

**COMMUNITY
DEVELOPMENT
AUTHORITY**

**Wednesday, November 7,
2018**

7:00 PM

McFarland Municipal Center
Conference Room A

AGENDA

1. CALL TO ORDER
2. PUBLIC APPEARANCES.
3. APPROVAL OF MINUTES.
 - a. Review and possible approval of draft minutes from the October 3, 2018 Community Development Authority meeting.
 - b. Review and possible approval of draft minutes from the October 11, 2018 Community Development Authority meeting.
4. BUSINESS.
 - a. Review and possible action on a proposal by Core Distinction Group, LLC to conduct a hotel market feasibility study for the Village of McFarland
 - b. Update on RFP process for Farwell Street properties
 - c. Update on potential sale of 5411 Bashford Street
5. SCHEDULE NEXT MEETING DATE.
6. ADJOURNMENT.

This meeting notice constitutes an official meeting of the above referenced group and was posted in accordance with all applicable laws related to Open Meetings Law. It is possible that members of and possibly a quorum of members of other governmental bodies of the municipality may be in attendance at the above stated meeting to gather information. No action will be taken by any governmental body at the above stated meeting other than the governmental body specifically referred to above in this notice. Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals. For additional information or to request this service, contact the McFarland Municipal Center at (608) 838-3153 or cassandra.suettinger@mcfarland.wi.us.

Working Draft MINUTES

Community Development Authority Meeting

October 3, 2018

Members Present: Ken Brost, Stephanie Brassington, Peter Bloechl-Anderson, Toni Stolarik, Jerry Dietzel, Shaun O'Hearn

Members Absent: Sue Smith

Staff Present: Pauline Boness, Matt Schuenke

Others Present: Donovan Goben, Barbara Goben

1. Call to Order

Brost called the meeting to order at 7:00 p.m.

2. Public Appearances – none

3. Approval of Minutes

- a. Review and possible approval of draft minutes from the September 5, 2018 Community Development Authority meeting.

Brassington moved to approve the September 5, 2018 minutes Stolarik seconded the motion. Motion carried.

4. Business

- a. Review and possible recommendation to the Plan Commission on a request by Don Goben for a Temporary Conditional Use Permit (CUP) to allow a utility contractor to temporarily occupy 4314 Triangle Street with storage of materials and equipment. Property is in TID #3.

Boness informed members this property is in TID #3, which is why it is coming before the CDA. Don Goben owns the property. TDS approached him to use the site as a storage/staging area while they are working in the Village. Goben is looking to put up a 10' high fence, provided by TDS with electric gate for better security on the property, and allowing TDS use of the site for outside storage/staging of their materials on a temporary basis. Utility uses are a conditional use in this M-IC district. Boness advised the fence would be permanent.

At some point, Goben is looking to do some redevelopment of the site. Whether fencing would be necessary in the future is unknown.

Members need to review the design guidelines for the Mienders Triangle sub-district. They are from the Terminal Triangle District Plan, which was approved in 2004. Boness reviewed the guidelines with members. If this property is going to be redeveloped in the near future, how do we want to view landscaping for this project? Brost stated he understands the need to protect property, but he would like to see the fence taken down when the project is over. O'Hearn replied he completely agrees with the fence being only temporary. Donovan Goben responded it is a \$30,000 fence. They are continually having people trespassing on the property, possible illegal behavior and truckers parking there overnight to sleep. They feel a permanent fence will help keep this type of activity out of the area. Brost advised his personal opinion is if it was going to be a permanent fence he would want it to be a much more expensive fence and one to match those further up the road. If TDS were concerned, they would spend the money to put it up and to then take it down. O'Hearn feels putting up a barbed wire fence around a Village property is not acceptable. Goben replied they do not store any personal property outside at the site; if any cars are stored, they are kept inside the building. O'Hearn added past conversations before Plan Commission indicated this site would be all indoor storage.

Boness reviewed the proposed fence would be a 10' high chain link with slates, and the barbwire on three sides. Brost felt it is not a long-term iron fence, which he envisions for the future of the site. Goben indicated, their goal is to keep it safer for the neighborhood, keep out illegal activity and keep people out of the building. Brost replied he would like to see whatever type of fencing could be secure enough for temporary use, and then taken down in anticipation of the site being redeveloped.

Matt Schuenke advised it appears they are looking at two different issues. One is they have a short-term business venture with TDS for them to use the site for storage/staging of materials. The second is you plan to take advantage of the fence long term in the future. The intent of CDA's review is from an aesthetics standpoint. If the fence is temporary in nature, the type of fence that goes up around a construction site, it goes up, secures the area and then goes away. The idea that it stays in whatever fashion aspect is the concern. Schuenke asked what is your long term view of the property? Goben replied. They want it to look better than it does now. The building is not an attractive one, they had been considering installing a fence for a while, to close off the site, make it look more attractive and keep it secure from unwanted activity in the area. They were contacted by TDS, and rather than paying rent, TDS would install a permanent fence. Schuenke advised what you are asking for is a temporary change in use of the property for one entity to come in on a temporary basis. Once TDS moves out what they leave is a remnant, Schuenke feels the permanent aspect is what is at issue. What the CDA is alluding to is the design guideline lines and seeing something aesthetically pleasing.

Brassington stated she does not feel what they are asking for is a temporary conditional use permit but a permanent one. Bloechl-Anderson stated there are two separate issues, one is for the temporary CUP, the other is the construction of the fence. Given the fact there may be redevelopment in the near future, how do we want to apply the design guidelines?

O'Hearn stated he wants to go back to the original use and purchase of this property and it was never for outdoor storage, with that he cannot see any type of fence going around the property.

Boness asked members to keep in mind this is M-IC zoning, if a permitted manufacturing company went onto the site and they wanted for example, to put up a fence for security, it would be allowed with a fence permit issued by the Building Inspector. Brost felt this is doing things backwards, if they were to put up this fence, it would make sense to redevelop the site with having the building in the front of the property and storage in the rear. There is not a real comprehensive plan for this site; as now proposed, any redevelopment would have to try to make a building fit in to where a chain link fence is. Goblen replied all they are trying to do now is to make the property look better and be more secure. Bloechl-Anderson stated he does not have any issue with a fence, just the look of a chain link. O'Hearn advised he would only be in approval of a temporary fence, unless another plan was brought before the committee with landscaping, and more design qualities to it; otherwise, he does not feel he could support something that was there for more than six months.

Boness inquired of the timeframe for TDS. Goblen replied it could be six to nine months per TDS has indicated. Bloechl-Anderson advised he would like to see a plan showing which portion would be barbwire and what type of landscaping; as, this is not a temporary fence. To hold them to the TIF guidelines the CDA needs to know what they are proposing for fencing will fit within the guidelines. Goblen replied their intention was to provide a permanent fence. Brost inquired if Goblen could get rent from them, have them put up a temporary fence and then take it down when they are done. You can then organize yourself for a long-term development of this site. Boness informed members they have had a couple of visits from the fence company, they have indicated that TDS would like to have a secure area. It sounds like they may have not put some items out there without having a fence. Dietzel does not feel chain link is attractive and would like to see a more appealing fence, could they negotiate with TDS for a more attractive fence for the look of Highway 51? Goblen indicated they are looking to work with TDS, but need to know what the CDA wants to see.

Boness advised they could try to pull a special meeting together if Goblen felt they could put something together quickly.

Boness advised they are trying to accommodate TDS, this gives them somewhere to put their items rather than in the streets. Boness stated if there is a special CDA meeting, it would have to take place before the next Plan Commission meeting or the process would be delayed into November. Goben advised they would attempt to get something back to the CDA. Members felt they could make a meeting the week of the 8th of October. Staff would try to get a quorum together. No action was taken by the CDA.

- b. Review and possible recommendation to the Finance Committee and Village Board regarding a 20 year, \$930,000 G.O. State Trust Fund loan for the purchase of the Farwell Street property.

Schuenke reviewed the property on Farwell was purchased in the end of July and they have now taken over ownership. They have expended the funds to purchase the property and this would be money borrowed and intended to “reimburse” the Village for the purchase. The value that is created by development will go to paying back the loan terms. The state trust fund loan program offers favorable terms and interest rates for the life of the time they would need the loan. As they waited until after September 1st, they do not require payment until the year after. It is a general obligation loan from the State. The Village has used this program in the past. It was approved by the Finance Committee and recommended for approval to the Village Board.

O’Hearn moved to make a recommendation to the Finance Committee and Village Board regarding a 20-year, \$930,000 G.O. State Trust Fund loan for the purchase of the Farwell Street property. Brassington seconded the motion. Motion carried 6-0.

- c. Discussion and possible action on a recommendation to the Village Board regarding the sale of 5411 Bashford Street by the Village of McFarland.

Schuenke indicated, the Village purchased this property in the past year. There were some environmental issues, which have been cleaned up. The Village has expended some funds and is now ready to market the property, as was plan. The TID will benefit from someone building something there. The property is about 10,000 sq.ft. When previously discussed, the desire was to try for small commercial business. Schuenke has spoken with a realtor regarding Bashford Street, the lowest risk would be for it to be residential, sell it and someone build a home there. If it was to be commercial, it may sit for a while and take a longer time for the Village to recoup its money. With commercial, there are more challenges. There was always the thought of buying the property to the west, but there is some historical significance to that property. Lastly it can be listed as both residential and commercial and see what happens. You can give a deadline to look at offers.

Brost stated it was discussed at a prior meeting for members to think over what we would like to do with this property. Members discussed various businesses whom

they had spoken with regarding the sight. One of the concerns for commercial is the onsite parking. O'Hearn discussed a customer of his who does bike repairs and may be looking for a place to open a repair shop, but he is more interested in a mobile aspect where he would go to the client. O'Hearn stated the majority of the people he spoke with who thought of opening a brick and mortar type store were concerned about financing, and not being able to have an apartment above the business so the apartment rents covered the mortgage. Brassington questioned can it be listed both ways? Schuenke replied his only concern about listing it both ways is being inundated with residential requests. If you wanted it just commercial, you can turn it over to a realtor and advise you only want commercial proposals and list for a set period. It all depends on how long you want to sit on the property. Schuenke advised we would already lose the tax value for something not being built this year. O'Hearn would like to list as commercial; and, if nothing happens, we can list as residential in the spring of 2019. Members discussed the historical aspect of the property next door. Brost stated he did not feel a lot of pressure with waiting. Members discussed various time frames for listing the property. Schuenke advised what they need is a motion to move this to the Village Board and he will get proposals for listing it, he can then take it to the Village Board to move the process along, and see what happens. If nothing, they can discuss again in February.

Brassington moved to recommend to the Village Board to list the property at 5411 Bashford Street as commercial property. Dietzel seconded the motion. Motion carried 6-0.

d. Update on the RFP process for Farwell Street property redevelopment.

Boness reviewed the update sheet from packets. Three firms came to the Q & A. Since then two other firms have indicated an interest. RFP's are due by November 1st. Schuenke has had a couple of questions, and responded as needed. Schuenke advised there are two parties who are very interested. One piece of information shared with them on October 4th was the Village might apply for an additional grant to help assist them with additional funding to support the project. It is not an easy process to do, but would be enticement to keep people interested. The main comment they hear is just receiving the land is not enough, and the materials for the requirements are too expensive. Members discussed potential options to discuss financial gaps in developer's proposals. Members felt we could address, if a number of developers identify this scenario in their RFP.

e. Community Development Highlights
No comments

5. Adjournment.

O'Hearn moved to adjourn, Brassington seconded the motion. Motion carried. Meeting adjourned at 7:50 p.m.

Working draft - MINUTES

Community Development Authority Meeting

October 11, 2018

Members Present: Sue Smith, Shaun O'Hearn, Stephanie Brassington, Toni Stolarik, Jerry Dietzel

Members Absent: Ken Brost, Peter Bloechl-Anderson

Staff Present: Pauline Boness, Matt Schuenke

1. Call to Order

Boness called the meeting to order at 5:30 p.m. and announced a temporary chair would need to be appointed. Smith moved to appoint O'Hearn as temporary chair, seconded by Brassington. Motion carried by unanimous vote.

2. Public Appearances – none

3. Business

- a. Review and possible recommendation to the Plan Commission on a request by Don Goblen for a Temporary Conditional Use Permit (CUP) to allow a utility contractor to temporarily occupy 4314 Triangle Street as a storage/staging area for materials and equipment. Property is in TID #3.

Boness highlighted Mr. Goblen's latest plans which identify the fence location, height, fence slates, landscaping of trees as well as a tree planting species and height at the time of planting. Pictures of similar projects in the area submitted by Mr. Goblen were distributed.

O'Hearn indicated he would like to see a temporary fence similar to what is used at construction sites. O'Hearn was concerned about future outside storage that might be in violation of the code. Schuenke highlighted various uses allowed as permitted or conditional in the MIC zoning district. Boness explained how our code addresses outdoor storage as an accessory use vs. outdoor storage as a primary use. The code does not accommodate outdoor storage companies as a primary use.

Smith felt having a fence with landscaping was an improvement over existing conditions.

Boness indicated if not for the CUP process as it relates to utility uses and the type of activity taking place on the property, Mr. Goblen as a commercial property owner, could

apply for a fence permit solely through the building inspector. Bones indicated the Village Attorney did reaffirm past legal opinions regarding hypotheticals and how speculation about possible future ordinance violations cannot be used as a basis to take action on items presently before a Village reviewing body.

Goben indicated once TDS has vacated the site, he has no plans for the site as far as open outdoor storage. He would like to replace the exterior steel panels on the building to make the property more aesthetically pleasing. Goben indicated he doesn't believe TDS will extend their time in McFarland much into the winter months as the ground will be freezing.

Boness indicated Mr. Goben is still open to redeveloping the site. He is aware of the Village's interest in seeing redevelopment along the mid to north stretch of Triangle Street.

Dietzel questioned whether barbwire was necessary. Goben explained he has problems with trespassing on his property especially toward the rear property line. He believes there is drug dealing going on behind his building. Goben believes the fence is a good preventative measure to stop individuals from thinking his property is a good spot to evade from being seen. Since TDS has parked some of their materials at the Triangle site, damage has taken place.

In response to a few questions, Goben indicated the fence posts will be set into concrete. Boness indicated a fence will also have to meet the requirements in our fence code.

Goben reiterated he would be willing to work with the Village if it desires to embark on a redevelopment project. Brassington felt she would like to see additional improvements in the future. Smith sees this project as an enhancement for the near term.

Responding to a question from Dietzel, Boness indicated if the property is being used for a use that is not permitted it is a violation and will be processed as such.

Motion by Smith to approve a temporary CUP request by Don Goben to allow a utility contractor to store/stage material and equipment at 4313 Triangle Street as proposed by Don Goben. Seconded by Dietzel. Motion carried 4 – 1 with O'Hearn voting against.

4. Adjournment.

Motion by Brassington, seconded by Smith to adjourn. Motion carried. Meeting adjourned at 6:15 p.m.

Submitted by:
Pauline Boness
Community Development Director



COMMUNITY DEVELOPMENT AUTHORITY SUMMARY SHEET

MEETING DATE: Wednesday, November 7, 2018

SECTION: Business

DEPARTMENT: Community Development

CONTACT: Matt Schuenke, Village Administrator

AGENDA ITEM: Review and possible action on a proposal by Core Distinction Group, LLC to conduct a hotel market feasibility study for the Village of McFarland

PREVIOUS ACTION:

ISSUE SUMMARY:

The Village recently has received at least one inquiry about a possible hotel development within our Community. In order to do that, we have been requested to complete a hotel market feasibility study to assess whether or not this might be possible. The question regarding the addition of a hotel to the Village has come up over the years and conducting this study will help to answer these questions as well as hopefully advance a project. A proposed from Core Distinction Group that prepares these types of studies is included in your packet for consideration. The project will cost \$4,000 to determine general feasibility, and if the answer is "no" then the project is complete. If the general is "yes", they will drill in deeper to the specifics around a certain brand of our choosing to help outline various assumptions about a hotel including number of rooms, amenities, etc. The second pass through would cost an additional \$4,000. The total cost of the study ranges from \$4,000-\$8,000 depending on the findings and will review the entirety of the Village. Included in your packet is the proposal as well as a sample study for reference.

FINANCIAL/BUDGET IMPACT:

The cost of the Study will be paid out of TID #3 which has ample funds to support such a planning exercise.

VILLAGE PLAN REFERENCE:

ORDINANCE REFERENCE:

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:

Recommended for approval.

ATTACHMENTS:

1. McFarland, WI Proposal Quote
2. Sample Hotel Feasibility Study
3. Proforma - ANYTOWN, USA Cobblestone Sample



4. Proforma - Marriott FFI Sample

October 18, 2018

Attn: Matthew Schuenke
Village Administrator
McFarland, WI

Dear Matthew,

Thank you for your time and the opportunity to be a part of your process to bring a new hotel to the community of McFarland, WI.

Core Distinction Group, LLC was founded in 2012 and offers unmatched industry and market knowledge. Prior to working with Core Distinction Group, our team has gained hands-on knowledge from industry leaders like Marriott, Hilton, WHG Companies, InterContinental Hotels Group, Choice Hotels, TMI Hospitality, Interstate Hotels, Pillar Hotels & Resorts, Cobblestone Hotels, Wyndham Hotels & Resorts and many more. In addition to drawing knowledge from industry leading companies, our team has experience in markets with populations of less than 500, to markets with populations in the millions. Experience is key to having a true understanding of each unique project. With a combined 55 years of hospitality industry experience, our executive team has the knowledge you need in your community's corner.

Project Organization

Conducting the first half of our study process will be Jessica Junker, Managing Partner of Core Distinction Group. Miss Junker has over 18 years of hands-on industry knowledge in hotel development, branding, management (operations and sales) and construction.

Conducting the second half of our study process will be Lisa Pennau, Founder and Managing Partner of Core Distinction Group. Mrs. Pennau offers more than 25 years of hands-on industry knowledge in hotel management (operations and sales).

All of us at Core Distinction Group hope that our attention to detail, personal community approach, industry knowledge, industry experience and overall industry knowledge will help bring our proposal to the top of the pile. Accompanying this letter, you will find information about our company, the unique process we take and a sample of our work.

Warmest regards,

Jessica Junker
Managing Partner
Core Distinction Group, LLC



About Our Leadership Team



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.

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 build 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

We are happy to give you the following testimonials and references:

"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."

-Urbana, OH/Champaign Economic Partnership - Marcia Bailey - 937-653-7200

"Core Distinction Group is very responsive to your individual (hotel development) project parameters and they are very professional, helpful and deliver on time."

-St. Mary's, PA – Booka (Todd) Hanes – 814-335-6405

"The hotel Feasibility study was a big step for our community. Jessica answered countless questions with patience and walked us through the process. She visited our community and talked with business owners giving us confidence that the study would reflect who we really are. Core Distinction Group is efficient, knowledgeable, well-regarded in the industry and most of all passionate about what they do."

-Trousdale/Hartsville, TN Chamber of Commerce - Natalie Knutson - 507-381-5157

"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."

-Fairfield Bay, AR - Paul Wellenberger – 501-253-6998

Additional References:

Hutchinson, MN – Brian Forcier – 218-590-8205

Erie, PA - Tom Kennedy - 814-451-1100

Sauk City, WI – Vicki Breunig – 608-643-3932



Scope of Work/Project Process

Core Distinction Group takes immense pride in the work they do. Throughout all phases of our projects we communicate with our clients on a weekly, if not daily bases to ensure 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 engagement is 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 of 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 and 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 and 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 and 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.

Development and Operational 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 use.

Core Distinction Group strives to have a first draft to the community within 30 days of community tour and visit. In some cases, connecting with demand generators or even the construction cost gathering process can be held up through no fault of Core Distinction Group. It is for that reason that we recommend expecting the first draft of your study to review with-in 30 to 45 days.



Cost

The cost of a Hotel Market Feasibility Study for the community of McFarland, WI would be \$8,000. This fee would be all-inclusive. 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% (\$4,000) non-refundable retainer. The remaining 50% (\$4,000) 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.

Summary

With over 300 Hotel Market Feasibility Studies complete for government 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. Our study includes but is not limited to:

- Introduction/Objective
- General Market Overview
- Site Analysis
- Economic Overview
- Lodging Demand Overview
- Community Interview/Survey Details
- Lodging Supply Overview
- Conclusion/Recommendations
- Financial Proforma

Again, attached you will find a sample copy of our Hotel Market Feasibility Study and Proforma.

Please feel free to reach out day or night with any questions or comments.

Jessica Junker



Email : j.junker@coredistinctiongroup.com

www.coredistinctiongroup.com

Mobile: 920-740-1647

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Core DISTINCTION GROUP

Keene, TX

Lodging Market Feasibility

Prepared Exclusively
for:
Keene, Texas

Prepared by:
Core Distinction
Group

Lisa Pennau
Founding Partner
l.pennau@coredistinctiongroup.com
Jessica Junker
Managing Partner
j.junker@coredistinctiongroup.com

Offices in Wisconsin and Arizona



www.coredistinctiongroup

Introduction/Objective	3
Executive Summary	4-12
Property Segment	
Property Size	
Room Rate	
Property Features, Amenities, and Services	
Recommended Sleeping Room Configuration	
Economic Impact Potential	
Lodging Demand Analysis	
Ramp Up Year Projections	
1-5 Year Projection	
Market Demand Area	
SWOT: Community Feedback	
Understanding Terms	
Site Analysis	13-15
Development Sites & Maps	
AADT - Annual Average Daily Traffic	
Economic Overview	16-19
Population	
Effective Buying Income	
Workforce/Employment Distribution	
Unemployment/Labor Supply/Wage Pressures	
Transportation Information	
Lodging Demand	20-24
Market Segmentation	
Events and Attractions	
Community Interviews	
Lodging Supply	25-50
Competitive Hotel Properties Peak and Low Season	
Projected Average Daily Room Rate & Positioning	
Historical and Projected Market Performance	
Local and Competitive Set Surveyed Lodging Details	
STR Data Trends & STR Chain Scales	

The following Comprehensive Lodging Feasibility Study Report will review the potential development of a hotel in Keene, TX.

Core Distinction Group LLC (CDG) has been engaged to provide this Comprehensive Lodging Feasibility Study Report for the Keene, TX 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. This document is written in a format that highlights key information and offers a preliminary indication of this market's ability to support potential hotel development.

This 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 Keene 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.

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 Keene, TX. Additionally, the newness of the hotel should be well received in the marketplace. It's location will be ideal to serve Keene 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 45-55 guestrooms in this report. This would position it to be smaller in size to the average room size of 68 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 market demand. With proper rate positioning the hotel should achieve a yield to the regional market of 105-110%. Negotiated rates and long term extended stay rates should be considered when adjusting for revenue management. Weekend demand appear to be significantly more aggressive in the regional market and should be accompanied by minimum length of stay restrictions.

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
- * Meeting Room Capacity of 50+ showing promise in this market locally
- * Outdoor swimming Pool
- * 10% Minimum Extended Stay or Long Term Stay Guestrooms needed
- * Attached or Nearby Restaurant.

The recommended Sleeping Room Configuration should be compatible with the overall Market Segmentation of the area. The property should offer a selection of King bedded rooms at 25% with a slightly higher percentage of double queen bedded rooms at 65%. 10% guestrooms available with extended stay features would be recommended as there is indication in this market for long term stays.

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 10-15 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 beverage suppliers, and other hotel related vendors.

A **Lodging Demand Analysis** was performed. This demand analysis is based on general observations of the surrounding market area and the overall Keene, TX market area.

1st Quarter (Jan-Mar)	January	February	March
Lodging Rooms Available	1,674	1,512	1,674
Lodging Occupancy %	73.5%	62.8%	56.8%
Total Occ. Rooms	1,230	950	950
Average Daily Rate	80.59	79.47	85.22
Total Revenue	\$99,126	\$75,497	\$80,959
2nd Quarter (Apr-June)	April	May	June
Lodging Rooms Available	1,620	1,674	1,620
Lodging Occupancy %	61.7%	59.7%	49.4%
Total Occ. Rooms	1,000	1,000	800
Average Daily Rate	85.99	88.82	88.98
Total Revenue	\$85,990	\$88,820	\$71,184
3rd Quarter (July-Sept)	July	August	September
Lodging Rooms Available	1,674	1,674	1,620
Lodging Occupancy %	47.8%	50.8%	64.8%
Total Occ. Rooms	800	850	1,050
Average Daily Rate	85.28	85.35	85.64
Total Revenue	\$68,224	\$72,548	\$89,922
4th Quarter (Oct-Dec)	October	November	December
Lodging Rooms Available	1,674	1,620	1,674
Lodging Occupancy %	62.7%	64.8%	47.8%
Total Occ. Rooms	1,050	1,050	800
Average Daily Rate	89.50	88.50	82.58
Total Revenue	\$93,975	\$92,925	\$66,064

**Based on 54
Guestrooms**

TOTAL
19,710
58.5%
11,530
\$85.45
985,233

NOTE: Above "Lodging Rooms Available" represent the total amount each month. Due to the variation of days in the month, this number changes.

