

**A G E N D A**  
**WORK SESSION MEETING**  
**City of Moberly**  
**December 07, 2020**  
**6:00 PM**

**Requests, Ordinances, and Miscellaneous**

- [1.](#) Appointment to the Airport Advisory Commission.
- [2.](#) An Agreement With Surveying & Mapping, LLC For Utility GPS Mapping And Data Collection.
- [3.](#) The Final Change Order for the Harrison Garfield Project.
- [4.](#) An Ordinance Authorizing The City Manager To Execute A Cooperative Agreement For National Historic Places Nomination Consultant And Approving And Accepting A Proposal From Terri L. Foley To Complete Two National Historic Place Nominations.
- [5.](#) Receipt of Bids for RFP of Market Feasibility Study Hotel/Lodging Facility.
- [6.](#) Discussion of S. Morley St. Study.

# City of Moberly

## City Council Agenda Summary

Agenda Number: \_\_\_\_\_

WS #1.

Department: Public Works

Date: December 7, 2020

**Agenda Item:** Application for Airport Advisory Commission.

**Summary:** In July 2020 one (2) term expires for the Airport Advisory Commission was not filled. We have re-advertised for another applicant. One application was received from Dennis Snodgrass.

**Recommended Action:** Direct staff to bring forward to the December 21, 2020 regular City Council for final approval..

**Fund Name:** N/A

**Account Number:** N/A

**Available Budget \$:** N/A

### ATTACHMENTS:

<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes
<input type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract
<input checked="" type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other _____

### Roll Call

Aye

Nay

### Mayor

M\_\_\_ S\_\_\_ Jeffrey

\_\_\_

\_\_\_

### Council Member

M\_\_\_ S\_\_\_ Brubaker

\_\_\_

\_\_\_

M\_\_\_ S\_\_\_ Kimmons

\_\_\_

\_\_\_

M\_\_\_ S\_\_\_ Davis

\_\_\_

\_\_\_

M\_\_\_ S\_\_\_ Kyser

\_\_\_

\_\_\_

Passed Failed





## Board/Commission Application Form

Individuals serving on boards or commissions play an important role in advising the City Council on matters of interest to our community and its future. For the most part, Board and Commission members must be residents of City of Moberly. When a vacancy occurs, an announcement of that vacancy will be posted. The City Council will review all applications. The appointment will be made at a formal City Council meeting. Appointees serve as unpaid volunteers.

**This application is a public document and as such it or the information it contains may be reproduced and distributed. This application will remain active for two years and you will automatically be considered for any vacancy occurring during that time.**

Name of Board or Commission: Airport Advisory Board Date: 11-24-2020  
 Your Name: DENNIS SNODGRASS Street Address: 3727 E Hwy 24, MOBERLY MO  
 Phone number(s): (evening) 660-651-0541 (day) SAME 65270  
 Email: snodgrassautosales@hotmail.com

Do you live within the corporate limits of City of Moberly? Yes ☒ No ☐  
 How long have you been a resident of City of Moberly? Since 1988  
 Occupation: retired sales Employer: self

### Optional Questions (use back of application if necessary)

What experience and/or skills do you have that might especially qualify you to serve on this board or commission?


AIRCRAFT OWNER / PILOT

What particular contributions do you feel you can make to this board or commission?

INTERESTED IN AIRPORT OPERATIONS & PROMOTIONS

*I will attend meetings in accordance with the adopted policies of City of Moberly, Missouri. If at any time my business or professional interests conflict with the interests of the Commission, I will not participate in such deliberations. References may be secured from the following individuals:*

1. ROY MILLER Phone: 660-651-5329
2. STEVE BOTKINS Phone: 660-676-0235
3. GRAVES SANDFORD Phone: 660-353-1202

  
 Signature of Applicant

\*Additional Information may be attached to this form.

Return to: City of Moberly, 101 West Reed Street, Moberly, MO 65270

# City of Moberly

## City Council Agenda Summary

Agenda Number: \_\_\_\_\_

WS #2.

Department: Public Utilities

Date: December 7, 2020

**Agenda Item:** An Agreement With Surveying & Mapping, LLC For Utility GPS Mapping And Data Collection.

**Summary:** The City is required by State Statute and DNR Regulations to have GIS locations of valves and hydrants in the drinking water system and a map of the storm water system. The work will include collecting GPS locations of each feature, pipe material and diameter and inspections of the assets (fire hydrants, storm water inlets, etc.) The fee for the water system is fixed, but since we don't know what we will find in the field for the storm water system, there is a fee per feature found, inspected and mapped. The current budget includes \$80,000 for mapping services. It is the plan to provide as much mapping as possible this budget year, and then complete the process the coming budget year. The water lines will be completed first. SAM recently acquired Midland GIS who is our current provider. They have provided good service to the City and host our current system. For this reason, we recommend contracting with SAM for the work. The on-call contract will facilitate the contracting means for the immediate work as well as future task orders.

**Recommended Action:** Authorize staff to develop a resolution and move to the next regular council session.

**Fund Name:** Capital Improvement Sales Tax Trust

**Account Number:** 304.000.5502

**Available Budget \$:** \$1,260,500

### ATTACHMENTS:

___ Memo	___ Council Minutes
___ Staff Report	___ Proposed Ordinance
___ Correspondence	___ Proposed Resolution
___ Bid Tabulation	___ Attorney's Report
___ P/C Recommendation	___ Petition
___ P/C Minutes	<input checked="" type="checkbox"/> Contract
___ Application	___ Budget Amendment
___ Citizen	___ Legal Notice
___ Consultant Report	___ Other _____

### Roll Call

Aye

Nay

### Mayor

M\_\_\_ S\_\_\_ Jeffrey

\_\_\_

### Council Member

M\_\_\_ S\_\_\_ Brubaker

\_\_\_

M\_\_\_ S\_\_\_ Kimmons

\_\_\_

M\_\_\_ S\_\_\_ Davis

\_\_\_

M\_\_\_ S\_\_\_ Kyser

\_\_\_

Passed Failed

## AGREEMENT FOR PROFESSIONAL SERVICES

**THIS AGREEMENT**, made here and entered into this 11<sup>th</sup> day of November 2020, by and between the City of Moberly, Missouri (hereinafter "CITY") and SAM, LLC (hereinafter "CONSULTANT").

**WITNESSETH:**

**WHEREAS**, the CITY has made a determination that it would benefit from a professional services Agreement a Geographic Information System (GIS) services master agreement to be provided on a long term basis for the City; and

**WHEREAS**, the CONSULTANT and the CITY have agreed to certain benefits which are set forth below; and

**WHEREAS**, the CITY wishes to employ the CONSULTANT primarily on a Time and Expenses Contract basis, but in some cases on a lump sum basis, for the term of the above referenced Agreement.

**NOW THEREFORE**, in consideration of the covenants and agreements hereinafter set forth, is it agreed as follows:

**1. The CITY Will:**

- a. Pay CONSULTANT monthly invoices which itemize services rendered to CITY, as specified below, within thirty (30) days of the date of the invoice, upon certification by the designated representative of CITY that the services have been rendered.
- b. Provide payment, as invoiced monthly, for all expenses, supplies, photocopying and other costs incurred as a result of this Contract.
- c. Pay CONSULTANT hourly rates for GIS services and expenses at rates as set forth in the rate schedule marked "Exhibit A", attached hereto and incorporated herein by reference as if fully set forth in this paragraph. CONSULTANT may revise "Exhibit A" rates annually at the anniversary date of this Agreement, however the payment of said revised rates are subject to City's approval and, if not so approved, shall be cause for the termination of this Agreement as set forth in Paragraph 3.b below.
- d. For Lump Sum projects, pay CONSULTANT on a monthly basis an agreed upon sum based upon the percentage of work completed by the last day of the preceding month.

**2. The CONSULTANT WILL:**

- a. Provide GIS services in accordance with the Scope of Services set forth in a document marked "Exhibit A", attached hereto and incorporated herein by reference as if fully set forth in this paragraph.
- b. Not subcontract or assign, sublet or transfer any rights under or interest in this Agreement without the written consent of the other PARTY.

- c. The PARTIES understand and agree that there may be projects or needs for GIS services which are outside CONSULTANT'S capability, as determined by CITY, and/or a particular project is required to be bid by State or Federal regulations. Under the foregoing circumstances, CITY and CONSULTANT agree to meet and determine the approach which best meets CITY'S needs. In either event, CONSULTANT shall remain available to assist other consultants as required.
- d. Conflict of Interest: Covenants that CONSULTANT presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services to be performed under this Contract.
- e. Non-discrimination: Agrees in the performance of this contract not to discriminate on the grounds or because of race, creed, color, age, sex, national origin, or ancestry, political affiliation or beliefs, religion or handicap.
- f. Federal Work Authorization Program: CONSULTANT agrees to execute the affidavit, attached hereto, marked "Exhibit B" and incorporated herein as if fully set out in this paragraph, required by Section 285.530 R.S.Mo relating to the Federal Work Authorization Program and to comply with all applicable State and Federal laws relating to unauthorized aliens. CONSULTANT acknowledges that Section 285.530 R.S.Mo, prohibits any business entity or employer from knowingly employing, hiring for employment or continuing to employ an unauthorized alien to perform work within the State of Missouri. CONSULTANT therefore covenants that it is not knowingly in violation of subsection 1 of Section 285.530 R.S.Mo and that it will not knowingly employ, hire for employment or continue to employ any unauthorized aliens to perform any of the services contemplated herein and that its employees are lawfully eligible to work in the United States.

**3. The Parties Mutually Agree to the Following:**

- a. Term. The contract shall be in effect for a period of three (3) years from the date of this Agreement unless earlier terminated with or without cause or extended as referenced below.
- b. Termination. The Agreement may be terminated by either party without cause, upon fourteen (14) days written notice. This agreement may be terminated with cause upon twenty-four (24) hour written notice. In either such event, final payment to the CONSULTANT shall be limited to services provided by the CONSULTANT as of the effective date of said termination. In any event, this Agreement shall terminate automatically upon the termination of funding in the CITY'S budget for this work.
- c. Just Cause for Termination. Noncompliance with any portion of the Agreement, or violation of State or Federal laws or City Code, will be just cause for immediate

termination of this Contract as set forth in paragraph 3.a) above. Just cause may include any other grounds determined by the CITY to be just cause.

- d. Documentation Confidentiality. Any reports, data, or similar information given to or prepared or assembled by the CONSULTANT under this Contract which the CITY requests to be kept as confidential shall be considered the property of the CITY and shall not be made available to any individual or organization by the CONSULTANT without prior written approval of the CITY.
- e. CITY'S Option to Extend. This Contract may be extended by the CITY, at the CITY'S sole option, beyond the original term, for a fixed term of no more than One (1) year per extension with a limit of three (3) extensions, provided that:
  - (1) The terms for extension are in writing and submitted by one party to the other at least thirty (30) days prior to the expiration of any term;
  - (2) The extension is executed by the CONSULTANT and the CITY'S authorized representative; and
  - (3) Appropriation of funds is approved and achieved.
- 4. Jurisdiction. This agreement and every question arising hereunder shall be construed or determined according to the laws of the State of Missouri. Should any part of this agreement be adjudicated, venue shall be proper only in the Circuit Court of Christian County, Missouri.
- 5. Entire Agreement. This agreement, contain the entire agreement of the parties. No modification, amendment, or waiver of any of the provisions of this agreement shall be effective unless in writing specifically referring hereunto, and signed by both parties.

**IN WITNESS WHEREOF**, the parties hereto have set their hands and seals on the date and year herein stated.

**SAM, LLC,  
CONSULTANT**



\_\_\_\_\_  
**By: Kirk Larson, Director of GIS Operations**

**CITY OF Moberly, MISSOURI**

\_\_\_\_\_

**ATTEST:**

\_\_\_\_\_

**APPROVED AS TO FORM**

\_\_\_\_\_  
**City Attorney**

**EXHIBIT A****SAM Billing Rates**

ASSOCIATE	BILLING RATE
Operations Manager	\$175.00/hr.
Senior Project Manager	\$140.00/hr.
GIS Programmer	\$125.00/hr.
GIS Technician 1	\$65.00/hr.
GIS Technician 2	\$81.00/hr.
GIS Field Technician with GPS	\$80.00/hr.
Two-Person Survey Crew with GPS	\$160.00/hr.
Office Administration	\$94.00/hr.

**Scope of Services**

Below are major GIS work categories that will be performed under the Master Agreement categories, but not limited to:

- Utility GIS development, specifically for water, wastewater, and storm water utilities
- Municipal and County GIS development in planning and zoning, parcel development, aerial photography integration
- GPS utility field data collection utilizing RTK Survey Grade
- ESRI software programs and tools.
- On-going maintenance and integration with various GIS files and datasets.

**EXHIBIT B**

STATE OF MISSOURI )  
 ) SS  
COUNTY OF NODAWAY )

# AFFIDAVIT

(As required by Section 285.530 of the Revised Statutes of the State of Missouri, 2016)

As used in this Affidavit, the following terms shall have the following meanings:

EMPLOYEE:

Any person performing work or service of any kind or character for hire within the State of Missouri.

FEDERAL WORK AUTHORIZATION PROGRAM:

Any of the electronic verification of work authorization programs operated by the United States Department of Homeland Security or an equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, under the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603.

KNOWINGLY:

A person acts knowingly or with knowledge,

- (a) with respect to the person's conduct or to attendant circumstances when the person is aware of the nature of the person's conduct of that those circumstances exist; or
- (b) with respect to a result of the person's conduct when the person is aware that the person's conduct is practically certain to cause that result.

UNAUTHORIZED ALIEN:

An alien who does not have the legal right or authorization under federal law to work in the United States, as defined un 8 U.S.C. 1324a(h)(3).

**BEFORE ME**, the undersigned authority, personally appeared Kirk Larson, who, being first duly sworn, states on his oath or affirmation as follows:

1. My name is Kirk Larson and I am currently the Director of GIS Operations SAM, LLC (hereinafter "Consultant"), whose business address is 501 North Market, Maryville, MO 64468 and I am authorized to make this Affidavit.
2. I am of sound mind and capable of making this Affidavit and am personally acquainted with the facts stated herein.



3. Consultant is enrolled in and participates in federal work authorization program with respect to the employees working in connection with the following services contracted between Contractor and the City of Moberly as set forth in the Contract or Agreement for Services to which this Affidavit is attached as an Exhibit.
4. Consultant does not knowingly employ any person who is an unauthorized alien in connection with the contracted services set forth herein.
5. Attached hereto is documentation affirming Consultant's enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services.

**FURTHER, AFFIANT SAITH NOT.**



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**Kirk Larson, Affiant**

**Subscribed and sworn to before me this \_\_\_\_\_ day of July 2020.**

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**Notary Public  
State of Missouri.**

**My Commission Expires:  
Commission in Nodaway County  
Commission #**

# City of Moberly

## City Council Agenda Summary

Agenda Number: WS #3.  
 Department: Public Works  
 Date: December 7, 2020

**Agenda Item:** The Final Change Order for the Harrison Garfield Project.

**Summary:** The final change order for Harrison & Garfield is for a decrease of \$27,546.60. This is the final cleanup of the project where all final quantities have been determined. There are 16 separate bid line items that have seen quantity adjustments, some more most less resulting in the final decrease.

**Recommended Action:** Direct staff to bring forward to the December 21, 2020 regular City Council meeting for final approval.

**Fund Name:** Transportation Trust

**Account Number:** 600.178.5409

**Available Budget \$:** -141,631.26

### ATTACHMENTS:

<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes
<input type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice
<input type="checkbox"/> Consultant Report	<input checked="" type="checkbox"/> Other <u>Change order</u>

### Roll Call Aye Nay

<b>Mayor</b>			
M___	S___	<b>Jeffrey</b>	
<b>Council Member</b>			
M___	S___	<b>Brubaker</b>	
M___	S___	<b>Kimmons</b>	
M___	S___	<b>Davis</b>	
M___	S___	<b>Kyser</b>	
		Passed	Failed

Change Order No. Final

Date of Issuance: 11/9/20

Effective Date: 11/9/20

Owner: City of Moberly

Owner's Contract No.: 19254.020

Contractor: Willis Bros., Inc.

Contractor's Project No.: 19254.020

Engineer: Bartlett &amp; West

Engineer's Project No.: 19254.020

Project: Harrison Ave and Garfield Street Project

Contract Name: Harrison Ave and  
Garfield Street Project

The Contract is modified as follows upon execution of this Change Order:

## Description:

- Line item 5, Silt Fence: adjust quantity to 58 LF.  
 Line item 13, 6" PCC Driveway: adjust quantity to 682.0 SY.  
 Line item 14, Straight Back Curb & Gutter (APWA CG-1): adjust quantity to 6,189.0 LF.  
 Line item 27, 4" PCC Sidewalk: adjust quantity to 189.0 SF.  
 Line item 32, 8" C900 PR 235 PVC: adjust quantity to 2,621 LF.  
 Line item 33, Reconnect 1" Service Line (Directional Bore): adjust quantity to 837 LF  
 Line item 34: Replace 1" Service Line (Open Cut): adjust quantity to 451 LF  
 Line item 44, Reconnect Existing Meters (Directional Bore): adjust quantity to 247 LF.  
 Line item 53, 6" PCC Base: adjust quantity to 47.8 SY.  
 Line item 54, Aggregate for Base: adjust quantity to 290.0 SY.  
 Line item 57, Replace & Reconnect Existing Service Line (Open Cut): adjust quantity to 133 LF.  
 Line item 68, 4" Schedule 35 Perforated Underdrain: adjust quantity to 1,320.0 LF.  
 Line item 69, Remove Old Fire Hydrants: adjust quantity to 9 EA.  
 Line item 72, Driveway Culverts – North Harrison: adjust quantity to 430 LF.  
 Add line item 75, Additional Project Removals: 1 LS, unit price of \$6,600.00/LS.  
 Add line item 76, Additional Project Aggregate: 1 LS, unit price of \$4,200.00/LS.  
 Add line item 77, Additional Seed and Straw: 1 LS, unit price of 2,950.00/LS.

## Attachments:

None

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES <i>[note changes in Milestones if applicable]</i>
Original Contract Price:	Original Contract Times:
\$ <u>1,235,917.00</u>	Substantial Completion: <u>180</u> days
	Ready for Final Payment: <u>210</u> days
	days or dates
[Increase] [Decrease] from previously approved Change Orders No. <u>1</u> to No. <u>3</u> :	[Increase] [Decrease] from previously approved Change Orders No. <u>1</u> to No. <u>3</u> :
\$ <u>89,953.42</u>	Substantial Completion: <u>30</u> days
	Ready for Final Payment: <u>30</u> days
	days
Contract Price prior to this Change Order:	Contract Times prior to this Change Order:
\$ <u>1,325,870.42</u>	Substantial Completion: <u>210</u> days
	Ready for Final Payment: <u>240</u> days
	days or dates
[Decrease] of this Change Order:	[Increase] of this Change Order:
\$ <u>27,546.60</u>	Substantial Completion: <u>N/A</u>
	Ready for Final Payment: <u>N/A</u>
	days or dates

Contract Price incorporating this Change Order:

\$ 1,298,323.82

Contract Times with all approved Change Orders:

Substantial Completion: 210 days

Ready for Final Payment: 240 days

days or dates

**RECOMMENDED:**

By: Austin Johnson  
Engineer (if required)  
Title: Project Manager  
Date: 12/2/2020

**ACCEPTED:**

By: \_\_\_\_\_  
Owner (Authorized Signature)  
Title \_\_\_\_\_  
Date \_\_\_\_\_

**ACCEPTED:**

By: Tom D. Willis  
Contractor (Authorized Signature)  
Title Gen. Trans  
Date 12/3/20

Approved by Funding Agency (if applicable)

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

# City of Moberly

## City Council Agenda Summary

Agenda Number: WS #4.

Department: Administration

Date: December 7, 2020

**Agenda Item:** An Ordinance Authorizing The City Manager To Execute A Cooperative Agreement For National Historic Places Nomination Consultant And Approving And Accepting A Proposal From Terri L. Foley To Complete Two National Historic Place Nominations.

**Summary:** Due to the struggle to secure a loan for hotels in today's current COVID environment, we have decided to look at historical tax credits once again for the project. After repeated attempts to get the auditorium, old Commerce Bank Building, and Kelly Hotel on the National Historical Registry for development purposes, staff is recommending one last attempt with a different approach. We have tried to get these buildings included as part of its own district, an expansion of the current district, and even the Kelly independently. All of these attempts have met resistance from the state and feds. We are now recommending to try by getting the auditorium individually eligible with the Kelly Hotel part of that due to their interconnectivity and supporting roles throughout the years. Our historical consultant, Terri Foley is willing to attempt this for a total of \$11,000 for all three buildings which are all crucial to the hotel development at this point. We are recommending moving forward with the attempt to see if the eligibility for historical tax credit could be attained. This could be the only way the Kelly Hotel has any value for a hotel project. MGB Investments, owner of the old Commerce Bank Building, has said he would contribute \$3,500 to the attempt if the city moves forward with the project.

### Recommended

**Action:** Direct staff to bring to December 21<sup>st</sup> Council meeting for final approval

**Fund Name:** Historic Preservation/Contracted Services

**Account Number:** 100.016.5406

**Available Budget \$:** 0.00

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	<b>Mayor</b>		
<input type="checkbox"/> Staff Report	<input checked="" type="checkbox"/> Proposed Ordinance	M___ S___ <b>Jeffrey</b>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution			
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	<b>Council Member</b>		
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M___ S___ <b>Brubaker</b>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract	M___ S___ <b>Kimmons</b>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M___ S___ <b>Davis</b>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice	M___ S___ <b>Kyser</b>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other _____		Passed	Failed

BILL NO. \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AUTHORIZING THE CITY MANAGER TO EXECUTE A COOPERATIVE AGREEMENT FOR NATIONAL HISTORIC PLACES NOMINATION CONSULTANT AND APPROVING AND ACCEPTING A PROPOSAL FROM TERRI L. FOLEY TO COMPLETE TWO NATIONAL HISTORIC PLACE NOMINATIONS.**

**NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOBERLY, MISSOURI, TO-WIT:**

**SECTION ONE:** MGB Investments, LLC has agreed to co-fund along with the City the cost of a consultant to nominate two Moberly downtown locations as National Historic Places as provided in the attached Cooperative Agreement (the "Agreement") for National Historic Places Nomination Consultant.

**SECTION TWO:** Terri L. Foley ("Foley") has submitted a Proposal (the "Proposal"), attached hereto, to complete two nominations for the National Historic Places Register at a cost of Eleven Thousand Dollars (\$11,000.00).

**SECTION THREE:** Both the Agreement and the Proposal will enhance the viability of a Development Agreement between the City and a separate developer to create a hotel in downtown Moberly

**SECTION FOUR:** The City Council hereby authorizes the City Manager to execute the Agreement with MGB and further upon receiving the agreed upon funding from MGB to accept the proposal of Foley and to proceed with an agreement with Foley to nominate the Municipal Auditorium and adjacent buildings and the bank building at 208 W Reed Street for the National Historic Places Register.

**SECTION FIVE:** The City Council hereby authorizes the City Manager to take such other steps as may be necessary to complete the actions authorized herein and ratifies any actions the City Manager may have taken in bringing these proposals to the City Council.

**SECTION SIX:** This Ordinance shall be in full force and effect from and after its passage and adoption by the Council of the City of Moberly, Missouri, and its signature by the officer presiding at the meeting at which it was passed and adopted.

**PASSED AND ADOPTED** by the Council of the City of Moberly, Missouri, this 21st day of December, 2020.

**ATTEST:**

\_\_\_\_\_  
**Presiding Officer at Meeting**

\_\_\_\_\_  
**City Clerk**

## COOPERATIVE AGREEMENT FOR NATIONAL HISTORIC PLACES NOMINATION CONSULTANT

THIS COOPERATIVE AGREEMENT FOR a NATIONAL HISTORIC PLACES NOMINATION CONSULTANT (this **"Agreement"**) is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 2020 (the **"Effective Date"**) by and between the CITY OF MOBERLY, MISSOURI, a city of the third class and a Missouri municipal corporation located in Randolph County and having a principal office at 101 West Reed Street, Moberly, Missouri 65270 (the **"City"**); and MGB INVESTMENTS, LLC, a Missouri Limited Liability Company, Missouri 64061 located at 208 W Reed Street, Moberly, Missouri 65270 (**"MGB"** and together with the City, the **"Parties"**).

### RECITALS

- A.** The Parties mutually acknowledge that on January 6, 2020, the City adopted Ordinance No. 9573 which, among other things, authorized a Purchase Option for the city to purchase certain property from MGB to further a Development Agreement between the city and a separate developer to develop a downtown hotel in Moberly, Missouri.
- B.** The Parties believe nominating the Municipal Auditorium and adjacent structures and the bank building at 208 W Reed Street in downtown Moberly for the National Historic Places Register will enhance the viability of the hotel development project and further the interests of both parties in completing their Purchase Option.
- C.** The Parties further acknowledge that Terri L. Foley is a consultant qualified to pursue nominations for the National Historic Places Register and that she has proposed to seek the nominations at a cost not to exceed Eleven Thousand Dollars (\$11,000.00).
- D.** Sections 70.210 through 70.320 of the Revised Statutes of Missouri, as amended, authorize political subdivisions to contract with private parties for the planning, development, construction, acquisition, or operation of any public improvement or facility, or for a common service, provided, that the subject and purposes of any such contract or cooperative action are within the scope of powers of such political subdivision and, accordingly, the Parties wish to commit certain funding sources necessary to upgrade and maintain PSAP Services in Randolph County.

### AGREEMENT

NOW, THEREFORE, in consideration of the above premises and the mutual covenants set forth in this Agreement, the Parties hereby agree as follows:

- 1. Consulting Services.** The City has received a Proposal for nominating Municipal Auditorium and the bank building from Terri L. Foley (the **"Consultant"**), a Historic Preservation Consultant, a copy of which is attached hereto as Exhibit "1". The City and MGB have reviewed said proposal and desire to cooperate in obtaining a consultant's services in nominating the Municipal Auditorium and the bank building for the National Register of Historic Places Registry.
- 2. Contributions.** The proposed cost for the Consultant services is Eleven Thousand Dollars (\$11,000.00). The Parties hereto agree to share this cost with the City paying \$7,500.00 and MGB paying \$3,500.00.00. MGB will pay its respective share to the City upon the execution of this Agreement.



**3. Notices.** Whenever notice or other communication is called for in this Agreement to be given or is otherwise given, such notice or other communication shall be in writing and shall be personally delivered or sent by registered or certified mail, return receipt requested, addressed as follows:

*If to the City:*

City of Moberly  
101 West Reed Street – City Hall  
Moberly, Missouri 65270  
Attn: City Manager

*If to MGB:*

Matt Brownfield  
208 W Reed Street  
Moberly, Missouri 65270

**5. Miscellaneous.**

**a. *Further Assistance.*** The Parties each agree to take such actions as may be necessary or appropriate to carry out the terms, provisions and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions and intent including, but not necessarily limited to, providing the Consultant access such information and assistance needed by the Consultant to conduct the analysis discussed herein.

**b. *Severability.*** The provisions of this Agreement shall be deemed severable. If any word, phrase, term, sentence, paragraph, or other portion of this Agreement shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Agreement shall not be affected by such partial invalidity, and each remaining work, phrase, term, sentence, paragraph, covenant, or other portion of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

**c. *Choice of Law; Venue.*** This Agreement and its performance shall be deemed to have been fully executed, made by the Parties in, and governed by and construed in accordance with the laws of the State of Missouri applicable to contracts made and to be performed wholly within such state, without regard to choice or conflict of laws provisions. The Parties hereto agree that any action at law, suit in equity, or other judicial proceeding arising out of this Agreement shall be instituted only in the Circuit Court of Randolph County, Missouri and waive any objection based upon venue or *forum non conveniens* or otherwise.

**d. *Entire Agreement; Exceptions; Amendments; No Waiver of Prior Actions.*** The Parties hereto agree that this Agreement shall constitute the entire agreement among the Parties and no other agreements or representations have been made by the Parties except a certain Cooperative Agreement for Joint Central Dispatch dated March 13, 2019, by and between the County and the City which Agreement is in addition to and separate and apart from this Agreement. This Agreement shall be amended only in writing and effective when signed by the duly authorized agents of the Parties. The failure of any Party to insist in any one or more cases upon the strict performance of any term, covenant

or condition of this Agreement to be performed or observed by another Party shall not constitute a waiver or relinquishment for the future of any such term, covenant or condition.

**e.** *No Waiver of Sovereign Immunity.* Nothing in this Agreement shall be construed or deemed to constitute a waiver of the City's, the County's or the District's sovereign immunity.

**f.** *Bind Effect.* Except as otherwise expressly provided in this Agreement, the covenants, conditions and agreements contained in this Agreement shall bind and inure to the benefit of the Parties and their respective permitted successors and assigns.

**g.** *Counterparts.* This Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

**h.** *Approval of Agreement.* Each of the Parties represents that the governing body of each Party approved the entry into and the execution of this Agreement in a duly noticed meeting, a quorum being present, by affirmative vote of the governing body in compliance with section 432.070 of the Revised Statutes of Missouri, as amended.

IN WITNESS WHEREOF, the Parties have set their hands and seals as of the day and year first above written.

**CITY OF MOBERLY**

By: \_\_\_\_\_  
Jerry Jeffrey, Mayor

**ATTEST:**

\_\_\_\_\_  
Shannon Hance, City Clerk

**MGB INVESTMENTS, LLC**

By: \_\_\_\_\_  
Matt Brownfield, Managing Member

# City of Moberly

## City Council Agenda Summary

Agenda Number: WS #5.

Department: Administration

Date: December 7, 2020

**Agenda Item:** Receipt of Bids for RFP of Market Feasibility Study Hotel/Lodging Facility.

**Summary:** Steve Powell with Destination Services has conducted interviews with the two low bidders; Core Distinction Group and Grey Hospitality. During the calls, Steve Powell gave each company the background on Moberly and development efforts to redevelop the downtown and create a visitor destination. He had the companies each explain their approach to the project. Steve Powell believes Grey Hospitality has more depth and knowledge of the type of project Moberly is trying to execute. They have extensive experience with boutique properties and totally understand the rural market. As the low bid, Steve Powell would recommend the city engage Grey Hospitality. Staff agrees with this recommendation. However, due to an ever-changing project scope and financing terms, it will probably be a delayed start date or phased scope for the feasibility study with Grey Hospitality if selected.

**Recommended**

**Action:** Direct staff to bring to City Council at a later date for final approval

**Fund Name:** Historic Preservation/Contracted Services

**Account Number:** 100.016.5406

**Available Budget \$:** 0.00

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	<b>Mayor</b>		
<input type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance	M___ S___ <b>Jeffrey</b>	___	___
<input checked="" type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution	<b>Council Member</b>		
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	M___ S___ <b>Brubaker</b>	___	___
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M___ S___ <b>Kimmons</b>	___	___
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract	M___ S___ <b>Davis</b>	___	___
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M___ S___ <b>Kyser</b>	___	___
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice		Passed	Failed
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other _____			

## **REQUEST FOR PROPOSAL MARKET FEASIBILITY STUDY HOTEL/LODGING FACILITY**

**DATE DUE: 4:00 pm on Monday, October 27, 2019**

### **INTRODUCTION**

The City of Moberly, Missouri, is seeking proposals for professional services from qualified bidders who can conduct a market feasibility study for a proposed boutique hotel (lodging facility) in downtown Moberly. The study should address the current and projected market demand analysis for the number, type and duration of hotel stays in the City; a competitiveness analysis on what a new hotel facility must do to provide a unique alternative and be successful; and an economic feasibility analysis and proforma.

### **DELIVERABLES**

The successful bidder must be able to perform the following services:

- Projected market demand analysis – percentage of each market segment to be obtained with detail projections by market segment including price point, occupancy, and length of stay.
- Conduct a project feasibility study to assess the proposed boutique hotel facility program and determine the overall market feasibility of the proposed facility.
- Determine the economic feasibility of the project from both an operational proforma and investor perspective.

- Perform a competitive analysis with like properties located within a similar community as Moberly with comparable demographics and a regional retail market.
- Provide recommendations to enhance the success of this facility

## OVERVIEW

The City of Moberly has been pursuing the rejuvenation of their downtown area, known as “The Depot District”. The Depot District will become a destination for visitors and new residents interested in an authentic Missouri town that values family, safety and quality of life. As part of a tourism strategic plan, a boutique hotel replicating a hotel from the early 20<sup>th</sup> century was determined to be a much needed “attractor” to support visitor infrastructure. The new hotel will be branded to the railroad history of Moberly and its past as a cultural entertainment destination for both St. Louis and Kansas City. It is important to note that Moberly is a town of 12,000 located 28 miles from I-70 and the City of Columbia. Moberly is a regional shopping location for many of the small communities surrounding the City who do not wish to go to Columbia. Moberly has two small colleges, a hospital, a rural airfield, tremendous parks, a golf course and many other quality of life assets. The proposed location for the boutique hotel sits adjacent to a large building once used as a bank. The bank is adjacent to an old hotel and the City’s municipal auditorium. It is important to note that all of these building will be a part of the new hotel complex and will be used for meeting space, a restaurant, event space and perhaps more

hotel rooms. The goal of the City of Moberly is to determine if the proposed project is economically feasible and to determine the various metric points required to ensure the success of the hotel. Finally, the City has committed a variety of incentives to the developer in order to facilitate the project. This study will be used to attract investors to support the project.

## **COMMUNITY BACKGROUND:**

The city of Moberly was born of a railroad auction on September 27, 1866. The county incorporated the town in 1868 with a board of trustees. The same year that the Wabash Railroad, St. Louis & Pacific Railway shops were finished in Moberly, the city entered a charter into state record and incorporated. The city of Moberly has a council-manager government. The council consists of five members elected for three-year terms and one city counselor who drafts ordinances and acts as legal counsel. Each year, the council elects one of its members as mayor and one as mayor pro tempore to serve for one year. To manage the city and oversee day-to-day operations, the council selects a city manager.

## **Facility**

The proposed facility is a replica of a 20<sup>th</sup> century hotel that once existed in Moberly. The boutique hotel is currently designed for 57 rooms within 32,000 sq. foot.

The detail site plan has been attached as Exhibit A.



## DESIRED OBJECTIVES & ASSUMPTIONS

The primary factors contributing to the consideration of a new lodging facility in downtown Moberly are as follows:

- A research study analyzing the tourism potential for Moberly, which resulted in a strategic plan recommending a new lodging facility;
- A determination that there is considerable hotel room night leakage to Columbia;
- A perceived pent-up demand for weddings and social event space; and
- There is a lack of quality lodging space in Moberly.

The primary objectives for this feasibility study are:

- To ensure the demand for lodging space will support the size of the proposed facility and if the demand supports an increase in lodging rooms beyond what is being proposed;
- To ensure the demand for wedding, social events, banquets, corporate meeting will support the size of the proposed facility/
- To ensure the operational proforma will economically support the facility and is attractive to private investors; and
- To determine the estimated economic impact of the facility on the community.

## SCOPE OF WORK

The following is an outline of the desired services to be performed.

### Market Demand Analysis

- Determine potential future lodging demand in the market area by market segment.
- Review competitive boutique facilities located in communities similar to Moberly and have a comparable corporate demographic and regional retail economic base. Columbia is not considered to be similar to Moberly
- Conduct accommodation inventory and meeting space analysis.
- Analyze current marketing position strategies and provide recommendations for underserved markets and/or



opportunities that can be targeted with a new hospitality product.

- Conduct a demand analysis with primary & secondary market research. Identify demand generators or potential users of both the boutique hotel facility and meeting/exhibit space via the adjacent buildings and municipal auditorium.

## **Project Feasibility Study**

1. Determine the viability of a boutique hotel product in Moberly based on the potential demand.
2. Economic impact forecasts:
  1. Forecast tax revenue increase to the City
  2. Forecast impact on City restaurants and retailers
  3. Forecast impact on hotel room nights

## **Financial Projections**

Provide detailed financial proformas for operations over a 20-year period of time including debt service that can be provided to lending institutions that may be interested in participating in the hotel project.

## **SUBMISSION REQUIREMENTS FOR RFP**

1. Name and basic information of the consulting firm submitting the proposal.
2. Description of the organization's experience in financial feasibility studies in the lodging industry and overall knowledge of the industry.
3. List of the firms or entities, including the names and contact information, for which the bidder has conducted similar studies. Include a brief summary of

the purpose of the study and any measurable results to date.

4. Describe the approach or process that your firm will undertake to gather research, including identifying potential demand generators, conducting personal and/or group interview sessions.
5. Describe the methods for presenting the findings, conclusions, and recommendations that will enable the City of Moberly and potential investors to make informed decisions.
6. A fee proposal for the study must be broken out into each key deliverable below, based on the firm's suggested approach. A fixed rate must be submitted for each deliverable listed below. The price per fixed deliverable will cover all costs including materials, time, travel and reports.
7. Provide a schedule and time frame for completion of the study.
8. Proposals must be valid for a period of sixty (60) days from the date due.

## **COST OF PROPOSAL BY DELIVERABLE**

1 MARKET DEMAND ANALYSIS

2 PROJECT FEASIBILITY STUDY

3 FINANCIAL PROJECTIONS

## **PROPOSAL TIMELINE FOR SUBMISSION**

**Proposals marked “Hotel Market Study” shall be delivered via email or by regular mail no later than 4:00 pm on Monday, October 27, 2020 to:**

**Brian Crane  
City Manager  
City of Moberly  
101 West Reed Street  
Moberly, Missouri 65270  
Phone: (660) 269-8705  
bcrane@cityofmoberly.com**

**Proposal must be in a PDF Format if submitted electronically.**

## **EVALUATION**

Following submission, reference checks and interviews with past clients, an evaluation of the proposals will occur. The City reserves the right to discuss fee structures, request revision where deemed necessary and/or interview only those firms which appear to be most responsive to the RFP. Selection will be based upon the most favorable combination of professional qualification, experience, reference responses and fee structure. The City will attempt to negotiate a final scope of services and fee agreement with the highest-ranking firm.

## **ADDITIONAL INFORMATION**

Requests for additional information should be directed to:

Steve Powell, Bid Coordinator

Email: [steve@destination-services.net](mailto:steve@destination-services.net) Phone: 314-575-8416

## **RESERVATION OF RIGHTS**

Final selection will be made based on the information provided in the proposals.  
**The City of Moberly reserves the right to reject any and all proposals.**

## **EXHIBITS**

Exhibit A: Investment Offering

Hotel Concept Plan

Overall Site Plan

Current Pro Forma

Exhibit B: Tourism Strategic Plan

Exhibit C: Depot District Business Plan



# The Merchant Hotel

*"Historic Hospitality Reborn in Moberly"*

Moberly, Missouri

Investment Offering **DRAFT**

Investor Equity Required = \$1,500,000 (15 units of \$100,000)

## Merchant Hotel Projected Cash Distributions

		<u>Year One</u>	<u>Year Two</u>	<u>Year Three</u>	<u>Year Four</u>	<u>Year Five</u>
Cash for Distribution		\$268,278	\$289,365	\$336,518	\$368,416	\$431,950
Cash Investors	85%	\$228,036	\$245,960	\$286,040	\$313,153	\$367,157
Cash Investor Return		<b>15%</b>	<b>16%</b>	<b>19%</b>	<b>21%</b>	<b>24%</b>
Developer	15%	\$ 40,242	\$ 43,405	\$ 50,478	\$ 55,263	\$ 64,793

## The Merchant Hotel Moberly, Missouri Investment Summary

### Project Highlights

- 57 Room Downtown Boutique Hotel
  - 41 King Rooms
  - 9 Studio Units
  - 7 One Bedroom Units
- Unique Re-Creation of Historic Merchant Hotel
- Important Anchor to Downtown Re-development
- Potential Extended Stay or Apartment use
- Potential Additional Future Units from Post Office and Kelly Hotel
- Adjacent to Restaurant, Meeting/Event Space and Municipal Auditorium
- Adjacent to downtown shopping and dining
- Under served hotel market

### Investment Highlights

- Projected cost of **\$7,865,000** = \$137,982 per unit
- C-PACE program \$1,100,000
- Cash Equity Required \$1,500,000
- Additional incentives available
- Developer to retain 15% ownership interest
- Construction period expected to be 12 months
- A projected IRR for Cash Investors with assumed sale at the end of five years of 26%
- Minimum investor unit of \$100,000
- Investors profit share of 85% until all equity fully repaid from sale or refinancing after which, the allocation of proceeds will change to 70% to the cash investors and 30% to the developer



**Development Budget**

PROJECT:

NUMBER OF UNITS:

SQ. FT

**Merchant Hotel****57****32,000**

<b><u>USE OF FUNDS</u></b>	<b><u>Ratios</u></b>	<b><u>BUDGET</u></b>	<b><u>PER UNIT</u></b>	<b><u>PER SQFT</u></b>
Construction	70%	5,500,000	96,491	\$172
Construction Contingency	3%	250,000	4,386	\$8
FF&E and OS&E	14%	1,140,000	20,000	\$36
Loan Pts, Constr. Interest, Other Closing Costs	1%	75,000	1,316	\$2
Project Management/Development Fee	4%	350,000	6,140	\$11
Working Capital Reserve	1%	75,000	1,316	\$2
Pre-Opening Salaries/Training	1%	75,000	1,316	\$2
Architecture / Structural / Civil / ID	4%	325,000	5,702	\$10
Legal and Accounting	1%	75,000	1,316	\$2
<b>TOTAL USE OF FUNDS</b>	<b>100%</b>	<b>\$7,865,000</b>	<b>\$137,982</b>	<b>\$246</b>

**SOURCE OF FUNDS**

Investor/s		\$1,500,000
C-PACE		\$1,100,000
<b>Total Equity</b>	<b>33%</b>	<b>\$2,600,000</b>
<b>Debt</b>	<b>67%</b>	<b>\$5,265,000</b>
<b>TOTAL SOURCES OF FUNDS</b>	<b>100%</b>	<b>\$7,865,000</b>



## Pro Forma

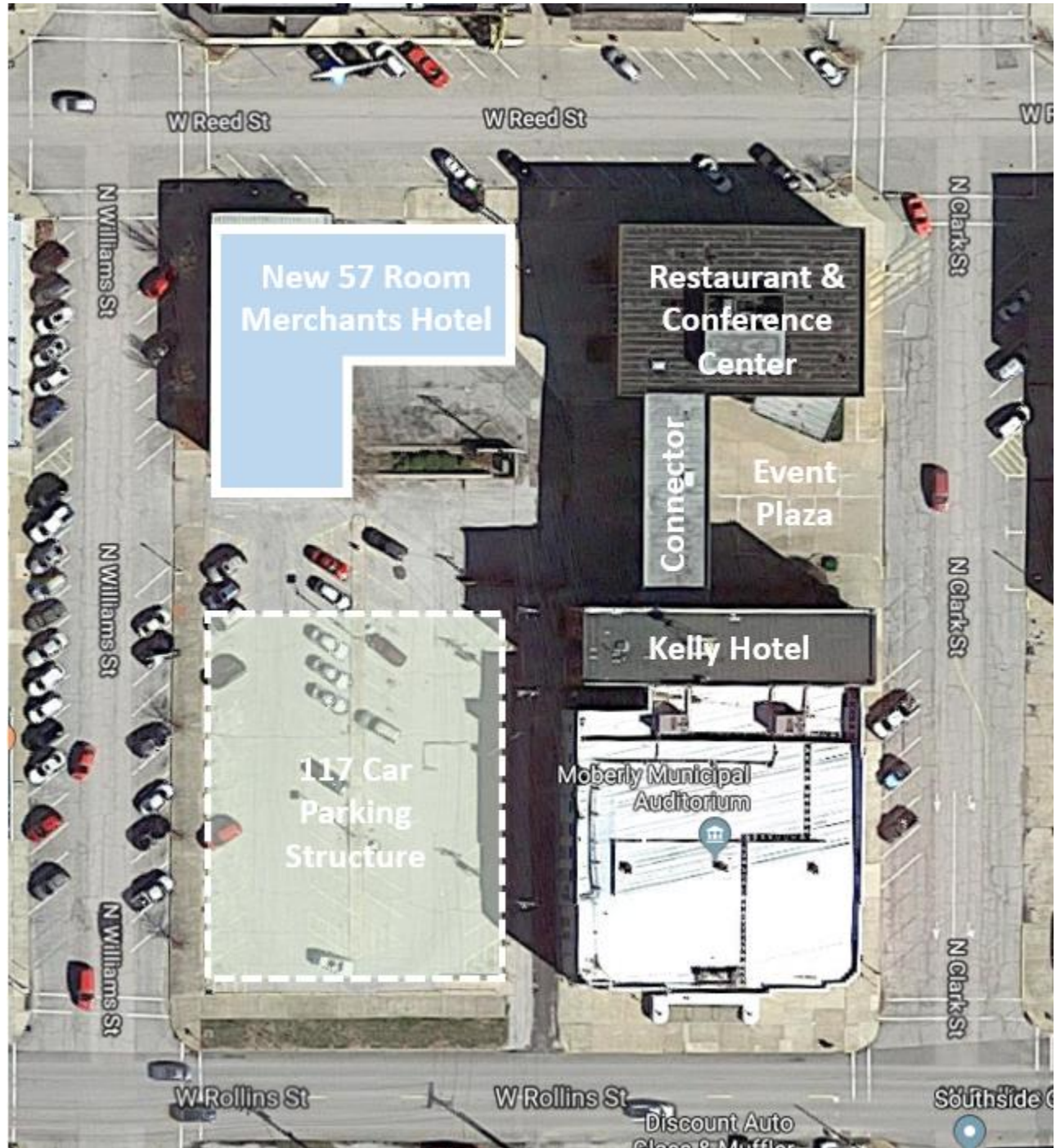
	<u>Year One</u>		<u>Year Two</u>		<u>Year Three</u>		<u>Year Four</u>		<u>Year Five</u>	
Rooms	57		57		57		57		57	
Available Rooms	20,805		20,805		20,805		20,805		20,805	
Rooms Sold	12,899		13,107		13,315		13,315		13,523	
Occupancy	62.0%		63.0%		64.0%		64.0%		65.0%	
ADR	\$125.00		\$130.00		\$135.00		\$140.00		\$145.00	
RevPAR	\$77.50		\$81.90		\$86.40		\$89.60		\$94.25	
<b>Revenue</b>	<b><u>%</u> <u>REV</u></b>		<b><u>%</u> <u>REV</u></b>		<b><u>%</u> <u>REV</u></b>		<b><u>%</u> <u>REV</u></b>		<b><u>%</u> <u>REV</u></b>	
Rooms	1,612,388	93.6%	1,703,930	93.5%	1,797,552	93.5%	1,864,128	93.4%	1,960,871	93.6%
Telephone	10,000	0.6%	11,000	0.6%	11,000	0.6%	12,000	0.6%	12,000	0.6%
Other Income	100,000	5.8%	107,000	5.9%	113,000	5.9%	119,000	6.0%	122,000	5.8%
Bar Revenue	450,000	26.1%	460,000	25.2%	470,000	24.5%	480,000	24.1%	490,000	23.4%
<b>Total Revenue</b>	<b>1,722,388</b>	<b>100.0%</b>	<b>1,821,930</b>	<b>100.0%</b>	<b>1,921,552</b>	<b>100.0%</b>	<b>1,995,128</b>	<b>100.0%</b>	<b>2,094,871</b>	<b>100.0%</b>
<b>Departmental Expenses</b>										
Rooms	441,794	27.4%	453,245	26.6%	463,768	25.8%	466,032	25.0%	488,257	24.9%
Telephone	12,000	1%	13,000	1%	14,000	1%	14,000	1%	15,000	1%
Other Income	40,000	2.3%	43,000	2.4%	45,000	2.3%	48,000	2.4%	49,000	2.3%
Bar Expenses	300,000	17.4%	310,000	17.0%	320,000	16.7%	330,000	16.5%	340,000	16.2%
<b>Total Departmental Expenses</b>	<b>493,794</b>	<b>28.7%</b>	<b>509,245</b>	<b>28.0%</b>	<b>522,768</b>	<b>27.2%</b>	<b>528,032</b>	<b>26.5%</b>	<b>552,257</b>	<b>26.4%</b>
<b>Gross Operating Income</b>	<b>1,228,593</b>	<b>71.3%</b>	<b>1,312,684</b>	<b>72.0%</b>	<b>1,398,784</b>	<b>72.8%</b>	<b>1,467,096</b>	<b>73.5%</b>	<b>1,542,614</b>	<b>73.6%</b>
<b>Undistributed Operating Expenses</b>										
Administrative & General	150,000	8.71%	155,000	8.51%	160,000	8.33%	165,000	8.27%	170,000	8.12%
Other Undistributed Expenses	20,000	1.16%	21,000	1.15%	23,000	1.20%	24,000	1.20%	24,000	1.15%
Sales & Marketing	75,000	4.4%	75,000	4.1%	75,000	3.9%	75,000	3.8%	75,000	3.6%
Repairs & Maintenance	50,000	2.9%	50,000	2.7%	50,000	2.6%	50,000	2.5%	50,000	2.4%
Utilities	<u>75,000</u>	<u>4.4%</u>	<u>75,000</u>	<u>4.1%</u>	<u>75,000</u>	<u>3.9%</u>	<u>75,000</u>	<u>3.8%</u>	<u>75,000</u>	<u>3.6%</u>
<b>Total Undistrib. Operating Expenses</b>	<b>370,000</b>	<b>21.5%</b>	<b>376,000</b>	<b>20.6%</b>	<b>383,000</b>	<b>19.9%</b>	<b>389,000</b>	<b>19.5%</b>	<b>394,000</b>	<b>18.8%</b>
<b>Gross Operating Profit</b>	<b>858,593</b>	<b>49.8%</b>	<b>936,684</b>	<b>51.4%</b>	<b>1,015,784</b>	<b>52.9%</b>	<b>1,078,096</b>	<b>54.0%</b>	<b>1,148,614</b>	<b>54.8%</b>
Management fee	103,343	6.00%	109,316	6.00%	115,293	6.00%	119,708	6.00%	125,692	6.00%
<b>Fixed Charges</b>										
Insurance	38,000	2.2%	39,000	1.0%	40,000	1.0%	41,000	1.0%	42,000	1.0%
Property Taxes	25,000	<u>1.5%</u>	25,000	<u>1.4%</u>	25,000	<u>1.3%</u>	25,000	<u>1.3%</u>	25,000	<u>1.2%</u>
Reserve for Replacement	0	<u>0.0%</u>	<u>50,000</u>	<u>2.0%</u>	<u>75,000</u>	<u>2.0%</u>	<u>100,000</u>	<u>2.0%</u>	<u>100,000</u>	<u>2.0%</u>
<b>Total Fixed Charges</b>	<b>63,000</b>	<b>3.7%</b>	<b>114,000</b>	<b>6.3%</b>	<b>140,000</b>	<b>7.3%</b>	<b>166,000</b>	<b>8.3%</b>	<b>167,000</b>	<b>8.0%</b>
<b>Net Operating Income</b>	<b><u>692,250</u></b>	<b>40.2%</b>	<b><u>713,368</u></b>	<b>39.2%</b>	<b><u>760,490</u></b>	<b>39.6%</b>	<b><u>792,388</u></b>	<b>39.7%</b>	<b><u>855,922</u></b>	<b>40.9%</b>



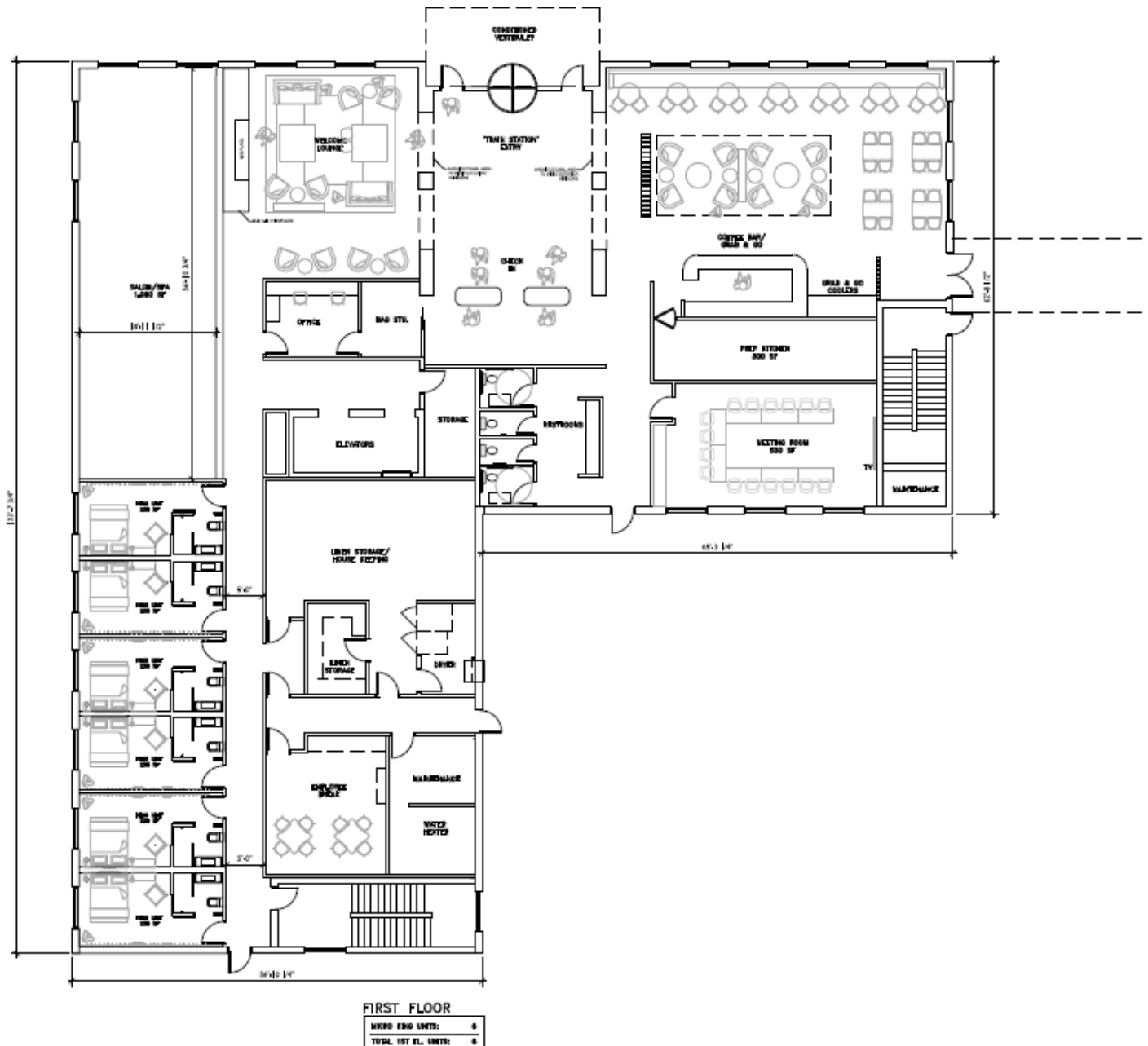
**Return on Investment**

				<u>Total</u>		<u>Per Room</u>		<u>Rooms</u>		
Total Development Cost				\$ 7,865,000.00		\$ 137,982.46		57		
TOTAL PROJECT COST				\$ 7,865,000.00		\$ 137,982.46				
First Mortgage		67%		\$ 5,265,000.00		\$ 92,368.42				
Equity		33%		\$ 2,600,000.00		\$ 45,614.04				
		100%		\$ 7,865,000.00		\$ 137,982.46				
Income After Debt Payment										
				<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	
Net Operating Income				\$ 692,250.08	\$ 713,368.48	\$ 760,490.46	\$ 792,388.32	\$ 855,922.03	\$ 881,599.69	
Annual Debt Service				\$ (423,971.95)	\$ (423,971.95)	\$ (423,971.95)	\$ (423,971.95)	\$ (423,971.95)		
Cash Flow After Debt Service				\$ 268,278.13	\$ 289,396.53	\$ 336,518.51	\$ 368,416.37	\$ 431,950.08		\$ 1,694,559.63
Cash on Cash ROI				10.3%	11.1%	12.9%	14.2%	16.6%		
DCR				1.63	1.68	1.79	1.87	2.02		
Valuation	Cap Rate	8.5%		\$ 8,144,119	\$ 8,392,570	\$ 8,946,947	\$ 9,322,216	\$ 10,069,671		
Mortgage Component										
	Mortgage Amount:			\$ 5,265,000.00						
	Interest:			5.2%						
	Amortization:		20	240						
	Annual Payment:			\$ (423,971.95)						
	Mortgage Constant:			-0.08053						
					<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	
			Beginning Balance		\$5,265,000.00	\$5,114,809.47	\$4,956,809.00	\$4,790,592.46	\$ 4,615,732.61	
			Interest (Est.)		\$ 273,781.42	\$ 265,971.48	\$ 257,755.41	\$ 249,112.10	\$ 240,019.34	
			Principal (Est.)		\$ 150,190.53	\$ 158,000.47	\$ 166,216.54	\$ 174,859.85	\$ 183,952.61	\$ 833,219.99
			Annual Payment		\$ 423,971.95	\$ 423,971.95	\$ 423,971.95	\$ 423,971.95	\$ 423,971.95	
			Ending Balance		\$5,114,809.47	\$4,956,809.00	\$4,790,592.46	\$4,615,732.61	\$ 4,431,780.01	
Capital Gain on Investment										
Year 6 Net Operating Income			\$ 881,599.69							
Terminal Cap Rate			8.50%							
Selling Costs			3.00%							
Reversionary Value				\$ 10,371,761.11						
Less: Mortgage Balance				(\$4,431,780.01)						
Less: Brokerage and Legal				\$ (311,152.83)						
Equity Residual				\$ 5,628,828.27						
Less: Return on Equity				\$ (1,694,559.63)						
Capital Gain on Investment				\$ 3,934,268.65						
Equity Component										
				<u>Base</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	
Owner's Equity				\$ (2,600,000.00)						
Annual Cash Flow After Debt Service					\$ 268,278.13	\$ 289,396.53	\$ 336,518.51	\$ 368,416.37	\$ 431,950.08	\$ 1,694,559.63
Reversionary Value									\$ 10,371,761.11	
Less: Remaining Mortgage Balance									(\$4,431,780.01)	
Less: Selling Costs (Broker, Legal)									\$ (311,152.83)	
Total				\$ (2,600,000.00)	\$ 268,278.13	\$ 289,396.53	\$ 336,518.51	\$ 368,416.37	\$ 6,060,778.36	
Annual Yield					10.3%	11.1%	12.9%	14.2%		
Leveraged IRR				26.2%						

## Site Plan



## First Floor Plan



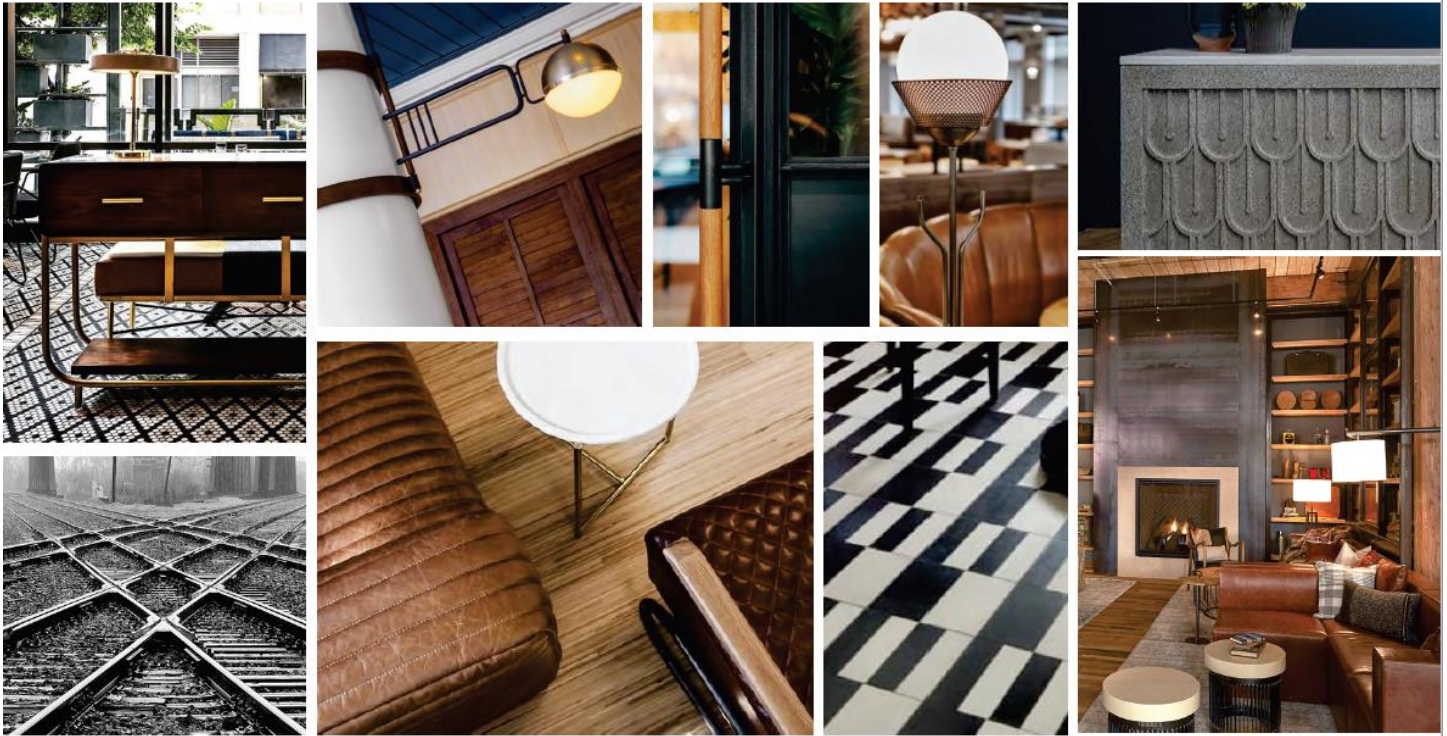
## Second Floor Plan



# Third Floor Plan







clockwork

RECEPTION - LOBBY - LOUNGE | Merchant Hotel - Mood Boards



clockwork

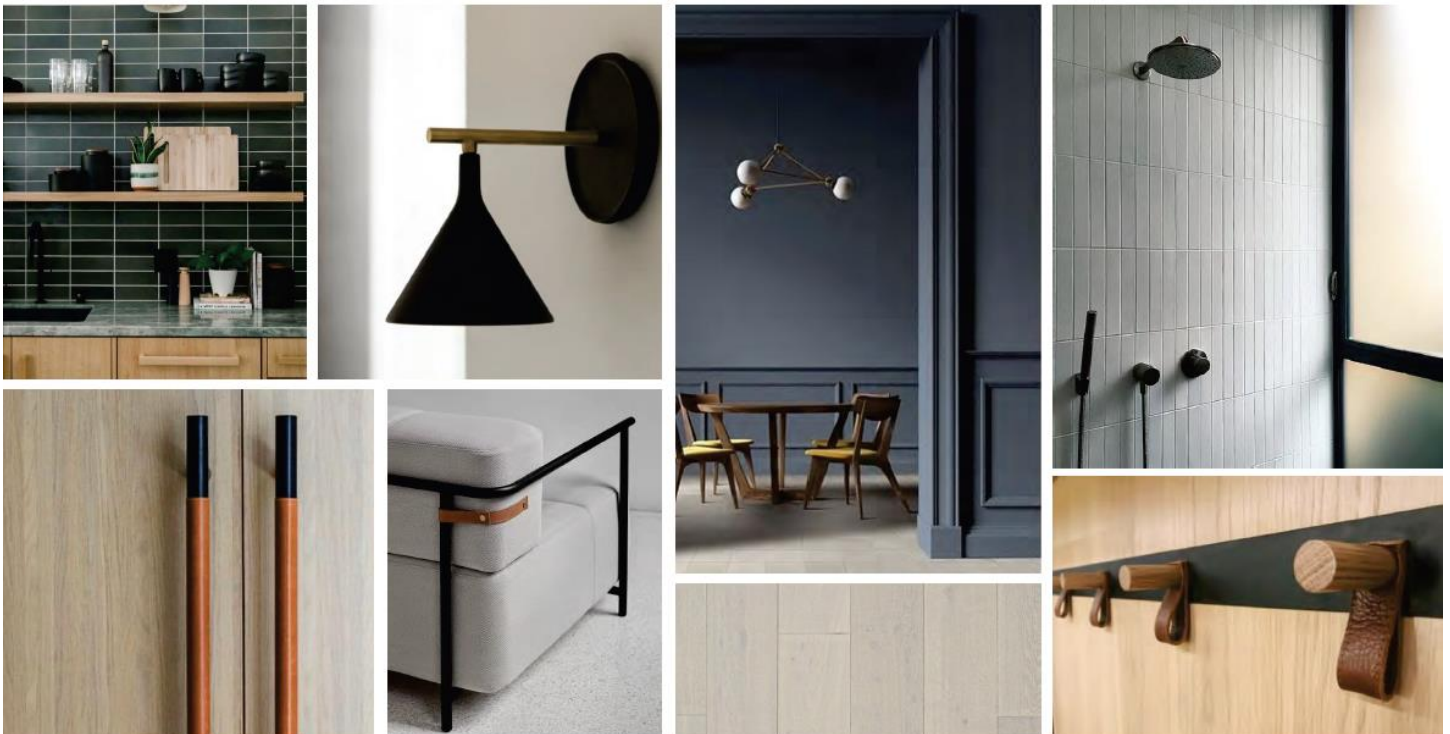
COFFEE BAR - COFFEE LOUNGE | Merchant Hotel - Mood Boards





clockwork

HOTEL ROOMS - RESTROOMS | Merchant Hotel - Mood Boards



clockwork

APARTMENT UNITS | Merchant Hotel - Mood Boards

## THE TEAM



Design



General Contractor

**Longitude<sup>o</sup>**  
Branding / Promotion / Marketing



Public Finance



Management Consultant







Moberly Area Chamber of Commerce  
City of Moberly

## 2018 Tourism Strategic Plan and Final Report

July 27, 2018

**Destination Services LLC**

322 South Main Street

St. Charles, MO 63301

Phone: (314) 575-8416

[stephenlpowell@sbcglobal.net](mailto:stephenlpowell@sbcglobal.net)

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## Research Objectives

Destination Services, LLC was charged with determining the feasibility of pursuing the tourism industry in Moberly and creating strategies to develop the industry as an economic Engine. The feasibility was based on an analysis of the following:

- Destination market analysis
- Viability of current tourism product-competitiveness
- Tourism assets, liabilities and product expansion/infrastructure needs
- Collaborative relationships and cooperative opportunities: capital, marketing and promotional
- Potential partnerships with existing tourism programs
- Community awareness plan, support and communication with residents
- Tourism development models and policies
- Visitor target markets and strategies with an emphasis on overnight lodging
- Market growth potential in small meetings, conferences, sports, group tours, etc.
- Develop specific sales strategies to pursue the most lucrative markets identified by research

## Research Objectives

The research objectives were accomplished via extensive survey efforts and interviews between February 2018 and June 2018. The following research components were employed consuming 350 hours.

- Visitor Survey Research
- Resident Survey Research
- Community Leaders: Survey Research
- Community Leaders: On-site Interviews
- Competitive Analysis
- Lodging Assessment
- Reviewed Current Tourism Trends
- Provided Observations and Potential Strategies

### Purpose

The Moberly Area Chamber of Commerce retained Destination Services, LLC (DS) to conduct scientific research to study the potential for tourism in Moberly and the greater Moberly area. The research established the foundation for a tourism strategic plan, which identifies the best roadmap to establish a tourism industry and compete effectively in the marketplace. Product development, tourism management and marketing that maximizes ROI through the allocation of resources based on research data will be the focus of a strategic action plan. Secondly, DS assessed the current segmentation of overnight visitation and visitor behavior to Moberly. Finally, the DS team conducted an intensive analysis of Moberly as a destination with the goal of creating a list of development/policy/organizational objectives which should be achieved in order to develop the industry.

### Methodology

An online survey instrument was prepared by the Destination Services research team and approved by the Moberly Area Chamber of Commerce . Email recipients were invited to take a visitor survey and be entered into a chance to win one of two \$250 VISA gift cards.

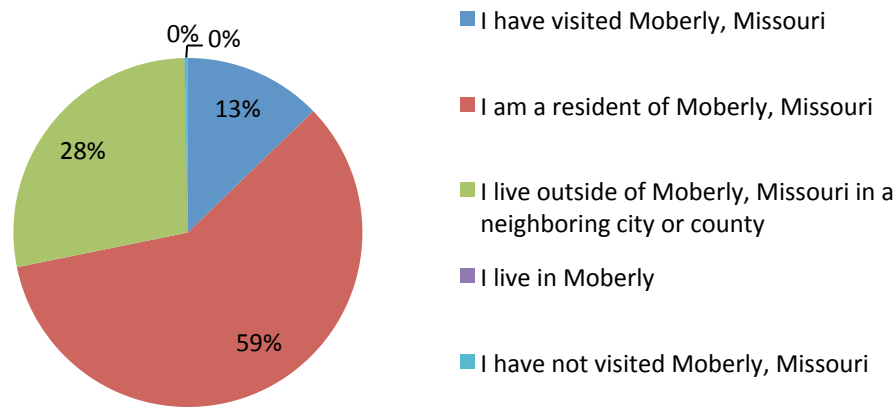
- Email invitation with a weblink to 731 recipients – 2 bounced and 277 were unopened.
- The survey link was also posted on the City's utility bill, the Chamber website, the Main Street website, several retailers and attractions.
- A total of 338 **surveys were received** through this weblink. Of those, 43 were visitors to the area, 199 were residents of Moberly and 95 lived outside of Moberly. It should be noted that several questions were skipped by a majority of the respondents.

Methodology

**Leisure overnight visitors N=17; Leisure daytrippers N= 71**

Surveys received from respondents represented a broad range of behaviors and experiences. It is deemed to be an indication of overall general travel patterns and local resident preferences for the destination. There were limited responses from overnight visitors. Onsite interviews were conducted with 16 community leaders including the Mayor, Council and business owners.

Relation to Moberly



# Resident Profile Research Summary and Observations 2018 Travel Market Research

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## Summary and Observations:

- Outdoor recreation activities and local events/ festivals were rated the highest in terms of satisfaction levels when residents share Moberly with guests
- Residents rated Moberly 4 out of 5 as a place to live, work and locate a business
- 70% of the households are two adults
- Average residency-40.527 years
- Total number of overnight guests hosted last year 1,704.  
Av: 9.2/house, which highlights the need for lodging



### Resident Profile Analysis

Residents for the most part are comprised of couples who have lived in Moberly for 40.5 years and average 48 years in age. They enjoy taking friends and family to local events and festivals, shopping, recreational outdoor activities and children's events. The residents gave Moberly a very good rating as a place to live and work, to play sports, locate a business and go to college.

It was interesting that the residents responding to this survey hosted over 1700 overnight guests last year; 9.2 guests per household. If this metric were to be extrapolated to the full population of Moberly, the number of overnight guests hosted by local residents would be 41,574 based on 4500 households. This figure definitely indicates a need for lodging.



### Resident Profile Analysis

During the on site interviews with community leaders, a degree of negativity was detected from the perspective that revitalization and tourism cannot be achieved in Moberly. This mindset will require special attention as the City moves forward. It is extremely important that everyone and every organization in Moberly work together in order to develop a tourism industry given the small population.

Secondly, the interviews with local corporate representatives also indicated a slight lack of confidence in Moberly's ability to develop a tourism industry and achieve revitalization. It is absolutely necessary for the major corporations to support this effort if it is going to be successful.

It should be understood that the majority of those interviewed are proud of their town and want to do whatever they can to improve the economic position of Moberly. It is my prediction that once the process begins and new product has been developed, one will see support for the effort grow tremendously.

### Resident Profile Analysis

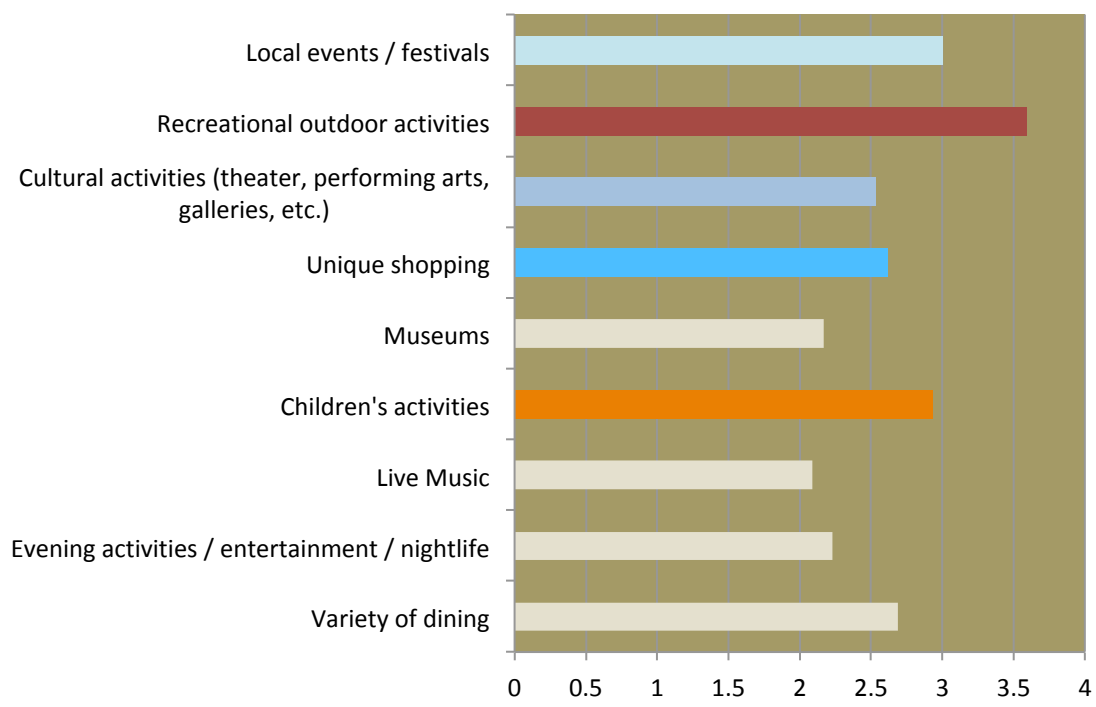
It is very obvious that the local residents who are millennials and those with families are extremely interested in growing the tourism industry, improving the quality of life and revitalizing the downtown area.

Nearly 50% of the residents responding to this survey stated the preference for downtown revitalization was a high energy lifestyle downtown with residents, many retail options, diverse culinary and cultural activities. The next highest percentage preference was 17% for retaining a small town flavor with limited professional and retail. When asked about activities that would appeal to them if offered in Moberly, the top three selections were more entertainment, culinary options and a vibrant downtown.

It will necessary to retain the small town flavor while creating the lifestyle design for downtown. Economic sustainability is the ultimate goal.

Resident Profile Analysis

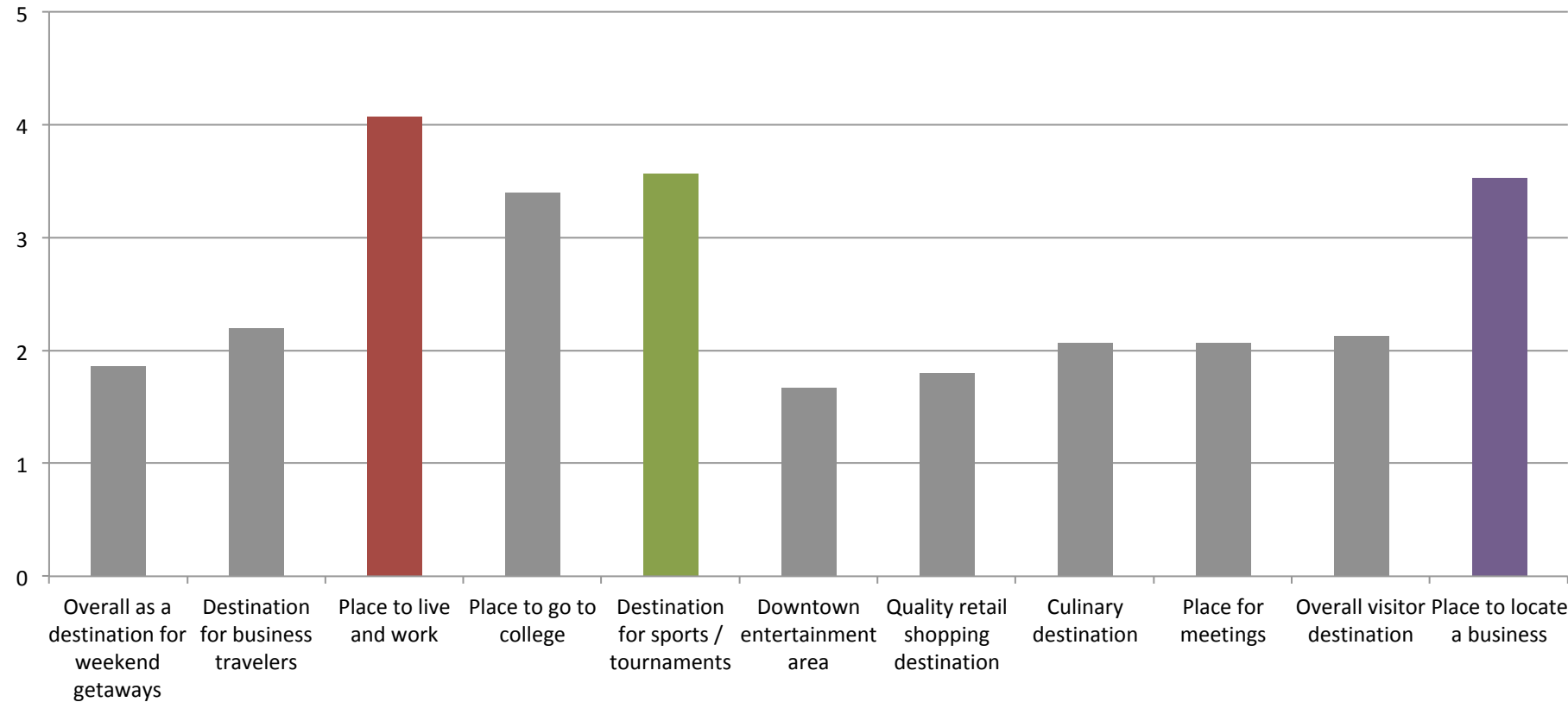
When friends, family or business guests visit you, please rate your level of satisfaction with the following Moberly experiences.



Observation: Recreational outdoor activities have the highest level of satisfaction followed by local events and festivals.

Resident Profile Analysis

Current Perception of Moberly as a Place to Live, Work, and Visit



Observation: The highest value of 4 out of 5 was given to Moberly as a place to live and work

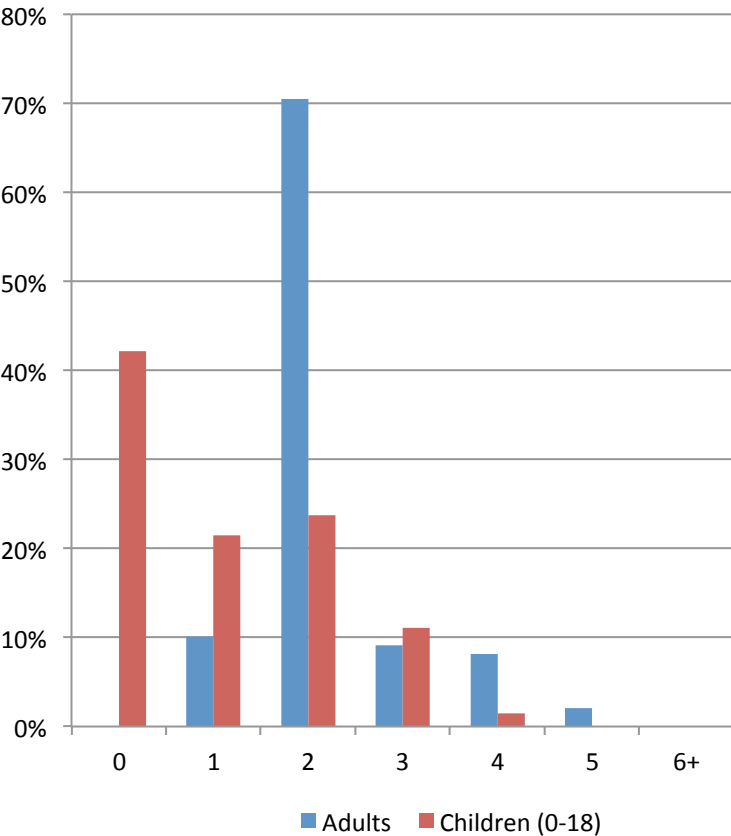
Resident Profile Analysis

Words Residents Chose to Describe Moberly



Resident Profile Analysis

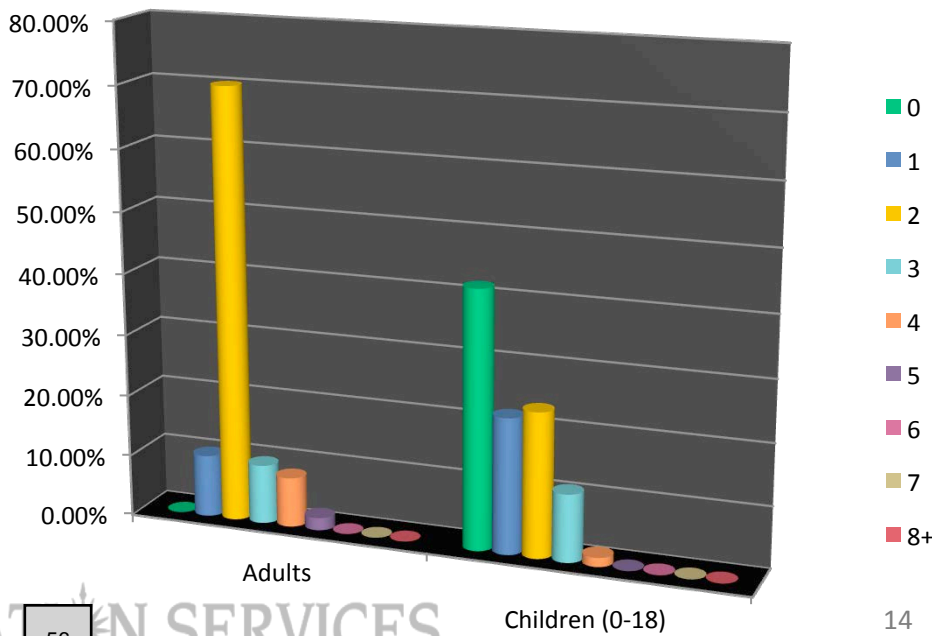
Size of Household



Resident Characteristics

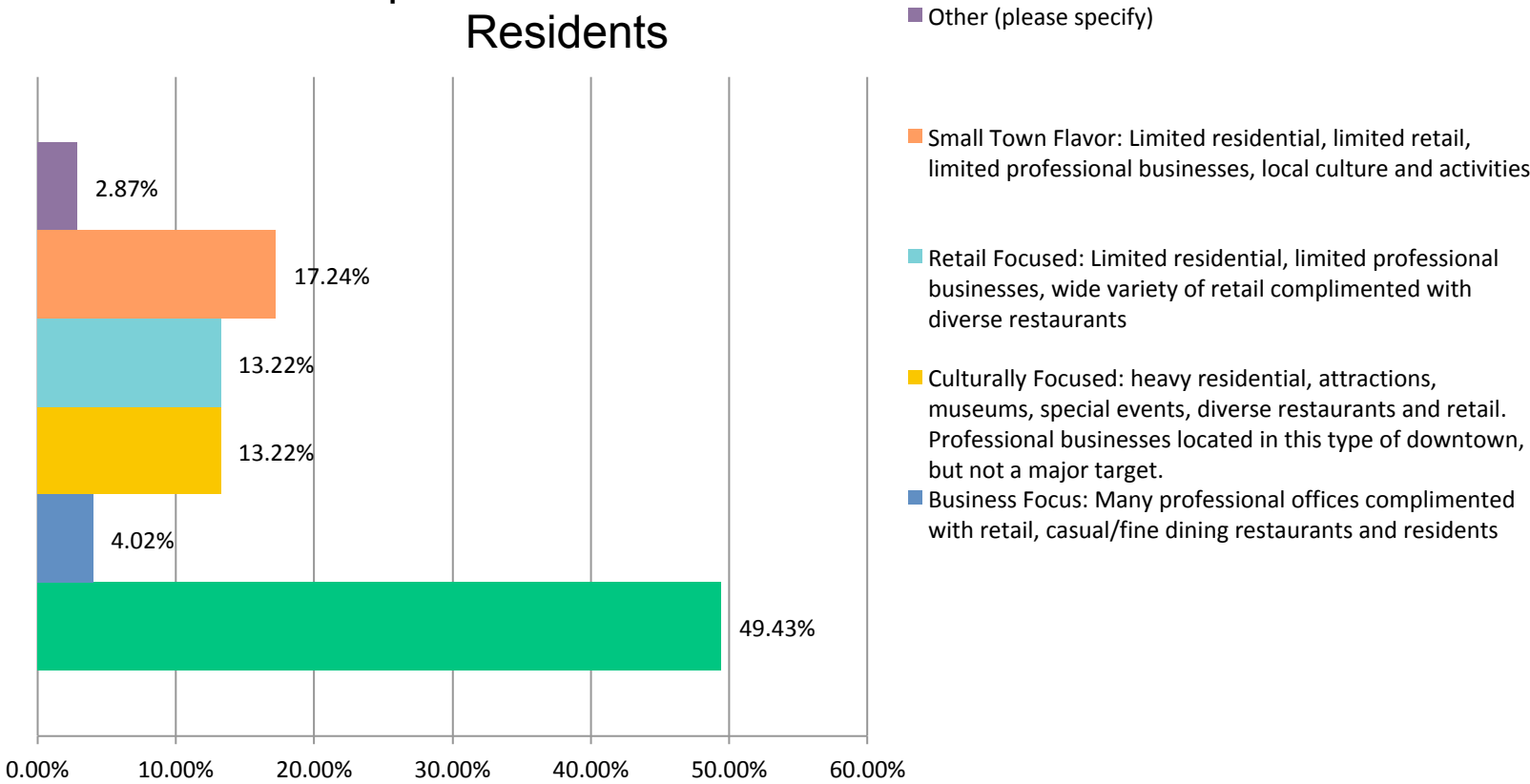
- Average residency-40.527 years
- Total number of overnight guests hosted last year 1,704. Av: 9.2/house

How many people currently live in your household?



