

COMPREHENSIVE HOTEL MARKET FEASIBILITY STUDY

PREPARED FOR

MARION, IOWA

PREPARED BY

Core Distinction Group, LLC

Lisa Pennau - Founding Partner
l.pennau@coredistinctiongroup.com

Jessica Junker - Managing Partner
j.junker@coredistinctiongroup.com

Offices in Wisconsin

INCLUDES

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TAKING THE FIRST STEP TO DEVELOP A NEW HOTEL IN YOUR COMMUNITY



Organization: City of Marion, Iowa
Attention: Kim Downs, Deputy City Manager
Address: 1225 6th Avenue
City, State, Zip Code: Marion, Iowa 52302

In accordance with our agreement, Core Distinction Group, LLC. has completed a Comprehensive Hotel Market Feasibility Study to determine if Marion, IA 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 December 2024. 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.

Jessica Junker

Managing Partner

Core Distinction Group, LLC



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INTRODUCTION

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

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

Intended User - Marion, IA 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 Marion, IA 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 Marion, IA 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.

COMMUNITY OVERVIEW

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
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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.



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COMMUNITY OVERVIEW

Marion, Iowa, located in Linn County, is a vibrant and growing community just northeast of Cedar Rapids. Known for its welcoming atmosphere, rich history, and family-friendly environment, Marion has become a desirable place to live, work, and visit in eastern Iowa. With a population of over 40,000, the city combines the charm of a small town with the amenities and opportunities of a larger metropolitan area, offering an exceptional quality of life for its residents.

Marion's history dates back to its founding in 1839 when it served as the original county seat of Linn County. The city was named after Revolutionary War hero General Francis Marion and quickly grew as settlers were drawn to its fertile lands and strategic location. While Cedar Rapids eventually became the county seat, Marion retained its importance as a hub for commerce, transportation, and community development. The city's commitment to preserving its history is evident in landmarks such as the Granger House Victorian Museum and the beautifully restored Uptown Marion District.

Marion's neighborhoods are a blend of historic charm and modern convenience. The Uptown Marion area, with its historic architecture, unique boutiques, and local restaurants, serves as the cultural heart of the city. In contrast, newer residential developments provide modern housing options for families and young professionals. The city has invested heavily in infrastructure and planning, ensuring that neighborhoods are connected by safe streets, walking paths, and trails. Marion's dedication to maintaining a clean and attractive environment enhances its appeal as a livable and accessible community.

Education is a cornerstone of life in Marion, with two highly regarded school districts—Linn-Mar Community School District and Marion Independent School District—serving the area. Both districts are known for their academic excellence, extracurricular opportunities, and focus on preparing students for success. For higher education, residents have access to nearby institutions like Kirkwood Community College and Coe College in Cedar Rapids, as well as the University of Iowa, just a short drive away in Iowa City. Additionally, the Marion Public Library provides a wealth of resources and programming for lifelong learning and community engagement.



COMMUNITY OVERVIEW – CONTINUED

Outdoor recreation and green spaces play a significant role in Marion’s appeal. The city boasts an extensive parks system that includes more than 600 acres of parks, trails, and open spaces.

Popular spots like Lowe Park and Thomas Park offer playgrounds, sports facilities, and picnic areas for families to enjoy. The Cedar Valley Nature Trail, which passes through Marion, is a favorite for bikers, runners, and walkers, connecting the city to the larger network of trails in Linn County. These outdoor amenities reflect Marion's commitment to fostering a healthy and active lifestyle for its residents.

The local economy in Marion is diverse and robust, benefiting from its proximity to Cedar Rapids while fostering its own business community. The city is home to a growing number of small businesses, retail establishments, and professional services. Marion has also become a hub for technology, healthcare, and manufacturing, providing ample employment opportunities. The city's Uptown Marion area, with its vibrant mix of shops and restaurants, supports both local entrepreneurs and regional visitors, contributing to a thriving economic landscape.

Community events and cultural activities are central to life in Marion. The annual Marion Arts Festival, consistently ranked among the top arts festivals in the nation, draws thousands of visitors each year to celebrate local and national artists. Other events, such as farmers' markets, outdoor concerts, and holiday celebrations, create a sense of community and bring residents together. These traditions, along with the city’s focus on preserving its historical roots while embracing growth, make Marion a dynamic and welcoming community that continues to attract new residents and visitors alike.

EXECUTIVE SUMMARY

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EXECUTIVE SUMMARY

It is the opinion of Core Distinction Group, that at the time of this study, the community of Marion, Iowa and the immediate surrounding areas offer 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 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 Upscale hotel. For the purpose of this study, Core Distinction Group, focuses on the Upper Midscale hotel. This type of hotel would allow the property to be positioned properly at the subject site. It is anticipated that this new hotel would capture displaced Lodging Demand currently staying in markets surrounding Marion, IA. Additionally, the newness of the hotel should be well received in the marketplace. It's location will be ideal to serve Marion 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 for the Upscale, newly developed hotel was researched to be between 80 and 90 guestrooms in this report. This would position it to be smaller in size than the average room size of 138 units noted by the competitive set surveyed for Upscale. 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 comparable selection of guestrooms with both single occupancy king bedded rooms to double occupancy double queen bedded guestrooms.



EXECUTIVE SUMMARY – CONTINUED

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 8-12 full-time equivalent jobs. Indirect impact includes all jobs and income generated by businesses that supply goods and services to the hotel. Below you will find a summary of the total Estimated Economic Impact of the potential new hotel project over the first five years open:

✓	Estimated Increase in Sales Tax	\$1,172,560
✓	Estimated Increase in Lodging Tax	\$1,132,896
✓	Estimated Increase in Real Estate/Property Tax	\$1,015,363
✓	Estimated Increase in area Restaurant Sales Revenue	\$5,975,342
✓	Estimated Increase in area Entertainment Revenue	\$5,666,272
✓	Estimated Increase in Alcohol Sales Revenue	\$2,781,625
✓	Estimated Increase in Tip Revenue	\$3,399,763
	Total Estimated Economic Impact:	\$21,143,822

*Details found in Economic Impact Summary

FEEDER MARKETS

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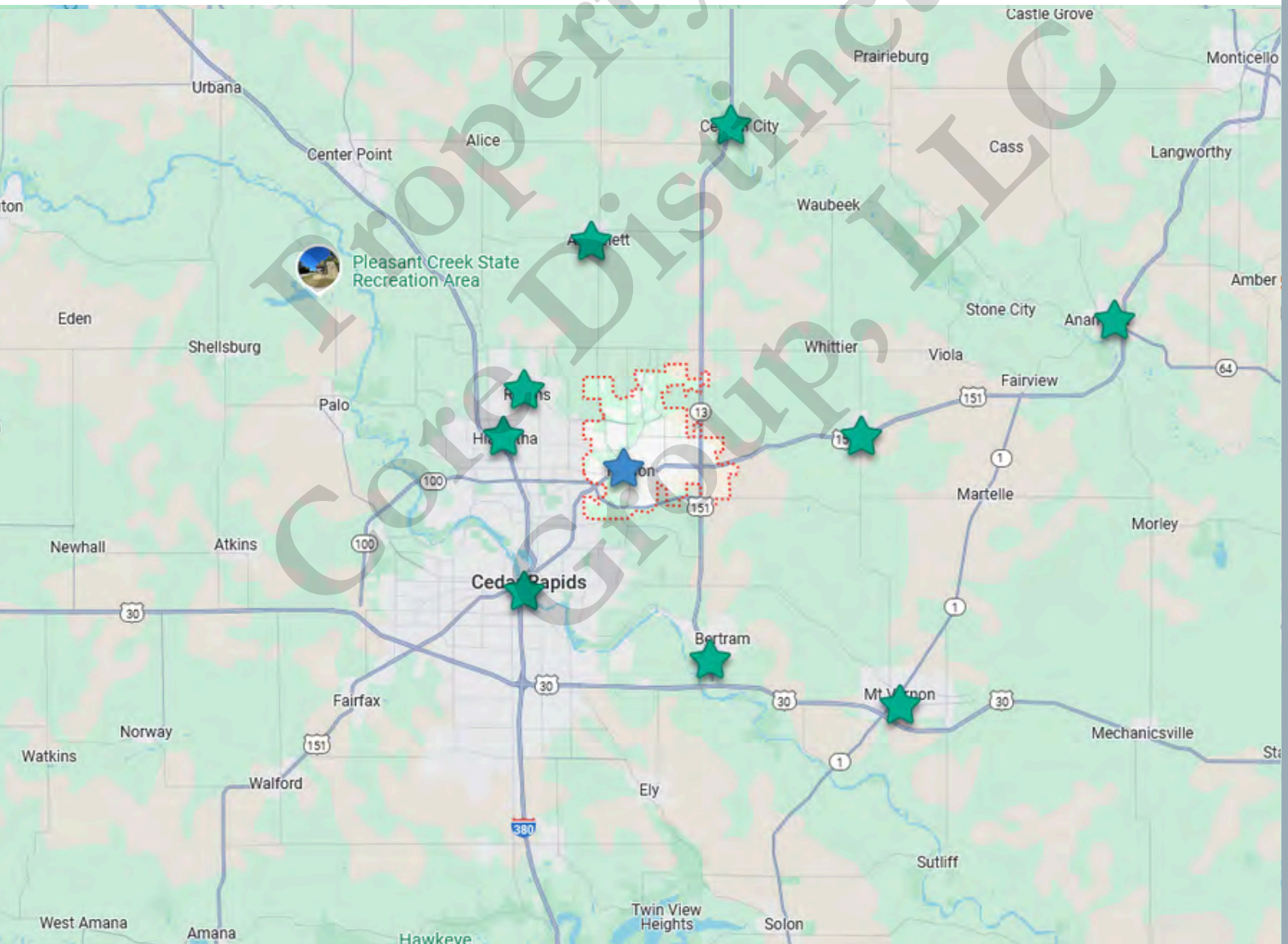


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FEEDER MARKETS

Understanding feeder markets allows hoteliers to tailor their marketing strategies, pricing, and amenities to meet the preferences and needs of their target audience. By analyzing data on travel trends, economic conditions, and population dynamics in feeder markets, hotel developers can predict demand and estimate occupancy rates more accurately. Additionally, identifying strong feeder markets helps in forecasting revenue potential and determining the most effective channels for advertising and partnerships, such as travel agencies, corporate accounts, or tourism boards. Feeder market analysis also highlights opportunities to align the hotel’s offerings with regional events, attractions, or transportation hubs, ensuring a steady flow of guests and a competitive advantage in the local hospitality landscape.





FEEDER MARKETS – CONTINUED

Anamosa, IA: Located in Jones County, Iowa, Anamosa is a historic town with a population of approximately 5,500 residents. Known as the “Pumpkin Capital of Iowa,” the town hosts the annual Pumpkinfest and Weigh-Off, drawing thousands of visitors every fall. Anamosa is also home to the National Motorcycle Museum, which showcases a fascinating collection of vintage motorcycles, memorabilia, and exhibits that attract enthusiasts from across the nation. The city’s economy is supported by manufacturing, agriculture, and tourism, with businesses like General Mills and local farms playing significant roles. The picturesque Wapsipinicon State Park, featuring limestone bluffs, caves, and trails, offers outdoor recreation opportunities for residents and visitors alike.

Central City, IA: A quaint town in Linn County with a population of around 1,300, and known for its close-knit community and outdoor recreational opportunities. Situated along the Wapsipinicon River, it offers fishing, kayaking, and hiking activities at Pinicon Ridge Park, one of the region’s most beloved green spaces. The town also hosts Central City BBQ Days, a popular summer festival featuring food, entertainment, and community gatherings. Central City’s local economy is bolstered by small businesses, agriculture, and its proximity to Cedar Rapids, making it an appealing location for commuters seeking a quieter lifestyle.

Alburnett, IA: Alburnett is a small, charming town in Linn County with a population of approximately 700 residents. Known for its peaceful rural atmosphere, the town features well-maintained parks and a close-knit community ideal for families. The local economy revolves around agriculture, small businesses, and services supporting nearby larger cities. While Alburnett does not have major tourist attractions, its proximity to Marion and Cedar Rapids makes it a convenient home for those seeking the serenity of rural life with easy access to urban amenities.

Robins, IA: A rapidly growing community in Linn County, Robins has a population of about 3,500. Its location just north of Cedar Rapids has made it an attractive residential area for professionals and families. Robins is known for its well-planned neighborhoods and excellent quality of life, with walking and biking trails connecting its parks and community spaces. The town hosts events like the annual Robins Roundup, fostering community spirit. While primarily residential, the town benefits economically from its proximity to Cedar Rapids and its strong local governance, which emphasizes sustainable growth and development.



FEEDER MARKETS – CONTINUED

Hiawatha, IA: With a population of approximately 7,500, Hiawatha is a vibrant suburb of Cedar Rapids. The town boasts a mix of residential neighborhoods and commercial developments, making it a hub for businesses and families alike. Hiawatha’s economic base includes retail, healthcare, and professional services, supported by its strategic location along Interstate 380. The town’s cultural and recreational offerings include Guthridge Park, which hosts community events such as Hiawatha Fun Fest and outdoor concerts. Additionally, the Hiawatha Public Library and a variety of restaurants and shops contribute to the area’s appeal.

Cedar Rapids, IA: Iowa's second-largest city, this bustling metropolis has a population of over 137,000. Known as the “City of Five Seasons,” Cedar Rapids is a cultural and economic hub in eastern Iowa. The city is home to major employers like Collins Aerospace, Cargill, and General Mills, supporting a diverse economy. Tourist attractions include the Cedar Rapids Museum of Art, the National Czech & Slovak Museum & Library, and the African American Museum of Iowa. Outdoor enthusiasts enjoy the Cedar River, extensive parks, and trails. The NewBo City Market and vibrant downtown area make Cedar Rapids a hotspot for dining, shopping, and entertainment.

Bertram, IA: A small community with a population of about 300, offering a quiet rural lifestyle while being conveniently close to Cedar Rapids. Nestled along the Cedar River, the town is characterized by its picturesque landscapes, including rolling farmland and wooded areas. Bertram’s local economy revolves around agriculture and small-scale businesses. Residents enjoy the serene environment and access to nearby attractions in larger cities like Cedar Rapids and Marion. The historic Bertram Bridge, a bowstring iron bridge, is a notable landmark reflecting the town’s historical heritage.

Mt. Vernon, IA: A vibrant town with a population of approximately 4,500, located in Linn County along the historic Lincoln Highway. Known for its artistic community and historic charm, the town boasts Cornell College, a liberal arts institution that significantly contributes to the local economy and culture. Mt. Vernon hosts the annual Chalk the Walk festival, where artists and visitors create and view large-scale chalk art along the streets. The town’s Uptown District features unique shops, art galleries, and restaurants, drawing visitors from across the region. Nearby Palisades-Kepler State Park provides hiking, fishing, and camping opportunities.



FEEDER MARKETS – CONTINUED

Springville, IA: This small and friendly town in Linn County with a population of about 1,200, offers a welcoming environment with strong community values. The town’s economy centers around agriculture, small businesses, and services, with many residents commuting to larger nearby cities like Marion and Cedar Rapids for work. Springville is known for its annual Fun Days festival, which includes parades, games, and live music. Cox Lake and local parks provide outdoor activities for residents, enhancing the town’s family-oriented appeal. Its location near major highways makes it a convenient yet peaceful place to live.

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SITE ANALYSIS

For the purposes of this Comprehensive Hotel Market Feasibility Study, a representative with Core Distinction Group LLC evaluated all sites requested by the client. The potential location/s are detailed in the following pages including analysis of each site.

- Site Rating
 - Visibility
 - Accessibility
 - Traffic Counts
 - Site Prep
 - Major Utilities
 - Zoning
 - Area Support Services
 - Demand
 - Generators
 - Competition Position
- Location
- Land Area
- Frontage
- Utilities
- Parking
- Traffic Counts

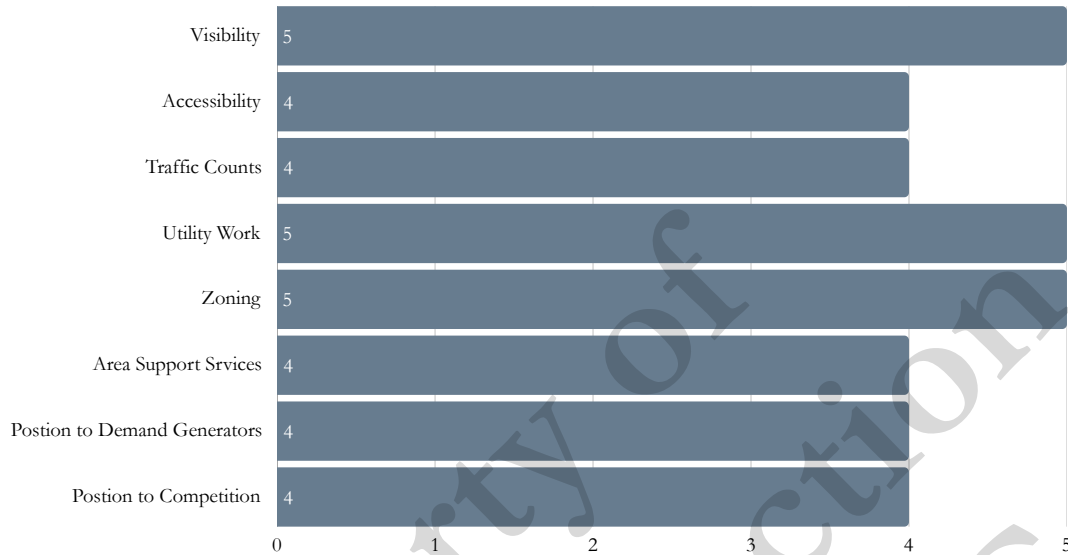
It is important to analyze the site with respect to regional and local transportation routes and demand generators, including ease of access. A detail of traffic information will follow the individual site information in this report.



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SITE ANALYSIS



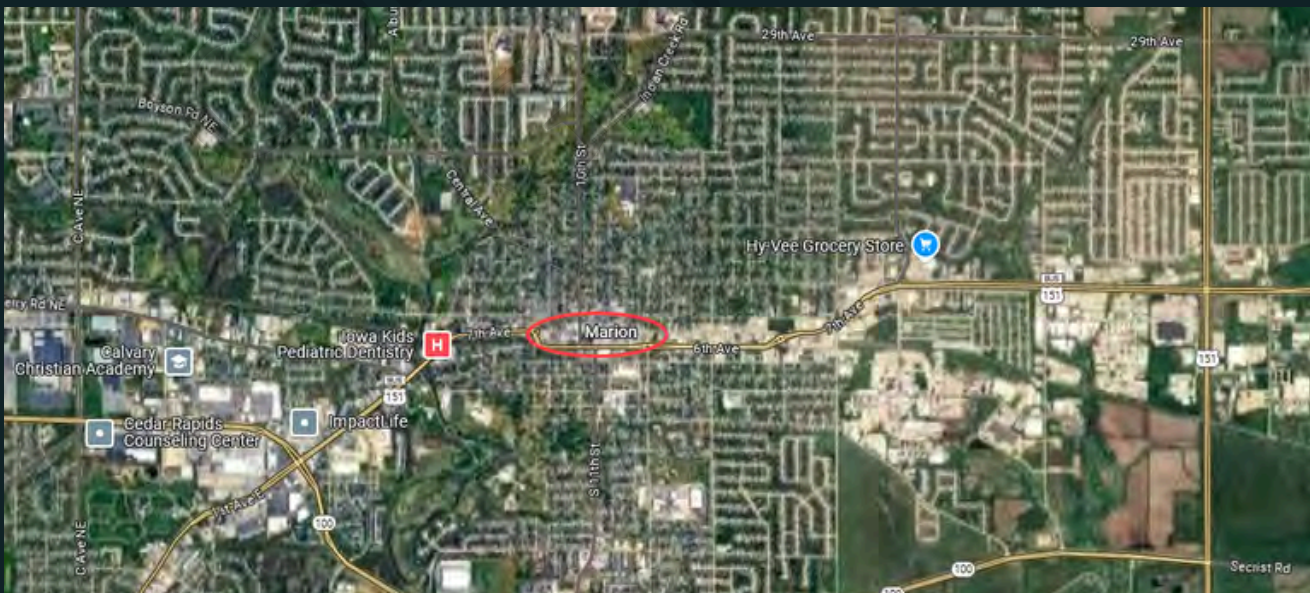
Frontage: This proposed property should offer high visibility and/or frontage to 6th Avenue and/or 7th Avenue in Marion.

Utilities: It is to the understanding of Core Distinction Group that water, electricity and sewer are available in the general area.

Land Area: The site size for proposed location would be one and a half to two acres.

Parking: This area is assumed to not offer a site that will be able to accommodate the appropriate number of parking spaces. Additional parking will need to be addressed.

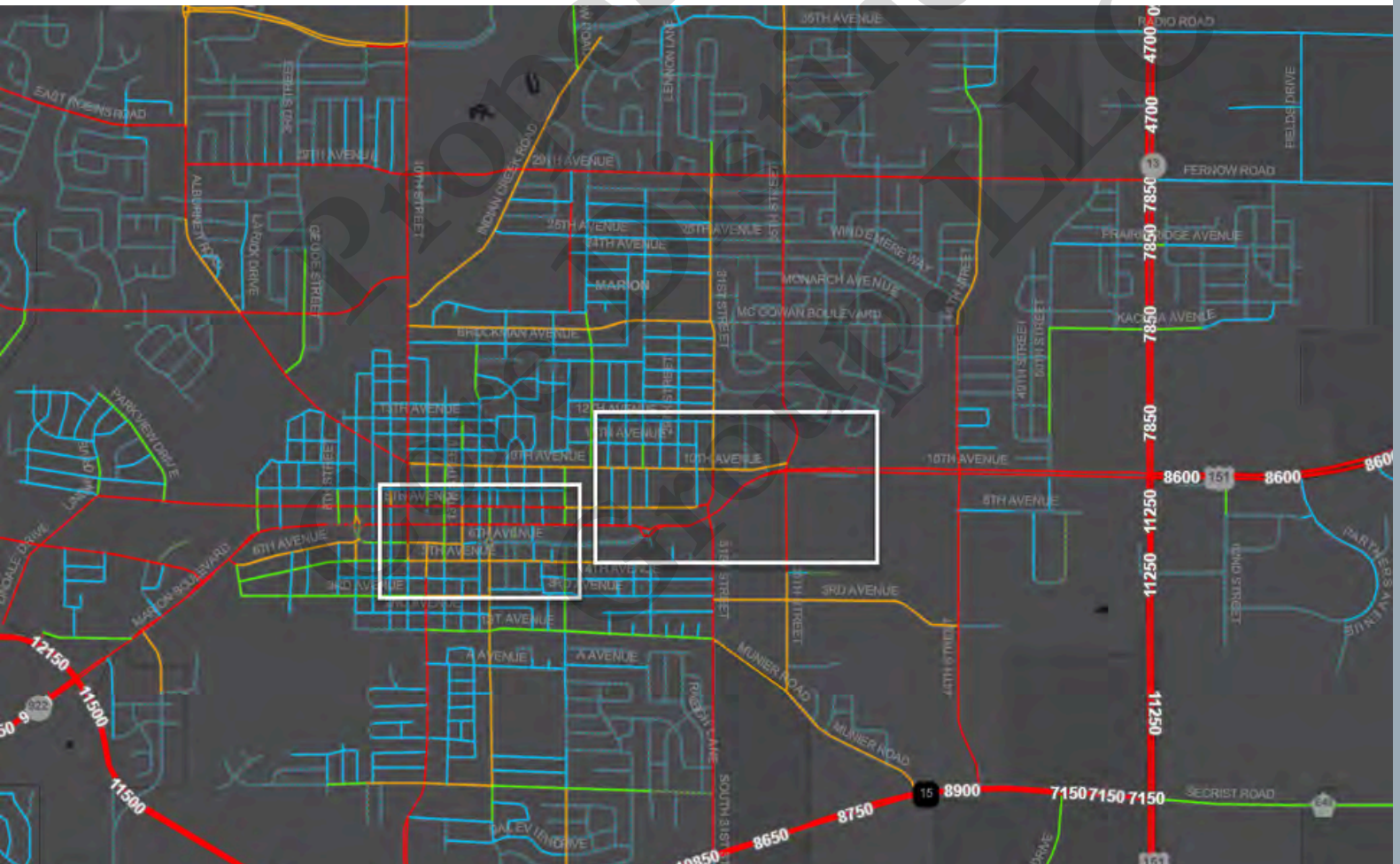
Location: Vicinity of Uptown Marion, Iowa





TRAFFIC COUNTS

Traffic counts can be a critical component of a hotel market feasibility study because they provide valuable insights into the volume and patterns of potential customer flow near a proposed location. High traffic counts can indicate strong visibility and accessibility, both of which are key factors in attracting transient guests such as business travelers, tourists, and pass-through visitors. Traffic data helps assess whether the location has sufficient exposure to capture drive-by bookings or spur interest in nearby amenities. Additionally, traffic patterns can reveal peak times and seasonal variations, assisting in forecasting occupancy rates and revenue potential. By integrating traffic counts with other market indicators, such as demographics and competition, developers can make informed decisions about site selection and investment viability.



COMMUNITY INTERVIEWS/SURVEYS

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 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 Interviewee



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COMMUNITY INTERVIEWS

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:

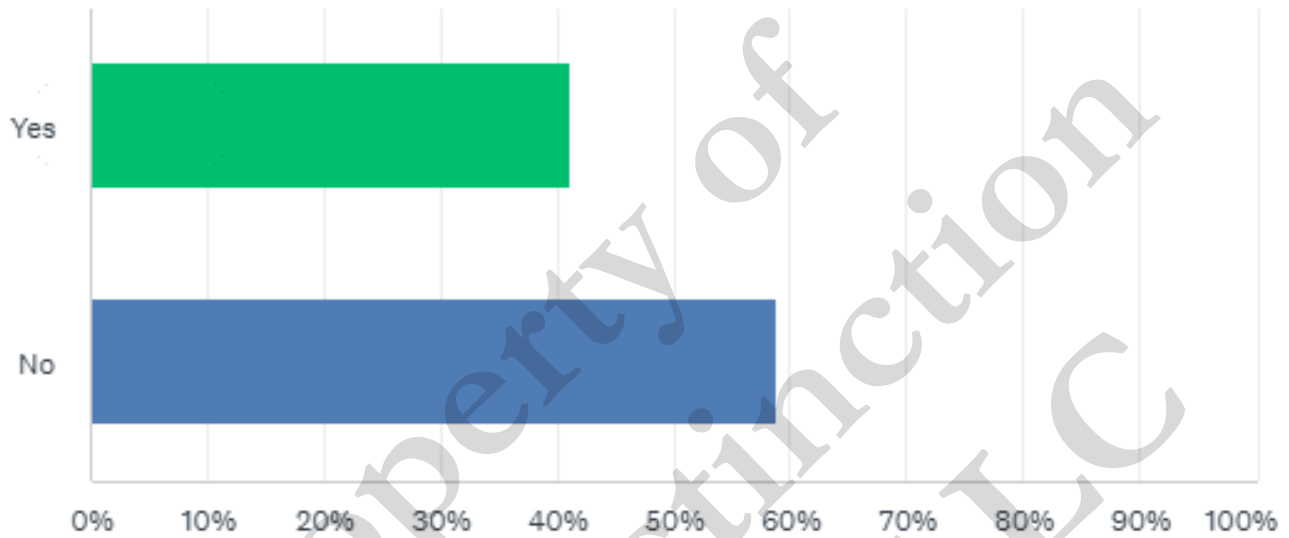
- ✓ Does your business or organization have a need for overnight accommodations?
- ✓ If yes, what is the approximate weekly or monthly need?
- ✓ Does your business or organization have a need for long-term or extended stay overnight accommodations?
- ✓ If yes, what is the approximate length of stay and 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?
- ✓ 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.

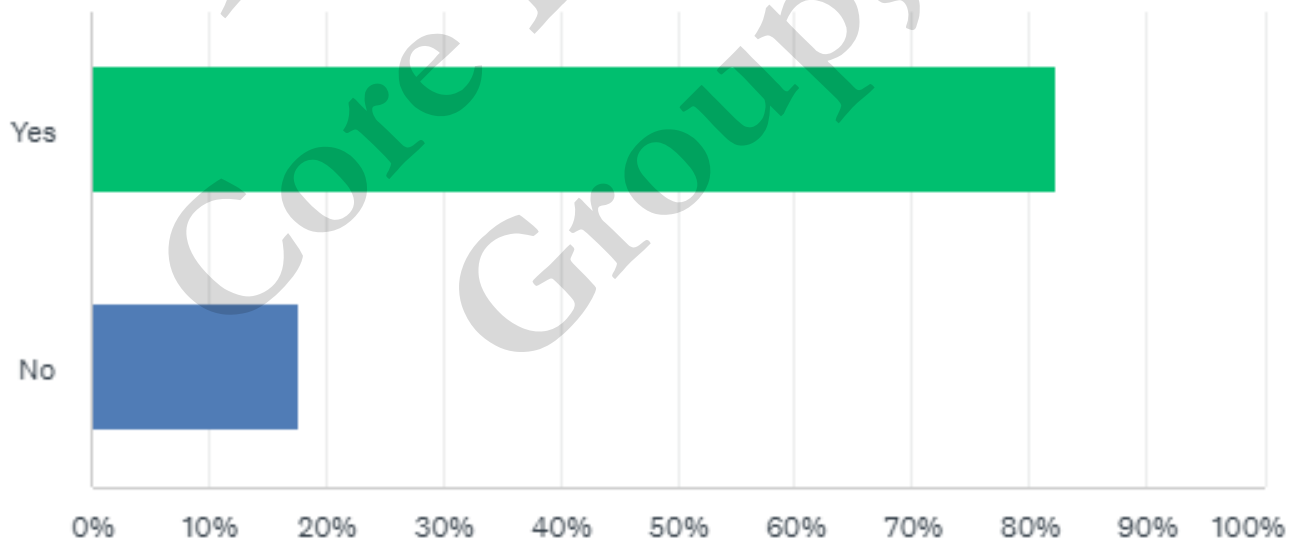


COMMUNITY INTERVIEWS – CONTINUED

When Core Distinction Group asked individual businesses in the area if they had a need for new, quality accommodations in the community, 42% identified a specific need:



When Core Distinction Group asked individuals and businesses in the area if there is a need in Marion, Iowa for a new hotel, nearly 83% stated yes:



LODGING DEMAND OVERVIEW

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 Projections
 - SMERF Demand
 - Corporate Demand
 - Area Events & Attractions
 - Transient/Walk-In Demand
- Employer/Local Economy Overview
- Demand Generators

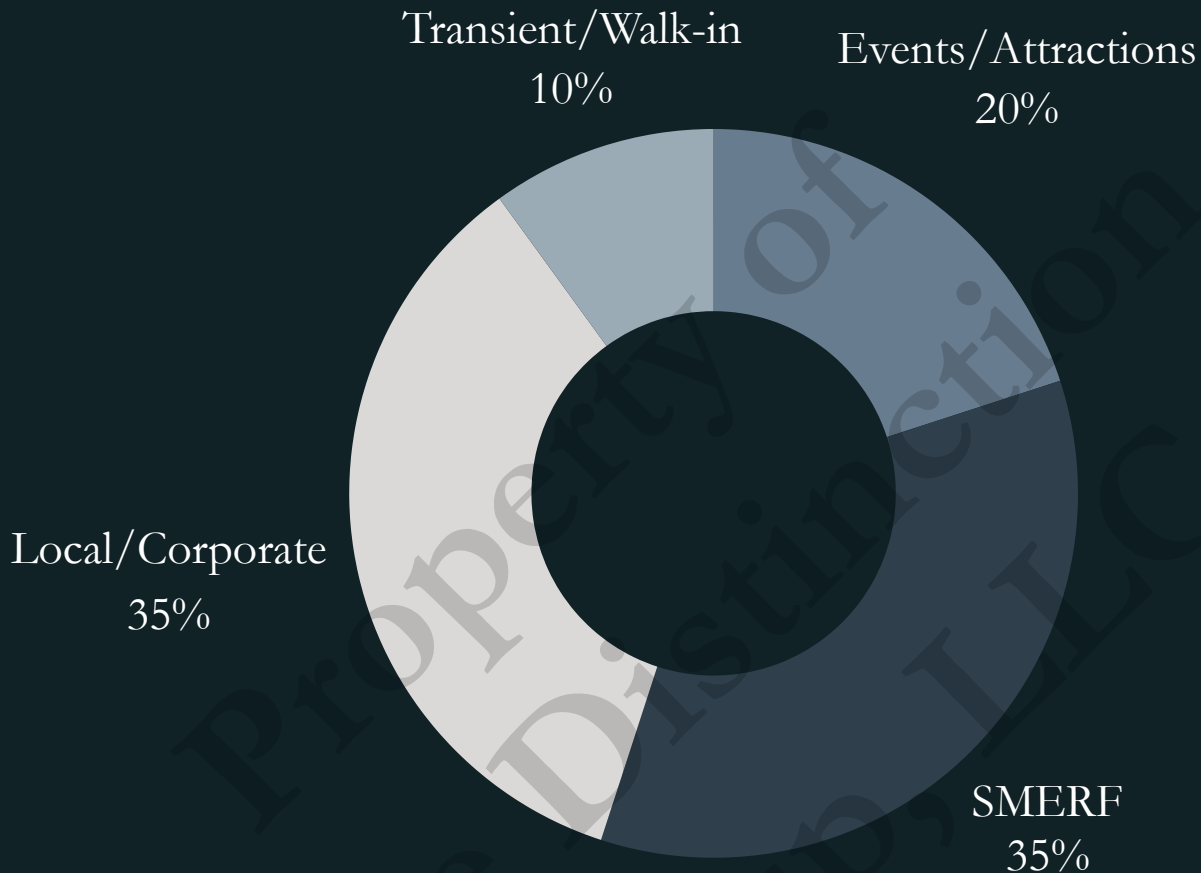
In addition to a breakdown and overview of the market's lodging demand segmentation, this sections also details the sources of said lodging demand and in some cases, identifies when the demand peaks.



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LODGING MARKET SEGMENTATION PROJECTIONS



Identifying which segments have the potential to produce 80 percent of your hotel's revenue is imperative to the success of developing these segments to ensure hotel is achieving fair market share. This starts with understanding the market in which any given hotel operates. A fundamental understanding of the competitive environment, key economic drivers and historical trends are essential to understanding which market segments are relevant. At this time, the proposed hotel should experience the same Market Segmentation as the overall market. The proposed hotel in Marion, IA would be the newest hotel in the immediate regional area and would be positioned to serve a wide variety of Lodging Demand. Also, as a proposed upper midscale hotel, it would be able to flex rates and services to accommodate a full range of Lodging Demand.



LODGING MARKET SEGMENTATION PROJECTIONS

SMERF Demand - SMERF stands for social, military, education, religious and fraternal meetings. In communities where corporate meetings and business travelers keep hotels occupied on weekdays, SMERF business, which is predominantly weekend business, can fill rooms Friday through Sunday.

Corporate Demand - Corporate demand consists mainly of individual business people passing through the subject market or visiting area businesses, in addition to high-volume corporate accounts generated by local firms. Brand loyalty (particularly frequent-traveler programs), as well as location and convenience with respect to businesses and amenities, influence lodging choices in this segment. Companies typically designate hotels as “preferred” accommodations in return for more favorable rates, which are discounted in proportion to the number of room nights produced by a commercial client. Corporate demand is strongest Monday through Thursday nights, declines significantly on Friday and Saturday, and increases somewhat on Sunday night. It is relatively constant throughout the year, with marginal declines in late December and during other holiday periods.

Area Events & Attractions/Leisure Demand - Leisure demand consists of individuals and families spending time in an area or passing through en route to other destinations. Travel purposes include sightseeing, recreation, or visiting friends and relatives. Leisure demand also includes room nights booked through Internet sites such as Expedia, Hotels.com, and Priceline; however, leisure may not be the purpose of the stay. This demand may also include business travelers and group and convention attendees who use these channels to take advantage of any discounts that may be available on these sites. Leisure demand is strongest on Friday and Saturday nights and all week during holiday periods and the summer months. These peak periods represent the inverse of commercial visitation trends, underscoring the stabilizing effect of capturing weekend and summer tourist travel.

Transient/Walk-In Demand - This demand can peak during any day of the week depending on the market. transient/walk-in demand is based on many factors including traffic through the area and potential overflow from feeder markets. This demand may include business and leisure travelers.



EMPLOYER/ECONOMIC OVERVIEW

Marion, Iowa, has experienced steady economic growth over the years, positioning itself as a vibrant community within the Cedar Rapids metropolitan area. The city's strategic location near Interstate 380 and Highway 151 provides easy access to regional markets and transportation networks, which has helped attract diverse industries and employers. With a strong emphasis on fostering business growth and innovation, Marion boasts a well-rounded economy supported by manufacturing, healthcare, technology, education, and small businesses. The city's proactive economic development initiatives, coupled with a highly skilled workforce, make it a prime location for both large corporations and entrepreneurial ventures.

One of the largest employers in Marion is Cryogenic Equipment & Services, Inc., a company specializing in cryogenic systems and industrial gas equipment. This business plays a vital role in the city's industrial sector and highlights Marion's capacity to support specialized manufacturing. Additionally, the presence of Legacy Manufacturing further underscores the city's commitment to advanced manufacturing. Legacy, known for its high-quality tools and equipment, contributes significantly to the local economy by providing jobs and partnering with regional businesses.

The healthcare industry is another cornerstone of Marion's economy. MercyCare Community Physicians operates a major clinic in the city, offering a wide range of medical services and employment opportunities for healthcare professionals. As part of the larger Mercy Medical Center network in Cedar Rapids, this clinic ensures that residents have access to high-quality care while supporting Marion's economic stability. Healthcare jobs remain a growing sector in the area, with additional opportunities stemming from clinics and specialized practices throughout the city.

Education is also a significant employer in Marion, with the Linn-Mar Community School District and the Marion Independent School District collectively serving thousands of students. These districts employ hundreds of educators, administrators, and support staff, making them some of the largest public employers in the community. Their presence not only strengthens the local economy but also attracts families to Marion, boosting residential growth and related sectors. Nearby colleges and universities, such as Kirkwood Community College, provide additional employment and training opportunities, enhancing the city's workforce development.



EMPLOYER/ECONOMIC OVERVIEW – CONTINUED

Small businesses and entrepreneurial ventures thrive in Marion, particularly in the Uptown Marion District, which is a hub for retail, dining, and professional services. Local businesses benefit from support programs like the Marion Economic Development Corporation (MEDCO) and Iowa’s Small Business Development Center. These organizations help entrepreneurs and small enterprises succeed by providing resources, funding opportunities, and training. The mix of independently owned shops and larger franchises fosters a diverse and resilient economy that attracts both residents and visitors.

Marion also benefits from its proximity to Cedar Rapids, home to major employers like Collins Aerospace, Quaker Oats, and General Mills. Many Marion residents commute to these companies, contributing to the regional economy while enjoying the high quality of life Marion offers. This interconnectedness has helped Marion maintain low unemployment rates and steady economic growth, as residents can access a wide array of job opportunities in both cities.

Finally, Marion’s commitment to planned growth and sustainable development ensures a bright economic future. The city is actively developing the Marion Enterprise Center, a business park designed to attract new industries and businesses. Paired with investments in infrastructure and quality-of-life improvements, Marion is well-positioned to continue its upward trajectory as a dynamic and economically diverse community. With its strong employer base, skilled workforce, and supportive business climate, Marion remains a key economic player in eastern Iowa.



DEMAND GENERATORS

Uptown Marion: The vibrant downtown district of Marion, known for its charming historic architecture, thriving local businesses, and a rich array of community events. This area is listed on the National Register of Historic Places, preserving the character of its 19th-century buildings while fostering modern growth. Uptown Marion is home to boutique shops, art galleries, coffee houses, and local restaurants that attract both residents and visitors. It also hosts year-round events like the Marion Arts Festival, Uptown Marion Market, and Holiday in the Park. The district's walkability and beautiful streetscapes make it a lively and engaging destination. Efforts like the 7th Avenue Streetscape Project have enhanced the area, adding gathering spaces, public art installations, and a plaza for outdoor performances.

Lowe Park: A cornerstone of recreation and cultural activity in Marion, spanning over 180 acres. It is home to the Klopfenstein Amphitheater, a venue for outdoor concerts and community theater performances. The Arts and Environment Center within the park showcases local art exhibits and offers workshops for all ages. Lowe Park also features a well-maintained butterfly garden, walking trails, sports fields, and a modern playground. Seasonal events like Moonlit Movies and the Winter Lights at Lowe Park add a unique charm to this destination. The park is a hub for both leisurely and active pursuits, making it one of Marion's most versatile green spaces.

Butterfield Park: A family-friendly recreational area in Marion, equipped with a playground, picnic shelters, and wide open green spaces. The park's skatepark is a favorite among local youth and provides a safe, designated space for skateboarding and rollerblading enthusiasts. Its proximity to residential neighborhoods makes it an accessible and popular choice for daily outdoor activities. Regular park improvements ensure that it remains a safe and enjoyable environment for visitors.

Elza Park: A tranquil neighborhood park designed for relaxation and light recreation. It offers a playground, shaded picnic areas, and grassy spaces ideal for family picnics or quiet reflection. The park's intimate setting provides a retreat from the busier parts of Marion while still being close to the community.



DEMAND GENERATORS – CONTINUED

City Square Park: Marion’s historic public square is located in the heart of Uptown Marion. It features a picturesque gazebo, a central lawn for gathering, and walking paths lined with flowers and trees. The park is a hub for community events, such as the Marion Farmers Market, outdoor concerts, and seasonal celebrations like Christmas in the Park. Its central location makes it a social and cultural focal point for residents and visitors alike.

Donnelly Park: A beloved neighborhood park with ample space for recreational activities. It features playground equipment, basketball courts, and picnic shelters. Its well-maintained green areas make it an excellent spot for family outings and casual sports. Donnelly Park is particularly known for its quiet, shaded areas, offering a peaceful retreat for local residents.

Faulkes Heritage Woods: A natural haven in Marion, offering hiking trails and opportunities for wildlife observation. The dense forest provides a habitat for native plants and animals, making it a favorite destination for nature enthusiasts. Interpretive signs along the trails educate visitors about the area’s ecology, adding an educational element to the outdoor experience.

Lining Park: A small, community-focused park equipped with a playground, picnic areas, and open spaces. It is especially popular among families with young children due to its safe and welcoming environment. Its location within a residential area makes it a convenient option for spontaneous outings.

The Peg Pierce Complex: Marion’s go-to destination for organized sports and tournaments. It features well-maintained fields for baseball, softball, and other activities. The complex is equipped with lighting, concessions, and seating areas for spectators, making it a key venue for youth and adult sports leagues.

Waldo’s Rock Park is one of Marion’s most unique attractions, centered around a large glacial erratic boulder left behind during the Ice Age. The park includes a scenic pond, walking trails, and picnic areas. Interpretive signs provide geological context, making the park both a recreational and educational experience. Visitors often come to see the impressive natural rock formation and enjoy the peaceful surroundings.



DEMAND GENERATORS – CONTINUED

Starry Park: A community park that offers a playground, basketball courts, and open green spaces for recreational use. It is a popular choice for casual gatherings, children’s playtime, and sports activities. The park’s simplicity and accessibility make it a well-loved neighborhood amenity.

Hanna Park: Known for its extensive recreational facilities, including playgrounds, sports fields, and picnic shelters. The park is designed to accommodate both active and passive recreation, making it a versatile space for families, sports enthusiasts, and community events.

Taube Park: One of Marion’s most versatile parks, offering tennis courts, a playground, and picnic shelters. It is frequently used for sports practice, local events, and casual recreation. The park’s variety of amenities ensures there’s something for visitors of all ages.

Willow Park: A smaller, quieter park known for its open spaces and shaded areas. It is a perfect spot for picnics, leisurely walks, or simply enjoying the outdoors. The park’s serene environment makes it a favorite for those seeking relaxation.

Gill Park: A family-friendly space featuring a playground, picnic shelters, and open fields for recreational activities. It is often used for local gatherings and is known for its clean and well-maintained facilities.

Prairie Hill Park: Offers wide-open spaces and scenic trails, making it ideal for nature walks and outdoor activities. Its peaceful setting attracts those looking to escape the busier areas of Marion.

Willowood Park: A community favorite, with sports fields, a playground, and shaded picnic areas. It serves as a venue for local sports leagues and provides ample space for family gatherings and recreational play.

Thomas/Legion Park: Combines traditional park amenities with memorial installations honoring local veterans. It includes sports fields, playgrounds, and shaded picnic areas, creating a balance of recreation and reflection.



DEMAND GENERATORS – CONTINUED

Boyson Park and Trail: A natural gem in Marion, offering a multi-use trail system that connects to regional trails. The park’s scenic views, wooded paths, and open fields make it a favorite for hiking, biking, and wildlife observation. It is also a key destination for fitness enthusiasts and nature lovers.

The Linn-Mar Aquatics Center: This is a state-of-the-art facility that hosts swimming and diving competitions, as well as community swim programs. With its modern design, spectator seating, and professional amenities, it is a valuable resource for both competitive athletes and recreational swimmers.

The Epic Event Center: A premier venue for weddings, corporate events, and social gatherings. Its sleek, modern design and customizable spaces make it a top choice for special occasions. The center’s professional staff and range of services ensure a seamless event experience.

Ashton Hill Farm: A stunning event venue located just outside Marion offering a blend of rustic charm and modern elegance. Surrounded by picturesque Iowa countryside, the venue features a beautifully crafted barn with vaulted ceilings, chandeliers, and large windows that let in natural light. It accommodates weddings, corporate events, and private gatherings, with both indoor and outdoor spaces available. Ashton Hill Farm is known for its excellent service, customizable options, and breathtaking views, making it a top choice for memorable occasions in the region.

Prairie Oak Lodge: Located within Squaw Creek Park near Marion is a popular destination for events such as weddings, family reunions, and corporate retreats. The lodge combines a rustic atmosphere with modern amenities, offering a spacious interior with a large fireplace and windows overlooking the park. Surrounded by trails and scenic landscapes, the lodge provides a tranquil setting for gatherings. Its proximity to nature allows guests to enjoy outdoor activities before or after events, enhancing the overall experience.



DEMAND GENERATORS – CONTINUED

Red Cedar Lodge: Another well-loved venue situated within Squaw Creek Park. It provides a cozy and inviting space for smaller gatherings, including parties, meetings, and community events. The lodge features a rustic design with exposed wooden beams and views of the park’s natural surroundings. Its peaceful location makes it a favorite for those seeking a serene and intimate event space, while its convenient amenities ensure guests have everything they need for a successful gathering.

Hunters Ridge Golf Course: A championship-level 18-hole golf course located in Marion. Known for its challenging yet enjoyable layout, the course features rolling hills, well-manicured greens, and water hazards that test players’ skills. The full-service clubhouse includes a pro shop, restaurant, and banquet facilities, making it a destination for both avid golfers and event hosts. Hunters Ridge frequently hosts tournaments, weddings, and corporate events, adding to its reputation as a top recreational and social destination in the community.

Indian Creek Country Club: One of the oldest golf courses in Linn County, offering a 9-hole course with scenic fairways and a relaxed atmosphere. The club is known for its welcoming environment, making it a favorite among local golfers of all skill levels. In addition to golf, Indian Creek hosts social events, private gatherings, and community activities, creating a sense of connection among its members and visitors. Its classic design and focus on hospitality make it a timeless staple in Marion’s recreational offerings.

Gardner Golf Course: A public 18-hole course located on the outskirts of Marion. This well-maintained course is designed to cater to players of all abilities, featuring open fairways, water hazards, and a scenic natural setting. The course includes a driving range, practice greens, and a clubhouse with dining options. Gardner Golf Course is a popular choice for tournaments, league play, and casual rounds, attracting golfers from across the region who appreciate its accessibility and value.



