their clients do not represent a significant share of their business or revenue stream, that their clients face high switching costs (or perceived deterioration in quality or image if there is a switch in supplier) or that they require a specialized supply of products or services. In any case, suppliers have more bargaining power if their product or service is a fundamental contribution to success in the industry.

As Cheng (2013) elucidates, there is a great demand for enhanced global information and digital booking platforms and channels in order to expand revenue stream in the hospitality industry. As a result, digital channels, such as OTAs, demand high commission fees, with their commission fees expected to grow in future years. In response, large hotel chains, such as Marriott International, have invested in their own digital platforms and websites to attract more traffic, and is incredibly effective, especially within guests loyal to the brand. With many digital channels as an option to obtain sales, the bargaining power of OTAs may start to decrease. Nonetheless, one supplier which might exercise considerable bargaining power over any hotel may be well-trained and experienced labor personnel, fundamental in any hotel aiming to establish a differentiation strategy based on quality of service, and as a result, there is a great demand for talent in the hospitality industry worldwide.

To conclude, in relation to other industries, the hospitality industry is not subject, at least substantially, to supplier bargaining power, suffering little pressure on supplier competitiveness. Clearly, a hotel's success depends mainly on its own effective management and operation. In order for the hotel to have a profitable and sustainable business strategy over the long term, it will need to maintain a perpetual competitive advantage over potential competitors in higher strategic groups (four or five-star category hotels), as well as differentiating itself within its own strategic group. (Cheng, 2013)

4. Bargaining Power of Clients

In accordance with Porter (1980), clients of companies within any given industry may represent a considerable threat if they are more concentrated than the supply of players in the sector and are capable of reducing prices and companies' profit margins. If consumers can easily purchase large volumes, demanding discounts and lower prices or increase costs by demanding higher quality products or services, or simply have an ample range of products or services to choose from, then they are a force to be reckoned with. Additionally, clients can impose a threat of backward integration if they have the financial muscle to acquire the supply source. In essence, if the industry's contribution is not crucial to the success of the client's product and service, or if the industry income depends greatly on a few clients, price sensitivity is thus increased, and their bargaining power increases. (Cheng, 2013)

Particularly, in the hospitality industry, certain clients exercise significant bargaining power due to their bulk purchases of hotel rooms, such as tour operators, domestic or international airlines and large customers, such as event planners. In business and corporate class hotels, large enterprises represent buyer groups with bargaining power, with hotels cutting deals, or corporate rates, with them to obtain their permanent business. In terms of backward propagation, there is a very minor threat, since hotel guests are unlikely to buy them, with the possible exception of very large companies, as in the case of an airline, because of the high investment cost needed. Even many large international hotel chain corporations themselves function as operators or managers of properties instead of owners, through franchising. (Cheng, 2013)

Regarding business and corporate travelers themselves, guests tend to not be price-sensitive if the booking of a hotel room represents only an insignificant item relative to the principal business transaction, in other words, the motif of travel; in addition, the company they work for usually cover all travel expenses. Therefore, independent buyers of hotel rooms are often, as a group, rather fragmented on a global basis, with little bargaining power. On the other hand, when customer groups become more concentrated, for example, tour groups or corporate event groups, the prevalence of low profit margins, sacrificed for volume, will tend to raise the buyer group's cost-consciousness. In this case, a hotel's selection of target buyer groups is important; when hotels target large buyer groups, they will be more susceptible to client bargaining power. (Cheng, 2013)

In closing, the bargaining power of customers varies considerably within the sector, subject mainly to the hotel's selection of target buyer group, but this factor gathers importance in a scenario with an oversupply of hotels or where buyers of hotel rooms are concentrated. In the hotel project proposed in this thesis paper, large buyer groups' bargaining power, as in the case of medium to large companies, must be taken into account. Individual business travelers, such as independents, company shareholders and small businesses represent little bargaining power. (Cheng, 2013)

5. Current and Potential Competitors

As stated by Michael Porter (1980), the intensity of rivalry and competition within an industry is contingent on number and size of direct competitors, since plentiful and similar competitors leads to intense competition between them, because the fight for growth in the sector is greater than the sector's actual growth. Rivalry also becomes more intense when differentiation and switching costs are low.

In the specific case of the hospitality industry, rivalry is intense when capital requirement and risk is high, and when there is pressure to sell rooms at low prices to increase occupancy in weekends, in the case of business and corporate travel class hotels, and in low season, in the case of leisure class hotels. In this thesis paper, only hotels will be considered as direct competitors. The other three types of lodging establishments present in the city, rural lodges, aparthotels, and hostels, will not be considered as direct competitors, due to not only the very different property and operation characteristics between them, but also the difference in target markets. (Cheng, 2013)

As can be observed in Annex 2, there are over 200 hotels within Medellín's sixteen urban communes and five rural communes. Approximately 97% of hotels in Medellín are situated in communes 10, 11 and 14 (La Candelaria and El Poblado, and Laureles – Estadio). Additionally, commune 14 (El Poblado) is where the majority of lodging establishments dedicated to business and corporate travelers reside, a total of 40,7%, due to its closeness to the city's financial and business district. Due to similarity with the hotel project proposed in this thesis, the main competitors within the sector are the Hotel Park 10, the Hotel Estellar Milla de Oro, the Hotel Estellar Blue the Hotel Dann Carlton Medellín, the Leblon Suite-Hotel, the Holiday Inn Express, the Hotel Poblado Plaza, the NH Collection Royal Medellín, the Hotel Affinity, the Four Points by Sheraton, the Hotel Ibis Medellín, Novelty Suites, the Hotel San Fernando Plaza, the Hotel Porton Medellín, the Hotel Intercontinental Medellín, the Hotel Hampton by Hilton Medellín, and the Medellín Marriott Hotel, all of which are at least three star hotels that cater to most of the business and corporate travel market in the city.

In order to compete in this market, it seems that the best way for the proposed hotel project to differentiate itself is through brand, along with a suitable location close to El Poblado's business and finance district. Competing with similar hotels that offer similar services requires brand image, in order to attract customers loyal to it and then create a reputation for quality service within the city to boost sales.

In Medellín, there already exists a Hilton-brand hotel (The Hampton by Hilton Medellín), a Marriott-brand hotel (The Medellín Marriott), an Accor-brand hotel (The Hotel Ibis Medellín), a Starwood-brand hotel (The Four Points by Sheraton), a hotel company recently acquired by Marriott, an NH-brand hotel (The NH Collection Royal Medellín), a Wyndham-brand hotel (TRYP Medellín) and two Intercontinental-branded hotels (The Holiday Inn Express and the Hotel Intercontinental Medellín). Due to Marriott's significant presence in Medellín with high end hotels, such as the Four Points by Sheraton and the flagship Medellín Marriott hotel, it may be commendable that the proposed hotel project in this thesis be a franchised Marriott hotel in order to take advantage of the company's huge loyal customer base, but of a lower-end brand, such as a Courtyard by Marriott, or a Fairfield Inn and suites, incredibly popular among business and corporate travelers. A franchised Hilton hotel similar to the Hampton by Hilton Medellín, such as a Hilton Garden Inn brand, a franchised Hyatt hotel, a franchised Starwood hotel, or a franchised Wyndham hotel, are also possibilities; a decision will be made in the Market Study, after information on the target market is recollected.

Keys to Sustainability and Profitability in the Hospitality Sector

As observed through the detailed analysis of Porter's (1980) Five Competitive Forces of Industry, within a sector characterized by high capital costs and a high proportion of fixed costs to total costs, the main competitive forces and factors that determine potential sustainability and profitability in the hospitality sector are: First, an optimum cost-effective use of resources applied to construction, furnishing, pre-operational expenses and start-up financing; Second, an optimum hotel size to take advantage of economies of scale, at least 350 rooms for a full-service hotel (ideally 500 rooms), and at least 80 for a limited-service hotel (ideally 150 rooms); Third, an optimum sale of rooms, through an effective revenue management; Fourth, a differentiation strategy based on location, brand and quality of service. (Cheng, 2013)

Hotels' main Competitive Advantage and Competitive Position

On a global basis, competition and rivalry in the hospitality sector is intense within specific market segments, subject to the sector's growth rate. With high and growing leisure and corporate travel growth rates worldwide, and also locally in Medellín, competition intensity is less, according to Porter (1980), which is an advantage for new hotels. Furthermore, hotels' competitive advantages are derived from cost and differentiation: low cost hotels are common, which could induce intense competition. On the other hand, product differentiation can be high, ranging from budget hotels to deluxe hotels, mitigating competition intensity. Since fixed costs are high, high room occupancy levels are fundamental in a hotel's success, so as a result, competition would be very fierce in a scenario where there is an oversupply of hotel rooms to attend demand. However, most hotels attempt to exploit brand loyalty, image and differentiation in order to avoid intense competition. (Cheng, 2013)

In conclusion, competition within the sector tends to be fragmented, arbitrary and irrelevant, especially given the optimistic forecast in continuous arrival of visitors for the foreseeable future. The key to any hotel's competitive position remains whether or not there are suitable locations in the area where the hotel is to be constructed, in which case does present the opportunity for other business groups with large capital resources to enter the sector. Nevertheless, while vital, location is not definitive, and it must be accompanied by a strong differentiation strategy. (Cheng, 2013)

Other Major Revenue Streams for Hotels

Despite room sales representing nearly the totality of hotel income, any hotel can generate additional income through the following revenue streams (Cheng, 2013) :

- (A) **F&B:** Food and Beverage income is an important income source, in the exclusive case of full-service hotels with in-house restaurants, by attracting both hotel guests and non-hotel guests. Generally, F&B income is a significant element of total hotel income in the hospitality sector.
- (B) **Conference Rooms and/or Event Spaces:** A hotel with proper spaces for exhibitions and conventions can provide additional income.
- (C) **Entertainment:** Leisure inducing activities such as cinemas, concerts and any other business or leisure function are likely to receive heavy patronage.
- (D) **Integrated Commercial and Shopping Complex:** Shopping spaces with retail shops selling luxury merchandises, watches and jewelry can provide recurrent rental income.
- (E) **Neon-Signage and Advertising:** Separating spaces within the hotel for third-party advertising can entail further income.
- (F) **Valet Parking:** Car-parking services can be another major income source.

Hotels' Business Strategy

As previously explained, Porter (1980) hypothesizes that rivalry intensity is subject to several factors, mainly on number and size of direct competitors, rate of growth of the industry in the sector, product or service differentiation and switching costs, fixed and start-up costs, capacity amplification, exit barriers and diversity within the industry. If the competition for establishing a certain position within the sector becomes more intense, hotels may be obligated to tend to another market segment, cut sales or profit margins, unless it has previously created and maintained enough differentiation to maintain its position within the sector. (Cheng, 2013)

The hospitality industry typically involves very high exit barriers, thus, once invested in it, it is very difficult to leave the business. Hotels' business strategies vary considerably, depending on the companies that own the hotels. To illustrate, an airline entering the hotel business may only see the hotel as a supplement to its core business, which is selling air travel. Similarly, a real estate developer may only enter the hotel business just for property asset development or investment. On the other hand, a company whose core business model is hotel ownership and management, will have a very different strategy, and can keep several options to choose from, including selling or maintaining the property as a long term investment. In this thesis paper, the proposed hotel project would be owned by a parent company that intends to manage the property as a long term investment, enough to at least recover the initial investment and create a sustainable profit over time. (Cheng, 2013)

Conclusion

In sum, any hotel's success is influenced by two main factors, relative to the target market, suitable location and quality of service. The latter factor is subject to effective property management and talent of hotel personnel. Hotel rates are fixed depending on the level of differentiation obtained through competitive advantages, such as location, management, staff, guest satisfaction, property furnishing quality and brand. The industry also presents an opportunity to cross-sell other profitable products, such as F&B, entertainment, exhibitions and conventions. The hospitality industry can be extremely profitable over time as long as the previous factors are maintained through an everlasting, proper differentiation strategy. (Cheng, 2013)

3.1.1.5 Identification of threats and opportunities

Table 25: PESTEL Analysis

PESTEL (Political, Economic, Social, Technological, Environmental and Legal) Analysis	
POLITICAL	
Strengths/Opportunities	Weaknesses/Threats
<i>Confidence to invest created by advance in peace talks with insurgent guerillas.</i>	<i>Decree 2755 of 2003 not applicable to this proposed hotel project.</i>
<i>Possibility of applying to other tax benefits, such as Law 1715 of 2014 and resolution 121 of 2017.</i>	<i>Speculation on the country's future may harm investment, due to presidential election year 2018.</i>
<i>Local government incentive to propel tourism growth in the country and in Medellín as an engine for societal development.</i>	<i>High tax rates in the country; impediment considering the unavailability to apply for Decree 2755 of 2003.</i>
ECONOMIC	
Strengths/Opportunities	Weaknesses/Threats
<i>Continuous and rapid tourism growth in the country and in Medellín.</i>	<i>Possible scenario of oversupply of hotel rooms.</i>
<i>Exchange rate depreciation, facilitating international arrivals and replacing national's international destinations for domestic ones.</i>	<i>Numerous and tough competitors; over 200 hotels in Medellín.</i>
<i>Highly attractive sector to invest in, evidenced by the large amounts of capital invested in the hospitality sector over the years.</i>	<i>High inflation levels may make domestic travel extremely expensive.</i>
<i>Positive projected occupancy level growth, surpassing averages of 65% in Medellín.</i>	<i>Low ADR rates in the country compared to global ADR averages.</i>
<i>Positive projected arrival of visitors, surpassing 800.000 per year in Medellín.</i>	<i>Speculation over Colombia's future may harm GDP growth, and in consequence, tourism growth.</i>
<i>Strong and growing business and corporate travel market in Medellín.</i>	<i>Speculation over the USA's monetary and fiscal policy may disrupt exchange rates beneficial to the hospitality industry.</i>
<i>Projected deceleration of investment in the sector implies less entry of new competitors.</i>	<i>High interest rates in the country which can deter new investment projects.</i>

SOCIAL	
Strengths/Opportunities	Weaknesses/Threats
<i>Amiable culture of service and reception in Medellín.</i>	<i>Deficiency in availability of bilingual workforce.</i>
<i>Low-cost labor for operative positions and well-prepared labor for management positions.</i>	<i>Traditional social resistance of large brand entry to Medellín, with preference to local brands.</i>
<i>Internalization of Medellín, converting the city into an “innovative” center of development in the country.</i>	<i>Increased knowledge and expectations of traveling customers.</i>
<i>Business-oriented culture in Medellín, with several possibilities of creating alliances with other companies to boost hotel sales.</i>	<i>Influx of unprepared work force, due to demobilized guerilla soldiers after the consolidation of peace talks.</i>
TECHNOLOGICAL	
Strengths/Opportunities	Weaknesses/Threats
<i>Opportunity to invest in rapid-growing digital technologies not frequently used by hotels in Medellín, as a differentiation factor.</i>	<i>High cost of commission of OTA channels in Latin America (18-20% in Colombia, much higher than typical 10% global averages).</i>
<i>Lack of formality in hotel operations in Medellín presents an opportunity to take advantage of, as a differentiation factor.</i>	<i>Rapid change in digital technologies in the hospitality sector may present a threat, due to costs of implementing and updating outdated technologies.</i>
<i>Opportunity to use digital technologies to reach travelers, personalize their experience and create loyalty.</i>	<i>Complex definition of commercialization strategy due to interplay of numerous distribution channels.</i>
<i>New technologies present plentiful opportunities to innovate in hotel service, as a differentiation factor.</i>	<i>Online channels present travelers with several options to select and book hotels, making it hard for hotels to stand out.</i>
ENVIRONMENTAL	
Strengths/Opportunities	Weaknesses/Threats
<i>Opportunity to utilize “green” awareness in the hotel as a differentiation factor.</i>	<i>Elevated expectations and global conscience on environmental sustainability.</i>
<i>Opportunity in using cost-efficient eco-friendly procedures, such as less water usage in laundry, and more dry-cleaning.</i>	<i>Negative impact on the environment: soil deterioration and noise pollution during hotel construction.</i>

<i>Opportunity to exploit environmental-friendly incentives offered by the government; e.g. Law 1715 of 2014 and resolution 121 of 2017.</i>	<i>Hotel waste disposal presents a threat to the natural environment.</i>
<i>Opportunity in using cost-efficient biodegradable products in laundry and housekeeping.</i>	<i>Negative Impact on natural resources: preeminent use of water and energy for hotel operations, as well as high chemical use in laundry.</i>
LEGAL	
Strengths/Opportunities	Weaknesses/Threats
<i>Possibility of applying to other tax benefits, such as Law 1715 of 2014 and resolution 121 of 2017.</i>	<i>Decree 2755 of 2003 not applicable to this proposed hotel project.</i>
<i>General flexibility in accepting new hotel projects, seen as local governments as incentives for societal and city development.</i>	<i>High Income tax level in Colombia: 33% during the 2018 taxable year.</i>
<i>Assistance and guidance by hotel unions and guilds, such as COTELCO, for new and incoming hotel projects.</i>	<i>Tax reforms in 2016 in Colombia increased value-added sales tax (IVA – Impuesto al Valor Agregado) from 16% to 19%, making domestic goods and services more expensive.</i>

Source: Own Elaboration.

3.1.1.6 Attractiveness of investment in the sector

Based on the result obtained in the Strategic Hierarchical Matrix (SHM), as shown in Figure 30, the attractiveness of investment in the hospitality sector in Medellín will be determined. Refer to Annex 1 in order to visualize the SHM in a complete and detailed manner.

Figure 30: Attractiveness of Investment in Sector – Strategic Hierarchical Matrix (SHM)

ATTRACTIVENESS OF INVESTMENT IN THE SECTOR - STRATEGIC HIERARCHICAL MATRIX (SHM)				
CRITERIA	Importance	Total	%	Decision
1. MARKET ATTRACTIVENESS	20%	4,20	84,00%	INVEST
2. INTENSITY OF COMPETITION	15%	2,57	51,40%	INVEST CAREFULLY
3. STABILITY OF THE ENVIRONMENTS	15%	3,50	70,01%	INVEST
4. STRENGTHS OF THE BUSINESS	15%	4,30	86,00%	INVEST
5. MARKET GAPS	10%	3,72	74,40%	INVEST
6. TECHNOLOGICAL GAPS IN INDUSTRY	10%	3,57	71,40%	INVEST
7. ALLIANCES AND COOPERATION	15%	3,98	79,60%	INVEST
TOTAL	100%	3,72	74,43%	INVEST

Source: Own Elaboration, based on Prada (2011).

Regarding Market Attractiveness, which represents the most important criterion with a hierarchy of 20%, due to the potential of the hospitality sector, obtained an individual decision indicator of 84.0%, which is interpreted as a clear decision to invest in the sector. This is only logical, as observed in the first section of the Sector Analysis, since there is a high rate of market growth, with tourism in Colombia growing at 5% per year, thanks to FDI for tourism growing by 741% between 2010 and 2015 (from US \$221 million to US \$1,851 million). There is a great demand for business hotels, since 41.6% of Colombians travel for business reasons and 48.2% of foreign travelers travel to Colombia for this same reason, which implies that roughly 50% of the market in the country is business and corporate travel. With more than 650.000 foreign visitors from all over the world arriving in Medellín's JMC airport in 2016 alone, a huge international market exists. Additionally, average occupancy levels in Medellín hotels exceed 60%, indicating high demand, and boasting an enviable occupancy level growth projection surpassing 65% in the years to come.

Consequently, there is a great offer to satisfy this great demand. Therefore, the criteria Intensity of Competition was granted a hierarchy of 15%. With more than 163 new hotels (16.839 rooms) opened between 2010 and 2015, competition is numerous and tough. In Medellín alone, there are more than 200 hotels, even though approximately 25% are four or five star hotels, representing significant competition. The top 25% of the hotels in Medellín monopolize the majority of the business and corporate travel market. As a result, price competition can be intense in low occupancy, especially during the weekends for business and corporate traveler class hotels and during low season travel for leisure class hotels. Correspondingly, the decision indicator of 51.4% is appropriate, which implies that, in terms of Intensity of Competition, investment is viable, however, with precaution. Investing in such a demanding sector exalts the need to compete with a clear differentiation strategy through location, quality of service and brand.

The Stability of Environments criterion was assigned an importance of 15%, due to the influence that the positive effects on FDI made by the peace dialogues with terrorist groups in the country and the improved reputation and image of the country in general, attracting more tourists. Along with a culture of warm visitor reception, especially in Medellín, these social and political factors have dramatically boosted the growth of the hotel and tourism sector. Furthermore, it is essential to recognize the tax benefit of Decree 2755 of 2003 as another of the main incentives for hotel development, which allowed new investments or hotel renovations made up to December 31, 2017 to enjoy a remarkable exemption the property's income tax for 30 years. With the tax exemption law having ended a few months ago, deceleration in hotel investment is expected, which should contribute to less entry of competition. Nevertheless, there are other possibilities for applying to other tax benefits (as in the case of Law 1715 of 2014 and resolution 121 of 2017), and local governments continuously incentivize tourism growth, seen as an ideal engine for growth. In addition, macroeconomic factors such as depreciation in exchange rates have favorably affected hotel occupancy levels by attracting both more international and national visitors. In sum, the criterion had reason to adjust at 70%, implying the sector's general environmental stability is just enough to justify an investment in a new hotel project.

Strengths of the Business, a criterion given a 15% overall importance, depends on the hotel establishment itself. The hospitality sector can prove to be a very profitable business, as seen in the study of Porter's (1980) Five Competitive Forces of Industry, as long as it is managed properly. Nevertheless, an analysis of the sector's technology showed that there is a certain level of informality in the hospitality sector in Medellín. Therefore, despite being an expensive option, franchising through an international and global brand, such as Marriott, would entitle enormous advantages over the competition. The hotel project proposed in this thesis paper would employ the selected brand's entire business model, which has already proved to be successful throughout the world. As a result, using the franchised brand's trademark and business expertise would strengthen the hotel's operations considerably, qualifying for a convincing investment decision indicator of 86%.

Both the Market Gaps and the Technological Gaps in Industry were allotted a hierarchy of 10%, and both are closely entwined, related to the perceivable level of informality within the hospitality sector in Medellín. Hotel sales are heavily dependent on five main distribution channels: Central Reservations, Hotel Websites, OTAs (Online Travel Agencies), GDS (Global Distribution System) and Third Party Agencies. Furthermore, digital and computerized technologies such as PMS (Property Management Systems), RMS (Revenue Management Systems), CMS (Content Management Systems), Online Websites and other Channel Management Systems are needed to perform in today's hospitality industry, revolutionized by digital and online platforms, granting travelers several options to book a room. Only 70% of hotels in Medellín count with at least one of these technologies, and only 75% of hotels in Medellín have an online website. Even more important, only 65% of hotels in the city have a loyalty or rewards program. Moreover, only 80% of hotels perform sector and competition analysis, and only 70% elaborate marketing and sales plans. The availability of bilingual workforce also worries, with only 50% of hotels in the area employing bilingual personnel at least in Front Desk. Clearly, there exists an unsurpassable opportunity for the hotel project proposed in this thesis paper to exploit these market and technological gaps to its favor, and franchising can help solve almost all of these issues, ending in a notable property management and remarkable quality of service. Subsequently, these two criteria suggest investing in the sector, with a decision indicator of 74.4% and 71.4%, respectively.

Finally, Alliances and Cooperation are of considerable value, hence the criteria's 15% importance, since much of the success of the hotel will depend on the relationships that are created with other businesses and companies, both national and international. The presence of an effective sales department is crucial to achieve this objective. The possibilities of creating strategic alliances, unions and agreements are very high, especially given Medellín's business orientation, so it would be recommended to invest in the sector, as concluded with the 79.60% that represents the decision indicator for this criterion.

In conclusion, after weighing each of the criteria, a final grade of 74.43% was obtained, which suggests that there is significant potential in the hotel project proposed in this thesis paper due to the possibilities and characteristics of the hotel and tourism sector in Medellín; henceforth, investment is viable from a sector standpoint. This is the most logical and accurate decision, due to the very positive results projected by each of the seven criteria of the SHM, since all of them individually concluded that investment was the general recommendation. Given the investment viability obtained in the Sector Analysis, the proceeding Market Analysis aimed to obtain the target market's basic requirements to elaborate a marketing plan and create a general differentiation strategy.

3.1.2 Market Analysis

3.1.2.1 Identification of consumer target market

Typically, any hotel is receptive, without discrimination, of any customer willing to pay the nightly rate for staying at the hotel. This implies that the hotel's market is composed of any travelling person who stay at hotels, be it for personal or professional reasons. Personal travel motives include primarily vacation, leisure, sightseeing, medical tourism, visit of family and friends, religious and cultural events, weddings and other large group celebrations, and shopping. On the other hand, professional travel motives include primarily business and investment, investigation and research, trading (purchase or sale), and either dictating or assisting conferences and other corporate events. Additionally, walk-in guests are considered; in other words, any local citizen who intends to stay the night for personal reasons, such as celebrations, late nights out, and dates, or simply to escape the monotonous week routines.

Nevertheless, this hotel project, while being receptive of any of the aforesaid type of guests, will focus mainly on the professional travel market, which is composed of middle to high class national and international business executives, professionals or entrepreneurs, usually 30 years or older, and companies looking for spaces for corporate events. The target market of mainly business and corporate travelers will be looking for a comfortable, convenient and trustworthy alternative for their stays in Medellín, selecting hotels with services that support their work in Medellín from any other national or international city, and provisions to encourage relaxation in leisure time. As a result, the selected target market includes:

- i. Business executives, professionals or entrepreneurs who visit Medellín or its immediate surroundings for business and investment purposes.
- ii. Business executives, professionals or entrepreneurs who visit Medellín or its immediate surroundings for investigation and research purposes.
- iii. Business executives, professionals or entrepreneurs who visit Medellín or its immediate surroundings for trading (Purchase or Sale) in representation of a non-local company.
- iv. Business executives, professionals or entrepreneurs who visit Medellín or its immediate surroundings for dictating or assisting a conference.
- v. Companies or organizations looking for an alternative setting to carry out their meetings, congresses, conferences or other corporate events.

• Potential Demand (Available Market):

The potential demand, or available market, for the hotel project and the investigation, is based on the number of people traveling for any reason, staying at hotels. As stated previously, the hotel may receive any person who travels for personal and professional reasons, as well as local walk-ins. However, the target market will only consider people who travel to Medellín from other Colombian cities or from other countries for professional reasons.

According to information in the previous Sector Analysis from the Medellín Convention & Visitors Bureau (2017) and COTELCO's Antioquia - Chocó chapter (2017), Medellín received approximately 700.000 visitors in the year 2016, with the city planning to receive more than 800.000 visitors in the upcoming years, and hotel occupancy levels reached record highs, averaging more than 65%. Additionally, 50% of visitors travel for professional motives, on average. As a result, approximately 350.000 national and international visitors travelled to Medellín for professional reasons in 2016, or approximately 973 corporate and business travelers every day. It can also be expected that more than 400.000 business and corporate travelers will visit Medellín per year for the near future, or 1.111 visitors for this motive every day. Conversely, this proves the existence of market that the hotel project proposed in this thesis can exploit to its advantage, with a proper differentiation strategy.

• Real Demand:

The actual demand for the hotel project proposed in this investigation is based on the number of people who travel to Medellín and stay at the hotel, with a differentiation strategy designed to target specifically corporate and business travelers.

3.1.2.2 Market projection

The qualitative investigation, which can be viewed in more detail in Annex 5, resulted in the identification of several variables to contemplate in the quantitative investigation, which can be viewed in more detail in Annex 6.

First, it seems as if the corporate and business traveler purchase process trend has changed. As Mr. Brian A. Plemmons, president of Valley Hospitality explained, “it used to be that the companies decided which hotel their employees stayed in, but that has changed, and nowadays, they let them choose where they would like to stay” (Question 2, Expert Interview, Annex 5). This implies that the corporate and business traveler is personally responsible for selecting his or her lodging accommodations, making him or her a direct client and consumer at the same time.

However, the medium to large company still seems to have influence over their decision, as relationships may be created with hotels for their employees to stay there at an established corporate rate. Additionally, third party travel agencies, as in the case of Mr. Rafael Mauricio Molina (Question 2, First Client Interview, Annex 5) and Mr. Jorge Mario Arbeláez (Question 2, Second Client Interview, Annex 5), and OTAs (Online Travel Agencies) such as Expedia.com and Booking.com, as in the case of Mr. Felipe Molina Velez (Question 2, Third Client Interview, Annex 5) and Mr. Juan Luis Saldarriaga (Line 10, Focus Group Conference, Annex 5), may also have significant influences over the corporate and business traveler’s decision process. Nevertheless, in most cases, it seems the company itself pays for their employees’ travel expenses, as Mr. Brian Plemmons stated, “normally most of the corporations or companies they work for pay for their stay, say 90% of the time. Corporate travelers pay for their stay out of their own money if they own the company or are traveling sales people” (Question 2, Expert Interview, Annex 5). As the investigation revealed, if the traveler worked for a medium to large company, the company always paid for their stay, but if the traveler was a partner or an owner of his or her own small business, then he or she would pay all travel expenses, as in the cases of Mr. Pablo Molina Vélez (Line 12, Focus Group Conference, Annex 5) and Mr. Rafael Mauricio Molina (Question 2, First Client Interview, Annex 5).

Consequently, the hotel must target both the individual corporate and business traveler, as well as the company they represent or work for. The means to contact them are varied. Mr. Brian A. Plemmons considers that the best way to reach them is through e-mail, which can be provided through hotel rewards programs, one of the advantages of franchising with a known hotel brand. At the same time, some travelers have no intention of reading e-mails due to lack of interest in them or due to lack of time, as in the case of Mr. Rafael Mauricio Molina (Question 8, First Client Interview, Annex 5). OTAs are also a possibility, as Mr. Felipe Molina Vélez says, “the best way for the hotels to communicate with me are through the intermediaries I mentioned earlier [Booking.com]”.

Another potential method of reaching out to clients could be through the company itself, as Mr. Diego Gutiérrez stated, “the best way for a hotel that targets the corporate travel market to reach out to clients is by establishing relationships with companies and corporations” (Line 63, Focus Group Conference, Annex 5). All of these promotional tools should be employed by the hotel, and there must be a department in charge of this task, so, as Mr. Brian A. Plemmons declares, it is “extremely important to have a sales department in your hotel to try to create and maintain relationships with clients” (Question 8, Expert Interview, Annex 5).

Second, more specifically on the hotel itself, the option of franchising the hotel from a recognized global brand such as Marriott or Hilton seems to be the best. Mr. Brian A. Plemmons has no doubt about that, “for many reasons. One, the rewards program. Two, the easy access to booking rooms. Three, the chances of finding a branded hotel close to where you are going. Also, and very important, corporate travelers want hotels to be identical. They stay at branded hotels because they know exactly what the offering is like in every property they stay in all over the world” (Question 5, Expert

Interview, Annex 5). While Mr. Diego Gutiérrez (Line 41, Focus Group Conference, Annex 5), Mr. Jorge Mario Arbeláez (Question 5, Second Client Interview, Annex 5) and Mr. Rafael Mauricio Molina (Question 5, First Client Interview, Annex 5) agree, others are less loyal, choosing hotels based primarily on price and its services, as in the case of Mr. Jose Mario Rodríguez (Question 5, Fourth Client Interview, Annex 5), Mr. Julián Arango (Line 42, Focus Group Conference, Annex 5) and Mr. Juan Luis Saldarriaga (Line 43, Focus Group Conference, Annex 5). Clearly, price is a major factor to consider, although Mr. Brian A. Plemmons sustains that, “in terms of price, for corporate travelers, sensitivity to price is much lower than for leisure travelers” (Question 7, Expert Interview, Annex 5) given the company pays for travel expenses in most cases.

Third, the corporate and business traveler tends to require less services in a hotel than a leisure traveler. The typical corporate and business traveler has a busy schedule, with little time for anything else other than work, and most eat outside of the hotel. The qualitative investigation showed that most of the people interviewed do not need swimming pools, restaurants or bars in the hotel, as in the case of Mr. Jose Mario Rodriguez (Question 4, Fourth Client Interview, Annex 5), Mr. Jorge Mario Arbeláez (Question 4, Second Client Interview, Annex 5), Mr. Diego Gutiérrez (Line 32, Focus Group Conference, Annex 5) and Mr. Julián Arango (Line 33, Focus Group Conference, Annex 5), although some may appreciate a gymnasium, as in the case of Mr. Rafael Mauricio Molina (Question 4, First Client Interview, Annex 5) and Mr. Felipe Molina Vélez (Question 4, Third Client Interview, Annex 5) and corporate spaces such as business centers and small conference rooms, as in the case of Mr. Jorge Mario Arbeláez (Question 4, Second Client Interview, Annex 5) and Mr. Juan Luis Saldarriaga (Line 34, Focus Group Conference, Annex 5). The service that most corporate and business travelers require at a hotel is breakfast. As Mr. Pablo Molina Vélez summarizes, “breakfast at the hotel is necessary. Mornings are very time-consuming, and having breakfast at the hotel is practical and timesaving. It can happen that you do not have much time to go out the hotel and find breakfast” (Line 51, Focus Group Conference, Annex 5). Almost every other person interviewed agrees. The other fundamental requirement in any hotel for a business and corporate traveler is a good connection to the internet. Most of their work requires access to WiFi, as in the cases of Mr. Pablo Molina Vélez (Line 20, Focus Group Conference, Annex 5), Mr. Julián Arango (Line 33, Focus Group Conference, Annex 5), Mr. Jose Mario Rodríguez (Question 3, Fourth Client Interview, Annex 5), and Mr. Rafael Mauricio Molina (Question 3, First Client Interview, Annex 5).

Fourth, the corporate and business traveler seems to converge on one main factor when choosing a hotel: location, in other words, how close the hotel is to the place they need to do business at. As Mr. Brian A. Plemmons says, “Location is everything” and that “being close to restaurants, bars and other local hotspots is fundamental if your hotel is not a full service property. If you are a full service property, being close to restaurant and bars is not as important as long as your food and beverage offering is outstanding” (Question 4, Expert Interview, Annex 5). Every other person interviewed agrees that the hotel has to be in a good location relative to the meeting area with clients or other businesses. Location helps the traveler be very “efficient”, as Mr. Rafael Mauricio Molina puts it (Question 3, First Client Interview, Annex 5), during the trip, fundamental for business convenience. After location, other factors come into play, such as cleanliness, price, tranquility and service.

Nevertheless, many of these travelers may require a more cautious service that respects guests’ privacy, as in the case of Mr. Rafael Mauricio Molina (Question 3, First Client Interview, Annex 5). On the other hand, some expect exceptional service, especially as a way to improve brand loyalty, and as a way to show appreciation for repeat guests, as Mr. Diego Gutiérrez explains (Line 17, Focus Group Conference, Annex 5). In order to improve loyalty towards the hotel, it seems detail is the key and showing appreciation for guests, as Mr. Brian A. Plemmons states, “going above and beyond the call of duty” to assist the guest in any way possible (Question 6, Expert Interview, Annex 5). Additionally, the hotel, by showing flexibility in guests’ travel itineraries can also help improve loyalty. As Mr. Rafael Mauricio Molina explains, flexibility refers to “hotels being understanding and helpful

with modifying reservation dates at the last minute, accepting late checkouts and early check-ins”, without extra cost. (Question 6, First Client Interview, Annex 5).

Moreover, business and corporate travelers tend to stay on average “two and a half nights” (Question 1, Expert Interview, Annex 5). While their stay is only a short period time, their travel frequency is much higher than that of leisure travelers. Some may even travel up to two times per month for professional reasons, as in the case of Mr. Rafael Mauricio Molina (Question 1, First Client Interview, Annex 5). Unfortunately, the nature of business travel may involve one major issue for the hotel that wishes to target this specific market. Since business is done during the week, from Monday to Friday, corporate travel class hotels may have “high occupancy levels on weekdays, but [have] very low occupancy levels on the weekends”, as Mr. Diego Gutiérrez points out (Line 65, Focus Group Conference, Annex 5). In consequence, a strategy to improve occupancy levels during the weekend must be employed, at least in order to cover fixed costs. The strategy may involve targeting leisure travelers during the weekend, or incentivizing business and corporate travelers to extend their stay beyond Friday, or both. For this reason, the market survey in the posterior quantitative investigation recollected data on leisure travelers, totaling 20% of the total number of surveys, covering the 20% of the week (Saturdays and Sundays).

In sum, the qualitative investigation showed that business and corporate travelers look for and require very basic hotel services, different to a leisure traveler. As Mr. Julián Arango summarizes, “hotels should be more aware and self-conscious of the cost-benefit relationship of the service they offer to business travelers. We do not need many services, so the hotel should have a price that reflects that limited service, and not overcharge for any unnecessary service” (Line 39, Focus Group Conference, Annex 5). They are basically looking for a comfortable and convenient place to spend the night while they are away on business, which could be defined as a “simple transaction”, as Mr. Rafael Mauricio Molina defines it, “I stay the night, I do my business, pay, and leave” (Question 3, First Client Interview, Annex 5). However, offering the basics may not be enough, and the hotel service should make corporate travelers feel like they are at home, especially as a way to differentiate the hotel in a highly competitive market.

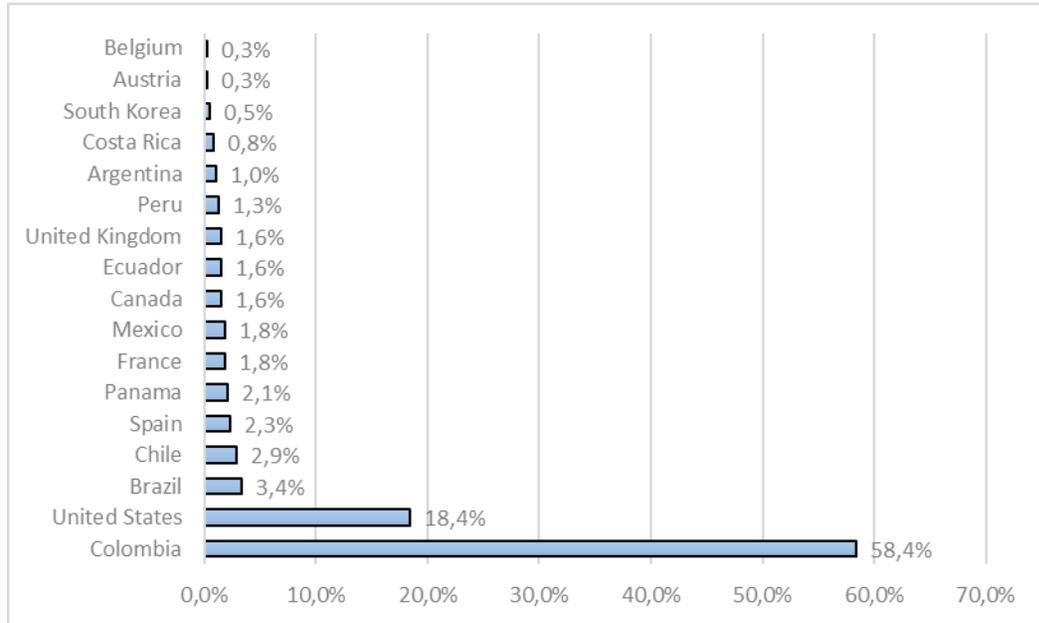
With the qualitative investigation having previously identified the main variables to consider for the hotel project, the quantitative investigation could proceed as planned, and the market survey was designed and distributed. The main results and analysis of the quantitative investigation’s market surveys are displayed below. For more detailed information on the aforementioned results, refer to Annex 6.

The 385 surveys obtained a roughly homogeneous mix of 215 males (55.8%) and 170 females (44.2%), aged on average 43, resident in 17 different countries. Figure 31 depicts that 58.4% of those surveyed reside in Colombia, and 18.4% in the United States, while the most common Latin American country that exports visitors does seem to be Brazil, in accordance with COTELCO, representing 3.4% of those surveyed. Other Latin American countries joining Brazil were Chile (2.9%), Panama (2.1%), Mexico (1.8%), and Ecuador (1.6%). European nations are present as well, such as Spain (2.3%), France (1.8%), and the UK (1.6%). Only one country from Asia and Africa was present in the survey, South Korea, with a mere 0.5% participation.

308 (80%) of those surveyed travel for professional reasons, while the other 77 (20%) do not. In this thesis, as stated previously, will focus mainly on results obtained by those respondents who travel for professional reasons, composing the business and corporate (B&C) travel market. As Figure 32 illustrates, of those who travel for professional reasons, more than half (50.3%) work for medium to large companies, 17.5% are owners or partners of their own small business, 14.6% work as independent contractors not tied to any specific company, 9.4% are owners or partners of their own medium or large company, while only 8.1% work for small companies. The first conclusion derived from the market study suggests that the larger the company, the more likely their employees travel.

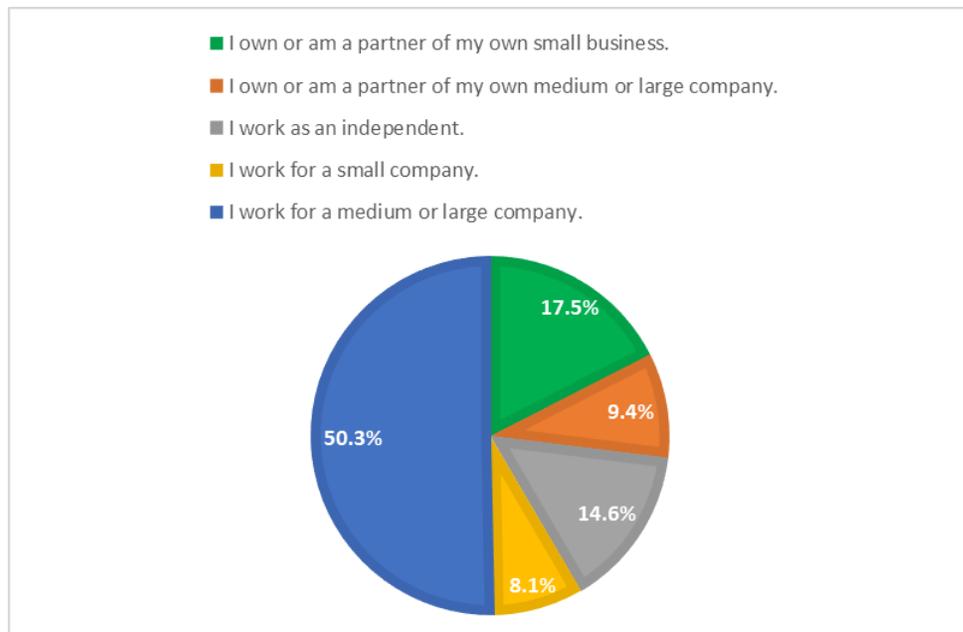
When it comes to smaller companies, their owners or main partners tend to travel more than their employees.

Figure 31: Country of Residence of 385 surveyed travelers



Source: Own Elaboration.

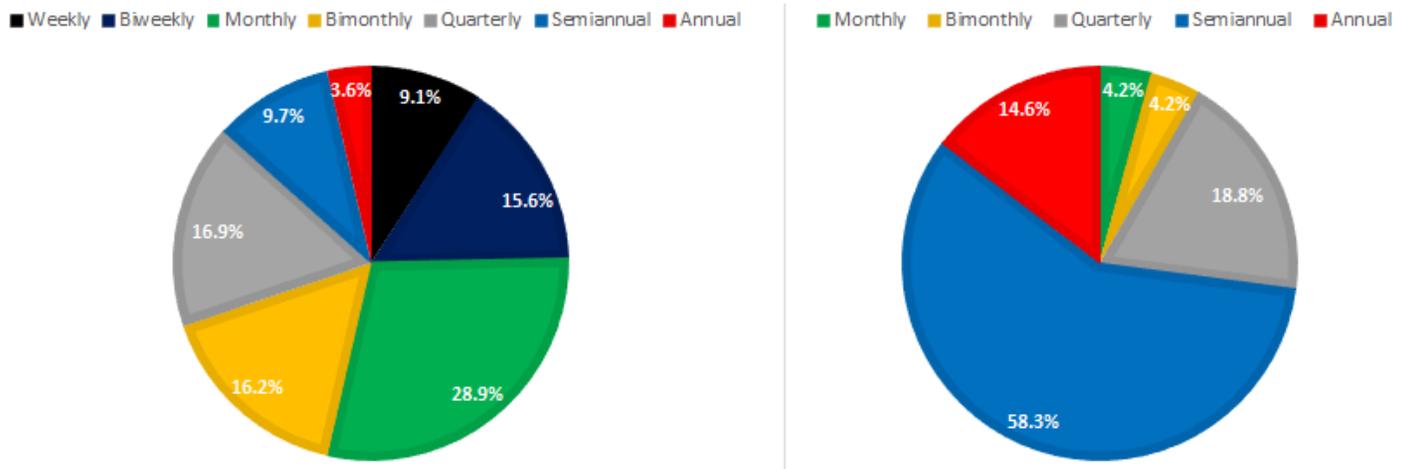
Figure 32: The Business and Corporate (B&C) Traveler Position



Source: Own Elaboration.

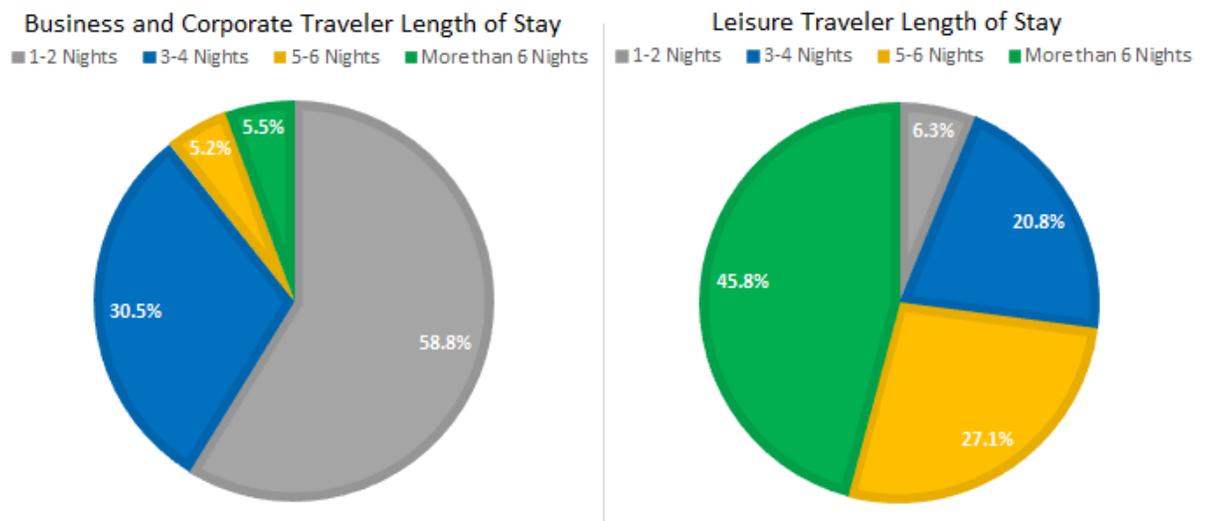
One of the main differences between the B&C traveler and the leisure traveler is the frequency of travel. Whereas the leisure tourist travels, on average, every 178.1 days, or every 5.9 months, the B&C tourist travels, on average, every 67 days, or every 2.2 months. In other words, B&C tourists travel roughly 2.5 times as often as leisure travelers, with approximately 25% of B&C tourists traveling at least every other week (9.1% travel weekly and 15.6% travel every two weeks), as shown in Figure 33. On the other hand, the average length of stay is much shorter for B&C tourists than leisure travelers; 2.6 nights versus 5.8 nights, respectively. Almost 60% of B&C travelers stay at their destination only 1 or 2 nights, and another 30% stay 3 or 4 nights (Refer to Figure 34).

Figure 33: Business & Corporate Travel vs. Leisure Travel – Frequency of Travel



Source: Own Elaboration.

Figure 34: Business & Corporate Travel vs. Leisure Travel - Length of Stay

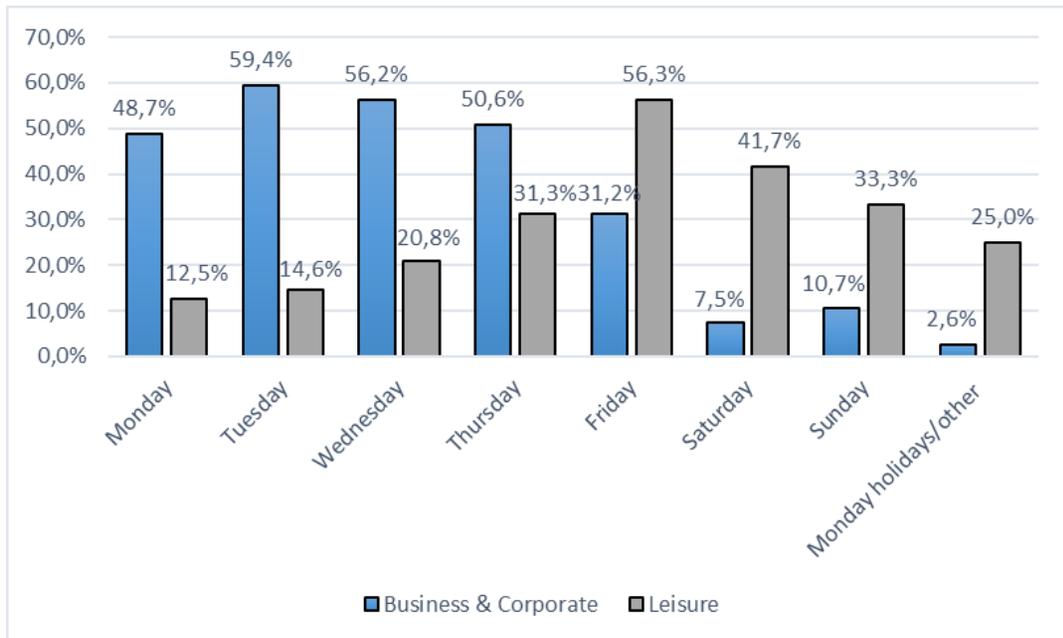


Source: Own Elaboration.

Another notorious difference between the two types of tourists lies in the days of the week they travel, as Figure 35 depicts. Typically, business is done during the week, and pleasure travel is done during the weekends or holidays, which explains why most B&C tourists travel on Monday (48.7%), Tuesday (59.4%), Wednesday (56.2%) and Thursday (50.6%) and why most leisure tourists travel on Friday (56.3%) and Saturday (41.7%). Very few B&C tourists travel on Friday (31.2%), Saturday (7.5%), Sunday (10.7%) and rarely, on Monday holidays or other holidays (2.6%).

The second conclusion derived from the market study then suggests that most B&C tourists travel at the beginning of the week, stay on average 2.6 nights, and then most of them leave by Thursday or Friday, leaving a very low occupancy on Saturday, Sunday and other festive days. As a result, it is critical that the hotel project proposed in this thesis paper employ a strategy to either retain B&C travelers through the weekend, attract some leisure travelers during the weekend, or both, in order to at least cover fixed costs during these low-occupancy days.

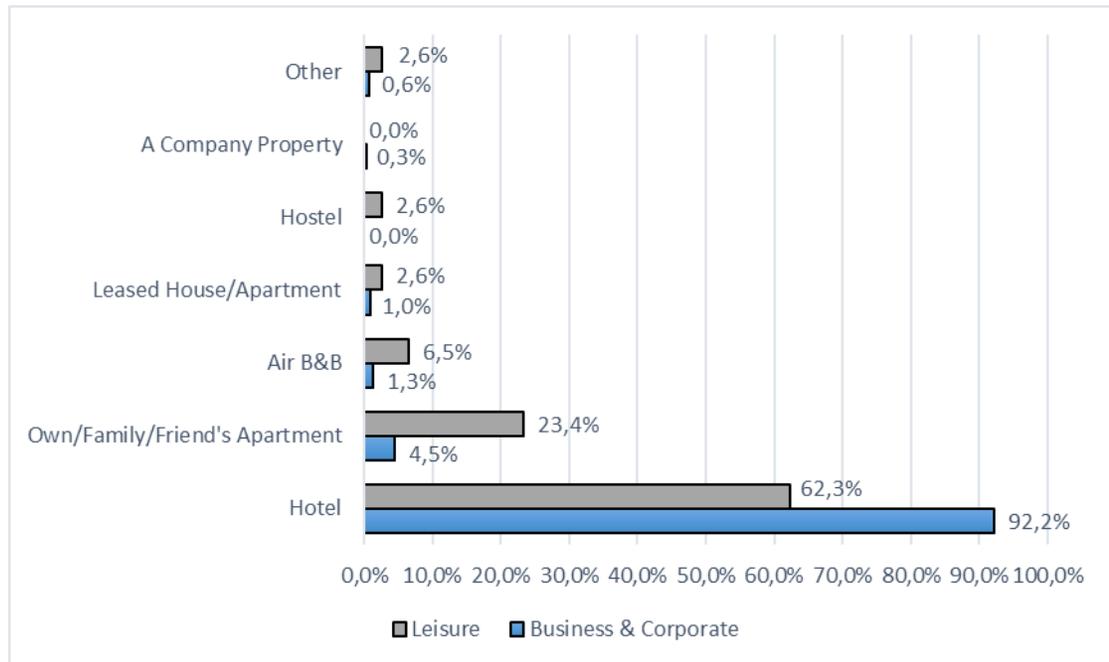
Figure 35: Business & Corporate Travel vs. Leisure Travel – Day of the Week Travel



Source: Own Elaboration.

In terms of where tourists stay, hotels still dominate the leisure travel market, with 62.3% of leisure tourists electing to stay at hotels, but have received strong competition from other cost-effective options such as Air B&B, hostels, and staying at own, family or friends' houses or apartments. On the other hand, hotels are almost unrivaled when it comes to B&C travelers selecting lodging accommodations: a staggering 92.2% of business and corporate tourists stay at hotels during their travels, as depicted in Figure 36. This behavior is explained by the fact that B&C tourists tend to not take risks at low-cost lodging establishments or risk losing efficiency and concentration needed to work at a relative or friends' place. Furthermore, as will be explained later on, the companies the travelers work for typically cover all basic travel expenses, including accommodation. In sum, it can be concluded that hotels are practically unrivaled as the main choice for accommodation in the B&C travel market.

Figure 36: Business & Corporate Travel vs. Leisure Travel – Accommodations

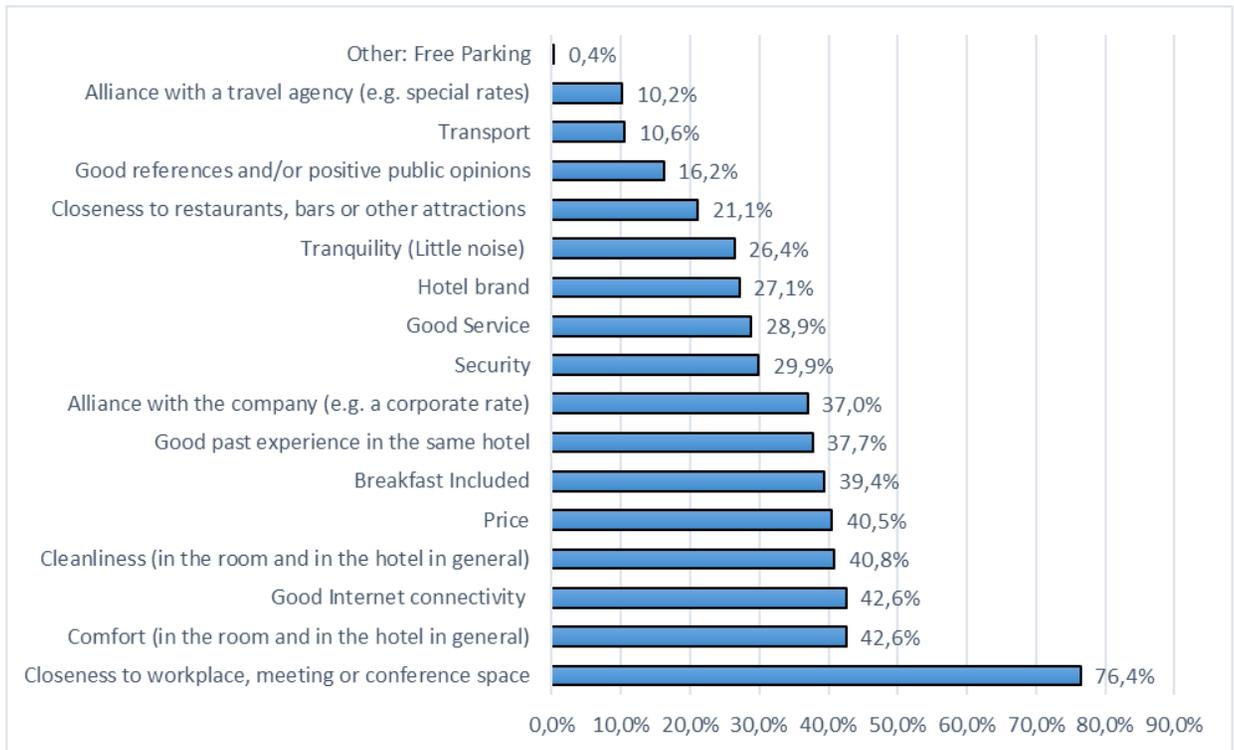


Source: Own Elaboration.

Regarding the specific requirements of the B&C travelers, of the 284 (92.2% of 308) surveyed that travel for professional reasons and choose hotels as their primary accommodation option, in other words, the true target market for the hotel proposed in this thesis paper, approximately 75% agree that location is one of the main factors that influences their decision on which hotel to stay at. Location refers to closeness to the workspace, meeting or conference space in their city of destination, a fundamental need discovered in the qualitative investigation and demonstrated in the quantitative investigation. In conclusion, the hotel project must be situated close to the heart of El Poblado's main business and financial district.

No other factor comes close to location in terms of influence in the B&C traveler's decision. As can be seen in Figure 37, after location comes basic hotel services, including Comfort and Good Internet Connectivity, both with 42.6% of those surveyed affirming its importance, Cleanliness (40.8%), Price (40.5%), Breakfast Included (39.4%), and Good Past Experience in the Same Hotel (37.7%). All of these factors are basic hotel amenities, and are expected, as a minimum, by the guest, making it hard for the hotel to differentiate itself through those. That is where Brand, Good Service and Alliances with Companies come into play. Despite each of them having a relatively low participation of 27.1%, 28.9%, and 37%, respectively, it is in these areas that the hotel can create differentiation among its competition, along with the minimum location and amenity requirements.

Figure 37: Main Influence Factors in the Business & Corporate Traveler's Decision



Source: Own Elaboration.

Within the hotel, it seems that the need for a limited amount of services required by the typical B&C traveler, discovered in the qualitative investigation, is indeed true. The only service that is highly demanded by these travelers, and should be given special consideration to, is access to internet. 91.2% of the 284 surveyed B&C travelers who stay at hotels all concur that internet is the most important service within the hotel (See Figure 38). Therefore, the hotel must invest in an extremely high-speed internet provider, one that is able to support hundreds of connections at the same time without crashing or losing service. An opportunity for an additional revenue stream presents itself here. The hotel can easily offer free high-speed internet to all of its guests, but charge an additional fee for lightning speed internet, or offer that premium internet speed to frequent guest. In any case, investing in high-speed internet access is paramount.

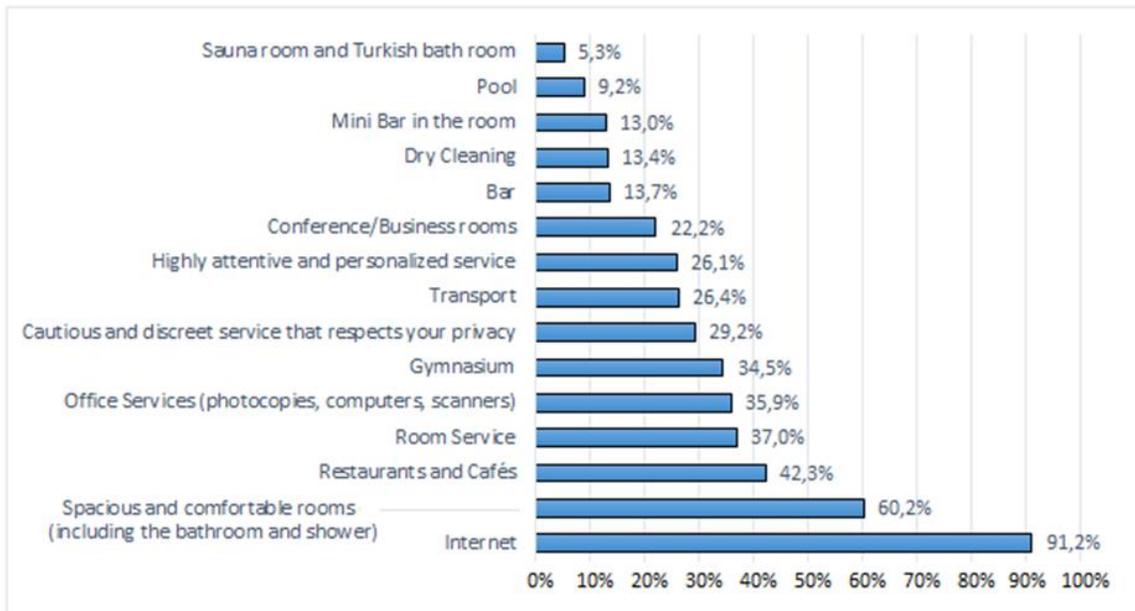
After Internet access, the B&C traveler requires very little services or physical installations within the hotel. As discovered in the qualitative investigation, B&C travelers have very little leisure time during the day, when they are busy working, and when they return to the hotel, they just want to relax in their rooms: 60.2% of those surveyed agree that spacious and comfortable rooms (including the bathroom and shower) is important to them. Additionally, 37% of them would have Room Service brought up to their room during their free time. Leisure services, such as pools and wet rooms (Sauna and Turkish bath) are the services that would least be used by B&C travelers; only 9.2% and 5.3%, respectively, of them would use these services. The only leisure installation that should be present in a B&C hotel is a 24-hour gymnasium. 34.5% of the B&C travelers surveyed have exercise integrated into their daily routines and would look for hotels that offer this service.

The third most demanded service, after Internet and Spacious and Comfortable Rooms, is the presence of restaurants and cafés, with a respective 42.3%. If the final decision is to build a limited service hotel with no in-house restaurant, then it would be highly recommended that the hotel be in walking distance of restaurants, have a separately managed restaurant within or next to the hotel, or create alliances with nearby restaurants. In any case, the hotel, whether it is a full-service or limited service, must have a restaurant, café, cafeteria or lounge space to serve breakfast, as per demanded by local laws.

However, it is recommended that the hotel have, as a minimum, a Business Center with Office Services (photocopies, computers and scanners), as 35.9% of the B&C travelers surveyed consider that this service is essential in a hotel. Conference and business rooms, usable for events and conventions, though only believed to be important by 22.2% of those surveyed, can be a considerable source of revenue and differentiation factor. Mini bars inside the rooms can also be a significant source of income, but prices must be set to a fair limit, not attempting to obtain an outrageous 20 or 30% profit on mini bar products like most hotels do. With a smaller profit margin, guests will more likely be tempted to purchase a snack from the mini bar instead of having to walk outside the hotel to buy one. As a result, more product volume will be sold, and mini bar product rotation will be lower, due to less expired products. Dry cleaning should also be present as an option inside the hotel, despite the fact that only 13.4% of B&C travelers would use it.

In terms of overall service, while true that all guests want to be treated as a VIP (Question 3, Expert Interview, Annex 5), the market survey demonstrated that good service in the hotel should be opportunistic. 29.2% of B&C travelers consider it important that hotel service be cautious and discrete, respecting guest privacy, but a very close 26.1% consider it important that hotel service be highly attentive and personalized. Both are polar opposites, but highlight the importance of an opportunistic service. As a result, it is necessary that hotel staff is well-trained to know when to provide attentive and personalized service to the guest, and when to provide cautious and discreet service to the guest. This opportunistic service is a key differentiation factor in the hotel's success.

Figure 38: Services and Installations within the Hotel demanded by B&C Travelers



Source: Own Elaboration.

73.6%, or 209, of the 284 surveyed B&C tourists that stay in hotels have traveled to Medellín, while the remaining 26.4% (75) have never traveled to Medellín, either because they live in Medellín or because their job has never required them to go to Medellín. In any scenario, Figure 39 illustrates which hotel brand is most frequently selected by the B&C traveler. The green bars represent the totality of the 284 surveyed B&C travelers; the blue bars represent the 209 B&C tourists that have been to Medellín; finally, the gray bars represent the 75 B&C tourists that have never been to Medellín. The three sets are fairly evenly distributed, implying that the green bars would be a close representation of the hotel that would be selected, independent of whether the B&C traveler has been to Medellín or not.

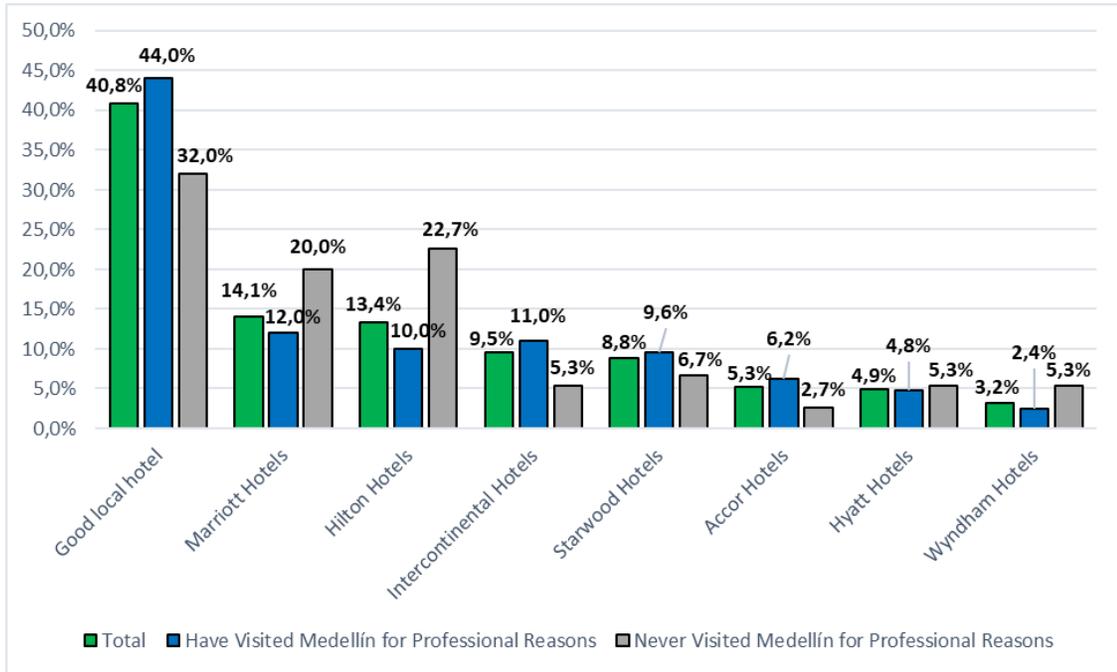
In any case, the most-selected hotels by B&C travelers are good, local hotels not pertaining to any international hotel chain, but are selected less by B&C travelers in other cities besides Medellín (32%). 44% of B&C tourists who travel to Medellín mostly select good local hotels, such as the Hotel San Fernando Plaza, the Hotel Dann Carlton, the Hotel Poblado Plaza, the Hotel Porton Medellín, the Novelty Suites, the Hotel Estelar Milla de Oro, among others. This is only logical, considering that there are more local hotel businesses than large, branded hotel businesses in the city.

The two most selected hotel brands by B&C travelers, are, unsurprisingly, Marriott Hotels and Hilton Hotels. These two hotel brands are selected in much higher proportion by those B&C travelers outside of Medellín, also logical, since Medellín's local hotels have been operating in the city longer than large chain hotel companies like Marriott and Hilton. Nevertheless, a considerable amount of B&C tourists would stay at a Marriott Hotel (e.g. the Medellín Marriott Hotel) or a Hilton Hotel (e.g. The Hampton by Hilton Medellín) for their next visits to Medellín, 12% and 10%, respectively. In total, Marriott Hotels and Hilton Hotels are normally selected by 14.1% and 13.4%, respectively, of B&C travelers.

The Intercontinental hotel brand is very popular amongst B&C travelers in Medellín, with 11% of those who travel to Medellín for professional reasons electing to stay at one of the brand's hotels (e.g. Hotel Intercontinental Medellín, the Holiday Inn Express) in the city. The Starwood hotel brand, recently acquired by the Marriott Hotel company, follows, with 9.6% of those B&C tourists who travel to Medellín choosing to stay at that brand of hotel, for example, the city's Four Points by Sheraton hotel. 6.2% of those who travel to Medellín would opt to stay at an Accor Hotel brand (e.g. Hotel Ibis Medellín), while 2.4% would stay at a Wyndham Hotel brand (e.g. Hotel TRYP Medellín). Finally, though the Hyatt Hotel (Grand Hyatt, Hyatt Hotels, Hyatt Regency, among others) brand has no presence in Medellín, 4.8% of B&C travelers would decide to stay at one of those hotels if there were any in Medellín.

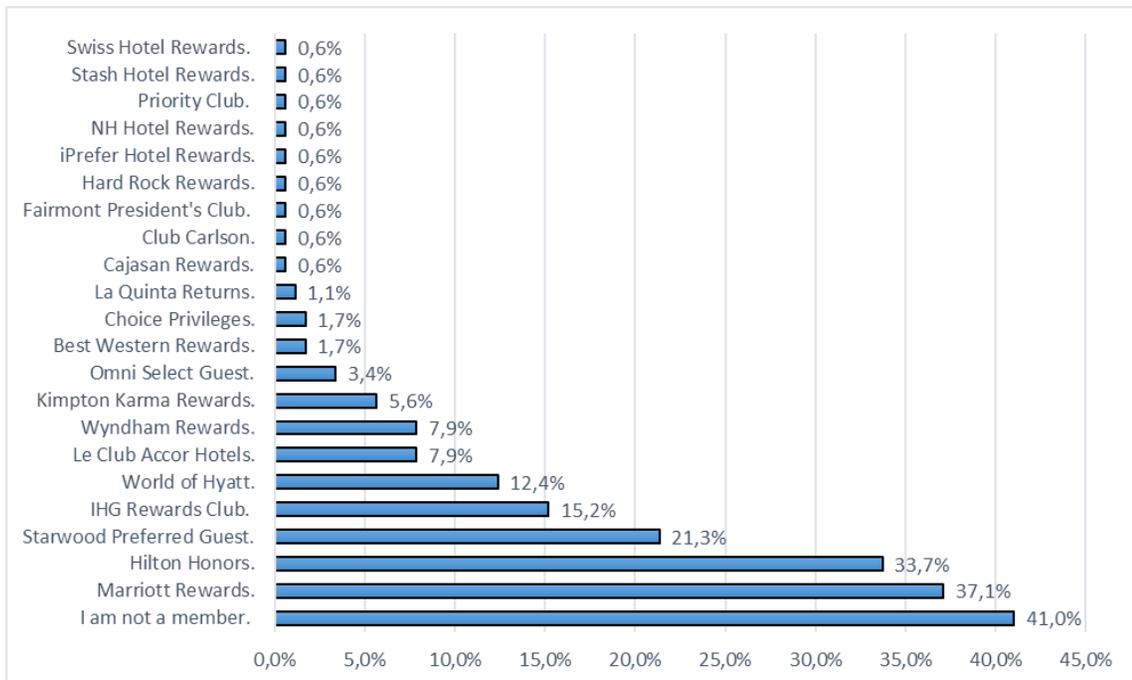
In addition, B&C traveler affiliation towards hotel brand loyalty and rewards programs is substantially high. Only 178 responses were recorded, due to the Hotel San Fernando Plaza's condition for eliminating this question from the surveys while doing field work surveying guests between the 5th and 9th of February, 2018. Nevertheless, clear tendencies were identified, as shown in Figure 40. 41% of B&C travelers surveyed do not belong to any loyalty programs, but it came to no surprise that the world's leading loyalty programs, Marriott Rewards and Hilton Honors, came in first and in second place among B&C traveler affiliation, with 37.1% and 33.7%, respectively. Afterwards, a surveyed 21.3%, 15.2% and 12.4% of B&C travelers belong to Starwood Preferred Guest, IHG Rewards Club, and World of Hyatt, respectively. Other loyalty programs, such as Le Club Accor Hotels (7.9%) and Wyndham Rewards (7.9%), were less common between B&C travelers. Clearly, affiliation to hotel loyalty or rewards programs have a strong correlation to the hotels chosen by B&C tourists during their travels: The top selected brands (Marriott, Hilton, Intercontinental, Starwood, Accor, Hyatt and Wyndham, in that order) also belonged to the rewards programs most used by B&C travelers (Marriott Rewards, Hilton Honors, Starwood Preferred Guest, IHG Rewards Club, World of Hyatt, Le Club Accor Hotels and Wyndham Rewards, in that order).

Figure 39: Hotel Brand selected by the B&C Traveler



Source: Own Elaboration.

Figure 40: B&C Traveler affiliation to Hotel Loyalty/Rewards programs



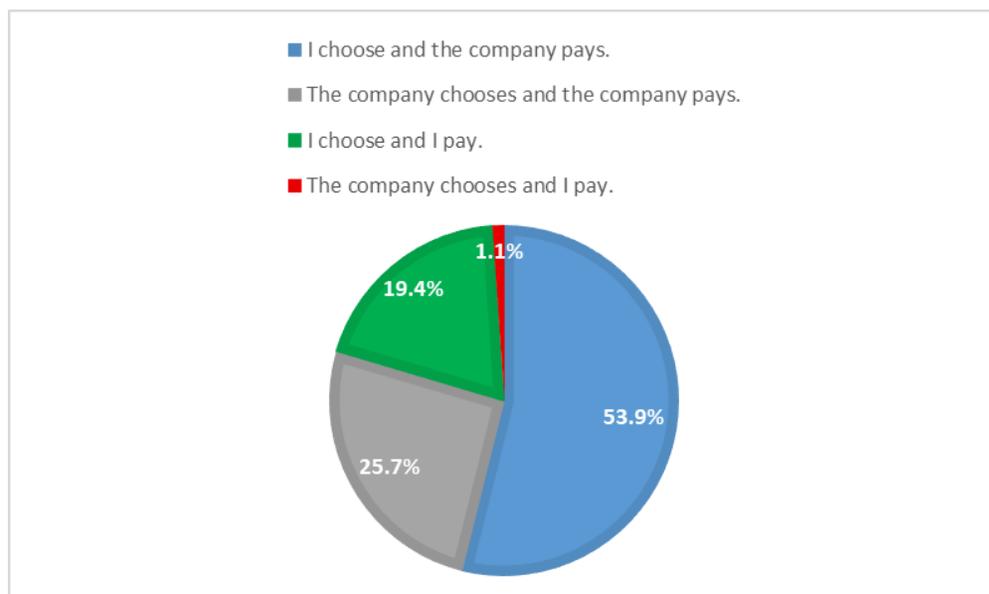
Source: Own Elaboration.

In conclusion, taking into account this previous information obtained from the Market Study, it is recommended that the hotel project proposed in this thesis paper be a franchised Marriott, Hilton, or Hyatt hotel, depending on service characteristics. If the project is intended to be a limited service hotel, then it is recommended that the hotel be a Courtyard by Marriott or a Fairfield Inn and Suites by Marriott (a “Classic Select”, or limited service Marriott brand), which would be a more affordable option than the Medellín Marriott Hotel (a “Classic Premium” or full service Marriott brand). If the project is intended to be a full service hotel, then it is recommended that the hotel be a flagship Hilton hotel, a Doubletree by Hilton (both a “Full Service” Hilton brand), or a flagship Hyatt hotel (a “Full Service” Hyatt brand), which would be more expensive, and a class above Medellín’s Hampton by Hilton (a “Focused Service” or limited service Hilton brand). (Hilton Worldwide, 2018; Marriott International Hotels, 2018; World of Hyatt, 2018)

Another objective of the Market Study was to gather information that would help with the creation of marketing and commercialization strategies for the proposed hotel project. As a result, it was necessary to understand the decision process of B&C travelers. In the qualitative investigation, it was understood that the decision process amongst B&C travelers varied considerably. One common trend that was identified consisted in that the company the traveler works for typically pays for all basic travel expenses, including hotel accommodations. The quantitative investigation evidenced this claim, as shown in Figure 41, with close to 80% of the B&C travelers surveyed stating that the company pays for all expenses; in 25.7% of the cases, the company chooses the hotel or presents the traveler with a list of approved hotels, many of which with corporate rates established between the company and the hotel. In 53.9% of the cases, the B&C traveler had complete autonomy in the decision for selecting a hotel, and afterwards, the company would reimburse the traveler.

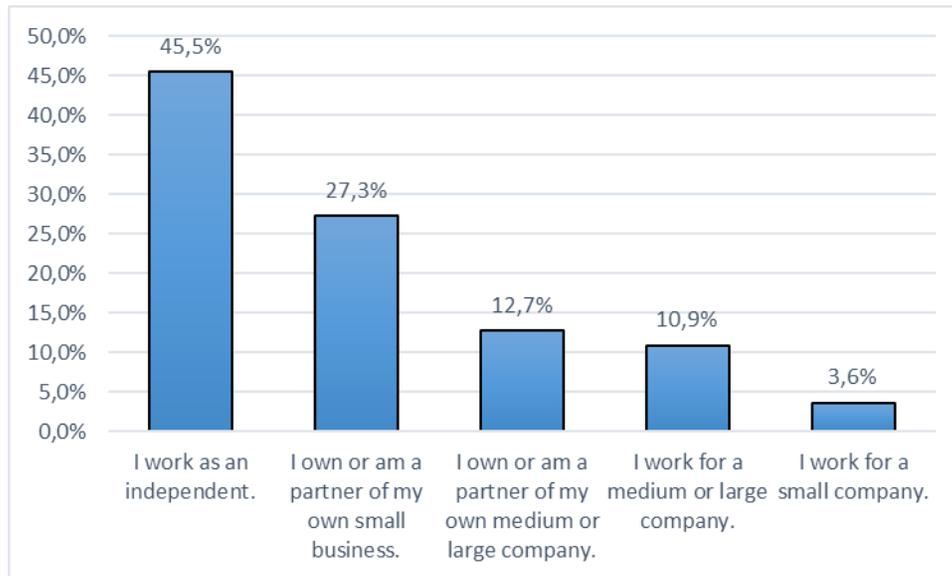
On the other hand, in the 19.4% (55) of cases, when the B&C traveler was both responsible for selecting the hotel and paying for his or her stay, 45.5% of them worked as an independent with no ties to any company, 27.3% were owners or partners of their own small business, 12.7% were owners or partners of their own medium to large companies, and just 10.9% and 3.6% of them worked for medium to large and small companies, respectively, as evidenced in Figure 42.

Figure 41: Responsibility for Hotel Selection and Final Payment



Source: Own Elaboration.

Figure 42: Job Occupation of B&C Travelers who Pay for Hotel Accommodations



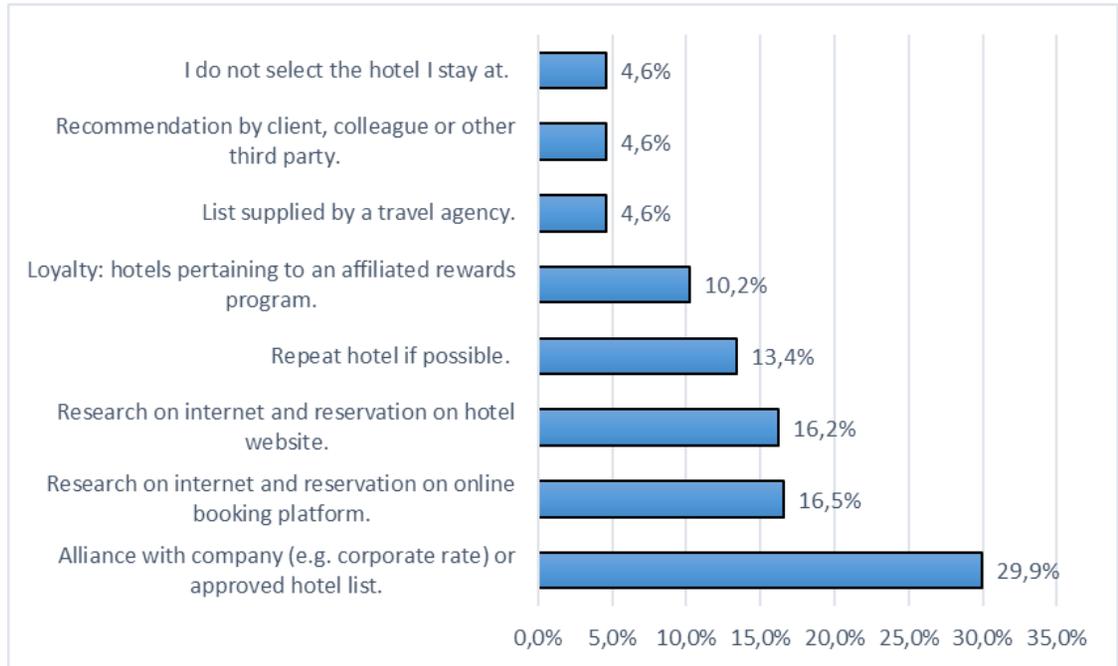
Source: Own Elaboration.

In conclusion, the company the B&C traveler works for generally pays for all hotel expenses, and though many times the company chooses the hotel for the B&C traveler or presents a list of approved hotels for him or her to choose from, making the company the client and the B&C traveler the consumer, the B&C traveler typically has autonomy in selecting hotel accommodations, making him or her the client and the consumer. Additionally, the average B&C traveler only pays for his or her stay generally when he or she is an owner or partner of a business, or works as an independent contractor. As a result, the sales department in the proposed hotel project must target both companies and individual B&C travelers.

Delving further into B&C travelers' decision process of selecting hotels, it can be inferred that in the 25.7% of cases when the company chooses and pays for the hotel, there will always be an existing alliance between the company and the hotel, where typically, a corporate rate is established, in a type of agreement where the company would only send its employees to that specific hotel for a discounted and private nightly rate. Moreover, a company, while not directly choosing the traveler's hotel, can present a list of approved hotels for the traveler to choose from, indirectly influencing his or her decision. As seen in Figure 43, both of these cases happen almost 35% of the time (with close to 5% not selecting the hotel, and close to 30% an alliance with the company is established), making this decision process the most common among B&C travelers.

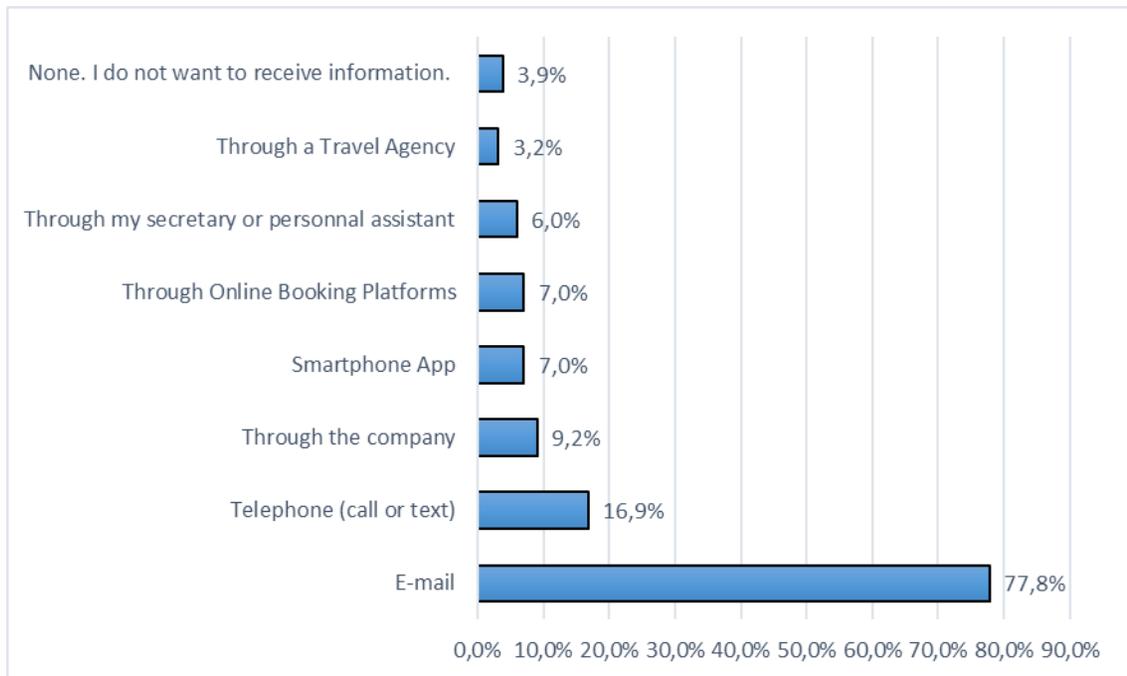
OTAs and direct reservations at the hotel, mainly through the hotel's website, have a similar participation, with 16.5% of B&C travelers surveyed investigating hotels on the internet and making their reservation through OTAs, and 16.2% investigating hotels on the internet and making their reservation directly through the hotel's website. 13.4% of them will repeat hotel if possible, and 1 out of ten B&C travelers will always stay at hotels that pertain to the rewards or loyalty program they are affiliated to. Very few travelers (4.6%) choose a hotel through a travel agency or according to a client, colleague or other third party recommendation. The proposed hotel project should prioritize its own website, making it attractive for B&C travelers, in order to depend less on costly OTA sales, while exploiting a franchised brand's image to attract loyal B&C travelers.

Figure 43: B&C Traveler Decision Process for Selecting Hotels



Source: Own Elaboration.

Figure 44: Best Promotional means to Reach B&C Travelers



Source: Own Elaboration.

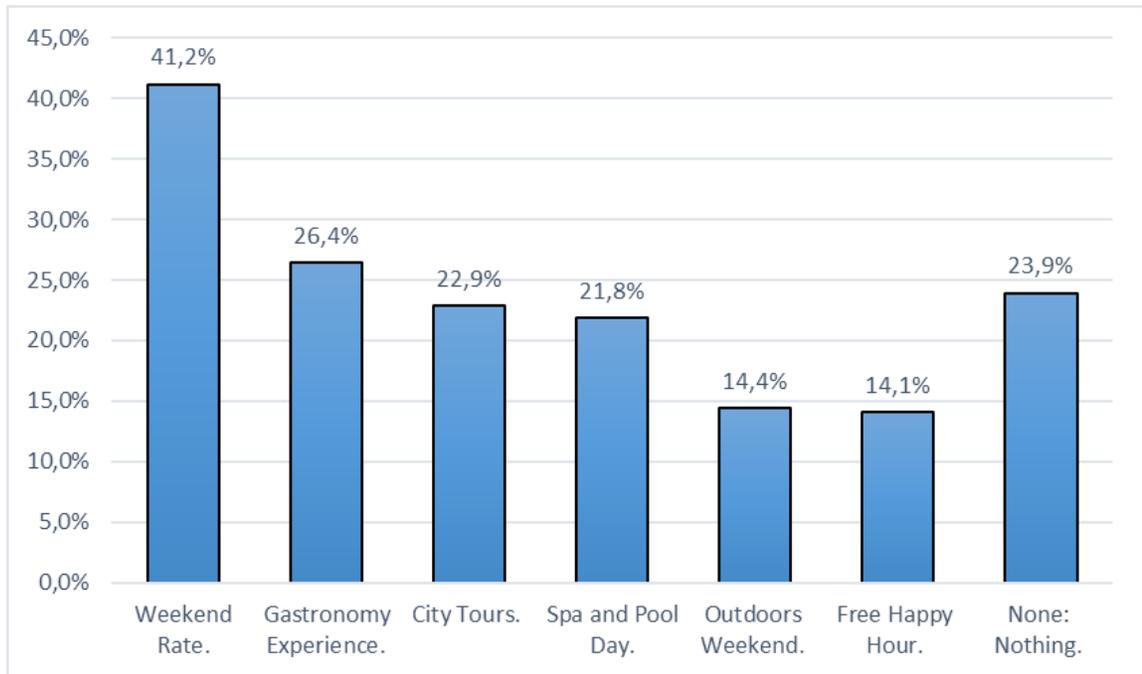
Furthermore, as depicted in Figure 44, the best promotional means to reach the B&C traveler, with promotions and special offers, is clearly through e-mail: 77.8% of B&C travelers all concur that e-mail is the best promotional channel. 16.9% believe telephone calls or text is best, while 9.2% believe the best way to reach them is through the creation of a relationship with the company they work for. Smartphone app and OTA sites are possible promotional channels, according to 7% of B&C travelers. The proposed hotel project's sales department must work to promote the hotel through all possible channels, but it is primordial to collect guest e-mail upon check-in. Franchising through a recognized hotel brand presents an enormous advantage over other hotels in this sense, because the proposed hotel project would have access to the brand's database of guest e-mails; additionally, marketing and advertising efforts would diminish, due to the brand's powerful, recognized image.

The issue that will not be resolved through brand image is the inconvenience of low-occupancy during the weekends and holiday seasons or other festive days. In pursuance of finding a solution, the market survey asked B&C travelers what would incentivize them to stay at the hotel for one or two more nights after their business in the city is concluded. As it turned out, there is one simple solution: offering weekend rates to B&C travelers only. 41.2% of B&C travelers surveyed affirm that they would likely stay one or two more nights at the hotel if offered a discounted 50% off rate after their work is finished. Nevertheless, offering weekend rates may possibly create price wars among competition attempting to lure travelers in during low occupancy. Therefore, another option must be analyzed. While 23.9% of B&C travelers would not stay, under any circumstance, one or two more nights at the hotel, 26.4% state that a gastronomic experience (In other words, a free or discounted lunch or dinner at the property's in-house restaurant or at a nearby restaurant in alliance with the hotel, if the hotel is limited service) would incentivize them to stay. 22.9% believe that the offering of city tours and leisure sightseeing can also be a motive for extending his or her stay. 21.8% would be tempted by a spa and pool day, although could only be pursued as a strategy if the proposed hotel project had a pool and wet zones. Outdoor weekend is another possibility, in other words, by offering outdoor activities such as hikes, bike rides, horseback riding, golf, and attending sports events, the hotel may attract 14.4% of B&C travelers to stay during low occupancy. Finally, offering the B&C traveler free drinks at the hotel lobby or nearby bar may incentivize 14.1% of them to stay. (Refer to Figure 45 below)

It is recommended that the proposed hotel project apply all promotional strategies (Gastronomy Experience, City Tours, possibly Spa and Pool Day, Outdoors Weekend and Free Happy Hour) and not apply weekend rates exclusively, in order to offer a diversity of options that can probably urge several B&C travelers to extend their stay. Great part of the success in applying these promotional strategies involves creating relationships with other businesses, such as restaurants, bars, farms that provide horseback riding, and other hotels in major leisure tourism regions, including the nearby municipalities of Santa Fé de Antioquia and Jardín.

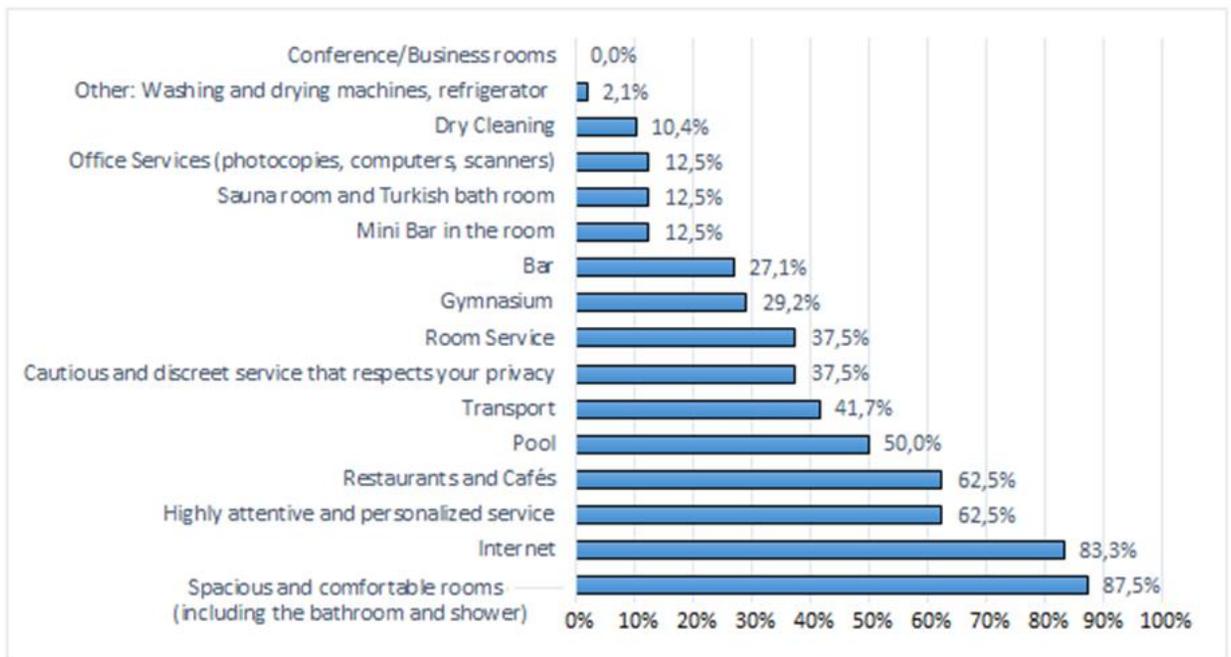
Another possibility during low-occupancy is attracting leisure tourists. Contrary to B&C traveler needs, Leisure travelers would appreciate the presence of a pool and wet zone. As illustrated in Figure 46, 50% of leisure tourists surveyed believe that a pool is necessary within a hotel in order for them to enjoy their stay, thus, the only reason to justify the construction of a pool in the proposed hotel project is for attracting leisure travelers. Similar to B&C travelers, leisure tourists highlight the importance of internet connection (83.3%) and the presence of spacious and comfortable rooms, including the bathroom and shower (87.5%). Leisure tourists also prefer highly attentive and personalized service (62.5%) over cautious and discreet service that respects guest privacy (37.5%). In conclusion, in order to attract leisure travelers, service in the hotel must be world-class, the presence of a pool, restaurants and cafés and comfort in the hotel is needed. Another applicable strategy to attracting leisure travelers during low-occupancy can be to offer similar promotions to the ones offered to B&C travelers.

Figure 45: Possible B&C Traveler Promotional Strategies During Low-Occupancy



Source: Own Elaboration.

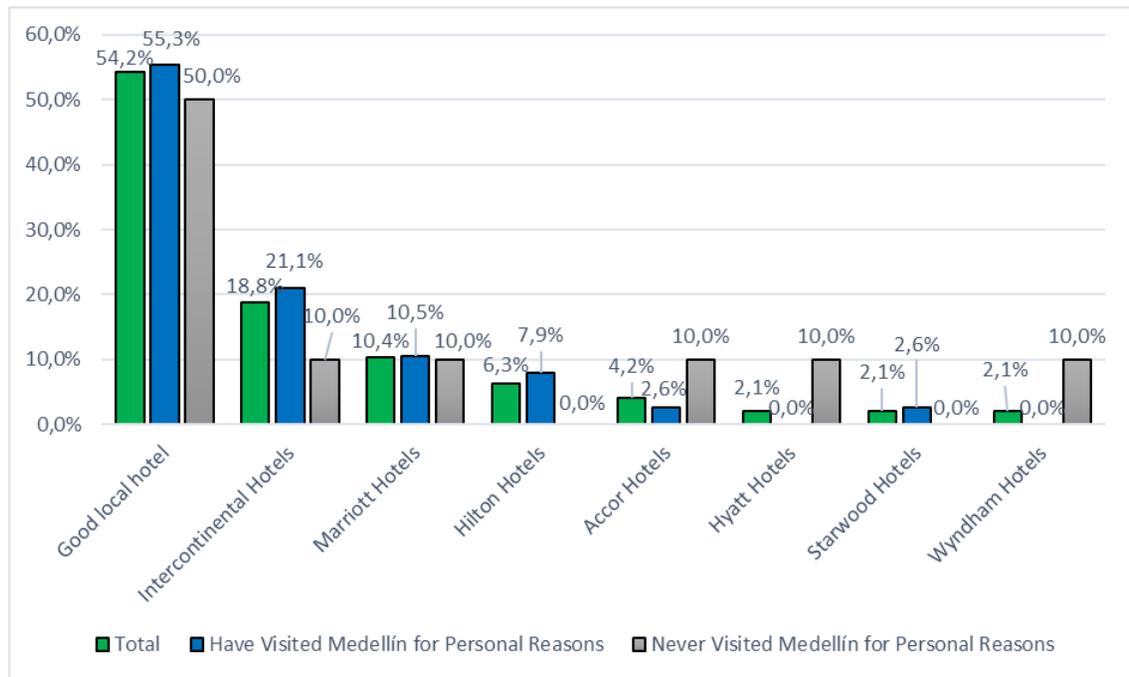
Figure 46: Services & Installations within the Hotel demanded by Leisure Travelers



Source: Own Elaboration.

Additionally, the choice of a franchised Marriott and Hilton hotel, but not a Hyatt Hotel, seems to suit leisure travelers as well. As Figure 47 shows, around 10% of leisure tourists that travel to Medellín would stay at a Marriott brand, while close to 8% would stay at a Hilton brand. No leisure traveler surveyed would stay at a Hyatt brand in Medellín.

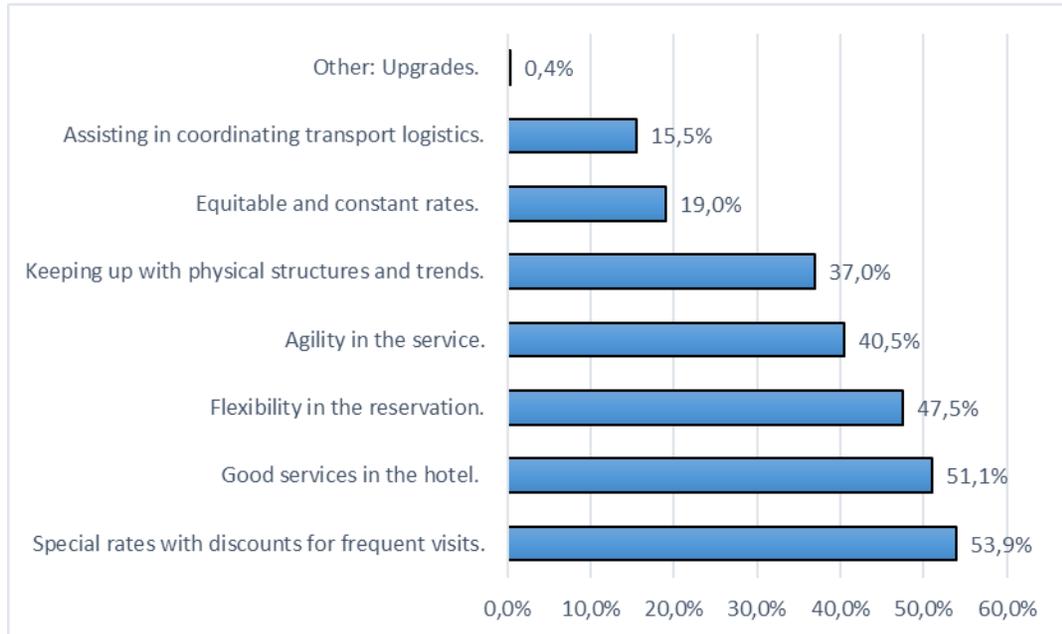
Figure 47: Hotel Brand selected by the Leisure Traveler



Source: Own Elaboration.

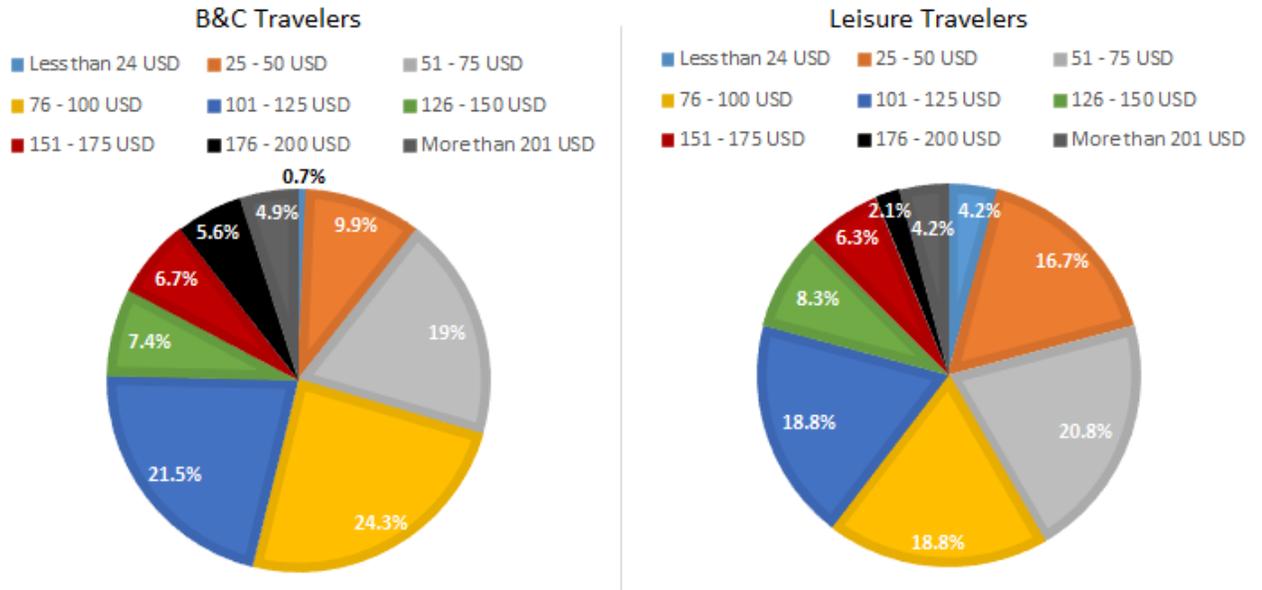
Furthermore, the proposed hotel project must attempt to create further brand loyalty among guests. Paramount to this objective is in the provision a high-quality service, which can be used not only as a differentiation factor among competition, but as a loyalty booster. High quality service is opportunistic, as concluded previously, and it requires agility, which implies showing effort and skill in assisting the guest with any problem or inconvenience that may result. 40.5% of the B&C travelers surveyed affirm that agility in the service drastically improves their loyalty to the hotel. Other important acts that should be carried out by the hotel are providing special rates with discounts for frequent visits (53.9% of those surveyed affirm its importance as a loyalty promoter), offering good services within the hotel (51.1% of those surveyed consider it crucial), such as a good breakfast, laundry cleaning, medical attention, and any other business related assistance. 47.5% of B&C travelers mention flexibility in the reservation as another loyalty booster, in other words, that the hotel manages guests' reservations with prudence, not charging for nights cut short unexpectedly by the guest, for example. Keeping up with physical structures and trends, implying that the property is clean, updated and well-maintained, is considered by 37% of B&C travelers as fundamental in assuring their loyalty to the hotel. In essence, loyalty is about attention to detail, and showing appreciation for hotel guests, implicating "going above and beyond the call of duty" to assist the guest in any way possible (Question 6, Expert Interview, Annex 5).

