

McKINNEY COMMUNITY DEVELOPMENT CORPORATION
Project Grant Application
Fiscal Year 2022

Applications must be completed in full, using this form, and received by MCDC, via email or on a thumb drive. Contact us to discuss your plans and schedule a meeting with the Projects Subcommittee prior to completing the application.

Please submit application, including all supporting documentation, via email or on a thumb drive for consideration by the MCDC to:

McKinney Community Development Corporation
5900 S. Lake Forest Blvd., Suite 110
McKinney, TX 75070

Attn: Cindy Schneible (cschneible@mckinneycdc.org)

2022 Project Grant Application Schedule

Application Deadline	Presentation to MCDC Board	Board Vote and Award Notification
Cycle I: December 31, 2021	January 27, 2022	February 24, 2022
Cycle II: March 31, 2022	April 28, 2022	May 26, 2022
Cycle III: June 30, 2022	July 28, 2022	August 25, 2022

APPLICATION

Project Grants support for projects eligible for consideration under Sections 501 and 505 of the Texas Local Government Code. These include:

- Projects Related to the Creation or Retention of Primary Jobs
- Infrastructure Improvement Projects Necessary to Develop New or Expanded Business Enterprises
- Public Parks and Open Space Improvements
- Projects Related to Recreational or Community (city/public access) Facilities
- Professional and Amateur Sports and Athletic Facilities, including Children's Sports
- Entertainment, Tourist and Convention Facilities
- Projects Related to Low Income Housing
- Mass Transit-Related Facilities (facilities and/or equipment)
- Airport Facilities

McKinney Community Development Corporation – Overview

In 1996 McKinney voters approved the creation of a 4B (now Type B) sales tax corporation to support community and economic development projects and initiatives to enhance quality of life improvements and economic growth for McKinney residents. MCDC receives revenue from a half-cent sales tax and awards grant funds for projects, promotional activities and community events that showcase the City of McKinney and support business development and tourism.

Guided by a City Council-appointed board of seven McKinney residents, the impact of investments made by MCDC can be seen throughout the community.

Projects eligible for funding are authorized under The Development Corporation Act and Chapters 501 to 505 of the Texas Local Government Code.

McKinney Community Development Corporation – Mission

To proactively work, in partnership with others, to promote and fund community, cultural and economic development projects that maintain and enhance the quality of life in McKinney and contribute to business development.

Guiding Principles:

- Serve ethically and with integrity
- Provide responsible stewardship
- Embrace our role and responsibility
- Honor the past – provide innovative leadership for the future
- Make strategic and transparent decisions that best serve the community

McKinney Community Development Corporation – Goals

- Ensure application/project eligibility for MCDC consideration under Sections 501 to 505 of the Texas Local Government Code (see information below)
- Meet citizen needs for quality of life improvements, business development and sustainable economic growth for residents in the City of McKinney
- Provide support for cultural, sports, fitness, entertainment, community projects and events that attract resident and visitor participation and contribute to quality of life, business development and increased McKinney sales tax revenue
- Highlight and promote McKinney as a unique destination for residents and visitors alike
- Demonstrate informed financial planning – addressing long-term costs, budget consequences and sustainability of projects for which funding is requested
- Educate the community about the impact that local dining and shopping has on investment in quality of life improvements in McKinney

General Guidelines

- Applications must be completed in full, **and provide all information requested**, to be considered by the MCDC board.
- Applicant must have been in business (preferably within the City of McKinney) for a minimum of two (2) years. The MCDC board may waive this requirement for economic development projects.

General Guidelines - continued

- The land, building or facility where the proposed project will be located should be owned by the Applicant. However, if the Applicant does not own the land, written acknowledgement/approval from the property owner must be included with the application. The letter must document the property owner is aware of the proposed use of the property or facility; and the property owner has reviewed the project plan and application, approves and supports the efforts of the Applicant.
- **Preference may be given** to Applicants who have **not** received funding from MCDC within the previous 12-month period.
- Performance agreements are required for all approved grants.
- Funded Projects must be completed within one year of the date the grant is approved by the MCDC board, unless an exception is granted.
- Completed Project must be inspected for Code compliance.
- A signed Contractor's Sworn Statement and Waiver of Lien to Date form must be completed, notarized and provided to MCDC prior to receiving grant funds.
- Property owner will be responsible for maintaining the infrastructure improvements made with funding for ten (10) years.
- Grant recipients must maintain financial books and records of the funded project and of their operations as a whole for at least two years, should MCDC or the City of McKinney require an audit. The books and records must be available upon request, and create a clear audit trail documenting revenues and expenses of the funded project.
- Within 30 days of completion of the funded project, the grant recipient is required to submit a final report that includes detailed information on the activity; visual documentation of pre and post-project completion; and any outstanding receipts for expenditures included under the scope of the grant.
- Grant recipient must recognize McKinney Community Development Corporation as a sponsor/funder of the project improvements. MCDC will provide a logo for grant recipient use.

Process

The McKinney Community Development Corporation Board of Directors are responsible for reviewing and voting on applications for grant funding, in accordance with requirements of the Texas Local Government Code.

- A completed application form must be submitted to MCDC in accordance with the schedule outlined above.
- The application will be evaluated to determine eligibility for MCDC funding under State law.
- Once eligibility for consideration is confirmed, a public hearing will be conducted, during a regularly scheduled MCDC board meeting, on the grant application submitted.
- Prior to the public hearing, notice will be published and posted in accordance with the requirements of the Open Meetings Act and the Texas Local Government Code. **The application, along with all documents/attachments will become public information once submitted to MCDC.**
- Following the public hearing, grant requests will be referred to a subcommittee of the MCDC board for evaluation and recommendation of approval or denial to the full board.
- Board action on the grant application will be scheduled for the board meeting the month following the public hearing.

- If a grant is approved, a performance agreement will be drafted for execution between MCDC and applicant.
- Funds awarded for approved applications are provided on a reimbursement basis, following submission of receipts and documentation of payment for qualified expenditures.
- The final 20% of the award may be withheld until a final project report is submitted to MCDC and compliance with all requirements of the executed performance agreement are confirmed.

APPLICANT INFORMATION

Name: Michael Mueller

Company: Archstreet McKinney, LLC

Federal Tax I.D.: EIN: 88-0723864

Incorporation Date: 2/2/2022

Mailing Address: 5700 Templin Way

City: Plano

ST: Texas

Zip: 75093

Phone: 972-378-6560

Fax: n/a

Email: mmueller@archtower.com

Cell: 404-502-8382

Website: www.archtower.com, www.vinetower.com

Check One:

- ☐ Corporation
 ☐ Partnership
 ☐ Sole Proprietorship
- ☐ Governmental entity
- ☐ Nonprofit – 501(c) Attach a copy of IRS Determination Letter
- ☒ Other: Limited Liability Company

PROJECT INFORMATION:

Project/Business Name: District 121 Hotel

Location of Project: District 121 (northeast corner of Alma and SH 121)

Physical Address: 7000 State Hwy. 121 – Note; Applicant has executed a Purchase Agreement to acquire the Site, which is currently part of a larger tract of land that will be subdivided at closing. The conveyance plat that will be recorded at closing is shown on Exhibit C.

City: McKinney

ST: TX

Zip: 75070

Property Size: 1.788 acres

Collin CAD Property ID: 2833976 (the 1.788 acres will be subdivided from the larger parcel of which it is currently within.)

Please provide the information requested below:

- An expansion/improvement
- A replacement/repair
- A multi-phase project
- A new project

☐ Yes
☐ Yes
☐ Yes
☒ Yes

☒ No
☒ No
☒ No
☐ No

PROPERTY OWNER INFORMATION *(if different from Applicant info above):*

Name: David Craig

Company: District 121, LLC

Mailing Address: 6850 TPC Drive, Suite 104

City: McKinney

ST: Texas

Zip: 75070

Phone: 972-529-5700

Fax: n/a

Email: dcraig@craigintl.com

Cell: n/a

DETAILED PROJECT INFORMATION:

Project Details and Proposed Use: 102 room Hotel

Estimated Date of Project Completion: 1/1/2024

Days/Hours of Business Operation: Hotel will be operated 24 hours per day, 365 days per year.

Estimated Annual Taxable Sales: \$3.6 million (2024)- \$5.7 million (2033) in gross revenues subject to hotel occupancy tax and/or sales tax.

Current Appraised Value of Property: N/A (the hotel site is currently part of a larger 433,596 square foot tax parcel ID 2833976)

Estimated Appraised Value (*Post-Improvement*): \$6,267,028 (2024) – See Exhibit B for Economic Impact.

Estimated Construction Cost for Total Project: \$19,000,000

Total Estimated Cost for Project Improvements included in grant request: ~ \$1,000,000

Total Grant Amount Requested: \$250,000

Will funding be requested from any other City of McKinney entity (e.g. TIRZ Grant, City of McKinney 380, CDBG Grant)?

☒ Yes

☐ No

If yes, please provide details and funding requested: We intend to pursue a 380 Agreement with the City of McKinney for either; i) a grant of \$1,000,000 or ii) an abatement of 30% of the Hotel Occupancy Taxes and 50% of the City's Portion of the Hotel's Real Estate Taxes for a period of 10 years. We are also studying potentially including a DAS system in the hotel to bring 5G into the hotel and possibly having the MEDC contribute towards the cost of that system.

Has a request for grant funding been submitted to MCDC in the past?

☐ Yes ☒ No

Date(s): n/a

Will the project be competitively bid?

☒ Yes ☐ No

If yes, please attach bids for the project. N/A – the project will not be bid out until summer of 2022.

Has a feasibility study or market analysis been completed for this proposed project? *If so, please attach a copy of the Executive Summary.*

Yes – HVS did a feasibility study dated 12/3/2021 – See Exhibit C.

Additional Information – please attach the following

- Business plan

See Exhibit A.

- Current financial report

N/A – the applicant was formed in February 2022 and has limited activity other than certain pre-development and acquisition costs incurred in connection with the hotel project.

- Audited financials for previous two years (if not available, please indicate why)

N/A – the applicant was formed in February 2022.

- Plat/map of property extending 200' beyond property in all directions (if applicable to your project)

See Exhibit C.

