INTERIM HOSPITALITY CONSULTANTS

FEASIBILITY STUDY

with

FINANCIAL PROJECTIONS

for a proposed

COBBLESTONE HOTELS

in
Luray, Virginia
for
Amity Moler,
County Administrator
Page County, Virginia

BOARD OF SUPERVISORS PAGE COUNTY, VIRGINIA
SERVING THE PEOPLE

INTERIM HOSPITALITY CONSULTANTS

4145 Yardley Circle
Tallahassee, Florida 32308-2942
Telephone: 850/893-6010 • Fax: 850/893-8345 • Cell: 850/443-5010
www.interimhospitality.com • ihcex@comcast.net
Member, International Association of Hospitality Advisors
Member, Extended-Stay Hotel Council, AHLA

INTERIM HOSPITALITY CONSULTANTS
Celebrating 25 Years
Office: 850.893.6010
Fax: 850.893.8345
Cell: 850.443.5010
E-mail: ihcex@comcast.net
www.interimhospitality.com
4145 Yardley Circle, Tallahassee, FL 32309-2942

September 7, 2016

Ms. Amity Moler, County Administrator
Page County, Virginia
103 South Court Street
Luray, Virginia 22835

Via Federal Express

Dear Ms. Moler:

This report, entitled "Feasibility Study with Financial Projections for the development of a proposed Cobblestone Hotel" at either the northwest or northeast intersection of U.S. 112 and U.S. 340 at College Drive in Luray, Virginia, has been prepared pursuant to our agreement of August 12, 2016.

The report consists of a survey of the site and surrounding areas regarding the suitability for hotel development; a market study of the Luray, Virginia area pertaining to transient lodging facilities; and based on these studies, estimates and assumptions, discussed in this report, the Financial Projections for the proposed hotel.

The scope of our work is described in the attached report and includes, among other things, the following steps: We discuss the demand for the facilities with representatives of government, commerce, and industry. We revisited economic and demographic data and industrial growth statistics of the area. Existing and planned travel patterns, area approaches, hotels, restaurants, and lounges were surveyed and analyzed as they pertain to the site.

In accordance with our engagement letter, we did not ascertain the legal and regulatory requirements applicable to this project, including zoning, permits, licenses, and other state and local government regulations. No effort has been made to determine the possible effect on this project of present or future federal, state, and local legislation, including any regarding environmental or ecological matters, nor an analysis of the potential impact of possible energy shortages.

Our study is based on information developed from research of the market, knowledge of the industry, and conversations with you during which we were provided certain information. The sources of information and bases of our estimates and assumptions are stated in the body of this report. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

The accompanying projections are based on estimates and assumptions developed in connection with the Feasibility Study. However, certain assumptions may not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the projection period may vary from the forecasts, and the variations may be material.

The Author and Interim Hospitality Consultants will not be liable for errors and omissions in judgment, negligence, or other fault in connection with this Feasibility Study, except for acts of gross negligence, willful malfeasance, and fraud.

We acknowledge that the hotel will be financed through one or more loans with financial institutions, and said financial institutions may rely on the Feasibility Study when determining whether to extend financial credit and the terms thereof. In addition, we understand that you plan to offer ownership interests in the hotel to accredited investors in a private placement under various rules and regulations of the Securities Acts (Offering), and that investors may rely on the Feasibility Study as part of their investment analysis.

Further, we acknowledge that you and others may utilize the Feasibility Study to evaluate the market potential for the proposed hotel, planning the composition of the hotel, projecting levels of market penetration, occupancy, and average room rate, preparing cash flow and financial projections, and other purposes.

In your multiple capacities as developer of the hotel, you and your agents and assigns, are hereby authorized to utilize the Feasibility Study for its intended purposes and in pursuance of the matters described herein. As such, you and your agents and assigns, are authorized to disclose the Feasibility Study to any and all third parties and their attorneys, accountants, and employees who need access in order to analyze aspects of the hotel. These authorizations may not and will not be revoked. Neither you nor third parties to which you disclose the Feasibility Study have a duty to maintain the confidentiality of the Feasibility Study. We acknowledge that the Feasibility Study is owned by you, and you may utilize it as your sole property.

Thank you for allowing Interim Hospitality Consultants to be of service to you.

Regards,

Edward L. Xanders

Edward L. Xanders, CHA
Its Manager

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Supporting Documents:

- Trends in the Hotel Industry, USA Edition 2015 by PKF Hospitality Research
- Hotel Development Cost Survey 2015/16 by HVS
- Hotel Financial Strategies
- Potential Financing Sources
- Tax Incentives for Industry
- Project Cost Estimation Sheets
- Hotel Management Companies – Annual Rankings

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INTRODUCTION

Interim Hospitality Consultants was engaged to conduct a Feasibility Study with Financial Projections for a proposed Cobblestone Hotel to be located at either the northwest or northeast intersection of U.S. 112 and U.S. 340 at College Drive in Luray, Virginia. The proposed Cobblestone Hotel is to have all the amenities commensurate with a mid-market transient hotel.

Objectives of Study

The basic objectives of the study were to:

1. Evaluate the market potential for the proposed hotel based on an analysis of the market support for a lodging facility on the subject site.

2. Comment on the appropriate number, types, and sizes of guest rooms and other amenities which would best serve the needs of the market.

3. Project levels of market penetration, occupancy, and average room rate for the proposed hotel for the first five years of operations.

4. Prepare detailed projections of Cash Flow from operations before fixed charges for the hotel for the first five years of operations.

5. Provide a written report containing the conclusions of the Feasibility Study and present Financial Projections for the proposed hotel.

Scope of Study

The Feasibility Study included a variety of work steps which enabled us to evaluate historic trends and project the future competitive supply of and demand for lodging accommodations in the area. The scope of the work included, but was not necessarily limited to, the following:

1. An analysis and economic evaluation of the Luray, Virginia, market area based on interviews with area businessmen and government officials, compilation of pertinent market data, and a review of those economic indices which would be most relevant to the success of the proposed project.

2. An inspection of the site and surrounding area to determine their suitability for the proposed hotel, taking into consideration such factors as accessibility, visibility, and proximity to demand generators.

3. An inspection and analysis of the hotels in Luray, Virginia, that would provide the primary competition to the proposed hotel. Our census of the competitive facilities included existing hotels as well as those under construction, planned, or rumored.

4. A determination of the current overall market demand and rooms in the subject area and the share of market demand that is generated by tourists, commercial travelers, and group meetings/ convention delegates.

5. A projection of growth rates for the various market segments based on the factors that should impact the future demand for hotel rooms.

6. An evaluation of the projected hotel supply and demand relationship in the market area to reach conclusions regarding the market support for the proposed hotel.

7. Comment on the proposed facilities in terms of number, mix, and type of guest rooms, and recreational amenities.

8. Comment on the proposed facilities in terms of style and size.

9. Projections of occupancy and average room rate for the proposed hotel, including projected market mix of guests.

10. Projections of cash flow from operations before fixed charges for the first five years of operations.

CONCLUSIONS

The Market research and analysis, as described in this report, indicate that the composition, strength, and projected demand for lodging accommodations in Luray, Virginia, are sufficient to support the proposed Cobblestone Hotel.

Market Area Analysis
(Section C)

Luray, Virginia is sometimes thought of as a "laid back" small village in rural Page County in a valley of the Shenandoah Mountains to the east and the George Washington National Forest to the west. That may be correct in times gone by – but not in the 21st Century.

Page County ranks fourth in Virginia agricultural revenue and third in the sale of livestock and poultry.

Economic tourism follows with the world-famous Luray Caverns with its majestic beauty far beneath the ground to the panoramic vistas of the scenic Blue Ridge Parkway across the summit of the Shenandoah Mountains.

Luray is the county seat of Page County and continues to grow with the county as the two economic engines of Agriculture and Tourism expand into the new Century.

Site and Area Evaluation
(Section D)

The site for the proposed Cobblestone Hotel is either at the northwest or northeast intersection of U.S. 211 and U.S. 340 at College Drive. This road is the bypass route to the west side of Luray Virginia. Traffic of both north/south and east/west utilizes this roadway through the county and to reach the Luray Caverns, the number one tourist attraction in Luray.

Both sites are well within sufficient size to host the hotel with additional out parcels for future retail development. Also, the sites are owned by Page County and have all utilities currently in place.

If the ownership of the Luray Caverns became involved in the hotel development, their Luray Caverns Motel, across from their Bell Tower, would be an excellent location for the Cobblestone Hotel.

Supply and Demand Analysis
(Section E)

The hotel offerings in Luray, Virginia are unfortunately locked in the Past 20th Century with out-of-date hotels offerings.

It has long been stated that at an occupancy of:

40.0%	A hotel loses money, if it has a high Debt Service;
50.0%	The hotel breaks even; and
60.0%	The hotel makes money.

Only two local hotels are franchised – the Best Western built in 1965, and the former Holiday Inn, built in 1974 – now a Days Inn, which report their Occupancy data to Smith Travel Research (STR). An STR Trend Report illustrates a very seasonal hotel market:

Competitive Market Set Luray, Virginia			
2015			
Month	**Occupancy %**	**Average Daily Rate**	**RevPAR**
Jan	30.1	77.40	23.30
Feb	30.2	79.26	23.93
Mar	36.0	81.43	29.30
Apr	54.3	86.94	47.25
May	56.4	101.03	56.96
Jun	55.9	96.92	54.22
Jul	69.0	100.61	69.47
Aug	67.2	99.17	66.61
Sep	60.2	93.68	56.41
Oct	68.4	101.43	69.39
Nov	47.6	84.27	40.12
Dec	33.4	81.29	27.17

Year	Occupancy %	Average Daily Rate	RevPAR
2010	43.2	76.26	32.91
2011	44.4	80.30	35.65
2012	47.1	84.18	39.64
2013	46.6	85.00	39.62
2014	48.0	89.80	43.14
2015	50.9	92.75	47.17

Source: Smith Travel Research, Hendersonville, Tennessee

Competitive Accommodations

The Mimslyn Inn

The 49-room, upper midscale hotel is the only interior corridor facility in Page County. The 1932 Dining Room is a true experience of Vintage Fine Dining, while the Speakeasy Bar offers casual dining. The guest accommodations are distinctly of Mid-20th Century decor appointed for couples – not today's commercial guest. Located in the central business district of Luray, the hotel hosts the only first class meeting space in Page County.

Skyland Resort

The 178-room mountaintop, motel style accommodations are only five miles – "as the crows fly." However, it is a 20-30 minute drive up the mountain on the Blue Ridge Parkway

to Skyland located inside the Shenandoah National Park. The property offers a full restaurant, lounge, family entertainment and small conference rooms. The guest rooms have new white bed linens and flat screen televisions with analog signals. The hotel is closed in December and January.

Days Inn and Best Western

These two exterior corridor motels have high definition television. However, all furnishings and bedding are last century.

Other local older motels have yet to add high definition televisions and new bedding.

Bed and Breakfast Inns

The eight to ten local bed and breakfast inns cater to the leisure couple in a successful décor distinctive to each inn.

Cabins

The "Cabin Capital of Virginia" has over 80 cabin entities, offering over 400 cabin guest rooms in picturesque rural country sites, along streams/rivers and mountain vistas. These excellent accommodations are marketed to families and leisure couples. A number of properties are open year round.

The Page County Economic Development Office recognizes the need for a 21st Century hotel to meet the demands of future Economic Development. The Cobblestone Hotel will meet and exceed that Mission.

Proposed Facilities and Services
(Section F)

General Concept

The Market Research for this Feasibility Study has revealed that there is sufficient demand for a 60-room upscale, mid-priced, limited-service hotel. The Findings of the Market Research have forecasted a Cobblestone Hotel.

A Cobblestone Hotel exemplifies a true mid-priced interior corridor hotel with guest room amenities expected by the traveling public in today's Hotel Market. The hotel is reminiscent of a Hilton Hampton Inn, Holiday Inn Express or Marriott Springhill Suites.

The two-story building can be adapted to three stories if required by site constraints. The Cobblestone Hotel incorporates local architecture and exterior features of décor. A two-lane porte-co-chère welcomes each guest.

Lobby

A gas flame natural stone fireplace and mantel establishes a warm, friendly Welcome into the Hotel Lobby with sofa, easy chairs, ottoman and a Guest Business Center with computers and printer. The Front Desk is staffed 24 hours a day.

Breakfast Area

The self-served hot breakfast area has table seating for 20 and eight bar stools. Breakfast is served at 6:00 a.m. to 9:00 a.m. weekdays, and 7:00 a.m. to 10:00 a.m. on weekends, featuring premium Wolfgang Puck coffee, available 24 hours a day.

Social Bar

The eight bar stools are adjacent to the front desk offering, depending upon local ordinances:

- Full liquor, beer and wine, or
- Beer and wine, or
- Gourmet coffee and tea
- Certain hotels also heat and sell frozen pizza.

Possibly, Luray will offer full Beverage Service.

Each Cobblestone Hotel location is subject to local ordinances and the volume of revenue and expenses are minimal, due to the size of the hotel. The Proforma of this study did factor a limited monetary amount of this very well-received guest amenity.

Retail Center

A full guest Retail Center is adjacent to the Front Desk, offering cold beverages, frozen food and ice cream as well as snacks, candy and toiletries. Certain hotels offer souvenirs unique to that community.

Revenues for the area are minimal; however, with a very high guest satisfaction point. Income and expenses are factored under Other Income in the Performa.

Fitness Room – Guest Laundry

A two-person Fitness Center, also hosting a washer/dryer, is available to all guests.

The guest room corridor is six feet wide and the ground floor features two guest luggage carts. A guest elevator to the third floor is warranted, and also is proposed for use by

senior-age guests. The stairwells, at each end of the building, have vinyl wall covering, decorative lighting fixtures, and are fully carpeted with heating and air conditioning.

Hotel Guest Rooms

Cobblestone Hotel Luray, Virginia Proposed Room Mix	
King Room	26
Queen/Queen Room	28
King Celebration Room	2
King Extended Stay Room*	4
Total Rooms	60

Source: Interim Hospitality Consultants
*Connects to a Queen/Queen Room

All guest rooms feature:

- The guest room key is a Radio Frequency Identification (RFID) lock technology.
- Hospitality Center of refrigerator/freezer, microwave and coffee maker
- Full open closet with wood hangers, ironing board, iron and two luggage racks
- Free-standing lamps and 42-inch High Definition Television
- Bedside convenience electric and USB outlets with a clock radio
- Full-size bath, shower/tub and two framed dressing mirrors
- King Rooms and the Celebration Room feature a glass-doored walk-in shower for two.

The Hotel has four Extended Stay Suites with a full kitchen, parlor with sofa bed and a separate King bedroom. Occupancy is factored at five days or more. The Luray hotel will feature two Celebration King Rooms with a whirlpool tub for two.

Source: Cobblestone.com

The Hotel Feasibility Study for each Cobblestone Hotel delineates the hotel features that should be included to meet that community's hotel market. These market-driven amenities are the basis of overall hotel profitability and may not be included in an individual property as they are selected on meeting the guests' expectations.

1. Flexibility in offering 40-60 guest rooms
2. Electronic sliding Hotel front door
3. Guest elevator to upper floors
4. Indoor swimming pool
5. Meeting room for 50 guests
6. Additional extended-stay rooms
7. Separate Conference Center building for 100-500 guests
8. Sun Patio adjacent to the indoor pool with evening fire pit
9. Guest room safe
10. Exterior architectural design to the local market

The selection of the hotel market-driven features establishes a lower construction cost.

Cobblestone Operations Plan

The key to operating the 40-60 room Hotel profitably is the multi-tasking of all employees. A typical 40-60 room Cobblestone Hotel has only three full time and four to five part-time employees.

- A hotel day begins at 5:00 a.m. with the Night Auditor preparing the hot breakfast by 6:00 a.m., while continuing front desk duties until 7:00 a.m.

- At 7:00 a.m., the Hotel Manager arrives to perform front desk duties until 3:00 p.m. Additionally, the Hotel Manager serves and cleans up breakfast while performing daily Front Desk check outs and General Manager paperwork. By 11:00 a.m. the Manager is cleaning the lobby and vacuuming the hotel guest rooms that were cleaned by the previous evening's Desk Clerk and Night Auditor, but not vacuumed as carpet cleaning is not permitted after 8:00 p.m. The Manager/Desk Clerk/Room Attendant also cleans the rooms on the second floor. If the hotel is sold out, the Manager will schedule a part-time Room Attendant to service a number of rooms on the second or third floor. If the hotel also has a meeting room, a part-time houseman may be added for the servicing of the meeting room, swimming pool and other hotel areas.

- At 3:00 p.m. the "B-Shift" Desk Clerk relieves the General Manager from front desk duties and also cleans first floor guest rooms along with registering new

arriving guests and hosting the Lobby Bar. The General Manager is to make the cash bank deposit and perform Public Relations duties in the local community.

- The Night Auditor arrives at 11:00 p.m., performs the night audit, and all hotel laundry operations which includes restocking the Room Attendant carts on upper floors, prior to starting Breakfast at 5:00 a.m.

This multi-tasking Desk Clerk Operation is facilitated by a "ring down" telephone. The arriving guest picks up the telephone located on the Front Desk Counter to request the Desk Clerk. A second house phone is located in the hotel vestibule to summon the "C-Shift" Night Auditor.

Total Hotel Payroll and Burden expense is factored at under 20% of total revenues for a Cobblestone Inn. A normal 80-room limited-service hotel has a payroll cost in excess of 25%.

The Cobblestone Operations Plan of market-driven amenities, first class, mid-priced transient hotel rooms, coupled with a multi-tasking hotel staff, produces a profitable Cobblestone Inn in over 80 small communities across the United States.

Projected Utilization of the Proposed Hotel
(Section G)

Cobblestone Hotel Luray, Virginia Optimum Proforma Year One					
		Season	*Shoulder*	*Balance of Year*	*2019*
Months		***6,7,8,10***	***3,4,5,9,11***	***1,2,12***	
Days		***123***	***152***	***90***	***365***
Room Mix	***# Rooms***				
King Room	26	130.00	60.00	45.00	
Queen/Queen Room	28	140.00	70.00	55.00	
Celebration Suite	2	150.00	90.00	60.00	
King Extended Stay Suite	4	80.00	50.00	40.00	
Total Rooms:	**60**				
Optimum Revenue					
King Room	26	415,740	237,120	105,300	758,160
Queen/Queen Room	28	482,160	297,920	138,600	918,680
Celebration Suite	2	36,900	27,360	10,800	75,060
King Extended Stay Suite	4	39,360	30,400	14,400	84,160
Total Optimum Revenue		974,160	592,800	269,100	1,836,060
Seasonal Occupancy		80.0%	50.0%	30.0%	55.2%
Optimum Guest Room Nights		7,380	9,120	5,400	21,900
Seasonal Guest Room Nights		5,904	4,560	1,620	12,084
Seasonal Revenue		779,328	296,400	80,730	1,156,458
Seasonal Average Daily Rate		132.00	65.00	49.83	95.70
				Average Daily Rate use	**95.00**
				Occupancy use	**55.0%**

Source: Interim Hospitality Consultants

Based upon the occupancy of the Cobblestone Hotel, the proposed hotel's Total Market Penetration and underlying assumptions are summarized as follows:

1. *Leisure:* Due to the hotel being marketed as the number one quality product in the transient hotel classification, the hotel's projected penetration of fair market share will rise from 107.8% to 114.5% over the five-year projection period.

2. *Commercial:* The fair market share of commercial business is projected to rise from 107.8% to 114.5%. This can be achieved with a professional sales marketing effort. If for any reason the tourist business declines through seasonality or energy shortages, state and local commercial solicitation must be made to offset the decline.

3. *Occupancy:* The projected occupancy should be attainable if the property is built as described, professionally operated in all facets, and business of the area continues to be positive. In years 3 to 5, additional competition may materialize to substantially reduce the projections.

These projections are based on estimates and assumptions developed in connection with the Feasibility Study. However, certain assumptions may not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the projection period may vary from the forecasts, and the variations may be material.

Proposed Cobblestone Hotel Luray, Virginia			
Year	*Occupancy*	*Average Daily Rate*	*Room Revenue*
2019	55.0%	$ 95.00	$1,144,280
2020	57.0%	$100.00	$1,251,720
2021	59.0%	$105.00	$1,356,710
2022	61.0%	$110.00	$1,469,490
2023	63.0%	$116.00	$1,600,450

Source: Interim Hospitality Consultants

Financial Analysis
(Section H)

Projections of annual operating returns for the Cobblestone Hotel were prepared for five years, 2019 through 2023. The projections are based on the results of operations of comparable facilities and our conclusions regarding the environment in which the hotel would operate.

Cobblestone Hotel Luray, Virginia			
Year	*Total Revenue*	*Net Operating Income Before Debt Service*	
2019	$1,276,780	$548,650	43.0%
2020	$1,389,410	$625,970	45.1%
2021	$1,498,840	$702,080	46.8%
2022	$1,615,120	$792,500	49.1%
2023	$1,752,220	$890,200	50.8%

Source: Interim Hospitality Consultants

Hotel Development Information

The Cobblestone Hotel Development Model calls for local investors to raise the 25% equity to build a Cobblestone Hotel. This mid-priced transient hotel – similar to Hampton Inn and Holiday Inn Express – will have a development estimated cost of $75,000 per room, or $4.5 million in Luray. Thus, a $1.125 million Equity Fund is estimated, as the county site may be available at a reasonable cost, for the Hotel Development.

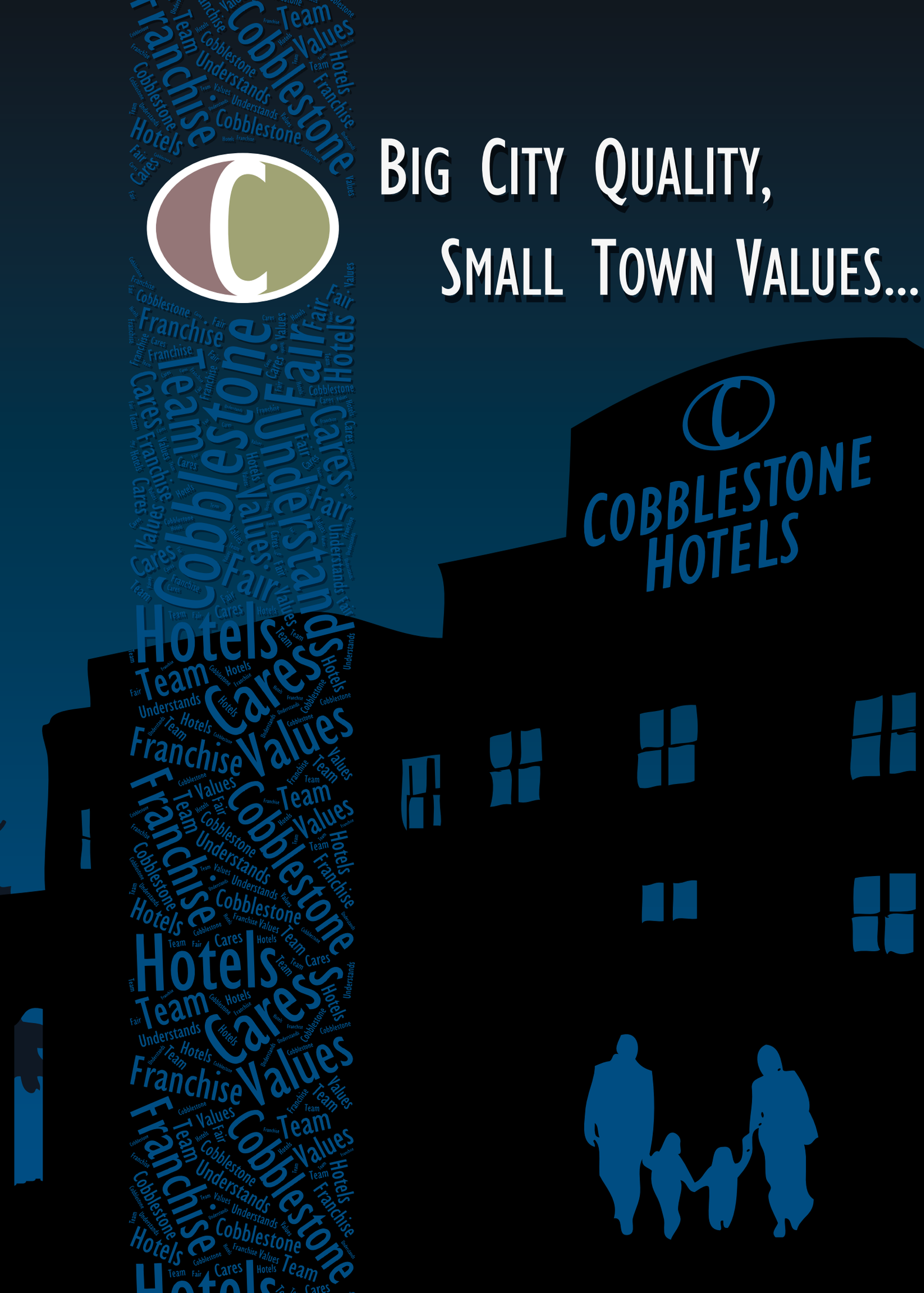
The Appomattox Inn and Suites in Appomattox, Virginia, opened in 2016 with 56 rooms. An Interim Hospitality Consultants Feasibility Study was the basis for the Hotel Development fostering the Cobblestone Business Model.

Source: AppomatttoxInnandSuites.com

Appomattox Inn and Suites
447 Old Courthouse Road
Appomattox, Virginia 24522
434.664.2018

Information on the Cobblestone Hotel brand is presented on the following pages.

Big City Quality,
Small Town Values...



COBBLESTONE HOTELS

Small towns drive considerable demand

Known as an all-new-construction brand, Neenah, Wis.-based Cobblestone Hotels began in 2008 as a solution for small Midwestern towns that had demand for hotel rooms but not on a huge scale. After designing a 31-room prototype, co-founders CEO Brian Wogernese and CFO Mark Pomerenke originally thought they would be the sole investors, Wogernese said. Then the phone started ringing as other potential investors grew interested. Today, the upper-midscale limited-service chain, which has its own management company, remains focused on its original goals while incorporating growth to new regions. *Hotel Management* spoke with Wogernese on why this formula works.

HM: We hear a lot these days about brand expansion only in key gateway markets. That's not Cobblestone's plan. Why not? What makes these small towns a good fit and how do you do feasibility studies?

BW: We're not just in tertiary markets; we're in tertiary markets of tertiary markets. It can be difficult to determine if a hotel will make it or not in these markets, because it's not like we can pull a STR report in many cases. We have to talk to locals and do a lot of digging to feel comfortable. We look at the whole area. We look to see where people are staying. These small towns can pull from much larger communities. If visitors need to drive half an hour or 45 minutes away to get to the next bigger city, then we have a chance. We do studies for every market we enter and we build anywhere from a 31-room property up to a 50- or 60-room one.

HM: The first Cobblestone opened in 2008, yet you still had considerable interest during the recession. Why?

BW: Every city has weddings, class reunions and other business that you can count on. There's no clear-cut financing plan for every deal. Our deals aren't big

See **Cobblestone Hotels** | page 44

COBBLESTONE HOTELS

INSIDE THE DEAL

Cobblestone Hotels opened the new-build Cobblestone Hotel and Suites and One Box Convention Center in Broken Bow, Neb., in mid October (shown). The hotel has 36 guestrooms and more than 1,000 square feet of meeting space in the attached convention center. Wogernese said the company will consider meeting space with new projects if the need is there. "We're not in the business to do convention centers, but we've had two properties open recently with this type of space and they saw the need in their community. Both of them are busy," he said.

info

BRIEF COMPANY HISTORY

Co-founders Brian Wogernese and Mark Pomerenke were franchisees of other hotel brands before starting Cobblestone. "We were driving through the Midwest from Pipestone, Minn., through all these little towns," Wogernese said. "We saw that they needed a hotel. Maybe not something big, but something." Today the company franchises, develops and operates Cobblestone Inn & Suites, Cobblestone Hotel & Suites and Boarders Inn & Suites hotels in the upper-midscale select-service segment.

FIRST PROPERTY OPENED
2008

PROPERTIES OPEN
34

PROPERTIES UNDER CONSTRUCTION
10

PROPERTIES IN THE PIPELINE
45

LOCATION
13 states

SERVICES
Design, construction and procurement services, development, franchising, operations

Cobblestone Hotels

Continued from page 12

and sexy and we tend to work with smaller regional banks. Mark and I personally invest in almost every property. Other than that we may have a lot invested at different levels, but no deal is more than 60 percent leveraged.

HM: What construction costs and labor trends have you noticed in the markets Cobblestone is in?

BW: We bring in the entire team. If there are locals who can do it, that's great, but we tend to stick with people we know. The brand started with new-builds because there really isn't any other option in most of these places. They can be done cost effectively and people like the 'new-car smell.' We have found that development so often is based on relationships with companies that know your product and pricing.

HM: Your core brands, Cobblestone Hotel & Suites and Cobblestone Inn & Suites, are all new-build, but your Boarders Inn & Suites brand is conversion. How do they all fit together?

BW: The Hotel & Suites brand has a pool and the Inn & Suites brand does not, so those just depend on the market. Our Boarders brand grew as a lower-cost option for owners that might be at the end of a license agreement and want to convert. We're in some larger markets with Boarders but it's not really what we're focusing on. For those we want quality conversions—we don't want to just take anything.

HM: The U.S. has no shortage of small towns. Where are you looking now?

BW: Our largest concentration now is Iowa, Nebraska and North Dakota. Texas is another big focus for us; we have three in the ground right now. We have two under construction in Pennsylvania. Our three hotels under construction in Texas are related to the oil fields, but not all of our six North Dakota properties are there because of the oil. Our pipeline for 2014 is a lot bigger than it was last year. In the first half of this year we'll open 10 hotels. We have so many pieces to what we do. I'm involved in development, construction and management. I don't think I'd ever want to be just a franchisor. I don't want to say, "Here's a franchise agreement, send us some money, see you later." We want to be involved with our developers. There's a personal aspect to what we do. We're still small enough that I go to every groundbreaking and every grand opening at the very least; usually I'm there along the way. HM

Stephanie Ricca

COBBLESTONE HOTELS

All Cobblestone Hotel & Suites properties offer hot breakfast. Many also have a beer and wine bar.

WISCONSIN

Brillion – Cobblestone Inn & Suites
800 W Ryan St • Brillion, WI 54110
Phone: (920) 756-3800
brillion@staycobblestone.com

Clintonville – Cobblestone Inn & Suites
175 Waupaca St • Clintonville, WI 54929
Phone: (715) 823-2000
clintonville@staycobblestone.com

Durand – Cobblestone Inn & Suites
325 W Prospect St • Durand, WI 54736
Phone: (715) 672-5055
durand@staycobblestone.com

Evansville – Boarders Inn & Suites
715 Brown School Rd • Evansville, WI 53536
Phone: (608) 882-0936
evansville@stayboarders.com

Oshkosh – Cobblestone Inn & Suites
1515 Planeview Rd • Oshkosh, WI 54904
Phone: (920) 230-7400
oshkosh@staycobblestone.com

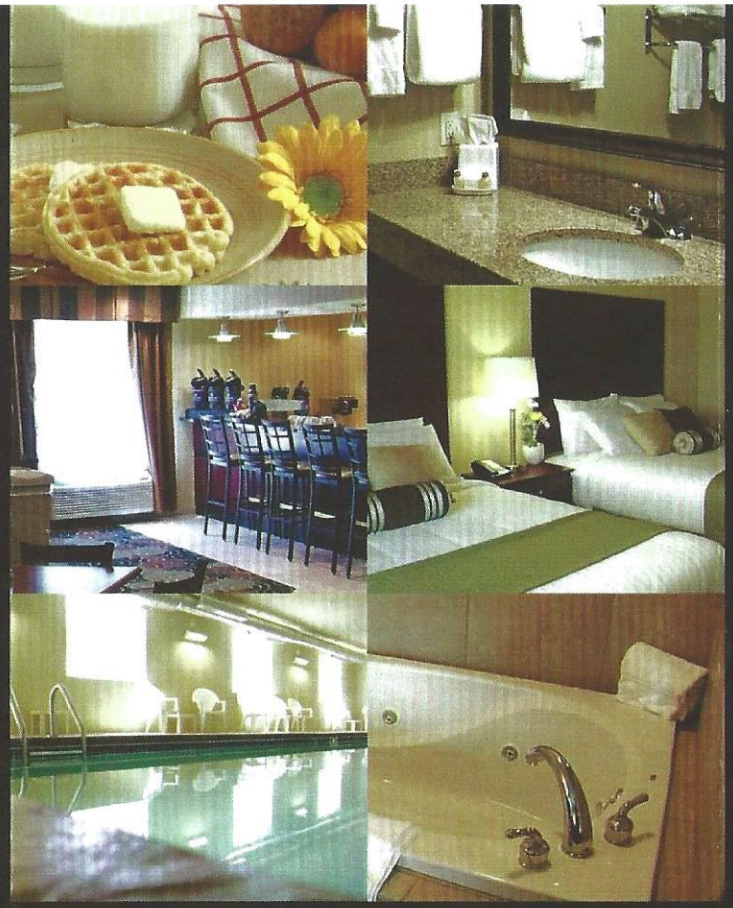
Ripon – Boarders Inn & Suites
1219 W Fond Du Lac St • Ripon, WI 54971
Phone: (920) 748-7578
ripon@stayboarders.com

Waupun – Boarders Inn & Suites
5 Gateway Dr • Waupun, WI 53963
Phone: (920) 324-2500
waupun@stayboarders.com

Wautoma – Boarders Inn & Suites
W7696 State Rd 21 & 73 • Wautoma, WI 54982
Phone: (920) 787-5050
wautoma@stayboarders.com

★ *Coming Soon*

Updated May 2013



COBBLESTONE DIRECTORY

Corporate Headquarters:
980 American Drive • Neenah, WI 54956

Toll Free Reservation Line:
(888) 693-8262

Websites:
www.staycobblestone.com
www.stayboarders.com
www.cobblestonedream.com

COBBLESTONE HOTELS

COBBLESTONE DIRECTORY

COBBLESTONE INN & SUITES | boarders INN & SUITES | COBBLESTONE HOTEL & SUITES

COLORADO

★ Holyoke – Cobblestone Inn & Suites
805 Interocean Ave • Holyoke, CO 80734
Phone: (970) 854-3222
holyoke@staycobblestone.com

★ Wray – Cobblestone Inn & Suites
35952 Hwy 385 • Wray, CO 80758
Phone: (970) 332-5000
wray@staycobblestone.com

ILLINOIS

★ Newton – Cobblestone Hotel & Suites
100 Gregory Dr • Newton, IL 62448
Phone: (618) 783-5550
newton@staycobblestone.com

IOWA

Bloomfield – Cobblestone Inn & Suites
509 S Washington St • Bloomfield, IA 52537
Phone: (641) 664-2000
bloomfield@staycobblestone.com

Fayette – Boarders Inn & Suites
515 ½ W Water St • Fayette, IA 52142
Phone: (563) 425-0214
fayette@stayboarders.com

Knoxville – Cobblestone Hotel & Suites
1212 Eric Dr • Knoxville, IA 50138
Phone: (641) 828-6100
knoxville@staycobblestone.com

Marquette – Cobblestone Inn & Suites
100 North St • Marquette, IA 52158
Phone: (563) 873-8900
marquette@staycobblestone.com

Marshalltown – Boarders Inn & Suites
115 Iowa Ave W • Marshalltown, IA 50158
Phone: (641) 752-4844
marshalltown@stayboarders.com

Vinton – Cobblestone Inn & Suites
1202 W 11th St • Vinton, IA 52349
Phone: (319) 472-2220
vinton@staycobblestone.com

KANSAS

Anthony – Cobblestone Inn & Suites
1000 N LL&G Ave • Anthony, KS 67003
Phone: (620) 842-5200
anthony@staycobblestone.com

★ Harper – Cobblestone Inn & Suites
899 Frontage Rd • Harper, KS 67058
Phone: (620) 896-2400
harper@staycobblestone.com

MICHIGAN

Traverse City – Boarders Inn & Suites
1870 US 31 North • Traverse City, MI 49686
Phone: (231) 938-1887
traversecity@stayboarders.com

MINNESOTA

★ Crookston – Cobblestone Hotel & Suites
2304 Sahlstrom Drive • Crookston, MN 56716
Toll Free: (888) 693-8262
crookston@staycobblestone.com

NEBRASKA

★ Broken Bow – Cobblestone Hotel & Suites
2570 S 27th Ave • Broken Bow, NE 68822
Toll Free: (888) 693-8262
brokenbow@staycobblestone.com

Fairbury – Cobblestone Hotel & Suites
1503 K St • Fairbury, NE 68352
Phone: (402) 587-5082
fairbury@staycobblestone.com

★ Hartington – Cobblestone Inn & Suites
405 Arens Dr • Hartington, NE 68739
Phone: (402) 254-9866
hartington@staycobblestone.com

Seward – Cobblestone Hotel & Suites
2575 Progressive Rd • Seward, NE 68434
Phone: (402) 646-1004
seward@staycobblestone.com

Wayne – Cobblestone Hotel
505 Tomar Dr • Wayne, NE 68787
Phone: (402) 833-1300
wayne@staycobblestone.com

NORTH DAKOTA

Bottineau – Cobblestone Inn & Suites
1109 11th St E • Bottineau, ND 58318
Phone: (701) 534-2121
bottineau@staycobblestone.com

Carrington – Cobblestone Inn & Suites
835 5th Ave N • Carrington, ND 58421
Phone: (701) 652- 3000
carrington@staycobblestone.com

Harvey – Cobblestone Inn & Suites
410 W. Brewster • Harvey, ND 58341
Phone: (701) 635-2222
harvey@staycobblestone.com

Killdeer – Cobblestone Hotel & Suites
158 Rodeo Dr • Killdeer, ND 58640
Phone: (701) 764-2200
killdeer@staycobblestone.com

Langdon – Cobblestone Inn & Suites
510 9th Ave E • Langdon, ND 58249
Phone: (701) 256-2420
langdon@staycobblestone.com

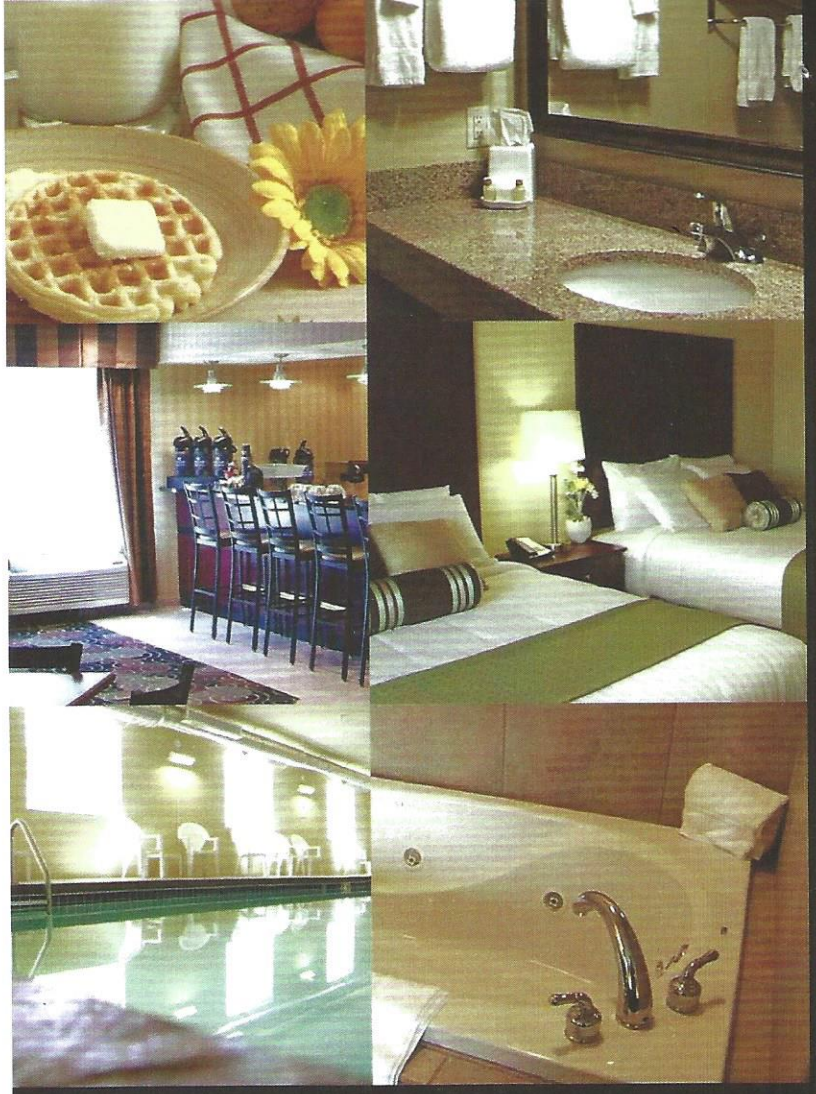
★ Rugby – Cobblestone Inn & Suites
402 Hwy 2 East • Rugby, ND 58368
Phone: (701) 881-3000
rugby@staycobblestone.com

TEXAS

★ Big Lake – Cobblestone Inn & Suites
1318 East US Hwy 67 • Big Lake, TX 76932
Toll Free: (888) 693-8262
biglake@staycobblestone.com

★ Colorado City – Cobblestone Hotel & Suites
715 West IH-20 • Colorado City, TX 79512
Toll Free: (888) 693-8262
coloradocity@staycobblestone.com

★ Stanton – Cobblestone Hotel & Suites
3394 IH-20 • Stanton, TX 79782
Toll Free: (888) 693-8262
stanton@staycobblestone.com



COBBLESTONE REWARDS

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www.stayboarders.com
www.cobblestonedream.com

COBBLESTONE REWARDS

EARN REWARDS FOR STAYING WITH US!

COBBLESTONE INN & SUITES.

boarders INN & SUITES By Cobblestone

COBBLESTONE HOTEL & SUITES

Hightlights of Brand Agreement

Philosophy & Culture

- We want to see profits come to the hotel owner/owners
- Lead by example
- Client driven organization
- Cobblestone properties are committed to every hotel within our brand

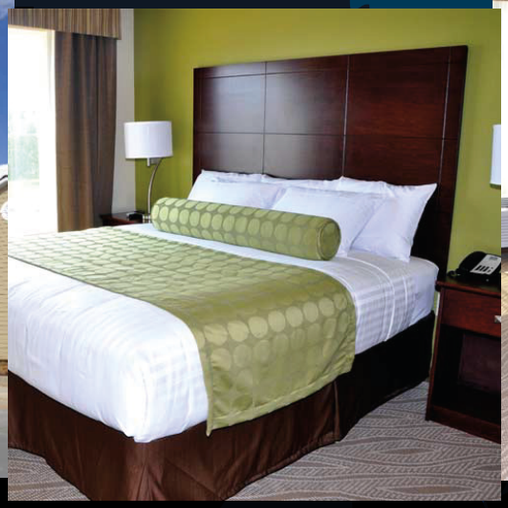
The brand agreement grants the member the right to use the Cobblestone Inn and Suites or Cobblestone Hotel & Suites system for specific site for a term of 10+ years. The agreement provides for an exclusive territory in the primary trading area surrounding the site for the life of the contract. Each "area of protection" is determined by mutual agreement of the member and Cobblestone Hotels, LLC. on a case-by-case basis.

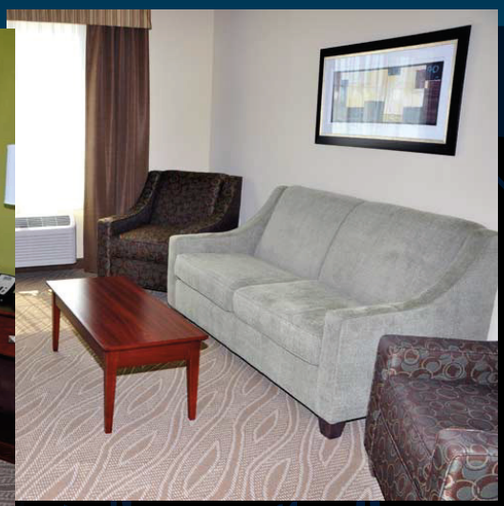
Obligations of Brand

- Provide detailed prototype drawings and design standard
- Review preliminary and final architectural plans, specifications, and FF&E to assure compliance with system standards
- Conduct opening training at the facility as well as management and ownership training and orientation at designated locations
- Provide reservation system
- Promote awareness for the Cobblestone Hotels brands
- Establish Cobblestone Hotels standards

Obligations of Hotelier

- Commitment to guest satisfaction
- Design, build, and equip the facility in strict conformity with prototype plans and specifications, subject to site and code requirements.
- Participate in mandatory training and marketing programs
  Operate the facility in strict conformance with standards





Cobblestone Hotels

- Operations and service support: it takes a deep and diverse collection of resources, systems, and services, to support the quality of product and performance we expect at Cobblestone Hotels. You're not in this alone. We provide everything you need to develop the kind of operation that lives up to our name and your expectations.

- Design, standards and building requirements: our design and construction team has developed prototypes that offer flexibility and efficiency of each design. Each prototype design can adapt and be adjusted to meet the needs that your location demands. Every design includes our iconic bell tower. All of our prototypes have been value-engineered and improved on over the years; many of the improvements that have been implemented have come from our very own properties.

Initial Fee

Following approval from the brand review committee, the applicant will be sent a completed brand agreement to be signed and returned with the entrance fee.

Cobblestone Hotels Application

A prospective member decides that Cobblestone Hotels brand is right for them, the next step is to complete a Cobblestone Hotels application. The applicant needs to provide information about the site and the entity entering into the agreement. We do require a non-refundable $2,000 application fee in advance. Once all the information is provided, it is carefully reviewed by the Cobblestone Hotels brand committee to determine if the project represents the best opportunity in the market. The committee reserves the right to accept or deny any application.

Brand, Sales & Marketing

Brand, Sales & Marketing Support in Every Aspect of the Industry!

Cobblestone Hotels is devoted to helping you make sure you have a wonderful return on your investment. At no additional charge we offer a mass quantity of quality sales and marketing programs to ensure your success.

Sales

- Group Booking Tool
- National Sales and RFP Services
- Cobblestone Sales and Marketing Tools
- Cobblestone Sales and Marketing Training Checklist
- Market Specific Sales and Revenue Management Action Plans
- 24 Hour GDS/Internet Reservation System

Hotels

- Cobblestone Hotels Brand Recognition
- Cobblestone Hotels Directory Placement
- GDS Marketing Campaigns

Marketing

- Marketing /Advertisement Design Services
- Discounts on AAA Products
- Discounts on United States Travel Guides
- Discounts on Highway Billboards Nationwide
- Discount on all promotional material needed at your property

Online Optimization

- Key Focus on Search Engine Optimization
- Social Media Management
- Online Group Booking Partnerships
- GDS Representation, putting your property in front of over 600,000 Travel Agents and over 2000 Internet Booking Channels

Brand Support

When it comes to the hospitality industry, consistency with in the Brand is a key factor to capture a returning customer. Cobblestone Hotels will help you start your Membership out right with our wonderful Conversation/Opening Team! From the moment you sign your Agreement our team is sprung into action to insure the smoothest process possible as well as insure that your hotel maintains the consistency needed to be as successful as possible. Some of the areas that we support your hotel in are:

- Swift Conversion/Opening to ensure optimal Market Presence
- Management and Staff Training
- Quality Assurance
- Vendor Relations to cut your costs
- Systems Training
- Membership model offers you the control over how your hotel is run
- Cobblestone Rewards, an added value to each guest and a great incentive for returning clients

And much more! Remember, Cobblestone Hotels also saves you and your hotel massive expenses by not charging you Franchise Fees on each reservation that you bring to your hotel.

WHG

Professional Hospitality Management

www.whgco.com

WHG Companies, LLC

Headquartered in Neenah, WI, WHG has built and managed projects in several states throughout the Midwest. The company has been able to translate its success into many different markets and to expand its properties exponentially, while maintaining a hands-on approach to each project.

The company credits its success and growth to its market-driven approach to each project. Whether it's a new brand, a new market, or a new property, WHG remains actively involved at the property level, giving the direction and support necessary to make a property thrive.

The staff of WHG has a combined history in the hospitality industry of over 75 years. Beginning as an independent owner/operator, WHG has grown due to its success implementing creative marketing strategies and combining them with exceptional customer service programs.

Fusing development services with operational support, WHG is positioned to contribute to every aspect of a hotel. From a conceptual idea to an existing mature property, we can assist with any facet specific to your needs.

WHG Companies, LLC Corporate Office
980 American Drive, Neenah, WI 54956
Phone **920-237-0233** Fax **866-403-7287**
Email **info@whgco.com**

WHG

Professional Hospitality Management

www.whgco.com

MARKET AREA ANALYSIS*

Overview

The Town of Luray is located in Page County, and is situated near the geographic center of the county. This location has contributed favorably to Luray's function as a cultural and economic center for the surrounding region.

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*The majority of the material contained in this section was obtained from:

1. Wikipedia Encyclopedia
2. Town of Luray, Virginia
3. Luray's Town Plan 2013: Beyond the Bicentennial
4. National Register of Historic Places
5. Page County, Virginia Chamber of Commerce

History

Town of Luray

In 1781, Direk Pennypacker located the Redwell Furnace about a mile north of the current town at Yager's Spring. Here, Pennypacker operated a forge and a foundry making nails, farm tools, kettles, stoves, and other iron products. The iron works was later renamed the Isabella Furnace. More industry was located about a mile south of Luray at Willow Grove Mill. The small village known as Mundellsville contained a flour mill, carding mill, tannery and blacksmith shop. The economy of the town would prosper from the nearness of the local industry.

The Town of Luray was officially established by act of General Assembly on February 6, 1812, on ten acres of land near the Hawksbill Creek. On March 21, 1871, by act of General Assembly, the Town became an "Incorporated Town," containing approximately 442 acres.

On August 21, 1812, the Town of Luray was surveyed on the lands owned by Mr. Isaac Ruffner. The first streets platted were Main Street, due west of the Hawksbill Creek, to the top of the hill at present day Court Street. Court Street was called Peter Street in memory of Peter Ruffner, an early pioneer in the area. Three blocks of three lots each on either side of Peter Street were laid out. Three cross streets were mapped out due north and south, going west from Hawksbill Creek. These were Water Street (now Hawksbill Street), High Street (now Bank Street) and West Street (now Court Street). The first house was built here in 1814.

The lots were all the same size and contained about half an acre. The rear alleys did not appear on the first plot but were added very early. It was the custom to lay off a town in half acre lots such as those in Woodstock and New Market. These early plats often provided for "out lots" of five acres each. These "out lots" adjoined the town and were probably used for pasture land.

In 1818, the town was extended by adding 26 lots. The town now had 44 lots and the eastern end was at Hudson's alley near the railroad. These lots were conveyed to the purchasers by Isaac Ruffner on May 9, 1818. The first plat was recorded in the Clerk's Office at Woodstock, which at the time was the county seat of Shenandoah Count. The extended plat was later recorded again in the Clerk's Office at Luray, when the new County of Page was organized in 1831.

About 1845, according to *Howe's History of Virginia*, Luray contained several mercantile stores, two or three churches, and a population of about 500. A description of Luray, in 1867 indicates Luray still had a population of 500. During the 1880s, the population of Luray more than doubled, from 630 in 1880 to 1,386 in 1890.

The town continued to grow in size from its original 442 acres that was established by the Town Charter in 1871. In 1941, the first annexation occurred when 289 acres were added to the town for a total of 835 acres. Ten years later, 284 acres were annexed for a total of 1,365 acres. In 1963, the town added 410 acres for a total of 1,775 acres. The recent annexation effective since January 1, 1985, added an additional 1,220 acres for a total of 2,995 acres.

Civil War

Luray is often cited as the location of an engagement between Union and Confederate cavalry on September 24, 1864, though it actually took place approximately three miles north of the town, and even to the north of Yager's Mill.

Following his victory at the Battle of Fisher's Hill, Union general Philip Sheridan sent approximately 6,000 troopers under Brigadier General Alfred Torbert into the Luray Valley. Torbert's men engaged approximately 1,200 Confederate cavalry under Brigadier General Williams Wickham. Despite victory in this affair, and moving toward New Market Gap following the engagement, Torbert halted his command that night on the Page County side of the Massanutten, thereby missing an opportunity to cut off Confederate General Jubal Early's retreat from Fisher's Hill.

Page County

In the late 18th and early 19th centuries, citizens living in the eastern portion of Shenandoah County – which is now Page County – traveled 35 to 40 miles to the Town of Woodstock, which served as Shenandoah's county seat. During this era, a county seat served as an important location for conducting essential business such as recording deeds, paying property taxes, and settling disputes in civil court. Therefore, the town served which served as the location of a county seat was usually the undisputed epicenter of civic life for a county and region.

For the citizens who lived in the far eastern portions of Shenandoah County, traveling to Woodstock was not only far in distance, but it was an arduous trip as well. Often the trip entailed crossing a mountain pass and several streams. This inconvenience prompted the General Assembly to establish Page County in 1831 with Luray, due to its central location, becoming the logical place for this new county seat. The establishment of Luray as the county seat of the newly formed Page County ensured that the town evolved into the center for civic, cultural, and economic life.

Geography

According to the United States Census Bureau, Page County has a total area of 314 square miles, of which 311 square miles is land and 3.2 square miles is water.

Climate

The climate in this area is characterized by hot, humid summers and generally mild to cool winters. According to the Köppen Climate Classification system, Luray has a humid subtropical climate.

Page County Average Weather

Month	Temp. (min)	Temp. (max)	Temp. (avg)	Precipitation
January	-0°F	77°F	38°F	n/a
February	3°F	73°F	37°F	n/a
March	9°F	88°F	46°F	n/a
April	25°F	97°F	57°F	n/a
May	34°F	93°F	64°F	n/a
June	46°F	99°F	74°F	n/a
July	54°F	100°F	76°F	n/a
August	52°F	106°F	76°F	n/a
September	39°F	97°F	68°F	n/a
October	27°F	97°F	57°F	n/a
November	16°F	81°F	47°F	n/a
December	7°F	77°F	37°F	n/

Source: AccuWeather.com

Demographics

As of the census of 2010, there were 23,848 people, 9,526 households, and 11,600 families residing in the county. The population density was 77.3 people per square mile. The racial makeup of the town was 95.9% White, 2.2% African American, 0.2% Native American, 0.3% Asian, 0.0% Pacific Islander, 0.48% from other races, and 0.68% from two or more races. Hispanic or Latino of any race were 1.1% of the population.

There were 9,526 households out of which 29.6% had children under the age of 18 living with them, 55.8% were married couples living together, 10.5% had a female householder with no husband present, and 28.7% were non-families. 24.4% of all households were made up of individuals and 11.1% had someone living alone who was 65 years of age or older. The average household size was 2.49.

In the town, the population was spread out with 21.6% under the age of 18 and 17.7% who were 65 years of age or older.

The median income for a household in the town was $43,063. The per capital income for the county was $22,083. About 16.9% of the population were below the poverty line.

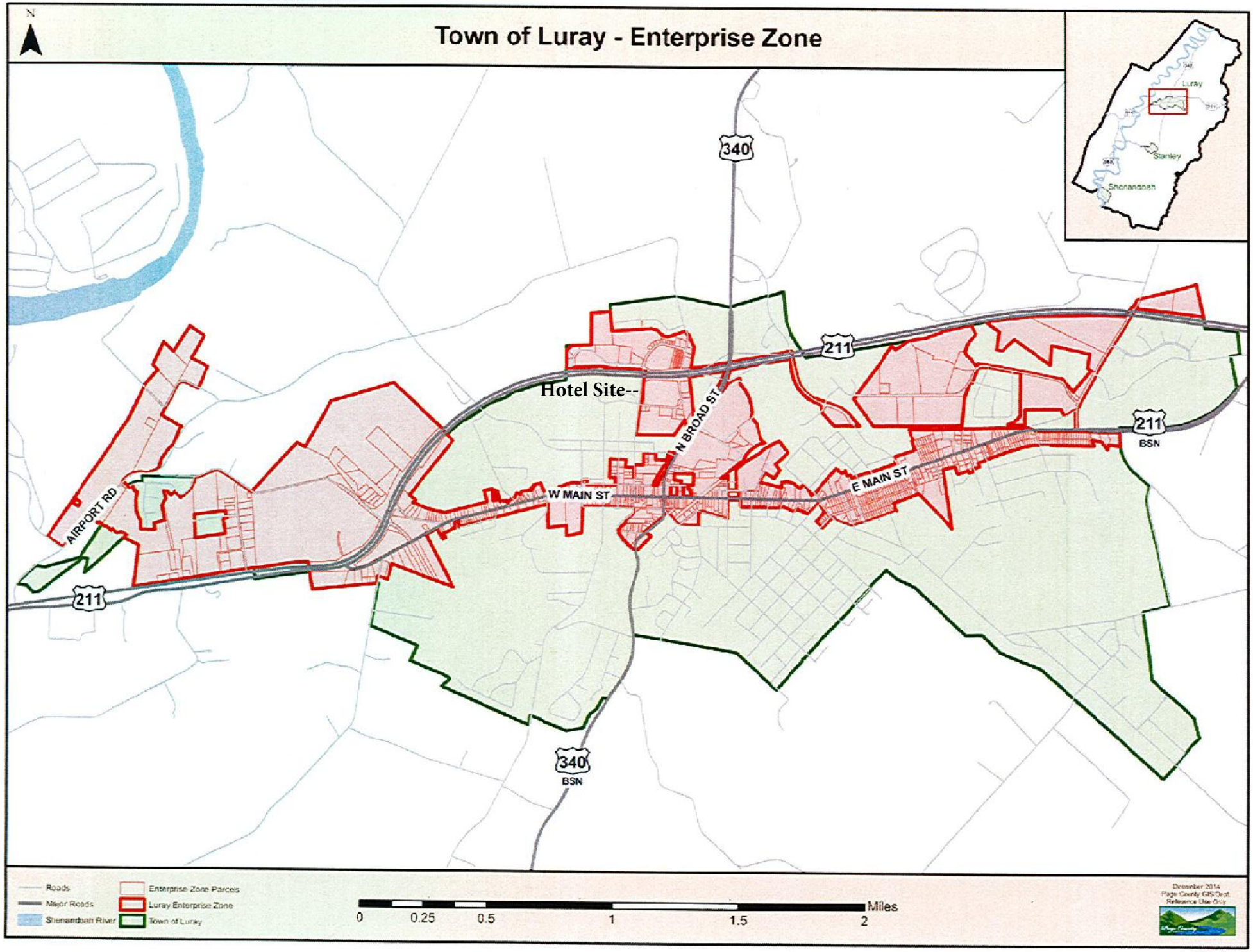
Economy

Economic Development

The Virginia General Assembly established the Virginia Enterprise Zone program in 1982, a program intended to join the Department of Housing and Community Development with local governments in providing incentives for investment in capital improvements and new employees. Under this program, qualifying businesses can receive grants for making real property investments and for creating permanent, full-time jobs.

Page County's Enterprise Zone contains a total of 1,705 acres and spans through the Towns of Luray, Stanley and Shenandoah. The zone includes majority of commercial, industrial, retail, and office spaces, as well as, various unimproved properties for future development.

Town of Luray - Enterprise Zone



Top 10 Page County Employers

Page County Schools	Valley Health System
VF Jeanswear	EMCO Enterprises (part of Anderson Windows)
County of Page	Masonite Corp.
DNC P&R at Shenandoah	National Park Service
Wal-Mart	Luray Caverns Corp.

Source: Virginia Employment Commission, based on quarterly census (April-June 2015)

Unemployment Rates

	Page County	Virginia	United States
Nov 2014	7.1%	4.6%	5.5%
Dec 2014	8.6%	4.5%	5.4%
Jan 2015	10.1%	4.9%	6.1%
Feb 2015	9.2%	5.0%	5.8%
Mar 2015	8.4%	4.9%	5.6%
Apr 2015	6.9%	4.5%	5.1%
May 2015	7.1%	5.0%	5.3%
Jun 2015	6.7%	5.0%	5.5%
Jul 2015	6.4%	4.7%	5.6%
Aug 2015	5.9%	4.3%	5.2%
Sep 2015	5.4%	4.1%	4.9%
Oct 2015	5.5%	4.1%	4.8%
Nov 2015	6.2%	4.0%	4.8%

Source: Virginia Employment Commission

Transportation

Highways

U.S. 211 and 340 and Interstate 81 are 12 miles west of Luray and 14 miles west of Stanley. Interstate 66 is 25 miles north of Luray via 340. Interstate 81 is 18 miles southwest of Shenandoah via 340 and 33.

Airports

Dulles International, Washington National, Baltimore-Washington International airports are within 1.5 hours of Page County and provide long- range continental and intercontinental flights for passengers and freight.

Shenandoah Valley Airport in Rockingham County is served by United Express and USAir Express.

Luray Caverns Airport (ICAO: KLUA, FAA LID: LUA, formerly W45) is a public use airport located two nautical miles (4 km) west of the central business district of Luray.

The airport is owned by the Town of Luray and Page County. It is included in the National Plan of Integrated Airport Systems for 2011–2015, which categorized it as a *general aviation* airport.

Although most U.S. airports use the same three-letter location identifier for the FAA and IATA, this airport is assigned LUA by the FAA, but has no designation from the IATA (which assigned LUA to Tenzing-Hillary Airport in Lukla, Nepal).

Luray Caverns Airport covers an area of 95 acres at an elevation of 903 feet above mean sea level. It has one runway designated 4/22 with an asphalt surface measuring 3,125 by 75 feet.

For the 12-month period ending June 30, 2011, the airport had 8,076 aircraft operations, an average of 22 per day: 93% general aviation, 6% air taxi, and 1% military. At that time there were 14 aircraft based at this airport: 79% single-engine, and 21% multi-engine.

Rail/Bus

- Page County Transit provides weekday transit for the town of Luray and weekday service between Luray and Front Royal.

- Shenandoah Valley Commuter Bus Service offers weekday commuter bus service from Northern Shenandoah Valley including Shenandoah County and Warren County to Northern Virginia and Washington, D.C., including Arlington County and Fairfax County.

The Norfolk and Western Railway, part of the Norfolk Southern Corporation, provides excellent freight service to Page County. Piggyback service is available in Roanoke and Alexandria.

Education

Public Schools

The Page County Public Schools serve Luray, as well as the rest of Page County. Luray Elementary, Luray Middle, and Luray High School serve the entire town and nearby surrounding area. Luray Middle and High also serve northern Page County, from feeder elementary school, Springfield, located near Rileyville.

Private Schools

Mount Carmel Christian Academy is just south of town limits and is a private Christian school.

Higher Education

Lord Fairfax Community College has a campus in Luray which provides students with nearly all necessary classes needed to graduate from the institution. Many students that attend the Luray Center of Lord Fairfax are from Page, southern Shenandoah, and southern Warren Counties.

Healthcare

Page Memorial Hospital (PMH) is a licensed 25-bed Critical Access Hospital in Luray, Virginia that was founded in 1925 at a South Court Street home.

In 1958 the hospital moved to a new location, with expansions and improvements in 1978 and 1999. Page Memorial Hospital joined Valley Health in 2008, and the newly-constructed hospital opened its doors for patients in 2014. The 67,700-square foot replacement facility is located on the same campus as the former hospital and features an expanded Emergency Department and a larger inpatient unit and Rehabilitation Services Department.

In addition to a variety of diagnostic, medical and surgical services, Page Memorial provides around-the-clock emergency services as well as transitional care for patients needing extended nursing care and short-term rehabilitation. Thanks to Valley Health's strong network of providers, residents have access to an array of specialty services, including cardiology, neurology, orthopedics and pulmonology, without having to leave the area.

Page Memorial Hospital has been committed to the health and well-being of Page County since 1925. Page Memorial Hospital is a private, non-profit healthcare organization. A critical access hospital, Page Memorial Hospital is offers a fully staffed 24-hour Emergency Department and Convenient Care is available from 6 p.m. to midnight, 7 days a week. Physician services are also available in Luray, Stanley and Shenandoah. Other services include:

- Diagnostic imaging
- Emergency medicine
- Laboratory services
- Medical/Surgical
- Multispecialty clinics
- Nutrition services
- Page Surgical Services
- Patient and employee health
- PMH Therapy and Fitness Center

Media

Newspapers

The Page News and Courier is Page County, Virginia's largest general circulation newspaper and provides coverage of local and regional news, events, issues, people, and industries. The newspaper was founded in Luray, Virginia in 1911, by a merger between *The Page News* (established in 1881) and *The Page Valley Courier* (established March 1867). *The Page News and Courier* is one of a number of newspapers owned by the Byrd Family. Other newspapers in the group include *The Winchester Star* (Winchester, Virginia and Frederick County, Virginia), *The Daily News-Record* (Harrisonburg, Virginia and Rockingham County, Virginia), *The Warren Sentinel* (Front Royal, Virginia and Warren County, Virginia), *The Shenandoah Valley-Herald* (Woodstock, Virginia and Shenandoah County, Virginia), *The Valley Banner* (Elkton, Virginia), *The Clarke Times* (Berryville, Virginia and Clarke County, Virginia), and the *Rocktown Weekly* (Harrisonburg, Virginia).

An earlier newspaper, the *Luray Review*, may have been the predecessor of *Page Valley Courier*, having been established before the American Civil War. Due to financial woes experienced on account of the war, however, the *Luray Review* may have ceased production as early as 1862.

Shopping

The charming downtowns of Luray, Stanley and Shenandoah are home to unique and locally owned shops which feature everything from arts and crafts to antiques to outdoor gear to clothing.

There are gift shops located in Shenandoah National Park which feature pottery, hiking maps, camping supplies, books, local jam & jellies and more.

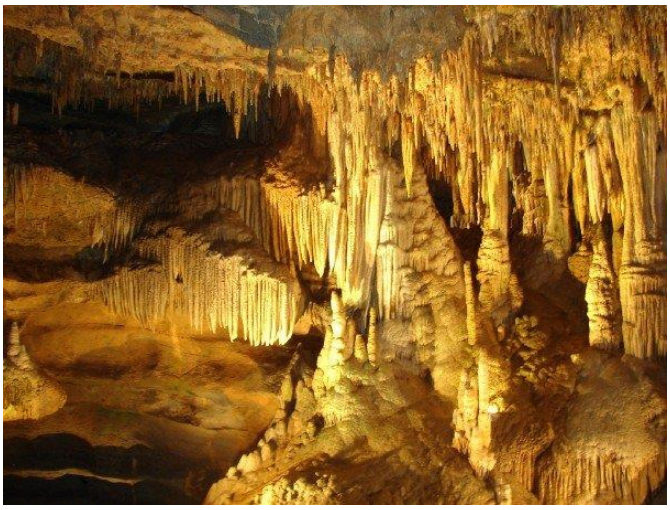
Tourism and Recreation Attractions

Luray Caverns

138 years ago, in August of 1878, the Luray Caverns were first discovered, and the New York Herald reported a "thousand candles illuminated the antechambers making it nearly as bright as day."

Luray Caverns, that was originally called Luray Cave, is a large, celebrated commercial cave just west of Luray, Virginia, which has drawn many visitors since its discovery in 1878. The underground cavern system is generously adorned with speleothems (columns, mud flows, stalactites, stalagmites, flowstone, mirrored pools, etc.). The caverns are perhaps best known for the Great Stalacpipe Organ, a lithophone made from solenoid

fired strikers that tap stalactites of various sizes to produce tones similar to those of xylophones, tuning forks, or bells. The Caverns are situated in the Shenandoah Valley just to the east of the Allegheny Range of the Appalachian Mountains in Luray, Virginia. The Valley extends from the Blue Ridge in the north to the south end of Massanutten Mountain. Cave Hill, 927 feet above sea level, had long been an object of local interest on account of its pits and oval hollows or sinkholes (known as karst) through one of which the discoverers of Luray Caverns entered.



Stalactites, stalagmites and columns in Luray Caverns, Virginia.

Luray Caverns does not date beyond the Tertiary period. The cave is developed in dolostones of the lower Beekmantown Dolomite (Lower Ordovician). At some period, niches and already formed chambers were completely filled with water, highly charged with acid, which then slowly began to eat away at much of the softer material composing much of the walls, ceilings and floors. The one particular area that shows this high level of water is Elfin Ramble where water marks of oscillation are highly visible on the ceiling.

The temperature inside the caverns is uniformly 54 °F comparable to that of Mammoth Cave in Kentucky.

Mimslyn Inn

Mimslyn Inn

One of the dominant hills in the Town of Luray is the location of the grand old Mimslyn Inn, a 1931 classic Southern mansion style hotel. The hotel is a popular site for wedding receptions. First Lady Eleanor Roosevelt visited the Mimslyn during a short visit in the late 1930s. The site of the Mimslyn is on the former location of "Aventine Hall," the home of Peter Bouck Borst, a mid-19th century lawyer. Aventine Hall was carefully removed to make way for the construction of the Mimslyn in the 1930s and is now located, as a private residence, on South Court Street in Luray.

Luray Singing Tower

Luray Singing Tower

The Luray Singing Tower, officially known as the Belle Brown Northcott Memorial, was erected in 1937 in memory of Colonel Theodore Clay Northcott's wife. At 117 feet high the Luray Singing Tower contains a carillon of 47 bells. The largest bell weighs 7,640 pounds and is six feet in diameter. The smallest weighs a mere 12.5 pounds. Recognized as one of the country's major carillons, regularly scheduled recitals hare held, free of charge, through the spring, summer and fall. The carillon is situated in a park opposite Luray Caverns.

Overview of Page County, Virginia

Location	90 miles from Washington, DC
Population	24,042
Total Households	10,200
Annual Retail Sales	$240 million
Average Household Income	$39,436
Manufacturing Employment	14.4%
Per Capita Income	$23,332
Unemployment	9.1%
Education	Excellent
Health Care	Page Memorial Hospital (Acute Care)
Total Area	316 square miles
Elevation	High Point: 4050' in Blue Ridge Mountains Low Point: 570' at the South Fork of the Shenandoah River
Temperature	High Point: 80s in July Low Point: 30s in January
Primary Highways	1-66 I-81 U.S. Route 340 U.S. Route 211
Rail	Norfolk Southern (freight) Amtrak Passenger (one hour away in Culpeper)
Air	90 minutes from Washington-Dulles International Airport Luray Cavern Airport

Source: Economic Development Authority, Page County, Virginia

Top Five Virginia Counties in Agricultural Sales (market value of Agricultural products sold by Virginia farmers)	Rockingham – Shenandoah Valley Augusta – Shenandoah Valley Accomack – Eastern Shore/Tidewater **Page County – Shenandoah Valley** Shenandoah – Shenandoah Valley

Source: USDA Economic Research Service

Agri-biz numbers

- 545 farms in Page County (average size of 131 acres)
- 71,132 acres of farmland in Page County
- $141 million market value of Agricultural products sold in 2012
- $6.3 million market value of crops sold in 2012
- $134.8 million market value of livestock and related product sales in 2012
- $258,894 average market value of products sold per farm
- 3rd in Virginia for sales of broilers, meat-type chickens, roosters, $136 million sold
- 3rd in Virginia for sales of livestock and products
- 4th in Virginia for total farm product sales
- 3% growth in the number of farms in Page County from 2007 to 2012
- 10% increase in the acres being used as farmland in Page County from 2007 to 2012
- 5% drop in the market value of Agricultural commodities sold in Page County from 2007 to 2012; from $148.3 million to $141.1 million
- **10 -** number of categories in which Page County ranks among the Top 10 Counties in Virginia for its agricultural production, including:
  3rd in Virginia for the sales of livestock, poultry and their products; totaling $134.8 million
  4th in Virginia for total market value for Agricultural products sold in 2012

Source: Census of Agricultures, 2012

Tourism Economic Impact in Page County, Virginia (based on 2014)

- $63.6 million – Expenditures by visitors to Page County
- Expenditures up 12.6% from 2010
- 700 Page County jobs
- $3.1 million in state tax receipts
- $2.3 million in local tax receipts

Source: Virginia Tourism Corp.

Historic Neighborhoods of Luray

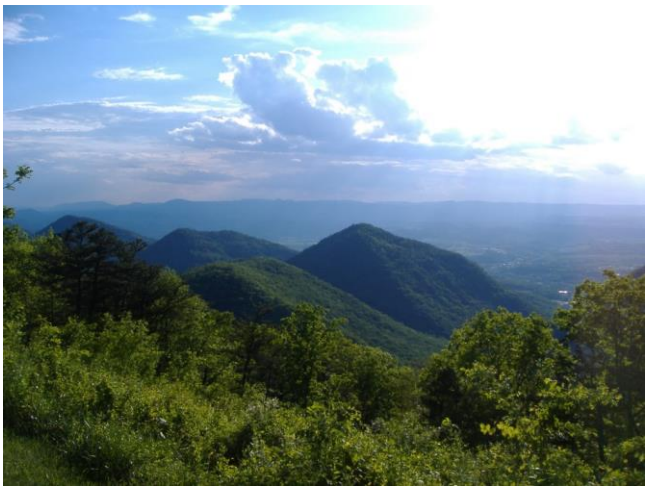
Well over three quarters of Luray's population lives in one of the several planned neighborhoods of Luray. Each neighborhood serves as a landmark to the residents of Luray, often citing their neighborhoods as their residence:

- Bloomfield – located along the southeastern part of Luray, namely the numbered streets.
- Cedar Knolls – an affluent neighborhood, located above Hilldale, but not a part of it.
- Court Street – the houses and streets branching off of Court Street, and South Court Street Extended.
- Downtown – the downtown district along Main Street.
- Fairview – far eastern portions of Luray, from East Luray Shopping Center eastward toward Fairview Grocery and the town line.

- Forest Hills – an affluent neighborhood located in the southwestern portion of the town. The roads within the neighborhood have medians with trees planted in them.
- Golf Course/Oh Shenandoah! – An affluent neighborhood located along the Luray Caverns Country Club golf course. Homes are often overly extravagant and some are not lived in full-time.
- Hawksbill Heights – a neighborhood above the Hawksbill Creek, very near Luray High School.
- Hilldale – an affluent neighborhood in the east-central portion of the town.
- Hudson – the subdivision between Forest Hills and the Hawksbill Creek in the southwestern portion of the town.
- Old Farms – a subdivision just outside the town limits, yet still referred to as within town limits.
- Springview – this neighborhood is in the far northeastern reaches of the town limits, just across Route 211 from Old Farms. The roads within the neighborhood have medians with trees planted in them.

Outdoors and Nature

Blue Ridge Parkway



The ***Blue Ridge Parkway*** is a National Parkway and an All-American Road, noted for its scenic beauty. It runs for 469 miles through twenty-nine Virginia and North Carolina counties, mostly along the Blue Ridge, a major mountain chain that is part of the Appalachian Mountains. Its southern terminus is on the boundary between Great Smoky Mountains National Park and the Cherokee Indian Reservation in North Carolina, from which it travels north to Shenandoah National Park in Virginia and offers access to the Skyline Drive. While the two roads join together end-to-end, they are separate and distinct entities, built as two different projects and managed by two different National Park Service units. The Blue Ridge parkway was built to connect Shenandoah National Park to the Great Smoky Mountains National Park.

The Parkway, while not a "National Park" has been the most visited unit of the National Park System every year since 1946 except one (1949). Land on either side of the road is owned and maintained by the National Park Service and, in many places, parkway land is bordered by United States Forest Service property. The Parkway will be depicted on North Carolina's version of the America the Beautiful quarter in 2015.

History

Begun during the administration of U.S. president Franklin D. Roosevelt, the project was originally called the Appalachian Scenic Highway. Most construction was carried out by private contractors under federal contracts under an authorization by Harold L. Ickes in his role as federal public works administrator. Work began on September 11, 1935, near Cumberland Knob in North Carolina; construction in Virginia began the following February. On June 30, 1936, Congress formally authorized the project as the Blue Ridge parkway and placed it under the jurisdiction of the National Park Service. Some work was carried out by various New Deal public works agencies. The Works Progress Administration did some roadway construction. Crews from the Emergency Relief Administration carried out landscape work and development of parkway recreation areas. Personnel from four Civilian Conservation Corps camps worked on roadside cleanup, roadside plantings, grading slopes, and improving adjacent fields and forest lands. During World War II, the CCC crews were replaced by conscientious objectors in the Civilian Public Service program.

Construction of the parkway took over 52 years to complete, the last stretch (near the Linn Cove Viaduct) laid around Grandfather Mountain and opened in 1987. The Blue Ridge Parkway tunnels were constructed through the rock—one in Virginia and twenty-five in North Carolina. Sections of the parkway near the tunnels are often closed in winter, (due to dripping groundwater from above, freezing temperatures, and the lack of sunlight, ice often accumulates inside these areas even when the surrounding areas are above freezing). The highest point on the parkway (south of Waynesville, near Mount Pisgah in North Carolina) is 6,053 feet above sea level on Richland Balsam Mountain at Milepost 431, and is often closed from November to April due to inclement weather such as snow, fog, and even freezing fog from low clouds. The parkway is carried across streams, railway ravines and cross roads by 168 bridges and six viaducts.

The parkway runs from the southern terminus of Shenandoah National Park's Skyline Drive in Virginia at Rockfish Gap to U.S. Route 441 at Oconaluftee in the Great Smoky Mountains National Park near Cherokee, North Carolina. There is no fee for using the parkway; however, commercial vehicles are prohibited without approval from the Park Service Headquarters, near Asheville North Carolina. The roadway is not maintained in the winter, and sections which pass over especially high elevations and through tunnels are often impassable and therefore closed from late fall through early spring. Weather is extremely variable in the mountains, so conditions and closures often change rapidly. The speed limit is never higher than 45 mph and lower in some sections.

The Blue Ridge Parkway is literally the "Backbone" of a great scenic mountain region embracing the Southern (and highest) portion of the Appalachian mountain range, an area of approximately 20,000 square miles.

Opening up vast mountain areas for the benefit and enjoyment of all, the Parkway forms a broad avenue of approach, and at the same time a high balcony from which to view the natural wonders and cultural significance of this mountain region.

This great 469-mile scenic Parkway follows closely the highest ridges between the Shenandoah and the Great Smoky Mountains National Park, attaining altitudes of more than 6,000 feet and averaging between 3,000 and 4,000 feet. It is designed especially for leisurely enjoyment of the scenic wonders along the way—a high road of adventure intended for leisure travel on the ride-awhile, stop-awhile basis. The numerous overlooks provide parking areas from which to enjoy some of America's finest scenic views.

You may enter or leave the Parkway at any of the US or State highway intersections. These intersecting roads lead to scores of towns, mountain resorts, and scenic areas close to the Parkway on either side, where accommodations, meals and service stations are available.

the Blue Ridge Parkway

This directory is designed to help you select accommodations and to enjoy to the fullest the scenic attractions along the Parkway. There is a numbered milepost each mile along the Parkway. You will note in this directory in bold type, the mileage which will correspond with the mileposts. We have also shown on the six detailed section maps, the approximate location of every tenth milepost.

The wondrous profusion of mountain flowers in spring and early summer, the high altitude coolness of the forest-clad mountains in summer, and the glorious coloring of these mountains in autumn provide an everchanging appeal.

The Blue Ridge Parkway is open 365 days a year, weather permitting. Sometimes road repair is undertaken in the winter months and detours are posted. The Parkway is not plowed or salted in the winter, so after snow or ice events, portions may be closed until the weather warms and makes the roadway safe for travel again. So as not to be disappointed when planning a winter drive, call the Blue Ridge Parkway's 24-hour information line at 828 298-0398 for the latest road conditions.

The parkway uses short side roads to connect to other highways, and there are no direct interchanges with interstate highways, making it possible enjoy wildlife and other scenery without stopping for cross-traffic. Mileposts along the parkway start at zero at the northeast end in Virginia and count to 469 at the southern end in North Carolina. The mileposts can be found on the west side of the road. Major towns and cities along the way include Waynesboro, Roanoke, and Galax in Virginia; and in North Carolina, Boone and Asheville, where it runs across the property of the Biltmore Estate. The Blue Ridge Music Center (also part of the park) is located in Galax, and Mount Mitchell (the highest point in eastern North America) is only accessible via a state road from the parkway at milepost 355.4.

Ecology along the parkway

Flowering shrubs and wildflowers dominate the parkway in the spring, including rhododendrons and dogwoods, moving from valleys to mountains as the cold weather retreats. Smaller annuals and perennials such as the daisy and aster flower through the summer. Brilliant autumn foliage occurs later in September on the mountaintops, descending to the valleys by later in October. Often in early-to-middle October and middle-to-late April all three seasons can be seen simply by looking down from the cold and windy parkway to the green and warm valleys below. October is especially dramatic, as the colored leaves stand out boldly and occur mostly at the same time, unlike the flowers.

Major trees include oak, hickory, and tulip tree at lower elevations and buckeye and ash in the middle, turning into conifers such as fir and spruce at the highest elevations on the parkway. Trees near ridges, peaks, and passes (often called gaps or notches) are often distorted and even contorted by the wind, and persistent rime ice (white ice) deposited by passing clouds in the winter.

Shenandoah National Park

Shenandoah National Park encompasses part of the Blue Ridge Mountains in Virginia. This national park is long and narrow, with the broad Shenandoah River and Valley on the west side, and the rolling hills of the Virginia Piedmont on the east. Although the scenic Skyline Drive is likely the most prominent feature of the Park, almost 40% of the land area 79,579 acres has been designated as wilderness and is protected as part of the National Wilderness Preservation System. The highest peak is Hawksbill Mountain at 4,051 feet.

The park encompasses parts of eight counties. On the west side of Skyline Drive they are, from northeast to southwest, Warren, Page, Rockingham, and Augusta counties. On the east side of Skyline Drive they are Rappahannock, Madison, Greene, and Albemarle counties. The park stretches for 105 miles along Skyline Drive from near the town of Front Royal in the northeast to near the city of Waynesboro in the southwest. The Park headquarters are located in Luray.

George Washington and Jefferson National Forests

The George Washington and Jefferson National Forests are U.S. National Forests that combine to form one of the largest areas of public land in the Eastern United States. They cover 1.8 million acres of land in the Appalachian Mountains of Virginia, West Virginia, and Kentucky. Approximately one million acres of the forest are remote and undeveloped and 139,461 acres have been designated as wilderness areas, which eliminates future development.

Washington National Forest was established on May 16, 1918 as the Shenandoah National Forest. The forest was renamed after the first President on June 28, 1932. Natural Bridge National Forest was added on July 22, 1933.

Jefferson National Forest was formed on April 21, 1936 by combining portions of the Unaka and George Washington National Forests with other land. In 1995, the George Washington and Jefferson National Forests were administratively combined. The border between the two forests roughly follows the James River. The combined forest is administered from its headquarters in Roanoke, Virginia.

Parks and Recreation

The Town of Luray Parks and Recreation Department is responsible for the operation and management of seven parks, consisting of approximately 300 acres of parkland located in and around Luray, Virginia.

Lake Arrowhead Park

The first and largest park is Lake Arrowhead Park, built in the early 1970s and located approximately two miles outside of the Town of Luray limits. Lake Arrowhead offers a 34-acre lake with fishing, boating, canoe and paddleboat rentals, a white sand beach for swimming, and a concession stand. There are six picnic shelters with restroom facilities, a baseball field, playground areas, and two miles of marked hiking trails. Total acreage of the park is 134.

Ralph H. Dean Recreation Park

The second park is the Ralph H. Dean Recreation Park. This park is approximately 58 acres and was built in the early 1990s, partially with funding from the Department of Conservation and Recreation and the Virginia Department of Transportation. The Ralph H. Dean Recreation Park is a dynamic recreational facility kept in impeccable condition with scenic mountain views. In 2009-2010 the Town of Luray expanded park facilities to include two National Softball Association regulation softball fields. The principal softball field complex has stadium style seating (capacity 600) and state of the art press box and

concession facilities. Also located at the Ralph H. Dean Recreation Park are three Little League baseball fields, a Robert Leathers-designed wooden playground the Imagination Station, a nine hole Frisbee golf course, a smaller restroom facility, a 1-1/4 mile Fit-Trail walking trail, and two picnic shelters that are available for daily rental.

Luray Inn Lawn Park

The Luray Inn Lawn Park, located across from the Page Public Library consists of a community gazebo, picnic areas, and playground equipment.

Eugene Park

The second community park is Eugene Park, located on Rosser Drive. This park consists of picnic areas and playground equipment. These two community parks have a total acreage of 11.

Slye Pocket Park and Cave Pond P ark

The "Slye Pocket Park" is located on East Main Street and is a small park with landscaping, picnic tables and benches. The "Cave Pond Park" is located on West Main Street and includes a one acre pond with a lighted fountain, a handicapped fishing dock, covered picnic tables and benches. The total acreage of both parks is 20.

Luray-Hawksbill Greenway

Luray-Hawksbill Greenway is located along the Hawksbill Creek in downtown Luray. This linear park features a 10' wide paved walking pathway with benches and picnic tables which parallel the Trout-stocked Hawksbill Creek. Phase #1 of this 4-phase trail, which is ½ mile in length, was completed in the Spring of 2002. This phase runs from the Commuter Park-and-Ride (at the intersection of Route 211 Bypass and Route 340 North) to Main Street. Phase #2, completed in 2003, crosses Main Street, runs for about ½ mile, and stops at the Route 340 (Farm Bureau) Bridge. This phase includes a beautiful plaza area with swings, an arbor, and also another small cliffside pocket park with considerable landscaping, a drinking fountain, picnic tables and benches.

In 2004 a ramp was installed under Main Street to ensure that trail users would have a safe passageway. Phase #3, completed in 2005, runs from the Park-and-Ride area under Route 211 Bypass and makes a large loop. This phase is approximately ¾ of a mile in length; this phase also traverses our Riparian area. Phase #4, completed in 2009, runs along Route 340 South for approximately ¼ mile from the Farm Bureau Bridge to Oscar Sour's Bridge.

In 2010, with funding from the Virginia Department of Forestry, a permeable paver parking lot was constructed on Phase #4. Also in 2010, with funding from the Department of Conservation and Recreation, two trailside comfort stations were completed to provide trail

users with a clean, safe comfort area that is aesthetically pleasing. The completed trail is approximately two miles in total distance.

National Register of Historic Place Listings in Page County

Aventine Hall

Aventine Hall is a historic home built in 1852 by Peter Bouck Borst, and is a two-story, Greek Revival style frame dwelling. It is topped by a hipped roof with cupola and has four interior end chimneys. The front facade features a tetrastyle portico, which runs almost the complete length of the facade. The portico is in the Corinthian order based on the Tower of the Winds in Athens. It has corner pilasters in the Tower of the Winds mode and a frieze and cornice that continue around the entire, almost square structure. Aventine Hall served as the main building of Luray College which operated from 1925 to 1927. It was moved to its present location in 1937.

Heiston-Strickler House

Heiston-Strickler House, also known as the Old Stone House, is a historic home built about 1790, and is a two-story, two bay, stone dwelling with a gable roof. It has a one-story late-19th century frame wing. It is considered one of the most handsome and best preserved of the Page County Germanic houses.

Kanawha

Kanawha, also known as Tuckahoe, is a historic home built in 1921, and is a 2 1/2-story, Classical Revival style brick and tile-block dwelling on a poured-concrete foundation. It has a hipped roof covered with green Spanish tiles. The front facade features a semicircular Corinthian order portico. The house also has an enclosed Doric order rear portico, a porte-cochère, large hipped dormers, and a symmetrical composition. Also on the property are contributing gate pillars (c. 1923), an outbuilding (c. 1920), and weirs (Houn Spring) (c. 1881). The property was developed by Luray businessman and mayor Vernon H. Ford.

Luray Downtown Historic District

Luray Downtown Historic District is a national historic district which includes 75 contributing buildings, 1 contributing structure, and 3 contributing objects in the central business district of the town of Luray. They include residential, commercial, governmental, and institutional buildings in a variety of popular 19th and 20th century architectural styles. Notable buildings include the Skyline Building (c. 1925, c. 1950), Luray Motor Company (1935), Luray United Methodist Church (1899-1900), Luray Post Office (1938), Page County Record Building (1912), Bridge Theatre (Dove1 Building), Casey Jones Overall Factory

(1922), Mansion Inn, Jordan-McKim Building, Hotel Laurance, and Mimslyn Inn (1930-1931). The contributing objects include the Confederate Monument (1918) and clock.

Luray Norfolk and Western Passenger Station

The Luray Norfolk and Western Passenger Station is a historic train station. The Shenandoah Valley Railroad reached Luray in 1881 and constructed a station near where the present station is located. Shortly after the Norfolk and Western Railway absorbed the Shenandoah Valley Railroad in 1890, plans arose to construct a new station in Luray. This station, which still stands, was constructed in 1906 and was designed by the railroad's Chief Engineer, Charles S. Churchill. The structure was partially destroyed by fire in 1908 when it was struck by lightning; however, it was soon thereafter reconstructed according to the original design. The station is a one-story brick structure featuring a hip roof. The building was converted to freight use around 1960 and was sold to the town of Luray by the Norfolk and Western's successor, the Norfolk Southern Railway, in 1999.

Massanutten Heights

Massanutten Heights is a historic home built about 1820, and is a large two-story, four bay, Federal style brick dwelling with a side gable roof. It has two exterior end chimneys and one interior chimney. The house has a three-room, single pile plan with closed winder stairs in the southwest corners of the two end rooms. A large, two-story frame addition and full width front porch were constructed in 1924 when the building was used as a boarding house. The interior features painted decorations in the first floor parlor.

Mount Calvary Lutheran Church

Mount Calvary Lutheran Church is an historic Lutheran church located near the town of Luray. The current structure is the third church at the location, and was constructed in 1848. The church served an active congregation until 1959, when regular services ceased. The building is a two-story rectangular brick structure with a metal gable roof. Since its construction, the church has seen no additions and only minor alterations to the interior and exterior of the building. The site includes a small cemetery and a non-contributing wooden outhouse. As of 2008, the church was undergoing restoration with the possibility of using the building again.

Page County Courthouse

The Page County Courthouse is a historic courthouse building built in 1832–1833, and consists of a two-story, four-bay court house with three-bays, one-story wings. The four-bays of the pedimented gable facade open onto a ground floor arcade with rounded arches in the Jeffersonian Roman Revival style. It is topped by a cupola with coupled pilasters and four pedimented gables. It was built by Malcolm Crawford and William B. Philips, who worked under Thomas Jefferson on the University of Virginia.