Resident Profile Analysis

Description of Ideal Downtown  
Residents

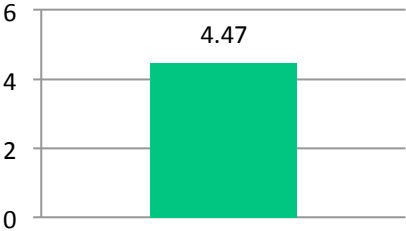


Observation: Nearly half of the respondents preferred a high energy lifestyle design for a downtown area with 17% favoring a small town flavor.

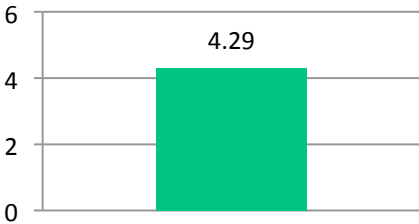
Resident Profile Analysis

The residents rated the following on a scale of 1 to 5 as those activities/experiences which would appeal to them if offered in Moberly.

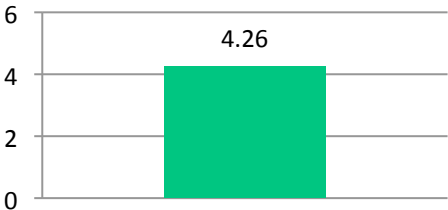
More culinary options



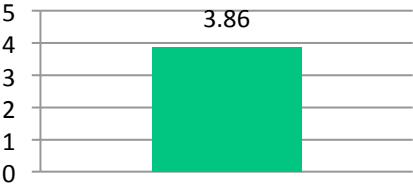
More entertainment options



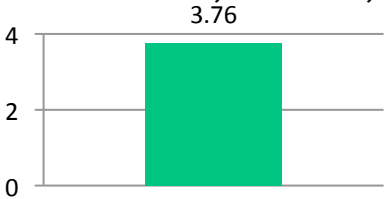
A more vibrant and active downtown area



More unique retail shops



More cultural activities; art exhibits, music,

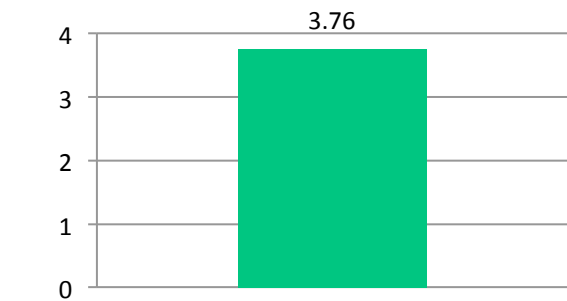


Observation: The residents stated more culinary options as the highest activity that would appeal to them if offered.

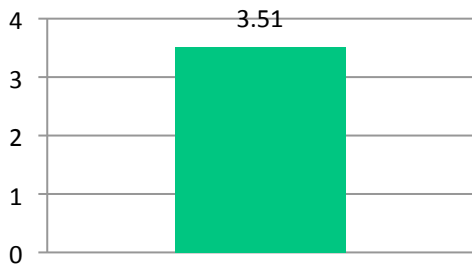


Resident Profile Analysis

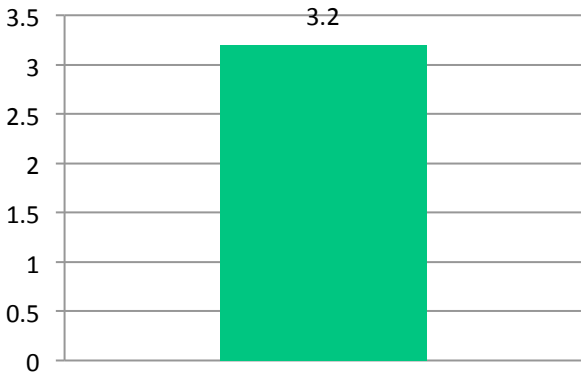
More cultural  
activities; art exhibits,  
music, theatre, etc.



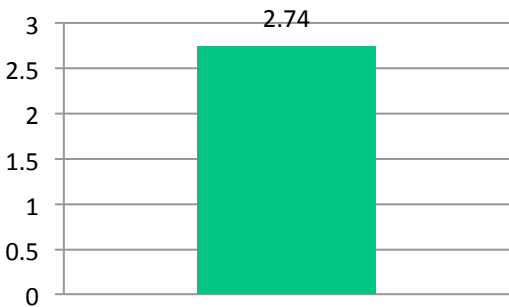
More nightlife  
activities



Historic tours



Public  
transportation



Observation: Public transportation had the lowest appeal rating.

# Visitor Profile Research Summary and Observations 2018 Travel Market Research

## Summary and Observations:

- Daytrippers skewed older than Overnight guests; 34 to 54 versus 15 to 33
- 3% of the respondents stayed overnight
- 88% stayed with friends and family
- Visiting with friends/family and shopping were the most frequent visitor activity
- Visitors spent the most money on shopping; \$281 spent by overnight visitors and \$410 by daytrippers
- 68% of visitors were on leisure trips
- Lack of evening activities, music, activity options for children and culinary variety received the lowest amenity ratings



### Visitor Profile Analysis

It is important to note the number of visitor responses totaled seventeen. A visitor is defined as one who does not live in or directly outside of Moberly. Consequently, the analysis on the following pages is an indicator of visitor preferences rather than a definitive supported by the research. This does not represent a lack of visitor interest at any level. It does represent a lack of visitor traffic. The low amount of visitor traffic provides an opportunity to design a destination which attracts a visitor demographic that creates a higher return on investment and is also one that the residents support from a quality of life perspective. Typically, refocusing an established destination is very difficult because one is interfacing with tourism product that has been established for many years and the mindset is to continue without refreshing the destination to meet the needs of today's consumers. Consequently, those destinations which do not change and reinvent will lose competitive market share.

While Moberly is primarily a daytrip destination which attracts shoppers, its overnight demand at first appears to be very small. However, when one analyses the number of overnight guests hosted by friends and family, the overnight visitors are quite significant at an average of 9.2 guests per year per household. This metric points to a lack of adequate lodging.

### Visitor Profile Analysis

It is unlikely given the lodging statistics that a brand hotel would be interested in building a new property. As the tourism industry grows, a brand hotel will eventually have interest in Moberly. In the near future, however, it is recommended that bed and breakfasts establishments be encouraged and the Kelly Hotel be renovated into a boutique hotel.

Those overnight visitors responding to the survey visit Moberly between one and three times annually. The typical overnight visitor has these characteristics:

- Primarily between the ages of 15 and 33 followed closely by those who are between the ages of 34 to 54
- April is the month with the most overnight visitation with October, December January, February and March a couple of percentage points behind April
- 58.94% stay 1 to 2 nights and 25% stay 3 nights
- A very small percentage reported staying in a hotel at \$258 per night
- \$281 was expended per travel party per trip on shopping and \$146 on meals

### Visitor Profile Analysis

Contrastly, day trippers are:

- Primarily between the ages 34 and 54 followed by the 15 to 33 age group
- Spend \$410 per travel party per visit on shopping
- Spend \$104 per travel party per visit on meals

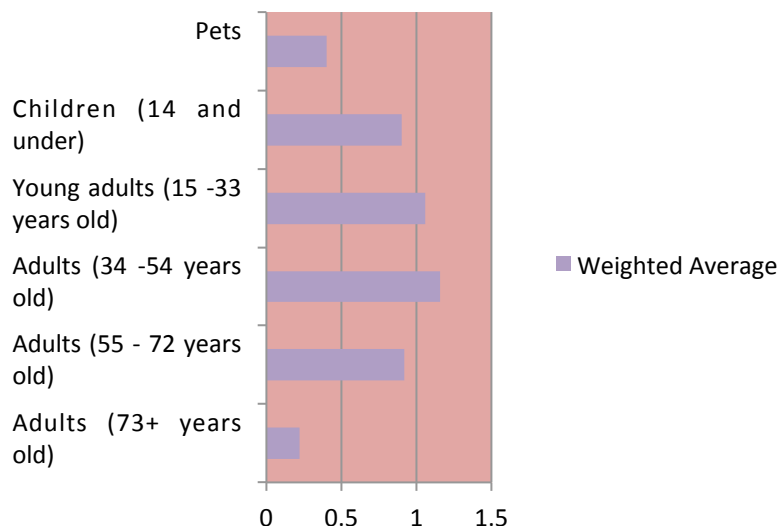
It is interesting that daytrippers are spending \$129 more per travel party per visit on shopping. This is not the usual spending pattern. Typically, overnight guests will spend more on shopping. This metric indicates how Important Moberly is to those who live outside of town for shopping and it speaks to the quality of the shopping experience. Shopping is a major tourism driver and as such, this specific characteristic will immensely assist in establishing the destination.

## Overall Survey Visitor Respondent Demographics

Demographics		Overnight N=17	Daytrip N=107
Generational Group	Average Age	46	48
Gender	Female	62.5%	72.4%
	Male	37.5%	27.5%
Occupation		Professional/technical – 12.5% Education – 6.2% Healthcare industry – 6.2% Self-employed – 12.5% Banking / Financial – 12.5%	Retired – 15.0% Professional/technical – 11.8% Self-employed – 11.3% Education / Professor / Teacher – 11.3% Management / Executive – 9.4%
Level of Education			
	College Degree	62.5%	39.6%
	Graduate School	25.0%	25.8%
	Some College	12.5%	20.6%
Ethnicity			
	White/Caucasian	100%	92.6%
	Prefer not to answer	0%	5.3%
	American Indian or Alaskan Native	0%	1.7%
	Hispanic or Latino	0%	0%
	Asian or Pacific Islander	0%	0%
	Black or African American	0%	0%

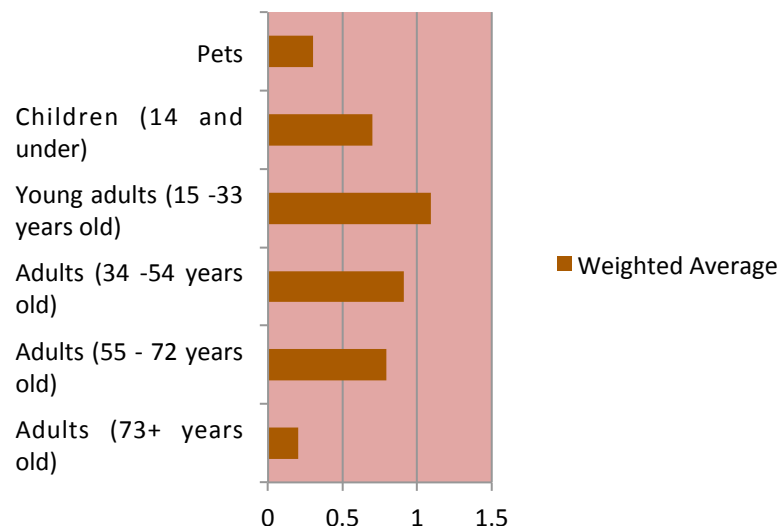
Please tell us the number of people in each age category in your travel party

### Daytrippers



Please tell us the number of people in each age category in your travel party

### Overnight

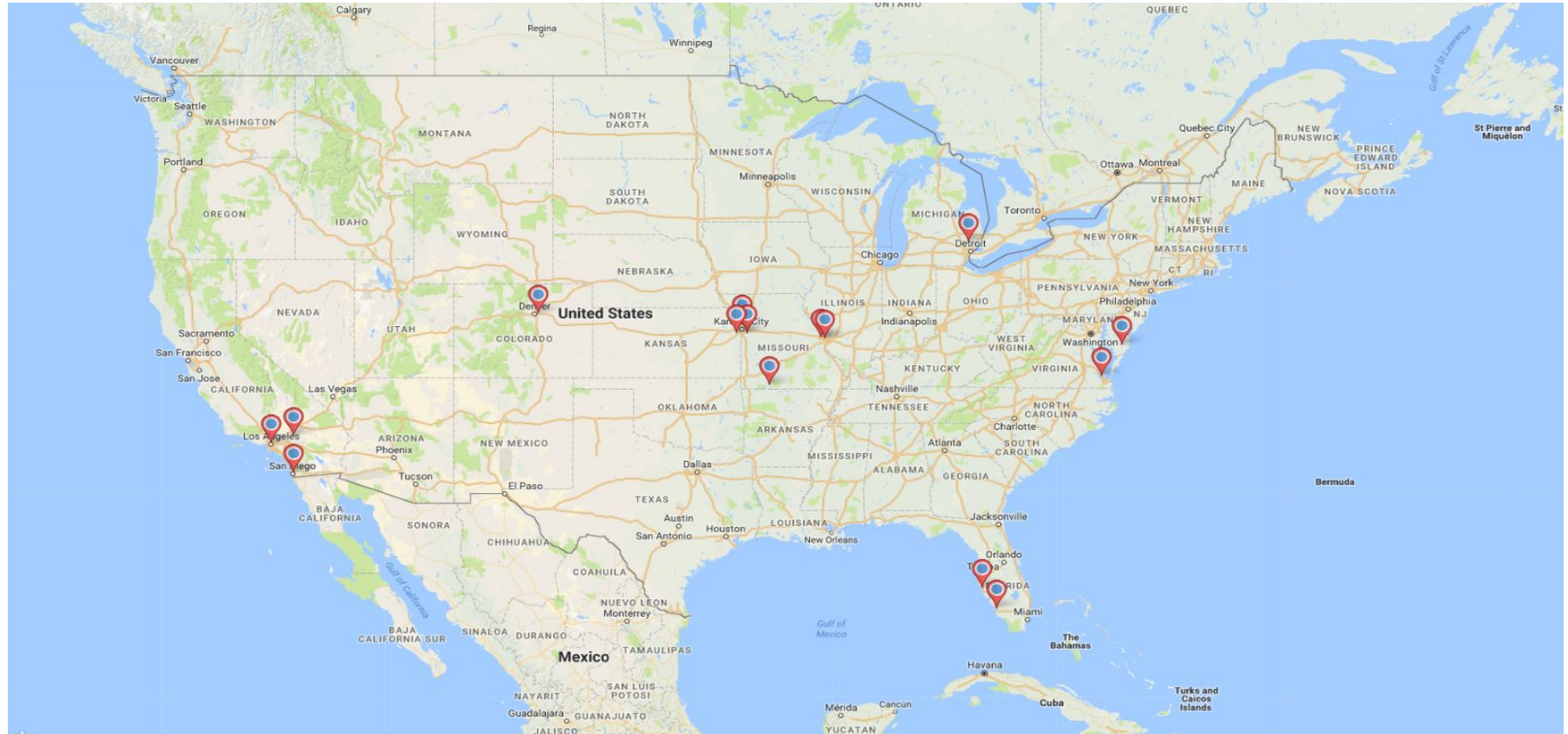


Observation: There are only slight age differences between the daytripper and overnight guest. The daytripper is a little older 34-54 and the overnight guest tends to be in the young adult age range. It is this age demographic that drives the shopping, dining and need for more evening activities.

# Moberly Area Chamber of Commerce Travel Market Research

WS #5.

## Visitors Point of Origin – OVERNIGHT



Observation: Overnight guests are coming from Kansas City, St. Louis and Springfield. These guests are most likely friends and family. The visitor point of origins on the West and East coasts may be corporate business travelers.

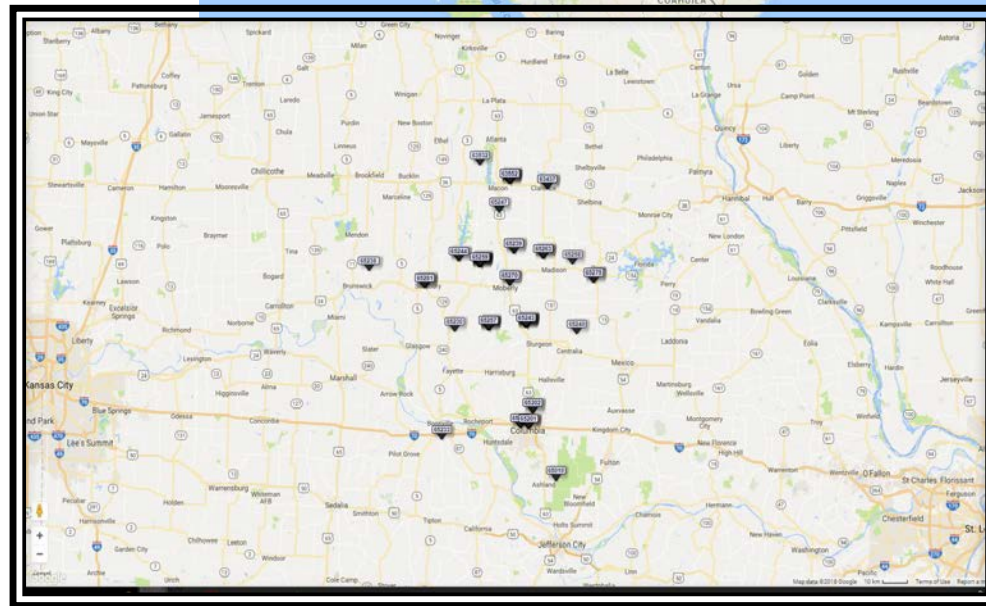
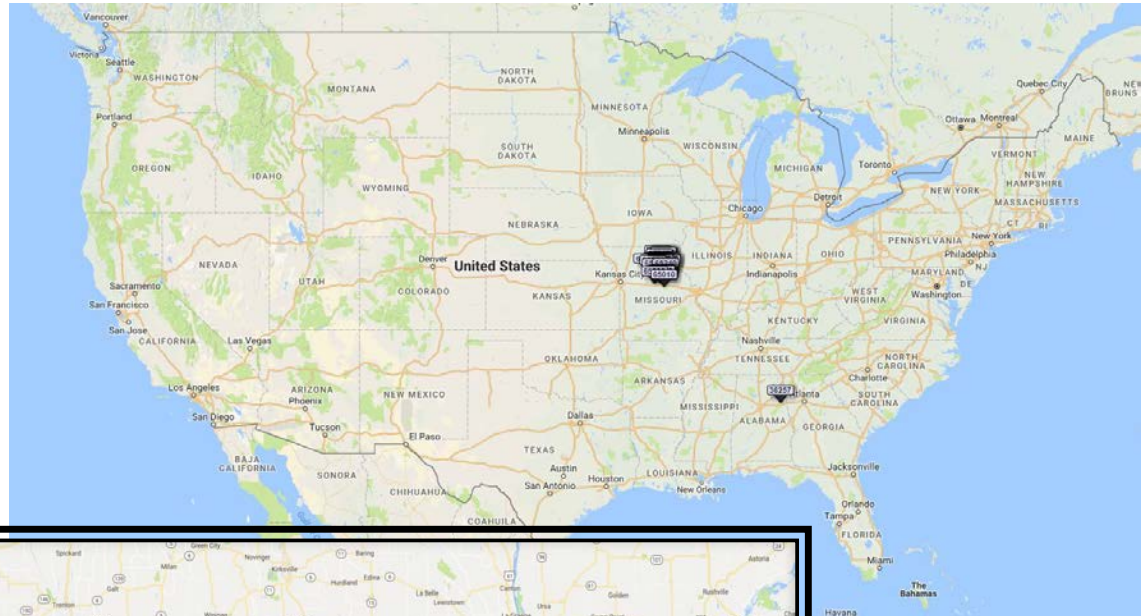


# Moberly Area Chamber of Commerce Travel Market Research

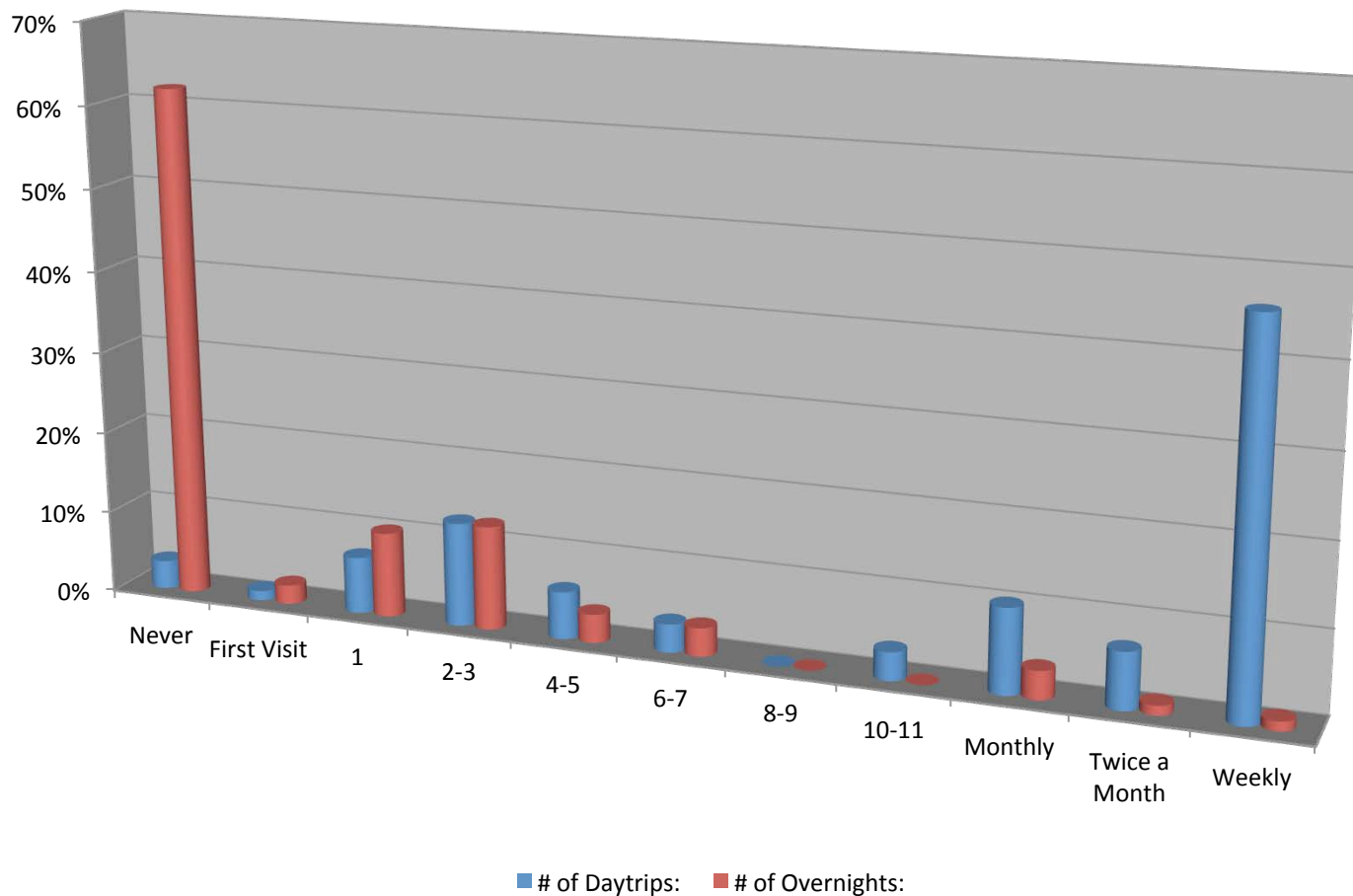
WS #5.

## Visitors Point of Origin – DAYTRIP

Observation: Daytrip guests generated by the people who live within a one hour drive north of Moberly. Shopping and visiting friends/family are the major source of daytrip visits.

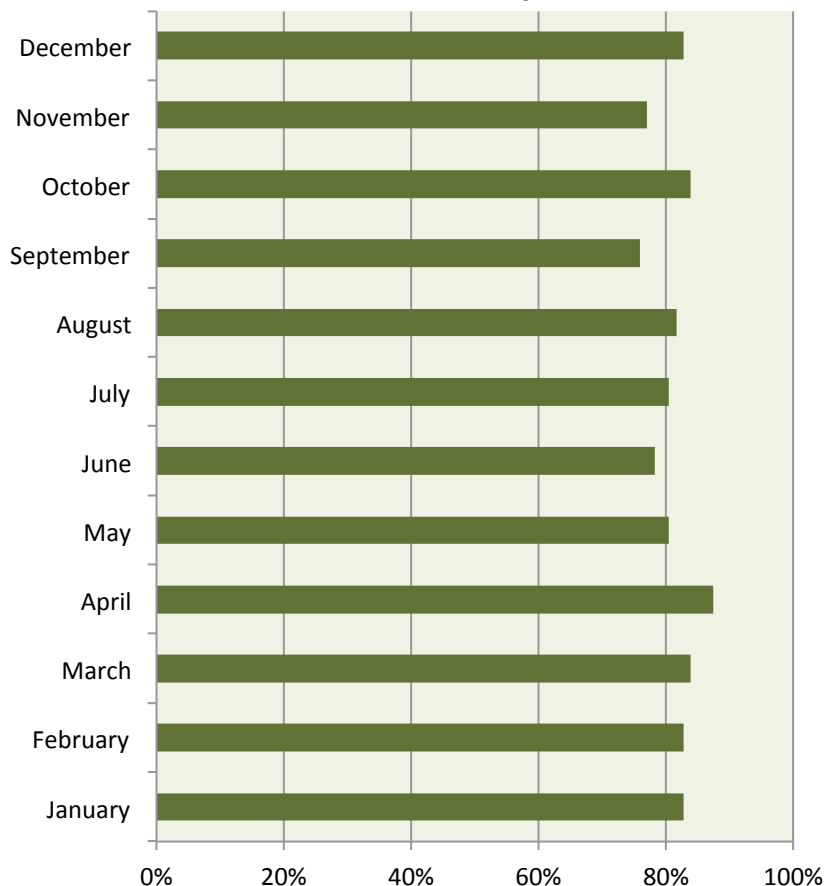


## Number of Visits to Moberly, MO Annually

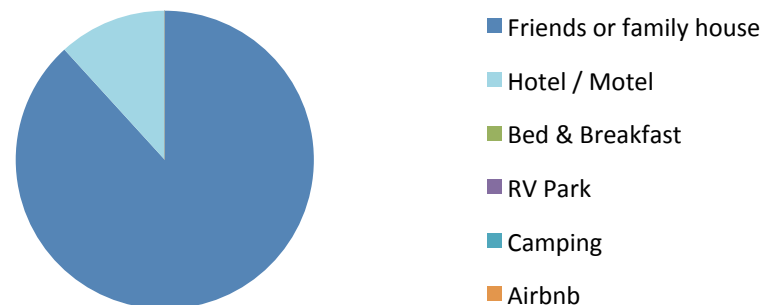


Observation: Moberly is primarily a daytrip destination.

## Visits to Moberly, MO

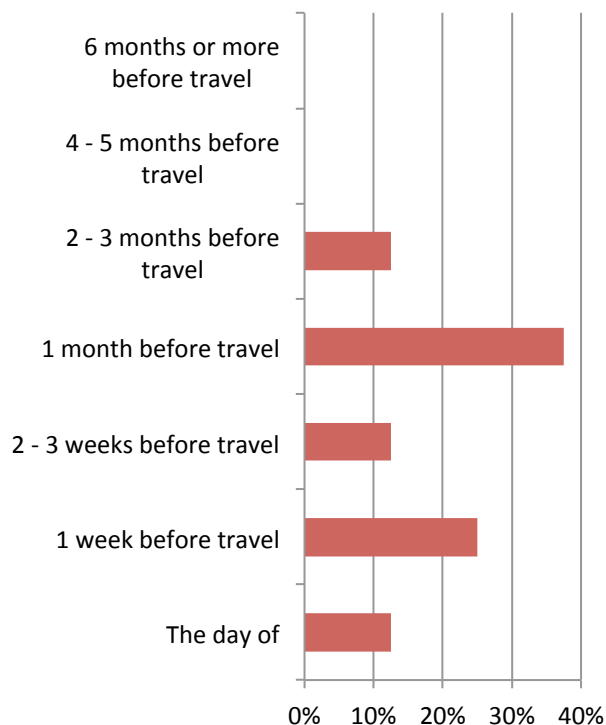


## Where did you stay during your last visit to Moberly?

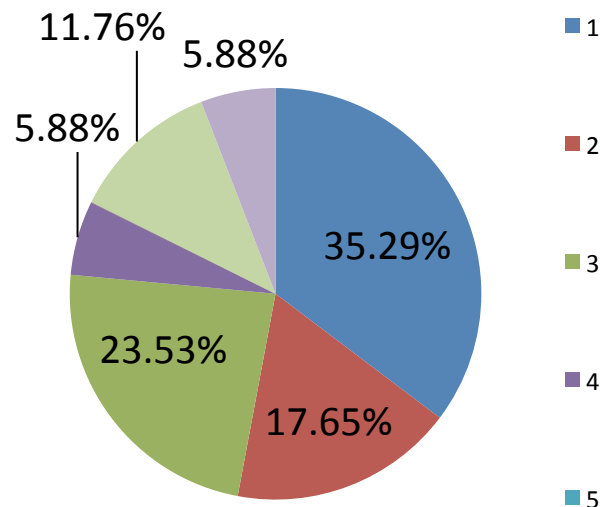


Observation: Visitation is fairly even throughout the year with April being the most visited month. The amount of people staying with friends and family points to a need for additional quality lodging.

## Amount of Time Before Visiting Moberly That Accommodations Were Booked

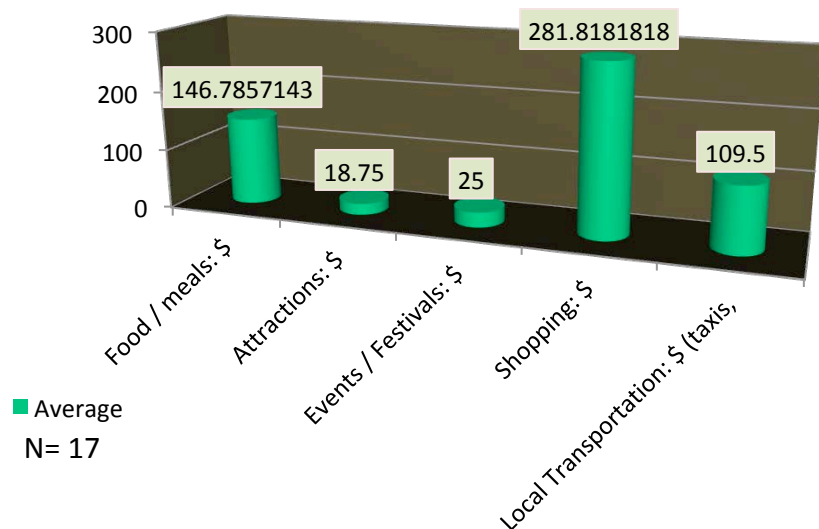


## Number of Nights Spent in Moberly During Most Recent Stay

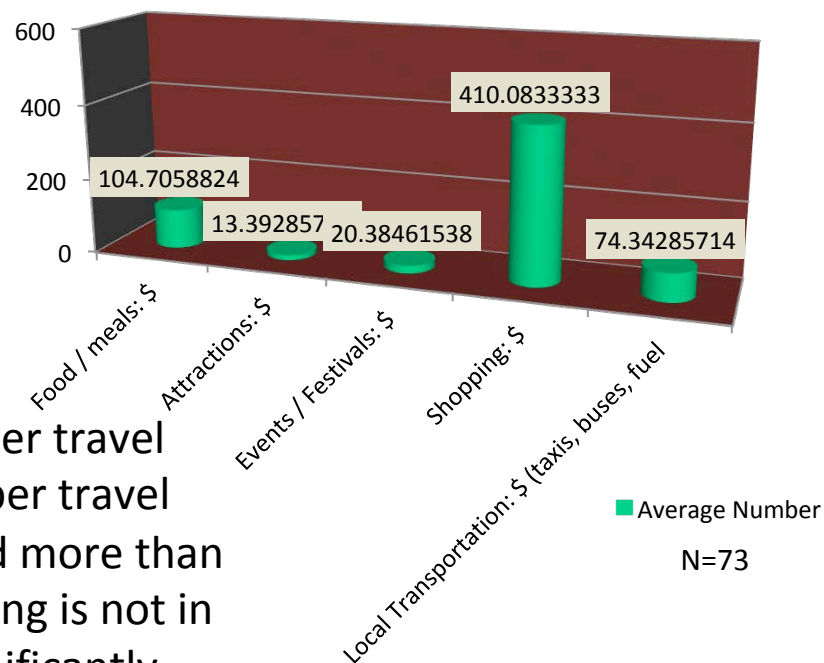


Observation: 25% of those spending the night stay 3 nights. This significantly contributes to the amount spent by visitors.

How much did your party spend WHILE IN Moberly, Missouri? Overnight guests

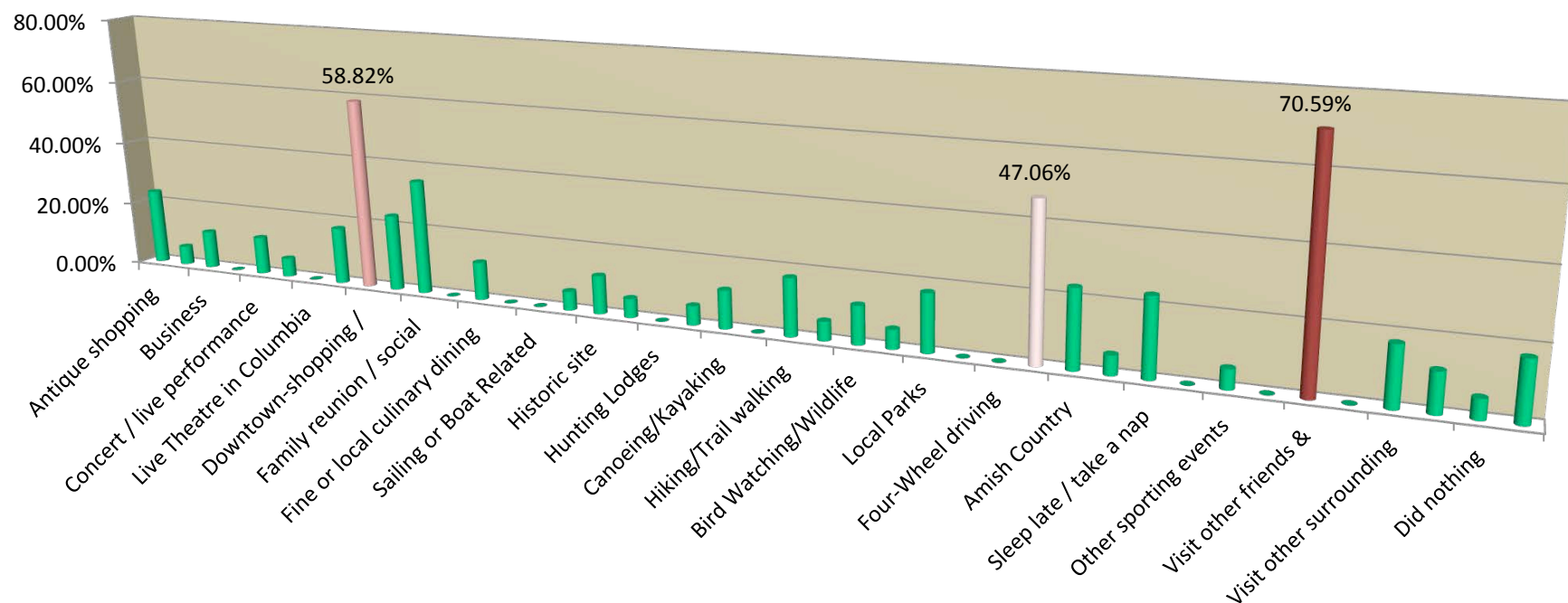


How much did your party spend WHILE IN Moberly, Missouri? Non-Overnight



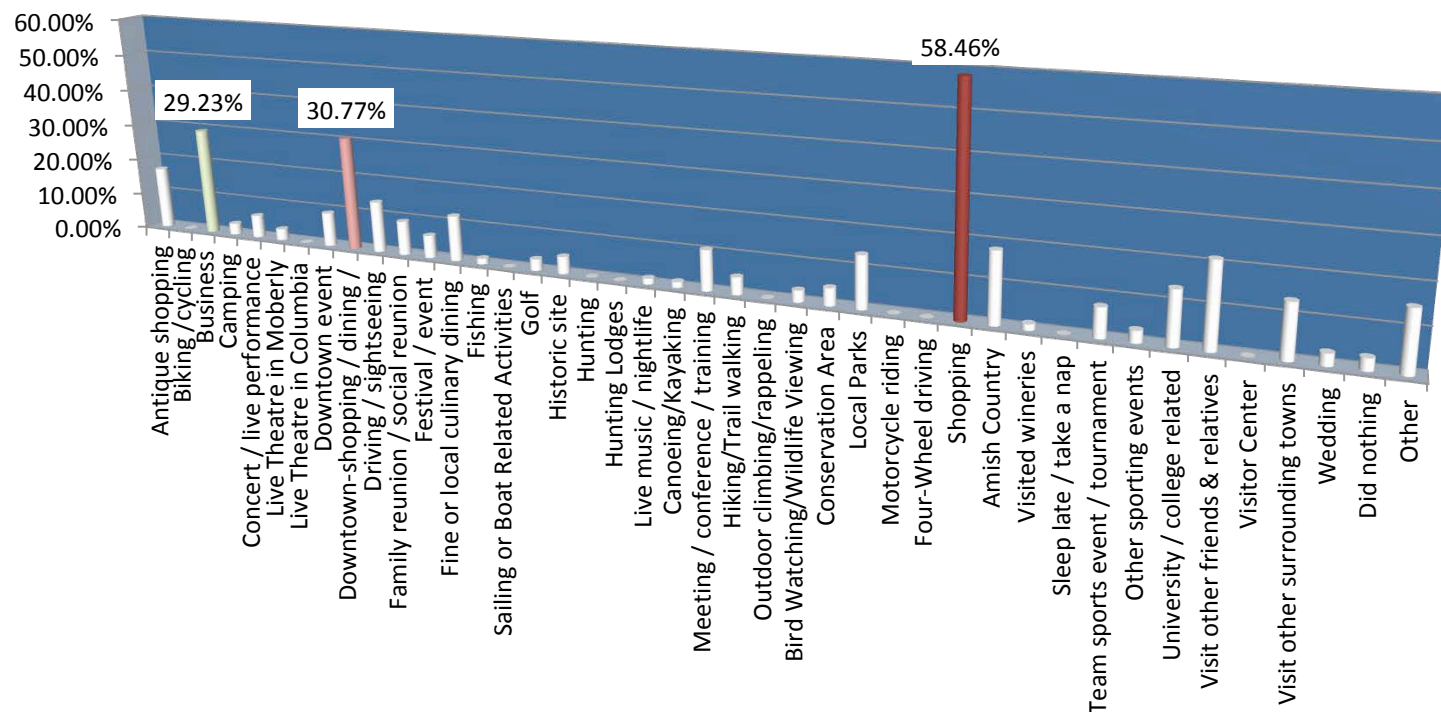
Observation: Overnight guests spent \$581.84 per travel party per visit while daytrippers spent \$622.89 per travel party per visit. Typically, overnight guests spend more than daytrippers. In this case, the fact that paid lodging is not in the expenditure profile for overnight guests significantly affects the economic impact.

## Activities you or a member of your travel party did while visiting Moberly (Overnight Guests)



Observation: 58% of the travel parties participated in downtown shopping while 47% shopped in general. 70% spent time visiting friends and family.

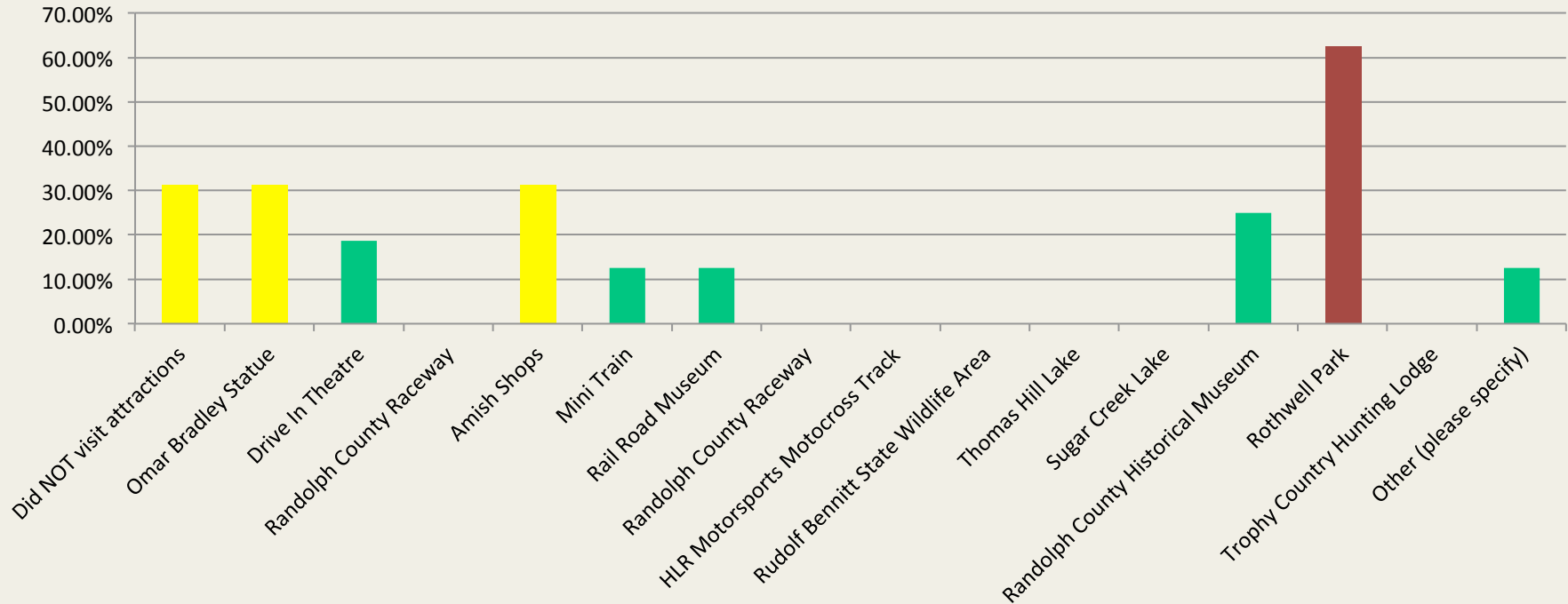
### Activities you or a member of your travel party did while visiting Moberly(Daytrippers)



Observation: Daytrippers are for the most part shoppers. The second most frequent activity is business.



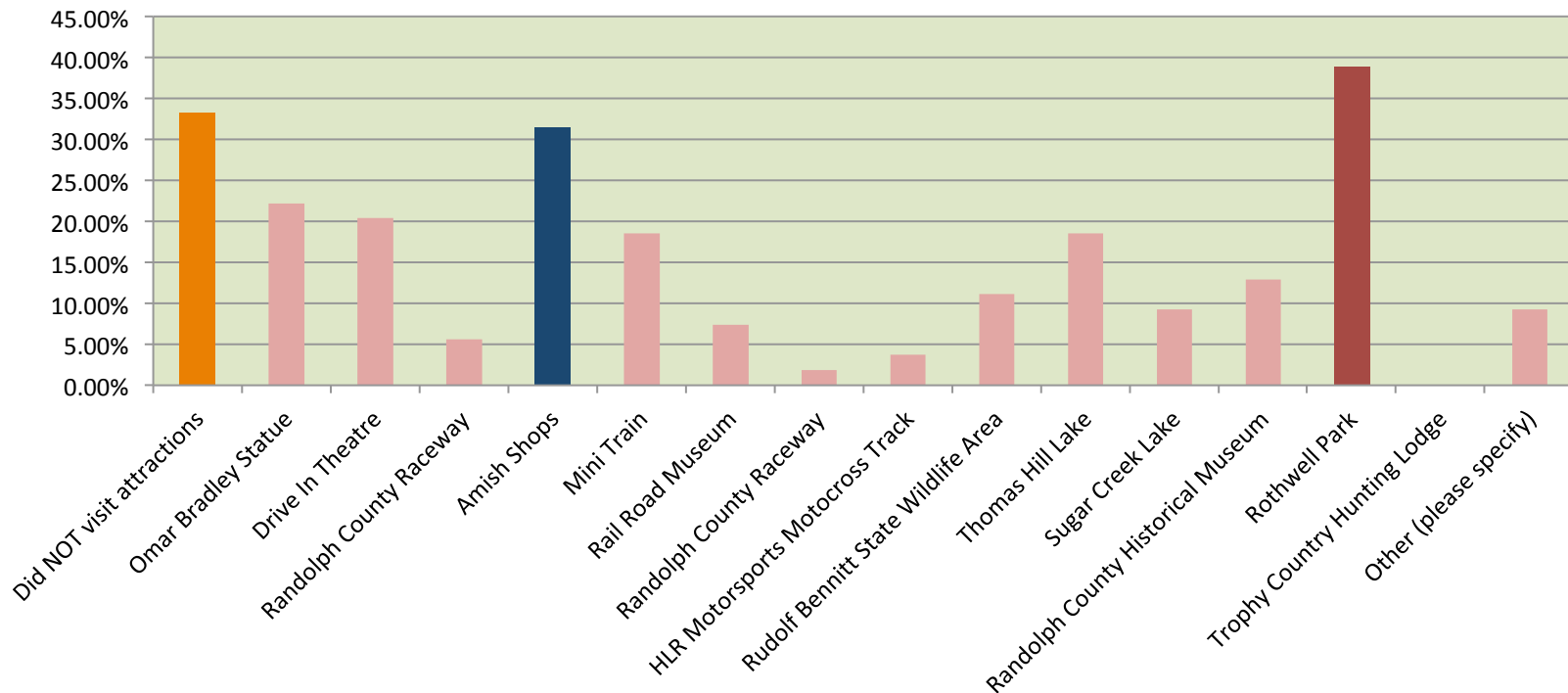
### Major attractions/events visited in Moberly and the surrounding area. (Overnight Guests)



Observation: The most visited attraction was Rothwell Park, the Omar Bradley statue and the Amish shops. Note that 31% of those responding to the survey did not visit any attractions.

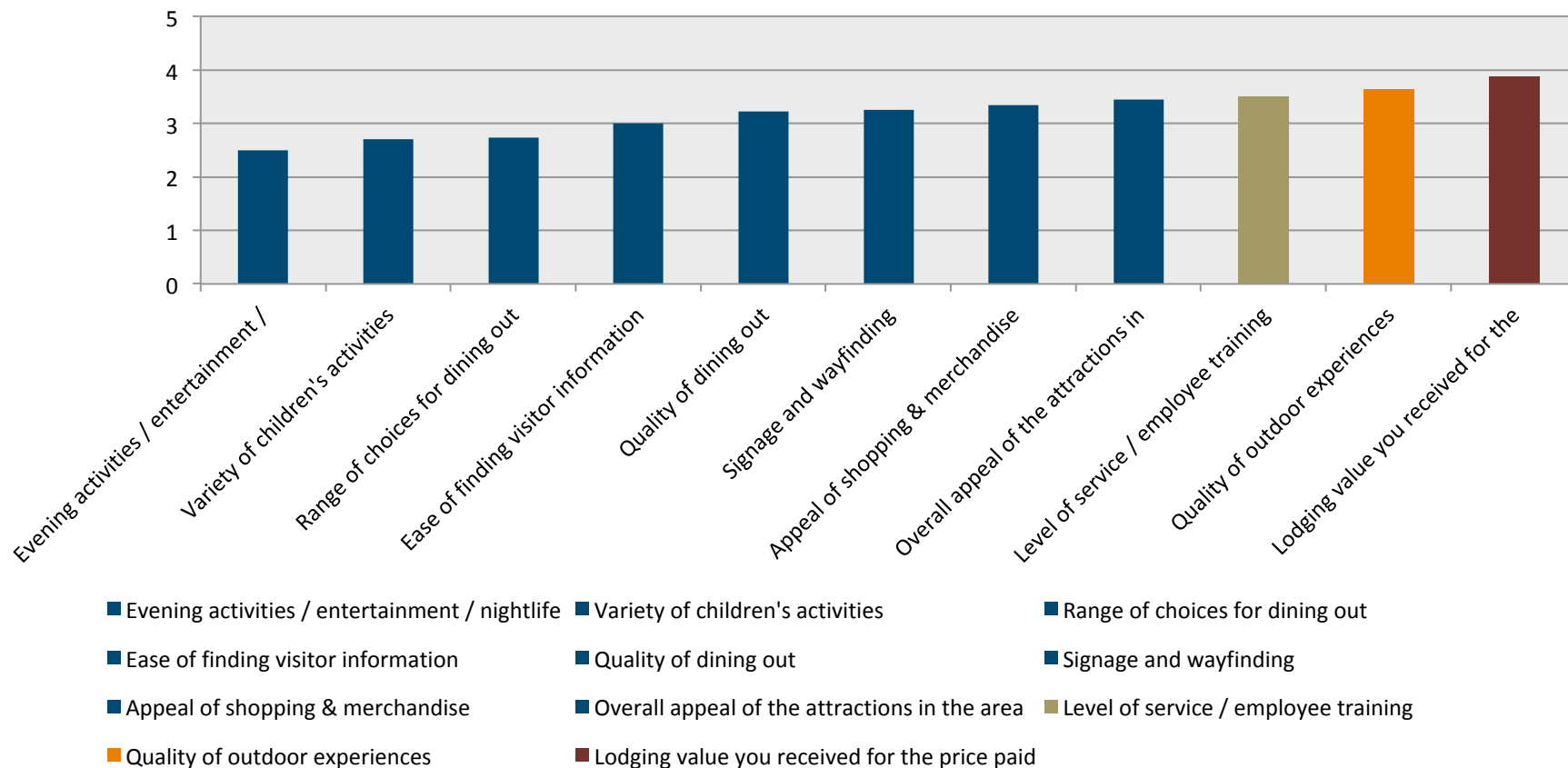


### Major attractions/events visited in Moberly and the surrounding area. (Daytrippers)



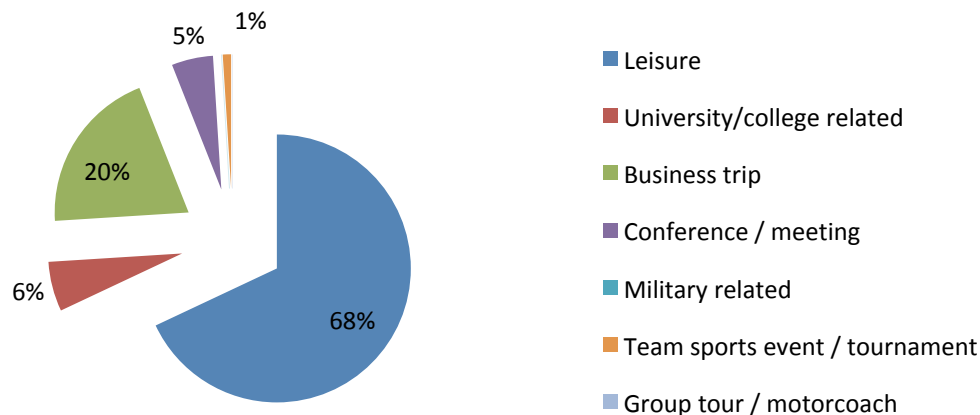
Observation: Day trippers have a major focus on visiting Rothwell park, the Amish Shops with 33% not visiting any attractions.

### Visitor Ratings of Moberly Amenities

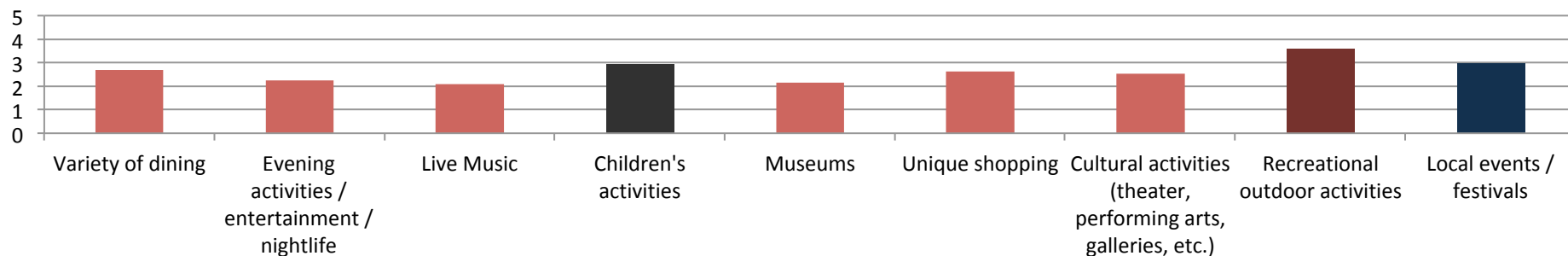


Observation: Visitor ratings of amenities ranged from good to slightly above poor.

## Main Purpose of Most Recent Trip to Moberly, MO



## Rating of Satisfaction with Moberly Experiences for Visitors



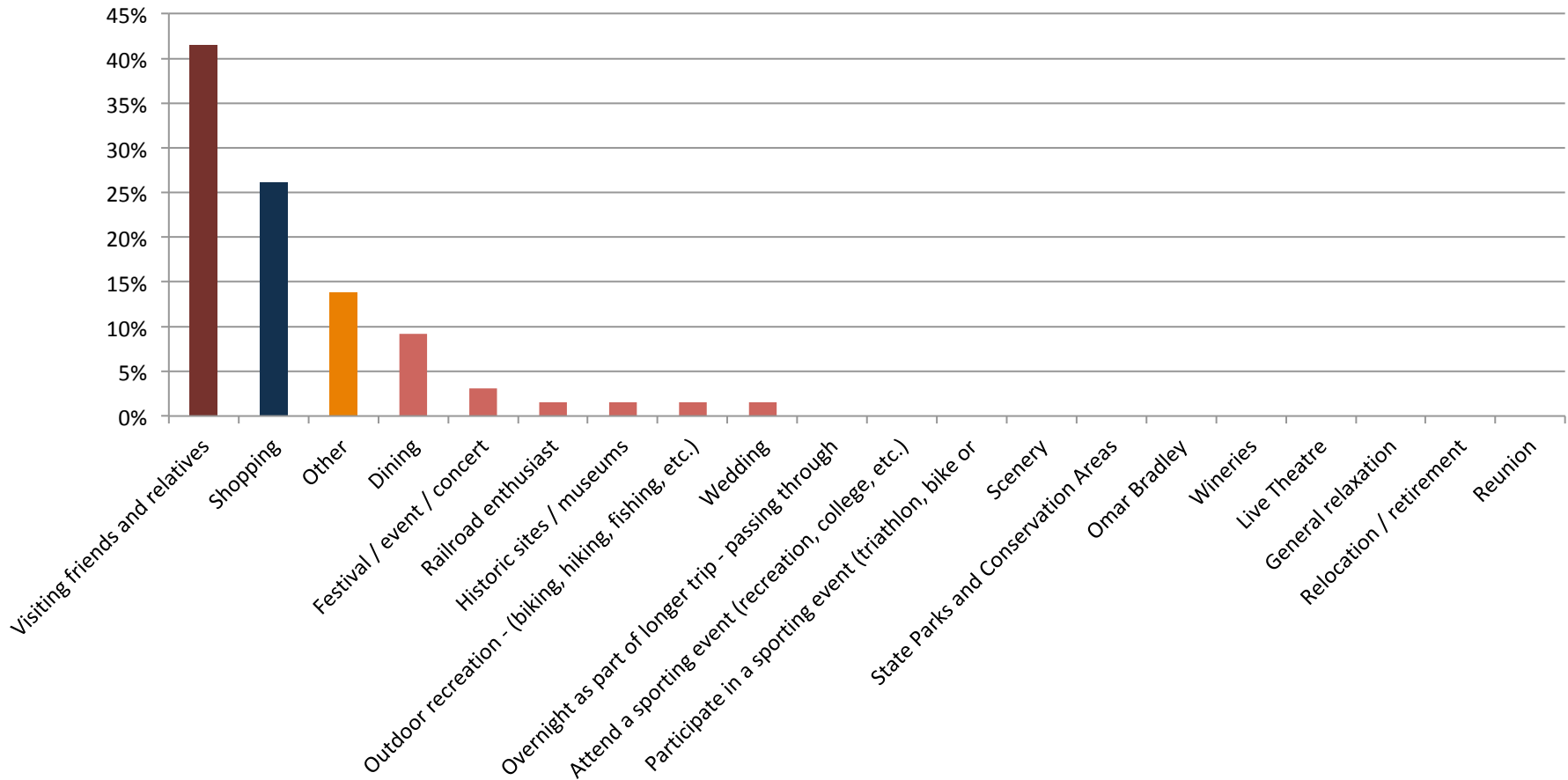
Observation: The majority of visitors are leisure travelers followed by those travelling for business. Satisfaction with experiences were the highest for outdoor activities and the lowest for evening activities/entertainment/nightlife, live music and museums.

### Overnight Visitors

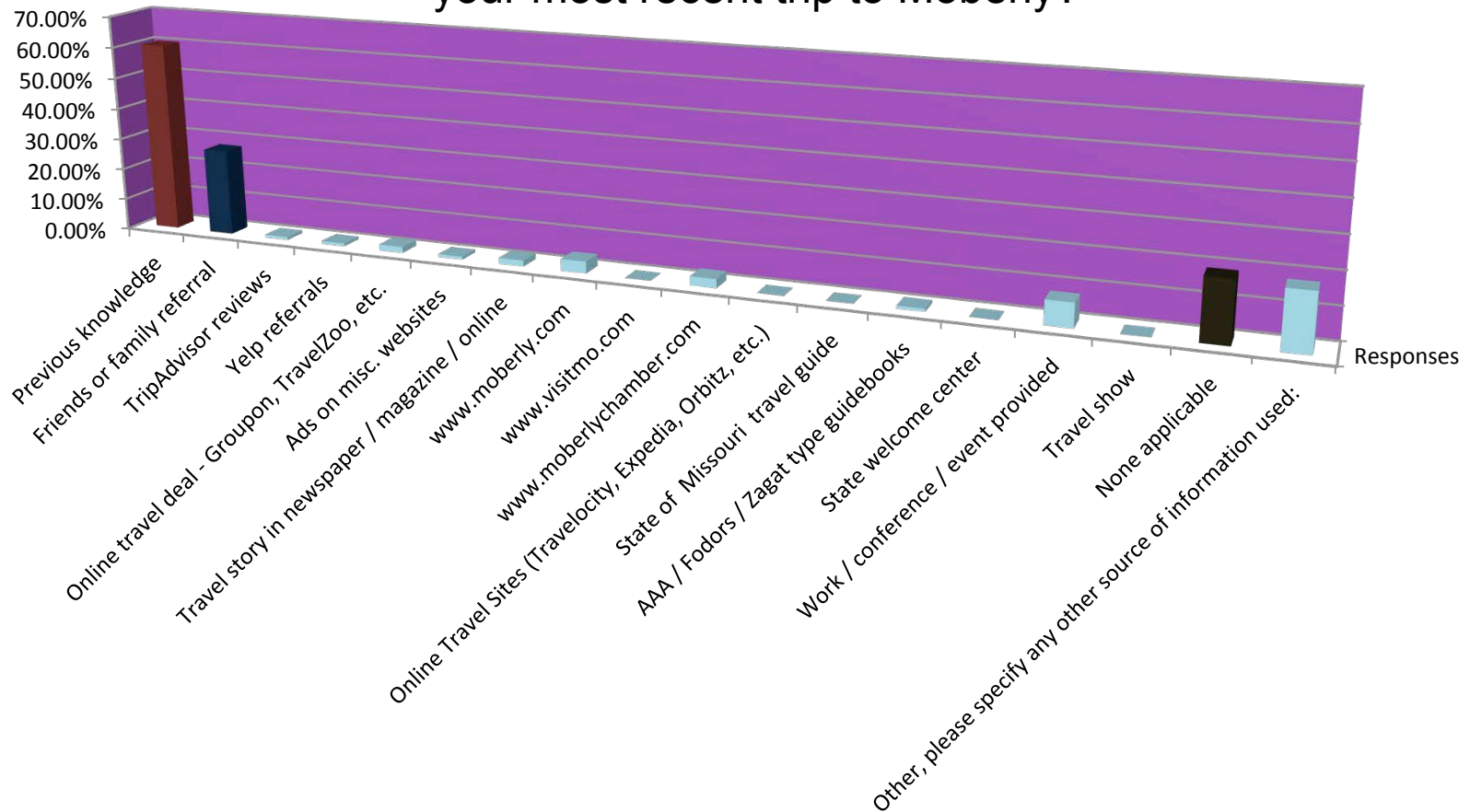
#### Words used to describe Moberly

- *Country Farm Life*
- *Small town*
- *Typical small town America*
- *Hometown*
- *Getting back home*
- *Quaint*
- *Small Town*
- *Family oriented*
- *Quiet and Safe*
- *Small town*
- *Where friends and family meet*

## Specific Reasons for Leisure Trip

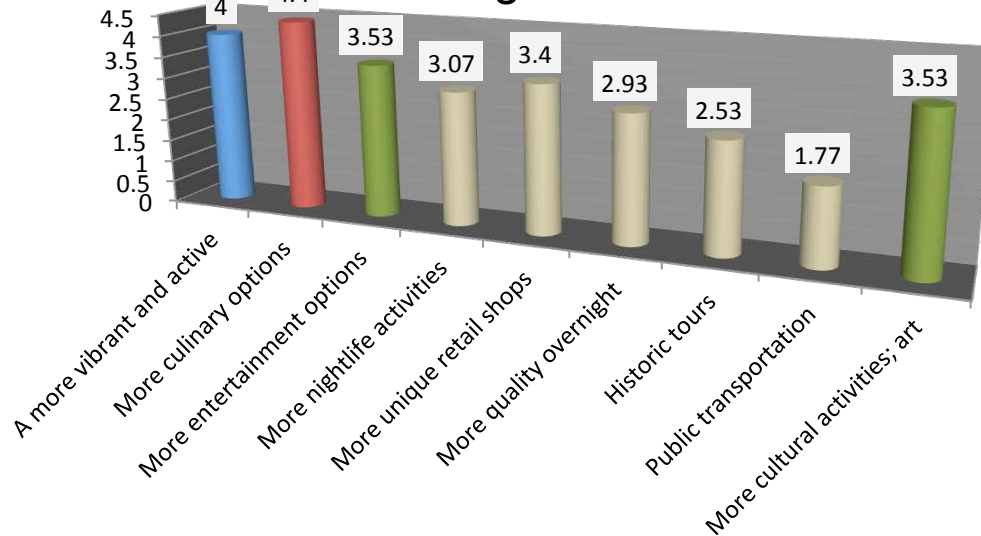


### What information or trip planning sources did you use to PLAN your most recent trip to Moberly?



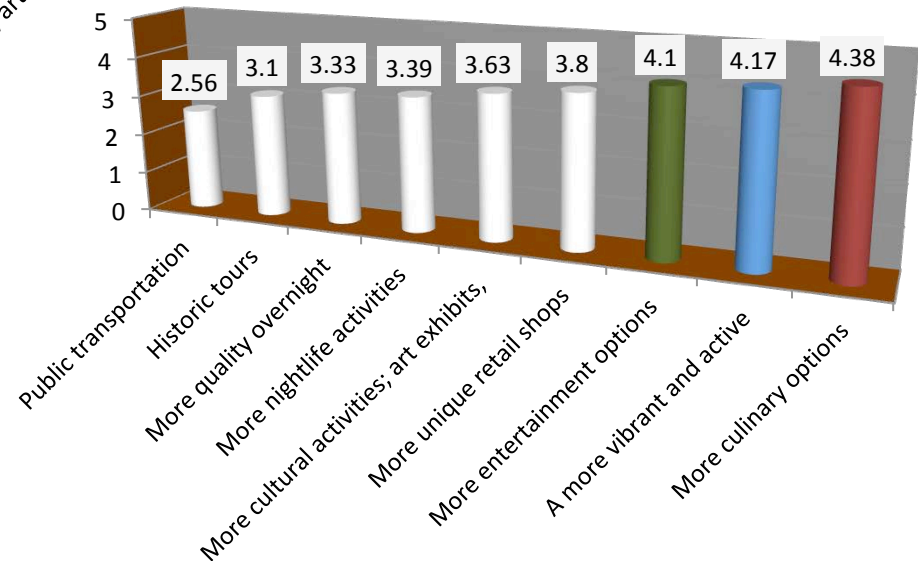
What types of activities or experiences would appeal to you if offered in Moberly?

## Overnight Visitors



Observation: Community leaders and overnight guests selected the same three activities in priority order that would appeal to them if offered; more culinary options, a more vibrant /active downtown and more entertainment options.

## Ideal Activities to Offer in Moberly Community Leader



### Overnight Visitors

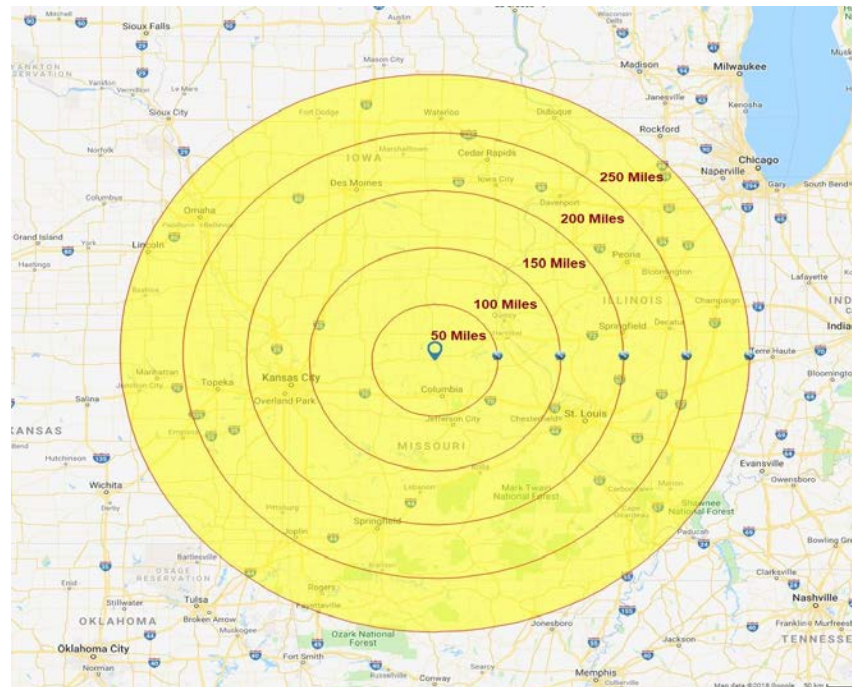
Comments on how to improve visitor experience

- *More restaurants*
- *Offer local events, 5Km etc.*
- *More events at theater. I'm always in town when it's closed*
- *Welcome signs when arriving on highways*
- *Better lodging*
- *More local shops and restaurants, coffee shop*
- *Continue training in customer service, improving*
- *Calendar of events that can be viewed on line or through social media*
- *Better dining*
- *Walking trails*



## Marketing Radius/Competitive Analysis

It is recommended that the marketing radius for visitors be 250 miles around Moberly. This translates into a three to five hour drive, which is long enough for people to consider spending the night. Within this radius, there are seven states including Missouri and 15 million people. The competition for the tourism dollar within this radius is rather Intense, which is why the marketing efforts must specifically target potential visitors.



### Marketing Radius/Competitive Analysis

Competitively, Moberly currently does not compete with any of the tourism destinations. Visitors come to Moberly primarily to visit friends and families. It has very few attractions and provides services to those living in the smaller towns surrounding Moberly. However, the lack of product does present the opportunity to build a destination that does compete for the tourism dollar. The key is to design a destination that has product not offered by others and provides an experience that one can only get in Moberly.

Within Missouri, there are 26 cities between 10,000 and 14,000 population. Of those Cities, there are only a few that pursue tourism and would compete against Moberly. They are Washington, Jackson, Fulton, West Plains, Maryville, Excelsior Springs, Lebanon and maybe, Branson because it positions itself as a small town.

## Marketing Radius/Competitive Analysis

There are a few additional towns, which I believe should be mentioned as potential competitors; Blackwater, Rocheport, Augusta, Hannibal, Marcelline and Weston. Positioning Moberly in the marketplace will be a key decision. The position must reflect that which is unique, competitive and experiential. As a way to begin that discussion, a simple SWOT analysis has been provided on the next page. One should remember that new product will help drive the market position, the brand as well as new business.

### SWOT Analysis

	Positive		Negative	
	Strengths		Weaknesses	
Internal	<ul style="list-style-type: none"> <li>Significant tax credits</li> <li>Dedicated staff</li> <li>Local support</li> <li>Unique space within historic setting</li> <li>Lifestyle complex</li> <li>Need for banquet/social event space</li> <li>Established brand</li> <li>Location: 2 -3 hours from major population</li> <li>Mountain Location</li> <li>Secured hotel developer</li> <li>Small town authenticity</li> </ul>		<ul style="list-style-type: none"> <li>Public infrastructure funding</li> <li>Access/ Sense of place entry points</li> <li>Limited fine dining</li> <li>Nightlife/Entertainment</li> <li>Retail closes at 5 p.m.</li> <li>Funding for marketing &amp; sales staff/Need more staff</li> <li>Need strategic sales strategy</li> <li>No current sales force fore meetings/events</li> <li>No strategic sales strategy</li> </ul>	
	Opportunities		Threats	
External	<ul style="list-style-type: none"> <li>Economic development synergy</li> <li>Tourism growth</li> <li>New markets</li> <li>New revenue generators</li> <li>Major economic impact</li> <li>Destination packaging</li> <li>Value for clients</li> </ul>		<ul style="list-style-type: none"> <li>Operational deficit</li> <li>Tax burden</li> <li>Lack of capital improvement budget</li> <li>Accelerated capital depreciation</li> <li>Natural disasters</li> <li>Pushback from existing hotels &amp; event venues</li> <li>Slow market development/Lack of sales funding</li> </ul>	

# Community Leaders Profile Summary and Observations

## 2018 Travel Market Research



### Summary and Observations:

- On-site interviews were conducted with 16 community leaders averaging 19 years of civic involvement or community leadership.
- Online surveys were sent to 47 community leaders and 21 responded
- The leaders that responded represent a broad cross-section of involvement in the Moberly community and local business affairs. A healthy representation of the responses came from leaders directly involved in the chamber, City government and civic affairs as well as sales and marketing.
- Community leader interviews consistently revealed a committed interest in creating a visitor destination and revitalizing/rebranding Moberly.
- Current movement to renovate downtown buildings.
- Small boutique hotel and bed & breakfasts required to fill lodging demand.



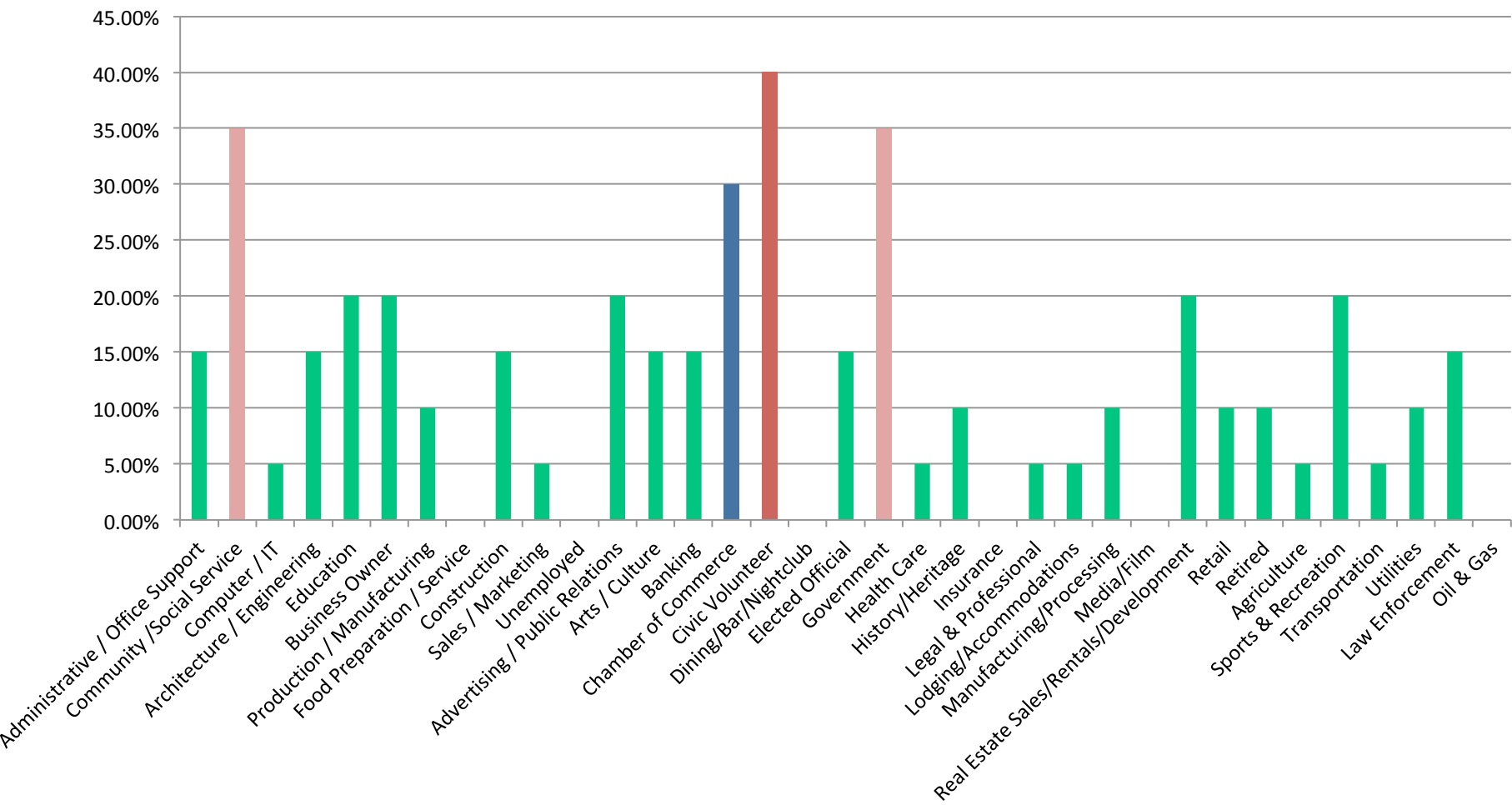
# Community Leaders Survey Summary and Observations

## 2018 Travel Market Research

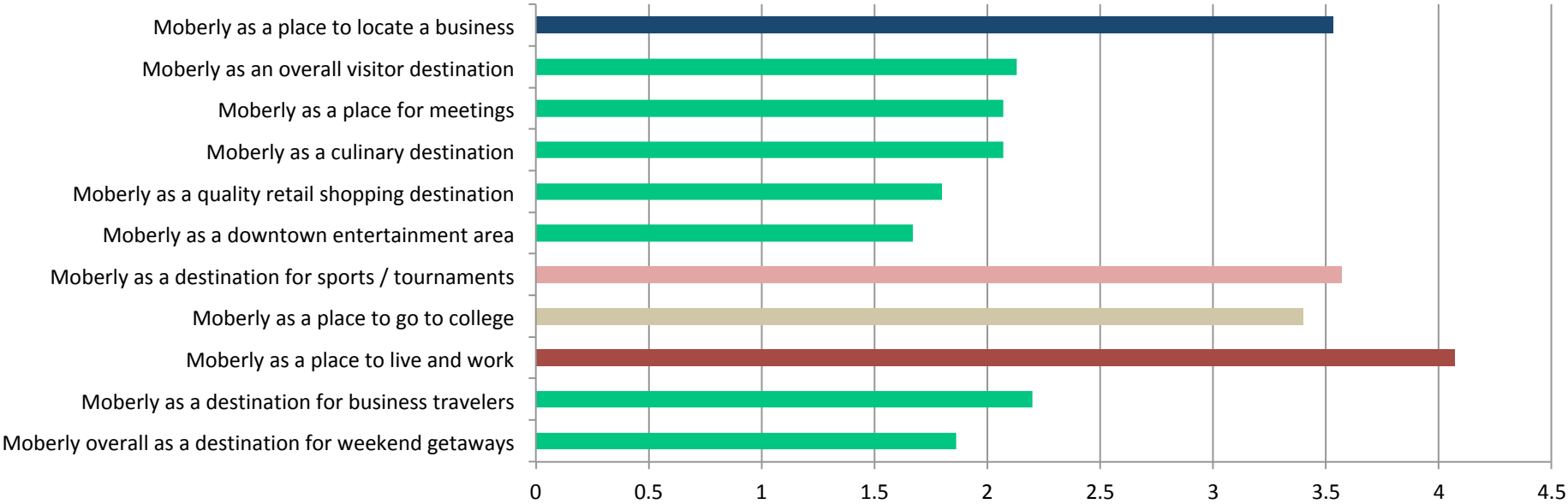
### Summary and Observations:

- High interest in creating an environment that will foster downtown redevelopment.
- Outstanding parks, bicycling/walking trails and outdoor recreation areas.
- There is a once in a lifetime opportunity to create a sustainable destination that appeals to both visitors, residents, investors and those who live in the region.
- New culinary experiences are needed

Please indicate your field(s) of employment or leadership in Moberly



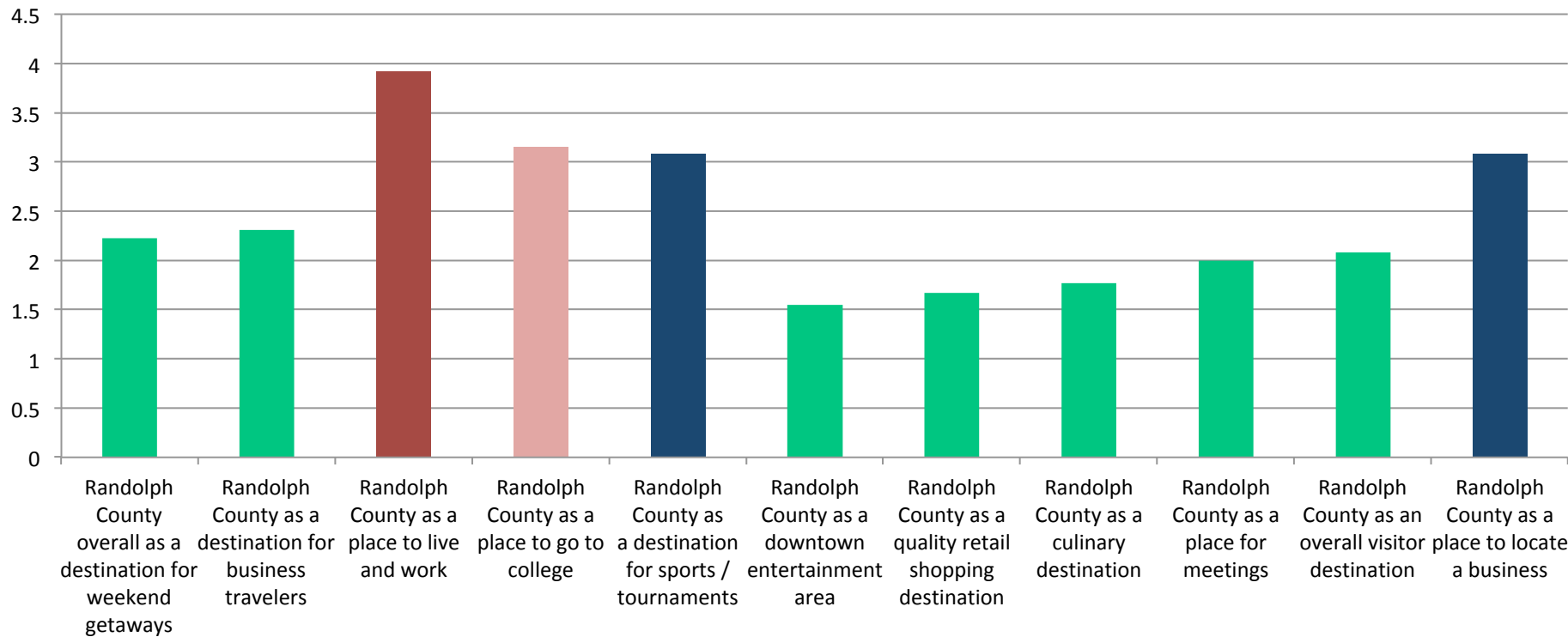
Rate your current perception of Moberly  
as a place to live, work, & visit



Observation: Community leaders rated Moberly as a good place to live and work followed by a place for sports/tournaments and to locate a business.

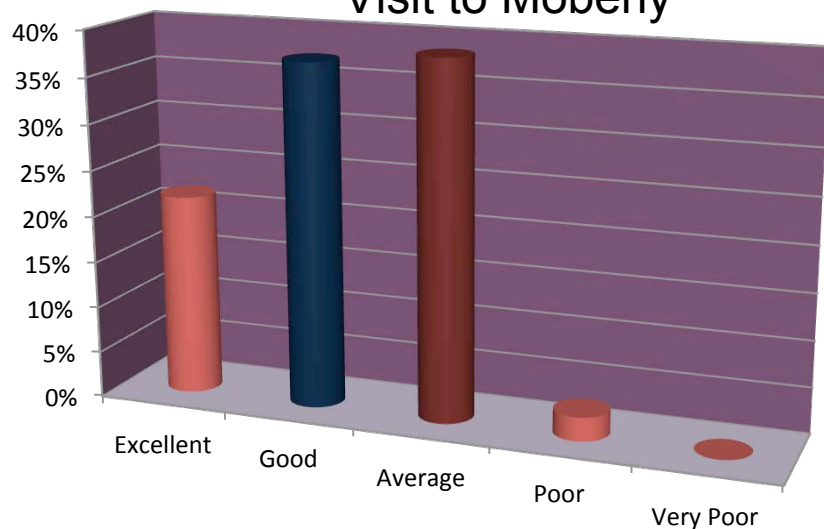


Rate your current perception of Randolph County as a place to live, work, and visit.