* The above forecasts represent projections for occupancy, adr, and revenue of a developed 54 unit lodging option. Financial Returns projected based on specific brand chosen for development. Development costs and FDD required by each brand for financial projection estimates.

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 54 Guestroom Lodging Options:

OCC%	ADR:	REVPAR	Room Revenue:
56.7%	\$81.18	\$46.06	\$907,892

1-5 Year Projections:

OCC%	ADR:	REVPAR	Room Revenue:	YEAR 1
58.50%	\$85.45	\$49.99	\$985,233	

OCC%	ADR:	REVPAR	Room Revenue:	YEAR 2
60.00%	\$88.01	\$52.82	\$1,041,174	

OCC%	ADR:	REVPAR	Room Revenue:	YEAR 3
63.00%	\$90.65	\$57.13	\$1,126,030	

OCC%	ADR:	REVPAR	Room Revenue:	YEAR 4
64.90%	\$93.37	\$60.61	\$1,194,605	

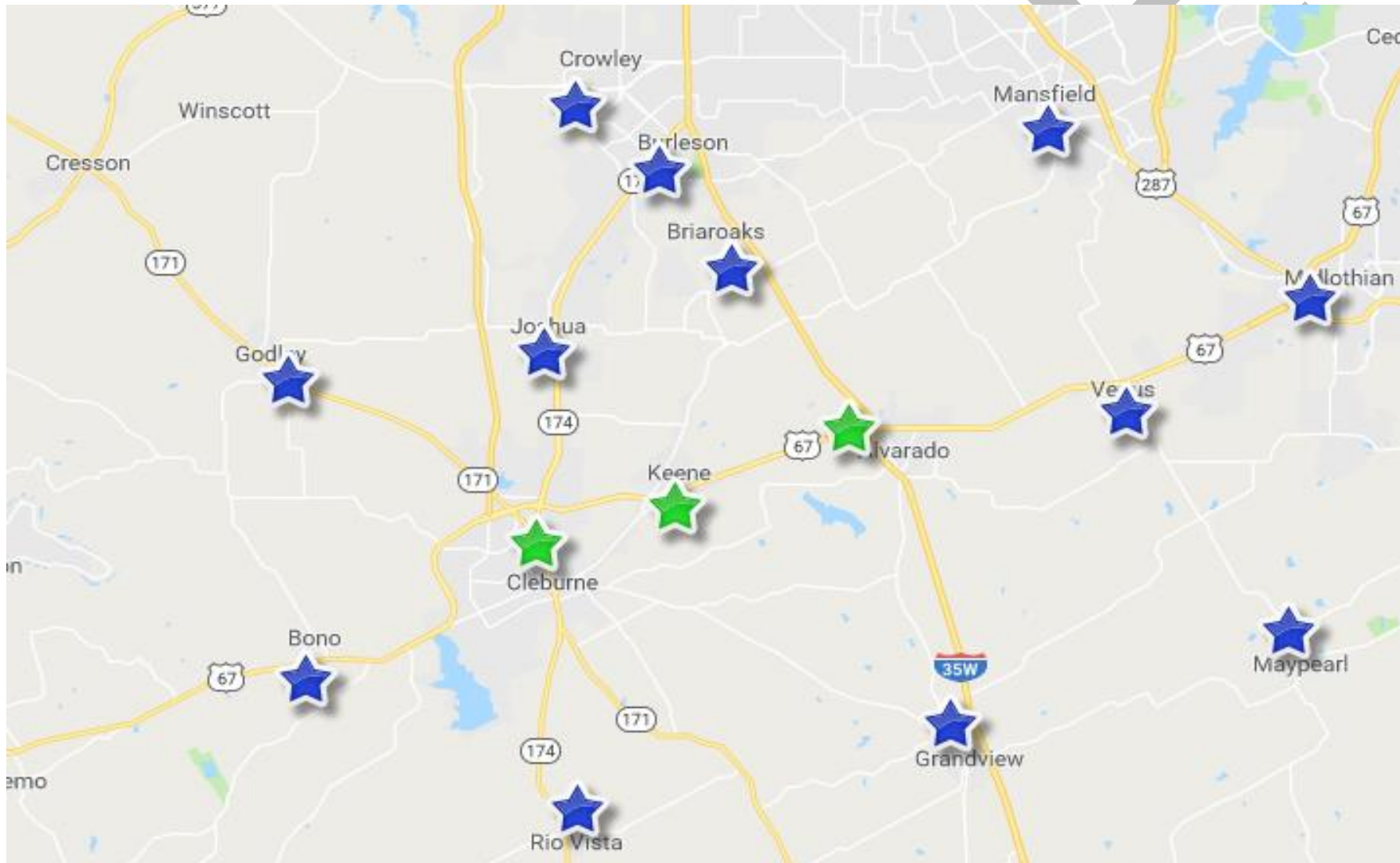
OCC%	ADR:	REVPAR	Room Revenue:	YEAR 5
64.90%	\$96.17	\$62.43	\$1,230,443	

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
10	23	37	34	47	57	95
18%	43%	68%	63%	87%	106%	176%

** Weekend/Leisure Demand % of demand for available rooms graph shown above. Weekend Demand High due to lodging generators in the immediate and regional markets. Focus on weekday (Sunday-Thursday) corporate business will assist the project in meeting or exceeding projections. Two night minimum on Friday/Saturday revenue management strategy recommended for optimal revenue opportunity.*

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 outside of Keene, TX in a neighboring market. The market's demand patterns appear average at the time of this report.

Source: Core Distinction Group LLC

Market 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.

Strengths of Keene, TX:

(In no specific order)

-  Low Crime
-  Family Friendly
-  Tight Knit
-  Eager to Grow
-  Sense of Community
-  Low Traffic Congestion

Weaknesses of Keene, TX:

(In no specific order)

-  Lack of Industry
-  Lack of Retail
-  Lack of Restaurants

Opportunities:

(In order of most mentioned)

-  Fast Food Restaurants
-  Retail
-  Family Restaurants
-  Gas Station/Convenience Store
-  Splash Pad

Source: Core Distinction Group LLC Community Interviews (2018)

*** The above mentioned listings are not the opinion of Core Distinction Group, LLC, yet a compilation of direct feedback by members of the community during our interview process.*

Understanding Terms:

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.

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.

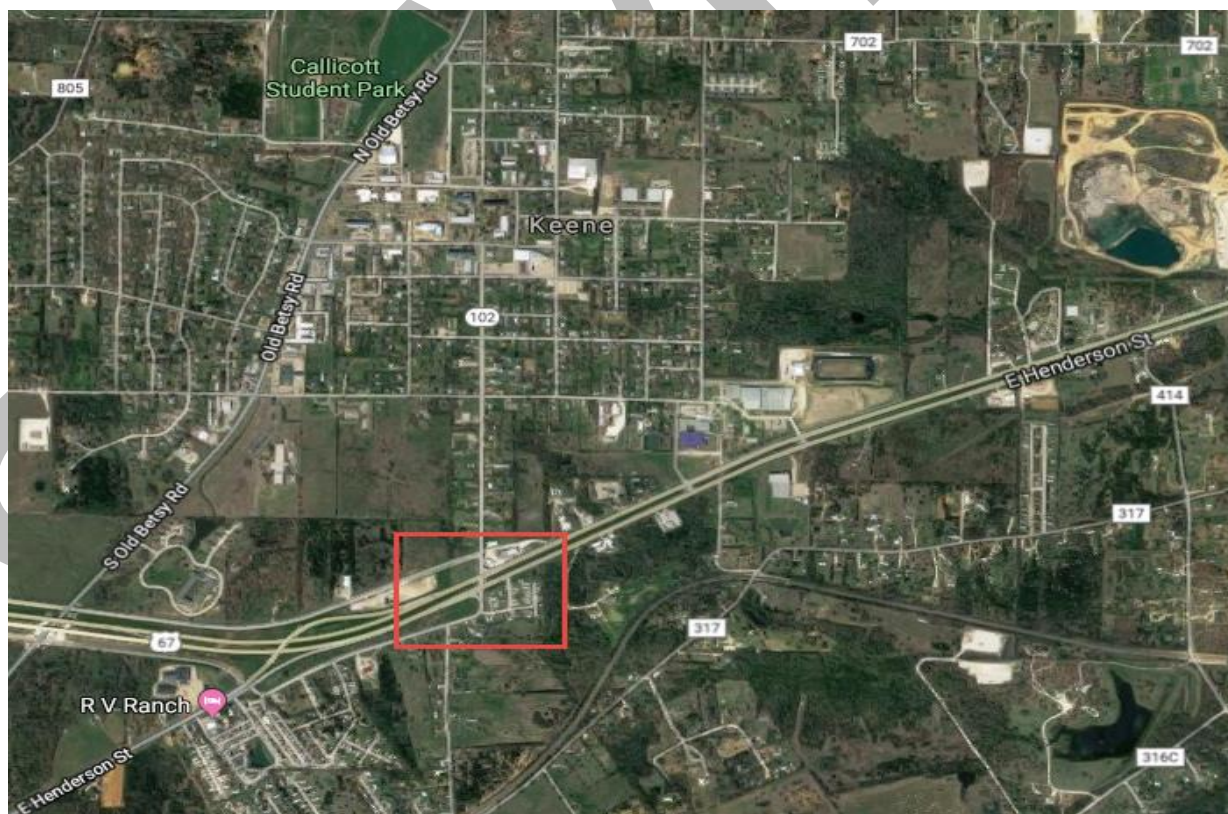
Hotel Types

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.
- 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.

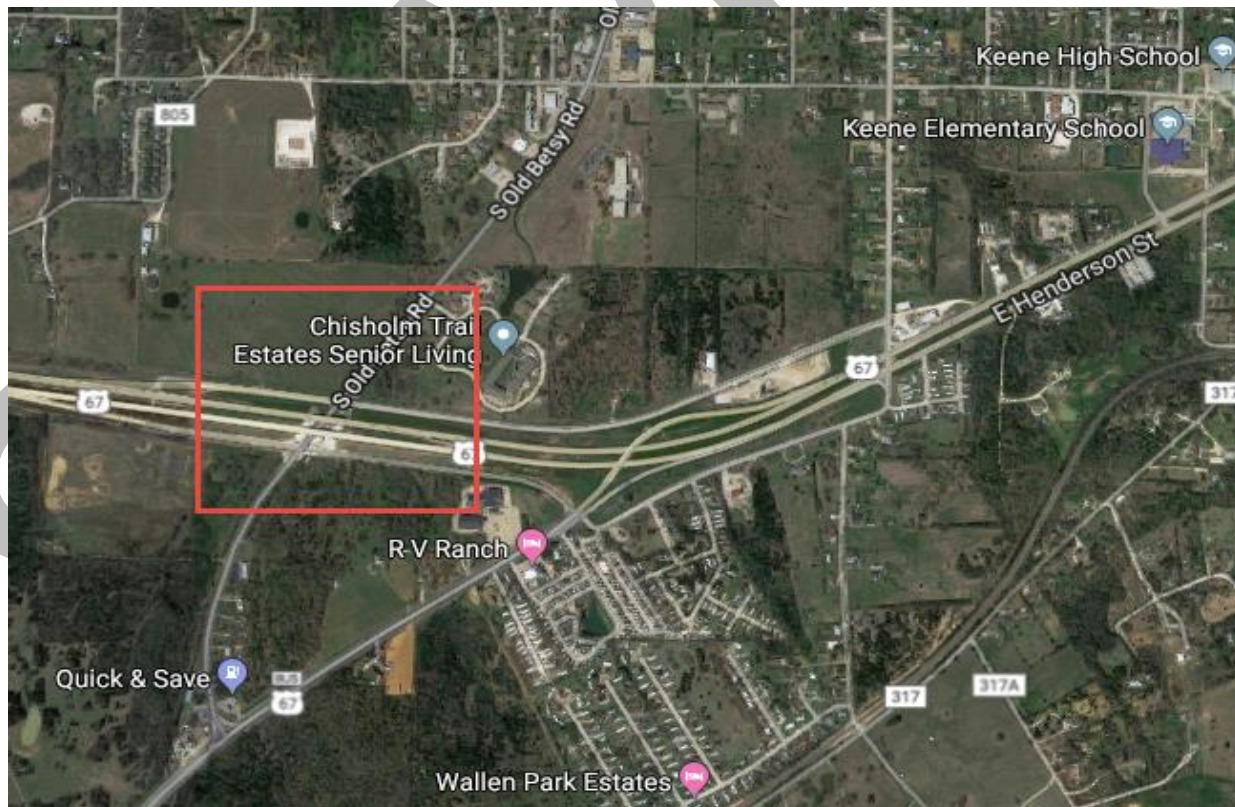
Subject Site Evaluation (Site 1) - Hwy 67 and Hwy 102 Vicinity					
Visibility	1	2	3	4	5
Accessibility	1	2	3	4	5
Traffic Counts	1	2	3	4	5
Site Prep	1	2	3	4	5
Major Utilities	1	2	3	4	5
Zoning	1	2	3	4	5
Area Support Services	1	2	3	4	5
Demand Generator Position	1	2	3	4	5
Competition Position	1	2	3	4	5
Overall Result			96%	43	45

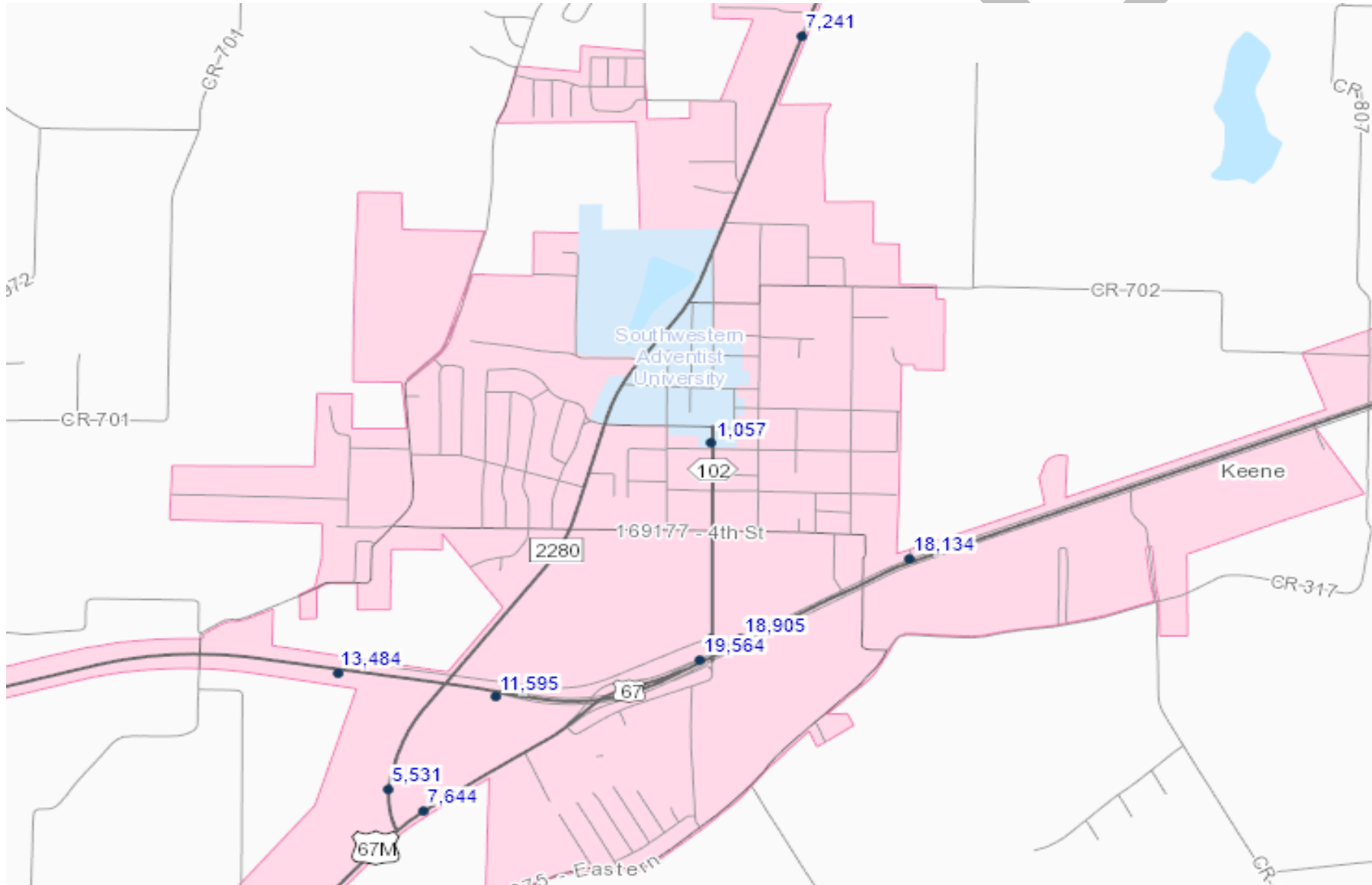
Preparation for this site is somewhat unknown. Wetland, water drainage, seepage or flood plain issues were not directly addressed but they do not appear to be present here. A detailed Environmental Impact study not within the scope of this report. The developer should conduct necessary environmental impact testing to ensure the subject site is in compliance with local ordinances and environmental regulations. Major utilities were reported to be in place in the immediate area including water, sewer, electric, telephone, etc.



Subject Site Evaluation (Site 2) - Hwy 67 and South Old Betsy Road Vicinity					
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			96%	43	45

Preparation for this site is somewhat unknown. Wetland, water drainage, seepage or flood plain issues were not directly addressed but they do not appear to be present here. A detailed Environmental Impact study not within the scope of this report. The developer should conduct necessary environmental impact testing to ensure the subject site is in compliance with local ordinances and environmental regulations. Major utilities were reported to be in place in the immediate area including water, sewer, electric, telephone, etc.





Source: Texas Department of Transportation *2016

Population

Keene is a city in Johnson County, Texas, United States. The population was 6,106 as of the 2010 Census.

Keene, TX	April 1, 2010		Population Estimate (as of July 1)				
	Census	Estimates Base	2013	2014	2015	2016	2017
	6,106	6,118	6,123	6,181	6,274	6,338	6,440

2010 Census Data (Including 2017)	Keene, TX	Johnson County
Population estimates, July 1, 2017	6,440	167,301
Population estimates base, April 1, 2010	6,118	150,942
Population, percent change - April 1, 2010 to July 1, 2017	5.3%	10.8%
Population, Census, April 1, 2010	6,106	150,934
Persons under 5 years, percent, 2017	7.5%	6.7%
Persons under 18 years, percent, 2017	27.9%	26.0%
Persons 65 years and over, percent, 2017	13.2%	13.9%
Female persons, percent, July 1, 2017	52.6%	50.1%
White alone, percent, July 1, 2017	67.5%	92.2%
Black or African American alone, percent, July 1, 2017	10.9%	3.6%
American Indian and Alaska Native alone, percent, July 1, 2017	1.1%	1.0%
Asian alone, percent, July 1, 2017	3.6%	0.9%
Native Hawaiian and Other Pacific Islander alone, percent, July 1, 2017	7.3%	0.5%
Two or More Races, percent, July 1, 2017	6.9%	1.9%
Hispanic or Latino, percent, July 1, 2017	33.7%	21.3%
White alone, not Hispanic or Latino, percent, July 1, 2017	37.1%	72.2%
Housing units, July 1, 2017	-	61,982
Owner-occupied housing unit rate, 2011-2017	45.3%	73.7%
Median value of owner-occupied housing units, 2010-2014	\$111,500	\$124,500
Building permits, 2017	-	614
Travel time to work (min), workers age 16 years+, 2010-2014	23.4	30.0

Source: US Census Bureau

Effective Buying Income

Households by Income	2016
Median Household Income	\$41,058
Mean Income	\$57,008
<\$10,000	8.2%
\$10,000-\$14,999	4.4%
\$15,000-\$24,999	18.0%
\$25,000-\$34,999	11.4%
\$35,000-\$49,999	15.1%
\$50,000-\$74,999	14.6%
\$75,000-\$99,999	11.5%
\$100,000-\$149,999	10.3%
\$150,000-\$199,999	5.0%
\$200,000+	1.5%

Source: U.S. Census Bureau, 2012-2016 5-Year American Community Survey

Workforce/Employment Distribution

by NAICS Codes (Keene, TX)	Percent (%)
Educational services	17.74%
Health care and social assistance	17.05%
Retail Trade	14.06%
Accommodation and food services	11.27%
Manufacturing	9.94%
Other services, except public administration	5.33%
Construction	5.29%
Transportation and warehousing	4.61%
Arts, entertainment, and recreation	2.46%
Professional, scientific, and technical services	2.42%
Administrative and support and waste management services	2.02%
Real estate and rental and leasing	1.82%
Utilities	1.37%
Public administration	1.21%
Finance and insurance	1.01%
Information	0.97%
Wholesale trade	0.89%
Mining, quarrying, and oil and gas extraction	0.32%
Management of Companies or Enterprises	0.20%

Source: U.S. Census Bureau, 2012-2016 5-Year American Community Survey

Unemployment

The current unemployment rate for Keene is 3.2% in April 2018.

Labor Supply / Wage Pressures

Texas's minimum wage is set at \$7.25 (2018). The labor supply is felt to be below average to support a hotel development. The hotel could draw employment from the broad geographic area of Johnson County or entice commuting community members to stay closer to home for work. The unemployment levels in the county do have the potential to place limitations on labor supply needed for this build. Wage pressures were reported to be a concern in attracting Service employees for a hotel.

Air Transportation

The nearest major airport is Dallas Love Field (DAL) 52 miles from the center of Keene, TX. Another major airport is Dallas/Fort Worth International Airport (DFW) 53 miles from Keene, TX.

International airports near Keene, TX

53 miles: Dallas, TX (DFW / KDFW) [Dallas/Fort Worth International Airport](#)
183 miles: Austin, TX (AUS / KAUS) [Austin-Bergstrom International Airport](#)
244 miles: San Antonio, TX (SAT / KSAT) [San Antonio International Airport](#)
247 miles: Houston, TX (IAH / KIAH) [George Bush Intercontinental Airport](#)

Domestic airports near Keene, TX

52 miles: Dallas, TX (DAL / KDAL) [Dallas Love Field](#)
53 miles: Dallas, TX (DFW / KDFW) [Dallas/Fort Worth International Airport](#)
74 miles: Waco, TX (ACT / KACT) [Waco Regional Airport](#)
135 miles: Killeen, TX (GRK / KGRK) [Killeen-Fort Hood Regional Airport](#)

Local airports near Keene, TX

9 miles: Cleburne, TX (TX5) [Cleburne Municipal Airport](#)
21 miles: Fort Worth, TX (KFWS / FWS) [Fort Worth Spinks Airport](#)
34 miles: Fort Worth, TX (FTW / KFTW) [Fort Worth Meacham International Airport](#)
34 miles: Fort Worth, TX (FWH / KNFW / NFW) [Naval Air Station Joint Reserve Base Fort Worth](#)
36 miles: Arlington, TX (KGKY / GKY) [Arlington Municipal Airport](#)
38 miles: Dallas, TX (RBD / KRBD) [Dallas Executive Airport](#)
41 miles: Fort Worth, TX (MFT) [Mangham Field](#)
44 miles: Grand Prairie, TX (KGPM / GPM) [Grand Prairie Municipal Airport](#)
49 miles: Fort Worth, TX (GSW / KGSW) [Greater Southwest International Airport \(defunct\)](#)
52 miles: Dallas, TX (QDF) [Dallas Metropolitan Area](#)

Market Segmentation Projection for Keene, TX are as follows:

SMERF (Social, Military, Education, Religion, and Fraternal):

Social(Weddings/Events)

70%

Military

5%

0%

Education (Sports/Other)

65%

Religious

0%

Fraternal

0%

Other Local Business:

10%

Area Events & Attractions:

15%

Transient/Walk-In:

5%

Total Need:

100%

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 Keene, TX 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 for this market.