Abram and Sallie Printz Farm

The Abram and Sallie Printz Farm, also known as Mountain View Farm, is a historic home and farm. The farmhouse was built about 1872, and is a two-story, frame dwelling with vernacular Greek Revival and Victorian interior design elements. A two-story rear ell was added about 1900. Also on the property are the contributing washhouse, meat house, garage, bank barn, corn crib and wagon shelter, and the foundations of three buildings

Redwell-Isabella Furnace Historic District

Redwell-Isabella Furnace Historic District is a historic iron furnace complex and national historic district. The district includes two contributing buildings, three contributing sites, and one contributing structure. The two buildings are the Isabella Furnace Office (c. 1800), a two-story stone building with Georgian interior detail, and the Yager Spring House (c. 1800), a two-story stone dwelling with a large cooking fireplace and a stone and frame addition made in 1965. Both buildings have metal-sheathed gable roofs. The district also includes a cemetery (now devoid of markers), a stone foundation, the furnace bridge mound, and Yager Spring, the power source for the furnace and later mills beginning about 1787

Ruffner House

The Ruffner House, also known as Luray Tannery Farm, is a historic home and farm complex built in two phases, about 1825 and about 1851. It is a two-story, Federal / Greek Revival style brick dwelling with a hipped with deck roof, a stone foundation, and one-story porches on the two fronts. The house was remodeled in the 1920s. Also on the property are the contributing rambling two-story frame residence known as The Cottage; a stone spring house with attached brick pumphouse that served an adjacent tannery; schoolhouse and shop; root cellar; secondary barn; dairy; machinery shed; chicken house; a swimming pool; an 1890s bank barn, and the small Ruffner Cemetery.

Skyline Drive

Skyline Drive is a 109-mile road that runs the entire length of the National Park Service's Shenandoah National Park in the Blue Ridge Mountains of Virginia, generally along the ridge of the mountains. The scenic drive is particularly popular in the fall when the leaves are changing colors. Annually, over two million people visit the Skyline Drive, which has been designated a National Scenic Byway.

Isaac Spitler House

Isaac Spitler House is a historic home and farm complex built in 1826, and is a two-story, brick dwelling with a gable roof. A wing was added in 1857 to create an "L"-shaped building. Located on the property are the contributing remains of a double-unit stone outbuilding which sheltered and sustained the original settlers (about 1738-1739) and two

succeeding generations; chimney and remains of a log building; stone wellhouse and dairy; large vernacular Switzer or Swisher barn dated to the 1750s; combination wagon shed and corn crib; a set of stone steps which were used to assist persons in mounting horses and getting into wagons; two eight-foot-high stone gateposts; and a small family cemetery containing nine graves.

Stover House

Stover House, also known as Fort Stover, is a historic home dated to the late-18th century, and is a two-story, three bay, rubble stone structure with a traditional Flurkuchenhaus plan. It has a basement that projects its full height above grade on the river side. Located off the basement is a vaulted room. It is considered among the best preserved and least altered of the important group of 18th-century log and stone German houses of the Massanutten Settlement.

Wall Brook Farm

Wall Brook Farm is a historic home and farm complex built about 1824, and is a two-story, six bay, Federal style brick dwelling with a gable roof. It has a center-passage-plan and 1 1/2-story frame addition linked to a gambrel-roofed garage. The front facade features a full-facade one-story front porch. Located on the property are the contributing meathouse / wash house (c. 1890), wall and foot bridge, barn (1870s), dairy barn and milkhouse (c. 1950), shed (c. 1950), and the Brubaker Cemetery.

The White House

The White House, also known as Kauffman House, is a historic home built about 1760, and is a two-story, three-bay Rhenish stone house covered with stucco. It has a two-room central-chimney plan, consisting of a kuche and stube, with a barrel-vaulted cellar and a large storage loft.

Summary

Luray, Virginia is sometimes thought of as a "laid back" small village in rural Page County in a valley of the Shenandoah Mountains to the east and the George Washington National Forest to the west. That may be correct in times gone by – but not in the 21st Century.

Page County ranks fourth in Virginia agricultural revenue and third in the sale of livestock and poultry.

Economic tourism follows with the world-famous Luray Caverns with its majestic beauty far beneath the ground to the panoramic vistas of the scenic Blue Ridge Parkway across the summit of the Shenandoah Mountains.

Luray is the county seat of Page County and continues to grow with the county as the two economic engines of Agriculture and Tourism expand into the new Century.

2016 Community Calendar

January
28 – Online and Social Media Rebranding event, L-PCCC
30 – Comedy Night with Lucas Bohn, PALs
31 – Joe Mullins and the Radio Ramblers benefit concert for the Luray Fire Department

February
13 – Rockin with Your Baby, Pre-Valentine's Day dance, PAL
13 – LDI & Opportunity Luray's Second Saturday, Downtown
14 – Valentine's Day Wine and Chocolate Fondue, Wisteria Farm & Vineyard
20 – PCHS presents "Into the Woods"
21 – Miss and Master Stanley Honorary Fire Chief Pageant, Stanley Volunteer Fire Department
27 – IONA – Celtic Music at PALS

March
6 – Miss and Master Shenandoah Speedway Benefit Pageant, Elkton Community Center
10 – Empty Bowls, Luray High School
12 – 24-hour Theater, PALs
12 – Hotel Laurance Bridal Show
12 – LDI & Opportunity Luray's Second Saturday, Downtown
19 – Page County Sheriff's Office Easter Egg Hunt, Ralph H. Dean Park
26 – JMU Opera, PALs
26 – Town of Shenandoah Community Easter Egg Hunt, Big Gem Park

April
2 – 7th Annual Lois Comer Memorial Back Road Challenge 5K, Town of Shenandoah
2 – Heritage Trout Day, Hawksbill Creek
2 – Hymn Sings, Town of Shenandoah
8 – Luray Little League Opening Day, Ralph H. Dean Park
9 – Youth trout Derby, Luray Greenway
9 – Shenandoah Recreation League Opening Day, Page County Public Schools
9 – LDI & Opportunity Luray's Second Saturday, Downtown
15-17 – BRYT Teens present "Lockdown!", Trackside Theater
16 – Clean the Bay Day, Shenandoah River Park
16-24 – Entrance Fee Free Day, Shenandoah National Park
17 – Miss and Master Shenandoah Fire Chief Benefit Pageant, Shenandoah Community Center
19 – Hotel Laurance Open House for Events and Weddings
22 – Shenandoah Twilight Street Spring, Shenandoah
22-24 – Tour of Page County Stage Race
22-24 – BRYT Teens present "Lockdown!", Trackside Theater
23 – PAL Fundraiser
23 – Earth Day 5 K
23 – Arbor Day Celebration, Yagers Spring
24 – Page Public Schools Art Show at Warehouse Art Gallery
30 – Luray High School Prom
30-1 – YEE-HA! Downhill Race, Massanutten Resort

May

6 – LDI's Chicken Festival, Burner Barn
7 – Festival of Spring, Downtown Luray, Beer Garden at PAL
7 – Hymn Sings, Town of Shenandoah
8 – Mother's Day Vintage Afternoon Tea, the Hotel Laurance
14 – Luray-Page Farmers Market, Luray (through September)
14 – 3rd annual MCCA 5K Race, Mt. Carmel Baptist Church
14 – Page County High School Prom
14 – LDI & Opportunity Luray's Second Saturday, Downtown
20 – Evenings on Main concert series begins, Ruffner Plaza
21 – Cookout at Stevens Cottage, Town of Shenandoah
22 – Memorial Day Beauty Pageant, Shenandoah Community Center
27 – Annual Cruz In, 1st Street in Shenandoah
27-28 – 19th annual Memorial Festival and Parade, Town of Shenandoah
28 – Lake Arrowhead Beach opens (through Labor Day), Luray
28 – Valley Fest, Massanutten Resort

June

4 – Party on the Plaza, PAL
4 – Shenandoah Marketplace, Stevens Cottage (through the first week of October)
4 – Racing for Wishes, Shenandoah Speedway
4 – Hymn Signs, Town of Shenandoah
4-5 – HOO-HA! Cross Country race, Massanutten Resort
5 – Hotel Laurance Open House for Events and Weddings
10 – Page County High School Graduation
10 – Evenings on Main concert series, Ruffner Plaza, Luray
11 – Luray High School Graduation
11 – LDI & Opportunity Luray's Second Saturday, Downtown Luray
14-20 – BRYT Summer Drama Camp, Trackside Theater
17 – Classic Vehicle Cruise-In, 1st Street in Shenandoah
17-18 – Relay for Life of Page County, Luray High School
18 – 'Pup'arazzi Dog Show, Ruffner Plaza
24 – Evenings on Main concert series, Ruffner Plaza, Luray
24-26 – Shenandoah Race weekend
29-2 – Stanley's Homecoming

July

2 – Stanley Homecoming Race, Parade and Fireworks
3 – Summer Jam, Massanutten Resort
4 – 4th of July Children's Parade, Inn Lawn Park
4 – 4th of July Celebration in Downtown Luray; Live Music on Ruffner Plaza
7-12 – LLL Senior Softball State Tournament, Ralph H. Dean Park
8 – Classic Vehicle Cruise-In, 1st Street in Shenandoah
9 – LDI & Opportunity Luray's Second Saturday, Downtown Luray
15 – Evenings on Main concert series, Ruffner Plaza, Luray
15-18 – Doah Fest

23 – Combat Veterans Association Bull Run-Wounded Warriors, Shenandoah VFW Post 8613
23 – Blackberry Delight Festival, Skyland Resort on Shenandoah National Park
29 – Evenings on Main concert series, Ruffner Plaza, Luray
30 – Page Valley Road Race
30 – Luray Triathlon Pre Race Clinic

August
4-6 – Bluegrass in the Blue Ridge, Luray VFW
5 – Classic Vehicle Cruise-In, 1st Street in Shenandoah
6 – Party on the Plaza, PAL
6 – Evenings on Main concert series, Ruffner Plaza, Luray
6 – 5th annual Poker Run, Shenandoah Recreation Center
6 – Hymn Sings, Town of Shenandoah
12-14 – Trackside Theater presents "Schoolhouse Rock Live!"
13 – LDI & Opportunity Luray's Second Saturday, Downtown Luray
19 – Evenings on Main concert series, Ruffner Plaza, Luray
19-21 – Trackside Theater presents "Schoolhouse Rock Live!"
20-21 – Luray International Triathlon & Luray Spring Triathlon, Lake Arrowhead
21-27 – Page Valley Fair, County Fairgrounds
25-28 – Entrance Fee Free Days, Shenandoah National Park
27 – Mountain Jamboree, Massanutten Resort
30 – Hotel Laurance Open House for Events and Weddings

September
3 – Party on the Plaza, PAL
3 – End of Summer Luau, Lake Arrowhead
3 – Hymn Sings, Town of Shenandoah
5 – Last Day Lake Arrowhead Beach is Open
9 – Classic Vehicle Cruise-in, 1st Street in Shenandoah
9 – Evenings on Main concert series, Ruffner Plaza, Luray
9-11 – Roundhouse Players' annual Murder Mystery, Trackside Theater
10 – James "Spading" Buracker Memorial Run, Luray Greenway
10 – Route 340 Yard Crawl, from Grottes to Luray
13 – LDI & Opportunity Luray's Second Saturday, Downtown Luray
16-18 – Roundhouse Players' annual Murder Mystery, Trackside Theater
17 – 17th annual Apple Butter Celebration, Skyland Resort on Shenandoah National Park
24 – Entrance Fee Free Days, Shenandoah National Park
24 – 8th annual Car and Truck Show, Mt. Carmel Baptist Church
24 – Evenings on Main concert series, Ruffner Plaza, Luray

October
1 – Blue Ridge Mountain Mudurance 5K
8 – Fall Festival, Massanutten Resort
8 – Hymn Sings, Town of Shenandoah
8 – LDI & Opportunity Luray's Second Saturday, Downtown Luray
8-9 – Heritage Festival, County Fairgrounds
9 – Hotel Laurance Open House for Events and Weddings
15 – 3rd annual Page County Grown Century Bicycle Race
31 --- Town of Luray Halloween Celebration and Costume Contest, Ralph H. Dean Park

November

6 – Thanksgiving Meal, Stevens Cottage, Shenandoah
6 – Veterans Service, Veterans Park, Shenandoah
11 – Entrance Fee Free Days, Shenandoah National Park
12 – LDI & Opportunity Luray's Second Saturday, Downtown Luray
14 – Page County Night of Excellence, Page County High School
19 – Turkey Trot, Luray Greenway
20 – Hotel Laurance Bridal Show

December

1 – Chamber Holiday Open House, L-PCCC
2-4 – BRYT presents Magic Treehouse Christmas Musical, Trackside Theater
3 – Lamplight Dinners at Stevens Cottage
3 – Stanley Christmas Parade
3 – The Laurance Hotel Gala
9-11 – BRYT presents Magic Treehouse Christmas Musical, Trackside Theater
10 – Christmas Tree Lighting ceremony, Big Gen Park
10 – Luray Christmas Parade and Community Holiday Reception, PAL
10 – LDI & Opportunity Luray's Second Saturday, Downtown Luray

SITE AND AREA EVALUATION

The Site

The Site for the proposed Cobblestone Hotel is at either the northwest or northeast intersection of U.S. 211 and U.S. 340 at College Drive. This route is the bypass route to the west side of Luray, Virginia. Traffic of both north/south and east/west will travel this roadway through the community and to reach the Luray Caverns the number one tourist attraction in the area.

Both sites are well within sufficient size to host the hotel with additional out parcels for future retail development. Also, the sites are owned by Page County and have all utilities currently in place.

If the ownership of the Luray Caverns became involved in the hotel development, their Luray Caverns Motel, across from their Bell Tower, would be an excellent location for the Cobblestone Hotel.

Highways

U.S. Route 211 (US 211)

U.S. Route 211 (US 211) is a spur of US 11 in the state of Virginia. Known for most of its length as Lee Highway, the hHighway runs 59.09 miles from Interstate 81 (I-81) and Virginia State Route 211 (SR 211) in New Market east to US 15 Business, US 29 Business, and US 211 Business in Warrenton. US 211 connects the Shenandoah Valley with the Piedmont town of Warrenton via Luray and Sperryville, where the highway runs concurrently with US 340 and US 522, respectively.

US 211 begins at a diamond interchange with I-81 just west of the town of New Market. Old Cross Road continues west as SR 211, a state-numbered extension of the U.S. Highway that runs west to Timberville. US 211 heads into the town as a four-lane divided highway that reduces to two lanes prior to turning north onto US 11 (Congress Street). The highway runs concurrently with US 11 north to two-lane Lee Highway, onto which US 211 turns east. The U.S. Highway expands to a four-lane divided highway after leaving the town of New Market. US 211 becomes a three-lane road, with two lanes in the ascending direction and one on the descending side, for its curvaceous path over Massanutten Mountain, which summits at New Market Gap at the Shenandoah–Page county line.

US 211 expands to a four-lane divided highway again just west of its junction with US 340 at the hamlet of Intersections. The two highways pass through the hamlets of Salem, Whitehouse Landing—where the highways cross the South Fork Shenandoah River—and pass Luray Caverns at the west end of the town of Luray. US 211 Business (Main Street) passes through the center of town while US 211 and US 340 bypass the town to the north. US 340 splits north at a diamond interchange with Broad Street, which heads south into town as US 340 Business. US 211 crosses over Norfolk Southern Railway's Hagerstown District just west of its intersection with the east end of US 211 Business (Main Street).

US 211 reduces to three lanes (two ascending, one descending) for its crossing of the Blue Ridge Mountains within Shenandoah National Park. The U.S. Highway reaches its summit at Thornton Gap, where the highway has an interchange with Skyline Drive and enters Rappahannock County. US 211 follows the Thornton River as a two-lane road east to Sperryville, where the highway becomes concurrent with US 522 (Sperryville Pike). The highways follow a four-lane divided highway past Rediviva to the Rappahannock County seat of Washington. US 211 Business heads north onto town as Main Street and rejoins US 211 and US 522 as Warren Street adjacent to the historic Calvert Mill/Washington Mill. Just east of Rose Hill, US 522 splits north as Zachary Taylor Highway. US 211 passes through Amissville and briefly through Culpeper County, where the highway meets the northern end of SR 229 (Rixeyville Road).

US 211 crosses the Rappahannock River at Waterloo and enters Fauquier County. The highway enters the town of Warrenton as Frost Street south of Fauquier High School.

At its intersection with US 17 Business and US 29 Business (Broadview Avenue), US 211 Business continues straight toward downtown Warrenton as Waterloo Street while the mainline U.S. Highway turns north concurrent with the business routes, which pass through a commercial area. The highway curves east at its northern junction with US 17 Business (Broadview Avenue) and continues as Lee Highway. US 211 reaches its eastern terminus at Blackwell Road, which heads south as US 15 Business and north as SR 672. US 15 Business and US 29 Business continue east along Lee Highway a short distance to their northern termini at an interchange with US 15, US 17, and US 29.

U.S. Route 340

U.S. Route 340 runs north–south, parallel and east of U.S. Route 11, from US 11 north of Greenville via Waynesboro, Grottoes, Elkton, Luray, Front Royal, and Berryville to the West Virginia state line. A short separate piece crosses northern Loudoun County on its way from West Virginia to Maryland.

US 340 begins at an intersection with US 11 (Lee Jackson Highway) north of Greenville and just east of US 11's interchange with I-81 and I-64 in southern Augusta County. The U.S. highway heads northeast as two-lane Stuarts Draft Highway through the village of Stuarts Draft. In the hamlet of Ladd, US 340 temporarily expands into a four-lane divided highway for its interchange with I-64. The U.S. highway continues into the independent city of Waynesboro as two-lane Rosser Avenue. On the western edge of downtown Waynesboro, US 340 intersects US 250, which heads west as Main Street and straight northeast as Broad Street. US 340 turns east onto Main Street, which meets the southern end of SR 254 (Poplar Avenue) and passes by Waynesboro High School, the Fishburne Military School, and the historic Plumb House and Coiner-Quesenbery House in the Waynesboro Downtown Historic District. The U.S. highway crosses the South River and intersects the eastern end of Broad Street, where US 340 and US 250 run concurrently on Main Street, passing under a north–south rail line on their way to Delphine Street. US 340 turns north onto Delphine Street and passes through the Basic City portion of Waynesboro, where the highway passes Fairfax Hall and passes under an east–west rail line before leaving Waynesboro and re-entering Augusta County.

US 340 continues north as East Side Highway, which parallels the South River and the rail line through the communities of Dooms and Crimora. The U.S. highway enters Rockingham County as it passes through the town of Grottoes, where US 340 intersects SR 256 (Aspen Avenue), which provides access to Grand Caverns. US 340 meets the eastern end of SR 253 near Port Republic, where the South River and North River merge to form the South Fork Shenandoah River. US 340 continues northeast parallel to the South Fork Shenandoah River through the communities of Lynnwood and Berrytown to the town of Elkton. The U.S. highway temporarily expands to a four-lane divided highway through the highway's interchange with US 33 (Spotswood Trail) and a short concurrency with US 33 Business, which turns west as Old Spotswood Trail through downtown Elkton. US 33 continues north as Stuart Avenue through Elkton to the Page County line.

US 340 heads north through the Page Valley between Massanutten Mountain to the west and Blue Ridge Mountain to the east. The U.S. highway passes through the unincorporated community of Verbena and the town of Shenandoah, where the highway is known as Third Street and Fifth Street. At Grove Hill, US 340 crosses to the west side of the South Fork Shenandoah River. The U.S. highway passes through the hamlet of Newport before meeting the southern end of US 340 Business (Stonewall Jackson Memorial Highway), which heads east and then north through Alma and Stanley. US 340 heads through Battle Creek and meets US 211 (Lee Highway) at Intersections. US 211 heads west and crosses Massanutten Mountain at New Market Gap. US 340 and US 211 run concurrently northeast toward Luray, passing through Salem and crossing the South Fork Shenandoah River at Whitehouse Landing. The two U.S. highways head northeast to bypass Luray where US 211 Business (Main Street) heads east into the town just south of Luray Caverns. After crossing Hawksbill Creek, US 340 leaves US 211 at an interchange with the northern end of US 340 Business (Broad Street).

US 340 continues northeast as Stonewall Jackson Memorial Highway through the communities of Springfield, Big Spring, Oak Hill, Rileyville, and Compton. The highway enters Warren County at the hamlet of Overall and continues through Bentonville, the site of Shenandoah River Raymond R. "Andy" Guest Jr. State Park. At the northern end of the Page Valley, US 340 temporarily expands to a four-lane divided highway and meets the northern terminus of Skyline Drive as the highway enters the town of Front Royal. The highway heads through town as Royal Avenue and becomes concurrent with SR 55 at South Street and US 522 at Commerce Street. The three highways continue as a four-lane undivided highway that makes a right angle turn west onto 14th Street then a right angle turn north onto Shenandoah Avenue. SR 55 heads west as Strasburg Road between the highways' crossings of the South Fork Shenandoah River and North Fork Shenandoah River, which merge to become the Shenandoah River proper a short distance to the east. US 340 and US 522 continues north as Winchester Road, which becomes a four-lane divided highway just south of the U.S. highways' interchange with I-66.

Skyline Drive

Skyline Drive is a 109-mile road that runs the entire length of the National Park Service's Shenandoah National Park in the Blue Ridge Mountains of Virginia, generally along the ridge of the mountains. The scenic drive is particularly popular in the fall when the leaves are changing colors. Annually, over two million people visit the Skyline Drive, which has been designated a National Scenic Byway

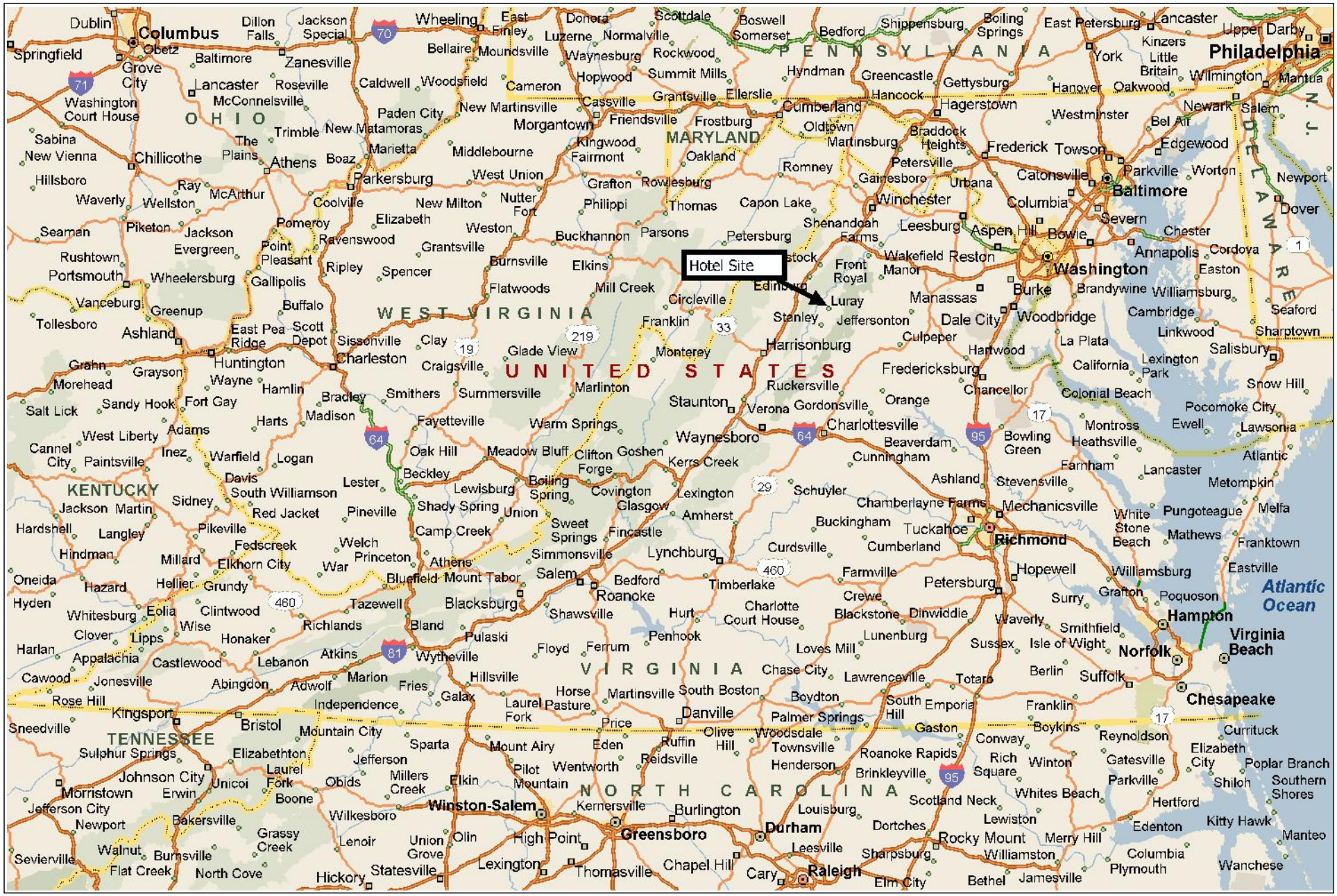
The road takes a winding path along the mountaintops of the Blue Ridge Mountains east of the Shenandoah River. There are nearly seventy-five overlooks throughout the drive, providing views of the surrounding valleys. During the drive (especially in early morning and late evening) wildlife can be seen on the road; Shenandoah National Park has one of the densest populations of black bears documented within the U.S.

Numerous trails can be accessed along the drive, including a portion of the Appalachian Trail, which follows the road's path. Biking and horseback riding are other recreational activities that are allowed on the road. The southern end of the Skyline Drive is located in Rockfish Gap, where it connects to the northern terminus of the Blue Ridge Parkway, a free-access road that continues southward along the Blue Ridge Mountains.

Maps and Site Pictures

Various maps, site pictures and illustrations are presented on the following pages to orient the site in Luray, Virginia.

State of Virginia



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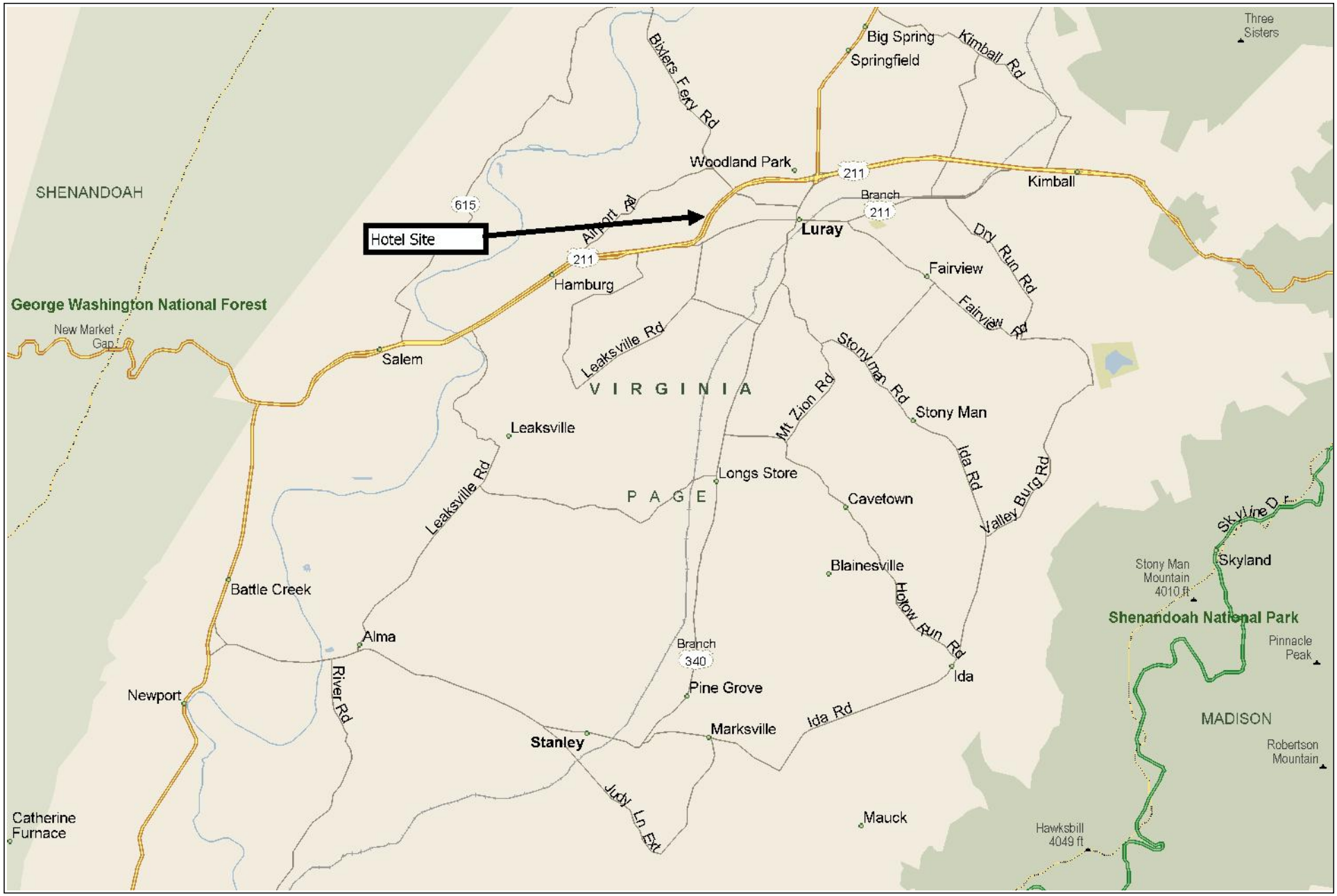
Page County, Virginia



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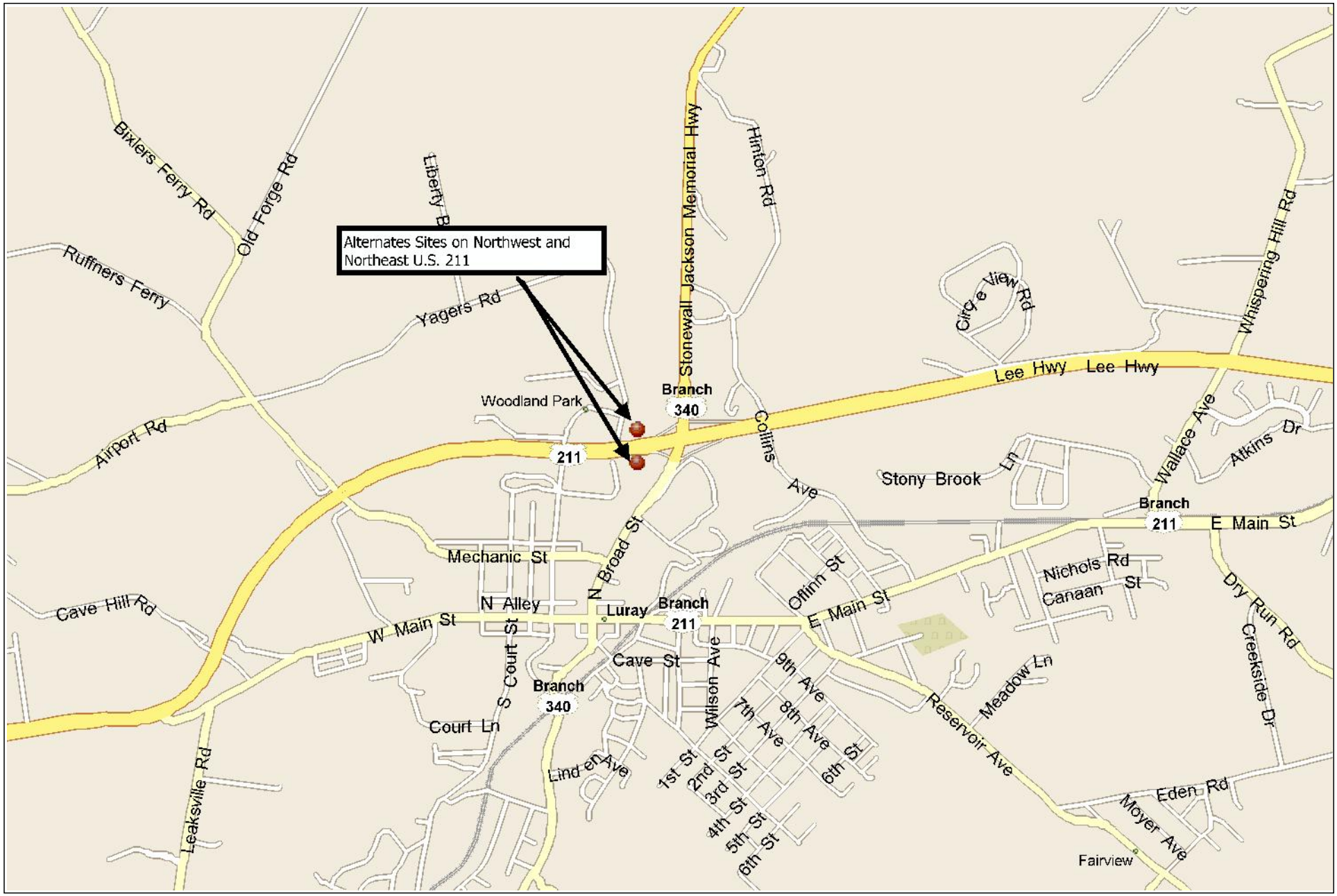
Luray, Virginia



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Two proposed sites for the Cobblestone Hotel
at the intersection of U.S. 211 and U.S. 340, at Collage Avenue
Luray, Virginia

1 – Site of the Proposed Cobblestone Hotel
2 – Site of the Proposed Cobblestone Hotel
3 – Alternate Site at the Luray Caverns Motel
4 – General Retail, WalMart, etc.
5 – Central Business District
6 – Luray Caverns

Two proposed sites for the Cobblestone Hotel
at the intersection of U.S. 211 and U.S. 340, at Collage Avenue
Luray, Virginia

Option 2 Hotel Site is the Luray Caverns Motel
or other adjacent land owned by Luray Caverns

Hotel Signage

As the subject site is located inside the town limits of Luray, various sign ordinances must be reviewed concurrently with the development of a signage program. It is recommended that the development obtain the following signs:

1. A monument sign at the drive entrance;
2. A large logo sign mounted on the front of the hotel;

Utilities

With the site being inside the Town of Luray, all public utilities of water, sewer, electricity, natural gas, telephone, and cable television systems are available to the subject hotel. Natural gas and Satellite Television Service will be provided by the hotel.

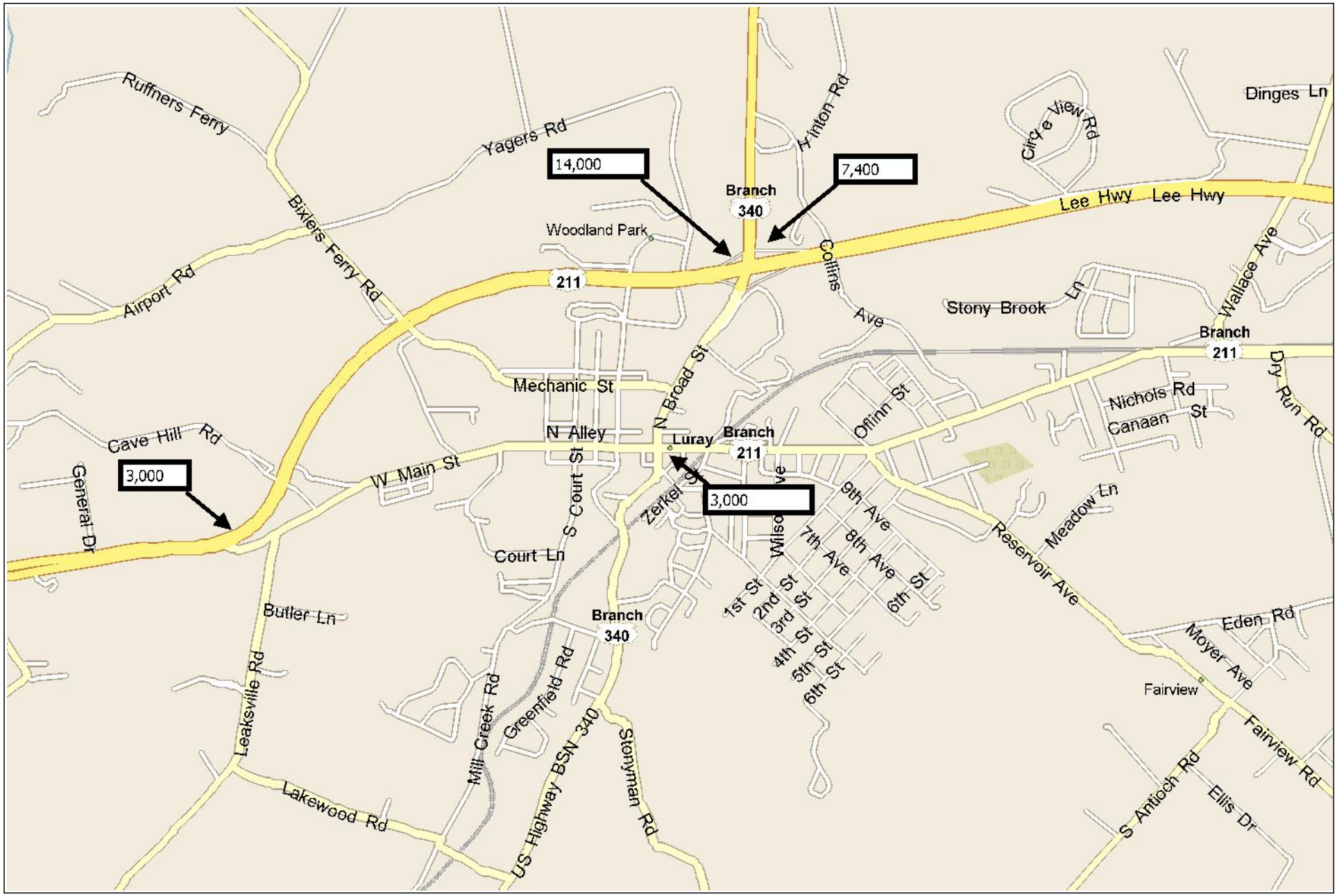
Traffic Counts

The Virginia Department of Transportation has published the following daily traffic counts of the subject site intersection:

Traffic Counts (Annual Average Daily Traffic)	
US 340 at US 211	14,000
US 340 at Leaksville Road	3,000
US 211 at Collins Avenue	7,400
US 211 at East Main Street	3,000

Source: Virginia Department of Transportation.

Traffice Counts



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Summary

The Site for the proposed Cobblestone Hotel is at either the northwest or northeast intersection of U.S. 211 and U.S. 340 at College Drive. This route is the bypass route to the west side of Luray, Virginia. Traffic of both north/south and east/west will travel this roadway through the community and to reach the Luray Caverns the number one tourist attraction in the area.

Both sites are well within sufficient size to host the hotel with additional out parcels for future retail development. Also, the sites are owned by Page County and have all utilities currently in place.

If the ownership of the Luray Caverns became involved in the hotel development, their Luray Caverns Motel, across from their Bell Tower, would be an excellent location for the Cobblestone Hotel.

SUPPLY AND DEMAND ANALYSIS

The objectives of the supply and demand analysis are to:

1. Identify those hotels that constitute direct competition to the proposed hotel.

2. Estimate the occupancy levels, average room rates, and market mixes of the competitive hotels.

3. Project growth rates for each identifiable market segment.

4. Determine the existing relationship of supply to demand for the competitive hotels and to project these relationships for the first five years of operation.

In addition, this section represents a review of both existing and proposed lodging facilities in the competitive market area.

Competitive Market Survey

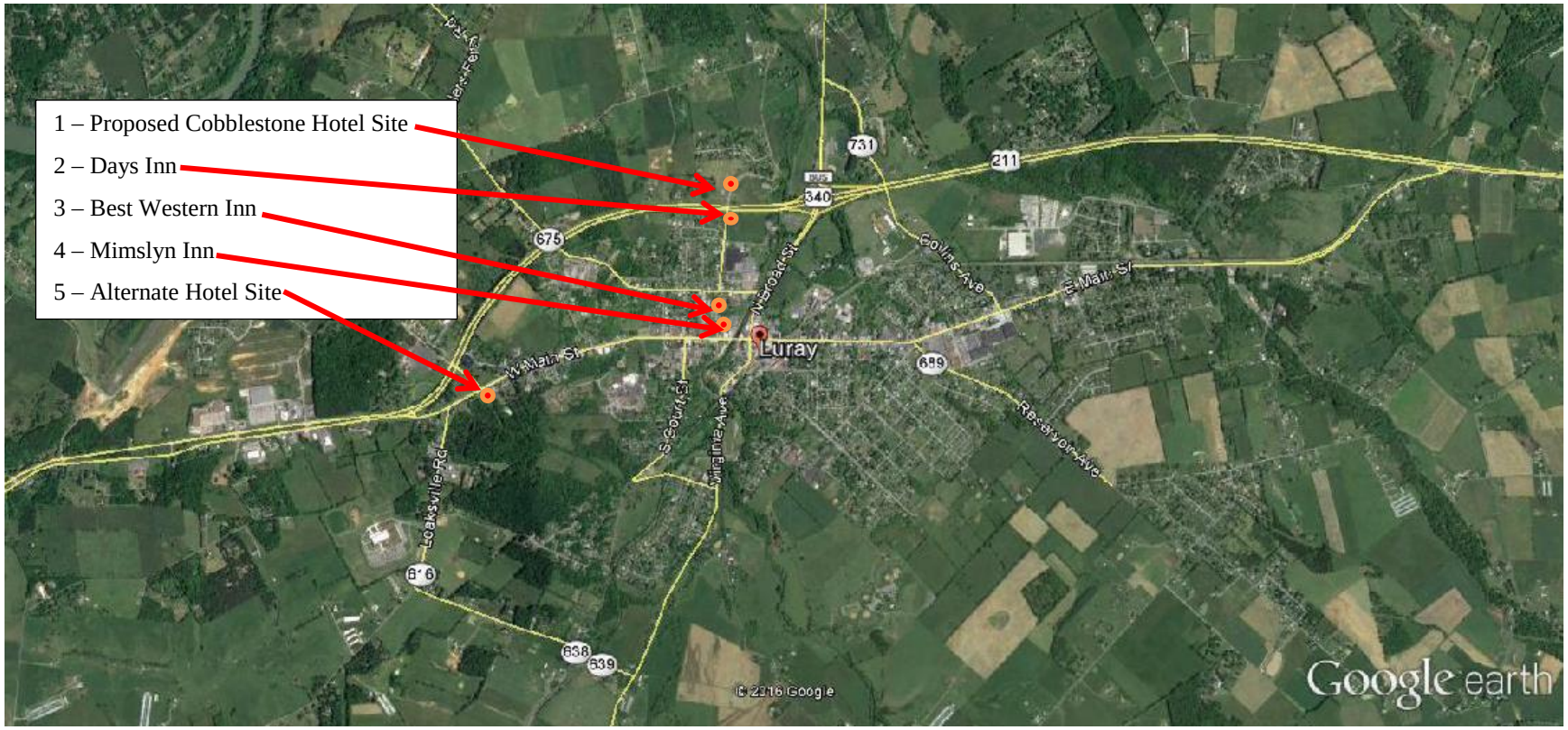
There are 21 hotels in the Woodstock/Luray Virginia area reporting their hotel data to Smith Travel Research. Interim Hospitality Consultants selected four mid-priced, market-driven hotels as an indication of Potential Market Demand for the area, all based on the excellent demand generator of Page County, Virginia.

Hotel	*City/ State*	*Date Opened*	*# of Rooms*	*Room Rate August 2016*	*Class*
Mimslyn Inn*	Luray, VA	Jul 1931	49	$239 plus	Upper Midscale
Best Western*	Luray, VA	Jun 1965	40	$160	Midscale
Skyland Resort*	Shenandoah National Park	Jun 1911	178	$110 plus	Upscale
Days Inn(formerly Holiday Inn	Luray, VA	Jun 1974	108	$120	Economy

*Full Service with Food and Beverage

Hotels Under Construction, Announced or Rumored

The Field Research for this project did not reveal any hotels under construction, announced, or rumored within the Competitive Market Set that would compete with the proposed hotel.


1 – Proposed Cobblestone Hotel Site
2 – Days Inn
3 – Best Western Inn
4 – Mimslyn Inn
5 – Alternate Hotel Site
Luray
W Main St
E Main St
Collins Ave
Reservoir Ave
Loaksville Rd
S Court St
Newport St
Mimslyn Ave
731
211
340
675
689
638
639
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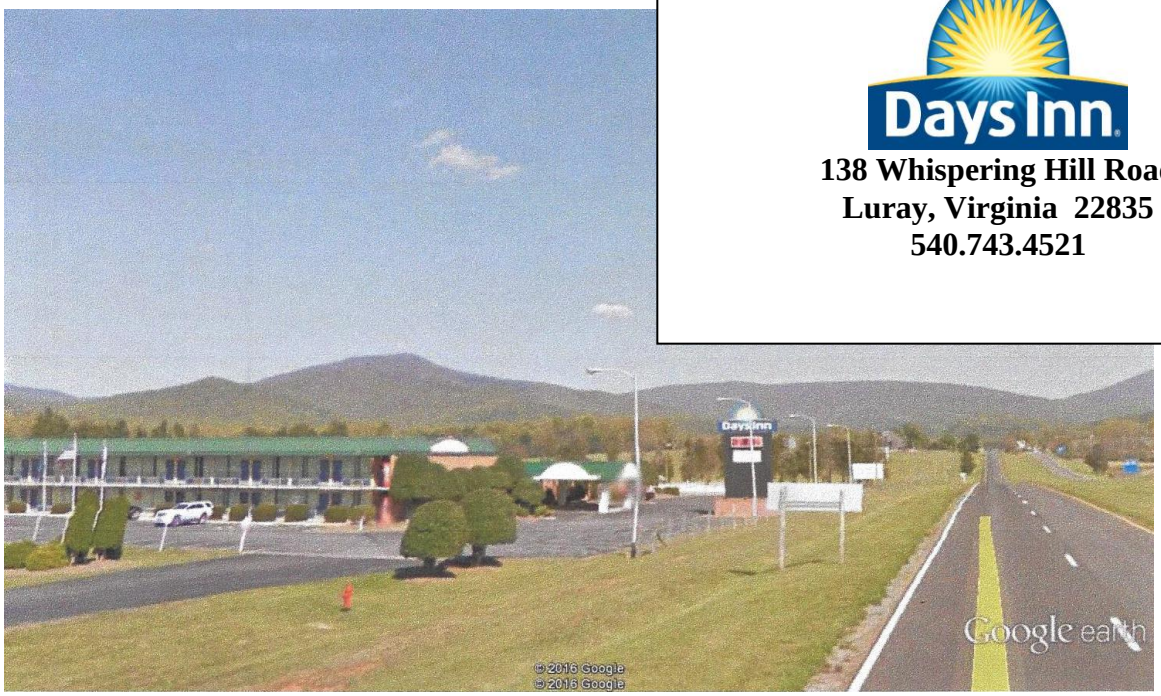
PICTURE OF COMPETING HOTELS

Mimslyn Inn

On one of the dominant hills in the Town of Luray is the location of the grand old Mimslyn Inn, a 1931 classic Southern mansion style hotel. The hotel is a popular site for wedding receptions. First Lady Eleanor Roosevelt visited the Mimslyn during a short visit in the late 1930s.

The site of the Mimslyn is on the former location of "Aventine Hall," the home of Peter Bouck Borst, a mid-19th century lawyer.

Aventine Hall was carefully removed to make way for the construction of the Mimslyn in the 1930s and is now located, as a private residence, on South Court Street in Luray.

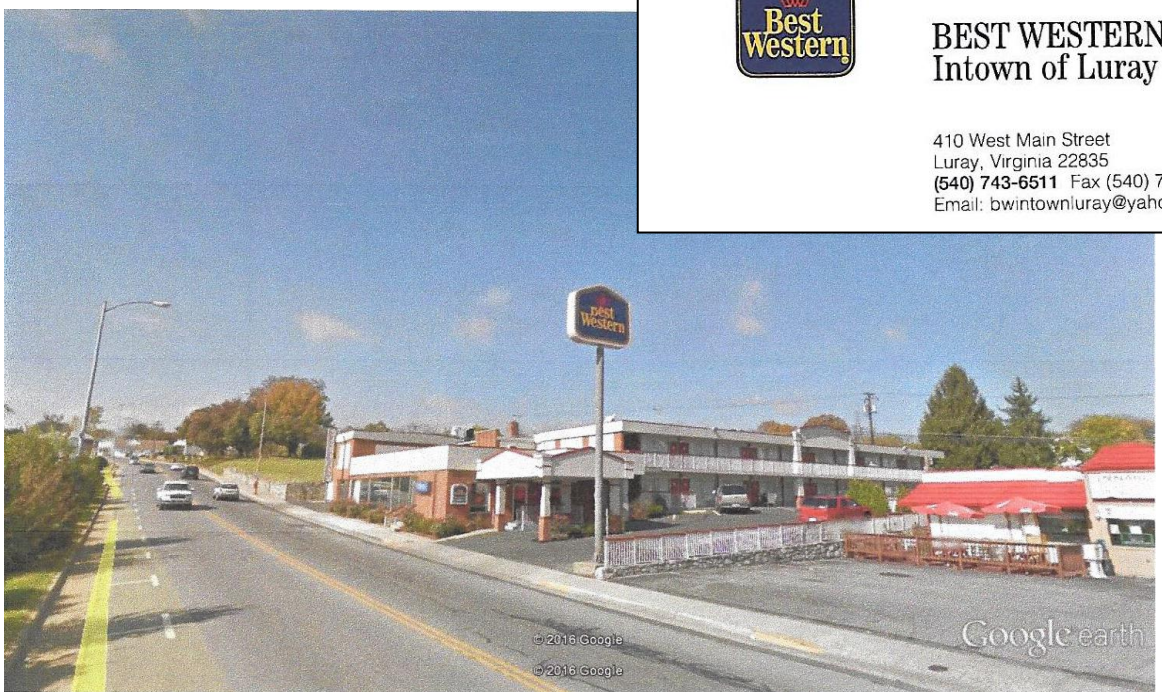


138 Whispering Hill Road
Luray, Virginia 22835
540.743.4521

Roger Patel
Nita Patel

BEST WESTERN
Intown of Luray

410 West Main Street
Luray, Virginia 22835
(540) 743-6511 Fax (540) 743-2917
Email: bwintownluray@yahoo.com



Smith Travel Research, Inc.

Smith Travel Research, Inc. (STR) is an American company based in Hendersonville, Tennessee, that tracks supply and demand data for the hotel industry and provides market share analysis for all major hotel chains and brands in the United States, Canada, Mexico and the Caribbean. STR is associated with STR Global. RRC Associates. STR Analytics and HotelNewsNow.com.

The hotel markets served are worldwide with more than 150 employees. Offices are located in:

- Hendersonville (Nashville), Tennessee
- Rocky River (Cleveland), Ohio
- Boulder, Colorado
- London, England

History

STR was founded in 1985 by Randy and Carolyn Smith in Lancaster, Pennsylvania. The Smiths built the company with a focus on providing overall performance data and trends to the hotel industry. In the beginning, they developed a database with names, addresses and phone numbers of established hotel companies in the United States to create the Census Database. Randy Smith was contacted by Holiday Inn multiple times and urged to create a market share report. By 1988, the company launched the first Smith Travel Accommodations Report (STAR), a monthly report that includes data from hotels and measures each property's market share performance against a self-selected competitive set.

STAR currently tracks over 50,000 properties and seven million hotel rooms, around the world.

STR Family of Companies

STR Global

In 2008, STR combined its operations outside North America with Deloitte to form STR Global. STR continues serving the North American markets, while STR Global caters to a global audience.

STR Global has its main office in London, with regional offices in Brazil, Italy, Dubai, Singapore, Tokyo, Jakarta, Sydney and Beijing.

HotelNewsNow.com

STR launched HotelNewsNow.com in 2008. HotelNewsNow.com provides the global hotel industry with news coverage and hotel analysis that leverages its first access to data from the STR family of companies. This division comprises a multimedia website and collection of e-newsletters, including the Daily Update, Hotel Investment Barometer and Product Showcase.

HotelNewsNow.com also hosts The Baird/STR Hotel Stock Index, a co-branded index created by Robert W. Baird & Co. and STR. The Index tracks the stock price movements associated with U.S. focused and domestically-based hotel companies. HotelNewsNow.com is based in Rocky River, Ohio.

RRC Associates

STR acquired RRC Associates in 2008. RRC is a consulting firm that provides market research, strategic analysis, community and land use planning services. RRC specializes in the collection and analysis of customer feedback via web, internet, mail or phone surveys. In addition, RRC operates the Boulder Focus Center, a qualitative research facility designed for state of the art research including surveys and focus groups. RRC Associates is based in Boulder, Colorado.

STR Analytics

STR Analytics utilizes the STR database and cross-references it with other data to provide objective trend-based analysis and empirical data about the lodging industry. STR Analytics is based in Boulder, Colorado.

Trend Report

One of the more requested reports by hotel developers, investors and the financial community of the Hotel Industry is the STR Trend Report. This is because it is pure uncorrupted data.

Example: The night desk clerk at a hotel posts the room rate and appropriate taxes to each guest room folio. The total of the room revenue and number of occupied rooms is transmitted each day at 4:00 A.M. to the appropriate franchise corporate office, such as:

- Hilton Hotels to Memphis, Tennessee
- Holiday Inn to Atlanta Georgia, etc.

Each morning the franchise company knows how many hotel rooms were rented (occupancy) and the total of room revenue of each of their hotels – worldwide.

Every franchise hotel company, and many independent hotels, provide their room data to STR each day of the week,

STR then produces Occupancy and Daily Average Rates data of various hotel segments and locations worldwide.

Developers, consultants, financial executives and the general public can order a STR Trend Report of a specific set of hotels in specific locations. A report for the Competitive Market Set of Hotels ordered by Interim Hospitality Consultants follows.

Glossary

Terms used in the various Smith Travel Research reports of importance in this Study are defined as follows.

- *Occ (Occupancy)* Rooms sold divided by rooms available. Occupancy is always displayed as a percentage of rooms occupied.
- *ADR (Average Daily Rate)* Room revenue divided by rooms sold, displayed as the average rental rate for a single room.
- *RevPAR (Revenue Per Available Room)* Room revenue divided by rooms available.

See Tab 10 of the STR Report for additional definitions.

Smith Travel Research — Competitive Market Set

The following hotels were combined to report their historical Occupancy and Average Daily Rate from January 2010 through July 2016.

Hotel	*City*	*Franchise Date*	*Date Opened*	*Number of Rooms*
Hampton Inn	Woodstock, VA	Oct 2009	Oct 2009	92
Holiday Inn Express	Woodstock, VA	Jun 2007	Jun 1986	119
Days Inn	Luray, VA	Dec 1999	Jun 1974	108
Best Western Intown	Luray, VA	Oct 1996	Jun 1965	40
			Total	359

Source: Smith Travel Research, Hendersonville, Tennessee
Note: Room counts in the Smith Travel Research Occupancy Data may vary from the room count reported by individual hotels due to usage of the rooms by the hotel management.

Competitive Market Set Luray, Virginia							
2010				*2011*			
Month	***Occupancy***	***ADR***	***RevPAR***	***Month***	***Occupancy***	***ADR***	***RevPAR***
Jan	22.0	68.17	15.01	Jan	27.3	68.68	18.74
Feb	32.1	68.88	22.12	Feb	28.9	72.60	20.95
Mar	29.6	70.75	20.94	Mar	33.5	70.72	23.70
Apr	42.2	74.13	31.30	Apr	48.8	77.43	37.76
May	45.5	79.60	36.18	May	47.7	85.24	40.69
Jun	50.6	76.71	38.82	Jun	53.9	81.26	43.80
Jul	65.2	79.52	51.87	Jul	60.0	84.35	50.61
Aug	56.6	79.57	45.04	Aug	57.5	85.31	49.05
Sep	47.5	77.76	36.97	Sep	47.6	83.39	39.71
Oct	59.1	84.12	49.71	Oct	58.5	86.93	50.81
Nov	41.4	68.32	28.31	Nov	40.5	75.93	30.76
Dec	25.2	70.38	17.71	Dec	27.5	73.04	20.05

Source: Smith Travel Research, Hendersonville, Tennessee

Competitive Market Set Luray, Virginia							
2012				*2013*			
Month	***Occupancy***	***ADR***	***RevPAR***	***Month***	***Occupancy***	***ADR***	***RevPAR***
Jan	24.1	72.13	17.41	Jan	25.7	74.50	19.12
Feb	29.7	66.49	19.76	Feb	29.7	74.63	22.17
Mar	36.7	73.49	26.98	Mar	39.0	77.45	30.24
Apr	54.2	79.55	43.15	Apr	44.5	81.22	36.18
May	51.9	87.54	45.47	May	53.9	89.44	48.17
Jun	59.1	86.45	51.06	Jun	55.8	87.00	48.52
Jul	69.7	89.91	62.71	Jul	62.8	90.69	56.99
Aug	61.4	89.99	55.22	Aug	64.1	90.51	58.03
Sep	48.9	85.60	41.88	Sep	49.5	83.17	41.14
Oct	59.9	94.37	56.53	Oct	55.6	96.04	53.43
Nov	39.5	80.07	31.64	Nov	46.6	78.54	36.57
Dec	28.6	77.79	22.28	Dec	30.9	75.68	23.39

Source: Smith Travel Research, Hendersonville, Tennessee

Competitive Market Set Luray, Virginia							
2014				*2015*			
Month	***Occupancy***	***ADR***	***RevPAR***	***Month***	***Occupancy***	***ADR***	***RevPAR***
Jan	28.3	73.86	20.91	Jan	30.1	77.40	23.30
Feb	30.6	76.30	23.36	Feb	30.2	79.26	23.93
Mar	33.1	78.81	26.09	Mar	36.0	81.43	29.30
Apr	53.8	84.94	45.67	Apr	54.3	86.94	47.25
May	59.0	94.46	55.69	May	56.4	101.03	56.96
Jun	59.8	92.10	55.04	Jun	55.9	96.92	54.22
Jul	64.6	95.01	61.42	Jul	69.0	100.61	69.47
Aug	66.8	97.64	65.26	Aug	67.2	99.17	66.61
Sep	47.5	92.69	44.05	Sep	60.2	93.68	56.41
Oct	59.1	100.54	59.37	Oct	68.4	101.43	69.39
Nov	40.6	83.47	33.91	Nov	47.6	84.27	40.12
Dec	31.9	78.95	25.22	Dec	33.4	81.29	27.17

Source: Smith Travel Research, Hendersonville, Tennessee

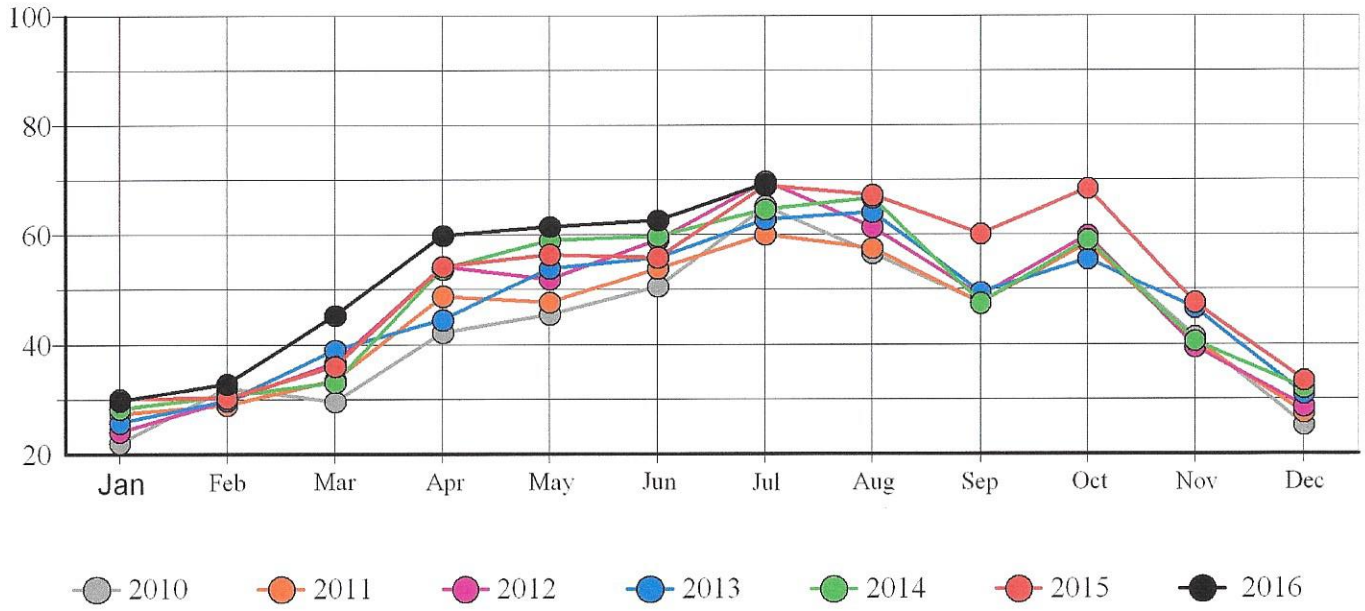
Standard Historical Trends Luray, Virginia Competitive Market Set			
*2016**			
Month	*Occ*	*ADR*	*RevPAR*
January	29.7	80.16	23.79
February	32.8	79.24	25.96
March	45.3	84.86	38.47
April	59.9	93.42	55.91
May	61.5	104.54	64.32
June	62.7	101.72	63.74
July	69.3	106.64	73.93
August			
September			
October			
November			
December			

Source: Smith Travel Research, Hendersonville, Tennessee
*January through July, 2016

Market Trend Luray, Virginia Competitive Market Set			
Year	***Occupancy***	***Average Daily Rate***	***RevPAR***
2010	43.2	76.26	32.91
2011	44.4	80.30	35.65
2012	47.1	84.18	39.64
2013	46.6	85.00	39.62
2014	48.0	89.80	43.14
2015	50.9	92.75	47.17

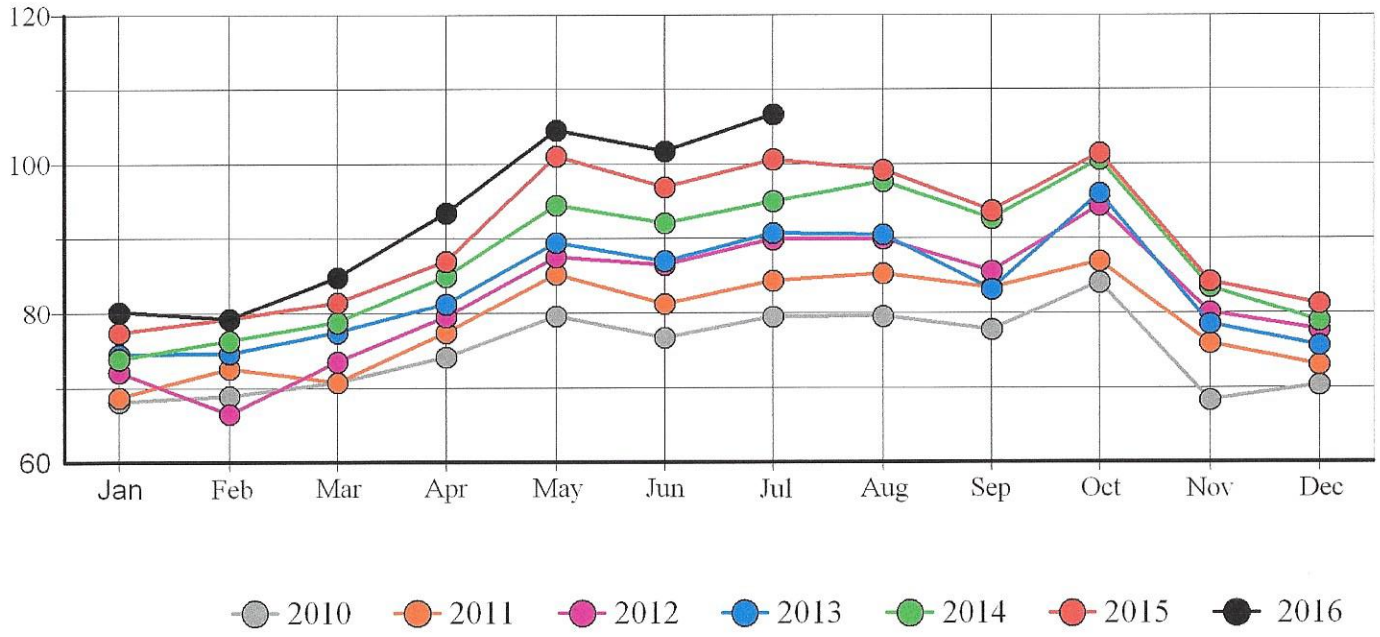
Source: Smith Travel Research, Hendersonville, Tennessee

Hotel Occupancy
Luray, Virginia Market Set



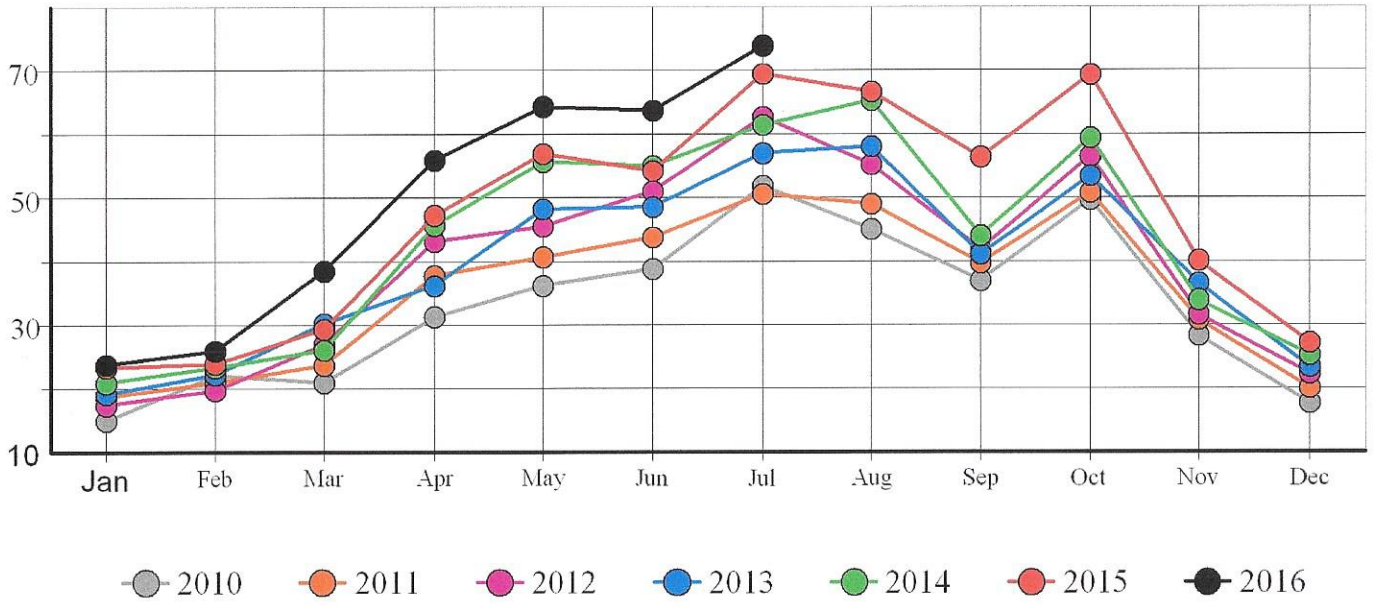
Source: Smith Travel Research, Hendersonville, Tennessee

Average Daily Rate
Luray, Virginia Market Set



Source: Smith Travel Research, Hendersonville, Tennessee

Revenue Per Available Room
Luray, Virginia Market Set

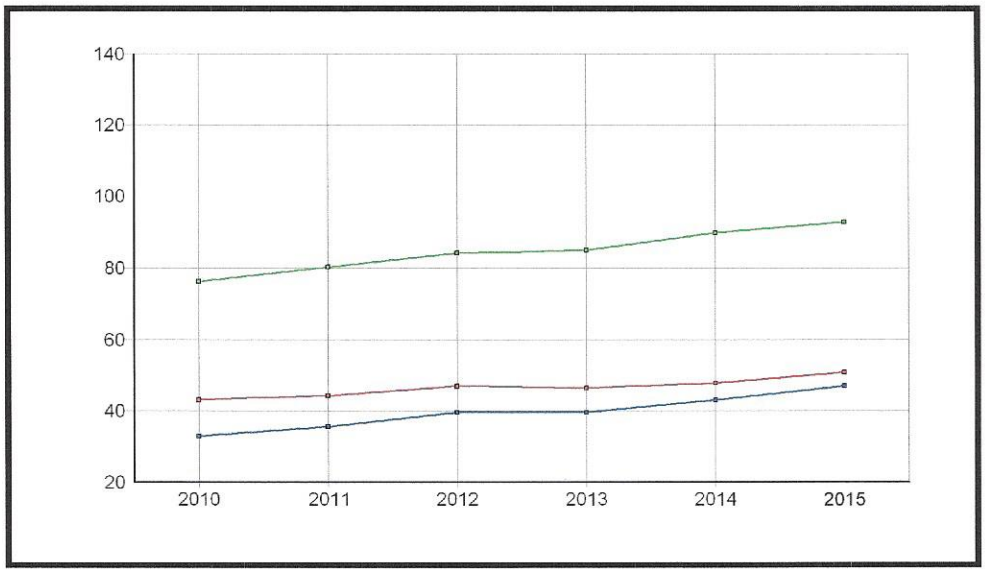


Source: Smith Travel Research, Hendersonville, Tennessee

Trend Report

Luray, Virginia Market Set

Year	Occupancy	ADR	RevPAR
2010	43.2	76.26	32.91
2011	44.4	80.30	35.65
2012	47.1	84.18	39.64
2013	46.6	85.00	39.62
2014	48.0	89.80	43.14
2015	50.9	92.75	47.17



Source: Smith Travel Research, Hendersonville, Tennessee

Smith Travel Research — Luray, Virginia, Comparative Market Area

The following hotels were combined to report their historical Occupancy and Average Daily Rate from January 2010 through July, 2016.

Hotel	*City/ State*	*Franchise Date*	*Date Opened*	*# of Rooms*
Comfort Inn Woodstock	Woodstock, VA	Jun 1999	Jun 1999	66
Econo Lodge Woodstock	Woodstock, VA	Mar 2013	Jun 1955	40
Holiday Inn Express Woodstock Shenandoah Valley	Woodstock, VA	Jun 2007	Jun 1985	119
Hampton Inn Suites Woodstock	Woodstock, VA	Oct 2009	Oct 2009	92
Graves Mountain Lodge	Syria, VA	Jun 1965	Jun 1965	67
The Inn @ Little Washington	Washington, VA	Jun 1978	Jun 1978	17
Skyland Resort	Luray, VA	Jun 1911	Jun 1911	178
Luray Caverns Motel West	Luray, VA	Jun 1995	Jun 1995	19
Budget Inn Luray Motel	Luray, VA	Jun 1973	Jun 1973	33
Cardinal Inn	Luray, VA	Jan 2006	Jun 1960	27
Mimslyn Inn	Luray, VA	Jul 1931	Jul 1931	49
Big Meadows Lodge	Luray, VA	Jun 1939	Jun 1939	97
Best Western Intown Of Luray	Luray, VA	Oct 1996	Jun 1965	40
Luray Caverns Motel East	Luray, VA	Jun 1957	Jun 1957	44
Days Inn Luray Shenandoa Valley	Luray, VA	Dec 1999	Jun 1974	108
Super 8 Mount Jackson	Mount Jackson, VA	May 2007	Jun 1973	92
Quality Inn Shenandoah Valley New Market	New Market, VA	Jun 1973	Jun 1973	100
Days Inn New Market Battlefield	New Market, VA	May 1989	May 1989	80
Shenvalee Golf Resort	New Market, VA	Jul 1927	Jul 1927	46
Blue Ridge Inn	New Market, VA			18
			Total Rooms	1,332

Source: Smith Travel Research, Hendersonville, Tennessee

Note: Room counts in the Smith Travel Research Occupancy Data may vary from the room count reported by individual hotels due to usage of the rooms by the hotel management.

Comparative Market Area Luray, Virginia							
2010				***2011***			
Month	***Occupancy***	***ADR***	***RevPAR***	***Month***	***Occupancy***	***ADR***	***RevPAR***
Jan	25.8	63.17	16.30	Jan	27.5	62.83	17.25
Feb	32.3	63.12	20.40	Feb	29.9	64.12	19.14
Mar	34.6	65.98	22.82	Mar	35.3	65.86	23.24
Apr	47.9	74.16	35.55	Apr	49.9	78.13	38.99
May	50.9	79.17	40.31	May	51.0	81.16	41.37
Jun	55.1	76.76	42.29	Jun	55.0	79.07	43.52
Jul	62.4	80.91	50.47	Jul	59.5	82.02	48.83
Aug	55.8	79.69	44.49	Aug	57.3	81.98	46.97
Sep	49.7	78.88	39.22	Sep	49.3	82.28	40.54
Oct	59.8	86.29	51.62	Oct	57.8	88.38	51.08
Nov	41.8	75.01	31.37	Nov	41.8	78.57	32.82
Dec	29.2	64.69	18.92	Dec	29.1	66.83	19.47

Source: Smith Travel Research, Hendersonville, Tennessee

Comparative Market Area Luray, Virginia							
2012				***2013***			
Month	***Occupancy***	***ADR***	***RevPAR***	***Month***	***Occupancy***	***ADR***	***RevPAR***
Jan	25.9	64.81	16.79	Jan	27.6	66.90	18.46
Feb	30.1	62.91	18.95	Feb	29.4	67.29	19.82
Mar	37.5	68.39	25.63	Mar	39.1	70.41	27.56
Apr	52.7	80.03	42.19	Apr	43.2	83.66	36.17
May	52.4	83.23	43.62	May	52.4	85.03	44.59
Jun	58.3	81.67	47.59	Jun	55.2	84.12	46.46
Jul	63.1	83.99	53.03	Jul	55.9	86.04	48.10
Aug	56.8	86.70	49.24	Aug	58.2	86.23	50.17
Sep	48.3	85.49	41.26	Sep	49.1	85.05	41.72
Oct	57.5	92.48	53.21	Oct	49.8	87.62	43.61
Nov	41.4	80.99	33.55	Nov	40.3	81.18	32.72
Dec	30.5	69.71	21.25	Dec	30.9	69.71	21.56

Source: Smith Travel Research, Hendersonville, Tennessee

Comparative Market Area Luray, Virginia							
2014				2015			
Month	Occupancy	ADR	RevPAR	Month	Occupancy	ADR	RevPAR
Jan	27.7	67.72	18.75	Jan	28.2	70.84	20.01
Feb	28.7	69.84	20.05	Feb	29.4	72.11	21.23
Mar	29.1	73.66	21.47	Mar	32.7	75.03	24.53
Apr	48.1	82.04	39.43	Apr	51.0	85.55	43.66
May	53.2	88.51	47.06	May	55.0	91.15	50.15
Jun	57.2	87.99	50.30	Jun	57.5	90.07	51.77
Jul	57.6	89.84	51.74	Jul	61.7	94.03	58.02
Aug	58.8	91.48	53.80	Aug	59.5	94.57	56.27
Sep	50.3	90.31	45.43	Sep	56.3	92.73	52.19
Oct	58.3	97.61	56.86	Oct	61.5	99.56	61.24
Nov	37.5	89.42	33.49	Nov	44.4	87.33	38.80
Dec	27.5	75.21	20.71	Dec	30.1	77.04	23.19

Source: Smith Travel Research, Hendersonville, Tennessee

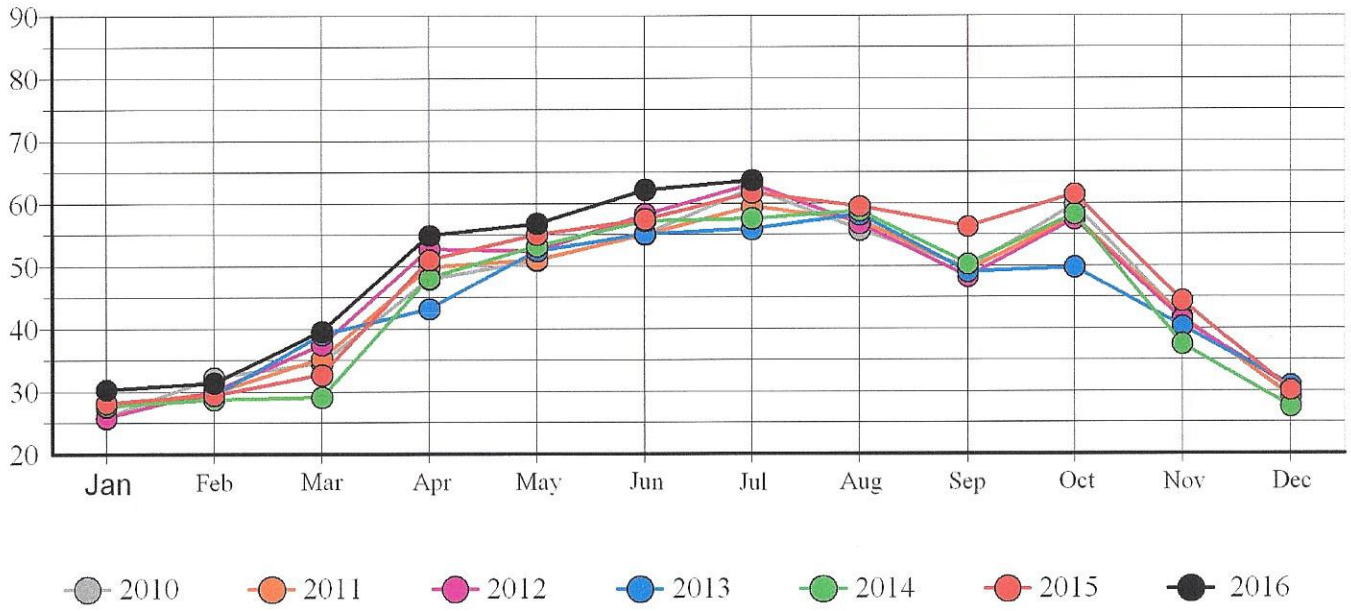
Standard Historical Trends Luray, Virginia Comparative Market Area			
2016*			
Month	Occ	ADR	RevPAR
January	30.3	71.55	21.68
February	31.4	73.34	23.03
March	39.6	81.76	32.39
April	54.9	88.72	48.74
May	56.8	96.01	54.55
June	62.2	97.39	60.53
July	63.7	98.15	62.53
August			
September			
October			
November			
December			

Source: Smith Travel Research, Hendersonville, Tennessee
*January through July 2016

Market Trend Luray, Virginia Competitive Market Area			
Year	***Occupancy***	***Average Daily Rate***	***RevPAR***
2010	46.9	76.61	35.94
2011	46.7	78.71	36.79
2012	47.7	81.37	38.83
2013	45.6	81.93	37.34
2014	45.6	86.63	39.50
2015	48.6	89.03	43.24

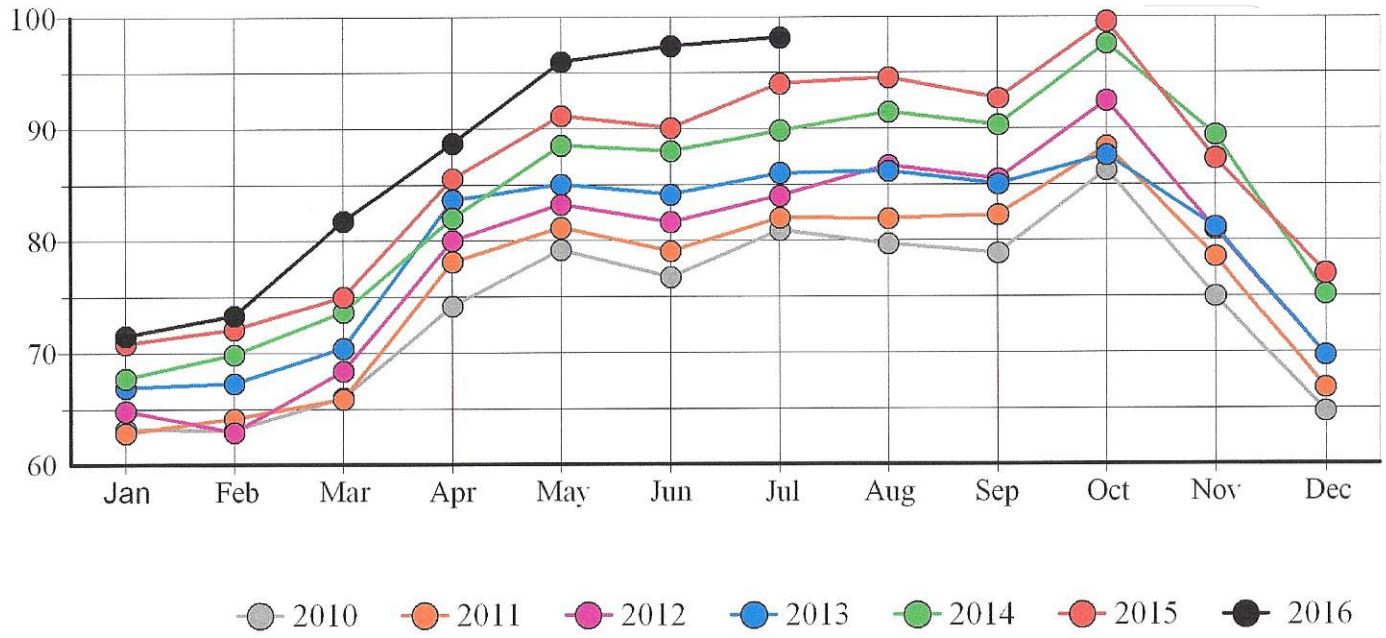
Source: Smith Travel Research, Hendersonville, Tennessee

Hotel Occupancy
Luray, Virginia Market Area



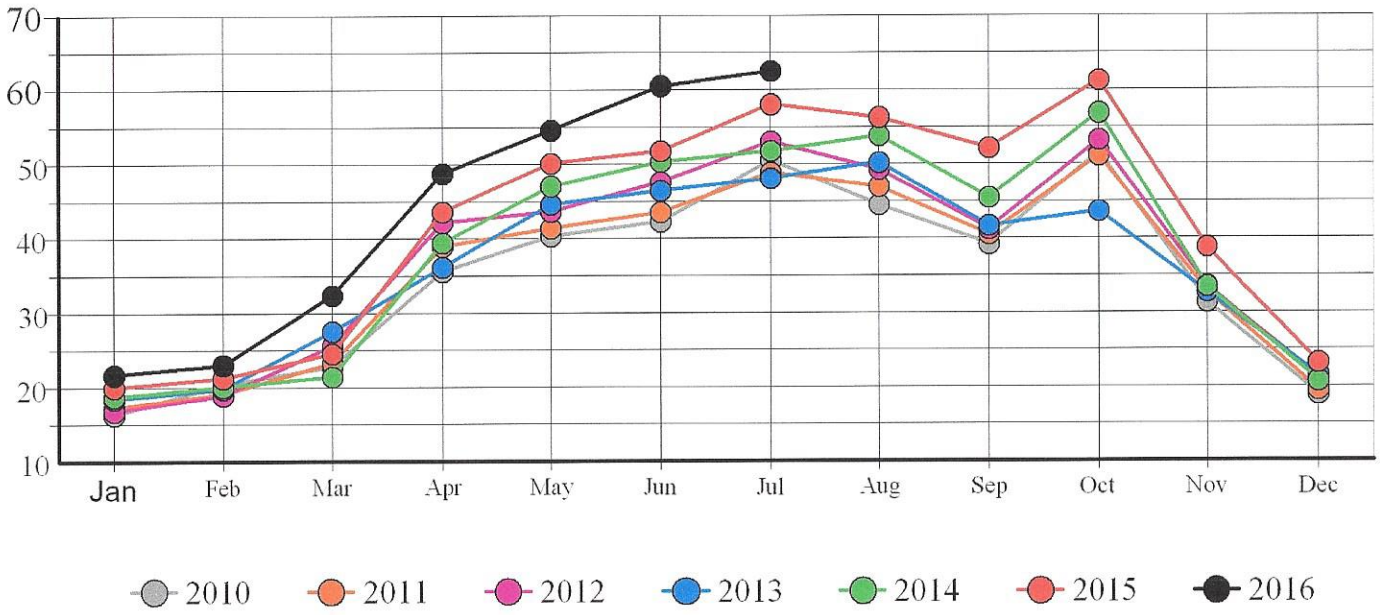
Source: Smith Travel Research, Hendersonville, Tennessee

Average Daily Rate
Luray, Virginia Market Area



Source: Smith Travel Research, Hendersonville, Tennessee

Revenue Per Available Room
Luray, Virginia Market Area

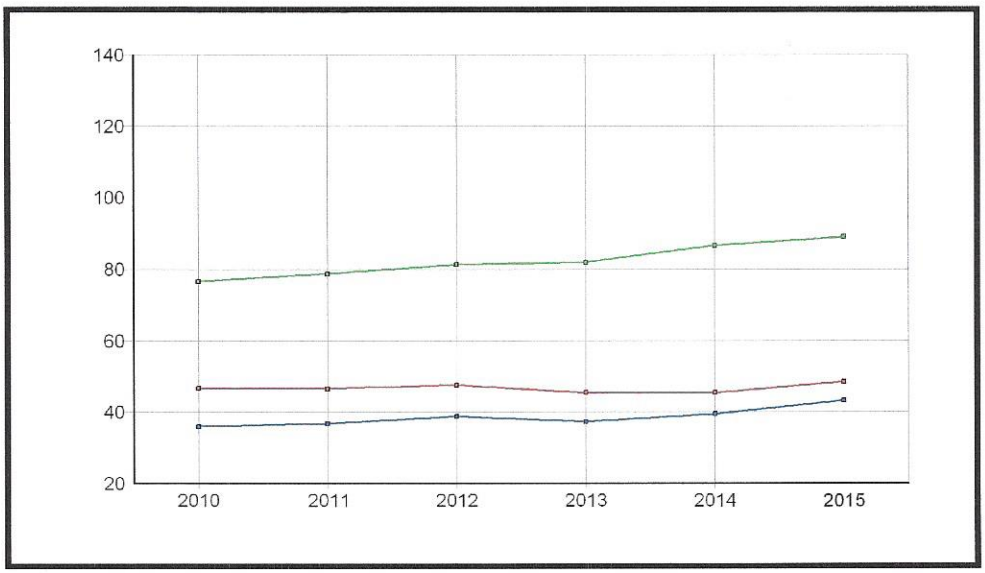


Source: Smith Travel Research, Hendersonville, Tennessee

Trend Report

Luray, Virginia Market Area

Year	Occupancy	ADR	RevPAR
2010	46.9	76.61	35.94
2011	46.7	78.71	36.79
2012	47.7	81.37	38.83
2013	45.6	81.93	37.34
2014	45.6	86.63	39.50
2015	48.6	89.03	43.24



Source: Smith Travel Research, Hendersonville, Tennessee

Trend # 807836_CADIMADIM / Created August 25, 2016

Trend Report - Woodstock, VA Area Selected Properties vs Luray, VA Area Selected Properties

January 2010 to July 2016 Currency : USD - US Dollar

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735 East Main Street, Hendersonville, TN 37075
T: +1 615 824 8664
trends@str.com www.str.com

Blue Fin Building, 110 Southwark Street, London SE1 OTA
T: +44 (0)20 7922 1930
trends@strglobal.com www.str.com

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Tab 2 - Annual and Year to Date Totals

Group 1: Woodstock, VA Area Selected Properties **Group 2: Luray, VA Area Selected Properties**

Job Number: 807836_CADIMADIM Staff: CW Created: August 25, 2016

Annual Totals

Year	Occupancy (%)		ADR ($)		RevPAR ($)		Room Supply		Room Demand		Room Revenues		Occ Index #	ADR Index #	RevPAR Index #	Sup % Share %	Dem % Share %	Rev % Share %
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2						
2010	43.2	46.9	76.26	76.61	32.91	35.94	131,035	452,535	56,546	212,266	4,312,077	16,262,438	92.0	99.5	91.6	29.0	26.6	26.5
2011	44.4	46.7	80.30	78.71	35.65	36.79	131,035	451,915	58,165	211,243	4,670,841	16,626,203	95.0	102.0	96.9	29.0	27.5	28.1
2012	47.1	47.7	84.18	81.37	39.64	38.83	131,035	451,915	61,712	215,665	5,194,643	17,549,160	98.7	103.4	102.1	29.0	28.6	29.6
2013	46.6	45.6	85.00	81.93	39.62	37.34	131,035	450,997	61,084	205,565	5,192,168	16,841,830	102.3	103.7	106.1	29.1	29.7	30.8
2014	48.0	45.6	89.80	86.63	43.14	39.50	131,035	453,771	62,953	206,918	5,653,028	17,924,928	105.4	103.7	109.2	28.9	30.4	31.5
2015	50.9	48.6	92.75	89.03	47.17	43.24	131,035	449,811	66,648	218,477	6,181,357	19,450,110	104.7	104.2	109.1	29.1	30.5	31.8

Percent Change for Annual Totals

Year	Occupancy (%)		ADR ($)		RevPAR ($)		Room Supply		Room Demand		Room Revenues		Occ Index #	ADR Index #	RevPAR Index #	Sup % Share %	Dem % Share %	Rev % Share %
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2						
2011	2.9	-0.3	5.3	2.7	8.3	2.4	0.0	-0.1	2.9	-0.5	8.3	2.2	3.2	2.5	5.8	0.1	3.4	6.0
2012	6.1	2.1	4.8	3.4	11.2	5.6	0.0	0.0	6.1	2.1	11.2	5.6	3.9	1.4	5.4	0.0	3.9	5.4
2013	-1.0	-4.5	1.0	0.7	-0.0	-3.8	0.0	-0.2	-1.0	-4.7	-0.0	-4.0	3.6	0.3	3.9	0.2	3.8	4.2
2014	3.1	0.0	5.6	5.7	8.9	5.8	0.0	0.6	3.1	0.7	8.9	6.4	3.0	-0.1	2.9	-0.6	2.4	2.3
2015	5.9	6.5	3.3	2.8	9.3	9.5	0.0	-0.9	5.9	5.6	9.3	8.5	-0.6	0.5	-0.1	0.9	0.3	0.8

