



Core DISTINCTION GROUP

COMPREHENSIVE HOTEL MARKET FEASIBILITY STUDY

PREPARED FOR

CLYDE, TEXAS

PREPARED BY:

Core Distinction Group, LLC.

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Offices in Wisconsin

INCLUDES

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Economic Overview
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TAKING THE FIRST STEP TO DEVELOP A NEW HOTEL



Date Wednesday, November 30, 2022

Attn: Christopher McGuire

Address 222 Oak Street

City, State, Zip Clyde, TX 79510

In accordance with our agreement, Core Distinction Group, LLC. has completed a Comprehensive Hotel Market Feasibility Study to determine if Clyde, TX has the potential to support a new hotel. In addition, the aforementioned study includes a complete Pro Forma based on construction costs and operating costs provided by the brand(s) requested by you.

As in all studies of this type, the estimated results are based upon competent and efficient management and an effective marketing program and presume no significant change in the competitive position of the hotel industry from that set forth in this report. We have no responsibility to update this report for events and circumstances occurring after completion of our research conducted in November 2022. These projections are based upon estimates, assumptions and other information developed from our research and we do not warrant that they will be attained. We do not consider the legal and regulatory requirements applicable to this project, including zoning, permits, licenses and other state and local government regulations.

This report has been prepared for your use and guidance in determining whether hotel development should be pursued in your community and to share with developers, hotel franchise companies, and potential lenders/investors. Neither our name nor the material submitted may be used in any prospectus or used in offerings or representations in connection with the sale of securities or participation interests without our express written permission.

Please do not hesitate to call if Core Distinction Group can be of any further assistance in the interpretation and application of our findings, recommendations and conclusions. We appreciate the cooperation you extended to us during the course of our agreement and look forward to working with you again in the future.

Sincerely,

Jessica Junker
Partner



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Introduction

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

Intended Use - This report is to be used by the Client for determining feasibility and attracting a new hotel.

Intended User - Clyde, TX is the only intended user for this report.

Core Distinction Group LLC (CDG) has been engaged to provide this Comprehensive Lodging Feasibility Study Report for the Clyde, TX market area. This Lodging Feasibility Study provides an overview of information concerning the market area and the factors that would affect the possible development of a hotel facility in this community.

The consultant from Core Distinction Group LLC met with representatives of the community and the surrounding area to gather information pertinent to hotel development. Comprehensive research was performed and reviewed regarding the community's economic indicators, competitive lodging supply, and lodging demand generators. CDG performed field research to determine the relationship between the community and its lodging need. Economic indicators were studied to determine the stability and future growth potential of the general market. The research was conducted as a macro and micro market analysis of the Clyde, TX and the areas immediately surrounding area to determine their viability to support the potential of a hotel development.

This report will present projections for stabilized hotel operation based upon current operating performance in the market area. Occupancy, Average Daily Room Rate, and Sales Revenue projections for the hotel were based upon a detailed review of the field research data. Also, recommendations as to the property type, suggested property size, services, and amenities were included. These projections and recommendations were based upon the market demand research for a potential lodging facility.

This report provides statistical and highlighted narratives to support the conclusions regarding the market area and its ability to support potential hotel development.

General Assumptions - For the purpose of this assignment, we assumed the proposed property will be operated as an upper-mid scaled to upper scaled, franchised hotel with a central reservations system that is fully-integrated with a recognized marketing platform. If this or any of the following are not followed, it could affect the overall feasibility of subject property.



Introduction (continued)

Operational Assumptions - For the purpose of this assignment, we assume the subject property would be managed by a professional hotel management company at an industry standard fee between five and seven percent.

Franchise Fees - For the purpose of this assignment, we assume the subject property would pay franchise fees quoted to Core Distinction Group, LLC by either the developer or franchise representative. In the event that Core Distinction Group is not able to receive a quote, fees will be based on the franchise's registered Franchise Disclosure Document.



Community Overview

For the purpose of this Comprehensive Hotel Market Feasibility Study, Core Distinction Group, LLC representatives gathered information and history about the market to give readers a brief summary. This section offers that Community Overview.



Community Overview and History

Clyde, Texas, located on Interstate 20 just fifteen miles east of Abilene, traces its roots to the expansion of the Texas & Pacific Railway, in 1880, through the Callahan Divide- between the Brazos and Colorado Rivers. Legend has it that the railroad construction crew, which numbered 5,000, gathered regularly at Robert Clyde's construction camp and supply tent, just south of the tracks, hence the area began to be commonly referred to as "Clyde's". Settlers moved into the area, and a post office for the new community was commissioned in June 1881. The town was formally chartered on July 9, 1907. Situated above an aquifer, Clyde earned the nickname "Little California" for its bountiful fruit and vegetable crops, which were shipped across Texas by rail. Cattle and horses were raised on the area's abundant grasses. Oil production started around 1924 and through the 1980s diversified and stabilized the local economy.

Today Clyde Post Office now serves more than 4000 families, from every corner of the globe. Young families, professionals, members of the US military, retirees, artists, musicians, students, entrepreneurs, ranchers and cowboys - all call Clyde home. They come together as neighbors; they meet at church, the grocery store, the park, and can be heard cheering one another on at sporting events.

Clyde CISD is a TEA "Recognized" district with new schools, a new performing arts center and a new football stadium. Clyde is a city that is both proud of its history and purposefully forging ahead. Under progressive leadership, Clyde is welcoming new businesses, restoring its downtown area, and expanding its borders. Festivals, parades, art galleries, fine dining, events at the Public Library and a new City Park all add to the quality of life for Clyde residents.

In June of 2022, the community broke ground on the Hanner Sports Complex. The facility is expected cost around \$15 Million dollars and will provide baseball, softball, tennis, soccer and pickleball facilities. Additionally, the synthetic fields will reduce playing temperatures by 30 degrees.



Executive Summary

For the purpose of this Comprehensive Hotel Market Feasibility Study, an executive summary will provide an overview of the document to follow. The Executive Summary will contain the following information:



Methodology



Current Hotel Segment Recommendations for Market Studied



Current Hotel Size Recommendations for Market Studied



Current Hotel Room Configuration Recommendations for Market Studied



Current Economic Impact of Hotel for Market Studied

Further detailed information on findings from research analysis conducted will be highlighted throughout this report. Further detail on the projections and conclusions can be found in the Projections section of this report.



Executive Summary

It is the opinion of Core Distinction Group, that at the time of this study, the community of Clyde, Texas and the immediate surrounding areas within Callahan County, Texas, offers the current and future demand to support the proposed hotel development in this Comprehensive Hotel Market Feasibility Study . The conclusion and recommendations within this Comprehensive Hotel Market Feasibility Study was based on but not limited to the following criteria:

-  Overall Economic Condition of Community
-  Overall Market Demand Areas
-  Location of Proposed Property
-  Local Demand Generator Need
-  Lodging Demand in Community
-  Lodging Supply in Community
-  Trending Lodging Data of Current Lodging Supply
-  Impact of New Hotel Development on Current Lodging Supply
-  Cost of Construction of New Hotel Development
-  Potential Revenue of New Hotel Development
-  Cost of Operation of New Hotel Development



Executive Summary (continued)

Based on the information provided to Core Distinction Group at the time of researching the subject community, the following recommendations are made:

Property segment recommended for the potential development of a hotel is an Upper Midscale hotel. This type of hotel would allow the property to be positioned properly at the subject site. It is anticipated that a new hotel would capture displaced Lodging Demand currently staying in markets surrounding Clyde, TX. Additionally, the newness of the hotel should be well received in the marketplace. Its location will be ideal to serve Clyde and regional markets. This type of hotel would also be capable of adjusting rates to best fit the demand in the market and the seasonality of the area.

Property size recommendation of a newly developed hotel was researched to be between 80-100 guestrooms in this report. This would position it to be similar in size to the average room size of 72-86 noted by the competitive set surveyed. The size would assist the property in achieving the Occupancy projections listed in this report. It is not advisable to over-build in this market at this time. Expansion of the hotel in future years could be considered as the market's Lodging Demand grows. Adjusting the room count will modify Performance.

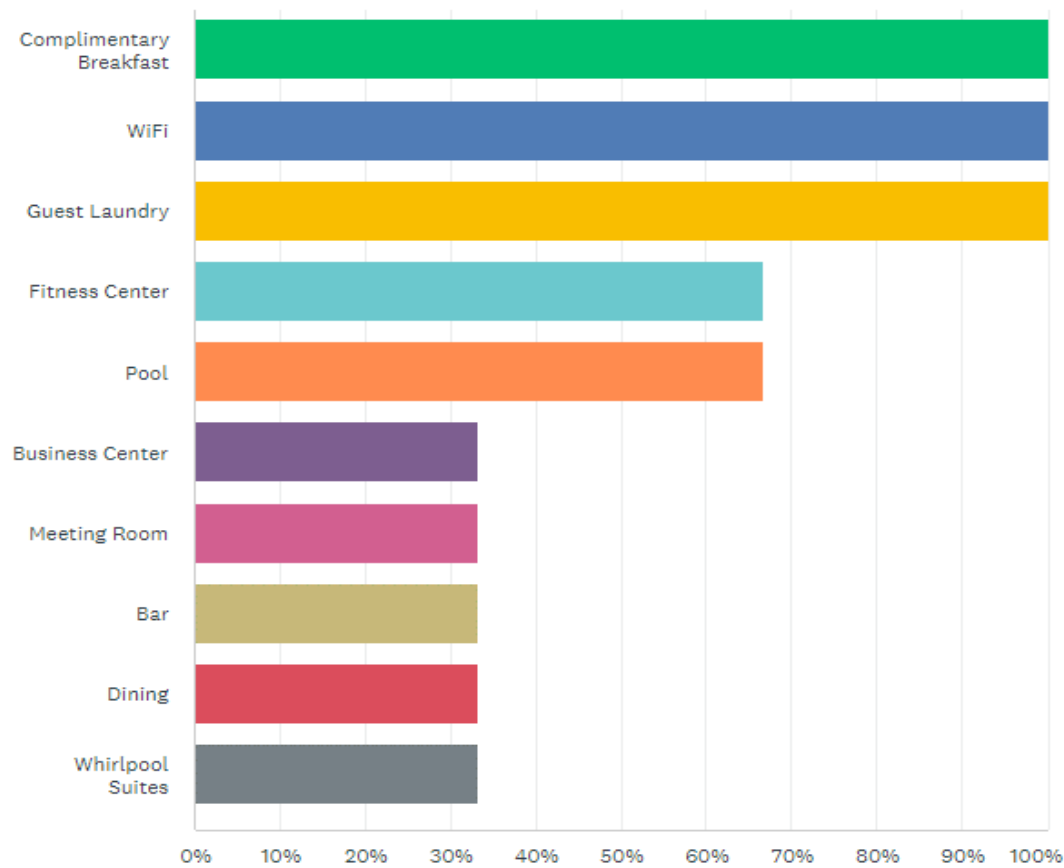
The recommended Sleeping Room Configuration should be compatible with the overall Market Segmentation of the area. The property should offer a selection of guestrooms with single occupancy king bedded rooms at 30%, double occupancy double queen bedded guestrooms at 60%, with a 10% option for extended stay long term lodging options or suites due to the mix of business indicators.

Economic Impact Potential: There are multiple economic impacts of building and developing a new hotel in a community. Some direct impact drivers include projected hotel revenue including all room revenues, meeting room revenue, as well as vending/bar revenue. On average, this size property will create 15-25 full time jobs. Part-time employment varies by hotel need and hiring practices. Additional economic development will include taxes, which include all sales taxes collected on hotel revenue, as well as all payroll related taxes collected from full-time hotel employees and temporary construction workers. Local governments will also collect new property taxes from the operation of the hotel. Indirect impact includes all jobs and income generated by businesses that supply goods and services to the hotel. A few examples of businesses that will indirectly benefit from the development of a hotel include suppliers of room related goods (housekeeping supplies, room amenities, etc.), telecommunication vendors (internet, cable, etc.), utility companies, food and beverage suppliers, and other hotel related vendors.



Executive Summary

Property features, amenities, and services of the hotel should satisfy the market it is attempting to attract. Standard features and amenities required for a proposed hotel in this market should include:



Economic Overview

For the purpose of this Comprehensive Hotel Market Feasibility Study, an Economic Overview will provide an overview of the economic condition of the market studied. The Economic Overview will contain the following information:



Consumer Spending Report



Daytime Employment Report



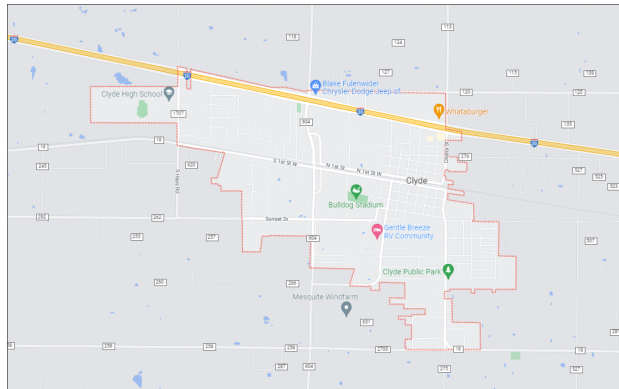
Demographic Detail Report



Demographic Market Comparison Report

Consumer Spending Report

Clyde, TX 79510



2022 Annual Spending (\$000s)	1 Mile	5 Mile	10 Mile
Total Specified Consumer Spending	\$35,766	\$91,767	\$139,348
Total Apparel	\$1,821	\$4,612	\$6,904
Women's Apparel	689	1,765	2,656
Men's Apparel	358	921	1,395
Girl's Apparel	135	329	481
Boy's Apparel	102	249	370
Infant Apparel	91	222	330
Footwear	446	1,124	1,673
Total Entertainment & Hobbies	\$5,823	\$14,895	\$22,508
Entertainment	639	1,598	2,543
Audio & Visual Equipment/Service	1,316	3,337	5,020
Reading Materials	70	181	274
Pets, Toys, & Hobbies	992	2,526	3,798
Personal Items	2,806	7,252	10,873
Total Food and Alcohol	\$9,684	\$24,594	\$36,993
Food At Home	5,278	13,352	19,968
Food Away From Home	3,814	9,723	14,723
Alcoholic Beverages	592	1,520	2,302
Total Household	\$5,613	\$14,567	\$22,141
House Maintenance & Repair	1,592	4,106	6,206
Household Equip & Furnishings	2,102	5,505	8,391
Household Operations	1,463	3,748	5,696
Housing Costs	457	1,208	1,848

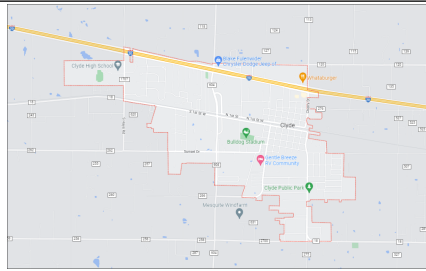
Consumer Spending Report

Clyde, TX 79510			
2022 Annual Spending (000s)	1 Mile	5 Mile	10 Mile
Total Transportation/Maint.	\$9,259	\$23,836	\$36,785
Vehicle Purchases	4,865	12,574	19,683
Gasoline	2,604	6,586	9,972
Vehicle Expenses	157	418	632
Transportation	526	1,421	2,172
Automotive Repair & Maintenance	1,107	2,837	4,327
Total Health Care	\$2,006	\$5,173	\$7,797
Medical Services	1,074	2,765	4,169
Prescription Drugs	729	1,881	2,829
Medical Supplies	203	526	798
Total Education/Day Care	\$1,560	\$4,091	\$6,221
Education	949	2,504	3,814
Fees & Admissions	611	1,587	2,407

Daytime Employment Report

1 Mile Radius

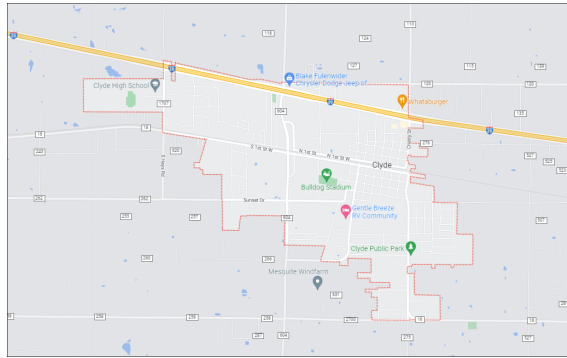
Clyde, TX 79510



Business Employment by Type	# of Businesses	# Employees	#Emp/Bus
Total Businesses	120	785	7
Retail & Wholesale Trade	24	153	6
Hospitality & Food Service	10	169	17
Real Estate, Renting, Leasing	6	18	3
Finance & Insurance	9	37	4
Information	2	7	4
Scientific & Technology Services	8	25	3
Management of Companies	0	0	0
Health Care & Social Assistance	17	128	8
Educational Services	1	43	43
Public Administration & Sales	10	63	6
Arts, Entertainment, Recreation	0	0	0
Utilities & Waste Management	3	7	2
Construction	7	13	2
Manufacturing	5	50	10
Agriculture, Mining, Fishing	0	0	0
Other Services	18	72	4

Demographic Detail Report

Clyde, TX 79510



Radius	1 Mile		5 Mile		10 Mile	
Population						
2027 Projection	3,293		8,190		12,111	
2022 Estimate	3,217		7,988		11,831	
2010 Census	3,033		7,468		11,225	
Growth 2022 - 2027	2.36%		2.53%		2.37%	
Growth 2010 - 2022	6.07%		6.96%		5.40%	
2022 Population by Age	3,217		7,988		11,831	
Age 0 - 4	181	5.63%	430	5.38%	624	5.27%
Age 5 - 9	202	6.28%	474	5.93%	688	5.82%
Age 10 - 14	215	6.68%	508	6.36%	736	6.22%
Age 15 - 19	208	6.47%	498	6.23%	723	6.11%
Age 20 - 24	176	5.47%	426	5.33%	629	5.32%
Age 25 - 29	171	5.32%	413	5.17%	607	5.13%
Age 30 - 34	196	6.09%	464	5.81%	672	5.68%
Age 35 - 39	214	6.65%	503	6.30%	726	6.14%
Age 40 - 44	215	6.68%	514	6.43%	742	6.27%
Age 45 - 49	198	6.15%	488	6.11%	709	5.99%
Age 50 - 54	191	5.94%	487	6.10%	714	6.03%
Age 55 - 59	202	6.28%	537	6.72%	806	6.81%
Age 60 - 64	205	6.37%	554	6.94%	848	7.17%
Age 65 - 69	190	5.91%	518	6.48%	801	6.77%
Age 70 - 74	162	5.04%	437	5.47%	674	5.70%
Age 75 - 79	119	3.70%	313	3.92%	480	4.06%
Age 80 - 84	83	2.58%	212	2.65%	325	2.75%
Age 85+	88	2.74%	213	2.67%	326	2.76%
Age 65+	642	19.96%	1,693	21.19%	2,606	22.03%
Median Age	41.00		42.70		43.40	
Average Age	40.80		41.80		42.30	

Demographic Detail Report

Clyde, TX 79510					
Radius	1 Mile		5 Mile		10 Mile
2022 Population By Race	3,217		7,988		11,831
White	3,073	95.52%	7,561	94.65%	11,166 94.38%
Black	33	1.03%	137	1.72%	224 1.89%
Am. Indian & Alaskan	27	0.84%	70	0.88%	111 0.94%
Asian	23	0.71%	57	0.71%	94 0.79%
Hawaiian & Pacific Island	2	0.06%	9	0.11%	10 0.08%
Other	59	1.83%	155	1.94%	227 1.92%
Population by Hispanic Origin	3,217		7,988		11,831
Non-Hispanic Origin	2,926	90.95%	7,228	90.49%	10,564 89.29%
Hispanic Origin	291	9.05%	760	9.51%	1,267 10.71%
2022 Median Age, Male	39.60		41.60		42.30
2022 Average Age, Male	39.70		41.00		41.50
2022 Median Age, Female	42.40		43.70		44.50
2022 Average Age, Female	41.80		42.60		43.10
2022 Population by Occupation Classification	2,578		6,476		9,636
Civilian Employed	1,385	53.72%	3,459	53.41%	5,138 53.32%
Civilian Unemployed	89	3.45%	196	3.03%	271 2.81%
Civilian Non-Labor Force	1,104	42.82%	2,816	43.48%	4,198 43.57%
Armed Forces	0	0.00%	5	0.08%	29 0.30%
Households by Marital Status					
Married	699		1,813		2,718
Married No Children	421		1,136		1,737
Married w/Children	278		677		981
2022 Population by Education	2,281		5,739		8,630
Some High School, No Diploma	269	11.79%	705	12.28%	979 11.34%
High School Grad (Incl Equivalency)	808	35.42%	2,061	35.91%	3,039 35.21%
Some College, No Degree	687	30.12%	1,669	29.08%	2,627 30.44%
Associate Degree	47	2.06%	88	1.53%	199 2.31%
Bachelor Degree	381	16.70%	918	16.00%	1,320 15.30%
Advanced Degree	89	3.90%	298	5.19%	466 5.40%

Demographic Detail Report

Clyde, TX 79510						
Radius	1 Mile		5 Mile		10 Mile	
2022 Population by Occupation	2,623		6,490		9,534	
Real Estate & Finance	132	5.03%	231	3.56%	287	3.01%
Professional & Management	629	23.98%	1,644	25.33%	2,180	22.87%
Public Administration	65	2.48%	171	2.63%	304	3.19%
Education & Health	285	10.87%	783	12.06%	1,164	12.21%
Services	118	4.50%	368	5.67%	781	8.19%
Information	34	1.30%	56	0.86%	66	0.69%
Sales	263	10.03%	609	9.38%	924	9.69%
Transportation	0	0.00%	0	0.00%	0	0.00%
Retail	168	6.40%	392	6.04%	500	5.24%
Wholesale	21	0.80%	111	1.71%	178	1.87%
Manufacturing	135	5.15%	266	4.10%	379	3.98%
Production	261	9.95%	587	9.04%	804	8.43%
Construction	212	8.08%	549	8.46%	845	8.86%
Utilities	161	6.14%	316	4.87%	428	4.49%
Agriculture & Mining	62	2.36%	188	2.90%	330	3.46%
Farming, Fishing, Forestry	6	0.23%	8	0.12%	13	0.14%
Other Services	71	2.71%	211	3.25%	351	3.68%
2022 Worker Travel Time to Job	1,285		3,262		4,912	
<30 Minutes	932	72.53%	2,120	64.99%	3,267	66.51%
30-60 Minutes	264	20.54%	808	24.77%	1,226	24.96%
60+ Minutes	89	6.93%	334	10.24%	419	8.53%
2010 Households by HH Size	1,170		2,924		4,452	
1-Person Households	267	22.82%	679	23.22%	1,075	24.15%
2-Person Households	425	36.32%	1,092	37.35%	1,673	37.58%
3-Person Households	197	16.84%	480	16.42%	724	16.26%
4-Person Households	173	14.79%	397	13.58%	582	13.07%
5-Person Households	69	5.90%	173	5.92%	252	5.66%
6-Person Households	26	2.22%	65	2.22%	92	2.07%
7 or more Person Households	13	1.11%	38	1.30%	54	1.21%
2022 Average Household Size	2.60		2.50		2.50	
Households						
2027 Projection	1,273		3,210		4,809	
2022 Estimate	1,243		3,131		4,698	
2010 Census	1,170		2,922		4,451	
Growth 2022 - 2027	2.41%		2.52%		2.36%	
Growth 2010 - 2022	6.24%		7.15%		5.55%	



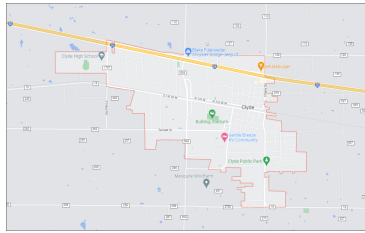
Demographic Detail Report

Clyde, TX 79510				
Radius	1 Mile		5 Mile	
2022 Households by HH Income	1,244		3,129	
<\$25,000	275	22.11%	718	22.95%
\$25,000 - \$50,000	327	26.29%	768	24.54%
\$50,000 - \$75,000	267	21.46%	647	20.68%
\$75,000 - \$100,000	163	13.10%	431	13.77%
\$100,000 - \$125,000	89	7.15%	197	6.30%
\$125,000 - \$150,000	40	3.22%	109	3.48%
\$150,000 - \$200,000	64	5.14%	185	5.91%
\$200,000+	19	1.53%	74	2.36%
2022 Avg Household Income	\$64,303		\$66,866	
2022 Med Household Income	\$51,818		\$52,886	
2022 Occupied Housing	1,244		3,130	
Owner Occupied	938	75.40%	2,437	77.86%
Renter Occupied	306	24.60%	693	22.14%
2010 Housing Units	1,102		2,665	
1 Unit	1,084	98.37%	2,629	98.65%
2 - 4 Units	12	1.09%	25	0.94%
5 - 19 Units	6	0.54%	11	0.41%
20+ Units	0	0.00%	0	0.00%
2022 Housing Value	938		2,436	
<\$100,000	359	38.27%	1,073	44.05%
\$100,000 - \$200,000	441	47.01%	866	35.55%
\$200,000 - \$300,000	84	8.96%	274	11.25%
\$300,000 - \$400,000	39	4.16%	124	5.09%
\$400,000 - \$500,000	3	0.32%	67	2.75%
\$500,000 - \$1,000,000	12	1.28%	32	1.31%
\$1,000,000+	0	0.00%	0	0.00%
2022 Median Home Value	\$124,943		\$116,743	
2022 Housing Units by Yr Built	1,394		3,573	
Built 2010+	72	5.16%	178	4.98%
Built 2000 - 2010	111	7.96%	336	9.40%
Built 1990 - 1999	176	12.63%	482	13.49%
Built 1980 - 1989	255	18.29%	608	17.02%
Built 1970 - 1979	281	20.16%	658	18.42%
Built 1960 - 1969	199	14.28%	457	12.79%
Built 1950 - 1959	139	9.97%	355	9.94%
Built <1949	161	11.55%	499	13.97%
2022 Median Year Built	1976		1976	



Demographic Summary Report

Clyde, TX 79510

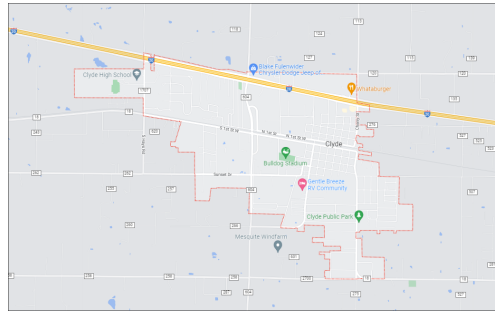


Radius	1 Mile	5 Mile	10 Mile
Population			
2027 Projection	3,293	8,190	12,111
2022 Estimate	3,217	7,988	11,831
2010 Census	3,033	7,468	11,225
Growth 2022 - 2027	2.36%	2.53%	2.37%
Growth 2010 - 2022	6.07%	6.96%	5.40%
2022 Population by Hispanic Origin	289	760	1,266
2022 Population	3,217	7,988	11,831
White	3,073 95.52%	7,561 94.65%	11,166 94.38%
Black	33 1.03%	137 1.72%	224 1.89%
Am. Indian & Alaskan	27 0.84%	70 0.88%	111 0.94%
Asian	23 0.71%	57 0.71%	94 0.79%
Hawaiian & Pacific Island	2 0.06%	9 0.11%	10 0.08%
Other	59 1.83%	155 1.94%	227 1.92%
U.S. Armed Forces	0	5	28
Households			
2027 Projection	1,273	3,210	4,809
2022 Estimate	1,243	3,131	4,698
2010 Census	1,170	2,922	4,451
Growth 2022 - 2027	2.41%	2.52%	2.36%
Growth 2010 - 2022	6.24%	7.15%	5.55%
Owner Occupied	938 75.46%	2,437 77.83%	3,696 78.67%
Renter Occupied	306 24.62%	693 22.13%	1,002 21.33%
2022 Households by HH Income	1,244	3,129	4,698
Income: <\$25,000	275 22.11%	718 22.95%	1,100 23.41%
Income: \$25,000 - \$50,000	327 26.29%	768 24.54%	1,059 22.54%
Income: \$50,000 - \$75,000	267 21.46%	647 20.68%	947 20.16%
Income: \$75,000 - \$100,000	163 13.10%	431 13.77%	708 15.07%
Income: \$100,000 - \$125,000	89 7.15%	197 6.30%	311 6.62%
Income: \$125,000 - \$150,000	40 3.22%	109 3.48%	196 4.17%
Income: \$150,000 - \$200,000	64 5.14%	185 5.91%	278 5.92%
Income: \$200,000+	19 1.53%	74 2.36%	99 2.11%
2022 Avg Household Income	\$64,303	\$66,866	\$67,544
2022 Med Household Income	\$51,818	\$52,886	\$55,277

Demographic Trend Report

1 Mile Radius

Clyde, TX 79510



Description	2010		2022		2027	
Population	3,033		3,217		3,293	
Age 0 - 4	201	6.63%	181	5.63%	180	5.47%
Age 5 - 9	222	7.32%	202	6.28%	190	5.77%
Age 10 - 14	234	7.72%	215	6.68%	206	6.26%
Age 15 - 19	210	6.92%	208	6.47%	213	6.47%
Age 20 - 24	151	4.98%	176	5.47%	203	6.16%
Age 25 - 29	181	5.97%	171	5.32%	186	5.65%
Age 30 - 34	180	5.93%	196	6.09%	186	5.65%
Age 35 - 39	167	5.51%	214	6.65%	200	6.07%
Age 40 - 44	185	6.10%	215	6.68%	212	6.44%
Age 45 - 49	222	7.32%	198	6.15%	211	6.41%
Age 50 - 54	197	6.50%	191	5.94%	201	6.10%
Age 55 - 59	183	6.03%	202	6.28%	197	5.98%
Age 60 - 64	183	6.03%	205	6.37%	197	5.98%
Age 65 - 69	140	4.62%	190	5.91%	192	5.83%
Age 70 - 74	140	4.62%	162	5.04%	173	5.25%
Age 75 - 79	109	3.59%	119	3.70%	139	4.22%
Age 80 - 84	67	2.21%	83	2.58%	99	3.01%
Age 85+	60	1.98%	88	2.74%	109	3.31%
Age 15+	2,375	78.31%	2,618	81.38%	2,718	82.54%
Age 20+	2,165	71.38%	2,410	74.91%	2,505	76.07%
Age 65+	516	17.01%	642	19.96%	712	21.62%
Median Age	39		41		42	
Average Age	38.70		40.80		41.60	
Population By Race	3,033		3,217		3,293	
White	2,940	96.93%	3,073	95.52%	3,137	95.26%
Black	16	0.53%	33	1.03%	36	1.09%
Am. Indian & Alaskan	18	0.59%	27	0.84%	30	0.91%
Asian	13	0.43%	23	0.71%	26	0.79%
Hawaiian & Pacific Islander	2	0.07%	2	0.06%	2	0.06%
Other	44	1.45%	59	1.83%	61	1.85%

Demographic Trend Report

1 Mile Radius

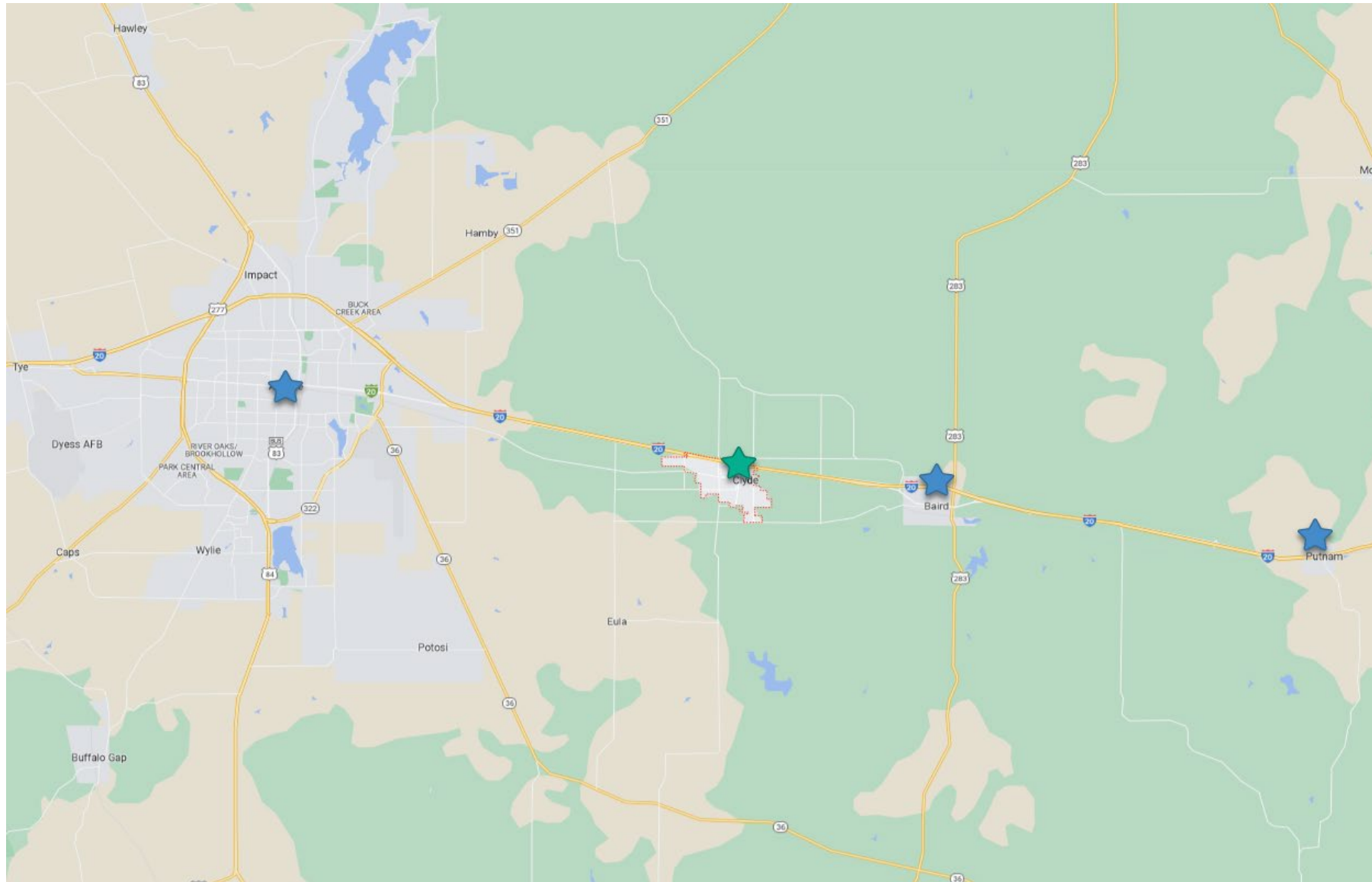
Clyde, TX 79510					
Description	2010		2022		2027
Population by Race (Hispanic)	205		291		307
White	189	92.20%	257	88.32%	269 87.62%
Black	3	1.46%	12	4.12%	16 5.21%
Am. Indian & Alaskan	3	1.46%	5	1.72%	5 1.63%
Asian	0	0.00%	0	0.00%	1 0.33%
Hawaiian & Pacific Islander	2	0.98%	2	0.69%	2 0.65%
Other	8	3.90%	13	4.47%	14 4.56%
Household by Household Income	1,171		1,244		1,271
<\$25,000	217	18.53%	275	22.11%	288 22.66%
\$25,000 - \$50,000	406	34.67%	327	26.29%	325 25.57%
\$50,000 - \$75,000	235	20.07%	267	21.46%	273 21.48%
\$75,000 - \$100,000	178	15.20%	163	13.10%	164 12.90%
\$100,000 - \$125,000	13	1.11%	89	7.15%	96 7.55%
\$125,000 - \$150,000	40	3.42%	40	3.22%	40 3.15%
\$150,000 - \$200,000	42	3.59%	64	5.14%	65 5.11%
\$200,000+	40	3.42%	19	1.53%	20 1.57%
Average Household Income	\$64,546		\$64,303		\$64,393
Median Household Income	\$48,487		\$51,818		\$51,973

Market Demand

The economic vitality of the market and the surrounding markets or feeder markets, is an important consideration in forecasting lodging demand and future revenue potential. The market lodging demand area for a lodging facility is the geographical region where the sources of demand and the competitive supply are located. In the following document you will find a map of the estimated market lodging demand area for the subject market.



Market Lodging Demand Area: (Focus Area of Sales Efforts of Additional Lodging)



★ Immediate Feeder Market ★ Secondary Feeder Market

** Feeder Market = Outlying Community that feeds travelers into desired market (Sales Focus Area)

Source: Google Maps; Core Distinction Group, LLC.

Site Analysis

For the purposes of this Comprehensive Hotel Market Feasibility Study, a representative with Core Distinction Group LLC evaluated all sites and, although a site has not yet been selected, we recommend that all the selected sites will be improved with a limited-service lodging facility. The potential locations are detailed in the following pages including analysis of each site.



Site Rating, Location, Land



Frontage, Topography, Drainage



Environmental Hazards, Ground Stability, Utilities



Parking, Easements/Encroachments/Restrictions



Traffic Counts

It is important to analyze the site with respect to regional and local transportation routes and demand generators, including ease of access. A detail of traffic information will follow the individual site information in this report.