Figure 48: Loyalty-inducing Acts to the B&C Traveler



Source: Own Elaboration.

Figure 49: Acceptable Hotel Price According to B&C and Leisure Travelers



Source: Own Elaboration.

The final objective of the Market Study was to determine a possible and acceptable hotel rate range for the proposed hotel project's target market, B&C travelers, and to determine if the established price range can be acceptable for Leisure travelers as well. The qualitative investigation disclosed that, while price is a major factor to consider, in terms of price, for corporate travelers, sensitivity to price is much lower than for leisure travelers (Question 7, Expert Interview, Annex 5) given the company pays for travel expenses in most cases. The typical price range discovered in the qualitative investigation averaged close to 100 USD, approximately 300 COL. The quantitative investigation reaffirmed this data, with B&C travelers willing to pay around 104 USD per night, on average. Roughly 45% of the B&C travelers surveyed would be willing to pay more than 100 USD per night on a hotel, as illustrated in Figure 49 above. In general, most business travelers would be willing to pay between 76 and 125 USD per night (24.3% would pay between 76 and 100 USD, while 21.5% would pay between 101 and 125 USD).

In terms of leisure travel, as expected, tourists tend to be more price sensitive, with so many cost-effective options, such as hostels, Air B&B, and rented apartments available for leisure tourism. As a result, according to the market study, leisure travelers would be willing to pay, on average, 93 USD, approximately 270 COL, per night on a hotel.

In conclusion, it is recommended that the proposed hotel project manages nightly rate levels of about 75 USD if it is a limited service, or that it be around 100 USD if the hotel is a full service.

Market Projection Conclusions

The qualitative and quantitative investigation produced invaluable information for the proposed hotel project in this thesis paper, summarized in 19 main points and recommendations, as follow:

- 1. The larger the company, the more likely their employees travel. When it comes to smaller companies, their owners or main partners tend to travel more than their employees.*
- 2. Most business and corporate tourists travel at the beginning of the week, stay on average 2.6 nights, and then most of them leave by Thursday or Friday, leaving a very low occupancy on Saturday, Sunday and other festive days.*
- 3. Hotels are practically unrivaled as the main choice for accommodation in the business and corporate travel market.*
- 4. The hotel project must be situated close to the heart of El Poblado's main business and financial district.*
- 5. Through Brand, Good Service and Alliances with Companies, the hotel can create differentiation among its competition, along with the minimum location and amenity requirements expected by guests.*
- 6. The hotel must invest in an extremely high-speed internet provider, that is able to support hundreds of connections at the same time without crashing or losing service, offering free high-speed internet to all of its guests, but charging an additional fee for lightning speed internet, or offer that premium internet speed to frequent guests as a loyalty generated amenity.*

7. *If the final decision is to build a limited service hotel with no in-house restaurant, then it would be highly recommended that the hotel be in walking distance of restaurants, have a separately managed restaurant within or next to the hotel, or create alliances with nearby restaurants. In any case, the hotel, whether it is a full-service or limited service, must have a restaurant, café, cafeteria or lounge space to serve breakfast, as per demanded by local laws.*
8. *The only leisure installation that should be present in a B&C hotel is a 24-hour gymnasium. 34.5% of the B&C travelers surveyed have exercise integrated into their daily routines and would look for hotels that offer this service.*
9. *It is recommended that the hotel have, as a minimum, a Business Center with Office Services (photocopies, computers and scanners), as 35.9% of the B&C travelers surveyed consider that this service is essential in a hotel.*
10. *It is necessary that hotel staff is well-trained to know when to provide attentive and personalized service to the guest, and when to provide cautious and discreet service to the guest. This opportunistic service is a key differentiation factor in the hotel's success.*
11. *Affiliation to hotel loyalty or rewards programs have a strong correlation to the hotels chosen by B&C tourists during their travels: The top selected brands (Marriott, Hilton, Intercontinental, Starwood, Accor, Hyatt and Wyndham, in that order) also belonged to the rewards programs most used by B&C travelers (Marriott Rewards, Hilton Honors, Starwood Preferred Guest, IHG Rewards Club, World of Hyatt, Le Club Accor Hotels and Wyndham Rewards, in that order).*
12. *It is recommended that the hotel project proposed in this thesis paper be a franchised Marriott, Hilton, or Hyatt hotel, depending on service characteristics. If the project is intended to be a limited service hotel, then it is recommended that the hotel be a Courtyard by Marriott or a Fairfield Inn and Suites by Marriott (a "Classic Select", or limited service Marriott brand), which would be a more affordable option than the Medellín Marriott Hotel (a "Classic Premium" or full service Marriott brand). If the project is intended to be a full service hotel, then it is recommended that the hotel be a flagship Hilton hotel, a Doubletree by Hilton (both a "Full Service" Hilton brand), or a flagship Hyatt hotel (a "Full Service" Hyatt brand), which would be more expensive, and a class above Medellín's Hampton by Hilton (a "Focused Service" or limited service Hilton brand).*
13. *The company the B&C traveler works for generally pays for all hotel expenses, and though many times the company chooses the hotel for the B&C traveler or presents a list of approved hotels for him or her to choose from, making the company the client and the B&C traveler the consumer, the B&C traveler typically has autonomy in selecting hotel accommodations, making him or her the client and the consumer. Additionally, the average B&C traveler only pays for his or her stay generally when he or she is an owner or partner of a business, or works as an independent contractor. As a result, the sales department in the proposed hotel project must target both companies and individual B&C travelers.*
14. *The proposed hotel project should prioritize its own website, making it attractive for B&C travelers, in order to depend less on costly OTA sales, while exploiting a franchised brand's image to attract loyal B&C travelers.*

15. *The proposed hotel project's sales department must work to promote the hotel through all possible channels, but it is primordial to collect guest e-mail upon check-in. Franchising through a recognized hotel brand presents an enormous advantage over other hotels in this sense, because the proposed hotel project would have access to the brand's database of guest e-mails; additionally, marketing and advertising efforts would diminish, due to the brand's powerful, recognized image.*
16. *It is recommended that the proposed hotel project apply all promotional strategies (Gastronomy Experience, City Tours, possibly Spa and Pool Day, Outdoors Weekend and Free Happy Hour) and not apply weekend rates exclusively, in order to offer a diversity of options that can probably urge several B&C travelers to extend their stay. Great part of the success in applying these promotional strategies involves creating relationships with other businesses, such as restaurants, bars, farms that provide horseback riding, and other hotels in major leisure tourism regions, including the nearby municipalities of Santa Fé de Antioquia and Jardín.*
17. *In order to attract leisure travelers, service in the hotel must be world-class, the presence of a pool, restaurants and cafés and comfort in the hotel is needed. Another applicable strategy to attracting leisure travelers during low-occupancy can be to offer similar promotions to the ones offered to B&C travelers.*
18. *In essence, loyalty is about attention to detail, and showing appreciation for hotel guests, implicating "going above and beyond the call of duty" to assist the guest in any way possible (Question 6, Expert Interview, Annex 5).*
19. *It is recommended that the proposed hotel project manages tariff levels of about 75 USD if it is a limited service, or that it be around 100 USD if the hotel is a full service.*

3.1.2.3 Definition of commercialization strategy and plan

Based on the market projection's conclusions, and Mr. Brian A. Plemmons' recommendation (

ANNEX 7, Question 8), the proposed hotel project for this thesis paper will be a franchised, limited, or select, service, and mid-price ranged, Fairfield Inn and Suites by Marriott hotel, pertaining to Marriott International's "Classic Select" brand, designed specifically for B&C travelers that demand and require less services in exchange for fair prices, but can easily accommodate leisure travelers.

The hotel project, hereby named The Fairfield Inn and Suites by Marriott Medellín, will be a smoke-free property consisting of 107 guest rooms, all equipped with extra-large, 40 inch LCD flat screen smart televisions with access to Netflix, individual climate control, smoke detectors and sprinklers, comfortable bed and furnishing (ergonomic desk and chair), spacious bathroom and glass-door shower, Free High-Speed Internet access, AM/FM alarm clock radio, safety-deposit box, microwave oven, micro fridge, iron and ironing board, mini bar, complementary water bottle and coffeemaker. 96 of these 107 rooms will be standard rooms (65 of the rooms will have king sized beds, 31 of the rooms will have two queen size beds), 10 will be junior suites, and the remaining room will be a luxury suite. 2 of the king size bed rooms and 2 of the double queen size beds will be handicapped accessible rooms.

The Fairfield Inn and Suites by Marriott Medellín will be subject to an available suitable location close to the exclusive El Poblado commune of Medellín, conveniently located near the city's main finance and business district, and within walking distance of popular shopping malls, restaurants and nightlife. Specific location availability was assessed in the technical study of this thesis paper.

The Fairfield Inn and Suites by Marriott Medellín, in the quality of being a limited, select-service hotel, will offer services only truly essential to the B&C traveler. Due to the close proximity with restaurants, the hotel will not present an in-house restaurant, but will offer 24-hour room service through food orders to nearby restaurants. The hotel will have a guest lounge where complimentary breakfast, charged automatically in the hotel rate, will be served between 6 am and 9 am. The hotel's lobby will be spacious and comfortable, with convenient sitting areas. The hotel will have an acclimatized, 75.95 m² pool, as required by Marriott (

ANNEX 7, Question 1), and will offer a 100 m², fully-equipped, 24-hour gymnasium. Additionally, in terms of business convenience, the Fairfield Inn and Suites by Marriott Medellín will present a business center equipped with three computers, fax machine, printer and scanner, accessible to the hotel's B&C guests 24/7. Finally, there will be a 60 m² event/reception room capable of hosting 50 people, and a smaller, 19 m² conference room capable of hosting 10 people, where business and conference meetings can be held. Limited visitor parking will be available.

The Fairfield Inn and Suites by Marriott Medellín will be composed of two main departments:

- 1. **Rooms Department:** Includes Front Desk, Housekeeping and Laundry, Lobby attendant, Breakfast service, Maintenance and Security.*
- 2. **Administrative Department:** Includes the Executive Offices for the GM (General Manager), AGM (Assistant General Manager), Sales Manager and lead housekeeper.*

The Fairfield Inn and Suites by Marriott Medellín's differentiation strategy will be constructed around three main pillars, in the following order, in pursuance of obtaining a projected average occupancy between 55% and 65% for the first year of operations (with a targeted 75% occupancy at the maturity level of hotel operations), in consonance with the Sector Study:

1. **Opportunistic Service:** Carried out by well-trained hotel staff to provide attentive and personalized service to the guest when necessary and to provide cautious and discreet service to the guest when necessary.
2. **Brand Best Value:** The Fairfield by Marriott brand assures the B&C traveler of the hotel's condition of business and corporate class hotel while catering, with outstanding opportunistic service, only to their specific needs at a fair and best-value price.
3. **Location:** The property's location guarantees convenience and efficiency for the busy B&C traveler, by being situated close to the city's main finance and business district and other restaurant, commercial and nightlife attractions.

The Fairfield Inn and Suites by Marriott Medellín's sales department will construct a promotional strategy directed to increasing occupancy levels during weekends and holidays, by offering a large range of deals attractive to the B&C traveler, possibly as well to the leisure traveler, detailed as follow:

1. **Gastronomy Experience:** Offers the B&C traveler the possibility of enjoying fine lunch and dinner at a nearby restaurant at a lower price, by use of a coupon. Includes a discounted hotel nightly rate of 10%.
2. **Free Happy Hour:** Offers the B&C traveler the possibility of enjoying free drinks (using a coupon), at a nearby bar, during the afternoon or evening. Includes a discounted hotel nightly rate of 10%.
3. **Pool Day:** Offers the B&C traveler the possibility of enjoying a relaxing day at the hotel's acclimatized pool. Includes a discounted hotel nightly rate of 10% for extending the reservation.
4. **City Tours:** Offers the B&C traveler the possibility of exploring some of the city's attractions by organizing tours and other sightseeing activities, through alliances with other hotels in popular tourist regions in Antioquia and local companies. Includes a discounted hotel nightly rate of 10% for extending the reservation.
5. **Outdoors Weekend:** Offers the B&C traveler the possibility of enjoying outdoor activities during the weekend, such as hikes, bike rides, horseback riding, golf, or attending sports events, through alliances with local companies. Includes a discounted hotel nightly rate of 10% for extending the reservation.
6. **Weekend Rate:** Offers the B&C traveler the possibility of staying a night or two more at the hotel during the weekend for a 50% discounted nightly rate.

Furthermore, the Fairfield Inn and Suites by Marriott Medellín's sales manager will be responsible for managing the hotel's five sales channels: Central Reservations, Hotel Websites, OTAs (Online Travel Agencies), GDS (Global Distribution System) and Third Party Agencies, with a special emphasis on promoting the hotel's online website and the creation of relationships and alliances with companies, businesses, and organizations. The sales department will also be responsible for managing the

hotel's main promotional channels, including e-mail, OTA websites, Company alliances and other travel agencies.

Finally, the Fairfield Inn and Suites by Marriott Medellín's rates will be set between 60 and 75 USD, approximately between 170.000 and 210.000 COL. The hotel will be direct competition with similar class hotels such as the Hampton by Hilton Medellín, a 132-room property hotel with in-house restaurant, pool and gym that also maintains price levels between 60 and 75 USD, approximately between 170.000 and 210.000 COL, and the Four Points by Sheraton, a 123-room property hotel also with in-house restaurant, pool and gym that maintains tariff levels between 70 and 90 USD, approximately between 200.000 and 260.000 COL. Given the city of Medellín's average ADR levels between 50 and 70 USD, or approximately 150.000 and 200.000 COL, the Fairfield Inn and Suites by Marriott Medellín would be offering a competitive, fair and mid-priced tariff range, corresponding to the hotel's Brand Best Value differentiation pillar, and very attractive to the average B&C traveler, who can be willing to pay up to 100 USD (approximately 300.000 COL), as concluded from the market projection.

3.1.2.4 Characterization of clients

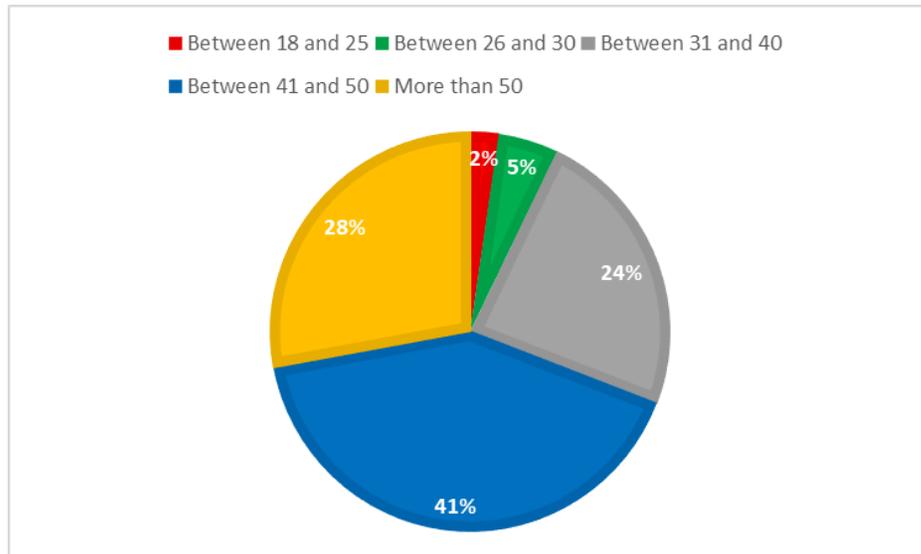
The Fairfield Inn and Suites by Marriott Medellín is essentially a business and corporate class hotel, tending directly and specifically to guests that travel for professional reasons, including traveling for business, work requirements, investment, research, trading (buying and selling) or for attending or giving conferences or other corporate activities. According to information gathered from the market projection, the typical guest that travels for professional reasons, named the Business and Corporate Traveler, or B&C Traveler, is classified into one the following five categories:

1. **The Small Operative and Executive B&C traveler (8% of B&C travelers):** Employee or high-ranking executive of a small, medium or large company.
2. **The Medium-Large Operative and Executive B&C traveler (50% of B&C travelers):** Employee or high-ranking executive of a medium or large company.
3. **The Small Business Owner B&C traveler (18% of B&C travelers):** The owner, partner or investor of a small business or company.
4. **The Medium to Large Business Owner B&C traveler (9% of B&C travelers):** The owner, partner or investor of a medium to large business or company.
5. **The Independent B&C traveler (15% of B&C travelers):** An independent contractor, including consultants, representatives or traveling salesmen, not affiliated or tied to any specific company.

The larger the company, the more likely their employees or executives travel. When it comes to smaller companies, their owners, main partners or investors tend to travel more than their employees. The company that the B&C traveler works for or is affiliated to generally pays for all hotel expenses, and though many times the company chooses the hotel for the B&C traveler or presents a list of approved hotels for him or her to choose from, making the company the client and the B&C traveler the consumer, the B&C traveler typically has autonomy in selecting hotel accommodations, making him or her the client and the consumer. Additionally, the average B&C traveler only pays for his or her stay generally when he or she is an owner or partner of a business, or works as an independent contractor with no ties to a specific company.

Nearly 60% of B&C travelers stay between 1 and 4 nights at the hotel, while 30% stay 3 or 4 nights. Only 10% of B&C travelers stay for 5 or more nights. 25% of B&C tourists travel at least every other week (9.1% travel weekly and 15.6% travel every two weeks), nearly 30% of them travel monthly, approximately 16% of them travel bimonthly or quarterly, and very few travel semiannually or annually, close to 10% and 3%, respectively. Consequently, the average B&C tourist is, typically over 30 years of age, on average 44, as can be seen in Figure 50, and travels, on average, every 67 days, or every 2.2 months, and stays generally at a hotel for a length of 2.6 nights.

Figure 50: Age of the B&C Traveler



Source: Own Elaboration.

Since business is done during the week, most B&C tourists travel on Monday (48.7%), Tuesday (59.4%), Wednesday (56.2%) and Thursday (50.6%).

Very few B&C tourists travel on Friday (31.2%), Saturday (7.5%), Sunday (10.7%) and rarely, on Monday holidays or other holidays (2.6%). Subsequently, the average B&C tourists travels at the beginning of the week, between Monday and Wednesday, staying on average 2.6 nights and leaving by Thursday or Friday.

The typical B&C traveler, though very loyal towards hotels and some specifically preferring certain brands, tends to require less services in a hotel than a leisure traveler, due to busy schedules and little time for anything else other than work, and most eat outside of the hotel, although appreciate the presence of a quick breakfast, lunch or dinner at the hotel. The only service required without tolerance by the B&C traveler is a good, high-speed internet access, since most of their jobs require use of the internet, possibly a Business Center with Office Services (photocopies, computers and scanners), and a 24-hour gymnasium, as many have exercise integrated into their morning or nightly routines. Additionally, the B&C traveler expects a high standard of service, denominated opportunistic service; where the hotel knows when to provide attentive and personalized service to the guest and when to provide cautious and discreet service that respects the guest's privacy.

Generally, the B&C traveler is looking for a secure, comfortable and convenient place to spend the night while they are away on business, which could be defined as a "simple transaction", where the B&C traveler spends the night, does his or her business, and leaves. As a result, the typical B&C

traveler demands and requires less services, in exchange for fair prices. Nevertheless, evidence obtained in the market projection suggests that most B&C travelers can be tempted into staying one or two more nights through a proper and attractive promotional offer.

The B&C traveler is generally less price sensitive than the leisure traveler, tending to not take risks at low-cost lodging establishments such as hostels and Air B&B apartments, or risk losing efficiency and concentration needed to work at a relative or friends' place, also given the fact that the companies the travelers work for typically cover all basic travel expenses, including accommodation. According to the market projection, the average B&C traveler is willing to pay up to 100 USD (300.000 COL) per night at a hotel.

Besides B&C travelers, there are three additional, less important, types of clients that can be received at the Fairfield Inn and Suites by Marriott Medellín:

1. **The Leisure Tourist:** Refers to those who travel for personal motives, primarily vacation, leisure, sightseeing, medical tourism, visit of family and friends, religious and cultural events, weddings and other large group celebrations, and shopping. The leisure tourist travels, on average, every 178.1 days, or every 5.9 months, staying for an average of 5.8 nights. Most of them travel on Friday (56.3%) and Saturday (41.7%). Normally, 60% of them stay at hotels, but have a wide offer of low-cost accommodation offers to choose from, including Air B&B, hostels, and leased apartments. Additionally, the common leisure traveler expects more services than B&C travelers, such as pools and wet zones, restaurants, bars and a high-degree of attentive, personalized service, but is more price-sensitive than the B&C traveler, willing to pay around 90 USD (270 COL) per night at a hotel.
2. **Large Group Reservations:** Refers to companies or other organizations looking for hotels that can receive large group reservations, for corporate events, conferences, conventions and exhibitions. The Fairfield Inn and Suites by Marriott Medellín will count with one event room and one conference room.
3. **Walk-in Guests:** Refers to any local citizen who intends to stay the night for personal reasons, such as celebrations, late nights out, and dates, or simply to escape the monotonous week routines.

3.2 TECHNICAL, LEGAL AND ENVIRONMENTAL STUDY.

3.2.1 Technical Analysis

3.2.1.1 Definition of hotel size

The Fairfield Inn and Suites by Marriott Medellín, as a 107 room, limited/select service property, and mid-price ranged hotel, will comply with the requirements established by ICONTEC's NTSH 006 technical norms (2009) to classify as a three-star hotel. The three-star classification does not implicate a lower quality of service than that of a five-star hotel; it merely establishes the characteristics of quality in infrastructure and services offered within the hotel that must be met, as a minimum, to obtain a tourist quality certificate, be it a one-star or five-star establishment.

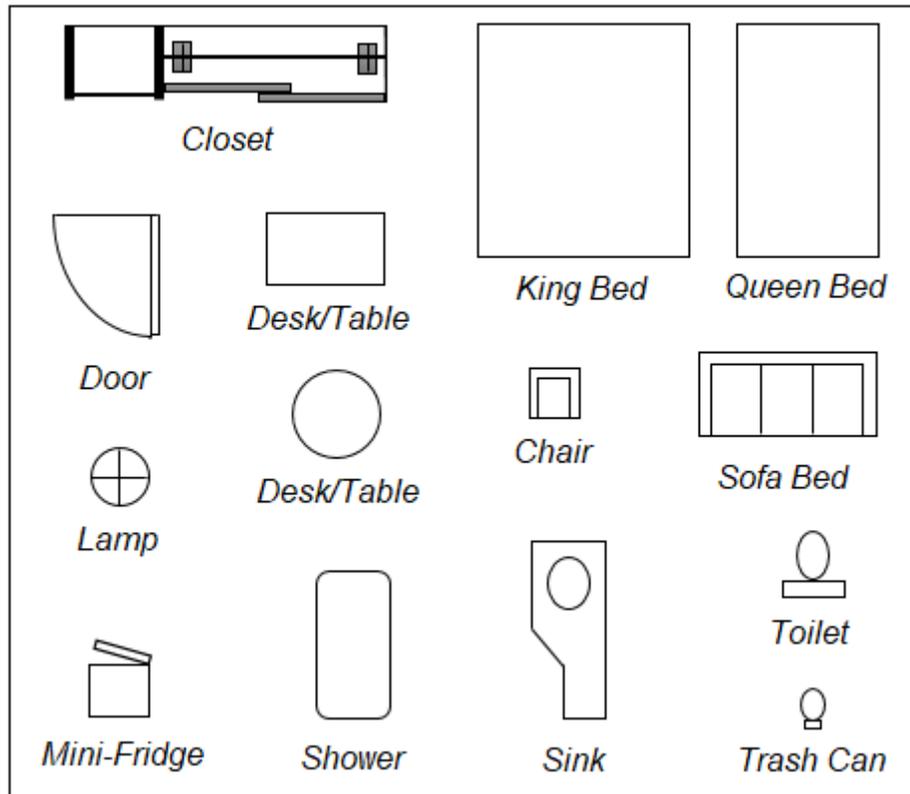
All of the Fairfield Inn and Suites by Marriott Medellín's 107 rooms will be equipped with extra-large, 40-inch LCD flat screen smart televisions with access to Netflix, individual climate control, smoke detectors and sprinklers, comfortable bed and furnishing (ergonomic desk and chair), spacious bathroom and glass-door shower, Free High-Speed Internet access, AM/FM alarm clock radio, safety-

deposit box, microwave oven, micro fridge, iron and ironing board, mini bar, complementary water bottle and coffeemaker. The hotel will present three type of rooms:

- 1. **96 Standard Rooms (25,85 m²):** 65 Rooms with King-sized beds, two of which will be handicapped accessible rooms, and 31 Rooms with double Queen-sized beds, two of which will be handicapped accessible rooms.*
- 2. **10 Junior Suites (35,40 m²):** 7 Rooms with King-sized beds and 3 rooms with double Queen-sized beds. Includes a separate lounge.*
- 3. **1 Suite (70 m²):** The suite, the size of two junior suites, contains two bedrooms, one with a King-size bed, and one with double Queen-sized beds, each with its own bathroom. Includes a large reception room and corridor.*

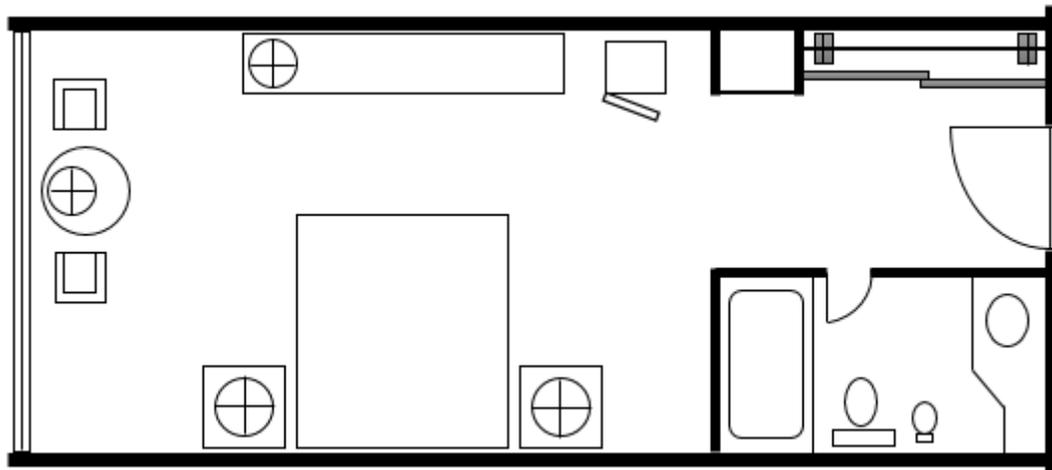
In order to comply with the 3-star classification requisites, the Fairfield Inn and Suites by Marriott Medellín will present the following architectural layouts and sizes for each of its three room types. Nonetheless, it should be noted that these room layouts are not scaled appropriately, they merely show the basic distribution of each type of hotel room.

Figure 51: Object Legend for Hotel Room Layouts



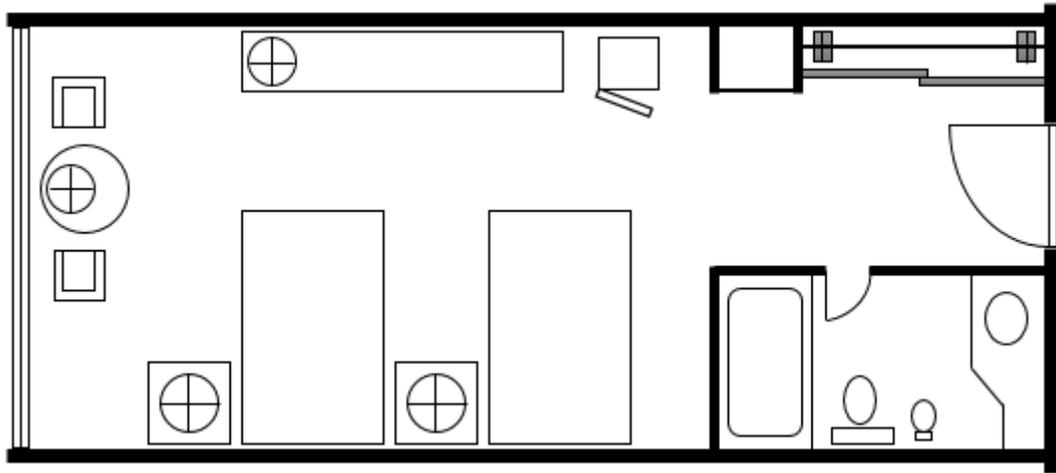
Source: Own Elaboration.

Figure 52: Standard Room with single King-Sized Bed Layout (25,85 m²)



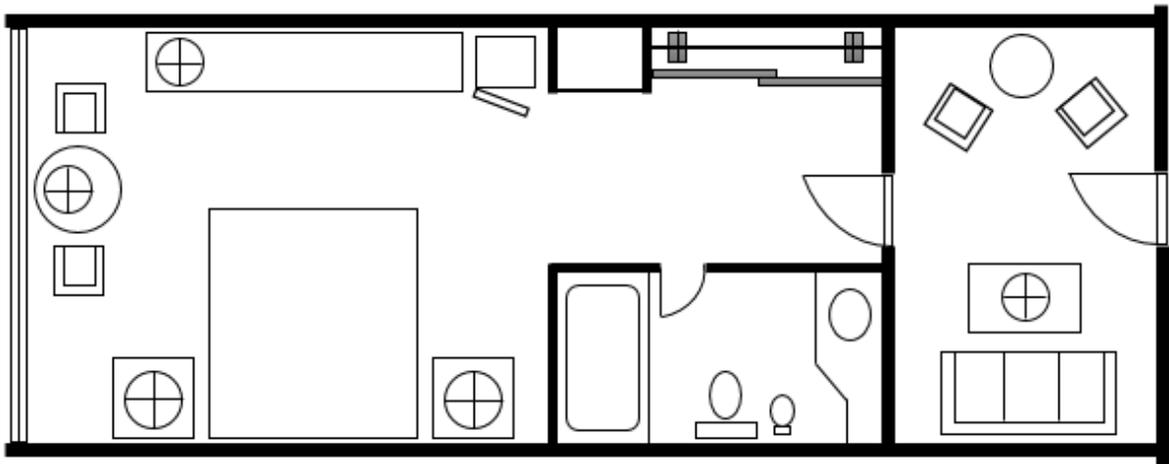
Source: Own Elaboration.

Figure 53: Standard Room with double Queen-Sized Beds Layout (25,85 m²)



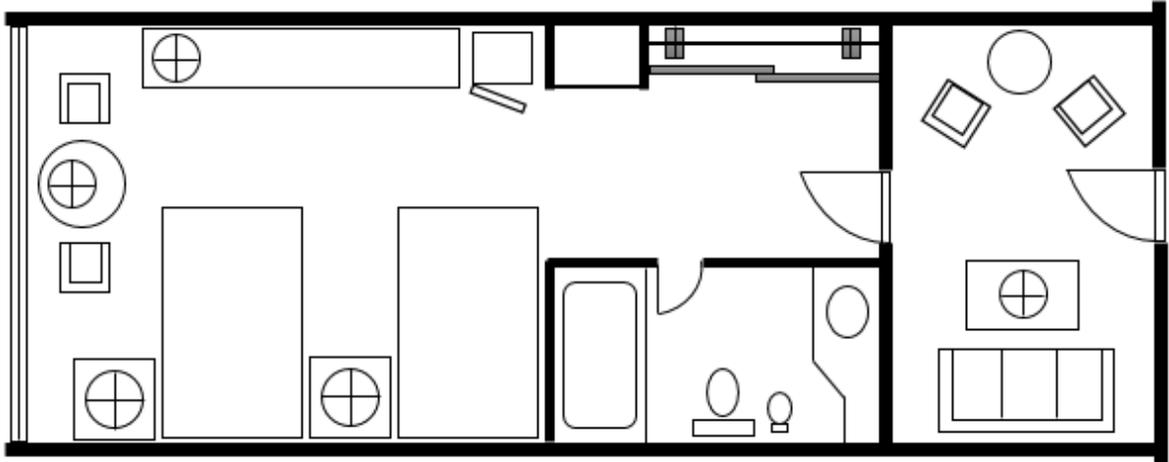
Source: Own Elaboration.

Figure 54: Junior Suite with single King-Sized Bed Layout (35,40 m²)



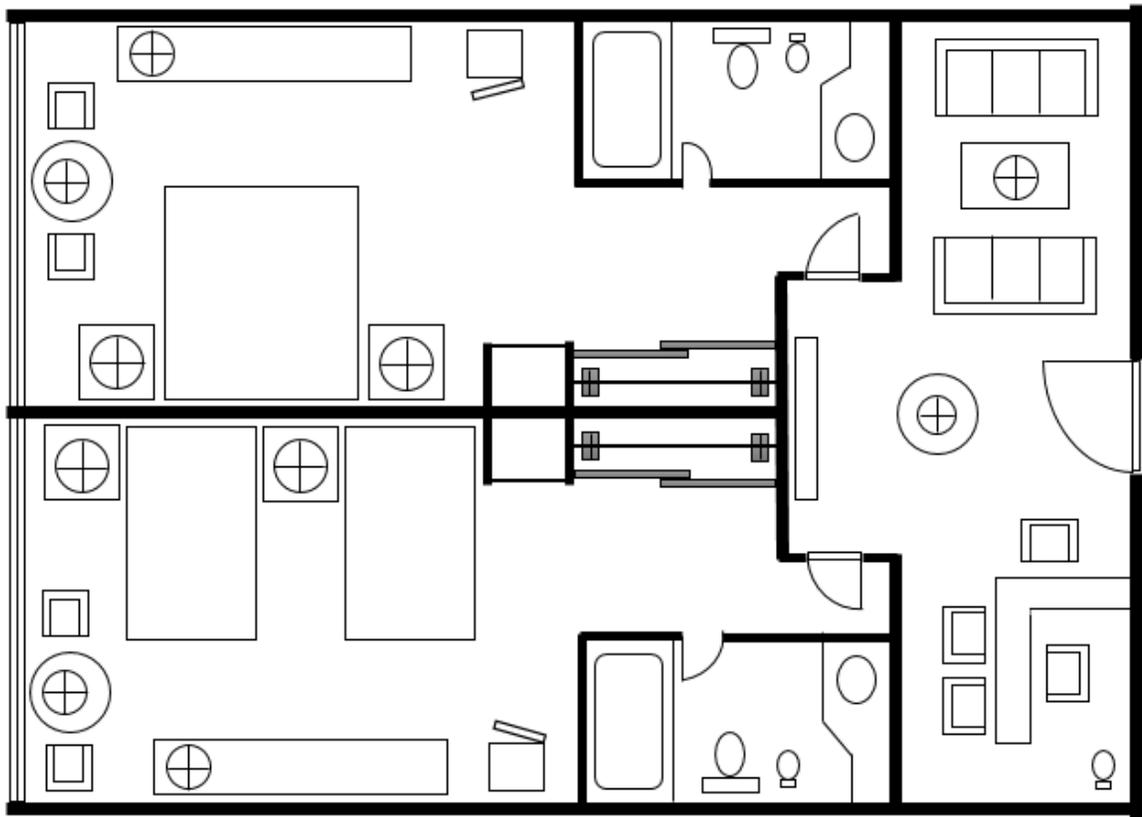
Source: Own Elaboration.

Figure 55: Junior Suite with double Queen-Sized beds Layout (35,40 m²)



Source: Own Elaboration.

Figure 56: Suite Layout (70 m²)



Source: Own Elaboration.

As a result, the Fairfield Inn and Suites by Marriott Medellín's total guest room area, not including service rooms, equals 2906,03 m², as evidenced in Table 26 below.

Table 26: Fairfield Inn and Suites by Marriott Medellín Total Room Sizes (m²)

Room Type	Size (m ²)	Total Rooms	Total Size (m ²)
Standard	25,85	96	2482,03
Junior Suite	35,40	10	354,00
Suite	70,00	1	70,00
Total Hotel Room Size			2906,03

Source: Own Elaboration.

Furthermore, the hotel project will count with the following dependencies and respective sizes, based on Orsini Cuadrado's (2006) structure, ICONTEC's NTSH 006 technical norms (2009), and Mr. Brian A. Plemmons' recommendations (

ANNEX 7, question 1). Notwithstanding, it should be noted that the following dependency sizes were not definitive; they were merely a guideline for developing the hotel's actual architectural layout in numeral 3.2.1.3.

1. Accessibility (12 internal parking spaces – basement, 4 external parking spaces):

- Hotel parking area (parking lots and bays; 2 handicapped parking lots);
- Service area (Loading and unloading area).

2. Front Desk and Reception (1,44 Size Index; +/- 154,08 m²):

- Reception Lobby with Front Desk counter and cashier;
- Luggage Storage Room;
- Public Telephone and ATM machine;
- Public Restrooms (For Men and Women);
- Guest Room Elevators and Stairs.

3. Administration (1,23 Size Index; +/- 131,61 m²):

- General Manager (GM) office;
- Assistant General Manager (AGM) office;
- Sales and Marketing Manager office;
- Accounting office;
- Housekeeping Manager office (located separately in the General Services Area);
- Administrative Restrooms (For Men and Women).

4. Social Services (3,58 Size Index; +/- 383,06 m²):

- Breakfast Lounge;
- Public Restrooms (For Men and Women).

5. General Services (7,12 Size Index; +/- 762 m²):

- Personnel Area (Employee lounge, dressing rooms for both sexes, and restrooms for both sexes);
- Kitchen Area (Kitchen, Pantry and Storage of dry and refrigerated foods and beverages, among others);
- Laundry Area (Laundry deposit, uniform deposit, washing and drying machines);
- Machinery Area (Electrical control room and substation, and boiler room with pump and water heater);

- *Maintenance Area (Maintenance workshop);*
- *Various Services Area (Garbage deposit, Janitor's room, Service Elevator, Emergency Stairs, Fire Emergency Equipment Storage room, First Aid room).*

6. **Hotel Guest Rooms (22,5 Size Index; +/- 2402,15 m²):** *Guest floors with standard rooms, junior suites and suites. Includes a service area for each floor.*

7. **Complementary Services (3,86 Size Index; +/- 412,95 m²):**

- *Events Room (60 m² room; capacity for 50 people);*
- *Conference Room (19 m² room; capacity for 10 people);*
- *Business Center (20 m² area; capacity for 10 people);*
- *Fitness Center (Gymnasium) (100 m²);*
- *Pool (75,95 m²);*
- *Parking Spaces (12 internal spaces of minimum dimension 2,3 m x 5 m, totaling 138 m²).*

Finally, by adding the hotel dependency sizes, the minimum total space required by the Fairfield by Marriott Medellín, in m², can be calculated. As Table 27 shows, the proposed hotel project requires an overall constructed area of at least 5009,91 m².

Table 27: Fairfield Inn and Suites by Marriott Medellín Hotel Minimum Total Size (m²)

Fairfield Inn and Suites by Marriott Medellín Hotel Minimum Total Size (m²)		
Hotel Dependency	Size Index	Total Space (m²)
Front Desk and Reception	1,44	154,08
Administration	1,23	131,61
Social Areas	3,58	383,06
General Services	7,12	762
Hotel Guest Rooms	22,5	2402,15
Complementary Areas	3,86	412,95
<i>Events Room</i>	0,56	60,00
<i>Conference Room</i>	0,18	19,00
<i>Business Center</i>	0,19	20,00
<i>Fitness Center (Gymnasium)</i>	0,93	100,00
<i>Pool</i>	0,71	75,95
<i>Parking Spaces (12 Internal)</i>	1,29	138
Subtotal	39,7	4245,69
Circulation and Walls (18% of Subtotal)	7,1	764,22
Total Hotel Size	46,8	5009,91

Source: Own Elaboration.

Analysis of the Fairfield Inn and Suites by Marriott Medellín Hotel Room Size

As determined in the previous Sector Study of this paper, it should be expected that the Fairfield Inn and Suites by Marriott Medellín, as a limited-service, 107 room property, obtain occupancy levels between 55% and 65%, which implies an average of 60% occupancy. Therefore, the property would be reaching the average level of occupancy needed for it to be profitable (Expert Interview, Question 7, Annex 5). Conversely, the hotel will have an idle capacity between 45% and 35%, an average of 40% idle capacity. As a result, of the hotel's 107 rooms, between 60 and 70, an average of 65, will be occupied annually. This implies that, of the 107 rooms, between 37 and 47, an average of 42, will be unoccupied or idle, annually.

The installed capacity of 107 rooms is a high and nearly optimum initial capacity for a limited-service hotel, as concluded in the Sector Study and Market Study (Limited-service hotels should contain at least 80 rooms, preferably closer to the 150-room mark; Cheng (2013); Expert Interview, Question 7, Annex 5; Question 8,

ANNEX 7). It is essential to note that this installed capacity cannot be increased easily, since it would involve a high cost to add floors in the tower to expand the number of rooms in the hotel. However, the projection obtained in the previous studies is very positive, because having an idle capacity of approximately 40% in a hotel of this category is very close to what is ideally desired. To obtain net operating profits between 40% and 45%, most limited-service hotels must focus on an average annual occupancy goal close to 60% of the hotel's capacity, that is, an idle occupation close to 40% (Expert Interview, Question 7, Annex 5). Logically, with higher occupancy levels, the more profitable the hotel will become. In any case, with this projection, the Fairfield Inn and Suites by Marriott Medellín would be achieving this basic hotel premise.

Ideally, the hotel should target a hotel occupancy between 70% and 75%, which can be achieved through an adequate management of the commercial offers defined in the Market Study during low-occupancy in weekends and holidays. It can be expected that the Fairfield Inn and Suites by Marriott Medellín improve occupancy levels significantly one or two years after start of operations, reaching occupancy levels of 70%, and eventually 75%, when alliances with companies and relationships with loyal guests are consolidated, and the portfolio of service packages to B&C travelers (and leisure travelers, to a smaller extent) in the hotel is optimized.

Idle capacity in any hotel implies very few maintenance costs for the hotel. Keeping an unoccupied room requires little housekeeping control, as it does not entail constant cleaning, and savings on water and electricity costs can be made. Hotel payroll costs can also be controlled in low-occupancy by scheduling less work hours for hotel employees. Nevertheless, the effect of idle capacity in low-occupancy results in a considerable net income decrease, and less profitability, as economies of scale would not be taken advantage of during this period.

On the other hand, during high-occupancy, the installed capacity of 107 rooms is close to being ideal to control hotel oversell. Preferably, the hotel should aim to achieve a 100% occupancy, but overbooking the limit may involve high overlapping costs, since guests would have to be accommodated in nearby hotels and their expenses paid. Consequently, having 107 rooms, in the case of a limited-service hotel, is useful for balancing the operational occupancy triangle between low occupancy, average occupancy, and high occupancy (oversell).

3.2.1.2 Definition of hotel location

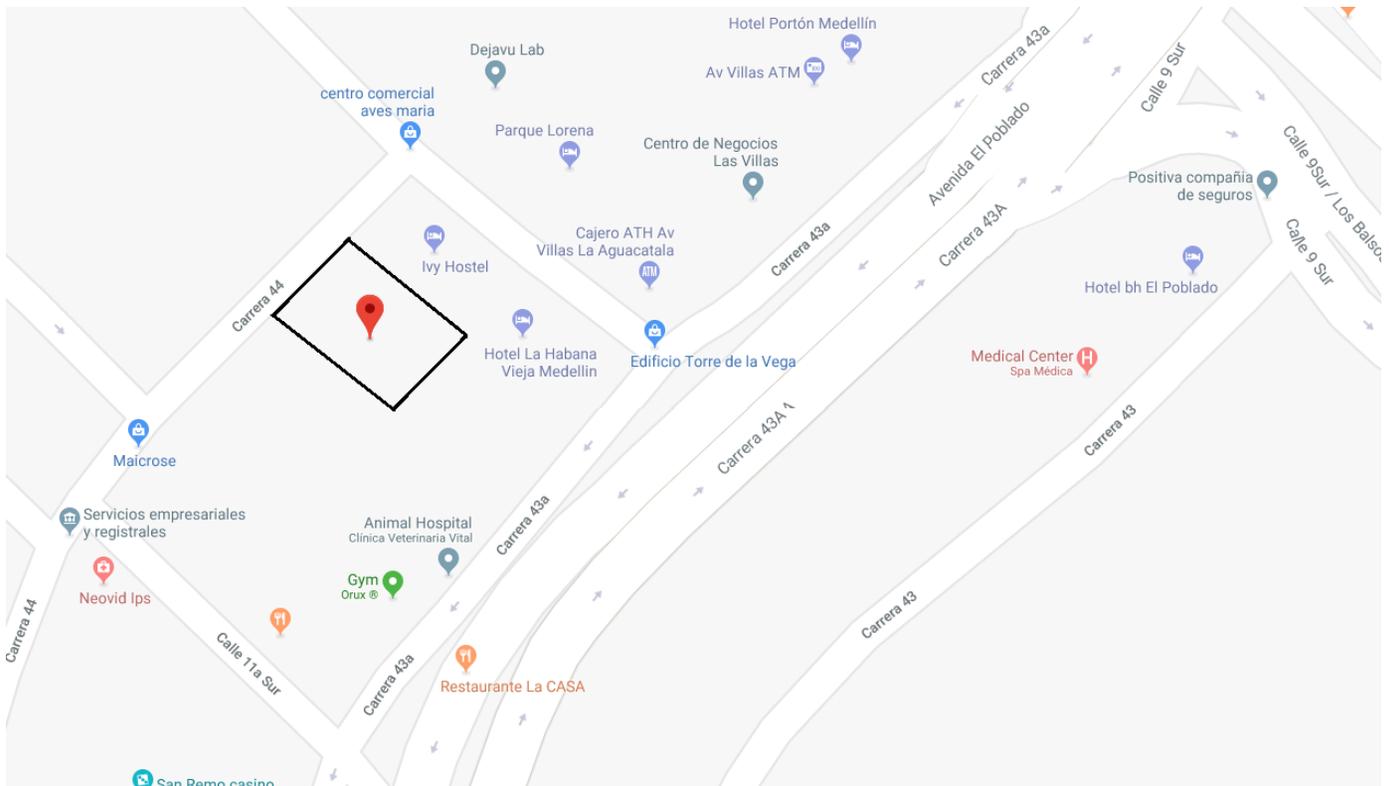
According to information derived from the previous sector and market study, the Fairfield Inn and Suites by Marriott Medellín must be situated close to the heart of El Poblado's main business and financial district, locally known as "La Milla de Oro" (The Gold Mile). Without a suitable location, the proposed hotel project could not be a feasible business opportunity. Fortunately, despite the low

availability, and high cost of the land in the area, an old property for sale close to “La Milla de Oro” was discovered.

Within the stratum 6 of the commune of La Aguacatala, the old property covers an enviable 625 m² space, right next to the beginning of “La Milla de Oro”, from the “Avenida del Poblado” highway from the south. It is close to several prominent hotels in the city, including the Hotel Portón Medellín and Hotel BH El Poblado, as well as being in close proximity to two of the city’s main commercial malls, Mall Santa Fé and Mall Oviedo.

Figure 57 and Figure 58 present the location of the terrain (address: Carrera 44 10 Sur – 30, La Aguacatala Commune), from a map view, and a satellite view, respectively.

Figure 57: Hotel Location (Map View)



Source: Google Maps.

Figure 58: Fairfield Inn and Suites by Marriott Medellín Location (Satellite View)



Source: Google Maps.

The 625 m² property, which can be viewed in Figure 59, is valued at COL\$ 2.700.000.000, approximately USD 950.000. Despite the elevated cost of the terrain, or COL\$ 4.320.000 per m², which is within El Poblado's m² price range of COL\$ 4.000.000 and COL\$ 4.500.000, the Fairfield Inn and Suites by Marriott Medellín must be located here, due to the lack of current spatial availability close to "La Milla de Oro". The property is listed on fincaraiz.com.co (Sales Code 3059981).

According to the First Curatorship of Medellín, this 625 m² property has an occupational index of 80% for the platform. In other words, 80% (500 m²) of the area can be used for the construction of the tower's base. The remaining 20% (125 m²) of the area must be retained for green zones. Based on these spatial requirements, the hotel's preliminary design was elaborated.

Figure 59: Property For Sale Street View



Source: fincaraíz.com.co (Sales Code 3059981)

3.2.1.3 Definition of hotel inner distribution

The Fairfield Inn and Suites by Marriott Medellín's Architectural Layouts were designed with the joint professional expertise of civil engineers Mrs. Liliana Roldán Giraldo and Mr. Germán Mira Yepes, taking into account the property's total area, occupational index and dependency size recommendations established in chapter 3.2.1.1. The final blueprints were subsequently drawn by a specialized third party, Plotter y Trámites C.M.A. In order to observe the proposed hotel project's preliminary design plans in full detail, refer to Annex 12.

The Fairfield Inn and Suites by Marriott Medellín was designed as an 11-story-building, including a terrace and an underground basement, 29.70 meters high, and 4.15 meters below the surface, with a total construction area of 5130 m², 120,09 m² more than the minimum 5009.91 m² requirement as previously determined.

As a 107-room property with nine guest room floors, each floor would contain 12 rooms, with the exception of the 10th floor, the last guest room floor, which would contain 11 guestrooms, due to the presence of a large suite comprised of two junior suites, which are slightly larger than the hotel's standard rooms. Correspondingly, the hotel's 107 guest rooms are distributed in the following manner:

Table 28: Fairfield Inn and Suites by Marriott Medellín Guest Room Distribution

Hotel Level	Number of King Standard Rooms	Number of Double Queen Standard Rooms	Number of King Junior Suites	Number of Double Queen Junior Suites	Number of Suites	Total
2	7	5	0	0	0	12
3	7	3	1	1	0	12
4	7	3	2	0	0	12
5	8	4	0	0	0	12
6	8	4	0	0	0	12
7	7	3	1	1	0	12
8	7	3	2	0	0	12
9	7	3	1	1	0	12
10	7	3	0	0	1	11
TOTAL	65	31	7	3	1	107

Source: Own Elaboration.

Each guest room floor also presents a set of stairs, elevators, vending and ice machines, a housekeeping service room, and a laundry and garbage chute (See Item 5, Annex 12). In the hotel's 11th floor, or terrace, there would be a sitting area around a 75.95 m² acclimatized pool, and a fully-equipped fitness center overlooking the city of Medellín (Observe Item 6, Annex 12). The first floor, or Lobby, is where the Fairfield Inn and Suites by Marriott Medellín's Front Desk and Reception, Administrative Offices, Breakfast Lounge and Kitchen, Event Room, Conference Room and Business Center is located (refer to Item 4, Annex 12). Finally, the basement, or sublevel one, contains the hotel's general service area and parking and accessibility area (See Item 3, Annex 12).

In sum, Table 29 and Table 30 below illustrate and summarize the Fairfield Inn and Suites by Marriott Medellín's internal distribution, organized according to dependency and level, respectively, measured in m², and totaling 5130 m².

**Table 29: Fairfield Inn and Suites by Marriott Medellín Internal Distribution (m²)
Organized by Hotel Dependency**

DEPENDENCY	m²
<i>Front Desk and Reception</i>	162,3
<i>Lobby, Reception and Front Desk</i>	86,18
<i>Elevator and Stairs</i>	58,83
<i>Corridor</i>	17,27
<i>Administration</i>	53,8
<i>Executive Offices</i>	40,53
<i>Executive Restrooms</i>	13,32
<i>Social Areas</i>	89,8
<i>Breakfast Lounge</i>	64,56
<i>Public Restrooms</i>	25,23
<i>General Services and Accesibility</i>	596,2
<i>General Services</i>	214,47
<i>Parking and Accesibility</i>	381,68
<i>Hotel Guest Rooms (107)</i>	3780,0
<i>Standard Rooms (96)</i>	2482,03
<i>Junior Suites (10)</i>	354,00
<i>Suite (1)</i>	70,00
<i>Elevator, Stairs and Service Room</i>	649,36
<i>Corridor</i>	224,60
<i>Complementary Areas</i>	447,9
<i>Events Room</i>	60,80
<i>Conference Room</i>	19,15
<i>Business Center</i>	20,12
<i>Fitness Center (Gymnasium)</i>	107
<i>Pool Area</i>	241
<i>TOTAL SIZE (m²)</i>	5130,0

Source: Own Elaboration.

**Table 30: Fairfield Inn and Suites by Marriott Medellín Internal Distribution (m²)
Organized by Hotel Level**

LEVEL	m²	LEVEL	m²
Basement (LEVEL S1)	510,0	Hotel Guest Rooms (Lv. 5 - 10)	2520,0
<i>General Services</i>	128,32	LEVEL 5	420,00
<i>Parking and Accesibility</i>	381,68	<i>Standard Rooms (12)</i>	310,25
Lobby (LEVEL 1)	420,0	<i>Elevator, Stairs and Service Room</i>	72,15
<i>Lobby, Reception and Front Desk</i>	86,18	<i>Corridor</i>	37,59
<i>Elevator and Stairs</i>	58,83	LEVEL 6	420,00
<i>Executive Offices</i>	40,53	<i>Standard Rooms (12)</i>	310,25
<i>Executive Restrooms</i>	13,32	<i>Elevator, Stairs and Service Room</i>	72,15
<i>Breakfast Lounge</i>	64,56	<i>Corridor</i>	37,59
<i>Public Restrooms</i>	25,23	LEVEL 7	420,00
<i>Kitchen Area</i>	14,00	<i>Standard Rooms (10)</i>	258,55
<i>Events Room</i>	60,80	<i>Junior Suite (2)</i>	70,8
<i>Conference Room</i>	19,15	<i>Elevator, Stairs and Service Room</i>	72,15
<i>Business Center</i>	20,12	<i>Corridor</i>	18,50
<i>Corridor</i>	17,27	LEVEL 8	420,00
Hotel Guest Rooms (Lv. 2 - 4)	1260,0	<i>Standard Rooms (10)</i>	258,55
LEVEL 2	420,00	<i>Junior Suite (2)</i>	70,8
<i>Standard Rooms (12)</i>	310,25	<i>Elevator, Stairs and Service Room</i>	72,15
<i>Elevator, Stairs and Service Room</i>	72,15	<i>Corridor</i>	18,50
<i>Corridor</i>	37,59	LEVEL 9	420,00
LEVEL 3	420,00	<i>Standard Rooms (10)</i>	258,55
<i>Standard Rooms (10)</i>	258,55	<i>Junior Suite (2)</i>	70,8
<i>Junior Suite (2)</i>	70,8	<i>Elevator, Stairs and Service Room</i>	72,15
<i>Elevator, Stairs and Service Room</i>	72,15	<i>Corridor</i>	18,50
<i>Corridor</i>	18,50	LEVEL 10	420,00
LEVEL 4	420,00	<i>Standard Rooms (10)</i>	258,55
<i>Standard Rooms (10)</i>	258,55	<i>Suite (1)</i>	70,00
<i>Junior Suite (2)</i>	70,8	<i>Elevator, Stairs and Service Room</i>	72,15
<i>Elevator, Stairs and Service Room</i>	72,15	<i>Corridor</i>	19,30
<i>Corridor</i>	18,50	Hotel Guest Rooms (Total)	3780,0
Terrace (Level 11)			420,0
<i>Fitness Center (Gymnasium)</i>			107
<i>Pool Area</i>			241
<i>Elevator, Stairs and Service Room</i>			72,15
TOTAL SIZE (m²)			5130,0

Source: Own Elaboration.

3.2.1.4 Definition of hotel operation processes

The Fairfield Inn and Suites by Marriott Medellín will present four types of processes:

1. **Strategic Processes:**

Strategic processes refer to the definition of how the hotel operates its business, and how the hotel will create value for both its guests and company employees. This process is handled by the Fairfield Inn and Suites by Marriott Medellín's Investing Shareholder Assembly and Legal Representative, which is established in the Legal and Organizational Study of this thesis paper. The strategic processes include:

- *Strategic Planning: The company's mission and vision statements are elaborated, and corporate values are defined. The organization's future is projected, based on the establishment of long-term objectives and aspirations.*
- *Quality Control: The company establishes a management strategy through which client, employee and stakeholder needs and expectations are met, using available resources and the implementation of a continuous improvement process. Additionally, a sustainability management system is to be employed, as a fundamental element in the company's quality control.*
- *Communication: The company transmits its strategies, mission, vision, corporate values, and quality expectations to guide the Fairfield Inn and Suites by Marriott Medellín's daily operations towards the achievement of company long-term objectives and aspirations.*

2. **Core Processes:**

Core processes refer to the provision of services vital to the fulfillment of the company's purpose for existing, while also being the processes that represent the entirety of the Fairfield Inn and Suites by Marriott Medellín's revenue stream. In other words, without these processes, the Fairfield Inn and Suites by Marriott would be unable to operate. These processes are handled by the hotel staff on a daily basis. The core processes include:

- *Reservations and Accommodations: Carried out by the hotel's Front Desk and Reception staff, under the hotel's AGM and GM guidance. The Reservations and Accommodations process aims to guarantee guests that stay in the Fairfield Inn and Suites by Marriott Medellín quality rooms and service in accordance to their expectations and requirements. This process looks to not only fully satisfy guest needs, but to exceed their expectations. Additionally, the Reservations and Accommodations process represents the most important revenue source for the hotel; Typically, almost 99% of the hotel's income is generated through this process. During this process, the offering of mini bar products at all guest rooms, the lease of the hotel's meeting room space, and third-party room service should account for another small, almost ignorable, percentage (0,5% to 1%) of hotel income.*

- Housekeeping and Laundry: Handled by the hotel's housekeeping and laundry staff, under the housekeeping manager's guidance. Linked directly to the Reservations and Accommodations process, the Housekeeping and Laundry process contributes to maintain the high room cleanliness standard characterized in all Marriott hotels. Moreover, the possibility of laundry service (and outsourced dry-cleaning service) to guests should represent a small, almost ignorable, percentage (0,5% to 1%) of income for the hotel.

3. **Support Processes:**

Support processes refer to the administrative processes that provide sustenance for the satisfactory and effective development of the Strategic and Core processes. These processes are handled by the hotel staff on a daily basis. The support processes include:

- Sales and Marketing: Executed by the hotel's Sales and Marketing Manager. The purpose of this process is to improve the Fairfield Inn and Suites by Marriott Medellín's positioning and presence within the city, as well as outside, by capturing new clients, maintaining close relationships with both new and old clients, and creating alliances with local and international companies.
- Purchasing: Performed by the hotel's AGM (Assistant General Manager). This process aims to ensure the adequate, timely, efficient, flexible and optimal replenishment of supplies to the Fairfield Inn and Suites by Marriott Medellín, guaranteeing guest satisfaction through the continuity of the provision of services under the best quality standards.
- Guest Relations: Implemented by the hotel's Front Desk and Reception staff, under the guidance of the hotel's AGM. The objective of this process is to improve and guarantee guest satisfaction and loyalty, through opportunistic service offerings and optimal guest inconvenience resolution and atonement.
- Maintenance and Security: Responsibility of the hotel's maintenance staff. This process attempts to anticipate problems that could possibly deteriorate the hotel's service quality through a process of periodic preventive maintenance (PM), while making immediate necessary quality adjustments or repairs in a timely and effective manner. Additionally, the Fairfield Inn and Suites by Marriott Medellín, will count with security personnel 24/7 and present a CCTV (Closed Circuit TV) surveillance system comprising of cameras, recorders and displays, in order to protect hotel and guest assets, generating confidence.
- Human Resources: Fulfilled by the hotel's GM (General Manager) and AGM (Assistant General Manager). The purpose of this process is to guarantee quality and well-prepared hotel workforce, necessary for the high-level service provision intended for the Fairfield Inn and Suites by Marriott Medellín, while compensating the hotel staff for their efforts through proper remuneration, and complying with local legislature. As a result, the Human Resources process entails two components: Hiring and Training, and Payroll.
- Accounting and Finance: Responsibility shared between the hotel's GM and Accountant. This process, along with revenue management, aims to establish an ordered and effective procedure for recording, reporting and analyzing financial information crucial to evaluate the Fairfield Inn and Suites by Marriott Medellín's economic performance, profitability and operations. The Accounting and Finance process helps the hotel determine whether or not objectives set by the Strategic Planning process have been fulfilled, and if not, which areas or processes require dire improvement.

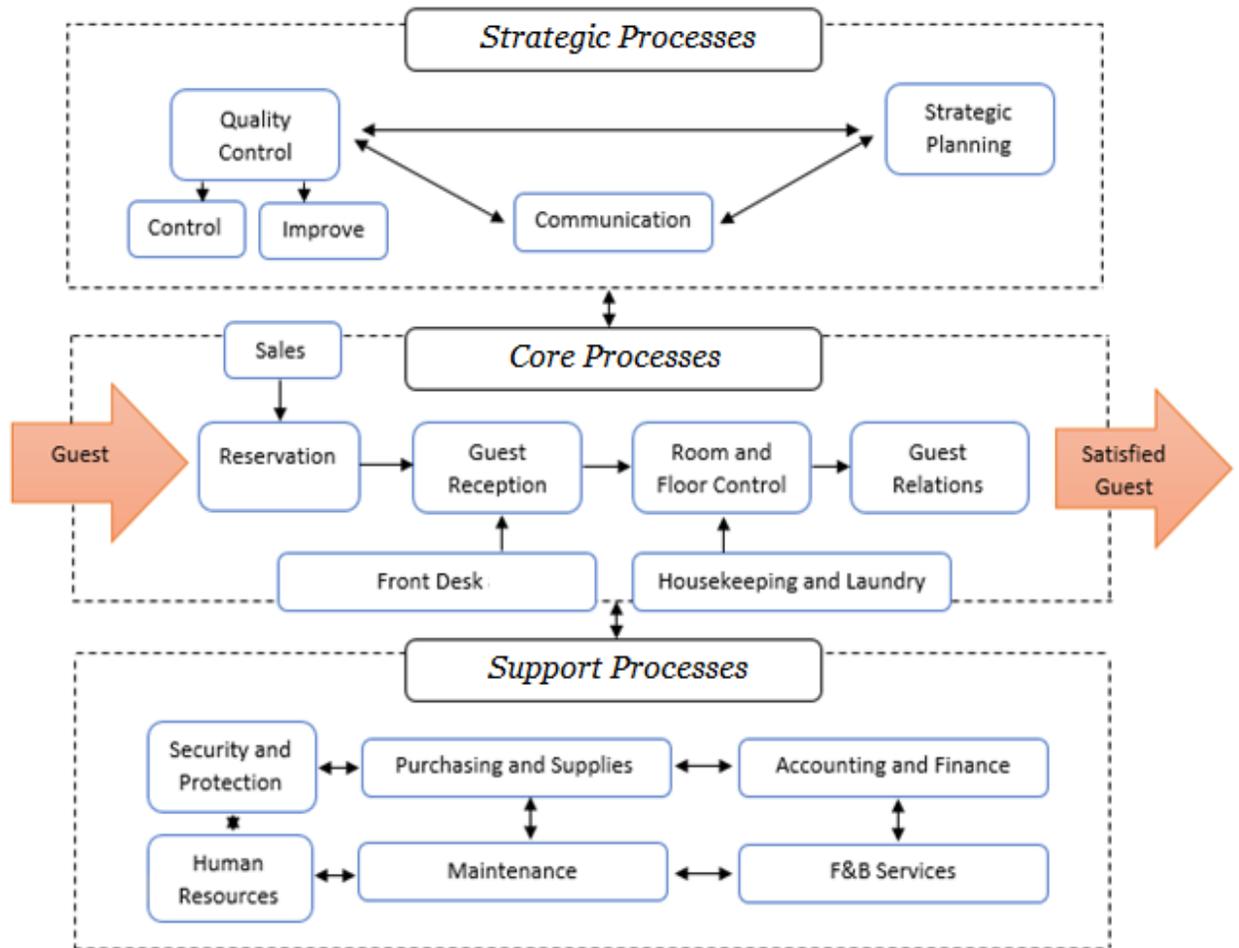
4. Evaluation Processes:

Evaluation processes refer to the assessment of the performance of all processes in the company. In this case, there are two types of evaluations; internal, or performed by the company itself, or external, in which other stakeholders, such as Marriott International and government agencies, evaluate the company's performance. Additionally, the hotel will evaluate guest satisfaction and loyalty. The evaluation processes include:

- *Internal Audit: Implies a qualification of hotel processes carried out by the hotel's GM and AGM, following a defined protocol, in order to exhibit the current status of the services provided by the hotel.*
- *External Audit: Implies a qualification of hotel processes carried out by the franchisor, Marriott International, in order to evaluate property management and quality of service. Public organizations, such as government entities, will also perform audits and establish a rating.*
- *Satisfaction and Loyalty Evaluation: Entails the assessment of guest satisfaction and loyalty through an after-stay survey evaluation format, responsibility of the sales and marketing manager. Guest opinion is of the essence, in pursuance of understanding which areas or services within the hotel require improvement to guarantee full satisfaction and preservation of guests.*

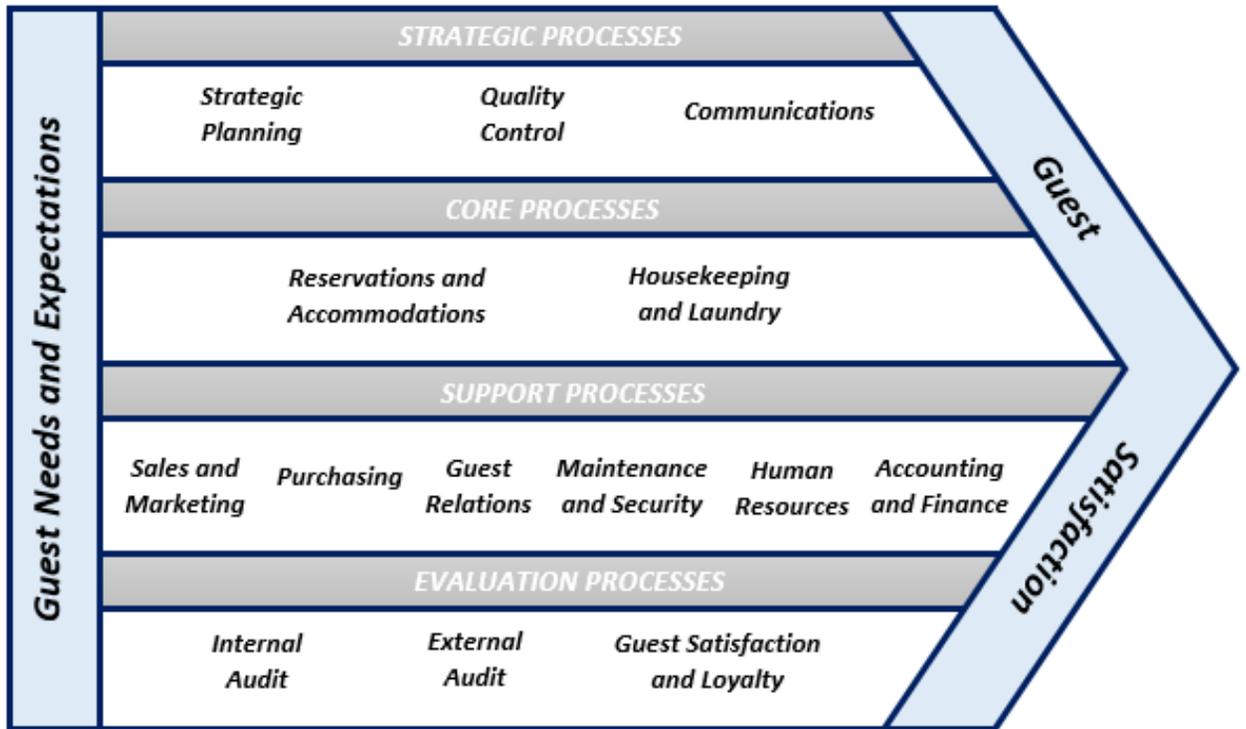
In the figures below, the Fairfield Inn and Suites by Marriott Medellín's processes are summarized. The Figure 60 illustrates how the hotel's Strategic, Core and Support processes interact and influence each other. Figure 61 depicts the hotel's value chain, based on Michael E. Porter's (2008) model, which establishes the concept of a value chain as a set of primary and support activities that an organization carries out to create value for its customers. For detailed information on the Fairfield Inn and Suites by Marriott Medellín's individual flowcharts describing its Reservations and Accommodations, Housekeeping, Laundry, Room Service, Maintenance, Purchasing, Sales and Marketing, and Security processes, refer to Annex 9.

Figure 60: Fairfield Inn and Suites by Marriott Medellín Process Flowchart



Source: Own Elaboration.

Figure 61: Fairfield Inn and Suites by Marriott Medellín Value Chain



Source: Own Elaboration.

3.2.1.5 Definition of hotel workforce

The Fairfield Inn and Suites by Marriott Medellín will establish a salary policy to incentivize its employees, following Marriott International's habits of paying its employees well, above the market average. As Marriott International's executive chairman declares, "If you take care of your employees, they will take care of your guests". In order for the hotel to provide world-class opportunistic services to its B&C traveler guests, the hotel will reward and incentivize its workforce accordingly and appropriately. Therefore, the Fairfield Inn and Suites by Marriott Medellín will pay 0,3 minimum monthly salaries (SMMLV - Salario Mínimo Mensual Legal Vigente) more than the market average for each operative position (Refer to Figure 23 in the Sector Study).

The Fairfield Inn and Suites by Marriott Medellín will require 34 operative employees in order to operate. Henceforth, the hotel will present the following workforce, based on Mr. Brian A. Plemmons' recommendations (

ANNEX 7, question 5), ICONTEC's NTSH 006 technical norms (2009), obligating the hotel to have security service 24/7, and the company's salary policy:

Table 31: Fairfield Inn and Suites by Marriott Medellín Workforce Structure

Position	Quantity	SMMLV	Work Shifts
Front Desk Agent	5	1,8	2 shifts, 24/7
Night Auditor	2	2,5	1 shift, 24/7
Breakfast Hostess	2	1,3	1 shift, 24/7
Maintenance Engineer	2	1,5	1-2 shifts, 24/7
Security Agent	6	1,5	3 shifts, 24/7
Housekeeping Maid	12	1,3	1 shift, 24/7
Housekeeping Inspector	1	1,6	1 shift, 24/5
Laundry Attendant	4	1,3	1 shift, 24/7

Source: Own Elaboration.

Table 32 below summarizes the Fairfield Inn and Suites by Marriott Medellín's workforce, or operative, job descriptions by position. The complete profile description for each operative position required in the hotel is detailed in Annex 11, courtesy of information provided by Mr. Brian A. Plemmons and Valley Hospitality, a Hotel and F&B Management Company based in the state of Georgia, USA.

Table 32: Job Summary of Workforce Positions

Position	Job Summary

Front Desk Agent	<i>The Front Desk Agent is responsible for providing attentive, courteous and efficient service to all guests during check-in, throughout their stay, and at checkout, while maximizing room revenue and occupancy.</i>
Night Auditor	<i>The Night Auditor is responsible for reconciling all hotel cashier transactions, reviewing, organizing and compiling management reports on a timely basis and ensuring the accuracy of guest billings and city ledger transactions. He/she is also responsible for effectively communicating concerns and/or related issues to all levels of management and performing guest service agent duties as required, including check in, check out, switchboard operation and reservations.</i>
Breakfast Hostess	<i>The Breakfast Hostess is responsible for creating a welcoming first impression and providing attentive, courteous and efficient service to guest throughout their breakfast experience.</i>
Maintenance Engineer	<i>The Maintenance Engineer is responsible for ensuring that the property is maintained in the best possible condition at all times with the least amount of inconvenience to customers and employees.</i>
Security Agent	<i>The Security Agent is responsible for maintaining a secure, peaceful and serene atmosphere inside the establishment, while providing attentive, courteous and efficient service to all guests.</i>
Housekeeping Maid	<i>The Housekeeper is responsible for maintaining clean and attractive guestrooms while providing attentive, courteous and efficient service to all guests.</i>
Housekeeping Inspector	<i>The Housekeeping Inspector is responsible for maintaining high standards of clean and attractive guestrooms while providing attentive, courteous and efficient service to all guests. Essentially, the Housekeeping Inspector performs the duties and has the responsibilities of a typical housekeeper, but is given an additional responsibility to revise other housekeepers' cleaning in order to maintain strong cleanliness quality.</i>
Laundry Attendant	<i>The Laundry Attendant is responsible for washing, ironing, folding and distributing all soiled linens, towels, napkins and tablecloths.</i>

Source: Valley Hospitality.

Furthermore, based on Colombia's salary and social benefit legislature for 2018 (Article 145 CST – Código Sustancial del Trabajo), the Fairfield Inn and Suites by Marriott Medellín's operative payroll (monthly and annually) was calculated. The company will pay biweekly, or every 15 days. As a result, a month is considered to have 30 days, or two pay periods of 15 days each. Table 33 illustrates that the hotel will present a typical monthly operative payroll cost of COL\$ 46.588.549, or COL\$ 559.062.593 per year, not considering holiday surcharges. For detailed information on the hotel's workforce schedules and salary and social benefits, refer to

ANNEX 10.

Table 33: Hotel Operative Payroll

<i>Fairfield Inn and Suites by Marriott Medellín Operative Payroll Costs</i>			
HOTEL EMPLOYEE	Monthly Social Benefits	Total Monthly Salary Cost	Total Annual Salary Cost
<i>Front Desk Agent 1</i>	\$ 515.584	\$ 1.535.775	\$ 18.429.296
<i>Front Desk Agent 2</i>	\$ 604.618	\$ 1.802.306	\$ 21.627.669
<i>Front Desk Agent 3</i>	\$ 515.584	\$ 1.535.775	\$ 18.429.296
<i>Front Desk Agent 4</i>	\$ 583.079	\$ 1.734.408	\$ 20.812.898
<i>Front Desk Agent 5</i>	\$ 583.079	\$ 1.734.408	\$ 20.812.898
<i>Night Auditor 1</i>	\$ 639.168	\$ 2.014.886	\$ 24.178.635
<i>Night Auditor 2</i>	\$ 639.168	\$ 2.014.886	\$ 24.178.635
<i>Breakfast Hostess 1</i>	\$ 406.476	\$ 1.158.843	\$ 13.906.117
<i>Breakfast Hostess 2</i>	\$ 406.476	\$ 1.158.843	\$ 13.906.117
<i>Maintenance Engineer 1</i>	\$ 531.698	\$ 1.553.588	\$ 18.643.055
<i>Maintenance Engineer 2</i>	\$ 531.698	\$ 1.553.588	\$ 18.643.055
<i>Security Agent 1</i>	\$ 360.131	\$ 1.064.582	\$ 12.774.982
<i>Security Agent 2</i>	\$ 360.131	\$ 1.064.582	\$ 12.774.982
<i>Security Agent 3</i>	\$ 382.046	\$ 1.133.664	\$ 13.603.963
<i>Security Agent 4</i>	\$ 382.046	\$ 1.133.664	\$ 13.603.963
<i>Security Agent 5</i>	\$ 436.832	\$ 1.306.368	\$ 15.676.418
<i>Security Agent 6</i>	\$ 436.832	\$ 1.306.368	\$ 15.676.418
<i>Housekeeping Maid 1</i>	\$ 473.130	\$ 1.368.961	\$ 16.427.538
<i>Housekeeping Maid 2</i>	\$ 473.130	\$ 1.368.961	\$ 16.427.538
<i>Housekeeping Maid 3</i>	\$ 414.985	\$ 1.204.514	\$ 14.454.165
<i>Housekeeping Maid 4</i>	\$ 414.985	\$ 1.204.514	\$ 14.454.165
<i>Housekeeping Maid 5</i>	\$ 414.985	\$ 1.204.514	\$ 14.454.165
<i>Housekeeping Maid 6</i>	\$ 458.396	\$ 1.341.362	\$ 16.096.339
<i>Housekeeping Maid 7</i>	\$ 458.396	\$ 1.341.362	\$ 16.096.339
<i>Housekeeping Maid 8</i>	\$ 441.291	\$ 1.292.153	\$ 15.505.832
<i>Housekeeping Maid 9</i>	\$ 441.291	\$ 1.292.153	\$ 15.505.832
<i>Housekeeping Maid 10</i>	\$ 397.880	\$ 1.155.305	\$ 13.863.659
<i>Housekeeping Maid 11</i>	\$ 458.396	\$ 1.341.362	\$ 16.096.339
<i>Housekeeping Maid 12</i>	\$ 441.291	\$ 1.292.153	\$ 15.505.832
<i>Housekeeping Inspector</i>	\$ 452.488	\$ 1.332.163	\$ 15.985.950
<i>Laundry Attendant 1</i>	\$ 414.985	\$ 1.204.514	\$ 14.454.165
<i>Laundry Attendant 2</i>	\$ 414.985	\$ 1.204.514	\$ 14.454.165
<i>Laundry Attendant 3</i>	\$ 441.291	\$ 1.292.153	\$ 15.505.832
<i>Laundry Attendant 4</i>	\$ 458.396	\$ 1.341.362	\$ 16.096.339
TOTALS (COL\$)	\$ 15.784.945	\$ 46.588.549	\$ 559.062.593

Source: Own Elaboration.

3.2.1.6 Definition of hotel technology equipment

Most of the technology and equipment required to operate the Fairfield Inn and Suites by Marriott Medellín property is provided by Marriott International when establishing the franchise contract. The company obliges all its franchisees to purchase, lease or license, either from them or their designated designee, all computer systems, software and applications not deemed optional. In essence, Marriott International provides all the basic platforms and software required for the hotel to operate, including the software that handles all reservations, accounting, account management and billing. Marriott International has an alliance with Micros Systems, Inc., which provides the property management software, or Property Management System (PMS). The PMS software is utilized by Marriott International in all its brands on a worldwide basis, although the company is currently in the process of replacing PMS with a new, Global Property Management System (GPMS). Currently, for limited and select service hotels, such as the Courtyard and Fairfield brands, Marriott implements a FOSSE (Front Office Select Service Extended Stay) PMS system. (Marriott International Hotels, 2018)

To complement the Micros Opera PMS software, Marriott International uses a Channel Management System software in all of its properties called Marriott Automated Reservation System for Hotel Accommodations (MARSHA), which provides the hotel with a broad database, integrating loyal customer contacts, e-commerce, revenue management (RMS), PMS and GDS (Global Distribution System), used by travel agents and intermediaries. MARSHA allows the hotel to segment customers and groups, identify seasons and respective rates, and generate financial and occupancy reports for housekeeping and night audit so that the general manager can project income, and forecast occupation. (Marriott International Hotels, 2018)

For the management of restaurants and outsourcing of food services (catering), Marriott contracts with the leading English brand for the development of relations with guests, iRiS Systems, which allows the restaurant to even project menus digitally on cell phones and customer tablets. (Marriott International Hotels, 2018)

Additionally, the partnership with Noventri provides Marriott International with advanced automated technology for suite cards, which have lately become digital in the mobile app for loyal customers in the Marriott Rewards program. (Marriott International Hotels, 2018)

In general, based on specifications described in Marriott's FDD (Franchise Disclosure Agreement) for Fairfield Inn and Fairfield Inn and Suites franchisees, as can be observed with more detail in Item 11, Annex 8, the Fairfield Inn and Suites by Marriott Medellín requires the technology and computer systems detailed in Table 34.

Table 34: Fairfield Inn and Suites by Marriott Medellín Technology Detail

Technology	Description
FOSSE Global Property Management System (GPMS)	<i>System used for all Marriott hotels' front office, back-of-the-house and basic hotel operations. Marriott is in the process of replacing the current PMS with a new global property management system (GPMS), and should be completed within the year 2019. All Marriott hotels must switch from PMS to GPMS and use it.</i>
Point-of-Sale (POS)	<i>The POS system integrates with PMS and is used for F&B, retail, spa, and other sales outlets at the hotel. All Marriott hotels must use the Symphony POS system from Oracle.</i>
OneSource	<i>OneSource provides hotels with the ability to receive and respond to leads for group business received through certain sales channels, including QuickGroup.</i>
Software for Reservation System (MARSHA) and One Yield.	<i>This software allows MARSHA and One Yield to interface with the PMS, and assists with reservations, check-in, charge posting, accounts receivable, night audit, check-out, housekeeping, and guest history. One Yield is a web-based, yield management system for guestroom inventory that provides forecasting tools and makes inventory recommendations to help capture market demand.</i>
Mobile Guest Services	<i>This application allows guests to use mobile devices (smartphones and tablets) to check-in, check-out, receive room alerts, and place service requests.</i>
Engage	<i>Engage is a cloud-based software that integrates with the front office, and allows hotels to identify guests and access guest profiles, perform reservations tasks (such as rewards program redemption stays), and track and resolve customer complaints.</i>
Mobile Key	<i>This application allows guests to unlock guestroom doors using mobile guest services.</i>

Microsoft Software	<i>Basic Microsoft software purchased through Marriott or Microsoft.</i>
PC Desktops/Laptops	<i>PCs for executive, employee and guest use, connected to the Marriott network or use Marriott proprietary software and that run with Marriott's current, approved version of Microsoft Windows.</i>
Computer Security	<i>The hotel must comply with all rules and regulations promulgated by the credit card companies and associations, including, but not limited to the PCI (Payment Card Industry) data security standards and Marriott's PCI compliance standards. Includes tokenization, the process of replacing credit card numbers with indecipherable data. PMS and POS must process credit cards, and the hotel may use Marriott's preferred providers in connection with processing credit cards, including authorizations and settlements. Security Keys must be purchased to provide security authentication to access Marriott applications, and are required for system administrators, high risk data users, and certain remote desktop users.</i>
Internet	<i>Access to high-speed internet, able to support hundreds of connections at the same time without crashing or losing service. The hotel would offer free high-speed internet to all of its guests throughout the property, but would charge an additional fee for lightning speed internet, or offer that premium internet speed to frequent guests as loyalty generated amenity.</i>

Source: Fairfield Inn and Fairfield Inn and Suites FDD (Annex 8).

3.2.1.7 Definition of hotel initial investment items

Lastly, based on specifications described in Marriott's FDD (Franchise Disclosure Agreement) for Fairfield Inn and Fairfield Inn and Suites franchisees, as can be observed with more detail in Item 7, Annex 8, the Fairfield Inn and Suites by Marriott Medellín's construction and start-up requires the following items or elements, as described in Table 35 below.

Table 35: Fairfield Inn and Suites by Marriott Medellín Initial Investment Detail

Type of Expenditure	Description
Initial Franchise Application Fee	<i>Pertains to the application cost for a new-to-system Fairfield Inn and Suites hotel franchise and is generally payable in full at the time the franchise application is submitted.</i>
Pre-Opening Training and Services	<i>Includes training for the property management system, management and executive training, pre-opening on site task force training, the opening authorization process, associate orientation materials, and pre-opening operations and sales and marketing support.</i>
Pre-Opening Revenue Management Support	<i>Implies on-site training for pre-opening revenue management (MARSHA) rate loading and consultation.</i>
Property Technology	<i>Corresponds to the technology required to operate the hotel, including PMS/GPMS, MARSHA, One Yield and the other systems detailed previously in Table 34.</i>
Cost of Land	<i>Relates to the cost of the 625 m² property for sale near “La Milla de Oro” (The Gold Mile), where the Fairfield Inn and Suites by Marriott Medellín is to be constructed.</i>
Building Permit, Tap, and Impact Fees	<i>Corresponds to the attainment of the construction license for land use in Medellín’s Urban Curatorship and the payment of the respective urban delineation tax.</i>
Building Construction	<i>Refers to the total construction cost of a typical Fairfield Inn and Suites hotel on a per guestroom basis, including site work, project management fees and exterior signs.</i>
Laundry and Kitchen Equipment	<i>Includes laundry equipment (washers, dryers and rollers), kitchen equipment and guestroom appliances (AM/FM alarm clock radio, safety-deposit box, microwave oven, micro fridge, iron and ironing board, mini bar and coffeemaker).</i>
Furniture and Fixtures	<i>Takes into account the furnishing of a typical Fairfield Inn and Suites hotel on a per-guestroom basis (including suites), comprising of guestroom and public space furniture, seating and case goods, decorative and plug-in light fixtures, window treatments, carpet, vinyl wall coverings and other soft goods, interior signage, a flat panel TV for each guestroom, and all associated procurement fees, freight, warehousing, taxes and installation. In other words, the prototypical décor package.</i>

Telephone System	<i>Consists of the telephone, voicemail, and call accounting systems, along with the installation of high-speed internet access equipment.</i>
Operating Supplies	<i>Comprised of hotel inventory items, such as towels, linens, guestroom amenities, maintenance equipment (water storage equipment including boilers, heaters and pumps, and electrical substation and control room) and supplies, paper goods and uniforms.</i>
Professional Design Services	<i>Relates to expenses generated by architectural, engineering and other consultant services for the project, including Marriott's design and construction review services and required certifications.</i>
Insurance	<i>Refers to annual costs for insurance, including property insurance, guest insurance, commercial general liability insurance, liquor liability insurance, automobile liability insurance, workers' compensation insurance, employer's liability insurance, umbrella/excess liability insurance, employment practices liability insurance and fidelity bond coverage.</i>
Start-up Costs	<i>Start-up costs include wages, marketing expenses, and other operating costs incurred before opening. May involve notable variations.</i>
Hard Cost Contingencies (5% of hard costs)	<i>Corresponds to a project contingency equal to 5% of the project's hard costs: building construction; building permit, tap, and impact fees; kitchen and laundry equipment; furniture and fixtures; telephone system; operating supplies; and professional design fees.</i>
Opening Advertising	<i>Relates to the provision of local advertising, marketing and promotional communications for the hotel prior to opening. A marketing and advertising campaign in accordance with Marriott standards must be conducted.</i>
Additional Funds (First 3 months)	<i>Involves prepaid expenses and operating expenses that may be incurred during the first three months of operation, and is not intended to provide a basis for a break-even analysis. Excludes franchisee fees, FF&E reserves, personal property and real estate taxes, permits and licenses, insurance and operating leases.</i>
Company Constitution Expenditures	<i>Consists of tariffs, taxes, and fees related to the constitution of the hotel's managing company according to local legislature, as described in the Legal Study of this thesis paper.</i>

Source: Fairfield Inn and Fairfield Inn and Suites FDD (Annex 8)

3.2.2 Legal Analysis

3.2.2.1 Definition of company society type

For the development of the Fairfield Inn and Suites by Marriott Medellín hotel, it is recommended that the project be registered as a simplified corporation, known as SAS (Sociedad Anónima Simplificada) in Colombian legislature, due to the legal facilities it entails (low costs and simple constitution and transformation procedures), and its flexibility in terms of corporate purpose. The name of the company will be Medellín Hospitality S.A.S, which will own and operate the Fairfield Inn and Suites by Marriott Medellín lodging establishment.

As for the registration of the Marriott brand, under the franchise agreement, Marriott International will fill out all the legal requirements to allow Medellín Hospitality S.A.S to develop and operate the hotel project under their trademark name “Fairfield Inn and Suites by Marriott” (Annex 8, Item 13).

According to the Medellín Chamber of Commerce, the following are the characteristics of a S.A.S:

- A S.A.S. can be constituted by a private document, by means of a contract or unilateral act, which must be authenticated before its subscription in the mercantile registry.*
- Responsibility is limited, so the partners only respond up to the amount of their contributions. As it is a capital company, obligations are answered with these capital amounts, not with personal assets.*
- The payment of capital for each partner can be agreed in the partnership contract with terms different from those established in the Commercial Code, but cannot exceed two years.*
- The S.A.S. can issue any of the following shares: Common Stock, Preferred Stock, Stock with preferential dividends and without voting rights, Stock with annual fixed dividends, and Cash Payment Stock.*
- The shares issued cannot be traded on the Colombian stock exchange but can be traded freely in other markets. As a result, a S.A.S cannot acquire financing to expand in the stock market.*
- A S.A.S can engage in any type of legal activity, with the possibility of venturing into parallel businesses simultaneously.*
- A S.A.S is not required to have a board of directors or a fiscal auditor. The only mandatory administrative bodies are an Investing Shareholder Assembly and the Legal Representative. If the S.A.S. is composed of only one partner, he or she can perform both positions.*

3.2.2.2 Definition of company constitution expenses

As aforementioned, the process and costs of starting a S.A.S. are relatively simple. First, the legal representative must register for a pre-RUT (Registro Único Tributario), a completely free procedure, then the company statutes are elaborated, and since a S.A.S. does not require the statutes to be of public domain, they only need to be authenticated (which should not surpass COL\$ 4.000) before the registration of the document.

Second, authorized, subscribed and paid capital must be defined by the company's partners. The authorized capital is the amount of approximate money the company needs to operate, making it an inexact value. The subscribed capital is the amount that the shareholders agree to pay, without exceeding a payment period of up to two years. The Chamber of Commerce charges a 0,7% registration tax over the amount of the subscribed capital. Paid capital is the amount of subscribed capital already paid by the shareholders. According to Marriott International's FDD for Fairfield Inn and Fairfield Inn and Suites franchisees (Annex 8, Item 7), the total initial investment for the start-up of a 107-room Fairfield Inn and Suites by Marriott hotel can be anywhere between USD 6.808.485 and USD 14.151.870, not including other costs undeterminable due to local legislation. Therefore, with an initial investment of approximately USD 15 million, the company should cover the total cost of construction of the Fairfield Inn and Suites by Marriott Medellín. As will be explained in the Organizational Study, Medellín Hospitality S.A.S. will finance the hotel project with 40% shareholder contribution and 60% bank debt. Shareholder contributions will be fixed at USD 6 million, therefore, any exceeding costs will be financed with bank loans. This implies that the Chamber of Commerce will charge a 0.7% over the USD 6 million in paid shareholder capital, equivalent to a registration cost of USD 42.000. Finally, with an authorized capital of USD 30 million, the company should be able to cover any operational expense over the years.

Third, inscription and registration fees are paid. The registration of the Medellín Hospitality S.A.S.'s private document has a value of COL\$ 32.000, and the application form for a single business registry costs COL\$ 4.000. Next, a merchant registration (Matricula Mercantil) must be paid, depending on the assets of the company. Since company assets should range between USD 6.808.485 (COL\$ 19.434.820.433, approximately 24,877 SMMLV) and USD 14.151.870 (COL\$ 40.396.512.915, approximately 51,708 SMMLV), the company must pay a merchant registration value between COL\$ 1.907.000 and COL\$ 1.915.000, as established by decree 1074 of May 26, 2015. This merchant registration must be renovated every year depending on the amount of company assets, which should not change, in the case of Medellín Hospitality S.A.S., unless the company expands its operations by opening or purchasing a new hotel, which will not be considered in this thesis paper.

Finally, a bank account in the name of the company must be created, which is a fundamental requirement to establish a definitive RUT, and although this does not generate a cost, original company existence and legal representation documents are needed by both the banking entity and the chamber of commerce, which should cost COL\$ 4,300. Then the paperwork is remitted to the DIAN, with no costs, and the obligatory books are registered, such as the minute and shareholder books, which has a value of COL\$ 10,300 for each book that the company wants to register.

3.2.2.3 Definition of additional legal certifications

In terms of legal requirements, the Matrix of Applicable Legal Requirements, which can be observed in Annex 13, details every legal document, imposition or obligation that must be met by Medellín Hospitality S.A.S. and the Fairfield Inn and Suites by Marriott Medellín, courtesy of information provided by COTELCO's Antioquia - Chocó chapter (2017).

More importantly, however, in order to obtain the construction license for the Fairfield Inn and Suites by Marriott Medellín in the Urban Curatorship, the following tariffs, taxes and fees must be paid:

1. Construction Tariff: Fee charged by the municipality of Medellín for the construction of the hotel's building. Corresponds to the total area built in m² multiplied by the respective tariff, per m², for construction in an urban stratum 6, which is COL\$ 65,000. With a total construction area of 5100 m², the company must pay a Construction Tariff of COL\$ 331,500,000.
2. Curatorship Rights: Fee charged by the Urban Curatorship of Medellín for the construction of the hotel's building. Corresponds to 50% of the Construction Tariff, totaling COL\$ 165,750,000.

3. Curatorship Tax: Tax charged by the Urban Curatorship of Medellín for the construction of the hotel's building. Corresponds to the total area built in m² multiplied by the respective tariff, per m², which is COL\$ 18,000. With a total construction area of 5100 m², the company must pay a Curatorship Tax of COL\$ 91,800,000.
4. Soil and Land Study: Fee charged by an independent party to determine the feasibility of land use. Approximately COL\$ 5,000,000.
5. Architectural and Structural Design: Relates to expenses generated by architectural, engineering and other consultant services for the project, including Marriott's design and construction review services and required certifications. According to Marriott International's FDD (Franchise Disclosure Agreement) for Fairfield Inn and Fairfield Inn and Suites franchisees, as can be observed with more detail in Item 7, Annex 8, these services can cost anywhere between USD 240,900 and USD 555,000. However, following advisory and consultation sessions with Mrs. Liliana Roldán and Mr. Germán Mira, the two professional civil engineers who assisted with the preliminary design of the hotel in the Technical Study of this thesis paper, it should be expected that the Architectural and Structural Design cost anywhere between USD 100,000 and USD 240,900.

In general, besides the items described in the Matrix of Applicable Legal Requirements, for the construction of the Fairfield Inn and Suites by Marriott Medellín, the following documents and procedures are required:

1. Attainment of the certificate of tradition and freedom of ownership from the Office of Registration of Public Instruments. (COL\$ 12,930)
2. Attainment of the certificate of existence and legal representation of the construction company in the Medellín Chamber of Commerce. (COL\$ 4,000)
3. Attainment of the construction license in the Urban Curatorship, not including the cost of the Architectural and Structural Design. (COL\$ 594,050,000)
4. Attainment of the prior authorization for the connection to the aqueduct and sewerage services of Empresas Públicas de Medellín (EPM). (COL\$ 1,000,000; cost of the connection work)
5. Attainment of the telephone connection from the telecommunications company. (Free of charge)
6. Attainment of the connection to the aqueduct and sewerage services of Empresas Públicas de Medellín (EPM). (Free of charge)
7. Final inspection by the Mayor's Office. (Free of charge)

In consequence, the Building Permit, Tap and Impact Fees applicable to the Fairfield Inn and Suites by Marriott Medellín, undeterminable in Marriott International's FDD (Franchise Disclosure Agreement) for Fairfield Inn and Fairfield Inn and Suites franchisees due to variables dependent on local legislature, totals COL\$ 595,066,930, approximately between USD 210,000 and USD 215,000, not including the cost of the Architectural and Structural Design.

3.2.2.4 Definition of taxes and tariffs

In sum, according to the Matrix of Applicable Legal Requirements, appreciable in Annex 13, Medellín Hospitality S.A.S. needs to comply with the following taxes and tariffs:

Table 36: Medellín Hospitality S.A.S. Applicable Taxes and Tariffs

<i>Item</i>	<i>Tax/Tariff</i>	<i>Periodicity</i>
Property Tax	0,7% of the building property's market valuation.	Annual.
Industry and Commerce Tax	1,38% of total income (minus appropriate deductions).	Annual.
Income Tax and Complementary	33% of NOI.	Annual.
Surtax over Income Tax and Complementary.	4% of NOI. (Only if NOI > COL\$ 800.000.000)	Annual.
Consumption Tax	8% of total F&B sales.	Annual.
Sales Tax (IVA)	19% of total Room sales.	Annual.
Parafiscal Contribution (FONTUR Payment)	0.25% of total sales, quarterly, or 1% of total sales, annually.	Quarterly
Commercial/Merchant Registry Renovation	Between COL\$ 1.907.000 and COL\$ 1.915.000.	Annual.
Copyrights (Sayco and Acinpro Payment)	COL\$ 2.200.000.	Annual.

Source: COTELCO's Antioquia - Chocó chapter

Additionally, it should be noted that there are possibilities to qualify for tax exemption programs and benefits, such as the previously mentioned Law 1715 of 2014 and resolution 121 of 2017, despite the inability for the company to qualify for the Decree 2755 of 2003. However, this thesis paper will not consider these tax benefits, as one of the purposes of this work is to determine the feasibility of a new hotel project in Medellín with all applicable taxes and tariffs. In the event that the project is deemed feasible, any tax exemption will render the project even more feasible, and in the event that it is not, tax regimes may help explain its unfeasibility. In any case, it is necessary to mention and recommend these possibilities, as they may be particularly fruitful and worthwhile, augmenting the proposed project's attractiveness to potential investors.

Furthermore, in this thesis paper, consumption tax and sales tax (IVA) will not be considered in the financial study, since hotel tariffs without these taxes will be used to calculate the project's income. Due to the fact that the recollection of mandatory sales tax does not affect the free cash flows, as they are paid by the guest and do not represent an expenditure for the company, these taxes will be disregarded. The rest of the tariffs specified in Table 36 were all considered in the analysis. It should be noted that the property tax was considered to be a constant expenditure, given that the hotel building's property valuation by the government is subject to unmeasurable change and undeterminable variables. Therefore, the property tax was calculated as 0,7% of the total cost of the building construction, detailed in the Financial Study of this work.

3.2.2.5 Analysis of intellectual property protection

According to Marriott International's FDD for Fairfield Inn and Fairfield Inn and Suites franchisees, which can be observed in Item 13, Annex 8, Medellín Hospitality S.A.S. and the Fairfield Inn and Suites by Marriott Medellín must respect Marriott International's trademarks, patents, copyrights and proprietary information.

Marriott International has registered the Fairfield Inn and Suites brand image and design, and will allow the Fairfield Inn and Suites by Marriott Medellín to operate under the brand's trademarks under the franchise contract. However, the words "Fairfield", "Fairfield Inn", "Fairfield Suites", "Fairfield Inn & Suites", "Marriott" or any other trademark or confusingly similar mark or name are prohibited in the company's corporate, partnership, trade name, business name, e-mail address (except as authorized by Marriott International), domain name, electronic identifier, or in any other business activity of connection.

Marriott International claims all rights and interests, including all copyright and patent rights, to the information contained in the standards, as well as in any training or other materials or systems made available to the Fairfield Inn and Suites by Marriott Medellín. The hotel does not own rights to any materials or systems made available from Marriott International, but is allowed the use of proprietary information for the sole purpose of operating, under the franchise agreement. All information regarding the customers of the hotel, regardless of the source, is Marriott International property as well. PMS/GPMS, MARSHA, One Yield, CI/TY, Marriott Global Source, the standards, the guest satisfaction survey system, and all other current or future information systems and marketing and management programs made available to the Fairfield Inn and Suites by Marriott Medellín is proprietary to Marriott International or their licensors, who claim all rights and interests, including all copyright and patent rights, to these systems.

Additionally, the hotel must obligingly maintain confidentiality of all standards and documents created for or approved for use in the system or in the operation of the hotel, the negotiated terms in the franchise agreement, software (including data and information processed or stored using the software and accompanying documentation), customer lists and information, information in loyalty programs, or any knowledge or know-how provided by Marriott International. Confidential information may only be divulged to employees or agents who require access to it to operate the hotel, and only after they are advised that such information is confidential and that they are obligated to maintain its confidentiality. Security measures to protect such information is mandatory, and the unauthorized use of any proprietary information must be promptly reported to Marriott International.

Finally, the Fairfield Inn and Suites by Marriott Medellín must comply with Law 23 of 1982 (Copyrights), Decree 1879 of 2008, By which Law 232 of 1995 is regulated, Article 27 of Law 962 of 2005, Articles 46, 47 and 48 of Decree Law 2150 of 1995, where other provisions are dictated. According to COTELCO's agreement with Sayco and Acinpro in 2015, the hotel must engage in periodical payments for copyrights in the programming of events where protected musical works are used or reproduced. For a hotel of stratum 6 in the commune of El Poblado that presents TVs, Radios, Computers, Ambient Music, MP3 and MP4 player, and Large Screen and/or Video beam, such as the Fairfield Inn and Suites by Marriott Medellín, the approximate copyright payment, per year, is COL\$ 2.200.000.

3.2.3 Environmental Analysis

3.2.3.1 Definition of environmental requirements

Environmental requirements to be taken into account for the proposed hotel project are established primarily in ICONTEC's NTS TS 002 technical norm (2014), which presents environmental, socio-cultural and economic sustainability requirements that aim to provide accommodation and lodging establishments with tools to satisfy an increasingly challenging and informed demand for sustainable tourism. The World Tourism Organization (WTO) defines sustainable tourism as tourism that takes into account the current and future economic, social and environmental impacts to meet the needs of visitors, the industry, the environment and host communities. The norm establishes that every type of tourism must be developed under the equilibrium of fulfilling three principles: 1) to optimize the use of environmental resources; 2) to ensure viable economic activities that bring benefits and; 3) to respect the socio-cultural value of the territories in which the activity takes place. (COTELCO Capítulo Antioquia - Chocó, 2017)

NTS TS 002 intends to develop a service culture of excellence that leads to economic development while raising quality of life and social welfare without damaging the right of future societies to benefit from the resource. As evidenced in the previous Sector Study, in the analysis of sector technology, the lack of development and formality of sustainability policies in the hospitality sector in Medellín presents an invaluable opportunity for the Fairfield Inn and Suites by Marriott Medellín. COTELCO's Antioquia - Chocó chapter's (2017) efforts to sensitize lodging establishments regarding the norm have produced mixed results; only 57.3% of establishments, and 59.5% of hotels, in the city of Medellín present a sustainability policy or plan (Refer to item 15 of Table 24 in the Sector Study). Moreover, on average, only 44% of lodging establishments (and 47% of hotels) count with a waste management plan (Refer to item 16 of Table 24 in the Sector Study), one of the requisites established in NTS TS 002, which indicates that the establishment must keep a record of the waste it generates and implement a corresponding comprehensive management program, which must be of public domain and must include recycling, separation and proper disposal. (ICONTEC, 2014)

The implementation of the requirements laid out by ICONTEC's NTS TS 002 technical norm (2014), legally founded in the anterior Matrix of Applicable Legal Requirements, does not constitute a direct cost for the hotel, as no tariffs must be paid to local government institutions, but it does require an effort to adopt these policies at a strategic and management level, which are necessary in order to register in the RNT (National Tourism Registry) and renovate it annually, and can also be used as a differentiation factor in the sector.

The must Fairfield Inn and Suites by Marriott Medellín must comply with one hundred percent (100%) of the total requirements indicated by the NTS TS 002, which should come naturally, as part of the process of becoming a system Marriott hotel. Marriott International's world-renowned standards of excellence also justifies the proposed hotel project's commitment to the NTS TS 002 norm. If any requirement is not applicable to the hotel, it must justify its exclusion. The exclusion is justifiable only when the characteristics of the hotel and its particular conditions do not allow this requirement to be met. The complete description of the applicable environmental, socio-cultural and economic sustainability requirements can be viewed in

Annex 14, as according to ICONTEC's NTS TS 002 technical norm (2014).

3.2.3.2 Analysis of environmental impact

In all hotels around the world, regardless of their location or size, have high water and energy consumption levels, along with sewage waste disposal generated from laundry operations and general cleanliness of the hotel. According to Mr. Brian A. Plemmons, sewer, power and water are a hotel's three main environmental impacts (Question 7,

ANNEX 7). The Fairfield Inn and Suites by Marriott Medellín would not be the exception.

With 107 suites, each equipped with air conditioning, and 24/7 lighting, the hotel will generate a high energy expenditure. Water is the other fundamental natural resource needed in significant quantities for hotel operation. Water consumption in the hotel is derived mainly from laundry processes, and guest room usage, although water is used in the hotel's wet zones. The hotel's pool consumes a large amount of water for filling and maintenance, taking into account that the water that comes out of the pool is contaminated both by the chlorine and by products used by people such as sunscreen.