Year to Date Totals

Year	Occupancy (%)		ADR ($)		RevPAR ($)		Room Supply		Room Demand		Room Revenues		Occ Index #	ADR Index #	RevPAR Index #	Sup % Share %	Dem % Share %	Rev % Share %
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2						
2010	41.1	45.7	75.35	74.66	30.98	34.15	76,108	257,902	31,288	117,979	2,357,553	8,808,240	89.9	100.9	90.7	29.5	26.5	26.8
2011	43.0	45.6	78.78	76.34	33.86	34.84	76,108	257,282	32,714	117,425	2,577,362	8,963,683	94.2	103.2	97.2	29.6	27.9	28.8
2012	46.6	47.5	82.00	78.40	38.25	37.27	76,108	257,282	35,504	122,301	2,911,174	9,587,909	98.1	104.6	102.6	29.6	29.0	30.4
2013	44.6	44.8	84.02	80.54	37.51	36.09	76,108	256,823	33,977	115,063	2,854,607	9,267,670	99.6	104.3	103.9	29.6	29.5	30.8
2014	47.2	44.4	87.64	83.31	41.33	36.97	76,108	259,128	35,895	115,005	3,145,786	9,580,498	106.3	105.2	111.8	29.4	31.2	32.8
2015	47.6	46.7	91.81	86.24	43.70	40.25	76,108	255,168	36,226	119,096	3,325,739	10,271,388	102.0	106.4	108.6	29.8	30.4	32.4
2016	51.8	50.1	95.97	90.61	49.68	45.37	76,108	255,168	39,398	127,785	3,781,006	11,578,070	103.4	105.9	109.5	29.8	30.8	32.7

Percent Change for Year to Date Totals

Year	Occupancy (%)		ADR ($)		RevPAR ($)		Room Supply		Room Demand		Room Revenues		Occ Index #	ADR Index #	RevPAR Index #	Sup % Share %	Dem % Share %	Rev % Share %
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2						
2011	4.6	-0.2	4.6	2.2	9.3	2.0	0.0	-0.2	4.6	-0.5	9.3	1.8	4.8	2.3	7.2	0.2	5.1	7.4
2012	8.5	4.2	4.1	2.7	13.0	7.0	0.0	0.0	8.5	4.2	13.0	7.0	4.2	1.3	5.6	0.0	4.2	5.6
2013	-4.3	-5.8	2.5	2.7	-1.9	-3.2	0.0	-0.2	-4.3	-5.9	-1.9	-3.3	1.5	-0.3	1.3	0.2	1.7	1.4
2014	5.6	-0.9	4.3	3.4	10.2	2.5	0.0	0.9	5.6	-0.1	10.2	3.4	6.6	0.9	7.6	-0.9	5.7	6.6
2015	0.9	5.2	4.8	3.5	5.7	8.9	0.0	-1.5	0.9	3.6	5.7	7.2	-4.0	1.2	-2.9	1.6	-2.5	-1.4
2016	8.8	7.3	4.5	5.1	13.7	12.7	0.0	0.0	8.8	7.3	13.7	12.7	1.4	-0.5	0.9	0.0	1.4	0.9

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Tab 3 - Data by Month

Group 1: Woodstock, VA Area Selected Properties **Group 2: Luray, VA Area Selected Properties**

Job Number: 807836_CADIMADIM Staff: CW Created: August 25, 2016

Date	Occupancy (%)		ADR		RevPAR		Room Supply		Room Demand		Room Revenues		Occ Index	ADR Index	RevPAR Index	Sup % Share	Dem % Share	Rev % Share
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	(#)	(#)	(#)	(%)	(%)	(%)
Jan 2010	22.0	25.8	68.17	63.17	15.01	16.30	11,129	31,837	2,450	8,214	167,025	518,915	85.3	107.9	92.1	35.0	29.8	32.2
Feb 2010	32.1	32.3	68.88	63.12	22.12	20.40	10,052	28,196	3,228	9,112	222,331	575,193	99.4	109.1	108.4	35.7	35.4	38.7
Mar 2010	29.6	34.6	70.75	65.98	20.94	22.82	11,129	33,883	3,294	11,718	233,035	773,203	85.6	107.2	91.8	32.8	28.1	30.1
Apr 2010	42.2	47.9	74.13	74.16	31.30	35.55	10,770	38,130	4,548	18,278	337,145	1,355,495	88.1	100.0	88.1	28.2	24.9	24.9
May 2010	45.5	50.9	79.60	79.17	36.18	40.31	11,129	42,408	5,059	21,591	402,678	1,709,444	89.3	100.5	89.8	26.2	23.4	23.6
Jun 2010	50.6	55.1	76.71	76.76	38.82	42.29	10,770	41,040	5,450	22,614	418,077	1,735,778	91.8	99.9	91.8	26.2	24.1	24.1
Jul 2010	65.2	62.4	79.52	80.91	51.87	50.47	11,129	42,408	7,259	26,452	577,262	2,140,212	104.6	98.3	102.8	26.2	27.4	27.0
Aug 2010	56.6	55.8	79.57	79.69	45.04	44.49	11,129	42,408	6,299	23,676	501,226	1,886,669	101.4	99.9	101.2	26.2	26.6	26.6
Sep 2010	47.5	49.7	77.76	78.88	36.97	39.22	10,770	41,040	5,120	20,406	398,148	1,609,635	95.6	98.6	94.3	26.2	25.1	24.7
Oct 2010	59.1	59.8	84.12	86.29	49.71	51.62	11,129	42,408	6,576	25,369	553,167	2,189,084	98.8	97.5	96.3	26.2	25.9	25.3
Nov 2010	41.4	41.8	68.32	75.01	28.31	31.37	10,770	37,560	4,463	15,708	304,921	1,178,334	99.1	91.1	90.2	28.7	28.4	25.9
Dec 2010	25.2	29.2	70.38	64.69	17.71	18.92	11,129	31,217	2,800	9,128	197,062	590,476	86.0	108.8	93.6	35.7	30.7	33.4
Jan 2011	27.3	27.5	68.68	62.83	18.74	17.25	11,129	31,217	3,037	8,570	208,574	538,488	99.4	109.3	108.6	35.7	35.4	38.7
Feb 2011	28.9	29.9	72.60	64.12	20.95	19.14	10,052	28,196	2,901	8,418	210,624	539,798	96.7	113.2	109.4	35.7	34.5	39.0
Mar 2011	33.5	35.3	70.72	65.86	23.70	23.24	11,129	33,883	3,730	11,958	263,781	787,578	95.0	107.4	102.0	32.8	31.2	33.5
Apr 2011	48.8	49.9	77.43	78.13	37.76	38.99	10,770	38,130	5,252	19,030	406,645	1,486,789	97.7	99.1	96.8	28.2	27.6	27.4
May 2011	47.7	51.0	85.24	81.16	40.69	41.37	11,129	42,408	5,312	21,616	452,813	1,754,270	93.6	105.0	98.4	26.2	24.6	25.8
Jun 2011	53.9	55.0	81.26	79.07	43.80	43.52	10,770	41,040	5,805	22,586	471,730	1,785,950	97.9	102.8	100.7	26.2	25.7	26.4
Jul 2011	60.0	59.5	84.35	82.02	50.61	48.83	11,129	42,408	6,677	25,247	563,195	2,070,810	100.8	102.8	103.6	26.2	26.4	27.2
Aug 2011	57.5	57.3	85.31	81.98	49.05	46.97	11,129	42,408	6,399	24,300	545,881	1,992,012	100.3	104.1	104.4	26.2	26.3	27.4
Sep 2011	47.6	49.3	83.39	82.28	39.71	40.54	10,770	41,040	5,129	20,222	427,705	1,663,779	96.6	101.4	98.0	26.2	25.4	25.7
Oct 2011	58.5	57.8	86.93	88.38	50.81	51.08	11,129	42,408	6,505	24,510	565,465	2,166,123	101.1	98.4	99.5	26.2	26.5	26.1
Nov 2011	40.5	41.8	75.93	78.57	30.76	32.82	10,770	37,560	4,363	15,692	331,304	1,232,859	97.0	96.7	93.7	28.7	27.8	26.9
Dec 2011	27.5	29.1	73.04	66.83	20.05	19.47	11,129	31,217	3,055	9,094	223,124	607,747	94.2	109.3	103.0	35.7	33.6	36.7
Jan 2012	24.1	25.9	72.13	64.81	17.41	16.79	11,129	31,217	2,687	8,088	193,801	524,178	93.2	111.3	103.7	35.7	33.2	37.0
Feb 2012	29.7	30.1	66.49	62.91	19.76	18.95	10,052	28,196	2,987	8,491	198,611	534,174	98.7	105.7	104.3	35.7	35.2	37.2
Mar 2012	36.7	37.5	73.49	68.39	26.98	25.63	11,129	33,883	4,085	12,699	300,226	868,540	97.9	107.5	105.2	32.8	32.2	34.6
Apr 2012	54.2	52.7	79.55	80.03	43.15	42.19	10,770	38,130	5,842	20,103	464,735	1,608,895	102.9	99.4	102.3	28.2	29.1	28.9
May 2012	51.9	52.4	87.54	83.23	45.47	43.62	11,129	42,408	5,780	22,228	506,006	1,849,973	99.1	105.2	104.2	26.2	26.0	27.4
Jun 2012	59.1	58.3	86.45	81.67	51.06	47.59	10,770	41,040	6,361	23,913	549,899	1,953,069	101.4	105.8	107.3	26.2	26.6	28.2
Jul 2012	69.7	63.1	89.91	83.99	62.71	53.03	11,129	42,408	7,762	26,779	697,896	2,249,080	110.5	107.1	118.2	26.2	29.0	31.0
Aug 2012	61.4	56.8	89.99	86.70	55.22	49.24	11,129	42,408	6,829	24,084	614,551	2,088,117	108.0	103.8	112.1	26.2	28.4	29.4
Sep 2012	48.9	48.3	85.60	85.49	41.88	41.26	10,770	41,040	5,269	19,805	451,051	1,693,125	101.4	100.1	101.5	26.2	26.6	26.6
Oct 2012	59.9	57.5	94.37	92.48	56.53	53.21	11,129	42,408	6,666	24,398	629,088	2,256,394	104.1	102.0	106.2	26.2	27.3	27.9
Nov 2012	39.5	41.4	80.07	80.99	31.64	33.55	10,770	37,560	4,256	15,561	340,795	1,260,272	95.4	98.9	94.3	28.7	27.4	27.0
Dec 2012	28.6	30.5	77.79	69.71	22.28	21.25	11,129	31,217	3,188	9,516	247,984	663,343	94.0	111.6	104.9	35.7	33.5	37.4
Jan 2013	25.7	27.6	74.50	66.90	19.12	18.46	11,129	31,217	2,856	8,615	212,774	576,380	93.0	111.4	103.5	35.7	33.2	36.9
Feb 2013	29.7	29.4	74.63	67.29	22.17	19.82	10,052	28,196	2,986	8,303	222,848	558,738	100.9	110.9	111.9	35.7	36.0	39.9
Mar 2013	39.0	39.1	77.45	70.41	30.24	27.56	11,129	33,790	4,345	13,228	336,522	931,387	99.7	110.0	109.7	32.9	32.8	36.1
Apr 2013	44.5	43.2	81.22	83.66	36.18	36.17	10,770	38,040	4,797	16,448	389,625	1,376,034	103.0	97.1	100.0	28.3	29.2	28.3
May 2013	53.9	52.4	89.44	85.03	48.17	44.59	11,129	42,315	5,993	22,192	536,033	1,886,962	102.7	105.2	108.0	26.3	27.0	28.4
Jun 2013	55.8	55.2	87.00	84.12	48.52	46.46	10,770	40,950	6,006	22,619	522,520	1,902,655	101.0	103.4	104.4	26.3	26.6	27.5
Jul 2013	62.8	55.9	90.69	86.04	56.99	48.10	11,129	42,315	6,994	23,658	634,285	2,035,514	112.4	105.4	118.5	26.3	29.6	31.2
Aug 2013	64.1	58.2	90.51	86.23	58.03	50.17	11,129	42,315	7,135	24,619	645,794	2,122,954	110.2	105.0	115.7	26.3	29.0	30.4
Sep 2013	49.5	49.1	83.17	85.05	41.14	41.72	10,770	40,950	5,327	20,089	443,052	1,708,522	100.8	97.8	98.6	26.3	26.5	25.9
Oct 2013	55.6	49.8	96.04	87.62	53.43	43.61	11,129	42,315	6,191	21,062	594,580	1,845,393	111.8	109.6	122.5	26.3	29.4	32.2
Nov 2013	46.6	40.3	78.54	81.18	36.57	32.72	10,770	37,470	5,015	15,105	393,867	1,226,180	115.5	96.7	111.8	28.7	33.2	32.1
Dec 2013	30.9	30.9	75.68	69.71	23.39	21.56	11,129	31,124	3,439	9,627	260,268	671,111	99.9	108.6	108.5	35.8	35.7	38.8
Jan 2014	28.3	27.7	73.86	67.72	20.91	18.75	11,129	31,124	3,151	8,618	232,744	583,602	102.3	109.1	111.5	35.8	36.6	39.9
Feb 2014	30.6	28.7	76.30	69.84	23.36	20.05	10,052	28,112	3,078	8,072	234,855	563,779	106.6	109.2	116.5	35.8	38.1	41.7
Mar 2014	33.1	29.1	78.81	73.66	26.09	21.47	11,129	39,308	3,684	11,458	290,338	843,950	113.6	107.0	121.5	28.3	32.2	34.4
Apr 2014	53.8	48.1	84.94	82.04	45.67	39.43	10,770	38,040	5,791	18,280	491,861	1,499,759	111.9	103.5	115.8	28.3	31.7	32.8
May 2014	59.0	53.2	94.46	88.51	55.69	47.06	11,129	41,292	6,561	21,954	619,720	1,943,173	110.9	106.7	118.3	27.0	29.9	31.9
Jun 2014	59.8	57.2	92.10	87.99	55.04	50.30	10,770	39,960	6,436	22,842	592,751	2,009,823	104.5	104.7	109.4	27.0	28.2	29.5
Jul 2014	64.6	57.6	95.01	89.84	61.42	51.74	11,129	41,292	7,194	23,781	683,517	2,136,412	112.2	105.8	118.7	27.0	30.3	32.0
Aug 2014	66.8	58.8	97.64	91.48	65.26	53.80	11,129	41,292	7,438	24,287	726,248	2,221,680	113.6	106.7	121.3	27.0	30.6	32.7
Sep 2014	47.5	50.3	92.69	90.31	44.05	45.43	10,770	39,960	5,118	20,102	474,405	1,815,405	94.5	102.6	97.0	27.0	25.5	26.1
Oct 2014	59.1	58.3	100.54	97.61	59.37	56.86	11,129	41,292	6,572	24,053	660,753	2,347,909	101.4	103.0	104.4	27.0	27.3	28.1
Nov 2014	40.6	37.5	83.47	89.42	33.91	33.49	10,770	36,480	4,375	13,664	365,178	1,221,876	108.5	93.3	101.2	29.5	32.0	29.9

Tab 3 - Data by Month

Group 1: Woodstock, VA Area Selected Properties **Group 2: Luray, VA Area Selected Properties**

Job Number: 807836_CADIMADIM Staff: CW Created: August 25, 2016

Date	Occupancy (%)		ADR		RevPAR		Room Supply		Room Demand		Room Revenues		Occ Index	ADR Index	RevPAR Index	Sup % Share	Dem % Share	Rev % Share
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	(#)	(#)	(#)	(%)	(%)	(%)
Dec 2014	31.9	27.5	78.95	75.21	25.22	20.71	11,129	35,619	3,555	9,807	280,658	737,560	116.0	105.0	121.8	31.2	36.2	38.1
Jan 2015	30.1	28.2	77.40	70.84	23.30	20.01	11,129	30,101	3,350	8,500	259,299	602,178	106.6	109.3	116.5	37.0	39.4	43.1
Feb 2015	30.2	29.4	79.26	72.11	23.93	21.23	10,052	27,188	3,035	8,004	240,553	577,208	102.6	109.9	112.7	37.0	37.9	41.7
Mar 2015	36.0	32.7	81.43	75.03	29.30	24.53	11,129	38,285	4,005	12,516	326,117	939,032	110.1	108.5	119.5	29.1	32.0	34.7
Apr 2015	54.3	51.0	86.94	85.55	47.25	43.66	10,770	37,050	5,853	18,909	508,842	1,617,639	106.5	101.6	108.2	29.1	31.0	31.5
May 2015	56.4	55.0	101.03	91.15	56.96	50.15	11,129	41,292	6,274	22,720	633,882	2,070,905	102.5	110.8	113.6	27.0	27.6	30.6
Jun 2015	55.9	57.5	96.92	90.07	54.22	51.77	10,770	39,960	6,025	22,970	583,960	2,068,831	97.3	107.6	104.7	27.0	26.2	28.2
Jul 2015	69.0	61.7	100.61	94.03	69.47	58.02	11,129	41,292	7,684	25,477	773,086	2,395,595	111.9	107.0	119.7	27.0	30.2	32.3
Aug 2015	67.2	59.5	99.17	94.57	66.61	56.27	11,129	41,292	7,475	24,566	741,313	2,323,324	112.9	104.9	118.4	27.0	30.4	31.9
Sep 2015	60.2	56.3	93.68	92.73	56.41	52.19	10,770	39,960	6,485	22,489	607,490	2,085,475	107.0	101.0	108.1	27.0	28.8	29.1
Oct 2015	68.4	61.5	101.43	99.56	69.39	61.24	11,129	41,292	7,614	25,397	772,281	2,528,537	111.2	101.9	113.3	27.0	30.0	30.5
Nov 2015	47.6	44.4	84.27	87.33	40.12	38.80	10,770	36,480	5,128	16,206	432,140	1,415,309	107.2	96.5	103.4	29.5	31.6	30.5
Dec 2015	33.4	30.1	81.29	77.04	27.17	23.19	11,129	35,619	3,720	10,723	302,394	826,077	111.0	105.5	117.2	31.2	34.7	36.6
Jan 2016	29.7	30.3	80.16	71.55	23.79	21.68	11,129	30,101	3,303	9,121	264,764	652,591	97.9	112.0	109.7	37.0	36.2	40.6
Feb 2016	32.8	31.4	79.24	73.34	25.96	23.03	10,052	27,188	3,293	8,539	260,942	626,259	104.3	108.0	112.7	37.0	38.6	41.7
Mar 2016	45.3	39.6	84.86	81.76	38.47	32.39	11,129	38,285	5,045	15,167	428,117	1,240,030	114.4	103.8	118.8	29.1	33.3	34.5
Apr 2016	59.9	54.9	93.42	88.72	55.91	48.74	10,770	37,050	6,446	20,353	602,166	1,805,660	109.0	105.3	114.7	29.1	31.7	33.3
May 2016	61.5	56.8	104.54	96.01	64.32	54.55	11,129	41,292	6,847	23,462	715,803	2,252,675	108.3	108.9	117.9	27.0	29.2	31.8
Jun 2016	62.7	62.2	101.72	97.39	63.74	60.53	10,770	39,960	6,749	24,836	686,478	2,418,898	100.8	104.4	105.3	27.0	27.2	28.4
Jul 2016	69.3	63.7	106.64	98.15	73.93	62.53	11,129	41,292	7,715	26,307	822,736	2,581,957	108.8	108.7	118.2	27.0	29.3	31.9

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Tab 4 - Classic

Group 1: Woodstock, VA Area Selected Properties Group 2: Luray, VA Area Selected Properties

Job Number: 807836_CADIMADIM Staff: CW Created: August 25, 2016

Date	Occupancy (%)		ADR		RevPAR		Room Supply		Room Demand		Room Revenues		Occ Index	ADR Index	RevPAR Index	Sup % Share	Dem % Share	Rev % Share	Census Props		Census Rooms		% Participation	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	(#)	(#)	(#)	(%)	(%)	(%)	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Jan 10	22.0	25.8	68.17	63.17	15.01	16.30	11,129	31,837	2,450	8,214	167,025	518,915	85.3	107.9	92.1	35.0	29.8	32.2	4	18	359	1,027	100.0	67.9
Feb 10	32.1	32.3	68.88	63.12	22.12	20.40	10,052	28,196	3,228	9,112	222,331	575,193	99.4	109.1	108.4	35.7	35.4	38.7	4	17	359	1,007	100.0	69.2
Mar 10	29.6	34.6	70.75	65.98	20.94	22.82	11,129	33,883	3,294	11,718	233,035	773,203	85.6	107.2	91.8	32.8	28.1	30.1	4	19	359	1,093	100.0	63.8
Apr 10	42.2	47.9	74.13	74.16	31.30	35.55	10,770	38,130	4,548	18,278	337,145	1,355,495	88.1	100.0	88.1	28.2	24.9	24.9	4	20	359	1,271	100.0	68.8
May 10	45.5	50.9	79.60	79.17	36.18	40.31	11,129	42,408	5,059	21,591	402,678	1,709,444	89.3	100.5	89.8	26.2	23.4	23.6	4	21	359	1,368	100.0	64.0
Jun 10	50.6	55.1	76.71	76.76	38.82	42.29	10,770	41,040	5,450	22,614	418,077	1,735,778	91.8	99.9	91.8	26.2	24.1	24.1	4	21	359	1,368	100.0	64.0
Jul 10	65.2	62.4	79.52	80.91	51.87	50.47	11,129	42,408	7,259	26,452	577,262	2,140,212	104.6	98.3	102.8	26.2	27.4	27.0	4	21	359	1,368	100.0	64.0
Aug 10	56.6	55.8	79.57	79.69	45.04	44.49	11,129	42,408	6,299	23,676	501,226	1,886,669	101.4	99.9	101.2	26.2	26.6	26.6	4	21	359	1,368	100.0	64.0
Sep 10	47.5	49.7	77.76	78.88	36.97	39.22	10,770	41,040	5,120	20,406	398,148	1,609,635	95.6	98.6	94.3	26.2	25.1	24.7	4	21	359	1,368	100.0	64.0
Oct 10	59.1	59.8	84.12	86.29	49.71	51.62	11,129	42,408	6,576	25,369	553,167	2,189,084	98.8	97.5	96.3	26.2	25.9	25.3	4	21	359	1,368	100.0	64.0
Nov 10	41.4	41.8	68.32	75.01	28.31	31.37	10,770	37,560	4,463	15,708	304,921	1,178,334	99.1	91.1	90.2	28.7	28.4	25.9	4	19	359	1,252	100.0	69.9
Dec 10	25.2	29.2	70.38	64.69	17.71	18.92	11,129	31,217	2,800	9,128	197,062	590,476	86.0	108.8	93.6	35.7	30.7	33.4	4	17	359	1,007	100.0	69.2
Jul YTD 2010	41.1	45.7	75.35	74.66	30.98	34.15	76,108	257,902	31,288	117,979	2,357,553	8,808,240	89.9	100.9	90.7	29.5	26.5	26.8						
Total 2010	43.2	46.9	76.26	76.61	32.91	35.94	131,035	452,535	56,546	212,266	4,312,077	16,262,438	92.0	99.5	91.6	29.0	26.6	26.5						
Jan 11	27.3	27.5	68.68	62.83	18.74	17.25	11,129	31,217	3,037	8,570	208,574	538,488	99.4	109.3	108.6	35.7	35.4	38.7	4	17	359	1,007	100.0	69.2
Feb 11	28.9	29.9	72.60	64.12	20.95	19.14	10,052	28,196	2,901	8,418	210,624	539,798	96.7	113.2	109.4	35.7	34.5	39.0	4	17	359	1,007	100.0	69.2
Mar 11	33.5	35.3	70.72	65.86	23.70	23.24	11,129	33,883	3,730	11,958	263,781	787,578	95.0	107.4	102.0	32.8	31.2	33.5	4	19	359	1,093	100.0	63.8
Apr 11	48.8	49.9	77.43	78.13	37.76	38.99	10,770	38,130	5,252	19,030	406,645	1,486,789	97.7	99.1	96.8	28.2	27.6	27.4	4	20	359	1,271	100.0	68.8
May 11	47.7	51.0	85.24	81.16	40.69	41.37	11,129	42,408	5,312	21,616	452,813	1,754,270	93.6	105.0	98.4	26.2	24.6	25.8	4	21	359	1,368	100.0	64.0
Jun 11	53.9	55.0	81.26	79.07	43.80	43.52	10,770	41,040	5,805	22,586	471,730	1,785,950	97.9	102.8	100.7	26.2	25.7	26.4	4	21	359	1,368	100.0	64.0
Jul 11	60.0	59.5	84.35	82.02	50.61	48.83	11,129	42,408	6,677	25,247	563,195	2,070,810	100.8	102.8	103.6	26.2	26.4	27.2	4	21	359	1,368	100.0	64.0
Aug 11	57.5	57.3	85.31	81.98	49.05	46.97	11,129	42,408	6,399	24,300	545,881	1,992,012	100.3	104.1	104.4	26.2	26.3	27.4	4	21	359	1,368	100.0	64.0
Sep 11	47.6	49.3	83.39	82.28	39.71	40.54	10,770	41,040	5,129	20,222	427,705	1,663,779	96.6	101.4	98.0	26.2	25.4	25.7	4	21	359	1,368	100.0	64.0
Oct 11	58.5	57.8	86.93	88.38	50.81	51.08	11,129	42,408	6,505	24,510	565,465	2,166,123	101.1	98.4	99.5	26.2	26.5	26.1	4	21	359	1,368	100.0	64.0
Nov 11	40.5	41.8	75.93	78.57	30.76	32.82	10,770	37,560	4,363	15,692	331,304	1,232,859	97.0	96.7	93.7	28.7	27.8	26.9	4	19	359	1,252	100.0	55.7
Dec 11	27.5	29.1	73.04	66.83	20.05	19.47	11,129	31,217	3,055	9,094	223,124	607,747	94.2	109.3	103.0	35.7	33.6	36.7	4	17	359	1,007	100.0	69.2
Jul YTD 2011	43.0	45.6	78.78	76.34	33.86	34.84	76,108	257,282	32,714	117,425	2,577,362	8,963,683	94.2	103.2	97.2	29.6	27.9	28.8						
Total 2011	44.4	46.7	80.30	78.71	35.65	36.79	131,035	451,915	58,165	211,243	4,670,841	16,626,203	95.0	102.0	96.9	29.0	27.5	28.1						
Jan 12	24.1	25.9	72.13	64.81	17.41	16.79	11,129	31,217	2,687	8,088	193,801	524,178	93.2	111.3	103.7	35.7	33.2	37.0	4	17	359	1,007	100.0	69.2
Feb 12	29.7	30.1	66.49	62.91	19.76	18.95	10,052	28,196	2,987	8,491	198,611	534,174	98.7	105.7	104.3	35.7	35.2	37.2	4	17	359	1,007	100.0	69.2
Mar 12	36.7	37.5	73.49	68.39	26.98	25.63	11,129	33,883	4,085	12,699	300,226	868,540	97.9	107.5	105.2	32.8	32.2	34.6	4	19	359	1,093	100.0	63.8
Apr 12	54.2	52.7	79.55	80.03	43.15	42.19	10,770	38,130	5,842	20,103	464,735	1,608,895	102.9	99.4	102.3	28.2	29.1	28.9	4	20	359	1,271	100.0	68.8
May 12	51.9	52.4	87.54	83.23	45.47	43.62	11,129	42,408	5,780	22,228	506,006	1,849,973	99.1	105.2	104.2	26.2	26.0	27.4	4	21	359	1,368	100.0	64.0
Jun 12	59.1	58.3	86.45	81.67	51.06	47.59	10,770	41,040	6,361	23,913	549,899	1,953,069	101.4	105.8	107.3	26.2	26.6	28.2	4	21	359	1,368	100.0	64.0
Jul 12	69.7	63.1	89.91	83.99	62.71	53.03	11,129	42,408	7,762	26,779	697,896	2,249,080	110.5	107.1	118.2	26.2	29.0	31.0	4	21	359	1,368	100.0	64.0
Aug 12	61.4	56.8	89.99	86.70	55.22	49.24	11,129	42,408	6,829	24,084	614,551	2,088,117	108.0	103.8	112.1	26.2	28.4	29.4	4	21	359	1,368	100.0	64.0
Sep 12	48.9	48.3	85.60	85.49	41.88	41.26	10,770	41,040	5,269	19,805	451,051	1,693,125	101.4	100.1	101.5	26.2	26.6	26.6	4	21	359	1,368	100.0	64.0
Oct 12	59.9	57.5	94.37	92.48	56.53	53.21	11,129	42,408	6,666	24,398	629,088	2,256,394	104.1	102.0	106.2	26.2	27.3	27.9	4	21	359	1,368	100.0	64.0
Nov 12	39.5	41.4	80.07	80.99	31.64	33.55	10,770	37,560	4,256	15,561	340,795	1,260,272	95.4	98.9	94.3	28.7	27.4	27.0	4	19	359	1,252	100.0	69.9
Dec 12	28.6	30.5	77.79	69.71	22.28	21.25	11,129	31,217	3,188	9,516	247,984	663,343	94.0	111.6	104.9	35.7	33.5	37.4	4	17	359	1,007	100.0	69.2
Jul YTD 2012	46.6	47.5	82.00	78.40	38.25	37.27	76,108	257,282	35,504	122,301	2,911,174	9,587,909	98.1	104.6	102.6	29.6	29.0	30.4						
Total 2012	47.1	47.7	84.18	81.37	39.64	38.83	131,035	451,915	61,712	215,665	5,194,643	17,549,160	98.7	103.4	102.1	29.0	28.6	29.6						
Jan 13	25.7	27.6	74.50	66.90	19.12	18.46	11,129	31,217	2,856	8,615	212,774	576,380	93.0	111.4	103.5	35.7	33.2	36.9	4	17	359	1,007	100.0	69.2
Feb 13	29.7	29.4	74.63	67.29	22.17	19.82	10,052	28,196	2,986	8,303	222,848	558,738	100.9	110.9	111.9	35.7	36.0	39.9	4	17	359	1,007	100.0	73.5
Mar 13	39.0	39.1	77.45	70.41	30.24	27.56	11,129	33,790	4,345	13,228	336,522	931,387	99.7	110.0	109.7	32.9	32.8	36.1	4	19	359	1,090	100.0	67.6
Apr 13	44.5	43.2	81.22	83.66	36.18	36.17	10,770	38,040	4,797	16,448	389,625	1,376,034	103.0	97.1	100.0	28.3	29.2	28.3	4	20	359	1,268	100.0	72.2
May 13	53.9	52.4	89.44	85.03	48.17	44.59	11,129	42,315	5,993	22,192	536,033	1,886,962	102.7	105.2	108.0	26.3	27.0	28.4	4	21	359	1,365	100.0	67.0
Jun 13	55.8	55.2	87.00	84.12	48.52	46.46	10,770	40,950	6,006	22,619	522,520	1,902,655	101.0	103.4	104.4	26.3	26.6	27.5	4	21	359	1,365	100.0	67.0
Jul 13	62.8	55.9	90.69	86.04	56.99	48.10	11,129	42,315	6,994	23,658	634,285	2,035,514	112.4	105.4	118.5	26.3	29.6	31.2	4	21	359	1,365	100.0	67.0
Aug 13	64.1	58.2	90.51	86.23	58.03	50.17	11,129	42,315	7,135	24,619	645,794	2,122,954	110.2	105.0	115.7	26.3	29.0	30.4	4	21	359	1,365	100.0	67.0
Sep 13	49.5	49.1	83.17	85.05	41.14	41.72	10,770	40,950	5,327	20,089	443,052	1,708,522	100.8	97.8	98.6	26.3	26.5	25.9	4	21	359	1,365	100.0	67.0
Oct 13	55.6	49.8	96.04	87.62	53.43	43.61	11,129	42,315	6,191	21,062	594,580	1,845,393	111.8	109.6	122.5	26.3	29.4	32.2	4	21	359	1,365	100.0	67.0
Nov 13	46.6	40.3	78.54	81.18	36.57	32.72	10,770	37,470	5,015	15,105	393,867	1,226,180	115.5	96.7	111.8	28.7	33.2	32.1	4	19	359	1,249	88.9	70.1
Dec 13	30.9	30.9	75.68	69.71	23.39	21.56	11,129	31,124	3,439	9,627	260,268	671,111	99.9	108.6	108.5	35.8	35.7	38.8	4	17	359	1,004	100.0	73.4
Jul YTD 2013	44.6	44.8	84.02	80.54	37.51	36.09	76,108	256,823	33,977	115,063	2,854,607	9,267,670	99.6	104.3	103.9	29.6	29.5	30.8						
Total 2013	46.6	45.6	85.00	81.93	39.62	37.34	131,035	450,997	61,084	205,565	5,192,168	16,841,830	102.3	103.7	106.1	29.1	29.7	30.8						
Jan 14	28.3	27.7	73.86	67.72	20.91	18.75	11,129	31,124	3,151	8,618	232,744	583,602	102.3	109.1	111.5	35.8	36.6	39.9	4	17	359	1,004	100.0	73.4
Feb 14	30.6	28.7	76.30	69.84	23.36	20.05	10,052	28,112	3,078	8,072	234,855	563,779	106.6	109.2	116.5	35.8	38.1	41.7	4	17	359	1,004	100.0	73.4
Mar 14	33.1	29.1	78.81	73.66	26.09	21.47	11,129	39,308	3,684	11,458	290,338	843,950	113.6	107.0	121.5	28.3	32.2	34.4	4	20	359	1,268	100.0	72.2
Apr 14	53.8	48.1	84.94	82.04	45.67	39.43	10,770	38,040	5,791	18,280	491,861	1,499,759	111.9	103.5	115.8	28.3	31.7	32.8	4	20	359	1,268	100.0	72.2
May 14	59.0	53.2	94.46	88.51	55.69	47.06	11,129	41,292	6,561	21,954	619,720	1,943,173	110.9	106.7	118.3	27.0	29.9	31.9	4	20	359	1,332	100.0	68.7
Jun 14	59.8	57.2	92.10	87.99	55.04	50.30	10,770	39,960	6,436	22,842	592,751	2,009,823	104.5	104.7	109.4	27.0	28.2	29.5	4	20	359	1,332	100.0	68.7
Jul 14	64.6	57.6	95.01	89.84	61.42	51.74	11,129	41,292	7,194	23,781	683,517	2,136,412	112.2	105.8	118.7	27.0	30.3	32.0	4	20	359	1,332	100.0	68.7
Aug 14	66.8	58.8	97.64	91.48	65.26	53.80	11,129	41,292	7,438	24,287	726,248	2,221,680	113.6	106.7	121.3	27.0	30.6	32.7	4	20	359	1,332	100.0	68.7
Sep 14	47.5	50.3	92.69	90.31	44.05	45.43	10,770	39,960	5,118	20,102	474,405	1,815,405	94.5	102.6	97.0	27.0	25.5	26.1	4	20	359	1,332	100.0	68.7
Oct 14	59.1	58.3	100.54	97.61	59.37	56.86	11,129	41,292	6,572	24,053	660,753	2,347,909	101.4	103.0	104.4	27.0	27.3	28.1	4	20	359	1,332	100.0	68.7
Nov 14	40.6	37.5	83.47	89.42	33.91	33.49	10,770	36,480	4,375	13,664	365,178	1,221,876	108.5	93.3	101.2	29.5	32.0	29.9	4	18	359	1,216	100.0	75.2
Dec 14	31.9	27.5	78.95	75.21	25.22	20.71	11,129	35,619	3,555	9,807	280,658	737,560	116.0	105.0	121.8	31.2	36.2	38.1	4	17	359	1,149	100.0	79.6
Jul YTD 2014	47.2	44.4	87.64	83.31	41.33	36.97	76,108	259,128	35,895	115,005	3,145,786	9,580,498	106.3	105.2	111.8	29.4	31.2	32.8						
Total 2014	48.0	45.6	89.80	86.63	43.14	39.50	131,035	453,771	62,953	206,918	5,653,028	17,924,928	105.4	103.7	109.2	28.9	30.4	31.5						
Jan 15	30.1	28.2	77.40	70.84	23.30	20.01	11,129	30,101	3,350	8,500	259,299	602,178	106.6	109.3	116.5	37.0	39.4	43.1	4	16	359	971	100.0	75.9
Feb 15	30.2	29.4	79.26	72.11	23.93	21.23	10,052	27,188	3,035	8,004	240,553	577,208	102.6	109.9	112.7	37.0	37.9	41.7	4	16	359	971	100.0	75.9
Mar 15	36.0	32.7	81.43	75.03	29.30	24.53	11,129	38,285	4,005	12,516	326,117	939,032	110.1	108.5	119.5	29.1	32.0	34.7	4	19	359	1,235	100.0	74.1
Apr 15	54.3	51.0	86.94	85.55	47.25	43.66	10,770	37,050	5,853	18,909	508,842	1,617,639	106.5	101.6	108.2	29.1	31.0	31.5	4	19	359	1,235	100.0	74.1
May 15	56.4	55.0	101.03	91.15	56.96	50.15	11,129	41,292	6,274	22,720	633,882	2,070,905	102.5	110.8	113.6	27.0	27.6	30.6	4	20	359	1,332	100.0	68.7
Jun 15	55.9	57.5	96.92	90.07	54.22	51.77	10,770	39,960	6,025	22,970	583,960	2,068,831	97.3	107.6	104.7	27.0	26.2	28.2	4	20	359	1,332	100.0	68.7
Jul 15	69.0	61.7	100.61	94.03	69.47	58.02	11,129	41,292	7,684	25,477	773,086	2,395,595	111.9	107.0	119.7	27.0	30.2	32.3	4	20	359	1,332	100.0	68.7
Aug 15	67.2	59.5	99.17	94.57	66.61	56.27	11,129	41,292	7,475	24,566	741,313	2,323,324	112.9	104.9	118.4	27.0	30.4	31.9	4	20	359	1,332	100.0	68.7
Sep 15	60.2	56.3	93.68	92.73	56.41	52.19	10,770	39,960	6,485	22,489	607,490	2,085,475	107.0	101.0	108.1	27.0	28.8	29.1	4	20	359	1,332	100.0	68.7
Oct 15	68.4	61.5	101.43	99.56	69.39	61.24	11,129	41,292	7,614	25,397	772,281	2,528,537	111.2	101.9	113.3	27.0	30.0	30.5	4	20	359	1,332	100.0	68.7

Tab 4 - Classic

Group 1: Woodstock, VA Area Selected Properties **Group 2: Luray, VA Area Selected Properties**

Job Number: 807836_CADIMADIM Staff: CW Created: August 25, 2016

Date	Occupancy (%)		ADR		RevPAR		Room Supply		Room Demand		Room Revenues		Occ Index	ADR Index	RevPAR Index	Sup % Share	Dem % Share	Rev % Share	Census Props		Census Rooms		% Participation	
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	(#)	(#)	(#)	(%)	(%)	(%)	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2
Nov 15	47.6	44.4	84.27	87.33	40.12	38.80	10,770	36,480	5,128	16,206	432,140	1,415,309	107.2	96.5	103.4	29.5	31.6	30.5	4	18	359	1,216	100.0	75.2
Dec 15	33.4	30.1	81.29	77.04	27.17	23.19	11,129	35,619	3,720	10,723	302,394	826,077	111.0	105.5	117.2	31.2	34.7	36.6	4	17	359	1,149	100.0	79.6
Jul YTD 2015	47.6	46.7	91.81	86.24	43.70	40.25	76,108	255,168	36,226	119,096	3,325,739	10,271,388	102.0	106.4	108.6	29.8	30.4	32.4						
Total 2015	50.9	48.6	92.75	89.03	47.17	43.24	131,035	449,811	66,648	218,477	6,181,357	19,450,110	104.7	104.2	109.1	29.1	30.5	31.8						
Jan 16	29.7	30.3	80.16	71.55	23.79	21.68	11,129	30,101	3,303	9,121	264,764	652,591	97.9	112.0	109.7	37.0	36.2	40.6	4	16	359	971	100.0	75.9
Feb 16	32.8	31.4	79.24	73.34	25.96	23.03	10,052	27,188	3,293	8,539	260,942	626,259	104.3	108.0	112.7	37.0	38.6	41.7	4	16	359	971	100.0	75.9
Mar 16	45.3	39.6	84.86	81.76	38.47	32.39	11,129	38,285	5,045	15,167	428,117	1,240,030	114.4	103.8	118.8	29.1	33.3	34.5	4	19	359	1,235	100.0	74.1
Apr 16	59.9	54.9	93.42	88.72	55.91	48.74	10,770	37,050	6,446	20,353	602,166	1,805,660	109.0	105.3	114.7	29.1	31.7	33.3	4	19	359	1,235	100.0	74.1
May 16	61.5	56.8	104.54	96.01	64.32	54.55	11,129	41,292	6,847	23,462	715,803	2,252,675	108.3	108.9	117.9	27.0	29.2	31.8	4	20	359	1,332	100.0	68.7
Jun 16	62.7	62.2	101.72	97.39	63.74	60.53	10,770	39,960	6,749	24,836	686,478	2,418,898	100.8	104.4	105.3	27.0	27.2	28.4	4	20	359	1,332	100.0	68.7
Jul 16	69.3	63.7	106.64	98.15	73.93	62.53	11,129	41,292	7,715	26,307	822,736	2,581,957	108.8	108.7	118.2	27.0	29.3	31.9	4	20	359	1,332	100.0	68.7
Jul YTD 2016	51.8	50.1	95.97	90.61	49.68	45.37	76,108	255,168	39,398	127,785	3,781,006	11,578,070	103.4	105.9	109.5	29.8	30.8	32.7						

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Tab 5 - Monthly Percent Change from Previous Year

Group 1: Woodstock, VA Area Selected Properties **Group 2: Luray, VA Area Selected Properties**

Job Number: 807836_CADIMADIM Staff: CW Created: August 25, 2016

Date	Occupancy		ADR		RevPAR		Room Supply		Room Demand		Room Revenues		Occ Index	ADR Index	RevPAR Index	Sup % Share	Dem % Share	Rev % Share
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	(#)	(#)	(#)	(%)	(%)	(%)
Jan 2011	24.0	6.4	0.7	-0.5	24.9	5.8	0.0	-1.9	24.0	4.3	24.9	3.8	16.5	1.3	18.0	2.0	18.8	20.3
Feb 2011	-10.1	-7.6	5.4	1.6	-5.3	-6.2	0.0	0.0	-10.1	-7.6	-5.3	-6.2	-2.7	3.8	0.9	0.0	-2.7	0.9
Mar 2011	13.2	2.0	-0.0	-0.2	13.2	1.9	0.0	0.0	13.2	2.0	13.2	1.9	11.0	0.1	11.1	0.0	11.0	11.1
Apr 2011	15.5	4.1	4.4	5.4	20.6	9.7	0.0	0.0	15.5	4.1	20.6	9.7	10.9	-0.9	10.0	0.0	10.9	10.0
May 2011	5.0	0.1	7.1	2.5	12.5	2.6	0.0	0.0	5.0	0.1	12.5	2.6	4.9	4.5	9.6	0.0	4.9	9.6
Jun 2011	6.5	-0.1	5.9	3.0	12.8	2.9	0.0	0.0	6.5	-0.1	12.8	2.9	6.6	2.8	9.7	0.0	6.6	9.7
Jul 2011	-8.0	-4.6	6.1	1.4	-2.4	-3.2	0.0	0.0	-8.0	-4.6	-2.4	-3.2	-3.6	4.6	0.8	0.0	-3.6	0.8
Aug 2011	1.6	2.6	7.2	2.9	8.9	5.6	0.0	0.0	1.6	2.6	8.9	5.6	-1.0	4.2	3.1	0.0	-1.0	3.1
Sep 2011	0.2	-0.9	7.2	4.3	7.4	3.4	0.0	0.0	0.2	-0.9	7.4	3.4	1.1	2.8	3.9	0.0	1.1	3.9
Oct 2011	-1.1	-3.4	3.3	2.4	2.2	-1.0	0.0	0.0	-1.1	-3.4	2.2	-1.0	2.4	0.9	3.3	0.0	2.4	3.3
Nov 2011	-2.2	-0.1	11.1	4.7	8.7	4.6	0.0	0.0	-2.2	-0.1	8.7	4.6	-2.1	6.1	3.8	0.0	-2.1	3.8
Dec 2011	9.1	-0.4	3.8	3.3	13.2	2.9	0.0	0.0	9.1	-0.4	13.2	2.9	9.5	0.4	10.0	0.0	9.5	10.0
Jan 2012	-11.5	-5.6	5.0	3.1	-7.1	-2.7	0.0	0.0	-11.5	-5.6	-7.1	-2.7	-6.3	1.8	-4.5	0.0	-6.3	-4.5
Feb 2012	3.0	0.9	-8.4	-1.9	-5.7	-1.0	0.0	0.0	3.0	0.9	-5.7	-1.0	2.1	-6.7	-4.7	0.0	2.1	-4.7
Mar 2012	9.5	6.2	3.9	3.8	13.8	10.3	0.0	0.0	9.5	6.2	13.8	10.3	3.1	0.1	3.2	0.0	3.1	3.2
Apr 2012	11.2	5.6	2.7	2.4	14.3	8.2	0.0	0.0	11.2	5.6	14.3	8.2	5.3	0.3	5.6	0.0	5.3	5.6
May 2012	8.8	2.8	2.7	2.6	11.7	5.5	0.0	0.0	8.8	2.8	11.7	5.5	5.8	0.1	6.0	0.0	5.8	6.0
Jun 2012	9.6	5.9	6.4	3.3	16.6	9.4	0.0	0.0	9.6	5.9	16.6	9.4	3.5	3.0	6.6	0.0	3.5	6.6
Jul 2012	16.2	6.1	6.6	2.4	23.9	8.6	0.0	0.0	16.2	6.1	23.9	8.6	9.6	4.1	14.1	0.0	9.6	14.1
Aug 2012	6.7	-0.9	5.5	5.8	12.6	4.8	0.0	0.0	6.7	-0.9	12.6	4.8	7.7	-0.3	7.4	0.0	7.7	7.4
Sep 2012	2.7	-2.1	2.7	3.9	5.5	1.8	0.0	0.0	2.7	-2.1	5.5	1.8	4.9	-1.2	3.6	0.0	4.9	3.6
Oct 2012	2.5	-0.5	8.6	4.6	11.3	4.2	0.0	0.0	2.5	-0.5	11.3	4.2	2.9	3.7	6.8	0.0	2.9	6.8
Nov 2012	-2.5	-0.8	5.5	3.1	2.9	2.2	0.0	0.0	-2.5	-0.8	2.9	2.2	-1.6	2.3	0.6	0.0	-1.6	0.6
Dec 2012	4.4	4.6	6.5	4.3	11.1	9.1	0.0	0.0	4.4	4.6	11.1	9.1	-0.3	2.1	1.8	0.0	-0.3	1.8
Jan 2013	6.3	6.5	3.3	3.2	9.8	10.0	0.0	0.0	6.3	6.5	9.8	10.0	-0.2	0.1	-0.2	0.0	-0.2	-0.2
Feb 2013	-0.0	-2.2	12.2	7.0	12.2	4.6	0.0	0.0	-0.0	-2.2	12.2	4.6	2.2	4.9	7.3	0.0	2.2	7.3
Mar 2013	6.4	4.5	5.4	2.9	12.1	7.5	0.0	-0.3	6.4	4.2	12.1	7.2	1.8	2.4	4.2	0.3	2.1	4.5
Apr 2013	-17.9	-18.0	2.1	4.5	-16.2	-14.3	0.0	-0.2	-17.9	-18.2	-16.2	-14.5	0.1	-2.3	-2.2	0.2	0.4	-2.0
May 2013	3.7	0.1	2.2	2.2	5.9	2.2	0.0	-0.2	3.7	-0.2	5.9	2.0	3.6	0.0	3.6	0.2	3.9	3.9
Jun 2013	-5.6	-5.2	0.6	3.0	-5.0	-2.4	0.0	-0.2	-5.6	-5.4	-5.0	-2.6	-0.4	-2.3	-2.7	0.2	-0.2	-2.5
Jul 2013	-9.9	-11.5	0.9	2.4	-9.1	-9.3	0.0	-0.2	-9.9	-11.7	-9.1	-9.5	1.8	-1.5	0.2	0.2	2.0	0.4
Aug 2013	4.5	2.4	0.6	-0.5	5.1	1.9	0.0	-0.2	4.5	2.2	5.1	1.7	2.0	1.1	3.1	0.2	2.2	3.4
Sep 2013	1.1	1.7	-2.8	-0.5	-1.8	1.1	0.0	-0.2	1.1	1.4	-1.8	0.9	-0.5	-2.3	-2.9	0.2	-0.3	-2.7
Oct 2013	-7.1	-13.5	1.8	-5.3	-5.5	-18.0	0.0	-0.2	-7.1	-13.7	-5.5	-18.2	7.3	7.4	15.3	0.2	7.6	15.6
Nov 2013	17.8	-2.7	-1.9	0.2	15.6	-2.5	0.0	-0.2	17.8	-2.9	15.6	-2.7	21.1	-2.1	18.5	0.2	21.4	18.8
Dec 2013	7.9	1.5	-2.7	0.0	5.0	1.5	0.0	-0.3	7.9	1.2	5.0	1.2	6.3	-2.7	3.4	0.3	6.6	3.7
Jan 2014	10.3	0.3	-0.9	1.2	9.4	1.6	0.0	-0.3	10.3	0.0	9.4	1.3	10.0	-2.0	7.7	0.3	10.3	8.0
Feb 2014	3.1	-2.5	2.2	3.8	5.4	1.2	0.0	-0.3	3.1	-2.8	5.4	0.9	5.7	-1.5	4.1	0.3	6.0	4.4
Mar 2014	-15.2	-25.5	1.8	4.6	-13.7	-22.1	0.0	16.3	-15.2	-13.4	-13.7	-9.4	13.9	-2.7	10.8	-14.0	-2.1	-4.8
Apr 2014	20.7	11.1	4.6	-1.9	26.2	9.0	0.0	0.0	20.7	11.1	26.2	9.0	8.6	6.6	15.8	0.0	8.6	15.8
May 2014	9.5	1.4	5.6	4.1	15.6	5.5	0.0	-2.4	9.5	-1.1	15.6	3.0	8.0	1.4	9.6	2.5	10.7	12.3
Jun 2014	7.2	3.5	5.9	4.6	13.4	8.2	0.0	-2.4	7.2	1.0	13.4	5.6	3.5	1.2	4.8	2.5	6.1	7.4
Jul 2014	2.9	3.0	4.8	4.4	7.8	7.6	0.0	-2.4	2.9	0.5	7.8	5.0	-0.1	0.3	0.2	2.5	2.3	2.7
Aug 2014	4.2	1.1	7.9	6.1	12.5	7.2	0.0	-2.4	4.2	-1.3	12.5	4.7	3.1	1.7	4.9	2.5	5.7	7.5
Sep 2014	-3.9	2.5	11.4	6.2	7.1	8.9	0.0	-2.4	-3.9	0.1	7.1	6.3	-6.3	5.0	-1.7	2.5	-4.0	0.8
Oct 2014	6.2	17.0	4.7	11.4	11.1	30.4	0.0	-2.4	6.2	14.2	11.1	27.2	-9.3	-6.0	-14.8	2.5	-7.0	-12.7
Nov 2014	-12.8	-7.1	6.3	10.2	-7.3	2.4	0.0	-2.6	-12.8	-9.5	-7.3	-0.4	-6.1	-3.5	-9.4	2.7	-3.6	-7.0
Dec 2014	3.4	-11.0	4.3	7.9	7.8	-4.0	0.0	14.4	3.4	1.9	7.8	9.9	16.1	-3.3	12.3	-12.6	1.5	-1.9
Jan 2015	6.3	2.0	4.8	4.6	11.4	6.7	0.0	-3.3	6.3	-1.4	11.4	3.2	4.2	0.2	4.4	3.4	7.8	8.0
Feb 2015	-1.4	2.5	3.9	3.3	2.4	5.9	0.0	-3.3	-1.4	-0.8	2.4	2.4	-3.8	0.6	-3.2	3.4	-0.6	0.0
Mar 2015	8.7	12.2	3.3	1.9	12.3	14.2	0.0	-2.6	8.7	9.2	12.3	11.3	-3.1	1.4	-1.7	2.7	-0.5	0.9
Apr 2015	1.1	6.2	2.4	4.3	3.5	10.7	0.0	-2.6	1.1	3.4	3.5	7.9	-4.8	-1.8	-6.6	2.7	-2.3	-4.1
May 2015	-4.4	3.5	7.0	3.0	2.3	6.6	0.0	0.0	-4.4	3.5	2.3	6.6	-7.6	3.9	-4.0	0.0	-7.6	-4.0
Jun 2015	-6.4	0.6	5.2	2.4	-1.5	2.9	0.0	0.0	-6.4	0.6	-1.5	2.9	-6.9	2.8	-4.3	0.0	-6.9	-4.3
Jul 2015	6.8	7.1	5.9	4.7	13.1	12.1	0.0	0.0	6.8	7.1	13.1	12.1	-0.3	1.2	0.9	0.0	-0.3	0.9
Aug 2015	0.5	1.1	1.6	3.4	2.1	4.6	0.0	0.0	0.5	1.1	2.1	4.6	-0.6	-1.8	-2.4	0.0	-0.6	-2.4
Sep 2015	26.7	11.9	1.1	2.7	28.1	14.9	0.0	0.0	26.7	11.9	28.1	14.9	13.3	-1.6	11.5	0.0	13.3	11.5
Oct 2015	15.9	5.6	0.9	2.0	16.9	7.7	0.0	0.0	15.9	5.6	16.9	7.7	9.7	-1.1	8.5	0.0	9.7	8.5
Nov 2015	17.2	18.6	1.0	-2.3	18.3	15.8	0.0	0.0	17.2	18.6	18.3	15.8	-1.2	3.4	2.2	0.0	-1.2	2.2
Dec 2015	4.6	9.3	3.0	2.4	7.7	12.0	0.0	0.0	4.6	9.3	7.7	12.0	-4.3	0.5	-3.8	0.0	-4.3	-3.8
Jan 2016	-1.4	7.3	3.6	1.0	2.1	8.4	0.0	0.0	-1.4	7.3	2.1	8.4	-8.1	2.5	-5.8	0.0	-8.1	-5.8
Feb 2016	8.5	6.7	-0.0	1.7	8.5	8.5	0.0	0.0	8.5	6.7	8.5	8.5	1.7	-1.7	-0.0	0.0	1.7	-0.0
Mar 2016	26.0	21.2	4.2	9.0	31.3	32.1	0.0	0.0	26.0	21.2	31.3	32.1	4.0	-4.4	-0.6	0.0	4.0	-0.6
Apr 2016	10.1	7.6	7.5	3.7	18.3	11.6	0.0	0.0	10.1	7.6	18.3	11.6	2.3	3.6	6.0	0.0	2.3	6.0

Tab 5 - Monthly Percent Change from Previous Year

Group 1: Woodstock, VA Area Selected Properties **Group 2: Luray, VA Area Selected Properties**

Job Number: 807836_CADIMADIM Staff: CW Created: August 25, 2016

Date	Occupancy		ADR		RevPAR		Room Supply		Room Demand		Room Revenues		Occ Index	ADR Index	RevPAR Index	Sup % Share	Dem % Share	Rev % Share
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	(#)	(#)	(#)	(%)	(%)	(%)
May 2016	9.1	3.3	3.5	5.3	12.9	8.8	0.0	0.0	9.1	3.3	12.9	8.8	5.7	-1.8	3.8	0.0	5.7	3.8
Jun 2016	12.0	8.1	4.9	8.1	17.6	16.9	0.0	0.0	12.0	8.1	17.6	16.9	3.6	-3.0	0.5	0.0	3.6	0.5
Jul 2016	0.4	3.3	6.0	4.4	6.4	7.8	0.0	0.0	0.4	3.3	6.4	7.8	-2.8	1.5	-1.3	0.0	-2.8	-1.3

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Tab 6 - Twelve Month Moving Average

Group 1: Woodstock, VA Area Selected Properties **Group 2: Luray, VA Area Selected Properties**

Job Number: 807836_CADIMADIM Staff: CW Created: August 25, 2016

Date	Occupancy (%)		ADR		RevPAR		Room Supply		Room Demand		Room Revenues		Occ Index	ADR Index	RevPAR Index	Sup % Share	Dem % Share	Rev % Share
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	(#)	(#)	(#)	(%)	(%)	(%)
Jan 2011	43.6	47.0	76.20	76.58	33.22	36.03	131,035	451,915	57,133	212,622	4,353,626	16,282,011	92.7	99.5	92.2	29.0	26.9	26.7
Feb 2011	43.4	46.9	76.43	76.66	33.14	35.95	131,035	451,915	56,806	211,928	4,341,919	16,246,616	92.4	99.7	92.2	29.0	26.8	26.7
Mar 2011	43.7	46.9	76.39	76.64	33.37	35.98	131,035	451,915	57,242	212,168	4,372,665	16,260,991	93.0	99.7	92.7	29.0	27.0	26.9
Apr 2011	44.2	47.1	76.66	76.99	33.90	36.27	131,035	451,915	57,946	212,920	4,442,165	16,392,285	93.9	99.6	93.5	29.0	27.2	27.1
May 2011	44.4	47.1	77.19	77.19	34.28	36.37	131,035	451,915	58,199	212,945	4,492,300	16,437,111	94.3	100.0	94.3	29.0	27.3	27.3
Jun 2011	44.7	47.1	77.64	77.44	34.69	36.48	131,035	451,915	58,554	212,917	4,545,953	16,487,283	94.8	100.3	95.1	29.0	27.5	27.6
Jul 2011	44.2	46.8	78.17	77.55	34.59	36.33	131,035	451,915	57,972	211,712	4,531,886	16,417,881	94.4	100.8	95.2	29.0	27.4	27.6
Aug 2011	44.3	47.0	78.81	77.82	34.93	36.56	131,035	451,915	58,072	212,336	4,576,541	16,523,224	94.3	101.3	95.5	29.0	27.3	27.7
Sep 2011	44.3	46.9	79.30	78.14	35.15	36.68	131,035	451,915	58,081	212,152	4,606,098	16,577,368	94.4	101.5	95.8	29.0	27.4	27.8
Oct 2011	44.3	46.8	79.61	78.35	35.25	36.63	131,035	451,915	58,010	211,293	4,618,396	16,554,407	94.7	101.6	96.2	29.0	27.5	27.9
Nov 2011	44.2	46.8	80.21	78.61	35.45	36.75	131,035	451,915	57,910	211,277	4,644,779	16,608,932	94.5	102.0	96.4	29.0	27.4	28.0
Dec 2011	44.4	46.7	80.30	78.71	35.65	36.79	131,035	451,915	58,165	211,243	4,670,841	16,626,203	95.0	102.0	96.9	29.0	27.5	28.1
Jan 2012	44.1	46.6	80.53	78.82	35.53	36.76	131,035	451,915	57,815	210,761	4,656,068	16,611,893	94.6	102.2	96.7	29.0	27.4	28.0
Feb 2012	44.2	46.7	80.21	78.76	35.44	36.75	131,035	451,915	57,901	210,834	4,644,055	16,606,269	94.7	101.8	96.4	29.0	27.5	28.0
Mar 2012	44.5	46.8	80.34	78.87	35.72	36.93	131,035	451,915	58,256	211,575	4,680,500	16,687,231	95.0	101.9	96.7	29.0	27.5	28.0
Apr 2012	44.9	47.1	80.53	79.05	36.16	37.20	131,035	451,915	58,846	212,648	4,738,590	16,809,337	95.4	101.9	97.2	29.0	27.7	28.2
May 2012	45.3	47.2	80.79	79.27	36.57	37.41	131,035	451,915	59,314	213,260	4,791,783	16,905,040	95.9	101.9	97.8	29.0	27.8	28.3
Jun 2012	45.7	47.5	81.34	79.56	37.17	37.78	131,035	451,915	59,870	214,587	4,869,952	17,072,159	96.2	102.2	98.4	29.0	27.9	28.5
Jul 2012	46.5	47.8	82.10	79.82	38.19	38.17	131,035	451,915	60,955	216,119	5,004,653	17,250,429	97.3	102.9	100.1	29.0	28.2	29.0
Aug 2012	46.8	47.8	82.65	80.34	38.72	38.38	131,035	451,915	61,385	215,903	5,073,323	17,346,534	98.1	102.9	100.9	29.0	28.4	29.2
Sep 2012	47.0	47.7	82.84	80.64	38.90	38.45	131,035	451,915	61,525	215,486	5,096,669	17,375,880	98.5	102.7	101.2	29.0	28.6	29.3
Oct 2012	47.1	47.7	83.65	81.10	39.38	38.65	131,035	451,915	61,686	215,374	5,160,292	17,466,151	98.8	103.2	101.9	29.0	28.6	29.5
Nov 2012	47.0	47.6	83.95	81.27	39.45	38.71	131,035	451,915	61,579	215,243	5,169,783	17,493,564	98.7	103.3	101.9	29.0	28.6	29.6
Dec 2012	47.1	47.7	84.18	81.37	39.64	38.83	131,035	451,915	61,712	215,665	5,194,643	17,549,160	98.7	103.4	102.1	29.0	28.6	29.6
Jan 2013	47.2	47.8	84.25	81.42	39.79	38.95	131,035	451,915	61,881	216,192	5,213,616	17,601,362	98.7	103.5	102.2	29.0	28.6	29.6
Feb 2013	47.2	47.8	84.65	81.60	39.97	39.00	131,035	451,915	61,880	216,004	5,237,853	17,625,926	98.8	103.7	102.5	29.0	28.6	29.7
Mar 2013	47.4	47.9	84.88	81.69	40.25	39.15	131,035	451,822	62,140	216,533	5,274,149	17,688,773	99.0	103.9	102.8	29.0	28.7	29.8
Apr 2013	46.6	47.1	85.10	82.00	39.68	38.64	131,035	451,732	61,095	212,878	5,199,039	17,455,912	98.9	103.8	102.7	29.0	28.7	29.8
May 2013	46.8	47.1	85.29	82.19	39.91	38.73	131,035	451,639	61,308	212,842	5,229,066	17,492,901	99.3	103.8	103.0	29.0	28.8	29.9
Jun 2013	46.5	46.8	85.34	82.45	39.70	38.63	131,035	451,549	60,953	211,548	5,201,687	17,442,487	99.3	103.5	102.8	29.0	28.8	29.8
Jul 2013	45.9	46.2	85.37	82.66	39.21	38.16	131,035	451,456	60,185	208,427	5,138,076	17,228,921	99.5	103.3	102.7	29.0	28.9	29.8
Aug 2013	46.2	46.3	85.46	82.62	39.45	38.25	131,035	451,363	60,491	208,962	5,169,319	17,263,758	99.7	103.4	103.1	29.0	28.9	29.9
Sep 2013	46.2	46.4	85.24	82.58	39.39	38.29	131,035	451,273	60,549	209,246	5,161,320	17,279,155	99.7	103.2	102.9	29.0	28.9	29.9
Oct 2013	45.8	45.6	85.34	81.92	39.13	37.39	131,035	451,180	60,074	205,910	5,126,812	16,868,154	100.5	104.2	104.7	29.0	29.2	30.4
Nov 2013	46.4	45.5	85.15	81.94	39.53	37.32	131,035	451,090	60,833	205,454	5,179,884	16,834,062	101.9	103.9	105.9	29.0	29.6	30.8
Dec 2013	46.6	45.6	85.00	81.93	39.62	37.34	131,035	450,997	61,084	205,565	5,192,168	16,841,830	102.3	103.7	106.1	29.1	29.7	30.8
Jan 2014	46.8	45.6	84.92	81.96	39.78	37.37	131,035	450,904	61,379	205,568	5,212,138	16,849,052	102.7	103.6	106.4	29.1	29.9	30.9
Feb 2014	46.9	45.5	84.99	82.08	39.87	37.39	131,035	450,820	61,471	205,337	5,224,145	16,854,093	103.0	103.5	106.6	29.1	29.9	31.0
Mar 2014	46.4	44.6	85.15	82.36	39.52	36.74	131,035	456,338	60,810	203,567	5,177,961	16,766,656	104.0	103.4	107.6	28.7	29.9	30.9
Apr 2014	47.2	45.0	85.43	82.23	40.30	37.01	131,035	456,338	61,804	205,399	5,280,197	16,890,381	104.8	103.9	108.9	28.7	30.1	31.3
May 2014	47.6	45.1	86.00	82.60	40.93	37.22	131,035	455,315	62,372	205,161	5,363,884	16,946,592	105.6	104.1	110.0	28.8	30.4	31.7
Jun 2014	47.9	45.2	86.53	83.03	41.47	37.54	131,035	454,325	62,802	205,384	5,434,115	17,053,760	106.0	104.2	110.5	28.8	30.6	31.9
Jul 2014	48.1	45.3	87.03	83.47	41.85	37.84	131,035	453,302	63,002	205,507	5,483,347	17,154,658	106.1	104.3	110.6	28.9	30.7	32.0
Aug 2014	48.3	45.4	87.89	84.09	42.46	38.15	131,035	452,279	63,305	205,175	5,563,801	17,253,384	106.5	104.5	111.3	29.0	30.9	32.2
Sep 2014	48.2	45.5	88.68	84.61	42.70	38.47	131,035	451,289	63,096	205,188	5,595,154	17,360,267	105.9	104.8	111.0	29.0	30.8	32.2
Oct 2014	48.4	46.2	89.19	85.80	43.20	39.67	131,035	450,266	63,477	208,179	5,661,327	17,862,783	104.8	103.9	108.9	29.1	30.5	31.7
Nov 2014	48.0	46.0	89.64	86.38	42.99	39.75	131,035	449,276	62,837	206,738	5,632,638	17,858,479	104.2	103.8	108.1	29.2	30.4	31.5
Dec 2014	48.0	45.6	89.80	86.63	43.14	39.50	131,035	453,771	62,953	206,918	5,653,028	17,924,928	105.4	103.7	109.2	28.9	30.4	31.5
Jan 2015	48.2	45.7	89.94	86.77	43.34	39.63	131,035	452,748	63,152	206,800	5,679,583	17,943,504	105.5	103.7	109.4	28.9	30.5	31.7
Feb 2015	48.2	45.8	90.09	86.86	43.39	39.74	131,035	451,824	63,109	206,732	5,685,281	17,956,933	105.3	103.7	109.2	29.0	30.5	31.7
Mar 2015	48.4	46.1	90.19	86.88	43.66	40.04	131,035	450,801	63,430	207,790	5,721,060	18,052,015	105.0	103.8	109.0	29.1	30.5	31.7
Apr 2015	48.5	46.3	90.37	87.18	43.79	40.39	131,035	449,811	63,492	208,419	5,738,041	18,169,895	104.6	103.7	108.4	29.1	30.5	31.6
May 2015	48.2	46.5	91.01	87.47	43.90	40.68	131,035	449,811	63,205	209,185	5,752,203	18,297,627	103.7	104.0	107.9	29.1	30.2	31.4
Jun 2015	47.9	46.5	91.46	87.70	43.83	40.81	131,035	449,811	62,794	209,313	5,743,412	18,356,635	103.0	104.3	107.4	29.1	30.0	31.3
Jul 2015	48.3	46.9	92.17	88.22	44.51	41.39	131,035	449,811	63,284	211,009	5,832,981	18,615,818	103.0	104.5	107.6	29.1	30.0	31.3
Aug 2015	48.3	47.0	92.36	88.59	44.63	41.61	131,035	449,811	63,321	211,288	5,848,046	18,717,462	102.9	104.3	107.3	29.1	30.0	31.2
Sep 2015	49.4	47.5	92.46	88.86	45.65	42.21	131,035	449,811	64,688	213,675	5,981,131	18,987,532	103.9	104.1	108.1	29.1	30.3	31.5
Oct 2015	50.2	47.8	92.69	89.15	46.50	42.61	131,035	449,811	65,730	215,019	6,092,659	19,168,160	104.9	104.0	109.1	29.1	30.6	31.8
Nov 2015	50.7	48.4	92.65	88.99	47.01	43.04	131,035	449,811	66,483	217,561	6,159,621	19,361,593	104.9	104.1	109.2	29.1	30.6	31.8
Dec 2015	50.9	48.6	92.75	89.03	47.17	43.24	131,035	449,811	66,648	218,477	6,181,357	19,450,110	104.7	104.2	109.1	29.1	30.5	31.8
Jan 2016	50.8	48.7	92.89	89.00	47.22	43.35	131,035	449,811	66,601	219,098	6,186,822	19,500,523	104.3	104.4	108.9	29.1	30.4	31.7
Feb 2016	51.0	48.8	92.84	89.01	47.37	43.46	131,035	449,811	66,859	219,633	6,207,211	19,549,574	104.5	104.3	109.0	29.1	30.4	31.8
Mar 2016	51.8	49.4	92.92	89.30	48.15	44.13	131,035	449,811	67,899	222,284	6,309,211	19,850,572	104.9	104.1	109.1	29.1	30.5	31.8
Apr 2016	52.3	49.7	93.48	89.57	48.86	44.55	131,035	449,811	68,492	223,728	6,402,535	20,038,593	105.1	104.4	109.7	29.1	30.6	32.0
May 2016	52.7	49.9	93.89	90.08	49.49	44.95	131,035	449,811	69,065	224,470	6,484,456	20,220,363	105.6	104.2	110.1	29.1	30.8	32.1

Tab 6 - Twelve Month Moving Average

Group 1: Woodstock, VA Area Selected Properties **Group 2: Luray, VA Area Selected Properties**

Job Number: 807836_CADIMADIM Staff: CW Created: August 25, 2016

Date	Occupancy (%)		ADR		RevPAR		Room Supply		Room Demand		Room Revenues		Occ Index	ADR Index	RevPAR Index	Sup % Share	Dem % Share	Rev % Share
	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	Group 1	Group 2	(#)	(#)	(#)	(%)	(%)	(%)
Jun 2016	53.3	50.3	94.38	90.88	50.27	45.73	131,035	449,811	69,789	226,336	6,586,974	20,570,430	105.8	103.9	109.9	29.1	30.8	32.0
Jul 2016	53.3	50.5	95.05	91.37	50.65	46.15	131,035	449,811	69,820	227,166	6,636,624	20,756,792	105.5	104.0	109.8	29.1	30.7	32.0

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Tab 7 - Analysis by Day of Week

Group 1: Woodstock, VA Area Selected Properties **Group 2: Luray, VA Area Selected Properties**

Job Number: 807836_CADIMADIM Staff: CW Created: August 25, 2016

Occupancy (Group1)

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total
Aug - 15	53.9	60.7	64.9	62.4	59.8	76.9	90.7	67.2
Sep - 15	50.5	47.4	53.7	58.4	56.9	68.1	88.7	60.2
Oct - 15	58.0	59.9	62.0	63.4	63.3	82.1	84.1	68.4
Nov - 15	35.8	44.5	48.3	45.9	42.9	55.0	64.7	47.6
Dec - 15	27.7	38.6	33.3	33.4	30.6	32.5	38.8	33.4
Jan - 16	21.1	27.8	27.5	29.3	26.9	37.3	36.4	29.7
Feb - 16	24.7	27.6	33.4	37.6	28.1	37.0	42.2	32.8
Mar - 16	30.0	44.4	45.1	49.8	43.2	52.0	52.3	45.3
Apr - 16	39.4	51.9	54.5	57.3	57.3	72.7	78.0	59.9
May - 16	52.5	46.0	52.0	65.1	58.8	80.0	84.8	61.5
Jun - 16	46.8	59.3	58.8	62.1	57.9	71.0	84.0	62.7
Jul - 16	55.9	54.6	61.8	64.0	68.6	80.1	94.7	69.3
Total Year	**41.6**	**46.8**	**49.4**	**52.3**	**49.5**	**62.6**	**70.7**	**53.3**
Three Year Occupancy	**Sun**	**Mon**	**Tue**	**Wed**	**Thu**	**Fri**	**Sat**	**Total**
Aug 13 - Jul 14	37.3	39.4	41.0	45.2	46.6	60.7	66.4	48.1
Aug 14 - Jul 15	37.3	41.1	41.4	43.9	44.5	61.4	68.4	48.3
Aug 15 - Jul 16	41.6	46.8	49.4	52.3	49.5	62.6	70.7	53.3
Total 3 Yr	**38.7**	**42.4**	**43.9**	**47.1**	**46.9**	**61.6**	**68.5**	**49.9**

Occupancy (Group2)

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total
Aug - 15	45.0	52.8	55.8	56.2	56.5	71.6	79.0	59.5
Sep - 15	47.7	46.1	51.6	54.1	54.7	64.1	77.4	56.3
Oct - 15	47.9	53.5	54.6	57.1	57.5	75.2	78.2	61.5
Nov - 15	35.1	43.0	44.8	43.8	41.9	50.2	54.9	44.4
Dec - 15	25.5	34.5	31.4	29.8	26.8	29.6	33.7	30.1
Jan - 16	23.3	29.9	29.1	31.1	26.9	34.9	36.2	30.3
Feb - 16	25.3	29.5	29.3	31.7	29.1	36.1	39.4	31.4
Mar - 16	28.2	38.1	38.8	41.9	40.1	43.7	46.1	39.6
Apr - 16	38.5	48.2	49.7	51.2	51.5	67.9	70.3	54.9
May - 16	46.6	45.3	50.3	56.6	56.0	74.4	75.5	56.8
Jun - 16	46.2	57.3	60.1	60.0	60.0	73.7	78.8	62.2
Jul - 16	49.6	51.9	58.9	60.7	63.8	74.0	83.2	63.7
Total Year	**39.4**	**44.9**	**47.0**	**48.8**	**48.2**	**59.9**	**65.1**	**50.5**
Three Year Occupancy	**Sun**	**Mon**	**Tue**	**Wed**	**Thu**	**Fri**	**Sat**	**Total**
Aug 13 - Jul 14	35.1	39.1	40.7	43.2	44.7	56.0	58.7	45.3
Aug 14 - Jul 15	36.1	41.2	41.8	43.9	45.0	58.1	62.1	46.9
Aug 15 - Jul 16	39.4	44.9	47.0	48.8	48.2	59.9	65.1	50.5
Total 3 Yr	**36.9**	**41.7**	**43.1**	**45.3**	**46.0**	**58.0**	**62.0**	**47.6**

ADR (Group1)

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total
Aug - 15	92.32	91.95	92.02	91.52	92.63	108.48	113.52	99.17
Sep - 15	93.75	86.86	85.95	87.18	85.58	103.53	106.10	93.68
Oct - 15	94.79	89.37	89.00	90.86	92.55	113.88	120.22	101.43
Nov - 15	82.82	82.89	82.02	81.98	78.45	87.27	91.08	84.27
Dec - 15	79.49	81.93	81.21	82.41	80.03	82.19	81.30	81.29
Jan - 16	77.78	78.57	79.38	79.67	77.29	81.20	83.92	80.16
Feb - 16	76.96	77.49	81.53	77.41	78.53	81.39	80.42	79.24
Mar - 16	82.67	83.17	83.49	82.40	83.91	89.73	88.09	84.86
Apr - 16	86.43	85.55	86.74	86.47	89.41	101.45	103.10	93.42
May - 16	97.34	90.74	90.70	91.74	100.95	124.37	123.69	104.54
Jun - 16	95.96	94.91	95.32	94.41	97.70	112.62	115.19	101.72
Jul - 16	98.71	96.60	94.78	95.69	97.35	117.34	124.41	106.64
Total Year	**90.70**	**87.82**	**87.80**	**88.00**	**89.88**	**104.53**	**107.73**	**95.05**
Three Year ADR	**Sun**	**Mon**	**Tue**	**Wed**	**Thu**	**Fri**	**Sat**	**Total**
Aug 13 - Jul 14	83.22	80.54	81.03	81.56	83.48	94.90	95.81	87.03
Aug 14 - Jul 15	87.98	85.46	86.02	86.15	87.61	100.10	101.78	92.17
Aug 15 - Jul 16	90.70	87.82	87.80	88.00	89.88	104.53	107.73	95.05
Total 3 Yr	**87.45**	**84.80**	**85.13**	**85.37**	**87.01**	**99.89**	**101.93**	**91.55**

ADR (Group2)

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total
Aug - 15	89.10	87.85	89.38	89.58	90.46	102.64	104.47	94.57
Sep - 15	91.42	86.05	85.84	86.29	87.93	102.47	104.24	92.73
Oct - 15	91.75	88.88	88.44	88.99	92.99	111.86	114.64	99.56
Nov - 15	83.50	82.59	82.97	87.01	87.07	93.12	93.76	87.33
Dec - 15	76.18	75.91	76.15	77.10	77.05	78.55	78.47	77.04
Jan - 16	68.57	69.27	70.44	70.02	69.30	74.83	74.90	71.55
Feb - 16	71.10	70.23	73.76	71.84	71.69	76.80	76.63	73.34
Mar - 16	78.58	79.28	79.74	79.97	81.28	86.81	85.64	81.76
Apr - 16	80.92	81.35	83.09	82.51	84.56	96.53	97.87	88.72
May - 16	91.35	84.59	85.79	86.53	93.50	111.35	110.56	96.01
Jun - 16	93.91	91.38	91.50	90.83	93.64	106.91	109.24	97.39
Jul - 16	93.60	90.69	89.32	90.36	92.18	106.89	109.99	98.15
Total Year	**87.10**	**84.26**	**84.88**	**85.43**	**87.93**	**100.55**	**101.96**	**91.37**
Three Year ADR	**Sun**	**Mon**	**Tue**	**Wed**	**Thu**	**Fri**	**Sat**	**Total**
Aug 13 - Jul 14	79.46	77.62	78.23	79.09	81.25	90.62	91.52	83.47
Aug 14 - Jul 15	83.93	81.74	82.52	83.10	85.49	95.89	97.18	88.22
Aug 15 - Jul 16	87.10	84.26	84.88	85.43	87.93	100.55	101.96	91.37
Total 3 Yr	**83.65**	**81.35**	**82.02**	**82.66**	**84.93**	**95.78**	**97.08**	**87.82**

RevPAR (Group1)

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total
Aug - 15	49.76	55.77	59.76	57.09	55.35	83.37	103.00	66.61
Sep - 15	47.30	41.17	46.11	50.90	48.71	70.51	94.09	56.41
Oct - 15	54.99	53.53	55.16	57.63	58.63	93.51	101.05	69.39
Nov - 15	29.62	36.91	39.62	37.61	33.65	47.97	58.91	40.12
Dec - 15	22.03	31.60	27.00	27.49	24.47	26.72	31.53	27.17
Jan - 16	16.37	21.88	21.83	23.35	20.77	30.30	30.57	23.79
Feb - 16	19.04	21.37	27.25	29.10	22.04	30.14	33.92	25.96
Mar - 16	24.83	36.95	37.62	41.06	36.22	46.67	46.06	38.47
Apr - 16	34.06	44.42	47.27	49.59	51.21	73.79	80.44	55.91
May - 16	51.10	41.73	47.16	59.75	59.36	99.44	104.93	64.32
Jun - 16	44.93	56.26	56.04	58.65	56.61	79.93	96.81	63.74
Jul - 16	55.16	52.75	58.55	61.25	66.77	93.97	117.77	73.93
Total Year	**37.76**	**41.09**	**43.34**	**46.05**	**44.50**	**65.42**	**76.13**	**50.65**
Three Year RevPAR	**Sun**	**Mon**	**Tue**	**Wed**	**Thu**	**Fri**	**Sat**	**Total**
Aug 13 - Jul 14	31.00	31.76	33.18	36.85	38.91	57.60	63.67	41.85
Aug 14 - Jul 15	32.79	35.09	35.58	37.79	38.96	61.45	69.63	44.51
Aug 15 - Jul 16	37.76	41.09	43.34	46.05	44.50	65.42	76.13	50.65
Total 3 Yr	**33.87**	**35.97**	**37.36**	**40.22**	**40.78**	**61.49**	**69.84**	**45.67**

RevPAR (Group2)

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total
Aug - 15	40.06	46.35	49.90	50.38	51.12	73.48	82.54	56.27
Sep - 15	43.57	39.69	44.28	46.71	48.11	65.67	80.64	52.19
Oct - 15	43.94	47.52	48.32	50.85	53.45	84.06	89.64	61.24
Nov - 15	29.30	35.52	37.14	38.13	36.52	46.71	51.46	38.80
Dec - 15	19.40	26.23	23.91	22.96	20.67	23.22	26.47	23.19
Jan - 16	15.99	20.72	20.49	21.74	18.62	26.08	27.08	21.68
Feb - 16	17.96	20.69	21.62	22.75	20.85	27.76	30.19	23.03
Mar - 16	22.18	30.17	30.95	33.49	32.56	37.96	39.45	32.39
Apr - 16	31.18	39.21	41.32	42.26	43.59	65.59	68.78	48.74
May - 16	42.60	38.33	43.19	48.99	52.32	82.85	83.49	54.55
Jun - 16	43.41	52.34	55.03	54.53	56.16	78.76	86.10	60.53
Jul - 16	46.46	47.05	52.58	54.81	58.79	79.09	91.56	62.53
Total Year	**34.29**	**37.87**	**39.90**	**41.71**	**42.41**	**60.27**	**66.41**	**46.15**
Three Year RevPAR	**Sun**	**Mon**	**Tue**	**Wed**	**Thu**	**Fri**	**Sat**	**Total**
Aug 13 - Jul 14	27.89	30.32	31.81	34.14	36.30	50.70	53.73	37.84
Aug 14 - Jul 15	30.27	33.70	34.47	36.47	38.49	55.72	60.36	41.39
Aug 15 - Jul 16	34.29	37.87	39.90	41.71	42.41	60.27	66.41	46.15
Total 3 Yr	**30.83**	**33.95**	**35.38**	**37.43**	**39.04**	**55.55**	**60.18**	**41.78**

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Tab 8 - Response Report - Group1

Woodstock, VA Area Selected Properties
Job Number: 807836_CADIMADIM Staff: CW Created: August 25, 2016

STR Code	Name of Establishment	City & State	Zip Code	Class	Aff Date	Open Date	Rooms	Chg in Rms	2014 J	2014 F	2014 M	2014 A	2014 M	2014 J	2014 J	2014 A	2014 S	2014 O	2014 N	2014 D	2015 J	2015 F	2015 M	2015 A	2015 M	2015 J	2015 J	2015 A	2015 S	2015 O	2015 N	2015 D	2016 J	2016 F	2016 M	2016 A	2016 M	2016 J	2016 J	2016 A	2016 S	2016 O	2016 N	2016 D
60123	Hampton Inn Suites Woodstock	Woodstock, VA	22664	Upper Midscale Class	Oct 2009	Oct 2009	92		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●					
8045	Holiday Inn Express Woodstock Shenandoah Valley	Woodstock, VA	22664	Upper Midscale Class	Jun 2007	Jun 1985	119		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●					
13399	Days Inn Luray Shenandoa Valley	Luray, VA	22835	Economy Class	Dec 1999	Jun 1974	108		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●					
13400	Best Western Intown Of Luray	Luray, VA	22835	Midscale Class	Oct 1996	Jun 1965	40		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●					
				Total Properties:			4	359																																				

○ - Monthly data received by STR
● - Monthly and daily data received by STR
Blank - No data received by STR
Y - (Chg in Rms) Property has experienced a room addition or drop during the time period of the report.

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Tab 9 - Response Report - Group2

Luray, VA Area Selected Properties
Job Number: 807836_CADIMADIM Staff: CW Created: August 25, 2016

STR Code	Name of Establishment	City & State	Zip Code	Class	Aff Date	Open Date	Rooms	Chg in Rms	2014 J	F	M	A	M	J	J	A	S	O	N	D	2015 J	F	M	A	M	J	J	A	S	O	N	D	2016 J	F	M	A	M	J	J	A	S	O	N	D
38665	Comfort Inn Woodstock	Woodstock, VA	22664	Upper Midscale Class	Jun 1999	Jun 1999	66		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●					
29232	Econo Lodge Woodstock	Woodstock, VA	22664	Economy Class	Mar 2013	Jun 1955	40	Y	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●					
8045	Holiday Inn Express Woodstock Shenandoah Valley	Woodstock, VA	22664	Upper Midscale Class	Jun 2007	Jun 1985	119		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●					
60123	Hampton Inn Suites Woodstock	Woodstock, VA	22664	Upper Midscale Class	Oct 2009	Oct 2009	92		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●					
13370	Graves Mountain Lodge	Syria, VA	22743	Upscale Class	Jun 1965	Jun 1965	67																																				
54515	The Inn @ Little Washington	Washington, VA	22747	Luxury Class	Jun 1978	Jun 1978	17																																				
21061	Skyland Resort	Luray, VA	22835	Upper Upscale Class	Jun 1911	Jun 1911	178				○	○	○	○	○	○	○	○	○	○			○	○	○	○	○	○	○	○	○			○	○	○	○	○					
41109	Luray Caverns Motel West	Luray, VA	22835	Midscale Class	Jun 1995	Jun 1995	19																																				
51096	Closed - Independent Cavern Inn Motel	Luray, VA	22835	Economy Class	May 2014		0	Y																																			
51089	Budget Inn Luray Motel	Luray, VA	22835	Economy Class	Jun 1973	Jun 1973	33																																				
48547	Cardinal Inn	Luray, VA	22835	Economy Class	Jan 2006	Jun 1960	27																																				
21051	Mimslyn Inn	Luray, VA	22835	Upper Midscale Class	Jul 1931	Jul 1931	49																																				
13434	Big Meadows Lodge	Luray, VA	22835	Economy Class	Jun 1939	Jun 1939	97																																				
13400	Best Western Intown Of Luray	Luray, VA	22835	Midscale Class	Oct 1996	Jun 1965	40		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●					
13401	Luray Caverns Motel East	Luray, VA	22835	Midscale Class	Jun 1957	Jun 1957	44																																				
13399	Days Inn Luray Shenandoa Valley	Luray, VA	22835	Economy Class	Dec 1999	Jun 1974	108		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●					
3725	Super 8 Mount Jackson	Mount Jackson, VA	22842	Economy Class	May 2007	Jun 1973	92		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●					
6186	Quality Inn Shenandoah Valley New Market	New Market, VA	22844	Midscale Class	Jun 1973	Jun 1973	100		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●					
18852	Days Inn New Market Battlefield	New Market, VA	22844	Economy Class	May 1989	May 1989	80		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●					
13415	Shenvalee Golf Resort	New Market, VA	22844	Midscale Class	Jul 1927	Jul 1927	46																																				
43685	Blue Ridge Inn	New Market, VA	22844	Economy Class			18																																				
19874	Closed Shenandoah Motel	Shenandoah, VA	22849	Economy Class	Jun 2000		0																																				
22054	Closed - Independent Jordan Hollow Farm Inn	Stanley, VA	22851	Upscale Class	Feb 2010	Jun 1981	0	Y																																			
					Total Properties:	23	1332																																				

○ - Monthly data received by STR
● - Monthly and daily data received by STR
Blank - No data received by STR
Y - (Chg in Rms) Property has experienced a room addition or drop during the time period of the report.

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Tab 10 - Help

Methodology

While virtually every chain in the United States provides STR with data on almost all of their properties, there are still some hotels that don't submit data. But we've got you covered.

Every year we examine guidebook listings and hotel directories for information on hotels that don't provide us with data. We don't stop there. We call each hotel in our database every year to obtain "published" rates for multiple categories. Based on this information we group all hotels - those that report data and those that don't - into groupings based off of price level and geographic proximity. We then estimate the non-respondents based off of nearby hotels with similar price levels.

Similarly, we sometimes obtain monthly data from a property, but not daily data. We use a similar process. We take the monthly data that the property has provided, and distribute it to the individual days based on the revenue and demand distribution patterns of similar hotels in the same location.

We believe it imperative to perform this analysis in order to provide interested parties with our best estimate of total lodging demand and room revenue on their areas of interest. Armed with this information a more informed decision can be made.

Glossary

ADR (Average Daily Rate)
Room revenue divided by rooms sold, displayed as the average rental rate for a single room.

Affiliation Date
Date the property affiliated with current chain/flag

Census (Properties and Rooms)
The number of properties and rooms that exist within the selected property set or segment.

Change in Rooms
Indicator of whether or not an individual hotel has added or removed rooms from their inventory.

Exchange Rate
The factor used to convert revenue from U.S. Dollars to the local currency. The exchange rate data is obtained from Oanda.com. Any aggregated number in the report (YTD, Running 3 month, Running 12 month) uses the exchange rate of each relative month when calculating the data.

Extended Historical Trend
Data on selected properties or segments starting in 2000.

Demand (Rooms Sold)
The number of rooms sold (excludes complimentary rooms).

Full Historical Trend
Data on selected properties or segments starting in 1987.

Occupancy
Rooms sold divided by rooms available. Occupancy is always displayed as a percentage of rooms occupied.

Open Date
Date the property opened as a lodging establishment.

Percent Change
Amount of growth, up, flat, or down from the same period last year (month, ytd, three months, twelve months). Calculated as ((TY-LY)/LY) * "100".

Revenue (Room Revenue)
Total room revenue generated from the sale or rental of rooms.

RevPAR (Revenue Per Available Room)
Room revenue divided by rooms available

Sample % (Rooms)
The % of rooms from which STR receives data. Calculated as (Sample Rooms/Census Rooms) * "100".

Standard Historical Trend
Data on selected properties or segments starting in 2005.

STR Code
Smith Travel Research's proprietary numbering system. Each hotel in the lodging census has a unique STR code.

Supply (Rooms Available)
The number of rooms times the number of days in the period.

Twelve Month Moving Average
The value of any given month is computed by taking the value of that month and the values of the eleven preceding months, adding them together and dividing by twelve.

Year to Date
Average or sum of values starting January 1 of the given year.

Tab 11 - Terms and Conditions

Before purchasing this product you agreed to the following terms and conditions.

In consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Smith Travel Research, Inc. ("STR") and purchaser of this product ("Licensee") agree as follows:

1. LICENSE

1.1 Definitions.

(a) "Agreement" means these Standard Terms and Conditions and any additional terms specifically set out in writing in the document(s) (if any) to which these Standard Terms and Conditions are attached or in which they are incorporated by reference, and, if applicable, any additional terms specifically set out in writing in any Schedule attached hereto.

(b) "Licensed Materials" means the newsletters, reports, databases or other information resources, and all lodging industry data contained therein, provided to Licensee hereunder.

1.2 Grant of License. Subject to the terms and conditions of this Agreement, and except as may be expressly permitted elsewhere in this Agreement, STR hereby grants to Licensee a non-exclusive, non-transferable, indivisible, non-sublicensable license to use, copy, manipulate and extract data from the Licensed Materials for its own INTERNAL business purposes only.

1.3 Copies. Except as expressly permitted elsewhere in this Agreement, Licensee may make and maintain no more than two (2) copies of any Licensed Materials.

1.4 No Service Bureau Use. Licensee is prohibited from using the Licensed Materials in any way in connection with any service bureau or similar services. "Service bureau" means the processing of input data that is supplied by one or more third parties and the generation of output data (in the form of reports, charts, graphs or other pictorial representations, or the like) that is sold or licensed to any third parties.

1.5 No Distribution to Third Parties. Except as expressly permitted in this Agreement, Licensee is prohibited from distributing, republishing or otherwise making the Licensed Materials or any part thereof (including any excerpts of the data and any manipulations of the data) available in any form whatsoever to any third party, other than Licensee's accountants, attorneys, marketing professionals or other professional advisors who are bound by a duty of confidentiality not to disclose such information.

1.6 Security. Licensee shall use commercially reasonable efforts to protect against unauthorized access to the Licensed Materials.

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.

Demand Analysis

The management of the various competitive hotels revealed that room-night demand within the competitive supply is currently generated by two major market segments: the commercial segment, 15.0%, and leisure travelers, 85.0%, on an annual basis.

Commercial Guest Demand

Commercial travelers, who are 15.0% of the market, generally have strong demand for rooms from mid-January to mid-June, and again from mid-September to mid-December. The summer time of mid-June to mid-September has moderate demand, with the mid-December to mid-January period very low.

In the more commercially-oriented properties, the weekday market is strongest. This is due to the strength of the commercial market during Monday through Thursday. When extended-stay amenities are added to the guest rooms, the annual guest occupancy increases, as various companies cut travel costs of their personnel. The commercial room demand in the Luray, Virginia area is increasing, and hotels are changing their guestroom mix and adding facilities and amenities to cater to this business. Commercial travelers are comprised of corporate business, military and sales personnel. However, government employees are also included in this group. The government business is primarily that of the Commonwealth of Virginia with a contribution by national government interests.

Projected Growth Rates
Commercial Room Night Demand

Year	*Weekday*	*Weekend*	*Annual*
2019, 2020	1%	0	1%
2021-2023	1%	0	1%

Source: Interim Hospitality Consultants

Leisure Demand

Leisure travelers represent 85.0% of demand for lodging accommodations in the competitive market area. This segment is made up of vacationing families, followed by individual senior citizens, amateur athletes, and motor coach tours. The average length of stay was 1.1 days according to information supplied by interviews with local hotels. The following are the projected growth rates for leisure room-night demand for the years 2019 to 2023.

Projected Growth Rates Leisure Room Night Demand			
Year	***Weekday***	***Weekend***	***Annual***
2019, 2020	0%	1%	1%
2021-2023	0%	1%	1%

Source: Interim Hospitality Consultants

Proposed Hotel Base Year

As of the date of this Study, September, 2016, it is understood that the property will open in 2018 at the earliest. Therefore, the first full base year of the hotel will be 2019.

Base Year and Projected Market Demand, Available Rooms and Occupancy					
Year	***Leisure 85.0%***	***Commercial 15.0%***	***Total Guestroom Nights Occupied 100%***	***Annual Available Rooms-A***	***Market Set Occupancy-B***
2019	17,247	3,044	20,290	39,785	51.0%
2020	17,633	3,112	20,745	39,894	52.0%
2021	17,923	3,163	21,086	39,785	53.0%
2022	18,261	3,223	21,484	39,785	54.0%
2023	18,599	3,282	21,882	39,785	55.0%

Source: Interim Hospitality Consultants

Annual Available Rooms

Mimslyn Inn	49	
Subtotal:	49	
Subject: Cobblestone Hotel		69
	Total Rooms	109

Projected Annual Growth Rate	***2019-2020***	***2021-2023***
Commercial Room Demand	1.0%	1.0%
Leisure Room Demand	1.0%	1.0%
Annual Total Projected Growth Rate	2.0%	2.0%

Summary

The hotel offerings in Luray, Virginia are unfortunately locked in the Past 20th Century with out-of-date hotels offerings.

It has long been stated that at an occupancy of:

40.0%	A hotel loses money, if it has a high Debt Service;
50.0%	The hotel breaks even; and
60.0%	The hotel makes money.

Only two local hotels are franchised – the Best Western built in 1965, and the former Holiday Inn, built in 1974 – now a Days Inn, which report their Occupancy data to Smith Travel Research (STR). An STR Trend Report illustrates a very seasonal hotel market:

Competitive Market Set Luray, Virginia			
2015			
Month	***Occupancy %***	***Average Daily Rate***	***RevPAR***
Jan	30.1	77.40	23.30
Feb	30.2	79.26	23.93
Mar	36.0	81.43	29.30
Apr	54.3	86.94	47.25
May	56.4	101.03	56.96
Jun	55.9	96.92	54.22
Jul	69.0	100.61	69.47
Aug	67.2	99.17	66.61
Sep	60.2	93.68	56.41
Oct	68.4	101.43	69.39
Nov	47.6	84.27	40.12
Dec	33.4	81.29	27.17

Year	***Occupancy %***	***Average Daily Rate***	***RevPAR***
2010	43.2	76.26	32.91
2011	44.4	80.30	35.65
2012	47.1	84.18	39.64
2013	46.6	85.00	39.62
2014	48.0	89.80	43.14
2015	50.9	92.75	47.17

Source: Smith Travel Research, Hendersonville, Tennessee

Competitive Accommodations

The Mimslyn Inn

The 49-room, upper midscale hotel is the only interior corridor facility in Page County. The 1932 Dining Room is a true experience of Vintage Fine Dining, while the Speakeasy Bar offers casual dining. The guest accommodations are distinctly of Mid-20th Century decor appointed for couples – not today's commercial guest. Located in the central business district of Luray, the hotel hostss the only first class meeting space in Page County.

Skyland Resort

The 178-room mountaintop, motel style accommodations are only five miles – "as the crows fly." However, it is a 20-30 minute drive up the mountain on the Blue Ridge Parkway to Skyland located inside the Shenandoah National Park. The property offers a full restaurant, lounge, family entertainment and small conference rooms. The guest rooms have new white bed linens and flat screen televisions with analog signals. The hotel is closed in December and January.

Days Inn and Best Western

These two exterior corridor motels have high definition television. However, all furnishings and bedding are last century.

Other local older motels have yet to add high definition televisions and new bedding.

Bed and Breakfast Inns

The eight to ten local bed and breakfast inns cater to the leisure couple in a successful décor distinctive to each inn.

Cabins

The "Cabin Capital of Virginia" has over 80 cabin entities, offering over 400 cabin guest rooms in picturesque rural country sites, along streams/rivers and mountain vistas. These excellent accommodations are marketed to families and leisure couples. A number of properties are open year round.

The Page County Economic Development Office recognizes the need for a 21st Century hotel to meet the demands of future Economic Development. The Cobblestone Hotel will meet and exceed that Mission.

PROPOSED FACILITIES AND SERVICES

Based on the demand for lodging accommodations in the Luray, Virginia market, and the review of the pertinent characteristics of area visitors, the following general comments regarding the nature and scope of the facilities and services to be provided by the proposed hotel are presented. The plan presented coincides with the project developer's concept, with which we concur in the outlined quality and scope of the proposed hotel development.

Based on the demand for lodging accommodations in the competitive market area of the proposed hotel, and the review of the pertinent characteristics of area visitors, the following general comments regarding the nature and scope of the facilities and services to be provided by the proposed hotel are presented. The plan presented coincides with the project concept by the Page County Economic Development Office, with which we concur in the outlined quality and scope of the proposed hotel development.

The Field Research indicates that a 40-60 room hotel is recommended. A Cobblestone Hotel meets that criteria. The 60-room Cobblestone Inn to be located in the either the northwest or northeast intersection of U.S. 211 and U.S. 340 at College Drive in Luray, Virginia, will be oriented to provide ease of guest usage and feature a 50-person Meeting Room, an indoor swimming pool along with a Sun Deck and an evening fire pit.

General Concept

The Market Research for this Feasibility Study has revealed that there is sufficient demand for a 60-room upscale, mid-priced, limited-service hotel. The Findings of the Market Research have forecasted a Cobblestone Hotel.

A Cobblestone Hotel exemplifies a true mid-priced interior corridor hotel with guest room amenities expected by the traveling public in today's Hotel Market. The hotel is reminiscent of a Hilton Hampton Inn, Holiday Inn Express or Marriott Springhill Suites.

The two-story building can be adapted to three stories if required by site constraints. The Cobblestone Hotel incorporates local architecture and exterior features of décor. A two-lane porte-co-chère welcomes each guest.

Lobby

A gas flame natural stone fireplace and mantel establishes a warm, friendly Welcome into the Hotel Lobby with sofa, easy chairs, ottoman and a Guest Business Center with computers and printer. The Front Desk is staffed 24 hours a day.

Breakfast Area

The self-served hot breakfast area has table seating for 20 and eight bar stools. Breakfast is served at 6:00 a.m. to 9:00 a.m. weekdays, and 7:00 a.m. to 10:00 a.m. on weekends, featuring premium Wolfgang Puck coffee, available 24 hours a day.

Social Bar

The eight bar stools are adjacent to the front desk offering, depending upon local ordinances:

- Full liquor, beer and wine, or
- Beer and wine, or
- Gourmet coffee and tea
- Certain hotels also heat and sell frozen pizza.

Possibly, Luray will offer full Beverage Service.

Each Cobblestone Hotel location is subject to local ordinances and the volume of revenue and expenses are minimal, due to the size of the hotel. The Proforma of this study did factor a limited monetary amount of this very well-received guest amenity.

Retail Center

A full guest Retail Center is adjacent to the Front Desk, offering cold beverages, frozen food and ice cream as well as snacks, candy and toiletries. Certain hotels offer souvenirs unique to that community.

Revenues for the area are minimal; however, with a very high guest satisfaction point. Income and expenses are factored under Other Income in the Performa.

Fitness Room – Guest Laundry

A two-person Fitness Center, also hosting a washer/dryer, is available to all guests.

The guest room corridor is six feet wide and the ground floor features two guest luggage carts. A guest elevator to the third floor is warranted, and also is proposed for use by senior-age guests. The stairwells, at each end of the building, have vinyl wall covering, decorative lighting fixtures, and are fully carpeted with heating and air conditioning.

Hotel Guest Rooms

Cobblestone Hotel Luray, Virginia Proposed Room Mix	
King Room	26
Queen/Queen Room	28
King Celebration Room	2
King Extended Stay Suite*	4
Total Rooms	60

Source: Interim Hospitality Consultants
*Connects to a Queen/Queen Room

All guest rooms feature:

- The guest room key is a Radio Frequency Identification (RFID) lock technology.
- Hospitality Center of refrigerator/freezer, microwave and coffee maker
- Full open closet with wood hangers, ironing board, iron and two luggage racks
- Free-standing lamps and 42-inch High Definition Television
- Bedside convenience electric and USB outlets with a clock radio
- Full-size bath, shower/tub and two framed dressing mirrors

- King Rooms and the Celebration Room feature a glass-doored walk-in shower for two.

The Hotel has four Extended Stay Suites with a full kitchen, parlor with sofa bed and a separate King bedroom. Occupancy is factored at five days or more. The Luray hotel will feature two Celebration King Rooms with a whirlpool tub for two.

Source: Cobblestone.com

The Hotel Feasibility Study for each Cobblestone Hotel delineates the hotel features that should be included to meet that community's hotel market. These market-driven amenities are the basis of overall hotel profitability and may not be included in an individual property as they are selected on meeting the guests' expectations.

1. Flexibility in offering 40-60 guest rooms
2. Electronic sliding Hotel front door
3. Guest elevator to upper floors
4. Indoor swimming pool
5. Meeting room for 50 guests
6. Additional extended-stay rooms
7. Separate Conference Center building for 100-500 guests
8. Sun Patio adjacent to the indoor pool with evening fire pit
9. Guest room safe
10. Exterior architectural design to the local market

The selection of the hotel market-driven features establishes a lower construction cost.

Cobblestone Operations Plan

The key to operating the 40-60 room Hotel profitably is the multi-tasking of all employees. A typical 40-60 room Cobblestone Hotel has only three full time and four to five part-time employees.

- A hotel day begins at 5:00 a.m. with the Night Auditor preparing the hot breakfast by 6:00 a.m., while continuing front desk duties until 7:00 a.m.

- At 7:00 a.m., the Hotel Manager arrives to perform front desk duties until 3:00 p.m. Additionally, the Hotel Manager serves and cleans up breakfast while performing daily Front Desk check outs and General Manager paperwork. By 11:00 a.m. the Manager is cleaning the lobby and vacuuming the hotel guest rooms that were cleaned by the previous evening's Desk Clerk and Night Auditor, but not vacuumed as carpet cleaning is not permitted after 8:00 p.m. The Manager/Desk Clerk/Room Attendant also cleans the rooms on the second floor. If the hotel is sold out, the Manager will schedule a part-time Room Attendant to service a number of rooms on the second or third floor. If the hotel also has a meeting room, a part-time houseman may be added for the servicing of the meeting room, swimming pool and other hotel areas.

- At 3:00 p.m. the "B-Shift" Desk Clerk relieves the General Manager from front desk duties and also cleans first floor guest rooms along with registering new arriving guests and hosting the Lobby Bar. The General Manager is to make the cash bank deposit and perform Public Relations duties in the local community.

- The Night Auditor arrives at 11:00 p.m., performs the night audit, and all hotel laundry operations which includes restocking the Room Attendant carts on upper floors, prior to starting Breakfast at 5:00 a.m.

This multi-tasking Desk Clerk Operation is facilitated by a "ring down" telephone. The arriving guest picks up the telephone located on the Front Desk Counter to request the Desk Clerk. A second house phone is located in the hotel vestibule to summon the "C-Shift" Night Auditor.

Total Hotel Payroll and Burden expense is factored at under 20% of total revenues for a Cobblestone Inn. A normal 80-room limited-service hotel has a payroll cost in excess of 25%.

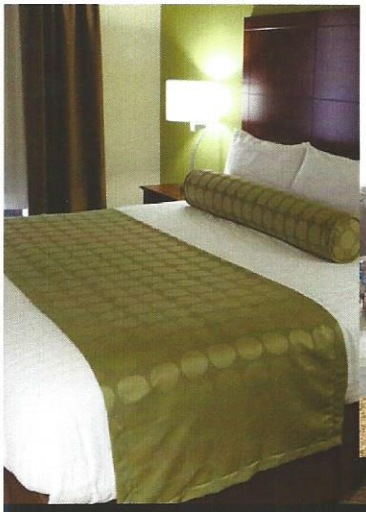
The Cobblestone Operations Plan of market-driven amenities, first class, mid-priced transient hotel rooms, coupled with a multi-tasking hotel staff, produces a profitable Cobblestone Inn in over 80 small communities across the United States.

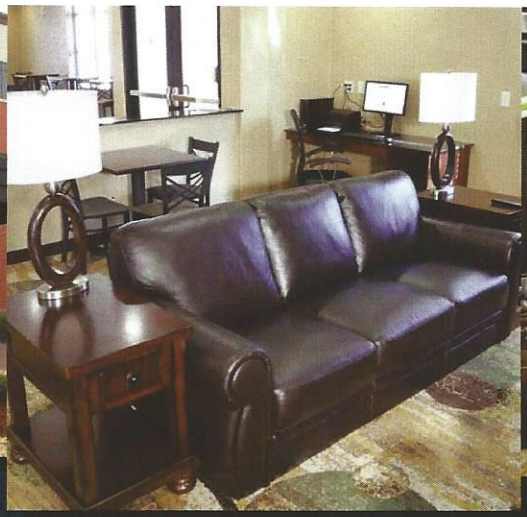
Hotel Information

The following pages illustrate the hotel prototype of lobby, administration, housekeeping, guest rooms, meeting room, and amenities in the proposed hotel as well as information about the Cobblestone Hotel brand and photographs of example hotels. Additional information from the franchisor is presented in their literature found in the Conclusions Section of this Study.

Cobblestone Hotels

Address: 980 American Drive, Neenah, WI 54956
Phone: (920) 230-2622
Web: www.staycobblestone.com
www.cobblestonedream.com





The Cobblestone Hotels Brand has become a trusted brand by guests and hoteliers alike. Hotel Brand Franchising can be a tough process to go through. It is an uncomplicated and easy process when you franchise with Cobblestone Hotels. Whether you are a conversion to our Boarders Inn and Suites by Cobblestone Brand or a newly built Cobblestone Inn and Suites or Cobblestone Hotel and Suites Brands, we make the process easy for you, our client. Why is Cobblestone Hotels different?

Cobblestone Hotels Understands

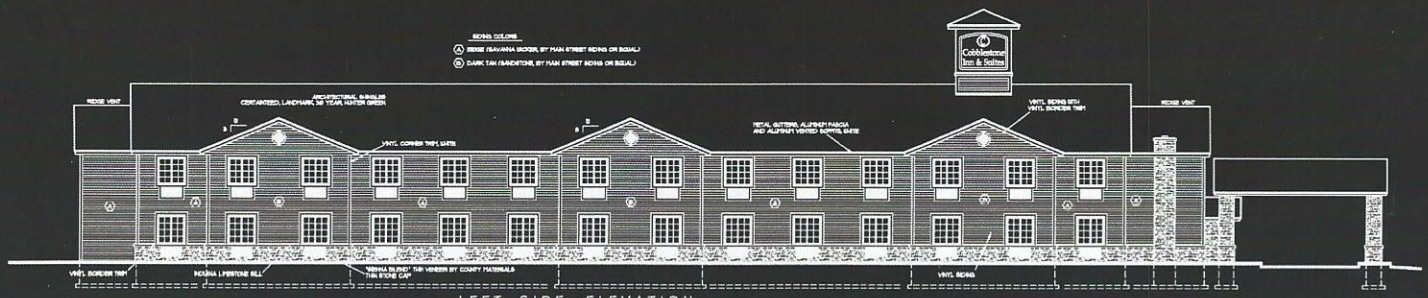
We work for our Franchisees. Not the other way around.

Cobblestone Hotels Cares

As a growing brand, we make sure our franchisees are happy. As seasoned industry leaders, our team knows what happens when a client is not happy. They leave, tell all their colleagues/family/friends that they were not happy, and do not return. Our current franchisees are our best sales people.

Cobblestone Hotels is Fair

When you franchise with Cobblestone Hotels you receive low flat pricing with the same services and support that you do and should expect from every other brand available.



LEFT SIDE ELEVATION
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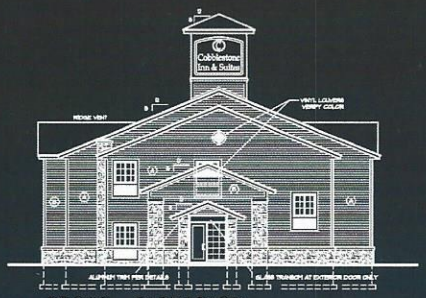
BACK ELEVATION
1/8" = 1'-0"



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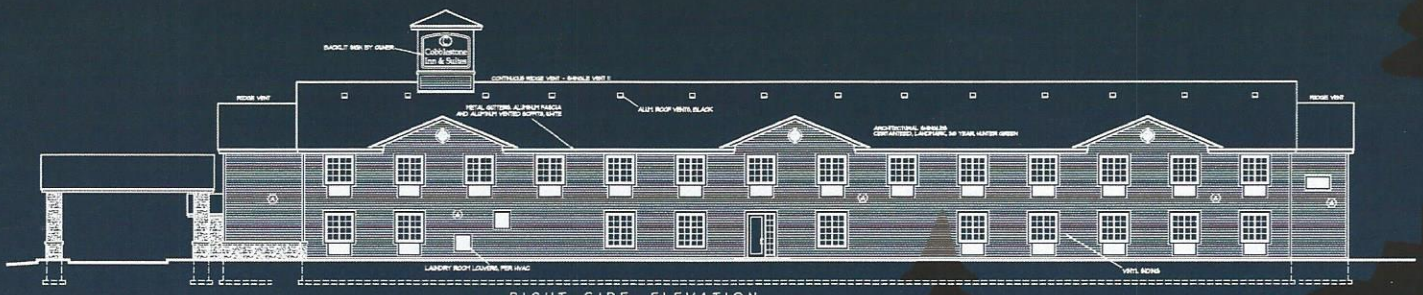

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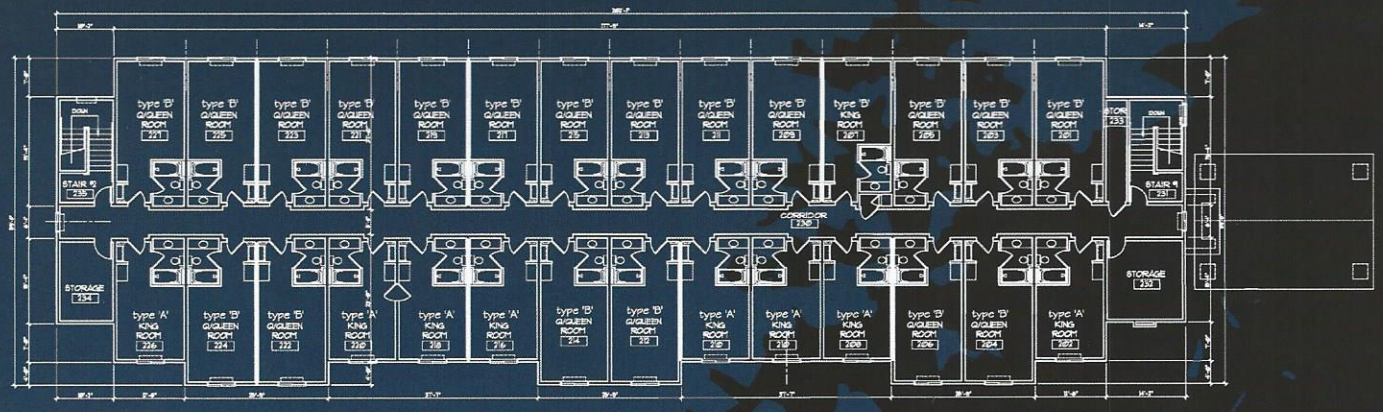

SECOND FLOOR PLAN
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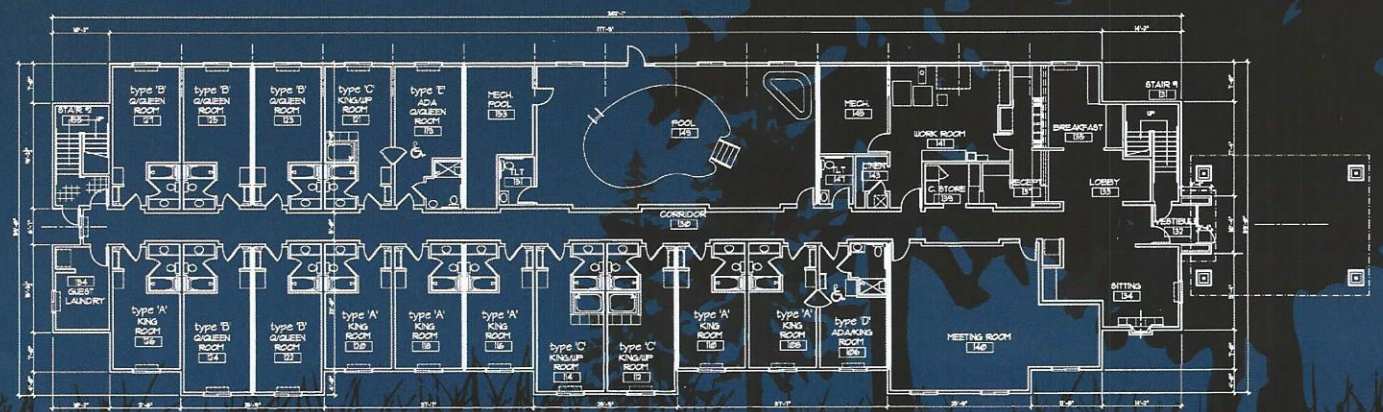

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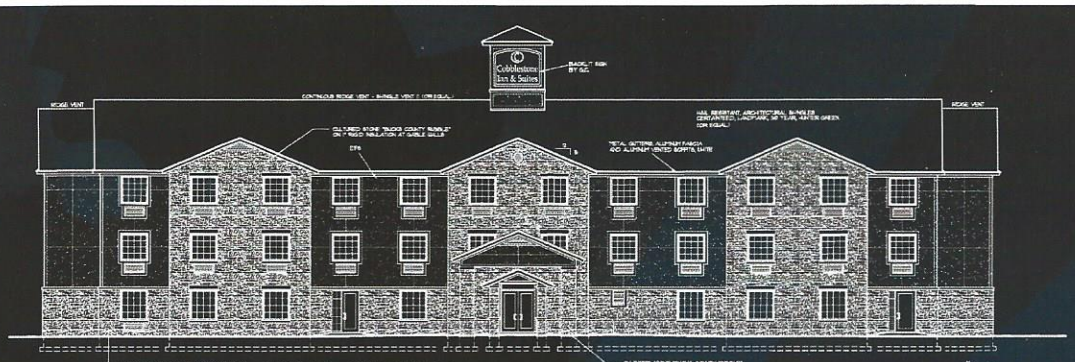

FRONT ELEVATION
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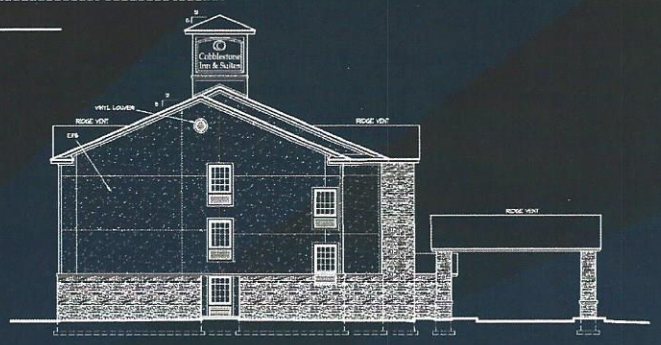
SIGN / CUPOLA DETAIL
1/4" = 1'-0"

RIGHT SIDE ELEVATION
1/8" = 1'-0"



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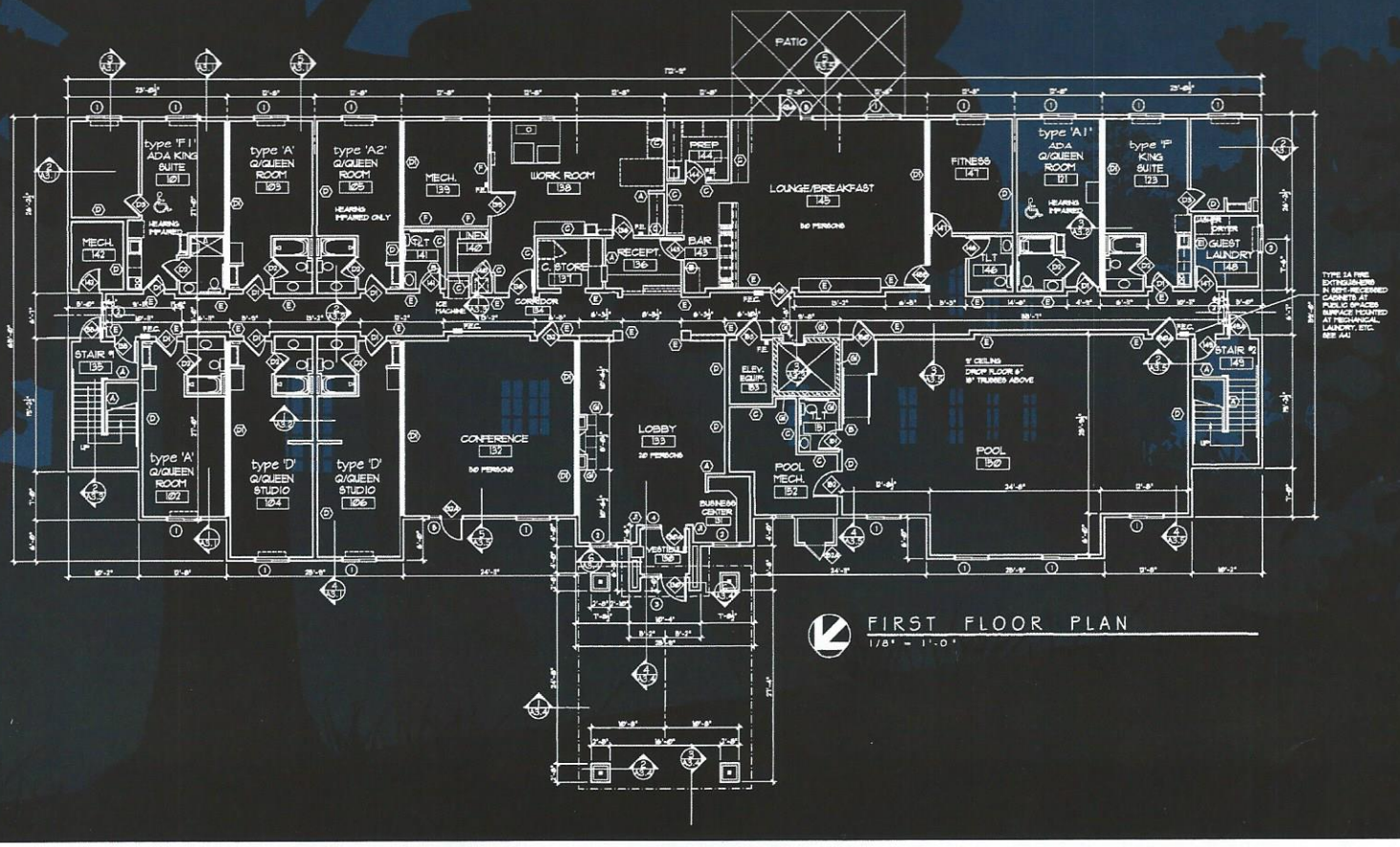

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SIGN / CUPOLA DETAIL
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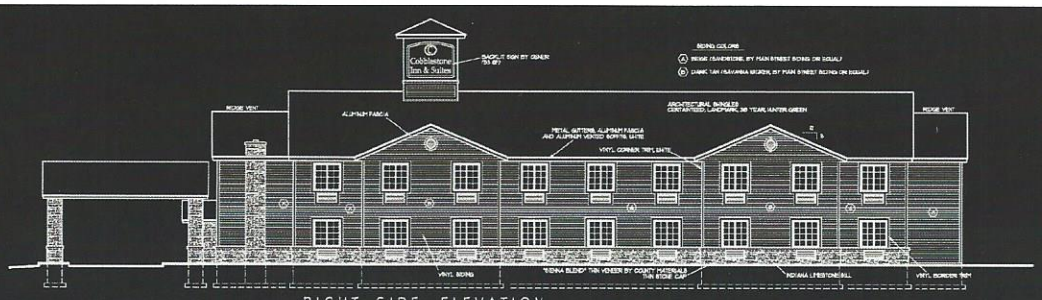

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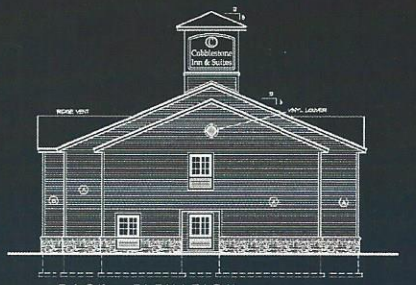

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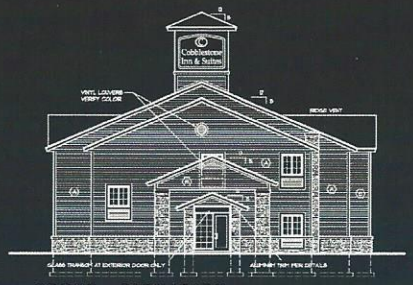

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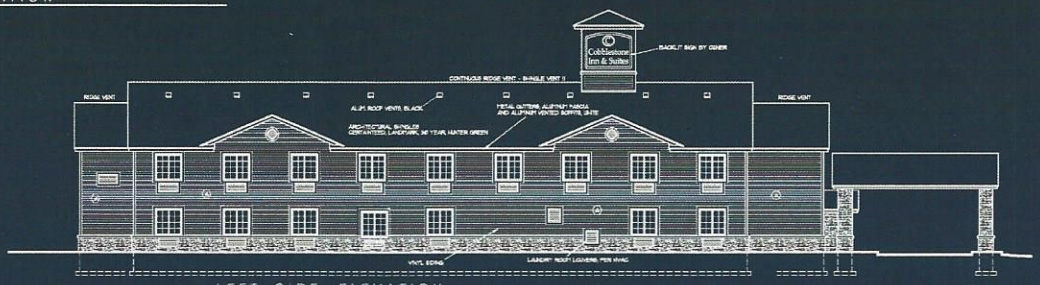

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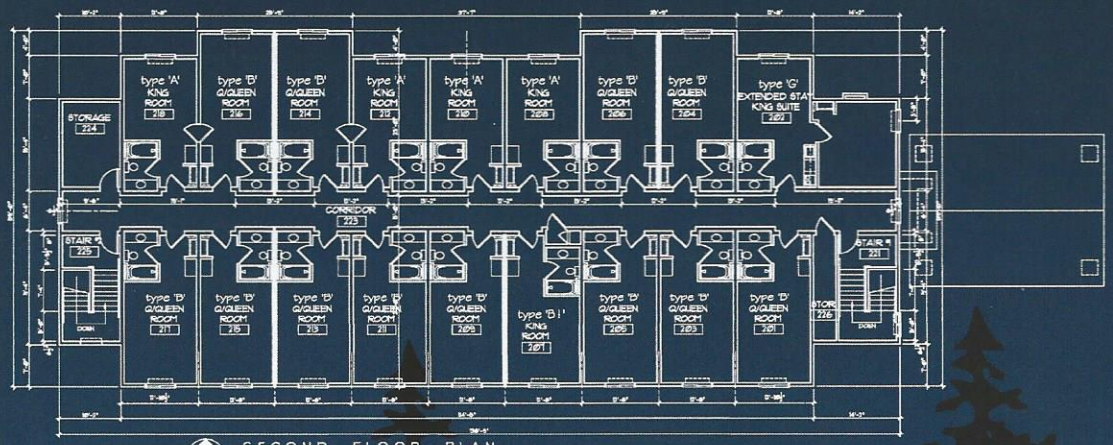

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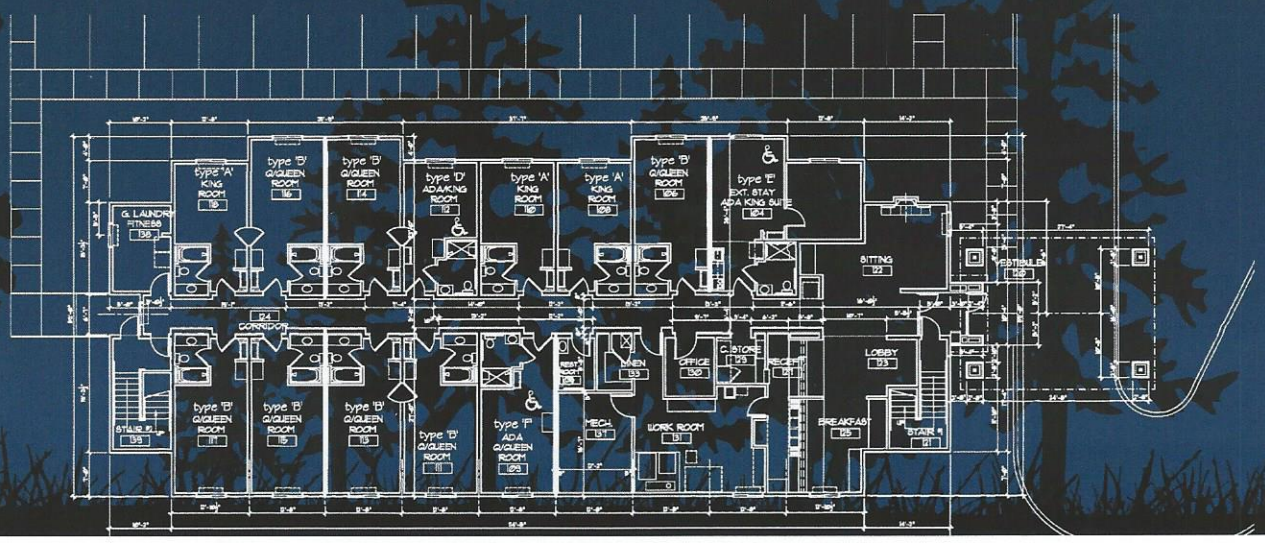

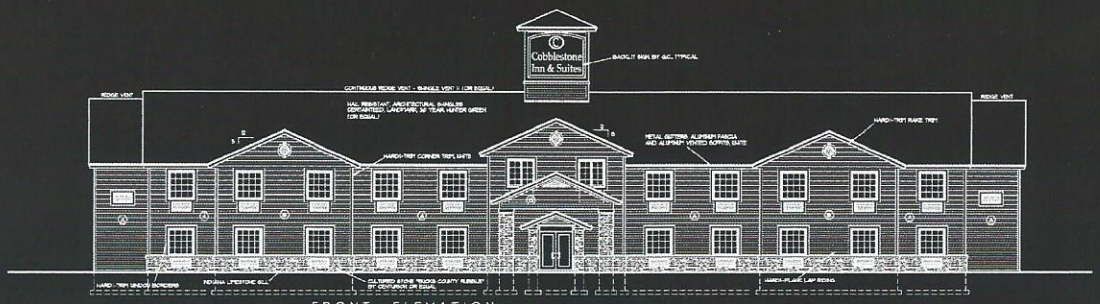

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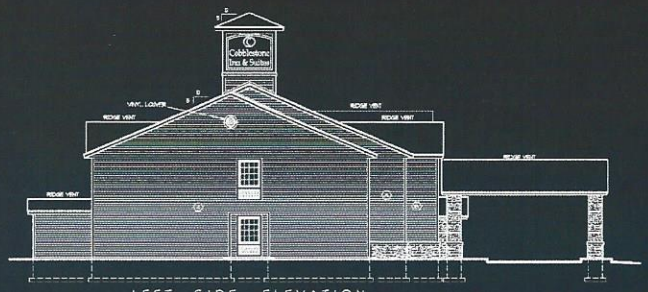

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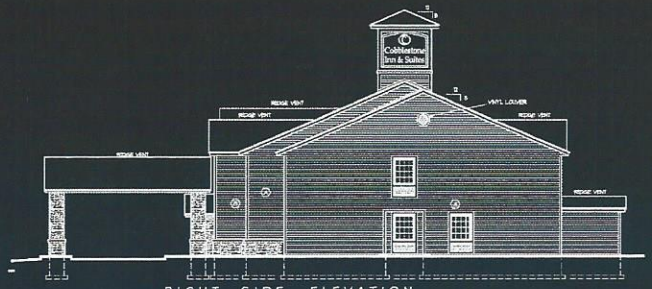

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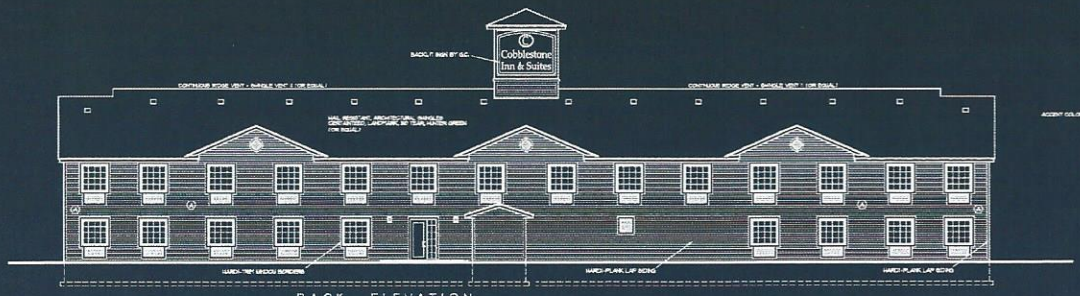

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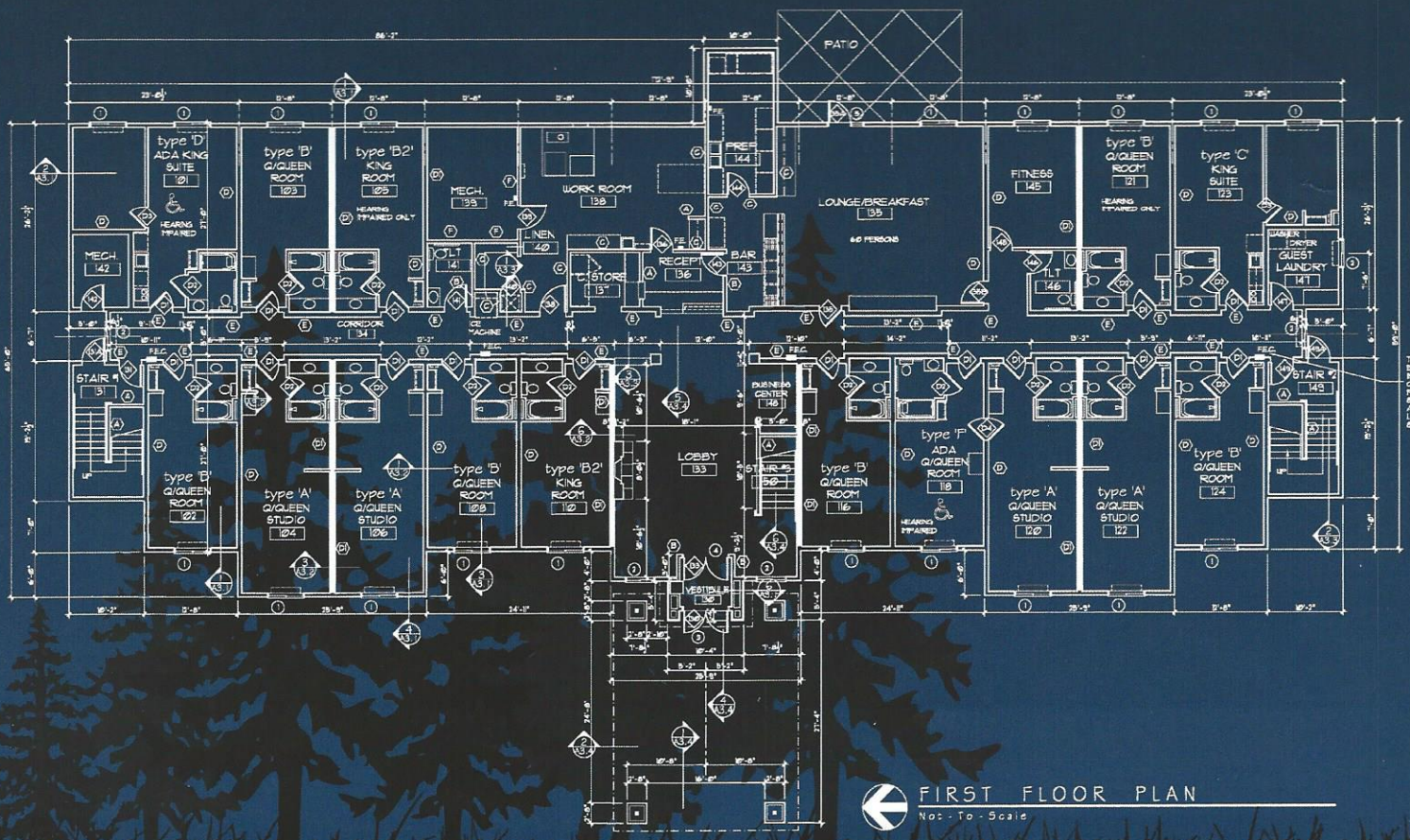


FIRST FLOOR PLAN
Not - To - Scale

- ***Classic Inn Design with stone accents***
- ***Portechere entrance***
- ***Welcome Lobby with Fireplace***

- ***Multi-Level Front Desk with pass-through window to the Retail Center***
- ***Direct Line Phone for guest use to summon the Desk Clerk, who may be performing other duties in the hotel***

- ***Lobby Breakfast and Social Hour Bar***

- ***Lobby Dining***

Retail Center

Guest Business Center

First Floor Corridor with Luggage Cart

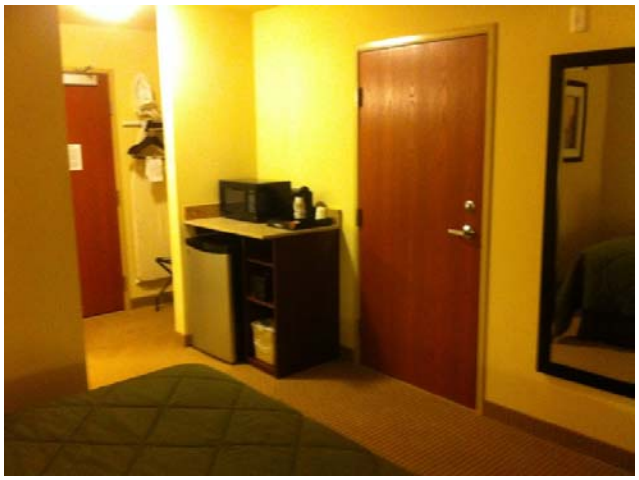
Finished stairway to Second Floor Guest Rooms

Cobblestone Hotel King Suite Room
Photo by Corporate Office

King Room

Two Queen Beds

Bedside Convenience Power and USB Outlets



Hospitality Center in every room with:

- ***Refrigerator/Freezer***
- ***Microwave***
- ***Coffee Maker***
- ***Full Open Closet***
- ***Ironing Board/Iron***
- ***Luggage Rack***

Extended Stay King Suite with Full Kitchen

Typical Guest Bathroom

Handicapped Equipped Bathroom

Fitness Center
And
Guest Laundry

Housekeeping/Laundry

Dirty Laundry drop from the Second Floor

Maintenance/Boilder Room

Environmental Concerns

Information from the U.S. Green Building Council (USGBC) is presented at the end of this Section F. The information is provided as a base to assist in the development of a "Green" development/building project.

Leadership in Energy and Environmental Design (LEED®®) Green Building Rating System

Welcome to USGBC

The U.S. Green Building Council is a 501(c)(3) nonprofit community of leaders working to make Green Buildings available to everyone within a generation.

The U.S. Green Building Council (USGBC) is a Washington, D.C. –based 501(c)(3) nonprofit organization committed to a prosperous and sustainable future for our nation through cost-efficient and energy-saving Green Buildings. USGBC works toward its mission of market transformation through its LEED® Green Building certification program, robust educational offerings, a nationwide network of chapters and affiliates, the annual Greenbuild International Conference & Expo, and advocacy in support of public policy that encourages and enables Green Buildings and communities.

The LEED® Green Building certification program is a voluntary, consensus-based national rating system for buildings designed, constructed and operated for improved environmental and human health performance. LEED® addresses all building types and emphasizes state-of-the-art strategies in five areas sustainable site development, water savings, energy efficiency, materials and resources selection, and indoor environmental quality.

LEED® Rating Systems

What is LEED®?

The Leadership in Energy and Environmental Design (LEED®) Green Building Rating System™ encourages and accelerates global adoption of sustainable Green Building and development practices through the creation and implementation of universally understood and accepted tools and performance criteria.

LEED® is a third-party certification program and the nationally accepted benchmark for the design, construction and operation of high performance Green Buildings. LEED® gives building owners and operators the tools they need to have an immediate and measurable impact on their buildings' performance. LEED® promotes a whole-building approach to sustainability by recognizing performance in five key areas of human and

environmental health: sustainable site development, water savings, energy efficiency, materials selection and indoor environmental quality.

Who uses LEED®?

Architects, real estate professionals, facility managers, engineers, interior designers, landscape architects, construction managers, lenders and government officials all use LEED® to help transform the built environment to sustainability. State and local governments across the country are adopting LEED® for public-owned and public-funded buildings; there are LEED® initiatives in federal agencies, including the Departments of Defense, Agriculture, Energy, and State; and LEED® projects are in progress in 41 different countries, including Canada, Brazil, Mexico and India.

How is LEED® Developed?

LEED® Rating Systems area developed through an open, consensus-based process led by LEED® communities. Each volunteer committee is composed of a diverse group of practitioners and experts representing a cross-section of the building and construction industry. The key elements of USGBC's consensus process include a balanced and transparent committee structure, technical advisory groups that ensure scientific consistency and rigor, opportunities for stake holder comment and review, member ballot of new rating systems, and a fair and open appeals process.

LEED® Version 3

The LEED® Green Building certification program's greatest strength lies in its consensus-based, transparent, ongoing development cycle. The next version of LEED® is here! On April 27, 2009, USGBC launched LEED® v3. The ability to be flexible allows LEED® to evolve, taking advantage of new technologies and advances in building science while prioritizing energy efficiency and CO_2 emissions reductions.

Project Certification

As part of the newly launched LEED® v3, the Green Building Certification Institute (GBCI) has assumed administration of LEED® certification for all commercial and institutional projects registered under any LEED® Rating System.

LEED® certification provides independent, third-party verification that a building project meets the highest Green building and performance measures. Sustainable building strategies should be considered early in the development cycle. An integrated project team will include the major stakeholders of the project such as the developer/owner, architect, engineer, landscape architect, contractor, and asset and property management staff. Implementing an integrated, systems-oriented approach to Green project design, development and operations can yield synergies and improve the overall performance of a building. Initial

LEED® assessment will bring the project team together to evaluate and articulate the project's goals and the certification level sought.

There are both environmental and financial benefits to earning LEED® certification.

LEED®-certified buildings are designed to:

- Lower operating costs and increase asset value.
- Reduce waste sent to landfills.
- Conserve energy and water.
- Be more healthful and safer for occupants.
- Reduce harmful greenhouse gas emissions.
- Qualify for tax rebates, zoning allowances and other incentives in hundreds of cities.
- Demonstrate an owner's commitment to environmental stewardship and social responsibility.

Eligibility

Commercial buildings as defined by standard building codes are eligible for certification under the LEED® for New Construction, LEED® for Existing Buildings, LEED® for Commercial Interiors, LEED® for Retail, LEED® for Schools, and LEED® for Core & Shell rating systems. Building types include – but are not limited to – offices, retail and service establishments, institutional buildings (e.g., libraries, museums and religious institutions), hotels and residential buildings of four or more habitable stories.

Green Building Research

The built environment has a profound impact on our natural environment, economy, health, and productivity.

In the United States alone, buildings account for:

- 72% of electricity consumption,
- 39% of energy use,
- 38% of all carbon dioxide (CO_2) emissions,
- 40% of raw materials use,
- 30% of waste output (136 million tons annually), and
- 14% of potable water consumption.

Benefits of Green Building

Environmental benefits:

- Enhance and protect ecosystems and biodiversity.
- Improve air and water quality.
- Reduce solid waste.
- Conserve natural resources.

Economic Benefits:

- Reduce operating costs.
- Enhance asset value and profits.
- Improve employee productivity and satisfaction.
- Optimize life-cycle economic performance.

Health and community benefits:

- Improve air, thermal, and acoustic environments.
- Enhance occupant comfort and health.
- Minimize strain on local infrastructure.
- Contribute to overall quality of life.

Rankings of Completed Projects

Under LEED® there are 100 possible Base Points distributed across six credit categories:

- Sustainable Sites.
- Water Efficiency.
- Energy and Atmosphere.
- Materials and Resources.
- Indoor Environmental Quality.
- Innovation in Design.

An additional four points may be received for Regional Priority Credits and six points for Innovation in Design.

Total points buildings can qualify for four levels of certification:

A.	LEED® Platinum	80 and above
B.	LEED® Gold	60 and above
C.	LEED® Silver	50 and above
D.	LEED® Certified	40 and above

PROJECTED UTILIZATION OF THE PROPOSED HOTEL

The supply and demand analysis included general overviews of the Luray, Virginia, market area, a detailed analysis of the properties projected to provide competition to the proposed hotel, a discussion of the characteristics of room-night demand, and projections of future room supply and demand within the competitive environment. In this section, the information which has been presented in the preceding chapters is synthesized to project the utilization of the proposed hotel.

Projected Market Penetration and Occupancy

Market Penetration

The potential occupancy of the proposed hotel has been evaluated in terms of its "Fair Share" of market demand. Fair share is the number of rooms in the proposed hotel as a percentage of the total market area supply. There is presently one property, the Mimslyn Inn, representing 49 total available rooms which would compete with the

proposed hotel. The number of units in the proposed hotel, the projected market area available rooms per day, and the resulting fair share percentage for the period 2019 through 2023 are listed below:

Fair Share of the Proposed Cobblestone Hotel 2019 – 2023			
Year	*Number of Rooms in Proposed Hotel*	*Projected Market Area Supply of Rooms*	*Projected Fair Share of Proposed Hotel*
2019	60	109	55.0%
2020	60	109	55.0%
2021	60	109	55.0%
2022	60	109	55.0%
2023	60	109	55.0%

Source: Interim Hospitality Consultants

Induced Room Demand represents hotel guests who are attracted to the Market Area due to new attractions or the specific hotel new amenities not found in the competitive hotels.

Assuming that each competitive property, including the proposed hotel, were to receive only its fair share of the market demand from 2019 through 2023, each would achieve projected occupancies ranging from 51.0% in 2019 to 55.0% in 2023, the projected market set occupancy, during the projection period.

To further refine the analysis and to take into account the qualitative factors affecting the occupancy of a lodging facility, the proposed hotel's competitive position was evaluated by an analysis that relates the most important factors which influence a potential guest's choice of lodging facilities. Such a comparison of the hotel's advantages and disadvantages indicates the degree to which a hotel could penetrate a given market relative to its fair share. Market penetration (percent of fair share) is the percentage of demand actually accruing to a hotel, calculated as the ratio between the number of rooms occupied in the property and the fair share of occupied rooms attributable to that property. The proposed hotel must capture a portion of both (1) current room-night demand, and (2) growth in demand for overnight accommodations, to obtain the projected occupancy levels.

In this instance, the proposed property should have a number of competitive advantages. Its competitors may be considered less desirable by potential market users due to the lack of certain characteristics which will be unique to the proposed facility. The following factors and assumptions are major considerations in determining the penetration potential of the proposed hotel relative to its competitors:

1. *Location:* Either the northwest or northeast intersection of U.S. 211 at U.S. 340 at College Drive in Luray, Virginia.

2. *Accessibility and Visibility:* Extremely good accessibility coupled with excellent street corner visibility.

3. *Market Orientation:* The proposed hotel would be directly positioned to the commercial guest in addition to the leisure market segment.

4. *Room Mix:*

Cobblestone Hotel Luray, Virginia Proposed Room Mix	
King Room	26
Queen/Queen Room	28
King Celebration Room	2
King Extended Stay Room*	4
Total Rooms	60

Source: Interim Hospitality Consultants
*Connects to a Queen/Queen Room

Included in the room mix will be an appropriate number of rooms with full access for the physically challenged.

5. *Room Amenities:* Oversized beds with plush duvet covers and triple sheets, spacious work desk, ergonomic chair, telephone with voice mail and data port, complimentary wireless and wired Internet access, plus hospitality center with a microwave oven, refrigerator/freezer, coffee maker with complimentary coffee and tea refreshed daily.

6. *Hotel Amenities:* 50-Person meeting space to accommodate small to mid-sized groups, a complimentary 24-hour business center, 24-hour fitness room, Aquatic Center with indoor swimming pool, and dry sauna, and complimentary WiFi hot spots in public areas. Sun Deck with evening fire pit.

7. *Complimentary Breakfast:* A full hot breakfast is available every day to all guests. Front Desk sells beer/wine and fresh pizza every evening from 5 to 9 PM.

8. *Newness:* The project will be the newest hotel in the competitive supply, thereby offering more appeal to the proposed property.

9. *National Franchise:* The facility will gain instant name recognition and set itself apart from other competitive hotels when it positions itself in the upscale, mid-priced transient hotel market.

10. *Hotel Management:* The facility will be professionally managed and aggressively marketed.

While the foregoing is primarily a qualitative analysis, it represents a fair approximation of the projected market situation based on the fieldwork.

The proposed hotel's market penetration and underlying assumptions are summarized as follows:

1. *Leisure:* Due to the hotel being marketed as the number-one quality product in the mid-priced transient hotel classification, the hotel's projected penetration of fair market share will range from 107.8% to 114.5% over the five-year projection period.

2. *Commercial:* The fair market share of commercial business is projected to run from 107.8% to 114.5%. This can be achieved with a professional sales marketing effort. If for any reason the tourist business declines through seasonality or energy shortages, state and local commercial solicitation must be made to offset the decline.

3. *Occupancy:* The projected occupancy should be attainable if the property is built as described, professionally operated in all facets, and business of the area continues to be positive. In years 3 to 5, additional competition may materialize to substantially reduce the projections.

Market Penetration is the percentage of demand for rooms projected for the proposed Cobblestone Hotel. It is calculated as the ratio between the number of rooms projected to be occupied at the proposed hotel against the Fair Share of occupied rooms attributed to the hotel's Market Set.

To calculate Market Penetration, information from the Supply and Demand Analysis Section of this Study indicates:

Step One:

a.	Total of year round Hotel Market Set of Rooms	109
b.	Times estimated average occupancy	51.0%
c.	Times days in year	365
d.	Equals total Guest Room Nights	20,290
e.	Times Cobblestone Hotel's Fair Share	55.0%
f.	Equals the Goal of Guest Room Nights the Cobblestone Hotel must achieve	11,169

Step Two:

a.	Convert the projected Cobblestone Hotel 2019 occupancy of 55.0% into Occupied Guest Room Nights	12,045
b.	Divided by the Goal of	11,169
c.	Equals the Cobblestone Hotel's Market Penetration	107.8%

Market Penetration must be at least 100% to be equal with the hotel's Market Set of competitors. The higher the total is over 100, the stronger the leadership of the hotel. If the Market Penetration is under 100, then something is wrong in the hotel's image, features, or marketing, and must be corrected.

Future Years Market Penetration			
2020	***2021***	***2022***	***2023***
109.6%	111.3%	113.0%	114.5%

Consecutive Market Penetration for future years with no addition to the Market Set and prior to operations success.

Projected 60-Room Cobblestone Hotel Projected Market Penetration, Room-Night Demand and Occupancy						
		2019	***2020***	***2021***	***2022***	***2023***
Projected Room Demand						
Leisure	85.0%	15,823	16,177	16,443	16,754	17,064
Commercial	15.0%	2,792	2,855	2,902	2,957	3,011
Total Demand	100.0%	18,615	19,032	19,345	19,710	20,075
Fair Share Ratio		60.0%	60.0%	60.0%	60.0%	60.0%
Projected Penetration as a Percentage of Fair Market Share		107.8%	109.6%	111.3%	113.0%	114.5%
Projected Market Penetration						
Leisure	85.0%	10,238	10,640	10,983	11,355	11,727
Commercial	15.0%	1,807	1,878	1,938	2,004	2,070
Total Market Penetration	100.0%	12,045	12,517	12,921	13,359	13,797
Available Rooms at the Proposed Hotel	60	21,900	21,960	21,900	21,900	21,900
Projected Occupancy		55.0%	57.0%	59.0%	61.0%	63.0%

Source: Interim Hospitality Consultants

Note: Totals may not foot due to rounding.

Commercial hotel occupancy is forecasted to be higher in the Spring and Winter months.

Cobblestone Hotel Luray, Virginia Optimum Proforma Year One					
		Season	***Shoulder***	***Balance of Year***	***2019***
Months		***6,7,8,10***	***3,4,5,9,11***	***1,2,12***	
Days		***123***	***152***	***90***	***365***
Room Mix	***# Rooms***				
King Room	26	130.00	60.00	45.00	
Double Queen Room	28	140.00	70.00	55.00	
Celebration Suite	2	150.00	90.00	60.00	
King Extended Stay Suite	4	80.00	50.00	40.00	
Total Rooms:	**60**				
Optimum Revenue					
King Room	26	415,740	237,120	105,300	758,160
Double Queen Room	28	482,160	297,920	138,600	918,680
Celebration Suite	2	36,900	27,360	10,800	75,060
King Extended Stay Suite	4	39,360	30,400	14,400	84,160
Total Optimum Revenue		974,160	592,800	269,100	1,836,060
Seasonal Occupancy		80.0%	50.0%	30.0%	55.2%
Optimum Guest Room Nights		7,380	9,120	5,400	21,900
Seasonal Guest Room Nights		5,904	4,560	1,620	12,084
Seasonal Revenue		779,328	296,400	80,730	1,156,458
Seasonal Average Daily Rate		132.00	65.00	49.83	95.70
				Average Daily Rate use	**95.00**
				Occupancy use	**55.0%**

Source: Interim Hospitality Consultants

Projected Average Room Rate

The projections of average room rate for the proposed hotel are based on the following factors:

1. The competitive market position of the proposed hotel as one of the newest projects in the area.

2. The assumption that the proposed hotel will be professionally managed and aggressively marketed.

3. The assumption that the proposed hotel will be affiliated with a national franchise chain.

4. The assumption that the proposed mid-priced hotel will command a rate, somewhat commensurate with competition of higher room rates.

A detailed review of recent trends in room rate increases to estimate the impact of inflation was conducted along with the consideration of the specific experience of the hotels in the competitive market.

Based on the above assumptions and details, the proposed Cobblestone Hotel should achieve an initial average rate $95.00 in the first stabilized year of operations, 2019.

An inflation rate of 5% per year was assumed. The following table summaries the current year (inflated) dollar room rates projected for the proposed hotel.

Projected Average Room Rate (Current Year Dollars)	
Year	*Average Room Rate*
2019	$ 95.00
2020	$100.00
2021	$105.00
2022	$110.00
2023	$116.00

Source: Interim Hospitality Consultants

The projected average room rates could be materially different if significantly higher or lower rates of inflation are actually experienced. Since the actual rates of inflation cannot be predicted with any degree of certainty, no assurance is given that the actual average room rates achieved will not vary materially from those projected in this Study.

Summary

Cobblestone Hotel Luray, Virginia Optimum Proforma Year One					
		Season	***Shoulder***	***Balance of Year***	***2019***
Months		***6,7,8,10***	***3,4,5,9,11***	***1,2,12***	
Days		***123***	***152***	***90***	***365***
Room Mix	***# Rooms***				
King Room	26	130.00	60.00	45.00	
Double Queen Room	28	140.00	70.00	55.00	
Celebration Suite	2	150.00	90.00	60.00	
King Extended Stay Suite	4	80.00	50.00	40.00	
Total Rooms:	**60**				
Optimum Revenue					
King Room	26	415,740	237,120	105,300	758,160
Double Queen Room	28	482,160	297,920	138,600	918,680
Celebration Suite	2	36,900	27,360	10,800	75,060
King Extended Stay Suite	4	39,360	30,400	14,400	84,160
Total Optimum Revenue		974,160	592,800	269,100	1,836,060
Seasonal Occupancy		80.0%	50.0%	30.0%	55.2%
Optimum Guest Room Nights		7,380	9,120	5,400	21,900
Seasonal Guest Room Nights		5,904	4,560	1,620	12,084
Seasonal Revenue		779,328	296,400	80,730	1,156,458
Seasonal Average Daily Rate		132.00	65.00	49.83	95.70
				Average Daily Rate use	**95.00**
				Occupancy use	**55.0%**

Source: Interim Hospitality Consultants

Based upon the occupancy of the Cobblestone Hotel, the proposed hotel's Total Market Penetration and underlying assumptions are summarized as follows:

1. *Leisure:* Due to the hotel being marketed as the number one quality product in the mid-priced transient hotel classification, the hotel's projected penetration of fair market share will rise from 107.8% to 114.5% over the five-year projection period.

2. *Commercial:* The fair market share of commercial business is projected to rise from 107.8% to 114.5%. This can be achieved with a professional sales marketing effort. If for any reason the tourist business declines through seasonality or energy shortages, state and local commercial solicitation must be made to offset the decline.

3. *Occupancy:* The projected occupancy should be attainable if the property is built as described, professionally operated in all facets, and business of the area continues to be positive. In years 3 to 5, additional competition may materialize to substantially reduce the projections.

These projections are based on estimates and assumptions developed in connection with the Feasibility Study. However, certain assumptions may not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the projection period may vary from the forecasts, and the variations may be material.

Proposed Cobblestone Hotel Luray, Virginia			
Year	*Occupancy*	*Average Daily Rate*	*Room Revenue*
2019	55.0%	$ 95.00	$1,144,280
2020	57.0%	$100.00	$1,251,720
2021	59.0%	$105.00	$1,356,710
2022	61.0%	$110.00	$1,469,490
2023	63.0%	$116.00	$1,600,450

Source: Interim Hospitality Consultants

FINANCIAL PROFORMA

Projections of the annual operating results for the proposed Cobblestone Hotel were prepared for five years, 2019 through 2023 and presented in U.S. Dollars. The projections are based on the results of operations in comparable facilities and our calculations regarding the environment in which the proposed hotel would operate. The bases found on the following pages were prepared in constant dollars, August 2016, with slight inflation increases noted in the Proforma Schedules.

The PKF Hospitality Research *Trends in the Hotel Industry- USA Edition-2015* Report, is positioned as a benchmark for the Proforma of the proposed hotel.

The hotel is scheduled to open during 2018, thus the first full year will be 2019. The Proforma for 2019 was calculated by line-item classifications of all types of Revenues, Payroll and Other Expenses in each Department. These Schedules have been prepared according to the guidelines set forth in the "Uniform System of Accounts for the Lodging Industry, Eleventh Revision Edition." Subsequent years of the Proforma were adjusted to inflation and normal usage factors of a mid-priced transient hotel.

The accompanying projections are based on estimates and assumptions developed in connection with the Feasibility Study. However, some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur, therefore, actual results achieved during the projection period will vary from the projections and the variations may be material.

Cobblestone Hotel
Luray, Virginia
Proforma Year One

60 Rooms **Schedule 1 of 9**

	Full Year	*Ratio %*	*Full Year Dollars Per Available Room*
Available Suite Nights	21,900		
Occupancy	55.0%		
Occupied Suite Nights	12,045		
Average Daily Rate	95.00		
RevPar	52.25		
Revenues			
Rooms	1,144,280	93.1%	52.25
Retail Center	36,140	2.9%	1.65
Other Hotel	96,360	7.5%	4.40
Total Revenue	**1,276.780**	**100.0%**	**58.30**
Departmental Profit			
Rooms	890,740	77.8%	40.67
Telecommunications	<9,030>	0.0%	0.41
Retail Center	18,070	50.0%	0.50
Other	72,270	75.0%	3.30
Total Departmental (House) Profit	**972,050**	**76.1%**	**44.06**
Deductions From Income			
Administrative & General	77,840	6.3%	3.55
Sales & Marketing	56,400	4.6%	2.58
Complimentary Guest Services	30,980	2.5%	1.41
Marketing Fee	5,480	0.4%	0.45
Franchise Fee	65,700	5.1%	3.00
Utilities	71,660	5.6%	3.27
Repairs & Maintenance	12,880	1.0%	0.59
Total Deductions From Income	320,940	25.1%	14.86
Gross Operating Profit	**651,110**	**51.0%**	**29.20**
Fixed Costs			
Real Estate Taxes – Allowance	30,000	2.3%	1.37
Management Fee	51,071	4.0%	2.33
Insurance – Allowance	15,000	1.2%	0.68
Replacement Reserves	6,384	0.5%	0.29
Total Fixed Costs	102,460	8.0%	4.68
Net Operating Income Before Debt Service	**548,650**	**43.0%**	**24.52**

Source: Interim Hospitality Consultants

Cobblestone Hotel
Luray, Virginia
Proforma Year One
Rooms Department

Rooms Revenue						1,144,280
Payroll	**F**	**P**	***Per Unit of***	***Factor***		
Front Office						
Front Office Manager			Annual Salary			
Front Desk Clerks/Reserv.	1	2	Hourly Rate	$10	41,600	
Concierge						
Bellman/Valet/Drivers			Daily x 8 hr x			
Night Auditor Staff	1	1	Daily x 8 hr x	$12	37,440	
Subtotal Front Office Wages	2	3				79,040
Housekeeping						
Executive Housekeeper			Salary			
Inspectress Staff			Daily x 8 hr x			
Houseman Staff	1	1	Daily x 8 hr x	$9	28,080	
Laundry Staff			Daily x 8 hr x			
Housekeepers	1	2	Occupied Suites/year	12,045		
			Suites Cleaned/Maid/day	16.0		
			Housekeeping Days/year	753		
			Housekeeping Hours/year	6,023		
			Wage/Hour	$9		
			Housekeeper's Wages		54,200	
Subtotal Housekeeping Wages	2	3				82,280
Total Rooms Department Wage						161,320
Taxes and Benefits						24,200
Total Room Department Payroll						**185,520**
As Percentage of Room Revenue						16.2%
Other Expenses						
Cable Television			Month	800.00	9,600	
Carpet Cleaning			Suite/6 mo.	10.00	1,200	
China/Glass/Silver			Month	100.00	1,200	
Cleaning Supplies			Occupied Suite	0.50	6,020	
Drapery			Month	30.00	360	
Frequent Guest Program			Room Revenue	0.05%	570	
Guest Supplies			Occupied Suite	0.35	4,220	
Laundry Supplies			Occupied Suite	0.55	6,620	
Linen			Occupied Suite	2.50	30,110	
Miscellaneous			Month	200.00	2,400	
Printing			Occupied Suite	0.35	4,220	
Travel Agent Commission			Occupied Suite	0.05	600	
Uniforms			Month	75.00	900	
Total Other Expenses						68,020
As Percentage of Room Revenue						5.9%
Rooms Department Profit						**890,740**
As Percentage of Room Revenue						**77.8%**
Per Occupied Room						**73.95**

Cobblestone Hotel
Luray, Virginia
Proforma Year One
Minor Departments

Schedule 3 of 9

Departments	*FT*	*PT*	*Rate*	*Revenue per Occupied Suite*		*Ratio*
Telecommunications				0.00		
Expense				0.75	9,030	100.0%
Profit				0.75	<9,030>	
Retail Center						
Revenue				3.00	36,140	100.0%
Expense of Goods				1.50	<18,070>	50.0%
Wages						
Taxes and Benefits			15.0%			
Profit				1.50	18,070	50.0%
Other*						
Revenue				8.00	96,350	100.0%
Expense				<2.00>	<24,090>	<25.0%>
Profit				6.00	72,270	75.0%

*Revenue of Beer/Wine and Pizza, Valet Cleaning, Guest Laundry, ATM, etc.

Schedule 4 of 9

Total Hotel Payroll						
	Employees FT	*PT*	*Wages*	*Taxes and Benefits*	*Total Payroll*	
Rooms						
Front Office	2	3	79,040	11,856	90,900	7.1%
Housekeeping	2	3	82,280	12,342	94,620	7.4%
Subtotal Rooms Department	4	6	161,320	24,200	185,520	14.5%
Administrative and General						
Administrative Wages	1	0	40,000	6,000	46,000	3.6%
Security Payroll						
Subtotal A&G Department	1	0	40,000	6,000	46,000	3.6%
Grand Total Hotel Payroll	5	6	201,320	30,200	231,520	18.1%

Note: Totals may not foot due to rounding
Employee count reflects the Cobblestone Operations Plan. Departmental Schedule reflects total cost of Payroll.

Cobblestone Hotel
Luray, Virginia
Proforma Year One
Administrative and General

	F	P	*Per Unit of*	*Factor*		
Payroll						
Manager	1		Annual Salary	40,000	40,000	
Assistant Manager						
Secretary/Accounting			Salary			
Subtotal Admin. Payroll	1					
			Taxes & Benefits	15.0%	6,000	
Subtotal Office Payroll						46,000
Security Staff			Daily x 8 hr x			
			Taxes & Benefits			
Subtotal:Security Payroll						
Total Admin. & Gen. Payroll						46,000
Other Expenses						
Accounting Fees			Month	200.00	2,400	
Audit Fees			Unbudgeted			
Bank Charges			Month	30.00	360	
Computer Expense			Month	200.00	2,400	
Credit Card Commission			Room Revenue	1.0%	11,440	
Legal Fees			Unbudgeted			
Licenses			Annual		1,000	
Miscellaneous			Month	100.00	1,200	
Offfice Expenses			Occupied Suite	0.25	3,010	
Printing			Occupied Suite	0.25	3,010	
Telephone Expenses			Occupied Suite	0.40	4,820	
Trade Association Dues			Annual		1,000	
Travel Expenses			Month	100.00	1,200	
Total Other Expenses						31,840
Total Administrative and General						**77,840**
As Percentage of Total Revenue						**6.1%**
Per Occupied Room						**6.46**

Source: Interim Hospitality Consultants, Inc.

Cobblestone Hotel
Luray, Virginia
Proforma Year One
Complimentary Services

	F	P	*Per Unit of*	*Factor*		
Breakfast			**Front Desk Staff**			
6 am — 9 am, M-F						
7 am — 10 am, S, S						
Hostess			Daily x 3 hr x 7 days			
Social Hour			**Front Desk Staff**			
5 pm — 7 pm, M-Th						
Desk Clerk			Daily x 2 hr x 4 days			
Total Wages						
			Taxes & Benefits			
Total Payroll						
Other Expenses			Per			
Food — Breakfast			Occupied Suite	2.25	27,610	
Food — Social Hour			Occupied Suite			
Liquor/Beer/Wine			Occupied Suite			
Paper Products			Occupied Suite	0.15	1,810	
Newspapers			Occupied Suite	0.10	1,200	
Seasonal Items			Month	30.00	360	
Total Other Expenses						30,980
Total Complimentary Service						**30,980**
Per Occupied Room						**2.57**

Cobblestone Hotel
Luray, Virginia
Proforma Year One
Sales and Marketing

	F	P	*Per Unit of*	*Factor*		
Payroll						
Director of Sales			Salary			
Sales Manager			Salary			
Secretary Staff			Salary			
			Total Wages			
			Tax and Benefits			
Total Payroll						
Advertising						
Billboards			Month	3,000.00	36,000	
Print—Magazine			Month	400.00	4,800	
Print—Newspaper			Month			
Radio/Television			Month			
Airport			Month			
Internet			Month	1,000.00	12,000	
Production			Annual			
Yellow Pages			Month			
Total Advertising						**52,800**
Public Relations						
Contributions			Month	200.00	2,400	
Travel			Month			
Trade Shows			One (1) per year			
Guest Relations			Month	100.00	1,200	
Total Public Relations						**3,600**
Promotions						
Brochures			Pre-Opening Expense			
Direct Mail			Month			
Merchandise			Month			
Total Promotions						
Total Sales and Marketing						**56,400**
As a percentage of Total Revenue						**4.4%**
Per Occupied Room						**4.68**

Cobblestone Hotel National Fees

Marketing Fee	of Room Revenue Year 1	$ 5,480
$0.25/day x 365 = $91.25	of Room Revenue Year 2	$ 5,490
x 60 rooms = $5,475	of Room Revenue Year 3	$ 5,480
	of Room Revenue Year 4	$ 5,480
	of Room Revenue Year 5	$ 5,480
Franchise Fee	of Room Revenue Year 1	$65,700
$3/day x 365 = $1,095	of Room Revenue Year 2	$65,880
x 60 rooms = $65,700	of Room Revenue Year 3	$65,700
	of Room Revenue Year 4	$65,700
	of Room Revenue Year 5	$65,700

Source: Interim Hospitality Consultants, Inc.

Cobblestone Hotel
Luray, Virginia
Proforma Year One
Utilities

Schedule 8 of 9

	Per Unit of	*Factor*		
Electric	Occupied Suite	2.75	33,124	
Gas	Occupied Suite	1.50	18,068	
Water/Sewer	Occupied Suite	1.50	18,068	
Refuse	Month	200.00	2,400	
Total Utilities				**71,660**
As a percentage of Total Revenue				**5.6%**
Per Occupied Room				**5.95**

Repairs and Maintenance

Schedule 9 of 9

Payroll	**F**	**P**				
Chief Engineer			Salary	**Not Staffed**		
Part-Time Worker			Daily x 8 hr x	**See Rooms Department**		
Subtotal Wages						
			Taxes & Benefits			
Total Repair & Maint Payroll						
Other Expenses						
Electrical			Month	30.00	360	
Plumbing			Month	30.00	360	
HVAC			Month	30.00	360	
Building			Month	30.00	360	
Suites - Bedrooms			Month	30.00	360	
Suites – Micro-Fridge			Month	30.00	360	
Grounds			Month	100.00	1,200	
Parking Lot			Annual		1,000	
Pest Control			Month	60.00	720	
Light Bulbs			Month	25.00	300	
Television/VCP			Month	30.00	360	
Uniforms			Month	20.00	240	
Pool/Spa			Month	75.00	900	
Hotel Vehicles			Month			
Miscellaneous			Month	500.00	6,000	
Total Other Expenses						**12,880**
Total Repair & Maintenance Expenses						**12,880**
As a percentage to Total Revenues						**1.0%**
Per Occupied Room						**1.07**

Five-Year Proforma
Cobblestone Hotel, Luray, Virginia

60 Rooms	2019		2020		2021		2022		2023	
Occupancy		55.0%		57.0%		59.0%		61.0%		63.0%
Average Daily Rate	95.00		100.00		105.00		110.00		116.00	
RevPar	52.25		57.00		61.95		67.10		73.08	
Revenue										
Rooms	1,144,280	89.6%	1,251,720	90.1%	1,356,710	90.5%	1,469,490	91.0%	1,600,450	91.3%
Retail Center	36,140	2.9%	37,550	2.8%	38,760	2.7%	38,760	2.5%	41,390	2.4%
Other	96,360	7.5%	100,140	7.2%	103,370	6.9%	106,870	6.6%	110,380	6.3%
Total Revenues	1,276,780	100.0%	1,389,410	100.0%	1,498,840	100.0%	1,615,120	100.0%	1,752,220	100.0%
Departmental Profit										
Rooms	890,740	77.8%	988,860	79.0%	1,085,370	80.0%	1,190,290	81.0%	1,312,370	82.0%
Telecommunications	<9,030>		<9,390>		<9,670>		<9,960>		10,260	
Retail Center	18,070	50.0%	18,780	50.0%	19,380	50.0%	20,040	51.7%	20,700	50.0%
Other	72,270	75.0%	75,100	75.0%	77,530	75.0%	80,150	75.0%	82,780	75.0%
Total Departmental Profit	972,050	76.1%	1,073,350	77.3%	1,172,610	78.2%	1,280,520	79.3%	1,405,590	80.2%
Deductions from Income										
Administrative & General	77,840	6.1%	80,890	6.8%	83,500	5.6%	86,330	5.3%	89,160	5.1%
Sales & Marketing	56,400	4.4%	58,610	4.2%	60,500	4.0%	62,550	3.9%	64,600	3.7%
Complimentary Guests Services	30,980	2.4%	32,190	2.3%	33,230	2.2%	34,360	2.1%	35,490	2.0%
Marketing Fee	5,480	0.4%	5,490	0.4%	5,480	0.4%	5,480	0.3%	5,480	0.3%
Franchise Fee	65,700	5.1%	65,880	4.7%	65,700	4.4%	65,700	4.1%	65,700	3.7%
Utilities	71,660	5.6%	74,470	5.4%	76,870	5.1%	79,480	4.9%	82,080	4.7%
Repair & Maintenance	12,880	1.0%	13,380	1.0%	13,820	0.9%	14,290	0.9%	14,750	0.8%
Total Deductions from Income	320,940	25.1%	330,910	23.8%	339,100	22.6%	348,190	21.6%	357,260	20.4%
Gross Operating Profit	**651,110**	**51.0%**	**742,440**	**53.4%**	**833,510**	**55.6%**	**932,330**	**57.5%**	**1,048,330**	**59.8%**
Fixed Costs										
Real Estate Taxes - Allowance	30,000	2.4%	31,000	2.3%	32,000	2.2%	33,000	2.1%	34,000	2.0%
Management Fee	51,071	4.0%	56,580	4.0%	59,950	4.0%	64,600	4.0%	79,090	4.0%
Insurance - Allowance	15,000	1.2%	16,000	1.2%	17,000	1.1%	18,000	1.1%	19,000	1.1%
Replacement Reserves	6,384	0.5%	13,890	1.0%	22,480	1.5%	24,230	1.5%	35,040	2.0%
Total Fixed Costs	102,460	8.0%	118,470	8.4%	131,430	8.6%	139,830	8.7%	158,130	9.0%
Net Operating Income Before Debt Service	**548,650**	**43.0%**	**625,970**	**45.1%**	**702,080**	**46.8%**	**792,500**	**49.1%**	**890,200**	**50.8%**
Debt Service										
Cash Flow										

Source: **Interim Hospitality Consultants, 850/893-6010 – August 30, 2016**

Cobblestone Hotels
Performance in 2015

Interim Hospitality Consultants has included the following Hospitality Industry publications that explain and support the Conclusions and Proforma of this Hotel Feasibility Study.

The information is provided as a background to illustrate the segment as it relates to a 60-room Cobblestone Hotel in Luray, Virginia:

- Trends in the Hotel Industry, USA Edition 2015 by PKF Hospitality Research
- U.S. Hotel Development Cost Survey 2015/16 by HVS
- Hotel Financial Strategies
- Potential Financing Sources
- Tax Incentives for Industry
- Project Cost Estimation Sheets
- Hotel Management Companies – Annual Rankings
- Interim Hospitality Consultants

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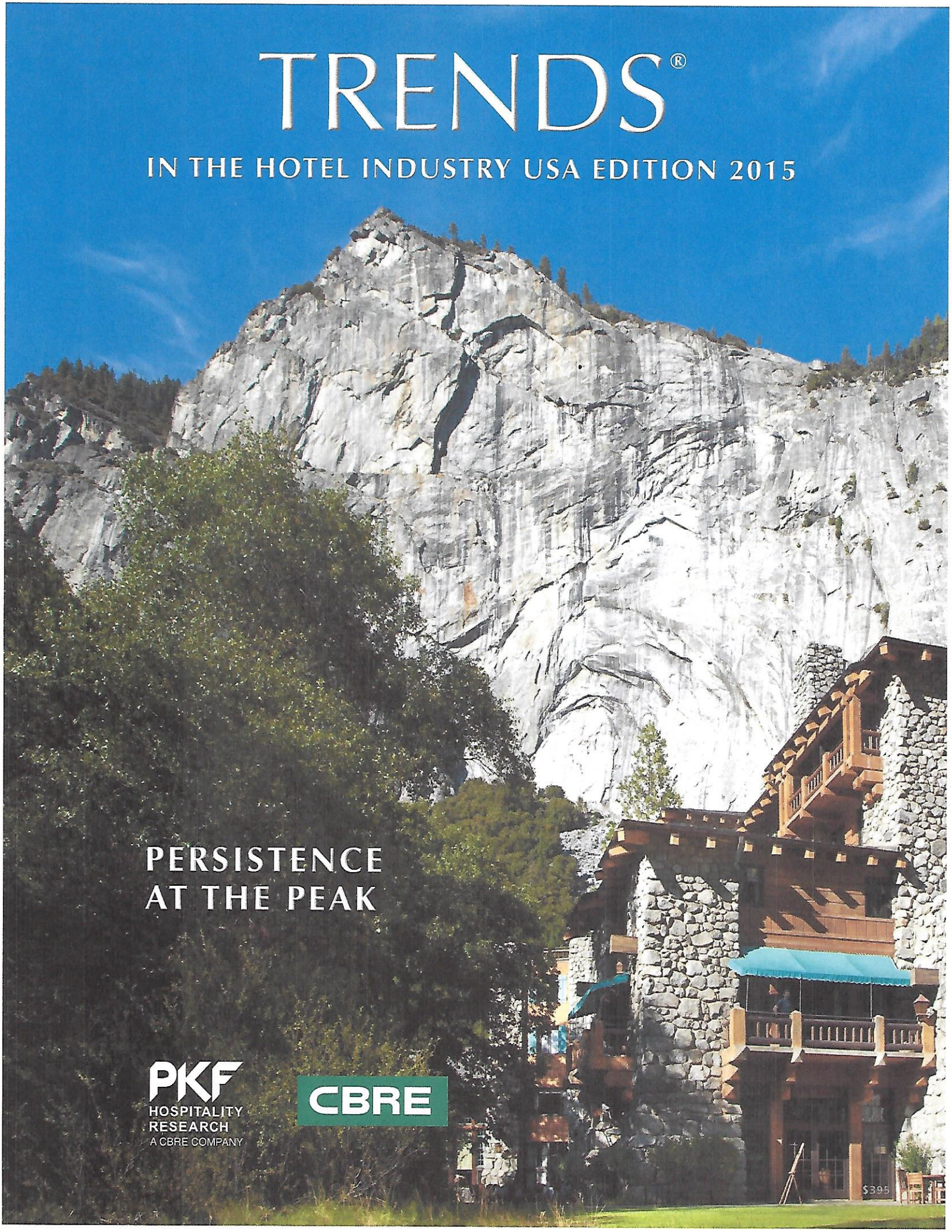

PERSISTENCE AT THE PEAK

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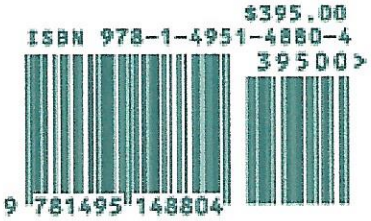

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About The Cover:

The U.S. lodging industry is in the middle of a period of persistent profitable performance at the peak of the current business cycle. Based on the June 2015 *Hotel Horizons®* forecast of PKF Hospitality Research, a CBRE Company, U.S. hotels will continue to enjoy real gains on the top- and bottom-line for the foreseeable future.

To symbolize the projected persistent peak performance of the U.S. lodging industry, we present the majestic mountain peaks surrounding the floor of Yosemite National Park on the cover of this year's *Trends® in the Hotel Industry*. The mountain peaks peer out over the park's most majestic property, the famed Ahwahnee Hotel.

On August 25, 2016, the National Park Service will celebrate its 100th birthday. Throughout the year, special events will be taking place in parks all across the nation. This special occasion will benefit the 85 lodging facilities located inside the national parks (like the Ahwahnee), as well as the thousands of hotels located just outside the parks' gates. We thank Kurt Rausch, Chief, Contract Management, of the National Park Service, for providing the accompanying article describing the centennial celebration.

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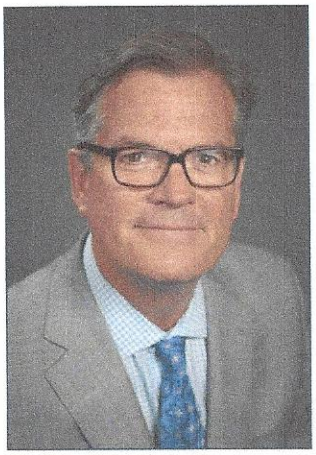
PERSISTENCE AT THE PEAK — HAVE WE BEEN HERE BEFORE?



R. Mark Woodworth

2014 was another year of consistent, strong performance for the U.S. hotel industry. According to STR, Inc. (STR), demand grew at five-times the level of supply, and the national occupancy reached 64.4 percent, a level last seen in 1996. Growing scarcity on a greater number of nights during the year enabled hotel managers to achieve a 4.5 percent increase in average daily rate and a lift in Revenue per Available Room (RevPAR) by 8.2 percent.

In aggregate, and as we report herein, these strong fundamentals reveal that the average U.S. hotel in our *Trends® in the Hotel Industry* sample (on a unit-level same-store sales basis) achieved a 12.3 percent increase in net operating income (NOI) during 2014. This marks the fourth consecutive year of profit growth in excess of 10 percent, a trend that is forecast to continue through 2016. This six-year period (2011-2016) of continuous double-digit gains on the bottom line will be the longest such streak for the nation's hotels since PKF began tracking the industry in 1937.

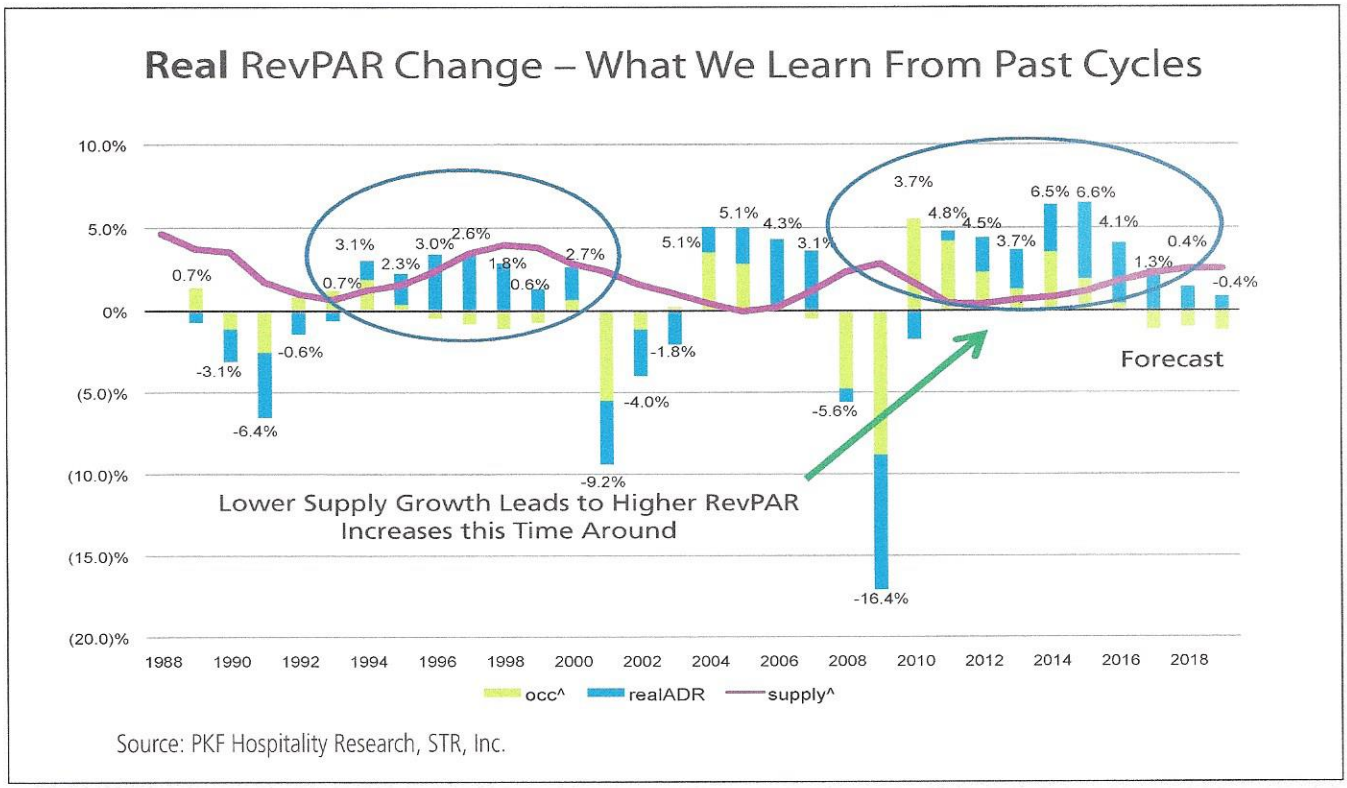
Importantly, over three quarters of the hotels in the *Trends®* survey (78.2 percent) reported an increase in profits during 2014. Five of the six property types in our survey achieved double-digit profits growth during the year. The lone exception was convention hotels which still achieved a very strong 9.2 increase in NOI. Overall, and with few exceptions, the good times are pervasive, a condition that prompts the question: Have we seen these conditions before? Here are some answers!