- Detailed budget for the project

Hard Costs	\$11,160,000
Soft Costs	\$ 1,910,000
FFE, OSE, IT, POB	\$ 3,050,000
Financing	\$ 620,000
Land	\$ 2,260,000
Total	\$19,000,000

- Describe planned support activities; use; admission fees if applicable

In addition to 102 guestrooms, the hotel will include a fitness center and guest laundry which for use by hotel guests. The hotel will also include some public areas accessible to everyone that include a lobby, lobby bar, pantry (grab and go food and drink) and a public patio at grade with an elevated terrace overlooking the new park at District 121. There are no admission fees applicable.

- Timeline and schedule – from design to completion

Design: Now – September 2022. Construction: September 2022 – January 2024

- Plans for future expansion/growth

N/A

Acknowledgements

If funding is approved by the MCDC board of directors, Applicant acknowledges the following:

- The Project for which financial assistance is sought will be administered by or under the supervision of the applying individual/company.
- All funds awarded will be used exclusively for the purpose described in this application.
- Applicant owns the land, building or facility where the proposed infrastructure improvements will be made. If the Applicant does not own the land, written acknowledgement/approval from the property owner must be included with the application. The letter must document the property owner is aware of the proposed improvements and use of the property or building; and the property owner has reviewed the project plan and application, approves and supports the efforts of the Applicant.
- MCDC will be recognized as a funder of the Project. Specifics to be agreed upon by applicant and MCDC and included in an executed performance agreement.
- Individual/company representative who has signed the application is authorized to submit the application.
- Applicant will comply with the Grant Guidelines in executing the Project for which funds were awarded.
- Funded Projects must be completed within one year of the date the grant is approved by the MCDC board, unless an exception is granted.
- Completed Project must be inspected for Code compliance.
- A signed Contractor's Sworn Statement and Waiver of Lien to Date form must be completed, notarized and provided to MCDC prior to receiving grant funds.
- Property owner will be responsible for maintaining the infrastructure improvements made with funding from Grant for ten (10) years.

Acknowledgements - *continued*

- A final report detailing the successful completion of the Project will be provided to MCDC no later than 30 days following completion of the Project.
- Grant funding is provided on a reimbursement basis subsequent to submission of a reimbursement request, with copies of invoices and paid receipts for qualified expenses.
- Up to 20% of the grant funds awarded may be withheld until a final report on completion of the Project is provided to MCDC.
- A performance agreement will be required that may outline requirements for acknowledging MCDC funding support for the project. Additionally, it will contain a provision certifying that the applicant does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. Further, should the applicant be convicted of a violation under 8 U.S.C. § 1324a(f), the applicant will be required to repay the amount of the public subsidy provided under the agreement plus interest, at an agreed to interest rate, not later than the 120th day after the date the MCDC notifies the applicant of the violation.

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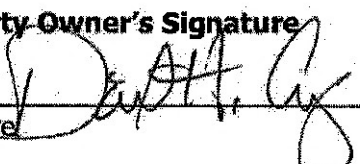
BY SIGNING THIS APPLICATION, I CERTIFY THAT I AM THE LEGAL OWNER OF THE ABOVE REFERENCED PROPERTY OR THAT I AM AUTHORIZED TO REPRESENT AND ACT ON THE BEHALF OF THE OWNER OF THE ABOVE REFERENCED PROPERTY. I ALSO CERTIFY THAT ALL OF THE INFORMATION PROVIDED HEREON IS ACCURATE AND TRUE SO FAR AS I AM AWARE AND UNDERSTAND THAT I AM LEGALLY RESPONSIBLE FOR THE ACCURACY OF THIS APPLICATION. I FURTHER UNDERSTAND THAT I AM NOT GUARANTEED A GRANT.

Applicant's Signature


Signature

Printed Name *Michael Mueller*
Archstreet McKinney, LLC
Date *3/29/2022*

Property Owner's Signature

x

Signature

Printed Name *David Craig*
District 121, LLC
Date *3/28/22*

INCOMPLETE APPLICATIONS, OR THOSE RECEIVED AFTER THE DEADLINE, WILL NOT BE CONSIDERED.

A FINAL REPORT IS TO BE PROVIDED TO MCDC WITHIN 30 DAYS OF THE COMPLETION OF THE PROJECT. FINAL PAYMENT OF FUNDING AWARDED WILL BE MADE UPON RECEIPT OF FINAL REPORT.

District 121 Hotel - Summary

- Project Overview
 - 102 Rooms
 - 4-story, ~50,000 S.F. structure
 - Upscale, Select Service Hotel with several spacious signature suites
 - Fitness Center
 - Public Areas include; lobby, lobby bar, outdoor patio and elevated terrace over-looking the District 121 park
- The Hotel Is A **Vital and Complimentary Component of District 121** that will support the office, retail and park.
- The District 121 Hotel will provide a **New Hotel Offering for McKinney** which will be different than the other hotels in the market in several ways and will provide a product that McKinney does not currently offer visitors. Visitors seeking such accommodations are currently staying in adjacent cities such as Plano, Frisco and Allen and McKinney is losing the tax revenues generated by such visitors. Specifically, the unique aspects that this project provides are:
 - A highly **Walkable Location**.
 - An **Independent Boutique** hotel that will be unique to McKinney
 - An **Upscale Hotel with Unique Design**.
 - A unique **Lobby/Patio/Terrace Experience**.
- The District 121 Hotel will support the **Byron Nelson Golf Tournament**.
- **Unprecedented Economic Conditions** have created unique challenges for this project.



Project Overview – Room Mix

Each guestroom hotel room will feature upscale finishes, a deluxe bathroom with walk in showers, luxury bedding and linens, closet, safe, moveable desk, large televisions and free WIFI. The rooms will also have microwaves and refrigerators to further empower the guest and provide more “home-like” convenience.

The Hotel will have a good mix of rooms including 56 King Bed suites, 33 Double Queen bed suites, and 13 premium/deluxe rooms which is not at all typical in a select service hotel. There will be several connecting rooms for families.

Additionally, the hotel will feature 4 very spacious signature specialty suites with balconies that overlook the park at District 121.

Room Type	# Rooms	Size	% of Inventory
King Bed	56	304	55%
Double Queen Bed	33	352	32%
Delux King	4	349	4%
Delux Queen	3	448	3%
Junior Suite	2	510	2%
Specialty Suite	4	546	4%
Total	102	339	100%
Standard	89	-	87%
Premium	13	-	13%



Project Overview - Elevations



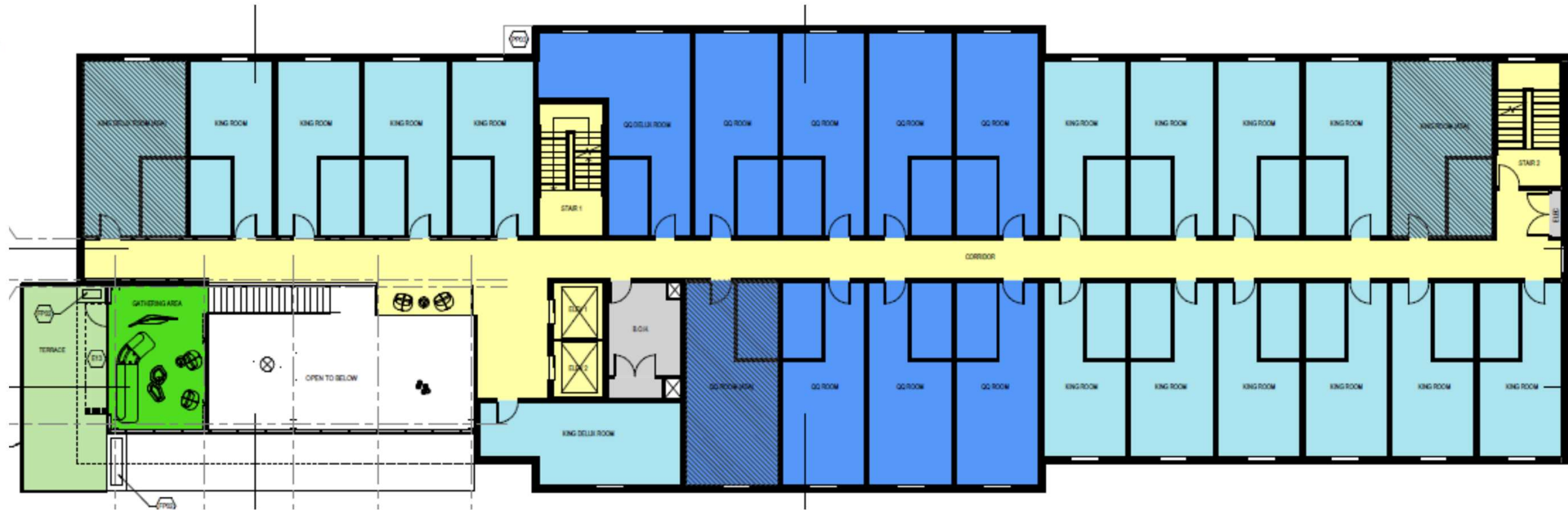
Project Overview – Floor Plan, Level 1

- Circulation
- BAR
- BOH/Services
- Fitness/Public RR/Public Space
- Terrace Space
- QQ Room
- King Room
- Junior Suite
- Specialty Suite
- ADA Room



Project Overview – Floor Plan, Level 2

- Circulation
- BAR
- BOH/Services
- Fitness/Public RR/Public Space
- Terrace Space
- QQ Room
- King Room
- Junior Suite
- Specialty Suite
- ADA Room



Project Overview – Floor Plan, Level 3 & 4

- Circulation
- BAR
- BOH/Services
- Fitness/Public RR/Public Space
- Terrace Space
- QQ Room
- King Room
- Junior Suite
- Specialty Suite
- ADA Room



Vital and Complimentary Component of District 121

The District 121 is technically a select service hotel as it stands on its own. However, i) this was done by design to best fit in and support District 121, and ii) this hotel is not simply a “stand-alone” hotel project. It will be a vital element of District 121 and will help establish District 121 as a vibrant destination.

The hotel has been specifically designed not to include a restaurant and thus be a “select” rather than “full” service hotel. This is because there is a deed restriction that prevents the operation of a full-service restaurant within the hotel. This was done to ensure that the hotel would compliment and support and not compete with the retail and restaurants within District 121. Therefore, a select-service hotel was in the best interest of District 121 as a whole.

