# Sunstone Hotel Investors, Inc.

**SHO-PI**

NYSE; other; SIC 7011, Hotels & Motels; CIK 0001295810

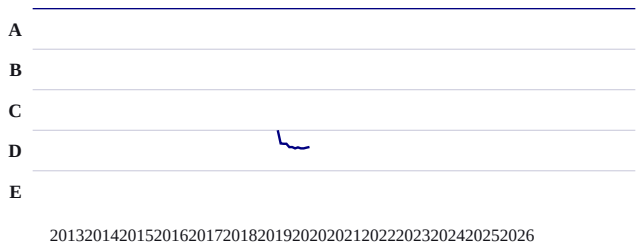
# None

**No letter**

3 of 14 inputs computable; 7 are required, with a score in every sleeve

| Scoreboard | |
|---|---|
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $3.0B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | thin data<br>not computable: dilution, distress |
| **Inputs computable** | 3 of 14 |
| **Graded from** | filings received through Feb 27, 2026<br>247 days before the rescan; latest periodic filing 10-Q received Aug 6, 2026 |

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, stronger toward the top; facts filed by each date only.*

## Business, in the company's words

*opening of Item 1 of the 10-K received Feb 27, 2026*

We were incorporated in Maryland on June 28, 2004. We are a real estate investment trust ("REIT"), under the Internal Revenue Code of 1986, as amended (the "Code"). As of December 31, 2025, we owned 14 hotels, comprised of 6,999 rooms, located in 7 states and in Washington, DC. Our portfolio consists of upper upscale and luxury hotels located in convention, urban, and resort destinations. All of our hotels are operated under nationally recognized brands, except the Oceans Edge Resort & Marina, which operates independently. We own hotels in convention, urban, and resort destinations that benefit from significant barriers to entry by competitors and diverse economic drivers.

## The fourteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 54.3** | | | | | | |
| Gross profitability | not computable | 27.0% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Return on invested capital | not computable | 10.0% | | | | |
| *latest aligned inputs end 2018-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Accruals ratio | (5.1%) | (5.8%) | | 54.3 | 500 | 2025-12-31 |
| Gross margin stability, five years | not computable | 2.2 pts | | | | |
| *five annual gross margins are required; found 0* | | | | | | |
| **Solvency** | | | | | | |
| Twelve-month failure probability | not computable | 0.04% | | | | |
| *firm-wide XBRL shares cannot be assigned to one ticker class* | | | | | | |
| Altman Z double-prime | not computable | 2.06 | | | | |

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| | | | | | | |
|---|---|---|---|---|---|---|
| *latest aligned inputs end 2018-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Net debt to EBITDA | not computable | 2.52x | | | | |
| *latest aligned inputs end 2018-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Interest coverage | not computable | 2.45x | | | | |
| *latest aligned inputs end 2018-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Current ratio | not computable | 1.33x | | | | |
| *latest aligned inputs end 2022-12-31; latest annual assets end 2025-12-31* | | | | | | |
| **Growth and financing, sleeve percentile 65.9** | | | | | | |
| Revenue growth, three-year compound | 1.7% | 5.1% | | 62.4 | 397 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 8.9% | | | | |
| *four consecutive annual FCF observations are required; found 2* | | | | | | |
| Reinvestment rate | not computable | 11.9% | | | | |
| *latest aligned inputs end 2012-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Asset growth, three years | (0.6%) | 4.1% | | 69.5 | 434 | 2025-12-31 |
| Net share issuance, one year | not computable | (0.5%) | | | | |
| *firm-wide XBRL shares cannot be assigned to one ticker class* | | | | | | |

## Warnings

*1 of 7 checks triggered; none of them enters the letter*

| Check | Measured |
|---|---|
| Thin data | 3 of 14 grade factors are computable; minimum is 7 |

## What the price implies

*at the 2026-11-01 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | not computable | (0.6%) | |
| Distance from 52-week high | not computable | (23.9%) | |
| EBIT to enterprise value | not computable | 4.3% | |
| Free cash flow yield | not computable | 4.1% | |
| Book value to price | not computable | 0.34 | |
| Sales to price | not computable | 0.70 | |
| Composite equity issuance, five years | not computable | (8.8%) | |
| Relative strength against the sector, log excess return | not computable | (0.13) | |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2025-12-31** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | fail |
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $94.4M |
| Operating cash flow, four quarters | $198.4M |
| Months of runway | not finite |
| Days since last periodic filing | 87 (10-Q received Aug 6, 2026) |