- 2014 represented the fifth consecutive year in which the national occupancy level increased; this has never happened before!
- The cumulative nominal increase in RevPAR during this period was approximately 33.6 percent, which exceeds the previous five-year consecutive peak of 30.8 percent which occurred from 2003 to2007.
- The lift in NOI since 2011 has set the industry on the path to establish a growth streak greater than any we have seen dating back to the 1930's.

Thus, it appears that the U.S. lodging industry is now operating in "new territory". Perhaps of greater interest, however, is our outlook for the year ahead and beyond. Per our June – August 2015 *Hotel Horizons®* report, all key industry metrics are forecast to achieve continued improvement through at least 2016. Supply growth will finally exceed demand in 2017, although attractive ADR increases are expected through the end of the decade.

I had the good fortune of chatting with John Silvia, Chief Economist at Wells Fargo Securities, LLC in the Green Room at the Nokia Theater prior to his presentation at the 2015 ALIS Conference in Los Angeles. In contemplating an oft used baseball analogy that he was likely to hear from the audience "What inning is the current lodging cycle in?", John quickly noted: "That's easy for hotels: the mid-point of the lodging cycle is characterized by the year in which the percent change in RevPAR reaches its peak". I had not thought of this before and thus decided to test his theory when I returned home.

Chart 1



Source: PKF Hospitality Research, STR, Inc.

The data in Chart 1 illustrate the historic (from STR) and our forecast real change in RevPAR (along with the underlying contribution of occupancy and ADR change). These data are presented in real terms to better reflect a cyclical comparison over time.

A review of the data presented in Chart 1 suggests that, at least for the previous two cycles, John is correct – there is clearly symmetry around the mid-point of the 1990's cycle (1996) and the cycle of the first decade of this century (2005). Understanding that the last cycle was characterized by both an atypical beginning (the events and aftermath of September 11, 2001) and end (the financial crises of September 2008 and the ensuing Great Recession), a comparison of what is happening in the current cycle to what occurred in the 1990's seems more appropriate. Select observations are as follows:

- Real RevPAR peaked at 3.0 percent in 1996 and was achieved solely by the increase in ADR for the period.
- Real RevPAR is forecast to peak this year (2015) at 6.6 percent and will be realized by both an increase in occupancy (+2.0 percent) and ADR (+4.6 percent).
- The continued contribution of occupancy gains to the expected RevPAR lift this year will drive the 360 bases point premium in the middle of the current episode versus that which was realized in 1996 (6.6 percent vs. 3.0 percent). This is a direct result of the lower level of supply increase that we have observed this time around relative to what occurred in the mid-1990's.

So if we are in fact at the mid-point of the current cycle, what will the "second half" look like? As noted in Chart 1, our current outlook calls for continued increases in real RevPAR through the end of our forecast period (2019). Because the level of new supply continues to accelerate, the later year RevPAR lift will be entirely ADR

driven. It should also be noted that the expected level of real RevPAR change in 2016 and 2017 is much lower than that realized in the two years following the midpoint of the 1990's cycle. The primary contributing factor to this difference is a much weaker economic environment expected over the next two years relative to the "Dot.com" fueled growth of the late 1990's.

The last two cycles ended with catastrophic events that could not have been forecast. What if that happens again? By definition, this is a question that cannot be answered. However, current and near-term market conditions are such that the domestic lodging industry may now be better positioned to absorb a sudden, and severe, loss of demand like that which was seen in 2002 and in 2009.

Chart 2

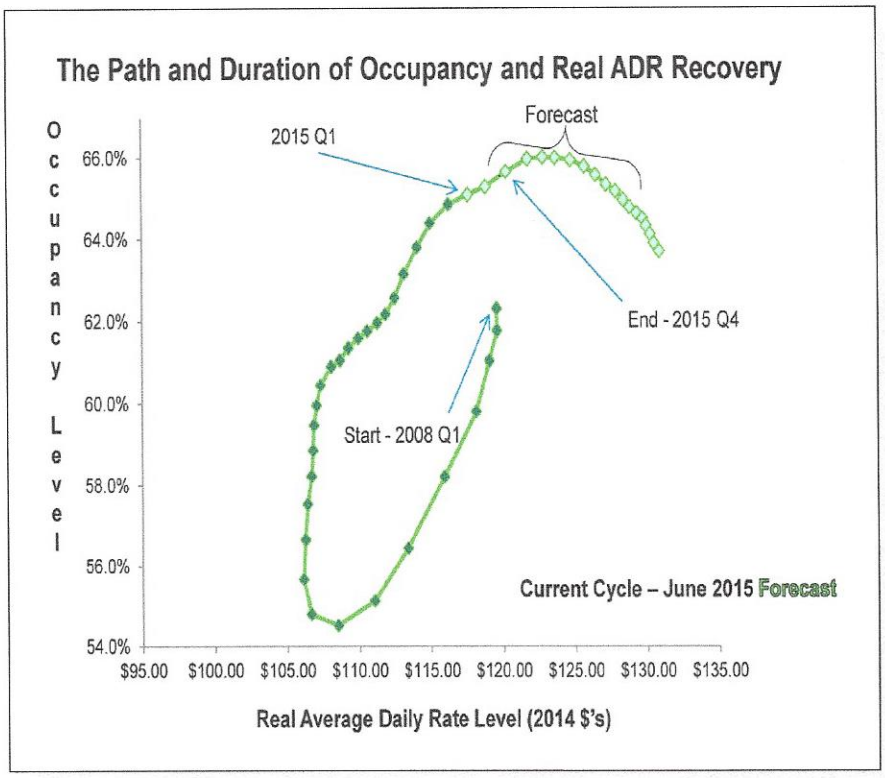


Chart 2 illustrates both the path and duration of the current lodging cycle. Therein we plot the historic STR quarterly occupancy and real ADR level from the beginning of the current cycle (Q1 2008) through Q1 2015 (the most recent data from STR). We also show the same variables through Q4 2019 of our forecast period. The intent here is to illustrate; 1) the severity of the most recent downturn; 2) the amount of time needed for the real level of ADR to return to its' prior peak, and 3) the occupancy level needed to bring real ADRs back to their previous high point.

If our current forecast holds true, the real ADR level should return to its previous peak by the end of 2015, thus representing a full eight-year period from start to finish. During this time, per STR, the industry occupancy level reached a low point of 50.0 percent in Q4 2009 and real ADR's contracted by 8.8 percent. The declines in both measures were much more severe than what was realized during the previous two cycles. Perhaps most notable is the significantly higher occupancy level need of this time around to bring the real ADR back to its previous peak.

Table 1 reflects a comparison of the occupancy level at the beginning of the 1990, 2001 and 2008 cycles to the peak occupancy level achieved during the cycle as well as the occupancy level at which the previous (and forecast for the current episode) level of real ADR was (or is expected) to be realized.

Table 1

Occupancy Level

Cycle	Cycle Start	Cycle Peak	At Real ADR Recovery	Delta
1990	64.4%	64.8%	64.3%	-0.1%
2001	63.1%	63.5%	62.9%	-0.2%
2008	62.3%	65.8%	65.4%	3.1%

Source: PKF Hospitality Research, STR, Inc.

There are three extraordinary characteristics about what we see now relative to the previous two cycles:

1. The occupancy level at the beginning of the current cycle was much lower than that of the previous two, thus illustrating the severity of the most recent downturn;

2. The peak occupancy level likely to be realized (in Q3 2015) in the current cycle is much higher than in the previous two, which reflects the superior fundamentals at present versus the two last cycles; and

3. The occupancy level needed for the ADR to recover in real terms, relative to the occupancy level at the beginning of the cycle, is significantly greater this time around.

Point 3 above is perhaps the most interesting. The fact that the occupancy level needed for the market to return to the previous peak ADR was significantly greater than it was at the beginning of the cycle suggests that the economic pricing power in the industry has been diminished relative to what history would indicate. There are likely many factors that explain this phenomenon, including greater levels of price transparency on the part of the consumer. The slow return of the group meeting and conference segment also has likely contributed to this outcome.

Importantly, the below-average-level of new construction (reflective of the weak and slow real ADR rebound and stricter lending standards) that has characterized the recovery during this cycle, has in turn contributed to what will likely be a record industry occupancy level in 2015. Projecting forward, should the industry suffer yet another catastrophic event, or perhaps experiences a downturn brought on by a "more normal" economic contraction, the severity of the downside scenario will be mitigated by these premium occupancy levels.

In summary, many of the characteristics that color the current lodging cycle as we reach the apparent mid-point look familiar. The differences we encounter as the good times continue portend an even stronger near-to mid-term future, with an expected record occupancy level highlighting the news in the months ahead.

A special thanks to all of our Data Partners, whose confidence and trust in sharing their data with us makes the creation of this, the 79th edition of our *Trends® in the Hotel Industry*, possible. Your generosity is greatly appreciated.

Very truly yours,

R. Mark Woodworth
Senior Managing Director
PKF Hospitality Research, a CBRE Company

Special Note:
Since our last report, PKF Consulting USA and PKF Hospitality Research have joined the CBRE family. CBRE is the largest real estate services firm in the world.

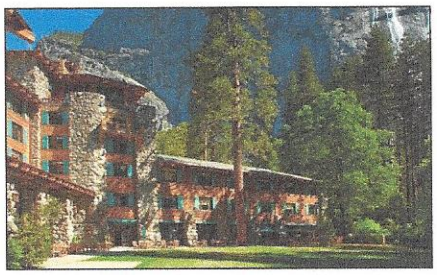
NATIONAL PARK SERVICE CENTENNIAL CELEBRATION

In 2016, the National Park Service will celebrate its Centennial anniversary. This anniversary will kick of a second century of stewardship established through the Organic Act in 1916, to conserve America's national parks and provide for their enjoyment for future generations.

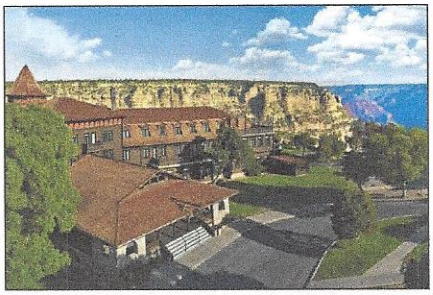
The first Director of the National Park Service, Stephen T. Mather, once said, "Scenery is a hollow enjoyment to the tourist who sets out in the morning after an indigestible breakfast and a fitful night's sleep".

Since the formation of Yellowstone, the first National Park in 1872, visitors have enjoyed hospitality services in our parks. Today, the NPS oversees more than 500 concession contracts and 2,000 commercial use authorizations with private hospitality and recreation services companies that serve the close to 300 million Park Service visitors annually.

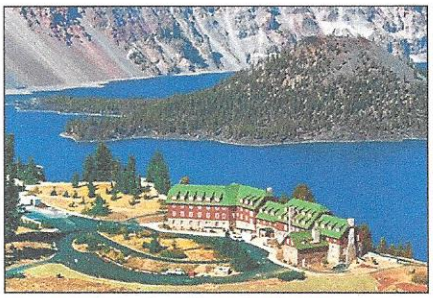
These companies provide a host of traditional hospitality services ranging from lodging, food and beverage and retail to recreational activities such as marinas, horseback riding, fishing, rafting and mountaineering.



Ahwahnee Hotel, Yosemite NP



El Tovar Hotel, South Rim Grand Canyon

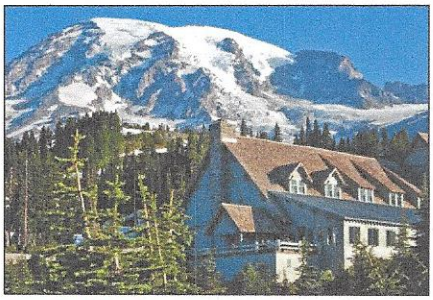


Crater Lake Lodge, Crater Lake NP

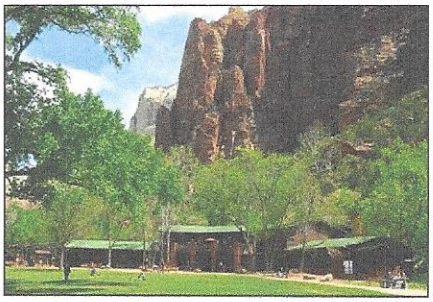
In total, concession services in parks generated more than $1.2 billion in gross revenue in 2014 and employed more than 14,000 people.

Visitors can experience fine hospitality in America's greatest natural places. The National Park Service lodging portfolio includes more than 7,000 rooms at some of America's most iconic lodges, including the El Tovar on the South Rim of the Grand Canyon, Old Faithful Inn at the geyser basins of Yellowstone, Crater Lake Lodge, on the edge of the deepest and clearest lake in the United States, in Oregon, Zion Lodge in the canyonlands of Utah, Paradise Inn on Mount Rainer, Big Meadows Lodge along Skyline Drive in Shenandoah National Park, Kettle Falls Hotel in the north woods of Voyageurs National Park, and the Ahwannne in Yosemite Valley, California.

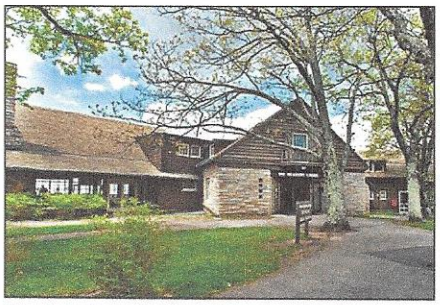
The NPS also has backcountry lodges accessible only by foot, horseback, or airplane, such as LeConte Lodge in



Paradise Inn, Mount Rainer NP



Zion Lodge, Zion NP



Big Meadows Lodge, Shenandoah NP

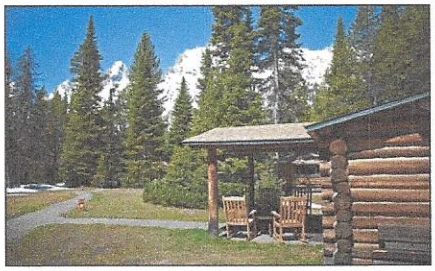
the Great Smoky Mountains, Granite Peak Chalet in Glacier National Park, Brooks Camp in Katmai Alaska, and Cherit Creek Lodging in Big South Fork National River and Recreation Area, Tennessee.

From properties such as Jenny Lake Lodge and the Historic Colter Bay Cabins in Grand Teton, the NPS offers hospitality services from the upscale to the rustic.

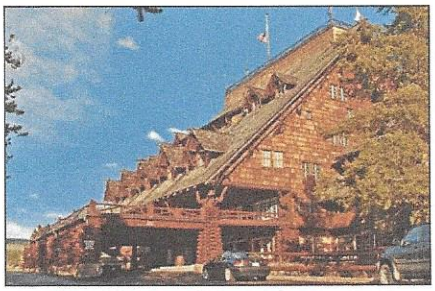
As the NPS looks toward turning 100 next year, the Service continues to enhance its visitor offerings. Whether addressing challenges like maintaining historic structures while staying current with industry standards, to managing changing visitor demographics and ensuring relevancy for the next generation of park visitors, the NPS continues to strive to achieve the hospitality goals set by the Service's first Director.

As part of its centennial celebration, the Service has launched a campaign called "Find Your Park". If you have not done so, head out to a park this coming year and experience first-hand, NPS's Centennial legacy in hospitality.

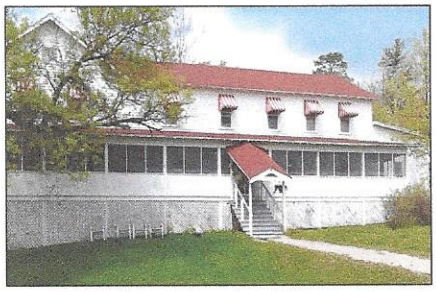
Brooks Lodge, Katmai Alaska NP



Jenny Lake Lodge, Grand Teton NP



Old Faithful Inn, Yellowstone NP



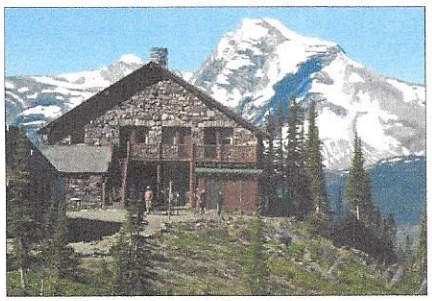
Kettle Falls Hotel, Voyagers NP

For more information on the National Park Service and the NPS Commercial Service Program including concession business opportunities, please see www.nps.gov/commercialservices. For information about the NPS Centennial go to www. nps.gov/2016.

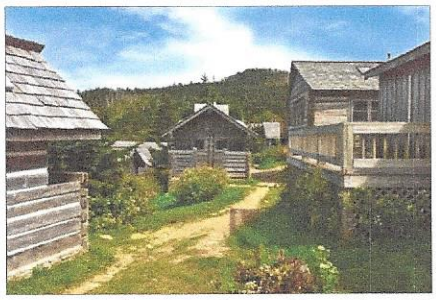
FIND YOUR PARK To find your park, visit www.findyourpark.com.

Kurt M. Rausch
Chief, Contract Management
National Park Service

Mr. Rausch currently oversees operations policy and programs for NPS hospitality concessions nationally with responsibilities ranging from service standards and evaluation and rate administration to environmental, health and safety and risk management. Prior to coming to the Park Service, Mr. Rausch had 20 years of experience in management consulting for government and private sector clients.

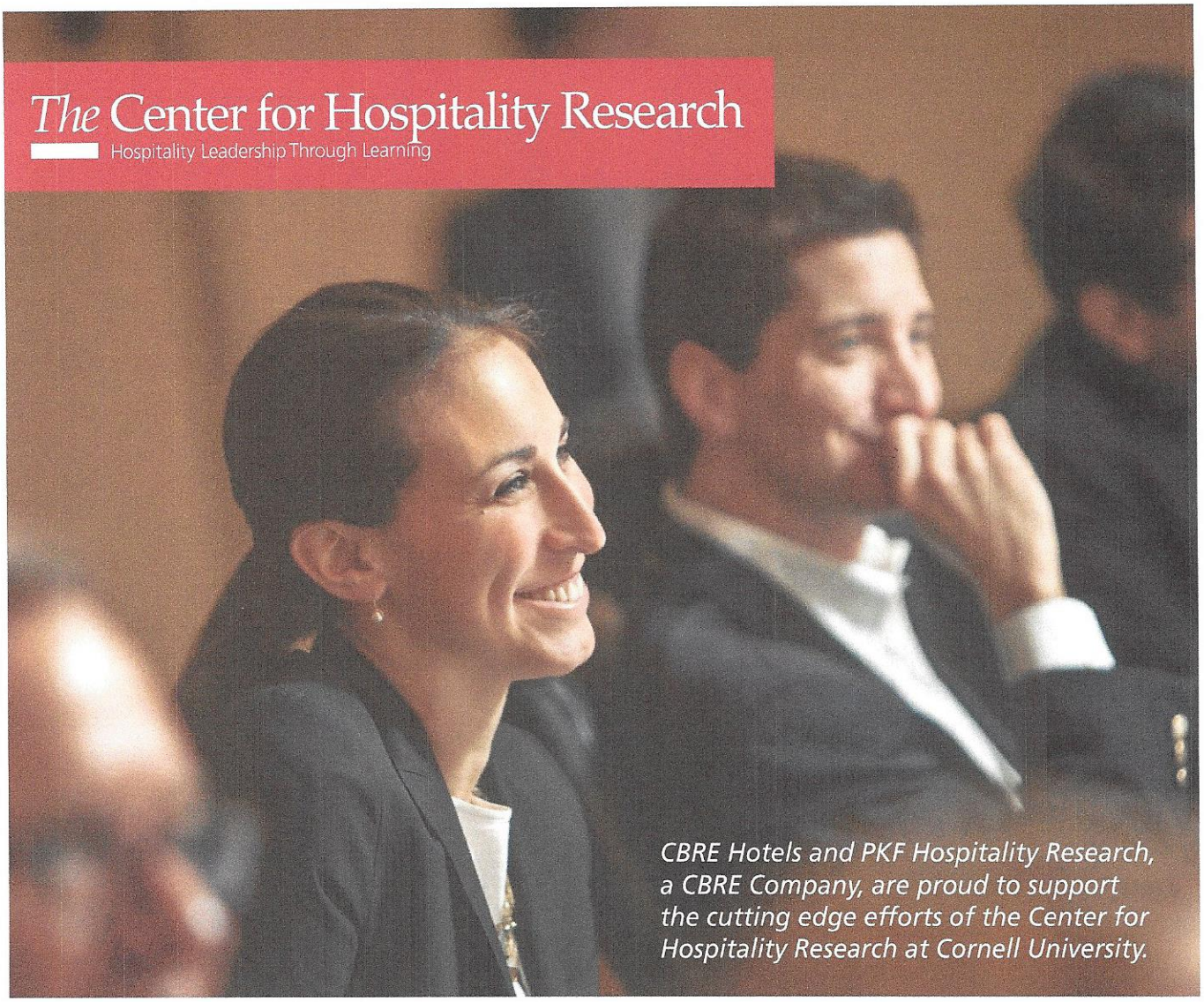


Granite Peak Chalet, Glacier NP



LeConte Lodge, Great Smoky Mountains NP

Cherit Creek Lodge, Big South Fork NP



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SALARIES AND WAGES ON THE RISE

Robert Mandelbaum

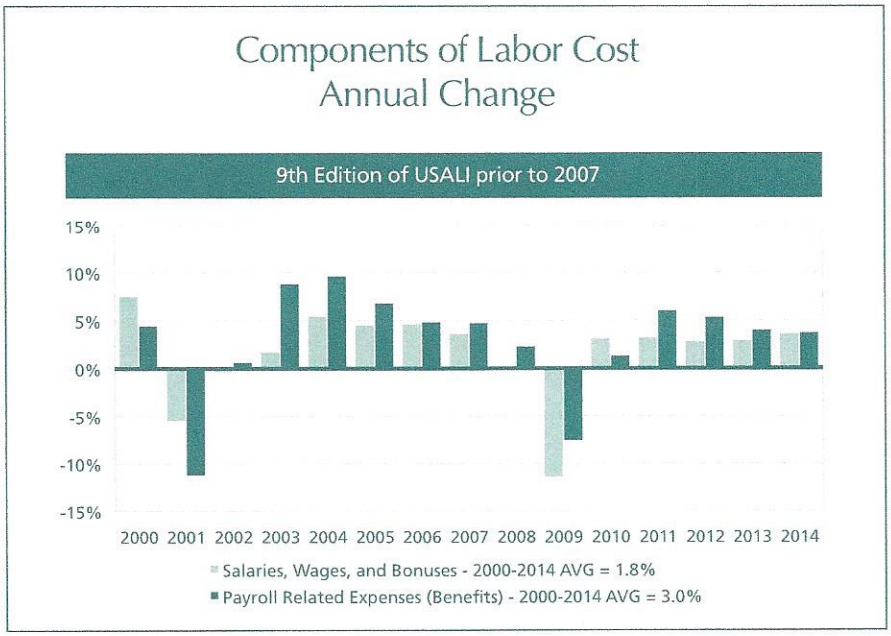
Source: PKF Hospitality Research, a CBRE Company, Bureau of Labor Statistics

One of the most significant findings of the 2015 edition of *Trends® in the Hotel Industry* was the 4.9 percent rise in operating expenses (ExPAR) for U.S. hotels during 2014. This is the greatest annual increase in ExPAR since 2007, and uncharacteristic of the strict cost controls implemented during the initial years of the recovery from the 2009 great recession.

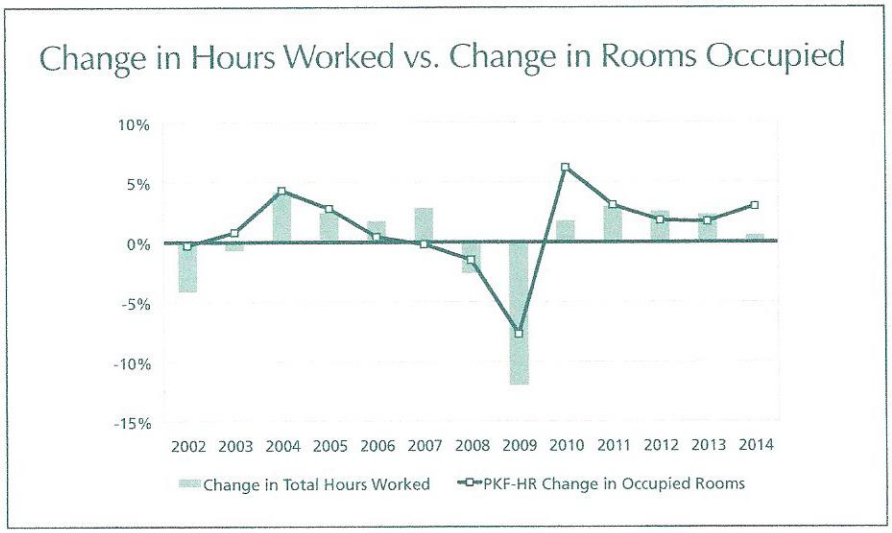
Controlling Components

When investigating hotel operating expenses, the first items we look at are labor costs. In 2014, labor costs averaged 31.5 percent of total revenue, and 44.2 percent of total expenses. Over the years, these two ratios have remained fairly consistent, indicating that hotel managers have done a good job of adjusting costs relative to changes in market conditions. This is possible because labor costs are a highly variable expense.

Sometimes external factors will influence labor costs. In general, these external factors tend to be less controllable by management. During 2014, the external factor that had the greatest influence on labor costs was the continuing decline in the national unemployment rate. According to the Bureau of Labor Statistics (BLS), the national unemployment rate dropped to 6.2 percent in 2014. This contributed to the 3.6 percent increase in the average hourly compensation rate for work-



Source: PKF Hospitality Research, a CBRE Company, *Trends® in the Hotel Industry* reports



Source: PKF Hospitality Research, a CBRE Company, Bureau of Labor Statistics

ers in the U.S. hospitality industry. From 2010 through 2012 it was the high levels of unemployment that suppressed compensation growth to less than 1.5 percent.

Per the 10th edition of the *Uniform System of Accounts for the Lodging Industry,* there are two components to total labor costs. In 2014, salaries, wages, and bonuses accounted for 70.4 percent of total labors costs while the remainder was attributable to payroll-related expenses (employee benefits).

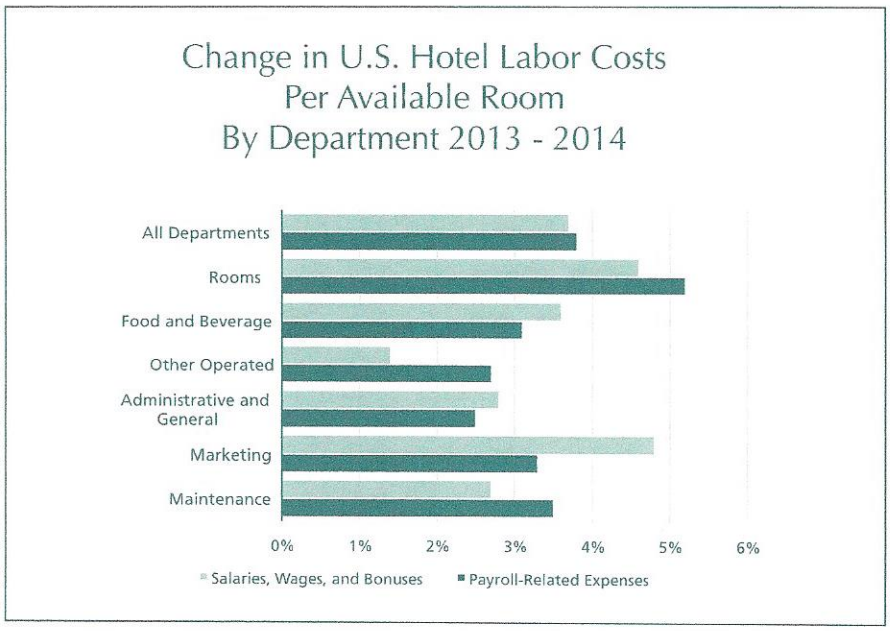
In 2014, the salaries, wages, and bonuses component of labor costs increased by 3.7 percent, while the payroll-related component grew by 3.8 percent. This differs from recent history when mandated benefits and rising taxes caused the payroll-related cost component to be the dominant driver of labor costs.

To offset the increasing pressures on salaries and wages, hotel managers responded by controlling staffing levels. In 2014, PKF-HR estimates that the total hours worked by employees at the hotels in the *Trends®* survey grew by a mere 0.6 percent. Considering that the number of occupied rooms in the *Trends®* sample increased by 3.0 percent, it is clear that operators were able to achieve significant increases in employee productivity during the year.

Departmental Cost Controls

In 2014, the greatest increases in labor costs were observed in the Rooms and Sales and Marketing departments. Rooms department labor consists of room attendants, front desk clerks, bell staff and laundry workers whose schedules are significantly influenced by the volume of business at the hotel. Therefore, the 3.0 percent increase in occupied rooms explains most of the 4.7 rise in Rooms department labor costs for the year.

Within the Sales and Marketing department, it was the 4.8 percent increase in salaries, wages, and bonuses that drove the 4.5 percent increase in total department labor costs. Of all the departments, employees in the Sales and Marketing department have the highest incidence of incentive-related compensation. With occupancy, RevPAR, and profit levels hitting all-time record levels, it is assumed that Sales and Marketing



Source: PKF Hospitality Research, a CBRE Company, *Trends® in the Hotel Industry* reports

department personnel were able to earn significant bonuses in 2014.

Excluding Other Operated departments which vary from property to property, the departments that saw the least increase in labor costs during 2014 were Administrative and General and Property Operations and Maintenance. Staffing in these departments is not significantly influenced by changes in occupied rooms.

Cost Challenges

In 11 of the past 15 years, external factors have had the greatest impact on the payroll-related component of labor costs. Hoteliers have had to face the pressure of rising taxes, and increases in mandated employee benefits. Starting in 2014, and looking towards the future, it appears that hotel operators will now have to focus on the salaries, wages, and bonuses component. Low levels of unemployment, combined with the increasing incidence of minimum and living wage legislation, will continue to put upward pressure on the salaries and wages hotels will have to pay their staff.

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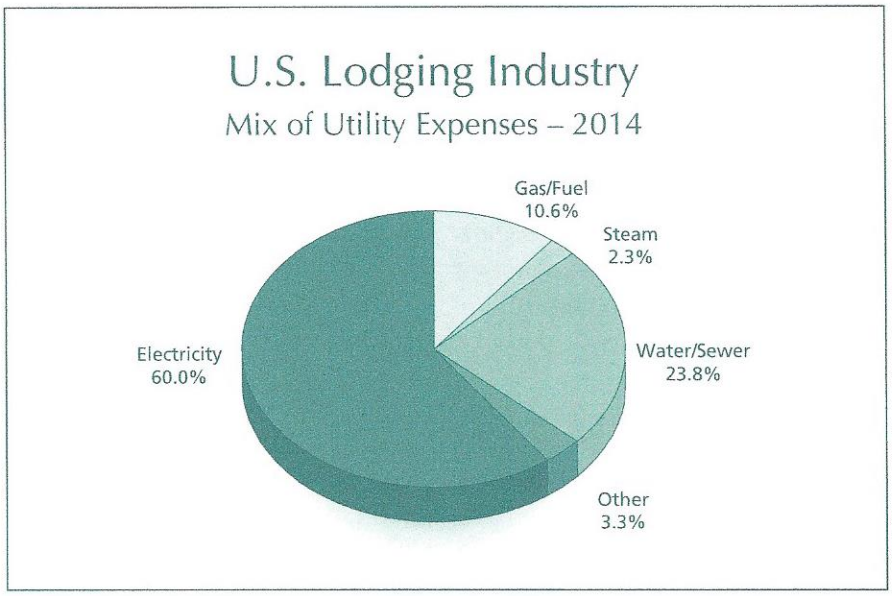
Robert Mandelbaum is Director of Research Information Services for PKF-HR, a CBRE Company. He is located in the firm's Atlanta office.

CONSUMPTION AND PRICING INFLUENCE HOTEL UTILITY COSTS

Robert Mandelbaum



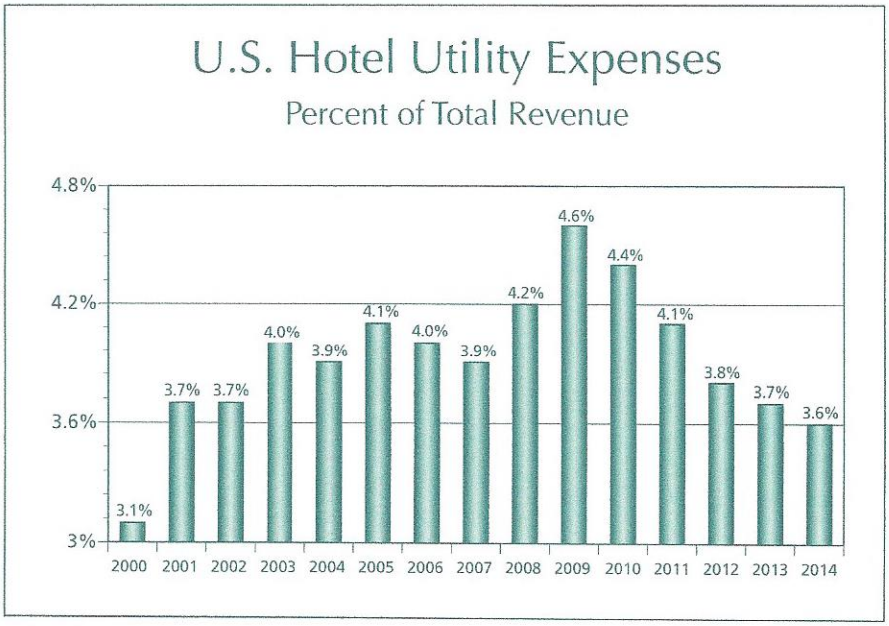
Source: PKF Hospitality Research, a CBRE Company

In hotels, utility costs consist of four major components. According to the 2015 edition of *Trends® in the Hotel Industry*, electricity is the largest utility expense comprising 60 percent of total expenditures. Water/service is the next largest utility cost (23.8%) followed by gas/fuel (10.6%), and steam (2.3%).

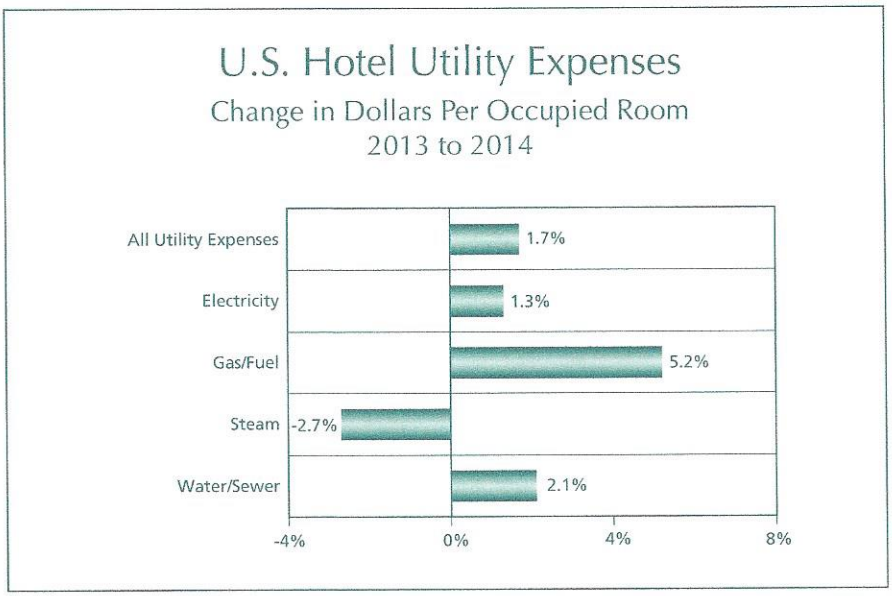
Over the years, the energy component of the consumer price index (CPI) has been a good indicator of the direction of the change in total utility expenditures at hotels. In general, when the energy CPI has gone up, hotel utility costs have increased, and vice versa. The energy CPI measures the average change over time in the prices paid by urban consumers for gasoline, fuel oil, electricity, and piped gas service.

In the past three years we have seen a departure from this relationship. Starting in 2012, the energy CPI increased, while hotel utility costs declined. Conversely, in 2013 and 2014, consumer energy prices have fallen, but the total expenditures paid by hotels for utilities have been on the rise.

The declines in the energy CPI the past two years are consistent with recent headlines. Due to increases in domestic oil and gas production, the U.S. has become more energy independent. The price of gasoline at the pump has gone down, and consum-



Source: PKF Hospitality Research, a CBRE Company



Source: PKF Hospitality Research, a CBRE Company

ers are implementing more energy efficient products and practices.

So, if consumer energy costs are going down, why are hotel utility expenses on the rise? To analyze recent trends in hotel utility costs we examined the 2014 utility expenses reported by 3,800 U.S. hotels for which we had two years of detailed expenditure data.

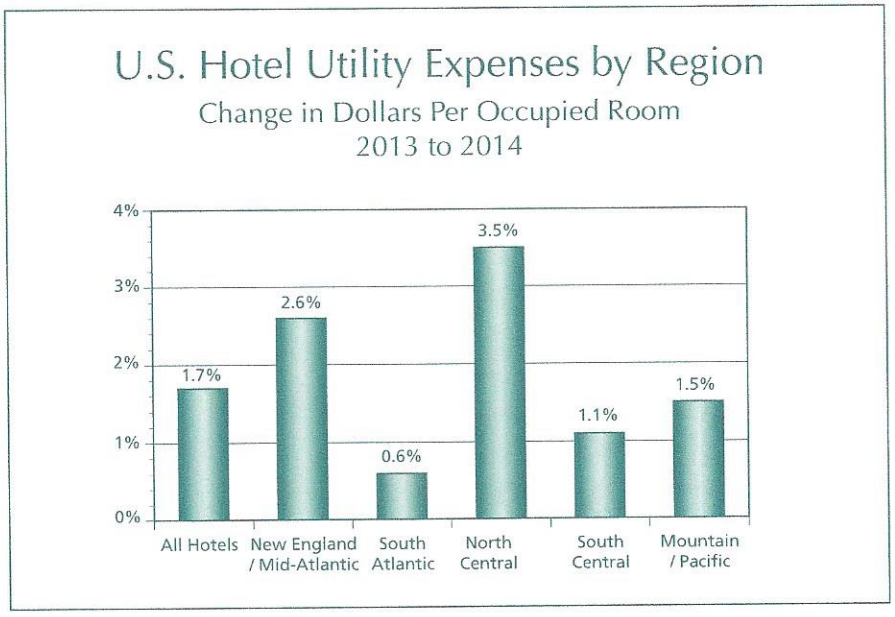
Consumption

Pricing is just one component of total hotel utility costs. The other component is consumption. At this time, most U.S. hotels are not reporting energy consumption statistics on their operating statements. However, as noted in the recently released 11th edition of the *Uniform System of Accounts for the Lodging Industry*, the tracking of the financial impact of green and sustainable practices is becoming more commonplace. In addition, these statistics are frequently required by government authorities, as well as travel and meeting planners.

Because of the lack of utility consumption information, for this analysis we have relied on changes in utility costs on a dollar per-occupied-room (POR) basis. Measuring changes on a POR basis minimizes the impact of variances in business volume (i.e. occupied rooms), and provides an indication of changes in consumption.

In 2014, total hotel utility expenditures increased by a relatively strong 4.8 percent on a dollar per-available-room (PAR) basis, but rose by just 1.7 percent on a POR basis. This indicates that the 3.0 percent increase in the number of occupied rooms had a greater influence on changes in hotel utility as opposed to variations in the costs of the energy components.

All-suite (3.2%), limited-service (2.5%), and extended-stay (2.4%) hotels experienced the greatest gains in utility costs on a POR basis from 2013 to 2014. With limited or no food and beverage operations, changes in occupied rooms are the main driver of business volume at these property types. On the other end of the spectrum, resort hotels enjoyed the least (0.4%) increase in utility costs POR. Because of the extensive facilities and services they offer, resort hotels spend the most of any property type on utilities ($15.96 POR) and therefore have been at the forefront of implementing green and sustainable practices.



Source: PKF Hospitality Research, a CBRE Company

Weather and regional energy prices also have an influence on utility expenditures. When analyzing the data on a regional basis, hotels in the North Central region saw the greatest increase (3.5%) by far in utility costs during 2014, followed by hotels in the New England/Mid-Atlantic region (2.6%). The relatively warm climate in the South Atlantic region allowed hotels in that region to experience a utility increase of just 0.6 percent during the year.

Commercial Pricing

From 2013 to 2014 the greatest increase in utility expenses was observed for gas and fuel. In 2014, gas/fuel expenditures increased by 5.2 percent on a POR basis. Conversely, the amount spent by hotels that still use steam saw this utility decline by 2.7 percent.

As mentioned before, pricing is the other component of utility expenses over and above consumption. Given the aforementioned lack of correlation between consumer prices and hotel utility costs in recent years, we have analyzed the differences between commercial and residential prices for select sources of energy.

In general, the price of energy for commercial establishments increased at a greater pace during 2014. According to the U.S. Energy Information Administration, the price of a cubic foot of national gas rose by 9.8 percent in 2014 for commercial businesses. For comparison purposes, natural gas prices for residential users increased by 6.2 percent. This helps to explain the sharp 5.2 rise in gas/fuel expenditures for hotels.

Electricity, being the largest utility expense for hotels, was also subject to higher commercial pricing. Residential consumers saw a 3.1 percent increase in the cost of a kilowatt-hour of electricity in 2014, while commercial establishments paid 4.6 percent more than the prior year.

Controls

In 2014, utility expenses represented 3.6 percent of total hotel revenue. This is the lowest we have seen this ratio since 2000. The decline of this metric can be attributed to a combination of rising revenues, plus increased controls over utilities. It appears the most energy inefficiencies have been removed from hotel operations. Year-over-year changes in utility expenditures are now dictated by fluctuations in business volume and commercial energy prices.

* * *

Robert Mandelbaum is the Director of Research Information Services for PKF Hospitality Research, a CBRE Company. For more information about benchmarking your hotel's utility costs, please visit store.pkfc.com/custom-financial-benchmarking-reports.

GLOSSARY OF TERMS

HOTEL TYPES

All Hotels

Total of all hotels in our survey sample. Includes hotels in all six property type categories.

Full-Service Hotel

A hotel which provides a wide variety of facilities and amenities, including food and beverage outlets, meeting rooms, and recreational amenities.

Limited-Service Hotel

A hotel which provides only some of the facilities and amenities of a full-service property. Does not offer restaurant, lounge, or banquet service. May offer complimentary food and beverage.

Resort Hotel

A hotel, usually in a suburban or isolated rural location, with special recreational facilities.

Suite Hotel with Food and Beverage

A hotel in which all rooms have "separate," but not necessarily physically divided, "sleeping and living areas." These hotels offer restaurant, lounge, or banquet service.

Suite Hotel without Food and Beverage

A hotel in which all rooms have "separate," but not necessarily physically divided, "sleeping and living areas." These hotels do not offer restaurant, lounge, or banquet service. May offer complimentary food and beverage. Most extended-stay hotels reside in this category.

Convention Hotel

A hotel which provides facilities and services geared to meet the needs of large group and association meetings and trade shows. Typically, these hotels have more than 500 guest rooms and contain substantial amounts of function and banquet space. Included in this category are hotels attached to convention centers and conference centers.

DEMAND CATEGORIES

Transient

Leisure and corporate guests staying on an individual basis.

Group

Guests associated with a group occupying 10 or more rooms.

Contract

Guests staying as part of a special contract.

Other

Guests that do not fall into the previous three categories.

STATISTICS

Percentage of Occupancy

The percentage of available rooms occupied for a given period. It is computed by dividing the number of paid guest rooms occupied for a period by the number of rooms available for the same period.

Average Daily Rate

Total guest room revenue for a given period divided by the total number of paid occupied rooms during the same period.

RevPAR

Rooms revenue divided by the annual number of available rooms.

Guest Day

Number of guests, per paid occupied room, per day.

Average Size (Room)

Number of daily guest rooms available for rent.

REVENUES

Rooms

Revenue (net of sales or occupancy taxes) derived from the rental of sleeping rooms, no-show charges, early departure and late checkout fees, pet fees, and charges for rollaway beds and cribs.

Food and Beverage

Revenue from the sale of food, alcohol, and non-alcoholic beverages in restaurants, lounges, room service, mini-bar, and banquet rooms. Also includes revenue from public room rentals, service charges, and the rental of audio/visual and other meeting room equipment.

GLOSSARY OF TERMS

Other Operated Departments

Revenues from departments operated by the hotel such as telecommunications, internet connections, guest laundry, retail shops, recreational facilities, and parking operations.

Rentals and Other Income

Revenues from the rental of stores or other space in the hotel for activities not operated by the hotel. Also includes income from interest, cash discounts, cancellation and attrition penalties, and other services provided to guests by outside firms for which the hotels receives a commission or concession.

COSTS AND EXPENSES

Rooms

Includes salaries, wages, and benefits for the front desk personnel, reservations staff, revenue management, housekeeping and laundry workers, bell staff, and concierge personnel. In addition, rooms department expenses include linen, guest supplies, commissions to travel agents, complimentary breakfast and social hour costs, and reservation system charges assessed by franchise companies.

Food and Beverage

Includes the costs of food, alcohol, and non-alcoholic beverages sold, together with the salaries, wages, and employee benefits for managers, kitchen personnel, servers, bartenders, cashiers, and hosts. Other applicable expenses include laundry, linen, china, glassware, silverware, operating supplies, audio/visual equipment, music, and entertainment.

Other Operated Departments

Includes the salaries, wages, benefits, cost of goods sold, and other expenses associated with the operation of other revenue producing departments operated by the hotel.

Administrative and General

Expenditures for the operations of the general manager's office, the accounting department, human resources, security, information systems, and other similar activities. Examples of expenditures include salaries, wages, benefits, professional fees, credit card commissions, bad debts, telecommunications and computer maintenance, office supplies, and postage.

Sales and Marketing

Expenditures to sell and promote the hotel's services and enhance its image to the general public. These include salaries, wages, benefits, media advertising, agency fees, e-commerce, outside sales representation, outdoor advertising, trade shows, and public relations. Also included in this expense category are payments made to franchisors and referral agencies for franchise royalties, marketing assessments, and guest loyalty programs. Does not include payments made for reservation services and/or systems.

Property Operations and Maintenance

Payments for salaries, wages, benefits, maintenance contracts, tools, and supplies to maintain the buildings, grounds, furniture, and equipment of the hotel. Not included are costs associated with the maintenance of computer, point-of-sale, and telecommunications systems, as well as major capital purchases.

Utilities

Costs for electricity, gas and other fuels, steam, water, and sewer.

Management Fees

Fees paid for management services and supervision of the property. Includes both base and incentive fees.

Property and Other Taxes

Includes real estate taxes, personal property taxes, business and occupation taxes, and all other taxes except payroll and income taxes. Does not include occupancy, sales, or any other taxes based on revenue.

Insurance

Includes premiums paid for insuring buildings and contents, liability, fidelity, and theft coverage. Premiums for workers' compensation insurance are not included in this category.

Other Fixed Charges

Includes deductions for capital replacement reserves, rent, interest, depreciation, amortization, and income taxes. Comparisons beyond income after property taxes and insurance are virtually meaningless due to wide variances in ownership, depreciation methods, financing bases, and applicable taxes.

A NOTE TO READERS:

Same-Store Sales

The data presented in this report reflect the performance of hotels for which we have two full years of comprehensive information. The percentage changes in revenues and expenses that are presented in the 2015 edition of *Trends® in the Hotel Industry* represent the movement derived from a side-by-side comparison of the 2013 and 2014 financial statements of the same hotels.

Please note that our survey sample consists of hotels that have volunteered to share their data with us. Therefore, the sample does change somewhat from year to year. Because of this change, readers will find differences when comparing 2013 data in the 2015 edition of *Trends® in the Hotel Industry* with the 2013 data presented in the 2014 edition.

This document provides the reader with the benchmarks of comparative measurement for evaluating the performance of lodging assets on a year-to-year basis. These annual variances are different from the relative movements seen within the entire U.S. lodging industry or within a defined market area. An increase or decrease in supply influences market-wide change in measures such as occupancy, average daily rate, and revenue. However, using period-to-period, same-store sales removes the inherent bias created by the inclusion of initial-year operating results of brand-new facilities.

Data Processing, Comparability, and Accuracy

Processing approximately 7,000 financial statements has its challenges. Data arrives in the Atlanta office of PKF Hospitality Research (PKF-HR), a CBRE Company, via many different channels. Some contributors take the time to complete our survey form, while others simply send us copies of their December profit and loss statements. A few companies provide us with huge electronic data files that contain in excess of 10,000 individual revenue and expense items.

In addition to the diversity of delivery methods, we also observe the wide variety of financial statement formats and account classification systems in use by U.S. hotel managers. While the general parameters of the *Uniform System of Accounts for the Lodging Industry (USALI)* can be found in most statements, each hotel company or property customizes their layout and accounts to identify the performance statistics that are most critical to their operations.

To make *Trends®* valuable for readers, we need to ensure the comparability and accuracy of the data contained in the report. Therefore, we take the time to put all the data we receive into one common format and one common classification system. For the 2015 edition of *Trends®*, we used the new Tenth (10th) edition of the *Uniform System of Accounts for the Lodging Industry (USALI)*. To purchase a copy of the Tenth edition of the *Uniform System of Accounts for the Lodging Industry*, please contact the Educational Institute of the American Hotel and Lodging Association at www.ahlei.org.

Our goal of information comparability and accuracy requires thousands of hours from the *Trends®* staff. Before entering our database, each statement is reviewed by at least two people. As needed, we re-classify revenue and expense items. We spend the time, for example, to move General Insurance from Administrative and General to Fixed Charges. If we see Reservations Expenses in the Marketing Department, we move them to the Rooms Department.

On occasion, certain expense items are excluded from the financial statement of a hotel depending on the source of the document. For example, financial statements sometimes do not include certain ownership expenses such as property taxes or property insurance. In these special circumstances, PKF-HR will estimate these costs to ensure comparability. The estimates are based on the relative movement of the same expense item in comparable hotels for which we have data in the current year.

In addition to comparability and accuracy, another goal is to provide critical performance measurements. Therefore, we identity and capture over 200 specific revenue and expense items to provide readers and clients with the greatest degree of financial benchmarking.

Profitability is Widespread

Based on a sample of operating statements from approximately 7,000 properties that participated in the 2015 *Trends® in the Hotel Industry* survey, U.S. hotels (on a unit-level same-store sales basis) achieved a 12.3

percent increase in net operating income (NOI) during 2014. This marks the fourth consecutive year of profit growth in excess of 10 percent, a trend that is forecast to continue through 2016. This six-year period (2011-2016) of continuous double-digit gains on the bottom line will be the longest such streak for the nation's hotels since PKF began tracking the industry in 1937.

In 2014, the average hotel in the *Trends*® sample achieved a bottom-line profit of $17,849 per available room. This is nominally greater than their 2007 pre-recession peaks. Perhaps of greater importance is that hotel profits, in inflation-adjusted terms, will exceed 2007 levels in 2015.

The strong increase in unit-level profits was not unexpected. A year ago, PKF-HR forecast a 12.4 percent increase in NOI for 2014. PKF-HR is projecting NOI increases of 13.4 percent in 2015 and another 12.2 percent in 2016.

Over three quarters of the hotels in the *Trends*® survey (78.2 percent) reported an increase in profits during 2014. For a couple of years we have been touting the breadth of the top-line recovery across the entire industry. Now we are seeing that on the bottom line as well. Five of the six property types in the *Trends*® survey achieved double-digit profits growth during 2014. The lone exception was convention hotels which still achieved a very strong 9.2 increase in NOI.

All Revenues Growing

The 12.3 percent increase in hotel profits during 2014 was enabled by a 6.9 percent gain in total hotel revenue. This is the strongest gain in total revenue growth since 2007.

On average, rooms revenue (RevPAR) comprised 69.5 percent of the total revenue at the typical hotel in the survey, and the 7.3 percent increase was the main driver of the growth in total hotel revenue. Strong gains in lodging demand, combined with relatively low levels of new supply in most markets, have put the U.S. lodging industry on a trajectory towards all-time record levels of occupancy. This provides hotel operators with the opportunity to become more aggressive with pricing. As we have learned in the past, RevPAR growth driven by average daily room rates (ADR) is the most profitable for hotels.

U.S. hoteliers continue to turn the corner on the lag in the growth of other hotel revenues besides RevPAR. During 2014, food and beverage sales, along with revenue from other operated departments, increased at a very healthy 6.2 percent pace. Hoteliers have adapted their food and beverage outlets and recreational offerings to appeal to in-house guests, as well as patrons from the local community.

Initial Signs of Expense Growth

One of the most significant findings of the *Trends*® survey was the 4.9 percent nominal rise in operating expenses (ExPAR) during 2014, or 3.2 percent adjusted for inflation. The 3.2 percent increase is more than double the pace of real ExPAR growth observed from 2009 - 2013.

Until now, U.S. hotel managers have done a great job controlling expenses compared to previous recovery periods. The cost control measures instituted in 2009 during the depths of the great recession were carried forward through 2013. Therefore, the sharp uptick in expense growth in 2014 stands out as a potential threat to profit growth in the future.

Controlling the Controllables

Further investigation of the expense data reveals that U.S. hotel operators were able to effectively manage those cost items for which they have the most control. Measured on a dollar-per-occupied room basis, real ExPAR growth was just 0.2 percent in 2014. On the surface, this indicates that the main drivers of expense growth were items associated with the increase in business volume, or occupied rooms. We are currently at such high occupancy levels that all of a hotel's fixed costs are covered. For the next few years, it will be inflation and variable expenses that will cause increases in ExPAR.

At 44.2 percent of expenses, labor is the single largest cost that hotel managers need to control. In 2014, the national unemployment rate dropped to 6.2 percent according to the Bureau of Labor Statistics (BLS) which contributed to the 3.6 percent increase in the average hourly compensation rate for workers in the U.S. hospitality industry.

Labor costs for the hotels in the *Trends*® sample increased by 3.7 percent in 2014, the result of a 3.7 rise in salaries,

wages and bonuses, along with a 3.8 percent jump in payroll-related expenses (employee benefits). During the past 15 years, the benefits component has been the dominant driver of labor costs at U.S. hotels. In 2014, the decline in the unemployment rate had the greatest impact on the salaries and wages paid to hotel employees.

Taking the BLS data into consideration, it appears that hotel managers responded to the rise in labor costs by controlling staffing levels. In 2014, PKF-HR estimates that the total hours worked by employees at the hotels in the *Trends*® survey grew by a mere 0.6 percent. Considering that the number of occupied rooms in the sample increased by 3.0 percent, it is clear that operators were able to achieve significant increases in employee productivity during the year.

Absorbing the Uncontrollables

There are some hotel expenses that hotel managers have less control over, and it appears that these costs dominated the 4.9 percent increase in ExPAR observed during 2014.

The fees a hotel pays to credit card, franchise and management companies are typically based on a percentage of revenues and/or profits. Therefore, since we are in a period of significant revenue and profit growth, it is not surprising that we are seeing a surge in these costs. In 2014, the combined cost of credit card commissions, franchise fees and management fees increased by 6.5 percent.

Other expenses that influenced the 4.9 percent rise in ExPAR are non-labor maintenance expenses (5.0 percent increase), the cost of goods sold (5.3 percent) and utilities (4.8 percent). The increases in the amount paid by hotel managers for certain food items and utilities are consistent with the national indices for these commodities.

Mixed Pressures in the Future

The outlook for hotel revenue growth is extremely bright for the next few years. However, hotel operators will face a variety of tailwinds and headwinds when it comes to controlling their expenses.

Factors that will curb expense growth in the next few years include low levels of inflation, as well as a slowdown in the pace of occupancy growth. With fewer additional rooms being occupied, the increase in the variable expenses needed to serve the new guests will be limited.

On the other hand, growth in employment levels will continue to put upward pressure on salaries and wages. In addition, revenue and profit growth will cause increases in credit card commissions, franchise fees and management fees.

PKF-HR believes that hotel operators will continue to adapt to the operating environment as they have in the past. Fortunately our forecasts of revenue growth exceed our projections of expense growth for the foreseeable future. It continues to be one of the most prosperous periods for all participants in the U.S. lodging industry.

* * *

PKF-HR makes every effort to compile and analyze data in ways that are most useful to the industry. Please contact PKF-HR in Atlanta at (404) 809-3959 with questions and ideas for future studies, or for assistance in interpreting the data presented in this report.

TRENDS® IN THE HOTEL INDUSTRY
United States Metro Areas
Year-End Results for 2014

	Occupancy			Average Daily Rate			RevPAR		
	2014	2013	Percent Variation	2014	2013	Percent Variation	2014	2013	Percent Variation
New England & Middle Atlantic Cities									
Albany	65.1 %	60.7 %	7.1 %	$ 111.66	$ 107.75	3.6 %	$ 72.67	$ 65.46	11.0 %
Boston	75.2	73.1	3.0	176.84	164.32	7.6	133.04	120.06	10.8
Hartford	58.1	56.9	2.1	103.96	101.27	2.7	60.42	57.64	4.8
Long Island	70.9	72.7	(2.5)	140.19	135.63	3.4	99.39	98.65	0.7
New York	84.8	84.4	0.4	263.24	258.45	1.9	223.18	218.22	2.3
Newark	70.4	69.5	1.2	121.34	116.91	3.8	85.39	81.27	5.1
Philadelphia	67.3	65.2	3.2	122.78	121.07	1.4	82.66	78.95	4.7
Pittsburgh	67.9	66.0	2.9	116.21	112.60	3.2	78.90	74.28	6.2
Subtotal	75.3 %	73.9 %	1.9 %	$ 192.05	$ 185.86	3.3 %	$ 144.65	$ 137.43	5.3 %
North Central Cities									
Chicago	69.3 %	67.3 %	2.9 %	$ 134.50	$ 129.26	4.1 %	$ 93.15	$ 87.00	7.1 %
Cincinnati	60.6	58.4	3.8	92.99	89.69	3.7	56.35	52.38	7.6
Cleveland	61.2	61.7	(0.8)	98.37	94.00	4.6	60.19	57.99	3.8
Columbus	63.0	62.1	1.4	94.19	89.78	4.9	59.36	55.78	6.4
Dayton	57.4	54.3	5.6	76.03	73.79	3.0	43.61	40.08	8.8
Detroit	65.1	62.6	4.0	89.04	84.13	5.8	57.95	52.66	10.0
Indianapolis	64.6	61.8	4.4	94.25	89.69	5.1	60.87	55.47	9.7
Kansas City	63.0	58.8	7.3	90.14	86.50	4.2	56.83	50.83	11.8
Minneapolis	67.4	66.6	1.1	107.48	101.09	6.3	72.44	67.36	7.5
Omaha	60.4	60.9	(0.8)	93.46	89.75	4.1	56.45	54.66	3.3
Saint Louis	64.1	61.9	3.6	95.84	90.27	6.2	61.43	55.84	10.0
Subtotal	65.1 %	63.2 %	3.1 %	$ 106.48	$ 101.68	4.7 %	$ 69.34	$ 64.24	7.9 %

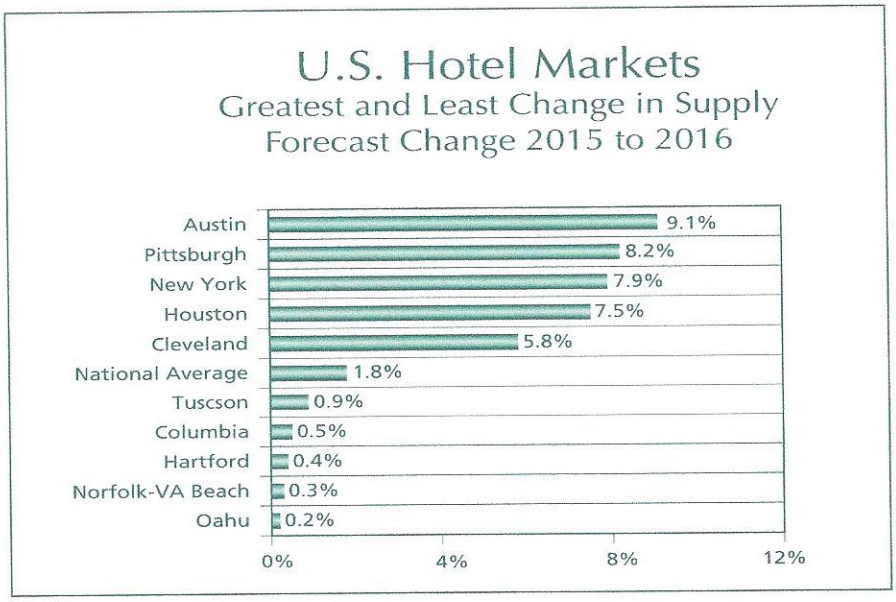
TRENDS® IN THE HOTEL INDUSTRY
United States Metro Areas
Year-End Results for 2014

	Occupancy			Average Daily Rate			RevPAR		
	2014	2013	Percent Variation	2014	2013	Percent Variation	2014	2013	Percent Variation
South Atlantic Cities									
Atlanta	68.2 %	63.1 %	8.1 %	$ 91.80	$ 87.70	4.7 %	$ 62.59	$ 55.33	13.1 %
Baltimore	67.6	64.2	5.2	112.84	109.99	2.6	76.26	70.64	7.9
Charleston	73.2	70.9	3.3	126.32	117.51	7.5	92.50	83.33	11.0
Charlotte	69.0	64.3	7.2	93.19	89.18	4.5	64.28	57.37	12.0
Columbia	65.0	62.5	4.0	78.34	75.31	4.0	50.94	47.07	8.2
Fort Lauderdale	78.0	74.7	4.4	127.17	119.55	6.4	99.15	89.26	11.1
Jacksonville	66.3	62.2	6.6	92.96	88.19	5.4	61.64	54.87	12.3
Miami	78.3	77.3	1.2	185.00	174.67	5.9	144.79	135.09	7.2
Norfolk-VA Beach	54.7	53.0	3.2	89.84	88.38	1.7	49.12	46.83	4.9
Orlando	73.7	70.6	4.4	107.30	101.60	5.6	79.08	71.70	10.3
Raleigh-Durham	65.9	62.4	5.6	91.54	86.72	5.6	60.29	54.09	11.5
Richmond	60.3	55.6	8.4	80.70	78.66	2.6	48.62	43.72	11.2
Savannah	69.9	67.0	4.2	100.83	94.62	6.6	70.43	63.40	11.1
Tampa	68.1	64.3	5.8	106.05	100.34	5.7	72.19	64.55	11.8
Washington DC	69.0	66.0	4.5	145.49	144.55	0.7	100.38	95.43	5.2
West Palm Beach	73.4	71.6	2.4	155.36	145.21	7.0	114.02	104.04	9.6
Subtotal	69.5 %	66.2 %	5.0 %	$ 116.33	$ 111.81	4.0 %	$ 80.83	$ 73.98	9.3 %
South Central Cities									
Austin	72.4 %	71.4 %	1.4 %	$ 126.90	$ 119.06	6.6 %	$ 91.88	$ 85.04	8.0 %
Dallas	67.8	64.3	5.5	93.61	90.51	3.4	63.48	58.16	9.1
Fort Worth	64.4	62.5	2.9	95.32	92.27	3.3	61.37	57.70	6.3
Houston	71.9	69.2	3.8	106.92	100.98	5.9	76.86	69.92	9.9
Louisville	64.1	61.1	4.9	97.41	94.03	3.6	62.40	57.41	8.7
Memphis	65.1	60.5	7.7	84.03	80.21	4.8	54.72	48.50	12.8
Nashville	72.1	68.4	5.4	116.55	103.35	12.8	84.04	70.71	18.9
New Orleans	69.0	66.9	3.2	144.70	142.84	1.3	99.81	95.52	4.5
San Antonio	64.8	63.0	2.9	103.76	101.34	2.4	67.25	63.83	5.4
Subtotal	68.6 %	65.8 %	4.2 %	$ 107.71	$ 102.79	4.8 %	$ 73.83	$ 67.65	9.1 %
Mountain and Pacific Cities									
Albuquerque	59.2 %	57.9 %	2.1 %	$ 75.38	$ 72.44	4.1 %	$ 44.59	$ 41.97	6.2 %
Anaheim	76.6	74.6	2.6	135.37	127.16	6.5	103.65	94.86	9.3
Denver	75.3	70.7	6.5	112.37	102.98	9.1	84.65	72.82	16.2
Los Angeles	78.7	76.7	2.7	147.22	136.98	7.5	115.93	105.03	10.4
Oahu	84.3	83.7	0.7	214.20	207.60	3.2	180.57	173.79	3.9
Oakland	77.1	73.8	4.5	116.78	106.79	9.4	90.05	78.82	14.3
Phoenix	63.2	59.8	5.6	112.41	108.38	3.7	71.02	64.84	9.5
Portland	72.1	69.8	3.3	114.94	106.33	8.1	82.90	74.27	11.6
Sacramento	62.4	60.3	3.5	97.82	93.00	5.2	61.05	56.05	8.9
Salt Lake City	65.9	64.1	2.7	94.53	92.15	2.6	62.28	59.10	5.4
San Diego	74.6	71.5	4.3	142.07	135.58	4.8	105.98	96.97	9.3
San Francisco	84.1	82.8	1.6	207.80	187.29	11.0	174.68	154.99	12.7
San Jose-Santa Cruz	75.8	74.1	2.4	148.43	131.40	13.0	112.54	97.33	15.6
Seattle	75.5	72.8	3.8	137.36	126.69	8.4	103.77	92.23	12.5
Tucson	57.1	56.8	0.6	90.68	89.89	0.9	51.77	51.02	1.5
Subtotal	74.0 %	71.6 %	3.3 %	$ 140.24	$ 131.24	6.9 %	$ 103.71	$ 93.99	10.3 %
United States*	64.4 %	62.2 %	3.5 %	$ 115.30	$ 110.29	4.5 %	$ 74.25	$ 68.55	8.3 %

Sources: STR, Inc. PKF Hospitality Research, A CBRE Company
Note: * All U.S. Hotels

SUPPLY IMPACTS MAJOR MARKET PERFORMANCE IN 2016

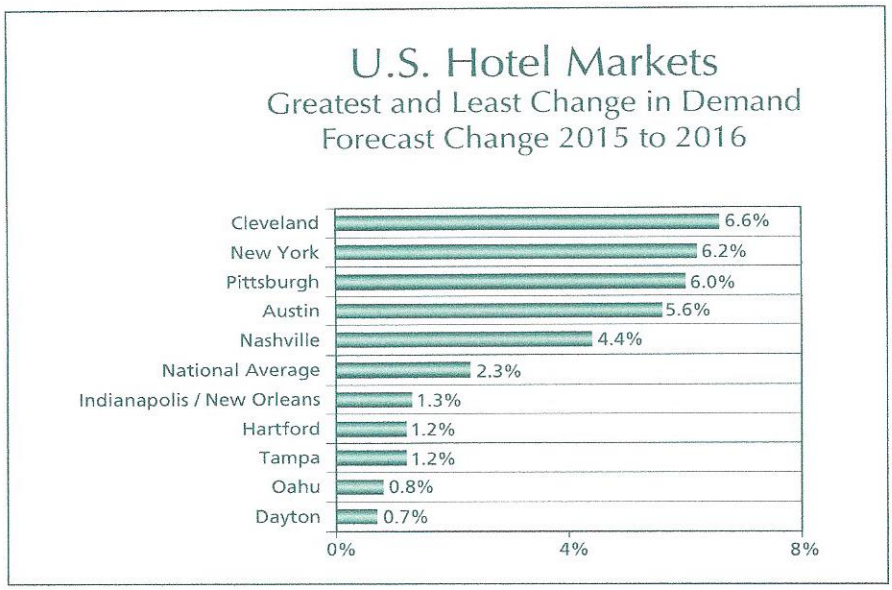
One of the hallmarks of the recovery of the U.S. lodging industry from the depths of the great recession in 2009 has been the limited about of new hotels coming into the market. From 2011 through 2014, the annual changes in lodging supply for the nation were less than 1.0 percent. With demand rising at an average annual pace of 3.5 percent during the same period, the national average occupancy grew 6.8 percentage points. Accordingly, PKF Hospitality Research (PKF-HR), a CBRE Company, is forecasting in its June 2015 edition of *Hotel Horizons®* a national annual occupancy rate of 65.7 percent in 2015. This will be the highest national occupancy level since STR, Inc. began reporting data in 1988.



Source: PKF Hospitality Research, a CBRE Company, June 2015 *Hotel Horizons®* reports

Looking towards 2016, we begin to see the first impacts of a rise in the number of new hotel rooms. Nationwide, the lodging supply is forecast to grow by 1.8 percent, just short of the long-run average rate of 1.9 percent. However, in the 59 markets tracked by PKF-HR's *Hotel Horizons®* reports, the change in lodging supply is projected to be 3.1 percent. For reference purposes, the growth in accommodations outside the *Hotel Horizons®* markets during 2016 is forecast to be just 0.7 percent.

The following paragraphs summarize the highs and lows of the 2016 forecast performance for the 59 *Hotel Horizons®* markets.



Source: PKF Hospitality Research, a CBRE Company, June 2015 *Hotel Horizons®* reports

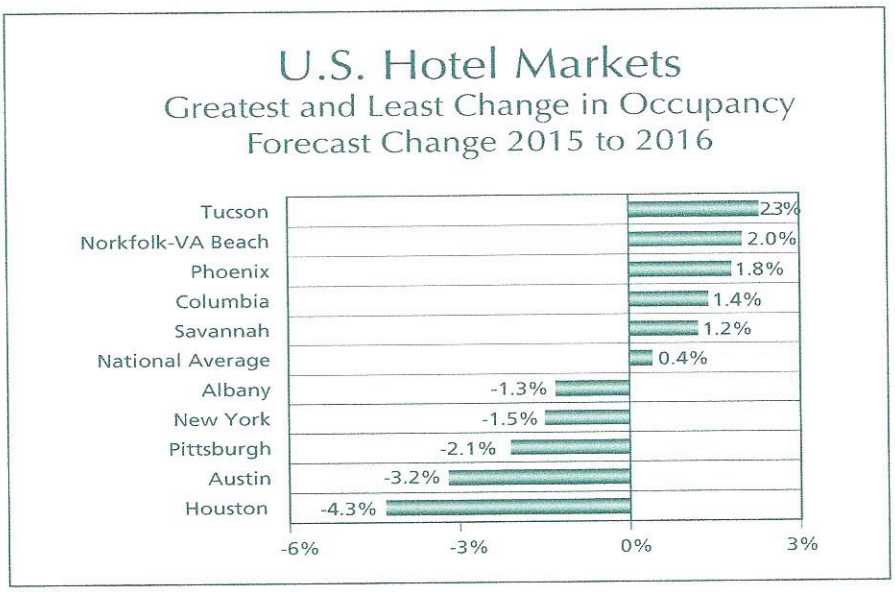
Supply and Demand

As mentioned before, the introduction of new competition will be the biggest factor influencing the performance of the nation's major markets in 2016. During the year, 36 of the 59 markets tracked by PKF-HR will experience supply growth greater than the long-run average of 1.9 percent. By comparison, just 18 markets will see their supply rise in excess of 1.9 percent in 2015.

Some familiar names continue to appear on the list of cities projected to see the greatest increases in supply.

For 2016, Austin leads the way with a forecast increase of 9.1 percent, followed by Pittsburgh (8.2%), New York (7.9%) and Houston (7.5%). The Houston and Austin lodging inventories will be receiving new 1,000 room convention hotels. In Pittsburgh and New York, the profile of the new hotels coming on-line is more diverse.

Hotel developers are less interested in the markets of Oahu, Norfolk/Virginia Beach, Hartford, Columbia (SC), and Tucson. All of these markets will experience an increase in supply of less than one percent in 2016.



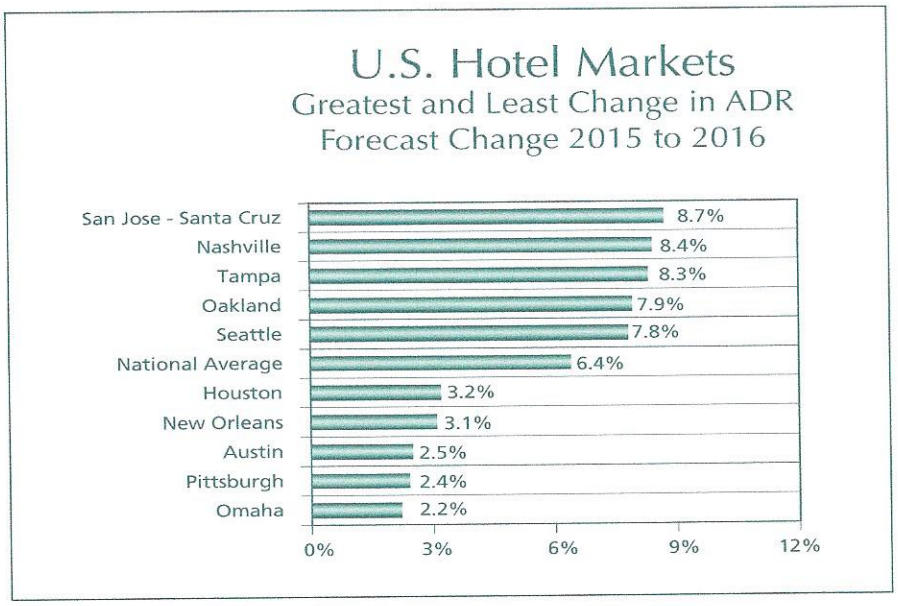
Source: PKF Hospitality Research, a CBRE Company, June 2015 *Hotel Horizons®* reports

Given the high occupancy levels observed in the nation's major markets, significant levels of unsatisfied demand exist. Therefore, it is not surprising that most of the cities expected to experience the greatest increases in supply will also benefit from the strongest increases in demand.

Relatively sluggish economies will limit demand growth in Dayton and Hartford. Tampa and Oahu are both highly seasonal markets that are performing near their realistic peak annual occupancy levels. Therefore, the ability to accommodate additional room nights in these two markets is limited.

Occupancy, ADR, and RevPAR

While lodging demand is forecast to increase in all 59 *Hotel Horizons®* cities during 2016, supply will grow at a greater pace in 28 of the markets, thus resulting in declines in occupancy. For 2015, PKF-HR is forecasting that only 10 markets will suffer declines in occupancy.



Source: PKF Hospitality Research, a CBRE Company, June 2015 *Hotel Horizons®* reports

The Houston market is forecast to endure the greatest decline in occupancy in 2016. Hotel managers will be challenged with a 7.5 percent increase in new competition, but only a 2.9 percent rise in demand. The Austin, Pittsburgh, and New York markets will also experience lodging supply growth exceeding the expected increase in demand. However, the gap in supply/demand growth will not be as great in these markets compared to the forecast for Houston.

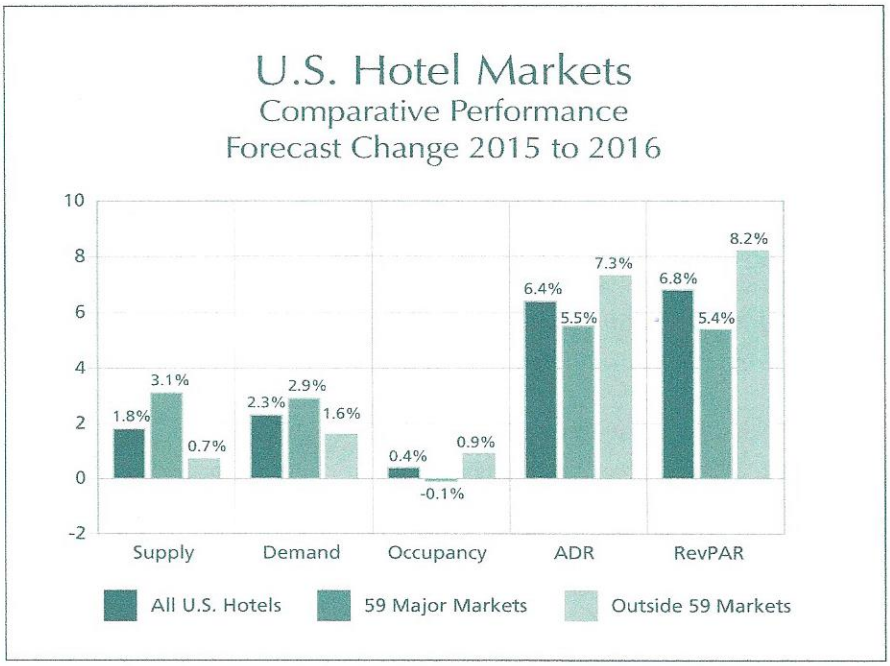
A lack of new development activity is the primary reason for the forecast increases in occupancy in Tucson, Nor-

folk/Virginia Beach, and Columbia. Supply growth for these cites is projected to be less than one percent in 2016, while demand is forecast to increase by 2.5 percent on average.

While declining occupancy levels are becoming a concern for the nation's major markets, the increases in average daily room rates (ADR) are a highlight. In 2016, all but three of the 59 *Hotel Horizons®* markets are forecast to achieve ADR increases greater than the long-run average of 3.1 percent.

Leading the way in ADR growth in 2016 are the west coast cities of San Jose-Santa Cruz, Oakland, and Seattle. Each of these markets is forecast to have occupancy levels in excess of 76 percent. Despite recent surges in supply, Nashville operators are still expected to have pricing power in 2016. The healthy annual increase in Tampa's ADR will be driven during the busy season winter months when occupancy levels exceed 80 percent.

The strong increases in supply in Houston, Austin, and Pittsburgh will not only result in declines in occupancy, but will throttle ADR growth as well. Hoteliers in New Orleans and Omaha are also forecast to struggle to improve pricing in 2016.



Source: PKF Hospitality Research, a CBRE Company, June 2015 *Hotel Horizons®* reports

Budgeting

By July of each year, the budgeting process for most hotel managers is well underway. Prior analysis conducted by PKF-HR found that 80 percent of a property's performance is influenced by local market conditions. Therefore, in order to begin to understand how your hotel will perform in the upcoming year, it is important to appreciate how the overall market in which you operate is expected to perform.

To learn more about the *Hotel Horizons®* forecast reports for 59 markets in the United States, please visit store.pkfc.com/hotel-forecast-reports, or call (855) 223-1200.

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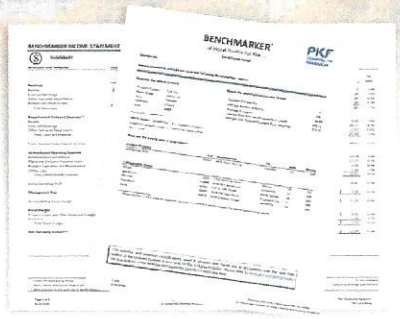

The comparable group you select can contain as many, or as few, criteria as you wish:

- ❑ Property Type — full-service, limited-service, convention hotel, etc.
- ❑ Range of Rooms — 100 - 199, 200 - 299, etc.
- ❑ Geographical Area — city, state, or U.S. region
- ❑ Affiliation — chain or independent
- ❑ Or ranges of occupancy and ADR

Standard reports now available:

- Income Statement - a consolidation of revenues and expenses for major departments.
- Departmental Statements - revenues and expenses for the following departments: Rooms, Food and Beverage, Administration and General, Sales and Marketing, and Maintenance and Utilities.
- Labor Cost Analysis - salaries, wages, and employee benefits for each department.

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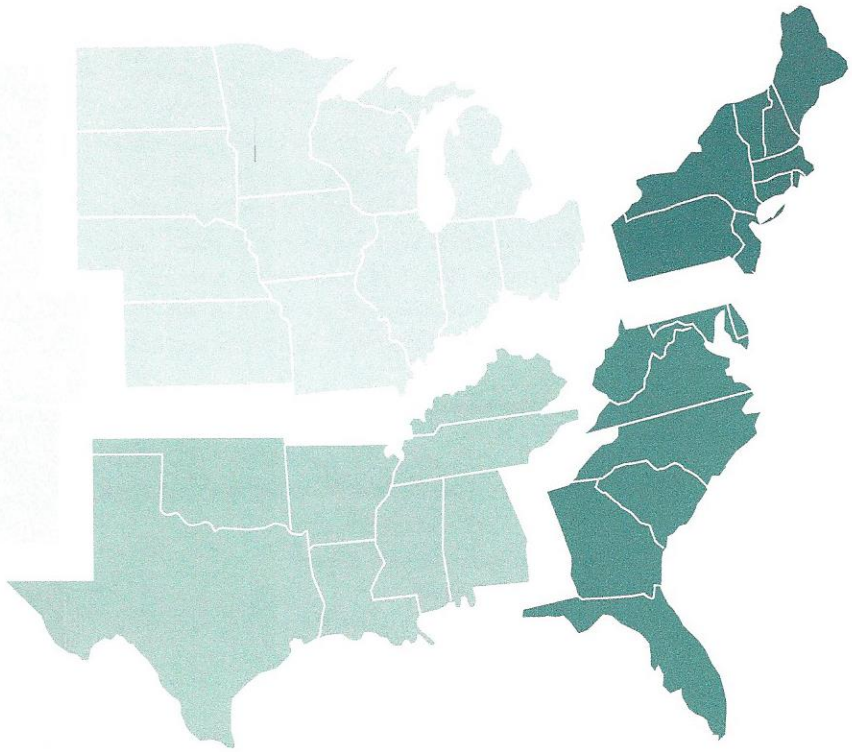
GEOGRAPHIC REGIONS: TRENDS® IN THE HOTEL INDUSTRY REPORT



Mountain/Pacific
North Central
South Central
South Atlantic
New England/Middle Atlantic

MOUNTAIN / PACIFIC
Alaska
Arizona
California
Colorado
Hawaii
Idaho
Montana
Nevada
New Mexico
Oregon
Utah
Washington
Wyoming

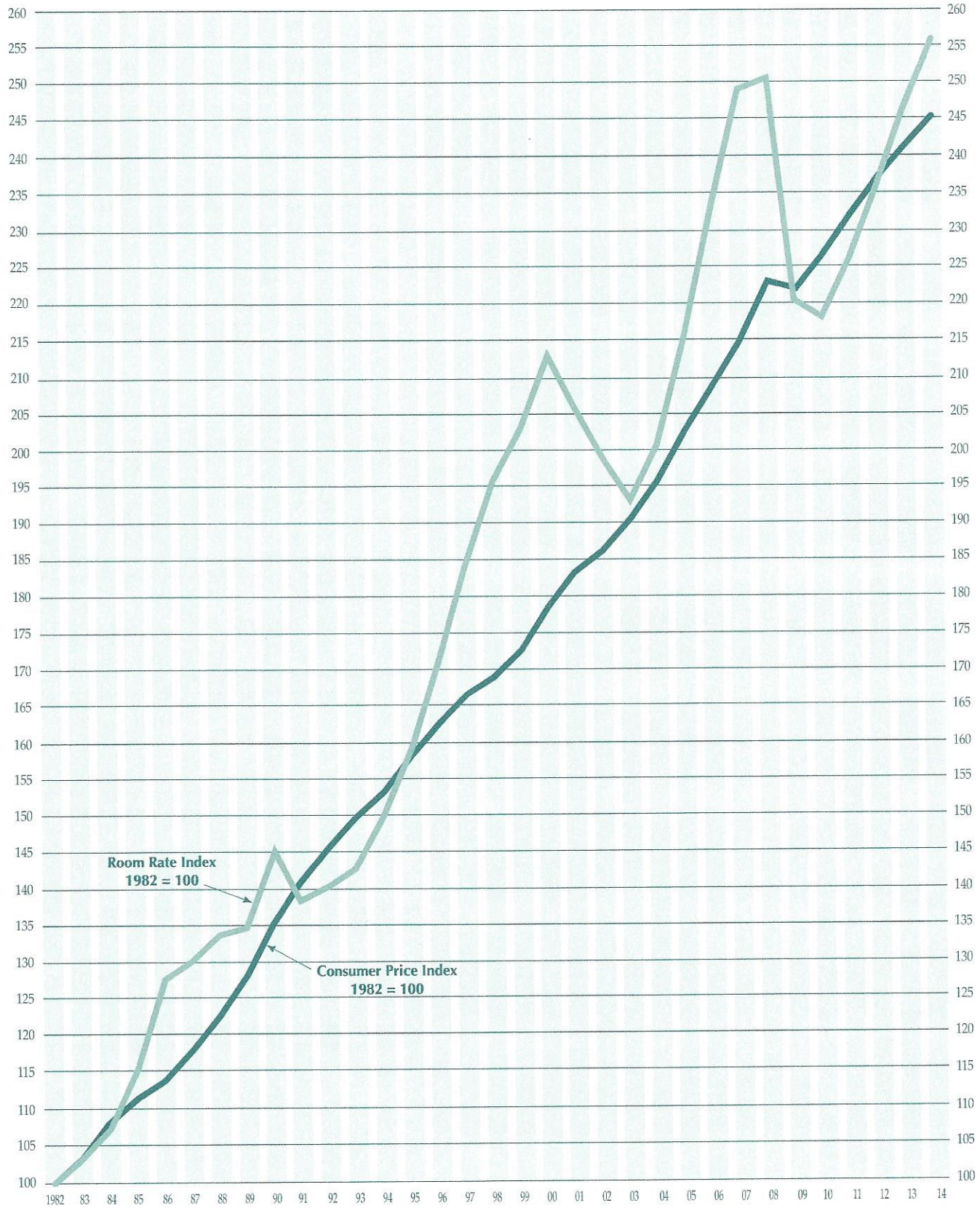
NORTH CENTRAL
Illinois
Indiana
Iowa
Kansas
Michigan
Minnesota
Missouri
Nebraska
North Dakota
Ohio
South Dakota
Wisconsin

SOUTH CENTRAL
Alabama
Arkansas
Kentucky
Louisiana
Mississippi
Oklahoma
Tennessee
Texas

SOUTH ATLANTIC
Delaware
District of Columbia
Florida
Georgia
Maryland
North Carolina
South Carolina
Virginia
West Virginia

NEW ENGLAND / MIDDLE ATLANTIC
Connecticut
Maine
Massachusetts
New Hampshire
New Jersey
New York
Pennsylvania
Rhode Island
Vermont

CONSUMER PRICE INDEX vs. AVERAGE DAILY ROOM RATE



ALL HOTELS – 2014 VS. 2013

How Hotels Performed

Figure Number 1

	SHOWING INCREASES	SHOWING DECREASES
NUMBER OF ROOMS SOLD	69.6%	30.4%
ROOMS REVENUE	86.7%	13.3%
FOOD & BEVERAGE REVENUE	72.8%	27.2%
OTHER OPERATED REVENUE	55.6%	44.4%
TOTAL REVENUE	86.2%	13.8%
DEPARTMENTAL EXPENSES	84.4%	15.6%
UNDISTRIBUTED EXPENSES	83.5%	16.5%
PROPERTY TAXES AND INSURANCE	65.9%	34.1%
NET OPERATING INCOME*	78.2%	21.8%

* Before deduction for rent

ALL HOTELS
Statistical Highlights – 2014
Figure Number 2

	Average Size (Rooms)	2014 Occupancy	Change from 2013	2014 ADR	Change from 2013	2014 Total RevPAR	Change from 2013	2014 NOI* PAR	Change from 2013
All Hotels	215	74.3 %	3.0 %	$158.62	4.1 %	$61,897	6.9 %	$17,849	12.3 %
Full Service	248	74.8	3.1	166.05	4.3	63,653	7.0	17,690	13.0
Limited Service	111	69.4	3.5	94.87	4.2	24,465	7.9	8,602	11.5
Suite with F&B	237	76.7	2.5	149.51	5.4	52,405	7.8	17,782	12.3
Suite Without F&B	123	78.5	2.9	119.53	4.8	35,240	7.8	13,694	10.6
Convention	828	74.6	2.3	183.78	3.1	84,027	5.6	23,423	9.2
Resort	442	71.9	3.3	226.37	4.0	111,433	7.4	28,818	15.0

* Before deduction for rent.