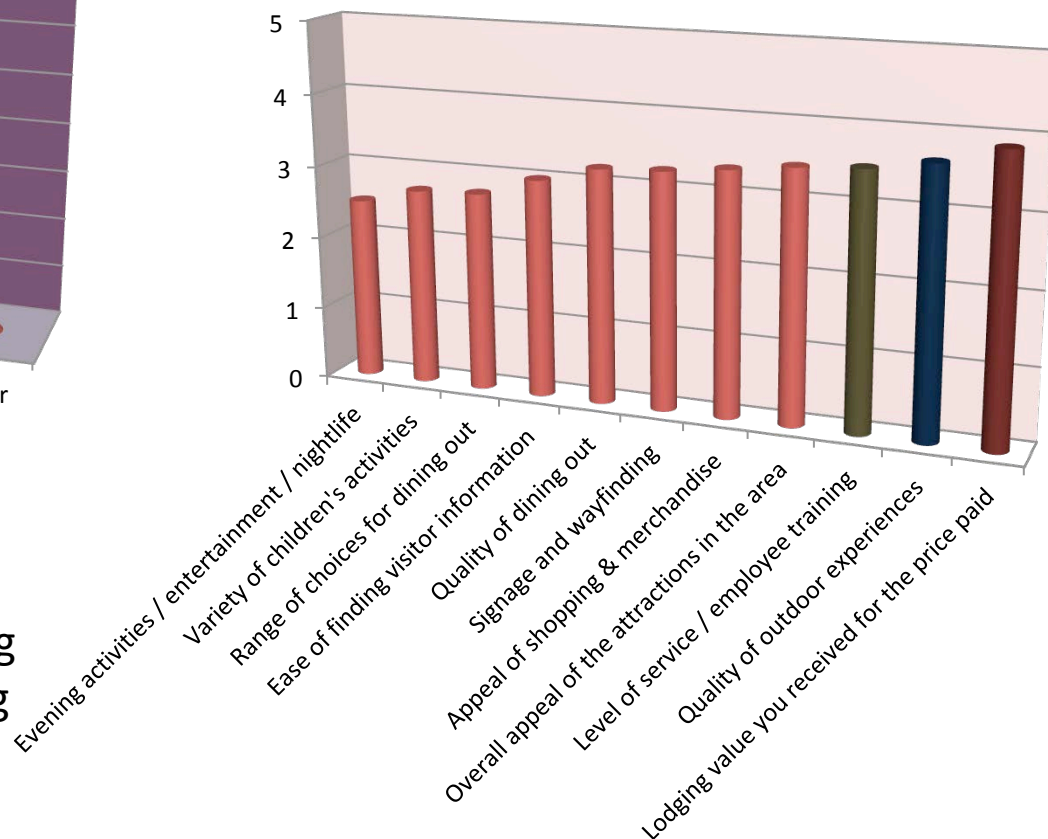
Observation: Community leaders rated Randolph County highest as a place to live and work followed by place to go to college, locate a business and as a destination for sports.

## Community Leader Rating of Overall Visit to Moberly

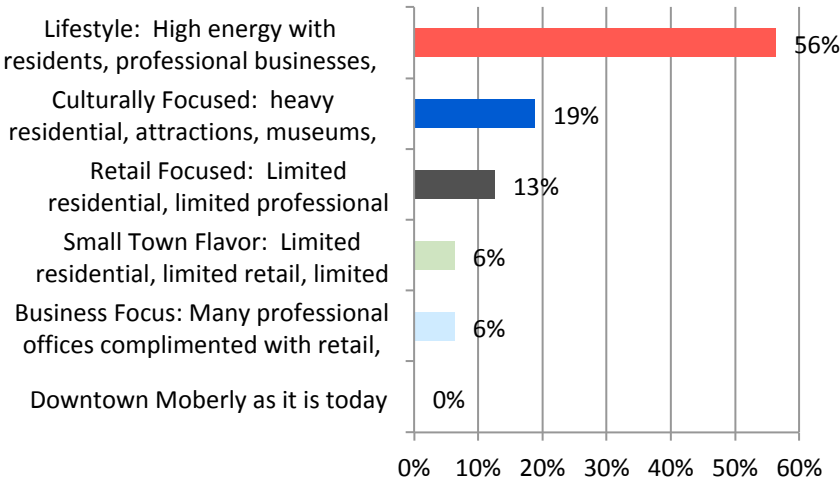


Observation: Overall, 38% of the community leaders rated their visit to Moberly average and 37% gave a rating of good. In terms of amenities, lodging value, outdoor experiences, level of service and the appeal of attractions rated highest.

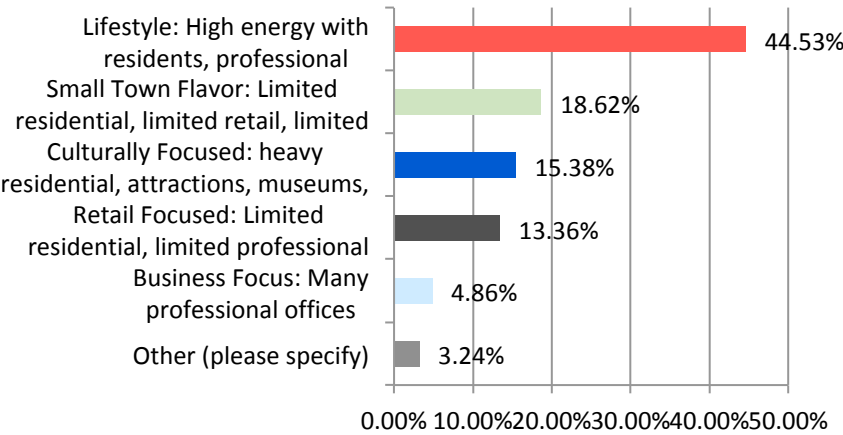
## Community Leader Ratings of Moberly Amenities



Description of Ideal Downtown  
Residents



Description of Ideal Downtown  
Community Leader



Observation: While both community leaders and residents rated a lifestyle orientation redevelopment for downtown, there was a significant difference between the percentages for a small town flavor; residents 6% and leaders 18.62. This metric indicates a need to create the lifestyle redevelopment, but maintain the small town flavor.

Words Community Leaders most frequently used to describe Moberly.

Nice Quaint Small Town  
Parks

Words Community Leaders most frequently used to describe Randolph County

Rural

# Travel Trends Affecting Moberly As a Destination

## 2018 Travel Market Research



- The traveling public does not reflect the average American
- The quest for authentic and unique
- Boutique brand proliferation vs. chain-like
- Sharing Economy – rentals & transportation
- Website intuitive & responsive design all platforms
- Boomers shift from irrational exuberance to cautious travelers focused on retirement
- Millennials picking up the pace but WILL do it their way!
- It is all about the experience

# Conclusions and Recommendations

## 2018 Travel Market Research

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- Primarily a daytrip destination with limited lodging.
- Shopping by daytrippers is a major activity.
- Rothwell Park and other outdoor recreational venues are important to residents, visitors and community leaders.
- The lack of lodging limits ability to attract overnight guests.
- Moberly is experiencing lodging and dining leakage to Columbia
- Residents, visitors and community leaders rated “more culinary options” highly and therefore, should be pursued.
- There is a need for an “attractor.”
- The research definitely indicates support to revitalize downtown into a lifestyle area that meets both visitor and resident needs. The small town feel within the context of a lifestyle development should be maintained.



## Conclusions and Recommendations

### 2018 Travel Market Research

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- Residents, visitors and community leaders all agree on the redevelopment direction for downtown.
- Growth is needed at all times of the year.
- Amish area and 4th Street Theatre are attractions that can be further developed.
- Kelly Hotel, civic auditorium and bank property present opportunity for event/meeting business development.
- Attract “spenders” to maximize impact – ages 30 – 55 are best growth target.

### Conclusions and Recommendations

Moberly enjoys a very unique position. It is located within a 5 hour drive of 15 million people. Two major population areas, Kansas City and St. Louis are 2 to 2.5 hours away by automobile. The close proximity to Columbia provides not only daytrippers, but resources for labor and entrepreneurs. Moberly's cost point for initiating a business, conducting business, spending the night, purchasing retail products or dining out is significantly lower than other parts of Missouri. It does have the advantage of a small community, with better value than Columbia, Kansas City or St. Louis. . It has a family orientation and it is safe. All of this factors contribute to the landscaped required to build a visitor destination.

The research as noted several times throughout this document indicates that the residents, visitors and community leaders all agree on the direction Moberly should take to sustain a destination and in fact, create a new economic engine. A tourism industry, if designed properly, revitalizes the downtown area into an active retail, culinary and cultural product for local and regional residents. It is a win/win for all.



### Overall Summary and Conclusions

It is possible for a revitalized downtown to become an attractor that would assist Moberly in establishing a tourism identity as well as influence lodging, dining and visitor experience decisions by offering a “small down experience within the context of amenities that reflect larger destinations. Moberly has vacant 18<sup>th</sup> and 19<sup>th</sup> century buildings that can easily be repurposed for businesses on the street level and residents on the upper levels. The street and alley corridors are very wide, which lend themselves to special events, outside cafes, gathering places and entertainment venues. The Moberly Area Chamber of Commerce recently showcased this by painting huge angel wings on the side of a building as a spot for selfies.

The key is to design a destination that reflects the research and then strategically implement the design while controlling the new products through zoning, planning, ordinances and incentives. The idea is to select new development and not just let it occur. During the design process, it will necessary to establish brand components, gateways, sense of place landmarks and wayfinding signage. The objective is to create an economic engine via visitors and new residents.

### Overall Summary and Conclusions

It is recommended that this process begin with a demonstration project at an Intersection or a several block area. One thought might be to incorporate the 4<sup>th</sup> Street Theatre and the Kelly Hotel into a project. It will be critical to achieve significant progress rapidly in order to generate new investors and solidify the confidence of local residents.

As noted in the research, the Amish area is one that has been identified as an attraction that could be aggressively promoted. One thought was to offer Amish carriage rides throughout downtown to create a unique experience.

The final conclusive thought....this is not a Chamber project or a City project. It is a community project, which will require hard work and commitment from the entire community; residents, businesses and corporations. It will not happen without everyone's involvement, tenacity and commitment.

- **"If you build a place people want to visit, you build a place where people want to live.**
  - **"If you build a place where people want to live you'll build a place where people want to work."**
  - **"If you build a place where people want to work, you'll build a place where business has to be."**
  - **"And if you build a place where business has to be, you'll build a place where people have to visit."**
- Maura Gast, Irving, TX, CVB and DMAI Chair, July 2009.**

# 2018 Travel Market Research

## Implementation Strategies Strategic Actions



## STRATEGIC DIRECTION AND GOALS

### Implementing Strategies – Stay Focused

Moberly has a huge advantage over many destinations in that you are creating the product. It can be overwhelming, but the process is one that will take three to five years. This gives Moberly the opportunity to focus on the strategies and make sure the destination you want is created.



**The CVB brings visitors to town. However, it is up to each individual business to get that visitor to spend money in their establishment.**

## Implementation Strategies

- **Focus on developing the destination with products that will support overnight guests. This will require public incentives to encourage private development and concept marketing.**
  - Culinary
  - Retail
  - Entertainment
  - Cultural
  - Experience Orientated
- **Initiate a demonstration experiential area that is either at an intersection downtown or a designated block to showcase the concept and generate interest.**
  - Recommend a block that contains the Kelly Hotel and 4<sup>th</sup> Street Theater.
  - The strategy is to create a template of what can be done as well as generate synergy from investors.

## Implementation Strategies

- **Continue local partnerships (teamwork).**
  - It is very important that every local organization with an interest in tourism and downtown revitalization join in this effort. This can only happen if everyone gets behind the effort.
  - Corporate involvement is a necessity.
  - Business, residents and local government as one partnership.
- **Create a visitor service platform via a convention and visitors bureau.**
  - An organization focused just on marketing the destination, servicing visitors and advocating for tourism product development
  - Develop an annual marketing plan, advertising and social media plan
  - Determine performance measures/Prepare annual report
  - Attend tradeshow, Attract travel writers, Execute media/client fam tours
  - Pursue group business and leisure travelers with a focus on overnight guests

## Implementation Strategies

- **Leverage co-ops to extend exposure in traditional ad placement; State Travel Guide, guide books, travel inserts & reg. publications.**
  - Form marketing relationships with existing businesses and corporations
  - Form marketing relationships with colleges
- **Continue engaging daytrip visitors to drive increased in-market spending.**
  - Special events, discounts, entertainment
  - Turn daytrippers into overnight guests
- **Focus primary advertising on the 3-5 hour drive market with current limited funding and use PR to expand reach.**
- **Public relations and the web are the biggest bang for your buck**



## Specific Strategic Actions

This Travel Industry Strategic Plan for the City of Moberly is based on the research findings in the 2018 study conducted by Destination Services, LLC. as well as the firm's knowledge of best practices within the travel industry. The strategies herein are intended to establish a visitor destination and drive economic growth with a focus on tourism for Moberly through 2021.

- **Create a Destination Marketing Organization/Convention and Visitors Bureau** – create new structure as a subset of the Moberly Area Chamber focused first on leisure marketing and secondly, on group sales including sports. As lodging inventory increases, these two strategies will drive increased room demand.

## Specific Strategic Actions

- **Increase Lodging Capacity** – lodging inventory is limited with most of the overnight accommodations being provided by friends and family. The immediate strategy is to encourage bed and breakfasts or small lodging properties to be developed. The Kelly Hotel should be renovated into a boutique inn.
- **9 Person Board** – lodging (2), dining (2), retail (2), sports (1), attraction (1), City Council (1). The Board supports the CVB to focus on strategic development of the travel industry in Moberly.
- **Staffing (3)** – Initially, the CVB will be staffed by the Chamber Director and Tourism Staff position. As the strategies begin to grow the destination, it will necessary to add a group sales position for the Bureau. Ultimately, the CVB and Chamber may become separate entities once the destination has been established. City to provide PR support to drive press stories about visiting Moberly.
- **Group sales** – at some point, hire an experience group sales person with an emphasis in small meetings and sports to partner with hotels & facilities to drive increased group business.

## Specific Strategic Actions

- **Marketing** – build a brand around the revitalization of downtown as it evolves. Develop aggressive efforts on website & digital; social media and traditional marketing.
- **Gateways** – support and encourage the development of gateways that create a sense of place when arriving in the City.
- **Signage & wayfinding** – visitors can't spend money if they can't find the cash registers. A signage system throughout the city will help move visitors about efficiently and drive increased spending.

### Specific Strategic Actions

- **Visitor information** – provide an app, maps, guides and other visitor information services to help visitors engage with the destination. Overnight visitors must be directed from hotels to find the shopping, dining and activities throughout Moberly to drive maximum visitor spending.
- **Zoning, Ordinances, Enforcement** – Specific codes and enforcement of ordinances governing the look, feel and ambiance of tourism areas are mandatory in order to insure maximum return on investments, sustainability and quality of life for both residents and visitors. (noise, alcohol, signage, entertainment, parking, solicitation, etc.)

## Leisure & Group Marketing – Traditional & Digital

### TRADITIONAL MARKETING

**Target those demographics most likely to drive visitation YEAR ROUND.**

- Active adult singles, groups and young couples
- Empty nesters seeking active, fun activities
- Families with kids when school is out

**Target lifestyles and travel preferences as a reason to visit.**

- Active outdoors, Shopping, History/heritage
- Sports
- Agritourism
- Authentic small town experiences

**Traditional print advertising will be a critical component in building awareness of Moberly as a leisure destination.**

- Travel Guides
- In-state monthly lifestyle publications

## Leisure & Group Marketing – Traditional & Digital

### TRADITIONAL MARKETING

**Develop advertising strategies to attract year round visitation.**

- Budget dependent
- Mostly advertising via internet

**Maintain a high quality destination guide (small/rack card) for inquiry fulfillment and limited distribution to welcome centers and info racks.**

- A destination guide tells your story and is not a phone book.
- Sell ads so it pays for itself

**Maintain high-quality destination maps and print publications to drive in-market spending (ads cover the cost)**

## Leisure & Group Marketing – Traditional & Digital

### DIGITAL/SOCIAL MARKETING

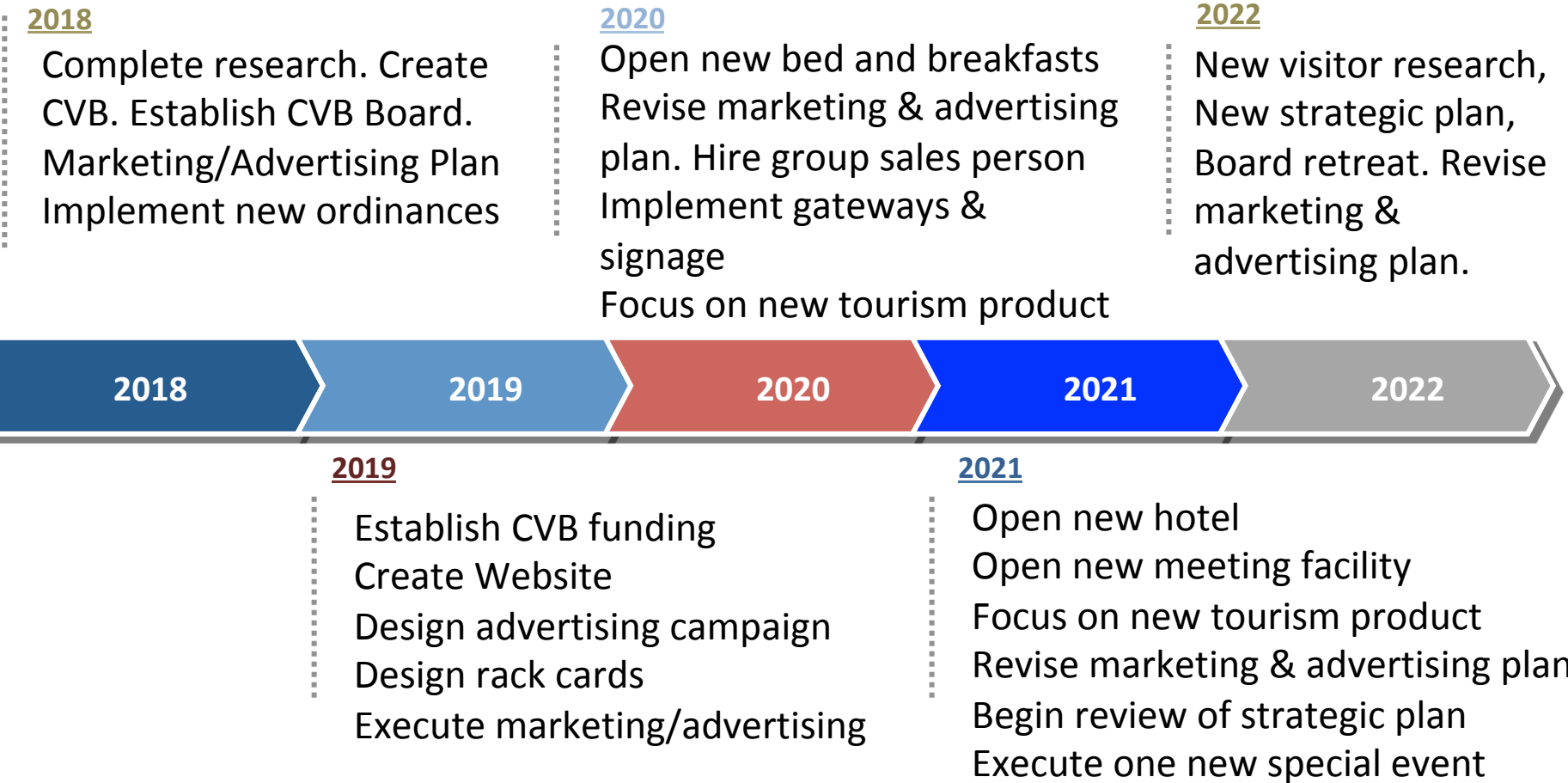
**Maintain a dynamic website/blog as the foundation of the digital marketing program.**

- Dedicate staff time weekly (interns) to Search Engine Marketing (SEM) and content management and enhancement.
- Keep blog content fresh and use guest bloggers to provide unique perspectives.
- Investigate updated web design in 2019 or 2020

**Stay on top of the ever-changing trends in social media**

- Maintain and continually update a prioritized focus list of social platforms: Facebook, Twitter, YouTube, Instagram, etc.
- Monitor and advertise on OTAs and planning sites: Google, Trip Advisor, Expedia, Travelocity, etc.
- Conduct bi-monthly “lunch and learn” social media workshops for local partners to facilitate pushing the message out more.

Vision Plan for Travel and Tourism in Moberly







# 2018 Travel Market Research

## Randolph County Inventory Tourism Assets

Attractions.....	4	Museums.....	2
Entertainment.....	8	Event Venue.....	3
Food and Dining.....	70	Art Galleries.....	2
Lodging.....	17	Historic.....	2
Nature Outdoors.....	8	Landmark.....	1
Parks/Recreation.....	7	Golf Course.....	1
Shopping.....	87		

# Moberly Area Chamber of Commerce

## Travel Market Research

WS #5.

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open		Location	Meeting/Event Space
Prairie Queen Mural	Attraction	Public	Year Round		Centralia	No must be something since it made the cut for visitmo.com??
Coopers Oak Winery	Attraction	Public	Year Round		Higbee	Yes 10 miles S of Moberly, winery and cooperage, private events
Woodsmen Distilling	Attraction	Public	Year Round		Higbee	No
West Winery	Attraction	Public	Year Round		Macon	Yes
Mystery Dinner Theater at Country Inn	Entertainment	Public	Year Round		Hallsville	No Various productions
HLR Motorsports Motorcross Track	Entertainment	Public	Seasonal	\$	Hunstville	No
Maples Repertory Theatre	Entertainment	Public	Year Round		Macon	No community theater
Moberly Five and Drive	Entertainment	Public	Year Round	\$	Moberly	No 5 indoor and 1 drive-in screen
Memory Lanes	Entertainment	public	Year Round	\$	Moberly	No
Magic City Mini Train	Entertainment	Public	Seasonal	\$	Moberly	No April - Oct; Sunday afternoons only.

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open		Location	Meeting/Event Space
Randolph County Raceway	Entertainment	Public	Seasonal	\$	Moberly	No
4th Street Theater	Entertainment	Public	Year Round	\$-\$	Moberly	music and movies. Historic vaudeville and movie theater
Dos Arcos	Food & Dining	Public	Year Round		Centralia	No #1 TA Centralia
JJs Café	Food & Dining	Public	Year Round	\$	Centralia	No #2 TA Centralia
China King	Food & Dining	Public	Year Round		Centralia	No #3 TA Centralia
Round Table	Food & Dining	Public	Year Round		Centralia	No #4 TA Centralia
Emmet's Kitchen and Tap	Food & Dining	Public	Year Round	\$\$-\$\$\$	Fayette	No #1 TA Fayette
Miknan's Main Street Pub	Food & Dining	Public	Year Round	\$\$-\$\$\$	Fayette	No #2 TA Fayette
Bredeaux Pizza	Food & Dining	Public	Year Round	\$\$-\$\$\$	Fayette	No #3 TA Fayette
Dos Primo's	Food & Dining	Public	Year Round		Fayette	No #4 TA Fayette

Other 3 rest  
are chains

# Moberly Area Chamber of Commerce

## Travel Market Research

WS #5.

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open		Location	Meeting/Event Space	
Main Street Grill	Food & Dining	Public	Year Round		Fayette	No	#7 TA Fayette
Don's Family Style Buffet	Food & Dining	Public	Year Round		Huntsville	No	
Nan's Tea Room & Antiques	Food & Dining	Public	Year Round		Huntsville	No	
Apple Basket	Food & Dining	Public	Year Round	\$	Macon	No	#1TA Macon
AJ's East and Drink	Food & Dining	Public	Year Round	\$\$-\$\$\$	Macon	No	#2 TA Macon
Star 63 Family Restaurant	Food & Dining	Public	Year Round	\$	Macon	No	#3 TA Macon
The Smoke House	Food & Dining	Public	Year Round	\$\$-\$\$\$	Macon	No	#4 TA Macon
Los Jimadores Mexican Restaurant	Food & Dining	Public	Year Round	\$\$-\$\$\$	Macon	No	#5 TA Macon
Subway	Food & Dining	Public	Year Round		Macon	No	#6 TA Macon
Raspberry's Bar BBQ	Food & Dining	Public	Year Round	\$\$-\$\$\$	Macon	No	#7 TA Macon

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space	
Sonic Drive In	Food & Dining	Public	Year Round	Macon	No	#8 TA Macon
China Garden	Food & Dining	Public	Year Round	Macon	No	#9 TA Macon
Hardee's	Food & Dining	Public	Year Round	Macon	No	#10 TA Macon
Dot's Bakery	Food & Dining	Public	Year Round	Moberly	No	
Arby's	Food & Dining	Public	Year Round	Moberly	No	
Bean Coffee of Moberly	Food & Dining	Public	Year Round	Moberly	No	#10 Trip advisor
Bella Italia	Food & Dining	Public	Year Round	Moberly	No	trip advisor says they are closed but they are on the website
Black Market BBQ	Food & Dining	Public	Year Round	\$\$\$-\$\$\$ Moberly	No	#5 Trip Advisor
Bubba's Burger Bar & Egg Emporium	Food & Dining	Public	Year Round	Moberly	No	
Bud's Place	Food & Dining	Public	Year Round	Moberly	No	

# Moberly Area Chamber of Commerce

## Travel Market Research

WS #5.

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open		Location	Meeting/Event Space
Burger King	Food & Dining	Public	Year Round		Moberly	No
China Garden	Food & Dining	Public	Year Round	\$\$-\$\$\$	Moberly	No #8 trip advisor
China King	Food & Dining	Public	Year Round		Moberly	No
Daylight Donuts	Food & Dining	Public	Year Round		Moberly	No
Domino's Pizza	Food & Dining	Public	Year Round		Moberly	No
El Vaquero	Food & Dining	Public	Year Round	\$\$-\$\$\$	Moberly	No #6 Trip Advisor
Felicia's Restaurant	Food & Dining	Public	Year Round		Moberly	No
Fiesta Bar and Grill	Food & Dining	Public	Year Round		Moberly	No #7 trip advisor
Funny Pages Café	Food & Dining	Public	Year Round	\$	Moberly	No #4 Trip Advisor
Hardee's	Food & Dining	Public	Year Round	\$	Moberly	No

# Moberly Area Chamber of Commerce

## Travel Market Research

WS #5.

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space	
Harley's Pub & Pool	Food & Dining	Public	Year Round	Moberly	No	
Home Plate Grill & Chille	Food & Dining	Public	Year Round	Moberly	No	
Lawte	Food & Dining	Public	Year Round	Moberly	No	
Long John Silver's	Food & Dining	Public	Year Round	\$ Moberly	No	
Lucky's Last Resort	Food & Dining	Public	Year Round	\$\$-\$\$\$ Moberly	No	
Lula's	Food & Dining	Public	Year Round	\$\$-\$\$\$ Moberly	No	#1 Trip Advisor
McDonald's	Food & Dining	Public	Year Round	\$ Moberly	No	
Nelly's Someplace Else	Food & Dining	Public	Year Round	\$\$-\$\$\$ Moberly	No	#9 Trip advisor
Pizza Hut	Food & Dining	Public	Year Round	\$ Moberly	No	
Pizza Works	Food & Dining	Public	Year Round	\$ Moberly	No	

# Moberly Area Chamber of Commerce

## Travel Market Research

WS #5.

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open		Location	Meeting/Event Space	
Rick's Steakhouse	Food & Dining	Public	Year Round		Moberly	No	
Route Z Classic Country Bard & Grill	Food & Dining	Public	Year Round		Moberly	No	
Santa Fe	Food & Dining	Public	Year Round	\$\$-\$\$\$	Moberly	No	#3 Trip Advisor
Shady Tuesdays	Food & Dining	Public	Year Round		Moberly	No	
Sonic Drive In	Food & Dining	Public	Year Round	\$	Moberly	No	
Subway	Food & Dining	Public	Year Round	\$	Moberly	No	
Taco Bell	Food & Dining	Public	Year Round	\$	Moberly	No	
The Brick	Food & Dining	Public	Year Round	\$\$-\$\$\$	Moberly	No	#2 Trip Advisor
The Wabash Inn	Food & Dining	Public	Year Round		Moberly	No	
WC's Bar and Grill	Food & Dining	Public	Year Round		Moberly	No	



### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space
Jonesy's Café	Food & Dining	Public	Year Round	Paris	No #1 TA Paris
Frost-Bites	Food & Dining	Public	Year Round	Paris	No #2 TA Paris
Casey's General Storey	Food & Dining	Public	Year Round	Paris	No #3 TA Paris
Jacs Restaurants	Food & Dining	Public	Year Round	Paris	No #4 TA Paris
Bradshaw's Bistro & Coffee	Food & Dining	Public	Year Round	Salisbury	No
Casey's Carry Out Pizza	Food & Dining	Public	Year Round	Salisbury	No
Hi Way Café	Food & Dining	Public	Year Round	Salisbury	No
Subway	Food & Dining	Public	Year Round	Salisbury	No
Heuers Country Store	Food & Dining	Public	Year Round	Sturgeon	No
Buzz Café	Food & Dining	Public	Year Round	Sturgeon	No

# Moberly Area Chamber of Commerce Travel Market Research

WS #5.

## Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space
Crossroads	Food & Dining	Public	Year Round	Sturgeon	No
Suzibelle's Bakery	Food & Dining	Public	Year Round	Sturgeon	No
Evelyn E. Jorgenson Fine Arts Gallery	Gallery	Public	Year Round	Moberly	No
Ashby-Hodge Gallery of American Art	Gallery	Public, by appointment	Year Round	Fayette	No
Heritage Hills Golf Course	Golf Course	Public	Seasonal	Moberly	No
Centralia Battlefield	Historic	Public	Year Round	Centralia	No
Union Covered Bridge State Historic Site	Historic	Public	Year Round	Paris	No
Omar Bradley Statue (at Rothwell Park)	Landmark	Public	Year Round	Moberly	No
Sweetbriar B&B	Lodging	Public	Year Round	Fayette	No
Maison on Main B&B	Lodging	Public	Year Round	Fayette	No
River Villa B&B	Lodging	Public	Year Round	Glasgow	No

Moberly Area Community College

on CMU campus; 5 shows a year. 700 works

one of 4 in MO. Last using Burr-arch truss construction.

3 rooms

# Moberly Area Chamber of Commerce

## Travel Market Research

WS #5.

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space	
Victorian Country Inn Bed and Breakfast	Lodging	Public	Year Round	Hallsville	No	do lots of specials and packages
Walnut Acres Bed and Breakfast	Lodging	public	Year Round	Huntsville	No	3 suites
Super 8 Macon	Lodging	Public	Year Round	Macon	No	
America's Best Value Inn & Suites	Lodging	Public	Year Round	Macon	No	
Travelier Motel	Lodging	Public	Year Round	Macon	no	
Comfort Inn Macon	Lodging	Public	Year Round	Macon	No	
Phillips Place B&B	Lodging	Public	Year Round	Macon	No	
Phillips Place B&B	Lodging	Public	Year Round	Macon	No	5 rooms, Victorian home
Comfort Inn	Lodging	Public	Year Round	Moberly	No	63 rooms
Moberly Inn & Suites	Lodging	Public	Year Round	Moberly	Yes	98 rooms

# Moberly Area Chamber of Commerce

## Travel Market Research

WS #5.

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space
Super 8	Lodging	Public	Year Round	Moberly	No 59 rooms
Farmhouse Bed/Breakfast	Lodging	Public	Year Round	Moberly	No 25 acres, 1 room (2 smaller rooms available); homemade breakfast, farm tours, feed/milk goats, collect eggs
Lake Village Motel	Lodging	Public	Year Round	Paris	No 30 units, restaurant on site
America's Best Value Inn	Lodging	Public	Year Round	Shelbina	No
Randolph Co. Historical Museum	Museum	Public	Year Round	Moberly	No
Railroad Museum	Museum	Public		Moberly	No
DC Rogers Lake	Nature/Outdoors	Public	Year Round	Fayette	No picnic shelters, boat ramps, camping
Rudolf Bennett Conservation Area	Nature/Outdoors	Public	Year Round	Higbee	No 48 acre lake, boat ramp, fishing dock, 12.5 trail for hiking, biking, riding, 24 primitive campsites
Long Branch State Park	Nature/Outdoors	Public	Year Round	Macon	No lake, camping, bass fishing, 3 boat ramps

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space
Lake Village RV Park and Campground	Nature/Outdoors	Public	Year Round	Paris	No 52 sites, full hook-ups restaurant and motel on site
Pinnacles Youth Park	Nature/Outdoors	Public		Sturgeon	No billed on TA as hidden gem, great hiking, no signage
Lion's Beuth Park	Nature/Outdoors	Public	Year Round	Moberly	No fishing and hiking. Also picnic and wedding reception location
Rothwall Lake (at Rothwell Park)	Nature/Outdoors	Public	Year Round	Moberly	No Boat launch, paddleboats, fishing
Waterworks Lake	Nature/Outdoors	Public	Year Round	Moberly	No boat launch, boating and fishing

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space	
Aquatic Center (at Rothwell Park)	Parks & Rec	Public	Seasonal	Moberly	No	12-7 daily. Outdoor pool/play park. 8 baseball/softball; basketball; batting cages; 3 football/soccer; volleyball; playground
Athletic Complex (at Rothwell Park)	Parks & Rec	Public	Seasonal	Moberly	No	
Thompson Campground (at Rothwell Park)	Parks & Rec	Public	Year Round	Moberly	No	24 full-hook up and primitive camping
Candy Cane City Playground (at Rothwell Park)	Parks & Rec	Public	Year Round	Moberly	No	basic, local playground Mon.-Fri., closed for lunch; railway museum, pullman car and trialhead
Depot Park	Parks & Rec	Public	Year Round	Moberly	No	
Fox Park	Parks & Rec	Public	Year Round	Moberly	No	3 lighted tennis courts, playground, t-ball

# Moberly Area Chamber of Commerce

## Travel Market Research

WS #5.

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space	
Tannehill Park	Parks & Rec	Public	Year Round	Moberly	No	
The Weathervane	Shopping	Public	Year Round	Macon	No	antiques/collectibles
Ten Mile Store	Shopping	Public	Year Round	Macon	No	antiques/collectibles
Hay's Ten Mile Store	Shopping	Public	Seasonal	Macon	No	general store, dating to 1904
Moberly Antique Mall	Shopping	Public	Year Round	Moberly	No	
This & That Shoppe	Shopping	Public	Year Round	Moberly	No	
AK's Guns and Ammo LLC	Shopping	Public	Year Round	Moberly	No	
Aldi	Shopping	Public	Year Round	Moberly	No	
Aroma Spa & Gift Emporium	Shopping	Public	Year Round	Moberly	No	
Art's Appliance	Shopping	Public	Year Round	Moberly	No	

# Moberly Area Chamber of Commerce

## Travel Market Research

WS #5.

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space
Autozone	Shopping	Public	Year Round	Moberly	No
B&D Lock & Key	Shopping	Public	Year Round	Moberly	No
Becraft Jewelers	Shopping	Public	Year Round	Moberly	No
Best TV Rentals	Shopping	Public	Year Round	Moberly	No
Blossom Shoppe	Shopping	Public	Year Round	Moberly	No
Bobs Butcher Shop	Shopping	Public	Year Round	Moberly	No
Bratchers	Shopping	Public	Year Round	Moberly	No
Butler Supply	Shopping	Public	Year Round	Moberly	No
Cato	Shopping	Public	Year Round	Moberly	No
C&T Fireworks	Shopping	Public	Seasonal	Moberly	No



### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space
Central Missouri Pools	Shopping	Public	Year Round	Moberly	No
Championship Sports	Shopping	Public	Year Round	Moberly	No
Chariton Valley	Shopping	Public	Year Round	Moberly	No
Coach Light	Shopping	Public	Year Round	Moberly	No
Community Medical Equipment	Shopping	Public	Year Round	Moberly	No
Country Floral	Shopping	public	Year Round	Moberly	No
Crafters Choice	Shopping	Public	Year Round	Moberly	No
DD Cycles	Shopping	public	Year Round	Moberly	No
Discount Gas and Muffler	Shopping	Public	Year Round	Moberly	No
Do Furniture	Shopping	Public	Year Round	Moberly	No

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space
Dollar General	Shopping	public	Year Round	Moberly	No
Dollar Tree	Shopping	Public	Year Round	Moberly	no
Encore/Encore 2	Shopping	Public	Year Round	Moberly	No
Factory Connection	Shopping	Public	Year Round	Moberly	No
Family Dollar	Shopping	Public	Year Round	Moberly	No
Farris Decorating	Shopping	Public	Year Round	Moberly	no
Fastenal Company	Shopping	Public	Year Round	Moberly	No
FFO Home	Shopping	Public	Year Round	Moberly	No
Fireworks City	Shopping	Public	Seasonal	Moberly	No
Fourth Street Pawn Shop	Shopping	Public	Year Round	Moberly	No

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space
Frame of Mind	Shopping	Public	Year Round	Moberly	No
Fusion Technologies	Shopping	Public	Year Round	Moberly	No
Gamestop	Shopping	Public	Year Round	Moberly	No
Gliks	Shopping	Public	Year Round	Moberly	No
Goody's	Shopping	Public	Year Round	Moberly	No
GSR Fireworks	Shopping	public	Seasonal	Moberly	No
Harpster Equipment Inc	Shopping	Public	Year Round	Moberly	No
Hibbett Sports	Shopping	Public	Year Round	Moberly	No
Hils Pharmacy	Shopping	Public	Year Round	Moberly	No
In K-hoots	Shopping	Public	Year Round	Moberly	No
JBS Glass	Shopping	Public	Year Round	Moberly	No

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space
Jerry Adair Rare Finds	Shopping	Public	Year Round	Moberly	No
Knot as it Seems Flowers	Shopping	Public	Year Round	Moberly	No
Kribbs Family Pharmacy	Shopping	Public	Year Round	Moberly	No
Lees Lawn Care	Shopping	Public	Year Round	Moberly	No
LeRoys Discount Grocery	Shopping	Public	Year Round	Moberly	No
Log Home Stitch	Shopping	Public	Year Round	Moberly	No
Lowe's	Shopping	Public	Year Round	Moberly	No
Magic City Pawn	Shopping	Public	Year Round	Moberly	No
Maurice's	Shopping	Public	Year Round	Moberly	No

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space
MCS Office Equipment	Shopping	Public	Year Round	Moberly	No
Merle Norman	Shopping	Public	Year Round	Moberly	No
MFA-Agri Services	Shopping	Public	Year Round	Moberly	No
Mix and Match II	Shopping	Public	Year Round	Moberly	No
Mix and Match Variety Store	Shopping	Public	Year Round	Moberly	No
Moberly Lumber	Shopping	Public	Year Round	Moberly	No
Murphy Oil USA	Shopping	Public	Year Round	Moberly	No
NAPA Auto Parts	Shopping	Public	Year Round	Moberly	No

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space
Redbox	Shopping	Public	Year round	Moberly	No
Rent N' Go	Shopping	Public	Year Round	Moberly	No
Oreilly Auto Parts	Shopping	Public	Year Round	Moberly	No
Orscheln Farm and Home	Shopping	Public	Year Round	Moberly	No
Payless Shoe Source	Shopping	Public	Year Round	Moberly	No
Plaza Tire Service	Shopping	Public	Year Round	Moberly	No
Randolph Merchantile	Shopping	Public	Year Round	Moberly	No

# Moberly Area Chamber of Commerce

## Travel Market Research

WS #5.

### Tourism Asset Inventory-Randolph County

Destination	Type	Public/Private	Open	Location	Meeting/Event Space	
RP Lumer Company	Shopping	Public	Year Round	Moberly	No	
Sears	Shopping	public	Year Round	Moberly	No	
Shoe Sensation	Shopping	Public	Year Round	Moberly	No	
Sundance Embroidery	Shopping	Public	Year Round	Moberly	No	
Szczepanski Jewelry	Shopping	Public	Year Round	Moberly	No	
The Art Department	Shopping	Public	Year Round	Moberly	no	
US Cellular	Shopping	Public	Year Round	Moberly	No	
Walmart	Shopping	Public	Year Round	Moberly	No	
Walgreen's	Shopping	Public	Year Round	Moberly	No	
Westlakes Ace Hardware	Shopping	Public	Year Round	Moberly	no	
McLaughlin Western Store	Shopping	Public	Year Round	Paris	No	
Sew Creative	Shopping	Public	Year Round	Salisbury	No	only thing listed for Salisbury on visitmo.com
James Youth Center (at Rothwell Park)	Venue	Public	Year Round	Moberly	Yes	2500 sq ft. Up to 150 ppl
The Lodge (at Rothwell Park)	Venue	public	Year Round	Moberly	Yes	
Moberly Municipal Auditorium	Venue	Public	Year Round N/A	Moberly	Yes	art deco, stage, meeting space, dance floor. Suitable for weddings.

# 2018 Travel Market Research

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## **Addendum: Verbatim Responses to Survey Questions of Respondents**





### Verbatim Responses

**Regarding your LEISURE trip to Moberly, Missouri, what was the SPECIFIC reason for your trip?**

- Visit the fire station
- Doctor
- Retirement party
- Dining and shopping and visiting
- Got my hair did at Salon Bourgeois by Lacy!
- To walk at MACC
- Work
- stopped on way to Kirksville

**Following is a list of major attractions/events in Moberly, Missouri and the surrounding area. Please check ALL that you visited while in Moberly..**

- Warm Springs Ranch
- Encore
- Covered bridge
- Have visited all of these places but not on last visit
- Historical museum never open when in town

## Verbatim Responses

### **How would you describe your favorite downtown?**

- We need a strong mix of all of the above, they feed off each other
- Culturally focused and Retail Focused -- Can't Pick One
- Alive after five.
- Mix of small town and lifestyle - more dinner restaurants downtown would help
- Quaint-like downtown St Charles, Hannibal,
- Look at Washington, MO.
- Any of these would be fine, but Small Town is only one I see as being reality.
- need both culturally & business focus



## WHO WE ARE?

**Destination Services, LLC** is a research and planning firm, which focuses on destination marketing organizations, attractions and travel destinations. Our approach is to custom tailor each research study to the specific needs of the client. The final report will be an easy to read document that presents the customer-focused data with recommendations for action. Destination Services is a small boutique firm that develops a close bond with our clients who are devoted to our process that delivers clear actionable strategies for our clients. The types of services provided by Destination Services in which we have acquired a very high level of expertise include: strategic planning, organizational restructuring, destination audits, sales and marketing action plans, trend analysis, feasibility studies, DMO best practices reviews, ROI analysis, economic impact analysis, staff and marketing asset allocations, comprehensive DMO performance reviews, convention center operational audits, stakeholder input into planning processes, detailed lodging analysis and research based recommendations.



Located in Saint  
Charles, Missouri





## Project Team

### **Steve Powell**

#### **Destination Services, LLC – Project Team Leader/Strategist**

30 years of experience in marketing, tourism product development, destination branding and management, budgeting and research. With experience at the local, state and federal levels of government, he brings a wealth of political experience, techniques for public support and political advocacy to the project. As the former Director of the St. Charles Missouri, Convention and Visitors Bureau, his efforts moved the destination from a day trip market to a full service year round destination which involved the development of seventeen attractions including a 152,000 square foot convention center and a casino. During his tenure as the CEO for the Peoria, Illinois, Convention and Visitors Bureau, Powell reorganized the Bureau into a more focused regional sales organization and as a result, increased booked business by 40%. Currently, Powell works with both public and private entities to develop destinations and solve complex issues related to the overall management of the destination. His specialty is marketing, strategic planning, product and attraction development, destination branding, sales, research and political strategy.



## Project Team

### **Katie Conoyer, Certified Meeting Planner**

#### **Sales Strategist**

Katie has developed the ability to drive long-term, sustainable sales growth and strategic sales initiatives throughout her eleven years of meeting, event and convention sales. As the Director of Sales for the Saint Charles Convention Center, she administered a \$6.8 million revenue budget, generate room night bookings across the city with partner lodging facilities, set forecasts and weekly pace reports, supervise marketing (website, ads, marketing plan), and collaborate with lodging partner to design integrated marketing / sales strategies. The result speaks to her sales abilities and creative strategic applications:

- Increased sales revenue by booking \$1,862,388 in corporate and educational meetings and tradeshow, helping Convention Center exceed budget for the ninth year in a row with the highest gross revenue to date of \$5.68 million
- Total revenues over the past four and a half years of over \$8.3 million with almost 34,000 hotel rooms
- Generated most revenue in building history in 2014 with \$2,586,577 in revenue for a total of 185% of yearly goal

Katie brings a top sales executive perspective to the Destination Services Team.



## Project Team

### Dawn Przystal, Tourism Management Professional

#### **Organizational Management**

Dawn has over 20 years experience in advertising, marketing, tourism product development and management. As former director of Visit Bardstown, her efforts led to the doubling of economic impact, as well as elevating the role and productivity of the commission in general and the professionalism and expertise of the executive director's position in particular. Experience at the DMO and attraction level planning, budgeting and negotiating media buys, developing and implementing of group sales program that increased revenue by thirty percent, and increasing earned media four-fold through a strategic communications plan. Currently Dawn works with Commissions to ensure best practices, helps destinations develop and implement research-based plans. Her specialty is marketing, destination evaluation, development and branding.

Thank You



DESTINATION SERVICES

Stephen Powell  
CEO

322 South Main Street  
Saint Charles, Missouri 63301

314-575-8416

[stephenlpowell@sbcglobal.net](mailto:stephenlpowell@sbcglobal.net)

DESTINATION SERVICES

# **Moberly Depot District**

## **Business Campaign**

## **Marketing Strategies**



**Destination Services, LLC**

**March 22, 2019**



DESTINATION SERVICES  
PROFESSIONAL DESTINATION  
CONSULTING SERVICES



## Introduction

This document is designed as a guide to be used to attract new appropriate business investments to the Depot District. It is not to be considered as an overall marketing plan for the district, which would focus on visitors, residents, stakeholders, etc.

## Guiding Principals

### Branding – Standards - Lifestyle

The marketing of Depot District as a place to invest, live, visit and start a business requires “seed “money, innovative and creative thinking, attitude and fortitude. The marketing approach supporting the revitalization initiative must be holistic; a place that someone wants to visit is a place that invites new residents and businesses. The key is to approach every new business idea with an open mind and guide the redevelopment toward the Depot District Brand and Plan.

The “sense of place” must be established along with an aggressive marketing statement that the Depot District is a viable location for investment. Creating a lifestyle that entices and fosters ownership of the brand and the downtown community is imperative. Our goal is to inspire our target demographics to say: “I want to be a part of the Depot District”.

Through this marketing plan, we will introduce the revitalization concept, spark interest and sell people on our vision. As the conductor on the Polar Express says:” BELIEVE” Believing begins with the vision; a vision that looks beyond today and toward a sustainable future based on economic viability. Choosing the right businesses with the right partners who share a common vision is essential to success. One must adhere to the branding principals of the Depot District and not waiver from the vision but maintain those aesthetics and standards that will deliver the product that drives the lifestyle.

## **Marketing Plan**

### **Introduce/Sell the Depot District**

While the following is not presented as an all-inclusive list, it is certainly a plan that will have as significant impact.

#### **Marketing**

- Encourage residents and businesses to participate and share the Depot District investment advantages and lifestyle; i.e. Facebook, Instagram, YouTube, LinkedIn, professional organizations, etc.
- Develop and maintain an aggressive Facebook page
- Targets: entrepreneurial groups, graduating business students, business start-up groups, retirees, innovator groups, chef groups and associations that support the various businesses we want to attract.
- Focus aggressively on various Business Journals, Press releases, online ads, editorial with St. Louis, Kansas City, Columbia, Cape, Springfield, Jefferson City and Branson
- Contact Business Schools, Newsletter placements, friend their Facebook sites, MU business school and graduate school
- Editorial in Missouri Life, AAA, regional newspapers, etc.
- Contact Mo. Dept. of Economic Development and the State Tourism Department
- Encourage current businesses to recommend potential business candidates
- Post incentive program on entrepreneurial websites, retail and business websites, YouTube, Facebook etc.
- Internet website/use SEO Maximization Sales

#### **Sales**

- Aggressive Google Ad Schedule
- Billboards on I-70
- Contact Franchises to let them know we have availability
- Visit high traffic tourism areas and identify potential businesses then pursue them.
- Actively solicit existing businesses in other towns that we would like to see in Moberly

## Targeted Businesses

- Spa
- Coffee store
- Shared Workspace
- Vintage record store
- Unique one of a kind store
- Men's clothing
- Deli
- Jewelry stores
- Music store
- Wine bar
- Wine store
- Home design interiors
- Hand crafted furniture
- Amish goods
- Specialty food store
- Arts and Crafts
- Soda fountain bar
- Made in Missouri store
- Spice shop
- Bookstore
- Cigars
- Culinary Schools
- Food Halls
- Kids Clothing Stores
- Distillery
- Men/Women Accessories
- Craft Beer
- Technology Store
- Dog/Pet Accessories

## Excluded Businesses

- Vapor shops
- Hookah bars
- Pawnshop
- Car parts/repair places
- Liquor store unless upscale
- T-shirt stores
- Junk stores
- Porn related

## **Incentives**

- Economic development tools
- Potential for historic tax credits
- City operational subsidy
- Building certification
- Ownership of building if successful after 5 years and improvements to building occur
- Destination marketing via the Chamber
- Cooperative marketing opportunities
- Be a part of creating a new lifestyle living experience

## **Entrepreneurial Obligations**

- Be committed and passionate about the Depot District plan, the proposed business and the its future success
- Develop a business plan to be accepted by City
- Have a financial plan/5-year profit/loss
- Research on proposed business
- Establish measurable goals
- Comply with all city codes
- Adhere to the CID area brand and marketing position

## **Assessment of potential businesses**

- Level of planning and research
- Level of investment cash
- Backup planning
- Cash flow
- Number of new employees to Moberly
- Marketing Plan
- Business Plan
- Sales tax generated (Note: If it an internet-based business, they must collect local sales taxes)
- Level of education/experience in proposed business
- Growth potential

## Evaluation Matrix for Eligible Business

The evaluation chart below is based on a scale of 1-10 with 10 being the highest score.

It is recommended that a task force representing the CID conduct the evaluation based on an interview and documents submitted by the potential business owner.

Evaluation Topics:

- Experience in the proposed business
- Business plan can be achieved
- Financial resources available/financials/profit & loss
- Understanding business concepts
- Business contributes to creating visitor destination
- Proposed business/product has the “wow” factor
- Product aligns with the strategic plan
- Product market range attracts new business

### Business Evaluation Rate 1 to 10

<b>Business Name:</b>			
<b>Visitor Destination Orientated</b>	<b>Reach Attracts New Business</b>	<b>Wow Factor</b>	<b>Strategic Plan</b>
<b>Business Plan</b>	<b>Experience</b>	<b>Financials Profit/Loss</b>	<b>Business Concepts- Knowledge</b>
<b>Total Points</b>			

## **Property/Business Owner Requirements**

Building owners will be required to integrate Depot District Band sustaining requirements into their lease agreements or contracts for sale. For those buildings the City owns and those businesses receiving incentives that own the building or have a building owner that leases to an incentive business, he follows legally binding, sustaining restrictive conditions that should be applied. Those who do not comply with the sustaining restrictions face the cancellation of their incentives. As much as possible, these restrictions will be integrated into the property deeds and lease documents.

- The property owner and/or leasee will strictly adhere to all City codes and standards dictated within the CID and Historic District. These codes and standards should be outlined specifically in the deeds/leases.
- The property/owner and/or lease will always maintain the interior and exterior in a manner that adheres to the character, brand and expectations of the CID and Historic District. This restriction applies to paint colors, brick motor color, brick color, signage, lighting, visual attractors, construction materials, etc.
- Temporary banners, hand-made signs, flashing signs, product or product display outside of the building are not allowed. Decorations on the outside of the building are not allowed without prior approval.
- Hawking, loudspeakers, distribution of food, store products or brochures are not allowed outside of the building.
- Any new restrictions implemented by the CID will be integrated into the governing restrictions as well.

## Strategies

### Year 1

- Introduce the Depot District
- Create Excitement
- Focus on one or two potential businesses/developments
- Aggressive social media
- Secure editorial in various publications
- Continue expanding CID concept
- Begin implementing architectural concepts

### Year 2

- Secure one or two new businesses
- Aggressively pursue editorial
- Continue expanding CID conceptual plan and adjust marketing plan as needed
- Conduct research to assess progress as it relates to economic development and tourism

### Year 3

- Secure two more new businesses
- Aggressively highlight successes
- Secure editorial support
- Update marketing plan
- Update CID strategies

# DESTINATION SERVICES

## Implementation

Implementation responsibility is a question that must be answered by the CID. It should be a team effort between the CID, Chamber of Commerce, the Economic Development Corporation and an outsourced contractor. The issues are focus and time. The intensity of the marketing and selling of the Depot District will be driven by available funding.

## Conclusion

This document is designed as a flexible document that should be adjusted as opportunities present themselves or the dynamics of the CID change. It should be updated annually. Implementation of this marketing plan is only possible if it is supported by an adequate budget.

The biggest risk is not taking any risk. In a world that's changing quickly, the only strategy that is guaranteed to fail is not taking risks." - Mark Zuckerberg



DESTINATION SERVICES  
PROFESSIONAL DESTINATION  
CONSULTING SERVICES





## CITY OF MOBERLY

## "BID OPENING"

Date: 10.27.2020  
4pm

Grey Hospitality 10.23.2020 1:38pm \$ 10,500.00

HVS 10.23.2020 10:19am \$ 22,000.00

Core Distinction 10.26.2020 3:43pm \$ 12,500.00

HSP 10.27.2020 12:56pm \$ 17,500.00

\$ \_\_\_\_\_

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## **Covid-19 Pandemic Impact Report for the Hospitality Industry by Grey Hospitality**

[Sean Skellie](#)



Why is Congress dragging their feet? This is the reality... the lodging industry is estimated to report a “50 percent, nearly \$125 billion-dollar loss in 2020 making this year the worst year in history for the hotel industry, just the hotels and not travel overall. Oxford also reported that this will equate to a total loss of \$910 billion in travel related economic output in 2020. This is seven times the impact of 9/11”. According to [Hotel Business Magazine](#) September 15,2020. Will your hotel or favorite destination close? Odds are it will.

The back page of the Hotel Business September 15<sup>th</sup>2020 edition magazine reported that:

*“Travel supports 15.8 million American jobs in total, employing 1 out of 10 Americans. 2019 travel generated \$2.6 trillion for the U.S economy. The local*

*impact is 70 percent to local communities (in traveler related spending) in transportation, food and beverage (retail). The failure of our (Nations) hotels can (and will) have a massive ripple effect on our country's economy."*

This is our new reality and needs to make headlines not the back page. Please share and encourage Congress to support the industry, before it's too late.

In review...there is no doubt that March and April of 2020 presented some of the toughest times for the hospitality industry- EVER- affecting hotels, restaurants, OTA's, travel consortia, airlines and cruise lines. Hit hard by the COVID-19 pandemic, the industry has been knocked down, but not out. Today's outlook is still grim as winter approaches despite travel peaks in many markets in the summer. The worst is still to come, unfortunately.

Recently, June, July and August of 2020, travel trends show some positive results in demand (or increased occupancy) efforts from pent up demand in leisure segment due to summer wants in travel and individuals distraught from safer at home isolation. But winter is coming. How long will this last is unsure as increased cases in Covid-19 spread like summer wildfires and travel is banned by neighboring cities throughout the country.

Long-term recovery will come, but when and in what shape is uncertain due to changes in the way individuals and companies were forced to conduct business amidst the social distancing order and quarantine measures nationally implemented. Understanding the current situation and industry data will allow us to project what a recovery might look like, when they might appear, and what are the benchmarks of improvement.

# Global Impact to the Hospitality Industry

The following quick review of Global Tourism:

- The World Travel and Tourism Council (WT&TC) has warned the COVID-19 pandemic will impact nearly 50 million jobs worldwide in the travel and tourism industry. (with Asia impacted the worst at 30 million lost jobs) and more than 20 million in the US.
- Over 40 airlines around the world temporarily grounding their entire fleets, and many major carriers canceling more than 90 percent of scheduled flights
- The TSA reported 95 percent reduction in US Travel in early April and still today fluctuate almost weekly as virus cases are reported.
- Once the outbreak is over, it could take up to 12 months for the industry to recover (changing weekly by STR)
- In late March, the International Air Transport Association estimated lost revenue from the coronavirus will exceed \$250 billion in 2020 and urged governments to offer immediate financial support to the industry
- The tourism industry currently accounts for 10% of global GDP

The coronavirus epidemic is expected to affect up to 50 million jobs in the global travel and tourism sector at risk, with travel likely to slump by a quarter this year, Asia being the most affected continent, the WT & TC reported. Around 850,000 people travel each month from Europe to the United States, equivalent to a \$3.4 billion monthly contribution to the U.S. economy. Of the 50 million jobs that could be lost, around 30 million would be in Asia, 7 million in Europe, 5+ million in the Americas and the rest in other continents.

## Airline Impact

The transport association said today's crisis is far worse and more widespread than after 9/11, when U.S. airlines lost approximately \$19.6 billion in revenue in 2001-2002. After the terrorist attacks, the U.S. government provided \$15 billion to airlines in compensation and loan guarantees.

## Restaurants, Events & Travel Impact

[Key Findings from the Travel Intentions Pulse Survey \(TIPS\): Impact of COVID-19 published from March 27 to September 9, 2020](#)

U.S. Travel Association- Latest Release

Research by MMGY Travel Intelligence (Source: MMGY Travel Intelligence)

The U.S. Travel Association has commissioned an ongoing survey to monitor the impact of COVID-19 on U.S. travelers. The online survey is conducted bi-weekly among 1,200 to 1,500 U.S. residents who have taken an overnight trip for either business or leisure in the past 12 months.

## Key Insights September Travel

- The likelihood of taking a leisure trip in the next 6 months is the highest it has been since the survey's inception in mid-March, with 42% (top-2-box %) reporting they are at least somewhat likely to do so, up from 38%
- Travelers feel safest now in personal vehicles and likelihood to travel by personal car during the next six months was the highest it's been since the pandemic started, with three-quarters (75%) indicating they plan to do so. Almost two in five (39%) are willing to drive 300 miles or more (each way) for a leisure trip.
- The likelihood to take a domestic business trip during the next six months also increased, rising from 31% last month to 35% in the most recent results. Importantly, the percentage of business travelers who said they were not at all likely to take a business trip during the next six months declined significantly from 35% to just 25% this month.
- Travelers are just as concerned about family members contracting COVID-19 as they are about getting it themselves
- Younger travelers are more likely to worry more about others, but they are also concerned about their own health

Hospitality Impact August 2020- They asked the likelihood of doing each of the following activities in the next six months:

Taking a domestic leisure trip	42%
Taking a domestic business trip	35%
Take an international leisure trip	18%
Take an international business trip	17%
Likelihood of staying in hotel/resort	39%
Stay in a vacation home/condo	28%
Visit a park or beach	48% and 40%
Visit a theme park	19%
Take a cruise	14%

Attend a business meeting/conference 18%

Attend an off-site business meeting 21%

Travel by:

Personal Car 75%

Domestic flight 35%

International flight 17%

Bus/mass transit 16%

## Hotels Impact

No travel, no occupancy, no meals- is where we started in March/April. Today this is somewhat true but is more market and segment driven. The hospitality industry is changing almost weekly in both expectations of travelers and the offerings available at facilities. According to the [American Hotel & Lodging Industry State of the Hotel Industry Analysis](#) dated August 31<sup>st</sup> 2020 nearly 5 out of 10 employees are still not working and the industry sector is down 4.3 million jobs; 65 percent of remain at or below 50 percent occupancy; only 33 percent of Americans say they have traveled overnight for leisure or vacation since March of 2020 and only 38 percent say they are likely to travel by the end of the year.

City center major U.S urban markets are hit the hardest based on occupancy levels mostly in the 30 percent range due to lack of group and meetings travel, extremely weak corporate segment, government travel restrictions, civil unrest, and general anxiety due to social and pandemic publicity and media.

As a result of the COVID-19 pandemic and, more directly, the global ban on travel and rapidly expanding social distancing requirements, travel limitations and the governmental National and State stay-home orders brought travel to a halt at a time when spring break was upon the U.S in early 2020.



As an attempt to offer a level of normality at a time of crisis, most full-service restaurants are operating at small fractions of capacity including increased delivery and curbside pickup of food, beverage and alcoholic concoctions.

American Express reported 50 percent of consumers agree that contactless is safer for personal health than using cash or inserting or swiping a card and hotels and restaurants need to be prepared as the retailers are setting the standard. (Based on comparison to findings from the 2019 American Express Digital Payments Survey). I assume if the survey were to be taken today the percentage would be much closer to 100 percent in agreement of touchless merchandizing or contactless Cards.

Some owners and franchises didn't want to expose employees to potential risk and closed entirely—either as a result of government order (like restaurants in hotels) to preserve cash flows due to lost business while waiting to see what relief the government might assist with in late mid-March 2020.

Early March saw hotels closed due to national social distancing requirements and limitations on group gatherings of 10 or more keeping most guest rooms and meeting rooms empty. Some communities and cities have banned hotels (which has never been seen historically) during spring break to limit exposure. As a result, many hoteliers both large and small have elected to close their doors due to lack of travelers. Who did remain open? STR reported the largest impact of travel segment or class were hotel in the Midscale to Luxury segments reporting single digit occupancy as a class.

Economy and Midscale hotels continue to support the industry. Grey Hospitality has been participating with STR and tracking the weekly effect of the global pandemic and its impact on the industry.



According to [Oxford Economics](#), a leader in global forecasting and quantitative analysis, “the lodging industry is estimated to report a 50 percent, nearly \$125 billion-dollar loss in 2020 making this year the worst year in history for the hotel industry, just the hotels and not travel overall. Oxford also reported that this will equate to a total loss of \$910 billion in travel related economic output in 2020. This is seven times the impact of 9/11.”

As for the state of the industry many hoteliers and consultants turn to STR for monthly performance trends and signs of national recovery. The following information has been released by [STR](#) and documents the industry recovery monthly over the pandemic.

## Month by Month Comparison by STR

### Early October 2020- Actual Results STR

The latest data from STR had some positive news for the U.S. hotel industry: For the week of Oct. 4-10, weekly occupancy hit 50 percent for just the second time since the low point of the pandemic.

Compared to the same week in 2019, occupancy was down 29.2 percent to 50 percent. Average daily rate was \$97.67, a 25.9 percent decrease, while revenue per available room was \$48.85, down 47.5 percent year over year.

While a handful of the highest occupancy markets were those in areas affected by natural disasters like the California wildfires, Saturday produced the week’s highest occupancy (65.2 percent) and ADR (\$110.84), indicating that the leisure and weekend staycation demand seen during the summer may return in the fall.

## September 2020 Q3- Actual Results STR

The U.S. hotel & lodging industry reported its lowest third-quarter occupancy level on record, according to Q3 2020 data from STR.

Occupancy for the quarter was 48 percent, down 32.2 percent from the same quarter in 2019. Average daily rate was \$101.25 (down 24.1 percent) and revenue per available room was \$48.58 (down 48.5 percent).

The absolute occupancy and RevPAR levels were the lowest for any Q3 in STR's U.S. database, ever.

Among the top 25 markets, Oahu Island, Hawaii, saw the lowest occupancy level (24.1 percent), while Norfolk/Virginia Beach, Va., experienced the highest occupancy (61.4 percent).

Three additional top 25 markets reported occupancy above 50 percent: San Diego (51.9 percent), Detroit (51 percent) and Los Angeles/Long Beach (50.6 percent).

In aggregate, the top 25 markets fell behind all other markets in each of the three key performance metrics.

## August 2020- Actual Results STR

The U.S. hotel industry's metrics improved slightly in August from the previous month, according to the latest data from STR. Compared to August 2019, occupancy was down 31.7 percent to 48.6 percent, average daily rate was down 22.8 percent to \$102.46 and revenue per available room was down 47.3 percent to \$49.83.

The absolute occupancy level was the lowest for any August on record in the U.S., but all three key performance metrics were up from July levels. Recent September weekly data shows occupancy just below 50 percent due to a slight decrease in demand.

Among the top 25 markets, Oahu Island in Hawaii experienced the steepest drop in occupancy, down 69.9 percent to 26.8 percent, and the largest decrease in RevPAR—down 81.4 percent to \$42.13.

San Francisco/San Mateo in California posted the steepest decline in ADR, down 50.1 percent to \$123.23.

### July 2020- Actual Results STR

In a year-over-year comparison with July 2019, the industry reported GOPPAR was down 93.3 percent to \$5.74; total revenue per available room was down 74.1 percent to \$60.04; earnings before interest, taxes, depreciation and amortization were down 115.1 percent to -\$9.24; and labor costs were down 64.8 percent to \$28.46.

*“As the industry inched closer to 50 percent occupancy, we saw continued incremental improvement in the subsequent profitability metrics,” said [Raquel Ortiz, STR’s](#) assistant director of financial performance. “We are, of course, nowhere near pre-pandemic levels, but there were additional encouraging signs in positive GOPPAR for full-service hotels and six major markets.”*

### June 2020- Actual Results STR

Due to the impact of the COVID-19 pandemic, the U.S. hotel industry showed slightly higher performance in June 2020, according to data from STR. This is likely to diminish in July with the resurgence of cases nationally and in key travel markets.

In a year-over-year comparison with June 2019, the industry recorded the following:

- Occupancy: decreased by -42.5 percent to 42.2 percent overall
- Average daily rate (ADR): decreased by -31.5 percent to US \$92.15
- Revenue per available room (RevPAR): decreased by -60.6 percent to US \$38.88

The occupancy and RevPAR levels reported in June of 2020 were the lowest reported results of any June on record according to STR.

### May 2020- Actual Results STR

Due to the impact of the COVID-19 pandemic, the U.S. hotel industry showed continued lower performance during May 2020, according to data from STR.

In a year-over-year comparison with May 2019, the industry recorded the following:

- Occupancy: decreased by -51.7 percent to 33.1 percent overall
- Average daily rate (ADR): decreased by -39.9 percent to US \$79.57
- Revenue per available room (RevPAR): decreased by -71.0 percent to US \$26.35

The absolute occupancy and RevPAR levels were the lowest for any May on record in the U.S., but all three key performance metrics were up from April levels. Recent weekly data shows occupancy above 40 percent due to a slow and steady rise in demand.

## April 2020- Actual Results STR

U.S. hotel gross operating profit per available room fell 116.9% during April 2020, according to the latest monthly P&L data release from STR.

In a year-over-year comparison with April 2019, the industry reported the following:

- GOP Per Available Room: -116.9% to US-\$17.98
- Total RevPAR: -92.9% to US\$17.39
- EBIDTA PAR: -140.2% to US-\$32.30
- LPAR (Labor Costs): -72.8% to US\$20.80

*“Whereas only the later portion of March was affected, April was the country’s first full month in the COVID-19 world, and the impact on U.S. hotel profitability was historic,” said [Joseph Rael, STR’s](#) senior director of financial performance. “occupancy levels hit the floor near the middle of the month, leaving many properties positioned to lose money by keeping their doors open. That led to more than 5,100 temporary closures around the country.”*

Among top markets, Houston reported the steepest year-over-year GOPPAR decline (-135.3%), followed by Chicago (-134.6%) and San Francisco/San Mateo (-133.6%).

## March 2020- Actual Results STR

In a year-over-year comparison with March 2019, the industry posted the following:

- Occupancy: -42.3% to 39.4%
- Average daily rate (ADR): -16.5% to US\$110.66
- Revenue per available room (RevPAR): -51.9% to US\$43.54

Among the Top 25 Markets, San Francisco/San Mateo, California, experienced the steepest drop in occupancy (-62.2% to 30.2%), which resulted in the largest decrease in RevPAR (-72.3% to US\$55.42). The

market also posted one of the largest declines in ADR (-26.6% to US\$183.68).

New Orleans, Louisiana, matched for the other steepest decrease in ADR (-26.6% to US\$134.98).

## Who is Traveling and Where?

According to the [US Travel Association and MMGY Travel Intelligence](#) – in a nutshell it's not Corporate Travelers or the Group Segment; its leisure travel and mostly those by automobile where they feel safest. MMGY reported that:

- “Despite the nationwide increase in COVID-19 cases, consumers’ concern about contracting the virus has not increased in the latest survey results...and may be the reason that the likelihood of taking a domestic leisure trip within the next six months remains at 40%. More than that (64%) say they expect to book a leisure trip within the next 6 months.
- Those that were already hesitant to travel, however, are becoming even more cautious. In the most recent survey, 21% indicate they are not at all likely to take a leisure trip in the next six months—up from just 13%
- The intent to take a domestic leisure trip remained constant, those expecting to travel for domestic business declined considerably. In the most recent survey, only one-third of confirmed business travelers indicated a likelihood to take a domestic business trip in the next six months—down from 40%”

### Past Demand Crisis Impact – Overview:

STR has tracked data for the last 30 years and reports the impact of recent economic disruptions and the effect to the lodging industry.

2001- 2002 Recession from 9/11 there was a noted decline in RevPAR by an alarming 10 percent

2008 -The period of 2008-09 reported RevPAR down by 16.8 percent.

2002 – The 2002 SARS outbreak reported occupancy rate decline by a 26 percent in a comparison between the April-June quarter in 2002 and 2003.

The recession periods resulted in a slump in the consumer spending and leisure travels took the hardest hit. In addition, with increased number of furlough's, nearly no unnecessary business travel was realized.

# Outlook for Lodging

## STR Current National Forecast:

Given the Pandemic outbreak the March 30 baseline of KPI was forecasted:

	2020 Forecast	2021 Forecast
Supply	-14.9	+15.6
Demand	-51.2	+81.8
Occupancy	-42.6	+57.3
ADR	-13.9	+3.7
RevPAR	-50.6	+63.1

As a benchmark in 2019 the U.S. hotels ran 66.1 percent occupancy, ADR \$131, RevPAR \$87.00

Currently 2020 is forecasted at 37.9 percent occupancy, ADR \$113 and \$43.00 RevPAR

Currently 2021 is forecasted at 59.7 percent occupancy, ADR \$117 and \$70.00 RevPAR

## Key Points

- Zero Base Travel Demand (new benchmark): STR defines this as when hotels and the industry have absolutely no demand in the U.S (business, leisure, or group); the lodging industry is still selling 1 million rooms a day and equates to approximately 21.6 percent occupancy. This has never been measured before the Covid-19 Pandemic. (Source: STR week ending April 9<sup>th</sup>, 2020)
- In this time of social distancing and safer at home STR reported in early April of 2020 21.6 percent of hotel were still occupied. It is estimated that essential workers are impacting the industry. Examples were medical and other essential workers staying close to critical employers or afraid to return home and logistics companies moving products across the country.



- Market Class: those classifications of hotel performing the best or “less bad” (STR Quoted) were the Economy and Midscale segments at 20 to 30 percent, respectively.
- In March and April of 2020, the U.S. has experienced zero group demand across the country
- Early April 2020 STR reported that 12 percent of U.S. hotels (overall supply) were reported closed. This number is likely incorrect due to the fact owners and operators are not notifying STR of property closures and are encouraged to do so.
- Currently 2020 is forecasted at 37.9 percent occupancy, ADR \$113 and \$43.00 RevPAR
- Currently 2021 is forecasted at 59.7 percent occupancy, ADR \$117 and \$70.00 RevPAR

## Conclusion

Travel will again return but when and where is yet to be determined. Grey Hospitality and STR agree that first, and soon, the leisure traveler will return slowly. As summer results agree in many unique markets. This fall and the continued effects of social distancing and peak cold season, people will again begin to delay their exploration needs and likely pass on travel until summer of 2021. As travelers begin to travel it is likely they will stay local and in lesser populated destinations. We can agree that once popular destinations like New York City, Chicago, and San Francisco, historically top tourist destinations, will be very slow to recover given the Covid pandemic and social unrest. It is believed instead travelers will seek national parks, state parks, family resort homes or rental properties where family units are distanced from large groups as they did in the summer of 2020.

Some individuals believe that over the return to stabilization in the lodging industry we may see some consolidation amongst the hotel franchisees, especially amongst the branded products and the resilient unique properties will remain those unique and boutique hotels. We agree. If one desires to travel it will be for a reason and a memorable one.

Hotels will close, inevitably, and businesses and owners will be forced to take a hard look at any new or future investment they make; and they will be looking at ways to optimize cost, short cuts in hospitality will be a result and we hope it's not a long-term strategy, discounted hospitality.

Overall, it is predicted that the world economy, despite taking a severe blow, will be back in a positive direction in a years' time and will take around 3 years to completely overcome the losses the lodging industry, restaurant industry and the individual traveler accrued during this pandemic of 2020.



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The International Network of Hospitality Consulting Professionals  
[www.CayugaHospitality.com](http://www.CayugaHospitality.com) | 866.386.4020

[Grey Hospitality](#), a member of Cayuga Hospitality Consultants, offers strategic market analysis, operational planning services (Asset Management) and development consulting to communities, state agencies and developers in the hospitality arena. Our broad range of skills in both management and development experience enables us to quickly provide clients with a focus towards realistic expectations based on expanded services, actual operations, enhanced profitability and potential development considerations based on regional expertise. Whether our engagement involves developing strategic plans, conducting feasibility studies, implementing new services, or evaluating operations, our concern is to assist clients in providing high quality services that meet community needs as well as guest needs, generate new revenue, and contribute to the client's continued strength, master plan and future growth.

I urge you to share this simple story and influence your community leaders to discuss the position of our industry. Thanks for your time and I hope you get the opportunity to share this story.

Sincerely,



Sean Skellie



Grey Hospitality Consulting [www.GreyHC.com](http://www.GreyHC.com)

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The International Network of Hospitality Consulting Professionals  
[www.CayugaHospitality.com](http://www.CayugaHospitality.com) | 262.442.4720 | [Sean.Skellie@Gmail.com](mailto:Sean.Skellie@Gmail.com)

**REQUEST FOR PROPOSAL HOTEL MARKET STUDY & FEASIBILITY ANALYSIS**  
**PROPOSED HOTEL DEVELOPMENT**  
**NEW BOUTIQUE LODGING FACILITY**

City of Moberly Missouri  
Brian Crane  
City Manager  
101 West Reed Street  
Moberly, Missouri 65270  
Phone: (660) 269-8705  
[bcrane@cityofmoberly.com](mailto:bcrane@cityofmoberly.com)

**Project Understanding**

Request for Proposal: The City of Moberly Missouri (Client) is soliciting request for qualifications for professional services from qualified consultants or bidders who can conduct a market study and feasibility analysis for a potential lodging facility and its impact to existing market and supply. The result of this study should provide the Client a professional opinion of what type of hospitality project (and its suggested amenities) is economically feasible in the market based on current design elements. The study will be used to approve current hotel development opportunities and franchise affiliation or local investors; giving the community a meaningful sense of the feasibility of a successful lodging venture and its impact to the existing community.

**Agency: Grey Hospitality Qualification Statement**

Grey Hospitality, a member of Cayuga Hospitality Consultants, offers strategic market analysis, operational planning services (Asset Management) and development consulting to communities, state agencies and developers in the hospitality arena. Our broad range of skills in both management and development experience enables us to quickly provide clients with a focus towards realistic expectations based on expanded services, actual operations, enhanced profitability and potential development considerations based on regional expertise. Principal and owner Sean Skellie is also the VP of Hotel Development for Hutchinson Consulting working on national hotel development and mixed-use projects with a focus on healthcare, senior living and hospitality.

Whether our engagement involves developing strategic plans, conducting feasibility studies, implementing new services, or evaluating operations, our concern is to assist clients in providing high quality services that meet community needs as well as guest needs, generate new revenue, and contribute to the client's continued strength, master plan and future growth.

Enhancing our strategic planning and development services, are focused feasibility studies that; enable our clients to develop programs and services that meet identified community needs; generates long-term viable business solutions; and inspire further economic development. Because of the diversity in our hospitality experience among our consulting staff, we are able to readily identify the relevant indicators of the potential need for new services, as well as assess the objective and subjective market factors that would affect the success of lodging facilities.

### **Areas of Expertise**

- Market evaluation through statistical supply and demand evaluation
- Creating and reviewing hotel financial statements and budgets in order to recommend changes in operational and marketing approaches so that profitability is enhanced; based on existing hotel performance benchmarks and industry guidelines
- Conducting asset management reviews and advise owners, receivers, lenders and investors on opportunities for improvements and areas for concern
- Advising hotel investors such as institutions, individuals, and businesses in strategic planning and locating a new franchise, independent facility and/or management affiliations
- Coordination of all phases of branding, development and asset management through implementation of company's systems and internal control procedures
- Oversight of company and operated hotels' financial management and reporting
- Valuation of lodging facilities based on operational performance and industry indicators

### **Hotel Market Analysis**

Each time a hotel is bought, sold, developed, financed, refinanced, or assessed, parties to the transaction may require some type of market study and valuation to indicate its future financial performance. A market study and valuation for a hotel property generally includes a six-step process:

1. Evaluate the hotel's site and locational characteristics
2. Quantify lodging demand
3. Evaluate competitive lodging supply
4. Measure property-specific characteristics (for an existing hotel)
5. Forecast revenues and expenses
6. Estimate market value

Grey Hospitality has through experience as operators of diverse lodging facilities, restaurants and spa's throughout the U.S. The market analysis process is critical when building a lodging facility to meet the needs of a very targeted segment of the travel industry. This is why our services in independent market analysis rise above our competitors. We have conducted more than 250 market studies throughout the country and internationally to assist communities, lenders, franchises or brands and developers of the potential market opportunities and challenges. We stand apart from other firms because of our

independent research, our analytical approach, and the overall quality and detail of our studies. Our reputation and experience as independent boutique/branded hotel operators, hospitality developers and trusted hospitality consultants are the reasons our clients choose to work with us over our competitors.

## **LODGING MARKET STUDY & FEASIBILITY ANALYSIS**

### **EXAMPLES OF PAST WORK PROJECTS**

A great piece of real estate or property doesn't mean it will make a great hotel. Not every brand or franchise is right for every market. Market indicators need to point to long-term feasibility. We understand that the cyclical nature and dynamics of hotel markets is critical to good investment decision making. We also understand the power of the franchise or brand hotels, the uniqueness, attraction, and operations of independent boutique properties; and the ability for hotels to compete in their segment or class within a region.

Who relies on our objective market analyses and financial feasibility statements? Hotel developers, communities and lenders all exploring a proposed development or redevelopment of existing property. We go beyond the numbers to explore if a project will fit the market's needs. Our work starts with grassroots market research and continues through debt and equity scenarios all aimed at gauging the likelihood of achieving an adequate return on investment.

Why trust Grey Hospitality & Cayuga Hospitality's market analysis over another consultant? Because we are operators and developers that know our findings must support real performance; and we compare it to existing operations regionally. Examples of our projects and recent work are as follows (references are attached separately):

- Complete market analysis and feasibility studies
- Site evaluation or viability
- Hotel demand studies using comprehensive statistics and market interviews
- Financial pro formas for lenders and investors
- Space allocation and functionality related to size and scope
- Preliminary construction and related cost estimates
- Overall financial feasibility
- Hotel Design & Development Consulting
- Asset Management & Management Services

### **Development Services & Project Lead Consultant 2020/2021**

- Racine, Wisconsin: Historic Boutique Hotel 81 Rooms- Project in development
- Huntsville, Alabama: 90 Room New Build Boutique Hotel & Restaurant- in development
- Bentonville, Arkansas: 80 Room New Build Boutique Hotel & Restaurant
- Murfreesboro, TN: 110 Room New Build Boutique Hotel & Restaurant
- Middletown, Ohio: 70 Room Historic Renovation Manchester Hotel- in development
- Galesburg, Illinois: 55 Room Historic Hotel & Restaurant
- Traverse City, Michigan: 100 Room Historic Hotel, Spa & Restaurant
- Wisconsin Dells, Wisconsin: 80 Room New Build Boutique Hotel & Spa
- River North Chicago, Illinois: 90 Room New Build Boutique Hotel

### **Hotel Market & Feasibility Studies**

- Racine, Wisconsin: Historic Boutique Hotel 80 Rooms
- Springfield, Missouri: Hotel Vandivort initial 50 keys 2015 and 2020 expansion 50 keys
- Green Bay & Kewaunee Wisconsin: Boutique Hotel & Spa 70 Rooms- in development
- State of Tennessee 4 hotel market studies for State Park Lodging Resorts 80 rooms, 120 rooms, 180 rooms and 75 room resort facilities. Properties under construction
- Milwaukee, Wisconsin: East Hotel and North Hotel, two market surveys for development of 100-room hotels amidst new urban development
- Madison, Wisconsin: HotelRED University of Wisconsin Campus (Expansion) – in development & construction
- Madison, Wisconsin: Luxury hotel and events center near the University of Wisconsin
- Rockford, Illinois: Participation evaluation for the city's Economic Development of Hyatt Place Hotel
- Wausau, Wisconsin: Development & expansion of Jefferson Street Inn
- Green Bay, Wisconsin: Analysis co-funded by private and public entities to reposition the Northland Hotel
- Milwaukee, Wisconsin: University of Wisconsin Milwaukee: Hotel market analysis
- Winneconne, Wisconsin: Market evaluation and financial analysis
- Saint Charles, Illinois: Branded hotel market analysis and feasibility
- Stevens Point, Wisconsin: Branded or independent hotel on the new Oakwood Center construction site
- Davenport, Iowa: Market evaluation and financial analysis for repositioning the 135-room historic Hotel Blackhawk now a Marriott Autograph Collection property
- Belvidere, Illinois: Development of a downtown tertiary market

## **Market Demand Studies & Development Cost Estimates**

- Kansas City, Missouri and Kansas: two separate hotel development cost analysis and feasibility
- Chicago & Kansas City Zhou Event Center: Market Feasibility Event Center- in development & construction
- State of Tennessee: 3 market feasibility studies for the states park system evaluating and designing new facilities
- Madison, Baraboo, Reedsburg Wisconsin: New Hotel Development Analysis
- Whitewater, Wisconsin: New hotel construction
- Beaver Dam, Wisconsin: Conversion of an historic mill into the boutique Cotton Mill hotel
- Milwaukee, Wisconsin: Cathedral Square Hotel market and feasibility studies and development cost estimate for new construction

## **Market Demand Study, Financial Feasibility, & Investment Analysis/Pro Forma**

- River North Chicago, Illinois: Feasibility analysis & 10-year pro forma new build construction
- Middletown, Ohio: Feasibility analysis for historic restoration into hotel facility
- Racine, Wisconsin: Feasibility analysis and 10-year pro forma for historic restoration of department store building into hotel facility
- Huntsville, Alabama & Nashville, Tennessee: Feasibility analysis and 10-year pro forma for new build construction 100 room hotel facility and mixed-use restaurant, medical, & spa
- Allegan, Traverse City, Hillsdale and Manistee, Michigan: Feasibility analysis and 10-year pro forma for new build construction
- Menominee, Michigan: Feasibility analysis and 10-year pro forma for historic restoration of manufacturing building into the Breakwater condo and hotel facility
- Grand Cayman Island: Market and financial analysis for repositioning and/or disposition of Treasure Island Resort Seven Mile Beach, 300-room full-service property
- Wisconsin Rapids, Wisconsin: Market analysis and operational financial projections for disposition of bank-owned Hotel Mead
- Ottumwa, Iowa: Market analysis and operational projections for redevelopment of an historic hotel
- Rhinelander, Wisconsin: Market evaluation and financial analysis for repositioning of a private hunt club and resort
- Green Bay/Pembin Wisconsin: Resort Purchase repositioning analysis
- Traverse City, Michigan: Market analysis and operations projections for 80 suite luxury hotel and banquet facility in historically authentic restoration and the Grand Traverse Commons
- Dubuque, Iowa: Market analysis and operational projections for redevelopment of the Historic Hotel Julien Dubuque
- Sedona, Arizona: Market analysis and Asset Management Evaluation



### **Community-Funded Evaluations**

- Miller, South Dakota: Market evaluation and financial analysis for public support and funding of a lodging facility
- Winneconne, Wisconsin: Market evaluation and financial analysis for public support and funding of a lodging facility
- Kewaunee, Wisconsin: Market evaluation and financial analysis for public support and funding of a lodging facility
- Lake Tomahawk, Wisconsin: Analysis for public support of a hotel development
- Rockford, Illinois: Market evaluation and financial analysis
- Grafton, Wisconsin: Analysis for public support of a hotel development
- Milton, Wisconsin: Analysis for public support of a hotel development
- Oregon, Wisconsin: Analysis for public support of a hotel development
- Cambridge, Minnesota: Analysis for public support of a hotel development
- Maryville, Missouri: Analysis for public support of a hotel development with a community redevelopment effort

### **Competitive Market Analysis & Asset Management for Repositioning Independent Hoteliers and Transitional Bank-Managed Assets**

- Sedona, Arizona: Hotel Sedona Resort: Asset Management Analysis
- Sonoma, California: Private Winery, multiple restaurant outlets and lodging Asset Management & Operational Analysis
- Waukesha, Wisconsin: Clarke Hotel
- Baraboo, Wisconsin: Private Brewery, Restaurant and Banquet Facility
- Delafield, Wisconsin: Hotel Delafield
- Milwaukee, Wisconsin: Best Western
- Lake Geneva, Wisconsin: The Cove of Lake Geneva

## **LODGING MARKET STUDY & FEASIBILITY ANALYSIS**

### **APPROACH AND PROCESS**

#### **Grey Hospitality Market Analysis & Project Feasibility Outline**

Market analysis and feasibility study are the first steps in the development process; they provide critical guidance for design, construction, and operations. The reports evaluate potential market support through evaluation of supply & demand, forecast facility usage and financial feasibility. This step determines potential financial performance and maximum warranted development costs. Physical planning parameters—such as total land size and building space required—are established. The reports recommend the attraction mix and can include a walk-through description and artist's conception images for use in initial presentations.