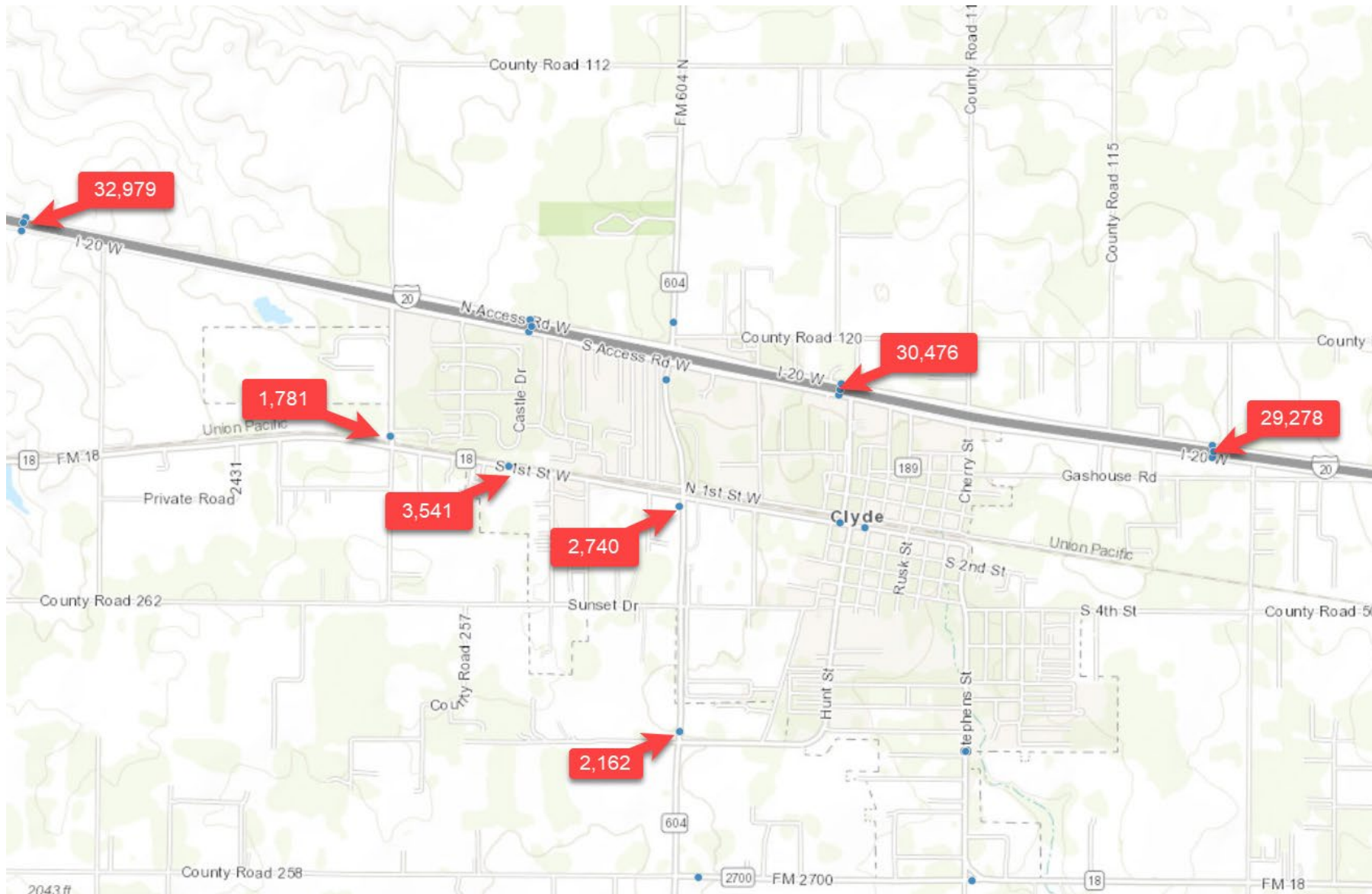
Off Interstate 20, Near Hanner Sports Complex					
Visibility	1	2	3	4	5
Accessibility	1	2	3	4	5
Traffic Counts	1	2	3	4	5
Site Prep	1	2	3	4	5
Major Utilities	1	2	3	4	5
Zoning	1	2	3	4	5
Area Support Services	1	2	3	4	5
Demand Generator Position	1	2	3	4	5
Competition Position	1	2	3	4	5
Overall Result			96%	43	45

Location	Located off Hayes Road, and Interstate 20, near the new Hanner Sports Complex in Clyde, Texas.
Land Area	The recommended site size for proposed property is two to three acres.
Frontage	This proposed should offer frontage or high visibility to Interstate 20 in Clyde, Texas.
Topography	The area offers many options with very little issues. The topography does not appear to have development issues at this time.
Drainage	No drainage issues were observed at the time of visit and none were disclosed to Core Distinction Group at the time of Site Visit.
Environmental Hazards	An environmental assessment report was not provided for review. However, these issues are out of Core Distinction Group's scope of work and expertise. It is assumed that property is not adversely affected by these hazards.
Ground Stability	A soil report was not provided for review. However, these issues are out of Core Distinction Group's scope of work and expertise. It is assumed that property is not adversely affected by these hazards.
Utilities	It is to the understanding of Core Distinction Group that water, electricity and sewer are available in the general area.
Parking	This area is assumed to offer a site that will be able to accommodate the appropriate number of parking spaces.
Easements, Encroachments and Restrictions	Core Distinction Group was not provided a title report on said site and was not made aware of any easements, encroachments or restrictions that would affect this site.





Traffic Counts



Source: TXDOT - 2021

Community Interviews

A representative with Core Distinction Group LLC met with representatives of the community and the surrounding area to gather information pertinent to hotel development. In addition, Core Distinction Group, LLC conducted phone interviews and an online survey to better understand the overall market need. The research was conducted as a macro and micro market analysis of the market and areas immediately surrounding the area to determine their viability to support the potential of a hotel development. The following key points were discussed and analyzed for the purpose of this Comprehensive Hotel Market Feasibility Study:



Current and Potential Future Need for Lodging in the Market Studied



Current Hotel Being Utilized by Interviewee



Current Essential Amenities Being Utilized by Interviewee



Scale or Quality Preferences of Interviewees



Community Interview Question Summary

During the research phase of this Comprehensive Hotel Market Feasibility Study, Core Distinction Group asked demand generators and leaders within the community all or some of the following *questions:



Does your business or organization have a need for overnight accommodations?



If yes, what is the approximate weekly or monthly need?



Does your business or organization have a need for long-term or extended stay overnight accommodations?



If yes, what is the approximate length of stay and how many guests per month/year?



Where do you currently recommend these individuals to stay?



In your opinion, do you believe the community in question would benefit from a new, branded hotel?



If yes or no, please help us understand your stance on a new hotel. Why you do or do not feel it would benefit the community.



In your opinion, what amenities does this hotel offer that are important to your clients?



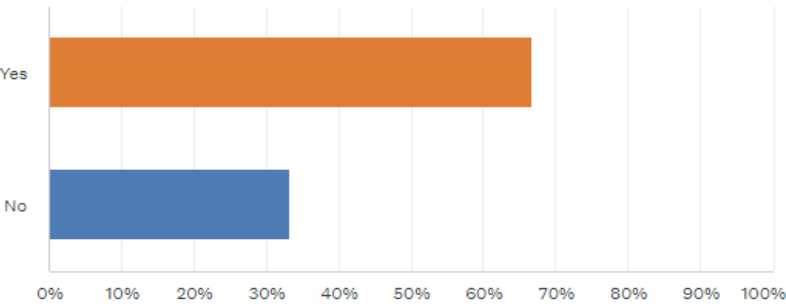
Do you have additional comments or contacts you would recommend we speak to?

**Questions are not limited to the above questions. Representatives from Core Distinction Group look to expand on each question, if needed, to identify all lodging needs in the community.*

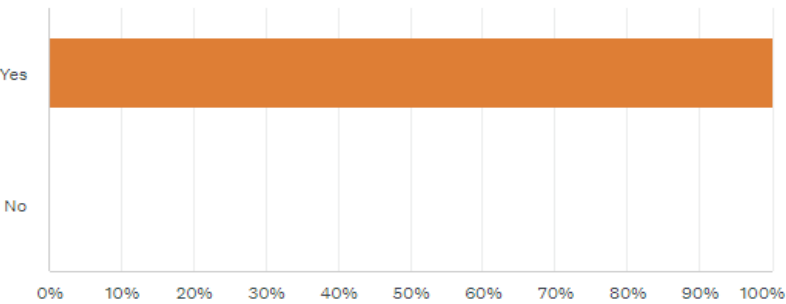


Community Interviews Overall Key Responses

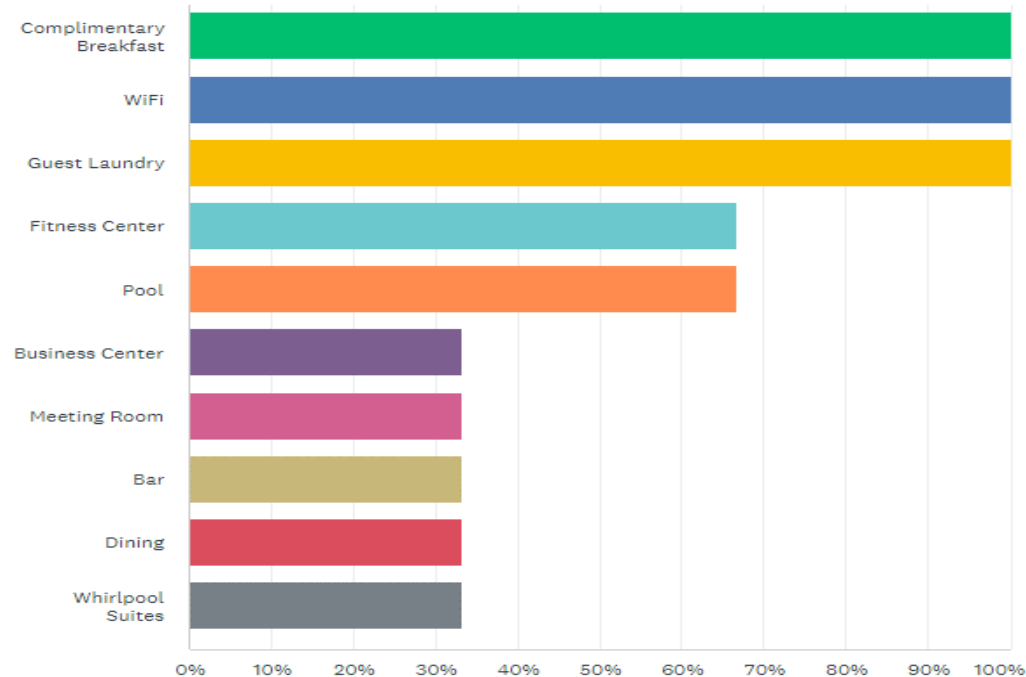
When Core Distinction Group asked individual businesses in the area if they had a need for new, quality accommodations in the community, 67% identified a specific need:



When Core Distinction Group asked individuals and businesses in the area if there is a need in Clyde, TX for a new hotel, nearly 100% stated yes:



When Core Distinction Group asked individuals and businesses in the area what amenities does this hotel offer that are important to your clients:



Lodging Demand

For the purposes of this Comprehensive Hotel Market Feasibility Study, it is important to understand the overall demand of lodging in the market as well as surrounding markets. This section reviews need in the areas based on the following market segments:



Market Segmentation Projection



Area Events and Attractions Demand



Transient and Walk-In Demand



Events by Month



Demand Generators and Attractions

In addition to a breakdown and overview of the market's lodging demand segmentation, this sections also details the sources of said lodging demand and in some cases, identifies when the demand peaks.



Hanner Sports Complex - The facility is under construction at the time of this report. Hanner Sports Complex will offer courts to host games and tournaments of pickle ball, tennis, sand volleyball, a splash pad, six baseball-softball fields and one football-soccer field, according to Sydney Stalbaum, Director of Sales for Hellas Construction. Stalbaum told stated it will be the largest sports complex in this region, from New Mexico to the metroplex. According to research conducted by Core Distinction Group, communities who developed similar complexes in Texas saw an area increase in demand of lodging immediately after opening. In Melissa, Texas, where a similar facility was developed, the surrounding area hotels saw an average increase in demand by over 65% year over year, each month. It is also important to note that Melissa does not have lodging and the impact is surrounding communities.



The Platform - Built in 2014, The Platform provides a unique opportunity for outdoor concerts, theatrical presentations, weddings, and much more! Because of Clyde's history beginning with the transportation of goods by rail and it's proximity to the railroad tracks, The Platform was designed to mimic a railway platform from which visitors would embark on the historic tour of Clyde, Texas.

Attractions & Demand Generators:

Clyde Lake - Drive five miles south of Clyde on FM 604, turn left on FM 3217, and then about four miles more, and you will find yourself at Clyde Lake. Clyde Lake offers tent and RV camping, with full hook ups and a dumping station available. Other features include marked nature trails, picnic tables with barbecue grills and a remodeled restroom for your use. There is also a pavilion (available to rent for special functions), a sand volleyball court, playground, and horseshoe pits. Clyde Lake is an excellent fishing lake and is also big enough for recreational boating. Swimming is permitted at your own risk.

Spring Valley MX Park - A dirt bike only motocross track. This facility hosts events throughout the year.

Local Wind Farms - Lone Star Wind Farm consists of two phases and is located in west Texas in Shackelford and Callahan Counties, approximately 15 miles northeast of downtown Abilene. With a limited number of rural residences in the area, the land is used primarily for ranching and oil and gas. There are currently around 100 turbines in the Lone Star Windfarm. In addition to training, potential new construction, and breakdowns, research shows that each turbine needs regular maintenance two to three times a year.

Hunting brings in hundreds of people to the area each year. They stay in Abilene or camp if there is no place to stay. There is only one campground and this is usually booked. Locals in the area offer guided hunts and locations to camp. This is a major demand generator in the area. Active Hunting's Season are:

Season	Time Frame
Dove	September to January
Duck	September to January
Pheasant	December
Quail	October through January
Deer	October through January
Sandhill Crane	October through January

Additional hunting in the area includes; Alligator, Goose, Javelina, Pronghorn, Rails, Gallinules, Moorhens, Teal, Turkey, Wilson Snipes and Woodcock.



Attractions & Demand Generators:

Large Attractions/Demand Generators in Abilene - As the major feeder market for the Clyde Area, it is important to understand some of the large demand generators in the Abilene area. The demand generators may not solely have need in the Clyde market but, their demand may push other lodging business to the Clyde market.

The Expo Center of Taylor County - The three biggest fundraisers include the West Texas Fair & Rodeo, Western Heritage Classic, and Evening for the Expo. The Economic Impact the Expo Center has is tremendous to the Abilene area, bringing in an estimated \$20 million dollars to the Abilene region. The Expo Center helps benefit Abilene by hosting events which brings in people from out of town and state, thus spending money on hotels, restaurants, shopping, gas, and more! Some of the events include, Equestrian Events (Roping, Barrel Racing, 4H Clinics, Training Clinics, AQHA Shows, PRCA Rodeo), State Power Lifting Meet, Bunco for Breast Cancer, Cattle Barons Ball, AISD High School Graduations, Road Shows (Concerts, Monster Truck, WWE, Circus), Trade Shows (Farm & Ranch Show), Private Party Rentals (Wedding Receptions, Reunions, Birthday Parties, Business Meetings).

Frontier Texas! - Experience the big picture of the Texas frontier as the story comes to life in this multimedia facility. Frontier Texas! is one of only a few museums in the world featuring life-sized holographic figures. Visitors can meet — at least figuratively— some of the real people who lived and died on the Texas frontier. See the "Guns of the West" exhibit featuring a large collection of historic firearms.

Abilene Zoo - The outstanding Abilene Zoo boasts more than 1,000 animals of 250 species. Animals include: giraffes, lions, a black rhino, monkeys, bears, reptiles, birds and amphibians.

Secondary Education - Abilene Christian University (ACU) is a private Christian university in Abilene, Texas. ACU is one of the largest private universities in the Southwestern United States and has one of the 200 largest university endowments in the United States. Hardin–Simmons University (HSU) is a private Baptist university in Abilene, Texas. McMurry University is a private Methodist university in Abilene, Texas. Texas State Technical College (TSTC) is a public community college with 10 campuses throughout Texas. Texas Tech University Health Sciences Center at Abilene (TTUHSC Abilene) is a branch campus of Texas Tech University Health Sciences Center (TTUHSC) located in Abilene, Texas. The campus has a school of pharmacy and a school of nursing.



Attractions & Demand Generators:

Dyess Air Force Base - Dyess Air Force Base (AFB) (IATA: DYS, ICAO: KDYS, FAA LID: DYS) is a United States Air Force (USAF) base located approximately 7 miles southwest of downtown Abilene, Texas. Dyess covers 6,409-acre, and is home to the 7th Bomb Wing, which consists of four groups. Two squadrons, the 9th and 28th Bomb Squadrons, fly the B-1B. In addition, the 28th Bomb Squadron is the USAF schoolhouse for all B-1B aircrew members. The base employs more than 5,000 people, making it the single largest employer in the area. Dyess AFB has nearly 200 facilities on base, plus 988 units of family housing, and encompasses 6,117 acres of land. The base has a total economic impact of nearly \$310 million yearly on the local community.

Hendrick Health - A not-for-profit healthcare provider affiliated with the Baptist General Convention of Texas serving a 22-county region in the Texas Midwest. Hendrick was the first hospital to permanently serve the Texas Midwest when it opened in 1924, and today, it provides a comprehensive range of healthcare services, including a medical center licensed for 564 beds. More than 3,000 employees make up the Hendrick team.



Lodging Supply - Primary

For the purposes of this Comprehensive Hotel Market Feasibility Study, the competitive set includes properties that were determined to be competitive with the proposed hotel based on either their location, brand affiliation, facilities and amenities offered, rate structure, community surveys, and/or market orientation. There are many instances where independent and/or economy hotels do not report to the reporting agency.

In some cases, Core Distinction Group must access data from surrounding or Secondary market hotels to obtain a Smith Travel Research (STR)/CoStar report. This can also include a Secondary Competitive Set. The following information will be presented in Lodging Supply:



Property Map Overview



Property Summary Reports

For the purposes of this Comprehensive Hotel Market Feasibility Study, the competitive set includes properties that were determined to be competitive with the proposed hotel based on either their location, brand affiliation, facilities and amenities offered, rate structure, community surveys, and/or market orientation.



STR/COSTAR Global Data



Upper Upscale Competitive Hotel Properties Data Summary



Key Performance Indicators



Supply & Demand/Supply & Demand Changes



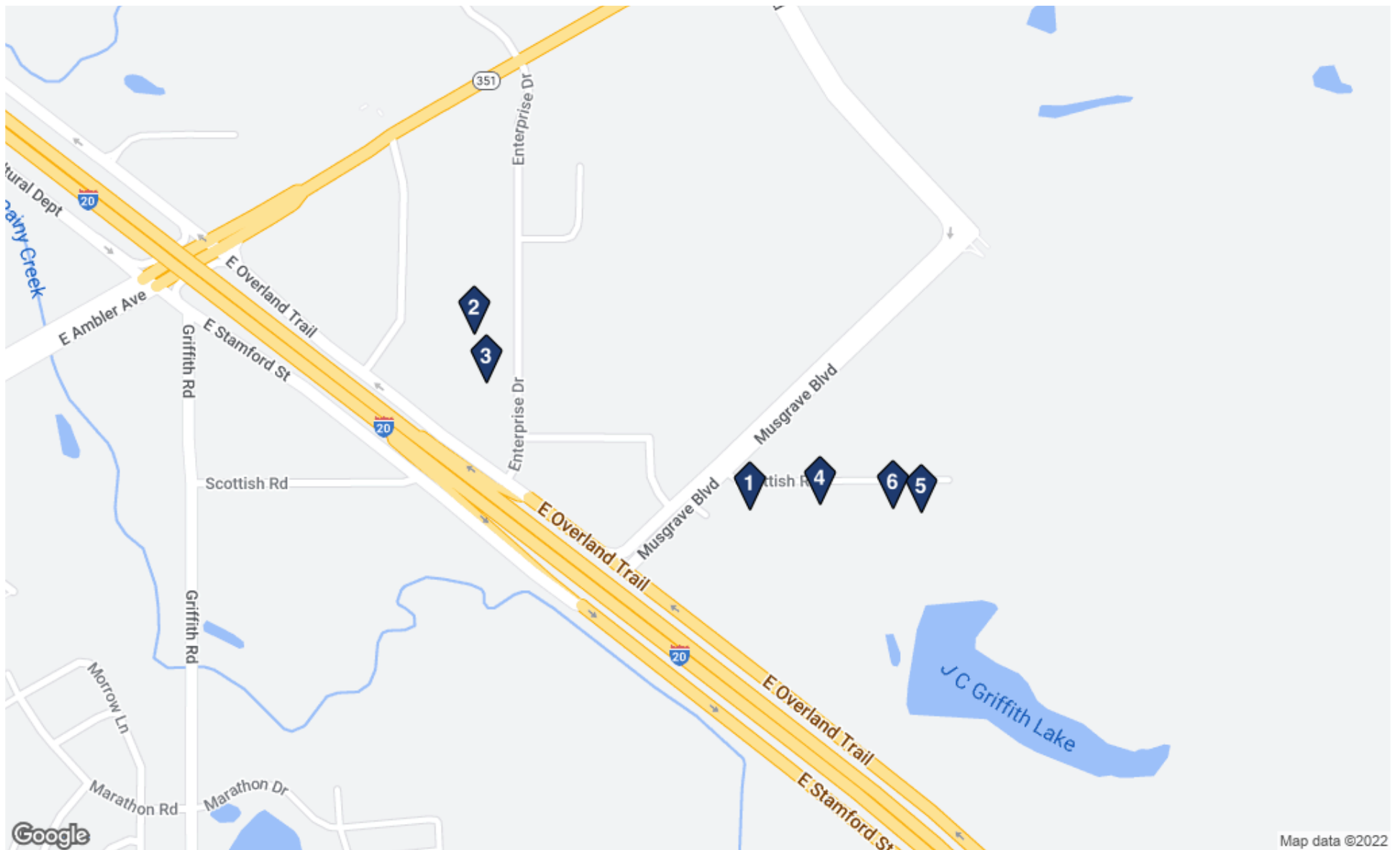
Average Daily Rate/Average Daily Rate Changes



Key Metrics: Inventory, Sales Past Year, Performance Trends



Property Map Overview



Property Summary Report

Residence Inn Abilene

1641 E Musgrave Blvd
Abilene, TX 79601 - Abilene Submarket

Upscale
Class



HOSPITALITY

Brand	Residence Inn
Hotel Opened	Nov 2008
Operation Type	Franchise
Operation Status	Open

BUILDING

Type	Hotel
Year Built	Nov 2008
Year Renov	2012
Rooms	117
Location	Suburban
Stories	4
Primary Corridors	Interior
Meeting Space	650 SF

LAND

Land Acres	2.70 AC
Zoning	Hospitality
Parcels	113880

EXPENSES

Taxes	\$1,306.26/Room (2021)
-------	---------------------------

PARKING

Spaces	110 Surface
Ratio	0.94/Room

SPACE FEATURES

- Fitness Center
- Pool
- Public Access Wifi
- Smoke-Free

SALE

Sold Price	\$430,000,000 (\$255,496/Room) - Portfolio Price
Date	Oct 2013
Sale Type	Investment
Properties	15
Financing	1st Mortgage: Bank of America NA Bal/Pmt: \$225,000,000/-

TRANSPORTATION

Parking	110 available (Surface); Ratio of 0.94/Room
Airport	12 min drive to Abilene Regional Airport
Walk Score®	Car-Dependent (19)

Property Summary Report

Holiday Inn Express & Suites Abilene

1802 E Overland Trl
Abilene, TX 79601 - Abilene Submarket

Upper Midscale
Class



HOSPITALITY

Brand	Holiday Inn Express
Hotel Opened	Dec 2001
Operation Type	Franchise
Operation Status	Open

BUILDING

Type	Hotel
Year Built	Dec 2001
Year Renov	2015
Rooms	66
Location	Suburban
Stories	3
Primary Corridors	Interior
Meeting Space	700 SF

LAND

Land Acres	2.47 AC
Zoning	Commercial
Parcels	102066

EXPENSES

Taxes	\$1,112.71/Room (2021)
-------	---------------------------

PARKING

Spaces	75 Surface
Ratio	1.14/Room

SPACE FEATURES

- Business Center
- Fitness Center
- On-Site Bar
- Pool

SALE

Sold Price	Not Disclosed
Date	Sep 2014

TRANSPORTATION

Parking	75 available (Surface);Ratio of 1.14/Room
Airport	12 min drive to Abilene Regional Airport
Walk Score®	Car-Dependent (36)

TENANTS

Holiday Inn Express Hotel & Suites Abilene	-
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Property Summary Report

Comfort Suites University Abilene

1902 E Overland Trl
Abilene, TX 79601 - Abilene Submarket

Upper Midscale
Class



HOSPITALITY

Brand	Comfort Suites
Hotel Opened	Dec 2007
Operation Type	Franchise
Operation Status	Open

BUILDING

Type	Hotel
Year Built	Dec 2007
Rooms	68
Location	Suburban
Stories	4
Primary Corridors	Interior
Meeting Space	600 SF

LAND

Land Acres	1.52 AC
Zoning	GC
Parcels	102067

EXPENSES

Taxes	\$1,053.67/Room (2021)
-------	------------------------

SPACE FEATURES

- Fitness Center
- Pool

TRANSPORTATION

Airport	11 min drive to Abilene Regional Airport
Walk Score®	Car-Dependent (35)

PROPERTY CONTACTS

True Owner	BHARAT BHAKTA 810 E Coliseum Dr Snyder, TX 79549 (325) 574-2200 (p)
Architect	Comfort Suites

Recorded Owner	Bb Hotels Inc 1902 Overland Trl Abilene, TX 79601
Parent Company	Choice Hotels International, Inc.

Property Summary Report

Home2 Suites by Hilton Abilene

2109 Scottish Rd
Abilene, TX 79601 - Abilene Submarket

Upper Midscale
Class



HOSPITALITY

Brand	Home2 Suites by Hilton
Hotel Opened	Oct 2019
Operation Type	Franchise
Operation Status	Open

BUILDING

Type	Hotel
Year Built	Oct 2019
Rooms	111
Location	Suburban
Stories	4
Primary Corridors	Interior

LAND

Land Acres	4.14 AC
Zoning	F1
Parcels	996307

EXPENSES

Taxes	\$1,788.75/Room (2021)
-------	------------------------

SPACE FEATURES

- Business Center
- Fitness Center
- Pool

TRANSPORTATION

Airport	12 min drive to Abilene Regional Airport
Walk Score®	Car-Dependent (19)

PROPERTY CONTACTS

True Owner	Texas Western Hospitality 15275 Quorum Dr Addison, TX 75001 (972) 934-8699 (p)	Recorded Owner	2xabiltx Property LP 2141 Scottish Rd Abilene, TX 79601 (325) 673-0400 (p)
Architect	Type-Six Design & Development Services	Parent Company	Hilton Worldwide

Property Summary Report

TownePlace Suites Abilene Northeast

2141 Scottish Rd
Abilene, TX 79601 - Abilene Submarket

Upper Midscale
Class



HOSPITALITY

Brand	TownePlace Suites
Hotel Opened	Sep 2015
Operation Type	Franchise
Operation Status	Open

BUILDING

Type	Hotel
Year Built	Sep 2015
Rooms	76
Location	Suburban
Stories	4
Primary Corridors	Interior
Meeting Space	1,040 SF

LAND

Land Acres	4.15 AC
Zoning	C2
Parcels	996307

EXPENSES

Taxes	\$2,612.52/Room (2021)
-------	------------------------

SPACE FEATURES

- Fitness Center
- Meeting Event Space
- Pool

SALE

Sold Price	Not Disclosed - Part of Portfolio
Date	Dec 2016
Properties	2

TRANSPORTATION

Airport	13 min drive to Abilene Regional Airport
Walk Score®	Car-Dependent (13)

PROPERTY CONTACTS

True Owner	Texas Western Hospitality 15275 Quorum Dr Addison, TX 75001 (972) 934-8699 (p)	Recorded Owner	2xabiltx Property 15275 Quorum Dr Addison, TX 75001
Parent Company	Marriott International		

BUILDING NOTES

Property Summary Report

Courtyard Abilene Northeast

2141 Scottish Rd
Abilene, TX 79601 - Abilene Submarket

Upscale
Class



HOSPITALITY

Brand	Courtyard
Hotel Opened	Sep 2015
Operation Type	Franchise
Operation Status	Open

BUILDING

Type	Hotel
Year Built	Sep 2015
Rooms	76
Location	Suburban
Stories	4
Primary Corridors	Interior
Meeting Space	1,040 SF

LAND

Land Acres	4.14 AC
Zoning	C2
Parcels	996307

EXPENSES

Taxes	\$2,612.52/Room (2021)
-------	------------------------

SPACE FEATURES

- Fitness Center
- Meeting Event Space
- Pool
- Public Access Wifi
- Restaurant
- Smoke-Free

SALE

Sold Price	Not Disclosed - Part of Portfolio
Date	Dec 2016
Properties	2

TRANSPORTATION

Airport	12 min drive to Abilene Regional Airport
Walk Score®	Car-Dependent (13)

PROPERTY CONTACTS

True Owner	Texas Western Hospitality 15275 Quorum Dr Addison, TX 75001 (972) 934-8699 (p)	Recorded Owner	2xabiltx Property Lp 13647 Montfort Dr Dallas, TX 75240
		Parent Company	Marriott International
Recorded Owner	2xabiltx Property 13647 Montfort Dr Dallas, TX 75240		

STR Global - CoStar - Data by Measure - Primary Comp Set

Occupancy (%)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2018	59.1%	67.8%	74.3%	75.6%	76.1%	86.2%	78.3%	78.3%	73.9%	80.2%	74.1%	62.4%	73.9%
2019	66.2%	74.4%	78.7%	80.1%	78.0%	86.0%	78.1%	79.0%	75.7%	74.9%	69.4%	60.9%	75.1%
2020	66.4%	80.0%	54.5%	30.0%	43.2%	60.7%	59.3%	63.3%	66.4%	65.0%	59.2%	59.6%	59.0%
2021	65.8%	73.7%	85.4%	80.9%	75.3%	82.7%	80.3%	74.9%	78.2%	78.9%	77.8%	71.8%	77.1%
2022	71.7%	75.6%	84.7%	80.6%	80.3%	78.4%	75.0%	74.4%	77.5%				77.6%
Avg	64.4%	74.0%	73.2%	66.7%	68.2%	78.9%	74.0%	73.9%	73.6%	74.8%	70.1%	63.7%	71.3%

ADR (\$)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2018	\$89.97	\$96.67	\$96.79	\$98.69	\$102.89	\$105.04	\$98.36	\$98.01	\$97.88	\$100.22	\$94.44	\$91.27	\$97.52
2019	\$94.68	\$101.86	\$102.12	\$103.50	\$108.49	\$112.27	\$102.29	\$99.14	\$101.98	\$103.57	\$94.54	\$90.14	\$101.22
2020	\$92.35	\$99.40	\$95.01	\$78.82	\$79.73	\$87.41	\$87.17	\$88.11	\$87.56	\$88.76	\$83.67	\$82.14	\$87.51
2021	\$84.57	\$94.84	\$96.85	\$102.45	\$115.25	\$110.17	\$114.26	\$109.28	\$111.16	\$112.70	\$106.04	\$105.24	\$105.58
2022	\$104.52	\$105.74	\$117.84	\$117.18	\$127.93	\$121.52	\$116.31	\$114.57	\$124.46				\$116.95
Avg	\$90.39	\$98.19	\$97.69	\$95.87	\$101.59	\$103.72	\$100.52	\$98.64	\$99.65	\$101.31	\$94.67	\$92.20	\$97.87

RevPAR (\$)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2018	\$53.19	\$65.58	\$71.89	\$74.58	\$78.34	\$90.54	\$77.05	\$76.74	\$72.38	\$80.36	\$69.94	\$56.99	\$72.30
2019	\$62.65	\$75.81	\$80.37	\$82.88	\$84.65	\$96.54	\$79.93	\$78.28	\$77.25	\$77.55	\$65.62	\$54.91	\$76.37
2020	\$61.35	\$79.53	\$51.77	\$23.68	\$34.48	\$53.08	\$51.69	\$55.74	\$58.14	\$57.67	\$49.50	\$48.99	\$52.14
2021	\$55.66	\$69.86	\$82.69	\$82.86	\$86.73	\$91.07	\$91.73	\$81.89	\$86.96	\$88.91	\$82.54	\$75.53	\$81.96
2022	\$74.93	\$79.93	\$99.81	\$94.50	\$102.78	\$95.26	\$87.27	\$85.28	\$96.47				\$90.76
Avg	\$58.21	\$72.70	\$71.68	\$66.00	\$71.05	\$82.81	\$75.10	\$73.16	\$73.68	\$76.12	\$66.90	\$59.11	\$70.54

Revenue (\$)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2018	\$664,491	\$740,041	\$898,134	\$901,677	\$978,669	\$1,094,588	\$962,648	\$958,683	\$875,058	\$1,003,997	\$845,533	\$711,925	\$10,635,444
2019	\$782,680	\$855,462	\$1,004,008	\$1,002,060	\$1,057,586	\$1,167,152	\$998,619	\$977,984	\$933,906	\$1,235,738	\$1,011,904	\$874,896	\$11,901,995
2020	\$977,547	\$1,144,535	\$824,856	\$311,191	\$468,193	\$818,451	\$823,641	\$888,196	\$896,489	\$918,921	\$763,311	\$780,616	\$9,615,947
2021	\$886,827	\$1,005,471	\$1,317,506	\$1,277,699	\$1,381,974	\$1,404,247	\$1,461,652	\$1,304,885	\$1,340,872	\$1,416,674	\$1,272,715	\$1,203,475	\$15,273,997
2022	\$1,193,940	\$1,150,299	\$1,590,369	\$1,457,125	\$1,637,763	\$1,468,907	\$1,390,590	\$1,358,890	\$1,487,625				\$12,735,508
Avg	\$827,886	\$936,377	\$1,011,126	\$873,157	\$971,606	\$1,121,110	\$1,061,640	\$1,032,437	\$1,011,581	\$1,143,833	\$973,366	\$892,728	\$11,856,846

STR Global - CoStar - 12 Month Moving Average - Primary Comp Set

Occupancy (%)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2018	69.3%	69.5%	69.6%	69.8%	70.2%	70.9%	71.3%	71.8%	72.3%	72.9%	73.6%	73.9%
2019	74.5%	75.0%	75.4%	75.7%	75.9%	75.9%	75.9%	75.9%	76.1%	75.6%	75.1%	74.7%
2020	74.5%	75.0%	72.8%	68.9%	66.2%	64.3%	62.9%	61.8%	61.3%	60.4%	59.5%	59.4%
2021	59.4%	58.9%	61.6%	65.4%	67.8%	69.6%	71.4%	72.4%	73.4%	74.6%	76.1%	77.1%
2022	30.8%	77.8%	77.7%	77.7%	78.1%	77.8%	77.3%	77.3%	77.2%			
Avg	69.4%	69.6%	69.9%	70.0%	70.0%	70.2%	70.4%	70.5%	70.8%	70.9%	71.1%	71.3%

ADR (\$)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2018	\$96.67	\$96.52	\$96.38	\$96.38	\$96.39	\$96.69	\$96.83	\$96.90	\$97.04	\$97.19	\$97.52	\$97.87
2019	\$98.16	\$98.55	\$99.01	\$99.43	\$99.92	\$100.60	\$100.94	\$101.04	\$101.37	\$101.70	\$101.60	\$101.34
2020	\$101.00	\$100.79	\$100.27	\$99.27	\$97.45	\$95.22	\$93.91	\$92.92	\$91.69	\$90.13	\$89.15	\$88.45
2021	\$87.70	\$87.15	\$87.72	\$89.52	\$92.40	\$94.49	\$96.90	\$98.64	\$100.56	\$102.52	\$104.02	\$105.55
2022	\$106.98	\$107.77	\$109.72	\$110.98	\$112.11	\$113.06	\$113.22	\$113.66	\$114.76			
Avg	\$95.88	\$95.75	\$95.85	\$96.15	\$96.54	\$96.75	\$97.15	\$97.38	\$97.67	\$97.89	\$98.07	\$98.30

RevPAR (\$)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2018	\$66.97	\$67.06	\$67.06	\$67.06	\$67.69	\$68.51	\$69.06	\$69.55	\$70.12	\$70.89	\$71.74	\$72.30
2019	\$73.11	\$73.89	\$74.61	\$75.29	\$75.83	\$76.32	\$76.57	\$76.70	\$77.10	\$76.88	\$76.29	\$75.66
2020	\$75.25	\$75.59	\$72.96	\$68.41	\$64.49	\$61.23	\$59.04	\$57.41	\$56.16	\$54.43	\$53.07	\$52.55
2021	\$52.06	\$51.30	\$53.99	\$58.54	\$62.68	\$65.80	\$69.20	\$71.42	\$73.79	\$76.44	\$79.16	\$81.41
2022	\$83.05	\$83.82	\$85.28	\$86.23	\$87.60	\$87.94	\$87.56	\$87.85	\$88.63			
Avg	\$66.85	\$66.96	\$67.16	\$67.33	\$67.67	\$67.97	\$68.47	\$68.77	\$69.29	\$69.66	\$70.07	\$70.48

Revenue (\$)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2018	\$9,850,394	\$9,863,959	\$9,864,078	\$9,887,747	\$9,956,695	\$10,078,142	\$10,158,346	\$10,230,212	\$10,313,691	\$10,427,387	\$10,552,619	\$10,635,445
2019	\$10,753,635	\$10,869,056	\$10,974,930	\$11,075,313	\$11,154,230	\$11,226,794	\$11,262,765	\$11,282,066	\$11,340,914	\$11,572,655	\$11,739,025	\$11,901,996
2020	\$12,096,862	\$12,385,935	\$12,206,783	\$11,515,914	\$10,926,521	\$10,577,820	\$10,402,842	\$10,313,053	\$10,275,636	\$9,958,819	\$9,710,226	\$9,615,946
2021	\$9,525,226	\$9,386,163	\$9,878,812	\$10,845,320	\$11,759,102	\$12,344,897	\$12,982,908	\$13,399,597	\$13,843,980	\$14,341,734	\$14,851,137	\$15,273,996
2022	\$15,581,110	\$15,725,937	\$15,998,800	\$16,178,227	\$16,434,015	\$16,498,675	\$16,427,613	\$16,481,618	\$16,628,371			
Avg	\$10,556,529	\$10,626,278	\$10,731,151	\$10,831,074	\$10,949,137	\$11,056,913	\$11,201,715	\$11,306,232	\$11,443,555	\$11,575,149	\$11,713,252	\$11,856,846

Primary Competitive Hotel Properties Data Summary

Primary Competitive Set			
Property Name	Industry Segment	Open Date	Room Count
Residence Inn Abilene	Upscale	2008	117
Courtyard Abilene Northeast	Upscale	2015	76
Holiday Inn Express & Suites Abilene	Upper Midscale	2001	66
Comfort Suites University Abilene	Upper Midscale	2007	68
Home2 Suites by Hilton Abilene	Upper Midscale	2019	111
TownePlace Suites Abilene Northeast	Upper Midscale	2015	76
Primary Competitive Set Room Count Average			86
Source: CoStar/STR Core Distinction Group, LLC			

Primary Competitive Set Current			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
YTD	77.6%	\$116.95	\$90.76
3 Month Average	75.6%	\$118.45	\$89.60
12 Month Average	77.2%	\$114.76	\$88.63
Source: CoStar/STR Core Distinction Group, LLC			

Primary Competitive Set Prior Year			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
12 Month Average	72.9%	\$100.00	\$73.00
Source: CoStar/STR Core Distinction Group, LLC			

Primary Competitive Set Year Over Year Percentage Change			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
Percent of Change	6.0%	15.2%	22.1%
Source: CoStar/STR Core Distinction Group, LLC			



Primary Competitive Hotel Quoted Rates

Primary Competitive Set Listed Rates				
Property Name	DEC	MAR	JUN	SEP
Residence Inn Abilene	\$130	\$139	\$150	\$149
Courtyard Abilene Northeast	\$135	\$135	\$169	\$149
Holiday Inn Express & Suites Abilene	\$90	\$110	\$129	\$129
Comfort Suites University Abilene	\$85	\$90	\$110	\$110
Home2 Suites by Hilton Abilene	\$160	\$160	\$169	\$169
TownePlace Suites Abilene Northeast	\$125	\$125	\$159	\$149
Primary Competitive Set Average	\$121	\$127	\$148	\$143
Primary Competitive Set Rate Average				\$134
Source: CoStar/STR Core Distinction Group, LLC				

Primary Competitive Set Trend			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
YTD	77.6%	\$116.95	\$90.76
3 Month Average	75.6%	\$118.45	\$89.60
12 Month Average	77.2%	\$114.76	\$88.63
Source: CoStar/STR Core Distinction Group, LLC			

Projected Primary Competitive Set Rates	
Time Frame	Average Daily Rate
3 Month Average	\$118.45
12 Month Average	\$114.76
Future Quoted Rate Average	\$134.38
Projected Average Daily Rates	\$122.53
Source: Google Travel/CoStar/STR Core Distinction Group, LLC	