DEMAND GENERATORS – CONTINUED

The Tuma Soccer Complex: Located near Marion, and one of the largest soccer facilities in the state. It features over 30 well-maintained fields, accommodating youth and adult leagues, tournaments, and training sessions. The complex is equipped with ample parking, restrooms, and concessions, making it a premier destination for soccer events. Its scale and quality draw teams and spectators from across Iowa, boosting the local economy and providing Marion with a reputation as a hub for sports enthusiasts.

Victory Sports Center in Marion: A state-of-the-art facility dedicated to youth gymnastics and athletic training. The center offers classes, competitive programs, and open gym sessions, focusing on skill development and fostering a love for sports. With highly trained coaches and modern equipment, Victory Sports Center provides a safe and encouraging environment for children and teens to excel. The center also hosts competitions and showcases, drawing participants and families from the surrounding region.

Murdoch Funeral Home: A pillar of the Marion community for over 150 years, providing compassionate care and professional services during times of loss. The funeral home is known for its supportive and personalized approach, offering pre-planning services, memorial arrangements, and grief support resources. Murdoch Funeral Home's commitment to honoring loved ones with dignity and respect has earned it a trusted reputation within the community. Its historical presence reflects the deep connections and traditions of Marion's residents.

Collins Aerospace: A unit of Raytheon Technologies and a prominent aerospace and defense company with a significant presence in the Cedar Rapids area, near Marion. The company specializes in designing and manufacturing advanced avionics, communication systems, and other critical components for both commercial and military aircraft. Employing thousands in the region, Collins Aerospace plays a vital role in the local economy and is known for its commitment to innovation and technology development. The company actively engages with the community through various outreach programs and partnerships with educational institutions to promote STEM education.



DEMAND GENERATORS – CONTINUED

The Linn-Mar Community School District: Serves a substantial portion of Marion and its surrounding areas, providing education to over 7,200 students across multiple schools. The district is recognized for its academic excellence, diverse extracurricular programs, and state-of-the-art facilities. As one of the area's largest employers, it offers numerous employment opportunities ranging from teaching positions to administrative and support roles. The district's commitment to student success and community involvement makes it a cornerstone institution in Marion.

Prospect Meadows: A premier baseball and softball complex located near Marion. The facility features multiple fields designed to host local, regional, and national tournaments. Beyond providing a venue for sports events, Prospect Meadows contributes to the local economy by attracting visitors and supporting youth sports development. The complex also offers programs aimed at promoting inclusivity in sports, ensuring opportunities for athletes of all abilities.

Timberline Manufacturing: An employee-owned company based in Marion that specializes in electrical contract manufacturing. They provide services such as wire harness assembly, control panel assembly, and electromechanical assembly for various industries, including agriculture, construction, and energy. Known for their quality craftsmanship and customer service, Timberline Manufacturing plays a significant role in the local manufacturing sector.

Weems Industries: Operating under the name Lil' Drug Store Products, is headquartered in Cedar Rapids, near Marion. The company is a leading supplier of convenience-sized over-the-counter medications and personal care products, distributing to convenience stores nationwide. Their extensive product line and strategic partnerships have established them as a key player in the consumer goods industry.

Culver's Garden Center and Greenhouse: A family-owned business in Marion that has been serving the community for decades. They offer a wide selection of plants, gardening supplies, and landscaping services. Known for their knowledgeable staff and quality products, Culver's has become a go-to destination for gardening enthusiasts and homeowners looking to enhance their outdoor spaces.



DEMAND GENERATORS – CONTINUED

TrueWealth Stewardship: A financial advisory firm based in Marion. They provide comprehensive financial planning services, including investment management, retirement planning, and estate planning. The firm emphasizes personalized strategies tailored to individual client needs, helping them achieve their financial goals and secure their financial future.

CablePro Installations: A company specializing in the installation of telecommunications infrastructure. Serving the Marion area, they provide services such as cable installation, network setup, and maintenance for both residential and commercial clients. Their expertise ensures reliable connectivity solutions essential for modern communication needs.

ITC Midwest: A subsidiary of ITC Holdings Corp., operates high-voltage electric transmission systems across Iowa, including the Marion area. Their work involves maintaining and expanding the electrical grid to ensure reliable power delivery. ITC Midwest plays a crucial role in supporting the region's energy infrastructure and economic development.

Cedar Memorial: A comprehensive funeral service provider located in Cedar Rapids, near Marion. They offer funeral planning, cremation services, and cemetery options. With a reputation for compassionate care and professionalism, Cedar Memorial assists families during times of loss, providing personalized services to honor loved ones.

ELPLAST America: Operates a manufacturing facility in Marion, producing zip profiles for resealable packaging. Their products are used in various industries, including food packaging and consumer goods. The company's focus on innovation and quality has established it as a leader in the flexible packaging market.

Terrace Glen Village: A senior living community in Marion offering a range of services, including independent living, assisted living, and memory care. The facility provides residents with comfortable accommodations, personalized care plans, and a variety of activities to promote well-being and social engagement. As an employer, Terrace Glen Village offers opportunities in healthcare, administration, and support services.



DEMAND GENERATORS – CONTINUED

Summit Pointe Senior Living: Another senior living community in Marion, providing independent living, assisted living, and memory care services. The community focuses on creating a supportive and engaging environment for residents, with amenities such as dining services, wellness programs, and social activities. Employment opportunities at Summit Pointe include roles in caregiving, nursing, dining services, and administration.

Consumer Supply Distributing: A wholesale distributor based in Marion, supplying a wide range of products, including pet supplies, animal feed, and agricultural products. They serve retailers and businesses across the Midwest, emphasizing quality products and reliable service. The company contributes to the local economy through employment opportunities in warehousing, logistics, and sales.

Hupp Electric Motors: A premier industrial electric repair facility serving the Midwest, including the Marion area. The company specializes in the repair and maintenance of electric motors, cranes, hoists, pumps, and related equipment. Their services encompass electric motor repair, crane and hoist services, machining, specialty fabrication, reliability services, pump sales and repair, power solutions, and gearbox repair. With a focus on keeping industries running efficiently, Hupp Electric Motors provides comprehensive solutions to meet the diverse needs of their clients.

Carroll Distributing & Construction Supply: Located at 598 57th Street in Marion, Iowa, is an industry leader in decorative concrete products. The company carries an extensive catalog of coloring agents, hardeners, stamps, and tools essential for concrete construction and finishing. Their product range supports contractors and builders in achieving high-quality results in various construction projects. Known for their comprehensive inventory and knowledgeable staff, Carroll Distributing & Construction Supply is a key resource for construction professionals in the region.



DEMAND GENERATORS – CONTINUED

Marion Process Solutions: A leading global manufacturer of industrial processing equipment, headquartered in Marion, Iowa. With over 80 years of engineering expertise, the company specializes in designing and building custom mixers, blenders, thermal processing equipment, and size reduction equipment tailored to meet specific customer needs. Their solutions are integrated into a variety of applications, including batch mixing, continuous processing, and material handling, serving industries such as food and beverage, pharmaceuticals, chemicals, plastics, and energy. Marion Process Solutions is committed to delivering innovative and reliable process solutions to a global customer base.

The Hall-Perrine Cancer Center: Located in Cedar Rapids, Iowa, offering a Multidisciplinary Clinic designed to provide comprehensive and efficient cancer care. This clinic enables patients to consult with a team of specialists—including medical oncologists, radiation oncologists, surgical oncologists, oncology nurse navigators, and genetic counselors—during a single visit. This collaborative approach ensures that each patient's treatment plan is thoroughly evaluated and tailored to their specific needs. The center has established specialized clinics for various types of cancer, such as breast, lung, prostate, and thyroid cancers, where experts from relevant fields convene to develop cohesive treatment strategies. By streamlining consultations and expediting the transition from diagnosis to treatment, the Multidisciplinary Clinic aims to reduce patient anxiety and improve overall care outcomes.

Christmas in the Park & Peppermint Walk (December): Held on the first Friday in December, this festive event transforms City Square Park into a winter wonderland. Attendees can visit with Santa and Mrs. Claus, enjoy popcorn and hot cocoa, and listen to carolers. The evening features the lighting of the community peace tree and the Peppermint Walk, where Uptown Marion businesses offer holiday specials and treats.

Marion ICE (February): Taking place in City Square Park, Marion ICE showcases live ice-sculpting demonstrations, allowing attendees to watch artists carve intricate designs from blocks of ice. The event also offers hot chocolate and winter-friendly games, creating a cozy atmosphere for families and visitors.



DEMAND GENERATORS – CONTINUED

Commercial Real Estate Showcase (March): This event highlights the opportunities within Uptown Marion's real estate market. It's tailored for business owners, investors, and aspiring entrepreneurs, offering a program that includes property tours and networking opportunities to explore the district's potential.

Marion Arts Festival (May): Consistently ranked among the nation's top juried art events, the Marion Arts Festival presents 50 artists from across the country. The one-day event features fine art, live music, specialty food vendors, and a 5K run and fun walk, attracting art enthusiasts and families alike.

Marion Farmers' Market (May-September): Hosted at Taube Park every Saturday morning, the market offers a variety of locally grown produce, fresh baked goods, flowers, homemade crafts, and more. It's a community hub where residents can support local vendors and enjoy the seasonal bounty.

Marion By Moonlight (June): This free summer concert series, held on Thursday nights in June at Lowe Park, features local bands, food vendors, and activities for all ages. Organized by Farmers State Bank since 1996, it has become a cherished community tradition.

Uptown Marion Market (June-August): On the second Saturday of each month during the summer, 7th Avenue comes alive with vendors offering fresh produce, baked goods, artisan items, and more. The market also includes live music, children's activities, and community information booths.

Marion Community Band Concerts (June): Held at Thomas Park, these concerts showcase the talents of local musicians. Attendees are encouraged to bring lawn chairs or blankets to enjoy an evening of music in a relaxed outdoor setting.

Marion Big Band "Swingin' at Sunset" Concerts (July): Every Thursday evening in July at Thomas Park, the Marion Big Band performs classic big band hits from the 1930s and 1940s. These concerts offer a nostalgic musical experience under the summer sky.



DEMAND GENERATORS – CONTINUED

Eat. Drink. & Be Marion (July): This food and pub crawl fundraiser supports the revitalization and beautification efforts of Uptown Marion. Participants enjoy samples from various Uptown establishments, making for a lively evening of culinary exploration.

Uptown Getdown (August): On Thursday evenings in August, 7th Avenue hosts live music performances. Residents and visitors are invited to bring lawn chairs and coolers to enjoy the entertainment, fostering a sense of community in the heart of Marion.

Uptown Fall Market (September): Celebrating the harvest season, this market offers fall produce, baked goods, artisan items, and more. Live entertainment and seasonal activities make it a festive occasion for all ages.

Oktoberfest (September): Marion's Oktoberfest features traditional German food, music, and beverages. The event celebrates the community's heritage and offers a lively atmosphere with games, contests, and cultural displays.

Chocolate Walk (October): This after-hours shopping event combines the delights of chocolate with retail therapy. Participants stroll through Uptown Marion, visiting businesses that offer chocolate treats and special promotions, making for a sweet evening out.

Small Business Saturday (November): Held the Saturday after Thanksgiving, this event encourages residents to support local businesses during the holiday shopping season. Uptown Marion shops offer specials, promotions, and a welcoming atmosphere to kick off holiday shopping.

Linn County Fair (June): An annual tradition, the Linn County Fair showcases livestock shows, attractions, contests, live music, and more. It's a celebration of the county's agricultural heritage and community spirit, offering fun for all ages.



DEMAND GENERATORS – CONTINUED

Due to Marion’s close proximity to the Cedar Rapids Metro Area, Core Distinction Group believes it is important to note some larger attractions and annual events in the Cedar Rapids community. Those include:

Alliant Energy PowerHouse: Located in downtown Cedar Rapids, the Alliant Energy PowerHouse is a premier multi-use arena with a seating capacity of approximately 9,000. Originally opened in 1979 as the Five Seasons Center, it underwent significant renovations in 2013, including the addition of a convention center. The venue hosts a diverse array of events, such as national touring concerts, family shows, professional sports, and community gatherings. Notably, it serves as the site for the Iowa State High School Girls Volleyball Tournament and the Iowa High School Team Dual Wrestling Championships. The complex also includes an 80,000 square-foot convention space, making it a central hub for both entertainment and business events in Eastern Iowa.

ImOn Ice Arena: Serving the Cedar Rapids community for over two decades, ImOn Ice Arena is a versatile sports and recreation facility featuring two ice sheets: one Olympic-sized and one NHL-sized. With a seating capacity of 3,850, it is home to the Cedar Rapids RoughRiders of the United States Hockey League and accommodates various local youth hockey teams. The arena offers a range of programs, including public skating sessions, learn-to-skate classes, figure skating, and both youth and adult hockey leagues. Additionally, it hosts the Eastern Iowa Figure Skating Club and has been a venue for the University of Iowa Hawkeyes club hockey team. Beyond ice-related activities, the arena serves as a community center, offering birthday parties, private lessons, and more.

Veterans Memorial Stadium: Adjacent to ImOn Ice Arena, Veterans Memorial Stadium is a prominent baseball venue in Cedar Rapids. With a seating capacity of 5,300 and parking for 1,200 vehicles, the stadium features eight suites accommodating up to 25 guests each. It is the home field for the Cedar Rapids Kernels, the Class A affiliate of the Minnesota Twins. The facility boasts amenities such as indoor batting cages and a well-maintained playing surface, making it an ideal location for hosting baseball tournaments and events. As part of a larger sports complex, the stadium contributes significantly to the local sports culture and community engagement.



DEMAND GENERATORS – CONTINUED

Maple Syrup Festival: Held annually at the Indian Creek Nature Center, the Maple Syrup Festival celebrates the traditional craft of maple syrup production. Attendees can enjoy a pancake breakfast topped with fresh maple syrup, participate in tree-tapping demonstrations, and explore educational exhibits about the syrup-making process. The festival offers a family-friendly atmosphere with activities that connect visitors to nature and local agricultural practices.

EcoFest: Taking place in April at the NewBo City Market, EcoFest is Cedar Rapids' premier Earth Day celebration. This family-friendly festival includes interactive educational activities, eco-product vendors, demonstrations on sustainable practices, local foods, arts, and live music. EcoFest aims to connect personal choices to individual, community, and planetary sustainability, encouraging attendees to adopt eco-friendly habits.

Iowa Pop Art Festival: Typically held in May, the Iowa Pop Art Festival showcases a vibrant array of artistic expressions, including painting, drawing, printmaking, photography, collage, textiles, jewelry, ceramics, vintage clothing, and streetwear. The event features numerous booths, live music, and exhibitions of large-scale and conceptual works, providing a platform for artists and creators to engage with the community.

Cedar Rapids Pride Festival: Celebrated in June, the Cedar Rapids Pride Festival honors the LGBTQ+ community and its allies. The family-friendly event features performances, art displays, food vendors, and entertainment, fostering an inclusive environment that celebrates diversity and promotes equality. The festival often includes a parade, live music, and various activities that highlight the contributions of the LGBTQ+ community.

Juneteenth: Observed in June, Juneteenth commemorates the end of slavery in the United States. The African American Museum of Iowa typically hosts a week of events celebrating this historic milestone, including educational programs, cultural performances, and community gatherings. The celebration honors African American heritage and promotes reflection on the ongoing pursuit of freedom and equality.



DEMAND GENERATORS – CONTINUED

Freedom Festival: Spanning from mid-June to July 4th, the Cedar Rapids Freedom Festival embodies the spirit of patriotism and community. The festival features a variety of events, including concerts, parades, fireworks, and family-friendly activities, culminating in the annual Celebration of Freedom Fireworks on Independence Day. The festival fosters a sense of unity and national pride among residents and visitors.

Monarch Festival: Hosted by the Indian Creek Nature Center in July, the Monarch Festival celebrates the life cycle and migration of monarch butterflies. The event includes butterfly releases, opportunities to adopt caterpillars, pollinator-inspired crafts, educational exhibits, and food vendors. The festival aims to raise awareness about the importance of pollinators and encourages conservation efforts.

St. Jude's Sweet Corn Festival: Since its founding in 1976, the St. Jude Sweet Corn Festival has been a staple summer event in Cedar Rapids, typically held in August. The festival offers guests of all ages the chance to enjoy entertainment, music, and food in a safe and fun-filled environment. Attendees can savor freshly harvested sweet corn, participate in carnival rides, and enjoy live music performances.

BrewNost: An annual event held at the National Czech & Slovak Museum & Library, BrewNost is an international beer festival that offers attendees the opportunity to sample a wide variety of beers from around the world. The event also features food pairings from local restaurants, live music, and cultural exhibits, creating a lively atmosphere that celebrates global brewing traditions and local culinary talents.

Lincoln Highway Arts Festival: Hosted in nearby Mount Vernon, the Lincoln Highway Arts Festival showcases the work of regional artists across various mediums, including painting, sculpture, photography, and jewelry. The festival often includes live music, food vendors, and children's activities, fostering a vibrant community atmosphere that celebrates the arts along the historic Lincoln Highway.



DEMAND GENERATORS – CONTINUED

Festival Latino: Celebrating the rich cultural heritage of the Latino community, Festival Latino features traditional music, dance performances, authentic cuisine, and cultural exhibits. The event provides an opportunity for attendees to experience and appreciate Latino traditions and fosters cross-cultural understanding within the community.

Ely Fall Festival: Held in the nearby town of Ely, the Ely Fall Festival is a community-centered event that marks the arrival of autumn. The festival includes a parade, craft vendors, live music, and seasonal activities such as pumpkin decorating and hayrides, offering family-friendly fun that celebrates local traditions and the changing seasons.

Asian Fest: Held annually at the McGrath Amphitheatre in Cedar Rapids, Asian Fest celebrates the colorful and exotic traditions of several Asian countries. Event highlights include a variety of traditional Asian foods and beverages, a showcase of Asian fashions, and high-energy international dance performances. The festival provides an opportunity for attendees to immerse themselves in the diverse cultures of Asia.

Farm Fresh Reggae Music Festival: This unique festival combines the love of reggae music with farm-fresh food offerings. Attendees can enjoy live reggae performances while savoring locally sourced dishes, creating a relaxed and enjoyable atmosphere that celebrates both music and local agriculture.

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:

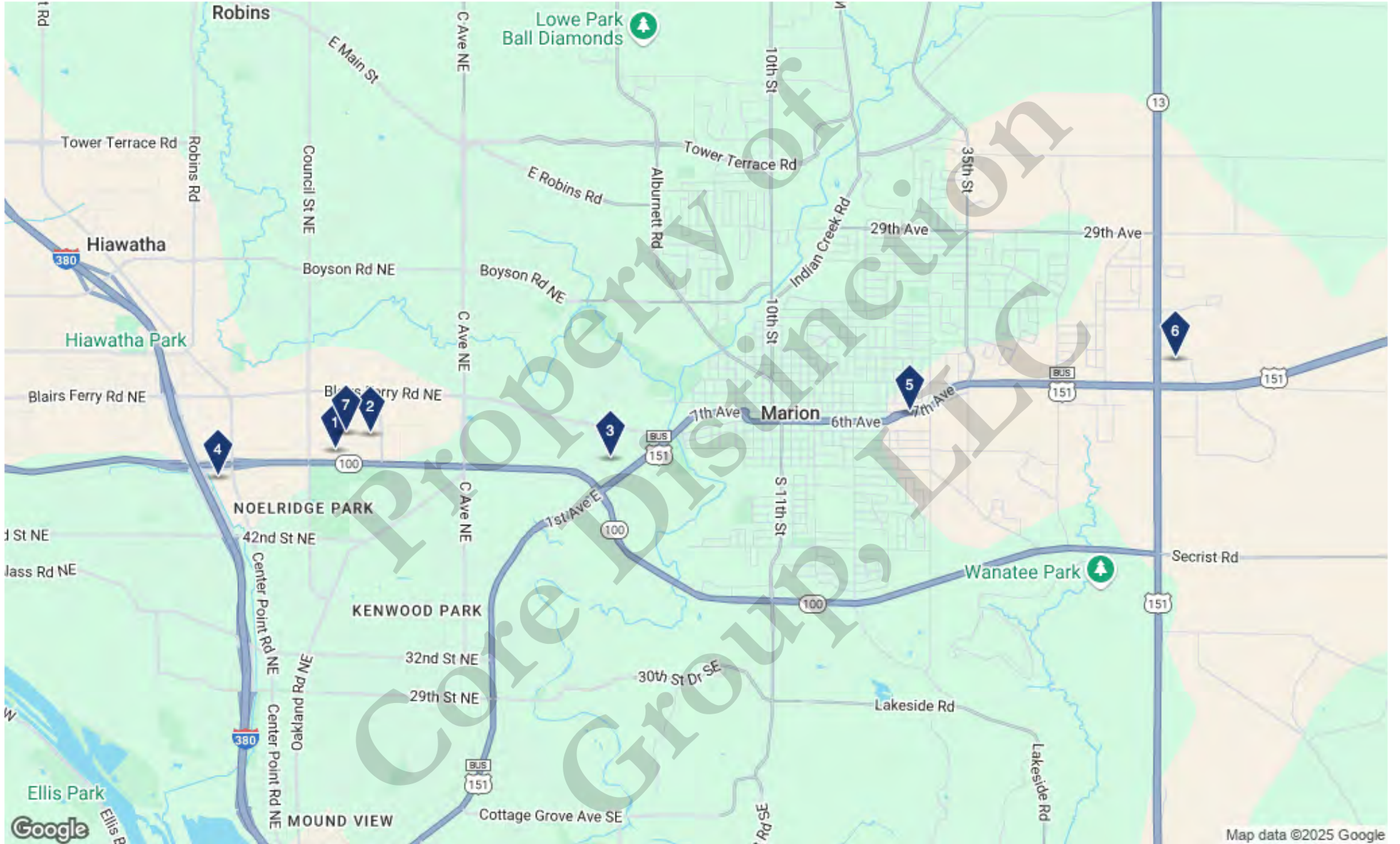
- Competitive Set Property Map
- Smith Travel Research (STR)/CoStar Data by Measure
- Smith Travel Research (STR)/CoStar Data 12 Month Average
- Primary Competitive Set Listed Rates
- Primary Competitive Set Listed Hotel Trends and Projections

*Data can be found in Appendix.



TAKING THE FIRST STEP TO DEVELOP A NEW HOTEL IN YOUR COMMUNITY

Property Map Overview





Property Summary

Rooms	83
Built/Renovated	1996/2017
Stories	3
Brand	Holiday Inn Express
Operation Type	Franchise
Meeting Space	228 SF
Parking Spaces	76 (0.92/Room)
Commercial Asking Rent	Withheld



Property Details

Land Area	1.69 AC (73,616 SF)	Building FAR	0.56
Primary Corridors	Interior	Hotel Location Type	Suburban
Zoning	S-MC	Parcel	14032-52005-00000

Amenities

Room Amenities

- High Speed Internet Access
- Patio

Site Amenities

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

For Sale Summary

Asking Price	\$10,000,000 (\$120,482/Room)	Status	Active
Sale Type	Investment	Rooms	83
Land	1.69 AC	Built/Renovated	1996/2017
On Market	6 Days	Last Update	January 24, 2025

Previous Sale

Sale Date	12/4/2018	Sale Price	\$7,100,000 (\$85,542/Room)
Comp ID	4608371	Sale Type	Investment
Comp Status	Research Complete		

Transportation

Parking Details	76 Surface Spaces; Ratio of 0.92/Room		
Traffic Volume	1,109 on PkPl NE (2022); 1,729 on PkPl Ln NE (2022); 27,878 on Duffy Dr NE (2022); 14,728 on Collins Rd NE (2022); 9,600 on Collins Rd NE (2022); 27,301 on Council St NE (2020); 32,119 on Council St NE (2022); 5,556 on Collins Rd NE (2022); 32,166 on Rockwell Dr NE (2020); 31,296 on Rockwell Dr NE (2022)		
Airport	The Eastern Iowa		22 min drive
Walk Score ®	Car-Dependent (46)		
Transit Score ®	Minimal Transit (21)		



Property Summary

Rooms	103
Built/Renovated	2009/2016
Stories	4
Brand	Hampton by Hilton
Operation Type	Franchise
Meeting Space	576 SF
Parking Spaces	95 (0.92/Room)
Commercial Asking Rent	Withheld



Property Details

Land Area	2.24 AC (97,574 SF)	Building FAR	0.65
Primary Corridors	Interior	Hotel Location Type	Suburban
Construction Type	Masonry	Zoning	C3
Parcel	14032-76005-00000		

Amenities

Room Amenities

- Digital key
- High Speed Internet Access

Site Amenities

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

Previous Sale

Sale Date	6/8/2011	Sale Price	\$13,000,000 (\$126,214/Room)
Comp ID	2128305	Sale Type	Investment
Comp Status	Research Complete		

Transportation

Parking Details	95 Surface Spaces; Ratio of 0.92/Room		
Traffic Volume	5,556 on Collins Rd NE (2022); 31,296 on Rockwell Dr NE (2022); 32,166 on Rockwell Dr NE (2020); 1,109 on PkPl NE (2022); 1,729 on PkPl Ln NE (2022); 27,878 on Duffy Dr NE (2022); 14,728 on Collins Rd NE (2022); 22,230 on Dry Creek Ln NE (2022); 9,600 on Collins Rd NE (2022); 32,119 on Council St NE (2022)		
Airport	The Eastern Iowa		23 min drive
Walk Score ®	Somewhat Walkable (51)		
Transit Score ®	Minimal Transit (20)		



Property Summary

Rooms	106
Built/Renovated	1968/2020
Stories	2
Brand	Best Western Plus
Operation Type	Franchise
Meeting Space	13,593 SF
Parking Spaces	237 (2.24/Room)
Commercial Asking Rent	Withheld



Property Details

Land Area	4.60 AC (200,376 SF)	Building FAR	0.27
Primary Corridors	Interior	Hotel Location Type	Suburban
Parcel	14021-76038-00000		

Amenities

Room Amenities

- Fully-Equipped Kitchen
- High Speed Internet Access
- Patio

Site Amenities

- Business Center
- Fitness Center
- Hot Tub
- Meeting Event Space
- On-Site Bar
- Pool
- Public Access Wifi
- Restaurant
- Smoke-Free

Transportation

Parking Details	237 Surface Spaces; Ratio of 2.24/Room
Traffic Volume	1,855 on Twixt Town Rd (2022); 18,248 on Marion Blvd (2022); 17,666 on 1st Ave E (2022); 10,109 on 1st Ave E (2020); 7,507 on Collins Rd NE (2022); 4,093 on Marion Blvd (2022); 23,098 on Twixt Town Rd NE (2022); 19,079 on Tama St (2022); 10,197 on Ridge Dr (2022); 5,601 on Falcon (2022)
Airport	The Eastern Iowa 25 min drive
Walk Score ®	Somewhat Walkable (64)

Contact Details

Recorded Owner

DIYA2010 Inc **Jayantilal Patel**
 90 Twixt Town Rd NE Owner
 Cedar Rapids, IA 52402 USA

True Owner

DIYA2010 Inc **Jayantilal Patel**
 90 Twixt Town Rd NE Owner
 Cedar Rapids, IA 52402 USA



Property Summary

Rooms	62
Built/Renovated	1998/2014
Stories	3
Brand	Comfort Inn
Operation Type	Franchise
Meeting Space	372 SF
Parking Spaces	55 (0.89/Room)
Commercial Asking Rent	Withheld



Property Details

Land Area	1.44 AC (62,726 SF)	Building FAR	0.52
Primary Corridors	Interior	Hotel Location Type	Suburban
Zoning	S-MC	Parcel	14043-01005-00000

Amenities

Room Amenities

- Fully-Equipped Kitchen
- High Speed Internet Access
- Patio

Site Amenities

- Business Center
- Fitness Center
- Hot Tub
- Meeting Event Space
- Pool
- Public Access Wifi
- Smoke-Free

Previous Sale

Sale Date	12/2/2019	Sale Price	\$2,925,000 (\$47,177/Room)
Comp ID	5009924	Sale Type	Investment
Comp Status	Research Complete		

Transportation

Parking Details	55 Surface Spaces; Ratio of 0.89/Room		
Traffic Volume	762 on Werner Ct NE (2020); 1,427 on Center Point Rd NE (2020); 9,191 on Center Point Rd NE (2022); 8,219 on Not Available (2020); 4,789 on Center Point Rd NE (2022); 1,487 on Center Point Rd NE (2020); 11,819 on Werner Ave NE (2022); 86 on I- 380 (2020); 1,706 on I- 380 (2022); 300 on Collins Hwy (2020)		
Airport	The Eastern Iowa		21 min drive
Walk Score ®	Car-Dependent (47)		
Transit Score ®	Minimal Transit (20)		

Contact Details

Recorded Owner

Shree Sai Hotels Llc
 923 Chesterfield
 Cedar Rapids, IA 52402 USA



TownePlace Suites Cedar Rapids Marion - 2823 7th Ave

Marion, IA 52302 (Linn County) - Iowa City/Waterloo Submarket

Upper Midscale

Hotel

Property Summary

Rooms	88
Built	2019
Stories	4
Brand	TownePlace Suites
Operation Type	Franchise
Meeting Space	252 SF
Commercial Asking Rent	Withheld



Property Details

Land Area	4.35 AC (189,486 SF)	Building FAR	0.29
Primary Corridors	Interior	Hotel Location Type	Suburban
Zoning	UC-1	Parcel	15061-05017-00000

Amenities

Site Amenities

- Fitness Center
- Meeting Event Space
- Pool

Transportation

Traffic Volume	15,423 on 31st St (2022); 4,263 on 7th Ave (2022); 4,113 on 31st St (2022); 333 on 10th Ave (2022); 7,399 on 8th Ave (2022); 4,327 on 27th St (2022); 4,105 on 31st St (2022); 15,596 on 25th St (2022); 14,655 on 31st St (2022); 4,455 on 25th St (2022)		
Airport	The Eastern Iowa		29 min drive
Walk Score ®	Somewhat Walkable (67)		

Contact Details

Recorded Owner

Marion Hotel Assocs Inc

2823 7th Ave
Marion, IA 52302 USA

True Owner

Kinseth Hospitality Companies

1200 1st Ave, Suite 200
Coralville, IA 52241 USA
(319) 499-5101
www.kinseth.com

Les Kinseth
President

lkinseth@kinseth.com

(319) 626-5600



Property Summary

Rooms	93
Built	2024
Stories	4
Brand	Holiday Inn Express
Operation Type	Franchise
Meeting Space	350 SF
Parking Spaces	89 (0.96/Room)
Commercial Asking Rent	Withheld



Property Details

Land Area	2.19 AC (95,460 SF)	Building FAR	0.57
Primary Corridors	Interior	Hotel Location Type	Suburban
Zoning	C	Parcel	10334-51017-00000

Amenities

Room Amenities

- High Speed Internet Access

Site Amenities

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

Transportation

Parking Details	89 Surface Spaces; Ratio of 0.96/Room		
Traffic Volume	9,945 on Hennessey Pkwy (2022); 12,842 on Cherokee Dr (2022); 11,304 on Dubuque Rd (2022); 14,600 on US Hwy 151 (2017); 18,683 on Dubuque Rd (2022); 580 on State Hwy 13 (2017); 475 on Hwy 13 (2022); 11,842 on E Kacena Ave (2022); 12,270 on E Kacena Ave (2020); 856 on Red Fox Way (2022)		
Airport	The Eastern Iowa		29 min drive
Walk Score ®	Car-Dependent (41)		

Contact Details

Recorded Owner

Hart Family Hotels-Marion LLC
 211 4th St
 Lake View, IA 51450 USA
www.hartfamilyhotels.com

True Owner

Hart Family Hotels
 Lake View, IA 51450
 USA
 (712) 262-2979
www.hartfamilyhotels.com



Fairfield Inn & Suites Cedar Rapids North - 1220 Park PI NE

Cedar Rapids, IA 52402 (Linn County) - Iowa City/Waterloo Submarket

Upper Midscale

Hotel

Property Summary

Rooms	79
Built/Renovated	2000/2024
Stories	3
Brand	Fairfield Inn
Operation Type	Franchise
Meeting Space	962 SF
Parking Spaces	80 (1.01/Room)
Commercial Asking Rent	Withheld



Property Details

Land Area	1.40 AC (60,984 SF)	Building FAR	0.71
Primary Corridors	Interior	Hotel Location Type	Suburban
Construction Type	Masonry	Zoning	C
Parcel	14032-51003-00000		

Amenities

Room Amenities

- High Speed Internet Access

Site Amenities

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

Transportation

Parking Details	80 Surface Spaces; Ratio of 1.01/Room	
Traffic Volume	1,109 on PkPI NE (2022); 1,729 on PkPI Ln NE (2022); 27,878 on Duffy Dr NE (2022); 5,556 on Collins Rd NE (2022); 14,728 on Collins Rd NE (2022); 31,296 on Rockwell Dr NE (2022); 32,166 on Rockwell Dr NE (2020); 9,600 on Collins Rd NE (2022); 22,230 on Dry Creek Ln NE (2022); 32,119 on Council St NE (2022)	
Airport	The Eastern Iowa	23 min drive
Walk Score ®	Car-Dependent (43)	
Transit Score ®	Minimal Transit (21)	

Contact Details

Recorded Owner

Mehar Host LLC
 350 Miller Rd, Suite 2
 Hiawatha, IA 52233 USA

True Owner

Dheeraj Lulka
 350 Miller Rd, Suite 2
 Hiawatha, IA 52233 USA
 (319) 378-8000

Dheeraj Lulka

(319) 378-8000

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

Occupancy (%)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2020	46.4%	55.2%	35.4%	19.6%	29.1%	45.8%	51.9%	66.5%	62.7%	53.0%	39.7%	35.8%	45.1%
2021	35.0%	39.2%	49.1%	54.3%	56.1%	64.2%	66.2%	58.9%	59.6%	62.1%	56.0%	43.6%	53.7%
2022	39.8%	47.4%	56.1%	56.7%	63.1%	71.8%	68.1%	63.8%	63.8%	61.8%	57.1%	45.1%	57.9%
2023	43.2%	52.1%	56.8%	56.4%	62.9%	72.6%	70.0%	65.9%	66.3%	61.8%	53.9%	42.4%	58.7%
2024	43.9%	52.1%	55.3%	59.6%	60.7%	70.0%	65.7%	61.4%	58.1%	58.1%	53.7%	40.5%	56.1%
Avg	40.4%	47.3%	46.9%	43.5%	49.4%	60.6%	62.1%	63.1%	62.0%	59.0%	50.9%	41.5%	52.2%

ADR (\$)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2020	\$91.52	\$92.25	\$89.93	\$75.83	\$74.72	\$84.21	\$85.29	\$102.32	\$100.26	\$91.54	\$87.17	\$81.07	\$88.01
2021	\$81.60	\$83.12	\$85.95	\$92.46	\$96.89	\$102.92	\$109.06	\$103.55	\$111.10	\$114.36	\$106.13	\$93.35	\$100.60
2022	\$93.48	\$96.97	\$102.14	\$104.15	\$111.19	\$113.27	\$115.82	\$109.86	\$126.81	\$115.17	\$113.94	\$100.42	\$109.79
2023	\$100.35	\$104.78	\$108.49	\$107.55	\$116.99	\$125.80	\$124.14	\$113.62	\$125.64	\$123.14	\$119.37	\$104.48	\$115.74
2024	\$107.75	\$107.95	\$110.46	\$112.12	\$120.65	\$125.06	\$124.00	\$115.24	\$123.55	\$122.17	\$117.25	\$100.45	\$116.22
Avg	\$88.87	\$90.78	\$92.67	\$90.81	\$94.27	\$100.13	\$103.39	\$105.24	\$112.72	\$107.02	\$102.41	\$91.61	\$99.47

RevPAR (\$)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2020	\$42.47	\$50.89	\$31.86	\$14.85	\$21.72	\$38.53	\$44.23	\$68.08	\$62.83	\$48.56	\$34.58	\$29.01	\$40.63
2021	\$28.52	\$32.57	\$42.22	\$50.16	\$54.34	\$66.08	\$72.25	\$61.00	\$66.18	\$70.98	\$59.41	\$40.67	\$55.02
2022	\$37.24	\$45.97	\$57.27	\$59.09	\$70.17	\$81.28	\$78.93	\$70.07	\$80.91	\$71.16	\$65.01	\$45.32	\$63.59
2023	\$43.37	\$54.64	\$61.60	\$60.64	\$73.58	\$91.34	\$86.94	\$74.89	\$83.29	\$76.15	\$64.35	\$44.27	\$67.95
2024	\$47.26	\$56.20	\$61.14	\$66.80	\$73.28	\$87.50	\$81.50	\$70.71	\$71.73	\$71.02	\$63.02	\$40.66	\$65.16
Avg	\$36.08	\$43.14	\$43.78	\$41.37	\$48.74	\$61.96	\$65.14	\$66.38	\$69.97	\$63.57	\$53.00	\$38.33	\$53.08

Revenue (\$)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2020	\$687,196	\$743,815	\$515,554	\$232,579	\$351,426	\$603,396	\$715,724	\$1,101,655	\$833,077	\$665,311	\$458,491	\$397,464	\$7,305,688
2021	\$390,842	\$403,033	\$578,475	\$665,184	\$744,609	\$876,258	\$989,968	\$835,837	\$877,571	\$972,548	\$787,830	\$557,271	\$8,679,426
2022	\$510,306	\$568,942	\$784,719	\$783,513	\$961,438	\$1,077,809	\$1,081,446	\$960,058	\$1,072,921	\$975,020	\$862,088	\$621,027	\$10,259,287
2023	\$594,279	\$676,273	\$844,058	\$804,073	\$1,008,255	\$1,211,117	\$1,191,271	\$1,026,134	\$1,104,416	\$1,043,449	\$853,270	\$606,533	\$10,963,128
2024	\$647,595	\$695,510	\$837,753	\$885,821	\$1,004,062	\$1,160,187	\$1,116,715	\$968,861	\$951,110	\$1,147,091	\$985,033	\$773,893	\$11,173,631
Avg	\$539,019	\$573,424	\$547,015	\$448,882	\$548,018	\$739,827	\$852,846	\$968,746	\$855,324	\$818,930	\$623,161	\$477,368	\$7,992,557

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

Occupancy (%)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2020	58.6%	58.6%	56.7%	53.5%	50.9%	49.2%	48.0%	48.0%	47.7%	46.9%	45.4%	44.9%
2021	44.0%	42.7%	43.9%	46.9%	49.4%	50.9%	52.1%	51.2%	51.0%	51.7%	53.1%	53.7%
2022	23.1%	54.8%	55.4%	55.6%	56.2%	56.8%	57.0%	57.4%	57.7%	57.7%	57.8%	57.9%
2023	58.2%	58.6%	58.6%	58.6%	58.6%	58.7%	58.8%	59.0%	59.2%	59.2%	58.9%	58.7%
2024	58.8%	58.8%	58.6%	58.9%	58.7%	58.5%	58.1%	57.7%	57.1%	56.8%	56.7%	56.1%
Avg	51.3%	50.7%	50.3%	50.2%	50.2%	50.1%	50.1%	49.6%	49.4%	49.3%	49.3%	49.3%

ADR (\$)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2020	\$98.19	\$98.05	\$97.80	\$97.29	\$95.81	\$94.27	\$92.98	\$93.63	\$93.37	\$91.89	\$90.54	\$90.04
2021	\$89.38	\$88.67	\$88.34	\$89.18	\$90.71	\$92.49	\$94.96	\$94.84	\$95.85	\$98.11	\$99.48	\$100.10
2022	\$100.70	\$101.42	\$102.65	\$103.59	\$104.88	\$105.93	\$106.63	\$107.20	\$108.65	\$108.73	\$109.36	\$109.79
2023	\$110.14	\$110.59	\$111.11	\$111.38	\$111.91	\$113.18	\$114.03	\$114.38	\$114.31	\$115.02	\$115.43	\$115.74
2024	\$116.20	\$116.41	\$116.59	\$116.93	\$117.25	\$117.14	\$117.08	\$117.25	\$116.98	\$116.94	\$116.79	\$116.22
Avg	\$93.79	\$93.36	\$93.07	\$93.24	\$93.26	\$93.38	\$93.97	\$94.24	\$94.61	\$95.00	\$95.01	\$95.07

RevPAR (\$)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2020	\$57.53	\$57.47	\$55.41	\$52.08	\$48.80	\$46.39	\$44.60	\$44.90	\$44.57	\$43.13	\$41.10	\$40.41
2021	\$39.31	\$37.88	\$38.78	\$41.85	\$44.80	\$47.09	\$49.47	\$48.59	\$48.86	\$50.77	\$52.81	\$53.80
2022	\$54.54	\$55.57	\$56.85	\$57.58	\$58.92	\$60.17	\$60.74	\$61.51	\$62.72	\$62.74	\$63.20	\$63.59
2023	\$64.11	\$64.78	\$65.15	\$65.27	\$65.56	\$66.39	\$67.07	\$67.48	\$67.68	\$68.10	\$68.04	\$67.95
2024	\$68.29	\$68.40	\$68.37	\$68.87	\$68.85	\$68.53	\$68.07	\$67.71	\$66.76	\$66.40	\$66.24	\$65.16
Avg	\$48.42	\$47.68	\$47.10	\$46.97	\$46.80	\$46.74	\$47.04	\$46.75	\$46.72	\$46.95	\$46.96	\$47.11

Revenue (\$)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2020	\$10,354,570	\$10,484,466	\$10,259,114	\$9,780,569	\$9,298,056	\$8,838,175	\$8,497,527	\$8,554,304	\$8,385,260	\$8,007,699	\$7,531,123	\$7,305,687
2021	\$7,009,333	\$6,668,552	\$6,731,473	\$7,164,078	\$7,557,261	\$7,830,123	\$8,104,366	\$7,838,549	\$7,883,043	\$8,190,280	\$8,519,619	\$8,679,426
2022	\$8,798,891	\$8,964,799	\$9,171,043	\$9,289,372	\$9,506,201	\$9,707,752	\$9,799,231	\$9,923,451	\$10,118,801	\$10,121,272	\$10,195,530	\$10,259,286
2023	\$10,343,259	\$10,450,590	\$10,509,929	\$10,530,490	\$10,577,306	\$10,710,614	\$10,820,439	\$10,886,515	\$10,918,010	\$10,986,439	\$10,977,621	\$10,963,127
2024	\$11,016,443	\$11,035,680	\$11,029,375	\$11,111,123	\$11,106,930	\$11,056,000	\$10,981,443	\$10,924,170	\$10,770,865	\$10,874,507	\$11,006,270	\$11,173,630
Avg	\$8,681,952	\$8,576,509	\$8,495,294	\$8,472,324	\$8,427,659	\$8,334,149	\$8,300,947	\$8,196,427	\$8,134,152	\$8,098,990	\$8,025,371	\$7,992,557

Primary Competitive Hotel Properties Data Summary

Primary Competitive Set			
Property Name	Industry Segment	Open or Renovate Date	Room Count
Holiday Inn Express Cedar Rapids	Upper Midscale	2017	83
Hampton Inn & Suites Cedar Rapids	Upper Midscale	2016	103
Best Western Plus Longbranch Hotel & CC	Upper Midscale	2020	106
Comfort Inn & Suites Cedar Rapids North	Upper Midscale	2014	62
TownePlace Suites Cedar Rapids Marion	Upper Midscale	2019	88
Holiday Inn Express & Suites Cedar Rapids N	Upper Midscale	2024	93
Fairfield Inn & Suites Cedar Rapids North	Upper Midscale	2024	79
Primary Competitive Set Room Count Average			88

Source: CoStar/STR Core Distinction Group, LLC

Primary Competitive Hotel Properties Data Summary

Primary Competitive Set Current			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
YTD	56.1%	\$116.22	\$65.16
3 Month Average	50.2%	\$113.99	\$57.19
12 Month Average	56.1%	\$116.22	\$65.16

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	58.7%	\$116.00	\$68.00

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	-4.5%	0.4%	-4.1%

Source: CoStar/STR Core Distinction Group, LLC

Primary Competitive Hotel Rate Shops

Primary Competitive Set Listed Rates - Weekday				
Property Name	FEB	MAY	AUG	NOV
Holiday Inn Express Cedar Rapids	\$100	\$102	\$115	\$111
Hampton Inn & Suites Cedar Rapids	\$103	\$112	\$115	\$115
Best Western Plus Longbranch Hotel & CC	\$130	\$134	\$130	\$144
Comfort Inn & Suites Cedar Rapids North	\$66	\$83	\$79	\$75
TownePlace Suites Cedar Rapids Marion	\$99	\$128	-	-
Holiday Inn Express & Suites Cedar Rapids NE	\$110	\$127	\$127	\$121
Fairfield Inn & Suites Cedar Rapids North	\$91	\$116	\$116	\$108
Primary Competitive Set Average	\$100	\$115	\$114	\$112
Primary Competitive Set Rate Average				\$110

Source: CoStar/STR Core Distinction Group, LLC

Primary Competitive Hotel Rate Shops

Primary Competitive Set Listed Rates - Weekend				
Property Name	FEB	MAY	AUG	NOV
Holiday Inn Express Cedar Rapids	\$109	\$119	\$124	\$128
Hampton Inn & Suites Cedar Rapids	\$124	\$137	\$132	\$149
Best Western Plus Longbranch Hotel & CC	\$134	\$174	-	\$164
Comfort Inn & Suites Cedar Rapids North	\$83	\$123	\$99	\$100
TownePlace Suites Cedar Rapids Marion	\$106	\$177	-	-
Holiday Inn Express & Suites Cedar Rapids NE	\$105	-	\$187	\$177
Fairfield Inn & Suites Cedar Rapids North	\$96	\$144	\$137	\$112
Primary Competitive Set Average	\$108	\$146	\$136	\$138
Primary Competitive Set Rate Average				\$132

Source: CoStar/STR Core Distinction Group, LLC

Primary Competitive Hotel Trends & Projections

Primary Competitive Set Trend			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
YTD	56.1%	\$116.22	\$65.16
3 Month Average	50.2%	\$113.99	\$57.19
12 Month Average	56.1%	\$116.22	\$65.16

Source: CoStar/STR Core Distinction Group, LLC

Projected Primary Competitive Set Rates	
Time Frame	Average Daily Rate
3 Month Average	\$113.99
12 Month Average	\$116.22
Future Quoted Rate Average	\$116.36
Projected Average Daily Rates	\$115.52

Source: Google Travel/CoStar/STR Core Distinction Group, LLC

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:

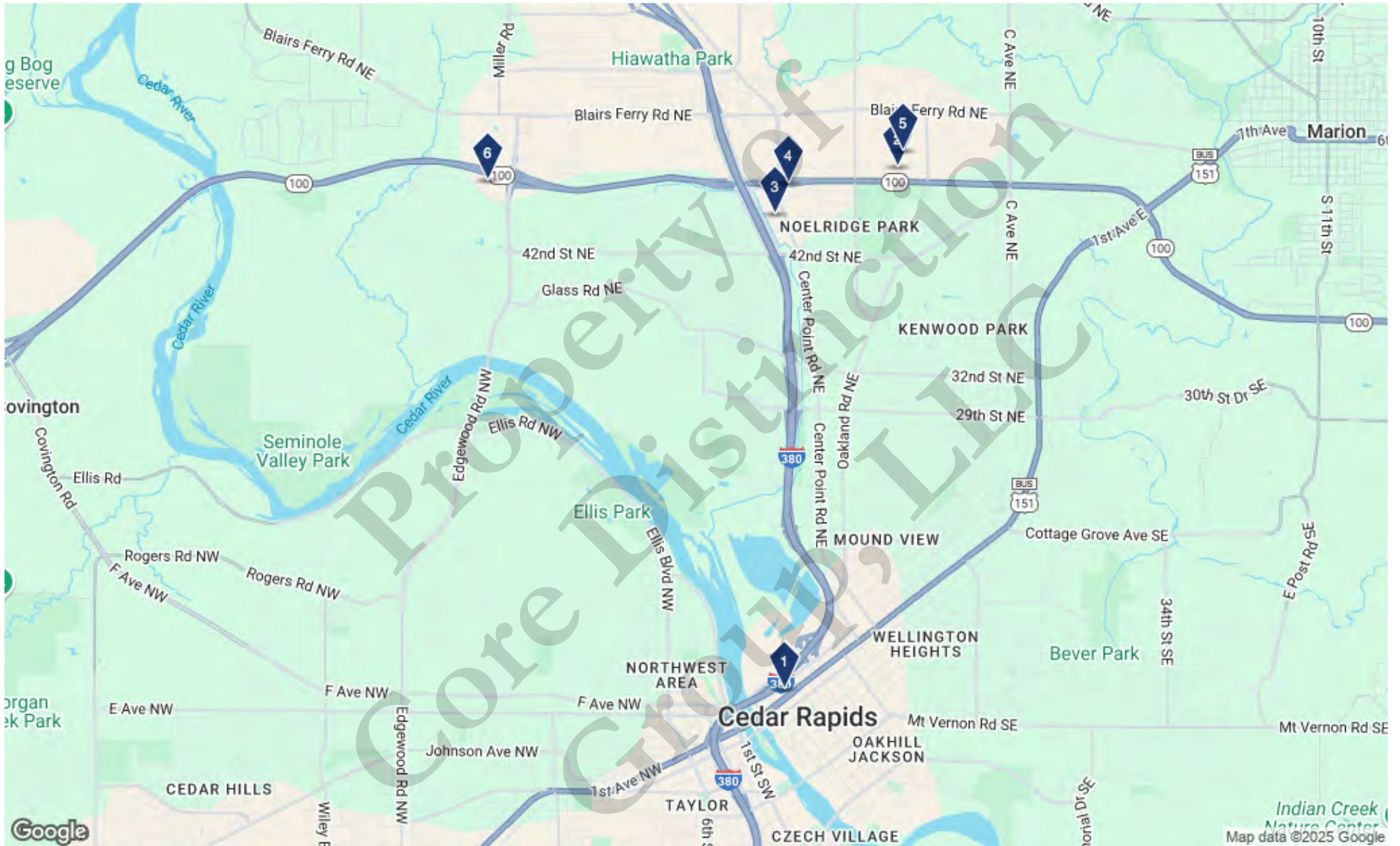
- Competitive Set Property Map
- Smith Travel Research (STR)/CoStar Data by Measure
- Smith Travel Research (STR)/CoStar Data 12 Month Average
- Primary Competitive Set Listed Rates
- Primary Competitive Set Listed Hotel Trends and Projections

*Data can be found in Appendix.