Laundry and cleanliness chemicals are typically eco-friendly products, so there is not much environmental impact in that aspect; however, the hotel does generate significant amount of waste that must be disposed of properly. Fortunately, the Fairfield Inn and Suites by Marriott Medellín is to be located in a low environmental risk area, with few green spaces and no water springs and streams. Nevertheless, the hotel's sewage is a considerable environmental impact that must be handled accordingly.

The other possible environmental impact is of atmospheric, auditory and visual pollution nature, resulting from daily operations. Noise and GHG (Greenhouse Gases) emissions generated from guest traffic and hotel laundry, kitchen and electric machinery must be regulated and records kept, as imposed by hospitality sector norm NTS TS 002.

In order to counteract the Fairfield Inn and Suites by Marriott Medellín's main environmental impacts, the following management measures are proposed, as illustrated in Table 37 below.

Table 37: Fairfield Inn and Suites by Marriott Medellín Environmental Impacts and Counteractive Management Measures

Environmental Component	Environmental Impact	Management Measures
Water	<p><i>Reduction of the amount or availability of surface water from high hotel water consumption.</i></p> <p><i>Deterioration of water quality due to sewage disposal of cleanliness (pool and laundry) chemicals.</i></p>	<p><i>Awareness campaign so that guests are sensitized on high water usage due to washing sheets and towels (Cards/pamphlets in guestrooms explaining to leave towels on the floor for laundry to wash, or to leave towels hanging in order to not be washed).</i></p>
		<p><i>Effective Water Management: Usage of cold water, instead of hot water, in laundry operations and saving of water usage during low-occupancy.</i></p>
		<p><i>Eco-friendly Purchasing: Purchase of only environmentally-safe cleanliness products.</i></p>
		<p><i>Outsourcing of guest dry-cleaning to responsible, eco-friendly businesses.</i></p>
Energy	<p><i>Contribution to the burning of fossil fuels due to high hotel energy consumption.</i></p>	<p><i>Awareness campaign so that guests are sensitized on high energy usage due to leaving lights on and leaving devices connected to electrical currents (Cards/pamphlets in guestrooms explaining to turn lights off when unnecessary and to leave devices unconnected when unnecessary).</i></p>
		<p><i>Effective Energy Management: Control of guestroom air-conditioning and lighting, saving of energy consumption during low-occupancy.</i></p>
		<p><i>Eco-friendly Purchasing: Purchase of only energy-efficient machinery, equipment and guest appliances.</i></p>
Soil	<p><i>Reduction of productive land uses due to the building construction (80% of 625 m² terrain).</i></p>	<p><i>Planting of trees, shrubs and other vegetation to create a green zone in the remaining 20% of the 625 m² terrain.</i></p>

	Soil contamination due to disposal of solid and hazardous hotel waste.	Containment and isolation of hotel waste in proper storage and disposal containers.
		Effective Waste Management: Collection and control of pollutants (pumps, absorbent materials, among others).
		Outsourcing of waste disposal to responsible, eco-friendly businesses.
Air	Deterioration of air quality due to Noise and GHG (Greenhouse Gases) emissions generated from guest traffic and hotel laundry, kitchen and electric machinery.	Effective Pollutant Management: Registration and recording of emission sources and amounts.
		Eco-friendly Purchasing: Purchase of only low or no waste emission machinery, equipment and guest appliances.

Source: Own Elaboration.

In addition, Medellín Hospitality S.A.S., if constituted, should consider investment in eco-friendly technologies in the short or medium term, such as the installation of solar panels in the roof of the Fairfield Inn and Suites by Marriott Medellín hotel in order for it to generate and distribute its own renewable solar energy. Such an investment may prove to be a potentially rewarding business decision, since the company may deduct up to 50% (of the total investment) of taxes on its income statement for 5 consecutive years if it becomes a generator and distributor of Non-Conventional Renewable Energy Sources (FNCER – Fuentes No Convencionales de Energía Renovable) on a small scale, in consonance with Law 1715 of 2014 and resolution 121 of 2017. Tax deductions are not the only advantage; by taking conscience in sustainability, the company and hotel can strengthen its differentiation factor, cementing its position as a pioneer in sustainable tourism in the sector.

In any case, possible investments in eco-friendly technologies will not be considered in this thesis paper, as they would represent entirely different and independent projects to the Fairfield Inn and Suites project. Nonetheless, it is necessary to mention and recommend these possibilities, as they may be particularly fruitful and worthwhile, augmenting the proposed project's attractiveness to potential investors.

3.3 ORGANIZATIONAL STUDY.

3.3.1 Determination of executive and administrative personnel

The Fairfield Inn and Suites by Marriott Medellín's executive and administrative personnel, due to the nature of trusted management positions, will be granted a fixed salary and variable work schedule of 5 and a half days per week, Monday through to Saturday, subject to change based on business

needs, a clause which will be installed in their respective contracts. According to article 132 of Colombia's Substantive Labor Code (CST), the Integral Salary for Social Security purposes must be settled over 70% of the salary allowance. In 2018, the minimum integral salary is composed of 13 SMMLV, of which 10 belong to the salary factor and 3 to the social benefit factor (legal and extralegal benefits such as bonuses, severance, among others, except holidays). Only the hotel's GM (General Manager) will be paid an integral salary of 15 SMMLV, 2 SMMLV more than the legal minimum. The rest of the executive and administrative personnel will be paid a fixed salary with their respective social benefits. The hotel's administrative salaries are established on the company's policy of paying 0,3 more SMMLV than the market average for each position, as detailed in the definition of hotel workforce in the anterior technical study of this thesis paper.

According to Mr. Brian A. Plemmons (Question 4,

ANNEX 7), the Fairfield Inn and Suites by Marriott Medellín requires the following administrative structure, with the addition of a company accountant to handle taxes and other fundamental accounting issues detailed in the aforementioned Matrix of Applicable Legal Requirements in the Legal Study of this thesis paper.

Table 38: Fairfield Inn and Suites by Marriott Medellín Administrative Personnel

Position	SMMLV	Work Schedule and Salary
Hotel General Manager (GM)	15	<i>Fixed Salary and Variable Work Schedule of 5 and a half days per week, Monday through to Saturday, subject to change based on business needs.</i>
Hotel Assistant General Manager (AGM)	8	
Sales and Marketing Manager	5,1	
Accountant	3,5	
Housekeeping Manager	2,3	

Chief Engineer	2,3	
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Source: Own Elaboration.

It should also be noted that, since the Fairfield Inn and Suites by Marriott Medellín hotel will be a commercial establishment owned and managed by Medellín Hospitality S.A.S., as defined in the legal study of this thesis paper, the company will have a shareholder assembly, consisting of the company's partners and legal representative, who will be paid dividends generated by the hotel's operations. Also, according to Mr. Brian A. Plemmons' recommendations (Question 4,

ANNEX 7), Medellín Hospitality S.A.S. will search for two main investor partners with the financial muscle to fund at least 40% of the company's start-up costs between the two of them, in exchange for company equity. As previously established in the Legal Study, Medellín Hospitality S.A.S. would gather at least USD 6 million in investor contributions; despite the possibility of obtaining more than this amount in contributions if the company is constituted. The author of this thesis paper is to be the Legal Representative of the company, with the responsibility of managing the company and the owner of the remaining equity stake in the company.

Finally, based on Colombia's salary and social benefit legislature for 2018 (Article 145 CST – Código Sustancial del Trabajo), the Fairfield Inn and Suites by Marriott Medellín's administrative payroll (monthly and annually) was calculated. The company will pay biweekly, or every 15 days. As a result, a month is considered to have 30 days, or two pay periods of 15 days each. Table 39 illustrates that the hotel will present a fixed monthly administrative payroll cost of COL\$ 36.289.167, or COL\$ 435.470.001 per year. For detailed information on the hotel's administrative salary and social benefit calculations, refer to

ANNEX 10.

Table 39: Fairfield Inn and Suites by Marriott Medellín Administrative Payroll Costs

<i>Fairfield Inn and Suites by Marriott Medellín Administrative Payroll Costs</i>			
HOTEL EXECUTIVE	MONTHLY SOCIAL BENEFITS	TOTAL MONTHLY SALARY COST	TOTAL ANNUAL SALARY COST
<i>Hotel General Manager (GM)</i>	\$ -	\$ 11.718.630	\$ 140.623.560
<i>Hotel Assistant General Manager (AGM)</i>	\$ 3.021.965	\$ 9.271.901	\$ 111.262.808
<i>Sales and Marketing Manager</i>	\$ 1.926.502	\$ 5.910.837	\$ 70.930.040
<i>Accountant</i>	\$ 1.322.110	\$ 4.056.457	\$ 48.677.479
<i>Housekeeping Manager</i>	\$ 868.815	\$ 2.665.671	\$ 31.988.057
<i>Chief Engineer</i>	\$ 868.815	\$ 2.665.671	\$ 31.988.057
TOTALS (COL\$)	\$ 8.008.206	\$ 36.289.167	\$ 435.470.001

Source: Own Elaboration.

3.3.2 Establishment of organizational structure

The Fairfield Inn and Suites by Marriott Medellín hotel will require a well-defined and structured divisional or departmental organizational structure, where two main departments will be created, each with their established positions, objectives and work force: A Rooms Department, and an Administrative Department. The two areas report to the hotel's General Manager (GM), who in turn reports to Medellín Hospitality S.A.S.'s shareholder assembly, constituted by the main investors and legal representative. This type of organizational structure is explained by the hotel's different departments and areas, which necessitate defined and specific positions, knowledge and skills.

In sum, the Fairfield Inn and Suites by Marriott Medellín is commanded by the General Manager (GM) and the second in command, the Assistant General Manager (AGM), both of whom are part of the Administrative Department, which is completed by Sales and Marketing, and Accounting. The Accountant and Sales Manager report directly to the GM. On the other hand, the Rooms Department is divided into Maintenance, Housekeeping and Laundry, and Front Desk and Reception. Maintenance is spearheaded by the Chief Engineer, who reports to the GM, and Housekeeping and Laundry is directed by the Housekeeping Manager, who also reports to the GM. The AGM, who acts as Front Desk Manager, leads the entire Front Desk and Reception area. The AGM reports to the GM, and carries out any other activities and responsibilities delegated by the GM.

The following organizational chart illustrates how the hierarchical structure will be defined at the Fairfield Inn and Suites by Marriott Medellín.

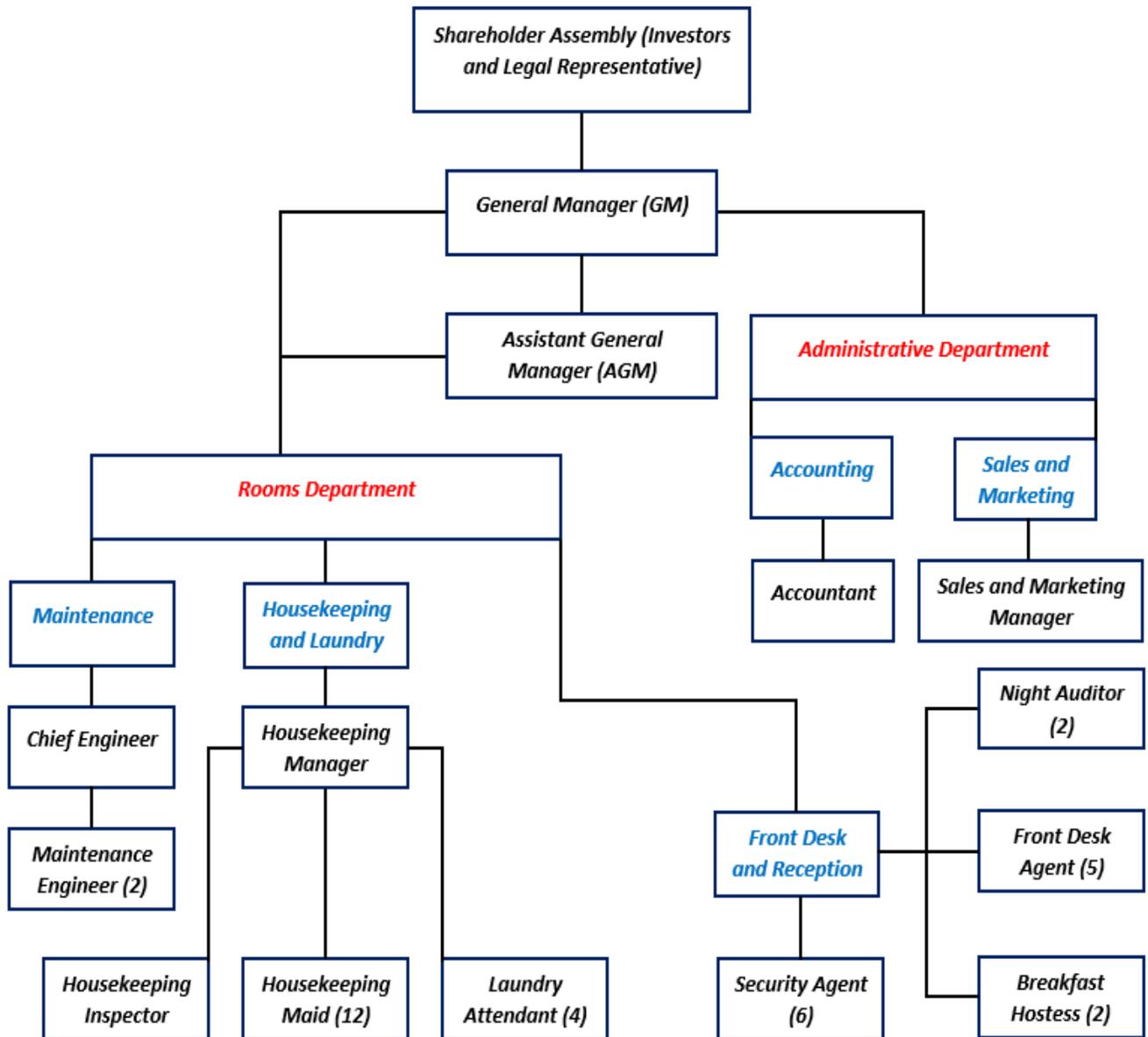


Figure 62: Fairfield Inn and Suites by Marriott Medellín Organizational Structure

Source: Own Elaboration.

3.3.3 Description of profiles and positions

Table 40 below summarizes the Fairfield Inn and Suites by Marriott Medellín's corporate and administrative job descriptions by position. The complete profile description for each corporate and administrative position required in the hotel is detailed in Annex 11, courtesy of information provided by Mr. Brian A. Plemmons and Valley Hospitality, a Hotel and F&B Management Company based in the state of Georgia, USA.

Table 40: Description of Administrative Profiles and Positions

Corporate Position	
Company Legal Representative	<p><u>Summary:</u> Medellín Hospitality S.A.S.'s Legal executes all the acts and contracts included in the corporate purpose or that are directly related to the existence and operation of the company. Additionally, the Legal Representative is in charge of overseeing company operations, intervening when necessary, and guiding the company's strategic processes, communication and quality control.</p> <p><u>Profile:</u> The company's Legal Representative must show a passion for the hospitality industry, knowledge and experience in hotel operations and management, a strong global mindset and vision for long-term strategic planning, capability of working with, and understanding, financial information and data, ability to communicate and convey information and ideas clearly, and leadership capabilities.</p>
Company Partners	<p><u>Summary:</u> Medellín Hospitality S.A.S.'s partners constitute the company's Shareholder Assembly, along with its Legal Representative, overseeing the company's performance and operations, while elaborating the company's long term strategic vision and mission.</p> <p><u>Profile:</u> The company's two main partners provide financial and investment support in exchange for equity participation and a percentage of company profits, and must show a strong global mindset and vision for long-term strategic planning, and a capability of working with, and understanding, financial information and data.</p>
Administrative Position	
General Manager (GM)	<p><u>Job Summary:</u> The GM ensures that the hotel property is in the best possible condition for its guests and employees. The GM directs all hotel operative functions, by planning, organizing, coordinating, supervising and leading all hotel and staff activities to achieve an ideal level of service. Additionally, the GM guides the strategic planning process of the hotel, determining the critical success factors, establishing objectives</p>

	and specific goals, according to the requirements of the company's Shareholder Assembly, to whom it reports.
Assistant General Manager (AGM)	<i><u>Job Summary:</u> The AGM is accountable for managing and directing the activities of the Fairfield Inn and Suites by Marriott Medellín to ensure the hotel is operating to meet and exceed goals and objectives, while insuring smooth operations of the Hotel on a daily basis. The AGM is the hotel's second in command, reporting directly to the hotel's GM.</i>
Sales and Marketing Manager	<i><u>Job Summary:</u> The Sales and Marketing Manager plans, designs, supervises and evaluates the hotel's sales strategies through relationships with clients and companies, marketing strategies and business objectives, in order to achieve an optimum level of hotel occupancy. The Sales and Marketing Manager is also responsible for establishing, maintaining and improving business and personal links with VIPs and companies. Additionally, he or she must help manage price strategies and the expense budget of the sales department, in coordination with the GM, while staying informed about prices, services, commissions, strategies, among others, of the competition. Reports directly to the GM.</i>
Accountant	<i><u>Job Summary:</u> The Accountant guarantees the proper registration of the hotel's economic operations on a daily basis, supervising the preparation of financial, analytical, legal taxation and, when appropriate, consolidated statements of accounts to facilitate the identification, measurement and communication of economic and financial information, directed towards effective decision making by management and company directives, in order to obtain maximum business profitability. Provides objective and verifiable accounting information to the company's Shareholder Assembly on time. Reports directly to the company's Shareholder Assembly and GM.</i>
Housekeeping Manager	<i><u>Job Summary:</u> The Housekeeping Manager is responsible for administering and coordinating all housekeeping functions, maintaining order and cleanliness in the hotel, supervising the different areas of the hotel so that they are up to quality of cleaning and service standards as required, while keeping track of maintenance in all areas and rooms. Ensures the proper presentation of hotel rooms, including the hotel's public areas (corridors, corridors, reception and bathrooms), providing a better service to guests. Reports directly to the AGM and GM.</i>
Chief Engineer	<i><u>Job Summary:</u> The Chief Engineer is responsible for coordinating and managing the day to day maintenance and upkeep of the hotel as it pertains to engineering and grounds, under the direction of the GM. Responsible for keeping a preventive maintenance (PM) schedule in all areas and rooms to prevent damage from wear, ensuring the good condition of the hotel. Coordinates, along with the AGM, the purchase of materials and equipment required in the maintenance area.</i>

Source: Valley Hospitality.

3.3.4 Determination of operational expenditures

Lastly, there are two types of expenditures to be considered for the Fairfield Inn and Suites by Marriott Medellín: payroll expenses and operational (and non-operational) expenditures. The former takes into account workforce and administrative salaries and benefits, as calculated in the Technical and Organizational Studies of this thesis paper. The latter refers to costs that derive from daily hotel operations, typically on a percentage of gross sales basis, as most of these costs increase as hotel occupation and operations grow. In sum, the Fairfield Inn and Suites by Marriott Medellín's daily operations requires the following expenditure elements or items, as described in Table 41 below.

Table 41: Fairfield Inn & Suites by Marriott Medellín Operational Expenditure Detail

Type of Expenditure	Description
PAYROLL EXPENDITURES	
Workforce Salaries and Benefits	<i>Refers to the Fairfield Inn and Suites by Marriott Medellín's workforce salaries and benefits, as calculated in section 3.2.1.5 of the Technical Study of this thesis paper.</i>
Administrative Salaries and Benefits	<i>Refers to the Fairfield Inn and Suites by Marriott Medellín's administrative salaries and benefits, as calculated in section 3.3.1 of the Organizational Study of this thesis paper.</i>
OPERATIONAL EXPENDITURES	
Franchise Fees (Royalties)	<i>Corresponds to a percentage of gross room sales (Total revenue accrued from the rental of guestrooms, with no reduction for charge backs, credit card service charges, or uncollectible amounts), payable by the 15th day after the end of each month, for the usage of the Fairfield Inn and Suites by Marriott brand.</i>
Reservation System (MARSHA) Fees	<i>Refers to a percentage of gross room sales and a per reservation fee for the usage of Marriott's central reservation system, comprised of Marriott.com (and all international iterations of this site), Marriott's worldwide toll-free reservation phone numbers, and GDS used by Marriott to permit certain travel agents, OTAs, and other non-Marriott entities to reserve guestrooms.</i>
Third Party Reservation Commissions	<i>Pertains to a commission fee charged by other reservation channels and agents, including OTAs, GDS, Travel Agencies, among others, on a percentage-basis of the hotel room sale.</i>

<p>Marketing Fund</p>	<p><i>Relates to a percentage of gross room sales, payable by the 15th day after the end of each month, for Marriott's advertising and marketing of the Fairfield Inn and Suites brand through broadcast, digital media, social media, print, and other channels.</i></p>
<p>Guest Loyalty Program (Marriott Rewards) Fee</p>	<p><i>Entails a percentage of gross room sales for the participation in the Marriott Rewards Program, generated by guests earning points or miles during their stay at the hotel.</i></p>
<p>Credit Card Processing and Tokenization Fee</p>	<p><i>Relates to a percentage of the amount of credit card transactions, based on number of credit card transaction settlements. The service includes point-to-point encryption or tokenization/detokenization of credit card transactions associated with interfaced revenue centers. Measured as a percentage of gross room sales.</i></p>
<p>Dues & Subscriptions</p>	<p><i>Refers to a percentage of gross sales, since capacity costs increase as hotel operations grow, for miscellaneous, tax-deductible, subscriptions to Marriott software, programs and support services related to the hotel's operations. Includes the following:</i></p> <ol style="list-style-type: none"> <i>1. <u>Revenue Management Remote Solutions Fee:</u> Corresponds to a monthly payment for the usage of Marriott services that provide analysis and advice concerning pricing and market position of the hotel.</i> <i>2. <u>Business Transient (BT) Booking Fee:</u> Refers to a monthly payment for bookings that are centrally reserved for the hotel through Area Sales, depending on the number of guestroom nights booked during the immediately preceding calendar year.</i> <i>3. <u>Marriott Digital Services Fee:</u> Implies an annual payment for the usage of the Marriott Digital Services, intended to manage the hotel's digital online presence including Marriott.com management and search engine visibility.</i> <i>4. <u>Brand E-mail Fee:</u> Refers to a monthly payment per e-mail address and 1 GB mailbox, which adds the hotel's e-mail address to the Marriott global address book and sends e-mails to the franchisee's corporate e-mail system.</i> <i>5. <u>Marriott Global Source Fee:</u> Pertains to a monthly payment for the usage of Marriott's intranet website, available through the Marriott network or the Internet, which contains information such as standards, Marriott communications, and quality assurance information.</i>

	<ol style="list-style-type: none"> 6. <u>Engage Software Fee</u>: Refers to an annual payment for the lease of the Engage software license. 7. <u>Security Keys Fee</u>: Implies a monthly payment per user for the usage of security keys that provide security authentication for system administrators, high risk data users and certain remote desktop users to access Marriott applications. 8. <u>Mobile Guest Services Fee</u>: Corresponds to a monthly payment per guestroom and a fixed annual payment for the usage of Mobile Guest Services, which allows guests to use mobile devices to check-in, check-out, receive room alerts, and place service requests. 9. <u>Mobile Key Fee</u>: Pertains to an annual payment per guestroom for the usage and support of the Mobile Key software, which allows guests to unlock guestroom doors using Marriott's mobile application. 10. <u>F&B Support Fee</u>: Entails an annual payment for the support of the hotel's F&B program, including development, ongoing sustainment, menu updates and programming, and field support costs.
<p>Business Systems Maintenance Fees</p>	<p>Implies a percentage of gross sales, since capacity costs increase as hotel operations grow, for the maintenance of Marriott computer systems, technologies and platforms. Includes the following:</p> <ol style="list-style-type: none"> 1. <u>One Yield Usage and Support Fees</u>: Pertains to a per MARSHA transaction fee for the usage of One Yield. (Including each transaction that affects hotel inventory, such as creating a new reservation, canceling or modifying an existing one to add or delete nights, and each transaction that changes the nightly rate). Includes a monthly payment for help desk support regarding usage of the One Yield system. 2. <u>PMS/GPMS Support Fee</u>: Relates to a monthly payment for the usage and maintenance of Marriott's PMS and GPMS, when implemented during the year 2019, at the hotel. 3. <u>Point-of-Sale (POS) System Fee</u>: Entails a monthly payment for the usage of the Symphony POS system from Oracle, plus an additional monthly fee per POS workstation for software and support. 4. <u>Communication Support Fee</u>: Corresponds to a monthly payment for the usage of the Marriott Communications Network (MCN) connection used at the hotel, providing a secure communications connection between the hotel and

	<p>Marriott Data Centers. The fee depends on the bandwidth requirements which may increase over time.</p> <p>5. <u>Computer and Server Software and Support Fee</u>: Entails a monthly payment per PC and Server in the hotel for support and maintenance.</p>
Advertising and Promotion	Corresponds to a percentage of gross sales for advertising, marketing and hotel promotion through broadcast, digital media, social media, print, and other channels.
Outside Third-Party Services	Pertains to a percentage of gross sales for contracted third-party service expenses that may be required at a certain period of time. Includes Brand Standard Audits (BSA) performed by Marriott International on the hotel's quality of services and operations performed by the brand, which is part of Marriott's Quality Assurance (QA) Program and Fire Protection and Life Safety Audits to confirm that the hotel complies with Marriott's fire protection and life safety standards.
Linen	Implies a percentage of gross sales for fabric goods intended for the hotel's daily use, such as bedding, tablecloths and towels.
Guest Supplies and Amenities	Relates to a percentage of gross sales for basic guest amenities, such as toothpaste, toothbrushes, sewing kits, newspaper, chocolates, gift cards, among others.
Breakfast Supplies	Entails a percentage of gross sales related to breakfast preparation expenses, including food and beverage, utensils, napkins, coffee makers, among others.
Cleaning and Laundry Supplies	Corresponds to a percentage of gross sales covering laundry and cleaning supplies, such as soap, laundry chemicals and detergents, sprays and air fresheners.
Pool Maintenance	Refers to a percentage of gross sales for pool maintenance, including water circulation, chlorine chemicals, inspections, and pH tests.
Maintenance Supplies	Pertains to a percentage of gross sales for maintenance and repair supplies, including electrical supplies, welding supplies, measuring tools, spare parts, among others.
Building, Rooms and Equipment Maintenance	Implies a percentage of gross sales for required maintenance and reparations throughout the building, especially inside guest rooms, social areas and on operative equipment.
Landscaping Maintenance	Relates to a percentage of gross sales for the up keeping and tidiness of the hotel's green zones and exterior ambiance.

Utilities – Electricity	<i>Entails a percentage of gross sales for power and electricity expenses required for hotel operations.</i>
Utilities – Water	<i>Corresponds to a percentage of gross sales for hotel water usage and consumption in laundry, guest services and social areas.</i>
Utilities – Phone	<i>Refers to a percentage of gross sales relating to phone calls, long-distance and national, and the telephone system expenses, in general.</i>
Utilities – Gas	<i>Pertains to a percentage of gross sales for hotel natural gas consumption during daily operations.</i>
Utilities – Waste Disposal and Garbage	<i>Implies a percentage of gross sales for hotel waste disposal and sewage service expenses.</i>
Utilities – Cable	<i>Relates to a percentage of gross sales for cable television usage in guest rooms and social areas.</i>
Administrative Cell Phones/Pagers	<i>Entails a percentage of gross sales covering corporate and administrative cell phone/pager devices and expenses.</i>
Administrative Office Supplies	<i>Corresponds to a percentage of gross sales related to basic office supplies, such as toner cartridges and ink, paper, pens, business cards, rubber bands, staplers, among others.</i>
Employee Uniforms	<i>Refers to a percentage of gross sales for housekeeping, front desk, security and other employee uniforms.</i>
Insurance – Guest and Employee	<i>Pertains to a percentage of gross sales for insurance covering any bodily accident, death, total, partial or temporary incapacity, directly and exclusively for injuries or injuries caused by the sudden and violent fortuitous action of an outside force.</i>
Insurance – Property and Equipment	<i>Implies a percentage of gross sales for insurance covering the hotel property and equipment in the event of an unexpected calamity.</i>
Commercial/Merchant Registry Renovation	<i>Relates to an annual payment for the renovation of the company's merchant registration, depending on the amount of company assets.</i>
Copyrights (Sayco and Acinpro Payment)	<i>Entails an annual payment for copyrights in the programming of events where protected musical works are used or reproduced.</i>

Source: Fairfield Inn and Fairfield Inn and Suites FDD (Annex 8); Valley Hospitality.

3.4 FINANCIAL STUDY.

3.4.1 Calculation of Total Initial Investment

The single, 10,000-trial, simulation executed on Risk Simulator provided the following information regarding the Fairfield Inn and Suites by Marriott Medellín's total initial investment:

Table 42: Total Initial Investment Simulation Results

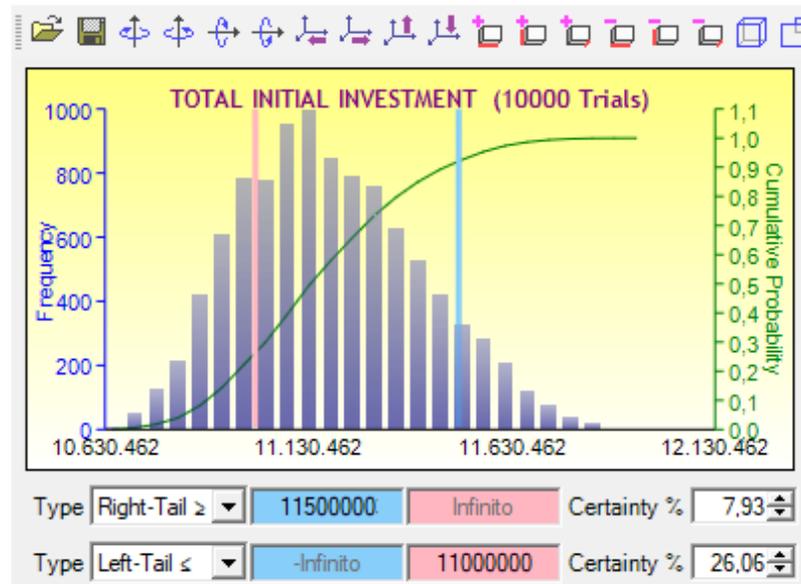
Statistics	Result
Number of Trials	10000
Mean	11.156.564,8643
Median	11.135.238,3678
Standard Deviation	221.458,8031
Variance	49.044.001.457,6050
Coefficient of Variation	0,0199
Maximum	11.936.036,4812
Minimum	10.595.611,0955
Range	1.340.425,3857
Skewness	0,3352
Kurtosis	-0,3504
25% Percentile	10.992.664,4612
75% Percentile	11.304.563,7450
Percentage Error Precision at 95% Confidence	0,0389%

Source: Own Elaboration; Risk Simulator.

With a 95% confidence level, and an error of almost 0,04%, the single simulation determined that the total initial investment required is approximately, on average, USD 11.156.565 (around COL\$ 32.000.000.000). With a maximum value of USD 11.936.036, the simulation did not surpass the USD 12 million mark, despite the fact that the proposed hotel project could cost up to USD 12.160.665.

Furthermore, as showcased in Figure 63, the probability that the investment is equal to or less than \$11.000.000 is 26,06%, while the probability that it be equal to or more than \$11.500.000 is only a mere 7,93%. These findings suggest that the total initial investment required for the proposed hotel project would more likely be less than USD 11 million than it would be more than USD 11.5 million, which would further justify the decision to fix the total initial investment at USD 11.156.565, or COL\$ 31.141.319.506, at an exchange rate of COL\$ 2.791 for 1 USD, as of April 4, 2018. Table 43 below describes the composition of the required investment according to the results of the simulation.

Figure 63: Total Initial Investment Simulation Forecast



Source: Own Elaboration; Risk Simulator.

Table 43: Fairfield Inn and Suites by Marriott Medellín Total Initial Investment

Expenditure	Cost (USD)	Cost (COL)
<i>Initial Franchise Application Fee</i>	\$ 50.000	\$ 139.565.000
<i>Pre-Opening Training and Services</i>	\$ 31.228	\$ 87.165.321
<i>Pre-Opening Revenue Management Support</i>	\$ 3.250	\$ 9.071.725
<i>Property Technology</i>	\$ 63.750	\$ 177.945.375
<i>Cost of Land</i>	\$ 947.500	\$ 2.644.756.750
<i>Building Permit, Tap, and Impact Fees</i>	\$ 212.500	\$ 593.151.250
<i>Building Construction</i>	\$ 7.151.167	\$ 19.961.051.518
<i>Laundry and Kitchen Equipment</i>	\$ 128.400	\$ 358.402.920
<i>Furniture and Fixtures</i>	\$ 1.214.450	\$ 3.389.894.285
<i>Telephone System</i>	\$ 143.400	\$ 400.272.420
<i>Operating Supplies</i>	\$ 137.350	\$ 383.385.055
<i>Professional Design Services</i>	\$ 170.450	\$ 475.777.085
<i>Insurance</i>	\$ 50.500	\$ 140.960.650
<i>Start-up Costs</i>	\$ 149.800	\$ 418.136.740
<i>Hard Cost Contingencies (5% of hard costs)</i>	\$ 507.998	\$ 1.417.973.422
<i>Opening Advertising</i>	\$ 37.500	\$ 104.673.750
<i>Additional Funds (First 3 months)</i>	\$ 165.850	\$ 462.937.105
<i>Company Constitution Expenditures</i>	\$ 42.703	\$ 119.195.488
TOTAL INITIAL INVESTMENT	\$ 11.156.565	\$ 31.141.319.506

Source: Own Elaboration; Risk Simulator.

3.4.2 Definition of Bank Loans and Debt

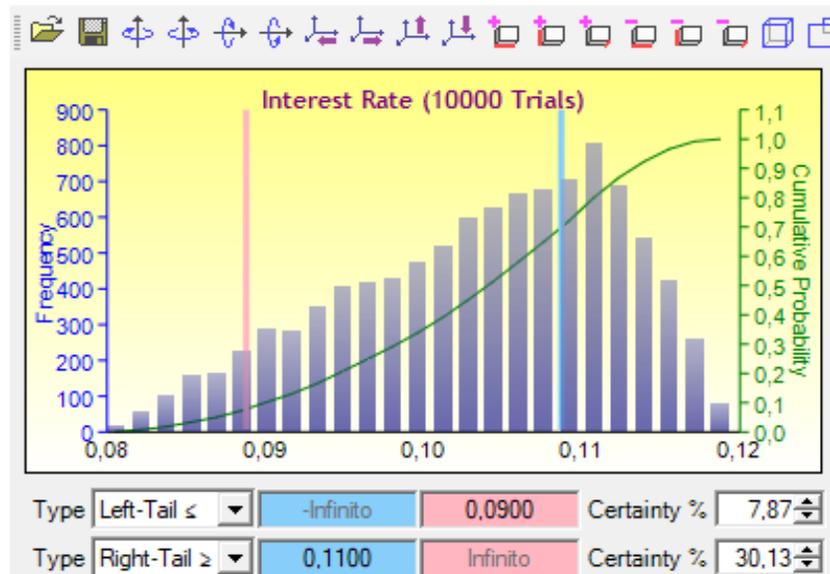
The single, 10,000-trial, simulation executed on Risk Simulator determined, with a 95% confidence level and an error of 0,16%, that the interest rate, or cost of debt, applicable to the project's commercial loans should be, on average, 10.40% annually (refer to Table 44). Although the cost of debt varies significantly between 8% and 12% annually, as Figure 64 depicts, the probability that the interest rate is equal to or less than 9% is only 7,87%, while the probability that it be equal to or more than 11% is 30,13%. This suggests that the cost of debt would more likely be 11% than it would be 9%, which would support the decision to fix the loans' interest rates at 10.40% annually.

Table 44: Interest Rate Simulation Results

Statistics	Result
Number of Trials	10000
Mean	0,1040
Median	0,1053
Standard Deviation	0,0087
Variance	0,0001
Coefficient of Variation	0,0832
Maximum	0,1200
Minimum	0,0802
Range	0,0397
Skewness	-0,4587
Kurtosis	-0,6364
25% Percentile	0,0978
75% Percentile	0,1110
Percentage Error Precision at 95% Confidence	0,1631%

Source: Own Elaboration; Risk Simulator.

Figure 64: Interest Rate Simulation Forecast



Source: Own Elaboration; Risk Simulator.

Therefore, with a required total initial investment of USD 11.156.565, or COL\$ 31.141.319.506, shareholder contributions of USD 6 million, or COL\$ 16.747.800.000 (at an exchange rate of COL\$ 2.791 for 1 USD, as of April 4, 2018), at least COL\$ 14.393.519.506 of debt would be needed to finance the proposed hotel project. Table 45 indicates how the total initial investment is to be distributed. For Time 0, the pre-operational year, that is, the twelve months that it takes to construct the hotel, an investment of COL\$ 24.074.457.741 is necessary. For the first year of operations, after the hotel is built, the remaining COL\$ 7.066.861.765 must be invested for its start-up. The entirety of the COL\$ 16.747.800.000 of shareholder contributions would be used at Time 0, thus; at least COL\$ 7.326.657.741 of debt must be acquired during this time to complete the financing of the hotel construction. Nevertheless, as there is no income during the pre-operational year, a higher amount of debt must be attained in order to cover that year's interest and deposit payments resulting from the first of the two past-due, 20-year and constant payment, commercial loans at 10.40% interest, annually. Consequently, the first loan of COL\$ 8.660.351.940 would be obtained at the beginning of the hotel's construction and a second loan of COL\$ 7.066.861.765 would be obtained at the beginning of the first year of operations to finance the hotel's start-up costs, resulting in a combined loan of COL\$ 15.727.213.704. Including annual interest and deposit payments, Medellín Hospitality S.A.S. would have a long term debt of COL\$ 32.901.331.070.

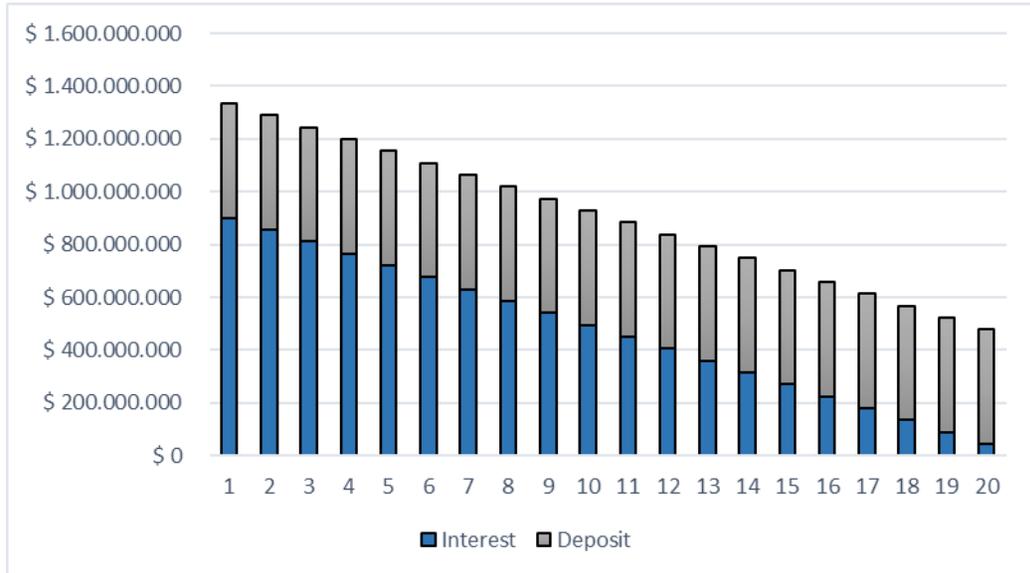
Table 45: Fairfield Inn and Suites by Marriott Medellín Initial Investment Period

Pre-Operational/Hotel Construction Year	0
Item	Amount (COL)
<i>Initial Franchise Application Fee</i>	\$ 139.565.000
<i>Cost of Land</i>	\$ 2.644.756.750
<i>Building Permit, Tap, and Impact Fees</i>	\$ 593.151.250
<i>Building Construction</i>	\$ 19.961.051.518
<i>Professional Design Services</i>	\$ 475.777.085
<i>Insurance</i>	\$ 140.960.650
<i>Company Constitution Expenditures</i>	\$ 119.195.488
TOTAL INVESTMENT YEAR 0	\$ 24.074.457.741
Post-Construction Year	1
Item	Amount (COL)
<i>Pre-Opening Training and Services</i>	\$ 87.165.321
<i>Pre-Opening Revenue Management Support</i>	\$ 9.071.725
<i>Property Technology</i>	\$ 177.945.375
<i>Laundry and Kitchen Equipment</i>	\$ 358.402.920
<i>Furniture and Fixtures</i>	\$ 3.389.894.285
<i>Telephone System</i>	\$ 400.272.420
<i>Operating Supplies</i>	\$ 383.385.055
<i>Start-up Costs</i>	\$ 418.136.740
<i>Hard Cost Contingencies (5% of hard costs)</i>	\$ 1.417.973.422
<i>Opening Advertising</i>	\$ 104.673.750
<i>Additional Funds (First 3 months)</i>	\$ 462.937.105
TOTAL INVESTMENT YEAR 1	\$ 7.066.861.765

Source: Own Elaboration.

Figure 65 illustrates the amortization of the first loan (COL\$ 8.660.351.940), payable for 20 years at 10.40% annual interest and constant annual deposit payments of COL\$ 433.017.597.

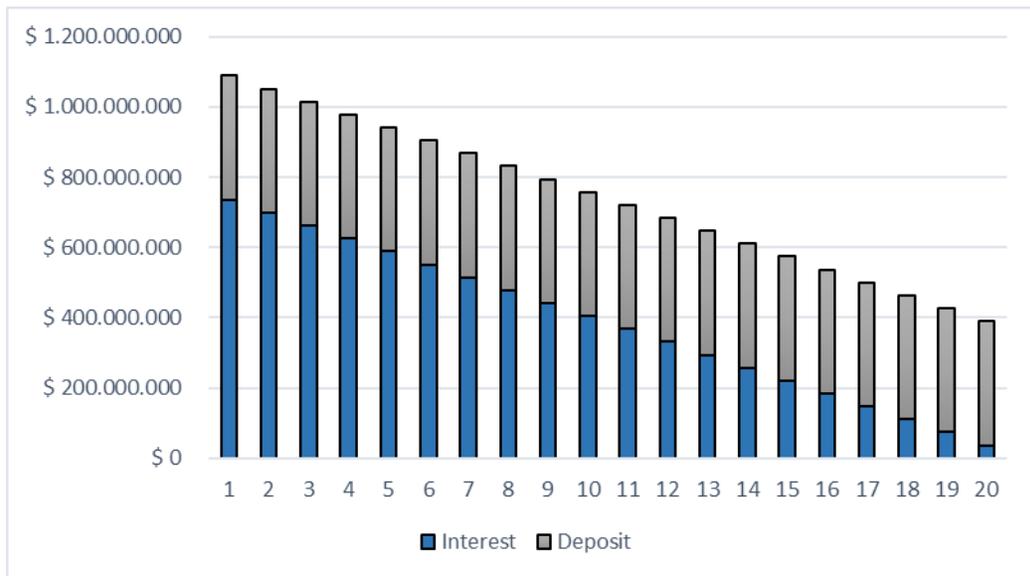
Figure 65: Loan 1 Amortization



Source: Own Elaboration.

Figure 66 illustrates the amortization of the second loan (COL\$ 7.066.861.765), payable for 20 years at 10.40% annual interest and constant annual deposit payments of COL\$ 353.343.088.

Figure 66: Loan 2 Amortization

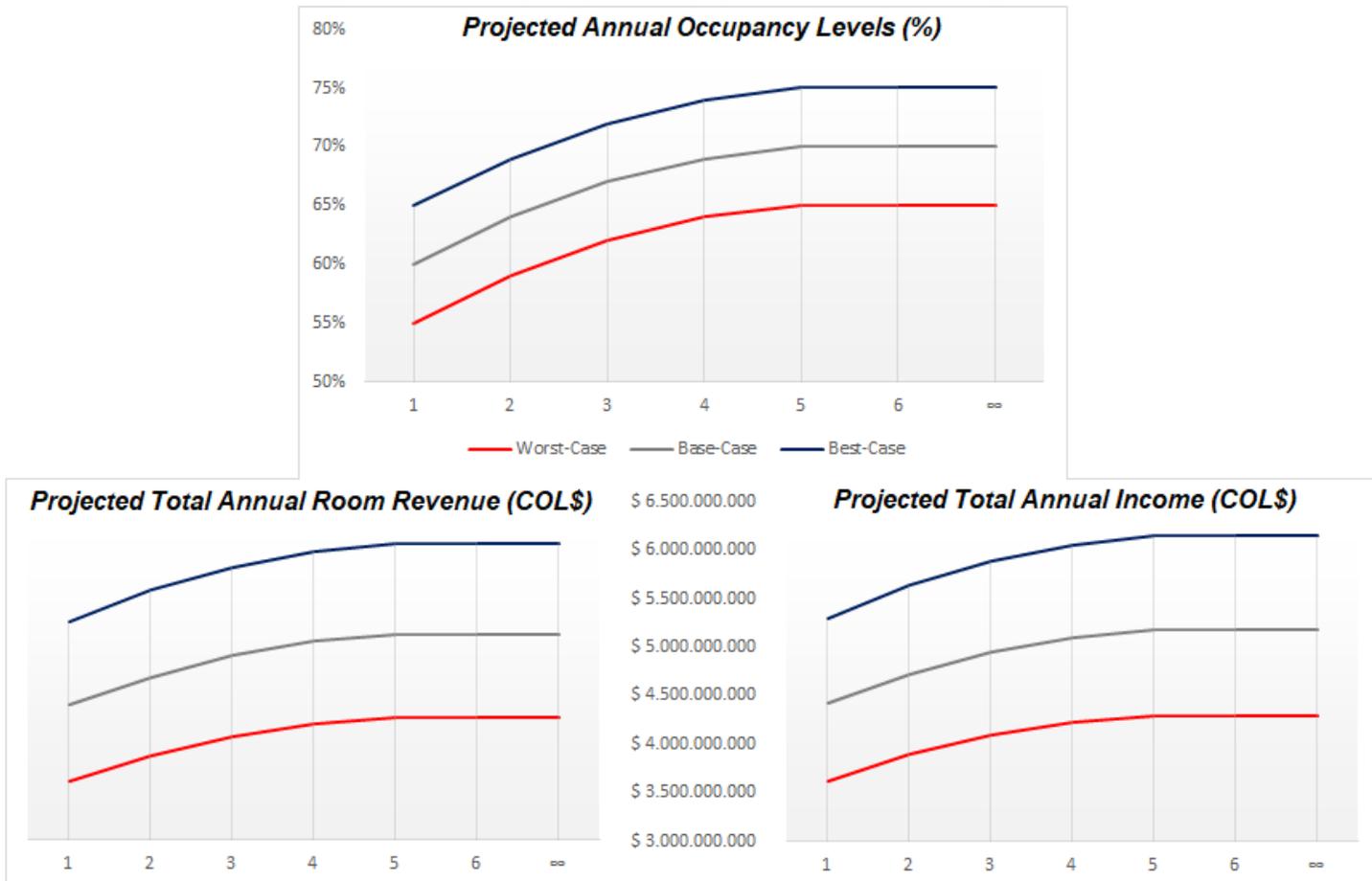


Source: Own Elaboration.

3.4.3 Calculation of Total Revenue, Expenditures and Net Operating Income (NOI)

As described in the respective Methodology for this numeral, any hotel's room revenue is directly proportional to its occupancy levels, which explains why the projected room revenue, and total annual income in general, presents a behavioral curve very similar to that of the projected occupancy. As a result, as occupancy levels grow (depicted in Figure 67), the Fairfield Inn and Suites by Marriott Medellín's room revenue increases, and therefore, so does its annual income, before reaching business maturity by year 6. Afterwards, occupancy levels, and conversely, revenue, maintain a stable range with little room for variation.

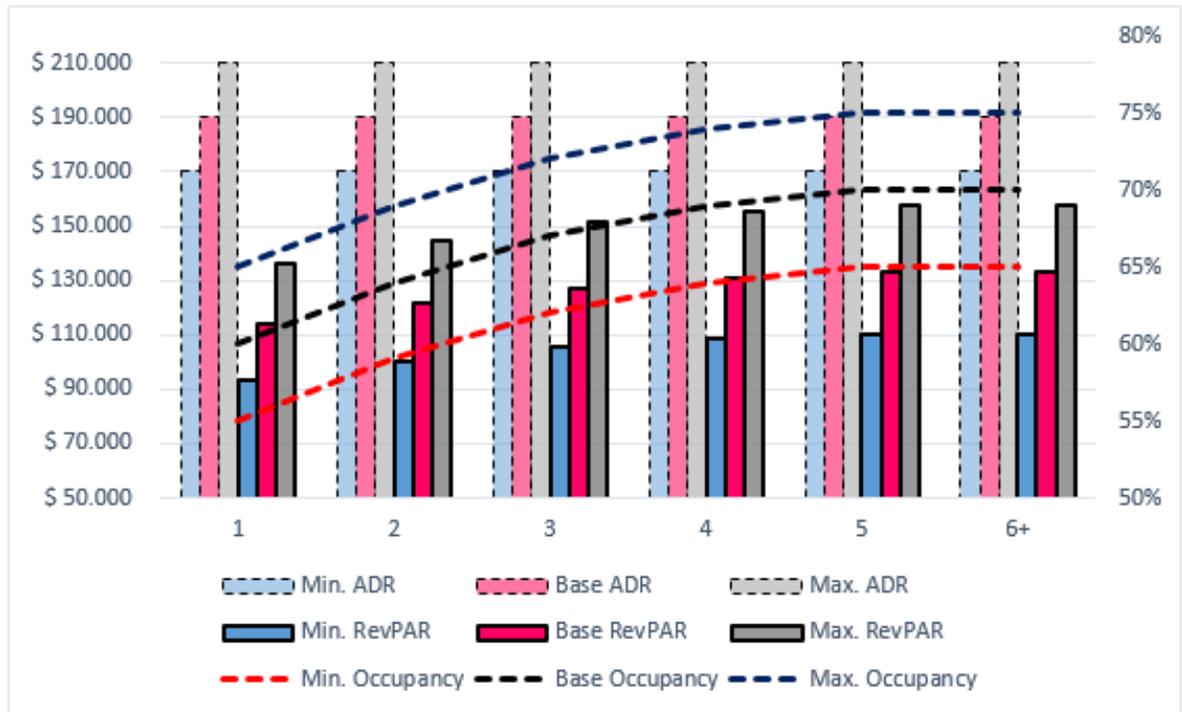
Figure 67: Occupancy Level (%) Effect on Revenue (COL\$)



Source: Sector and Market Study; Own Elaboration.

Occupancy levels also have a notable effect on the Fairfield Inn and Suites by Marriott Medellín's RevPAR levels. With hotel tariffs fixed between COL\$ 170.000 and COL\$ 210.000 (or COL\$ 190.000 on average), the factor that most contributes to the hotel's RevPAR growth is occupancy. Figure 68 illustrates the Worst-Case, Base-Case and Best-Case scenarios relative to annual RevPAR levels according to its respective occupancy scenario.

Figure 68: Occupancy Level (%) Effect on RevPAR (COL\$)



Year	Worst-Case	Base-Case	Best-Case
1	\$ 93.500	\$ 114.000	\$ 136.500
2	\$ 100.300	\$ 121.600	\$ 144.900
3	\$ 105.400	\$ 127.300	\$ 151.200
4	\$ 108.800	\$ 131.100	\$ 155.400
5	\$ 110.500	\$ 133.000	\$ 157.500
6+	\$ 110.500	\$ 133.000	\$ 157.500

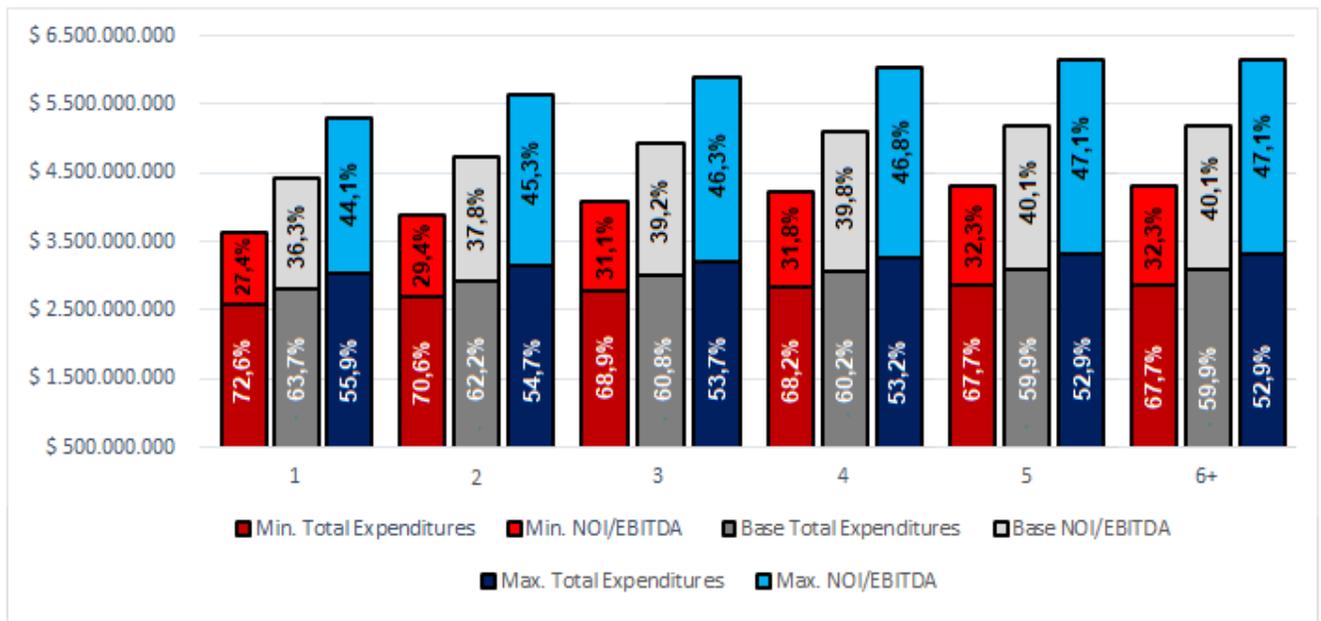
Source: Own Elaboration.

According to information derived from the Sector Study, RevPAR levels in Medellín have grown over the last 10 years, due to the increase in occupancy hotels in the sector have obtained from the booming business and corporate travel market and the ever-growing leisure travel market. In consequence, RevPAR levels have averaged COL\$ 94.840 over the past decade, growing from COL\$ 64.839 in 2009 to COL\$ 137.875 in 2016 (refer to Table 21 in the Sector Study). In the specific case of the Fairfield Inn and Suites by Marriott Medellín, Figure 68 above projects RevPAR levels equaling and possibly eventually surpassing Medellín's averages. Despite the fact that the hotel's RevPAR worst case scenario for the first year of operations (COL\$ 93.500) is significantly less than the average COL\$ 135.000 RevPAR levels from the past few years in Medellín, the projection forecasts RevPAR levels averaging close to COL\$133.000 as the company adapts to the sector, and reaching a maximum high of around COL\$ 155.000. This projection evidences that the Fairfield Inn and Suites by Marriott Medellín would compete adequately and thrive in the sector.

In accordance with Mr. Brian A. Plemmons, most limited service hotels average from 40% to 45% Net Operating Income when managed properly (Expert Interview, Question 7, Annex 5). As a benchmark, the Fairfield Inn and Suites by Marriott Medellín would be operating in optimum conditions if NOI levels of 40% to 45% are achieved. Taking into account the projected Worst-Case, Base-Case and Best-Case Total Revenue and Total Expenditures scenarios assumed and detailed in the respective Methodology procedure for this numeral, the proposed hotel project would be achieving the 40% to 45% NOI target if the Base-Case and Best-Case scenarios become reality.

Figure 69 elucidates how the proposed hotel project's NOI increases as the company reaches business maturity at year 6. During the first year of operations, a maximum 41.1% of NOI or EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) can be accomplished, reaching the 40% to 45% benchmark, but a 36.3% of NOI will most likely be attained, which is not a negative indicator. In the Worst-Case scenario, a minimum 27.4% NOI would be obtained, meaning the hotel would not be operating and competing adequately. As the hotel progressively adapts to challenges imposed by the market in Medellín, NOI levels should improve, and the hotel should become more cost-efficient, if managed properly. Eventually, by the end of the fifth year of operations, a staggering NOI of 47.1% can be achieved, as a reward for ideal management and operations. By then, an average NOI of 40.1% can be obtained; in either case, the Fairfield Inn and Suites by Marriott Medellín would be matching and surpassing the 40% to 45% benchmark. Notwithstanding, the hotel would have to make continuous efforts to surpass the projected minimum NOI of 32.3% in order to obtain better profits. In sum, similarly to the RevPAR projection, the NOI forecast for the project horizon is quite remarkable and appealing, further evidencing that the Fairfield Inn and Suites by Marriott Medellín would compete adequately and thrive in the sector.

Figure 69: Projected Expenditures and NOI as percentages of Total Revenue for the Project Horizon



Source: Own Elaboration.

3.4.4 Calculation of Depreciation and Reinvestments

In congruence with the respective Methodology for this numeral, utilizing the straight-line depreciation technique, the Fairfield Inn and Suites by Marriott Medellín's depreciable assets and necessary re-investments for the project horizon are detailed below in Table 46.

Table 46: Depreciation and Re-Investment Detail

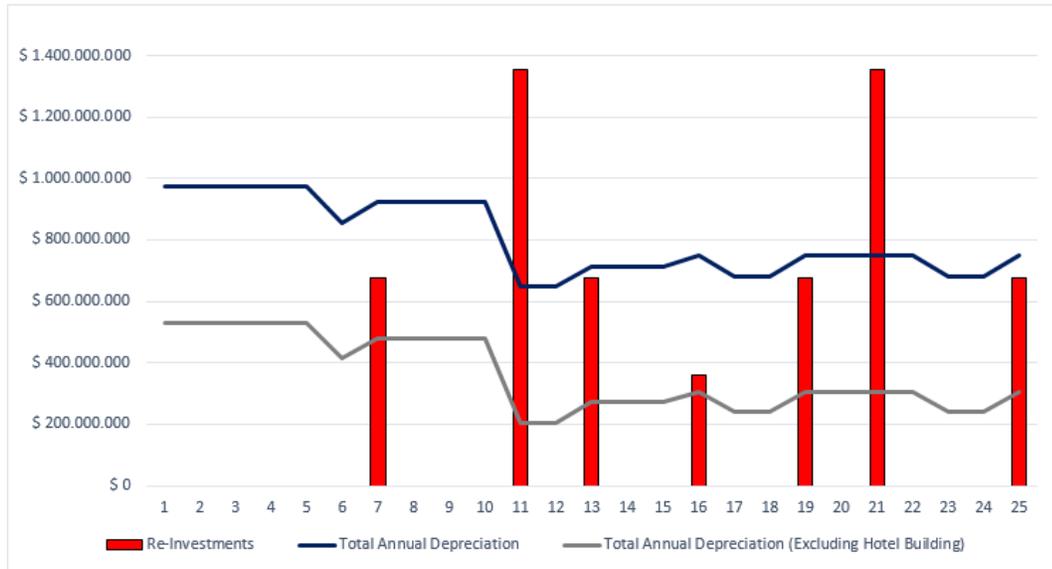
<i>Hotel Depreciable Assets (Straight Line Technique)</i>			<i>Annual Depreciation</i>	
<i>Asset</i>	<i>Useful Life</i>	<i>Salvage Value</i>	<i>(%)</i>	<i>COL\$</i>
<i>Hotel Building</i>	N/A	N/A	2,22%	\$443.135.344
<i>Property Technology & Telephone System</i>	N/A	N/A	20%	\$115.643.559
<i>Laundry & Kitchen Equipment</i>	15 Years	\$ 71.680.584	10%	\$ 35.840.292
<i>Furniture and Fixtures</i>	10 Years	\$ 677.978.857	10%	\$338.989.429
<i>Operating Supplies</i>	15 Years	\$ 76.677.011	10%	\$ 38.338.506
<i>Hotel Re-Investment Detail</i>			<i>Annual Depreciation</i>	
<i>Asset</i>	<i>Useful Life</i>	<i>Salvage Value</i>	<i>%</i>	<i>COL\$</i>
<i>Soft Goods</i>	6 Years	\$ 135.595.771	10%	\$ 67.797.886
<i>Case Goods</i>	10 Years	\$ 271.191.543	10%	\$135.595.771
<i>Machinery</i>	15 Years	\$ 71.680.584	10%	\$ 35.840.292

Source: Own Elaboration.

Explicitly, Figure 70 illustrates the total annual depreciation, with and without the hotel building depreciation, pertaining to the project horizon as well as the periodic re-investments in assets as recommended by Mr. Brian A. Plemmons (Question 3,

ANNEX 7). As the initial investment assets depreciate, annual depreciation starts to form a certain repetitive pattern around the periodic re-investments every six, ten and fifteen years, made one year after the asset's useful life ends.

Figure 70: Annual Depreciation and Re-Investment for Project Horizon

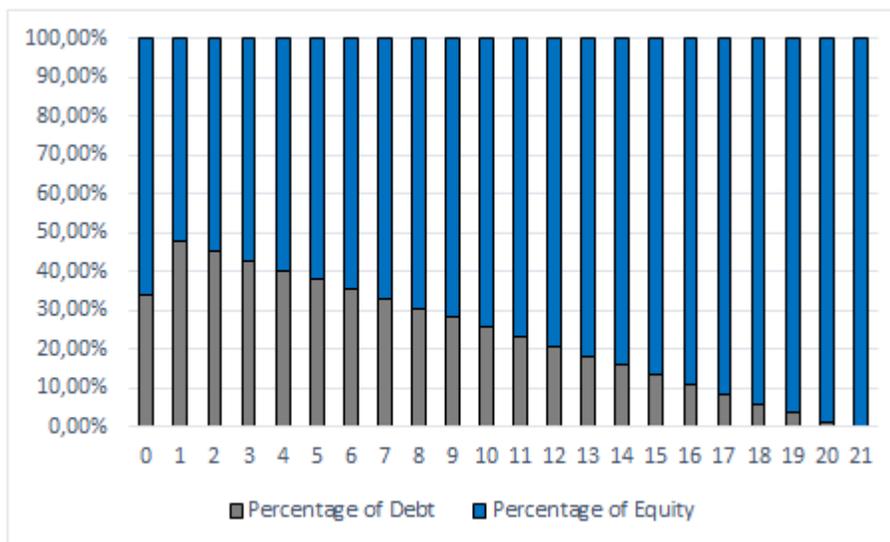


Source: Own Elaboration.

3.4.5 Calculation of the Weighted Average Cost of Capital (WACC)

With total assets of COL\$ 32.475.013.704, comprised of a total loan amount of COL\$ 15.727.213.704 and shareholder contributions of COL\$ 16.747.800.000, Medellín Hospitality S.A.S. initially presented a capital structure of 48.4% debt to 51.6% equity ratio at the first year of operations. During the pre-operational year, the company would acquire a loan of COL\$ 8.660.351.940, along with the entirety of shareholder contributions, to finance the hotel's construction, resulting in a debt to equity ratio of 34.08% to 65.92%. Nonetheless, the debt to equity ratio varied annually until year 21 of operations, where the ratio became 0% to 100% after all debt had been paid off, as shown in Figure 71.

Figure 71: Project Horizon Capital Structure (Debt to Equity Ratio)



Source: Own Elaboration.

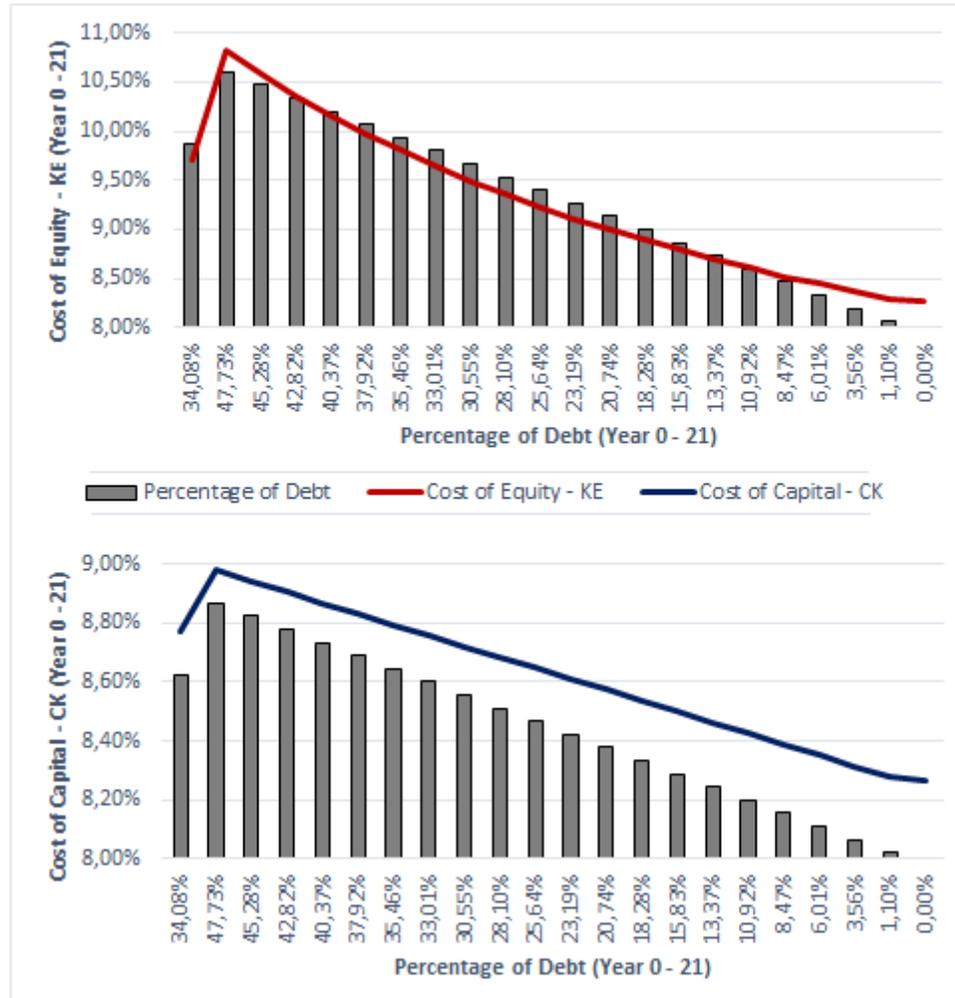
With the CAPM method indicators, as summarized in Table 47, and the annual debt to equity ratio, the systematic risk of the asset (β) was calculated, and conversely, the Cost of Equity (**KE**) and the Cost of Capital (**CK**), for each of the 21 years of operation, considering a valuation horizon at the 22nd year of operations. Figure 72 displays the behavior of the Cost of Equity (**KE**) and the Cost of Capital (**CK**) versus the corresponding percentage of debt in any given year. Given that the Unleveraged Beta (β_u) is less than 1, the asset is theoretically less volatile than the market, justifying a steadfast decrease in the Cost of Equity (**KE**) and the Cost of Capital (**CK**) as the percentage of debt decreases. The Cost of Equity (**KE**) averaged around 9.27%, beginning at 9.71% during the pre-operational year and at 10.81% during the first year of operations, before stabilizing at 8.26% during the 21st year of operations. Similarly, the Cost of Capital (**CK**) averaged around 8.62% and began at 8.77% during the pre-operational year and at 8.98% during the first year of operations, before stabilizing at 8.26% during the 21st year of operations.

Table 47: CAPM Method Indicators

K_{RF} = Risk Free Rate of Return	2,86%
K_M = Market Rate of Return	6,74%
β_u = Unleveraged Beta	0,72
K_{CR} = Country Risk Premium	1,74%
K_P = Project Risk Premium	0,87%
T = Corporate Tax Rate	33,0%
K_D = Cost of Debt	10,40%

Source: Own Elaboration.

Figure 72: Percentage of Debt vs. Cost of Equity - KE vs. Cost of Capital – CK for Project Horizon



Source: Own Elaboration.

3.4.6 Creation of Worst-Case, Base-Case and Best-Case Project Free Cash Flow (FCF) Scenarios for 21 Years of Operation and Terminal Horizon at 22nd year of Operation; Sensitivity Analysis over Base-Case FCF

In consonance with the respective Methodology for this numeral, for the construction of the three deterministic Free Cash Flow models, total investment, capital structure (debt to equity ratio), cost of debt, depreciation, re-investments and cost of capital remained constant. All three models present the same large upward spikes in cash flows, such as in year 11, due to the salvage value of several assets at the end of their useful life. Henceforth, the difference between the models depended on its corresponding Revenue and Expenditures scenarios detailed in numeral 3.4.3.: The Base-Case FCF model fixed the Base-Case Total Revenue and Total Expenditures forecast, the Worst-Case FCF model utilized the Worst-Case Total Revenue and Total Expenditures projection, and the Best-Case

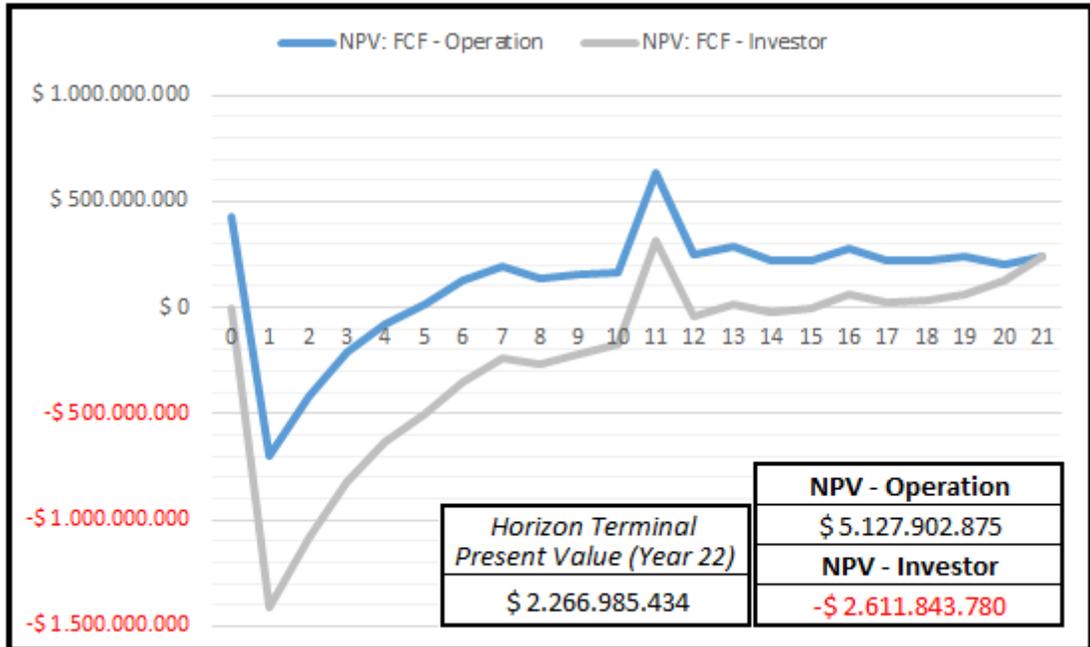
FCF model employed the Best-Case Total Revenue and Total Expenditures estimate. It should be noted that these models would probably never become reality, since they assume that all 21 years in the FCF will have the same ADR, Occupancy, and Expenditure Percentages as described in the respective scenarios. However, they do constrain the simulation by fixing inferior and superior limits, and allow the analysis of what would happen if all variables remain constant, regardless of reality.

Figure 73 displays the Base-Case FCF deterministic model. The terminal present valuation of the proposed hotel project at year 22 is COL\$ 2.266.985.434, after recuperating from considerable losses during the first five years of operation, mostly due to large interest payments and debt obligations. From an operational standpoint, the project is feasible, since the Net Operating Income levels projected in this specific scenario are considerably high, which would suggest that the hotel is being managed and run properly, and competing well in the market, resulting in an operational NPV of COL\$ 5.127.902.875. On the other hand, the project is not viable for company investors. The large sum of interest and deposit payments exceed operational profits by a handsome margin, resulting in hefty losses for the shareholders. Investor cash flows start to become positive and generate a return after the tenth year of operations, but not enough for stakeholders to recover their investment and turn a profit. In consequence, investor NPV yielded a general loss of COL\$ 2.611.843.780.

Figure 74 exhibits the Worst-Case FCF deterministic model. The terminal present valuation of the proposed hotel project at year 22 is a low COL\$ 1.359.493.799, managing to recuperate from substantial losses during the first ten years of operation, due to large interest payments and debt obligations as well as under-par operating performance. From an operational standpoint, the project is not feasible, since the Net Operating Income levels projected in this specific scenario are extremely low, which would suggest that the hotel is being managed and run improperly, and not competing well in the market, resulting in an operational NPV loss of COL\$ 1.310.431.541. Accordingly, the project is not viable for company investors either. The large sum of interest and deposit payments add to operational losses, resulting in immense losses for the shareholders. Investor cash flows never really stabilize and start to generate a return. In this scenario, stakeholders would practically never recover their investment nor gain a profit: investor NPV produced a large loss of COL\$ 9.050.178.196.

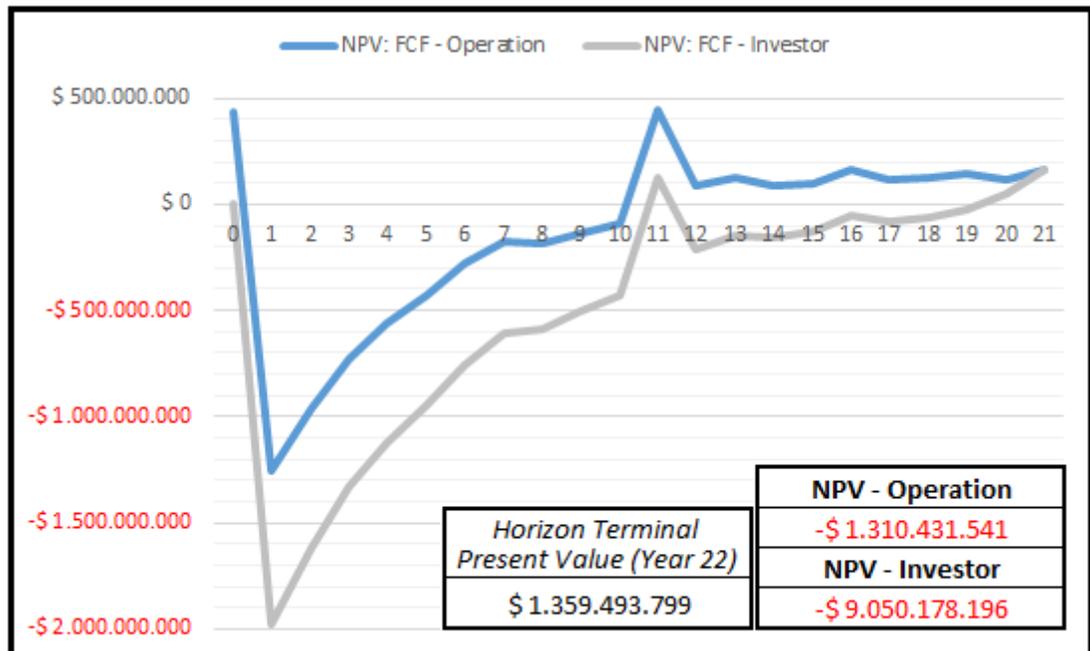
Figure 75 showcases the Best-Case FCF deterministic model. The terminal present valuation of the proposed hotel project at year 22 is a high COL\$ 3.399.059.439, logical; due to insignificant operational losses during the first year of operations and constant profits afterwards. From an operational standpoint, the project is clearly feasible, since the Net Operating Income levels projected in this specific scenario are extremely high, which would suggest that the hotel is being managed and run under optimum conditions, while exceeding expectations in the market, resulting in an outstanding operational NPV of COL\$ 11.684.692.309. In this scenario, the project is viable for company investors. The large sum of interest and deposit payments are covered by operational profits, resulting in important proceeds for shareholders. Investor cash flows start to become positive and generate a return after the sixth year of operations, enough for stakeholders to recuperate their investment and turn a profit. Subsequently, investor NPV turned a general gain of COL\$ 3.944.945.655.

Figure 73: Base-Case Free Cash Flow



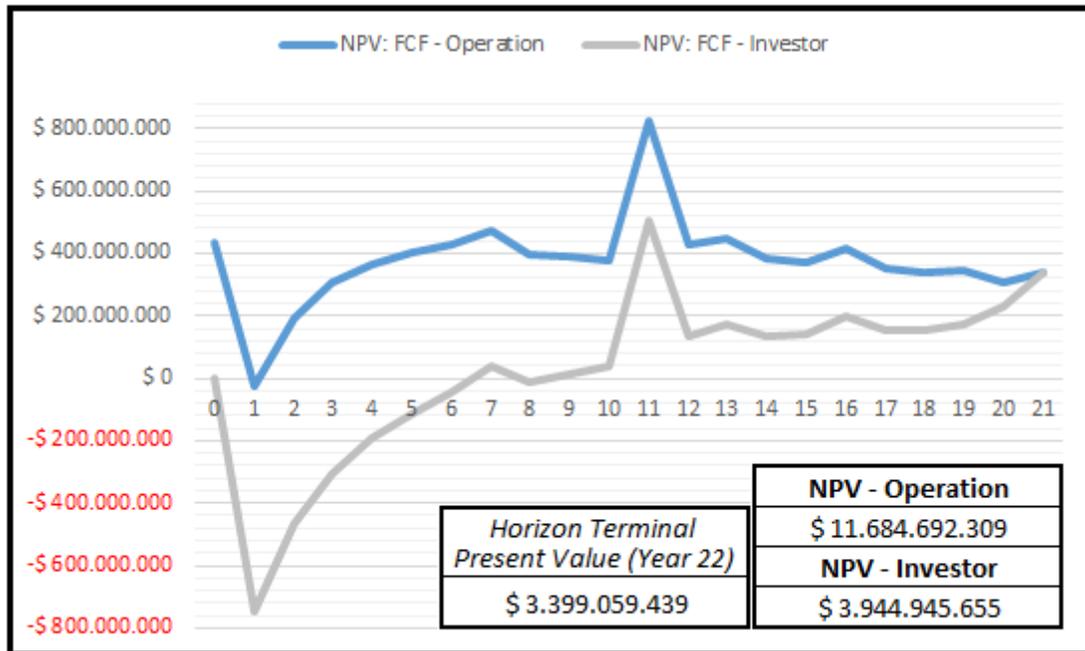
Source: Own Elaboration.

Figure 74: Worst-Case Free Cash Flow



Source: Own Elaboration.

Figure 75: Best-Case Free Cash Flow



Source: Own Elaboration.

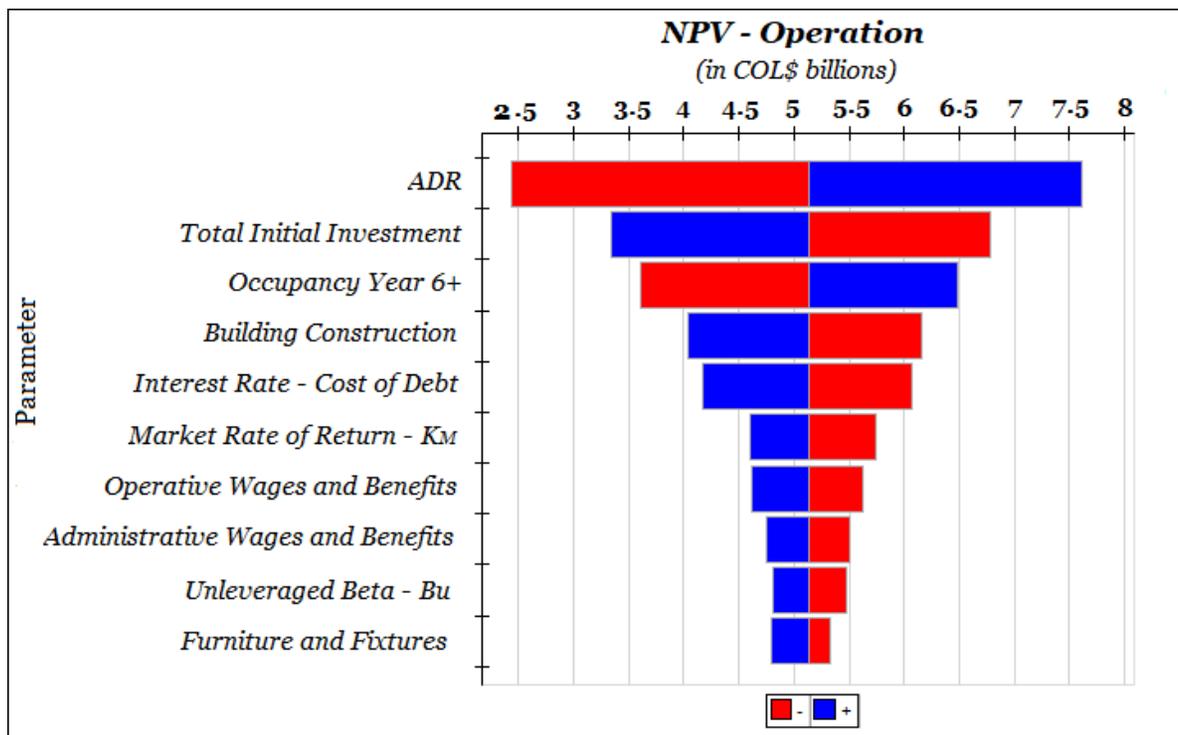
A first glance at the three abovementioned deterministic models suggests that the Fairfield Inn and Suites hotel project is apparently feasible from an operational viewpoint. The present value of the cash inflows seem to be greater than the cash outflows after all operational dues are taken care of. Clearly, a hotel that is well managed will generate sizable operational margins. Nonetheless, the models also suggest that, from an investor standpoint, the large initial investment is not worthwhile. While effective revenue and cost management is important to turn a profit, the financing of the hotel project must be scrutinized carefully. In this thesis paper, a capital structure of approximately 50% debt to 50% equity was previously established, but the evidence in the deterministic models pinpoints to an unbalanced financing of the Fairfield Inn and Suites by Marriott Medellín. Funding the project's enormous initial investment of COL\$ 31.141.319.506 with 50% debt at 10.40% annual interest implies that it would take an enormous effort to generate enough NOI to cover debt obligations for investors to turn a profit, as demonstrated by the Best-Case FCF model (Figure 75). As a result, it may be wise to consider a higher equity percentage, if it is not possible to lower the interest rate of 10.40% or minimize the high initial investment.

Having derived this preliminary conclusion from the deterministic models, the next step was to perform a What-If Analysis, also known as a Sensitivity Analysis, using the Tornado Analysis tool. The Tornado Analysis varied each of the parameters between its minimum and maximum value independently, with all others constant, to determine the effect on the NPV. Fixed parameters such as the Interest Rate (10.40%), the Market Rate of Return – **KM** (6.74%), Administrative Wages and Benefits (COL\$ 36.289.167, monthly), the Unleveraged Beta – **βu** (0.72) and the Number of Periods of Debt (20) were varied independently as well, but between 10% more and 10% less. According to the Tornado Analysis performed on the Base-Case FCF model's Operational and Investor NPV outputs with Analytic Solver Platform, the variables that impact NPV the most are ADR, the Total Initial Investment, and the long-term Occupancy projection after reaching business maturity in the sixth year of operations, as illustrated in Figure 76 and Figure 77 underneath.

Not surprisingly, both the Operational and Investor NPV are extremely sensitive to revenue management. Since ADR and Occupancy determine Total Revenue, maximizing ADR and Occupancy will generate higher income, and in effect, higher NOI that translate into larger profits. On the other hand, obtaining minimum ADR and Occupancy levels will have a drastic impact on the NPV. However, as Figure 77 proves, maximizing either ADR or long-term Occupancy in the Base-Case scenario will not turn present value cash flows positive enough to obtain an Investor NPV higher than 0. The Total Initial Investment is considerably high, thus, minimizing Building Construction and Furniture and Fixtures (the two highest investments) costs will result in a higher NPV, both from an operational and an investor standpoint. Cost management also affects NPV considerably. In any hotel, payroll represents the majority of operating expenses, since a high number of personnel is required to operate the 24/7 property. As a result, the lower the wages and benefits, both for operative and administrative personnel, the higher the NPV.

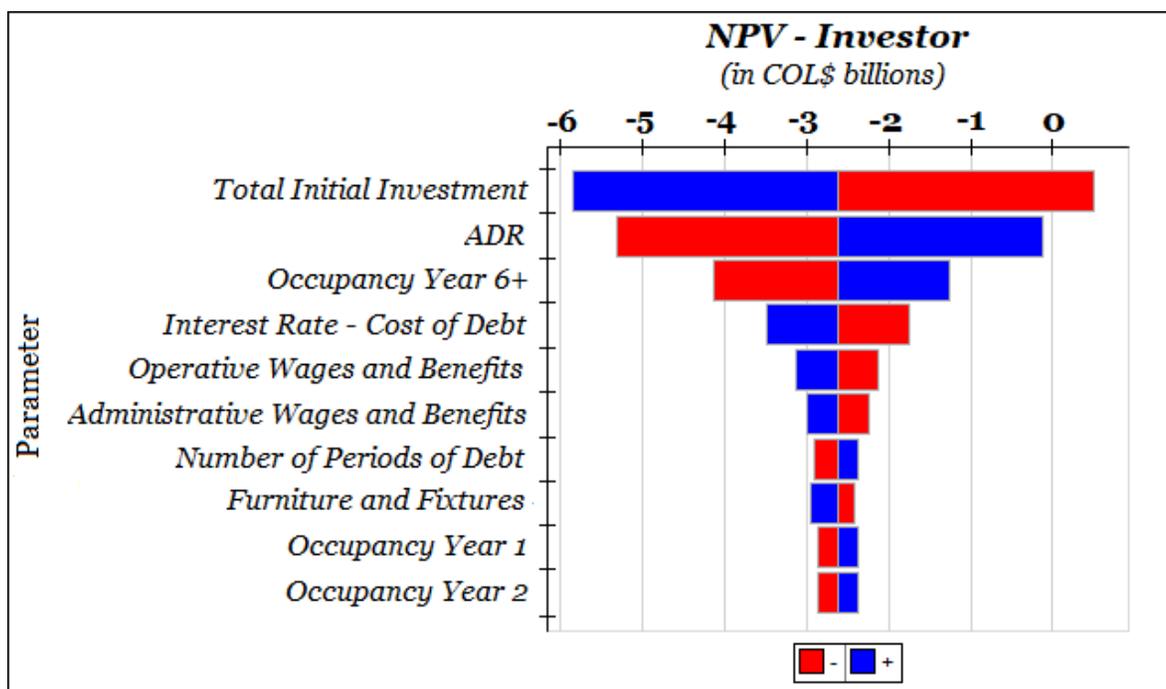
The Tornado Analysis also evidenced the importance of the Cost of Debt. NPV is very sensitive to the interest rate: a lower interest rate will result in a much higher NPV, while a higher interest rate will do the exact opposite. In this thesis paper, the long term debt was defined at 20 years, but Figure 77 evidences that the length of debt affects Investor NPV. With the debt's constant annual deposits, a longer time period would involve lower debt deposit quotas, and as a result, higher NPV. The Tornado Analysis further justifies the conclusion derived from the three deterministic models: the financing of the hotel project must be studied carefully. Lastly, Cost of Capital – CK elements such as the Unleveraged Beta – β_u and the Market Rate of Return – K_M , are important to the operational NPV calculation. The lower these assumptions are, the lower the Cost of Capital – CK , in other words, the less expensive funding for the project is, and in consequence, the higher NPV is.

Figure 76: Tornado Analysis over Base-Case NPV – Operation



Source: Analytic Solver Platform; Own Elaboration.

Figure 77: Tornado Analysis over Base-Case NPV – Investor



Source: Analytic Solver Platform; Own Elaboration.

Of the ten variables identified by the Tornado Analysis as being the most sensitive for the Base-Case FCF model's NPV outputs, the only variables that cannot be managed are the Unleveraged Beta – β_u and the Market Rate of Return – K_M , as these are assumptions generated from market performance, not company performance. All other variables can be manipulated or controlled to maximize NPV. Recommendations from the Sensitivity Analysis include paying close attention to Revenue Management, Cost Management, and Capital Funding.

First, Medellín Hospitality S.A.S. should empower the Fairfield Inn and Suites by Marriott Medellín to perform exceptionally in the hospitality market, which can be achieved by assembling an extremely well-prepared and capable operative and administrative team. Success in the hospitality industry depends mainly on the knowledge, familiarity and aptitude of the hotel property's human talent. Therefore, while payroll costs will always be a concern, it is better to properly remunerate, and possibly overpay, personnel to keep them motivated and achieve optimum hotel performance. The What-If Analysis suggests that higher Revenue has a superior effect on NPV than Cost Management does, without disregarding the latter's importance.

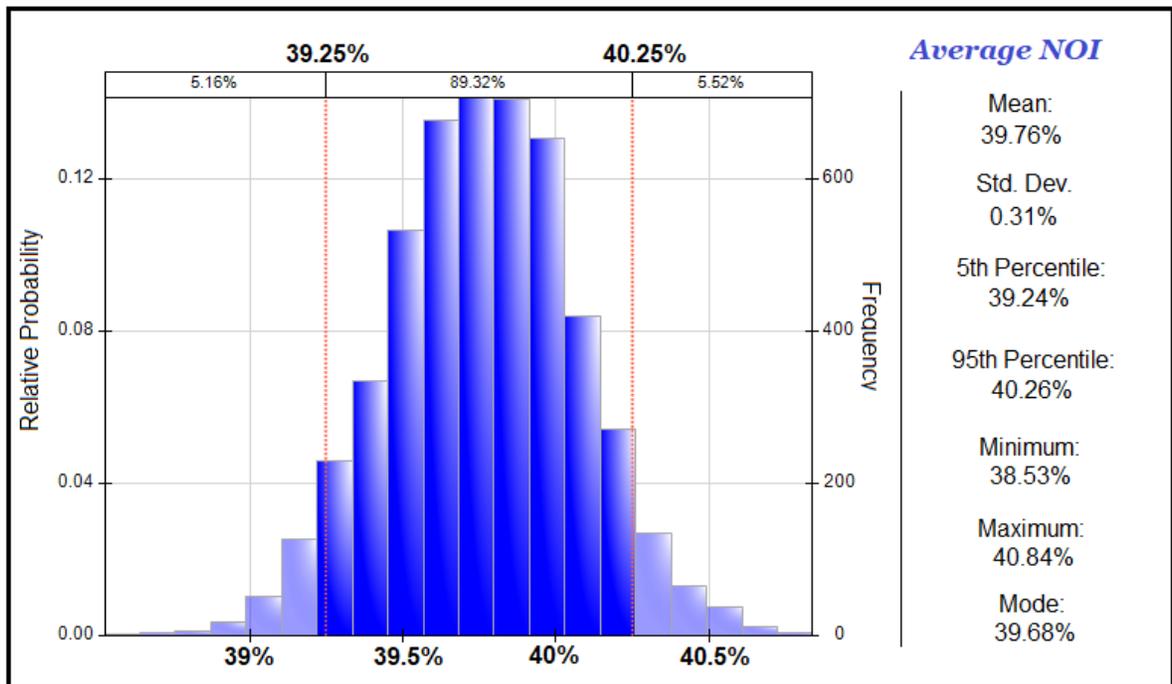
Lastly, funding for the hotel project is fundamental. The required initial investment is exceedingly high, thus, financial muscle is essential. Depending on debt to fund the project may bring disastrous losses to investors if hotel performance is not exceptional, unless the cost of debt is low. Therefore, the total initial investment must be managed to minimize the most expensive elements, especially the hotel's construction and its furnishing. If it is not possible to lower the Total Initial Investment, then the company's capital structure should be re-examined in order to acquire a larger percentage of equity to alleviate the expenses brought on by debt interest and deposit payments.

3.4.7 First Project Free Cash Flow Simulation (Stochastic Model)

As explained in the Methodology for this numeral, the Stochastic FCF Model was created by adding uncertainty, more specifically, probability distributions to each year's respective Revenue and Expense forecast, while the terminal FCF value at year 22 was calculated with the averages from the other 21 years of operation. The single, 5,000-trial, simulation executed on Analytic Solver Platform provided reliable information, with a 95% confidence level, regarding the Fairfield Inn and Suites by Marriott Medellín's Net Present Value (NPV) and Internal Rate of Return (IRR), from an Operational and Investor perspective.

First, as suspected from analyzing the deterministic Worst-Case, Base-Case, and Best-Case FCF models in numeral 3.4.6, it can now be concluded that the Fairfield Inn and Suites by Marriott Medellín hotel project is financially feasible, but only from an Operational angle. Figure 80 exemplifies that the proposed hotel project will always produce a positive NPV from operations, COL\$ 5.088.689.685 on average. The 5000-trial simulation yielded that the highest NPV that can be derived from operations is COL\$ 6.523.927.909 and that, in the worst-case scenario, a minimum NPV of COL\$ 3.645.952.757 would be obtained. The probability that operational NPV is less or equal to COL\$ 4.500.000.000 is only 6.86%, which is a lower probability of obtaining a NPV higher or equal to COL\$ 5.500.000.000 (15.16%). In general, a NPV of around COL\$ 5.000.000.000 should be expected from the Fairfield Inn and Suites by Marriott Medellín's operations. Undoubtedly, the project's Total Revenue and Expenditure prognostication demonstrates that the hotel is capable of producing high NOI margins by competing and excelling in the hospitality market in Medellín, as observable in Figure 78. According to the simulation performed, the average NOI in the FCF model's 21 years of operation was 39.76%, practically reaching the ideal 40% to 45% NOI benchmark.

Figure 78: Average NOI – Stochastic FCF Model Simulation Results

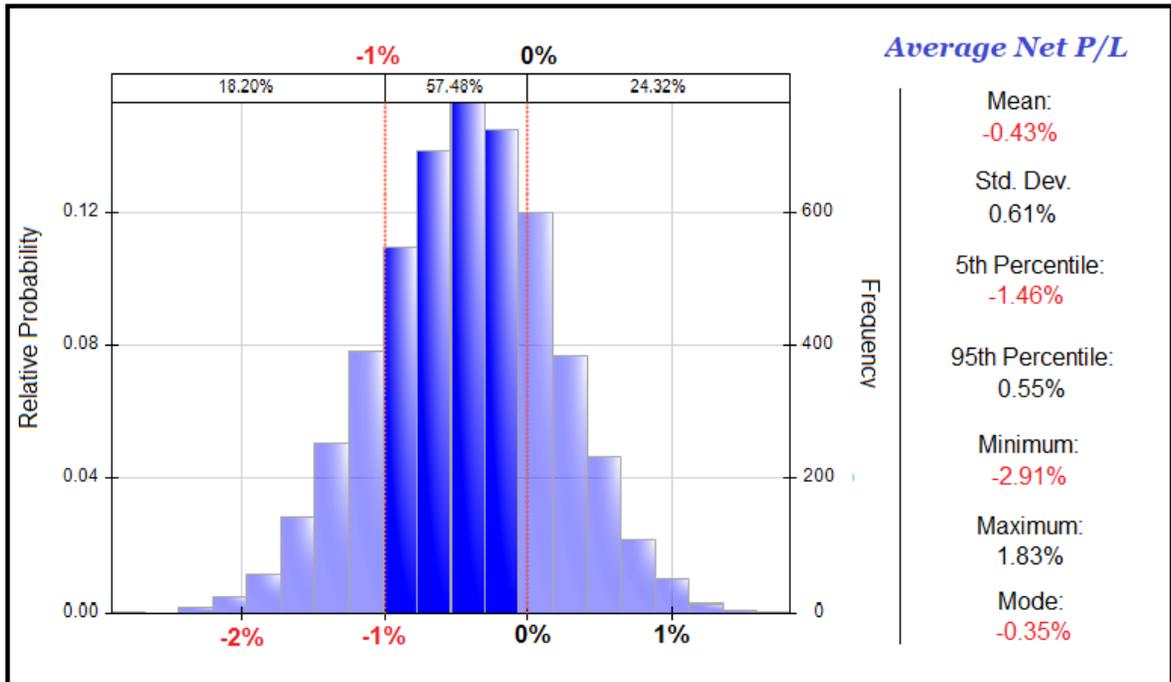


Source: Analytic Solver Platform; Own Elaboration.

However, simulation results also indicate that the hotel is just barely being able to cover debt interest payments and taxes: the 21 year cash flow averages a small Net Loss of -0.43% (Refer to Figure 79). Depreciation, although high due to expensive assets, offers a tax shield benefit and is technically not a disbursement, which is then added to the Gross Cash Flow, making the Present Value of the Operational Cash flows become positive and yield a return. In general, the Fairfield Inn and Suites would be producing no Net Profits after depreciation, interest and taxes, despite high operational margins. The operational cash flows, which become positive after depreciation is re-added, are ultimately surpassed by debt obligations and become negative for the investor.

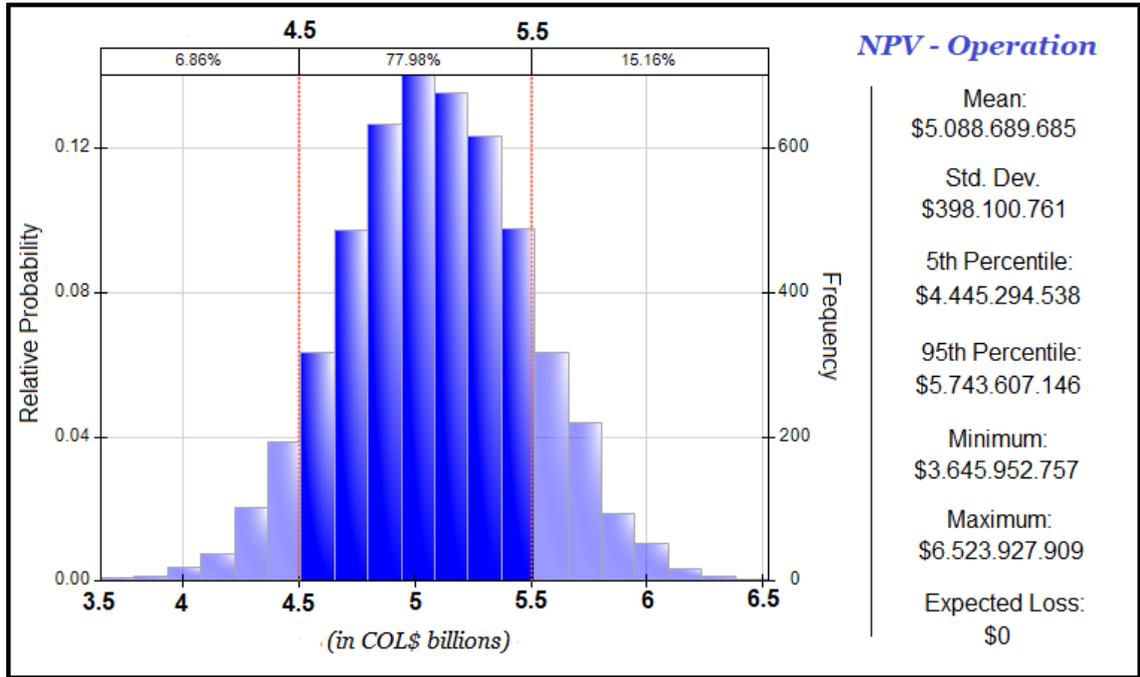
In effect, the simulation produced a mean negative NPV value of COL\$ -2.651.056.970 for the investor (observable in Figure 80). The 5000-trial simulation also bore no possibility of fabricating a gain for shareholders: the minimum loss is COL\$ -1.215.818.746, while up to a massive COL\$ -4.093.793.898 can be lost. The probability of losing between COL\$ -3.500.000.000 and COL\$ -2.500.000.000 is markedly high: 93.34%. In numeral 3.4.6, while analyzing the three deterministic models, the suspicion that the financing of the hotel project was unbalanced arised. The simulation executed on the stochastic model corroborates the suspicion. Clearly, financing 50% of an enormous COL\$ \$31.141.319.506 initial investment with 10.40% annual interest produces heavy losses for company investors, since the bank is consuming all operational profits produced by the Fairfield Inn and Suites by Marriott Medellín, leaving them no leftover profit. Consequently, the project would not be even close to being feasible or worthwhile to potential investors with this capital structure.

Figure 79: Average Net Profit/Loss – Stochastic FCF Model Simulation Results



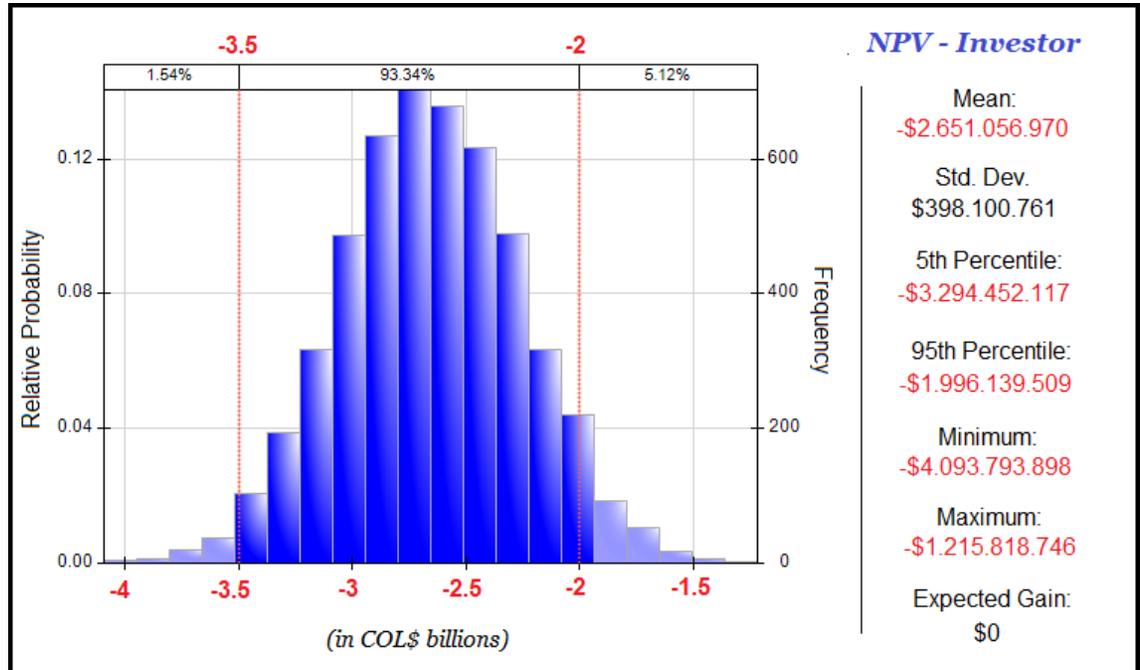
Source: Analytic Solver Platform; Own Elaboration.

Figure 80: NPV – Operation: Stochastic FCF Model Simulation Results



Source: Analytic Solver Platform; Own Elaboration.