Source: Core Distinction Group LLC

Events (Keene, TX & Surrounding Area Overflow) (The events listed below are demand generators for leisure transient business)	
January:	Hoops Classic High School Basketball Tournament, Junior Livestock Show and Youth Fair (Cleburne)
February:	SWAU Music Festival, SWAU Nurses Dedication, SWAU Showcase Recital, SWAU Night at the Meyerson, SWAU University Experience
March:	SWAU University Days, SWAU 48 Hour Film Festival
April:	Annual Business Expo, Health and Job Fair, Ride to Recovery Texas Challenge, SWAU Alumni Weekend, Cowboys for Kids (Cleburne), SWAT Home show, SWAU Alumni Weekend, SWAU Air Classes Annual Open House
May:	SWAU Graduation
June:	PRCA Rodeo (Cleburne)
July:	Fourth of July Parade and Celebration, Goatneck Bike Ride (Cleburne)
August:	SWAU University Days, SWAU Mizpah Ceremony/Parents' Dinner
September:	Annual Adult Soap Box Derby, SWAU Gala Fundraiser
October:	SWAU University Days
November:	Chargers Basketball Tournament , SWAU Acrofest, SWAU University Experience
December:	
Misc.:	

Area/Regional Attractions:

Southwestern Adventist University, one of 13 colleges and universities in the United States affiliated with the Seventh-day Adventist Church. It is owned by the Southwestern Union Conference of Seventh-day Adventists and is classified as a small school with an approximate undergraduate enrollment of 800. Its setting is rural, and the campus size is 150 acres. Southwestern Adventist University. The university has received full accreditation from the Southern Association of Colleges and Schools through 2016. It is religiously accredited by the Adventist Accrediting Association. The nursing program is approved by the Texas Board of Nurse Examiners.

Cleburne Conference Center and Performing Arts Center facility underwent significant renovations, expansion and re-opened in 2010. The facility can house up to seven-hundred people banquet style and over thirteen- hundred theater style. The performing arts center will seat 297 patrons comfortably with wide aisles between each row of seats. ADA accessible seating available. This facility is ideal for general sessions at conferences or as a break out room for seminars taking place during a conference or meeting. It can be rented out separately for other events. The Theater Tech room provides light and sound equipment of professional grade, producing high quality theatrical effects for productions taking place in the theater. Only certified light and sound technicians will be allowed access to this room or allowed to operate equipment that is property of the City of Cleburne/Cleburne Conference Center.

Louis Vuitton, the 163-year-old company bought 256 acres of land in Keene, Texas. Paris-based Louis Vuitton is considered the world's most valuable luxury brand, and its products include leather goods, handbags, trunks, shoes, watches, jewelry and accessories. Products bearing the LV monogram are among the most sought-after by luxury shoppers. The company operates 17 leather goods workshops, including 12 in France, three in Spain and two in California. It also has a shoe workshop in Italy, a watch-making workshop in Switzerland and a jewelry workshop in France. the Texas factory, which would make luggage and purses, represents a \$20 million investment and could result in 100 to 500 new jobs.

Keene Community Center offers over 5,000 square feet of space to accommodate up to two-hundred and fifty people for banquets and over three-hundred for classrooms events. This facility offers a full kitchen and everything needed for an event in Keene.

In surveying a representative with the City of Keene, they indicated they see need throughout the year for the many large events held in Keene as well as the surrounding areas. They felt there is great need from the University and that people are traveling to Cleburne, Alvarado and Berlison. The representative also indicated the community wishes to work to market the possibility of dinosaur tourism in the area.

In surveying a representative with the Southwestern Adventist University, they indicated a great need for lodging throughout the year for ongoing events, consultants, lectures, Parents Weekend, Orientation, University Days (at least one in the Spring and Fall with the potential of an additional one in the Spring), Alumni Weekend and their extensive Dinosaur Bone collection. They will typically stay at the Liberty Hotel and Holiday Inn Express in Cleburne as well as other hotels in Cleburne and Alvarado and would like to see a hotel offer breakfast, be close to the university and be very clean.

In surveying a representative with the Independent School District of Keene, they indicated a need for lodging during all sport Homecoming Events, in September for the Marshallies Olympics, Graduation, track and cross country meets, lectures at least once a year, recruiting once a year and possibly thirty people for their active shooter training. In addition they have a semi professional soccer team that uses their facilities for twenty games a year. They representative also indicated they utilize the Liberty Hotel and hotels in Alvarado. They would also like to see a hotel in Keene offer wireless internet, a pool and breakfast.

In surveying a representative with the Johnston County Economic Development Director, they indicated they see a need for lodging in the area. This is based on the need they see from the University and new, large businesses building in the Keene area. These businesses could use up to ten or more rooms each week in the Keene Market. In addition, the representative indicated a need coming from the Berlison Industrial Park.

In surveying a representative with the Keene Chamber of Commerce, they indicated that although they may not have direct need for rooms, they see great need for rooms throughout the year for the many events hosted in the area.

In surveying a representative with Keene Church, they indicated they have need for room nights on a random bases. Mainly for speakers and camp meetings. They also indicated they see a large need for Southwestern Adventist University, they would like to see a hotel offer breakfast, a fitness center, business center, pool, meeting space and guest laundry.

In surveying a representative with Gillin Realty, they indicated a need for lodging around four nights a month for customers traveling from other states to maintain their rental properties. The representative also voiced he need for the amateur baseball team, other sports, family functions and other social events. The representative indicated they currently send people to Cleburne or Alvarado and would like to see a hotel offer breakfast, wireless internet, a fitness center, meeting space, food and beverage.

Source: Core Distinction Group LLC Community Interviews (2018)

Competitive Hotel Properties Regional

STR Competitive Hotel Rates Quoted (June 2019)					Peak Season	
Property	Rooms	RATE ANALYSIS			Date Opened:	SEGMENT
		SINGLE	DOUBLE	WEEKEND		
Ascend Collection Liberty Hotel	50	\$99	\$89	\$99	Apr-09	Upscale
Holiday Inn Express & Suites Alvarado	68	\$89	\$79	\$89	Dec-10	Upper Midscale
Comfort Inn & Suites Alvarado	68	\$99	\$89	\$99	May-09	Upper Midscale
Hampton Inn Suites Cleburne	80	\$99	\$89	\$99	Apr-10	Upper Midscale
Holiday Inn Express & Suites Cleburne	74	\$89	\$79	\$89	Oct-07	Upper Midscale
La Quinta Inns & Suites Alvarado	65	\$79	\$69	\$79	Jul-08	Midscale
La Quinta Inns & Suites Cleburne	62	\$109	\$99	\$109	Dec-07	Midscale
Quality Inn & Suites Near Cleburne	80	\$74	\$64	\$74	May-00	Midscale
AVERAGE DAILY ROOM RATE QUOTED:		\$92	\$82	\$92	107%	
% of Rate in Keene, TX vs. Comp Set Rates:		107%	108%	107%		
Projected Rate in Keene, TX vs. Comp Set Rates:		\$99	\$89	\$99		

Room Rate Competition Comparison/Review PEAK Season:

	Average Rate	Yield	Probable Rate
Upscale STR Comp Set Lodging Average Rates:	\$99	100%	\$99
Upper Midscale STR Comp Set Lodging Average Rates:	\$94	105%	\$99
Midscale STR Comp Set Lodging Average Rates:	\$86	115%	\$99

STR Competitive Hotel Rates Quoted (December 2018)					Low Season	
Property	Rooms	RATE ANALYSIS			Date Opened:	SEGMENT
		SINGLE	DOUBLE	WEEKEND		
Ascend Collection Liberty Hotel	50	\$89	\$84	\$84	Apr-09	Upscale
Holiday Inn Express & Suites Alvarado	68	\$89	\$79	\$89	Dec-10	Upper Midscale
Comfort Inn & Suites Alvarado	68	\$65	\$55	\$65	May-09	Upper Midscale
Hampton Inn Suites Cleburne	80	\$89	\$89	\$89	Apr-10	Upper Midscale
Holiday Inn Express & Suites Cleburne	74	\$89	\$79	\$79	Oct-07	Upper Midscale
La Quinta Inns & Suites Alvarado	65	\$79	\$69	\$69	Jul-08	Midscale
La Quinta Inns & Suites Cleburne	62	\$89	\$76	\$79	Dec-07	Midscale
Quality Inn & Suites Near Cleburne	80	\$60	\$50	\$50	May-00	Midscale
AVERAGE DAILY ROOM RATE QUOTED:		\$81	\$73	\$76	108%	
% of Rate in Keene, TX vs. Comp Set Rates:		110%	110%	105%		
Projected Rate in Keene, TX vs. Comp Set Rates:		\$89	\$79	\$79		

Room Rate Competition Comparison/Review PEAK Season:

	Average Rate	Yield	Probable Rate
Upper STR Comp Set Lodging Average Rates:	\$89	100%	\$89
Upper Midscale STR Comp Set Lodging Average Rates:	\$84	105%	\$88
Midscale STR Comp Set Lodging Average Rates:	\$74	120%	\$89

Competitive Hotels	
Primary Competitive Hotels	# of Rooms
Ascend Collection Liberty Hotel	50
Holiday Inn Express & Suites Alvarado	68
Comfort Inn & Suites Alvarado	68
Hampton Inn Suites Cleburne	80
Holiday Inn Express & Suites Cleburne	74
La Quinta Inns & Suites Alvarado	65
La Quinta Inns & Suites Cleburne	62
Quality Inn & Suites Near Cleburne	80
Grand Total:	547
Average Room Count:	68
<i>Source: STR / Core Distinction Group, LLC</i>	

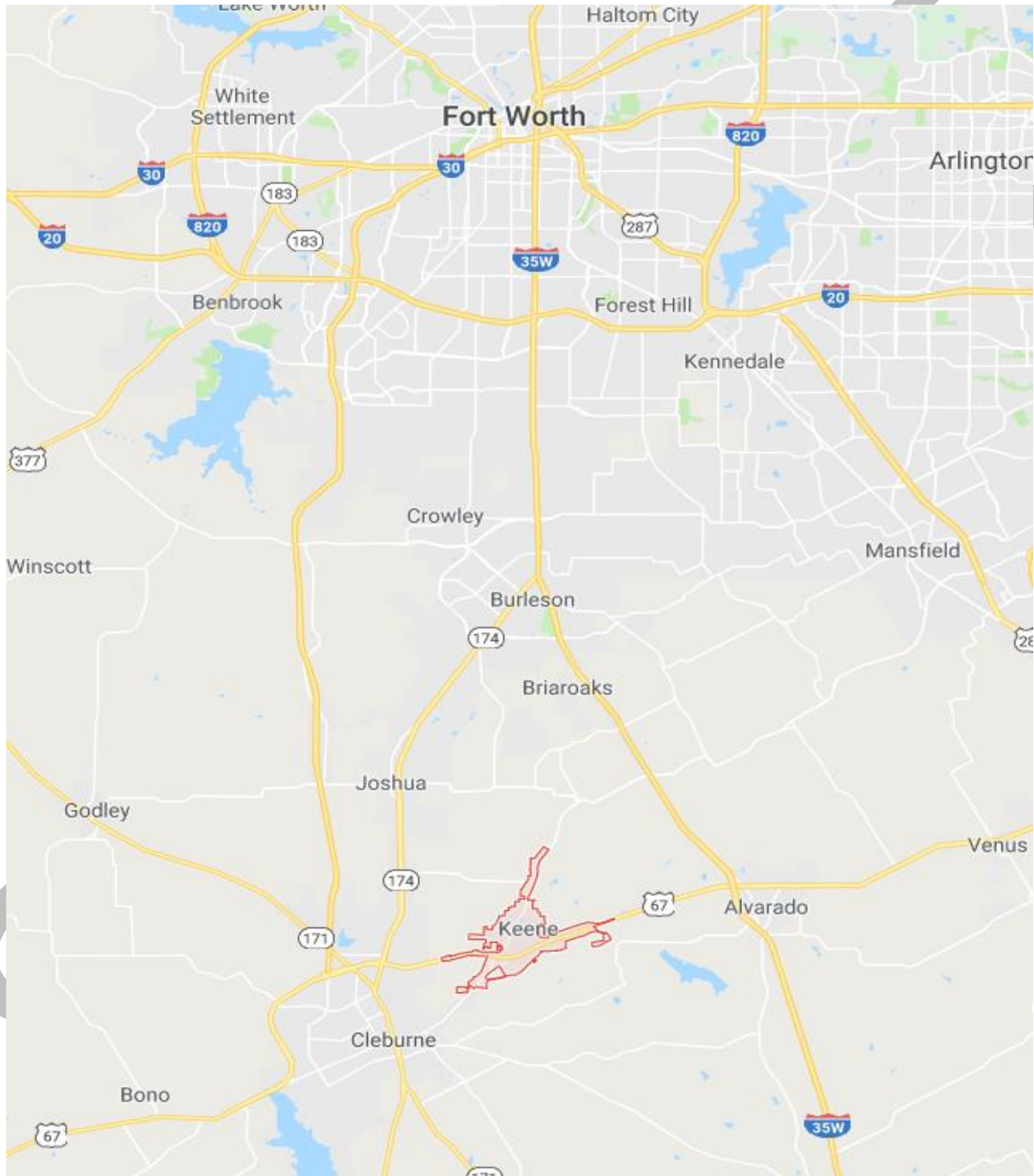
The primary competitors are expected to be the hotels in the regional market shown above. Based on STR data provided the following table summarizes the historical trends in occupancy and rates for the competitive supply in the past five years.

Historical Market Performance					
Year	Annual Occupancy	Rooms Sold	Average Rate	Occ %	ADR
				(Growth/Decline)	
2013	40.0%	79,938	\$70.68	1.8%	\$3.90
2014	41.6%	83,080	\$75.35	1.6%	\$4.67
2015	44.6%	89,038	\$74.96	3.0%	(\$0.38)
2016	45.8%	91,482	\$74.27	1.2%	(\$0.69)
2017	49.9%	99,552	\$75.28	4.0%	\$1.01
<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)	
2018	54.9%	109,611	\$77.50	5.0%	\$2.22
2019	58.0%	115,800	\$79.83	3.1%	\$2.33
2020	60.0%	119,793	\$82.22	2.0%	\$2.39
<i>Source: Core Distinction Group, LLC</i>					

STR Competitive Set Surveyed



Ascend Collection Liberty Hotel



# of Guestrooms	# of Floors	Year Built/Year Renovated
50	4	April-09

Liberty Hotel, an Ascend Hotel Collection Member. If you want to focus on the local flavor of Cleburne, the award-winning Liberty Hotel, an Ascend Hotel Collection® Member is a one-of-a-kind boutique hotel near everything that makes this Texas town unique. Amenities include: - Free Wi-Fi - Free deluxe continental breakfast - Fitness center - Outdoor pool - Meeting space. Guest rooms feature: - Refrigerator (some rooms) - Sofa bed (some rooms) - Desk - Flat-screen TV with cable - Coffee maker. Our Cleburne Conference Center hotel makes it easy to explore this Texas town, offering proximity to attractions including: - Layland Museum - Plaza Theatre Company - Gone with the Wind Museum - Chisholm Trail Museum - Splash Station at Hulen Park. Have a true Cleburne experience at our authentic neighborhood hotel in North Central Texas. You can also earn rewards like free night and gift cards at our Cleburne Conference Center hotel when you join Choice Privileges®.

Source: Choice Hotels Brand Website

Holiday Inn Express & Suites Alvarado



# of Guestrooms	# of Floors	Year Built/Year Renovated
68	3	December-10

Get a Fresh Take on Alvarado at Hotel's Property. Stylish decor and modern amenities abound at the Holiday Inn Express® Hotel & Suites Alvarado. This hotel's location off I-35 and Highway 67 (exit 26A) offers easy access in and around the area, and amenities like an indoor pool provide a restful respite for weary travelers. When you need to work, free high-speed wireless internet access gives you the ability to easily send proposals back to the office or to potential clients. Since the hotel's facility is near the Dallas-Fort Worth area, guests can quickly travel into either city to meet with corporations. In addition, companies like Sabre, Jet Research, RV Motor Home Specialist, and Halliburton are all located within minutes from our hotel. Hotel visitors are happy to discover that we're situated minutes from the new outdoor adventure park TexPlex Park, Chisenhall Baseball Fields, Big League Dreams, Sheppards Valley Cowboy Church formally known as Diamond W Arena Complex and Six Flags, along with Dallas-Fort Worth area attractions like Cowboys Stadium and Fort Worth Zoo. Make time to relax at the end of the day in the indoor pool or work off your stress in the fitness center. When you're ready to start a new day, stop by our Express Start complimentary, hot breakfast bar for eggs, breakfast meats, fluffy biscuits and our signature cinnamon rolls. Call today to stay with a name you can trust at a price you can afford!

Source: IHG Brand Website

Comfort Inn & Suites Alvarado



# of Guestrooms	# of Floors	Year Built/Year Renovated
<i>68</i>	<i>3</i>	<i>December-11</i>

Enjoy cozy accommodations and Texas-sized hospitality at our hotel in Alvarado, TX. Amenities include: - Free Wi-Fi - Free hot breakfast - Seasonal outdoor pool - Fitness center - Meeting room. Guest rooms feature: - Microwave and refrigerator - Coffee maker - Desk - Flat-panel TV - Iron and ironing board. If you're looking for a place to stay on business or you want to book a family hotel in Alvarado, TX, the Comfort Inn & Suites® is a perfect option. We're near local attractions and businesses, including:- Halliburton - Chisenhall Park - Sabre Industries - Southwestern Adventist University - Shepherd's Valley Cowboy Church and Arena Complex.

Source: Choice Hotels Brand Website

Hampton Inn Suites Cleburne



# of Guestrooms	# of Floors	Year Built/Year Renovated
80	4	April-10

welcome to the Hampton Inn & Suites Cleburne hotel. Situated just 24 minutes from Fort Worth and less than an hour from Dallas in the historic town of Cleburne, the Hampton Inn & Suites Cleburne hotel is the ideal choice for comfort and value in Texas. Less than one mile from the city center, enjoy an abundance of attractions nearby including Cedar Lake, Lake Pat Cleburne and the thrills of slides at adventure pools at Splash Station at Hulen Park. Visit nearby Dinosaur Valley and local golf courses, or stay inside and go to the movie theater. If you're in Cleburne on business, you'll find this comfortable hotel in Cleburne, TX is conveniently located across from Hill College and Texas Health Harris Methodist Hospital, and is just minutes from the Cleburne Event Center and Johnson County Rodeo Arena. Also nearby are corporations such as Chesapeake, Universal, John Mansfield, James Hardie, Wal-Mart Distribution Center, Baker Hughes and Halliburton. Take advantage of the exercise room and an on-site convenience store. Meeting facilities for 110 guests and a 24-hour business center are also available for guests who are here to do business. Each morning, enjoy Hampton's free hot breakfast featuring our signature waffles. If you're in a rush, pick up a Hampton On the Run® Breakfast Bag, available Monday through Friday, for a healthy start to the day.

Source: Hilton Brand Website

Holiday Inn Express & Suites Cleburne



# of Guestrooms	# of Floors	Year Built/Year Renovated
74	3	October-07

Welcome to the Holiday Inn Express Hotel & Suites Cleburne, TX located south of Fort Worth, Texas. The Cleburne Holiday Inn Express Hotel and Suites is near many major businesses such as Comanche Peak, Greenbrier, MidCon, Air Liquide, a Walmart Distribution Center, and Chesapeake Energy. We are also close to many attractions including Antique Alley, Glen Rose, Dinosaur World in Dinosaur Valley State Park, Splash Station, Lake Pat Cleburne, Layland Museum, Cleburne State Park, and also just a short drive to Cowboy Stadium in Arlington. Many historic buildings and tours can be found within only five miles of our hotel in Cleburne. You can cheer for your favorite cowboys at one of the many local rodeo venues like the Johnson County Sheriff's Posse or purchase or sell livestock at the Cleburne Livestock Auction Barn. You'll find exciting attractions open year-round and only a short drive from your Cleburne hotel room. No matter what business you're in, our guests can access our 24-hour business center and use the 800 square feet meeting room to host events. This pet-friendly Cleburne hotel offers amenities such as free high-speed Internet access in every room and an on-site convenience shop. The basketball court, putting green, and heated indoor swimming pool and hot tub will keep guests of all ages entertained. Book your Cleburne hotel reservations now and enjoy your Smart Stay at the Holiday Inn Express Hotel and Suites in Cleburne.

Source: IHG Brand Website

La Quinta Inns & Suites Alvarado



# of Guestrooms	# of Floors	Year Built/Year Renovated
65	3	July-08

Visiting the Fort Worth-Dallas area? Want all the action of Texas' largest metropolitan area but in quiet, comfortable and clean suites opportunely located between the two major cities? Our hotel offers free parking, flat-screen TVs, microwave ovens, coffeemakers, refrigerators and work desks. Enjoy a free Bright Side Breakfast® with all-you-can-drink coffee and juice, fresh fruit, waffles, and more, or workout in the on-site fitness center. If you're here for work, hold meetings in the business center, stay connected with free Wi-Fi, and let our attentive staff take care of you with 24-hour service. Staying in the area and want a quiet, clean retreat out of the big city but not far from the action? Our hotel satisfies your needs and is located halfway between two major metropolitan hubs. For our guests here on business we are just minutes away from several distribution centers and headquarters and a stone's throw away from I-35 that will take you anywhere in D/FW in a matter of minutes. Our conference room can accommodate up to 85 guests. Vacationing with family? The Dallas Zoo, Fort Worth Zoo, Glen Rose Dinosaur Park, Six Flags and Hurricane Harbor, AT&T Stadium, the Cotton Bowl, and Amerquest Field are all nearby. Reserve your room today to take advantage of an excellent location with ample amenities and area attractions. Our peaceful location offers you a relaxing, stress-free stay halfway between downtown Dallas and downtown Fort Worth, yet close to the big city action in each. Stay connected and productive with free Wi-Fi and free local calls, our helpful business center, and convenient on-site meeting facilities. When it's time to relax, kick back with cable television and flat-screen TVs, pamper yourself in our spa and fitness room, or beat the Texas heat with our cool outdoor swimming pool. Begin your day on the right side with a free Bright Side Breakfast buffet complete with waffles, hot and cold cereals, breads, fresh fruit, and all-you-can-drink coffee and juice.

Source: LaQuinta Brand Website

La Quinta Inns & Suites Cleburne



# of Guestrooms	# of Floors	Year Built/Year Renovated
62	3	December-07

Looking for comfortable lodging with numerous amenities and contemporary style in Central Texas? With free Wi-Fi, a free Bright Side Breakfast® buffet and an outdoor swimming pool, our brand new hotel is a smart choice for both business and leisure travelers to the Dallas/Fort Worth Metroplex. Located near the historic downtown area, our modern Cleburne hotel features friendly Texas hospitality along with convenient amenities, including a microwave, refrigerator and 32" TV in every room or suite. Stretch out on your comfortable bed and relax in the spa or explore the surrounding area filled with lovely parks, a pretty lake and exciting local attractions. Situated on the fringes of the Dallas/Fort Worth metropolitan area, this small town has a history in cattle driving in addition to a big Texas personality. Once an important stop on the Chisholm Trail where cowboys came to water their cattle during the long drive to Oklahoma and Kansas, Cleburne is now a quiet suburban community with a growing number of businesses and services. Find unique shops and restaurants in the downtown area, which is also home to the historic Johnson County Courthouse. Farmland, cattle fields and horse ranches surround this north-central Texas town, and you'll encounter plenty of space to stretch out, explore and watch the blazing red Texas sunsets. The famous stockyards and artsy downtown area of Fort Worth is just a half-hour away, and driving to Dallas or "Big D" takes just under an hour. Relax and take advantage of a generous selection of modern services and amenities at our brand new hotel. Guests love our free Bright Side Breakfast buffet, a satisfying morning meal with both healthy and hearty options. Unwind in our outdoor swimming pool and spa, stay connected in our business center and keep energized in our fitness center. You'll also enjoy free parking, free local calls, and free Wi-Fi when you stay at our hotel, along with access to our laundry facilities. Our guest rooms and suites feature plenty of space and contemporary décor, along with microwaves, refrigerators and 32" TVs with 10 HBO channels & 8 Cinemax channels, plus premium HD channels. You'll also have a hairdryer, coffeemaker, iron, ironing board, alarm clock and more.

Source: LaQuinta Brand Website

Quality Inn & Suites Near Cleburne



# of Guestrooms	# of Floors	Year Built/Year Renovated
80	3	December-15

Quality Inn & Suites Near Cleburne Conference Center. Conveniently located off Highway 174, the Quality Inn & Suites® Near Cleburne Conference Center hotel in Cleburne lets you relax and focus on the people and experiences you came for. You'll find plenty of other local sites, activities and attractions to explore near our hotel in Cleburne, including Lake Pat Cleburne and: - Southwestern Adventist University - Cleburne's Rodeo Grounds - Fossil Rim Wildlife Center - Dinosaur Valley State Park - Lake Whitney State Park. Our Value Qs deliver professional, responsive and friendly service, as well as amenities that give you more for your hard-earned money like meeting space and copy, print and fax machines, plus: - Free hot, fresh and healthy breakfast - Free Wi-Fi - Seasonal outdoor pool - Fitness center - Free weekday newspaper. When you're ready to settle in for the night, our spacious guest rooms feature refrigerators, irons and ironing boards, hair dryers, coffee makers and TVs. Your Q Bed features a comfortable, premium mattress and linens, a generous supply of fluffy pillows and a soft, plush blanket—because we know how much you value a good night's sleep. Be sure to ask about our rooms with hot tubs.