TAKING THE FIRST STEP TO DEVELOP A NEW HOTEL IN YOUR COMMUNITY

Property Map Overview



Property Summary

Rooms	267
Built/Renovated	1979/2005
Stories	16
Brand	DoubleTree by Hilton
Operation Type	Chain Management
Meeting Space	68,822 SF
Commercial Asking Rent	Withheld



Property Details

Land Area	0.43 AC (18,731 SF)	Building FAR	14.76
Primary Corridors	Interior	Hotel Location Type	Suburban
Zoning	C-4	Parcel	14213-78001-02000

Amenities

Site Amenities

- Business Center
- Fitness Center
- Meeting Event Space
- On-Site Bar
- On-Site Retail
- Pool
- Restaurant

Previous Sale

Sale Date	6/14/2007	Sale Price	\$4,841,049 (\$17,604/Room)
Comp ID	1330766	Comp Status	Research Complete
Sale Conditions	Bulk/Portfolio Sale		

Transportation

Traffic Volume	9,605 on 4th St NE (2022); 6,659 on 4th St NE (2020); 5,273 on 3rd St NE (2022); 2,682 on A Ave NE (2022); 75,481 on 4th St SE (2022); 39,785 on 4th St SE (2020); 54,796 on 4th St SE (2022); 3,444 on 5th St SE (2022); 3,931 on 2nd St NE (2022); 635 on 2nd St NE (2020)		
Airport	The Eastern Iowa		16 min drive
Walk Score ®	Somewhat Walkable (69)		
Transit Score ®	Some Transit (38)		

Tenants

Tenant Name	Floor	SF Occupied	Employees	Move Date	Expiration
350 First	Unk	-	20	Mar 2020	-

Showing 1 of 1 Tenants



Property Summary

Rooms	220
Built/Renovated	1988/2004
Stories	7
Brand	Radisson by Choice
Operation Type	Franchise
Meeting Space	23,468 SF
Parking Spaces	435 (1.98/Room)
Commercial Asking Rent	Withheld



Property Details

Land Area	8.40 AC (365,904 SF)	Building FAR	0.51
Primary Corridors	Interior	Hotel Location Type	Suburban
Zoning	C	Parcel	14032-77003-00000

Amenities

Room Amenities

- Digital key
- High Speed Internet Access

Site Amenities

- Business Center
- On-Site Bar
- Smoke-Free
- Fitness Center
- Pool
- Hot Tub
- Public Access Wifi
- Meeting Event Space
- Restaurant

Previous Sale

Sale Date	7/13/2023	Sale Price	\$8,180,000 (\$37,182/Room)
Comp ID	6449656	Sale Type	Investment
Comp Status	Research Complete	Actual Cap Rate	2.3%
Sale Conditions	Auction Sale		

Transportation

Parking Details	435 Surface Spaces; Ratio of 1.98/Room		
Traffic Volume	1,109 on PkPI NE (2022); 1,729 on PkPI Ln NE (2022); 5,556 on Collins Rd NE (2022); 27,878 on Duffy Dr NE (2022); 31,296 on Rockwell Dr NE (2022); 32,166 on Rockwell Dr NE (2020); 14,728 on Collins Rd NE (2022); 9,600 on Collins Rd NE (2022); 27,301 on Council St NE (2020); 32,119 on Council St NE (2022)		
Airport	The Eastern Iowa		23 min drive
Walk Score ®	Car-Dependent (47)		
Transit Score ®	Minimal Transit (20)		

Tenants

Tenant Name	Floor	SF Occupied	Employees	Move Date	Expiration
John Q Hammons Hotels & Rsorts	Unk	500	300	Oct 2009	-



Staybridge Suites Cedar Rapids North - 4444 Czech Ln NE

Cedar Rapids, IA 52402 (Linn County) - Iowa City/Waterloo Submarket

Upscale

Hotel

Property Summary

Rooms	82
Built	2001
Stories	4
Brand	Staybridge Suites
Operation Type	Franchise
Meeting Space	765 SF
Parking Spaces	1 (0.01/Room)
Commercial Asking Rent	Withheld



Property Details

Land Area	2.36 AC (102,802 SF)	Building FAR	0.57
Primary Corridors	Interior	Hotel Location Type	Suburban
Construction Type	Reinforced Concrete	Zoning	S-MC
Parcel	14043-76001-00000		

Amenities

Site Amenities

- Business Center
- Fitness Center
- Meeting Event Space
- Pool

For Sale Summary

Asking Price	\$9,000,000 (\$109,756/Room)	Status	Active
Cap Rate	12.2%	Sale Type	Investment
Rooms	82	Land	2.36 AC
Built	2001	On Market	154 Days
Last Update	January 2, 2025		

Transportation

Parking Details	1 Surface Spaces; Ratio of 0.01/Room		
Traffic Volume	9,571 on 46th St NE (2022); 9,787 on 42nd St NE (2022); 1,930 on 42nd St NE (2020); 420 on 42nd St NE (2020); 891 on Collins Hwy (2020); 8,791 on Collins Hwy (2022); 612 on Lorcardo Dr NE (2020); 762 on Werner Ct NE (2020); 11,819 on Werner Ave NE (2022); 4,789 on Center Point Rd NE (2022)		
Airport	The Eastern Iowa		21 min drive
Walk Score ®	Somewhat Walkable (54)		
Transit Score ®	Minimal Transit (20)		



Residence Inn Cedar Rapids - 1900 Dodge Rd NE

Cedar Rapids, IA 52402 (Linn County) - Iowa City/Waterloo Submarket

Upscale

Hotel

Property Summary

Rooms	66
Built/Renovated	1996/2004
Stories	3
Brand	Residence Inn
Operation Type	Franchise
Meeting Space	290 SF
Parking Spaces	65 (0.98/Room)
Commercial Asking Rent	Withheld



Property Details

Land Area	2.01 AC (87,556 SF)	Building FAR	0.54
Primary Corridors	Interior	Hotel Location Type	Suburban
Zoning	S-MC	Parcel	14044-06002-00000

Amenities

Room Amenities

- Fully-Equipped Kitchen
- High Speed Internet Access
- Patio

Site Amenities

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

Previous Sale

Sale Date	10/3/2022	Sale Price	Withheld
Comp ID	6217597	Sale Type	Investment
Comp Status	Research Complete	Sale Conditions	Bulk/Portfolio Sale

Transportation

Parking Details	65 Surface Spaces; Ratio of 0.98/Room		
Traffic Volume	9,389 on Center Point Rd NE (2022); 1,604 on Center Point Rd NE (2020); 22,320 on Center Point Rd NE (2022); 11,819 on Werner Ave NE (2022); 1,620 on Center Point Rd NE (2020); 1,487 on Center Point Rd NE (2020); 4,789 on Center Point Rd NE (2022); 12,509 on Collins Rd (2022); 9,571 on 46th St NE (2022); 9,191 on Center Point Rd NE (2022)		
Airport	The Eastern Iowa		23 min drive
Walk Score ®	Somewhat Walkable (51)		
Transit Score ®	Minimal Transit (20)		

Property Summary

Rooms	95
Built/Renovated	2010/2019
Stories	4
Brand	Homewood Suites by Hilton
Operation Type	Franchise
Meeting Space	648 SF
Parking Spaces	88 (0.93/Room)
Commercial Asking Rent	Withheld



Property Details

Land Area	2.48 AC (108,029 SF)	Building FAR	0.72
Primary Corridors	Interior	Hotel Location Type	Suburban
Construction Type	Wood Frame	Zoning	C-3
Parcel	14032-76004-00000		

Amenities

Room Amenities

- Digital key
- Fully-Equipped Kitchen
- High Speed Internet Access
- Patio

Site Amenities

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

Previous Sale

Sale Date	6/8/2011	Sale Price	\$13,000,000 (\$136,842/Room)
Comp ID	2128299	Sale Type	Investment
Comp Status	Research Complete		

Transportation

Parking Details	88 Surface Spaces; Ratio of 0.93/Room		
Traffic Volume	1,109 on PkPI NE (2022); 1,729 on PkPI Ln NE (2022); 5,556 on Collins Rd NE (2022); 31,296 on Rockwell Dr NE (2022); 32,166 on Rockwell Dr NE (2020); 27,878 on Duffy Dr NE (2022); 14,728 on Collins Rd NE (2022); 22,230 on Dry Creek Ln NE (2022); 9,600 on Collins Rd NE (2022); 32,119 on Council St NE (2022)		
Airport	The Eastern Iowa		23 min drive
Walk Score ®	Car-Dependent (47)		
Transit Score ®	Minimal Transit (20)		



Hilton Garden Inn Cedar Rapids - 4640 N River Blvd NE

Cedar Rapids, IA 52411 (Linn County) - Iowa City/Waterloo Submarket

Upscale

Hotel

Property Summary

Rooms	100
Built	2021
Stories	4
Brand	Hilton Garden Inn
Operation Type	Franchise
Meeting Space	3,823 SF
Commercial Asking Rent	Withheld



Property Details

Land Area	3.36 AC (146,362 SF)	Building FAR	0.56
Primary Corridors	Interior	Hotel Location Type	Suburban
Zoning	Commercial	Parcel	14-06-4-260-0-1000

Amenities

Room Amenities

- Digital key
- High Speed Internet Access

Site Amenities

- Business Center
- Fitness Center
- Meeting Event Space
- On-Site Retail
- Pool
- Public Access Wifi
- Restaurant
- Room Service

Transportation

Traffic Volume	5,079 on Edgewood Rd NE (2022); 26,600 on N River Blvd NE (2022); 28,362 on Collins Rd (2022); 29,700 on Buffolo Rd (2017); 28 on Buffolo Rd (2022); 1,426 on Ushers Ferry Rd (2022); 10,531 on Edgewood Rd NE (2022); 10,920 on Edgewood Rd NE (2022); 1,898 on Edgewood Rd NE (2020); 23,148 on 42nd St NE (2022)	
Airport	The Eastern Iowa	19 min drive
Walk Score ®	Car-Dependent (19)	
Transit Score ®	Minimal Transit (20)	

Contact Details

Recorded Owner

CJT Cedar Hotel, LLC

True Owner

Lloyd Companies
 150 4th Pl, Suite 600
 Sioux Falls, SD 57104 USA
 (605) 323-2820
 www.lloydcompanies.com

Erica Beck
 Chief of Staff

(605) 212-1320

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

Occupancy (%)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2020	50.5%	59.5%	31.6%	18.7%	29.6%	45.0%	46.0%	64.9%	57.3%	48.9%	38.9%	31.0%	43.5%
2021	33.2%	35.5%	42.2%	48.8%	49.0%	57.7%	64.9%	57.3%	56.4%	58.8%	53.0%	42.2%	51.1%
2022	39.0%	49.1%	56.5%	56.3%	58.2%	69.0%	67.9%	64.9%	65.6%	62.8%	57.3%	45.8%	57.7%
2023	46.9%	56.4%	58.6%	57.5%	62.5%	73.0%	91.3%	63.2%	65.9%	62.1%	55.7%	46.1%	61.6%
2024	48.7%	55.2%	56.9%	61.2%	62.5%	69.9%	66.2%	64.5%	62.3%	63.7%	57.2%	44.2%	59.4%
Avg	41.9%	47.5%	36.9%	33.8%	39.3%	51.4%	55.5%	61.1%	56.9%	53.9%	46.0%	36.6%	46.7%

ADR (\$)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2020	\$108.62	\$113.35	\$105.73	\$84.12	\$81.28	\$93.06	\$93.78	\$113.91	\$111.11	\$106.66	\$101.85	\$95.89	\$100.78
2021	\$96.43	\$96.23	\$98.55	\$106.07	\$110.53	\$113.62	\$119.23	\$115.94	\$134.91	\$137.06	\$127.33	\$106.76	\$116.59
2022	\$107.57	\$110.80	\$113.35	\$117.64	\$129.75	\$122.63	\$124.01	\$121.26	\$157.51	\$138.27	\$135.65	\$115.57	\$125.73
2023	\$112.90	\$119.83	\$120.60	\$122.54	\$134.08	\$132.14	\$132.08	\$124.60	\$148.23	\$150.06	\$140.16	\$118.13	\$130.52
2024	\$116.40	\$122.77	\$125.70	\$130.10	\$137.85	\$133.18	\$132.62	\$128.24	\$146.00	\$145.85	\$143.46	\$115.63	\$132.27
Avg	\$102.53	\$104.79	\$102.14	\$95.10	\$95.91	\$103.34	\$106.51	\$114.93	\$123.01	\$121.86	\$114.59	\$101.33	\$107.17

RevPAR (\$)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2020	\$54.88	\$67.42	\$33.38	\$15.70	\$24.04	\$41.88	\$43.16	\$73.94	\$63.71	\$52.16	\$39.61	\$29.70	\$44.97
2021	\$32.00	\$34.19	\$41.63	\$51.75	\$54.20	\$65.52	\$77.38	\$66.45	\$76.03	\$80.55	\$67.54	\$45.07	\$59.55
2022	\$41.96	\$54.40	\$64.03	\$66.20	\$75.52	\$84.65	\$84.19	\$78.66	\$103.26	\$86.85	\$77.69	\$52.89	\$72.56
2023	\$52.96	\$67.54	\$70.64	\$70.40	\$83.75	\$96.52	\$120.53	\$78.78	\$97.69	\$93.19	\$78.10	\$54.48	\$80.43
2024	\$56.73	\$67.81	\$71.51	\$79.66	\$86.13	\$93.12	\$87.86	\$82.73	\$90.99	\$92.97	\$82.10	\$51.09	\$78.56
Avg	\$43.44	\$50.81	\$37.51	\$33.73	\$39.12	\$53.70	\$60.27	\$70.20	\$69.87	\$66.36	\$53.58	\$37.39	\$51.33

Revenue (\$)													
YR.	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2020	\$1,241,965	\$1,377,979	\$755,304	\$179,504	\$283,980	\$478,686	\$866,899	\$1,673,348	\$1,395,348	\$1,180,393	\$867,457	\$672,080	\$10,972,943
2021	\$724,190	\$698,853	\$1,071,204	\$1,288,555	\$1,394,648	\$1,631,327	\$1,990,987	\$1,709,835	\$1,893,096	\$2,072,528	\$1,681,715	\$1,159,731	\$17,316,669
2022	\$1,079,662	\$1,264,164	\$1,647,595	\$1,648,281	\$1,943,258	\$2,107,697	\$2,166,265	\$2,023,812	\$2,571,091	\$2,234,660	\$1,934,456	\$1,360,961	\$21,981,902
2023	\$1,362,656	\$1,569,611	\$1,817,614	\$1,753,057	\$2,155,001	\$2,403,449	\$3,101,270	\$2,027,036	\$2,432,407	\$2,397,790	\$1,944,721	\$1,401,752	\$24,366,364
2024	\$1,459,667	\$1,575,804	\$1,840,002	\$1,983,491	\$2,216,116	\$2,318,790	\$2,260,561	\$2,128,728	\$2,265,758	\$2,392,061	\$2,044,202	\$1,314,494	\$23,799,674
Avg	\$983,078	\$1,038,416	\$913,254	\$734,030	\$839,314	\$1,055,007	\$1,428,943	\$1,691,592	\$1,644,222	\$1,626,461	\$1,274,586	\$915,906	\$14,144,806

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

Occupancy (%)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2020	61.7%	61.8%	59.3%	57.3%	55.6%	53.8%	51.9%	51.3%	50.5%	48.5%	46.4%	45.1%
2021	43.4%	41.3%	42.3%	44.0%	45.2%	46.3%	48.0%	47.5%	47.5%	48.4%	49.5%	50.3%
2022	50.6%	51.5%	52.7%	53.4%	54.1%	55.1%	55.3%	56.0%	56.7%	57.1%	57.4%	57.7%
2023	58.4%	58.9%	59.1%	59.2%	59.6%	59.9%	61.9%	61.8%	61.8%	61.7%	61.6%	61.6%
2024	61.8%	61.7%	61.5%	61.9%	61.9%	61.6%	59.5%	59.6%	59.3%	59.4%	59.6%	59.4%
Avg	52.6%	51.6%	50.8%	50.7%	50.4%	50.1%	50.0%	49.4%	49.0%	48.5%	48.0%	47.7%

ADR (\$)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2020	\$115.40	\$115.51	\$115.08	\$114.57	\$113.11	\$111.84	\$110.34	\$110.60	\$109.53	\$107.08	\$105.33	\$104.91
2021	\$103.86	\$102.08	\$101.43	\$102.28	\$103.78	\$105.31	\$107.82	\$108.04	\$110.51	\$113.67	\$115.60	\$115.88
2022	\$116.29	\$116.82	\$117.75	\$118.62	\$120.26	\$121.07	\$121.56	\$122.02	\$124.34	\$124.53	\$125.23	\$125.73
2023	\$125.88	\$126.40	\$126.97	\$127.35	\$127.75	\$128.67	\$129.53	\$129.84	\$129.04	\$130.04	\$130.36	\$130.52
2024	\$130.71	\$130.93	\$131.35	\$131.92	\$132.25	\$132.34	\$132.41	\$132.73	\$132.46	\$132.11	\$132.39	\$132.27
Avg	\$109.63	\$108.80	\$108.26	\$108.43	\$108.45	\$108.58	\$109.08	\$109.32	\$110.02	\$110.38	\$110.47	\$110.40

RevPAR (\$)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2020	\$71.20	\$71.39	\$68.23	\$65.60	\$62.86	\$60.20	\$57.30	\$56.77	\$55.30	\$51.91	\$48.91	\$47.27
2021	\$45.04	\$42.11	\$42.90	\$45.03	\$46.88	\$48.76	\$51.78	\$51.34	\$52.54	\$55.04	\$57.25	\$58.30
2022	\$58.88	\$60.20	\$62.10	\$63.29	\$65.10	\$66.67	\$67.25	\$68.29	\$70.53	\$71.06	\$71.90	\$72.56
2023	\$73.49	\$74.50	\$75.06	\$75.41	\$76.11	\$77.08	\$80.17	\$80.18	\$79.72	\$80.26	\$80.30	\$80.43
2024	\$80.75	\$80.77	\$80.84	\$81.61	\$81.81	\$81.53	\$78.75	\$79.09	\$78.54	\$78.52	\$78.85	\$78.56
Avg	\$58.12	\$56.75	\$55.57	\$55.32	\$54.87	\$54.48	\$54.54	\$54.06	\$53.92	\$53.48	\$53.08	\$52.79

Revenue (\$)												
YR.	January	February	March	April	May	June	July	August	September	October	November	December
2020	\$18,970,261	\$19,022,501	\$18,181,171	\$16,792,999	\$15,410,069	\$14,128,598	\$13,301,829	\$13,180,041	\$12,837,226	\$12,050,317	\$11,354,335	\$10,972,944
2021	\$10,455,169	\$9,776,043	\$10,091,943	\$11,200,993	\$12,311,661	\$13,464,303	\$14,588,391	\$14,624,878	\$15,122,626	\$16,014,761	\$16,829,018	\$17,316,669
2022	\$17,672,141	\$18,237,452	\$18,813,843	\$19,173,569	\$19,722,179	\$20,198,548	\$20,373,826	\$20,687,803	\$21,365,798	\$21,527,931	\$21,780,672	\$21,981,902
2023	\$22,264,896	\$22,570,343	\$22,740,362	\$22,845,138	\$23,056,882	\$23,352,634	\$24,287,639	\$24,290,863	\$24,152,179	\$24,315,308	\$24,325,573	\$24,366,364
2024	\$24,463,375	\$24,469,568	\$24,491,955	\$24,722,389	\$24,783,504	\$24,698,845	\$23,858,136	\$23,959,828	\$23,793,179	\$23,787,450	\$23,886,932	\$23,799,674
Avg	\$14,712,715	\$14,399,272	\$14,136,557	\$13,996,996	\$13,860,865	\$13,796,451	\$13,945,110	\$13,902,460	\$13,979,926	\$14,032,539	\$14,091,677	\$14,144,807

Secondary Competitive Hotel Properties Data Summary

Secondary Competitive Set			
Property Name	Industry Segment	Open Date	Room Count
DoubleTree by Hilton Hotel Cedar Rapids Convention Complex	Upscale	2005	267
Radisson Hotel Cedar Rapids	Upscale	2004	220
Staybridge Suites Cedar Rapids North	Upscale	2001	82
Residence Inn Cedar Rapids	Upscale	2004	66
Homewood Suites by Hilton Cedar Rapids North	Upscale	2019	95
Hilton Garden Inn Cedar Rapids	Upscale	2021	100
Secondary Competitive Set Room Count Average			138

Source: CoStar/STR Core Distinction Group, LLC

Secondary Competitive Hotel Properties Data Summary

Secondary Competitive Set Current			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
YTD	59.4%	\$132.27	\$78.56
3 Month Average	55.0%	\$136.86	\$75.31
12 Month Average	59.4%	\$132.27	\$78.56

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	61.6%	\$131.00	\$80.00

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	-3.6%	1.3%	-2.3%

Source: CoStar/STR Core Distinction Group, LLC

Secondary Competitive Hotel Rate Shops

Secondary Competitive Set Listed Rates - Weekday				
Property Name	FEB	MAY	AUG	NOV
DoubleTree by Hilton Hotel Cedar Rapids Convention Complex	\$197	\$223	\$223	\$223
Radisson Hotel Cedar Rapids	\$65	\$79	\$89	\$95
Staybridge Suites Cedar Rapids North	\$111	\$136	\$124	\$124
Residence Inn Cedar Rapids	\$98	\$152	\$143	\$125
Homewood Suites by Hilton Cedar Rapids North	\$124	\$144	\$149	\$138
Hilton Garden Inn Cedar Rapids	\$142	\$153	\$169	\$183
Secondary Competitive Set Average	\$123	\$148	\$150	\$148
Secondary Competitive Set Rate Average				\$142

Source: CoStar/STR Core Distinction Group, LLC

Secondary Competitive Set Listed Rates - Weekend				
Property Name	FEB	MAY	AUG	NOV
DoubleTree by Hilton Hotel Cedar Rapids Convention Complex	\$270	\$196	\$189	\$189
Radisson Hotel Cedar Rapids	\$88	\$75	\$75	\$88
Staybridge Suites Cedar Rapids North	\$98	\$127	\$121	\$120
Residence Inn Cedar Rapids	\$94	\$175	\$161	\$143
Homewood Suites by Hilton Cedar Rapids North	\$133	\$149	\$146	\$150
Hilton Garden Inn Cedar Rapids	\$130	\$172	\$163	\$159
Secondary Competitive Set Average	\$136	\$149	\$143	\$142
Secondary Competitive Set Rate Average				\$142

Source: CoStar/STR Core Distinction Group, LLC

Secondary Competitive Hotel Trends & Projections

Secondary Competitive Set Trend			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
YTD	59.4%	\$132.27	\$78.56
3 Month Average	55.0%	\$136.86	\$75.31
12 Month Average	59.4%	\$132.27	\$78.56

Source: CoStar/STR Core Distinction Group, LLC

Projected Secondary Competitive Set Rates	
Time Frame	Average Daily Rate
3 Month Average	\$136.86
12 Month Average	\$132.27
Future Quoted Rate Average	\$142.07
Projected Average Daily Rates	\$137.07

Source: Google Travel/CoStar/STR Core Distinction Group, LLC

REGIONAL INDUSTRY DATA 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

*Data can be found in Appendix.



TAKING THE FIRST STEP TO DEVELOP A NEW HOTEL IN YOUR COMMUNITY

Regional Competitive Hotel Properties Data Summary
Iowa City - Waterloo

Regional Submarket Competitive Set Performance			
Time Frame	Occupancy	Average Daily Rate	Revenue Per Available Room
YTD	53.8%	\$109.06	\$58.62
3 Month Average	48.6%	\$111.40	\$54.15
12 Month Average	53.8%	\$109.06	\$58.62

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
Luxury & Upper Upscale	47.9%	\$146.92	\$70.31
Upscale & Upper Midscale	57.6%	\$123.76	\$71.32
Midscale & Economy	48.6%	\$73.09	\$35.53

Source: CoStar/STR Core Distinction Group, LLC

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
 - City Sales Tax Revenue
 - Lodging/Bed Tax Revenue
 - Real Estate Tax Revenue
- Indirect Economic Impact
 - Rooms Sold
 - Average Indirect Food Revenue and Jobs Needed
 - Average Indirect Entertainment/Activities Revenue and Jobs Needed
 - Average Indirect Alcoholic Beverages Revenue and Jobs Needed



TAKING THE FIRST STEP TO DEVELOP A NEW HOTEL IN YOUR COMMUNITY

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
Year One	\$213,735
Year Two	\$224,316
Year Three	\$235,428
Year Four	\$247,098
Year Five	\$251,983
First Five Years Total:	\$1,172,560

Based on the minimum combined 2024 sales tax rate for Marion, Iowa is 7%. This is the total of state, county, and city tax rates.

Lodging/Bed Tax Revenue Per Year	
Year	Lodging/Bed Tax
Year One	\$206,098
Year Two	\$216,526
Year Three	\$227,482
Year Four	\$238,993
Year Five	\$243,797
First Five Years Total:	\$1,132,896

Based on a current 7% Average Transient Lodging Tax in Marion, IA.

Real Estate Tax Revenue Per Year (Based on Estimates)	
Year	Real Estate Tax
Year One	\$203,073
Year Two	\$203,073
Year Three	\$203,073
Year Four	\$203,073
Year Five	\$203,073
First Five Years Total:	\$1,015,363

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
Year One	64.7%	19,837
Year Two	66.0%	20,234
Year Three	67.3%	20,639
Year Four	68.7%	21,051
Year Five	69.3%	21,262

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

Average Rooms Per Night Sold	
Year One	54
Year Two	55
Year Three	57
Year Four	58
Year Five	58

Indirect Economic Impact Estimates (continued)

The average cost of food in the United States of America is \$58 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 \$23 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	
Year One	\$3,152
Year Two	\$3,215
Year Three	\$3,280
Year Four	\$3,345
Year Five	\$3,379

Average Indirect Food Revenue Per Year	
Year One	\$1,150,558
Year Two	\$1,173,569
Year Three	\$1,197,041
Year Four	\$1,220,982
Year Five	\$1,233,192
First Five Years Total:	\$5,975,342

** 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	
Year One	16.0
Year Two	16.3
Year Three	16.6
Year Four	16.9
Year Five	17.1

** Based on 32 hours a week and the median average base hourly rate of Food Service Workers of \$13 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 \$55 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	
Year One	\$2,989
Year Two	\$3,049
Year Three	\$3,110
Year Four	\$3,172
Year Five	\$3,204

Average Indirect Entertainment/Activities Revenue Per Year	
Year One	\$1,091,047
Year Two	\$1,112,868
Year Three	\$1,135,125
Year Four	\$1,157,827
Year Five	\$1,169,406
First Five Years Total:	\$5,666,272

** 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	
Year One	7.8
Year Two	8.0
Year Three	8.2
Year Four	8.3
Year Five	8.4

** Based on 32 hours a week and the median average base hourly rate of Tour Guide of \$20.89 per hour, at the time of this report according to www.salary.com.*

Indirect Economic Impact Estimates (continued)

The average person spends about \$27 on alcoholic beverages in the United States of America per day.

Average Indirect Alcoholic Beverages Revenue Per Day	
Year One	\$1,467
Year Two	\$1,497
Year Three	\$1,527
Year Four	\$1,557
Year Five	\$1,573

Average Indirect Alcoholic Beverages Revenue Per Year	
Year One	\$535,605
Year Two	\$546,317
Year Three	\$557,243
Year Four	\$568,388
Year Five	\$574,072
First Five Years Total:	\$2,781,625

** 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	
Year One	7.7
Year Two	7.8
Year Three	8.0
Year Four	8.2
Year Five	8.2

** Based on 32 hours a week and the median average base hourly rate of a bartender of \$12.55 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 \$33 per day. The usual amount for a tip in the United States of America is 10% - 20%.

Average Indirect Tips/Handouts Revenue Per Day	
Year One	\$1,794
Year Two	\$1,829
Year Three	\$1,866
Year Four	\$1,903
Year Five	\$1,922

Average Indirect Tips/Handouts Revenue Per Year	
Year One	\$654,628
Year Two	\$667,721
Year Three	\$681,075
Year Four	\$694,696
Year Five	\$701,643
First Five Years Total:	\$3,399,763

** 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 AND RECOMMENDATIONS

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:

- Recommended Hotel Segment Recommendations for Market Studied
- Recommended Sleeping Room Configuration Recommendations for Market Studied
- Expected Economic Impact of Hotel in Market Studied

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CONCLUSION AND RECOMMENDATIONS

Property segment recommended for the potential development of a hotel is an Upscale hotel. For the purpose of this study, Core Distinction Group, focuses on the Upper Midscale hotel. This type of hotel would allow the property to be positioned properly at the subject site. It is anticipated that this new hotel would capture displaced Lodging Demand currently staying in markets surrounding Marion, IA. Additionally, the newness of the hotel should be well received in the marketplace. It's location will be ideal to serve Marion 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 for the Upscale, newly developed hotel was researched to be between 80 and 90 guestrooms in this report. This would position it to be smaller in size than the average room size of 138 units noted by the competitive set surveyed for Upscale. 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 comparable selection of guestrooms with both single occupancy king bedded rooms to double occupancy double queen bedded guestrooms.

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 10-15 full-time equivalent jobs. Indirect impact includes all jobs and income generated by businesses that supply goods and services to the hotel.



UNDERSTANDING THE 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: 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.

Index: Measures a hotel's performance relative to an aggregated grouping of hotels (i.e., competitive set, market or submarket). 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.



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DISCLAIMER

Thank you for the opportunity to complete this market and feasibility study for the proposed hotel project. 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.

Lisa Pennau

Founding Partner

Core Distinction Group, LLC



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 thought out 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:

KICKOFF MEETING, RESEARCH & COMMUNITY OUTREACH

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

SITE VISIT/COMMUNITY TOUR

This phase involves an in-depth local tour of the community highlighting sites and demand generators to help Core Distinction understand the community and the need for lodging.

DEMAND GENERATOR SURVEYS

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. In some cases, surveys are done prior to visit.

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.



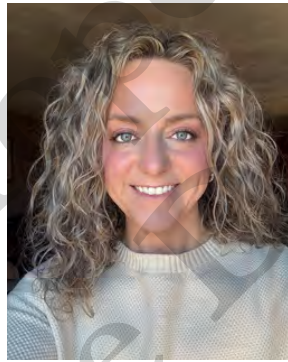
OUR TEAM

Core Distinction Group specializes in comprehensive, hotel feasibility market studies. Our more than fifty years of hands-on industry experience, offers our clients valuable knowledge and understanding. Each community is unique. A one-size-fits-all approaches will never produce a productive and precise outcome. Core Distinction Group delivers custom solutions, tailored to your community.

Although our specialty is hotel feasibility studies, our clients return to us for convention or conference center feasibility studies, restaurant feasibility studies, marketing and much more. Colleagues in the hotel industry turn to Core Distinction Group expert knowledge for training, sales, revenue, marketing and operations management consulting.



Lisa Pennau
Founding Partner



Jessica Junker
Managing Partner



Sara McKay
Hotel Industry
Analyst



Stephanie Knutson
Executive Assistant

Core Distinction Group offers you hotel consultants with unmatched industry and market knowledge in the world of hotel market feasibility study reports and hotel consulting. Prior to working with Core Distinction Group, our hotel expert team has gained hands on knowledge from industry leaders like Marriott, Hilton, WHG Companies, InterContinental Hotels Group, Choice Hotels, TMI Hospitality, Interstate Hotels, Pillar Hotels & Resorts, Cobblestone Hotels, Wyndham Hotels & Resorts, and many more. In addition to drawing knowledge from industry leading companies, our team has experience in markets with populations of less than 500 to markets with populations in the millions. Experience is key to having a true understanding of each unique project and market. Our team has the experience that you need when working on a hotel development project and the hotel feasibility study report to get the project done.

APPENDICES

For the purpose of this Comprehensive Hotel Market Feasibility Study, large amounts of data was collected. The Appendices hold the detailed information of each data set collected. This section contains the following information:

- Detailed Community Survey Responses
- Primary Competitive Set Analytics
- Secondary Competitive Set Analytics
- Regional Lodging Industry Sub-market Report

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APPENDIX ONE

COMMUNITY INTERVIEWS

DETAILED REPORT

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TAKING THE FIRST STEP TO DEVELOP A NEW HOTEL IN YOUR COMMUNITY

Q1 Please enter the name of your organization/business.

RESPONSES

TrueWealth Stewardship

CablePro Installations

Schwenn Family Chiropractic

IRT Services

Consumers Supply Distributing

Heroes Lawn Care

Collins Aerospace | B&RA Organization

Collins Aerospace

Community Savings Bank

Self Employed. Real Estate and Consulting.

HoytHenge LLC

Cedar Rapids Bank & Trust in Marion

Swamp Fox Bookstore

Cedar Valley Family Dentistry

Cedar Rapids Area Association of REALTORS

Linn Coop

ITC Midwest

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Q3 What do you expect your organization's lodging need will be in 2025 and beyond? PLEASE KEEP IN MIND, A NEW HOTEL MAY TAKE TWO OR MORE YEARS TO DEVELOP AND BUILD. Please be as specific as possible. Example 1: My company typically has 5 rooms a month. The guest usually stays Tuesday or Wednesday night for 2 nights. Example 2: We have soccer tournaments three times during the Summer Months. These tournaments are held Friday and Saturday and have 10 to 25 teams of 10.

#	RESPONSES	DATE
1	We would need 3 overnights a year. And we would have need of a conference room that holds up to 20 people with ability to utilize AV utilizing a smart TV or a smart projector.	1/26/2025 3:27 PM
2	My company may require a room maybe 2-5 times a year for partners that visit our main offices in Marion.	1/22/2025 10:41 AM
3	None	1/22/2025 8:17 AM
4	None	1/22/2025 7:07 AM
5	Just one or two nights a month. No particular schedule.	1/21/2025 9:12 PM
6	We do not have monthly repeating overnight stays; however, I foresee 1-4 rooms per month for various visitors.	1/21/2025 4:14 PM
7	My company could have a need any day of the week. We have international customers and local customers. Typically we have 3-5 people traveling at a time.	1/21/2025 4:00 PM
8	We will not have any need for overnights	1/21/2025 3:11 PM
9	Our business hosts guests for two or more nights per reservation.	1/21/2025 1:36 PM
10	N/A	1/21/2025 1:29 PM
11	It would be nice to offer authors visiting the area accommodations for 1-2 nights. We do between 6 and 12 author visits a year.	1/21/2025 1:02 PM
12	NA	1/21/2025 12:58 PM
13	None	1/21/2025 12:40 PM
14	none	1/21/2025 12:25 PM
15	It varies widely, but we generally have 2-8ish between Tues and Thurs every week. There are a handful of times a year when that might be closer to 15.	1/21/2025 12:07 PM

Q5 If yes, what is the approximate length of stay and how many guests per month/year? Please be as specific as possible. Example 1: We offer accommodation for new hire employees that can range from 2 weeks to 3 months.

#	RESPONSES	DATE
1	there would be 1 or 2 guests for the 3 nights. If there were a large enough conf room accomodation that would likely be 1 time a year (possibly 2) with likely a single night stay for 5 people.	1/26/2025 3:27 PM
2	None	1/22/2025 7:07 AM
3	All local employees	1/21/2025 1:29 PM
4	Our summer interns use long term lodging from the middle of May until the middle of August.	1/21/2025 12:07 PM

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Q6 Where do you currently recommend these individuals to stay? Please be as specific as possible.

#	RESPONSES	DATE
1	Right now we use the Marriott in Marion on 7th Avenue. If we have a larger meeting group we have used the MEDCO large board room. But to have the 15+ people for board meetings these are held in Des Moines.	1/26/2025 3:27 PM
2	Marion towne place suites	1/22/2025 10:41 AM
3	Na	1/22/2025 7:07 AM
4	Hilton Garden Inn North River Blvd Cedar Rapids	1/21/2025 4:14 PM
5	We look for the best rates and then we also go by the needs of the person staying.	1/21/2025 4:00 PM
6	Radisson on Collins	1/21/2025 3:11 PM
7	Well, a new hotel just opened in Marion. I would recommend it first for a mid priced option	1/21/2025 2:38 PM
8	N/A	1/21/2025 1:29 PM
9	This document has our recommendations: https://docs.google.com/document/d/1n8bhQxjaJ2-TfZ1CZSs8Jsc54jQ-XIt9iV6KUHFcUYA/edit?usp=sharing	1/21/2025 1:02 PM
10	Marriott properties	1/21/2025 12:40 PM
11	We have housed our interns at the Townplace Suites the last two years and plan to continue. The number of interns varies year to year, approx 4-8.	1/21/2025 12:07 PM

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Q7 Do you have a second choice?

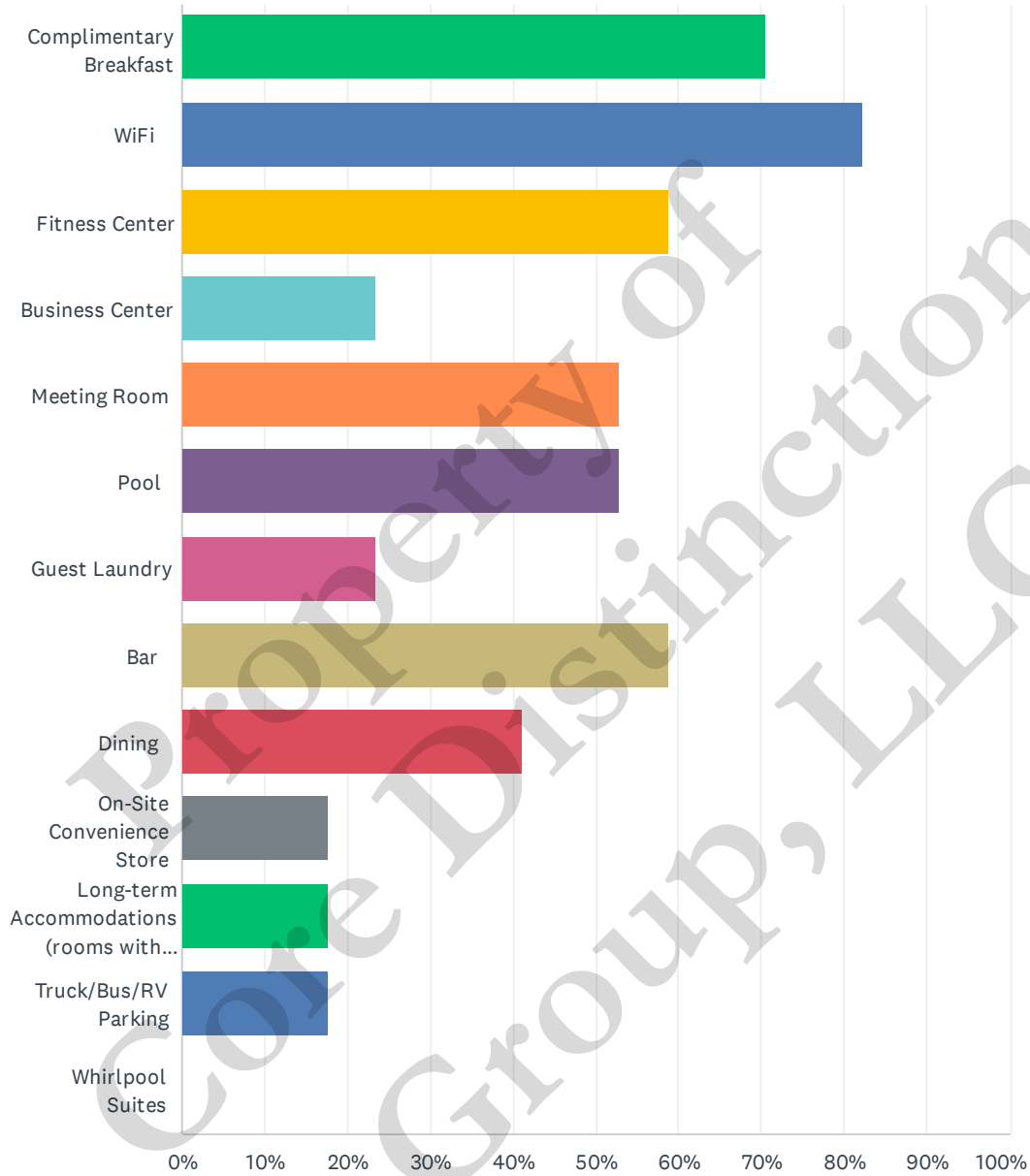
#	RESPONSES	DATE
1	Not in Marion. We have a 100 person conference with 1 overnight stay for 10 people and a second overnight stay for 40-50 people. That will be at Hilton Garden Inn on Edgewood Road in CR.	1/26/2025 3:27 PM
2	Any value we can find on third party apps	1/22/2025 10:41 AM
3	Na	1/22/2025 7:07 AM
4	Doubletree Downton Cedar Rapids	1/21/2025 4:14 PM
5	DoubleTree or Hilton hotels in the area	1/21/2025 4:00 PM
6	no	1/21/2025 3:11 PM
7	If more budget conscience, I would point to the newly updated Sleep Inn. If looking for upscale in the metro, that would probably be the Double Tree or the Radisson.	1/21/2025 2:38 PM
8	This document has our recommendations: https://docs.google.com/document/d/1n8bhQxjaJ2-TfZ1CZSs8Jsc54jQ-XIt9iV6KUHFcUYA/edit?usp=sharing	1/21/2025 1:02 PM
9	Hilton properties	1/21/2025 12:40 PM
10	We havent had to yet, but likely somewhere in SW Cedar Rapids closer to the office.	1/21/2025 12:07 PM

**Q9 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.**

#	RESPONSES	DATE
1	It appears that the Marriott and the Microtel (or whatever the new name is) are busy 7 days a week. So having another lodging option would be a want to keep people in Marion, versus lodging and eating in Cedar Rapids where they are likely to stay. I do not have enough first-hand knowledge of this. We also need to be careful of over-building should the Prospect Meadows Park not remain solvent. I would guess any further hotels would need to model their occupancy without that hotel.	1/26/2025 3:27 PM
2	I think it would help provide options for many types of visitors for personal and business needs	1/22/2025 10:41 AM
3	We have several in town with a new one opening by Hwy 13 & 151. There are also many options in CR with a short commute to CR.	1/22/2025 8:17 AM
4	Hotel with event space, restaurant / catering.	1/22/2025 6:36 AM
5	We don't have any Hilton properties	1/21/2025 9:12 PM
6	Many hotels are outdated and run down. Having customers come to town, it would be nice to have an updated/clean/current place to rest their heads.	1/21/2025 4:14 PM
7	Only benefit would be to have a better event center	1/21/2025 3:11 PM
8	I think a developer and the community should see how the new hotel performs with respect to vacancy first. If it is frequently 80-100% full then develop. I know it takes a few years but the community should not voluntarily provide funding until a need is seen.	1/21/2025 2:38 PM
9	Uptown Marion has a very pleasant atmosphere and a safe environment and is an ideal location for visitors to spend the night.	1/21/2025 1:36 PM
10	I believe the new hotel needs to have event space. We have space for smaller events, and much larger events in the area, but there is no middle sized event space in the main corridor of the community.	1/21/2025 1:02 PM
11	I feel a new hotel would be beneficial for an increase in tourism to our community. There are lots of traveling sports teams who visit the area regularly. If Marion could provide more opportunities for those teams to stay in our area, the entire community would benefit.	1/21/2025 12:58 PM
12	I think it would benefit the community especially with all the activity at Prospect Meadows	1/21/2025 12:40 PM
13	Not many options in town so rates can be more expensive	1/21/2025 12:25 PM
14	Yes. Preferably with a ballroom/convention space.	1/21/2025 12:07 PM

Q10 In your opinion, what amenities does this hotel offer that are important to your clients? Please check all that apply.

Answered: 17 Skipped: 0



ANSWER CHOICES	RESPONSES	
Complimentary Breakfast	70.59%	12
WiFi	82.35%	14
Fitness Center	58.82%	10
Business Center	23.53%	4
Meeting Room	52.94%	9
Pool	52.94%	9
Guest Laundry	23.53%	4
Bar	58.82%	10
Dining	41.18%	7
On-Site Convenience Store	17.65%	3
Long-term Accommodations (rooms with kitchenettes)	17.65%	3
Truck/Bus/RV Parking	17.65%	3
Whirlpool Suites	0.00%	0
Total Respondents: 17		

#	OTHER (PLEASE SPECIFY)	DATE
1	Bar/Dining are nice to have, but with so much in Marion being of easy driving and walking distance (depending on location of hotel) it would likely be up to the hotel chain if that expense is even necessary. Seems like it would be better to partner with local bars and restaurants to offer discounts on meals or and extra hour of happy hour or something. Then the businesses would be symbiotic.	1/26/2025 3:27 PM
2	I answered as if I were traveling out of town for a business trip. Pools are great if traveling for kids sporting events.	1/21/2025 1:29 PM
3	Outdoor fire pits, pickle ball courts, pet-friendly accommodations.	1/21/2025 12:58 PM
4	Our business guests generally stay somewhere with a bar/restaurant. That would be a big draw for them.	1/21/2025 12:07 PM

Q11 Please take a moment to tell us what you feel are the benefits of living or working in this community.

