

# BUTLER'S MATRIX

Analytical Tool for Choosing Lender Alternatives with Troubled hotel mortgage loan workouts and defaults

<b>CRITERIA</b> Borrower or Collateral Criteria	<b>EVALUATION</b> in this column suggests leaving borrower in possession: <b>Workout, Loan Sale, or                      Do Nothing</b>	<b>EVALUATION</b> in this column suggests removing borrower from possession <b>Receiver, Deed-In-Lieu,                      Foreclosure or                      Bankruptcy Trustee</b>
<b>Collateral</b>	Limited or problematic	Full or satisfactory
<b>Documentation</b>	Problematic	Full or satisfactory
<b>Borrower</b> <ul style="list-style-type: none"> <li>• Integrity</li> <li>• Financial strength</li> <li>• Managerial strength</li> </ul>	High Strong Strong	Questionable Weak Weak
<b>Management (hotel operational)</b>	Strong	Weak
<b>Marketing</b>	Focused	Diffuse
<b>Franchise or brand affiliation</b>	Correct	Wrong image
<b>Asset</b> <ul style="list-style-type: none"> <li>• Design</li> <li>• Physical condition</li> </ul>	Good for market Well maintained	Poor Deferred
<b>Market</b>	Weak	Strong