Figure 81: NPV – Investor: Stochastic FCF Model Simulation Results

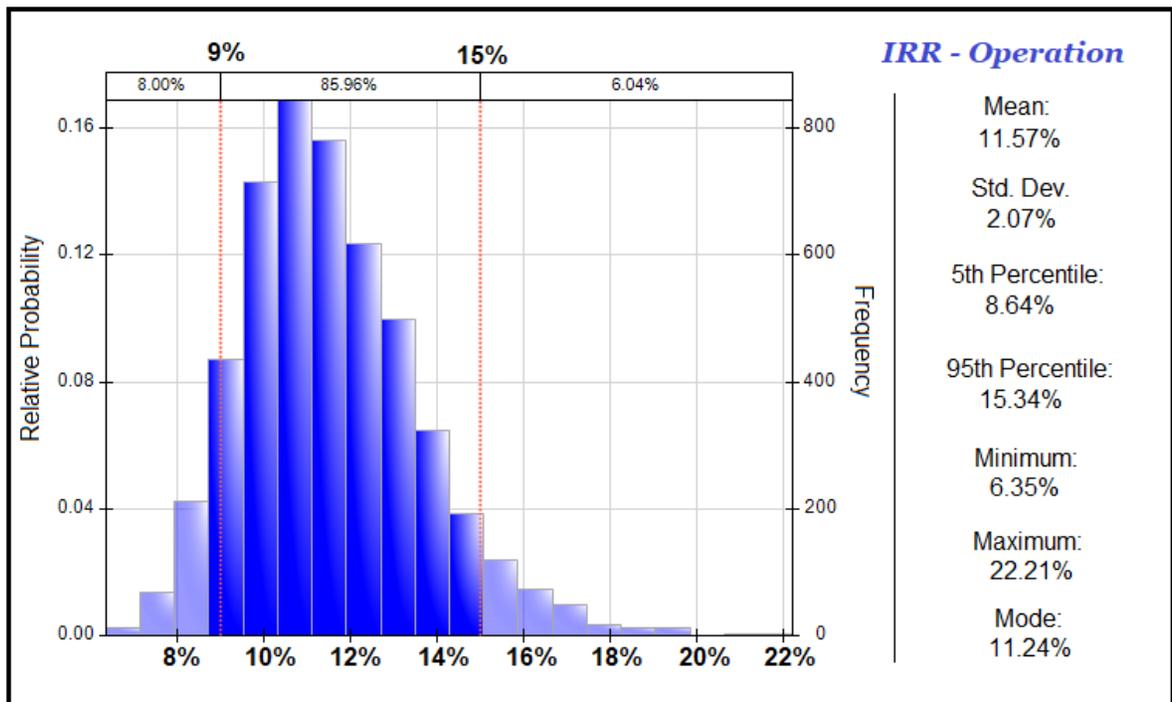


Source: Analytic Solver Platform; Own Elaboration.

The Internal Rate of Return (IRR) of the Operational and Investor cash flows values calculated by the simulation also substantiate the preliminary conclusion that the Fairfield Inn and Suites project is feasible from an Operational outlook, but not from an Investor one. Discernible in Figure 82, the simulation outcomes display a mean operational cash flow internal rate of return of 11.57%. Weighted Average Cost of Capital for the project varies between 8% and 9% (8.62% on average), indicating that the minimum return percentage demanded by the Cost of Capital – **CK** is no more than 9%. The probability that the proposed hotel project generates an operational IRR less than 9% is a mere 8%. The lowest IRR that can be obtained from the operational cash flows is a rare 6.35%, but can generate a return as high as 22.21%. Moreover, there is a 85.96% chance of attaining an operational IRR anywhere between 9% and 15%, with 11.24% being the most likely. In any case, the probability of surpassing the minimum required return of 9% is an optimistic 92%, which further justifies the conclusion that the Fairfield Inn and Suites project is viable from an operational standpoint.

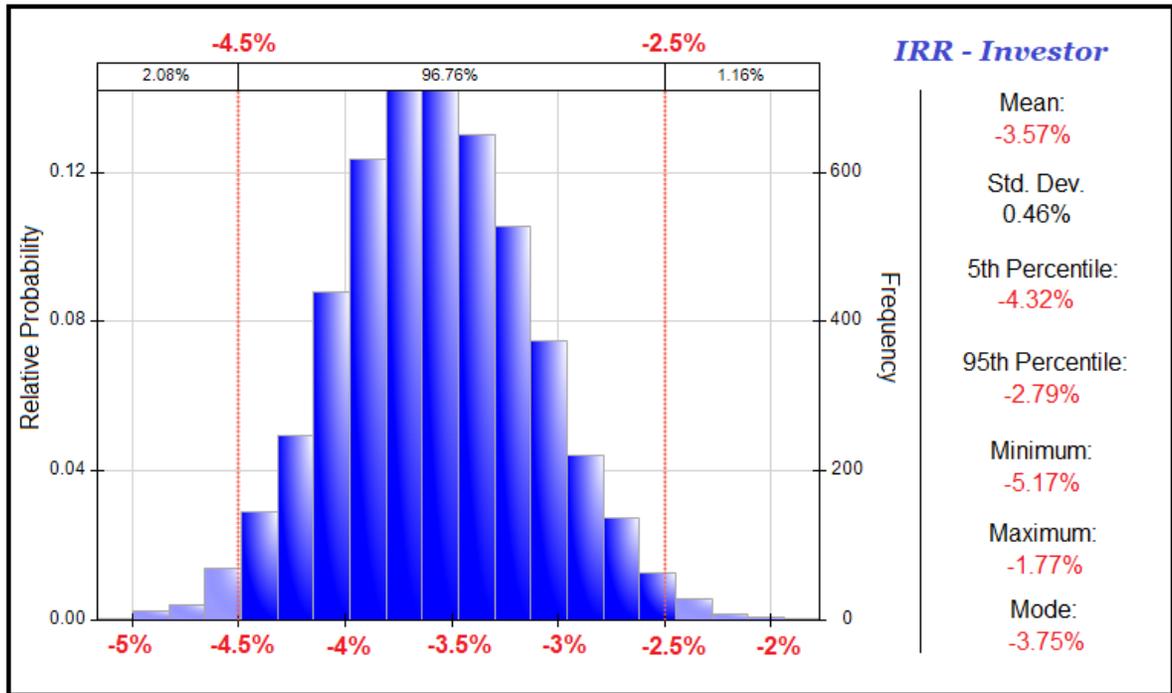
On the other hand, Figure 83 helps confirm the project’s investor infeasibility. Out of 5,000 trials, no single trial produced a positive return for investor cash flows. On average, a negative IRR of -3.57% was obtained, with a maximum (negative) return of -1.77% and a minimum return of -5.17%. There is a high 96.76% probability that the investor cash flows generate an IRR between -4.5% and -2.5%. Needless to say, the project does not generate a return for investors even remotely close to the minimum 9% demanded by the Cost of Capital – **CK**. In conclusion, the proposed hotel project is not financially viable for investors, at least not with the established 50% debt to 50% equity ratio. If this ratio is not modified, it would take a significantly lower initial investment amount, a much lower interest rate, or a practically impossible feat of maximizing ADR and Occupancy every year for 21 years in order for investors to recover their investment and turn a profit.

Figure 82: IRR – Operation: Stochastic FCF Model Simulation Results



Source: Analytic Solver Platform; Own Elaboration.

Figure 83: IRR – Investor: Stochastic FCF Model Simulation Results



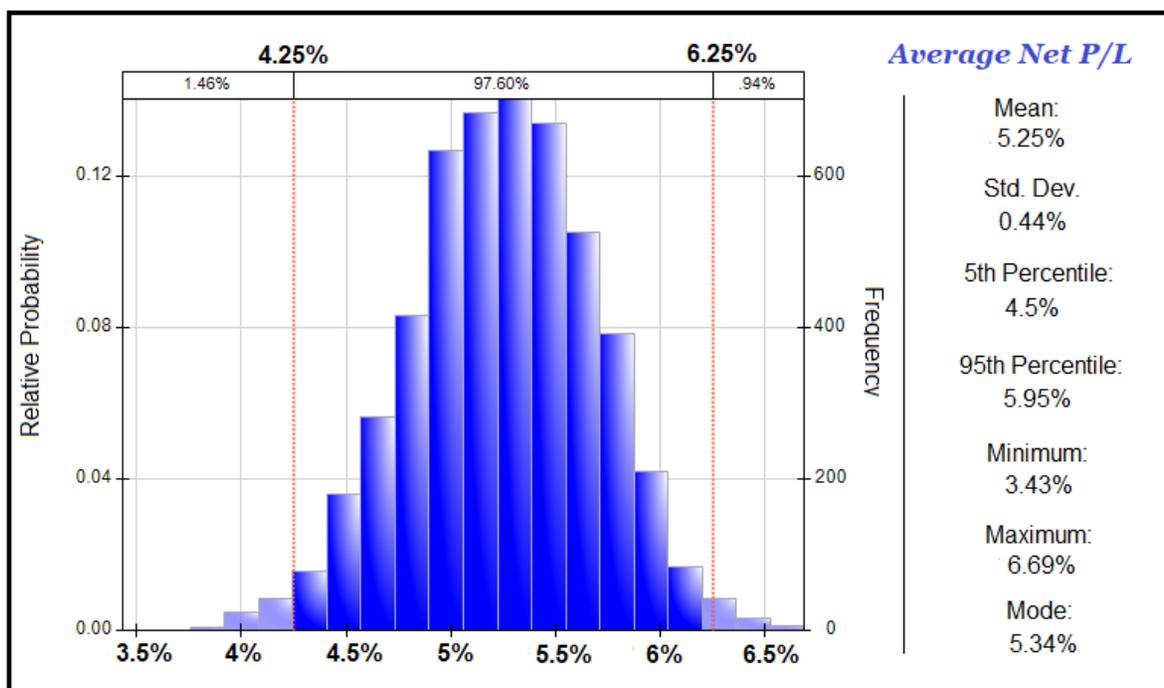
Source: Analytic Solver Platform; Own Elaboration.

3.4.8 Second Project Free Cash Flow Simulation (Stochastic Model)

Taking into account information provided by the Tornado Analysis performed on the operational and investor NPV regarding the parameters that influenced the output the most, specifically Revenue (ADR and long-term Occupancy forecasts), Initial Investment costs (specifically, the building construction and its posterior furnishing) and Expenditures (particularly payroll costs), specific changes were made to the Stochastic FCF Model. As explained in the respective Methodology for this numeral, only the initial investment, capital structure and debt was modified, while Revenue and Expenditure forecasts remained intact. (Refer to Annex 15 to visualize the effects on Depreciation, Re-Investments and Cost of Capital calculation). With a new initial investment of COL\$ 30.311.989.258, a capital structure of 65% equity and 35% debt (COL\$ 19.704.260.007 of equity and COL\$ 10.607.729.251 of debt), and an active interest rate of 9% annual interest, the second 5,000-trial simulation performed on the Stochastic FCF Model yielded the following results:

First, as expected, with these changes to the model, operational cash flows acquire even more value. With a smaller debt and less interest payments, the Fairfield Inn and Suites by Marriott Medellín is able to produce an average 5.25% (of total revenue) Net Profit after discounting depreciation, interest payments and taxes (displayed in Figure 84). As in the first simulation, NOI levels remain at an average 39.76%, exemplifying that the hotel manages to continue being equally competitive in the sector, only this time, the company would be able to produce a profit after taxes. In comparison, results from the first simulation (Figure 79) suggested that the hotel is just barely able to pay off interest and taxes.

Figure 84: Average Net Profit/Loss – Second Stochastic FCF Model Simulation Results

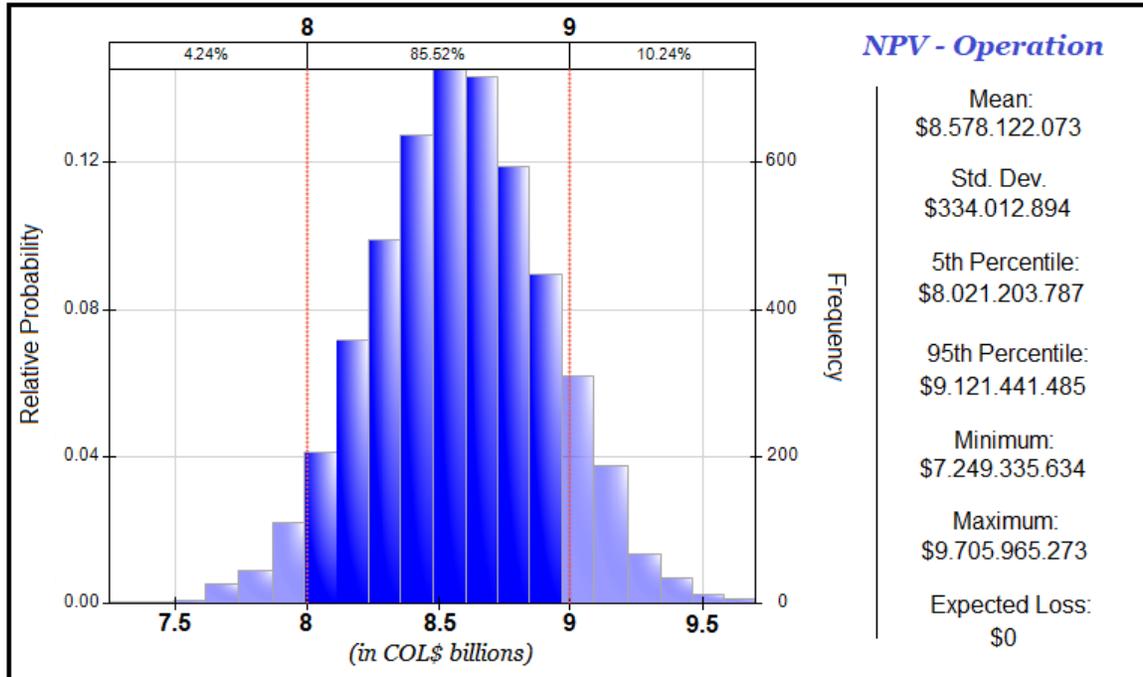


Source: Analytic Solver Platform; Own Elaboration.

After re-adding depreciation, operational cash flows acquire even more value, amounting to an average NPV of COL\$ 8.578.122.073. With no expected loss, the probability that the Fairfield Inn and Suites by Marriott Medellín is capable of creating an operational NPV between COL\$ 8 and COL\$ 9 billion is an elevated 85.52%, as depicted in Figure 85. Naturally, the changes made in the model for the second simulation deem the project even more feasible from an operational standpoint.

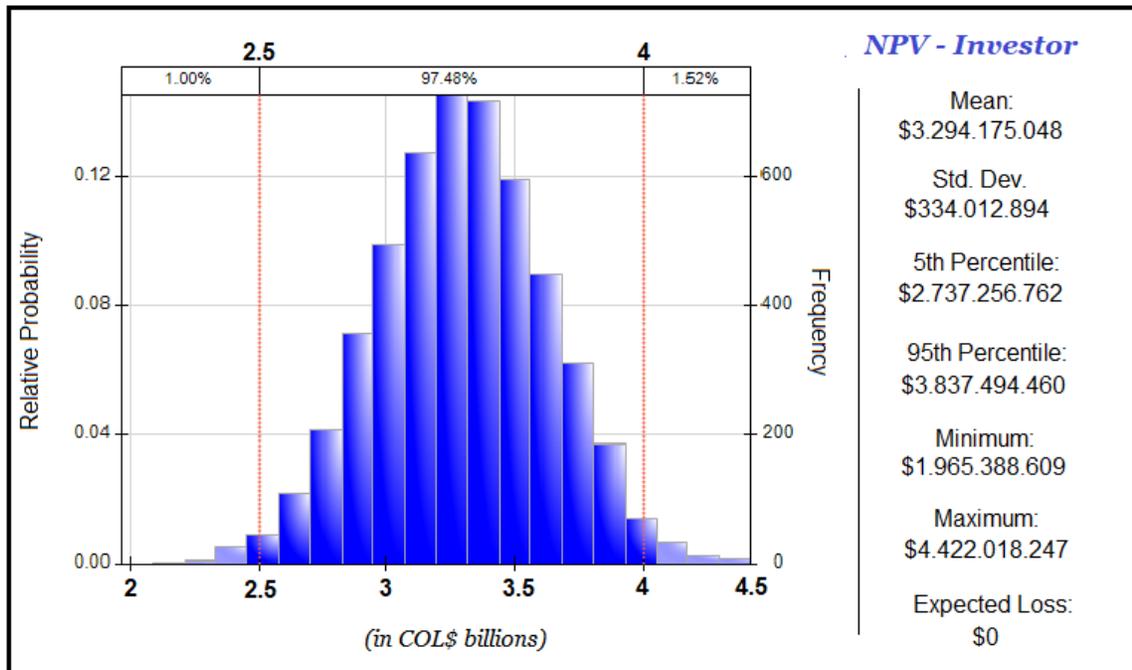
From an investor perspective, after debt obligations, the cash flows gain considerably more value than in the first simulation. The second 5,000-trial simulation results in an average investor NPV of COL\$ 3.294.175.048, with no expected loss. Although the minimum possible NPV that can be obtained in this case is COL\$ 1.965.388.609, a maximum NPV of COL\$ 4.422.018.247 can be gained, and the probability of earning an investor NPV less than COL\$ 2.5 billion is just 1%. Therefore, as summarized in Figure 86, it can be expected that the proposed hotel project yield a NPV of COL\$ 2.5 and COL\$ 4 billion for its investors with a 97.48% certainty. In stark contrast, results from the first simulation proved that no positive NPV could be achieved by investors from their investment in the project; instead, they would lose an average COL\$ -2.651.056.970, a minimum of COL\$ -1.215.818.746 and a maximum of COL\$ -4.093.793.898 (Figure 81). At a first glance, with these changes, the project now seems to be viable for its investors as well.

Figure 85: NPV – Operation: Second Stochastic FCF Model Simulation Results



Source: Analytic Solver Platform; Own Elaboration.

Figure 86: NPV – Investor: Second Stochastic FCF Model Simulation Results



Source: Analytic Solver Platform; Own Elaboration.

As illustrated by Figure 87, the average Present Value (PV) of the operational cash flows are practically always positive, except during the first year of operations, where a minor negative cash flow of COL\$ -18.865.772 can be expected. On the other hand, the average PV of investor cash flows become positive as of year six of operations, precisely when business maturity is reached and the hotel is able to sustain an average annual occupancy between 65% and 75%. Logically, after ten years of operation, the PV of investor cash flows remain typically stable, averaging COL\$ 139.007.415. It should be noted that one year after years multiples of six and five end, such as year 7, 11, 13 and 16, an upward spike in cash flows occur, due to the salvage value of assets reaching the culmination of their useful life.

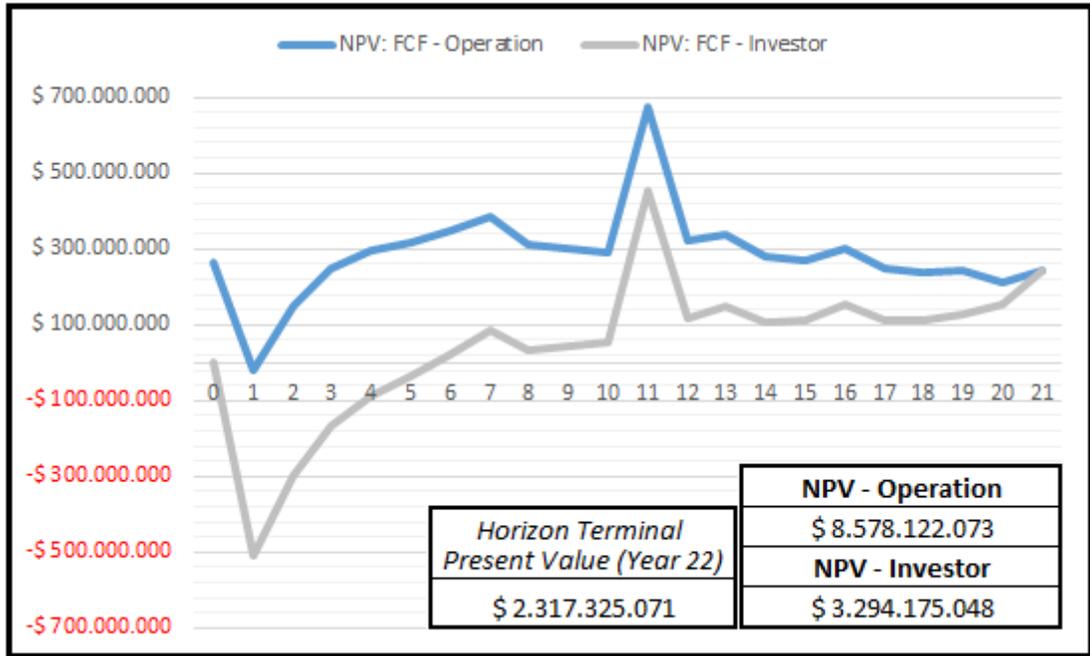
Meanwhile, at the project horizon (year 22), when Cost of Capital – **CK** remains constant after the 20-year debt is paid off, the average terminal value of both the operational and investor cash flows is COL\$ 2.317.325.071. With the second 5,000-trial simulation producing a mean operational NPV of COL\$ 8.578.122.073 and a mean investor NPV of COL\$ 3.294.175.048, it can be concluded that most of the project's operational value is derived from the 21 years of operation before the horizon value at year 22, and that, in juxtaposition, most of the project's true value for company shareholders is resultant from the horizon value. In general, only 27.01% of operational NPV comes from the terminal value, while a staggering 70.35% of investor NPV comes from the same terminal value.

This analysis is interesting, because it evidences that the Fairfield Inn and Suites hotel project is a life-long investment for company shareholders: the project acts as a savings account with a relatively high annual return. The simulation proves that stability for investors can be achieved after suffering some losses before reaching business maturity at year 6 of operations. Moreover, even though operational margins are high, justified by elevated NOI, Net Profits and operational NPV levels, the initial investment remains considerably expensive, and the bank continues to absorb a great part of profits with interest and deposit payments. In effect, the difference between the mean operational NPV and the mean investor NPV is COL\$ \$ 5.283.947.025. Of the total operational NPV of COL\$ 8.578.122.073, 38.40% (COL\$ 3.294.175.048) pertains to the investor NPV. The main palpable difference in this second simulation is that, this time, company investors are actually gaining a return, instead of always suffering losses in the first simulation. In either case, the bank remains the major beneficiary of the Fairfield Inn and Suites by Marriott Medellín.

Obviously, in this second simulation, investors are now obtaining value from the proposed hotel project's operations, but the question of whether the investment is worthwhile remains. Figure 88 showcases the second simulation's results for the Investor Internal Rate of Return (IRR). Of 5,000 trials, on average, an IRR of 9.54% was obtained. With the change in capital structure, debt and cost of debt, an average Cost of Capital – **CK** of 8.36% was computed (Refer to Item 8, Annex 15), which implies that the project should provide a return no less than 8.36% in order for the investment to be worthwhile for company stakeholders. However, while the project is likely to generate an IRR of 9.54%, the probability of yielding an IRR of 8.36% or less is quite great: 27.02%. As a result, the perceived risk may be too high for potential investors, although it should be expected that the Fairfield Inn and Suites hotel project return anywhere between 8.37% and 19.27% with a 72.98% certainty, in which case, the project would be feasible and worthwhile for investors.

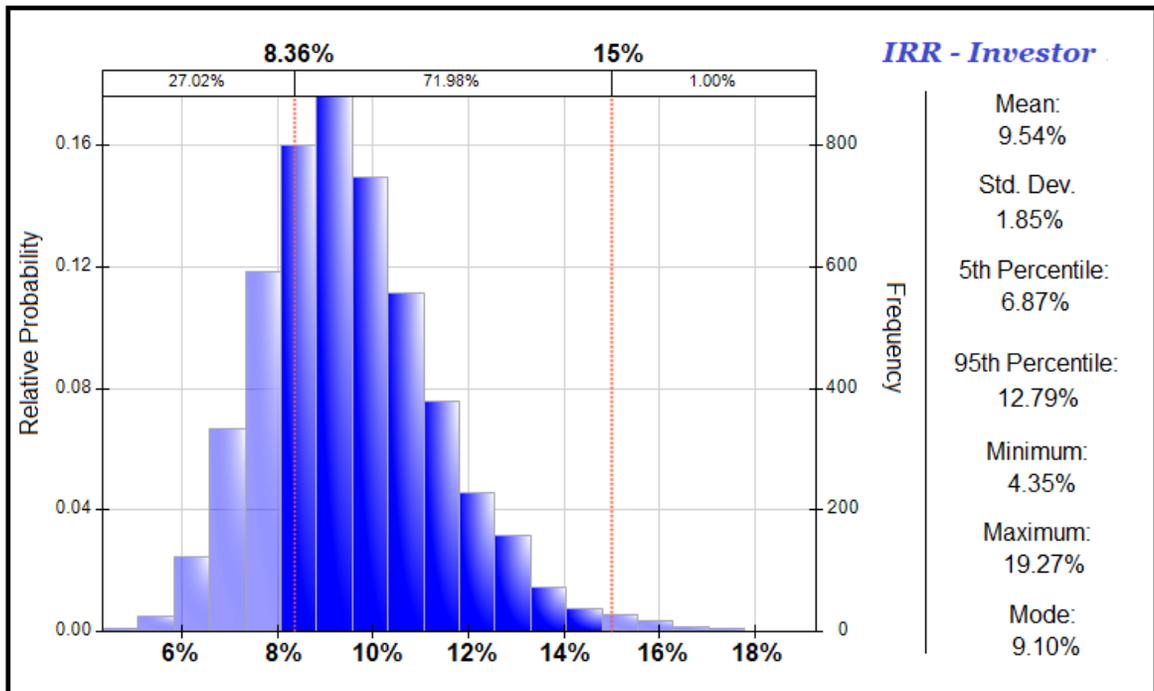
In conclusion, by re-assembling the company's capital structure to 65% equity and 35% debt, acquiring a lower interest rate (9% annual interest), and requiring a lower initial investment (COL\$ 30.311.989.258), the Fairfield Inn and Suites by Marriott Medellín becomes financially feasible for investors, not just from an operational standpoint, albeit the risk that the project is able to generate a return high enough to persuade investors may be too high (27.02%), therefore, the decision to invest in the project depends ultimately on the investor's risk tolerance.

Figure 87: Average PV Cash Flows: Second Stochastic FCF Simulation Results



Source: Own Elaboration.

Figure 88: IRR – Investor: Second Stochastic FCF Simulation Results



Source: Analytic Solver Platform; Own Elaboration.

3.4.9 Analysis of Results and Final Recommendation of Investment

Summarizing, the Sensitivity, or What-If, Analysis performed on the deterministic Base-Case FCF Model in numeral 3.4.6 concluded that, of the variables that can be controlled by Medellín Hospitality S.A.S. and that greatly affect operational and investor NPV output, a special consideration must be made in three main aspects: Revenue Management (ADR and Occupancy levels), Cost Management (Particularly Payroll) and Capital Budgeting (Specifically, the elevated initial investment, capital structure and cost of debt). Even though cost management should not be undermined, it is better to have a highly motivated workforce by paying them generously, as success in the industry is greatly influenced by the optimization of human talent and productivity. Revenue is the most important factor in the NPV calculation, therefore, an important effort to maximize ADR and Occupancy must be made continuously. However, forecasting revenue is difficult in the business due to the highly volatile and ever-changing marketplace. In consequence, main focus and attention in this Financial Study was placed on the Fairfield Inn and Suites by Marriott Medellín's capital budgeting.

The first of the 5,000-trial simulations performed on the Stochastic FCF Model with Analytic Solver Platform yielded fascinating results. The proposed hotel project was clearly competing and succeeding in the hospitality sector in Medellín, with NOI levels reaching 40% on average. However, financing the exceedingly high investment of COL\$ 32.475.013.704 with almost 50% debt at 10.40% annual interest created humongous debt obligations that were barely covered by operational margins, producing almost 0% net profit after tax. After depreciation was re-added, operational cash flows became positive, generating a formidable operational NPV of COL\$ 5.088.689.685. Nevertheless, the bank consumed all operational profits, leaving only heavy losses to company investors. With this capital structure, stakeholders would have lost greatly: average investor NPV was a terrible COL\$ - 2.651.056.970. Obviously, project returns would never have created a profit for investors and would never be close to being feasible for company stakeholders.

In consequence, changes were made to the model, in pursuance of deeming it feasible to the investor, but only the project's capital structure was re-assembled. It was assumed that the project could require a minimum investment of COL\$ 30.311.989.258 through meticulous and effective project management, and that a lower cost of debt of 9% annual interest could be secured due to the company's financial backing assurances, and a debt to equity ratio of 35% to 65% was established. The second of the 5,000-trial simulations performed on the Stochastic FCF Model with Analytic Solver Platform produced similar, and improved, results from an operational viewpoint, but entirely different results from an investor standpoint. With these changes, investor cash flows became positive, stabilizing after reaching business maturity in year six of operations, generating an average NPV of COL\$ 3.294.175.048. The bank still managed to absorb most operational profits, but this time around, investors managed to secure a 38% of operational NPV to themselves. Nonetheless, a perceived risk surrounding project feasibility for investors ensued. The probability that the project returns less than 8.36%, the minimum return demanded by the Weighted Average Cost of Capital (WACC), is quite high: 27.02%. Although it should be expected, with a 72.98% certainty, that the proposed hotel project generates a return higher than 8.36%, guaranteeing financial feasibility for investors, the final decision of investment depends on the investor's risk tolerance.

In sum, it is recommended to potential investors to not invest in the Fairfield Inn and Suites by Marriott Medellín hotel if the initial investment exceeds the COL\$ 30.5 billion mark, or if the project is to be financed with 50% debt and 20-year loans at more than 10% interest rate. Investing in such a capital intensive project requires financial aplomb and backing, therefore, depending on debt to fund the project may bring disastrous losses to investors if hotel performance is not exceptional, unless the cost of debt is low. Hence, the total initial investment must be managed to minimize the most expensive elements. If it is not possible to lower the initial investment, then a debt to equity ratio of at least 35% to 65%, perhaps 30% to 70%, must be guaranteed to finance the project's start-up and alleviate the expenses brought on by colossal debt payments in order for investors to turn a profit.

4 CONCLUSIONS AND FINAL CONSIDERATIONS

The hospitality industry is one of the most exciting and rewarding businesses to work in. The volatility of the market, and specially, the unpredictability of its primary objective, that is, human beings, makes the industry equally fascinating and frustrating and no single day at work the same. "Exciting" is the word many use to describe the hospitality sector, but it can also be "Disastrous" if it is not one's cup of tea. Undoubtedly, passion is essential for working in the business, and is exceptionally important when venturing into the sector as an entrepreneur.

Launching a world-class lodging establishment is painstakingly difficult: the risks are many, and the reward can be correspondingly as large as the potential loss. Albeit passion is important, it is essential to have deep knowledge not only of the inner workings of a hotel, but of the immediate external environment that affects the hotel, directly or indirectly. Before deciding to venture into the hospitality sector with thousands and up to millions of dollars, an intricate and thorough study must be performed. Feasibility studies are crucial in the successful launch and maintenance of any hotel, particularly in situations where the initial investment is extremely elevated and the uncertain variables are plentiful, as in the case of the franchised Fairfield Inn and Suites by Marriott hotel project proposed in this thesis paper. A well-elaborated and meticulous Feasibility Study will allow the entrepreneur to holistically understand all variables, risks, rewards, assumptions and requirements involved in the launching of a hotel property. In contrast, proceeding into the mysterious, bizarre and complex world that is the hospitality industry blind, without any foundations and understanding of internal and external factors, is adding additional, unnecessary risk to the already perilous investment it represents.

However, if the decision to progress into the business is studied carefully, the risks are assessed, and the requirements are met, then the investment in a fully operational and prepared hotel project can be incredibly profitable over time, and it may just be the only investment in life that needs to be made, acting as a savings account with incredible returns. Needless to say, it is easier said than done. For a hotel to be profitable, from an operational and investor standpoint, a tremendous, perpetual effort must be made by everyone invested in its survival, including shareholders, managers and employees. Revenue and expenses must be managed masterfully on a daily basis, and above all, a hotel that plans to endure and progress over time must be remarkably well-funded. Financial muscle is essential to success, and without proper capital budgeting, the project may indeed become a disastrous investment with hefty losses and no easy way out.

Once invested in the business, exit costs are elevated and there are few options to liquidate hotel assets. In consequence, unless the investor is looking to use hotel properties as bargaining chips for other business ventures, once the investor is truly devoted in the business, it becomes a life-long commitment. Feasibility Studies are, as a result, paramount for hotel entrepreneurs; an extremely well-elaborated Feasibility Study will go a long way in determining success in the industry. Together with passion, knowledge, devotion, patience and skill, great profits and benefits, for community and investors alike, can be amassed by venturing into the exciting world of hotels. In conclusion, the message outlined in this thesis paper to all entrepreneurs, not only those interested in the hotel business, is to evaluate a potential business opportunity thoroughly and conscientiously with a proper, and well-documented, Feasibility Study.

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ANNEXES

ANNEX 1: ATTRACTIVENESS OF INVESTMENT IN SECTOR: SHM

CRITERIA	Very Low	Low	Medium	High	Very High	Importance	Total	%
1. MARKET ATTRACTIVENESS						20%	4,20	84,00%
Market growth rate	1	2	3	4	5	15,0%	0,75	
Supply	5	4	3	2	1	15,0%	0,30	
Demand	1	2	3	4	5	15,0%	0,75	
Market profitability	1	2	3	4	5	15,0%	0,60	
Price trends	1	2	3	4	5	7,0%	0,21	
Purchase power of the target segments	1	2	3	4	5	7,0%	0,35	
Possibility of economies of scale	1	2	3	4	5	6,0%	0,30	
Innovation opportunities	1	2	3	4	5	6,0%	0,24	
Structure and geographic coverage of the distribution channels available	1	2	3	4	5	7,0%	0,35	
Existence and size of international markets	1	2	3	4	5	7,0%	0,35	
2. INTENSITY OF COMPETITION						15%	2,57	51,40%
Number of competitors and market share	5	4	3	2	1	15,0%	0,15	
Years of competition operation	5	4	3	2	1	10,0%	0,20	
Marketing, promotion and advertising activities	5	4	3	2	1	12,0%	0,24	
Price Competitivity	5	4	3	2	1	15,0%	0,30	
Own Differentiation Relative to Competition	1	2	3	4	5	18,0%	0,72	
Own Positioning Relative to Competition	1	2	3	4	5	18,0%	0,72	
Level of service perceived by the competition's customers	5	4	3	2	1	12,0%	0,24	
3. STABILITY OF THE ENVIRONMENTS						15%	3,50	70,01%
Social Environment:						15,0%	4,20	
Population size and age distribution	1	2	3	4	5	15,0%	0,60	
Income levels and levels of training	1	2	3	4	5	25,0%	1,00	
culture and attitudes	1	2	3	4	5	15,0%	0,75	
Relevant cultural values	1	2	3	4	5	20,0%	0,80	
Traditional cultural values	1	2	3	4	5	10,0%	0,30	
Styles and habits of life	1	2	3	4	5	15,0%	0,75	
Economic Environment:						28,0%	3,89	
Growth of the Gross Domestic Product (GDP)	1	2	3	4	5	10,0%	0,40	
Minimum Salary	1	2	3	4	5	5,0%	0,15	
Consumer confidence	1	2	3	4	5	8,0%	0,32	
Unemployment	5	4	3	2	1	5,0%	0,20	
Industrial Productivity	1	2	3	4	5	10,0%	0,30	
Inflation rate	5	4	3	2	1	7,0%	0,07	
Industry risk	5	4	3	2	1	10,0%	0,20	
Investor confidence	1	2	3	4	5	15,0%	0,75	
Exchange Rates	5	4	3	2	1	15,0%	0,75	
Future growth tendencies	1	2	3	4	5	15,0%	0,75	
Political Environment:						20,0%	3,25	
Political Scenario	1	2	3	4	5	25,0%	1,00	
Stability	1	2	3	4	5	25,0%	0,75	
Political Risk	5	4	3	2	1	25,0%	0,50	
Restrictions on international financial flows	5	4	3	2	1	25,0%	1,00	
Legal Environment:						22,0%	3,11	
Legislation on industrial and intellectual property	1	2	3	4	5	10,0%	0,30	
Employment security laws	1	2	3	4	5	10,0%	0,20	
Union laws	1	2	3	4	5	10,0%	0,30	
Commercial legislation	1	2	3	4	5	11,0%	0,44	
Environmental legislation	1	2	3	4	5	12,0%	0,24	
Municipal licenses	1	2	3	4	5	12,0%	0,48	
Legislation that encourages investment	1	2	3	4	5	20,0%	1,00	
Levels of individual and corporate taxes	5	4	3	2	1	15,0%	0,15	
Physical-structural environment:						15,0%	2,98	
Roads	1	2	3	4	5	10,0%	0,20	
Marine Ports	1	2	3	4	5	10,0%	0,20	

Airports	1	2	3	4	5	25,0%	1,25	
Metro/subway system	1	2	3	4	5	10,0%	0,20	
Hospitals	1	2	3	4	5	5,0%	0,15	
Education institutions	1	2	3	4	5	17,0%	0,34	
Health systems	1	2	3	4	5	5,0%	0,10	
Communications systems	1	2	3	4	5	18,0%	0,54	
4. STRENGTHS OF THE BUSINESS						15%	4,30	86,00%
Basic business competences	1	2	3	4	5	5,0%	0,25	
Access to distribution channels	1	2	3	4	5	8,0%	0,32	
Qualification of human resources	1	2	3	4	5	7,0%	0,35	
Market participation	1	2	3	4	5	5,0%	0,20	
Innovation capacity	1	2	3	4	5	4,0%	0,16	
Return on investment	1	2	3	4	5	6,0%	0,30	
Service quality	1	2	3	4	5	1,0%	0,04	
Diversification of goods and services	1	2	3	4	5	4,0%	0,12	
Differentiation	1	2	3	4	5	4,0%	0,16	
Positioning	1	2	3	4	5	7,0%	0,28	
Relative value of brand and trademark	1	2	3	4	5	7,0%	0,35	
Level of customer service	1	2	3	4	5	10,0%	0,50	
Relative cost position	5	4	3	2	1	7,0%	0,14	
Strength of culture and organizational climate	1	2	3	4	5	6,0%	0,30	
Leadership capacity	1	2	3	4	5	4,0%	0,16	
Teamwork Performance	1	2	3	4	5	6,0%	0,24	
Knowledge management and learning	1	2	3	4	5	3,0%	0,15	
Access to sources of financing and investment	1	2	3	4	5	5,0%	0,25	
Research and productivity	1	2	3	4	5	1,0%	0,03	
5. MARKET GAPS						10%	3,72	74,40%
Efficiency of the business model	1	2	3	4	5	7,0%	0,28	
Market participation	1	2	3	4	5	6,0%	0,18	
Focus on Target Market	1	2	3	4	5	7,0%	0,35	
Entry of new competitors	5	4	3	2	1	5,0%	0,20	
Demand volatility	5	4	3	2	1	5,0%	0,15	
Buyer's perception of the price / value ratio received	5	4	3	2	1	10,0%	0,10	
Structure and stability of the distribution and service channels	1	2	3	4	5	7,0%	0,35	
Degree of dependence on distribution channels	5	4	3	2	1	7,0%	0,35	
Geographic coverage of the distribution	1	2	3	4	5	7,0%	0,28	
Customer loyalty	1	2	3	4	5	10,0%	0,50	
Publicity communication	1	2	3	4	5	5,0%	0,15	
Programmed offer of promotions	1	2	3	4	5	3,0%	0,09	
Entry Barriers	5	4	3	2	1	5,0%	0,05	
Historical stability of market share	1	2	3	4	5	4,0%	0,16	
Compliance with budgeted gross sales profit	1	2	3	4	5	4,0%	0,16	
Repurchase level (Revisit of satisfied customers)	1	2	3	4	5	5,0%	0,25	
Use of the product or service of the company by consumers	1	2	3	4	5	3,0%	0,12	
6. TECHNOLOGICAL GAPS IN INDUSTRY						10%	3,57	71,40%
Life cycle of technologies in use	1	2	3	4	5	10,0%	0,40	
Distance of the state of the art in hard technologies	1	2	3	4	5	10,0%	0,40	
State of the art distance in soft technologies	1	2	3	4	5	10,0%	0,40	
Technological surveillance system	1	2	3	4	5	7,0%	0,21	
Knowledge and innovation management	1	2	3	4	5	20,0%	0,80	
Availability of a functional research structure	1	2	3	4	5	5,0%	0,15	
Development and innovation (R + D + i)	1	2	3	4	5	15,0%	0,60	
Degree of productive interaction of work teams	1	2	3	4	5	15,0%	0,45	
Annual plan for the development and launch of new products and services	1	2	3	4	5	4,0%	0,08	
Innovation projects in tests versus the industry leader	1	2	3	4	5	4,0%	0,08	
7. ALLIANCES AND COOPERATION						15%	3,98	79,60%
Strategic alliances	1	2	3	4	5	17,0%	0,85	
Alliances and agreements with competitors	1	2	3	4	5	6,0%	0,18	
Joint ventures	1	2	3	4	5	12,0%	0,48	
Temporal Unions	1	2	3	4	5	11,0%	0,44	
Outsourcing	1	2	3	4	5	8,0%	0,24	
Agreements with third parties	1	2	3	4	5	12,0%	0,60	
Participation in R & D + i networks	1	2	3	4	5	5,0%	0,20	
Social Networking	1	2	3	4	5	5,0%	0,20	
Franchises and licenses	1	2	3	4	5	8,0%	0,40	
Joint projects with institutes and research centers	1	2	3	4	5	3,0%	0,06	
Participation in productivity networks	1	2	3	4	5	3,0%	0,03	
Open innovation systems	1	2	3	4	5	5,0%	0,15	
Collaborative networks	1	2	3	4	5	5,0%	0,15	
TOTAL						100%	3,72	74,43%

ANNEX 2: HOTEL INVENTORY LIST IN MEDELLÍN

HOTEL	NEIGHBORHOOD	COMMUNE
HOTEL SANTA ANA	AGUACATALA	14
APARTA HOTEL BULERIAS	AMERICA	11
HOTEL ROXY	AVENIDA 33	11
HOTEL BELEN PLAZA	BELEN	16
HOTEL EL DEPORTISTA	BOMBONA	10
HOTEL CALASANZ REAL	CALASANZ	11
POBLADO CAMPESTRE	CAMPESTRE	14
HOTEL AROMAX DEL CAMPESTRE	CAMPESTRE	14
CLUB CAMPESTRE MEDELLÍN	CAMPESTRE	14
HOTEL LINES	CARABOBO	10
FONTAN BLUE	CENTRO	10
HOTEL LAS RAMPAS	CENTRO	10
GRAN HOTEL	CENTRO	10
HOTEL LATINO MEDELLÍN	CENTRO	10
HOTEL CHN	CENTRO	10
COMPAÑÍA DEL HOTEL NUTIBARA	CENTRO	10
HOTEL JUNIMAR	CENTRO	10
HOTEL SAN ESTEBAN	CENTRO	10
HOTEL PANORAMA	CENTRO	10
HOTEL DAVINCHI REAL	CENTRO	10
HOTEL NUEVO SAMARITANO	CENTRO	10
HOTEL PLAZUELA SAN IGNACIO	CENTRO	10
HOTEL LA MARQUESA	CENTRO	10
HOTEL MONARCA	CENTRO	10
HOTE CALLE REAL	CENTRO	10
HOTEL MANZANARES	CENTRO	10
HOTEL PLAZA MAYOR	CENTRO	10
HOTEL PLAZA CARACAS	CENTRO	10
HOTEL CONQUEST 33	CONQUISTADORES	11
CASA HOTEL MADISON	CONQUISTADORES	11
HOTEL PARADISE BULERIAS	CONQUISTADORES	11
TERRA BIOHOTEL	CONQUISTADORES	11
HOTEL PARQUE DEL RIO MEDELLIN	CONQUISTADORES	11
CASA DE HUESPEDES HOTEL OBELISCO	ESTADIO	11

CASA HOTEL PORTAL MARINILLO	ESTADIO	11
HOTEL CASONA DE LA 70	ESTADIO	11
INVERSIONES HOTELERA LOS SAUCES	ESTADIO	11
HOTEL VILLAS DEL ESTADIO	ESTADIO	11
EGINA MEDELLIN	ESTADIO	11
HOTEL ESTADIO REAL	ESTADIO	11
HOTEL PORTON ESTADIO	ESTADIO	11
HOTEL CONFORT OBELISK	ESTADIO	11
HOTEL BARCELONA ESTADIO	ESTADIO	11
HOTEL GRAN COLOMBIA	ESTADIO	11
HOTEL MANAGER OBELISK	ESTADIO	11
CASA HOTEL MI TERRAZA	ESTADIO	11
HOSPEDAJE VIENTOS DEL ESTE	ESTADIO	11
HOTEL D'LUSSO	ESTADIO	11
HOTEL BALCONES DEL ESTADIO	ESTADIO	11
HOTEL COLOMBIA REAL	ESTADIO	11
HOTEL TRYP	ESTADIO	11
HOTEL LOTUS	ESTADIO	11
HOSTAL PORTON DEL ESTADIO	ESTADIO	11
HOTEL CASA MAYOR	ESTADIO	11
APARTA HOTEL MONTES	ESTADIO	11
HOTEL LOS MOLINOS	ESTADIO	11
COLLINS HOTEL	ESTADIO	11
THEMATIC SUITES	ESTADIO	11
HOTEL LEUROZ	ESTADIO	11
HOTEL VILLA REAL	ESTADIO	11
HOSTAL TROYA	ESTADIO	11
HOTEL NORMANDIA	ESTADIO	11
HOTEL BOTERO MEDELLIN	ESTADIO	11
HOTEL SAN PEDRO DEL FUERTE	FLORESTA	11
ALMAVIVA CASA HOTEL	FLORIDA	11
HOTEL MED	FLORIDA NUEVA	11
HOTEL VITTA PARK	FLORIDA NUEVA	11
HOTEL PRINCE PLAZA	FLORIDA NUEVA	11
HOTEL FLORIDA INN	FLORIDA NUEVA	11
HOTEL PORTON DE LA 10	GUAYABAL	11
HOTEL SOLAR CASA LAURELES	LAURELES	11
HOTEL CASA BLANCA	LAURELES	11
HOTEL LOBBY PARK	LAURELES	11
HOTEL AMBAR	LAURELES	11

HOTEL PALMA 70	LAURELES	11
HOTEL CABO DELA VELA	LAURELES	11
HOTEL VIVRE	LAURELES	11
HOTEL BOUTIQUE LAURELES MEDELLIN	LAURELES	11
HOTEL BOLIVARIANA PLAZA	LAURELES	11
VIP HOTEL 70	LAURELES	11
HOTEL LA BELLA VIDA 70	LAURELES	11
HOTEL FLORIDA NUEVA	LAURELES	11
HOTEL PLAZA 70	LAURELES	11
HOTEL LYON	LAURELES	11
HOTEL IMPERIO LA 70	LAURELES	11
HOTEL DORADO 70	LAURELES	11
HOTEL MIDAS	LAURELES	11
LUKAS HOTEL	LAURELES	11
HOTEL MERLOTT	LAURELES	11
THE WANDERING PAISA HOSTEL	LAURELES	11
HOTEL MEDITERRANEO	LAURELES	11
HOTEL VERONY SAN JOAQUIN	LAURELES	11
H 5TA AVENIDA HOTEL	LAURELES	11
HOTAL ZANDALO	LAURELES	11
HOTEL PRIMAVERA PLAZA	LAURELES	11
NIRVANA HOTEL	LAURELES	11
SUITE COMFORT	LAURELES	11
HOTEL PARQUE 70	LAURELES	11
YOUR HOME AWAY FROM HOME	LAURELES	11
HOTEL ASTURIAS	LAURELES	11
HOTEL EL RAMI	LAURELES	11
HOTEL PARADISE LA 33	LAURELES	11
CASA HOTEL SOL DE LAURELES	LAURELES	11
HOTEL GOLDEN PALERMO	LAURELES	11
HOTEL TERRANOVA	LAURELES	11
HOTEL GIRASOL 70	LAURELES	11
BALCONES DE LA 70	LAURELES	11
HOTEL LOS RECUERDOS	LAURELES	11
HOTEL PORTON COLONIAL	LAURELES	11
PLATINUM PLAZA HOTEL	LAURELES	11
HOTEL COLONIAL LA 80	LAURELES	11
INNTU HOTEL	LAURELES	11
LUXURY 33	LAURELES	11
LAURELES PARK HOTEL	LAURELES	11

TEKA HOTEL	LAURELES	11
LOBBY HOTEL	LAURELES	11
SAFFIRE SUITES HOTEL	LAURELES	11
BULERIAS	LAURELES	11
D'CAPRICE	LAURELES	11
WHITHE HOUSE HOTEL	LAURELES	11
SPA HOTEL	LAURELES	11
CASA HOTEL JARDIN	LAURELES	11
HOTEL SANTORINI 70	LAURELES	11
HOTEL LAURELES 70	LAURELES	11
HOTEL LINCOLN	LAURELES	11
HOTEL CONQUISTADORES	LAURELES	11
HOTEL PARK 6	LAURELES	11
HOTEL CASA NUEVA	LAURELES	11
MOLICIE HOTEL Y SPA	LOS COLORES	11
DIEZ HOTEL CATEGORIA COLOMBIA	POBLADO	14
HOTEL ZONA A	POBLADO	14
HOTEL DIX	POBLADO	14
HOTEL PARQUE PLAZA	POBLADO	14
TIGER PAW HOSTEL	POBLADO	14
HOTEL FLORENCIA PLAZA	POBLADO	14
BINN HOTEL MEDELLIN	POBLADO	14
HOTEL PARADISE LLERAS	POBLADO	14
IN HOUSE THE HOSTEL	POBLADO	14
KOLOR BOUTIQUE HOTEL	POBLADO	14
HOTEL ACQUA EXPRESS	POBLADO	14
ELEMENT HOTEL	POBLADO	14
LAS ROSAS HOTEL BOUTIQUE	POBLADO	14
HOTEL LA CASA FLEUR	POBLADO	14
ART HOTEL	POBLADO	14
HOTEL PLAZA ROSA	POBLADO	14
PARK 10	POBLADO	14
THE CHARLEE LIFESTYLE HOTEL	POBLADO	14
APARTAMENTOS ESTELAR	POBLADO	14
HOTEL ESTELAR MILLA DE ORO	POBLADO	14
ESTELAR BLUE	POBLADO	14
HOTEL DANN CARLTON MEDELLÍN	POBLADO	14
LEBLON SUITE-HOTEL	POBLADO	14
HOLIDAY IN EXPRESS	POBLADO	14
HOTEL POBLADO PLAZA	POBLADO	14

HOTEL ALAMEDA DE LA 10	POBLADO	14
LOYDS HOTEL	POBLADO	14
HOTEL LLERAS PREMIUM	POBLADO	14
HOTEL TORRE POBLADO	POBLADO	14
BLACK SHEEP	POBLADO	14
SITES 45	POBLADO	14
ALCAZAR DE PATIO BONITO	POBLADO	14
HOTEL POBLADO ALEJANDRIA	POBLADO	14
NH COLLECTION ROYAL MEDELLIN	POBLADO	14
WAYPONIT HOSTEL	POBLADO	14
HOTEL AFINITY	POBLADO	14
FOUR POINTS BY SHERATON	POBLADO	14
HOTEL IBIS MEDELLIN	POBLADO	14
BEST WESTERN SKY PLUS HOTEL	POBLADO	14
ALCAZAR DE OVIEDO	POBLADO	14
SPRING CITY HOSTEL	POBLADO	14
NOVELTY SUITES	POBLADO	14
HOTEL SAN FERNANDO PLAZA	POBLADO	14
HOTEL PORTON MEDELLIN	POBLADO	14
KASA GALERIA	POBLADO	14
LLERAS GREEN HOTEL	POBLADO	14
HOTEL HABANA VIEJA	POBLADO	14
VILLA DE LOS ANGELES	POBLADO	14
HOTEL CYAN SUITES	POBLADO	14
HOTEL CAMPANA BOUTIQUE	POBLADO	14
HOTEL PLAZA GRANADA	POBLADO	14
HOTEL CASA VICTORIA	POBLADO	14
THE MORGANA POBLADO SUITES HOTEL	POBLADO	14
HOTEL POBLADO BOUTIQUE-EXPRESS	POBLADO	14
SUMER WINO HOTEL	POBLADO	14
HOTEL CONEJOS Y CONEJOS	POBLADO	14
HOTEL MERLOTT LLERAS	POBLADO	14
CALLE 10 EXPRESS	POBLADO	14
HOTEL DU PARC BOUTIQUE MEDELLIN	POBLADO	14
GOLDEN SUITES HOTEL	POBLADO	14
HOTEL LLERAS 10	POBLADO	14
LQ HOTEL LA QUINTA	POBLADO	14
HOTEL PREMIUM REAL	POBLADO	14
HOTEL INTERCONTINENTAL MEDELLÍN	POBLADO	14
BH HOTEL	POBLADO	14

ALOJAMIENTOS EMPRESARIALES Y TURISTICOS MEDELLIN	POBLADO	14
HOTEL CASA LLERAS	POBLADO	14
HOTEL NATURA MEDELLÍN	POBLADO	14
HAMPTON BY HILTON MEDELLIN (NEW)	POBLADO	14
MEDELLIN MARRIOTT HOTEL (NEW)	POBLADO	14
HOTEL NUEVO CAPITOLIO	PRADO	10
HOTEL NUEVO CRISTAL	PRADO	10
HOTEL SAN DIEGO PLAZA	SAN DIEGO	14
HOTEL MIRADOR DE SAN JOAQUIN	SAN JOAQUIN	11
HOTEL SAN JOAQUIN PLAZA #1	SAN JOAQUIN	14
HOTEL GRAN IMPERIO	SAN JOAQUIN	11
HOTEL JC43	SAN JOAQUIN	11
HOTEL EL PORTON DE SAN JOAQUIN	SAN JOAQUIN	11
PICASSO HOTEL	SAN JOAQUIN	11
HOTEL ESPLENDOR	SAN JUAN	11
HOTEL VILLA DE SAN JUAN	SAN JUAN	11
HOTEL ZONA BLANCA	SAN JUAN	11
HOTEL SAN JUAN 70	SAN JUAN 70	11
SENIOR'S CLUB SAN LUCAS	SAN LUCAS	14
HOTEL CENTRAL PARK	SEVILLA	10
HOSTEL MORAL SPRING	SURAMERICANA	11

ANNEX 3: QUALITATIVE INVESTIGATION QUESTION STRUCTURE

(ENGLISH VERSION)

- i. *For the Interview with an expert on the hotel industry (professional who works in the field):*
 1. *In your experience, what traits or characteristics do customers who travel for professional reasons have in common? On average, how long is a business traveler's stay at a hotel?*
 2. *How would you describe the typical purchase process implemented by hotel guests who travel for professional motives, in other words, business, investment, conferences, among others? Are there any intermediaries that affect the process? If so, who are they, and how do they affect the process?*
 3. *In your experience, what do clients who travel for professional reasons look for in a hotel? What type of service has to be offered, and what type of corporate culture has to be present?*
 4. *In your experience, what services have to be offered in a hotel that wishes to attract guests who travel for professional motives? Additionally, what physical establishments should be present in the hotel, in other words, cafés, bars, pools, spa, and gymnasium, among others?*
 5. *How does a franchised hotel (Marriott, Hilton, among others) compare with a new, unknown brand? What advantages and disadvantages do both options have? What effect, if there is any, does the brand loyalty of franchised hotels have on attracting customers who travel for professional reasons? In other words, which is preferable to attract these type of customers?*
 6. *How can hotels create and improve brand loyalty with guests who travel for professional reasons?*
 7. *In your experience, taking into account the services offered, hotel structure and hotel brand defined earlier, at least how many rooms should the hotel have, and what ADR (Average Daily Rate) range would the customer who travels for professional reasons be willing to pay? What is a healthy average occupancy level for the hotel, and what is a healthy cost structure for the hotel?*
 8. *What promotional or communication strategy should the hotel have to reach, attract and retain guests who travel for professional reasons? In other words, how should the hotel communicate with these clients?*

- ii. *For interviews with a people who travel for professional reasons and stay in hotels and for the focus group with five different people who travel for professional reasons and stay in hotels (In the case that they do not choose the hotel they stay in, they may answer the question based on what they believe is best).*
1. *How often do you travel for professional reasons (business, investment, conferences, among others) and which of those are the main reasons you travel for? Do you always stay at hotels?*
 2. *Describe your purchase process. Who is responsible for making the final decision (or who pays for your stay), and what steps are taken when searching for a hotel? Are there any intermediaries that affect the process? If so, who are they, and how do they affect the process?*
 3. *What do you look for in a hotel? What type of service and corporate culture has to be offered by hotel employees for you to be satisfied with your stay?*
 4. *What services and physical instalations (Cafés, bars, pools, spa, and gymnasium, among others) do you believe have to be offered in the hotel for you to be completely satisfied with your stay?*
 5. *What hotel brand would you prefer to choose, and why? In the case of having to choose between two hotels that offer the exact same services, installations and service quality, but differ in brand and in price, one being a recognized and powerful brand and the other being a new and less recognized brand, which one would you choose to stay in, and why?*
 6. *How can hotels create and improve brand loyalty with guests who travel for professional reasons?*
 7. *Taking into account the services, installations, and hotel characteristics you defined earlier, what price range would you be willing to pay for staying at the hotel? In other words, how elastic or sensitive are you to price?*
 8. *How do you hear about new hotels, and what is the best way for hotels to communicate with you?*
 9. *What traits or characteristics do you believe business travelers have in common when looking for a hotel?*

QUALITATIVE INVESTIGATION QUESTION STRUCTURE
(SPANISH VERSION)

- i. *Para la entrevista con un experto en la industria hotelera (profesional que trabaja en el campo):*
1. *Según su experiencia, ¿qué rasgos o características tienen en común los clientes que viajan por motivos profesionales? En promedio, ¿cuánto dura la estadía de un viajero de negocios en un hotel?*
 2. *¿Cómo describiría el proceso de compra típicamente realizado por los huéspedes de hotel que viajan por motivos profesionales, en otras palabras, negocios, inversiones, conferencias, entre otros? ¿Hay algún intermediario que afecte el proceso? Si es así, ¿quiénes son y cómo afectan el proceso?*
 3. *En su experiencia, ¿qué buscan los clientes que viajan por motivos profesionales en un hotel? ¿Qué tipo de servicio se debe ofrecer por parte de los empleados del hotel y qué tipo de cultura corporativa tiene que estar presente?*
 4. *En su experiencia, ¿qué servicios se deben ofrecer en un hotel que desea atraer a huéspedes que viajan por motivos profesionales? Además, ¿qué instalaciones físicas deberían estar presentes en el hotel, en otras palabras, cafés, bares, piscinas, spa y gimnasio, entre otros?*
 5. *¿Cómo se compara un hotel franquiciado de marca reconocida (Marriott, Hilton, entre otros) con una marca nueva y desconocida? ¿Qué ventajas y desventajas tienen ambas opciones? ¿Qué efecto tiene, si hay alguno, la lealtad de marca de los hoteles franquiciados de marca reconocida para atraer clientes que viajan por motivos profesionales? En otras palabras, ¿cuál es preferible para atraer a este tipo de clientes?*
 6. *¿Cómo pueden los hoteles crear y mejorar la lealtad de marca con los huéspedes que viajan por motivos profesionales?*
 7. *En su experiencia, teniendo en cuenta los servicios ofrecidos, la estructura del hotel y la marca del hotel definidos anteriormente, al menos, ¿cuántas habitaciones debería tener el hotel, y qué rango de TDP (Tarifa Diario Promedio) estaría dispuesto el cliente que viaja por razones profesionales pagar? ¿Cuál es un nivel de ocupación promedio saludable para el hotel, y cuál es una estructura de costos saludable para el hotel?*
 8. *¿Qué estrategia de promoción o comunicación debe tener el hotel para alcanzar, atraer y retener a los huéspedes que viajan por motivos profesionales? En otras palabras, ¿cómo debe comunicarse el hotel con estos clientes?*

- ii. *Para entrevistas con personas que viajan por motivos profesionales y se quedan en hoteles y para la sesión focal con cinco diferentes personas que viajan por motivos profesionales y se quedan en hoteles (en el caso de que no elijan el hotel en el que permanecen, pueden responder la pregunta según lo que consideren mejor).*
1. *¿Con qué frecuencia viaja por motivos profesionales (negocios, inversiones, conferencias, entre otros) y cuáles de esos son los principales motivos por los que viaja? ¿Siempre se hospeda en hoteles?*
 2. *Describe tu proceso de compra. ¿Quién es responsable de tomar la decisión final (¿Quién paga por tu estadía) y qué pasos se siguen al buscar un hotel? ¿Hay algún intermediario que afecte el proceso? Si es así, ¿quiénes son y cómo afectan el proceso?*
 3. *¿Qué buscas en un hotel? ¿Qué tipo de servicio y cultura corporativa se debe ofrecer por parte de los empleados del hotel para que usted esté satisfecho con su estadía?*
 4. *¿Qué servicios e instalaciones físicas (cafés, bares, piscinas, spa, gimnasio, entre otros) crees que se deben ofrecer en el hotel para que estés completamente satisfecho con tu estancia?*
 5. *¿Qué marca de hotel preferiría elegir y por qué? En el caso de tener que elegir entre dos hoteles que ofrecen exactamente los mismos servicios, instalaciones y calidad de servicio, pero que difieren en marca y precio, siendo la primera una marca reconocida y poderosa y la otra una marca nueva y menos reconocida, ¿cuál elegirías para quedarte, y por qué?*
 6. *¿Cómo crees que pueden los hoteles crear y mejorar la lealtad de marca con los huéspedes que viajan por motivos profesionales?*
 7. *Teniendo en cuenta los servicios, las instalaciones y las características del hotel que definió anteriormente, ¿qué rango de precio estaría dispuesto a pagar por su estadía en el hotel? Mejor dicho, ¿Qué tan sensible eres al precio?*
 8. *¿Cómo se entera de los nuevos hoteles y cuál es la mejor manera para que los hoteles se comuniquen con usted?*
 9. *¿Qué rasgos o características crees que los viajeros de negocios tienen en común cuando buscan un hotel?*

ANNEX 4: QUANTITATIVE INVESTIGATION MARKET SURVEY STRUCTURE
(ENGLISH VERSION)

1. General Question: What is your sex?

- Masculine
- Feminine

2. General Question: Where do you live?

- Dropdown list of countries

3. General Question: What is your age?

- Less than 18
- Between 18 and 25
- Between 26 and 30
- Between 31 and 40
- Between 41 and 50
- More than 50

4. Filter Question: Do you travel for professional reasons? This includes traveling for business, work requirements, investment, research, trading (buying and selling) or for attending or giving conferences or other corporate activities.

- Yes
- No

If the previous answer in question 4 was "No", then answer:

5. For what personal reason(s) do you travel? You can choose more than one, or choose "I do not travel" if you never travel.

- Leisure or Individual Tourism
- Leisure or Group Tourism
- Religious, Cultural or Social Events

- Medical Tourism
- Visiting relatives and/or friends
- Marriages and/or other celebrations
- I do not travel
- Other. Which? _____

If the previous answer in question 5 was “I do not travel”, end the survey. If not, then answer:

6. When traveling for personal reasons, where do you generally stay?

- Hotel
- Family/friend's house/apartment
- Leased House/Apartment
- Air B&B
- Other. Which? _____

If the previous answer in question 6 was “Hotel”, then answer the following. If not, end the survey.

7. How often do you travel for personal reasons?

- Weekly
- Biweekly
- Monthly
- Bimonthly
- Quarterly
- Semiannual
- Annual
- Other frequency. Which? _____

8. What days of the week do you normally travel for personal reasons? You can choose more than one.

- Monday
- Tuesday

- Wednesday
- Thursday
- Friday
- Saturday
- Sunday
- Monday holidays or other holidays

9. How long is your stay in your personal trips, usually?

- 1-2 nights
- 3-4 nights
- 5-6 nights
- More than 6 nights

10. What service(s) do you consider is (are) necessary in a hotel so that your stay for personal reasons is satisfactory to your needs? You can choose more than one.

- Pool
- Gymnasium
- Sauna room and Turkish bath room
- Internet
- Bar
- Mini Bar in the room
- Restaurants and cafés
- Transport
- Office Services (photocopies, computers, scanners)
- Conference/Business rooms
- Dry Cleaning
- Room Service
- Spacious and comfortable rooms (including the bathroom and shower)
- Cautious and discreet service that respects your privacy
- Highly attentive and personalized service
- Other. Which? _____

11. Are you a member of a hotel points or rewards program? (Examples: Marriott Rewards, Hilton Honors, among others) Select each program you are affiliated to, or, if you are not a member of any rewards program, choose "I am not a member" from the top of the list.

- I am not a member
- Marriott Rewards
- Hilton Honors
- Wyndham Rewards
- World of Hyatt
- Starwood Preferred Guest
- IHG Rewards Club
- Le Club Accor Hotels
- Choice Privileges
- Best Western Rewards
- La Quinta Returns
- Club Carlson
- Leaders Club
- Omni Select Guest
- Stash Hotel Rewards
- Kimpton Karma Rewards
- iPrefer Hotel Rewards
- Fairmont President's Club
- Other. Which? _____

12. Have you traveled to Medellín, Colombia for personal reasons?

- Yes
- No

13. If you have traveled to Medellín, which brand of hotel would you probably stay at there when traveling for personal reasons? IF YOU HAVE NOT TRAVELED TO MEDELLÍN, in which hotel brand would you normally stay at on your other personal trips?

- Marriott Hotels (JW Marriott, Ritz-Carlton, Renaissance, Marriott, Courtyard, Fairfield, among others)
- Starwood Hotels (Sheraton, Westin, Four Points, W hotels, among others)
- Hilton Hotels (Waldorf Astoria, DoubleTree, Embassy Suites, Garden Inn, Hampton Inn, among others)
- Hyatt Hotels (Grand Hyatt, Hyatt Hotels, Hyatt Regency, among others)
- Intercontinental Hotels (Intercontinental, Crowne Plaza, Holiday Inn, among others)
- Wyndham Hotels (Wyndham, Ramada, Days Inn, Howard Johnson, among others)
- Accor Hotels (Sofitel, Ibis, among others)
- Good local hotel, but of little international fame (Examples in Medellín: Hotel San Fernando Plaza, Hotel Dann Carlton, Hotel Poblado Plaza, Hotel Porton Medellín, Affinity Aparta Hotel, Hotel Estelar Milla de Oro, among others)
- Other. Which? _____

14. What is the best way for the hotel to communicate with you before and after your stay? You can select more than one.

- E-mail
- Telephone number (call or text)
- Through a travel agency
- Through online hotel search platforms (Expedia.com, Booking.com, among others)
- Cellphone App
- I do not want to receive hotel information, or I do not have time for that.

15. What price would you be willing to pay for a hotel night, when traveling for personal reasons?

- Less than 24 USD (Approx. Less than 74.000 COL)
- 25 USD – 50 USD (Approx. 75.000 COL – 150.000 COL)
- 51 USD – 75 USD (Approx. 151.000 COL – 225.000 COL)
- 76 USD – 100 USD (Approx. 226.000 COL – 300.000 COL)
- 101 USD – 125 USD (Approx. 301.000 COL – 375.000 COL)
- 126 USD – 150 USD (Approx. 376.000 COL – 450.000 COL)

- 151 USD – 175 USD (Approx. 451.000 COL – 525.000 COL)
- 176 USD – 200 USD (Approx. 526.000 COL – 600.000 COL)
- More than 201 USD (Approx. More than 601.000 COL)

End of survey.

If the previous answer in question 4 was “Yes”, then answer:

5. Choose the option that best describes you.

- I own or am a partner of my own small business.
- I own or am a partner of my own medium or large company.
- I work as an independent.
- I work for a small company.
- I work for a medium or large company.

6. How often do you travel for professional reasons?

- Weekly
- Biweekly
- Monthly
- Bimonthly
- Quarterly
- Semiannual
- Annual
- Other frequency. Which? _____

7. What days of the week do you normally travel for professional reasons? You can choose more than one.

- Monday
- Tuesday
- Wednesday
- Thursday

- Friday
- Saturday
- Sunday
- Monday holidays or other holidays

8. How long is your stay in your professional trips, usually?

- 1-2 nights
- 3-4 nights
- 5-6 nights
- More than 6 nights

9. When traveling for professional reasons, where do you generally stay?

- Hotel
- Family/friend's house/apartment
- Leased House/Apartment
- Air B&B
- A company property
- Other. Which? _____

If the previous answer in question 9 was "Hotel", then answer the following. If not, end the survey.

10. What factor most influences your decision when choosing which hotel to stay at when traveling for professional reasons? You can choose more than one.

- Closeness to workplace, meeting space or conference space
- Closeness to restaurants, bars or other attractions in the city
- Alliance with the company (e.g. an established corporate rate)
- Alliance with a travel agency (e.g. established special rates)
- Price
- Cleanliness (in the room and in the hotel in general)
- Comfort (in the room and in the hotel in general)
- Security

- Good Internet connectivity
- Tranquility (Little noise)
- Breakfast included
- Transport
- Good service
- Good references and/or positive public opinions
- Good past experience in the same hotel
- Hotel brand
- Other. Which? _____

11. What service(s) do you consider is (are) necessary in a hotel so that your stay for professional reasons is satisfactory to your needs? You can choose more than one.

- Pool
- Gymnasium
- Sauna room and Turkish bath room
- Internet
- Bar
- Mini Bar in the room
- Restaurants and cafés
- Transport
- Office Services (photocopies, computers, scanners)
- Conference/Business rooms
- Dry Cleaning
- Room Service
- Spacious and comfortable rooms (including the bathroom and shower)
- Cautious and discreet service that respects your privacy
- Highly attentive and personalized service
- Other. Which? _____

12. Have you traveled to Medellín, Colombia for professional reasons?

- Yes

- No

13. If you have traveled to Medellín, which brand of hotel would you probably stay at there when traveling for professional reasons? IF YOU HAVE NOT TRAVELED TO MEDELLÍN, in which hotel brand would you normally stay at on your other professional trips?

- Marriott Hotels (JW Marriott, Ritz-Carlton, Renaissance, Marriott, Courtyard, Fairfield, among others)
- Starwood Hotels (Sheraton, Westin, Four Points, W hotels, among others)
- Hilton Hotels (Waldorf Astoria, DoubleTree, Embassy Suites, Garden Inn, Hampton Inn, among others)
- Hyatt Hotels (Grand Hyatt, Hyatt Hotels, Hyatt Regency, among others)
- Intercontinental Hotels (Intercontinental, Crowne Plaza, Holiday Inn, among others)
- Wyndham Hotels (Wyndham, Ramada, Days Inn, Howard Johnson, among others)
- Accor Hotels (Sofitel, Ibis, among others)
- Good local hotel, but of little international fame (Examples in Medellín: Hotel San Fernando Plaza, Hotel Dann Carlton, Hotel Poblado Plaza, Hotel Porton Medellín, Affinity Aparta Hotel, Hotel Estelar Milla de Oro, among others)
- Other. Which? _____

14. Are you a member of a hotel points or rewards program? (Examples: Marriott Rewards, Hilton Honors, among others) Select each program you are affiliated to, or, if you are not a member of any rewards program, choose "I am not a member" from the top of the list.

- I am not a member
- Marriott Rewards
- Hilton Honors
- Wyndham Rewards
- World of Hyatt
- Starwood Preferred Guest
- IHG Rewards Club
- Le Club Accor Hotels
- Choice Privileges

- Best Western Rewards
- La Quinta Returns
- Club Carlson
- Leaders Club
- Omni Select Guest
- Stash Hotel Rewards
- Kimpton Karma Rewards
- iPrefer Hotel Rewards
- Fairmont President's Club
- Other. Which? _____

15. When traveling for professional reasons, who chooses the hotel where you stay at and who pays for your stay?

- The company chooses and the company pays
- The company chooses and I pay
- I choose and I pay
- I choose and the company pays
- A client or other third party chooses, and they pay
- A client or other third party chooses, and I pay

16. How do you choose a hotel when traveling for professional reasons? Choose only the option that most occurs in most cases.

- I select a hotel with which the company already has an agreement (corporate rate) or a list of hotels that are already approved by the company.
- I select a hotel from a list of hotels supplied by a travel agency.
- I select a hotel after researching on the internet and I make the reservation on the hotel website.
- I select a hotel after researching the internet and I make the reservation through an online hotel search platform (Expedia.com, Booking.com, among others).
- I select a hotel in which I have already stayed at and had a good stay, as long as there is availability and the hotel is in my place of destination.

- I select a hotel that was recommended to me by a client, colleague, or other third party.
- I select, whenever possible, a hotel brand that belongs to the points system (Marriott Rewards, Hilton Honors, among others) to which I am affiliated in order to continue accumulating points or miles.
- I do not select the hotel where I stay when I travel for professional reasons.

17. What is the best way for the hotel to communicate with you before and after your stay? You can select more than one.

- E-mail
- Telephone number (call or text)
- Through the company (Creation of a relationship with the company)
- Through my secretary or personal assistant (Giving that person's contact information)
- Through a travel agency
- Through online hotel search platforms (Expedia.com, Booking.com, among others)
- Cellphone App
- I do not want to receive hotel information, or I do not have time for that.

18. Say the hotel offers different incentives and activities for R&R (Rest and Relaxation) after your obligations in the city for professional reasons are finished. Which of the following can tempt you into staying one or two more days in the hotel, especially the weekend? You may select more than one. Note: All of these would only be valid if you extend your reservation one or two more days, subject to availability.

- Spa and pool day: Offers you the possibility of enjoying a relaxing day at the hotel's wet zones. Includes a discounted hotel nightly rate.
- Gastronomy Experience: Offers you the possibility of enjoying fine lunch and dinner at the hotel's restaurant at a lower price, or coupons for nearby restaurants. Includes a discounted hotel nightly rate.
- Free Happy Hour: Offers you the possibility of enjoying free drinks (using a coupon), at the hotel or nearby bars, during the afternoon or evening. Includes a discounted hotel nightly rate.
- City Tours: Offers you the possibility of exploring some of the city's attractions by organizing tours and other sightseeing activities. Includes a discounted hotel nightly rate.

- Outdoors Weekend: Offers you the possibility of enjoying outdoor activities during the weekend, such as hikes, bike rides, horseback riding, golf, or attending sports events. Includes a discounted hotel nightly rate.
- Weekend Rate: Offers you the possibility of staying a night or two more at the hotel during the weekend for a discounted nightly rate. (e.g. 50% or 60% off the average daily rate)
- None: Nothing will make me stay longer at the hotel. I just want to go back home as soon as possible.
- Other. Which? _____

19. What is the best way for a hotel to improve customer loyalty towards it? You can choose more than one option.

- That the hotel keeps up with the trends and updates its physical structures.
- Flexibility in the reservation. (Example: No charge for nights that you do not stay at the hotel if you had to shorten the reservation)
- Showing effort and skill in helping the guest solve any problem. (Agility in the service)
- Assisting in coordinating transportation logistics for the guest.
- Offering special rates with discounts for frequent stays.
- Offering equitable and constant rates.
- Offering good services. (Example: A good breakfast)
- Other. Which? _____

20. What price would you be willing to pay for a hotel night, when traveling for professional reasons?

- Less than 24 USD (Approx. Less than 74.000 COL)
- 25 USD – 50 USD (Approx. 75.000 COL – 150.000 COL)
- 51 USD – 75 USD (Approx. 151.000 COL – 225.000 COL)
- 76 USD – 100 USD (Approx. 226.000 COL – 300.000 COL)
- 101 USD – 125 USD (Approx. 301.000 COL – 375.000 COL)
- 126 USD – 150 USD (Approx. 376.000 COL – 450.000 COL)
- 151 USD – 175 USD (Approx. 451.000 COL – 525.000 COL)

- 176 USD – 200 USD (Approx. 526.000 COL – 600.000 COL)
- More than 201 USD (Approx. More than 601.000 COL)

End of survey.

**QUANTITATIVE INVESTIGATION MARKET SURVEY STRUCTURE
(SPANISH VERSION)**

1. Pregunta General: ¿Cuál es su Sexo?

- Hombre
- Mujer

2. Pregunta General: ¿Dónde reside?

- Lista de países

3. Pregunta General: ¿Cuál es su Edad?

- Menor de 18
- Entre 18 y 25
- Entre 26 y 30
- Entre 31 y 40
- Entre 41 y 50
- Mayor a 50

4. Pregunta Filtro: ¿Viaja por motivo profesional? Esto incluye viajar por negocios, por requisitos de su labor profesional, inversión, investigación, trading (compra y venta) o por atender o dictar conferencias u otras actividades corporativas.

- Si
- No

En caso Negativo a la pregunta 4, Responder:

5. ¿Por cuál(es) motivo(s) personales viaja? Puede escoger más de una, o elegir “No viajo” si nunca viaja.

- Ocio o de Turismo Individual
- Ocio o de Turismo Grupal
- Eventos Religiosos, Culturales o Sociales
- Turismo Médico
- Visita a familiares y/o amigos
- Matrimonios y/u otras celebraciones
- No viajo
- Otro. ¿Cuál? _____

En caso de elegir “No viajo” a la pregunta 5, terminar encuesta. Sino, responder:

6. ¿Cuando viaja por motivos personales, generalmente donde se hospeda?

- Hotel
- Casa/apartamento de familiar/amigo
- Casa/Apartamento arrendado
- Air B&B
- Otro. ¿Cuál? _____

En caso de Seleccionar “Hotel”, responder a las siguientes. Sino, termina la encuesta.

7. ¿Con que frecuencia viaja por motivos personales?

- Semanal
- Quincenal
- Mensual
- Bimestral
- Trimestral
- Semestral
- Anual
- Otra frecuencia. ¿Cuál? _____

8. ¿Qué días de la semana viaja normalmente por motivos personales? Puede escoger más de una.

- Lunes
- Martes
- Miércoles
- Jueves
- Viernes
- Sábado
- Domingo
- Lunes festivos u otros días festivos

9. ¿De cuánto tiempo es su estadía en sus viajes personales, generalmente?

- 1-2 noches
- 3-4 noches
- 5-6 noches
- Más de 6 noches

10. ¿Qué servicio(s) considera que es(son) necesario(s) en un hotel para que su estadía por motivo personal sea la mejor? Puede escoger más de una.

- Piscina
- Gimnasio
- Sauna/turco
- Internet
- Bar
- Mini Bar en la habitación
- Restaurantes y cafés
- Transporte
- Servicios de oficina (fotocopias, computadores, scanner)
- Salas de conferencia/negocio
- Servicio de lavandería (Dry Cleaning)
- Room Service (Servicio al cuarto)

- Habitaciones (incluyendo baño y ducha) amplias y cómodas
- Servicio prudente y discreto que respeta su privacidad
- Servicio altamente atento y personalizado
- Otro. ¿Cuál? _____

11. ¿Eres miembro de un programa de puntos o recompensas de hoteles? (Ejemplos: Marriott Rewards, Hilton Honors, entre otros) Seleccione cada programa al que está afiliado o, si no es miembro de ningún programa de recompensas, elija "No soy miembro" de la parte superior de la lista.

- No soy miembro
- Marriott Rewards
- Hilton Honors
- Wyndham Rewards
- World of Hyatt
- Starwood Preferred Guest
- IHG Rewards Club
- Le Club Accor Hotels
- Choice Privileges
- Best Western Rewards
- La Quinta Returns
- Club Carlson
- Leaders Club
- Omni Select Guest
- Stash Hotel Rewards
- Kimpton Karma Rewards
- iPrefer Hotel Rewards
- Fairmont President's Club
- Otro. ¿Cuál? _____

12. ¿Ha viajado a Medellín, Colombia por motivos personales?

- Si
- No

13. Si ha viajado a Medellín, ¿En qué marca de hotel probablemente se hospedaría cuando viaja por motivos personales? SI NO HA VIAJADO A MEDELLÍN, ¿en cuál se quedaría normalmente en sus otros viajes personales?

- Marriott Hotels (JW Marriott, Ritz-Carlton, Renaissance, Marriott, Courtyard, Fairfield, entre otros)
- Starwood Hotels (Sheraton, Westin, Four Points, W hotels, entre otros)
- Hilton Hotels (Waldorf Astoria, DoubleTree, Embassy Suites, Garden Inn, Hampton Inn, entre otros)
- Hyatt Hotels (Grand Hyatt, Hyatt Hotels, Hyatt Regency, entre otros)
- Intercontinental Hotels (Intercontinental, Crowne Plaza, Holiday Inn, entre otros)
- Wyndham Hotels (Wyndham, Ramada, Days Inn, Howard Johnson, entre otros)
- Accor Hotels (Sofitel, Ibis, entre otros)
- Hotel local bueno, pero de poca fama internacional (Ejemplos en Medellín: Hotel San Fernando Plaza, Hotel Dann Carlton, Hotel Poblado Plaza, Hotel Porton Medellín, Affinity Aparta Hotel, Hotel Estelar Milla de Oro, entre otros)
- Otro. ¿Cuál? _____

14. ¿Cuál es la mejor forma para el hotel comunicarse con usted antes y después de su estadía? Puede seleccionar más de uno.

- E-mail
- Número telefónico (llamada o texto)
- A través de una agencia de viajes
- A través de las plataformas de búsqueda hoteleros (Expedia.com, Booking.com, entre otros)
- Aplicación celular del hotel
- No quiero recibir información del hotel, o no tengo tiempo para eso.

15. ¿Qué precio estaría dispuesto a pagar por noche en hotel, cuando viaja por motivos personales?

- Menos de 24 USD (Aprox. Menos de 74.000 COL)
- 25 USD – 50 USD (Aprox. 75.000 COL – 150.000 COL)
- 51 USD – 75 USD (Aprox. 151.000 COL – 225.000 COL)
- 76 USD – 100 USD (Aprox. 226.000 COL – 300.000 COL)
- 101 USD – 125 USD (Aprox. 301.000 COL – 375.000 COL)
- 126 USD – 150 USD (Aprox. 376.000 COL – 450.000 COL)
- 151 USD – 175 USD (Aprox. 451.000 COL – 525.000 COL)
- 176 USD – 200 USD (Aprox. 526.000 COL – 600.000 COL)
- Más de 201 USD (Aprox. Más de 601.000 COL)

Terminar encuesta.

En caso positivo a la pregunta 4, responder:

5. Elija la opción que mejor lo describe.

- Soy dueño o socio de mi propia empresa pequeña.
- Soy dueño o socio de mi propia empresa mediana o grande.
- Trabajo como independiente.
- Trabajo para una empresa pequeña.
- Trabajo para una empresa mediana o grande.

6. ¿Con que frecuencia viaja por motivos profesionales?

- Semanal
- Quincenal
- Mensual
- Bimestral
- Trimestral
- Semestral
- Anual

Otra frecuencia. ¿Cuál? _____

7. ¿Qué días de la semana viaja normalmente por motivos profesionales? Puede escoger más de una.

- Lunes
- Martes
- Miércoles
- Jueves
- Viernes
- Sábado
- Domingo
- Lunes festivos u otros días festivos

8. ¿De cuánto tiempo es su estadía en sus viajes por motivos profesionales, generalmente?

- 1-2 noches
- 3-4 noches
- 5-6 noches
- Más de 6 noches

9. ¿Cuando viaja por motivos profesionales, generalmente donde se hospeda?

- Hotel
- Casa/apartamento de familiar/amigo
- Apartamento arrendado
- Air B&B
- Alguna propiedad de la empresa
- Otro. ¿Cuál? _____

En caso de seleccionar otro diferente a "Hotel" en la pregunta 9, Terminar Encuesta. Sino, responder a las siguientes preguntas:

10. ¿Qué es lo que más influye en su decisión al elegir cual hotel hospedarse cuando viaja por motivo profesional? Puede escoger más de una.

- Cercanía a lugar de trabajo, reunión u conferencia
- Cercanía a restaurantes, bares u otros atractivos en la ciudad
- Alianza con la empresa (Ejemplo: un corporate rate establecido)
- Alianza con alguna agencia (Ejemplo: tarifas especiales establecidas)
- Precio
- Limpieza (en el cuarto y en el hotel en general)
- Comodidad (en el cuarto y en el hotel en general)
- Seguridad
- Buena conectividad a internet
- Tranquilidad (Poco ruido)
- Desayuno incluido
- Transporte
- Buen Servicio
- Buenas referencias y/o opiniones públicas positivas
- Buena experiencia pasada en el mismo hotel
- Marca hotelera
- Otro. ¿Cuál? _____

11. ¿Qué servicio(s) e instalaciones considera que es(son) necesario(s) en un hotel para que su estadía por motivo profesional sea la mejor? Puede escoger más de una.

- Piscina
- Gimnasio
- Sauna/turco
- Internet
- Bar
- Mini Bar en la habitación
- Restaurantes y cafés
- Transporte
- Servicios de oficina (fotocopias, computadores, scanner)

- Salas de conferencia/negocio
- Servicio de lavandería (Dry Cleaning)
- Room Service (Servicio al cuarto)
- Habitaciones (incluyendo baño y ducha) amplias y cómodas
- Servicio prudente y discreto que respeta su privacidad
- Servicio altamente atento y personalizado
- Otro. ¿Cuál? _____

12. ¿Ha viajado a Medellín, Colombia por motivos profesionales?

- Si
- No

13. Si ha viajado a Medellín, ¿En qué marca de hotel probablemente se hospedaría cuando viaja por motivos profesionales? SI NO HA VIAJADO A MEDELLÍN, ¿en cuál se quedaría normalmente en sus otros viajes profesionales?

- Marriott Hotels (JW Marriott, Ritz-Carlton, Renaissance, Marriott, Courtyard, Fairfield, entre otros)
- Starwood Hotels (Sheraton, Westin, Four Points, W hotels, entre otros)
- Hilton Hotels (Waldorf Astoria, DoubleTree, Embassy Suites, Garden Inn, Hampton Inn, entre otros)
- Hyatt Hotels (Grand Hyatt, Hyatt Hotels, Hyatt Regency, entre otros)
- Intercontinental Hotels (Intercontinental, Crowne Plaza, Holiday Inn, entre otros)
- Wyndham Hotels (Wyndham, Ramada, Days Inn, Howard Johnson, entre otros)
- Accor Hotels (Sofitel, Ibis, entre otros)
- Hotel local bueno, pero de poca fama internacional (Ejemplos en Medellín: Hotel San Fernando Plaza, Hotel Dann Carlton, Hotel Poblado Plaza, Hotel Porton Medellín, Affinity Aparta Hotel, Hotel Estelar Milla de Oro, entre otros)
- Otro. ¿Cuál? _____

14. ¿Eres miembro de un programa de puntos o recompensas de hoteles? (Ejemplos: Marriott Rewards, Hilton Honors, entre otros) Seleccione cada programa al que está afiliado o, si no es miembro de ningún programa de recompensas, elija "No soy miembro" de la parte superior de la lista.

- No soy miembro
- Marriott Rewards
- Hilton Honors
- Wyndham Rewards
- World of Hyatt
- Starwood Preferred Guest
- IHG Rewards Club
- Le Club Accor Hotels
- Choice Privileges
- Best Western Rewards
- La Quinta Returns
- Club Carlson
- Leaders Club
- Omni Select Guest
- Stash Hotel Rewards
- Kimpton Karma Rewards
- iPrefer Hotel Rewards
- Fairmont President's Club
- Otro. ¿Cuál? _____

15. Cuando viaja por motivo profesional, ¿Quién elige el hotel donde se hospeda y quién paga por su estadía?

- La empresa elige y la empresa paga
- La empresa elige y yo pago
- Yo elijo y yo pago
- Yo elijo y la empresa paga
- Cliente u otro tercero elige, y ellos pagan

- Cliente u otro tercero elije, y yo pago

16. ¿Cómo selecciona hotel cuando viaja por motivo profesional? Elija solo la opción que más se presenta en la mayoría de los casos.

- Selecciono un hotel con el que la empresa ya tiene convenio (corporate rate) o de una lista de hoteles que ya están aprobados por la empresa.
- Selecciono un hotel de una lista de hoteles suministrada por una agencia de viajes.
- Selecciono un hotel después de investigar en internet y hago la reserva en la página web del hotel.
- Selecciono un hotel después de investigar en internet y hago la reserva a través de una plataforma de búsqueda hotelera en línea (Expedia.com, Booking.com, entre otros)
- Selecciono un hotel en el que ya me he hospedado y tuve una buena estadía, siempre y cuando haya disponibilidad y el hotel está en mi lugar de destino.
- Selecciono un hotel que me fue recomendado por un cliente, colega, u otro tercero.
- Selecciono, siempre cuando sea posible, un hotel de la marca que pertenece al sistema de puntos (Marriott Rewards, Hilton Honors, entre otros) al que estoy afiliado para seguir acumulando puntos o millas.
- Yo no selecciono el hotel en el que me hospedo cuando viajo por motivos profesionales.

17. ¿Cuál es la mejor forma para el hotel comunicarse con usted antes y después de su estadía? Puede seleccionar más de uno.

- E-mail
- Número telefónico (llamada o texto)
- A través de la empresa (Creación de convenio con la empresa)
- A través de mi secretaria o asistente personal (Dando la información de contacto de esa persona)
- A través de una agencia de viajes

- A través de las plataformas de búsqueda hoteleros (Expedia.com, Booking.com, entre otros)
- Aplicación celular del hotel
- No quiero recibir información del hotel, o no tengo tiempo para eso.

18. Supongamos que el hotel ofrece diferentes incentivos y actividades para R&R (descanso y relajación) después de que sus obligaciones en la ciudad por razones profesionales hayan finalizado. ¿Cuál de los siguientes puede tentarlo a quedarse uno o dos días más en el hotel, especialmente el fin de semana? Puede elegir más de uno. Nota: Todo esto solo sería válido si extiende su reserva uno o dos días más, sujeto a disponibilidad.

- Día de Spa y Piscina: Le ofrece la posibilidad de disfrutar de un día de relajación en las zonas húmedas del hotel. Incluye un descuento en la tarifa diaria del hotel.
- Experiencia Gastronómica: Le ofrece la posibilidad de disfrutar de un buen almuerzo y cena en el restaurante del hotel a un precio inferior, o cupones para restaurantes cercanos. Incluye un descuento en la tarifa diaria del hotel.
- Happy Hour Gratis: Le ofrece la posibilidad de disfrutar de bebidas gratis (usando un cupón), en el hotel o en bares cercanos, durante la tarde o la noche. Incluye un descuento en la tarifa diaria del hotel.
- City Tours: Le ofrece la posibilidad de explorar algunas de las atracciones de la ciudad organizando excursiones y otras actividades turísticas. Incluye un descuento en la tarifa diaria del hotel.
- Fin de Semana al Aire Libre: Le ofrece la posibilidad de disfrutar de actividades al aire libre durante el fin de semana, como caminatas, paseos en bicicleta, paseos a caballo, golf o asistir a eventos deportivos. Incluye un descuento en la tarifa diaria del hotel.
- Tarifa de Fin de Semana: Le ofrece la posibilidad de alojarse una o dos noches más en el hotel durante el fin de semana a una menor tarifa. (por ejemplo, 50% o 60% de descuento en la tarifa diaria promedio)
- Ninguno: Nada me hará quedarme más tiempo en el hotel. Solo quiero volver a casa lo antes posible.
- Otro. ¿Cuál? _____

19. ¿Cuál es la mejor forma para que un hotel pueda mejorar la lealtad de cliente hacia él? Puede elegir más de una opción.

- Que el hotel se mantenga al día con las tendencias y sus estructuras físicas.
- Flexibilidad en la reserva. (Ejemplo: No cobrar por noches que no se quedó en el hotel si necesita acortar la reserva)
- Mostrando esfuerzo y destreza en ayudar al huésped a solucionar cualquier inconveniente. (Agilidad en el servicio)
- Asistiendo en coordinar logística de transporte para el huésped.
- Ofreciendo tarifas especiales con descuento por estadía frecuente.
- Ofreciendo tarifas equitativas y constates.
- Ofreciendo buenos servicios (Ejemplo: Un buen desayuno)
- Otro. ¿Cuál? _____

20. ¿Qué precio estaría dispuesto a pagar por noche en hotel, cuando viaja por motivos profesionales?

- Menos de 24 USD (Aprox. Menos de 74.000 COL)
- 25 USD – 50 USD (Aprox. 75.000 COL – 150.000 COL)
- 51 USD – 75 USD (Aprox. 151.000 COL – 225.000 COL)
- 76 USD – 100 USD (Aprox. 226.000 COL – 300.000 COL)
- 101 USD – 125 USD (Aprox. 301.000 COL – 375.000 COL)
- 126 USD – 150 USD (Aprox. 376.000 COL – 450.000 COL)
- 151 USD – 175 USD (Aprox. 451.000 COL – 525.000 COL)
- 176 USD – 200 USD (Aprox. 526.000 COL – 600.000 COL)
- Más de 201 USD (Aprox. Más de 601.000 COL)

Terminar encuesta.

ANNEX 5: INTERVIEW AND FOCUS GROUP TRANSCRIPTS

i. *For the Interview with an expert on the hotel industry (professional who works in the field):*

a) *First Expert Interview*

Interviewee Name: Brian A. Plemmons

Position: President, Valley Hospitality (Hotel and F&B Company based in Georgia, U.S.A) Time and place: 11 AM, 12/12/2017 Via Skype Interview in English

Duration: 30 Minutes

1. *In your experience, what traits or characteristics do customers who travel for professional reasons have in common? On average, how long is a business traveler's stay at a hotel?*

Corporate travelers all look for a good night's rest, excellent service, hotels with excellent facilities and installations and have high expectations. Typically, they stay for two and a half nights on average.

2. *How would you describe the typical purchase process implemented by hotel guests who travel for professional motives, in other words, business, investment, conferences, among others? Are there any intermediaries that affect the process? If so, who are they, and how do they affect the process?*

Reward programs are key when corporate travelers search for hotels. They usually want to stay at brands they are in reward programs with, such as Marriott Rewards and Hilton Honors, and you will find that they are very loyal to those brands. They usually search for hotels that belong to the rewards programs they use the most in the area they will visit, and that is a huge influence in their decision. In my experience, normally most of the corporations or companies they work for pay for their stay, say 90% of the time. Corporate travelers pay for their stay out of their own money if they own the company or are traveling sales people. Now, it used to be that the companies decided which hotel their employees stayed in, but that has changed, and nowadays, they let them choose where they would like to stay. I would say that the autonomy to choose the hotel they stay in also increases the higher rank they have in the corporate ladder. Sometimes, when it is a very big company, say FedEx, the company negotiates a rate with a large hotel brand like Hilton to have their employees always stay at that brand's hotels. It is also very common for companies to utilize small travel agencies because they can negotiate deals and allow the company to focus on their work, not the travel business, so they have a big influence in the decision process as well. These

travel agencies typically receive a 10% fee of the rate that is charged, and that is where their incentive comes in. Online travel agencies (OTA's) such as Expedia are, as of late, losing business, because what feature in those OTA's are leftover hotel inventories at a discounted price for them to sell, and travelers are now more often using large hotel websites, like Marriott.com and Hilton.com, to book their hotels.

- 3. In your experience, what do clients who travel for professional reasons look for in a hotel? What type of service has to be offered, and what type of corporate culture has to be present?*

It depends greatly on the age of the corporate client. Typically, the average 50-year-old baby boomers look to stay in full service hotels such as Marriotts and Hiltons. Limited service hotels, like Hampton Inns, Courtyards and Fairfields, from a corporate aspect, tend to attract a much younger crowd, because it is quick, simple, and has breakfast set up. Think of millennials, 80's, and 90's kids. They feel they do not need all the services and amenities that full service hotels offer; they are happy with simply getting a room, breakfast and that is pretty much it. In terms of hotel service, warm hospitality is huge. Everyone wants to be treated like a VIP. Especially when the guest has a high status in the rewards program, like a Marriott Platinum member. They expect to have the best room and have the best service; otherwise, they will not pay for their stay. So normally, the corporate traveler expects a lot from the hotel.

- 4. In your experience, what services have to be offered in a hotel that wishes to attract guests who travel for professional motives? Additionally, what physical establishments should be present in the hotel, in other words, cafés, bars, pools, spa, and gymnasium, among others?*

First, Tripadvisor plays a big role. It is a key element of the hotel's report card, and how you score on Tripadvisor tells the guest the quality of your staff and facilities. So that attracts corporate travelers in a big way. Another key element is location. Location is everything. Obviously, being close to restaurants, bars and other local hotspots is fundamental if your hotel is not a full service property. If you are a full service property, being close to restaurant and bars is not as important as long as your food and beverage offering is outstanding. However, in both cases, it is important to be in the middle of things, especially for the corporate traveler, who wants to be close to the area they are there to do business in. As for other hotel services, like room service, changes are going on. Typically, females use room service more because they do not want to go down to restaurants especially if they are alone. Now we are seeing room service more as a to-go delivery instead of a tray delivery up to rooms. Still, it should always be an option, more in the case if you are a full service hotel. Laundry service is also a nice item, but we are seeing that trend go down as well. Unless the corporate traveler is staying long term, which is usually not the case, they do not need laundry service. Instead, what I am seeing most of the time is a higher need for nice, friendly

service and staff and excellent accommodations, and most of the times, the need for interaction with hotel employees diminishes a lot. They enjoy their privacy and do not want to be bothered. In fact, some guests do not allow housekeeping to come in and do their room, they do it either themselves or not all, especially when they are staying for a short amount of time. In terms of physical installations, I think that the fitness center is important. Other installations like pools are not important to the corporate traveler, maybe to a leisure traveler. Also, restaurants. Remember, they are important to at least have close by to the hotel if you are limited service.

- 5. How does a franchised hotel (Marriott, Hilton, among others) compare with a new, unknown brand? What advantages and disadvantages do both options have? What effect, if there is any, does the brand loyalty of franchised hotels have on attracting customers who travel for professional reasons? In other words, which is preferable to attract these type of customers?*

Franchised hotels, no doubt. For many reasons. One, the rewards program. Two, the easy access to booking rooms. Three, the chances of finding a branded hotel close to where you are going. Also, and very important, corporate travelers want hotels to be identical. They stay at branded hotels because they know exactly what the offering is like in every property they stay in all over the world.

- 6. How can hotels create and improve brand loyalty with guests who travel for professional reasons?*

Staying in front of the trends. That is probably the most important part. Corporate travelers do not want to stay in hotels that are outdated and not up to speed to what other hotels are offering. If the hotel does not do this, you can lose customers. People talk, and they post on Tripadvisor and social media about your property being worn out, and that obviously has a negative impact on the number of guests who stay with you. I also have to say flexibility with handling your guests' itineraries are important as well. Managing their reservations with ease, not charging them for not staying one night, or giving them back their money in that case delivers loyalty. Other small details such as unexpected upgrades help. You know, going above and beyond the call of duty is what we are talking about here. Say, they forget their shaving cream and they like one particular brand, going out to get it for them. They remember those type of small details. It is as we always say; exceed their expectations. Show them effort and appreciation and they will repay it by being loyal to you.

- 7. In your experience, taking into account the services offered, hotel structure and hotel brand defined earlier, at least how many rooms should the hotel have, and what ADR (Average Daily Rate) range would the customer who travels for professional reasons be willing to pay? What is a healthy average occupancy level for the hotel, and what is a healthy cost structure for the hotel?*

A limited service hotel needs to be at least 80 rooms. From a profitability and operational standpoint, it is the minimum number of rooms that property requires. Now we are seeing more limited service hotels surpass the 100-room mark. Having less than 80 rooms is difficult. You make the same effort for 50 rooms than you would for 80 rooms. It makes more sense to have 80 plus rooms so you can spread the fixed costs among them. On the other hand, for a full service hotel, 350 rooms are the benchmark you want to be at. At least 325 to 350 rooms, much higher. Operational margins are much higher in limited services than in full services. Think of 45% margins for limited service and as little to 30% or 35% margins for limited services. The reason for this is all of the departments the full service hotel has to support, especially the food and beverage department, which has higher costs and lower margins. In terms of price, for corporate travelers, sensitivity to price is much lower than for leisure travelers. You can say that price is inelastic for corporate travelers in both cases of limited and full service hotels. The general rule of thumb for occupancy levels in limited services and full service hotels, in order to be profitable, is around 60%. If you can get higher occupancy levels, the better.

8. *What promotional or communication strategy should the hotel have to reach, attract and retain guests who travel for professional reasons? In other words, how should the hotel communicate with these clients?*

E-mail is best. See, the rewards programs provide you their e-mails, and that already is a huge advantage. We have been very successful in utilizing guest e-mails. For example, we could use them for mobile check-ins, where the guest does not even have to go by the front desk; they can simply use their phone to get into their room. That is efficiency, speed, and wanting everything happen immediately. It is very common between millennials and younger generations, whereas the baby boomers tend to be more patient, and quite frankly, they do not want to use their phone to get up to their rooms; they are more old-fashioned and want to have keys. E-mails can also be used to contact guests prior to their arrival, asking if they need anything, and upon their departure, asking them about their stay. Both sides are important for communicating with guests. It is also extremely important to have a sales department in your hotel to try to create and maintain relationships with clients, especially from a local standpoint. So for example, corporate travelers will ask their local contacts or clients for recommendations on where to stay, so having an established relationship with them is crucial. Lastly, do not forget about social media. Social media is excellent for creating reputations, especially in the local market.

- ii. *For the interviews with a people who travel for professional reasons and stay in hotels and the focus group with five different people who travel for professional reasons and stay in hotels (In the case that they do not choose the hotel they stay in, they may answer the question based on what they believe is best).*

a) *First Client Interview*

Interviewee Name: Rafael Mauricio Molina

Position: CFO, NewState Partners LLP (Financing Consulting Firm based in London, UK) Time and place: 2 PM, 11/12/2017 Via Skype Interview in English

Duration: 32 Minutes

1. *How often do you travel for professional reasons (business, investment, conferences, among others) and which of those are the main reasons you travel for? Do you always stay at hotels?*

I have been traveling for business for 18 years. I travel typically one or two times per month, for one or two weeks per trip, totaling up to two or three weeks per month. All of these trips are business related to my job, sometimes for conferences and investment purposes, but mostly for meeting and working with clients, mainly national and sovereign governments. I always stay at my selected list of hotels for each country I visit, because I need to have access to internet, a business center, a good night's sleep and have a safe and secure stay. Even if I stayed some place where I had family or friends, I would still stay at a hotel when traveling for business, for efficiency purposes.

2. *Describe your purchase process. Who is responsible for making the final decision (who pays for your stay?), and what steps are taken when searching for a hotel? Are there any intermediaries that affect the process? If so, who are they, and how do they affect the process?*

I have a high degree of autonomy for selecting the hotels I stay at, because I need to make sure all my needs are met. In most cases, I am a repeat guest: For meeting with existing clients in countries and places I have already visited, I have a list of hotels that I like and choose from, depending on availability. I have this list of preferred hotels because I already know what they offer and that everything I need is there. For meeting with new clients in countries and places I have not visited, I ask where the client is located and research on the internet to find near-by hotels within my list of preferred hotels, and I my travel-consulting agency, Reed and Mackay (a corporate travel management company), assists me. Reed and Mackay provides me with a list of hotels to compare and choose from. Finally, I select the hotel and my secretary books the hotel, and I pay for it.