#	RESPONSES	DATE
1	I larger city (40,000) that doesn't feel that big. We are within 30 minutes of a major airport for people who travel frequently. We have 2 school districts; a vibrant "Uptown" shopping/dining area with improving amenities; a stable, affluent workforce/home ownership population; and a police/fire stations that are active and responsive.	1/26/2025 3:27 PM
2	Low level of crime, short drive to necessities like healthcare, school, groceries	1/22/2025 10:41 AM
3	The Marion community is close knit, it truly feels like a community where in CR it just feels like a large group of people living near each other. Marion encourages and rewards a sense of community.	1/22/2025 8:17 AM
4	Good main road access for transportation to anywhere.	1/22/2025 6:36 AM
5	Small town feel with big things.	1/21/2025 4:14 PM
6	Schools are quality. Fairly quiet and safe	1/21/2025 2:38 PM
7	It's upbeat with many shops, restaurants and bars.	1/21/2025 1:36 PM
8	Marion has done an exceptional job with shops, restaurants, and bars to make Marion lovely to visit and stay a while. Great people running the chamber!	1/21/2025 1:29 PM
9	Marion is a tight-knit community. We look out for one another, and support our local businesses.	1/21/2025 12:58 PM
10	relatively low cost of living, close proximity to work, shopping, etc., good schools	1/21/2025 12:40 PM
11	Lots of reasons, but our interns have enjoyed the trails, the festivals, and the people.	1/21/2025 12:07 PM

Property of
Core Distinction, LLC
Core Group, LLC

Q12 Please take a moment to tell us what you feel are the challenges of living or working in this community.

#	RESPONSES	DATE
1	Need to attract more employers that are 20 to 50 employees not dependent on Rockwell Collins. Our largest school district has gotten themselves distracted by "woke" policies, not catering to its best students by actively bringing in problem students, and focusing on LARGE/EXPENSIVE amenities instead of pouring money into staffing and expanding classroom spaces. LInn Mar is hooked on spending money and that is hurting the education quality which has long been a magnet for our growth.	1/26/2025 3:27 PM
2	Quality entertainment and city events	1/22/2025 10:41 AM
3	We have a fairly saturated market of restaurants and shops - I feel with the number we have it may be harder for some businesses to survive because of the mass amount of competitors they have.	1/22/2025 8:17 AM
4	Improving but still very much a bedroom community.	1/22/2025 6:36 AM
5	Congestion. Too many 2-lane roads. They build new roads that should be 2 lanes in each direction but instead add bike lanes and curves instead of just making a straight road with more lanes. This is terribly anti-business, creating congestion and long travel times. In addition to some of the highest taxes in Iowa, Marion is not very business friendly.	1/21/2025 9:12 PM
6	Downtown Parking!	1/21/2025 4:14 PM
7	Taxes are high. Being mostly residential. I see the council pushing for development in specific areas of the community over others.	1/21/2025 2:38 PM
8	Parking is often mentioned by guests, although parking in the uptown district is free.	1/21/2025 1:36 PM
9	While it's improving, it's challenging to find a good restaurant that has more than just "bar food." Parking in Uptown Marion is also challenging for large events.	1/21/2025 12:58 PM
10	Less of a challenge and more of a reality, the distance to other local destinations. Even that is minimal.	1/21/2025 12:07 PM

Q13 Please list the top five or more things you wish your community had to offer you or visitors. Examples would include but not be limited to; Recreations Center, Sit-down Restaurant, Fast Food Restaurant, Convenience Store, Community Pool, and so on.

#	RESPONSES	DATE
1	I think this is better understood when the uptown square project is complete. Let's see how that is used and enjoyed before bringing on more. What we should be looking at is something in conjunction with Prospect Meadows where we build an indoor soccer/basketball/volleyball complex. Can be privately run but the location could be shared and better utilized year round (think BettPlex off I-80). We need to continue to focus on revitalization of Seventh Avenue (which will include fixing infrastructure and paving). The in-fill projects we proposed 10 years ago are all coming to fruition and seems to be natural vs forced. Finding a tenant for the old MaidRite building would also help. Lastly, we should not have built new apartnemtns on the corner of 10th and 31st Street. That should have been left as parkspace for a soccer field or baseball fields for little leaguer or just park space. I think the old marion swimming pool site should be re-imagined as another park and/or place for little league complex.	1/26/2025 3:27 PM
2	More sit-down dining options/variety, larger family attractions along the same lines as cedar rapids two trampoline parks, or brewery with stage, large outdoor area for all ages	1/22/2025 10:41 AM
3	None	1/22/2025 8:17 AM
4	Gas station on the north side of town	1/22/2025 7:07 AM
5	Streets in the industrial area that could support semi and high volume traffic. Sit down restaurant	1/22/2025 6:36 AM
6	More 4 lane roads, stop with the 2 lane roads. Less roundabouts, people treat them like stop signs. Lower property taxes. Gas station in north side of Marion. A gym to compete with the YMCA.	1/21/2025 9:12 PM
7	Sit-Down restaurants other than Mexican.	1/21/2025 4:14 PM
8	Fast Food Restaurants are needed in Marion or even more sit down restaurants. We have zero steakhouses in the area.	1/21/2025 4:00 PM
9	Better event center, the rest seem pretty good	1/21/2025 3:11 PM
10	Unfortunately, we can not separate the "metropolitan" area versus just Marion when Community is used. The survey should look at the whole community and work with the community partners on needs like these. We could use a Brewery.	1/21/2025 2:38 PM
11	A movie theatre.	1/21/2025 1:36 PM
12	I think Marion is heads above many other communities with what they have to offer residents.	1/21/2025 1:29 PM
13	more easily accessible public transportation	1/21/2025 1:02 PM
14	More fine-dining options Nicer community pool Additional parking in Uptown Marion An emphasis on adding a rec center on the east or south side of Marion. The new YMCA is too far north for some of the residents to access.	1/21/2025 12:58 PM
15	More trail connections Casino Single family housing	1/21/2025 12:40 PM
16	I think we have almost everything we need.	1/21/2025 12:25 PM
17	Convention/Ball Room space. More upscale dining.	1/21/2025 12:07 PM

Q15 Additional Comments or Contacts you'd recommend us speaking to?

#	RESPONSES	DATE
1	i would invite guests (family, friends, business people) to stay at the upscale hotel. but there would be little reason for me to stay there since I live here.	1/26/2025 3:27 PM
2	Parking and traffic are terrible in Marion. The city has not planned well for the fast growth.	1/21/2025 9:12 PM
3	Let's wait and see how the new hotel and the recently updated hotel perform in conjunction with the Town Place suites before spending any tax payer money to developers. At a minimum, there should be \$0 spent on grants/up front money and only TIF. Our community has spent too much up front on the YMCA and the Town Place Suites.	1/21/2025 2:38 PM

Property of
Core Distinction
Group, LLC

APPENDIX TWO

PRIMARY COMPETITIVE SET ANALYTICS

Property of
Core Distinction
Group, LLC



TAKING THE FIRST STEP TO DEVELOP A NEW HOTEL IN YOUR COMMUNITY

Search Analytics

INVENTORY ROOMS

614 +17.6%

Prior Period 522

UNDER CONSTRUCTION ROOMS

0 -100.0%

Prior Period 93

12 MO OCC RATE

56.1% -4.5%

Prior Period 58.7%

12 MO ADR

\$116 +0.4%

Prior Period \$116

12 MO REVPAR

\$65 -4.1%

Prior Period \$68

MARKET SALE PRICE/ROOM

\$98.9K +12.3%

Prior Period \$88K

MARKET CAP RATE

10.4% +0.4%

Prior Period 10.0%

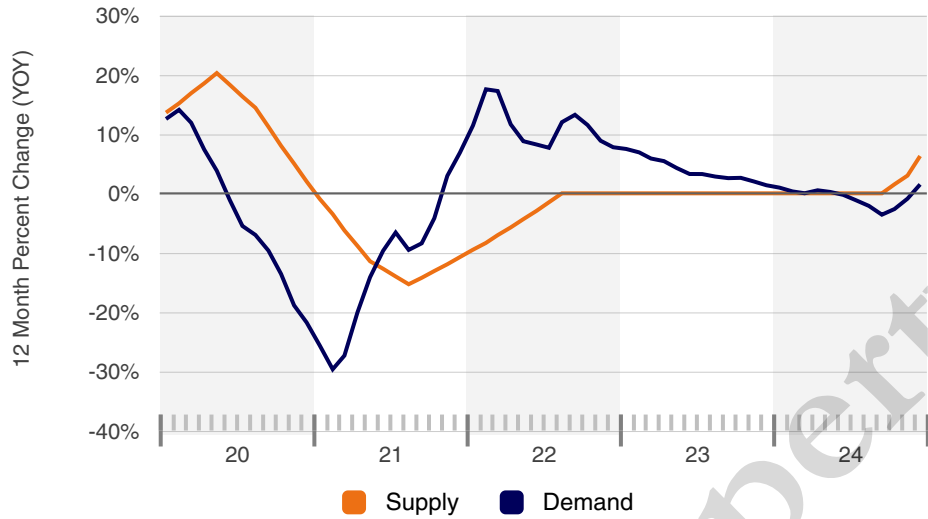
Key Metrics

Inventory		Sales Past Year	
Existing Properties	7 ↑	Sales Volume	\$0 ↓
12 Mo Delivered Rooms	93 ↑	Properties Sold	0 ↓
12 Mo Delivered Properties	1 ↑	Months to Sale	-
12 Mo Recently Opened Rooms	93 ↑	Average Price Per Building	-
12 Mo Recently Opened Properties	1 ↑	Market Price Per Room	\$98.9K ↑
Under Construction Properties	0 ↓	Market Cap Rate	10.4% ↑

Performance Trend	
Occupancy Rate	40.5% ↓
Average Daily Rate	\$100.45 ↓
Revenue Per Available Room	\$40.66 ↓
YTD Occupancy Rate	56.1% ↓
YTD Average Daily Rate	\$116.22 ↑
YTD RevPAR	\$65.16 ↓
3 Mo Occupancy Rate	50.2% ↓
3 Mo Average Daily Rate	\$113.99 ↓
3 Mo RevPAR	\$57.19 ↓
12 Mo Occupancy Rate	56.1% ↓
12 Mo Average Daily Rate	\$116.22 ↑
12 Mo RevPAR	\$65.16 ↓

Search Analytics

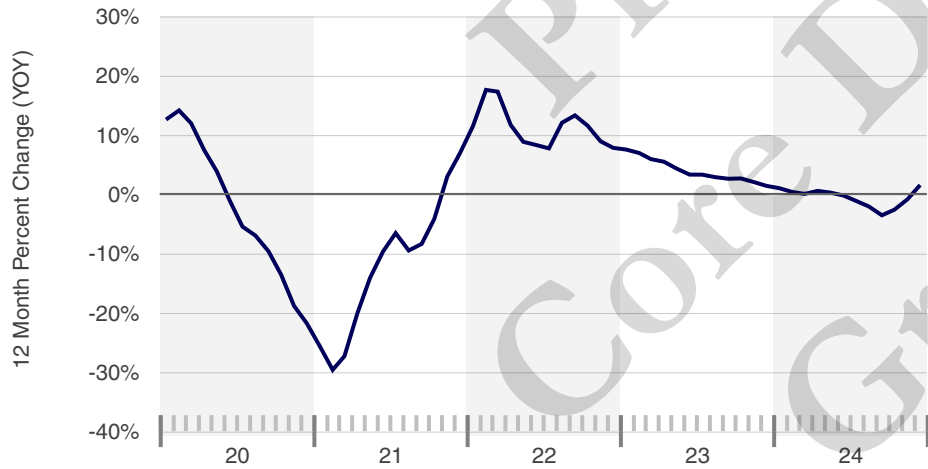
Supply & Demand Change



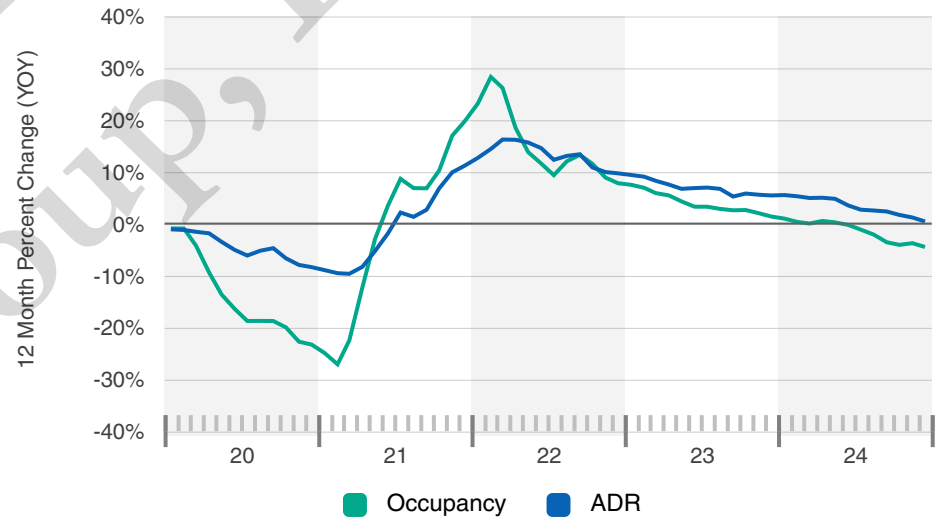
Supply Change



Demand Change

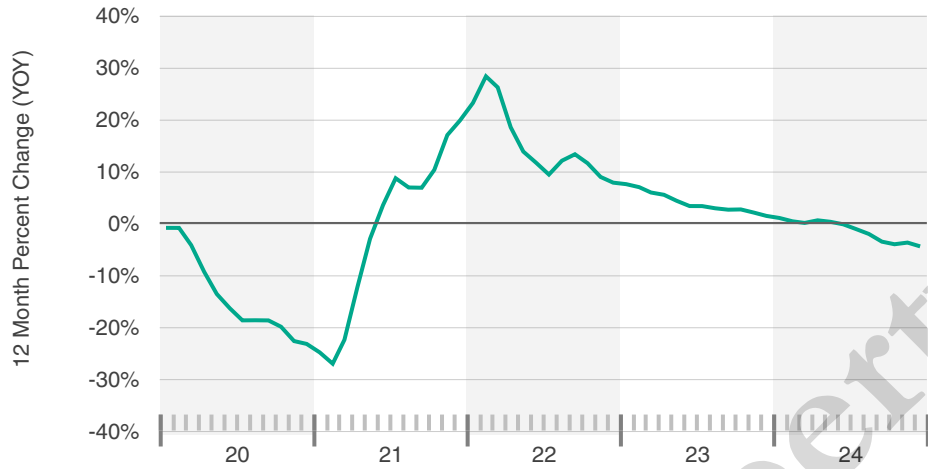


Occupancy & ADR Change

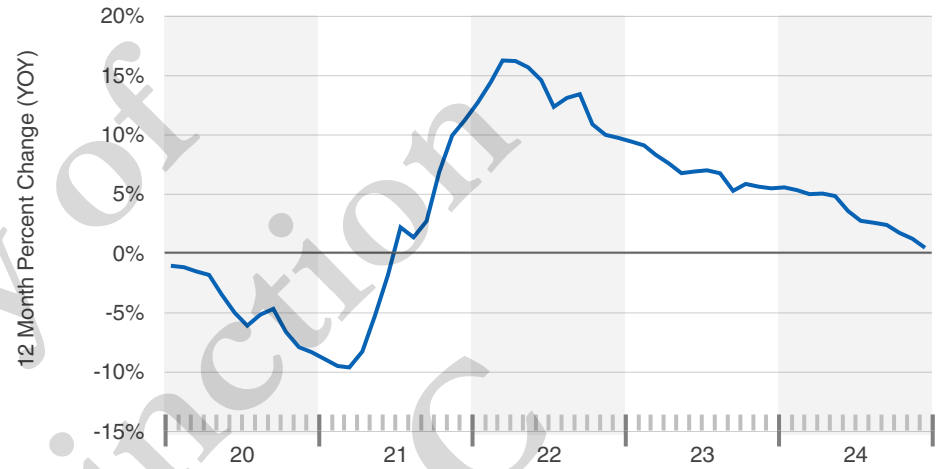


Search Analytics

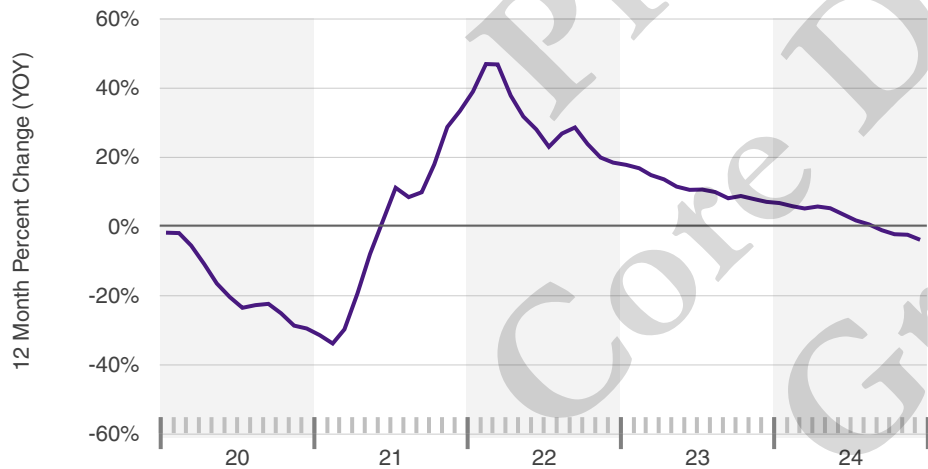
Occupancy Change



ADR Change



RevPAR Change



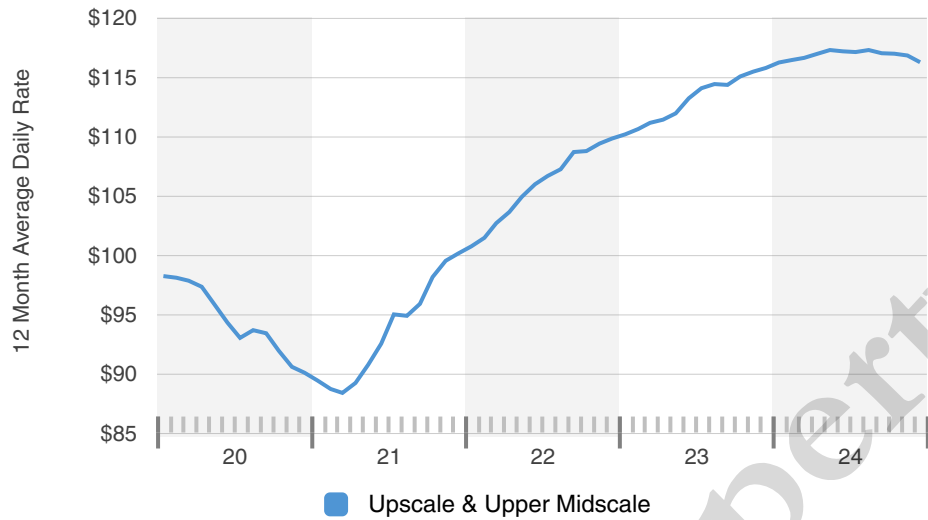
Occupancy By Class



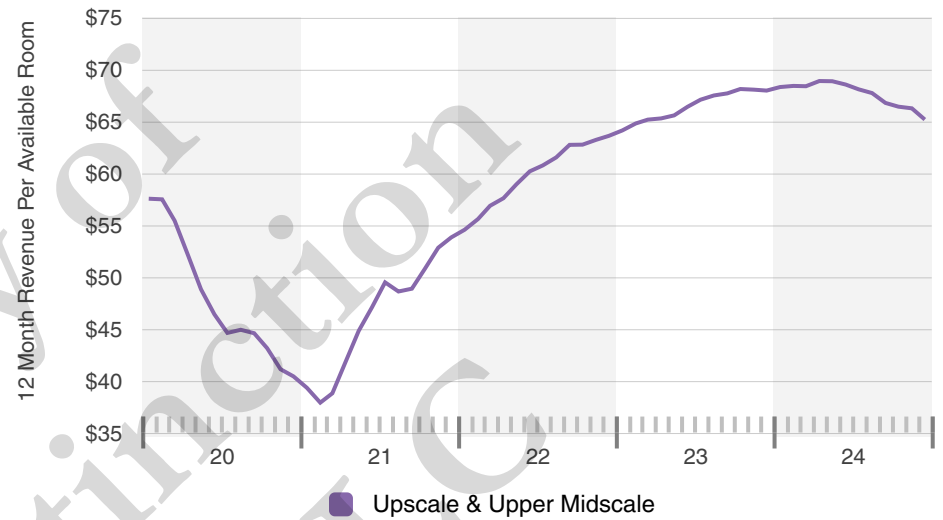
Upscale & Upper Midscale

Search Analytics

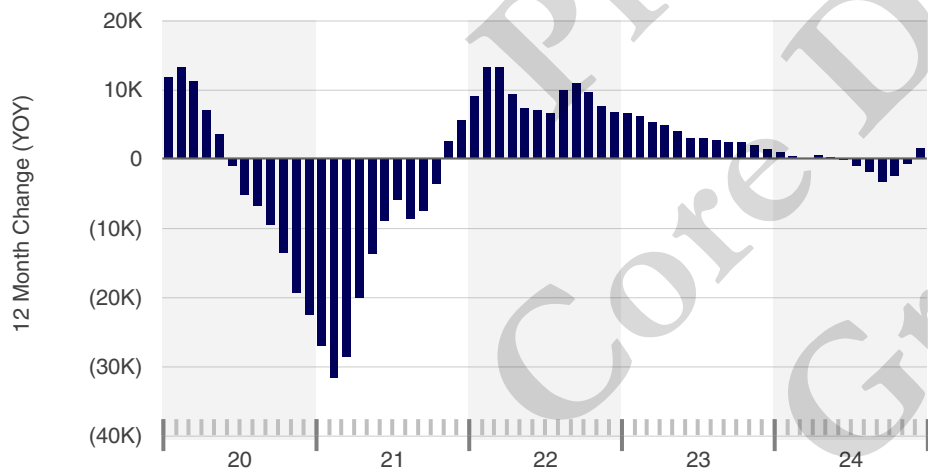
ADR By Class



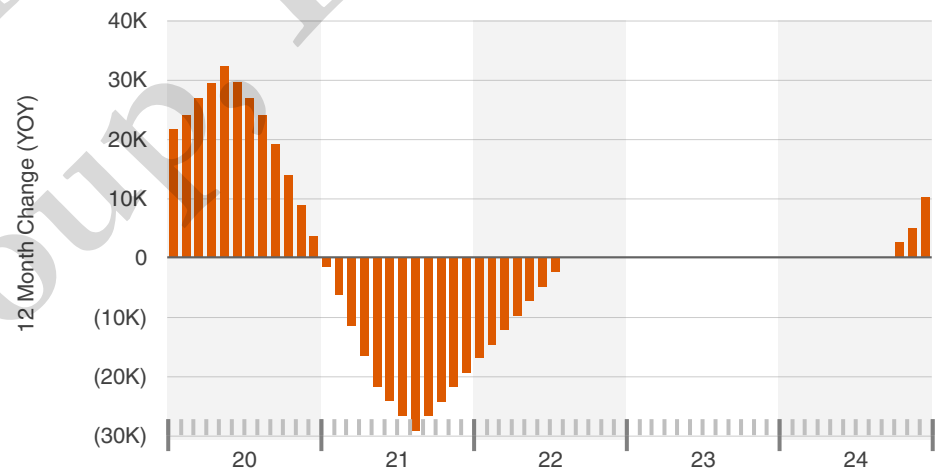
RevPAR By Class



Demand Change

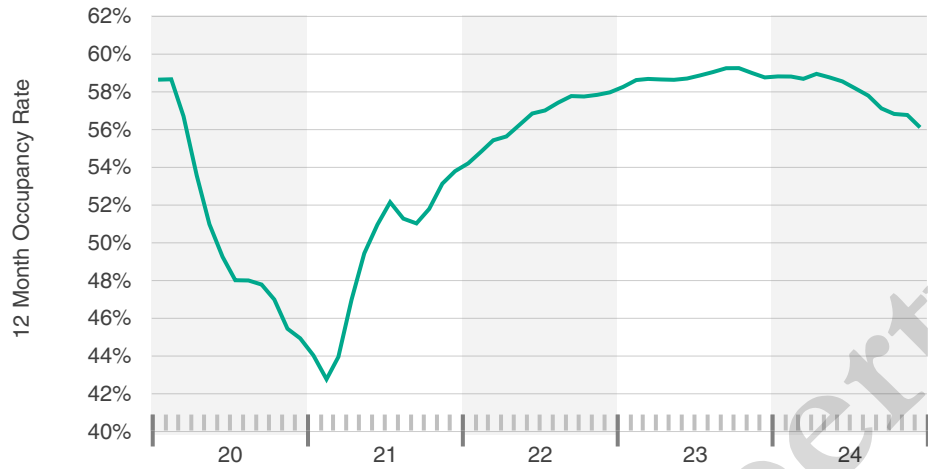


Supply Change

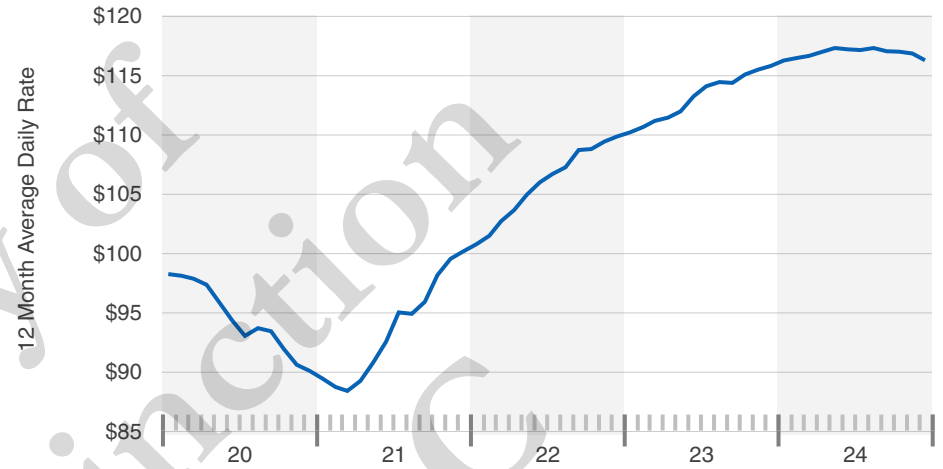


Search Analytics

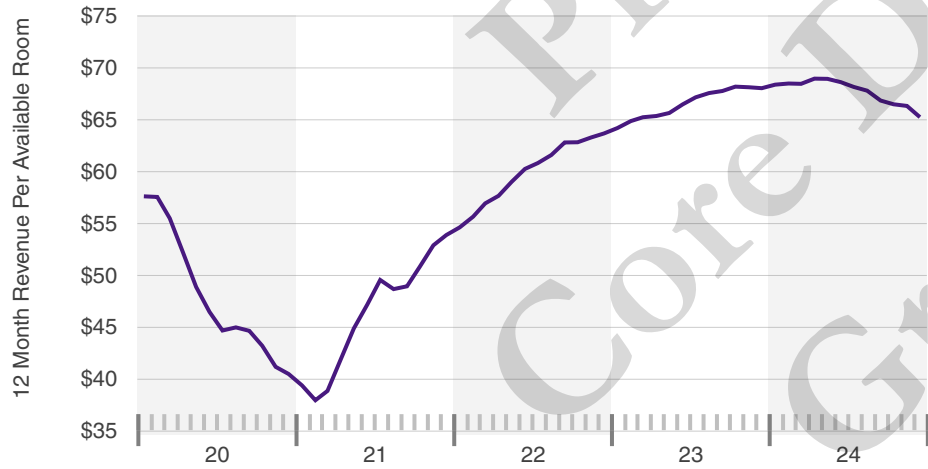
Occupancy



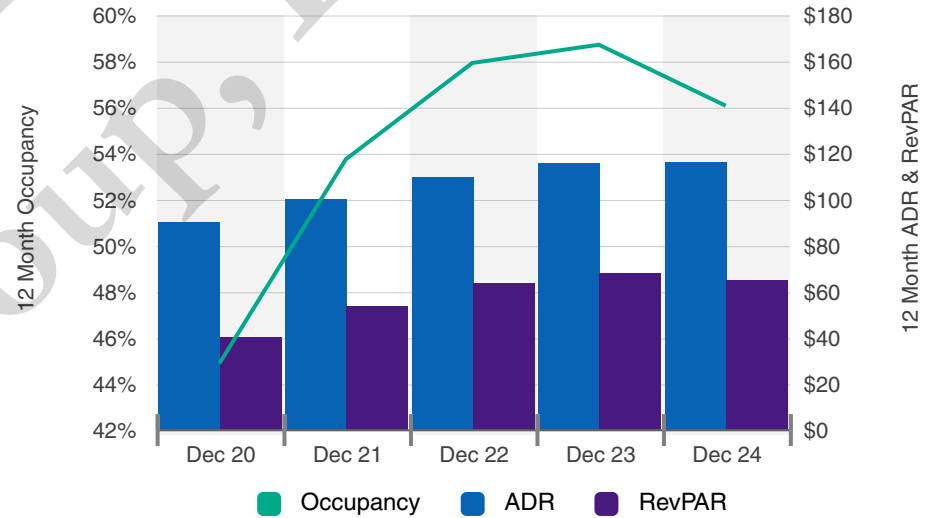
ADR



RevPAR

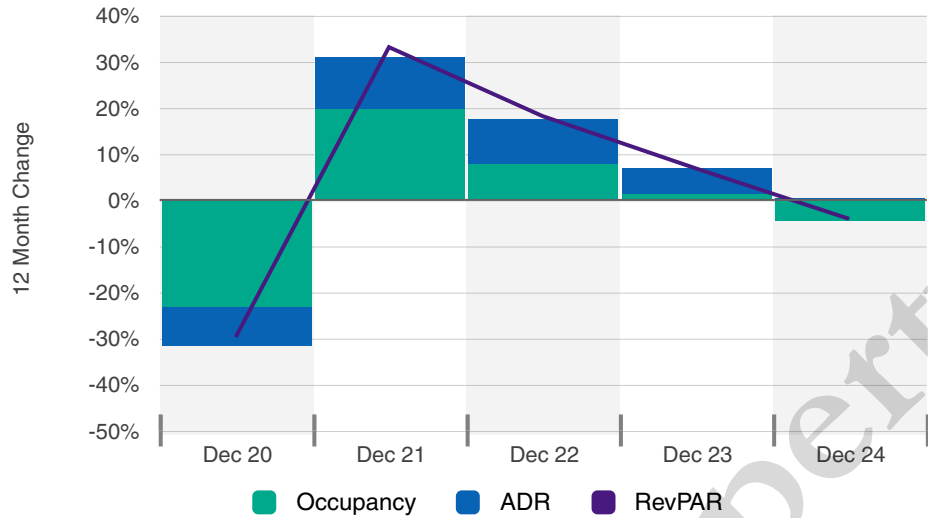


Occupancy, ADR & RevPAR

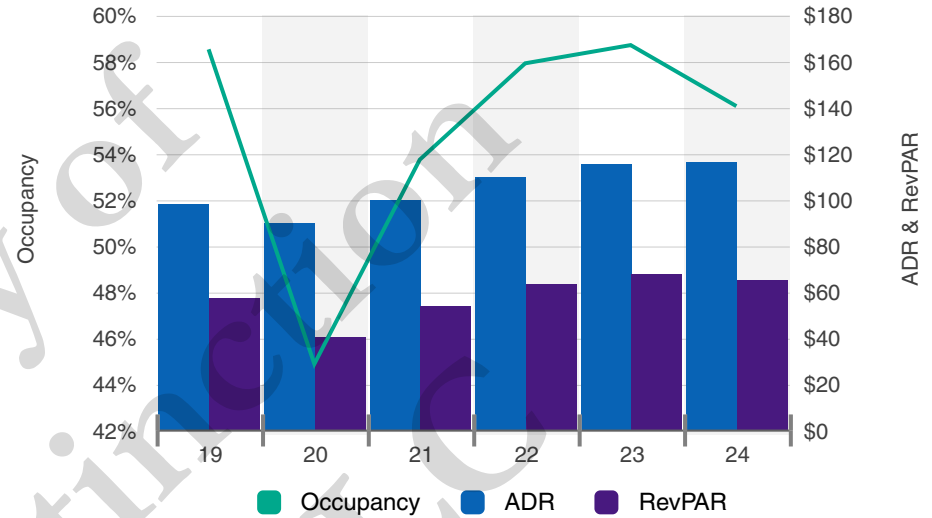


Search Analytics

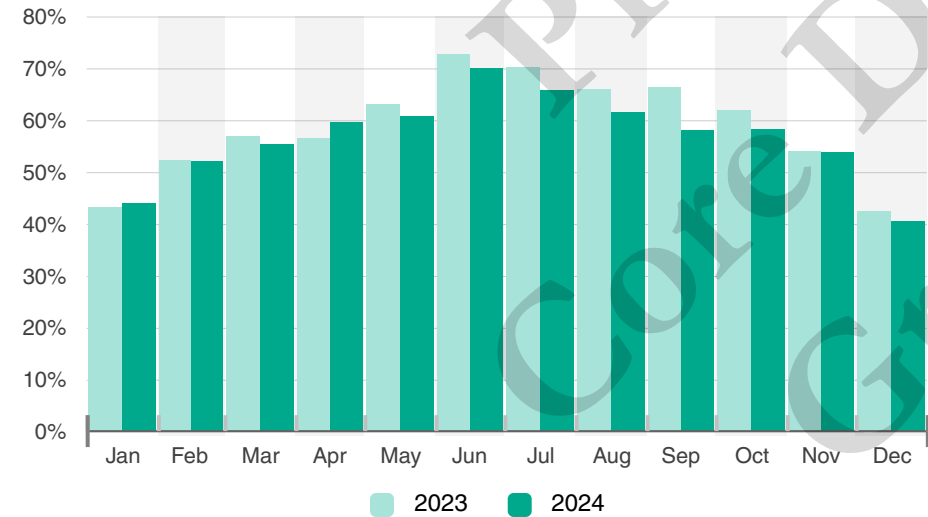
RevPAR Growth Composition



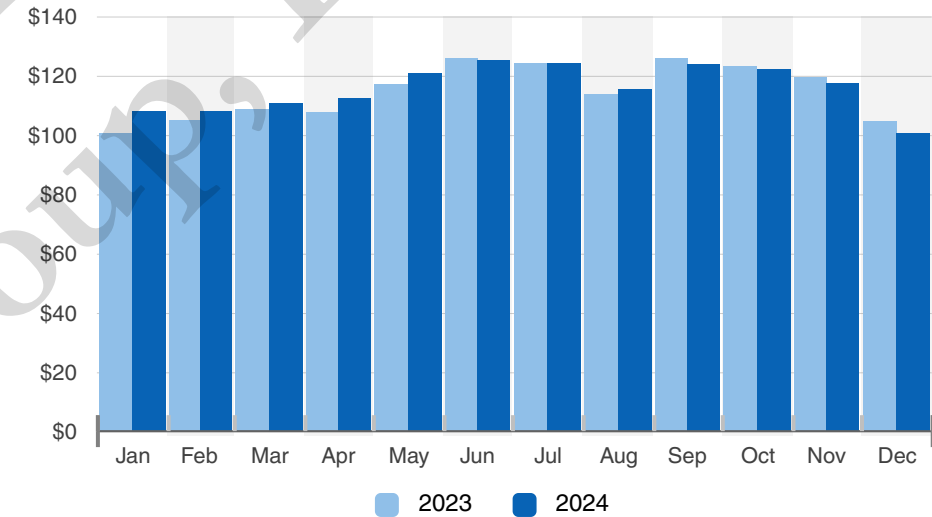
Occupancy, ADR & RevPAR Annualized vs YTD