The following outline is a review of the major steps in conducting a study.

##### **1. Orientation Meeting**

Orientation consists of meeting the development team, bringing in community and project leaders for detailed discussions about the project, visiting prospective sites, and becoming integrated with the community in which the project resides.

##### **2. Site and Area Evaluation**

The site and local area would be evaluated to determine its effects on potential usage. Factors include:

- Market proximity
- Physical limitations/constraints
- Access routes
- Traffic patterns
- Surrounding development & demand generators
- Potential complementary and competitive facilities

##### **3. Concept Description and Industry Trends**

For those who may be unfamiliar with the concept or description of the planned hotel, community, business trends in the area, and regional attractions, this section provides a broad introduction of the region before specific project-related issues are examined. The market analysis then describes and evaluates the type of hospitality business or project alongside industry trends.

#### 4. Market Analysis

The market analysis looks at overall trends in the region and the project's direct competition. Demographic characteristics for the resident market would be analyzed to provide an indication of support. This typically includes:

- Population growth & diversity
- Age distribution
- Income distribution
- Market economics
- Key employers

The area's tourist market would be defined and analyzed. Based on available information, this analysis would likely examine:

- Current size
- Historic growth
- Regional demand generators
- Seasonality of tourism, including day-of-week patterns
- Other characteristics

#### 5. Evaluation of Competitive Hotel Facilities

Selected comparable or competitive facilities would be examined. Available reported information would be provided on individual characteristics, including:

- Name and location
- Physical description
- Rate Structure and pricing
- Annual revenues (estimated)
- Financial performance
- Market share performance/penetration

#### 6. Subject Hotel Performance

Potential annual usage for the proposed facility would be estimated for the first five to ten years of operation based on a number of factors, including:

- Planned components
- Size of available market
- Qualitative market characteristics
- Market penetration rates achieved by comparable facilities
- Location and possible competition & barriers to entry within the market

## 7. Design Development and Operational Planning Guidance

The consultant would make physical planning recommendations needed to service the expected market demand and set a competitive advantage against regional properties. The specific parameters vary from one project to another. For larger projects, we can also provide master planning and schematic design services. To collect local input, we may ask the community to circulate a survey taking into consideration the community and local businesses. Physical planning parameters may include:

- Development costs
- Estimated design capacity
- Recommended amenity mix
- Recommended food service and merchandise space
- Recommended parking requirements
- Minimum land size

## 8. Financial Analysis

A financial analysis for the proposed facility would be based on the selected concept and potential usage. Financial estimates for the first five years of operations would include:

- Revenues by category
- Operating expenses
- Operating profit & return on investment (ROI) for equity investors
- GAP Analysis
- Tax revenue impact- room tax & sales tax estimates annually
- Project Valuation

## 9. Typical Development Cost

The consultant would determine the development cost or investment based on potential profitability. This is the recommended amount that should be spent to effectively develop the project and return a reasonable ROI to equity investors. This warranted amount would be compared to actual development costs for comparable facilities. Relative size would be taken into consideration. This comparison provides guidance as to whether the proposed project could be developed for its warranted investment. If so, the project is considered financially feasible.

Upon completion of a Hotel Market Study for a municipality or private development group, we are often asked to provide further consultation to create a strategic plan to pursue development opportunities. Grey Hospitality and Cayuga Hospitality is much more than a research firm; its principals have years of practical experience as hotel developers, consultants, and team leaders in such efforts.

## **HOTEL MARKET DEMAND STUDY & PROJECT FEASIBILITY PROPOSAL**

October 23<sup>rd</sup>, 2020  
City of Moberly Missouri  
Brian Crane  
City Manager  
101 West Reed Street  
Moberly, Missouri 65270  
Phone: (660) 269-8705  
[bcrane@cityofmoberly.com](mailto:bcrane@cityofmoberly.com)

Regarding: Hotel Market Demand Study & Feasibility Analysis RFP

Dear Brian Crane,

Grey Hospitality, a member of Cayuga Hospitality, is pleased to submit a proposal for a comprehensive hotel market study and feasibility analysis to evaluate the potential lodging market and overall development in Moberly Missouri based on the current development opportunity submitted to the community. The following pages detail the study proposal and process. The research and review of the development project will answer questions regarding the need for a hotel in your community, based on observed supply and demand trends for your region and market.

This study will evaluate the market and determine the potential of the hotel's feasibility. The first step in this process will be our extensive research. Upon completion of the study, we will present the findings in a narrative report in conjunction with a personal presentation that will include: a) market trends in supply and demand; (b) a reasonable market forecast given the subject hotel's and other properties' entry to the area; and (c) the regional market segmentation of travelers (d) 20-year financial projections of the subject hotel. The secondary phase of this study will include estimated development costs associated with the subject hotel, location of the potential project as well as valuation of the asset. The preparation of a marketing strategy and necessary tools to solicit the project to capital investors and development entities is the final step of the proposal.

This study will evaluate the market (based on STR trends if we decide to utilize- and strongly suggested) and determine the potential of the hotel's feasibility. The first step in this process will be our extensive research. Upon completion of the study, we will present the findings in a narrative report in conjunction with a personal presentation that will include: a) market trends in supply and demand; (b) a reasonable market forecast given the subject hotel's and other properties' entry to the area; and (c) financial projections of the subject hotel.

The secondary phase of this study will include estimated development costs, space planning and allocation, and valuation of the project as built in association with the proposed subject facility. As

mentioned the development costs and valuation of the asset will also determine the overall financing options and feasibility of the project necessary for the appraisal process.

The objective of the report is multifaceted approach which will determine the following objectives: It will enable the development team to understand the overall financial analysis, capital raise and debt positioning and project costs, regional market competition supply & demand, reveal barriers to entry within the market, propose new projects under development that could impact the hotel, and assess the demand for hotel accommodations in the market. In addition, we will address the operational costs of the hotel through a detailed 10-year financial model and 20 year financial and debt projections.

We stand apart from other firms because of our independent research, our analytical approach, and the overall quality and detail of our studies. Our reputation and experience as independent boutique and branded hotel operators and developers are the reasons our clients choose to work with us over our competitors. Please ask to review a sample of our diverse services performed to date which include market feasibility, hotels previously managed, development projects and asset managed properties.

### **Market Analysis & Project Feasibility Scope of Work**

The market analysis will provide a report that will clearly analyze the market as seen by hospitality industry experts, without predetermined assumptions. The complete market analysis will address the following key components:

- Competitive Market Overview and Evaluation—consultant will evaluate existing market demographics, economic viability, and visibility and accessibility to the proposed markets, specific only to the hotel and hospitality component. We will also assess the relationship of the suggested sites to possible lodging demand generators, existing lodging supply, and the availability of future development sites. There will be an overview of general hotel economic trends, plus an opinion as to the desirability and feasibility of developing a hotel property in this market at the specific site. An in-depth market analysis of regional competition will allow us to perform a Comprehensive Statistical Market Study to provide all supportive research and data from prominent industry reports to verify conclusions and recommendations. We will identify competitive hotels and gather occupancy, average rates, and revenues (for either one year or the past 6 years, based on information available) using standardized industry reports.

Project feasibility will provide details on revenue projections, as well as analyze development costs, project valuation, a gap (surplus investment) analysis based on financial feasibility from information gathered, and specific operational projections for a stabilized year of operation and a 5-10 year operating model for sales revenues and operating expenses:

-

- stabilized year of operation and a 10-20-year operating model for sales revenues and operating expenses. The report will also present supportive research data for both the existence and absence of community amenities, such as conference centers and/or food and beverage facilities. In addition, the study will present investment analysis data for the proposed facilities and a site evaluation based on recommended amenities. The report's comprehensive market trends and overview format will be suitable to present to developers and financing institutions.
- Upon completion of the study, we will make a presentation and review the findings with you, city officials, and community leaders. Recommendations will be made at that time regarding
- The next steps to build a business plan, sales & marketing strategy, and a development strategy. Further engagement of our firm may be made separately to discuss the findings with potential developers or financial institutions.

The market analysis and financial feasibility study will focus on the following items, although this is not an inclusive list:

- Options for a full, select, or limited-service hotel; number of floors; number of rooms; size and layout—recommended based on site and market demand
- Level of accommodations—based on AAA Diamond or Mobile Travel Guide Star ratings
- Choice of franchise options or independent boutique in nature
- Review of available and proposed meeting and banquet spaces in the community; recommendations for including additional meeting and banquet space in the proposed subject facility
- Thorough analysis of the regional supply and the demand of travelers within the market. This demand is broken into monthly and day of week trends.
- Possible hotel room mix of suites and traditional guestrooms or brand-focused structure
- Other retail business, lease space, or office space within the hotel facility
- Amenities such as pool, exercise room, sauna, other recreational elements, and food service options—not to compete with surrounding businesses but to complement them
- Parking requirements needed to support the hotel component
- Potential economic impact on the city and county
- Review and recommendation of proposed development site and management structure
- Financial feasibility analysis to include potential revenues and expenses
- Estimates for project development costs for the subject facility as it relates to the recommended amenities and use of overall space (space allocation recommendations). This is compared to national averages and market classifications for hotel development.

Enclosed or based upon request are several items, including client references and a list of similar projects and contacts that we have completed.

### **Project Fees**

Compensation for the hotel market study and feasibility of the entire project will be an all-inclusive price and will not exceed \$10,500. Payment can be paid at the completion of the study and delivered upon final work product receipt.

#### **COST OF PROPOSAL BY DELIVERABLE**

1 MARKET DEMAND ANALYSIS- \$5,500 time and materials to include site visit

2 PROJECT FEASIBILITY STUDY- \$3,500 time and materials and asset valuation analysis

3 FINANCIAL PROJECTIONS- \$1,500 10 and 20-year detailed financials

PROPOSAL TIMELINE FOR SUBMISSION 45 days after signed agreement

This fee schedule does include the cost of one (1) STR or Smith Travel Report(s) materials.

- Fees include hourly billing rates of principals (\$160/hour) and administrative at (\$80/hour).
- Postage, copier, fax, renderings, special printing, or printed copies will be billed as a direct expense. Secondary STR reports will be billed at cost if necessary to run for data collection.
- Mileage and reasonable travel expenses for one (1) trips to the market is typically included in the above fee. Any additional trips, if deemed necessary, will be billed at the government per diem and approved in advance of the trip. Initial approval and estimate of expenses may be requested and provided in advance of the consulting.

An exact start and completion date will be determined upon receipt of the signed agreement (which is attached). Should there be unforeseen delays that would change the completion date, we will communicate with you accordingly. We will complete the study within 45-60 days from the agreed-upon start date, based on our schedule of work and your availability to have a kick off meeting.

General Business Background - Grey Hospitality will be an independent contractor to the Client and will maintain separate legal identity and entity. Grey Hospitality and its Principal (Sean Skellie) has been in business since 2000 as a hospitality consulting firm and recently reincorporated in 2018 as Grey Hospitality in Wisconsin focusing on consulting and separating from boutique hotel operations.

Sean has been in the Hospitality industry for more than 27 years and is one of 60+ members of Cayuga Hospitality founded more than 30 years ago by graduates off Cornell University. Grey Hospitality has never failed to complete a contract and all work will be done by the principal and no use of subcontractors will be used. Cayuga's support and involvement will ensure the project is completed and done so in a professional manner.

There is no indication in this engagement that we, or the contracted client named above, are business partners or have formed a joint venture to complete the project work. All of your business interests, business data, policies, procedures, operations, and other information shall remain confidential and will not to be disclosed until the project completion.



GREY HOSPITALITY [www.GreyHC.com](http://www.GreyHC.com)

Member of Cayuga Hospitality Consultants

The International Network of Hospitality Consulting Professionals

[www.CayugaHospitality.com](http://www.CayugaHospitality.com) | 866.386.4020

After you have had an opportunity to review the enclosed, we can schedule a time for a conference call to answer questions or provide additional information.

Thank you again for this opportunity and please review the attached references. We are pleased to be of assistance to you and your team.

Sincerely,



Sean Skellie



Grey Hospitality Consulting [www.GreyHC.com](http://www.GreyHC.com)

Member of Cayuga Hospitality Consultants

The International Network of Hospitality Consulting Professionals

[www.CayugaHospitality.com](http://www.CayugaHospitality.com) | 262.442.4720 | [Sean.Skellie@Gmail.com](mailto:Sean.Skellie@Gmail.com)

## **GREY HOSPITALITY & SEAN SKELLIE BACKGROUND**

First glance, you might think Sean is a bottom-line numbers guy. His fierce get-the-job done attitude is as much a part of him as his East Coast education as graduate of Johnson & Wales University in Providence. But his Midwest roots allow his genuine hospitality personality shine. But spend more than a moment with him and you'll quickly realize his passion for hotels goes well beyond the task at hand.

Sean is driven by his passion for great hospitality through delivery of design and focused service—every single day. Sean is the principal to complete the Watertown Market Study Update.

## **HOTEL OPERATIONS**

Sean has been in hospitality all his professional life, opening hotels and restaurants from the Carolina's, Missouri, to Madison- he always made a home in hospitality. From valet, bellman to rooms manager to front office and revenue management, to GM there are few positions in a hotel that Sean hasn't filled at one time or another. Years in hotel operations with talented teams and visionary leaders have proven a priceless education.

But all that experience taught him more than just the ins-and-outs of the hotel world. It brought to life his true love, building a place where design and experience influence the people—guests, management, owners, and most of all, team. Through every project and position, this has remained a constant.

And this is where his experience, intuition and passion come in, because Sean takes the same pride in building a hotel as much as the team members to deliver great guest experiences. “The only way we can ensure that our team members treat our guests in this way is if we're willing to treat them with this same care, respect and thoughtfulness. To inspire, not just train.”

## **HOTEL DEVELOPMENT**

Perspective. Even with a creative vision has sharp focus, Sean sees the big picture, making him an individual that sees how these things all connect—every room, every outlet, every experience, every team member—all relying on one-another. Designing a great hotel is pointless unless a team is not respectful and encouraging one another to make a guest experience memorable.

“A true boutique hotel is indigenous to the market it resides, and inspiration is everywhere if you're simply aware, always observing and drawing inspiration.”

“There is no training manual for building a boutique hotel, the team, intuitive design and functionality, and personality of the project- it all has to be nurtured, it has to be practiced, it must be learned through experience.”

His pragmatic perspective and big picture mindset were what nurtured his internal market study acumen and feasibility analysis for all his projects. Working on analysis and consulting throughout the Midwest and as far away as Grand Cayman Islands for both independent and franchise properties; His hallmarks are thorough insight and intuitive forecasting allowing to deliver reports and develop strategic business plans.

Clients have relied on Sean to enhance the performance of all hotels he is associated with and deliver sound counsel to hotel developers and owners alike. This skill set has led the him to become an expert in consulting, asset management and property turnarounds.

**Key Experience:**

- VP of Hotel Development & Asset Management Hutchinson Consulting
- Independent Hotel Consultant Grey Hospitality & Cayuga Hospitality Consultants
- Partner and Vice President IDM Boutique Hotels
- General Manager Hilton Hotels & Marriott Hotels, Director of Revenue Starwood Hotels
- Leader in leveraging technology, Internet and electronic distribution solutions (or Global Distribution Systems) for the hospitality industry
- Working for nearly all the major U.S. hotel brands he fully understands the importance of applying integrated solutions to drive rate, maximize occupancy and improve overall distribution for hotels
- Passionate Hotel Operations Executive Influencing Unique Design & Development, every Hotel, Every Project, Every Opportunity...

Get to know him, you're sure to notice—he's pragmatic in approach on projects and optimistic about the future of his ever-changing industry.

## **SEAN GREGORY SKELLIE**

**PROFILE:** Educated professional with over twenty-seven years of experience in the hospitality industry...Skilled manager and consultant with the ability to evaluate projects, determine financial feasibility and analytics, boutique hotel development and operations, motivate staff and handle conflict ... Highly effective in promoting a productive and positive work environment... Strong in planning, selling, implementing and executing projects.

Exceptional communication, analytical and interpersonal skills...Dedicated to providing the highest possible levels of quality service, owner satisfaction and guest satisfaction...Highly motivated and results-orientated... Proven ability to meet asset, customer, management and operational project needs.

**EXPERIENCE SUMMARY:**

**Hotel Development & Management Responsibilities**

- Executed development services for multiple clients to include; market analysis and financial feasibility studies, property improvement plans, asset management services and third-party management contracts.
- Hotel acquisition and development services leading to a portfolio of over 20

managed properties and multiple development projects.

- Investment analysis and market evaluation for the clients, companies and contracted parties.
- Development and management of independent boutique and franchise hotels for individual owners and real-estate trusts.
- Company strategies including ownership liaison of management contracts focused on revenue growth, financial analysis, budgeting, forecasting and operational initiatives.

### Staff & Project Management

- Partner and executive committee member in a firm which was responsible for effectively managing hotel assets, hiring, training, motivating and retaining a company staff of over 500 employees and 25 hotels. Focus on customer satisfaction and company standards and hotel concepts.
- Designed and upheld initiatives for employee and management training programs, operational procedures, quality assurance and standards of operation. Evaluated employee performance, conducted performance evaluations and advised on career development while maintaining a minimal employee turnover.
- Conducted frequent team meetings to ensure a consistent understanding of company standards, goals and expectations with both executive level teams and operation level management.
- Extensive knowledge in all aspects of operations, which included Accounting, Sales and Marketing and Revenue Management.

### WORK HISTORY:

Current VP of Hotel Development & Asset Management Hutchinson Consulting  
<https://hutchinsonconsulting.com/meet-the-team/>

2000 – Current Grey Hospitality - Principal  
 Member Cayuga Hospitality Consulting  
<https://cayugahospitality.com/consultants/sean-skellie/>

11/2003 – 7/2017 IDM Hospitality  
 Pewaukee, WI -Local Office  
 Madison, WI- Corporate Office

Partner- IDM Group  
 Vice President Hotel Development and Business Analysis  
 Director of Operations

Partner overseeing the consulting, development and operations for portfolio of properties comprised of boutique full service hotels and resorts, including independent restaurants, spas and catering facilities. Responsible for all company consulting services, asset management and receivership initiatives.

Portfolio management services are overseen at the executive level of senior management which I have been a member of for the last 14 years. These responsibilities included weekly meetings regarding financial forecasting and performance, staff and daily operations, staff training, revenue management including internet distribution, budgeting, sales and marketing. Act as liaison to property ownership in managed projects detailing financial and market position results.

Consultant and management duties include hotel operational responsibilities across portfolio implementing standards of operation, financial management and staffing guidelines, sales & marketing planning, revenue strategies, and feasibility studies. Extensive ownership relations on performance and profitability.

Development responsibilities include boutique hotel concepting, design development with selected team of experts and ownership led by myself from concept to delivery and opening.

### **Hospitality Experience:**

Starwood Hotels & Resorts 2000 - 2003

Sheraton Milwaukee Brookfield- Brookfield, WI

Director of Rooms & Revenue Management

Residence Inn by Marriott – General Manager- Charlotte, NC

Hilton Hotels- Rooms Division Manager- Greensboro, NC

Hampton Inn & Suites- General Manager- 3 locations Charlotte, NC

Westin Copley Place- Boston, MA

Omni Biltmore Hotel- Providence, RI

### **Educational Background & Certifications**

1990 – 1994 Johnson & Wales University

Providence Rhode Island

Bachelor's Degree- Hospitality Management

Associate Degree- Hotel & Restaurant Management

**Hotel Market Analysis, Project Feasibility Studies  
& Hotel Development  
Grey Hospitality Client References**

State of Tennessee Market Analysis- State Park Lodging Facility Studies  
Projects: [Fall Creek Falls New 85 Room Hotel](#) [Paris Landing New 130 Room Hotel](#)

Patrick Neuber  
Project Manager & Architecture  
Snyder Construction Group  
Ozark, MO  
[P.Neuber@snydercg.com](mailto:P.Neuber@snydercg.com)  
(615) 333-7200

Racine WI Boutique Hotel Market Study & Development Consultant  
Christopher Adams  
Chief Technical Officer- Principal  
Dominion Properties  
2025 N Summit Ave Milwaukee, WI 53202  
[cadams@dominionproperties.com](mailto:cadams@dominionproperties.com)  
(414) 264-5901

Hotel Market Studies: Various Communities Michigan & Illinois  
Nathan Watson & Brant Cohen  
CL Real Estate Development, LLC  
[Brant.cohen@cl-enterprises.com](mailto:Brant.cohen@cl-enterprises.com)  
[Nathan.Watson@cl-enterprises.com](mailto:Nathan.Watson@cl-enterprises.com)  
(815) 354-4721

Boutique Hotel Market Study & Development Consultant  
Middletown OH, Traverse City MI, Dubuque Iowa  
William Grau- Project Manager  
ML Design & Development  
3424 Oakton Street  
Skokie IL 60076  
[wgrau@mlgroupdd.com](mailto:wgrau@mlgroupdd.com)  
(312) 560-2130

Huntsville AL Boutique Hotel & Lifestyle Facility Development Project  
Joe McCarron- Principal  
WellPoint Communities  
3 Executive Park Drive Suite 276  
Bedford, NH 03110  
[joe@capitalcare.co](mailto:joe@capitalcare.co)  
(603) 518-5100

Boutique Hotel Market Analysis & Development Consulting

Kristine Huffman- Partner

Michael Tompkins- Partner

Hutchinson Consulting

[k3huffman@hutchinsonconsulting.com](mailto:k3huffman@hutchinsonconsulting.com)

[michael@hutchinsonconsulting.com](mailto:michael@hutchinsonconsulting.com)

(413) 429-6952

Rockford Hotel Market Analysis

Cathy McDermott

Administrator

Rock River Development Partnership

Rockford, IL 61110

[cathy.mcdermott@rrdp.org](mailto:cathy.mcdermott@rrdp.org)

(815) 988-2825

Additional Hotel Market Analysis & Consulting Colleagues

Kewaunee Wisconsin

Kathy Howlett-Despot Principal

Pierpoint Development Group

[khdgathering@gmail.com](mailto:khdgathering@gmail.com)

(414) 477-6830

Hospitality Consulting Group

Stephen Sherf

President

[ssherf@hcggroup2.com](mailto:ssherf@hcggroup2.com)

(612) 867-1649

Cayuga Hospitality Consultants

Chuck Kelly

Partner

[Kelleychuck33@gmail.com](mailto:Kelleychuck33@gmail.com)

(954) 648-0549

**Grey Hospitality, LLC**  
**Hotel Market Study & Feasibility Analysis**  
**Moberly Missouri**  
**Acceptance Confirmation & Engagement Letter**  
**October 23<sup>rd</sup>, 2020**

Your signature below as “agreed to and accepted by” signifies your agreement to employ Grey Hospitality, a member of Cayuga Hospitality Consultants, for the services outlined in the above proposal. A summary of the proposal’s data is as follows:

Assignment:	Moberly Missouri Market Study
Name:	Hotel Market Demand Study & Feasibility Analysis RFP
Project Timing:	Approximately 45 days completion from agreed-upon start date
Retainer & Fee:	Not to exceed \$10,500 and above-mentioned expenses
Additional Expenses:	Reasonable travel costs for 1 market trip included
Deliverable:	Electronic version
Initial Payment:	None- payment upon completion

To schedule the proposed work, we ask that you return a signed copy of this confirmation, which will remain effective for 60 days from the date of the proposal. It is agreed that the liability of Grey Hospitality, its employees, and all associated with this assignment is limited to the amount of the fee paid as damages. A copy of our certifications, assumptions, and limiting conditions follow the acceptance form.

Agreed to and accepted by: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Contact Information: \_\_\_\_\_

Return Address: 1426 Mohican Trail, Waukesha WI 53189

Electronic Payment Routing: 075911988 Account: 8718-024-899



### **Certification, Assumptions, and Limiting Conditions Statement**

The market study report is presented to provide information on the market in which the subject property will perform. The final report is to be used in whole and not in part. The research provided in this report was obtained from review of supportive data and information.

The consultant assumes no responsibility for information that becomes outdated once this report is written, nor is it responsible for keeping this information current after the presentation of the final report and date completed. The consultant takes no responsibility for any events or circumstances that occur subsequent to the date of our field inspection.

None of the material may be reproduced in any form without the consultant's written permission, and the report cannot be disseminated to the public through advertising, news, sales, or other media.

It is understood that the results presented in the final report are the opinions of the consultant(s) and based upon information available at this time. These opinions infer proper and professional consultation and management of the business operation. The opinions also infer that market conditions do not change.

The client agrees to release, indemnify and hold harmless the consultant from any and all claims, liabilities, costs and expenses arising out of or based upon any misstatement or omission in any material, information or representation supplied or approved by the consultant or client

The consultants' company routinely seeks opportunities to consult, develop, and manage boutique and branded hotels in the region. Our consulting engagements include a fee structure for a specific scope of work. These engagements occasionally result in a minor equity interest or long-term management contract for a prospect facility. The consultant has no current or contemplated interests in the real estate that is the subject of this report. The fee paid for the preparation of this report is not contingent upon the conclusions or the occurrence of a subsequent event directly related to the intended use of this report or that our engagement was contingent upon developing or reporting predetermined results.

The consultant will prepare the market study. The statements of fact presented in this report are true and correct to the best of the consultants' knowledge and are rendered by the staff as employees rather than as individuals. The reported analyses, opinions, and conclusions presented in this report are limited only by the assumptions and limiting conditions set forth, and are the consultants' personal, impartial, and unbiased professional analyses, opinions, and conclusions.

The consultants have extensive experience in the hospitality industry, hotel & restaurant management, hospitality development, and in the evaluation of hotels; the consultants believe they are competent to undertake this study. This report may or may not prove to be acceptable for external investing

and/or lending purposes. An investor or lender may require additional information concerning this market's ability to support this hotel. Our responsibility is limited to the client and use of the final report by others shall be solely at the risk of the client and/or third parties.

The consultant will use all reasonable efforts to complete within any agreed upon time-frame the performance of the services described in the engagement letter. However, the consultant shall not be liable for failures or delays in performance that arise from causes beyond its control, including the untimely performance by the client of its obligations as set out in the engagement letter or contract.

The Client or Consultant may terminate this arrangement at any time by providing a written notice to that effect. Should this agreement be terminated, client shall be responsible for the payment of fees billed or billable to that date, including out-of-pocket disbursements and initial payment outlined in the engagement letter.

October 23, 2020

Mr. Brian Crane  
City Manager  
City of Moberly  
101 West Reed Street  
Moberly, Missouri 65270  
bcrane@cityofmoberly.com

HVS ST. LOUIS  
8134 Big Bend Boulevard  
St. Louis, Missouri 63119  
(970) 215-0620  
(516) 742-3059 Fax  
[www.hvs.com](http://www.hvs.com)

Re: Hotel Market Study  
Moberly, Missouri

Dear Mr. Crane:

We are pleased to submit this proposal for our services. We are certain that we will be able to provide you with the precise mix of experience and skills you will need for this engagement. HVS is internationally recognized as the leader in hospitality consulting, providing the highest-quality experience in this arena. HVS is unique among hospitality consulting firms and offers the City of Moberly unparalleled credibility, specialized experience, and a track record of success.

The attached proposal sets forth a description of the objectives and scope of the assignment, along with a detailed description of the methodology to be employed, qualifications of the firm and myself, references, an estimate of the time requirements, and a schedule of professional fees.

If you have any questions regarding the contents of the proposal, please do not hesitate to contact me. Thank you for the opportunity to submit this proposal for your project.

Very truly yours,  
HVS, Division of TS Worldwide, LLC



Dan McCoy, MAI, Managing Director  
dmccoy@hvs.com  
(970) 215-0620 - Direct



PROPOSAL FOR A MARKET STUDY AND FEASIBILITY  
ANALYSIS

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# Proposed Hotel, Moberly Missouri

**SUBMITTED TO:**

Mr. Brian Crane  
City Manager  
City of Moberly  
101 West Reed Street  
Moberly, Missouri 65270  
bcrane@cityofmoberly.com

**PREPARED BY:**

HVS ST. LOUIS  
Division of TS Worldwide, LLC  
8134 Big Bend Boulevard  
St. Louis, Missouri 63119  
(970) 215-0620  
(516) 742-3059 FAX

October 23, 2020

# Proposal for a Market Study and Feasibility Analysis

## HVS Background

We are pleased to submit this proposal for services of the HVS division of TS Worldwide LLC in connection with the proposed hotel project in Moberly, Missouri. Since 1980, HVS, the leading global hospitality consulting organization, has provided financial and valuation consulting services for over 35,000 assignments throughout the world for nearly every major industry participant. Our professional staff of more than 300 industry specialists offers a wide range of services, including market feasibility studies, valuations, strategic analyses, impact studies, advisory and development planning, and litigation support. With over 50 offices in 13 countries, we offer one of the most comprehensive knowledge bases in the industry. In 2019 alone, HVS completed more than 3,000 hotel feasibility studies, appraisals, and consulting engagements. HVS is respected worldwide by developers, underwriters, operators, and investors.

We operate independently as consultants and have no ownership in any hotels. By engaging HVS for this assignment, you will benefit from access to some of the most experienced hospitality consultants in the industry and the industry's most comprehensive databases. Our reputation among investors, bankers, rating agencies, developers, and public officials is extremely important to us and ensures that we pay close attention to each engagement we accept. HVS offer a wide range of skills and experience in the analysis of a variety of land uses including hotels, convention and conference centers, civic and event centers, water parks, entertainment and arts centers, sports facilities, restaurants, casinos, and other land uses related to hospitality and tourism.

## Key Personnel and References

The study will be overseen and conducted by Daniel P. McCoy, MAI. A Managing Director, Senior Partner with HVS and head of the firm's office in St. Louis, Dan has a wealth of experience consulting on hospitality projects. While Dan's expertise is primarily in Midwestern markets, he regularly works with HVS associates on hotel assets throughout the country, combining national perspective with local insight. Dan has worked on development and asset evaluation consulting with a variety of clients, including first-time hotel developers, major hotel development firms, and municipalities or public agencies. A full list of Daniel McCoy's qualifications are included with this proposal. Mr. McCoy has experience working directly with a number of municipalities and civic organizations on a variety of hospitality consulting projects including the following:

- University City Hotel Market Study
  - Ms. Libbey Tucker  
Director of Economic Development, University City  
(314) 505-8533, ltucker@ucitymo.org
  - HVS provided market analysis and financial projections to help the city of University City evaluate the potential for hotel development at various sites in the city.
  - The study identified a potential hotel development site that had not previously been considered. The City used the study to approach an institutional land owner to discuss development potential.
- Memphis Proposed Convention Center Hotel
  - Kevin Kane  
President & CEO, Memphis Convention & Visitors Bureau  
(901) 543-5314, kevinkane@memphistravel.com
  - HVS provided market analysis and financial projections to help the Memphis CVB evaluate potential for subsidizing a new convention center hotel.
  - To date, the City of Memphis has identified a hotel development partner and entered into a development agreement.

- Des Moines Convention Center Hotel
  - Tim Oswald  
Managing Director, Piper Jaffray  
(515) 247-2358, [timothy.j.oswald@pjc.com](mailto:timothy.j.oswald@pjc.com)
  - HVS worked with the financial advisor of the county convention authority to provided market analysis and financial projections for underwriting a new publicly-owned convention center hotel.
  - The hotel has opened and is in operation.
- Alton Market Study and Hotel Feasibility Analysis
  - Greg Caffey  
Director of Development and Housing, City of Alton  
(618) 463-3801, [gcaffey@alton-il.com](mailto:gcaffey@alton-il.com)
  - HVS Provided market analysis to evaluate multiple potential hotel sites, made facility recommendations, and financial projections. We also provided analysis of multiple potential development incentives to aid the city in crafting a development package.
  - The agreement between the city and potential developer fell through.

### Objective

The objective of this assignment is to perform a market study and feasibility analysis for the purpose of evaluating the market demand, analyzing the economics, projecting income and expense, and determining the feasibility of a Proposed Hotel in Moberly Missouri. Our study will include research and estimates of market demand; an evaluation of the proposed hotel facilities, including recommendations as appropriate; a comparison to similar facilities in similar markets; a projection of performance for the proposed subject hotel; a return on investment analysis based on the provided development cost; an analysis of economic impact based on the development cost and projected performance.

**Phase One:  
Research and Market  
Analysis**

To accomplish the objective described above, our work will be conducted in phases, which are expected to include the following steps:

1. The demand for hotel accommodations will be investigated to identify the various generators of visitation operating within the local market. The current and anticipated potential of each of these market segments will be evaluated to determine the extent of existing and future demand. Interviews with officials of business and government, as well as statistical data collected during the fieldwork, are useful in locating and quantifying transient demand. In conjunction with the identification of potential demand, an investigation will be made of the respective strengths of these markets in terms of seasonality, weekly demand fluctuations, vulnerability to economic trends and changes in travel patterns, and other related factors. Similar market-research procedures are utilized in estimating the demand for food, beverage, banquet, and other facilities.
2. The market orientation of nearby lodging facilities and comparable lodging facilities in similar markets will be evaluated to determine their competitive position with respect to the subject site. Those properties displaying similar market attributes will receive selective management interviews as well as local market and demographic research. For each hotel, we will estimate levels of occupancy, room rates, market segmentation, and other pertinent operational characteristics. Some of the competitive factors that will be specifically reviewed include location, type and quality of facilities, physical condition, management expertise, and chain affiliation.
3. Statistical data relating to general economic and demographic trends often foreshadow future potential for market areas and neighborhoods. Interviews with local Chambers of Commerce, economic development agencies, and other related organizations, along with an investigation of the proposed subject property's primary market area, will reveal trends and expectations growth, stability, or decline.

We will review the plans and renderings for the proposed subject property and evaluate them based on the demands of the local and pertinent regional market, as well as a comparison to competitive facilities in similar markets. In particular, we will review and evaluate the following points:

- Room count and room type mix (suites vs. standard rooms)
- Food and beverage facilities
- Meeting and function space
- Recreational amenities
- Brand and or asset class

Based on the above noted research and evaluation, we will then perform a supply-and-demand analysis for the proposed subject property to forecast its market orientation and competitive position with respect to the local and regional competitive market. The supply-and-demand analysis typically encompasses the following steps:

- a) Using the occupancy levels and market segmentations of the competitive properties, the number of room nights accommodated in each segment is calculated by multiplying each property's room count by its occupancy, market segmentation, and 365 days, which yields the accommodated-room-night demand. The annual number of room nights occupied per room in each segment is also calculated (room nights occupied per year divided by the room count), and the resulting figure serves as a competitive index.
- b) Latent demand (unaccommodated and induced demand) is estimated for each market segment.
- c) Growth rates are projected for each of the market segments.
- d) The total usable room-night demand, which consists of usable latent demand and accommodated demand, is projected.
- e) The market's guestroom supply and total room nights available are quantified for each projection year.
- f) The overall competitive occupancy is calculated for each projection year.
- g) Using competitive indexes, the relative competitiveness of each of the area hotels is evaluated.



- h) This analysis will result in a quantification and documentation of probable future trends in the proposed subject property's occupancy, average rate, and overall rooms revenues.

A similar procedure will be utilized in projecting food, beverage, and other revenues.

### Phase Three: Feasibility Analysis

We will utilize data and information gathered, along with our extensive library of actual hotel operating statements, financial statistics, area hotel trends, and investor requirements to project income and expenses for the proposed subject property over a period of 20 years. We will then analyze the projected income generation in comparison to the budgeted development cost, comparing the indicated returns to typical market requirements. Lastly, we will develop an estimate of economic impact and increased tax revenue based on the development cost and projected performance.

Using actual income and expense statements of comparable lodging facilities, we will develop income and expense estimates corresponding to the level of activity and quality of operations indicated by the projected occupancy, average rate, and additional revenue. A projection of income and expenses representing future expectations of income potential will be made for a twenty-year period. This analysis will utilize HVS Software—a sophisticated, computerized, financial analysis package that was developed by Steve Rushmore and Suzanne Mellen. The logic behind the projection of income and expense is based on the premise that hotel revenue and expenses have one component that is fixed and another that varies directly with occupancy and facility usage. The software takes a known level of revenue or expense and calculates the fixed and variable components. The fixed component is then held constant, while the variable component is adjusted for the percent change between the projected occupancy and facility usage that produced the known level of revenue or expense. Our projected income statements conform with the *Uniform System of Accounts for the Lodging Industry* and include a detailed line-by-line account of all revenue sources and expenses.

The market for hotel/motel transfers, mortgage rates, and hostelry equity investment requirements will be researched. Following the recommended procedures and industry standards set forth in the textbooks *The Valuation of Hotels and Motels*, *Hotels, Motels and Restaurants: Valuations and Market Studies*, and *Hotels and Motels: A Guide to Market Analysis, Investment Analysis, and Valuations* that we authored, a return on investment (ROI) analysis will be made to determine the potential internal rate of return (IRR) for the equity participant(s). Based on this rate, an opinion of feasibility will be offered.

We will then utilize the forecasted revenues levels and development cost to estimate the overall economic impact on the local market and increased tax revenues. These projections will be based on third-party economic modeling software, as well as information on local tax rates and policy.

**Phase Three:  
Written Report and  
Presentation**

Complete documentation of our fieldwork and analyses will be set forth in a written report and will contain the following sections:

1. Purpose of the study
2. Description of the site and neighborhood
3. Review of the market area
4. Analysis of the local and regional market for hotel and event accommodations
5. Examination of comparable/competitive facilities
6. Review of planned subject property facilities
7. Projection of occupancy and average rate
8. Income and expense projections
9. ROI analysis and feasibility conclusion
10. Estimate of local economic and tax base impact

When appropriate, we will include graphics such as photographs, maps, surveys, plans, and charts to assist in visualizing our findings.

Following the review of the draft report, we will be available to present the finding via teleconference and address questions from interested parties.

**Additional  
Services**

Following the completion of this engagement, HVS can be engaged for additional development consulting services at the client's discretion, including:

- Developer RFP Solicitation
- Development Agreement and Contract Negotiations
- Hotel Management
- Asset Management

**Timing**

We anticipate that Phases One of the feasibility study will be completed within approximately 20 business days from the date we receive the signed proposal, all requested information, and the retainer check. At that time, we will provide you with a *verbal* summary of findings; for this phone conference, we will provide you with various charts and data tables that support our findings.

After your review of our findings, upon your authorization and payment of our invoice, we will then prepare the feasibility report, which will take an additional 10 business days.

**Professional Fees**

Our fee for the study will be \$22,000. A retainer of \$12,000 will be payable *upon engagement*, and the balance payable *upon request* for the second and third phases of the study.

It is our normal policy to provide an electronic draft copy of our final report for your review. This draft will be provided in PDF and will include a watermark "Draft." Upon your approval of this draft, we will commence preparation of the final report. This fee includes one electronic copy of the final report, which will be delivered to you via email in PDF. Upon your request, we can prepare bound, hard copies that can be mailed to you for a fee of \$250 per copy. Reports are not transmitted in Microsoft Word format.

Related expenses are included in this fee.

After completing the research phase of this assignment, should it become necessary to alter the parameters of the study, such as the property description, opening date, location, or any other factor that could change the final conclusions, the HVS division of TS Worldwide LLC will be entitled to charge an additional fee based on our current per-diem rates and the time required to incorporate the necessary changes into our analysis and report. In addition, the estimate of timing will be extended by an amount equal to the added work.

**Conclusion**

We appreciate the opportunity of submitting this proposal and look forward to working with you on this assignment.

Very truly yours,  
HVS  
Division of TS Worldwide, LLC

A handwritten signature in black ink that reads "Dan McCoy". The signature is fluid and cursive, with a long horizontal stroke at the end.

Dan McCoy, MAI, Managing Director  
dmccoy@hvs.com  
(970) 215-0620 - Direct

**CONFIRMATION**

**Client:** Mr. Brian Crane  
City Manager

**Date:** October 23, 2020

Your signature beneath the words "Agreed to and Accepted" signifies your agreement to employ the HVS division of TS Worldwide LLC for the services described in the accompanying proposal titled "Proposal for a market study with a facility recommendation and feasibility analysis." A summary of the proposal's salient data is as follows:

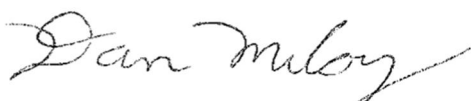
Type of Assignment:	Market Study and Feasibility Analysis
Location:	Moberly, Missouri
Timing:	Ph. I: 4 weeks; Ph. II & III: 2 weeks
Total Fee (Phases I, II, III, IV):	\$22,000, includes expenses
Number of Final Copies:	Electronic Copy Only (Hard Copy Upon Request)
Retainer:	\$12,000

In order to schedule our assignments and perform your study in accordance with the timing set forth above, we ask that you return an executed copy of this agreement by December 31, 2020.

Payment must be made in U.S. dollars, using either a check drawn on a U.S. bank or a wire transfer of funds to the account of TS Worldwide LLC. After completing the fieldwork phase of this assignment, should it become necessary to alter the parameters of the assignment, such as the property description(s); date(s) of hotel opening(s); financial, management, or ownership structure(s); or any other factor that could change the final estimate(s) of operating results, the HVS division of TS Worldwide LLC will be entitled to charge an additional fee based on our current per-diem rates and the time required to incorporate the necessary changes into our analysis and reports. In addition, the estimate of timing will be extended by an amount equal to the added work. Notwithstanding the fee payment schedule set forth above, if, at any time while performing this assignment, it becomes necessary to suspend work for a period of 30 days or more, then the HVS division of TS Worldwide LLC will be entitled to bill for the portion of the assignment completed up to the suspension (less any retainer paid) at its current per-diem rates.

It is agreed that the liability of the HVS division of TS Worldwide LLC, its employees, and anyone else associated with this assignment is limited to the amount of the fee paid as liquidated damages. You acknowledge that any opinions, recommendations, and conclusions expressed during this assignment will be rendered by the staff of TS Worldwide LLC acting solely as employees and not as individuals. Any responsibility of HVS is limited to the client; use of our product by third parties shall be solely at the risk of the client and/or third parties. The study described in this proposal will be made subject to certain assumptions and limiting conditions. A copy of our normal assumptions and limiting conditions will be provided upon request.

HVS, Division of TS Worldwide, LLC



Dan McCoy, MAI – Managing Director

**AGREED TO AND ACCEPTED:** Mr. Brian Crane, City Manager

By: \_\_\_\_\_ Date: \_\_\_\_\_

Local Office: 8134 Big Bend Boulevard • St. Louis, MO 63119 • 970.215.0620 • 516.742.3059 FAX

Accounting Office: 1400 Old Country Road, Ste. 105N, Westbury, NY 11590 (Please send all signed contracts and payments to this address.)

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## Daniel McCoy, MAI

### EMPLOYMENT

2006 to present	HVS CONSULTING AND VALUATION SERVICES St. Louis, Missouri
2006	CONSUMER CREDIT COUNSELING SERVICE OF NORTHERN COLORADO Fort Collins, Colorado
2004 – 2005	ACADIA CORPORATION Bar Harbor, Maine

### EDUCATION AND OTHER TRAINING

BS – Truman State University

*Other Specialized Training Classes Completed:*

Uniform Standards of Professional Appraisal Practice – 15 hours  
Basic Appraisal Procedures – 30 hours  
Basic Appraisal Principles – 30 hours  
General Appraiser Income Approach (Parts I and II) – 60 hours  
General Appraiser Market Analysis and HBU – 30 hours  
General Appraiser Site Valuation and Cost Approach – 30 hours  
Statistics, Modeling, and Finance – 15 hours  
General Appraiser Report Writing and Case Studies – 30 hours  
Business Practices and Ethics – 8 hours  
General Appraiser Sales Comparison Approach – 30 hours  
Advanced Sales Comparison and Cost Approaches – 40 hours  
Advanced Income Capitalization – 40 hours  
Report Writing and Valuation Analysis – 40 hours  
Advanced Applications – 40 hours  
Environmental Pollution & Mold – 2 hours  
Mortgage Fraud – Protect Yourself – 7 hours  
Foundations in Sustainability: Greening the RE – 7 hours  
Land and Site Evaluation – 7 hours  
General Demonstration Report Writing – 7 hours

**EDUCATION AND OTHER  
TRAINING (CONTINUED)**

Fundamentals of Separating Real, Personal Property, and Intangible Business Assets – 15 hours  
 REO and Foreclosure – 5 hours  
 The Evolution of Finance & the Mortgage Market – 4 hours  
 Michigan Law – 2 hours  
 Supervising Class – 4 hours  
 Environmental Issues for Appraisers – 5 hours  
 Risky Business – Ways to Minimize Your Liability – 5 hours  
 Appraisal Applications of Regression Analysis – 7 hours  
 Real Estate Statistics and Valuation Modeling – 15 hours  
 Pennsylvania Law – 2 hours  
 Basics of Expert Witness – 7 hours  
 Appraisal of Land Subject to Ground Lease – 7 hours  
 California Law – 4 hours  
 Sales Comparison – 7 hours  
 Condemnation Appraising – 22 hours  
 Appraiser as an Expert Witness – 15 hours  
 Biennial USPAP Updates

**STATE CERTIFICATIONS**

Arizona, California, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Missouri, North Carolina, North Dakota, Ohio, Tennessee

**PROFESSIONAL  
AFFILIATIONS**

Appraisal Institute – Designated Member (MAI)

**PUBLISHED ARTICLES**

*HVS Journal* “The Suite Spot for Family Travel: Development Insights for Attracting Summer Travel Demand,” July 2019

*HVS Journal* “HVS Market Pulse: Destination Downtown St. Louis,” April 2019

*HVS Journal* “Market Pulse: Kansas City,” co-authored with Sara Olson, November 2018

*HVS Journal* “HVS Key Takeaways: The Southern Lodging Summit 2016,” August 2016

*HVS Journal* “In Focus: St. Louis, MO,” August 2016

*HVS Journal* “Five Key Takeaways: 2015 NYU International Hospitality Industry Investment Conference,” co-authored with Sara Olson and Dorothy Jennings, June 2015

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<i>HVS Journal</i>	"In Focus: Memphis, Tennessee," September 2014
<i>HVS Journal</i>	"Market Intelligence Report 2013: Nashville," co-authored with Ryan Wall, October 2013
<i>HVS Journal</i>	"Market Intelligence Report 2013: St. Louis," May 2013
<i>HVS Journal</i>	"HVS Market Intelligence Report: Nashville, Tennessee," June 2011
<i>HVS Journal</i>	"Performance Potential of Mid-Scale Hotels: Less May Be More," October 2009
<i>HVS Journal</i>	"St. Louis Hotels: Riding out the Economic Storm," June 2009
<i>HVS Journal</i>	"HVS Market Intelligence Report: Kansas City," January 2008
<i>HVS Journal</i>	"HVS Market Intelligence Report: Downtown St. Louis," August 2007
<b>EXPERT WITNESS CONSULTING AND TESTIMONY EXPERIENCE</b>	<p>Wisconsin Department of Transportation v. Voyager Inn, Inc., et al. Milwaukee County Case No. 12-CV-7392</p> <p>Franny Holdings, LLC v. Borrego Springs Bank N.A., Guardian Hospitality, LLC, United States Department of Treasury, Internal Revenue Service, and State of Wisconsin Department of Workforce Development United States Bankruptcy Court Case No. 1-11-14159-tsu</p> <p>Suky Jodi, Inc. v. Prak Properties, LLC Sauk County Case No. 13-CV-390</p> <p>Mirbeau of Geneva Lake, LLC, v. City of Lake Geneva, Todd Krause, Gary Dunham, Mary Jo Fesenmaier, Arleen Krohn, Larry Magee, Tom Spellman, Donald Tolar, William Chesen, Penny Roehrer, and Frank Marsala U.S. District Court Eastern District of Wisconsin Case No. 08-CV-693</p> <p>Dakota Ventures, LLC vs. Hospitality Builders, Inc. American Arbitration Association Case No. 65 110 00025 14</p>



**EXAMPLES OF PROPERTIES APPRAISED OR EVALUATED****PORTFOLIO ANALYSIS**

Barclays Capital Portfolio of 14, Various Locations  
 Portfolio of 40 Courtyard by Marriott Properties, Various Locations  
 CW Capital Portfolio of 6, Various Locations  
 GE Commercial Portfolio of 41, Various Locations  
 JPMorgan Chase & Deutsche Bank Portfolio of 15, Various Locations  
 Prime Finance Portfolio of 5, Various Locations  
 Rochester Resorts Portfolio of 4 Hotels, Florida  
 Portfolio of 4 Extended Stay America Hotels, St. Louis  
 Ladder Capital Portfolio of 21, Various Locations  
 American Hotel Income Properties REIT Portfolio of 9, Various Locations  
 Ladder Capital/Deutsche Bank Portfolio of 22, Various Locations  
 Sage Hospitality Portfolio of 10, Various Locations  
 JP Morgan Chase Portfolio of 66, Various Locations  
 Portfolio of 41 InTown Suites Properties, Various Locations  
 Portfolio of 16 Extended-Stay Hotels, Various Locations  
 Portfolio of 15 Extended-Stay Hotels, Various Locations  
 Portfolio of 4 Tennessee Properties

**ALABAMA**

Hampton Inn & Suites Downtown, Birmingham  
 Proposed Hotel Birmingham, Birmingham  
 Courtyard by Marriott, Dothan  
 Hampton Inn & Suites, Dothan

**ALASKA**

Bristol Bay Lodge, Bristol Bay  
 Comfort Inn, Kodiak

**ARIZONA**

Holiday Inn & Suites, Chandler  
 SpringHill Suites, Flagstaff  
 Dobson Ranch, Mesa  
 Hilton Phoenix East, Mesa  
 Courtyard by Marriott, Page  
 Proposed Holiday Inn Express Happy Valley, Phoenix  
 Red Roof Inn Phoenix Bell Road, Phoenix  
 Kings Ransom Hotel, Sedona  
 Proposed Summerfield Suites, Tempe  
 Red Roof Inn Phoenix Airport, Tempe

**ARKANSAS**

Proposed Hotel, Conway  
 Courtyard by Marriott, Hot Springs  
 Proposed Comfort Inn & Suites, Jonesboro  
 Proposed Embassy Suites, Jonesboro  
 Proposed Holiday Inn Express & Suites, Jonesboro  
 Hilton Garden Inn, Little Rock  
 Holiday Inn Express, North Little Rock  
 Proposed Comfort Inn & Suites, North Little Rock  
 Embassy Suites, Rogers  
 Hyatt Place, Rogers

**CALIFORNIA**

SLS Hotel, Beverly Hills  
 Proposed Hilton Garden Inn, Burbank  
 Residence Inn by Marriott, Burbank  
 The GlenRoy, Coachella  
 Proposed Dual-Brand AC Hotel & Residence Inn by Marriott, Fremont  
 Courtyard by Marriott, Long Beach  
 Belamar Hotel, Manhattan Beach  
 Hilton Garden Inn, Mountain View  
 Chase Suites, Newark  
 TownePlace Suites by Marriott, Newark  
 Residence Inn by Marriott, Oceanside

Ritz-Carlton, Rancho Mirage  
 Holiday Inn Express Otay Mesa, San Diego

**COLORADO**

Proposed Hotel, Breckenridge  
 Comfort Inn & Suites, Carbondale  
 Hyatt House, Colorado Springs  
 Silverleaf Suites, Eagle  
 Courtyard by Marriott, Glenwood Springs  
 Holiday Inn Express, Glenwood Springs  
 Residence Inn by Marriott, Glenwood Springs  
 Proposed Hotel, Hayden  
 Courtyard by Marriott, Lakewood  
 Residence Inn by Marriott, Lakewood  
 Tyme Square Inn, Limon  
 Residence Inn, Westminster  
 Proposed Wolcott Inn, Wolcott

**DELAWARE**

Red Roof Inn Newark Wilmington, Newark

**DISTRICT OF COLUMBIA**

Courtyard Washington Navy Yard  
 Marriott Wardman

**FLORIDA**

Country Inn & Suites, Cape Canaveral  
 Hyatt Place, Fort Lauderdale  
 Candlewood Suites Fort Myers Sanibel Gateway, Fort Myers  
 Proposed Hotel, Jacksonville  
 Proposed Legacy Hotel & Suites, Jacksonville  
 Red Roof Plus Miami Airport, Miami  
 West Wind Inn, Sanibel  
 SpringHill Suites by Marriott, Sarasota  
 Proposed Hotel, Tallahassee  
 Hampton Inn, Tampa  
 Proposed Westin, St. Petersburg

**GEORGIA**

Hampton Inn Atlanta Cumberland Mall  
Northwest, Atlanta  
Meliá, Atlanta  
Proposed Site, Atlanta  
Red roof Plus Atlanta Buckhead,  
Atlanta  
Hampton Inn Atlanta Airport, College  
Park  
Hotel Indigo Atlanta Airport, College  
Park  
Suburban Extended Stay, Duluth  
Hyatt Place, Johns Creek  
Embassy Suites, Kennesaw  
Courtyard by Marriott, Tifton

#### ILLINOIS

Proposed Hotel & Conference Center,  
Alton  
Proposed SpringHill Suites and  
Conference Center, Alton  
Super 8, Beardstown  
Baymont Inn & Suites, Bloomington  
Proposed Hilton Garden Inn,  
Bolingbrook  
Crowne Plaza, Burr Ridge  
Marriott Chicago Southwest, Burr  
Ridge  
Quality Inn (Conversion to Crowne  
Plaza), Burr Ridge  
SpringHill Suites by Marriott, Burr  
Ridge  
Days Inn, Carbondale  
Proposed Downtown Hotel, Centralia  
Proposed Limited-Service Hotel,  
Centralia  
Allegro, Chicago  
Proposed Hampton Inn (Chicago  
Motor Club Conversion), Chicago  
Fairfield Inn by Marriott, Collinsville  
Holiday Inn Express, Edwardsville  
Proposed Holiday Inn Express,  
Edwardsville  
Proposed Hotel and Conference  
Center, Edwardsville  
Holiday Inn, Effingham  
Best Western, Galesburg

Proposed Hotel & Conference Center,  
Galesburg  
Holiday Inn Express, Lansing  
Hyatt, Lisle  
Hampton Inn, Marion  
Holiday Inn, Matteson  
Holiday Inn, Mount Prospect  
Holiday Inn Mount Prospect Chicago,  
Mount Prospect  
Hampton Inn, Mt. Vernon  
Carleton Hotel, Oak Park  
Hilton Garden Inn, O'Fallon  
Settle Inn & Suites, O'Fallon  
Proposed Best Western Plus, Olney  
Crowne Plaza O'Hare, Rosemont  
Hyatt, Rosemont  
Days Inn, Sheffield  
Proposed Holiday Inn Express, Troy  
Holiday Inn Express, Urbana  
Hyatt House, Warrenville  
Hyatt Place, Warrenville

#### INDIANA

Comfort Suites, Auburn  
Hampton Inn, Bloomington  
Hotel Indigo, Columbus  
Courtyard by Marriott, Evansville  
Holiday Inn, Evansville  
Proposed Hampton Inn, Fair Oaks  
Big Splash Adventure Water Park &  
Resort, French Lick  
Courtyard by Marriott, Goshen  
Hilton, Indianapolis  
Homewood Suites by Hilton  
Indianapolis Downtown,  
Indianapolis  
Ramada Inn, Indianapolis  
Hampton Inn, Marion  
Days Inn, Merrillville

#### IOWA

Proposed Hilton Garden Inn &  
Conference Center, Amana  
Proposed TownePlace Suites,  
Burlington  
Days Inn, Davenport

Proposed Courtyard by Marriott, Des  
Moines  
Proposed Hilton Des Moines  
Downtown, Des Moines  
Super 8, Webster City

#### ILLINOIS

Proposed Best Western Vib, Arlington  
Heights  
Ramada, Bolingbrook  
Holiday Inn Carbondale Conference  
Center, Carbondale  
Candlewood Suites Champaign Urbana  
University Area, Champaign  
Holiday Inn & Suites, Decatur  
Proposed Fairfield Inn & Suites, Des  
Plaines  
Proposed Hotel, East Peoria  
Holiday Inn Express & Suites,  
Edwardsville  
Proposed Hotel, Edwardsville  
Holiday Inn, Effingham  
Hampton Inn & Suites Saint Louis  
Edwardsville, Glen Carbon  
Red Roof Inn, Joliet  
Drury Inn & Suites Mount Vernon,  
Mount Vernon  
Red Roof Inn Chicago Naperville,  
Naperville  
Country Inn & Suites, O'Fallon  
Hilton Garden Inn St. Louis Shiloh  
O'Fallon, O'Fallon  
Proposed Fairfield Inn, O'Fallon  
Proposed Hampton Inn O'Fallon,  
O'Fallon  
Best Western Plus, Olney  
Holiday Inn Express Urbana  
Champaign U Of I Area, Urbana  
Proposed TownePlace Suites by  
Marriott, Waukegan

#### INDIANA

Proposed Hyatt Place and Hyatt House,  
Fishers  
Fort Wayne Hotel, Fort Wayne

#### KANSAS

Holiday Inn Express Hotel & Suites  
East Wichita I-35 Andover, Andover  
Proposed Hard Rock Hotel,  
Edwardsville  
Proposed Hyatt House, Edwardsville  
Proposed Hampton Inn, Gardner  
Candlewood Suites, Junction City  
Proposed Hotel, Kansas City  
Fairfield Inn & Suites by Marriott,  
Leavenworth  
Proposed Home2 Suites by Hilton,  
Leavenworth  
Proposed Leavenworth Hotel,  
Leavenworth  
Proposed TownePlace Suites,  
Leavenworth  
Crowne Plaza, Lenexa  
Hyatt Place Kansas City Lenexa City  
Center, Lenexa  
Proposed SpringHill Suites by  
Marriott, Lenexa  
SpringHill Suites Kansas City  
Lenexa/City Center, Lenexa  
Hampton Inn & Suites, Merriam  
Chase Suites, Overland Park  
Hilton Garden Inn, Overland Park  
Red Roof Inn, Overland Park  
Ambassador, Wichita  
Clarion Hotel & Suites, Wichita  
Fairfield Inn & Suites by Marriott  
Wichita Downtown, Wichita

#### KENTUCKY

TownePlace Suites by Marriott,  
Bowling Green  
Hampton Inn, Covington  
Proposed Hotel, Covington  
Holiday Inn Express, Danville  
Hyatt Place Cincinnati Airport,  
Florence  
Proposed Staybridge Suites, Florence  
Clarion Hotel Conference Center  
South, Lexington  
Comfort Suites, Louisville  
Holiday Inn, Louisville  
Hyatt Place Louisville East, Louisville  
Proposed Boutique Hotel, Louisville

Proposed Fairfield Inn & Suites,  
Louisville  
Proposed Residence Inn by Marriott,  
Louisville  
Red Roof Inn Louisville Expo Airport,  
Louisville  
Proposed Country Inn & Suites,  
Madisonville  
Days Inn, Mount Sterling  
Best Western, Paducah  
Courtyard by Marriott, Paducah  
Econo Lodge, Paducah

#### LOUISIANA

Hampton Inn, Gonzales  
Quality Inn, Lafayette  
Holiday Inn & Suites, Lake Charles  
Sleep Inn, Lake Charles  
Sheraton, Metairie  
Proposed Hotel Indigo, New Orleans  
Proposed Union Street Hotel, New  
Orleans  
Red Roof Inn, West Monroe

#### MARYLAND

Red Roof Inn Washington DC BW  
Parkway, Hanover  
Comfort Inn, Hunt Valley  
Legacy Hotel, Rockville  
Red Roof Inn Baltimore North  
Timonium, Timonium

#### MASSACHUSETTS

Red Roof Inn, Saugus  
Red Roof Inn, West Springfield

#### MICHIGAN

Bell Tower Hotel, Ann Arbor  
Campus Inn, Ann Arbor  
Hilton Suites, Auburn Hills  
Hyatt Place Detroit/Auburn Hills,  
Auburn Hills  
Holiday Inn Express, Birch Run  
Holiday Inn Express, Brighton  
Hilton Garden Inn Detroit Downtown,  
Detroit  
Marriott Airport, Detroit

Marriott Southfield, Detroit  
Proposed West Elm Hotel, Detroit  
Residence Inn, East Lansing  
Courtyard by Marriott, Flint  
Days Inn, Flint  
Holiday Inn, Flint  
Super 8, Flint  
Proposed Holiday Inn Express  
Downtown, Grand Rapids  
Residence Inn, Grand Rapids  
Holiday Inn, Kalamazoo  
North Country Inn, Kalkaska  
Econo Lodge, Lansing  
Hyatt Place Lansing Eastwood Towne  
Center, Lansing  
Proposed Hyatt Place, Lansing  
Hyatt Place Detroit/Livonia, Livonia  
Residence Inn, Livonia  
Residence Inn, Madison Heights  
Comfort Suites, Southgate  
Comfort Inn & Suites, Taylor  
Hilton, Troy  
Residence Inn, Troy

#### MINNESOTA

Proposed Hampton Inn, Brooklyn Park  
WoodSpring Suites Grand Rapids  
Holland, Holland  
Marquette Hotel Curio Collection by  
Hilton, Minneapolis  
DoubleTree Park Place, St. Louis Park  
Embassy Suites by Hilton Saint Paul  
Downtown, Saint Paul  
Windom Family Inn, Windom  
Super 8, Worthington

#### MISSISSIPPI

Hilton Garden Inn, Jackson  
Proposed Hampton by Hilton Fondren  
District, Jackson  
Holiday Inn Express Hotel & Suites,  
Natchez  
Holiday Inn Express Hotel & Suites,  
Winona

#### MISSOURI

Hampton Inn Kansas City Blue Springs, Blue Springs	Hilton Kansas City Airport, Kansas City	Embassy Suites, St. Louis
Georgetown Inn, Branson	Hotel Phillips Kansas City, Curio Collection by Hilton, Kansas City	Hilton at the Ballpark, St. Louis
Hilton Branson Landing, Branson	Holiday Inn Aladdin, Kansas City	Hilton Downtown, St. Louis
Hilton Promenade, Branson	Marriott, Kansas City	Hilton (conversion to Le Meridien), St. Louis
Residence Inn, Branson	Proposed Limited-Service Hotel, Kansas City	Holiday Inn, St. Louis
Proposed TownePlace Suites by Marriott, Brentwood	Proposed Marriott Marquis, Kansas City	Holiday Inn Airport West Earth City, St. Louis
Crowne Plaza, Bridgeton	Days Inn, Kennett	Holiday Inn Express & Suites St. Louis Airport, St. Louis
Proposed Old Hinderhook Hotel, Camdenton	Holiday Inn Express, Kirksville	Holiday Inn Riverport, St. Louis
Hampton Inn & Suites, Chesterfield	Country Club Hotel & Spa, Lake Ozark	Hotel Angad, St. Louis
Homewood Suites by Hilton St. Louis, Chesterfield	Resort at Point Arrowhead, Lake Ozark	Hotel Saint Louis, Autograph Collection, Saint Louis
Hyatt Place St. Louis, Chesterfield	Holiday Inn Express & Suites Kansas City Lee's Summit, Lee's Summit	La Quinta Inn & Suites, St. Louis
Proposed Hyatt Place, Chesterfield	Proposed Staybridge Suites St. Louis, Maryland Heights	La Quinta Inn & Suites St. Louis Westport, St. Louis
Proposed Residence Inn, Chesterfield	Staybridge Suites Saint Louis, Maryland Heights	Magnolia Hotel, St. Louis
Super 8, Chillicothe	Best Western, Mexico	Marriott at the Airport, St. Louis
Proposed Clayton Hotel, Clayton	Proposed Element and Aloft, North Kansas City	Marriott St. Louis Grand Hotel, St. Louis
Seven Gables Inn Saint Louis, Clayton	Holiday Inn Express, O'Fallon	Millennium Hotel, St. Louis
Sheraton Clayton Plaza Saint Louis, Clayton	Multi-use Commercial Property, O'Fallon	Parkway Hotel, St. Louis
Proposed Indigo Hotel, Clayton	Proposed Sleep Inn, O'Fallon	Proposed Boutique Hotel, St. Louis
Proposed Hotel, Clayton	Proposed Tru by Hilton, O'Fallon	Proposed DoubleTree by Hilton Hotel, St. Louis
Hampton Inn & Suites Columbia at The University, Columbia	Staybridge Suites, O'Fallon	Proposed EVEN St. Louis, St. Louis
Holiday Inn Columbia East, Columbia	Proposed Hotel, Olivette	Proposed Fairfield Inn & Suites, St. Louis
La Quinta Inn & Suites, Columbia	Proposed Osage Beach Resort, Osage Beach	Proposed Holiday Inn, St. Louis
Tiger Hotel, Columbia	Tan-Tar-A Resort, Osage Beach	Proposed Hotel Blackhawk Autograph Collection, St. Louis
Residence Inn by Marriott, Earth City	Hampton Inn, Poplar Bluff	Proposed Hotel St. Louis, Saint Louis
Elms Resort & Spa, Excelsior Springs	Holiday Inn, Poplar Bluff	Proposed Hyatt Place, St. Louis
Holiday Inn Express, Fenton	Proposed Hampton Inn, Poplar Bluff	Proposed Moxy, St. Louis
Proposed Hampton Inn & Suites by Hilton, Festus	Homewood Suites, Richmond Heights	Proposed Residence Inn/Fairfield Inn, St. Louis
Proposed Cobblestone Hamilton, Hamilton	Proposed Resort, Ridgedale	Proposed Staybridge Suites, St. Louis
Comfort Inn, Hayti	Restaurant, Springfield	Sheraton City Center, St. Louis
La Quinta Inn, Hazelwood	Fairfield Inn & Suites by Marriott St. Louis St. Charles, Saint Charles	Sheraton Hotel Clayton Plaza, St. Louis
Staybridge Suites, Independence	Hampton Inn, St. Charles	Courtyard by Marriott St. Louis St. Peters, Saint Peters
Holiday Inn (Conversion to DoubleTree), Joplin	Hampton Inn, St. Joseph	TownePlace Suites by Marriott St. Louis St. Charles, St. Charles
Hotel Joplin, Joplin	Red Lion Hotel, St. Joseph	Proposed Best Western, Springfield
Chase Suites, Kansas City	Cheshire Inn & Lodge, Saint Louis	Riva D'Lago Resort, Sunrise Beach
Embassy Suites Grand Reserve Kansas City, Kansas City	Crowne Plaza Downtown, St. Louis	
Hotel Indigo Kansas City Downtown, Kansas City	Econo Lodge Southwest St. Louis, St. Louis	

Proposed Holiday Inn Resort, Table Rock Lake  
 Proposed Hyatt House, University City  
 Holiday Inn Express, Warrensburg

#### **MONTANA**

Proposed Red Lion Hotel, Polson

#### **NEBRASKA**

Hampton Inn Lincoln Airport, Lincoln  
 Proposed Kindler Hotel, Lincoln  
 Proposed TownePlace Suites by Marriott, Lincoln  
 Holiday Inn Express, North Platte  
 Carlisle Hotel, Omaha  
 Hyatt Place Omaha Downtown Old Market, Omaha  
 Proposed Aloft, Omaha

#### **NEW JERSEY**

Crowne Plaza, Jamesburg  
 TownePlace Suites by Marriott, Mount Laurel  
 Crowne Plaza, Somerset

#### **NEW MEXICO**

Hyatt Albuquerque, Albuquerque

#### **NEW YORK**

Red Roof Inn Binghamton, Johnson City  
 Red Roof Inn Long Island Garden City, Westbury

#### **NORTH CAROLINA**

Clarion Inn Airport, Asheville  
 Hilton Biltmore Park, Asheville  
 Holiday Inn Airport, Asheville  
 Red Roof Inn Asheville West, Asheville  
 Holiday Inn Express, Boone  
 Hampton Inn, Cape Hatteras  
 Proposed Residence Inn by Marriott, Charlotte  
 TownePlace Suites Charlotte Arrowood, Charlotte  
 Comfort Suites, Huntersville  
 Proposed Hotel, Raleigh

Proposed Residence Inn by Marriott, Steele Creek  
 Blockade Runner Beach Resort, Wrightsville Beach

#### **NORTH DAKOTA**

Proposed Staybridge Suites, Williston  
 Proposed Microtel Inn & Suites, Jamestown  
 Grand Inn, Fargo  
 Holiday Inn, Fargo  
 Hyatt House, Minot  
 Microtel Inn & Suites, Stanley  
 Value Place, Watford City

#### **OHIO**

Comfort Inn & Suites, Carbondale  
 Proposed Graduate, Columbus  
 Proposed Residence Inn by Marriott, Dublin  
 Country Inn & Suites, Fairborn  
 Hyatt Place Cleveland/Independence, Independence  
 Red Roof Inn Cleveland Independence, Independence  
 Proposed Hyatt Place, Cleveland  
 Residence Inn by Marriott Cleveland Independence, Independence  
 Residence Inn by Marriott Cleveland Mentor, Mentor  
 Hyatt Place Cincinnati Northeast, Mason  
 Red Roof Inn, North Canton  
 Hampton Inn North Olmsted Cleveland Airport, North Olmsted  
 Red Roof Inn, Saint Clairsville  
 Timberlane Inn, Salem  
 Courtyard by Marriott, Willoughby Hills  
 Residence Inn by Marriott, Worthington

#### **OKLAHOMA**

Crowne Plaza, Oklahoma City

#### **OREGON**

Best Inn & Suites, Albany

DoubleTree by Hilton, Bend  
 DoubleTree by Hilton, Salem  
 Shilo Inn, Newport

#### **PENNSYLVANIA**

Courtyard by Marriott, Bensalem  
 Clarion, DuBois  
 Proposed Holiday Inn, Erie  
 Red Roof Inn, Erie  
 DoubleTree by Hilton Pittsburgh Green Tree, Pittsburgh  
 Proposed Drury Plaza, Pittsburgh  
 Red Roof Inn Pittsburgh Airport, Pittsburgh  
 Residence Inn by Marriott Pittsburgh Airport Coraopolis, Pittsburgh

#### **SOUTH CAROLINA**

Comfort Suites, Columbia  
 Fairfield Inn, Orangeburg  
 Proposed Legacy Suites, Rock Hill

#### **SOUTH DAKOTA**

Super 8, Madison  
 Courtyard by Marriott, Sioux Falls  
 SpringHill Suites, Sioux Falls

#### **TENNESSEE**

Homewood Suites, Brentwood  
 Hyatt Place Nashville/Brentwood, Brentwood  
 Country Hearth Inn & Suites, Camden  
 Fairfield Inn & Suites, Chattanooga  
 Hilton Garden Inn, Clarksville  
 Holiday Inn Express Gatlinburg Downtown, Gatlinburg  
 Parkway Inn & Suites, Goodlettsville  
 Baymont Inn & Suites, Jackson  
 Proposed Quality Inn & Suites, Joelton  
 Red Roof Inn, Johnson City  
 Proposed Limited-Service Hotel McKenzie, McKenzie  
 Hampton Inn & Suites, Memphis  
 Hampton Inn Thousand Oaks, Memphis  
 Holiday Inn, Memphis

Hyatt Place Memphis Primacy  
Parkway, Memphis  
Inland Suites Elvis Street, Memphis  
Inland Suites Lamar Street, Memphis  
Memphis Airport Hotel & Conference  
Center, Memphis  
Proposed Aloft, Memphis  
Proposed Best Western Vib, Memphis  
Proposed Holiday Inn, Memphis  
Proposed Hyatt Regency Memphis  
Convention Center, Memphis  
Proposed Hilton Garden Inn and Tru  
Dual-Brand, Mount Juliet  
Proposed Limited-Service Hotel,  
Murfreesboro  
The Bobby Hotel, Nashville  
DoubleTree by Hilton, Nashville  
Hampton Inn & Suites Nashville  
Vanderbilt Elliston Place, Nashville  
Hampton Inn Rudy Circle, Nashville  
Renaissance, Nashville  
Holiday Inn Express McGavock Pike,  
Nashville  
Hotel Preston, Nashville  
Hyatt Place Nashville Opryland,  
Nashville  
Marriott Vanderbilt, Nashville  
Proposed Dual-Branded Hilton Garden  
Inn/Home2 Suites by Hilton West  
End, Nashville  
Proposed Fairmont Hotel &  
Residences Nashville, Nashville  
Proposed Gulch Hotel, Nashville  
Proposed Hotel, Nashville  
Proposed InterContinental, Nashville  
Proposed Margaritaville Hotel,  
Nashville  
Proposed Tapestry Collection by  
Hilton Nashville Downtown,  
Nashville  
Virgin Hotel, Nashville  
Red Roof Inn, Nashville  
Renaissance Hotel, Nashville  
Sheraton Music City, Nashville  
Westin, Nashville  
Proposed Limited-Service Hotel, Paris  
Country Hearth Inn, Union City

## TEXAS

Courtyard, Abilene  
Holiday Inn, Amarillo  
Holiday Inn Express, Brownwood  
Courtyard by Marriott, Corpus Christi  
Hilton Dallas Lincoln Center, Dallas  
La Quinta Inn El Paso Cielo Vista, El  
Paso  
Holiday Inn, Fort Worth  
Sheraton Downtown, Fort Worth  
Proposed Hilton Garden Inn, Frisco  
Candlewood Suites Medical Center,  
Houston  
Residence Inn by Marriott, Houston  
Quality Inn & Suites, Irving  
Days Inn, Laredo  
Red Roof Inn, Laredo  
Proposed Extended-Stay Hotel,  
Midland  
Holiday Inn Express, South Padre  
Island  
Courtyard by Marriott, Sugarland  
Residence Inn by Marriott, Sugarland  
Holiday Inn Express, Sweetwater  
Comfort Suites, Tomball  
WoodSpring Suites, Tyler  
Proposed Extended-Stay Hotel, The  
Woodlands

## VIRGINIA

Alexandria Monaco, Alexandria  
Morrison House, Alexandria  
Proposed Residence Inn, Falls Church  
Fairfield Inn & Suites by Marriott,  
Manassas  
Red Roof Inn Manassas, Manassas  
Holiday Inn Express Hotel & Suites,  
Manassas  
Red Roof Inn Richmond South,  
Richmond  
Proposed Hampton Inn, Springfield  
Wedmore Place, Williamsburg

## WASHINGTON

DoubleTree by Hilton, South Center,  
Seattle

DoubleTree by Hilton, Vancouver  
Marcus Whitman Hotel, Walla Walla

## WISCONSIN

Aloft, Green Bay  
Hilton Inn, Milwaukee

## WYOMING

Candlewood Suites, Cheyenne  
Snow King Resort, Jackson





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Through Unrivalled  
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**Everywhere.**

HVS is the only global consulting firm focused exclusively on the hospitality industry. Hospitality is our calling. We are comprehensive in our solutions, but single-minded in our focus: helping you succeed in the complex hospitality arena.

Whether you're a first time investor looking to buy one hotel, an experienced developer putting together a complex deal, an owner looking to improve your hotel's cash flow or value, or a financial firm evaluating an asset, we can help you each step of the way.

From a feasibility study when planning to build or buy a property, to advice on an exit strategy — and everything in between — we offer a wealth of hospitality intelligence, extensive expertise, a global reach and local market understanding to help you achieve the results you want.



**HVS provides expertise through every phase of ownership across a wide range of hospitality assets.**



### HVS Works With You – Across Each Of Your Property Types

Hotels

Mixed Use

Shared Ownership  
LodgingConvention, Sports  
& Entertainment  
FacilitiesGolf Courses &  
Country Clubs

Casinos



*“HVS has played a critical role in our growth and success. They have helped us evaluate projects across multiple states and locations. Their market intelligence and comprehensive insights truly help us create or preserve value at each of our properties. The exceptional level of quality, their attention to detail and highly professional approach really differentiate them from their competitors.”*

**— Neil H. Shah**  
President & COO  
Hersha Hospitality Trust

## VALUATIONS AND APPRAISALS

Accurate valuations and appraisals are vital to making an informed decision — whether you're investing in a hospitality asset, refinancing, selling a property or evaluating a loan. HVS set the benchmark in valuation and appraisal methodology decades ago and our proprietary models and expertise are considered the gold standard in the industry. With HVS's global network of fully-licensed appraisers who conduct thousands of valuations and appraisals around the world every year, you can feel confident you'll receive an opinion based on deep experience and real-world comparisons. Whether your portfolio is large or small — our solutions are always tailored to meet your needs and timeline.

## MARKET & FINANCIAL FEASIBILITY STUDIES

Prospective owners can rely on HVS to fully evaluate every hospitality project to determine its investment viability. We provide thorough market supply and demand studies and financial feasibility analyses to help you understand and unlock potential performance. Our longstanding relationships with major hotel companies offer vast insights into the operating performance of all types of hotels and mixed-use properties. This unrivaled intelligence means the assessments and forecasts we deliver are highly credible — so you can make a “go/no go” decision with confidence.

## BRAND & MANAGEMENT SELECTION AND CONTRACT NEGOTIATIONS

Aligning a hotel property with the best possible brand, franchise or operator is an important strategy to enhance your property's value. HVS has deep experience in identifying partnerships to maximize your hotel cash flow and its value. And, with a comprehensive database of franchise and management agreements, we can not only advise you on selecting the optimal affiliation — we'll also help you negotiate a win-win contract. Our superior market intelligence lets us excel in “the art of the possible” when negotiating a favorable contract for you.

## HOTEL MANAGEMENT SERVICES

HVS doesn't just provide consulting services - we also manage hotels so they reach their full operating potential. HVS brings deep expertise in all aspects of hotel management — from marketing and sales to revenue management, operations, expense management and complex legal issues. Whatever your circumstance — a hotel buyer or developer, a lender initiating a foreclosure where a receiver is needed or an owner looking for a change — we draw on the breadth of our extensive hospitality capabilities to put the most experienced, cost-effective resources in place to ensure success.

## ASSET MANAGEMENT

If you're just getting into hotel investment, we're your in-house hotel expert team. If you have an underperforming hospitality asset, we'll tailor an asset management solution to meet your needs. We can conduct a thorough review of your operations, identify key issues, and suggest and implement changes — leveraging our proprietary database of over 10,000 financial statements to benchmark performance by property type, geography and size to supplement our team's decades of property-level operations experience. We can help with everything from ongoing asset oversight, acquisition due diligence, operational consulting, revenue maximization to repositioning. You'll have the peace of mind that your investment is closely monitored and your cash flow and asset value are maximized.

*"HVS is one of the best and most qualified consulting firms dealing with hospitality industry issues. They understand the challenges of contemporary economic conditions and provide appropriate solutions and suggestions resulting from their thorough analysis. Utilizing their extensive source database, HVS was able to provide us with conclusions and recommendations that exceeded our expectations while meeting a very strict timeline."*

— **Michael J. Sawaya**  
Executive Director  
City of San Antonio



## INTERIOR DESIGN SERVICES

HVS Design blends the creativity and imagination of deep hospitality design experience with financial and operational expertise. Our experienced team of architects, designers, and construction experts work with you from concept to completion. We'll design and manage your project so that it is not only visually stunning, but meets your schedule and budget. Our expertise spans new builds, renovation, repositioning and historic restoration across all hospitality tiers. The result is a product that elevates the guest experience and the bottom line.

## ENERGY AND SUSTAINABILITY

You can depend on HVS as a fiduciary partner for advice on reducing utility expenses through diligent facilities management and informed, strategic investment in building equipment. Our core services include building auditing, capital planning and owner's representation for large-scale building equipment projects. And, our HVS Energy Benchmarking Platform — an energy analytics software solution — facilitates rapid identification and reduction of the variable components of utility spend.



## EXECUTIVE SEARCH

Working in partnership with you, HVS Executive Search can assess and advise you on executive talent requirements whether you're opening a new property, adding executives to your team or putting in place an ongoing succession plan. We tap our extensive database of hospitality and real estate executives and the collective knowledge of our global team to identify and engage candidates who fit the strategic aims of your business. We know where to find hard-to-reach industry talent so you can be confident you're interviewing the most qualified candidates. And, our proprietary HVS Assessment will ensure cultural fit with your organization. Once hired, we can also assist with onboarding, executive coaching and organizational development.

## TAX ADVISORY

In the tax certiorari arena, HVS represents both owners and taxing authorities in determining a fair and well-supported real property value for assessment purposes. We can represent and advise you on property tax matters at every ownership stage — including the beginning of development, or during an acquisition or disposition of an asset. Our detailed sales and operations database allows us to compare an asset with comparable properties and conduct a comprehensive and credible tax analysis and real property valuation.

*“HVS has an unmatched, multi-dimensional understanding of the hospitality industry. HVS has consistently helped us understand the true potential of projects so we can make timely, well informed decisions. I have always been very impressed with the caliber and performance of the HVS team. I highly and unequivocally recommend their professional services to anyone seeking industry leading caliber of insight and advice.”*

— Laurence Geller  
Chairman  
Geller Capital Partners

## EXPERT WITNESS AND LITIGATION SUPPORT

When you need a hospitality industry expert to provide an objective, independent opinion for arbitration or litigation, HVS stands ready to serve. Our subject matter experts have a proven track record of successful testimony. And they have an unwavering commitment to objective, well-supported expert opinions. Our litigation team has extensive knowledge of industry norms and hotel markets worldwide. Drawing on our extensive hotel operating and sales data, together with our deep hotel operations and deal structure experience, we'll develop a highly qualified, well-defended expert opinion.

## RISK MANAGEMENT

Whether you're a hotel owner, management company or hotel developer, understanding and effectively managing property risk are critical to maximizing cash flow and creating value. We deliver the strategies, tools and resources to do just that. With a dedicated team that services only hotel and real estate accounts, we intimately understand your business. Our risk management programs can help you reduce fixed expenses, cut operational costs and gain a competitive edge. Plus, we can ensure Occupational Safety and Health Administration (OSHA) compliance.





## Our Services and Solutions Go Beyond Hotel Properties...

### SHARED OWNERSHIP LODGING

Many hospitality projects today are structured on a mixed-use development model that includes vacation ownership, hotel-condominium, all-inclusive hotel, retail, office or residential components. If you're considering entering or expanding your presence in shared ownership real estate, we can provide strategic advice, consulting and valuation services — wherever your project is located. We've worked with clients across the globe. And, we have strong relationships with all the major timeshare companies, so we can find the right partner for your project. We'll also help you negotiate the best deal structure and coordinate any needed pre-development activities and services.



### GOLF COURSES AND COUNTRY CLUBS

The golf industry is adapting to meet evolving recreational and cultural tastes, diversify its clientele and find new ways to utilize its facilities to appeal to a larger segment of the population. We identify the optimal business model and develop a strategy to increase the value of your facility. We can also help you in the planning and integration of golf facilities and clubs with real estate developments and hospitality projects. Our assessment is based on deep golf, resort and hospitality expertise and the complex interactions between these components — so you can determine the best plan for your location.

### RESORT RESIDENTIAL

The sale of residential units is a financial driver for many projects in seasonal destinations and has become a fundamental element of hospitality projects. We can help you size the residential component and determine the appropriate product and unit mix. Whether for primary or seasonal residents, single family residences or condominium towers, we'll help you assess the feasibility and value of residential units — as well as create price appreciation and sales strategies for your project.



## CONVENTIONS, SPORTS & ENTERTAINMENT FACILITIES

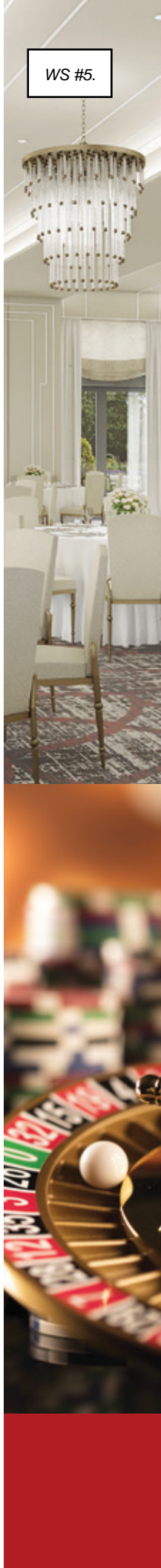
Communities increasingly look to develop convention centers, sports facilities and performing arts venues to stimulate their local economy and improve their residents' quality of life. Whether you are a public agency or private developer, careful planning is needed for successful implementation. We can help you understand the costs, benefits and risks of development through each step of the process. We've worked in hundreds of cities, towns and villages worldwide and have created ground-breaking models of public/private partnerships. No project is too large or too small.

## MIXED USE

HVS has consulted on hundreds of hospitality-anchored, mixed-use projects. Most combine a key hospitality component together with branded residences, shared ownership, retail and office space, clubhouses, golf courses, skiing, gaming or a convention center. We have substantial in-house expertise in these asset classes — and can help you make the right decision on site selection, space utilization, financing options and branding strategies.