Search Analytics

INVENTORY ROOMS 514 +0% Prior Period 514	UNDER CONSTRUCTION ROOMS 0 - Prior Period 0	12 MO OCC RATE 77.2% +6.0% Prior Period 72.9%	12 MO ADR \$115 +15.2% Prior Period \$100	12 MO REVPAR \$89 +22.1% Prior Period \$73	MARKET SALE PRICE/ROOM \$131K +6.3% Prior Period \$123K	MARKET CAP RATE 8.9% -0.1% Prior Period 9.0%
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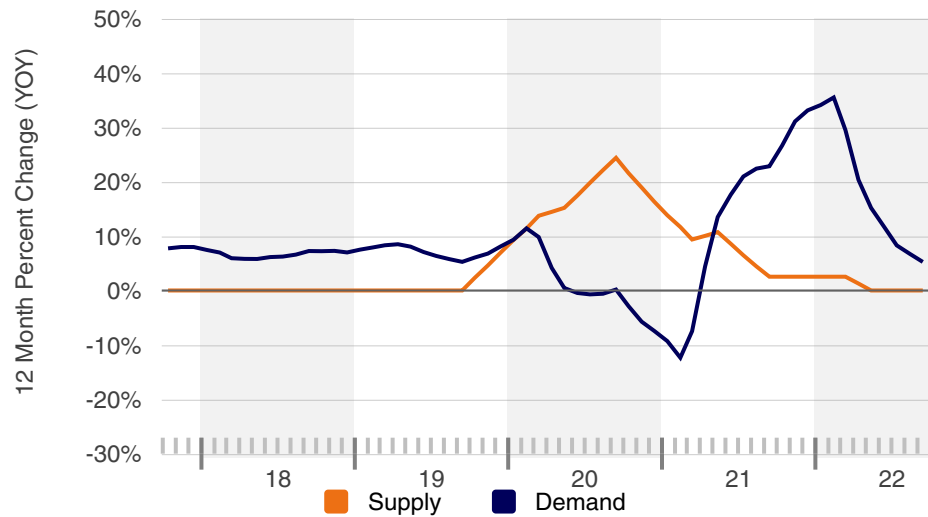
Key Metrics

Inventory		Sales Past Year	
Existing Properties	6 ↕	Sales Volume	\$0 ↕
12 Mo Delivered Rooms	0 ↕	Properties Sold	0 ↕
12 Mo Delivered Properties	0 ↕	Months to Sale	-
12 Mo Recently Opened Rooms	0 ↕	Average Price Per Building	-
12 Mo Recently Opened Properties	0 ↕	Market Price Per Room	\$131K ↑
Under Construction Properties	0 ↕	Market Cap Rate	8.8% ↓

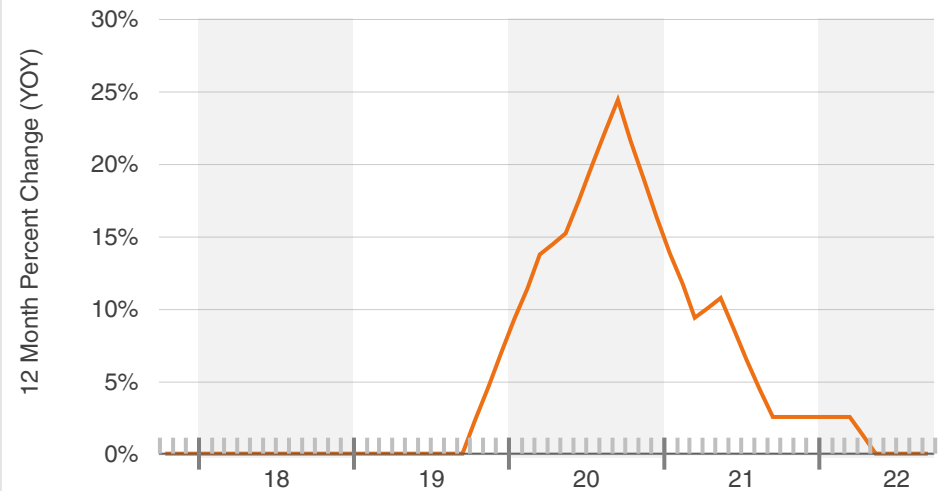
Performance Trend	
Occupancy Rate	77.5% ↓
Average Daily Rate	\$124.46 ↑
Revenue Per Available Room	\$96.47 ↑
YTD Occupancy Rate	77.6% ↑
YTD Average Daily Rate	\$116.95 ↑
YTD RevPAR	\$90.76 ↑
3 Mo Occupancy Rate	75.6% ↓
3 Mo Average Daily Rate	\$118.45 ↑
3 Mo RevPAR	\$89.60 ↑
12 Mo Occupancy Rate	77.2% ↑
12 Mo Average Daily Rate	\$114.76 ↑
12 Mo RevPAR	\$88.63 ↑

Search Analytics

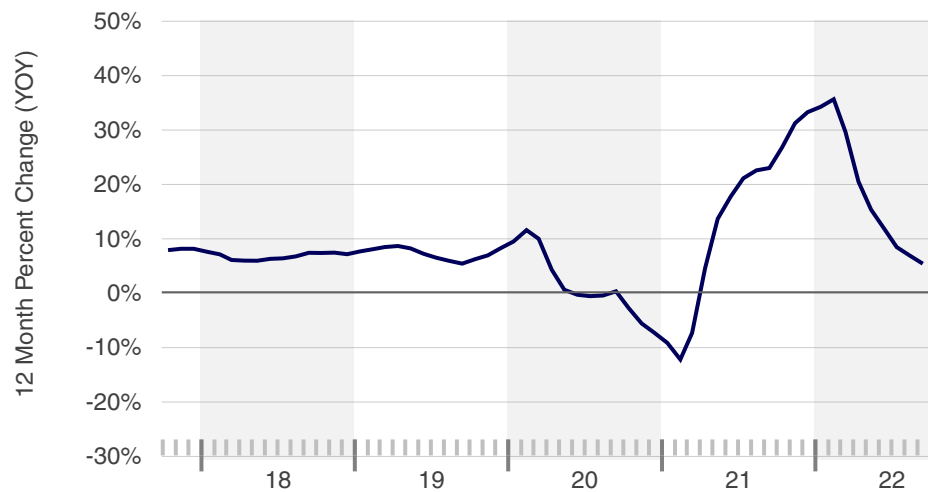
Supply & Demand Change



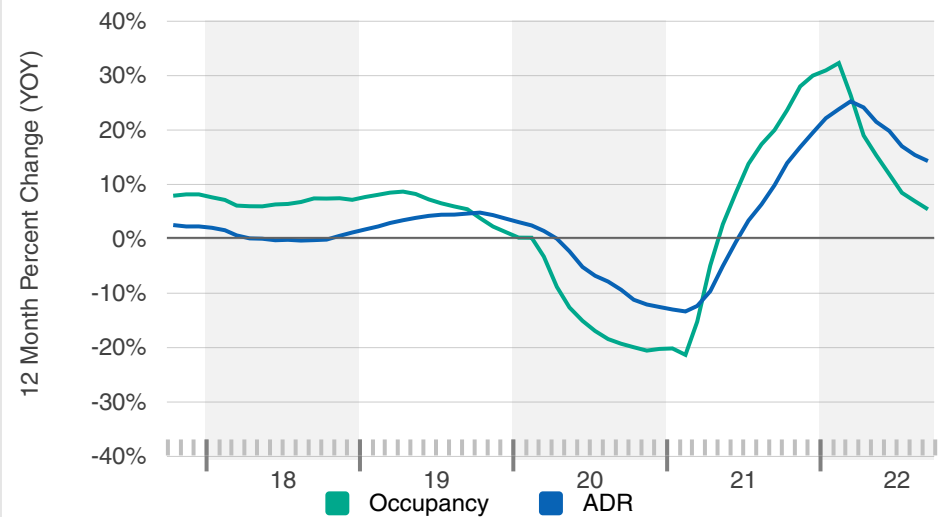
Supply Change



Demand Change

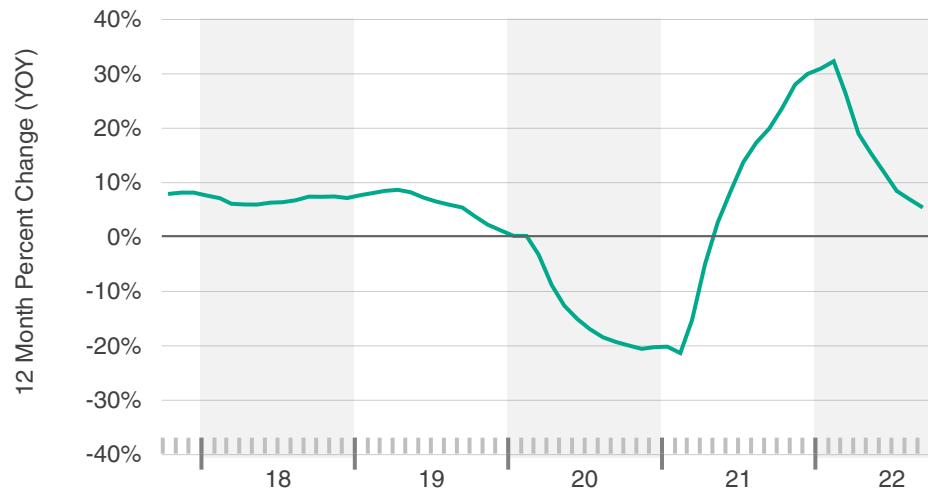


Occupancy & ADR Change

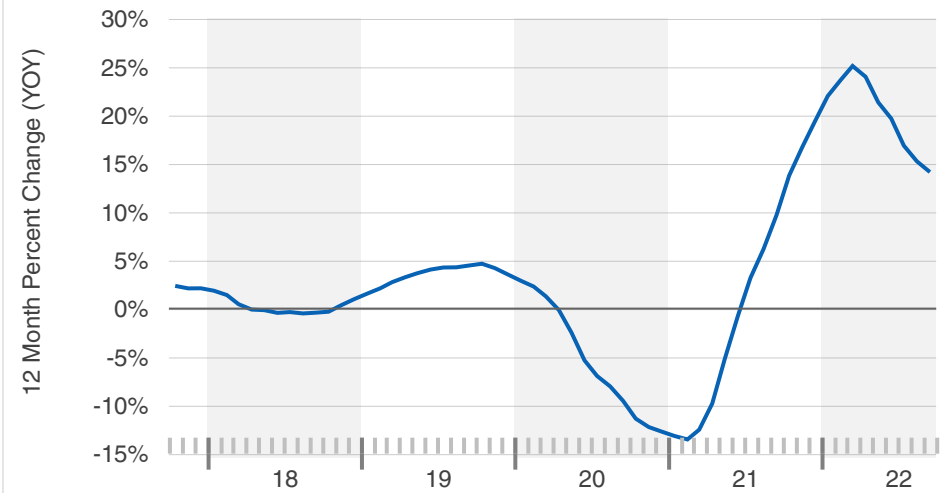


Search Analytics

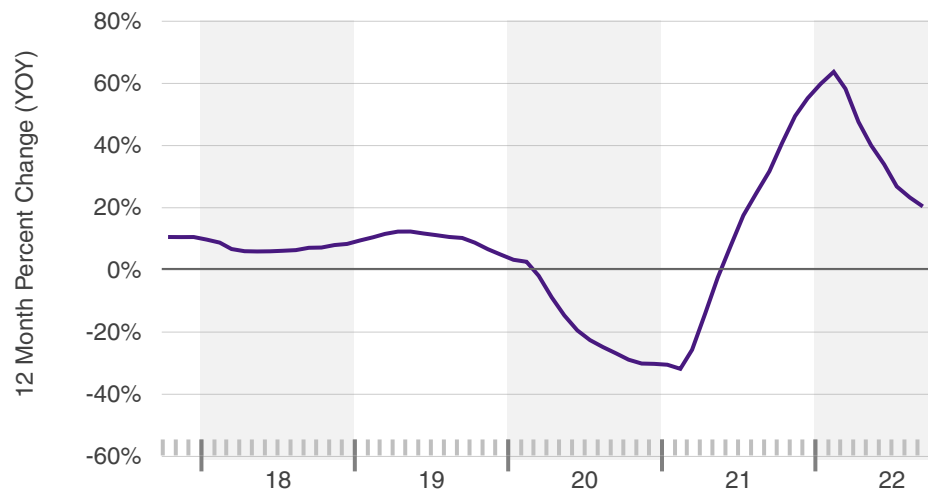
Occupancy Change



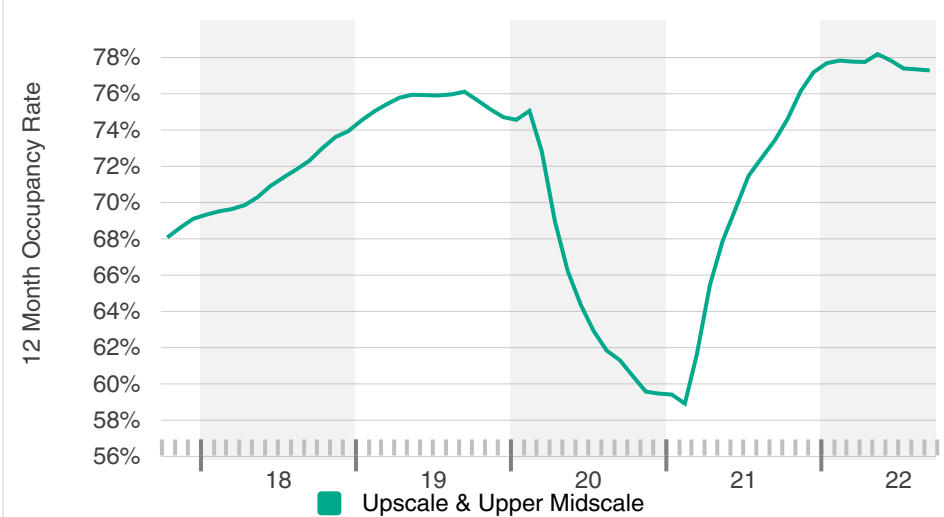
ADR Change



RevPAR Change

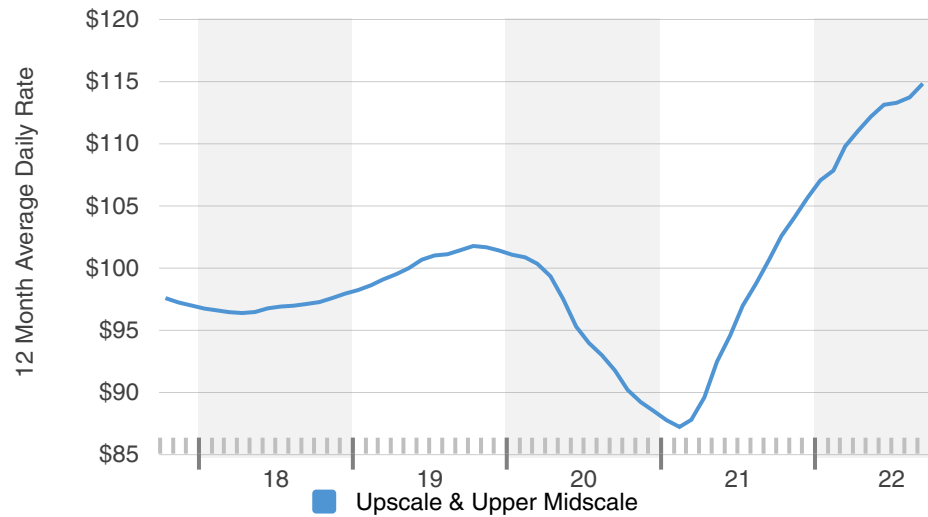


Occupancy By Class

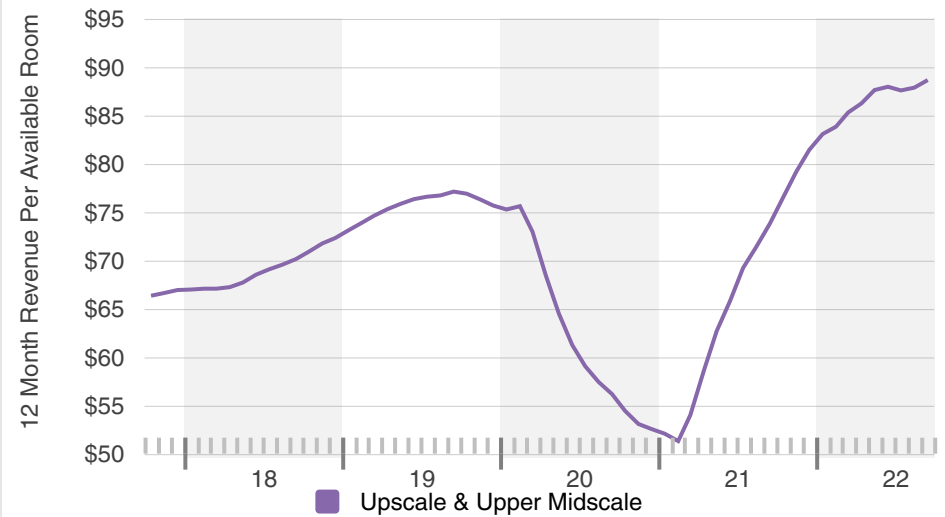


Search Analytics

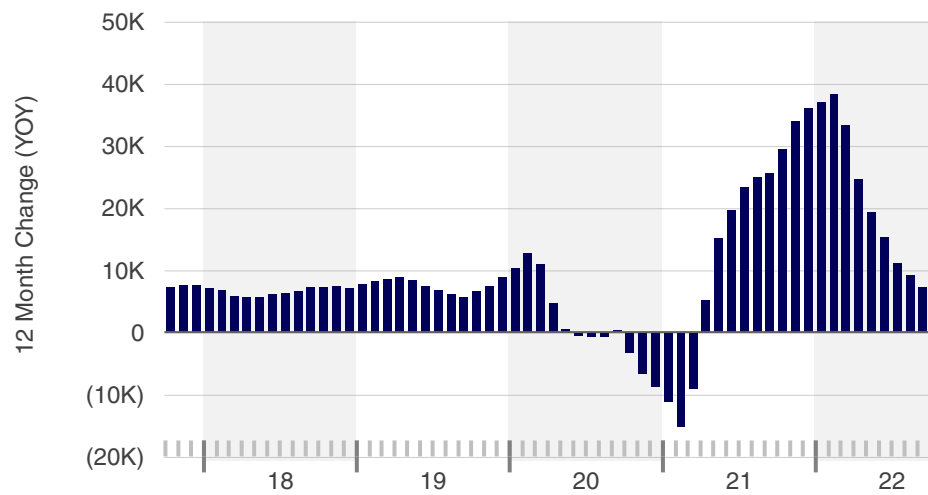
ADR By Class



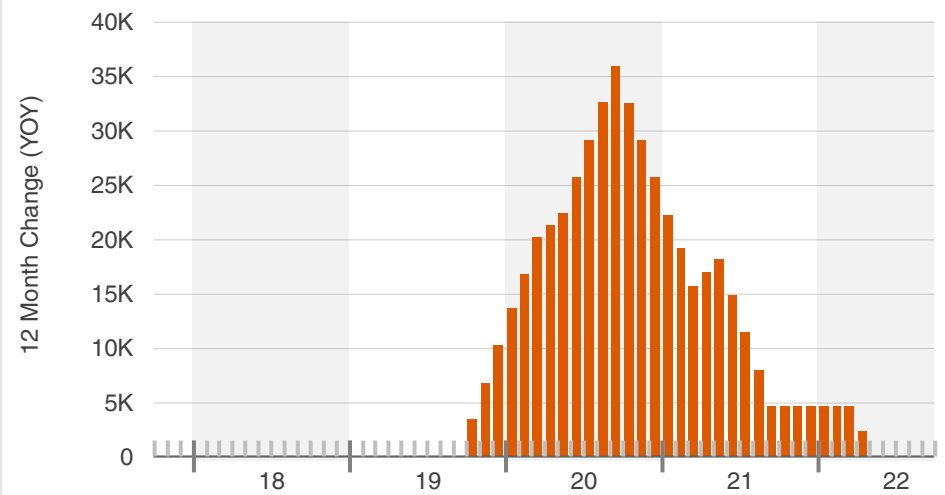
RevPAR By Class



Demand Change

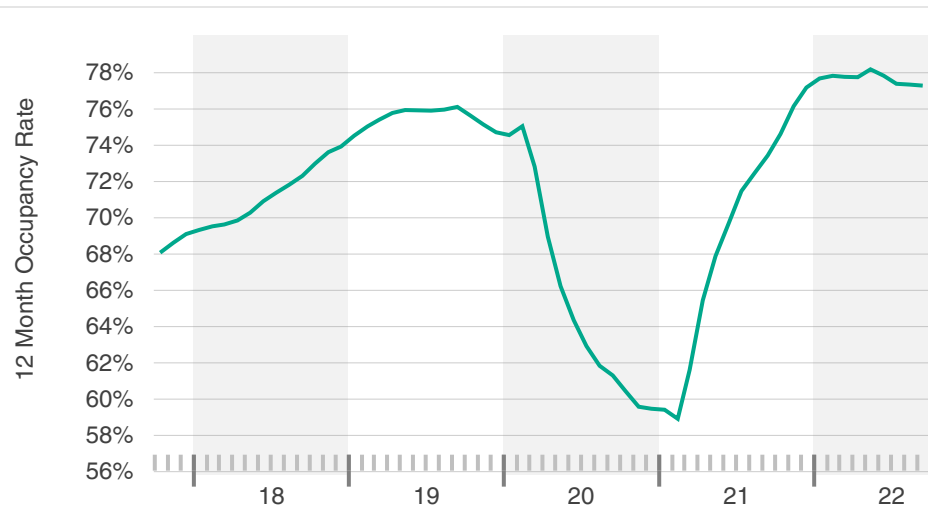


Supply Change

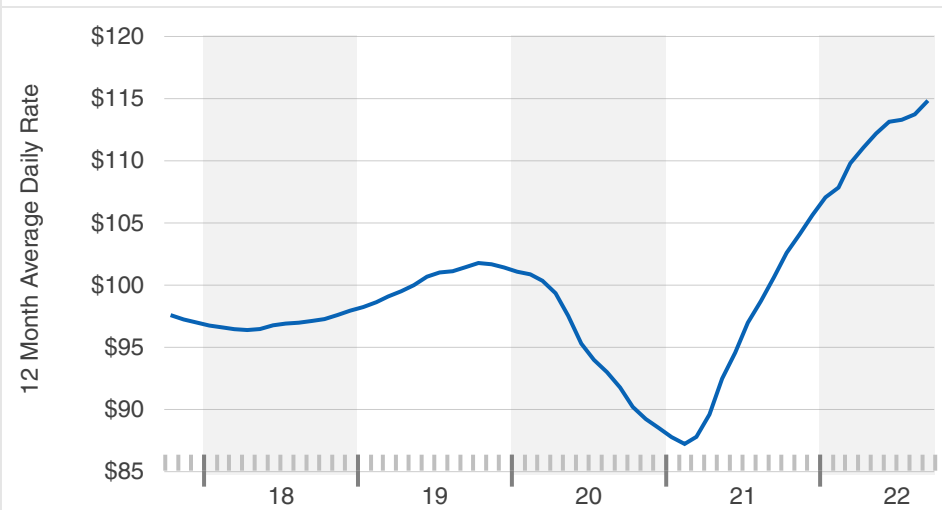


Search Analytics

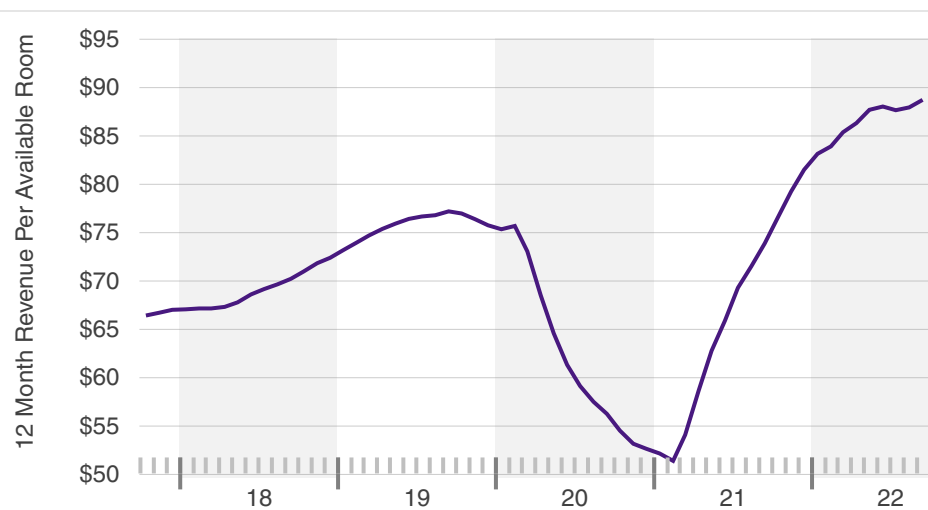
Occupancy



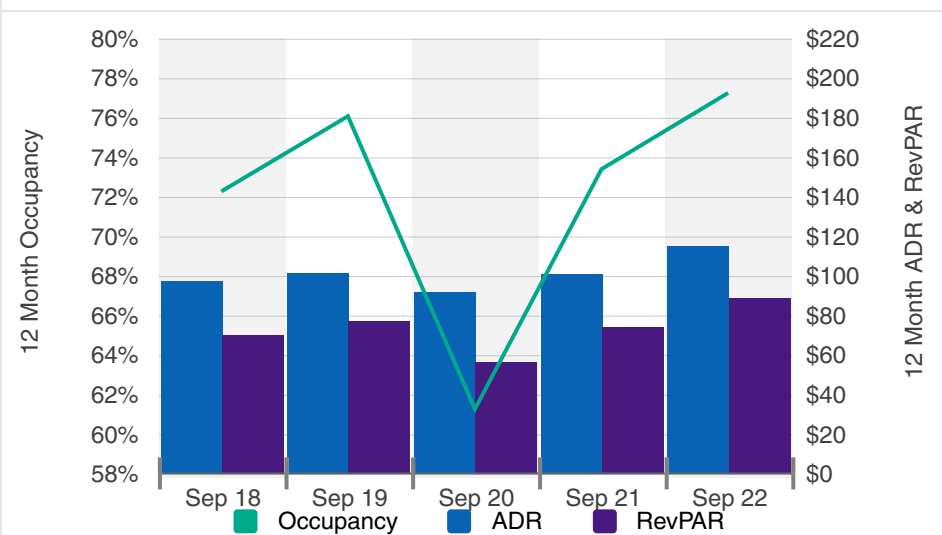
ADR



RevPAR

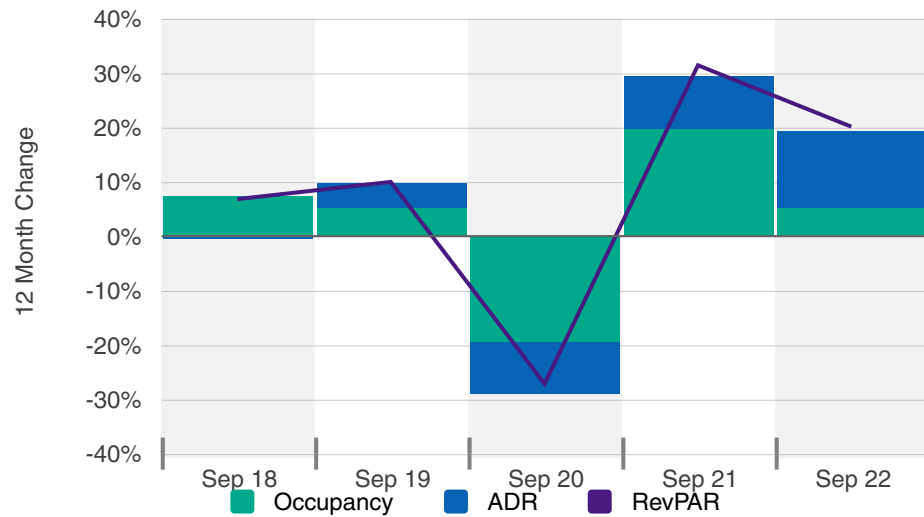


Occupancy, ADR & RevPAR

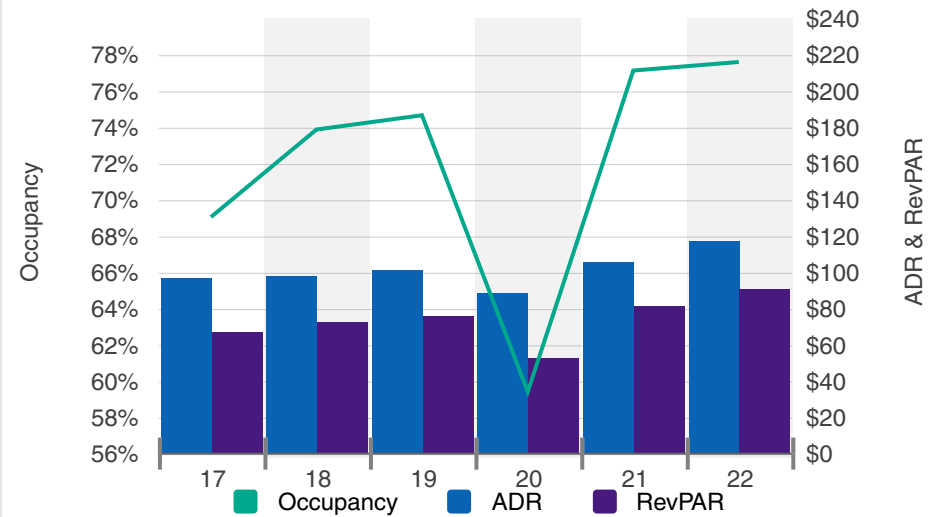


Search Analytics

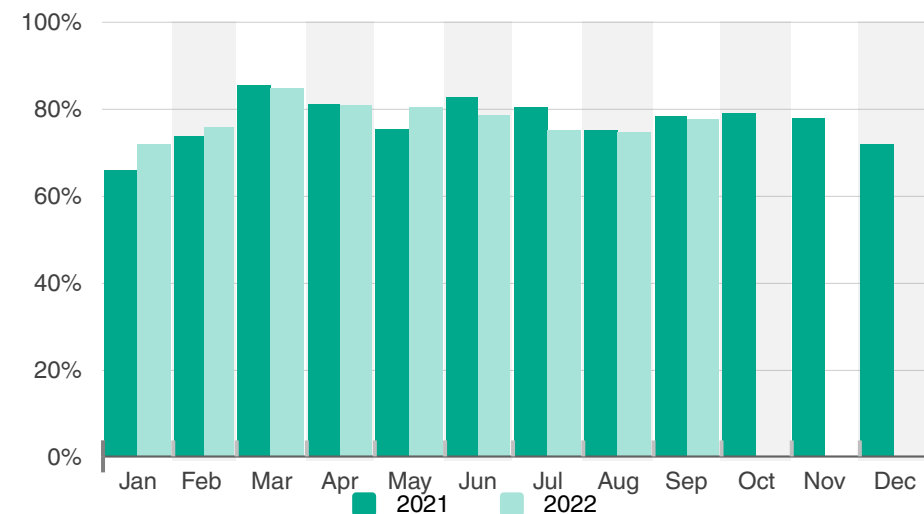
RevPAR Growth Composition



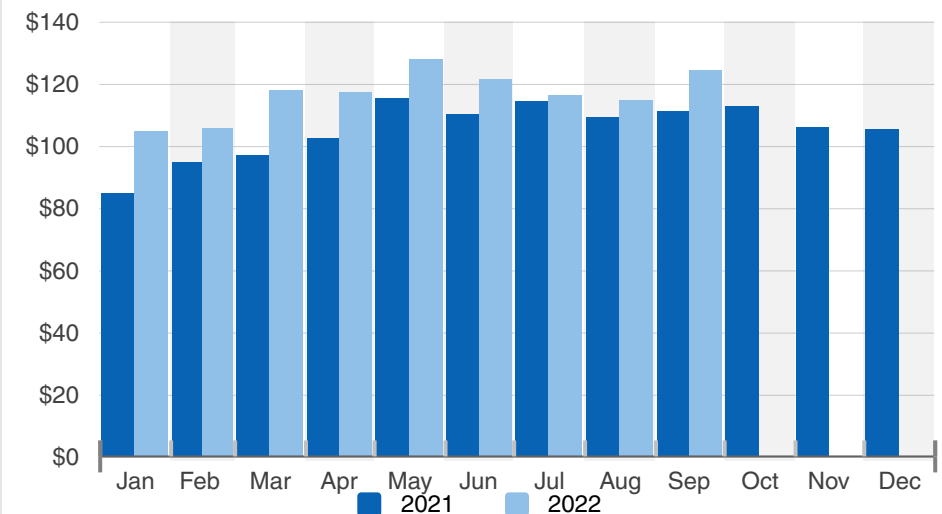
Occupancy, ADR & RevPAR Annualized vs YTD