Occupancy Monthly

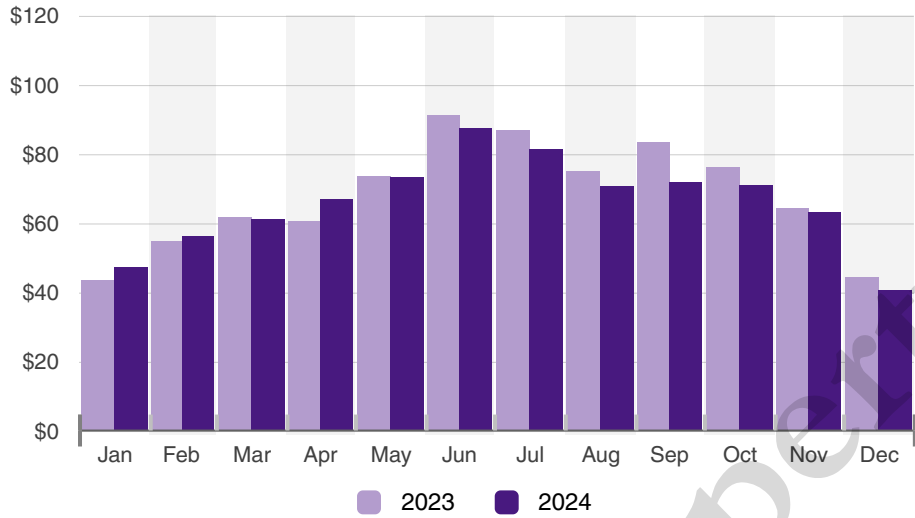


ADR Monthly

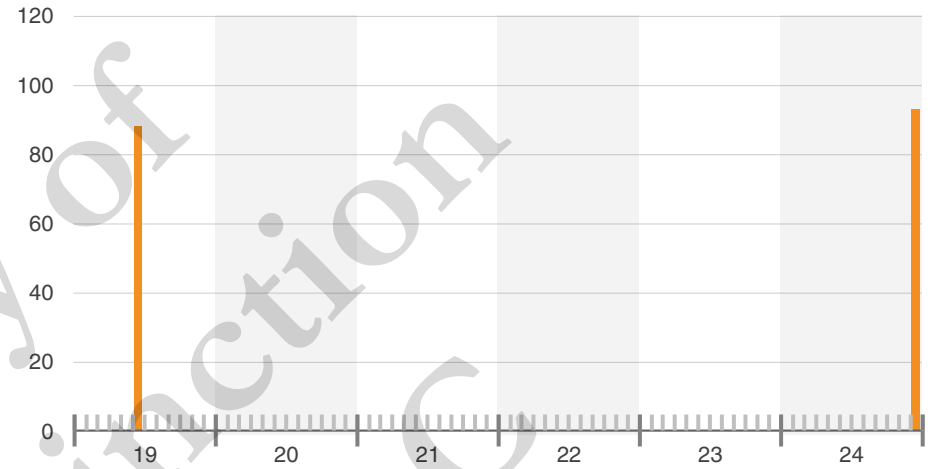


Search Analytics

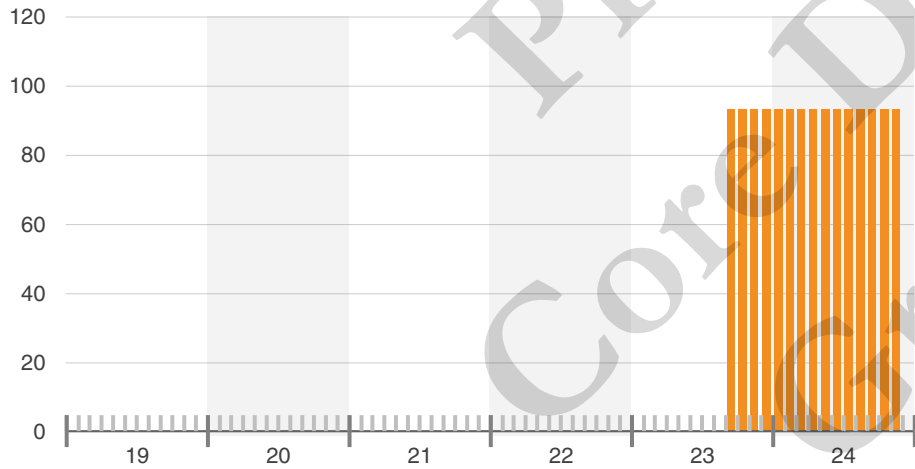
RevPAR Monthly



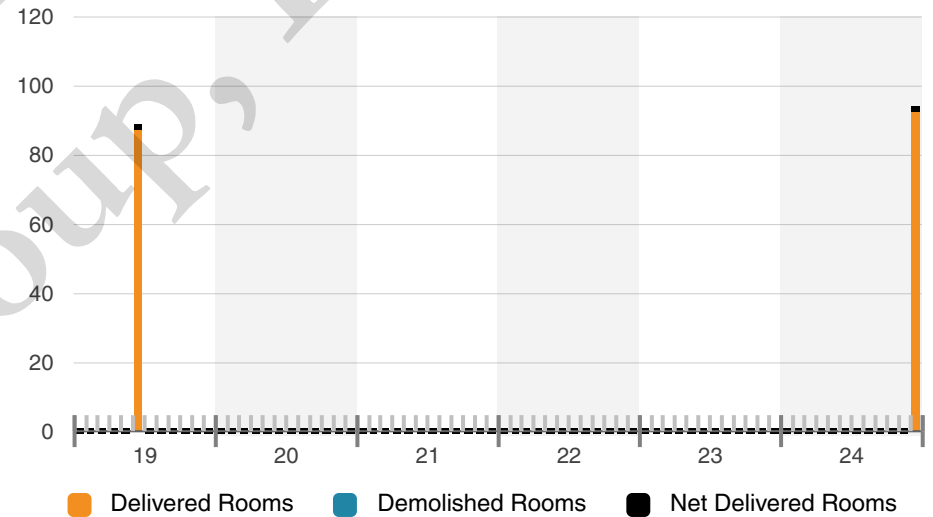
Rooms Delivered



Rooms Under Construction

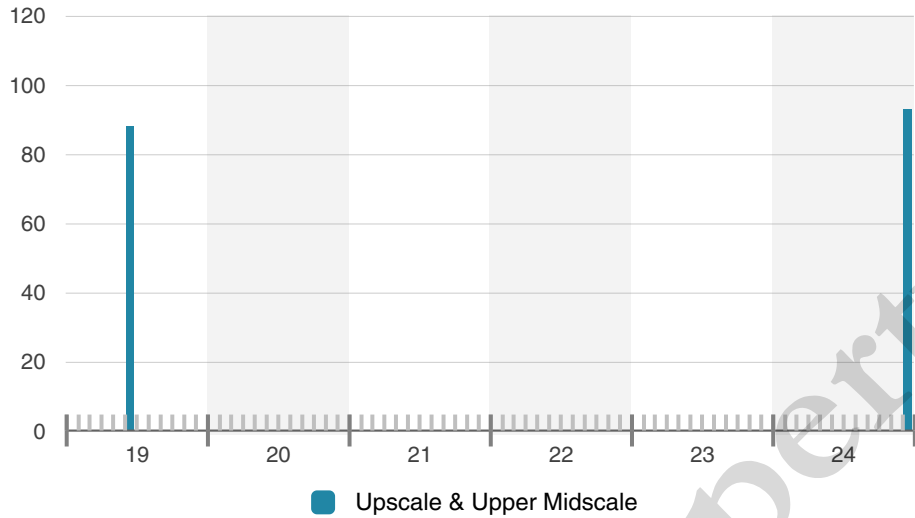


Delivered, Demolished & Net Delivered Rooms



Search Analytics

Rooms Delivered By Class



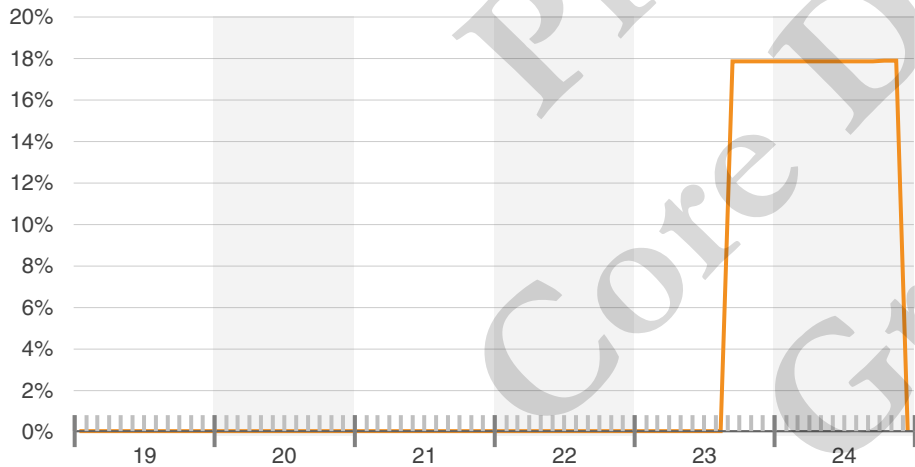
Demolished Rooms

No Data Available

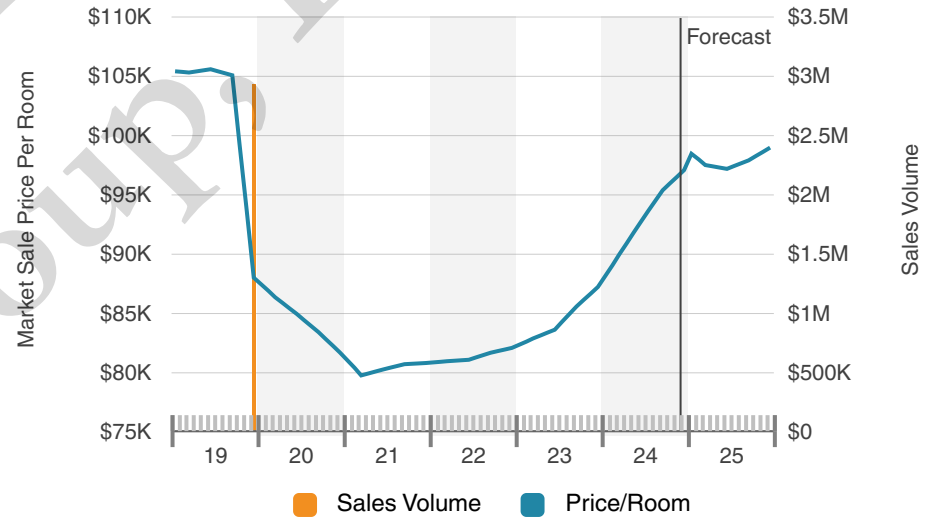


No data available for the past 5 years

Rooms Under Construction % of Inventory

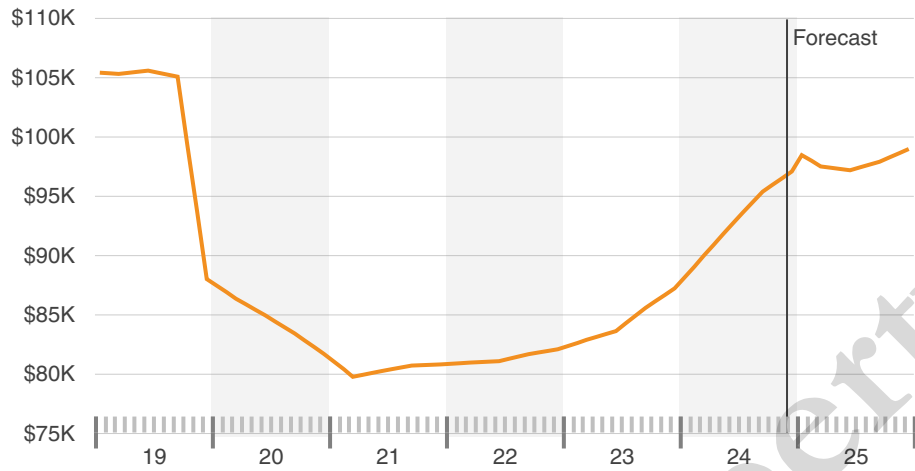


Sales Volume & Market Sale Price Per Room

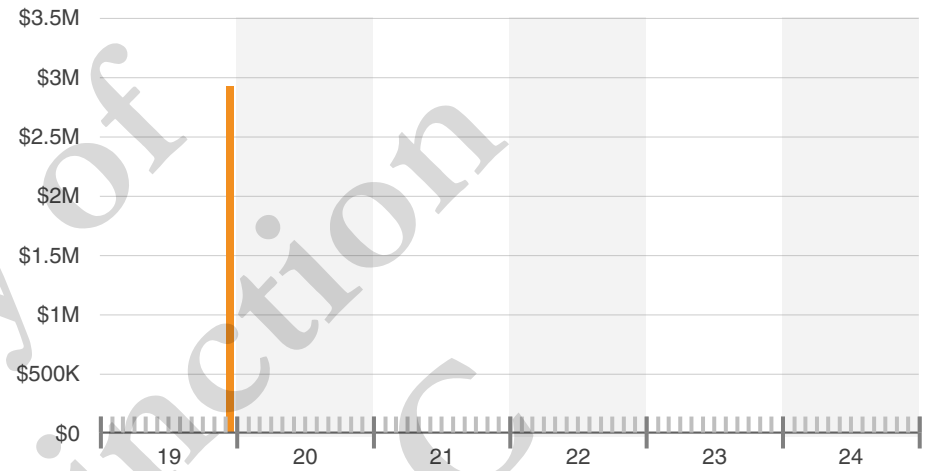


Search Analytics

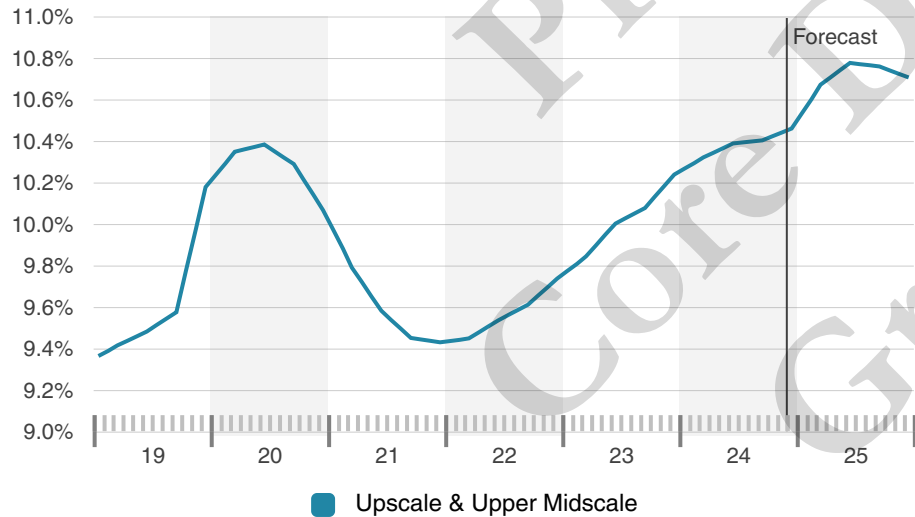
Market Sale Price Per Room



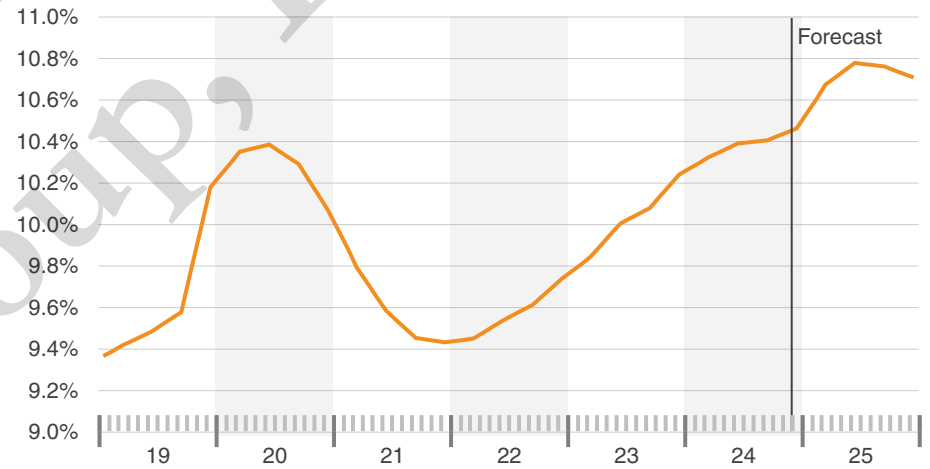
Sales Volume



Market Cap Rate By Class

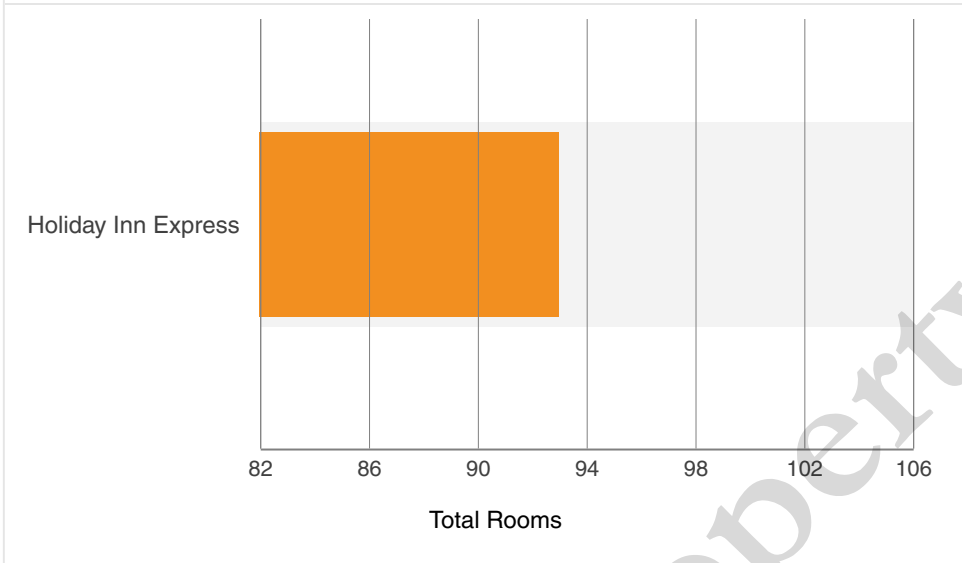


Market Cap Rate



Search Analytics

Top Brands 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

APPENDIX THREE

SECONDARY COMPETITIVE SET ANALYTICS

Property of
Core Distinction
Group, LLC



TAKING THE FIRST STEP TO DEVELOP A NEW HOTEL IN YOUR COMMUNITY

Search Analytics

INVENTORY ROOMS

830 +0%

Prior Period 830

UNDER CONSTRUCTION ROOMS

0 -

Prior Period 0

12 MO OCC RATE

59.4% -3.6%

Prior Period 61.6%

12 MO ADR

\$132 +1.3%

Prior Period \$131

12 MO REVPAR

\$79 -2.3%

Prior Period \$80

MARKET SALE PRICE/ROOM

\$129K +13.5%

Prior Period \$113K

MARKET CAP RATE

9.8% +0.3%

Prior Period 9.5%

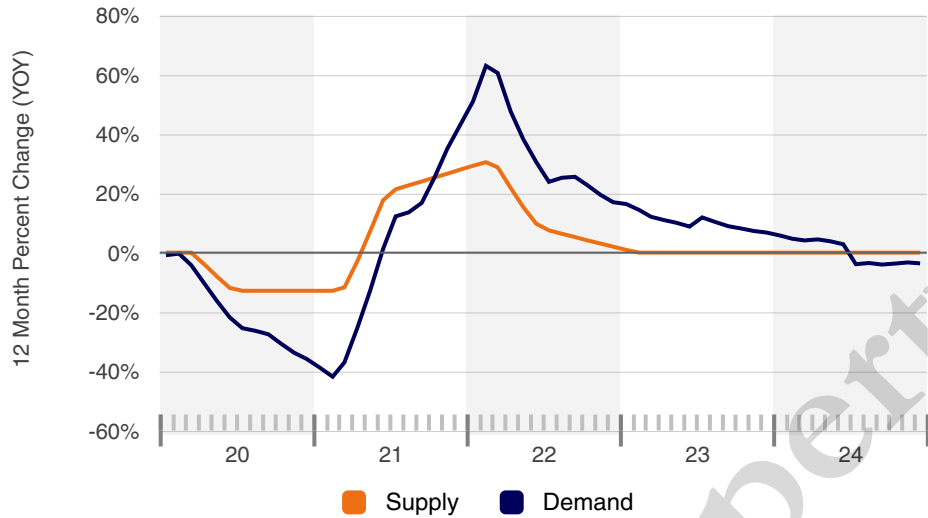
Key Metrics

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	\$129K ↑
Under Construction Properties	0 ↕	Market Cap Rate	9.8% ↑

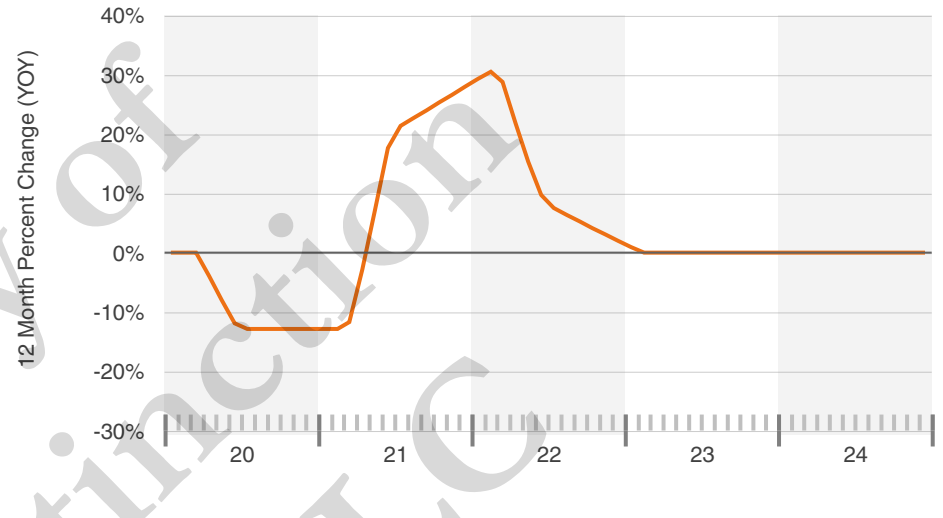
Performance Trend	
Occupancy Rate	44.2% ↓
Average Daily Rate	\$115.63 ↓
Revenue Per Available Room	\$51.09 ↓
YTD Occupancy Rate	59.4% ↓
YTD Average Daily Rate	\$132.27 ↑
YTD RevPAR	\$78.56 ↓
3 Mo Occupancy Rate	55.0% ↑
3 Mo Average Daily Rate	\$136.86 ↓
3 Mo RevPAR	\$75.31 ↑
12 Mo Occupancy Rate	59.4% ↓
12 Mo Average Daily Rate	\$132.27 ↑
12 Mo RevPAR	\$78.56 ↓

Search Analytics

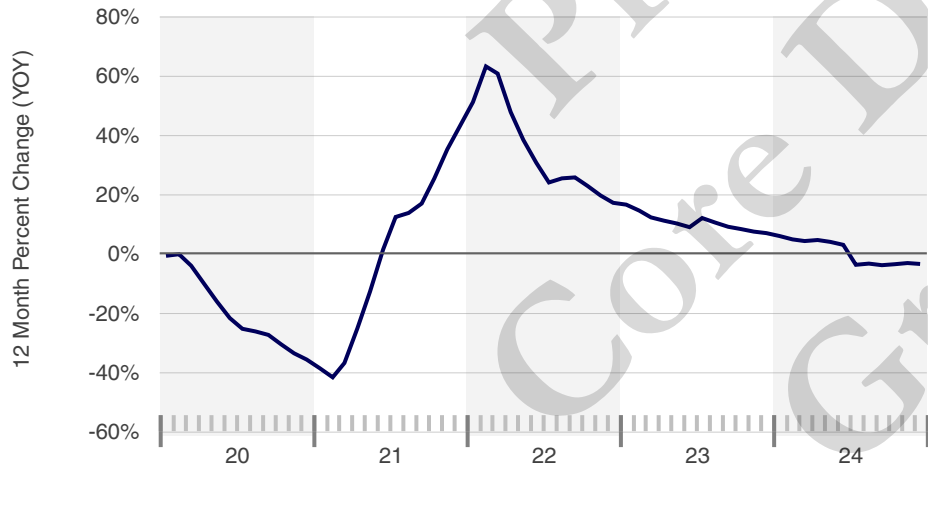
Supply & Demand Change



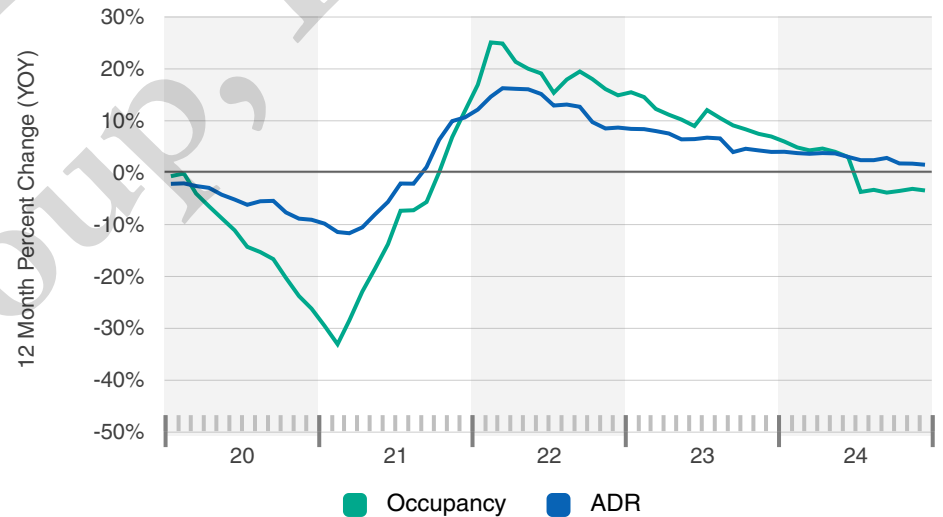
Supply Change



Demand Change

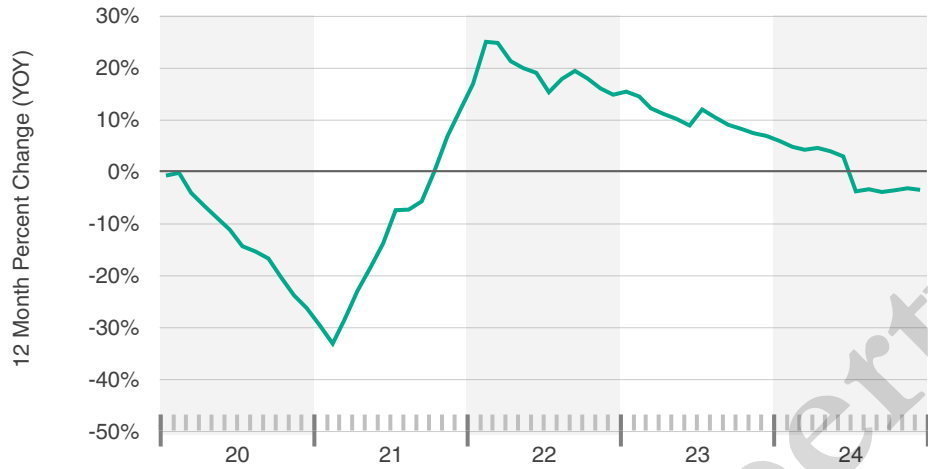


Occupancy & ADR Change

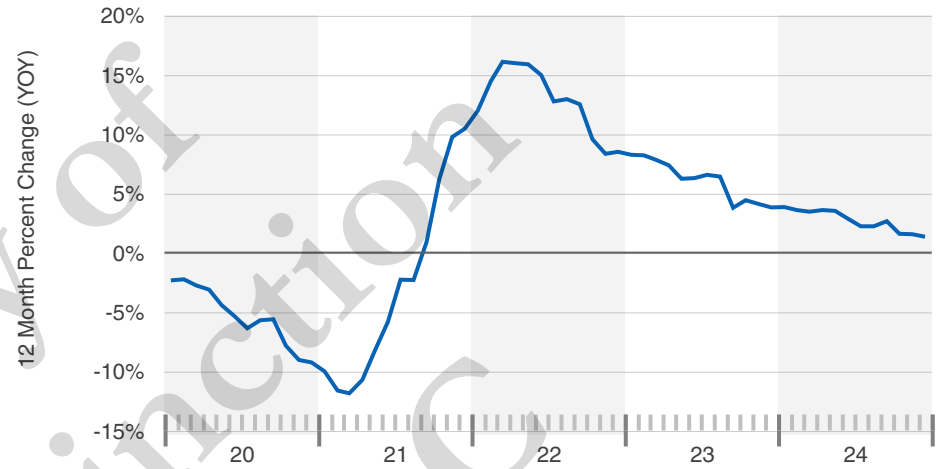


Search Analytics

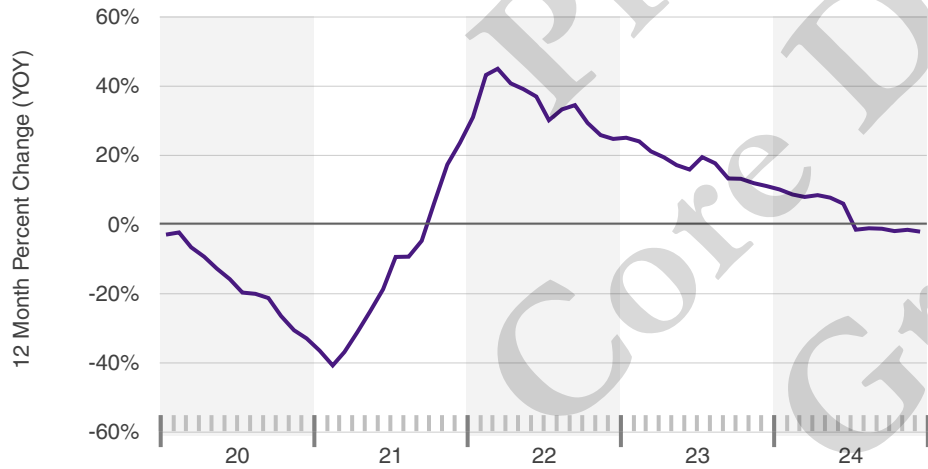
Occupancy Change



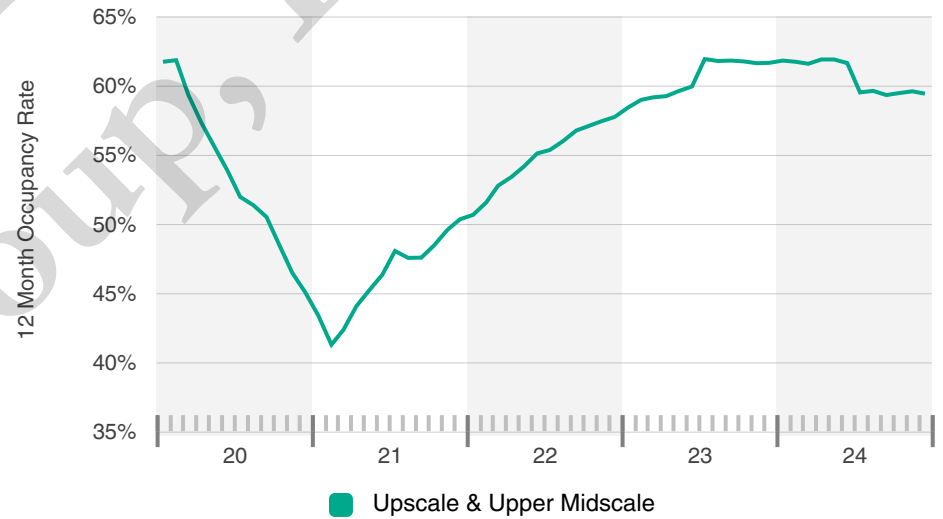
ADR Change



RevPAR Change



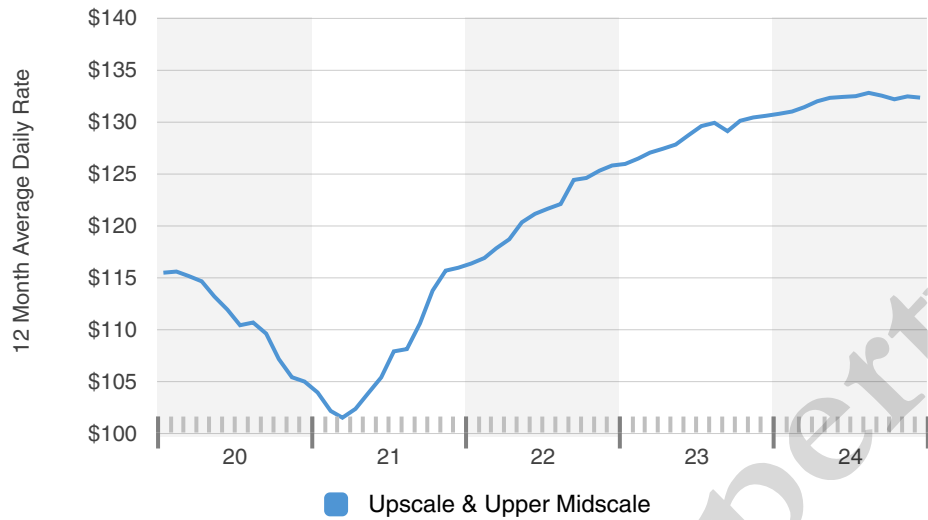
Occupancy By Class



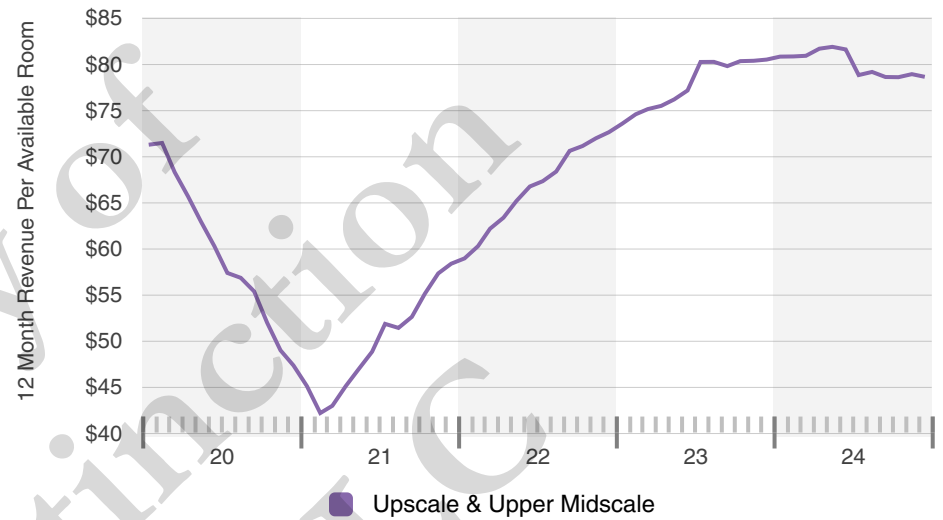
■ Upscale & Upper Midscale

Search Analytics

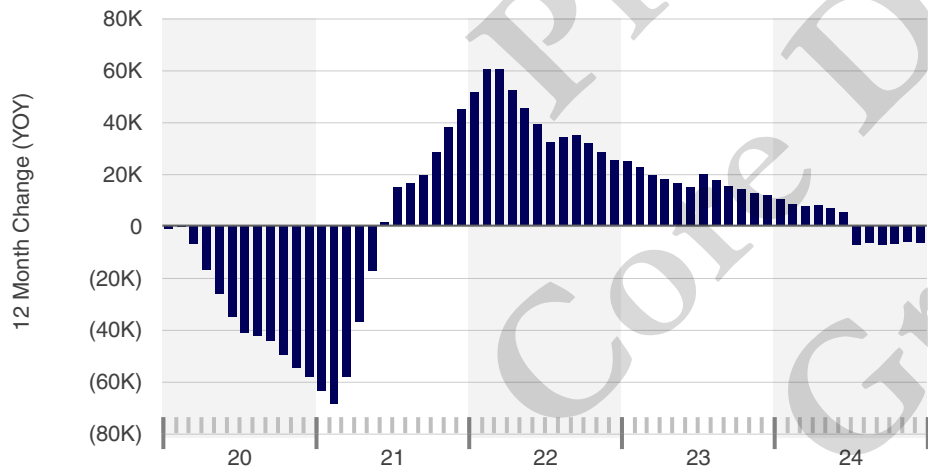
ADR By Class



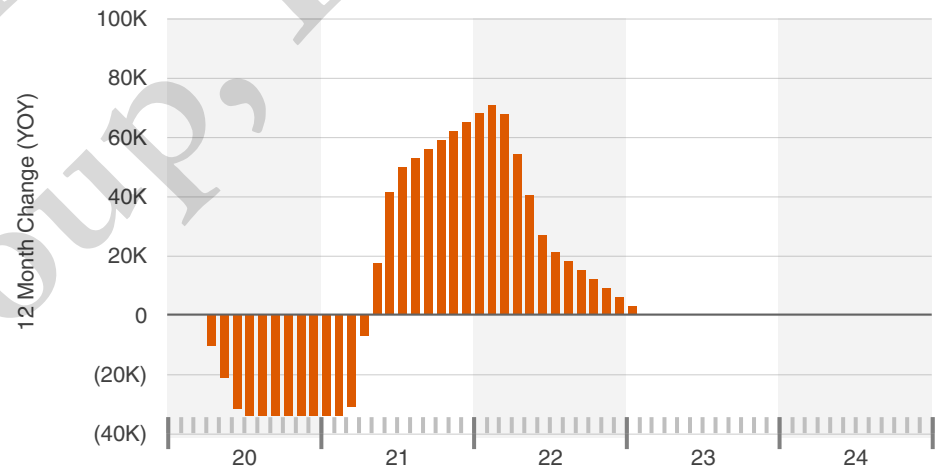
RevPAR By Class



Demand Change

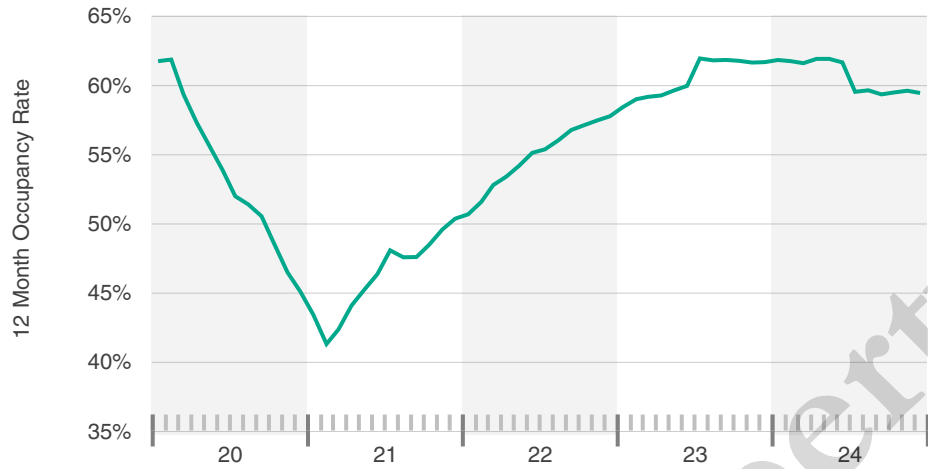


Supply Change

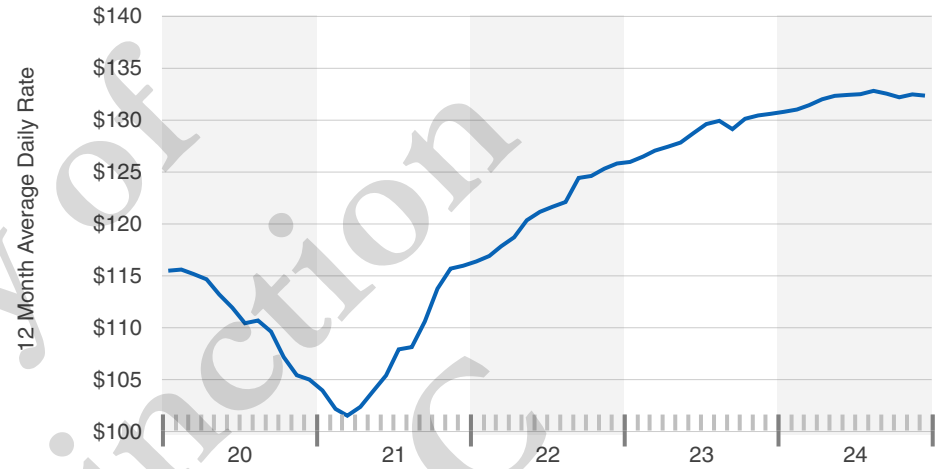


Search Analytics

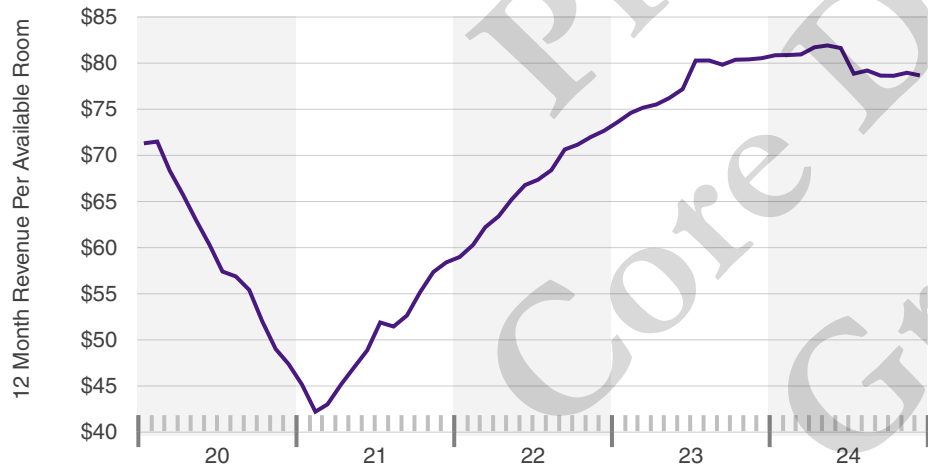
Occupancy



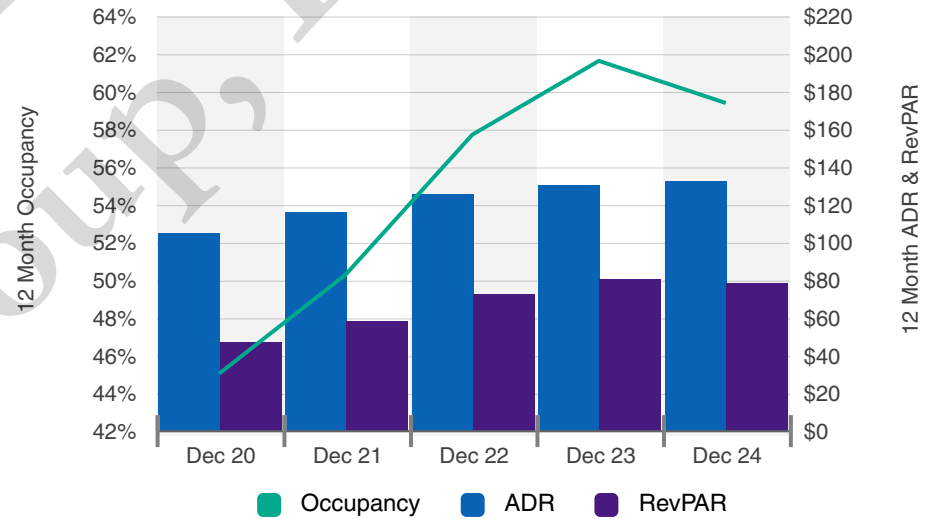
ADR



RevPAR

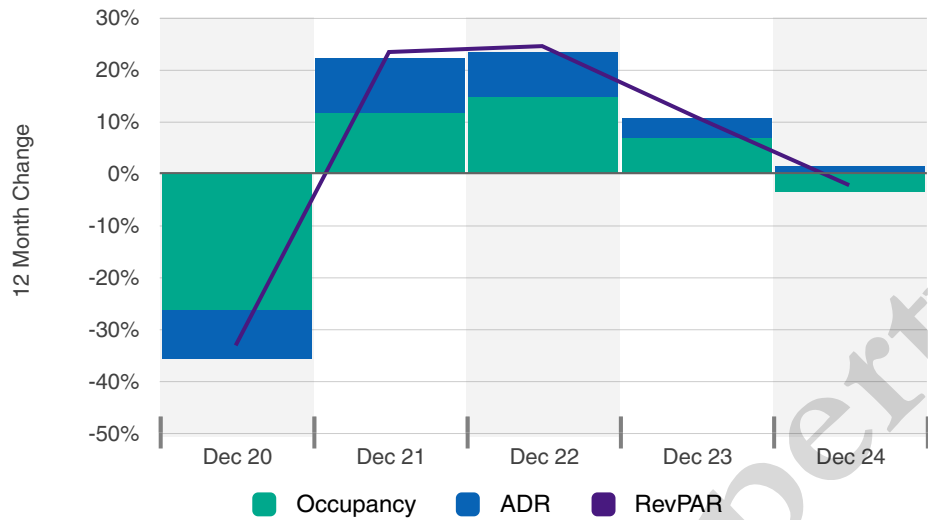


Occupancy, ADR & RevPAR

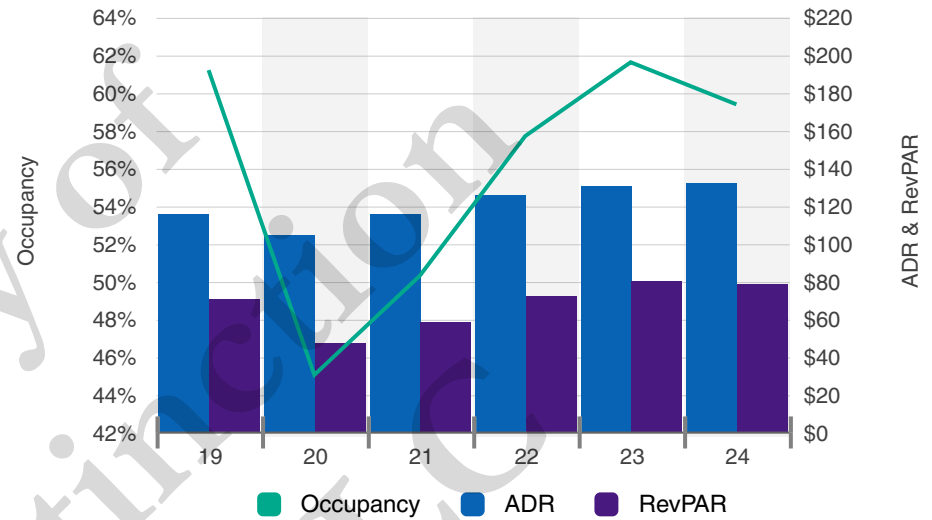


Search Analytics

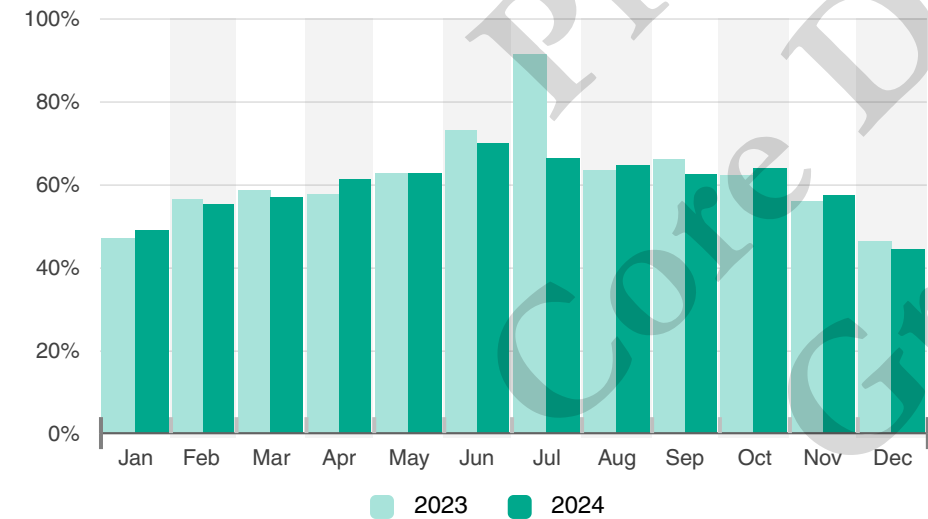
RevPAR Growth Composition



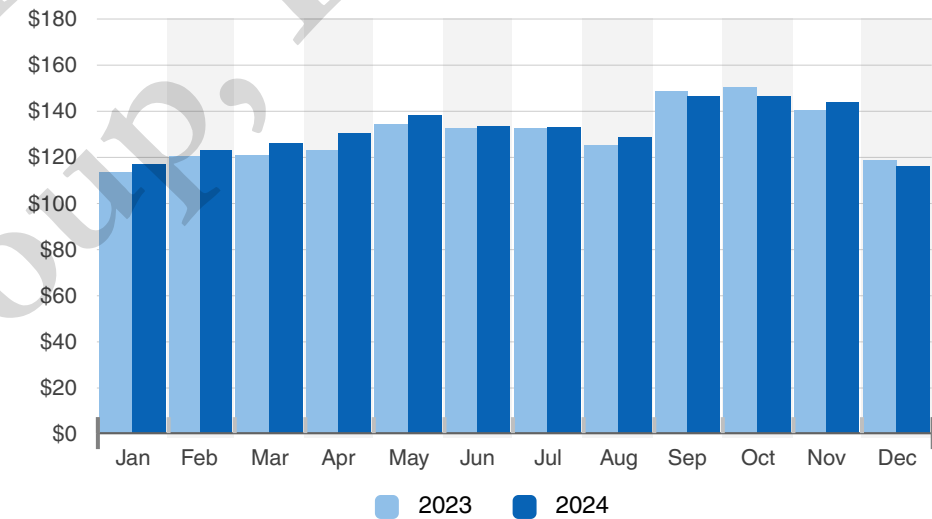
Occupancy, ADR & RevPAR Annualized vs YTD