## CASINOS

Within the gaming industry, we offer a range of global services and expertise to help you evaluate existing and proposed casino projects. Our projects span a breadth of gaming types from mixed-use, Las Vegas-style integrated resorts and full-service destination casinos, to riverboat complexes, racinos and card rooms. We conduct thorough assessments of gaming market supply and demand dynamics and can also provide expert opinions in casino litigation and tax certiorari cases based on our expertise and credibility. You can rely on our in-depth investigation and the analysis and reporting of the numerous factors that influence the performance and value of a gaming asset.





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See our Hotel Valuation Index for dozens of cities at **[hvi.hvs.com](https://hvi.hvs.com)**

Want to speak with an industry expert about your project  
or investment? Connect to our global staff at **[HVS.com](https://hvs.com)**



## Request for Proposal Market Feasibility Study Hotel/Lodging Facility

Submitted to:

Brian Crane, City Manager  
City of Moberly  
101 West Reed Street  
Moberly, MO 65270  
Submitted via E-Mail to: [bcrane@cityofmoberly.com](mailto:bcrane@cityofmoberly.com)

October 27, 2020

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# 1. Cover Letter

October 27, 2020

Brian Crane, City Manager  
 City of Moberly  
 101 West Reed Street  
 Moberly, MO 65270

Submitted via Email to: bcrane@cityofmoberly.com

**Request for Proposal Market Feasibility Study Hotel/Lodging Facility**

Dear Mr. Crane,

**Hunden Strategic Partners (HSP)** is pleased to submit the following proposal to conduct a market and financial feasibility study for a proposed boutique hotel development (Project) in downtown Moberly, Missouri. The study will include a market supply and demand analysis, a competitive facility analysis, and an economic feasibility analysis and proforma. It will ultimately determine the financial viability and economic impact of the Project on the community. HSP believes it provides the right fit for your needs, as our professionals have performed these same tasks for numerous similar hospitality projects in Missouri and across the country.

Hunden Strategic Partners, *led by CEO Rob Hunden*, is a premier destination real estate development consulting firm, with its primary offices in Chicago and professionals in Indianapolis and Minneapolis. The firm offers the full-range of market and financial feasibility services, as well as economic and fiscal impact analyses for tourism-related destination developments, including boutique hotels, mixed-use developments, meeting and event facilities, sports complexes, arenas, entertainment venues, convention centers, residential, office, retail, restaurant, recreation facilities, and public spaces. Hunden has worked on more than 750 projects or studies in the past 25 years, with more than \$5.5 billion in built, successful projects. Many of our clients seek to achieve economic development through destination asset growth, including unique hospitality developments. Hunden Strategic Partners will provide you with a strong, industry-savvy approach in study of the viability for a new boutique hotel and its impact. You will deal directly with Mr. Hunden and his key staff on this assignment.

Why choose HSP?

- **Expertise in the market analysis, feasibility and financing of hotels and related attractions.** *Mr. Hunden has completed more than 200 hotel studies* and is a member of the International Society of Hospitality Consultants (ISHC), a select group of 200 experts worldwide focused on hotel analytics. HSP has experience consulting on the development of hundreds of hospitality developments, attractions, convention centers, recreation, sports, and meeting and event facilities. We tailor our studies to your very specific situation. *We do not take a cookie-cutter approach to studies.*
- **Experience with small- to mid-size markets, including in Missouri.** The majority of HSP’s studies are focused on small- to mid-size markets and many in Missouri. We understand the realities and challenges associated with development efforts in this size of market, and we know the tools needed to induce hotel development. HSP has conducted multiple hotel feasibility and impact



studies in market sizes in Missouri, including in St. Joseph, Branson, Springfield, St. Charles, Trenton, Joplin, Kansas City and St. Louis. HSP has worked in small communities in many other states as well.

- **Extensive experience with boutique hotel developments.** HSP has completed many studies for boutique hotel developments across the U.S., including projects in:
  - Paducah, Owensboro, Morehead and Somerset, KY: Small Conference Hotels
  - Louisville and Lexington, KY; Durham, NC: *21c Museum Hotels*
  - Frederick, MD; Fulton County, NY; Tishomingo, OK; St. Joseph, MO: *Downtown Hotel*
  - Whitesburg, KY: *Daniel Boone Hotel Redevelopment*
- **Experience providing third-party reviews of developer proposals on behalf of public-sector clients.** HSP has extensive experience conducting third-party reviews of developer proposals to validate the financial feasibility and impact of real estate developments. More than 80 percent of HSP's clients are public sector entities. We know how to provide unbiased analyses to protect public-sector investment. For example, HSP is the sole reviewer for all projects seeking incentives under the Kentucky Tourism Development Act (KTDA). Hunden has reviewed and completed studies for more than 50 such projects over 20 years. HSP is currently reviewing six developer proposals for hotels across the U.S.
- **Comprehensive, honest analysis.** Simply put, HSP provides thorough, comprehensive and transparent analyses. Each report is tailored, unique, independent and complete, supported by strong methodology. We tell you the truth about the potential for your project.
- **Small firm with national scope and local focus.** As a smaller, principal-owned firm with 12 professionals, HSP has the advantage of being able to focus our national experience on your specific needs. You will deal directly with Rob Hunden as the primary contact and signatory of any contracts.

Hunden Strategic Partners will provide these assets under a time structure and pricing that is flexible to the City of Moberly's needs. We appreciate the opportunity to work with you.

Sincerely,



Robin Scott Hunden, *ISHC*  
President  
213 W. Institute Place, Suite 707  
Chicago, IL 60610  
(O) 312-643-2500  
(M) 312-933-3637  
rhunden@hundenpartners.com

## 2. Firm Overview & Key Personnel





WS #5.

# Hunden Strategic Partners

## Full Service Real Estate Development Advisory Practice

INDIANAPOLIS CHICAGO MINNEAPOLIS

Hunden Strategic Partners provides a variety of services for all stages of destination development in: Real Estate Market & Financial Feasibility and Development Consulting; Economic, Fiscal & Employment Impact Analysis (Cost/Benefit); Organization Development; Public Incentive Analysis; Economic and Tourism Policy/Legislation Consulting; Research & Statistical Analysis; and Developer Solicitation & Selection, Private Management Company Solicitation & Selection.

Since its incorporation in 2006, professionals at Hunden Strategic Partners have provided all of the above services for hundreds of client projects worldwide for the public, non-profit and private sectors. In addition, HSP professionals have prior professional career experience in municipal and state government, economic and real estate development, real estate law, hotel operations and non-profit management. Over 80 percent of HSP's clients are public purpose entities, such as municipalities, counties, states, convention bureaus, authorities and other quasi-government entities charged with conducting real estate, economic development and tourism activities. HSP has twelve professionals on staff primarily located in Chicago, with two staff located in Minneapolis and Indianapolis. All of the staff members will be available to contribute to this scope of work.

Areas of expertise include:

- Mixed-Use Developments
- Event Centers, Arenas & Stadiums
- Arts & Cultural Facilities
- Convention & Conference Centers
- Specialty Real Estate
- Sports & Recreation
- Entertainment/Retail
- Hospitality
- Convention Headquarter Hotels
- Fairgrounds & Expo Centers



Hunden Strategic Partners was founded in 2006 by Rob Hunden, who has been the President and CEO of the company since its inception. He had spent ten prior years as both a consultant and projects manager for economic development-related projects. Hunden's career in real estate development began as a special projects director for the Indianapolis Local Public Improvement Bond Bank, where he managed and contributed to the financing, design, and development of many of Indianapolis' key downtown tourism assets.

Since 2006, HSP has distinguished itself by conducting due diligence and tailored research necessary to give each client a unique and specialized approach to their questions and challenges. We do this by analyzing market data specific to each project, given the variety of circumstances that each exhibits. From this analysis, we then tell our clients the truth about their options and the costs and benefits of each. We are driven by data and know the pitfalls to avoid. Hunden Strategic Partners does not rubberstamp projects and provides an honest assessment to ensure that our clients make educated decisions about the millions of dollars that will be invested, on behalf of the public, private and non-profit sectors.

HSP has grown from an owner-operated consultancy practice to an industry-recognized leader in master placemaking analyses and financial feasibility. HSP is based on 25 years of real world project results, built facilities and financings. We also bring our experience to existing buildings and businesses that may need to have a 'tune up' to their organizations, management or buildings.



## Key Personnel

HSP is led by Rob Hunden, President and founder of Hunden Strategic Partners. All team members will report either to Mr. Hunden or the Project Director, Dillon Gilman. The following is a list of the complete Hunden Strategic Partners Team that is available to the City of Moberly, along with their individual areas of responsibility. An asterisk (\*) denotes a detailed resume is included later in the section.



### **Rob Hunden\***

*President and Principal in Charge*

Rob Hunden will lead HSP to complete the market and financial feasibility study and is the primary contact and signatory of any contracts. He manages the day to day study process and is personally involved in all tasks included in the scope of work.



### **Ethan Olson\***

*Lead Consultant*

Ethan Olson is HSP's Lead Consultant and an accomplished and strategic executive with a proven track record of leveraging a data-driven approach and a knack for anticipating market trends to help organizations capitalize on operational and revenue growth opportunities. He recently rejoined HSP in an integral role as Lead Consultant to provide senior project leadership, develop strong client relationships, and reliably guide clients through comprehensive strategic decision-making.



### **Dillon Gilman\***

*Project Director*

Mr. Gilman will act as project director. He will guide the client team along every step of the study process and will lead the HSP team of analysts from kickoff research to delivery of final product. Dillon has extensive experience managing and overseeing deliverable composition for projects over the last five years at HSP.



### **Eric Hunden\***

*Director of Infographics*

Mr. Eric Hunden provides more than 28 years of experience in demographic research, case studies and complex mapping as HSP's infographics director. His specialty is communicating concepts and important information through varying types of maps and graphics, including three-dimensional downtown maps, demographic migration pattern maps, drive-time analyses and competitive marketplace maps.



### **Nora Leahy\***

*Senior Analyst*

Ms. Leahy is a key player on both the analyst team and the marketing team. Nora has extensive experience managing and overseeing deliverable composition for projects over the last two years at HSP. In addition to acting as a senior analyst for primarily mixed-use and

arts-related projects, she works in tandem with marketing to provide content reviews and graphics to HSP's reports and other deliverables. She comes to HSP with extensive experience in performing arts placemaking and grant writing.



**Mike Christensen\***  
*Senior Analyst*

Mr. Christensen has contributed to dozens of studies at HSP using research, interview, survey, and data analysis skills for sports tourism developments, downtown mixed-use districts, convention centers, and entertainment venues. His focus and expertise has turned specifically to sports and recreation market trends.



**Chris Chen**  
*Analyst*

Mr. Chen is a member of the HSP analyst team. He contributes to economic and demographic research, supply and demand research and surveys, and comparable facility profiles for all studies at HSP, including convention and events centers, sports tourism, downtown mixed-use developments, and entertainment venues.



**Matthew Avila**  
*Analyst*

Mr. Avila is one of the newest members on the HSP analyst team. He assists with the due diligence, market research, and supply and demand interviews for all HSP studies.



**Laura Sportiello**  
*Marketing Coordinator*

Ms. Sportiello manages proposals and the creation of client interview presentations, as well as the creation and distribution of press releases related to developer selection processes. Laura has experience completing numerous key scope items for HSP client feasibility studies, including assessing competitive environments, conducting demand and stakeholder interviews, assessing surveys, and reviewing and editing internal drafts.

In addition to the team members listed above, the administrative and marketing employees at HSP include **Cory Hawkins**, **Nichole Vick**, and **Tate Butler**, all of whom are available to provide support services for ongoing projects.



## Rob Hunden

*President & CEO*

Project Lead  
Chicago, Illinois

Hunden is an industry leader in hotel feasibility and developer solicitation and selection RFQ/P processes.

Hunden and his firm offer extensive experience in the economics of all manner of unique real estate projects, including convention centers and headquarter hotels, indoor and outdoor sports complexes, compelling residential and mixed-use developments, tourism projects, and entertainment districts. Over the past 25 years, Mr. Hunden has provided economic development, finance and planning expertise and conducted more than 600 feasibility and economic impact studies, including for some of the most notable projects in the U.S. He has had a hand in the development of more than \$4 billion in completed, transformative projects, including arenas, convention centers, major convention hotels, compelling boutique hotels, entertainment districts in several cities, theme parks and major tourist attractions. Rob has written articles on downtown developments and taught college-level Destination Development courses. He has conducted IEDC panel discussions and taught numerous professional development courses for IEDC over the past 15 years.

### Quick Facts:

25 Years of Industry Experience

Incorporated Hunden Strategic Partners in 2006

Indiana University Kelley School of Business, BS Finance '94

### Career Background

Hunden Strategic Partners, Chicago, 2006 - Present

Johnson Consulting, Chicago

Grubb & Ellis, Chicago

Landauer, Chicago

Indianapolis Bond Bank/Mayor's Office, Indianapolis

Huckaby & Associates, Washington, D.C.

### Hotel Market Demand and Financial Feasibility

Mr. Hunden has a strong history of market, financial feasibility and impact analyses for hotels of all sizes, for both the public and private sectors. He has conducted studies in Fort Worth (TX), St. Louis (MO), Chicago (IL), Erie (PA), Eastvale (CA), and Lexington (KY), among many others.

### Developer Solicitation and Selection Experience

Mr. Hunden and his firm lead the industry in the number of developer solicitation and selection processes completed over the last five years. He understands the necessary RFQ/P elements to attract the highest-quality bidders and proposals. He has managed many processes that led to successful asset developments.

### Recognized Industry Leader

Mr. Hunden's career arc includes both the public and private sectors, including at the Indianapolis Bond Bank, managing placemaking development projects for the Mayor's Office in the mid-90's. Over the past 25 years, he has become an industry thought leader, expert, and frequent speaker and author in the economics of placemaking.



# Rob Hunden Industry Contributions

## Speaking Engagements

**ICMA UNITE Annual Conference** Virtual Event, 2020 Take Charge of Your Real Estate Recovery

**CSEF Multiple Sessions** Virtual Event, 2020 Flexible Venues | Creative Financing | Process Masterclass

**City Nation Place Americas** Virtual Breakout Session, 2020 Key Steps in the Placemaking Process

**Sports ETA Virtual Facilities Summit** Virtual Event, 2020 Current & Future State of the Youth Sports Industry

**IEDC Leadership Summit** Tampa, 2020 Mixed-Use Destination Development Districts of the Future

**EEE Conference** Los Angeles, 2020 Trends in Entertainment & Mixed-Use Districts Round Table

**Collaborate & Connect Tourism Regina** Regina, Saskatchewan, 2019 Tourism Means Business!

**ALSD International** Dublin, 2019 International State of the Industry

**ICMA Annual Conference** Nashville, 2019 Successful P3 Development Process

**Professional Developers of Iowa (PDI) Conference** Sioux City, 2019

**ALSD Design & Build Conference** Chicago, 2019 Second Annual State of the Industry

**City Nation Place Americas** Session Leader West Hollywood, 2019

**Tourism Means Business! How Tourism & Economic Development Go Hand-In-Hand**

**CSEF Multiple Sessions** San Diego, 2019 Development Process 101 | Hybrid Event Centers

**Madison Venue Summit** Madison, 2019 Destination Development Planning Presentation

**Urban Land Institute** Keynote - Spring EDC Meeting Nashville, 2019 NextGen Entertainment Districts

**Indiana Construction Roundtable** Indianapolis, 2018 Technology Explosion Panel

**Louisville TV & Radio Coverage** 2018 Hunden Announces Top Major League Cities

**ALSD Design & Build Conference** Anaheim, 2018 State of the Industry

**EEE Conference** Santa Monica, 2018 Trends in Entertainment, Retail, & Sports Districts

**City Nation Place Americas** Panel Host NYC, 2018 Lessons From the Amazon & Apple RFP Process

**IEDC Annual Conference** Learning Lab Atlanta, 2018

**Is Your Project Feasible? Developer Asking for Incentives? Learn the Questions to Ask!**

**Race Track Business Conference**, Indianapolis, 2017 Motorsports Tourism & Education

**ALSD Design & Build Conference** Miami Beach, 2017 Why Colleges are the Next Big Thing

**IAVM VenueConnect** Panelist Nashville, 2017 Financing Realities for Convention & Arena Projects

**IEDC Webinar** Speaker 2017 Emerging Real Estate Trends for Economic Development

**P3 Conference & Expo** Dallas 2017 Entertainment Districts: The Glue Creating the Live/Work/Play Environment





# Rob Hunden Industry Contributions

## Articles

Shopping Center Business Article December 2019

"Make Way for Mixed-Use Entertainment Districts: Saviors of Malls and Sports Facilities?"

Quoted in Hotel Business June 2018

"Sharing Economy vs. Timeshare: Weighing the Costs"

Quoted in Successful Meetings June 2018

"What Convention Centers Add to Cities Memphis Miami Las Vegas"

City Nation Place May 2018

"Placemaking 101: Lessons from the Amazon Bid"

Association of Luxury Suite Directors 2017

"The State of the Industry"

Contributor to Urban Land Magazine April 2015

"Making Sports-Oriented Mixed-Use Work" by Patricia Kirk

Contributor to the IEDC Economic Development Journal

"Public Subsidies for Headquarter Hotel Development: Are They Necessary?"

Guest Editorial for the Indianapolis Business Journal

"Can Gary be Great Again?"

Indianapolis Business Journal, Crain's Chicago Business, Meeting News - Quoted, Various 2006 - Present



## Teaching Experience & Industry Affiliations

Adjunct Instructor at Kendall College Chicago, IL from 2001 - 2004, 2010

Destination Development and Management | Topics in International Tourism | Feasibility Studies

Ongoing instructor for International Economic Development Council's CECD Real Estate Coursework (IEDC)

Nationwide, 2004 - Present Market and Financial Feasibility Studies; Developer Selection Processes; Financing

Hotel of Tomorrow Think Tank The Gettys Group 2020

Member/Participant at IEDC; ALSD; Sports ETA; ICMA; ICSC; IAVM; CSEF; Destinations International



## Ethan Olson

Lead Consultant  
Chicago, Illinois

Ethan Olson is an accomplished and strategic executive with a proven track record of driving significant revenue growth for some of the world's best-known sports and entertainment brands. Known for leveraging a *data-driven approach* and a knack for anticipating market trends to help organizations capitalize on operational and revenue growth opportunities.

Mr. Olson recently rejoined HSP in an integral role as Lead Consultant to provide *senior project leadership*, develop strong client relationships, continue to expand HSP's reach by growing sports and entertainment business and to reliably guide clients through comprehensive strategic decision-making.

Mr. Olson initially joined Hunden Strategic Partners in 2012 from a background in sports facility, event, hospitality and operational management. In his role, Mr. Olson managed and directed the execution of HSP projects and represented the firm on a number of fronts. He worked on *more than 100 projects*, conducting economic, market and financial feasibility research for a variety of projects, as well as comparable development analyses that included convention and expo center developments, mixed-use and entertainment districts, and sports and recreation facilities.

### Quick Facts:

- +MBA & Master of Sports Administration from Ohio University
- +BS & Minor in Business Management from Arizona State University

Between stints with HSP, Mr. Olson joined **Nielsen's Sports Practice** as a commercial leader and most recently the commercial lead for Nielsen Sports' Central Region. Ethan oversaw the management and growth of the teams clientele portfolio spanning the NBA, NFL, MLB, MLS, NHL, NCAA, Esports, and Minor League teams. Using Nielsen's robust media and consumer data and insights, Ethan equipped decision-makers with smart data and advice, allowing them to better understand and connect with audiences and customers through media, sponsorship, communication and experiential platforms. Ethan also leveraged sponsorship effectiveness solutions and fan data with the understanding of consumer behavior and media consumption to uniquely position some of the biggest brands to help grow their businesses through investments in sport and entertainment.

### Sports & Recreation Complex Study Experience

Ethan specializes in the sports tourism industry and has led reports on facilities in Irvine, CA; Orange, Osceola, and Collier Counties in FL; Jefferson Parish, LA; Monroe, MI; Elkhart and South Bend, IN; Holland Charter Township, MI; Richmond, VA; Lexington, KY; and others.

### Mixed-Use & Entertainment District Experience

Ethan has extensive experience leading various mixed-use and entertainment district studies at HSP. Some of the past studies he contributed to include the Chicago Riverwalk and Navy Pier expansion projects in Chicago, IL; the Columbus Scioto Peninsula entertainment district in OH; and entertainment district in San Juan, PR; and a sports entertainment district at the University of New Mexico in Albuquerque, among many others.

### Full-Service, Boutique, & Convention Hotel Experience

Ethan has contributed to various convention, boutique, and full-service hotel studies, including developments in Hampton, VA; Sioux City, IA; Tupelo, MS; Branson, MO, and Fort Worth and Amarillo, TX.







# Eric Hunden

Infographics Director

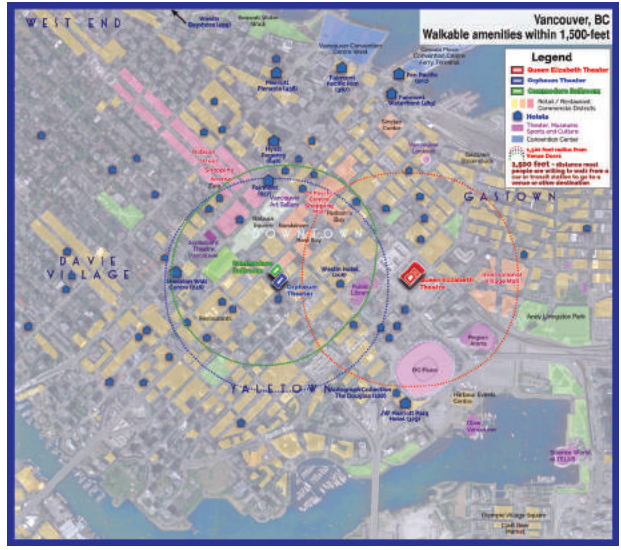
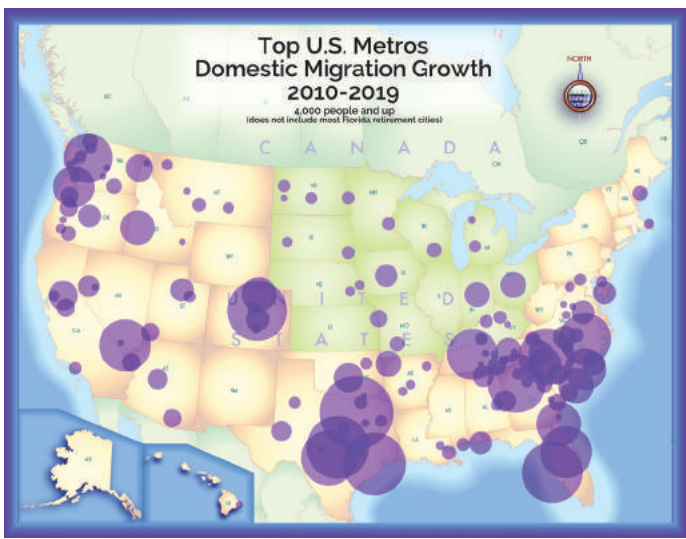
Minneapolis, Minnesota

As HSP's infographics director, Mr. Eric Hunden provides nearly 30 years of experience in demographic research, case studies and complex mapping and design. Since HSP's founding in 2006, Eric has brought important contextual understanding and research related to real estate, regional and cultural analysis, in addition to critical research for economic, demographic, media and market studies. In working with HSP, he has worked on more than 300 assignments, providing market analysis, mapping and case studies. His specialty is communicating concepts and important information through varying types of maps and graphics, including three-dimensional downtown maps, demographic migration pattern maps, drive-time analyses and competitive marketplace maps.

Prior to working with HSP, he founded Big City Maps (BCM) in Minneapolis and was a map artist for mapformation.com, North America's largest custom mapping company. In both capacities, he developed research and mapping analyses for over one hundred locations, concentrating on traditional urban cores and neighborhoods, retail and entertainment districts – including the Walt Disney World smart phone application map – and college campuses. Prior to HSP and BCM, he worked for the Indiana Department of Transportation honing an appreciation for public infrastructures impact on society.

## Quick Facts:

- + Kansas State University
- + BS Geography, with Academic Emphasis in Architecture and Urban Planning





## Dillon Gilman

Project Director

Indianapolis, Indiana

As Project Director at Hunden Partners, Dillon guides clients along every step of the study process and leads the HSP team of analysts from kickoff research to delivery of final product.

His areas of expertise include mixed-use and entertainment districts, entertainment venues, hotels and convention/expo projects, and major sports complexes. These involve a deep understanding of the competitive supply and potential demand for local, regional and national usages. He has worked on more than 100 market, financial, and economic impact analyses, including incremental tax revenue analyses for mixed-used districts, convention centers, arenas, hotels, attractions, sports and recreation complexes and many other types of real estate. He has presented findings to groups throughout the U.S. and is counted on by clients to provide them straightforward and well-researched advice.

### Quick Facts:

Indiana University Kelley School of Business  
BS Finance and Real Estate Concentration '15

### Specialty Tourism and Destination Attractions

Dillon has a passion for leading the *tourism incentive impact studies for the KTDA applicant financial reviews*, which focus on projects anywhere from bourbon distilleries, campgrounds and amusement parks to hotels and mixed-use districts. He has also studied unique attractions related to equestrian, rodeo, and stock shows. He was deeply involved in the expansion of the Fort Worth Historic Stockyards district.

### Entertainment and Mixed-Use Districts

Dillon's background in managing all types of destination development studies has enabled him to understand key requirements for client success when studying entertainment and mixed-use districts. He understands how all of the pieces fit together to create a compelling destination and knows how to tell the appropriate story for each unique project. Most recently, Dillon completed the *mixed-use financial and tax incentive analysis for the multi-use Newport on the Levee redevelopment project*.

### Convention and Conference Centers

Dillon's convention and conference experience ranges from large multi-building convention and event campuses to small/ mid-size conference centers. He has worked alongside professionals at Convergence Design to craft a downtown development plan in St. Joseph, Missouri. He also contributed to HSP's collaboration with the NFL on the proposed Chargers stadium and convention center in San Diego, California.

### Sports Complexes, Stadiums and Arenas

Dillon's experience with sports and arena projects ranges from community aquatics, recreation facilities, and youth tournament complexes to arenas and stadiums. Most recently he managed a multi-use arena and sports complex project in Overland Park, KS. Other sports projects include complexes in Lexington, KY and Monroe, MI, among others.







## Nora Leahy

Senior Analyst

Seattle, Washington

Nora has worked as a senior analyst and project director on a number of HSP studies that deal with arts, event and entertainment assets. Her experience leading research and report creation for these studies ranges from outdoor amphitheaters, traditional theatre and performing arts spaces, and multi-purpose event venues. She brings extensive experience in arts placemaking and theatre administration to HSP.

Prior to joining HSP, Nora worked as an arts consultant with communities across the country that were underserved by the arts to facilitate professional theatre and educational programming. Through her work, she went on to work as a consultant for regional theatres on programming, audience development, strategic planning, and grant writing. Consultancy projects include The Historic Shuler Theater in Raton, NM; The Brown County Playhouse in Nashville, IN; Lean Ensemble Theater in Hilton Head, SC; American Blues Theater, IL; Shattered Globe Theater, IL; Lookingglass Theater, IL; and Jackalope Theatre Company, IL. In 2019, NewCity Magazine named Nora one the "50 People Who Really Perform for Chicago Theatre."

### Quick Facts:

Studied at

+ DePaul University

+ Ball State University

### Entertainment, Amphitheaters, and Related Destination Assets

Nora leads analysis and research for nearly all of the entertainment, amphitheater, and live event-related studies conducted at HSP. Her experience ranges from multi-purpose event venues to community indoor and outdoor amphitheaters, performing arts venues and live Performance theatre spaces. Recently she has worked on reports in Conway, SC; Walton County and Orlando, FL; Chicago, IL; and La Vista, NE; among others.

### Mixed-Use & Entertainment District Experience

Nora has guided report creation for various mixed-use and entertainment district studies at HSP, as well as downtown tourism assessments and highest and best use analyses. Some of the recent studies she has managed include Indianapolis, IN; West Memphis, AR; Bothell, WA; and Pittsburg, Kansas; among others.

### Hotel & Convention/Conference Center Experience

Nora has led various convention, conference, expo and related hotel studies at HSP. Some of the recent studies include facilities in Pittsburg, KS; Columbia, SC; and Houston, TX, among others.

### Marketing and Branding Experience

In tandem with her work as a Senior Analyst at HSP, Nora contributes to content creation for HSP's marketing department. She helps to manage proposal writing, conference presentations and public speaking engagements, and new business development and networking.





## Mike Christensen

*Senior Analyst*

Chicago, Illinois

Mike is a senior analyst at HSP who brings a wide range of project and market research experience to the team. His research contributes to historical performance profiles of existing facilities, economic and demographic analytics, market supply and demand interviews, and comparable facility profiles - all critical components of a strong market and financial feasibility study. He works with the team of analysts to gather and interpret market data from kickoff research and meetings to delivery of findings and recommendations.

His areas of expertise include arena and sports-related event centers, mixed-use and entertainment districts, youth and amateur sports complexes, hotels and convention/expo projects. These involve a deep understanding of the competitive supply and potential demand for local, regional and national usages. He has worked on more than 20 market, financial, and economic impact analyses, including incremental tax revenue analyses for a variety of transformative real estate development projects.

### Quick Facts:

Indiana University Kelley School of Business  
BS Finance and Real Estate '19

### Sports Complex & Stadium/Arena Study Experience

Mike assists on analysis and research for nearly all of the arena, entertainment, and sports-related studies conducted at HSP. His experience ranges from multi-purpose arenas and stadiums at the collegiate and pro levels to community recreation facilities and youth tournament complexes. Recently he has worked on reports in Green Bay, WI; Augusta, Tucker, and Newnan GA; Windsor, Colorado; Pawtucket, RI; and West Cook and Chicago, IL, among others.

### Mixed-Use & Entertainment District Experience

Mike has assisted on various mixed-use and entertainment district studies at HSP, as well as downtown tourism assessments and highest and best use analyses. Some of the recent studies he has contributed to include Sun Prairie, WI; West Memphis, AR; Sterling, IL; Tulsa, OK; Jackson, MS; Pittsburg, Kansas; Pawtucket, RI; Chester, PA; and Suffolk County, NY among others.

### Professional Sports Stadiums, Facilities, & Trends Database

Mr. Christensen also works closely with CEO Rob Hunden to prepare and update HSP's database for professional sports stadium facility trends and surrounding entertainment districts. Mike is a leading player in preparing HSP's annual "State of the Industry" presentations at the Association of Luxury Suite Directors (ALSD) annual national and international conferences. In 2019, He traveled to Dublin for the ALSD International conference to assist Hunden with the SOTI address.

### Hotel & Convention/Conference Center Experience

Mike has assisted on convention, conference and related hotel studies at HSP, as well as studied the economic realities brought about on hotel market trends from the COVID-19 pandemic. Some of the recent studies he has contributed to include Ogden, UT; Columbia, SC; and Houston, TX, among others.



### 3. Related Experience



# Professional Qualifications

## Boutique, Resort & Other Hotels

WS #5.

partners

Amarillo, TX - Autograph Hotel, 112 Rooms  
Aspen, CO - Hotel, 48 Rooms  
Basalt, CO - Hotel, 120 Rooms  
Bentonville, AR - 21c Hotel, 120 Rooms  
Boca Raton, FL - Boutique Hotel, 85 Rooms  
Carlsbad, CA - Resort Hotel  
Carrollton, TX - Hotel Complex, 250 Rooms  
Charlotte, NC - South End Hotel, 120-150 Rooms  
Chicago, IL - Castillo Hotel, 100 Rooms  
Chicago, IL - Presidential Towers, 250 Rooms  
Collier County, FL - Waterpark Resort, 500 Rooms  
Covington, KY - Boutique Hotel, 114 Rooms  
Durham, NC - 21c Hotel, 120 Rooms  
Elkhart, IN - Boutique Hotel, 90-120 Rooms  
Fort Worth, TX - Boutique Hotel  
Fulton County, NY - Lakeside Hotel, 90 Rooms  
Glade Springs, WV - Resort, 203 Rooms  
Kansas City, MO - Grand Hotel, 50 Rooms  
Lexington, KY - 21c Museum Hotel, 92 Rooms  
Lexington, KY - Horse Park Westin, 270 Rooms  
Louisville, KY - 21c Museum Hotel, 90 Rooms  
Louisville, KY - Galt House Hotel, 1,300 Rooms  
Milwaukee, WI - Palomar Hotel, 175 Rooms  
Parkersburg, WV - Blennerhassett Hotel, 89 Rms  
Rising Sun, IN - Rising Star Casino, 400 Rooms  
Rochester, MN - Downtown Hotel, 200 Rooms

Lexington 21c Museum Hotel



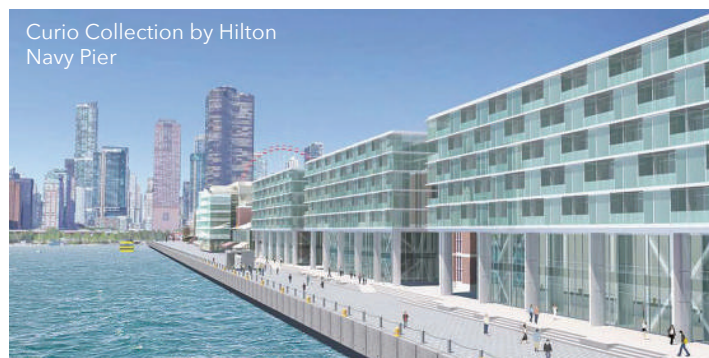
Santa Cruz, CA - Site Analysis, 120 Rooms  
Snowmass Village, CO - Viceroy, 173 Rooms  
Stevens Point, WI - SentryWorld Hotel  
St. Louis, MO - Green Street Armory District  
Tishomingo, OK - Boutique Hotel, 60 Rooms  
Whitesburg, KY - Boutique Hotel, 45 Rooms  
Wichita, KS - Commodore Hotel, 63 Rooms  
Winthrop Harbor, IL - Boutique Hotel  
Woodridge, IL - Avid Hotel, 95 Rooms



# Professional Qualifications

## Conference Center & Full-Service Hotels

Abilene, TX - Full-Service Hotel, 160 Rooms  
 Amarillo, TX - Herring Hotel, 157 Rooms  
 Belton, TX - Conference Hotel, 150 Rooms  
 Bentonville, AR - Conference Hotels, 300 Rooms  
 Bismarck, ND - Conference Hotel, 200 Rooms  
 Boca Raton, FL - Conference Hotel, 165 Rooms  
 Burbank, CA - Conference Hotel, 250 Rooms  
 Burr Ridge, IL - Full-Service Hotel, 178 Rooms  
 Charlotte, NC - NC Music Factory, 200 Rooms  
 Chicago, IL - Navy Pier Hotel, 225 Rooms  
 Chicago, IL - Sports District Hotel, 220 Rooms  
 Chicago, IL - Union Station Hotel, 320 Rooms  
 Columbus, IN - Conference Hotel, 140 Rooms  
 Corydon, IN - Conference Hotel, 150 Rooms  
 Covington, KY - Hotel Covington, 114 Rooms  
 Eastvale, CA - Downtown Hotel, 150 Rooms  
 Elkhart, IN - Downtown Full-Service Hotel  
 Evansville, IN - Hyatt Place, 139 Rooms  
 Fort Wayne, IN - Airport Hotel, 150 Rooms  
 Fort Worth, TX - Stockyards Full-Service, 200 Rms  
 Frederick, MD - Full-Service Hotel, 230 Rooms  
 Greenfield, IN - Conference Hotel, 100 Rooms  
 Gurnee, IL - Key Lime Cove Waterpark, 414 Rooms  
 Hampton, VA - HQ Hotel, 250 Rooms  
 Hopkinsville, KY - Full-Service Hotel, 100 Rooms  
 Idaho Falls, ID - Hotel Impact Analysis



Kansas City, MO - Ambassador Hotel, 113 Rooms  
 Louisville, KY - Arena Hotel, 425 Rooms  
 Louisville, KY - KFEC Hilton, 210 Rooms  
 Loveland, CO - Conference Hotel, 200 Rooms  
 Mansfield, TX - Conference Hotel, 200 Rooms  
 Morehead, KY - Full-Service Marriott, 115 Rooms  
 Muskogee, OK - Conference Hotel, 130 Rooms  
 Newport, WA - Conference Hotel, 100 Rooms  
 Omaha, NE - Blackstone Hotel, 170 Rooms  
 Owensboro, KY - Hampton & Holiday Inn, 150 Rooms  
 Peoria, IL - Castle Lodge, 175 Rooms  
 Peoria, IL - Pere Marquette Hotel, 280 Rooms  
 Paducah, KY - Conference Hotel, 124 Rooms  
 Skokie, IL - North Shore Hotel, 367 Rooms  
 Somerset, KY - Conference Hotel, 105 Rooms  
 Springfield, MO - Conference Hotel, 250 Rooms  
 St. Cloud, MN - Full-Service Hotel, 180 Rooms  
 St. Joseph, MO - Conference Hotel, 200 Rooms  
 Sun Prairie, WI - Conference Hotel, 150 Rooms



Ambassador Hotel, Kansas City



# Professional Qualifications Convention & Headquarter Hotels

WS #5.

hunden  
partners

Amarillo, TX - Convention Hotel, 300 Rooms  
Bangkok - Convention Hotel, 600 Rooms  
Bloomington, IN - Convention Hotel, 250 Rooms  
Branson, MO - Convention Hotel, 294 Rooms  
Bryan-College Station, TX - Conv. Hotel, 250 Rms  
Chicago, IL - McCormick Place, 800 Rooms  
Clearwater, FL - Convention Hotel, 350 Rooms  
Coralville, IA - Marriott, 250 Rooms  
Durham, NC - Convention Hotel, 390 Rooms  
Enid, OK - Convention Hotel, 125-150 Rooms  
Erie, PA - Bayfront Sheraton, 210 Rooms  
Evansville, IN - Convention Hotel, 253 Rooms  
Fort Wayne, IN - Courtyard by Marriott, 250 Rms  
Fort Worth, TX - Omni, 1,000 Rooms  
Fresno, CA - Convention Hotel, 400 Rooms  
Indianapolis, IN - Marriott, 615 Rooms  
Jeffersonville, IN - Convention Hotel, 225 Rooms  
Kalamazoo, MI - Convention Hotel  
Louisville, KY - Galt House Hotel, 1,300 Rooms

DoubleTree by Hilton, Evansville



Marriott, Indianapolis



Ramada Oasis, Springfield





# Professional Qualifications

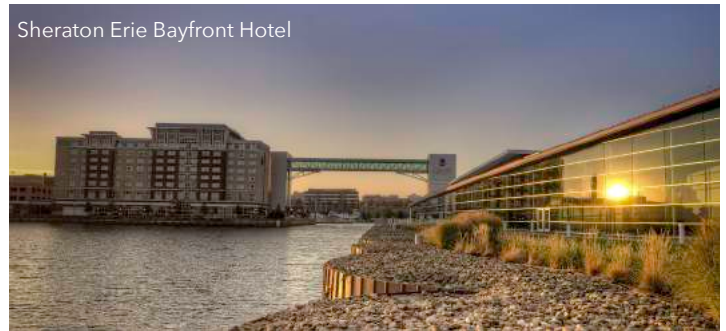
## Convention & Headquarter Hotels

WS #5.

partners

Madison, WI - Convention Hotel, 400 Rooms  
Memphis, TN - Convention Hotel, 1,000 Rooms  
Minneapolis, MN - Convention Hotel, 1,200 Rms  
New York, NY - The New Yorker Hotel, 1,000 Rms  
Osceola County, FL - Convention Hotel, 800 Rms  
Owensboro, KY - Convention Hotel, 150 Rooms  
Palm Beach County, FL - Conv. Hotel, 400 Rooms  
Paducah, KY - Convention Hotel  
Rockford, IL - Convention Hotel, 250 Rooms  
Salt Lake City, UT - Convention Hotel, 1,000 Rms  
Savannah, GA - Convention Hotel, 500 Rooms  
Sioux City, IA - Convention Hotel, 188 Rooms  
South Padre Island, TX - Convention Hotel  
Springfield, MO - The Ramada Oasis  
St. Joseph, MO - Convention Hotel, 200 Rooms  
Syracuse, NY - Convention Hotel, 350 Rooms  
Thornton, CO - Convention Hotel, 350 Rooms  
Tucson, AZ - Hilton Hotel, 400 Rooms  
Tunica, MS - Myriad Resort, 1,500 Rooms

Sheraton Erie Bayfront Hotel



Hilton, Branson



Fort Worth Omni



## References

**Name:** Bentonville, AR Multiple Hotel Projects

**Contact:** Brenda Anderson

**Position:** RopeSwing Group  
808 North Main, # 1  
Bentonville, AR 72712

**Dates:** 2017

**Services:** 21c Museum Hotel study and downtown select-service hotel study

**Phone:** 479.621.3757

**Email:** BAnderson@ropeswinggroup.com

**Name:** Sioux City, IA Multiple Projects Including Hotel

**Contact:** Marty Dougherty

**Position:** Economic Development Director, City of Sioux City  
405 6<sup>th</sup> Street  
Sioux City, IA 51102

**Dates:** 2014 – 2015; 2020

**Services:** Convention center hotel feasibility study and developer solicitation/selection process;  
Badgerow Building redevelopment developer solicitation/selection process

**Phone:** 712.279.6345

**Email:** mdougherty@sioux-city.org

**Name:** Springfield, MO Multiple Projects Including Hotel

**Contact:** Tracy Kimberlin

**Position:** President/CEO, Springfield Convention and Visitors Bureau  
815 E. Saint Louis St., Suite 100  
Springfield, MO 65806

**Dates:** 2015 – 2016; 2018

**Services:** Springfield Expo Center and hotel expansion study; Downtown convention center and hotel complex study

**Phone:** 417.894.7282

**Email:** tkimberlin@springfieldmo.org

**Name:** Frederick, MD Downtown Hotel Development Study

**Contact:** Rick Weldon

**Position:** President & CEO, Frederick County Chamber of Commerce  
118 North Market Street, Suite 200  
Frederick, MD 21701

**Dates:** 2019

**Services:** Downtown hotel market and economic impact study

**Phone:** 301.662.4164 x 203

**Email:** [rweldon@frederickchamber.org](mailto:rweldon@frederickchamber.org)

**Name:** Columbus, IN Hotel Study & Developer Selection Process

**Contact:** Heather Pope

**Position:** Redevelopment Director, Columbus Redevelopment Commission  
123 Washington Street  
Columbus, IN 47201

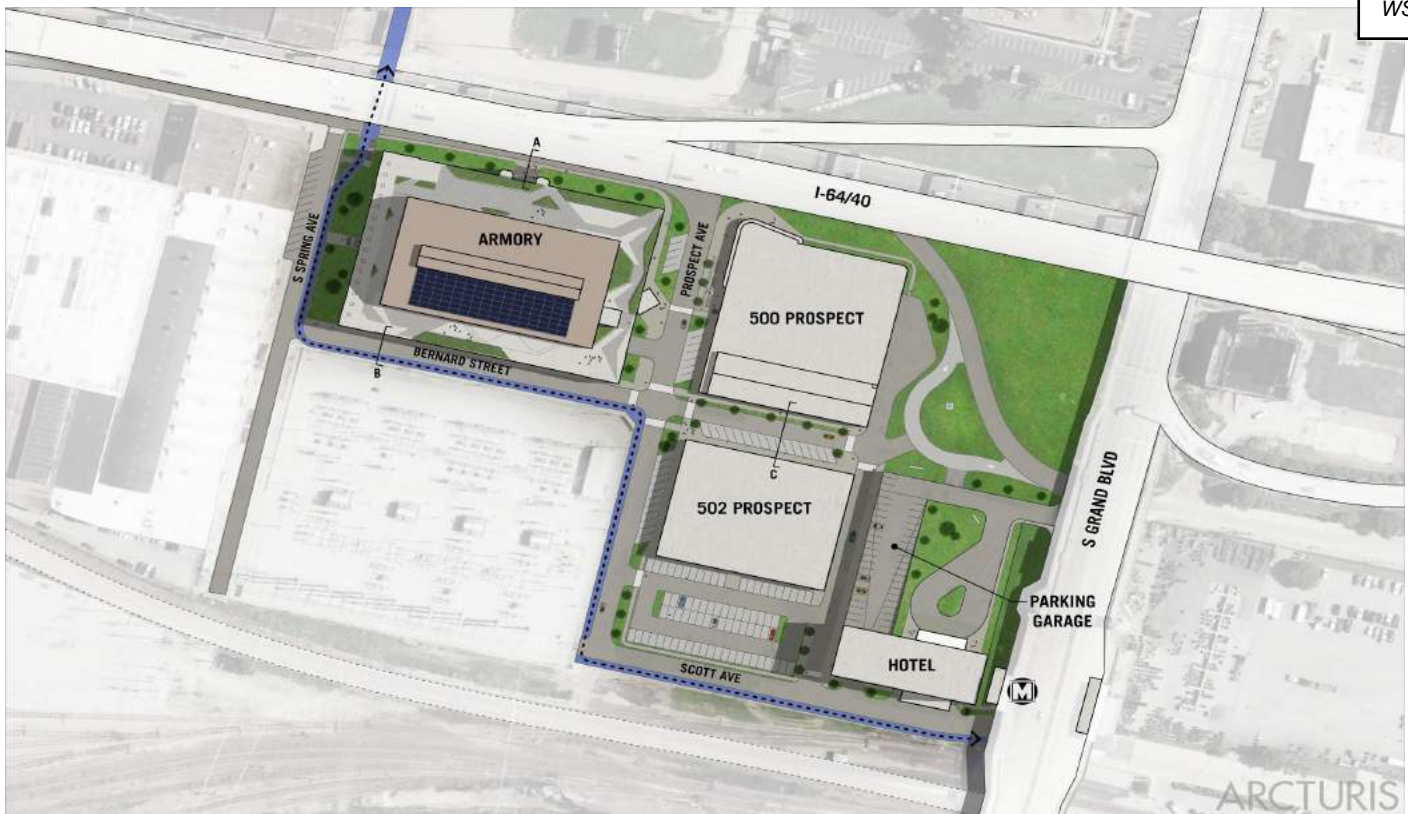
**Dates:** 2018 - 2020

**Services:** Conference hotel market, demand, and economic impact analysis; Developer solicitation and selection process

**Phone:** 812.376.2547

**Email:** [hpope@columbus.in.gov](mailto:hpope@columbus.in.gov)





## St. Louis Armory Hotel Feasibility, Fiscal Impact & Incentives Analysis

*St. Louis, Missouri*

HSP was hired by a private developer to perform a multi-phased mixed-use hotel market study, including feasibility and demand analysis for The Armory District Project in St. Louis. The Project proposed to redevelop the historic Armory Building into an Autograph-style hotel and to create a mixed-use district in the area. The client wanted to enhance the Cortex Business District as a destination for visitors, residents and businesses by creating a mixed-use district that included a new hotel to both attract and accommodate group, leisure and business demand.

In the first phase of the study, HSP was tasked with determining the initial high-level feasibility of the Project. HSP assessed the market opportunity in St. Louis as well as current and future hotel performance trends in St. Louis and across the United States. HSP profiled the competitive set of relevant hotels that will have the most impact on the proposed Project. In addition to the analysis of supply and historical market performance, HSP contacted stakeholders, local market experts, tourism officials, hoteliers and potential room night generators to better understand the opportunities and challenges associated with the proposed project. HSP reviewed funding tools available for the projected as well as incentives and tax credits. HSP's initial recommendations indicated support for the Project included a 107-room Autograph-style hotel with a rooftop bar. HSP also recommended commencing with a deeper-dive Phase II analysis in order to dial in the amenity details (parking rates, food and beverage plan, spa plan, etc.), to determine if space can be increased, and to run additional scenarios.

**Client:** Private Developer

**Time Period:** 2017-2018



## Downtown Hotel Economic & Fiscal Impact Analysis

*Frederick County, Maryland*

The Frederick County Chamber of Commerce retained HSP to conduct an update to the economic and fiscal impact analysis portion of the 2012 hotel market and economic study conducted by Crossroads Consulting Services. HSP assessed the local hospitality market analytics and ran the correlating economic impact models and projections. The ultimate goal of the process was to identify the gaps and opportunities in the local market and determine the optimal return on investment for the new downtown hotel.

HSP updated the demand and financial projections, as well as the economic, fiscal and employment impact analysis, from the study conducted in 2012.

At the end of the study, Frederick County had an updated comprehensive understanding of the viability and economic impact of the new full-service hotel and conference center, to be located in Downtown Frederick. Said project was proposed to include:

- Approximately 183 guest rooms,
- Approximately 167 public parking spaces,
- Meeting and pre-function space,
- Retail and restaurant space (including a rooftop lounge), and
- A fully renovated historic trolley building.

**Client:** Frederick County Chamber of Commerce

**Time Period:** 2019





## Morehead Hotel Impact Analysis

### *Morehead, Kentucky*

HSP completed a market, feasibility and impact study for the proposed Morehead Hotel. The project is proposed to be a newly constructed building consisting of approximately 115 rooms and 63,000 square feet. The building will sit on top of a parking garage with approximately 100 spaces. The overall project budget is estimated to be \$25.7 million. The maximum KTDA program rebate allowed is 25 percent over ten years, meaning as much as \$6.4 million.

The Morehead Hotel is proposed to be branded as a Fairfield Inn, which falls under the Marriott family of brands. The hotel will be connected to the Morehead Conference Center, making it the only hotel within five minutes of the conference center facility. The anticipated amenities include concierge services, a destination three-meal restaurant, fitness area, and a roof deck with an outdoor common area.

HSP's study and economic impact projections revealed that the proposed hotel does meet the requirements for the incentive program. The hotel's proposed location adjacent to the conference center is an asset, as the two facilities will be able to generate business activity for one another. The hotel will create new jobs, generate tax income, and provide the residents with a community asset to host meetings and guests.

**Client:** Kentucky Tourism & Heritage Cabinet

**Time Period:** 2019 - 2020



## Historic Barfield Building Hotel Redevelopment Analysis

*Amarillo, Texas*

Hunden Strategic Partners was engaged by a private developer to conduct a hotel market and financial feasibility analysis for the development of the Barfield Building in downtown Amarillo, Texas. The Barfield Building had been vacant since the early 1990s, and the Client sought to breathe life into the historic building with the following proposed project elements:

- 112 guest rooms,
- A restaurant and bar,
- A speakeasy,
- And meeting spaces.

The Barfield would be the third downtown hotel, but would be the only property that focuses on food and beverage as a profit center and offers a truly near-luxury boutique hotel room and service experience.

HSP's study included a profile of the proposed project an economic, demographic and tourism analysis of Amarillo, a detailed hotel market analysis - including a competitive hotel market analysis, as well as a 10-year operating projection for the proposed project.

**Client:** Private Client

**Time Period:** 2018





## American Tobacco Hotel Developer Selection Process

*Durham, North Carolina*

Capitol Broadcasting Company (CBC) is the developer/owner of the American Tobacco Historic District mixed-use campus in downtown Durham, which includes the Durham Bulls ballpark, significant office space, and the Durham Performing Arts Center (DPAC). In 2004, a redevelopment and restoration project was launched to transform the iconic American Tobacco Company's campus into a unique, mixed-use development. The goal was to invigorate the downtown area and preserve the historic fabric of the community. Included on the site was a 10,000 square-foot parcel that could be developed as a hotel. The development concept consisted of an urban 'wrapper' design that would wrap the DPAC parking garage on two sides with a potential hotel development.

HSP completed a comprehensive market and financial feasibility study for the proposed project under a number of scenarios, including as a limited service hotel, full-service boutique hotel and as a conference hotel.

HSP was then asked to help the owner select a development partner through a developer selection process. The process involved creating an RFP document for developers, managing the solicitation process, touring firms through the District, interviewing firms, creating financial structures, and advising on the financial structure for the project.

The process led to a successful hotel development in downtown Durham. The parcel in the American Tobacco Historic District is now a 134-room Aloft hotel.

**Client:** Capitol Broadcasting Company

**Time Period:** 2008



## Aloft Hotel at Newport on the Levee

*Newport, Kentucky*

HSP completed a market, feasibility and impact study for a proposed 150-room hotel to be located at the mixed-use district Newport on the Levee. The site is adjacent to the popular entertainment district that has become one of the top visitor attractions in Kentucky and in the Cincinnati area since it opened in 2000. What the attraction lacked was a hotel to accommodate those visitors who wanted to make the attraction into an overnight destination, a critical component to tourism spending.

HSP conducted the application review that the project developers submitted to the Kentucky Tourism Development Act program, which allows up to a 25 percent rebate on certain types of defined tourism projects that meet several hurdles. HSP has provided reviews of more than 30 projects, including multiple hotels and several projects in the Newport area. This project was developed by the same group that developed a similar hotel near the Kentucky Expo Center in 2003 (a 210-room Hilton Garden Inn).

The hotel proposal included up to 12,000 square feet of meeting and ballroom space and a full-service restaurant, to attract and accommodate groups to the hotel. The project was approved for the KTDA incentives and is now fully built and operational.

**Client:** Kentucky Tourism, Arts & Heritage Cabinet

**Time Period:** 2014





## Downtown Hotel Market & Economic Impact Study

*St. Cloud, Minnesota*

HSP worked with the City of St. Cloud to conduct a hotel market and financial feasibility study for a proposed hotel development at the Lady Slipper Lot Catalyst Site identified in the City of St. Cloud Comprehensive Plan. Hunden Strategic Partners determined the current, unmet and future needs of St. Cloud's community as it related to the appropriate hotel package by analyzing the opportunity and viability of a new hotel, including financial feasibility, return on equity, and optimal location.

The Lady Slipper Lot catalyst site is the largest surface parking lot located in Downtown St. Cloud. The site, spanning 2 acres, is proposed to house a number of development components, including office space, ground-level retail space, parking structure, greenspace, and a full-service hotel.

During the study, HSP assessed how the market, existing facilities, and competitive offerings would impact the opportunity for St. Cloud to leverage its existing strengths. The analysis provided an understanding of the amount of supply of and demand for hotel rooms in the vicinity and the ability of the City to capture new or unaccommodated demand. The study also involved an analysis of the Lady Slipper site, including visibility and access issues, and development cost estimates.

**Client:** City of St. Cloud

**Time Period:** 2017



## Downtown Hotel Feasibility & Impact Study

*Bentonville, Arkansas*

Hunden Strategic Partners worked representatives at the NWA Downtown Revitalization Fund to study the downtown hospitality market to determine if opportunity existed to develop a new hotel package.

The site was located at S.E. 8<sup>th</sup> and S.E. J Streets. The 9-acre site was within the Market District Neighborhood, adjacent to or within walking distance of the 8<sup>th</sup> Street Market (pictured above), several of Walmart's corporate facilities, the Plant (a place for contemporary arts), a mixed-use residential development, Urban Office Project, and NWA Razorback Greenway.

The proposed hotel was envisioned as an upper mid-scale hotel with limited function space, and an average nightly rate around \$150. The client was open to exploring the possibility of partnering with another business entity for the project. During the analysis, HSP assessed how the market, existing facilities, and competitive offerings would impact the opportunity for the client to leverage the existing strengths of Bentonville. The analysis provided an understanding of the amount of supply and demand for hotel rooms in the vicinity and the client's ability to capture new or unaccommodated demand.

Ultimately, the study's purpose was to attract and entice interest from select-service, extended-stay, and/or limited-service hoteliers, developers, leading institutions, management companies, and franchises by identifying the gaps and opportunities in the local market and determining the optimal return on investment. Fiscal impact studies for a variety of tax revenues, like this one, are part and parcel of HSP's practice. HSP made recommendations for the hotel project based on the detailed impact modeling.

**Client:** NWA Downtown Revitalization Fund

**Time Period:** 2017





## Historic Herring Hotel Renovation: Convention Center & Hotel Study & Developer Selection Process

*Amarillo, Texas*

Hunden Strategic Partners was retained by a private developer to determine the feasibility of renovating the historic Herring Hotel, located in downtown Amarillo, Texas into a new convention quality property. The City of Amarillo has attempted to construct a convention hotel for a number of years with no success. The Herring is located in close proximity to the Amarillo Civic Center and Globe-News Center for Performing Arts. The hotel, originally constructed in 1926, has been abandoned for a number of years.

The developer plans to convert the property into a 157-room convention quality hotel with an additional 30-40 residences attached. The property will have amenities not only to serve visitors, but the surrounding community as well. The development is seeking historic tax credits as well as incentives from the City of Amarillo.

HSP conducted a comprehensive hotel market analysis to determine the feasibility of locating a full-service hotel near the Amarillo Civic Center. The analysis also included a projection of the hotel's performance and a return on investment analysis.

**Client:** City of Amarillo

**Time Period:** 2012



## Blackstone Hotel & Mixed-Use Feasibility, Fiscal Impact & Incentives Analysis

*Omaha, Nebraska*

HSP worked with a private developer to conduct a thorough market analysis for renovation and expansion of the Blackstone Hotel in downtown Omaha. The renovation was proposed to include a boutique hotel with a rooftop deck and additional retail and restaurant offerings. HSP conducted a full hotel and mixed-use analysis including an economic, employment and fiscal impact analysis. HSP also assisted the client with identifying potential funding methods and conducted an incentives analysis.

Due to the strong performance of the Omaha hotel market in recent years, a variety of select-service hotel properties have entered the market. HSP considered supply and demand issues, competitive issues, cost of development and other factors.

HSP determined that the Blackstone could differentiate itself from the existing hotel market, and generate its own demand, by providing a unique lodging experience with robust F&B offerings and event spaces. A 170-key hotel with a rooftop bar was suggested as was unique function spaces for banquets and other social events.

**Client:** Private Developer

**Time Period:** 2018





## 21c Museum Hotel Market & Economic Impact Study

*Louisville, Kentucky*

Mr. Hunden completed the feasibility study and application review for the Kentucky Tourism Development Act (KTDA) tax incentive program for a proposed 21c Museum Hotel in Louisville. His work included a market analysis, financial modeling and impact modeling. The award-winning project is a 90-room boutique hotel and is unique in that it houses the developers' contemporary art collection and creates an interactive art experience throughout the hotel.

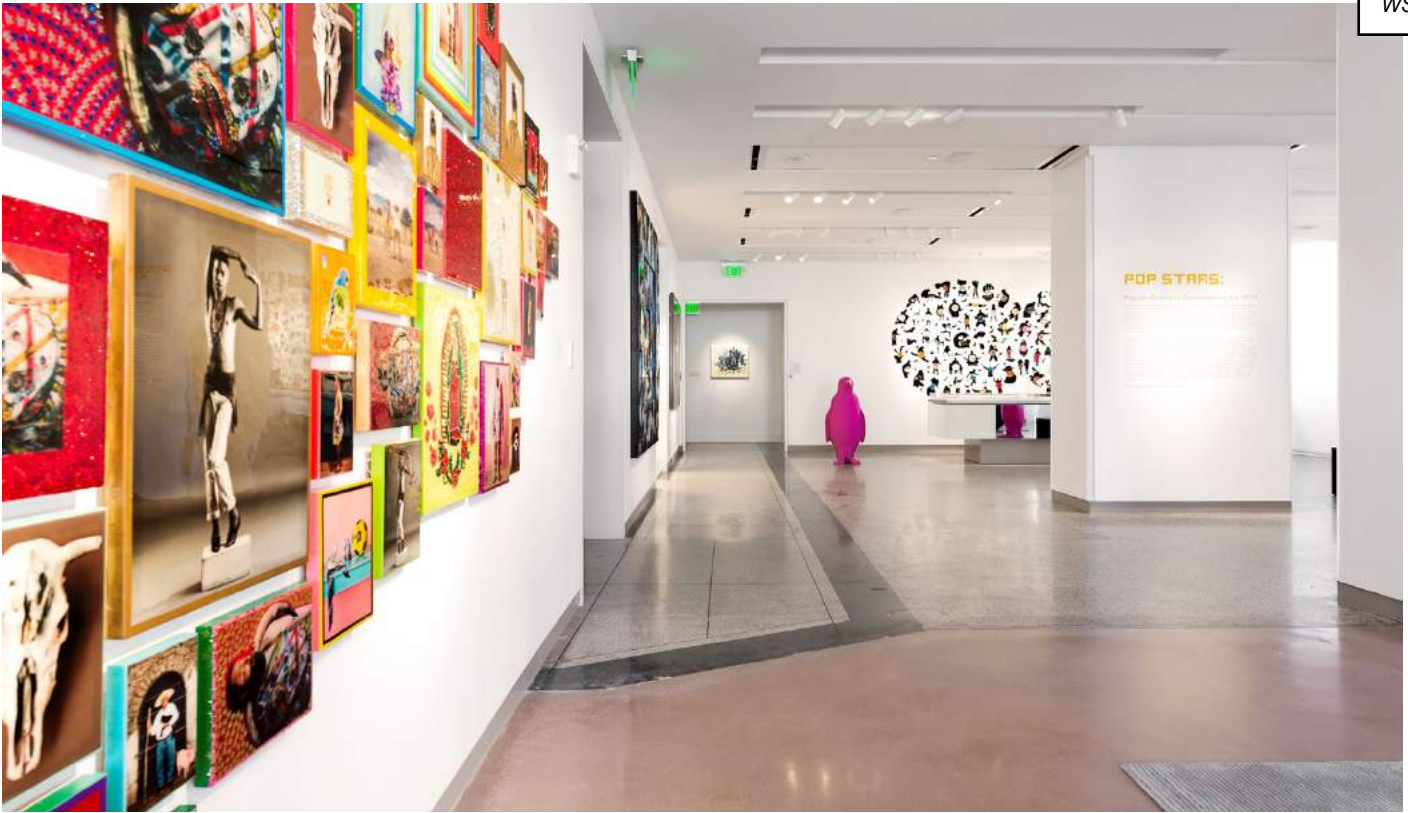
The idea behind the project was to renovate an historic structure, drawing more tourism, generating a cutting-edge cultural activity and inducing culinary tourism via a destination restaurant. A full analysis was conducted, including a survey of the art-travel world to understand the ability of the proposed hotel to induce demand to the market. An analysis was also conducted of the culinary travel market to understand the number of people annually who may travel from outside of Kentucky for a memorable meal at the proposed restaurant.

The 21c Museum Hotel, which opened in April 2006, is one of the only hotels of its kind in the U.S., featuring a contemporary art museum. It has outperformed the market in every measure. It has drawn a significant amount of positive press in travel, art and leisure magazines and the hotel was voted in 2009 as the Top Hotel in the United States in the *Conde' Nast Traveler* Reader's Choice Awards. The restaurant, Proof on Main, was selected as one of the best new restaurants of 2006 by *Esquire* Magazine.

**Client:** Kentucky Tourism & Heritage Cabinet

**Time Period:** 2003





## 21c Museum Hotel Feasibility & Economic Impact

*Durham, North Carolina*

Hunden Strategic Partners completed a hotel market and economic impact analysis for the City of Durham for the proposed 21c Museum Hotel. HSP's work included market analysis, financial and economic impact modeling. The project is a 125-room boutique hotel and is unique in that it is housed in the historic Hill Building and features rotating contemporary art collections.

The project is located in downtown Durham in close proximity to Carolina Theatre, Durham Performing Arts Center and Durham Convention Center. This centralized location will draw not only visitors from outside the community, but local residents as well. 21c will benefit the Durham by renovating a historic structure, drawing more tourism downtown, generating a cutting-edge cultural activity and inducing culinary tourism via a destination restaurant. HSP conducted a local hotel market analysis and competitive set review to understand how the project will compete in the market. HSP conducted an economic impact analysis to show how 21c would induce new visitors and spending to the City of Durham.

21c Museum Hotels began with one 90-room outpost in Louisville, Kentucky in 2006. The company has recently opened two new properties, a 156-room hotel in Cincinnati, Ohio and the 104-guestroom hotel in Bentonville, Arkansas.

**Client:** City of Durham

**Time Period:** 2013



## 21c Museum Hotel Market & Economic Impact Study

### *Lexington, Kentucky*

HSP completed the feasibility study and rebate application review for the Kentucky Tourism Development Act tax incentive program for a 21c Museum Hotel in Lexington. HSP's work included a market analysis, financial and economic impact modeling. The project is a 92-room boutique hotel and is unique in that it is housed in the Fayette National Bank Building and features rotating contemporary art collections.

The idea behind the project is to stimulate and activate Lexington's downtown area and benefit the local and state economies by renovating a historic structure, drawing more tourism, generating a cutting-edge cultural activity and inducing culinary tourism via a destination restaurant. A full analysis was conducted, including an analysis of how the original 21c Museum Hotel has induced economic and tourism impacts to Kentucky with its unique approach to hospitality.

21c Museum Hotels began with one 90-room property in Louisville, Kentucky in 2006. The first 21c Hotel has been recognized by Conde' Nast Travelers Reader's Choice Awards as the Top Hotel in America and its restaurant, Proof on Main, has been selected as one of the best new restaurants by Esquire Magazine.

After HSP's review, it was determined that the project met the requirements of the KTDA program, and incentives were subsequently approved.

**Client:** Kentucky Tourism & Heritage Cabinet

**Time Period:** 2012





## Stockyards District, Hotel Drover, & Cowtown Coliseum Analyses

*Fort Worth, Texas*

Hunden Strategic Partners worked with the Fort Worth Heritage LLC, a partnership consisting of Majestic Realty Co. and the Hickman Companies to conduct several market, financial feasibility and economic impact studies. The primary focus of the analysis was related to hotel, meeting/event and equestrian facilities, as well as the restaurant, retail and entertainment district. The study included local tourism analysis, recommendations for current and future utilization of the facilities, financial analysis and trends, demand and financial projections, and recommendations. Major focus areas were restaurants, retail, a destination hotel and a major cultural attraction. As part of the study, HSP also identified funding tools and conducted an incentives analysis.

The Fort Worth Stockyards National Historic District is a tourist destination comprised of attractions, entertainment venues, shopping, dining, lodging, and community events. Major recurring events at the Stockyards include Stockyards Championship Rodeo at the Fort Worth Cowtown Coliseum, Fort Worth Herd in front of the Visitors Center, and the Cowtown Opry shows.

In 2018, HSP was engaged again by Majestic Realty to conduct a market and financial feasibility study related to the development of new equestrian arena facilities in the historic Stockyards district. HSP analyzed the local and statewide supply of equestrian and rodeo facilities and assessing the market opportunity for the potential addition to the Stockyards. The Stockyards mixed-use development at Mule Barn Alley is currently under construction. The Hotel Drover, the 200-room hotel anchor for the refurbished Mule Alley, is set to open in early 2021.

**Client:** Fort Worth Heritage LLC

**Time Period:** 2016; 2018 - 2019



## Hotel/Motel Market & Demand Analysis

### *Fulton County, New York*

HSP worked with Fulton County to conduct a market and demand analysis for a new hotel/ motel development around the southern and western sides of the Great Sacandaga Lake in New York. HSP determined the current, unmet and future needs of the community by analyzing the opportunity and viability of new hospitality developments, including financial feasibility, return on equity, recommended programming and optimal location. The goal of the study was to attract interest from hoteliers and developers by identifying the gaps and opportunities in the local market and determining the optimal return on investment.

HSP assessed how the market, existing hotel facilities, and competitive offerings impacted the opportunity for Fulton County to leverage its unique assets, including the Vail Mills Development Area, Great Sacandaga Lake, and the Adirondack State Park.

The analysis provided an understanding of the amount of supply and demand for hotel rooms in the vicinity and the county's ability to capture new or unaccommodated demand. HSP made recommendations for new hospitality developments, as well as created financial projections for each proposed development.

**Client:** Fulton County

**Time Period:** 2017





## Carlsbad Hotel Feasibility & Impact Study

*Carlsbad, California*

Hunden Strategic Partners was engaged by the City of Carlsbad to conduct a comprehensive market, demand, financial feasibility, and economic impact analysis to determine the market opportunity for new hotel development within the industrially-zoned areas in Carlsbad.

HSP assessed the market opportunity in Carlsbad, as well as current and future hotel performance trends in California and across the United States. HSP profiled the competitive set of relevant hotels that will have the most impact on the proposed Project. In addition to the analysis of supply and historical market performance, HSP contacted stakeholders, local market experts, tourism officials, hoteliers and potential room night generators to better understand the opportunities and challenges associated with the proposed project. HSP reviewed funding tools available for the projected as well as incentives and tax credits.

HSP recommended two possible scenarios: 250-key and 100-key. The 250-key hotel included a grand ballroom, junior ballroom, and additional meeting space. The 100-key hotel included meeting space.

**Client:** City of Carlsbad

**Time Period:** 2018



## Hotel Feasibility, Fiscal Impact & Incentives Analyses

*Charlotte, North Carolina*

Hunden Strategic Partners worked with a private developer to conduct an evaluation of the Charlotte hotel market and the feasibility of a new hotel located near downtown. The hotel is to include meeting space as well as an artsy, edgy environment to complement the clubs, restaurants and music venues surrounding the site. The project is a boutique-style hotel consisting of 200 rooms and more than 20,000 square feet of meeting space.

The development site is at the NC Music Factory and is located one mile north of the Charlotte Uptown district. The development consists of restaurants, bars, performance space and film studios. To attract visitors to the area in the non-peak daytime hours, the developers are including meeting space to act as a catalyst.

HSP completed a full market and financial feasibility study that analyzed two competitive sets of hotels in Uptown Charlotte, including boutique hotels as well as standard full-service properties. The analysis also conducted a review of funding tools and potential incentives. The analysis also included profiles of other artsy, edgy hotels developed around the U.S. as well as profiles of a number of boutique hotel companies and brands that would potentially suit the proposed development.

**Client:** Private Developer

**Time Period:** 2012





## Blennerhassett Hotel Study

### *Parkersburg, West Virginia*

Mr. Hunden was hired by a private client and owner of the Blennerhassett Hotel in Parkersburg, West Virginia to study the opportunity for an expanded hotel. The expansion was to include additional rooms, potential conference and convention spaces, including ballrooms, meeting rooms and board rooms.

The Client desired to enhance the community as a destination for visitors, particularly groups, via an expansion that would include amenities optimal for the group and upscale market.

HSP performed a comprehensive hotel market analysis that also included an economic and demographic analysis, case studies, recommendations, and an economic impact analysis.

The analysis found that the area was lacking in adequate meeting facilities and that a high-quality venue would allow Parkersburg to attract events and groups to consider Parkersburg as a destination.

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**Client:** Private Client

**Time Period:** 2015





## Somerset Courtyard Convention Hotel Impact Analysis

*Somerset, Kentucky*

HSP evaluated an application to the Kentucky Tourism Development Act incentive program for a proposed convention hotel in downtown Somerset. The six story, \$11.52 million Courtyard by Marriott hotel was proposed to be adjacent to the Center for Rural Development. The purpose of the new hotel was to support the Center for Rural Development, a 100,000-square foot, multi-purpose facility that is the largest event facility between Lexington, Kentucky and Knoxville, Tennessee. The hotel design was based on the Courtyard by Marriott Proto-Model and was proposed to include the following elements:

- 105 guest rooms,
- Approximately 1,300 square feet of meeting space,
- Exercise room,
- Central food and beverage outlet, The Bistro, and
- Indoor pool and spa.

The study included a convention center and hotel market and feasibility analysis, the KTDA application review and an economic, fiscal and employment impact analysis. HSP determined that the application met all criteria needed to qualify for KTDA. The hotel was approved for incentives and construction began in spring of 2015. The hotel opened in 2017.

**Client:** Kentucky Tourism, Arts & Heritage Cabinet

**Time Period:** 2014



## Convention Center & Hotel Impact Studies

*Owensboro, Kentucky*

HSP evaluated two separate private developers' applications for the Kentucky Tourism Development Act (KTDA) tax incentive program to develop convention hotels next to a new convention and event center. HSP studied the viability of the convention center, as well as each hotel project, all three of which were funded and approved.

The City of Owensboro is located along the Ohio River at the Kentucky and Indiana border. In 2008, the 600-room Executive Inn and its 140,000 square feet of exhibit space were demolished, due to the decline in maintenance of the property and its outdated facilities. The city then began the process of redeveloping a meeting and hotel complex. The hotels are a 150-room Hampton Inn and 120-room Holiday Inn Express, both with full-service amenities such as restaurants and meeting rooms. The convention center is a \$60+ million facility with exhibit space, ballrooms and meeting rooms and all three will be open in 2014.

In its two analyses, HSP completed full market and financial feasibility studies for the hotels and the event center and determined the economic, fiscal and employment impact for the projects. HSP also reviewed the projects for compliance with the KTDA program and determined them to be eligible. Both projects were approved for incentives.

**Client:** Kentucky Tourism, Arts & Heritage Cabinet

**Time Period:** 2011; 2013





## Impact Analyses for Riverfront Convention Hotel Applications

*Paducah, Kentucky*

HSP evaluated two different applications to the Kentucky Tourism Development Act for development incentives in order to build a convention hotel in downtown Paducah. The first was an 83,000-square foot convention hotel, proposed to be located on 3.3 acres at a cost of \$18,550,000. The second was a six-story, 123-room Holiday Inn Paducah Riverfront, proposed to be directly adjacent to the Julian Carroll Convention Center, which had not had a hotel since the Executive Inn was demolished. The convention center is now known as the Paducah-McCracken County Convention and Expo Center. HSP's analyses of the two projects included:

- Convention Center history & future demand projections with the hotel,
- Comparable Facility Profiles and Local Competitive Hotel Analysis,
- Hotel Demand and Financial Projections,
- Projection of Net New Demand from hotel,
- Analysis of KY state tax increments, and
- Economic, Fiscal & Employment Impact.

As a result of the study, the net or incremental tax, employment and economic impact from the development was established.

**Client:** Kentucky Tourism, Arts & Heritage Cabinet

**Time Period:** 2014; 2015



## Real Estate Investment Advisory Services - Hotels

### *Chicago-Based Developer*

HSP has an ongoing contract with a Chicago-based developer that specializes in hospitality, interior design, branding and procurement to assist with real estate advisory services. These services include:

- Market and Financial Analysis,
- Physical and other Programming Advisory,
- Management and Other Agreement Advisory,
- Branding Analysis, and
- Others, as needed.

The real estate types that HSP has and will continue to generally advise on include:

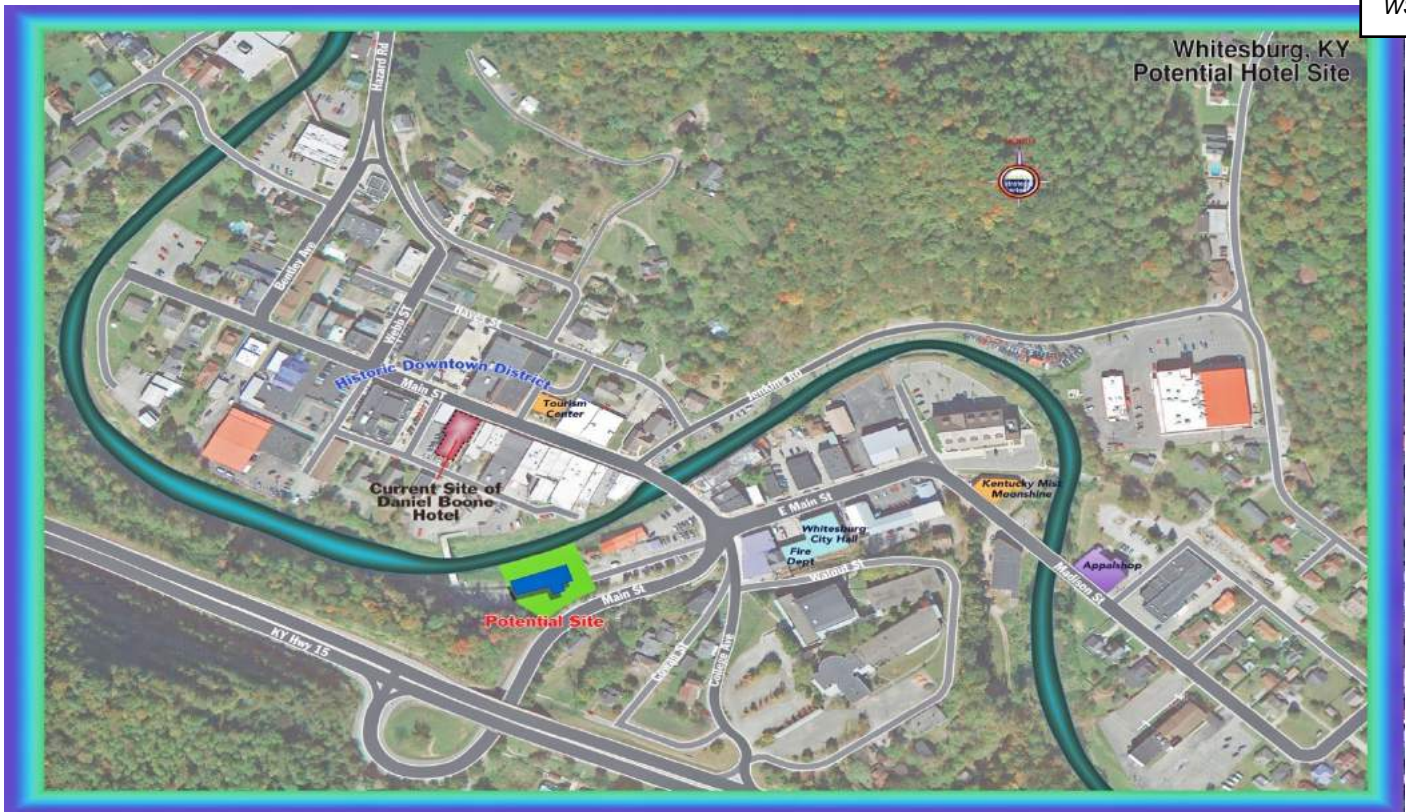
- Hotels and Hostels,
- Apartments (traditional, micro-apartments and others), and
- Mixed-Use Projects.

HSP recently examined the downtown markets of **Grand Rapids, Michigan; Minneapolis, MN; Indianapolis, IN; and Nashville, Tennessee**. HSP reviewed the quality, supply, and performance of the downtown markets to assist in determining the market opportunity. HSP also provided financial projections for various scenarios and assisted in the management selection process.

**Client:** Private Developer

**Time Period:** 2017 - Present





## Daniel Boone Hotel Redevelopment Feasibility Study

*Whitesburg, Kentucky*

Whitesburg, Kentucky retained Hunden Strategic Partners (HSP) to conduct a market demand analysis, financial feasibility and competitive analysis for the potential redevelopment of the Daniel Boone Hotel in Whitesburg, KY. The Hotel ceased service as a hotel in 1974 and has been vacant for over a decade. The project was envisioned as a 24- to 36-room boutique hotel and a priority of the Whitesburg community.

HSP provided a redevelopment feasibility study in hopes of restoring the hotel to enhance tourism and economic development. The study included assessing the current local and regional hospitality industry, profiles of existing facilities, a review of competitive and comparable hotels and demand and financial projections. HSP also conducted an economic, fiscal and employment impact analysis. HSP recommended that the hotel building be expanded to accommodate a total of at least 44 hotel rooms in order to achieve better financial feasibility and meet hurdles necessary for certain incentives.

In 2018, The City of Whitesburg Kentucky River Area Development District reengaged HSP to perform an update to the previous study, and to prepare a feasibility study and pro-forma for adaptive reuse options for the property. The study provided options for a phased project development approach and described options for potential occupancy as a mixed-use development.

**Client:** City of Whitesburg

**Time Period:** 2015-2016; 2018



## Downtown Redevelopment Master Plan

*Saint Joseph, Missouri*

The Missouri DREAM initiative allows cities in Missouri to access technical and consulting assistance in the development of their downtowns. As part of St. Joseph's study process, Hunden Strategic Partners was retained on multiple occasions. First, HSP completed the feasibility of expanding and improving the Civic Center to include an adjacent meeting facility as well as the feasibility of a hotel. Improvements to the existing Civic Arena were also included in the study. The current facility includes 19,000 square feet of exhibit space via the arena floor, seating for up to 4,200, no dedicated ballroom and approximately 4,000 square feet of meeting rooms. Up for consideration is a new events center that will include convention, conference and event space.

HSP completed the initial feasibility study in early 2008 and recommended the development of a small multi-purpose facility adjacent to the Civic Arena, as well as the development of a small full-service hotel of 120-rooms within an existing historic building. Finally, an expansion was recommended for the existing Holiday Inn. In the second analysis, HSP produced an overall downtown redevelopment plan that included the recommended improvements and a financial plan to bring the plan to fruition.

In 2019, HSP worked with professionals at SWT Design, Convergence Design and McClure to complete the Riverfront Development Master Plan for the City of St. Joseph. The master plan process included stakeholder workshops, market validations to help prioritize development plans, design alternatives, and final design strategies and recommendations.

**Client:** City of Saint Joseph

**Time Period:** 2007-2013; 2018-2019





## Convention Center Development Strategy & Expansion

*St. Charles, Missouri*

Mr. Hunden completed two studies for the City of St. Charles and the Convention and Visitors Bureau. The first was completed during the years leading up to the development of the St. Charles Convention Center and Hotel. The work included a full market and financial feasibility study for the project, as well as an economic impact analysis. The following additional elements were also completed during the process: Hotel analysis and recommendations, site analysis, TIF projection, financing and funding analysis, and negotiation assistance for Developer Agreement with John Q. Hammons.

The work was completed and the project opened in April of 2005. The facility, with a 16,200-square foot ballroom and 27,600-square foot exhibit hall has performed beyond its expectations and the results are a testament to the excellent management, strong destination components and conservative nature of the original studies.

HSP was hired in 2017 to complete a second study for the city, this time regarding an expansion market and financial feasibility analysis for the convention center. HSP determined the market opportunity for an expansion of the St. Charles Convention Center and adjacent hotel development. The results of the study concluded that an expansion of the convention center was feasible. The primary driver of this recommendation was the opportunity to attract highly impactful sporting events, including dance, cheer, wrestling, and gymnastics.

**Client:** City of St. Charles & the CVB

**Time Period:** 2002 – 2003, 2017



## Downtown Convention Center Hotel Market Analysis

### *Branson, Missouri*

The Branson/Lakes Area Chamber of Commerce and Convention and Visitors Bureau contracted with HSP to perform a market, feasibility, demand and opportunity analysis for potential hotel(s) connected or adjacent to the Branson Convention Center and/or in downtown Branson, Missouri.

HSP analyzed the opportunity and viability of a new hotel, including optimal location, financial feasibility, return on equity, and impact. The study also profiled existing and new meeting, hotels in Branson, and in the regional area in order to evaluate the current supply and market demand.

HSP recommended size, meeting space, type and number of guest rooms, rate range, facilities and amenities to be included in a potential hotel at one or more locations, that would best serve the community. HSP also made projections of the likely performance of the recommended facilities.

HSP recommended the development of a high quality select-service branded hotel. Given that the existing hotel is a full-service Hilton, the market had a gap of rooms at a slightly lower price point and service level, but higher than most of the lower-quality hotel product in the community.

**Client:** Branson/Lakes Area Chamber; CVB

**Time Period:** 2015-2016





## Convention Center & Hotel Feasibility Study

*Springfield, Missouri*

Springfield Convention and Visitors Bureau, in collaboration with the City of Springfield, Missouri, engaged Hunden Strategic Partners (HSP) to update its 2011 study and complete a new analysis for the development and expansion of convention and attached hotel facilities for the city.

The purpose of the study was to help the community understand if it investment to expand its current exposition center into a full-fledged convention center was viable. In addition, HSP considered the existing site and others for such a development. The need for a compelling hotel package was also considered and analyzed fully.

The report included a recommendation to add a ballroom, meeting rooms and a catering kitchen to the facility, making it a true convention center. In addition, HSP recommended a 200+room branded hotel adjacent. HSP also recommended the current management agreement and funding be restructured to improve the amount of activity at the facility.

**Client:** Springfield CVB & City of Springfield

**Time Period:** 2015 - 2016



## Ramada Hotel & Oasis Convention Center Expansion

*Springfield, Missouri*

Hunden Strategic Partners worked with the Ramada Oasis Convention Center in Springfield, Missouri to perform an analysis and recommendation as to whether the property should pursue new branding opportunities in concert or separate from a significant expansion and renovation of the property's hotel and convention center.

As it stands today, the hotel is of much higher quality than most of the Ramada's in the United States. HSP studied, under a proposed renovation and/or expansion, whether the convention center could connect the hotel to the adjacent convention center to allow visitors to gain access to both facilities via a climate controlled indoor walkway and how that would enable the hotel to improve its brand. The renovated hotel-convention center would be divisible into three section using an airwall and would be able to accommodate seating up to 1,200 guests.