The hotel will support the retail, park and office. The hotel guest will be patrons of the restaurants and financially support those establishments and help to ensure that they are vibrant and financially successful.

The hotel will provide convenient upscale lodging for the guests of the tenants in the office building. Having a hotel adjacent to the office building will be a competitive advantage for the office building and will help it attract and compete for tenants in the office building.



Walkable Location

The Hotel will provide highly desired walkability and proximity to premium/destination dining, entertainment, and park space.

Walkability is highly sought after by hotel guests and at present there are limited options in McKinney for highly walkable lodging and those guests are having to stay in Plano, Frisco, or Allen and McKinney is losing out on the sales tax, hotel occupancy tax and ancillary revenues that those guests generate.

SITE PLAN



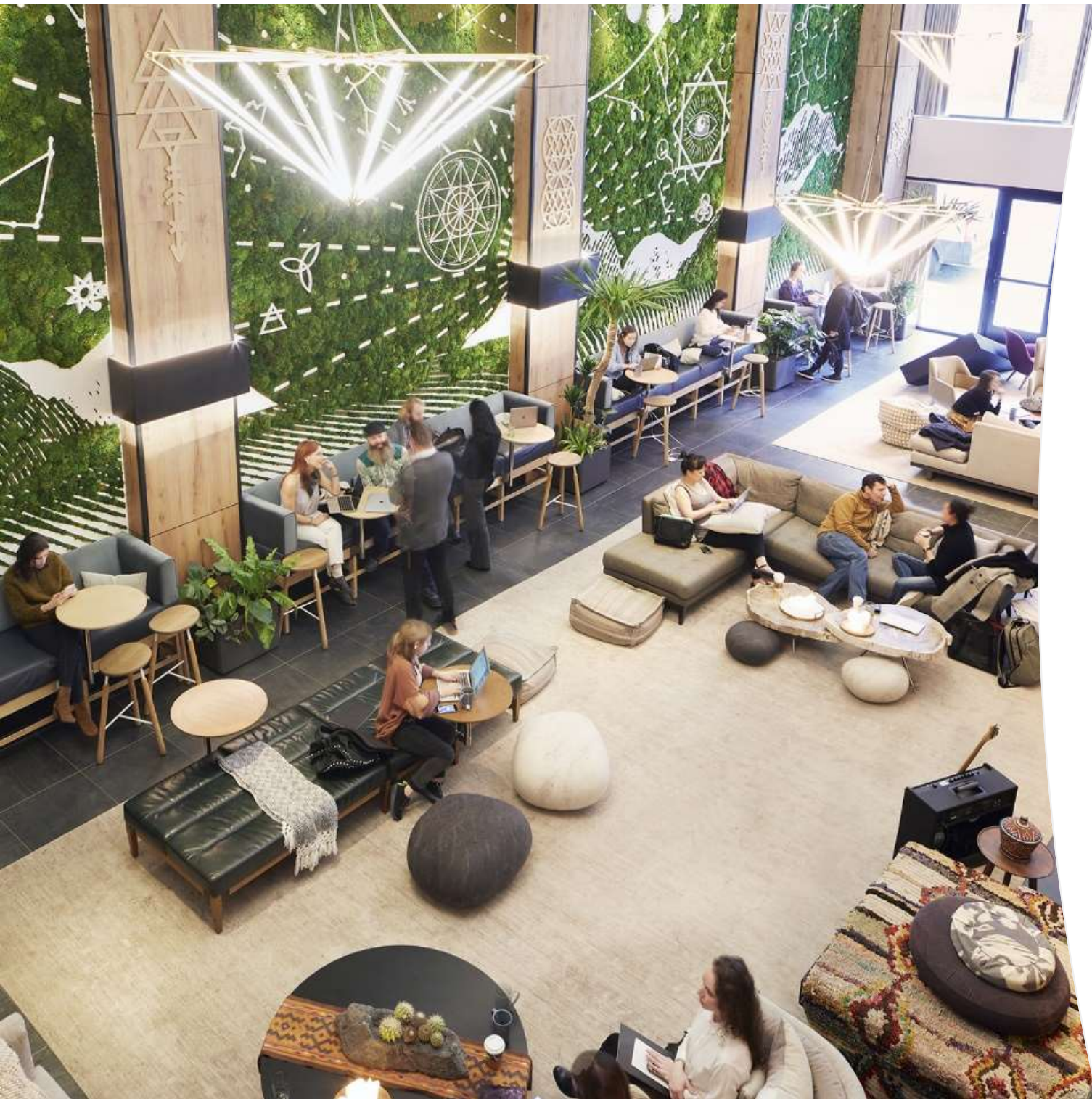
Independent Boutique

The District 121 Hotel will be an independent hotel. The flexibility that comes with being independent provides us the freedom to; incorporate unique design, embrace the local community and localize the hotel, and adopt new technology that enhances the guest experience, allows guests more control over their experience, and provides for easier and faster service.

As an independent, we have the opportunity to create a “Local” hotel with a uniquely “McKinney” experience. Wherever possible, local touches and vendor relationships will be established. For example, we intend to use local artists for the hotel’s artwork and feature TUPPS beer in the hotel bar.

Independence allows us to differentiate the District 121 Hotel from other hotels so that we can offer a totally unique, authentic and enhanced experience for our guests.





Upscale Hotel with Unique Design

The District 121 Hotel will be an upscale hotel which is not typical of select service hotels. The Hotel will have a higher level and quality of finishes, furniture and fixtures than is typical in a select service hotel. Distinctive design and finishes will differentiate the hotel from the bland and repetitive design of the “cookie cutter” chain hotels.

The District 121 Hotel will provide a higher quality of finish and ambiance than the existing hotels provide within our competitive area. There is a lack of high quality, upscale hotels within the immediate vicinity of District 121 and guests currently must go to Interstate 75 or Dallas North Tollway for an upscale hotel experience. Oftentimes this results in McKinney losing those guests and the hotel occupancy tax revenue and sales tax on ancillary revenues to neighboring communities.

Lobby/Patio/Terrace Experience

The Hotel's lobby will feature a public lobby and lobby bar with both indoor and outdoor/patio space at grade and an elevated terrace overlooking the new park at District 121.

The bar, lobby, patio, and terrace will be furnished with comfortable seating conducive to working, eating, socializing and is being designed as a gathering place for locals and visitors alike to use as a meeting and jumping off point within District 121.

The patio will provide a soothing water feature, lush landscaping, and a variety of seating for lounging, eating/drinking, or socializing.

The terrace will provide excellent views of District 121 (and the park) and the surrounding area including Craig Ranch and TPC Craig Ranch.

In addition to the lobby/patio/terrace the hotel will also include a fitness center and guest laundry facilities. All other amenities typical of a full-service hotel are available within District 121 such as food and beverage and even meeting space at WorkSuites co-working space within the office building at District 121.



Byron Nelson Golf Tournament

The District 121 Hotel will be the closest hotel to the tournament and will help serve the needs of the tournament and its guests. It is our hope that the District 121 Hotel will help play a part in ensuring that the tournament stays in McKinney for the long term.



Unprecedented Economic Conditions

Currently we are facing unprecedented economic conditions that have particularly negatively impacted the hospitality industry and are making it extremely difficult to realize new hotel construction.

Covid

The Covid pandemic has had a monumental and unprecedented negative impact on the hotel industry. Hotel revenues have declined faster and for a longer period of time than ever before. In the Dallas Metro area revenues declined 48% in 2020 vs. 2019. In McKinney hotel revenues were down 26% in 2020 vs. 2019.

Covid's impact on hospitality has created a very difficult debt financing market for new hotel construction making it very difficult to obtain construction financing increasing the cost of financing and decreasing the available leverage.

Inflation

Construction Costs for both labor and materials have recently spiked up as inflation is at a 40-year high. The cost to build this hotel has escalated by more than 26% since we started working on this project, increasing the total project costs from \$15M to \$19M.

Supply Chain Issues

The supply chain issues have extended lead times for ordering construction materials, equipment, furniture and fixtures. This issue has extended the time and cost to build the hotel.

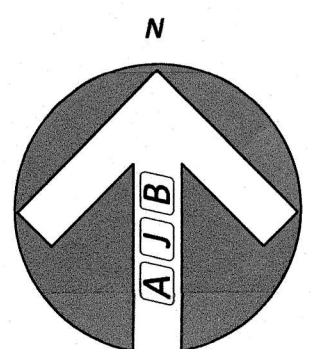
These economic conditions combined make this a very unusual and difficult time to develop a hotel and have negatively impacted the feasibility of the hotel project.

Exhibit B

Economic Impact

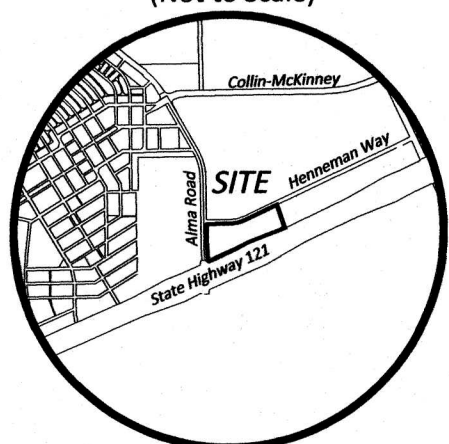
Projections of the estimated *Economic Impact* of the District 121 Hotel is shown on the next slide. In Summary it is anticipated that the hotel will generate \$3.5 million of revenues for the City of McKinney over the next 10 years and will generate about \$8.5 million of revenue for the City of McKinney over the next 20 years. These figures include only the direct revenues generated from the hotel in the form of hotel occupancy taxes, real estate taxes and sales taxes. They do not include the ancillary revenues that the guests will generate in sales taxes as they spend money outside of the hotel within the retail at District 121 and elsewhere within McKinney.