3. *What do you look for in a hotel? What type of service and corporate culture has to be offered by the hotel employees for you to be satisfied with your stay?*

For me, the most important thing is that I need to be very efficient during my trip. Therefore, location is important, in other words, how close I am to the place I meet with clients, that way, I do not lose time and money traveling in taxis or buses and being stuck in traffic. Security is also very important: I need to feel safe during my stay. Number two, in terms of business convenience, I need to have a good access to the internet and a business center with printers so I can work while staying at the hotel. In terms of personal needs, I look for hotels that are very clean and well maintained, have room service, have laundry service or dry cleaning, and have good showers. By good showers, I mean showers that are not dirty, small and have low water pressure. Depending on where I am, I take either cold or hot showers. I also would like the hotel to have a gym with 24-hour access if possible, because I exercise to let off steam from the long work hours, but may be obliged to workout in very early hours or very late hours of the day, so I need the gym to be open at those times. In terms of hotel service, these are really the only things I look for in a hotel. I do not really care about how the hotel employees interact with me, if they know my name or are caring. I prefer privacy and to be left alone, to not be disturbed, so the less interaction with hotel employees, the better. If they do something extraordinary, I may tip them, but generally, I do not care about very warm hospitality. I am a gold and high rewards member, so I usually get upgrades and free amenities when checking in, but I don't see that as warm hospitality, that is just the hotel appreciating my status as frequent guest. As long as the hotel has what I am looking for, I am happy. Logically, I want to be treated with respect, but in a hotel, I see a simple transaction. I stay the night, I do my business, pay, and leave.

4. *What services and physical installations (Cafés, bars, pools, spa, gymnasium, among others) do you believe have to be offered in the hotel for you to be completely satisfied with your stay?*

As I was saying, for services, I only need laundry and dry cleaning, and room service. I do not need a café, a restaurant, or a bar. I normally do not have time for that, and I do not drink. I usually eat outside of the hotel, but when I do get to the hotel, sometimes late at night, I want the option of ordering room service, be it from any other restaurant or fast food service, as long as the hotel brings my order to my room. Again, I think the presence of a gym with long access hours, ideally 24 hours, is fundamental, as I like to work out as a way to manage my stress, and even if I do not work out every night I am at the hotel, I still need it there as an option. I would prefer a hotel with less hospitality but with these services to a hotel with more hospitality but without these services.

5. *What hotel brand would you prefer to choose, and why? In the case of having to choose between two hotels that offer the exact same services, installations and service quality, but differ in brand and in price, one being a recognized and powerful brand and the other being a new and less recognized brand, which one would you choose to stay in, and why?*

Honestly, brand is very important to me. I am very loyal to the brands I prefer, not because of the points I accumulate, but because they offer exactly what I need, while knowing they will deliver. My favorite hotel brands I have first on my list are the Hyatt and Sofitel, and I have a high loyalty towards them. I like the Hyatt hotels because of their good prices, 24-hour gyms, cleanliness standards, and free, high-speed internet. With Sofitel, it is a similar scenario, and though they are more high-end hotels, they have fewer properties than Hyatt does. Normally, I do not go to new hotels. If I am going to a new place where I have never been before, I ask my client and travel agency for recommendations, and I research the internet for the services of the recommended hotels to make sure they offer what I need. If a hotel is recommended by a trustworthy source, the price is acceptable, and offers what I need, I might check it out. I do not look at websites like Tripadvisor for recommendations, as I do not believe in them, because people say whatever they want in them without it being necessarily true. Bottom line, I will still tend to go to the hotels that I prefer if they are available, and as long as they continue to be consistent with my expectations, I will continue to choose the ones I like over any other new hotels.

6. *How can hotels create and improve brand loyalty with guests who travel for professional reasons?*

For me, brand loyalty is created by flexibility to unexpected changes. By flexibility, I refer to hotels being understanding and helpful with modifying reservation dates at the last minute, accepting late checkouts and early check-ins. For me as a business traveler, schedules and itineraries can change rapidly and unexpectedly. For example, if I have to cut my stay for a night, that they do not charge me for that night, or be problematic about it, or if I have to extend my stay suddenly, that they do their best to accommodate me in my same room in the hotel. If that is not possible, in the case that they are fully booked, I would understand, and if they help accommodate me in other hotels is useful as well. I value the effort they put in to make my stay as smooth and with as little complications as possible. It shows appreciation, meaning that they value my business, and that, for me, creates brand loyalty. Above all, minimize inconvenience, by being flexible. I think that is the most important part.

7. *Taking into account the services, installations, and hotel characteristics you defined earlier, what price range would you be willing to pay for staying at the hotel? In other words, how elastic or sensitive are you to price?*

I am very price sensitive. Price is very important, and I need to feel like I am getting my money's worth. I go to hotels where I believe the price is fair and acceptable. If one of my preferred hotels increases their prices considerably, I probably will not stay there; I would stay somewhere else. I do not need a five-star hotel. A four-star hotel with a fair price, clean, good internet and else, is good enough for me. I research hotels, and my travel agency always has hotels for me to compare prices, so if I see that my favorite hotel is simply too

expensive, I will choose another one. I pay for the hotel myself, so I do care about expenses. In some cases, I have special corporate rates with hotels as part of an agreement for always staying there. When I know I will be traveling to that place often, I sometimes establish these deals through either myself or through my travel agency. Sometimes, hotels contact my secretary in order to incentivize my business with them, giving her free nights for her to explore the hotel and if she approves, she could tell me about the hotel to try to convince me to stay there next time. I do not use internet websites such as Expedia, instead, I use my travel agency because they can help coordinate the logistics of my trips in case of unexpected changes and offer me better deals. With internet services, I would have to worry about refunds and those sort of problems. With specialized travel agencies, this is not a problem, and my secretary deals with them. It is all about efficiency and convenience. When traveling for business, you have a tight schedule, so you need to have the least possible interaction with hotel booking procedures.

8. *How do you hear about new hotels, and what is the best way for hotels to communicate with you?*

I do not really have time to interact with hotels that reach out to me. The best way for them to reach me is through my secretary, my office manager, or my travel agency, Reed and Mackay. I respond the surveys hotel send me after my stay if I enjoyed my stay, but I do not respond the survey if I do not enjoy my stay; I simply do not return to that hotel.

9. *What traits or characteristics do you believe business travelers have in common when looking for a hotel?*

That is a good question. Hard to answer, but it seems all business travelers look at price, location and security. For some, the presence of a restaurant is important. Perhaps brand as well; Hotel brands that have the same offering in all their properties. Additionally, I think all business travelers do research on hotels. However, basically, I would say price, location and security.

b) Second Client Interview

Interviewee Name: Jorge Mario Arbeláez

Position: Technical Support, Enka S.A. (Technology development and sustainability firm based in Medellín, Colombia)

Time and place: 3:30 PM, 12/12/2017 Via Personal Interview in Spanish (Transcribed to English)

Duration: 30 Minutes

1. *How often do you travel for professional reasons (business, investment, conferences, among others) and which of those are the main reasons you travel for? Do you always stay at hotels?*

I am constantly traveling, and I have national and international travel itineraries. Approximately 70% of my national travels are to Bogotá. The trips to Bogotá (the nation's capital) last two days. I travel early in the morning, always stay the night at Hotel Parque 97 (a four-star hotel), and leave the following afternoon. I make these trips to Bogotá one time per month. The other 30% of my national travels are to Cali, two times per year, to Bucaramanga, one time per year and to Barranquilla, one time per year. Occasionally, a trip to Pereira, Pasto or to Cartagena happens. Sometimes I do not stay the night, but when I do, I usually stay in hotels most of the time. In general, I make 16 national trips every year. On the other hand, my international travels include at least two trips around South America that lasts for 15 days every year. Typically, I stay one week in Brazil, and one week in other South American countries, spending days in Argentina, Uruguay, Peru and Ecuador. In Brazil, I spend days in many cities: Puerto Alegre, Sao Paulo, Natal, Bahia, among others. In these trips, I prefer the Ibis Hotel brand because they are very practical. I also travel to the U.S.A maybe once per year, Mexico, Honduras, Europe, China, Taiwan, Korea. Every two years I travel to the U.S.A for two weeks, China for one week and another week in southeastern Asia. As you can see, I travel all the time and all of these trips are business related to the job.

2. *Describe your purchase process. Who is responsible for making the final decision (who pays for your stay?), and what steps are taken when searching for a hotel? Are there any intermediaries that affect the process? If so, who are they, and how do they affect the process?*

The first thing I do is build my travel itinerary. It is very important to determine how many nights I need to stay in hotels. In South America, I normally look for Ibis hotels in the cities I visit, most of them I have visited before and stayed at those Ibis hotels. In my other international travels, I usually book high-class hotels, four or five star hotels. I research for these high-class hotels to look for the ones that offer complete continental breakfasts that is not local food and any type of food service so I can eat at night when I return from working. Sometimes, Aviatur, our travel agency, proposes hotel packages, and I may or may not accept the proposal, depending on what my research on the internet tells me. The advantage of booking with our travel agency is that we pay the agency in local currency, so we do not have to worry about exchange rates. If we were to book foreign hotels using their website, we would have to use credit card to pay the foreign currency, and that way, we would incur in an exchange rate fee. The company, Enka, pays for all the trips, but I choose the hotels within a certain price range parameter the company establishes. Every employee that travels while representing the company chooses his hotel, within the price range parameters I was talking about. For example, I search for hotels in South America that do not exceed 200 USD, or up to 300 USD in Europe. It depends on the country I visit. As I said, I usually return to

hotels I have visited before. When I visit new places I have not been before, I usually ask my clients for hotel recommendations, at least two, so I can research them online and see if they fit my needs or not. Aviator sometimes also proposes new hotels in new cities, which is another option.

3. What do you look for in a hotel? What type of service and corporate culture has to be offered by the hotel employees for you to be satisfied with your stay?

The first thing is location. I need the hotel to be in a strategic location close to the place I go do business, and sometimes, that it be close to a small restaurant or something like that. Especially in big cities, this is very important to reduce transportation costs and time delays. Sometimes, within a same city, I can stay one night in a certain hotel close to the place I do business in, and the next day I go to another hotel closer to another place I do business in. In general, I need to stay close to my clients; so again, location is what I look for. In most cases, I already know where my clients are, so I know which hotels I need to book. The second thing I look for is a good breakfast. I need to have a full breakfast that can last me all day. I eat lunch outside, but then return to the hotel late at night, moment during which all I want to do is eat a small meal, preferably in the hotel, and then go to sleep. I also want the hotel to be clean, you know, if it is dirty or old, I am not going there. Obviously, I look for hotels that suit my purpose of travel. I do not look for hotels that attend big parties or celebrations; I need a quiet and tranquil hotel that can guarantee me that good night's sleep.

With regard to the type of service I expect hotel employees to offer, it depends on where I visit. For example, in Bogotá, when I travel monthly to the same hotel, I expect to be treated very well, with the best service. Like if it is very cold in my room, they would automatically rush to my room and place a heater. Things like that make up that personalized service I want in Bogotá. At the hotel there, they know who I am, what I like, and what I need for my business meetings. They normally automatically reserve business offices for my meetings and food afterwards. For me, that hotel is like a second home, so I expect high quality and personalized service. In the rest of my business trips, be it in South America or abroad, I do not program anything within the hotel. I only use the hotel for a good breakfast and sleep; the majority of my time is spent outside of the hotel, in factories, with clients, lunch outside, and so on. In this case, I do not need a high quality service, and I definitely do not need to interact with the hotel or its employees. I am not interested in that; I care more about location. I do not need the hotel to have ten pools; I simply do not have time for all that. It all boils down to a tight schedule on these trips; the success of my trips depends more on what I do outside the hotel. The hotel only needs to act as a trustworthy place to spend the night, with good breakfast.

4. What services and physical installations (Cafés, bars, pools, spa, gymnasium, among others) do you believe have to be offered in the hotel for you to be completely satisfied with your stay?

Perhaps in Bogotá, and only in Bogotá, I need a business center or office. However, it is not that important. In general, I do not need the hotel to have many services or things. I only need a swift accommodation service, a nice, quiet and clean room, and a good continental breakfast. In the case that I have leisure time, which can be rare, it would be nice for the hotel to be close to a shopping mall, or have a pleasant place to walk to and relax.

5. *What hotel brand would you prefer to choose, and why? In the case of having to choose between two hotels that offer the exact same services, installations and service quality, but differ in brand and in price, one being a recognized and powerful brand and the other being a new and less recognized brand, which one would you choose to stay in, and why?*

Yes, I do prefer Ibis hotels, but not the brand itself; I am talking about its format and layout. As I said, it is very practical. All of the hotels and rooms are the same, and its rooms are very comfortable and clean. When I get there, I do not have to ask for information or instructions. For breakfast, I know there is a buffet style continental breakfast and everything. I eat whatever I want and can, and this is in every Ibis hotel; they even offer similar, if not the same, food. I know just what I am getting when I visit an Ibis hotel, and they are present throughout South America. It is an executive traveler focused brand, and they are always well positioned. Therefore, I consider myself very loyal to that brand, and I will always try to stay there if I can.

6. *How can hotels create and improve brand loyalty with guests who travel for professional reasons?*

One example for that is assistance in transportation, which is typical in American hotels. Sometimes, it is included within the room rate the pickup at the airport or any other spot, and the transportation away from the hotel. In a big city, they may have shuttles that can do that for you, and for me, that is very useful, because that way you do not rent a car, you simply depend on the hotel for transportation. I think the small things that help increase my loyalty to them as well. I will use the same example as earlier. Say my hotel room is cold, and they bring a heater up to my room. I appreciate that, and I will probably go back. The same goes in the other direction. If I have trouble with that hotel, I simply do not go back there. Why should I, if there are so many hotels to choose from?

7. *Taking into account the services, installations, and hotel characteristics you defined earlier, what price range would you be willing to pay for staying at the hotel? In other words, how elastic or sensitive are you to price?*

As long as the rate is within the price range parameters that the company establishes, I have no problem with that. In the case of the Ibis hotels, they have uniform room rates, so I always know that they will be within the company's price range. Their format allows them to manage prices between 80 and 100 USD per night, depending on the city. In the case that

there is an unjustified and extreme change in price that falls out of the price range, sure, I would not stay there. Of course, there are exceptions when it is high season and full hotel occupancy, when rates are extremely high. An easy example is ColombiaTex. When that time of year comes, the hotels in Medellin charge 3 or more times their normal rate to take advantage of that high season demand, which is normal. They know clients fly to the city despaired for a room that is now very scarce, and pay the very high price. Only under a similar situation, a last minute trip to a city at a time of high hotel occupancy, would I pay such a price. In the rest of the cases, where I everything I do is calculated and programed to the last detail, I research for hotels that fit my needs and my price range and that is it.

8. *How do you hear about new hotels, and what is the best way for hotels to communicate with you?*

I do not pay attention to hotel promotions, e-mails or surveys. I do not even attempt to look at them. I do not want to experiment with trying out new hotels. Very occasionally, and that is only for leisure trips, would I do that. I am very clear on my needs, and I know which hotels will deliver my needs, so I stick with those repeat hotels.

9. *What traits or characteristics do you believe business travelers have in common when looking for a hotel?*

At least when it comes to Enka employees, they all search for hotels according to what I have told you; location, breakfast, price suitability. Maybe in general it is that way also. Of course, I think that some business travelers may also choose hotels depending on whom they travel with. If they travel with large company executives, then they will probably choose more high end-hotels because they can be traveling with CEOs, powerful VPs or executives.

c) *Third Client Interview*

Interviewee Name: Felipe Molina Vélez

Position: Small Business Owner

Time and place: 6:30 PM, 19/12/2017 Via Personal Interview in Spanish (Transcribed to English)

Duration: 26 Minutes

1. *How often do you travel for professional reasons (business, investment, conferences, among others) and which of those are the main reasons you travel for? Do you always stay at hotels?*

I do not travel very often, but I do travel for business at least six times every year, and I always stay at hotels, because when I travel to other cities, be it in the country or outside the country, I think hotels are the best option.

- 2. Describe your purchase process. Who is responsible for making the final decision (who pays for your stay?), and what steps are taken when searching for a hotel? Are there any intermediaries that affect the process? If so, who are they, and how do they affect the process?*

I am the one who is responsible for the purchase, so I choose the hotel and my company pays for my stay. What I do is very simple. I do research online, and I use either Booking.com or Orbitz to find hotels and directly book my reservation there. We can consider that these two platforms are the intermediaries you are asking for. For me, they are useful because they facilitate the search for hotels with their filters in price, location, and so on. Plus, I feel I get good deals through these websites, which is another reason I use them.

- 3. What do you look for in a hotel? What type of service and corporate culture has to be offered by the hotel employees for you to be satisfied with your stay?*

What I look for in a hotel? If I could sum it up into a few words, it would be price, location, cleanliness, comfortable, and connectivity, in that order. I always consider price above location, but I still expect the hotel to be clean, comfortable and have access to Wi-Fi in any case. Anything else is extra. In terms of service, I think the hotel should do the minimum: a service policy that tries to treat you like a special guest, such as cordial attention from check-in to checkout. I do not expect anything lavish; I just need them to be there when and if I need them to be, so I think a simple service like that is enough. Of course, they have to be good at that!

- 4. What services and physical installations (Cafés, bars, pools, spa, gymnasium, among others) do you believe have to be offered in the hotel for you to be completely satisfied with your stay?*

I think the hotel should have good food, a nice spa and wet area, and somewhere to work out or swim or something like that. When I travel for business, sometimes I do not have time to go out to eat, so if the hotel has a restaurant with good food, or is like, next door, to one, then I would like that. Breakfast is very important to me, I need the hotel to have some sort of breakfast, be it buffet or a la carte. If possible, I would like the hotel to have 24-hour room service, as I would like the option to have a quick bite to eat. Also, I have my workout routines, and I try to keep up with them while I travel, and also as a way to relax. The first thing I do in the morning is to engage in sports, usually in the gym, and at night, if I do not have time to leave the hotel, I want to relax, so as I said, a nice spa would be useful. Again,

as I said earlier, connectivity. I like my hotel room to have a desk or somewhere I can sit down, connect my laptop, and navigate the internet with a good and fast connection.

5. *What hotel brand would you prefer to choose, and why? In the case of having to choose between two hotels that offer the exact same services, installations and service quality, but differ in brand and in price, one being a recognized and powerful brand and the other being a new and less recognized brand, which one would you choose to stay in, and why?*

I do not really prefer or have any loyalty to a brand in particular. I stay in any hotel that I think can guarantee me a fair price, prime location, connectivity and commodity, as we talked about earlier. My ideal hotel is the one that can best accommodate these things into the right price. Of course, I tend to stay in hotels I have stayed in before; if I return to a city I have visited and I had a pleasant experience in a hotel there, I'll try to book that one, if not, I'll look for another one. That is no problem for me, as long as the price is right.

6. *How can hotels create and improve brand loyalty with guests who travel for professional reasons?*

I think one good way for the hotel to create loyalty is to offer fair and constant nightly rates. In other words, if they maintain their rates without abusing high demand seasons and have a fair price, which will go a long way. A friendly service will also help, and hardly goes unnoticed. Again, it is not about luxury, it is about being there for the guests and doing anything they can to help them if they need it.

7. *Taking into account the services, installations, and hotel characteristics you defined earlier, what price range would you be willing to pay for staying at the hotel? In other words, how elastic or sensitive are you to price?*

As the owner of my own company, I try to save money. Of course, clearly, I am sensitive to price. That is the main factor for me, so I have to feel that the price is right. If I feel a hotel goes over the top, I will not stay there; I will simply look for another one. There are many options. It is hard to say which price range is fair, but I try to stay around the 100 dollars per night mark. Anything above that is too much.

8. *How do you hear about new hotels, and what is the best way for hotels to communicate with you?*

Booking.com. I think that the best way for the hotels to communicate with me are through the intermediaries I mentioned earlier.

9. *What traits or characteristics do you believe business travelers have in common when looking for a hotel?*

I believe everyone looks for a hotel that has a good location, since every business traveler usually has that need. After that, I would say having good, high velocity access to the internet from the room. Most business travelers need that in order to work.

d) Fourth Client Interview

Interviewee Name: Jose Mario Rodríguez U.

Position: Executive, Representaciones Arbeláez Jaramillo (ARJAR) SAS (Brand representation company for high prestige foreign companies in the Colombian scene)

Time and place: 4:00 PM, 11/01/2017 Via Personal Interview in Spanish (Transcribed to English)

Duration: 22 Minutes

- 1. How often do you travel for professional reasons (business, investment, conferences, among others) and which of those are the main reasons you travel for? Do you always stay at hotels?*

I travel two times per month, always for business that I do for my company. We represent strong, international companies in Colombia, so we do a lot of business outside of the country. Normally, I stay at hotels.

- 2. Describe your purchase process. Who is responsible for making the final decision (who pays for your stay?), and what steps are taken when searching for a hotel? Are there any intermediaries that affect the process? If so, who are they, and how do they affect the process?*

I usually stay at the same hotels, regularly the ones I have had good stays with and am familiar with already. However, the process depends on where I travel. When I travel to other cities within the country, I normally delegate the decision to my personal assistant, who selects my hotels and books my reservation for me, and then the company reimburses me. Since they are usually the same hotels, it is a very simple process. On the other hand, when I travel outside of the country, I find and book hotels through Expedia. So, the intermediaries are my personal assistant on local trips and Expedia on international trips.

- 3. What do you look for in a hotel? What type of service and corporate culture has to be offered by the hotel employees for you to be satisfied with your stay?*

For me, it is fundamental that the hotel have free and fast Wi-Fi. Without a good connection to the internet, my job would be impossible to do, so that is the first thing I look for in a hotel. Other than that, I feel that the hotel has to be clean, especially in my room. I do not think I can stand a dirty bathroom or bed, for example. Another aspect that is important for me is transportation. If the hotel has a shuttle service that can transport me to the airport,

meeting places with clients or any other place in the city. If the hotel does not have that, then location. The hotel should be relatively close, be it within walking distance or a short taxi ride away, to the place I meet with clients. These are what I consider important, and while I appreciate good service within the hotel, it is not what I value the most. I think it is important that they know when to intervene and when to leave the guest alone, that tells me if they are doing their job well.

4. *What services and physical installations (Cafés, bars, pools, spa, gymnasium, among others) do you believe have to be offered in the hotel for you to be completely satisfied with your stay?*

I do not really care if the hotel has many physical installations. A restaurant or café would be nice, especially since they are convenient to have a quick lunch or dinner in case time is of the essence. What would be extremely useful is a good breakfast meal included in the rate; in that case, the hotel does not necessarily have to have a restaurant. They can simply have a breakfast buffet in the lobby area or something. Perhaps a business center as well, but I would only need that in an emergency, so the hotel should have that in case, even though it is not necessary. Any other physical installation is not important. I have no time to go to the gym or to the pool, and even if the hotel has that, I would not use them.

5. *What hotel brand would you prefer to choose, and why? In the case of having to choose between two hotels that offer the exact same services, installations and service quality, but differ in brand and in price, one being a recognized and powerful brand and the other being a new and less recognized brand, which one would you choose to stay in, and why?*

I care more about price than brand, honestly. As you know, I typically stay in the hotels I am familiar with, that I have stayed in previous visits. If I had a good experience and their rate justifies the stay, then I will most likely try to stay there again. But to answer your question, no, brand is not everything. If I see two similar hotels that offer more or less the same things, I will choose the cheaper one. I believe that in many cases, having to overpay for similar hotels is unnecessary.

6. *How can hotels create and improve brand loyalty with guests who travel for professional reasons?*

The best way to earn my business is for the hotel to offer me special rates if I periodically stay with them. If I stay frequently at a hotel and the hotel recognizes me as a frequent guest with special corporate rates, then have no doubt that I will stay loyal to them. Another gesture that can help improve my loyalty to a hotel would be up-grades to better rooms if they were available, for example. Then again, those are common service gestures most hotels make, so they would have to find distinct gestures to separate them from the

competition, which is not easy. As long as I see an effort from them and it is clear they appreciate me as a guest, I will return to that property.

- 7. Taking into account the services, installations, and hotel characteristics you defined earlier, what price range would you be willing to pay for staying at the hotel? In other words, how elastic or sensitive are you to price?*

Yes, I would consider myself price sensitive. I would normally be willing to pay around 100 to 110 dollars per night at a hotel. In order for me to pay anything higher than that, there has to be a solid reason. For example, that all other hotels are booked, or that the hotel is the closest to my meeting space, that the cost of living in the city I travel to is high, among others. In any other case, I try to stay around that price range.

- 8. How do you hear about new hotels, and what is the best way for hotels to communicate with you?*

You always hear about large hotel chains like Hilton or Sheraton, and that is because they can spend on advertising and commercials, but it is the best way for travelers to get to know what they offer. Same goes in my case. I hear about those large hotel brands because I read about it in the newspaper, see it on TV or while reading a business magazine. If I become more familiar with these brands, then my chances at staying with them improve. Therefore, hotels should use advertising to try to let people know who they are, what they offer, and where they are located.

- 9. What traits or characteristics do you believe business travelers have in common when looking for a hotel?*

Business travelers I know care about location, and I am sure most of them value that over anything else. The possibility of being next to the workplace abroad is very important, and since these type of travelers are busy people, cutting transportation times and maximizing efficiency is what location gives you. A hotel with location will attract more business travelers. After location, there is price, food and cleanliness. There are many variables, but I think the one every business traveler can agree to is location.

e) *Focus Group Conference*

Time and place: 5:30 PM, 18/12/2017 Via Online Conference in Spanish (Transcribed to English)

Duration: 1 hour and 20 minutes

Participants:

- *Julián Arango, Coworking Space Owner, Medellín.*
- *Diego Gutiérrez, Corona Executive, Bogotá.*
- *Pablo Molina Vélez, Small Business Owner, Medellín.*
- *Juan Luis Saldarriaga Peña, Small Business Owner, Medellín.*
- *Marian Villa, Small Business Owner, Medellín.*

1 - [START]

2 - [Me]: Hello everyone, thank you for coming! Today's objective is to have a discussion on hotels whose primary market are business travelers. I will ask a question, and each of you can give me his or her personal answer. Then, afterwards, if possible, we will discuss the answers together. So let us begin. The first question is, how often do you travel for professional reasons, and do you always stay at hotels when you travel? Diego?

3 - [Diego]: I travel three times per month. Say, that 90% of the time, I travel for business I take care of for my company. I always stay at hotels.

4 - [Pablo]: I do not have a fixed travel schedule, but when I do travel, it is usually on business, and I stay at hotels.

5 - [Juan Luis]: If we are talking only about professional reasons, I travel two times per month, and I stay at a hotel.

6 - [Julián]: On average, I travel two times a month, generally on business. Where I stay at, it depends. So I stay a lot in hotels, but I also use Air B&B.

7 - [Marian]: Yeah, it is variable for me as well. I am similar to Pablo. Maybe once a month? Hard to say. But when I do travel, I stay at hotels.

8 - [Me]: All right, that was a simple question. The next question, I want to have a little more discussion and insight on. It is about the purchase process. I want to know what steps you take when choosing a hotel. Do you research online, do you have an intermediate travel agency, or how do you choose hotels? Also, I want to know who is responsible for making that decision and who pays for your stay. We can stick to the same order if you like.

9 - [Diego]: When it is a business-related trip, my company already has a negotiated corporate rate with some hotels. We do everything through Aviatur. They have an online portal where you select travel dates and destination, and then select from a list of about ten hotels. I normally select the Hampton Inn hotels from Hilton because I am a rewards member with Hilton Honors. They

sometimes offer me upgrades and such, so there is definitely a loyalty towards them and for what it is worth, I feel the Hampton Inn has a good cost/benefit relationship. So yes, I choose that brand, whom we have a corporate rate with, and then the hotel direct bills my company.

10 - [Julián]: My process is a little different. My company is not that big, so we do not have corporate rates. We do have a deal negotiated with Sheraton, where we stay some weeks there with them at a discounted price, but when our discounted weeks run out, we use Air B&B because it is cheap and easy to use. I do however, choose where I stay at, and the company subsidizes everything that is within a fixed travel budget.

11 - [Juan Luis]: When I travel for business internationally, I stay at the Hard Rock Cafés, who have a direct link to my company, and they cover my expenses. When I travel within the country, I find and book hotels through booking.com, and then my company reimburses me.

12 - [Pablo]: Since our company is a small company that does not have a department that organizes our travel schedules and we have no specific relationship with any hotel chain, we do all our research for hotels and reservations through booking.com. So yes, we choose the hotels ourselves and we pay for our travel expenses.

13 - [Marian]: I work with Pablo, so my process for choosing hotels for when I travel is the same.

14 - [Me]: We can see a pattern forming, and that is, depending on the size of the company, there are already agreements and corporate rates established, and depending on size as well, usually the company pays for travel expenses. Finally, online hotel search platforms are used frequently, and the traveler does research online, for he or she is the one who chooses where to stay. I am sure that we can all agree on that. Now let us talk more about the hotel. What do you look for in a hotel? I am also referring to the type of service and employee attentiveness you expect in your stay.

15 - [Diego]: All right, so in a business related travel, one is thrown out of one's comfort zone and out of one's daily routines, so I try to choose a hotel that will help me through that transition as smoothly as possible. Therefore, I look for a hotel that, first, is well located within the city and that is in a secure zone. I work all day, so at night, if I want to go out, then I can do so without any problem. I am really only interested in renting a comfortable and clean room, with a comfortable bed, WI-FI, possibly with just a TV, a desk and that is it. Just the basics. I will happily sacrifice other amenities as long as I get those basics I mentioned, and if that is reflected in the price, well, even better. I also like hotels that are new and well kept. I previously mentioned that I am a rewards member, so I try to look for the same-brand hotels that will allow me to continue accumulating points, that will give me upgrades or any additional amenity for being a frequent guest. For me, that is very important.

16 - [Me]: Ok, so how about service? How do you expect to be treated? Say you are a repeat guest. When you check-in at the hotel, that the front desk already knows you by name, for example. That is a high level of personalized service. How important is that for you?

17 - [Diego]: Well, I do care about that, especially considering that one is a repeat guest. Plus, it is a way of congratulating you for your loyalty. There are many hotels to choose from, so any hotel has to try to retain guests in that way. Another important thing is flexibility. What do I mean about

flexibility? Say the hotel is very full and you need to stay a little longer, that they help accommodate you, or that they do not charge you for unused nights. Things like that.

18 - [Juan Luis]: I agree with the level of service. That is important to me as well, as long as it does not disrupt my business with clients or any other negotiation I might have directly in the hotel, and I check to see that the hotel has a spacious lobby or other areas where one can meet with clients or others. Wi-Fi is absolutely necessary, but since we are talking about a business and not a pleasure trip, the number of commodities you need are less. However, having a good room, a nice bed and pillow to rest on, and a good bathroom, helps to have a good night's sleep, which I need.

19 - [Julián]: For me location, as it was mentioned earlier, is important; that the hotel is close to wherever I need to go. Commodity is very important. Like Diego said, you are leaving your comfort zone, so to find a hotel or apartment that makes you feel at home is nice. Those would be my main points. In terms of service, yeah, you want to feel welcome, but I feel I can speak for anyone who owns a small company: you cannot afford to stay at a five-star hotel most of the time, but I like to stay at hotels that even though are not five star hotels at least have a good level of service. That they show they care about you.

20 - [Pablo]: In my case, being able to connect to the internet when I travel is the most important thing. I will easily sacrifice many amenities for a better and faster Wi-Fi connection, because my work is completely dependent on it. I will need to upload or download heavy files, or maybe have an impromptu skype meeting, so again, connectivity.

21 - [Marian]: I am sorry to interrupt, but I have to be honest with you. I am very independent, but when I travel, I delegate the hotel responsibility to Pablo. I feel he is better with that and he can answer your questions better than I can. I will listen, but I know my answers will be pretty much the same as Pablo's, as he knows what I look for in hotels.

22 - [Pablo]: That is fine by me! Anyway, I would have to agree with what everyone is saying about location, that the hotel is close to the meeting or work space, that employees treat you well in the hotel. What I do not like is when the service becomes too intrusive on the guests, that they are not constantly bothering you to see if you are all right. I just think they need to be opportunistic; when you need something, you want them to respond well, and simply just not intervene when it is not necessary. So for example, if the Wi-Fi network goes down, that they do not take an hour to respond to me, and that they solve the problem quickly. That is being opportunistic.

23 - [Me]: In other words, you need a hotel to value your privacy. When you travel for business, you stay a short period of time at the hotel, do your business, and leave. Call it a simple transaction. Of course, you need the hotel to be there, but only if you need it to be there to help.

24 - [Diego]: I think we all agree with that, but there is another additional aspect to it. This is definitely a transaction, unlike when you travel for pleasure, when you are looking for an experience. Not in this case. However, the hotel service should have a special touch to it, something that you can appreciate and that will make you loyal to them. There has to be some special benefit that encourages you to come back. Oh, and one thing you will tolerate as a tourist, but not as a business traveler: tranquility in the premises. Especially noise, be it loud music, weird noises coming from the

other room, or moving luggage across the floor. As a business traveler, all you want to do at the hotel is rest, and when there is no tranquility in the hotel, you do not get to rest at all. It does not help that many hotels nowadays have a thin drywall to separate rooms, so you hear everything: people partying, the person with his girlfriend and loud music. After a long day of work, having to endure that is very hard and tiring.

25 - [Me]: That is why it is important for the hotel to differentiate their target market. If you are travelling on business, you will probably choose a hotel whose target market is the corporate travel market.

26 - [Diego]: Exactly. I think the best example are the American hotel brands. They have many brands that effectively take care of that market, and know how to treat the business traveler well. For example, the hotel Dann Carlton in Medellín was originally focused on this market, but they lost their essence, and now, nobody in my company goes to the Dann Carlton in Medellín on business, because of all the parties and loud music they have at night. Therefore, it is important for a hotel that says they center on the business traveler to stay that way, at least during the weekdays, because if not, you will end up at another hotel.

27 - [Me]: Right, so that feeling of exclusivity to business travelers is important.

28 - [Pablo]: Yes, although, not necessarily exclusivity. You just want to feel a certain affinity about the type of people at the hotel. You want them to be there for similar reasons to you.

29 - [Me]: In sum, the hotel should be differentiated to meet the business traveler's needs, which are very different to a pleasure traveler's needs, which is what we were talking about. Now, I want to go a little further and talk about the physical installations at the hotel; I mean pools, gyms, restaurants and business centers. What do you need exactly during your stay?

30 - [Diego]: Honestly, I only ask for a good room, as I mentioned earlier. A bed, maybe a TV, desk, no minibar, a mini fridge with a water bottle, courtesy of the hotel, similar to what the Hampton Inn does, and an iron and table for ironing, just in case you need to iron your rugged shirt.

31 - [Me]: And if the hotel has dry-cleaning service?

32 - [Diego]: I probably would not use it. The company gives me a company credit card to cover all necessary expenses, but that does not include dry-cleaning, or any other extra expenditure, like long-range phone calls, or car rentals. I am not willing to pay for those out of my own pocket, so I only stick with what my company covers. Anyways, besides that, I think that it is important for the hotel to offer a breakfast menu, so they should have a space for that. If I practiced any sport or have gym routines, then I believe it is important for the hotel to have a gym. I know many business travelers who go to the gym as part of their daily routines, so they would need a gym at the hotel to continue that routine. Pools, Jacuzzi and spas are unnecessary; bars and restaurants, I would prefer outside the hotel. Spaces for meetings with 4 to 5 people and business centers I think are added benefits, I would use them, and so those would be important.

33 - [Julián]: I too, am very basic when it comes to my business travels. A simple room will suffice, with just the basics. When I travel for when my job requires it, I have no time for anything other than work. I care about good Wi-Fi, because my job is digital. What I would also appreciate is a space for meetings, not that big. That is pretty much it; I just want to rest without any noise at the hotel when I get back from a day's work.

34 - [Juan Luis]: I like a big lobby and I want the hotel to have spaces where I can sit down with someone, have a drink or something, and that way I avoid traveling long distances; I would simply invite them over to the hotel, maybe even meet with clients there. Big conference rooms are exactly for that, I would only need smaller spaces, and I prefer them to be informal and natural. Spaces for exercising are not that important for me on a business trip.

35 - [Pablo]: If there is something I never use in a hotel, is a TV. I would not even turn it on; in any case, I would use my laptop. A mini fridge yes. I do not like hotel food. It is hardly good food, so I would not use room service, which is also slow. I would only use a business center if I need to print something, which is not that common, and any other space, I probably would not use. With a good Wi-Fi connection, I would do everything I need to do from my room, so I would need a comfortable desk to work.

36 - [Diego]: Can I add something that nobody has mentioned? The air conditioning. I rarely enter a hotel room that has a balanced temperature, it is either too hot or too cold, and the device is hard to control. Most of the times, I have to ask the front desk for help, so I wish hotels had a more standard or user friendly air conditioning device.

37 - [Pablo]: Yes, that happens to me. There is almost no optimum temperature.

38 - [Me]: I think we have all come to consensus that the hotel room can be simple but has to be comfortable, that includes air conditioning, bed and shower. Internet is without a doubt the most important item, and the hotel can have very little physical installations. Having a gym and spaces for meetings is quaint, but not as important as the room itself. Definitely, a limited service hotel is better for attending this market.

39 - [Julián]: Yes, I just feel that hotels should be more aware and self-conscious of the cost-benefit relationship of the service they offer to business travelers. We do not need many services, so the hotel should have a price that reflects that limited service, and not overcharge for any unnecessary service. For example, the mini bar. We do not need a mini bar, but if the hotel charged a decent price, not a 20 or 30% more than its normal street value, we would probably use it.

40 - [Me]: I think everything we have said up until now is clear. Now, moving on to another subject, brand. I want Julián to tell me more about his selection of Air B&B later, and I want everyone to tell me a little of their brand preference, if there is any. If you prefer a powerful, recognized brand or a small, relatively unknown brand, assuming they offer the same services, but differ in price.

41 - [Diego]: Brand is definitely important, because what it does is give assurances. It assures you that you are going to a hotel that does things right, seriously and is dependable. Services are standardized, and you know just what to expect from a branded hotel. A non-renowned hotel can be somewhat of a risk in that aspect, and I would not want to take that risk when traveling on business, where I need everything to go as smoothly as possible. Nowadays, the hotel industry is very standardized in my opinion, and brand assures you that standardization in any hotel of that brand you go to. In my case, I used to go mainly to the Dann hotels. They were very fancy and nice, but then Hampton Inn came along, took out most services, and adjusted nicely to what I really needed at a reasonable price. That standardization definitely helps my loyalty towards them.

42 - [Julián]: Clearly, I am not loyal to any specific brand. We have those weeks with Sheraton, but I choose the best value hotels, price is the most influential. I look for that because it is my own company and I pay for everything out of my own pocket, so I try to cut back on operational costs, especially when it comes to business travels. That is precisely why I choose Air B&B sometimes, and additionally, they make it easy to reserve small apartments, even if it is 24 hours before the trip. Therefore, I would be more willing to stay at a cheaper hotel without worldwide recognition than one that is more famous but is more expensive.

43 - [Juan Luis]: Yeah, I would not say I am attached to one particular brand. It comes down to availability, a good past experience at the hotel, and good references in the online platforms. Like Pablo, I do my online search and reservations through booking.com, so I look at past guest's comments and at pictures to see that the hotel looks good. According to these aspects, I choose the hotel. In the case that I return to a specific city, and the hotel that I had a good stay before is available, I will repeat my stay there.

44 - [Me]: So if you had a bad experience in a certain hotel, would you return?

45 - [Pablo]: I would not return, unless I had a guarantee that whatever happened would not happen again. That depends.

46 - [Diego]: It depends on the severity of the incident and how it is solved. If there were a compensation or a common solution, then yes, I would return. If they show an effort to resolve the issue, then that is what is important.

47 - [Pablo]: Returning to your brand question, I too, have no brand loyalty towards one in particular. I do look for large hotel chains in booking.com, as I agree it does offer you guarantees on what to expect at the hotel, but I do not stay with one in particular. It depends more on price and availability. Again, when it is a more independent hotel, it has happened to me that I end up feeling that I am missing something, whereas a branded hotel usually has no bad surprises. It is just that there are many hotel brands, and I would explore each one, as long as it has what I need.

48 - [Me]: Excellent. More on loyalty. How do you think hotels can create and improve brand loyalty with business travelers?

49 - [Pablo]: A good breakfast has gained my loyalty. If you end up happy with the service, that also helps you become more loyal. Another thing that can help is agility at check-in and checkout: that

you can quickly get the keys to your room or that the bill is sent to your email. That is very valuable to me.

50 - [Juan Luis]: A good bed and good hygiene. There is nothing more disastrous than walking into a dirty bathroom and seeing hairs, for example, or waking up the following day without having slept anything. If they do not have a good breakfast, I would go out and find one. As long as I have a good bed and clean hotel, I am happy!

51 - [Pablo]: If I may interrupt, I think that breakfast at the hotel is necessary. Mornings are very time-consuming, and having breakfast at the hotel is practical and timesaving. It can happen that you do not have much time to go out the hotel and find breakfast.

52 - [Diego]: I am here with a lot on my mind, and I am agreeing with most of what others are saying. For me, security is important. You have all sorts of valuable things with you, and you want to trust the hotel for nothing to happen. Let us not forget, just by being a rewards member, I am loyal to a brand, and I enjoy the extra amenities I receive just by being a frequent guest. Another aspect is the front desk personnel. For me, if they are friendly, attentive and do their job well, that is important, because they are the ones who set the standard for the level of service you receive at the hotel. In that case, a standardized service is not enough. For example, if you are in the line to check-in and the one in front of you has a problem with his card, and is holding up the line, that another front desk agent comes, and takes you from the line in order to speed up the process is important. We are talking about velocity and making the process as painless for the guest as possible.

53 - [Julián]: I think everyone has said it: that you enjoy your stay, feel welcome, that the hotel or apartment is clean and you manage to rest while there. That is really all you can ask for and everything you look for.

54 - [Me]: It is all about detail. It is about making your experience as easy as possible. Now let us talk about price and communication. How much are you willing to spend and how do you believe the hotel should communicate with you? Also, how do you hear about new hotels?

55 - [Diego]: First, whatever I end up paying, I have to feel I am getting my money's worth. I would not choose the cheapest hotel, nor the most expensive one, but the one that fulfills my needs. However, since the service one really needs when traveling on business is quite simple, I do not think it justifies paying a higher price for staying at a hotel. For the hotel to communicate with me, the best way is probably through email and the rewards program. Maybe you can send a text message after you leave to thank you or wish you a safe trip to personalize it a bit more, but I think email is enough. We have to keep in mind that the hotel should not exceed sending you emails or calling you to see if you are fine. One does not have time for that. Instead, if one has something to say, one can do it at checkout.

56 - [Julián]: Price is important, and again, it has to do with the size of my company. We have small travel budgets, so price is of the essence. And for hotels to communicate with me, I would say that the best channel is digital, so email and social media since I myself am very digital.

57 - [Juan Luis]: I would have to say I am price-sensitive. When you travel on business, all you care about after checking in at the hotel is checking out, and as Diego mentioned, it is a very simple service that one looks for, so any significant change in price will make me choose another hotel. Communication with the hotel I think should stop once you leave the property. Checkout is the best time to do that, to ask you about your stay and offer you amenities to encourage that you stay there next time, because after that, you simply do not have time to read emails.

58 - [Me]: And if the hotel had some sort of application that enables you to ask for anything in particular before your stay there? Many hotel brands already have that.

59 - [Juan Luis]: That would be useful; it is more direct and applicable. Moreover, you can give feedback through there as well, and it would be easy for the guest to do so.

60 - [Pablo]: In my case, I do care about price. As I pay out of my own pocket, I need to save money and not spend carelessly on my business trips, but I would choose the branded hotel if the price is relatively not too high. For example, if I find two hotels, one branded and the other one is not, that offer similar services, and the branded hotel's price is 10 or 15% more, I will choose that one. In terms of the communication with me, I feel the hotel should not be intrusive with that: similar to when one is staying there. I think they should only try to communicate with you when strictly necessary and with useful information. When it comes to a smartphone app, I find that not very practical, because you would only be using that app once when you travel, and if you travel 1 or 2 times per month, you use that app one or two times per month. It is not worth having.

61 - [Me]: And if the app gives you benefits?

62 - [Pablo]: Yeah, well, still, the app is not essential. Unless, however, the brand manages to obtain my loyalty and gives me benefits through the app, then yes, I would have it and only travel with that particular brand. I care more about how the hotel handles my attempts at communicating with them: if I call them or email them and they respond.

63 - [Diego]: I agree. Honestly, the best way for a hotel that targets the corporate travel market to reach out to clients is by establishing relationships with companies and corporations. That way, you skip having to deal with clients through apps or emails, and eliminate online search platforms. In my situation, as my company has a relationship with 10 hotels, I am tied to those hotels, and I cannot select another brand of hotel that is not in the list when I travel.

64 - [Me]: I can now see that the hotel should definitely have a sales department that handles those corporate relationships and that way communicate with our clients.

65 - [Diego]: Yes, precisely. Another thing I was thinking about that you should keep in mind is that corporate travel class hotels have high occupancy levels on weekdays, but have very low occupancy levels on the weekends, since most business is done during the week. You will have high idle capacity during the weekends and festive periods, since it is a business-oriented hotel without many services. Tourists will not want to go there.

66 - [Me]: I agree, and maybe in these cases, when there is low occupancy on the weekends or festive periods, one thing the hotel could do is try to incentivize the local market, and increase the walk-in rate. So for example, create romantic night rates for couples, or create relationships with local event organizations to incentivize their clients to stay with us if they are coming from another city.

67 - [Diego]: Yes, and you know what else? You can take advantage of the increasing international visits to Colombia and to Medellín. So maybe you can work with organizations that promote Colombia to the outside world, like Procolombia, so your hotel can be seen as a beacon for outsiders, and that way incentivize international tourists to stay at the hotel during the weekends. As long as you can cover your fixed costs during the weekends and maybe obtain a marginal contribution to your profits, I think you should look at those options when your idle capacity is high.

68 - [Me]: I agree, those are valid strategies to put in motion, but the most important thing is for the hotel to maintain its essence of being a corporate traveler class hotel, and if on the weekends you cannot get business travelers, you have to try to get people from another market in. Well, I think we have covered everything clearly. Anyway, I would like to thank each and every one of you for participating and for your contributions. This has been an enlightening discussion, so thank you very much! I hope you will all be there for my hotel's grand opening!

69 - [Diego]: The pleasure has been all mine. Thank you for the invitation, and good luck!

70 - [Pablo]: You are welcome. If there is anything else you need, let me know. Goodbye!

71 - [Marian]: I am sorry I did not participate more, but I will help in any way I can! Good luck, Sebastian!

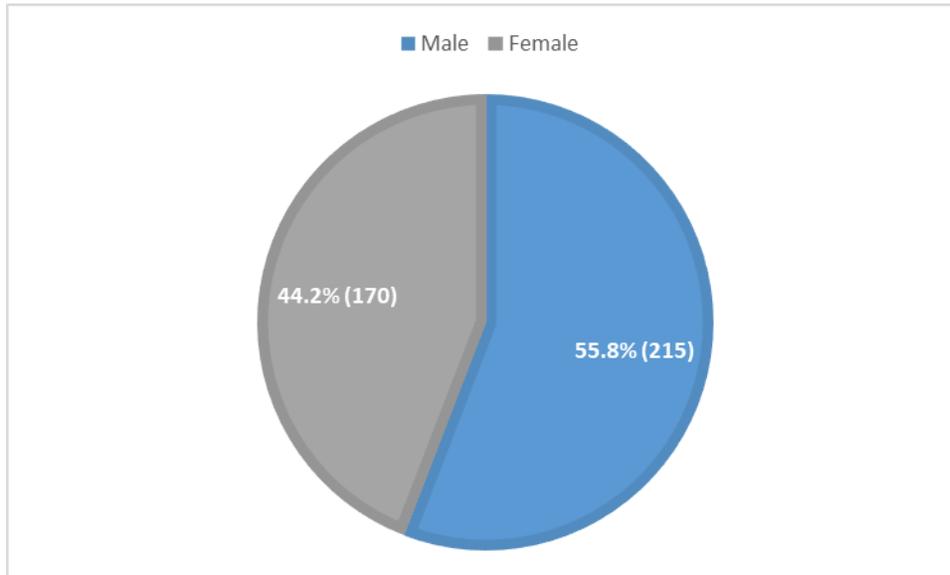
72 - [Julián]: Of course, glad I could help. Good night!

73 - [Me]: Thank you everyone!

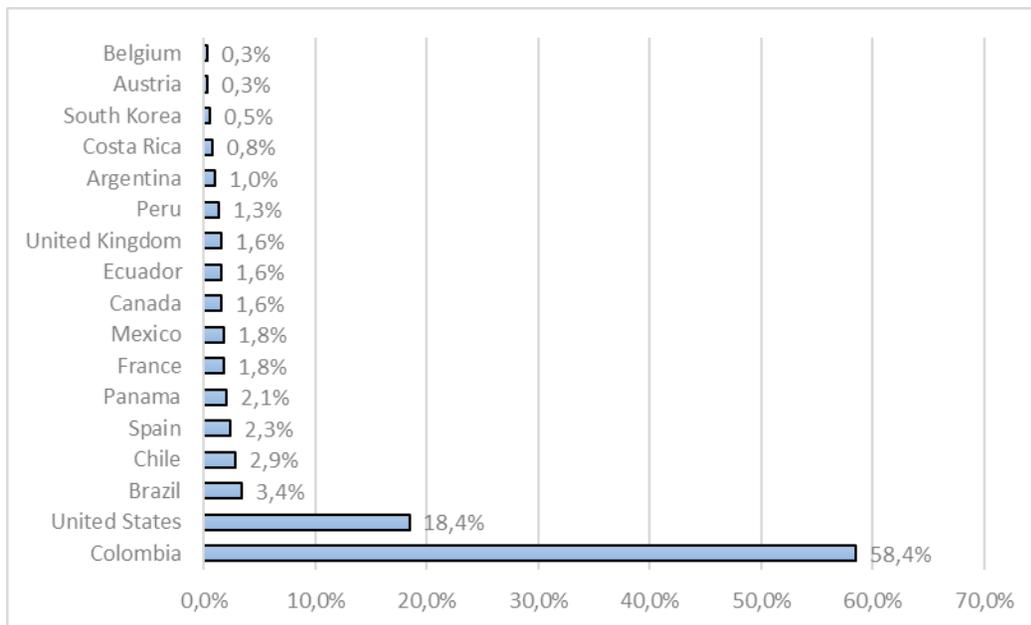
74 - [END]

ANNEX 6: QUANTITATIVE INVESTIGATION (MARKET SURVEY) RESULTS

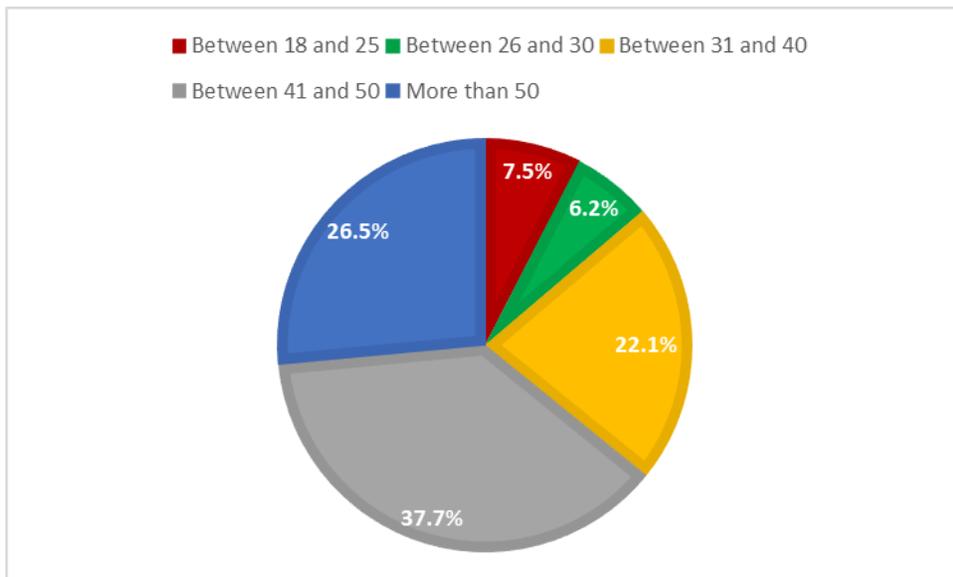
1. General Question: What is your sex? (385 Responses)



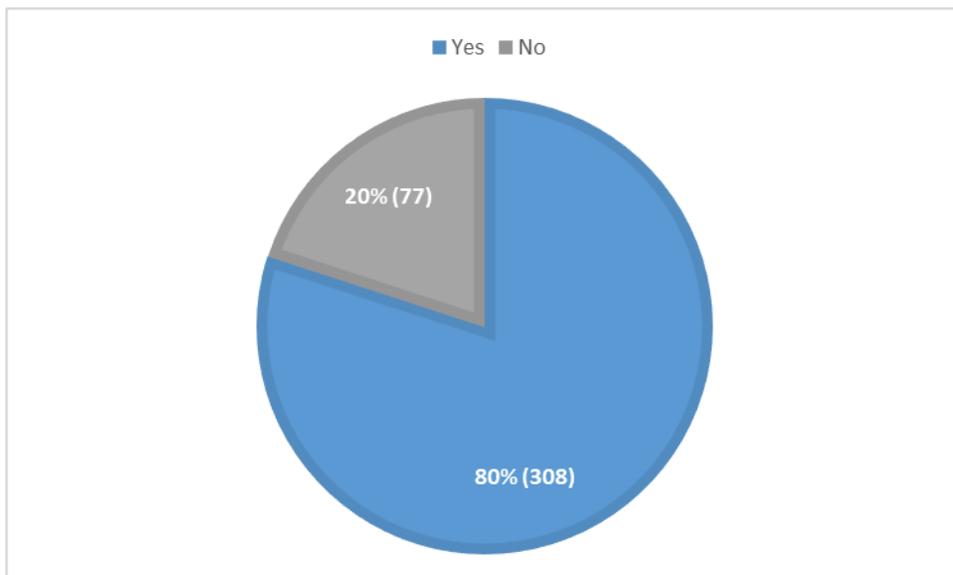
2. General Question: Where do you live? (385 Responses)



3. General Question: What is your age? (385 Responses)

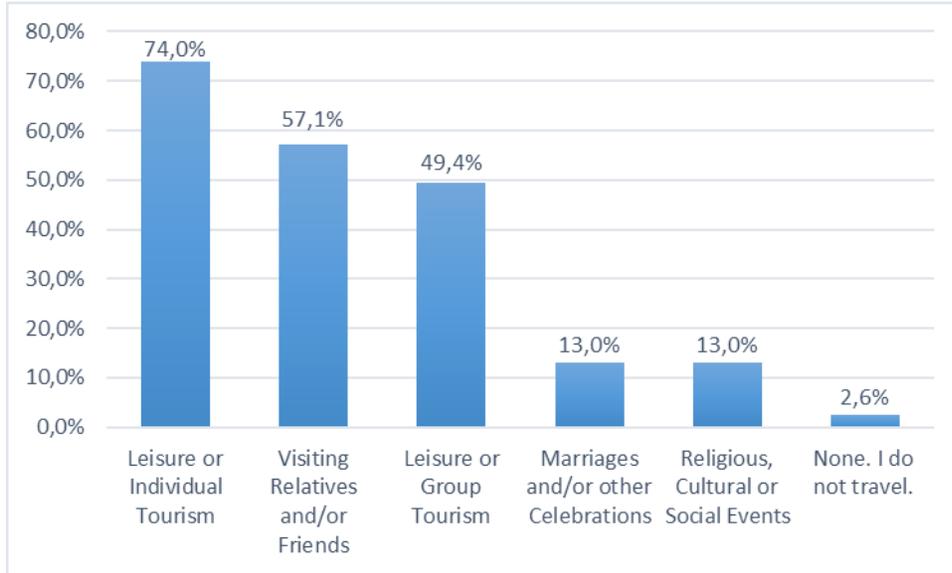


4. **Filter Question: Do you travel for professional reasons? This includes traveling for business, work requirements, investment, research, trading (buying and selling) or for attending or giving conferences or other corporate activities. (385 Responses)**



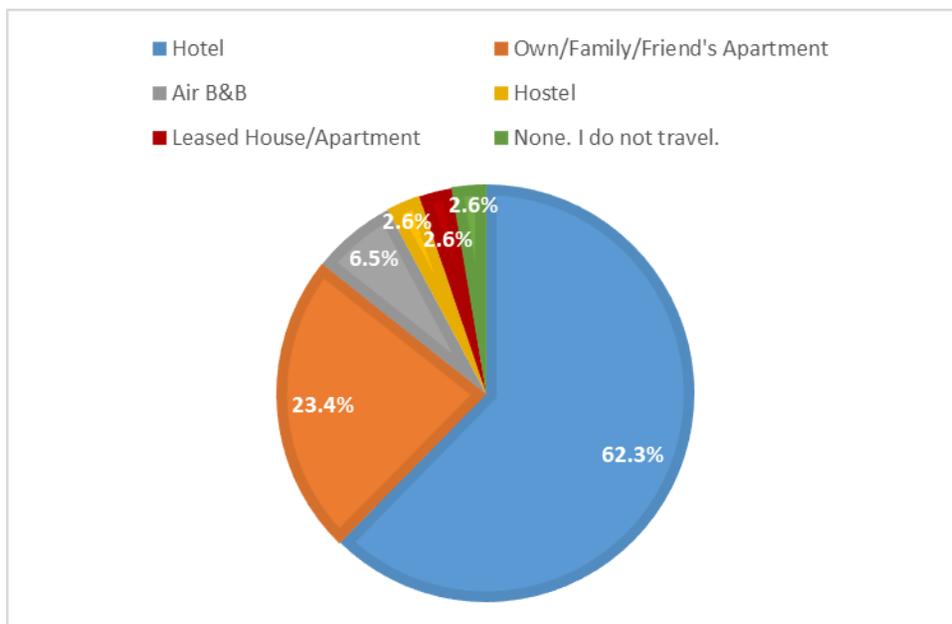
If the previous answer in question 4 was "No", then answer:

5. For what personal reason(s) do you travel? You can choose more than one, or choose "I do not travel" if you never travel. (77 Responses)



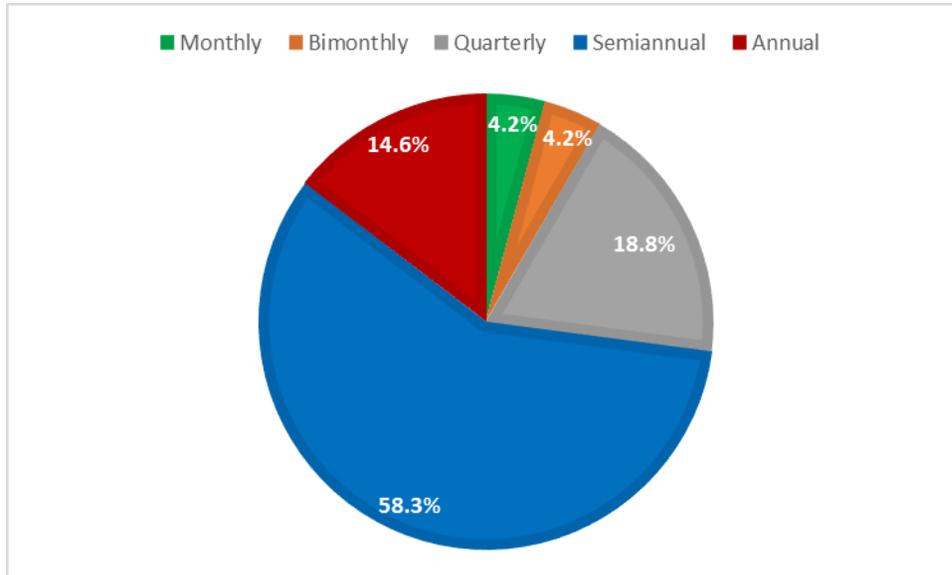
If the previous answer in question 5 was "I do not travel", end the survey. If not, then answer:

6. When traveling for personal reasons, where do you generally stay? (77 Responses)

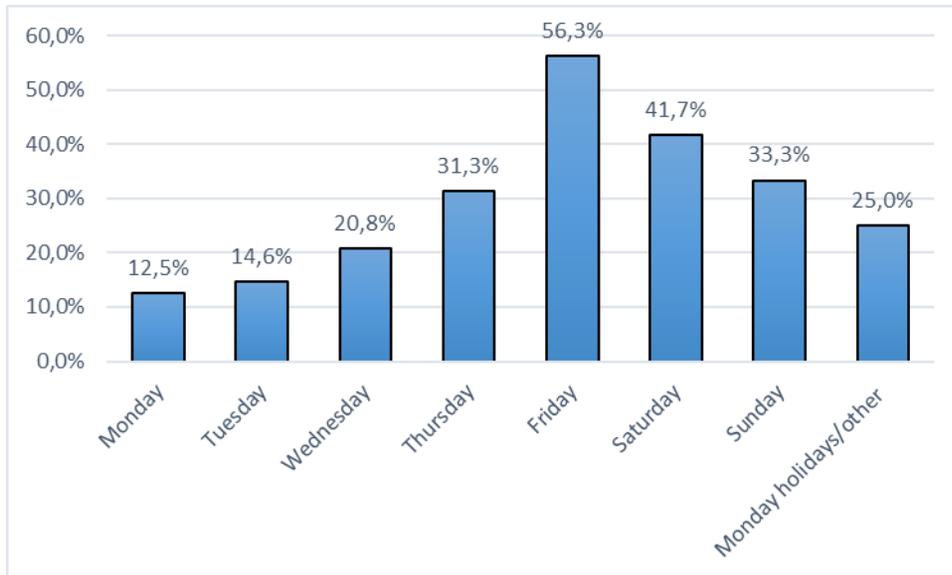


If the previous answer in question 6 was "Hotel", then answer the following. If not, end the survey.

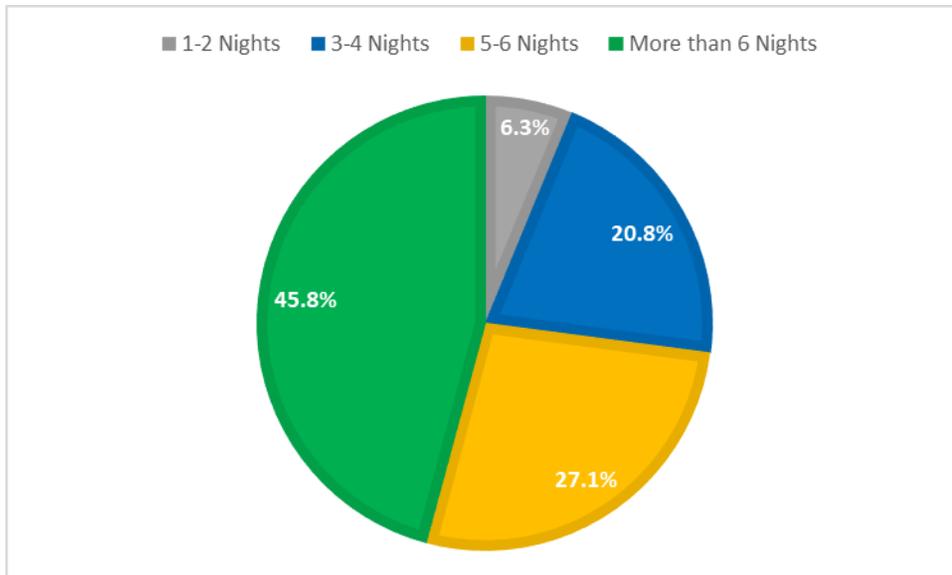
7. How often do you travel for personal reasons? (48 Responses)



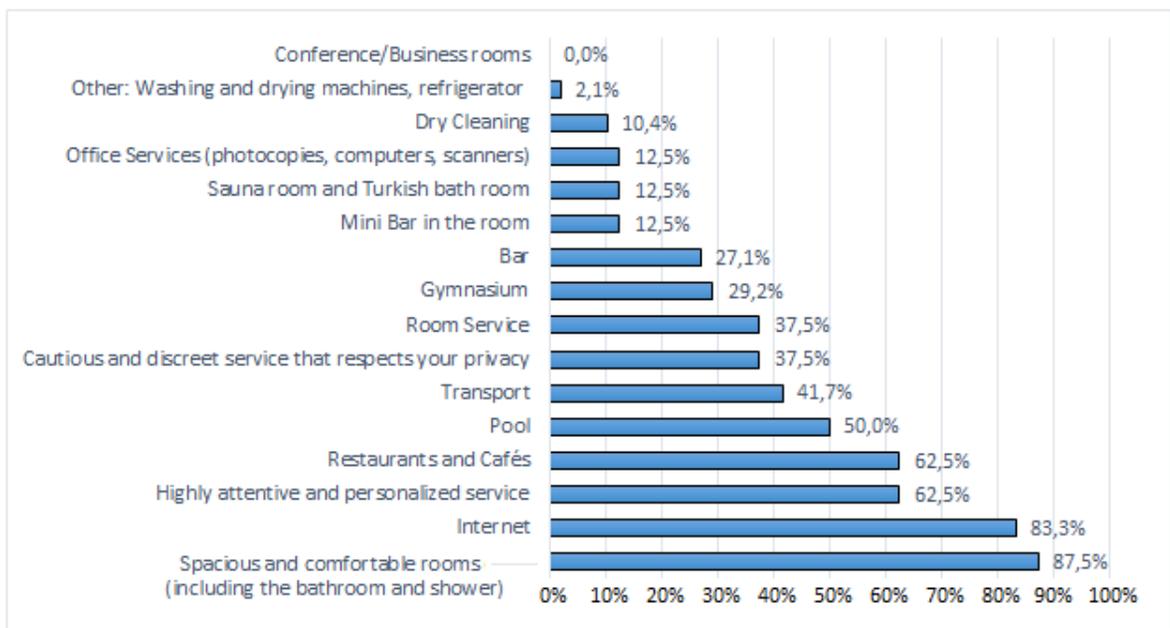
8. What days of the week do you normally travel for personal reasons? You can choose more than one. (48 Responses)



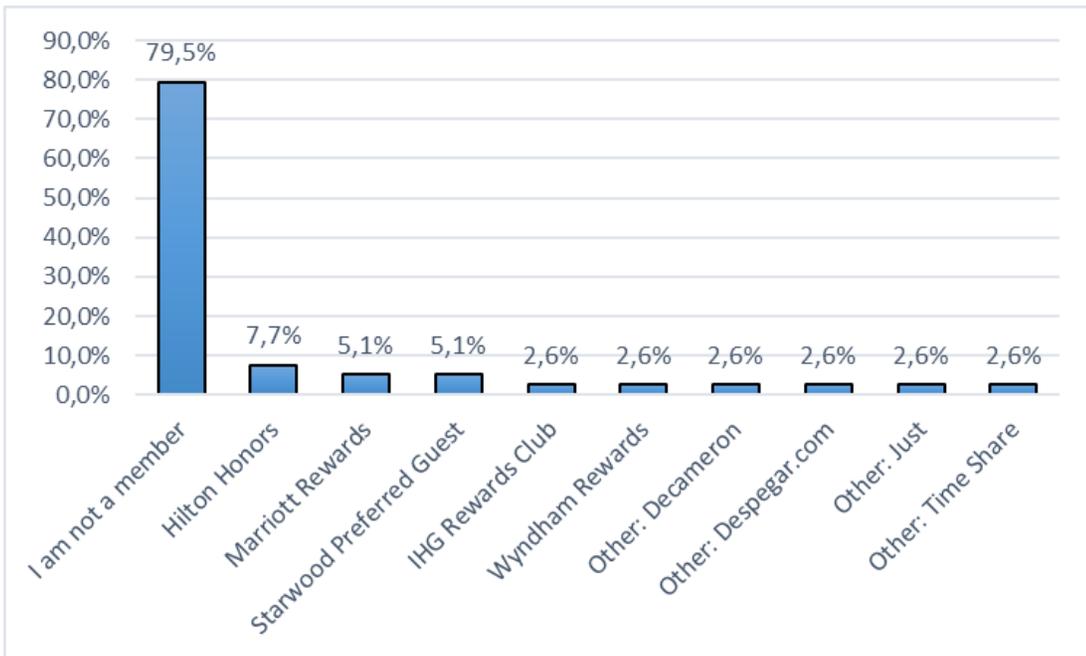
9. How long is your stay in your personal trips, usually? (48 Responses)



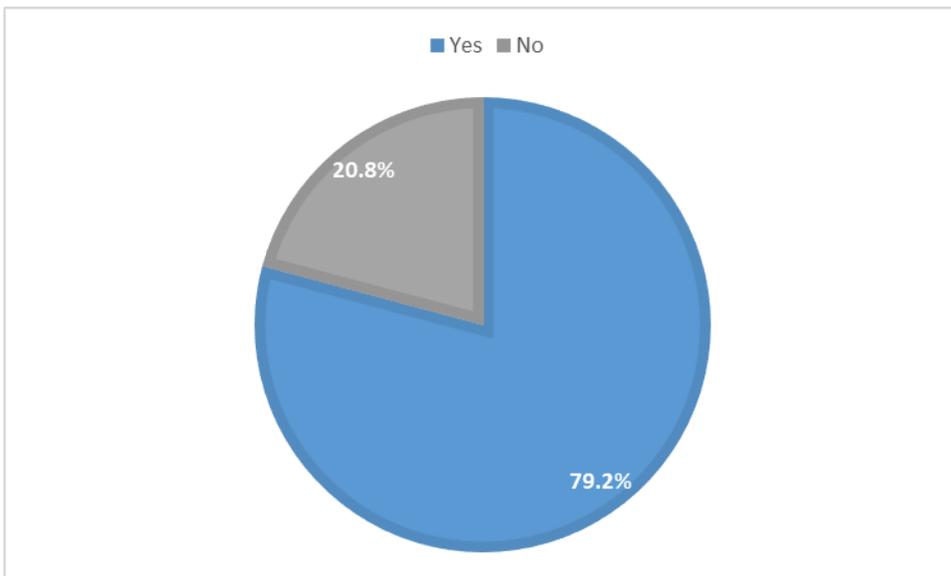
10. What service(s) do you consider is (are) necessary in a hotel so that your stay for personal reasons is satisfactory to your needs? You can choose more than one. (48 Responses)



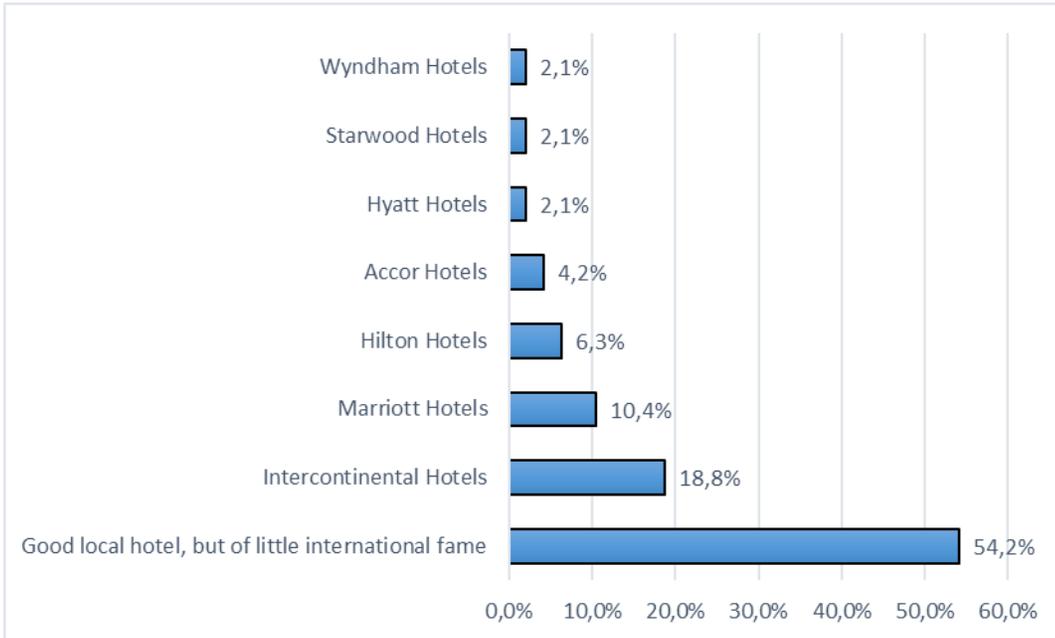
11. Are you a member of a hotel points or rewards program? (Examples: Marriott Rewards, Hilton Honors, among others) Select each program you are affiliated to, or, if you are not a member of any rewards program, choose "I am not a member" from the top of the list. (39 Responses)



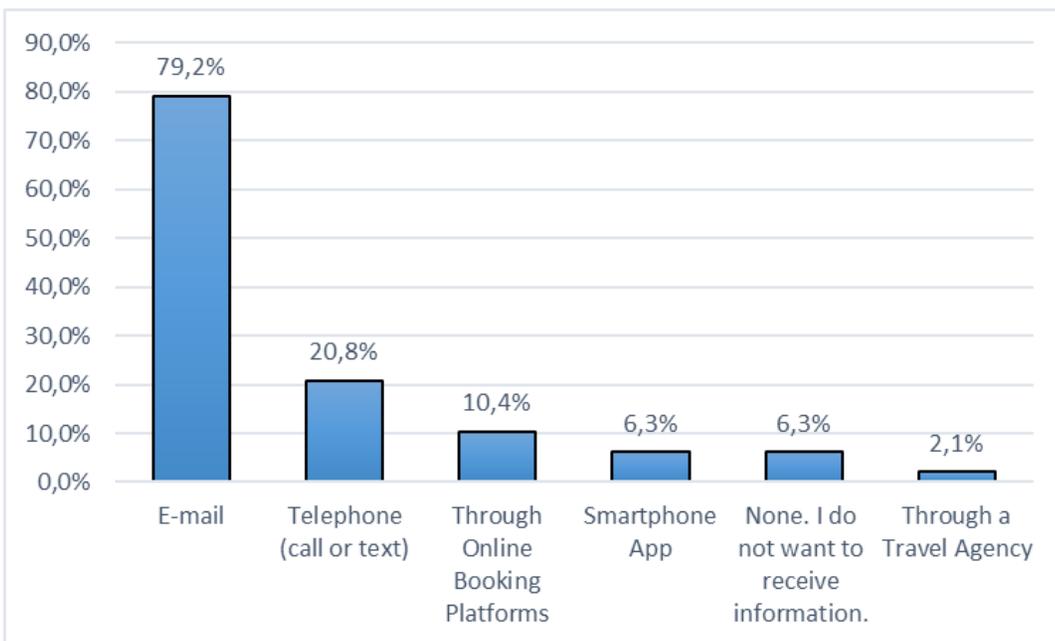
12. Have you traveled to Medellín, Colombia for personal reasons? (48 Responses)



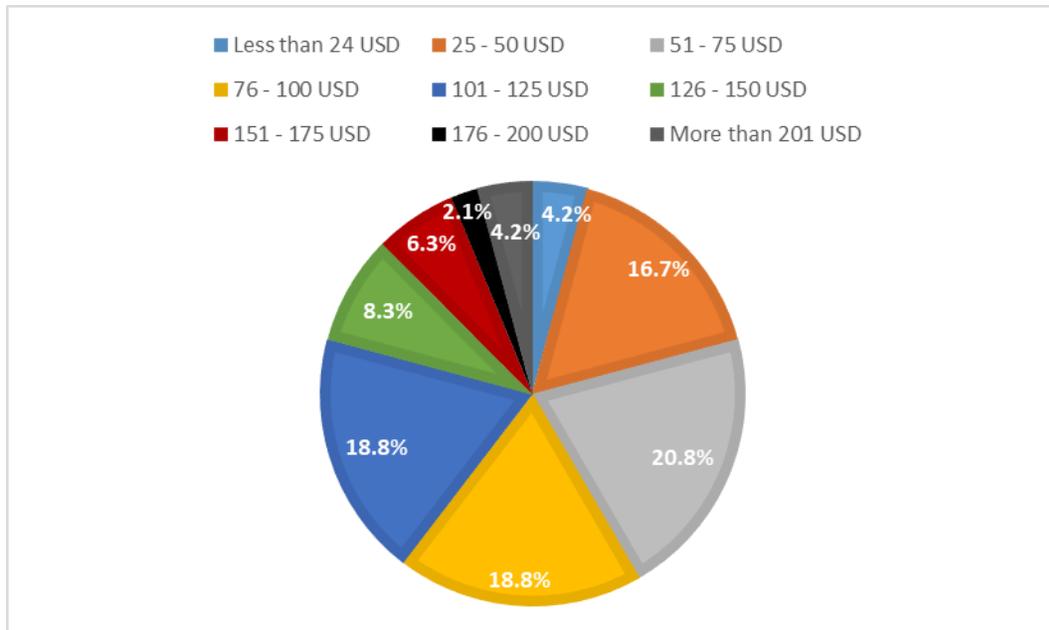
13. If you have traveled to Medellín, which brand of hotel would you probably stay at there when traveling for personal reasons? IF YOU HAVE NOT TRAVELED TO MEDELLÍN, in which hotel brand would you normally stay at on your other personal trips? (48 Responses)



14. What is the best way for the hotel to communicate with you before and after your stay? You can select more than one. (48 Responses)



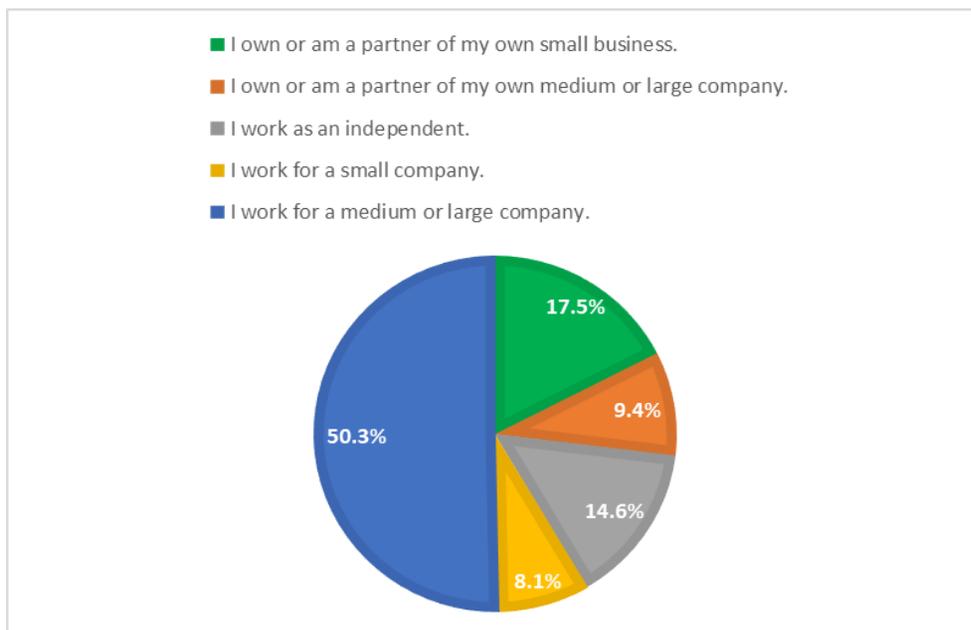
15. What price would you be willing to pay for a hotel night, when traveling for personal reasons? (48 Responses)



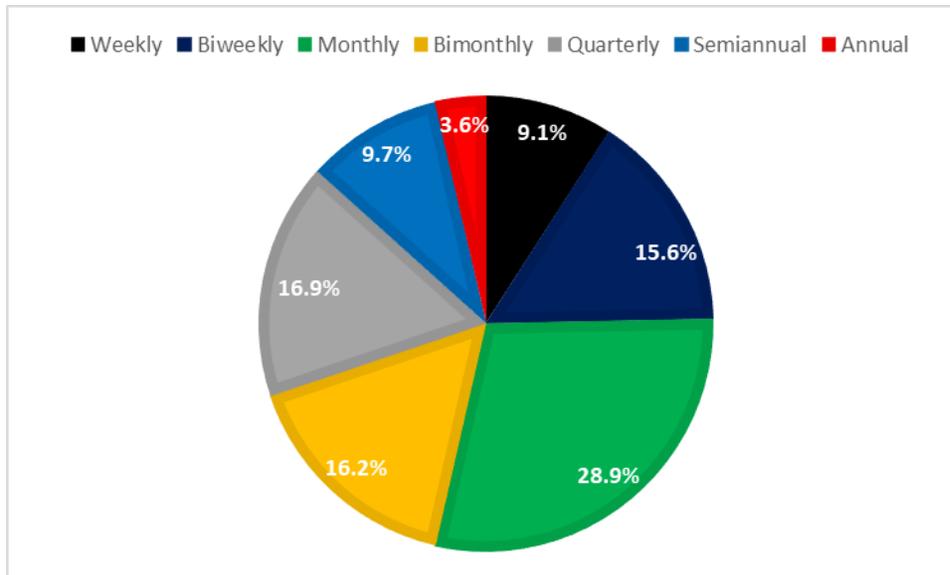
End of survey.

If the previous answer in question 4 was “Yes”, then answer:

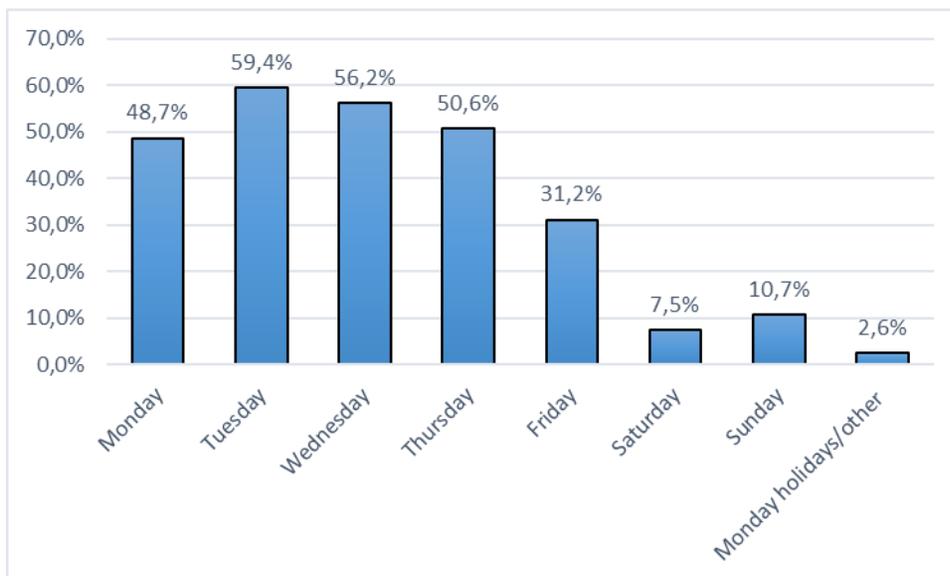
5. Choose the option that best describes you. (308 Responses)



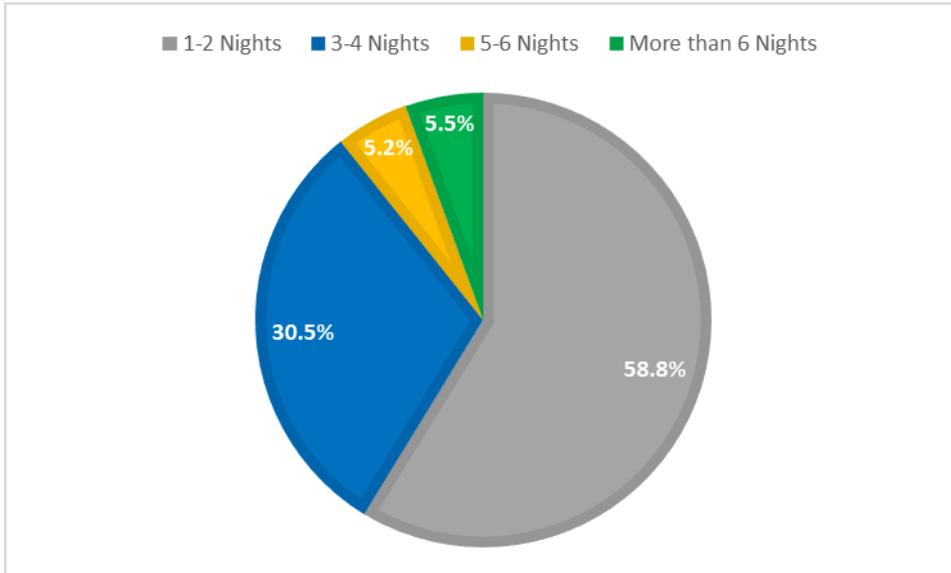
6. How often do you travel for professional reasons? (308 Responses)



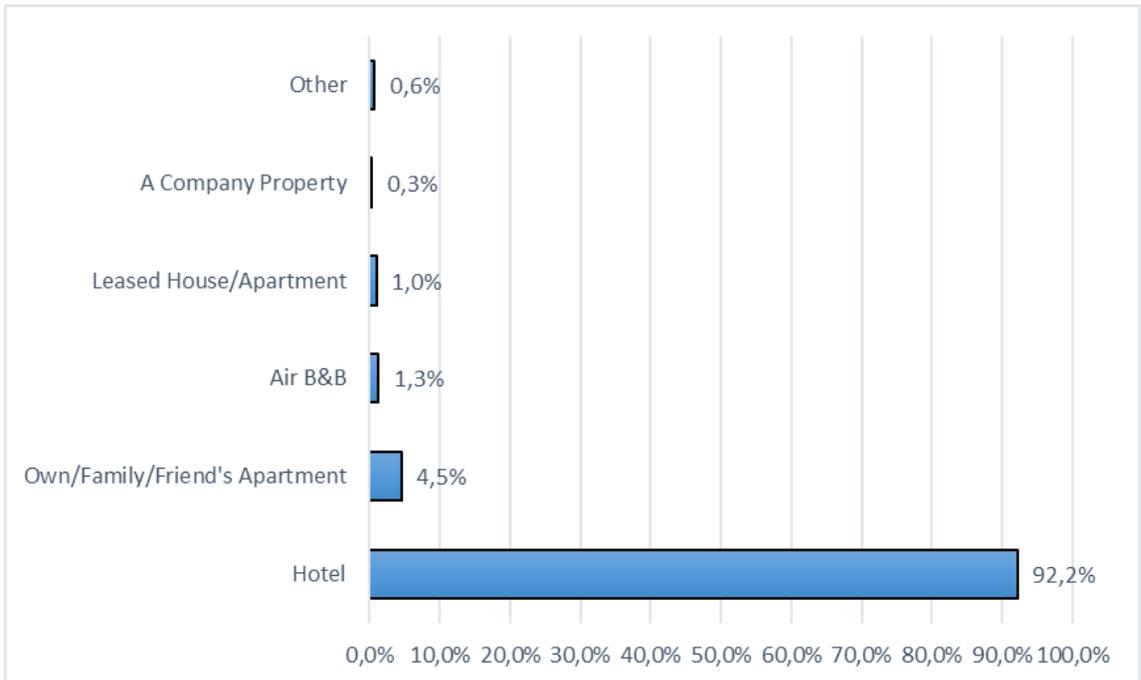
7. What days of the week do you normally travel for professional reasons? You can choose more than one. (308 Responses)



8. How long is your stay in your professional trips, usually? (308 Responses)

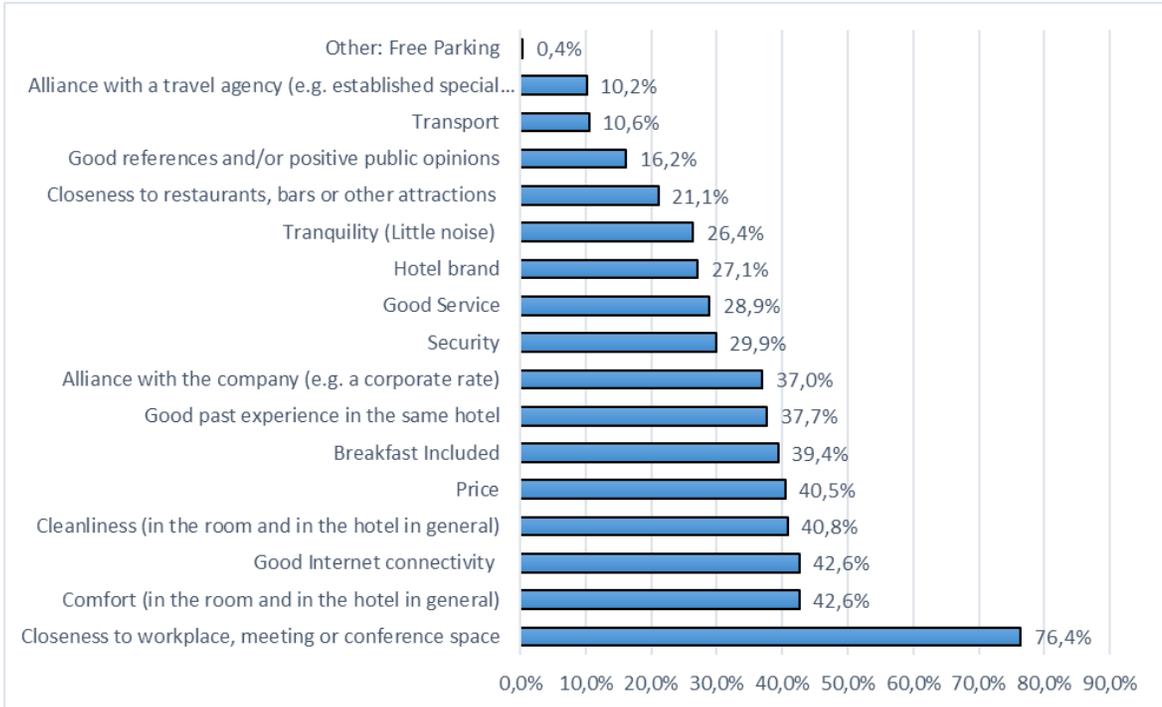


9. When traveling for professional reasons, where do you generally stay? (308 Responses)

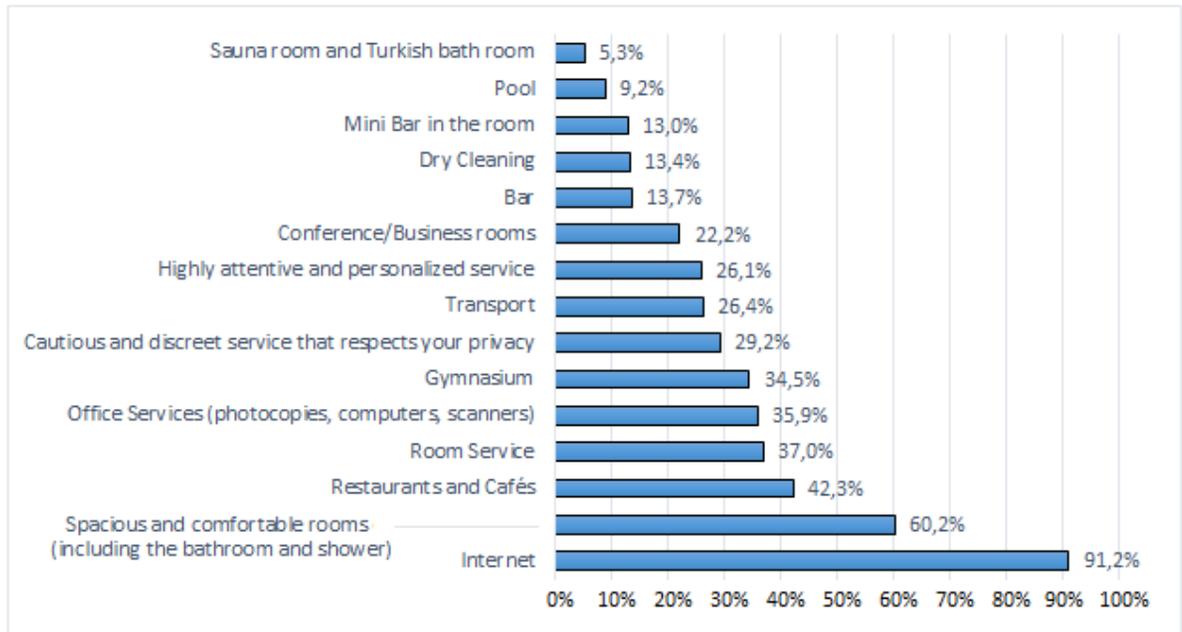


If the previous answer in question 9 was "Hotel", then answer the following. If not, end the survey.

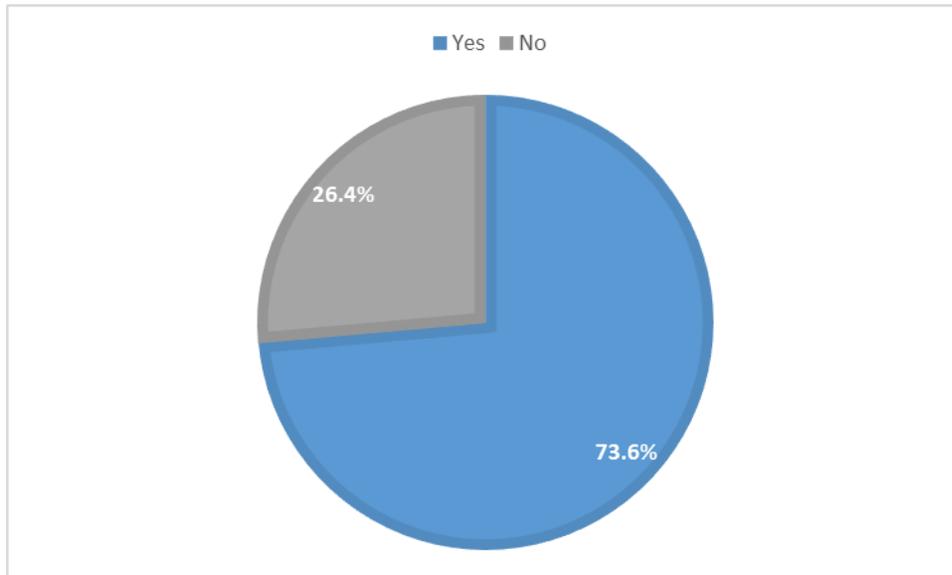
10. What factor most influences your decision when choosing which hotel to stay at when traveling for professional reasons? You can choose more than one. (284 Responses)



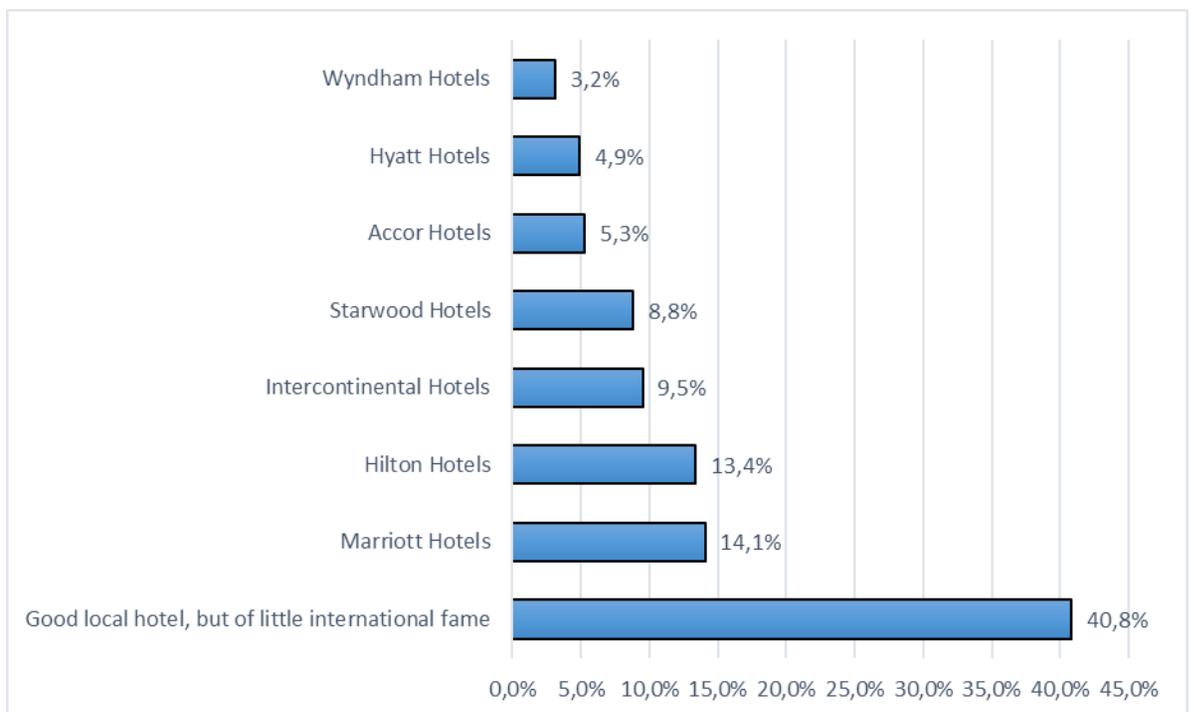
11. What service(s) do you consider is (are) necessary in a hotel so that your stay for professional reasons is satisfactory to your needs? You can choose more than one. (284 Responses)



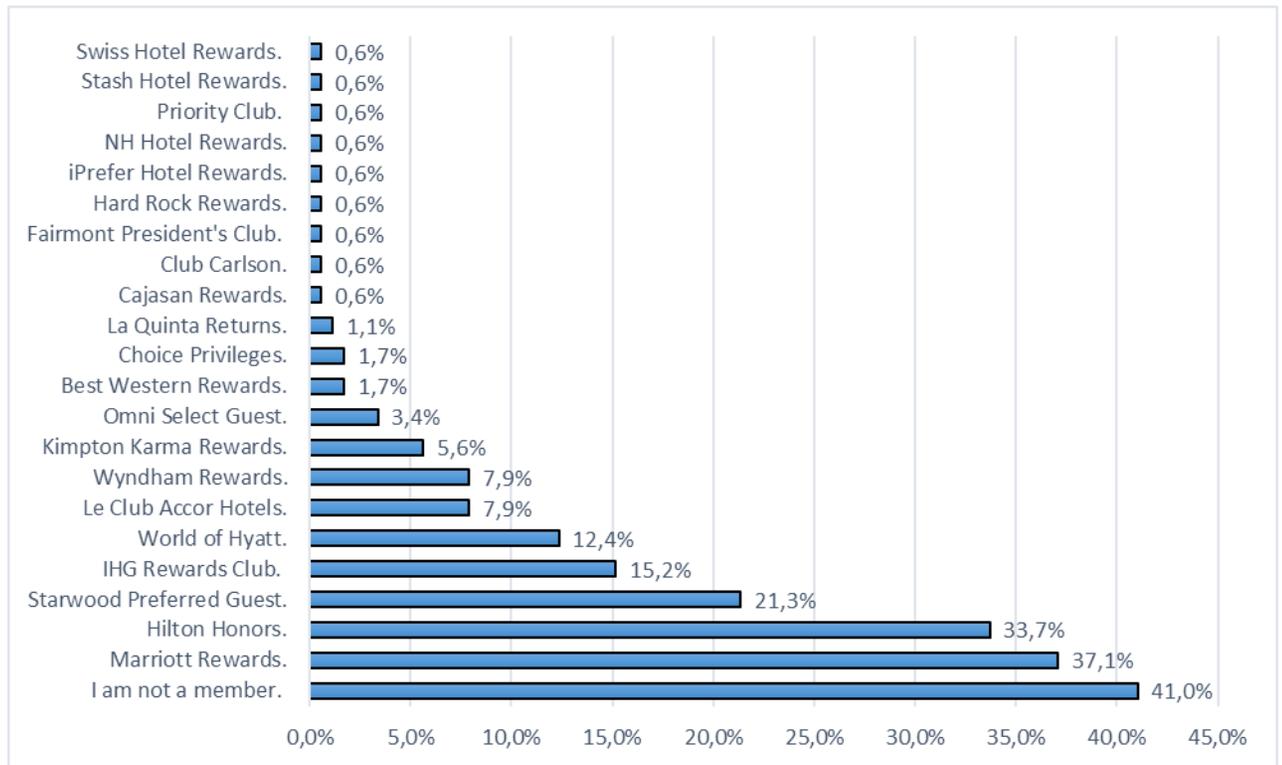
12. Have you traveled to Medellín, Colombia for professional reasons? (284 Responses)



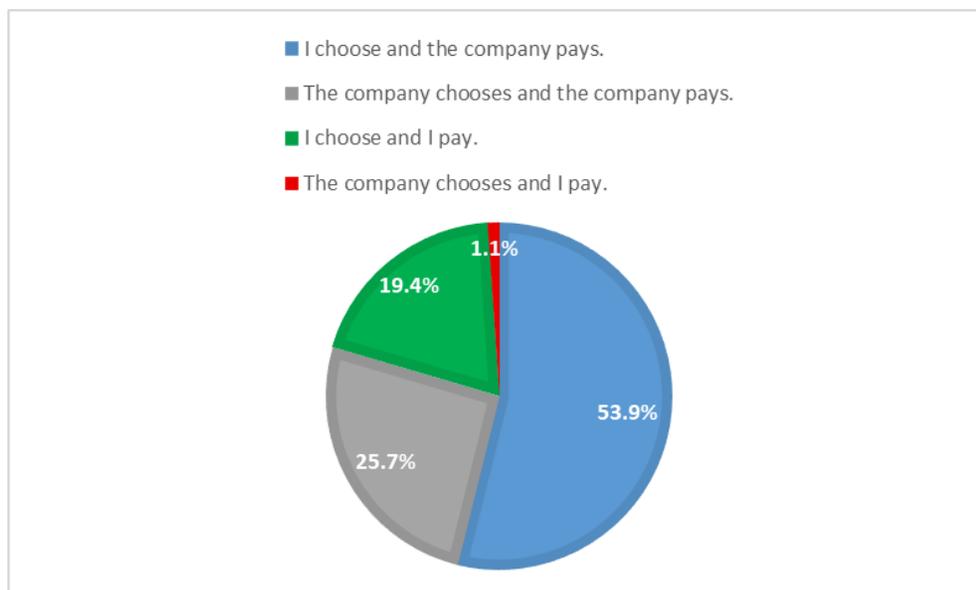
13. If you have traveled to Medellín, which brand of hotel would you probably stay at there when traveling for professional reasons? IF YOU HAVE NOT TRAVELED TO MEDELLÍN, in which hotel brand would you normally stay at on your other professional trips? (284 Responses)



14. Are you a member of a hotel points or rewards program? (Examples: Marriott Rewards, Hilton Honors, among others) Select each program you are affiliated to, or, if you are not a member of any rewards program, choose "I am not a member" from the top of the list. (178 Responses)



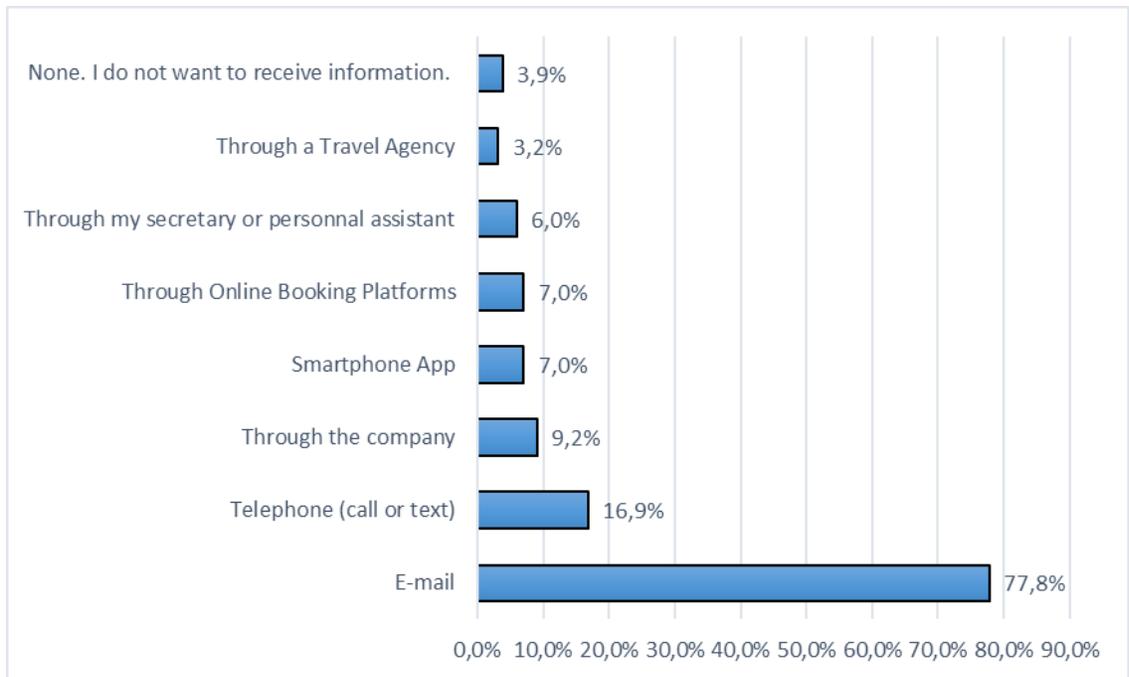
15. When traveling for professional reasons, who chooses the hotel where you stay at and who pays for your stay? (284 Responses)



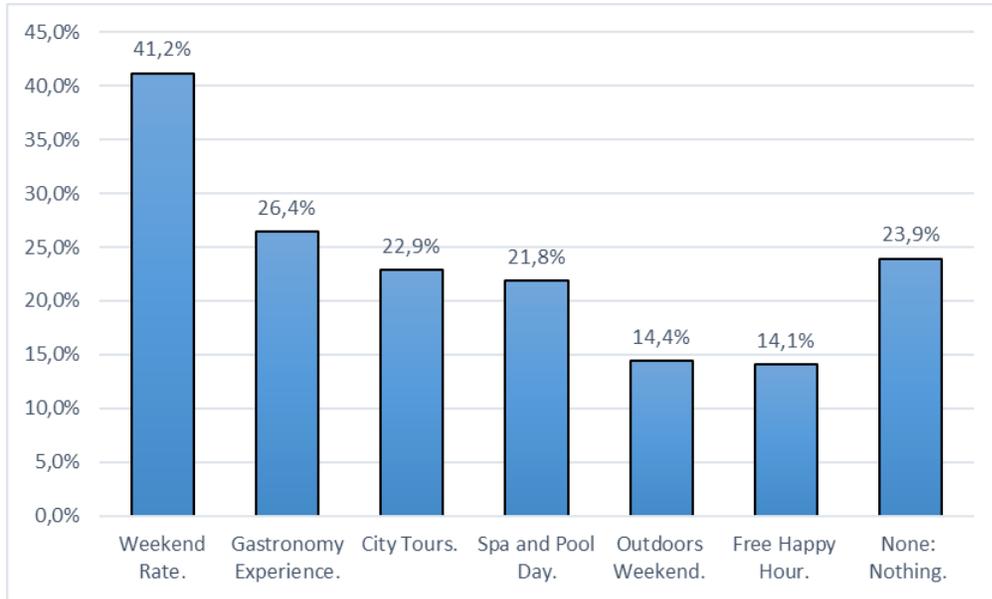
16. How do you choose a hotel when traveling for professional reasons? Choose only the option that most occurs in most cases. (284 Responses)



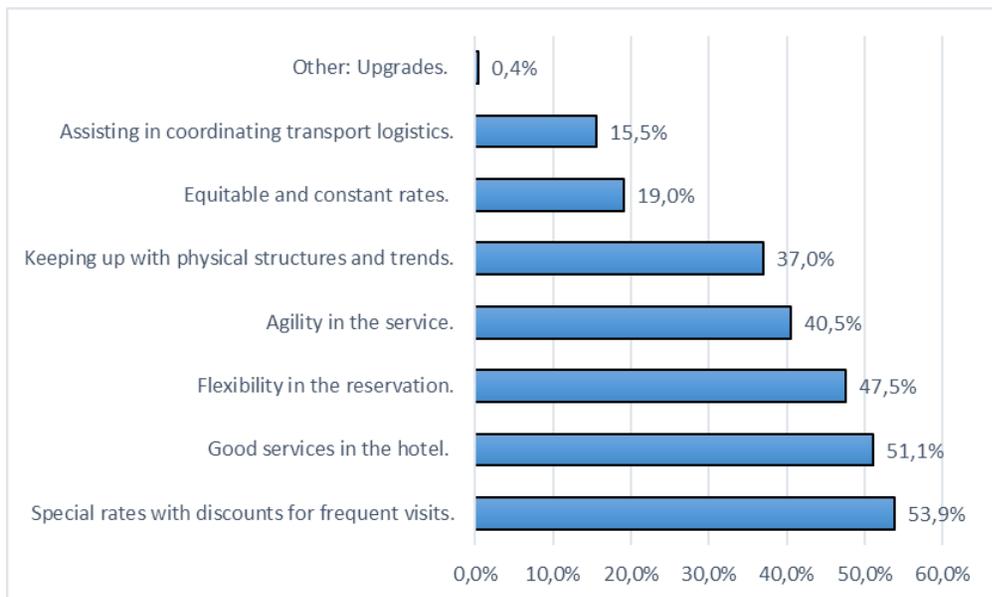
17. What is the best way for the hotel to communicate with you before and after your stay? You can select more than one. (284 Responses)



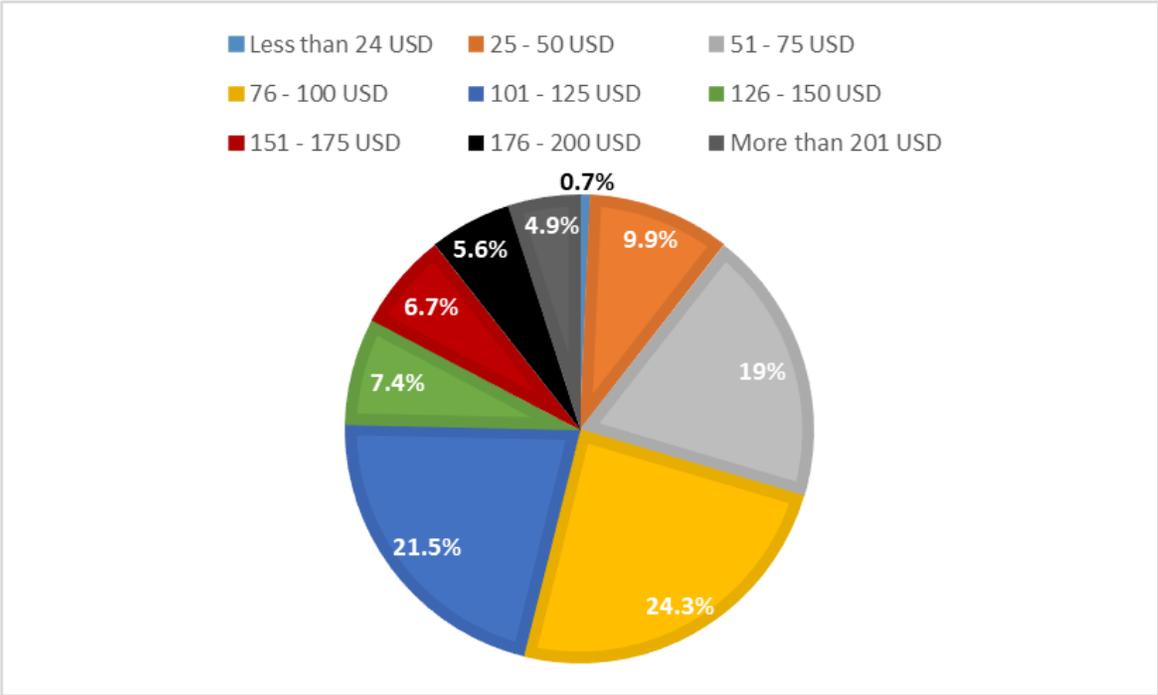
18. Say the hotel offers different incentives and activities for R&R (Rest and Relaxation) after your obligations in the city for professional reasons are finished. Which of the following can tempt you into staying one or two more days in the hotel, especially the weekend? You may select more than one. Note: All of these would only be valid if you extend your reservation one or two more days, subject to availability. (284 Responses)



19. What is the best way for a hotel to improve customer loyalty towards it? You can choose more than one option. (284 Responses)



20. What price would you be willing to pay for a hotel night, when traveling for professional reasons? (284 Responses)



End of survey.