HSP completed several market and financial models and scenarios, conducted a local and state meetings market analysis and talked to a number of brands, including boutique brands to determine the best options.

**Client:** Ramada Oasis Convention Center

**Time Period:** 2014





## Tishomingo Tourism Development Strategic Plan

*Tishomingo, Oklahoma*

Hunden Strategic Partners worked with the City of Tishomingo to conduct a market and tourism strategic analysis and plan for the City. The research included a local and area analysis of tourism assets and opportunities, examples of other small communities that developed their economies with tourism, and profiles of the meeting/convention and hotel industries, which are critical to long-term success.

Tishomingo is a community in south-central Oklahoma with about 3,000 residents. It is the historic capital of the Chickasaw Nation, which generates traffic, economic activity and investment. It has also seen a spark of life in downtown tourism related to the development of the Pink Pistol retail, owned by country star Miranda Lambert. Blake Shelton also lives in Tishomingo. He is also a major country music star and one of the stars of the popular television talent series “The Voice.” As a result of their presence and commercial activities, a number of tourists come to the town.

One of the goals of the study was to suggest future development efforts by both the community and the Chickasaw Nation in a direction that creates a strong tourism product. HSP profiled other small communities that were able to capitalize on early tourism success and re-invest in their assets for long-term growth and success. The original reason for the tourism influx may not continue (as evidenced by the divorce of the popular couple), so it is important for the community to invest in a long-term strategy to build a base of assets and package it can market successfully and build upon. HSP provided that road map for the community.

**Client:** City of Tishomingo

**Time Period:** 2014 - 2015



## Conference Center Market & Financial Feasibility Study

*Crawford County, Kansas*

HSP worked with design professionals at Convergence Design to identify the market demand and financial feasibility of a new conference center development for the Crawford County Convention and Visitors Bureau. HSP performed the study to ultimately assist the CVB in facilitating the design and development of a new conference center facility. The goal was to expand the types and sizes of events that the County is able to host and to encourage economic activity through the increased visitation.

HSP analyzed marketability, viability and optimal uses of the proposed project. The team also evaluated proposed site options, including adjacent to the Kansas Crossing Casino and at the north end of the County limits. Additionally, HSP included an assessment of proper sizing and amenities for the vital headquarter hotel component. In this type of development scenario, the event facility will not have optimal performance without a properly sized and formatted hotel.

The study revealed that there was a gap in the market for this kind of facility, which pointed to the opportunity for a successful small conference and event center development. HSP recommended a flexible facility with a minimum ballroom size ranging from 15,000 to 25,000 square feet, divisible into multiple sections. The market findings showed that Crawford County had an opportunity to create a successful, profitably-operated conference center, with the caveat that the emphasis must be placed on creating flexible space in a walkable environment to provide for meeting planner needs.

**Client:** Visit Crawford County

**Time Period:** 2020 – Present



## 4. Project Approach

## Project Understanding

The City of Moberly, Missouri (City or Client) is seeking to retain a qualified consultant to conduct a market demand and feasibility analysis for a potential hotel development (Project) in Moberly, Missouri. Hunden Strategic Partners (HSP) proposes to determine the current, unmet and future hospitality needs of Moberly by analyzing the opportunity and viability of a new hotel/lodging development, including financial feasibility, recommended programming, optimal location, and economic impact on the community.

The Project, as proposed by MASHBURN Development, is currently designed to include 57 guest rooms across 36,000 square feet. The Project is also proposed to include adjacent restaurant and meeting/event space. The proposed site for the Project includes a large building that used to be a bank, an old hotel, and the City's municipal auditorium. All of the buildings mentioned will be part of the Project complex and are proposed for meeting space, restaurant, and event space use.

The following images illustrate the site plan/layout and a rendering of the proposed Merchant Hotel.



HSP understands that the City of Moberly is in the process of reinvigorating the downtown area known as "The Depot District" (DD). A key element of the tourism strategic plan for the DD is the development of a boutique hotel replicating a hotel from the early 20<sup>th</sup> century to support visitor infrastructure. The City was founded out of a railroad auction that took place on September 27, 1866, so the new hotel will be branded to the railroad history of the City and its past as a cultural entertainment destination for both St. Louis and Kansas City. Currently, Moberly is a regional shopping location for many small communities who do not wish to travel to Columbia, MO. The City is also home to two small colleges, a hospital, a rural airfield, parks, golf courses, and other lifestyle amenities.

Ultimately, the City's goal is to determine if the Project is economically feasible as-proposed. HSP's report will provide the City with the various desired metric points to illustrate how the Project could operate successfully. HSP understands that the City has committed a variety of incentives to the developer to move the Project forward. The City intends to use HSP's study to attract investors and additional financial support for the Project.

HSP would like to assure the City that we will accomplish all of the scope of work tasks and deliverables outlined by the City in the Request for Proposal document:

- Market Demand Analysis
  - Determine hospitality market supply and demand
  - Competitive and comparable boutique facility assessment
  - Meeting space inventory/supply and demand
- Project Feasibility Study
  - Viability and Recommendations
  - Economic impact projections
- Financial Projections
  - Financial proforma for 20-year period

The Client has outlined the following objectives for the feasibility study:

- Ensure the demand for lodging facilities will support the proposed Project size – does the demand support an increase in lodging rooms beyond what is currently proposed?
- Ensure the demand for weddings, social events, banquets, corporate meetings, etc. will support the proposed Project size,
- Ensure the operational proforma will economically support the facility and is attractive to private investors, and
- Determine the estimated economic impact of the facility on the community.

With these objectives in mind, HSP's report will assess how the market, existing facilities, and competitive offerings will impact the opportunity for Moberly to leverage its strengths, especially as they relate to new hospitality developments. This analysis will provide an understanding of the amount of supply and demand for hotel rooms in the vicinity and the City's ability to capture new or unaccommodated demand.

Upon completion of the hotel supply and demand analysis, the Client will have an assessment of the area's strengths, weaknesses, opportunities and threats, specifically as they relate to key demand generators near the proposed site. HSP will then determine implications as to the validity of new hospitality developments, as well as create financial projections for the recommended facility. Should the projections exhibit a financial shortfall, HSP will make recommendations for possible public incentives and new infrastructure that may improve the Project's viability.

## Project Approach

HSP proposes a scope of work that meets or exceeds all the elements necessary for a hotel/lodging market feasibility analysis of this type. HSP is happy to discuss any changes to this scope and to modify the report organization and methodology as needed.

HSP's work plan is proposed to be organized as follows:

### Market Demand Analysis

- Task 1 – Kickoff, Project Orientation, and Interviews
- Task 2 – Economic, Demographic, and Tourism Analysis
- Task 3 – Hospitality Market Demand Analysis: Competitive and Comparable Facilities
- Task 4 – Meetings Space Market Analysis

### Project Feasibility Study

- Task 5 – Facility Implications and Project Feasibility
- Task 6 – Economic, Fiscal, and Employment Impact Analysis

### Financial Projections

- Task 7 – Demand and Financial Projections

## *Market Demand Analysis*

### Task 1: Kickoff, Project Orientation, and Interviews

Due to the present circumstances caused by the COVID-19 pandemic, a virtual kickoff plan is likely the safest and most appropriate way forward in the short-term. We have successfully operated with a virtual kickoff plan on other studies during the pandemic and are confident that the kickoff will yield a productive start to the study process. HSP is familiar with the site area, as we have traveled to the City's area and the surrounding region before for previous projects and studies. However, if the Client feels an in-person meeting or tour is necessary/required, HSP is willing and able to meet and tour in person.

HSP will outline a kickoff memo at the start of the analysis process to establish clear understanding and expectations between the consultant and the Client. HSP will work with the Client to prepare a robust, efficient and intense virtual kickoff plan. The kickoff plan will include the following tasks:

- Obtain information and data from the City of Moberly, the developer, tourism and economic development officials, and any other sources identified by the Client.
- Outline and determine overall objectives of the study with the Client and other appropriate stakeholders.

- Profile the proposed Project and outline the developer's plans, concept, costs, proformas, etc.
- Interview representatives, managers and owners of potential competitors in hospitality facilities, managers and owners of industry leaders in the region, and managers of tourist and recreational attractions in the region, as well as any other appropriate agencies.
- Review the site and surrounding area and virtually meet with the local officials, community leaders, and others identified in consultation with the Client.
- Review the various projects on which HSP professionals have worked, discuss their attributes, implementation and approach as part of the interview with the Client and others as previously described.
- Gather and analyze background information related to the project, including any previously completed meetings and hotel market analyses.
- Gather and review available economic, demographic and financial data.

## Task 2: Economic, Demographic, and Tourism Analysis

HSP will evaluate Moberly's position as an economic center of activity. HSP will consider how this activity generates overnight visitors. HSP will also summarize key demand generator trends and comment on the overall growth prospects for the market. This analysis will provide a realistic assessment of the strengths, weaknesses, opportunities and threats (SWOT) for the area's tourism assets. Among the data gathered and analyzed will be:

- Geographic attributes, accessibility, and transportation links,
- Trends in population growth and income,
- Corporate presence, major employers, and any significant future changes,
- Analysis of business and commercial development that may affect the performance of the lodging development,
- Higher education activity and implications for the tourism market,
- Cores of economic activity,
- Gaming activity,
- Major retail destinations,
- Arts, culture, and entertainment assets and activity,
- History and expected future trends for tourism, and
- General real estate trends, with special emphasis on mixed-use assets, entertainment, sports facilities and major demand generators.

HSP will also look at psychographic data, including ESRI neighborhood psychographics (Tapestry Demographics), specific to proposed sites. ESRI is an analysis tool which classifies U.S. residential

neighborhoods into 67 distinct segments based on demographic and socioeconomic characteristics and will help HSP assess the market in and around Moberly. HSP will also profile nearby developments, major roadways, development trends and other factors at play that will materially impact future development opportunity.

### Task 3: Hospitality Market Demand Analysis: Competitive and Comparable Facilities

In this task, HSP will interview local hotel and tourism management to determine the sources of demand for the market generally and for individual hotels in and around Moberly. HSP will gather local and regional tourism data from specific hotel, event, sports and meeting facilities and organizations. HSP will consider such annual events and seasonal tourism waves to examine how the existing hotels are or are not accommodating the type of demand that would like to visit the area.

**Local Competitive Facilities.** To accomplish these tasks, HSP will analyze the local hotel supply to determine number of rooms, price points, amenities, occupancy rates, location and age of the local competitive set. HSP will obtain data through interviews, local businesses, STR (Smith Travel Research) statistical reports, and a variety of industry resources.

The analysis will include:

- Profile of the local hotel market, including number, size and quality of hotels and performance trends,
- Additions to supply in and around the development area and relevant surrounding areas, and
- Character of supply and implications for ongoing success in optimizing tourism without spoiling the unique character of the area.

This will include tracking of occupancy, monthly room night demand, average daily rate (ADR), and Revenue per Available Room (RevPAR), and performance by:

- Year,
- Month,
- Week,
- Day of week,
- Seasonality,
- Unaccommodated demand, and
- Demand type/market mix.

HSP will discuss how new hotels have been absorbed into the market and how any additions or renovations have impacted the performance of the hotel market. HSP will provide conclusions on the ability of these improvements to induce more demand from each major market segment. Market segmentation within the set will also be shown in three primary categories:



- Commercial transient,
- Group (both corporate group, association, and other), and
- Leisure.

The local hotel market analysis will provide an understanding of where the current market stands and whether there is a gap between current supply and demand being generated by residents, visitors and business. Given the sensitivity to new development, there may be pent up, latent, or unaccommodated demand. This refers to demand that, due to lack of available dates, quality, quantity of rooms, amenities, compressed rates due to lack of supply, or desired location, may choose lesser accommodations or not choose to come to the area at all.

**Comparable Case Studies.** In this task, HSP will review competitive boutique facilities and related event space located in communities similar to Moberly, as available. HSP will focus on facilities developed in the U.S. in the last several years to learn lessons and imply smart programming and expectations. The number of case studies will be agreed upon by HSP and the Client during the kickoff but will likely total five to seven.

#### Task 4: Meetings Space Market Analysis

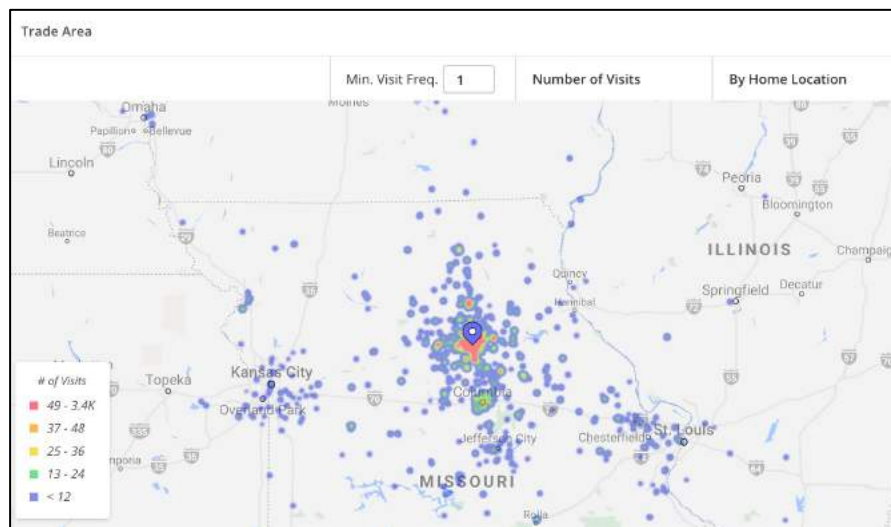
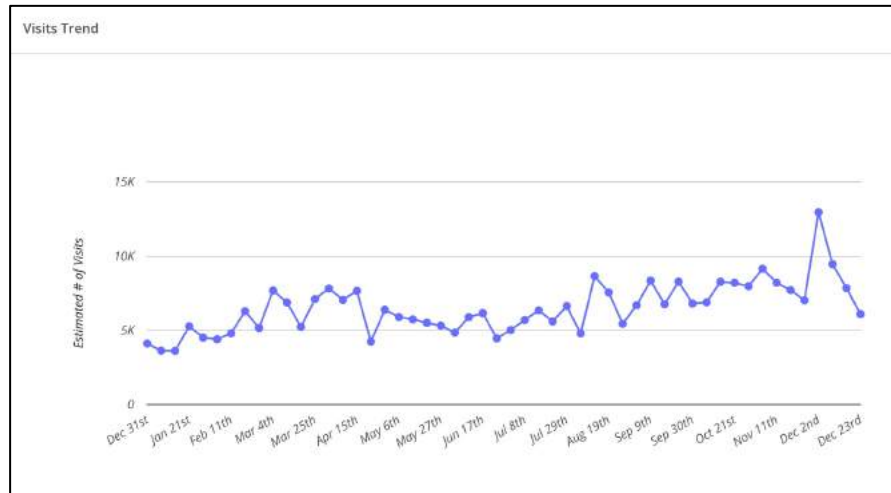
HSP understands that the proposed Project includes development of new event and meeting space to accommodate destination events like weddings, small conferences, tourism events and festivals, business events, etc. In order to determine the current market potential for this use, HSP will analyze the facilities that serve the meetings/event market in the region around Moberly, around the state of Missouri and the larger competitive region beyond. Included in the analysis:

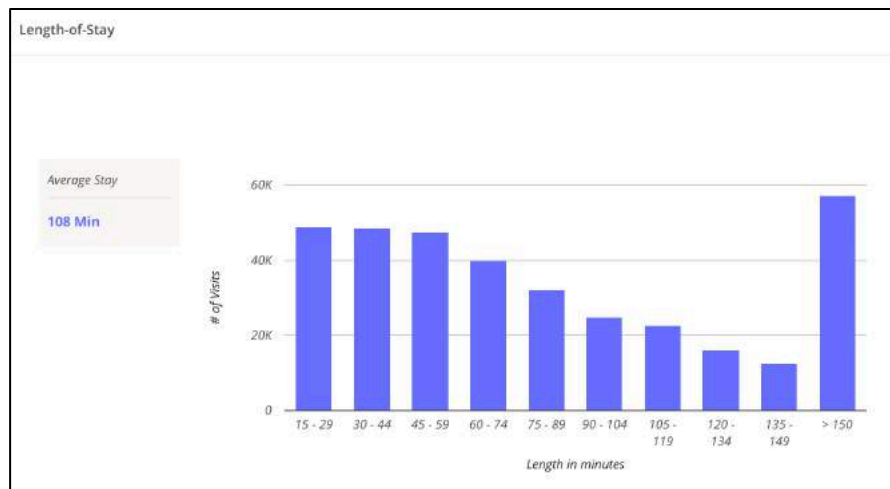
- Detail on the existing offerings in regional/competitive markets and peer/national markets and their suitability for meetings and events in Moberly and the region.
- Identify gaps in the market and discern whether new meeting and event space in a lodging development complex will fill the gaps.

HSP will study the regional/state market for the existing supply of space and any demand for additional space. The results of this analysis will yield implications for the meeting spaces (ballroom, auditorium, meeting rooms, board rooms, etc.) that should be included in the recommended Project.

HSP recently invested in **geofencing research technology** as a key resource to study location and foot traffic analytics for event venues, retailers and other relevant businesses. This tool is a critical investment that gives us an edge in helping destinations determine consumer behaviors and opportunities for development. With this tool, HSP has the ability to understand how busy comparable or competitive venues are compared to the Project area and to determine the comparable and competitive venues' primary trade areas (origin of customers). This information allows us to then understand and project how the Project will perform. This tool also allows us to determine the time of day and/or the day of the week that comparable and competitive facilities are busy, which leads to critical data.

We can create extreme custom data analytics and maps for any geographic place in the U.S., as exhibited by the following figures.





## Project Feasibility Study

### Task 5: Facility Implications and Project Feasibility

In this task, HSP will analyze the information gathered in the previous tasks and use it to determine what Project program is financially viable, will meet the Client's needs, optimize the market position and minimize risk.

Understanding the hospitality market, HSP will provide recommendations to enhance the success of the Project. HSP may speak to the following elements:

- Type of boutique lodging most suitable for the City,
- Optimal number and mix of guest rooms,
- Room configuration,
- Food and beverage concept,
- Amount, size and quality of meeting and other function spaces,
- Branding options, if any,
- Other facilities, services and amenities as appropriate.

Additionally, recommendations will also speak to potential public incentives (state and local) that could improve the viability and/or investment attraction for the project.

### Task 6: Economic, Fiscal and Employment Impact Analysis

HSP will conduct an economic, fiscal and employment impact analysis to determine the direct, indirect and induced impacts, including the tax revenues that will be generated by the addition of a new boutique hotel development in Moberly. HSP will also look closely at impact on local restaurants and retailers as

well as the impact the Project will have on hotel room nights. Based on the above analysis, a projection of net new direct spending will be tabulated. New spending is that spending that is new to the community as visitors come to Moberly due to the new hotel, spend the night, or otherwise spend time or money in the City. HSP will analyze the spending by residents (transfer spending) and discuss the amount that is recaptured. For example, due to the existence of activity generated by the hotel, economic activity occurs as residents pass up opportunities to leave the area to spend money. This is considered recaptured demand.

The net new and recaptured direct spending is considered the **Direct Impacts**.

From the direct spending figures, further impact analyses will be completed.

- **Indirect Impacts** are the supply of goods and services resulting from the initial direct spending. For example, an attendee's direct expenditure on a hotel room causes the hotel to purchase linens and other items from suppliers. The portion of these hotel purchases that are within the local economy is considered an indirect economic impact.
- **Induced Impacts** embody the change in local spending due to the personal expenditures by employees whose incomes are affected by direct and indirect spending. For example, a waitress at a restaurant may have more personal income as a result of the attendee's visit. The amount of the increased income that the employee spends in the area is considered an induced impact.
- **Fiscal Impacts** represent the incremental tax revenue collected by the Village of Skokie due to the net new economic activity related to the hotel. The fiscal impact represents the government's share of total economic benefit. Fiscal impacts provide an offset to the potential public expenditures required to host events. HSP will identify the taxes affected and conduct an analysis of the impact on these accounts and governmental units.
- **Employment Impacts** include the incremental employment provided not only onsite, but due to the spending associated with the hotel. For example, the direct, indirect and induced impacts generate spending, support new and ongoing businesses, and ultimately result in ongoing employment for citizens. HSP will show the number of ongoing jobs supported by the project and provide the resulting income and income taxes generated.

HSP uses one of the industry's most relied upon multiplier models, IMPLAN. This input-output model estimates the indirect and induced impacts, as well as employment impacts, based on the local economy. An input-output model generally describes the commodities and income that normally flow through the various sectors of the economy. The indirect and induced expenditure, payroll and employment result from the estimated changes in the flow of income and goods caused by the projected direct impacts. The model data are available by various jurisdictional levels.

## Financial Projections

### Task 7: Demand and Financial Projections

In this task, HSP will determine how the market will absorb the recommended lodging development over time, providing a twenty-year demand projection for each type of overnight accommodation. Ultimately the question HSP will answer is: How will the proposed hospitality development perform regarding occupancy, rate, and revenue per available room (RevPAR)?

HSP's approach to answering these questions includes a strong methodology. Hunden will:

- Perform a market penetration analysis for the proposed hotel and estimate future room-night demand, occupancy, and ADR,
- Include assumptions for competitive market demand growth, induced demand, recapture of demand, and unaccommodated demand based on earlier analysis and penetration and inducement capability of the proposed hotel,
- Each market segment will be assessed, including leisure, commercial, and group. Average rate for each segment will be analyzed and projected, and
- Project capture of existing demand from the competitive set and outside the set.

This methodology will result in a projection of occupancy, rate and Revenue per Available Room (RevPAR) for the proposed hotel(s) for the ten years of operation. These will then lead to a more detailed pro forma by line item.

Based on the projection of demand and applying several assumptions regarding room rates, food and beverage revenue and expense and other items, HSP will prepare a financial projection for the proposed facility. This financial analysis includes the following, based on the Uniform System of Accounts for hotels, commonly accepted throughout the industry:

- Estimate revenues by line item. Expenses directly related to the facility will also be projected for the period. The model will generate a proforma operating statement that includes the revenue and expense items, including the following:
  - Revenues: rooms, food and beverage, parking, other operated departments, space and equipment rentals and other income,
  - Departmental expenses: rooms division, food and beverage division, other operated departments,
  - Unallocated Expenses: administrative and general, marketing, utilities, maintenance and repair, and other expenses,
  - Other Expenses: branding and management fees, taxes, insurance, reserve for replacement and other expenses.

## 5. Deliverables



## Deliverables

HSP is prepared to perform the following services, as requested by the City:

- Project market demand: percentage of each market segment to be obtained with detailed projections by market segment including price point, occupancy, and length of stay;
- Conduct a project feasibility study to assess the proposed boutique hotel facility program and determine the overall market feasibility of the proposed facility;
- Determine the economic feasibility of the project from both an operational proforma and investor perspective;
- Perform a competitive analysis with like properties located within a similar community as Moberly with comparable demographics and a regional retail market; and
- Provide recommendations to enhance the success of the facility.

HSP proposes to compile the desired scope of work through the following deliverable milestones:

**Draft Analysis** – Having completed all of the tasks, HSP will compile the results into a PowerPoint-style draft analysis of its findings and recommendations, which will be presented electronically to the Client for review and comment.

**Final Analysis** – After receiving comments on the draft analysis, HSP will issue its final analysis incorporating the Client's comments. The final deliverable will provide the City of Moberly with documents that are ready to be shared with potential investors, financial institutions and others. If mutually agreed upon between the Client and HSP, HSP can present these findings at one final virtual meeting/Zoom presentation.

## 6. Fee Proposal

## Fee Proposal

Hunden Strategic Partners proposes to complete the scope of work for the following fixed-rate fee (totaling \$17,500) broken out by key scope deliverables:

- Market Demand Analysis: \$8,000
- Project Feasibility Study: \$5,000
- Financial Projections: \$4,500

Please note that the above fees are inclusive of all costs including materials, time, and report compilation. The fees do not include travel, as HSP anticipates an all-remote process due to the current COVID-19 pandemic. Any travel would be at cost.

## 7. Schedule

## Schedule

Hunden Strategic Partners proposes to complete the scope of work in draft format for the City of Moberly within six (6) weeks from the virtual kickoff.

HSP will provide ongoing updates and communication with the Client throughout the study process, to ensure the analysis is moving in a timely and appropriate manner.

The following chart illustrates HSP's proposed schedule and milestones broken out by task:

Proposed Schedule & Milestones	Week #							
	1	2	3	4	5	6	7	8
<b>MARKET DEMAND ANALYSIS</b>								
Task 1 - Kickoff, Project Orientation and Interviews								
Task 2 - Economic, Demographic, and Tourism Analysis								
Task 3 - Hospitality Market Demand Analysis: Competitive and Comparable Facilities								
Task 4 - Meetings Space Market Analysis								
<b>PROJECT FEASIBILITY STUDY</b>								
Task 5 - Facility Recommendation and Project Feasibility								
Task 6 - Economic, Fiscal, and Employment Impact Analysis								
<b>FINANCIAL PROJECTIONS</b>								
Task 7 - Demand and Financial Projections								
<b>Draft Analysis</b>						X		
Client Edits								
<b>Final Analysis</b>								X



# HOTEL MARKET FEASIBILITY STUDY PROPOSAL

## PREPARED BY

Jessica Junker - Managing Partner  
Core Distinction Group, LLC  
[j.junker@coredistinctiongroup.com](mailto:j.junker@coredistinctiongroup.com)  
920-740-1647





## LEADERSHIP

### LISA PENNAU

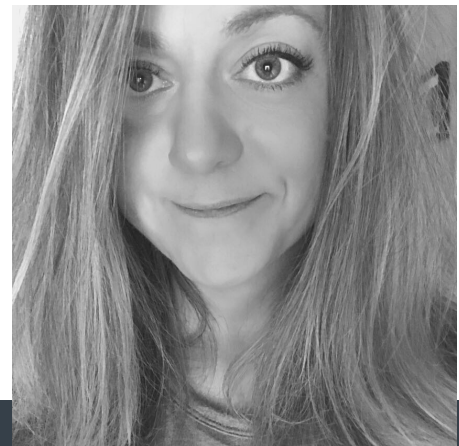
Mrs. Pennau offers more than 25 years of hospitality industry experience. From her beginning in the industry as a rental car agent at the airport in Oshkosh, Wisconsin where she worked while completing her degrees in both hospitality management and sales & marketing at the local college. Lisa moved on to work as a manager in training for Super 8 hotels in Wichita, Kansas and quickly was promoted to general manager of a Super 8 in Omaha, Nebraska. She was recruited by Baymont to become a traveling manager and served several Midwest distressed properties until moving onto work for Hilton as a General Manager at a Hampton Inn Minnetonka, MN. When that hotel sold, Lisa was promoted by the new owners to Regional Director of Operations for Pillar Hotels overseeing over 25+ hotels in the Midwest market both rural and metropolitan markets in the states of Minnesota, Wisconsin, Illinois, Iowa, North Dakota, and South Dakota. During the 10 years as Regional Director of Operations Lisa oversaw multiple brands as well including: Choice, Hilton, Hyatt, IHG, and Marriott. In her final year with Pillar she received the highest honor of Regional Director of the Year for highest performing hotels in all capacities including, revenue, operations, guest service score, turnover, etc.



### JESSICA JUNKER

Miss Junker offers more than 18 years of hospitality industry experience. From her beginning in the industry as a banquet server at a full-service hotel in downtown Green Bay, Wisconsin, to overseeing that very property as the manager in only a couple years. Jessica moved on to work as a Director of Sales at a Residence Inn by Marriott, Area Director of Sales with Interstate Hotels, and Regional Director of Sales and Marketing with Pillar Hotels working on the Sales, Marketing and Revenue Management of anywhere between 15 and 52 hotels with every major and not so major brand in the country.

After learning everything she felt she needed about running a hotel, she set her sights on what happens before a hotel is built and worked in many separate executive roles with-in an up and coming hotel franchise. Miss Junker offers hands on, expert knowledge in hotel operations, sales, marketing, training, contracting, development, construction, really all things hotels. She gained this knowledge from industry leaders like Marriott, Hilton, InterContinental Hotels Group, Choice Hotels, TMI Hospitality, Interstate Hotels, Pillar Hotels & Resorts, Cobblestone Hotels, Wyndham Hotels & Resorts, and many more.



## TESTIMONIALS AND REFERENCES

### URBANA, OH/CHAMPAIGN ECONOMIC PARTNERSHIP MARCIA BAILEY

"For quite some time we had been looking at the possibility of a new hotel in our community. We hired Core Distinction Group to perform a hotel feasibility study for us. Jessica did a great job in answering questions, touring the city and conducting demand generator interviews. Their analysis that was completed gave us the information we needed to begin the process of working on the project. We would highly recommend using their services."

### FAIRFIELD BAY, AR MAYOR PAUL WELLENBERGER

"I called Core Distinction Group with a need for a new Feasibility study and a pretty unrealistic time frame. We had interested investors and interested bankers, but they wanted an updated study reflecting the hotel specifics. Not only was Ms. Junker responsive, she and her team worked over the July 4th weekend to get us what we needed, when we needed it. I highly recommend this company. We had a study done two years earlier. That study cost twice as much, took twice as long and the product was not nearly as thorough and complete as what we received from Core Distinction Group."

### METAMORA, IL KEN MAURER

"Core Distinction Group did a great job for the Village of Metamora. The study was a quality study accepted by all of the hotel chains I contacted."

## ADDITIONAL REFERENCES

HUTCHINSON, MN - BRIAN FORCIER  
PHONE: 218-590-8205

ERIE, PA - TOM KENNEDY  
PHONE: 814-451-1100

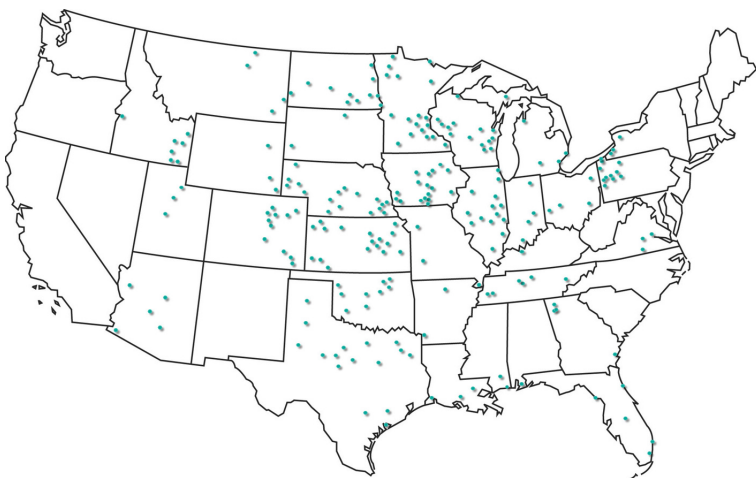
SAUK CITY, WI - VICKI BREUNIG  
PHONE: 608-643-3932

ST. MARY'S, PA - BOOKA HANES  
PHONE: 814-335-6405

WAYNE COUNTY, TN - CHRISTINE CHAPMAN  
PHONE: 931-722-3575

GLADSTONE, MO - JOSH BERGER  
PHONE: 402-405-1823

URBANA, OH - MARCIA BAILEY  
PHONE: 937-653-7200



# SCOPE OF WORK



Core Distinction Group takes immense pride in the work they do. Throughout each phase of our projects, we communicate with our clients on a weekly, if not daily bases. This ensures everyone involved in the project is up to date on the progress. We keep a very tight timeline on our projects. Each phase is well thought-out and followed consistently. The objective of this of our projects are to identify and determine the need for lodging in the community, the loss of lodging to the area due to lack of quality in or amount or lodging, as well as determine there is enough lodging to justify a hotel that makes good business sense. Below you will find each part and its timing in the process:

## RESEARCH & COMMUNITY OUTREACH

This phase involves speaking with community leaders to compile a list of potential demand generators in the local and regional community to conduct interviews during our Site Visit and Community Interviews. Research and Community Outreach is conducted with in the first 1 to 2 weeks following receipt of the retainer.

## SITE VISIT & COMMUNITY INTERVIEWS

This phase involves an in-depth local tour given by community leaders to help Core Distinction understand said community at this draw. The tour also includes detailed analysis of potential sites for the project. Following the tour, Core Distinction Group sit down and interview demand generators (gathered and scheduled during Research and Community Outreach) to develop knowledge and understanding of the community and its individual needs. This part of the process is conducted in 1-2 days, depending on number of in-person interviews.

## DATA COMPILATION

This phase of the process involves compiling all the data gathered during our visit to gain the overall picture of what is needed for the community. This phase also includes phone interviews and online surveys in case some demand generators could not attend in-person interviews. This phase is conducted in 2 weeks following our community visit completion.

## \*DATA RECEIVING & REPORTING

Once all the demand generator information is gathered, Core Distinction Group begins pulling industry data for target market as well as industry trends to help us gain a better understanding of the local and regional opportunity areas.

## COST GATHERING

This involves all things cost. Core Distinction Group gathers actual cost for the development, construction, financing, taxes, and all other ongoing cost associated with the specific project.

## PROJECT PROFORMA

Immediately following Development and Operational Cost Gathering, Core Distinction Group will take all information gathered in consideration to put together a project, brand, market and scale specific Proforma that is bank, investor, brand and developer friendly.

## DRAFT COMPLETION/SUBMITTAL









After Core Distinction has conducted it's visit, gathered all the potential demand information, industry data and construction/operating costs, they will complete the draft of the study and submit for review by contracted entity. Changes to the study may be made at this point but are limited to wording and grammar updates.

## FINAL

After all requested changes are made and after final payment is received, Core Distinction Group will submit a final draft of the Hotel Market Feasibility Study and Brand Specific Proforma to the community for distribution.

## ALL-INCLUSIVE PRICING

The cost the of a Hotel Market Feasibility Study for your community would be \$12,500. This fee would be all-inclusive and give you every tool you will need to bring a hotel to your community. Once your organization has decided to move forward in hiring Core Distinction Group, LLC to conduct your study, we will require a signed contract and 50% (\$6,250) non-refundable retainer. The remaining 50% (\$6,250) will be required prior to your organization receiving the Final Draft. If at any given point after the Site Visit and Community Tour, our company believes that a new hotel project in your community does not make good business sense, we will reach out to you to discuss. If after the discussion of all data with your organization, all parties believe that we have come to the proper determination, we will cease all project work and you will not be responsible for the remainder of the fee/cost. In addition, Core Distinction Group, LLC does not charge for additional time spend on the project after the competed (questions from investors, bankers, brands and so on). Core Distinction Group, LLC will also include one additional Proforma update with-in a year of the project completion at no additional charge (changes in fees or costs). Below you will find a breakdown of what is included in our pricing:

Travel - Airfare, Accommodations, Rental Car, Meals and any Out of Pocket Expenses	
Industry Reports	
Community Visit and Site Analysis	
Data Compilation/Gathering	
Hotel Market Feasibility Study Completion	
	Introduction/Objective
	Market Overview
	Site Analysis
	Economic Overview
	Lodging Demand Overview
	Community Interview/Survey Details
	Lodging Supply Overview
	Conclusion/Scale, Size and Amenity Recommendations
Financial Projections/Proforma ( 2 Separate Brand Specific Proformas )	
Total All-In Project Cost	\$ 12,500

# SUMMARY AND SAMPLES

## SUMMARY

With over 400 Hotel Market Feasibility Studies complete for municipalities and organizations across the United States, Core Distinction Group has developed a wonderful reputation for our professionalism, knowledge, and customer service. Each of our completed projects offer each person involved a complete understanding a detailed description of what makes the most business sense. Once your study is complete, you will have the pieces you need to develop a new hotel including but not limited to the following:

- Introduction/Objective
- Executive Summary
- Site Analysis
- Economic Overview
- Lodging Demand Overview
- Community Interview/Survey Details
- Lodging Supply Overview
- Conclusion/Recommendations
- Development Cost Breakdown
- Complete Financial Projections/Proforma



## SAMPLES

Please review the samples provided, following this page. We have included a sample of our Hotel Market Feasibility Study and a couple samples of our Financial Projections.

**CONTACT US TODAY TO SCHEDULE YOUR FIRST STEP TO DEVELOP A NEW HOTEL!**  
**JESSICA JUNKER - MANAGING PARTNER**  
 920-740-1647 J.JUNKER@COREDISTINCTIONGROUP.COM  
 WWW.COREDISTINCTIONGROUP.COM



# HOTEL MARKET FEASIBILITY STUDY

**PREPARED FOR**  
**SAMPLE**

**PREPARED BY**  
Core Distinction Group, LLC  
Lisa Pennau - Founding Partner  
[l.pennau@coredistinctiongroup.com](mailto:l.pennau@coredistinctiongroup.com)

Jessica Junker - Managing Partner  
[j.junker@coredistinctiongroup.com](mailto:j.junker@coredistinctiongroup.com)

Offices in Wisconsin

## **INCLUDES**

Introduction/Objective  
Community Overview  
Executive Summary  
Economic Overview  
Market Demand  
Site Analysis  
Lodging Demand  
Lodging Supply  
Projections  
Conclusion





Date

Contact Name

Title

Address

City, State, Zip

Dear ,

In accordance with our agreement, Core Distinction Group, LLC. has completed a Comprehensive Hotel Market Feasibility Study to determine if Wickenburg, AZ has the potential to support a new hotel. In addition, the aforementioned Study includes a complete Proforma based on construction costs and operating costs provided by the brand/s requested by you.

As in all studies of this type, the estimated results are based upon competent and efficient management and an effective marketing program and presume no significant change in the competitive position of the hotel industry from that set forth in this report. We have no responsibility to update this report for events and circumstances occurring after completion of our fieldwork and research conducted in June and July of 2020. These projections are based upon estimates, assumptions and other information developed from our research and we do not warrant that they will be attained. We did not consider the legal and regulatory requirements applicable to this project, including zoning, permits, licenses and other state and local government regulations.

This report has been prepared for your use and guidance in determining whether hotel development should be pursued in your community and to share with developers, hotel franchise companies, and potential lenders/investors. Neither our name nor the material submitted may be used in any prospectus or used in offerings or representations in connection with the sale of securities or participation interests without our express written permission.

Please do not hesitate to call if Core Distinction Group can be of any further assistance in the interpretation and application of our findings, recommendations and conclusions. We appreciate the cooperation you extended to us during the course of our agreement and look forward to working with you again in the future.

Sincerely,

Jessica Junker  
Partner



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## Introduction

The following Comprehensive Lodging Feasibility Study Report will review the potential development of a hotel in Wickenburg, AZ.

Intended Use - This report is to be used by the Client for determining feasibility and  
Intended User - Wickenburg, AZ is the only intended user for this report.

Core Distinction Group LLC (CDG) has been engaged to provide this Comprehensive Lodging Feasibility Study Report for the Wickenburg, AZ market area. This Lodging Feasibility Study provides an overview of information concerning the market area and the factors that would affect the possible development of a hotel facility in this community.

The consultant from Core Distinction Group LLC met with representatives of the community and the surrounding area to gather information pertinent to hotel development. Comprehensive research was performed and reviewed regarding the community's economic indicators, competitive lodging supply, and lodging demand generators. CDG performed field research to determine the relationship between the community and its lodging need. Economic indicators were studied to determine the stability and future growth potential of the general market. The research was conducted as a macro and micro market analysis of the Wickenburg, AZ and the areas immediately surrounding area to determine their viability to support the potential of a hotel development.

This report will present projections for stabilized hotel operation based upon current operating performance in the market area. Occupancy, Average Daily Room Rate, and Sales Revenue projections for the hotel were based upon a detailed review of the field research data. Also, recommendations as to the property type, suggested property size, services, and amenities were included. These projections and recommendations were based upon the market demand research for a potential lodging facility.

This report provides statistical and highlighted narratives to support the conclusions regarding the market area and its ability to support potential hotel development.

General Assumptions - For the purpose of this assignment, we assumed the proposed property will be operated as an upper-mid scaled to upper scaled, franchised hotel with a central reservations system that is fully-integrated with a recognized marketing platform. If this or any of the following are not followed, it could affect the overall feasibility of subject property.

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## Introduction (continued)

Operational Assumptions - For the purpose of this assignment, we assume the subject property would be managed by a professional Hotel Management Company at an industry standard fee between five and seven percent.

Franchise Fees - For the purpose of this assignment, we assume the subject property would pay franchise fees either quoted to Core Distinction Group, LLC by the developer or franchise representative. In the event that Core Distinction Group is not able to receive a quote, fees will be based on the franchise's registered Franchise Disclosure Document.

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## COMMUNITY OVERVIEW

For the purpose of this Comprehensive Hotel Market Feasibility Study, Core Distinction Group, LLC representatives gathered information and history about the market to give readers a brief summary. This section offers that Community Overview.

SAMPLE

## Community Overview and History

Henry Wickenburg came to the area in search of gold. He was rewarded with the discovery of Vulture Mine (1863-1942), where over 340,000 ounces of gold and 260,000 ounces of silver were found. There are still relics around the area that stand as a tribute to these early adventurers, as well as a walking tour around Vulture City, which is adjacent to the present-day Vulture Mine.

Ranchers and farmers discovered the fertile flood plain of the Hassayampa River and settled in the area. The Hassayampa River Preserve lets you escape to a literal oasis in the desert with lush, stream-side habitat that include many endangered birds and animals. Together, with Henry Wickenburg and the miners, they helped found the young community of Wickenburg in 1863. The Town of Wickenburg was incorporated in 1909.

It was a rough start for the town with Indian wars, mine closures, desperados, drought, and a disastrous flood in 1890 when the Walnut Creek Dam burst. Despite these trials and tribulations, the town continued to grow. In 1895 the railroad arrived in town. The historic depot still stands today as the Wickenburg Chamber of Commerce building.

Today, Wickenburg offers over 300 days of sunshine and is a true oasis in the desert. The area is known for its clean air, wide-open space, team roping capital of the world, dude ranches, tourism, and medical services sector.



## EXECUTIVE SUMMARY

For the purpose of this Comprehensive Hotel Market Feasibility Study, an executive summary will provide an overview of the document to follow. The Executive Summary will contain the following information:



Current Hotel Segment Recommendations for Market Studied



Current Hotel Size Recommendations for Market Studied



Current Rate Competition and Recommendations for Market Studied



Current Hotel Room Configuration Recommendations for Market Studied



Current Economic Impact of Hotel for Market Studied



Amenities Recommended to be offered at Hotel for Market Studied

Further detailed information on findings from research analysis conducted will be highlighted throughout this report. Further detail on the projections and conclusions can be found in the Projections section of this report.

## Executive Summary

**Property segment recommended** for the potential development of a hotel is an Upper Midscale hotel. This type of hotel would allow the property to be positioned properly at the subject site. It is anticipated that a new hotel would capture displaced Lodging Demand currently staying in markets surrounding Wickenburg, AZ. Additionally, the newness of the hotel should be well received in the marketplace. It's location will be ideal to serve Wickenburg and regional markets. This type of hotel would also be capable of adjusting rates to best fit the demand in the market and the seasonality of the area.

**Property size recommendation** of a newly developed hotel was researched to be between 80-90 guestrooms in this report. This would position it to be similar in room size average of 88 noted by the competitive set surveyed. The size would assist the property in achieving the Occupancy projections listed in this report. It is not advisable to over-build in this market at this time. Expansion of the hotel in future years could be considered as the market's Lodging Demand grows. Adjusting the room count will modify Performance.

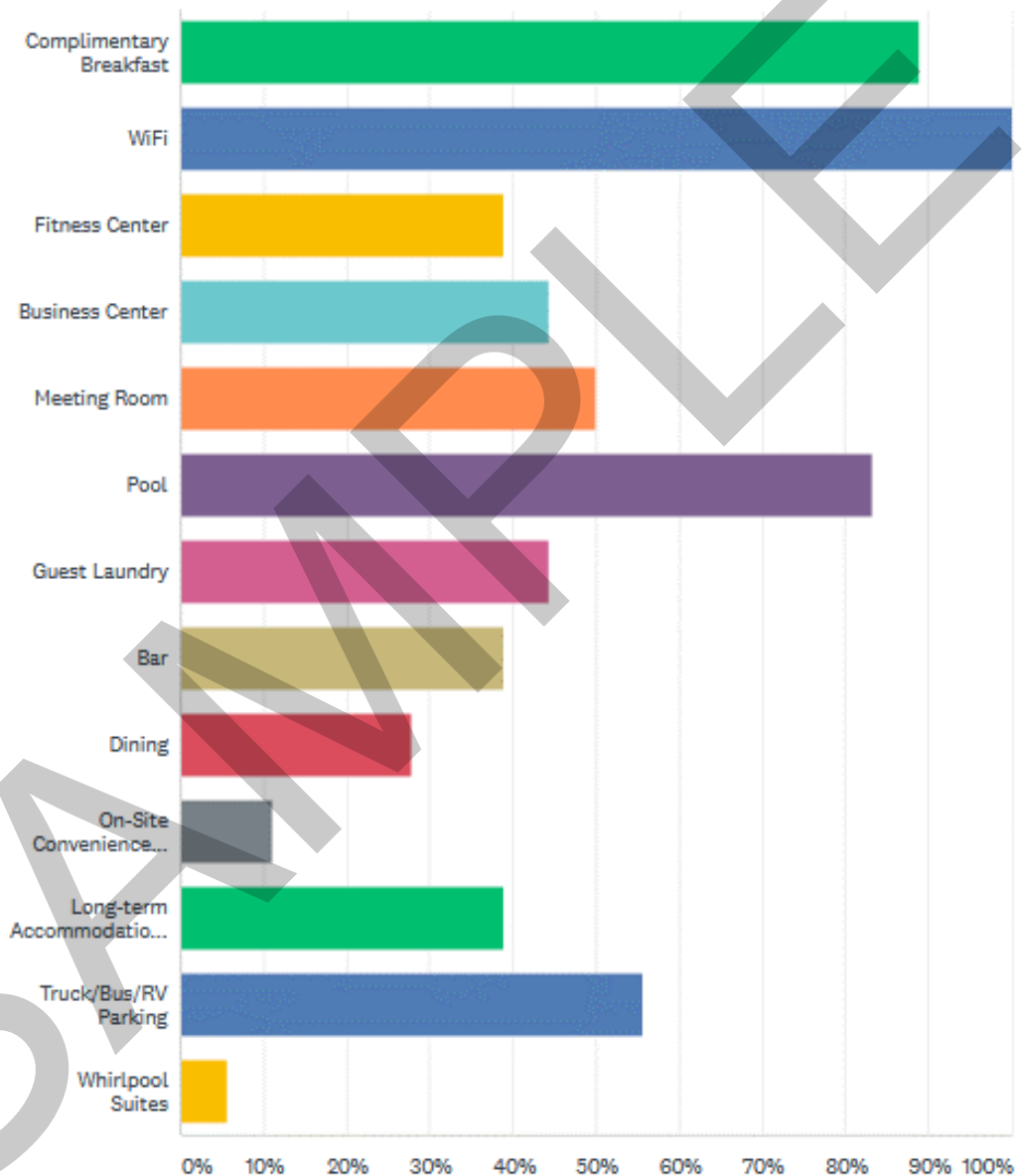
**Rate Competition** will be dictated by both the immediate market and regional market demand. With proper rate positioning the hotel should achieve a yield to the regional market hotels at 125% or greater during peak season and comparable at 100% during low season. Due to several factors, including but not limited to newness of product and brand recognition, and age.

**The recommended Sleeping Room Configuration** should be compatible with the overall Market Segmentation of the area. The property should offer a comparable selection of both single occupancy king bedded rooms to double occupancy double queen bedded guestrooms due to the mix of business in the immediate and regional market area.

**Economic Impact Potential:** There are multiple economic impacts of building and developing a new hotel in a community. Some direct impact drivers include projected hotel revenue including all rooms revenues, meeting room revenue, as well as vending/bar revenue. On Average, this size property will create 15-25 full time jobs, part-time employment varies by hotel need and hiring practices. Additional economic development will include taxes, which include all sales taxes collected on hotel revenue, as well as all payroll related taxes collected from full-time hotel employees and temporary construction workers. Local governments will also collect new property taxes from the operation of the hotel. Indirect Impact includes all jobs and income generated by businesses that supply goods and services to the hotel. A few examples of businesses that will indirectly benefit from the development of a hotel include suppliers of rooms related goods (housekeeping supplies, room amenities, etc.), telecommunication vendors (internet, cable, etc.), utility companies, food and

## Executive Summary (continued)

**Property features, amenities, and services** of the hotel should satisfy the market it is attempting to attract. Standard features and amenities required for a proposed hotel in this market should include:



## ECONOMIC OVERVIEW

For the purpose of this Comprehensive Hotel Market Feasibility Study, an Economic Overview will provide an overview of the economic condition of the market studied. The Economic Overview will contain the following information:



Available Economic Conditions Overview



Available Population Data



Available Census Data



Available Effective Buying Income Data



Available Workforce and Employment Distribution Data



Available Unemployment Data



Available Labor Supply and Wage Data

## Population

Wickenburg is a town primarily located in Maricopa County, Arizona with a portion in neighboring Yavapai County. According to the 2010 census, the population of the town is 6,363.

As of the census of 2000, there were 5,082 people, 2,341 households, and 1,432 families residing in the town. The population density was 441.7 people per square mile (170.5/km<sup>2</sup>). There were 2,691 housing units at an average density of 233.9 per square mile (90.3/km<sup>2</sup>). The racial makeup of the town was 91.76% White, 0.28% Black or African American, 1.18% Native American, 0.37% Asian, 0.12% Pacific Islander, 4.53% from other races, and 1.77% from two or more races. 11.02% of the population were Hispanic or Latino of any race. There were 2,341 households out of which 20.5% had children under the age of 18 living with them, 49.7% were married couples living together, 8.2% had a female householder with no husband present, and 38.8% were non-families. 33.8% of all households were made up of individuals and 18.3% had someone living alone who was 65 years of age or older. The average household size was 2.15 and the average family size was 2.72. In the town, the population was spread out with 19.9% under the age of 18, 6.2% from 18 to 24, 20.4% from 25 to 44, 24.8% from 45 to 64, and 28.7% who were 65 years of age or older. The median age was 48 years. For every 100 females, there were 89.1 males. For every 100 females age 18 and over, there were 84.9 males. The pregnancy rate is 95% higher than surrounding townships. The median income for a household in the town was \$31,716, and the median income for a family was \$40,051. Males had a median income of \$34,219 versus \$25,417 for females. The per capita income for the town was \$19,772. About 6.9% of families and 11.4% of the population were below the poverty line, including 11.5% of those under age 18 and 5.1% of those age 65 or over.

## Population (continued)

2010 Census Data	Wickenburg, AZ	Maricopa County
Population estimates, July 1, 2019	8,092	4,485,414
Population estimates base, April 1, 2010	6,527	3,817,365
Population, percent change - April 1, 2010	24.0%	17.5%
Population, Census, April 1, 2010	6,363	3,817,117
Persons under 5 years, percent	2.5%	6.2%
Persons under 18 years, percent	10.4%	23.5%
Persons 65 years and over, percent	40.7%	15.5%
Female persons, percent	53.6%	50.6%
White alone, percent	89.7%	82.8%
Black or African American alone, percent	-	6.4%
American Indian and Alaska Native alone, percent	6.6%	2.8%
Asian alone, percent	0.2%	4.6%
Native Hawaiian and Other Pacific Islander alone, percent	0.2%	0.3%
Two or More Races, percent	0.7%	3.1%
Hispanic or Latino, percent	12.3%	31.4%
White alone, not Hispanic or Latino, percent	80.6%	54.5%
Housing units, July 1, 2019	-	1,789,190
Owner-occupied housing unit rate, 2014-2018	74.1%	61.4%
Median value of owner-occupied housing units, 2014-2018	\$203,900	\$242,700
Building permits, 2018	-	30,779
Travel time to work (min), workers age 16 y	18.9	26.0

Source: US Census Bureau



## Effective Buying Income

Households by Income	2018
Median Household Income	\$47,564
Mean Income	\$68,467
<\$10,000	9.8%
\$10,000-\$14,999	8.8%
\$15,000-\$24,999	14.2%
\$25,000-\$34,999	5.5%
\$35,000-\$49,999	15.8%
\$50,000-\$74,999	16.1%
\$75,000-\$99,999	10.1%
\$100,000-\$149,999	11.8%
\$150,000-\$199,999	3.0%
\$200,000+	4.9%

Source: U.S. Census Bureau

## Workforce/Employment Distribution

by NAICS Codes (Wickenburg, AZ)	Percent (%)
Health care and social assistance	22.15%
Retail trade	11.97%
Construction	11.25%
Professional, scientific, and technical services	9.16%
Accommodation and food services	8.68%
Educational services	7.04%
Finance and insurance	4.68%
Other services, except public administration	3.73%
Arts, entertainment, and recreation	3.35%
Manufacturing	321.00%
Public administration	3.11%
Utilities	3.08%
Administrative and support and waste management services	2.94%
Real estate and rental and leasing	2.15%
Transportation and warehousing	1.64%
Management of companies and enterprises	0.62%
Wholesale trade	0.51%
Agriculture, forestry, fishing and hunting	0.44%
Information	0.27%

Source: U.S. Census Bureau

## Labor Supply / Wage Pressures

Arizona's minimum wage is set at \$12.00 (2020). The labor supply is felt to be above average to support a hotel development. The hotel could draw employment from the broad geographic area of Maricopa County or the surrounding counties to stay closer to home for work. The unemployment levels in the county do not appear to have the potential to place limitations on labor supply needed for this build. Wage pressures does appear to be a concern in attracting service employees for a hotel.

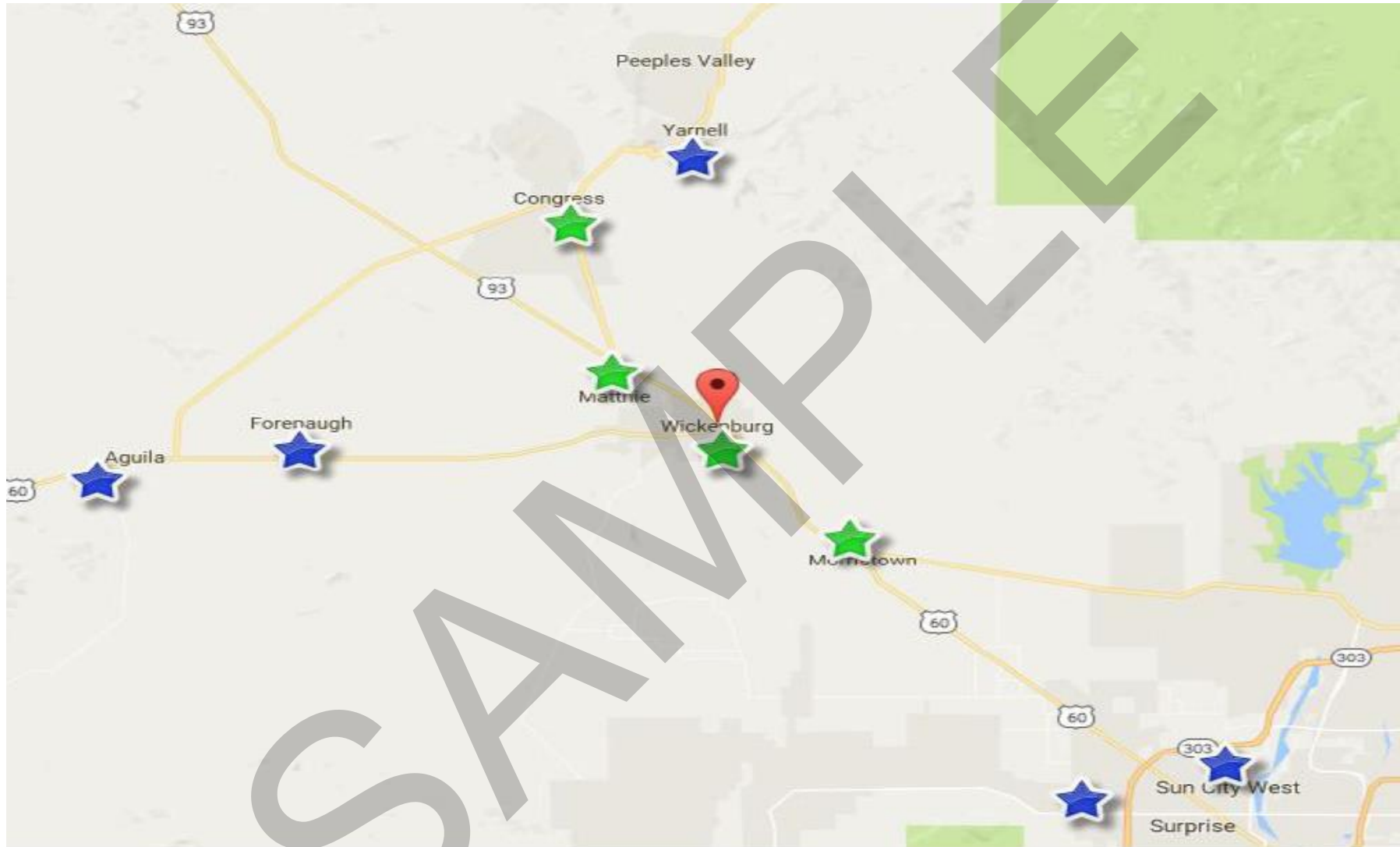
## Air Transportation

The nearest major airport is Phoenix Sky Harbor International Airport (PHX) 69 miles from the center of Wickenburg, AZ. Another major airport is Prescott Municipal Airport, Ernest A. Love Field (PRC) 70 miles from Wickenburg, AZ. Phoenix-Mesa Gateway Airport (AZA) 96 miles from Wickenburg, AZ.

## MARKET DEMAND

The economic vitality of the market and the surrounding markets or feeder markets, is an important consideration in forecasting lodging demand and future revenue potential. The market lodging demand area for a lodging facility is the geographical region where the sources of demand and the competitive supply are located. In the following document you will find a map of the estimated market lodging demand area for the subject market.

## Market Lodging Demand Area: (Focus Area of Sales Efforts of Additional Lodging)



★ Immediate Feeder Market

★ Secondary Feeder Market

\*\* Feeder Market = Outlying Community that feeds travelers into desired market (Sales Focus Area)

Source: Google Maps; TripAdvisor; Core Distinction Group, LLC.

# SITE ANALYSIS

For the purposes of this Comprehensive Hotel Market Feasibility Study, a representative with Core Distinction Group LLC evaluated all sites and, although a site has not yet been selected, we recommend that all the selected sites will be improved with a limited-service lodging facility. The potential locations are detailed in the following pages including analysis of each site.



Site Rating



Location



Land



Frontage



Topography



Drainage



Environmental Hazards



Ground Stability



Utilities



Parking



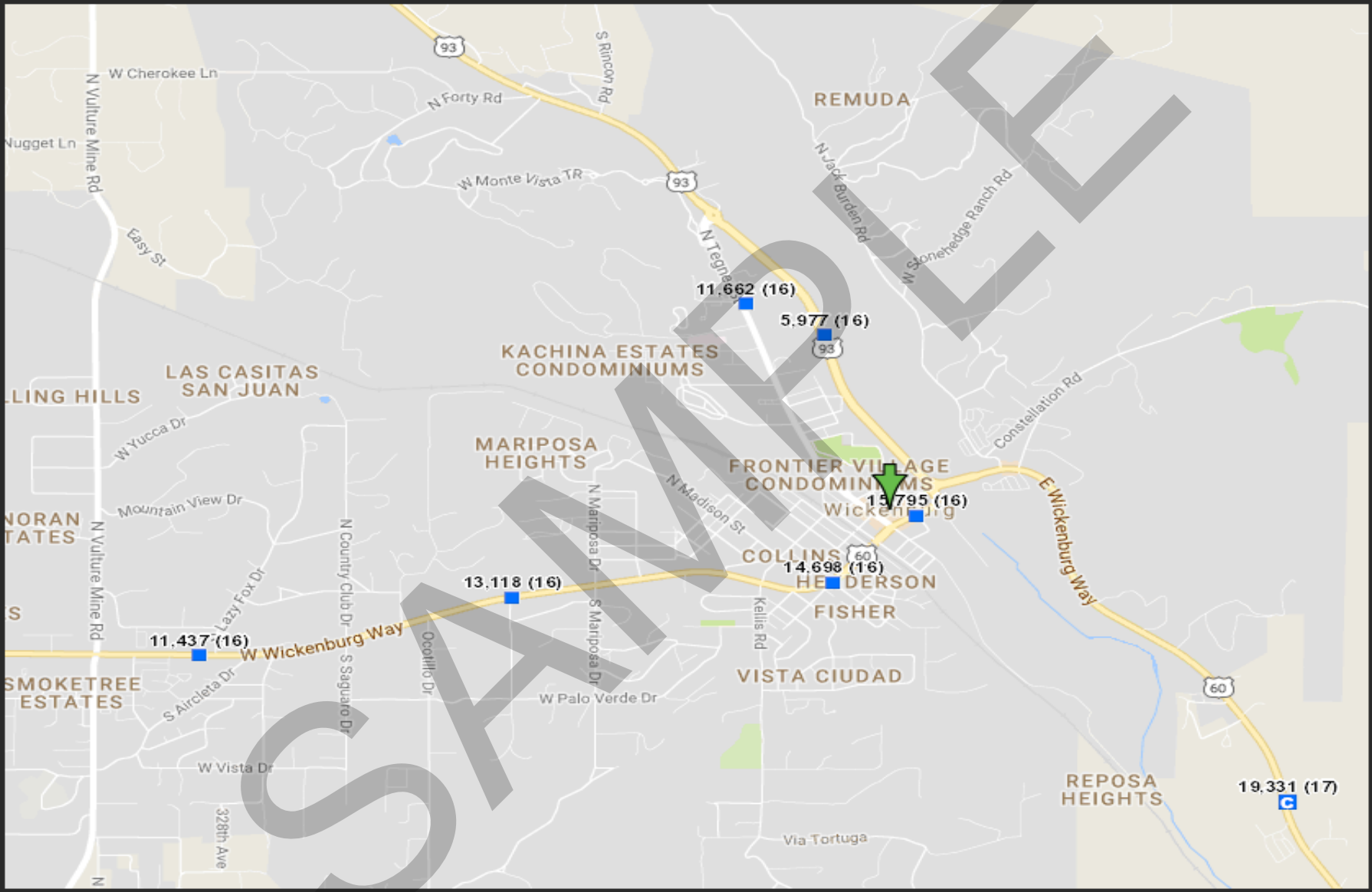
Easements/Encroachments/Restrictions

It is important to analyze the site with respect to regional and local transportation routes and demand generators, including ease of access. A detail of traffic information will follow the individual site information in this report.





Source - Arizona Department of Transportation



Source - Arizona Department of Transportation

(Site) - Located off Highway 60 on the South entrance of Wickenburg					
Visibility	1	2	3	4	5
Accessibility	1	2	3	4	5
Traffic Counts	1	2	3	4	5
Site Prep	1	2	3	4	5
Major Utilities	1	2	3	4	5
Zoning	1	2	3	4	5
Area Support Services	1	2	3	4	5
Demand Generator Position	1	2	3	4	5
Competition Position	1	2	3	4	5
Overall Result	93%			42	45

Location	Located off Highway 60, near downtown Wickenburg, AZ off Bass Rd.
Land Area	The recommended site size for proposed property is two to three acres. This site offers plenty of acreage.
Frontage	This proposed should offer frontage or high visibility from Highway 60.
Topography	The area offers many options with very little issues. The topography does not appear to have development issues at this time.
Drainage	No drainage issues were observed at the time of visit and none were disclosed to Core Distinction Group at the time of Site Visit.
Environmental Hazards	An environmental assessment report was not provided for review. However, these issues are out of Core Distinction Group's scope of work and expertise. It is assumed that property is not adversely affected by these hazards.
Ground Stability	A soil report was not provided for review. However, these issues are out of Core Distinction Group's scope of work and expertise. It is assumed that property is not adversely affected by these hazards.
Utilities	It is to the understanding of Core Distinction Group that water, electricity and sewer are available in the general area.
Parking	This area is assumed to offer a site that will be able to accommodate the appropriate number of parking spaces.
Easements, Encroachments and Restrictions	Core Distinction Group was not provided a title report on said site and was not made aware of any easements, encroachments or restrictions that would affect this site.







## LODGING DEMAND

For the purposes of this Comprehensive Hotel Market Feasibility Study, it is important to understand the overall demand of lodging in the market as well as surrounding markets. This section reviews need in the areas based on the following market segments:



SMERF Demand



Local Business/Corporate Demand



Area Events and Attractions Demand



Transient and Walk-In Demand

In addition to a breakdown and overview of the market's lodging demand segmentation, this sections also details the sources of said lodging demand and in some cases, identifies when the demand peaks.

## Market Segmentation Projection for Wickenburg, AZ are as follo

<b>Area Events &amp; Attractions Demand:</b>	<b>60%</b>
<b>Medical</b>	<b>25%</b>
<b>SMERF Demand (Social, Military, Educati</b>	<b>5%</b>
Social(Weddings/Events)	5%
Military	0%
Education (Sports/Other)	0%
Religious	0%
Fraternal	0%
<b>Local Business/Corporate Demand:</b>	<b>5%</b>
<b>Transient/Walk-In Demand:</b>	<b>5%</b>
<b>Total Need:</b>	<b>100%</b>

**SMERF Demand** - SMERF stands for social, military, education, religious and fraternal meetings. In communities where corporate meetings and business travelers keep hotels occupied on weekdays, SMERF business, which is predominantly weekend business, can fill rooms Friday through Sunday.

**Corporate Demand** - Corporate demand consists mainly of individual businesspeople passing through the subject market or visiting area businesses, in addition to high-volume corporate accounts generated by local firms. Brand loyalty (particularly frequent-traveler programs), as well as location and convenience with respect to businesses and amenities, influence lodging choices in this segment. Companies typically designate hotels as “preferred” accommodations in return for more favorable rates, which are discounted in proportion to the number of room nights produced by a commercial client. Corporate demand is strongest Monday through Thursday nights, declines significantly on Friday and Saturday, and increases somewhat on Sunday night. It is relatively constant throughout the year, with marginal declines in late December and during other holiday periods.

**Area Events & Attractions/Leisure Demand:** Leisure demand consists of individuals and families spending time in an area or passing through en route to other destinations. Travel purposes include sightseeing, recreation, or visiting friends and relatives. Leisure demand also includes room nights booked through Internet sites such as Expedia, Hotels.com, and Priceline; however, leisure may not be the purpose of the stay. This demand may also include business travelers and group and convention attendees who use these channels to take advantage of any discounts that may be available on these sites. Leisure demand is strongest on Friday and Saturday nights and all week during holiday periods and the summer months. These peak periods represent the inverse of commercial visitation trends, underscoring the stabilizing effect of capturing weekend and summer tourist travel.

**Transient/Walk-In Demand:** This demand can peak during any day of the week depending on the market. transient/walk-in demand is based on many factors including traffic through the area and potential overflow from feeder markets. This demand may include business and leisure travelers.

Identifying which segments have the potential to produce 80 percent of your hotel’s revenue is imperative to the success of developing these segments to ensure hotel is achieving fair market share. This starts with understanding the market in which any given hotel operates. A fundamental understanding of the competitive environment, key economic drivers and historical trends are essential to understanding which market segments are relevant. At this time, the proposed hotel should experience the same Market Segmentation as the overall market. The proposed hotel in Wickenburg, AZ, would be the newest hotel in the immediate regional area and would be positioned to serve a wide variety of Lodging Demand. Also, as a proposed upper midscale hotel, it would be able to flex rates and services to accommodate a full range of Lodging Demand identified.



Events (The events listed below are demand generators for leisure transient business)	
<b>January:</b>	Annual Silver Bit Classic Roping, heART of the West Gala, Del E Webb Performing Arts Center Shows, Weekly and Daily Team Roping and Rodeo Events at 7 Area Arenas
<b>February:</b>	Gold Rush Days, Gun Show, Western Heritage Days Ranch Rodeo, Ragnar Relay, Webb Center Gala, Del E Webb Performing Arts Center Shows, Weekly and Daily Team Roping and Rodeo Events at 7 Area Arenas
<b>March:</b>	Cowgirl Up, Arizona Junior Rodeo Association, Arizona Cowpuncher's Reunion Association, WHS Wrangler Classic Softball Tournament, National Team Roping Finals, Guys Who Grill, Del E Webb Performing Arts Center Shows, Weekly and Daily Team Roping and Rodeo Events at 7 Area Arenas
<b>April:</b>	Cowgirl Up, Annual DC Ride, Arizona Cowpuncher's Reunion Association, Literary Festival, Wild West Run, Del E Webb Performing Arts Center Shows, Weekly and Daily Team Roping and Rodeo Events at 7 Area Arenas
<b>May:</b>	Cowgirl Up, Out Wickenburg Way Street Dance and Food Truck Festival, Wickenburg High School Graduation
<b>June:</b>	Camp Imagination
<b>July:</b>	4th of July Celebration
<b>August:</b>	
<b>September:</b>	Fiesta De Septiembre
<b>October:</b>	Arizona School Rodeo Event, Annual Fly-In and Classic Car Show, Harvest Fest, Firearms Show, Gem & Mineral Show, Harvest Hurl & Pumpkin Chuckin', Breast Cancer Walk, Oktoberfest, Del E Webb Performing Arts Center Shows, Weekly and Daily Team Roping and Rodeo Events at 7 Area Arenas
<b>November:</b>	Annual Blue Grass Festival, Amigo Del Hospital Annual Trail Ride, Cops Who Care Community Tree Lighting, Jingle Bell Job, Del E Webb Performing Arts Center Shows, Weekly and Daily Team Roping and Rodeo Events at 7 Area Arenas
<b>December:</b>	Annual Cowboy Poetry Gathering, Annual Parade of Lights, Classic Car Show, Del E Webb Performing Arts Center Shows, Weekly and Daily Team Roping and Rodeo Events at 7 Area Arenas

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## Area/Regional Attractions:

**The Hassayampa River Preserve** - A 770 acre riparian nature reserve owned by the Nature Conservancy in the US state of Arizona, near Wickenburg in Maricopa County. The Hassayampa River has mostly subterranean flows for most of its 113 miles (182 km) length, the stretch contained within the Preserve has year-round flowing water. Now in partnership with Maricopa County Parks and Recreation, this area will become a 71,000 acre regional recreation area.

**Desert Caballeros Western Museum/Boyd Ranch** - A gem in the heart of historic Wickenburg, Desert Caballeros Western Museum's educates and enhances the appreciation & understanding of the art, history, cultural legacy and wonder of the Southwest!

Visitors have a unique opportunity to fully explore the quiet mystery and beauty of the Sonoran Desert. Rich with exceptional flora found nowhere else in the world and resplendent with artifacts from previous inhabitants, the Sonoran Desert offers visitors exceptional outings into the formerly "wild southwest." The desert guards the remains of Native American artifacts, 19th and 20th century miners, and hardy settlers. Hike or ride into the Hassayampa Wilderness from the Boyd Ranch for a trip into a world of quiet, rugged beauty. Staggering vistas, clear streams, and wildlife are close at hand.

**60 West Gallery** - Visit Wickenburg's fine art gallery, 60 West Gallery, located in historic downtown Wickenburg. 60 West Gallery offers art classes, art supplies, a framing shop, Giclee reproductions, and fine art for all ages to enjoy.

**Downtown Characters** - Take a walking tour of downtown Wickenburg as you visit six large bronze statues that each tell a unique piece of Wickenburg history. Along the way, keep your eyes peeled for 16 linking pieces that are uniquely colored and very realistic.

**Wickenburg Art Center** - View art at the Wickenburg Art Center Gallery in a variety of mediums including oil and acrylic painting, watercolor, sculpture, ceramics, stained glass, mosaics, photography, drawing, jewelry, mixed media, digital media, textiles, wood, basketry, clay, pastels, and weaving. The art club also offers educational programming, Tai Chi classes, open studio time, and three different clubs focusing on photography, writing, and clay.

**Wickenburg Parks** - The Parks, Recreation and Facilities Department offers year round recreation activities and special events providing a fun, safe, and enjoyable experience for all ages. The community offers trails, aquatics, recreation rodeo grounds, athletics fields, a community center and ten parks.

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## Area/Regional Attractions:

**The Del E. Webb Center for the Performing Arts** is a state-of-the-art 600 seat theatre dedicated to enhancing the cultural and educational richness of Wickenburg and our surrounding communities. Through a joint effort between the Wickenburg Foundation for the Performing Arts (WFPA), a group of local arts supporters, and the Wickenburg Unified School District a professional theatre was constructed in 2000 as an integral part of the Wickenburg High School campus. In recognition of a generous contribution made by the Del E. Webb Foundation, the theatre was honored to assume the name, Del E. Webb Center for the Performing Arts. The WFPA continues to raise funds through grants and donations enabling the Webb Center to remain on the cutting edge of sound and lighting technology and to expand its performance capabilities. The Webb Center opened for its inaugural season in the fall of 2001 and has successfully developed a body of work that includes public performances, educational outreach opportunities, after school classes, a summer arts camp and an extensive artist-in-residency program.

**Historic Walking Tour** - The Wickenburg Chamber of Commerce developed a self-guided tour that takes visitors on an easy stroll downtown filled with historical buildings, artwork, and more. Some famous stops include the Jail Tree, a railroad engine and caboose, the old Wishing Well, the Little Red Schoolhouse, and more.

**Vulture City Ghost Town** (Yarnell, AZ) - Founded in 1863 and once boasting a population of 5,000 people when the mine was in its heyday. Visitors are thrown back in time by the many faithfully restored buildings and remaining artifacts as they enjoy an easy walk down a 1/2 mile gravel path.

**Little Red Schoolhouse** - The Garcia School, also known as the Little Red Schoolhouse or the Garcia Little Red Schoolhouse, was built of red brick in 1905 on land donated by a local pioneer named Don Ignacio Garcia, who is now considered to be the "father of Wickenburg education". Nestled in the center of Wickenburg is a "one-room" schoolhouse built in 1905. First a school for 75 years, then a local bank branch, today it houses the nonprofit organization Wickenburg Children's Cultural Organization (WCO). Through the Garcia Little Red Schoolhouse, the WCO now has even more opportunity for the community to have a gathering place for local events through the use of the newly-improved facility, beautiful park setting, the only open air basketball court downtown, and the lovely gazebo!

## Area/Regional Attractions:

**Team Roping** - Team ropers love Wickenburg, and during the months of November through April you'll find cowboys & cowgirls throwing their loops at various arena locations. Some of the arena venues include: Rancho Rio Arena, Simpson Ranch, Downtown Arena, Everett Bowman Rodeo Arena, Western Trails, Horns & Hooves Arena and Silver Bit Arena.

**Arizona Horse Company** - Providing premium trail rides and horses in Arizona and Utah at beautiful, one of a kind locations. Riders of all ages and experience levels, from greenhorns to horseman, enjoy riding with authentic cowboy trail guides, as they enjoy the memorable journey through the beautiful western scenery on horseback. An estimated 80,000 + hikers visit annually.

**BC Jeep Tours** - Offering several popular tours in the Wickenburg area. Each tour can accommodate groups up to 16 passengers. They offer the following tours:

**Box Canon Tour (2.5 to 3.5 hours)**

**Scenic Loop Drive (1.5 to 3 hours)**

**East Side of Vulture Peak (1.5 to 3 hours)**

**Many other personalized tours.**

**Vulture Peak Trail** - Seven miles south of Wickenburg, Arizona, is a short but steep trail that takes hikers from the base of Vulture Peak (2,480 feet) to a saddle (3,420 feet) just below the summit in only two miles. From this point, experienced hikers can scramble up an extremely steep and narrow chute to the summit of Vulture Peak itself (3,660 feet). The final ascent is not maintained and should be attempted only by experienced and well-conditioned hikers.

**Vulture Mountain Recreation Area** (Yarnell, AZ) - Out of the 1,046 acres of land leased, approximately 98 acres, or 9.5 percent of the total acres, will be developed. The includes many phases. The park will include new facilities, trails and grounds for day use.

**Wickenburg Mountain OHV Trail** - 51.8-mile lightly trafficked point-to-point trail that offers the chance to see wildlife and is rated difficult. The trail is primarily used for bird watching and off-road driving. The trail has an elevation gain of approximately 5,800 feet.

**Castle Hot Springs OHV Trail** - 36.3-mile lightly trafficked point-to-point trail near Morriston that features a lake and is good for all skills. The trail is primarily used for off-road driving. The trail has an elevation gain of approximately 550

## Area/Regional Attractions:

**Box Canyon at Hassayampa OHV Trail** - 23.1-mile moderately trafficked out and back trail that features wild flowers and is rated as moderate. The trail is primarily used for off-road driving. The trail has an elevation gain of approximately 5,800 feet.

**Los Caballeros Golf Club** - Sits on 20,000 acres and was rated #7 in 2019 as a top course in Arizona. The traditional championship course was designed to challenge a variety of skill levels. The facility also offers a driving range, putting greens, short-game practice area, golf lessons, and a club grill.

**Wickenburg Country Club** - Founded in 1949 and offers an 18-hole course that has something for beginning to experienced players. Often referred to as the "thinker's course", you are sure to enjoy a round at this challenging, championship layout. The club also offers a bar and grill.

**Wickenburg Ranch Golf and Social Club** - Offers something for golfers of all levels. It has been repeatedly named one of the best golf courses in Arizona. The award winning course, Big Wick, is an 18-hole, par 71 championship course. For a more casual round of golf you can also check out Lil' Wick, which is a 9-hole, par 3 course. Wickenburg Ranch offers a restaurant and several watering holes throughout their facility.

**Wickenburg Ranch** - Originally built as a desert resort in 1973, the Wickenburg Inn offered guests casitas for lodging and plenty of onsite activities such as horseback riding, tennis, arts and crafts, and a nature center. In 1996, Merv Griffin bought the Wickenburg Inn and after a significant remodel, opened it again as the Wickenburg Inn Dude Ranch & Tennis Club. Wickenburg Ranch was then transformed into one of the top lifestyle communities in Arizona, officially opening its doors in early 2015. Today it offers modern luxury and convenience, while celebrating its western roots and the natural beauty that surrounds it.

**Rosewood Center** - Patients and families travel from around the world for their compassionate care and expert-delivered treatment. They meet clients where they are, individually, with personalized care programs that treat the whole person and get to the root of the eating disorder and any underlying co-occurring disorders that may be contributing to it. These might include alcohol addiction, drug addiction, PTSD or other trauma, anxiety, depression, borderline personality disorder and others.

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## Area/Regional Attractions:

**Wickenburg Community Hospital** - Established in 1926 and like the tenacious Western spirit that built Wickenburg, the rural Community Hospital and Clinics are committed to quality health and wellness services where the patient, family and community come first. The campus includes Specialized Emergency Medicine, Advanced Life Saving Technology, Critical Cardiac Care, Mayo Clinic Telestroke Partnership, Community Clinics, Surgical and Diagnostic Services, Licensed 19 Bed Acute Care Unit, Nuclear Medicine, Laboratory, Medical Resonance Imaging (MRI), Cardiopulmonary, Pharmacy, Rehabilitation Center, Infusion Center, Wound Care Center, Internal Medicine, Family Medicine, Sports Medicine, Allergy Program, Interventional Pain Management Program, Venous Insufficiency Program, and more.

**The Meadows Ranch** - Recently undertaken extensive capital improvements and programming enhancements for the benefit of its patients. The Meadows Ranch is an industry leader in treating girls aged 8-17 and adult women for eating disorders, trauma, and co-occurring disorders through its critical care/inpatient, residential, and partial hospitalization programs. The new name reflects the core strength of its sister programs, which are rooted in The Meadows Model as developed by Pia Mellody and clinically guided by a team of world-renowned Senior Fellows.

**BearCat Manufacturing** - BearCat Manufacturing was established in 1969 by Ken Hill and co-founder, Don Carson. Hill modified the existing truck so that all functions could be controlled from the cab. Later, Hill built his own spray bar with poppet spray valves and break away wings. Hill and Carson partnered together to create BearCat Manufacturing and started building asphalt distributors for the public. In 1977 Hill took over Carson's half of the partnership and moved the company to Wickenburg, Arizona. They also offer a BearCat Maintenance School throughout the year.

**Triad Steel Services** - Since 1995, Triad Steel Services has been a Southwestern U.S. steel fabrication and erection company providing products and services to construction projects ranging from 50 to 5000 tons. It is through years of experience and a diversity of project types that Triad Steel has built a reputation as a leader in the fabrication and erection industries.

**BN Products-USA** - Using a network of construction product manufacturer representative companies plus their corporate team to promote their products across the United States, Canada, Central America and the Caribbean. Their corporate offices and warehouse facilities are located in a 56,000 square foot location on seven acres of land in the Industrial Air Park of Wickenburg, Arizona.



## LODGING SUPPLY

For the purposes of this Comprehensive Hotel Market Feasibility Study, the competitive set includes those midscale and upper midscale properties that were determined could be competitive with the proposed hotel based on either their location, brand affiliation, facilities and amenities offered, rate structure, and/or market orientation. Core Distinction Group did not include independent, economy or upscale to luxury hotels in our comp set, as this is not the market segment we would anticipate a proposed hotel will compete with. In addition, there are many instances where independent and/or economy hotels do not report to the reporting agency.

In some cases, Core Distinction Group must order data from surrounding or feeder market hotels to obtain a Smith Travel Research (STR) report. The following information will be analyzed in Lodging Supply:



Competitive Rate Analysis (Peak and Low Season)



Historical Competitive Market Performance



Projected Competitive Market Performance



Competitive Hotel Information

## Competitive Hotel Properties

The competitive set includes those upscale, upper midscale, and midscale properties that we determined could be competitive with the proposed hotel based on either their location, brand affiliation, facilities and amenities offered, rate structure, and/or market orientation. We did not include independent, economy, or luxury hotels in our comp set, as this is not the market segment we would anticipate a proposed hotel in Wickenburg would compete with.

There are only three franchised hotels in the market. In order to obtain a Smith Travel Research (STR) report that would give us an overall performance of the competitive hotel market, we needed to include properties in the broader area of Surprise, AZ as well.

A competitive property profile, map of the competitive hotels, and pictures of the properties follows.

## Competitive Hotel Properties

STR Competitive Hotel Rates Quoted (March 2021)					Peak Season	
Property	Rooms	RATE ANALYSIS			Date Opened:	SEGMENT
		SINGLE	DOUBLE	WEEKEND		
Residence Inn Phoenix NW Surprise	116	\$300	\$300	\$400	Feb-10	Upscale
Holiday Inn Express Surprise	115	\$289	\$289	\$289	Jan-08	Upper Midscale
Hampton Phoenix-Surprise	100	\$319	\$319	\$319	Aug-05	Upper Midscale
Best Western Rancho Grande	78	\$159	\$159	\$159	Jun-48	Midscale
Quality Inn Wickenburg	29	\$212	\$212	\$212	Jun-86	Midscale
AVERAGE DAILY ROOM RATE QUOTED:		\$256	\$256	\$276	125%	
% of Rate vs. Comp Set Rates:		125%	125%	120%		
Projected Rate vs. Comp Set Rates:		\$320	\$320	\$330		

## Room Rate Competition Comparison/Review Peak Season:

	Average Rate	Yield	Probable Rate
Midscale STR Comp Set Lodging Average Rates:	\$175	180%	\$320
Upper Midscale STR Comp Set Lodging Average Rates:	\$305	105%	\$320
Upscale STR Comp Set Lodging Average Rates:	\$300	107%	\$320

## Competitive Hotel Properties

STR Competitive Hotel Rates Quoted (August 2020)					Low Season	
Property	Rooms	RATE ANALYSIS			Date Opened:	SEGMENT
		SINGLE	DOUBLE	WEEKEND		
Residence Inn Phoenix NW Surprise	116	\$139	\$139	\$139	Feb-10	Upscale
Holiday Inn Express Surprise	115	\$84	\$84	\$89	Jan-08	Upper Midscale
Hampton Phoenix-Surprise	100	\$84	\$84	\$89	Aug-05	Upper Midscale
Best Western Rancho Grande	78	\$95	\$95	\$95	Jun-48	Midscale
Quality Inn Wickenburg	29	\$99	\$99	\$79	Jun-86	Midscale
AVERAGE DAILY ROOM RATE QUOTED:		\$100	\$100	\$100	100%	
% of Rate vs. Comp Set Rates:		100%	100%	100%		
Projected Rate vs. Comp Set Rates:		\$100	\$100	\$100		

## Room Rate Competition Comparison/Review Low Season:

	Average Rate	Yield	Probable Rate
Midscale STR Comp Set Lodging Average Rates:	\$95	105%	\$100
Upper Midscale STR Comp Set Lodging Average Rates:	\$85	120%	\$100
Upscale STR Comp Set Lodging Average Rates:	\$139	75%	\$100

Competitive Hotels	
Primary Competitive Hotels	# of Rooms
Residence Inn Phoenix NW Surprise	116
Holiday Inn Express Surprise	115
Hampton Phoenix-Surprise	100
Best Western Rancho Grande	78
Quality Inn Wickenburg	29
<b>Grand Total:</b>	<b>438</b>
<b>Average Room Count:</b>	<b>88</b>
<i>Source: STR / Core Distinction Group, LLC</i>	

The primary competitors are expected to be the hotels in the regional market shown above. Based on STR data provided the following table summarizes the historical trends in occupancy and rates for the competitive supply in the past five years.