		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
				1	2	3	4	5	6	7	8	9	10
Rooms		pre-development and construction period		102	102	102	102	102	102	102	102	102	102
ADR			\$139	\$145	\$150	\$155	\$160	\$164	\$169	\$174	\$180	\$185	
Occ%			62%	68%	72%	74%	74%	74%	74%	74%	74%	74%	
Room Revenue			3,211,713	3,663,283	4,033,975	4,270,281	4,398,389	4,530,355	4,666,453	4,806,408	4,950,495	5,098,991	
F&B Revenue			256,000	288,000	309,000	325,000	335,000	345,000	355,000	366,000	377,000	388,000	
Other Revenue			130,000	142,000	148,000	154,000	159,000	163,000	168,000	173,000	179,000	184,000	
Misc. Revenue			22,000	24,000	25,000	26,000	26,000	27,000	28,000	29,000	30,000	31,000	
Total Revenue				3,619,713	4,117,283	4,515,975	4,775,281	4,918,389	5,065,355	5,217,453	5,374,408	5,536,495	5,701,991
RE Tax													
Est. of Assessed Value				6,267,028	6,455,039	6,648,690	6,848,151	7,053,596	7,265,203	7,483,160	7,707,654	7,938,884	8,177,051
City of McKinney	0.497655			31,188	32,124	33,088	34,080	35,103	36,156	37,240	38,358	39,508	40,694
Allen ISD	1.406800			88,165	90,809	93,534	96,340	99,230	102,207	105,273	108,431	111,684	115,035
Collin County	0.168087			10,534	10,850	11,176	11,511	11,856	12,212	12,578	12,956	13,344	13,745
Junior College	0.081222			5,090	5,243	5,400	5,562	5,729	5,901	6,078	6,260	6,448	6,642
TOTAL RE Tax (1)	2.153764			134,977	139,026	143,197	147,493	151,918	156,475	161,170	166,005	170,985	176,114
HOT Tax													
ADR				139	145	150	155	160	164	169	174	180	185
Occ				62.0%	68.0%	72.0%	74.0%	74.0%	74.0%	74.0%	74.0%	74.0%	74.0%
Room Revenue				3,211,713	3,663,283	4,033,975	4,270,281	4,398,389	4,530,355	4,666,453	4,806,408	4,950,495	5,098,991
City HOT Tax	7.0%			224,820	256,430	282,378	298,920	307,887	317,125	326,652	336,449	346,535	356,929
Sales Tax													
F&B Revenues				256,000	288,000	309,000	325,000	335,000	345,000	355,000	366,000	377,000	388,000
Other Revenue				130,000	142,000	148,000	154,000	159,000	163,000	168,000	173,000	179,000	184,000
Misc. Revenue				22,000	24,000	25,000	26,000	26,000	27,000	28,000	29,000	30,000	31,000
Est. Proj Cost Subj to Sales Tax		209,250	2,152,750	36,197	61,759	90,319	95,506	98,368	101,307	104,349	107,488	110,730	114,040
Total Taxable Items		209,250	2,152,750	444,197	515,759	572,319	600,506	618,368	636,307	655,349	675,488	696,730	717,040
City Tax Rate	1.0%	2,093	21,528	4,442	5,158	5,723	6,005	6,184	6,363	6,553	6,755	6,967	7,170
MEDC Tax Rate	0.5%	1,046	10,764	2,221	2,579	2,862	3,003	3,092	3,182	3,277	3,377	3,484	3,585
MCDC Tax Rate	0.5%	1,046	10,764	2,221	2,579	2,862	3,003	3,092	3,182	3,277	3,377	3,484	3,585
Total City Sales Tax	2.0%	4,185	43,055	8,884	10,315	11,446	12,010	12,367	12,726	13,107	13,510	13,935	14,341
Total Taxes (2)		4,185	43,055	368,681	405,771	437,022	458,423	472,172	486,326	500,928	515,963	531,454	547,385
Cummulative Taxes		4,185	47,240	415,921	821,692	1,258,714	1,717,137	2,189,309	2,675,635	3,176,564	3,692,527	4,223,981	4,771,365
McKinney Taxes		4,185	43,055	264,892	298,869	326,912	345,010	355,357	366,007	376,999	388,316	399,978	411,964
Cummulative Taxes		4,185	47,240	312,132	611,001	937,913	1,282,923	1,638,280	2,004,287	2,381,286	2,769,602	3,169,579	3,581,543
(1) 2021 Tax Rates													
(2) Local taxes only, excludes State HOT and Sales Taxes													



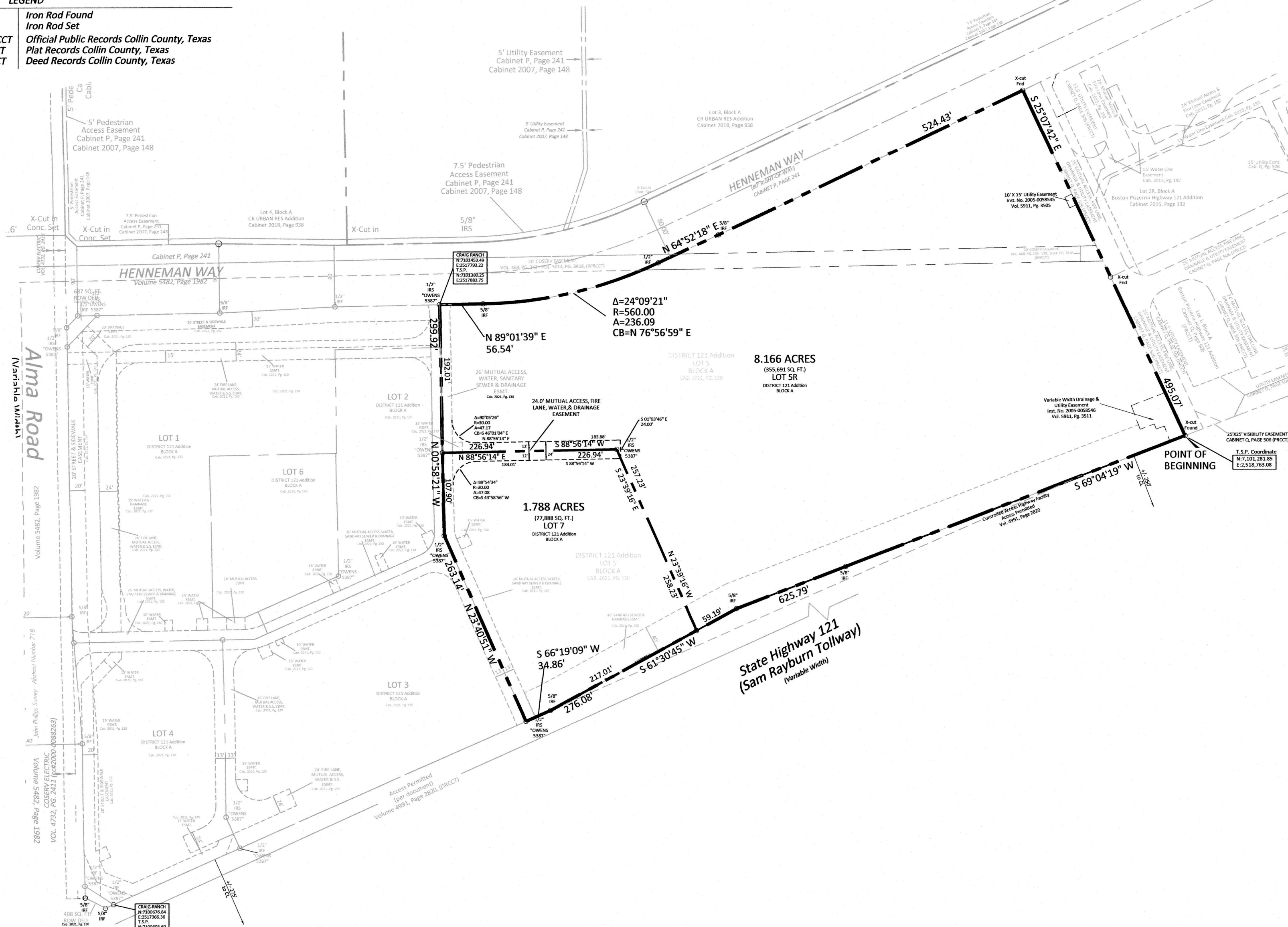
0' 50' 100' 200'
Scale: 1" = 100'

Vicinity Map (Not to Scale)



CONVEYANCE PLAT ONLY: NOT FOR DEVELOPMENT:
A conveyance plat is a map of property approved by the city for the purpose of sale or conveyance in its entirety or interests thereon defined. Lots created by a conveyance plat may not have all necessary public utilities available for immediate use. No certificate of occupancy shall be issued nor permanent public utility service provided to any lot(s) created by a conveyance plat until all required public improvements have been constructed and accepted and a record plat is filed for record with the county clerk. Selling a portion of property by metes and bounds, except as shown on an approved, filed and accepted conveyance plat, record plat, minor plat or minor replat is a violation of the city's Code of Ordinances and State Law.

LEGEND
IRF Iron Rod Found
IRS Iron Rod Set
OPRCCT Official Public Records Collin County, Texas
PRCCT Plat Records Collin County, Texas
DRCCT Deed Records Collin County, Texas



OWNER'S DEDICATION

STATE OF TEXAS §
COUNTY OF COLLIN §

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS:

THAT, DISTRICT 121 LLC, does hereby adopt this conveyance plat designating the hereon described property as DISTRICT 121 ADDITION, LOTS 5R & 7, BLOCK A, an addition to the City of McKinney, Collin County, Texas and do hereby dedicate to the public use forever, their streets, alleys and public use areas shown hereon, the easements, as shown, for mutual use and accommodation of the City of McKinney and all public utilities desiring to use or using same. All and any public utility and the City of McKinney shall have the right to remove and keep removed all or parts of any building, fences, shrubs, trees or other improvements or growths, which in any way endanger or interfere with the construction, maintenance or efficiency of its respective systems on said Easements, and the City of McKinney and all public utilities constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or parts of its respective systems, without the necessity, at anytime, of procuring the permission of anyone. This plat approved subject to all platting ordinances, rules, regulations and resolutions of the City of McKinney, Texas.

This plat approved subject to all platting ordinances, rules, regulations, and resolutions of the City of McKinney, Texas.