Source: Choice Hotels Brand Website



Trend # 1022623_SADIM / Created October 08, 2018

Trend Report - Keene, TX

January 2012 to August 2018 Currency : USD - US Dollar

Table of Contents	1
Data by Measure	2
Percent Change by Measure	3
Percent Change by Year	4
Twelve Month Moving Average	5
Twelve Month Moving Average with Percent Change	6
Day of Week Analysis	7
Raw Data	8
Classic	9
Response Report	10
Terms and Conditions	11
Help	12

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Source: 2018 STR, Inc. / STR Global, Ltd. trading as "STR".

Tab 2 - Data by Measure

Keene, TX

Job Number: 1022623_SADIM Staff: CW Created: October 08, 2018

Occupancy (%)															
	January	February	March	April	May	June	July	August	September	October	November	December		Total Year	Aug YTD
2012	32.0	31.6	40.5	41.4	39.0	40.2	40.3	34.2	39.4	44.5	39.9	35.5		38.2	37.4
2013	37.9	39.7	41.4	39.7	48.6	50.5	47.2	35.9	34.5	37.2	38.2	29.7		40.0	42.6
2014	33.8	32.6	43.3	49.2	40.7	42.6	46.5	41.6	42.1	46.0	41.6	38.7		41.6	41.4
2015	39.0	35.3	47.0	53.0	42.6	49.5	45.7	38.5	47.7	55.0	44.3	37.1		44.6	43.9
2016	41.5	38.8	46.9	50.5	47.3	54.3	49.3	39.5	48.3	53.3	45.2	34.7		45.8	46.0
2017	44.8	40.5	51.1	56.9	53.8	55.8	48.2	46.2	52.1	60.6	48.0	39.8		49.9	49.7
2018	49.6	49.9	59.9	54.8	58.5	63.9	55.6	54.8							55.9
Avg	39.8	38.3	47.2	49.4	47.2	51.0	47.5	41.5	44.0	49.4	42.9	35.9		43.4	45.3

ADR (\$)															
	January	February	March	April	May	June	July	August	September	October	November	December		Total Year	Aug YTD
2012	68.41	68.49	67.92	66.75	67.27	67.93	67.50	66.97	65.88	65.70	64.57	64.56		66.78	67.61
2013	64.49	64.76	68.79	71.03	74.04	75.31	73.40	71.55	70.48	70.94	67.88	72.77		70.68	70.79
2014	74.10	75.63	73.87	75.90	76.38	76.73	76.74	72.20	73.57	76.41	78.04	74.15		75.35	75.23
2015	71.07	75.67	76.17	77.75	77.64	78.25	74.95	72.42	74.56	76.72	71.09	70.80		74.96	75.67
2016	71.62	71.34	72.81	75.37	75.31	74.84	72.35	74.51	76.17	78.53	75.22	70.70		74.27	73.62
2017	73.22	72.13	76.40	78.07	76.83	73.82	73.86	73.97	75.59	78.99	74.79	72.89		75.28	74.97
2018	73.26	72.24	77.47	78.18	80.75	80.89	77.53	77.59							77.48
Avg	71.06	71.41	73.73	75.17	75.81	75.75	73.97	73.15	73.07	75.08	72.14	71.01		73.10	73.92

RevPAR (\$)															
	January	February	March	April	May	June	July	August	September	October	November	December		Total Year	Aug YTD
2012	21.87	21.66	27.53	27.63	26.24	27.31	27.20	22.88	25.94	29.22	25.79	22.95		25.54	25.32
2013	24.45	25.72	28.47	28.20	35.99	38.00	34.64	25.68	24.32	26.40	25.94	21.63		28.30	30.17
2014	25.07	24.68	31.97	37.36	31.07	32.70	35.70	30.05	30.98	35.12	32.48	28.67		31.35	31.12
2015	27.73	26.67	35.78	41.23	33.11	38.71	34.25	27.88	35.58	42.21	31.50	26.30		33.43	33.19
2016	29.69	27.67	34.17	38.09	35.62	40.63	35.65	29.45	36.81	41.86	34.01	24.54		34.03	33.90
2017	32.79	29.20	39.07	44.43	41.32	41.22	35.63	34.15	39.38	47.89	35.88	29.02		37.54	37.28
2018	36.34	36.06	46.41	42.82	47.25	51.70	43.10	42.54							43.33
Avg	28.28	27.38	34.77	37.11	35.80	38.61	35.17	30.37	32.17	37.12	30.93	25.52		31.70	33.47

Supply															
	January	February	March	April	May	June	July	August	September	October	November	December		Total Year	Aug YTD
2012	16,957	15,316	16,957	16,410	16,957	16,410	16,957	16,957	16,410	16,957	16,410	16,957		199,655	132,921
2013	16,957	15,316	16,957	16,410	16,957	16,410	16,957	16,957	16,410	16,957	16,410	16,957		199,655	132,921
2014	16,957	15,316	16,957	16,410	16,957	16,410	16,957	16,957	16,410	16,957	16,410	16,957		199,655	132,921
2015	16,957	15,316	16,957	16,410	16,957	16,410	16,957	16,957	16,410	16,957	16,410	16,957		199,655	132,921
2016	16,957	15,316	16,957	16,410	16,957	16,410	16,957	16,957	16,410	16,957	16,410	16,957		199,655	132,921
2017	16,957	15,316	16,957	16,410	16,957	16,410	16,957	16,957	16,410	16,957	16,410	16,957		199,655	132,921
2018	16,957	15,316	16,957	16,410	16,957	16,410	16,957	16,957							132,921
Avg	16,957	15,316	16,957	16,410	16,957	16,410	16,957	16,957	16,410	16,957	16,410	16,957		199,655	132,921

Demand															
	January	February	March	April	May	June	July	August	September	October	November	December		Total Year	Aug YTD
2012	5,422	4,843	6,873	6,794	6,616	6,597	6,833	5,793	6,461	7,542	6,554	6,028		76,356	49,771
2013	6,428	6,082	7,018	6,516	8,242	8,280	8,003	6,086	5,663	6,309	6,271	5,039		79,937	56,655
2014	5,738	4,997	7,339	8,077	6,897	6,993	7,889	7,058	6,911	7,794	6,830	6,557		83,080	54,988
2015	6,616	5,399	7,966	8,701	7,230	8,119	7,749	6,527	7,831	9,330	7,271	6,299		89,038	58,307
2016	7,030	5,940	7,958	8,292	8,020	8,909	8,354	6,703	7,931	9,039	7,419	5,886		91,481	61,206
2017	7,595	6,201	8,672	9,338	9,121	9,163	8,180	7,828	8,550	10,281	7,872	6,751		99,552	66,098
2018	8,410	7,645	10,158	8,989	9,923	10,488	9,427	9,296							74,336
Avg	6,748	5,872	7,998	8,101	8,007	8,364	8,062	7,042	7,225	8,383	7,036	6,093		86,574	60,194

Revenue (\$)															
	January	February	March	April	May	June	July	August	September	October	November	December		Total Year	Aug YTD
2012	370,914	331,687	466,844	453,467	445,036	448,141	461,225	387,934	425,636	495,505	423,166	389,186		5,098,741	3,365,248
2013	414,570	393,856	482,752	462,821	610,198	623,583	587,438	435,471	399,130	447,584	425,687	366,708		5,649,798	4,010,689
2014	425,171	377,933	542,129	613,033	526,785	536,568	605,366	509,569	508,411	595,521	532,998	486,226		6,259,710	4,136,554
2015	470,205	408,538	606,802	676,524	561,365	635,289	580,754	472,689	583,903	715,790	516,887	445,946		6,674,692	4,412,166
2016	503,518	423,774	579,386	625,000	603,957	666,708	604,442	499,453	604,097	709,835	558,089	416,134		6,794,393	4,506,238
2017	556,084	447,262	662,577	729,046	700,721	676,411	604,138	579,067	646,291	812,113	588,743	492,068		7,494,521	4,955,306
2018	616,134	552,287	786,979	702,735	801,272	848,340	730,892	721,283							5,759,922
Avg	479,514	419,334	589,638	608,947	607,048	633,577	596,322	515,067	527,911	629,391	507,595	432,711		6,328,643	4,449,446

Tab 3 - Percent Change from Previous Year - Detail by Measure

Hotel Market Feasibility Study
City of Keene, TX

Keene, TX

Job Number: 1022623_SADIM Staff: CW Created: October 08, 2018

Occupancy														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2013	18.6	25.6	2.1	-4.1	24.6	25.5	17.1	5.1	-12.4	-16.3	-4.3	-16.4	4.7	13.8
2014	-10.7	-17.8	4.6	24.0	-16.3	-15.5	-1.4	16.0	22.0	23.5	8.9	30.1	3.9	-2.9
2015	15.3	8.0	8.5	7.7	4.8	16.1	-1.8	-7.5	13.3	19.7	6.5	-3.9	7.2	6.0
2016	6.3	10.0	-0.1	-4.7	10.9	9.7	7.8	2.7	1.3	-3.1	2.0	-6.6	2.7	5.0
2017	8.0	4.4	9.0	12.6	13.7	2.9	-2.1	16.8	7.8	13.7	6.1	14.7	8.8	8.0
2018	10.7	23.3	17.1	-3.7	8.8	14.5	15.2	18.8						12.5
Avg	8.0	8.9	6.9	5.3	7.8	8.9	5.8	8.6	6.4	7.5	3.8	3.6	5.5	7.1

ADR														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2013	-5.7	-5.4	1.3	6.4	10.1	10.9	8.7	6.8	7.0	8.0	5.1	12.7	5.8	4.7
2014	14.9	16.8	7.4	6.9	3.2	1.9	4.5	0.9	4.4	7.7	15.0	1.9	6.6	6.3
2015	-4.1	0.0	3.1	2.4	1.7	2.0	-2.3	0.3	1.4	0.4	-8.9	-4.5	-0.5	0.6
2016	0.8	-5.7	-4.4	-3.1	-3.0	-4.4	-3.5	2.9	2.2	2.4	5.8	-0.1	-0.9	-2.7
2017	2.2	1.1	4.9	3.6	2.0	-1.4	2.1	-0.7	-0.8	0.6	-0.6	3.1	1.4	1.8
2018	0.1	0.2	1.4	0.1	5.1	9.6	5.0	4.9						3.4
Avg	1.4	1.2	2.3	2.7	3.2	3.1	2.4	2.5	2.8	3.8	3.3	2.6	2.5	2.3

RevPAR															
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD	
2013	11.8	18.7	3.4	2.1	37.1	39.1	27.4	12.3	-6.2	-9.7	0.6	-5.8	10.8	19.2	
2014	2.6	-4.0	12.3	32.5	-13.7	-14.0	3.1	17.0	27.4	33.1	25.2	32.6	10.8	3.1	
2015	10.6	8.1	11.9	10.4	6.6	18.4	-4.1	-7.2	14.8	20.2	-3.0	-8.3	6.6	6.7	
2016	7.1	3.7	-4.5	-7.6	7.6	4.9	4.1	5.7	3.5	-0.8	8.0	-6.7	1.8	2.1	
2017	10.4	5.5	14.4	16.6	16.0	1.5	-0.1	15.9	7.0	14.4	5.5	18.2	10.3	10.0	
2018	10.8	23.5	18.8	-3.6	14.3	25.4	21.0	24.6						16.2	
Avg	8.9	9.3	9.4	8.4	11.3	12.6	8.6	11.4	9.3	11.4	7.2	6.0	8.1	9.6	

Supply														Total Year	Aug YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
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	
Avg	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	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2013	18.6	25.6	2.1	-4.1	24.6	25.5	17.1	5.1	-12.4	-16.3	-4.3	-16.4	4.7	13.8
2014	-10.7	-17.8	4.6	24.0	-16.3	-15.5	-1.4	16.0	22.0	23.5	8.9	30.1	3.9	-2.9
2015	15.3	8.0	8.5	7.7	4.8	16.1	-1.8	-7.5	13.3	19.7	6.5	-3.9	7.2	6.0
2016	6.3	10.0	-0.1	-4.7	10.9	9.7	7.8	2.7	1.3	-3.1	2.0	-6.6	2.7	5.0
2017	8.0	4.4	9.0	12.6	13.7	2.9	-2.1	16.8	7.8	13.7	6.1	14.7	8.8	8.0
2018	10.7	23.3	17.1	-3.7	8.8	14.5	15.2	18.8						12.5
Avg	8.0	8.9	6.9	5.3	7.8	8.9	5.8	8.6	6.4	7.5	3.8	3.6	5.5	7.1

Revenue														Total Year	Aug YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2013	11.8	18.7	3.4	2.1	37.1	39.1	27.4	12.3	-6.2	-9.7	0.6	-5.8	10.8	19.2	
2014	2.6	-4.0	12.3	32.5	-13.7	-14.0	3.1	17.0	27.4	33.1	25.2	32.6	10.8	3.1	
2015	10.6	8.1	11.9	10.4	6.6	18.4	-4.1	-7.2	14.8	20.2	-3.0	-8.3	6.6	6.7	
2016	7.1	3.7	-4.5	-7.6	7.6	4.9	4.1	5.7	3.5	-0.8	8.0	-6.7	1.8	2.1	
2017	10.4	5.5	14.4	16.6	16.0	1.5	-0.1	15.9	7.0	14.4	5.5	18.2	10.3	10.0	
2018	10.8	23.5	18.8	-3.6	14.3	25.4	21.0	24.6						16.2	
Avg	8.9	9.3	9.4	8.4	11.3	12.6	8.6	11.4	9.3	11.4	7.2	6.0	8.1	9.6	

Tab 4 - Percent Change from Previous Year - Detail by Year

Hotel Market Feasibility Study
City of Keene, TX

Keene, TX

Job Number: 1022623_SADIM Staff: CW Created: October 08, 2018

	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	Aug YTD
Occ	18.6	25.6	2.1	-4.1	24.6	25.5	17.1	5.1	-12.4	-16.3	-4.3	-16.4	4.7	13.8
ADR	-5.7	-5.4	1.3	6.4	10.1	10.9	8.7	6.8	7.0	8.0	5.1	12.7	5.8	4.7
RevPAR	11.8	18.7	3.4	2.1	37.1	39.1	27.4	12.3	-6.2	-9.7	0.6	-5.8	10.8	19.2
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	18.6	25.6	2.1	-4.1	24.6	25.5	17.1	5.1	-12.4	-16.3	-4.3	-16.4	4.7	13.8
Revenue	11.8	18.7	3.4	2.1	37.1	39.1	27.4	12.3	-6.2	-9.7	0.6	-5.8	10.8	19.2

	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	Aug YTD
Occ	-10.7	-17.8	4.6	24.0	-16.3	-15.5	-1.4	16.0	22.0	23.5	8.9	30.1	3.9	-2.9
ADR	14.9	16.8	7.4	6.9	3.2	1.9	4.5	0.9	4.4	7.7	15.0	1.9	6.6	6.3
RevPAR	2.6	-4.0	12.3	32.5	-13.7	-14.0	3.1	17.0	27.4	33.1	25.2	32.6	10.8	3.1
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	-10.7	-17.8	4.6	24.0	-16.3	-15.5	-1.4	16.0	22.0	23.5	8.9	30.1	3.9	-2.9
Revenue	2.6	-4.0	12.3	32.5	-13.7	-14.0	3.1	17.0	27.4	33.1	25.2	32.6	10.8	3.1

	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	Aug YTD
Occ	15.3	8.0	8.5	7.7	4.8	16.1	-1.8	-7.5	13.3	19.7	6.5	-3.9	7.2	6.0
ADR	-4.1	0.0	3.1	2.4	1.7	2.0	-2.3	0.3	1.4	0.4	-8.9	-4.5	-0.5	0.6
RevPAR	10.6	8.1	11.9	10.4	6.6	18.4	-4.1	-7.2	14.8	20.2	-3.0	-8.3	6.6	6.7
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	15.3	8.0	8.5	7.7	4.8	16.1	-1.8	-7.5	13.3	19.7	6.5	-3.9	7.2	6.0
Revenue	10.6	8.1	11.9	10.4	6.6	18.4	-4.1	-7.2	14.8	20.2	-3.0	-8.3	6.6	6.7

	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	Aug YTD
Occ	6.3	10.0	-0.1	-4.7	10.9	9.7	7.8	2.7	1.3	-3.1	2.0	-6.6	2.7	5.0
ADR	0.8	-5.7	-4.4	-3.1	-3.0	-4.4	-3.5	2.9	2.2	2.4	5.8	-0.1	-0.9	-2.7
RevPAR	7.1	3.7	-4.5	-7.6	7.6	4.9	4.1	5.7	3.5	-0.8	8.0	-6.7	1.8	2.1
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	6.3	10.0	-0.1	-4.7	10.9	9.7	7.8	2.7	1.3	-3.1	2.0	-6.6	2.7	5.0
Revenue	7.1	3.7	-4.5	-7.6	7.6	4.9	4.1	5.7	3.5	-0.8	8.0	-6.7	1.8	2.1

	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	Aug YTD
Occ	8.0	4.4	9.0	12.6	13.7	2.9	-2.1	16.8	7.8	13.7	6.1	14.7	8.8	8.0
ADR	2.2	1.1	4.9	3.6	2.0	-1.4	2.1	-0.7	-0.8	0.6	-0.6	3.1	1.4	1.8
RevPAR	10.4	5.5	14.4	16.6	16.0	1.5	-0.1	15.9	7.0	14.4	5.5	18.2	10.3	10.0
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	8.0	4.4	9.0	12.6	13.7	2.9	-2.1	16.8	7.8	13.7	6.1	14.7	8.8	8.0
Revenue	10.4	5.5	14.4	16.6	16.0	1.5	-0.1	15.9	7.0	14.4	5.5	18.2	10.3	10.0

	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	Aug YTD
Occ	10.7	23.3	17.1	-3.7	8.8	14.5	15.2	18.8						12.5
ADR	0.1	0.2	1.4	0.1	5.1	9.6	5.0	4.9						3.4
RevPAR	10.8	23.5	18.8	-3.6	14.3	25.4	21.0	24.6						16.2
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0						0.0
Demand	10.7	23.3	17.1	-3.7	8.8	14.5	15.2	18.8						12.5
Revenue	10.8	23.5	18.8	-3.6	14.3	25.4	21.0	24.6						16.2

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Tab 5 - Twelve Month Moving Average

Hotel Market Feasibility Study
City of Keene, TX

Keene, TX

Job Number: 1022623_SADIM Staff: CW Created: October 08, 2018

Occupancy (%)												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	38.7	39.4	39.4	39.3	40.1	41.0	41.5	41.7	41.3	40.7	40.5	40.0
2014	39.7	39.1	39.3	40.1	39.4	38.8	38.7	39.2	39.8	40.6	40.9	41.6
2015	42.1	42.3	42.6	42.9	43.0	43.6	43.5	43.3	43.7	44.5	44.7	44.6
2016	44.8	45.1	45.1	44.9	45.3	45.7	46.0	46.0	46.1	46.0	46.0	45.8
2017	46.1	46.2	46.6	47.1	47.7	47.8	47.7	48.3	48.6	49.2	49.4	49.9
2018	50.3	51.0	51.7	51.6	52.0	52.6	53.3	54.0				

ADR (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	66.47	66.22	66.30	66.65	67.36	68.12	68.68	69.01	69.35	69.82	70.09	70.68
2014	71.43	72.22	72.68	73.14	73.33	73.42	73.76	73.79	74.01	74.48	75.28	75.35
2015	75.09	75.10	75.31	75.50	75.61	75.76	75.60	75.64	75.71	75.75	75.20	74.96
2016	74.99	74.71	74.41	74.18	74.00	73.70	73.47	73.62	73.76	73.93	74.26	74.27
2017	74.39	74.43	74.75	75.03	75.18	75.08	75.21	75.16	75.12	75.21	75.17	75.28
2018	75.27	75.23	75.36	75.36	75.74	76.42	76.72	76.99				

RevPAR (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	25.76	26.07	26.15	26.19	27.02	27.90	28.53	28.77	28.64	28.40	28.41	28.30
2014	28.35	28.27	28.57	29.32	28.90	28.47	28.56	28.93	29.48	30.22	30.75	31.35
2015	31.58	31.73	32.06	32.37	32.55	33.04	32.92	32.73	33.11	33.71	33.63	33.43
2016	33.60	33.67	33.54	33.28	33.49	33.65	33.77	33.90	34.00	33.97	34.18	34.03
2017	34.29	34.41	34.83	35.35	35.83	35.88	35.88	36.28	36.49	37.00	37.16	37.54
2018	37.84	38.36	38.99	38.86	39.36	40.22	40.86	41.57				

Supply												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655
2014	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655
2015	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655
2016	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655
2017	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655
2018	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655	199,655

Demand												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	77,362	78,601	78,746	78,468	80,094	81,777	82,947	83,240	82,442	81,209	80,926	79,937
2014	79,247	78,162	78,483	80,044	78,699	77,412	77,298	78,270	79,518	81,003	81,562	83,080
2015	83,958	84,360	84,987	85,611	85,944	87,070	86,930	86,399	87,319	88,855	89,296	89,038
2016	89,452	89,993	89,985	89,576	90,366	91,156	91,761	91,937	92,037	91,746	91,894	91,481
2017	92,046	92,307	93,021	94,067	95,168	95,422	95,248	96,373	96,992	98,234	98,687	99,552
2018	100,367	101,811	103,297	102,948	103,750	105,075	106,322	107,790				

Revenue (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	5,142,397	5,204,566	5,220,474	5,229,828	5,394,990	5,570,432	5,696,645	5,744,182	5,717,676	5,669,755	5,672,276	5,649,798
2014	5,660,399	5,644,476	5,703,853	5,854,065	5,770,652	5,683,637	5,701,565	5,775,663	5,884,944	6,032,881	6,140,192	6,259,710
2015	6,304,744	6,335,349	6,400,022	6,463,513	6,498,093	6,596,814	6,572,202	6,535,322	6,610,814	6,731,083	6,714,972	6,674,692
2016	6,708,005	6,723,241	6,695,825	6,644,301	6,686,893	6,718,312	6,742,000	6,768,764	6,788,958	6,783,003	6,824,205	6,794,393
2017	6,846,959	6,870,447	6,953,638	7,057,684	7,154,448	7,164,151	7,163,847	7,243,461	7,285,655	7,387,933	7,418,587	7,494,521
2018	7,554,571	7,659,596	7,783,998	7,757,687	7,858,238	8,030,167	8,156,921	8,299,137				

High value is boxed.

Low value is boxed and italicized.