Historical Market Performance					
Year	Annual Occupancy	Rooms Sold	Average Rate	Occ %	ADR
				(Growth/Decline)	
2015	68.1%	108,887	\$106.00	4.1%	\$7.32
2016	71.8%	114,811	\$109.21	3.7%	\$3.20
2017	71.6%	114,467	\$112.91	-0.2%	\$3.70
2018	73.3%	117,121	\$118.25	1.7%	\$5.34
2019	73.4%	117,345	\$124.94	0.1%	\$6.69
<i>Source: STR / Core Distinction Group, LLC</i>					

Based on STR data provided the following table summarizes the projected occupancy and rates for the competitive supply in the upcoming three years.

Projected Market Performance					
Year	Annual Occupancy	Rooms Sold	Average Rate	Occ %	ADR
				(Growth/Decline)	
2020	50.0%	79,935	\$112.00	-23.4%	(\$12.94)
2021	65.0%	103,916	\$123.20	15.0%	\$11.20
2022	69.0%	110,310	\$135.52	4.0%	\$12.32
<i>Source: Core Distinction Group, LLC</i>					

# STR Competitive Set Surveyed

SAMPLE



## Residence Inn Phoenix NW Surprise



# of Guestrooms	# of Floors	Year Built/Year Renovated
116	4	February-10

At Residence Inn, we have perfected the extended-stay experience by combining all of the comforts of home with our with our passion for making every guest feel welcome. Our spacious and luxurious suites offer separate living and sleeping areas, plenty of space for relaxing, entertaining or meeting with colleagues. Many of our amenities are offered with your budget in mind including a fully equipped kitchen with all appliances and cookware, a complimentary full hot breakfast buffet and our RI Mix evening social every Monday-Wednesday . If you are traveling for business or are here on a government project we are conveniently located only 10 minutes from Luke Air Force Base, Banner Health, Ford and Toyota Proving Grounds. Coming on a family getaway, catch a game at the Surprise Stadium home of the Texas Rangers and Kansas City Royals or hit some balls at the Surprise Tennis Campus located right across the street. Whether traveling on business or pleasure, our friendly and proficient staff welcomes you!

Source: Marriott Hotels Brand Website

## Holiday Inn Express Surprise



# of Guestrooms	# of Floors	Year Built/Year Renovated
115	4	June-20

Welcome to the Holiday Inn Express in beautiful Surprise, Arizona, one of the nation's fastest growing cities. The Holiday Inn Express Surprise is located next door to the Surprise Stadium, home of the Texas Rangers and Kansas City Royals Spring Training. Outdoor enthusiasts can enjoy some of Phoenix's top-rated golf courses and miles of hiking & bike trails just minutes from the hotel. The hotel is conveniently located near the University of Phoenix Stadium, home of the Arizona Cardinals, Gila River Arena and Phoenix International Raceway. The Holiday Inn Express Surprise is a smart choice for corporate travelers visiting Banner Health, the Toyota and Ford Proving Grounds, and Luke Air Force Base. No matter what brings you to Phoenix, Peoria, Glendale or Sun City Arizona, "Stay Smart" at our Holiday Inn Express Hotel & Suites featuring Simply Smart bedding collection and complimentary Express Start® Breakfast.

Source: IHG Hotels Brand Website

## Hampton Phoenix-Surprise



# of Guestrooms	# of Floors	Year Built/Year Renovated
100	4	August-05

We're off US 60, about 25 miles northwest of metro Phoenix. The Banner Del E. Webb Medical Center is across the street, and restaurants are in walking distance. Catch Royals and Rangers spring training at Surprise Stadium just three miles away. The Wildlife World Zoo, Aquarium & Safari Park is nine miles' drive. Breakfast and Wi-Fi are on us. A free hot breakfast is served daily with fresh-baked waffles and hearty oatmeal with toppings.

Source: Hilton Hotels Brand Website

## Best Western Rancho Grande



# of Guestrooms	# of Floors	Year Built/Year Renovated
78	2	June-48

Wickenburg - the name echoes the Old West. Gold mining - it was here. Saloons and dance halls, cowboys with big hats and jingling spurs - they were here. Guests delight in the traditional south of the border ambiance of the Best Western Rancho Grande which makes a perfect setting for your Wickenburg experience. It is, however, the friendly hospitality of the owner and staff that have made the Best Western Rancho Grande a famous landmark. Historical preservation coupled with up-to-date planning for a great place to call home during your Wickenburg visit. Recreational facilities at the Best Western Rancho Grande include a sun drenched pool, surrounded by verdant lawns and desert palms. All rooms have a single serve coffee makers, iron and ironing board, hair dryer and refrigerator; many also feature microwaves, balconies, and sofas.

Source: Best Western Hotels Brand Website



## Quality Inn Wickenburg



# of Guestrooms	# of Floors	Year Built/Year Renovated
29	2	May-12

Quality Inn located in Wickenburg, AZ Experience style, history and true Western hospitality at the Quality Inn® in Wickenburg, AZ, one of the Top True West Towns in the U.S. and home to unique shopping, horseback riding and walking tours. This Wickenburg, Arizona hotel offers easy access to some of the upper Sonoran Desert's most cherished attractions including Desert Caballeros Western Museum and Hassayampa River Preserve. Other nearby attractions include: Wickenburg Country Club Cowboy Way Adventures Santa Fe Depot Rancho de Los Caballeros Guests of the Quality Inn hotel will appreciate comfortable interior corridors that offer safe and easy room access. The outdoor pool is a great place to relax, while horseback riding is available in season. There is one meeting room, with the hotel able to accommodate 40 people for banquets and conferences. Free hot breakfast Free wireless high-speed Internet access Free newspaper M-Business Center All guest rooms offer cable television, a refrigerator, microwave, hair dryer, alarm clock and sofa sleeper. This is a pet-friendly hotel, with four-legged friends allowed to stay for a fee. This is a non-smoking hotel. Its perfect location and convenient access to area attractions make the Quality Inn a great place for business and leisure travelers in the Wickenburg, AZ area.

Source: Choice Hotels Brand Website

## STR GLOBAL DATA

For the purposes of this Comprehensive Hotel Market Feasibility Study, as stated previously, the competitive set includes those midscale and upper midscale properties that were determined could be competitive with the proposed hotel based on either their location, brand affiliation, facilities and amenities offered, rate structure, and/or market orientation. Core Distinction Group must follow specific guidelines in order to access accurate STR Global Data. The following guidelines must be followed:



**Property Minimum** - A trend or a competitive set must include a minimum of four participating properties, not including the subject property if selecting a competitive set. Of the four, there must be a minimum of three properties not affiliated with the subject property (brand, parent, management, ownership and/or asset manager). The minimum number of properties must report data before performance data will be released.



**Company Minimum** - A trend or a competitive set must include a minimum of two companies not affiliated with the request or the subject property (brand, parent, management, ownership and/or asset manager).



**Property** - No single property can account for more than 50% of the total participating room supply of a competitive set, excluding the rooms of the subject property and other properties from the same company as the subject (parent, management, ownership and/or asset manager).



## STR GLOBAL DATA (continued)



**Brand** - No single brand (e.g. Holiday Inn, Comfort Inn) can account for more than 50% of the total participating room supply of a competitive set, excluding the rooms of the subject and other properties from the same company as the subject.



**Company** - No single company (e.g. Hilton Worldwide, Interstate Hotels & Resorts, Host Hotels & Resorts) can account for more than 70% of the total participating room supply of a competitive set, excluding the rooms of the subject property and other properties from the same company as the subject (parent, management, ownership and/or asset manager).

This section will include the data provided by STR Global.



Trend # 1205234\_SADIM / Created July 07, 2020

# Trend Report - Custom Trend: Wickenburg, AZ

January 2012 to May 2020    Currency : USD - US Dollar

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Corporate North American Headquarters

T: +1 (615) 824 8664

support@str.com    www.str.com

International Headquarters

T: +44 (0) 207 922 1930

hotelinfo@str.com    www.str.com

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Tab 2 - Data by Measure

Custom Trend: Wickenburg, AZ  
Job Number: 1205234\_SADIM    Staff: CW    Created: July 07, 2020

Occupancy (%)														Total Year	May YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2012	61.3	85.8	94.1	61.6	53.2	51.8	48.9	45.3	51.4	56.9	54.8	51.8		59.6	71.0
2013	62.3	81.2	89.5	68.1	56.9	56.3	55.3	48.9	51.6	58.1	59.3	58.9		62.1	71.4
2014	63.7	83.6	92.4	67.5	53.4	55.0	53.6	49.1	56.8	64.3	65.4	65.0		64.0	71.9
2015	74.9	90.5	94.3	66.6	61.9	60.4	61.8	49.5	60.1	70.1	65.3	63.7		68.1	77.4
2016	76.0	91.6	94.5	76.6	63.0	65.9	64.8	55.9	66.3	72.7	68.9	67.2		71.8	80.1
2017	76.5	89.8	94.5	79.3	68.3	66.3	64.5	55.4	60.7	68.3	70.9	66.2		71.6	81.5
2018	80.2	89.9	90.5	82.7	74.7	70.6	66.5	57.7	62.6	69.5	70.9	64.8		73.3	83.5
2019	73.3	87.3	90.2	74.6	74.7	69.1	67.3	64.0	65.3	72.8	71.1	72.1		73.4	79.9
2020	74.1	82.6	52.5	26.7	40.6										57.4
Avg	71.4	86.9	88.0	68.3	61.3	61.9	60.3	53.2	59.3	66.6	65.8	63.7		68.0	75.1

ADR (\$)														Total Year	May YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2012	86.93	97.75	131.29	103.18	85.33	76.95	76.11	74.54	77.48	87.00	88.03	81.97		92.12	103.99
2013	92.63	110.55	130.73	107.24	84.45	78.37	77.50	76.89	76.19	85.91	91.89	88.06		94.43	107.64
2014	95.56	114.26	136.67	114.02	86.81	79.87	79.36	78.59	82.61	93.06	99.31	88.98		98.68	112.54
2015	121.98	131.79	153.47	97.81	92.27	86.57	86.83	81.40	86.73	97.61	100.28	93.54		106.00	122.98
2016	112.69	132.94	166.36	105.15	91.74	89.10	89.04	86.59	92.66	108.24	104.48	95.44		109.21	125.16
2017	112.05	143.05	172.41	110.36	101.90	88.15	91.83	88.19	94.74	108.14	104.86	100.97		112.91	130.67
2018	119.75	154.30	181.68	113.79	101.55	96.73	97.74	94.62	105.88	115.15	115.15	107.51		118.25	135.92
2019	125.15	165.15	192.86	125.35	104.76	100.79	100.49	99.96	104.69	119.90	117.07	114.08		124.94	145.07
2020	127.73	170.06	177.87	95.49	101.74										145.31
Avg	111.63	135.76	159.42	109.47	94.93	87.87	88.22	85.98	89.93	101.58	103.38	97.05		107.84	125.37

RevPAR (\$)														Total Year	May YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2012	53.31	83.82	123.53	63.52	45.36	39.85	37.19	33.75	39.81	49.51	48.22	42.50		54.87	73.78
2013	57.69	89.79	117.02	73.00	48.07	44.14	42.85	37.61	39.33	49.93	54.46	51.83		58.62	76.89
2014	60.91	95.47	126.34	76.99	46.33	43.92	42.57	38.59	46.93	59.81	64.96	57.84		63.18	80.95
2015	91.34	119.21	144.71	65.14	57.07	52.25	53.63	40.26	52.12	68.40	65.45	59.61		72.20	95.22
2016	85.64	121.82	157.16	80.50	57.80	58.72	57.72	48.43	61.42	78.68	72.00	64.13		78.43	100.29
2017	85.76	128.51	162.87	87.49	69.59	58.42	59.25	48.86	57.49	73.89	74.31	66.82		80.84	106.54
2018	95.98	138.66	164.41	94.10	75.83	68.30	64.95	54.59	61.52	73.61	81.64	69.72		86.63	113.43
2019	91.69	144.17	173.88	93.49	78.22	69.60	67.65	64.01	68.32	87.34	83.21	82.30		91.71	115.89
2020	94.59	140.50	93.35	25.49	41.31										83.48
Avg	79.66	117.99	140.37	74.74	58.23	54.40	53.23	45.76	53.37	67.65	68.03	61.84		73.31	94.18

Supply														Total Year	May YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2012	13,578	12,264	13,578	13,140	13,578	13,140	13,578	13,578	13,140	13,578	13,140	13,578		159,870	66,138
2013	13,578	12,264	13,578	13,140	13,578	13,140	13,578	13,578	13,140	13,578	13,140	13,578		159,870	66,138
2014	13,578	12,264	13,578	13,140	13,578	13,140	13,578	13,578	13,140	13,578	13,140	13,578		159,870	66,138
2015	13,578	12,264	13,578	13,140	13,578	13,140	13,578	13,578	13,140	13,578	13,140	13,578		159,870	66,138
2016	13,578	12,264	13,578	13,140	13,578	13,140	13,578	13,578	13,140	13,578	13,140	13,578		159,870	66,138
2017	13,578	12,264	13,578	13,140	13,578	13,140	13,578	13,578	13,140	13,578	13,140	13,578		159,870	66,138
2018	13,578	12,264	13,578	13,140	13,578	13,140	13,578	13,578	13,140	13,578	13,140	13,578		159,870	66,138
2019	13,578	12,264	13,578	13,140	13,578	13,140	13,578	13,578	13,140	13,578	13,140	13,578		159,870	66,138
2020	13,578	12,264	13,578	9,690	10,013										59,123
Avg	13,578	12,264	13,578	12,757	13,182	13,140	13,578	13,578	13,140	13,578	13,140	13,578		159,870	65,359

Demand														Total Year	May YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2012	8,327	10,517	12,776	8,089	7,218	6,805	6,635	6,147	6,751	7,727	7,198	7,040		95,230	46,927
2013	8,457	9,961	12,154	8,944	7,729	7,401	7,508	6,642	6,783	7,891	7,787	7,991		99,248	47,245
2014	8,655	10,247	12,552	8,873	7,246	7,226	7,283	6,667	7,465	8,727	8,595	8,826		102,362	47,573
2015	10,167	11,093	12,803	8,751	8,399	7,931	8,387	6,716	7,896	9,515	8,576	8,653		108,887	51,213
2016	10,318	11,238	12,827	10,059	8,554	8,660	8,802	7,594	8,710	9,870	9,055	9,124		114,811	52,996
2017	10,393	11,017	12,827	10,417	9,273	8,708	8,761	7,522	7,973	9,278	9,312	8,986		114,467	53,927
2018	10,883	11,021	12,287	10,867	10,139	9,278	9,023	7,834	8,228	9,440	9,316	8,805		117,121	55,197
2019	9,948	10,706	12,242	9,800	10,139	9,074	9,141	8,695	8,575	9,891	9,340	9,795		117,346	52,835
2020	10,055	10,132	7,126	2,567	4,066										33,966
Avg	9,689	10,659	11,955	8,710	8,085	8,135	8,193	7,227	7,798	9,042	8,647	8,653		108,684	49,098

Revenue (\$)														Total Year	May YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2012	723,879	1,028,010	1,677,326	834,659	615,895	523,632	505,001	458,204	523,068	672,244	633,643	577,061		8,772,622	4,879,769
2013	783,350	1,101,191	1,588,946	959,185	652,747	580,020	581,871	510,716	516,786	677,921	715,568	703,726		9,372,027	5,085,419
2014	827,068	1,170,799	1,715,504	1,011,670	629,044	577,145	578,000	523,979	616,717	812,161	853,528	785,364		10,100,979	5,354,085
2015	1,240,151	1,461,969	1,964,919	1,058,963	774,934	686,553	728,236	546,690	684,798	928,775	860,042	809,359		11,542,389	6,297,936
2016	1,162,785	1,493,962	2,133,931	1,057,744	784,750	771,625	783,696	657,562	807,068	1,068,353	946,057	870,781		12,538,314	6,633,172
2017	1,164,515	1,575,993	2,211,448	1,149,643	944,881	767,600	804,481	663,354	755,374	1,003,310	976,469	907,275		12,924,343	7,046,480
2018	1,303,249	1,700,535	2,232,313	1,236,507	1,029,595	897,467	881,886	741,266	808,337	999,536	1,072,691	946,628		13,850,010	7,502,199
2019	1,245,011	1,768,069	2,360,989	1,228,420	1,062,135	914,560	918,568	869,184	897,755	1,185,967	1,093,418	1,117,457		14,661,533	7,664,624
2020	1,284,317	1,723,088	1,267,510	247,035	413,686										4,935,636
Avg	1,081,592	1,447,068	1,905,876	953,425	767,519	714,825	722,717	621,369	701,242	1,185,533	893,927	839,706		11,720,277	6,155,480

# Tab 3 - Percent Change from Previous Year - Detail by Measure

Hotel Market Feasibility Study

SAMPLE

WS #5.

Custom Trend: Wickenburg, AZ

Job Number: 1205234\_SADIM Staff: CW Created: July 07, 2020

## Occupancy

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	May YTD
2013	1.6	-5.3	-4.9	10.6	7.1	8.8	13.2	8.1	0.5	2.1	8.2	13.5	4.2	0.7
2014	2.3	2.9	3.3	-0.8	-6.2	-2.4	-3.0	0.4	10.1	10.6	10.4	10.4	3.1	0.7
2015	17.5	8.3	2.0	-1.4	15.9	9.8	15.2	0.7	5.8	9.0	-0.2	-2.0	6.4	7.7
2016	1.5	1.3	0.2	14.9	1.8	9.2	4.9	13.1	10.3	3.7	5.6	5.4	5.4	3.5
2017	0.7	-2.0	0.0	3.6	8.4	0.6	-0.5	-0.9	-8.5	-6.0	2.8	-1.5	-0.3	1.8
2018	4.7	0.0	-4.2	4.3	9.3	6.5	3.0	4.1	3.2	1.7	0.0	-2.0	2.3	2.4
2019	-8.6	-2.9	-0.4	-9.8	0.0	-2.2	1.3	11.0	4.2	4.8	0.3	11.2	0.2	-4.3
2020	1.1	-5.4	-41.8	-64.2	-45.6									-28.1
Avg	2.6	-0.4	-5.7	-5.3	-1.2	4.3	4.9	5.2	3.7	3.7	3.9	5.0	3.1	-2.0

## ADR

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	May YTD
2013	6.6	13.1	-0.4	3.9	-1.0	1.8	1.8	3.2	-1.7	-1.3	4.4	7.4	2.5	3.5
2014	3.2	3.4	4.5	6.3	2.8	1.9	2.4	2.2	8.4	8.3	8.1	1.0	4.5	4.6
2015	27.6	15.3	12.3	-14.2	6.3	8.4	9.4	3.6	5.0	4.9	1.0	5.1	7.4	9.3
2016	-7.6	0.9	8.4	7.5	-0.6	2.9	2.5	6.4	6.8	10.9	4.2	2.0	3.0	1.8
2017	-0.6	7.6	3.6	5.0	11.1	-1.1	3.1	1.8	2.2	-0.1	0.4	5.8	3.4	4.4
2018	6.9	7.9	5.4	3.1	-0.3	9.7	6.4	7.3	3.7	-2.1	9.8	6.5	4.7	4.0
2019	4.5	7.0	6.2	10.2	3.2	4.2	2.8	5.6	6.6	13.2	1.7	6.1	5.7	6.7
2020	2.1	3.0	-7.8	-23.8	-2.9									0.2
Avg	5.3	7.3	4.0	-0.3	2.3	4.0	4.1	4.3	4.4	4.8	4.2	4.9	4.5	4.3

## RevPAR

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	May YTD
2013	8.2	7.1	-5.3	14.9	6.0	10.8	15.2	11.5	-1.2	0.8	12.9	22.0	6.8	4.2
2014	5.6	6.3	8.0	5.5	-3.6	-0.5	-0.7	2.6	19.3	19.8	19.3	11.6	7.8	5.3
2015	49.9	24.9	14.5	-15.4	23.2	19.0	26.0	4.3	11.0	14.4	0.8	3.1	14.3	17.6
2016	-6.2	2.2	8.6	23.6	1.3	12.4	7.6	20.3	17.9	15.0	10.0	7.6	8.6	5.3
2017	0.1	5.5	3.6	8.7	20.4	-0.5	2.7	0.9	-6.4	-6.1	3.2	4.2	3.1	6.2
2018	11.9	7.9	0.9	7.6	9.0	16.9	9.6	11.7	7.0	-0.4	9.9	4.3	7.2	6.5
2019	-4.5	4.0	5.8	-0.7	3.2	1.9	4.2	17.3	11.1	18.7	1.9	18.0	5.9	2.2
2020	3.2	-2.5	-46.3	-72.7	-47.2									-28.0
Avg	8.5	6.9	-1.3	-3.6	1.5	8.6	9.2	9.8	8.4	8.9	8.3	10.1	7.7	2.4

## Supply

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	May YTD
2013	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2014	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2015	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2016	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2017	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2018	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2019	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2020	0.0	0.0	0.0	-26.3	-26.3									-10.6
Avg	0.0	0.0	0.0	-3.3	-3.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.3

## Demand

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	May YTD
2013	1.6	-5.3	-4.9	10.6	7.1	8.8	13.2	8.1	0.5	2.1	8.2	13.5	4.2	0.7
2014	2.3	2.9	3.3	-0.8	-6.2	-2.4	-3.0	0.4	10.1	10.6	10.4	10.4	3.1	0.7
2015	17.5	8.3	2.0	-1.4	15.9	9.8	15.2	0.7	5.8	9.0	-0.2	-2.0	6.4	7.7
2016	1.5	1.3	0.2	14.9	1.8	9.2	4.9	13.1	10.3	3.7	5.6	5.4	5.4	3.5
2017	0.7	-2.0	0.0	3.6	8.4	0.6	-0.5	-0.9	-8.5	-6.0	2.8	-1.5	-0.3	1.8
2018	4.7	0.0	-4.2	4.3	9.3	6.5	3.0	4.1	3.2	1.7	0.0	-2.0	2.3	2.4
2019	-8.6	-2.9	-0.4	-9.8	0.0	-2.2	1.3	11.0	4.2	4.8	0.3	11.2	0.2	-4.3
2020	1.1	-5.4	-41.8	-73.6	-59.9									-35.7
Avg	2.6	-0.4	-5.7	-6.5	-2.9	4.3	4.9	5.2	3.7	3.7	3.9	5.0	3.1	-2.9

## Revenue

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	May YTD
2013	8.2	7.1	-5.3	14.9	6.0	10.8	15.2	11.5	-1.2	0.8	12.9	22.0	6.8	4.2
2014	5.6	6.3	8.0	5.5	-3.6	-0.5	-0.7	2.6	19.3	19.8	19.3	11.6	7.8	5.3
2015	49.9	24.9	14.5	-15.4	23.2	19.0	26.0	4.3	11.0	14.4	0.8	3.1	14.3	17.6
2016	-6.2	2.2	8.6	23.6	1.3	12.4	7.6	20.3	17.9	15.0	10.0	7.6	8.6	5.3
2017	0.1	5.5	3.6	8.7	20.4	-0.5	2.7	0.9	-6.4	-6.1	3.2	4.2	3.1	6.2
2018	11.9	7.9	0.9	7.6	9.0	16.9	9.6	11.7	7.0	-0.4	9.9	4.3	7.2	6.5
2019	-4.5	4.0	5.8	-0.7	3.2	1.9	4.2	17.3	11.1	18.7	1.9	18.0	5.9	2.2
2020	3.2	-2.5	-46.3	-79.9	-61.1									-35.6
Avg	8.5	6.9	-1.3	-4.5	-0.2	8.6	9.2	9.8	8.4	8.9	8.3	10.1	7.7	1.5

# Tab 4 - Percent Change from Previous Year - Detail by Year

Hotel Market Feasibility Study

SAMPLE

WS #5.

Custom Trend: Wickenburg, AZ

Job Number: 1205234\_SADIM Staff: CW Created: July 07, 2020

	Jan 13	Feb 13	Mar 13	Apr 13	May 13	Jun 13	Jul 13	Aug 13	Sep 13	Oct 13	Nov 13	Dec 13	Total Year	May YTD
Occ	1.6	-5.3	-4.9	10.6	7.1	8.8	13.2	8.1	0.5	2.1	8.2	13.5	4.2	0.7
ADR	6.6	13.1	-0.4	3.9	-1.0	1.8	1.8	3.2	-1.7	-1.3	4.4	7.4	2.5	3.5
RevPAR	8.2	7.1	-5.3	14.9	6.0	10.8	15.2	11.5	-1.2	0.8	12.9	22.0	6.8	4.2
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	1.6	-5.3	-4.9	10.6	7.1	8.8	13.2	8.1	0.5	2.1	8.2	13.5	4.2	0.7
Revenue	8.2	7.1	-5.3	14.9	6.0	10.8	15.2	11.5	-1.2	0.8	12.9	22.0	6.8	4.2

	Jan 14	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Total Year	May YTD
Occ	2.3	2.9	3.3	-0.8	-6.2	-2.4	-3.0	0.4	10.1	10.6	10.4	10.4	3.1	0.7
ADR	3.2	3.4	4.5	6.3	2.8	1.9	2.4	2.2	8.4	8.3	8.1	1.0	4.5	4.6
RevPAR	5.6	6.3	8.0	5.5	-3.6	-0.5	-0.7	2.6	19.3	19.8	19.3	11.6	7.8	5.3
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	2.3	2.9	3.3	-0.8	-6.2	-2.4	-3.0	0.4	10.1	10.6	10.4	10.4	3.1	0.7
Revenue	5.6	6.3	8.0	5.5	-3.6	-0.5	-0.7	2.6	19.3	19.8	19.3	11.6	7.8	5.3

	Jan 15	Feb 15	Mar 15	Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Total Year	May YTD
Occ	17.5	8.3	2.0	-1.4	15.9	9.8	15.2	0.7	5.8	9.0	-0.2	-2.0	6.4	7.7
ADR	27.6	15.3	12.3	-14.2	6.3	8.4	9.4	3.6	5.0	4.9	1.0	5.1	7.4	9.3
RevPAR	49.9	24.9	14.5	-15.4	23.2	19.0	26.0	4.3	11.0	14.4	0.8	3.1	14.3	17.6
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	17.5	8.3	2.0	-1.4	15.9	9.8	15.2	0.7	5.8	9.0	-0.2	-2.0	6.4	7.7
Revenue	49.9	24.9	14.5	-15.4	23.2	19.0	26.0	4.3	11.0	14.4	0.8	3.1	14.3	17.6

	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16	Dec 16	Total Year	May YTD
Occ	1.5	1.3	0.2	14.9	1.8	9.2	4.9	13.1	10.3	3.7	5.6	5.4	5.4	3.5
ADR	-7.6	0.9	8.4	7.5	-0.6	2.9	2.5	6.4	6.8	10.9	4.2	2.0	3.0	1.8
RevPAR	-6.2	2.2	8.6	23.6	1.3	12.4	7.6	20.3	17.9	15.0	10.0	7.6	8.6	5.3
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	1.5	1.3	0.2	14.9	1.8	9.2	4.9	13.1	10.3	3.7	5.6	5.4	5.4	3.5
Revenue	-6.2	2.2	8.6	23.6	1.3	12.4	7.6	20.3	17.9	15.0	10.0	7.6	8.6	5.3

	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Total Year	May YTD
Occ	0.7	-2.0	0.0	3.6	8.4	0.6	-0.5	-0.9	-8.5	-6.0	2.8	-1.5	-0.3	1.8
ADR	-0.6	7.6	3.6	5.0	11.1	-1.1	3.1	1.8	2.2	-0.1	0.4	5.8	3.4	4.4
RevPAR	0.1	5.5	3.6	8.7	20.4	-0.5	2.7	0.9	-6.4	-6.1	3.2	4.2	3.1	6.2
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	0.7	-2.0	0.0	3.6	8.4	0.6	-0.5	-0.9	-8.5	-6.0	2.8	-1.5	-0.3	1.8
Revenue	0.1	5.5	3.6	8.7	20.4	-0.5	2.7	0.9	-6.4	-6.1	3.2	4.2	3.1	6.2

	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Total Year	May YTD
Occ	4.7	0.0	-4.2	4.3	9.3	6.5	3.0	4.1	3.2	1.7	0.0	-2.0	2.3	2.4
ADR	6.9	7.9	5.4	3.1	-0.3	9.7	6.4	7.3	3.7	-2.1	9.8	6.5	4.7	4.0
RevPAR	11.9	7.9	0.9	7.6	9.0	16.9	9.6	11.7	7.0	-0.4	9.9	4.3	7.2	6.5
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	4.7	0.0	-4.2	4.3	9.3	6.5	3.0	4.1	3.2	1.7	0.0	-2.0	2.3	2.4
Revenue	11.9	7.9	0.9	7.6	9.0	16.9	9.6	11.7	7.0	-0.4	9.9	4.3	7.2	6.5

	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Total Year	May YTD
Occ	-8.6	-2.9	-0.4	-9.8	0.0	-2.2	1.3	11.0	4.2	4.8	0.3	11.2	0.2	-4.3
ADR	4.5	7.0	6.2	10.2	3.2	4.2	2.8	5.6	6.6	13.2	1.7	6.1	5.7	6.7
RevPAR	-4.5	4.0	5.8	-0.7	3.2	1.9	4.2	17.3	11.1	18.7	1.9	18.0	5.9	2.2
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	-8.6	-2.9	-0.4	-9.8	0.0	-2.2	1.3	11.0	4.2	4.8	0.3	11.2	0.2	-4.3
Revenue	-4.5	4.0	5.8	-0.7	3.2	1.9	4.2	17.3	11.1	18.7	1.9	18.0	5.9	2.2

	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Total Year	May YTD
Occ	1.1	-5.4	-41.8	-64.2	-45.6									-28.1
ADR	2.1	3.0	-7.8	-23.8	-2.9									0.2
RevPAR	3.2	-2.5	-46.3	-72.7	-47.2									-28.0
Supply	0.0	0.0	0.0	-26.3	-26.3									-10.6
Demand	1.1	-5.4	-41.8	-73.6	-59.9									-35.7
Revenue	3.2	-2.5	-46.3	-79.9	-61.1									-35.6

Tab 5 - Twelve Month Moving Average

Custom Trend: Wickenburg, AZ  
Job Number: 1205234\_SADIM    Staff: CW    Created: July 07, 2020

Occupancy (%)												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	59.6	59.3	58.9	59.4	59.8	60.1	60.7	61.0	61.0	61.1	61.5	62.1
2014	62.2	62.4	62.6	62.6	62.3	62.2	62.0	62.1	62.5	63.0	63.5	64.0
2015	65.0	65.5	65.7	65.6	66.3	66.7	67.4	67.5	67.7	68.2	68.2	68.1
2016	68.2	68.3	68.3	69.1	69.2	69.7	69.9	70.5	71.0	71.2	71.5	71.8
2017	71.9	71.7	71.7	71.9	72.4	72.4	72.4	72.4	71.9	71.5	71.7	71.6
2018	71.9	71.9	71.6	71.9	72.4	72.8	72.9	73.1	73.3	73.4	73.4	73.3
2019	72.7	72.5	72.5	71.8	71.8	71.7	71.7	72.3	72.5	72.8	72.8	73.4
2020	73.5	73.1	69.9	66.8	64.4							

ADR (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	92.62	93.93	93.62	94.08	93.97	93.97	93.92	93.98	93.88	93.78	94.06	94.43
2014	94.68	95.11	95.99	96.59	96.82	96.96	97.14	97.25	97.59	98.11	98.69	98.68
2015	101.22	103.18	105.31	103.95	104.19	104.53	104.85	105.02	105.23	105.54	105.62	106.00
2016	105.15	105.30	106.82	107.39	107.32	107.39	107.63	107.63	107.94	108.82	109.12	109.21
2017	109.15	110.08	110.75	111.21	111.90	111.82	112.04	112.16	112.43	112.44	112.45	112.91
2018	113.63	114.71	115.44	115.74	115.61	116.16	116.56	116.92	117.11	116.92	117.74	118.25
2019	118.70	119.61	120.77	121.82	122.10	122.47	122.66	122.86	123.26	124.39	124.54	124.94
2020	125.16	125.39	121.35	120.33	121.17							

RevPAR (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	55.25	55.70	55.15	55.93	56.16	56.51	56.99	57.32	57.28	57.32	57.83	58.62
2014	58.90	59.33	60.12	60.45	60.30	60.29	60.26	60.34	60.97	61.81	62.67	63.18
2015	65.77	67.59	69.15	68.17	69.09	69.77	70.71	70.85	71.28	72.01	72.05	72.20
2016	71.71	71.91	72.97	74.23	74.30	74.83	75.17	75.87	76.63	77.51	78.04	78.43
2017	78.44	78.95	79.44	80.01	81.01	80.99	81.12	81.15	80.83	80.42	80.61	80.84
2018	81.71	82.49	82.62	83.16	83.69	84.51	84.99	85.48	85.81	85.78	86.39	86.63
2019	86.27	86.69	87.50	87.45	87.65	87.76	87.99	88.79	89.34	90.51	90.64	91.71
2020	91.95	91.67	84.83	80.43	78.06							

Supply												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870
2014	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870
2015	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870
2016	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870
2017	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870
2018	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870
2019	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870	159,870
2020	159,870	159,870	159,870	156,420	152,855							

Demand												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	95,360	94,804	94,182	95,037	95,548	96,144	97,017	97,512	97,544	97,708	98,297	99,248
2014	99,446	99,732	100,130	100,059	99,576	99,401	99,176	99,201	99,883	100,719	101,527	102,362
2015	103,874	104,720	104,971	104,849	106,002	106,707	107,811	107,860	108,291	109,079	109,060	108,887
2016	109,038	109,183	109,207	110,515	110,670	111,399	111,814	112,692	113,506	113,861	114,340	114,811
2017	114,886	114,665	114,665	115,023	115,742	115,790	115,749	115,677	114,940	114,348	114,605	114,467
2018	114,957	114,961	114,421	114,871	115,737	116,307	116,569	116,881	117,136	117,298	117,302	117,121
2019	116,186	115,871	115,826	114,759	114,759	114,555	114,673	115,534	115,881	116,332	116,356	117,346
2020	117,453	116,879	111,763	104,550	98,477							

Revenue (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	8,832,093	8,905,274	8,816,894	8,941,420	8,978,272	9,034,660	9,111,530	9,164,042	9,157,760	9,163,437	9,245,362	9,372,027
2014	9,415,745	9,485,353	9,611,911	9,664,396	9,640,693	9,637,818	9,633,947	9,647,210	9,747,141	9,881,381	10,019,341	10,100,979
2015	10,514,062	10,805,232	11,054,647	10,898,940	11,044,830	11,154,238	11,304,474	11,327,185	11,395,266	11,511,880	11,518,394	11,542,389
2016	11,465,023	11,497,016	11,666,028	11,867,809	11,877,625	11,962,697	12,018,157	12,129,029	12,251,299	12,390,877	12,476,892	12,538,314
2017	12,540,044	12,622,075	12,699,592	12,791,491	12,951,622	12,947,597	12,968,382	12,974,174	12,922,480	12,857,437	12,887,849	12,924,343
2018	13,063,077	13,187,619	13,208,484	13,295,348	13,380,062	13,509,929	13,587,334	13,665,246	13,718,209	13,714,435	13,810,657	13,850,010
2019	13,791,772	13,859,306	13,987,982	13,979,895	14,012,435	14,029,528	14,066,210	14,194,128	14,283,546	14,469,977	14,490,704	14,661,533
2020	14,700,839	14,655,858	13,562,379	12,580,994	11,932,545							

High value is boxed.

Low value is boxed and italicized.



# Tab 6 - Twelve Month Moving Average with Percent Change

Hotel Market Feasibility Study

SAMPLE

WS #5.

Custom Trend: Wickenburg, AZ

Job Number: 1205234\_SADIM Staff: CW Created: July 07, 2020

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue	
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg
Jan 13	59.6		92.62		55.25		159,870		95,360		8,832,093	
Feb 13	59.3		93.93		55.70		159,870		94,804		8,905,274	
Mar 13	58.9		93.62		55.15		159,870		94,182		8,816,894	
Apr 13	59.4		94.08		55.93		159,870		95,037		8,941,420	
May 13	59.8		93.97		56.16		159,870		95,548		8,978,272	
Jun 13	60.1		93.97		56.51		159,870		96,144		9,034,660	
Jul 13	60.7		93.92		56.99		159,870		97,017		9,111,530	
Aug 13	61.0		93.98		57.32		159,870		97,512		9,164,042	
Sep 13	61.0		93.88		57.28		159,870		97,544		9,157,760	
Oct 13	61.1		93.78		57.32		159,870		97,708		9,163,437	
Nov 13	61.5		94.06		57.83		159,870		98,297		9,245,362	
Dec 13	62.1	4.2	94.43	2.5	58.62	6.8	159,870	0.0	99,248	4.2	9,372,027	6.8
Jan 14	62.2	4.3	94.68	2.2	58.90	6.6	159,870	0.0	99,446	4.3	9,415,745	6.6
Feb 14	62.4	5.2	95.11	1.3	59.33	6.5	159,870	0.0	99,732	5.2	9,485,353	6.5
Mar 14	62.6	6.3	95.99	2.5	60.12	9.0	159,870	0.0	100,130	6.3	9,611,911	9.0
Apr 14	62.6	5.3	96.59	2.7	60.45	8.1	159,870	0.0	100,059	5.3	9,664,396	8.1
May 14	62.3	4.2	96.82	3.0	60.30	7.4	159,870	0.0	99,576	4.2	9,640,693	7.4
Jun 14	62.2	3.4	96.96	3.2	60.29	6.7	159,870	0.0	99,401	3.4	9,637,818	6.7
Jul 14	62.0	2.2	97.14	3.4	60.26	5.7	159,870	0.0	99,176	2.2	9,633,947	5.7
Aug 14	62.1	1.7	97.25	3.5	60.34	5.3	159,870	0.0	99,201	1.7	9,647,210	5.3
Sep 14	62.5	2.4	97.59	3.9	60.97	6.4	159,870	0.0	99,883	2.4	9,747,141	6.4
Oct 14	63.0	3.1	98.11	4.6	61.81	7.8	159,870	0.0	100,719	3.1	9,881,381	7.8
Nov 14	63.5	3.3	98.69	4.9	62.67	8.4	159,870	0.0	101,527	3.3	10,019,341	8.4
Dec 14	64.0	3.1	98.68	4.5	63.18	7.8	159,870	0.0	102,362	3.1	10,100,979	7.8
Jan 15	65.0	4.5	101.22	6.9	65.77	11.7	159,870	0.0	103,874	4.5	10,514,062	11.7
Feb 15	65.5	5.0	103.18	8.5	67.59	13.9	159,870	0.0	104,720	5.0	10,805,232	13.9
Mar 15	65.7	4.8	105.31	9.7	69.15	15.0	159,870	0.0	104,971	4.8	11,054,647	15.0
Apr 15	65.6	4.8	103.95	7.6	68.17	12.8	159,870	0.0	104,849	4.8	10,898,940	12.8
May 15	66.3	6.5	104.19	7.6	69.09	14.6	159,870	0.0	106,002	6.5	11,044,830	14.6
Jun 15	66.7	7.4	104.53	7.8	69.77	15.7	159,870	0.0	106,707	7.4	11,154,238	15.7
Jul 15	67.4	8.7	104.85	7.9	70.71	17.3	159,870	0.0	107,811	8.7	11,304,474	17.3
Aug 15	67.5	8.7	105.02	8.0	70.85	17.4	159,870	0.0	107,860	8.7	11,327,185	17.4
Sep 15	67.7	8.4	105.23	7.8	71.28	16.9	159,870	0.0	108,291	8.4	11,395,266	16.9
Oct 15	68.2	8.3	105.54	7.6	72.01	16.5	159,870	0.0	109,079	8.3	11,511,880	16.5
Nov 15	68.2	7.4	105.62	7.0	72.05	15.0	159,870	0.0	109,060	7.4	11,518,394	15.0
Dec 15	68.1	6.4	106.00	7.4	72.20	14.3	159,870	0.0	108,887	6.4	11,542,389	14.3
Jan 16	68.2	5.0	105.15	3.9	71.71	9.0	159,870	0.0	109,038	5.0	11,465,023	9.0
Feb 16	68.3	4.3	105.30	2.1	71.91	6.4	159,870	0.0	109,183	4.3	11,497,016	6.4
Mar 16	68.3	4.0	106.82	1.4	72.97	5.5	159,870	0.0	109,207	4.0	11,666,028	5.5
Apr 16	69.1	5.4	107.39	3.3	74.23	8.9	159,870	0.0	110,515	5.4	11,867,809	8.9
May 16	69.2	4.4	107.32	3.0	74.30	7.5	159,870	0.0	110,670	4.4	11,877,625	7.5
Jun 16	69.7	4.4	107.39	2.7	74.83	7.2	159,870	0.0	111,399	4.4	11,962,697	7.2
Jul 16	69.9	3.7	107.48	2.5	75.17	6.3	159,870	0.0	111,814	3.7	12,018,157	6.3
Aug 16	70.5	4.5	107.63	2.5	75.87	7.1	159,870	0.0	112,692	4.5	12,129,029	7.1
Sep 16	71.0	4.8	107.94	2.6	76.63	7.5	159,870	0.0	113,506	4.8	12,251,299	7.5
Oct 16	71.2	4.4	108.82	3.1	77.51	7.6	159,870	0.0	113,861	4.4	12,390,877	7.6
Nov 16	71.5	4.8	109.12	3.3	78.04	8.3	159,870	0.0	114,340	4.8	12,476,892	8.3
Dec 16	71.8	5.4	109.21	3.0	78.43	8.6	159,870	0.0	114,811	5.4	12,538,314	8.6
Jan 17	71.9	5.4	109.15	3.8	78.44	9.4	159,870	0.0	114,886	5.4	12,540,044	9.4
Feb 17	71.7	5.0	110.08	4.5	78.95	9.8	159,870	0.0	114,665	5.0	12,622,075	9.8
Mar 17	71.7	5.0	110.75	3.7	79.44	8.9	159,870	0.0	114,665	5.0	12,699,592	8.9
Apr 17	71.9	4.1	111.21	3.6	80.01	7.8	159,870	0.0	115,023	4.1	12,791,491	7.8
May 17	72.4	4.6	111.90	4.3	81.01	9.0	159,870	0.0	115,742	4.6	12,951,622	9.0
Jun 17	72.4	3.9	111.82	4.1	80.99	8.2	159,870	0.0	115,790	3.9	12,947,597	8.2
Jul 17	72.4	3.5	112.04	4.2	81.12	7.9	159,870	0.0	115,749	3.5	12,968,382	7.9
Aug 17	72.4	2.6	112.16	4.2	81.15	7.0	159,870	0.0	115,677	2.6	12,974,174	7.0
Sep 17	71.9	1.3	112.43	4.2	80.83	5.5	159,870	0.0	114,940	1.3	12,922,480	5.5
Oct 17	71.5	0.4	112.44	3.3	80.42	3.8	159,870	0.0	114,348	0.4	12,857,437	3.8
Nov 17	71.7	0.2	112.45	3.1	80.61	3.3	159,870	0.0	114,605	0.2	12,887,849	3.3
Dec 17	71.6	-0.3	112.91	3.4	80.84	3.1	159,870	0.0	114,467	-0.3	12,924,343	3.1
Jan 18	71.9	0.1	113.63	4.1	81.71	4.2	159,870	0.0	114,957	0.1	13,063,077	4.2
Feb 18	71.9	0.3	114.71	4.2	82.49	4.5	159,870	0.0	114,961	0.3	13,187,619	4.5
Mar 18	71.6	-0.2	115.44	4.2	82.62	4.0	159,870	0.0	114,421	-0.2	13,208,484	4.0
Apr 18	71.9	-0.1	115.74	4.1	83.16	3.9	159,870	0.0	114,871	-0.1	13,295,348	3.9
May 18	72.4	-0.0	115.61	3.3	83.69	3.3	159,870	0.0	115,737	-0.0	13,380,062	3.3
Jun 18	72.8	0.4	116.16	3.9	84.51	4.3	159,870	0.0	116,307	0.4	13,509,929	4.3
Jul 18	72.9	0.7	116.56	4.0	84.99	4.8	159,870	0.0	116,569	0.7	13,587,334	4.8
Aug 18	73.1	1.0	116.92	4.2	85.48	5.3	159,870	0.0	116,881	1.0	13,665,246	5.3
Sep 18	73.3	1.9	117.11	4.2	85.81	6.2	159,870	0.0	117,136	1.9	13,718,209	6.2
Oct 18	73.4	2.6	116.92	4.0	85.78	6.7	159,870	0.0	117,298	2.6	13,714,435	6.7
Nov 18	73.4	2.4	117.74	4.7	86.39	7.2	159,870	0.0	117,302	2.4	13,810,657	7.2
Dec 18	73.3	2.3	118.25	4.7	86.63	7.2	159,870	0.0	117,121	2.3	13,850,010	7.2
Jan 19	72.7	1.1	118.70	4.5	86.27	5.6	159,870	0.0	116,186	1.1	13,791,772	5.6
Feb 19	72.5	0.8	119.61	4.3	86.69	5.1	159,870	0.0	115,871	0.8	13,859,306	5.1
Mar 19	72.5	1.2	120.77	4.6	87.50	5.9	159,870	0.0	115,826	1.2	13,987,982	5.9
Apr 19	71.8	-0.1	121.82	5.3	87.45	5.1	159,870	0.0	114,759	-0.1	13,979,895	5.1
May 19	71.8	-0.8	122.10	5.6	87.65	4.7	159,870	0.0	114,759	-0.8	14,012,435	4.7
Jun 19	71.7	-1.5	122.47	5.4	87.76	3.8	159,870	0.0	114,555	-1.5	14,029,528	3.8
Jul 19	71.7	-1.6	122.66	5.2	87.99	3.5	159,870	0.0	114,673	-1.6	14,066,210	3.5
Aug 19	72.3	-1.2	122.86	5.1	88.79	3.9	159,870	0.0	115,534	-1.2	14,194,128	3.9
Sep 19	72.5	-1.1	123.26	5.2	89.34	4.1	159,870	0.0	115,881	-1.1	14,283,546	4.1
Oct 19	72.8	-0.8	124.39	6.4	90.51	5.5	159,870	0.0	116,332	-0.8	14,469,977	5.5
Nov 19	72.8	-0.8	124.54	5.8	90.64	4.9	159,870	0.0	116,356	-0.8	14,490,704	4.9
Dec 19	73.4	0.2	124.94	5.7	91.71	5.9	159,870	0.0	117,346	0.2	14,661,533	5.9
Jan 20	73.5	1.1	125.16	5.4	91.95	6.6	159,870	0.0	117,453	1.1	14,700,839	6.6
Feb 20	73.1	0.9	125.39	4.8	91.67	5.7	159,870	0.0	116,879	0.9	14,655,858	5.7
Mar 20	69.9	-3.5	121.35	0.5	84.83	-3.0	159,870	0.0	111,763	-3.5	13,562,379	-3.0
Apr 20	66.8	-6.9	120.33	-1.2	80.43	-8.0	156,420	-2.2	104,550	-8.9	12,580,994	-10.0
May 20	64.4	-10.2	121.17	-0.8	78.06	-10.9	152,855	-4.4	98,477	-14.2	11,932,545	-14.8

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Tab 7 - Day of Week Analysis

Custom Trend: Wickenburg, AZ

Job Number: 1205234\_SADIM    Staff: CW    Created: July 07, 2020

Occupancy (%)								Total Month
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Jun - 19	57.7	64.4	69.7	74.7	75.1	73.0	71.2	69.1
Jul - 19	59.8	68.1	67.3	67.1	71.4	69.5	67.9	67.3
Aug - 19	54.1	71.7	69.9	70.4	63.8	59.5	60.7	64.0
Sep - 19	55.6	60.5	65.8	67.9	66.8	71.7	72.0	65.3
Oct - 19	56.8	64.6	69.5	73.8	81.0	79.5	83.3	72.8
Nov - 19	57.4	66.7	70.1	75.5	78.0	76.5	71.8	71.1
Dec - 19	63.9	67.8	72.1	78.4	74.5	76.0	75.5	72.1
Jan - 20	65.3	74.0	79.2	72.8	74.7	76.7	75.2	74.1
Feb - 20	71.3	79.5	84.7	82.4	88.3	90.8	81.6	82.6
Mar - 20	50.2	50.5	51.7	59.7	55.8	51.2	49.6	52.5
Apr - 20	23.4	24.8	30.6	31.2	26.9	24.9	24.0	26.7
May - 20	36.0	36.3	39.6	41.1	43.6	44.4	43.0	40.6
Total Year	55.2	62.0	65.4	67.3	67.7	67.4	66.1	64.4

Three Year Occupancy (%)								Total Year
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Jun 17 - May 18	61.9	70.1	72.4	75.4	75.6	76.0	75.3	72.4
Jun 18 - May 19	62.1	69.7	72.1	74.6	74.9	75.1	73.9	71.8
Jun 19 - May 20	55.2	62.0	65.4	67.3	67.7	67.4	66.1	64.4
Total 3 Yr	59.8	67.3	70.1	72.5	72.8	72.9	71.8	69.6

ADR								Total Month
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Jun - 19	99.63	101.33	100.92	100.43	100.93	100.97	101.27	100.79
Jul - 19	101.01	99.72	99.46	100.23	100.00	101.80	101.76	100.49
Aug - 19	100.11	101.22	98.94	100.13	98.91	100.30	100.25	99.96
Sep - 19	101.75	103.64	104.39	104.15	104.35	108.58	105.88	104.69
Oct - 19	111.21	110.29	111.18	113.60	127.98	130.28	129.65	119.90
Nov - 19	108.04	106.19	108.05	113.92	121.35	123.85	129.67	117.07
Dec - 19	108.02	112.80	112.85	114.39	114.48	119.03	117.73	114.08
Jan - 20	123.15	127.26	128.34	129.15	127.58	128.44	129.10	127.73
Feb - 20	168.07	164.93	163.47	169.54	171.06	178.86	172.68	170.06
Mar - 20	177.86	174.98	170.74	180.70	180.74	182.56	179.38	177.87
Apr - 20	94.16	92.81	93.45	97.42	96.64	98.17	94.64	95.49
May - 20	102.25	99.46	100.36	98.65	101.39	104.28	103.91	101.74
Total Year	118.59	118.36	118.18	120.02	122.61	125.16	124.57	121.17

Three Year ADR								Total Year
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Jun 17 - May 18	112.44	112.37	112.60	113.88	116.96	120.24	119.78	115.61
Jun 18 - May 19	119.50	119.77	120.22	121.09	122.64	125.30	125.50	122.10
Jun 19 - May 20	118.59	118.36	118.18	120.02	122.61	125.16	124.57	121.17
Total 3 Yr	116.76	116.74	116.94	118.23	120.61	123.48	123.21	119.54

RevPAR								Total Month
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Jun - 19	57.46	65.30	70.33	74.98	75.76	73.71	72.09	69.60
Jul - 19	60.42	67.94	66.90	67.23	71.40	70.77	69.11	67.65
Aug - 19	54.17	72.62	69.12	70.52	63.14	59.72	60.88	64.01
Sep - 19	56.59	62.71	68.70	70.74	69.75	77.90	76.21	68.32
Oct - 19	63.22	71.20	77.32	83.83	103.67	103.51	107.97	87.34
Nov - 19	61.98	70.85	75.80	86.02	94.69	94.73	93.08	83.21
Dec - 19	69.00	76.43	81.37	89.64	85.34	90.43	88.90	82.30
Jan - 20	80.45	94.23	101.69	93.97	95.24	98.49	97.08	94.59
Feb - 20	119.86	131.12	138.50	139.70	150.97	162.32	140.92	140.50
Mar - 20	89.20	88.29	88.31	107.86	100.88	93.53	88.96	93.35
Apr - 20	22.01	22.99	28.57	30.40	25.97	24.47	22.71	25.49
May - 20	36.78	36.10	39.69	40.54	44.18	46.30	44.65	41.31
Total Year	65.46	73.44	77.33	80.72	83.04	84.32	82.34	78.06

Three Year RevPAR								Total Year
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Jun 17 - May 18	69.65	78.73	81.54	85.92	88.43	91.36	90.14	83.69
Jun 18 - May 19	74.22	83.43	86.73	90.34	91.86	94.06	92.79	87.65
Jun 19 - May 20	65.46	73.44	77.33	80.72	83.04	84.32	82.34	78.06
Total 3 Yr	69.82	78.61	81.93	85.74	87.86	90.03	88.48	83.21

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Tab 8 - Raw Data

Custom Trend: Wickenburg, AZ  
Job Number: 1205234\_SADIM Staff: CW Created: July 07, 2020

WS #5.

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Jan 12	61.3		86.93		53.31		13,578		8,327		723,879		5	438	93.4
Feb 12	85.8		97.75		83.82		12,264		10,517		1,028,010		5	438	93.4
Mar 12	94.1		131.29		123.53		13,578		12,776		1,677,326		5	438	93.4
Apr 12	61.6		103.18		63.52		13,140		8,089		834,659		5	438	93.4
May 12	53.2		85.33		45.36		13,578		7,218		615,895		5	438	93.4
Jun 12	51.8		76.95		39.85		13,140		6,805		523,632		5	438	100.0
Jul 12	48.9		76.11		37.19		13,578		6,635		505,001		5	438	100.0
Aug 12	45.3		74.54		33.75		13,578		6,147		458,204		5	438	100.0
Sep 12	51.4		77.48		39.81		13,140		6,751		523,068		5	438	100.0
Oct 12	56.9		87.00		49.51		13,578		7,727		672,244		5	438	100.0
Nov 12	54.8		88.03		48.22		13,140		7,198		633,643		5	438	100.0
Dec 12	51.8		81.97		42.50		13,578		7,040		577,061		5	438	100.0
Jan 13	62.3	1.6	92.63	6.6	57.69	8.2	13,578	0.0	8,457	1.6	783,350	8.2	5	438	100.0
Feb 13	81.2	-5.3	110.55	13.1	89.79	7.1	12,264	0.0	9,961	-5.3	1,101,191	7.1	5	438	100.0
Mar 13	89.5	-4.9	130.73	-0.4	117.02	-5.3	13,578	0.0	12,154	-4.9	1,588,946	-5.3	5	438	100.0
Apr 13	68.1	10.6	107.24	3.9	73.00	14.9	13,140	0.0	8,944	10.6	959,185	14.9	5	438	100.0
May 13	56.9	7.1	84.45	-1.0	48.07	6.0	13,578	0.0	7,729	7.1	652,747	6.0	5	438	100.0
Jun 13	56.3	8.8	78.37	1.8	44.14	10.8	13,140	0.0	7,401	8.8	580,020	10.8	5	438	100.0
Jul 13	55.3	13.2	77.50	1.8	42.85	15.2	13,578	0.0	7,508	13.2	581,871	15.2	5	438	100.0
Aug 13	48.9	8.1	76.89	3.2	37.61	11.5	13,578	0.0	6,642	8.1	510,716	11.5	5	438	100.0
Sep 13	51.6	0.5	76.19	-1.7	39.33	-1.2	13,140	0.0	6,783	0.5	516,786	-1.2	5	438	100.0
Oct 13	58.1	2.1	85.91	-1.3	49.93	0.8	13,578	0.0	7,891	2.1	677,921	0.8	5	438	100.0
Nov 13	59.3	8.2	91.89	4.4	54.46	12.9	13,140	0.0	7,787	8.2	715,568	12.9	5	438	100.0
Dec 13	58.9	13.5	88.06	7.4	51.83	22.0	13,578	0.0	7,991	13.5	703,726	22.0	5	438	100.0
Jan 14	63.7	2.3	95.56	3.2	60.91	5.6	13,578	0.0	8,655	2.3	827,068	5.6	5	438	100.0
Feb 14	83.6	2.9	114.26	3.4	95.47	6.3	12,264	0.0	10,247	2.9	1,170,799	6.3	5	438	100.0
Mar 14	92.4	3.3	136.67	4.5	126.34	8.0	13,578	0.0	12,552	3.3	1,715,504	8.0	5	438	100.0
Apr 14	67.5	-0.8	114.02	6.3	76.99	5.5	13,140	0.0	8,873	-0.8	1,011,670	5.5	5	438	100.0
May 14	53.4	-6.2	86.81	2.8	46.33	-3.6	13,578	0.0	7,246	-6.2	629,044	-3.6	5	438	100.0
Jun 14	55.0	-2.4	79.87	1.9	43.92	-0.5	13,140	0.0	7,226	-2.4	577,145	-0.5	5	438	100.0
Jul 14	53.6	-3.0	79.36	2.4	42.57	-0.7	13,578	0.0	7,283	-3.0	578,000	-0.7	5	438	100.0
Aug 14	49.1	0.4	78.59	2.2	38.59	2.6	13,578	0.0	6,667	0.4	523,979	2.6	5	438	100.0
Sep 14	56.8	10.1	82.61	8.4	46.93	19.3	13,140	0.0	7,465	10.1	616,717	19.3	5	438	100.0
Oct 14	64.3	10.6	93.06	8.3	59.81	19.8	13,578	0.0	8,727	10.6	812,161	19.8	5	438	100.0
Nov 14	65.4	10.4	99.31	8.1	64.96	19.3	13,140	0.0	8,595	10.4	853,528	19.3	5	438	100.0
Dec 14	65.0	10.4	88.98	1.0	57.84	11.6	13,578	0.0	8,826	10.4	785,364	11.6	5	438	100.0
Jan 15	74.9	17.5	121.98	27.6	91.34	49.9	13,578	0.0	10,167	17.5	1,240,151	49.9	5	438	100.0
Feb 15	90.5	8.3	131.79	15.3	119.21	24.9	12,264	0.0	11,093	8.3	1,461,969	24.9	5	438	100.0
Mar 15	94.3	2.0	153.47	12.3	144.71	14.5	13,578	0.0	12,803	2.0	1,964,919	14.5	5	438	100.0
Apr 15	66.6	-1.4	97.81	-14.2	65.14	-15.4	13,140	0.0	8,751	-1.4	855,963	-15.4	5	438	100.0
May 15	61.9	15.9	92.27	6.3	57.07	23.2	13,578	0.0	8,399	15.9	774,934	23.2	5	438	100.0
Jun 15	60.4	9.8	86.57	8.4	52.25	19.0	13,140	0.0	7,931	9.8	686,553	19.0	5	438	100.0
Jul 15	61.8	15.2	86.83	9.4	53.63	26.0	13,578	0.0	8,387	15.2	728,236	26.0	5	438	100.0
Aug 15	49.5	0.7	81.40	3.6	40.26	4.3	13,578	0.0	6,716	0.7	546,690	4.3	5	438	100.0
Sep 15	60.1	5.8	86.73	5.0	52.12	11.0	13,140	0.0	7,896	5.8	684,798	11.0	5	438	100.0
Oct 15	70.1	9.0	97.61	4.9	68.40	14.4	13,578	0.0	9,515	9.0	928,775	14.4	5	438	100.0
Nov 15	65.3	-0.2	100.28	1.0	65.45	0.8	13,140	0.0	8,576	-0.2	860,042	0.8	5	438	100.0
Dec 15	63.7	-2.0	93.54	5.1	59.61	3.1	13,578	0.0	8,653	-2.0	809,359	3.1	5	438	100.0
Jan 16	76.0	1.5	112.69	-7.6	85.64	-6.2	13,578	0.0	10,318	1.5	1,162,785	-6.2	5	438	100.0
Feb 16	91.6	1.3	132.94	0.9	121.82	2.2	12,264	0.0	11,238	1.3	1,493,962	2.2	5	438	100.0
Mar 16	94.5	0.2	166.36	8.4	157.16	8.6	13,578	0.0	12,827	0.2	2,133,931	8.6	5	438	100.0
Apr 16	76.6	14.9	105.15	7.5	80.50	23.6	13,140	0.0	10,059	14.9	1,057,744	23.6	5	438	100.0
May 16	63.0	1.8	91.74	-0.6	57.80	1.3	13,578	0.0	8,554	1.8	784,750	1.3	5	438	100.0
Jun 16	65.9	9.2	89.10	2.9	58.72	12.4	13,140	0.0	8,660	9.2	771,625	12.4	5	438	100.0
Jul 16	64.8	4.9	89.04	2.5	57.72	7.6	13,578	0.0	8,802	4.9	783,696	7.6	5	438	100.0
Aug 16	55.9	13.1	86.59	6.4	48.43	20.3	13,578	0.0	7,594	13.1	657,562	20.3	5	438	100.0
Sep 16	66.3	10.3	92.66	6.8	61.42	17.9	13,140	0.0	8,710	10.3	807,068	17.9	5	438	100.0
Oct 16	72.7	3.7	108.24	10.9	78.68	15.0	13,578	0.0	9,870	3.7	1,068,353	15.0	5	438	100.0
Nov 16	68.9	5.6	104.48	4.2	72.00	10.0	13,140	0.0	9,055	5.6	946,057	10.0	5	438	100.0
Dec 16	67.2	5.4	95.44	2.0	64.13	7.6	13,578	0.0	9,124	5.4	870,781	7.6	5	438	100.0
Jan 17	76.5	0.7	112.05	-0.6	85.76	0.1	13,578	0.0	10,393	0.7	1,164,515	0.1	5	438	100.0
Feb 17	89.8	-2.0	143.05	7.6	128.51	5.5	12,264	0.0	11,017	-2.0	1,575,993	5.5	5	438	100.0
Mar 17	94.5	0.0	172.41	3.6	162.87	3.6	13,578	0.0	12,827	0.0	2,211,448	3.6	5	438	100.0
Apr 17	79.3	3.6	110.36	5.0	87.49	8.7	13,140	0.0	10,417	3.6	1,149,643	8.7	5	438	100.0
May 17	68.3	8.4	101.90	11.1	69.59	20.4	13,578	0.0	9,273	8.4	944,881	20.4	5	438	100.0
Jun 17	66.3	0.6	88.15	-1.1	58.42	-0.5	13,140	0.0	8,708	0.6	767,600	-0.5	5	438	100.0
Jul 17	64.5	-0.5	91.83	3.1	59.25	2.7	13,578	0.0	8,761	-0.5	804,481	2.7	5	438	100.0
Aug 17	55.4	-0.9	88.19	1.8	48.86	0.9	13,578	0.0	7,522	-0.9	663,354	0.9	5	438	100.0
Sep 17	60.7	-8.5	94.74	2.2	57.49	-6.4	13,140	0.0	7,973	-8.5	755,374	-6.4	5	438	100.0
Oct 17	68.3	-6.0	108.14	-0.1	73.89	-6.1	13,578	0.0	9,278	-6.0	1,003,310	-6.1	5	438	100.0
Nov 17	70.9	2.8	104.86	0.4	74.31	3.2	13,140	0.0	9,312	2.8	976,469	3.2	5		

Tab 9 - Classic

Custom Trend: Wickenburg, AZ  
Job Number: 1205234\_SADIM Staff: CW Created: July 07, 2020

WS #5.

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		% Rooms STAR Participants
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	
Jan 12	61.3		86.93		53.31		13,578		8,327		723,879		5	438	93.4
Feb 12	85.8		97.75		83.82		12,264		10,517		1,028,010		5	438	93.4
Mar 12	94.1		131.29		123.53		13,578		12,776		1,677,326		5	438	93.4
Apr 12	61.6		103.18		63.52		13,140		8,089		834,659		5	438	93.4
May 12	53.2		85.33		45.36		13,578		7,218		615,895		5	438	93.4
Jun 12	51.8		76.95		39.85		13,140		6,805		523,632		5	438	100.0
Jul 12	48.9		76.11		37.19		13,578		6,635		505,001		5	438	100.0
Aug 12	45.3		74.54		33.75		13,578		6,147		458,204		5	438	100.0
Sep 12	51.4		77.48		39.81		13,140		6,751		523,068		5	438	100.0
Oct 12	56.9		87.00		49.51		13,578		7,727		672,244		5	438	100.0
Nov 12	54.8		88.03		48.22		13,140		7,198		633,643		5	438	100.0
Dec 12	51.8		81.97		42.50		13,578		7,040		577,061		5	438	100.0
May YTD 2012	71.0		103.99		73.78		66,138		46,927		4,879,769				
Total 2012	59.6		92.12		54.87		159,870		95,230		8,772,622				
Jan 13	62.3	1.6	92.63	6.6	57.69	8.2	13,578	0.0	8,457	1.6	783,350	8.2	5	438	100.0
Feb 13	81.2	-5.3	110.55	13.1	89.79	7.1	12,264	0.0	9,961	-5.3	1,101,191	7.1	5	438	100.0
Mar 13	89.5	-4.9	130.73	-0.4	117.02	-5.3	13,578	0.0	12,154	-4.9	1,588,946	-5.3	5	438	100.0
Apr 13	68.1	10.6	107.24	3.9	73.00	14.9	13,140	0.0	8,944	10.6	959,185	14.9	5	438	100.0
May 13	56.9	7.1	84.45	-1.0	48.07	6.0	13,578	0.0	7,729	7.1	652,747	6.0	5	438	100.0
Jun 13	56.3	8.8	78.37	-1.8	44.14	10.8	13,140	0.0	7,401	8.8	580,020	10.8	5	438	100.0
Jul 13	55.3	13.2	77.50	1.8	42.85	15.2	13,578	0.0	7,508	13.2	581,871	15.2	5	438	100.0
Aug 13	48.9	8.1	76.89	3.2	37.61	11.5	13,578	0.0	6,642	8.1	510,716	11.5	5	438	100.0
Sep 13	51.6	0.5	76.19	-1.7	39.33	-1.2	13,140	0.0	6,783	0.5	516,786	-1.2	5	438	100.0
Oct 13	58.1	2.1	85.91	-1.3	49.93	0.8	13,578	0.0	7,891	2.1	677,921	0.8	5	438	100.0
Nov 13	59.3	8.2	91.89	4.4	54.46	12.9	13,140	0.0	7,787	8.2	715,568	12.9	5	438	100.0
Dec 13	58.9	13.5	88.06	7.4	51.83	22.0	13,578	0.0	7,991	13.5	703,726	22.0	5	438	100.0
May YTD 2013	71.4	0.7	107.64	3.5	76.89	4.2	66,138	0.0	47,245	0.7	5,085,419	4.2			
Total 2013	62.1	4.2	94.43	2.5	58.62	6.8	159,870	0.0	99,248	4.2	9,372,027	6.8			
Jan 14	63.7	2.3	95.56	3.2	60.91	5.6	13,578	0.0	8,655	2.3	827,067	5.6	5	438	100.0
Feb 14	83.6	2.9	114.26	3.4	95.47	6.3	12,264	0.0	10,247	2.9	1,170,799	6.3	5	438	100.0
Mar 14	92.4	3.3	136.67	4.5	126.34	8.0	13,578	0.0	12,552	3.3	1,715,504	8.0	5	438	100.0
Apr 14	67.5	-0.8	114.02	6.3	76.99	5.5	13,140	0.0	8,873	-0.8	1,011,670	5.5	5	438	100.0
May 14	53.4	-6.2	86.81	2.8	46.33	-3.6	13,578	0.0	7,246	-6.2	629,044	-3.6	5	438	100.0
Jun 14	55.0	-2.4	79.87	1.9	43.92	-0.5	13,140	0.0	7,226	-2.4	577,145	-0.5	5	438	100.0
Jul 14	53.6	-3.0	79.36	2.4	42.57	-0.7	13,578	0.0	7,283	-3.0	578,000	-0.7	5	438	100.0
Aug 14	49.1	0.4	78.59	2.2	38.59	2.6	13,578	0.0	6,667	0.4	523,979	2.6	5	438	100.0
Sep 14	56.8	10.1	82.61	8.4	46.93	19.3	13,140	0.0	7,465	10.1	616,717	19.3	5	438	100.0
Oct 14	64.3	10.6	93.06	8.3	59.81	19.8	13,578	0.0	8,727	10.6	812,161	19.8	5	438	100.0
Nov 14	65.4	10.4	99.31	8.1	64.96	19.3	13,140	0.0	8,595	10.4	853,528	19.3	5	438	100.0
Dec 14	65.0	10.4	88.98	1.0	57.84	11.6	13,578	0.0	8,826	10.4	785,364	11.6	5	438	100.0
May YTD 2014	71.9	0.7	112.54	4.6	80.95	5.3	66,138	0.0	47,573	0.7	5,354,085	5.3			
Total 2014	64.0	3.1	98.68	4.5	63.18	7.8	159,870	0.0	102,362	3.1	10,100,979	7.8			
Jan 15	74.9	17.5	121.98	27.6	91.34	49.9	13,578	0.0	10,167	17.5	1,240,151	49.9	5	438	100.0
Feb 15	90.5	8.3	131.79	15.3	119.21	24.9	12,264	0.0	11,093	8.3	1,461,969	24.9	5	438	100.0
Mar 15	94.3	2.0	153.47	12.3	144.71	14.5	13,578	0.0	12,803	2.0	1,964,919	14.5	5	438	100.0
Apr 15	66.6	-1.4	97.81	-14.2	65.14	-15.4	13,140	0.0	8,751	-1.4	855,963	-15.4	5	438	100.0
May 15	61.9	15.9	92.27	6.3	57.07	23.2	13,578	0.0	8,399	15.9	774,934	23.2	5	438	100.0
Jun 15	60.4	9.8	86.57	8.4	52.25	19.0	13,140	0.0	7,931	9.8	686,553	19.0	5	438	100.0
Jul 15	61.8	15.2	86.83	9.4	53.63	26.0	13,578	0.0	8,387	15.2	728,236	26.0	5	438	100.0
Aug 15	49.5	0.7	81.40	3.6	40.26	4.3	13,578	0.0	6,716	0.7	546,690	4.3	5	438	100.0
Sep 15	60.1	5.8	86.73	5.0	52.12	11.0	13,140	0.0	7,896	5.8	684,798	11.0	5	438	100.0
Oct 15	70.1	9.0	97.61	4.9	68.40	14.4	13,578	0.0	9,515	9.0	928,775	14.4	5	438	100.0
Nov 15	65.3	-0.2	100.28	1.0	65.45	0.8	13,140	0.0	8,576	-0.2	860,042	0.8	5	438	100.0
Dec 15	63.7	-2.0	93.54	5.1	59.61	3.1	13,578	0.0	8,653	-2.0	809,359	3.1	5	438	100.0
May YTD 2015	77.4	7.7	122.98	9.3	95.22	17.6	66,138	0.0	51,213	7.7	6,297,936	17.6			
Total 2015	68.1	6.4	106.00	7.4	72.20	14.3	159,870	0.0	108,887	6.4	11,542,389	14.3			
Jan 16	76.0	1.5	112.69	-7.6	85.64	-6.2	13,578	0.0	10,318	1.5	1,162,785	-6.2	5	438	100.0
Feb 16	91.6	1.3	132.94	0.9	121.82	2.2	12,264	0.0	11,238	1.3	1,493,962	2.2	5	438	100.0
Mar 16	94.5	0.2	166.36	8.4	157.16	8.6	13,578	0.0	12,827	0.2	2,133,931	8.6	5	438	100.0
Apr 16	76.6	14.9	105.15	7.5	80.50	23.6	13,140	0.0	10,059	14.9	1,057,744	23.6	5	438	100.0
May 16	63.0	1.8	91.74	-0.6	57.80	1.3	13,578	0.0	8,554	1.8	784,750	1.3	5	438	100.0
Jun 16	65.9	9.2	89.10	2.9	58.72	12.4	13,140	0.0	8,660	9.2	771,625	12.4	5	438	100.0
Jul 16	64.8	4.9	89.04	2.5	57.72	7.6	13,578	0.0	8,802	4.9	783,696	7.6	5	438	100.0
Aug 16	55.9	13.1	86.59	6.4	48.43	20.3	13,578	0.0	7,594	13.1	657,562	20.3	5	438	100.0
Sep 16	66.3	10.3	92.66	6.8	61.42	17.9	13,140	0.0	8,710	10.3	807,068	17.9	5	438	100.0
Oct 16	72.7	3.7	108.24	10.9	78.68	15.0	13,578	0.0	9,870	3.7	1,068,353	15.0	5	438	100.0
Nov 16	68.9	5.6	104.48	4.2	72.00	10.0	13,140	0.0	9,055	5.6	946,057	10.0	5	438	100.0
Dec 16	67.2	5.4	95.44	2.0	64.13	7.6	13,578	0.0	9,124	5.4	870,781	7.6	5	438	100.0
May YTD 2016	80.1	3.5	125.16	1.8	100.29	5.3	66,138	0.0	52,996	3.5	6,633,172	5.3			
Total 2016	71.8	5.4	109.21	3.0	78.43	8.6	159,870	0.0	114,811	5.4	12,538,314	8.6			
Jan 17	76.5	0.7	112.05	-0.6	85.76	0.1	13,578	0.0	10,393	0.7	1,164,515	0.1	5	438	100.0
Feb 17	89.8	-2.0	143.05	7.6	128.51	5.5	12,264	0.0	11,017	-2.0	1,575,993	5.5	5	438	100.0
Mar 17															

Tab 10 - Response Report

Custom Trend: Wickenburg, AZ  
Job Number: 1205234\_SADIM    Staff: CW    Created: July 07, 2020

								2018												2019												2020															
STR Code	Name of Establishment	City & State	Zip Code	Class	Aff Date	Open Date	Rooms	Chg in Rms	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D			
60021	Residence Inn Phoenix Northwest Surprise	Surprise, AZ	85374	Upscale Class	Feb 2010	Feb 2010	116		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
56513	Holiday Inn Express & Suites Surprise	Surprise, AZ	85374	Upper Midscale Class	Jun 2020	Jan 2008	115	Y	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
53484	Hampton by Hilton Inn & Suites Phoenix-Surprise	Surprise, AZ	85374	Upper Midscale Class	Aug 2005	Aug 2005	100		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
1844	Best Western Rancho Grande	Wickenburg, AZ	85390	Midscale Class	Jun 1948	Jun 1948	78		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
14977	Quality Inn Wickenburg	Wickenburg, AZ	85390	Midscale Class	May 2012	Jun 1986	29		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
				Total Properties:		5	438																																								
									○ - Monthly data received by STR • - Monthly and daily data received by STR Blank - No data received by STR Y - (Chg in Rms) Property has experienced a room addition or drop during the time period of the report.																																						

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## Tab 11 - Terms and Conditions

Before purchasing this product you agreed to the following terms and conditions.

In consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, STR, Inc. ("STR"), STR Global, Ltd. ("STRG"), and the licensee identified elsewhere in this Agreement agree as follows:

Hotel Market Feasibility Study

City of Wichita, KS, AZ

WS #5.

### 1. LICENSE

#### 1.1 Definitions.

(a) "Agreement" means these Standard Terms and Conditions and any additional terms specifically set out in writing in the document(s) (if any) to which these Standard Terms and Conditions are attached or in which they are incorporated by reference, and, if applicable, any additional terms specifically set out in writing in any Schedule attached hereto.

(b) "Licensed Materials" means the newsletters, reports, databases or other information resources, and all lodging industry data contained therein, provided to Licensee hereunder.

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**2.1 Disclaimer of Warranties.** The licensed materials are provided to the licensee on an "as is" and "as available" basis. STR makes no representations or warranties of any kind, express or implied, with respect to the licensed materials, the services provided or the results of use thereof. Without limiting the foregoing, STR does not warrant that the licensed materials, the services provided or the use thereof are or will be accurate, error-free or uninterrupted. STR makes no implied warranties, including without limitation, any implied warranty of merchantability, noninfringement or fitness for any particular purpose or arising by usage of trade, course of dealing, course of performance or otherwise.

**2.2 Disclaimers.** STR shall have no liability with respect to its obligations under this agreement or otherwise for consequential, exemplary, special, incidental, or punitive damages even if STR has been advised of the possibility of such damages. Furthermore, STR shall have no liability whatsoever for any claim relating in any way to any decision made or action taken by licensee in reliance upon the licensed materials.

**2.3 Limitation of Liability.** STR's total liability to licensee for any reason and upon any cause of action including without limitation, infringement, breach of contract, negligence, strict liability, misrepresentations, and other torts, shall be limited to all fees paid to STR by the licensee during the twelve month period preceding the date on which such cause of action first arose.

#### 3. MISCELLANEOUS

**3.1 Liquidated Damages.** In the event of a violation of Section 1.5 of these Standard Terms and Conditions, Licensee shall be required to pay STR an amount equal to the sum of (i) the highest aggregate price that STR, in accordance with its then-current published prices, could have charged the unauthorized recipients for the Licensed Materials that are the subject of the violation, and (ii) the full price of the lowest level of republishing rights that Licensee would have been required to purchase from STR in order to have the right to make the unauthorized distribution, regardless of whether Licensee has previously paid for any lower level of republishing rights, and (iii) fifteen percent (15%) of the total of the previous two items. This provision shall survive indefinitely the expiration or termination of this Agreement for any reason.

**3.2 Obligations on Termination.** Within thirty (30) days of the termination or expiration of this Agreement for any reason, Licensee shall cease all use of the Licensed Materials and shall return or destroy, at STR's option, all copies of the Licensed Materials and all other information relating thereto in Licensee's possession or control as of the such date. This provision shall survive indefinitely the expiration or termination of this Agreement for any reason.

**3.3 Governing Law; Jurisdiction and Venue.** This Agreement shall be governed by the substantive laws of the State of Tennessee, without regard to its or any other jurisdiction's laws governing conflicts of law. Any claims or actions regarding or arising out of this Agreement shall be brought exclusively in a court of competent jurisdiction located in Nashville, Tennessee, and the parties expressly consent to personal jurisdiction thereof. The parties also expressly waive any objections to venue.

**3.4 Assignment.** Licensee is prohibited from assigning this Agreement or delegating any of its duties under this Agreement without the prior written consent of STR.

**3.5 Independent Relationship.** The relationship between the parties is that of an independent contractor. Nothing in this Agreement shall be deemed to create an employer/employee, principal/agent, partnership or joint venture relationship.

**3.6 Notices.** All notices required or permitted to be given hereunder shall be in writing and shall be deemed given i) when delivered in person, at the time of such delivery; ii) when delivered by facsimile transmission or e-mail, at the time of transmission (provided, however, that notice delivered by facsimile transmission shall only be effective if such notice is also delivered by hand or deposited in the United States mail, postage prepaid, registered, certified or express mail or by courier service within two (2) business days after its delivery by facsimile transmission); iii) when delivered by a courier service or by express mail, at the time of receipt; or iv) five (5) business days after being deposited in the United States mail, postage prepaid, registered or certified mail, addressed (in any such case) to the addresses listed on the first page of this Agreement or to such other address as either party may notify the other in writing.

**3.7 Waiver.** No waiver of any breach of this Agreement will be deemed to constitute a waiver of any subsequent breach of the same or any other provision.

**3.8 Entire Agreement.** This Agreement constitutes the entire agreement of the parties with respect to the matters described herein, superseding in all respects any and all prior proposals, negotiations, understandings and other agreements, oral or written, between the parties.

**3.9 Amendment.** This Agreement may be amended only by the written agreement of both parties.

**3.10 Recovery of Litigation Costs.** If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any of the provisions of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

**3.11 Injunctive Relief.** The parties agree that, in addition to any other rights or remedies which the other or STR may have, any party alleging breach or threatened breach of this Agreement will be entitled to such equitable and injunctive relief as may be available from any court of competent jurisdiction to restrain the other from breaching or threatening to breach any of the provisions of this Section, without posting bond or other surety.

**3.12 Notice of Unauthorized Access.** Licensee shall notify STR immediately upon Licensee's becoming aware of any facts indicating that a third party may have obtained or may be about to obtain unauthorized access to the Licensed Materials, and shall fully cooperate with STR in its efforts to mitigate the damages caused by any such breach or potential breach.

**3.13 Conflicting Provisions.** In the event that any provision of these Standard Terms and Conditions directly conflicts with any other provision of the Agreement, the conflicting terms of such other provision shall control.

**3.14 Remedies.** In addition to any other rights or remedies that STR may have, in the event of any termination by STR on account of a breach by Licensee, STR may, without refund, immediately terminate and discontinue any right of Licensee to receive additional Licensed Materials from STR.





**Glossary:**

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To learn more about the Hotel Data Conference, visit [HotelDataConference.com](http://HotelDataConference.com).



# STR Chain Scales – North America and Caribbean

## Luxury

21c Museum Hotels  
AKA  
Andaz  
Belmond  
Conrad  
Dorchester Collection  
Edition  
Fairmont  
Four Seasons  
Grand Hyatt  
InterContinental  
JW Marriott  
Langham  
Loews  
Luxury Collection  
Mandarin Oriental  
Montage  
Palace Resorts  
Park Hyatt  
Ritz-Carlton  
RockResorts  
Rosewood  
Sixty Hotels  
Sofitel  
St Regis  
Taj  
The Peninsula  
Thompson Hotels  
Trump Hotel Collection  
Valencia Group  
Viceroy  
W Hotel  
Waldorf Astoria

## Upper Upscale

Ace Hotel  
Affinia  
Autograph Collection  
Club Quarters  
Curio Collection  
Delta  
Dolce  
Embassy Suites  
Gaylord  
Hard Rock  
Hilton  
Hyatt  
Hyatt Centric

Hyatt Regency  
Joie De Vivre  
Kimpton  
Le Meridien  
Magnolia Hotel  
Marriott  
Marriott Conference  
Center  
Millennium  
Omni  
Outrigger  
Pan Pacific Hotel Group  
Pestana  
Pullman  
Radisson Blu  
Renaissance  
Sheraton  
Starhotels  
Swissotel  
Tribute Portfolio  
Warwick Hotels  
Westin  
Wyndham

## Upscale

AC Hotels by Marriott  
aloft Hotel  
Ascend Collection  
Aston Hotel  
Best Western Premier  
Cambria Suites  
Canad Inn  
CitizenM Hotels  
Club Med  
Coast Hotels & Resorts  
USA  
Courtyard  
Crowne Plaza  
Disney Hotels  
Double Tree  
element  
EVEN Hotels  
Four Points  
Graduate Hotels  
Grand America  
Great Wolf Lodge  
Hilton Garden Inn  
Homewood Suites

Hotel Indigo  
Hyatt House  
Hyatt Place  
Larkspur Landing  
Legacy Vacation Club  
Melia  
Miyako Hotels  
Novotel  
NYLO Hotel  
Prince Hotel  
Radisson  
Residence Inn  
Room Mate  
Shell Vacations Club  
Sonesta Hotel  
Springhill Suites  
Staybridge Suites  
Stoney Creek  
Vacation Condos by  
Outrigger

## Upper Midscale

Ayres  
Aqua Hotels  
Best Western Plus  
Boarders Inn & Suites  
Centerstone Hotels  
Chase Suites  
Clarion  
Cobblestone  
Comfort Inn  
Comfort Suites  
Country Inn & Suites  
Doubletree Club  
Drury Inn  
Drury Inn & Suites  
Drury Plaza Hotel  
Drury Suites  
Fairfield Inn  
Golden Tulip  
Hampton Inn  
Hampton Inn & Suites  
Holiday Inn  
Holiday Inn Express  
Home2 Suites by Hilton  
Isle of Capri  
Lexington  
MOXY

OHANA  
Oxford Suites  
Park Inn  
Phoenix Inn  
Ramada Plaza  
Red Lion Hotels  
Silver Cloud  
Sonesta ES Suites  
Tryp by Wyndham  
TownePlace Suites  
Westmark  
Wyndham Garden Hotel  
Xanterra

## Midscale

3 Palms Hotels & Resorts  
A Victory Hotels  
AmericInn  
Baymont Inn & Suites  
Best Western  
Candlewood Suites  
ClubHouse  
Crossings by GrandStay  
Crystal Inn  
FairBridge Inn  
GrandStay  
Residential Suites  
Hawthorn Suites  
by Wyndham  
InnSuites Hotel  
Lakeview  
Distinctive Hotels  
La Quinta Inn & Suites  
MainStay Suites  
Oak Tree Inn  
Quality Inn  
Ramada  
Red Lion Inn & Suites  
Settle Inn  
Shilo Inn  
Sleep Inn  
Vagabond Inn  
Vista  
Wingate by Wyndham  
Yotel








## Economy

Affordable Suites  
of America  
America's Best Inn  
America's Best Value Inn  
Budget Host  
Budget Suites of America  
Budgetel  
Country Hearth Inn  
Crestwood Suites  
Crossland Suites  
Days Inn  
Econo Lodge  
Extended Stay America  
E-Z 8  
Family Inns of America  
Good Nite Inn  
GuestHouse Inn  
Home-Towne Suites  
Howard Johnson  
InTown Suites  
Jameson Inn  
Key West Inn  
Knights Inn  
Lite Hotels  
Masters Inn  
Microtel Inn &  
Suites by Wyndham  
Motel 6  
National 9  
Passport Inn  
Pear Tree Inn  
Red Carpet Inn  
Red Roof Inn  
Rodeway Inn  
Savannah Suites  
Scottish Inn  
Select Inn  
Studio 6  
Suburban Extended Stay  
Sun Suites Hotels  
Super 8  
Travelodge  
Value Place  
WoodSpring Suites

Brands/Chains are slotted by Chain Scale based on the previous year's annual system wide (global) Average Daily Rate. Rate ranges defining each Chain Scale are determined by STR. The STR Chain Scales – North America and Caribbean is a subset of the larger Global Chain Scale list. Brand Chain Scale pairings are consistent with each list. Brands listed above are located in U.S., Mexico, Caribbean and Canada. If you have any questions about the Chain Scales, please email support@str.com. Copyright 2016. STR, Inc. Publishing or reproducing this information is strictly prohibited. www.str.com +1 (615) 824 8664. Last updated May 2016.