ALL HOTELS – 2014

Source and Disposition of the Industry Dollar

Figure Number 3

Revenues

Costs and Expenses

ALL HOTELS
Summary Operating Statement
Dollars Per Available and Occupied Room

Figure Number 4

	2014 Dollars Per Available Room	2013 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2013 Dollars Per Occupied Room	Change From Prior Year
Revenue						
Rooms	$ 43,015	$ 40,097	7.3 %	$ 158.62	$ 152.31	4.1 %
Food and Beverage	15,278	14,380	6.2	56.34	54.62	3.1
Other Operated Departments	2,898	2,728	6.2	10.69	10.36	3.1
Rentals and Other Income	706	677	4.3	2.60	2.57	1.2
Total Revenue	$ 61,897	$ 57,883	6.9 %	$ 228.24	$ 219.87	3.8 %
Departmental Expenses						
Rooms	$ 11,276	$ 10,649	5.9 %	$ 41.58	$ 40.45	2.8 %
Food and Beverage	10,927	10,490	4.2	40.29	39.85	1.1
Other Operated Departments	1,914	1,863	2.7	7.06	7.08	(0.3)
Total Departmental Expenses	$ 24,118	$ 23,002	4.8 %	$ 88.93	$ 87.37	1.8 %
Total Departmental Income	$ 37,779	$ 34,881	8.3 %	$ 139.31	$ 132.50	5.1 %
Undistributed Operating Expenses						
Administrative and General	$ 5,152	$ 4,925	4.6 %	$ 19.00	$ 18.71	1.5 %
Sales and Marketing	4,914	4,641	5.9	18.12	17.63	2.8
Property Operations and Maintenance	2,732	2,628	4.0	10.07	9.98	0.9
Utilities	2,236	2,133	4.8	8.24	8.10	1.7
Total Undistributed Expenses	$ 15,034	$ 14,327	4.9 %	$ 55.44	$ 54.42	1.9 %
Gross Operating Profit	$ 22,746	$ 20,553	10.7 %	$ 83.87	$ 78.07	7.4 %
Management Fees	$ 2,169	$ 1,999	8.5 %	$ 8.00	$ 7.59	5.3 %
Income Before Fixed Charges	$ 20,577	$ 18,554	10.9 %	$ 75.88	$ 70.48	7.7 %
Fixed Charges						
Property and Other Taxes	$ 2,089	$ 2,035	2.7 %	$ 7.70	$ 7.73	(0.3)%
Insurance	639	620	3.2	2.36	2.35	0.2
Total Fixed Charges	$ 2,728	$ 2,654	2.8 %	$ 10.06	$ 10.08	(0.2)%
Net Operating Income*	$ 17,849	$ 15,900	12.3 %	$ 65.82	$ 60.40	9.0 %
Percentage of Occupancy	74.3 %	72.1 %	3.0 %			
Average Daily Rate	$ 158.62	$ 152.31	4.1 %			
RevPAR	$ 117.85	$ 109.86	7.3 %			
Average Size (Rooms)	215	216	(0.2)%			

* Before deduction for rent

ALL HOTELS
Summary Operating Statement
Percent of Revenue

Figure Number 5

	2014 Percent of Revenue	2013 Percent of Revenue
Revenue		
Rooms	69.5 %	69.3 %
Food and Beverage	24.7	24.8
Other Operated Departments	4.7	4.7
Rentals and Other Income	1.1	1.2
Total Revenue	100.0 %	100.0 %
Departmental Expenses*		
Rooms	26.2 %	26.6 %
Food and Beverage	71.5	73.0
Other Operated Departments	66.0	68.3
Total Departmental Expenses	39.0 %	39.7 %
Total Departmental Income	61.0 %	60.3 %
Undistributed Operating Expenses		
Administrative and General	8.3 %	8.5 %
Sales and Marketing	7.9	8.0
Property Operations and Maintenance	4.4	4.5
Utilities	3.6	3.7
Total Undistributed Expenses	24.3 %	24.8 %
Gross Operating Profit	36.7 %	35.5 %
Management Fees	3.5 %	3.5 %
Income Before Fixed Charges	33.2 %	32.1 %
Fixed Charges		
Property and Other Taxes	3.4 %	3.5 %
Insurance	1.0	1.1
Total Fixed Charges	4.4 %	4.6 %
Net Operating Income**	28.8 %	27.5 %
Percentage of Occupancy	74.3 %	72.1 %
Average Daily Rate	$ 158.62	$ 152.31
RevPAR	$ 117.85	$ 109.86
Average Size (Rooms)	215	216

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

ALL HOTELS
Departmental Expenses
Figure Number 6

	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Total Labor Costs	$ 6,811	4.7 %	$ 25.12	15.8 %
Other Expenses	4,465	7.7	16.46	10.4
Total Department Expenses	$ 11,276	5.9 %	$ 41.58	26.2 %
Food and Beverage Department*				
Total Labor Costs	$ 6,476	3.4 %	$ 23.88	42.4 %
Other Expenses***	4,451	5.2	16.41	29.1
Total Department Expenses	$ 10,927	4.2 %	$ 40.29	71.5 %
Other Operated Departments*				
Total Labor Costs	$ 1,033	1.8 %	$ 3.81	35.6 %
Other Expenses***	881	3.8	3.25	30.4
Total Department Expenses	$ 1,914	2.7 %	$ 7.06	66.0 %
Administrative and General Department**				
Total Labor Costs	$ 2,458	2.7 %	$ 9.06	4.0 %
Other Expenses	2,695	6.4	9.94	4.4
Total Department Expenses	$ 5,152	4.6 %	$ 19.00	8.3 %
Marketing Department**				
Total Labor Costs	$ 1,314	4.5 %	$ 4.84	2.1 %
Other Expenses	3,600	6.4	13.27	5.8
Total Department Expenses	$ 4,914	5.9 %	$ 18.12	7.9 %
Maintenance Department**				
Total Labor Costs	$ 1,394	3.0 %	$ 5.14	2.3 %
Other Expenses	1,337	5.0	4.93	2.2
Total Department Expenses	$ 2,732	4.0 %	$ 10.07	4.4 %
Utilities Department**				
Other Expenses	$ 2,236	4.8 %	$ 8.24	3.6 %
Total Departmental Expenses**				
Total Labor Costs	$ 19,486	3.7 %	$ 71.85	31.5 %
Other Expenses***	19,665	6.0	72.51	31.8
Total Departmental Expenses*****	$ 39,151	4.9 %	$ 144.37	63.3 %

* Expressed as a percent of department revenue.
** Expressed as a percent of total revenue.
*** Includes cost of sales.
****Before management fees, property taxes, insurance, and rent.

ALL HOTELS
Payroll Costs
Figure Number 7

	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Salaries, Wages and Bonuses	$ 4,797	4.6 %	$ 17.69	11.2 %
Payroll-Related Expenses	2,015	5.2	7.43	4.7
Total Labor Costs	$ 6,811	4.7 %	$ 25.12	15.8 %
Food and Beverage Department*				
Salaries, Wages and Bonuses	$ 4,392	3.6 %	$ 16.19	28.7 %
Payroll-Related Expenses	2,085	3.1	7.69	13.6
Total Labor Costs	$ 6,476	3.4 %	$ 23.88	42.4 %
Other Operated Departments*				
Salaries, Wages and Bonuses	$ 717	1.4 %	$ 2.64	24.7 %
Payroll-Related Expenses	315	2.7	1.16	10.9
Total Labor Costs	$ 1,033	1.8 %	$ 3.81	35.6 %
Administrative and General Department**				
Salaries, Wages and Bonuses	$ 1,819	2.8 %	$ 6.71	2.9 %
Payroll-Related Expenses	638	2.5	2.35	1.0
Total Labor Costs	$ 2,458	2.7 %	$ 9.06	4.0 %
Marketing Department**				
Salaries, Wages and Bonuses	$ 1,003	4.8 %	$ 3.70	1.6 %
Payroll-Related Expenses	311	3.3	1.15	0.5
Total Labor Costs	$ 1,314	4.5 %	$ 4.84	2.1 %
Maintenance Department**				
Salaries, Wages and Bonuses	$ 985	2.7 %	$ 3.63	1.6 %
Payroll-Related Expenses	410	3.5	1.51	0.7
Total Labor Costs	$ 1,394	3.0 %	$ 5.14	2.3 %
All Departments**				
Salaries, Wages and Bonuses	$ 13,712	3.7 %	$ 50.56	22.2 %
Payroll-Related Expenses	5,774	3.8	21.29	9.3
Total Labor Costs	$ 19,486	3.7 %	$ 71.85	31.5 %

* Expressed as a percent of department revenue.
** Expressed as a percent of total revenue.

ALL HOTELS

Management Fees – Franchise Fees – 2014

Figure Number 8*

	Management Fees PAR	Management Fees Percent of Total Revenue	Franchise Fees** PAR	Franchise Fees** Percent of Rooms Revenue
All Hotels	$ 2,255	3.6 %	$ 3,432	8.0 %
Full Service	2,386	3.7	3,679	8.1
Limited Service	709	2.9	2,473	10.3
Suite With F&B	1,414	2.7	4,554	10.9
Suite Without F&B	1,471	4.2	2,781	8.1
Convention	3,437	4.0	3,701	7.2
Resort	3,671	3.3	3,496	5.7

* Figure 8 reflects composite results for only those properties reporting a management fee and/or franchise fee. In all other charts, management fee and franchise fee ratios are calculated based on the total sample, whether or not management fees or franchise fees were reported.

** Reservation assessment, franchise royalty, marketing assessment, loyalty program

ALL HOTELS

Selected Revenue and Expense Items – 20-Year Trend

Figure Number 9

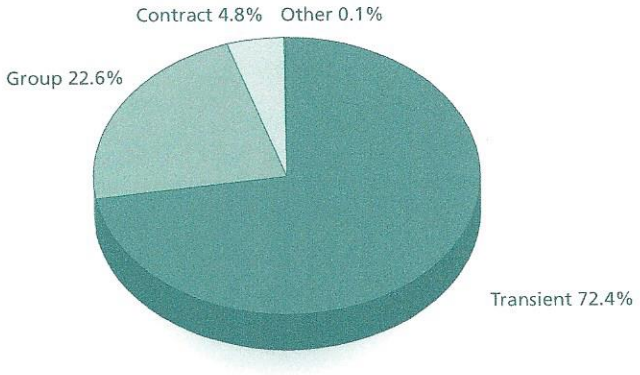
	Year*							
	1995	2000	2005	2010	2011	2012	2013	2014
Ratios to Total Revenues								
Rooms	64.1 %	67.4 %	68.0 %	66.3 %	66.8 %	67.8 %	69.3 %	69.5 %
Food and Beverage	24.6	24.9	24.9	26.6	26.6	25.7	24.8	24.7
Other Operated Departments	9.5	6.2	5.5	5.2	5.0	4.7	4.7	4.7
Rental and Other Income	1.8	1.5	1.6	1.9	1.7	1.7	1.2	1.1
Total Departmental Income	57.4 %	61.2 %	60.1 %	57.5 %	58.3 %	59.0 %	60.3 %	61.0 %
Gross Operating Profit	32.5	38.8	34.5	30.9	32.0	33.3	35.5	36.7
NOI**	26.1	32.3	26.8	22.9	24.3	25.6	27.5	28.8
Dollars Per Available Room								
Total Revenue	$32,958	$46,710	$47,965	$50,777	$53,409	$56,559	$57,883	$61,897
NOI**	10,961	15,100	12,872	11,639	12,972	14,469	15,900	17,849
Occupancy	75.0 %	70.6 %	71.4 %	67.7 %	69.2 %	70.5 %	72.1 %	74.3 %
Average Daily Rate	$102.22	$122.73	$126.12	$136.24	$135.78	$149.10	$152.31	$158.62

* Data prior to 2013 taken from different samples.

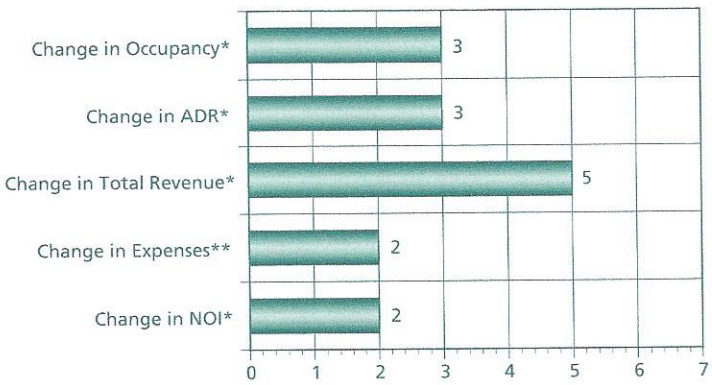
** Before deduction for rent.

FULL-SERVICE HOTELS
Performance in 2014

FULL-SERVICE HOTELS
Market Mix



RANKING
Rank Among Six Property Type Categories
Change From 2013 to 2014



NOTE: * 1 = greatest increase, 6 = least increase
** 1 = least increase, 6 = greatest increase

- Total full-service hotel revenues increased 7.0 percent in 2014 driven by a 3.1 percent gain in occupancy and a 4.3 percent rise in ADR.
- With expenses growing 4.9 percent, full-service NOI increased 13.0 percent.
- Expenses within the rooms and sales and marketing departments grew the most on a percentage basis from 2013 to 2014.
- Labor costs at full-service hotels increased 3.6 percent in 2014. The combined costs of salaries, wages, bonuses, and benefits represented 44.9 percent of total operating expenses for the year.
- Lower-priced full-service properties achieved the greatest gains in NOI in 2014. Full-service properties with an ADR under $110 experienced a 17.4 percent increase in NOI.
- Among the regions, full-service hotels in the Mountain/Pacific states achieved the greatest growth in NOI.

FULL-SERVICE HOTELS

Summary Operating Statement
Dollars Per Available and Occupied Room

Figure Number 10

	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Occupied Room
Revenue				
Rooms	$ 45,360	7.6 %	71.3 %	$ 166.05
Food and Beverage	15,526	5.9	24.4	56.84
Other Operated Departments	2,177	4.3	3.4	7.97
Rentals and Other Income	590	4.8	0.9	2.16
Total Revenue	$ 63,653	7.0 %	100.0 %	$ 233.01
Departmental Expenses*				
Rooms	$ 11,893	5.9 %	26.2 %	$ 43.54
Food and Beverage	11,585	4.1	74.6	42.41
Other Operated Departments	1,530	2.1	70.3	5.60
Total Departmental Expenses	$ 25,008	4.8 %	39.3 %	$ 91.55
Total Departmental Income	$ 38,645	8.5 %	60.7 %	$ 141.47
Undistributed Operating Expenses				
Administrative and General	$ 5,566	4.4 %	8.7 %	$ 20.37
Sales and Marketing	5,228	5.8	8.2	19.14
Property Operations and Maintenance	2,784	3.8	4.4	10.19
Utilities	2,241	5.1	3.5	8.20
Total Undistributed Expenses	$ 15,818	4.9 %	24.8 %	$ 57.90
Gross Operating Profit	$ 22,827	11.2 %	35.9 %	$ 83.56
Management Fees	$ 2,278	8.7 %	3.6 %	$ 8.34
Income Before Fixed Charges	$ 20,550	11.5 %	32.3 %	$ 75.23
Fixed Charges				
Property and Other Taxes	$ 2,245	2.5 %	3.5 %	$ 8.22
Insurance	614	4.0	1.0	2.25
Total Fixed Charges	$ 2,859	2.8 %	4.5 %	$ 10.47
Net Operating Income**	$ 17,690	13.0 %	27.8 %	$ 64.76
Percentage of Occupancy	74.8 %	3.1 %		
Average Daily Rate	$ 166.05	4.3 %		
RevPAR	$ 124.27	7.6 %		
Average Size (Rooms)	248	(0.2)%		

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

FULL-SERVICE HOTELS
Summary Operating Statement – By Rate Groups
Figure Number 10A

	Rate Groups								
	Under $110			$110 to $200			Over $200		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue									
Rooms	$ 25,081	9.2 %	79.9 %	$ 39,425	8.3 %	71.9 %	$ 84,919	6.1 %	68.2 %
Food and Beverage	5,668	4.9	18.1	13,326	6.8	24.3	32,544	4.7	26.1
Other Operated Departments	440	8.1	1.4	1,646	5.1	3.0	5,636	3.2	4.5
Rentals and Other Income	194	10.8	0.6	468	1.8	0.9	1,382	7.3	1.1
Total Revenue	$ 31,383	8.4 %	100.0 %	$ 54,866	7.7 %	100.0 %	$ 124,481	5.6 %	100.0 %
Departmental Expenses*									
Rooms	$ 6,999	7.8 %	27.9 %	$ 9,745	6.1 %	24.7 %	$ 23,756	4.9 %	28.0 %
Food and Beverage	4,195	3.7	74.0	9,354	4.8	70.2	26,222	3.2	80.6
Other Operated Departments	377	2.2	85.6	1,038	3.3	63.0	4,278	1.1	75.9
Total Departmental Expenses	$ 11,572	6.1 %	36.9 %	$ 20,137	5.4 %	36.7 %	$ 54,256	3.8 %	43.6 %
Total Departmental Income	$ 19,811	9.8 %	63.1 %	$ 34,729	9.2 %	63.3 %	$ 70,225	7.1 %	56.4 %
Undistributed Operating Expenses									
Administrative and General	$ 3,176	5.4 %	10.1 %	$ 4,792	4.7 %	8.7 %	$ 10,468	3.7 %	8.4 %
Sales and Marketing	3,341	5.8	10.6	5,009	6.7	9.1	7,832	3.8	6.3
Property Operations and Maintenance	1,683	4.6	5.4	2,425	4.0	4.4	5,050	3.3	4.1
Utilities	1,549	5.7	4.9	2,057	5.5	3.7	3,530	4.0	2.8
Total Undistributed Expenses	$ 9,749	5.5 %	31.1 %	$ 14,282	5.4 %	26.0 %	$ 26,880	3.7 %	21.6 %
Gross Operating Profit	$ 10,063	14.3 %	32.1 %	$ 20,447	12.0 %	37.3 %	$ 43,345	9.2 %	34.8 %
Management Fees	$ 1,047	8.6 %	3.3 %	$ 2,034	8.8 %	3.7 %	$ 4,301	8.5 %	3.5 %
Income Before Fixed Charges	$ 9,016	15.0 %	28.7 %	$ 18,413	12.4 %	33.6 %	$ 39,044	9.3 %	31.4 %
Fixed Charges									
Property and Other Taxes	$ 962	2.0 %	3.1 %	$ 1,715	2.3 %	3.1 %	$ 5,248	2.8 %	4.2 %
Insurance	355	4.7	1.1	532	5.3	1.0	1,140	2.0	0.9
Total Fixed Charges	$ 1,317	2.7 %	4.2 %	$ 2,247	3.0 %	4.1 %	$ 6,388	2.7 %	5.1 %
Net Operating Income**	$ 7,699	17.4 %	24.5 %	$ 16,166	13.8 %	29.5 %	$ 32,656	10.7 %	26.2 %
Percentage of Occupancy	70.5 %	5.3 %		74.3 %	3.0 %		81.0 %	1.7 %	
Average Daily Rate	$ 97.48	3.7 %		$ 145.38	5.1 %		$ 287.33	4.3 %	
RevPAR	$ 68.71	9.2 %		$ 108.01	8.3 %		$ 232.66	6.1 %	
Average Size (Rooms)	181	(0.2)%		257	(0.2)%		332	(0.1)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

FULL-SERVICE HOTELS

Summary Operating Statement – By Geographic Divisions

Figure Number 10B

		Geographic Divisions					
		New England/Middle Atlantic			North Central		
		2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue							
1.	Rooms	$ 60,692	4.2 %	73.3 %	$ 37,262	4.8 %	68.8 %
2.	Food and Beverage	18,887	2.9	22.8	14,876	2.9	27.5
3.	Other Operated Departments	2,511	3.3	3.0	1,472	0.8	2.7
4.	Rentals and Other Income	714	6.9	0.9	531	2.4	1.0
5.	Total Revenue	$ 82,805	3.9 %	100.0 %	$ 54,141	4.1 %	100.0 %
Departmental Expenses*							
6.	Rooms	$ 16,954	4.7 %	27.9 %	$ 10,038	3.4 %	26.9 %
7.	Food and Beverage	15,429	2.2	81.7	10,904	2.4	73.3
8.	Other Operated Departments	1,893	1.9	75.4	1,138	2.9	77.3
9.	Total Departmental Expenses	$ 34,277	3.4 %	41.4 %	$ 22,081	2.9 %	40.8 %
10.	Total Departmental Income	$ 48,528	4.3 %	58.6 %	$ 32,060	5.0 %	59.2 %
Undistributed Operating Expenses							
11.	Administrative and General	$ 7,150	3.1 %	8.6 %	$ 4,923	3.0 %	9.1 %
12.	Sales and Marketing	6,166	4.0	7.4	4,735	4.9	8.7
13.	Property Operations and Maintenance	3,550	2.5	4.3	2,580	1.9	4.8
14.	Utilities	2,855	4.4	3.4	2,107	6.5	3.9
15.	Total Undistributed Expenses	$ 19,722	3.4 %	23.8 %	$ 14,345	3.9 %	26.5 %
16.	Gross Operating Profit	$ 28,806	4.9 %	34.8 %	$ 17,715	5.8 %	32.7 %
17.	Management Fees	$ 2,771	3.5 %	3.3 %	$ 1,895	5.0 %	3.5 %
18.	Income Before Fixed Charges	$ 26,035	5.0 %	31.4 %	$ 15,820	5.9 %	29.2 %
Fixed Charges							
19.	Property and Other Taxes	$ 4,109	2.8 %	5.0 %	$ 2,237	1.5 %	4.1 %
20.	Insurance	606	4.8	0.7	350	6.5	0.6
21.	Total Fixed Charges	$ 4,715	3.0 %	5.7 %	$ 2,588	2.2 %	4.8 %
22.	Net Operating Income**	$ 21,320	5.5 %	25.7 %	$ 13,232	6.7 %	24.4 %
23.	Percentage of Occupancy	76.9 %	1.8 %		69.6 %	1.3 %	
24.	Average Daily Rate	$ 216.14	2.4 %		$ 146.70	3.4 %	
25.	RevPAR	$ 166.28	4.2 %		$ 102.09	4.8 %	
26.	Average Size (Rooms)	259	(0.2)%		242	(0.3)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

FULL-SERVICE HOTELS
Summary Operating Statement – By Geographic Divisions
Figure Number 10B (Continued)

	Geographic Divisions								
	South Atlantic			South Central			Mountain/Pacific		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
1.	$ 37,809	8.6 %	71.1 %	$ 39,138	8.2 %	71.6 %	$ 49,180	11.0 %	70.5 %
2.	13,225	6.1	24.9	13,069	8.4	23.9	16,985	8.5	24.4
3.	1,670	3.9	3.1	2,023	8.4	3.7	2,865	4.6	4.1
4.	477	6.4	0.9	460	4.1	0.8	713	3.5	1.0
5.	$ 53,180	7.8 %	100.0 %	$ 54,690	8.2 %	100.0 %	$ 69,743	10.0 %	100.0 %
6.	$ 9,408	6.1 %	24.9 %	$ 8,818	5.9 %	22.5 %	$ 13,313	7.8 %	27.1 %
7.	9,107	3.9	68.9	8,551	4.7	65.4	13,215	6.3	77.8
8.	1,133	0.6	67.9	1,365	6.3	67.5	1,934	1.0	67.5
9.	$ 19,648	4.7 %	36.9 %	$ 18,735	5.4 %	34.3 %	$ 28,462	6.6 %	40.8 %
10.	$ 33,532	9.7 %	63.1 %	$ 35,955	9.7 %	65.7 %	$ 41,281	12.5 %	59.2 %
11.	$ 4,793	4.4 %	9.0 %	$ 4,768	5.4 %	8.7 %	$ 5,940	5.8 %	8.5 %
12.	4,698	6.1	8.8	4,978	8.1	9.1	5,444	6.2	7.8
13.	2,382	4.2	4.5	2,486	5.0	4.5	2,878	5.1	4.1
14.	2,076	4.5	3.9	1,970	3.8	3.6	2,178	6.1	3.1
15.	$ 13,949	5.0 %	26.2 %	$ 14,201	6.1 %	26.0 %	$ 16,441	5.8 %	23.6 %
16.	$ 19,583	13.3 %	36.8 %	$ 21,754	12.3 %	39.8 %	$ 24,840	17.3 %	35.6 %
17.	$ 1,962	9.5 %	3.7 %	$ 2,118	7.8 %	3.9 %	$ 2,507	14.8 %	3.6
18.	$ 17,621	13.7 %	33.1 %	$ 19,636	12.8 %	35.9 %	$ 22,333	17.6 %	32.0 %
19.	$ 1,561	2.3 %	2.9 %	$ 1,813	3.8 %	3.3 %	$ 1,774	2.1 %	2.5 %
20.	650	5.0	1.2	538	3.9	1.0	777	2.4	1.1
21.	$ 2,212	3.1 %	4.2 %	$ 2,351	3.8 %	4.3 %	$ 2,551	2.2 %	3.7 %
22.	$ 15,409	15.4 %	29.0 %	$ 17,285	14.1 %	31.6 %	$ 19,782	20.0 %	28.4 %
23.	74.3 %	4.4 %		72.3 %	3.8 %		78.2 %	3.6 %	
24.	$ 139.36	4.0 %		$ 148.34	4.2 %		$ 172.34	7.1 %	
25.	$ 103.59	8.6 %		$ 107.23	8.2 %		$ 134.74	11.0 %	
26.	238	(0.3)%		224	(0.2)%		269	(0.2)%	

FULL-SERVICE HOTELS

Summary Operating Statement – By Property Size Classifications

Figure Number 10C

	Property Size Classifications								
	Under 150 Rooms			150 to 300 Rooms			Over 300 Rooms		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue									
Rooms	$ 33,090	8.1 %	85.0 %	$ 45,410	8.0 %	72.2 %	$ 49,636	7.2 %	68.2 %
Food and Beverage	4,826	2.4	12.4	14,890	4.5	23.7	19,675	6.8	27.0
Other Operated Departments	822	5.6	2.1	2,044	1.4	3.2	2,734	5.5	3.8
Rentals and Other Income	213	4.2	0.5	577	10.8	0.9	731	2.1	1.0
Total Revenue	$ 38,950	7.3 %	100.0 %	$ 62,922	7.0 %	100.0 %	$ 72,775	7.0 %	100.0 %
Departmental Expenses*									
Rooms	$ 7,970	6.4 %	24.1 %	$ 11,423	5.9 %	25.2 %	$ 13,561	5.7 %	27.3 %
Food and Beverage	3,703	(0.3)	76.7	11,358	3.3	76.3	14,492	4.8	73.7
Other Operated Departments	745	6.3 %	90.7	1,564	2.3	76.5	1,784	1.4	65.2
Total Departmental Expenses	$ 12,418	4.3 %	31.9 %	$ 24,344	4.5 %	38.7 %	$ 29,837	5.0 %	41.0 %
Total Departmental Income	$ 26,532	8.8 %	68.1 %	$ 38,578	8.6 %	61.3 %	$ 42,938	8.4 %	59.0 %
Undistributed Operating Expenses									
Administrative and General	$ 3,761	4.6 %	9.7 %	$ 5,721	4.7 %	9.1 %	$ 6,103	4.2 %	8.4 %
Sales and Marketing	3,500	5.5	9.0	5,515	5.7	8.8	5,657	5.9	7.8
Property Operations and Maintenance	1,814	4.1	4.7	2,732	3.3	4.3	3,155	4.1	4.3
Utilities	1,545	6.2	4.0	2,286	5.2	3.6	2,457	4.7	3.4
Total Undistributed Expenses	$ 10,620	5.0 %	27.3 %	$ 16,254	4.8 %	25.8 %	$ 17,372	4.8 %	23.9 %
Gross Operating Profit	$ 15,912	11.4 %	40.9 %	$ 22,323	11.6 %	35.5 %	$ 25,566	10.9 %	35.1 %
Management Fees	$ 1,603	7.5 %	4.1 %	$ 2,264	9.2 %	3.6 %	$ 2,523	8.7 %	3.5 %
Income Before Fixed Charges	$ 14,309	11.9 %	36.7 %	$ 20,060	11.8 %	31.9 %	$ 23,042	11.2 %	31.7 %
Fixed Charges									
Property and Other Taxes	$ 1,349	3.9 %	3.5 %	$ 2,055	1.5 %	3.3 %	$ 2,677	2.8 %	3.7 %
Insurance	349	4.8	0.9	575	4.8	0.9	732	3.5	1.0
Total Fixed Charges	$ 1,698	4.1 %	4.4 %	$ 2,630	2.2 %	4.2 %	$ 3,409	2.9 %	4.7 %
Net Operating Income**	$ 12,612	13.0 %	32.4 %	$ 17,430	13.5 %	27.7 %	$ 19,634	12.8 %	27.0 %
Percentage of Occupancy	71.7 %	3.7 %		73.9 %	3.3 %		76.5 %	2.8 %	
Average Daily Rate	$ 126.47	4.3 %		$ 168.25	4.6 %		$ 177.75	4.2 %	
RevPAR	$ 90.66	8.1 %		$ 124.41	8.0 %		$ 135.99	7.2 %	
Average Size (Rooms)	124	(0.4)%		212	(0.2)%		451	(0.2)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

FULL-SERVICE HOTELS
Departmental Expenses
Figure Number 11

	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Total Labor Costs	$ 7,293	4.6 %	$ 26.70	16.1 %
Other Expenses	4,600	7.9	16.84	10.1
Total Department Expenses	$ 11,893	5.9 %	$ 43.54	26.2 %
Food and Beverage Department*				
Total Labor Costs	$ 6,929	3.3 %	$ 25.37	44.6 %
Other Expenses***	4,656	5.3	17.04	30.0
Total Department Expenses	$ 11,585	4.1 %	$ 42.41	74.6 %
Other Operated Departments*				
Total Labor Costs	$ 813	2.4 %	$ 2.98	37.4 %
Other Expenses***	716	1.8	2.62	32.9
Total Department Expenses	$ 1,530	2.1 %	$ 5.60	70.3 %
Administrative and General Department**				
Total Labor Costs	$ 2,738	2.3 %	$ 10.02	4.3 %
Other Expenses	2,828	6.6	10.35	4.4
Total Department Expenses	$ 5,566	4.4 %	$ 20.37	8.7 %
Marketing Department**				
Total Labor Costs	$ 1,450	4.4 %	$ 5.31	2.3 %
Other Expenses	3,778	6.3	13.83	5.9
Total Department Expenses	$ 5,228	5.8 %	$ 19.14	8.2 %
Maintenance Department**				
Total Labor Costs	$ 1,436	3.1 %	$ 5.26	2.3 %
Other Expenses	1,348	4.7	4.93	2.1
Total Department Expenses	$ 2,784	3.8 %	$ 10.19	4.4 %
Utilities Department**				
Other Expenses	$ 2,241	5.1 %	$ 8.20	3.5 %
Total Departmental Expenses**				
Total Labor Costs	$ 20,659	3.6 %	$ 75.63	32.5 %
Other Expenses***	20,167	6.0	73.82	31.7
Total Departmental Expenses*****	$ 40,826	4.8 %	$ 149.45	64.1 %

* Expressed as a percent of department revenue.
** Expressed as a percent of total revenue.
*** Includes cost of sales.
****Before management fees, property taxes, insurance, and rent.

FULL-SERVICE HOTELS

Payroll Costs

Figure Number 12

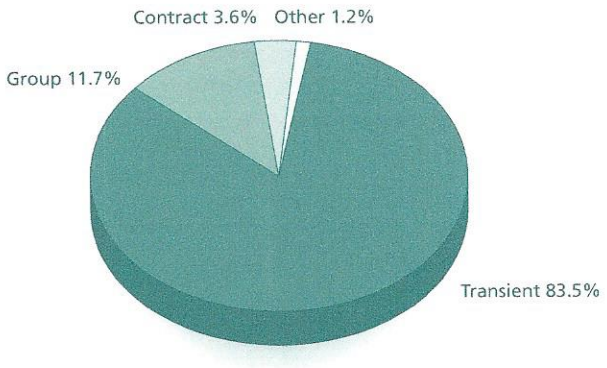
	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Salaries, Wages and Bonuses	$ 5,082	4.3 %	$ 18.60	11.2 %
Payroll-Related Expenses	2,211	5.5	8.09	4.9
Total Labor Costs	$ 7,293	4.6 %	$ 26.70	16.1 %
Food and Beverage Department*				
Salaries, Wages and Bonuses	$ 4,729	3.5 %	$ 17.31	30.5 %
Payroll-Related Expenses	2,200	2.7	8.05	14.2
Total Labor Costs	$ 6,929	3.3 %	$ 25.37	44.6 %
Other Operated Departments*				
Salaries, Wages and Bonuses	$ 564	1.5 %	$ 2.06	25.9 %
Payroll-Related Expenses	250	4.4	0.91	11.5
Total Labor Costs	$ 813	2.4 %	$ 2.98	37.4 %
Administrative and General Department**				
Salaries, Wages and Bonuses	$ 2,023	2.4 %	$ 7.41	3.2 %
Payroll-Related Expenses	715	2.0	2.62	1.1
Total Labor Costs	$ 2,738	2.3 %	$ 10.02	4.3 %
Marketing Department**				
Salaries, Wages and Bonuses	$ 1,108	4.9 %	$ 4.06	1.7 %
Payroll-Related Expenses	341	2.9	1.25	0.5
Total Labor Costs	$ 1,450	4.4 %	$ 5.31	2.3 %
Maintenance Department**				
Salaries, Wages and Bonuses	$ 1,010	2.9 %	$ 3.70	1.6 %
Payroll-Related Expenses	426	3.6	1.56	0.7
Total Labor Costs	$ 1,436	3.1 %	$ 5.26	2.3 %
All Departments**				
Salaries, Wages and Bonuses	$ 14,516	3.6 %	$ 53.14	22.8 %
Payroll-Related Expenses	6,143	3.8	22.49	9.7
Total Labor Costs	$ 20,659	3.6 %	$ 75.63	32.5 %

* Expressed as a percent of department revenue.

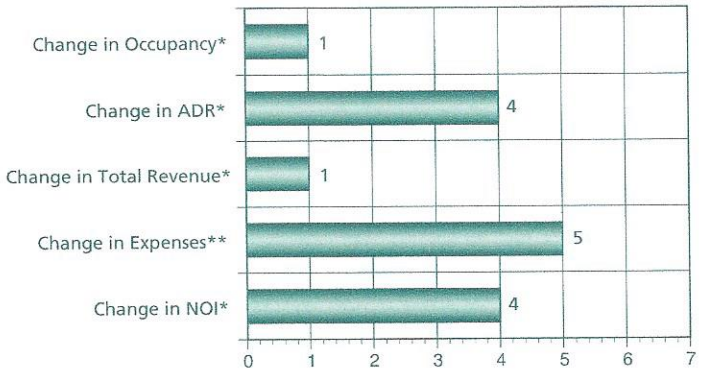
** Expressed as a percent of total revenue.

LIMITED-SERVICE HOTELS
Performance in 2014

LIMITED-SERVICE HOTELS
Market Mix



RANKING
Rank Among Six Property Type Categories
Change From 2013 to 2014



NOTE: * 1 = greatest increase, 6 = least increase
** 1 = least increase, 6 = greatest increase

- Total limited-service hotel revenues increased 7.9 percent in 2014. The growth in revenue can be attributed to a 3.5 percent gain in occupancy accompanied by a 4.2 percent rise in ADR.
- With expenses growing at 6.0 percent, limited-service NOI grew 11.5 percent.
- Expenses in the rooms and utilities departments grew the most on a percentage basis from 2013 to 2014.
- Labor costs at limited-service hotels increased 4.8 percent in 2014. The combined costs of salaries, wages, bonuses, and benefits represented 34.1 percent of total operating expenses for the year.
- Limited-service hotels between 100 and 150 rooms achieved the highest NOI growth of 13.1 percent. Conversely, limited-service properties with fewer than 100 rooms achieved an increase in NOI of just 8.3 percent.
- Limited-service hotels in the Mountain/Pacific and South Atlantic regions achieved the greatest gains in NOI. Properties in the New England/Middle Atlantic states lagged in NOI growth.

LIMITED-SERVICE HOTELS
Summary Operating Statement
Dollars Per Available and Occupied Room

Figure Number 13

	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Occupied Room
Revenue				
Rooms	$ 24,015	7.9 %	98.2 %	$ 94.87
Other Operated Departments	295	11.6	1.2	1.16
Rentals and Other Income	155	3.1	0.6	0.61
Total Revenue	$ 24,465	7.9 %	100.0 %	$ 96.64
Departmental Expenses*				
Rooms	$ 6,318	6.7 %	26.3 %	$ 24.96
Other Operated Departments	297	6.0	100.8	1.17
Total Departmental Expenses	$ 6,615	6.6 %	27.0 %	$ 26.13
Total Departmental Income	$ 17,850	8.3 %	73.0 %	$ 70.51
Undistributed Operating Expenses				
Administrative and General	$ 2,178	5.5 %	8.9 %	$ 8.60
Sales and Marketing	2,532	5.4	10.3	10.00
Property Operations and Maintenance	1,266	5.0	5.2	5.00
Utilities	1,153	6.0	4.7	4.55
Total Undistributed Expenses	$ 7,129	5.4 %	29.1 %	$ 28.16
Gross Operating Profit	$ 10,721	10.4 %	43.8 %	$ 42.35
Management Fees	$ 702	11.2 %	2.9 %	$ 2.77
Income Before Fixed Charges	$ 10,020	10.3 %	41.0 %	$ 39.58
Fixed Charges				
Property and Other Taxes	$ 1,024	3.3 %	4.2 %	$ 4.04
Insurance	393	5.0	1.6	1.55
Total Fixed Charges	$ 1,417	3.8 %	5.8 %	$ 5.60
Net Operating Income**	$ 8,602	11.5 %	35.2 %	$ 33.98
Percentage of Occupancy	69.4 %	3.5 %		
Average Daily Rate	$ 94.87	4.2 %		
RevPAR	$ 65.80	7.9 %		
Average Size (Rooms)	111	—		

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

LIMITED-SERVICE HOTELS
Summary Operating Statement – By Rate Groups
Figure Number 13A

	Rate Groups								
	Under $75			$75 to $115			Over $115		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue									
Rooms	$ 15,177	6.7 %	99.1 %	$ 23,743	8.8 %	98.3 %	$ 39,186	7.2 %	97.3 %
Other Operated Departments	59	20.3	0.4	276	12.7	1.1	731	9.5	1.8
Rentals and Other Income	74	(0.6)	0.5	127	(10.9)	0.5	368	23.1	0.9
Total Revenue	$ 15,310	6.7 %	100.0 %	$ 24,146	8.7 %	100.0 %	$ 40,285	7.3 %	100.0 %
Departmental Expenses*									
Rooms	$ 4,534	5.5 %	29.9 %	$ 6,398	7.2 %	26.9 %	$ 9,004	6.6 %	23.0 %
Other Operated Departments	106	(7.0)	180.1	315	6.7	114.0	559	9.7	76.5
Total Departmental Expenses	$ 4,639	5.2 %	30.3 %	$ 6,713	7.2 %	27.8 %	$ 9,563	6.7 %	23.7 %
Total Departmental Income	$ 10,671	7.4 %	69.7 %	$ 17,433	9.3 %	72.2 %	$ 30,721	7.5 %	76.3 %
Undistributed Operating Expenses									
Administrative and General	$ 1,534	5.5 %	10.0 %	$ 2,212	5.9 %	9.2 %	$ 3,134	4.8 %	7.8 %
Sales and Marketing	1,334	2.4	8.7	2,478	5.8	10.3	4,637	6.2	11.5
Property Operations and Maintenance	984	6.4	6.4	1,303	4.6	5.4	1,621	4.4	4.0
Utilities	962	6.2	6.3	1,154	6.2	4.8	1,460	5.4	3.6
Total Undistributed Expenses	$ 4,813	4.9 %	31.4 %	$ 7,147	5.7 %	29.6 %	$ 10,852	5.4 %	26.9 %
Gross Operating Profit	$ 5,857	9.5 %	38.3 %	$ 10,286	11.9 %	42.6 %	$ 19,869	8.7 %	49.3 %
Management Fees	$ 316	17.7 %	2.1 %	$ 714	11.1 %	3.0 %	$ 1,295	9.0 %	3.2 %
Income Before Fixed Charges	$ 5,541	9.0 %	36.2 %	$ 9,572	12.0 %	39.6 %	$ 18,574	8.7 %	46.1 %
Fixed Charges									
Property and Other Taxes	$ 700	3.3 %	4.6 %	$ 925	3.6 %	3.8 %	$ 1,827	2.9 %	4.5 %
Insurance	428	6.0	2.8	358	5.5	1.5	438	2.4	1.1
Total Fixed Charges	$ 1,127	4.3 %	7.4 %	$ 1,283	4.1 %	5.3 %	$ 2,265	2.8 %	5.6 %
Net Operating Income**	$ 4,414	10.3 %	28.8 %	$ 8,289	13.3 %	34.3 %	$ 16,309	9.5 %	40.5 %
Percentage of Occupancy	63.7 %	3.0 %		70.2 %	4.1 %		76.3 %	2.4 %	
Average Daily Rate	$ 65.29	3.5 %		$ 92.67	4.5 %		$ 140.80	4.6 %	
RevPAR	$ 41.58	6.7 %		$ 65.05	8.8 %		$ 107.36	7.2 %	
Average Size (Rooms)	122	—		104	(0.1)%		114	(0.1)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

LIMITED-SERVICE HOTELS

Summary Operating Statement – By Geographic Divisions

Figure Number 13B

		Geographic Divisions					
		New England/Middle Atlantic			North Central		
		2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue							
1.	Rooms	$ 33,117	4.5 %	97.7 %	$ 22,529	7.1 %	98.4 %
2.	Other Operated Departments	457	5.4	1.3	213	21.5	0.9
3.	Rentals and Other Income	317	49.2	0.9	143	(16.0)	0.6
4.	Total Revenue	$ 33,891	4.8 %	100.0 %	$ 22,885	7.0 %	100.0 %
Departmental Expenses*							
5.	Rooms	$ 8,674	5.7 %	26.2 %	$ 6,169	6.2 %	27.4 %
6.	Other Operated Departments	411	4.5	89.9	317	16.3	148.7
7.	Total Departmental Expenses	$ 9,085	5.6 %	26.8 %	$ 6,486	6.7 %	28.3 %
8.	Total Departmental Income	$ 24,806	4.5 %	73.2 %	$ 16,399	7.2 %	71.7 %
Undistributed Operating Expenses							
9.	Administrative and General	$ 2,763	3.7 %	8.2 %	$ 2,221	5.8 %	9.7 %
10.	Sales and Marketing	3,860	4.4	11.4	2,304	6.6	10.1
11.	Property Operations and Maintenance	1,615	3.9	4.8	1,210	3.0	5.3
12.	Utilities	1,622	6.6	4.8	1,075	6.9	4.7
13.	Total Undistributed Expenses	$ 9,860	4.5 %	29.1 %	$ 6,809	5.7 %	29.8 %
14.	Gross Operating Profit	$ 14,946	4.6 %	44.1 %	$ 9,590	8.3 %	41.9 %
15.	Management Fees	$ 991	5.3 %	2.9 %	$ 748	9.1 %	3.3 %
16.	Income Before Fixed Charges	$ 13,955	4.5 %	41.2 %	$ 8,843	8.2 %	38.6 %
Fixed Charges							
17.	Property and Other Taxes	$ 1,841	1.3 %	5.4 %	$ 1,148	2.2 %	5.0 %
18.	Insurance	337	5.6	1.0	349	5.1	1.5
19.	Total Fixed Charges	$ 2,178	2.0 %	6.4 %	$ 1,497	2.8 %	6.5 %
20.	Net Operating Income**	$ 11,777	5.0 %	34.7 %	$ 7,345	9.4 %	32.1 %
21.	Percentage of Occupancy	72.3 %	1.5 %		66.9 %	3.3 %	
22.	Average Daily Rate	$ 125.49	2.9 %		$ 92.23	3.7 %	
23.	RevPAR	$ 90.73	4.5 %		$ 61.72	7.1 %	
24.	Average Size (Rooms)	121	—		91	(0.1)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

LIMITED-SERVICE HOTELS
Summary Operating Statement – By Geographic Divisions
Figure Number 13B (Continued)

	Geographic Divisions								
	South Atlantic			South Central			Mountain/Pacific		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
1.	$ 23,960	9.7 %	98.3 %	$ 21,757	7.1 %	98.2 %	$ 23,843	10.0 %	97.9 %
2.	267	13.2	1.1	259	14.5	1.2	383	6.3	1.6
3.	150	(2.5)%	0.6	130	(6.2)	0.6	118	9.9	0.5 %
4.	$ 24,377	9.6 %	100.0 %	$ 22,147	7.1 %	100.0 %	$ 24,344	9.9 %	100.0 %
5.	$ 6,419	7.1 %	26.8 %	$ 5,545	6.8 %	25.5 %	$ 6,184	7.0 %	25.9 %
6.	271	6.0	101.6	280	7.5	107.8	277	(4.7)	72.4
7.	$ 6,690	7.1 %	27.4 %	$ 5,825	6.8 %	26.3 %	$ 6,462	6.4 %	26.5 %
8.	$ 17,687	10.6 %	72.6 %	$ 16,322	7.2 %	73.7 %	$ 17,882	11.2 %	73.5 %
9.	$ 2,117	5.5 %	8.7 %	$ 2,039	5.2 %	9.2 %	$ 2,113	7.2 %	8.7 %
10.	2,593	6.0	10.6	2,177	3.8	9.8	2,449	6.6	10.1
11.	1,321	5.5	5.4	1,185	5.1	5.4	1,152	6.6	4.7
12.	1,215	6.2	5.0	993	5.3	4.5	1,114	5.3	4.6
13.	$ 7,245	5.8 %	29.7 %	$ 6,394	4.7 %	28.9 %	$ 6,828	6.6 %	28.0 %
14.	$ 10,441	14.2 %	42.8 %	$ 9,927	8.8 %	44.8 %	$ 11,054	14.3 %	45.4 %
15.	$ 745	12.5 %	3.1 %	$ 580	11.7 %	2.6 %	$ 615	17.1 %	2.5 %
16.	$ 9,696	14.3 %	39.8 %	$ 9,347	8.6 %	42.2 %	$ 10,438	14.2 %	42.9 %
17.	$ 802	3.5 %	3.3 %	$ 989	6.2 %	4.5 %	$ 805	1.2 %	3.3 %
18.	455	4.4	1.9	388	5.5	1.8	380	5.2	1.6
19.	$ 1,257	3.8 %	5.2 %	$ 1,377	6.0 %	6.2 %	$ 1,186	2.4 %	4.9 %
20.	$ 8,439	16.1 %	34.6 %	$ 7,971	9.1 %	36.0 %	$ 9,253	15.9 %	38.0 %
21.	72.3 %	4.2 %		66.1 %	3.1 %		70.8 %	4.3 %	
22.	$ 90.78	5.2 %		$ 90.15	3.9 %		$ 92.21	5.4 %	
23.	$ 65.64	9.7 %		$ 59.61	7.1 %		$ 65.32	10.0 %	
24.	119	—		110	(0.1)%		118	—	

LIMITED-SERVICE HOTELS

Summary Operating Statement – By Property Size Classifications

Figure Number 13C

	Property Size Classifications								
	Under 100 Rooms			100 to 150 Rooms			Over 150 Rooms		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue									
Rooms	$ 24,967	6.8 %	98.8 %	$ 22,557	8.7 %	98.6 %	$ 27,936	6.9 %	96.1 %
Other Operated Departments	189	6.4	0.7	212	11.2	0.9	757	14.1	2.6
Rentals and Other Income	110	(12.7)%	0.4	113	1.9	0.5	378	13.3	1.3
Total Revenue	$ 25,266	6.7 %	100.0 %	$ 22,882	8.7 %	100.0 %	$ 29,070	7.2 %	100.0 %
Departmental Expenses*									
Rooms	$ 6,898	6.6 %	27.6 %	$ 5,802	6.7 %	25.7 %	$ 7,343	6.6 %	26.3 %
Other Operated Departments	383	13.1	202.8	226	4.2	106.5	430	1.0	56.8
Total Departmental Expenses	$ 7,281	6.9 %	28.8 %	$ 6,027	6.6 %	26.3 %	$ 7,773	6.2 %	26.7 %
Total Departmental Income	$ 17,984	6.6 %	71.2 %	$ 16,854	9.4 %	73.7 %	$ 21,297	7.5 %	73.3 %
Undistributed Operating Expenses									
Administrative and General	$ 2,580	4.9 %	10.2 %	$ 1,973	6.3 %	8.6 %	$ 2,330	4.0 %	8.0 %
Sales and Marketing	2,538	5.3	10.0	2,414	6.3	10.6	2,954	2.8	10.2
Property Operations and Maintenance	1,445	4.7	5.7	1,190	5.6	5.2	1,276	3.3	4.4
Utilities	1,152	6.9	4.6	1,128	5.9	4.9	1,243	5.1	4.3
Total Undistributed Expenses	$ 7,715	5.3 %	30.5 %	$ 6,705	6.1 %	29.3 %	$ 7,803	3.6 %	26.8 %
Gross Operating Profit	$ 10,269	7.6 %	40.6 %	$ 10,149	11.7 %	44.4 %	$ 13,494	9.8 %	46.4 %
Management Fees	$ 844	6.5 %	3.3 %	$ 607	15.3 %	2.7 %	$ 837	8.2 %	2.9 %
Income Before Fixed Charges	$ 9,426	7.7 %	37.3 %	$ 9,542	11.5 %	41.7 %	$ 12,658	10.0 %	43.5 %
Fixed Charges									
Property and Other Taxes	$ 989	3.9 %	3.9 %	$ 954	1.7 %	4.2 %	$ 1,331	6.9 %	4.6 %
Insurance	356	4.3	1.4	401	5.4	1.8	422	4.8	1.5
Total Fixed Charges	$ 1,345	4.0 %	5.3 %	$ 1,355	2.8 %	5.9 %	$ 1,753	6.4 %	6.0 %
Net Operating Income**	$ 8,080	8.3 %	32.0 %	$ 8,188	13.1 %	35.8 %	$ 10,905	10.5 %	37.5 %
Percentage of Occupancy	68.7 %	3.0 %		68.7 %	3.7 %		72.8 %	3.3 %	
Average Daily Rate	$ 99.63	3.7 %		$ 89.96	4.8 %		$ 105.10	3.5 %	
RevPAR	$ 68.40	6.8 %		$ 61.80	8.7 %		$ 76.54	6.9 %	
Average Size (Rooms)	74	(0.2)%		122	—		185	—	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

LIMITED-SERVICE HOTELS
Departmental Expenses
Figure Number 14

	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Total Labor Costs	$ 3,609	5.4 %	$ 14.25	15.0 %
Other Expenses	2,710	8.4	10.70	11.3
Total Department Expenses	$ 6,318	6.7 %	$ 24.96	26.3 %
Other Operated Departments*				
Total Labor Costs	$ 19	(24.1)%	$ 0.08	6.6 %
Other Expenses***	278	9.1	1.10	94.3
Total Department Expenses	$ 297	6.0 %	$ 1.17	100.8 %
Administrative and General Department**				
Total Labor Costs	$ 1,045	4.0 %	$ 4.13	4.3 %
Other Expenses	1,133	6.9	4.47	4.6
Total Department Expenses	$ 2,178	5.5 %	$ 8.60	8.9 %
Marketing Department**				
Total Labor Costs	$ 223	4.4 %	$ 0.88	0.9 %
Other Expenses	2,309	5.5	9.12	9.4
Total Department Expenses	$ 2,532	5.4 %	$ 10.00	10.3 %
Maintenance Department**				
Total Labor Costs	$ 520	3.7 %	$ 2.05	2.1 %
Other Expenses	746	5.9	2.95	3.0
Total Department Expenses	$ 1,266	5.0 %	$ 5.00	5.2 %
Utilities Department**				
Other Expenses	$ 1,153	6.0 %	$ 4.55	4.7 %
Total Departmental Expenses**				
Total Labor Costs	$ 5,416	4.8 %	$ 21.40	22.1 %
Other Expenses***	8,328	6.8	32.90	34.0
Total Departmental Expenses*****	$ 13,744	6.0 %	$ 54.29	56.2 %

* Expressed as a percent of department revenue.
** Expressed as a percent of total revenue.
*** Includes cost of sales.
****Before management fees, property taxes, insurance, and rent.

LIMITED-SERVICE HOTELS

Payroll Costs

Figure Number 15

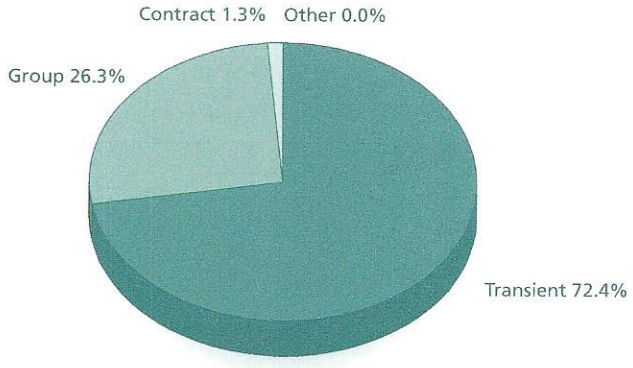
	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Salaries, Wages and Bonuses	$ 2,933	5.3 %	$ 11.58	12.2 %
Payroll-Related Expenses	676	5.8	2.67	2.8
Total Labor Costs	$ 3,609	5.4 %	$ 14.25	15.0 %
Other Operated Departments*				
Salaries, Wages and Bonuses	$ 16	(22.5)%	$ 0.06	5.4 %
Payroll-Related Expenses	3	(30.9)	0.01	1.1
Total Labor Costs	$ 19	(24.1)%	$ 0.08	6.6 %
Administrative and General Department**				
Salaries, Wages and Bonuses	$ 838	3.9 %	$ 3.31	3.4 %
Payroll-Related Expenses	207	4.3	0.82	0.8
Total Labor Costs	$ 1,045	4.0 %	$ 4.13	4.3 %
Marketing Department**				
Salaries, Wages and Bonuses	$ 182	3.9 %	$ 0.72	0.7 %
Payroll-Related Expenses	42	6.6	0.16	0.2
Total Labor Costs	$ 223	4.4 %	$ 0.88	0.9 %
Maintenance Department**				
Salaries, Wages and Bonuses	$ 419	3.2 %	$ 1.66	1.7 %
Payroll-Related Expenses	101	5.5	0.40	0.4
Total Labor Costs	$ 520	3.7 %	$ 2.05	2.1 %
All Departments**				
Salaries, Wages and Bonuses	$ 4,387	4.7 %	$ 17.33	17.9 %
Payroll-Related Expenses	1,029	5.3	4.07	4.2
Total Labor Costs	$ 5,416	4.8 %	$ 21.40	22.1 %

* Expressed as a percent of department revenue.

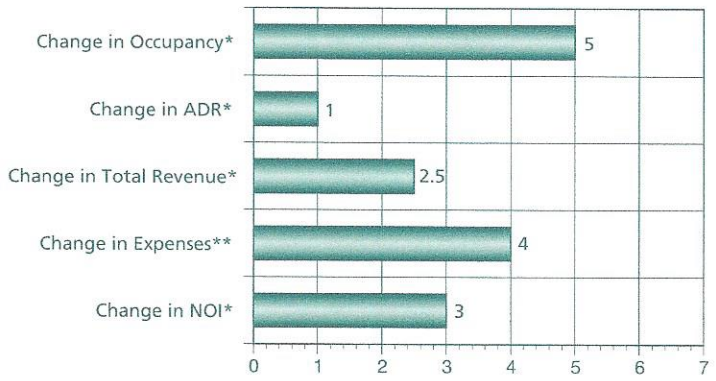
** Expressed as a percent of total revenue.

SUITE HOTELS WITH FOOD AND BEVERAGE
Performance in 2014

SUITE HOTELS WITH FOOD AND BEVERAGE
Market Mix



RANKING
Rank Among Six Property Type Categories
Change From 2013 to 2014



NOTE: * 1 = greatest increase, 6 = least increase
** 1 = least increase, 6 = greatest increase

- Total revenues for suite hotels with F&B increased 7.8 percent in 2014, driven by a 2.5 percent gain in occupancy and a 5.4 percent rise in ADR.
- With expenses rising 5.6 percent at suite hotels with F&B, NOI increased 12.3 percent.
- Measured on a percentage change basis, expenses within the rooms and food and beverage departments increased the most from 2013 to 2014.
- Labor costs at suite hotels with F&B increased 5.2 percent in 2014. The combined costs of salaries, wages, bonuses, and benefits represented 37.9 percent of total operating expenses for the year.
- Small and lower-priced suite hotels with F&B properties achieved the greatest gains in NOI in 2014. Suite hotels with F&B with an ADR less than $115 experienced a 19.5 percent increase in NOI, while those with fewer than 200 rooms achieved NOI growth of 17.0 percent.
- Suite hotels with F&B in the Mountain/Pacific region achieved the greatest gains in NOI. Properties in the South Central states lagged in NOI growth.

SUITE HOTELS WITH FOOD AND BEVERAGE

Summary Operating Statement
Dollars Per Available and Occupied Room

Figure Number 16

	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Occupied Room
Revenue				
Rooms	$ 41,847	8.1 %	79.9 %	$ 149.51
Food and Beverage	8,558	7.8	16.3	30.58
Other Operated Departments	1,555	1.9	3.0	5.56
Rentals and Other Income	444	5.3	0.8	1.59
Total Revenue	$ 52,405	7.8 %	100.0 %	$ 187.24
Departmental Expenses*				
Rooms	$ 10,153	6.0 %	24.3 %	$ 36.28
Food and Beverage	5,604	5.2	65.5	20.02
Other Operated Departments	988	2.6	63.5	3.53
Total Departmental Expenses	$ 16,745	5.6 %	32.0 %	$ 59.83
Total Departmental Income	$ 35,660	8.9 %	68.0 %	$ 127.41
Undistributed Operating Expenses				
Administrative and General	$ 4,219	4.6 %	8.1 %	$ 15.07
Sales and Marketing	6,180	6.4	11.8	22.08
Property Operations and Maintenance	2,286	5.1	4.4	8.17
Utilities	2,143	5.7	4.1	7.66
Total Undistributed Expenses	$ 14,828	5.5 %	28.3 %	$ 52.98
Gross Operating Profit	$ 20,832	11.4 %	39.8 %	$ 74.43
Management Fees	$ 1,414	10.0 %	2.7 %	$ 5.05
Income Before Fixed Charges	$ 19,419	11.5 %	37.1 %	$ 69.38
Fixed Charges				
Property and Other Taxes	$ 1,262	3.5 %	2.4 %	$ 4.51
Insurance	375	3.2	0.7	1.34
Total Fixed Charges	$ 1,637	3.4 %	3.1 %	$ 5.85
Net Operating Income**	$ 17,782	12.3 %	33.9 %	$ 63.53
Percentage of Occupancy	76.7 %	2.5 %		
Average Daily Rate	$ 149.51	5.4 %		
RevPAR	$ 114.65	8.1 %		
Average Size (Rooms)	237	(0.4)%		

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

SUITE HOTELS WITH FOOD AND BEVERAGE
Summary Operating Statement – By Rate Groups
Figure Number 16A

	Rate Groups								
	Under $115			$115 to $150			Over $150		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue									
Rooms	$ 25,911	8.6 %	82.1 %	$ 36,922	7.8 %	78.0 %	$ 51,087	8.2 %	81.4 %
Food and Beverage	4,847	5.1	15.4	8,884	7.7	18.8	8,861	8.2	14.1
Other Operated Departments	531	15.7	1.7	1,072	(2.1)	2.3	2,358	3.7	3.8
Rentals and Other Income	284	2.4	0.9	433	4.6	0.9	489	6.5	0.8
Total Revenue	$ 31,574	8.1 %	100.0 %	$ 47,311	7.5 %	100.0 %	$ 62,796	8.0 %	100.0 %
Departmental Expenses*									
Rooms	$ 7,676	7.3 %	29.6 %	$ 9,097	5.5 %	24.6 %	$ 11,955	6.4 %	23.4 %
Food and Beverage	3,581	3.4	73.9	5,527	5.6	62.2	6,087	5.0	68.7
Other Operated Departments	549	3.6	103.3	927	1.0	86.5	1,148	4.2	48.7
Total Departmental Expenses	$ 11,807	5.9 %	37.4 %	$ 15,551	5.3 %	32.9 %	$ 19,190	5.8 %	30.6 %
Total Departmental Income	$ 19,768	9.4 %	62.6 %	$ 31,759	8.6 %	67.1 %	$ 43,605	9.0 %	69.4 %
Undistributed Operating Expenses									
Administrative and General	$ 3,116	3.7 %	9.9 %	$ 3,861	5.0 %	8.2 %	$ 4,879	4.2 %	7.8 %
Sales and Marketing	4,092	7.7	13.0	5,822	6.4	12.3	7,030	6.2	11.2
Property Operations and Maintenance	1,800	3.5	5.7	2,184	5.8	4.6	2,506	4.5	4.0
Utilities	1,768	3.7	5.6	2,142	5.9	4.5	2,216	5.7	3.5
Total Undistributed Expenses	$ 10,775	5.2 %	34.1 %	$ 14,010	5.8 %	29.6 %	$ 16,632	5.3 %	26.5 %
Gross Operating Profit	$ 8,992	14.9 %	28.5 %	$ 17,750	10.9 %	37.5 %	$ 26,973	11.4 %	43.0 %
Management Fees	$ 851	8.6 %	2.7 %	$ 1,252	9.7 %	2.6 %	$ 1,725	10.4 %	2.7 %
Income Before Fixed Charges	$ 8,141	15.6 %	25.8 %	$ 16,498	11.0 %	34.9 %	$ 25,248	11.5 %	40.2 %
Fixed Charges									
Property and Other Taxes	$ 1,269	1.9 %	4.0 %	$ 974	3.4 %	2.1 %	$ 1,622	3.7 %	2.6 %
Insurance	319	2.2	1.0	367	3.8	0.8	395	2.7	0.6
Total Fixed Charges	$ 1,588	2.0 %	5.0 %	$ 1,341	3.5 %	2.8 %	$ 2,018	3.5 %	3.2 %
Net Operating Income**	$ 6,554	19.5 %	20.8 %	$ 15,157	11.8 %	32.0 %	$ 23,230	12.3 %	37.0 %
Percentage of Occupancy	70.6 %	5.2 %		76.1 %	2.8 %		78.6 %	1.7 %	
Average Daily Rate	$ 100.60	3.2 %		$ 132.94	4.9 %		$ 178.08	6.3 %	
RevPAR	$ 70.99	8.6 %		$ 101.16	7.8 %		$ 139.96	8.2 %	
Average Size (Rooms)	189	(0.5)%		228	(0.5)%		262	(0.3)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

SUITE HOTELS WITH FOOD AND BEVERAGE

Summary Operating Statement – By Geographic Divisions

Figure Number 16B

		Geographic Divisions					
		New England/Middle Atlantic			North Central		
		2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue							
1.	Rooms	$ 50,218	7.4 %	82.6 %	$ 36,852	5.1 %	79.6 %
2.	Food and Beverage	8,552	5.6	14.1	7,687	5.3	16.6
3.	Other Operated Departments	1,608	(1.9)	2.6	1,414	2.0	3.1
4.	Rentals and Other Income	412	5.0	0.7	365	4.4	0.8
5.	Total Revenue	$ 60,790	6.9 %	100.0 %	$ 46,318	5.1 %	100.0 %
Departmental Expenses*							
6.	Rooms	$ 12,904	4.2 %	25.7 %	$ 9,387	2.6 %	25.5 %
7.	Food and Beverage	6,821	4.4	79.8	5,024	1.1	65.4
8.	Other Operated Departments	784	2.7	48.8	1,061	6.9	75.1
9.	Total Departmental Expenses	$ 20,510	4.2 %	33.7 %	$ 15,473	2.4 %	33.4 %
10.	Total Departmental Income	$ 40,280	8.3 %	66.3 %	$ 30,845	6.5 %	66.6 %
Undistributed Operating Expenses							
11.	Administrative and General	$ 4,905	3.3 %	8.1 %	$ 4,085	3.1 %	8.8 %
12.	Sales and Marketing	7,180	5.7	11.8	5,612	3.0	12.1
13.	Property Operations and Maintenance	2,772	4.1	4.6	2,134	5.3	4.6
14.	Utilities	2,303	2.2	3.8	1,928	5.6	4.2
15.	Total Undistributed Expenses	$ 17,160	4.3 %	28.2 %	$ 13,760	3.8 %	29.7 %
16.	Gross Operating Profit	$ 23,121	11.5 %	38.0 %	$ 17,085	8.8 %	36.9 %
17.	Management Fees	$ 1,664	9.3 %	2.7 %	$ 1,119	3.2 %	2.4 %
18.	Income Before Fixed Charges	$ 21,457	11.7 %	35.3 %	$ 15,966	9.2 %	34.5 %
Fixed Charges							
19.	Property and Other Taxes	$ 1,384	5.2 %	2.3 %	$ 2,077	2.7 %	4.5 %
20.	Insurance	219	3.8	0.4	379	2.0	0.8
21.	Total Fixed Charges	$ 1,603	5.0 %	2.6 %	$ 2,457	2.6 %	5.3 %
22.	Net Operating Income**	$ 19,854	12.3 %	32.7 %	$ 13,509	10.5 %	29.2 %
23.	Percentage of Occupancy	78.0 %	2.0 %		72.5 %	0.7 %	
24.	Average Daily Rate	$ 176.39	5.3 %		$ 139.22	4.4 %	
25.	RevPAR	$ 137.58	7.4 %		$ 100.96	5.1 %	
26.	Average Size (Rooms)	269	(0.1)%		234	(0.5)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

SUITE HOTELS WITH FOOD AND BEVERAGE
Summary Operating Statement – By Geographic Divisions
Figure Number 16B (Continued)

	Geographic Divisions								
	South Atlantic			South Central			Mountain/Pacific		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
1.	$ 40,990	8.2 %	76.6 %	$ 36,140	5.6 %	77.3 %	$ 46,247	10.9 %	82.9 %
2.	10,336	5.8	19.3	9,051	6.8	19.3	7,316	13.9	13.1
3.	1,572	(4.1)	2.9	1,152	5.6	2.5	1,856	6.3	3.3
4.	596	5.8	1.1	440	3.0	0.9	380	7.2	0.7
5.	$ 53,494	7.3 %	100.0 %	$ 46,782	5.8 %	100.0 %	$ 55,798	11.1 %	100.0 %
6.	$ 9,850	6.6 %	24.0 %	$ 8,527	5.7 %	23.6 %	$ 10,908	8.5 %	23.6 %
7.	6,512	3.5	63.0	4,807	3.7	53.1	5,253	11.2	71.8
8.	1,230	1.9	78.2	1,059	1.2	92.0	765	1.3	41.2
9.	$ 17,592	5.1 %	32.9 %	$ 14,394	4.7 %	30.8 %	$ 16,926	9.0 %	30.3 %
10.	$ 35,902	8.4 %	67.1 %	$ 32,389	6.4 %	69.2 %	$ 38,872	12.0 %	69.7 %
11.	$ 4,144	4.0 %	7.7 %	$ 3,589	4.0 %	7.7 %	$ 4,504	6.6 %	8.1 %
12.	6,164	7.2	11.5	5,757	5.6	12.3	6,459	8.2	11.6
13.	2,249	5.9	4.2	2,031	7.6	4.3	2,396	3.4	4.3
14.	2,295	4.9	4.3	2,176	5.8	4.7	2,076	7.8	3.7
15.	$ 14,851	5.8 %	27.8 %	$ 13,554	5.5 %	29.0 %	$ 15,435	6.9 %	27.7 %
16.	$ 21,051	10.4 %	39.4 %	$ 18,835	7.0 %	40.3 %	$ 23,438	15.6 %	42.0 %
17.	$ 1,249	10.1 %	2.3 %	$ 1,058	7.8 %	2.3 %	$ 1,867	13.7 %	3.3 %
18.	$ 19,802	10.4 %	37.0 %	$ 17,777	6.9 %	38.0 %	$ 21,570	15.8 %	38.7 %
19.	$ 800	3.9 %	1.5 %	$ 1,473	4.4 %	3.1 %	$ 962	2.7 %	1.7 %
20.	392	3.5	0.7	337	3.6	0.7	435	3.4	0.8
21.	$ 1,192	3.7 %	2.2 %	$ 1,809	4.2 %	3.9 %	$ 1,397	2.9 %	2.5 %
22.	$ 18,609	10.8 %	34.8 %	$ 15,967	7.2 %	34.1 %	$ 20,174	16.8 %	36.2 %
23.	77.8 %	2.8 %		73.2 %	2.4 %		80.0 %	3.5 %	
24.	$ 144.27	5.2 %		$ 135.27	3.2 %		$ 158.40	7.1 %	
25.	$ 112.30	8.2 %		$ 99.01	5.6 %		$ 126.70	10.9 %	
26.	230	(0.6)%		229	(0.8)%		240	(0.2)%	

SUITE HOTELS WITH FOOD AND BEVERAGE

Summary Operating Statement – By Property Size Classifications

Figure Number 16C

	Property Size Classifications								
	Under 200 Rooms			200 to 300 Rooms			Over 300 Rooms		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue									
Rooms	$ 38,087	10.7 %	87.7 %	$ 40,598	8.1 %	79.4 %	$ 48,416	6.5 %	76.5 %
Food and Beverage	4,381	1.5	10.1	8,586	7.2	16.8	11,923	11.1	18.8
Other Operated Departments	703	9.5	1.6	1,573	7.5	3.1	2,207	(9.0)	3.5
Rentals and Other Income	274	3.7	0.6	380	3.9	0.7	764	7.8	1.2
Total Revenue	$ 43,444	9.6 %	100.0 %	$ 51,137	7.9 %	100.0 %	$ 63,310	6.7 %	100.0 %
Departmental Expenses*									
Rooms	$ 9,154	7.3 %	24.0 %	$ 9,939	6.1 %	24.5 %	$ 11,572	5.1 %	23.9 %
Food and Beverage	3,409	1.0	77.8	5,708	4.7	66.5	7,119	8.1	59.7
Other Operated Departments	651	5.6	92.6	946	5.0	60.1	1,382	(2.5)	62.6
Total Departmental Expenses	$ 13,214	5.5 %	30.4 %	$ 16,593	5.6 %	32.4 %	$ 20,073	5.6 %	31.7 %
Total Departmental Income	$ 30,230	11.5 %	69.6 %	$ 34,543	9.0 %	67.6 %	$ 43,237	7.2 %	68.3 %
Undistributed Operating Expenses									
Administrative and General	$ 3,883	5.1 %	8.9 %	$ 4,204	4.6 %	8.2 %	$ 4,536	4.2 %	7.2 %
Sales and Marketing	5,388	8.7	12.4	6,041	5.7	11.8	7,218	6.5	11.4
Property Operations and Maintenance	2,202	6.3	5.1	2,279	3.8	4.5	2,373	7.6	3.7
Utilities	2,052	7.2	4.7	2,083	5.4	4.1	2,384	5.3	3.8
Total Undistributed Expenses	$ 13,524	7.0 %	31.1 %	$ 14,609	5.1 %	28.6 %	$ 16,511	5.8 %	26.1 %
Gross Operating Profit	$ 16,706	15.4 %	38.5 %	$ 19,935	12.1 %	39.0 %	$ 26,726	8.1 %	42.2 %
Management Fees	$ 1,672	14.0 %	3.8 %	$ 1,340	9.1 %	2.6 %	$ 1,405	8.7 %	2.2 %
Income Before Fixed Charges	$ 15,034	15.5 %	34.6 %	$ 18,594	12.3 %	36.4 %	$ 25,321	8.0 %	40.0 %
Fixed Charges									
Property and Other Taxes	$ 890	2.5 %	2.0 %	$ 1,203	4.1 %	2.4 %	$ 1,732	2.9 %	2.7 %
Insurance	454	1.6	1.0	350	3.6	0.7	379	3.6	0.6
Total Fixed Charges	$ 1,345	2.2 %	3.1 %	$ 1,553	4.0 %	3.0 %	$ 2,111	3.0 %	3.3 %
Net Operating Income**	$ 13,689	17.0 %	31.5 %	$ 17,042	13.1 %	33.3 %	$ 23,210	8.5 %	36.7 %
Percentage of Occupancy	77.7 %	4.3 %		75.5 %	2.3 %		79.2 %	1.5 %	
Average Daily Rate	$ 134.33	6.1 %		$ 147.36	5.6 %		$ 167.49	4.9 %	
RevPAR	$ 104.35	10.7 %		$ 111.23	8.1 %		$ 132.65	6.5 %	
Average Size (Rooms)	157	—		246	(0.6)%		349	(0.4)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

SUITE HOTELS WITH FOOD AND BEVERAGE
Departmental Expenses
Figure Number 17

	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Total Labor Costs	$ 5,800	5.6 %	$ 20.72	13.9 %
Other Expenses	4,354	6.7	15.56	10.4
Total Department Expenses	$ 10,153	6.0 %	$ 36.28	24.3 %
Food and Beverage Department*				
Total Labor Costs	$ 2,847	5.2 %	$ 10.17	33.3 %
Other Expenses***	2,756	5.2	9.85	32.2
Total Department Expenses	$ 5,604	5.2 %	$ 20.02	65.5 %
Other Operated Departments*				
Total Labor Costs	$ 132	1.2 %	$ 0.47	8.5 %
Other Expenses***	856	2.8	3.06	55.1
Total Department Expenses	$ 988	2.6 %	$ 3.53	63.5 %
Administrative and General Department**				
Total Labor Costs	$ 1,853	4.4 %	$ 6.62	3.5 %
Other Expenses	2,365	4.7	8.45	4.5
Total Department Expenses	$ 4,219	4.6 %	$ 15.07	8.1 %
Marketing Department**				
Total Labor Costs	$ 1,444	6.0 %	$ 5.16	2.8 %
Other Expenses	4,737	6.5	16.92	9.0
Total Department Expenses	$ 6,180	6.4 %	$ 22.08	11.8 %
Maintenance Department**				
Total Labor Costs	$ 1,063	4.1 %	$ 3.80	2.0 %
Other Expenses	1,223	6.0	4.37	2.3
Total Department Expenses	$ 2,286	5.1 %	$ 8.17	4.4 %
Utilities Department**				
Other Expenses	$ 2,143	5.7 %	$ 7.66	4.1 %
Total Departmental Expenses**				
Total Labor Costs	$ 13,139	5.2 %	$ 46.94	25.1 %
Other Expenses***	18,434	5.8	65.86	35.2
Total Departmental Expenses*****	$ 31,573	5.6 %	$ 112.81	60.2 %

* Expressed as a percent of department revenue.
** Expressed as a percent of total revenue.
*** Includes cost of sales.
****Before management fees, property taxes, insurance, and rent.

SUITE HOTELS WITH FOOD AND BEVERAGE

Payroll Costs

Figure Number 18

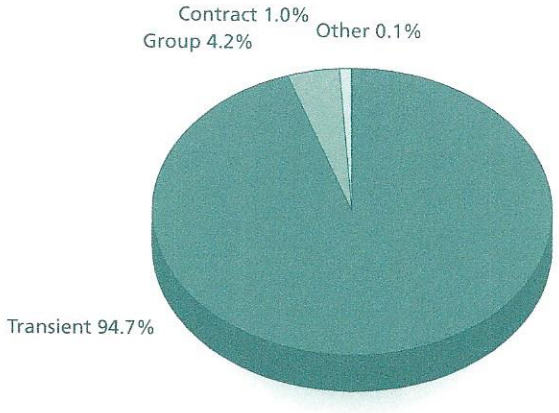
	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Salaries, Wages and Bonuses	$ 4,358	5.6 %	$ 15.57	10.4 %
Payroll-Related Expenses	1,442	5.4	5.15	3.4
Total Labor Costs	$ 5,800	5.6 %	$ 20.72	13.9 %
Food and Beverage Department*				
Salaries, Wages and Bonuses	$ 2,191	5.7 %	$ 7.83	25.6 %
Payroll-Related Expenses	656	3.3	2.34	7.7
Total Labor Costs	$ 2,847	5.2 %	$ 10.17	33.3 %
Other Operated Departments*				
Salaries, Wages and Bonuses	$ 104	0.2 %	$ 0.37	6.7 %
Payroll-Related Expenses	27	5.3	0.10	1.8
Total Labor Costs	$ 132	1.2 %	$ 0.47	8.5 %
Administrative and General Department**				
Salaries, Wages and Bonuses	$ 1,447	4.5 %	$ 5.17	2.8 %
Payroll-Related Expenses	406	4.1	1.45	0.8
Total Labor Costs	$ 1,853	4.4 %	$ 6.62	3.5 %
Marketing Department**				
Salaries, Wages and Bonuses	$ 1,136	6.0 %	$ 4.06	2.2 %
Payroll-Related Expenses	307	6.1	1.10	0.6
Total Labor Costs	$ 1,444	6.0 %	$ 5.16	2.8 %
Maintenance Department**				
Salaries, Wages and Bonuses	$ 806	3.9 %	$ 2.88	1.5 %
Payroll-Related Expenses	257	4.7	0.92	0.5
Total Labor Costs	$ 1,063	4.1 %	$ 3.80	2.0 %
All Departments**				
Salaries, Wages and Bonuses	$ 10,043	5.3 %	$ 35.88	19.2 %
Payroll-Related Expenses	3,096	4.8	11.06	5.9
Total Labor Costs	$ 13,139	5.2 %	$ 46.94	25.1 %

* Expressed as a percent of department revenue.

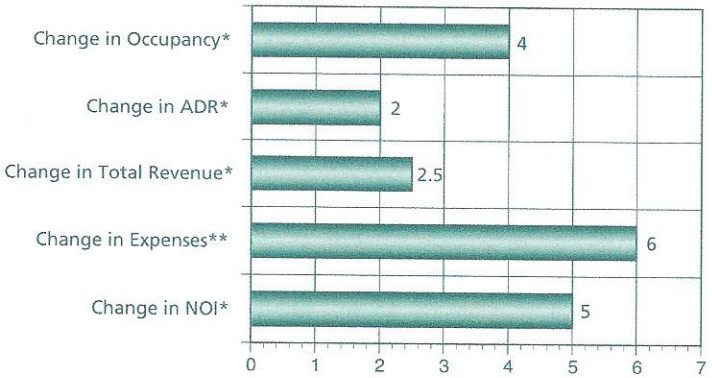
** Expressed as a percent of total revenue.

SUITE HOTELS WITHOUT FOOD AND BEVERAGE
Performance in 2014

SUITE HOTELS WITHOUT FOOD AND BEVERAGE
Market Mix



RANKING
Rank Among Six Property Type Categories
Change From 2013 to 2014



NOTE: * 1 = greatest increase, 6 = least increase
** 1 = least increase, 6 = greatest increase

- Total revenues for suite hotels without F&B increased 7.8 percent in 2014, driven by a 2.9 percent gain in occupancy and a 4.8 percent rise in ADR.
- With expenses growing 6.1 percent at suite hotels without F&B, NOI at these properties increased 10.6 percent.
- Measured on a percentage change basis, expenses within the sales and marketing department increased the most from 2013 to 2014.
- Labor costs at suite hotels without F&B increased 4.6 percent in 2014. The combined costs of salaries, wages, bonuses, and benefits represented 34.9 percent of total operating expenses for the year.
- Lower-priced suite hotels without F&B achieved the greatest gains in NOI in 2014. Suite hotels without F&B with an ADR below $80 experienced a 22.4 percent increase in NOI.
- Suite hotels without F&B in the New England region achieved the lowest increase in NOI during 2014, while the properties in the South Atlantic and Mountain/Pacific regions enjoyed the greatest gain in NOI.

SUITE HOTELS WITHOUT FOOD AND BEVERAGE

Summary Operating Statement
Dollars Per Available and Occupied Room

Figure Number 19

	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Occupied Room
Revenue				
Rooms	$ 34,239	7.8 %	97.2 %	$ 119.53
Other Operated Departments	671	8.7	1.9	2.34
Rentals and Other Income	331	1.1	0.9	1.15
Total Revenue	$ 35,240	7.8 %	100.0 %	$ 123.02
Departmental Expenses*				
Rooms	$ 8,048	6.1 %	23.5 %	$ 28.10
Other Operated Departments	478	7.0	71.3	1.67
Total Departmental Expenses	$ 8,526	6.2 %	24.2 %	$ 29.76
Total Departmental Income	$ 26,714	8.3 %	75.8 %	$ 93.26
Undistributed Operating Expenses				
Administrative and General	$ 3,156	5.2 %	9.0 %	$ 11.02
Sales and Marketing	3,310	7.0	9.4	11.55
Property Operations and Maintenance	1,668	5.5	4.7	5.82
Utilities	1,481	5.3	4.2	5.17
Total Undistributed Expenses	$ 9,615	5.8 %	27.3 %	$ 33.57
Gross Operating Profit	$ 17,098	9.7 %	48.5 %	$ 59.69
Management Fees	$ 1,467	8.6 %	4.2 %	$ 5.12
Income Before Fixed Charges	$ 15,632	9.8 %	44.4 %	$ 54.57
Fixed Charges				
Property and Other Taxes	$ 1,575	3.9 %	4.5 %	$ 5.50
Insurance	363	4.0	1.0	1.27
Total Fixed Charges	$ 1,938	4.0 %	5.5 %	$ 6.76
Net Operating Income**	$ 13,694	10.6 %	38.9 %	$ 47.81
Percentage of Occupancy	78.5 %	2.9 %		
Average Daily Rate	$ 119.53	4.8 %		
RevPAR	$ 93.80	7.8 %		
Average Size (Rooms)	123	(0.2)%		

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

SUITE HOTELS WITHOUT FOOD AND BEVERAGE
Summary Operating Statement – By Rate Groups
Figure Number 19A

	Rate Groups								
	Under $80			$80 to $125			Over $125		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue									
Rooms	$ 17,646	12.3 %	98.6 %	$ 29,887	8.0 %	97.8 %	$ 46,616	7.1 %	96.4 %
Other Operated Departments	163	(7.7)	0.9	401	6.9	1.3	1,257	10.5	2.6
Rentals and Other Income	95	29.1	0.5	276	(1.7)	0.9	496	2.2	1.0
Total Revenue	$ 17,905	12.1 %	100.0 %	$ 30,564	7.9 %	100.0 %	$ 48,369	7.2 %	100.0 %
Departmental Expenses*									
Rooms	$ 4,476	11.1 %	25.4 %	$ 7,556	5.9 %	25.3 %	$ 10,036	5.8 %	21.5 %
Other Operated Departments	313	0.5	191.6	407	10.8	101.4	644	4.7	51.3
Total Departmental Expenses	$ 4,789	10.3 %	26.7 %	$ 7,962	6.1 %	26.1 %	$ 10,680	5.7 %	22.1 %
Total Departmental Income	$ 13,115	12.8 %	73.3 %	$ 22,601	8.5 %	73.9 %	$ 37,689	7.6 %	77.9 %
Undistributed Operating Expenses									
Administrative and General	$ 2,131	4.9 %	11.9 %	$ 2,875	5.4 %	9.4 %	$ 3,939	5.0 %	8.1 %
Sales and Marketing	1,593	8.9	8.9	3,072	8.0	10.1	4,267	5.7	8.8
Property Operations and Maintenance	1,137	7.7	6.3	1,599	5.7	5.2	1,958	4.7	4.0
Utilities	1,024	6.4	5.7	1,412	5.1	4.6	1,747	5.3	3.6
Total Undistributed Expenses	$ 5,885	6.7 %	32.9 %	$ 8,957	6.3 %	29.3 %	$ 11,911	5.2 %	24.6 %
Gross Operating Profit	$ 7,231	18.3 %	40.4 %	$ 13,644	10.0 %	44.6 %	$ 25,778	8.7 %	53.3 %
Management Fees	$ 424	8.1 %	2.4 %	$ 1,224	8.3 %	4.0 %	$ 2,198	9.1 %	4.5 %
Income Before Fixed Charges	$ 6,807	19.0 %	38.0 %	$ 12,420	10.2 %	40.6 %	$ 23,580	8.6 %	48.8 %
Fixed Charges									
Property and Other Taxes	$ 865	6.4 %	4.8 %	$ 1,288	3.1 %	4.2 %	$ 2,258	4.4 %	4.7 %
Insurance	339	1.8	1.9	324	5.7	1.1	429	2.7	0.9
Total Fixed Charges	$ 1,203	5.1 %	6.7 %	$ 1,613	3.6 %	5.3 %	$ 2,687	4.2 %	5.6 %
Net Operating Income**	$ 5,604	22.4 %	31.3 %	$ 10,807	11.2 %	35.4 %	$ 20,893	9.2 %	43.2 %
Percentage of Occupancy	75.1 %	5.9 %		77.4 %	3.0 %		81.3 %	1.9 %	
Average Daily Rate	$ 64.39	6.1 %		$ 105.75	4.8 %		$ 157.19	5.2 %	
RevPAR	$ 48.35	12.3 %		$ 81.88	8.0 %		$ 127.72	7.1 %	
Average Size (Rooms)	112	—		116	(0.2)%		140	(0.3)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

SUITE HOTELS WITHOUT FOOD AND BEVERAGE

Summary Operating Statement – By Geographic Divisions

Figure Number 19B

		Geographic Divisions					
		New England/Middle Atlantic			North Central		
		2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue							
1.	Rooms	$ 42,474	3.7 %	97.1 %	$ 28,319	6.4 %	97.9 %
2.	Other Operated Departments	995	7.2	2.3	432	4.8	1.5
3.	Rentals and Other Income	289	2.2	0.7	182	(4.2)	0.6
4.	Total Revenue	$ 43,758	3.8 %	100.0 %	$ 28,934	6.3 %	100.0 %
Departmental Expenses*							
5.	Rooms	$ 9,965	4.0 %	23.5 %	$ 6,756	4.9 %	23.9 %
6.	Other Operated Departments	632	6.0	63.5	420	8.7	97.2
7.	Total Departmental Expenses	$ 10,598	4.2 %	24.2 %	$ 7,176	5.1 %	24.8 %
8.	Total Departmental Income	$ 33,160	3.6 %	75.8 %	$ 21,758	6.7 %	75.2 %
Undistributed Operating Expenses							
9.	Administrative and General	$ 3,830	4.2 %	8.8 %	$ 2,815	5.1 %	9.7 %
10.	Sales and Marketing	4,048	5.7	9.3	2,943	9.1	10.2
11.	Property Operations and Maintenance	2,058	3.6	4.7	1,568	6.9	5.4
12.	Utilities	1,986	4.6	4.5	1,394	6.8	4.8
13.	Total Undistributed Expenses	$ 11,922	4.7 %	27.2 %	$ 8,720	7.0 %	30.1 %
14.	Gross Operating Profit	$ 21,239	3.0 %	48.5 %	$ 13,038	6.5 %	45.1 %
15.	Management Fees	$ 1,630	4.4 %	3.7 %	$ 1,060	6.8 %	3.7 %
16.	Income Before Fixed Charges	$ 19,608	2.9 %	44.8 %	$ 11,978	6.5 %	41.4 %
Fixed Charges							
17.	Property and Other Taxes	$ 2,660	3.9 %	6.1 %	$ 1,545	4.1 %	5.3 %
18.	Insurance	330	4.5	0.8	270	5.6	0.9
19.	Total Fixed Charges	$ 2,990	3.9 %	6.8 %	$ 1,815	4.3 %	6.3 %
20.	Net Operating Income**	$ 16,618	2.7 %	38.0 %	$ 10,163	6.9 %	35.1 %
21.	Percentage of Occupancy	78.8 %	1.3 %		75.7 %	2.3 %	
22.	Average Daily Rate	$ 147.67	2.4 %		$ 102.54	4.0 %	
23.	RevPAR	$ 116.37	3.7 %		$ 77.59	6.4 %	
24.	Average Size (Rooms)	132	(0.2)%		110	(0.2)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

SUITE HOTELS WITHOUT FOOD AND BEVERAGE
Summary Operating Statement – By Geographic Divisions

Figure Number 19B (Continued)

	Geographic Divisions								
	South Atlantic			South Central			Mountain/Pacific		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
1.	$ 31,253	9.1 %	96.5 %	$ 30,942	7.4 %	97.8 %	$ 39,273	9.9 %	97.1 %
2.	648	10.7	2.0	415	6.3	1.3	861	10.0	2.1
3.	482	—	1.5	279	1.0	0.9	316	4.9	0.8
4.	$ 32,383	9.0 %	100.0 %	$ 31,637	7.3 %	100.0 %	$ 40,450	9.9 %	100.0 %
5.	$ 8,079	5.9 %	25.9 %	$ 7,215	6.1 %	23.3 %	$ 8,441	8.3 %	21.5 %
6.	462	3.5	71.3	453	10.6	109.1	473	8.1	54.9
7.	$ 8,541	5.8 %	26.4 %	$ 7,668	6.4 %	24.2 %	$ 8,913	8.3 %	22.0 %
8.	$ 23,842	10.1 %	73.6 %	$ 23,968	7.6 %	75.8 %	$ 31,537	10.3 %	78.0 %
9.	$ 3,017	6.4 %	9.3 %	$ 2,935	4.1 %	9.3 %	$ 3,334	5.2 %	8.2 %
10.	3,018	7.6	9.3	3,164	4.2	10.0	3,581	7.8	8.9
11.	1,591	5.5	4.9	1,605	5.2	5.1	1,663	5.9	4.1
12.	1,422	4.6	4.4	1,285	4.7	4.1	1,488	5.8	3.7
13.	$ 9,048	6.4 %	27.9 %	$ 8,989	4.4 %	28.4 %	$ 10,065	6.3 %	24.9 %
14.	$ 14,794	12.6 %	45.7 %	$ 14,979	9.6 %	47.3 %	$ 21,471	12.3 %	53.1 %
15.	$ 1,505	10.0 %	4.6 %	$ 1,271	7.6 %	4.0 %	$ 1,730	10.7 %	4.3 %
16.	$ 13,289	12.9 %	41.0 %	$ 13,708	9.8 %	43.3 %	$ 19,741	12.4 %	48.8 %
17.	$ 1,188	2.3 %	3.7 %	$ 1,517	5.8 %	4.8 %	$ 1,510	3.9 %	3.7 %
18.	371	3.7	1.1	334	6.0	1.1	446	2.5	1.1
19.	$ 1,559	2.7 %	4.8 %	$ 1,851	5.9 %	5.9 %	$ 1,957	3.6 %	4.8 %
20.	$ 11,730	14.4 %	36.2 %	$ 11,857	10.4 %	37.5 %	$ 17,784	13.5 %	44.0 %
21.	78.5 %	4.1 %		77.6 %	2.0 %		80.6 %	3.5 %	
22.	$ 109.02	4.8 %		$ 109.28	5.3 %		$ 133.48	6.2 %	
23.	$ 85.63	9.1 %		$ 84.77	7.4 %		$ 107.60	9.9 %	
24.	127	(0.3)%		111	(0.1)%		132	(0.3)%	

SUITE HOTELS WITHOUT FOOD AND BEVERAGE

Summary Operating Statement – By Property Size Classifications

Figure Number 19C

	Property Size Classifications								
	Under 100 Rooms			100 to 200 Rooms			Over 200 Rooms		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue									
Rooms	$ 30,469	7.0 %	98.3 %	$ 33,512	8.3 %	97.4 %	$ 46,463	6.4 %	94.5 %
Other Operated Departments	390	3.0	1.3	568	8.0	1.7	1,904	12.8	3.9
Rentals and Other Income	148	(15.4)	0.5	311	2.7	0.9	819	4.8	1.7
Total Revenue	$ 31,006	6.8 %	100.0 %	$ 34,391	8.3 %	100.0 %	$ 49,187	6.6 %	100.0 %
Departmental Expenses*									
Rooms	$ 7,490	5.8 %	24.6 %	$ 7,774	6.3 %	23.2 %	$ 10,957	6.1 %	23.6 %
Other Operated Departments	479	9.8	123.0	448	6.7	78.8	678	4.5	35.6
Total Departmental Expenses	$ 7,969	6.1 %	25.7 %	$ 8,221	6.3 %	23.9 %	$ 11,634	6.0 %	23.7 %
Total Departmental Income	$ 23,037	7.1 %	74.3 %	$ 26,170	8.9 %	76.1 %	$ 37,552	6.8 %	76.3 %
Undistributed Operating Expenses									
Administrative and General	$ 3,061	3.1 %	9.9 %	$ 3,043	5.7 %	8.8 %	$ 4,085	5.7 %	8.3 %
Sales and Marketing	3,260	6.6	10.5	3,236	7.7	9.4	3,892	3.6	7.9
Property Operations and Maintenance	1,709	4.3	5.5	1,615	6.1	4.7	1,939	4.3	3.9
Utilities	1,453	6.1	4.7	1,456	5.2	4.2	1,707	4.3	3.5
Total Undistributed Expenses	$ 9,483	4.9 %	30.6 %	$ 9,350	6.4 %	27.2 %	$ 11,623	4.6 %	23.6 %
Gross Operating Profit	$ 13,554	8.6 %	43.7 %	$ 16,820	10.4 %	48.9 %	$ 25,929	7.8 %	52.7 %
Management Fees	$ 1,215	10.8 %	3.9 %	$ 1,404	8.1 %	4.1 %	$ 2,375	8.8 %	4.8 %
Income Before Fixed Charges	$ 12,339	8.4 %	39.8 %	$ 15,415	10.6 %	44.8 %	$ 23,554	7.7 %	47.9 %
Fixed Charges									
Property and Other Taxes	$ 1,253	3.8 %	4.0 %	$ 1,525	4.3 %	4.4 %	$ 2,542	3.0 %	5.2 %
Insurance	324	3.2	1.0	372	4.2	1.1	381	4.6	0.8
Total Fixed Charges	$ 1,577	3.6 %	5.1 %	$ 1,896	4.2 %	5.5 %	$ 2,923	3.2 %	5.9 %
Net Operating Income**	$ 10,762	9.1 %	34.7 %	$ 13,519	11.6 %	39.3 %	$ 20,631	8.4 %	41.9 %
Percentage of Occupancy	76.8 %	2.9 %		78.7 %	2.9 %		80.2 %	3.0 %	
Average Daily Rate	$ 108.72	3.9 %		$ 116.63	5.3 %		$ 158.65	3.3 %	
RevPAR	$ 83.48	7.0 %		$ 91.81	8.3 %		$ 127.30	6.4 %	
Average Size (Rooms)	84	(0.1)%		130	(0.2)%		259	(0.4)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

SUITE HOTELS WITHOUT FOOD AND BEVERAGE

Departmental Expenses

Figure Number 20

	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Total Labor Costs	$ 4,842	5.4 %	$ 16.90	14.1 %
Other Expenses	3,206	7.3	11.19	9.4
Total Department Expenses	$ 8,048	6.1 %	$ 28.10	23.5 %
Other Operated Departments*				
Total Labor Costs	$ 42	7.3 %	$ 0.15	6.3 %
Other Expenses***	436	6.9	1.52	65.0
Total Department Expenses	$ 478	7.0 %	$ 1.67	71.3 %
Administrative and General Department**				
Total Labor Costs	$ 1,454	3.8 %	$ 5.08	4.1 %
Other Expenses	1,702	6.4	5.94	4.8
Total Department Expenses	$ 3,156	5.2 %	$ 11.02	9.0 %
Marketing Department**				
Total Labor Costs	$ 508	1.8 %	$ 1.77	1.4 %
Other Expenses	2,802	8.0	9.78	7.9
Total Department Expenses	$ 3,310	7.0 %	$ 11.55	9.4 %
Maintenance Department**				
Total Labor Costs	$ 683	3.1 %	$ 2.39	1.9 %
Other Expenses	985	7.1	3.44	2.8
Total Department Expenses	$ 1,668	5.5 %	$ 5.82	4.7 %
Utilities Department**				
Other Expenses	$ 1,481	5.3 %	$ 5.17	4.2 %
Total Departmental Expenses**				
Total Labor Costs	$ 7,530	4.6 %	$ 26.29	21.4 %
Other Expenses***	10,611	7.0	37.04	30.1
Total Departmental Expenses*****	$ 18,142	6.0 %	$ 63.33	51.5 %

* Expressed as a percent of department revenue.