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Tab 6 - Twelve Month Moving Average with Percent Change

Hotel Market Feasibility Study
City of Keene, TX

Keene, TX

Job Number: 1022623_SADIM Staff: CW Created: October 08, 2018

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	38.7		66.47		25.76		199,655		77,362		5,142,397	
Feb 13	39.4		66.22		26.07		199,655		78,601		5,204,566	
Mar 13	39.4		66.30		26.15		199,655		78,746		5,220,474	
Apr 13	39.3		66.65		26.19		199,655		78,468		5,229,828	
May 13	40.1		67.36		27.02		199,655		80,094		5,394,990	
Jun 13	41.0		68.12		27.90		199,655		81,777		5,570,432	
Jul 13	41.5		68.68		28.53		199,655		82,947		5,696,645	
Aug 13	41.7		69.01		28.77		199,655		83,240		5,744,182	
Sep 13	41.3		69.35		28.64		199,655		82,442		5,717,676	
Oct 13	40.7		69.82		28.40		199,655		81,209		5,669,755	
Nov 13	40.5		70.09		28.41		199,655		80,926		5,672,276	
Dec 13	40.0	4.7	70.68	5.8	28.30	10.8	199,655	0.0	79,937	4.7	5,649,798	10.8
Jan 14	39.7	2.4	71.43	7.5	28.35	10.1	199,655	0.0	79,247	2.4	5,660,399	10.1
Feb 14	39.1	-0.6	72.22	9.1	28.27	8.5	199,655	0.0	78,162	-0.6	5,644,476	8.5
Mar 14	39.3	-0.3	72.68	9.6	28.57	9.3	199,655	0.0	78,483	-0.3	5,703,853	9.3
Apr 14	40.1	2.0	73.14	9.7	29.32	11.9	199,655	0.0	80,044	2.0	5,854,065	11.9
May 14	39.4	-1.7	73.33	8.9	28.90	7.0	199,655	0.0	78,699	-1.7	5,770,652	7.0
Jun 14	38.8	-5.3	73.42	7.8	28.47	2.0	199,655	0.0	77,412	-5.3	5,683,637	2.0
Jul 14	38.7	-6.8	73.76	7.4	28.56	0.1	199,655	0.0	77,298	-6.8	5,701,565	0.1
Aug 14	39.2	-6.0	73.79	6.9	28.93	0.5	199,655	0.0	78,270	-6.0	5,775,663	0.5
Sep 14	39.8	-3.5	74.01	6.7	29.48	2.9	199,655	0.0	79,518	-3.5	5,884,944	2.9
Oct 14	40.6	-0.3	74.48	6.7	30.22	6.4	199,655	0.0	81,003	-0.3	6,032,881	6.4
Nov 14	40.9	0.8	75.28	7.4	30.75	8.2	199,655	0.0	81,562	0.8	6,140,192	8.2
Dec 14	41.6	3.9	75.35	6.6	31.35	10.8	199,655	0.0	83,080	3.9	6,259,710	10.8
Jan 15	42.1	5.9	75.09	5.1	31.58	11.4	199,655	0.0	83,958	5.9	6,304,744	11.4
Feb 15	42.3	7.9	75.10	4.0	31.73	12.2	199,655	0.0	84,360	7.9	6,335,349	12.2
Mar 15	42.6	8.3	75.31	3.6	32.06	12.2	199,655	0.0	84,987	8.3	6,400,022	12.2
Apr 15	42.9	7.0	75.50	3.2	32.37	10.4	199,655	0.0	85,611	7.0	6,463,513	10.4
May 15	43.0	9.2	75.61	3.1	32.55	12.6	199,655	0.0	85,944	9.2	6,498,093	12.6
Jun 15	43.6	12.5	75.76	3.2	33.04	16.1	199,655	0.0	87,070	12.5	6,596,814	16.1
Jul 15	43.5	12.5	75.60	2.5	32.92	15.3	199,655	0.0	86,930	12.5	6,572,202	15.3
Aug 15	43.3	10.4	75.64	2.5	32.73	13.2	199,655	0.0	86,399	10.4	6,535,322	13.2
Sep 15	43.7	9.8	75.71	2.3	33.11	12.3	199,655	0.0	87,319	9.8	6,610,814	12.3
Oct 15	44.5	9.7	75.75	1.7	33.71	11.6	199,655	0.0	88,855	9.7	6,731,083	11.6
Nov 15	44.7	9.5	75.20	-0.1	33.63	9.4	199,655	0.0	89,296	9.5	6,714,972	9.4
Dec 15	44.6	7.2	74.96	-0.5	33.43	6.6	199,655	0.0	89,038	7.2	6,674,692	6.6
Jan 16	44.8	6.5	74.99	-0.1	33.60	6.4	199,655	0.0	89,452	6.5	6,708,005	6.4
Feb 16	45.1	6.7	74.71	-0.5	33.67	6.1	199,655	0.0	89,993	6.7	6,723,241	6.1
Mar 16	45.1	5.9	74.41	-1.2	33.54	4.6	199,655	0.0	89,985	5.9	6,695,825	4.6
Apr 16	44.9	4.6	74.18	-1.8	33.28	2.8	199,655	0.0	89,576	4.6	6,644,301	2.8
May 16	45.3	5.1	74.00	-2.1	33.49	2.9	199,655	0.0	90,366	5.1	6,686,893	2.9
Jun 16	45.7	4.7	73.70	-2.7	33.65	1.8	199,655	0.0	91,156	4.7	6,718,312	1.8
Jul 16	46.0	5.6	73.47	-2.8	33.77	2.6	199,655	0.0	91,761	5.6	6,742,000	2.6
Aug 16	46.0	6.4	73.62	-2.7	33.90	3.6	199,655	0.0	91,937	6.4	6,768,764	3.6
Sep 16	46.1	5.4	73.76	-2.6	34.00	2.7	199,655	0.0	92,037	5.4	6,788,958	2.7
Oct 16	46.0	3.3	73.93	-2.4	33.97	0.8	199,655	0.0	91,746	3.3	6,783,003	0.8
Nov 16	46.0	2.9	74.26	-1.2	34.18	1.6	199,655	0.0	91,894	2.9	6,824,205	1.6
Dec 16	45.8	2.7	74.27	-0.9	34.03	1.8	199,655	0.0	91,481	2.7	6,794,393	1.8
Jan 17	46.1	2.9	74.39	-0.8	34.29	2.1	199,655	0.0	92,046	2.9	6,846,959	2.1
Feb 17	46.2	2.6	74.43	-0.4	34.41	2.2	199,655	0.0	92,307	2.6	6,870,447	2.2
Mar 17	46.6	3.4	74.75	0.5	34.83	3.9	199,655	0.0	93,021	3.4	6,953,638	3.9
Apr 17	47.1	5.0	75.03	1.2	35.35	6.2	199,655	0.0	94,067	5.0	7,057,684	6.2
May 17	47.7	5.3	75.18	1.6	35.83	7.0	199,655	0.0	95,168	5.3	7,154,448	7.0
Jun 17	47.8	4.7	75.08	1.9	35.88	6.6	199,655	0.0	95,422	4.7	7,164,151	6.6
Jul 17	47.7	3.8	75.21	2.4	35.88	6.3	199,655	0.0	95,248	3.8	7,163,847	6.3
Aug 17	48.3	4.8	75.16	2.1	36.28	7.0	199,655	0.0	96,373	4.8	7,243,461	7.0
Sep 17	48.6	5.4	75.12	1.8	36.49	7.3	199,655	0.0	96,992	5.4	7,285,655	7.3
Oct 17	49.2	7.1	75.21	1.7	37.00	8.9	199,655	0.0	98,234	7.1	7,387,933	8.9
Nov 17	49.4	7.4	75.17	1.2	37.16	8.7	199,655	0.0	98,687	7.4	7,418,587	8.7
Dec 17	49.9	8.8	75.28	1.4	37.54	10.3	199,655	0.0	99,552	8.8	7,494,521	10.3
Jan 18	50.3	9.0	75.27	1.2	37.84	10.3	199,655	0.0	100,367	9.0	7,554,571	10.3
Feb 18	51.0	10.3	75.23	1.1	38.36	11.5	199,655	0.0	101,811	10.3	7,659,596	11.5
Mar 18	51.7	11.0	75.36	0.8	38.99	11.9	199,655	0.0	103,297	11.0	7,783,998	11.9
Apr 18	51.6	9.4	75.36	0.4	38.86	9.9	199,655	0.0	102,948	9.4	7,757,687	9.9
May 18	52.0	9.0	75.74	0.8	39.36	9.8	199,655	0.0	103,750	9.0	7,858,238	9.8
Jun 18	52.6	10.1	76.42	1.8	40.22	12.1	199,655	0.0	105,075	10.1	8,030,167	12.1
Jul 18	53.3	11.6	76.72	2.0	40.86	13.9	199,655	0.0	106,322	11.6	8,156,921	13.9
Aug 18	54.0	11.8	76.99	2.4	41.57	14.6	199,655	0.0	107,790	11.8	8,299,137	14.6

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Tab 7 - Day of Week Analysis

Keene, TX

Job Number: 1022623_SADIM Staff: CW Created: October 08, 2018

Hotel Market Feasibility Study
City of Keene, TX

Occupancy (%)								Total Month
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Sep - 17	38.9	44.0	49.6	49.2	42.5	62.9	70.3	52.1
Oct - 17	38.9	49.2	56.4	56.8	61.4	83.5	87.6	60.6
Nov - 17	33.1	46.3	47.6	49.2	47.8	54.6	56.9	48.0
Dec - 17	33.4	42.5	43.4	41.9	34.7	42.0	41.4	39.8
Jan - 18	36.5	43.2	47.4	52.6	50.8	58.2	59.9	49.6
Feb - 18	38.2	49.6	53.0	53.2	50.6	53.2	51.6	49.9
Mar - 18	43.0	55.1	59.2	59.1	55.6	75.4	67.2	59.9
Apr - 18	34.4	47.0	53.8	54.0	50.5	76.2	74.6	54.8
May - 18	44.2	47.4	52.3	52.5	58.6	77.4	80.3	58.5
Jun - 18	44.5	58.1	63.0	61.2	57.1	75.5	80.9	63.9
Jul - 18	45.1	54.0	56.9	48.5	52.8	65.6	68.9	55.6
Aug - 18	42.4	53.9	56.1	59.0	52.0	58.4	60.6	54.8
Total Year	39.3	49.1	53.2	53.1	51.4	65.0	66.6	54.0

Three Year Occupancy (%)								Total Year
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Sep 15 - Aug 16	32.5	41.0	44.9	46.0	43.5	55.7	58.8	46.0
Sep 16 - Aug 17	32.4	43.6	47.7	48.2	46.2	58.2	61.5	48.3
Sep 17 - Aug 18	39.3	49.1	53.2	53.1	51.4	65.0	66.6	54.0
Total 3 Yr	34.7	44.6	48.6	49.1	47.0	59.7	62.3	49.4

ADR								Total Month
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Sep - 17	70.40	72.11	75.03	74.15	73.44	77.72	79.88	75.59
Oct - 17	72.00	75.05	75.48	73.97	76.09	85.58	87.48	78.99
Nov - 17	71.80	73.14	73.33	73.74	74.29	77.13	78.50	74.79
Dec - 17	71.56	72.91	74.36	71.79	70.52	74.53	73.52	72.89
Jan - 18	71.52	73.25	72.64	74.10	70.83	74.88	74.52	73.26
Feb - 18	69.78	69.79	71.58	70.85	71.66	74.98	76.29	72.24
Mar - 18	71.18	74.64	75.17	76.04	73.70	82.93	82.19	77.47
Apr - 18	72.82	74.87	77.27	77.58	74.39	82.93	82.66	78.18
May - 18	75.15	76.98	78.00	78.89	78.19	86.13	86.96	80.75
Jun - 18	77.33	77.68	78.62	77.94	77.67	83.61	86.77	80.89
Jul - 18	74.33	76.90	78.05	77.24	75.81	79.50	79.89	77.53
Aug - 18	74.46	77.26	77.76	79.66	76.18	78.14	78.25	77.59
Total Year	72.83	74.72	75.77	75.72	74.71	80.49	81.41	76.99

Three Year ADR								Total Year
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Sep 15 - Aug 16	70.55	72.32	73.08	72.97	72.13	75.05	76.93	73.62
Sep 16 - Aug 17	71.76	73.54	74.67	74.38	74.04	76.86	78.34	75.16
Sep 17 - Aug 18	72.83	74.72	75.77	75.72	74.71	80.49	81.41	76.99
Total 3 Yr	71.78	73.60	74.58	74.41	73.70	77.64	78.99	75.35

RevPAR								Total Month
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Sep - 17	27.37	31.70	37.24	36.49	31.21	48.91	56.18	39.38
Oct - 17	28.03	36.93	42.58	41.99	46.69	71.47	76.60	47.89
Nov - 17	23.79	33.90	34.89	36.29	35.48	42.09	44.70	35.88
Dec - 17	23.89	30.99	32.29	30.09	24.46	31.34	30.43	29.02
Jan - 18	26.08	31.61	34.42	39.01	36.01	43.57	44.65	36.34
Feb - 18	26.63	34.61	37.95	37.66	36.25	39.92	39.40	36.06
Mar - 18	30.61	41.14	44.49	44.97	41.01	62.56	55.20	46.41
Apr - 18	25.03	35.20	41.60	41.91	37.54	63.19	61.66	42.82
May - 18	33.25	36.48	40.81	41.39	45.80	66.65	69.83	47.25
Jun - 18	34.43	45.14	49.56	47.68	44.36	63.09	70.16	51.70
Jul - 18	33.54	41.53	44.43	37.45	40.02	52.18	55.02	43.10
Aug - 18	31.58	41.67	43.64	47.04	39.61	45.60	47.46	42.54
Total Year	28.60	36.71	40.34	40.22	38.38	52.33	54.18	41.57

Three Year RevPAR								Total Year
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Sep 15 - Aug 16	22.92	29.65	32.82	33.56	31.36	41.79	45.24	33.90
Sep 16 - Aug 17	23.25	32.07	35.63	35.83	34.23	44.77	48.22	36.28
Sep 17 - Aug 18	28.60	36.71	40.34	40.22	38.38	52.33	54.18	41.57
Total 3 Yr	24.93	32.81	36.24	36.52	34.66	46.34	49.21	37.25

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Tab 8 - Raw Data

Hotel Market Feasibility Study
City of Keene, TX

Keene, TX
Job Number: 1022623_SADIM Staff: CW Created: October 08, 2018

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	32.0		68.41		21.87		16,957		5,422		370,914		8	547	100.0
Feb 12	31.6		68.49		21.66		15,316		4,843		331,687		8	547	100.0
Mar 12	40.5		67.92		27.53		16,957		6,873		466,844		8	547	100.0
Apr 12	41.4		66.75		27.63		16,410		6,794		453,467		8	547	100.0
May 12	39.0		67.27		26.24		16,957		6,616		445,036		8	547	100.0
Jun 12	40.2		67.93		27.31		16,410		6,597		448,141		8	547	100.0
Jul 12	40.3		67.50		27.20		16,957		6,833		461,225		8	547	100.0
Aug 12	34.2		66.97		22.88		16,957		5,793		387,934		8	547	100.0
Sep 12	39.4		65.88		25.94		16,410		6,461		425,636		8	547	100.0
Oct 12	44.5		65.70		29.22		16,957		7,542		495,505		8	547	100.0
Nov 12	39.9		64.57		25.79		16,410		6,554		423,166		8	547	100.0
Dec 12	35.5		64.56		22.95		16,957		6,028		389,186		8	547	100.0
Jan 13	37.9	18.6	64.49	-5.7	24.45	11.8	16,957	0.0	6,428	18.6	414,570	11.8	8	547	100.0
Feb 13	39.7	25.6	64.76	-5.4	25.72	18.7	15,316	0.0	6,082	25.6	393,856	18.7	8	547	100.0
Mar 13	41.4	2.1	68.79	1.3	28.47	3.4	16,957	0.0	7,018	2.1	482,752	3.4	8	547	100.0
Apr 13	39.7	-4.1	71.03	6.4	28.20	2.1	16,410	0.0	6,516	-4.1	462,821	2.1	8	547	100.0
May 13	48.6	24.6	74.04	10.1	35.99	37.1	16,957	0.0	8,242	24.6	610,198	37.1	8	547	100.0
Jun 13	50.5	25.5	75.31	10.9	38.00	39.1	16,410	0.0	8,280	25.5	623,583	39.1	8	547	100.0
Jul 13	47.2	17.1	73.40	8.7	34.64	27.4	16,957	0.0	8,003	17.1	587,438	27.4	8	547	100.0
Aug 13	35.9	5.1	71.55	6.8	25.68	12.3	16,957	0.0	6,086	5.1	435,471	12.3	8	547	100.0
Sep 13	34.5	-12.4	70.48	7.0	24.32	-6.2	16,410	0.0	5,663	-12.4	399,130	-6.2	8	547	100.0
Oct 13	37.2	-16.3	70.94	8.0	26.40	-9.7	16,957	0.0	6,309	-16.3	447,584	-9.7	8	547	100.0
Nov 13	38.2	-4.3	67.88	5.1	25.94	0.6	16,410	0.0	6,271	-4.3	425,687	0.6	8	547	100.0
Dec 13	29.7	-16.4	72.77	12.7	21.63	-5.8	16,957	0.0	5,039	-16.4	366,708	-5.8	8	547	100.0
Jan 14	33.8	-10.7	74.10	14.9	25.07	2.6	16,957	0.0	5,738	-10.7	425,171	2.6	8	547	100.0
Feb 14	32.6	-17.8	75.63	16.8	24.68	-4.0	15,316	0.0	4,997	-17.8	377,933	-4.0	8	547	100.0
Mar 14	43.3	4.6	73.87	7.4	31.97	12.3	16,957	0.0	7,339	4.6	542,129	12.3	8	547	100.0
Apr 14	49.2	24.0	75.90	6.9	37.36	32.5	16,410	0.0	8,077	24.0	613,033	32.5	8	547	100.0
May 14	40.7	-16.3	76.38	3.2	31.07	-13.7	16,957	0.0	6,897	-16.3	526,785	-13.7	8	547	100.0
Jun 14	42.6	-15.5	76.73	1.9	32.70	-14.0	16,410	0.0	6,993	-15.5	536,568	-14.0	8	547	100.0
Jul 14	46.5	-1.4	76.74	4.5	35.70	3.1	16,957	0.0	7,889	-1.4	605,366	3.1	8	547	100.0
Aug 14	41.6	16.0	72.20	0.9	30.05	17.0	16,957	0.0	7,058	16.0	509,569	17.0	8	547	100.0
Sep 14	42.1	22.0	73.57	4.4	30.98	27.4	16,410	0.0	6,911	22.0	508,411	27.4	8	547	100.0
Oct 14	46.0	23.5	76.41	7.7	35.12	33.1	16,957	0.0	7,794	23.5	595,521	33.1	8	547	100.0
Nov 14	41.6	8.9	78.04	15.0	32.48	25.2	16,410	0.0	6,830	8.9	532,998	25.2	8	547	100.0
Dec 14	38.7	30.1	74.15	1.9	28.67	32.6	16,957	0.0	6,557	30.1	486,226	32.6	8	547	100.0
Jan 15	39.0	15.3	71.07	-4.1	27.73	10.6	16,957	0.0	6,616	15.3	470,205	10.6	8	547	100.0
Feb 15	35.3	8.0	75.67	0.0	26.67	8.1	15,316	0.0	5,399	8.0	408,538	8.1	8	547	100.0
Mar 15	47.0	8.5	76.17	3.1	35.78	11.9	16,957	0.0	7,966	8.5	606,802	11.9	8	547	100.0
Apr 15	53.0	7.7	77.75	2.4	41.23	10.4	16,410	0.0	8,701	7.7	676,524	10.4	8	547	100.0
May 15	42.6	4.8	77.64	1.7	33.11	6.6	16,957	0.0	7,230	4.8	561,365	6.6	8	547	100.0
Jun 15	49.5	16.1	78.25	2.0	38.71	18.4	16,410	0.0	8,119	16.1	635,289	18.4	8	547	100.0
Jul 15	45.7	-1.8	74.95	-2.3	34.25	-4.1	16,957	0.0	7,749	-1.8	580,754	-4.1	8	547	100.0
Aug 15	38.5	-7.5	72.42	0.3	27.88	-7.2	16,957	0.0	6,527	-7.5	472,689	-7.2	8	547	100.0
Sep 15	47.7	13.3	74.56	1.4	35.58	14.8	16,410	0.0	7,831	13.3	583,903	14.8	8	547	100.0
Oct 15	55.0	19.7	76.72	0.4	42.21	20.2	16,957	0.0	9,330	19.7	715,790	20.2	8	547	100.0
Nov 15	44.3	6.5	71.09	-8.9	31.50	-3.0	16,410	0.0	7,271	6.5	516,887	-3.0	8	547	100.0
Dec 15	37.1	-3.9	70.80	-4.5	26.30	-8.3	16,957	0.0	6,299	-3.9	445,946	-8.3	8	547	100.0
Jan 16	41.5	6.3	71.62	0.8	29.69	7.1	16,957	0.0	7,030	6.3	503,518	7.1	8	547	100.0
Feb 16	38.8	10.0	71.34	-5.7	27.67	3.7	15,316	0.0	5,940	10.0	423,774	3.7	8	547	100.0
Mar 16	46.9	-0.1	72.81	-4.4	34.17	-4.5	16,957	0.0	7,958	-0.1	579,386	-4.5	8	547	100.0
Apr 16	50.5	-4.7	75.37	-3.1	38.09	-7.6	16,410	0.0	8,292	-4.7	625,000	-7.6	8	547	100.0
May 16	47.3	10.9	75.31	-3.0	35.62	7.6	16,957	0.0	8,020	10.9	603,957	7.6	8	547	100.0
Jun 16	54.3	9.7	74.84	-4.4	40.63	4.9	16,410	0.0	8,909	9.7	666,708	4.9	8	547	100.0
Jul 16	49.3	7.8	72.35	-3.5	35.65	4.1	16,957	0.0	8,354	7.8	604,442	4.1	8	547	100.0
Aug 16	39.5	2.7	74.51	2.9	29.45	5.7	16,957	0.0	6,703	2.7	499,453	5.7	8	547	100.0
Sep 16	48.3	1.3	76.17	2.2	36.81	3.5	16,410	0.0	7,931	1.3	604,097	3.5	8	547	100.0
Oct 16	53.3	-3.1	78.53	2.4	41.86	-0.8	16,957	0.0	9,039	-3.1	709,835	-0.8	8	547	100.0
Nov 16	45.2	2.0	75.22	5.8	34.01	8.0	16,410	0.0	7,419	2.0	558,089	8.0	8	547	100.0
Dec 16	34.7	-6.6	70.70	-0.1	24.54	-6.7	16,957	0.0	5,886	-6.6	416,134	-6.7	8	547	100.0
Jan 17	44.8	8.0	73.22	2.2	32.79	10.4	16,957	0.0	7,595	8.0	556,084	10.4	8	547	100.0
Feb 17	40.5	4.4	72.13	1.1	29.20	5.5	15,316	0.0	6,201	4.4	447,262	5.5	8	547	100.0
Mar 17	51.1	9.0	76.40	4.9	39.07	14.4	16,957	0.0	8,672	9.0	662,577	14.4	8	547	100.0
Apr 17	56.9	12.6	78.07	3.6	44.43	16.6	16,410	0.0	9,338	12.6	729,046	16.6	8	547	100.0
May 17	53.8	13.7	76.83	2.0	41.32	16.0	16,957	0.0	9,121	13.7	700,721	16.0	8	547	100.0
Jun 17	55.8	2.9	73.82	-1.4	41.22	1.5	16,410	0.0	9,163	2.9	676,411	1.5	8	547	100.0
Jul 17	48.2	-2.1	73.86	2.1	35.63	-0.1	16,957	0.0	8,180	-2.1	604,138	-0.1	8	547	100.0
Aug 17	46.2	16.8	73.97	-0.7	34.15	15.9	16,957	0.0	7,828	16.8	579,067	15.9	8	547	100.0
Sep 17	52.1	7.8	75.59	-0.8	39.38	7.0	16,410	0.0	8,550	7.8	646,291	7.0	8	547	100.0
Oct 17	60.6	13.7	78.99	0.6	47.89	14.4	16,957	0.0	10,281	13.7	812,113	14.4	8	547	100.0
Nov 17	48.0	6.1	74.79	-0.6	35.88	5.5	16,410	0.0	7,872	6.1	588,743	5.5	8	547	100.0
Dec 17	39.8	14.7	72.89	3.1	29.02	18.2	16,957	0.0	6,751	14.7	492,068	18.2	8	547	100.0
Jan 18	49.6	10.7	73.26	0.1	36.34	10.8	16,957	0.0	8,410	10.7	616,134	10.8	8	547	100.0
Feb 18	49.9	23.3	72.24	0.2	36.06	23.5	15,316	0.0	7,645	23.3	552,287	23.5	8	547	100.0
Mar 18	59.9	17.1	77.47	1.4	46.41	18.8	16,957	0.0	10,158	17.1	786,979	18.8	8	547	100.0
Apr 18	54.8	-3.7	78.18	0.1	42.82	-3.6	16,410	0.0	8,989	-3.7	702,735	-3.6	8	547	100.0
May 18	58.5	8.8	80.75	5.1	47.25	14.3	16,957	0.0	9,923	8.8	801,272	14.3	8	547	100.0
Jun 18	63.9	14.5	80.89	9.6	51.70	25.4	16,410	0.0	10,488	14.5	848,340	25.4	8	547	100.0
Jul 18	55.6	15.2	77.53	5.0	43.10	21.0	16,957	0.0	9,427	15.2	730,892	21.0	8	547	100.0
Aug 18	54.8	18.8	77.59	4.9	42.54	24.6	16,957	0.0	9,296	18.8	721,283	24.6	8	547	100.0