Occupancy Monthly

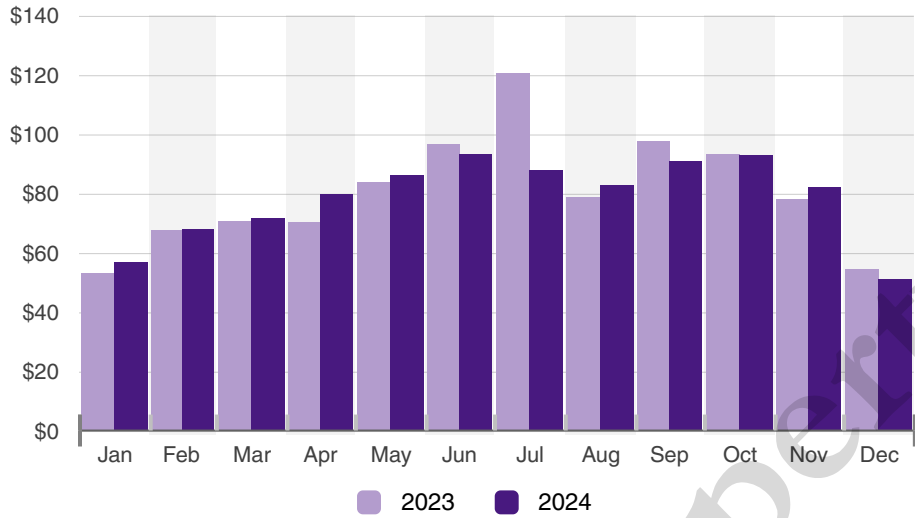


ADR Monthly

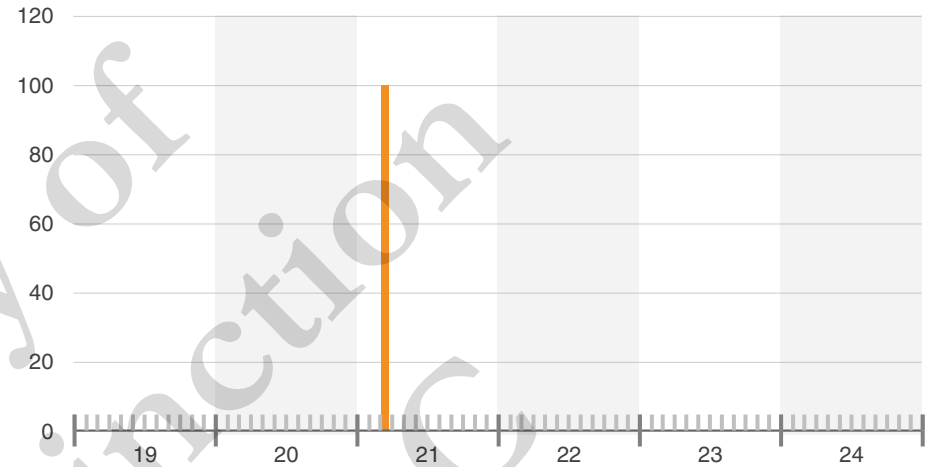


Search Analytics

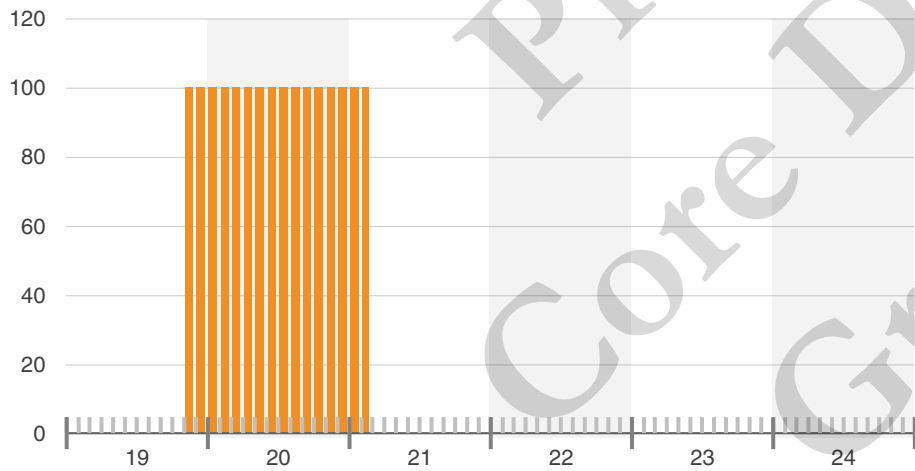
RevPAR Monthly



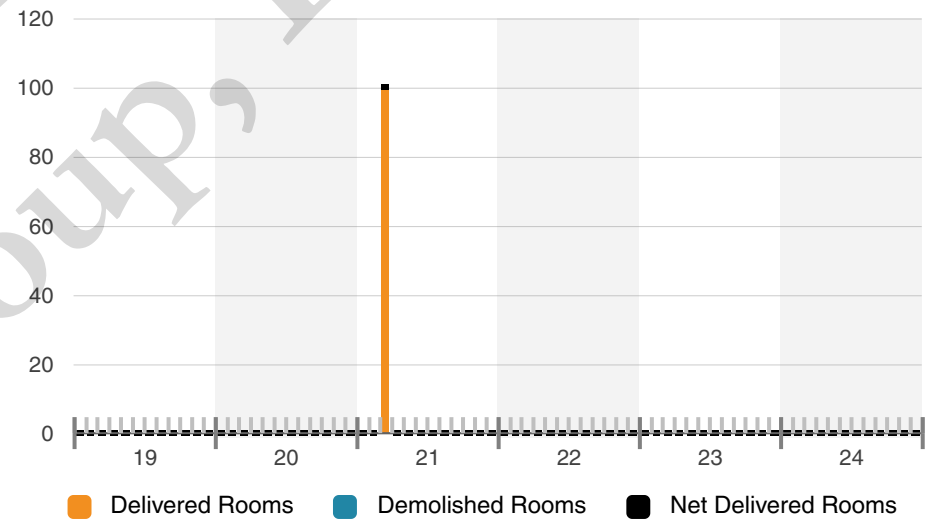
Rooms Delivered



Rooms Under Construction

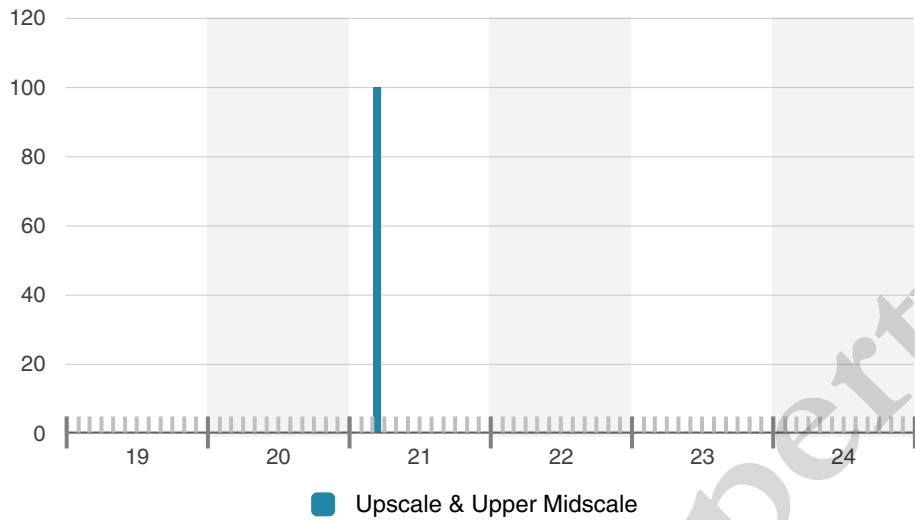


Delivered, Demolished & Net Delivered Rooms



Search Analytics

Rooms Delivered By Class



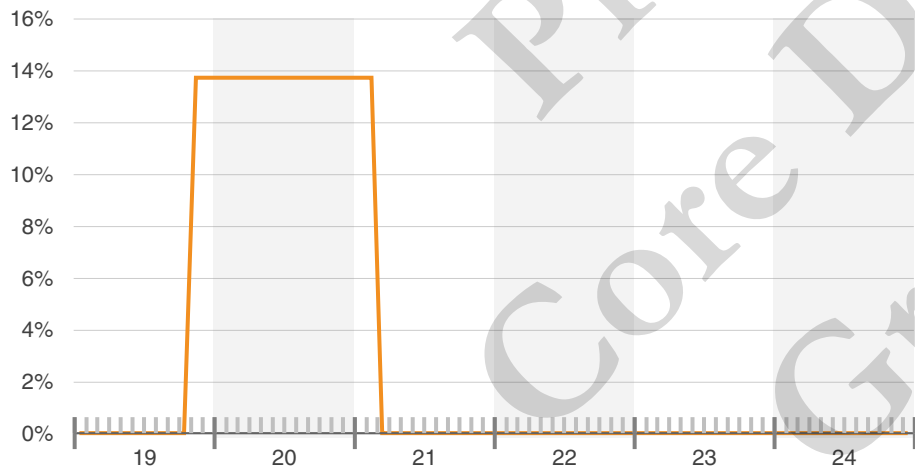
Demolished Rooms

No Data Available

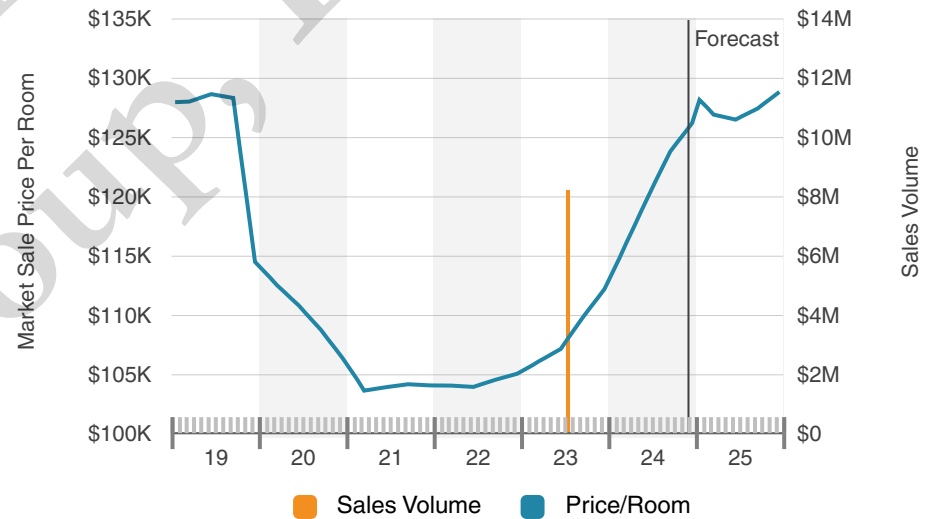


No data available for the past 5 years

Rooms Under Construction % of Inventory

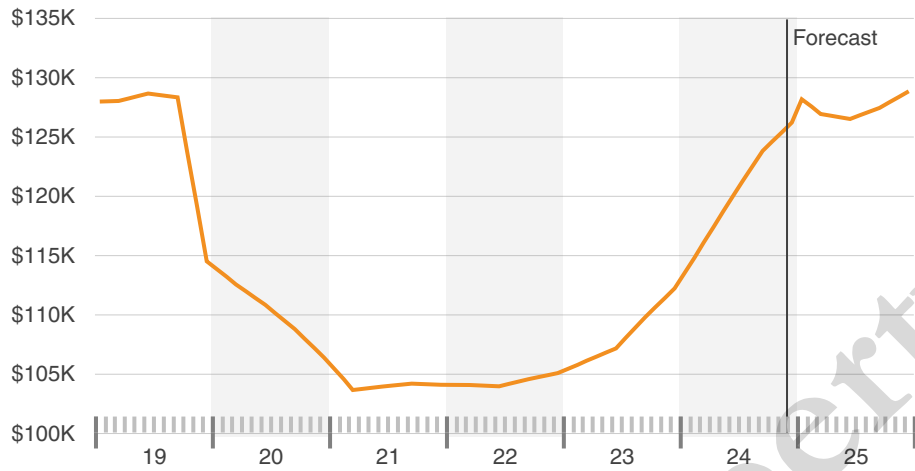


Sales Volume & Market Sale Price Per Room

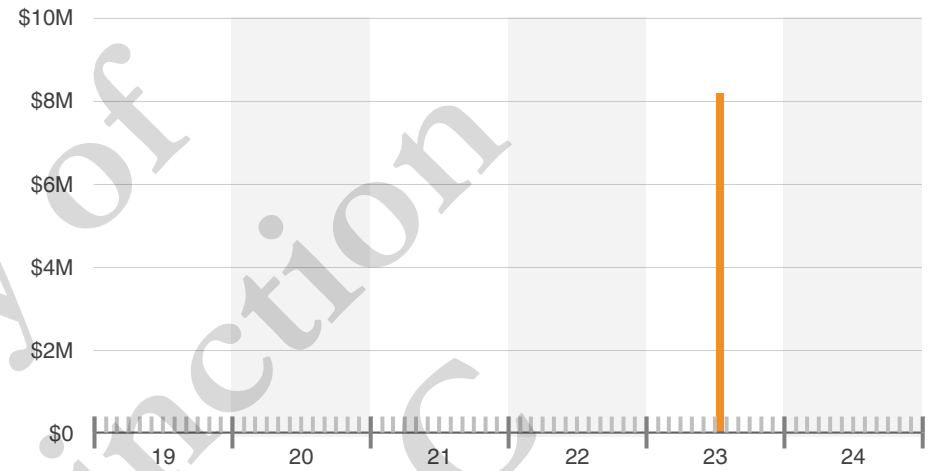


Search Analytics

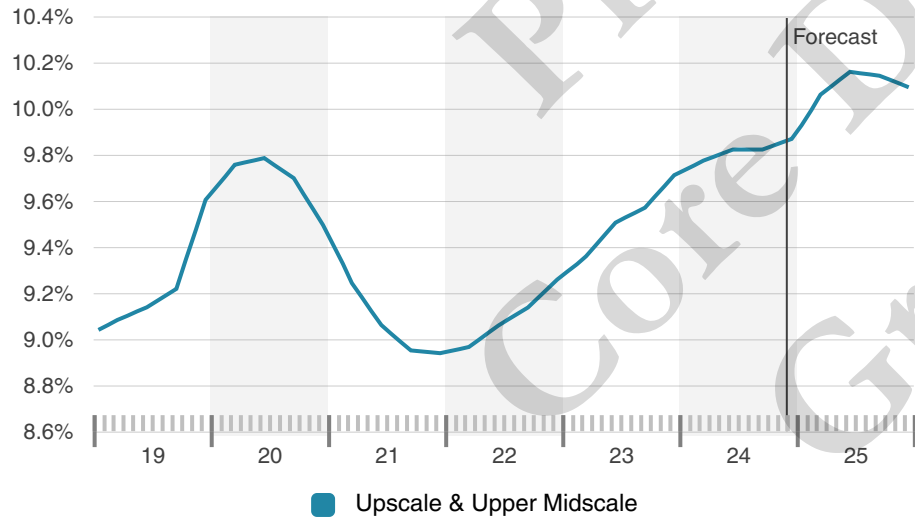
Market Sale Price Per Room



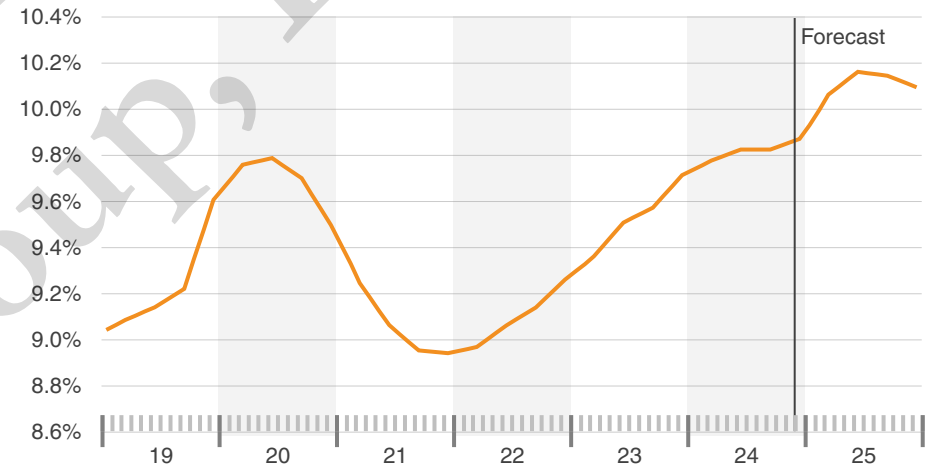
Sales Volume



Market Cap Rate By Class

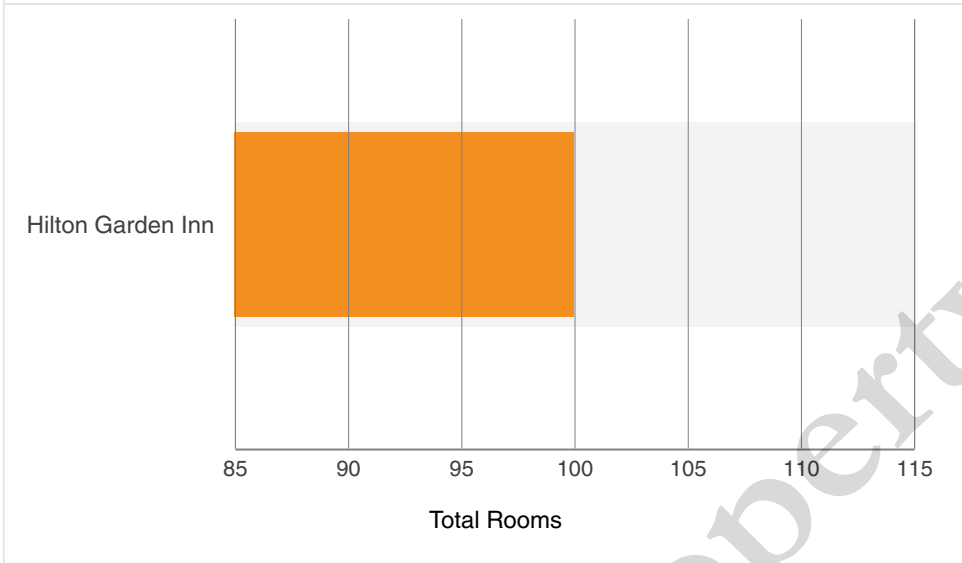


Market Cap Rate

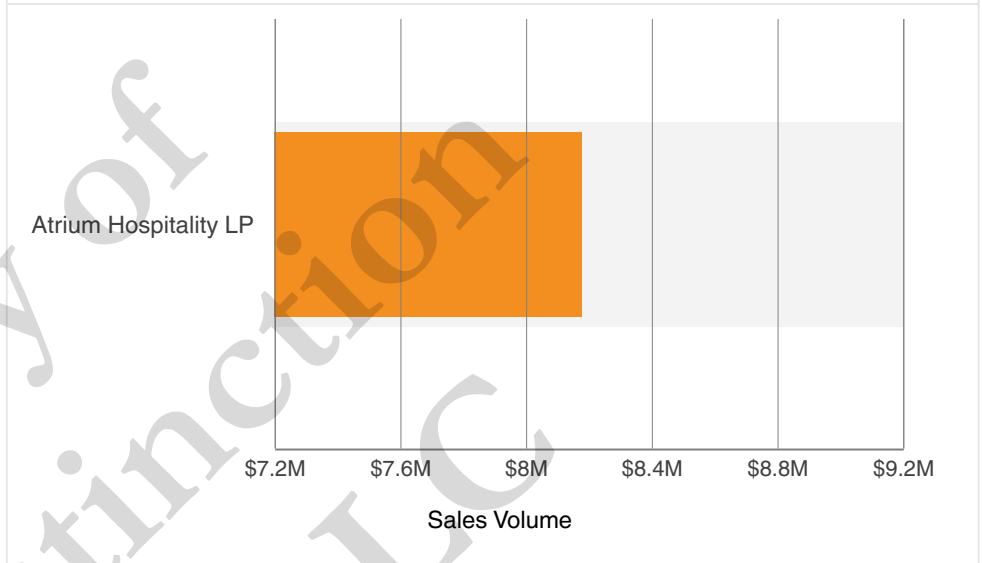


Search Analytics

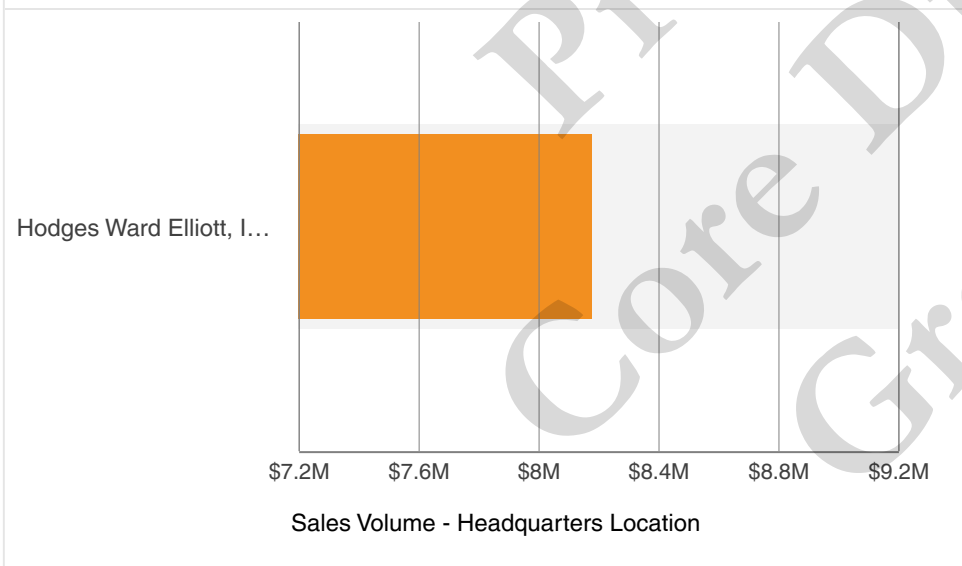
Top Brands Delivered



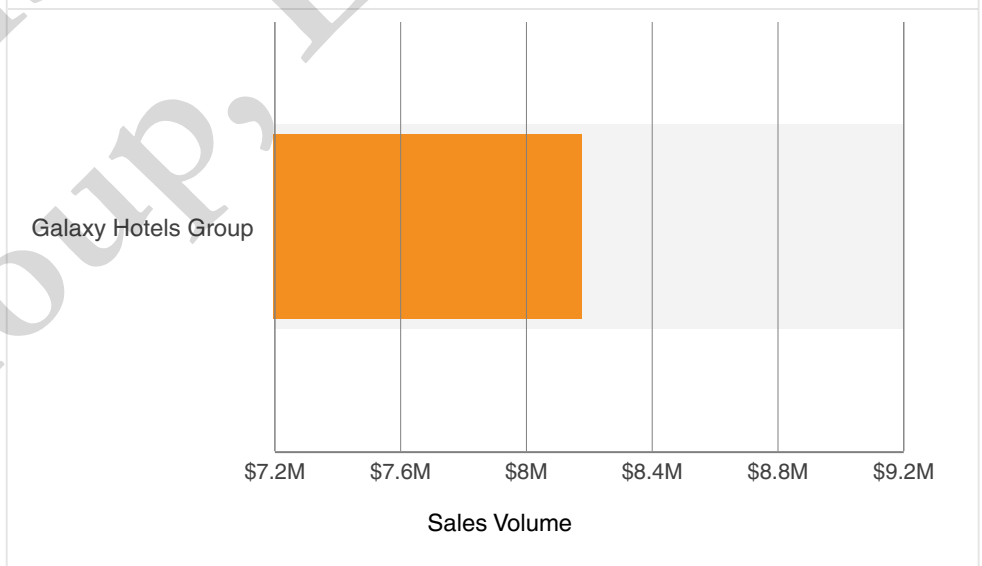
Top Sellers



Top Seller Brokers

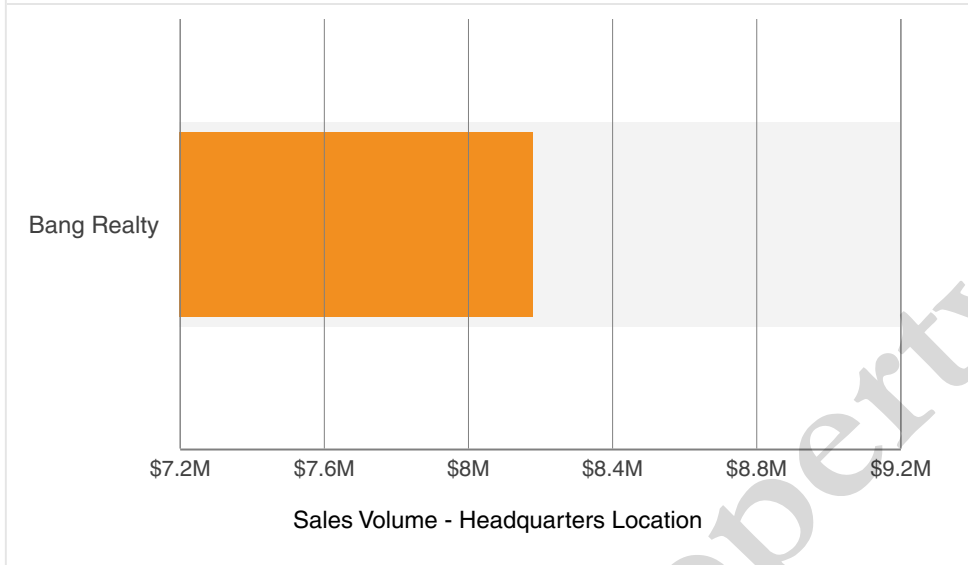


Top Buyers



Search Analytics

Top Buyer Brokers



Property of
Core Distinction
Group, LLC

APPENDIX FOUR

REGIONAL LODGING INDUSTRY

SUBMARKET REPORT

Property of
Core Distinction
Group, LLC



TAKING THE FIRST STEP TO DEVELOP A NEW HOTEL IN YOUR COMMUNITY

Overview

Iowa City/Waterloo Hospitality

12 Mo Occupancy

53.8%

12 Mo ADR

\$109.06

12 Mo RevPAR

\$58.62

12 Mo Supply

3.6M

12 Mo Demand

1.9M

Iowa City/Waterloo comprises 120 hotel properties, which contain around 10,000 rooms. Among the subtypes, there are 700 Luxury & Upper Upscale rooms, 5,800 Upscale & Upper Midscale rooms, and 3,500 Midscale & Economy rooms in Iowa City/Waterloo.

As of December, Iowa City/Waterloo 12-month occupancy is 53.8%, 12-month ADR is \$109, and 12-month RevPAR is \$59. Year over year, 12-month occupancy in Iowa City/Waterloo has changed by -3.0%, 12-month ADR has changed 1.4%, and 12-month RevPAR has changed by -1.6%.

Among Upscale & Upper Midscale assets, 12-month occupancy is 57.7% and ADR is \$124, resulting in a 12-month RevPAR of \$71. On a year over year basis, 12-

month occupancy changed by -2.7%, 12-month ADR changed by 1.0%, and 12-month RevPAR changed by -1.8%.

For Midscale & Economy class hotels in Iowa City/Waterloo, 12-month occupancy is 48.2% and ADR is \$73, resulting in a 12-month RevPAR of \$36.00. On a year over year basis, 12-month occupancy changed by -5.1%, 12-month ADR changed by 0.1%, and 12-month RevPAR changed by -5.1%.

Approximately 260 rooms are under construction in Iowa City/Waterloo, accounting for 2.6% of its existing inventory. Over the past 12 months, roughly 93 rooms have opened across 1 building.

KEY INDICATORS

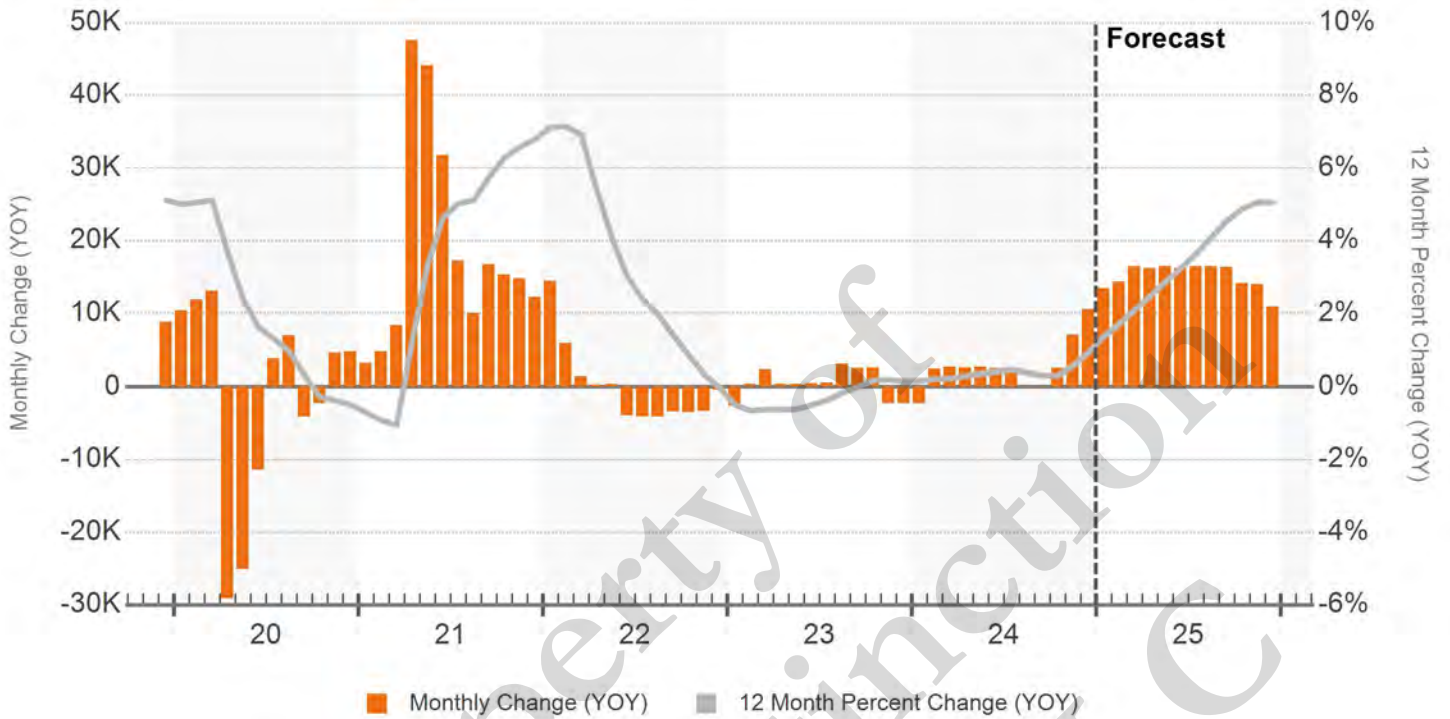
Class	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR	12 Mo Delivered	Under Construction
Luxury & Upper Upscale	697	47.9%	\$146.92	\$70.31	0	0
Upscale & Upper Midscale	5,827	57.6%	\$123.76	\$71.32	93	0
Midscale & Economy	3,488	48.6%	\$73.09	\$35.53	0	264
Total	10,012	53.8%	\$109.06	\$58.62	93	264

Average Trend	Current	3 Mo	YTD	12 Mo	Historical Average	Forecast Average
Occupancy	38.8%	48.6%	53.8%	53.8%	52.2%	52.0%
Occupancy Change	-7.8%	-5.1%	-3.0%	-3.0%	-0.8%	-0.5%
ADR	\$94.51	\$111.40	\$109.06	\$109.06	\$99.94	\$109.62
ADR Change	-1.8%	0.4%	1.4%	1.4%	3.4%	0.6%
RevPAR	\$36.66	\$54.15	\$58.62	\$58.62	\$52.12	\$57.02
RevPAR Change	-9.4%	-4.8%	-1.7%	-1.7%	2.5%	0.1%