Occupancy Monthly

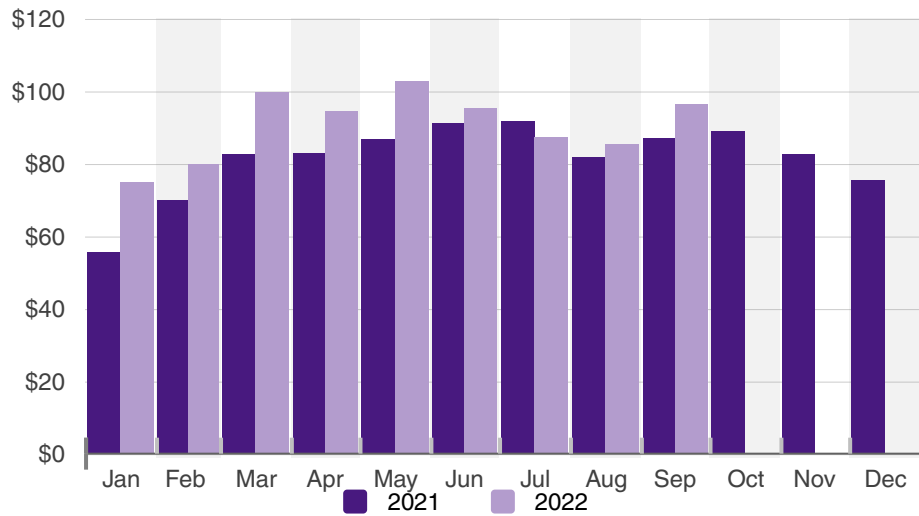


ADR Monthly

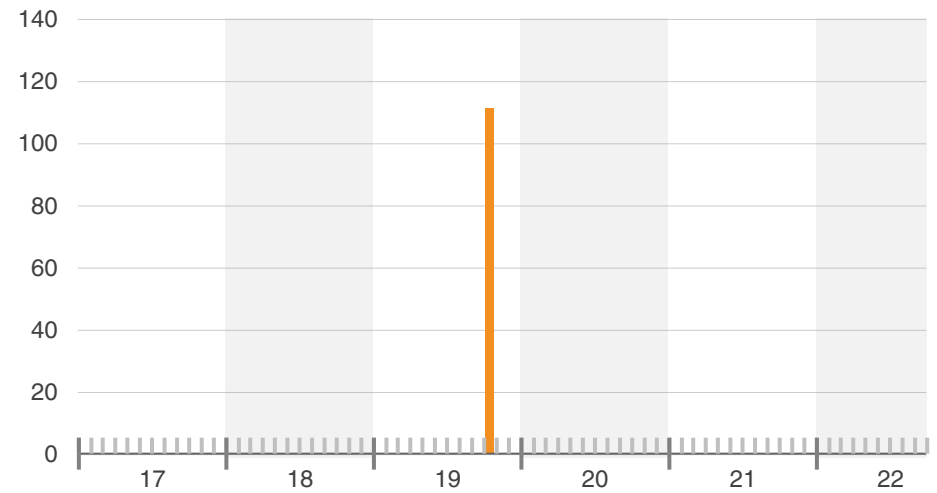


Search Analytics

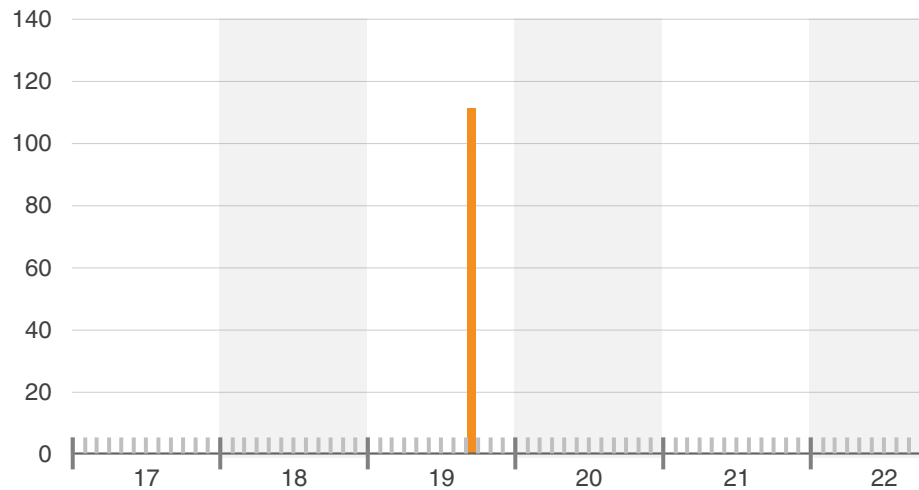
RevPAR Monthly



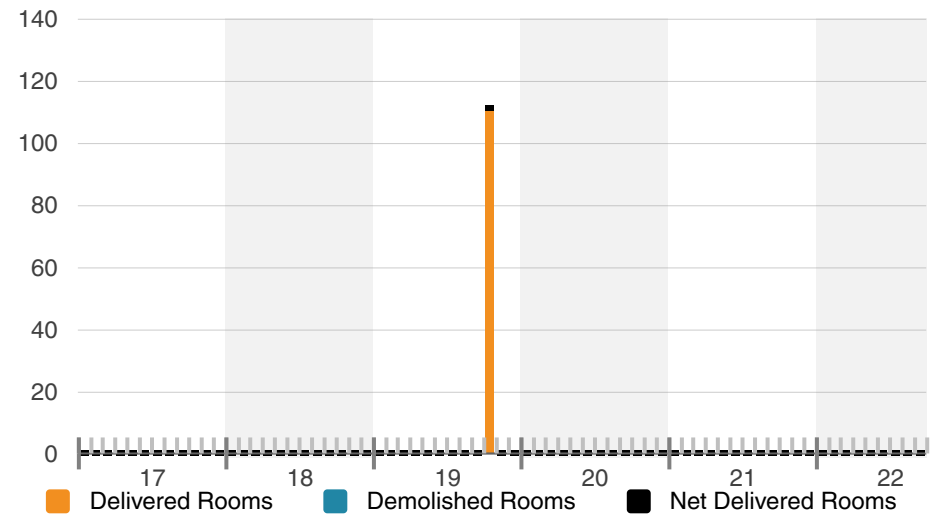
Rooms Delivered



Rooms Under Construction

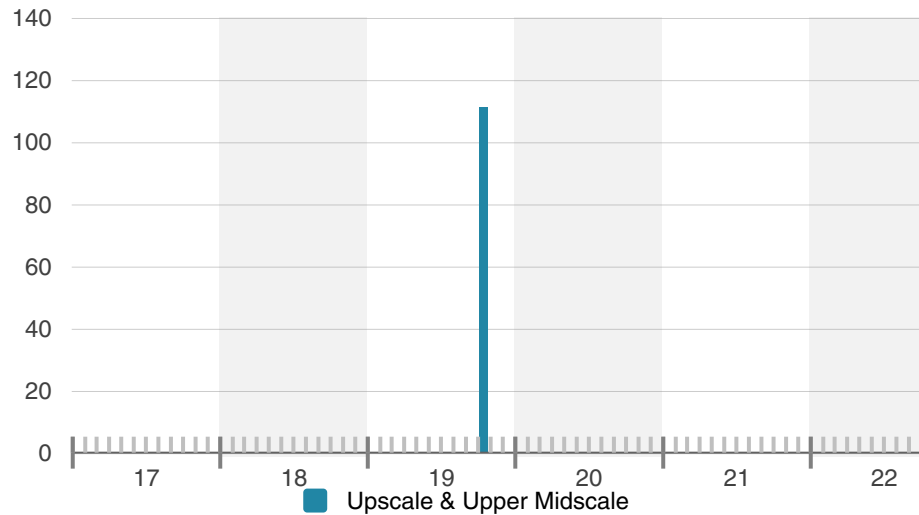


Delivered, Demolished & Net Delivered Rooms



Search Analytics

Rooms Delivered By Class



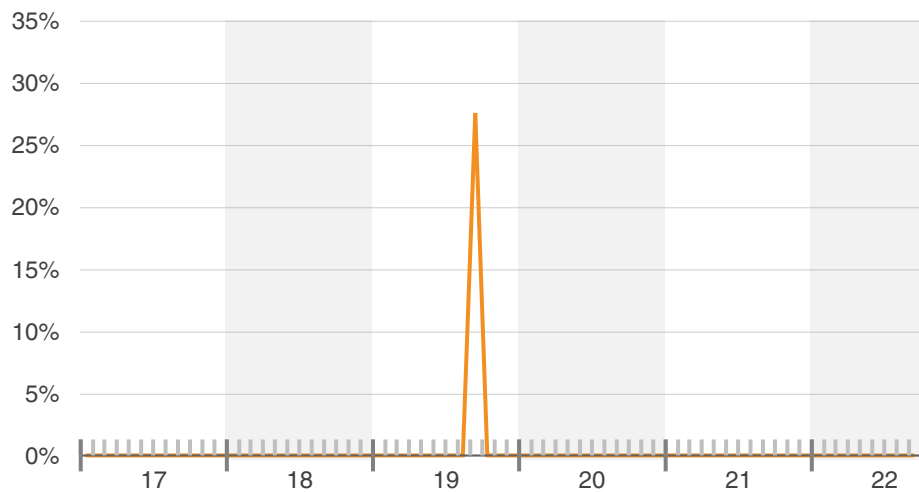
Demolished Rooms

No Data Available

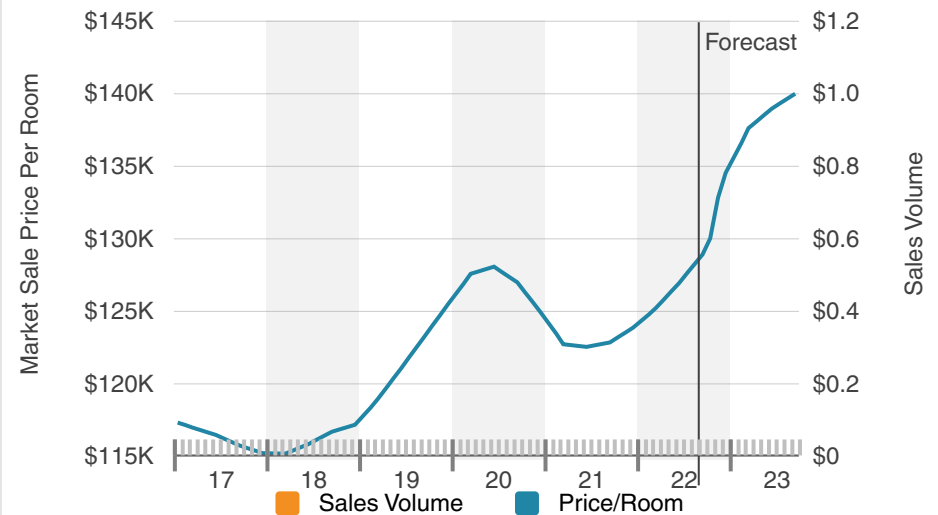


No data available for the past 5 years

Rooms Under Construction % of Inventory

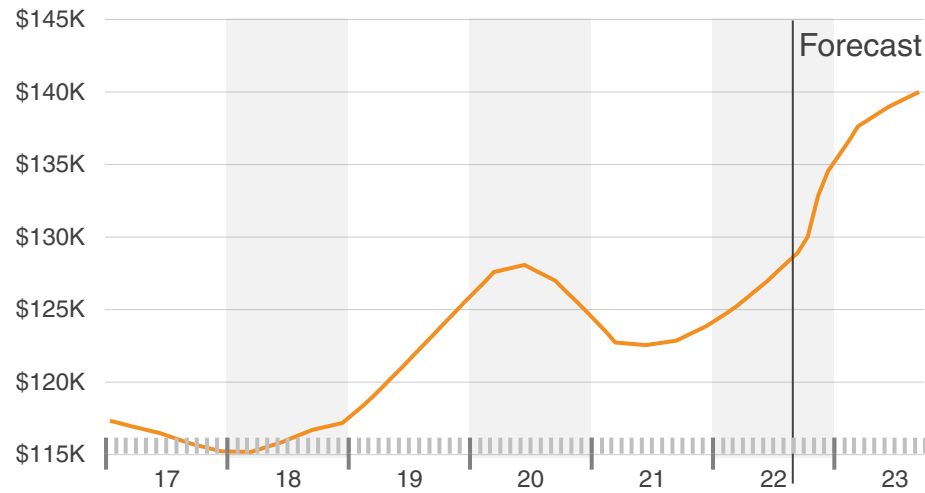


Sales Volume & Market Sale Price Per Room



Search Analytics

Market Sale Price Per Room



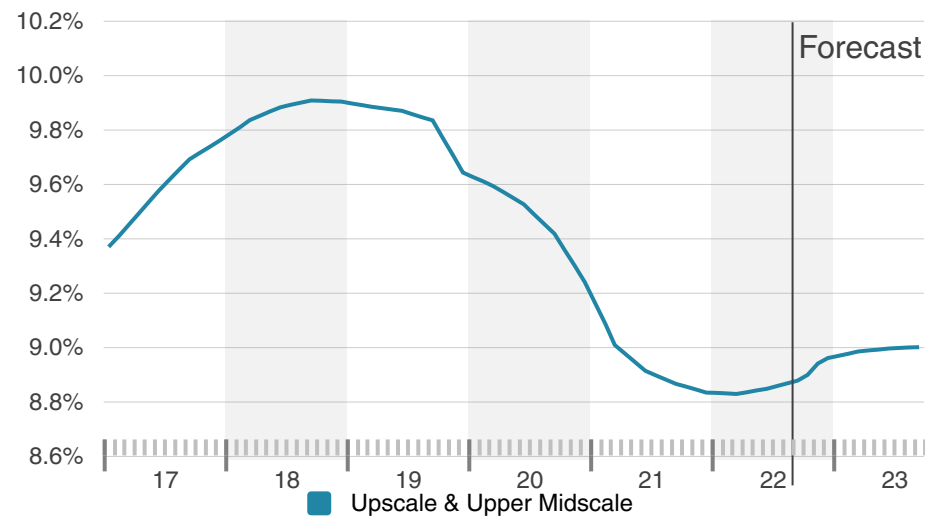
Sales Volume

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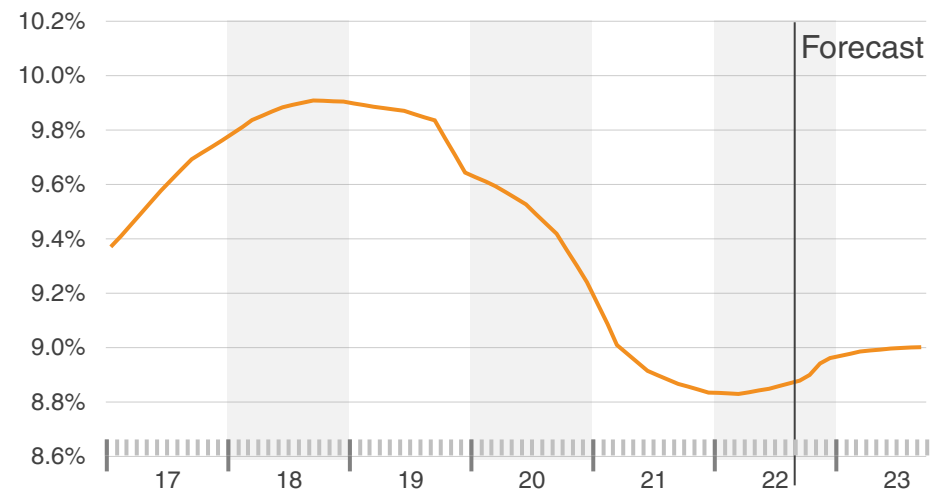


No data available for the past 5 years

Market Cap Rate By Class

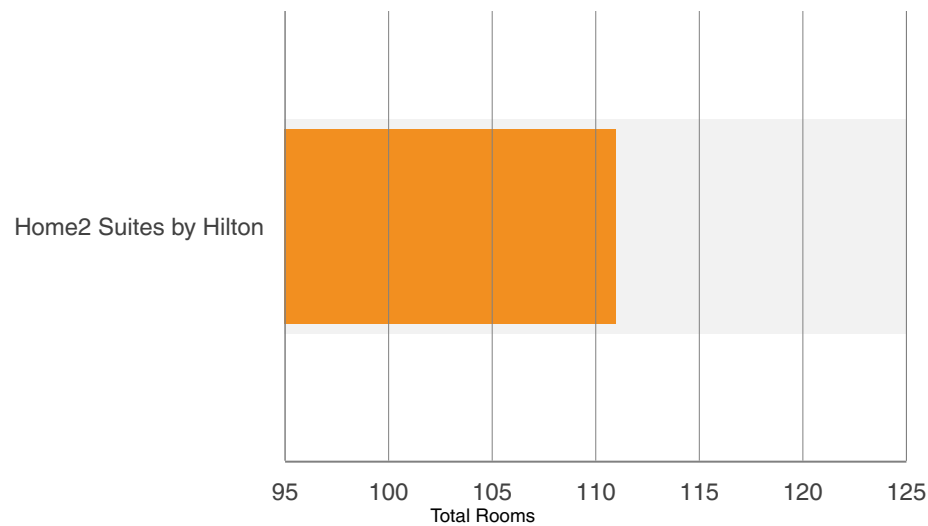


Market Cap Rate



Search Analytics

Top Brand Delivered



Top Sellers

No Data Available



No data available for the current selection

Top Seller Brokers

No Data Available



No data available for the current selection

Top Buyers

No Data Available



No data available for the current selection

Search Analytics

Top Buyer Brokers

No Data Available



No data available for the current selection

Report Criteria

- 6 Properties / 0 Spaces
- Property Type: Hospitality
- Scale: Upscale +1
- Construction Status: Existing
- 14 mi Radius

Lodging Supply - Secondary

For the purposes of this Comprehensive Hotel Market Feasibility Study, the competitive set includes properties that were determined to be competitive with the proposed hotel based on either their location, brand affiliation, facilities and amenities offered, rate structure, community surveys, and/or market orientation. There are many instances where independent and/or economy hotels do not report to the reporting agency.

In some cases, Core Distinction Group must access data from surrounding or Secondary market hotels to obtain a Smith Travel Research (STR)/CoStar report. This can also include a Secondary Competitive Set. The following information will be presented in Lodging Supply:



Property Map Overview



Property Summary Reports

For the purposes of this Comprehensive Hotel Market Feasibility Study, the competitive set includes properties that were determined to be competitive with the proposed hotel based on either their location, brand affiliation, facilities and amenities offered, rate structure, community surveys, and/or market orientation.



STR/COSTAR Global Data



Upper Upscale Competitive Hotel Properties Data Summary



Key Performance Indicators



Supply & Demand/Supply & Demand Changes



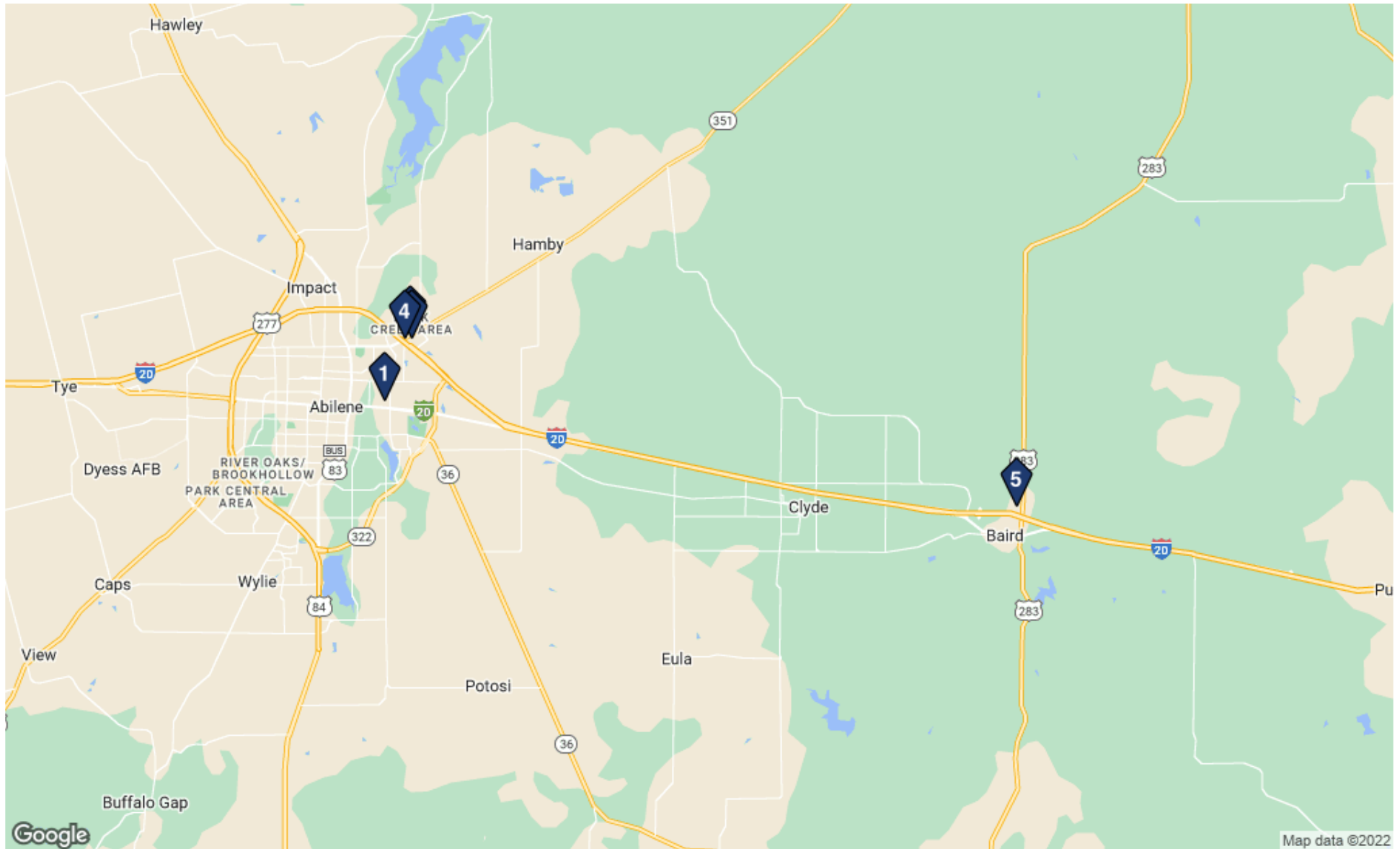
Average Daily Rate/Average Daily Rate Changes



Key Metrics: Inventory, Sales Past Year, Performance Trends



Property Map Overview



Property Summary Report

Econo Lodge Inn & Suites Abilene

840 E US Hwy 80
Abilene, TX 79601 - Abilene Submarket

Economy
Class



HOSPITALITY

Brand	Econo Lodge
Hotel Opened	Jun 1955
Operation Type	Franchise
Operation Status	Open

BUILDING

Type	Hotel
Year Built	Jun 1955
Rooms	104
Location	Suburban
Stories	2
Primary Corridors	Exterior
Meeting Space	1,000 SF

LAND

Land Acres	4.16 AC
Zoning	Commercial
Parcels	38539

EXPENSES

Taxes	\$319.43/Room (2021)
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SPACE FEATURES

- Business Center
- Restaurant
- Pool

SALE

For Sale	\$3,100,000 (\$29,808/Room)
Cap Rate	16.62%
Sale Type	Investment
Status	Active

Last Sale

Sold Price	Not Disclosed
Date	Jan 2013
Sale Type	Investment
Financing	1st Mortgage: First Bank of Texas Bal/Pmt: \$1,502,300/-

TRANSPORTATION

Airport	9 min drive to Abilene Regional Airport
Walk Score®	Somewhat Walkable (50)

Property Summary Report

Motel 6 Abilene

1702 E I-20
Abilene, TX 79601 - Abilene Submarket

Economy
Class



HOSPITALITY

Brand	Motel 6
Hotel Opened	Jun 1985
Operation Type	Franchise
Operation Status	Open

BUILDING

Type	Hotel
Year Built	1985
Rooms	85
Location	Suburban
Stories	2
Primary Corridors	Exterior

LAND

Land Acres	2.40 AC
Zoning	Commercial
Parcels	46831

EXPENSES

Taxes	\$47.80/Room (2021)
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PARKING

Spaces	150 Surface
Ratio	1.76/Room

SPACE FEATURES

- Business Center
- Pool

SALE

Sold Price	\$2,100,000 (\$21,429/Room)
Date	Nov 2016
Sale Type	Investment
Financing	1st Mortgage: Security State Bank & Trust
	Bal/Pmt: \$1,900,000/-

TRANSPORTATION

Parking	150 available (Surface);Ratio of 1.76/Room
Airport	11 min drive to Abilene Regional Airport
Walk Score®	Car-Dependent (33)

PROPERTY CONTACTS

True Owner	Jalsaa Hospitality Llc 1804 Sidney Baker St Kerrville, TX 78028 (512) 368-5127 (p)	Recorded Owner	Jalsaa Hospitality Llc 1804 Sidney Baker St Kerrville, TX 78028 (512) 368-5127 (p)
Parent Company	G6 Hospitality LLC		

Property Summary Report

Quality Inn Abilene

1758 E Overland Trl
Abilene, TX 79601 - Abilene Submarket

Midscale
Class



HOSPITALITY

Brand	Quality Inn
Hotel Opened	Oct 1995
Operation Type	Franchise
Operation Status	Open

BUILDING

Type	Hotel
Year Built	1995
Year Renov	2020
Rooms	49
Location	Suburban
Stories	2
Primary Corridors	Exterior

LAND

Land Acres	1.51 AC
Zoning	HC
Parcels	47057

EXPENSES

Taxes	\$642.01/Room (2021)
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PARKING

Spaces	71 Surface
Ratio	1.45/Room

SPACE FEATURES

- Business Center
- Fitness Center
- Pool

TRANSPORTATION

Parking	71 available (Surface);Ratio of 1.45/Room
Airport	11 min drive to Abilene Regional Airport
Walk Score®	Car-Dependent (33)

PROPERTY CONTACTS

True Owner	Bharat Bhakta 2414 Pistachio Dr Irving, TX 75063 (972) 910-0775 (p)
Parent Company	Choice Hotels International, Inc.

Recorded Owner	Deepa Inc 3417 S 1st St Abilene, TX 79605
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Property Summary Report

Super 8 Abilene North

1525 E Stamford St
Abilene, TX 79601 - Abilene Submarket

Economy
Class



HOSPITALITY

Brand	Super 8
Hotel Opened	Jun 1983
Operation Type	Franchise
Operation Status	Open

BUILDING

Type	Hotel
Year Built	1975
Rooms	94
Location	Suburban
Stories	2
Primary Corridors	Exterior

LAND

Land Acres	3.97 AC
Zoning	GC
Parcels	31969

EXPENSES

Taxes	\$322.73/Room (2021)
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PARKING

Spaces	115 Surface
Ratio	1.22/Room

SPACE FEATURES

- Pool
- Restaurant

SALE

Sold Price	Not Disclosed
Date	May 2019
Sale Type	Investment
Financing	1st Mortgage: Unibank Bal/Pmt: \$979,000/-

TRANSPORTATION

Parking	115 available (Surface);Ratio of 1.22/Room
Walk Score®	Car-Dependent (33)

Property Summary Report

Americas Best Value Inn Baird

500 Interstate 20 E
Baird, TX 79504 - Central Texas Area Submarket

Economy
Class



HOSPITALITY

Brand	Americas Best Value Inn
Hotel Opened	Jan 1998
Operation Type	Franchise
Operation Status	Open

BUILDING

Type	Hotel
Year Built	1998
Rooms	26
Location	Suburban
Stories	1
Primary Corridors	Exterior

LAND

Land Acres	0.29 AC
Zoning	None
Parcels	B0379

TRANSPORTATION

Airport	27 min drive to Abilene Regional Airport
Walk Score®	Car-Dependent (24)

TENANTS

Sundance RV Park	-
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PROPERTY CONTACTS

True Owner	OMSAIRAM HOSPITALITY INC 1633 W Stamford St Abilene, TX 79601 (325) 673-5424 (p)	Recorded Owner	OMSAIRAM HOSPITALITY INC 1633 W Stamford St Abilene, TX 79601 (325) 673-5424 (p)
Parent Company	Sonesta International Hotels Corp		

STR Global - CoStar - Data by Measure - Secondary Comp Set

Occupancy (%)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2018	42.8%	52.3%	57.2%	53.7%	56.9%	65.9%	60.4%	61.5%	59.7%	59.8%	57.0%	48.1%	56.3%
2019	52.2%	59.0%	61.2%	55.7%	59.1%	67.7%	62.8%	60.7%	57.4%	60.6%	59.4%	54.5%	59.2%
2020	58.2%	69.1%	55.4%	41.1%	45.8%	52.2%	55.2%	51.4%	53.4%	45.3%	51.1%	46.6%	52.1%
2021	48.5%	57.3%	70.5%	87.3%	68.3%	70.5%	69.5%	63.7%	64.3%	64.0%	61.4%	56.6%	66.0%
2022	55.0%	57.2%	68.7%	63.4%	66.6%	67.5%	65.0%	62.6%	67.5%				63.8%
Avg	50.4%	59.4%	61.1%	59.5%	57.5%	64.1%	62.0%	59.3%	58.7%	57.4%	57.2%	51.5%	58.2%

ADR (\$)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2018	\$58.06	\$59.20	\$61.10	\$61.05	\$63.75	\$64.30	\$61.11	\$60.51	\$59.94	\$60.95	\$58.49	\$57.11	\$60.46
2019	\$62.23	\$64.48	\$63.99	\$64.07	\$67.54	\$67.30	\$61.91	\$60.50	\$61.04	\$60.43	\$56.77	\$55.04	\$62.11
2020	\$55.76	\$58.85	\$55.83	\$51.29	\$54.92	\$57.32	\$56.53	\$57.62	\$57.60	\$59.75	\$55.58	\$53.31	\$56.20
2021	\$55.22	\$62.44	\$63.64	\$64.73	\$70.51	\$70.03	\$72.32	\$69.46	\$69.85	\$70.32	\$67.10	\$66.77	\$67.19
2022	\$66.93	\$67.86	\$72.99	\$72.66	\$78.72	\$74.21	\$72.58	\$71.39	\$71.16				\$72.27
Avg	\$57.82	\$61.24	\$61.14	\$60.29	\$64.18	\$64.74	\$62.97	\$62.02	\$62.11	\$62.86	\$59.49	\$58.06	\$61.41

RevPAR (\$)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2018	\$24.84	\$30.95	\$34.92	\$32.79	\$36.24	\$42.37	\$36.91	\$37.23	\$35.79	\$36.44	\$33.37	\$27.46	\$34.11
2019	\$32.48	\$38.04	\$39.19	\$35.69	\$39.93	\$45.53	\$38.86	\$36.71	\$35.01	\$36.62	\$33.72	\$30.02	\$36.82
2020	\$32.46	\$40.64	\$30.91	\$21.10	\$25.18	\$29.90	\$31.21	\$29.62	\$30.77	\$27.06	\$28.41	\$24.84	\$29.34
2021	\$26.77	\$35.77	\$44.89	\$56.53	\$48.19	\$49.36	\$50.25	\$44.24	\$44.90	\$45.00	\$41.20	\$37.78	\$44.31
2022	\$36.78	\$38.81	\$50.11	\$46.08	\$52.43	\$50.09	\$47.21	\$44.72	\$48.05				\$46.09
Avg	\$29.14	\$36.35	\$37.48	\$36.53	\$37.39	\$41.79	\$39.31	\$36.95	\$36.62	\$36.28	\$34.18	\$30.03	\$36.00

Revenue (\$)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2018	\$284,101	\$319,781	\$399,469	\$362,991	\$414,606	\$468,989	\$422,235	\$413,151	\$384,355	\$404,461	\$358,388	\$304,774	\$4,537,301
2019	\$360,491	\$381,313	\$434,889	\$383,313	\$443,147	\$489,012	\$431,265	\$407,429	\$376,031	\$406,445	\$362,107	\$333,111	\$4,808,553
2020	\$360,296	\$407,336	\$342,995	\$226,593	\$279,423	\$321,119	\$346,397	\$328,762	\$330,424	\$300,259	\$305,152	\$275,698	\$3,824,454
2021	\$297,087	\$358,570	\$498,203	\$607,104	\$534,761	\$530,134	\$557,705	\$490,998	\$482,268	\$499,356	\$442,478	\$419,301	\$5,717,965
2022	\$408,225	\$389,001	\$556,077	\$494,847	\$581,854	\$537,913	\$523,892	\$496,274	\$516,049				\$4,504,132
Avg	\$325,494	\$366,750	\$418,889	\$395,000	\$417,984	\$452,314	\$439,401	\$410,085	\$393,270	\$402,630	\$367,031	\$333,221	\$4,722,068

STR Global - CoStar - 12 Month Moving Average - Secondary Comp Set

Occupancy (%)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2018	53.6%	53.9%	53.8%	53.7%	53.6%	54.0%	54.2%	54.6%	55.0%	55.3%	55.9%	56.3%
2019	57.1%	57.6%	57.9%	58.1%	58.3%	58.4%	58.6%	58.6%	58.4%	58.4%	58.6%	59.2%
2020	59.7%	60.5%	60.0%	58.8%	57.6%	56.4%	55.7%	54.9%	54.6%	53.3%	52.6%	52.0%
2021	51.1%	50.2%	51.5%	55.3%	57.2%	58.7%	59.9%	61.0%	61.9%	63.5%	64.3%	65.2%
2022	28.5%	30.8%	65.5%	63.6%	63.4%	63.2%	62.8%	62.7%	63.0%			
Avg	55.4%	55.6%	55.8%	56.5%	56.7%	56.9%	57.1%	57.3%	57.5%	57.6%	57.9%	58.2%

ADR (\$)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2018	\$59.41	\$59.44	\$59.57	\$59.64	\$59.81	\$60.11	\$60.20	\$60.32	\$60.40	\$60.52	\$60.61	\$60.64
2019	\$60.93	\$61.32	\$61.58	\$61.82	\$62.14	\$62.43	\$62.50	\$62.50	\$62.60	\$62.55	\$62.39	\$62.18
2020	\$61.65	\$61.19	\$60.53	\$59.72	\$58.71	\$57.76	\$57.26	\$56.98	\$56.68	\$56.54	\$56.44	\$56.33
2021	\$56.30	\$56.56	\$57.45	\$58.78	\$60.23	\$61.41	\$62.86	\$63.82	\$64.78	\$65.56	\$66.33	\$67.16
2022	\$67.89	\$68.25	\$69.09	\$69.88	\$70.61	\$70.98	\$70.99	\$71.16	\$71.27			
Avg	\$59.57	\$59.63	\$59.78	\$59.99	\$60.22	\$60.43	\$60.71	\$60.91	\$61.12	\$61.29	\$61.44	\$61.58

RevPAR (\$)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2018	\$31.87	\$32.02	\$32.05	\$32.01	\$32.06	\$32.47	\$32.66	\$32.97	\$33.23	\$33.47	\$33.90	\$34.11
2019	\$34.78	\$35.32	\$35.68	\$35.93	\$36.24	\$36.48	\$36.65	\$36.60	\$36.54	\$36.55	\$36.58	\$36.80
2020	\$36.80	\$37.00	\$36.29	\$35.09	\$33.84	\$32.56	\$31.91	\$31.30	\$30.96	\$30.14	\$29.71	\$29.27
2021	\$28.78	\$28.41	\$29.60	\$32.51	\$34.46	\$36.06	\$37.68	\$38.92	\$40.09	\$41.61	\$42.66	\$43.76
2022	\$44.61	\$44.84	\$45.29	\$44.43	\$44.79	\$44.85	\$44.59	\$44.63	\$44.89			
Avg	\$33.06	\$33.19	\$33.41	\$33.89	\$34.15	\$34.39	\$34.73	\$34.95	\$35.21	\$35.44	\$35.71	\$35.99

Revenue (\$)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2018	\$4,295,638	\$4,315,053	\$4,318,214	\$4,312,726	\$4,318,331	\$4,373,708	\$4,398,151	\$4,428,860	\$4,452,764	\$4,474,466	\$4,520,057	\$4,537,299
2019	\$4,613,689	\$4,675,221	\$4,710,642	\$4,730,965	\$4,759,506	\$4,779,529	\$4,788,559	\$4,782,837	\$4,774,513	\$4,776,498	\$4,780,216	\$4,808,554
2020	\$4,808,359	\$4,834,382	\$4,742,489	\$4,585,769	\$4,422,045	\$4,254,152	\$4,169,284	\$4,090,617	\$4,045,009	\$3,938,824	\$3,881,868	\$3,824,455
2021	\$3,761,245	\$3,712,480	\$3,867,687	\$4,248,199	\$4,503,536	\$4,712,552	\$4,923,859	\$5,086,095	\$5,237,940	\$5,437,036	\$5,574,362	\$5,717,966
2022	\$5,829,104	\$5,859,534	\$5,917,408	\$5,805,151	\$5,852,243	\$5,860,022	\$5,826,210	\$5,831,486	\$5,865,268			
Avg	\$4,369,733	\$4,384,284	\$4,409,758	\$4,469,415	\$4,500,855	\$4,529,985	\$4,569,963	\$4,597,102	\$4,627,557	\$4,656,706	\$4,689,126	\$4,722,069

Secondary Competitive Hotel Properties Data Summary

Secondary Competitive Set			
Property Name	Industry Segment	Open Date	Room Count
Quality Inn Abilene	Midscale	1995	49
Econo Lodge Inn & Suites Abilene	Economy	1955	104
Motel 6 Abilene	Economy	1985	85
Super 8 Abilene North	Economy	1983	94
Americas Best Value Inn Baird	Economy	1998	26
Secondary Competitive Set Room Count Average			72
Source: CoStar/STR Core Distinction Group, LLC			

Secondary Competitive Set Current			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
YTD	63.8%	\$72.27	\$46.09
3 Month Average	65.0%	\$71.71	\$46.64
12 Month Average	63.0%	\$71.27	\$44.89
Source: CoStar/STR Core Distinction Group, LLC			

Secondary Competitive Set Prior Year			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
12 Month Average	61.4%	\$64.00	\$40.00
Source: CoStar/STR Core Distinction Group, LLC			

Secondary Competitive Set Year Over Year Percentage Change			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
Percent of Change	2.5%	10.8%	13.6%
Source: CoStar/STR Core Distinction Group, LLC			



Secondary Competitive Hotel Quoted Rates

Secondary Competitive Set Listed Rates				
Property Name	DEC	MAR	JUN	SEP
Quality Inn Abilene	\$80	\$80	-	-
Econo Lodge Inn & Suites Abilene	\$60	\$60	-	-
Motel 6 Abilene	\$75	\$75	\$75	\$75
Super 8 Abilene North	\$65	\$60	\$60	\$65
Americas Best Value Inn Baird	\$75	\$75	\$75	\$75
Secondary Competitive Set Average	\$71	\$70	\$70	\$72
Secondary Competitive Set Rate Average				\$71
Source: Google Travel				

Secondary Competitive Set Trend			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
YTD	63.8%	\$72.27	\$46.09
3 Month Average	65.0%	\$71.71	\$46.64
12 Month Average	63.0%	\$71.27	\$44.89
Source: CoStar/STR Core Distinction Group, LLC			

Projected Secondary Competitive Set Rates	
Time Frame	Average Daily Rate
3 Month Average	\$71.71
12 Month Average	\$71.27
Future Quoted Rate Average	\$70.67
Projected Average Daily Rates	\$71.22
Source: Google Travel/ CoStar/STR Core Distinction Group, LLC	



Search Analytics

INVENTORY ROOMS 358 +0% Prior Period 358	UNDER CONSTRUCTION ROOMS 0 - Prior Period 0	12 MO OCC RATE 63.0% +2.5% Prior Period 61.4%	12 MO ADR \$71 +10.8% Prior Period \$64	12 MO REVPAR \$45 +13.6% Prior Period \$40	MARKET SALE PRICE/ROOM \$43.9K +3.7% Prior Period \$42.4K	MARKET CAP RATE 9.9% -0.2% Prior Period 10.1%
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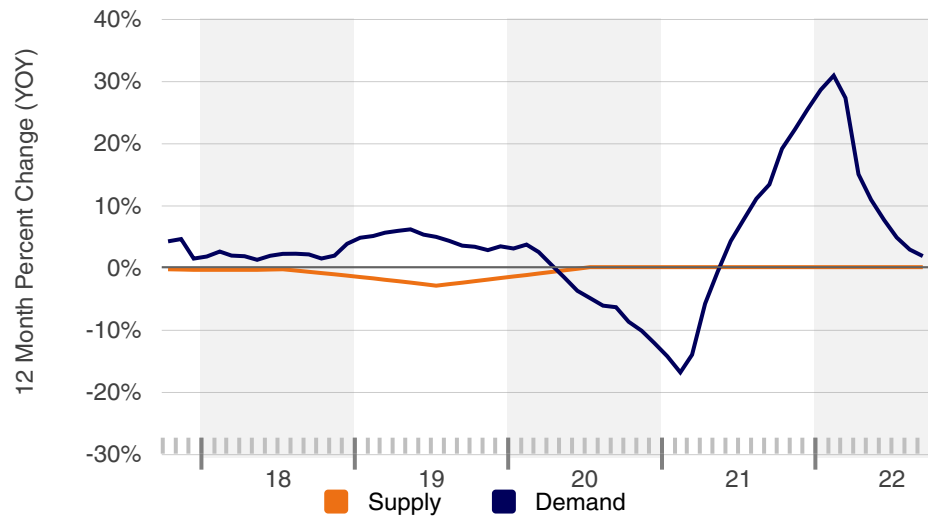
Key Metrics

Inventory		Sales Past Year	
Existing Properties	5 ↕	Sales Volume	\$0 ↕
12 Mo Delivered Rooms	0 ↕	Properties Sold	0 ↕
12 Mo Delivered Properties	0 ↕	Months to Sale	-
12 Mo Recently Opened Rooms	0 ↕	Average Price Per Building	-
12 Mo Recently Opened Properties	0 ↕	Market Price Per Room	\$43.9K ↑
Under Construction Properties	0 ↕	Market Cap Rate	9.9% ↓

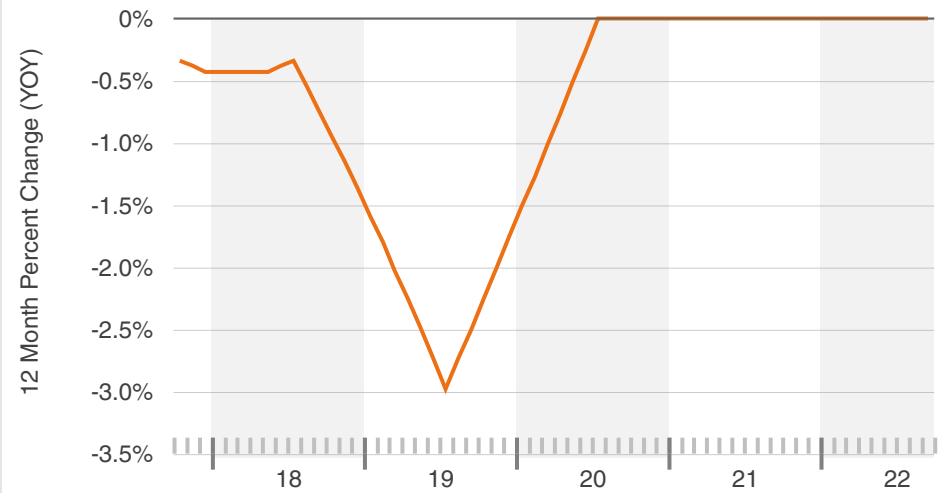
Performance Trend	
Occupancy Rate	67.5% ↑
Average Daily Rate	\$71.16 ↑
Revenue Per Available Room	\$48.05 ↑
YTD Occupancy Rate	63.8% ↓
YTD Average Daily Rate	\$72.27 ↑
YTD RevPAR	\$46.09 ↑
3 Mo Occupancy Rate	65.0% ↓
3 Mo Average Daily Rate	\$71.71 ↑
3 Mo RevPAR	\$46.64 ↑
12 Mo Occupancy Rate	63.0% ↑
12 Mo Average Daily Rate	\$71.27 ↑
12 Mo RevPAR	\$44.89 ↑