Tab 9 - Classic

Keene, TX
Job Number: 1022623_SADIM Staff: CW Created: October 08, 2018

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	32.0		68.41		21.87		16,957		5,422		370,914		8	547	100.0
Feb 12	31.6		68.49		21.66		15,316		4,843		331,687		8	547	100.0
Mar 12	40.5		67.92		27.53		16,957		6,873		466,844		8	547	100.0
Apr 12	41.4		66.75		27.63		16,410		6,794		453,467		8	547	100.0
May 12	39.0		67.27		26.24		16,957		6,616		445,036		8	547	100.0
Jun 12	40.2		67.93		27.31		16,410		6,597		448,141		8	547	100.0
Jul 12	40.3		67.50		27.20		16,957		6,833		461,225		8	547	100.0
Aug 12	34.2		66.97		22.88		16,957		5,793		387,934		8	547	100.0
Sep 12	39.4		65.88		25.94		16,410		6,461		425,636		8	547	100.0
Oct 12	44.5		65.70		29.22		16,957		7,542		495,505		8	547	100.0
Nov 12	39.9		64.57		25.79		16,410		6,554		423,166		8	547	100.0
Dec 12	35.5		64.56		22.95		16,957		6,028		389,186		8	547	100.0
Aug YTD 2012	37.4		67.61		25.32		132,921		49,771		3,365,248				
Total 2012	38.2		66.78		25.54		199,655		76,356		5,098,741				
Jan 13	37.9	18.6	64.49	-5.7	24.45	11.8	16,957	0.0	6,428	18.6	414,570	11.8	8	547	100.0
Feb 13	39.7	25.6	64.76	-5.4	25.72	18.7	15,316	0.0	6,082	25.6	393,856	18.7	8	547	100.0
Mar 13	41.4	2.1	68.79	1.3	28.47	3.4	16,957	0.0	7,018	2.1	482,752	3.4	8	547	100.0
Apr 13	39.7	-4.1	71.03	6.4	28.20	2.1	16,410	0.0	6,516	-4.1	462,821	2.1	8	547	100.0
May 13	48.6	24.6	74.04	10.1	35.99	37.1	16,957	0.0	8,242	24.6	610,198	37.1	8	547	100.0
Jun 13	50.5	25.5	75.31	10.9	38.00	39.1	16,410	0.0	8,280	25.5	623,583	39.1	8	547	100.0
Jul 13	47.2	17.1	73.40	8.7	34.64	27.4	16,957	0.0	8,003	17.1	587,438	27.4	8	547	100.0
Aug 13	35.9	5.1	71.55	6.8	25.68	12.3	16,957	0.0	6,086	5.1	435,471	12.3	8	547	100.0
Sep 13	34.5	-12.4	70.48	7.0	24.32	-6.2	16,410	0.0	5,663	-12.4	399,130	-6.2	8	547	100.0
Oct 13	37.2	-16.3	70.94	8.0	26.40	-9.7	16,957	0.0	6,309	-16.3	447,584	-9.7	8	547	100.0
Nov 13	38.2	-4.3	67.88	5.1	25.94	0.6	16,410	0.0	6,271	-4.3	425,687	0.6	8	547	100.0
Dec 13	29.7	-16.4	72.77	12.7	21.63	-5.8	16,957	0.0	5,039	-16.4	366,708	-5.8	8	547	100.0
Aug YTD 2013	42.6	13.8	70.79	4.7	30.17	19.2	132,921	0.0	56,555	13.8	4,010,689	19.2			
Total 2013	40.0	4.7	70.68	5.8	28.30	10.8	199,655	0.0	79,937	4.7	5,649,798	10.8			
Jan 14	33.8	-10.7	74.10	14.9	25.07	2.6	16,957	0.0	5,738	-10.7	425,171	2.6	8	547	100.0
Feb 14	32.6	-17.8	75.63	16.8	24.68	-4.0	15,316	0.0	4,997	-17.8	377,933	-4.0	8	547	100.0
Mar 14	43.3	4.6	73.87	7.4	31.97	12.3	16,957	0.0	7,339	4.6	542,129	12.3	8	547	100.0
Apr 14	49.2	24.0	75.90	6.9	37.36	32.5	16,410	0.0	8,077	24.0	613,033	32.5	8	547	100.0
May 14	40.7	-16.3	76.38	3.2	31.07	-13.7	16,957	0.0	6,897	-16.3	526,785	-13.7	8	547	100.0
Jun 14	42.6	-15.5	76.73	1.9	32.70	-14.0	16,410	0.0	6,993	-15.5	536,568	-14.0	8	547	100.0
Jul 14	46.5	-1.4	76.74	4.5	35.70	3.1	16,957	0.0	7,889	-1.4	605,366	3.1	8	547	100.0
Aug 14	41.6	16.0	72.20	0.9	30.05	17.0	16,957	0.0	7,058	16.0	509,569	17.0	8	547	100.0
Sep 14	42.1	22.0	73.57	4.4	30.98	27.4	16,410	0.0	6,911	22.0	508,411	27.4	8	547	100.0
Oct 14	46.0	23.5	76.41	7.7	35.12	33.1	16,957	0.0	7,794	23.5	595,521	33.1	8	547	100.0
Nov 14	41.6	8.9	78.04	15.0	32.48	25.2	16,410	0.0	6,830	8.9	532,998	25.2	8	547	100.0
Dec 14	38.7	30.1	74.15	1.9	28.67	32.6	16,957	0.0	6,557	30.1	486,226	32.6	8	547	100.0
Aug YTD 2014	41.4	-2.9	75.23	6.3	31.12	3.1	132,921	0.0	54,988	-2.9	4,136,554	3.1			
Total 2014	41.6	3.9	75.35	6.6	31.35	10.8	199,655	0.0	83,080	3.9	6,259,710	10.8			
Jan 15	39.0	15.3	71.07	-4.1	27.73	10.6	16,957	0.0	6,616	15.3	470,205	10.6	8	547	100.0
Feb 15	35.3	8.0	75.67	0.0	26.67	8.1	15,316	0.0	5,399	8.0	408,538	8.1	8	547	100.0
Mar 15	47.0	8.5	76.17	3.1	35.78	11.9	16,957	0.0	7,966	8.5	606,802	11.9	8	547	100.0
Apr 15	53.0	7.7	77.75	2.4	41.23	10.4	16,410	0.0	8,701	7.7	676,524	10.4	8	547	100.0
May 15	42.6	4.8	77.64	1.7	33.11	6.6	16,957	0.0	7,230	4.8	561,365	6.6	8	547	100.0
Jun 15	49.5	16.1	78.25	2.0	38.71	18.4	16,410	0.0	8,119	16.1	635,289	18.4	8	547	100.0
Jul 15	45.7	-1.8	74.95	-2.3	34.25	-4.1	16,957	0.0	7,749	-1.8	580,754	-4.1	8	547	100.0
Aug 15	38.5	-7.5	72.42	0.3	27.88	-7.2	16,957	0.0	6,527	-7.5	472,689	-7.2	8	547	100.0
Sep 15	47.7	13.3	74.56	1.4	35.58	14.8	16,410	0.0	7,831	13.3	583,903	14.8	8	547	100.0
Oct 15	55.0	19.7	76.72	0.4	42.21	20.2	16,957	0.0	9,330	19.7	715,790	20.2	8	547	100.0
Nov 15	44.3	6.5	71.09	-8.9	31.50	-3.0	16,410	0.0	7,271	6.5	516,887	-3.0	8	547	100.0
Dec 15	37.1	-3.9	70.80	-4.5	26.30	-8.3	16,957	0.0	6,299	-3.9	445,946	-8.3	8	547	100.0
Aug YTD 2015	43.9	6.0	75.67	0.6	33.19	6.7	132,921	0.0	58,307	6.0	4,412,166	6.7			
Total 2015	44.6	7.2	74.96	-0.5	33.43	6.6	199,655	0.0	89,038	7.2	6,674,692	6.6			
Jan 16	41.5	6.3	71.62	0.8	29.69	7.1	16,957	0.0	7,030	6.3	503,518	7.1	8	547	100.0
Feb 16	38.8	10.0	71.34	-5.7	27.67	3.7	15,316	0.0	5,940	10.0	423,774	3.7	8	547	100.0
Mar 16	46.9	-0.1	72.81	-4.4	34.17	-4.5	16,957	0.0	7,958	-0.1	579,386	-4.5	8	547	100.0
Apr 16	50.5	-4.7	75.37	-3.1	38.09	-7.6	16,410	0.0	8,292	-4.7	625,000	-7.6	8	547	100.0
May 16	47.3	10.9	75.31	-3.0	35.62	7.6	16,957	0.0	8,020	10.9	603,957	7.6	8	547	100.0
Jun 16	54.3	9.7	74.84	-4.4	40.63	4.9	16,410	0.0	8,909	9.7	666,708	4.9	8	547	100.0
Jul 16	49.3	7.8	72.35	-3.5	35.65	4.1	16,957	0.0	8,354	7.8	604,442	4.1	8	547	100.0
Aug 16	39.5	2.7	74.51	2.9	29.45	5.7	16,957	0.0	6,703	2.7	499,453	5.7	8	547	100.0
Sep 16	48.3	1.3	76.17	2.2	36.81	3.5	16,410	0.0	7,931	1.3	604,097	3.5	8	547	100.0
Oct 16	53.3	-3.1	78.53	2.4	41.86	-0.8	16,957	0.0	9,039	-3.1	709,835	-0.8	8	547	100.0
Nov 16	45.2	2.0	75.22	5.8	34.01	8.0	16,410	0.0	7,419	2.0	558,089	8.0	8	547	100.0
Dec 16	34.7	-6.6	70.70	-0.1	24.54	-6.7	16,957	0.0	5,886	-6.6	416,134	-6.7	8	547	100.0
Aug YTD 2016	46.0	5.0	73.62	-2.7	33.90	2.1	132,921	0.0	61,206	5.0	4,506,238	2.1			
Total 2016	45.8	2.7	74.27	-0.9	34.03	1.8	199,655	0.0	91,481	2.7	6,7,				

Tab 10 - Response Report

Keene, TX
Job Number: 1022623_SADIM Staff: CW Created: October 08, 2018

STR Code	Name of Establishment	City & State	Zip Code	Class	Aff Date	Open Date	Rooms	Chg in Rms	2016												2017												2018													
									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		
61056	Holiday Inn Express & Suites Alvarado	Alvarado, TX	76009	Upper Midscale Class	Dec 2010	Dec 2010	68		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
59968	Comfort Inn & Suites Alvarado	Alvarado, TX	76009	Upper Midscale Class	Dec 2011	May 2009	68		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
57603	La Quinta Inns & Suites Alvarado	Alvarado, TX	76009	Midscale Class	Jul 2008	Jul 2008	65		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
57631	Ascend Collection Liberty Hotel	Cleburne, TX	76031	Upscale Class	Apr 2009	Apr 2009	50		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
57259	La Quinta Inns & Suites Cleburne	Cleburne, TX	76031	Midscale Class	Dec 2007	Dec 2007	62		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
39686	Quality Inn & Suites Near Cleburne Conference Center	Cleburne, TX	76033	Midscale Class	Dec 2015	May 2000	80		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
60222	Hampton Inn Suites Cleburne	Cleburne, TX	76033	Upper Midscale Class	Apr 2010	Apr 2010	80		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
56232	Holiday Inn Express & Suites Cleburne	Cleburne, TX	76033	Upper Midscale Class	Oct 2007	Oct 2007	74		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
				Total Properties:		8	547		○ - 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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1.7 Reservation of Rights. Licensee has no rights in connection with the Licensed Materials other than those rights expressly enumerated herein. All rights to the Licensed Materials not expressly enumerated herein are reserved to STR.

2. DISCLAIMERS AND LIMITATIONS OF LIABILITY

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.



How can we assist you?

Glossary:

For all STR definitions, please visit www.str.com/resources/glossary

Frequently Asked Questions (FAQ):

For all STR FAQs, please click here or visit www.str.com/resources/faq

Please visit our website at www.str.com, or if you need additional assistance please reach out to our Customer Support team.

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hoteltrends@str.com

For the latest in industry news, visit HotelNewsNow.com.

To learn more about the Hotel Data Conference, visit 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.

DISCLAIMER

Thank you for the opportunity to complete this market and feasibility study for the proposed hotel project located in Keene, TX. 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.

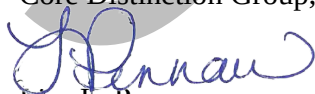
It should be understood that economic and marketplace conditions are in constant change. The results presented in this report are the professional opinion of CDG and are based on information available at the time of the report preparation. These opinions infer that market conditions do not change the 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

Cobblestone Inn & Suites

ANYTOWN, USA

Number of Units: 47

Building Specifications: 47 unit (22,570sq.ft.), two (2) story, center load, Cobblestone Inn & Suites, with an expanded guest wine & beer bar, standard (king & queen/queen) rooms, four (4) 2-room extended stay suites, free hot breakfast for all guests, guest fitness room, and a guest laundry room (no elevator).

Total Land & Prep	\$590,500	
<i>per room</i>	<i>\$12,564</i>	
Raw Land	\$290,500	
Permit & Community (plan review/permit/inspect/impact/tap fees/etc.)	\$50,000	
Site Utility & Excav. (sewer/water/electric/grading & fill/drainage/etc.)	\$250,000	
Building Construction	\$2,725,500	
<i>per room</i>	<i>\$57,989</i>	
Fixtures, Furnishings, and Equipment	\$661,000	
<i>per room</i>	<i>\$14,064</i>	
Indirect Costs	\$933,500	
<i>per room</i>	<i>\$19,862</i>	
Appraisal	\$5,000	
Architectural / Engineering	\$80,000	
Cobblestone Franchise Fee	\$35,000	
Surveys	\$10,000	
Feasibility Study	\$8,500	
Development Services	\$295,000	
Pre-Opening Expenses	\$40,000	
Working Capital	\$150,000	
Legal and Accounting Fees	\$10,000	
Construction Period Interest / Loan Fees / Closing	\$80,000	
Insurance & Taxes During Construction	\$20,000	
Project Contingency	\$200,000	
Total Project Costs:	\$4,910,500	
<i>per room</i>	<i>\$104,479</i>	
Requested Loan Amount:	\$3,410,500	69.5%
Expected Cash Injection:	\$1,500,000	30.5%

Sources of Funding

Bank Loan	\$3,410,500	Debt Interest:	5.50%
Expected Cash Injection	\$1,500,000	Debt Terms:	20
Total:	\$4,910,500	Debt Service:	\$281,520

* Pricing noted above valid for 90 days from document date shown

RAMP UP YEAR:													Rooms: 47
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Lodging Rooms Available	1,457	1,316	1,457	1,410	1,457	1,410	1,457	1,457	1,410	1,457	1,410	1,457	17,155
Lodging Occupancy %	31.9%	31.8%	31.9%	42.9%	60.6%	79.1%	79.8%	76.6%	62.7%	67.0%	33.0%	31.9%	52.6%
Total Occ. Rooms	465	419	465	605	884	1,116	1,163	1,116	884	977	465	465	9,021
Average Daily Rate	\$79.80	\$79.80	\$79.80	\$84.55	\$90.25	\$99.75	\$99.75	\$117.80	\$99.75	\$95.00	\$79.80	\$79.80	\$94.48
Revenue Per Available Room (REVPAR)	\$25.47	\$25.38	\$25.47	\$36.25	\$54.73	\$78.95	\$79.59	\$90.23	\$62.50	\$63.67	\$26.32	\$25.47	\$49.68
REVENUE:													
Guest Rooms	37,107	33,396	37,107	51,110	79,736	111,321	115,959	131,465	88,129	92,768	37,407	37,107	852,312
Telephone / Misc. Revenue	116	105	116	151	221	279	291	279	221	244	116	116	2,255
Vending / Bar Revenue	1,163	1,046	1,163	1,511	2,209	2,790	2,906	2,790	2,209	2,441	1,163	1,163	22,553
TOTAL HOTEL REVENUE	38,386	34,547	38,386	52,773	82,166	114,390	119,156	134,534	90,559	95,453	38,386	38,386	877,120
HOTEL PAYROLL EXPENSE													
Hotel Manager	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	55,000
Housekeeping	2,093	1,883	2,093	2,720	3,976	5,022	5,231	5,022	3,976	4,394	2,093	2,093	40,595
Front Desk	4,082	3,674	4,082	5,022	8,771	12,245	12,756	14,461	9,694	10,204	4,082	4,082	93,754
Workers Comp Insurance	269	254	269	323	433	546	564	602	456	480	269	269	4,734
Payroll Tax	1,345	1,268	1,345	1,616	2,166	2,731	2,821	3,008	2,282	2,398	1,345	1,345	23,669
TOTAL HOTEL PAYROLL	12,371	11,661	12,371	14,865	19,930	25,128	25,956	27,676	20,991	22,059	12,371	12,371	217,751
HOTEL OPERATING EXPENSE													
Cleaning Supplies	256	230	256	332	486	614	639	614	486	537	256	256	4,962
Laundry Supplies	233	209	233	302	442	558	581	558	442	488	233	233	4,511
Linens	279	251	279	363	530	670	698	670	530	586	279	279	5,413
Guest Supplies	349	314	349	453	663	837	872	837	663	732	349	349	6,766
Operating Supplies	395	356	395	514	751	949	988	949	751	830	395	395	7,668
Uniforms Expense	47	42	47	60	88	112	116	112	88	98	47	47	902
Repairs & Maintenance	186	167	186	256	399	557	580	657	441	464	186	186	4,262
Grounds/Landscaping	750	750	750	500	250	250	250	250	250	250	500	750	5,500
Franchise Fee	3,643	3,290	3,643	3,525	3,643	3,525	3,643	3,643	3,525	3,643	3,525	3,643	42,888
Training Expense	417	417	417	417	417	417	417	417	417	417	417	417	5,000
Property Mgmt. System Expense	368	368	368	368	368	368	368	368	368	368	368	368	4,419
Complimentary Breakfast	1,860	1,674	1,860	2,418	3,534	4,464	4,650	4,464	3,534	3,906	1,860	1,860	36,084
Travel Agent Fees	928	835	928	1,278	1,993	2,783	2,899	3,287	2,203	2,319	928	928	21,308
Reservations Expense	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Vending / Bar Expense	581	523	581	756	1,104	1,395	1,453	1,395	1,104	1,221	581	581	11,276
Office Supplies	47	42	47	60	88	112	116	112	88	98	47	47	902
Marketing / Advertising	371	334	371	511	797	1,113	1,160	1,315	881	928	371	371	8,523
Utilities	2,495	2,246	2,495	3,430	5,341	7,435	7,745	8,745	5,886	6,204	2,495	2,495	57,013
Telephone	233	209	233	302	442	558	581	558	442	488	233	233	4,511
Internet Expense	235	235	235	235	235	235	235	235	235	235	235	235	2,820
Cable	705	705	705	705	705	705	705	705	705	705	705	705	8,460
Waste Removal	470	470	470	470	470	470	470	470	470	470	470	470	5,640
Dues & Subscriptions	70	63	70	91	133	167	174	167	133	146	70	70	1,353
Licenses & Permits	56	50	56	73	106	134	140	134	106	117	56	56	1,083
Credit Card Expense	864	777	864	1,187	1,849	2,574	2,681	3,027	2,038	2,148	864	864	19,735
Management Fee	2,303	2,073	2,303	3,166	4,930	6,863	7,149	8,072	5,434	5,727	2,303	2,303	52,627
Other Expense/Frequent Stay	116	105	116	151	221	279	291	279	221	244	116	116	2,255
Accounting Services	400	400	400	400	400	400	400	400	400	400	400	400	4,800
TOTAL OPERATING EXPENSES	19,403	17,884	19,403	23,074	31,134	39,293	40,751	43,187	32,590	34,519	19,403	19,403	339,678
Income Before Fixed Expenses	6,611	5,002	6,611	14,834	31,102	49,969	52,450	63,670	36,977	38,875	6,979	6,611	319,691
Gross Operating Profit (GOP)	17.22%	14.48%	17.22%	28.11%	37.85%	43.68%	44.02%	47.33%	40.83%	40.73%	18.18%	17.22%	36.45%
RESERVES & FIXED EXPENSES													
Debt Service	23,460	23,460	23,460	23,460	23,460	23,460	23,460	23,460	23,460	23,460	23,460	23,460	281,520
Real Estate Taxes (Estimates)	4,958	4,958	4,958	4,958	4,958	4,958	4,958	4,958	4,958	4,958	4,958	4,958	59,496
Insurance	576	518	576	792	1,232	1,716	1,787	2,018	1,358	1,432	576	576	13,157
Reserves For Replacement	1,152	1,036	1,152	1,583	2,465	3,432	3,575	4,036	2,717	2,864	1,152	1,152	26,314
TOTAL RESERVES & FIXED	30,145	29,973	30,145	30,793	32,115	33,566	33,780	34,472	32,493	32,713	30,145	30,145	380,486
NET OPERATING INCOME (NOI)	(74)	(1,511)	(74)	7,501	22,447	39,863	42,130	52,658	27,944	29,621	293	(74)	220,724
NET CASH FLOW	(23,534)	(24,971)	(23,534)	(15,959)	(1,013)	16,403	18,670	29,198	4,484	6,161	(23,167)	(23,534)	(60,796)

NOTE: The above information is a forward 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 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: 47
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Lodging Rooms Available	1,457	1,316	1,457	1,410	1,457	1,410	1,457	1,457	1,410	1,457	1,410	1,457	17,155
Lodging Occupancy %	34.3%	34.2%	34.3%	46.1%	65.2%	85.1%	85.8%	82.4%	67.4%	72.1%	35.5%	34.3%	56.5%
Total Occ. Rooms	500	450	500	650	950	1,200	1,250	1,200	950	1,050	500	500	9,700
Average Daily Rate	\$84.00	\$84.00	\$84.00	\$89.00	\$95.00	\$105.00	\$105.00	\$124.00	\$105.00	\$100.00	\$84.00	\$84.00	\$99.45
Revenue Per Available Room (REVPAR)	\$28.83	\$28.72	\$28.83	\$41.03	\$61.94	\$89.36	\$90.08	\$102.13	\$70.74	\$72.07	\$29.79	\$28.83	\$56.23
REVENUE:													
Guest Rooms	42,000	37,800	42,000	57,850	90,250	126,000	131,250	148,800	99,750	105,000	42,000	42,000	964,700
Telephone / Misc. Revenue	125	113	125	163	238	300	313	300	238	263	125	125	2,425
Vending / Bar Revenue	1,250	1,125	1,250	1,625	2,375	3,000	3,125	3,000	2,375	2,625	1,250	1,250	24,250
TOTAL HOTEL REVENUE	43,375	39,038	43,375	59,638	92,863	129,300	134,688	152,100	102,363	107,888	43,375	43,375	991,375
HOTEL PAYROLL EXPENSE													
Hotel Manager	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
Housekeeping	2,250	2,025	2,250	2,925	4,275	5,400	5,625	5,400	4,275	4,725	2,250	2,250	43,650
Front Desk	4,200	3,780	4,200	5,785	9,025	12,600	13,125	14,880	9,975	10,500	4,200	4,200	96,470
Workers Comp Insurance	265	249	265	322	437	554	573	611	460	485	265	265	4,753
Payroll Tax	1,360	1,278	1,360	1,650	2,238	2,840	2,936	3,132	2,360	2,485	1,360	1,360	24,359
TOTAL HOTEL PAYROLL	12,242	11,499	12,242	14,848	20,141	25,561	26,426	28,190	21,237	22,361	12,242	12,242	219,232
HOTEL OPERATING EXPENSE													
Cleaning Supplies	275	248	275	358	523	660	688	660	523	578	275	275	5,335
Laundry Supplies	250	225	250	325	475	600	625	600	475	525	250	250	4,850
Linens	300	270	300	390	570	720	750	720	570	630	300	300	5,820
Guest Supplies	375	338	375	488	713	900	938	900	713	788	375	375	7,275
Operating Supplies	425	383	425	553	808	1,020	1,063	1,020	808	893	425	425	8,245
Repairs & Maintenance	210	189	210	289	451	630	656	744	499	525	210	210	4,824
Grounds/Landscaping	750	750	750	500	250	250	250	250	250	250	500	750	5,500
Franchise Fee	3,643	3,290	3,643	3,525	3,643	3,525	3,643	3,643	3,525	3,643	3,525	3,643	42,888
Property Mgmt. System Expense	368	368	368	368	368	368	368	368	368	368	368	368	4,419
Complimentary Breakfast	1,875	1,688	1,875	2,438	3,563	4,500	4,688	4,500	3,563	3,938	1,875	1,875	36,375
Travel Agent Fees	840	756	840	1,157	1,805	2,520	2,625	2,976	1,995	2,100	840	840	19,294
Reservations Expense	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Vending / Bar Expense	625	563	625	813	1,188	1,500	1,563	1,500	1,188	1,313	625	625	12,125
Office Supplies	50	45	50	65	95	120	125	120	95	105	50	50	970
Marketing / Advertising	168	151	168	231	361	504	525	595	399	420	168	168	3,859
Utilities	2,386	2,147	2,386	3,280	5,107	7,112	7,408	8,366	5,630	5,934	2,386	2,386	54,526
Telephone	250	225	250	325	475	600	625	600	475	525	250	250	4,850
Internet Expense	235	235	235	235	235	235	235	235	235	235	235	235	2,820
Cable	705	705	705	705	705	705	705	705	705	705	705	705	8,460
Waste Removal	470	470	470	470	470	470	470	470	470	470	470	470	5,640
Dues & Subscriptions	75	68	75	98	143	180	188	180	143	158	75	75	1,455
Licenses & Permits	60	54	60	78	114	144	150	144	114	126	60	60	1,164
Credit Card Expense	976	878	976	1,342	2,089	2,909	3,030	3,422	2,303	2,427	976	976	22,306
Management Fee	2,603	2,342	2,603	3,578	5,572	7,758	8,081	9,126	6,142	6,473	2,603	2,603	59,483
Other Expense/Frequent Stay	125	113	125	163	238	300	313	300	238	263	125	125	2,425
Accounting Services	400	400	400	400	400	400	400	400	400	400	400	400	4,800
TOTAL OPERATING EXPENSES	19,188	17,649	19,188	22,922	31,108	39,380	40,859	43,294	32,572	34,539	18,820	19,188	338,706
Income Before Fixed Expenses	11,945	9,890	11,945	21,868	41,613	64,359	67,403	80,616	48,553	50,988	12,312	11,945	433,437
Gross Operating Profit (GOP)	27.54%	25.34%	27.54%	36.67%	44.81%	49.77%	50.04%	53.00%	47.43%	47.26%	28.39%	27.54%	43.72%
RESERVES & FIXED EXPENSES													
Debt Service	23,460	23,460	23,460	23,460	23,460	23,460	23,460	23,460	23,460	23,460	23,460	23,460	281,520
Real Estate Taxes (Estimates)	4,958	4,958	4,958	4,958	4,958	4,958	4,958	4,958	4,958	4,958	4,958	4,958	59,496
Insurance	651	586	651	895	1,393	1,940	2,020	2,282	1,535	1,618	651	651	14,871
Reserves For Replacement	1,301	1,171	1,301	1,789	2,786	3,879	4,041	4,563	3,071	3,237	1,301	1,301	29,741
TOTAL RESERVES & FIXED	30,370	30,175	30,370	31,102	32,597	34,237	34,479	35,263	33,024	33,273	30,370	30,370	385,628
NET OPERATING INCOME (NOI)	5,035	3,176	5,035	14,226	32,476	53,583	56,384	68,814	38,989	41,175	5,402	5,035	329,329
NET CASH FLOW	(18,425)	(20,284)	(18,425)	(9,234)	9,016	30,123	32,924	45,354	15,529	17,715	(18,058)	(18,425)	47,809