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| | |
|---|---|
| Median daily dollar volume, 63 sessions | n/a |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | operating income | us-gaap:OperatingIncomeLoss | $298.9M | 2018-12-31 | 2019-02-14 | 10-K | 19-000674 |
| 2 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $260.8M | 2018-12-31 | 2021-02-12 | 10-K | 21-000947 |
| 3 | income tax | us-gaap:IncomeTaxExpenseBenefit | $1.8M | 2018-12-31 | 2021-02-12 | 10-K | 21-000947 |
| 4 | total debt | us-gaap:LongTermDebt | $982.8M | 2018-12-31 | 2019-02-14 | 10-K | 19-000674 |
| 5 | book equity | us-gaap:StockholdersEquity | $2.7B | 2018-12-31 | 2020-02-19 | 10-K | 20-000962 |
| 6 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $809.3M | 2018-12-31 | 2021-02-12 | 10-K | 21-000947 |
| 7 | total debt | us-gaap:LongTermDebt | $990.4M | 2017-12-31 | 2018-02-14 | 10-K | 18-000688 |
| 8 | book equity | us-gaap:StockholdersEquity | $2.5B | 2017-12-31 | 2019-02-14 | 10-K | 19-000674 |
| 9 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $488.0M | 2017-12-31 | 2020-02-19 | 10-K | 20-000962 |
| 10 | net income | us-gaap:ProfitLoss | $24.6M | 2025-12-31 | 2026-02-27 | 10-K | 26-021440 |
| 11 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $181.8M | 2025-12-31 | 2026-02-27 | 10-K | 26-021440 |
| 12 | assets | us-gaap:Assets | $3.0B | 2025-12-31 | 2026-02-27 | 10-K | 26-021440 |
| 13 | assets | us-gaap:Assets | $3.1B | 2024-12-31 | 2026-02-27 | 10-K | 26-021440 |
| 14 | current assets | us-gaap:AssetsCurrent | $908.5M | 2018-12-31 | 2020-02-19 | 10-K | 20-000962 |
| 15 | current liabilities | us-gaap:LiabilitiesCurrent | $232.7M | 2018-12-31 | 2020-02-19 | 10-K | 20-000962 |
| 16 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $1.2B | 2018-12-31 | 2020-02-19 | 10-K | 20-000962 |
| 17 | assets | us-gaap:Assets | $4.0B | 2018-12-31 | 2020-02-19 | 10-K | 20-000962 |
| 18 | liabilities | us-gaap:Liabilities | $1.3B | 2018-12-31 | 2020-02-19 | 10-K | 20-000962 |
| 19 | depreciation amortization | us-gaap:Depreciation | $145.0M | 2018-12-31 | 2021-02-12 | 10-K | 21-000947 |
| 20 | interest expense | us-gaap:InterestExpense | $47.7M | 2018-12-31 | 2021-02-12 | 10-K | 21-000947 |
| 21 | current assets | us-gaap:AssetsCurrent | $214.0M | 2022-12-31 | 2023-02-23 | 10-K | 23-001869 |
| 22 | current liabilities | us-gaap:LiabilitiesCurrent | $380.9M | 2022-12-31 | 2023-02-23 | 10-K | 23-001869 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $960.1M | 2025-12-31 | 2026-02-27 | 10-K | 26-021440 |
| 24 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $905.8M | 2024-12-31 | 2026-02-27 | 10-K | 26-021440 |
| 25 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $986.5M | 2023-12-31 | 2026-02-27 | 10-K | 26-021440 |
| 26 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $912.1M | 2022-12-31 | 2025-02-21 | 10-K | 25-001297 |
| 27 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $120.0M | 2012-12-31 | 2013-02-25 | 10-K | 13-013600 |
| 28 | depreciation amortization | us-gaap:Depreciation | $128.2M | 2012-12-31 | 2015-02-19 | 10-K | 15-000098 |
| 29 | operating income | us-gaap:OperatingIncomeLoss | $79.0M | 2012-12-31 | 2015-02-19 | 10-K | 15-000098 |
| 30 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $2.3M | 2012-12-31 | 2015-02-19 | 10-K | 15-000098 |
| 31 | income tax | us-gaap:IncomeTaxExpenseBenefit | $1.1M | 2012-12-31 | 2015-02-19 | 10-K | 15-000098 |
| 32 | current assets | us-gaap:AssetsCurrent | $407.6M | 2012-12-31 | 2014-02-25 | 10-K | 14-013102 |
| 33 | current liabilities | us-gaap:LiabilitiesCurrent | $200.0M | 2012-12-31 | 2014-02-25 | 10-K | 14-013102 |
| 34 | current assets | us-gaap:AssetsCurrent | $525.2M | 2011-12-31 | 2013-02-25 | 10-K | 13-013600 |
| 35 | current liabilities | us-gaap:LiabilitiesCurrent | $295.9M | 2011-12-31 | 2013-02-25 | 10-K | 13-013600 |
| 36 | assets | us-gaap:Assets | $3.1B | 2023-12-31 | 2025-02-21 | 10-K | 25-001297 |
| 37 | assets | us-gaap:Assets | $3.1B | 2022-12-31 | 2024-02-23 | 10-K | 24-001615 |

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