DISTRICT 121, LLC
a Texas limited liability company

By: David Craig

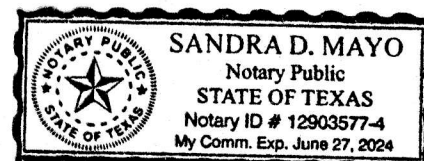
Title: Manager

COUNTY OF COLLIN §
STATE OF TEXAS §

BEFORE ME, the undersigned authority, on this day personally appeared David Craig, Manager known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 14th day of FEBRUARY, 2022.

NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS



OWNER'S CERTIFICATE

STATE OF TEXAS §
COUNTY OF COLLIN §

WHEREAS, DISTRICT 121 LLC is the owner of a 9.954 acre tract of land situated in the John Phillips Survey Abstract No. 718, City of McKinney, Collin County, Texas and being all of Lot 5, Block A of District 121 Addition an addition to the City of McKinney according to the plat recorded in Cabinet 2021, Page 130, Plat Records, Collin County, Texas (PRCCT) and being more particularly described as follows:

BEGINNING at a x-cut in concrete found in the north line of State Highway No. 121 (Sam Rayburn Tollway) a variable width right of way and being the southwest corner of Lot 1, Block A of Boston Pizzeria-Highway 121 Addition an addition to the City of McKinney according to the plat recorded in Cabinet Q, Page 506, Plat Records, Collin County, Texas (PRCCT) and the southeast corner of said Lot 5;

THENCE along the north line of said State Highway No. 121 and the south line of said Lot 5 as follows:

SOUTH 69°19' WEST a distance of 625.79 feet to a ½ inch iron rod found for corner;

SOUTH 61°30'45" WEST a distance of 217.01 feet to a ½ inch iron rod stamped "OWENS 5387" set for corner and being the most easterly corner of Lot 3 of said District 121 Addition;

THENCE departing the north line of said State Highway No. 121 and continuing along the common line of said Lot 5 and said Lot 3, **NORTH 23°40'51" WEST** a distance of 263.14 feet to a ½ inch iron rod stamped "OWENS 5387" set for corner and being located in the east line of Lot 2 of said District 121 Addition;

THENCE along the common line of said Lot 5 and said Lot 2, **NORTH 00°58'21" WEST** a distance of 299.92 feet to a ½ inch iron rod stamped "OWENS 5387" set for corner and being the northeast corner of Lot 1 of said District 121 addition and being located in the south line of Henneman Way an 90' wide right of way at this point;

THENCE along the south line of said Henneman Way as follows:

NORTH 89°01'39" EAST a distance of 56.54 feet to a ½ inch iron rod found for corner and being the beginning of a curve to the left having a radius of 560.00 feet and a chord bearing of NORTH 76°56'59" EAST;

ALONG said curve to the left through a central angle of 24°09'21" for an arc length of 236.09 feet to a ½ inch iron rod found for corner;

NORTH 64°52'18" EAST a distance of 524.43 feet to a x-cut in concrete found for corner at the northwest corner of Lot 2R, Block A of Boston Pizzeria-Highway 121 Addition an addition to the City of McKinney according to the plat recorded in Cabinet 2015, Page 192, Plat Records, Collin County, Texas;

THENCE along the west line of said Lot 2 and Lot 1 of Boston Pizzeria-Highway 121 Addition, **SOUTH 25°07'42" EAST** a distance of 495.07 feet to the **POINT OF BEGINNING**;

CONTAINING within these metes and bounds 9.954 acres or 433,578 square feet of land more or less.

SURVEYOR CERTIFICATE

KNOW ALL MEN BY THESE PRESENTS:

THAT I, FRANK R. OWENS, do hereby certify that I prepared this plat from an actual survey of the land and that the corner monuments shown hereon were properly placed under my personal supervision in accordance with the Rules and Regulations of the City of McKinney, Collin County, Texas.

Frank R. Owens
Registered Professional Land Surveyor No. 5387
AJ Bedford Group, Inc.
301 North Alamo Road
Rockwall, Texas 75087

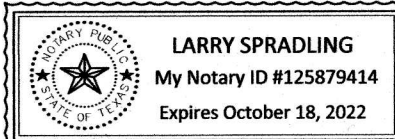


COUNTY OF ROCKWALL §
STATE OF TEXAS §

BEFORE ME, the undersigned authority, on this day personally appeared FRANK R. OWENS, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that of executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 14th day of February, 2022.

NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS



Approved

City of McKinney Mayor
City of McKinney, Texas

Date

Attest

City Secretary
City of McKinney, Texas

Date

Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
03/09/2022 10:04:00 AM
\$31.00 DKTZMILLER
20220309010000950



2022-154

Signature

CONVEYANCE PLAT DISTRICT 121 ADDITION LOTS 5R & 7, BLOCK A 9.954 ACRES

BEING A REPLAT OF DISTRICT 121 ADDITION, LOT 5,
BLOCK A, CABINET 2021, PAGE 130
(O.P.R.C.C.T.)
& 9.954 ACRES OUT OF THE
JOHN PHILLIPS SURVEY, ABSTRACT NO. 718
CITY OF MCKINNEY, COLLIN COUNTY, TEXAS

OWNER(S): David Craig, Manager District 121 LLC 6850 Tpc Dr, Ste 104 McKinney, TX 75070	
Engineer: Cross Engineering Consultants, Inc. 1720 W. Virginia Street McKinney, Texas 75069 (972) 562-4409	Checked By: F.R. Owens Date: October 25, 2021 Technician: Bedford/Spradling Drawn By: Bedford/Spradling Job No.: 596-001 GF No.: N/A

Sheet:
1
Of: 1

Bedford Group, Inc.
Registered Professional Land Surveyors

TBPE&LS REG#10118200

1. Executive Summary

Subject of the Feasibility Study

The subject of the feasibility study is a 77,888-square-foot (1.79-acre) site to be improved with a select-service lodging facility; the hotel will be independently operated. The property, which is expected to open on January 1, 2024, is expected to feature 102 rooms, a lobby bar, 500-1,000 square feet of meeting space, an outdoor pool, a fitness center, an outdoor patio, a lobby workstation, a market pantry, and a guest laundry room. The hotel will also contain the appropriate parking capacity and all necessary back-of-the-house space.

RENDERING OF DISTRICT 121



The proposed subject property will be located within the larger District 121 mixed-use development, a \$250-million project that spans nearly 18 acres and is located adjacent to Craig Ranch, an existing 2,200-acre master-planned, mixed-use development. Anchored by an eight-story office tower for Kaizen Development, District 121 will also offer The Commons, a green space that will be surrounded by 30,000 square feet of retail and patio restaurants, and an 800-space parking garage in Phase I, slated for opening in the spring of 2022. The subject site's location is the northeast quadrant of the intersection formed by State Highway 121/Sam Rayburn Tollway and Alma Road in McKinney, Texas 75070.

Pertinent Dates

The effective date of the report is December 3, 2021. The subject site was inspected by David R. Bone on November 18, 2021.

COVID-19

In December 2019, a novel coronavirus known as SARS-CoV-2 (COVID-19) was first identified in China, which has since spread throughout the world. The first reported case in the United States occurred in the State of Washington in late January 2020;

by mid-March, cases had been identified in all 50 states, and the number of cases was increasing exponentially. The World Health Organization (WHO) officially declared COVID-19 a global pandemic on March 11, 2020, and the U.S. declared the outbreak a National Emergency on March 13, 2020. As the number of cases multiplied in the U.S. and throughout the world, governments implemented lockdowns and social-distancing measures in an effort to slow the spread of the virus. In most cases, these measures were effective, and the rates of infection slowed substantially through the summer months. After a spike in late December/early January, the number of new cases declined again. With vaccinations now available for all adults, infection rates continue to decline in most states, although some areas are experiencing a spike in infections due to the Delta variant. Nevertheless, consumer confidence in being able to travel safely in the U.S. is rising; thus, the outlook for recovery of the travel industry has significantly improved.

The pandemic led to global economic disruptions, as stock markets throughout the world suffered steep declines and the price of oil dropped precipitously. The markets have realized a significant recovery since the initial impact, and the price of oil has also recovered. In the United States, economic activity declined sharply because of restrictions on business and travel. In most areas of the nation, all but essential businesses were effectively closed for much of the second quarter of 2020, resulting in a 31.4% drop in GDP. With most states easing or lifting restrictions over the summer, the economy rebounded in the latter half of 2020, and with a 6.4% gain in the first quarter of 2021, actual GDP exceeded pre-pandemic levels and continued to grow in the second quarter of 2022. Significant government support contributed to this rebound, and the latest \$1.9-trillion funding bill passed in March 2021 will further contribute to the ongoing economic recovery, with GDP growth for 2021 expected to reach or exceed 6.0%. While the long-term impact of the bailouts remains unknown, it is clear that the economic rebound is already well underway and will continue to stimulate the recovery of the hospitality industry.

The hospitality industry was severely affected by the pandemic, as travel declined sharply and restrictions on group sizes resulted in the cancellation of meetings and conventions. Most festivals and sporting events were similarly affected. Business and group travel dropped sharply; leisure travel was also affected, although not as significantly, as many resort and drive-to destinations captured demand from Americans eager for a change of scenery. With vaccines widely available and infection rates falling, most travel restrictions have now been lifted, and travel has resumed. Leisure continues to be the strongest segment, with business travel also increasing, albeit at a slower pace. Group events are also returning, led by social gatherings. Corporate group and convention activity is anticipated to follow, initially consisting of events deferred from 2020 and early 2021, but this segment is not expected to regain historical levels until 2023 or 2024. The impact of the pandemic and ongoing recovery of the market are well illustrated by STR's RevPAR

statistics for the month of April. In April 2019, RevPAR for the U.S. lodging industry was \$89.36. With the onset of the pandemic, RevPAR dropped to \$17.79 in April 2020, an 80% decline. In April 2021, RevPAR recovered to \$63.46, still 29% below the 2019 level but a substantial improvement over the 2020 performance. Given the recent trend, hotel owners, operators, and investors are increasingly optimistic about the balance of the year and the ultimate recovery of the market. However, concerns related to the rise in inflection rates due to the Delta variant may impact the pace of the recovery in the near term.

Ownership History

The developer of the proposed subject hotel is Archstreet Hotel Holdings LLC. The subject site is currently owned by District 121 LLC; the parent company is Craig International. The approximately ten-acre parcel that includes the subject site was last sold in March 2021; Craig International has owned land site since that time and purchased it from Younas Way Holdings LLC for an undisclosed sum.