Search Analytics

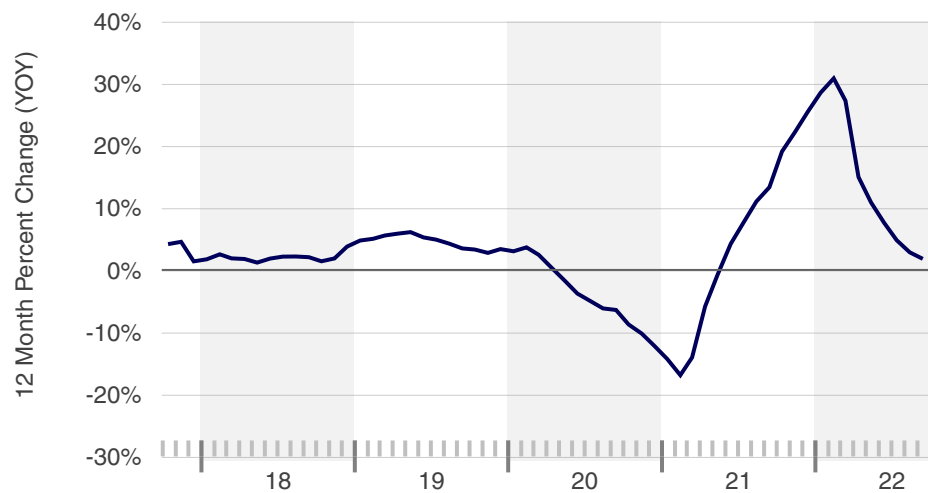
Supply & Demand Change



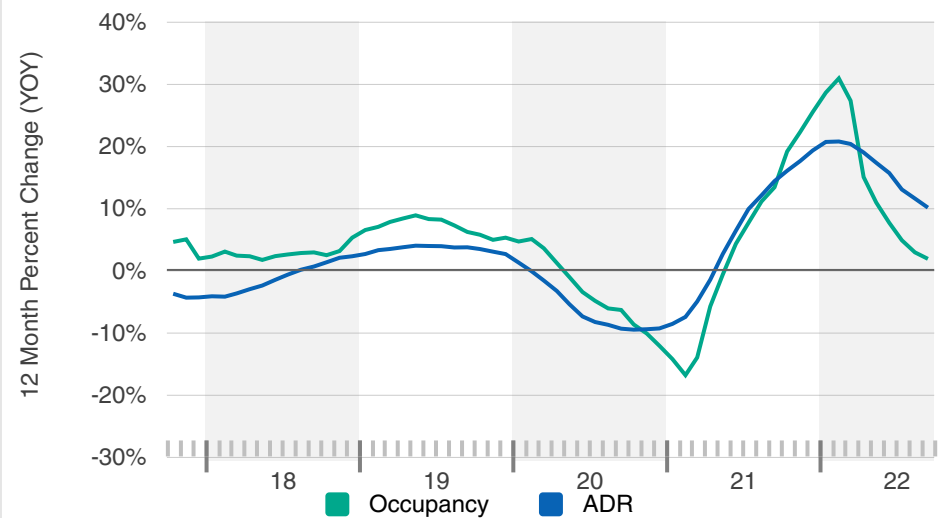
Supply Change



Demand Change

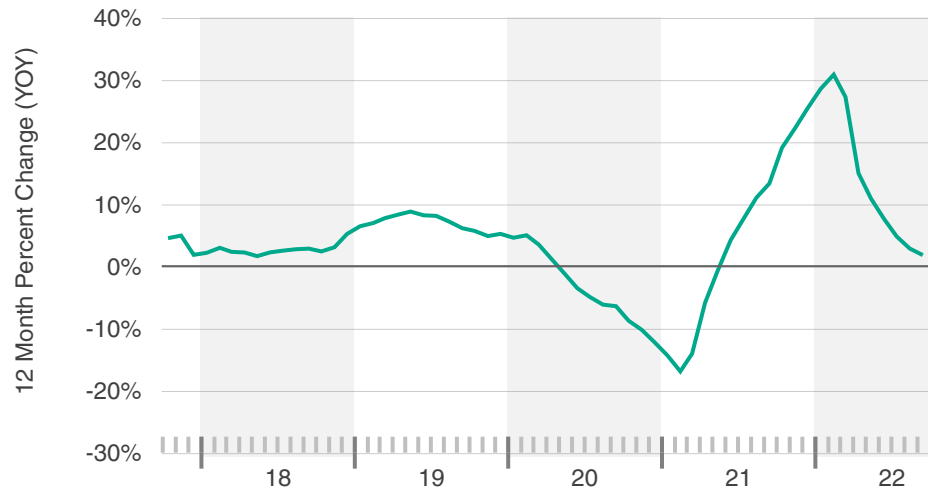


Occupancy & ADR Change

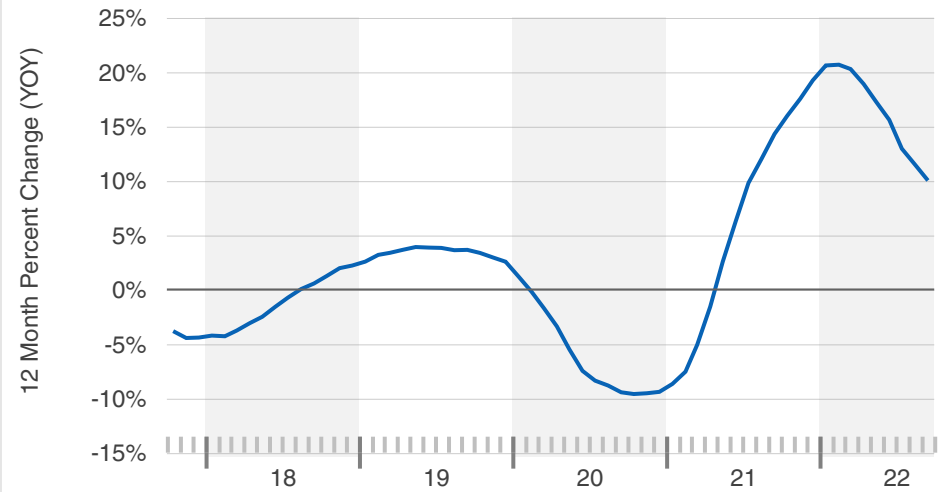


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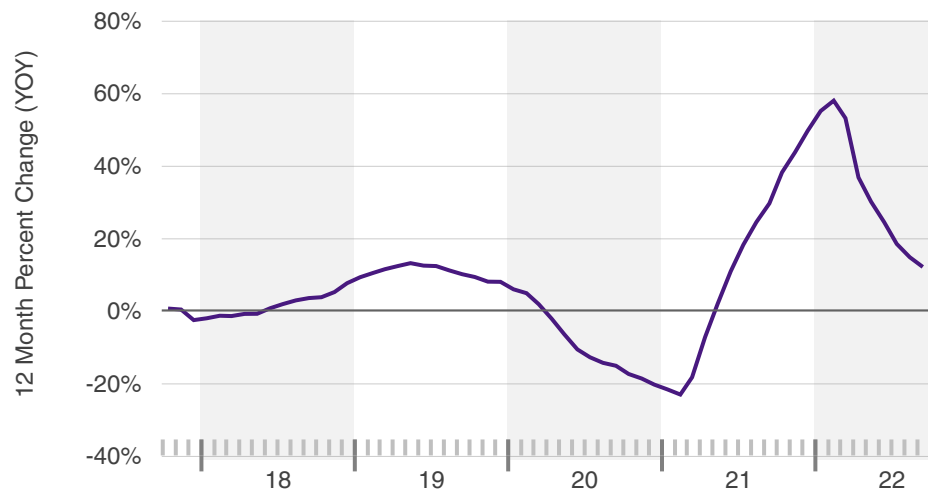
Occupancy Change



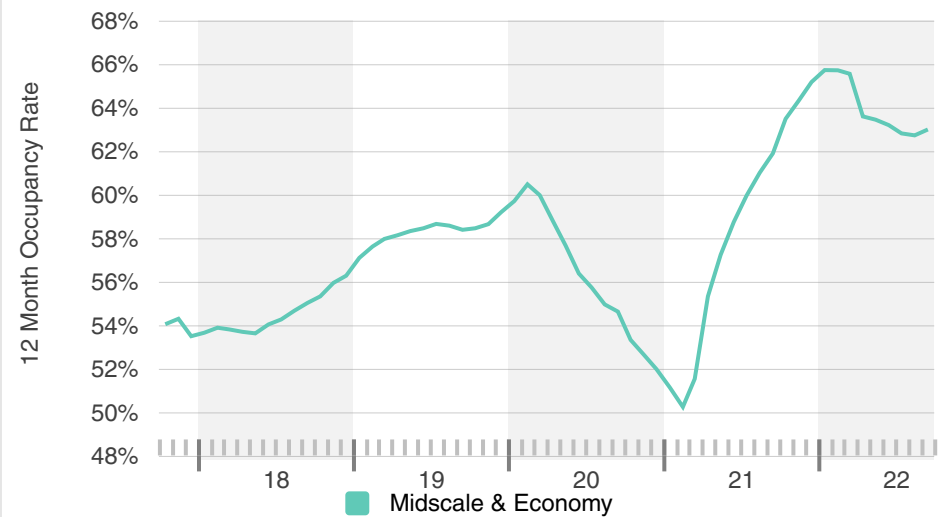
ADR Change



RevPAR Change

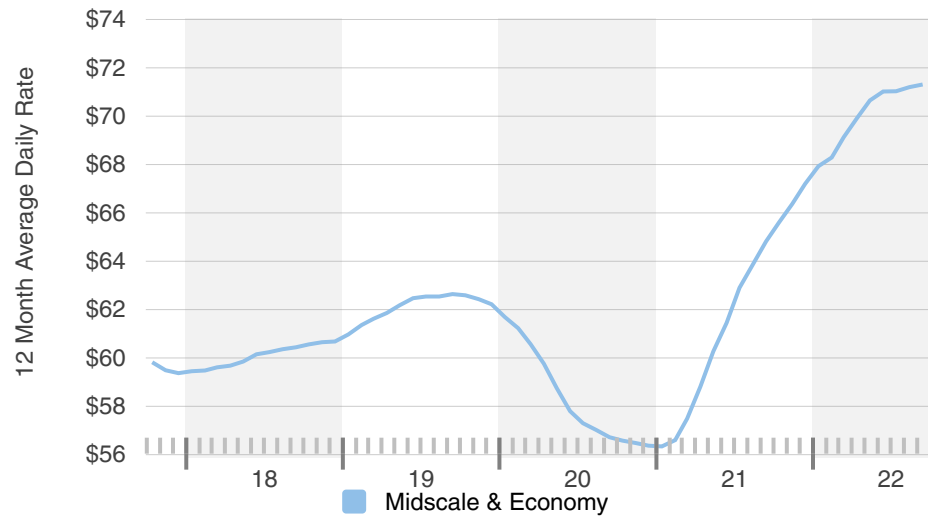


Occupancy By Class

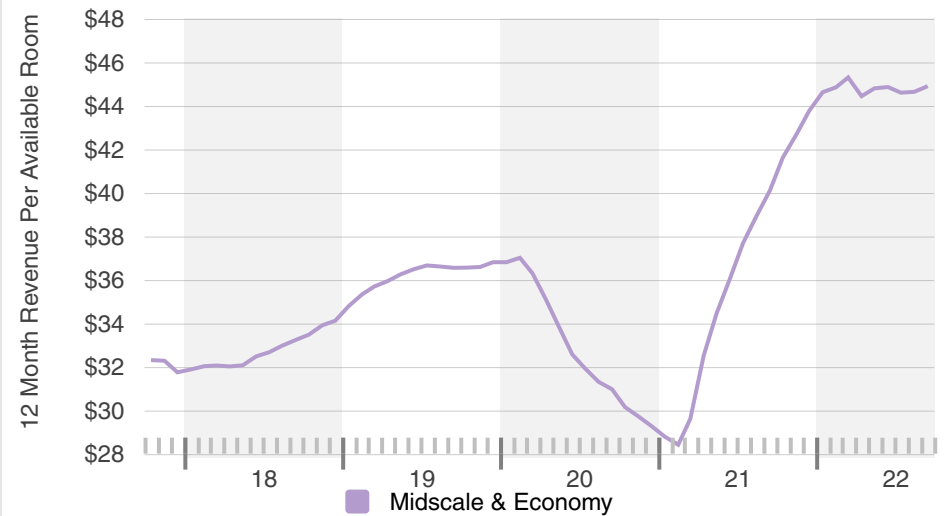


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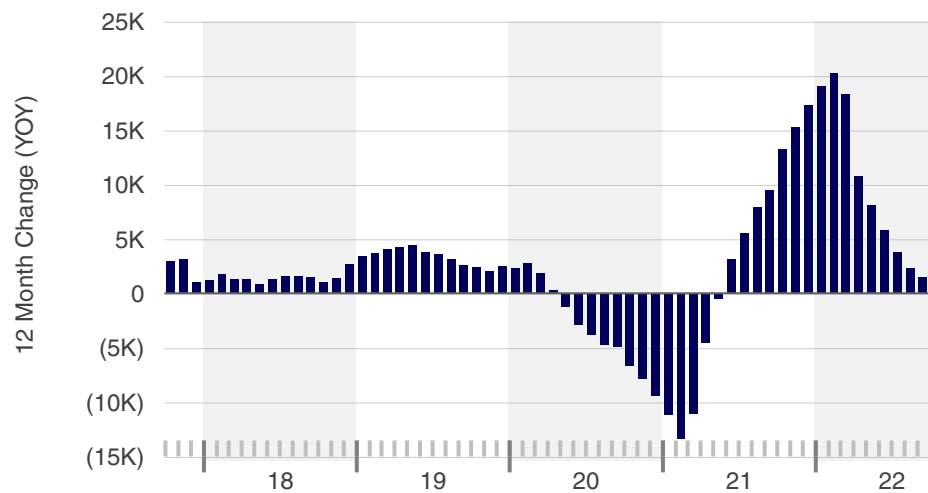
ADR By Class



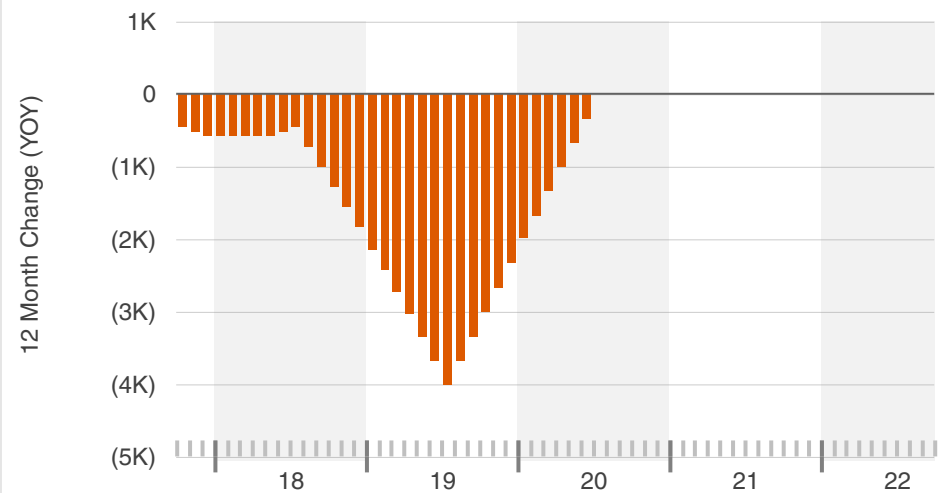
RevPAR By Class



Demand Change

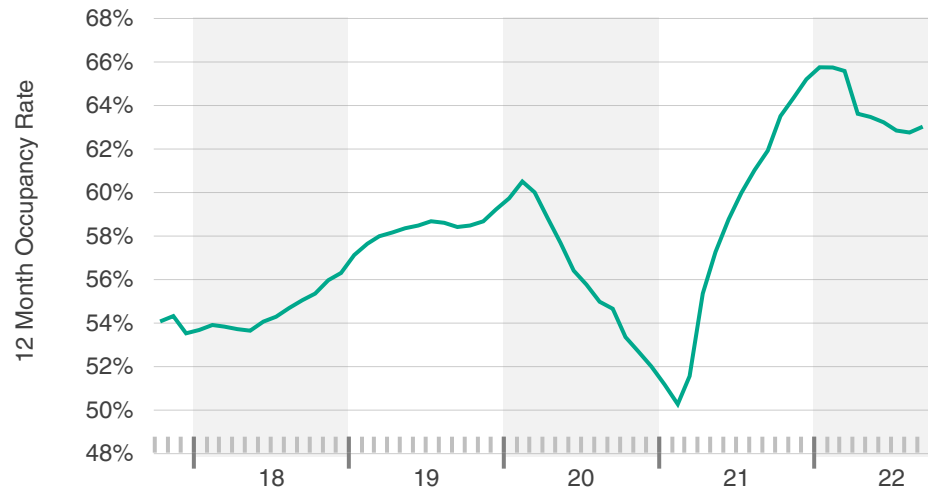


Supply Change

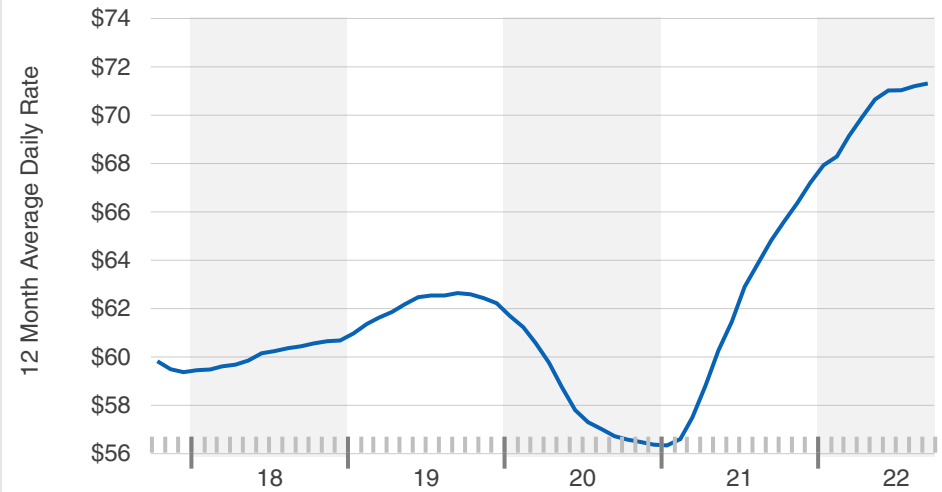


Search Analytics

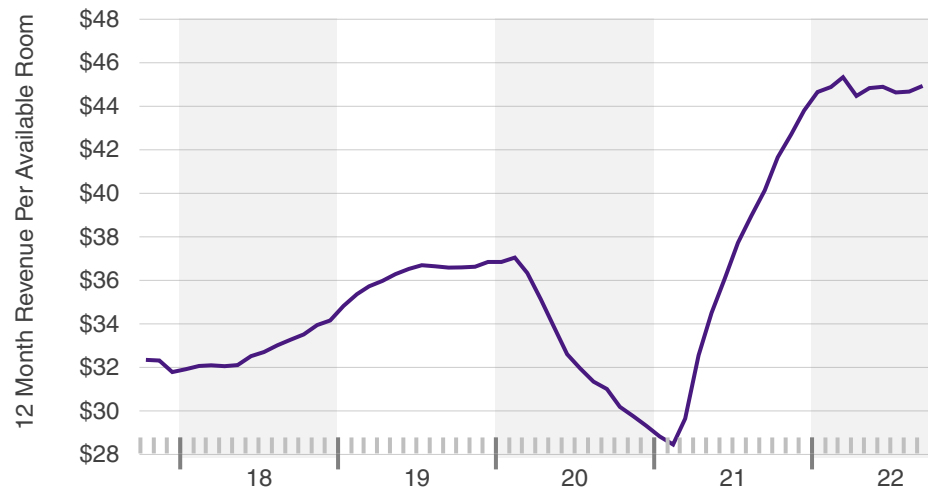
Occupancy



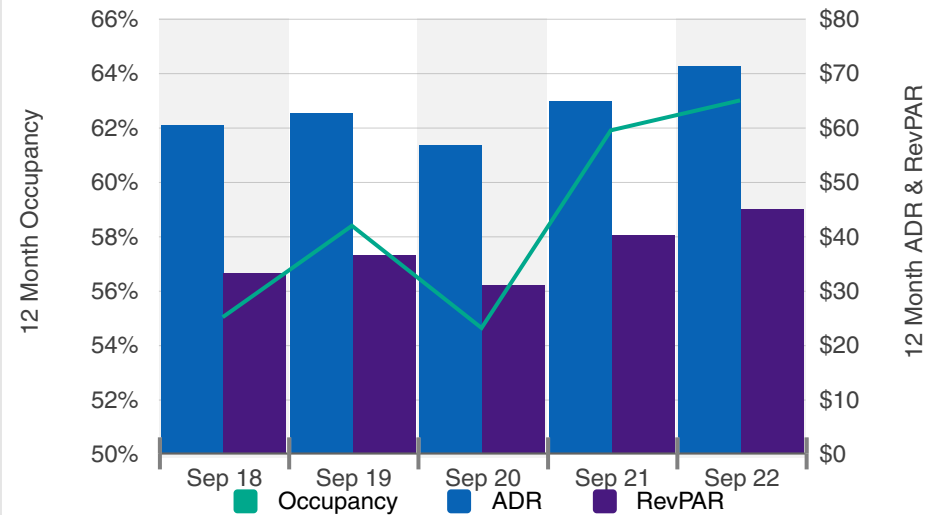
ADR



RevPAR

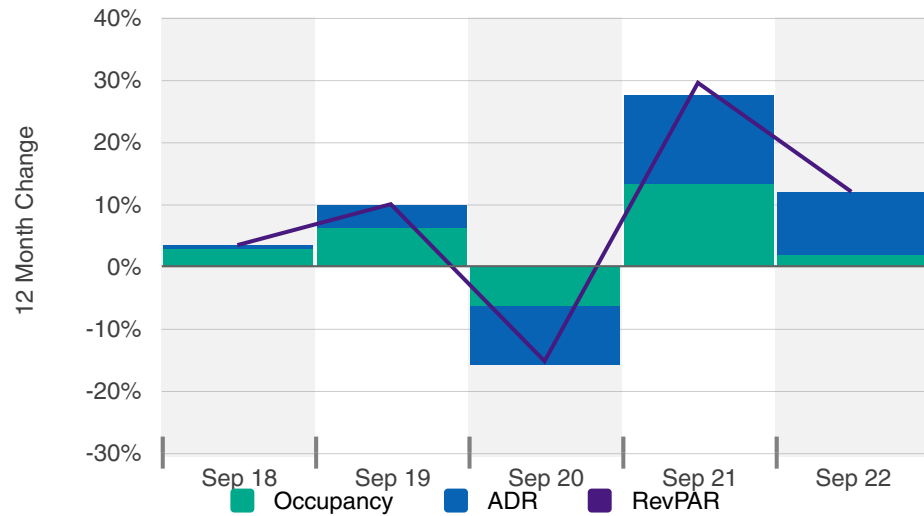


Occupancy, ADR & RevPAR

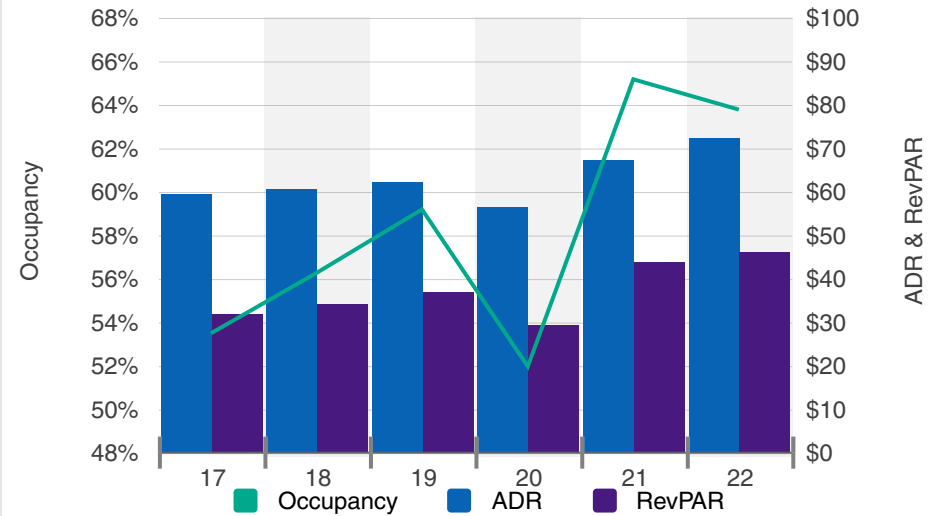


Search Analytics

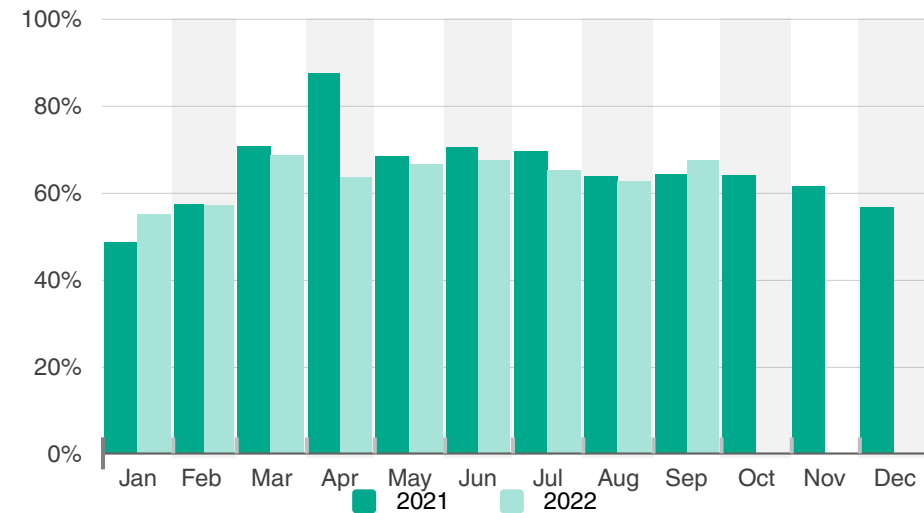
RevPAR Growth Composition



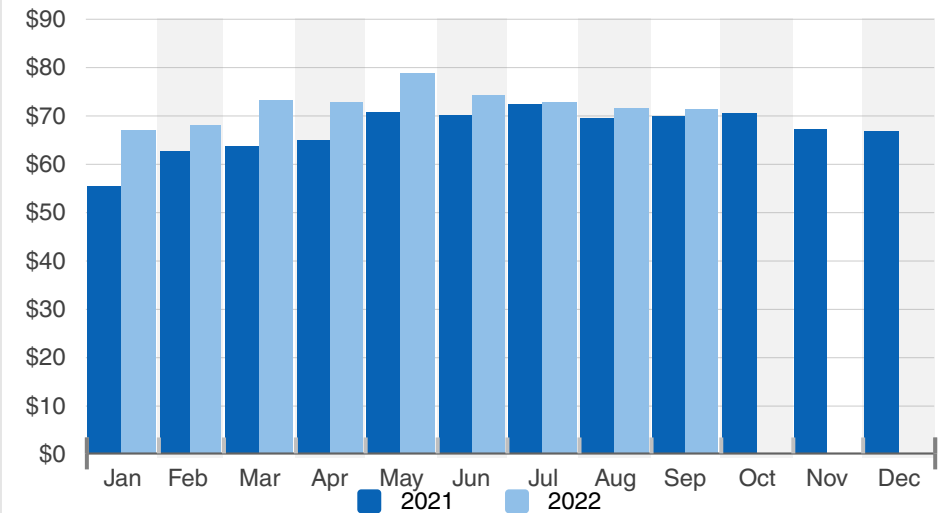
Occupancy, ADR & RevPAR Annualized vs YTD



Occupancy Monthly

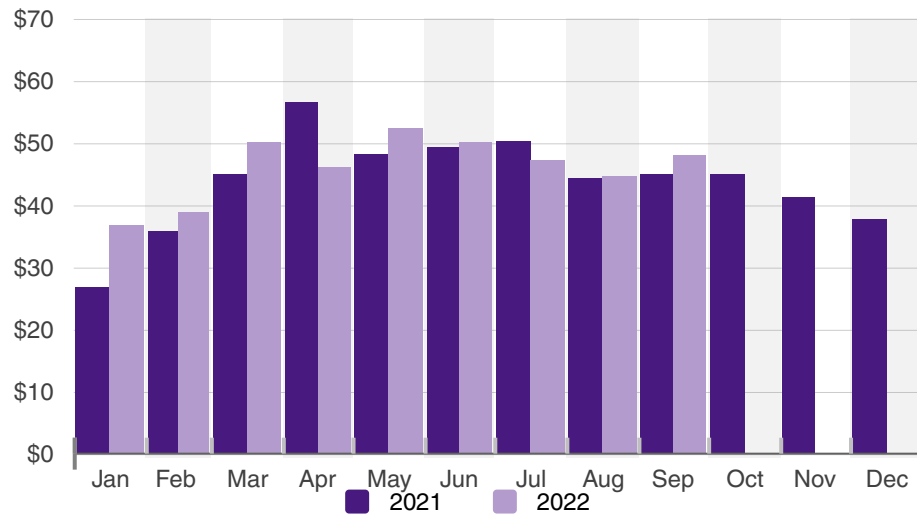


ADR Monthly



Search Analytics

RevPAR Monthly



Rooms Delivered

No Data Available



No data available for the past 5 years

Rooms Under Construction

No Data Available



No data available for the past 5 years

Delivered, Demolished & Net Delivered Rooms

No Data Available



No data available for the past 5 years

Search Analytics

Rooms Delivered By Class

No Data Available



No data available for the past 5 years

Demolished Rooms

No Data Available



No data available for the past 5 years

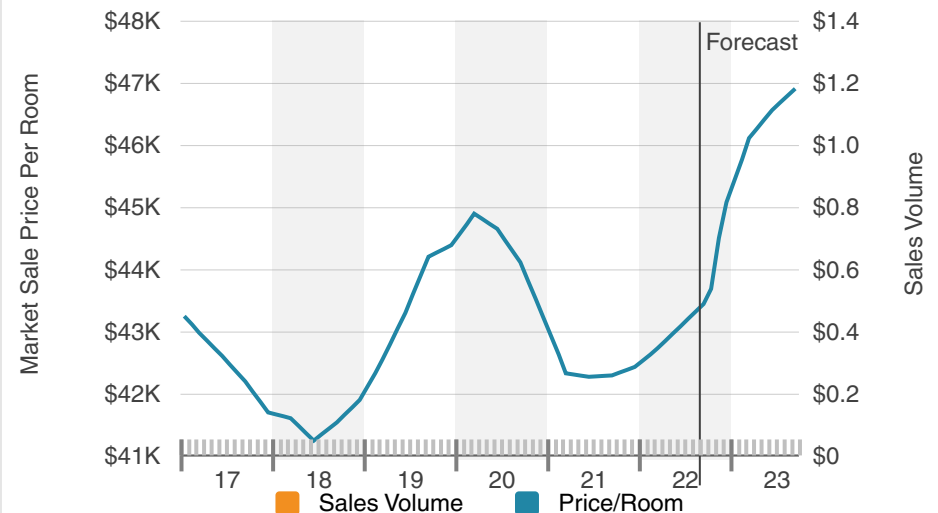
Rooms Under Construction % of Inventory

No Data Available



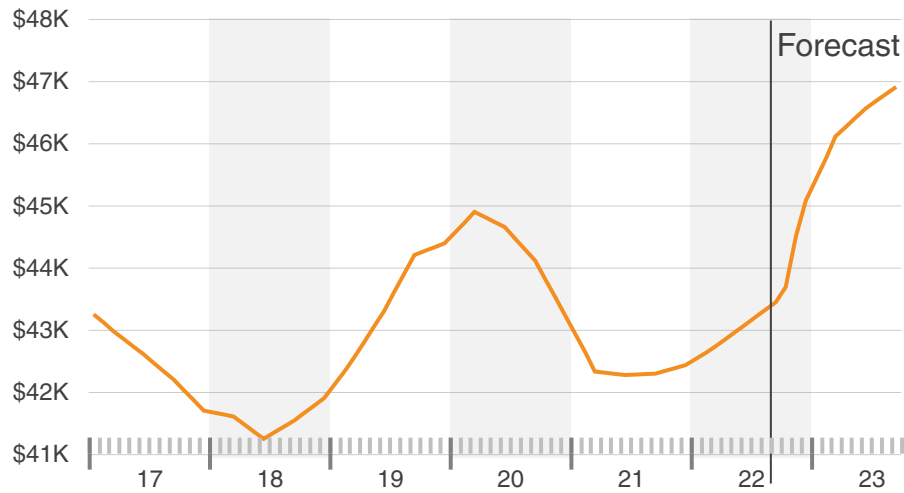
No data available for the past 5 years

Sales Volume & Market Sale Price Per Room



Search Analytics

Market Sale Price Per Room



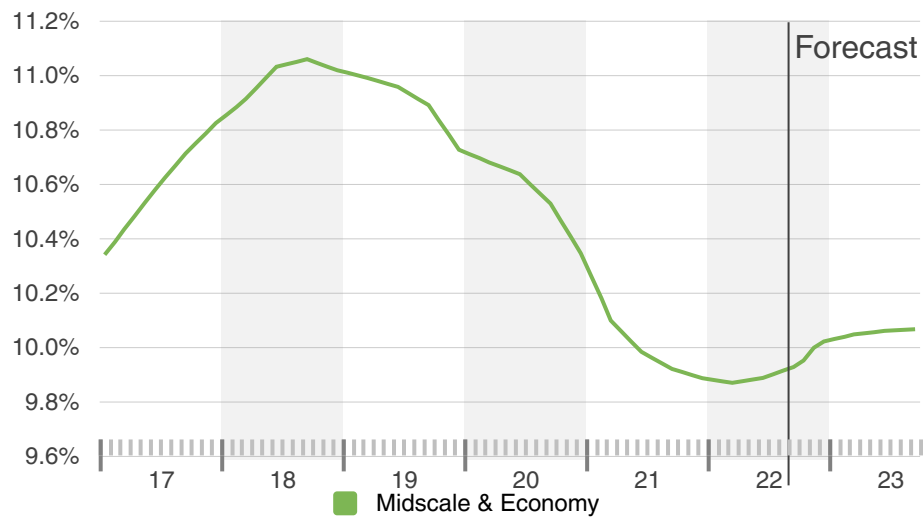
Sales Volume

No Data Available

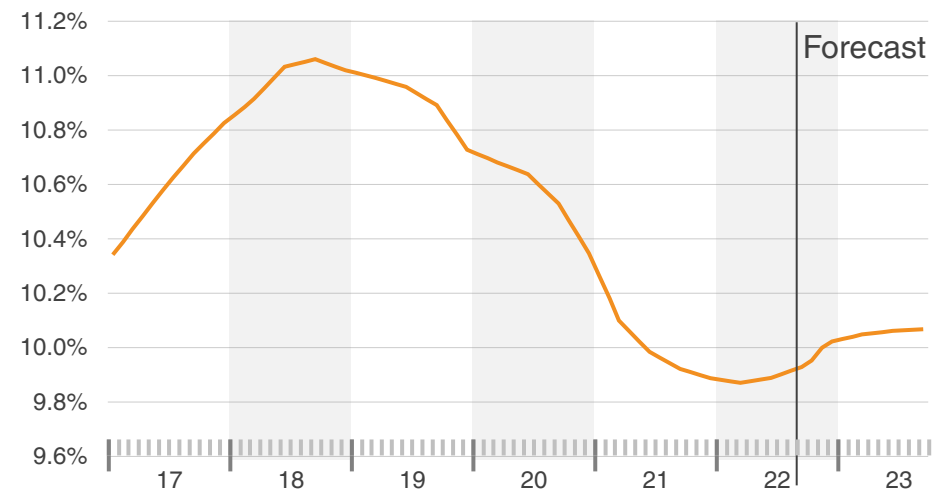


No data available for the past 5 years

Market Cap Rate By Class



Market Cap Rate



Search Analytics

Top Brand Delivered

No Data Available



No data available for the current selection

Top Sellers

No Data Available



No data available for the current selection

Top Seller Brokers

No Data Available



No data available for the current selection

Top Buyers

No Data Available



No data available for the current selection

Search Analytics

Top Buyer Brokers

No Data Available



No data available for the current selection

Report Criteria

- 5 Properties / 0 Spaces
- Property Type: Hospitality
- Scale: Midscale +1
- Construction Status: Existing
- 14 mi Radius

Regional Industry Overview

For the purposes of this Comprehensive Hotel Market Feasibility Study, Core Distinction Group reviewed Regional/Market/Submarket data to help gain knowledge of the market and surrounding areas. The following information will be analyzed in Regional Industry Overview Data:

-  **Regional Competitive Hotel Properties Data Summary**
-  **Market Overview**
-  **Performance Data**
-  **Past Construction Data**
-  **Under Construction Data**
-  **Sales Data**
-  **Economy Data**
-  **Submarket Data**



Regional Competitive Hotel Properties Data Summary

Abilene Hospitality

Regional Submarket Competitive Set Performance			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
YTD	70.1%	\$92.43	\$64.80
3 Month Average	70.1%	\$92.40	\$64.74
12 Month Average	69.5%	\$90.88	\$63.13
Source: CoStar/STR Core Distinction Group, LLC			

Regional Submarket Performance by Class (Running 12 Months)			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
Upscale & Upper Midscale	76.8%	\$113.53	\$87.14
Midscale & Economy	64.8%	\$73.59	\$47.67
Source: CoStar/STR Core Distinction Group, LLC			



Overview

Central Texas Area Hospitality

12 Mo Occupancy

55.4%

12 Mo ADR

\$101.45

12 Mo RevPAR

\$56.20

12 Mo Supply

8.3M

12 Mo Demand

4.6M

Central Texas Area is among the largest U.S. hotel submarkets, and contains around 23,000 rooms spread across some 420 properties. That adds up to about a third of the Texas West market's hotel inventory. Central Texas Area is characterized by very small hotels, with an average property size of 55 rooms. That's even lower than the 67-room-per-building market average, and both are well below the national norm of about 90 rooms per building.

The submarket's inventory skews towards cost-efficient lodging: Over half of the rooms here are Economy or Midscale. The broader Texas West market likewise has a high proportion of Economy and Midscale rooms relative to the typical U.S. hotel market.

COVID-19 severely impacted the entire U.S. hospitality sector, the Central Texas Area hotel submarket included. At the low point, occupancies collapsed to a monthly rate of 26.0% in April of 2020. But with the worst of the pandemic now in the rearview mirror, conditions are improving. Room demand was up 8.0% in September

when compared to the same month the prior year, and occupancies are well off their lows.

Twelve-month RevPAR was recently climbing at an exceptionally strong rate: As of September, twelve-month average RevPAR in the Central Texas Area hotel submarket was up 24.0%, in line with the similarly impressive market-wide average.

There are 410 rooms underway in the Central Texas Area submarket, representing a 1.8% expansion of the existing inventory. This new supply follows a handful of recent openings: In the past three years, 7 projects containing around 340 rooms came on line. That development was somewhat offset by a number of demolitions, which took around 88 rooms off the market over the same timeframe.

The submarket recorded 9 hotel trades closed over the past year, well above the number of deals that typically close in a given year.