** Expressed as a percent of total revenue.

*** Includes cost of sales.

****Before management fees, property taxes, insurance, and rent.

SUITE HOTELS WITHOUT FOOD AND BEVERAGE

Payroll Costs

Figure Number 21

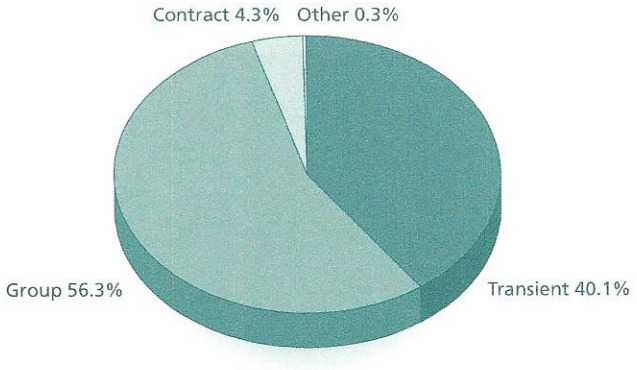
	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Salaries, Wages and Bonuses	$ 3,739	5.3 %	$ 13.05	10.9 %
Payroll-Related Expenses	1,103	5.4	3.85	3.2
Total Labor Costs	$ 4,842	5.4 %	$ 16.90	14.1 %
Other Operated Departments*				
Salaries, Wages and Bonuses	$ 31	4.4 %	$ 0.11	4.6 %
Payroll-Related Expenses	11	16.4	0.04	1.7
Total Labor Costs	$ 42	7.3 %	$ 0.15	6.3 %
Administrative and General Department**				
Salaries, Wages and Bonuses	$ 1,132	3.7 %	$ 3.95	3.2 %
Payroll-Related Expenses	322	3.9	1.12	0.9
Total Labor Costs	$ 1,454	3.8 %	$ 5.08	4.1 %
Marketing Department**				
Salaries, Wages and Bonuses	$ 404	1.5 %	$ 1.41	1.1 %
Payroll-Related Expenses	104	2.7	0.36	0.3
Total Labor Costs	$ 508	1.8 %	$ 1.77	1.4 %
Maintenance Department**				
Salaries, Wages and Bonuses	$ 525	2.5 %	$ 1.83	1.5 %
Payroll-Related Expenses	158	5.3	0.55	0.4
Total Labor Costs	$ 683	3.1 %	$ 2.39	1.9 %
All Departments**				
Salaries, Wages and Bonuses	$ 5,832	4.5 %	$ 20.36	16.5 %
Payroll-Related Expenses	1,699	5.0	5.93	4.8
Total Labor Costs	$ 7,530	4.6 %	$ 26.29	21.4 %

* Expressed as a percent of department revenue.

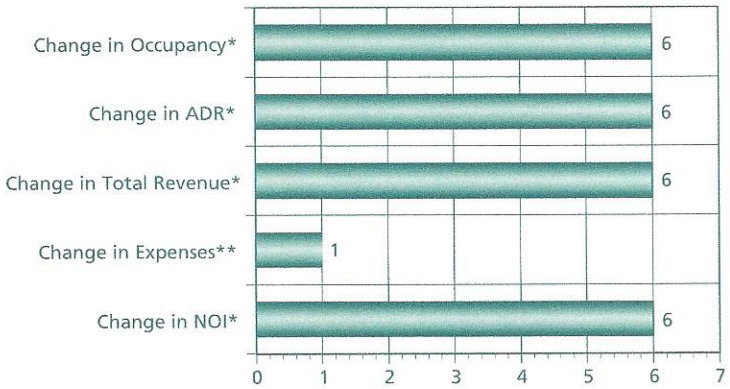
** Expressed as a percent of total revenue.

CONVENTION HOTELS
Performance in 2014

CONVENTION HOTELS
Market Mix



RANKING
Rank Among Six Property Type Categories
Change From 2013 to 2014



NOTE: * 1 = greatest increase, 6 = least increase
** 1 = least increase, 6 = greatest increase

- Total convention hotel revenues increased 5.6 percent in 2014, driven by a 2.3 percent gain in occupancy and a 3.1 percent rise in ADR.
- With expenses growing at 4.3 percent, convention hotel NOI increased 9.2 percent.
- Expenses in the rooms and sales and marketing departments grew the most on a percentage basis from 2013 to 2014.
- Labor costs at convention hotels increased 3.5 percent in 2014. The combined costs of salaries, wages, bonuses, and benefits represented 46.7 percent of total operating expenses for the year.
- Mid-sized and upper-priced convention properties achieved the lowest gains in NOI in 2014. Convention properties with an ADR over $200 achieved NOI growth of 3.7 percent in 2014, while those with 500 to 1000 rooms achieved NOI growth of 5.8 percent.
- Convention hotels in the New England and Middle Atlantic states suffered a decline in NOI, while properties in the Mountain/Pacific region enjoyed the greatest gains in NOI.

CONVENTION HOTELS
Summary Operating Statement
Dollars Per Available and Occupied Room
Figure Number 22

	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Occupied Room
Revenue				
Rooms	$ 50,036	5.5 %	59.5 %	$ 183.78
Food and Beverage	28,711	5.7	34.2	105.46
Other Operated Departments	4,235	7.2	5.0	15.55
Rentals and Other Income	1,045	2.8	1.2	3.84
Total Revenue	$ 84,027	5.6 %	100.0 %	$ 308.63
Departmental Expenses*				
Rooms	$ 14,171	5.4 %	28.3 %	$ 52.05
Food and Beverage	19,479	3.9	67.8	71.55
Other Operated Departments	2,274	2.8	53.7	8.35
Total Departmental Expenses	$ 35,924	4.4 %	42.8 %	$ 131.95
Total Departmental Income	$ 48,104	6.5 %	57.2 %	$ 176.68
Undistributed Operating Expenses				
Administrative and General	$ 6,253	3.4 %	7.4 %	$ 22.97
Sales and Marketing	5,378	6.1	6.4	19.75
Property Operations and Maintenance	3,454	2.8	4.1	12.69
Utilities	2,593	4.3	3.1	9.52
Total Undistributed Expenses	$ 17,678	4.2 %	21.0 %	$ 64.93
Gross Operating Profit	$ 30,426	7.9 %	36.2 %	$ 111.75
Management Fees	$ 3,189	6.1 %	3.8 %	$ 11.71
Income Before Fixed Charges	$ 27,236	8.1 %	32.4 %	$ 100.04
Fixed Charges				
Property and Other Taxes	$ 3,066	2.1 %	3.6 %	$ 11.26
Insurance	747	1.3	0.9	2.74
Total Fixed Charges	$ 3,813	1.9 %	4.5 %	$ 14.00
Net Operating Income**	$ 23,423	9.2 %	27.9 %	$ 86.03
Percentage of Occupancy	74.6 %	2.3 %		
Average Daily Rate	$ 183.78	3.1 %		
RevPAR	$ 137.09	5.5 %		
Average Size (Rooms)	828	(0.2)%		

* Expressed as a percent of departmental revenue.
** Before deduction for rent.

CONVENTION HOTELS
Summary Operating Statement – By Rate Groups
Figure Number 22A

	Rate Groups								
	Under $140			$140 to $200			Over $200		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue									
Rooms	$ 29,737	6.8 %	58.1 %	$ 45,375	6.7 %	56.7 %	$ 75,126	3.9 %	63.6 %
Food and Beverage	19,008	5.8	37.2	28,513	7.4	35.7	36,883	3.4	31.2
Other Operated Departments	1,595	6.9	3.1	5,135	10.0	6.4	4,661	2.1	3.9
Rentals and Other Income	821	3.0	1.6	946	3.6	1.2	1,412	1.9	1.2
Total Revenue	$ 51,160	6.3 %	100.0 %	$ 79,968	7.1 %	100.0 %	$ 118,082	3.6 %	100.0 %
Departmental Expenses*									
Rooms	$ 8,665	5.6 %	29.1 %	$ 12,387	5.2 %	27.3 %	$ 21,954	5.8 %	29.2 %
Food and Beverage	12,660	4.9	66.6	18,249	4.5	64.0	27,277	2.9	74.0
Other Operated Departments	1,287	2.6	80.7	2,594	2.8	50.5	2,463	2.9	52.9
Total Departmental Expenses	$ 22,612	5.0 %	44.2 %	$ 33,230	4.6 %	41.6 %	$ 51,694	4.1 %	43.8 %
Total Departmental Income	$ 28,548	7.4 %	55.8 %	$ 46,739	9.0 %	58.4 %	$ 66,388	3.3 %	56.2 %
Undistributed Operating Expenses									
Administrative and General	$ 5,055	5.5 %	9.9 %	$ 5,911	4.5 %	7.4 %	$ 7,860	0.9 %	6.7 %
Sales and Marketing	3,904	6.3	7.6	5,380	6.4	6.7	6,557	5.8	5.6
Property Operations and Maintenance	2,397	4.4	4.7	3,322	3.1	4.2	4,551	1.9	3.9
Utilities	2,106	4.5	4.1	2,433	4.4 %	3.0	3,286	4.2	2.8
Total Undistributed Expenses	$ 13,462	5.4 %	26.3 %	$ 17,046	4.8 %	21.3 %	$ 22,254	3.0 %	18.8 %
Gross Operating Profit	$ 15,085	9.3 %	29.5 %	$ 29,692	11.5 %	37.1 %	$ 44,134	3.4 %	37.4 %
Management Fees	$ 1,550	8.9 %	3.0 %	$ 2,635	8.8 %	3.3 %	$ 5,551	3.4 %	4.7 %
Income Before Fixed Charges	$ 13,536	9.4 %	26.5 %	$ 27,057	11.8 %	33.8 %	$ 38,583	3.4 %	32.7 %
Fixed Charges									
Property and Other Taxes	$ 1,165	2.7 %	2.3 %	$ 2,646	1.9 %	3.3 %	$ 5,387	2.3 %	4.6 %
Insurance	355	0.7	0.7	704	1.5	0.9	1,142	1.4	1.0
Total Fixed Charges	$ 1,519	2.2 %	3.0 %	$ 3,349	1.8 %	4.2 %	$ 6,529	2.1 %	5.5 %
Net Operating Income**	$ 12,017	10.3 %	23.5 %	$ 23,708	13.3 %	29.6 %	$ 32,054	3.7 %	27.1 %
Percentage of Occupancy	67.8 %	3.1 %		74.0 %	2.8 %		81.2 %	0.8 %	
Average Daily Rate	$ 120.14	3.5 %		$ 168.07	3.8 %		$ 253.43	3.1 %	
RevPAR	$ 81.47	6.8 %		$ 124.31	6.7 %		$ 205.82	3.9 %	
Average Size (Rooms)	536	0.2 %		936	(0.2)%		1,061	(0.4)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

CONVENTION HOTELS
Summary Operating Statement – By Geographic Divisions
Figure Number 22B

		Geographic Divisions					
		New England/Middle Atlantic			North Central		
		2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue							
1.	Rooms	$ 70,174	1.5 %	66.3 %	$ 45,133	8.1 %	61.2 %
2.	Food and Beverage	31,895	1.8	30.1	25,145	7.3	34.1
3.	Other Operated Departments	2,640	8.1	2.5	2,077	5.2	2.8
4.	Rentals and Other Income	1,126	0.7	1.1	1,369	3.2	1.9
5.	Total Revenue	$ 105,835	1.8 %	100.0 %	$ 73,723	7.6 %	100.0 %
Departmental Expenses*							
6.	Rooms	$ 20,615	4.0 %	29.4 %	$ 13,914	6.0 %	30.8 %
7.	Food and Beverage	24,431	1.6	76.6	16,872	5.4	67.1
8.	Other Operated Departments	1,641	7.7	62.2	1,515	4.8	72.9
9.	Total Departmental Expenses	$ 46,687	2.9 %	44.1 %	$ 32,301	5.6 %	43.8 %
10.	Total Departmental Income	$ 59,148	0.9 %	55.9 %	$ 41,423	9.3 %	56.2 %
Undistributed Operating Expenses							
11.	Administrative and General	$ 6,996	(0.4)%	6.6 %	$ 5,496	4.0 %	7.5 %
12.	Sales and Marketing	5,907	4.2	5.6	4,914	7.1	6.7
13.	Property Operations and Maintenance	4,080	2.0	3.9	3,391	4.5	4.6
14.	Utilities	3,329	3.1	3.1	1,975	6.7	2.7
15.	Total Undistributed Expenses	$ 20,312	2.0 %	19.2 %	$ 15,777	5.4 %	21.4 %
16.	Gross Operating Profit	$ 38,837	0.4 %	36.7 %	$ 25,646	11.8 %	34.8 %
17.	Management Fees	$ 5,929	1.0 %	5.6 %	$ 2,259	10.0 %	3.1 %
18.	Income Before Fixed Charges	$ 32,908	0.2 %	31.1 %	$ 23,387	12.0 %	31.7 %
Fixed Charges							
19.	Property and Other Taxes	$ 5,158	2.0 %	4.9 %	$ 3,303	2.1 %	4.5 %
20.	Insurance	701	1.8	0.7	450	2.4	0.6
21.	Total Fixed Charges	$ 5,859	1.9 %	5.5 %	$ 3,753	2.1 %	5.1 %
22.	Net Operating Income**	$ 27,049	(0.1)%	25.6 %	$ 19,634	14.1 %	26.6 %
23.	Percentage of Occupancy	80.7 %	1.2 %		75.7 %	3.3 %	
24.	Average Daily Rate	$ 238.35	0.3 %		$ 163.24	4.6 %	
25.	RevPAR	$ 192.26	1.5 %		$ 123.65	8.1 %	
26.	Average Size (Rooms)	866	(0.3)%		914	(0.1)%	

* Expressed as a percent of departmental revenue.
** Before deduction for rent.

CONVENTION HOTELS
Summary Operating Statement – By Geographic Divisions
Figure Number 22B (Continued)

	Geographic Divisions								
	South Atlantic			South Central			Mountain/Pacific		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
1.	$ 41,419	6.2 %	54.2 %	$ 40,523	5.1 %	52.7 %	$ 54,455	9.4 %	63.4 %
2.	29,252	7.6	38.3	29,117	7.3	37.8	26,659	4.9	31.0
3.	4,995	6.0	6.5	6,474	10.2	8.4	3,539	2.3	4.1
4.	788	2.7	1.0	839	2.2	1.1	1,303	5.0	1.5
5.	$ 76,453	6.7 %	100.0 %	$ 76,953	6.3 %	100.0 %	$ 85,956	7.6 %	100.0 %
6.	$ 11,462	6.3 %	27.7 %	$ 10,112	4.6 %	25.0 %	$ 15,984	7.0 %	29.4 %
7.	18,580	4.9	63.5	17,604	4.8	60.5	19,525	3.8	73.2
8.	2,414	0.5	48.3	3,101	0.6	47.9	2,191	5.1	61.9
9.	$ 32,456	5.1 %	42.5 %	$ 30,817	4.3 %	40.0 %	$ 37,700	5.2 %	43.9 %
10.	$ 43,997	7.9 %	57.5 %	$ 46,136	7.8 %	60.0 %	$ 48,256	9.6 %	56.1 %
11.	$ 6,628	4.5 %	8.7 %	$ 5,630	4.7 %	7.3 %	$ 6,366	4.8 %	7.4 %
12.	5,557	6.9	7.3	4,789	6.0	6.2	5,694	7.2	6.6
13.	3,405	2.6	4.5	3,060	2.8	4.0	3,414	3.0	4.0
14.	2,941	5.4	3.8	2,223	4.6	2.9	2,331	3.1	2.7
15.	$ 18,531	5.0 %	24.2 %	$ 15,703	4.7 %	20.4 %	$ 17,805	5.0 %	20.7 %
16.	$ 25,466	10.1 %	33.3 %	$ 30,433	9.4 %	39.5 %	$ 30,450	12.5 %	35.4 %
17.	$ 2,221	11.4 %	2.9 %	$ 2,590	6.6 %	3.4 %	$ 2,848	10.6 %	3.3 %
18.	$ 23,245	10.0 %	30.4 %	$ 27,843	9.7 %	36.2 %	$ 27,602	12.7 %	32.1 %
19.	$ 2,186	1.5 %	2.9 %	$ 2,092	2.6 %	2.7 %	$ 3,013	2.3 %	3.5 %
20.	546	1.4	0.7	814	0.8	1.1	1,119	1.2	1.3
21.	$ 2,732	1.5 %	3.6 %	$ 2,906	2.1 %	3.8 %	$ 4,132	2.0 %	4.8 %
22.	$ 20,513	11.3 %	26.8 %	$ 24,937	10.6 %	32.4 %	$ 23,471	14.8 %	27.3 %
23.	72.9 %	4.0 %		68.9 %	1.5 %		76.8 %	1.8 %	
24.	$ 155.65	2.1 %		$ 161.12	3.5 %		$ 194.21	7.5 %	
25.	$ 113.48	6.2 %		$ 111.02	5.1 %		$ 149.19	9.4 %	
26.	652	(0.2)%		948	—		854	(0.3)%	

CONVENTION HOTELS
Summary Operating Statement – By Property Size Classifications
Figure Number 22C

	Property Size Classifications								
	Under 500 Rooms			500 to 1,000 Rooms			Over 1,000 Rooms		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue									
Rooms	$ 37,062	6.2 %	54.1 %	$ 46,971	4.8 %	63.4 %	$ 54,436	5.7 %	58.4 %
Food and Beverage	27,418	7.8	40.0	24,131	3.4	32.6	31,827	6.4	34.1
Other Operated Departments	3,182	(3.3)	4.6	1,969	(2.5)	2.7	5,855	10.8	6.3
Rentals and Other Income	892	3.7	1.3	984	4.4	1.3	1,113	1.8	1.2
Total Revenue	$ 68,553	6.3 %	100.0 %	$ 74,055	4.1 %	100.0 %	$ 93,231	6.2 %	100.0 %
Departmental Expenses*									
Rooms	$ 9,835	5.8 %	26.5 %	$ 12,898	4.7 %	27.5 %	$ 15,797	5.7 %	29.0 %
Food and Beverage	17,809	5.9	65.0	17,292	2.4	71.7	21,169	4.3	66.5
Other Operated Departments	2,115	(4.6)	66.5	1,423	0.3	72.3	2,837	4.7	48.5
Total Departmental Expenses	$ 29,758	5.1 %	43.4 %	$ 31,612	3.2 %	42.7 %	$ 39,803	4.9 %	42.7 %
Total Departmental Income	$ 38,795	7.3 %	56.6 %	$ 42,443	4.8 %	57.3 %	$ 53,428	7.2 %	57.3 %
Undistributed Operating Expenses									
Administrative and General	$ 5,994	4.2 %	8.7 %	$ 5,941	3.4 %	8.0 %	$ 6,498	3.3 %	7.0 %
Sales and Marketing	4,988	5.4	7.3	5,169	6.2	7.0	5,584	6.3	6.0
Property Operations and Maintenance	3,179	4.4	4.6	3,085	2.1	4.2	3,737	3.0	4.0
Utilities	2,568	7.0	3.7	2,404	4.5	3.2	2,716	3.7	2.9
Total Undistributed Expenses	$ 16,729	5.0 %	24.4 %	$ 16,599	4.1 %	22.4 %	$ 18,535	4.2 %	19.9 %
Gross Operating Profit	$ 22,066	9.1 %	32.2 %	$ 25,844	5.2 %	34.9 %	$ 34,894	8.9 %	37.4 %
Management Fees	$ 2,012	13.0 %	2.9 %	$ 2,913	5.7 %	3.9 %	$ 3,587	5.5 %	3.8 %
Income Before Fixed Charges	$ 20,053	8.7 %	29.3 %	$ 22,930	5.2 %	31.0 %	$ 31,306	9.4 %	33.6 %
Fixed Charges									
Property and Other Taxes	$ 1,697	3.4 %	2.5 %	$ 2,835	2.2 %	3.8 %	$ 3,473	1.8 %	3.7 %
Insurance	513	6.8	0.7	649	1.5	0.9	852	0.6	0.9
Total Fixed Charges	$ 2,210	4.2 %	3.2 %	$ 3,484	2.1 %	4.7 %	$ 4,325	1.6 %	4.6 %
Net Operating Income**	$ 17,843	9.3 %	26.0 %	$ 19,446	5.8 %	26.3 %	$ 26,981	10.7 %	28.9 %
Percentage of Occupancy	67.6 %	3.3 %		73.6 %	1.4 %		76.5 %	2.6 %	
Average Daily Rate	$ 150.16	2.9 %		$ 174.83	3.4 %		$ 194.85	3.0 %	
RevPAR	$ 101.54	6.2 %		$ 128.69	4.8 %		$ 149.14	5.7 %	
Average Size (Rooms)	292	(0.7)%		723	—		1,480	(0.1)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

CONVENTION HOTELS
Departmental Expenses
Figure Number 23

	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Total Labor Costs	$ 8,570	4.6 %	$ 31.48	17.1 %
Other Expenses	5,601	6.6	20.57	11.2
Total Department Expenses	$ 14,171	5.4 %	$ 52.05	28.3 %
Food and Beverage Department*				
Total Labor Costs	$ 11,967	3.4 %	$ 43.95	41.7 %
Other Expenses***	7,512	4.7	27.59	26.2
Total Department Expenses	$ 19,479	3.9 %	$ 71.55	67.8 %
Other Operated Departments*				
Total Labor Costs	$ 1,267	1.2 %	$ 4.66	29.9 %
Other Expenses***	1,006	4.8	3.70	23.8
Total Department Expenses	$ 2,274	2.8 %	$ 8.35	53.7 %
Administrative and General Department**				
Total Labor Costs	$ 2,868	2.4 %	$ 10.53	3.4 %
Other Expenses	3,385	4.3	12.43	4.0
Total Department Expenses	$ 6,253	3.4 %	$ 22.97	7.4 %
Marketing Department**				
Total Labor Costs	$ 1,649	4.1 %	$ 6.06	2.0 %
Other Expenses	3,729	7.1	13.70	4.4
Total Department Expenses	$ 5,378	6.1 %	$ 19.75	6.4 %
Maintenance Department**				
Total Labor Costs	$ 1,986	3.0 %	$ 7.29	2.4 %
Other Expenses	1,468	2.6	5.39	1.7
Total Department Expenses	$ 3,454	2.8 %	$ 12.69	4.1 %
Utilities Department**				
Other Expenses	$ 2,593	4.3 %	$ 9.52	3.1 %
Total Departmental Expenses**				
Total Labor Costs	$ 28,307	3.5 %	$ 103.97	33.7 %
Other Expenses***	25,295	5.2	92.91	30.1
Total Departmental Expenses*****	$ 53,602	4.3 %	$ 196.88	63.8 %

* Expressed as a percent of department revenue.
** Expressed as a percent of total revenue.
*** Includes cost of sales.
****Before management fees, property taxes, insurance, and rent.

CONVENTION HOTELS

Payroll Costs

Figure Number 24

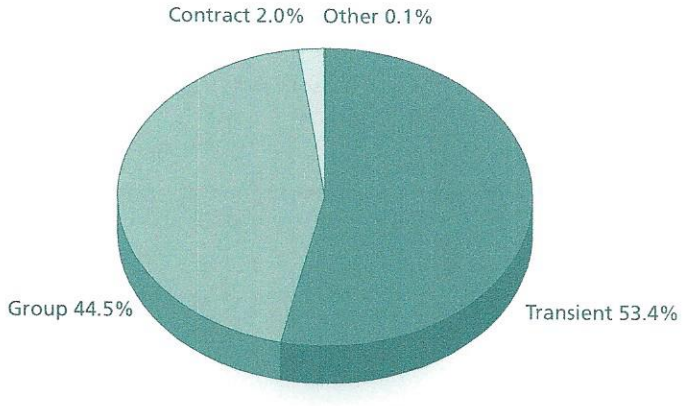
	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Salaries, Wages and Bonuses	$ 5,556	4.2 %	$ 20.41	11.1 %
Payroll-Related Expenses	3,014	5.2	11.07	6.0
Total Labor Costs	$ 8,570	4.6 %	$ 31.48	17.1 %
Food and Beverage Department*				
Salaries, Wages and Bonuses	$ 7,811	3.2 %	$ 28.69	27.2 %
Payroll-Related Expenses	4,156	3.7	15.26	14.5
Total Labor Costs	$ 11,967	3.4 %	$ 43.95	41.7 %
Other Operated Departments*				
Salaries, Wages and Bonuses	$ 866	1.2 %	$ 3.18	20.4 %
Payroll-Related Expenses	402	1.2	1.48	9.5
Total Labor Costs	$ 1,267	1.2 %	$ 4.66	29.9 %
Administrative and General Department**				
Salaries, Wages and Bonuses	$ 2,049	2.2 %	$ 7.53	2.4 %
Payroll-Related Expenses	819	2.7	3.01	1.0
Total Labor Costs	$ 2,868	2.4 %	$ 10.53	3.4 %
Marketing Department**				
Salaries, Wages and Bonuses	$ 1,243	4.8 %	$ 4.57	1.5 %
Payroll-Related Expenses	406	2.1	1.49	0.5
Total Labor Costs	$ 1,649	4.1 %	$ 6.06	2.0 %
Maintenance Department**				
Salaries, Wages and Bonuses	$ 1,312	2.6 %	$ 4.82	1.6 %
Payroll-Related Expenses	673	3.8	2.47	0.8
Total Labor Costs	$ 1,986	3.0 %	$ 7.29	2.4 %
All Departments**				
Salaries, Wages and Bonuses	$ 18,837	3.4 %	$ 69.19	22.4 %
Payroll-Related Expenses	9,470	3.9	34.78	11.3
Total Labor Costs	$ 28,307	3.5 %	$ 103.97	33.7 %

* Expressed as a percent of department revenue.

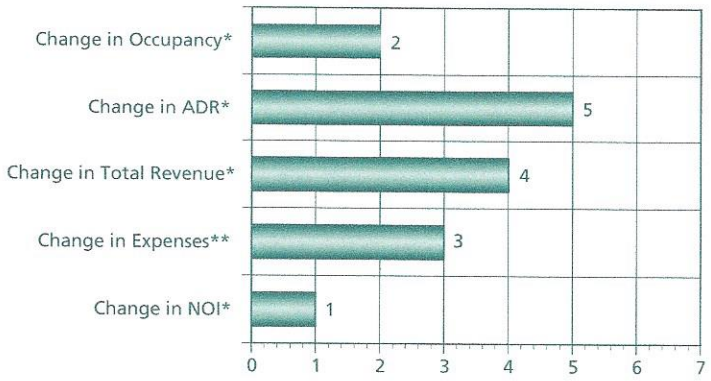
** Expressed as a percent of total revenue.

RESORT HOTELS
Performance in 2014

RESORT HOTELS
Market Mix



RANKING
Rank Among Six Property Type Categories
Change From 2013 to 2014



NOTE: * 1 = greatest increase, 6 = least increase
** 1 = least increase, 6 = greatest increase

- Total resort hotel revenues increased 7.4 percent in 2014, driven by a 3.3 percent gain in occupancy and a 4.0 percent rise in ADR.
- With expenses growing at 5.0 percent, resort hotel NOI increased 15.0 percent.
- Expenses within the rooms and administrative and general departments grew the most on a percentage basis from 2013 to 2014.
- Labor costs at resort hotels increased 3.6 percent in 2014. The combined costs of salaries, wages, bonuses, and benefits represented 46.7 percent of total operating expenses for the year.
- Small and mid-sized resort hotels enjoyed NOI gains of in 2014 of 26.9 percent and 21.2 percent respectively.
- Resort NOI growth was greatest for properties in the South Atlantic states, while profit growth was lowest for resorts in the North Central region.
- Average guests per occupied room decreased slightly from 1.75 in 2013 to 1.74 in 2014.

RESORT HOTELS

Summary Operating Statement
Dollars Per Available and Occupied Room

Figure Number 25

	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Occupied Room
Revenue				
Rooms	$ 59,420	7.4 %	53.3 %	$ 226.37
Food and Beverage	38,297	7.5	34.4	145.90
Other Operated Departments	11,562	7.5	10.4	44.05
Rentals and Other Income	2,154	5.4	1.9	8.21
Total Revenue	$ 111,433	7.4 %	100.0 %	$ 424.52
Departmental Expenses*				
Rooms	$ 15,563	6.1 %	26.2 %	$ 59.29
Food and Beverage	26,761	4.6	69.9	101.95
Other Operated Departments	7,752	2.9	67.1	29.53
Total Departmental Expenses	$ 50,076	4.8 %	44.9 %	$ 190.78
Total Departmental Income	$ 61,356	9.6 %	55.1 %	$ 233.75
Undistributed Operating Expenses				
Administrative and General	$ 8,604	5.9 %	7.7 %	$ 32.78
Sales and Marketing	7,400	5.5	6.6	28.19
Property Operations and Maintenance	5,019	4.3	4.5	19.12
Utilities	4,188	3.7	3.8	15.96
Total Undistributed Expenses	$ 25,211	5.1 %	22.6 %	$ 96.05
Gross Operating Profit	$ 36,145	13.1 %	32.4 %	$ 137.70
Management Fees	$ 3,461	9.9 %	3.1 %	$ 13.18
Income Before Fixed Charges	$ 32,685	13.4 %	29.3 %	$ 124.52
Fixed Charges				
Property and Other Taxes	$ 2,451	2.9 %	2.2 %	$ 9.34
Insurance	1,416	1.8	1.3	5.40
Total Fixed Charges	$ 3,867	2.5 %	3.5 %	$ 14.73
Net Operating Income**	$ 28,818	15.0 %	25.9 %	$ 109.79
Percentage of Occupancy	71.9 %	3.3 %		
Average Daily Rate	$ 226.37	4.0 %		
RevPAR	$ 162.80	7.4 %		
Average Size (Rooms)	442	(0.2)%		

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

RESORT HOTELS
Summary Operating Statement – By Rate Groups
Figure Number 25A

	Rate Groups								
	Under $150			$150 to $250			Over $250		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue									
Rooms	$ 29,440	8.1 %	54.9 %	$ 54,877	6.4 %	53.0 %	$ 88,402	8.3 %	53.3 %
Food and Beverage	18,546	7.0	34.6	36,809	8.2	35.6	54,784	6.8	33.0
Other Operated Departments	4,546	5.9	8.5	9,773	8.4	9.4	19,599	6.9	11.8
Rentals and Other Income	1,137	0.2	2.1	2,078	5.9	2.0	3,002	6.3	1.8
Total Revenue	$ 53,670	7.4 %	100.0 %	$ 103,537	7.2 %	100.0 %	$ 165,787	7.6 %	100.0 %
Departmental Expenses*									
Rooms	$ 8,793	7.2 %	29.9 %	$ 14,083	6.1 %	25.7 %	$ 22,894	5.7 %	25.9 %
Food and Beverage	11,587	4.4	62.5	24,988	5.4	67.9	40,517	3.9	74.0
Other Operated Departments	3,338	0.6	73.4	6,445	3.1	66.0	13,123	3.1	67.0
Total Departmental Expenses	$ 23,717	4.9 %	44.2 %	$ 45,517	5.3 %	44.0 %	$ 76,534	4.3 %	46.2 %
Total Departmental Income	$ 29,953	9.5 %	55.8 %	$ 58,020	8.8 %	56.0 %	$ 89,253	10.6 %	53.8 %
Undistributed Operating Expenses									
Administrative and General	$ 5,662	4.5 %	10.6 %	$ 7,480	7.3 %	7.2 %	$ 12,621	5.0 %	7.6 %
Sales and Marketing	4,958	7.7	9.2	7,171	6.0	6.9	9,516	3.9	5.7
Property Operations and Maintenance	2,877	2.9	5.4	4,723	5.2	4.6	7,041	3.7	4.2
Utilities	2,505	4.9	4.7	3,983	3.3	3.8	5,729	3.8	3.5
Total Undistributed Expenses	$ 16,003	5.2 %	29.8 %	$ 23,357	5.8 %	22.6 %	$ 34,906	4.3 %	21.1 %
Gross Operating Profit	$ 13,950	14.8 %	26.0 %	$ 34,664	11.0 %	33.5 %	$ 54,346	15.2 %	32.8 %
Management Fees	$ 1,190	10.6 %	2.2 %	$ 3,263	9.7 %	3.2 %	$ 5,403	10.0 %	3.3 %
Income Before Fixed Charges	$ 12,760	15.2 %	23.8 %	$ 31,401	11.1 %	30.3 %	$ 48,944	15.8 %	29.5 %
Fixed Charges									
Property and Other Taxes	$ 1,544	1.8 %	2.9 %	$ 2,425	3.4 %	2.3 %	$ 3,136	2.7 %	1.9 %
Insurance	875	1.3	1.6	1,153	2.9	1.1	2,252	1.0	1.4
Total Fixed Charges	$ 2,418	1.6 %	4.5 %	$ 3,578	3.3 %	3.5 %	$ 5,388	2.0 %	3.2 %
Net Operating Income**	$ 10,342	18.9 %	19.3 %	$ 27,823	12.2 %	26.9 %	$ 43,556	17.8 %	26.3 %
Percentage of Occupancy	67.1 %	4.3 %		73.1 %	3.9 %		73.3 %	1.8 %	
Average Daily Rate	$ 120.27	3.7 %		$ 205.66	2.4 %		$ 330.52	6.4 %	
RevPAR	$ 80.66	8.1 %		$ 150.35	6.4 %		$ 242.20	8.3 %	
Average Size (Rooms)	432	(0.1)%		521	(0.3)%		355	(0.2)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

RESORT HOTELS

Summary Operating Statement – By Geographic Divisions

Figure Number 25B

		Geographic Divisions					
		New England/Middle Atlantic			North Central		
		2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue							
1.	Rooms	$ 51,982	7.0 %	50.8 %	$ 28,578	5.7 %	48.1 %
2.	Food and Beverage	34,634	7.8	33.9	21,975	1.3	37.0
3.	Other Operated Departments	13,512	10.2	13.2	8,501	(0.4)	14.3
4.	Rentals and Other Income	2,182	1.2	2.1	306	6.4	0.5
5.	Total Revenue	$ 102,309	7.6 %	100.0 %	$ 59,360	3.2 %	100.0 %
Departmental Expenses*							
6.	Rooms	$ 13,736	4.0 %	26.4 %	$ 8,163	5.8 %	28.6 %
7.	Food and Beverage	24,629	4.6	71.1	15,095	0.5	68.7
8.	Other Operated Departments	10,415	8.5	77.1	7,623	(0.2)	89.7
9.	Total Departmental Expenses	$ 48,780	5.2 %	47.7 %	$ 30,881	1.6 %	52.0 %
10.	Total Departmental Income	$ 53,530	9.8 %	52.3 %	$ 28,479	4.9 %	48.0 %
Undistributed Operating Expenses							
11.	Administrative and General	$ 9,049	2.7 %	8.8 %	$ 5,830	4.5 %	9.8 %
12.	Sales and Marketing	7,448	5.5	7.3	5,493	3.1	9.3
13.	Property Operations and Maintenance	4,961	4.5	4.8	3,745	2.4	6.3
14.	Utilities	4,245	5.3	4.1	2,868	3.1	4.8
15.	Total Undistributed Expenses	$ 25,703	4.3 %	25.1 %	$ 17,936	3.4 %	30.2 %
16.	Gross Operating Profit	$ 27,826	15.4 %	27.2 %	$ 10,543	7.5 %	17.8 %
17.	Management Fees	$ 3,682	8.3 %	3.6 %	$ 1,783	6.3 %	3.0 %
18.	Income Before Fixed Charges	$ 24,145	16.6 %	23.6 %	$ 8,760	7.7 %	14.8 %
Fixed Charges							
19.	Property and Other Taxes	$ 1,244	4.3 %	1.2 %	$ 1,082	4.3 %	1.8 %
20.	Insurance	1,023	3.3	1.0	577	1.3	1.0
21.	Total Fixed Charges	$ 2,268	3.8 %	2.2 %	$ 1,659	3.3 %	2.8 %
22.	Net Operating Income**	$ 21,877	18.1 %	21.4 %	$ 7,101	8.8 %	12.0 %
23.	Percentage of Occupancy	59.3 %	1.9 %		59.4 %	3.1 %	
24.	Average Daily Rate	$ 240.07	5.0 %		$ 131.82	2.6 %	
25.	RevPAR	$ 142.42	7.0 %		$ 78.30	5.7 %	
26.	Average Size (Rooms)	271	(0.2)%		264	(0.1)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

RESORT HOTELS
Summary Operating Statement – By Geographic Divisions
Figure Number 25B (Continued)

	Geographic Divisions								
	South Atlantic			South Central			Mountain/Pacific		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
1.	$ 55,700	9.1 %	53.1 %	$ 53,984	8.2 %	45.8 %	$ 67,600	6.2 %	55.3 %
2.	38,082	9.2	36.3	46,484	8.1	39.5	39,095	6.4	32.0
3.	9,789	13.9	9.3	15,924	3.5	13.5	12,410	4.7	10.2
4.	1,383	9.6	1.3	1,387	6.7	1.2	3,145	4.1	2.6
5.	$ 104,953	9.6 %	100.0 %	$ 117,780	7.5 %	100.0 %	$ 122,250	6.1 %	100.0 %
6.	$ 13,687	6.0 %	24.6 %	$ 14,917	7.8 %	27.6 %	$ 18,248	6.0 %	27.0 %
7.	24,877	5.6	65.3	30,000	4.4	64.5	29,230	4.3	74.8
8.	6,333	5.3	64.7	10,501	2.6	65.9	8,210	1.2	66.2
9.	$ 44,897	5.7 %	42.8 %	$ 55,418	4.9 %	47.1 %	$ 55,688	4.4 %	45.6 %
10.	$ 60,056	12.7 %	57.2 %	$ 62,361	9.9 %	52.9 %	$ 66,562	7.6 %	54.4 %
11.	$ 8,193	6.2 %	7.8 %	$ 9,063	6.1 %	7.7 %	$ 9,122	6.1 %	7.5 %
12.	6,890	6.8	6.6	7,900	3.5	6.7	7,940	5.0	6.5
13.	4,543	7.4	4.3	5,023	4.3	4.3	5,565	2.4	4.6
14.	3,221	4.5	3.1	3,718	6.0	3.2	5,232	2.9	4.3
15.	$ 22,848	6.4 %	21.8 %	$ 25,704	4.9 %	21.8 %	$ 27,859	4.4 %	22.8 %
16.	$ 37,208	17.0 %	35.5 %	$ 36,657	13.6 %	31.1 %	$ 38,702	9.9 %	31.7 %
17.	$ 3,489	12.8 %	3.3 %	$ 3,414	8.6 %	2.9 %	$ 3,601	8.2 %	2.9 %
18.	$ 33,719	17.5 %	32.1 %	$ 33,243	14.2 %	28.2 %	$ 35,101	10.1 %	28.7 %
19.	$ 2,229	3.4 %	2.1 %	$ 3,831	3.2 %	3.3 %	$ 2,655	2.4 %	2.2 %
20.	1,817	1.8	1.7	780	1.4	0.7	1,319	1.9	1.1
21.	$ 4,046	2.7 %	3.9 %	$ 4,611	2.9 %	3.9 %	$ 3,974	2.2 %	3.3 %
22.	$ 29,673	19.9 %	28.3 %	$ 28,632	16.3 %	24.3 %	$ 31,126	11.2 %	25.5 %
23.	73.4 %	4.6 %		68.6 %	4.8 %		73.8 %	2.2 %	
24.	$ 207.82	4.4 %		$ 215.63	3.2 %		$ 250.91	4.0 %	
25.	$ 152.60	9.1 %		$ 147.90	8.2 %		$ 185.21	6.2 %	
26.	493	(0.2)%		413	(0.3)%		470	(0.2)%	

RESORT HOTELS

Summary Operating Statement – By Property Size Classifications

Figure Number 25C

	Property Size Classifications								
	Under 200 Rooms			200 to 500 Rooms			Over 500 Rooms		
	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent of Revenue
Revenue									
Rooms	$ 71,371	10.7 %	49.6 %	$ 58,923	9.0 %	51.4 %	$ 58,332	5.8 %	55.6 %
Food and Beverage	47,042	7.7	32.7	40,457	8.4	35.3	35,591	6.7	33.9
Other Operated Departments	23,309	7.6	16.2	13,614	6.6	11.9	8,569	8.4	8.2
Rentals and Other Income	2,280	8.5	1.6	1,699	10.6	1.5	2,483	2.6	2.4
Total Revenue	$ 144,002	9.2 %	100.0 %	$ 114,693	8.5 %	100.0 %	$ 104,975	6.2 %	100.0 %
Departmental Expenses*									
Rooms	$ 18,822	7.2 %	26.4 %	$ 15,372	6.3 %	26.1 %	$ 15,308	5.7 %	26.2 %
Food and Beverage	35,696	3.3	75.9	28,390	5.0	70.2	24,433	4.6	68.6
Other Operated Departments	13,763	5.5	59.0	9,525	3.5	70.0	5,675	1.4	66.2
Total Departmental Expenses	$ 68,281	4.8 %	47.4 %	$ 53,288	5.1 %	46.5 %	$ 45,416	4.5 %	43.3 %
Total Departmental Income	$ 75,721	13.4 %	52.6 %	$ 61,405	11.7 %	53.5 %	$ 59,559	7.5 %	56.7 %
Undistributed Operating Expenses									
Administrative and General	$ 14,081	7.0 %	9.8 %	$ 9,133	4.6 %	8.0 %	$ 7,533	6.9 %	7.2 %
Sales and Marketing	9,866	5.0	6.9	7,843	4.3	6.8	6,762	6.6	6.4
Property Operations and Maintenance	7,265	5.5	5.0	5,062	2.6	4.4	4,711	5.5	4.5
Utilities	5,207	3.8	3.6	3,908	6.1	3.4	4,275	2.1	4.1
Total Undistributed Expenses	$ 36,418	5.7 %	25.3 %	$ 25,947	4.3 %	22.6 %	$ 23,281	5.6 %	22.2 %
Gross Operating Profit	$ 39,302	21.6 %	27.3 %	$ 35,458	17.8 %	30.9 %	$ 36,278	8.8 %	34.6 %
Management Fees	$ 4,234	11.1 %	2.9 %	$ 3,454	11.8 %	3.0 %	$ 3,371	8.3 %	3.2 %
Income Before Fixed Charges	$ 35,068	23.1 %	24.4 %	$ 32,004	18.5 %	27.9 %	$ 32,907	8.8 %	31.3 %
Fixed Charges									
Property and Other Taxes	$ 2,738	2.5 %	1.9 %	$ 2,142	2.7 %	1.9 %	$ 2,649	3.1 %	2.5 %
Insurance	1,891	2.5	1.3	1,564	0.9	1.4	1,246	2.5	1.2
Total Fixed Charges	$ 4,629	2.5 %	3.2 %	$ 3,706	1.9 %	3.2 %	$ 3,896	2.9 %	3.7 %
Net Operating Income**	$ 30,439	26.9 %	21.1 %	$ 28,298	21.1 %	24.7 %	$ 29,011	9.7 %	27.6 %
Percentage of Occupancy	65.3 %	4.8 %		69.2 %	3.8 %		74.8 %	2.9 %	
Average Daily Rate	$ 299.37	5.7 %		$ 233.18	5.0 %		$ 213.79	2.8 %	
RevPAR	$ 195.54	10.7 %		$ 161.43	9.0 %		$ 159.81	5.8 %	
Average Size (Rooms)	121	—		361	(0.2)%		878	(0.3)%	

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

RESORT HOTELS
Summary Operating Statement – Dollars Per Guest Day
Figure Number 26

	2014 Dollars Per Guest Day	2013 Dollars Per Guest Day	Change From Prior Year
Revenue			
Rooms	$ 130.71	$ 124.65	4.9 %
Food and Beverage	84.61	80.55	5.0
Other Operated Departments	24.45	23.20	5.4
Rentals and Other Income	4.45	4.36	2.0
Total Revenue	$ 244.22	$ 232.76	4.9 %
Departmental Expenses			
Rooms	$ 34.18	$ 32.99	3.6 %
Food and Beverage	59.07	57.74	2.3
Other Operated Departments	16.40	16.25	0.9
Total Departmental Expenses	$ 109.65	$ 106.99	2.5 %
Total Departmental Income	$ 134.57	$ 125.77	7.0 %
Undistributed Operating Expenses			
Administrative and General	$ 18.76	$ 18.14	3.4 %
Sales and Marketing	16.17	15.70	3.0
Property Operations and Maintenance	10.95	10.76	1.8
Utilities	9.23	9.12	1.2
Total Undistributed Expenses	$ 55.11	$ 53.73	2.6 %
Gross Operating Profit	$ 79.45	$ 72.04	10.3 %
Management Fees	$ 7.64	$ 7.13	7.1 %
Income Before Fixed Charges	$ 71.81	$ 64.91	10.6 %
Fixed Charges			
Property and Other Taxes	$ 5.40	$ 5.38	0.4 %
Insurance	3.09	3.11	(0.6)
Total Fixed Charges	$ 8.48	$ 8.48	—
Net Operating Income*	$ 63.33	$ 56.43	12.2 %
Percentage of Occupancy	72.4 %	70.2 %	3.3 %
Average Daily Rate	$ 227.03	$ 218.45	3.9 %
RevPAR	$ 164.48	$ 153.25	7.3 %
Average Size (Rooms)	470	471	(0.2)%

* Before deduction for rent.

RESORT HOTELS
Departmental Expenses
Figure Number 27

	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Total Labor Costs	$ 9,322	4.4 %	$ 35.52	15.7 %
Other Expenses	6,241	8.6	23.78	10.5
Total Department Expenses	$ 15,563	6.1 %	$ 59.29	26.2 %
Food and Beverage Department*				
Total Labor Costs	$ 15,180	3.9 %	$ 57.83	39.6 %
Other Expenses***	11,581	5.7	44.12	30.2
Total Department Expenses	$ 26,761	4.6 %	$ 101.95	69.9 %
Other Operated Departments*				
Total Labor Costs	$ 4,835	1.8 %	$ 18.42	41.8 %
Other Expenses***	2,917	4.8	11.11	25.2
Total Department Expenses	$ 7,752	2.9 %	$ 29.53	67.1 %
Administrative and General Department**				
Total Labor Costs	$ 3,985	3.2 %	$ 15.18	3.6 %
Other Expenses	4,619	8.4	17.60	4.1
Total Department Expenses	$ 8,604	5.9 %	$ 32.78	7.7 %
Marketing Department**				
Total Labor Costs	$ 2,617	5.4 %	$ 9.97	2.3 %
Other Expenses	4,782	5.5	18.22	4.3
Total Department Expenses	$ 7,400	5.5 %	$ 28.19	6.6 %
Maintenance Department**				
Total Labor Costs	$ 2,604	2.2 %	$ 9.92	2.3 %
Other Expenses	2,416	6.7	9.20	2.2
Total Department Expenses	$ 5,019	4.3 %	$ 19.12	4.5 %
Utilities Department**				
Other Expenses	$ 4,188	3.7 %	$ 15.96	3.8 %
Total Departmental Expenses**				
Total Labor Costs	$ 38,544	3.6 %	$ 146.84	34.6 %
Other Expenses***	36,744	6.3	139.98	33.0
Total Departmental Expenses*****	$ 75,287	4.9 %	$ 286.82	67.6 %

* Expressed as a percent of department revenue.
** Expressed as a percent of total revenue.
*** Includes cost of sales.
****Before management fees, property taxes, insurance, and rent.

RESORT HOTELS
Payroll Costs
Figure Number 28

	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Salaries, Wages and Bonuses	$ 6,427	4.8 %	$ 24.49	10.8 %
Payroll-Related Expenses	2,895	3.7	11.03	4.9
Total Labor Costs	$ 9,322	4.4 %	$ 35.52	15.7 %
Food and Beverage Department*				
Salaries, Wages and Bonuses	$ 10,452	4.2 %	$ 39.82	27.3 %
Payroll-Related Expenses	4,728	3.1	18.01	12.3
Total Labor Costs	$ 15,180	3.9 %	$ 57.83	39.6 %
Other Operated Departments*				
Salaries, Wages and Bonuses	$ 3,372	1.7 %	$ 12.85	29.2 %
Payroll-Related Expenses	1,463	1.9	5.57	12.7
Total Labor Costs	$ 4,835	1.8 %	$ 18.42	41.8 %
Administrative and General Department**				
Salaries, Wages and Bonuses	$ 2,878	3.3 %	$ 10.96	2.6 %
Payroll-Related Expenses	1,107	2.8	4.22	1.0
Total Labor Costs	$ 3,985	3.2 %	$ 15.18	3.6 %
Marketing Department**				
Salaries, Wages and Bonuses	$ 1,960	5.5 %	$ 7.47	1.8 %
Payroll-Related Expenses	657	4.9	2.50	0.6
Total Labor Costs	$ 2,617	5.4 %	$ 9.97	2.3 %
Maintenance Department**				
Salaries, Wages and Bonuses	$ 1,833	2.3 %	$ 6.98	1.6 %
Payroll-Related Expenses	770	1.9	2.94	0.7
Total Labor Costs	$ 2,604	2.2 %	$ 9.92	2.3 %
All Departments**				
Salaries, Wages and Bonuses	$ 26,922	3.9 %	$ 102.57	24.2 %
Payroll-Related Expenses	11,621	3.1	44.27	10.4
Total Labor Costs	$ 38,544	3.6 %	$ 146.84	34.6 %

* Expressed as a percent of department revenue.

** Expressed as a percent of total revenue.

Atlanta
3475 Lenox Road, Suite 720
Atlanta, GA 30326
Phone: (404) 809-3969
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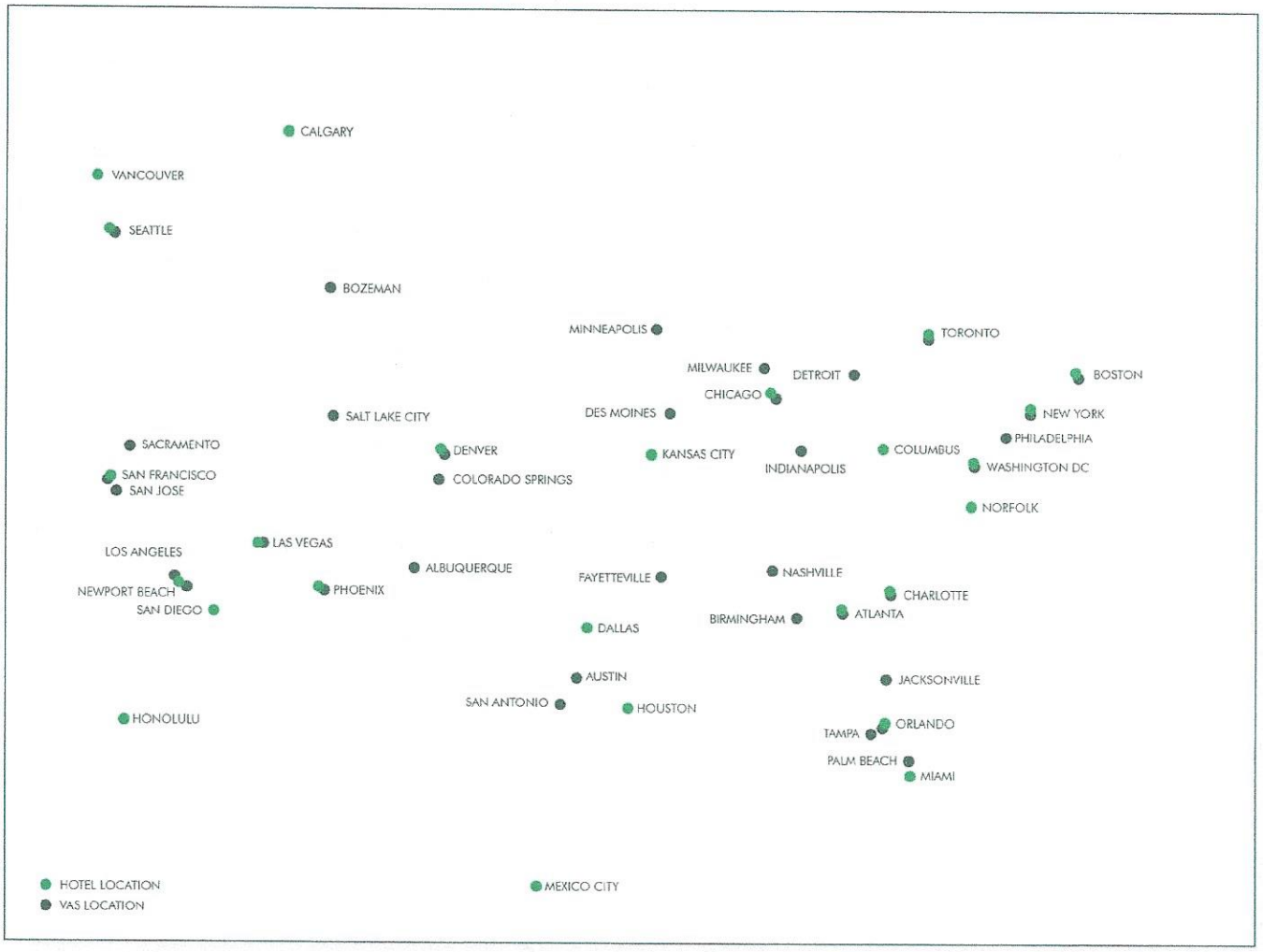

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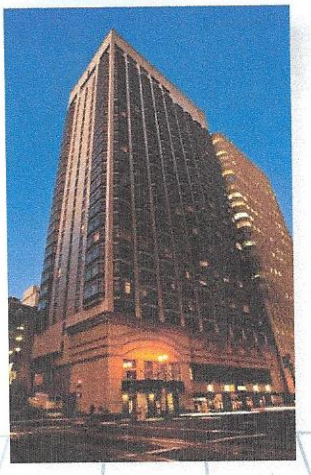

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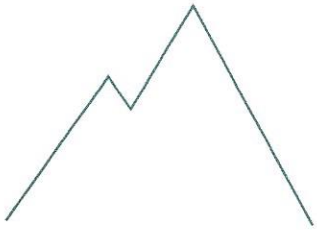

PERSISTENCE
AT THE PEAK

"U.S. hotels (on a unit-level same-store sales basis) achieved a 12.3 percent increase in net operating income (NOI) during 2014. This marks the fourth consecutive year of profit growth in excess of 10 percent, a trend that is forecast to continue through 2016."

"This six-year period (2011-2016) of continuous double-digit gains on the bottom line will be the longest such streak for the nation's hotels since PKF began tracking the industry in 1937."

"One of the most significant findings of the Trends® survey was the real 3.2 percent inflation adjusted rise in operating expenses (ExPAR) during 2014. Further investigation of the expense data reveals that U.S. hotel operators were able to effectively manage those cost items for which they have the most control. Measured on a dollar-per-occupied room basis, real ExPAR growth was just 0.2 percent in 2014."

"Per our June – August 2015 Hotel Horizons® report, all key industry metrics are forecast to achieve continued improvement through at least 2016. Supply growth will exceed demand in 2017, although attractive ADR increases are expected through the end of the decade."

"The outlook for hotel revenue growth is extremely bright for the next few years. However, hotel operators will face a variety of tailwinds and headwinds when it comes to controlling their expenses."

PKF
HOSPITALITY
RESEARCH
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"Projecting forward, should the industry suffer yet another catastrophic event, or perhaps experience a downturn brought on by a 'more normal' economic contraction, the severity of the downside scenario will be mitigated by the premium occupancy levels."

CBRE

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http://www.adobe.com/products/acrobat/readermain.html.

The Cover Page of this year's edition of *Trends® in the Hotel Industry* should automatically launch when you insert the CD. If the CD does not automatically launch, click the Start button and choose the Run command. In the Run dialog box, type d:\cover.pdf, where d: represents the drive letter of your CD-ROM drive. Then click the OK button. Click the various buttons/links on the Cover Page to navigate to additional pages and/or to launch additional files.

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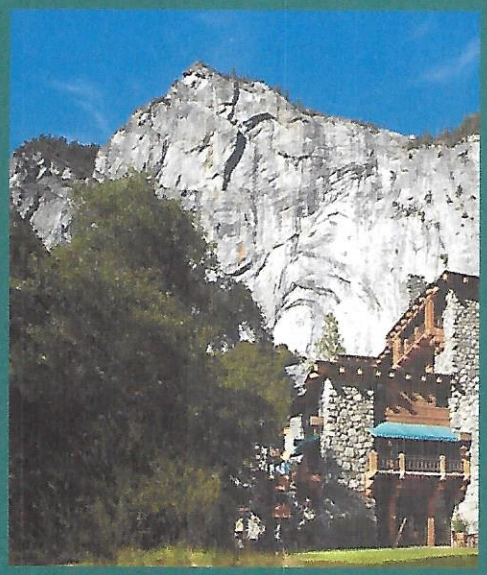
USA EDITION 2015



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3475 Lenox Road, Suite 720
Atlanta, GA 30326
www.pkfc.com

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HVS

U.S. Hotel Development Cost Survey 2015/16

By Stacey E. Nadolny, Jul 11, 2016

Each year, HVS researches development costs from our database of actual hotel construction budgets, industry reports, and franchise disclosure documents. These sources provide the basis for our range of component costs per room.

This 2015/16 survey reports per-room hotel development costs based on data compiled by HVS from hotel projects proposed or under construction during the 2015 calendar year. Construction cost data for new projects was collected in 2015 in order to form the basis of the mean and median of the construction cost components. Data derived from published sources and industry indexes, as well as information obtained from architects, contractors, developers, lenders, and other professionals involved with hotel development projects, have been considered in this survey.

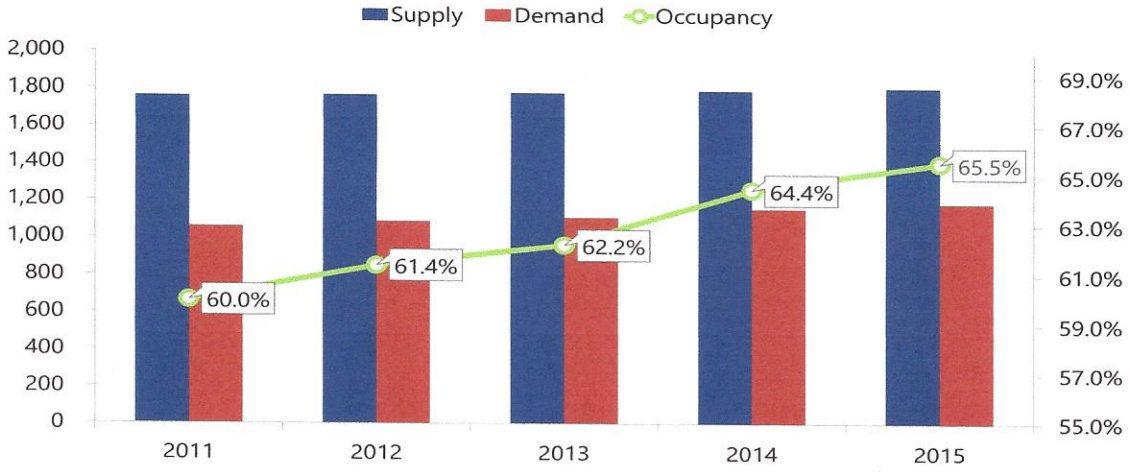
The HVS Hotel Development Cost Survey sets forth ranges of development costs in each defined lodging product category. The survey is not meant to be a comparative tool to calculate changes from year to year —rather, it reflects the cost of building hotels across the United States in 2015. As will be discussed, the ranges and averages set forth in this survey are greatly affected by the types and locations of hotels being developed at this point in the development cycle.

HOTEL DEVELOPMENT ON THE RISE

In most U.S. markets, 2015 served as a banner year for hotel occupancy and average rate. In anticipation of record RevPAR figures and strong cash flows, hotel developers across the country have searched high and low for new opportunities. With the increasing availability of construction financing over the past few years, no major market in the United States is without an active development pipeline. With this sweet spot in the development cycle, new hotels have been opening and many more are under construction or in planning. Hotel development in some markets was previously hindered by the lack of available brands; however, options for development have expanded as many new brands affiliated with the top hotel companies have emerged. Shrinking AOPs (Areas of Protection for franchisees) and the push toward independent lifestyle hotels and soft brands has further widened the opportunities for new entries into the market.

With more options than ever before, hotel developers have been capitalizing on the favorable conditions. Most analysts agree that we are at the top of the cycle in terms of hotel performance, and the new supply pipeline is beginning to make up for a relatively long and low period in our industry's history. While the number of rooms available in the U.S. has increased by 3.35% over the last five years, overall rooms sold has grown by approximately 17.60%, resulting in rising hotel occupancy and average rate levels that support the cost of new development.

EXHIBIT 1: U.S. SUPPLY AND DEMAND



Source: STR

Some markets, including Chicago, Miami, Denver, Nashville, New York City, and Seattle, are expected to record double-digit increases in new hotel rooms over the next three years. Other markets with less favorable economic growth or higher barriers to entry are anticipating more limited new supply growth. Furthermore, the rise of Airbnb in popularity cannot be ignored; thousands of overnight accommodations are being added to market supply through this and other residential sharing sites. Numerous markets are pushing legislation to tax and better track home-sharing/short-term rental platforms; however, many analysts agree that the full impact of the shared economy lodging sites has yet to be realized.

MACRO ENVIRONMENT

Influencing the potential of new hotel development is the availability and cost of hotel construction financing. According to the annual survey by the Mortgage Bankers Association, loan originations trended upward slightly, particularly in the fourth quarter of 2015, which is contrary to the trend thus far in 2016. Given the flattening of RevPAR growth, the capital markets have become leerier of hotel financing; some construction lenders are pulling out of the market, with others being more stringent in their loan underwriting. Loan-to-cost ratios have been lowered, increasing the amount of equity required, which is in turn slowing new development in 2016. In some markets, many projects without financing and entitlements in place are viewed as highly unlikely, with a more difficult lending environment on the horizon.

The competition for sites continues to intensify. In dense urban and suburban areas, multifamily housing and condominium projects can provide a more lucrative return than hotel development, particularly for well-located sites. However, as affordable housing requirements within high-density residential have gained favor in major urban markets, many developers are turning to alternative development types, including hotels.

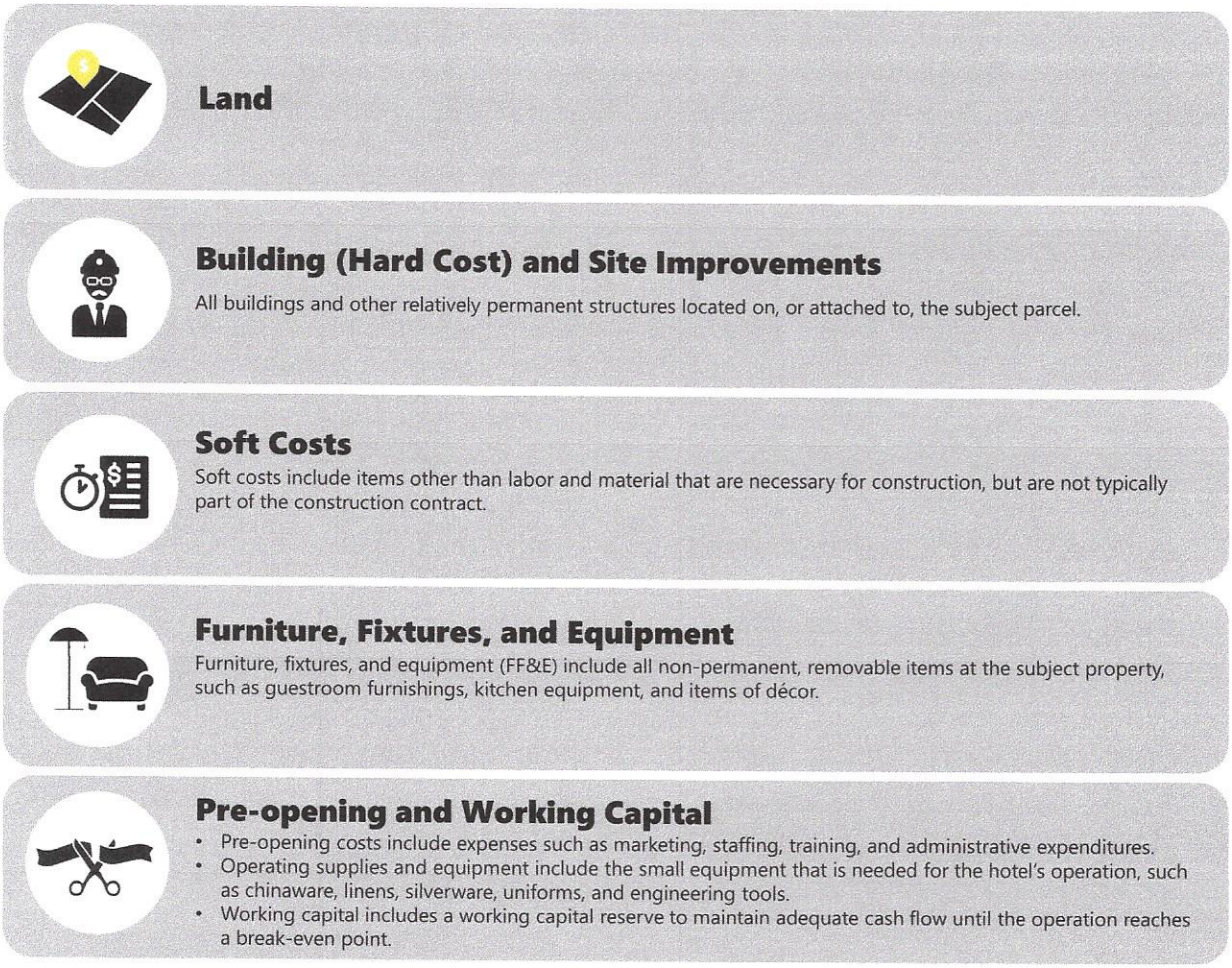
Rising development and construction costs are on the mind of every developer. While nationwide construction costs were reported to be around 4.5% higher in 2015 than 2014 by the U.S. Department of Labor, as will be discussed later, many markets experienced double-digit increases in hotel construction costs. Even though increases in raw materials were lower than in prior years, labor continues to be one of the most expensive components of new development. According to Bureau of Labor Statistics, the construction labor workforce has increased 4.7% from March 2015. However, the construction workforce is still 12% below its peak of 7.5 million workers in 2007; the shortage in labor is driving up construction wages.

HOTEL DEVELOPMENT COST CATEGORIES

The Uniform System of Accounts for the Lodging Industry (USALI) provides industry participants with a common language for analyzing the financial performance of a hotel. However, no such system exists for hotel development budgets. We have reviewed hundreds of hotel development budgets, and no two are alike. Evaluating the completeness of a budget is often challenging, as different line items are used and some components are unintentionally omitted. Based on our experience preparing the annual HVS Hotel Development Cost Survey, we have developed the following summary format for hotel development budgets, which forms the basis for our cost categories. We find that these categories are meaningful for hotel professionals when undertaking an analysis relating to hotel feasibility, and they provide a basis from which to analyze proposed projects.

The following chart shows the five categories defined by HVS and the typical items that each include.

EXHIBIT 2: HVS HOTEL DEVELOPMENT COST CATEGORIES



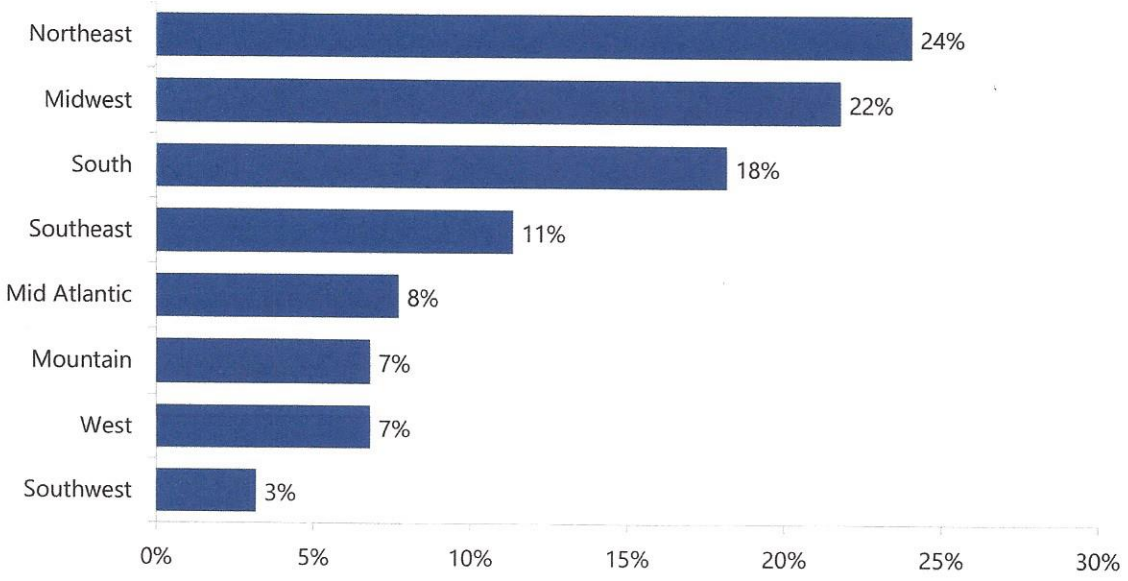
Source: HVS

The categories are not meant to be all-encompassing but do reflect the typical items in a development budget. In construction accounting, development budgets are generally presented in far greater detail than for general investment analysis. For the purposes of considering the overall feasibility of a proposed hotel, we find that the HVS Hotel Development Cost Survey categories cover the major components of hotel construction costs.

DATA COLLECTION AND SAMPLE SIZE

It is important to note that our data collection and sample size varied somewhat in 2015, as compared to prior years' surveys. In 2015, HVS collected more actual hotel construction budgets than ever before, spanning the country. The geographic breakdown of the data that form the basis for this year's survey is shown below.

EXHIBIT 3: GEOGRAPHIC BREAKDOWN OF SAMPLE DATA



Source: HVS

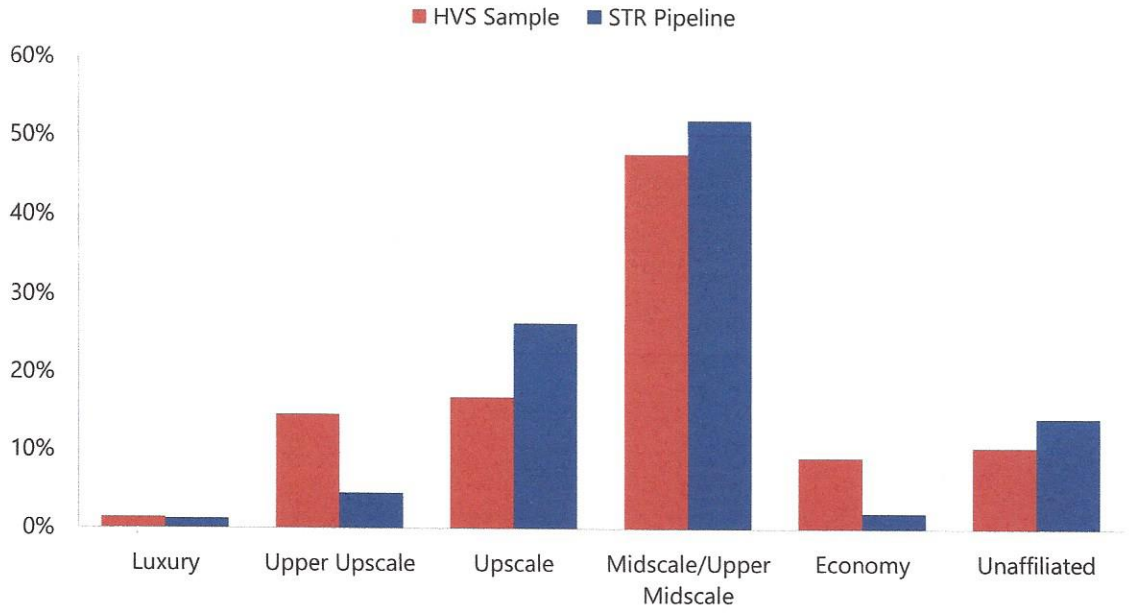
While not every construction budget was captured (due to a variety of reasons including incomplete data, skewed data, or development attributes), the construction budgets sampled span the United States. As identified by cost-estimating services like Marshall & Swift, construction costs vary greatly in different parts of the country. In this sample, our highest construction costs per key came from New York City and California. Other urban CBD markets, such as Chicago, Atlanta, and Dallas, reflected high costs as well. Conversely, the highway adjacent, rural, and mid-America suburban markets set the low data points.

Our sample included over 200 budgets. Of 3,000 hotel engagements conducted by HVS in 2015, approximately 20% were related to market and financial feasibility studies and/or appraisals of proposed hotels. Of these proposed projects, we selected over 200 complete and reliable budgets that form the basis for this year's survey. We were also able to analyze the budgets of hotels where construction budgets had changed. We evaluated several hotel projects where the construction budgets were updated as the hotel's development progressed. Of about 20 properties over a two-year period, the increase in construction cost grew on average 2.14% per month (25.7% annualized) from May 2014 to February 2016. For the projects at the low end of the range, they experienced an increase of 0.64% per month (7.7% annualized), while the highest was 6% per month. Two projects increased over 25%, each in less than a year's time, primarily driven by an increase in hard construction cost and labor costs (both projects were located in union markets).

The data illustrate how quickly construction costs change, especially in a market where demand for construction materials and labor is very high. Urban markets with active development across all commercial real estate sectors are especially susceptible to these increases. When evaluating actual construction budgets, analysts are advised to request current estimates and frequent updates, as well as to ensure that proper contingencies are in place.

We also examined the lodging product tier (STR chain scale) breakdown of our data set against the national data from STR. According to STR, over 4,000 hotels are in the U.S. pipeline for opening over the next three years. Our sample (5% of the STR pipeline) is generally in line with the STR's national figures for breakdown by chain scale. For the purposes of comparison, we re-sorted our data to fit the STR categories below. Historically, we did not account for the "Unaffiliated" segment; however, this segment is growing as the popularity of boutique and independent hotels rise and, thus, has been included this year.

EXHIBIT 4: PIPELINE COMPARISON



Source: HVS and STR

From the chart above, one can see the difference between our sample data and the STR pipeline, with little variation. Again, because of our large sample size from so many markets across the U.S., our data are considered representative of the national as a whole.

PER-ROOM HOTEL DEVELOPMENT COSTS

The nadir of hotel development costs in the most recent cycle was 2010 when construction demand was very low coming out of the recession. Costs in most categories have increased over the last five years. The averages and medians reflect a broad range of development projects across the U.S., including projects in areas with low barriers to entry and in high-priced urban and resort destinations. We note that the figures below are not adjusted for locational attributes.

EXHIBIT 5: 2015/16 HOTEL DEVELOPMENT COST PER ROOM AMOUNTS

	Land	Building and Site Improvements	Soft Costs	FF&E	Pre-Opening and Working Capital	Total
Budget/Economy Hotels						
Average	$10,900	$57,100	$7,800	$10,200	$1,600	$91,200
% of Total*	12%	70%	8%	11%	2%	
Midscale Hotels w/o F&B						
Average	$31,000	$77,000	$20,200	$14,800	$3,500	$152,900
% of Total*	12%	67%	10%	11%	3%	
Extended-Stay Hotels						
Average	$20,200	$83,600	$17,100	$15,900	$3,200	$147,800
% of Total*	11%	66%	10%	12%	2%	
Midscale Hotels w/ F&B						
Average	$39,700	$117,600	$29,400	$17,000	$6,600	$201,300
% of Total*	15%	62%	13%	10%	3%	
Full-Service Hotels						
Average	$45,700	$154,900	$13,000	$28,300	$13,600	$330,900
% of Total*	11%	64%	12%	11%	3%	
Luxury Hotels and Resorts						
Average	$116,600	$294,500	$85,900	$51,000	$22,900	$633,400
% of Total*	18%	60%	14%	9%	4%	

Source: HVS

**The percentage of total is calculated based on the total sample of all budgets.*

Two trends emerged in our analysis of this year's data set. First, the data included a larger number of projects in secondary and tertiary locations. The development of hotels in these markets has grown as local economies have improved in smaller markets. Second, the introduction of lower-cost hotel prototypes has pushed the low end of the range even lower. With the combination of these factors (development of low cost brands in low barrier-to-entry markets), we see a major shift in this year's data compared to prior years. Hilton and Marriott have both introduced low development-cost brands—Home2 Suites by Hilton, Tru by Hilton, and Moxy (Marriott). All of these brands have strong development pipelines, marketed around $85,000 to $110,000 per key for the standard prototype. This has resulted in average development costs lower than prior years. We note that the high end of the range in both midscale and extended-stay hotels has also increased substantially. The increased development of limited- and select-service brands in higher-cost locations, such as CBDs, skewed the high end of these segment ranges.

EXHIBIT 6: HOTEL DEVELOPMENT COST SURVEY PER-ROOM RANGE OF COSTS FOR 2015

2015	Land	Building and Site Improvements	Soft Costs	FF&E	Pre-Opening and Working Capital	Total
Budget/Economy Hotels	$2,500 - $53,600	$33,600 - $116,200	$1,200 - $17,900	$1,200 - $17,900	$100 - $4,000	$41,300 - $184,900
Midscale Hotels w/o F&B	$300 - $299,000	$20,700 - $187,400	$1,300 - $106,600	$400 - $47,100	$500 - $10,900	$54,400 - $573,300
Extended Stay Hotels	$1,700 - $91,400	$40,200 - $280,700	$500 - $107,700	$3,100 - $36,900	$100 - $28,000	$50,900 - $511,200
Midscale Hotels w/ F&B	$3,600 - $242,400	$21,400 - $301,100	$2,700 - $134,800	$100 - $35,000	$700 - $106,900	$71,300 - $536,100
Full-Service Hotels	$5,300 - $201,200	$7,100 - $439,800	$1,100 - $137,300	$5,500 - $53,100	$200 - $38,700	$98,200 - $694,700
Luxury Hotels and Resorts	$3,600 - $398,900	$164,000 - $737,000	$5,300 - $350,000	$8,000 - $112,700	$4,000 - $134,300	$295,200 - $1,200,000

Source: HVS

As noted previously, the methodology used in the 2015/16 survey varied slightly from the prior years' development surveys. The data in 2015 were more representative of all chain-scale properties and represented a wider sample of properties across the country.

Finally, we recommend that users of the HVS Hotel Development Cost Survey consider the per-room amount in the individual cost categories only as a general guide for that category. The totals for low and high ranges in each cost category do not add up to the high and low ranges of the sum of the categories. None of the data used in the survey included a project that was either all at the low range of costs or all at the high range of costs. A property that has a high land cost may have lower construction costs and higher soft costs. Hotels developed in high-cost markets, such as New York City, account for a small percentage of the projects, but typically have per-room component costs that set the upper end of the range. Alternatively, secondary and tertiary markets will generally account for projects on the lower end of the range. The total costs shown in the preceding table are from per-room budgets for hotel developments and are not a sum of the individual components.

All individual property information used by HVS for this cost survey was provided on a confidential basis and deemed reliable. Data from individual sources are not disclosed.

OTHER CONTRIBUTORS:

Suzanne Mellen, MAI, CRE, FRICS, ISHC

Megan Thunem

Bomie Kim

Lizzette Casarin

Astrid Clough McDowell

Filed Under Categories Lending, Development & Construction, Valuations & Market Studies, Economic Trends and Cycles

About Stacey E. Nadolny

Stacey Nadolny, MAI, an HVS Managing Director and Senior Partner, leads the firm's consulting and valuation practice in Chicago. Her extensive experience ranges across hundreds of appraisals and feasibility studies for full-service hotels in the Midwest, including convention headquarter hotels and portfolio assignments. Stacey earned her bachelor's degree from Cornell's School of Hotel Administration and gained front-line hotel experience at Ithaca's Statler Hotel. Contact Stacey at (419) 367-3879 or snadolny@hvs.com.

HOTEL FINANCIAL
STRATEGIES

FINANCIAL ARCHITECTS TO THE HOTEL INDUSTRY

Critical Issues to Ask Before Entering a Joint Venture or Partnership

Joint Ventures and Partnerships can be complex, lucrative, and/or difficult and expensive. As is so often the case, thorough planning and attention to detail before entering into an agreement JV will result in a more streamlined and likely positive transaction. Begin with an experienced attorney to guide you through the process. There are a lot more issues than this list contains, however, it may be helpful.

1. Will the investor cover all costs, or is their investment preferred equity to your contribution?
   a. Who is responsible for construction and occupancy cost overruns?

2. Is there a preferred or guaranteed return to the investor?

3. What are the sharing arrangements for
   a. cash flow
   b. construction savings
   c. tax losses
   d. sale proceeds

4. When are funds to be contributed?
   a. land acquisition
   b. start of construction
   c. funding of the permanent loan

5. Who is in control of the investment?
   a. construction decisions
   b. marketing decisions
   c. capital expenditures
   d. management
   e. sale and refinance

6. Do you have a capital account?

7. Is there an earn- out formula?
   a. time allocation
   b. based on an IRR
   c. what if project has not stabilized at time of earn-out?

8. Does the investor guarantee the construction loan?

9. Will the investor cover the equity gap?

10. Are there guarantees with regard to future funding obligations?

11. Can the transaction be unwound?
    a. failure to get financing

12. What are the forms of additional obligations?
    a. loan from investor
    b. if there is an additional contribution how does it change percentage allocation?

13. Does the investor get a capital account for hard equity investment?
    a. what if developer covers overruns ?

14. Is there a buy-sell provision?
    a. adequate notice to developer to get new financing

15. What experience in joint ventures does the investor have?

16. What is the developer's IRR

17. Is there a 100% squeeze- out formula?
    a. can developer preserve minimum interest?
    b. is there a fair dilution formula?

18. Is the investor prepared to take on construction phases with a predetermine formula?

19. What is the blended interest rate on joint venture capital?
    a. what is the true cost of money?

20. Will the early joint venture conflict with the developer's future ability to optimize their position?

21. Does the accrued return increase the investor's position?
    a. does accrued return bear interest?
    b. is the accrued return paid when cash is available, or out of sale proceeds?

22. Is the asset-holding period compatible with the developer's?
    a can the developer sell his interest before sale of the property?

23. What is the formula governing release of cash set aside to cover FF&E, improvements, marketing, construction completion, or negative cash flow?
    a. use of L.C. or cash?

24. Is there a mechanism governing the modification of the sharing of cash flow or sale proceeds after investor receives prescribed return?
    a. 75/25 modified to 50/50, etc.

25. Will the joint venture trigger?
    a. taxable event
    b. capital gain
    c. payment of soft dollars by investor
    d. short term gain

26. Will investor assume existing partnership?

27. Will investor assume existing project liabilities?

28. Will investor recognize a land profit or developer fee?
    a. cash payment or capital account

29. Will investor pay for 100% of tax losses?
    a. will investor allocate tax losses for lower price, or higher yield?

30. Will investor give 100% of cash flow for two years in exchange for 100% of the tax losses?

31. Who controls partnership funds?
    a. construction loan
    b. permanent loan

32. Does investor have continuing ability to cover deficits after breakeven?
    a. what if major decline occurs in future years?
    b. is there a contingency reserve set aside by investor?

33. If the investor controls the transaction, is the developer a general, or limited partner relative to future partnership liabilities?

34. Does the developer guarantee breakeven?
    a. what if projections are not met?

35. What is the scope of reporting to the investor?

36. What is the right of the developer to build and manage a competitive project?

37. Is a monthly reserve account required?

38. What are the investor's IRR, immediate cash return, and tax loss objectives?

39. When do investor's funds go at risk?

40. Will investor funds help lower construction interest?

41. Does the investor require an appraisal before funding?

42. Will the developer subordinate the management fee in order to qualify for a permanent loan?

43. If a permanent loan is obtained what if the ceiling is not obtained?

44. Is the investor contact person experienced?
    a. years with investor
    b. articulate spokesman
    c. independent authority

45. What representations and warranties are required?

46. Will the investor perform like a partner, or lender?

47. Does a committee govern the investor?
    a. decision-making process
    b. local authority

48. Will the investor want to control property management?
    a. risk of capital calls

49. Does the developer earn a cumulative, or non-cumulative return?

50. Is another financing vehicle available?
    a. participating mortgage
    b. mezzanine loan

51. Do the parties understand the difference between simple interest and an IRR?

Hotel Financial Strategies specializes in these types of transactions. They have been successful in seeking equity from as low as $2 million to as high as $50 million per individual transaction. They understand investor needs and have a great deal of experience in this segment of the marketplace. Please give us a call to answer any questions you may have.