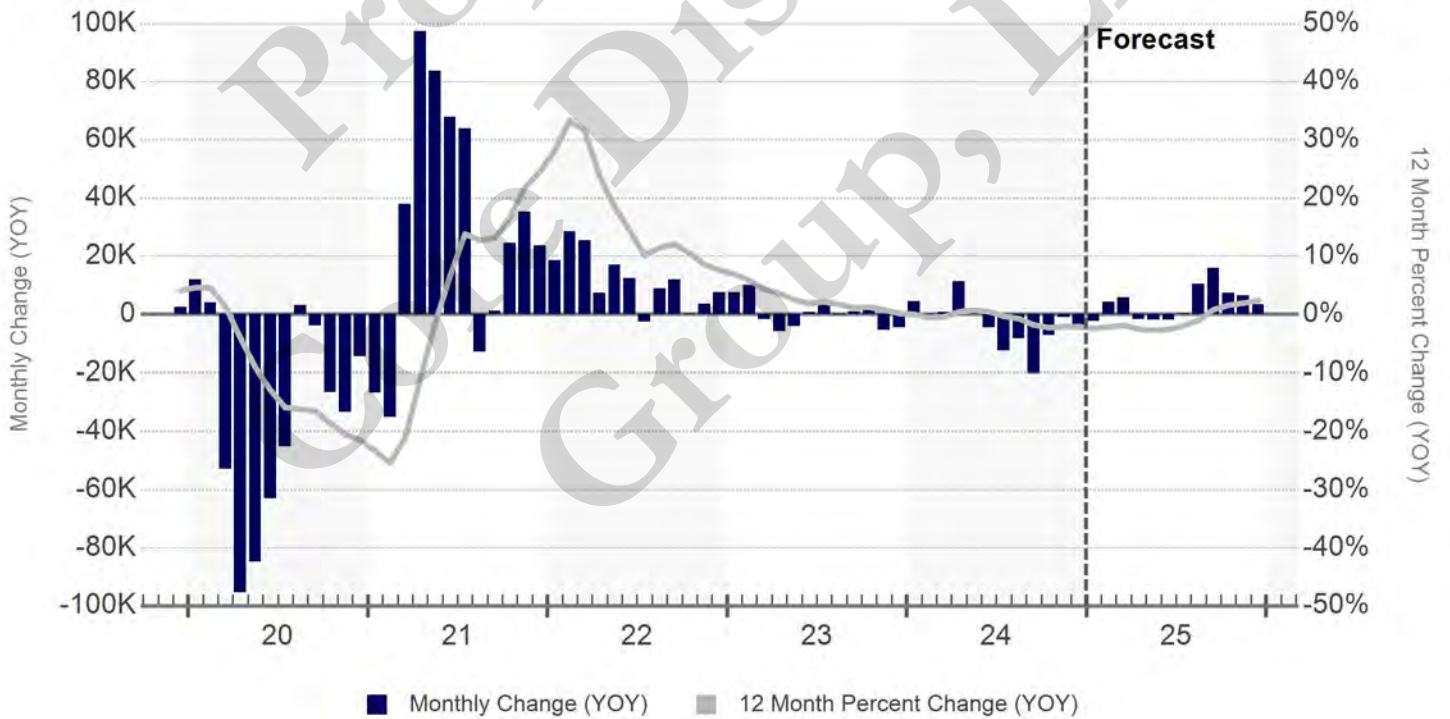
Performance

Iowa City/Waterloo Hospitality

SUPPLY CHANGE



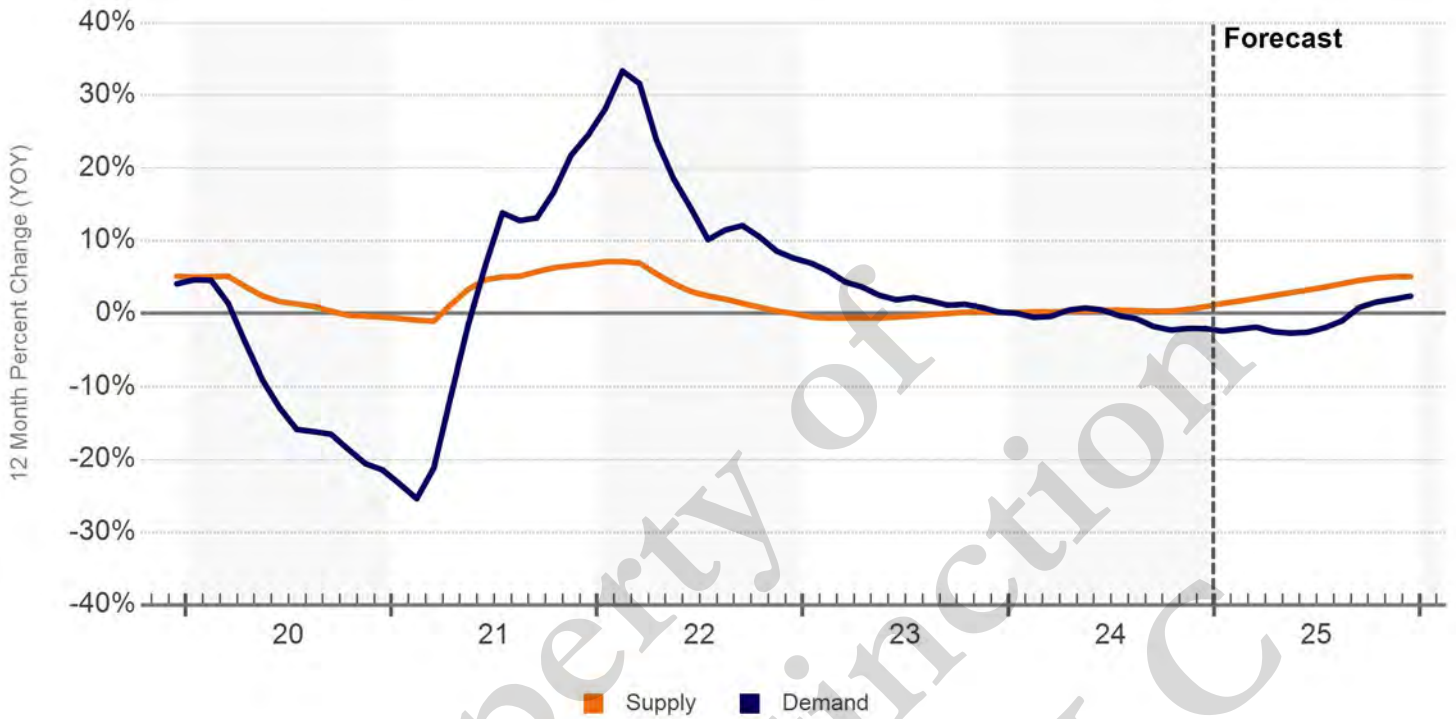
DEMAND CHANGE



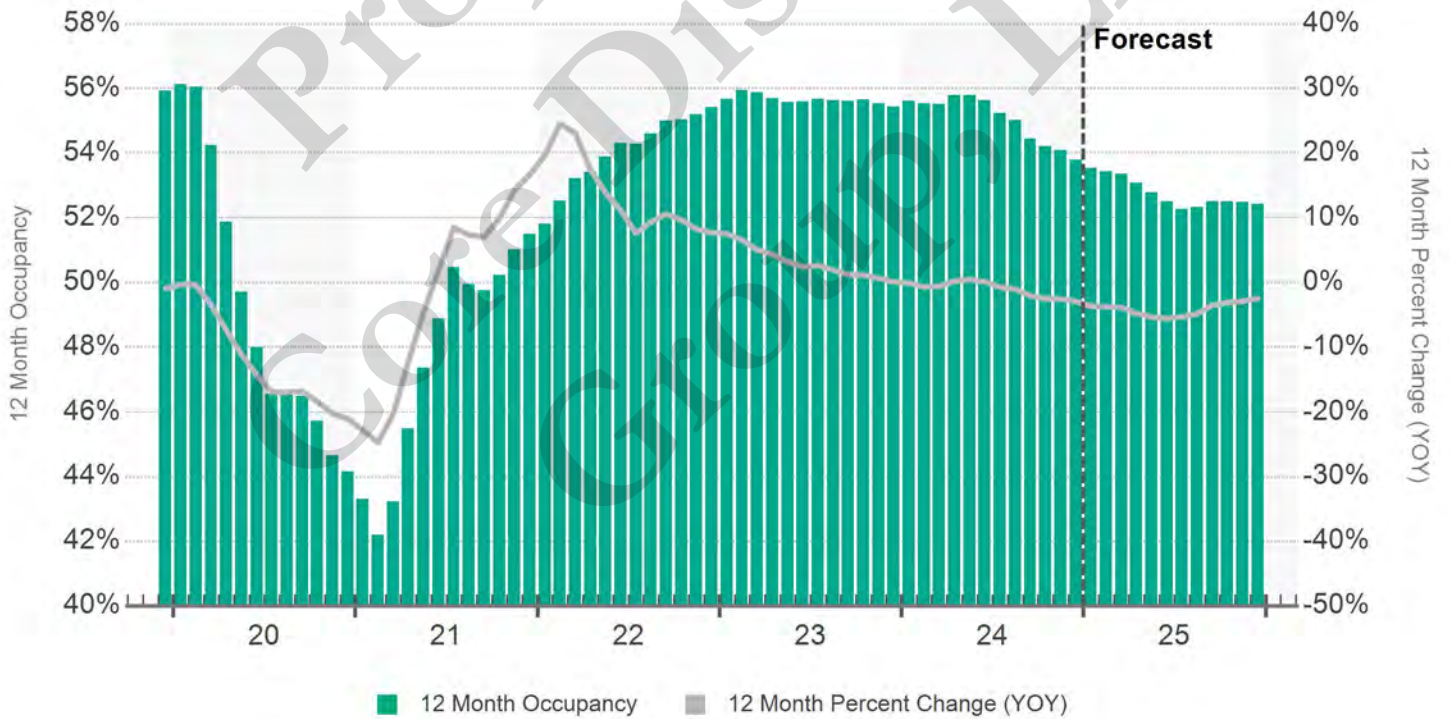
Performance

Iowa City/Waterloo Hospitality

SUPPLY & DEMAND CHANGE



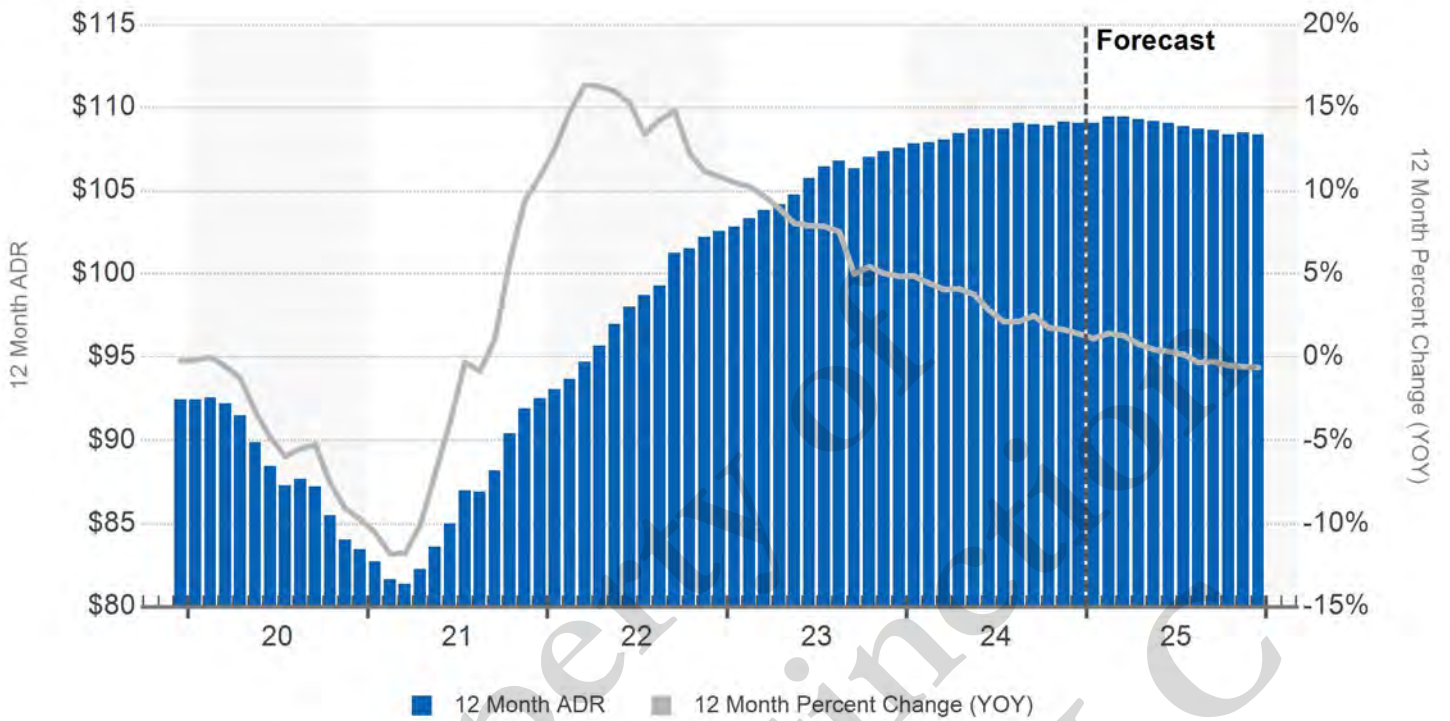
OCCUPANCY



Performance

Iowa City/Waterloo Hospitality

ADR



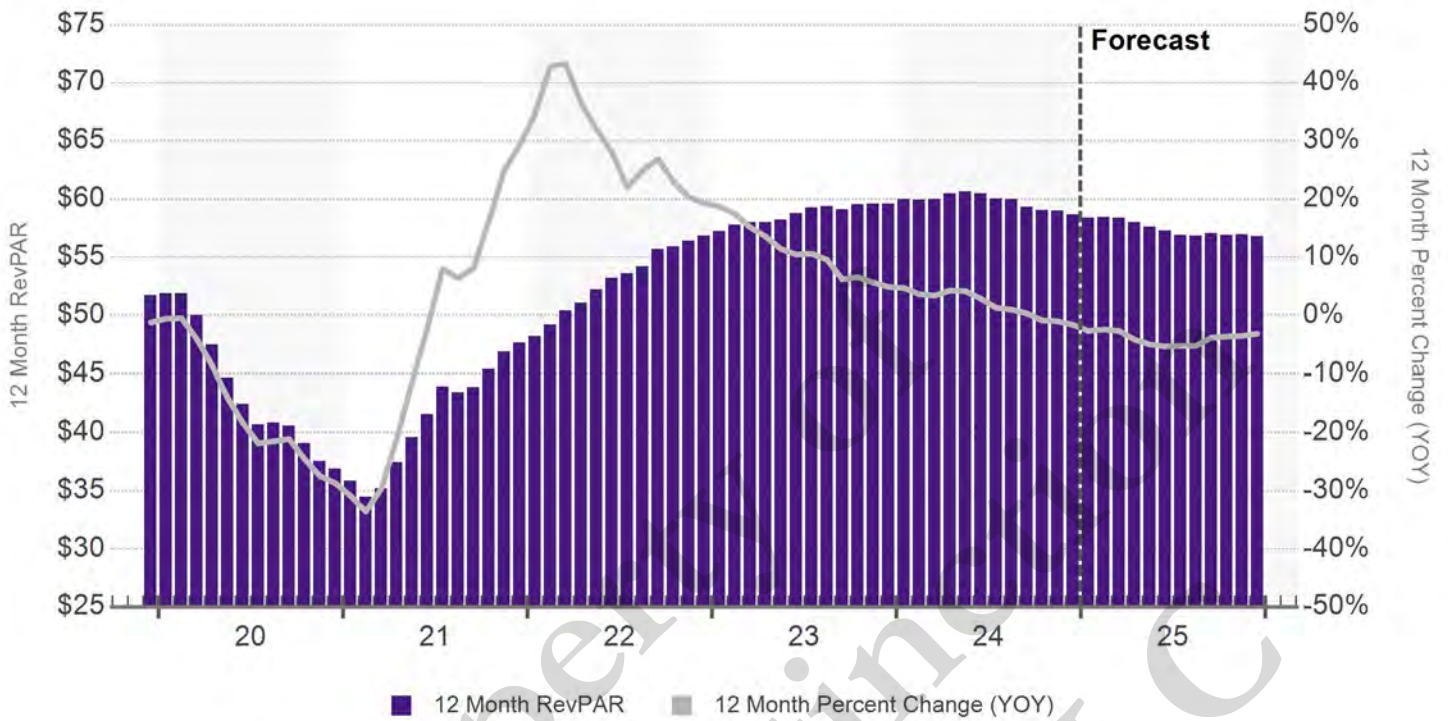
OCCUPANCY & ADR CHANGE



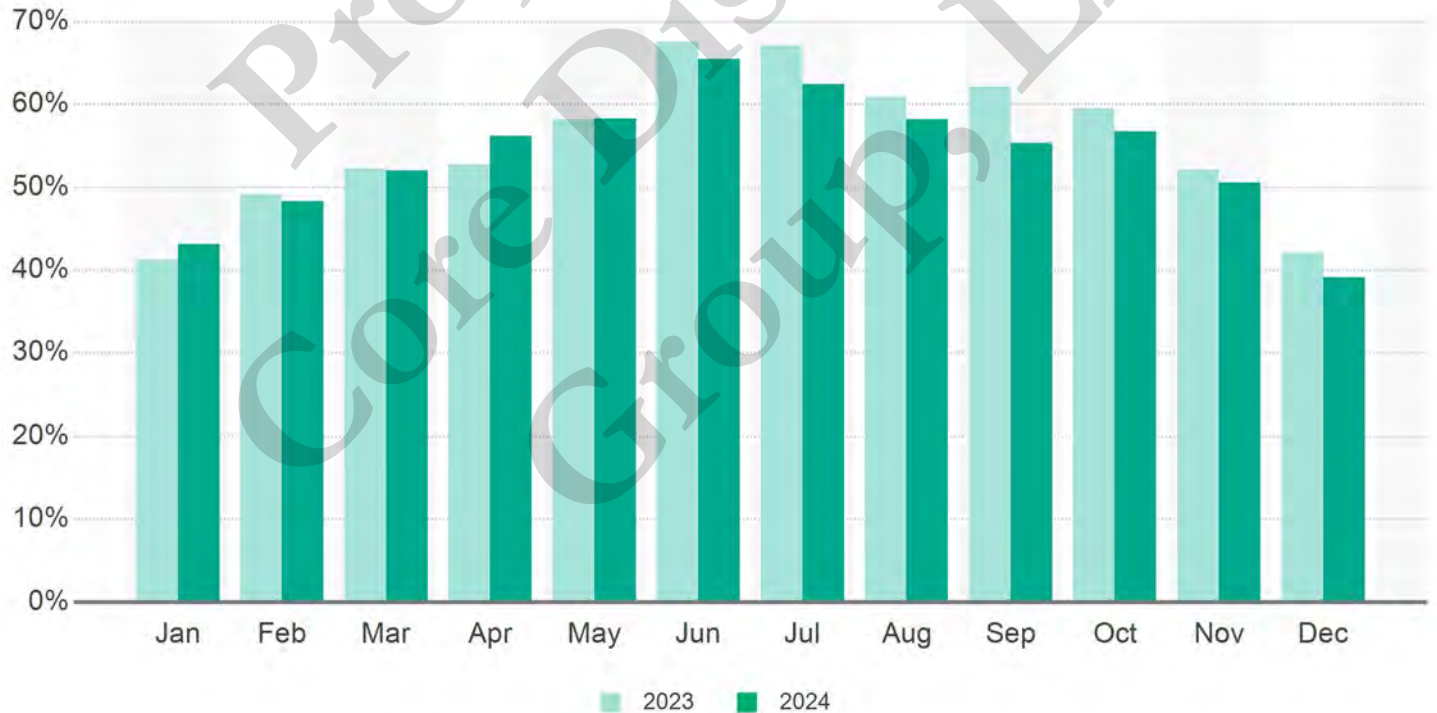
Performance

Iowa City/Waterloo Hospitality

REVPAR



OCCUPANCY MONTHLY



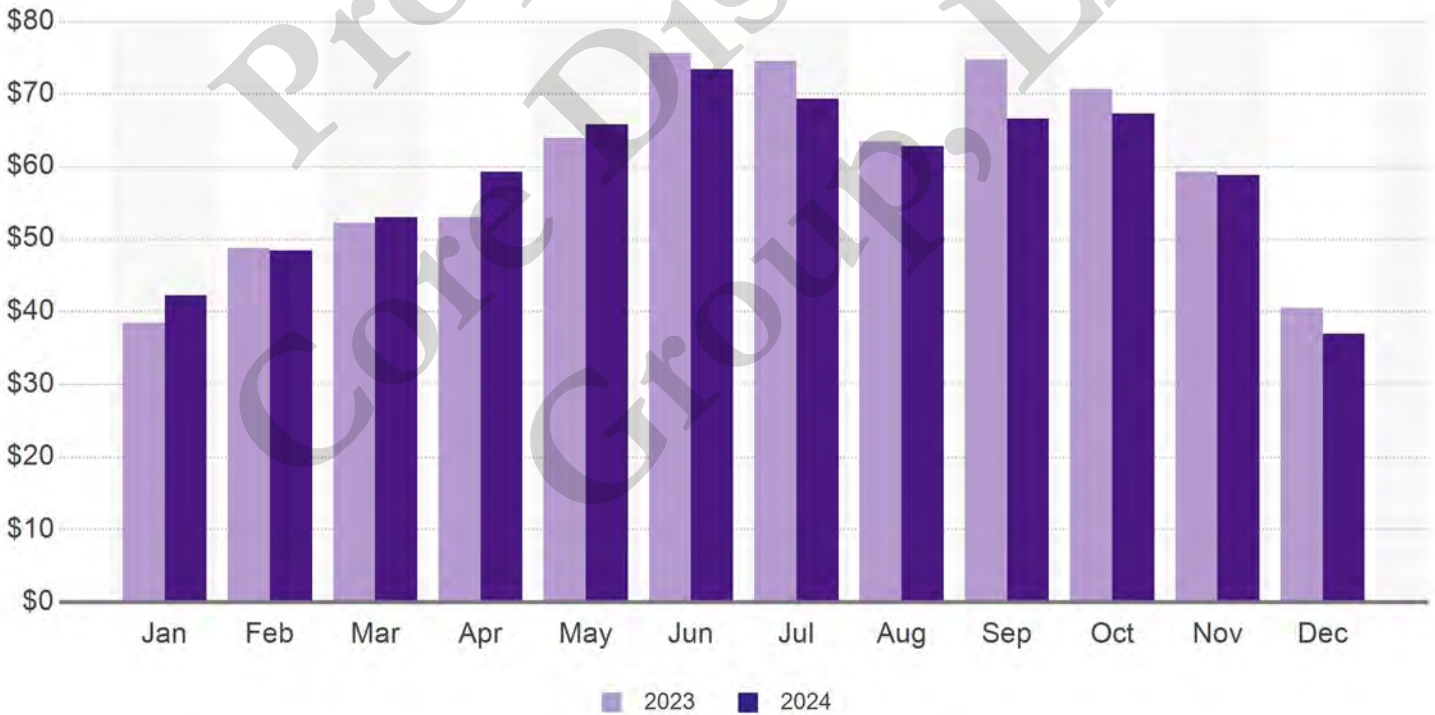
Performance

Iowa City/Waterloo Hospitality

ADR MONTHLY

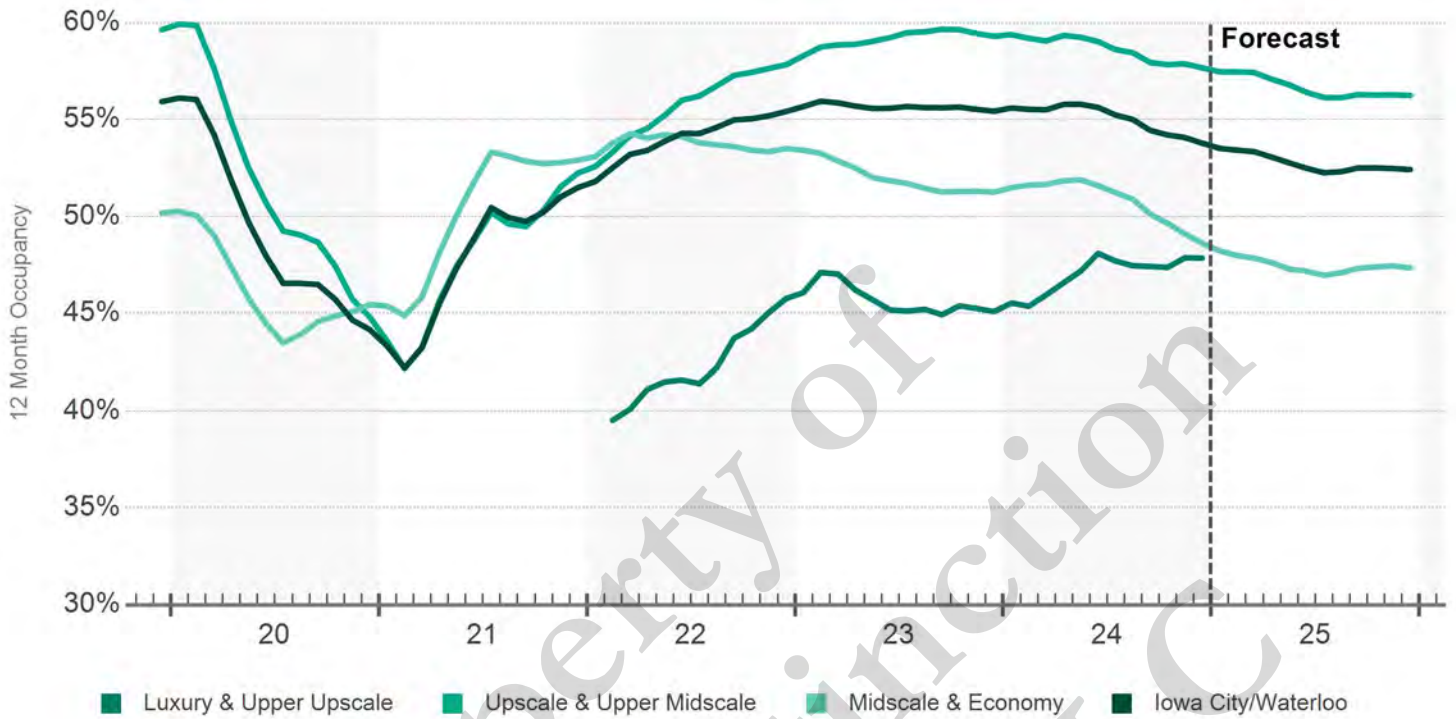


REVPAR MONTHLY

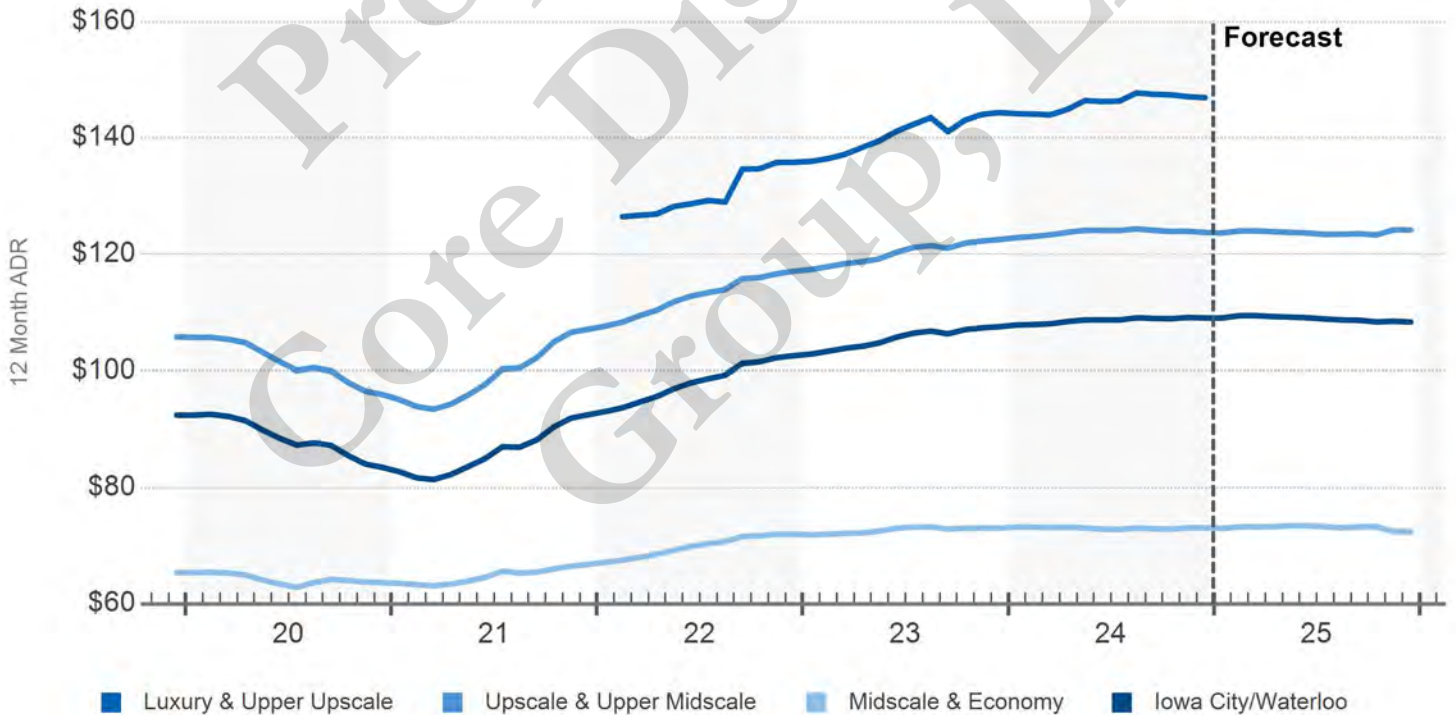


Performance

OCCUPANCY BY CLASS

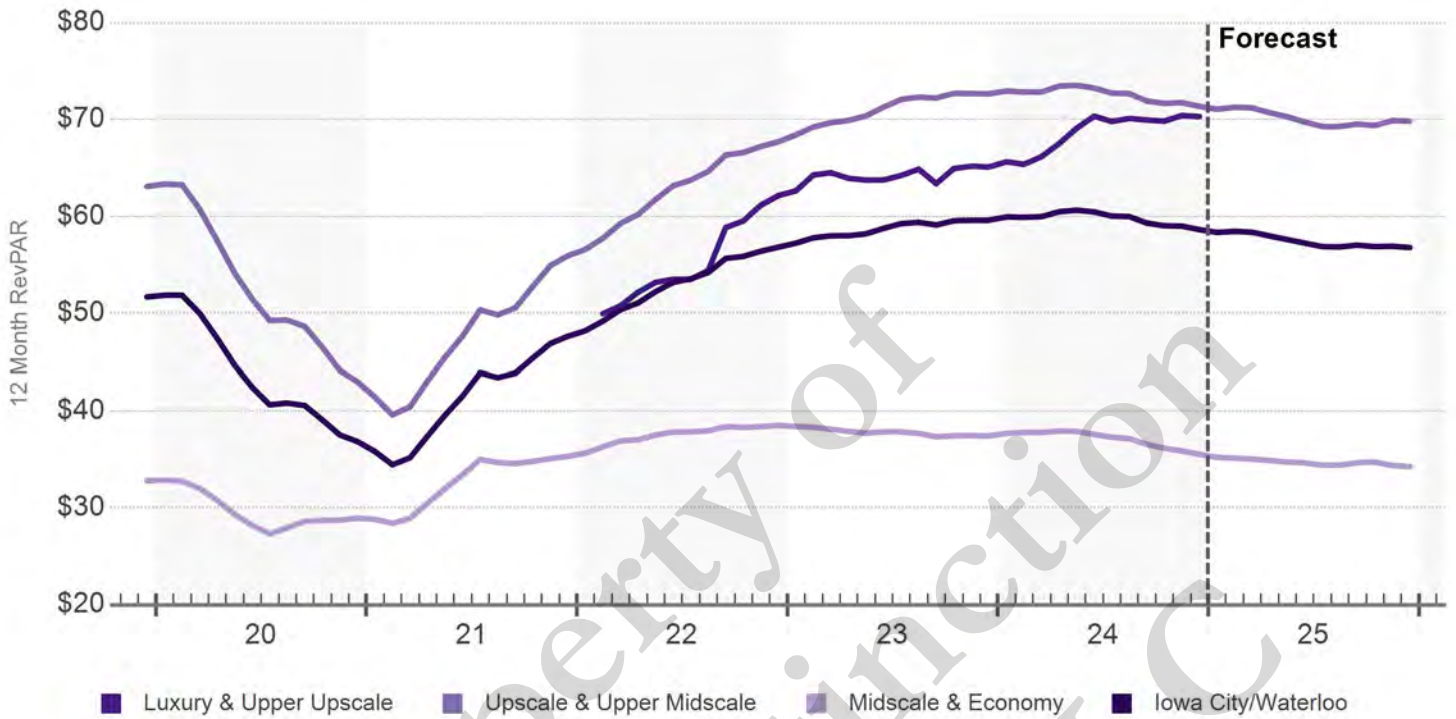


ADR BY CLASS

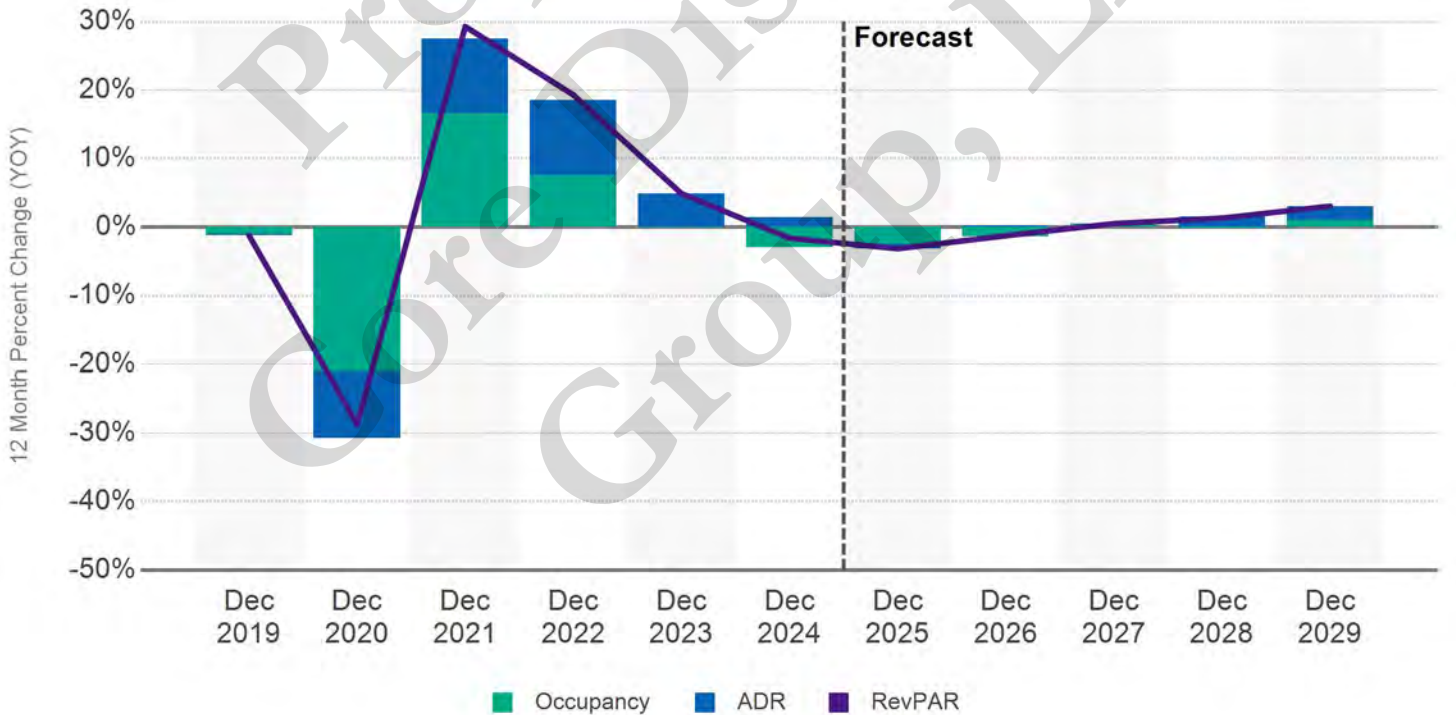


Performance

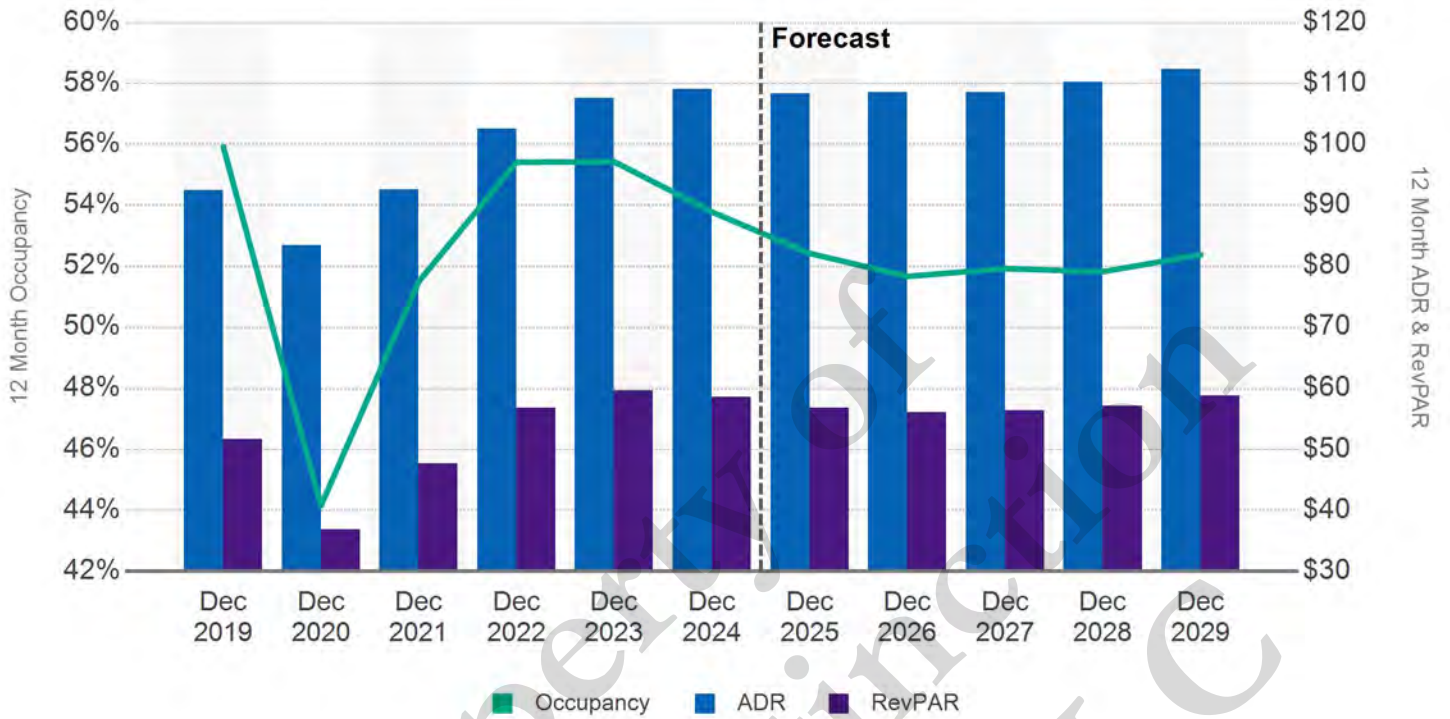
REVPAR BY CLASS



REVPAR GROWTH COMPOSITION



OCCUPANCY, ADR & REVPAR



FULL-SERVICE HOTELS PROFITABILITY (ANNUAL)

Market	% of Revenues	2023		2022-2023 % Change	
		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					

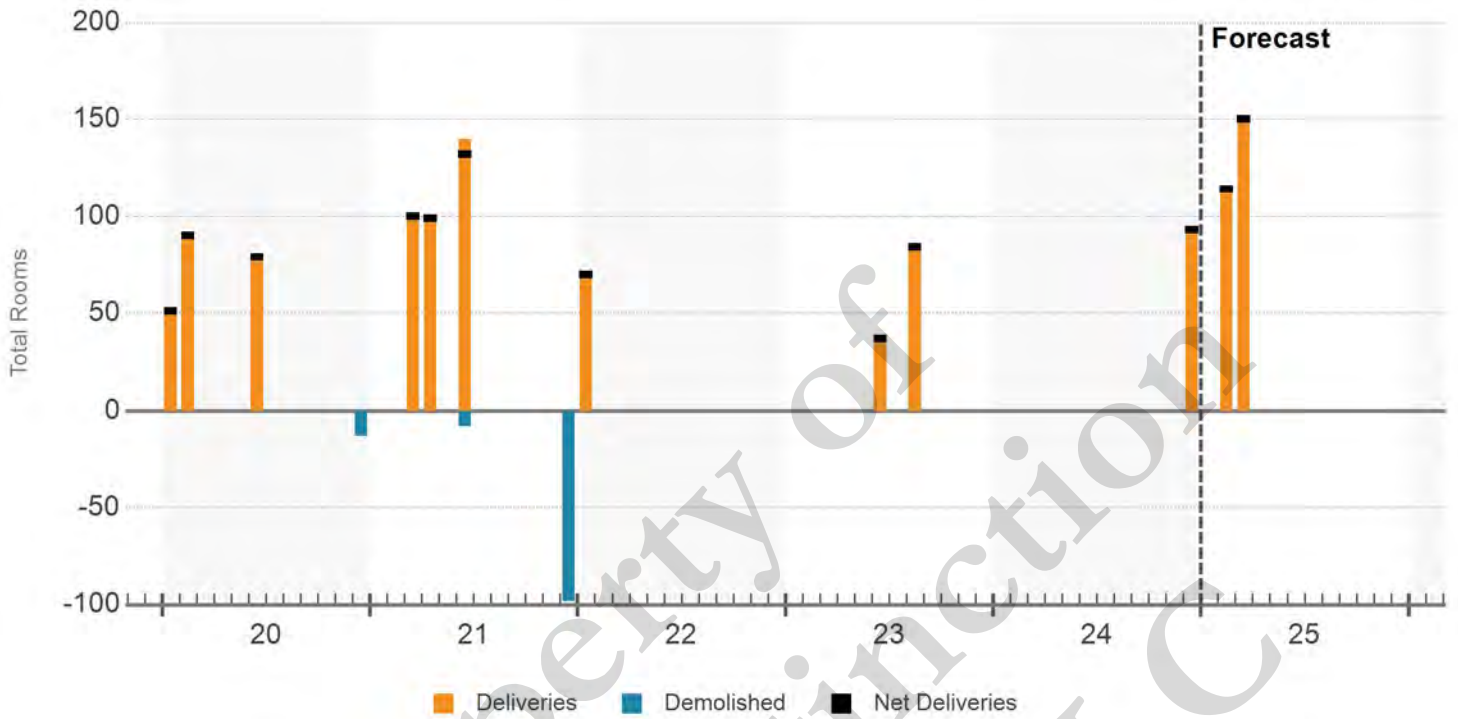
(1) For Annual P&L, the current year exchange rate is used for each year going back in time. This current year exchange rate is the average of all 12 monthly rates for that year.

(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.

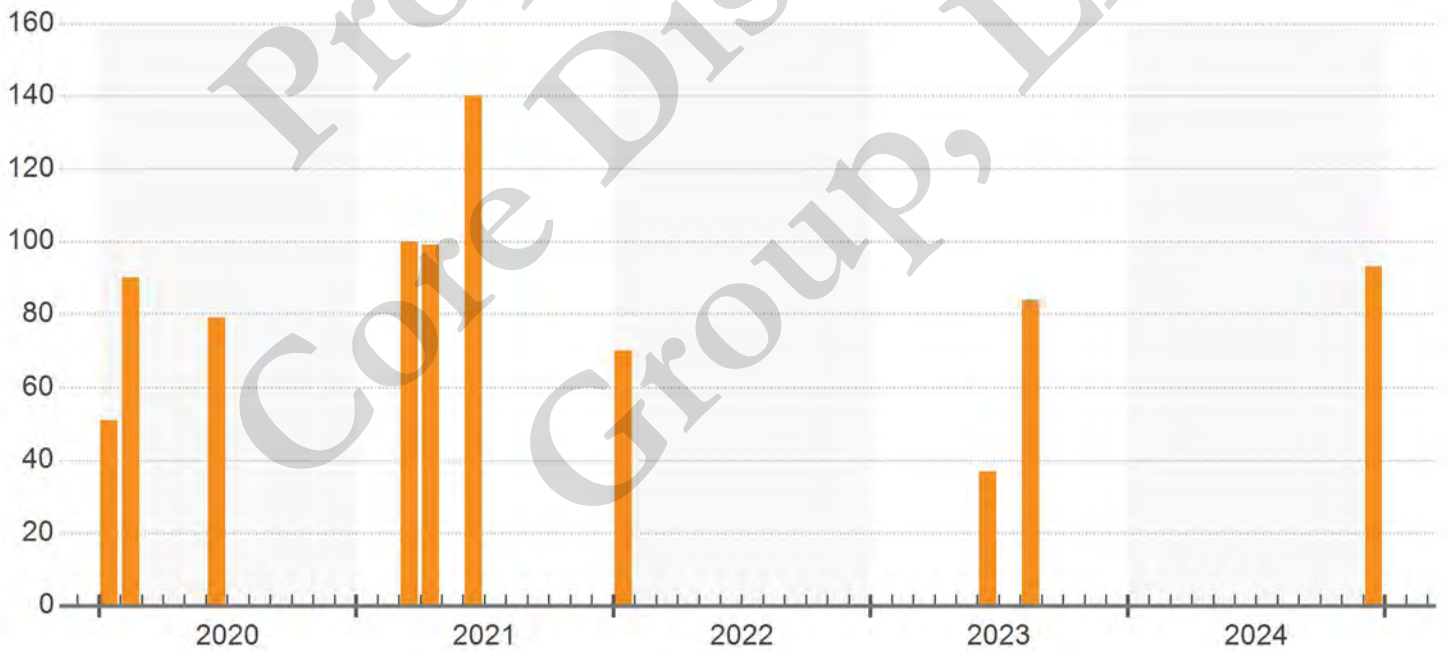
(3) Labor costs are already included in the operating expenses above. Amounts shown in Total Labor Costs are for additional detail only.

Construction

DELIVERIES & DEMOLITIONS

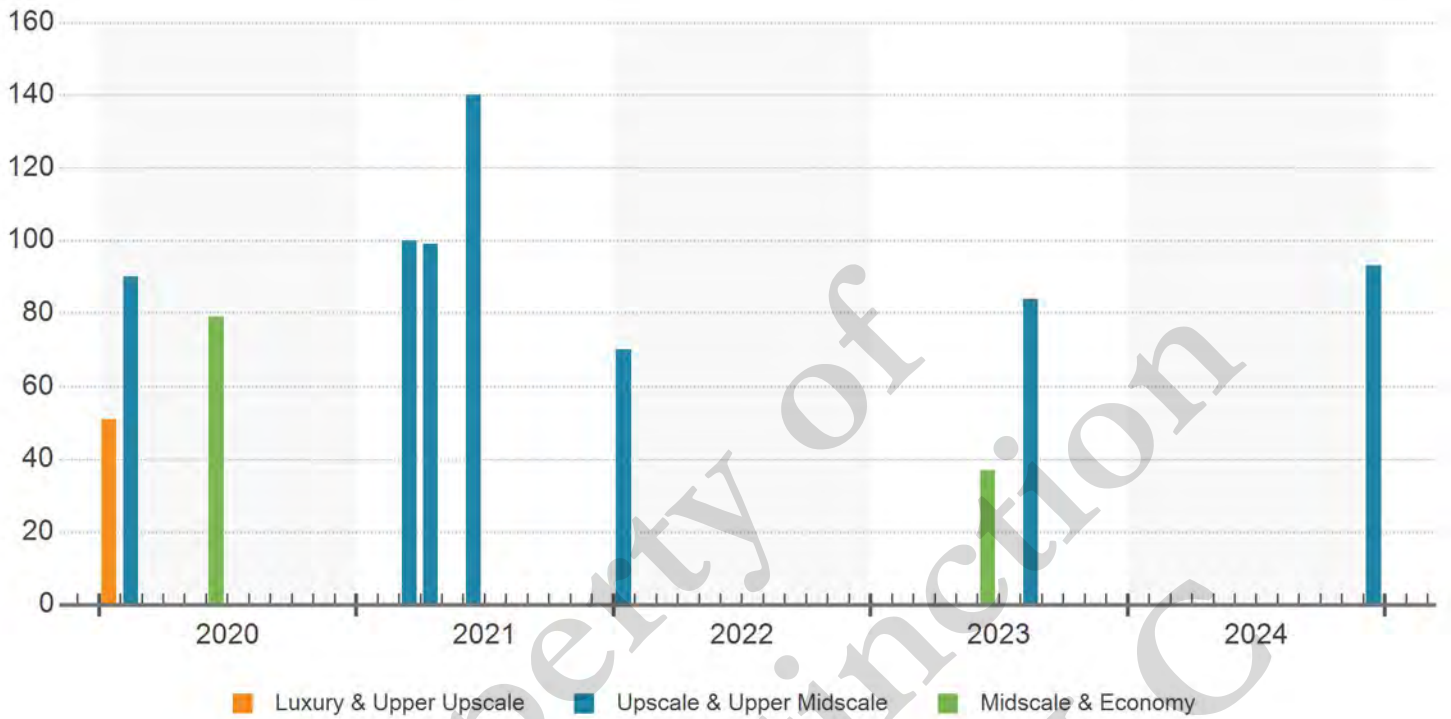


ROOMS DELIVERED

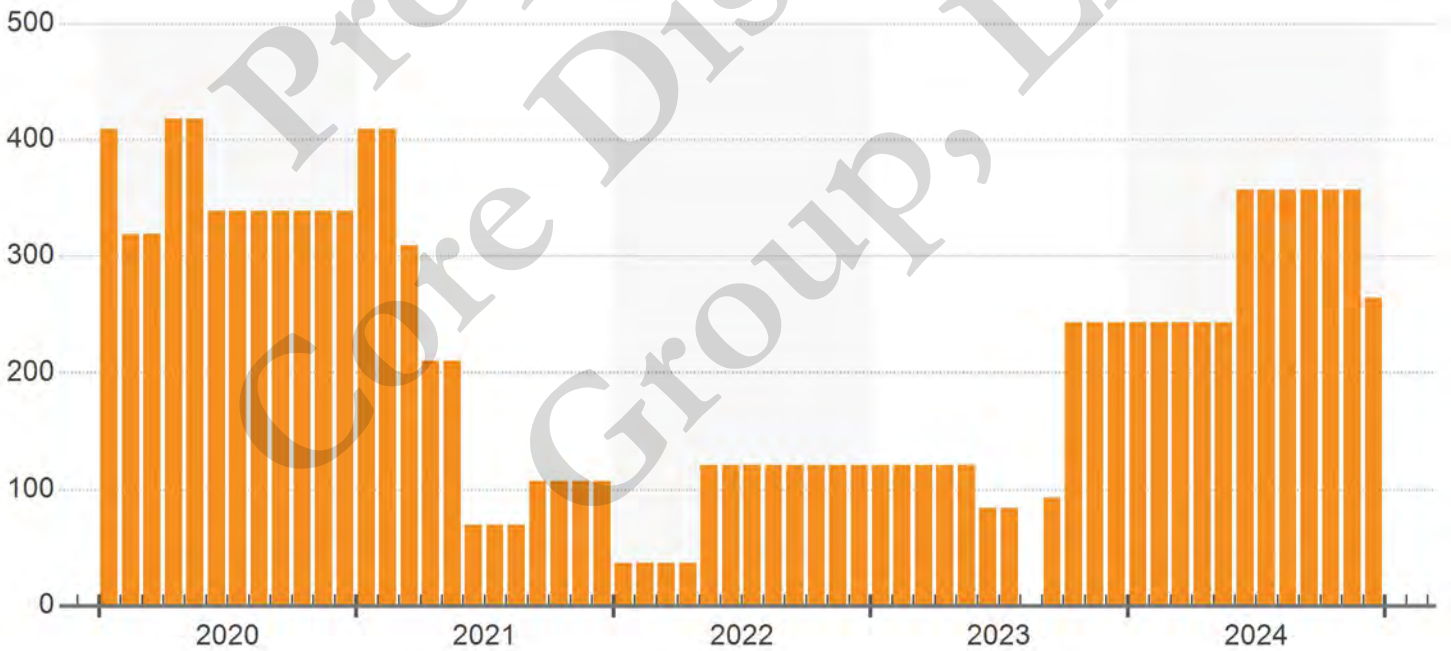


Construction

ROOMS DELIVERED BY CLASS



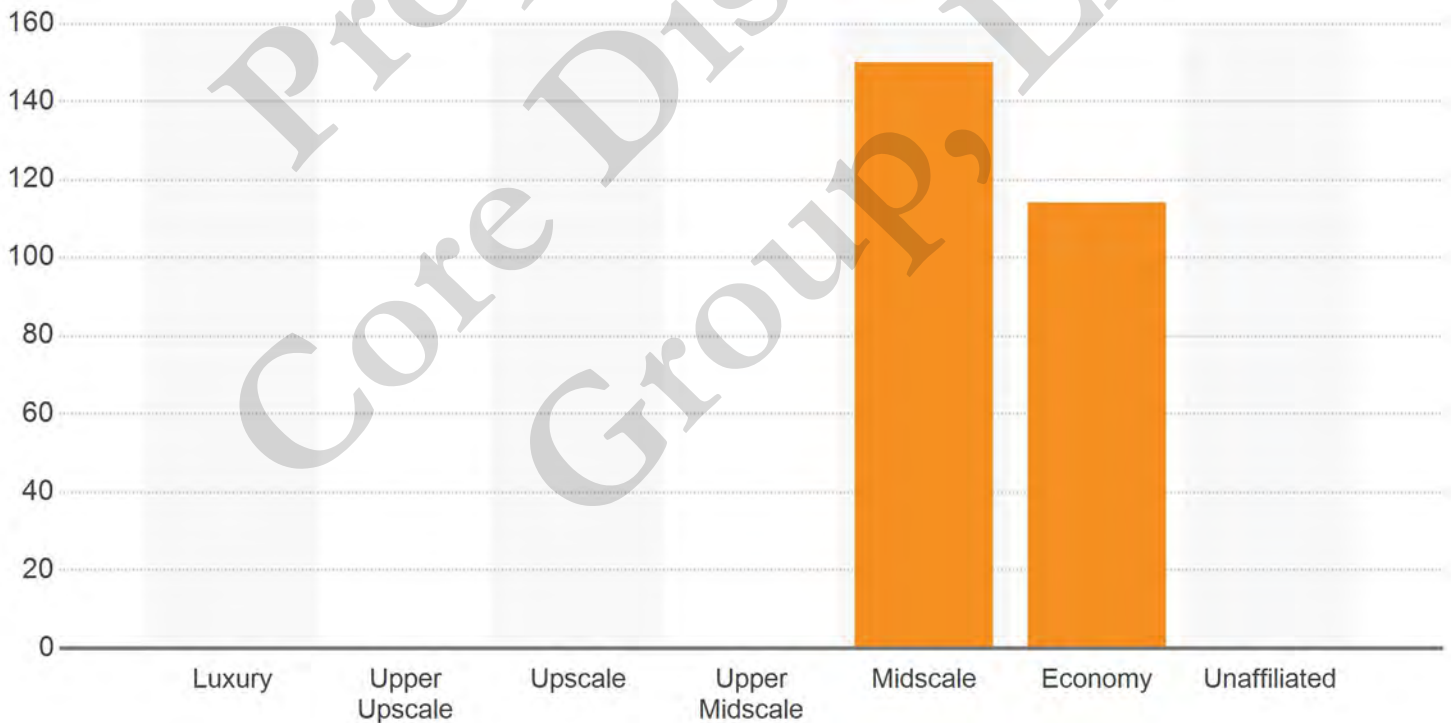
ROOMS UNDER CONSTRUCTION



TOTAL ROOMS UNDER CONSTRUCTION BY SCALE



ROOMS UNDER CONSTRUCTION BY SCALE



Under Construction Properties

Iowa City/Waterloo Hospitality

Properties

Rooms

Percent of Inventory

Average Rooms

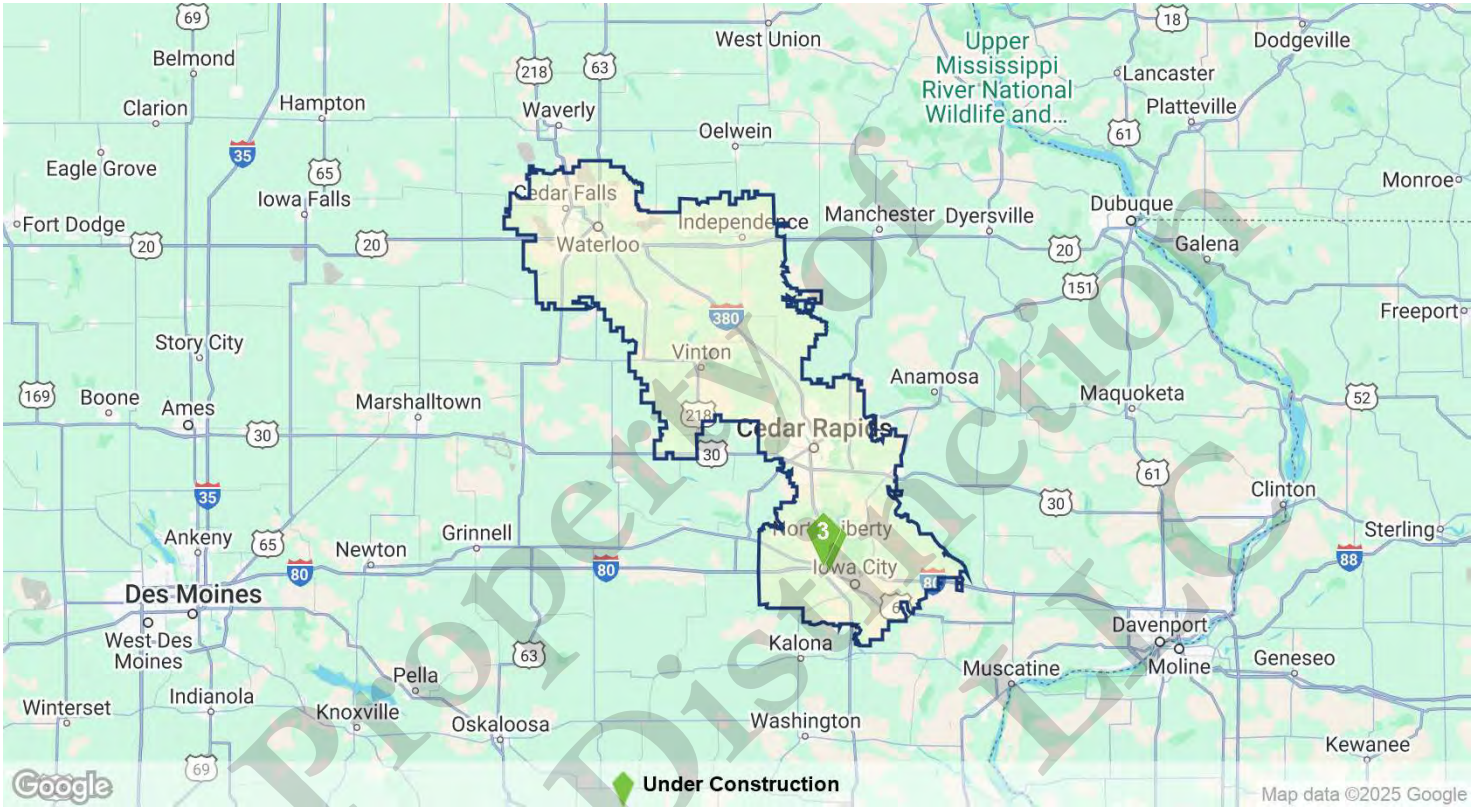
3

264

2.6%

88

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

	Property Name/Address	Class	Rooms	Stories	Start	Complete	Brand/Developer
1	WoodSpring Suites Coralville 2680 James St	Economy	114	4	Jun 2024	Feb 2025	WoodSpring Suites
2	Candlewood Suites Coralville - Io... 140 Westcor Dr	Midscale	75	4	Oct 2023	Mar 2025	Candlewood Suites JD Royal Hospitality
3	Avid Coralville - Iowa City 140 Westcor Drive	Midscale	75	4	Oct 2023	Mar 2025	Avid JD Royal Hospitality

Sales

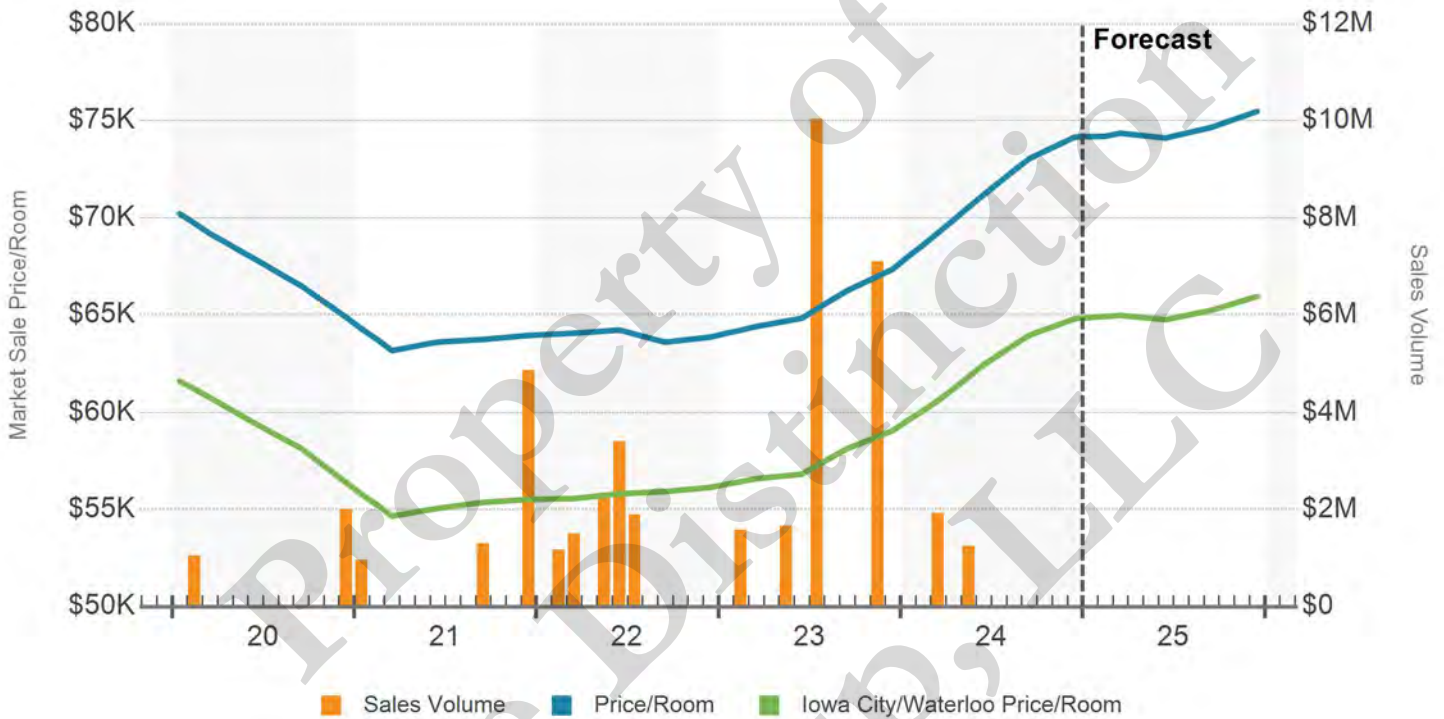
In the past 12 months, 2 hotels traded in Iowa City/Waterloo, for a transaction volume of \$3.2 million. This compares to the three-year annual sales volume average of \$12.9 million.

Sales involving Upscale & Upper Midscale accounted for \$1.2 million in sales volume over the past 12 months and

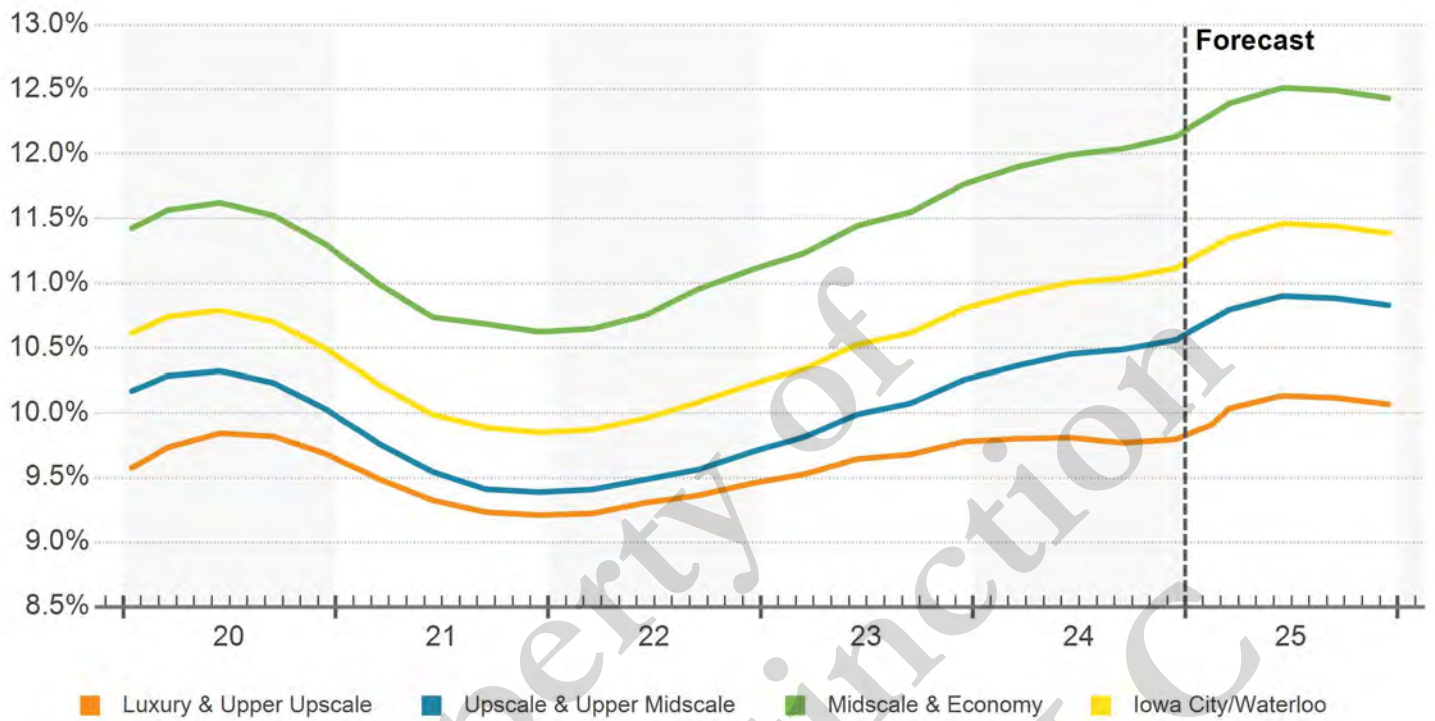
trades involving Midscale & Economy assets accounted for \$1.9 million over the same period.

The market cap rate, or the estimated cap rate for the market, stands at 11.1% compared to the Iowa Area average of 11.2%.