KEY INDICATORS

Class	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR	12 Mo Delivered	Under Construction
Luxury & Upper Upscale	2,148	58.7%	\$179.75	\$105.48	0	0
Upscale & Upper Midscale	7,705	59.0%	\$117.94	\$69.60	112	135
Midscale & Economy	13,042	52.8%	\$76.74	\$40.50	0	275
Total	22,895	55.4%	\$101.45	\$56.20	112	410

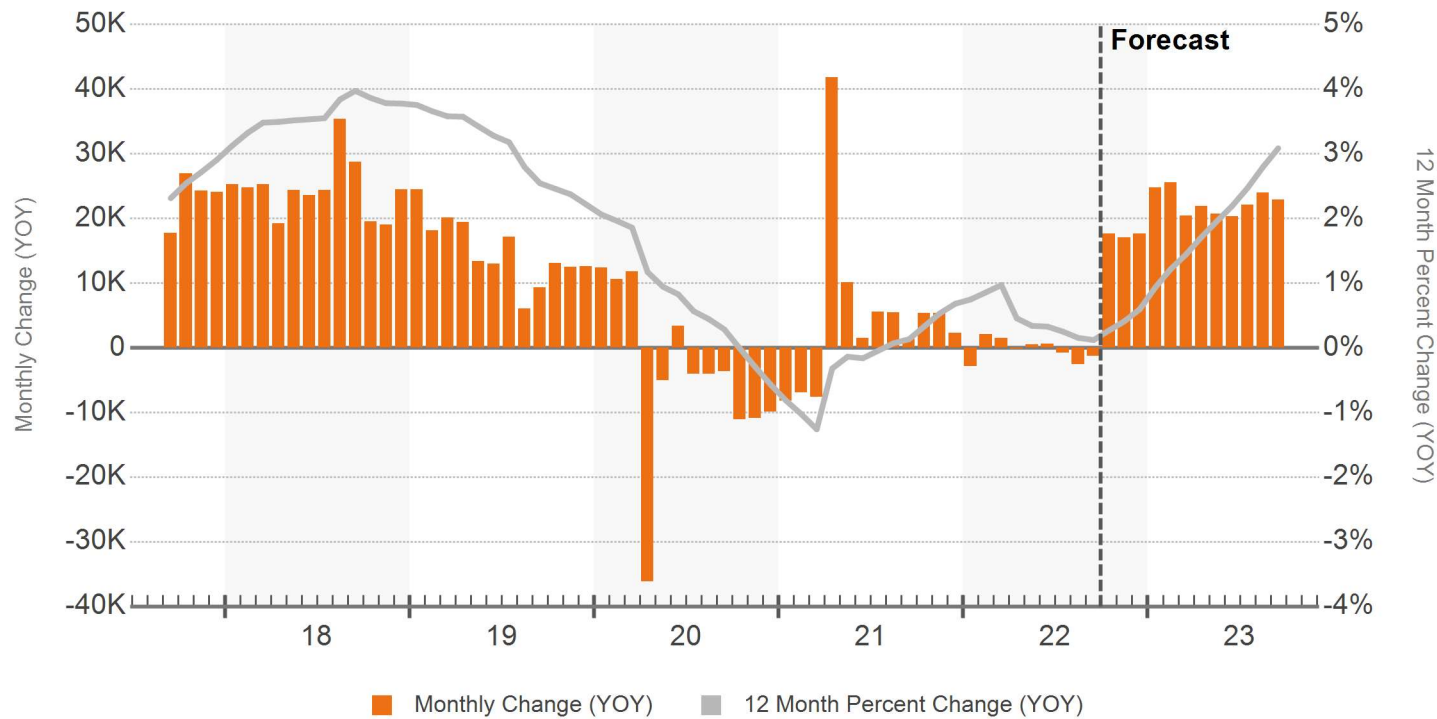
Average Trend	Current	3 Mo	YTD	12 Mo	Historical Average	Forecast Average
Occupancy	56.7%	56.9%	56.1%	55.4%	51.9%	57.5%
Occupancy Change	8.2%	3.3%	5.5%	10.5%	0.7%	0.9%
ADR	\$109.38	\$101.37	\$100.20	\$101.45	\$90.40	\$112.92
ADR Change	11.4%	4.9%	8.6%	12.2%	3.0%	2.9%
RevPAR	\$62.04	\$57.72	\$56.17	\$56.20	\$46.95	\$64.91
RevPAR Change	20.5%	8.3%	14.5%	24.0%	3.7%	3.9%