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468 N. Camden Dr.
Suite 200
Beverly Hills, CA 90210

Tel: (310) 2477-2101
Fax: (9310) 247-0374

Email: hotelfinancial.com

CHART 1: Financial Assistance for Industry

For more detail concerning these incentives, see the footnotes online at **www.siteselection.com**.

	State-Sponsored Industrial Development Authority	Privately Sponsored Development Credit Corporation	State Authority or Agency Revenue Bond Financing	State Authority or Agency General Obligation Bond Financing	City and/or County Revenue Bond Financing	City and/or County General Obligation Bond Financing	State Loans for Building Construction	State Loans for Equipment, Machinery	City and/or County Loans for Building Construction	City and/or County Loans for Equipment, Machinery	State Loan Guarantees for Building Construction	State Loan Guarantees for Equipment, Machinery	City and/or County Loan Guarantees for Building Construction	City and/or County Loan Guarantees for Equipment, Machinery	State Financing Aid for Existing Plant Expansion	State Matching Funds for City and/or County Industrial Financing Programs	State Incentive for Establishing Industrial Plants in Areas of High Unemployment	City and/or County Incentive for Establishing Industrial Plants in Areas of High Unemployment
ALABAMA	•	•	•	•	•	•			•	•				•	•			•
ALASKA	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
ARIZONA			•		•	•	•	•			•	•			•			•
ARKANSAS	•	•	•	•	•	•	•	•	•	•	•	•			•		•	•
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MISSOURI	•	•	•		•	•	•	•	•	•	•	•			•		•	•
MONTANA		•	•	•	•	•	•	•	•	•	•	•	•	•	•			
NEBRASKA	•	•	•	•		•	•	•	•	•	•	•	•	•	•	•	•	•
NEVADA	•	•	•	•													•	•
NEW HAMPSHIRE	•	•	•		•	•			•	•	•	•	•	•	•			
NEW JERSEY	•		•		•	•	•	•	•	•	•	•			•		•	•
NEW MEXICO	•	•	•	•	•	•	•	•	•	•	•	•			•		•	•
NEW YORK	•	•	•	•	•		•	•	•	•	•	•			•		•	•
NORTH CAROLINA	•		•	•	•	•	•	•	•	•					•	•	•	•
NORTH DAKOTA		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
OHIO	•	•	•		•		•	•	•	•					•	•	•	•
OKLAHOMA	•		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
OREGON	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
PENNSYLVANIA	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
RHODE ISLAND	•	•	•	•	•		•	•	•	•	•	•			•	•	•	•
SOUTH CAROLINA	•	•	•		•										•		•	•
SOUTH DAKOTA	•		•	•	•	•	•	•	•	•					•	•		
TENNESSEE	•	•	•	•	•	•	•	•	•	•	•	•			•	•	•	
TEXAS	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
UTAH	•	•			•	•			•	•							•	
VERMONT	•	•	•		•	•	•	•	•	•	•	•			•	•		
VIRGINIA	•	•	•		•	•	•	•	•	•		•			•	•	•	•
WASHINGTON	•	•	•		•			•				•				•	•	
WEST VIRGINIA	•	•	•	•	•		•	•	•	•	•	•			•	•		
WISCONSIN	•		•		•	•	•	•	•	•			•	•	•		•	
WYOMING	•	•	•		•	•	•	•	•	•	•	•			•	•		
STATE TOTALS	41	40	47	27	47	38	43	44	45	45	31	35	19	19	46	28	42	39
PUERTO RICO	•	•	•	•	•	•	•	•			•	•			•	•	•	•

CHART 2: Tax Incentives for Industry

For more detail concerning these incentives, see the footnotes online at **www.siteselection.com**.

	Corporate Income Tax Exemption	Personal Income Tax Exemption	Excise Tax Exemption	Tax Exemption or Moratorium on Land, Capital Improvements	Tax Exemption or Moratorium on Equipment, Machinery	Inventory Tax Exemption on Goods in Transit (Freeport)	Tax Exemption on Manufacturers' Inventories	Sales/Use Tax Exemption on New Equipment	Tax Exemption on Raw Materials Used in Manufacturing	Tax Incentive for Creation of Jobs	Tax Incentive for Industrial Investment	Tax Credits for Use of Specified State Products	Tax Stabilization Agreements for Specified Industries	Tax Exemption to Encourage Research and Development	Accelerated Depreciation of Industrial Equipment
ALABAMA	•	•	•	•	•	•	•	•	•	•	•			•	•
ALASKA		•	•	•				•	•			•			•
ARIZONA	•	•	•	•	•	•	•	•	•	•	•			•	•
ARKANSAS	•		•	•	•	•	•	•	•	•	•	•		•	
CALIFORNIA		•	•	•	•	•	•	•	•	•	•			•	•
COLORADO	•		•		•	•	•	•	•	•	•				
CONNECTICUT	•		•	•	•	•	•	•	•	•	•		•	•	•
DELAWARE	•	•	•	•	•	•	•	•	•	•	•			•	•
FLORIDA	•	•	•	•	•	•	•	•	•	•	•			•	•
GEORGIA				•	•	•	•	•	•	•	•			•	•
HAWAII	•	•	•		•	•	•	•	•	•	•		•	•	•
IDAHO	•				•	•	•	•	•	•	•			•	•
ILLINOIS	•	•	•	•	•	•	•	•	•	•	•				•
INDIANA	•	•		•	•	•	•	•	•	•	•			•	•
IOWA	•	•	•	•	•	•	•	•	•	•	•			•	•
KANSAS	•	•		•	•	•	•	•	•	•	•			•	•
KENTUCKY	•	•		•	•	•	•	•	•	•	•	•		•	•
LOUISIANA	•	•		•	•	•	•	•	•	•	•		•	•	•
MAINE	•	•		•	•	•	•	•	•	•	•			•	•
MARYLAND	•	•	•	•	•	•	•	•	•	•	•			•	•
MASSACHUSETTS	•	•	•	•	•	•	•	•	•	•	•		•	•	•
MICHIGAN	•	•		•	•	•	•	•	•	•	•		•	•	•
MINNESOTA	•		•	•	•	•	•	•	•	•	•		•	•	•
MISSISSIPPI	•	•		•	•	•	•	•	•	•	•			•	•
MISSOURI	•	•	•	•	•	•	•	•	•	•	•			•	•
MONTANA	•	•		•	•	•	•	•	•	•	•	•	•	•	•
NEBRASKA		•		•	•	•	•	•	•	•	•			•	•
NEVADA	•	•	•			•	•	•	•	•	•				
NEW HAMPSHIRE		•			•	•	•	•	•	•					•
NEW JERSEY	•	•		•	•	•	•	•	•	•	•			•	
NEW MEXICO	•	•		•	•	•	•	•	•	•	•			•	•
NEW YORK	•	•	•	•	•	•	•	•	•	•	•			•	
NORTH CAROLINA	•	•	•	•	•	•	•	•	•	•	•		•	•	•
NORTH DAKOTA	•		•	•	•	•	•	•	•	•	•			•	
OHIO	•	•		•	•	•	•	•	•	•	•			•	•
OKLAHOMA	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
OREGON			•	•	•	•	•	•	•		•			•	•
PENNSYLVANIA	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
RHODE ISLAND			•	•	•	•	•	•	•	•	•	•	•	•	•
SOUTH CAROLINA	•	•	•	•	•	•	•	•	•	•	•			•	•
SOUTH DAKOTA	•	•	•	•		•	•	•	•	•	•			•	•
TENNESSEE	•	•	•	•	•	•	•	•	•	•	•			•	•
TEXAS	•	•		•	•	•		•	•	•	•			•	
UTAH					•	•	•	•	•	•					•
VERMONT			•			•	•	•	•	•	•		•		•
VIRGINIA	•	•		•	•	•	•	•	•	•	•		•	•	•
WASHINGTON	•	•	•			•	•	•	•	•	•			•	
WEST VIRGINIA	•	•		•	•	•	•	•	•	•	•			•	•
WISCONSIN	•	•			•	•	•	•	•	•	•			•	•
WYOMING	•	•			•	•	•		•						
STATE TOTALS	41	39	29	40	45	49	48	49	50	47	46	7	13	42	41
PUERTO RICO	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•

INTERIM HOSPITALITY CONSULTANTS
Celebrating 25 YEARS
Office: 850.893.6010
Fax: 850.893.8345
Cell: 850.443.5010
E-mail: ihcex@comcast.net
www.interimhospitality.com
4145 Yardley Circle, Tallahassee, FL 32309-2942
Edward L. Xanders, CHA, President

Cost Estimation

for

_____

to be developed by

_____

Contacts

1. Consultant:

Edward L. Xanders	Interim Hospitality Consultants	Cell: . . 850-443-5010
President	4145 Yardley Circle	Office: 850-893-6010
e-mail: ihcex@comcast.net	Tallahassee, FL 32309	Fax: . . 850-893-8345

2. Franchisor Representative:

_____

3. Soil Test:

_____

4. Surveyor

_____

5. Title Company:

_____

6. Lender:

_____

7. Architect:

_____

8. Engineer:

_____

9. General Contractor:

_____

10. Purchasing Company:

_____

11. Management Company:

_____

12. Attorney:

_____

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Cost Estimation

_____ **HOTEL** Date: _____

DEVELOPMENT ESTIMATE		Estimated Cost
Date Estimate Prepared		
Program Date		
Estimated Construction Period (Months)		
Development Cost Summary		
Pre-Development Cost		
Design Costs		
Construction Cost		
Fixtures, Furnishings, and Equipment Cost (FF&E)		
Operating Supplies and Equipment Cost (OS&E)		
Pre-Opening Costs		
Development and Financing Costs		
Development Contingency Cost		
Total Development Cost		
Project Statistics		
Number of Keys		
Total Program Area in Square Feet		
Total Area per Key		
Total Property Cost per Key		
Total Land Area (Acres)		
Total Land Area (SF)		
Property Cost per Square Foot		
Construction Cost per Key		
Development Cost per Key		
FFE Cost per Key (Without OSE Items)		
Construction Cost per Square Foot		
Total Project Cost (See Breakdown)		

Cost Estimation		
_____ **HOTEL**		
PRE-DEVELOPMENT COSTS		Estimated Cost
Land Acquisition Costs		
Property Acquisition		
Surveys-Boundary Deed		
Surveys-Topographical		
Title Search		
Zoning & Permits		
Legal Fees (initial LLC documents, closing, etc.)		
Franchise Fees		
Appraisal Costs		
Contingency		
Other		
Other		
Total Land Acquisition Costs		
Pre-Development Costs		
Photography/Printing		
Feasibility Study		
Pre-Development Graphics & Artwork		
Impact Fees		
Geotechnical Studies/Soil Testing/Environmental		
Miscellaneous Expenses		
Other		
Total Pre-Development Costs		
TOTAL PRE-DEVELOPMENT COSTS		

Cost Estimation		
_____ HOTEL		
DESIGN COSTS		Estimated Cost
Design-Civil Engineer		
Hotel Civil Engineer Basic Fee		
Hotel Civil Engineer Reimbursable		
Hotel Civil Engineer Addl. Services		
Hotel Civil Engineer Reserved		
Total-Design-Civil Engineer		
Design-Architect		
Architect Basic Services Fee (based on X% of construction cost)		
Architect Reimbursable		
Architect Addl. Services		
Architect Reserved		
Total-Design-Architect		
Design-Landscape Architect		
Landscape Architect Basic Services		
Landscape Architect Reimbursable		
Landscape Architect Addl. Services		
Landscape Architect Construction Admin		
Total-Design-Landscape Architect		
Design-Interior Designer		
Hotel Interior Designer Basic Services		
Hotel Interior Designer Reimbursable		
Hotel Interior Designer Addl. Services		
Hotel Interior Designer Reserved		
Total-Design-Interior Designer		
Design-Lighting Consultants		
Lighting Consultants Basic Services		
Lighting Consultants Reimbursable		
Lighting Consultants Addl. Services		
Lighting Consultants Reserved		
Total-Design-Lighting Consultants		
Subtotals-Design Costs		

Cost Estimation		
_____ **HOTEL**		
DESIGN COSTS - Continued		Estimated Cost
Design-Brought Forward		
Design-Facilities Consultant		
Facilities Consultant Basic Services		
Facilities Consultant Reimbursable		
Facilities Consultant Addl. Services		
Facilities Consultant Reserved		
Total-Design-Facilities Consultant		
Design-Other Consultant (A/V, Graphics, Etc.)		
Other Consultant Basic Services		
Other Consultant Reimbursable		
Other Consultant Reserved		
Other Consultant Reserved		
Total-Design-Other Consultant		
Total-Design-Construction Consultant		
Design-Special Presentations		
Internet/Intranet Networking		
Open		
Total-Design-Special Presentations		
Design-Contingency		
Design-Contingency		
Total-Design-Contingency		
TOTAL DESIGN COSTS		

Cost Estimation		
_____ **HOTEL**		
CONSTRUCTION COSTS		Estimated Cost
Construction-General Contractor		
Sitework/Earthwork/Demolition		
General Construction Contract		
Pool Allowance		
Parking Garage		
G.C. Fees		
Total-Construction-General Contractor		
Construction-Other		
Building Permits		
Landscaping Allowance		
Millwork Package		
Construction Testing		
Signage/Graphics (Non-Code)		
Project Management		
Total-Construction-Other		
TOTAL CONSTRUCTION		
OPERATING SUPPLIES AND EQUIPMENT (OS&E)		
OSE-Supplies and Uniforms		
OSE-General Category Allowance		
Total-OSE-Supplies and Uniforms		
OSE-Systems and Telephones		
OSE-General Category Allowance (PMS, Comm., Etc.)		
Total-OSE-Systems and Telephones		
TOTAL OPERATING SUPPLIES AND EQUIPMENT		

Cost Estimation		
_____ HOTEL		
FIXTURES, FURNISHINGS AND EQUIPMENT (FF&E)		Estimated Cost
FFE-Guestrooms		
FFE-King Room Furnishings		
FFE-D/D Room Furnishings		
FFE-Suites Furnishings		
FFE-Presidential Suite Furnishings		
FFE-Guest Corridors Furnishings		
FFE-General Allowance-Rooms		
Total-FFE-Guestrooms		
FFE-Public Areas		
FEE-Public Areas Allowance		
Total-FFE-Public Areas		
FFE-B.O.H. Areas		
FFE-B.O.H. Areas-Allowance		
Total-FFE-B.O.H. Areas		
FEE-Food & Beverage Areas		
FEE-Food & Beverage Areas-Allowance		
Total FEE-Food & Beverage Areas		
FFE-General and Administrative Offices		
FFE-General & Admin. Offices-Allowance (Leased; see Oper. Stmt.)		
Total-FFE-General and Administrative Offices		
FFE-Equipment, Exterior Signage		
FFE-Equipment-General Allowance		
Total-FFE-Equipment		
FFE-Miscellaneous		
FFE-Purchasing Fees		
FFE-Purchasing Company Reimbursable		
Total-FFE-Miscellaneous		
TOTAL FIXTURES, FURNISHINGS, & EQUIPMENT		

Cost Estimation		
_____ **HOTEL**		
PRE-OPENING COSTS		Estimated Cost
Pre-Opening-Marketing		
Pre-Opening-General Allowance		
Total-Pre-Opening-Marketing		
Pre-Opening-Working Capital		
Pre-Opening-Working Capital/General		
Total-Pre-Opening-Working Capital		
Pre-Opening-General & Administrative		
Pre-Opening-General & Admin./Reserved		
Total-Pre-Opening-General & Administrative		
TOTAL PRE-OPENING COSTS		
DEVELOPMENT AND FINANCING COSTS		
Development Expenses		
Developer's Travel & Expenses		
Development Fee		
Technical Services Fees		
Salary-Development Staff (incl. in Construction)		
Office Expenses		
Total-Development Expenses		
Financing Costs		
Legal		
Real Estate & Transfer Taxes		
Intangible Tax		
Title Insurance		
Loan Fees		
Recording Costs		
Loan Commission Fee		
Refundable Commitment Fee		

Cost Estimation		
_____ **HOTEL**		
DEVELOPMENT AND FINANCING COSTS		Estimated Cost
Development Expenses		
Developer's Travel & Expenses		
Development Fee		
Technical Services Fees		
Salary-Development Staff (incl. in Construction)		
Office Expenses		
Total-Development Expenses		
Financing Costs		
Legal		
Real Estate & Transfer Taxes		
Intangible Tax		
Title Insurance		
Loan Fees		
Recording Costs		
Loan Commission Fee		
Refundable Commitment Fee		
Financing Fees (3.0% on Equity)		
Development Interest		
Carry After Opening		
Total Financing Costs		
TOTAL DEVELOPMENT AND FINANCING COSTS		
DEVELOPMENT-OTHER		
Development-Other		
Development-Other		
Capital Reserve		
Total-Development-Other		
TOTAL DEVELOPMENT-OTHER		
GRAND TOTAL DEVELOPMENT COST		

Developer's Notes

Interim Hospitality Consultants

North America, Central America and the Caribbean Sea

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Office: 850.893.6010
Fax: 850.893.8345
Cell: 850.443.5010
E-mail: ihcex@comcast.net
www.interimhospitality.com
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Interim Hospitality Consultants Offers a Wide Array of Hospitality Services for Your Firm.

MANAGEMENT ASSISTANCE

1. *Hotel Operations:* General Manager of any size property/development at any location.
2. *Quality Assurance Programs:* Independent evaluation.
3. *Yield Management:* Maximize room revenues from an hourly to a seasonal basis.
4. *Front Office/Reservation Systems Training:* From the first customer greeting to night audit operations.
5. *Marketing Studies:* Formal studies to expose primary and secondary markets; personnel training.
6. *Human Resource Programs:* Position description, employee guides, wage and benefit reviews, task training.

OWNERSHIP ASSISTANCE

1. *Financial Operations Analysis* by department to maximize profits.
2. *Operations Manuals Consolidation* of your policies and procedures in compliance with state/federal laws and franchisee requirements.
3. *Litigation Support* with expert witness testimony.
4. *Anonymous Audits* of service and management standards.
5. *Lodging Realty Services* through Lodging Realty Services, LLC.
6. *Appraisal Services* through members of the Appraisal Institute of America.
7. *Mortgage Brokerage Services* for real estate financing.

DEVELOPMENT ASSISTANCE

1. *Feasibility Studies*: Authored over 900 franchisor and lender approved studies for over 70 brands.
2. *Impact Studies* to determine from a third-party standpoint the effect of new hotel development.
3. *Architectural Reviews* from a Hotel Operations perspective to eliminate errors and increase productivity.
4. *Remodeling Coordination* from project review to oversight management, including design, purchasing and installation.
5. *Construction Coordination:* Coordinating the efforts of the architect, general contractor, franchisee and ownership from a daily or project review perspective.
6. *Pre-Opening Management Functions* Includes permits/licensing, FF&E installation, punch lists, staffing, training and marketing.

Edward L. Xanders, CHA, President, Broker

American Hotel Lodging Association
Extended-Stay Hotel Council, AHLA
International Association of Hospitality Advisors
National Association of Black Hotel Owners, Operators and Developers
Asian American Hotel Owners Association, authored articles for AAHOA publications
National Association of Condo Hotel Owners
Latino Hotel Association
Superior Small Lodging of America
Florida Bed and Breakfast Association

Hotel Business®

Management Companies ANNUAL RANKING

MANAGEMENT COMPANIES

Ranked by gross annual revenue (end of 2014)

n/a = information was not available

Company	Gross annual revenue (in millions) 2014	2013	# of properties managed 2014	2013	# of rooms managed 2014	2013	# of third-party managed	ownership stake
1. Interstate Hotels & Resorts	$3,480.6	$3,151.8	435	382	79,125	72,529	430	36
2. White Lodging Services Corporation	$1,200.0	$1,078.0	162	169	25,890	26,461	142	17
3. Destination Hotels	$1,066.0	$961.2	44	41	11,955	10,679	43	1
4. Pyramid Hotel Group	$1,020.2	$871.9	53	48	17,378	16,050	n/a	n/a
5. Aimbridge Hospitality	$950.0	$792.4	276	198	36,242	27,290	276	235
6. Crescent Hotels & Resorts	$946.3	$858.7	96	87	22,148	20,477	n/a	n/a
7. Remington	$776.0	$679.0	80	79	15,991	15,681	82	1
8. HHM/Hersha Hospitality Management	$770.0	$750.0	128	125	16,000	15,470	118	10
9. Davidson Hotels & Resorts	$750.0	$709.0	48	46	13,720	13,657	48	9
10. TPG Hospitality Management	$740.0	$684.0	63	59	18,199	17,683	63	n/a
11. Pillar Hotels & Resorts	$627.8	$577.6	227	222	21,468	21,074	212	0
12. HEI Hotels & Resorts	$620.6	$594.0	42	38	11,785	10,341	27	16
13. Outrigger Resorts	$609.2	$567.7	42	42	9,545	10,636	31	8
14. Sage Hospitality	$565.8	$478.6	63	65	11,637	10,715	33	30
15. Benchmark Hospitality International	$559.7	$541.7	32	36	5,819	6,496	32	0
16. GF Management	$540.0	$540.0	105	130	15,729	19,911	89	16
17. Concord Hospitality Enterprises Company	$511.5	$470.0	97	93	14,205	13,330	74	23
18. Trump Hotel Collection	$420.0	$360.0	10	8	4,322	3,914	0	6
19. Evolution Hospitality	$386.1	$283.2	28	24	7,205	6,103	28	0
20. Crestline Hotels & Resorts	$370.0	$350.0	45	44	7,860	7,733	45	0
21. Driftwood Hospitality Management	$300.7	$251.6	50	33	9,470	7,594	24	26
22. Marcus Hotels & Resorts	$298.1	$296.0	20	20	5,201	5,257	11	14
23. First Hospitality Group, Inc.	$249.5	$265.0	61	55	8,054	7,895	25	36
24. Real Hospitality Group	$242.0	$224.0	58	49	7,618	6,454	58	0
25. Urgo Hotels & Resorts	$235.1	$224.3	27	30	4,075	4,389	18	9
26. Spire Hospitality	$235.0	$100.1	20	16	4,999	2,464	20	0
27. Hospitality Ventures Management Group	$233.0	$209.0	39	41	7,475	7,312	39	11
28. Quorum Hotels & Resorts	$225.8	$211.4	11	11	2,938	2,938	11	4
29. Chesapeake Hospitality	$190.0	$156.0	26	27	4,818	4,517	26	0
Richfield Hospitality	$190.0	$181.0	20	23	4,196	4,413	n/a	n/a

21

Driftwood Hospitality Management
North Palm Beach, FL

gross annual revenue (end of '14) **$300.7M**

# of hotels (end '14)..... **50**

# of rooms (end '14) **9,470**

Company	Gross annual revenue (in millions) 2014	2013	# of properties managed 2014	2013	# of rooms managed 2014	2013	# of third-party managed	ownership stake
31. Hostmark Hospitality Group	$185.0	n/a	28	33	5,740	7,021	33	8
New Castle Hotels & Resorts	$185.0	$145.0	25	24	4,388	3,817	7	18
33. The Dow Hotel Company	$180.0	$155.0	11	11	3,481	3,297	n/a	n/a
34. LBA Hospitality	$175.6	$167.6	67	70	6,362	6,410	67	1
35. Kinseth Hospitality	$175.0	$170.0	68	78	7,125	7,950	52	16
36. Meyer Jabara Hotels	$172.0	$153.5	20	20	3,751	3,671	20	17
37. Pacifica Host Hotels	$169.2	$140.3	42	38	6,274	5,983	0	42
38. Marshall Hotels & Resorts	$160.2	$135.5	46	41	5,820	5,945	46	0
39. The Hotel Group	$155.0	$147.0	27	26	4,141	4,020	21	6
40. Waterford Hotel Group, Inc.	$152.1	$136.0	27	30	3,385	3,669	27	0
41. InterMountain Management	$149.6	$204.6	49	78	4,877	7,402	49	49

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The Hotel Group
Edmonds, WA

gross annual revenue (end of '14) **$155M**

# of hotels (end '14)..... **27**

# of rooms (end '14) **4,1,41**

42. Salamander Hotels & Resorts	$145.7	$110.0	4	4	1,368	1,368	4	0
43. Commonwealth Hotels, LLC	$130.6	$119.8	36	34	4,362	4,133	9	27
44. Vista Host, Inc	$127.4	$98.4	26	26	3,333	3,218	26	13
45. Hospitality Management Corporation	$126.0	$125.0	33	32	3,750	4,384	33	5
46. Ultima Hospitality	$121.9	$112.0	11	10	2,561	2,327	2	10
47. Linchris Hotel Corp.	$120.6	$112.7	31	31	3,755	3,753	31	31
48. Shaner Hotel Group	$119.0	$117.9	14	11	1,485	1,082	14	4
49. Pacifica Hotels	$117.0	$101.2	27	23	2,707	2,189	4	23
50. Windsor Capital Group	$114.1	$105.3	10	10	2,299	2,299	10	10
51. Northview Hotel Group	$113.0	$114.8	12	9	2,074	1,701	2	12
52. OLS Hotels & Resorts	$112.1	$102.0	15	15	2,014	2,014	14	1
53. Coast Hotels	$110.5	$109.0	16	17	2,440	2,808	n/a	n/a
54. Greenwood Hospitality Management	$110.0	$88.0	14	9	2,450	2,054	14	3
55. Hotel Equities	$109.4	$83.8	58	52	6,090	4,875	45	13
56. Gemstone Hotels & Resorts LLC	$107.1	$76.0	15	12	2,009	1,583	14	1
57. Chartwell Hospitality LLC	$105.7	$89.6	24	23	2,812	2,909	7	17
58. HP Hotels	$105.1	$99.0	32	37	3,858	4,418	30	2
59. True North Hotel Group, Inc.	$104.0	$85.0	27	23	3,014	2,685	14	13

	Company	Gross annual revenue (in millions) 2014	2013	# of properties managed 2014	2013	# of rooms managed 2014	2013	# of third-party managed	ownership stake
60.	Kokua Hospitality	$103.0	$110.0	7	8	2,290	2,700	7	0
61.	Charlestowne Hotels	$100.6	$87.7	32	28	3,298	2,799	32	6
62.	Twin Tier Hospitality	$100.0	$86.0	15	13	2,795	2,183	0	15
	Trust Hospitality	$100.0	$75.0	30	23	3,000	2,500	30	1
64.	Expotel Hospitality Services	$95.0	$73.0	22	15	3,900	1,558	18	6
	HMG Hospitality	$95.0	$92.0	16	15	2,620	2,519	15	1
66.	Coakley & Williams Hotel Management Co.	$94.0	$100.0	24	29	3,146	4,036	24	5
67.	Newport Hospitalty Group, Inc.	$92.3	$79.4	30	24	3,099	2,409	30	6
68.	Vision Hospitality Group	$86.0	$68.0	32	29	3,150	2,851	n/a	n/a
69.	Integral Hospitality Solutions	$82.0	$75.0	28	25	2,950	2,735	28	0
70.	Innisfree Hotels, Inc.	$81.8	$62.4	23	n/a	2,803	n/a	12	11
71.	Hospitality America	$79.0	$86.0	15	15	1,939	1,939	15	7
	Valencia Group	$79.0	$59.0	6	6	1,095	1,095	3	4
73.	Winegardner & Hammons, Inc.	$75.4	$71.9	24	26	5,783	6,034	7	17
74.	Boykin Management Company, LLC	$73.7	$65.0	9	8	1,636	1,406	9	0
75.	Peachtree Hospitality Management	$73.6	$54.4	36	33	3,696	3,075	3	33
76.	Azul Hospitality Group	$70.0	$54.0	8	5	882	663	8	0
77.	Menin Hospitality	$69.8	$30.7	13	7	377	343	5	8
78.	PHD Hospitality	$62.4	$46.3	18	12	1,963	1,253	15	3
79.	Hotel Investment Services, Inc.	$60.0	$51.0	16	15	1,583	1,433	13	3
	Prestige Hospitality Group, LLC	$60.0	$42.0	19	13	2,037	1,435	20	1

68 **Vision Hospitality Group**
Chattanooga, TN

gross annual revenue (end of '14) **$86M**
# of hotels (end '14)..... **32**
# of rooms (end '14) **3,150**

81.	First Call Hospitality	$58.9	$52.8	10	11	2,366	2,058	13	0
82.	Marin Management, Inc.	$57.2	$58.4	21	25	2,046	2,339	21	0
83.	Widewaters Hotels	$52.0	$38.0	12	11	1,641	1,502	12	21
84.	Good Hospitality Services Inc	$49.7	$47.9	23	24	1,969	2,046	23	1
85.	The Generation Companies, LLC	$48.6	$47.8	24	24	2,711	2,711	1	23
86.	Paramount Hotel Group	$48.0	$40.0	14	12	1,625	1,300	n/a	n/a
87.	Synergy Hospitality, Inc.	$46.5	$46.3	7	7	1,165	1,165	5	2
	Vesta Hospitality, LLC	$46.5	$41.5	12	11	1,918	1,698	5	7
89.	Milestone Hospitality Management LLC	$45.3	$44.3	8	10	1,576	1,787	8	0

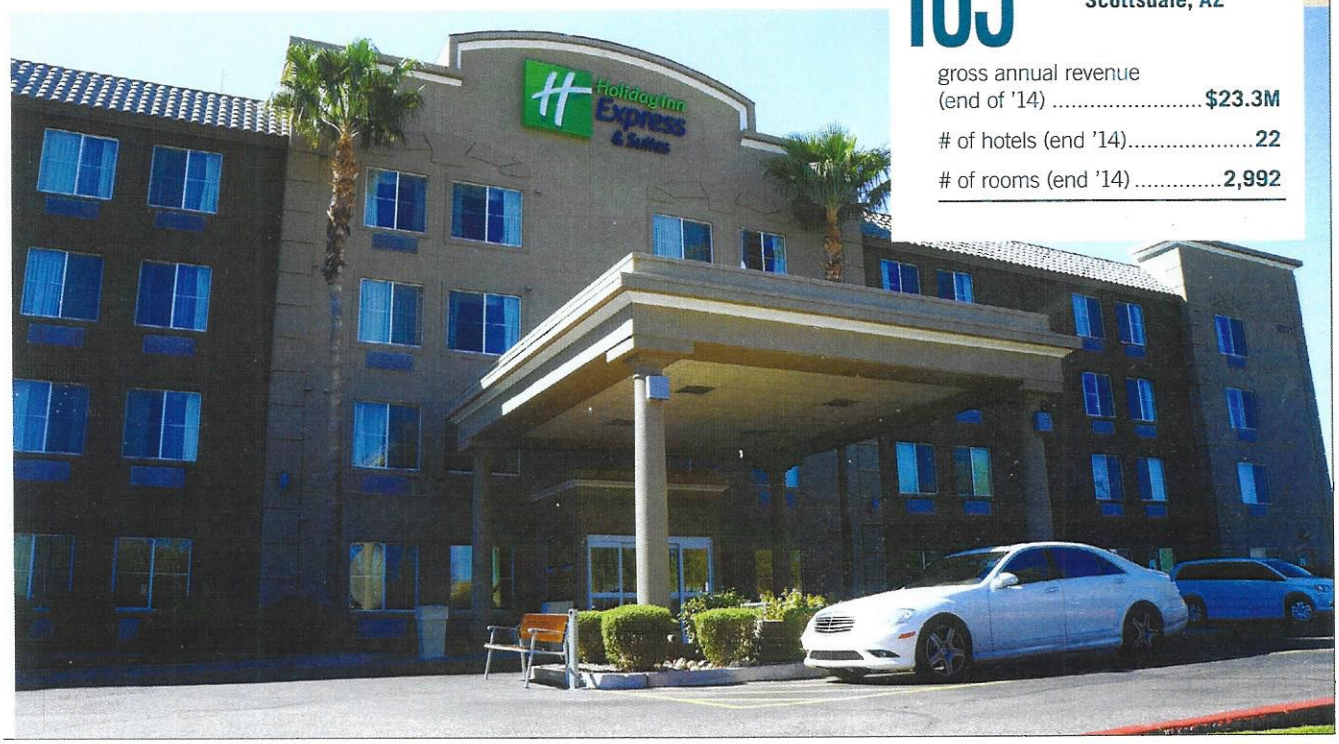
Company	Gross annual revenue (in millions) 2014	2013	# of properties managed 2014	2013	# of rooms managed 2014	2013	# of third-party managed	ownership stake
90. Frontera Hotel Group	$45.0	$9.0	14	3	1,900	330	14	4
91. RHW Management, Inc.	$44.5	$41.2	17	16	1,762	1,644	2	15
92. Twenty Four Seven Hotels	$44.0	$30.0	13	9	1,646	1,179	13	0
93. Paramount Hospitality Management	$42.7	$35.5	3	3	1,324	1,324	3	0
94. American Resort Management	$40.0	$33.0	13	12	1,450	1,325	13	0
Roedel Companies	$40.0	$36.0	10	10	1,372	1,372	3	7
96. Riley Hotel Group LLC	$38.6	$31.2	16	14	1,158	1,011	16	1
97. 3H Group Hotels, Inc.	$38.5	$35.0	21	19	2,079	1,762	n/a	n/a
98. Sky Hospitality LLC	$35.8	$24.0	22	15	1,584	1,070	21	1
99. Pacific Inns	$35.1	n/a	22	19	1,773	1,585	17	5
100. Radius Hospitality	$28.4	$27.8	6	6	875	875	6	4
101. Amerilodge Group	$28.1	$24.3	15	13	1,413	1,065	n/a	n/a
102. Portfolio Hotels & Resorts	$26.4	$22.7	14	14	2,229	1,613	5	9
103. Chandler Hotels Inc.	$23.3	$17.3	22	14	2,992	2,102	22	0
104. Paradise Hotel Group	$21.0	$19.0	8	7	833	726	6	2
105. Three Rivers Hospitality	$20.6	$17.5	19	18	1,433	1,252	9	10
106. R.A. Rauch & Associates	$20.0	$40.0	10	18	1,011	2,168	n/a	n/a
107. Sunrise Hospitality	$15.0	$12.5	5	5	400	400	0	5
108. NorthStar Hospitality	$10.9	$12.2	7	7	519	519	7	0
109. Caerus Hospitality	$6.0	$4.5	4	5	327	417	4	4
110. Prism Hotels & Resorts	$5.4	$7.5	24	33	4,861	5,507	24	0
111. LodgeWorks Partners, L.P.	$4.9	$4.0	11	11	1,551	1,543	3	8
112. North Central Management, Inc	$4.3	$4.6	25	27	3,140	3,426	n/a	n/a
113. Coral Hospitality	n/a	n/a	11	11	1,450	1,450	10	1
HVS Hotel Management	n/a	n/a	8	6	861	723	8	0
M&R Hotel Management	n/a	n/a	14	10	1,580	1,163	4	10
MCR Development LLC	n/a	n/a	88	51	10,000	6,000	0	88
PM Hospitality	n/a	n/a	29	24	4,922	4,117	n/a	n/a
Stonebridge Companies	n/a	n/a	56	53	9,010	8,018	17	39

103 Chandler Hotels Inc.
Scottsdale, AZ

gross annual revenue (end of '14) **$23.3M**

# of hotels (end '14)..... **22**

# of rooms (end '14) **2,992**



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HOTELS FROM LEFT
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THE WESTIN WILMINGTON, DELAWARE // LE MERIDIEN CHICAGO - OAKBROOK CENTER, ILLINOIS

LE MERIDIEN aloft FOUR POINTS WESTIN THE LUXURY COLLECTION

W HOTELS Sheraton ST REGIS element

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North America, Central America and the Caribbean Sea

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Interim Hospitality Consultants is pleased to have been listed in the Top 20 Hotel Consulting Firms in the United States since 2006 by *Hotel Management Magazine*.

Edward L. Xanders, CHA, CAM, GRI, IAHA
President

Edward L. Xanders has over 40 years of hotel management experience, with over 15 years in hotel management companies.

As President/Owner of Interim Hospitality Consultants, Tallahassee, Florida, which was formed in 1994, Xanders provides Operations, Feasibility/Market Analyses, Yield Management, Food & Beverage Controls, Human Resource Search/Training, Pre-Opening and Renovation Coordination, along with expert testimony to the hospitality industry across North America, Central America and the Caribbean Sea.

Xanders has authored over 1,200 Feasibility Studies and Market Analyses. He has also developed numerous projects for investors that included the Feasibility Study, engagement of Architect, General Contractor, Franchise (Holiday Inn, Comfort Suites, Staybridge Suites, Suburban Extended Stay Hotel), construction and FF&E coordination, Pre-Opening Staffing and Operations Management.

Xanders heads two associated companies: Lodging Realty Services provides hotel brokerage on a national basis, and Lodging Management Services, LLC, assists on the development and operation of hotels nationwide.

His prior company was Cambridge Management Corporation, Tallahassee, Florida, from 1984 to 1993. He directed the operations of over ten hotels and condominiums. Two of the annual management contracts were extended five times until the properties were sold.

From 1972 to 1984, Ed was Vice President and Regional Manager for Management Resources, Tallahassee, Florida, along with assignments at Hospitality Management Corporation, Metro Inns Management, and Westbrook Inn Management, all of Dallas, Texas. During this tenure, he served as General Manager of the Tallahassee Hilton (246 rooms) from 1979 to 1984. Additional Hilton Hotel Management assignments included Hiltons in Macon, GA; Amarillo, Ft. Worth, Midland, and Abilene, TX; Wichita, KA; and Albuquerque and Santa Fe, NM.

Ed has a Bachelor of Arts in Hotel and Restaurant Management from Michigan State University; was designated a Certified Hotel Administrator in 1980 by the American Hotel Lodging Association; and is a 1990 Graduate of the Realtor Institute of the National Association of Realtors. He has guest-lectured at major universities and hotel schools while also teaching AHLA Educational Institute classes.

Ed holds the professional Real Estate Broker Florida license. Prior licenses include Community (Condominium) Association Management; and Mortgage Broker Business. Lodging Realty Services, which provides Hotel Industry Real Estate Services, and Lodging Management Services, LLC, providing hotel management to all types of hotels and condominium associations, are both owned by Ed. He has published Management Case Studies in the *Florida Hotel Motel Association Journal* and the *Asian American Hotel Owners Association Hospitality* monthly magazine. Interim Hospitality Consultants has marketed its services in the national publications of *Hotel and Motel Management* and *Hotel Business*.

Ed is a past president of the Tallahassee Lodging and Restaurant Association, and Past Board Member of the Florida Hotel and Motel Association, Leon County United Way, and cofounder of the Tallahassee Area Convention and Visitors Bureau. Ed is President of the Royal Oaks Neighborhood Association.

Ed has been a member while serving as various committee chairmanships and as a delegate to the American Hotel Lodging Association (member of the Extended-Stay Hotel Council), Tallahassee Chamber of Commerce, Florida State University Boosters, Springtime Tallahassee Festival, and Good Shepherd Catholic Church, along with membership in the Florida Bed and Breakfast Innkeepers Association, Asian American Hotel Owners Association, the National Association of Black Hotel Owners, Operators and Developers, the Latino Hotel Association, National Association of Condo Hotel Owners, and Superior Small Lodging of the United States. In 1999, he formed the International Association of Hospitality Advisors.

Ed and Judy have been married for over 40 years and have three grown sons.

Kim Killingback
Senior Research Analyst

Kim Killingback's diverse experience in hotel management extends from a 4-Star bed and breakfast hotel to the Florida 5-Star Boca Raton Resort and Club, as well as private club management and numerous hotel franchise properties. She comes from a long line of hotel and restaurant owners and grew up at her family's New Hampshire summer resort. Kim graduated from Florida State University with a bachelor's degree from the School of Hospitality Administration.

Kim may be reached at 317-832-8515 or PedeKLP@aol.com.

George C. Banks
Senior Research Analyst

George Banks' diverse experience includes several hotel feasibility study projects; Participation at InterContinental Hotels Group (IHG) Americas Investors & Leadership Conferences in Washington, DC, Austin, TX, Las Vegas, NV, and Atlanta, GA; Past Membership in the IHG Owners Association and a past member of the IHG Technology Committee; Background in attending hotel investment and marketing conferences in Phoenix, AZ, Chicago, IL, and Atlanta, GA. Previous Vice President of Summit Group Commercial Properties LLC, (Development Representative and Real Estate Broker specializing in Class "A" office buildings, retail life style centers, restaurants and hospitality). Hospitality Consultant with Structure Commercial Real Estate and Senior Research Analyst with Interim Hospitality Consultants, LLC. George graduated from the University of Central Florida with a bachelor's degree in Business Administration and graduated from Florida State University with an MPA.

George may be reached at 850-980-0008 or georgecbanks@gmail.com.

INTERIM HOSPITALITY CONSULTANTS

INTERIM HOSPITALITY CONSULTANTS

Office: 850.893.6010
Fax: 1-800-903-6350
Cell: 850-443-5010
E-mail: ihcex@comcast.net
www.interimhospitality.com

Edward L. Xanders, CHA, Presient
4145 Yardley Circle, Tallahassee, FL 32309-2942

Hotel Feasibility Studies and Operations Analysis

Selected List

Affordable Suites of America	Tallahassee, FL			
aloft W Hotels	New York, (Queens), NY			
AmericInn	Greenville, MI	Edgemont, SD		
Americas Best Value Inn	Vernal, UT			
Ascend Collection	Cumberland, MD Dickinson, ND Fanning Springs, FL	Brooklyn, NY Jim Thorpe, PA Lockport, NY	Ridgeway, PA Midland, TX	Wytheville, VA Manitowish Waters, WI
Autograph Collection	Tallahassee, FL	Biloxi, MS	Houston (Katy), TX	Osa, Costa Rica
Baymont Inn & Suites	Celebration, FL	Kissimmee, FL	Slidell, LA	
Best Inns·Suites·Hotels	Ft. Myers, FL	Gainesville, FL	Orlando, FL	
Best Western	Luverne, AL Auburndale, FL Pensacola, FL	Plant City, FL Okeechobee, FL Jackson, GA	Marietta, GA Chicago (Calumet Park), IL S. Fulton, KY	Mount Morris, NY Geneseo, NY Myrtle Beach, SC
Best Western Plus	Enterprise, AL	Kenner, LA	Hammondsport, NY	Ardmore, OK
Premier Best Western	Jackson Township, NJ	St. Maartin, FWI	Antique, FWI	

Cambria Suites	Lauderhill, FL Perdido Key, FL Vero Beach, FL	Greensboro, NC Raleigh, NC Birmingham, TX	Las Vegas, NV Washington Hgts, NY	Bluffton, SC Dallas, TX
Candlewood Suites	Brandon, FL Niceville, FL Fallon, NV	Tallahassee, FL Atlanta (Airport), GA	Marietta, GA Grand Rapids, MI	Edmond, OK Anderson, SC
Clarion	Atlanta (East Point), GA	New York (Brooklyn), NY		
Cobblestone Inn & Suites	Boonesboro, MD Berlin, MD Federalsburg, MD Frostburg, MD Cumberland, MD Perry, NY	Lusby, MD Oakland, MD Ocean Pines, MD Pocomoke City, MD Snow Hill, MD Arcade, NY	Tanneytown, MD Medina, NY Allendale, SC Amherst, VA Appamattox,VA Warsaw, NY	Buena Vista, VA Marion, VA Purcellville, VA Stuart, VA Verona, VA Smith Mtn Lake, VA
Comfort by Choice Hotels	Blakely, GA Cairo, GA	Hastings, MI Leland, MS	Raleigh, NC	Hammondsport, NY
Comfort Suites	Crawfordville, FL Eastpoint, FL Lloyd, FL	N. Miami Beach, FL West Park, FL Largo, MD	Largo, MD Bronx, NY Lebanon, TN	Valley Stream, NY Suffolk, VA
Comfort Inn & Suites by Choice Hotels	Eutaw, AL Schenectady, NY	Hastings, MI Cadiz, OH	Leland, MS	Winfield, AL
Country Inns & Suites	Pelham, AL Crestview, FL Davie, FL DeLand, FL Ft. Myers, FL Lady Lake, FL Pensacola, FL	Yulee, FL Jasper, GA Baton Rouge, LA Taunton (Boston), MA Raynham (Boston), MA Grand Haven, MI Hastings, MI	Greenville, MS Jackson, MS Natchez, MS Starkville, MS Greensboro, NC Magnolia, NC Rose Hill, NC	Troutman, NC Cortland, NY Rossford, OH Sandusky, OH Mansfield, PA Fort Mill, SC Marinette, WI
Conrad Hotels	Memphis, TN			
Courtyard by Marriott	Ft. Myers, FL	Sanford, FL	Jacksonville, NC	Allentown, PA
Curio A Collection by Hilton	Waco, TX	St. Thomas, USVI	Red Hook, USVI	

Crowne Plaza Hotels & Resorts	Rochester, NY	Memphis (Collierville), TN		
Days Inn	Quincy, FL Bainbridge, GA	Kenner, LA	New Orleans, LA	Allendale, SC
DoubleTree	South Amboy, NJ	Willow Valley, PA	Youngstown, OH	
Econo Lodge	Ocala, FL	Quincy, FL		
element	St. George, UT Norfolk, VA			
Embassy Suites Hotels	Jackson, MS			
Even Hotels	Pittsburgh, PA			
Extended Suites	Aguascalientes, Mexico Ciudad del Carmen, Mexico	Léon, Mexico Monterrey, Mexico	Poza Rica, Mexico Querétaro, Mexico	San Luis Potosi, Mexico
Fairfield Inn & Suites Marriott	Madison, AL El Reno, OK	Ft. Walton Beach, FL Oklahoma City, OK	Plattsburgh, NY Lloyd, FL	Arcadia, CA
Four Points Sheraton	Indianapolis, IN	Lancaster, PA		
GH Guesthouse Inns Hotels Suites	Birmingham, AL			

Hampton Inns & Suites	Huntsville, AL	Ft. Myers, FL	St. Petersburg, FL	Plattsburgh, NY
	Winfield, AL	Lake Wales, FL	Cumberland, MD	Mansfield, PA
	Little Rock, AR	Quincy, FL	Knightdale, NC	Oklahoma City, OK
	Chipley, FL	Palatka FL	Rocky Mount, NC	Portsmouth, VA
	Dade City, FL	Plant City, FL	Geneseo, NY	Smithfield, VA
	Hornell, NY	St. George, UT		
Hawthorn Suites by Wyndham	Birmingham, AL	Ocala, FL	Dalton, GA	New Orleans, LA
	Daphne, AL	Palm Bay, FL	Flowery Branch (Atl), GA	Interlochen, MI
	Miami (Coconut Grove), FL	Tallahassee, FL	Hartwell, GA	Raleigh, NC
	Fort Myers, FL	Atlanta, GA	Atlanta (Roswell), GA	
	Melbourne, FL	Atlanta (College Park), GA	Warm Springs, GA	
Hearthside	New Orleans, LA			
Hilton	Coral Springs, FL	Augusta, GA	Macon, GA	Tallahassee, FL
Hilton Garden Inn	Crestview, FL	Gettysburg, PA	Canandagua, NY	Port-au-Prince, Haiti
	Miami (Miramar), FL	Harrisburg, PA	New York (Bronx), NY	St. Maartin, FWI
	Naples, FL	Durham, NC	Federal City, CA	Peoria, IL
Holiday Inn Express	Crossett, AR	Fort Myers, FL	California, MD	Allentown, PA
	Siloam Springs, AR	Quincy, FL	Bordentown, NJ	Breezewood, PA
	Montevallo, AL	Palatka, FL	Binghamton, NY	Canonsburg, PA
	Riverside (Rubidoux), CA	College Park, GA	Holiday City, OH	Wytheville, VA
	Victorville, CA	Kingsland, GA	Mason, OH	Wheeling, WV
	Fanning Springs, FL	Glasgow, KY	Sallisaw, OK	St. Gabriel, LA
	Tamarac, FL	Hamilton, NJ	Columbia City, IN	Vidalia, GA
Holiday Inn	Ocala, FL	Kingsland, GA	Jackson (Pearl), MS	Flemington, NJ
	Stuart, FL	Williamsburg, IA	Fayetteville, NC	Flemington, NJ
	Tallahassee, FL	Louisville, KY		
Home2 Suites by Hilton	Tallahassee, FL	Millville, NJ	Mahwah, NJ	
Homewood Suites Hilton	Crestview, FL	Atlanta, GA	Harrisburg, PA	Norfolk, VA
	Tallahassee, FL	Greenville, NC	St. George, UT	Green Bay (De Pere), WI
	Athens, GA	Mason, OH	Catoosa, OK	Peoria, IL
Howard Johnson	Tupelo, MS			

Hotel indigo	Stuart, FL Jacksonville, FL	Dania Beach, FL	North Miami Beach, FL	New Orleans, LA
H	Norfolk, VA			
Hyatt Place	Montgomery, AL Augusta, GA	Delray Beach, FL North Miami Beach, FL	Lexington, KY Bluffton, SC	Suffolk, VA
Hyatt Summerfield Suites	Norfolk, VA			
InterContinental Hotels & Resorts	Greensboro, NC			
Key West Inn	Columbiana, AL	St. James Island, FL		
La Quinta	Daphne, AL Malbis, AL Yreka., CA	Pensacola, FL Olive Branch, MS	Southaven, MS Lincoln, NE	Verona, NY Wichita Falls, TX
Lexington Collection	Coral Springs, FL Ft. Lauderdale, FL	Branson, MO Chelsea, Manhattan, NY	Long Island City, NY Middletown, NY	Palmyra, VA Trinidad
MainStay Suites	Montgomery, AL Ocala, FL Pinellas Park, FL Port Charlotte, FL Beaver Falls, PA	Port St. Joe, FL Tallahassee, FL Springfield, MA Great Mills, MD Cadiz, OH	Baltimore, MD Hattiesburg, MS Horn Lake, MS Meridian, MS Windham, ME	Dickinson, ND Newark, NJ Canton, OH Richmond, VA Marlow, NJ
Microtel Inns & Suites	Birmingham, AL Daphne, AL Decatur, AL Talladega, AL Bushnell, FL Brooksville, FL Carrabelle, FL	East Point, FL Lake Wales, FL Ocala, FL Franklin, KY Thibodaux, LA St. Rose (New Orleans), LA Shreveport, LA	Slidell, LA Detroit (Lincoln Park), MI Leland, MS Meridian, MS N. Bergen, NJ Salamanca, NY	Wilkes-Barre, PA Mount Pleasant, SC Summerville, SC Pasadena, TX Williamsburg, VA Toledo (Maumee), OH
Moxy Hotels	Pittasburgh, PA			

Park Inn	Tallahassee, FL			
Preferred Residences	Vicksburg, MS			
Quality	Geneseo, NY	Bedford, PA	Clarksville, TN	
Radisson Hotels & Resorts	Gladstone, MO	Memphis, TN	Porto-au-Prince, Haiti	Williston, ND
Ramada Worldwide	Poconos, PA			
Residence Inn Marriott	Silver Spring, MD	Arcadia, CA	Lewiston, NY	
Shoney's Inn	Morrilton, AR			
Sleep Inn	Headland, AL Marion, AL Union Springs, AL Mena, AR Windham, ME	Jacksonville, FL Port St. Joe, FL Augusta, GA Shreveport, LA Marlton, NJ	Wyndham, ME Marlton, NJ Niagara Falls, NY Columbia, SC Kennedale, TX	Houston (Stafford), TX Woodbridge, VA Hillsboro, NC
SpringHill Suites Marriott	Charleroi, PA Knoxville, TN	Portsmouth, VA Buena Vista, VA	Richmond, VA	Wheeling, WV
Staybridge Suites	Dothan, AL Tallahassee, FL	Denver, NC Union City, NJ	Memphis (Collierville), TN Knoxville, TN	Wheeling, WV
Suburban Extended Stay Hotels	Ocala, FL Perry, FL	Tallahassee, FL Meridian, MS	Washington, PA Morgantown, WV	Tridelphia, WV

Gulfport, MS

Atlanta (Six Flags), GA

Pensacola, FL

Vidalia, LA0

Macon, GA

Clarksville, TN

Bakersfield, CA

Pennsauken, NJ

Ramsey, NJ

Lynn Haven, FL

Macon, GA

Clarksville, TN

Greensboro, NC

Sarasota, FL

Oxford, MS

Indianapolis, IN

Delray Beach, FL

Manchester, NH

INDEPENDENT LODGING

Gulf Shores, AL	Resort Hotel & Residences		
Cape Coral, FL	Market-Driven Hotel	Villa Ridge, MO	Diamond Inn
Crawfordville, FL	Wakulla Springs, FL	Black Mountain, NC	Independent Resort
Daytona Beach, FL	Desert Isle Inn	Chama, NM	Chama Inn & Suites
Daytona Beach, FL	Maple Leaf Condo	Endicott, NY	Independent Living
Immokalee, FL	Market-driven hotel	Mt. Morris, NY	Performing Arts Theatre
Jacksonville, FL	Edward Waters Hotel	Saratoga Springs, NY	Roosevelt Inn & Suites
Miami Beach, FL	Boutique Hotel	Bluffton, SC	Hamilton Inn
Panama City Beach, FL	Pineapple Beach Resort	Columbia, SC	Eagles Nest Resort
Port St. Joe, FL	Port InnColumbia, SC	N. Myrtle Beach, SC	North Shore Inn & Suites
St. James Island, FL	Condo Hotel	Chattanooga, TN	Hamilton Inn
Tallahassee, FL	Hamilton Inn	Copperhill, TN	Independent Hotel
Tallahassee, FL	Southgate Campus Center	Fort Worth, TX	Park Central Inn
Dallas, GA	Villager Lodge	Springdale, UT	Desert Pearl Inn
Kingsland, GA	Assisted Living Home	Norfolk, VA	Tides Inn
Copper Harbor, MI	Keweenaw Mtn. Lodge	Petersburg, VA	Dozier Hotel
Biloxi, MS	Barq Boutique Hotel	Richland, WA	Guest House at PNNL
Oxford, MS	Ava Hotel and Spa	Black River Falls, WI	Majestic Pines Casino
Vicksburg, MS	Delta Court Hotel	Costa Rica	Osa Resort Club
Gainesville, FL	Sweetwater Branch Inn		
Tampa, FL	Coed Hostel		

CONDOMINIUM HOTEL FEASABILITY STUDIES

Fort Morgan, AL	The Sanctuary at Fort Morgan	Miami, FL	Ocean 4
Gulf Shores, AL	Zydeco Hotel and Spa	Sarasota, FL	Condo Hotel and Theater
Coral Springs, FL	Golf Resort	Palmyra, VA	Rivanna Resort

LODGING MANAGEMENT SERVICES LLC

THE MANAGEMENT ARM OF INTERIM HOSPITALITY CONSULTANTS

Lodging Management Services assisted in the development of **Staybridge Suites**, **Candlewood Suites** and **Suburban Extended Stay Hotel**, Tallahassee, FL, **Wingate Inn**, Lynn Haven, FL and **Comfort Suites**, Suffolk, VA.

Tallahassee, FL	Tallahassee, FL	Tallahassee, FL	Lynn Haven, FL	Suffoll. VA

LODGING REALTY SERVICES LLC

THE REAL ESTATE ARM OF INTERIM HOSPITALITY CONSULTANTS

SOLD

Pensacola, FL	Donalsonville, GA	Valdosta, GA

INTERIM HOSPITALITY CONSULTANTS
Celebrating Over 25 Years
Office: 850.893.6010
Fax: 1-800-903-6350
Cell: 850-443-5010
E-mail: ihcex@comcast.net
www.interimhospitality.com
Edward L. Xanders, CHA, President
4145 Yardley Circle, Tallahassee, FL 32309-2942

INDUSTRY PARTICIPATION

	Attend	*Exhibit*	*Speaker*
American Hotel Lodging Association (Extended-Stay Council, since 1998)	✔		
Asian American Hotel Owners Association Conference	✔	✔	✔
American Lodging Investment Summit Conference	✔	✔	
Atlanta (Hunter) Hotel Investment Conference	✔	✔	
Best Western Hotel Conference	✔	✔	✔
Boutique Hotel Conference	✔		
Cobblestone Hotels Conference	✔		✔
Choice Hotels International Conference	✔	✔	
Caribbean Hotel & Resort Investment Summit (CHRIS)	✔		
Caribbean Hotel Investment Conference and Operations Summit (CHICOS)	✔		
Condo Hotel Conference	✔	✔	✔
Florida State University, Hotel School			✔
Florida Bed & Breakfast Conference	✔	✔	✔
Hilton Hotels Worldwide Conference	✔		
Hotel Brokers International Conference	✔		✔
Hotel Opportunities Latin America Conference	✔		
InterContinental Hotel Group Conference	✔	✔	
Latino Hotel Restaurant Association	✔	✔	✔
Michigan State University, Hotel School	✔		✔
Midwest Hotel Lodging Conference	✔		✔
National Association of Black Hotel Owners, Operators and Developers Conference	✔	✔	✔
New York Hotel Investment Conference	✔		
Superior Small Lodging Conference	✔	✔	✔
The Lodging Conference	✔	✔	✔
University of the Virgin Islands, Hotel School			✔
Vantage Hotel Conference	✔	✔	
Interviewed on CNBC Cable News			✔

Courtyard by Marriott

Holiday Inn Express

Holiday Inn

Hampton Inn and Suites

Country Inn and Suites

Wingate Inn

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Interim Hospitality Consultants Offers a Wide Array of Hospitality Assistance to Your Firm

Selected Completed Projects

Management Assistance:

Hotel Operations Analysis:

1. Hamilton Inn — Chattanooga, TN
2. Desert Pearl Inn — Springdale, UT
3. Clarion Hotel — Atlanta (East Point), GA
4. Holiday Inn Express — Marianna, FL
5. Tides Inn — Norfolk, VA
6. Holiday Express Inn & Sts — Russellville, AL
7. Pineapple Beach Resort — Panama City Beach, FL
8. Holiday Inn Hotel — Louisville, KY
9. Four Points Sheraton — Cincinnati, OH
10. Diamond Inn — Villa Ridge, MO

Quality Assurance Reviews:

1. Tahitian Inn — Ft. Myers, FL
2. Villager Lodge — Riviera Beach, FL
3. Villager Lodge — Homestead, FL
4. Travelodge — Altamonte Springs, FL
5. Holiday Inn — Orlando (Florida Mall), FL
6. Villager Premier — Tucker, GA
7. Villager Lodge — Marietta, GA
8. Hampton Inn & Suites — Boynton Beach, FL
9. Hampton Inn & Suites — Boca Raton, FL
10. Hampton Inn & Suites — Palm Beach Gardens, FL
11. Majestic Pines Casino/Htl — Black River Falls, WI
12. Microtel Inn — Meridian, MS
13. Tides Inn — Norfolk, VA
14. User Housing Facility — Dept Energy, Richland, WA
15. Days Inn — Minneapolis, MN

Hotel Operations Management Contract:

1. North Shore Inn & Suites — N. Myrtle Beach, SC
2. Comfort Inn & Suites — Cairo, GA
3. Days Inn — Glen Burnie, MD
4. Desert Isle — Daytona Beach, FL
5. Quality Inn — Tallahassee, FL
6. Maple Leaf Condo Hotel — Daytona Beach, FL
7. Holiday Inn — Statesboro, GA
8. Holiday Inn Express — Bainbridge, GA
9. Suburban Extended Stay — Tallahassee, FL
10. Holiday Inn Exp H & S — Crawfordville, FL
11. Holiday Inn Exp H & S — Grand Rapids, MI
12. Howard Johnson Exp H/S — Grand Rapids, MI
13. Wingate Inn — Lynn Haven (Panama City), FL

Market Research Studies:

1. Comfort Suites — Nashville, TN
2. Super 8 Motel — Atlanta (Six Flags), GA
3. Guest House Inn — Thomasville, GA
4. Microtel Suites — Brunswick, GA
5. Hawthorn Suites — Richmond Hills, GA
6. Ramada Inn SE — Nashville, TN
7. Hawthorn Suites — Alpharetta (Atlanta), GA
8. Microtel Suites — Freehold, NJ
9. Independent Living — Endicott, NY
10. Comfort Inn — Fern Park, FL
11. Comfort Suites — Naples, FL
12. Keweenaw Mtn Lodge — Copper Harbor, MI
13. Sun Suites — Gulfport, MS
14. Comfort Inn & Suites — St. Louis Airport, MO
15. Diamond Inn — Villa Ridge (St. Louis), MO
16. Tides Inn — Norfolk, VA

Human Resources, Employee Guides, Employment Placement:

1. Holiday Inn Express — Bainbridge, GA
2. Holiday Inn & Suites — Russellville, AL
3. Ramada Limited — Gainesville, FL
4. Desert Pearl Inn — Springdale, UT
5. Hilton Hotel — Macon, GA
6. Park Central Inn — Ft. Worth, TX
7. Suburban Extended Stay — Tallahassee, FL
8. Holiday Inn Exp H & S — Crawfordville, FL
9. Wingate Inn — Lynn Haven (Panama City), FL

Pre-Opening Contracts

1. Comfort Inn & Suites — Cairo, GA
2. Hilton Hotel — Macon, GA
3. Southgate Campus Center — Tallahassee, FL
4. Holiday Inn Express — Bainbridge, GA
5. Holiday Inn Express — Russellville, AL
6. Suburban Extended Stay — Tallahassee, FL
7. Holiday Inn Exp H & S — Crawfordville, FL
8. Holiday Inn Exp H & S — Grand Rapids, MI
9. Wingate Hotel — Lynn Haven (Panama City), FL

Asset Management

1. Staybridge Suites — Tallahassee, FL
2. Comfort Suites — Suffolk, VA

Selected Completed Projects

Ownership Assistance:

Economic Impact::

1. Hampton Inn — Dade City, FL
2. Holiday Inn Express H&S — Grand Rapids, MI

Internal Audit

1. Best Western — Calumet Park, IL
2. Super 8 — Calumet Park, IL

Litigation Support — Expert Witness Testimony:

1. MainStay Suites — Atlanta, GA
2. Desert Isle — Daytona Beach, FL
3. Comfort Suites — Decatur, AL
4. Holiday Inn Express — Cahokia, IL

Anonymous Audits:

1. Microtel Inn & Suites — Meridian, MS
2. Hamilton Inn — Chattanooga, TN
3. Days Inn — Minneapolis, MN
4. Port Inn — Port St. Joe, FL

Real Estate Services:

The Real Estate arm of Interim Hospitality Consultants, Lodging Realty Services has the following listings

Hotels

1. Wingate by Wyndham — Mobile, AL
2. Microtel Inn and Suites — Daphne, AL
3. Future Hotel Site — Quincy, FL
4. Howard Johnson — Pensacola, FL
5. Days Inn — Pensacola, FL
6. Pensacola Inn — Pensacola, FL
7. Days Inn — Donalsonville, GA
8. Super 8 — Pensacola, FL . . . . . SOLD
9. La Quinta — Valdosta, GA . . . . . SOLD

Bed and Breakfasts

1. Calhoun St Inn — Tallahassee, FL
2. 1872 John Denham House — Monticello, FL
3. Suwanee River Inn — Old Town, FL
4. Heritage Country Inn — Ocala, FL . . . . . SOLD
5. Noble Manor — Pensacola, FL . . . . . SOLD
6. The Footed Tub — Fort Green, FL
7. G. V. Tillman House — Lake Wales, FL
8. Dickens Inn — Mims, FL . . . . . SOLD
9. Sweet Magnolia — St. Marks, FL
10. 12 Oaks Resort — Monticello, FL
11. Lake Hampton B&B — Starke, FL

Site Reviews:

1. Sleep Inn — Elkhart, IN
2. Microtel Inn & Suites — Pulaski, TN
3. Country Inn & Suites — Virginia Beach, VA
4. Comfort Inn — Stuart, FL
5. Eagles Nest Resort — Columbia, SC
6. Hamilton Inn — Tallahassee, FL
7. Hawthorn Suites — Tampa (Airport), FL
8. Hawthorn Suites — Bonita Springs, FL
9. AmericInn — Ft. Myers, FL
10. Microtel Inn & Suites — West Palm Beach (I-95), FL
11. Hawthorn Suites — West Palm Beach (Airport), FL
12. Country Inns & Suites — West Palm Beach, FL
13. Hawthorn Suites — W. Palm Beach (Gardens Mall), FL
14. Hawthorn Suites — Fort Myers, FL
15. Wingate Inn — Lakeland, FL
16. La Quinta Inn & Suites — Columbia, LA
17. Microtel Inn — Richmond Hills (Savannah), GA
18. Hamilton Inn — Bluffton, SC
19. Hawthorn Suites — Atlanta (Cumming), GA
20. Best Western Inn — Havana, FL
21. Staybridge Suites — Orlando (I-Drive), FL
22. Hawthorn Suites — Tallahassee, FL
23. Wellesley Inn — Ramsey, NJ
24. Holiday Inn Express — Tallahassee, FL
25. Baymont Inn — Shreveport (Greenwood), LA
26. Hawthorn Suites — Atlanta (East Point), GA
27. Days Inn — Gainesville, FL
28. Microtel Suites — New Orleans (Gretna), LA
29. Microtel Inn & Suites — Ft. Myers, FL
30. Wingate Inn — Ft. Lauderdale, FL
31. Microtel Inn & Suites — Spanish Fort, AL
32. La Quinta Inn — Orange Beach, AL
33. Country Inn & Suites — Tampa, FL
34. Microtel Inn — Wyoming, MN
35. Hawthorn Suites — Blaine, MN
36. Hampton Inn — Destin, FL
37. Microtel Inn — San Antonio, Texas
38. Sleep Inn — Quincy, FL
39. Residence Inn — Savannah, GA
40. Westin Hotel — Greensboro, NC
41. Market-driven — Tupelo, MS

Architectural Reviews:

1. Comfort Suites — Nashville, TN
2. Hampton Inn & Suites — Toledo, OH
3. Hampton Inn & Suites — Augusta, GA
4. Holiday Inn Express — Binghamton, NY
5. Hawthorn Suites — Tallahassee, FL
6. Moorings Marina — Carrabelle, FL
7. Econo Lodge — Cairo, GA
8. Travel Lodge — Macon, GA
9. Holiday Inn Express — Marianna, FL
10. Comfort Inn — Cairo, GA
11. Microtel Inn & Suites — Marianna, FL

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Interim Hospitality Consultants Offers a Wide Array of Hospitality Services for Your Firm.

MANAGEMENT ASSISTANCE

1. *Hotel Operations:* General Manager of any size property/development at any location.
2. *Quality Assurance Programs:* Independent evaluation.
3. *Yield Management:* Maximize room revenues from an hourly to a seasonal basis.
4. *Front Office/Reservation Systems Training:* From the first customer greeting to night audit operations.
5. *Marketing Studies:* Formal studies to expose primary and secondary markets; personnel training.
6. *Human Resource Programs:* Position description, employee guides, wage and benefit reviews, task training.

OWNERSHIP ASSISTANCE

1. *Financial Operations Analysis* by department to maximize profits.
2. *Operations Manuals Consolidation* of your policies and procedures in compliance with state/federal laws and franchisee requirements.
3. *Litigation Support* with expert witness testimony.
4. *Anonymous Audits* of service and management standards.
5. *Lodging Realty Services* through Lodging Realty Services, LLC.
6. *Appraisal Services* through members of the Appraisal Institute of America.
7. *Mortgage Brokerage Services* for real estate financing.

DEVELOPMENT ASSISTANCE

1. *Feasibility Studies*: Authored over 600 franchisor and lender approved studies for over 60 brands.
2. *Impact Studies* to determine from a third-party standpoint the effect of new hotel development.
3. *Architectural Reviews* from a Hotel Operations perspective to eliminate errors and increase productivity.
4. *Remodeling Coordination* from project review to oversight management, including design, purchasing and installation.
5. *Construction Coordination:* Coordinating the efforts of the architect, general contractor, franchisee and ownership from a daily or project review perspective.
6. *Pre-Opening Management Functions* Includes permits/licensing, FF&E installation, punch lists, staffing, training and marketing.

Edward L. Xanders, CHA, President, Broker
Kim Pedersen, Senior Research Analyst

American Hotel Lodging Association
Extended-Stay Hotel Council, AHLA
International Association of Hospitality Advisors
National Association of Black Hotel Owners, Operators and Developers
Asian American Hotel Owners Association, authored articles for AAHOA publications
National Association of Condo Hotel Owners
Latino Hotel Association
Superior Small Lodging of America
Florida Bed and Breakfast Association

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Edward L. Xanders, CHA, President
4145 Yardley Circle, Tallahassee, FL 32309-2942

Clients and Prospects

Selected List

Client	*Project*
David Padot 7272 Cardinal Trail Fanning Springs, FL 32693 352-222-6656.	Holiday Inn Express Fanning Springs, FL
Monarch Desai 427 Fannis Circle Gallatin, TN 37066 615-480-7846	Comfort Suites Lebanon, TN
John K.S. Cleary Calamar 3949 Forest Parkway Wheatfield, NY 14120 716-907-2500	Marriott Residence Inn Lewiston, NY
Mitesh Patel Apollo Hospitality Firm 1523 N. Rockford Rd Ardmore, OK 73401 405-388-7728	TownePlace Suites Topeka, KA Tru Hotel by Hilton Lawrence, KA
Eugene Profit 7500 Old Georgetown Rd, Suite 700 Bethesda, MD 301-650-0059	Hotel Indigo Jacksonville, FL
Navindal Bhandal 3209 Mike Woldron Drive Sacramento, CA 95835 530-304-2071	LaQuinta Inn Yreka, CA Candlewood Suites Fallon, NV

Client	*Project*
Chris Cook Miltechs, Inc. 1853 McCarthy Blvd # 101 Milpitas, CA 95035 406-480-7944	Fairfield Inn/Residence Inn Arcadia, CA
Anthony Dolan 60019 Grafton St. Pittsburgh, PA 15206 412-657-1229	Moxy by Marriott Pittsburgh, PA
Reinerio P. Faife, President Futura Company 9314 Forest Hill Blvd, # 22 Wellington, FL 33414 561-328-6292	Ascend Collection Fanning Springs, FL
Dinesh Patel 2150 U.S. 441 South Dublin, GA 31021 478-290-4280	Holiday Inn Express, Vidalia, Georgia
Martin Estruch 134 N. Main St Mt. Morris, NY 14510 585-329-4449	Hampton Inn Hornell, NY
Clif Wilson AVB Bank 302 South Main Street Broken Arrow, OK 74012 918.520.8140	Homewood Suites Catoosa, OK
Martin R. Mezger, CFO Gateway Global Group, LLC 3501 Old Port Isabella Rd Brownsville, TX 78526 618-406-8115	Cambria Suites Brownsville, TX
John Peavy 4228 Rice Blvd. Houston, TX 77005 281-250-3562	Holiday Inn Hotel Houston, TX

Client	*Project*
Tom Miller 8850 Cedar Creek Road Petoskey, MI 49770 313-410-0943	Convert Country Inn & Suites St Gabriel, LA
Calvin Glover 5905 Tattersall Dr., Apt 25 Durham, NC 27713 803-479-4053	Sleep Inn Hillsboro, NC
Ajit S. Patel VIDHI 2 LLC Canton, Michigan 48188 734-674-9885	Holiday Inn Express Columbia City, IN
Kalpesh Desai 2300 W Albany Street, Broken Arrow, OK 74012 918-251-6060	108-room Homewood Suites Catoosa, OK
Walter E. Larisey, III 7724 River Ridge Rd NE Tuscaloosa, AL 35406 251-379-6806	Curio Charlotte Amalie, St. Thomas Island United States Virgin Islands
Nick Colasante, CPA Chief Financial Officer Glenmark Holding Limited Liability Co 6 Canyon Road, Suite 300 Morgantown, WV 26508 304-599-3369	Mainstay Suites Beaver Falls, PA
Vincent R. Pawlowski, Esq. Managing Partner The Pawlowski // Mastrilli Law Group 1718 E. 7th Ave. Ste. 201 Tampa, FL 33605 813-842-1544	co-ed youth hostel Tampa, Florida
Frank Cerasoli 115 Timerlachen Circle, # 2001 Lake Mary, FL 32746 407-222-3700	Marriott Courtyard Sanford, FL

Client	*Project*
Bernard T. Moyle 9305 W. Sample Road Coral Springs, FL 33065 954-575-2668	Lexington Hotel Coral Springs, FL
Scott Shaw Kissimmee, FL 407-870-7748	Baymont Inn Kissimmee, FL
Megan Clark, Acting CM City of Boonsboro 21 North Main St Boonsboro, MD 21713	CobbleStone Inn Boonsboro, MD
Mark R. Nesselroad. CEO Glenmark Holdings 6 Canyon Road, #300 Morgantown, WV 26508 304-599-3369	Suburban Extended-Stay Washington, PA
George Mayer, Main St Admin William P. Beall, Mayor City of Federalsburg 118 N. Main St Federalsburg, MD 21632 410-754-8123	CobbleStone Inn Federalsburg, MD
Jeff Campbell 9399 State Line Road S. Fulton, TN 38257 817-307-2601	Choice Hotel Fulton, KY
Louann Pawlick Executive Director Middle Monongahela Industrial Development Association 1 Twilight Road, Suite 2 Charleroi, PA 15022 724-565-5636	Best Western Plus Charleroi, PA
Michelle Ross 15 South 3rd St. Oakland, MD	Cobblestone Inn Oakland, MD

Client	*Project*
Freddie Winston 1512 Good Hope Road, S.E. Washington, DC 866-641-5788	Comfort Suites Largo, MD
Jeffrey S. Barclay Economic Development Rep Allegany County Government 701 Kelly Road, Suite 400 Cumberland, MD 21502 301-777-5967	Cobblestone Hotel Cumberland, MD 21502
Bill Gillespie Town Manager Town of Appomattox 210 Linden St Appomattox, VA 24522 434-352-2637	Cobblestone Hotel Appomattox, VA
Lee Cobb Jack Hobbs Amherst County EDA PO Box 390 Amherst, VA 24521 434-944-8254	Cobblestone Hotel Amherst, VA
Lori M. Hester Dir of Community and Economic Development Smyth County 121 Bagley Circle, Suite 100 Marion, VA 24354 576-783-3298	Cobblestone Hotel Marion, VA
Gabrielle Calandra Barone VP Development Orleans Economic Development Agency 121 North Main - Second Floor Albion, NY 14411 585-589-7060	Cobblestone Hotel Albion, NY

Client	*Project*
Amanda N. Glover, Dir Economic Development Augusta County 18 Government Center Lane Verona, VA 24482 540-245-5619	Cobblestone Hotel Verona, VA
John Genakos, Asso Dir Maryland Economic Develop-ment Corporation 300 E Lombard St, Suite 1000 Lusby, MD 410-625-3983	Cobblestone Inn Lusby, MD
Priyesh Patel Crowne Hotels LLC 13400 Sutton Park Dr S, #1604 Jacksonville, FL 32224 904-493-9393	Holiday Inn Express Kingsland, GA
Brian Harris 8805 State Route 415 Campbell, NY 14821	Best Western Plus Campbell, NY
Charles D. Hollman Hollman, MaGuire, Titus & Korzenewski 189 E. Main St Westminster, MD 21157 410-848-3133	Cobblestone Hotel Taneytown, MD
David D. Henderson Henderson Properties, LLC 302 S. Massachusetts Ave., Suite 223 Lakeland, FL 33806 863-682-2000	Hampton Inn Plant City, FL
Isaac Brown Exten'd Hospitality Group, LLC 5729 Lanier Avenue Fruitland, MD20746 301-613-9928	Even Hotel Pittsburgh, PA

Client	*Project*
Thomas Bulls Protective Life Insurance Co Mortgage Loan Department 2801 U.S. 280 Birmingham, AL 35223	Holiday Inn Hotel Tallahassee, FL
Phillip Hauck Atlantic Group & Associates, Inc. 10044 Old Ocean City Blvd. Berlin, MD 21811 410-629-1160	Cobblestone Hotel Berlin, MD
Tom Miller 8850 Cedar Creek Road Petoskey, MI 49770 313-410-0943	Country Inn and Suites Baton Rouge, LA
Yash Patel 111 E. Harrell Drive Russellville, AR 72800 870-565-8288	Market Driven Hotels Silver Springs, AR, Sallisaw, OK.
Gifford Fickel & Estella Vallejo 45510 N. Miller Avenue Peoria Heights, IL 61616 309-258-2253	Hilton Garden Inn Peoria, Illinois.
Michael Zimmerman, Exec Dir Lumber City Development Corp. 500 Wheatfield Street North Tonawanda, NY 14120 716-695-8580	Best Western Plus North Towanda, NY
Chuck Bell Dir Planning & Development City of Lockport One Locks Plaza Lockport, NY 14094 716-439-6688	Ascend Collection by Choice Hotels Lockport, NY

Client	*Project*
Laura W. Aftosmis Northpointe Devel Grp & Revest Properties 984 Towne Square Dr Greensburg, PA 15601 714-331-6252	Indigo Hotel Pittsburgh, PA Holiday Inn Express and Suites Canonsburg, PA
Jim Pierce Executive Director Industrial Development Agency Wyoming County, NY 6470 Route 20A Perry, NY 14530 585-237-5080	Cobblestone Hotel Arcade, NY Perry, NY Wyoming, NY
Ajit Bhattal 24-8 Truck Plaza 209 Wee Patch Hwy Bakersfield, CA 93307 661-364-0630	Woodspring Hotel Bakersfield, CA
Bruce Patel, CEO Fusion Hospitality 1020 N. Gloster St #110 Tupelo, MS 38804 662-205-4031	Howard Johnson Tupelo, MS
Mukesh Chaudray 3003 Spottswood Murfreesboro, TN 37158 615-439-0572	Sleep Inn Columbia, TN
Mr. Brian K. Brown, Director Economic Development City of Buena Vista 2039 Sycamore Avenue Buena Vista, Virginia 24416 540-261-8616	Springhill Suites Buena Vista, VA
L. M. Dyson 1610 Oak Hollow Waco, TX 76712 254-722-9966	Curio by Hilton Waco, TX

Client	*Project*
Ana Zeinie Economic Development Manager Community Development Dept 7525 NW 88th Ave, Tamarac, FL 33321 954-478-2214	Holiday Inn Express Tamarac, FL
Andrea A. White, Pres The Stokely Company 620 Campbell Station Rd, Suite 27 Knoxville, TN 37934 865.966.4878	Staybridge Suites Knoxville, TN
Francisco Hernandez Tana Holdings Presidente Masoryk #29 Piso 2 Col. Chapultepec de Morales Mexico D.F. 11570	Extended Suites Leon/Silao, Mexico Queretaro, Mexico Poza Rica, Mexico Ciudad del Carmen, Mexico
Bernie Moyle Vantage Hospitality 3300 North University Dr, Suite 500 Coral Springs, FL 33065	Lexington Inn Fort Lauderdale, FL
Dominic Marchionda NYO Property Group 16 Wick Ave, Suite 100 Youngstown, OH 44503 330-550-0081	Doubletree Hotel Youngstown, OH
Nilesh Patel 601 N. 1st Street Madill, OK 73446 580-795-4876	Best Western Plus Ardmore OK
B. F. Patel 200 Rainbow Boulevard Niagara Falls, NY 14303 716-998-2623	Courtyard Niagara Falls, NY
Neil Patel 1520 Gulf Blvd, # 406 Clearwater, FL 33767 727-871-5876	Quality Inn Leesburg, FL

Client	*Project*
Bhadresh Patel 1555 Bear Creek Pike Columbia, TN 38401 931-505-0550	Best Western Columbia, TN
Bill Badger Worcester Co Economic Development 100 Pearl St., Ste 100 Snow Hill, MD 21863 410-632-3112	Cobblestone Hotels Pocomoke City, MD Snow Hill, MD Berlin, MD Ocean Pines, MD
Muhittin Arda Kandirali Ihale Koordinatörü / Proposal Coordinator Adali Holding A.S. Serka Taahhut Insaat A.s. Ataturk Cad. No:323 Incirlik / Saricam Adana / Turkey 703-307-0424	Market-driven hotel Williston, ND
Sam Patel Best Western Plus 715 Bollweevil Circle Enterprise, AL 36330	Best Western Plus Enterprise, AL
Derek Rowley SunRiver St. George 1404 W. SunRiver Parkway, Suite 200 St. George, UT 84790 435-673-4300	Hampton Inn Homewood Suites St. George, Utah.
Sachin U. Patel, Managing Principal American Life Atlanta EB5 Regional Center 2100 Parklake Dr, Suite P Atlanta, GA 30345 404-941-4326	Homewood Suites College Park, GA
Hervé Dorvil Chambre Consulaire Interprofessionelle 10 Rue Jean-Jacques Fayel Concordia, St. Maarten 05-90-87-8442	Best Western Premier St. Maarten. W.I.

Client	*Project*
Muhittin Arda Kandirali Ihale Koordinatörü / Proposal Coordinator Adali Holding A.S. Serka Taahhut Insaat A.s. Ataturk Cad. No:323 Incirlik / Saricam Adana / Turkey +90 322 332 86 17	Market-driven hotel Midland, TX
Jillian-Marie Nargi Mona Shah & Associates 299 roadway, Suite 1005 New York, NY 10007 212-233-7473	Holiday Inn Hotel Louisville, KY
John Alexander 1175 Boston Road Bronx, NY 10456 917-567-1798	225-room Comfort Suites Bronx, NY
David Warner Tapper & Company 208 Monument Ave Port St. Joe, FL 32457 850-227-1111	Wakulla Springs Lodge Wakulla, FL
Gerard Lacrete, Jr. GuiLac and Associates jerry1316@aol.com Miami, FL 33131 305-283-6919	Hilton Garden Inn Port-au-Prince, Haiti
Dinkerrao Taylor James Taylor 2001 Hamilton Street, No. 326 Philadelphia, PA 19130 267-968-1600	Holiday Inn Express hotel Bordertown, NJ
Vaishali V. Khunti ADPP Enterprises,Inc. 200 Route 17 S., Suite 215 Mahwah, NJ 07430 201.529.5752	Home2 by Hilton Tru by Hilton Mahwah, NJ

LODGING MANAGEMENT SERVICES LLC
THE MANAGEMENT ARM OF INTERIM HOSPITALITY CONSULTANTS

4145 Yardley Circle
Tallahassee, FL 32309-2942
www.lodgingrealty.com
ihcex@comcast.net
Phone: 850-893-6010
Fax:850-893-8345
Cell: 850-443-5010

Hotel Properties Assisted by
Edward L. Xanders, CHA
Selected List

1. ***Candlewood Suites, Tallahassee, Florida.***
   Asset Management and Pre-Opening Management of the development of a 113-room extended-stay hotel.

2. ***Country Inn and Suites, Rose Hill, North Carolina***
   Asset Management and co-ordinate the development of a Country Inn and Suites.

3. ***Comfort Suites, Suffolk, Virginia***
   Asset Management in assisting the ownership (Temple Beth-El) in final negotiation of franchise and management company contracts.

4. ***Wingate Inn, Lynn Haven, Florida***
   Pre-Opening and Management Contracts
   In 2005 Lodging Management Services was awarded the Pre-Opening and Hotel Management Contracts for the Wingate Inn, Lynn Haven (Panama City), Florida. Market Research dictated that the 68-room hotel be positioned as a Boutique Hotel with upgraded bedding, amenities and an Aquatic Center to meet the local competition. Within 65 days of opening, the property had obtained parity within its Competitive Set at 98.6% RevPAR.

5. ***Staybridge Suites, Tallahassee, Florida***
   Asset Management Contract
   Assisting the Project Developer as the Asset Manager in all phases of Pre-Opening, Architectural, Interior Design; Furniture, Fixtures and Equipment purchasing of the 104-unit Staybridge Suites Hotel. Total development cost estimated at $17 million.

6. ***Suburban Extended Stay Hotel***
   Pre-Opening and Management Contracts
   Conversion of the 120-room exterior-corridor, two-story transient hotel into an Extended-Stay Hotel with an appraised value of $6 million. Through innovative design, a standard 12'x23' room was adjusted to include a sleep/sofa, desk with ergomonic chair and armoire with a 27-inch television living area. Queen-sized bed with double night stands, sleeping space, Kitchen area of two-seat dining table with wall sconce, 12-cubic-foot, 2-door refrigerator with ice maker, full-size dishwasher, 19"x17" sink with disposal, two-burner cook top, full-size

microwave hood and cabinets; dressing area of double rack closet shelves, vanity with framed mirror. Annual Occupancy of 80% was achieved within seven months of opening.

7. ***Holiday Inn and Suites, Russellville, Alabama***
   Complete direction of all pre-opening activities for a six-week period.
   Expert Witness for Comfort Suites, Decatur, Alabama.

8. ***Desert Pearl Inn, Springdale, Utah, at Zion National Park***
   Recruitment of a new General Manager. Perform a Quality Assurance Review. Review Front Office Procedures to effect maximum Yield Management and Internal Controls. Review all Reservation Procedures; all Marketing Programs; all Human Resource Programs. Analyze prior Financial Reports to maximize profitability. Review all Operations Manuals, Policies, and Procedures for compliance with state/federal statutes and industry standards. Perform an Anonymous Audit of Reservations, and Management Operations.

9. ***Proposed Comfort Suites, Naples, Florida***
   Performed all Market Research with Franchise and Design recommendations on the proposed hotel development.

10. ***Park Central Inn, Ft. Worth, Texas***
    Hotel Market Analysis, Quality Assurance, Evaluation, Recruitment of a General Manager to reposition an independent hotel in downtown Ft. Worth, Texas.

11. ***The Tides Inn, Norfolk, Virginia***
    Quality Assurance Evaluation to reposition the property in the market place.

12. ***Ramada Limited, Gainesville, Florida***
    Assisted the first-time hotel owner with final remodeling requirements of converting a 100-room independent motel. Purchased and directed the installation of FF&E. Held Training Classes for all employees on the new Franchise programs. Revisited the property on four occasions to assist management to successfully complete a Quality Assurance Evaluation and Programs to pass a Franchise Inspection.

13. ***Days Inn, Baltimore (Glen Burnie), Maryland***
    Was Interim General Manager and coordinated the changing of a 130-room Holiday Inn into a Days Inn during the first 6 weeks under new ownership.

14. ***Holiday Inn, Statesboro, Georgia***
    As Interim General Manager, had complete authority in implementing a $300,000 Property Improvement Program over a 4- month period to successfully pass a Holiday Inn Corporate Inspection in the 129-room hotel.

15. ***Holiday Inn Express, Bainbridge, Georgia***
Authored the Feasibility Study, presentation before lenders, assisted with the architectural design, specifications, bidding and installation of furniture, fixtures, and equipment for the 50-room motel. Interim General Manager on two occasions to re-market position the motel to pass Franchise inspections.

16. ***Ramada Inn Southeast, Nashville, Tennessee***
On two separate occasions, conducted Hotel Market Analyses, Sales Training of new Marketing staff, Quality Assurance Evaluation, Developed new Market Sales leads of potential room sales of over $750,000 per year.

17. ***Sleep Inn, Nashville, Tennessee*** and
Comfort Inn and Suites, Goodlettsville, Tennessee
Innovative Preconstruction Design Recommendations

18. ***Comfort Inn, Cairo, Georgia***
Successfully petitioned city council for revision to city ordinance regulating sale of liquor by the drink. Authored Feasibility Study, selected Franchise, architectural design input of 75% of the project, reviewed general contractor bids and purchased all operational supplies. Coordinated all FF&E installations. Completed final punch lists. Selected, hired, and trained all management and staff. Directed all Pre-Opening Marketing for the 50-room, 80-seat restaurant, 60-seat lounge.

19. ***Best Western, Nashville, Tennessee***
Innovative Preconstruction Design Recommendations

20. ***Howard Johnson, Windsor, Ontario, Canada***
Marketing and Site Review prior to purchase decision.

21. ***SouthGate Campus Centre, Tallahassee, Florida***
The upscale luxury student residence of 268 rooms also had a cafeteria, ballroom, food court (6 national franchises), convenience store, bookstore, copy center, hair salon, dry cleaner, sports lounge, fitness center, and a computer lab. Developed all pre-opening brochures, video tapes and collateral materials. Directed all public relations, direct mail campaign, and sales solicitations as the Marketing Director.

22. ***Weatherspoon Guest House, Apalachicola, Florida.***
Directed the total redesign of 70-year-old antebellum house into a 4-room bed and breakfast inn. Specified bids and purchased all FF&E.

23. ***Shoneys Inn, Thomasville, Georgia***
Designed lobby, front office, and housekeeping facilities for the 100-room motel.

24. ***Hilton Hotel and Convention Center, Macon, Georgia***
Project coordination on the $9 million property rebuilding. Coordinated the efforts of the owner (life insurance company), franchisor, management company, general contractor, architect, and interior designer while keeping the 306-room, full-service hotel open over a 15-month period.

25. ***Hilton Hotel, Tallahassee***
As General Manager, directed a multimillion-dollar renovation program to the Coffee Shop, Front Desk, Lobby Bar, Show Lounge, and all Guest Rooms of the 246-room, full-service hotel.

26. ***Hilton Hotel, Augusta, Georgia***
Coordinated the design and construction of an indoor pool/health facility and guest room renovation for the 210-room, full-service hotel.

27. ***Powdermill Inn, Bessemer, Michigan***
As General Manager, provided design input into guest rooms, food and beverage, lobby, and front desk for the 55-unit condominium ski resort.

28. ***Hilton Hotel, Sioux City, Iowa***
Coordinated all FF&E installations, hired and trained the management and staff of the 200-room, full-service hotel.

29. ***Sheraton Inn, Dallas, Texas***
Six months prior to opening, named restaurant and lounge, purchased interior decor, coordinated all FF&E installations, hired and trained management and staff for the 150-room, full-service hotel.

30. ***Registry Hotel, Dallas, Texas***
Responsible for obtaining all occupancy permits and licenses four months prior to the opening of the 250-room, full-service hotel.

31. ***North Shore Inn and Suites, North Myrtle Beach, South Carolina***
Hotel Operations Contract of the 80-room reflaged Wingate Inn.

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Edward L. Xanders, CHA, *President*
4145 Yardley Circle
Tallahassee, Florida 32309-2942
Telephone: (850) 893-6010
Fax: (850 893-8345
Cellular: (850) 443-5010
www.interimhospitality.com
ihcex@comcast.net

APPENDIX

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