

Abstract

Budget hotel is a two star hotel with limited facilities. In general, this hotel doesn't have complete service as the other five star hotels, therefore the rate is lower than the others. Budget airlines are the cause of why budget hotels are built. Low cost airlines makes people with the tight budget possible to travel, which makes the need of budget hotel will be increased too. In general, the occupancy rate at the beginning of hotel's operational will not be fully occupied, but will be increased in the time. In this study, an analysis will be done, studying about the construction stages of a budget hotel to see the results of the investment analysis. Based on the result of financial investment analysis shows that the construction stages of a budget hotel provides good results but did not show a significant difference in investment returns.

Keywords: *Budget hotel, occupancy hotel, investment analysis, direct construction, and gradual construction.*