ANNEX 7: TECHNICAL, ENVIRONMENTAL AND ORGANIZATIONAL INTERVIEW WITH EXPERT QUESTION STRUCTURE

Interviewee Name: Brian A. Plemmons

Position: President, Valley Hospitality (Hotel and F&B Company based in Georgia, U.S.A)

Time and place: 11 AM, 01/03/2018 Via Skype Interview in English

Duration: 28 Minutes

1. *Typically, there are seven types of dependencies in any hotel: 1) Accessibility (Guest entrance, parking and service entry), 2) Reception (Lobby and front Desk), 3) Administration (Executive offices), 4) Social Services (Restaurants, Sitting Area, Bars, Lounges and Restrooms), 5) General Services (Personnel area, Purchasing Deposit Area, Kitchen Area, Laundry Area, Machinery Area, Maintenance Area, and various Services Area), 6) Guest Lodging Area, and 7) Complementary Services (Such as pools, wet zones, event rooms and sports areas). What dependencies should be present in a limited, or select, service hotel?*

In your case, if you want to implement a limited-service, or select-service, hotel, there are two main options I would recommend for you: Either a 150-room Courtyard by Marriott, or a 110-room Fairfield Inn and Suites by Marriott. Personally, I would prefer a Hampton Inn by Hilton, but since there already is one in the area, that option is discarded. Now, in either case, Marriott usually obligates its franchisees to structure the hotel to offer the services they have established for each brand.

Let's start with the Courtyard option. In the Courtyard, you are going to need obviously the accessibility and parking spaces. You are going to have a combination of a restaurant and dining room with a lobby café and bar, which Marriott calls the Bistro, and you will have your regular front desk at the entrance, and a business center at the lobby. You will have a fitness center, and maybe one or two event and banquet rooms. Also, you must decide whether to have an in-door or outdoor pool. It is very difficult for Marriott to allow you to operate without a pool, just for your information. For your administrative area, it is very simple. You will have a GM (General Manager) office, and AGM (Assistant General Manager) office, a Sales and Marketing manager office, an F&B manager office, and a workspace behind the Front Desk. No secretary is needed, since incoming calls would be received and forwarded by the front desk clerk. If you have a corporate office, or a management company, then you wouldn't need an accounting office. If you don't, then you would need an accounting office, although your GM would do most of the accounting and finance, and any payroll and human resource processes. The AGM would also be front desk manager at the same time, so guest relations are handled by him and the Front Desk personnel. Thus, no office for a front desk manager is needed. Purchasing is done by the AGM as well. Security doesn't need an office, same as maintenance, but they would have a workshop the size of one guest room. Courtyards do not have bell men, and guests are received by the front desk agents. The guests themselves take care of their own luggage. You are going to need a kitchen that can attend to breakfast, lunch and dinner, since Marriott requires that you offer all three meals.

In a Fairfield, you would not need a dining room and lobby café and bar, you would only need a breakfast lounge. You would not really need a kitchen, just a pantry and a room to prepare breakfast. You need a small lobby, a regular front desk, and a small business center next to it. A Fairfield also typically requires a pool and fitness center, but can have maybe one meeting room, without any banquet and event spaces. The rest is essentially the same to a Courtyard, without a F&B manager office. The main difference between the two of them is basically the added F&B department in a Courtyard.

2. *How do you determine the hotel dependencies' sizes and distribution inside the hotel?*

Well, it varies, but similar hotel brands have similar sizes. I think the best way to help you here is by sending you a scan of the architectural blueprints for our new Hampton Inn hotel, which is essentially Hilton's version of Marriott's Fairfield. Everything you need is marked right there, so the Hampton Inn blueprint I send you should give you a very precise estimate of what a Fairfield should have. If you decide on a Courtyard, then you can add F&B outlets, along with the space for a kitchen, bar, dining room, banquet spaces and food storages, making it bigger than a typical Fairfield Inn or Hampton Inn.

3. *What hotel equipment, machinery and technology must be purchased for a hotel of these characteristics? Does the franchise process grant you all basic pre-operational and operational software and setups?*

Yes, Marriott provides you with everything, you just have to pay. I recommend that you look at Marriott's FDD (Franchise Disclosure Document) for Courtyard and Fairfield franchisees. In that document, Marriott describes what equipment and software is needed to construct and operate the hotel, along with prices. When you look at the technology you need to purchase, choose OneSource over SFAWeb and ignore CI/TY, which is optional. You also need to keep in mind reinvestments over time. Typically, Soft goods, being carpet drapes and wall covering, are replaced every 6 to 8 years. Case goods, being furniture, every 10 to 12, while Machinery is replaced every 15 to 20 years. For a hotel of these characteristics, you are looking at a construction period between 12 and 14 months.

4. *What executives are needed in a hotel of these characteristics? (for example, General Manager with secretary and/or assistant, Human Resources Director, Accounting and Finance Director, Sales and Marketing Director, Guest Relations Manager, Housekeeping Manager, Chief Engineer, Chief of security, Front Desk Manager, Purchasing Director and F&B manager)*

In the case of a Fairfield, like I said, you are going to need a GM, an AGM, Sales Manager, lead housekeeper, or housekeeping manager, if you will, and chief engineer or maintenance person. On the other hand, in a Courtyard, you will have the same administrative personnel, with the addition of an F&B manager. In terms of company shareholders, I suggest that you finance 40% of the hotel's start-up costs in partner and investor contributions, while the other 60% from bank loans. The less investors, the better, in order to not lose control of the company.

5. *How many hotel employees are needed in a hotel of these characteristics, per department, and in what position?*

In a Fairfield, the employee count is extremely simple. You will need two hostesses for the breakfast lounge, one full-time and one part-time, five front desk clerks, two night auditors, twelve housekeepers and one housekeeping inspector, two maintenance engineers, one full-time and one part-time, and four laundry attendants, three full-time and one part-time. In a Fairfield, you are not required to have security.

In a Courtyard, you will need more people in the F&B department. You need at least five cooks, 8 servers or waiters, two dishwashers, 8 banquet attendants, one executive chef and three bartenders. In the rooms department, you will have the same employee structure to that of a Fairfield.

6. What are the main processes that constitute the hotel's value chain?

They are pretty much the same for a Fairfield and a Courtyard. If you decide on a Courtyard, just keep in mind that you would need a fully-equipped kitchen to provide breakfast, lunch and dinner, and banquet event spaces. So, in a Courtyard, there would be F&B and event processes that would not be present in a Fairfield, that only requires a breakfast service. Besides that, either hotel would have the same basic core processes, which are reservations and accommodations and housekeeping and laundry, the same support processes, which are sales and marketing, purchasing, guest relations, maintenance and security, human resources and accounting and finance. Remember, in both cases, the GM and the AGM handle most of these processes, except Sales and Marketing, where the respective manager handles that process.

7. What are the main impacts during the construction and operation of a hotel of these characteristics on the environment?

Sewer, power and water are the main environmental impacts. Laundry chemicals are typically eco-friendly, so there's not much impact there. If you want to take more environment-friendly measures, first of all, make sure that there are cards in your rooms that explains to leave towels on the floor if they want laundry to wash them or to leave them hanging if they do not want to wash them to save water. The other measure we employ is to not use hot water in laundry, only cold water. It represents huge savings on your power bill. Dry-cleaning is outsourced to responsible, eco-friendly businesses, for example, as well. Waste disposal is also taken care of by a dumpster company. However, outsourcing basic laundry processes would be too costly. I wouldn't recommend that.

8. What is your final recommendation for a limited, select-service hotel that caters mostly to Business and Corporate travelers?

My recommendation is the 110-room Fairfield. The Fairfield Inn we own and operate averages 79% occupancy attending mainly business and corporate travelers who prefer mid-ranged prices and simpler hotels. Our Fairfield's ADR is 84 USD, which is low to medium range here in the US. In your case, in Colombia, I wouldn't go over 70 USD, keeping in mind that you are telling me that prices over there are much cheaper, with full-service hotels averaging 100 USD. Plus, your profit margins should be higher in a Fairfield, since there is no large F&B department. I would say that the typical Fairfield should push towards 45% NOI (Net Operating Income) while the typical Courtyard should be between 37% and 40% NOI. The difference comes in the sales volume. A Courtyard will have a larger sales volume than a Fairfield, but is costlier to operate. At the end, they should provide similar results, but due to the Courtyard's larger operational structure and start-costs and investments, I would recommend the Fairfield option.

ANNEX 8: FAIRFIELD INN AND SUITES BY MARRIOTT FDD (FRANCHISE DISCLOSURE DOCUMENT)



FRANCHISE DISCLOSURE DOCUMENT

MARRIOTT INTERNATIONAL, INC.

a Delaware corporation

10400 Fernwood Road
Bethesda, Maryland 20817
(301) 380-3000
www.marriott.com

The franchisee will establish and operate a Fairfield Inn & Suites by Marriott select-service hotel.

The total investment necessary to begin operation of a newly-constructed prototypical Fairfield Inn & Suites by Marriott hotel, excluding the cost of land and building permit, tap, and impact fees, ranges from \$6,808,485 to \$14,151,870 for an 80 to 110-room Fairfield Inn & Suites by Marriott hotel and from \$9,536,785 to \$18,130,870 for a 120 to 150-room Fairfield Inn & Suites by Marriott hotel. This includes approximately \$94,685 to \$186,770 that must be paid to the franchisor or an affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Franchise Development at nalolodgingdev@marriott.com and (301) 380-3000.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as [Buying A Franchise: A Consumer Guide](#), which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Date of Issuance: March 31, 2017

ITEM 7**ESTIMATED INITIAL INVESTMENT****YOUR ESTIMATED INITIAL INVESTMENT
SYSTEM HOTELS**

TYPE OF EXPENDITURE	AMOUNT FOR FAIRFIELD INN & SUITES HOTELS 80 - 110 GUESTROOMS	AMOUNT FOR FAIRFIELD INN & SUITES HOTELS 120 - 150 GUESTROOMS	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Application Fee ¹	\$50,000	\$50,000 - \$60,000	Lump sum	Generally due with franchise application	Marriott
Pre-Opening Training and Services ²	\$22,685 - \$39,770	\$22,685 - \$39,770	Lump sum	On demand	Marriott
Pre-Opening Revenue Management Support ³	\$3,000	\$3,500	Lump sum	On demand	Marriott
Property Management System ("PMS"), Reservation System ("MARSHA"), One Yield, and Other Systems ⁴	\$51,000 - \$76,500	\$51,000 - \$76,500	As arranged by you/ lump sum	As arranged by you/on demand	Suppliers/ Marriott
Market Feasibility Study ⁵	\$10,000 - \$25,000	\$10,000 - \$25,000	As arranged by you	As arranged by you	Suppliers
Land ⁶	Not determinable because of variables	Not determinable because of variables	As arranged by you	As arranged by you	Land Seller or Lessor
Building Permit, Tap, and Impact Fees ⁷	Not determinable because of variables	Not determinable because of variables	As arranged by you	As arranged by you	Local Government
Building Construction ⁷	\$64,000 - \$99,600 per guestroom (including suites)	\$59,800 - \$93,900 per guestroom (including suites)	As arranged by you	As arranged by you	Building Contractors and Suppliers
Kitchen and Laundry Equipment ⁸	\$900 - \$1,500 per guestroom	\$800 - \$1,200 per guestroom	As arranged by you	As arranged by you	Suppliers

TYPE OF EXPENDITURE	AMOUNT FOR FAIRFIELD INN & SUITES HOTELS 80 - 110 GUESTROOMS	AMOUNT FOR FAIRFIELD INN & SUITES HOTELS 120 - 150 GUESTROOMS	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Furniture and Fixtures ⁹	\$9,800 - \$12,900 per guestroom (including suites)	\$9,700 - \$12,300 per guestroom (including suites)	As arranged by you	As arranged by you	Suppliers
Telephone System ¹⁰	\$107,000 - \$179,800	\$160,500 - \$245,200	As arranged by you	As arranged by you	Suppliers
Operating Supplies ¹¹	\$117,900 - \$156,800	\$131,800 - \$173,800	As arranged by you	As arranged by you	Suppliers
Professional Design Services ¹²	\$240,900 - \$555,000	\$340,300 - \$700,100	As arranged by you	As arranged by you	Architect/ Consultants/ Marriott
Insurance ¹³	\$21,000 - \$80,000	\$30,000 - \$107,000	As arranged by you	As arranged by you - must be effective before start of construction	Insurance Company
Start-up Costs ¹⁴	\$1,100 - \$1,700 per guestroom	\$1,100 - \$1,700 per guestroom	As arranged by you	As arranged by you	Suppliers and Employees
Hard Cost Contingency (5% of hard costs) ¹⁵	Not determinable because of variables	Not determinable because of variables	As arranged by you	As arranged by you	Contractors and Suppliers
Opening Advertising ¹⁶	\$25,000 - \$50,000	\$25,000 - \$50,000	As arranged by you	As arranged by you	Suppliers
Additional Funds (first 3 months) ¹⁷	\$1,200 - \$1,900 per guestroom	\$1,200 - \$1,900 per guestroom	As arranged by you/lump sum	As arranged by you/on demand	Suppliers/ Employees/ Marriott
Total Range (excludes costs identified as not determinable)	\$6,808,485 - \$14,151,870	\$9,536,785 - \$18,130,870			

NOTES:

- ¹ The initial franchise application fee is described in Item 5.
- ² Charges for pre-opening training and services are described in Items 5 and 11.
- ³ Charges for pre-opening revenue management support are described in Item 5.
- ⁴ This estimate includes initial costs for MARSHA, PMS, One Yield, and the Symphony POS system from Oracle, as described in Item 11, and includes the \$16,000 fee paid to us for planning and installation costs for PMS, MARSHA, and One Yield as described in Item 5. If you choose to participate in CI/TY, there will be an additional cost (see Item 6). This estimate does not include the cost of above-property management systems such as Engineering Systems, HR Systems and Equipment, or Back Office Accounting Equipment that can be utilized in the management of multiple hotels. This estimate does not include the costs of SFAWeb and OneSource, one of which is required. See Item 11 for SFAWeb and OneSource costs. If your hotel exceeds 175 guestrooms, we may require that you install additional computer hardware at your cost.
- ⁵ Generally, we do not provide assistance in site selection, as described in Item 11. The cost is for a market feasibility study by an independent, third-party consultant.
- ⁶ We do not estimate the cost of real estate or site work because of wide variations among geographic areas and sites. Our prototypical plans assume that a Fairfield Inn & Suites hotel of 80-110 rooms will require on average approximately 1.7 acres not including any setbacks and that a Fairfield Inn & Suites hotel of 120-150 guestrooms will require on average approximately 2.1 acres not including any setbacks. The building for a Fairfield Inn & Suites prototype hotel of 80-110 rooms is approximately 41,000-56,000 square feet, and the 120-150 room prototype is approximately 54,000-68,000 square feet. Most Fairfield Inn & Suites hotels are in suburban markets near large and medium-size cities, along interstate highways, or near industrial parks, airports, malls, or entertainment attractions, and certain Fairfield Inn & Suites hotels will be developed in special urban locations and seasonal vacation markets.
- ⁷ This estimate is for the total construction cost of a System hotel on a per guestroom basis, including site work, project management fees, and exterior signs. The estimate does not include building permit fees, tap fees, or impact fees, which are charged by the local government authorities and will therefore vary. You should check with the local government authorities that have jurisdiction over your hotel to determine if there are any tap or impact fees and, if so, how those fees are calculated and the amount to be charged to your hotel project. Building construction costs vary greatly from state to state and region to region, depending upon materials, labor costs, and other variables such as architectural design and facade treatments.
- ⁸ This estimate is for laundry equipment, kitchen equipment, and guestroom appliances.
- ⁹ This estimate is for the total cost of furnishing a System hotel on a per-guestroom basis (including suites). The estimate includes guestroom and public space furniture, including all seating and case goods, decorative and plug-in light fixtures, window treatments, carpet, vinyl wall coverings, interior signage, a flat panel TV for each guestroom, and all associated procurement fees, freight, warehousing, taxes and installation (excluding carpet and wall coverings). The costs reflected above include the cost for the prototypical décor package.
- ¹⁰ This estimate is for the telephone, voicemail, and call accounting systems, but does not include maintenance costs. The estimate also includes the costs of installing wireless internet access equipment, which is required for all System hotels. Wired internet access in the guestrooms is optional and not included in this estimate. For existing hotels, the costs can vary based on a number of factors, including the type of cable infrastructure currently in place at the hotel, construction materials used when the hotel was constructed, and the type of equipment that can and will be employed.
- ¹¹ This estimate is for inventory items such as towels, linens, guestroom amenities, maintenance equipment and supplies, paper goods, and uniforms.

- ¹² This estimate is for fees and expenses relating to architectural, engineering, and other consultant services for the project, including our design and construction review services and required certifications of compliance with the Americans with Disabilities Act and our fire protection and life safety standards, but excluding any building permit fees, impact fees, tap fees, or locally imposed development fees. If you retain us to confirm that the hotel's fire protection and life safety systems are operational, our fees will generally range from \$3,000 to \$17,500, plus travel, food, and lodging costs. See Item 5.
- ¹³ This estimate is for the annual cost for insurance, including property insurance, commercial general liability insurance, liquor liability insurance, automobile liability insurance, workers' compensation insurance, employer's liability insurance, umbrella/excess liability insurance, employment practices liability insurance and fidelity bond coverage. We also may require you to obtain property insurance covering risks of loss from certified acts of terrorism as available under the Terrorism Risk Insurance Act (as the same may be amended or replaced). Insurance costs for hotels where we require terrorism insurance or for hotels that are located in high risk locations (such as locations with earthquake, flood, or wind storm exposure) may be substantially higher.
- ¹⁴ This estimate is for start-up costs, including wages, marketing expenses, and other operating costs incurred before opening. This estimate assumes your hotel is located in a suburban market. Costs will vary and variations may be significant. Greater variations will occur in urban markets and those variations may also be significant.
- ¹⁵ We recommend that you include a project contingency equal to at least 5% of the project "hard costs." We consider the following items as project "hard costs": building construction; building permit, tap, and impact fees; kitchen and laundry equipment; furniture and fixtures; telephone system; operating supplies; and professional design fees. Such project contingency is based upon the use of our prototypical design.
- ¹⁶ You are responsible, at your own expense, for providing local advertising, marketing, and promotional communications for the hotel. In conjunction with the initial opening or conversion of your hotel, you must conduct a marketing and advertising campaign in accordance with our standards. In urban markets, advertising costs will most likely exceed the estimate, depending on rates in the overall media market.
- ¹⁷ This estimate is for prepaid expenses and operating expenses you may incur during the first three months of operation, and is not intended to provide a basis for a break-even analysis. This estimate excludes franchise fees, management fees, FF&E reserves, personal property and real estate taxes, permits and licenses, building insurance, and operating leases. This estimate assumes your hotel is located in a suburban market. Costs will vary and variations may be significant. Greater variations will occur in urban markets and those variations may also be significant.

ITEM 6

OTHER FEES

UNLESS OTHERWISE NOTED, ALL PROGRAMS ARE MANDATORY, AND ALL FEES ARE MANDATORY, NON-REFUNDABLE, UNIFORMLY IMPOSED, PAYABLE ONLY TO US, AND IMPOSED AND COLLECTED BY US, AND ALL ARE SUBJECT TO CHANGE.

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
General			
Franchise Fees ^{1, 2, 3}	5.5% of gross room sales	Payable by the 15 th day after the end of each month	This fee is as set forth in your franchise agreement. You may qualify for a temporary reduction in your Franchise Fees under the Development Incentive Program described in Item 10.
Reservations, Sales & Marketing			
Reservation System (“MARSHA”) ⁴ Fees <ul style="list-style-type: none"> • Percentage • Per Reservation 	0.8% of gross room sales ¹ \$2.75 per guestroom reserved through Marriott’s central reservation system	On demand On demand	Marriott’s central reservation system is comprised of Marriott.com (and all international iterations of this site), Marriott’s worldwide toll-free reservation phone numbers, and global distribution systems used by Marriott to permit certain travel agents, including online travel agents, and other non-Marriott entities to reserve guestrooms. The Per Reservation fee is not applicable to reservations made by Field Sales, Area Sales and Group Sales, Area Reservation Sales Offices, National Sales Office, QuickGroup, or reservations made directly at your hotel.
One Yield ⁴	\$0.0922 per MARSHA transaction (including each transaction that affects inventory at the hotel, such as creating a new reservation, canceling an existing reservation, or modifying an existing reservation to add or	On demand	One Yield is a web-based, yield management system for rooms inventory. It provides demand forecasting tools and makes inventory recommendations to help capture market demand.

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
	delete room nights, and each transaction that changes the rate)		
One Yield Support ⁴	\$35 per month for help desk support	On demand	If you participate in Centralized Revenue Management or Cluster Revenue Management this fee is included in the fee you pay for such services. Otherwise, you will be invoiced separately for this fee.
Marketing Fund	2.5% of gross room sales ¹	Payable by the 15 th day after the end of each month	This fee may be increased to up to 3.5% of gross room sales. See Item 11 for more information regarding the Marketing Fund.
Guest Loyalty Program, currently Marriott Rewards ⁵	Certain costs of the Marriott Rewards program are billed as follows: (i) 1.85% of gross room sales, including an average room tax component, generated by guests earning Marriott Rewards points or miles, is charged to your hotel; (ii) 1.75% of gross room sales, including an average room tax component, generated by guests earning Marriott Rewards points or miles, is charged to the Marketing Fund; and (iii) for a group event involving at least 10 guestrooms or a catering event arranged by a meeting planner or other individual earning Marriott Rewards points or miles for such event, 0.95% of the gross revenues generated by each such group or catering event, up to a maximum amount of \$500 per event, is charged to your hotel. We will waive the charges in (i) and (ii) for new hotel enrollment first stays.	On demand	
Revenue Management Remote Solutions ^{6,7}	\$900 to 1,050 per month for most hotels (\$1,350 to \$1,500 per month for hotels at which group business accounts for 25% or more of room nights)	On demand	Participation in this program is generally optional, but may be required in certain circumstances. If you or your management company is new to managing Marriott Brand hotels, you will be required to participate in this

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
			<p>program for two years.</p> <p>We charge new participants a one-time set-up fee that ranges from \$2,700 to \$5,000 for a basic program.</p> <p>Additional services may be available at an additional cost.</p>
Cluster Revenue Management ^{7,8}	Varies	On demand	You must either participate in Cluster Revenue Management or Centralized Revenue Management or utilize a revenue manager who is certified by us to provide revenue management services.
Group Pricing Optimizer (“GPO”)	\$0.20 per group room night booked	On demand	Participation in this program is optional. GPO recommends group room rates and provides detailed information on group sales strategy, including negotiating range, special event details, need dates, and business evaluation guidelines. One Yield and SFAWeb (as described below) are required for participation in this program. GPO is not available to hotels that utilize OneSource instead of SFAWeb.
Field Sales ⁹ <ul style="list-style-type: none"> • Event Booking Center • Market Sales Team • Business Development Unit 	Varies	On demand	These programs are open for participation in Hawaii and Canada only. Participation in these programs is optional. You must execute a service agreement to participate in any of these programs.
Field Sales <ul style="list-style-type: none"> • Group Lead 	6% of gross group room revenue (which is calculated by multiplying the number of rooms booked, reduced by 5% to account for slippage, by the average room rate in the group sales contract). This fee will not exceed \$30,000 per booking.	On demand	Market Sales Teams generate these business opportunities. Acceptance of the lead is voluntary. You only pay if you do not participate in the Market Sales Team that generated the lead, you accept the lead, and the group books at your hotel. This fee will be refunded for cancellations.
Area Sales and Group Sales ¹⁰	Varies	On demand	Area Sales and Group Sales are open for participation in the continental U.S. only.

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
			Participation in these programs is optional, but must include participation in both Area Sales and Group Sales. You must execute a service agreement to participate in these programs.
Area Sales <ul style="list-style-type: none"> • Group Lead 	<p>6% of gross group room revenue (which is calculated by multiplying the number of rooms booked, reduced by 10% to account for slippage, by the average room rate in the group sales contract) for leads generated from an Area Sales market other than the one in which the hotel participates.</p> <p>10% of gross group room revenue (calculated as provided above) for hotels that do not participate in Area Sales.</p> <p>In both cases, this fee will not exceed \$30,000 per booking.</p>	On demand	Area Sales generates these business opportunities. Acceptance of the lead is voluntary. You only pay if you accept the lead and the group books at your hotel. This fee will be refunded for cancellations.
Reciprocal Lead Referral Group Booking ¹¹	10% of gross group room revenue (which is calculated by multiplying the number of rooms booked, reduced by 10% to account for slippage, by the average room rate in the group sales contract). This fee will not exceed \$30,000 per booking.	On demand	Acceptance of the lead is voluntary. You only pay if you accept the lead and the group books at your hotel. This fee will be refunded for cancellations.
Mar-HOT Lead Referral Program	10% of gross group room revenue (which is calculated by multiplying the number of rooms booked, reduced by 10% to account for slippage, by the average room rate in the group sales contract). This fee will not exceed \$30,000 per booking.	On demand	The Mar-HOT Lead Referral Program allows Marriott Brand hotels to accept leads from Starwood Brand sales associates. Acceptance of a lead is voluntary. You only pay if you accept a lead and the group books at your hotel. This fee will be refunded for cancellations. The Mar-HOT Lead Referral Program also provides Marriott Brand sales associates with an opportunity to earn referral fees for sending leads to Starwood Brand hotels.

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
Business Transient (BT) Booking ¹²	\$108 to \$258 per month, depending on the number of guestroom nights that are centrally reserved for your hotel through the Area Sales organization during the immediately preceding calendar year.	On demand	Payable if your hotel does not participate in Area Sales.
Area Reservation Sales Offices (“ARSOs”)	\$5.30 per guestroom reserved, subject to annual true-up as provided in the ARSO Service Agreement Optional group housing function and input services cost an additional \$28.00 per hour	On demand	ARSOs consolidate hotel reservation offices for geographical areas. Participation in this program is generally optional, but may be required in certain circumstances. If you or your management company is new to managing Marriott Brand hotels, you will be required to participate in this program. To participate, you must execute an ARSO Service Agreement (see Exhibit K).
National Group Sales • Group Lead • Catering Lead • Extended-Stay Lead	\$2.60 per room night booked \$105 per catering opportunity booked \$2.60 per room night booked	On demand On demand On demand	National Group Sales generates these business opportunities. Acceptance of the lead is voluntary. You only pay if you accept the lead and the business opportunity books at your hotel. These fees may be refunded or adjusted for certain cancellations or modifications within designated periods. This fee applies to business opportunities for groups of 10 or more rooms, including single-night and extended-stay business opportunities.
General Sales Agents • Group Lead	\$2.50 per room night booked	On demand	This is a voluntary program and you only pay if you accept the lead and the business opportunity books at your hotel. This fee applies to business opportunities made by General Sales Agents for groups of 10 or more rooms in a single night.

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
			This fee may be refunded or adjusted for certain cancellations or modifications within designated periods.
Ritz-Carlton Lead Acceptance and Group Booking Charge	7% of gross group room revenue for corporate direct or 3% of gross group room revenue for intermediary generated bookings (plus intermediary commissions); room revenue is calculated by multiplying the number of rooms booked, reduced by 5% to account for slippage, by the average room rate in the group sales contract. This fee will not exceed \$30,000 per booking.	On demand	This fee applies only to business booked through the Ritz-Carlton sales channels. This is a voluntary program and the fee is charged only if you accept the lead and the group books at your hotel.
Cooperative Advertising and Marketing Initiatives ¹⁴	Varies	On demand	You must participate in cooperative advertising programs and marketing initiatives designated by us.
Gift Cards ¹⁵	Varies	On demand	
Intermediary Payments and Centralized Travel Agent Commission ("CTAC") Usage ¹⁶	Varies	On demand	This program includes payment of commissions for your hotel to intermediaries, such as travel agencies, travel management companies, online travel agencies, and group intermediaries.
QuickGroup Online Booking ¹⁷	6% of gross group room revenue booked using QuickGroup, plus 6% of any event space rental, catering, and audio visual revenue. No adjustments are made for changes after the initial booking.	On demand	Participation in QuickGroup with Sleeping Rooms is mandatory. Participation in QuickGroup with Event Space is voluntary.
Marriott Digital Services	Tiered service-level offerings based on scope of services desired, ranging from \$5,500 to \$75,000 per year.	On demand	Marriott Digital Services is a consulting service intended to manage a hotel's digital online presence including Marriott.com management and search engine visibility. Additional products and services may be available at an additional cost. Participation in this program is

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
			<p>generally optional, but may be required in certain circumstances.</p> <p>If you or your management company is new to managing Marriott Brand hotels, you will be required to participate in this program for two years.</p>
Transaction-Based Media ¹⁸	9% of applicable gross room revenues, not to exceed \$200 per stay	On demand	
Marketing & eCommerce Services ¹⁹	Varies	On demand	Participation in these programs is optional. You must execute a service agreement to participate in these programs.
Technology			
Property Management System (“PMS”) Support Fee ^{4, 20, 21}	\$509.17 per month for PMS; approximately \$2.00 per guestroom per month when our new Global Property Management System (“GPMS”) is implemented at your hotel	On demand	You will be required to transition from the currently approved form of PMS to GPMS.
Point-of-Sale (“POS”) System	\$152 per month per hotel, plus \$6.95 per month per POS workstation for software and support	On demand	You must use the Symphony POS system from Oracle, as described in Item 11. Optional add-on functions may be available for at an additional charge.
Communication Support ²²	\$241 to \$4,009 per month	On demand	
E-mail ²³	Varies	On demand	This fee is for support and maintenance.
Marriott Global Source ²⁴	\$0.46 per guestroom per month	On demand	Marriott Global Source is our intranet website.
OSCAR (MARSHA Guest History)	\$0.07 per transaction	On demand	This system is optional.
eFolio	\$0.05 per transaction	On demand	This program enables guests to receive their folio information electronically.
Security Keys	\$5.42 per month for each security key	On demand	See Item 11.

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
Credit Card Processing and Tokenization	0.065% of the dollar amount of credit card transactions, plus \$29 to \$49 per month for tokenization (based on number of credit card transaction settlements)	On demand	Service includes point-to-point encryption or tokenization/detokenization of credit card transactions associated with interfaced revenue centers.
Computer and Server Software and Support	\$7.99 per PC per month \$22.15 per Apple computer per month \$130 per server per month	On demand	These fees are for support and maintenance of computers and servers on the Marriott network.
SFAWeb	\$0.6623 per group room night contracted (not reduced or increased based on group room changes) \$240 configuration fee per user	On demand	SFAWeb or OneSource is required for participation with certain sales channels such as QuickGroup and GPO. See Item 11 for implementation costs of SFAWeb and OneSource.
Consolidated Inventory (“CI”) and Total Yield (“TY”) ²⁵ <ul style="list-style-type: none"> <li data-bbox="326 993 548 1052">• CI/TY Room Transaction Charge <li data-bbox="326 1129 548 1209">• CI/TY Function Space Transaction Charge 	\$1.5228 per group room contracted each month (not reduced or increased based on group room changes) \$0.0099 per square foot of function space contracted each month (not reduced or increased based on function space square footage changes)	On demand On demand	This is an optional program that replaces OneSource and SFAWeb. If you participate in CI/TY, SFAWeb and OneSource will not be required. See Item 11 for a description of CI/TY.
Mobile Guest Services	\$1.65 per guestroom per month, plus \$454 per year per hotel	On demand	Mobile guest services allow guests to use mobile devices (phones and tablets) to check-in, check-out, receive room alerts, and place service requests.
Engage Software	\$600 per user per year for the Engage software license	On demand	The Engage software license payments are made to us and remitted to the vendor on your behalf.
Mobile Device Management	\$8.00 to \$13.00 per device per month	On demand	This application is optional. Mobile Device Management software is used to access Marriott email accounts on mobile devices.

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
Mobile Key	\$8 to \$11 per guestroom per year for software and support	On demand	Mobile Key software allows guests to unlock guestroom doors using our mobile application. This fee will apply when Mobile Key is implemented at your hotel. We will remit the entire fee on your behalf to the Mobile Key vendor. Mobile Key software must reside on a dedicated server that meets the needs of the property, as specified by the lock vendor.
Operations			
Brand Standard Audit (BSA) and Re-audit ²⁶	\$1,311 - \$1,570 per audit and re-audit	On demand	In addition to the fee for each audit and re-audit (an unannounced re-audit that will occur during the next Quality Assurance Program tracking period for hotels that have a Red Performance Classification on the BSA), you must also provide the inspector(s) with complimentary lodging at the hotel, meals, incidentals and other services required as part of the BSA.
Red Zone	\$2,750 for Red Zone 2 under our Quality Assurance Program and each increase in Red Zone status after Red Zone 2. There may be an additional charge of \$2,500 at Red Zone 3 for an in-person meeting at the hotel if we deem it necessary or desirable.	On demand	If your hotel falls into Red Zone 2, you must also participate in the additional sales and marketing programs and complete the supplemental training that we prescribe, at your expense. In addition, you must allow us to conduct additional on-site visits, at your expense. The cost of additional sales and marketing programs and supplemental training is described in Items 6 and 11.
Food Safety Re-Inspection ²⁷	\$500 per re-inspection	On demand	
Fire Protection and Life Safety Re-Inspection ²⁸ (BSA-related)	\$500 per re-inspection	On demand	
Fire Protection and Life Safety Audit ²⁹	\$2,500 per audit	On demand	This fee may apply to your hotel prior to or after opening.
Property Improvement Plan ("PIP")	\$10,000 (or \$15,000 if you request an expedited PIP to be	At time of request	This fee is charged if we issue a PIP for any reason, including if you are transferring a Fairfield

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
	completed within four weeks)		Inn & Suites hotel, if you are converting a hotel that is currently managed by us or one of our affiliates to a franchised Fairfield Inn & Suites hotel, if you are converting an existing hotel (including another Company Brand Hotel) to a Fairfield Inn & Suites hotel, or if we issue a PIP at your request for any other reason. See Item 5.
PIP Additional Site Visit	\$4,000 per visit	On demand	This fee is payable if a site visit(s) is required after a PIP is issued, for any reason, including to enforce, review, or modify the requirements of the PIP. See Item 5.
PIP Non-Compliance Re-Inspection	\$5,000 per re-inspection	On demand	If your hotel is subject to a PIP, it will be inspected after the required PIP completion date to verify satisfactory completion of the PIP. If the PIP is not completed to our satisfaction at the time of the inspection, we will charge this fee for the first re-inspection and any subsequent re-inspections we perform until the PIP work is completed to our satisfaction. You must also provide complimentary lodging at the hotel for the inspector performing a re-inspection.
Renovation Non-Compliance and Re-Inspection	\$5,000 per non-compliant renovation and renovation re-inspection	On demand	Your hotel will receive communications about the scope of required periodic renovations, and their due dates. If you fail to timely complete a required periodic renovation, we may charge a renovation non-compliance fee of \$5,000. Your hotel will be inspected after the required renovation completion date to verify satisfactory completion of the renovation. If the renovation is not completed to our satisfaction at the time of the inspection, we will charge this fee for the first re-inspection and any subsequent re-inspections we perform until the renovation work is completed to our satisfaction.

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
			You must also provide complimentary lodging at the hotel for the inspector performing a re-inspection.
Advisory Services ³⁰	Varies	On demand	We will send qualified personnel to your hotel to assist you as we deem necessary or as agreed to by you and us. This may apply to your hotel prior to its opening.
Lender Comfort Letter Processing Fee	\$2,500	On demand	If we require you to pay our outside counsel costs in connection with the processing of any comfort letter requested for your hotel, you will not be charged this fee.
Prospectus Review	Varies	On demand	You may be required to pay our outside counsel costs in connection with the review of offering documentation for the sale or transfer of any ownership interest in you or your hotel. This may apply to your hotel prior to its opening.
Design/Construction Review Services	Varies	On demand	If you request additional design/construction services, we will provide such services as agreed to by you and us.
Fire Protection and Life Safety Inspection and Testing Services (and Design Review Services)	<p>Approximately \$3,000 to \$17,500 (which is based on the time needed for the testing and inspection, the size of your hotel, and the complexity of its design, and may be higher in some cases) and you must reimburse us for our expenses for travel, lodging and meals.</p> <p>Optional services to review your design plans for compliance with our fire protection and life safety standards may also be offered by us to you at an additional cost.</p>	On demand	This fee only applies if you retain us to verify that your hotel complies with our fire protection and life safety standards rather than retaining a third party to provide the certification referenced in Item 5. This fee may apply in connection with the opening of the hotel or a renovation that affects the fire protection and life safety systems at your hotel.
Post-Opening Authorization to Open (ATO) Work Inspection	Varies	On demand	This fee is payable if we must make additional inspections of your hotel after it opens to ensure you completed any additional work required in connection with

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
			the ATO. You will be billed \$910 per day per person inspecting your hotel. In addition, you will be required to pay the travel, food, and lodging costs of the personnel inspecting your hotel.
Expansion ³¹	Varies	With request for approval	You may not expand your hotel or add additional guestrooms/suites without our approval. This fee, less a processing charge, is refundable only if the application is not approved.
Expansion Opening Authorization	\$3,500	On demand	This fee covers the costs associated with the expansion/additional guestrooms/suites opening authorization process.
Post-Approval Owner Background Check	Approximately \$275 - \$2,100 for each background check, plus \$75 - \$525 for each additional person checked at the same time, depending on the level of diligence we require. If we require more enhanced due diligence, approximately \$15,000 - \$30,000	On demand	This fee will be charged to cover third-party costs we incur for background checks performed after approval of your application due to proposed ownership changes. This may apply to your hotel prior to its opening.
Operator Screen	\$5,000	On demand	This fee is to defray our costs associated with our screen of a proposed operator, if we determine that a screen is necessary as part of the consent process, as well as to cover third-party costs we incur for background checks. This may apply to your hotel prior to its opening.
Training ³²	Varies	On demand	
Transfer ³³	The greater of \$100,000 or \$400 per guestroom	Upon submission of application	This fee is refundable, less \$10,000, if we do not approve the application. This may apply to your hotel prior to its opening.
Non-Compliance	1% of gross room sales per month	On demand	This charge will apply each month in which you fail to comply with the franchise

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
			agreement for one or more days. The charge is in addition to any other rights or remedies we may have under the franchise agreement or applicable law.
Liquidated Damages ³⁴	Varies, based on a formula	On demand	Payable if termination of the franchise agreement was due to your default. This may apply to your hotel prior to its opening.
Indemnification	Varies	On demand	You must defend and hold us harmless against all claims and reimburse us for all damages and attorneys' fees resulting from the development, construction, and operation of your hotel, or resulting from the misuse of our marks or violation of any applicable law.
Removal of Hotel from System	\$10,000	On demand	This fee is charged to hotels leaving the system to defray our costs associated with deflagging a hotel.
Construction/Conversion Extension	\$10,000	With request for extension	This fee may be waived or refunded if you meet the extended deadline. This fee is refundable if the extension is not granted. This may apply to your hotel prior to its opening.
Guest Complaint Resolution ³⁵	Varies	On demand	
Fairfield Inn & Suites Conversion Authorization ³⁶	\$5,650, plus travel, food and lodging expenses of personnel who travel to your hotel	On demand	This fee is charged when you convert a Fairfield Inn hotel to a Fairfield Inn & Suites hotel. This fee is in addition to the PIP Fee referenced above.
Other Company Brand Conversion Authorization	Varies	On demand	Except with respect to the conversion of a Fairfield Inn hotel to a Fairfield Inn & Suites hotel, which is subject to the Fairfield Inn & Suites Conversion Authorization Fee described above, when you convert to a System hotel from another Company Brand Hotel you will be charged the pre-opening fees described in Item 5 as if you were opening a new hotel, except, if the hotel already has the required

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
			systems in place, you will not be charged to reinstall such systems. These fees are in addition to the PIP Fee referenced above. These fees cover the costs of training your staff and providing services to you in connection with the conversion and re-opening of the hotel as a System hotel.
Food & Beverage Support	\$400 annually	On demand	This fee supports the food and beverage program, including development, ongoing sustainment, menu updates and programming, and field support costs.
Miscellaneous			
Accounting Audit	The amount of the underpayment plus interest if an audit reveals an underpayment	On demand	If an audit reveals an underpayment of 5% or more, or if an audit reveals that accounting procedures are insufficient to accurately determine payments due, then you must reimburse us for all costs in connection with the audit.
Interest on Overdue Amounts	Lesser of 18% per year or maximum interest rate permitted by law	On demand	Interest accrues from the due date until the overdue amount is paid.
Costs and Attorneys' Fees	Varies	On demand	Payable to us if you do not comply with the franchise agreement.
mCredit Customer Credit Reference Reports	\$12 per report	On demand	mCredit is an optional credit reference tool that provides payment history on corporate customers who have been direct-billed for meetings and events.
American Hotel and Lodging Association (AH&LA) ³⁷	\$3 per guestroom per year	On demand	This is an optional membership in AH&LA, which provides advocacy, industry communications, and professional education.
Associate Discount Forms and Cards	\$80 to \$85 per hotel per year	On demand	This is for access to a web-based tool to print or email cards or forms that can be used for discounted stays at certain hotels.

TYPE OF FEE**	AMOUNT**	DUE DATE	REMARKS
Associate Engagement Surveys ³⁸	\$6.50 per associate	On demand	This is an optional service.
Franchisee Associate Job Postings	\$110 to \$115 per Marriott.com job posting, or \$140 to \$145 per CareerBuilder.com job posting	On demand	This is an optional service.
GM Conference and Awards	\$300 to \$2,000 per hotel per year	On demand	The in-person General Managers Conference and the online General Managers Awards are held in alternating years. The high end of the range reflects the cost to attend the in-person General Managers Conference.

ITEM 11

Computer System Requirements

Except for any item designated as optional, you must purchase, lease, or license from us or our designee, and use in your hotel, the following computer systems, software and applications, and pay the charges specified below, which include your share of the costs for developing, maintaining, updating, upgrading, and supporting such systems and software:

(1) **FOSSE Property Management System (“PMS”).** PMS is the property management system currently required for Fairfield Inn & Suites hotels. It is used for front office, back-of-the-house, and other hotel operations. The cost to implement PMS ranges from \$36,500 to \$46,500 for a typical Fairfield Inn & Suites hotel. The ongoing Marriott support cost for PMS is \$509.17 per month for a typical Fairfield Inn & Suites hotel. We are in the process of replacing PMS with a new global property management system (“GPMS”). You will be required to use GPMS when it is implemented at your hotel. The anticipated cost to implement GPMS for a typical Fairfield Inn & Suites hotel is expected to range from \$25,000 to \$27,000, a portion of which is paid directly to our approved vendor. The ongoing Marriott support cost for GPMS is expected to be approximately \$2.00 per guestroom per month. Additional ongoing fees for GPMS are charged directly by our approved vendors, and are expected to range from approximately \$7,500 to \$14,000 per year for a typical Fairfield Inn & Suites hotel. The costs to implement PMS/GPMS described above include the cost of hardware, software, installation, PMS/GPMS and MARSHA training, and the meal and travel costs we will incur to send a PMS/GPMS training team to your hotel, but do not include the cost of lodging for the training team, which you must pay.

(2) **Point-of-Sale (“POS”).** The POS system integrates with PMS and is used for food and beverage, retail, spa, and other sales outlets at your hotel. You must use the Symphony POS system from Oracle. Installation and training for the POS system will be performed by Oracle at your cost. The one-time cost to purchase the POS system is approximately \$30,000 for a typical 150-guestroom Fairfield Inn and Fairfield Inn & Suites hotel. The ongoing Marriott maintenance and support fees for the POS system are \$152 per month per hotel, plus \$6.95 per month per POS workstation at the hotel. Additional ongoing software and hardware support fees for the POS system are charged directly by our approved vendors, including an annual software hosting fee of \$430 per hotel plus \$140 per additional software license, and an annual software support fee of \$650 per hotel plus \$205 per additional software license. The annual hardware support fee (recommended) is expected to be approximately 15% of the cost to purchase the POS system hardware. The estimated third-party costs associated with the POS system are provided to us by our vendors, and are subject to change.

(3) **OneSource and Sales Force Automation (“SFAWeb”).** Participation in either OneSource or SFAWeb is required, and CI/TY (described below) is optional.

(a) OneSource is an opportunity management solution that provides hotels with the ability to receive and respond to leads for group business received through certain sales channels, including QuickGroup. The one-time cost to implement access is \$235 per user.

(b) SFAWeb has all the functionality of OneSource and, in addition, enables account, customer, and event turnover management. Participation enables these hotels (or CI/TY) as well as above-property service organizations (Area Sales, Group Sales, Centralized Revenue Management and National Group Sales), to share certain account, customer, and business opportunity information. The cost to configure SFAWeb for new users is \$240 per user. The cost to transfer an existing license is \$100 per user. The ongoing cost to use SFAWeb is \$0.6623 per group room night contracted. See Item 6. Hardware must be compliant with our standards.

(c) Consolidated Inventory and Total Yield (“CI/TY”) is an optional web-based sales and services system, and is an alternative to OneSource and SFAWeb. CI handles account, contact, and opportunity/lead management, as well as property sales, event space inventory, and event management, and TY applies revenue management techniques to group and transient business for guestrooms and function space. The current cost of CI/TY is \$1.5228 per group room contracted each month, plus \$0.0099 per square foot of function space contracted each month. CI/TY is recommended if your hotel has a high volume of group and catering business opportunities.

(4) **Software for Reservation System (“MARSHA”) and One Yield.** This software allows MARSHA and One Yield to interface with the property management system, and assists with reservations, check-in, charge posting, accounts receivable, night audit, check-out, housekeeping, and guest history. One Yield is a web-based, yield management system for guestroom inventory that provides forecasting tools and makes inventory recommendations. The ongoing costs for MARSHA are \$2.75 per guestroom and 0.8% of gross room sales for reservations made using our central reservation system (as described in Item 6). The ongoing cost for One Yield is \$0.0922 per MARSHA transaction. We anticipate introducing a new version of One Yield in 2017. While there are no implementation costs associated with the new version of One Yield, we will require you to designate two to four revenue managers to attend and successfully complete our One Yield 2.0 training program for a fee of \$180 to \$380 per trainee, excluding travel, meal, and lodging costs (which you must pay). If your designated revenue managers do not complete the training program to our satisfaction, we may require your revenue managers to attend additional training courses or require the hotel to enroll in the Revenue Management Remote Solutions program for a period of up to two years.

(5) **Mobile Guest Services.** This application allows guests to use mobile devices (phones and tablets) to check-in, check-out, receive room alerts, and place service requests. There is an initial cost for this application of \$1,500. The ongoing cost of the application is \$1.65 per guestroom per month, plus \$454 per year per hotel.

(6) **Engage.** Engage is a cloud-based software that integrates with the front office, and allows hotels to identify guests and access guest profiles, perform reservations tasks (such as rewards program redemption stays), and track and resolve customer complaints. The cost of Engage is \$600 per user per year.

(7) **Mobile Key.** This application allows guests to unlock guestroom doors using our mobile application. The cost to purchase a new lock system with Mobile Key technology will vary significantly depending on the vendor and lock model you choose but is estimated to range from approximately \$75 to \$220 per lock (excluding the cost of cover plates and custom strikes), plus approximately \$10,000 to \$16,000 for a dedicated server and other hardware systems, installation, and training. The ongoing Marriott support cost for Mobile Key will range from approximately \$8 to \$11 per guestroom per year for software and support. You will incur these costs when Mobile Key is implemented at your hotel.

Microsoft Software. In connection with your purchase of any Microsoft software that you purchase through us, you may be required to sign a Participation Agreement with Microsoft. The form of such agreement is attached at Exhibit G.

Upgrades and Updates. You must install and use the upgrades or updates for PMS/GPMS, MARSHA, One Yield, POS, and any other system required for System hotels. There is no contractual limitation on the frequency or cost of your obligation to upgrade or update such systems. You also must use the hardware maintenance contracts that we have negotiated with the hardware vendors. You must execute an Electronic Systems License Agreement regarding system hardware and software requirements. The form of such agreement is in Exhibit B. We have no obligation to provide ongoing maintenance, repairs, upgrades, or updates to any of the systems, hardware, or software you use.

PC Software and Support. All PCs that are connected to the Marriott network or that use Marriott proprietary software must comply with our standards and run our current approved version of Microsoft Windows. The cost estimate for hardware, software, and installation for a PC that meets the standards ranges from \$1,100 to \$1,500, depending on whether the PC is a desktop or laptop. In addition, you must pay a fee of \$130 per month per server connected to the Marriott network. To support our security standards, certain software and support services and Websense internet content filtering are required for PCs connected to the Marriott network. There is an ongoing fee of \$7.99 per PC per month (or \$22.15 per Apple computer per month) for support and maintenance of computers on the Marriott network.

Computer Security. You are responsible for complying with the security requirements described below:

(1) **Payment Card Industry (“PCI”).** You must comply with all rules and regulations promulgated by the credit card companies and associations, including but not limited to the PCI data security standards and our PCI compliance standards.

(2) **Tokenization.** Tokenization, the process of replacing credit card numbers with indecipherable data, is a required part of our ongoing PCI compliance effort. Any property-based system that is processing and transmitting credit card data on the Marriott network must be “tokenized.” All terminals that have the ability to swipe a credit card are required to install a payment terminal. Costs include a hardware cost of \$380 per device and an ongoing charge of \$29 to \$49 per month, based on the number of credit card transactions.

(3) **Credit Card Processing.** You must use PMS and POS to process credit cards. You must also use our preferred providers in connection with processing credit cards, including authorizations and settlements. Our preferred credit card processing vendor charges a credit card gateway services fee of 0.065% of the dollar amount of credit card transactions, and our current credit card acquiring service provider charges a fee of \$0.01 per transaction (plus applicable assessments and interchange pass-through by Visa/MasterCard). When GPMS is implemented, you must use our then-current preferred providers for such services, at an anticipated cost of \$0.047 per settlement transaction for credit card gateway services and \$0.01 per transaction for credit card acquiring services based on a VISA/MasterCard/JCB transaction rate (plus applicable assessments and interchange-pass through charges). We may support additional vendors in the future or implement additional processes to comply with PCI security regulations or other security standards.

(4) **Security Keys.** You must purchase security keys to provide security authentication to access Marriott applications. They are required for system administrators, high risk data users, and certain remote desktop users, and are optional for others. The cost of a security key is \$68 for each card and \$40 for each card reader, or, alternatively, \$82 for each USB device, plus an ongoing charge of \$5.42 per month for each security key.

Data. We have independent access to the system databases at your hotel through our connections with the property management system, MARSHA, CI/TY, and One Yield. We own, and there are no limitations on our right to access, the information and data you maintain utilizing such systems and software, which will include information about guests, reservations, our loyalty program, revenues, and other business information related to hotel operations.

Costs and Changes. The specifications and price of the systems, hardware, and software described in this Item 11 are subject to change based on availability from third-party vendors, market fluctuations, and other factors, including our right to change or remove systems, or add new ones, in accordance with the Integration Process described in Item 1 or otherwise. You must implement these changes at your expense.

ITEM 13

TRADEMARKS

We will give you the right under the franchise agreement to develop and operate a hotel under the name "Fairfield Inn by Marriott" or "Fairfield Inn & Suites by Marriott" subject to compliance with our standards. You may also use other current or future trademarks designated by us for the operation of your hotel. By "trademarks," we mean trade names, trademarks, service marks, logos, and other symbols used to identify your hotel, whether registered or unregistered. We have registered the following principal trademarks on the Principal Register of the United States Patent and Trademark Office:

MARK	REG. NO.	REG. DATE
FAIRFIELD INN	1,496,308	07/12/1988
FAIRFIELD INN	742,101	12/11/1962
FAIRFIELD INN & SUITES	3,169,019	11/07/2006
FAIRFIELD INN MARRIOTT & DESIGN	3,639,550	06/19/2009
FAIRFIELD INN MARRIOTT & DESIGN (COLOR)	3,715,289	11/24/2009
FAIRFIELD INN & SUITES MARRIOTT & DESIGN (COLOR)	3,705,326	11/03/2009
FAIRFIELD INN & SUITES MARRIOTT & DESIGN	3,635,359	06/09/2009
FAIRFIELD INN BY MARRIOTT	3,635,358	06/09/2009
FAIRFIELD INN & SUITES BY MARRIOTT	3,635,360	06/09/2009
FAIRFIELD INN & SUITES MARRIOTT & DESIGN (NO CARTOUCHE)	3,784,396	05/04/2010
FAIRFIELD INN MARRIOTT & DESIGN (NO CARTOUCHE)	3,783,995	05/04/2010

You may not use the words "Fairfield," "Fairfield Inn," "Fairfield Suites," "Fairfield Inn & Suites," or "Marriott" or any other trademark or confusingly similar mark or name in your corporate, partnership, or trade name, or in any other business or trade name, or in any e-mail address (except as we authorize), domain name, or any other electronic identifier, or otherwise in connection with any business activity or venture.

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We and our affiliates claim all rights and interests, including all copyright and patent rights, to the information contained in the standards, as well as in any training or other materials or systems made available to you. You do not own the rights to any materials or systems made available to you, but you may use the proprietary information in our standards for the sole purpose of operating your System hotel under our franchise agreement. All information regarding the customers of the hotel, regardless of source, is proprietary to us.

PMS/GPMS, MARSHA, One Yield, CI/TY, Marriott Global Source, the standards, the guest satisfaction survey system, and all other current or future information systems and marketing and management programs made available for your use are proprietary to us or our licensors. We and/or they claim all rights and interests, including all copyright and patent rights, to these systems. There are no currently effective determinations of the U.S. Copyright Office (Library of Congress), or of any court, nor are there any pending infringement, opposition or cancellation proceedings or material litigation, involving any of the proprietary materials in which we claim a copyright which are relevant to their use by our franchisees. There are no agreements currently in effect which significantly limit our right to use or license the use of our copyrighted materials in any manner material to your hotel, and we do not know of any infringing uses of our copyrighted materials which could materially affect your use of the copyrighted materials.

We claim proprietary rights in, and you will have certain obligations to maintain the confidentiality of, the following information (collectively, "Confidential Information"): all standards and documents created for or approved for use in the System or in the operation of the hotel; the negotiated terms in your franchise agreement; all software, including data and information processed or stored using the software, and accompanying documentation; any customer lists or other customer information (including names, e-mail addresses, postal addresses, phone numbers, credit card numbers, preferences, etc.); information in our loyalty programs; and any other confidential or proprietary information, knowledge, or know-how concerning the System or the operation of the hotel that may be communicated or provided to you or of which you may be apprised, by virtue of your ownership or operation of the hotel under the franchise agreement. You must not, without our prior consent, copy, reproduce, or make available to anyone, or use for any purpose other than operation of your hotel under our franchise agreement, any of the Confidential Information. You may divulge Confidential Information only to your employees or agents who require access to it to operate the hotel and only after they are advised that such information is confidential and that they are obligated to maintain its confidentiality. The Confidential Information has commercial value. We and our affiliates have taken reasonable measures to maintain its confidentiality. Accordingly, the Confidential Information is proprietary and a trade secret of ours and our affiliates. Your obligations to maintain the confidentiality of Confidential Information will extend beyond the expiration or termination of the franchise agreement and you will be liable for any breaches of such obligations by your employees and agents.

Confidential Information may exist in any medium including documents, computer files, compact discs, voicemail, e-mail, and other digital media and oral information. "Personally Identifiable Information" is a special category of Confidential Information that includes any information that can be associated with or traced to an individual, such as the individual's name, address, telephone number, e-mail address, credit card information, driver's license number, passport number, or other similar specific factual information.

You must implement reasonable security measures, including any and all security measures that we require, to protect all computer systems and Confidential Information from loss, misuse and unauthorized access, disclosure, alteration, and destruction. In addition, you must comply with all applicable data protection laws pertaining to Personally Identifiable Information and rules and regulations promulgated by the applicable credit card associations. In the event of a security breach involving Personally Identifiable Information of guests at your hotel, you must comply with all applicable data breach notification laws as well as our standards applicable to such breach. You must notify us when you become aware of any such breach and provide credit monitoring for impacted individuals in accordance with our standards. You will be required to reimburse us for all costs incurred by us in connection with a security breach involving Personally Identifiable Information of guests at your hotel.

You must notify us promptly in writing if you learn about unauthorized use of any proprietary systems or Confidential Information. You must cooperate fully in defending or settling any litigation against us or you that involves our proprietary systems or Confidential Information. We or our licensors are not obligated to indemnify you against claims that your use of the proprietary systems or Confidential Information under the terms of the franchise agreement infringes upon the patent or copyright rights of others unless such an indemnity is provided by the third-party licensor of such system. We or our licensors have the right to control any litigation and may settle any dispute in any manner that we think appropriate, which may or may not include filing suit against unauthorized users of our proprietary systems or Confidential Information.

We currently own the following patent pertaining to our business processes:

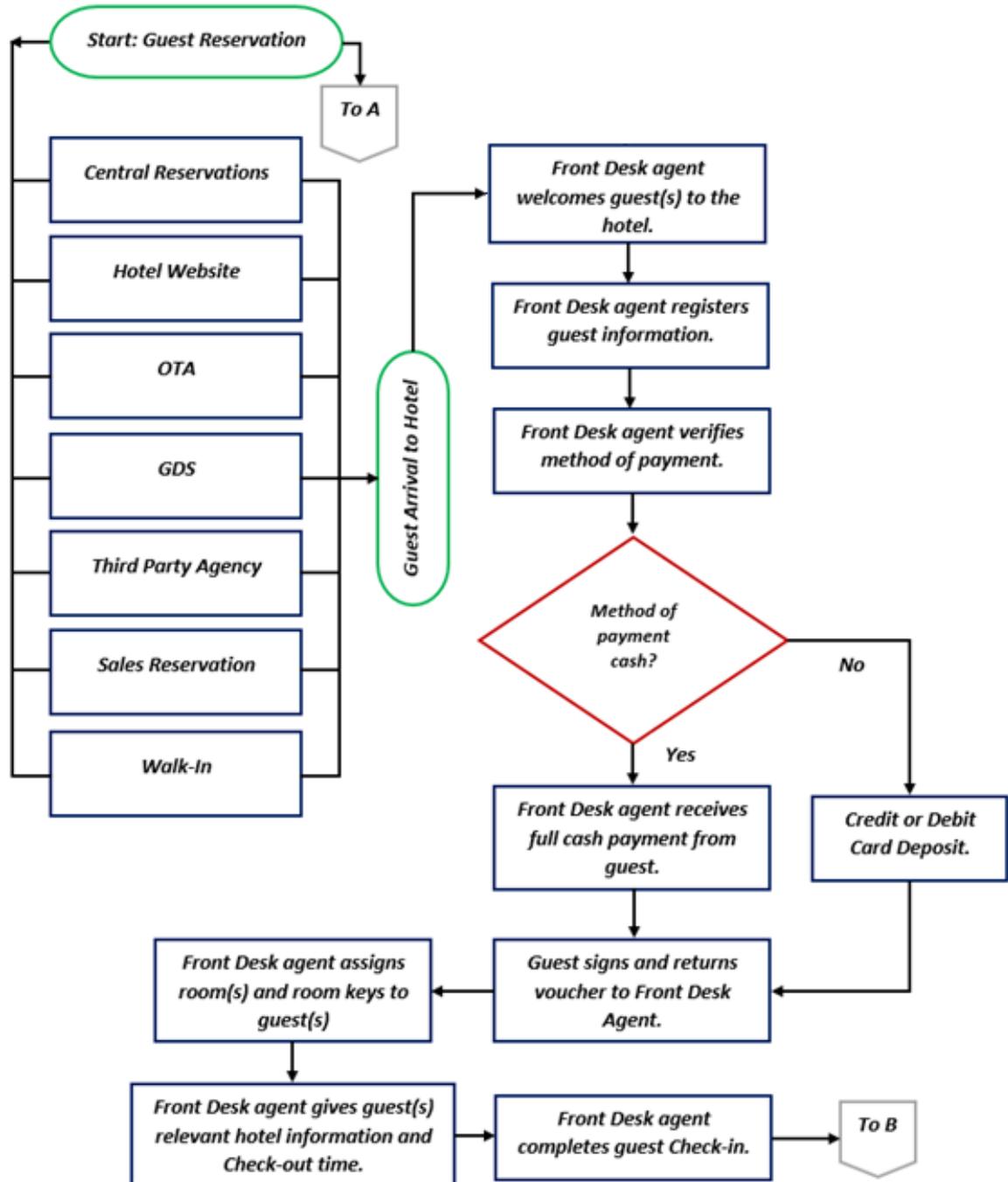
US Patent No. 8,321,286 “Methods and apparatuses for calculating an optimal revenue total yield for both sleeping and function space in a hospitality establishment for a set of demands that includes both group and transient demands.” The application was filed February 29, 2004, and was granted on November 27, 2012.

We reserve the right to file additional patent applications and to obtain patents for our business processes in the future. Business processes related to the system are proprietary to us or our affiliates. Therefore, you may not file a patent application for any of these processes.

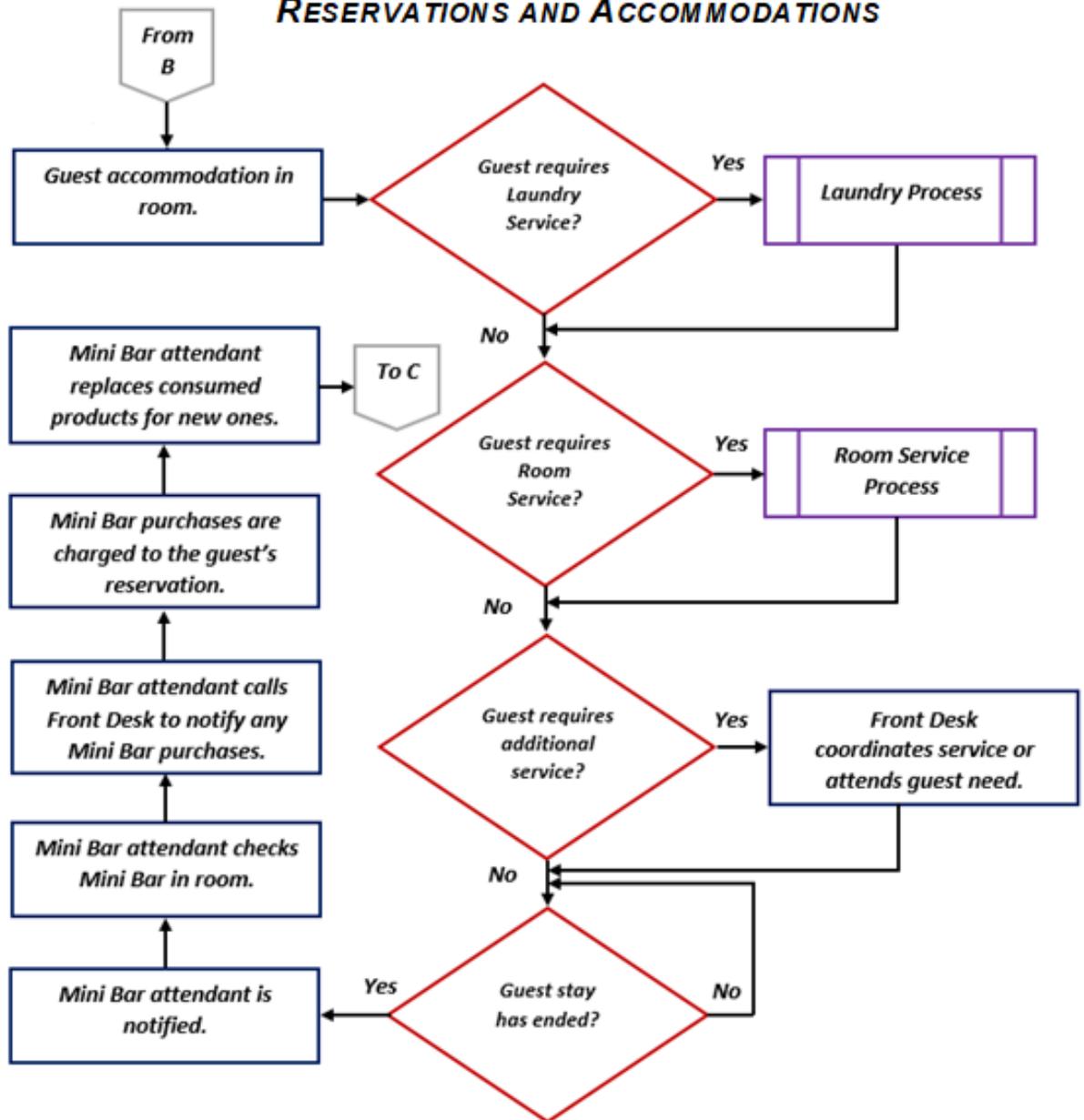
If we decide to add, modify, or discontinue the use of an item or process covered by a patent or copyright, you must do so, at your expense. We are not obligated to defend your use of these items or processes.

ANNEX 9: FAIRFIELD INN AND SUITES BY MARRIOTT MEDELLÍN'S FLOWCHART PROCESSES

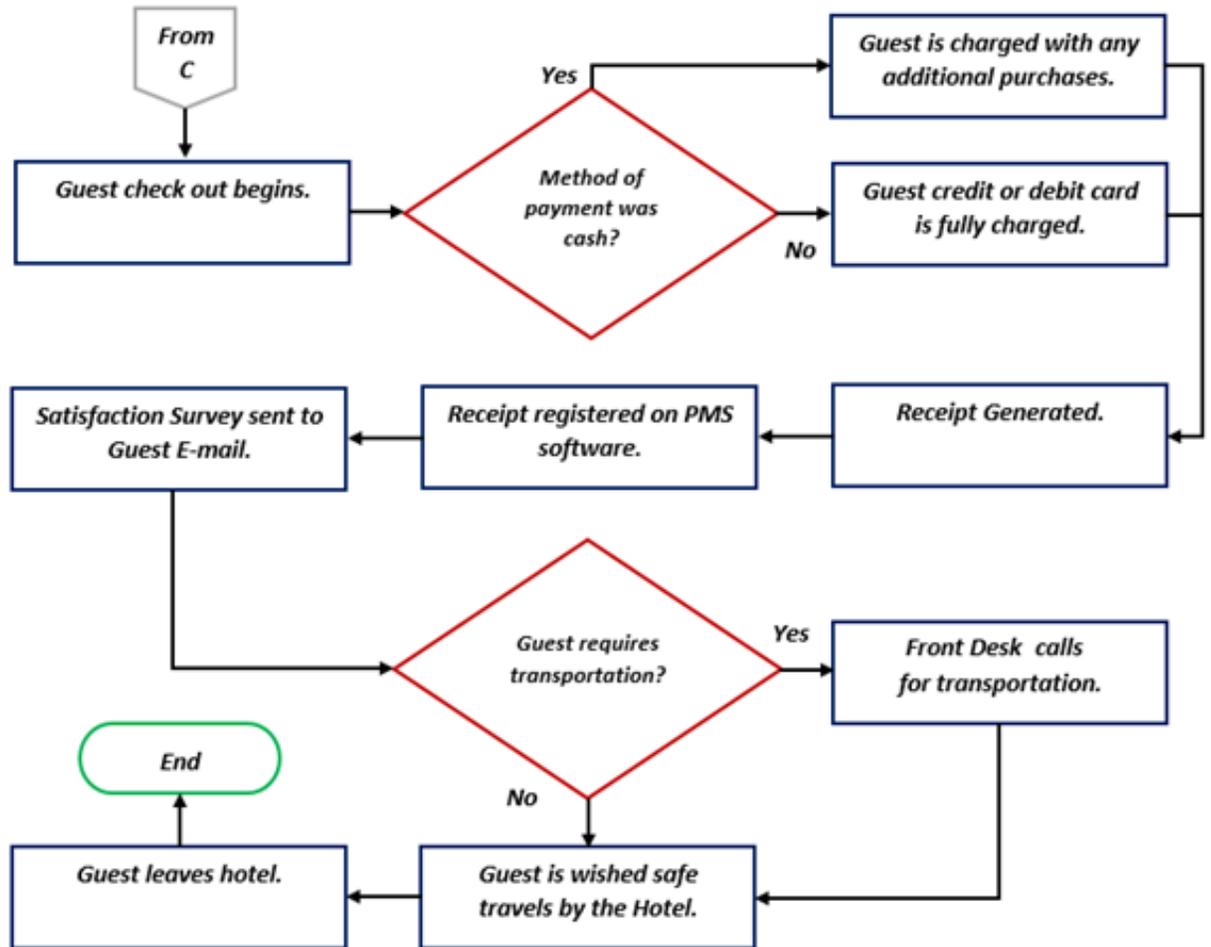
RESERVATIONS AND ACCOMMODATIONS PROCESS



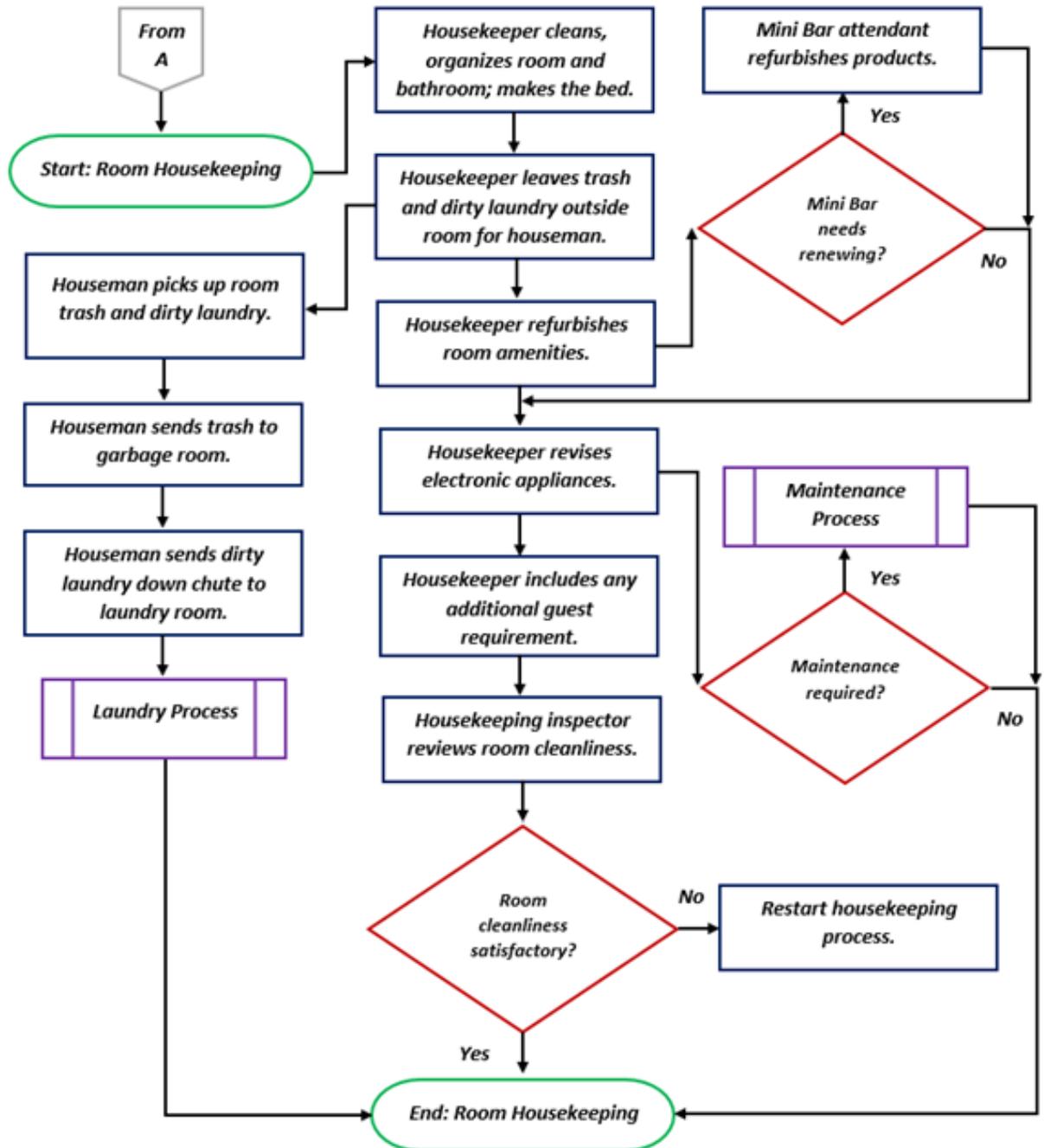
RESERVATIONS AND ACCOMMODATIONS



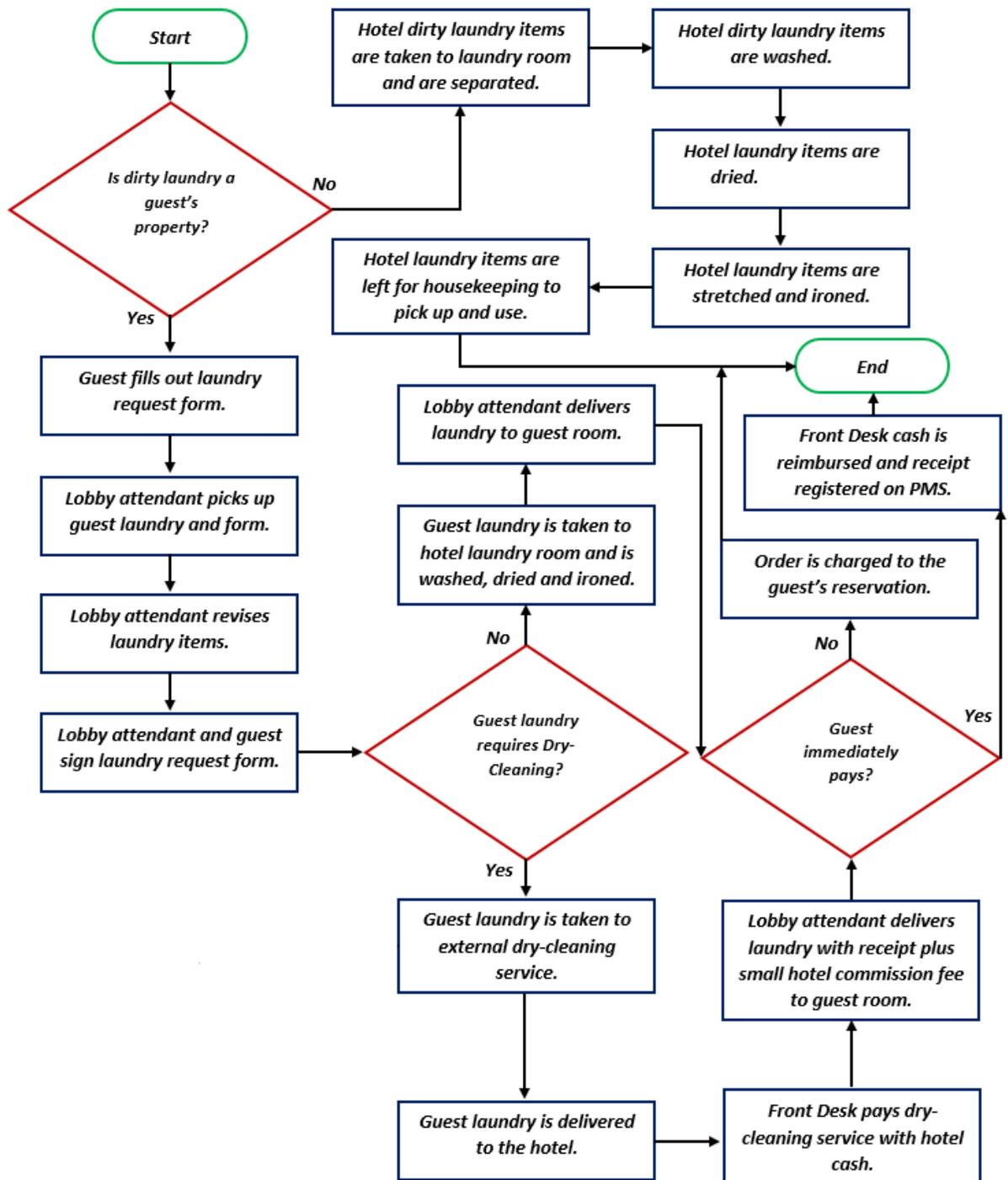
RESERVATIONS AND ACCOMMODATIONS



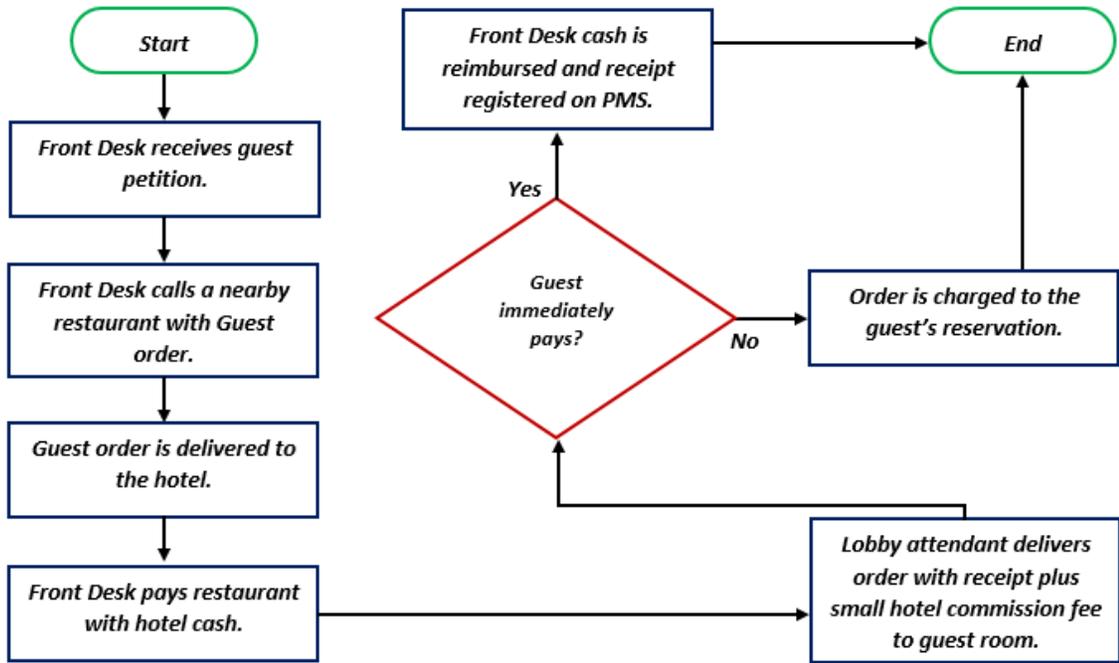
HOUSEKEEPING PROCESS



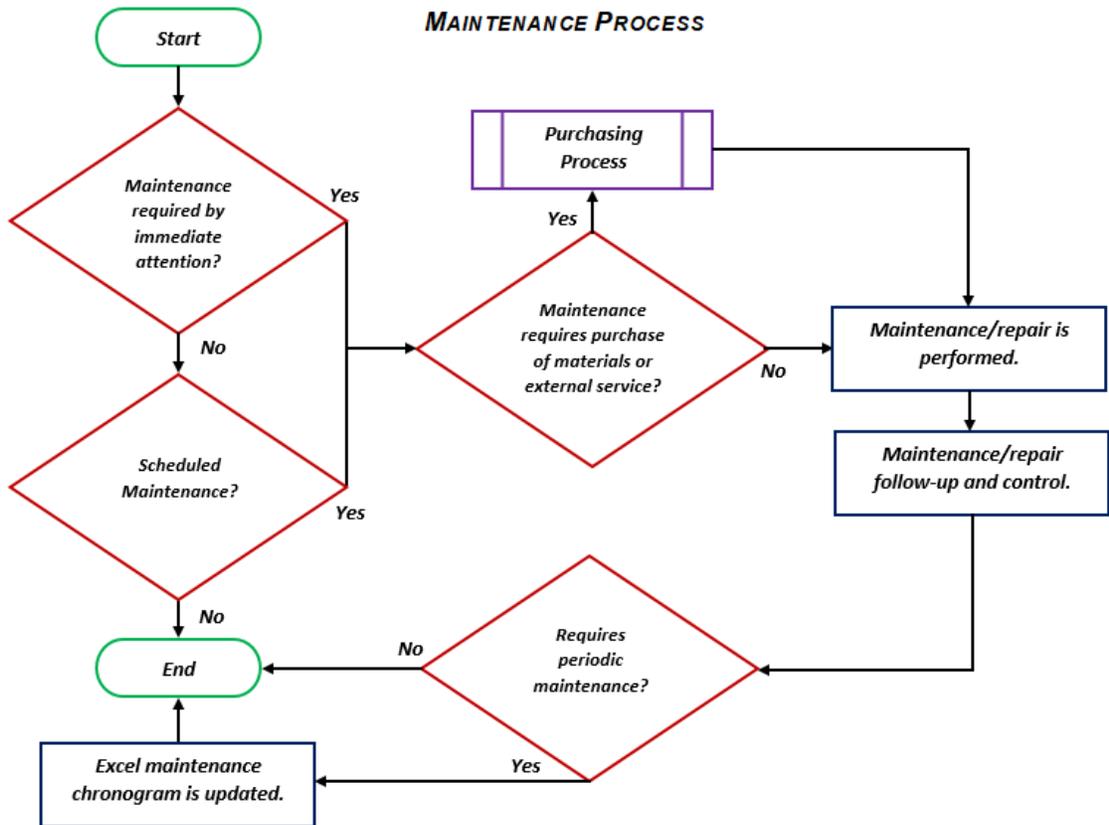
LAUNDRY PROCESS



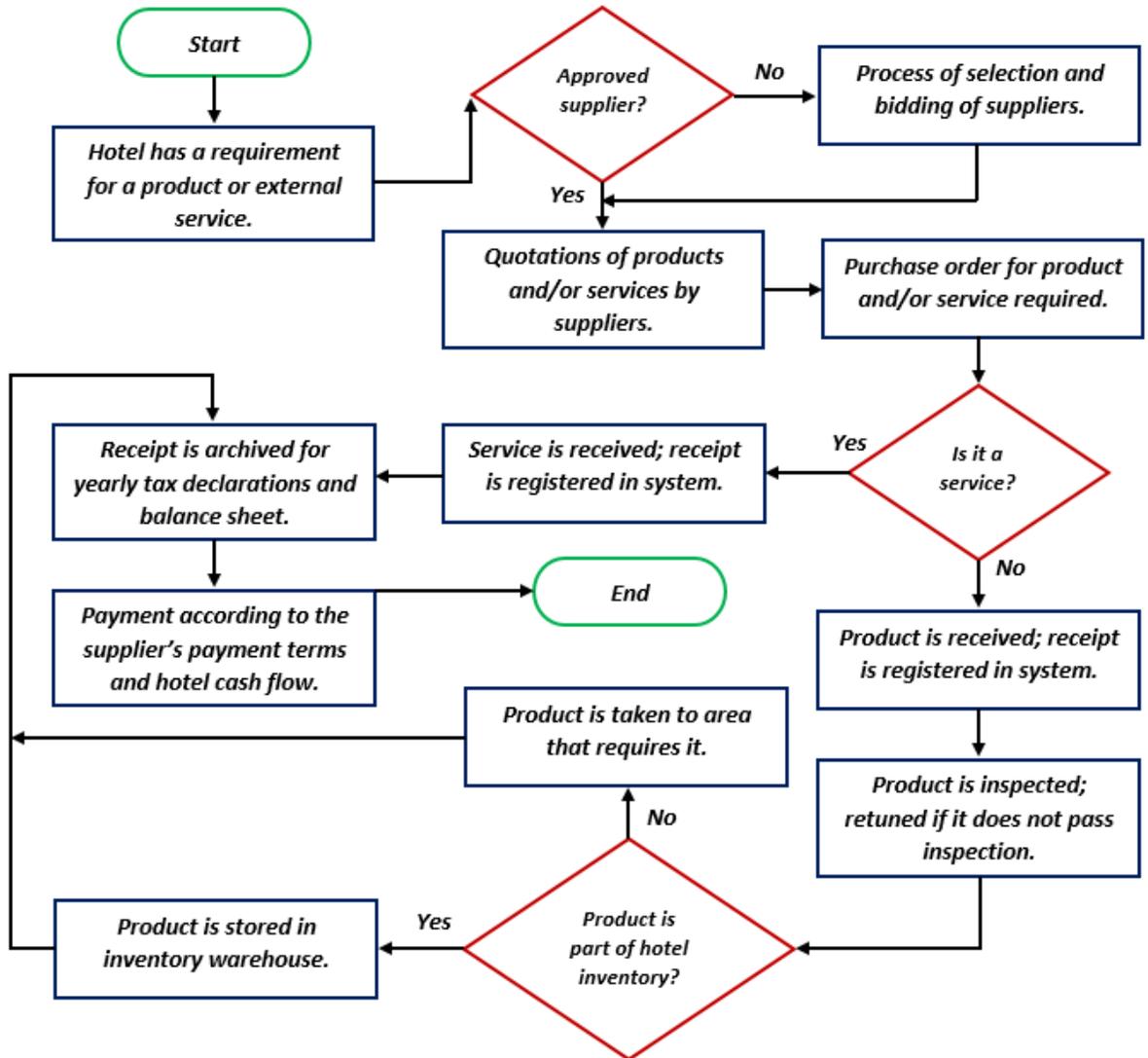
ROOM SERVICE PROCESS



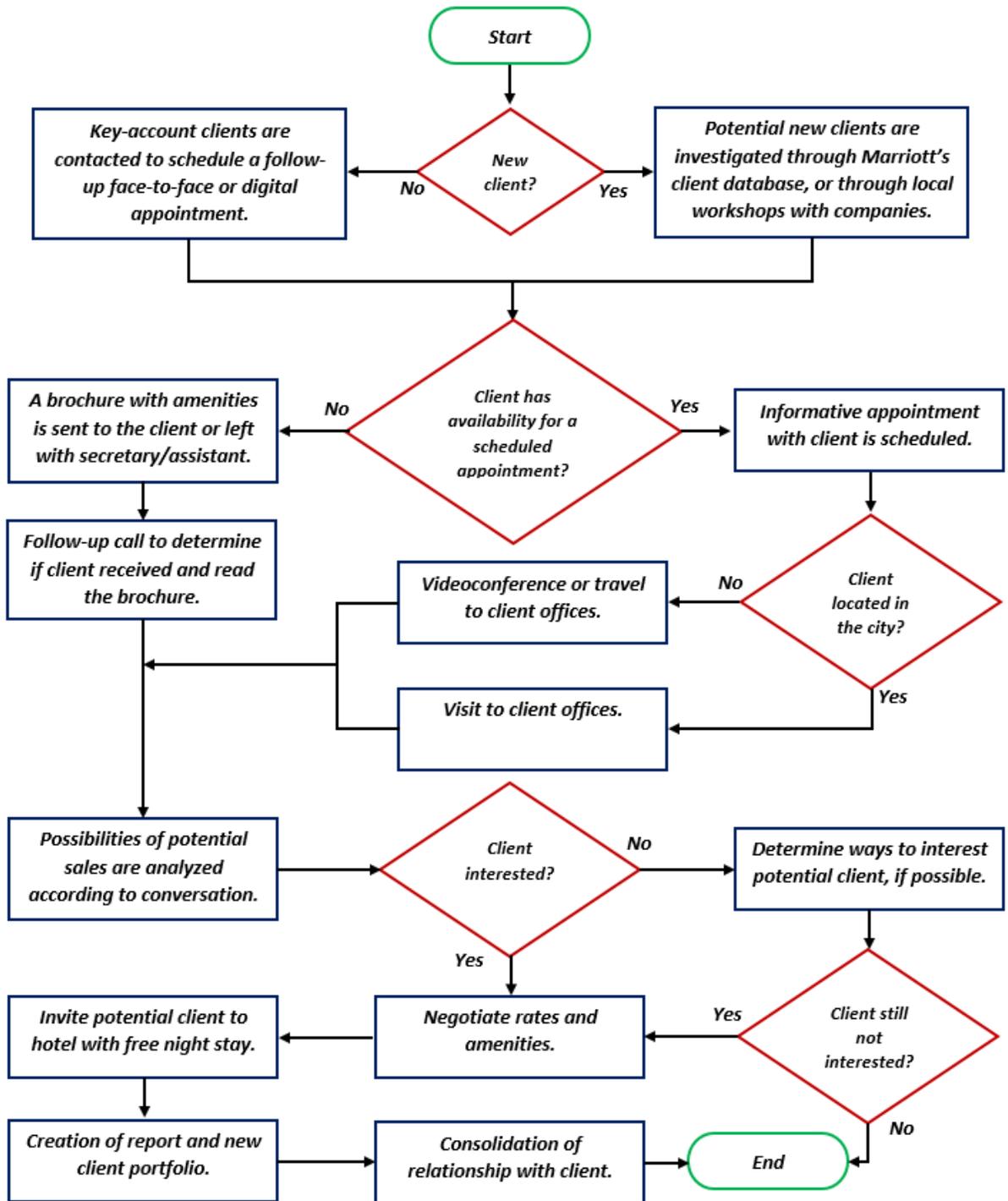
MAINTENANCE PROCESS



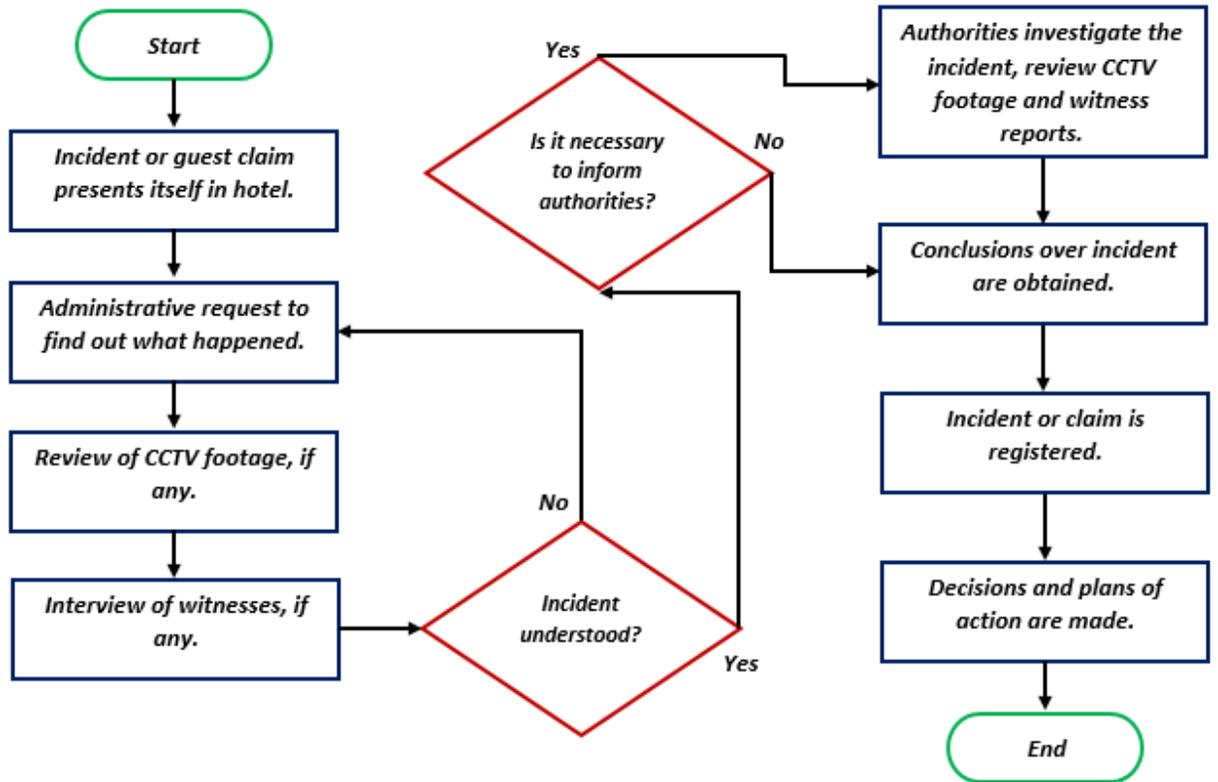
PURCHASING PROCESS



SALES & MARKETING PROCESS



SECURITY PROCESS



ANNEX 10: FAIRFIELD INN AND SUITES BY MARRIOTT MEDELLÍN OPERATIVE AND ADMINISTRATIVE SALARIES, SOCIAL BENEFITS AND SCHEDULES

ITEM 1. OPERATIVE SALARIES AND SOCIAL BENEFITS

Fairfield Inn and Suites by Marriott Medellín Employee Salaries and Social Benefits