Management and Franchise History and Assumptions

Details pertaining to management terms were not yet determined at the time of this report; however, we assume that the proposed hotel will be managed by a professional hotel-operating company, with fees deducted at rates consistent with current market standards. Our projections reflect a total management fee of 3.0% of total revenues.

The proposed hotel will reportedly remain independently operated throughout the forecast period; therefore, it will not be subject to franchise fees.

Summary of Hotel Market Trends

Following the Great Recession, both occupancy and ADR generally followed a strengthening trend from 2011 through 2015. An influx of new supply that began in 2015 caused occupancy levels to fall from the mid-to-high 70s in 2013 and 2014 to roughly 68% in 2019. As a result of a wider competitive landscape, ADR began to weaken in 2017, and this trend continued through 2019. In March 2020, the COVID-19 pandemic began to affect the local market, similar to the rest of the nation, resulting in decreased business activity, inclusive of the hospitality, tourism, and manufacturing industries. Overall, occupancy declined notably in 2020, while ADR losses equated to roughly \$19 for the year. General improvement has been registered since the low point reached in April 2020. Year-to-date 2021 data illustrate a significant improvement in occupancy and an approximately \$2 increase in ADR. While the pandemic will continue to affect business to some degree in the near term, the overall outlook is optimistic given the dynamics of this growing market.

The following table provides a historical perspective on the supply and demand trends for a selected set of hotels, as provided by STR.

FIGURE 1-1 HISTORICAL SUPPLY AND DEMAND TRENDS (STR)

	Average Daily	Available		Occupied			Average			
Year	Room Count	Room Nights	Change	Room Nights	Change	Occupancy	Rate	Change	RevPAR	Change
2010	1,066	389,216	—	228,887	—	58.8 %	\$95.89	—	\$56.39	—
2011	1,102	402,230	3.3 %	275,504	20.4 %	68.5	101.20	5.5 %	69.32	22.9 %
2012	1,102	402,230	0.0	280,881	2.0	69.8	104.24	3.0	72.79	5.0
2013	1,102	402,230	0.0	304,082	8.3	75.6	106.43	2.1	80.46	10.5
2014	1,102	402,230	0.0	312,985	2.9	77.8	110.99	4.3	86.36	7.3
2015	1,276	465,648	15.8	342,702	9.5	73.6	115.53	4.1	85.03	(1.5)
2016	1,414	515,937	10.8	382,348	11.6	74.1	117.01	1.3	86.71	2.0
2017	1,578	575,979	11.6	407,339	6.5	70.7	116.31	(0.6)	82.26	(5.1)
2018	1,833	669,045	16.2	465,113	14.2	69.5	112.91	(2.9)	78.50	(4.6)
2019	1,929	703,983	5.2	481,625	3.6	68.4	111.11	(1.6)	76.02	(3.2)
2020	2,065	753,725	7.1	296,933	(38.3)	39.4	92.03	(17.2)	36.26	(52.3)
Year-to-Date Through September										
2020	2,065	563,745	—	220,809	—	39.2 %	\$95.34	—	\$37.34	—
2021	2,065	563,745	0.0 %	356,442	61.4 %	63.2	97.54	2.3 %	61.67	65.1 %
Average Annual Compounded Change:										
2010 – 2019			6.8 %		8.6 %			1.7 %		3.4 %
2010 – 2020			6.8		2.6			(0.4)		(4.3)
Hotels Included in Sample				Class	Competitive Status	Number of Rooms	Year Affiliated	Year Opened		
Hilton Garden Inn Dallas Allen				Upscale Class	Secondary	150	Aug 2002	Aug 2002		
Tapestry Collection by Hilton NYLO Dallas Plano Hotel				Upscale Class	Primary	176	Dec 2018	Dec 2007		
Homewood Suites by Hilton Dallas Frisco				Upscale Class	Secondary	117	Jan 2008	Jan 2008		
aloft Hotel Frisco				Upscale Class	Secondary	136	Dec 2008	Dec 2008		
Hilton Garden Inn Dallas Frisco				Upscale Class	Secondary	102	Dec 2008	Dec 2008		
Courtyard Dallas Allen At Allen Event Center				Upscale Class	Secondary	228	Jan 2010	Jan 2010		
Homewood Suites by Hilton Dallas Allen				Upscale Class	Secondary	114	Feb 2010	Feb 2010		
La Quinta Inns & Suites McKinney				Upper Midscale Class	Secondary	79	May 2010	May 2010		
SpringHill Suites Dallas Plano/Frisco				Upscale Class	Primary	152	Mar 2015	Mar 2015		
Hampton by Hilton Inn & Suites McKinney				Upper Midscale Class	Secondary	79	Jun 2015	Jun 2015		
TownePlace Suites Dallas McKinney				Upper Midscale Class	Secondary	88	Feb 2016	Feb 2016		
Holiday Inn Express & Suites McKinney - Frisco East				Upper Midscale Class	Secondary	80	Mar 2017	Mar 2017		
Hyatt Place Dallas Allen				Upscale Class	Secondary	104	Jun 2017	Jun 2017		
Residence Inn Dallas Allen Fairview				Upscale Class	Secondary	117	Nov 2017	Nov 2017		
Home2 Suites by Hilton Fairview Allen				Upper Midscale Class	Primary	111	Dec 2017	Dec 2017		
Home2 Suites by Hilton McKinney				Upper Midscale Class	Primary	107	Jul 2019	Jul 2019		
SpringHill Suites Dallas McKinney/Allen				Upscale Class	Primary	125	Sep 2019	Sep 2019		
Total							2,065			

Source: STR

The following tables reflect our estimates of operating data for hotels on an individual basis. These trends are presented in detail in the Supply and Demand Analysis chapter of this report.

FIGURE 1-2 PRIMARY COMPETITORS – OPERATING PERFORMANCE

Property	Number of Rooms	Est. Segmentation				Estimated 2018				Estimated 2019					
		Commercial	Group	Leisure	Extended Stay	Weighted Annual Room Count	Occ.	Average Rate	RevPAR	Weighted Annual Room Count	Occ.	Average Rate	RevPAR	Occupancy Penetration	Yield Penetration
SpringHill Suites by Marriott Dallas McKinney Allen	125	55 %	20 %	20 %	5 %	Hotel Opened in 2019				42	30 - 35 %	\$90 - \$95	\$30 - \$35	45 - 50 %	35 - 40 %
Home2 Suites by Hilton McKinney	107	35	15	20	30	Hotel Opened in 2019				54	40 - 45	95 - 100	40 - 45	60 - 65	55 - 60
Home2 Suites by Hilton Fairview Allen	111	30	15	20	30	111	55 - 60	95 - 100	50 - 55	111	65 - 70	95 - 100	60 - 65	95 - 100	80 - 85
SpringHill Suites by Marriott Dallas Plano/Frisco	152	60	15	20	5	152	70 - 75	120 - 125	85 - 90	152	65 - 70	115 - 120	80 - 85	100 - 110	100 - 110
NYLO Dallas Plano Hotel Tapestry Collection	176	45	25	30	0	176	60 - 65	115 - 120	70 - 75	176	60 - 65	120 - 125	75 - 80	90 - 95	100 - 110
Sub-Totals/Averages	671	46 %	19 %	23 %	11 %	439	63.5 %	\$113.78	\$72.19	535	61.9 %	\$111.81	\$69	91 %	91.7 %
Secondary Competitors	1,394	49 %	18 %	18 %	14 %	1,046	70.9 %	\$111.85	\$79.32	1,046	71.1 %	\$110.76	\$79	105 %	104.2 %
Totals/Averages	2,065	48 %	18 %	20 %	13 %	1,485	68.7 %	\$112.38	\$77.21	1,580	68.0 %	\$111.08	\$76	100 %	100.0 %
* Specific occupancy and average rate data were utilized in our analysis, but are presented in ranges in the above table for the purposes of confidentiality.															

FIGURE 1-3 SECONDARY COMPETITORS – OPERATING PERFORMANCE

Property	Number of Rooms	Est. Segmentation					Total Competitive Level	Estimated 2018				Estimated 2019			
		Commercial	Group	Leisure	Extended-Stay	Weighted Annual Room Count		Occ.	Average Rate	RevPAR	Weighted Annual Room Count	Occ.	Average Rate	RevPAR	
Courtyard by Marriott Dallas Allen	228	50 %	30 %	20 %	0 %	75 %	171	65 - 70 %	\$115 - \$120	\$80 - \$85	171	65 - 70 %	\$115 - \$120	\$75 - \$80	
Hilton Garden Inn Dallas Allen	150	55	25	20	0	75	113	60 - 65	105 - 110	65 - 70	113	65 - 70	100 - 105	65 - 70	
Hyatt Place Dallas/Allen	104	60	20	20	0	75	78	55 - 60	90 - 95	50 - 55	78	65 - 70	95 - 100	60 - 65	
TownePlace Suites by Marriott Dallas McKinney	88	35	10	15	40	75	66	65 - 70	100 - 105	65 - 70	66	60 - 65	95 - 100	60 - 65	
Residence Inn Dallas Allen Fairview by Marriott	117	30	10	15	45	75	88	70 - 75	100 - 105	75 - 80	88	70 - 75	105 - 110	75 - 80	
Homewood Suites by Hilton Dallas/Allen	114	30	10	15	45	75	86	70 - 75	110 - 115	80 - 85	86	70 - 75	105 - 110	80 - 85	
Hampton by Hilton McKinney	79	70	10	20	0	75	59	85 - 90	105 - 110	90 - 95	59	80 - 85	105 - 110	85 - 90	
Holiday Inn Express & Suites McKinney Frisco East	80	65	15	20	0	75	60	65 - 70	95 - 100	60 - 65	60	60 - 65	90 - 95	55 - 60	
La Quinta Inn & Suites McKinney	79	50	20	30	0	75	59	65 - 70	80 - 85	55 - 60	59	65 - 70	85 - 90	55 - 60	
Aloft Frisco	136	60	20	20	0	75	102	70 - 75	120 - 125	85 - 90	102	65 - 70	120 - 125	80 - 85	
Hilton Garden Inn Frisco	102	55	25	20	0	75	77	70 - 75	130 - 140	95 - 100	77	70 - 75	130 - 140	95 - 100	
Homewood Suites by Hilton Dallas Frisco	117	35	10	10	45	75	88	80 - 85	130 - 140	110 - 115	88	80 - 85	130 - 140	110 - 115	
Totals/Averages	1,394	49 %	18 %	18 %	14 %	75 %	1,046	70.9 %	\$111.85	\$79.32	1,046	71.1 %	\$110.76	\$78.73	
* Specific occupancy and average rate data was utilized in our analysis, but is presented in ranges in the above table for the purposes of confidentiality.															