SALES VOLUME & MARKET SALE PRICE PER ROOM



MARKET CAP RATE



Sales Past 12 Months

Iowa City/Waterloo Hospitality

Sale Comparables

Average Price/Room

Average Price

Average Cap Rate

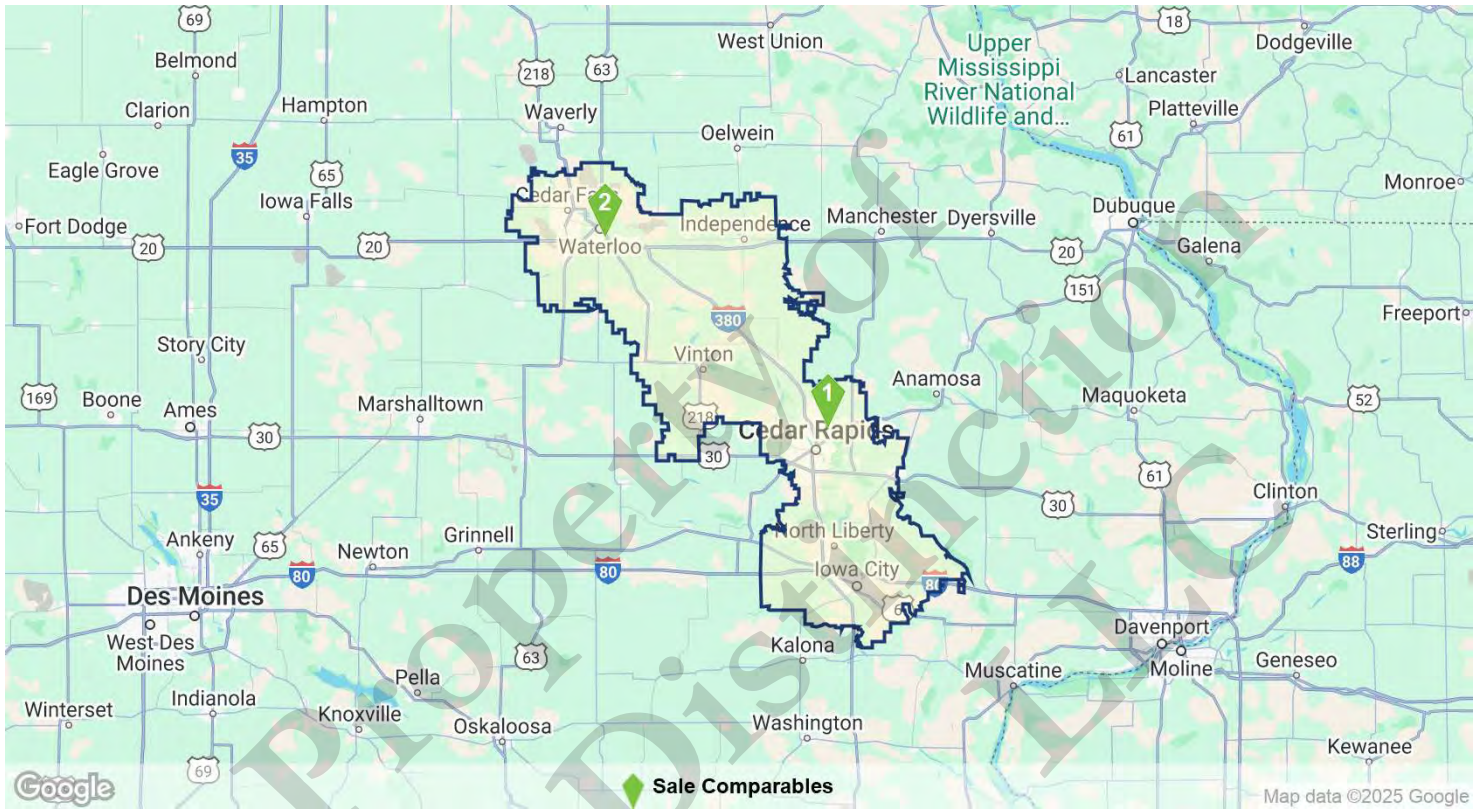
2

\$29K

\$1.6M

-

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sale Attributes	Low	Average	Median	High
Sale Price	\$1,250,000	\$1,585,000	\$1,250,000	\$1,920,000
Price/Room	\$20,161	\$28,559	\$20,161	\$39,184
Cap Rate	-	-	-	-
Time Since Sale in Months	8.1	9.6	8.1	11.0
Property Attributes	Low	Average	Median	High
Property Size in Rooms	49	55	49	62
Number of Floors	3	3	3	3
Total Meeting Space	0	0	0	0
Year Built	1964	1976	1964	1988
Class	Midscale	Upper Midscale	Midscale	Upper Midscale

Sales Past 12 Months

Iowa City/Waterloo Hospitality

RECENT SIGNIFICANT SALES

	Property Name/Address	Property Information			Sale Information			
		Class	Yr Built	Rooms	Brand	Sale Date	Price	Price/Room
1	AmericInn by Wyndham Cedar Ra... 4747 1st Ave SE	Midscale	1964	49	AmericInn	3/1/2024	\$1,920,000	\$39,184
2	Boarders Inn & Suites by Cobblest... 1825 Laporte Rd	Upper Midscale	1988	62	Boarders Inn & Suites	5/30/2024	\$1,250,000	\$20,161

Property of
Core Distinction
Group, LLC

OVERALL SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	3,786,716	0	0%	1,962,226	(3,818)	-0.2%
2027	3,786,716	0	0%	1,966,044	9,691	0.5%
2026	3,786,716	12,504	0.3%	1,956,353	(21,965)	-1.1%
2025	3,774,212	181,458	5.1%	1,978,318	46,215	2.4%
2024	3,592,754	32,763	0.9%	1,932,103	(41,150)	-2.1%
YTD	3,592,754	32,763	0.9%	1,932,103	(41,150)	-2.1%
2023	3,559,991	5,170	0.1%	1,973,253	3,439	0.2%
2022	3,554,821	(741)	0%	1,969,814	138,966	7.6%
2021	3,555,562	226,037	6.8%	1,830,848	360,600	24.5%
2020	3,329,525	(16,647)	-0.5%	1,470,248	(401,008)	-21.4%
2019	3,346,172	162,758	5.1%	1,871,256	73,087	4.1%
2018	3,183,414	151,926	5.0%	1,798,169	34,663	2.0%
2017	3,031,488	(48,377)	-1.6%	1,763,506	(72,853)	-4.0%
2016	3,079,865	(47,981)	-1.5%	1,836,359	(87)	0%
2015	3,127,846	4,386	0.1%	1,836,446	(22,242)	-1.2%
2014	3,123,460	35,381	1.1%	1,858,688	110,793	6.3%

LUXURY & UPPER UPSCALE SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	254,636	0	0%			
2027	254,636	0	0%			
2026	254,636	0	0%			
2025	254,636	231	0.1%			
2024	254,405	302	0.1%	121,741	7,139	6.2%
YTD	254,405	302	0.1%	121,741	7,139	6.2%
2023	254,103	428	0.2%	114,602	(1,492)	-1.3%
2022	253,675	486	0.2%	116,094		
2021	253,189	16,465	7.0%			
2020	236,724	2,394	1.0%			
2019	234,330	34,791	17.4%			
2018	199,539	(35,886)	-15.2%			
2017	235,425	0	0%			
2016	235,425	0	0%			
2015	235,425	0	0%			
2014	235,425	0	0%			

UPSCALE & UPPER MIDSCALE SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	2,127,886	0	0%	1,178,174	(1,966)	-0.2%
2027	2,127,886	0	0%	1,180,140	516	0%
2026	2,127,886	0	0%	1,179,624	(17,119)	-1.4%
2025	2,127,886	57,000	2.8%	1,196,743	2,603	0.2%
2024	2,070,886	28,269	1.4%	1,194,140	(16,987)	-1.4%
YTD	2,070,886	28,269	1.4%	1,194,140	(16,987)	-1.4%
2023	2,042,617	17,388	0.9%	1,211,127	40,037	3.4%
2022	2,025,229	59,642	3.0%	1,171,090	144,342	14.1%
2021	1,965,587	186,269	10.5%	1,026,748	229,545	28.8%
2020	1,779,318	(14,553)	-0.8%	797,203	(272,476)	-25.5%
2019	1,793,871	136,187	8.2%	1,069,679	66,308	6.6%
2018	1,657,684	178,682	12.1%	1,003,371	70,875	7.6%
2017	1,479,002	61,792	4.4%	932,496	21,729	2.4%
2016	1,417,210	26,550	1.9%	910,767	26,752	3.0%
2015	1,390,660	21,852	1.6%	884,015	8,249	0.9%
2014	1,368,808	34,252	2.6%	875,766	70,077	8.7%

MIDSCALE & ECONOMY SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	1,404,194	0	0%	655,400	(1,612)	-0.2%
2027	1,404,194	0	0%	657,012	8,785	1.4%
2026	1,404,194	12,504	0.9%	648,227	(10,616)	-1.6%
2025	1,391,690	124,227	9.8%	658,843	42,620	6.9%
2024	1,267,463	4,192	0.3%	616,223	(31,301)	-4.8%
YTD	1,267,463	4,192	0.3%	616,223	(31,301)	-4.8%
2023	1,263,271	(12,646)	-1.0%	647,524	(35,106)	-5.1%
2022	1,275,917	(60,869)	-4.6%	682,630	(24,595)	-3.5%
2021	1,336,786	23,303	1.8%	707,225	110,129	18.4%
2020	1,313,483	(4,488)	-0.3%	597,096	(64,365)	-9.7%
2019	1,317,971	(8,220)	-0.6%	661,461	(10,543)	-1.6%
2018	1,326,191	9,130	0.7%	672,004	(1,244)	-0.2%
2017	1,317,061	(110,169)	-7.7%	673,248	(94,152)	-12.3%
2016	1,427,230	(74,531)	-5.0%	767,400	(28,108)	-3.5%
2015	1,501,761	(17,466)	-1.1%	795,508	(33,747)	-4.1%
2014	1,519,227	1,129	0.1%	829,255	37,500	4.7%

OVERALL PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	51.8%	-0.2%	\$110.21	1.5%	\$57.11	1.3%
2027	51.9%	0.5%	\$108.57	0%	\$56.37	0.5%
2026	51.7%	-1.4%	\$108.56	0.2%	\$56.08	-1.3%
2025	52.4%	-2.5%	\$108.36	-0.6%	\$56.80	-3.2%
2024	53.8%	-3.0%	\$109.05	1.4%	\$58.65	-1.6%
YTD	53.8%	-3.0%	\$109.05	1.4%	\$58.65	-1.6%
2023	55.4%	0%	\$107.55	4.9%	\$59.61	4.9%
2022	55.4%	7.6%	\$102.57	10.8%	\$56.83	19.3%
2021	51.5%	16.6%	\$92.53	10.9%	\$47.65	29.3%
2020	44.2%	-21.0%	\$83.47	-9.7%	\$36.86	-28.7%
2019	55.9%	-1.0%	\$92.45	-0.2%	\$51.70	-1.2%
2018	56.5%	-2.9%	\$92.67	0.1%	\$52.35	-2.8%
2017	58.2%	-2.4%	\$92.55	1.4%	\$53.84	-1.1%
2016	59.6%	1.6%	\$91.30	4.1%	\$54.44	5.7%
2015	58.7%	-1.3%	\$87.69	3.9%	\$51.49	2.5%
2014	59.5%	5.1%	\$84.37	2.9%	\$50.21	8.2%

LUXURY & UPPER UPSCALE PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028						
2027						
2026						
2025						
2024	47.9%	6.1%	\$146.92	1.8%	\$70.31	8.0%
YTD	47.9%	6.1%	\$146.92	1.8%	\$70.31	8.0%
2023	45.1%	-1.5%	\$144.35	6.3%	\$65.10	4.7%
2022	45.8%		\$135.81		\$62.15	
2021						
2020						
2019						
2018						
2017						
2016						
2015						
2014						

UPSCALE & UPPER MIDSCALE PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	55.4%	-0.2%	\$125.90	1.5%	\$69.71	1.3%
2027	55.5%	0%	\$124.06	0%	\$68.81	0.1%
2026	55.4%	-1.4%	\$124.05	-0.1%	\$68.77	-1.5%
2025	56.2%	-2.5%	\$124.17	0.3%	\$69.84	-2.1%
2024	57.7%	-2.7%	\$123.75	1.0%	\$71.36	-1.8%
YTD	57.7%	-2.7%	\$123.75	1.0%	\$71.36	-1.8%
2023	59.3%	2.5%	\$122.53	4.6%	\$72.65	7.3%
2022	57.8%	10.7%	\$117.09	9.3%	\$67.71	21.0%
2021	52.2%	16.6%	\$107.11	11.6%	\$55.95	30.1%
2020	44.8%	-24.9%	\$95.99	-9.3%	\$43	-31.8%
2019	59.6%	-1.5%	\$105.80	-1.3%	\$63.09	-2.7%
2018	60.5%	-4.0%	\$107.16	0.9%	\$64.86	-3.2%
2017	63.0%	-1.9%	\$106.23	0.6%	\$66.98	-1.3%
2016	64.3%	1.1%	\$105.59	3.6%	\$67.86	4.8%
2015	63.6%	-0.6%	\$101.89	3.3%	\$64.77	2.6%
2014	64.0%	6.0%	\$98.66	2.9%	\$63.12	9.1%

MIDSCALE & ECONOMY PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	46.7%	-0.2%	\$74.16	1.5%	\$34.61	1.3%
2027	46.8%	1.4%	\$73.04	0.3%	\$34.18	1.7%
2026	46.2%	-2.5%	\$72.79	0.5%	\$33.60	-2.0%
2025	47.3%	-2.6%	\$72.39	-1.0%	\$34.27	-3.6%
2024	48.6%	-5.1%	\$73.09	0.1%	\$35.54	-5.1%
YTD	48.6%	-5.1%	\$73.09	0.1%	\$35.54	-5.1%
2023	51.3%	-4.2%	\$73.02	1.4%	\$37.43	-2.8%
2022	53.5%	1.1%	\$72	7.8%	\$38.52	9.0%
2021	52.9%	16.4%	\$66.78	4.9%	\$35.33	22.1%
2020	45.5%	-9.4%	\$63.67	-2.6%	\$28.94	-11.8%
2019	50.2%	-1.0%	\$65.36	0.1%	\$32.81	-0.9%
2018	50.7%	-0.9%	\$65.31	-0.1%	\$33.09	-1.0%
2017	51.1%	-4.9%	\$65.38	-1.7%	\$33.42	-6.6%
2016	53.8%	1.5%	\$66.54	3.2%	\$35.78	4.7%
2015	53.0%	-3.0%	\$64.49	3.6%	\$34.16	0.5%
2014	54.6%	4.7%	\$62.25	2.6%	\$33.98	7.4%

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
2029	-	-	-	-	-	-	\$93,008	229	10.2%
2028	-	-	-	-	-	-	\$89,510	221	10.4%
2027	-	-	-	-	-	-	\$84,302	208	10.8%
2026	-	-	-	-	-	-	\$79,825	197	11.1%
2025	-	-	-	-	-	-	\$75,476	186	11.4%
YTD	-	-	-	-	-	-	\$75,444	186	11.1%
2024	2	\$3.2M	1.1%	\$1,585,000	\$28,559	-	\$74,162	183	11.1%
2023	5	\$20.4M	4.6%	\$4,074,200	\$44,771	5.7%	\$67,350	166	10.8%
2022	5	\$10.3M	3.6%	\$2,064,000	\$28,989	15.3%	\$63,856	158	10.2%
2021	4	\$7.1M	2.1%	\$1,777,500	\$33,697	-	\$63,941	158	9.9%
2020	2	\$3M	1.6%	\$1,524,000	\$19,414	-	\$64,861	160	10.5%
2019	4	\$9.4M	4.5%	\$2,356,250	\$22,021	-	\$70,741	175	10.5%
2018	5	\$18.5M	4.5%	\$3,708,400	\$45,896	9.3%	\$76,668	189	10.0%
2017	7	\$61.7M	10.0%	\$8,810,000	\$71,295	10.5%	\$75,813	187	9.9%
2016	6	\$20.2M	5.6%	\$3,372,917	\$44,478	-	\$75,745	187	9.5%
2015	1	\$2.4M	1.2%	\$2,400,000	\$24,000	10.0%	\$70,165	173	9.4%

(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. The price index is not smoothed.

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
2029	-	-	-	-	-	-	\$114,509	322	9.0%
2028	-	-	-	-	-	-	\$110,202	310	9.2%
2027	-	-	-	-	-	-	\$103,791	292	9.5%
2026	-	-	-	-	-	-	\$98,279	277	9.8%
2025	-	-	-	-	-	-	\$92,924	261	10.1%
YTD	-	-	-	-	-	-	\$92,884	261	9.8%
2024	-	-	-	-	-	-	\$90,079	253	9.8%
2023	-	-	-	-	-	-	\$78,162	220	9.8%
2022	-	-	-	-	-	-	\$71,331	201	9.5%
2021	-	-	-	-	-	-	\$69,446	195	9.2%
2020	-	-	-	-	-	-	\$72,307	203	9.7%
2019	-	-	-	-	-	-	\$82,759	233	9.5%
2018	-	-	-	-	-	-	\$90,957	256	8.9%
2017	1	\$25.9M	36.3%	\$25,920,000	\$110,769	-	\$92,106	259	8.7%
2016	-	-	-	-	-	-	\$96,711	272	8.4%
2015	-	-	-	-	-	-	\$72,934	205	9.0%

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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
2029	-	-	-	-	-	-	\$117,273	235	9.7%
2028	-	-	-	-	-	-	\$112,862	226	9.9%
2027	-	-	-	-	-	-	\$106,296	213	10.3%
2026	-	-	-	-	-	-	\$100,651	202	10.6%
2025	-	-	-	-	-	-	\$95,166	191	10.8%
YTD	-	-	-	-	-	-	\$95,126	191	10.6%
2024	1	\$1.3M	1.1%	\$1,250,000	\$20,161	-	\$93,807	188	10.6%
2023	3	\$16.9M	6.2%	\$5,647,000	\$47,587	5.7%	\$85,315	171	10.3%
2022	1	\$1.2M	1.1%	\$1,170,000	\$18,571	-	\$80,981	162	9.7%
2021	-	-	-	-	-	-	\$79,785	160	9.4%
2020	-	-	-	-	-	-	\$80,734	162	10.0%
2019	3	\$8.5M	7.3%	\$2,825,000	\$22,303	-	\$87,560	175	10.1%
2018	2	\$11.1M	3.1%	\$5,550,000	\$76,552	9.2%	\$95,713	192	9.6%
2017	3	\$20M	6.1%	\$6,650,000	\$73,616	9.4%	\$93,966	188	9.5%
2016	3	\$11.7M	6.1%	\$3,891,667	\$49,681	-	\$91,916	184	9.3%
2015	-	-	-	-	-	-	\$88,206	177	9.1%

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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
2029	-	-	-	-	-	-	\$53,715	194	11.1%
2028	-	-	-	-	-	-	\$51,695	187	11.4%
2027	-	-	-	-	-	-	\$48,687	176	11.8%
2026	-	-	-	-	-	-	\$46,102	167	12.1%
2025	-	-	-	-	-	-	\$43,590	157	12.4%
YTD	-	-	-	-	-	-	\$43,571	157	12.1%
2024	1	\$1.9M	1.4%	\$1,920,000	\$39,184	-	\$43,071	156	12.1%
2023	2	\$3.4M	2.8%	\$1,715,000	\$34,646	-	\$39,516	143	11.8%
2022	4	\$9.2M	8.4%	\$2,287,500	\$31,229	15.3%	\$37,774	136	11.1%
2021	4	\$7.1M	5.9%	\$1,777,500	\$33,697	-	\$40,034	145	10.6%
2020	2	\$3M	4.3%	\$1,524,000	\$19,414	-	\$40,603	147	11.3%
2019	1	\$950K	1.3%	\$950,000	\$19,792	-	\$44,378	160	11.4%
2018	3	\$7.4M	7.2%	\$2,480,667	\$28,734	9.4%	\$46,710	169	10.9%
2017	3	\$15.8M	10.1%	\$5,266,667	\$43,889	11.5%	\$46,831	169	10.7%
2016	3	\$8.6M	5.9%	\$2,854,167	\$38,920	-	\$48,899	177	10.0%
2015	1	\$2.4M	2.4%	\$2,400,000	\$24,000	10.0%	\$43,500	157	10.0%

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DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Rooms	% Change	Bldgs	Rooms	Bldgs	Rooms	Bldgs	Rooms
YTD	116	10,012	0%	0	0	0	0	3	264
2024	116	10,012	1.0%	1	93	1	93	3	264
2023	115	9,908	0.8%	2	121	2	121	3	243
2022	114	9,827	-0.2%	1	70	1	70	2	121
2021	113	9,842	2.5%	3	339	1	233	2	107
2020	111	9,603	1.7%	3	220	2	207	3	339
2019	108	9,441	5.7%	3	398	2	379	5	460
2018	104	8,929	3.2%	3	349	2	269	2	141
2017	102	8,654	5.7%	4	422	4	422	3	294
2016	98	8,184	-3.8%	2	197	(3)	(156)	2	143
2015	102	8,503	0.3%	-	-	-	-	-	-

Property of
Core Distinction
Group, LLC

COMPREHENSIVE HOTEL MARKET FEASIBILITY STUDY FINANCIAL PROFORMA

PREPARED FOR

MARION, IOWA

PREPARED BY

Core Distinction Group, LLC

Lisa Pennau - Founding Partner
l.pennau@coredistinctiongroup.com

Jessica Junker - Managing Partner
j.junker@coredistinctiongroup.com

Offices in Wisconsin

INCLUDES

Projected Land Costs
Projected Building Costs
Projected Fixture, Furnishings, and Equipment Costs
Projected Soft Costs
Projected Investment
Projected Expenses
Projected Return on Investment



TAKING THE FIRST STEP TO DEVELOP A NEW HOTEL IN YOUR COMMUNITY

Cobblestone Hotel & Suites

Marion, IA

Number of Units: 84

Building Specifications: 84 unit, four (4) story, Main Street Style Cobblestone Hotel & Suites, with an expanded guest wine & beer bar, standard (king & queen/queen) rooms, 2-room extended stay suites, free hot breakfast for all guests, guest fitness room, guest laundry room, meeting room, a pool, and two elevators.

Total Land & Prep	\$1,500,000	
<i>per room</i>	<i>\$17,857</i>	
Raw Land (TBD)	\$0	
Permit & Community (plan review/permit/inspect/impact/tap fees/etc.)	\$600,000	
Site Utility & Excav. (sewer/water/electric/grading & fill/drainage/etc.)	\$900,000	
Building Construction	\$11,144,000	
<i>per room</i>	<i>\$132,667</i>	
Fixtures, Furnishings, and Equipment	\$1,589,000	
<i>per room</i>	<i>\$18,917</i>	
Indirect/Soft Costs	\$1,837,500	
<i>per room</i>	<i>\$21,875</i>	
Appraisal	\$7,500	
Architectural / Engineering	\$150,000	
Cobblestone Franchise Fee	\$40,000	
Surveys	\$15,000	
Development Services	\$810,000	
Pre-Opening Services	\$40,000	
Working Capital	\$350,000	
Legal and Accounting Fees	\$15,000	
Construction Period Interest / Loan Fees / Closing	\$250,000	
Insurance & Taxes During Construction	\$60,000	
Project Contingency	\$100,000	
Total Project Costs:	\$16,070,500	
<i>per room</i>	<i>\$191,315</i>	
Requested Loan Amount:	\$11,249,350	70.0%
Expected Cash Injection:	\$4,821,150	30.0%

Sources of Funding

Bank Loan	11,249,350	Debt Interest:	7.50%
Expected Cash Injection	4,821,150	Debt Terms:	25
Total:	\$16,070,500	Debt Service:	\$997,580

NOTE: Development cost breakdown and price structure is valid for 90 days, and could be subject to change before due to any economic changes in the community or region. Brimark Builders, LLC and it's representatives make no projected financial representations based on this specific or any other markets as it relates to this hotel and or development cost.



First Full Year Open													Rooms: 84
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Lodging Rooms Available	2,604	2,352	2,604	2,520	2,604	2,520	2,604	2,604	2,520	2,604	2,520	2,604	30,660
Lodging Occupancy %	47.7%	57.5%	62.6%	62.4%	69.3%	80.0%	77.1%	72.5%	72.8%	68.0%	59.5%	46.8%	64.7%
Total Occ. Rooms	1,242	1,352	1,630	1,572	1,805	2,016	2,006	1,888	1,835	1,771	1,500	1,220	19,837
Average Daily Rate	\$135.73	\$135.99	\$139.15	\$141.24	\$151.98	\$157.54	\$156.20	\$145.17	\$155.64	\$153.90	\$157.89	\$138.20	\$148.42
Revenue Per Available Room (REVPAR)	\$64.74	\$78.17	\$87.11	\$88.08	\$105.33	\$126.02	\$120.36	\$105.28	\$113.31	\$104.70	\$94.01	\$64.72	\$96.03
Revenue:													
Guest Room Revenue	168,574	183,856	226,846	221,967	274,292	317,567	313,410	274,136	285,539	272,629	236,894	168,542	2,944,253
Meeting Room Revenue	621	676	815	786	902	1,008	1,003	944	917	886	750	610	9,919
Marketplace/Lounge	6,210	6,760	8,151	7,858	9,024	10,079	10,032	9,442	9,173	8,857	7,502	6,098	99,186
TOTAL HOTEL REVENUE	175,405	191,292	235,813	230,611	284,218	328,654	324,445	284,522	295,629	282,372	245,146	175,250	3,053,358
Hotel Payroll Expenses:													
Hotel Manager	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	75,000
Housekeeping/Maintenance	8,694	9,464	11,412	11,001	12,633	14,111	14,045	13,219	12,842	12,400	10,503	8,537	138,860
Front Desk	7,440	10,800	11,160	10,800	11,160	10,800	11,160	11,160	10,800	11,160	10,800	7,440	124,680
Workers Comp Insurance	560	663	721	701	751	779	786	766	747	745	689	556	8,464
Payroll Tax	2,868	3,397	3,693	3,594	3,849	3,992	4,030	3,924	3,830	3,819	3,530	2,848	43,375
TOTAL HOTEL PAYROLL	25,811	30,574	33,235	32,346	34,644	35,932	36,271	35,319	34,470	34,375	31,772	25,631	390,379
Hotel Operating Expenses:													
Cleaning Supplies	683	744	897	864	993	1,109	1,104	1,039	1,009	974	825	671	10,910
Laundry Supplies	621	676	815	786	902	1,008	1,003	944	917	886	750	610	9,919
Linens	931	1,014	1,223	1,179	1,354	1,512	1,505	1,416	1,376	1,329	1,125	915	14,878
Guest Supplies	1,242	1,352	1,630	1,572	1,805	2,016	2,006	1,888	1,835	1,771	1,500	1,220	19,837
Operating Supplies	1,056	1,149	1,386	1,336	1,534	1,713	1,705	1,605	1,559	1,506	1,275	1,037	16,862
Repairs & Maintenance	1,686	1,839	2,268	2,220	2,743	3,176	3,134	2,741	2,855	2,726	2,369	1,685	29,443
Swimming Pool Maintenance	833	833	833	833	833	833	833	833	833	833	833	833	10,000
Franchise Fees	9,765	8,820	9,765	9,450	9,765	9,450	9,765	9,765	9,450	9,765	9,450	9,765	114,975
Marketing Funds Fee	1,953	1,764	1,953	1,890	1,953	1,890	1,953	1,953	1,890	1,953	1,890	1,953	22,995
Reservation Expense	835	835	835	835	835	835	835	835	835	835	835	835	10,020
PMS Fee	602	602	602	602	602	602	602	602	602	602	602	602	7,229
Complimentary Breakfast	4,347	4,732	5,706	5,501	6,317	7,055	7,022	6,609	6,421	6,200	5,251	4,269	69,430
Travel Agent Fees	8,429	9,193	11,342	11,098	13,715	15,878	15,670	13,707	14,277	13,631	11,845	8,427	147,213
Vending Expense	3,105	3,380	4,076	3,929	4,512	5,039	5,016	4,721	4,587	4,429	3,751	3,049	49,593
Marketing / Advertising	843	919	1,134	1,110	1,371	1,588	1,567	1,371	1,428	1,363	1,184	843	14,721
Utilities	4,385	4,782	5,895	5,765	7,105	8,216	8,111	7,113	7,391	7,059	6,129	4,381	76,334
Cable/Internet/Phone	2,604	2,352	2,604	2,520	2,604	2,520	2,604	2,604	2,520	2,604	2,520	2,604	30,660
Credit Card Expense	3,947	4,304	5,306	5,189	6,395	7,395	7,300	6,402	6,652	6,353	5,516	3,943	68,701
Management Fee	10,524	11,477	14,149	13,837	17,053	19,719	19,467	17,071	17,738	16,942	14,709	10,515	183,201
TOTAL OPERATING EXPENSES	58,391	60,768	72,420	70,515	82,391	91,555	91,204	83,221	84,175	81,763	72,361	58,156	906,920
Income Before Fixed Expenses	91,203	99,949	130,158	127,749	167,184	201,167	196,970	165,983	176,984	166,234	141,014	91,463	1,756,058
Gross Operating Profit (GOP)	52.00%	52.25%	55.20%	55.40%	58.82%	61.21%	60.71%	58.34%	59.87%	58.87%	57.52%	52.19%	57.51%
Reserves & Fixed Expenses:													
Debt Service	83,132	83,132	83,132	83,132	83,132	83,132	83,132	83,132	83,132	83,132	83,132	83,132	997,580
Real Estate Taxes (Estimates)	16,923	16,923	16,923	16,923	16,923	16,923	16,923	16,923	16,923	16,923	16,923	16,923	203,073
Insurance	2,631	2,869	3,537	3,459	4,263	4,930	4,867	4,268	4,434	4,236	3,677	2,629	45,800
Reserves For Replacement	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RESERVES & FIXED	102,685	102,924	103,592	103,514	104,318	104,984	104,921	104,322	104,489	104,290	103,732	102,683	1,246,453
NET OPERATING INCOME (NOI)	71,649	80,157	109,698	107,368	145,998	179,314	175,180	144,792	155,627	145,075	120,414	71,912	1,507,185
NET CASH FLOW	(11,482)	(2,974)	26,567	24,236	62,866	96,183	92,048	61,661	72,495	61,944	37,282	(11,220)	509,605

Five Year Numbers Projected Summary

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5					
	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT					
Lodging Rooms Available	30,660	30,660	30,660	30,660	30,660					
Lodging Occupancy %	64.7%	66.0%	67.3%	68.7%	69.3%					
Total Occ. Rooms	19,837	20,234	20,639	21,051	21,262					
Average Daily Rate	\$148.42	\$152.87	\$157.46	\$162.18	\$163.81					
REVENUE:										
Guest Room Revenue	2,944,253	96.4%	3,093,232	96.5%	3,249,750	96.6%	3,414,187	96.7%	3,482,812	96.8%
Meeting Room Revenue	9,919	0.3%	10,117	0.3%	10,319	0.3%	10,526	0.3%	10,631	0.3%
Marketplace/Lounge	99,186	3.2%	101,170	3.2%	103,193	3.1%	105,257	3.0%	106,310	3.0%
TOTAL HOTEL REVENUE	3,053,358	100.0	3,204,519	100.0	3,363,262	100.0	3,529,970	100.0	3,599,753	100.0

NOTE: The above information is a forwards looking projection of anticipated expenses and profits with regard to this project based on the professional experience of Core Distinction Group LLC (CDG) participation in other projects, similar in nature. Occupancy and ADR projections derived from market data trends reported by Smith Travel Research (STR) in the market's proximity along with to date range shopping of local and surrounding hotels. This projection could change due to changes and in the economy, both locally and overall, the acceptance of the project by the local community and patrons and the fact that CDG has not been involved in a project in this area and in a municipality with these demographics in the past. Thereby, all investors understand and acknowledge that these forward projections are not warranted by CDG and are subject to change and fluctuation.



5 Year Projection										Rooms: 84
	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5	
Lodging Rooms Available	30,660		30,660		30,660		30,660		30,660	
Lodging Occupancy %	64.7%		66.0%		67.3%		68.7%		69.3%	
Total Occ. Rooms	19,837		20,234		20,639		21,051		21,262	
Average Daily Rate	\$148.42		\$152.87		\$157.46		\$162.18		\$163.81	
Revenue Per Available Room (REVPAR)	\$96.03		\$100.89		\$105.99		\$111.36		\$113.59	
Revenue:										
Guest Room Revenue	2,944,253		3,093,232		3,249,750		3,414,187		3,482,812	
Meeting Room Revenue	9,919		10,117		10,319		10,526		10,631	
Marketplace/Lounge	99,186		101,170		103,193		105,257		106,310	
TOTAL HOTEL REVENUE	3,053,358	100%	3,204,519	100%	3,363,262	100%	3,529,970	100%	3,599,753	100%
Hotel Payroll Expenses:										
Hotel Manager	75,000		76,125		77,267		78,426		79,602	
Housekeeping/Maintenance	148,779		151,755		154,790		157,886		159,464	
Front Desk	124,680		128,420		132,273		136,241		140,328	
Workers Comp Insurance	8,711		8,908		9,108		9,314		9,485	
Payroll Tax	44,646		45,651		46,680		47,733		48,610	
TOTAL HOTEL PAYROLL	401,817	13.16%	410,859	12.82%	420,118	12.49%	429,600	12.17%	437,490	12.15%
Hotel Operating Expenses:										
Cleaning Supplies	10,910		11,129		11,351		11,578		11,694	
Laundry Supplies	9,919		10,117		10,319		10,526		10,631	
Linens	14,878		15,175		15,479		15,789		15,946	
Guest Supplies	19,837		20,234		20,639		21,051		21,262	
Operating Supplies	16,862		17,199		17,543		17,894		18,073	
Repairs & Maintenance	29,443		30,932		40,622		42,677		52,242	
Swimming Pool Maintenance	10,000		11,500		13,225		15,209		17,490	
Franchise Fees	114,975		114,975		114,975		114,975		114,975	
Marketing Funds Fee	22,995		22,995		22,995		22,995		22,995	
Reservation Expense	10,020		10,020		10,020		10,020		10,020	
PMS Fee	7,229		7,229		7,229		7,229		7,229	
Complimentary Breakfast	69,430		70,819		72,235		73,680		74,417	
Travel Agent Fees	147,213		154,662		162,487		170,709		174,141	
Vending Expense	49,593		50,585		51,597		52,629		53,155	
Marketing / Advertising	14,721		15,466		16,249		17,071		17,414	
Utilities	76,334		80,113		84,082		88,249		89,994	
Cable/Internet/Phone	30,660		31,580		32,527		33,503		34,508	
Credit Card Expense	68,701		72,102		75,673		79,424		80,994	
Management Fee	183,201		192,271		201,796		211,798		215,985	
TOTAL OPERATING EXPENSES	906,920	29.70%	939,102	29.31%	981,043	29.17%	1,017,006	28.81%	1,043,165	28.98%
Income Before Fixed Expenses	1,744,620		1,854,558		1,962,102		2,083,364		2,119,098	
Gross Operating Profit (GOP)										
Reserves & Fixed Expenses:										
Real Estate Taxes (Estimates)	203,073		203,073		203,073		203,073		203,073	
Insurance	45,800		48,068		50,449		52,950		53,996	
Reserves For Replacement	0		64,090		100,898		141,199		143,990	
NET OPERATING INCOME (NOI)	1,495,748	48.99%	1,539,328	48.04%	1,607,683	47.80%	1,686,143	47.77%	1,718,039	47.73%
Loan (Interest Payment)	838,300		825,935		812,608		798,249		782,775	
Loan (Principal Reduction)	159,281		171,646		184,972		199,331		214,806	
NET CASH FLOW	\$498,167	16.32%	\$541,747	16.91%	\$610,102	18.14%	\$688,563	19.51%	\$720,459	20.01%
RETURN ON INVESTMENT (ROI) %	10.33%		11.24%		12.65%		14.28%		14.94%	
ROI % (Including Principal Reduction)	13.64%		14.80%		16.49%		18.42%		19.40%	

NOTE: The above information is a forwards looking projection of anticipated expenses and profits with regard to this project based on the professional experience of Core Distinction Group LLC (CDG) participation in other projects, similar in nature. Occupancy and ADR projections derived from market data trends reported by Smith Travel Research (STR) in the market's proximity along with to date range shopping of local and surrounding hotels. This projection could change due to changes and in the economy, both locally and overall, the acceptance of the project by the local community and patrons and the fact that CDG has not been involved in a project in this area and in a municipality with these demographics in the past. Thereby, all investors understand and acknowledge that these forward projections are not warranted by CDG and are subject to change and fluctuation.



5 Year Break Even										Rooms: 84
	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5	
Lodging Rooms Available	30,660		30,660		30,660		30,660		30,660	
Lodging Occupancy %	49.3%		49.3%		48.9%		48.2%		48.2%	
Total Occ. Rooms	15,101		15,120		14,979		14,792		14,768	
Average Daily Rate	\$148.42		\$152.87		\$157.46		\$162.18		\$163.81	
Revenue Per Available Room (REVPAR)	\$73.10		\$75.39		\$76.93		\$78.25		\$78.90	
Revenue:										
Guest Room Revenue	2,241,301		2,311,445		2,358,586		2,399,015		2,419,074	
Meeting Room Revenue	7,551		7,560		7,490		7,396		7,384	
Marketplace/Lounge	75,505		75,600		74,895		73,960		73,840	
TOTAL HOTEL REVENUE	2,324,357	100%	2,394,605	100%	2,440,971	100%	2,480,371	100%	2,500,298	100%
Hotel Payroll Expenses:										
Hotel Manager	75,000		77,250		79,568		81,955		84,413	
Housekeeping/Maintenance	113,258		113,400		112,343		110,940		110,760	
Front Desk	90,000		92,700		95,481		98,345		101,296	
Workers Comp Insurance	6,956		7,084		7,185		7,281		7,412	
Payroll Tax	35,652		36,304		36,822		37,315		37,985	
TOTAL HOTEL PAYROLL	320,866	13.80%	326,738	13.64%	331,398	13.58%	335,836	13.54%	341,866	13.67%
Hotel Operating Expenses:										
Cleaning Supplies	8,306		8,316		8,238		8,136		8,122	
Laundry Supplies	7,551		7,560		7,490		7,396		7,384	
Linens	11,326		11,340		11,234		11,094		11,076	
Guest Supplies	15,101		15,120		14,979		14,792		14,768	
Operating Supplies	12,836		12,852		12,732		12,573		12,553	
Repairs & Maintenance	22,413		23,114		29,482		29,988		36,286	
Swimming Pool Maintenance	10,000		11,500		13,225		15,209		17,490	
Franchise Fees	114,975		114,975		114,975		114,975		114,975	
Marketing Funds Fee	22,995		22,995		22,995		22,995		22,995	
Reservation Expense	10,020		10,020		10,020		10,020		10,020	
PMS Fee	7,229		7,229		7,229		7,229		7,229	
Complimentary Breakfast	60,404		60,480		59,916		59,168		59,072	
Travel Agent Fees	112,065		115,572		117,929		119,951		120,954	
Vending Expense	37,753		37,800		37,448		36,980		36,920	
Marketing / Advertising	11,207		11,557		11,793		11,995		12,095	
Utilities	81,352		83,811		85,434		86,813		87,510	
Cable/Internet/Phone	30,660		31,580		32,527		33,503		34,508	
Credit Card Expense	52,298		53,879		54,922		55,808		56,257	
Management Fee	139,461		143,676		146,458		148,822		150,018	
TOTAL OPERATING EXPENSES	767,950	33.04%	783,377	32.71%	799,026	32.73%	807,447	32.55%	820,232	32.81%
Income Before Fixed Expenses	1,235,540		1,284,490		1,310,546		1,337,089		1,338,200	
Gross Operating Profit (GOP)										
Reserves & Fixed Expenses:										
Real Estate Taxes (Estimates)	203,073		203,073		203,073		203,073		203,073	
Insurance	34,865		35,919		36,615		37,206		37,504	
Reserves For Replacement	0		47,892		73,229		99,215		100,012	
NET OPERATING INCOME (NOI)	997,603	42.92%	997,606	41.66%	997,630	40.87%	997,596	40.22%	997,611	39.90%
Loan (Interest Payment)	838,300		825,935		812,608		798,249		782,775	
Loan (Principal Reduction)	159,281		171,646		184,972		199,331		214,806	
NET CASH FLOW	\$22		\$26		\$50		\$15		\$31	

NOTE: The above information is a forwards looking projection of anticipated expenses and profits with regard to this project based on the professional experience of Core Distinction Group LLC (CDG) participation in other projects, similar in nature. Occupancy and ADR projections derived from market data trends reported by Smith Travel Research (STR) in the market's proximity along with to date range shopping of local and surrounding hotels. This projection could change due to changes and in the economy, both locally and overall, the acceptance of the project by the local community and patrons and the fact that CDG has not been involved in a project in this area and in a municipality with these demographics in the past. Thereby, all investors understand and acknowledge that these forward projections are not warranted by CDG and are subject to change and fluctuation.



Lodging Demand Analysis

1st Quarter (Jan-Mar)	January	February	March	
Lodging Rooms Available	2,604	2,352	2,604	
Lodging Occupancy %	47.7%	57.5%	62.6%	
Total Occ. Rooms	1,242	1,352	1,630	
Average Daily Rate	135.73	135.99	139.15	
Total Revenue	\$168,574	\$183,856	\$226,846	
2nd Quarter (Apr-June)	April	May	June	
Lodging Rooms Available	2,520	2,604	2,520	
Lodging Occupancy %	62.4%	69.3%	80.0%	
Total Occ. Rooms	1,572	1,805	2,016	
Average Daily Rate	141.24	151.98	157.54	
Total Revenue	\$221,967	\$274,292	\$317,567	
3rd Quarter (July-Sept)	July	August	September	
Lodging Rooms Available	2,604	2,604	2,520	
Lodging Occupancy %	77.1%	72.5%	72.8%	
Total Occ. Rooms	2,006	1,888	1,835	
Average Daily Rate	156.20	145.17	155.64	
Total Revenue	\$313,410	\$274,136	\$285,539	
4th Quarter (Oct-Dec)	October	November	December	TOTAL
Lodging Rooms Available	2,604	2,520	2,604	30,660
Lodging Occupancy %	68.0%	59.5%	46.8%	64.7%
Total Occ. Rooms	1,771	1,500	1,220	19,837
Average Daily Rate	153.90	157.89	138.20	\$148.42
Total Revenue	\$272,629	\$236,894	\$168,542	2,944,253

** The above forecasts represent projections for occupancy, ADR, and revenue of a developed 84 unit lodging option. Financial Returns projected based on specific brand chosen for development. Development costs and FDD required by each brand for financial projection estimates.*

NOTE: The above information is a forward looking projection of anticipated occupancies, average daily rate and revenue based on the professional experience of Core Distinction Group LLC's participation in other projects, similar in nature. Occupancy and ADR projections derived from market data trends reported by CoStar/Smith Travel Research (STR) in the market's proximity along with to date rate shopping of local and surrounding hotels, and community feedback. This projection could change due to changes in the economy (both locally and overall), the acceptance of the project by the local community and patrons, and the fact that CDG has not been involved in a project in this area and in a municipality with these demographics in the past. Thereby, all investors understand and acknowledge that these forward looking projections are not warranted by CDG and are subject to change and fluctuation.

Source: Core Distinction Group LLC



1-5 Year Projections:

OCC%	ADR:	REVPAR	Room Revenue:	
64.7%	\$148.42	\$96.03	\$2,944,253	YEAR 1
66.0%	\$152.87	\$100.89	\$3,093,232	YEAR 2
67.3%	\$157.46	\$105.99	\$3,249,750	YEAR 3
68.7%	\$162.18	\$111.36	\$3,414,187	YEAR 4
69.3%	\$163.81	\$113.59	\$3,482,812	YEAR 5

It should be noted that the above projections are considered to be forecasted for the first full year open. Consideration for a ramp up period at a minimum of 90 to 180 days is typical for new hotel development. It should be noted that projections shown in any forward reaching Pro Forma will indicate a first partial year ramp up period for comparison and budget planning. The opening of this potential hotel development should be in timing up to 90 days prior to peak season to ensure highest potential profitability in year 1. A minimum of \$150k should be factored into the total project cost under working capital to offset this first year ramp up period loss potential. Hotels used in this seasonality analysis are from the regional market of Marion, IA. The market's demand patterns appear average.

Source: Core Distinction Group LLC



Proposed Property

In this section of the report, Core Distinction Group has compiled a projection of income and expense for the proposed hotel development. This projection is based on the hotel's recommendations stated throughout this report, as well as the occupancy and average rate projected throughout this report. This section of the report also details construction/development costs gathered by Core Distinction Group.

Proposed Property Description

The quality of a lodging facility's physical improvements has a direct influence on marketability, attainable occupancy, and average room rate. The design and functionality of the structure can also affect operating efficiency and overall profitability. This section investigates the subject property's proposed physical improvements and personal property in an effort to determine how they are expected to contribute to attainable cash flows.

Projected Construction/Development Costs

Gathering the most accurate costs available may help ensure the hotel project projection estimates set in this report be as accurate as possible. Core Distinction Group requested construction/development costs directly from a reputable hotel construction company and/or the brand selected by the client. Core Distinction Group is not responsible for any discrepancies in costs in the future. The total estimated costs for this proposed hotel development project are listed in table below:

Hotel Construction/Development Costs in Marion, IA	
Total Estimated Costs	\$16,070,500

Hotel Construction/Development Costs in Marion, IA		
Total Estimated Costs	\$191,315	per room/key



Projected Hotel Development Revenue

In this section of this report, Core Distinction Group has compiled projections of revenue for the proposed hotel. This projection is based on the hotel's recommendations stated throughout this report, as well as the occupancy and average rate projected throughout this report. Room revenue is determined by two variables: occupancy and average rate. We projected occupancy and average rate in a previous section of this report. The proposed subject hotel is expected to stabilize by year three. Due to the scale of the proposed hotel development, the revenue will also contain a small amount of food and beverage revenue, telephone revenue, meeting space revenue and miscellaneous revenue. Below you will find a five year projections.

Five Year Projected Hotel Development Revenue	
Year 1	
	\$3,053,357.65
Year 2	
	\$3,204,518.95
Year 3	
	\$3,363,262.23
Year 4	
	\$3,529,969.82
Year 5	
	\$3,599,752.80

Projected Hotel Development Payroll

The projected hotel development payroll expenses consist of all payroll associated with the revenue obtained by the proposed property. Core Distinction Group includes; the General Manager salary, all maintenance payroll, all housekeeping payroll, all front desk payroll, as well as workers compensation insurance and any payroll taxes in its evaluation. Below you will find the forecasted five year proposed property's total payroll:

Five Year Projected Hotel Development Total Payroll	
Year 1	
	\$401,816.89
Year 2	
	\$410,858.52
Year 3	
	\$420,117.63
Year 4	
	\$429,599.77
Year 5	
	\$437,490.00



Projected Hotel Development Operating Expenses

The projected hotel development operating expenses consist of all operating expenses associated with the revenue obtained by the proposed property. Core Distinction Group includes the following in its operating expenses:

Cleaning Supply Expenses - All expenses related to the cleaning of the proposed hotel project.

Laundry Supply Expenses - All expenses related to the laundering of the linens at the proposed hotel project.

Linen Expenses - All expenses related to the ongoing cost of replacing linens at the proposed hotel project.

Guest Supply Expenses - All expenses related to the restocking of supplies used by the guest at proposed hotel project.

Operating Supply Expenses - All expenses related to the operations of the proposed hotel project.

Repairs and Maintenance Expenses - All expenses related to the repair and maintenance of the proposed hotel project. It should be noted that as a new hotel, these amounts may be lower in the first year or two of operation. However, this also does include any contracts such as elevator maintenance, fire alarm monitoring, etc.

Swimming Pool Maintenance Expenses - All expenses related to the upkeep of the pool at the proposed hotel project. It should be noted that if the proposed hotel does not have a pool, this number will not be present in the proposed hotel project expenses.

Grounds and Landscaping Expenses - All expenses related to the ongoing maintenance of lawn, landscaping and snow removal (if applicable) of the proposed hotel project.

Franchise Fee Expenses - All expenses related to the ongoing fees charged by the franchise to the proposed hotel project.

Property Management System Expenses - All expenses related to the ongoing fees charged by the property management system of the proposed hotel project.

Breakfast Expenses - All expenses related to the breakfast provided by the proposed hotel project.

Travel Agent Fee Expenses - All expenses related to the ongoing fees charged by any travel agent booking revenue at the proposed hotel project. This also includes online travel agent websites.

Reservation Expenses - All expenses related to the ongoing fees charged by the central reservation system of proposed hotel project.



Projected Hotel Development Operating Expenses (continued)

Vending and Bar Expenses - All expenses related to the bar or vending area of the proposed hotel project.

Office Expenses - All expenses related to the office supplies need at the proposed hotel project.

Marketing and Advertising Expenses - All expenses related to the marketing and advertising done for the proposed hotel project.

Utility Expenses - All expenses related to the utilities utilized at the proposed hotel project.

Telephone Expenses - All expenses related to the phone system at the proposed hotel project.

Internet Expenses - All expenses related to the internet system at the proposed hotel project.

Cable Expenses - All expenses related to the cable system at the proposed hotel project.

Waste Removal Expenses - All expenses related to the removal of waste at the proposed hotel project.

Dues and Subscription Expenses - All expenses related to any dues or subscriptions utilized at proposed hotel project.

Licenses and Permitting Expenses - All expenses related to any ongoing licenses or permits for the proposed hotel project.

Credit Card Processing Expenses - All expenses related to the credit card processing system at the proposed hotel project.

Management Fee Expenses - All expenses related to the ongoing professional hotel management fees of the proposed hotel project.

Accounting Service Expenses - All expenses related to the ongoing, professional accounting or accountant fees of the proposed hotel project.

Other Expenses/Frequent Stay Program Expenses - All expenses related to the brand's frequent stay program at the proposed hotel project. This line also includes any miscellaneous expenses.



Projected Hotel Development Operating Expenses (continued)

Below you will find the forecasted five year, proposed property's total operating expenses:

Five Year Projected Hotel Development Total Operating Expenses	
Year 1	
	\$906,920.29
Year 2	
	\$939,102.16
Year 3	
	\$981,042.63
Year 4	
	\$1,017,006.04
Year 5	
	\$1,043,164.80



Projected Hotel Development Reserves and Fixed Expenses

The projected hotel development reserves and fixed expenses consist of all fixed monthly expenses as well as the reserve for replacement expenses associated with the revenue obtained by the proposed property. Core Distinction Group includes the following in its reserves and fixed expenses:

Real Estate Tax Expenses - This expense relates to the real estate taxes assessed for the proposed hotel project. In some cases this item could be an estimate and/or may be reduced due to incentives. Depending on the taxing policy of the municipality, property taxes can be based on the value of the real property or the value of the personal property and the real property. We have based our estimate of the proposed subject property's market value (for tax purposes) on an analysis of assessments of comparable hotel properties in the local municipality. The numbers below are based on what was available to Core Distinction Group representatives at the time of conducting the research in this report.

Insurance Expenses - This expense relates to the ongoing property insurance for the proposed hotel project. In some cases this item could be an estimate. The insurance expense consists of the cost of insuring the hotel and its contents against damage or destruction by fire, weather, sprinkler leakage, boiler explosion, plate glass breakage, and so forth. General insurance costs also include premiums relating to liability, fidelity, and theft coverage. Insurance rates are based on many factors, including building design and construction, fire detection and extinguishing equipment, fire district, distance from the firehouse, and the area's fire experience. Insurance expenses do not vary with occupancy. The numbers to follow are based on what was available to Core Distinction Group representatives at the time of conducting the research in this report.

Reserve for Replacement Expenses - Furniture, fixtures, and equipment are essential to the operation of a lodging facility, and their quality often influences a property's revenue-producing abilities. This expense line includes all non-real estate items that are capitalized, rather than expensed. The furniture, fixtures, and equipment of a hotel are exposed to heavy use and must be replaced at regular intervals. The useful life of these items is determined by their quality, durability, and the amount of guest traffic and use. Periodic replacement of furniture, fixtures, and equipment is essential to maintain the quality, image, and revenue-producing potential of a lodging facility. Studies have indicated that on an ongoing basis a minimum of 4 percent is required to properly maintain hotels. Because the proposed hotel will be a new construction, we used a buildable approach whereas, in the first two years of operation, the reserve was estimated to be 3 percent and in subsequent years the reserve for replacement was estimated to be 4 percent of total sales and is estimated to provide sufficient funds for future capital improvements.



Projected Hotel Development Reserves and Fixed Expenses (continued)

Below you will find the forecasted five year, proposed property's total reserves and fixed expenses:

Five Year Projected Hotel Development Total Reserves and Fixed Expenses	
Year 1	
	\$248,872.94
Year 2	
	\$315,230.73
Year 3	
	\$354,419.37
Year 4	
	\$397,220.91
Year 5	
	\$401,058.98



Projected Hotel Development Loan Expenses

The projected hotel development loan expenses consist of all monthly expenses incurred by the proposed property. Based on our analysis of the current lodging industry's mortgage market and adjustments for specific factors, such as the property's site, proposed facility, and conditions in the hotel market, it is our opinion that a 7.5% interest, 25-year amortization mortgage is appropriate for the proposed subject hotel. In the mortgage equity analysis, we have applied a loan-to-cost ratio of 70%, which is reasonable to expect based on this interest rate and current parameters. Below you will find the forecasted five year, proposed property's total loan expenses:

Five Year Projected Hotel Development Total Interest Payment	
Year 1	
	\$838,300
Year 2	
	\$825,935
Year 3	
	\$812,608
Year 4	
	\$798,249
Year 5	
	\$782,775

Five Year Projected Hotel Development Total Principal Reduction	
Year 1	
	\$159,281
Year 2	
	\$171,646
Year 3	
	\$184,972
Year 4	
	\$199,331
Year 5	
	\$214,806



Projected Hotel Development Income

The projected hotel development income is measured by two separate parameters for the proposed property:

Return On Investment (ROI) is a performance measure used to evaluate the efficiency of an investment or compare the efficiency of a number of different investments. ROI tries to directly measure the amount of return on a particular investment relative to the investment's cost.

ROI % (Including Principal Reduction) is a calculation used to analyze the profitability of income-generating real estate investments. ROI equals all revenue from the property, minus all reasonably necessary operating expenses, and principle loan payment.

The projected Return On Investment (ROI) and Net Operating Income ROI % (Including Principal Reduction) are as follows:

Five Year Projected - Total Return On Investment (ROI)	
Year 1	
	10.33%
Year 2	
	11.24%
Year 3	
	12.65%
Year 4	
	14.28%
Year 5	
	14.94%
Five Year Projected - ROI % (Including Principal Reduction)	
Year 1	
	13.64%
Year 2	
	14.80%
Year 3	
	16.49%
Year 4	
	18.42%
Year 5	
	19.40%

