Sunstone Hotel Investors, Inc.

SHO.PRI

None; other; SIC 7011, Hotels & Motels; CIK 0001295810

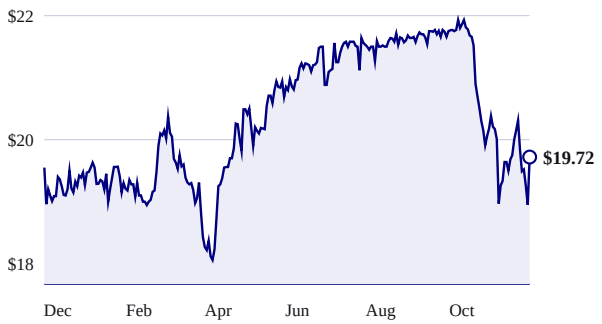
None

No letter

3 of 13 inputs computable; 7 are required, with a score in every sleeve

Scoreboard	
Reliability	0.94 AUC 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 Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $3.0B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	thin data not computable: dilution, distress
Inputs computable	3 of 13
Graded from	filings received through Feb 27, 2026 266 days before the rescan; latest periodic filing 10-Q received Nov 6, 2026
Last close	$18.83 2026-11-19; market equity $0; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

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 thirteen 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 55.0						
Gross profitability	not computable	26.8%				
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%)	(5.7%)		55.0	459	2025-12-31
Gross margin stability, five years	not computable	2.2 pts				
five annual gross margins are required; found 0						
Solvency						
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	2.36x				
latest aligned inputs end 2018-12-31; latest annual assets end 2025-12-31						
Interest coverage	not computable	2.93x				
latest aligned inputs end 2018-12-31; latest annual assets end 2025-12-31						
Current ratio	not computable	1.32x				
latest aligned inputs end 2022-12-31; latest annual assets end 2025-12-31						
Growth and financing, sleeve percentile 66.3						
Revenue growth, three-year compound	1.7%	5.0%		61.7	377	2025-12-31
Free cash flow growth, three-year compound	not computable	8.7%				
four consecutive annual FCF observations are required; found 2						
Reinvestment rate	not computable	13.3%				
latest aligned inputs end 2012-12-31; latest annual assets end 2025-12-31						
Asset growth, three years	(0.6%)	4.1%		70.9	403	2025-12-31
Net share issuance, one year	not computable	(0.6%)				
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 13 grade factors are computable; minimum is 7

What the price implies

at the 2026-11-19 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	17.7%	0.06%	66
Distance from 52-week high	(10.1%)	(27.0%)	82
EBIT to enterprise value	not computable	4.6%	
Free cash flow yield	not computable	4.0%	
Book value to price	not computable	0.38	
Sales to price	not computable	0.72	
Composite equity issuance, five years	not computable	(9.5%)	
Relative strength against the sector, log excess return	0.04	(0.12)	66
Twelve-month failure probability, CHS model	not computable	0.03%	

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	$236.5M
Operating cash flow, four quarters	$197.8M
Months of runway	not finite

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Days since last periodic filing	14 (10-Q received Nov 6, 2026)
Median daily dollar volume, 63 sessions	$145,559

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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