Summary of Forecast Occupancy and Average Rate

Based on our analysis presented in the Projection of Occupancy and Average Rate chapter, we have chosen to use a stabilized occupancy level of 74% and a base-year rate position of \$135.00 for the proposed subject hotel. The following table reflects a summary of our market-wide and proposed subject hotel occupancy and average rate projections.

FIGURE 1-4 ADR FORECAST – MARKET AND PROPOSED SUBJECT PROPERTY

Calendar Year	Historical		2021	2022	2023	2024	2025	2026	2027	2028
	2019	2020								
Market ADR	\$111.08	\$92.01	\$97.53	\$104.84	\$110.08	\$114.49	\$118.49	\$122.05	\$125.71	\$129.48
Projected Market ADR Growth Rate	—	-17.2%	6.0%	7.5%	5.0%	4.0%	3.5%	3.0%	3.0%	3.0%
Proposed Subject Property ADR (As-If Stabilized)	\$135.00	\$111.82	\$118.52	\$127.41	\$133.78	\$139.14	\$144.70	\$150.49	\$155.00	\$159.65
ADR Growth Rate		-17.2%	6.0%	7.5%	5.0%	4.0%	4.0%	4.0%	3.0%	3.0%
Proposed Subject Stabilized ADR Penetration	122%	122%	122%	122%	122%	122%	122%	123%	123%	123.3%
Fiscal Year					2023	2024	2025	2026	2027	2028
Proposed Subject Property Average Rate					\$133.78	\$139.14	\$144.70	\$150.49	\$155.00	\$159.65
Opening Discount					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Average Rate After Discount					\$133.78	\$139.14	\$144.70	\$150.49	\$155.00	\$159.65
Real Average Rate Growth					—	4.0%	4.0%	4.0%	3.0%	3.0%
Market ADR					\$110.08	\$114.49	\$118.49	\$122.05	\$125.71	\$129.48
Proposed Subject ADR Penetration (After Discount)					122%	122%	122%	123%	123%	123%
ADR Expressed in Base-Year Dollars Deflated @ Inflation Rate					\$121.22	\$122.40	\$123.58	\$124.78	\$124.78	\$124.78

Summary of Forecast Income and Expense Statement

Our positioning of each revenue and expense level is supported by comparable operations or trends specific to this market. Our forecast of income and expense is presented in the following table.

FIGURE 1-5 DETAILED FORECAST OF INCOME AND EXPENSE

	2024 (Calendar Year)				2025				2026				Stabilized				2028			
Number of Rooms:	102				102				102				102				102			
Occupancy:	62%				68%				72%				74%				74%			
Average Rate:	\$139.14				\$144.70				\$150.49				\$155.00				\$159.65			
RevPAR:	\$86.26				\$98.40				\$108.35				\$114.70				\$118.14			
Days Open:	365				365				365				365				365			
Occupied Rooms:	23,083	%Gross	PAR	POR	25,316	%Gross	PAR	POR	26,806	%Gross	PAR	POR	27,550	%Gross	PAR	POR	27,550	%Gross	PAR	POR
OPERATING REVENUE																				
Rooms	\$3,212	88.7 %	\$31,490	\$139.15	\$3,663	89.0 %	\$35,912	\$144.69	\$4,034	89.3 %	\$39,549	\$150.49	\$4,270	89.4 %	\$41,863	\$154.99	\$4,398	89.4 %	\$43,118	\$159.64
Food & Beverage	256	7.1	2,511	11.10	288	7.0	2,822	11.37	309	6.8	3,032	11.54	325	6.8	3,187	11.80	335	6.8	3,283	12.15
Other Operated Departments	130	3.6	1,275	5.63	142	3.4	1,389	5.59	148	3.3	1,454	5.53	154	3.2	1,510	5.59	159	3.2	1,555	5.76
Miscellaneous Income	22	0.6	219	0.97	24	0.6	231	0.93	25	0.5	242	0.92	26	0.5	252	0.93	26	0.5	259	0.96
Total Operating Revenues	3,621	100.0	35,495	156.85	4,116	100.0	40,353	162.58	4,516	100.0	44,277	168.48	4,775	100.0	46,812	173.31	4,918	100.0	48,215	178.51
DEPARTMENTAL EXPENSES *																				
Rooms	820	25.5	8,039	35.53	874	23.9	8,568	34.52	920	22.8	9,022	34.33	958	22.4	9,394	34.78	987	22.4	9,676	35.82
Food & Beverage	195	76.2	1,914	8.46	209	72.5	2,046	8.24	219	70.8	2,146	8.17	228	70.0	2,231	8.26	234	70.0	2,298	8.51
Other Operated Departments	62	47.6	607	2.68	65	45.8	636	2.56	67	45.3	658	2.50	69	45.0	679	2.52	71	45.0	700	2.59
Total Expenses	1,077	29.8	10,561	46.67	1,147	27.9	11,249	45.32	1,206	26.7	11,827	45.00	1,255	26.3	12,305	45.56	1,293	26.3	12,674	46.92
DEPARTMENTAL INCOME	2,543	70.2	24,934	110.18	2,969	72.1	29,104	117.26	3,310	73.3	32,451	123.48	3,520	73.7	34,507	127.76	3,625	73.7	35,541	131.58
UNDISTRIBUTED OPERATING EXPENSES																				
Administrative & General	333	9.2	3,264	14.42	351	8.5	3,437	13.85	367	8.1	3,595	13.68	380	8.0	3,726	13.80	391	8.0	3,838	14.21
Info & Telecom Systems	44	1.2	435	1.92	47	1.1	458	1.85	49	1.1	479	1.82	51	1.1	497	1.84	52	1.1	512	1.89
Marketing	344	9.5	3,373	14.90	362	8.8	3,552	14.31	379	8.4	3,714	14.13	393	8.2	3,851	14.26	405	8.2	3,966	14.68
Prop. Operations & Maint.	97	2.7	952	4.21	124	3.0	1,217	4.91	153	3.4	1,498	5.70	158	3.3	1,553	5.75	163	3.3	1,599	5.92
Utilities	133	3.7	1,306	5.77	140	3.4	1,375	5.54	147	3.2	1,438	5.47	152	3.2	1,491	5.52	157	3.2	1,535	5.68
Total Expenses	952	26.3	9,330	41.23	1,024	24.8	10,040	40.45	1,094	24.2	10,724	40.81	1,134	23.8	11,117	41.16	1,168	23.8	11,451	42.39
GROSS OPERATING PROFIT	1,592	43.9	15,605	68.96	1,945	47.3	19,064	76.81	2,216	49.1	21,727	82.67	2,386	49.9	23,389	86.60	2,457	49.9	24,090	89.19
Management Fee	109	3.0	1,065	4.71	123	3.0	1,211	4.88	135	3.0	1,328	5.05	143	3.0	1,404	5.20	148	3.0	1,446	5.36
INCOME BEFORE NON-OPR. INC. & EXP.	1,483	40.9	14,540	64.25	1,821	44.3	17,853	71.93	2,081	46.1	20,398	77.62	2,242	46.9	21,985	81.40	2,310	46.9	22,644	83.83
NON-OPERATING INCOME & EXPENSE																				
Property Taxes	135	3.7	1,323	5.85	139	3.4	1,363	5.49	143	3.2	1,404	5.34	147	3.1	1,446	5.35	152	3.1	1,489	5.51
Insurance	45	1.2	443	1.96	47	1.1	457	1.84	48	1.1	470	1.79	49	1.0	484	1.79	51	1.0	499	1.85
Total Expenses	180	4.9	1,767	7.81	186	4.5	1,820	7.33	191	4.3	1,874	7.13	197	4.1	1,930	7.15	203	4.1	1,988	7.36
EBITDA	1,303	36.0	12,773	56.44	1,635	39.8	16,034	64.60	1,889	41.8	18,524	70.49	2,046	42.8	20,055	74.25	2,107	42.8	20,655	76.47
Reserve for Replacement	72	2.0	710	3.14	123	3.0	1,211	4.88	181	4.0	1,771	6.74	191	4.0	1,872	6.93	197	4.0	1,929	7.14
EBITDA LESS RESERVE	\$1,230	34.0 %	\$12,063	\$53.31	\$1,512	36.8 %	\$14,823	\$59.72	\$1,709	37.8 %	\$16,753	\$63.75	\$1,855	38.8 %	\$18,182	\$67.32	\$1,910	38.8 %	\$18,727	\$69.33

*Departmental expenses are expressed as a percentage of departmental revenues.