Five Year Numbers Projected Summary

	YEAR 1		YEAR 2		YEAR 3		YEAR 4		YEAR 5	
	AMOUNT		AMOUNT		AMOUNT		AMOUNT		AMOUNT	
Lodging Rooms Available	17,155		17,155		17,155		17,155		17,155	
Lodging Occupancy %	56.5%		59.5%		62.0%		64.0%		64.0%	
Total Occ. Rooms	9,700		10,204		10,633		10,973		10,973	
Average Daily Rate	\$99.45		\$101.44		\$103.47		\$104.51		\$105.55	
REVENUE:										
Guest Rooms	964,700	97.3%	1,035,162	97.4%	1,100,211	97.4%	1,146,772	97.4%	1,158,240	97.5%
Telephone / Misc. Revenue	2,425	0.2%	2,551	0.2%	2,658	0.2%	2,743	0.2%	2,743	0.2%
Vending / Bar Revenue	24,250	2.4%	25,511	2.4%	26,582	2.4%	27,433	2.3%	27,433	2.3%
=====			=====			=====			=====	
TOTAL HOTEL REVENUE	991,375	100.0	1,063,224	100.0	1,129,452	100.0	1,176,949	100.0	1,188,416	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.									
									Rooms:
									47
	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5
Lodging Rooms Available	17,155		17,155		17,155		17,155		17,155
Lodging Occupancy %	56.5%	56.5%	59.5%	59.5%	62.0%	62.0%	64.0%	64.0%	64.0%
Total Occ. Rooms	9,700		10,204		10,633		10,973		10,973
Average Daily Rate	\$99.45		\$101.44		\$103.47		\$104.51		\$105.55
Revenue Per Available Room (REVPAR)	\$56.23		\$60.34		\$64.13		\$66.85		\$67.52
REVENUE:									
Guest Rooms	964,700	97.31%	1,035,162	97.36%	1,100,211	97.41%	1,146,772	97.44%	1,158,240
Telephone / Misc. Revenue	2,425	0.24%	2,551	0.24%	2,658	0.24%	2,743	0.23%	2,743
Vending / Bar Revenue	24,250	2.45%	25,511	2.40%	26,582	2.35%	27,433	2.33%	27,433
TOTAL HOTEL REVENUE	991,375	100%	1,063,224	100%	1,129,452	100%	1,176,949	100%	1,188,416
HOTEL PAYROLL EXPENSE									
Hotel Manager	50,000	5.04%	50,750	4.77%	51,511	4.56%	52,284	4.44%	53,068
Maintenance	0	0.00%	15,527	1.46%	22,004	1.95%	28,669	2.44%	28,956
Housekeeping	43,650	4.40%	45,920	4.32%	47,848	4.24%	49,380	4.20%	49,380
Front Desk	96,470	9.73%	99,364	9.35%	102,345	9.06%	105,415	8.96%	108,578
Workers Comp Insurance	4,753	0.48%	5,289	0.50%	5,593	0.50%	5,894	0.50%	6,000
Payroll Tax	24,359	2.46%	27,106	2.55%	28,663	2.54%	30,205	2.57%	30,748
TOTAL HOTEL PAYROLL	219,232	22.11%	243,957	22.94%	257,964	22.84%	271,847	23.10%	276,729
HOTEL OPERATING EXPENSE									
Cleaning Supplies	5,335	0.54%	5,612	0.53%	5,848	0.52%	6,035	0.51%	6,035
Laundry Supplies	4,850	0.49%	5,102	0.48%	5,316	0.47%	5,487	0.47%	5,487
Linens	5,820	0.59%	6,123	0.58%	6,380	0.56%	6,584	0.56%	6,584
Guest Supplies	7,275	0.73%	7,653	0.72%	7,975	0.71%	8,230	0.70%	8,230
Operating Supplies	8,245	0.83%	8,674	0.82%	9,038	0.80%	9,327	0.79%	9,327
Repairs & Maintenance	4,824	0.49%	5,176	0.49%	5,252	0.73%	5,601	0.73%	5,687
Grounds/Landscape	5,500	0.55%	5,665	0.53%	5,835	0.52%	6,010	0.51%	6,190
Franchise Fee	42,888	4.33%	42,888	4.03%	42,888	3.80%	42,888	3.64%	42,888
Property Mgmt. System Expense	4,419	0.45%	4,507	0.42%	4,598	0.41%	4,689	0.40%	4,783
Complimentary Breakfast	36,375	3.67%	38,267	3.60%	39,874	3.53%	41,150	3.50%	41,150
Travel Agent Fees	19,294	1.95%	20,703	1.95%	22,004	1.95%	22,935	1.95%	23,165
Reservations Expense	9,000	0.91%	9,180	0.86%	9,364	0.83%	9,551	0.81%	9,742
Vending / Bar Expense	12,125	1.22%	12,756	1.20%	13,291	1.18%	13,717	1.17%	13,717
Office Supplies	970	0.10%	1,020	0.10%	1,063	0.09%	1,097	0.09%	1,097
Marketing / Advertising	3,859	0.39%	4,141	0.39%	4,401	0.39%	4,587	0.39%	4,633
Utilities	54,526	5.50%	58,477	5.50%	62,120	5.50%	64,732	5.50%	65,363
Telephone	4,850	0.49%	5,102	0.48%	5,316	0.47%	5,487	0.47%	5,487
Internet Expense	2,820	0.28%	2,961	0.28%	3,109	0.28%	3,265	0.28%	3,428
Cable	8,460	0.85%	9,073	0.85%	9,638	0.85%	10,044	0.85%	10,141
Waste Removal	5,640	0.57%	5,809	0.55%	5,983	0.53%	6,163	0.52%	6,348
Dues & Subscriptions	1,455	0.15%	1,531	0.14%	1,595	0.14%	1,646	0.14%	1,646
Licenses & Permits	1,164	0.12%	1,225	0.12%	1,276	0.11%	1,317	0.11%	1,317
Credit Card Expense	22,306	2.25%	23,923	2.25%	25,413	2.25%	26,481	2.25%	26,739
Management Fee	59,483	6.00%	63,793	6.00%	67,767	6.00%	70,617	6.00%	71,305
Other Expense/Frequent Stay	2,425	0.24%	2,551	0.24%	2,658	0.24%	2,743	0.23%	2,743
Accounting Services	4,800	0.48%	5,148	0.48%	5,469	0.48%	5,699	0.48%	5,754
TOTAL OPERATING EXPENSES	338,706	34.17%	357,059	33.58%	376,470	33.33%	389,080	33.06%	391,985
Income Before Fixed Expenses	433,437	43.72%	462,208	43.47%	495,017	43.83%	516,021	43.84%	519,702
Gross Operating Profit (GOP)									
RESERVES & FIXED EXPENSES									
Real Estate Taxes (Estimates)	59,496	6.00%	59,496	5.60%	59,496	5.27%	59,496	5.06%	59,496
Insurance	14,871	1.50%	15,948	1.50%	16,942	1.50%	17,654	1.50%	17,826
Reserves For Replacement	29,741	3.00%	31,897	3.00%	45,178	4.00%	47,078	4.00%	47,537
NET OPERATING INCOME (NOI)	329,329	33.22%	354,867	33.38%	373,401	33.06%	391,793	33.29%	394,844
Loan (Interest Payment)	185,173	18.68%	179,738	16.91%	173,996	15.41%	167,931	14.27%	161,523
LOAN (Principal Reduction)	96,347	9.72%	101,782	9.57%	107,524	9.52%	113,589	9.65%	119,997
NET CASH FLOW	\$47,809	4.82%	\$73,347	6.90%	\$91,881	8.14%	\$110,273	9.37%	\$113,324
RETURN ON INVESTMENT (ROI) %	3.19%		4.89%		6.13%		7.35%		7.55%
ROI % (Including Principal Reduction)	9.61%		11.68%		13.29%		14.92%		15.55%

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:****47**

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	17,155		17,155		17,155		17,155		17,155	
Lodging Occupancy %	50.9%	50.9%	51.6%	51.6%	52.4%	52.4%	52.8%	52.8%	52.7%	52.7%
Total Occ. Rooms	8,738		8,850		8,990		9,054		9,033	
Average Daily Rate	\$99.45		\$101.44		\$103.47		\$104.51		\$105.55	
Revenue Per Available Room (REVPAR)	\$50.66		\$52.33		\$54.22		\$55.16		\$55.58	
REVENUE:										
Guest Rooms	869,026	97.31%	897,768	97.36%	930,209	97.41%	946,200	97.44%	953,445	97.46%
Telephone / Misc. Revenue	2,185	0.24%	2,213	0.24%	2,248	0.24%	2,264	0.23%	2,258	0.23%
Vending / Bar Revenue	21,845	2.45%	22,125	2.40%	22,475	2.35%	22,635	2.33%	22,583	2.31%
TOTAL HOTEL REVENUE	893,055	100%	922,105	100%	954,932	100%	971,098	100%	978,286	100%
HOTEL PAYROLL EXPENSE										
Hotel Manager	50,000	5.60%	51,500	5.59%	53,045	5.55%	54,636	5.63%	56,275	5.75%
Maintenance	0	0.00%	13,467	1.46%	18,604	1.95%	23,655	2.44%	23,836	2.44%
Housekeeping	39,321	4.40%	39,825	4.32%	40,455	4.24%	40,743	4.20%	40,649	4.16%
Front Desk	75,000	8.40%	77,250	8.38%	79,568	8.33%	81,955	8.44%	84,413	8.63%
Workers Comp Insurance	4,108	0.46%	4,551	0.49%	4,792	0.50%	5,025	0.52%	5,129	0.52%
Payroll Tax	21,054	2.36%	23,324	2.53%	24,558	2.57%	25,752	2.65%	26,288	2.69%
TOTAL HOTEL PAYROLL	189,483	21.22%	209,917	22.76%	221,021	23.15%	231,765	23.87%	236,590	24.18%
HOTEL OPERATING EXPENSE										
Cleaning Supplies	4,806	0.54%	4,868	0.53%	4,945	0.52%	4,980	0.51%	4,968	0.51%
Laundry Supplies	4,369	0.49%	4,425	0.48%	4,495	0.47%	4,527	0.47%	4,517	0.46%
Linens	5,243	0.59%	5,310	0.58%	5,394	0.56%	5,432	0.56%	5,420	0.55%
Guest Supplies	6,554	0.73%	6,638	0.72%	6,743	0.71%	6,791	0.70%	6,775	0.69%
Operating Supplies	7,427	0.83%	7,523	0.82%	7,642	0.80%	7,696	0.79%	7,678	0.78%
Repairs & Maintenance	4,345	0.49%	4,489	0.49%	4,677	0.73%	7,096	0.73%	7,151	0.73%
Grounds/Landscape	5,500	0.62%	5,665	0.61%	5,835	0.61%	6,010	0.62%	6,190	0.63%
Franchise Fee	42,888	4.80%	42,888	4.65%	42,888	4.49%	42,888	4.42%	42,888	4.38%
Property Mgmt. System Expense	4,419	0.49%	4,507	0.49%	4,598	0.48%	4,689	0.48%	4,783	0.49%
Complimentary Breakfast	32,768	3.67%	33,188	3.60%	33,713	3.53%	33,953	3.50%	33,874	3.46%
Travel Agent Fees	17,381	1.95%	17,955	1.95%	18,604	1.95%	18,924	1.95%	19,069	1.95%
Reservations Expense	9,000	1.01%	9,180	1.00%	9,364	0.98%	9,551	0.98%	9,742	1.00%
Vending / Bar Expense	10,923	1.22%	11,063	1.20%	11,238	1.18%	11,318	1.17%	11,291	1.15%
Office Supplies	874	0.10%	885	0.10%	899	0.09%	905	0.09%	903	0.09%
Marketing / Advertising	3,476	0.39%	3,591	0.39%	3,721	0.39%	3,785	0.39%	3,814	0.39%
Utilities	58,049	6.50%	59,937	6.50%	62,071	6.50%	63,121	6.50%	63,589	6.50%
Telephone	4,369	0.49%	4,425	0.48%	4,495	0.47%	4,527	0.47%	4,517	0.46%
Internet Expense	2,820	0.32%	2,961	0.32%	3,109	0.33%	3,265	0.34%	3,428	0.35%
Cable	8,460	0.95%	8,735	0.95%	9,046	0.95%	9,199	0.95%	9,267	0.95%
Waste Removal	5,640	0.63%	5,809	0.63%	5,983	0.63%	6,163	0.63%	6,348	0.65%
Dues & Subscriptions	1,311	0.15%	1,328	0.14%	1,349	0.14%	1,358	0.14%	1,355	0.14%
Licenses & Permits	1,049	0.12%	1,062	0.12%	1,079	0.11%	1,086	0.11%	1,084	0.11%
Credit Card Expense	20,094	2.25%	20,747	2.25%	21,486	2.25%	21,850	2.25%	22,011	2.25%
Management Fee	53,583	6.00%	55,326	6.00%	57,296	6.00%	58,266	6.00%	58,697	6.00%
Other Expense/Frequent Stay	2,185	0.24%	2,213	0.24%	2,248	0.24%	2,264	0.23%	2,258	0.23%
Accounting Services	4,800	0.54%	4,956	0.54%	5,133	0.54%	5,219	0.54%	5,258	0.54%
TOTAL OPERATING EXPENSES	322,329	36.09%	329,672	35.75%	340,345	35.64%	344,862	35.51%	346,874	35.46%
Income Before Fixed Expenses										
Gross Operating Profit (GOP)	381,244		382,517		393,565		394,470		394,821	
RESERVES & FIXED EXPENSES										
Real Estate Taxes (Estimates)	59,496	6.66%	59,496	6.45%	59,496	6.23%	59,496	6.13%	59,496	6.08%
Insurance	13,396	1.50%	13,832	1.50%	14,324	1.50%	14,566	1.50%	14,674	1.50%
Reserves For Replacement	26,792	3.00%	27,663	3.00%	38,197	4.00%	38,844	4.00%	39,131	4.00%
NET OPERATING INCOME (NOI)	281,560	31.53%	281,526	30.53%	281,548	29.48%	281,564	28.99%	281,520	28.78%
Loan (Interest Payment)	185,173	20.73%	179,738	19.49%	173,996	18.22%	167,931	17.29%	161,523	16.51%
Loan (Principal Reduction)	96,347	10.79%	101,782	11.04%	107,524	11.26%	113,589	11.70%	119,997	12.27%
NET CASH FLOW	\$40	0.00%	\$6	0.00%	\$28	0.00%	\$44	0.00%	(\$0)	0.00%

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.

Fairfield Inn by Marriott

Beatrice, NE

Number of Units: **63**

Total Land & Prep	\$250,000	
<i>per room</i>	<i>\$3,968</i>	
Raw Land	\$250,000	
Building Construction	\$4,800,000	
<i>per room</i>	<i>\$76,190</i>	
Fixtures, Furnishings, and Equipment	\$1,325,000	
<i>per room</i>	<i>\$21,032</i>	
Soft Costs	\$675,000	
<i>per room</i>	<i>\$10,714</i>	
(interest, engineering, architectural, city permit fees, lender fees, franchise fees)	\$675,000	
Total Project Costs:	\$7,050,000	
<i>per room</i>	<i>\$111,905</i>	
Requested Loan Amount:	\$4,900,000	69.5%
Expected Cash Injection:	\$2,150,000	30.5%
Sources of Funding		
Bank Loan	\$4,900,000	Debt Interest: 5.00%
Expected Cash Injection	\$2,150,000	Debt Terms: 20
Total:	\$7,050,000	Debt Service: \$388,056

* Pricing noted above valid for 90 days from document date shown

RAMP UP YEAR:													Rooms: 63
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Lodging Rooms Available	1,953	1,764	1,953	1,890	1,953	1,890	1,953	1,953	1,890	1,953	1,890	1,953	22,995
Lodging Occupancy %	36.5%	37.7%	34.1%	37.7%	69.3%	72.9%	75.4%	68.1%	42.7%	55.9%	46.5%	31.6%	50.8%
Total Occ. Rooms	713	665	665	713	1,354	1,378	1,473	1,330	808	1,093	879	618	11,685
Average Daily Rate	\$92.12	\$92.12	\$92.12	\$97.02	\$106.82	\$111.72	\$111.72	\$106.82	\$97.02	\$101.92	\$97.02	\$92.12	\$102.20
Revenue Per Available Room (REVPAR)	\$33.61	\$34.73	\$31.37	\$36.58	\$74.04	\$81.43	\$84.23	\$72.74	\$41.45	\$57.01	\$45.11	\$29.13	\$51.93
REVENUE:													
Guest Rooms	65,636	61,260	61,260	69,127	144,608	153,894	164,508	142,071	78,344	111,348	85,256	56,884	1,194,194
Telephone / Misc. Revenue	178	166	166	178	338	344	368	333	202	273	220	154	2,921
Meeting Room Revenue	356	333	333	356	677	689	736	665	404	546	439	309	5,843
Vending Revenue	713	665	665	713	1,354	1,378	1,473	1,330	808	1,093	879	618	11,685
TOTAL HOTEL REVENUE	66,882	62,424	62,424	70,374	146,977	156,305	167,085	144,398	79,757	113,259	86,794	57,965	1,214,642
HOTEL PAYROLL EXPENSE													
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	1,313	1,225	1,225	1,383	2,892	3,078	3,290	2,841	1,567	2,227	1,705	1,138	23,884
Housekeeping	3,206	2,993	2,993	3,206	6,092	6,199	6,626	5,985	3,634	4,916	3,954	2,779	52,583
Front Desk	7,220	6,739	6,739	7,604	15,907	16,928	18,096	15,628	8,618	12,248	9,378	6,257	131,361
Breakfast/Social	985	919	919	1,037	2,169	2,308	2,468	2,131	1,175	1,670	1,279	853	17,913
Workers Comp Insurance	439	420	420	451	768	801	846	757	491	631	522	400	6,946
Payroll Tax	2,197	2,099	2,099	2,253	3,841	4,005	4,231	3,786	2,456	3,153	2,609	2,001	34,728
TOTAL HOTEL PAYROLL	21,193	20,227	20,227	21,767	37,502	39,153	41,390	36,962	23,775	30,679	25,281	19,261	337,415
HOTEL OPERATING EXPENSE													
Cleaning Supplies	392	366	366	392	745	758	810	732	444	601	483	340	6,427
Laundry Supplies	356	333	333	356	677	689	736	665	404	546	439	309	5,843
Linens	428	399	399	428	812	827	884	798	485	656	527	371	7,011
Guest Supplies	834	499	499	534	1,015	1,033	1,104	998	606	819	659	463	8,764
Operating Supplies	606	565	565	606	1,151	1,171	1,252	1,131	686	929	747	525	9,932
Uniforms Expense	71	67	67	71	135	138	147	133	81	109	88	62	1,169
Repairs & Maintenance	328	306	306	346	723	769	823	710	392	557	426	284	5,971
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 Royalty Fee	4,594	4,288	4,288	4,839	10,123	10,773	11,516	9,945	5,484	7,794	5,968	3,982	83,594
Training Expense	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000
Property Mgmt. System Expense	328	306	306	346	723	769	823	710	392	557	426	284	5,971
Complimentary Breakfast	2,850	2,660	2,660	2,850	5,415	5,510	5,890	5,320	3,230	4,370	3,515	2,470	46,740
Travel Agent Fees	1,969	1,838	1,838	2,074	4,338	4,617	4,935	4,262	2,350	3,340	2,558	1,707	35,826
Reservations Expense	1,313	1,225	1,225	1,383	2,892	3,078	3,290	2,841	1,567	2,227	1,705	1,138	23,884
Vending Expense	356	333	333	356	677	689	736	665	404	546	439	309	5,843
Office Supplies	71	67	67	71	135	138	147	133	81	109	88	62	1,169
Marketing / Advertising	1,338	1,248	1,248	1,407	2,940	3,126	3,342	2,888	1,595	2,265	1,736	1,159	24,293
Utilities	4,347	4,058	4,058	4,574	9,553	10,160	10,860	9,386	5,184	7,362	5,642	3,768	78,952
Telephone	356	333	333	356	677	689	736	665	404	546	439	309	5,843
Internet Expense	315	315	315	315	315	315	315	315	315	315	315	315	3,780
Cable	945	945	945	945	945	945	945	945	945	945	945	945	11,340
Waste Removal	630	630	630	630	630	630	630	630	630	630	630	630	7,560
Dues & Subscriptions	107	100	100	107	203	207	221	200	121	164	132	93	1,753
Licenses & Permits	86	80	80	86	162	165	177	160	97	131	105	74	1,402
Credit Card Expense	1,505	1,405	1,405	1,583	3,307	3,517	3,759	3,249	1,795	2,548	1,953	1,304	27,329
Management Fee	2,675	2,497	2,497	2,815	5,879	6,252	6,683	5,776	3,190	4,530	3,472	2,319	48,586
Other Expense/Frequent Stay	1,672	1,561	1,561	1,759	3,674	3,908	4,177	3,610	1,994	2,831	2,170	1,449	30,366
TOTAL OPERATING EXPENSES	30,798	29,046	29,046	31,604	59,972	62,996	67,063	58,990	34,999	47,554	37,983	27,293	517,344
Income Before Fixed Expenses	14,892	13,151	13,151	17,003	49,503	54,157	58,631	48,446	20,983	35,027	23,531	11,410	359,884
Gross Operating Profit (GOP)	22.27%	21.07%	21.07%	24.16%	33.68%	34.65%	35.09%	33.55%	26.31%	30.93%	27.11%	19.68%	29.63%
RESERVES & FIXED EXPENSES													
Debt Service	32,338	32,338	32,338	32,338	32,338	32,338	32,338	32,338	32,338	32,338	32,338	32,338	388,056
Real Estate Taxes (Estimates)	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	80,000
Insurance	1,003	936	936	1,056	2,205	2,345	2,506	2,166	1,196	1,699	1,302	869	18,220
Reserves For Replacement	2,675	2,497	2,497	2,815	5,879	6,252	6,683	5,776	3,190	4,530	3,472	2,319	48,586
TOTAL RESERVES & FIXED	42,683	42,438	42,438	42,875	47,088	47,601	48,194	46,947	43,391	45,234	43,778	42,193	534,861
NET OPERATING INCOME (NOI)	4,547	3,051	3,051	6,466	34,752	38,893	42,775	33,837	9,930	22,131	12,090	1,555	213,078
NET CASH FLOW	(27,791)	(29,287)	(29,287)	(25,872)	2,414	6,555	10,437	1,499	(22,408)	(10,207)	(20,248)	(30,783)	(174,978)