## PROJECTIONS

For the purposes of this Comprehensive Hotel Market Feasibility Study, Core Distinction Group LLC offers an overview and overall description of the potential hotel's proforma. In this section, you will gain knowledge of the overall financial projections estimated for the recommended hotel in this market. This section will contain:

-  Proposed Property Description
-  Projected Construction/Development Costs
-  Proposed Property Occupancy
-  Proposed Property Average Daily Rate
-  Projected Hotel Development Revenue
-  Projected Hotel Development Payroll Expenses
-  Projected Hotel Development Operating Expenses
-  Projected Hotel Development Reserve and Fixed Expenses
-  Projected Hotel Development Income

Additional detailed information can be found in the projected specific, Proforma.

This lodging demand analysis is based on general observations of the surrounding market area and the overall Wickenburg, AZ market area.

1st Quarter (Jan-Mar)	January	February	March	
Lodging Rooms Available	2,728	2,464	2,728	
Lodging Occupancy %	76.0%	85.0%	90.0%	
Total Occ. Rooms	2,073	2,094	2,455	
Average Daily Rate	159.66	212.58	222.34	
Total Revenue	\$331,023	\$445,227	\$545,887	
2nd Quarter (Apr-June)	April	May	June	
Lodging Rooms Available	2,640	2,728	2,640	
Lodging Occupancy %	79.0%	74.0%	70.0%	
Total Occ. Rooms	2,086	2,019	1,848	
Average Daily Rate	119.36	106.83	95.25	
Total Revenue	\$248,945	\$215,660	\$176,014	
3rd Quarter (July-Sept)	July	August	September	
Lodging Rooms Available	2,728	2,728	2,640	
Lodging Occupancy %	66.0%	60.0%	60.0%	
Total Occ. Rooms	1,800	1,637	1,584	
Average Daily Rate	94.96	94.47	98.94	
Total Revenue	\$170,977	\$154,621	\$156,715	
4th Quarter (Oct-Dec)	October	November	December	TOTAL
Lodging Rooms Available	2,728	2,640	2,728	32,120
Lodging Occupancy %	70.0%	70.0%	65.0%	72.0%
Total Occ. Rooms	1,910	1,848	1,773	23,127
Average Daily Rate	134.89	131.70	128.34	\$137.22
Total Revenue	\$257,589	\$243,385	\$227,581	3,173,624

*\* The above forecasts represent projections for occupancy, adr, and revenue of a developed 88 unit lodging option. Financial Returns projected based on specific brand chosen for development. Development costs and FDD required*

NOTE: The above information is a forward looking projection of anticipated occupancies, average daily rate and revenue based on the professional experience of Core Distinction Group LLC (CDG) participation in other projects, similar in nature. Occupancy and ADR projections derived from market data trends reported by Smith Travel Research (STR) in the market's proximity along with to date rate shopping of local and surrounding hotels, and community feedback. This projection could change due to changes in the economy, both locally and overall, the acceptance of the project by the local community and patrons and the fact that CDG has not been involved in a project in this area and in a municipality with these demographics in the past. Thereby, all investors understand and acknowledge that these forward looking projections are not warranted by CDG and are subject to change and fluctuation.

Source: Core Distinction Group LLC

**First Year Ramp Up Projections of 88 Guestroom Lodging Options:**

OCC%	ADR:	REVPAR	Room Revenue:
64.8%	\$130.36	\$84.48	\$2,713,449

**1-5 Year Projections:**

OCC%	ADR:	REVPAR	Room Revenue:	<b>YEAR 1</b>
72.00%	\$137.22	\$98.81	\$3,173,624	
OCC%	ADR:	REVPAR	Room Revenue:	<b>YEAR 2</b>
73.44%	\$139.97	\$102.80	\$3,301,839	
OCC%	ADR:	REVPAR	Room Revenue:	<b>YEAR 3</b>
74.91%	\$142.77	\$106.95	\$3,435,233	
OCC%	ADR:	REVPAR	Room Revenue:	<b>YEAR 4</b>
75.51%	\$144.20	\$108.88	\$3,497,342	
OCC%	ADR:	REVPAR	Room Revenue:	<b>YEAR 5</b>
75.51%	\$145.64	\$109.97	\$3,532,315	

Three Year Occupancy (%)								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Year
Jun 17 - May 18	61.9	70.1	72.4	75.4	75.6	76.0	75.3	72.4
Jun 18 - May 19	62.1	69.7	72.1	74.6	74.9	75.1	73.9	71.8
Jun 19 - May 20	55.2	62.0	65.4	67.3	67.7	67.4	66.1	64.4
Total 3 Yr	59.8	67.3	70.1	72.5	72.8	72.9	71.8	69.6

Three Year ADR								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Year
Jun 17 - May 18	112.44	112.37	112.60	113.88	116.96	120.24	119.78	115.61
Jun 18 - May 19	119.50	119.77	120.22	121.09	122.64	125.30	125.50	122.10
Jun 19 - May 20	118.59	118.36	118.18	120.02	122.61	125.16	124.57	121.17
Total 3 Yr	116.76	116.74	116.94	118.23	120.61	123.48	123.21	119.54

It should be noted that the above projections are considered to be forecasted for the first full year open. Consideration for a ramp up period at a minimum of 90 to 180 days is typical for new hotel development. It should be noted that projections shown in any forward reaching proforma will indicate a first partial year ramp up period for comparison and budget planning. The opening of this potential hotel development should be in timing up to 90 days prior to peak season to ensure highest potential profitability in year 1. A minimum of \$150k should be factored into the total project cost under working capital to offset this first year ramp up period loss potential. Hotels used in this seasonality analysis are from neighboring markets of Wickenburg, AZ. The market's demand patterns appear above average at the time of this report.

Source: Core Distinction Group LLC

## Proposed Property

In this section of the report, Core Distinction Group has compiled a projection of income and expense for the proposed hotel development. This projection is based on the hotel's recommendations stated throughout this report, as well as the occupancy and average rate projected throughout this report. This section of the report also details construction/development costs gathered by Core Distinction Group.

## Proposed Property Description

The quality of a lodging facility's physical improvements has a direct influence on marketability, attainable occupancy, and average room rate. The design and functionality of the structure can also affect operating efficiency and overall profitability. This section investigates the subject property's proposed physical improvements and personal property in an effort to determine how they are expected to contribute to attainable cash flows.

We recommend that the proposed hotel operate as an upper-midscale, limited-service property. The proposed hotel development's building specifications include: 88 unit hotel with a Wissota Chophouse, standard (king & queen/queen) rooms, 2-room extended stay suites, free hot breakfast for all guests, guest fitness room, guest laundry room, meeting room, a pool, and an elevator.

## Projected Construction/Development Costs

Gathering the most accurate costs available may help ensure the hotel project projection estimates set in this report be as accurate as possible. Core Distinction Group requested construction/development costs directly from a reputable hotel construction company and/or the brand selected by the client. Core Distinction Group is not responsible for any discrepancies in costs in the future. The total estimated costs for this proposed hotel development project are listed in table below:

Hotel Construction/Development Costs in Wickenburg, AZ	
Land and Land Preparation	\$2,500,000
Building Construction	\$7,480,000
Fixtures, Furnishings and Equipment	\$1,350,000
Indirect/Soft Costs	\$1,080,000
<b>Total Estimated Costs</b>	<b>\$12,410,000</b>

Source: BriMark Builders

Hotel Construction/Development Costs in Wickenburg, AZ		
Land and Land Preparation	\$28,409	per room/key
Building Construction	\$85,000	per room/key
Fixtures, Furnishings and Equipment	\$15,341	per room/key
Indirect/Soft Costs	\$12,273	per room/key
<b>Total Estimated Costs</b>	<b>\$141,023</b>	<b>per room/key</b>

Source: BriMark Builders



## Proposed Property Occupancy Projections

Based on analysis of the proposed hotel and market, Core Distinction Group has selected a stabilized occupancy level of 74.9%. The stabilized occupancy is intended to reflect the anticipated results of the proposed property over its remaining economic life. The stabilized occupancy excludes from consideration any abnormal relationship between supply and demand, as well as any nonrecurring conditions that may result in unusually high or low occupancies. Although the proposed subject hotel may operate at occupancies above this stabilized level, Core Distinction Group knows it is always possible for new competition and temporary economic downturns to force the occupancy below this selected point of stability. Below you will find a table detailing both the proposed market occupancy projections and historical market occupancy performance:

Historical Market Performance			Projected Market Performance		
Year	Occupancy	Change	Year	Occupancy	Change
2016	71.8%	3.7%	2020	50.0%	-23.4%
2017	71.6%	-0.2%	2021	65.0%	15.0%
2018	73.3%	1.7%	2022	69.0%	4.0%
2019	73.4%	0.1%			

## Proposed Property Average Daily Rate (ADR) Projections

One of the most important considerations in estimating the value of a lodging facility is a supportable forecast of its attainable average rate, which is more formally defined as the average rate per occupied room. Average rate can be calculated by dividing the total rooms revenue achieved during a specified period by the number of rooms sold during the same period. Although the ADR analysis presented here follows the occupancy projection, these two statistics are highly correlated; in reality, one cannot project occupancy without making specific assumptions regarding average rate. Below you will find a table detailing both the proposed market ADR projections and historical market ADR performance:

Historical Market Performance			Projected Market Performance		
Year	ADR	Change	Year	ADR	Change
2016	\$109.21	\$3.20	2020	\$112.00	(\$12.94)
2017	\$112.91	\$3.70	2021	\$123.20	\$11.20
2018	\$118.25	\$5.34	2022	\$135.52	\$12.32
2019	\$124.94	\$6.69			

## Projected Hotel Development Revenue

In this section of this report, Core Distinction Group has compiled projections of revenue for the proposed hotel. This projection is based on the hotel's recommendations stated throughout this report, as well as the occupancy and average rate projected throughout this report. Room revenue is determined by two variables: occupancy and average rate. We projected occupancy and average rate in a previous section of this report. The proposed subject hotel is expected to stabilize at an occupancy level of 58% with an average rate of \$122.02 in 2023. Following the stabilized year, the proposed subject hotel's average rate is projected to increase along with the underlying rate of inflation. Due to the scale of the proposed hotel development, the revenue will also contain a small amount of food and beverage revenue, telephone revenue, meeting space revenue and miscellaneous revenue. Below you will find a five year projection of total revenue for the proposed hotel development:

Five Year Projected Hotel Development Revenue				
Year 1	Year 2	Year 3	Year 4	Year 5
\$4,168,097.31	\$4,318,560.17	\$4,474,695.04	\$4,547,545.16	\$4,584,944.00

## Projected Hotel Development Payroll

The projected hotel development payroll expenses consist of all payroll associated with the revenue obtained by the proposed property. Core Distinction Group includes; the General Manager salary, all maintenance payroll, all housekeeping payroll, all front desk payroll, as well as workers compensation insurance and any payroll taxes is its evaluation. Below you will find the forecasted five year, proposed property's total payroll:

Five Year Projected Hotel Development Total Payroll				
Year 1	Year 2	Year 3	Year 4	Year 5
\$840,988.89	\$860,691.83	\$900,699.72	\$934,616.80	\$944,179.61

## Projected Hotel Development Operating Expenses

The projected hotel development operating expenses consist of all operating expenses associated with the revenue obtained by the proposed property. Core Distinction Group includes the following in its operating expenses:

**Cleaning Supply Expenses** - All expenses related to the cleaning of the proposed hotel project.

**Laundry Supply Expenses** - All expenses related to the laundering of the linens at the proposed hotel project.

**Linen Expenses** - All expenses related to the ongoing cost of replacing linens at the proposed hotel project.

**Guest Supply Expenses** - All expenses related to the restocking of supplies used by the guest at proposed hotel project.

**Operating Supply Expenses** - All expenses related to the operations of the proposed hotel project.

**Repairs and Maintenance Expenses** - All expenses related to the repair and maintenance of the proposed hotel project. It should be noted that as a new hotel, these amounts may be lower in the first year of two of operation. However, this also does include any contracts such as elevator maintenance, fire alarm monitoring, etc.

**Swimming Pool Maintenance Expenses** - All expenses related to the upkeep of the pool at the proposed hotel project. It should be noted that if the proposed hotel does not have a pool, this number will not be present in the proposed hotel project expenses.

**Grounds and Landscaping Expenses** - All expenses related to the ongoing maintenance of lawn, landscaping and snow removal (if applicable) of the proposed hotel project.

**Franchise Fee Expenses** - All expenses related to the ongoing fees charged by the franchise to the proposed hotel project.

**Property Management System Expenses** - All expenses related to the ongoing fees charged by the property management system of the proposed hotel project.

**Breakfast Expenses** - All expenses related to the breakfast provided by the proposed hotel project.

**Travel Agent Fee Expenses** - All expenses related to the ongoing fees charged by any travel agent booking revenue at the proposed hotel project. This also includes online travel agent websites.

**Reservation Expenses** - All expenses related to the ongoing fees charged by the central reservation system of proposed hotel project.

**Vending and Bar Expenses** - All expenses related to the bar or vending area of the proposed hotel project.

## Projected Hotel Development Operating Expenses (continued)

**Office Expenses** - All expenses related to the office supplies need at the proposed hotel project.

**Marketing and Advertising Expenses** - All expenses related to the marketing and advertising done for the proposed hotel project.

**Utility Expenses** - All expenses related to the utilities utilized at the proposed hotel project.

**Telephone Expenses** - All expenses related to the phone system at the proposed hotel project.

**Internet Expenses** - All expenses related to the internet system at the proposed hotel project.

**Cable Expenses** - All expenses related to the cable system at the proposed hotel project.

**Waste Removal Expenses** - All expenses related to the removal of waste at the proposed hotel project.

**Dues and Subscription Expenses** - All expenses related to any dues or subscriptions utilized at proposed hotel project.

**Licenses and Permitting Expenses** - All expenses related to any ongoing licenses or permits for the proposed hotel project.

**Credit Card Processing Expenses** - All expenses related to the credit card processing system at the proposed hotel project.

**Management Fee Expenses** - All expenses related to the ongoing, professional hotel management fees of the proposed hotel project.

**Accounting Service Expenses** - All expenses related to the ongoing, professional accounting or accountant fees of the proposed hotel project.

**Other Expenses/Frequent Stay Program Expenses** - All expenses related to the brand's frequent stay program at the proposed hotel project. This line also includes any miscellaneous expenses.

Below you will find the forecasted five year, proposed property's total operating expenses:

Five Year Projected Hotel Development Total Operating Expenses				
Year 1	Year 2	Year 3	Year 4	Year 5
\$1,308,763.92	\$1,345,868.46	\$1,393,016.83	\$1,412,305.44	\$1,421,958.17

## Projected Hotel Development Reserves and Fixed Expenses

The projected hotel development reserves and fixed expenses consist of all fixed monthly expenses as well as the reserve for replacement expenses associated with the revenue obtained by the proposed property. Core Distinction Group includes the following in its reserves and fixed expenses:

**Real Estate Tax Expenses** - This expense relates to the real estate taxes assessed for the proposed hotel project. In some cases this item could be an estimate and/or may be reduced due to incentives. Depending on the taxing policy of the municipality, property taxes can be based on the value of the real property or the value of the personal property and the real property. We have based our estimate of the proposed subject property's market value (for tax purposes) on an analysis of assessments of comparable hotel properties in the local municipality. The numbers below are based on what was available to Core Distinction Group representatives at the time of conducting the research in this report.

**Insurance Expenses** - This expense relates to the ongoing property insurance for the proposed hotel project. In some cases this item could be an estimate. The insurance expense consists of the cost of insuring the hotel and its contents against damage or destruction by fire, weather, sprinkler leakage, boiler explosion, plate glass breakage, and so forth. General insurance costs also include premiums relating to liability, fidelity, and theft coverage. Insurance rates are based on many factors, including building design and construction, fire detection and extinguishing equipment, fire district, distance from the firehouse, and the area's fire experience. Insurance expenses do not vary with occupancy. The numbers below are based on what was available to Core Distinction Group representatives at the time of conducting the research in this report.

**Reserve for Replacement Expenses** - Furniture, fixtures, and equipment are essential to the operation of a lodging facility, and their quality often influences a property's revenue-producing abilities. This expense line includes all non-real estate items that are capitalized, rather than expensed. The furniture, fixtures, and equipment of a hotel are exposed to heavy use and must be replaced at regular intervals. The useful life of these items is determined by their quality, durability, and the amount of guest traffic and use. Periodic replacement of furniture, fixtures, and equipment is essential to maintain the quality, image, and revenue-producing potential of a lodging facility. Studies have indicated that on an ongoing basis a minimum of 4 percent is required to properly maintain hotels. Because the proposed hotel will be new construction, we used a buildable approach whereas in the first two years of operation, the reserve was estimated to be 3 percent and in subsequent years the reserve for replacement was estimated to be 4 percent of total sales and that is estimated to provide sufficient funds for future capital improvements.

**Below you will find the forecasted five year, proposed property's total reserves and fixed expenses:**

Five Year Projected Hotel Development Total Reserves and Fixed Expenses				
Year 1	Year 2	Year 3	Year 4	Year 5
\$337,564.38	\$344,335.21	\$396,108.23	\$400,114.98	\$402,171.92

## Projected Hotel Development Loan Expenses

The projected hotel development loan expenses consist of all monthly expenses incurred by the proposed property. Based on our analysis of the current lodging industry mortgage market and adjustments for specific factors, such as the property's site, proposed facility, and conditions in the hotel market, it is our opinion that a 4.5% interest, 25-year amortization mortgage is appropriate for the proposed subject hotel. In the mortgage-equity analysis, we have applied a loan-to-cost ratio of 60%, which is reasonable to expect based on this interest rate and current parameters. Below you will find the forecasted five year, proposed property's total loan expenses:

Five Year Projected Hotel Development Total Interest Payment				
Year 1	Year 2	Year 3	Year 4	Year 5
\$386,889.00	\$378,050.00	\$368,805.00	\$359,136.00	\$349,022.00

Five Year Projected Hotel Development Total Principal Reduction				
Year 1	Year 2	Year 3	Year 4	Year 5
\$192,399.60	\$201,238.60	\$210,483.60	\$220,152.60	\$230,266.60

## Projected Hotel Development Income

The projected hotel development income is measured by two separate parameters for the proposed property:

**Return On Investment (ROI)** is a performance measure used to evaluate the efficiency of an investment or compare the efficiency of a number of different investments. ROI tries to directly measure the amount of return on a particular investment, relative to the investment's cost.

**Net Operating Income (NOI)** is a calculation used to analyze the profitability of income-generating real estate investments. NOI equals all revenue from the property, minus all reasonably necessary operating expenses.

The projected hotel development Return On Investment (ROI) and Net Operating Income (NOI) for the proposed property are as follows:

Five Year Projected Hotel Development Total Return On Investment (ROI)				
Year 1	Year 2	Year 3	Year 4	Year 5
29.57%	31.90%	32.36%	32.78%	33.22%

Five Year Projected Hotel Development Total Net Operating Income (NOI)				
Year 1	Year 2	Year 3	Year 4	Year 5
34.74%	37.31%	38.02%	38.69%	39.40%



## CONCLUSION

For the purposes of this Comprehensive Hotel Market Feasibility Study, Core Distinction Group LLC offers an overview and overall description of the conclusion and recommendations found through it's research and analysis. This section will contain:



Current Hotel Segment Recommendations for Market Studied



Current Hotel Size Recommendations for Market Studied



Current Rate Competition and Recommendations for Market Studied



Amenities Recommended to be offered at Hotel for Market Studied

## Conclusion and Recommendations









As discussed in the Executive Summary, property segment recommended for the potential development of a hotel is an Upper Midscale hotel. This type of hotel would allow the property to be positioned properly at the subject site. It is anticipated that a new hotel would capture displaced Lodging Demand currently staying in markets surrounding Wickenburg, AZ. Additionally, the newness of the hotel should be well received in the marketplace. Its location will be ideal to serve Wickenburg and regional markets. This type of hotel would also be capable of adjusting rates to best fit the demand in the market and the seasonality of the area as well as based on the following room demand by day of week:

Property size recommendation of a newly developed hotel was researched to be between 80-90 guestrooms in this report. This would position it to be similar in room size average of 88 noted by the competitive set surveyed. The size would assist the property in achieving the Occupancy projections listed in this report. It is not advisable to over-build in this market at this time. Expansion of the hotel in future years could be considered as the market's Lodging Demand grows. Adjusting the room count will modify Performance.

STR Code	Name of Establishment	City & State	Zip Code	Class	Aff Date	Open Date	Rooms
60021	Residence Inn Phoenix NW Surprise	Surprise, AZ	85374	Upscale	Feb 2010	Feb 2010	116
56513	Holiday Inn Express Surprise	Surprise, AZ	85374	Upper Midscale	Jun 2020	Jan 2008	115
53484	Hampton Phoenix-Surprise	Surprise, AZ	85374	Upper Midscale	Aug 2005	Aug 2005	100
1844	Best Western Rancho Grande	Wickenburg, AZ	85390	Midscale	Jun 1948	Jun 1948	78
14977	Quality Inn Wickenburg	Wickenburg, AZ	85390	Midscale	May 2012	Jun 1986	29

Rate Competition will be dictated by both the immediate market and regional market demand. With proper rate positioning the hotel should achieve a yield to the regional market hotels at 125% or greater during peak season and comparable at 100% during low season. Due to several factors, including but not limited to newness of product and brand recognition, and age.

Property features, amenities, and services of the hotel should satisfy the market it is attempting to attract. Standard features and amenities required for a proposed hotel in this market should include:

-  Hot Breakfast to meet the needs of today's traveler
-  Bar/Lounge to meet the needs of today's traveler both leisure and corporate.
-  Convenience Market to meet the needs of today's traveler
-  Microwaves and Refrigerators to meet the needs of today's traveler
-  Fitness Center to meet the needs of today's traveler
-  Guest Laundry Facility
-  Outdoor Pool
-  Meeting Room needs for major demand generators

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## UNDERSTANDING THE TERMS

For the purposes of this Comprehensive Hotel Market Feasibility Study, Core Distinction Group LLC has taken the time to offer detailed definitions of words and terms highlighted throughout this report. This section contains the information to help readers navigate industry terms.

SAMPLE

## Understanding Terms:

Below you will find definitions of industry terms used throughout this report to help the reader gain an understanding of certain phrases and indicators:

### Average Daily Rate (ADR)

A measure of the average rate paid for rooms sold, calculated by dividing room revenue by rooms sold.  $ADR = \text{Room Revenue} / \text{Rooms Sold}$

### Chain Scale

Chain Scale segments are grouped primarily according to actual average room rates. An independent hotel, regardless of average room rate, is included as a separate Chain Scale category. The Chain Scale segments are: Luxury, Upper Upscale, Upscale, Upper Midscale, Midscale, Economy and Independent.

### Competitive Set (Comp Set)

A peer group of hotels that competes for business and is selected to benchmark the subject property's performance.

### Date-To-Date Comparison

Comparison of daily performance by actual calendar date (1st of January this year vs. 1st of January last year).

### Day-To-Day Comparison

Comparison of daily performance by day of week (Monday this year vs. Monday last year).

### Demand

The number of rooms sold in a specified time period (excludes complimentary rooms).

### Group Rooms

Typically defined as 10 or more rooms per night, sold pursuant to a signed agreement. Refer to Data Reporting Guidelines for more specific application.

### Index

Measures a hotel's performance relative to an aggregated grouping of hotels (i.e., competitive set, market or submarket). We utilize indexes to measure performance in three key areas: Occupancy, ADR and RevPAR. An index of 100 means a hotel is capturing a fair share compared to the aggregated group of hotels. An index greater than 100 represents more than a fair share of the aggregated group's performance. Conversely, an index below 100 reflects less than a fair share of the aggregated group's performance.

**Occupancy (OCC)**

Percentage of available rooms sold during a specified time period. Occupancy is calculated by dividing the number of rooms sold by rooms available.  $\text{Occupancy} = \text{Rooms Sold} / \text{Rooms Available}$

**Revenue Per Available Room (RevPAR)**

Total room revenue divided by the total number of available rooms.  $\text{Room Revenue} / \text{Rooms Available} = \text{RevPAR}$

**Total Revenue**

Revenue from all hotel operations - including rooms, F&B, other revenue departments (i.e., spa, golf, parking) and miscellaneous revenue (i.e., rentals, leases, resort fees and cancellation fees).

**Year to Date**

Period starting at the beginning of the current year and ending on the current date.

**Hotel Types - Hotel classifications are driven primarily by building structure and, secondarily, by service level. Hotel types include:**

- All-Inclusive: Property with rooms sold only as a complete package, bundling overnight accommodations and value-added amenities and services (i.e., food, beverage, activities and gratuities, etc.)
- All-Suite: Property with guestroom inventory that exclusively consists of rooms offering more space and furniture than a typical hotel room, including a designated living area or multiple rooms.
- B&B/Inn: Independently owned and operated properties that typically include breakfast in the room rates, 20 rooms or fewer and a resident/owner innkeeper.
- Boutique: Hotel that appeals to guests because of its atypical amenity and room configurations. Boutiques are normally independent (with fewer than 200 rooms), have a high average rate and offer high levels of service. Boutique hotels often provide authentic cultural, historic experiences and interesting guest services.
- Condo: Individually and wholly-owned condominium units. Inventory is included in a rental pool operated and serviced by a management company.
- Conference Center: Lodging hotel with a major focus on conference facilities.
- Convention Center: Property with a minimum of 300 rooms and large meeting facilities (minimum of 20,000 square feet).
- Destination Resort: Property that appeals to leisure travelers, typically located in resort markets, and considered a destination in and of themselves with extensive amenity offerings. These properties are typically larger and full-service.

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**Hotel Types - Hotel classifications are driven primarily by building structure and, secondarily, by service level.**  
**(Continued)**

- Extended Stay: Properties typically focused on attracting guests for extended periods. These properties quote weekly rates. The typical length of stay average for guests is four to seven nights.
- Full Service Hotel: Typically Upscale, Upper Upscale and Luxury properties with a wide variety of onsite amenities, such as restaurants, meeting spaces, exercise rooms or spas.
- Gaming/Casino: Property with a major focus on casino operations.
- Golf: Property that includes a golf course amenity as part of its operations. A property does not qualify if it only has privileges on a nearby course.
- Hotel/Motel: Standard hotel or motel operation.
- Limited Service: Property that offers limited facilities and amenities, typically without a full-service restaurant. These hotels are often in the Economy, Midscale or Upper Midscale class.
- Lifestyle Brand: Group of hotels operating under the same brand that is adapted to reflect current trends.
- New Build: Property built from the ground up, not a conversion or building that was not previously a hotel.
- Ski: Property with onsite access to ski slopes.
- Soft Brand: Collection of hotels that allows owners and operators to affiliate with a major chain while retaining their unique name, design and orientation.
- Spa: Property with an onsite spa facility and full-time staff offering spa treatments.
- Timeshare: Property that typically is a resort condominium unit, in which multiple parties hold property use rights, and each timeshare owner is allotted a period of time when the property may be used.
- Waterpark: An indoor or outdoor waterpark resort with a lodging establishment containing an aquatic facility.



# ABOUT US

## LEADERSHIP

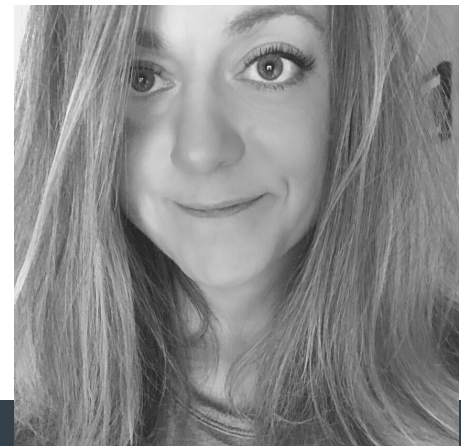
### LISA PENNAU

Mrs. Pennau offers more than 25 years of hospitality industry experience. From her beginning in the industry as a rental car agent at the airport in Oshkosh, Wisconsin where she worked while completing her degrees in both hospitality management and sales & marketing at the local college. Lisa moved on to work as a manager in training for Super 8 hotels in Wichita, Kansas and quickly was promoted to general manager of a Super 8 in Omaha, Nebraska. She was recruited by Baymont to become a traveling manager and served several Midwest distressed properties until moving onto work for Hilton as a General Manager at a Hampton Inn Minnetonka, MN. When that hotel sold, Lisa was promoted by the new owners to Regional Director of Operations for Pillar Hotels overseeing over 25+ hotels in the Midwest market both rural and metropolitan markets in the states of Minnesota, Wisconsin, Illinois, Iowa, North Dakota, and South Dakota. During the 10 years as Regional Director of Operations Lisa oversaw multiple brands as well including: Choice, Hilton, Hyatt, IHG, and Marriott. In her final year with Pillar she received the highest honor of Regional Director of the Year for highest performing hotels in all capacities including, revenue, operations, guest service score, turnover, etc.



### JESSICA JUNKER

Miss Junker offers more than 18 years of hospitality industry experience. From her beginning in the industry as a banquet server at a full-service hotel in downtown Green Bay, Wisconsin, to overseeing that very property as the manager in only a couple years. Jessica moved on to work as a Director of Sales at a Residence Inn by Marriott, Area Director of Sales with Interstate Hotels, and Regional Director of Sales and Marketing with Pillar Hotels working on the Sales, Marketing and Revenue Management of anywhere between 15 and 52 hotels with every major and not so major brand in the country. After learning everything she felt she needed about running a hotel, she set her sights on what happens before a hotel is built and worked in many separate executive roles with-in an up and coming hotel franchise. Miss Junker offers hands on, expert knowledge in hotel operations, sales, marketing, training, contracting, development, construction, really all things hotels. She gained this knowledge from industry leaders like Marriott, Hilton, InterContinental Hotels Group, Choice Hotels, TMI Hospitality, Interstate Hotels, Pillar Hotels & Resorts, Cobblestone Hotels, Wyndham Hotels & Resorts, and many more.



# SCOPE OF WORK



Core Distinction Group takes immense pride in the work they do. Throughout each phase of our projects, we communicate with our clients on a weekly, if not daily bases. This ensures everyone involved in the project is up to date on the progress. We keep a very tight timeline on our projects. Each phase is well thought-out and followed consistently. The objective of this of our projects are to identify and determine the need for lodging in the community, the loss of lodging to the area due to lack of quality in or amount or lodging, as well as determine there is enough lodging to justify a hotel that makes good business sense. Below you will find each part and its timing in the process:

## RESEARCH & COMMUNITY OUTREACH

This phase involves speaking with community leaders to compile a list of potential demand generators in the local and regional community to conduct interviews during our Site Visit and Community Interviews. Research and Community Outreach is conducted with in the first 1 to 2 weeks following receipt of the retainer.

## SITE VISIT & COMMUNITY INTERVIEWS

This phase involves an in-depth local tour given by community leaders to help Core Distinction understand said community at this draw. The tour also includes detailed analysis of potential sites for the project. Following the tour, Core Distinction Group sit down and interview demand generators (gathered and scheduled during Research and Community Outreach) to develop knowledge and understanding of the community and its individual needs. This part of the process is conducted in 1-2 days, depending on number of in-person interviews.

## DATA COMPILATION

This phase of the process involves compiling all the data gathered during our visit to gain the overall picture of what is needed for the community. This phase also includes phone interviews and online surveys in case some demand generators could not attend in-person interviews. This phase is conducted in 2 weeks following our community visit completion.

## \*DATA RECEIVING & REPORTING

Once all the demand generator information is gathered, Core Distinction Group begins pulling industry data for target market as well as industry trends to help us gain a better understanding of the local and regional opportunity areas.

## COST GATHERING

This involves all things cost. Core Distinction Group gathers actual cost for the development, construction, financing, taxes, and all other ongoing cost associated with the specific project.

## PROJECT PROFORMA

Immediately following Development and Operational Cost Gathering, Core Distinction Group will take all information gathered in consideration to put together a project, brand, market and scale specific Proforma that is bank, investor, brand and developer friendly.

## DRAFT COMPLETION/SUBMITTAL

After Core Distinction has conducted it's visit, gathered all the potential demand information, industry data and construction/operating costs, they will complete the draft of the study and submit for review by contracted entity. Changes to the study may be made at this point but are limited to wording and grammar updates.

## FINAL

After all requested changes are made and after final payment is received, Core Distinction Group will submit a final draft of the Hotel Market Feasibility Study and Brand Specific Proforma to the community for distribution.

## DISCLAIMER

Thank you for the opportunity to complete this market and feasibility study for the proposed hotel project located in Wickenburg, AZ. We have studied the market area for additional demand for a lodging facility and the results of our fieldwork and analysis are presented in this report. We have also made recommendations for the scope of the proposed project, including general site location, size of hotel, and brand segment.

We hereby certify that we have no undisclosed interest in the property and our employment and compensation are not contingent upon our findings. This study is subject to the comments made throughout this report and to all assumptions and limiting conditions set forth herein.

The conclusions presented in this report are based upon the information available and received at the time the report was filed. Core Distinction Group, LLC ("CDG") has taken every possible precaution to evaluate this information for its complete accuracy and reliability. Parts of this report were prepared or arranged by third-party contributors, as indicated throughout the document. While third-party contributions have been reviewed by CDG for reasonableness and consistency for including in this report, third-party information has not been fully audited or sought to be verified by CDG. CDG does not provide financial advice.

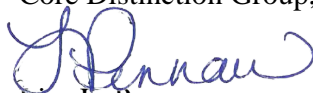
It should be understood that economic and marketplace conditions are in constant change. The results presented in this report are the professional opinion of CDG and are based on information available at the time of the report preparation. These opinions infer that market conditions do not change the information received upon which those opinions have been based. CDG assumes no responsibility for changes in the marketplace. CDG assumes no responsibility for information that becomes outdated once this report is written; nor are we responsible for keeping this information current after the date of the final document presentation.

CDG makes no express or implied representation or warranty that the contents of this report are verified, accurate, suitably qualified, reasonable or free from errors, omissions or other defects of any kind or nature. Those who rely on this report do so at their own risk and CDG disclaims all liability, damages or loss with respect to such reliance.

It is presumed that those reading this report understand the contents and recommendations. If this reader is unclear of understanding the contents, clarification can be received directly from a representative of CDG. While the terms of CDG's engagement do not require that revisions be made to this report to reflect events or conditions which occur subsequent to the date of completion of fieldwork, we are available to discuss the necessity for revisions in view of changes in the economic climate or market factors affecting the proposed hotel project.

Please do not hesitate to call should you have any comments or questions.

Sincerely,  
Core Distinction Group, LLC

  
Lisa L. Pennau  
Owner



# HOTEL MARKET FEASIBILITY STUDY PROFORMA

**PREPARED FOR**  
**SAMPLE**

**PREPARED BY**  
Core Distinction Group, LLC  
Lisa Pennau - Founding Partner  
[l.pennau@coredistinctiongroup.com](mailto:l.pennau@coredistinctiongroup.com)

Jessica Junker - Managing Partner  
[j.junker@coredistinctiongroup.com](mailto:j.junker@coredistinctiongroup.com)

Offices in Wisconsin

## **INCLUDES**

Projected Land Costs  
Projected Building Costs  
Projected Fixture, Furnishings and Equipment Costs  
Projected Soft Costs  
Projected Investment  
Projected Revenue  
Projected Expenses  
Projected Return on Investment

# Hotel & Suites Development Budget

## SAMPLE

Number of Units: 88

Building Specifications: 88 unit, 3-story Main Street Prototype Hotel & Suites with standard and extended stay rooms, chophouse, hot breakfast, boardroom, fitness room and outdoor pool.

### Total Land & Prep

**\$2,500,000**

*per room*

*\$28,409*

Raw Land

**\$1,500,000**

Permit & Community (plan review/permit/inspect/impact/tap fees/etc.)

**\$200,000**

Site Utility & Excav. (sewer/water/electric/grading & fill/drainage/etc.)

**\$800,000**

### Building Construction

**\$7,480,000**

*per room*

*\$85,000*

### Fixtures, Furnishings, and Equipment

**\$1,350,000**

*per room*

*\$15,341*

### Indirect Costs

**\$1,080,000**

*per room*

*\$12,273*

Appraisal

**\$5,000**

Architectural / Engineering

**\$100,000**

Cobblestone Franchise Fee

**\$40,000**

Surveys

**\$15,000**

Development Services

**\$450,000**

Pre-Opening Expenses

**\$40,000**

Working Capital

**\$100,000**

Legal and Accounting Fees

**\$10,000**

Construction Period Interest / Loan Fees / Closing

**\$150,000**

Insurance & Taxes During Construction

**\$20,000**

Project Contingency

**\$150,000**

### Total Project Costs:

**\$12,410,000**

*per room*

*\$141,023*

Requested Loan Amount:

**\$8,685,000**

70.0%

Expected Cash Injection:

**\$3,725,000**

30.0%

### Sources of Funding

Bank Loan	\$8,685,000
Expected Cash Injection	\$3,725,000
<b>Total:</b>	<b>\$12,410,000</b>

<b>Debt Interest:</b>	4.50%
<b>Debt Terms:</b>	25
<b>Debt Service:</b>	\$579,289

\* Pricing noted above valid for 90 days from document date shown

RAMP UP YEAR:													Rooms: 88
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Lodging Rooms Available	2,728	2,464	2,728	2,640	2,728	2,640	2,728	2,728	2,640	2,728	2,640	2,728	32,120
Lodging Occupancy %	68.4%	76.5%	81.0%	71.1%	66.6%	63.0%	59.4%	54.0%	54.0%	63.0%	63.0%	58.5%	64.8%
Total Occ. Rooms	1,866	1,885	2,210	1,877	1,817	1,663	1,620	1,473	1,426	1,719	1,663	1,596	20,815
Average Daily Rate	\$151.68	\$201.95	\$211.22	\$113.40	\$101.49	\$90.48	\$90.21	\$89.74	\$93.99	\$128.15	\$125.12	\$121.93	\$130.36
Revenue Per Available Room (REVPAR)	\$103.75	\$154.49	\$171.09	\$80.62	\$67.59	\$57.00	\$53.59	\$48.46	\$50.75	\$80.73	\$78.82	\$71.33	\$84.48
<b>Revenue:</b>													
Guest Rooms	283,025	380,669	466,733	212,848	184,389	150,492	146,185	132,201	133,991	220,239	208,094	194,582	2,713,449
Meeting Room	933	942	1,105	939	908	832	810	737	713	859	832	798	10,407
F&B Revenue (Chophouse)	74,638	75,398	88,387	75,082	72,674	66,528	64,817	58,925	57,024	68,746	66,528	63,835	832,582
Vending Revenue	4,665	4,712	5,524	4,693	4,542	4,158	4,051	3,683	3,564	4,297	4,158	3,990	52,036
<b>TOTAL HOTEL REVENUE</b>	<b>363,261</b>	<b>461,723</b>	<b>561,749</b>	<b>293,561</b>	<b>262,513</b>	<b>222,010</b>	<b>215,864</b>	<b>195,545</b>	<b>195,292</b>	<b>294,140</b>	<b>279,612</b>	<b>263,205</b>	<b>3,608,474</b>
<b>Hotel Payroll Expenses:</b>													
Hotel Manager	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	70,000
Maintenance	2,830	3,807	4,667	2,128	1,844	1,505	1,462	1,322	1,340	2,202	2,081	1,946	27,134
Housekeeping	11,196	11,310	13,258	11,262	10,901	9,979	9,723	8,839	8,554	10,312	9,979	9,575	124,887
F&B Payroll	22,391	22,620	26,516	22,524	21,802	19,958	19,445	17,677	17,107	20,624	19,958	19,151	249,775
Front Desk	19,812	26,647	32,671	14,899	12,907	10,534	10,233	9,254	9,379	15,417	14,567	13,621	189,941
Workers Comp Insurance	1,552	1,755	2,074	1,416	1,332	1,195	1,167	1,073	1,055	1,360	1,310	1,253	16,543
Payroll Tax	7,758	8,777	10,368	7,081	6,661	5,976	5,837	5,366	5,277	6,798	6,552	6,266	82,717
<b>TOTAL HOTEL PAYROLL</b>	<b>71,372</b>	<b>80,749</b>	<b>95,388</b>	<b>65,145</b>	<b>61,281</b>	<b>54,982</b>	<b>53,700</b>	<b>49,364</b>	<b>48,545</b>	<b>62,546</b>	<b>60,281</b>	<b>57,645</b>	<b>760,999</b>
<b>Hotel Operating Expenses:</b>													
Cleaning Supplies	1,026	1,037	1,215	1,032	999	915	891	810	784	945	915	878	11,448
Laundry Supplies	933	942	1,105	939	908	832	810	737	713	859	832	798	10,407
Linens	1,120	1,131	1,326	1,126	1,090	998	972	884	855	1,031	998	958	12,489
Guest Supplies	1,399	1,414	1,657	1,408	1,363	1,247	1,215	1,105	1,069	1,289	1,247	1,197	15,611
Operating Supplies	1,586	1,602	1,878	1,595	1,544	1,414	1,377	1,252	1,212	1,461	1,414	1,356	17,692
Uniforms Expense	187	188	221	188	182	166	162	147	143	172	166	160	2,081
Repairs & Maintenance	1,415	1,903	2,334	1,064	922	752	731	661	670	1,101	1,040	973	13,567
Swimming Pool	625	625	625	625	625	625	625	625	625	625	625	625	7,500
Grounds/Landscaping	750	750	750	500	250	250	250	250	250	250	500	750	5,500
Franchise Fee	6,820	6,160	6,820	6,600	6,820	6,600	6,820	6,820	6,600	6,820	6,600	6,820	80,300
Training Expense	417	417	417	417	417	417	417	417	417	417	417	417	5,000
Property Mgmt. System Expense	563	563	563	563	563	563	563	563	563	563	563	563	6,756
Complimentary Breakfast	7,464	7,540	8,839	7,508	7,267	6,653	6,482	5,892	5,702	6,875	6,653	6,384	83,258
Travel Agent Fees	7,076	9,517	11,668	5,321	4,610	3,762	3,655	3,305	3,350	5,506	5,202	4,865	67,836
Reservations Expense	750	750	750	750	750	750	750	750	750	750	750	750	9,000
F&B Expenses	29,855	30,159	35,355	30,033	29,070	26,611	25,927	23,570	22,810	27,498	26,611	25,534	333,033
Vending Expense	2,332	2,356	2,762	2,346	2,271	2,079	2,026	1,841	1,782	2,148	2,079	1,995	26,018
Office Supplies	187	188	221	188	182	166	162	147	143	172	166	160	2,081
Marketing / Advertising	2,830	3,807	4,667	2,128	1,844	1,505	1,462	1,322	1,340	2,202	2,081	1,946	27,134
Utilities	14,530	18,469	22,470	11,742	10,501	8,880	8,635	7,822	7,812	11,766	11,184	10,528	144,339
Cable/Internet/Phone	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	52,800
Waste Removal	880	880	880	880	880	880	880	880	880	880	880	880	10,560
Dues & Subscriptions	280	283	331	282	273	249	243	221	214	258	249	239	3,122
Licenses & Permits	224	226	265	225	218	200	194	177	171	206	200	192	2,498
Credit Card Expense	8,173	10,389	12,639	6,605	5,907	4,995	4,857	4,400	4,394	6,618	6,291	5,922	81,191
Management Fee	21,796	27,703	33,705	17,614	15,751	13,321	12,952	11,733	11,718	17,648	16,777	15,792	216,508
Other Expense/Frequent Stay	466	471	552	469	454	416	405	368	356	430	416	399	5,204
Accounting Services	400	400	400	400	400	400	400	400	400	400	400	400	4,800
<b>TOTAL OPERATING EXPENSES</b>	<b>118,484</b>	<b>134,271</b>	<b>158,816</b>	<b>106,949</b>	<b>100,459</b>	<b>90,046</b>	<b>88,263</b>	<b>81,499</b>	<b>80,121</b>	<b>103,290</b>	<b>99,657</b>	<b>95,879</b>	<b>1,257,735</b>
Income Before Fixed Expenses	173,404	246,703	307,545	121,467	100,774	76,981	73,901	64,682	66,625	128,304	119,674	109,682	1,589,741
Gross Operating Profit (GOP)	47.74%	53.43%	54.75%	41.38%	38.39%	34.67%	34.23%	33.08%	34.12%	43.62%	42.80%	41.67%	44.06%
<b>Reserves &amp; Fixed Expenses:</b>													
Debt Service	48,274	48,274	48,274	48,274	48,274	48,274	48,274	48,274	48,274	48,274	48,274	48,274	579,289
Real Estate Taxes (Estimates)	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
Insurance	5,449	6,926	8,426	4,403	3,938	3,330	3,238	2,933	2,929	4,412	4,194	3,948	54,127
Reserves For Replacement	10,898	13,852	16,852	8,807	7,875	6,660	6,476	5,866	5,859	8,824	8,388	7,896	108,254
<b>TOTAL RESERVES &amp; FIXED</b>	<b>77,121</b>	<b>81,552</b>	<b>86,053</b>	<b>73,984</b>	<b>72,587</b>	<b>70,764</b>	<b>70,488</b>	<b>69,574</b>	<b>69,562</b>	<b>74,010</b>	<b>73,357</b>	<b>72,618</b>	<b>891,670</b>
<b>NET OPERATING INCOME (NOI)</b>	<b>144,558</b>	<b>213,425</b>	<b>269,766</b>	<b>95,757</b>	<b>76,460</b>	<b>54,491</b>	<b>51,687</b>	<b>43,382</b>	<b>45,337</b>	<b>102,567</b>	<b>94,591</b>	<b>85,337</b>	<b>1,277,360</b>
<b>NET CASH FLOW</b>	<b>96,284</b>	<b>165,151</b>	<b>221,492</b>	<b>47,483</b>	<b>28,186</b>	<b>6,217</b>	<b>3,413</b>	<b>(4,892)</b>	<b>(2,937)</b>	<b>54,293</b>	<b>46,317</b>	<b>37,063</b>	<b>698,071</b>

NOTE: The above information is a forwards looking projection of anticipated expenses and profits with regard to this project based on the professional experience of Core Distinction Group LLC (CDG) participation in other projects, similar in nature. Occupancy and ADR projections derived from market data trends reported by Smith Travel Research (STR) in the market's proximity along with to date rate shopping of local and surrounding hotels. This projection could change due to changes in the economy, both locally and overall, the acceptance of the project by the local community and patrons and the fact that CDG has not been involved in a project in this area and in a municipality with these demographics in the past. Thereby, all investors understand and acknowledge that these forward looking projections are not warranted by CDG and are subject to change and fluctuation.



Numbers projected and compared to similar markets for a hotel with the following rooms:													Rooms: 88
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Lodging Rooms Available	2,728	2,464	2,728	2,640	2,728	2,640	2,728	2,728	2,640	2,728	2,640	2,728	32,120
Lodging Occupancy %	76.0%	85.0%	90.0%	79.0%	74.0%	70.0%	66.0%	60.0%	60.0%	70.0%	70.0%	65.0%	72.0%
Total Occ. Rooms	2,073	2,094	2,455	2,086	2,019	1,848	1,800	1,637	1,584	1,910	1,848	1,773	23,127
Average Daily Rate	\$159.66	\$212.58	\$222.34	\$119.36	\$106.83	\$95.25	\$94.96	\$94.47	\$98.94	\$134.89	\$131.70	\$128.34	\$137.22
Revenue Per Available Room (REVPAR)	\$121.34	\$180.69	\$200.11	\$94.30	\$79.05	\$66.67	\$62.67	\$56.68	\$59.36	\$94.42	\$92.19	\$83.42	\$98.81
<b>Revenue:</b>													
Guest Rooms	331,023	445,227	545,887	248,945	215,660	176,014	170,977	154,621	156,715	257,589	243,385	227,581	3,173,624
Meeting Room	1,037	1,047	1,228	1,043	1,009	924	900	818	792	955	924	887	11,564
F&B Revenue (Chophouse)	82,931	83,776	98,208	83,424	80,749	73,920	72,019	65,472	63,360	76,384	73,920	70,928	925,091
Vending Revenue	5,183	5,236	6,138	5,214	5,047	4,620	4,501	4,092	3,960	4,774	4,620	4,433	57,818
<b>TOTAL HOTEL REVENUE</b>	<b>420,174</b>	<b>535,287</b>	<b>651,460</b>	<b>338,626</b>	<b>302,465</b>	<b>255,478</b>	<b>248,398</b>	<b>225,004</b>	<b>224,827</b>	<b>339,702</b>	<b>322,849</b>	<b>303,829</b>	<b>4,168,097</b>
<b>Hotel Payroll Expenses:</b>													
Hotel Manager	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	75,000
Maintenance	4,965	6,678	8,188	3,734	3,235	2,640	2,565	2,319	2,351	3,864	3,651	3,414	47,604
Housekeeping	12,440	12,566	14,731	12,514	12,112	11,088	10,803	9,821	9,504	11,458	11,088	10,639	138,764
F&B Payroll	24,879	25,133	29,462	25,027	24,225	22,176	21,606	19,642	19,008	22,915	22,476	21,278	277,527
Front Desk	19,861	26,714	32,753	14,937	12,940	10,561	10,259	9,277	9,403	15,455	14,603	13,655	190,417
Workers Comp Insurance	1,710	1,934	2,285	1,562	1,469	1,318	1,287	1,183	1,163	1,499	1,444	1,381	18,233
Payroll Tax	8,763	9,909	11,709	8,003	7,529	6,754	6,596	6,061	5,960	7,680	7,402	7,077	93,443
<b>TOTAL HOTEL PAYROLL</b>	<b>78,869</b>	<b>89,184</b>	<b>105,378</b>	<b>72,026</b>	<b>67,759</b>	<b>60,787</b>	<b>59,365</b>	<b>54,553</b>	<b>53,638</b>	<b>69,121</b>	<b>66,614</b>	<b>63,694</b>	<b>840,989</b>
<b>Hotel Operating Expenses:</b>													
Cleaning Supplies	1,140	1,152	1,350	1,147	1,110	1,016	990	900	871	1,050	1,016	975	12,720
Laundry Supplies	1,037	1,047	1,228	1,043	1,009	924	900	818	792	955	924	887	11,564
Linens	1,244	1,257	1,473	1,251	1,211	1,109	1,080	982	950	1,146	1,109	1,064	13,876
Guest Supplies	1,555	1,571	1,841	1,564	1,514	1,386	1,350	1,228	1,188	1,432	1,386	1,330	17,345
Operating Supplies	1,762	1,780	2,087	1,773	1,716	1,571	1,530	1,391	1,346	1,623	1,571	1,507	19,658
Repairs & Maintenance	1,655	2,226	2,729	1,245	1,078	880	855	773	784	1,288	1,217	1,138	15,868
Swimming Pool	625	625	625	625	625	625	625	625	625	625	625	625	7,500
Grounds/Landscaping	750	750	750	500	250	250	250	250	250	250	500	750	5,500
Franchise Fee	6,820	6,160	6,820	6,600	6,820	6,600	6,820	6,820	6,600	6,820	6,600	6,820	80,300
Property Mgmt. System Expense	563	563	563	563	563	563	563	563	563	563	563	563	6,756
Complimentary Breakfast	7,775	7,854	9,207	7,821	7,570	6,930	6,752	6,138	5,940	7,161	6,930	6,650	86,727
Travel Agent Fees	6,620	8,905	10,918	4,979	4,313	3,520	3,420	3,092	3,134	5,152	4,868	4,552	63,472
Reservations Expense	750	750	750	750	750	750	750	750	750	750	750	750	9,000
F&B Expenses	29,026	29,322	34,373	29,198	28,262	25,872	25,207	22,915	22,176	26,734	25,872	24,825	323,782
Vending Expense	2,592	2,618	3,069	2,607	2,523	2,310	2,251	2,046	1,980	2,387	2,310	2,217	28,909
Office Supplies	207	209	246	209	202	185	180	164	158	191	185	177	2,313
Marketing / Advertising	1,324	1,781	2,184	996	863	704	684	618	627	1,030	974	910	12,694
Utilities	16,807	21,411	26,058	13,545	12,009	10,219	9,936	9,000	8,993	13,588	12,914	12,153	166,724
Cable/Internet/Phone	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	52,800
Waste Removal	880	880	880	880	880	880	880	880	880	880	880	880	10,560
Dues & Subscriptions	311	314	368	313	303	277	270	246	238	286	277	266	3,469
Licenses & Permits	249	251	295	250	242	222	216	196	190	229	222	213	2,775
Credit Card Expense	9,454	12,044	14,658	7,619	6,805	5,748	5,589	5,063	5,059	7,643	7,264	6,836	93,782
Management Fee	25,210	32,117	39,088	20,318	18,148	15,329	14,904	13,500	13,490	20,382	19,371	18,230	250,086
Other Expense/Frequent Stay	518	524	614	521	505	462	450	409	396	477	462	443	5,782
Accounting Services	400	400	400	400	400	400	400	400	400	400	400	400	4,800
<b>TOTAL OPERATING EXPENSES</b>	<b>123,675</b>	<b>140,911</b>	<b>166,973</b>	<b>111,117</b>	<b>104,162</b>	<b>93,132</b>	<b>91,252</b>	<b>84,169</b>	<b>82,780</b>	<b>107,444</b>	<b>103,589</b>	<b>99,560</b>	<b>1,308,764</b>
Income Before Fixed Expenses	217,630	305,191	379,109	155,483	130,543	101,559	97,781	86,282	88,409	163,137	152,647	140,575	2,018,344
Gross Operating Profit (GOP)	51.80%	57.01%	58.19%	45.92%	43.16%	39.75%	39.36%	38.35%	39.32%	48.02%	47.28%	46.27%	48.42%
<b>Reserves &amp; Fixed Expenses:</b>													
Debt Service	48,274	48,274	48,274	48,274	48,274	48,274	48,274	48,274	48,274	48,274	48,274	48,274	579,289
Real Estate Taxes (Estimates)	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
Insurance	6,303	8,029	9,772	5,079	4,537	3,832	3,726	3,375	3,372	5,096	4,843	4,557	62,521
Reserves For Replacement	12,605	16,059	19,544	10,159	9,074	7,664	7,452	6,750	6,745	10,191	9,685	9,115	125,043
<b>TOTAL RESERVES &amp; FIXED</b>	<b>79,682</b>	<b>84,862</b>	<b>90,090</b>	<b>76,012</b>	<b>74,385</b>	<b>72,271</b>	<b>71,952</b>	<b>70,899</b>	<b>70,891</b>	<b>76,061</b>	<b>75,302</b>	<b>74,446</b>	<b>916,853</b>
<b>NET OPERATING INCOME (NOI)</b>	<b>186,222</b>	<b>268,603</b>	<b>337,293</b>	<b>127,745</b>	<b>104,432</b>	<b>77,562</b>	<b>74,103</b>	<b>63,657</b>	<b>65,791</b>	<b>135,351</b>	<b>125,618</b>	<b>114,402</b>	<b>1,680,780</b>
<b>NET CASH FLOW</b>	<b>137,948</b>	<b>220,329</b>	<b>289,019</b>	<b>79,471</b>	<b>56,158</b>	<b>29,288</b>	<b>25,829</b>	<b>15,383</b>	<b>17,517</b>	<b>87,076</b>	<b>77,344</b>	<b>66,128</b>	<b>1,101,492</b>

Five Year Numbers Projected Summary										
	YEAR 1		YEAR 2		YEAR 3		YEAR 4		YEAR 5	
	AMOUNT		AMOUNT		AMOUNT		AMOUNT		AMOUNT	
Lodging Rooms Available	32,120		32,120		32,120		32,120		32,120	
Lodging Occupancy %	72.0%		73.4%		74.9%		75.5%		75.5%	
Total Occ. Rooms	23,127		23,590		24,062		24,254		24,254	
Average Daily Rate	\$137.22		\$139.97		\$142.77		\$144.20		\$145.64	
REVENUE:										
Guest Rooms	3,173,624	76.1%	3,301,839	76.5%	3,435,233	76.8%	3,497,342	76.9%	3,532,315	77.0%
Meeting Room	11,564	0.3%	14,154	0.3%	16,843	0.4%	19,403	0.4%	21,829	0.5%
F&B Revenue	925,091	22.2%	943,593	21.8%	962,465	21.5%	970,165	21.3%	970,165	21.2%
Vending / Bar Revenue	57,818	1.4%	58,975	1.4%	60,154	1.3%	60,635	1.3%	60,635	1.3%
	=====		=====		=====		=====		=====	
TOTAL HOTEL REVENUE	4,168,097	100.0	4,318,560	100.0	4,474,695	100.0	4,547,545	100.0	4,584,944	100.0

NOTE: The above information is a forwards looking projection of anticipated expenses and profits with regard to this project based on the professional experience of Core Distinction Group LLC (CDG) participation in other projects, similar in nature. Occupancy and ADR projections derived from market data trends reported by Smith Travel Research (STR) in the market's proximity along with to date rate shopping of local and surrounding hotels. This projection could change due to changes in the economy, both locally and overall, the acceptance of the project by the local community and patrons and the fact that CDG has not been involved in a project in this area and in a municipality with these demographics in the past. Thereby, all investors understand and acknowledge that these forward looking projections are not warranted by CDG and are subject to change and fluctuation.

5 Year Projection									
The following statistics are preliminary projection based on assumed costs of prototypical hotel.									
	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5
Lodging Rooms Available	32,120		32,120		32,120		32,120		32,120
Lodging Occupancy %	72.0%	72.0%	73.4%	73.4%	74.9%	74.9%	75.5%	75.5%	75.5%
Total Occ. Rooms	23,127		23,590		24,062		24,254		24,254
Average Daily Rate	\$137.22		\$139.97		\$142.77		\$144.20		\$145.64
Revenue Per Available Room (REVPAR)	\$98.81		\$102.80		\$106.95		\$108.88		\$109.97
<b>Revenue:</b>									
Guest Rooms	3,173,624	76.14%	3,301,839	76.46%	3,435,233	76.77%	3,497,342	76.91%	3,532,315
Meeting Room	11,564	0.28%	14,154	0.33%	16,843	0.38%	19,403	0.43%	21,829
F&B Revenue (Chophouse)	925,091	22.19%	943,593	21.85%	962,465	21.51%	970,165	21.33%	970,165
Vending Revenue	57,818	1.39%	58,975	1.37%	60,154	1.34%	60,635	1.33%	60,635
<b>TOTAL HOTEL REVENUE</b>	<b>4,168,097</b>	<b>100%</b>	<b>4,318,560</b>	<b>100%</b>	<b>4,474,695</b>	<b>100%</b>	<b>4,547,545</b>	<b>100%</b>	<b>4,584,944</b>
<b>Hotel Payroll Expenses:</b>									
Hotel Manager	75,000	1.80%	76,125	1.76%	77,267	1.73%	78,426	1.72%	79,602
Maintenance	47,604	1.14%	49,528	1.15%	68,705	1.54%	87,434	1.92%	88,308
Housekeeping	138,764	3.33%	141,539	3.28%	144,370	3.23%	145,525	3.20%	145,525
F&B Payroll	277,527	6.66%	283,078	6.55%	288,739	6.45%	291,049	6.40%	291,049
Front Desk	190,417	4.57%	196,130	4.54%	202,014	4.51%	208,074	4.58%	214,317
Workers Comp Insurance	18,233	0.44%	18,660	0.43%	19,527	0.44%	20,263	0.45%	20,470
Payroll Tax	93,443	2.24%	95,632	2.21%	100,078	2.24%	103,846	2.28%	104,909
<b>TOTAL HOTEL PAYROLL</b>	<b>840,989</b>	<b>20.18%</b>	<b>860,692</b>	<b>19.93%</b>	<b>900,700</b>	<b>20.13%</b>	<b>934,617</b>	<b>20.55%</b>	<b>944,180</b>
<b>Hotel Operating Expenses:</b>									
Cleaning Supplies	12,720	0.31%	12,974	0.30%	13,234	0.30%	13,340	0.29%	13,340
Laundry Supplies	11,564	0.28%	11,795	0.27%	12,031	0.27%	12,127	0.27%	12,127
Linens	13,876	0.33%	14,154	0.33%	14,437	0.32%	14,552	0.32%	14,552
Guest Supplies	17,345	0.42%	17,692	0.41%	18,046	0.40%	18,191	0.40%	18,191
Operating Supplies	19,658	0.47%	20,051	0.46%	20,452	0.46%	20,616	0.45%	20,616
Repairs & Maintenance	15,868	0.38%	16,509	0.38%	25,764	0.58%	26,230	0.58%	26,492
Swimming Pool Maintenance	7,500	0.18%	9,000	0.21%	10,800	0.24%	12,960	0.28%	15,552
Grounds/Landscape	5,500	0.13%	5,665	0.13%	5,835	0.13%	6,010	0.13%	6,190
Franchise Fee	80,300	1.93%	80,300	1.86%	80,300	1.79%	80,300	1.77%	80,300
Property Mgmt. System Expense	6,756	0.16%	6,891	0.16%	7,029	0.16%	7,170	0.16%	7,313
Complimentary Breakfast	86,727	2.08%	88,462	2.05%	90,231	2.02%	90,953	2.00%	90,953
Travel Agent Fees	63,472	1.52%	66,037	1.53%	68,705	1.54%	69,947	1.54%	70,646
Reservations Expense	9,000	0.22%	9,180	0.21%	9,364	0.21%	9,551	0.21%	9,742
F&B Expenses	323,782	7.77%	330,258	7.65%	336,863	7.53%	339,558	7.47%	339,558
Vending Expense	28,909	0.69%	29,487	0.68%	30,077	0.67%	30,318	0.67%	30,318
Office Supplies	2,313	0.06%	2,359	0.05%	2,406	0.05%	2,425	0.05%	2,425
Marketing / Advertising	12,694	0.30%	13,207	0.31%	13,741	0.31%	13,989	0.31%	14,129
Utilities	166,724	4.00%	172,742	4.00%	178,988	4.00%	181,902	4.00%	183,398
Cable/Internet/Phone	52,800	1.27%	54,706	1.27%	56,684	1.27%	57,607	1.27%	58,080
Waste Removal	10,560	0.25%	10,877	0.25%	11,203	0.25%	11,539	0.25%	11,885
Dues & Subscriptions	3,469	0.08%	3,538	0.08%	3,609	0.08%	3,638	0.08%	3,638
Licenses & Permits	2,775	0.07%	2,831	0.07%	2,887	0.06%	2,910	0.06%	2,910
Credit Card Expense	93,782	2.25%	97,168	2.25%	100,681	2.25%	102,320	2.25%	103,161
Management Fee	250,086	6.00%	259,114	6.00%	268,482	6.00%	272,853	6.00%	275,097
Other Expense/Frequent Stay	5,782	0.14%	5,897	0.14%	6,015	0.13%	6,064	0.13%	6,064
Accounting Services	4,800	0.12%	4,973	0.12%	5,153	0.12%	5,237	0.12%	5,280
<b>TOTAL OPERATING EXPENSES</b>	<b>1,308,764</b>	<b>31.40%</b>	<b>1,345,868</b>	<b>31.16%</b>	<b>1,393,017</b>	<b>31.13%</b>	<b>1,412,305</b>	<b>31.06%</b>	<b>1,421,958</b>
Income Before Fixed Expenses	<b>2,018,344</b>	<b>48.42%</b>	<b>2,112,000</b>	<b>48.91%</b>	<b>2,180,978</b>	<b>48.74%</b>	<b>2,200,623</b>	<b>48.39%</b>	<b>2,218,806</b>
Gross Operating Profit (GOP)									
<b>Reserves &amp; Fixed Expenses:</b>									
Real Estate Taxes (Estimates)	150,000	3.60%	150,000	3.47%	150,000	3.35%	150,000	3.30%	150,000
Insurance	62,521	1.50%	64,778	1.50%	67,120	1.50%	68,213	1.50%	68,774
Reserves For Replacement	125,043	3.00%	129,557	3.00%	178,988	4.00%	181,902	4.00%	183,398
<b>NET OPERATING INCOME (NOI)</b>	<b>1,680,780</b>	<b>40.32%</b>	<b>1,767,665</b>	<b>40.93%</b>	<b>1,784,870</b>	<b>39.89%</b>	<b>1,800,508</b>	<b>39.59%</b>	<b>1,816,634</b>
Loan (Interest Payment)	386,889	9.28%	378,050	8.75%	368,805	8.24%	359,136	7.90%	349,022
Loan (Principal Reduction)	192,400	4.62%	201,239	4.66%	210,484	4.70%	220,153	4.84%	230,267
<b>NET CASH FLOW</b>	<b>\$1,101,492</b>	<b>26.43%</b>	<b>\$1,188,376</b>	<b>27.52%</b>	<b>\$1,205,582</b>	<b>26.94%</b>	<b>\$1,221,219</b>	<b>26.85%</b>	<b>\$1,237,346</b>
<b>RETURN ON INVESTMENT (ROI) %</b>	<b>29.57%</b>		<b>31.90%</b>		<b>32.36%</b>		<b>32.78%</b>		<b>33.22%</b>
<b>ROI % (Including Principal Reduction)</b>	<b>34.74%</b>		<b>37.31%</b>		<b>38.02%</b>		<b>38.69%</b>		<b>39.40%</b>

NOTE: The above information is a forwards looking projection of anticipated expenses and profits with regard to this project based on the professional experience of Core Distinction Group LLC (CDG) participation in other projects, similar in nature. Occupancy and ADR projections derived from market data trends reported by Smith Travel Research (STR) in the market's proximity along with to date rate shopping of local and surrounding hotels. This projection could change due to changes in the economy, both locally and overall, the acceptance of the project by the local community and patrons and the fact that CDG has not been involved in a project in this area and in a municipality with these demographics in the past. Thereby, all investors understand and acknowledge that these forward looking projections are not warranted by CDG and are subject to change and fluctuation.

**5 Year Break Even**

Rooms:

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The following statistics are preliminary projection based on assumed costs of prototypical hotel.

	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5	%
Lodging Rooms Available	32,120		32,120		32,120		32,120		32,120	
Lodging Occupancy %	37.0%	37.0%	36.6%	36.6%	37.3%	37.3%	37.6%	37.6%	37.5%	37.5%
Total Occ. Rooms	11,892		11,741		11,971		12,063		12,056	
Average Daily Rate	\$137.22		\$139.97		\$142.77		\$144.20		\$145.64	
Revenue Per Available Room (REVPAR)	\$50.81		\$51.16		\$53.21		\$54.15		\$54.66	
<b>Revenue:</b>										
Guest Rooms	1,631,871	76.25%	1,643,373	76.60%	1,709,077	76.96%	1,739,434	77.13%	1,755,809	77.31%
Meeting Room	2,973	0.14%	2,935	0.14%	2,993	0.13%	3,016	0.13%	3,014	0.13%
F&B Revenue (Chophouse)	475,680	22.23%	469,640	21.89%	478,840	21.56%	482,520	21.40%	482,240	21.23%
Vending Revenue	29,730	1.39%	29,353	1.37%	29,928	1.35%	30,158	1.34%	30,140	1.33%
<b>TOTAL HOTEL REVENUE</b>	<b>2,140,254</b>	<b>100%</b>	<b>2,145,301</b>	<b>100%</b>	<b>2,220,838</b>	<b>100%</b>	<b>2,255,127</b>	<b>100%</b>	<b>2,271,203</b>	<b>100%</b>
<b>Hotel Payroll Expenses:</b>										
Hotel Manager	75,000	3.50%	77,250	3.60%	79,568	3.58%	81,955	3.63%	84,413	3.72%
Maintenance	24,478	1.14%	24,651	1.15%	34,182	1.54%	43,486	1.93%	43,895	1.93%
Housekeeping	71,352	3.33%	70,446	3.28%	71,826	3.23%	72,378	3.21%	72,336	3.18%
F&B Payroll	142,704	6.67%	140,892	6.57%	143,652	6.47%	144,756	6.42%	144,672	6.37%
Front Desk	150,000	7.01%	154,500	7.20%	159,135	7.17%	163,909	7.27%	168,826	7.43%
Workers Comp Insurance	11,588	0.54%	11,693	0.55%	12,209	0.55%	12,662	0.56%	12,854	0.57%
Payroll Tax	59,390	2.77%	59,929	2.79%	62,571	2.82%	64,893	2.88%	65,875	2.90%
<b>TOTAL HOTEL PAYROLL</b>	<b>534,513</b>	<b>24.97%</b>	<b>539,361</b>	<b>25.14%</b>	<b>563,142</b>	<b>25.36%</b>	<b>584,039</b>	<b>25.90%</b>	<b>592,871</b>	<b>26.10%</b>
<b>Hotel Operating Expenses:</b>										
Cleaning Supplies	6,541	0.31%	6,458	0.30%	6,584	0.30%	6,635	0.29%	6,631	0.29%
Laundry Supplies	5,946	0.28%	5,871	0.27%	5,986	0.27%	6,032	0.27%	6,028	0.27%
Linens	7,135	0.33%	7,045	0.33%	7,183	0.32%	7,238	0.32%	7,234	0.32%
Guest Supplies	8,919	0.42%	8,806	0.41%	8,978	0.40%	9,047	0.40%	9,042	0.40%
Operating Supplies	10,108	0.47%	9,980	0.47%	10,175	0.46%	10,254	0.45%	10,248	0.45%
Repairs & Maintenance	8,159	0.38%	8,217	0.38%	12,818	0.58%	13,046	0.58%	13,169	0.58%
Swimming Pool Maintenance	7,500	0.35%	9,000	0.42%	10,800	0.49%	12,960	0.57%	15,552	0.68%
Grounds/Landscape	5,500	0.26%	5,665	0.26%	5,835	0.26%	6,010	0.27%	6,190	0.27%
Franchise Fee	80,300	3.75%	80,300	3.74%	80,300	3.62%	80,300	3.56%	80,300	3.54%
Property Mgmt. System Expense	6,756	0.32%	6,891	0.32%	7,029	0.32%	7,170	0.32%	7,313	0.32%
Complimentary Breakfast	44,595	2.08%	44,029	2.05%	44,891	2.02%	45,236	2.01%	45,210	1.99%
Travel Agent Fees	32,637	1.52%	32,867	1.53%	34,182	1.54%	34,789	1.54%	35,116	1.55%
Reservations Expense	9,000	0.42%	9,180	0.43%	9,364	0.42%	9,551	0.42%	9,742	0.43%
F&B Expenses	166,488	7.78%	164,374	7.66%	167,594	7.55%	168,882	7.49%	168,784	7.43%
Vending Expense	14,865	0.69%	14,676	0.68%	14,964	0.67%	15,079	0.67%	15,070	0.66%
Office Supplies	1,189	0.06%	1,174	0.05%	1,197	0.05%	1,206	0.05%	1,206	0.05%
Marketing / Advertising	6,527	0.30%	6,573	0.31%	6,836	0.31%	6,958	0.31%	7,023	0.31%
Utilities	107,013	5.00%	107,265	5.00%	111,042	5.00%	112,756	5.00%	113,560	5.00%
Cable/Internet/Phone	52,800	2.47%	52,925	2.47%	54,788	2.47%	55,634	2.47%	56,031	2.47%
Waste Removal	10,560	0.49%	10,877	0.51%	11,203	0.50%	11,539	0.51%	11,885	0.52%
Dues & Subscriptions	1,784	0.08%	1,761	0.08%	1,796	0.08%	1,809	0.08%	1,808	0.08%
Licenses & Permits	1,427	0.07%	1,409	0.07%	1,437	0.06%	1,448	0.06%	1,447	0.06%
Credit Card Expense	48,156	2.25%	48,269	2.25%	49,969	2.25%	50,740	2.25%	51,102	2.25%
Management Fee	128,415	6.00%	128,718	6.00%	133,250	6.00%	135,308	6.00%	136,272	6.00%
Other Expense/Frequent Stay	2,973	0.14%	2,935	0.14%	2,993	0.13%	3,016	0.13%	3,014	0.13%
Accounting Services	4,800	0.22%	4,811	0.22%	4,981	0.22%	5,058	0.22%	5,094	0.22%
<b>TOTAL OPERATING EXPENSES</b>	<b>780,094</b>	<b>36.45%</b>	<b>780,076</b>	<b>36.36%</b>	<b>806,173</b>	<b>36.30%</b>	<b>817,699</b>	<b>36.26%</b>	<b>824,070</b>	<b>36.28%</b>
Income Before Fixed Expenses	<b>825,647</b>		<b>825,864</b>		<b>851,522</b>		<b>853,390</b>		<b>854,262</b>	
Gross Operating Profit (GOP)										
<b>Reserves &amp; Fixed Expenses:</b>										
Real Estate Taxes (Estimates)	150,000	7.01%	150,000	6.99%	150,000	6.75%	150,000	6.65%	150,000	6.60%
Insurance	32,104	1.50%	32,180	1.50%	33,313	1.50%	33,827	1.50%	34,068	1.50%
Reserves For Replacement	64,208	3.00%	64,359	3.00%	88,834	4.00%	90,205	4.00%	90,848	4.00%
<b>NET OPERATING INCOME (NOI)</b>	<b>579,336</b>	<b>27.07%</b>	<b>579,326</b>	<b>27.00%</b>	<b>579,376</b>	<b>26.09%</b>	<b>579,358</b>	<b>25.69%</b>	<b>579,346</b>	<b>25.51%</b>
Loan (Interest Payment)	386,889	18.08%	378,050	17.62%	368,805	16.61%	359,136	15.93%	349,022	15.37%
Loan (Principal Reduction)	192,400	8.99%	201,239	9.38%	210,484	9.48%	220,153	9.76%	230,267	10.14%
<b>NET CASH FLOW</b>	<b>\$47</b>	<b>0.00%</b>	<b>\$37</b>	<b>0.00%</b>	<b>\$87</b>	<b>0.00%</b>	<b>\$70</b>	<b>0.00%</b>	<b>\$58</b>	<b>0.00%</b>

NOTE: The above information is a forwards looking projection of anticipated expenses and profits with regard to this project based on the professional experience of Core Distinction Group LLC (CDG) participation in other projects, similar in nature. Occupancy and ADR projections derived from market data trends reported by Smith Travel Research (STR) in the market's proximity along with to date rate shopping of local and surrounding hotels. This projection could change due to changes in the economy, both locally and overall, the acceptance of the project by the local community and patrons and the fact that CDG has not been involved in a project in this area and in a municipality with these demographics in the past. Thereby, all investors understand and acknowledge that these forward looking projections are not warranted by CDG and are subject to change and fluctuation.



# ADDITIONAL SERVICES

We receive requests often for additional services so we have listed out some of the most common services with our prices. If you need any of these services, please feel free to let us know.

Ongoing Support - Our consultants are happy to answer questions or comments from stakeholders in your hotel project. We do not charge extra to answer questions about our reports.	Included
Presentation Visit - Although Core Distinction Group is happy to offer unlimited phone calls and emails with community officials, potential investors, brand representatives, bank representatives and so on, in some cases, an in person visit to present the study is required or sought after. Your community can add this to their costs.	\$ 3,000
Online Course - Core Distinction Group has a strong belief that if your community leaders are educated to how the development process is conducted, they will have a much better chance to get the project complete. Core Distinction Group offers an online course, HOW TO DEVELOP A NEW HOTEL IN YOUR COMMUNITY designed to walk community leaders through the process. This course is well received and will help improve chance to get the project done. Core Distinction Group clients that complete a study, receive a discount from \$1,500 to \$1,000.	\$ 1,000
Hotel Development RFQ Preparation and Solicitation - If your community is not already working with the people needed to get your project done, we can help put your study in front of the proper people.	\$ 7,500
Additional Financial Projections/Proformas - If additional Financial Projections/Proformas are required by the client above and beyond two, there will be a fee per document.	\$ 1,500

CONTACT US TODAY TO SCHEDULE YOUR FIRST STEP TO DEVELOP A NEW HOTEL!  
 JESSICA JUNKER - MANAGING PARTNER  
 920-740-1647 - J.JUNKER@COREDISTINCTIONGROUP.COM  
 WWW.COREDISTINCTIONGROUP.COM

# City of Moberly

## City Council Agenda Summary

Agenda Number: \_\_\_\_\_

WS #6.

Department: Public Works

Date: December 7, 2020

**Agenda Item:** Discussion of S. Morley St. Study.

**Summary:** Please see the attached summary for this item.

**Recommended Action:** Direct staff to bring forward to the December 21, 2020 regular City Council meeting for final approval.

**Fund Name:** N/A

**Account Number:** N/A

**Available Budget \$:** N/A

### ATTACHMENTS:

<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes
<input type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice
<input type="checkbox"/> Consultant Report	<input checked="" type="checkbox"/> Other <u>Task Order for Study</u>

### Roll Call

### Aye

### Nay

### Mayor

M\_\_\_ S\_\_\_ **Jeffrey**

### Council Member

M\_\_\_ S\_\_\_ **Brubaker**

M\_\_\_ S\_\_\_ **Kimmons**

M\_\_\_ S\_\_\_ **Davis**

M\_\_\_ S\_\_\_ **Kyser**

Passed

Failed

## Summary;

The attached task order is for two separate grant proposals but are within the same corridor of S. Morley between Rollins (rt. EE) and Urbandale Dr. (rt M). The task order would have Bartlett & West do a study on the entire area and provide a scope of work and cost estimates so that we can apply for the current round of TAP funding and Cost Share funds.

The plan would be to prepare a TAP application in a multi-phase approach with the first application (phase I) being a sidewalk along the East side of S. Morley between the trailer parks on the North and South side of Shepherd Brothers Boulevard (SBB) with an option extension as far North as McKinsey, if funding allowed. The goal here would be to provide off-street access for the occupants, with the kids being the main focus at this time, to provide off-street access to the new sidewalk down SBB to the schools. The future phases would fill in the remainder of sidewalks on both sides of S. Morley between EE & M.

The Cost Share application is focusing on a partnership with MoDOT to use the funds they already are scheduling for the repaving of S. Morley and applying for cost share funds to match City money and add a third lane, drainage improvement, access improvements, sidewalks and curb and gutter where necessary. The first phase of this would be focused on Rollins/EE to Carpenter with an alternate of extending it to McKinsey if funding allows.

Obviously, the cost share, if approved would address the sidewalks in the areas approved and therefore reduce some of the future phases of TAP project. This is why our initial phases of the two grants are not overlapping.

If approved, we would work with MTCOG to prepare and administer the Cost Share Grant and Bartlett & West for the TAP application.

This initial expense would provide the basis for the current and future phases of applications.



BARTLETT & WEST, INC.  
TASK ORDER NUMBER 11

This task order No. 11 is issued relative and in accordance with the Master Agreement (hereafter referred to as the “Agreement”) for professional Services between the City of Moberly, Missouri and Bartlett & West, Inc. (“Consultant”) as dated June 14, 2016 and as further modified herein.

The Provisions of this Task are as follows:

- A. Definitions and Rules of Interpretation. For purposes of this Task Order, definitions and rules of interpretation and outlined within the Agreement, or within preceding Task Orders, shall apply unless exception or redefinition to any previously provided terms are expressly noted by this Task Order.
- B. Scope of Work. The Consultant shall perform services under the Task Order for providing (1) assistance in preparing and submitting a TAP application for South Morley Street as noted in Exhibit A, and (2) a conceptual letter and exhibits/cost estimates for planning purposes along Morley Street between Rollins and Route M as noted in Exhibit B. Both are more fully described herein.

**1. TAP Application for S. Morley Street as shown in Exhibit A**

- 1.1. One site visit to review the project limits and discuss responsibilities of the City in preparing the application.
- 1.2. Preparation of an opinion of probable cost for the sidewalk project which the TAP grant will be applying for. This assumes a base project and one section of alternate.
- 1.3. Preparation of project location and project overview exhibits to complete the grant application. This assumes a base project and one section of alternate will be included on each exhibit.
- 1.4. Completion of the grant application (utilizing the letters of support and evidence of a public hearing already completed) and provide the completed application to the City for review.
- 1.5. Modify the TAP application per the review of the City

**2. Cost Share Letter, Cost Estimates and Exhibits as shown in Exhibit B**

**2.1. DATA COLLECTION**

- 2.1.1. Request and review aerial images/contour data/parcel data from the City of Moberly.
- 2.1.2. No field survey is included in this scope of work.

**2.2. STUDY PHASE**

- 2.2.1. Review existing geometry for Morley Street from Rollins Street to Route M and develop a proposed typical section for Morley Street (assumes 2 typical sections will be needed).
- 2.2.2. Determine limits of reconstruction for adjacent infrastructure based on Morley Street reconstruction. Infrastructure to be investigated includes side streets,

driveways and public storm sewer. No additional investigation is included in this scope of work.

- 2.2.3. Review drainage information to determine conceptual limits of drainage system improvements. No hydrology or hydraulics are included in this scope of work.
- 2.2.4. Determine phasing limits for the project to allow construction in multiple smaller sections (assumes 4 total sections).
- 2.2.5. Create up to four exhibits showing extent the reconstruction of infrastructure required for each phase of work. No detailed design of the roadway or intersections is included in this scope of work.
- 2.2.6. Create conceptual construction cost estimate for reconstruction of adjacent infrastructure for each phase of work.
- 2.2.7. Assess impacts to adjacent properties and utilities which may impact R/W needs for the project.

### **2.3. REPORT SERVICES**

- 2.3.1. Prepare a letter summarizing the project and the impacts to the community.
- 2.3.2. Submit report to City for review and incorporate any modifications.

### **2.4. PROJECT MANAGEMENT AND COORDINATION**

- 2.4.1. No additional meetings are included in this scope of services.
- 2.4.2. Quality Reviews:
  - 2.4.2.1. Perform periodic reviews of project for quality assurance purposes. Perform a quality control review of the project deliverables at each submittal stage.
- 2.4.3. Administration and Coordination:
  - 2.4.3.1. Perform duties necessary for administration of project contract. Prepare and administer project expenses and invoicing to CITY

## **3. ADDITIONAL SERVICES**

- 3.1. No additional services are included in this scope of work.

C. Time of Performance for Services. Completion of all services will be within 60 days of the execution of this agreement by both parties.

D. Compensation for Services. The services shall be performed hourly. The overall project will have an upper limit of \$16,500.00 for completion of all services outlined in the scope of work.

E. Client's Responsibilities. Client's responsibilities in the completion of this Task Order are as follows. If no responsibilities are listed, then responsibilities are as outlined in the Agreement. Client to provide:

- 1. Provide timely reviews
- 2. Provide letters of support for the TAP Project.
- 3. Provide evidence of a public meeting and a description of the public's response to the project for the TAP Project.

F. Special Items. Special Items relative to this Task Order are as follows:

1. Consultant and Client agree that the Agreement and this Task Order may be changed by mutual written consent of both Consultant and Client.

G. Authorization Acknowledgement and Acceptance. All services herein offered are subject to the terms of the Agreement, unless otherwise specifically provided for herein. Signature hereto by both Parties constitutes an offer by Consultant to perform such services listed herein and an authorization by Client for Consultant to proceed with the services.

**Client:**

CITY OF MOBERLY, MISSOURI

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

**Consultant:**

BARTLETT &amp; WEST, INC.

By:  \_\_\_\_\_

Print Name: Austin Johnson

Title: Project Manager

Date Signed: 12/3/2020



# Morley Street

2021 TAP Application

Ex WS #6.

Optional Connection

Base Project

Newly Constructed  
Sidewalk





Route EE (Rollins Street)

McKinsey Street

Study Corridor

Bus. 63 (Morley Street)

Route M (Urbandale Drive)