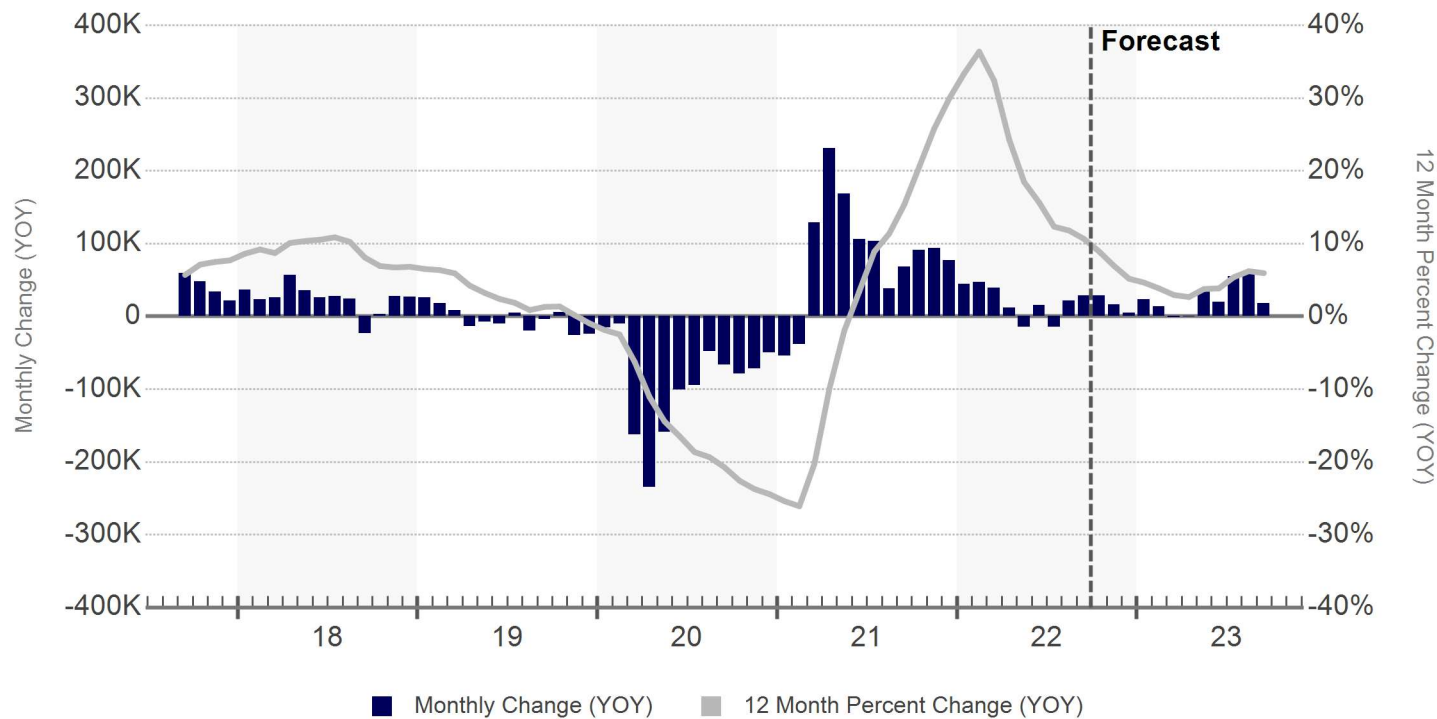
Performance

Central Texas Area Hospitality

SUPPLY CHANGE



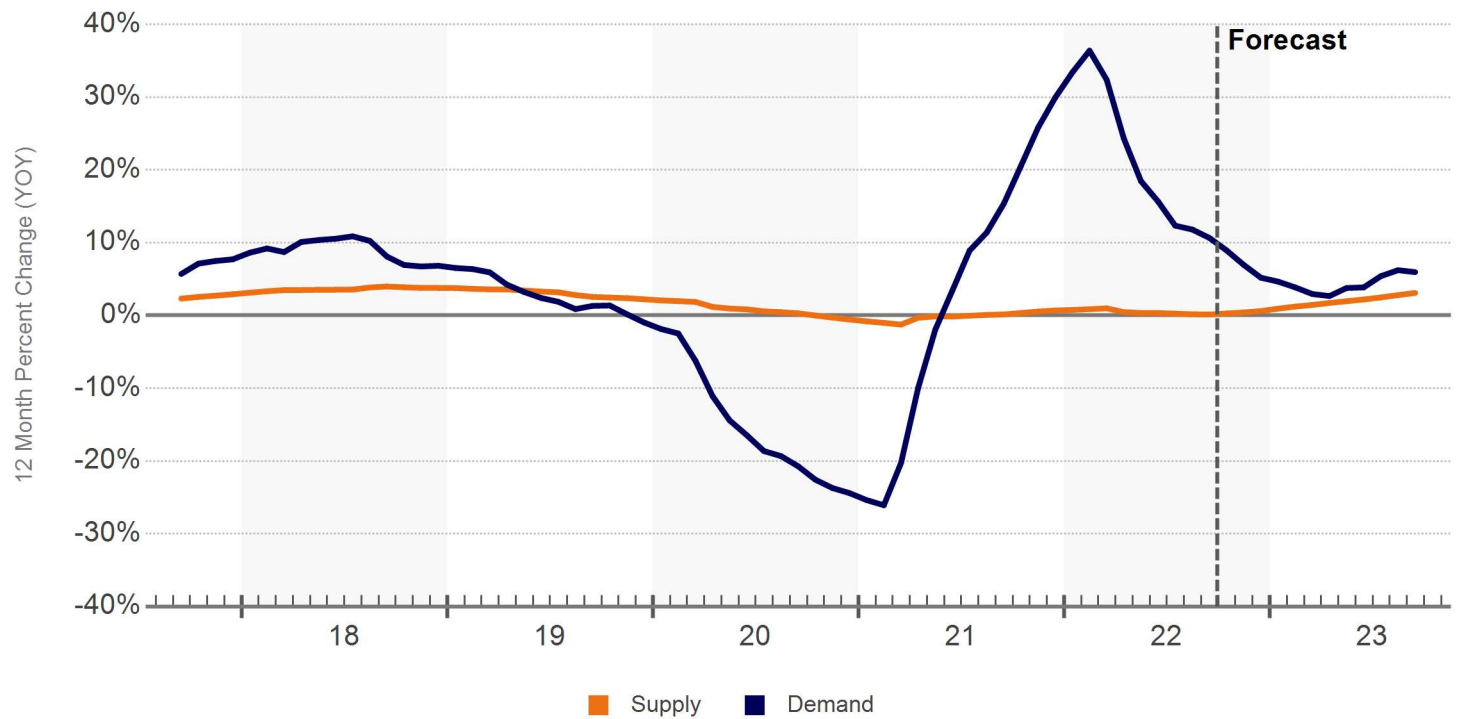
DEMAND CHANGE



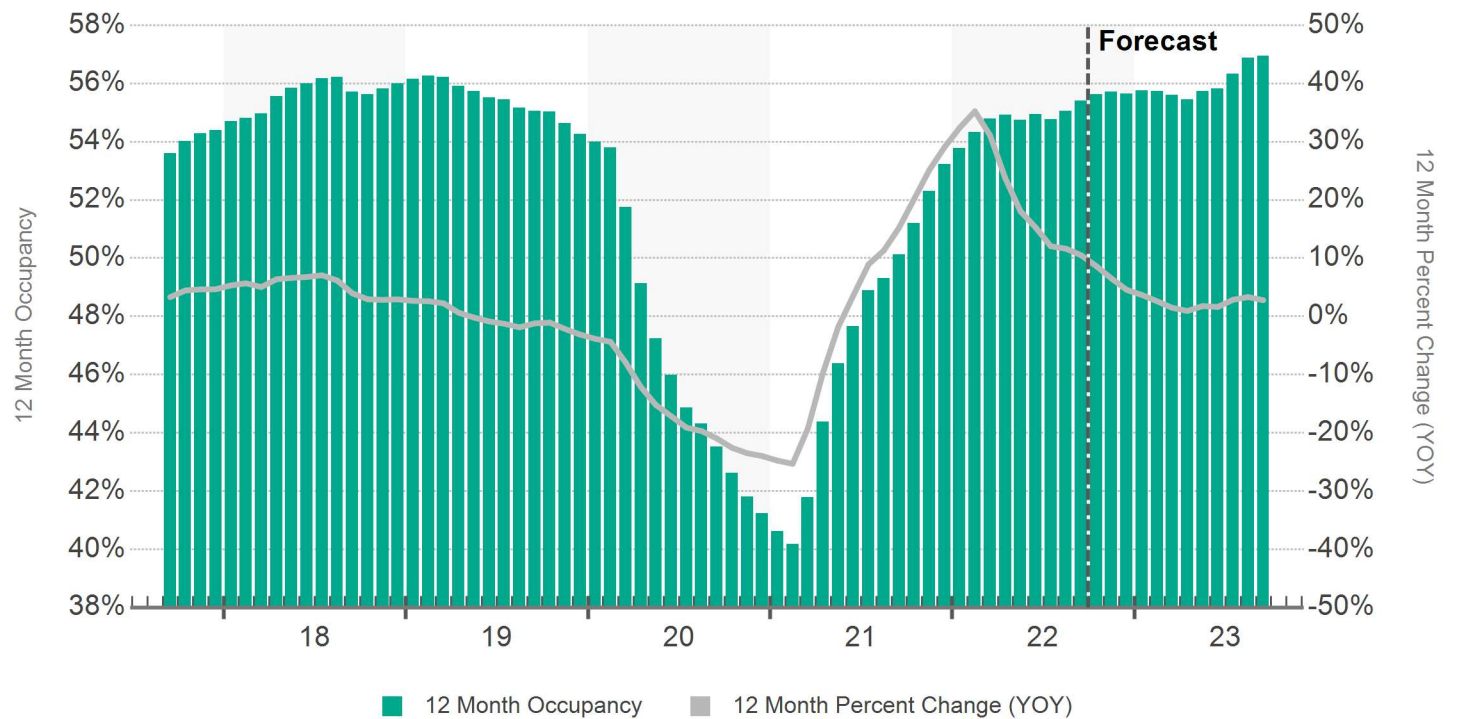
Performance

Central Texas Area Hospitality

SUPPLY & DEMAND CHANGE



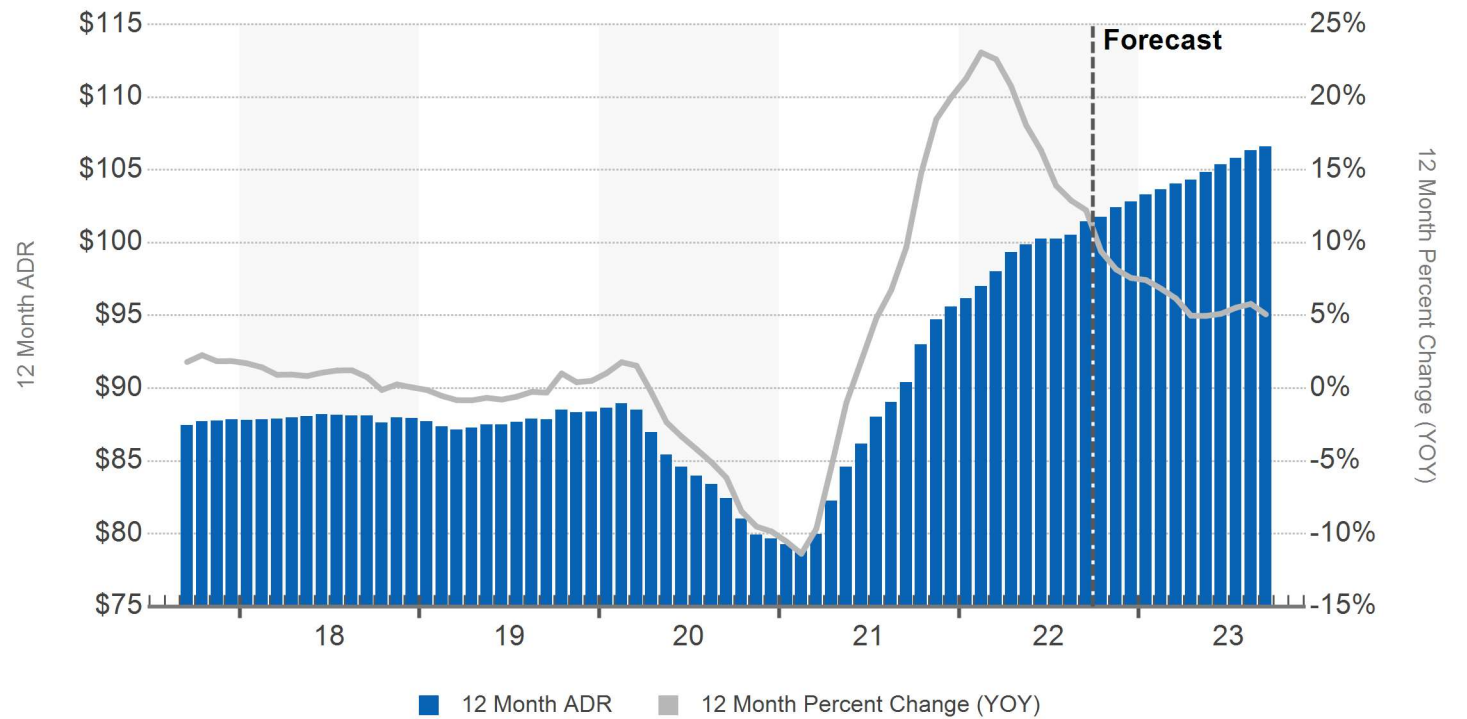
OCCUPANCY



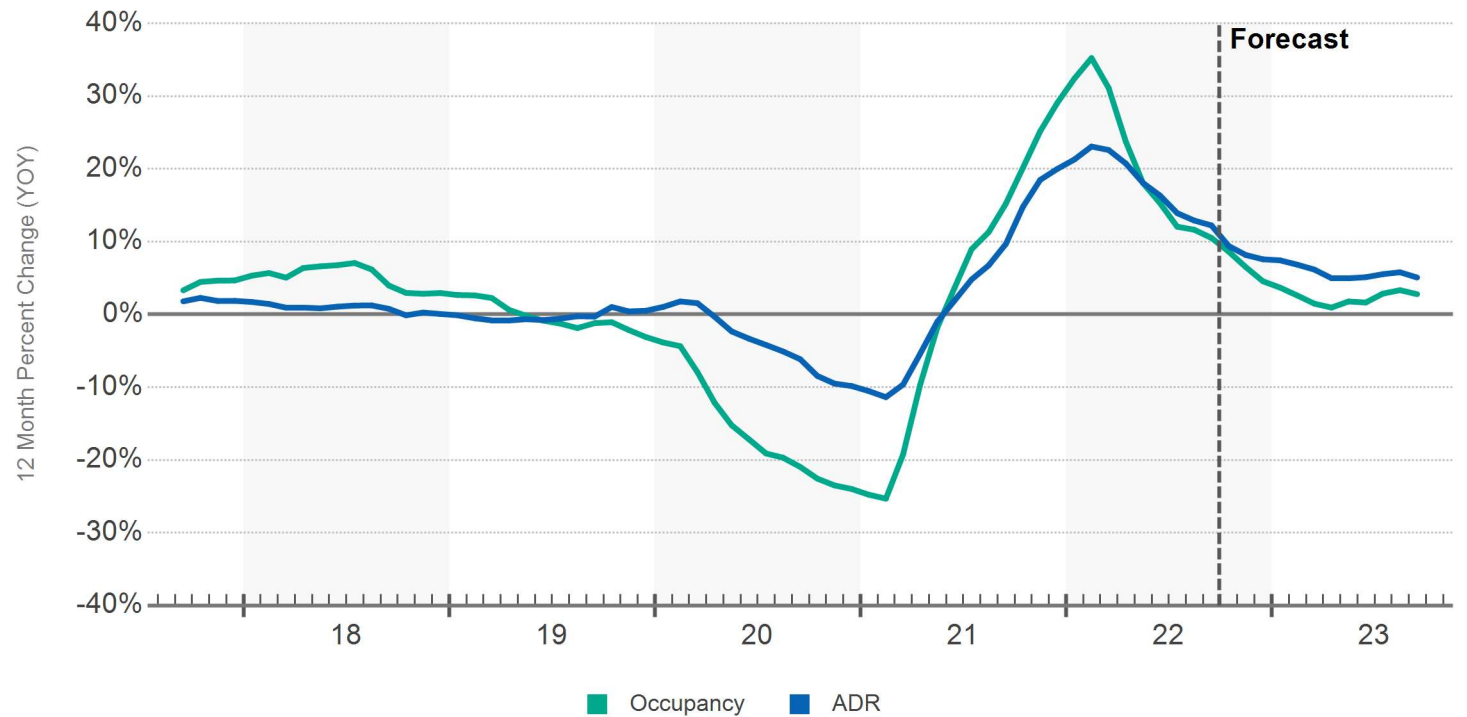
Performance

Central Texas Area Hospitality

ADR



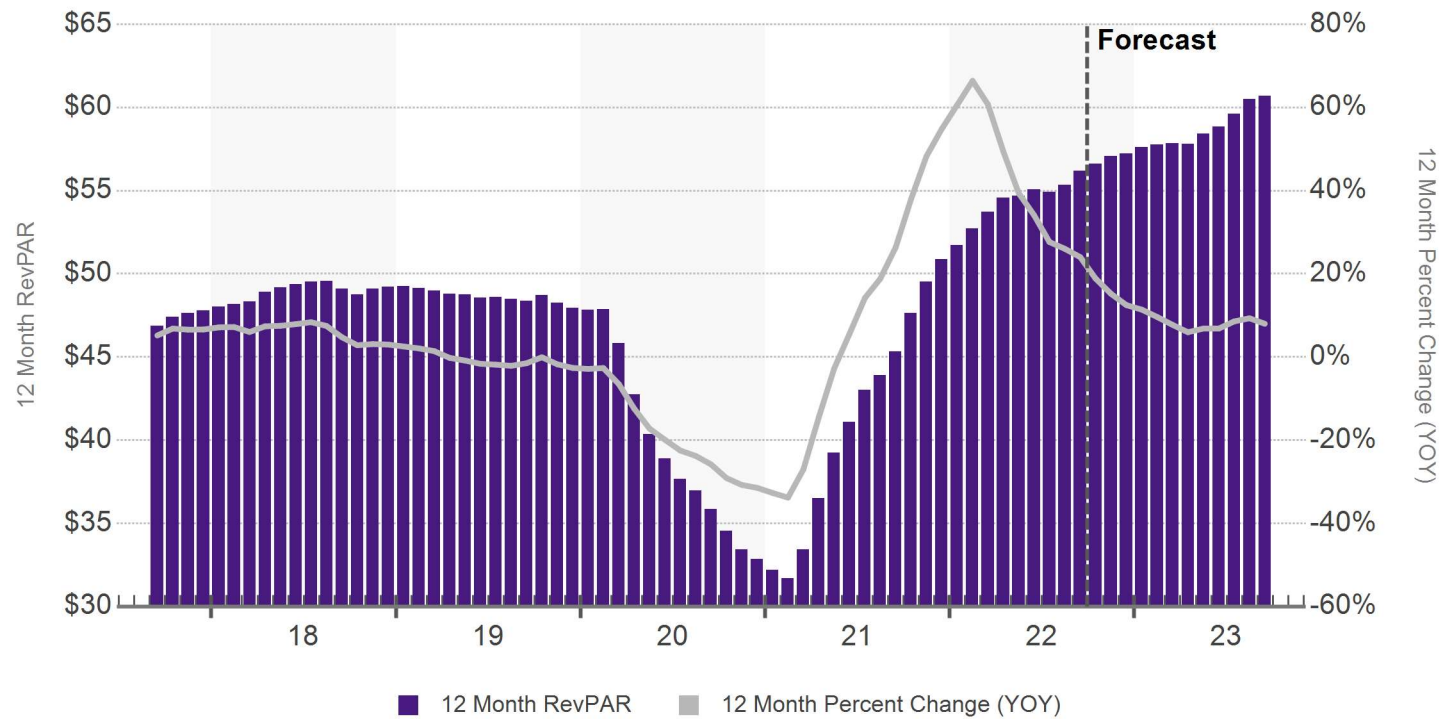
OCCUPANCY & ADR CHANGE



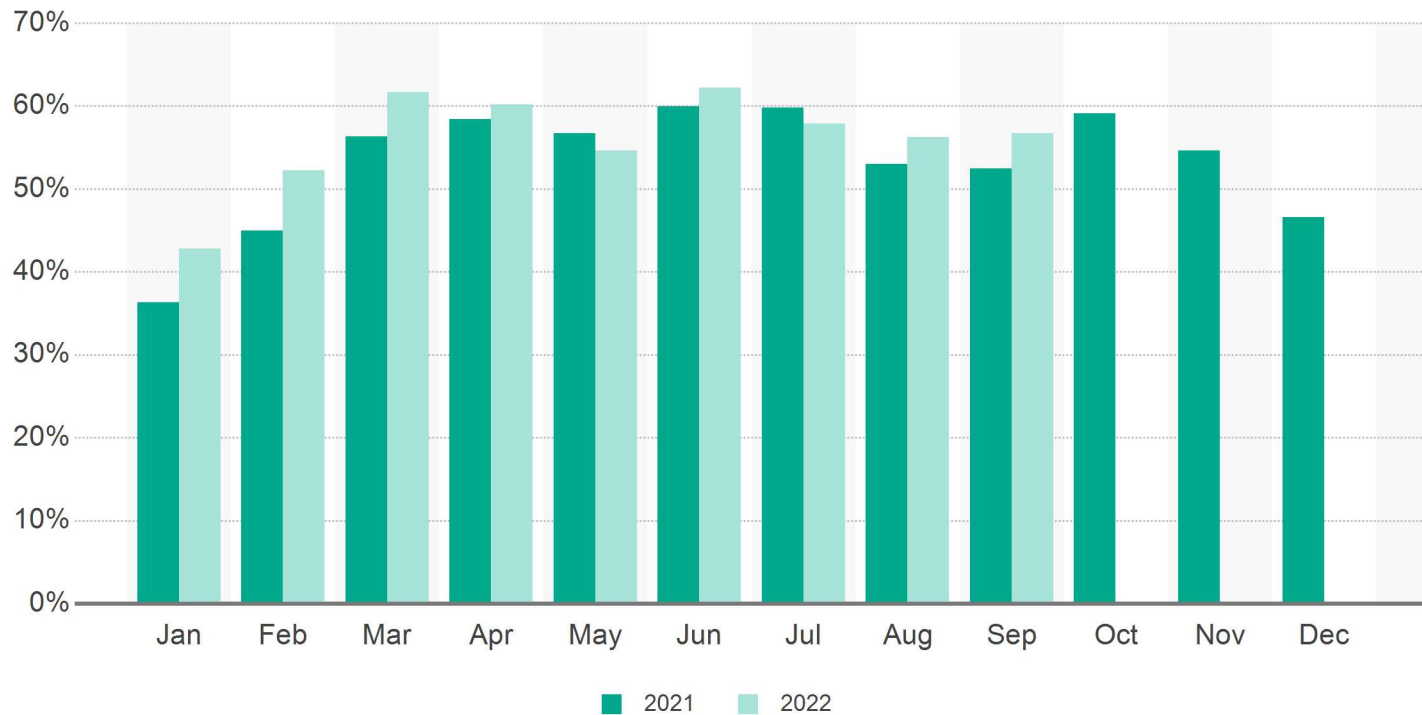
Performance

Central Texas Area Hospitality

REVPAR



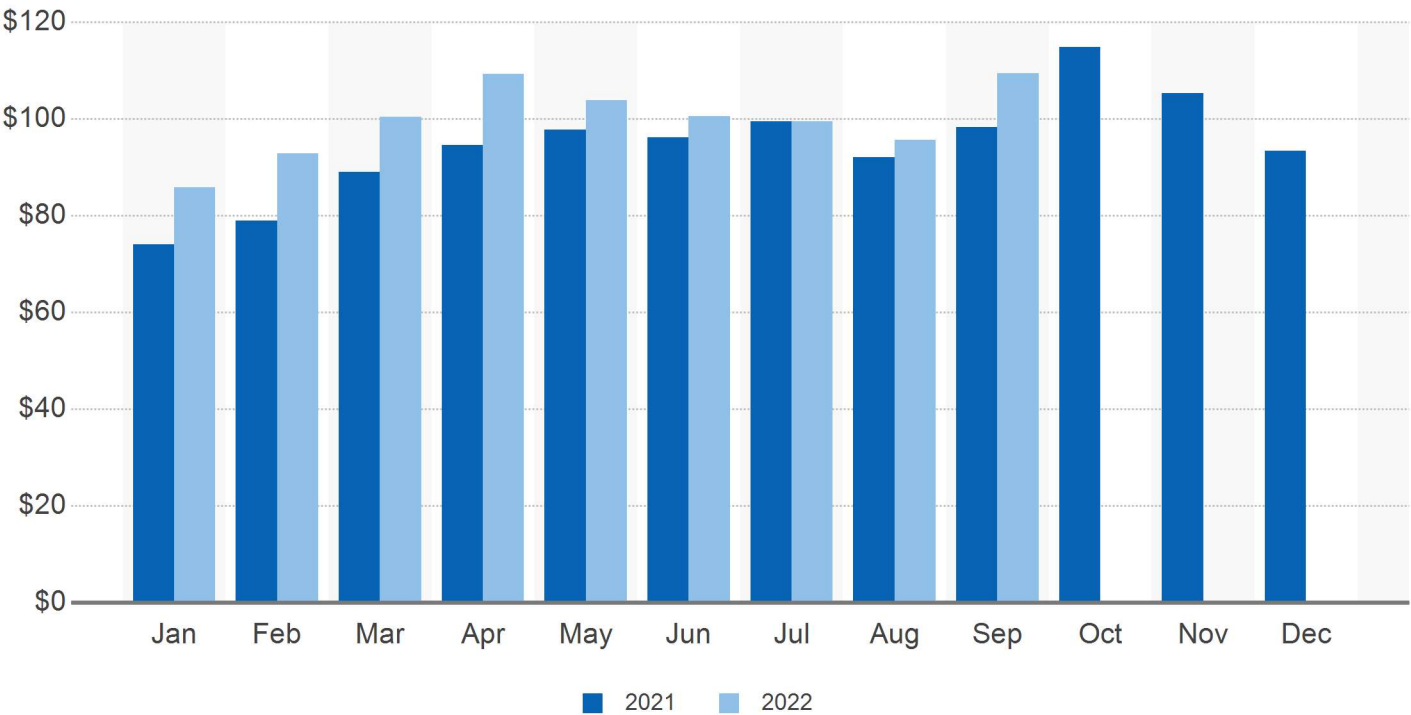
OCCUPANCY MONTHLY



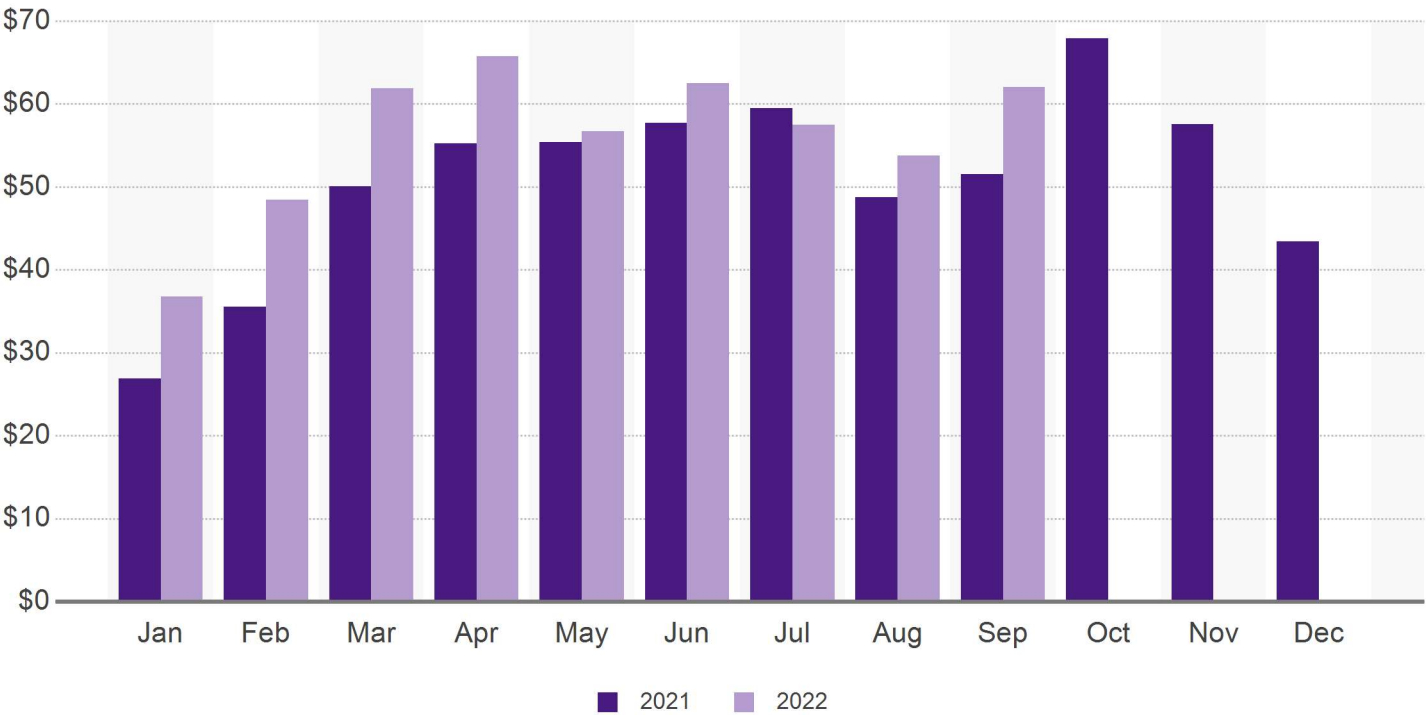
Performance

Central Texas Area Hospitality

ADR MONTHLY



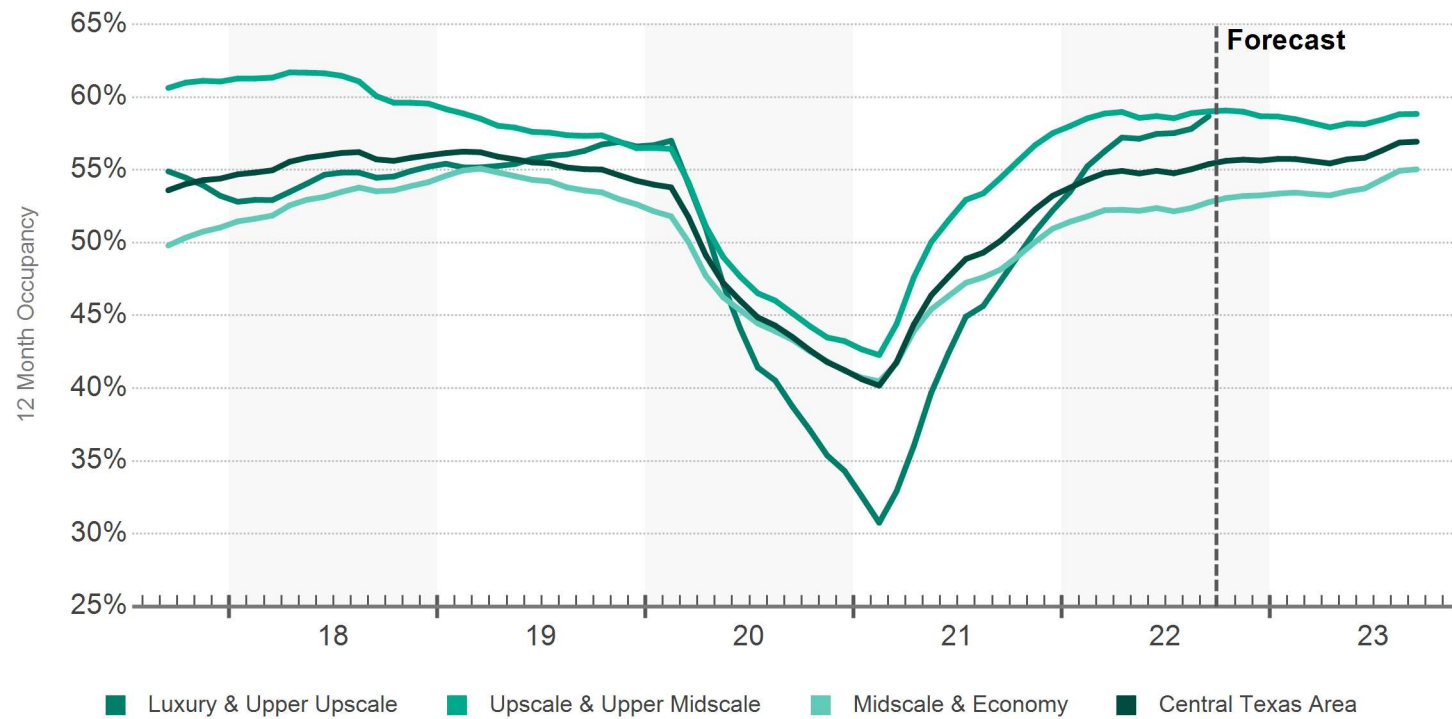
REVPAR MONTHLY



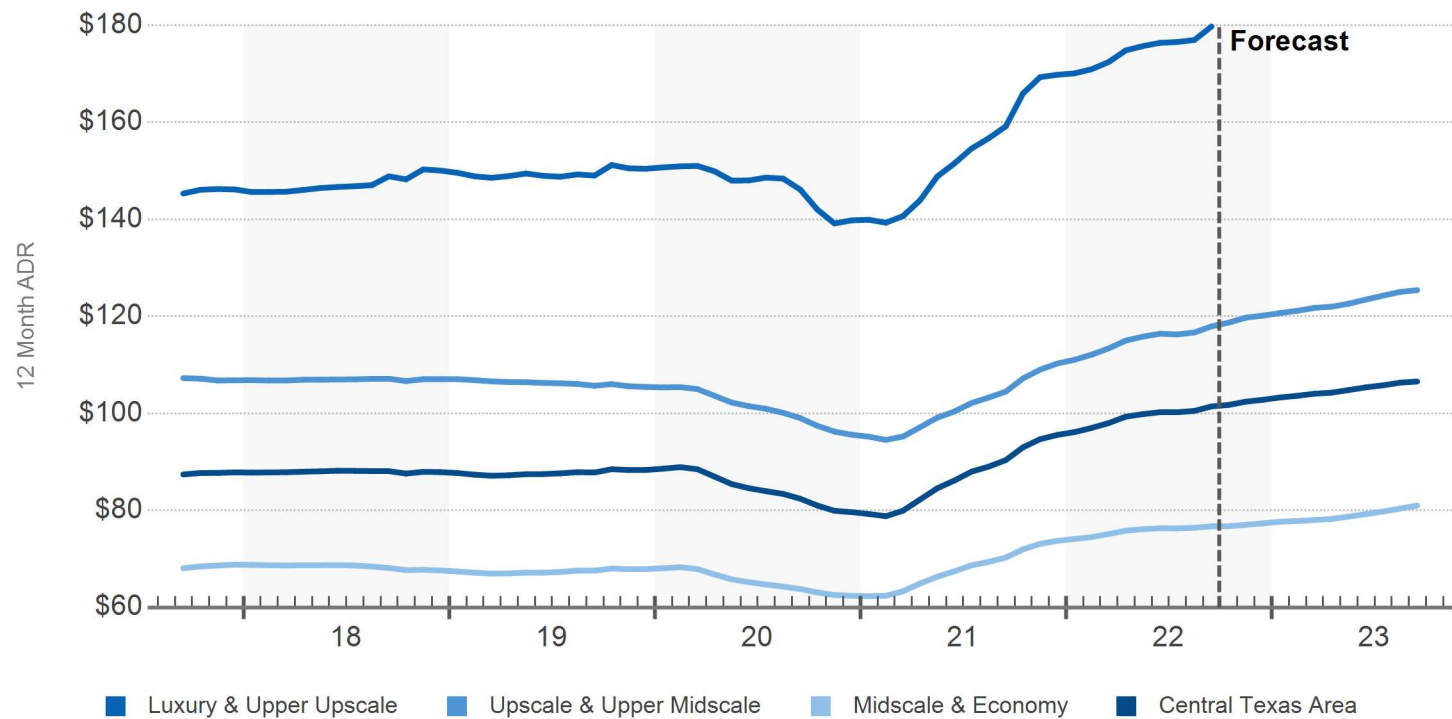
Performance

Central Texas Area Hospitality

OCCUPANCY BY CLASS



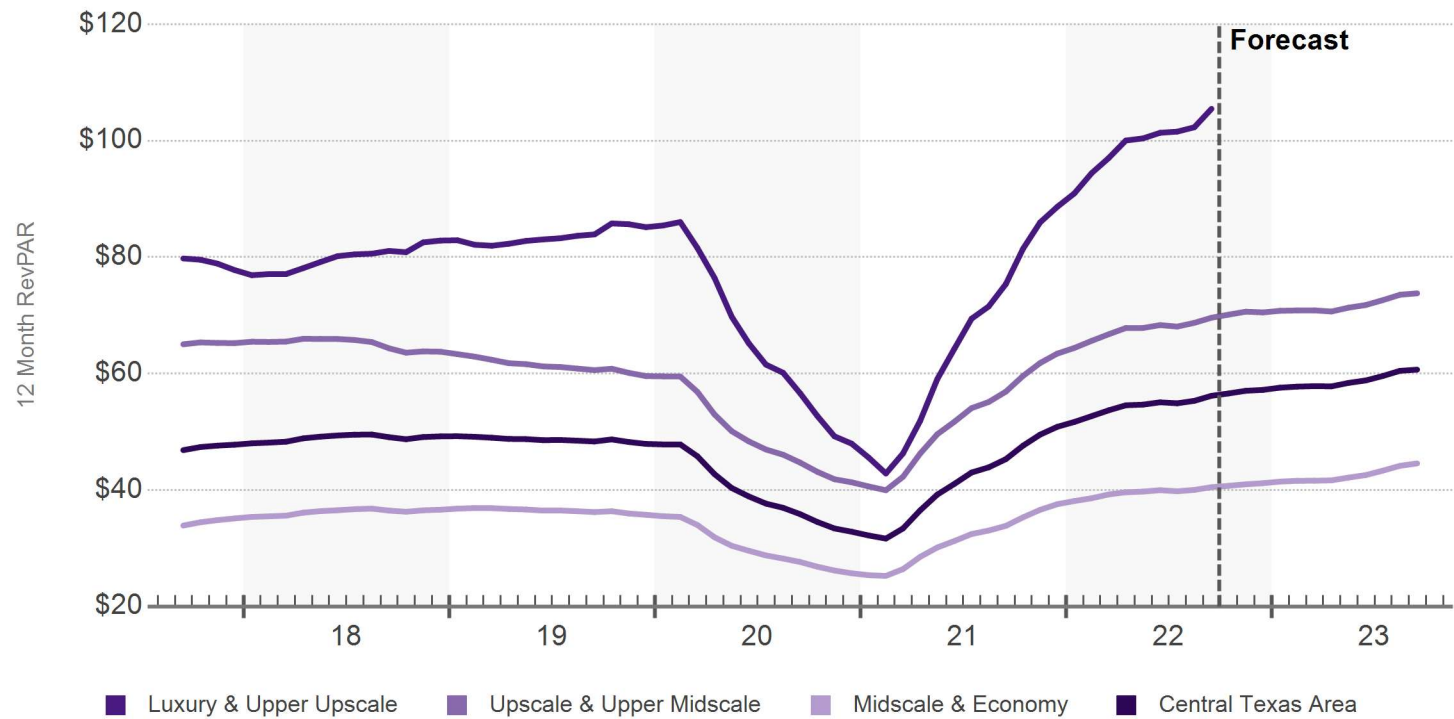
ADR BY CLASS



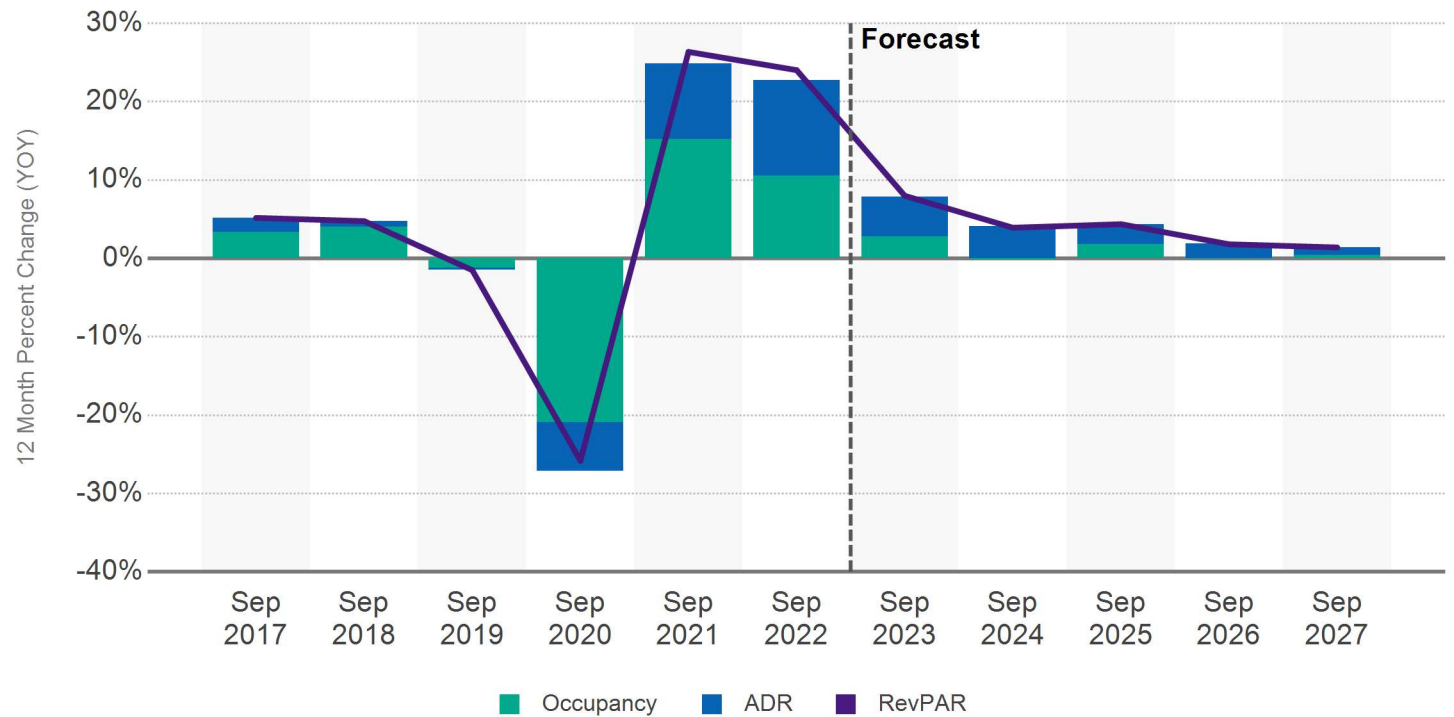
Performance

Central Texas Area Hospitality

REVPAR BY CLASS



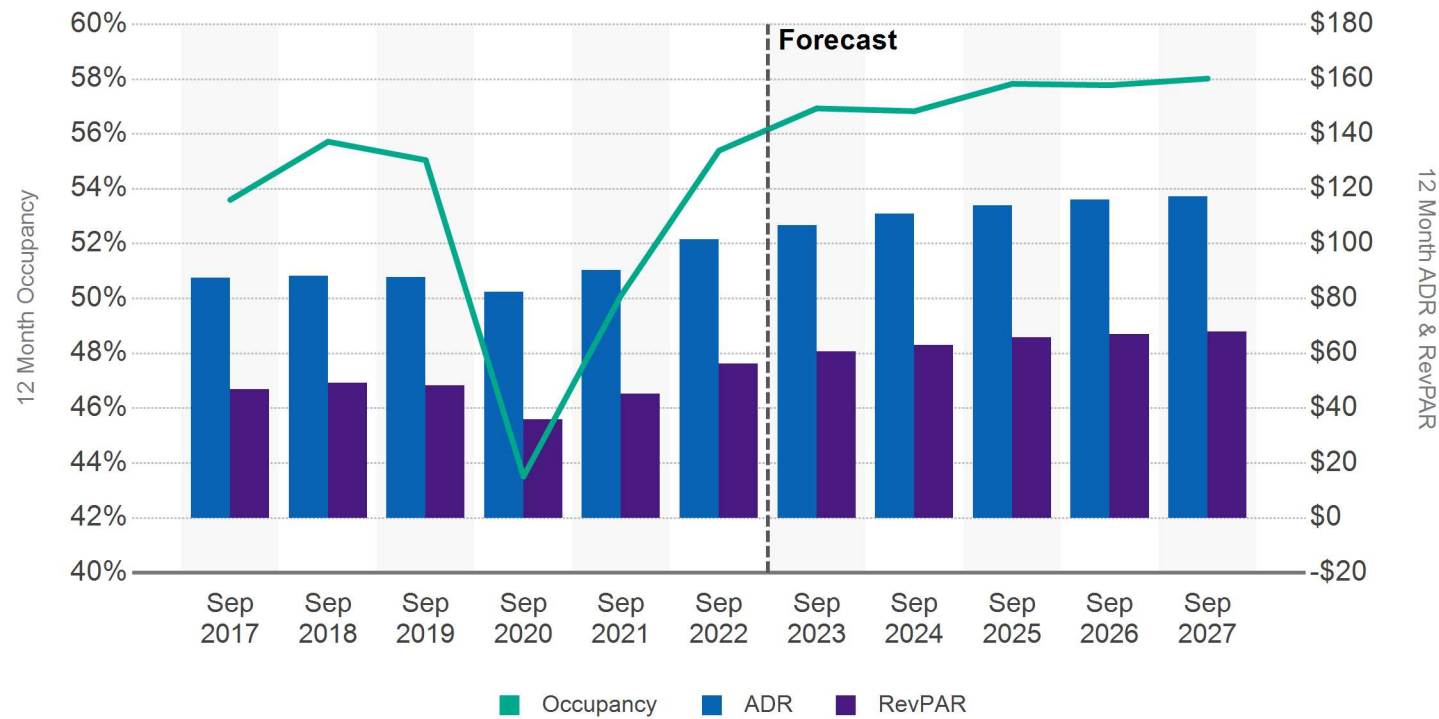
REVPAR GROWTH COMPOSITION



Performance

Central Texas Area Hospitality

OCCUPANCY, ADR & REVPAR



Performance

Central Texas Area Hospitality

FULL-SERVICE HOTELS PROFITABILITY (ANNUAL)

Market	2021			2020-2021 % Change	
	% of Revenues	PAR	POR	PAR	POR
Revenue					
Rooms					
Food					
Beverage					
Other F&B					
Other Departments					
Miscellaneous Income					
Total Revenue					
Operating Expenses					
Rooms					
Food & Beverage					
Other Departments					
Administrative & General					
Information & Telecommunication Systems					
Sales & Marketing					
Property Operations & Maintenance					
Utilities					
Gross Operating Profit					
Management Fees					
Rent					
Property Taxes					
Insurance					
EBITDA					
Total Labor Costs					

(1) For Annual P&L, the current year exchange rate is used for each year going back in time. This current year exchange rate is the average of all 12 monthly rates for that year.

(2) Percentage of Revenues for departmental expenses (Rooms, Food & Beverage, and Other Departments) are based on their respective departmental revenues. All other expense percentages are based on Total Revenue.

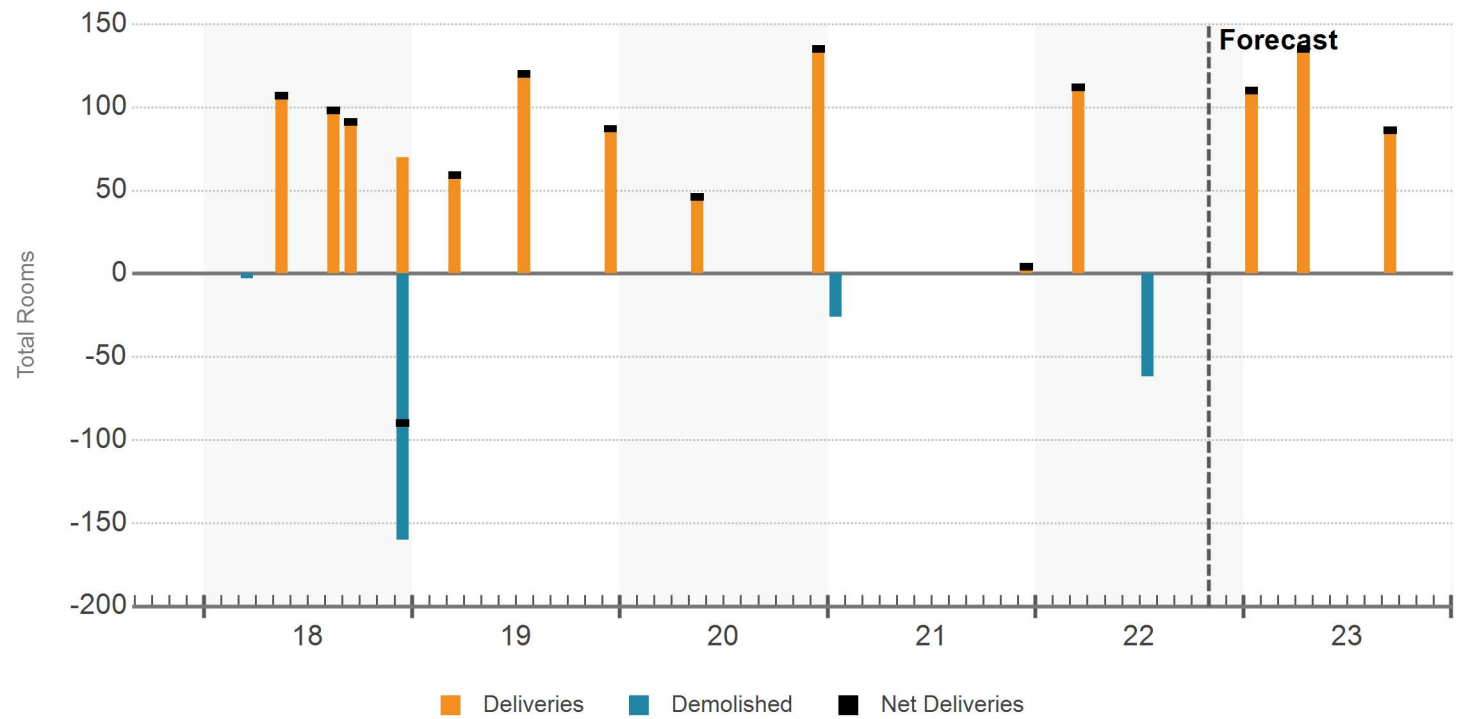
(3) Labor costs are already included in the operating expenses above. Amounts shown in Total Labor Costs are for additional detail only.



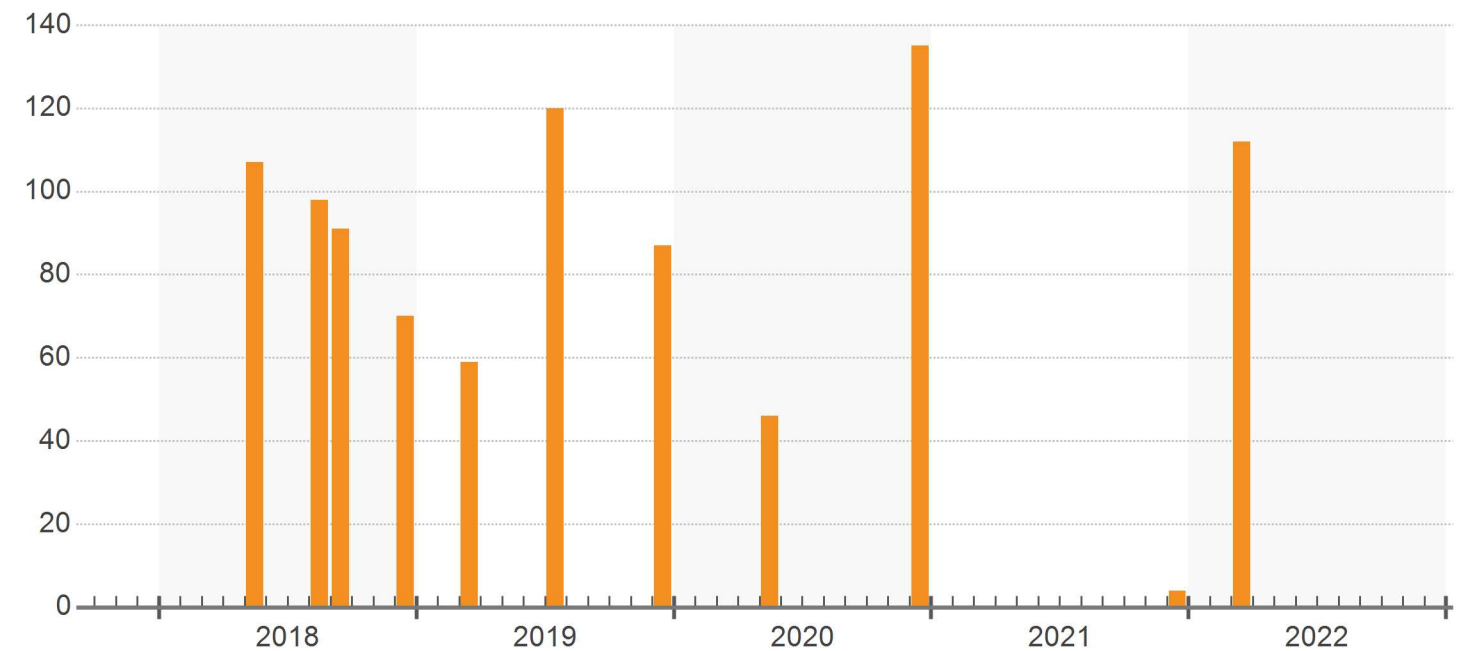
Construction

Central Texas Area Hospitality

DELIVERIES & DEMOLITIONS



ROOMS DELIVERED

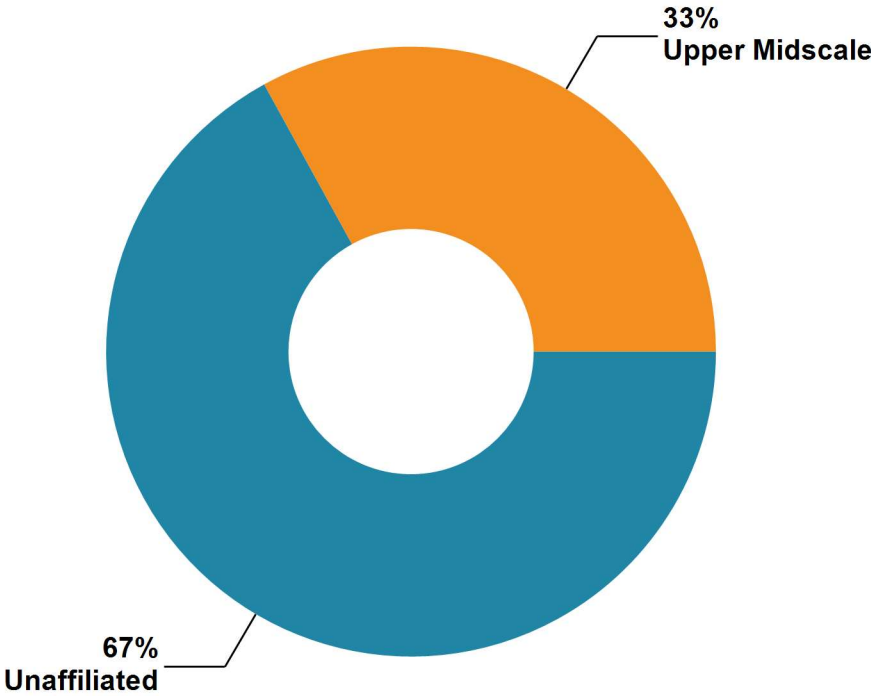




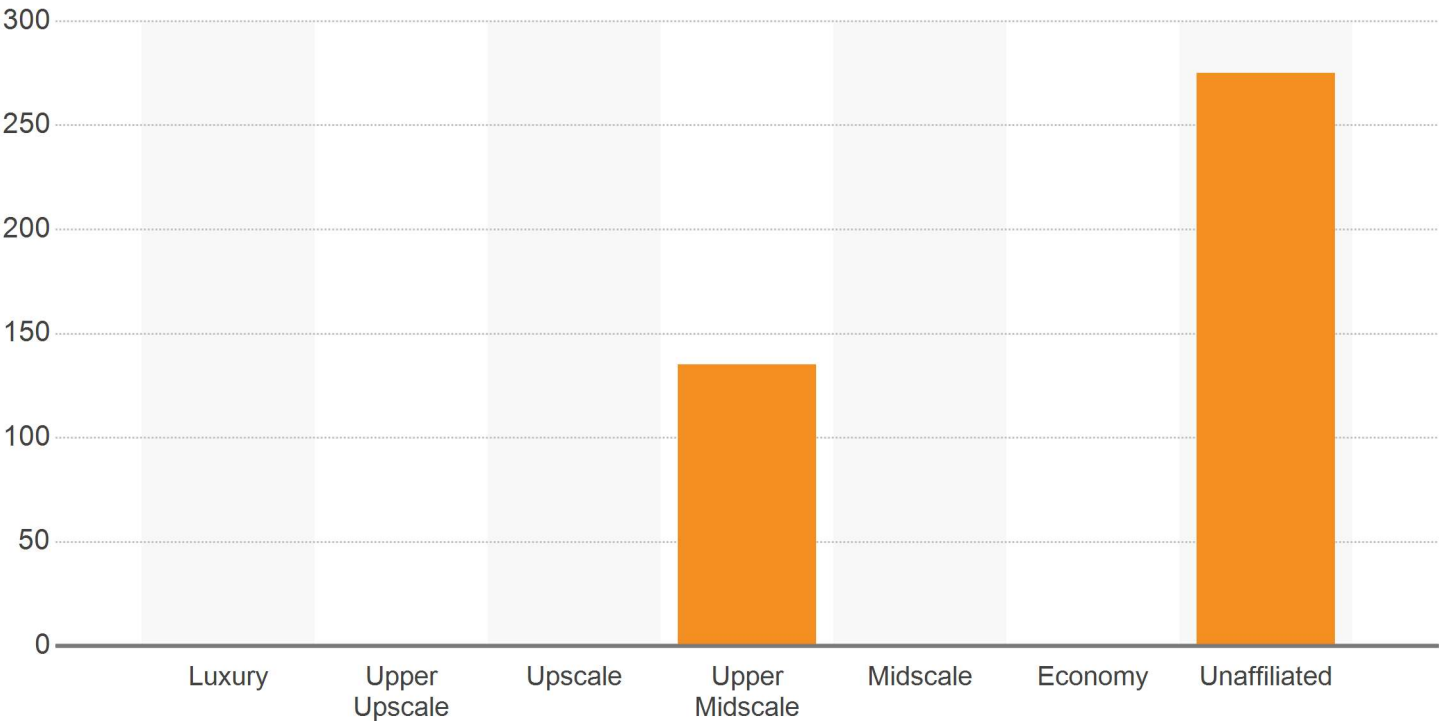
Construction

Central Texas Area Hospitality

TOTAL ROOMS UNDER CONSTRUCTION BY SCALE



ROOMS UNDER CONSTRUCTION BY SCALE



Under Construction Properties

Central Texas Area Hospitality

Properties

Rooms

Percent of Inventory

Average Rooms

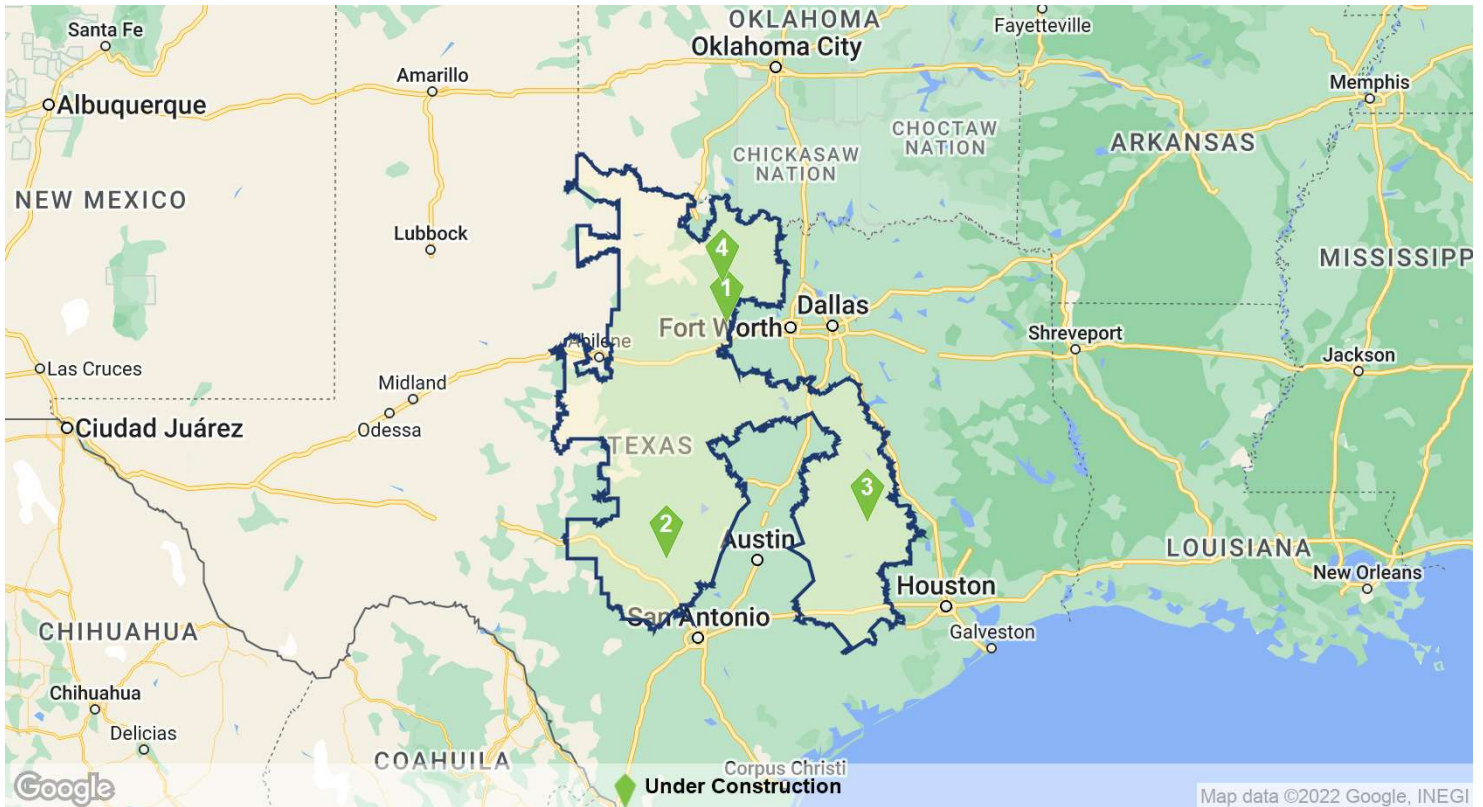
4

410

1.8%

103

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

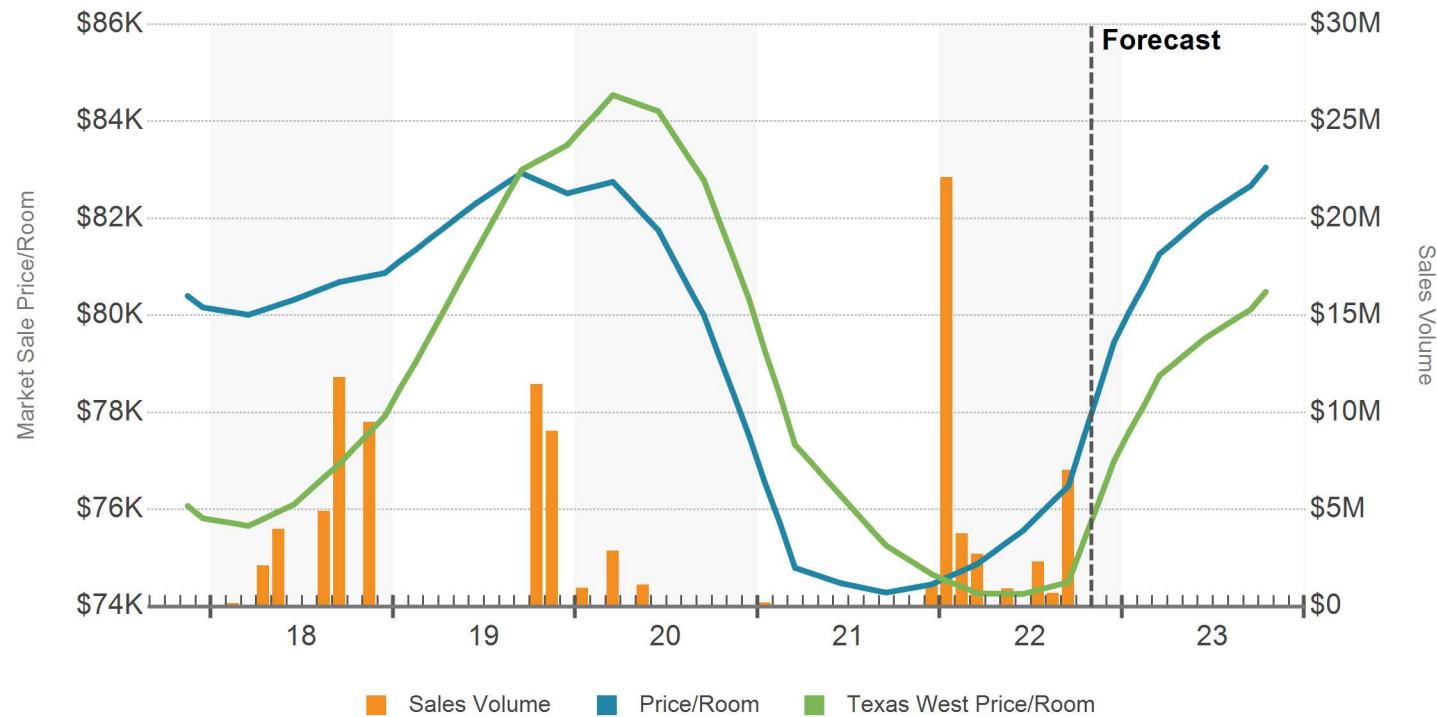
	Property Name/Address	Class	Rooms	Stories	Start	Complete	Brand/Developer
1	201 E Hubbard St	Economy	165	14	Oct 2019	Mar 2024	- Baker Hotel Development Part...
2	The Albert Hotel 242 E Main St	Economy	110	3	Sep 2021	Jan 2023	- New Waterloo
3	Comfort Inn Bryan William Joel Bryan Pky	Upper Midscale	70	2	Aug 2020	Apr 2023	Comfort Inn -
4	Comfort Inn 101 Quail Run St	Upper Midscale	65	6	Oct 2022	Apr 2023	Comfort Inn -



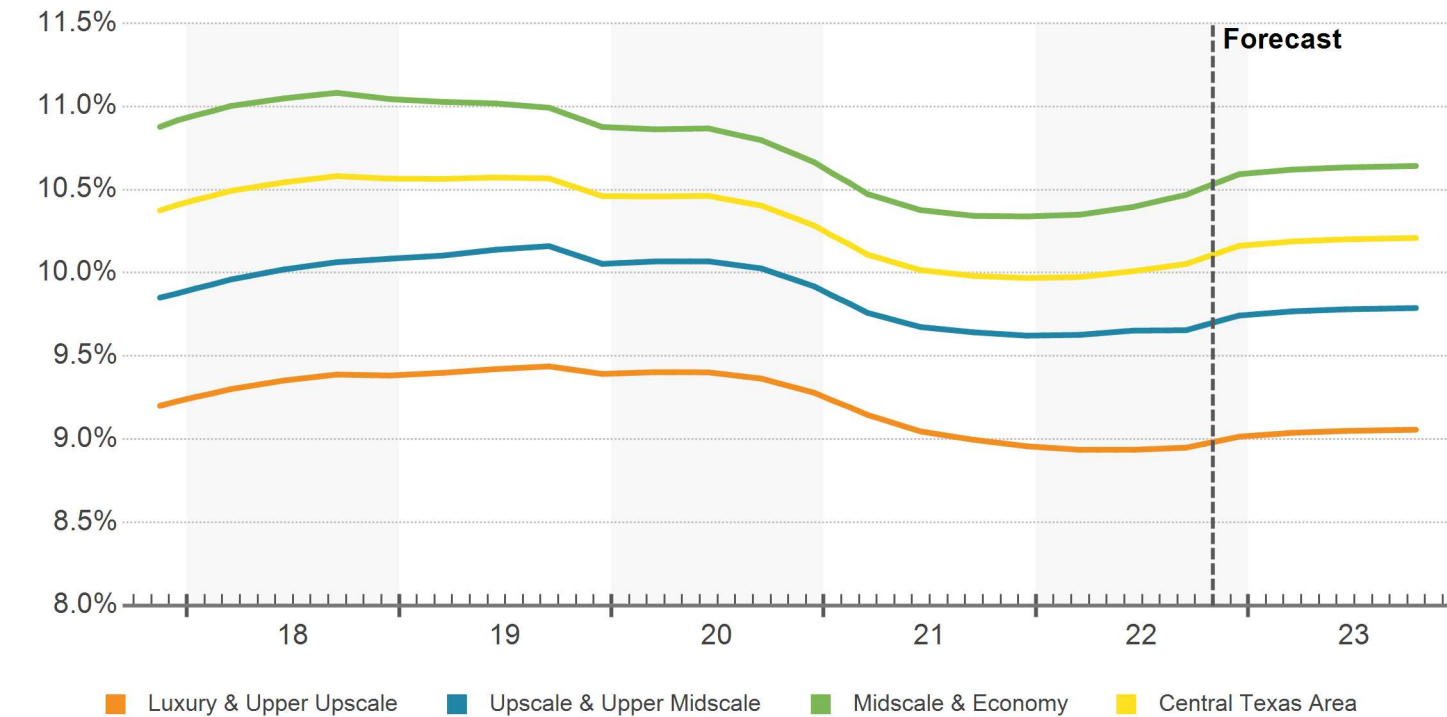
Sales

Central Texas Area Hospitality

SALES VOLUME & MARKET SALE PRICE PER ROOM



MARKET CAP RATE



Sales Past 12 Months

Central Texas Area Hospitality

Sale Comparables

Average Price/Room

Average Price

Average Cap Rate

46

\$64K

\$4.5M

9.9%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sale Attributes	Low	Average	Median	High
Sale Price	\$695,000	\$4,518,934	\$2,700,000	\$17,590,411
Price/Room	\$19,492	\$63,747	\$52,895	\$180,000
Cap Rate	9.9%	9.9%	9.9%	9.9%
Time Since Sale in Months	0.4	5.8	5.5	11.9
Property Attributes	Low	Average	Median	High
Property Size in Rooms	11	59	51	166
Number of Floors	1	2	2	7
Total Meeting Space	180	1,486	1,486	13,219
Year Built	1880	1983	1986	2022
Class	Economy	Upper Midscale	Midscale	Upper Upscale



Sales Past 12 Months

Central Texas Area Hospitality

RECENT SIGNIFICANT SALES

	Property Name/Address	Property Information				Sale Information		
		Class	Yr Built	Rooms	Brand	Sale Date	Price	Price/Room
1	Hilton Garden Inn College Station 3081 University Dr E	Upscale	2013	119	Hilton Garden Inn	1/13/2022	\$17,590,411	\$147,819
2	Hampton Inn College Station 320 Texas Ave S	Upper Midscale	1986	133	Hampton by Hilton	9/28/2022	\$7,035,000	\$52,895
3	Red Roof Inn College Station 2504 Texas Ave S	Economy	1983	115	Red Roof Inn	1/12/2022	\$4,520,000	\$39,304
4	Best Western Red River Inn 1008 Sheppard Rd	Midscale	2006	80	Best Western	2/10/2022	\$3,750,000	\$46,875
5	Hotel Giles 717 High St	Upper Upscale	1880	15	-	3/22/2022	\$2,700,000	\$180,000
6	University Inn College Station 2300 S Texas Ave	Economy	1964	118	-	7/12/2022	\$2,300,000	\$19,492
7	River Front Motel 1103 Maple St	Economy	1930	11	-	12/17/2021	\$1,150,000	\$104,545
8	Caravan Inn 811 East Rd	Economy	1983	35	-	5/23/2022	\$930,000	\$26,571
9	Texas Ranger Motel and RV Park 401 US Highway 67	Upper Midscale	1938	12	-	8/1/2022	\$695,000	\$57,917
10	Fairfield Inn & Suites Bryan Colleg... 4613 S Texas Ave	Upper Midscale	1994	60	Fairfield Inn	11/3/2022	-	-
11	The Eastland Historic Hotel 112 N Lamar St	Economy	1918	13	-	10/20/2022	-	-
12	Best Western Eastland 1460 E Main St	Midscale	2009	70	Best Western	10/18/2022	-	-
13	Baymont Inn & Suites Columbus 2535 Highway 71 S	Midscale	2009	55	Baymont	10/7/2022	-	-
14	Days Inn & Suites Mineral Wells 107 Washington Ave	Economy	2009	42	Days Inn	9/30/2022	-	-
15	Lasalle Hotel 120 S Main St	Economy	1927	55	-	9/14/2022	-	-
16	Comfort Suites 907 University Dr E	Upper Midscale	2005	79	Comfort Suites	9/9/2022	-	-
17	36 West Motel 501 SW 5th St	Economy	1985	16	-	9/6/2022	-	-
18	College Station Hotel 3702 Sh-6 S	Economy	1971	50	-	9/6/2022	-	-
19	Quality Inn Near Lake Marble Falls 1206 N US Highway 281	Midscale	1985	49	Quality Inn	8/31/2022	-	-
20	Navasota Inn 9460 Highway 6 Loop	Economy	1980	59	-	8/26/2022	-	-



Appendix

Central Texas Area Hospitality

OVERALL SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2026	8,597,992	0	0%	4,962,466	(22,346)	-0.4%
2025	8,597,992	10,243	0.1%	4,984,812	105,120	2.2%
2024	8,587,749	57,456	0.7%	4,879,692	73,565	1.5%
2023	8,530,293	218,885	2.6%	4,806,127	181,533	3.9%
2022	8,311,408	49,180	0.6%	4,624,594	227,690	5.2%
YTD	6,178,296	(3,076)	0%	3,463,353	178,163	5.4%
2021	8,262,228	55,774	0.7%	4,396,904	1,012,874	29.9%
2020	8,206,454	(46,927)	-0.6%	3,384,030	(1,093,528)	-24.4%
2019	8,253,381	178,937	2.2%	4,477,558	(43,764)	-1.0%
2018	8,074,444	293,668	3.8%	4,521,322	288,663	6.8%
2017	7,780,776	219,648	2.9%	4,232,659	302,715	7.7%
2016	7,561,128	73,260	1.0%	3,929,944	(27,152)	-0.7%
2015	7,487,868	139,104	1.9%	3,957,096	(137,766)	-3.4%
2014	7,348,764	77,332	1.1%	4,094,862	293,982	7.7%
2013	7,271,432	16,340	0.2%	3,800,880	172,055	4.7%
2012	7,255,092	55,549	0.8%	3,628,825	113,065	3.2%

LUXURY & UPPER UPSCALE SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2026	-	-	-			
2025	-	-	-			
2024	-	-	-			
2023	-	-	-			
2022	-	-	-			
YTD	569,041	(16,406)	-2.8%	343,207	40,997	13.6%
2021	781,959	36,181	4.9%	408,223	152,273	59.5%
2020	745,778	19,715	2.7%	255,950	(155,055)	-37.7%
2019	726,063	65,630	9.9%	411,005	46,353	12.7%
2018	660,433	106,373	19.2%	364,652	69,812	23.7%
2017	554,060	124,584	29.0%	294,840	57,057	24.0%
2016	429,476	4,758	1.1%	237,783	6,069	2.6%
2015	424,718	(181)	0%	231,714	(11,533)	-4.7%
2014	424,899	(2,009)	-0.5%	243,247	5,717	2.4%
2013	426,908	(9,855)	-2.3%	237,530	(9,664)	-3.9%
2012	436,763	(243)	-0.1%	247,194	8,578	3.6%



Appendix

Central Texas Area Hospitality

UPSCALE & UPPER MIDSACLE SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2026	2,881,710	0	0%	1,752,859	(7,414)	-0.4%
2025	2,881,710	0	0%	1,760,273	7,589	0.4%
2024	2,881,710	6,305	0.2%	1,752,684	81,645	4.9%
2023	2,875,405	90,605	3.3%	1,671,039	36,839	2.3%
2022	2,784,800	84,133	3.1%	1,634,200	80,828	5.2%
YTD	2,065,452	44,757	2.2%	1,223,696	66,802	5.8%
2021	2,700,667	16,137	0.6%	1,553,372	392,757	33.8%
2020	2,684,530	(29,063)	-1.1%	1,160,615	(372,273)	-24.3%
2019	2,713,593	89,624	3.4%	1,532,888	(29,732)	-1.9%
2018	2,623,969	136,951	5.5%	1,562,620	43,874	2.9%
2017	2,487,018	99,770	4.2%	1,518,746	114,003	8.1%
2016	2,387,248	87,175	3.8%	1,404,743	35,167	2.6%
2015	2,300,073	154,264	7.2%	1,369,576	(12,387)	-0.9%
2014	2,145,809	73,733	3.6%	1,381,963	122,557	9.7%
2013	2,072,076	13,563	0.7%	1,259,406	96,746	8.3%
2012	2,058,513	58,102	2.9%	1,162,660	60,343	5.5%