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: 63
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Lodging Rooms Available	1,953	1,764	1,953	1,890	1,953	1,890	1,953	1,953	1,890	1,953	1,890	1,953	22,995
Lodging Occupancy %	38.4%	39.7%	35.8%	39.7%	73.0%	76.7%	79.4%	71.7%	45.0%	58.9%	48.9%	33.3%	53.5%
Total Occ. Rooms	750	700	700	750	1,425	1,450	1,550	1,400	850	1,150	925	650	12,300
Average Daily Rate	\$94.00	\$94.00	\$94.00	\$99.00	\$109.00	\$114.00	\$114.00	\$109.00	\$99.00	\$104.00	\$99.00	\$94.00	\$104.28
Revenue Per Available Room (REVPAR)	\$36.10	\$37.30	\$33.69	\$39.29	\$79.53	\$87.46	\$90.48	\$78.14	\$44.52	\$61.24	\$48.45	\$31.29	\$55.78
REVENUE:													
Guest Rooms	70,500	65,800	65,800	74,250	155,325	165,300	176,700	152,600	84,150	119,600	91,575	61,100	1,282,700
Telephone / Misc. Revenue	188	175	175	188	356	363	388	350	213	288	231	163	3,075
Meeting Room Revenue	375	350	350	375	713	725	775	700	425	575	463	325	6,150
Vending Revenue	750	700	700	750	1,425	1,450	1,550	1,400	850	1,150	925	650	12,300
TOTAL HOTEL REVENUE	71,813	67,025	67,025	75,563	157,819	167,838	179,413	155,050	85,638	121,613	93,194	62,238	1,304,225
HOTEL PAYROLL EXPENSE													
Hotel Manager	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	65,000
Maintenance	1,410	1,316	1,316	1,485	3,107	3,306	3,534	3,052	1,683	2,392	1,832	1,222	25,654
Housekeeping	3,375	3,150	3,150	3,375	6,413	6,525	6,975	6,300	3,825	5,175	4,163	2,925	55,350
Front Desk	7,050	6,580	6,580	7,425	15,533	16,530	17,670	15,260	8,415	11,960	9,158	6,110	128,270
Breakfast/Social	1,058	987	987	1,114	2,330	2,480	2,651	2,289	1,262	1,794	1,374	917	19,241
Workers Comp Insurance	431	412	412	443	762	794	840	751	483	624	514	392	6,857
Payroll Tax	2,343	2,233	2,233	2,407	4,195	4,381	4,636	4,134	2,636	3,420	2,807	2,123	37,546
TOTAL HOTEL PAYROLL	21,083	20,094	20,094	21,665	37,755	39,433	41,722	37,202	23,721	30,781	25,263	19,105	337,918
HOTEL OPERATING EXPENSE													
Cleaning Supplies	413	385	385	413	784	798	853	770	468	633	509	358	6,765
Laundry Supplies	375	350	350	375	713	725	775	700	425	575	463	325	6,150
Linens	450	420	420	450	855	870	930	840	510	690	555	390	7,380
Guest Supplies	863	525	525	563	1,069	1,088	1,163	1,050	638	863	694	488	9,225
Operating Supplies	638	595	595	638	1,211	1,233	1,318	1,190	723	978	786	553	10,455
Repairs & Maintenance	383	329	329	371	777	827	884	763	421	598	458	306	6,414
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 Royalty Fee	4,935	4,606	4,606	5,198	10,873	11,571	12,369	10,682	5,891	8,372	6,410	4,277	89,789
Property Mgmt. System Expense	353	329	329	371	777	827	884	763	421	598	458	306	6,414
Complimentary Breakfast	2,813	2,625	2,625	2,813	5,544	5,438	5,813	5,250	3,188	4,313	3,469	2,438	46,125
Travel Agent Fees	2,115	1,974	1,974	2,228	4,660	4,959	5,301	4,578	2,525	3,588	2,747	1,833	38,481
Reservations Expense	1,410	1,316	1,316	1,485	3,107	3,306	3,534	3,052	1,683	2,392	1,832	1,222	25,654
Vending Expense	375	350	350	375	713	725	775	700	425	575	463	325	6,150
Office Supplies	75	70	70	75	143	145	155	140	85	115	93	65	1,230
Marketing / Advertising	1,436	1,341	1,341	1,511	3,156	3,457	3,588	3,101	1,713	2,432	1,864	1,245	26,085
Utilities	3,950	3,686	3,686	4,156	8,680	9,231	9,868	8,528	4,710	6,689	5,126	3,423	71,732
Telephone	375	350	350	375	713	725	775	700	425	575	463	325	6,150
Internet Expense	315	315	315	315	315	315	315	315	315	315	315	315	3,780
Cable	945	945	945	945	945	945	945	945	945	945	945	945	11,340
Waste Removal	630	630	630	630	630	630	630	630	630	630	630	630	7,560
Dues & Subscriptions	113	105	105	113	214	218	233	210	128	173	139	98	1,845
Licenses & Permits	90	84	84	90	171	174	186	168	102	138	111	78	1,476
Credit Card Expense	1,616	1,508	1,508	1,700	3,551	3,776	4,037	3,489	1,927	2,736	2,097	1,400	29,345
Management Fee	2,873	2,681	2,681	3,023	6,313	6,714	7,177	6,202	3,426	4,865	3,728	2,490	52,169
Other Expense/Frequent Stay	1,795	1,676	1,676	1,889	3,945	4,196	4,485	3,876	2,141	3,040	2,330	1,556	32,606
TOTAL OPERATING EXPENSES	30,377	28,570	28,570	31,224	60,530	63,664	67,864	59,517	34,735	47,701	37,806	26,762	517,319
Income Before Fixed Expenses	20,352	18,362	18,362	22,673	59,534	64,740	69,827	58,331	27,181	43,131	30,125	16,371	448,989
Gross Operating Profit (GOP)	28.34%	27.40%	27.40%	30.01%	37.72%	38.57%	38.92%	37.62%	31.74%	35.47%	32.32%	26.30%	34.43%
RESERVES & FIXED EXPENSES													
Debt Service	32,338	32,338	32,338	32,338	32,338	32,338	32,338	32,338	32,338	32,338	32,338	32,338	388,056
Real Estate Taxes (Estimates)	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	80,000
Insurance	1,077	1,005	1,005	1,133	2,367	2,518	2,691	2,326	1,285	1,824	1,398	934	19,563
Reserves For Replacement	2,873	2,681	2,681	3,023	6,313	6,714	7,177	6,202	3,426	4,865	3,728	2,490	52,169
TOTAL RESERVES & FIXED	42,954	42,691	42,691	43,161	47,685	48,236	48,872	47,532	43,715	45,693	44,130	42,428	539,788
NET OPERATING INCOME (NOI)	9,736	8,009	8,009	11,851	44,187	48,843	53,292	43,137	18,805	29,775	18,332	6,281	297,256
NET CASH FLOW	(22,602)	(24,329)	(24,329)	(20,487)	11,849	16,505	20,954	10,799	(16,533)	(2,563)	(14,006)	(26,057)	(90,800)

Five Year Numbers Projected Summary										
	YEAR 1		YEAR 2		YEAR 3		YEAR 4		YEAR 5	
	AMOUNT		AMOUNT		AMOUNT		AMOUNT		AMOUNT	
Lodging Rooms Available	22,995		22,995		22,995		22,995		22,995	
Lodging Occupancy %	53.5%		54.9%		57.0%		60.0%		60.0%	
Total Occ. Rooms	12,300		12,620		13,112		13,794		13,794	
Average Daily Rate	\$104.28		\$107.41		\$110.64		\$111.74		\$112.86	
REVENUE:										
Guest Rooms	1,282,700	98.3%	1,355,532	96.8%	1,450,649	96.8%	1,541,344	96.9%	1,556,757	96.8%
Telephone / Misc. Revenue	3,075	0.2%	3,155	0.2%	3,278	0.2%	3,448	0.2%	3,448	0.2%
Meeting Room Revenue	6,150	0.5%	9,465	0.7%	11,145	0.7%	11,725	0.7%	13,794	0.9%
Vending / Bar Revenue	12,300	0.9%	31,550	2.3%	32,780	2.2%	34,484	2.2%	34,484	2.1%
=====			=====		=====		=====		=====	
TOTAL HOTEL REVENUE	1,304,225	100.0	1,399,701	100.0	1,497,852	100.0	1,591,002	100.0	1,608,484	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									Rooms:	
The following statistics are preliminary projection based on assumed costs of prototypical hotel.									63	
	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5	%
Lodging Rooms Available	22,995		22,995		22,995		22,995		22,995	
Lodging Occupancy %	53.5%	53.5%	54.9%	54.9%	57.0%	57.0%	60.0%	60.0%	60.0%	60.0%
Total Occ. Rooms	12,300		12,620		13,112		13,794		13,794	
Average Daily Rate	\$104.28		\$107.41		\$110.64		\$111.74		\$112.86	
Revenue Per Available Room (REVPAR)	\$55.78		\$58.95		\$63.09		\$67.03		\$67.70	
REVENUE:										
Guest Rooms	1,282,700	98.35%	1,355,532	98.17%	1,450,649	98.14%	1,541,344	98.16%	1,556,757	98.05%
Telephone / Misc. Revenue	3,075	0.24%	3,155	0.23%	3,278	0.22%	3,448	0.22%	3,448	0.22%
Meeting Space	6,150	0.47%	9,465	0.69%	11,145	0.75%	11,725	0.75%	13,794	0.87%
Vending Revenue	12,300	0.94%	12,620	0.91%	13,112	0.89%	13,794	0.88%	13,794	0.87%
TOTAL HOTEL REVENUE	1,304,225	100%	1,380,771	100%	1,478,185	100%	1,570,311	100%	1,587,793	100%
HOTEL PAYROLL EXPENSE										
Hotel Manager	65,000	4.98%	65,975	4.78%	66,965	4.53%	67,969	4.33%	68,989	4.34%
Maintenance	25,654	1.97%	30,499	2.21%	36,266	2.45%	46,240	2.94%	46,703	2.94%
Housekeeping	55,350	4.24%	56,789	4.11%	59,004	3.99%	62,072	3.95%	62,072	3.91%
Front Desk	128,270	9.83%	132,118	9.57%	136,082	9.21%	140,164	8.93%	144,369	9.09%
Breakfast/Social	19,241	1.48%	20,333	1.47%	21,760	1.47%	23,120	1.47%	23,351	1.47%
Workers Comp Insurance	6,857	0.53%	7,135	0.52%	7,458	0.50%	7,911	0.50%	8,053	0.51%
Payroll Tax	37,546	2.88%	39,106	2.83%	40,942	2.77%	43,435	2.77%	44,192	2.78%
TOTAL HOTEL PAYROLL	337,918	25.91%	351,955	25.49%	368,476	24.93%	390,911	24.89%	397,729	25.05%
HOTEL OPERATING EXPENSE										
Cleaning Supplies	6,765	0.52%	6,941	0.50%	7,212	0.49%	7,587	0.48%	7,587	0.48%
Laundry Supplies	6,150	0.47%	6,310	0.46%	6,556	0.44%	6,897	0.44%	6,897	0.43%
Linens	7,380	0.57%	7,572	0.55%	7,867	0.53%	8,276	0.53%	8,276	0.52%
Guest Supplies	9,225	0.71%	9,465	0.69%	9,834	0.67%	10,345	0.66%	10,345	0.65%
Operating Supplies	10,455	0.80%	10,727	0.78%	11,145	0.75%	11,725	0.75%	11,725	0.74%
Repairs & Maintenance	6,414	0.49%	6,778	0.49%	10,880	0.74%	11,560	0.74%	11,676	0.74%
Swimming Pool Maintenance	7,500	0.58%	9,000	0.65%	10,800	0.73%	12,960	0.83%	15,552	0.98%
Grounds/Landscape	5,500	0.42%	5,665	0.41%	5,835	0.39%	6,010	0.38%	6,190	0.39%
Franchise Royalty Fee	89,789	6.88%	94,887	6.87%	101,545	6.87%	107,894	6.87%	108,973	6.86%
Property Mgmt. System Expense	6,414	0.49%	6,778	0.49%	7,253	0.49%	7,707	0.49%	7,784	0.49%
Complimentary Breakfast	46,125	3.54%	47,324	3.43%	49,170	3.33%	51,727	3.29%	51,727	3.26%
Travel Agent Fees	38,481	2.95%	40,666	2.95%	43,519	2.94%	46,240	2.94%	46,703	2.94%
Reservations Expense	25,654	1.97%	27,111	1.96%	29,013	1.96%	30,827	1.96%	31,135	1.96%
Vending Expense	6,150	0.47%	6,310	0.46%	6,556	0.44%	6,897	0.44%	6,897	0.43%
Office Supplies	1,230	0.09%	1,262	0.09%	1,311	0.09%	1,379	0.09%	1,379	0.09%
Marketing / Advertising	26,085	2.00%	27,615	2.00%	29,504	2.00%	31,406	2.00%	31,756	2.00%
Utilities	71,732	5.50%	75,942	5.50%	81,300	5.50%	86,367	5.50%	87,329	5.50%
Telephone	6,150	0.47%	6,310	0.46%	6,556	0.44%	6,897	0.44%	6,897	0.43%
Internet Expense	3,780	0.29%	3,969	0.29%	4,167	0.28%	4,376	0.28%	4,595	0.29%
Cable	11,340	0.87%	12,006	0.87%	12,853	0.87%	13,654	0.87%	13,806	0.87%
Waste Removal	7,560	0.58%	7,787	0.56%	8,020	0.54%	8,261	0.53%	8,509	0.54%
Dues & Subscriptions	1,845	0.14%	1,893	0.14%	1,967	0.13%	2,069	0.13%	2,069	0.13%
Licenses & Permits	1,476	0.11%	1,514	0.11%	1,573	0.11%	1,655	0.11%	1,655	0.10%
Credit Card Expense	29,345	2.25%	31,067	2.25%	33,259	2.25%	35,332	2.25%	35,725	2.25%
Management Fee	52,169	4.00%	55,231	4.00%	59,127	4.00%	62,812	4.00%	63,512	4.00%
Other Expense/Frequent Stay	32,606	2.50%	34,519	2.50%	36,955	2.50%	39,258	2.50%	39,695	2.50%
TOTAL OPERATING EXPENSES	517,319	39.66%	544,649	39.45%	583,839	39.50%	620,118	39.49%	628,392	39.58%
Income Before Fixed Expenses	448,989	34.43%	484,167	35.06%	525,870	35.58%	559,281	35.62%	561,672	35.37%
Gross Operating Profit (GOP)										
RESERVES & FIXED EXPENSES										
Real Estate Taxes (Estimates)	80,000	6.13%	80,000	5.79%	80,000	5.41%	80,000	5.09%	80,000	5.04%
Insurance	19,563	1.50%	20,712	1.50%	22,173	1.50%	23,555	1.50%	23,817	1.50%
Reserves For Replacement	52,169	4.00%	55,231	4.00%	59,127	4.00%	62,812	4.00%	63,512	4.00%
NET OPERATING INCOME (NOI)	297,256	22.79%	328,225	23.77%	364,570	24.66%	392,914	25.02%	394,343	24.84%
Loan (Interest Payment)	241,676	18.53%	234,187	16.96%	226,315	15.31%	218,040	13.89%	209,341	13.18%
LOAN (Principal Reduction)	146,380	11.22%	153,869	11.14%	161,741	10.94%	170,016	10.83%	178,715	11.26%
NET CASH FLOW	(\$90,800)	-6.96%	(\$59,831)	-4.33%	(\$23,486)	-1.59%	\$4,858	0.31%	\$6,287	0.40%
RETURN ON INVESTMENT (ROI) %	-4.22%		-2.78%		-1.09%		0.23%		0.29%	
ROI % (Including Principal Reduction)	2.59%		4.37%		6.43%		8.13%		8.60%	

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5 Year Break Even									Rooms:	
The following statistics are preliminary projection based on assumed costs of prototypical hotel.									63	
	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5	%
Lodging Rooms Available	22,995		22,995		22,995		22,995		22,995	
Lodging Occupancy %	58.7%	58.7%	57.4%	57.4%	56.5%	56.5%	57.2%	57.2%	57.1%	57.1%
Total Occ. Rooms	13,507		13,194		12,997		13,156		13,139	
Average Daily Rate	\$104.28		\$107.41		\$110.64		\$111.74		\$112.86	
Revenue Per Available Room (REVPAR)	\$61.26		\$61.63		\$62.53		\$63.93		\$64.49	
REVENUE:										
Guest Rooms	1,408,571	98.35%	1,417,208	98.17%	1,437,929	98.14%	1,470,076	98.16%	1,482,858	98.05%
Telephone / Misc. Revenue	3,377	0.24%	3,299	0.23%	3,249	0.22%	3,289	0.22%	3,285	0.22%
Meeting Space	6,754	0.47%	9,896	0.69%	11,047	0.75%	11,183	0.75%	13,139	0.87%
Vending Revenue	13,507	0.94%	13,194	0.91%	12,997	0.89%	13,156	0.88%	13,139	0.87%
TOTAL HOTEL REVENUE	1,432,209	100%	1,443,596	100%	1,465,223	100%	1,497,703	100%	1,512,421	100%
HOTEL PAYROLL EXPENSE										
Hotel Manager	65,000	4.54%	66,950	4.64%	68,959	4.71%	71,027	4.74%	73,158	4.84%
Maintenance	28,171	1.97%	31,887	2.21%	35,948	2.45%	44,102	2.94%	44,486	2.94%
Housekeeping	60,782	4.24%	59,373	4.11%	58,487	3.99%	59,202	3.95%	59,126	3.91%
Front Desk	90,000	6.28%	92,700	6.42%	95,481	6.52%	98,345	6.57%	101,296	6.70%
Breakfast/Social	21,129	1.48%	21,258	1.47%	21,569	1.47%	22,051	1.47%	22,243	1.47%
Workers Comp Insurance	6,099	0.43%	6,273	0.43%	6,472	0.44%	6,817	0.46%	6,952	0.46%
Payroll Tax	33,898	2.37%	34,805	2.41%	35,864	2.45%	37,693	2.52%	38,407	2.54%
TOTAL HOTEL PAYROLL	305,078	21.30%	313,246	21.70%	322,779	22.03%	339,238	22.65%	345,667	22.86%
HOTEL OPERATING EXPENSE										
Cleaning Supplies	7,429	0.52%	7,257	0.50%	7,148	0.49%	7,236	0.48%	7,226	0.48%
Laundry Supplies	6,754	0.47%	6,597	0.46%	6,499	0.44%	6,578	0.44%	6,570	0.43%
Linens	8,104	0.57%	7,916	0.55%	7,798	0.53%	7,894	0.53%	7,883	0.52%
Guest Supplies	10,130	0.71%	9,896	0.69%	9,748	0.67%	9,867	0.66%	9,854	0.65%
Operating Supplies	11,481	0.80%	11,215	0.78%	11,047	0.75%	11,183	0.75%	11,168	0.74%
Uniforms Expense	1,351	0.09%	1,319	0.09%	1,300	0.09%	1,316	0.09%	1,314	0.09%
Repairs & Maintenance	7,043	0.49%	7,086	0.49%	10,784	0.74%	11,026	0.74%	11,121	0.74%
Swimming Pool Maintenance	7,500	0.52%	9,000	0.62%	10,800	0.74%	12,960	0.87%	15,552	1.03%
Grounds/Landscape	5,500	0.38%	5,665	0.39%	5,835	0.40%	6,010	0.40%	6,190	0.41%
Franchise Royalty Fee	98,600	6.88%	99,205	6.87%	100,655	6.87%	102,905	6.87%	103,800	6.86%
Property Mgmt. System Expense	7,043	0.49%	7,086	0.49%	7,190	0.49%	7,350	0.49%	7,414	0.49%
Complimentary Breakfast	50,651	3.54%	49,478	3.43%	48,739	3.33%	49,335	3.29%	49,271	3.26%
Travel Agent Fees	42,257	2.95%	42,516	2.95%	43,138	2.94%	44,102	2.94%	44,486	2.94%
Reservations Expense	28,171	1.97%	28,344	1.96%	28,759	1.96%	29,402	1.96%	29,657	1.96%
Vending Expense	6,754	0.47%	6,597	0.46%	6,499	0.44%	6,578	0.44%	6,570	0.43%
Office Supplies	1,351	0.09%	1,319	0.09%	1,300	0.09%	1,316	0.09%	1,314	0.09%
Marketing / Advertising	28,644	2.00%	28,872	2.00%	29,304	2.00%	29,954	2.00%	30,248	2.00%
Utilities	93,094	6.50%	93,834	6.50%	95,239	6.50%	97,351	6.50%	98,307	6.50%
Telephone	6,754	0.47%	6,597	0.46%	6,499	0.44%	6,578	0.44%	6,570	0.43%
Internet Expense	3,780	0.26%	3,969	0.27%	4,167	0.28%	4,376	0.29%	4,595	0.30%
Cable	11,340	0.79%	11,430	0.79%	11,604	0.79%	11,859	0.79%	11,975	0.79%
Waste Removal	7,560	0.53%	7,787	0.54%	8,020	0.55%	8,261	0.55%	8,509	0.56%
Dues & Subscriptions	2,026	0.14%	1,979	0.14%	1,950	0.13%	1,973	0.13%	1,971	0.13%
Licenses & Permits	1,621	0.11%	1,583	0.11%	1,560	0.11%	1,579	0.11%	1,577	0.10%
Credit Card Expense	32,225	2.25%	32,481	2.25%	32,968	2.25%	33,698	2.25%	34,029	2.25%
Management Fee	57,288	4.00%	57,744	4.00%	58,609	4.00%	59,908	4.00%	60,497	4.00%
Other Expense/Frequent Stay	35,805	2.50%	36,090	2.50%	36,631	2.50%	37,443	2.50%	37,811	2.50%
TOTAL OPERATING EXPENSES	580,255	40.51%	582,862	40.38%	593,785	40.53%	608,036	40.60%	615,479	40.69%
Income Before Fixed Expenses	546,876		547,489		548,658		550,430		551,274	
Gross Operating Profit (GOP)										
RESERVES & FIXED EXPENSES										
Real Estate Taxes (Estimates)	80,000	5.59%	80,000	5.54%	80,000	5.46%	80,000	5.34%	80,000	5.29%
Insurance	21,483	1.50%	21,654	1.50%	21,978	1.50%	22,466	1.50%	22,686	1.50%
Reserves For Replacement	57,288	4.00%	57,744	4.00%	58,609	4.00%	59,908	4.00%	60,497	4.00%
NET OPERATING INCOME (NOI)										
Loan (Interest Payment)	241,676	16.87%	234,187	16.22%	226,315	15.45%	218,040	14.56%	209,341	13.84%
Loan (Principal Reduction)	146,380	10.22%	153,869	10.66%	161,741	11.04%	170,016	11.35%	178,715	11.82%
NET CASH FLOW	\$49	0.00%	\$35	0.00%	\$15	0.00%	(\$0)	0.00%	\$35	0.00%

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COMMUNITY DEVELOPMENT AUTHORITY SUMMARY SHEET

MEETING DATE: Wednesday, November 7, 2018

SECTION: Business

DEPARTMENT: Community Development

CONTACT:

AGENDA ITEM: Update on RFP process for Farwell Street properties

PREVIOUS ACTION:

ISSUE SUMMARY:

FINANCIAL/BUDGET IMPACT:

VILLAGE PLAN REFERENCE:

ORDINANCE REFERENCE:

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:

ATTACHMENTS:

None



COMMUNITY DEVELOPMENT AUTHORITY SUMMARY SHEET

MEETING DATE: Wednesday, November 7, 2018

SECTION: Business

DEPARTMENT: Community Development

CONTACT:

AGENDA ITEM: Update on potential sale of 5411 Bashford Street

PREVIOUS ACTION:

ISSUE SUMMARY:

FINANCIAL/BUDGET IMPACT:

VILLAGE PLAN REFERENCE:

ORDINANCE REFERENCE:

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:

ATTACHMENTS:

None