HOTEL EMPLOYEE	SMMLV	Basic Salary	Transport	Monthly Hours	Salary Earned	Paid Vacation	Premium	Layoffs	Layoff Int.	Health (EPS)	Pension	ARL Level 2	Compensation Fund
Front Desk Agent 1	1,8	\$ 1.406.236	\$ 55.867	152,00	\$ 1.020.191	\$ 42.508	\$ 85.016	\$ 85.016	\$ 850	\$ 81.968	\$115.719	\$ 10.068	\$ 38.573
Front Desk Agent 2	1,8	\$ 1.406.236	\$ 64.688	176,00	\$ 1.197.688	\$ 49.904	\$ 99.807	\$ 99.807	\$ 998	\$ 96.305	\$135.960	\$ 11.829	\$ 45.320
Front Desk Agent 3	1,8	\$ 1.406.236	\$ 55.867	152,00	\$ 1.020.191	\$ 42.508	\$ 85.016	\$ 85.016	\$ 850	\$ 81.968	\$115.719	\$ 10.068	\$ 38.573
Front Desk Agent 4	1,8	\$ 1.406.236	\$ 64.688	176,00	\$ 1.151.329	\$ 47.972	\$ 95.944	\$ 95.944	\$ 959	\$ 92.364	\$130.397	\$ 11.345	\$ 43.466
Front Desk Agent 5	1,8	\$ 1.406.236	\$ 64.688	176,00	\$ 1.151.329	\$ 47.972	\$ 95.944	\$ 95.944	\$ 959	\$ 92.364	\$130.397	\$ 11.345	\$ 43.466
Night Auditor 1	2,5	\$ 1.953.105	\$ -	120,00	\$ 1.375.718	\$ 57.322	\$114.643	\$114.643	\$ 1.146	\$ 116.936	\$165.086	\$ 14.362	\$ 55.029
Night Auditor 2	2,5	\$ 1.953.105	\$ -	120,00	\$ 1.375.718	\$ 57.322	\$114.643	\$114.643	\$ 1.146	\$ 116.936	\$165.086	\$ 14.362	\$ 55.029
Breakfast Hostess 1	1,3	\$ 1.015.615	\$ 76.450	156,00	\$ 752.367	\$ 31.349	\$ 62.697	\$ 62.697	\$ 627	\$ 57.453	\$ 81.110	\$ 7.057	\$ 27.037
Breakfast Hostess 2	1,3	\$ 1.015.615	\$ 76.450	156,00	\$ 752.367	\$ 31.349	\$ 62.697	\$ 62.697	\$ 627	\$ 57.453	\$ 81.110	\$ 7.057	\$ 27.037
Maintenance Engineer 1	1,5	\$ 1.171.863	\$ 76.450	186,00	\$ 1.021.890	\$ 42.579	\$ 85.157	\$ 85.157	\$ 852	\$ 80.362	\$113.453	\$ 9.870	\$ 37.818
Maintenance Engineer 2	1,5	\$ 1.171.863	\$ 76.450	186,00	\$ 1.021.890	\$ 42.579	\$ 85.157	\$ 85.157	\$ 852	\$ 80.362	\$113.453	\$ 9.870	\$ 37.818
Security Agent 1	1,5	\$ 1.171.863	\$ 44.106	120,00	\$ 704.450	\$ 29.352	\$ 58.704	\$ 58.704	\$ 587	\$ 56.129	\$ 79.241	\$ 6.894	\$ 26.414
Security Agent 2	1,5	\$ 1.171.863	\$ 44.106	120,00	\$ 704.450	\$ 29.352	\$ 58.704	\$ 58.704	\$ 587	\$ 56.129	\$ 79.241	\$ 6.894	\$ 26.414
Security Agent 3	1,5	\$ 1.171.863	\$ 44.106	120,00	\$ 751.618	\$ 31.317	\$ 62.635	\$ 62.635	\$ 626	\$ 60.139	\$ 84.901	\$ 7.386	\$ 28.300
Security Agent 4	1,5	\$ 1.171.863	\$ 44.106	120,00	\$ 751.618	\$ 31.317	\$ 62.635	\$ 62.635	\$ 626	\$ 60.139	\$ 84.901	\$ 7.386	\$ 28.300
Security Agent 5	1,5	\$ 1.171.863	\$ 44.106	120,00	\$ 869.537	\$ 36.231	\$ 72.461	\$ 72.461	\$ 725	\$ 70.162	\$ 99.052	\$ 8.617	\$ 33.017
Security Agent 6	1,5	\$ 1.171.863	\$ 44.106	120,00	\$ 869.537	\$ 36.231	\$ 72.461	\$ 72.461	\$ 725	\$ 70.162	\$ 99.052	\$ 8.617	\$ 33.017
Housekeeping Maid 1	1,3	\$ 1.015.615	\$ 76.450	186,00	\$ 895.831	\$ 37.326	\$ 74.653	\$ 74.653	\$ 747	\$ 69.647	\$ 98.326	\$ 8.554	\$ 32.775
Housekeeping Maid 2	1,3	\$ 1.015.615	\$ 76.450	186,00	\$ 895.831	\$ 37.326	\$ 74.653	\$ 74.653	\$ 747	\$ 69.647	\$ 98.326	\$ 8.554	\$ 32.775
Housekeeping Maid 3	1,3	\$ 1.015.615	\$ 64.688	176,00	\$ 789.529	\$ 32.897	\$ 65.794	\$ 65.794	\$ 658	\$ 61.611	\$ 86.981	\$ 7.567	\$ 28.994
Housekeeping Maid 4	1,3	\$ 1.015.615	\$ 64.688	176,00	\$ 789.529	\$ 32.897	\$ 65.794	\$ 65.794	\$ 658	\$ 61.611	\$ 86.981	\$ 7.567	\$ 28.994
Housekeeping Maid 5	1,3	\$ 1.015.615	\$ 64.688	176,00	\$ 789.529	\$ 32.897	\$ 65.794	\$ 65.794	\$ 658	\$ 61.611	\$ 86.981	\$ 7.567	\$ 28.994
Housekeeping Maid 6	1,3	\$ 1.015.615	\$ 64.688	176,00	\$ 882.966	\$ 36.790	\$ 73.580	\$ 73.580	\$ 736	\$ 69.554	\$ 98.193	\$ 8.543	\$ 32.731
Housekeeping Maid 7	1,3	\$ 1.015.615	\$ 64.688	176,00	\$ 882.966	\$ 36.790	\$ 73.580	\$ 73.580	\$ 736	\$ 69.554	\$ 98.193	\$ 8.543	\$ 32.731
Housekeeping Maid 8	1,3	\$ 1.015.615	\$ 61.748	168,00	\$ 850.862	\$ 35.453	\$ 70.905	\$ 70.905	\$ 709	\$ 67.075	\$ 94.694	\$ 8.238	\$ 31.565
Housekeeping Maid 9	1,3	\$ 1.015.615	\$ 61.748	168,00	\$ 850.862	\$ 35.453	\$ 70.905	\$ 70.905	\$ 709	\$ 67.075	\$ 94.694	\$ 8.238	\$ 31.565
Housekeeping Maid 10	1,3	\$ 1.015.615	\$ 61.748	168,00	\$ 757.425	\$ 31.559	\$ 63.119	\$ 63.119	\$ 631	\$ 59.133	\$ 83.481	\$ 7.263	\$ 27.827
Housekeeping Maid 11	1,3	\$ 1.015.615	\$ 64.688	176,00	\$ 882.966	\$ 36.790	\$ 73.580	\$ 73.580	\$ 736	\$ 69.554	\$ 98.193	\$ 8.543	\$ 32.731
Housekeeping Maid 12	1,3	\$ 1.015.615	\$ 61.748	168,00	\$ 850.862	\$ 35.453	\$ 70.905	\$ 70.905	\$ 709	\$ 67.075	\$ 94.694	\$ 8.238	\$ 31.565
Housekeeping Inspector	1,6	\$ 1.249.987	\$ 58.807	160,00	\$ 879.674	\$ 36.653	\$ 73.306	\$ 73.306	\$ 733	\$ 69.774	\$ 98.504	\$ 8.570	\$ 32.835
Laundry Attendant 1	1,3	\$ 1.015.615	\$ 64.688	176,00	\$ 789.529	\$ 32.897	\$ 65.794	\$ 65.794	\$ 658	\$ 61.611	\$ 86.981	\$ 7.567	\$ 28.994
Laundry Attendant 2	1,3	\$ 1.015.615	\$ 64.688	176,00	\$ 789.529	\$ 32.897	\$ 65.794	\$ 65.794	\$ 658	\$ 61.611	\$ 86.981	\$ 7.567	\$ 28.994
Laundry Attendant 3	1,3	\$ 1.015.615	\$ 61.748	168,00	\$ 850.862	\$ 35.453	\$ 70.905	\$ 70.905	\$ 709	\$ 67.075	\$ 94.694	\$ 8.238	\$ 31.565
Laundry Attendant 4	1,3	\$ 1.015.615	\$ 64.688	176,00	\$ 882.966	\$ 36.790	\$ 73.580	\$ 73.580	\$ 736	\$ 69.554	\$ 98.193	\$ 8.543	\$ 32.731

ITEM 2. ADMINISTRATIVE SALARIES AND SOCIAL BENEFITS

Fairfield Inn and Suites by Marriott Medellin Administrative Salaries and Social Benefits

HOTEL EXECUTIVE	SMMLV	Basic Salary	Transport	Paid Vacation	Premium	Layoffs	Layoff Int.	Health (EPS)	Pension	ARL Level 2	Compensation Fund
Hotel General Manager (GM)	15	\$ 11.718.630	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hotel Assistant General Manager (AGM)	8	\$ 6.249.936	\$ -	\$ 260.414	\$ 579.635	\$ 579.635	\$ 5.796	\$ 531.245	\$ 749.992	\$ 65.249	\$ 249.997
Sales and Marketing Manager	5,1	\$ 3.984.334	\$ -	\$ 166.014	\$ 369.518	\$ 369.518	\$ 3.695	\$ 338.668	\$ 478.120	\$ 41.596	\$ 159.373
Accountant	3,5	\$ 2.734.347	\$ -	\$ 113.931	\$ 253.590	\$ 253.590	\$ 2.536	\$ 232.419	\$ 328.122	\$ 28.547	\$ 109.374
Housekeeping Manager	2,3	\$ 1.796.857	\$ -	\$ 74.869	\$ 166.645	\$ 166.645	\$ 1.666	\$ 152.733	\$ 215.623	\$ 18.759	\$ 71.874
Chief Engineer	2,3	\$ 1.796.857	\$ -	\$ 74.869	\$ 166.645	\$ 166.645	\$ 1.666	\$ 152.733	\$ 215.623	\$ 18.759	\$ 71.874

ITEM 3. OPERATIVE SCHEDULES AND PAYROLL LIQUIDATION

a. FRONT DESK AGENT 1

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018 \$ 781.242				
EMPLOYEE NUMBER				FRONT DESK AGENT 1				Start Daytime Hours	6:00:00	PAYMENT OF MINUTES WORKED						
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
1	MONDAY					7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
2	TUESDAY					7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
3	WEDNESDAY					7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
4	THURSDAY				REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
5	FRIDAY					7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
6	SATURDAY					7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
7	SUNDAY				REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
8	MONDAY					7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
9	TUESDAY					7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
10	WEDNESDAY					7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
11	THURSDAY				REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
12	FRIDAY					7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
13	SATURDAY					7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
14	SUNDAY				REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
15	MONDAY					7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMLV	FRONT DESK AGENT 1				TOTALS:	88,00	88,00	0,00	0,00	0,00	0,00	\$ 515.620	\$ -	\$ -	\$ -	
1,8	FRONT DESK AGENT 1				COST PER MINUTE	EXTRA NOCTURNAL MINUTES		OBSERVATIONS								
BASIC MONTHLY SALARY	\$ 1.406.236	\$ 703.118	\$ 98	ADDITIONAL MINUTES												
TRANSPORTATION ASSIST	\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF												
HOURS PAID	\$ 515.620	MATERNITY		REST	INCAPABILITY											
TOTAL EARNED	\$ 577.793	0		4	0											
DEDUCTION: HEALTH & PENSION	\$ 43.636															
OTHER DEDUCTIONS																
NET PAID	\$ 534.157	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED										
		\$ 29.829		11		88										

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:			SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				FRONT DESK AGENT 1			Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
16		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
17		WEDNESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
18		THURSDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
19		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
20		SATURDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
21		SUNDAY			SUNDAY	15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 61.523	\$ 24.609	\$ -	\$ -
22		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
23		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
24		WEDNESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
25		THURSDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
26		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
27		SATURDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
28		SUNDAY			SUNDAY	15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 61.523	\$ 24.609	\$ -	\$ -
29		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
30		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMLV		FRONT DESK AGENT 1			TOTALS:		64,00	56,00	8,00	0,00	0,00	\$ 380.855	\$ 80.859	\$ -	\$ -	
1,8		FRONT DESK AGENT 1			COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS						
BASIC MONTHLY SALARY		\$ 1.406.236	\$ 703.118	\$ 98	ADDITIONAL MINUTES		0									
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 23.523	PAID DAYS OF											
HOURS PAID		\$ 461.714	MATERNITY		REST		INCAPABILITY									
TOTAL EARNED		\$ 526.252	0		7		0									
DEDUCTION: HEALTH & PENSION		\$ 40.218														
OTHER DEDUCTIONS																
NET PAID		\$ 486.034	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED									
		\$	41.015		8		64									

b. FRONT DESK AGENT 2

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:			SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				FRONT DESK AGENT 2			Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
1		MONDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
2		TUESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
3		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
4		THURSDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
5		FRIDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
7		SUNDAY			SUNDAY	7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 82.030	\$ -	\$ -	\$ -
8		MONDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
9		TUESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
10		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
11		THURSDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
12		FRIDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
14		SUNDAY			SUNDAY	7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 82.030	\$ -	\$ -	\$ -
15		MONDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMLV		FRONT DESK AGENT 2			TOTALS:		88,00	88,00	0,00	0,00	0,00	\$ 585.932	\$ -	\$ -	\$ -	
1,8		FRONT DESK AGENT 2			COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS						
BASIC MONTHLY SALARY		\$ 1.406.236	\$ 703.118	\$ 98	ADDITIONAL MINUTES		0									
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF											
HOURS PAID		\$ 585.932	MATERNITY		REST		INCAPABILITY									
TOTAL EARNED		\$ 648.105	0		4		0									
DEDUCTION: HEALTH & PENSION		\$ 49.261														
OTHER DEDUCTIONS																
NET PAID		\$ 598.844	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED									
		\$	29.829		11		88									

PERIOD 2	DAY OF MONTH	16	30	::PAYROLL::				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				FRONT DESK AGENT 2				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N		
16		TUESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -		
17		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
18		THURSDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -		
19		FRIDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -		
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
21		SUNDAY			SUNDAY	7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 82.030	\$ -	\$ -	\$ -		
22		MONDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -		
23		TUESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -		
24		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
25		THURSDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -		
26		FRIDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -		
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
28		SUNDAY			SUNDAY	7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 82.030	\$ -	\$ -	\$ -		
29		MONDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -		
30		TUESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -		
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
SMMLV					FRONT DESK AGENT 2				TOTALS:	88,00	88,00	0,00	0,00	0,00	\$ 585.932	\$ -	\$ -	\$ -
1,8									COST PER MINUTE	EXTRA NOCTURNAL MINUTES	0	OBSERVATIONS						
BASIC MONTHLY SALARY		\$ 1.406.236	\$ 703.118	\$ 98					ADDITIONAL MINUTES	0								
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344					PAID DAYS OF									
HOURS PAID		\$ 585.932	MATERNITY		REST		INCAPABILITY											
TOTAL EARNED		\$ 648.105	0		4		0											
DEDUCTION: HEALTH & PENSION		\$ 49.261																
OTHER DEDUCTIONS																		
NET PAID		\$ 598.844	\$ 29.829		11		88											

c. FRONT DESK AGENT 3

PERIOD 1	DAY OF MONTH	1	15	::PAYROLL::				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				FRONT DESK AGENT 3				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N		
1		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
2		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
3		WEDNESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -		
4		THURSDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -		
5		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
6		SATURDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -		
7		SUNDAY			SUNDAY	15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 61.523	\$ 24.609	\$ -	\$ -		
8		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
9		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
10		WEDNESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -		
11		THURSDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -		
12		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
13		SATURDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -		
14		SUNDAY			SUNDAY	15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 61.523	\$ 24.609	\$ -	\$ -		
15		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
SMMLV					FRONT DESK AGENT 3				TOTALS:	64,00	56,00	8,00	0,00	0,00	\$ 380.855	\$ 80.859	\$ -	\$ -
1,8									COST PER MINUTE	EXTRA NOCTURNAL MINUTES	0	OBSERVATIONS						
BASIC MONTHLY SALARY		\$ 1.406.236	\$ 703.118	\$ 98					ADDITIONAL MINUTES	0								
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 23.523					PAID DAYS OF									
HOURS PAID		\$ 461.714	MATERNITY		REST		INCAPABILITY											
TOTAL EARNED		\$ 526.252	0		7		0											
DEDUCTION: HEALTH & PENSION		\$ 40.218																
OTHER DEDUCTIONS																		
NET PAID		\$ 486.034	\$ 41.015		8		64											

PERIOD 2	DAY OF MONTH	#	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242		
EMPLOYEE NUMBER		FRONT DESK AGENT 3				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	#	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
16		TUESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
17		WEDNESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
18		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
19		FRIDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
20		SATURDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
22		MONDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
23		TUESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
24		WEDNESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
25		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
26		FRIDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
27		SATURDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
29		MONDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
30		TUESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 46.875	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMMLV	FRONT DESK AGENT 3				TOTALS:	88,00	88,00	0,00	0,00	0,00	\$ 515.620	\$ -	\$ -	\$ -	\$ -	
1,8	FRONT DESK AGENT 3				COST PER MINUTE	EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS						
BASIC MONTHLY SALARY		\$ 1.406.236	\$ 703.118	\$ 98	ADDITIONAL MINUTES		0									
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF											
HOURS PAID		\$ 515.620	MATERNITY		REST		INCAPABILITY									
TOTAL EARNED		\$ 577.793	0		4		0									
EDUCATION: HEALTH & PENSION		\$ 43.636														
OTHER DEDUCTIONS																
NET PAID		\$ 534.157	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED									
			\$ 29.829		11		88									

d. FRONT DESK AGENT 4

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242		
EMPLOYEE NUMBER		FRONT DESK AGENT 4				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
1		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
2		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
3		WEDNESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
4		THURSDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
5		FRIDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
8		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
9		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
10		WEDNESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
11		THURSDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
12		FRIDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
15		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMMLV	FRONT DESK AGENT 4				TOTALS:	88,00	66,00	22,00	0,00	0,00	\$ 386.715	\$ 174.022	\$ -	\$ -		
1,8	FRONT DESK AGENT 4				COST PER MINUTE	EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS						
BASIC MONTHLY SALARY		\$ 1.406.236	\$ 703.118	\$ 98	ADDITIONAL MINUTES		0									
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF											
HOURS PAID		\$ 560.736	MATERNITY		REST		INCAPABILITY									
TOTAL EARNED		\$ 622.910	0		4		0									
EDUCATION: HEALTH & PENSION		\$ 47.245														
OTHER DEDUCTIONS																
NET PAID		\$ 575.664	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED									
			\$ 29.829		11		88									

PERIOD 2		DAY OF MONTH		16	30	:PAYROLL:		SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242		
EMPLOYEE NUMBER				FRONT DESK AGENT				Start Daytime Hours	6:00:00				PAYMENT OF MINUTES WORKED			
FRONT DESK AGENT				4				Start Nocturnal Hours	21:00:00							
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
16		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
17		WEDNESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
18		THURSDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
19		FRIDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
22		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
23		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
24		WEDNESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
25		THURSDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
26		FRIDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
29		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
30		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMLV		FRONT DESK AGENT 4				TOTALS:		88,00	66,00	22,00	0,00	0,00	\$ 386.715	\$ 174.022	\$ -	\$ -
1,8	COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS									
BASIC MONTHLY SALARY		\$ 1.406.236	\$ 703.118	\$ 98	ADDITIONAL MINUTES											
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF											
HOURS PAID		\$ 560.736	MATERNITY		REST		INCAPABILITY									
TOTAL EARNED		\$ 622.910	0		4		0									
EDUCATION: HEALTH & PENSION		\$ 47.245														
OTHER DEDUCTIONS																
NET PAID		\$ 575.664	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED									
			\$ 29.829		11		88									

e. FRONT DESK AGENT 5

PERIOD 1		DAY OF MONTH		1	15	:PAYROLL:		SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242		
EMPLOYEE NUMBER				FRONT DESK AGENT				Start Daytime Hours	6:00:00				PAYMENT OF MINUTES WORKED			
FRONT DESK AGENT				5				Start Nocturnal Hours	21:00:00							
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
1		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
2		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
3		WEDNESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
4		THURSDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
5		FRIDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
8		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
9		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
10		WEDNESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
11		THURSDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
12		FRIDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
15		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMLV		FRONT DESK AGENT 5				TOTALS:		88,00	66,00	22,00	0,00	0,00	\$ 386.715	\$ 174.022	\$ -	\$ -
1,8	COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS									
BASIC MONTHLY SALARY		\$ 1.406.236	\$ 703.118	\$ 98	ADDITIONAL MINUTES											
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF											
HOURS PAID		\$ 560.736	MATERNITY		REST		INCAPABILITY									
TOTAL EARNED		\$ 622.910	0		4		0									
EDUCATION: HEALTH & PENSION		\$ 47.245														
OTHER DEDUCTIONS																
NET PAID		\$ 575.664	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED									
			\$ 29.829		11		88									

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242						
EMPLOYEE NUMBER				FRONT DESK AGENT 5				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED						
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N				
16		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -				
17		WEDNESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -				
18		THURSDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -				
19		FRIDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -				
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -				
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -				
22		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -				
23		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -				
24		WEDNESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -				
25		THURSDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -				
26		FRIDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -				
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -				
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -				
29		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -				
30		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 35.156	\$ 15.820	\$ -	\$ -				
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -				
SMMMLV					FRONT DESK AGENT 5				TOTALS:	88,00	66,00	22,00	0,00	0,00	\$ 386.715	\$ 174.022	\$ -	\$ -		
1,8					COST PER MINUTE				EXTRA NOCTURNAL MINUTES	0	OBSERVATIONS									
BASIC MONTHLY SALARY				\$	1.406.236	\$	703.118	\$	98	ADDITIONAL MINUTES				0						
TRANSPORTATION ASSIST				\$	88.211	\$	44.106	\$	32.344	PAID DAYS OF										
HOURS PAID				\$	560.736	MATERNITY				REST	4	INCAPABILITY				0				
TOTAL EARNED				\$	622.910	0				4	0									
DEDUCTION: HEALTH & PENSION				\$	47.245															
OTHER DEDUCTIONS								PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED	11	HOURS WORKED		88						
NET PAID				\$	575.664	\$		29.829	11	88										

f. NIGHT AUDITOR 1

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242						
EMPLOYEE NUMBER				NIGHT AUDITOR 1				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED						
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N				
1		MONDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -				
2		TUESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -				
3		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -				
4		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -				
5		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -				
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -				
7		SUNDAY			SUNDAY	23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 14.241	\$ 119.628	\$ -	\$ -				
8		MONDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -				
9		TUESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -				
10		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -				
11		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -				
12		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -				
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -				
14		SUNDAY			SUNDAY	23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 14.241	\$ 119.628	\$ -	\$ -				
15		MONDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -				
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -				
SMMMLV					NIGHT AUDITOR 1				TOTALS:	56,00	7,00	49,00	0,00	0,00	\$ 69.172	\$ 623.773	\$ -	\$ -		
2,5					COST PER MINUTE				EXTRA NOCTURNAL MINUTES	0	OBSERVATIONS									
BASIC MONTHLY SALARY				\$	1.953.105	\$	976.553	\$	136	ADDITIONAL MINUTES				0						
TRANSPORTATION ASSIST				\$	-	\$	-	\$	-	PAID DAYS OF										
HOURS PAID				\$	692.945	MATERNITY				REST	8	INCAPABILITY				0				
TOTAL EARNED				\$	758.049	0				8	0									
DEDUCTION: HEALTH & PENSION				\$	60.644															
OTHER DEDUCTIONS								PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED	7	HOURS WORKED		56						
NET PAID				\$	697.405	\$		65.104	7	56										

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018 \$ 781.242					
EMPLOYEE NUMBER				NIGHT AUDITOR 1				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
17		WEDNESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
18		THURSDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
19		FRIDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
20		SATURDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
22		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
23		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
24		WEDNESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
25		THURSDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
26		FRIDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
27		SATURDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
29		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
30		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV				NIGHT AUDITOR 1				TOTALS:	64,00	8,00	56,00	0,00	0,00	\$ 65.104	\$ 615.228	\$ -	\$ -
2,5				COST PER MINUTE				EXTRA NOCTURNAL MINUTES	0				OBSERVATIONS				
BASIC MONTHLY SALARY				\$ 1.953.105	\$ 976.553	\$ 136	ADDITIONAL MINUTES				0						
TRANSPORTATION ASSIST				\$ -	\$ -	\$ -	PAID DAYS OF										
HOURS PAID				\$ 680.332	MATERNITY		REST	INCAPABILITY									
TOTAL EARNED				\$ 737.297	0		7	0									
DEDUCTION: HEALTH & PENSION				\$ 58.984													
OTHER DEDUCTIONS																	
NET PAID				\$ 678.313			PROPORTIONAL REST DAYS PAID (\$)	DAYS WORKED	HOURS WORKED								
						\$ 56.966	8	64									

g. NIGHT AUDITOR 2

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018 \$ 781.242					
EMPLOYEE NUMBER				NIGHT AUDITOR 2				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
2		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
3		WEDNESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
4		THURSDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
5		FRIDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
6		SATURDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
8		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
9		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
10		WEDNESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
11		THURSDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
12		FRIDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
13		SATURDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
15		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV				NIGHT AUDITOR 2				TOTALS:	64,00	8,00	56,00	0,00	0,00	\$ 65.104	\$ 615.228	\$ -	\$ -
2,5				COST PER MINUTE				EXTRA NOCTURNAL MINUTES	0				OBSERVATIONS				
BASIC MONTHLY SALARY				\$ 1.953.105	\$ 976.553	\$ 136	ADDITIONAL MINUTES				0						
TRANSPORTATION ASSIST				\$ -	\$ -	\$ -	PAID DAYS OF										
HOURS PAID				\$ 680.332	MATERNITY		REST	INCAPABILITY									
TOTAL EARNED				\$ 737.297	0		7	0									
DEDUCTION: HEALTH & PENSION				\$ 58.984													
OTHER DEDUCTIONS																	
NET PAID				\$ 678.313			PROPORTIONAL REST DAYS PAID (\$)	DAYS WORKED	HOURS WORKED								
						\$ 56.966	8	64									

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				NIGHT AUDITOR 2				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
17		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
18		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
19		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
21		SUNDAY		SUNDAY		23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 14.241	\$ 119.628	\$ -	\$ -	
22		MONDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
23		TUESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
24		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
25		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
26		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
28		SUNDAY		SUNDAY		23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 14.241	\$ 119.628	\$ -	\$ -	
29		MONDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
30		TUESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.138	\$ 76.904	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV		NIGHT AUDITOR 2				TOTALS:		56,00	7,00	49,00	0,00	0,00	\$ 69.172	\$ 623.773	\$ -	\$ -	
2,5						COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS						
BASIC MONTHLY SALARY		\$ 1.953.105	\$ 976.553	\$ 136	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ -	\$ -	\$ -	PAID DAYS OF												
HOURS PAID		\$ 692.945	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 758.049	0		8		0										
DEDUCTION: HEALTH & PENSION		\$ 60.644															
OTHER DEDUCTIONS																	
NET PAID		\$ 697.405	\$ 65.104		7		56										

h. BREAKFAST HOSTESS 1

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				BREAKFAST HOSTESS 1				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
2		TUESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
3		WEDNESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
4		THURSDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
5		FRIDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
6		SATURDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
8		MONDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
9		TUESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
10		WEDNESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
11		THURSDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
12		FRIDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
13		SATURDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
15		MONDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV		BREAKFAST HOSTESS 1				TOTALS:		78,00	78,00	0,00	0,00	0,00	\$ 330.075	\$ -	\$ -	\$ -	
1,3						COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS						
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 38.225	PAID DAYS OF												
HOURS PAID		\$ 330.075	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 386.528	0		2		0										
DEDUCTION: HEALTH & PENSION		\$ 27.864															
OTHER DEDUCTIONS																	
NET PAID		\$ 358.664	\$ 18.229		13		78										

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				BREAKFAST HOSTESS 1				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
17		WEDNESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
18		THURSDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
19		FRIDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
21		SUNDAY			SUNDAY	6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 44.433	\$ -	\$ -	\$ -	
22		MONDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
23		TUESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
24		WEDNESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
25		THURSDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
26		FRIDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
28		SUNDAY			SUNDAY	6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 44.433	\$ -	\$ -	\$ -	
29		MONDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
30		TUESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMMLV		BREAKFAST HOSTESS 1				TOTALS:		78,00	78,00	0,00	0,00	0,00	0,00	\$ 368.160	\$ -	\$ -	\$ -
1,3						COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS					
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 38.225	PAID DAYS OF												
HOURS PAID		\$ 368.160	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 424.614	0		2		0										
DEDUCTION: HEALTH & PENSION		\$ 30.911															
OTHER DEDUCTIONS																	
NET PAID		\$ 393.703	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED										
			\$ 18.229		13		78										

i. BREAKFAST HOSTESS 2

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				BREAKFAST HOSTESS 2				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
2		TUESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
3		WEDNESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
4		THURSDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
5		FRIDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
7		SUNDAY			SUNDAY	6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 44.433	\$ -	\$ -	\$ -	
8		MONDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
9		TUESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
10		WEDNESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
11		THURSDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
12		FRIDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
14		SUNDAY			SUNDAY	6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 44.433	\$ -	\$ -	\$ -	
15		MONDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMMLV		BREAKFAST HOSTESS 2				TOTALS:		78,00	78,00	0,00	0,00	0,00	0,00	\$ 368.160	\$ -	\$ -	\$ -
1,3						COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS					
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 38.225	PAID DAYS OF												
HOURS PAID		\$ 368.160	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 424.614	0		2		0										
DEDUCTION: HEALTH & PENSION		\$ 30.911															
OTHER DEDUCTIONS																	
NET PAID		\$ 393.703	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED										
			\$ 18.229		13		78										

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				BREAKFAST HOSTESS 2				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
17		WEDNESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
18		THURSDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
19		FRIDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
20		SATURDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
22		MONDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
23		TUESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
24		WEDNESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
25		THURSDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
26		FRIDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
27		SATURDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
29		MONDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
30		TUESDAY				6:00:00	12:00:00	6:00:00	6:00:00	0:00:00	0	0	\$ 25.390	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV		BREAKFAST HOSTESS 2				TOTALS:		78,00	78,00	0,00	0,00	0,00	0,00	\$ 330.075	\$ -	\$ -	\$ -
1,3	COST PER MINUTE		EXTRA NOCTURNAL MINUTES		ADDITIONAL MINUTES		OBSERVATIONS										
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	PAID DAYS OF												
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 38.225	MATERIALITY		REST		INCAPABILITY								
HOURS PAID		\$ 330.075															
TOTAL EARNED		\$ 386.528	0		2		0										
DEDUCTION: HEALTH & PENSION		\$ 27.864															
OTHER DEDUCTIONS																	
NET PAID		\$ 358.664	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED										
		\$	18.229		13		78										

j. MAINTENANCE ENGINEER 1

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				MAINTENANCE ENGINEER 1				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
2		TUESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
3		WEDNESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
4		THURSDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
5		FRIDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
6		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
8		MONDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
9		TUESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
10		WEDNESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
11		THURSDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
12		FRIDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
13		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
15		MONDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV		MAINTENANCE ENGINEER 1				TOTALS:		93,00	82,00	11,00	0,00	0,00	\$ 400.387	\$ 72.509	\$ -	\$ -	
1,5	COST PER MINUTE		EXTRA NOCTURNAL MINUTES		ADDITIONAL MINUTES		OBSERVATIONS										
BASIC MONTHLY SALARY		\$ 1.171.863	\$ 585.932	\$ 81	PAID DAYS OF												
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 38.225	MATERIALITY		REST		INCAPABILITY								
HOURS PAID		\$ 472.896															
TOTAL EARNED		\$ 532.154	0		2		0										
DEDUCTION: HEALTH & PENSION		\$ 39.514															
OTHER DEDUCTIONS																	
NET PAID		\$ 492.639	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED										
		\$	21.033		13		93										

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				MAINTENANCE ENGINEER 1				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N		
16		TUESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
17		WEDNESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
18		THURSDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
19		FRIDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	
21		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 68.359	\$ -	\$ -	\$ -	\$ -	
22		MONDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
23		TUESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
24		WEDNESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
25		THURSDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
26		FRIDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	
28		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 68.359	\$ -	\$ -	\$ -	\$ -	
29		MONDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
30		TUESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	
SMMMLV				MAINTENANCE ENGINEER 1				TOTALS:	93,00	93,00	0,00	0,00	0,00	\$ 512.690	\$ -	\$ -	\$ -	\$ -
1,5								COST PER MINUTE	EXTRA NOCTURNAL MINUTES		OBSERVATIONS							
BASIC MONTHLY SALARY				\$ 1.171.863	\$ 585.932	\$ 81	ADDITIONAL MINUTES											
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 38.225	PAID DAYS OF											
HOURS PAID				\$ 512.690	MATERNITY		REST	INCAPABILITY										
TOTAL EARNED				\$ 571.948	0		2	0										
DEDUCTION: HEALTH & PENSION				\$ 42.698														
OTHER DEDUCTIONS																		
NET PAID				\$ 529.250	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED									
				\$	21.033		13		93									

I. MAINTENANCE ENGINEER 2

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				MAINTENANCE ENGINEER 2				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N		
1		MONDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
2		TUESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
3		WEDNESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
4		THURSDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
5		FRIDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	
7		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 68.359	\$ -	\$ -	\$ -	\$ -	
8		MONDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
9		TUESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
10		WEDNESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
11		THURSDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
12		FRIDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	
14		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 68.359	\$ -	\$ -	\$ -	\$ -	
15		MONDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 34.179	\$ -	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	
SMMMLV				MAINTENANCE ENGINEER 2				TOTALS:	93,00	93,00	0,00	0,00	0,00	\$ 512.690	\$ -	\$ -	\$ -	\$ -
1,5								COST PER MINUTE	EXTRA NOCTURNAL MINUTES		OBSERVATIONS							
BASIC MONTHLY SALARY				\$ 1.171.863	\$ 585.932	\$ 81	ADDITIONAL MINUTES											
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 38.225	PAID DAYS OF											
HOURS PAID				\$ 512.690	MATERNITY		REST	INCAPABILITY										
TOTAL EARNED				\$ 571.948	0		2	0										
DEDUCTION: HEALTH & PENSION				\$ 42.698														
OTHER DEDUCTIONS																		
NET PAID				\$ 529.250	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED									
				\$	21.033		13		93									

PERIOD 2	DAY OF MONTH	16	30	::PAYROLL::				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				MAINTENANCE ENGINEER 2				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
17		WEDNESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
18		THURSDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
19		FRIDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
20		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
22		MONDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
23		TUESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
24		WEDNESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
25		THURSDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
26		FRIDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
27		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
29		MONDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
30		TUESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 29.297	\$ 6.592	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV				MAINTENANCE ENGINEER 2				TOTALS:	93,00	82,00	11,00	0,00	0,00	\$ 400.387	\$ 72.509	\$ -	\$ -
1,5				COST PER MINUTE				EXTRA NOCTURNAL MINUTES	0				OBSERVATIONS				
BASIC MONTHLY SALARY				\$ 1.171.863	\$ 585.932	\$ 81	ADDITIONAL MINUTES				0						
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 38.225	PAID DAYS OF										
HOURS PAID				\$ 472.896	MATERNITY		REST	INCAPABILITY									
TOTAL EARNED				\$ 532.154	0		2	0									
DEDUCTION: HEALTH & PENSION				\$ 39.514													
OTHER DEDUCTIONS																	
NET PAID				\$ 492.639	PROPORTIONAL REST DAYS PAID (\$)		21.033	DAYS WORKED		13	HOURS WORKED		93				

m. SECURITY AGENT 1

PERIOD 1	DAY OF MONTH	1	15	::PAYROLL::				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				SECURITY AGENT 1				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
2		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
3		WEDNESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	
4		THURSDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	
5		FRIDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	
6		SATURDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
8		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
9		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
10		WEDNESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	
11		THURSDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	
12		FRIDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	
13		SATURDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
15		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV				SECURITY AGENT 1				TOTALS:	64,00	64,00	0,00	0,00	0,00	\$ 312.497	\$ -	\$ -	\$ -
1,5				COST PER MINUTE				EXTRA NOCTURNAL MINUTES	0				OBSERVATIONS				
BASIC MONTHLY SALARY				\$ 1.171.863	\$ 585.932	\$ 81	ADDITIONAL MINUTES				0						
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 23.523	PAID DAYS OF										
HOURS PAID				\$ 312.497	MATERNITY		REST	INCAPABILITY									
TOTAL EARNED				\$ 370.199	0		7	0									
DEDUCTION: HEALTH & PENSION				\$ 27.734													
OTHER DEDUCTIONS																	
NET PAID				\$ 342.465	PROPORTIONAL REST DAYS PAID (\$)		34.179	DAYS WORKED		8	HOURS WORKED		64				

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:			SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				SECURITY AGENT 1			Start Daytime Hours	6:00:00				PAYMENT OF MINUTES WORKED					
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	\$ -
17		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
18		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
19		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
21		SUNDAY			SUNDAY	7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 68.359	\$ -	\$ -	\$ -	\$ -
22		MONDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	\$ -
23		TUESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	\$ -
24		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
25		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
26		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
28		SUNDAY			SUNDAY	7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 68.359	\$ -	\$ -	\$ -	\$ -
29		MONDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	\$ -
30		TUESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
SMMLV		SECURITY AGENT 1			TOTALS:		56,00	56,00	0,00	0,00	0,00	\$ 332.028	\$ -	\$ -	\$ -	\$ -	
1,5	COST PER MINUTE			EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS									
BASIC MONTHLY SALARY		\$ 1.171.863	\$ 585.932	\$ 81	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 20.583	PAID DAYS OF												
HOURS PAID		\$ 332.028	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 391.673	0		8		0										
DEDUCTION: HEALTH & PENSION		\$ 29.687															
OTHER DEDUCTIONS																	
NET PAID		\$ 361.985	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED										
			\$ 39.062		7		56										

n. SECURITY AGENT 2

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:			SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				SECURITY AGENT 2			Start Daytime Hours	6:00:00				PAYMENT OF MINUTES WORKED					
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	\$ -
2		TUESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	\$ -
3		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
4		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
5		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
7		SUNDAY			SUNDAY	7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 68.359	\$ -	\$ -	\$ -	\$ -
8		MONDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	\$ -
9		TUESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	\$ -
10		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
11		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
12		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
14		SUNDAY			SUNDAY	7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 68.359	\$ -	\$ -	\$ -	\$ -
15		MONDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
SMMLV		SECURITY AGENT 2			TOTALS:		56,00	56,00	0,00	0,00	0,00	\$ 332.028	\$ -	\$ -	\$ -	\$ -	
1,5	COST PER MINUTE			EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS									
BASIC MONTHLY SALARY		\$ 1.171.863	\$ 585.932	\$ 81	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 20.583	PAID DAYS OF												
HOURS PAID		\$ 332.028	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 391.673	0		8		0										
DEDUCTION: HEALTH & PENSION		\$ 29.687															
OTHER DEDUCTIONS																	
NET PAID		\$ 361.985	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED										
			\$ 39.062		7		56										

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:			SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				SECURITY AGENT 2			Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
16		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
17		WEDNESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -
18		THURSDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -
19		FRIDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -
20		SATURDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
22		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
23		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
24		WEDNESDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -
25		THURSDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -
26		FRIDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -
27		SATURDAY				7:00:00	15:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 39.062	\$ -	\$ -	\$ -
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
29		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
30		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMMLV		SECURITY AGENT 2			TOTALS:		64,00	64,00	0,00	0,00	0,00	\$ 312.497	\$ -	\$ -	\$ -	\$ -
1,5		SECURITY AGENT 2			COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS					
BASIC MONTHLY SALARY		\$ 1.171.863	\$ 585.932	\$ 81	ADDITIONAL MINUTES											
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 23.523	PAID DAYS OF											
HOURS PAID		\$ 312.497	MATERNITY		REST		INCAPABILITY									
TOTAL EARNED		\$ 370.199	0		7		0									
DEDUCTION: HEALTH & PENSION		\$ 27.734														
OTHER DEDUCTIONS																
NET PAID		\$ 342.465	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED									
		\$	34.179		8		64									

o. SECURITY AGENT 3

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:			SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				SECURITY AGENT 3			Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
1		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
2		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
3		WEDNESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -
4		THURSDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -
5		FRIDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -
6		SATURDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
8		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
9		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
10		WEDNESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -
11		THURSDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -
12		FRIDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -
13		SATURDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
15		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMMLV		SECURITY AGENT 3			TOTALS:		64,00	48,00	16,00	0,00	0,00	\$ 234.373	\$ 105.468	\$ -	\$ -	\$ -
1,5		SECURITY AGENT 3			COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS					
BASIC MONTHLY SALARY		\$ 1.171.863	\$ 585.932	\$ 81	ADDITIONAL MINUTES											
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 23.523	PAID DAYS OF											
HOURS PAID		\$ 339.840	MATERNITY		REST		INCAPABILITY									
TOTAL EARNED		\$ 397.543	0		7		0									
DEDUCTION: HEALTH & PENSION		\$ 29.922														
OTHER DEDUCTIONS																
NET PAID		\$ 367.621	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED									
		\$	34.179		8		64									

PERIOD 2	DAY OF MONTH	#	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018				\$ 781.242	
EMPLOYEE NUMBER			SECURITY AGENT 3					Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	#	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
17		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
18		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
19		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
21		SUNDAY			SUNDAY	15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 51.269	\$ 20.508	\$ -	\$ -	
22		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
23		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
24		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
25		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
26		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
28		SUNDAY			SUNDAY	15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 51.269	\$ 20.508	\$ -	\$ -	
29		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
30		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV	SECURITY AGENT 3					TOTALS:	56,00	42,00	14,00	0,00	0,00	\$ 249.021	\$ 106.932	\$ -	\$ -		
1,5						COST PER MINUTE	EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS							
BASIC MONTHLY SALARY		\$ 1.171.863	\$ 585.932	\$ 81	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 20.583	PAID DAYS OF												
HOURS PAID		\$ 355.953	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 415.598	0	8	0												
EDUCATION: HEALTH & PENSION		\$ 31.601															
OTHER DEDUCTIONS																	
NET PAID		\$ 383.997	PROPORTIONAL REST DAYS PAID (\$)		39.062	DAYS WORKED		7	HOURS WORKED		56						

p. SECURITY AGENT 4

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018				\$ 781.242	
EMPLOYEE NUMBER			SECURITY AGENT 4					Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
2		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
3		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
4		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
5		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
7		SUNDAY			SUNDAY	15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 51.269	\$ 20.508	\$ -	\$ -	
8		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
9		TUESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
10		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
11		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
12		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
14		SUNDAY			SUNDAY	15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 51.269	\$ 20.508	\$ -	\$ -	
15		MONDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV	SECURITY AGENT 4					TOTALS:	56,00	42,00	14,00	0,00	0,00	\$ 249.021	\$ 106.932	\$ -	\$ -		
1,5						COST PER MINUTE	EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS							
BASIC MONTHLY SALARY		\$ 1.171.863	\$ 585.932	\$ 81	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 20.583	PAID DAYS OF												
HOURS PAID		\$ 355.953	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 415.598	0	8	0												
EDUCATION: HEALTH & PENSION		\$ 31.601															
OTHER DEDUCTIONS																	
NET PAID		\$ 383.997	PROPORTIONAL REST DAYS PAID (\$)		39.062	DAYS WORKED		7	HOURS WORKED		56						

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				SECURITY AGENT 4				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
17		WEDNESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
18		THURSDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
19		FRIDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
20		SATURDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
22		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
23		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
24		WEDNESDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
25		THURSDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
26		FRIDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
27		SATURDAY				15:00:00	23:00:00	8:00:00	6:00:00	2:00:00	0	0	\$ 29.297	\$ 13.183	\$ -	\$ -	
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
29		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
30		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMMLV				SECURITY AGENT 4				TOTALS:	64,00	48,00	16,00	0,00	0,00	\$ 234.373	\$ 105.468	\$ -	\$ -
1,5				SECURITY AGENT 4				COST PER MINUTE	EXTRA NOCTURNAL MINUTES		OBSERVATIONS						
BASIC MONTHLY SALARY				\$ 1.171.863	\$ 585.932	\$ 81	ADDITIONAL MINUTES		0								
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 23.523	PAID DAYS OF										
HOURS PAID				\$ 339.840	MATERNITY		REST	INCAPABILITY									
TOTAL EARNED				\$ 397.543	0		7	0									
EDUCATION: HEALTH & PENSION				\$ 29.922					PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED	HOURS WORKED					
OTHER DEDUCTIONS								\$ 34.179		8	64						
NET PAID				\$ 367.621													

q. SECURITY AGENT 5

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				SECURITY AGENT 5				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
2		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
3		WEDNESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
4		THURSDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
5		FRIDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
6		SATURDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
8		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
9		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
10		WEDNESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
11		THURSDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
12		FRIDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
13		SATURDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
15		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMMLV				SECURITY AGENT 5				TOTALS:	64,00	8,00	56,00	0,00	0,00	\$ 39.062	\$ 369.137	\$ -	\$ -
1,5				SECURITY AGENT 5				COST PER MINUTE	EXTRA NOCTURNAL MINUTES		OBSERVATIONS						
BASIC MONTHLY SALARY				\$ 1.171.863	\$ 585.932	\$ 81	ADDITIONAL MINUTES		0								
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 23.523	PAID DAYS OF										
HOURS PAID				\$ 408.199	MATERNITY		REST	INCAPABILITY									
TOTAL EARNED				\$ 465.901	0		7	0									
EDUCATION: HEALTH & PENSION				\$ 35.390					PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED	HOURS WORKED					
OTHER DEDUCTIONS								\$ 34.179		8	64						
NET PAID				\$ 430.511													

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				SECURITY AGENT 5				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N		
16		TUESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -		
17		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
18		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
19		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
21		SUNDAY			SUNDAY	23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.545	\$ 71.777	\$ -	\$ -		
22		MONDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -		
23		TUESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -		
24		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
25		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
26		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
28		SUNDAY			SUNDAY	23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.545	\$ 71.777	\$ -	\$ -		
29		MONDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -		
30		TUESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -		
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
SMMMLV					SECURITY AGENT 5				TOTALS:	56,00	7,00	49,00	0,00	0,00	\$ 41.503	\$ 374.264	\$ -	\$ -
1,5					SECURITY AGENT 5				COST PER MINUTE	EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS					
BASIC MONTHLY SALARY		\$	1.171.863	\$	585.932	\$	81	ADDITIONAL MINUTES		0								
TRANSPORTATION ASSIST		\$	88.211	\$	44.106	\$	20.583	PAID DAYS OF										
HOURS PAID		\$	415.767	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$	475.412	0		8		0										
DEDUCTION: HEALTH & PENSION		\$	36.386					PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED	HOURS WORKED							
OTHER DEDUCTIONS						\$		39.062	7	56								
NET PAID		\$	439.026					\$		39.062	7	56						

r. SECURITY AGENT 6

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				SECURITY AGENT 6				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N		
1		MONDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -		
2		TUESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -		
3		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
4		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
5		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
7		SUNDAY			SUNDAY	23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.545	\$ 71.777	\$ -	\$ -		
8		MONDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -		
9		TUESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -		
10		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
11		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
12		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
14		SUNDAY			SUNDAY	23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 8.545	\$ 71.777	\$ -	\$ -		
15		MONDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -		
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
SMMMLV					SECURITY AGENT 6				TOTALS:	56,00	7,00	49,00	0,00	0,00	\$ 41.503	\$ 374.264	\$ -	\$ -
1,5					SECURITY AGENT 6				COST PER MINUTE	EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS					
BASIC MONTHLY SALARY		\$	1.171.863	\$	585.932	\$	81	ADDITIONAL MINUTES		0								
TRANSPORTATION ASSIST		\$	88.211	\$	44.106	\$	20.583	PAID DAYS OF										
HOURS PAID		\$	415.767	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$	475.412	0		8		0										
DEDUCTION: HEALTH & PENSION		\$	36.386					PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED	HOURS WORKED							
OTHER DEDUCTIONS						\$		39.062	7	56								
NET PAID		\$	439.026					\$		39.062	7	56						

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				SECURITY AGENT 6				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
17		WEDNESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
18		THURSDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
19		FRIDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
20		SATURDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
22		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
23		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
24		WEDNESDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
25		THURSDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
26		FRIDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
27		SATURDAY				23:00:00	7:00:00	8:00:00	1:00:00	7:00:00	0	0	\$ 4.883	\$ 46.142	\$ -	\$ -	
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
29		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
30		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV		SECURITY AGENT 6				TOTALS:		64,00	8,00	56,00	0,00	0,00	\$ 39.062	\$ 369.137	\$ -	\$ -	
1,5						COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS						
BASIC MONTHLY SALARY		\$ 1.171.863	\$ 585.932	\$ 81	ADDITIONAL MINUTES												
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 23.523	PAID DAYS OF												
HOURS PAID		\$ 408.199	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 465.901	0		7		0										
DEDUCTION: HEALTH & PENSION		\$ 35.390															
OTHER DEDUCTIONS																	
NET PAID		\$ 430.511	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED										
		\$ 34.179	8		64												

s. HOUSEKEEPING MAID 1

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				HOUSEKEEPING MAID 1				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
2		TUESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
3		WEDNESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
4		THURSDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
5		FRIDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
6		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
8		MONDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
9		TUESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
10		WEDNESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
11		THURSDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
12		FRIDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
13		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
15		MONDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV		HOUSEKEEPING MAID 1				TOTALS:		93,00	82,00	11,00	0,00	0,00	\$ 347.002	\$ 62.841	\$ -	\$ -	
1,3						COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS						
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES												
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 38.225	PAID DAYS OF												
HOURS PAID		\$ 409.843	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 466.297	0		2		0										
DEDUCTION: HEALTH & PENSION		\$ 34.246															
OTHER DEDUCTIONS																	
NET PAID		\$ 432.051	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED										
		\$ 18.229	13		93												

PERIOD 2	DAY OF MONTH	16	30	::PAYROLL::				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242		
EMPLOYEE NUMBER				HOUSEKEEPING MAID 1				Start Daytime Hours	6:00:00				PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
16		TUESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
17		WEDNESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
18		THURSDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
19		FRIDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
21		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -
22		MONDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
23		TUESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
24		WEDNESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
25		THURSDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
26		FRIDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
28		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -
29		MONDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
30		TUESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMLV		HOUSEKEEPING MAID 1				TOTALS:		93,00	93,00	0,00	0,00	0,00	\$ 444.331	\$ -	\$ -	\$ -
1,3		HOUSEKEEPING MAID 1				COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS					
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES											
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 38.225	PAID DAYS OF											
HOURS PAID		\$ 444.331	MATERNITY		REST		INCAPABILITY									
TOTAL EARNED		\$ 500.785	0		2		0									
DEDUCTION: HEALTH & PENSION		\$ 37.005														
OTHER DEDUCTIONS																
NET PAID		\$ 463.780	\$ 18.229		13		93									

t. HOUSEKEEPING MAID 2

PERIOD 1	DAY OF MONTH	1	15	::PAYROLL::				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242		
EMPLOYEE NUMBER				HOUSEKEEPING MAID 2				Start Daytime Hours	6:00:00				PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
1		MONDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
2		TUESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
3		WEDNESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
4		THURSDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
5		FRIDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
7		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -
8		MONDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
9		TUESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
10		WEDNESDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
11		THURSDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
12		FRIDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
14		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -
15		MONDAY				8:00:00	15:00:00	7:00:00	7:00:00	0:00:00	0	0	\$ 29.622	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMLV		HOUSEKEEPING MAID 2				TOTALS:		93,00	93,00	0,00	0,00	0,00	\$ 444.331	\$ -	\$ -	\$ -
1,3		HOUSEKEEPING MAID 2				COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS					
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES											
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 38.225	PAID DAYS OF											
HOURS PAID		\$ 444.331	MATERNITY		REST		INCAPABILITY									
TOTAL EARNED		\$ 500.785	0		2		0									
DEDUCTION: HEALTH & PENSION		\$ 37.005														
OTHER DEDUCTIONS																
NET PAID		\$ 463.780	\$ 18.229		13		93									

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				HOUSEKEEPING MAID 2				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
17		WEDNESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
18		THURSDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
19		FRIDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
20		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
22		MONDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
23		TUESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
24		WEDNESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
25		THURSDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
26		FRIDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
27		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
29		MONDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
30		TUESDAY				15:00:00	22:00:00	7:00:00	6:00:00	1:00:00	0	0	\$ 25.390	\$ 5.713	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV		HOUSEKEEPING MAID 2				TOTALS:		93,00	82,00	11,00	0,00	0,00	\$ 347.002	\$ 62.841	\$ -	\$ -	
1,3						COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS					
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 38.225	PAID DAYS OF												
HOURS PAID		\$ 409.843	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 466.297	0		2		0										
DEDUCTION: HEALTH & PENSION		\$ 34.246															
OTHER DEDUCTIONS																	
NET PAID		\$ 432.051	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED										
			\$ 18.229		13		93										

u. HOUSEKEEPING MAID 3

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				HOUSEKEEPING MAID 3				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
2		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
3		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
4		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
5		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
8		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
9		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
10		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
11		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
12		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
15		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV		HOUSEKEEPING MAID 3				TOTALS:		88,00	88,00	0,00	0,00	0,00	\$ 372.392	\$ -	\$ -	\$ -	
1,3						COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS					
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF												
HOURS PAID		\$ 372.392	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 426.279	0		4		0										
DEDUCTION: HEALTH & PENSION		\$ 31.515															
OTHER DEDUCTIONS																	
NET PAID		\$ 394.765	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED										
			\$ 21.543		11		88										

PERIOD 2	DAY OF MONTH	#	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242		
EMPLOYEE NUMBER			HOUSEKEEPING MAID 3				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	#	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
16		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
17		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
18		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
19		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
22		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
23		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
24		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
25		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
26		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
29		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
30		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMLV	HOUSEKEEPING MAID 3				TOTALS:	88,00	88,00	0,00	0,00	0,00	\$ 372.392	\$ -	\$ -	\$ -	\$ -	
1,3	HOUSEKEEPING MAID 3				COST PER MINUTE	EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS							
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0									
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF											
HOURS PAID		\$ 372.392	MATERNITY		REST	INCAPABILITY										
TOTAL EARNED		\$ 426.279	0	4	0											
DEDUCTION: HEALTH & PENSION		\$ 31.515														
OTHER DEDUCTIONS																
NET PAID		\$ 394.765	PROPORTIONAL REST DAYS PAID (\$)		21.543	DAYS WORKED		11	HOURS WORKED		88					

v. HOUSEKEEPING MAID 4

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242		
EMPLOYEE NUMBER			HOUSEKEEPING MAID 4				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
1		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
2		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
3		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
4		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
5		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
8		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
9		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
10		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
11		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
12		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
15		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMLV	HOUSEKEEPING MAID 4				TOTALS:	88,00	88,00	0,00	0,00	0,00	\$ 372.392	\$ -	\$ -	\$ -	\$ -	
1,3	HOUSEKEEPING MAID 4				COST PER MINUTE	EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS							
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0									
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF											
HOURS PAID		\$ 372.392	MATERNITY		REST	INCAPABILITY										
TOTAL EARNED		\$ 426.279	0	4	0											
DEDUCTION: HEALTH & PENSION		\$ 31.515														
OTHER DEDUCTIONS																
NET PAID		\$ 394.765	PROPORTIONAL REST DAYS PAID (\$)		21.543	DAYS WORKED		11	HOURS WORKED		88					

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				HOUSEKEEPING MAID 5				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N		
16		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
17		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
18		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
19		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
22		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
23		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
24		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
25		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
26		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
29		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
30		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
SMMMLV					HOUSEKEEPING MAID 5				TOTALS:	88,00	88,00	0,00	0,00	0,00	\$ 372.392	\$ -	\$ -	\$ -
1,3									COST PER MINUTE	EXTRA NOCTURNAL MINUTES	0	OBSERVATIONS						
BASIC MONTHLY SALARY				\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES				0							
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF											
HOURS PAID				\$ 372.392	MATERNITY		REST		INCAPABILITY									
TOTAL EARNED				\$ 426.279	0		4		0									
DEDUCTION: HEALTH & PENSION				\$ 31.515														
OTHER DEDUCTIONS					PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED									
NET PAID				\$ 394.765	\$ 21.543		11		88									

x. HOUSEKEEPING MAID 6

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				HOUSEKEEPING MAID 6				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N		
1		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
2		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
3		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
4		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
5		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
6		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -		
7		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ -		
8		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -		
9		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -		
10		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -		
11		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
12		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
13		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -		
14		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ -		
15		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -		
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
SMMMLV					HOUSEKEEPING MAID 6				TOTALS:	88,00	88,00	0,00	0,00	0,00	\$ 423.173	\$ -	\$ 0	\$ -
1,3									COST PER MINUTE	EXTRA NOCTURNAL MINUTES	0	OBSERVATIONS						
BASIC MONTHLY SALARY				\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES				0							
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF											
HOURS PAID				\$ 423.173	MATERNITY		REST		INCAPABILITY									
TOTAL EARNED				\$ 477.060	0		4		0									
DEDUCTION: HEALTH & PENSION				\$ 35.577														
OTHER DEDUCTIONS					PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED									
NET PAID				\$ 441.483	\$ 21.543		11		88									

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:			SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				HOUSEKEEPING MAID 6			Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
17		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
18		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
19		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
20		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ -	\$ 0	\$ -
21		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ -	\$ 0	\$ -
22		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ -	\$ 0	\$ -
23		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ -	\$ 0	\$ -
24		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ -	\$ 0	\$ -
25		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
26		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
27		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ -	\$ 0	\$ -
28		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ -	\$ 0	\$ -
29		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ -	\$ 0	\$ -
30		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ -	\$ 0	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
SMMLV				HOUSEKEEPING MAID 6			TOTALS:	88,00	88,00	0,00	0,00	0,00	\$ 423.173	\$ -	\$ -	\$ 0	\$ -
1,3							COST PER MINUTE	EXTRA NOCTURNAL MINUTES				OBSERVATIONS					
BASIC MONTHLY SALARY				\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES										
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF										
HOURS PAID				\$ 423.173	MATERNITY		REST		INCAPABILITY								
TOTAL EARNED				\$ 477.060	0		4		0								
DEDUCTION: HEALTH & PENSION				\$ 35.577													
OTHER DEDUCTIONS																	
NET PAID				\$ 441.483	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED								
				\$	21.543		11		88								

y. HOUSEKEEPING MAID 7

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:			SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				HOUSEKEEPING MAID 7			Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
2		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
3		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
4		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
5		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
6		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ -	\$ 0	\$ -
7		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ -	\$ 0	\$ -
8		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ -	\$ 0	\$ -
9		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ -	\$ 0	\$ -
10		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ -	\$ 0	\$ -
11		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
12		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
13		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ -	\$ 0	\$ -
14		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ -	\$ 0	\$ -
15		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ -	\$ 0	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
SMMLV				HOUSEKEEPING MAID 7			TOTALS:	88,00	88,00	0,00	0,00	0,00	\$ 423.173	\$ -	\$ -	\$ 0	\$ -
1,3							COST PER MINUTE	EXTRA NOCTURNAL MINUTES				OBSERVATIONS					
BASIC MONTHLY SALARY				\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES										
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF										
HOURS PAID				\$ 423.173	MATERNITY		REST		INCAPABILITY								
TOTAL EARNED				\$ 477.060	0		4		0								
DEDUCTION: HEALTH & PENSION				\$ 35.577													
OTHER DEDUCTIONS																	
NET PAID				\$ 441.483	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED								
				\$	21.543		11		88								

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:		SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018	\$ 781.242								
EMPLOYEE NUMBER		HOUSEKEEPING MAID 7				Start Daytime Hours	6:00:00	Start Nocturnal Hours	21:00:00					PAYMENT OF MINUTES WORKED					
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N			
16		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -		
17		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -		
18		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -		
19		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -		
20		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ 0	\$ -		
21		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ 0	\$ -		
22		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ 0	\$ -		
23		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ 0	\$ -		
24		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ 0	\$ -		
25		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -		
26		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -		
27		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ 0	\$ -		
28		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ 0	\$ -		
29		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ 0	\$ -		
30		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -		
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -		
SMMLV					HOUSEKEEPING MAID 7				TOTALS:	88,00	88,00	0,00	0,00	0,00	0,00	\$ 423.173	\$ -	\$ 0	\$ -
1,3					HOUSEKEEPING MAID 7				COST PER MINUTE	EXTRA NOCTURNAL MINUTES	0	OBSERVATIONS							
BASIC MONTHLY SALARY		\$	1.015.615	\$	507.807	\$	71	ADDITIONAL MINUTES		0									
TRANSPORTATION ASSIST		\$	88.211	\$	44.106	\$	32.344	PAID DAYS OF											
HOURS PAID		\$	423.173	MATERNITY		REST		INCAPABILITY											
TOTAL EARNED		\$	477.060	0		4		0											
DEDUCTION: HEALTH & PENSION		\$	35.577																
OTHER DEDUCTIONS																			
NET PAID		\$	441.483	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED											
		\$		21.543		11		88											

z. HOUSEKEEPING MAID 8

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:		SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018	\$ 781.242								
EMPLOYEE NUMBER		HOUSEKEEPING MAID 8				Start Daytime Hours	6:00:00	Start Nocturnal Hours	21:00:00					PAYMENT OF MINUTES WORKED					
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N			
1		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -		
2		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -		
3		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -		
4		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -		
5		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -		
6		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ 0	\$ -		
7		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ 0	\$ -		
8		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ 0	\$ -		
9		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -		
10		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -		
11		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ 0	\$ -		
12		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ 0	\$ -		
13		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ 0	\$ -		
14		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ 0	\$ -		
15		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ 0	\$ -		
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -		
SMMLV					HOUSEKEEPING MAID 8				TOTALS:	88,00	88,00	0,00	0,00	0,00	0,00	\$ 423.173	\$ -	\$ 0	\$ -
1,3					HOUSEKEEPING MAID 8				COST PER MINUTE	EXTRA NOCTURNAL MINUTES	0	OBSERVATIONS							
BASIC MONTHLY SALARY		\$	1.015.615	\$	507.807	\$	71	ADDITIONAL MINUTES		0									
TRANSPORTATION ASSIST		\$	88.211	\$	44.106	\$	32.344	PAID DAYS OF											
HOURS PAID		\$	423.173	MATERNITY		REST		INCAPABILITY											
TOTAL EARNED		\$	477.060	0		4		0											
DEDUCTION: HEALTH & PENSION		\$	35.577																
OTHER DEDUCTIONS																			
NET PAID		\$	441.483	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED											
		\$		21.543		11		88											

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242					
EMPLOYEE NUMBER				HOUSEKEEPING MAID 8				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED					
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N			
16		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -			
17		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -			
18		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -			
19		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -			
20		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -			
21		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ -			
22		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -			
23		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -			
24		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -			
25		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -			
26		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -			
27		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -			
28		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ -			
29		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -			
30		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -			
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -			
SMMLV					HOUSEKEEPING MAID 8				TOTALS:	80,00	80,00	0,00	0,00	0,00	0,00	\$ 389.319	\$ -	\$ 0	\$ -
1,3					HOUSEKEEPING MAID 8				COST PER MINUTE	EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS						
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0												
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 29.404	PAID DAYS OF														
HOURS PAID		\$ 389.319	MATERNITY		REST		INCAPABILITY												
TOTAL EARNED		\$ 442.420	0		5		0												
DEDUCTION: HEALTH & PENSION		\$ 33.041																	
OTHER DEDUCTIONS			PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED												
NET PAID		\$ 409.379	\$ 23.698		10		80												

aa. HOUSEKEEPING MAID 9

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242					
EMPLOYEE NUMBER				HOUSEKEEPING MAID 9				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED					
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N			
1		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -			
2		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -			
3		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -			
4		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -			
5		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -			
6		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -			
7		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ -			
8		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -			
9		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -			
10		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -			
11		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -			
12		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -			
13		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -			
14		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ -			
15		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -			
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -			
SMMLV					HOUSEKEEPING MAID 9				TOTALS:	88,00	88,00	0,00	0,00	0,00	0,00	\$ 423.173	\$ -	\$ 0	\$ -
1,3					HOUSEKEEPING MAID 9				COST PER MINUTE	EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS						
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0												
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF														
HOURS PAID		\$ 423.173	MATERNITY		REST		INCAPABILITY												
TOTAL EARNED		\$ 477.060	0		4		0												
DEDUCTION: HEALTH & PENSION		\$ 35.577																	
OTHER DEDUCTIONS			PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED												
NET PAID		\$ 441.483	\$ 21.543		11		88												

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				HOUSEKEEPING MAID 9				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
17		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
18		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
19		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
20		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
21		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ -	
22		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
23		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
24		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
25		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
26		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
27		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
28		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ -	
29		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
30		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMMLV	HOUSEKEEPING MAID 9				TOTALS:			80,00	80,00	0,00	0,00	0,00	\$ 389.319	\$ -	\$ 0	\$ -	
1,3					COST PER MINUTE								OBSERVATIONS				
BASIC MONTHLY SALARY				\$ 1.015.615	\$ 507.807	\$ 71	EXTRA NOCTURNAL MINUTES				0						
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 29.404	PAID DAYS OF										
HOURS PAID				\$ 389.319	MATERNITY		REST	INCAPABILITY									
TOTAL EARNED				\$ 442.420	0		5	0									
DEDUCTION: HEALTH & PENSION				\$ 33.041													
OTHER DEDUCTIONS																	
NET PAID				\$ 409.379	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED								
				\$	23.698		10		80								

bb. HOUSEKEEPING MAID 10

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				HOUSEKEEPING MAID 10				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
2		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
3		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
4		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
5		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
6		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
8		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
9		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
10		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
11		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
12		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
13		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
15		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMMLV	HOUSEKEEPING MAID 10				TOTALS:			80,00	80,00	0,00	0,00	0,00	\$ 338.538	\$ -	\$ 0	\$ -	
1,3					COST PER MINUTE								OBSERVATIONS				
BASIC MONTHLY SALARY				\$ 1.015.615	\$ 507.807	\$ 71	EXTRA NOCTURNAL MINUTES				0						
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 29.404	PAID DAYS OF										
HOURS PAID				\$ 338.538	MATERNITY		REST	INCAPABILITY									
TOTAL EARNED				\$ 391.640	0		5	0									
DEDUCTION: HEALTH & PENSION				\$ 28.979													
OTHER DEDUCTIONS																	
NET PAID				\$ 362.661	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED								
				\$	23.698		10		80								

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:		SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242					
EMPLOYEE NUMBER				HOUSEKEEPING MAID 10				Start Daytime Hours	6:00:00	PAYMENT OF MINUTES WORKED							
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
17		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
18		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
19		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
20		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
22		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
23		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
24		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
25		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
26		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
27		SATURDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
29		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
30		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV				HOUSEKEEPING MAID 10				TOTALS:	88,00	88,00	0,00	0,00	0,00	\$ 372.392	\$ -	\$ 0	\$ -
1,3				COST PER MINUTE				EXTRA NOCTURNAL MINUTES	0		OBSERVATIONS						
BASIC MONTHLY SALARY				\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES				0						
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF										
HOURS PAID				\$ 372.392	MATERNITY		REST	INCAPABILITY									
TOTAL EARNED				\$ 426.279	0		4	0									
DEDUCTION: HEALTH & PENSION				\$ 31.515													
OTHER DEDUCTIONS																	
NET PAID				\$ 394.765	PROPORTIONAL REST DAYS PAID (\$)		21.543	DAYS WORKED		11	HOURS WORKED		88				

cc. HOUSEKEEPING MAID 11

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:		SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242					
EMPLOYEE NUMBER				HOUSEKEEPING MAID 11				Start Daytime Hours	6:00:00	PAYMENT OF MINUTES WORKED							
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
2		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
3		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
4		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
5		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
7		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ -	
8		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
9		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
10		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
11		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
12		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
14		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ -	
15		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV				HOUSEKEEPING MAID 11				TOTALS:	88,00	88,00	0,00	0,00	0,00	\$ 423.173	\$ -	\$ 0	\$ -
1,3				COST PER MINUTE				EXTRA NOCTURNAL MINUTES	0		OBSERVATIONS						
BASIC MONTHLY SALARY				\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES				0						
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF										
HOURS PAID				\$ 423.173	MATERNITY		REST	INCAPABILITY									
TOTAL EARNED				\$ 477.060	0		4	0									
DEDUCTION: HEALTH & PENSION				\$ 35.577													
OTHER DEDUCTIONS																	
NET PAID				\$ 441.483	PROPORTIONAL REST DAYS PAID (\$)		21.543	DAYS WORKED		11	HOURS WORKED		88				

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				HOUSEKEEPING MAID 11				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N		
16		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
17		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
18		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
19		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
21		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ -		
22		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -		
23		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -		
24		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -		
25		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -		
26		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
28		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 59.244	\$ -	\$ 0	\$ -		
29		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0:00:00	0	\$ 33.854	\$ -	\$ 0	\$ -		
30		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
SMMLV					HOUSEKEEPING MAID 11				TOTALS:	88,00	88,00	0,00	0,00	0,00	\$ 423.173	\$ -	\$ 0	\$ -
1,3									COST PER MINUTE	EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS					
BASIC MONTHLY SALARY		\$	1.015.615	\$	507.807	\$	71	ADDITIONAL MINUTES		0								
TRANSPORTATION ASSIST		\$	88.211	\$	44.106	\$	32.344	PAID DAYS OF										
HOURS PAID		\$	423.173	MATERNITY				REST		INCAPABILITY								
TOTAL EARNED		\$	477.060	0				4		0								
DEDUCTION: HEALTH & PENSION		\$	35.577															
OTHER DEDUCTIONS																		
NET PAID		\$	441.483	PROPORTIONAL REST DAYS PAID (\$)				DAYS WORKED				HOURS WORKED						
		\$		21.543				11				88						

dd. HOUSEKEEPING MAID 12

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				HOUSEKEEPING MAID 12				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N		
1		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
2		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
3		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
4		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
5		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
7		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -		
8		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
9		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
10		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
11		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
12		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
14		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -		
15		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
SMMLV					HOUSEKEEPING MAID 12				TOTALS:	80,00	80,00	0,00	0,00	0,00	\$ 389.319	\$ -	\$ -	\$ -
1,3									COST PER MINUTE	EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS					
BASIC MONTHLY SALARY		\$	1.015.615	\$	507.807	\$	71	ADDITIONAL MINUTES		0								
TRANSPORTATION ASSIST		\$	88.211	\$	44.106	\$	29.404	PAID DAYS OF										
HOURS PAID		\$	389.319	MATERNITY				REST		INCAPABILITY								
TOTAL EARNED		\$	442.420	0				5		0								
DEDUCTION: HEALTH & PENSION		\$	33.041															
OTHER DEDUCTIONS																		
NET PAID		\$	409.379	PROPORTIONAL REST DAYS PAID (\$)				DAYS WORKED				HOURS WORKED						
		\$		23.698				10				80						

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				HOUSEKEEPING MAID 12				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N		
16		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
17		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
18		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
19		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
21		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -		
22		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
23		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
24		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
25		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
26		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
28		SUNDAY			SUNDAY	9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -		
29		MONDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
30		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
SMMMLV					HOUSEKEEPING MAID 12				TOTALS:	88,00	88,00	0,00	0,00	0,00	\$ 423.173	\$ -	\$ -	\$ -
1,3									COST PER MINUTE	EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS					
BASIC MONTHLY SALARY				\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0									
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF											
HOURS PAID				\$ 423.173	MATERNITY		REST	INCAPABILITY										
TOTAL EARNED				\$ 477.060	0		4	0										
DEDUCTION: HEALTH & PENSION				\$ 35.577														
OTHER DEDUCTIONS																		
NET PAID				\$ 441.483	PROPORTIONAL REST DAYS PAID (\$)		21.543	DAYS WORKED		11	HOURS WORKED		88					

ee. HOUSEKEEPING INSPECTOR

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				HOUSEKEEPING INSPECTOR 1				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N		
1		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
2		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
3		WEDNESDAY						0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
4		THURSDAY						0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
5		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
8		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
9		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
10		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
11		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
12		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
15		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
SMMMLV					HOUSEKEEPING INSPECTOR				TOTALS:	72,00	72,00	0,00	0,00	0,00	\$ 374.996	\$ -	\$ -	\$ -
1,6									COST PER MINUTE	EXTRA NOCTURNAL MINUTES		0	OBSERVATIONS					
BASIC MONTHLY SALARY				\$ 1.249.987	\$ 624.994	\$ 87	ADDITIONAL MINUTES		0									
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 26.463	PAID DAYS OF											
HOURS PAID				\$ 374.996	MATERNITY		REST	INCAPABILITY										
TOTAL EARNED				\$ 433.867	0		6	0										
DEDUCTION: HEALTH & PENSION				\$ 32.592														
OTHER DEDUCTIONS																		
NET PAID				\$ 401.274	PROPORTIONAL REST DAYS PAID (\$)		32.407	DAYS WORKED		9	HOURS WORKED		72					

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				HOUSEKEEPING INSPECTOR				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N		
16		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
17		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
18		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
19		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
22		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
23		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
24		WEDNESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
25		THURSDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
26		FRIDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
29		MONDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
30		TUESDAY				9:30:00	17:30:00	8:00:00	8:00:00	0:00:00	0	0	\$ 41.666	\$ -	\$ -	\$ -		
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
SMMMLV					HOUSEKEEPING INSPECTOR				TOTALS:	88,00	88,00	0,00	0,00	0,00	\$ 458.329	\$ -	\$ -	\$ -
1,6					COST PER MINUTE				EXTRA NOCTURNAL MINUTES	0	OBSERVATIONS							
BASIC MONTHLY SALARY				\$ 1.249.987	\$ 624.994	\$ 87	ADDITIONAL MINUTES				0							
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF											
HOURS PAID				\$ 458.329	MATERNITY		REST	INCAPABILITY										
TOTAL EARNED				\$ 517.188	0		4	0										
DEDUCTION: HEALTH & PENSION				\$ 38.787														
OTHER DEDUCTIONS																		
NET PAID				\$ 478.400	PROPORTIONAL REST DAYS PAID (\$)		26.515	DAYS WORKED		11	HOURS WORKED		88					

ff. LAUNDRY ATTENDANT 1

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242				
EMPLOYEE NUMBER				LAUNDRY ATTENDANT				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED				
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N		
1		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
2		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
3		WEDNESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
4		THURSDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
5		FRIDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
8		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
9		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
10		WEDNESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
11		THURSDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
12		FRIDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
15		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -		
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -		
SMMMLV					LAUNDRY ATTENDANT 1				TOTALS:	88,00	88,00	0,00	0,00	0,00	\$ 372.392	\$ -	\$ -	\$ -
1,3					COST PER MINUTE				EXTRA NOCTURNAL MINUTES	0	OBSERVATIONS							
BASIC MONTHLY SALARY				\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES				0							
TRANSPORTATION ASSIST				\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF											
HOURS PAID				\$ 372.392	MATERNITY		REST	INCAPABILITY										
TOTAL EARNED				\$ 426.279	0		4	0										
DEDUCTION: HEALTH & PENSION				\$ 31.515														
OTHER DEDUCTIONS																		
NET PAID				\$ 394.765	PROPORTIONAL REST DAYS PAID (\$)		21.543	DAYS WORKED		11	HOURS WORKED		88					

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				LAUNDRY ATTENDANT 1				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
17		WEDNESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
18		THURSDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
19		FRIDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
22		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
23		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
24		WEDNESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
25		THURSDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
26		FRIDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
29		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
30		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
SMMLV		LAUNDRY ATTENDANT 1				TOTALS:		88,00	88,00	0,00	0,00	0,00	\$ 372.392	\$ -	\$ -	\$ -	\$ -
1,3		LAUNDRY ATTENDANT 1				COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS					
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF												
HOURS PAID		\$ 372.392	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 426.279	0		4		0										
DEDUCTION: HEALTH & PENSION		\$ 31.515															
OTHER DEDUCTIONS																	
NET PAID		\$ 394.765	\$ 21.543		11		88										

gg. LAUNDRY ATTENDANT 2

PERIOD 1	DAY OF MONTH	1	15	:PAYROLL:				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				LAUNDRY ATTENDANT 2				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
2		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
3		WEDNESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
4		THURSDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
5		FRIDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
6		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
7		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
8		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
9		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
10		WEDNESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
11		THURSDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
12		FRIDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
13		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
14		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
15		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	\$ -
SMMLV		LAUNDRY ATTENDANT 2				TOTALS:		88,00	88,00	0,00	0,00	0,00	\$ 372.392	\$ -	\$ -	\$ -	\$ -
1,3		LAUNDRY ATTENDANT 2				COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS					
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF												
HOURS PAID		\$ 372.392	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 426.279	0		4		0										
DEDUCTION: HEALTH & PENSION		\$ 31.515															
OTHER DEDUCTIONS																	
NET PAID		\$ 394.765	\$ 21.543		11		88										

PERIOD 2	DAY OF MONTH	16	30	::PAYROLL::				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				LAUNDRY ATTENDANT 2				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
17		WEDNESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
18		THURSDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
19		FRIDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
20		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
21		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
22		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
23		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
24		WEDNESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
25		THURSDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
26		FRIDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
27		SATURDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
28		SUNDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
29		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
30		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV		LAUNDRY ATTENDANT 2				TOTALS:		88,00	88,00	0,00	0,00	0,00	\$ 372.392	\$ -	\$ -	\$ -	
1,3						COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS					
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF												
HOURS PAID		\$ 372.392	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 426.279	0		4		0										
DEDUCTION: HEALTH & PENSION		\$ 31.515								PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED			
OTHER DEDUCTIONS										\$ 21.543		11		88			
NET PAID		\$ 394.765															

hh. LAUNDRY ATTENDANT 3

PERIOD 1	DAY OF MONTH	1	15	::PAYROLL::				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242			
EMPLOYEE NUMBER				LAUNDRY ATTENDANT 3				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
1		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
2		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
3		WEDNESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
4		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
5		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
6		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
7		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -	
8		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
9		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
10		WEDNESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
11		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
12		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
13		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
14		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -	
15		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV		LAUNDRY ATTENDANT 3				TOTALS:		88,00	88,00	0,00	0,00	0,00	\$ 423.173	\$ -	\$ -	\$ -	
1,3						COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS					
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF												
HOURS PAID		\$ 423.173	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 477.060	0		4		0										
DEDUCTION: HEALTH & PENSION		\$ 35.577								PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED			
OTHER DEDUCTIONS										\$ 21.543		11		88			
NET PAID		\$ 441.483															

PERIOD 2	DAY OF MONTH	#	30	::PAYROLL::				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242		
EMPLOYEE NUMBER			LAUNDRY ATTENDANT 3				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	#	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
16		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
17		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
18		THURSDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
19		FRIDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
20		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
21		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -
22		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
23		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
24		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
25		THURSDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
26		FRIDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
27		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
28		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -
29		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
30		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMLV		LAUNDRY ATTENDANT 3				TOTALS:		80,00	80,00	0,00	0,00	0,00	\$ 389.319	\$ -	\$ -	\$ -
1,3						COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS				
BASIC MONTHLY SALARY		\$ 1.015.615		\$ 507.807		\$ 71		ADDITIONAL MINUTES		0						
TRANSPORTATION ASSIST		\$ 88.211		\$ 44.106		\$ 29.404		PAID DAYS OF								
HOURS PAID		\$ 389.319		MATERNITY		REST		INCAPABILITY								
TOTAL EARNED		\$ 442.420		0		5		0								
DEDUCTION: HEALTH & PENSION		\$ 33.041														
OTHER DEDUCTIONS																
NET PAID		\$ 409.379				\$ 23.698		10		80						

ii. LAUNDRY ATTENDANT 4

PERIOD 1	DAY OF MONTH	1	15	::PAYROLL::				SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242		
EMPLOYEE NUMBER			LAUNDRY ATTENDANT 4				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	1	15	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N
1		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
2		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
3		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
4		THURSDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
5		FRIDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
6		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
7		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -
8		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
9		TUESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
10		WEDNESDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
11		THURSDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
12		FRIDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
13		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
14		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -
15		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -
SMMLV		LAUNDRY ATTENDANT 4				TOTALS:		88,00	88,00	0,00	0,00	0,00	\$ 423.173	\$ -	\$ -	\$ -
1,3						COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS				
BASIC MONTHLY SALARY		\$ 1.015.615		\$ 507.807		\$ 71		ADDITIONAL MINUTES		0						
TRANSPORTATION ASSIST		\$ 88.211		\$ 44.106		\$ 32.344		PAID DAYS OF								
HOURS PAID		\$ 423.173		MATERNITY		REST		INCAPABILITY								
TOTAL EARNED		\$ 477.060		0		4		0								
DEDUCTION: HEALTH & PENSION		\$ 35.577														
OTHER DEDUCTIONS																
NET PAID		\$ 441.483				\$ 21.543		11		88						

PERIOD 2	DAY OF MONTH	16	30	:PAYROLL:		SALARY INCREASE PERCENTAGE		0%	%	MINIMUM SALARY 2018		\$ 781.242					
EMPLOYEE NUMBER				LAUNDRY ATTENDANT 4				Start Daytime Hours	6:00:00					PAYMENT OF MINUTES WORKED			
DAY	PERIOD	DAY OF MONTH	16	30	DAY	ENTRY HOUR	EXIT HOUR	HOURS WORKED	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	DAYTIME	NOCTURNAL	EXTRA D	EXTRA N	
16		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
17		WEDNESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
18		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
19		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
20		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
21		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -	
22		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
23		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
24		WEDNESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
25		THURSDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
26		FRIDAY			REST			0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
27		SATURDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
28		SUNDAY			SUNDAY	9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 59.244	\$ -	\$ -	\$ -	
29		MONDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
30		TUESDAY				9:00:00	17:00:00	8:00:00	8:00:00	0:00:00	0	0	\$ 33.854	\$ -	\$ -	\$ -	
								0:00:00	0	0:00:00	0	0	\$ -	\$ -	\$ -	\$ -	
SMMLV		LAUNDRY ATTENDANT 4				TOTALS:		88,00	88,00	0,00	0,00	0,00	\$ 423.173	\$ -	\$ -	\$ -	
1,3					COST PER MINUTE		EXTRA NOCTURNAL MINUTES		0		OBSERVATIONS						
BASIC MONTHLY SALARY		\$ 1.015.615	\$ 507.807	\$ 71	ADDITIONAL MINUTES		0										
TRANSPORTATION ASSIST		\$ 88.211	\$ 44.106	\$ 32.344	PAID DAYS OF												
HOURS PAID		\$ 423.173	MATERNITY		REST		INCAPABILITY										
TOTAL EARNED		\$ 477.060	0		4		0										
EDUCATION: HEALTH & PENSION		\$ 35.577															
OTHER DEDUCTIONS																	
NET PAID		\$ 441.483	PROPORTIONAL REST DAYS PAID (\$)		DAYS WORKED		HOURS WORKED										
		\$ 21.543	11		88												

ANNEX 11: DESCRIPTION OF CORPORATE, ADMINISTRATIVE AND WORKFORCE PROFILES AND POSITIONS

Corporate Position	
Company Legal Representative	<p><u>Summary:</u> Medellín Hospitality S.A.S.'s Legal executes all the acts and contracts included in the corporate purpose or that are directly related to the existence and operation of the company. Additionally, the Legal Representative is in charge of overseeing company operations, intervening when necessary, and guiding the company's strategic processes, communication and quality control.</p> <p><u>Profile:</u> The company's Legal Representative must show a passion for the hospitality industry, knowledge and experience in hotel operations and management, a strong global mindset and vision for long-term strategic planning, capability of working with, and understanding, financial information and data, ability to communicate and convey information and ideas clearly, and leadership capabilities.</p>
Company Partners	<p><u>Summary:</u> Medellín Hospitality S.A.S.'s partners constitute the company's Shareholder Assembly, along with its Legal Representative, overseeing the company's performance and operations, while elaborating the company's long term strategic vision and mission.</p> <p><u>Profile:</u> The company's two main partners provide financial and investment support in exchange for equity participation and a percentage of company profits, and must show a strong global mindset and vision for long-term strategic planning, and a capability of working with, and understanding, financial information and data.</p>
Administrative Position	
General Manager (GM)	<p><u>Job Summary:</u> The GM ensures that the hotel property is in the best possible condition for its guests and employees. The GM directs all hotel operative functions, by planning, organizing, coordinating, supervising and leading all hotel and staff activities to achieve an ideal level of service. Additionally, the GM guides the strategic planning process of the hotel, determining the critical success factors, establishing objectives and specific goals, according to the requirements of the company's Shareholder Assembly, to whom it reports.</p>
General Manager (GM)	<p><u>Profile:</u></p> <ul style="list-style-type: none"> • Experience and knowledge of the hotel and/or company; • Strong ability to communicate and work as a team; • Aptitude for creating interpersonal relationships;

	<ul style="list-style-type: none"> • <i>Developed global international mindset and vision;</i> • <i>Strong inclination towards customer service;</i> • <i>Ease to operate in ambiguity and the unknown;</i> • <i>Capacity of inspiring, leading, and delegating;</i> • <i>Must be able to convey information and ideas clearly;</i> • <i>Must be able to evaluate and select among alternative courses of action quickly and accurately;</i> • <i>Must work well in stressful, high pressure situations;</i> • <i>Must be effective in handling problems in the workplace, including anticipating, preventing, identifying and solving problems as necessary;</i> • <i>Must be effective at listening to, understanding, and clarifying the issues raised by co-workers and guests;</i> • <i>Must be able to work with and understand financial information and data, and arithmetic functions;</i> • <i>Must maintain composure and objectivity while under pressure.</i>
<p>General Manager (GM)</p>	<p><u><i>Duties and Responsibilities:</i></u></p> <ul style="list-style-type: none"> • <i>Oversee the day-to-day operation of the hotel;</i> • <i>Responsible for the hiring, training, counseling, discipline and discharge of all hotel employees, as well as hotel payroll every 15 days;</i> • <i>Insure that deposits are made daily, with the exception of the weekends which will be deposited on the following Monday;</i> • <i>Review and approve all purchase orders of non-consumables on a continual basis;</i> • <i>Attend periodical P&L (Profit and Loss) meetings with the Shareholder Assembly to review the performance of the hotel;</i> • <i>Conduct monthly department meetings on a consistent day and time each month. All employee meetings are conducted to review the performance of the hotel with the staff and forward direction, a question and answer session will be included;</i> • <i>Forward all accounting information to the company's accountant on a weekly basis to include the night audit, deposit slips, unpaid</i>

	<p><i>invoices, and any checks written out of the petty cash account with attached invoices;</i></p> <ul style="list-style-type: none"> • <i>Conduct a monthly count of all banks that have been issued throughout the hotel and forward the bank count sheets to the company accountant on a monthly basis. Any discrepancies need to be addressed and corrected at this time;</i> • <i>Review all work schedules of all departments on a weekly basis;</i> • <i>Perform and conduct public relations and sales calls for the hotel on a continual basis. Make weekly sales calls with the Sales and Marketing Manager;</i> • <i>Forward weekly sales call reports every Friday to the Shareholder Assembly;</i> • <i>Oversee all quarterly inventories of linens to insure their accountability.</i> • <i>Insure that all receivables are collected within 30 days and any receivables exceeding 30 days being brought to the attention of the Shareholder Assembly;</i> • <i>Insure that all items on management directional memos are completed in a timely manner;</i> • <i>Maintain outstanding level of quality assurance inspections to be conducted by Marriott International, and Medellín Hospitality S.A.S. (only an outstanding rating is acceptable);</i> • <i>Insure that audit packs are reviewed on a daily basis. Any questions and/or errors are to be noted and forwarded to the company accountant with findings;</i> • <i>Insure that all Marriott Corporate requirements are met on a consistent basis with any items in need of capital purchase being brought to the attention of the Shareholder Assembly in the form of a capital purchase order;</i> • <i>Attend Marriott Brand GM training within 90 days of assumption of duties or as required by the brand;</i> • <i>Insure that all Medellín Hospitality S.A.S. required items are received as outlined.</i>
<p>Assistant General Manager (AGM)</p>	<p><u><i>Job Summary:</i></u> <i>The AGM is accountable for managing and directing the activities of the Fairfield Inn and Suites by Marriott Medellín to ensure the hotel is operating to meet and exceed goals and objectives, while insuring smooth operations of the Hotel on a daily basis. The AGM is the hotel's second in command, reporting directly to the hotel's GM.</i></p>

**Assistant General
Manager (AGM)**

Profile:

- *Provide leadership, guidance and direction to those employees supervised; involve the appropriate employees in planning, inviting their contributions and encouraging their input; ensure that employees are fully aware of job-related expectations; stimulate employees to do their best;*
- *Organize and allocate work to be completed by others. Responsible for distributing work assignments so that all quality and time requirements are met. Prioritize work assignments, schedule employees, and redistribute work based on absences and / or need;*
- *Responsible for working effectively with other hotel employees to ensure guest satisfaction is consistently achieved. Must work with other department heads in order to help create productive working environment;*
- *Display self-confidence and organize projects to ensure time frames are met and necessary plans are developed; develop achievable objectives and set logical and effective course of action; make efficient use of people, resources and time;*
- *Recognize obligations and be accountable for the productivity and efficiency of the hotel;*
- *Analyze situations and data; display the ability to form objective opinions; show ability to arrive at sound decisions with confidence on a timely basis; perform well under pressure;*
- *Demonstrate imaginative, innovative, and creative approaches in the planning and implementation of various projects;*
- *Display technical and analytical skills in performing responsibilities under the direct supervision of the President; complete work assignments in a timely and accurate manner; use knowledge gained through experience to assist others in meeting goals and objectives;*
- *Understand and apply safety and security codes, standards, and procedures in order to establish and maintain a structured, safe environment or deal with emergency situations;*
- *Understand general operations of the hotel and all departments within the hotel and how they work together to achieve objectives and goals. Have a clear understanding of all amenities, hotel layout, brand policies/standards and staff;*
- *Communicate effectively and appropriately with managers, supervisors and employees; gives well thought-out, clear and*

	<p><i>concise verbal or written reports; understand both corporate and hotel goals;</i></p> <ul style="list-style-type: none"> • <i>Focus on the financial aspects of the hotel by forecasting the planning to maximize revenue, cost control, and ensure product and service delivery. Must have a clear understanding of budgets, marketing plans and performance targets;</i> • <i>Adhere to all company policies and sets the appropriate example for others to follow.</i>
<p>Assistant General Manager (AGM)</p>	<p><u><i>Duties and Responsibilities:</i></u></p> <ul style="list-style-type: none"> • <i>Assists in daily management and hotel administrative responsibilities, including hotel purchases;</i> • <i>Responsible for the daily front desk operations such as hiring, training and supervising front desk staff, handling reservations, managing room inventory, reviewing and approving daily reports, resolving cash and credit issues and following up on city ledger accounts;</i> • <i>Maintains guest service as the driving philosophy of the hotel; ensures hotel staff, including all new hires, knows all components of the 100% satisfaction guarantee; exceed all hotel guest satisfaction measures;</i> • <i>Maintains a positive, cooperative work environment between staff and management; administer personnel policies fairly and consistently;</i> • <i>Directs and administers all Front Operations to insure profitability, control costs and quality standards to ensure total guest satisfaction. Oversees room reservations, front office systems, supplies inventory, scheduling, and forecasting and department budget to maximize revenue. Compiles and prepares financial reports, including: rate and availability calendar;</i> • <i>Assists the GM in managing the day to day hotel operations, keeping with all corporate and brand standards. Maximize profitability as well as guest and team member satisfaction. Ensures the development and execution of strategic sales and marketing plans. Leads and manages hotel operations. Frequently serves a(s) multi-department head for Operations, Front Office and Property Operations. Reviews forecasts and balanced scorecard results and incorporates plans to react to results. Directs hotel actions required to maximize profitability and increase service levels and team member satisfactions. Ensures brand standards are met. Facilitates hotel meetings in GM absence. Provides input into the hiring, supervision, training, assessment, coaching, and disciplining of department</i>

	<p>heads and other key team members. Serves as GM in GM's absence from property;</p> <ul style="list-style-type: none"> • Plans, distributes, delegates and directs daily, weekly, monthly, quarterly and annual work assignments; • Directs and Coordinates the Rooms Department, while assisting in the direction and management of all efforts of the Rooms Department to ensure compliance with standards of operation, quality and productivity and excellence in providing service to guests and owners of the property; • Routinely inspects units and common areas to ensure they are in compliance with departmental standards. Monitors guest requests and complaints, resolving issues and coordinating efforts with other departments as necessary; • Assists with hiring, supervising, disciplining and training of all staff in the direction of the Rooms Department and assists with administrative tasks associated with maintaining proper documentation such as payroll timekeeping records, staff schedules, vacation hours, etc.
<p>Sales and Marketing Manager</p>	<p><u>Job Summary:</u> The Sales and Marketing Manager plans, designs, supervises and evaluates the hotel's sales strategies through relationships with clients and companies, marketing strategies and business objectives, in order to achieve an optimum level of hotel occupancy. The Sales and Marketing Manager is also responsible for establishing, maintaining and improving business and personal links with VIPs and companies. Additionally, he or she must help manage price strategies and the expense budget of the sales department, in coordination with the GM, while staying informed about prices, services, commissions, strategies, among others, of the competition. Reports directly to the GM.</p>
<p>Sales and Marketing Manager</p>	<p><u>Profile:</u></p> <ul style="list-style-type: none"> • Great strategic vision in the short and long term; • Strong inclination towards customer service; • Aptitude for creating interpersonal relationships; • Ability to communicate and work as a team; • High innovative and creative capacity; • Capacity of inspiring, leading, and delegating; • Must be able to convey information and ideas clearly;

	<ul style="list-style-type: none"> • <i>Must be able to evaluate and select among alternative courses of action quickly and accurately;</i> • <i>Must work well in stressful, high pressure situations;</i> • <i>Must be effective in handling problems in the workplace, including anticipating, preventing, identifying and solving problems as necessary;</i> • <i>Must be effective at listening to, understanding, and clarifying the issues raised by co-workers and guests;</i> • <i>Must be able to work with and understand financial information and data, and arithmetic functions;</i> • <i>Must maintain composure and objectivity while under pressure.</i>
<p>Sales and Marketing Manager</p>	<p><u><i>Duties and Responsibilities:</i></u></p> <ul style="list-style-type: none"> • <i>Approach all encounters with guests and employees in an attentive, friendly, courteous and service-oriented manner;</i> • <i>Maintain composure and objectivity under pressure;</i> • <i>Anticipate, prevent, identify and solve problems as necessary;</i> • <i>Assimilate complex information, data, etc. from several sources and consider, adjust or modify to meet the constraints of the particular need;</i> • <i>Listen to, understand, clarify and resolve the concerns and issues raised by co-workers and guests;</i> • <i>Understand and interpret financial information pertaining to the Sales and Marketing Department;</i> • <i>Maintain regular attendance according to the needs of the hotel;</i> • <i>Maintain high standards of personal appearance and grooming, which includes wearing the proper uniform and name tag while on duty;</i> • <i>Supervise, administer and ensure timely completion of all activities of the Sales and Marketing Department;</i> • <i>Comply at all times with standards and regulations to encourage safe and efficient department and hotel operations;</i> • <i>Develop a full working knowledge of the hotel's operations;</i>

	<ul style="list-style-type: none">• <i>Develop and maintain market awareness to ensure ability to predict revenue opportunities and set proactive strategies;</i>• <i>Meet or exceed set goals;</i>• <i>Operate the Sales and Marketing Department within the established sales expense budget;</i>• <i>Coordinate group, transient and event bookings to maximize profits, and coordinate all non-group transient sales and event solicitations to maximize overall profits;</i>• <i>Initiate and follow up on leads;</i>• <i>Develop, maintain and participate in an active sales solicitation program;</i>• <i>Monitor production of all top accounts and evaluate trends within the market;</i>• <i>Oversee and assist in the preparation of required reports in a timely manner;</i>• <i>Conduct a professional, thorough site inspection of hotels with clients, exhibiting key features and benefits of the property;</i>• <i>Develop strategies to increase share from competitors when the hotel revenue penetration goals are not being met;</i>• <i>Coordinate preparation of the annual revenue budget;</i>• <i>Attend all employee meetings, training and other functions as required by management;</i>• <i>Entertain clients and develop networking opportunities through active participation in community and professional associates, activities and events;</i>• <i>React to negative trends in the market place by implementing blitzes or promotions;</i>• <i>Perform any other duties as requested by Management;</i>• <i>Place sales calls on assigned accounts promoting sleeping rooms and meeting space both inside and outside;</i>• <i>Respond to all incoming inquiries within 24 hours;</i>• <i>Prepares contracts for groups with 10+ sleeping rooms per night, completes all correspondence in a timely manner;</i>
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	<ul style="list-style-type: none"> • Follows-up with reservation services to ensure their receipt and understanding of group contract; • Follows-up with groups on signed contracts to ensure booking and reminds of cut off dates; • After group booking is complete, complete and submit resume reports; • Maintains account files through database management systems; • Participates in sales meetings; • Meets outlined sales call goals each month with detailed sales reporting; • Maintains a pleasant relationship with clients at all times; • Meets with clients on a walk-in-basis to answer questions, give tours, and helps sell them on the hotel.
Accountant	<p><u>Job Summary:</u> The Accountant guarantees the proper registration of the hotel's economic operations on a daily basis, supervising the preparation of financial, analytical, legal taxation and, when appropriate, consolidated statements of accounts to facilitate the identification, measurement and communication of economic and financial information, directed towards effective decision making by management and company directives, in order to obtain maximum business profitability. Provides objective and verifiable accounting information to the company's Shareholder Assembly on time. Reports directly to the company's Shareholder Assembly and GM.</p>
Accountant	<p><u>Profile:</u></p> <ul style="list-style-type: none"> • Strong competences in accounting and financial controls; • Knowledge and ability to handle Office System programs and other financial control software; • Patience and affinity to develop routine tasks; • Must be able to convey information and ideas clearly; • Must be able to evaluate and select among alternative courses of action quickly and accurately; • Must work well in stressful, high pressure situations;

	<ul style="list-style-type: none"> • Must be effective in handling problems in the workplace, including anticipating, preventing, identifying and solving problems as necessary; • Must maintain composure and objectivity while under pressure; • Bachelor of Administration, Finance, Economics, or equivalent.
Accountant	<p><u>Duties and Responsibilities:</u></p> <ul style="list-style-type: none"> • Process all accounting information, including the night audit, deposit slips, unpaid invoices, and any checks written out of the petty cash account with attached invoices; • Responsible for all company account payables and receivables; • Maintain a daily accountability journal of hotel operations; • Prepare company financial statements and declaration of taxes within the established legal timeframes; • Responsible for alerting management and company directors on financial discrepancies; • Ensures the company's and the hotel's fulfillment of legal requirements accordingly; • Assists with establishing operational and departmental budgets and monitoring budget and hotel expenditures; • Assists with company payroll calculations, as required by Management; • Comply at all times with standards and regulations to encourage safe and efficient hotel operations; • Develop a full working knowledge of the hotel's operations; • Perform any other duties as requested by Management.
Housekeeping Manager	<p><u>Job Summary:</u> The Housekeeping Manager is responsible for administering and coordinating all housekeeping functions, maintaining order and cleanliness in the hotel, supervising the different areas of the hotel so that they are up to quality of cleaning and service standards as required, while keeping track of maintenance in all areas and rooms. Ensures the proper presentation of hotel rooms, including the hotel's public areas (corridors, corridors, reception and bathrooms), providing a better service to guests. Reports directly to the AGM and GM.</p>
Housekeeping Manager	<p><u>Profile:</u></p>

	<ul style="list-style-type: none"> • <i>Must be able to convey information and ideas clearly;</i> • <i>Must be able to take alternative courses of action quickly and effectively;</i> • <i>Must be able to take the initiative in job performance, including anticipating what needs to be done in advance of necessity;</i> • <i>Must work well in stressful situations;</i> • <i>Must maintain composure and objectivity under pressure;</i> • <i>Must be able to anticipate, prevent, identify and solve problems as necessary;</i> • <i>Must have the ability to assimilate complex information, data, etc. from several sources and consider, adjust or modify to meet the constraints of the particular need;</i> • <i>Must be able to listen to, understand, clarify and resolve the concerns and issues raised by co-workers and guests;</i> • <i>Must be able to work with and understand financial information and date, and basic mathematical functions.</i>
<p>Housekeeping Manager</p>	<p><u>Duties and Responsibilities:</u></p> <ul style="list-style-type: none"> • <i>Approach all encounters with guests and employees in an attentive, friendly, courteous and service-oriented manner;</i> • <i>Maintain regular attendance according to the needs of the hotel;</i> • <i>Maintain high standards of personal appearance and grooming, which includes wearing the proper uniform and name tag while on duty;</i> • <i>Comply at all times with standards and regulations to encourage a safe and efficient hotel operations;</i> • <i>Ensure employees are at all times attentive, friendly, helpful and courteous to all guests, managers and fellow employees;</i> • <i>Supervise and schedule staff;</i> • <i>Inspect housekeepers' work performance within assigned section on a daily basis to ensure the standards and productivity levels are being met and maintained;</i> • <i>Inspect rooms and all VIP rooms and report their availability to the Front Office, according to hotel standards;</i>

	<ul style="list-style-type: none"> • <i>Ensure records of daily assignments are completed, signed off and turned into the housekeeping office on time;</i> • <i>Develop employee morale and ensure training of Housekeeping personnel;</i> • <i>Maintain and monitor “Lost and Found” procedures;</i> • <i>Maintain key control;</i> • <i>Oversee the daily assignment of duties, ensuring housekeepers carry a work assignment;</i> • <i>Order housekeeping and laundry supplies in a timely manner and keep accurate inventory records;</i> • <i>Report on progress of all out-of-order rooms under the Housekeeping Department’s supervision to the AGM;</i> • <i>Initiate work orders for repairs and maintenance and forward to Maintenance. Follow through on each work order until completed;</i> • <i>Assist with training of Housekeeping staff;</i> • <i>Ensure completion of cleaning projects on a biannual basis;</i> • <i>Attend meetings/training as required by management;</i> • <i>Perform any other duties as requested by management.</i>
Chief Engineer	<p><u><i>Job Summary:</i></u> <i>The Chief Engineer is responsible for coordinating and managing the day to day maintenance and upkeep of the hotel as it pertains to engineering and grounds, under the direction of the GM. Responsible for keeping a preventive maintenance (PM) schedule in all areas and rooms to prevent damage from wear, ensuring the good condition of the hotel. Coordinates, along with the AGM, the purchase of materials and equipment required in the maintenance area.</i></p>
Chief Engineer	<p><u><i>Profile:</i></u></p> <ul style="list-style-type: none"> • <i>Must be able to convey information and ideas clearly;</i> • <i>Must be able to evaluate and select among alternative courses of action quickly and accurately;</i> • <i>Must work well in stressful, high pressure situations;</i> • <i>Must be effective in handling problems in the workplace, including anticipating, preventing, identifying and solving problems as necessary;</i>

	<ul style="list-style-type: none"> • <i>Must be able to read and interpret documents such as safety rules and emergency plans;</i> • <i>Must be effective at listening to, understanding, and clarifying the concerns and issues raised by co-workers and guests;</i> • <i>Approach all encounters with guests and employees in a friendly, service-oriented manner;</i> • <i>Experience and professional training in maintenance and mechanical repairs;</i> • <i>Knowledge of the hotel and adjacent area;</i> • <i>Proper physical conditioning to develop intense and demanding activities when required;</i> • <i>Maintain regular attendance in compliance with company standards, as required by scheduling which will vary according to the needs of the hotel;</i> • <i>Maintain high standards of personal appearance and grooming, which include wearing the proper uniform and nametag when working.</i>
<p>Chief Engineer</p>	<p><u><i>Duties and Responsibilities:</i></u></p> <ul style="list-style-type: none"> • <i>Directly responsible for the following:</i> <ul style="list-style-type: none"> - <i>Direct supervision and scheduling of the work force;</i> - <i>All preventative maintenance programs;</i> - <i>All repair and maintenance work orders;</i> - <i>Inventories and procurement of parts and supplies;</i> - <i>Accident prevention and safety;</i> - <i>Energy Conservation;</i> - <i>Neatness and cleanliness of the engineering shop and all areas under the direct control of the department;</i> - <i>Proper orientation training and development of department associates;</i> - <i>Utilize the tools of quality in department planning and problem solving efforts, as appropriate;</i> - <i>Conduct daily shift briefings.</i>