MIDSCALE & ECONOMY SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2026	4,949,454	0	0%	2,751,774	(12,790)	-0.5%
2025	4,949,454	10,243	0.2%	2,764,564	95,868	3.6%
2024	4,939,211	51,151	1.0%	2,668,696	4,536	0.2%
2023	4,888,060	123,601	2.6%	2,664,160	127,328	5.0%
2022	4,764,459	(15,143)	-0.3%	2,536,832	101,523	4.2%
YTD	3,543,803	(31,427)	-0.9%	1,896,450	70,364	3.9%
2021	4,779,602	3,456	0.1%	2,435,309	467,844	23.8%
2020	4,776,146	(37,579)	-0.8%	1,967,465	(566,200)	-22.3%
2019	4,813,725	23,683	0.5%	2,533,665	(60,385)	-2.3%
2018	4,790,042	50,344	1.1%	2,594,050	174,977	7.2%
2017	4,739,698	(4,706)	-0.1%	2,419,073	131,656	5.8%
2016	4,744,404	(18,673)	-0.4%	2,287,417	(68,389)	-2.9%
2015	4,763,077	(14,979)	-0.3%	2,355,806	(113,846)	-4.6%
2014	4,778,056	5,608	0.1%	2,469,652	165,708	7.2%
2013	4,772,448	12,632	0.3%	2,303,944	84,974	3.8%
2012	4,759,816	(2,310)	0%	2,218,970	44,143	2.0%



Appendix

Central Texas Area Hospitality

OVERALL PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2026	57.7%	-0.4%	\$116.58	1.9%	\$67.29	1.5%
2025	58.0%	2.0%	\$114.36	2.4%	\$66.30	4.5%
2024	56.8%	0.9%	\$111.68	4.6%	\$63.46	5.5%
2023	56.3%	1.3%	\$106.80	3.9%	\$60.17	5.2%
2022	55.6%	4.6%	\$102.81	7.6%	\$57.21	12.5%
YTD	56.1%	5.5%	\$100.20	8.6%	\$56.17	14.5%
2021	53.2%	29.1%	\$95.58	20.0%	\$50.86	54.8%
2020	41.2%	-24.0%	\$79.66	-9.8%	\$32.85	-31.5%
2019	54.3%	-3.1%	\$88.35	0.5%	\$47.93	-2.6%
2018	56.0%	2.9%	\$87.91	0.1%	\$49.22	3.0%
2017	54.4%	4.7%	\$87.86	1.9%	\$47.79	6.6%
2016	52.0%	-1.6%	\$86.25	0.2%	\$44.83	-1.5%
2015	52.8%	-5.2%	\$86.11	1.9%	\$45.51	-3.3%
2014	55.7%	6.6%	\$84.49	5.6%	\$47.08	12.5%
2013	52.3%	4.5%	\$80.03	3.6%	\$41.83	8.3%
2012	50.0%	2.4%	\$77.23	1.4%	\$38.63	3.9%

LUXURY & UPPER UPSCALE PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2026						
2025						
2024						
2023						
2022						
YTD	60.3%	16.8%	\$176.09	8.6%	\$106.21	26.9%
2021	52.2%	52.1%	\$169.80	21.5%	\$88.64	84.8%
2020	34.3%	-39.4%	\$139.80	-7.1%	\$47.98	-43.7%
2019	56.6%	2.5%	\$150.43	0.2%	\$85.16	2.8%
2018	55.2%	3.8%	\$150.06	2.7%	\$82.85	6.5%
2017	53.2%	-3.9%	\$146.16	-2.6%	\$77.78	-6.4%
2016	55.4%	1.5%	\$150.03	1.0%	\$83.06	2.5%
2015	54.6%	-4.7%	\$148.58	3.2%	\$81.06	-1.6%
2014	57.2%	2.9%	\$143.94	5.9%	\$82.41	9.0%
2013	55.6%	-1.7%	\$135.91	10.3%	\$75.62	8.4%
2012	56.6%	3.7%	\$123.25	2.5%	\$69.75	6.3%



Appendix

Central Texas Area Hospitality

UPSCALE & UPPER MIDSACLE PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2026	60.8%	-0.4%	\$138.24	2.0%	\$84.09	1.5%
2025	61.1%	0.4%	\$135.58	2.3%	\$82.82	2.7%
2024	60.8%	4.7%	\$132.55	5.3%	\$80.62	10.2%
2023	58.1%	-1.0%	\$125.93	4.8%	\$73.18	3.8%
2022	58.7%	2.0%	\$120.16	8.9%	\$70.52	11.2%
YTD	59.2%	3.5%	\$116.85	9.7%	\$69.23	13.5%
2021	57.5%	33.0%	\$110.29	15.3%	\$63.44	53.5%
2020	43.2%	-23.5%	\$95.62	-9.3%	\$41.34	-30.6%
2019	56.5%	-5.1%	\$105.46	-1.5%	\$59.57	-6.6%
2018	59.6%	-2.5%	\$107.07	0.2%	\$63.76	-2.3%
2017	61.1%	3.8%	\$106.83	-1.3%	\$65.24	2.4%
2016	58.8%	-1.2%	\$108.27	-0.9%	\$63.71	-2.1%
2015	59.5%	-7.5%	\$109.25	1.9%	\$65.05	-5.7%
2014	64.4%	6.0%	\$107.17	7.2%	\$69.02	13.6%
2013	60.8%	7.6%	\$99.92	4.1%	\$60.73	12.0%
2012	56.5%	2.5%	\$96.01	2.2%	\$54.23	4.7%

MIDSCALE & ECONOMY PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2026	55.6%	-0.5%	\$92.05	1.9%	\$51.18	1.5%
2025	55.9%	3.4%	\$90.30	3.7%	\$50.44	7.2%
2024	54.0%	-0.9%	\$87.11	6.3%	\$47.07	5.4%
2023	54.5%	2.4%	\$81.95	5.9%	\$44.66	8.5%
2022	53.2%	4.5%	\$77.35	4.9%	\$41.18	9.6%
YTD	53.5%	4.8%	\$75.73	5.6%	\$40.53	10.7%
2021	51.0%	23.7%	\$73.75	18.2%	\$37.58	46.1%
2020	41.2%	-21.7%	\$62.42	-8.1%	\$25.71	-28.1%
2019	52.6%	-2.8%	\$67.93	0.4%	\$35.75	-2.4%
2018	54.2%	6.1%	\$67.63	-1.8%	\$36.62	4.2%
2017	51.0%	5.9%	\$68.84	4.1%	\$35.13	10.2%
2016	48.2%	-2.5%	\$66.10	-0.6%	\$31.87	-3.1%
2015	49.5%	-4.3%	\$66.51	0.9%	\$32.90	-3.5%
2014	51.7%	7.1%	\$65.95	4.0%	\$34.09	11.4%
2013	48.3%	3.6%	\$63.40	1.8%	\$30.61	5.4%
2012	46.6%	2.1%	\$62.26	-0.1%	\$29.03	2.0%

Appendix

Central Texas Area Hospitality

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2026	-	-	-	-	-	-	\$95,697	211	10.2%
2025	-	-	-	-	-	-	\$92,417	204	10.2%
2024	-	-	-	-	-	-	\$88,488	195	10.2%
2023	-	-	-	-	-	-	\$83,796	185	10.2%
2022	-	-	-	-	-	-	\$79,444	175	10.2%
YTD	8	\$39.5M	2.7%	\$4,940,051	\$63,031	9.9%	\$77,450	171	10.1%
2021	2	\$1.4M	0.2%	\$675,000	\$26,471	9.0%	\$74,455	164	10.0%
2020	3	\$5M	0.5%	\$1,651,667	\$45,045	-	\$77,495	171	10.3%
2019	3	\$20.5M	1.4%	\$6,826,686	\$62,439	5.8%	\$82,514	182	10.5%
2018	9	\$32.5M	2.5%	\$3,607,778	\$56,079	11.6%	\$80,875	179	10.6%
2017	4	\$10M	0.7%	\$2,506,250	\$65,523	10.8%	\$80,165	177	10.4%
2016	1	\$650K	0.2%	\$650,000	\$14,444	8.6%	\$82,840	183	9.9%
2015	4	\$17.7M	1.7%	\$4,421,920	\$49,824	11.2%	\$82,715	183	9.4%
2014	6	\$54.2M	3.1%	\$9,035,000	\$84,969	11.5%	\$77,186	170	9.3%
2013	3	\$13.9M	1.2%	\$4,630,000	\$57,875	11.0%	\$69,490	153	9.4%
2012	2	\$2.7M	0.7%	\$1,365,625	\$19,100	-	\$61,559	136	9.6%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

LUXURY & UPPER UPSCALE SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2026	-	-	-	-	-	-	\$294,903	249	9.1%
2025	-	-	-	-	-	-	\$284,795	241	9.1%
2024	-	-	-	-	-	-	\$272,685	230	9.1%
2023	-	-	-	-	-	-	\$258,228	218	9.1%
2022	-	-	-	-	-	-	\$244,816	207	9.0%
YTD	1	\$2.7M	0.7%	\$2,700,000	\$180,000	-	\$238,588	202	9.0%
2021	-	-	-	-	-	-	\$223,810	189	9.0%
2020	-	-	-	-	-	-	\$229,728	194	9.3%
2019	-	-	-	-	-	-	\$243,230	206	9.4%
2018	-	-	-	-	-	-	\$238,710	202	9.4%
2017	-	-	-	-	-	-	\$236,160	200	9.2%
2016	-	-	-	-	-	-	\$243,067	205	8.8%
2015	-	-	-	-	-	-	\$238,707	202	8.5%
2014	1	\$46M	25.9%	\$46,000,000	\$151,815	10.9%	\$218,285	184	8.5%
2013	-	-	-	-	-	-	\$192,043	162	8.8%
2012	-	-	-	-	-	-	\$167,776	142	9.0%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.



Appendix

Central Texas Area Hospitality

UPSCALE & UPPER MIDSACLE SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2026	-	-	-	-	-	-	\$104,998	202	9.8%
2025	-	-	-	-	-	-	\$101,399	195	9.8%
2024	-	-	-	-	-	-	\$97,087	186	9.8%
2023	-	-	-	-	-	-	\$91,940	177	9.8%
2022	-	-	-	-	-	-	\$87,164	167	9.7%
YTD	3	\$25.3M	3.4%	\$8,440,137	\$95,911	-	\$84,966	163	9.7%
2021	-	-	-	-	-	-	\$81,698	157	9.6%
2020	-	-	-	-	-	-	\$85,530	164	9.9%
2019	1	\$8.2M	1.0%	\$8,200,000	\$105,128	7.4%	\$91,673	176	10.1%
2018	2	\$20.5M	2.9%	\$10,250,000	\$95,794	10.0%	\$90,813	174	10.1%
2017	2	\$8.9M	1.8%	\$4,450,000	\$69,531	10.2%	\$90,865	174	9.9%
2016	-	-	-	-	-	-	\$93,421	179	9.4%
2015	3	\$17M	5.2%	\$5,652,560	\$50,620	9.3%	\$92,680	178	9.1%
2014	1	\$3.7M	0.9%	\$3,650,000	\$64,035	12.2%	\$85,983	165	9.0%
2013	1	\$11M	1.7%	\$11,000,000	\$110,000	8.9%	\$77,471	149	9.2%
2012	-	-	-	-	-	-	\$69,573	134	9.3%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

MIDSCALE & ECONOMY SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2026	-	-	-	-	-	-	\$58,229	198	10.7%
2025	-	-	-	-	-	-	\$56,234	191	10.7%
2024	-	-	-	-	-	-	\$53,842	183	10.6%
2023	-	-	-	-	-	-	\$50,988	173	10.6%
2022	-	-	-	-	-	-	\$48,340	164	10.6%
YTD	4	\$11.5M	2.7%	\$2,875,000	\$33,046	9.9%	\$47,110	160	10.5%
2021	2	\$1.4M	0.4%	\$675,000	\$26,471	9.0%	\$46,023	156	10.3%
2020	3	\$5M	0.8%	\$1,651,667	\$45,045	-	\$48,125	164	10.7%
2019	2	\$12.3M	1.9%	\$6,140,030	\$49,120	4.1%	\$51,105	174	10.9%
2018	7	\$12M	2.7%	\$1,710,000	\$32,795	12.0%	\$49,465	168	11.0%
2017	2	\$1.1M	0.2%	\$562,500	\$45,000	12.0%	\$48,599	165	10.9%
2016	1	\$650K	0.3%	\$650,000	\$14,444	8.6%	\$50,661	172	10.3%
2015	1	\$730K	0.2%	\$730,000	\$36,500	14.9%	\$51,587	175	9.8%
2014	4	\$4.6M	2.1%	\$1,140,000	\$16,403	-	\$49,160	167	9.6%
2013	2	\$2.9M	1.0%	\$1,445,000	\$20,643	12.0%	\$44,945	153	9.7%
2012	2	\$2.7M	1.1%	\$1,365,625	\$19,100	-	\$39,631	135	9.9%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.



Appendix

Central Texas Area Hospitality







DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Rooms	% Change	Bldgs	Rooms	Bldgs	Rooms	Bldgs	Rooms
YTD	420	22,895	-0.7%	1	112	0	50	4	410
2021	421	23,059	0.1%	3	4	1	(22)	4	457
2020	421	23,041	-0.4%	2	181	2	181	6	351
2019	424	23,139	1.6%	4	266	4	266	3	323
2018	420	22,785	3.6%	5	366	2	203	4	337
2017	413	21,995	4.2%	6	699	6	699	4	310
2016	407	21,108	1.6%	7	908	5	856	6	698
2015	404	20,783	1.8%	9	449	7	329	9	1,246
2014	399	20,415	0.2%	5	230	4	197	8	403
2013	400	20,381	1.3%	6	558	3	223	3	107
2012	399	20,113	0.1%	3	144	1	70	4	364



Room Share Overview

For the purposes of this Comprehensive Hotel Market Feasibility Study, Core Distinction Group reviewed Room Share Market data to help gain knowledge of the market and surrounding areas. The following information will be analyzed in Room Share Overview Data:

-  **Occupancy Rate**
-  **Average Daily Rate**
-  **Monthly Revenue**
-  **Unit Type**
-  **Rental Growth**
-  **Unit Amenities**



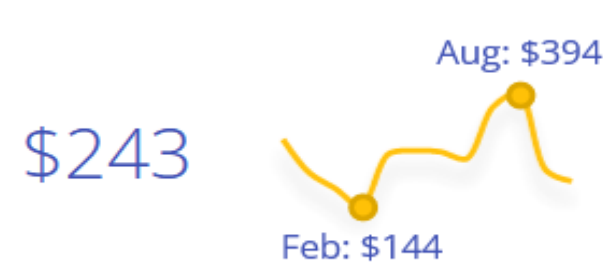
Room Share Data Summary

Core Distinction Group pulled data in the Clyde, Texas Area order to gain an understanding the overall area room share market. The area had 14 active room share rental units.

Room Share Occupancy in the Clyde, Texas Area:



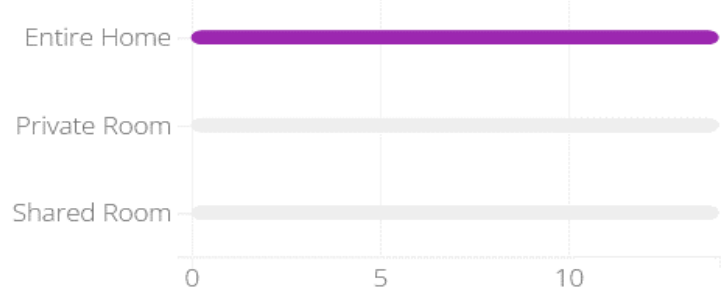
Room Share Average Daily Rate in the Clyde, Texas Area:



Room Share Average Monthly Revenue in the Clyde, Texas Area:



Room Share Rental Type in the Clyde, Texas Area:



Source: AirDNA.com

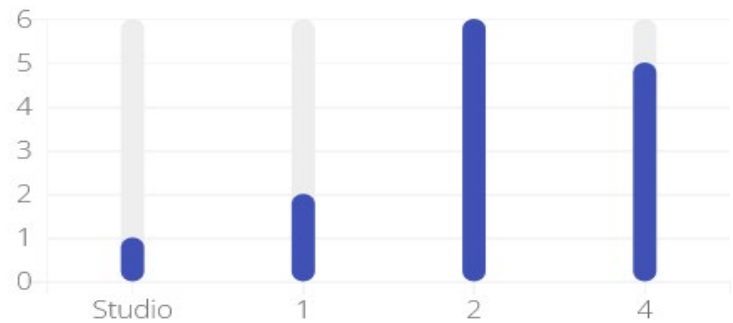


Room Share Data Summary (continued)

At the time of this report, the area units, 79% were listed in airbnb, 14% are listed on Vrbo, and 7% were listed on both.

Room Share Rental Sizes in the Clyde, Texas Area:

Rental Size 2.4 Bedrooms / 7.4 Guests on average

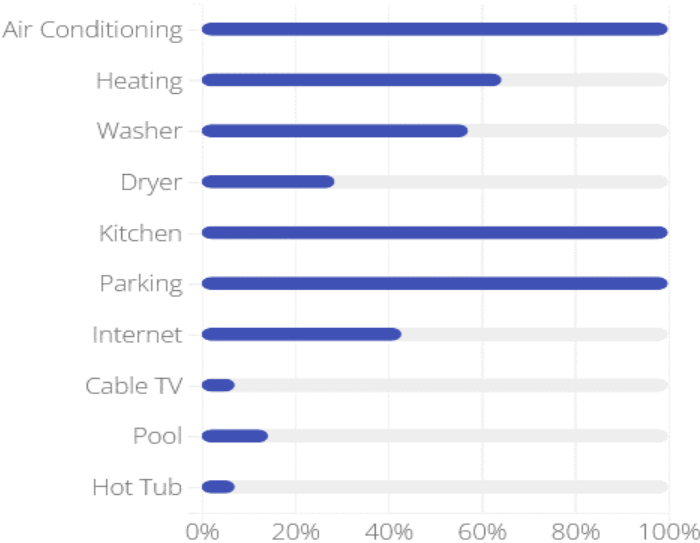


Room Share Rental Growth in the Clyde, Texas Area:

Rental Growth 67% Quarterly Growth



Room Share Rental Amenities in the Clyde, Texas Area:



Source: AirDNA.com



Economic Impact Summary

In this section of the report, Core Distinction Group has compiled a summary of what the potential direct and indirect economic impact could be for the proposed hotel development. This projection offers revenue and job creation information based on this hotel's recommendations stated throughout this report, as well as the occupancy and average rate projected.



Direct Economic Impact



Indirect Economic Impact

Direct Economic Impact

When considering the potential Direct Economic Impact of a new hotel in the community, you look at the direct tax revenue the community is gaining from the project. This takes into consideration Lodging/Bed Taxes when applicable, Sales Taxes and Real Estate Taxes. Below you will find the estimated tax revenue of this project broken down in each category:

Sales Tax Revenue Per Year	
Year	Sales Tax
Ramp Up Year	\$236,692
Year One	\$261,955
Year Two	\$283,120
Year Three	\$300,172
Year Four	\$314,388
Year Five	\$317,467

Based on 9.75% Clyde, City Sales Tax

Lodging/Bed Tax Revenue Per Year	
Year	Lodging/Bed Tax
Ramp Up Year	\$172,140
Year One	\$190,513
Year Two	\$205,905
Year Three	\$218,307
Year Four	\$228,646
Year Five	\$230,885

Based on estimated 6% Lodging/Bed/Innkeepers Tax for the state of Texas.

Real Estate Tax Revenue Per Year (Based on Estimates)	
Year	Real Estate Tax
Ramp Up Year	\$114,499
Year One	\$114,499
Year Two	\$114,499
Year Three	\$114,499
Year Four	\$114,499
Year Five	\$114,499

This information does not account for the collateral economic impact as well. There are many collateral economic impacts that can be accounted for. Additional revenue (and usage) from your sewer, water, trash disposal, utilities and so on all noted in the Pro Forma. The construction period can also promote additional economic growth. All of these add up and vary.



Indirect Economic Impact Estimates

When considering the potential Indirect Economic Impact of a new hotel in the community, you look at the spending of the guest within the community. For the purpose of this summary, we have identified the potential spending on food/dining. This does not take into consideration any taxes increased by said purchases. Below you will find the average rooms sold each year for the potential hotel project:

Rooms Sold Per Year Average		
Year	Occupancy	Rooms Sold
Ramp Up Year	68.4%	22,472
Year One	72.0%	23,655
Year Two	75.6%	24,838
Year Three	77.9%	25,583
Year Four	80.0%	26,280
Year Five	80.0%	26,280

Taking this into consideration, the estimates of rooms sold each day can be found below:

Average Rooms Per Night Sold	
Ramp Up Year	62
Year One	65
Year Two	68
Year Three	70
Year Four	72
Year Five	72



Indirect Economic Impact Estimates (continued)

The average cost of food in the United States of America is \$45 per day. Based on the spending habits of previous travelers, when dining out an average meal in the United States of America should cost around \$18 per person. Breakfast prices are usually a little cheaper than lunch or dinner. The price of food in sit-down restaurants in the United States of America is often higher than fast food prices or street food prices. The total estimated indirect food revenue in your community is estimated* to be around:

Average Indirect Food Revenue Per Day	
Ramp Up Year	\$2,771
Year One	\$2,916
Year Two	\$3,062
Year Three	\$3,154
Year Four	\$3,240
Year Five	\$3,240

Average Indirect Food Revenue Per Year	
Ramp Up Year	\$1,011,251
Year One	\$1,064,475
Year Two	\$1,117,699
Year Three	\$1,151,230
Year Four	\$1,182,600
Year Five	\$1,182,600

** Based on the assumption of one person per room night sold.*

Based on this information, it can be assumed this additional revenue will also create indirect food service jobs. When considering the additional food revenue into your community, industry standards states that around 30% of revenue goes towards labor. Based on the amount of additional revenue, this would bring in the following amount of full-time equivalent jobs*:

Average Indirect Food Service Jobs Needed	
Ramp Up Year	16.4
Year One	17.3
Year Two	18.1
Year Three	18.7
Year Four	19.2
Year Five	19.2

** Based on 32 hours a week and the median average base hourly rate of Food Service Workers of \$11.12 per hour, at the time of this report according to www.payscale.com.*



Indirect Economic Impact Estimates (continued)

Entertainment and activities in the United States of America typically cost an average of \$45 per person, per day. This includes fees paid for admission tickets to museums and attractions, day tours, and other sightseeing expense.

Average Indirect Entertainment/Activities Revenue Per Day	
Ramp Up Year	\$2,771
Year One	\$2,916
Year Two	\$3,062
Year Three	\$3,154
Year Four	\$3,240
Year Five	\$3,240

Average Indirect Entertainment/Activities Revenue Per Year	
Ramp Up Year	\$1,011,251
Year One	\$1,064,475
Year Two	\$1,117,699
Year Three	\$1,151,230
Year Four	\$1,182,600
Year Five	\$1,182,600

** Based on the assumption of one person per room night sold.*

Based on this information, it can be assumed this additional revenue will also create indirect tour guide or tourism industry jobs. When considering the additional food revenue into your community, industry standards states that around 25% of revenue goes towards labor. Based on the amount of additional revenue, this would bring in the following amount of full-time equivalent jobs*:

Average Indirect Entertainment/Activities Jobs Needed	
Ramp Up Year	10.1
Year One	10.7
Year Two	11.2
Year Three	11.5
Year Four	11.8
Year Five	11.8

** Based on 32 hours a week and the median average base hourly rate of Tour Guide of \$15 per hour, at the time of this report according to www.salary.com.*



Indirect Economic Impact Estimates (continued)

The average person spends about \$21 on alcoholic beverages in the United States of America per day.

Average Indirect Alcoholic Beverages Revenue Per Day	
Ramp Up Year	\$1,293
Year One	\$1,361
Year Two	\$1,429
Year Three	\$1,472
Year Four	\$1,512
Year Five	\$1,512

Average Indirect Alcoholic Beverages Revenue Per Year	
Ramp Up Year	\$471,917
Year One	\$496,755
Year Two	\$521,593
Year Three	\$537,241
Year Four	\$551,880
Year Five	\$551,880

** Based on the assumption of one person per room night sold.*

Based on this information, it can be assumed this additional revenue will also create indirect bartender jobs. When considering the additional alcoholic beverage revenue into your community, industry standards states that around 30% of revenue goes towards labor. Based on the amount of additional revenue, this would bring in the following amount of full-time equivalent jobs*:

Average Indirect Bartender Jobs Needed	
Ramp Up Year	7.7
Year One	8.1
Year Two	8.5
Year Three	8.8
Year Four	9.0
Year Five	9.0

** Based on 32 hours a week and the median average base hourly rate of a bartender of \$11 per hour, at the time of this report according to www.salary.com.*



Indirect Economic Impact Estimates (continued)

The average price for Tips and Handouts in the United States of America is \$12 per day. The usual amount for a tip in the United States of America is 10% - 20%.

Average Indirect Tips/Handouts Revenue Per Day	
Ramp Up Year	\$739
Year One	\$778
Year Two	\$817
Year Three	\$841
Year Four	\$864
Year Five	\$864

Average Indirect Tips/Handouts Revenue Per Year	
Ramp Up Year	\$269,667
Year One	\$283,860
Year Two	\$298,053
Year Three	\$306,995
Year Four	\$315,360
Year Five	\$315,360

** Based on the assumption of one person per room night sold.*

Based on this additional revenue being paid, the increase in both food, beverage, and entertainment/activity, service worker's hourly wage would increase substantially in the market.

Source: BudgetYourTravel.com



Conclusion

For the purposes of this Comprehensive Hotel Market Feasibility Study, Core Distinction Group LLC offers an overview and overall description of the conclusion and recommendations found through its research and analysis. This section will contain:



Current Hotel Segment Recommendations for Market Studied



Current Hotel Size Recommendations for Market Studied



Recommended Sleeping Room Configuration for Market Studied



Current Economic Impact of Hotel for Market Studied



Conclusion and Recommendations

Property segment recommended for the potential development of a hotel is an Upper Midscale hotel. This type of hotel would allow the property to be positioned properly at the subject site. It is anticipated that a new hotel would capture displaced Lodging Demand currently staying in markets surrounding Clyde, TX. Additionally, the newness of the hotel should be well received in the marketplace. Its location will be ideal to serve Clyde and regional markets. This type of hotel would also be capable of adjusting rates to best fit the demand in the market and the seasonality of the area.

Property size recommendation of a newly developed hotel was researched to be between 80-100 guestrooms in this report. This would position it to be similar in size to the average room size of 72-86 noted by the competitive set surveyed. The size would assist the property in achieving the Occupancy projections listed in this report. It is not advisable to over-build in this market at this time. Expansion of the hotel in future years could be considered as the market's Lodging Demand grows. Adjusting the room count will modify Performance.

The recommended Sleeping Room Configuration should be compatible with the overall Market Segmentation of the area. The property should offer a selection of guestrooms with single occupancy king bedded rooms at 30%, double occupancy double queen bedded guestrooms at 60%, with a 10% option for extended stay long term lodging options or suites due to the mix of business indicators.

Economic Impact Potential: There are multiple economic impacts of building and developing a new hotel in a community. Some direct impact drivers include projected hotel revenue including all room revenues, meeting room revenue, as well as vending/bar revenue. On average, this size property will create 15-25 full time jobs. Part-time employment varies by hotel need and hiring practices. Additional economic development will include taxes, which include all sales taxes collected on hotel revenue, as well as all payroll related taxes collected from full-time hotel employees and temporary construction workers. Local governments will also collect new property taxes from the operation of the hotel. Indirect impact includes all jobs and income generated by businesses that supply goods and services to the hotel. A few examples of businesses that will indirectly benefit from the development of a hotel include suppliers of room related goods (housekeeping supplies, room amenities, etc.), telecommunication vendors (internet, cable, etc.), utility companies, food and beverage suppliers, and other hotel related vendors.



Understanding Terms

For the purposes of this Comprehensive Hotel Market Feasibility Study, Core Distinction Group, LLC has taken the time to offer detailed definitions of words and terms highlighted throughout this report. This section contains the information to help readers navigate industry terms.



Understanding Terms:

Below you will find definitions of industry terms used throughout this report to help the reader gain an understanding of certain phrases and indicators:

Average Daily Rate (ADR)

A measure of the average rate paid for rooms sold, calculated by dividing room revenue by rooms sold. $ADR = \text{Room Revenue} / \text{Rooms Sold}$

Chain Scale

Chain Scale segments are grouped primarily according to actual average room rates. An independent hotel, regardless of average room rate, is included as a separate Chain Scale category. The Chain Scale segments are: Luxury, Upper Upscale, Upscale, Upper Midscale, Midscale, Economy and Independent.

Competitive Set (Comp Set)

A peer group of hotels that competes for business and is selected to benchmark the subject property's performance.

Date-To-Date Comparison

Comparison of daily performance by actual calendar date (1st of January this year vs. 1st of January last year).

Day-To-Day Comparison

Comparison of daily performance by day of week (Monday this year vs. Monday last year).

Demand

The number of rooms sold in a specified time period (excludes complimentary rooms).

Group Rooms

Typically defined as 10 or more rooms per night sold, pursuant to a signed agreement. Refer to Data Reporting Guidelines for more specific application.

Index

Measures a hotel's performance relative to an aggregated grouping of hotels (i.e., competitive set, market or submarket). We utilize indexes to measure performance in three key areas: Occupancy, ADR and RevPAR. An index of 100 means a hotel is capturing a fair share compared to the aggregated group of hotels. An index greater than 100 represents more than a fair share of the aggregated group's performance. Conversely, an index below 100 reflects less than a fair share of the aggregated group's performance.

Occupancy (OCC)

Percentage of available rooms sold during a specified time period. Occupancy is calculated by dividing the number of rooms sold by rooms available. $\text{Occupancy} = \text{Rooms Sold} / \text{Rooms Available}$

Revenue Per Available Room (RevPAR)

Total room revenue divided by the total number of available rooms. $\text{Room Revenue} / \text{Rooms Available} = \text{RevPAR}$

Total Revenue

Revenue from all hotel operations - including rooms, Food and Beverage, other revenue departments (i.e., spa, golf, parking) and miscellaneous revenue (i.e., rentals, leases, resort fees and cancellation fees).

Year to Date

Period starting at the beginning of the current year and ending on the current date.

Hotel Types - Hotel classifications are driven primarily by building structure and, secondarily, by service level. Hotel types include:

- All-Inclusive: Property with rooms sold only as a complete package, bundling overnight accommodations and value-added amenities and services (i.e., food, beverage, activities and gratuities, etc.)
- All-Suite: Property with guestroom inventory that exclusively consists of rooms offering more space and furniture than a typical hotel room, including a designated living area or multiple rooms.
- B&B/Inn: Independently owned and operated properties that typically include breakfast in the room rates, 20 rooms or fewer and a resident/owner innkeeper.
- Boutique: Hotel that appeals to guests because of its atypical amenity and room configurations. Boutiques are normally independent (with fewer than 200 rooms), have a high average rate and offer high levels of service. Boutique hotels often provide authentic cultural, historic experiences and interesting guest services.
- Condo: Individually and wholly-owned condominium units. Inventory is included in a rental pool operated and serviced by a management company.
- Conference Center: Lodging hotel with a major focus on conference facilities.
- Convention Center: Property with a minimum of 300 rooms and large meeting facilities (minimum of 20,000 square feet).
- Destination Resort: Property that appeals to leisure travelers, typically located in resort markets, and considered a destination in and of themselves with extensive amenity offerings. These properties are typically larger and full-service.

**Hotel Types - Hotel classifications are driven primarily by building structure and, secondarily, by service level.
(Continued)**

- Extended Stay: Properties typically focused on attracting guests for extended periods. These properties quote weekly rates. The typical length of stay average for guests is four to seven nights.
- Full Service Hotel: Typically Upscale, Upper Upscale and Luxury properties with a wide variety of onsite amenities, such as restaurants, meeting spaces, exercise rooms or spas.
- Gaming/Casino: Property with a major focus on casino operations.
- Golf: Property that includes a golf course amenity as part of its operations. A property does not qualify if it only has privileges on a nearby course.
- Hotel/Motel: Standard hotel or motel operation.
- Limited Service: Property that offers limited facilities and amenities, typically without a full-service restaurant. These hotels are often in the Economy, Midscale or Upper Midscale class.
- Lifestyle Brand: Group of hotels operating under the same brand that is adapted to reflect current trends.
- New Build: Property built from the ground up, not a conversion of a building that was not previously a hotel.
- Ski: Property with onsite access to ski slopes.
- Soft Brand: Collection of hotels that allows owners and operators to affiliate with a major chain while retaining their unique name, design and orientation.
- Spa: Property with an onsite spa facility and full-time staff offering spa treatments.
- Timeshare: Property that typically is a resort condominium unit, in which multiple parties hold property use rights, and each timeshare owner is allotted a period of time when the property may be used.
- Waterpark: An indoor or outdoor waterpark resort with a lodging establishment containing an aquatic facility.

LEADERSHIP

LISA PENNAU

Mrs. Pennau offers more than 25 years of hospitality industry experience. She began in the industry as a rental car agent at the airport in Oshkosh, Wisconsin where she worked while completing her degrees in both hospitality management and sales & marketing at the local college. Lisa moved on to work as a manager in training for Super 8 hotels in Wichita, Kansas and quickly was promoted to general manager of a Super 8 in Omaha, Nebraska. She was recruited by Baymont to become a traveling manager and served several distressed Midwest properties until moving on to work for Hilton as a General Manager at a Hampton Inn Minnetonka, MN. When that hotel sold, Lisa was promoted by the new owners to Regional Director of Operations for Pillar Hotels overseeing 25+ Midwest hotels, in both both rural and metropolitan markets, including Minnesota, Wisconsin, Illinois, Iowa, North Dakota, and South Dakota. During her 10 years as Regional Director of Operations, Lisa oversaw multiple brands such as: Choice, Hilton, Hyatt, IHG, and Marriott. In her final year with Pillar she received the highest honor of Regional Director of the Year for Highest Performing Hotels in all capacities including, revenue, operations, guest service score, turnover, etc.



JESSICA JUNKER

Miss Junker offers more than 18 years of hospitality industry experience. From her beginning in the industry as a banquet server at a full-service hotel in downtown Green Bay, Wisconsin, to overseeing that very property as the manager in only a couple of years. Jessica moved on to work as a Director of Sales at a Residence Inn by Marriott, Area Director of Sales with Interstate Hotels, and Regional Director of Sales and Marketing with Pillar Hotels working on Sales, Marketing, and Revenue Management of anywhere between 15 and 52 hotels with every major and not so major brand in the country. After learning everything she needed about running a hotel, she set her sights on what happens before a hotel is built. She worked in many separate executive roles within an up-and-coming hotel franchise. Miss Junker offers hands-on expert knowledge in hotel operations, sales, marketing, training, contracting, development, construction, really all things hotels. She gained this knowledge from industry leaders like Marriott, Hilton, InterContinental Hotels Group, Choice Hotels, TMI Hospitality, Interstate Hotels, Pillar Hotels & Resorts, Cobblestone Hotels, Wyndham Hotels & Resorts, and many more.



SCOPE OF WORK

Core Distinction Group takes immense pride in the work we do. Throughout each phase of our projects we communicate with our clients regularly. This ensures everyone involved in the project is up-to-date on the progress. We also keep a very tight timeline on our projects. Each phase is well thoughtout and followed consistently. The objective of our studies are to identify and determine the need for lodging in the community, the loss of lodging to the area due to lack of quality or amount of lodging, as well as determine if there is enough need to justify a new hotel. A new hotel that makes good business sense. Below you will find each part and its timing in the process:

RESEARCH & COMMUNITY OUTREACH

This phase involves speaking with community leaders to compile a list of potential demand generators in the local and regional community. Research and Community Outreach is conducted within the first one to two weeks following receipt of the retainer.

SITE VISIT & COMMUNITY INTERVIEWS

This phase involves an in-depth local tour given by community leaders to help Core Distinction understand said community and need for lodging. The tour also includes a detailed analysis of potential sites for the project.

COMMUNITY INTERVIEWS

This phase involves conducting online and phone interviews with potential demand generators gathered during the Research and Community Outreach of the study process. This phase will take place in the first two weeks of the study process.

DATA COMPILATION

This phase of the process involves compiling all the data gathered during our visit to gain the overall picture of what is needed for the community. This phase is conducted in the two weeks following our community visit completion.

*DATA RECEIVING & REPORTING

Once all the demand generator information is gathered, Core Distinction Group begins pulling industry data for target market as well as industry trends to help us gain a better understanding of the local and regional opportunity areas.

COST GATHERING

This involves all things cost. Core Distinction Group gathers actual cost for the development, construction, financing, taxes, and all other ongoing costs associated with the specific project.

PROJECT PRO FORMA

Immediately following Development and Operational Cost Gathering, Core Distinction Group will construct a project, brand, market, and scale specific Pro Forma that is bank, investor, brand and developer friendly.

DRAFT COMPLETION/SUBMITTAL

After Core Distinction has conducted all previous phases, we complete a draft of the study and financial pro forma and submit it for review by the contracted entity. Changes to the study may be made at this point but are limited to spelling and grammar updates.

FINAL

After all requested changes are made and final payment is received, Core Distinction Group will submit a final draft of the Hotel Market Feasibility Study and Brand Specific Pro Forma to the community for distribution.

*If at this point, Core Distinction Group does not feel there is enough need for lodging to merit the costs of a new build hotel, we will stop the process, communicate with the community and offer alternative options for accommodations. If this happens, the contracted entity is not responsible for the remaining study costs highlighted in (Cost) and will receive a report indicating the reasoning behind the decision.



DISCLAIMER

Thank you for the opportunity to complete this market and feasibility study for the proposed hotel project located in Clyde, Texas. We have studied the market area for additional demand for a lodging facility and the results of our fieldwork and analysis are presented in this report. We have also made recommendations for the scope of the proposed project, including general site location, size of hotel, and brand segment.

We hereby certify that we have no undisclosed interest in the property and our employment and compensation are not contingent upon our findings. This study is subject to the comments made throughout this report and to all assumptions and limiting conditions set forth herein.

The conclusions presented in this report are based upon the information available and received at the time the report was filed. Core Distinction Group, LLC (CDG) has taken every possible precaution to evaluate this information for its complete accuracy and reliability. Parts of this report were prepared or arranged by third-party contributors, as indicated throughout the document. While third-party contributions have been reviewed by CDG for reasonableness and consistency to be included in this report, third-party information has not been fully audited or sought to be verified by CDG. CDG does not provide financial advice.

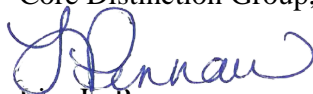
It should be understood that economic and marketplace conditions are in constant change. The results presented in this report are the professional opinion of CDG and are based on information available at the time of the report preparation. These opinions infer that market conditions do not change the information received upon which those opinions have been based. CDG assumes no responsibility for changes in the marketplace. CDG assumes no responsibility for information that becomes outdated once this report is written; nor are we responsible for keeping this information current after the date of the final document presentation.

CDG makes no express or implied representation or warranty that the contents of this report are verified, accurate, suitably qualified, reasonable or free from errors, omissions or other defects of any kind or nature. Those who rely on this report do so at their own risk and CDG disclaims all liability, damages or loss with respect to such reliance.

It is presumed that those reading this report understand the contents and recommendations. If this reader is unclear of understanding the contents, clarification can be received directly from a representative of CDG. While the terms of CDG's engagement do not require that revisions be made to this report to reflect events or conditions which occur subsequent to the date of completion of fieldwork, we are available to discuss the necessity for revisions in view of changes in the economic climate or market factors affecting the proposed hotel project.

Please do not hesitate to call should you have any comments or questions.

Sincerely,
Core Distinction Group, LLC



Lisa L. Pennau
Owner