	<ul style="list-style-type: none">• <i>Supervise and participate in all preventative and general maintenance programs by:</i><ul style="list-style-type: none">- <i>Maintaining a rooms maintenance strategy;</i>- <i>Maintaining tracking data, check sheet and logs;</i>- <i>Planning and scheduling preventative maintenance;</i>- <i>Planning and scheduling corrective maintenance;</i>- <i>Planning and scheduling project work;</i>- <i>Regular inspections.</i>• <i>Manage repair and maintenance projects and building improvements by effectively coordinating and planning all tasks in advance of beginning any project. Utilize all possible resources. Coordinate efforts with engineering and other affected departments. Use project management techniques along with the appropriately assigned engineering team members to perform project planning and execution;</i>• <i>All methods, materials and practices must meet and be in accordance with local codes, Marriott International specification, national codes and standard practices;</i>• <i>Keep accurate completion and task records in the project files. Materials procurement and coordination of their availability are critical to success of this position;</i>• <i>Lead or otherwise facilitate the transfer of information regarding priorities, assignments, and problem solving at briefing sessions;</i>• <i>Fire Alarm/Life Safety System: Monitor systems as necessary, must be fully informed of the system operation and handle emergencies involving the systems. Must have a working knowledge of fire sprinkler and emergency power systems;</i>• <i>Energy Conservation: Observe and analyze energy and utilities usage in the hotel and on the grounds. Must look for ways to conserve energy and report any ideas for improvement to the GM;</i>• <i>Emergencies: Must be available for any emergencies and act in an engineering capacity to protect guests and associates, and preserve the building and its systems during the emergency. Must act as quickly and responsibly as possible to return the building to its normal operating status. Must inform the GM of any such emergencies;</i>
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	<ul style="list-style-type: none"> • <i>Accident Prevention and Safety: Must be aware of all exiting department Job Safety Analysis and strive to work in an accident-free manner in order to create a safe work environment for others. Must continuously look for conditions which may endanger associates or guests of the hotel and to take immediate action to correct any hazardous condition found;</i> • <i>Records: Must read, log, track and interpret readings from meters, gauges and other measuring units. Must maintain a thorough log of each day's activities and problems that occur, ensuring this information is passed on to other shifts.</i>
Operative Workforce Position	
Front Desk Agent	<u>Job Summary:</u> <i>The Front Desk Agent is responsible for providing attentive, courteous and efficient service to all guests during check-in, throughout their stay, and at checkout, while maximizing room revenue and occupancy.</i>
Front Desk Agent	<u>Responsibilities:</u> <ul style="list-style-type: none"> • <i>Must be able to convey information and ideas clearly;</i> • <i>Must be able to evaluate and select among alternative courses of action quickly and accurately;</i> • <i>Must work well in stressful, high pressure situations;</i> • <i>Must be effective in handling problems in the workplace, including anticipating, preventing, identifying and solving problems as necessary;</i> • <i>Must be effective at listening to, understanding, and clarifying the issues raised by co-workers and guests;</i> • <i>Must be able to work with and understand financial information and data, and basic arithmetic functions;</i> • <i>Must maintain composure and objectivity while under pressure.</i>
Front Desk Agent	<u>Duties:</u> <ul style="list-style-type: none"> • <i>Approach all encounters with guests and employees in a friendly, service-oriented manner;</i> • <i>Maintain high standards of personal appearance and grooming, which include wearing the proper uniform and nametag when working;</i> • <i>Maintain regular attendance according to the needs of the hotel;</i>

- *Comply at all times with company standards and regulations to encourage safe and efficient hotel operations;*
- *Maintain a warm and friendly demeanor at all times;*
- *Employees must at all times be attentive, friendly, helpful and courteous to all guests, managers and fellow employees;*
- *Establish and maintain good communications and team work with fellow employees and other departments within the hotel;*
- *Greet and welcome all guests approaching the Front Desk in accordance with company standards;*
- *Answer guest inquiries about hotel services, facilities and hours of operation in a timely manner;*
- *Ensure logging and delivery of packages, mail and messages to guests and meeting rooms;*
- *Review Front Office log;*
- *Answer inquiries from guests regarding restaurants, transportation, entertainment, among others;*
- *Follow all cash handling and credit policies;*
- *Be aware of all rates, packages and special promotions offered by the hotel;*
- *Be familiar with all in-house groups;*
- *Be aware of closed out and restricted dates;*
- *Obtain all necessary information when taking room reservations and follow the rate-quoting scenario;*
- *Be familiar with hospitality terminology;*
- *Have knowledge of emergency procedures and assist as needed;*
- *Handle check-ins and checkouts in a friendly, efficient and courteous manner;*
- *Use proper two-way radio etiquette at all times when communicating with other employees;*
- *Fully comprehend and be able to operate all relevant aspects of the Front Desk computer system;*

	<ul style="list-style-type: none"> • Be able to perform and complete all tasks and duties on the shift checklist in a timely and efficient manner; • Be able to complete a bucket check, room rate verification report, and housekeeping report; • Balance and prepare individual paperwork for closing of shift according to hotel standards; • Maintain and market promotions and guest programs; • Maintain a clean work area; • Assist guests with safe deposit boxes; • Attend meetings/training as required by management; • Perform other duties as requested by management.
Night Auditor	<p><i><u>Job Summary:</u> The Night Auditor is responsible for reconciling all hotel cashier transactions, reviewing, organizing and compiling management reports on a timely basis and ensuring the accuracy of guest billings and city ledger transactions. He/she is also responsible for effectively communicating concerns and/or related issues to all levels of management and performing guest service agent duties as required, including check in, check out, switchboard operation and reservations.</i></p>
Night Auditor	<p><i><u>Responsibilities:</u></i></p> <ul style="list-style-type: none"> • Must be able to convey information and ideas clearly; • Must be able to evaluate and select among alternative courses of action quickly and accurately; • Must work well in stressful, high pressure situations; • Must be effective in handling problems in the workplace, including anticipating, preventing, identifying and solving problems as necessary; • Must be able to work with and understand financial information and data, and basic arithmetic functions; • Must be effective at listening to, understanding, and clarifying the concerns and issues raised by co-workers and guests.
Night Auditor	<p><i><u>Duties:</u></i></p> <ul style="list-style-type: none"> • Approach all encounters with guests and employees in a friendly, service-oriented manner;

	<ul style="list-style-type: none">• <i>Maintain regular attendance in compliance with company standards, as required by scheduling which will vary according to the needs of the hotel;</i>• <i>Maintain high standards of personal appearance and grooming, which include wearing the proper uniform and nametag when working;</i>• <i>Comply at all times with company standards and regulations to encourage safe and efficient hotel operations;</i>• <i>Maintain a warm and friendly demeanor at all times;</i>• <i>Employees must at all times be attentive, friendly, helpful and courteous to guests, managers and fellow employees;</i>• <i>Perform guest services functions as required;</i>• <i>Prepare and distribute necessary daily reports as required according to hotel standards;</i>• <i>Prepare and distribute month end reports;</i>• <i>Audit and reconcile all Front Desk and F&B Cashier's work;</i>• <i>Audit, reconcile, consolidate, and transmit all credit cards on a timely basis;</i>• <i>Prioritize job functions in order to meet deadlines;</i>• <i>Ensure accuracy of all numbers reported including statistics;</i>• <i>Input and update financial information into corporate communications network;</i>• <i>Perform daily, weekly, monthly and annual data processing system functions as required;</i>• <i>Keep management abreast of any unusual operational or financial events and/or deviations of policies or procedures;</i>• <i>Maximize productivity, identify problem areas, and assist in finding and implementing solutions;</i>• <i>Respond to governmental inquiries upon receipt;</i>• <i>Handle guest requests;</i>• <i>Attend meetings/training as required by management;</i>
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	<ul style="list-style-type: none"> • <i>Perform other duties as requested by management.</i>
Breakfast Hostess	<i><u>Job Summary:</u> The Breakfast Hostess is responsible for creating a welcoming first impression and providing attentive, courteous and efficient service to guest throughout their breakfast experience.</i>
Breakfast Hostess	<p><u>Responsibilities:</u></p> <ul style="list-style-type: none"> • <i>Must be able to convey information and ideas clearly;</i> • <i>Must be able to evaluate and select among alternative courses of action quickly and accurately;</i> • <i>Must work well in stressful, high pressure situations;</i> • <i>Must be effective in handling problems in the workplace, including anticipating, preventing, identifying and solving problems as necessary;</i> • <i>Must be effective at listening to, and clarifying the concerns and issues raised by co-workers and guests;</i> • <i>Conducts inventory of all food and service items;</i> • <i>Conducts special weekly cleaning duties;</i> • <i>Monitors guest satisfaction of the breakfast;</i> • <i>Performs other duties as required or assigned.</i>
Breakfast Hostess	<p><u>Duties:</u></p> <ul style="list-style-type: none"> • <i>Approach all encounters with the guests and employees in a friendly, service oriented manner;</i> • <i>Maintain regular attendance in compliance with company standards, as required by scheduling which will vary according to the needs of the hotel;</i> • <i>Maintain high standards of personal appearance and grooming, which include wearing the proper uniform and nametag when working;</i> • <i>Comply at all times with company standards and regulations to encourage safe and efficient hotel operations;</i> • <i>Maintain a warm and friendly demeanor at all times;</i> • <i>Employees must at all times be attentive, friendly, helpful and courteous to guests, managers and fellow employees;</i>

	<ul style="list-style-type: none"> • Perform preparatory tasks and side work duties to ensure that guests are served promptly and efficiently; • Serve guests according to the hotel standards in a friendly, courteous, and professional manner; • Respond to guest problems, complaints and accidents; • Set all tables according to the hotel standards; • Maintain the breakfast storeroom in a neat and orderly manner, stocked with any and all appropriate supplies necessary for food service functions; • Attend meetings/training as required by management; • Perform other duties as requested by management.
Maintenance Engineer	<i><u>Job Summary:</u> The Maintenance Engineer is responsible for ensuring that the property is maintained in the best possible condition at all times with the least amount of inconvenience to customers and employees.</i>
Maintenance Engineer	<u>Responsibilities:</u> <ul style="list-style-type: none"> • Must be able to convey information and ideas clearly; • Must be able to evaluate and select among alternative courses of action quickly and accurately; • Must work well in stressful, high pressure situations; • Must be effective in handling problems in the workplace, including anticipating, preventing, identifying and solving problems as necessary; • Must be able to work with and understand financial information and data, and basic arithmetic functions; • Must be effective at listening to, understanding, and clarifying the concerns and issues raised by co-workers and guests.
Maintenance Engineer	<u>Duties:</u> <ul style="list-style-type: none"> • Approach all encounters with guests and employees in a friendly, service-oriented manner; • Maintain regular attendance in compliance with company standards, as required by scheduling which will vary according to the needs of the hotel;

	<ul style="list-style-type: none">• <i>Maintain high standards of personal appearance and grooming, which include wearing the proper uniform and nametag when working;</i>• <i>Comply at all times with company standards and regulations to encourage safe and efficient hotel operations;</i>• <i>Maintain a warm and friendly demeanor at all times;</i>• <i>Employees must at all times be attentive, friendly, helpful and courteous to guests, managers and fellow employees;</i>• <i>Make repairs to hotel air conditioning system: change filters, clean coils, replace motors;</i>• <i>Perform preventive maintenance on all equipment (i.e. boilers, chillers, HVAC/Heating Ventilation and Air Conditioning, electrical, etc.);</i>• <i>Take required readings on equipment;</i>• <i>Test cooling tower and record readings;</i>• <i>Replace and program televisions as needed;</i>• <i>Replace light switches, receptacles, light bulbs and fixtures;</i>• <i>Perform furniture repair;</i>• <i>Replace and repair pumps;</i>• <i>Perform plumbing repairs (i.e. clogged drains, copper pipe, change washers, change handles, drain fittings, etc.);</i>• <i>Understand and be able to read blueprints and wiring diagrams;</i>• <i>Trace and repair all types of water lines;</i>• <i>Troubleshoot and repair kitchen equipment;</i>• <i>Maintain repair and preventive maintenance records;</i>• <i>Test, clean and repair swimming pools and spas;</i>• <i>Paint designated areas;</i>• <i>Repair and finish sheet rock;</i>• <i>Repair all types of wall coverings;</i>
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	<ul style="list-style-type: none"> • Attend meetings/training as required by management; • Perform other duties as requested by management.
Security Agent	<i>Job Summary: The Security Agent is responsible for maintaining a secure, peaceful and serene atmosphere inside the establishment, while providing attentive, courteous and efficient service to all guests.</i>
Security Agent	<p><u>Responsibilities:</u></p> <ul style="list-style-type: none"> • Must be able to convey information and ideas clearly; • Must be able to evaluate and select among alternative courses of action quickly and accurately; • Must work well in stressful, high pressure situations; • Must be effective in handling problems in the workplace, including anticipating, preventing, identifying and solving problems as necessary; • Must maintain composure and objectivity while under pressure; • Must be effective at listening to, understanding, and clarifying the concerns and issues raised by co-workers and guests.
Security Agent	<p><u>Duties:</u></p> <ul style="list-style-type: none"> • Approach all encounters with guests and employees in a friendly, service-oriented manner; • Maintain regular attendance in compliance with company standards, as required by scheduling which will vary according to the needs of the hotel; • Maintain high standards of personal appearance and grooming, which include wearing the proper uniform and nametag when working; • Comply at all times with company standards and regulations to encourage safe and efficient hotel operations; • Maintain a warm and friendly demeanor at all times; • Employees must at all times be attentive, friendly, helpful and courteous to guests, managers and fellow employees; • Perform preparatory tasks and side work duties to ensure that guests are served promptly and efficiently;

	<ul style="list-style-type: none"> • <i>Serve guests according to the hotel standards in a friendly, courteous, and professional manner;</i> • <i>Respond to guest problems, complaints and accidents;</i> • <i>Control the entrance of vehicles and people into the establishment;</i> • <i>Patrol and overview the hotel's CCTV system and monitors;</i> • <i>Report any suspicious activity to management and local authorities if necessary;</i> • <i>Take precautionary action when needed to protect the hotel and its employees and guests;</i> • <i>Maintain an organized schedule and chronogram of hotel activities and events;</i> • <i>Attend meetings/training as required by management;</i> • <i>Perform other duties as requested by management.</i>
<p><i>Housekeeping Maid</i></p>	<p><u><i>Job Summary:</i></u> <i>The Housekeeper is responsible for maintaining clean and attractive guestrooms while providing attentive, courteous and efficient service to all guests.</i></p>
<p><i>Housekeeping Maid</i></p>	<p><u><i>Responsibilities:</i></u></p> <ul style="list-style-type: none"> • <i>Must be able to convey information and ideas clearly;</i> • <i>Must be able to evaluate and select among alternative courses of action quickly and accurately;</i> • <i>Must work well in stressful, high pressure situations;</i> • <i>Must be effective in handling problems in the workplace, including anticipating, preventing, identifying and solving problems as necessary;</i> • <i>Must be able to work with and understand financial information and data, and basic arithmetic functions;</i> • <i>Must be effective at listening to, understanding, and clarifying the concerns and issues raised by co-workers and guests.</i>
<p><i>Housekeeping Maid</i></p>	<p><u><i>Duties:</i></u></p> <ul style="list-style-type: none"> • <i>Approach all encounters with guests and employees in a friendly, service-oriented manner;</i>

	<ul style="list-style-type: none"> • <i>Maintain regular attendance in compliance with company standards, as required by scheduling which will vary according to the needs of the hotel;</i> • <i>Maintain high standards of personal appearance and grooming, which include wearing the proper uniform and nametag when working;</i> • <i>Comply at all times with company standards and regulations to encourage safe and efficient hotel operations;</i> • <i>Maintain a warm and friendly demeanor at all times;</i> • <i>Employees must at all times be attentive, friendly, helpful and courteous to guests, managers and fellow employees;</i> • <i>Thoroughly clean guestrooms according to standards;</i> • <i>Complete all pre-cleaning duties, including but not limited to, guest supplies, cleaning supplies, and linen for housekeeping cart set-up;</i> • <i>Remove all trash and dirty linen from guestrooms and hallways;</i> • <i>Keep all hallways, public areas and closets clean, neat and vacuumed (if applicable.);</i> • <i>Restock housekeeping cleaning cart for next day's use;</i> • <i>Replenish chemical bottles;</i> • <i>Clean room with the door closed according to standards, unless requested to do otherwise by the guest;</i> • <i>Report all missing items from room (i.e., irons/boards, hair dryers, etc.) to Housekeeping Supervisor/Manager;</i> • <i>Report all maintenance repairs immediately to Housekeeping Supervisor;</i> • <i>Handle items for "Lost and Found" according to the standards;</i> • <i>Attend meetings/training as required by management;</i> • <i>Perform other duties as requested by management.</i>
<p>Housekeeping Inspector</p>	<p><u>Job Summary:</u> <i>The Housekeeping Inspector is responsible for maintaining high standards of clean and attractive guestrooms while providing attentive, courteous and efficient service to all guests. Essentially, the Housekeeping Inspector performs the duties and has the responsibilities of a typical housekeeper, but is given an additional</i></p>

	<i>responsibility to revise other housekeepers' cleaning in order to maintain strong cleanliness quality.</i>
Laundry Attendant	<i><u>Job Summary:</u> The Laundry Attendant is responsible for washing, ironing, folding and distributing all soiled linens, towels, napkins and tablecloths.</i>
Laundry Attendant	<p><i><u>Responsibilities:</u></i></p> <ul style="list-style-type: none"> • <i>Must be able to convey information and ideas clearly;</i> • <i>Must be able to evaluate and select among alternative courses of action quickly and accurately;</i> • <i>Must work well in stressful, high pressure situations;</i> • <i>Must maintain composure and objectivity under pressure.</i>
Laundry Attendant	<p><i><u>Duties:</u></i></p> <ul style="list-style-type: none"> • <i>Approach all encounters with guests and employees in a friendly, service-oriented manner;</i> • <i>Maintain regular attendance in compliance with company standards, as required by scheduling which will vary according to the needs of the hotel;</i> • <i>Maintain high standards of personal appearance and grooming, which include wearing the proper uniform and nametag when working;</i> • <i>Comply at all times with company standards and regulations to encourage safe and efficient hotel operations;</i> • <i>Maintain a warm and friendly demeanor at all times;</i> • <i>Employees must at all times be attentive, friendly, helpful and courteous to guests, managers and fellow employees;</i> • <i>Understand operation of washing machines and dryers;</i> • <i>Load and unload washes according to standards;</i> • <i>Wash and dry all dirty linens, towels, and rags;</i> • <i>Sort all hotel linen according to type, color and size;</i> • <i>Pre-treat all stained linen before washing;</i> • <i>Clean dryer filter daily and maintain all equipment as trained;</i>

	<ul style="list-style-type: none">• <i>Operate iron as per standard and ensure that it is shut off at the end of the day;</i>• <i>Sweep and mop laundry floors, storing all linens off the floor;</i>• <i>Fold towels and linens;</i>• <i>Remove and sort dirty linens and towels from laundry carts;</i>• <i>Keep laundry carts clean and free of debris;</i>• <i>Maintain a clean work area;</i>• <i>Sort clean laundry according to type and load carts;</i>• <i>Attend meetings/training as required by management;</i>• <i>Perform other duties as requested by management.</i>
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ANNEX 12: FAIRFIELD INN AND SUITES BY MARRIOTT MEDELLÍN BLUEPRINTS

1 *Lateral View - West*
1 : 75

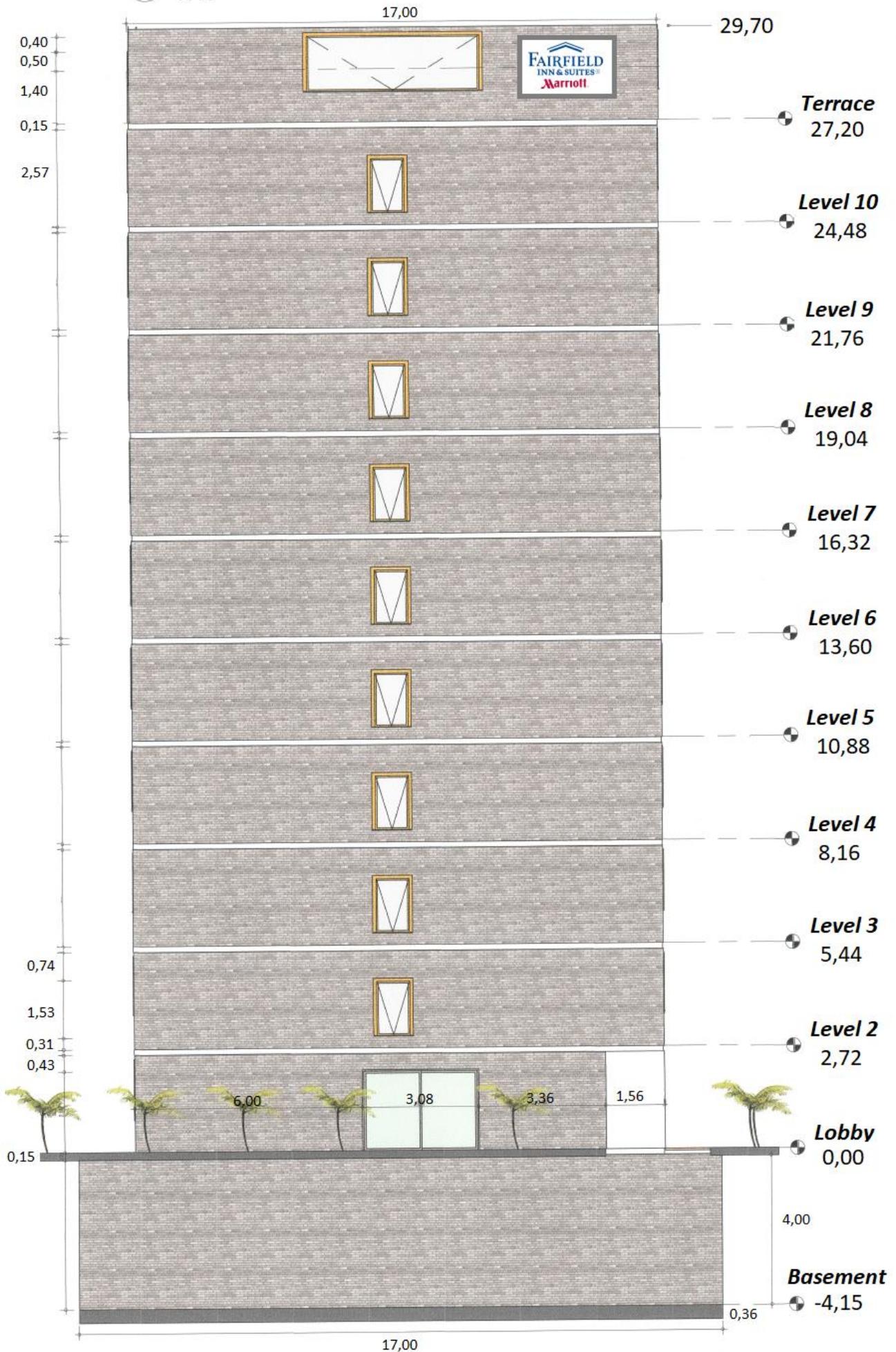
Note: The Fairfield Inn & Suites brand is a registered trademark of Marriott International, Inc.



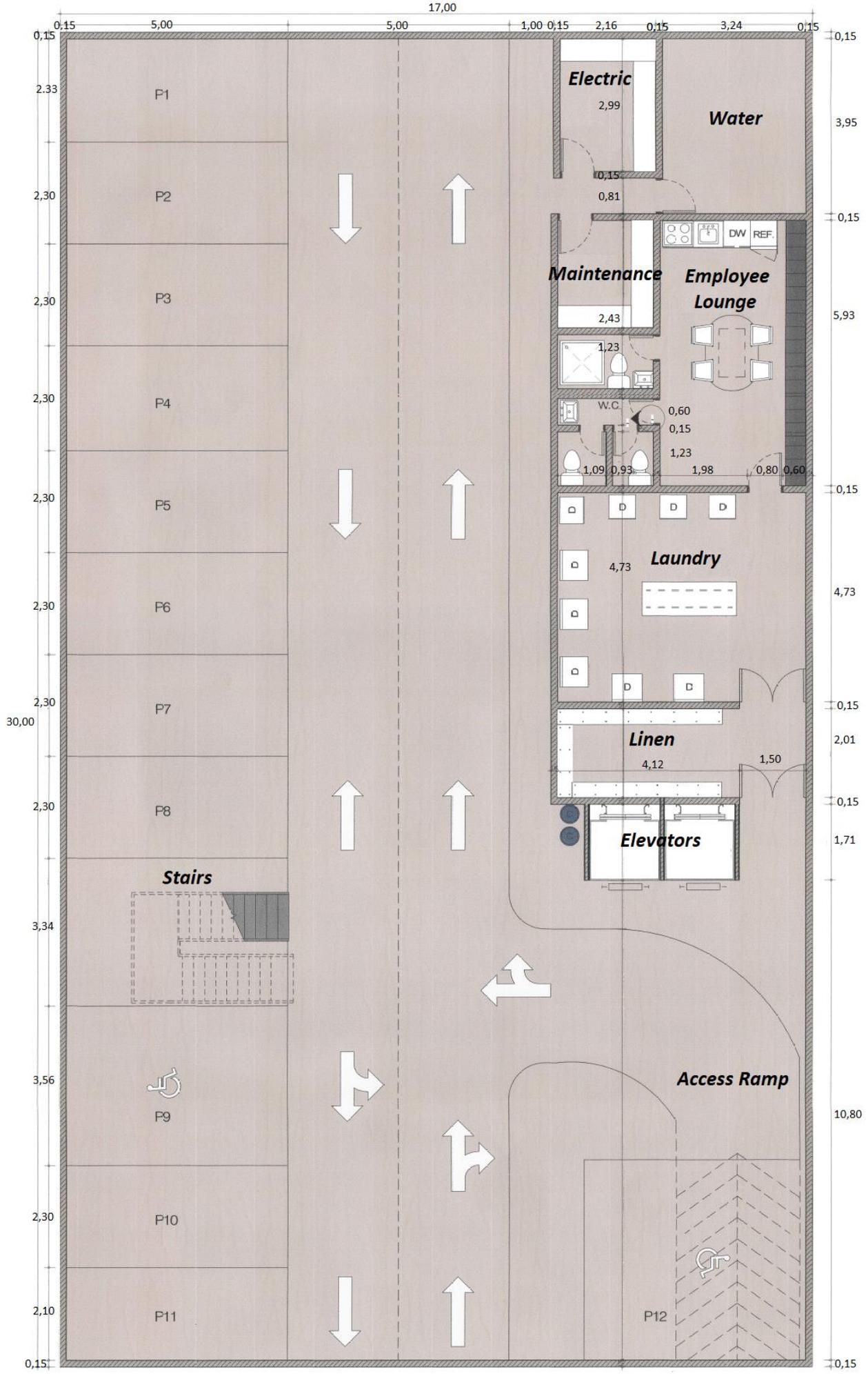
30,00

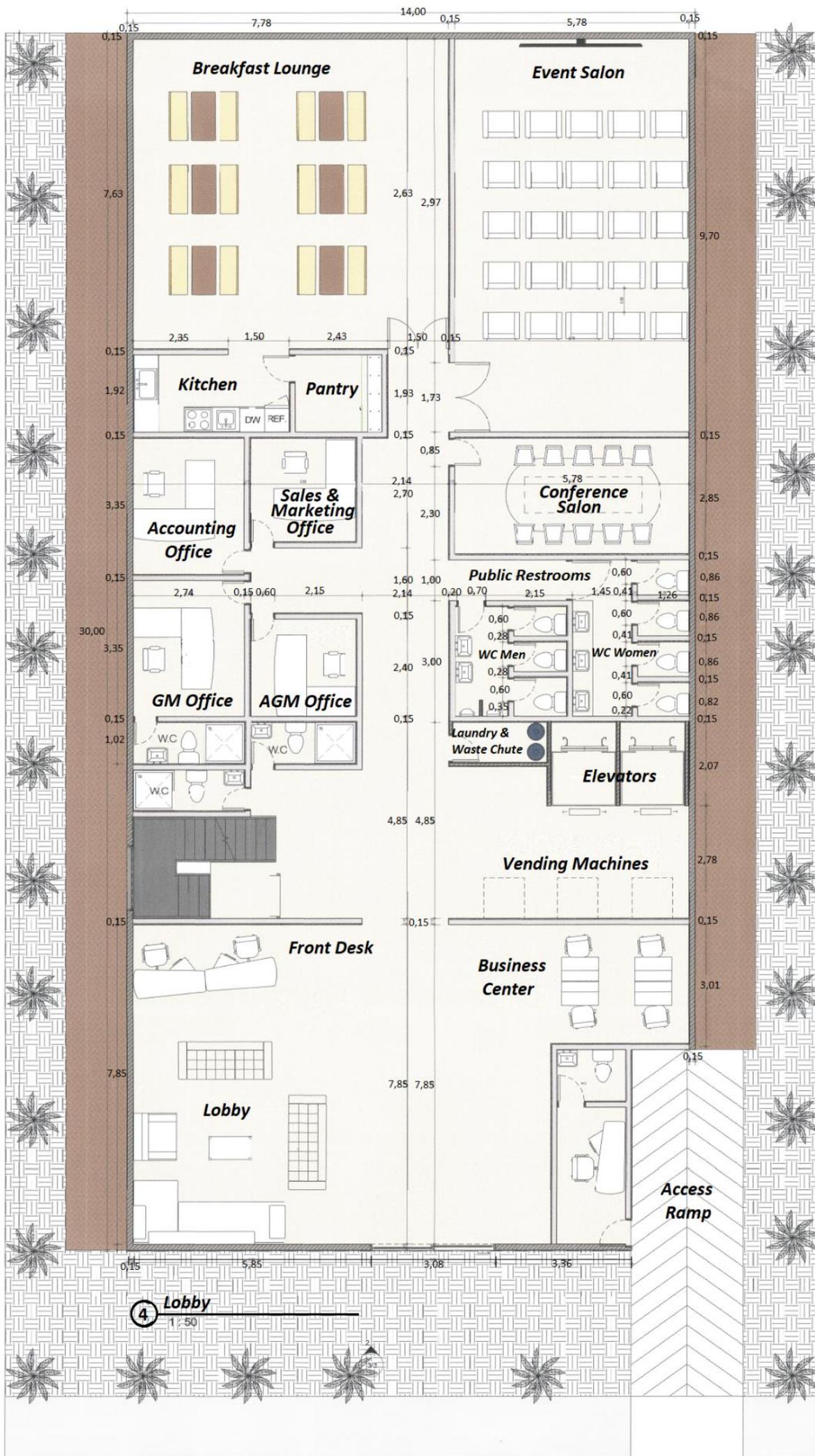
2 Frontal View - South

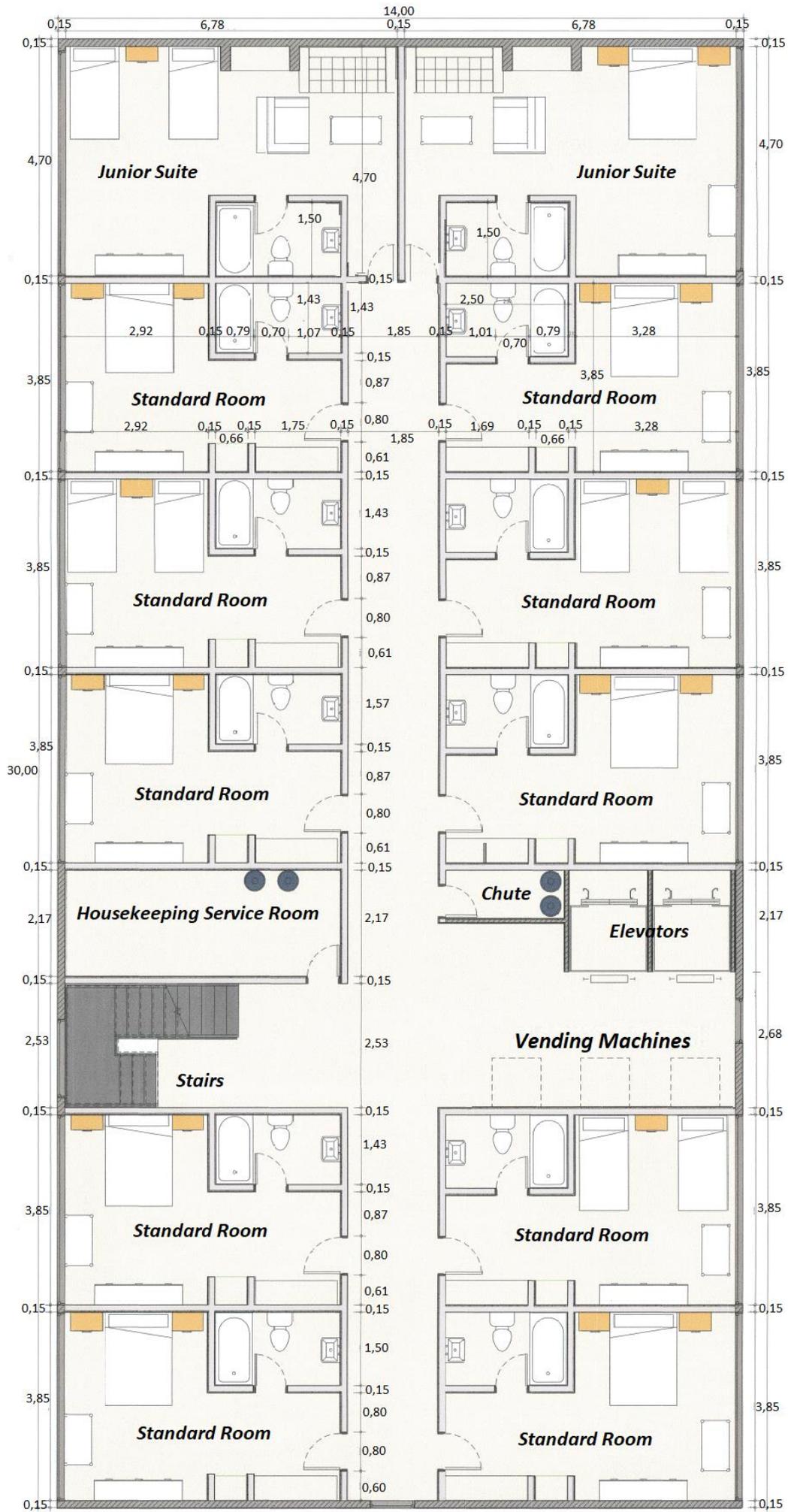
1:75



Note: The Fairfield Inn & Suites brand is a registered trademark of Marriott International, Inc.



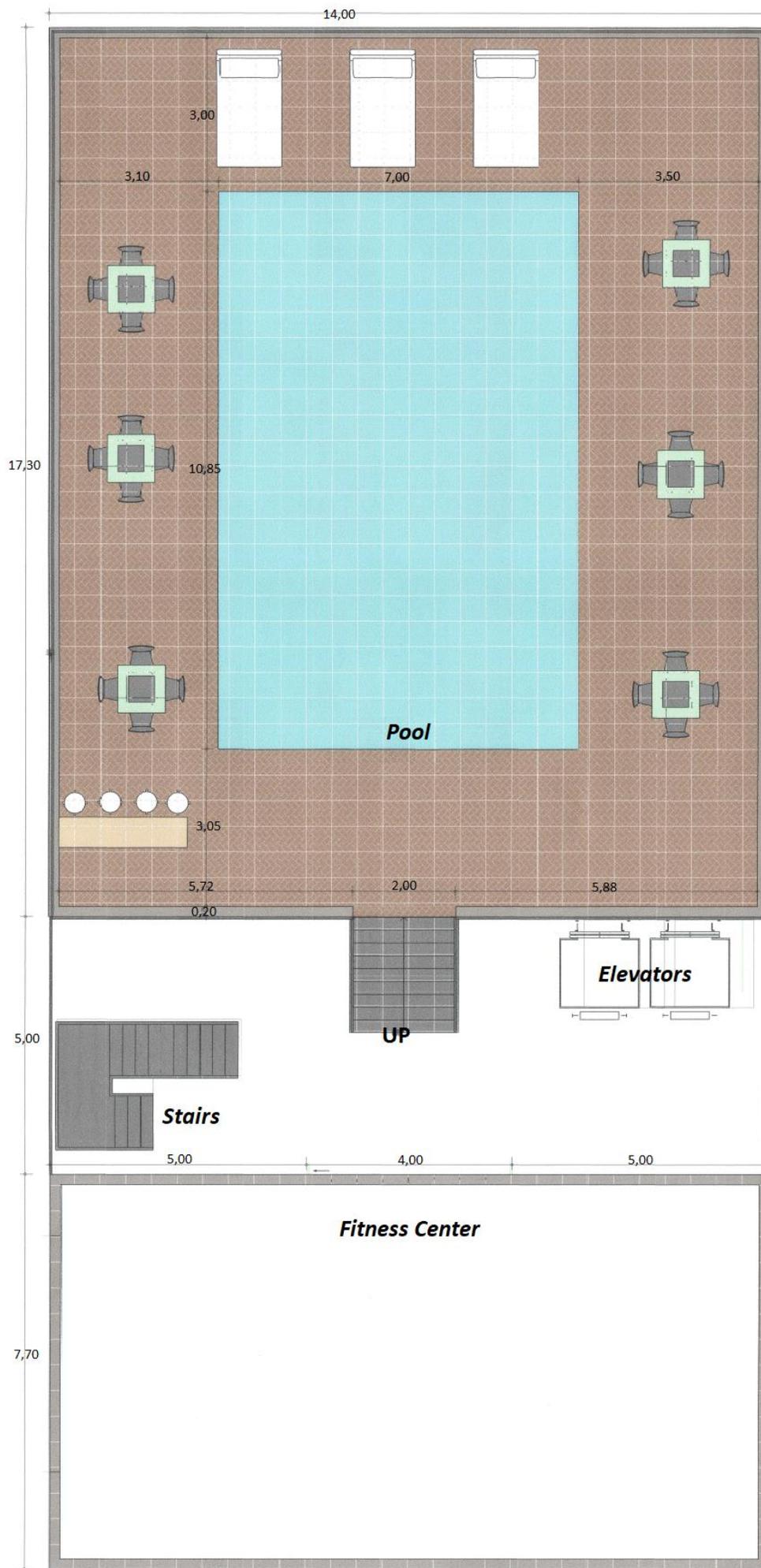




6

Terrace

1 : 50



ANNEX 13: MATRIX OF APPLICABLE LEGAL REQUIREMENTS

LEGAL REQUISITE	FACTOR	MANAGEMENT SUPPORT	LEGAL ASPECT	PARAMETERS	COST
<p>Law 14 of 1983, modified by Law 75 of 1986, by which the tax authorities of the territorial entities are strengthened and other provisions are enacted.</p> <p>The Congress of Colombia. Refer to National Decree 2879 of 2001, and the Failure of the Council of State 16255 of 2008: CHAPTER I Rules on Cadaster, Property Tax.</p>	TAXES	Property Tax, Industry and Commerce Tax	Accounting.	Annual liquidation, with expiration within the third quarter of the following year, according to the tax identification number. Invoice issued by Medellín's City Hall, Municipal Treasury.	<p>Property Tax: 0,7% of the building property's market valuation.</p> <p>Industry and Commerce Tax: Depends on ISIC (CIU) code (5511). 1,38% of total income (minus appropriate deductions) obtained in the annual taxable period.</p>
<p>Law 1607 of 2012 Regulated by National Decree 2763 of 2012, and National Decree 862 of 2013, Partially Regulated by National Decree 803 of 2013, National Decree 568 of 2013, National Decree 1793 of 2013, National Decree 1794 of 2013, National Decree 2418 of 2013, and Regulated by National Decree 2701 of 2013, Whereby tax regulations are issued and other provisions are issued.</p>	TAXES	Income Tax and Complementary – Surtax over Income Tax and Complementary (For companies with liquid income superior to COL\$ 800.000.000) - Consumption Tax - Sales Tax (IVA - Impuesto al Valor Agregado)	Accounting.	Income Tax and Complementary: Annual liquidation, with expiration within the third quarter of the following year, according to the tax identification number.	<p>Income Tax and Complementary: 33% over NOI; Surtax over Income Tax and Complementary: 4% over NOI; Consumption Tax: 8% of sales related to F&B; Sales Tax (IVA): 19% of sales.</p>
<p>Decree 410 of 1971, "Official Gazette No. 33,339 of June 16, 1971" Whereby the Commercial Code is issued.</p> <p>(TITLE VIII Criteria of the Hosting Contract)</p>	COMMERCIAL/ MERCHANT REGISTRY (REGISTRO MERCANTIL)	Natural society with establishment of commerce, Legal Status of the Simplified regimen. Chamber of Commerce, Commercial Registry.	Accounting.	Annual Renovation.	Depends on company assets (Approximate Annual Renovation Cost: COL\$ 1.907.000 - COL\$ 1.915.000)

Law 1558 of 2012 Law of Tourism, By which the law 300 of 1996 is modified.	NATIONAL TOURISM REGISTRY (RNT)	Inscription and renovation in the RNT.	Commercial.	Annual Renovation; No inscription or renovation cost in the Medellín Chamber of Commerce. Applicable sanction if not renewed annually before March 31.	
Law 23 of 1982, Copyrights - Decree 1879 of 2008, By which Law 232 of 1995 is regulated, Article 27 of Law 962 of 2005, Articles 46, 47 and 48 of Decree Law 2150 of 1995 and other provisions are dictated.	COPYRIGHT	Copyright Payment to Sayco and Acinpro. (Cotelco Agreement 2015)	Commercial.	Annual payment. Clarifying Notes: In the programming of events where musical works are used or reproduced, the accounting department must be consulted copyright use.	Approximate copyright payment of COL\$ 2.200.000 per year for a hotel of stratum 6 in the commune of El Poblado that presents TVs, Radios, Computers, Ambient Music, MP3 and MP4 player, and Large Screen and/or Video beam.
Commercial Code - Decree 1879 of 2008, Whereby Law 232 of 1995, Article 27 of Law 962 of 2005, Articles 46, 47 and 48 of Decree Law 2150 of 1995 are regulated and other provisions are issued.	DISPLAY OF DOCUMENTS WITHIN THE ESTABLISHMENT	Documentary requirements for inauguration and operation of lodging establishments: Merchant Registry, RNT and Copyright.	Commercial.	<p>a) Current Merchant Registration issued by the Medellín Chamber of Commerce;</p> <p>b) Proof of payment issued by the legally competent authority, in accordance with the provisions of Law 23 of 1982 and other complementary regulations, when protected musical works are publicly exhibited within the establishment;</p> <p>c) National Registry of Tourism (RNT), in the case of tourism service providers referred to in article 13 of Law 1101 of 2006.</p> <p>Paragraph. The owner of the establishment may be sanctioned by the competent control authority, if he/she does not present the documents referred to in this article.</p>	
Commercial Code, Decree 410 of 1971: Chapter V, Insurance Contract - Present civil and hotel liability insurance.	INSURANCE POLICIES	Hotel insurance, liability policies.	Commercial.	Respective Accounting payments to an insurance company, covering the hotel property in case of a calamity and guests, covering any bodily accident, death, total, partial or temporary incapacity, directly and exclusively for injuries or injuries caused by the sudden and violent fortuitous action of an outside force, regardless of the will of the insured or the beneficiaries of the policy.	
Law 1480 of 2011, By means of which the Consumer Statute is	CONSUMER STATUTE	To inform users and consumers of the policies and guidelines for the	Commercial.	Integration of consumer and user rights and duties, which are contained in Article 3 of this law, in the hotel's service policies.	

<p>issued and other provisions are issued.</p>		<p>provision of hotel services, the mechanism for such objective is defined by the hotel.</p>		
<p>Decree 4000 of 2004, By which provisions are issued on the issuance of visas, control of foreigners and other provisions are issued regarding migration.</p> <p>Decree 4062 of 2011: Migration Colombia, Resolution 1804 of 2014: Information System for the Report of Foreigners – SIRE (Sistema de Información para el Reporte de Extranjeros)</p>	<p>CONTROL OF FOREIGNERS</p>	<p>Registration book for foreign tourists and sending foreigner information via email.</p>	<p>Migration and Customs.</p>	<p>Entry of information by immigration office application with assigned individual key, or the sending of information via fax or email.</p>
<p>Law 300 of 1996, Article 40, requires the Para fiscal contribution for tourism promotion purposes. The contribution is 2.5 per thousands of operational income and must be provided quarterly.</p> <p>(Decree 504 of 1997 and Decree 2074 of 2003: Regulates the National Registry of Tourism)</p> <p>Article 40, 61, 63 72 - Article 11, 17, 22, 33, 34 - Article 11, 18.</p>	<p>PARAFISCAL CONTRIBUTION</p>	<p>Tourist Promotion Fund Format (State: _ Canceled_ Not Canceled_)</p> <p>Regulation of the National Tourism Registry (RNT) for lodging establishments:</p> <p>-Validity: Annual; must be updated between January 1 and April 30 of each year, with an update request filed with the Ministry of Commerce, Industry and Tourism, no later than April 30 of each year.</p> <p>- Original copy must be exhibited in visible place.</p>	<p>Tourism.</p>	<p>Para fiscal contribution under the conditions updated by law 1101 of 2006; The providers of tourist services must be registered in the National Tourism Registry (RNT), for its operation.</p> <p>The Para fiscal contribution is paid online in the FONTUR website every three months.</p>
<p>Law 1336 of 2009, By means of which Law 679 of 2001/Resolution 3840 of 2009 is added and strengthened, and by means of which the Code of Conduct is</p>	<p>SEXUAL EXPLOITATION OF MINORS</p>	<p>Adoption of the Code of Conduct as a measure to counteract the commercial sexual exploitation of</p>	<p>Tourism.</p>	<p>Must be known, understood and signed by all hotel staff.</p>

<i>adopted: Campaign to counteract the sexual exploitation of minors in the context of travel and tourism.</i>		<i>children and adolescents.</i>		
<i>Law 1329 of 2009, by means of which Title IV of Law 599 of 2000 is modified and other provisions are issued to counteract the commercial sexual exploitation of children and adolescents.</i>	SEXUAL EXPLOITATION OF MINORS	<i>Sensitization for the prevention of sexual exploitation of minors.</i>	<i>Tourism.</i>	<i>Free training with public forces (National Police, Tourism Police)</i>
<i>RESOLUTION 01677 OF 2008, by which the activities considered as worst forms of child labor are indicated and the classification of dangerous activities and work conditions harmful to the health and physical or psychological integrity of persons under 18 years of age is established.</i>	CHILD LABOR EXPLOITATION	<i>Prevention campaigns, means of information on the current applicable regulations related to child labor exploitation, awareness and training.</i>	<i>Labor.</i>	<i>Add appropriate clauses banning child labor to the labor contract models.</i>
<i>Law 15 of 1925: Child Labor Exploitation.</i>	CHILD LABOR EXPLOITATION	<i>Awareness, manifest commitment of the organization, prevention campaigns and dissemination on the applicable legislation.</i>	<i>Labor.</i>	<i>Add appropriate clauses banning child labor to the labor contract models.</i>
<i>Sectoral Technical Standard of Sustainable Tourism, NTS TS 002: Sustainability requirements for accommodation and lodging establishments.</i>	SUSTAINABILITY	<i>Sustainable management system.</i>	<i>Tourism.</i>	<i>Required for annual RNT renovation.</i>
<i>Colombian Technical Standard 5133: Colombian Environmental Label, Type 1: Criteria for Accommodation and Lodging Establishments.</i>	SUSTAINABILITY	<i>Sustainable management system.</i>	<i>Tourism.</i>	<i>OPTIONAL. The Compliance of the NTS TS 002 At the highest level of sustainability allows for the obtaining of the Colombian Environmental Seal, from authorized certification bodies.</i>

<i>Strategic Plan for Green Markets. (2002)</i>	<i>PURCHASING</i>	<i>Green markets strategic plan.</i>	<i>Sustainability.</i>	<i>Establish criteria for sustainable purchases.</i>
<i>Resolution 1555 of October 20, 2005, By means of which the use of the Colombian Environmental Seal is regulated.</i>	<i>ENVIRONMENTAL SEAL</i>	<i>Regulation of the Colombian Environmental Seal.</i>	<i>Sustainability.</i>	<i>Applies only to the granting of the Colombian environmental seal.</i>
<i>Resolution 0830 - May 22, 2008, By which a certification body is authorized to grant the right to use the Colombian Environmental Seal.</i>	<i>ENVIRONMENTAL SEAL</i>	<i>Colombian Environmental Seal.</i>	<i>Sustainability.</i>	<i>Principles and guidelines to obtain the Colombian environmental seal.</i>
<i>Resolution 0148 of January 19, 2015, By means of which the compliance with the Technical Quality Standards issued by the Sectoral Standardization Units on Tourism Sustainability is regulated.</i>	<i>NATIONAL TOURISM REGISTRY (RNT)</i>	<i>Management system for sustainability (NTS TS 002).</i>	<i>Sustainability.</i>	<i>Required for annual RNT renovation.</i>
<i>Resolution 3860 of 2015, by which the compliance with the Sectoral Technical Standards issued by the Sectoral Standardization Units for the activities of the so-called Adventure Tourism and Tourism Sustainability is regulated. TITLE II</i>	<i>NATIONAL TOURISM REGISTRY (RNT)</i>	<i>Management system for sustainability (NTS TS 002).</i>	<i>Sustainability.</i>	<i>Required for annual RNT renovation.</i>
<i>Law 388 of 1997, The Organic Law of Territorial Organization - Basic Plan of Territorial Organization (P.B. O.T). Requirements on land uses. Article 3º.- Public function of urbanism.</i>	<i>TERRITORIAL ORDER</i>	<i>For certificate on land use.</i>	<i>PBOT.</i>	<i>Clarifying Notes: It is one of the requirements to operate as a Commercial Establishment according to the Territorial Ordering Plan, assuming no changes are made to the structure.</i>
<i>Agreement 46 of 2006, By which the Land Management Plan for the Municipality of</i>	<i>TERRITORIAL ORDER</i>	<i>Land use, auditory intensity, time, location and destination issued</i>	<i>PBOT.</i>	<i>Changes in land use and for delimitation of areas on the property.</i>

<i>Medellín is reviewed and adjusted and other provisions are issued.</i>		<i>by the competent authority of the respective municipality.</i>		<i>Must guarantee that the land use by its owners is adjusted to the social function of the property and allows the constitutional rights to housing and home public services to be effective, and to ensure the creation and defense of public space, etc.</i>
<i>Law 63 of 1986, Approves the treaty that prohibits the import, export and illegal transfer of cultural property.</i>	CULTURAL GOODS	<i>Speakers, Hotel registration card.</i>	<i>Socio-Cultural.</i>	<i>Control measures for the prevention and fight against the illegal traffic of goods of cultural interest.</i>
<i>Law 397 of 1997, Prevention and protection of the Cultural Heritage of the Nation of a material nature and the Special Regime for the Protection of Property of Cultural Interest.</i>	CULTURAL GOODS	<i>Speakers, Training record.</i>	<i>Socio-Cultural.</i>	<i>Control measures for the prevention and fight against the illegal traffic of goods of cultural interest.</i>
<i>Law 747 of 2002, By means of which reforms and additions are made to the Penal Code (Law 599 of 2000), the criminal type of trafficking in persons is created and other dispositions are dictated.</i>	SOCIAL RESPONSABILITY	<i>Conference about applicable legal requirements.</i>	<i>Socio-Cultural.</i>	<i>Legal provisions on trafficking of migrants and crimes for criminal acts of trafficking in persons.</i>
<i>Law 1482 of 2011: Crimes for racism, discrimination or sexual orientation can generate penalties between 12 and 36 months in prison; Sentence T-282/11: The Indigenous Communities are defined as subjects of special constitutional protection and holders of fundamental rights.</i>	SOCIO-CULTURAL	<i>Speakers.</i>	<i>Socio-Cultural.</i>	<i>The purpose of this law is to guarantee the protection of the rights of a person, group of people, community or people, which are violated through acts of racism or discrimination.</i>
<i>Law 9 of 1979, By which sanitary measures are dictated. (Art-260 to 262)</i>	SANITARY MEASURES	<i>Good Manufacturing Practices Guide (BPM)</i>	<i>Sanitary Measures.</i>	<i>Adequacy of warehouses for storage of inputs. (Adjust the storage of food, separated from the cleaning supplies). Art-260: The storage of dangerous substances in kitchens or spaces where</i>

		<p><i>Guide to good hygiene and health practices.</i></p> <p><i>Procedure for the storage of chemical products and dangerous substances.</i></p>		<p><i>food or drink is produced, produced, stored or packaged is prohibited.</i></p> <p><i>Art-261: In commercial establishments, activities related to food or beverages, such as fractioning, processing, storage, packing and selling, must be carried out in areas that do not present a danger of contamination for the products</i></p>
<p><i>LAW 99 OF 1993, By which the Ministry of the Environment is created, the Public Sector in charge of the management and conservation of the environment and renewable natural resources is reordered, the National Environmental System, SINA, is organized.</i></p>	ENVIRONMENTAL	<p><i>General Environmental Law.</i></p>	Environment.	<p><i>The country's biodiversity, because it is a national heritage and of interest to humanity, should be protected as a priority and used in a sustainable manner.</i></p>
<p><i>Decree 2811 of December 18, 1974, By which the National Code of Renewable Natural Resources and Protection of the Environment is issued. National code of natural resources. (Art. 34 and 36)</i></p>	ENVIRONMENTAL EDUCATION	<p><i>Environmental sustainability programs.</i></p>	Environment.	<p><i>Training in environmental education for the conservation of natural resources, environmental interpretation, solid waste management, etc.</i></p>
<p><i>LAW 17 OF 1981 (January 22) Approving the Convention on International Trade in Endangered Species of Wild Fauna and Flora, signed in Washington, D.C. on March 3, 1973.</i></p>	FAUNA AND FLORA	<p><i>Hotel registry.</i></p>	Environment.	<p><i>Regulation of Trade in specimens of Species of fauna and flora (Permits and certificates):</i></p> <p><i>The import, export and re-export of any specimen of a species included in Appendix I, Appendix II, Appendix III of this standard, will require the prior granting and presentation of an import permit and an export permit or re-export certificate. The import permit will only be granted once the requirements of ARTICLE III (Trade Regulations in specimens of Species included in Appendix I, Appendix II, Appendix III) have been met. ARTICLE XIII - International Measures.</i></p>
<p><i>RESOLUTION 1263 OF 2006, By which the procedure is established and the</i></p>	FAUNA AND FLORA	<p><i>Procedures and requirements to obtain import, export or re-export permits</i></p>	Environment.	<p><i>Present the corresponding permits and certificates for the activities of import, export or re-export of wild fauna and flora species – CITES.</i></p>

<p>value is established to issue the permits referred to in the Convention on International Trade in Endangered Species of Wild Fauna and Flora - CITES-, and other provisions are issued. It contains regulations on import and export of specimens or products of wildlife, and provides that the interested party in these activities must obtain the corresponding permit.</p>		<p>for wild fauna and flora species.</p>		
<p>Law 1453 of 2011. Art. 328: Any person who, in breach of existing regulations, introduces, exploits, transports, trades, trades, exploits or benefits from specimens, products or parts of the faunal, forest, floristic resources of threatened species or in the process of extinction or genetic resources, will incur a prison term of two (2) to five (5) years and a fine of up to ten thousand (10,000) minimum monthly legal salaries in force.</p>	<p>FAUNA AND FLORA</p>	<p>Hotel registration, commitment compliance with legal requirements by the guest.</p>	<p>Environment.</p>	<p>Illegal traffic of flora and fauna: The specimen will be confiscated and handed over to the environmental authorities, the trafficker will be penalized according to the decree on animal protection and the environment.</p>
<p>Law 697 of 2001, By means of which the rational and efficient use of energy is encouraged, the use of alternative energies is promoted and other provisions are dictated.</p>	<p>ENERGY</p>	<p>Efficient use of energy program.</p>	<p>Environment.</p>	<p>Use of electric power, Establishment of non-conventional energy sources.</p>
<p>Decree 3102 of 1997 - Art. 2, 6: By which Article 15 of Law 373 of 1997 is regulated in relation to the installation of equipment, systems and implements of low water consumption.</p>	<p>WATER</p>	<p>Installation of low water consumption equipment.</p>	<p>Environment.</p>	<p>The equipment, systems and implements of high consumption currently in use should be replaced by low consumption ones.</p>

<i>Law 373 of 1997, By which the program for the efficient use and saving of water is established.</i>	WATER	<i>Efficient water use program.</i>	<i>Environment.</i>	<i>Adopt plans and programs related to the rational and efficient use of water.</i>
<i>Decree 1594 of 1984: Regarding uses of water and liquid waste.</i>	WATER AND SEWER	<i>Environmental sustainability programs.</i>	<i>Environment.</i>	<i>Art. 86: All construction, concentration of buildings or urban, tourist or industrial development located outside the coverage area of the public sewer system, must be equipped with collection systems and treatment of liquid waste.</i>
<i>Decree 3930 of 2010 - Articles 9, 10, 24, By which Part I of the Law 9 of 1979 is partially regulated, as well as Chapter II of Title VI - Part III - Book II of Decree-Law 2811 of 1974 in terms of water uses and liquid waste and other provisions are dictated.</i>	WATER AND SEWER	<i>Environmental sustainability programs.</i>	<i>Environment.</i>	<i>Art. 38: Obligation of the subscribers and/or users of the public sewer service provider. Subscribers and / or users in whose property or property is required to provide the commercial, industrial, official and special service by the provider of the public sewer service, which is dealt with in article 3 of Decree 302 of 2000 or the rule that modifies, adds or replaces it, are obliged to comply with the current dumping norm. (consult Decree 0631 of 2015)</i>
<i>Resolution 0631 of March 17, 2015, By which the parameters and maximum permissible limit values are established in the punctual discharges to superficial bodies of water and to the public sewer systems and other dispositions are dictated.</i> <i>Must comply with the maximum limit parameters for the sector of industrial, commercial or service activities that generate Domestic Wastewater.</i>	SEWER	<i>Vouchers and certificates on the fats and oils recycling program.</i> <i>Certificate of final disposal of wastewater extracted from the grease trap.</i>	<i>Environment.</i>	<i>Control discharges of fats and oils and other contaminants derived from chemical products used in the framework of the provision of commercial services and other activities.</i>
<i>Resolution 0627 of 2006 - Art. 9, By which the national norm of emission of noise and environmental noise is established. (Sector B) Tranquility and Moderate Noise (Residential areas or exclusively destined for</i>	ATMOSPHERIC (Environmental noise)	<i>Program reduction of auditory, visual and atmospheric contamination.</i>	<i>Environment.</i>	<i>Control of noise emissions (sector B) accommodation and lodging establishments.</i>

<p>housing development, hotels and lodges) Standards.</p> <p>Maximum allowable levels of noise emission for lodging establishments, in db (decibels):</p> <p>Day 65 db; Night 55 db.</p>				
<p>Decree 2981 of 2013, By which the provision of the public cleaning service is regulated. (Articles 17 - 20, 22, 27 - 30, 81, 82, 83, 84.)</p>	SOLID WASTE	Solid Waste Management Program.	Environment.	Compliance with basic standards regarding containers, internal transport and non-special solid waste storage sites. (Content of the waste management plan)
<p>Decree 440 of 2009, Through which the manual for integrated solid waste management (PMIRS) of the Valley of Aburrá Metropolitan Area is adopted. (Articles 1 - 4, 5, 7, 8)</p>	SOLID WASTE	Comprehensive Solid Waste Management Plan.	Environment.	<p>Adopt the guidelines for the integral management of solid waste in the Metropolitan Area of the Valley of Aburrá.</p> <p>Annual Report and Consolidation of Solid Waste Generation, It should be done taking into account the generation by type of waste and the management carried out to them.</p>
<p>Decree 838 of 2005, by which Decree 1713 of 2002 on final disposal of solid waste is modified and other provisions are issued.</p>	SOLID WASTE	Certificates of final disposal of solid waste.	Environment.	Environmental sustainability program for solid waste management.
<p>Decree 357 of 1997, By which the management, transportation and final disposal of debris and construction materials is regulated Article 2. It is prohibited to throw, occupy, unload or store debris and construction materials in areas of public space.</p>	SPECIAL WASTE	Comprehensive solid waste management program.	Environment.	Control and adequate disposal of special waste.
<p>GTC 24: Environmental management, Solid waste: Guide for separation at the source.</p>	SOLID WASTE	Solid Waste Management Program.	Environment.	Criteria for separation at source.

<p><i>Decree 4741 of 2005, By which the prevention and management of waste or hazardous waste generated within the framework of integral management is partially regulated.</i></p>	<p>SOLID WASTE</p>	<p><i>Solid Waste Management Program.</i></p>	<p><i>Environment.</i></p>	<p><i>Management and integral management of waste or hazardous waste.</i></p> <p><i>Establish obligations, with respect to the classification, characterization, labeling, packaging, handling, disposal, delivery and registration of information on solid waste generated within the establishment.</i></p>
<p><i>Resolution 351 of 2014, Chapter III - Chapter V, by which the integral management of waste generated in health care and other activities is regulated.</i></p>	<p>DANGEROUS RESIDUES</p>	<p><i>Integral management of waste.</i></p>	<p><i>Environment.</i></p>	<p><i>TITLE III (Obligations of the generator):</i></p> <ul style="list-style-type: none"> - <i>Have a comprehensive management plan for the waste generated;</i> - <i>Train the personnel in charge of the integral management of the waste generated, in order to prevent or reduce risks to health and the environment, as well as provide the necessary personal protection elements for the handling of these;</i> - <i>Comply with the worker safety and health regulations that may apply;</i> - <i>Comply with the provisions of Decree 1609 of 2002 when sending hazardous waste to be transported;</i> - <i>Deliver the waste duly packaged, packaged and labeled to the transporter in accordance with the provisions of current regulations;</i> - <i>Keep the collection vouchers that are given to you by the hazardous waste transporter, up to a term of five (5) years;</i> - <i>Keep the storage, use, treatment and/or disposal certifications for up to five (5) years.</i>
<p><i>Law 55 of 1993 - Articles 7, 8, 11 Approval of Convention No. 170 and recommendation number 177 on safety in the use of chemical products in the workplace. Adopted by the 77th Meeting of the General Conference of the ILO, Geneva, 1990.</i></p>	<p>CHEMICAL PRODUCTS</p>	<p><i>Regulations on the handling of chemical products.</i></p> <p><i>GHG emission management.</i></p>	<p><i>Environmental.</i></p>	<p><i>Safe handling of chemical products;</i></p> <p><i>Handling, storage, safety data sheets, employers' responsibility;</i></p> <p><i>Responsibility of suppliers, etc.</i></p>

<p>Law 84 of 1989, Whereby the National Statute for the Protection of Animals is adopted and contraventions are created and regulations regarding its procedure and competence are regulated.</p>	<p>FAUNA AND FLORA</p>	<p>Campaigns against the hunting and illicit trafficking of flora and fauna species.</p>	<p>Environmental.</p>	<p>N/A.</p>
<p>Decree 1608 of 1978, By which the National Code of Renewable Natural Resources and Protection of the Environment and Law 23 of 1973 is regulated regarding wildlife. Hunting, or having as a pet, any of these species is illegal.</p>	<p>FAUNA AND FLORA</p>	<p>Speakers, Hotel Registry.</p>	<p>Environmental.</p>	<p>Clarifying Notes: In some cases the prohibition is excepted, as long as the corresponding permits granted by the competent environmental authority Inderena or the regional autonomous corporations (CAR – Corporación Autónoma Regional) corresponding to the area of jurisdiction are submitted.</p>
<p>Law 1333 of the year 2009, By which the environmental sanctioning procedure is established. (TITLE II - TITLE VI)</p>	<p>FAUNA AND FLORA</p>	<p>Speakers, Legal requirements by areas, commitment of guests and employees.</p>	<p>Environmental.</p>	<p>N/A.</p>
<p>Law 361 - February 7, 1997. Mechanisms of social integration of people with limitations are established and other provisions are issued. CHAPTER IV, On labor integration. (Art. 22 to 34; Art. 43 to 46; Art. 47 to 58)</p>	<p>SPECIAL AND DISABLED COMMUNITIES</p>	<p>Socio-Cultural sustainability programs. Improvement of service quality.</p>	<p>Accessibility.</p>	<p>For the purposes of this law, accessibility is understood as the condition that allows, in any space, interior or exterior environment, the easy and safe movement of the population in general, and the reliable and safe use of installed services. In these environments, physical barriers are understood to be all those obstacles, irregularities and physical obstacles that limit or impede the freedom of movement of people, and by telecommunications, all emission, transmission or reception of signals, writings, images, signs, data or information of any nature, by wire, radio or other optical or electromagnetic systems. (Art. 22 to 34: About Labor Integration; Art. 43- to 46: About Accessibility; Art. 47 to 58: About the elimination of architectural barriers.) For every 25 rooms, there must be a suitable room for the disabled. (Take into account any infrastructure adjustments)</p>

Decree 1538 of 2005, by which Law 361 of 1997 is partially regulated. (Art. 09 -11 -12- 13)	SPECIAL AND DISABLED COMMUNITIES	Socio-Cultural sustainability programs. Improvement of service quality.	Accessibility.	Characteristics of buildings open to the public: For the design, construction or adaptation of buildings for public use in general, compliance with accessibility parameters that this decree addresses must be met: - Access to buildings; - Surroundings of the buildings; - Access to the interior of buildings for public use; - Reception or lobby spaces; - Accessibility in parking lots.
Decree 9119 of 1989: NATIONAL SYSTEM FOR THE PREVENTION AND ATTENTION OF DISASTERS. Risk prevention and emergency plan.	RISK MANAGEMENT	Emergency plan.	Health and Safety.	Implement emergency plan.
Degree 1072 of 2015, Through which the sole regulatory decree of the labor sector is issued.	HEALTH AND SAFETY	Occupational health and safety system.	Health and Safety.	Implement the occupational health and safety program.
Decree 1295 of 1994. (Risk Management), By which the organization and administration of the General System of Professional Risks is determined.	RISK MANAGEMENT	Procedures for risk management.	Health and Safety.	N/A.
RESOLUTION 1016 OF 1989, By which the organization, operation and form of the Programs of Occupational Health are regulated that the employers or employers in the country must develop.	HEALTH AND SAFETY	Occupational health and safety system.	Health and Safety.	N/A.
Law 9 of 1979, Whereby Sanitary Measures are issued. TITLE III OCCUPATIONAL	HEALTH AND SAFETY	Management and prevention of risks and occupational hazards.	Health and Safety.	Adopt effective measures to protect and promote the health of workers, by installing, operating and maintaining, in an efficient manner, the systems and

<p>HEALTH. (Articles 80, 81, 82 ---- 87, 88.)</p>		<p>Control measures.</p>		<p>control equipment necessary to prevent illnesses and accidents in the workplace.</p> <p>To receive the certificate, the hotel's fire extinguishers must meet the chemical component requirement.</p>
<p>Law 1575 of August 21, 2012, Article 42, gives direct powers to fire departments as competent bodies for the performance of inspection work and technical reviews on prevention and human security in public buildings, private, and particularly in commercial establishments.</p>	<p>EMERGENCIAS</p>	<p>Comprehensive management of fire risk and emergency cases.</p>	<p>Health and Safety.</p>	<p>Emergency and contingency plan.</p>
<p>Decree 3075 of 1997: Good Manufacturing Practices - Art. 2, Food Handling - Art. 29, Pest Control Program.</p>	<p>HYGIENE AND HEALTH</p>	<p>Certificate of food handling;</p> <p>Document for good hygiene and health practices;</p> <p>Document for cleaning and disinfection;</p> <p>Pest Control Certificate.</p>	<p>Hygiene.</p>	<p>(Annual/Trimestral Renovation)</p> <p>The activities of manufacturing, processing, packaging, storage, transportation, distribution and marketing of food will adhere to the principles of Good Manufacturing Practices.</p>
<p>Law 1335 of 2009 Official Gazette #47,417 (July 21): Provisions through which damage to the health of minors, the non-smoking population, are prevented and public policies for the prevention of tobacco consumption and the abandonment of tobacco are stipulated. Smoking dependence of the smoker and its derivatives in the Colombian population.</p>	<p>HEALTH AND SAFETY</p>	<p>Programs of environmental sustainability in terms of prevention of air pollution.</p> <p>Notices in common areas.</p>	<p>Health.</p>	<p>Anti-smoking public health policies must be known, understood and interpreted by all Hotel employees.</p>

<i>(Article 18) Provisions to guarantee the rights of non-smokers against tobacco use.</i>				
<i>RESOLUTION 01956 OF 2008, by which measures are adopted in relation to the consumption of cigarettes or tobacco. Art. 2: Prohibit smoking in indoor or closed areas of workplaces and / or public places.</i>	<i>HEALTH AND SAFETY</i>	<i>Hotel registration, Notices common areas.</i>	<i>Health and Safety.</i>	<i>N/A.</i>
<i>Decree 0614 of 1984, By which the bases for the organization and administration of Occupational Health in the country are determined. Article 24: Responsibilities of employers. Articles 28, 29, 30 and 31: Form and contents of the Occupational Health Programs.</i>	<i>HEALTH AND SAFETY</i>	<i>Occupational health and safety system.</i>	<i>Health and Safety.</i>	<i>Pending of the qualifications that can offer different entities (Governmental, SENA, SURA, etc.).</i>
<i>Decree 1607 of 2002, By means of which the table of classifications of economic activities for the General System of Professional Risks is modified and other dispositions are dictated.</i>	<i>OCCUPATIONAL HAZARDS</i>	<i>Occupational safety and health program.</i>	<i>Health and Safety.</i>	<i>Table - Classification of Economic Activities. Code 5511: Accommodation and lodging in hotels. Occupational Hazards Risk Level (ARL) II</i>
<i>Decree 1295 of 1994, By which the organization and administration of the general system of professional risks is determined.</i>	<i>OCCUPATIONAL HAZARDS</i>	<i>Comprehensive management of fire risk and emergency cases.</i>	<i>Health and Safety.</i>	<i>General System for Professional Hazards.</i>
<i>Decree 1515 of 1998, By which the articles 60, 109 of the law 100 of 1993 and 83 of the decree law 1295 of 1994 are regulated on the guarantee of</i>	<i>OCCUPATIONAL HAZARDS</i>	<i>Pension fund.</i>	<i>Social Security.</i>	<i>Occupational hazards pension guarantee.</i>

<i>professional risk pensions.</i>				
<i>Decree 2400 of 2002, By which the decree 1703 of 2002 is modified. Affiliation of additional members of the family group.</i>	SOCIAL SECURITY	<i>Health affiliations in social security.</i>	<i>Social Security.</i>	<i>Affiliations to the EPS.</i>
<i>Law 1010 of 2006, By means of which measures are adopted to prevent, correct and punish harassment at work and other harassment within the framework of labor relations.</i>	LABOR PENALTIES	<i>Disciplinary sanctions and code of conduct.</i>	<i>Labor.</i>	<i>Promotion of good treatment and quality of interpersonal relationships.</i>
<i>Law 1109 of 2006, By means of which the WHO Framework Convention for the Control of Tobacco is approved, made in Geneva on May 21, 2003. Art. 12: Education, communication, training and public awareness.</i>	HEALTH AND SAFETY	<i>Hotel Registry (Anti-Tobacco Law), Notices common areas.</i>	<i>Public Health.</i>	<i>The implementation of comprehensive programs related to education and public awareness about the health risks of tobacco consumption and exposure to tobacco smoke is pending. (Secretary of Health, SENA, etc.)</i>
<i>Resolution 02400 of 1979, By which some provisions are established on housing, hygiene and safety in work establishments.</i>	HEALTH AND SAFETY	<i>Document on good hygiene and health practices.</i> <i>Document for cleaning and disinfection.</i>	<i>Hygiene and Safety.</i>	<i>N/A.</i>
<i>Resolution 1016 of 1989, By which the organization, operation and form of the Occupational Health Programs that employers or employers in the country must develop are regulated.</i>	HEALTH AND SAFETY	<i>Occupational health and safety system.</i>	<i>Health and Safety.</i>	<i>Obligatory Occupational Health Program for service providers.</i>
<i>Resolution 2346 of 2007, By which the practice of occupational medical evaluations and the management</i>	HEALTH AND SAFETY	<i>Employee clinical histories.</i>	<i>Health.</i>	<i>Occupational Medical Evaluations:</i> <i>1. Pre-admission or pre-treatment medical evaluation.</i>

<i>and content of occupational medical records is regulated.</i>				<p>2. Periodic occupational medical evaluations (scheduled or due to changes in occupation).</p> <p>3. Post-Occupational or Graduate Medical Evaluation.</p>
<i>Resolution 1075 of 1992, By which activities in Occupational Health are regulated.</i>	<i>HEALTH AND SAFETY</i>	<i>Management of health and preventive medicine programs.</i>	<i>Health and Safety.</i>	<i>Include within hotel activities, specific campaigns tending to promote prevention and dependence drug control, alcoholism and smoking, directed at employees.</i>
<i>Resolution 8430 of 1993, By which scientific, technical and administrative standards for health research are established.</i>	<i>HUMAN RESOURCES</i>	<i>N/A.</i>	<i>Health and Safety.</i>	<i>N/A.</i>
<i>Resolution 0156 of 2005, By which the forms of reports of accidents at work and occupational diseases are adopted, and other provisions are issued.</i>	<i>HUMAN RESOURCES</i>	<i>File of reports and records on work accidents, disabilities or occupational disease.</i>	<i>Health and Safety.</i>	<i>Formats of work accidents and illness.</i>
<i>Resolution 1401 of 2007, By which the investigation of incidents and accidents at work is regulated.</i>	<i>HUMAN RESOURCES</i>	<i>N/A.</i>	<i>Health and Safety.</i>	<i>Requirements for the investigation of incidents and accidents at work, in order to identify the causes, events and situations that have generated them, and implement corrective measures aimed at eliminating or minimizing risk conditions and preventing their recurrence.</i>
<i>Resolution 2844 of 2007, By which the guidelines of Occupational Health are adopted based on evidences.</i>	<i>HEALTH AND SAFETY</i>	<i>Activities of the occupational safety and health system.</i>	<i>Health and Safety.</i>	<p><i>Adopt the Guidelines for Comprehensive Occupational Health Care based on the Evidence for:</i></p> <p><i>a) Nonspecific lumbar pain and disc disease related to the manual handling of loads and other risk factors in the workplace;</i></p> <p><i>b) Musculoskeletal disorders related to repetitive movements of upper limbs (Carpal Tunnel Syndrome, Epicondylitis and De Quervain's disease);</i></p> <p><i>c) Painful shoulder related to risk factors at work;</i></p> <p><i>d) Pneumoconiosis (silicosis, pneumoconiosis of the coal miner and asbestosis);</i></p>

				e) Neurosensory hearing loss induced by noise in the workplace.
RESOLUTION 00000652 OF 2012, By which the conformation and operation of the Committee of Labor Coexistence in public entities and private companies is established and other dispositions are dictated.	HUMAN RESOURCES	Act of coexistence committee.	Health and Safety.	N/A.
Resolution 2013 of 1986: Resolves that all companies and public or private institutions that have 10 or more workers at their service, are obliged to form a Joint Committee on Occupational Health (COPASST). Article 35 of Decree 1295 of 1994 establishes, for companies with fewer than 10 workers, the obligation to appoint an Occupational Vigilante. Decree 423 of 2006, by which the District Plan for the Prevention and Attention of Emergencies of Bogotá D.C. is adopted. Decree 599 of 2013, By which the requirements for the registration, evaluation and issuance of the authorization for carrying out the activities of agglomeration of the public in the Capital District are established, through the Unified Management System for the Registry, Evaluation and Authorization of	HEALTH AND SAFETY	Act of the Occupational Health Parity Committee, Act of conformation of occupational watch.	Health and Safety.	Documentation of the COPASST committee minutes.

<p><i>Activities of Public Agglomeration in the Capital District (SUGA) and other dispositions are dictated.</i></p>				
<p><i>Decree 4919 of 2011, (All the articles); Decree 2731 OF 2014, By which the legal minimum wage is fixed.</i></p> <p><i>Substantive Labor Code (CST), Articles 1-21; 22-28; 29-31; 37-66; 104-125; 161-167; 249-339.</i></p>	<p>SALARIES AND LABOR</p>	<p><i>Salaries, Minimum legal salary, General principles, Individual work contract, Ability to contract, Contract modalities, Internal regulations, Maximum work day, Social benefits.</i></p>	<p><i>Labor.</i></p>	<p><i>Model of employment contract, internal work regulations.</i></p>

ANNEX 14: APPLICABLE ENVIRONMENTAL, SOCIO-CULTURAL AND ECONOMIC SUSTAINABILITY REQUIREMENTS

1. SUSTAINABILITY MANAGEMENT SYSTEM

The Fairfield Inn and Suites by Marriott Medellín must design, implement, maintain, evaluate and improve its sustainability management system, with records or evidences to demonstrate compliance with the following requirements:

1.1 Authority and Responsibility

The Fairfield Inn and Suites by Marriott Medellín must:

- *Have a leader in charge of the system;*
- *Define the responsibilities in the organization that guarantee compliance with the requirements of this standard;*
- *Establish rights and duties of employees, suppliers, customers and guests in their commitment to sustainability;*
- *Execute decisions for compliance with the requirements of this standard.*

1.2 Legal Requirements

The Fairfield Inn and Suites by Marriott Medellín must identify and document the legal requirements that apply to it, as established previously in numeral 3.2.2.3 (The Matrix of Applicable Legal Requirements) and periodically evaluate its compliance.

1.3 Sustainability Policy

The Fairfield Inn and Suites by Marriott Medellín must define, in a participatory manner, within the organization, a sustainability policy that:

- *Includes the hotel's commitment to the maintenance or improvement of positive environmental, sociocultural and economic impacts and the management, minimization or elimination of those negative impacts generated or related to hotel operations;*
- *References the rights and duties of employees, suppliers, customers and guests in their commitment to sustainability;*
- *Is made available and disseminated to the public, stakeholders, suppliers, customers and guests.*

1.4 Identification of Environmental, Sociocultural and Economic Impacts and Aspects

The Fairfield Inn and Suites by Marriott Medellín must:

- *Identify environmental, sociocultural and economic impacts, based on the activities carried out or developed and the products or services provided;*
- *Elaborate an impact assessment that allows the determination of priorities for action and that includes environmental, sociocultural and economic considerations focused on sustainability, based on the identification of these aspects.*

1.5 Management Programs for Sustainability

The Fairfield Inn and Suites by Marriott Medellín must, starting from the identification of the significant environmental aspects and impacts, present programs focused on environmental, socio-cultural and economic sustainability, including at least objectives, activities, goals (quantifiable, when applicable, achievable and measurable), resources, those responsible, deadlines and indicators for its achievement and monitoring, taking into account the hotel's sustainability policy and the current legal requirements that apply to them.

1.6 Information and Awareness

The Fairfield Inn and Suites by Marriott Medellín must:

- *Have an information and awareness program for clients, guests and collaborators, aimed at promoting and disseminating good sustainability practices;*
- *Train employees to comply with the requirements of the NTS TS 002 standard.*

1.7 Documentation and Registry

The Fairfield Inn and Suites by Marriott Medellín must:

- *Have documented procedures for the following numerals:*
 - *Identification and update of legal requirements;*
 - *Identification of environmental, socio-cultural and economic aspects and impacts;*
 - *Continuous Improvement.*
- *Have documentation that includes the records related to:*
 - *The hotel's sustainability policy;*
 - *Identification of environmental, socio-cultural and economic aspects and impacts;*
 - *Management programs for sustainability;*
 - *Continuous improvement.*

1.8 Preparation and Emergency Response

The Fairfield Inn and Suites by Marriott Medellín must have an emergency and contingency plan in accordance with applicable legislation.

1.9 Continuous Improvement

The Fairfield Inn and Suites by Marriott Medellín must:

- *Permanently carry out actions aimed at the maintenance and improvement of sustainability management;*
- *Monitor and control sustainability management programs, to ensure compliance with the sustainability policy and other requirements of the standard.*

2. ENVIRONMENTAL REQUIREMENTS

2.1 Prevention of Illicit Fauna and Flora Trafficking

The Fairfield Inn and Suites by Marriott Medellín must:

- *Inform its clients and guests on the applicable legislation in force and the sanctioning regime related to the illegal trafficking of flora and fauna species;*
- *Carry out actions that promote responsible behaviors with the natural environment among its clients and guests;*
- *Avoid the collection, marketing and trafficking of animal or plant species that do not have the respective permits and licenses granted by the competent environmental authorities;*
- *Avoid marketing or consuming species or products derived from flora and fauna that are prohibited or according to limits established by law.*

2.2 Support for Protection and Sustainable Use Programs

The Fairfield Inn and Suites by Marriott Medellín must:

- *Respect bodies of water, including wetlands, lakes, lagoons, swamps and mangroves, flora and fauna reserves and areas of high threat and non-immittigable risk, in accordance with applicable legislation;*
- *Have information on natural areas with recreational use allowed in the destination where they operate and promote customers and guests to visit them, assuming responsible behaviors;*
- *Have information that identifies the most representative shrub and arboreal species of the establishment, with their local and scientific names;*

- *Advance actions so that the hotel's external lighting does not cause alterations in the natural environment;*
- *Advance actions so that, in the coverage of the green areas and their ornamentation, native species of the destination prevail;*
- *Avoid the generation of negative impacts when designing, operating, promoting products or providing services.*

2.3 Water Management

The Fairfield Inn and Suites by Marriott Medellín must:

- *Advance actions for the saving and efficient use of water, without affecting service and operation quality;*
- *Register, and periodically monitor, water consumption;*
- *Develop periodic preventive maintenance (PM) activities in the hotel's infrastructure, equipment and hydraulic and sanitary installations;*
- *Inform clients, guests and collaborators about practices for saving and an efficient use of water;*
- *Use drinking water for human consumption, in accordance with applicable legislation;*
- *Inform clients, guests and collaborators if water is not suitable for human consumption;*
- *Comply with the requirements defined by the competent environmental authority, related to sewage management.*

2.4 Energy Management

The Fairfield Inn and Suites by Marriott Medellín must:

- *Advance actions for the efficient use of energy that can reduce consumption without affecting service and operation quality;*
- *Register, and periodically monitor, energy consumption;*
- *Develop periodic preventive maintenance (PM) activities for the efficient use of energy;*
- *Advance actions and have information available to promote an efficient use of energy among employees, customers and guests;*
- *Advance actions to promote the use of natural lighting and ventilation, without compromising the quality of service conditions for clients and guests;*

- *Promote the use and exploitation of renewable energy sources.*

2.5 Use and Handling of Chemical Products

The Fairfield Inn and Suites by Marriott Medellín must carry out the following actions, for the proper use of chemical products and to promote their minimization:

- *Keep a record of the consumption of chemical products used;*
- *Use environmentally friendly chemicals according to market availability;*
- *Use chemical product doses indicated by the supplier;*
- *Maintain updated copies of the safety sheets of each of the chemicals used, which must contain at least the following information: composition of the product and instructions for safe handling of the product, transportation, storage, form of final disposal and handling in case of ingestion, spill or emergency. The information of the safety sheets must be disclosed and be available for consultation of the personnel related to the handling of these products;*
- *Avoid the use and dumping of polluting toxic substances.*

2.6 Waste Management

The Fairfield Inn and Suites by Marriott Medellín must:

For Solid Waste Management:

- *Keep periodic records of the type of waste it generates and its quantities;*
- *Carry out actions for the integral management of waste, including minimization, reuse, separation, recycling and proper disposal.*

For Hazardous Waste Management:

- *Establish proper management of hazardous waste, as well as its final disposal, in accordance with applicable legislation;*
- *Keep periodic records of the type of waste it generates and its quantities.*

2.7 Management of atmospheric, auditory and visual pollution

The Fairfield Inn and Suites by Marriott Medellín must:

- *Identify the sources of atmospheric, auditory and visual pollution, resulting from daily operations;*

- *Carry out actions to promote the control and reduction of atmospheric, auditory and visual pollution generated by the establishment, in accordance with applicable legislation;*
- *Comply with the applicable legislation when establishing zones for smokers.*

2.8 Printed Material

The Fairfield Inn and Suites by Marriott Medellín must:

- *Advance actions for the reduction, reuse and recycling of paper, or its replacement by digital means;*
- *Advance actions to promote the use of paper with sustainability criteria.*

2.9 Management of Greenhouse Gas (GHG) Emissions

The Fairfield Inn and Suites by Marriott Medellín must:

- *Identify the emission sources that generate GHG;*
- *Keep a usage record that includes type of equipment, energy source and energy consumption.*

2.10 Management of Ozone Depleting Substances (ODS) Emissions

The Fairfield Inn and Suites by Marriott Medellín must:

- *Keep a record of all refrigeration and air conditioning equipment identifying its type of and amount of refrigerant;*
- *Guarantee that the refrigeration and air conditioning systems contains a visible label where the technical specifications of the manufacturer are clearly indicated and the characteristics of the equipment are maintained. In case of change of refrigerant, the type, quantity and date of reconversion must be specified on the label;*
- *Perform preventive maintenance (PM) on refrigeration and air conditioning systems, according to the manufacturer's technical specifications and operating conditions, using the appropriate equipment and tools, in order to prevent ODS release into the atmosphere;*
- *Keep a maintenance record that includes: type of maintenance, amount of refrigerant added or removed, date, data of the technician or company performing the intervention and use of the refrigerant removed;*
- *Maintain at the disposal of those who intervene on the equipment or devices with ODS, the safety sheet of the substance, as a primary element of consultation;*

- *Verify that, in the process of installation, operation and maintenance of refrigeration and air conditioning equipment for commercial and industrial use, the industrial safety and work health regulations in force are complied with;*
- *Ensure the environmentally proper management of ODS, its packaging and waste, taking into account the current national regulations on storage, transport and handling of hazardous chemical substances and hazardous waste.*

3. SOCIO-CULTURAL REQUIREMENTS

3.1 Conservation and Sustainable Use of Cultural Heritage

The Fairfield Inn and Suites by Marriott Medellín must:

- *Inform clients and guests about the applicable legislation in force and the protection regime related to the fight against the illegal traffic of goods of cultural interest in Colombia;*
- *Participate or provide support in activities of conservation, promotion or responsible management of cultural heritage within the region it operates in;*
- *Guarantee a responsible use of cultural manifestations produced and elaborated in the local, regional or national scope, when using it in advertising material or in decoration, so that cultural patrimony is not negatively affected;*
- *Responsibly inform guests on the different attractions and activities related to the cultural heritage of the region it operates in, as well as those of cultural interest with special declarations;*
- *Periodically train its staff on providing information in a responsible manner to customers and guests about the different attractions and activities related to the cultural heritage of the region it operates in, as well as those of cultural interest with special declarations;*
- *Responsibly promote local, regional or national cultural events;*
- *Inform clients and guests on the patrimonial value of services provided in a sector declared as an area of cultural interest;*
- *Comply with the applicable legislation in force related to the conservation of cultural patrimony, in the case that the hotel is located in an area declares as an area of cultural interest;*
- *Design, operate, promote products or provide services that do not generate negative impacts on cultural heritage;*
- *Advance actions that promote local, regional or national cuisine.*

3.2 Management and Prevention of Social Risks

The Fairfield Inn and Suites by Marriott Medellín must:

- *Include in its sustainability policy its commitment against the commercial sexual exploitation of children and adolescents (CSECA);*
- *Carry out actions focused on the prevention of CSECA, in the context of travel and tourism;*
- *Periodically train its staff in the applicable current legislation related to CSECA;*
- *Demonstrate its staff's declaration of rejection of CSECA;*
- *Inform clients, guests and suppliers through visible means about the applicable current legislation related to CSECA;*
- *Prevent child labor exploitation.*

3.3 Community Support

The Fairfield Inn and Suites by Marriott Medellín must:

- *Carry out actions to support communities or organizations that elaborate products or provide services that highlight the cultural characteristics of the region it operates in;*
- *Train its employees to prevent discriminatory practices towards vulnerable populations;*
- *Inform, through visible means, its commitment to non-discrimination or exclusion of vulnerable populations;*
- *Ensure that no discrimination is exercised.*

4. ECONOMIC REQUIREMENTS

4.1 Hiring and Employment Generation

The Fairfield Inn and Suites by Marriott Medellín must:

- *Prioritize the hiring of locally based employees, linking them directly at the operational, administrative or managerial level, under fair and equitable conditions according to market availability and the applicable current legislation;*
- *Prioritize the hiring of locally based suppliers under fair and equitable conditions according to market availability and the applicable current legislation;*
- *Advance actions to promote the training of its employees and strengthen their work skills and competences.*

4.2 Contribution to the Improvement of the Community's Capacity

The Fairfield Inn and Suites by Marriott Medellín must:

- *Carry out actions to promote, among clients and guests, the purchase of goods, services, handicrafts and products manufactured by local people or companies in fair and equitable commercial conditions, according to their availability in the region it operates in;*
- *Carry out training sessions that support the strengthening of the capacities of the communities of the region it operates in.*

4.3 Purchases

The Fairfield Inn and Suites by Marriott Medellín must:

- *Promote actions for the purchase and consumption of goods and services produced and marketed by the local population in the region it operates in.*

It is also recommended that the Fairfield Inn and Suites by Marriott Medellín:

- *Identify the goods and services acquired or contracted for the provision of its services, and designs purchasing criteria that include environmental, sociocultural and economic considerations;*
- *Give priority to suppliers that include in their products and services sustainable considerations related to environmental, sociocultural and economic development, according to market availability;*
- *Advance actions to reduce the use of packaged products, and when necessary, promote their recovery, reuse or recycling.*

4.4 Quality and Customer Satisfaction

The Fairfield Inn and Suites by Marriott Medellín must measure the degree of satisfaction of customers and guests in relation to the quality of the service provided and the hotel's compliance with its sustainability policy, implementing improvement actions in accordance with results obtained.

ANNEX 15: SECOND STOCHASTIC FCF MODEL SIMULATION ASSUMPTIONS

Item 1: Total Initial Investment

Expenditure	Cost (USD)	Cost (COL)
<i>Initial Franchise Application Fee</i>	\$ 50.000	\$ 139.565.000
<i>Pre-Opening Training and Services</i>	\$ 31.228	\$ 87.165.321
<i>Pre-Opening Revenue Management Support</i>	\$ 3.250	\$ 9.071.725
<i>Property Technology</i>	\$ 63.750	\$ 177.945.375
<i>Cost of Land</i>	\$ 947.500	\$ 2.644.756.750
<i>Building Permit, Tap, and Impact Fees</i>	\$ 212.500	\$ 593.151.250
<i>Building Construction</i>	\$ 6.848.000	\$ 19.114.822.400
<i>Laundry and Kitchen Equipment</i>	\$ 96.300	\$ 268.802.190
<i>Furniture and Fixtures</i>	\$ 1.048.600	\$ 2.926.957.180
<i>Telephone System</i>	\$ 107.000	\$ 298.669.100
<i>Operating Supplies</i>	\$ 117.900	\$ 329.094.270
<i>Professional Design Services</i>	\$ 170.450	\$ 475.777.085
<i>Insurance</i>	\$ 50.500	\$ 140.960.650
<i>Start-up Costs</i>	\$ 149.800	\$ 418.136.740
<i>Hard Cost Contingencies (5% of hard costs)</i>	\$ 452.781	\$ 1.263.847.872
<i>Opening Advertising</i>	\$ 37.500	\$ 104.673.750
<i>Additional Funds (First 3 months)</i>	\$ 165.850	\$ 462.937.105
<i>Company Constitution Expenditures</i>	\$ 42.703	\$ 119.195.488
TOTAL INITIAL INVESTMENT	\$ 10.595.611	\$ 29.575.529.251

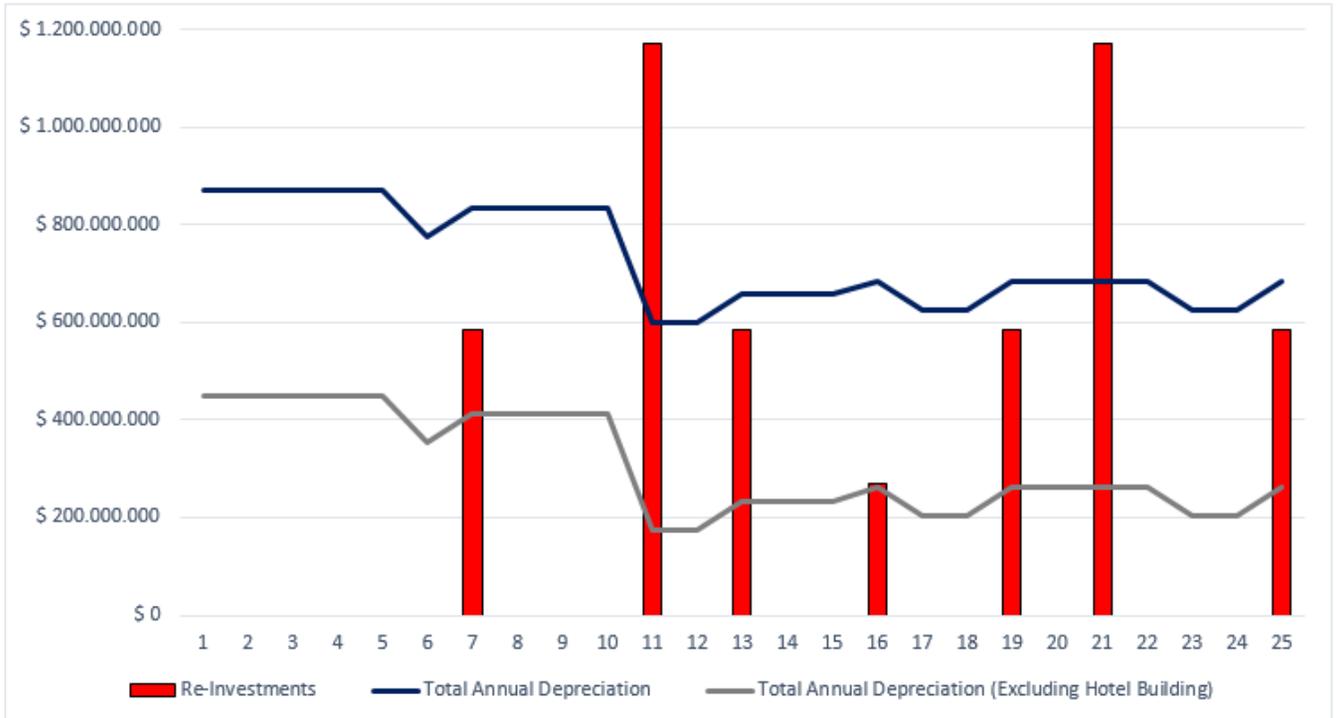
Item 2: Pre-Operational Investment

Pre-Operational/Hotel Construction Year	0
Item	Amount (COL)
<i>Initial Franchise Application Fee</i>	\$ 139.565.000
<i>Cost of Land</i>	\$ 2.644.756.750
<i>Building Permit, Tap, and Impact Fees</i>	\$ 593.151.250
<i>Building Construction</i>	\$ 19.114.822.400
<i>Professional Design Services</i>	\$ 475.777.085
<i>Insurance</i>	\$ 140.960.650
<i>Company Constitution Expenditures</i>	\$ 119.195.488
TOTAL INVESTMENT YEAR 0	\$ 23.228.228.623

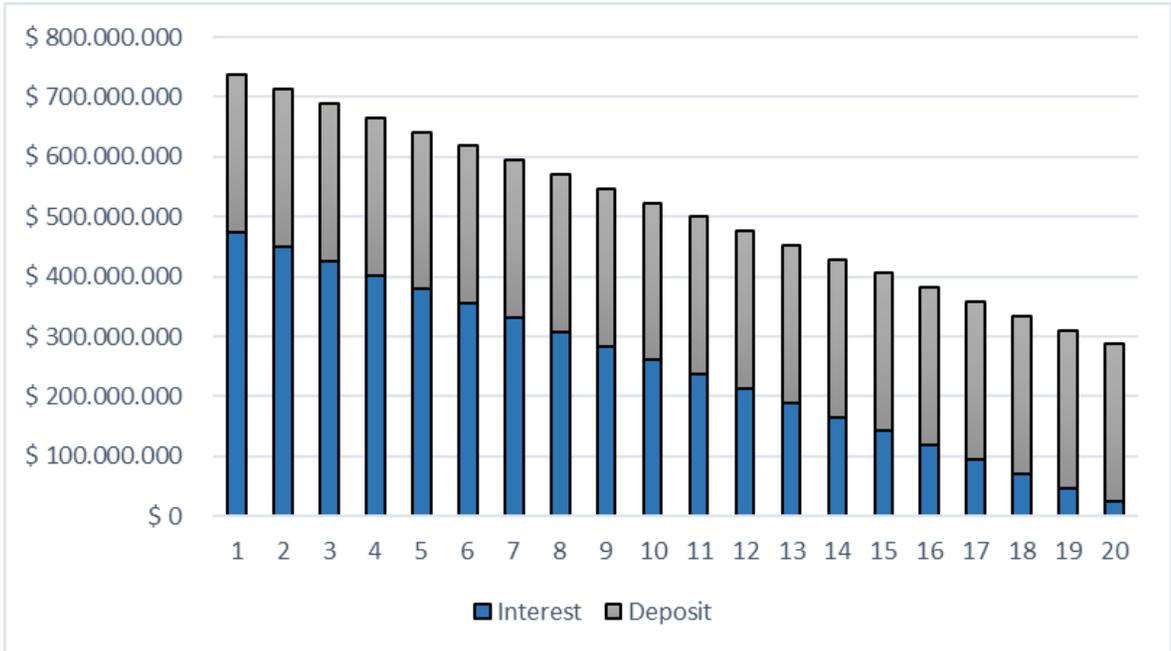
Item 3: Post-Construction Investment

Post-Construction Year	1
Item	Amount (COL)
<i>Pre-Opening Training and Services</i>	\$ 87.165.321
<i>Pre-Opening Revenue Management Support</i>	\$ 9.071.725
<i>Property Technology</i>	\$ 177.945.375
<i>Laundry and Kitchen Equipment</i>	\$ 268.802.190
<i>Furniture and Fixtures</i>	\$ 2.926.957.180
<i>Telephone System</i>	\$ 298.669.100
<i>Operating Supplies</i>	\$ 329.094.270
<i>Start-up Costs</i>	\$ 418.136.740
<i>Hard Cost Contingencies (5% of hard costs)</i>	\$ 1.263.847.872
<i>Opening Advertising</i>	\$ 104.673.750
<i>Additional Funds (First 3 months)</i>	\$ 104.673.750
TOTAL INVESTMENT YEAR 1	\$ 6.347.300.628

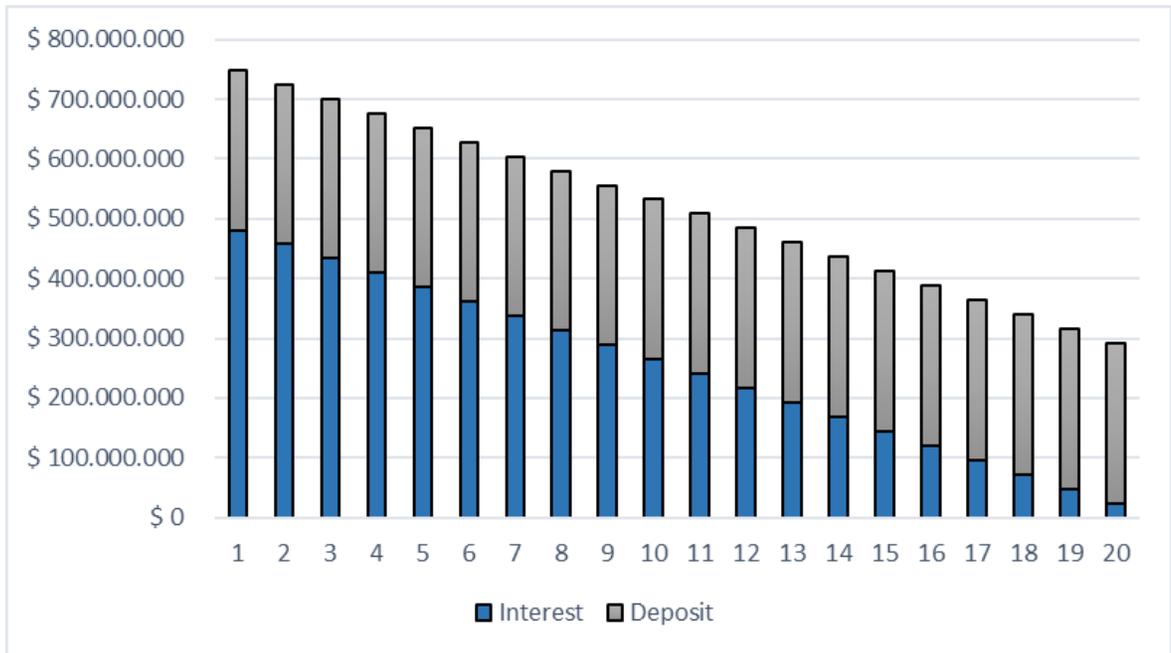
Item 4: Depreciation and Re-Investments for Project Horizon



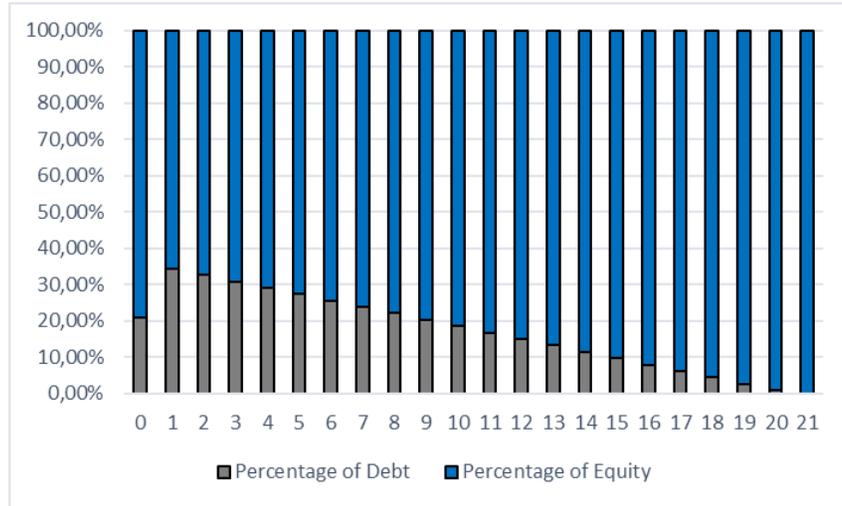
Item 5: Loan 1 Amortization



Item 6: Loan 2 Amortization



Item 7: Project Horizon Capital Structure (Debt to Equity Ratio)



Item 8: Percentage of Debt Vs Cost of Equity Vs Cost of Capital for Project Horizon