FIGURE 1-6 TEN-YEAR FORECAST OF INCOME AND EXPENSE

	2024		2025		2026		2027		2028		2029		2030		2031		2032		2033	
Number of Rooms:	102		102		102		102		102		102		102		102		102		102	
Occupied Rooms:	23,083		25,316		26,806		27,550		27,550		27,550		27,550		27,550		27,550		27,550	
Occupancy:	62%		68%		72%		74%		74%		74%		74%		74%		74%		74%	
Average Rate:	\$139.14		% of \$144.70		% of \$150.49		% of \$155.00		% of \$159.65		% of \$164.44		% of \$169.38		% of \$174.46		% of \$179.69		% of \$185.08	
RevPAR:	\$86.26		Gross		\$98.40		Gross		\$108.35		Gross		\$114.70		Gross		\$118.14		Gross	
OPERATING REVENUE																				
Rooms	\$3,212	88.7 %	\$3,663	89.0 %	\$4,034	89.3 %	\$4,270	89.4 %	\$4,398	89.4 %	\$4,530	89.4 %	\$4,666	89.4 %	\$4,806	89.4 %	\$4,951	89.4 %	\$5,099	89.4 %
Food & Beverage	256	7.1	288	7.0	309	6.8	325	6.8	335	6.8	345	6.8	355	6.8	366	6.8	377	6.8	388	6.8
Other Operated Departments	130	3.6	142	3.4	148	3.3	154	3.2	159	3.2	163	3.2	168	3.2	173	3.2	179	3.2	184	3.2
Miscellaneous Income	22	0.6	24	0.6	25	0.5	26	0.5	26	0.5	27	0.5	28	0.5	29	0.5	30	0.5	31	0.5
Total Operating Revenues	3,621	100.0	4,116	100.0	4,516	100.0	4,775	100.0	4,918	100.0	5,066	100.0	5,218	100.0	5,374	100.0	5,536	100.0	5,702	100.0
DEPARTMENTAL EXPENSES *																				
Rooms	820	25.5	874	23.9	920	22.8	958	22.4	987	22.4	1,017	22.4	1,047	22.4	1,078	22.4	1,111	22.4	1,144	22.4
Food & Beverage	195	76.2	209	72.5	219	70.8	228	70.0	234	70.0	241	70.0	249	70.0	256	70.0	264	70.0	272	70.0
Other Operated Departments	62	47.6	65	45.8	67	45.3	69	45.0	71	45.0	74	45.0	76	45.0	78	45.0	80	45.0	83	45.0
Total Expenses	1,077	29.8	1,147	27.9	1,206	26.7	1,255	26.3	1,293	26.3	1,332	26.3	1,371	26.3	1,413	26.3	1,455	26.3	1,499	26.3
DEPARTMENTAL INCOME	2,543	70.2	2,969	72.1	3,310	73.3	3,520	73.7	3,625	73.7	3,734	73.7	3,846	73.7	3,962	73.7	4,081	73.7	4,203	73.7
UNDISTRIBUTED OPERATING EXPENSES																				
Administrative & General	333	9.2	351	8.5	367	8.1	380	8.0	391	8.0	403	8.0	415	8.0	428	8.0	441	8.0	454	8.0
Info & Telecom Systems	44	1.2	47	1.1	49	1.1	51	1.1	52	1.1	54	1.1	55	1.1	57	1.1	59	1.1	61	1.1
Marketing	344	9.5	362	8.8	379	8.4	393	8.2	405	8.2	417	8.2	429	8.2	442	8.2	455	8.2	469	8.2
Prop. Operations & Maint.	97	2.7	124	3.0	153	3.4	158	3.3	163	3.3	168	3.3	173	3.3	178	3.3	184	3.3	189	3.3
Utilities	133	3.7	140	3.4	147	3.2	152	3.2	157	3.2	161	3.2	166	3.2	171	3.2	176	3.2	182	3.2
Total Expenses	952	26.3	1,024	24.8	1,094	24.2	1,134	23.8	1,168	23.8	1,203	23.8	1,239	23.8	1,276	23.8	1,315	23.8	1,354	23.8
GROSS OPERATING PROFIT	1,592	43.9	1,945	47.3	2,216	49.1	2,386	49.9	2,457	49.9	2,531	49.9	2,607	49.9	2,685	49.9	2,767	49.9	2,849	49.9
Management Fee	109	3.0	123	3.0	135	3.0	143	3.0	148	3.0	152	3.0	157	3.0	161	3.0	166	3.0	171	3.0
INCOME BEFORE NON-OPR. INC. & EXP.	1,483	40.9	1,821	44.3	2,081	46.1	2,242	46.9	2,310	46.9	2,379	46.9	2,450	46.9	2,524	46.9	2,600	46.9	2,678	46.9
NON-OPERATING INCOME & EXPENSE																				
Property Taxes	135	3.7	139	3.4	143	3.2	147	3.1	152	3.1	156	3.1	161	3.1	166	3.1	171	3.1	176	3.1
Insurance	45	1.2	47	1.1	48	1.1	49	1.0	51	1.0	52	1.0	54	1.0	56	1.0	57	1.0	59	1.0
Total Expenses	180	4.9	186	4.5	191	4.3	197	4.1	203	4.1	209	4.1	215	4.1	222	4.1	228	4.1	235	4.1
EBITDA	1,303	36.0	1,635	39.8	1,889	41.8	2,046	42.8	2,107	42.8	2,170	42.8	2,235	42.8	2,302	42.8	2,372	42.8	2,443	42.8
Reserve for Replacement	72	2.0	123	3.0	181	4.0	191	4.0	197	4.0	203	4.0	209	4.0	215	4.0	221	4.0	228	4.0
EBITDA LESS RESERVE	\$1,230	34.0 %	\$1,512	36.8 %	\$1,709	37.8 %	\$1,855	38.8 %	\$1,910	38.8 %	\$1,967	38.8 %	\$2,027	38.8 %	\$2,087	38.8 %	\$2,151	38.8 %	\$2,215	38.8 %

As illustrated, the hotel is expected to stabilize at a profitable level. Please refer to the Forecast of Income and Expense chapter of our report for a detailed explanation of the methodology used in deriving this forecast.

Feasibility Conclusion

The Feasibility Analysis chapter of this report converts these cash flows into a net present value indication. The proposed subject hotel has an opportunity to fill the void of an all-suite boutique hotel in this northern Dallas suburban area. Based on our market analysis, there is sufficient market support for the proposed upscale, boutique hotel. Our conclusions are based primarily on the long-term strength of this market. Our review of investor surveys indicates equity returns ranging from 12.7% to 22.9%, with an average of 18.5%. Taking into consideration our forecast for the proposed subject hotel, along with market-specific valuation parameters, inclusive of an equity yield of 17.0%, the cash flows result in a present value for the hotel of \$20.3 million at opening. For the development of the hotel to remain feasible, total project costs (inclusive of land, hard costs, FF&E, soft costs, pre-opening costs and working capital, and a developer's fee) would ideally fall below this amount.

Assignment Conditions

"Extraordinary Assumption" is defined in USPAP as follows:

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis.¹

The analysis is based on the extraordinary assumption that the described improvements have been completed as of the stated date of opening. The reader should understand that the completed subject property does not yet exist as of the date of this report. Our feasibility study does not address unforeseeable events that could alter the proposed project, and/or the market conditions reflected in the analyses; we assume that no significant changes, other than those anticipated and explained in this report, shall take place between the date of inspection and stated date of opening. The use of this extraordinary assumption may have affected the assignment results. We have made no other extraordinary assumptions specific to this feasibility study. However, several important general assumptions have been made that apply to this feasibility study and our studies of proposed hotels in

¹The Appraisal Foundation, *Uniform Standards of Professional Appraisal Practice*, 2020–2021 ed.

general. These aspects are set forth in the Assumptions and Limiting Conditions chapter of this report.

Intended Use of the Feasibility Study

This feasibility report is being prepared for use in the development of the proposed subject hotel.

Identification of the Client and Intended User(s)

The client for this engagement is Archstreet Hotel Holdings LLC. This report is intended for the addressee firm and may not be distributed to or relied upon by other persons or entities.

Scope of Work

The methodology used to develop this study is based on the market research and valuation techniques set forth in the textbooks authored by Hospitality Valuation Services for the American Institute of Real Estate Appraisers and the Appraisal Institute, entitled *The Valuation of Hotels and Motels*,² *Hotels, Motels and Restaurants: Valuations and Market Studies*,³ *The Computerized Income Approach to Hotel/Motel Market Studies and Valuations*,⁴ *Hotels and Motels: A Guide to Market Analysis, Investment Analysis, and Valuations*,⁵ and *Hotels and Motels – Valuations and Market Studies*.⁶

1. All information was collected and analyzed by the staff of TS Worldwide, LLC. Information was supplied by the client and/or the property's development team.
2. The subject site has been evaluated from the viewpoint of its physical utility for the future operation of a hotel, as well as access, visibility, and other relevant factors.
3. The subject property's proposed improvements have been reviewed for their expected quality of construction, design, and layout efficiency.
4. The surrounding economic environment, on both an area and neighborhood level, has been reviewed to identify specific hospitality-related economic and demographic trends that may have an impact on future demand for hotels.

² Stephen Rushmore, *The Valuation of Hotels and Motels*. (Chicago: American Institute of Real Estate Appraisers, 1978).

³ Stephen Rushmore, *Hotels, Motels and Restaurants: Valuations and Market Studies*. (Chicago: American Institute of Real Estate Appraisers, 1983).

⁴ Stephen Rushmore, *The Computerized Income Approach to Hotel/Motel Market Studies and Valuations*. (Chicago: American Institute of Real Estate Appraisers, 1990).

⁵ Stephen Rushmore, *Hotels and Motels: A Guide to Market Analysis, Investment Analysis, and Valuations* (Chicago: Appraisal Institute, 1992).

⁶ Stephen Rushmore and Erich Baum, *Hotels and Motels – Valuations and Market Studies*. (Chicago: Appraisal Institute, 2001).

5. Dividing the market for hotel accommodations into individual segments defines specific market characteristics for the types of travelers expected to utilize the area's hotels. The factors investigated include purpose of visit, average length of stay, facilities and amenities required, seasonality, daily demand fluctuations, and price sensitivity.
6. An analysis of existing and proposed competition provides an indication of the current accommodated demand, along with market penetration and the degree of competitiveness. Unless noted otherwise, we have inspected the competitive lodging facilities summarized in this report.
7. Documentation for an occupancy and ADR projection is derived utilizing the build-up approach based on an analysis of lodging activity.
8. A detailed projection of income and expense made in accordance with the Uniform System of Accounts for the Lodging Industry sets forth the anticipated economic benefits of the proposed subject property.
9. A feasibility analysis is performed, in which the market equity yield that an investor would expect is compared to the equity yield that an investor must accept.

Grant Request

Total Estimated Cost for Project Improvements included in grant request are ~ 1,000,000, as detailed on the following pages.

Total Grant Amount Requested is \$250,000 or 25% of the eligible total project costs.

THE WHITING-TURNER CONTRACTING COMPANY

SITE DEVELOPMENT

DESCRIPTION	QTY	UNIT	UNIT \$	TOTAL	COMMENTS
01 GENERAL REQUIREMENTS					
01 50 00 Temporary Facilities and Controls					
Perimeter Fencing & Barricades - Chain link		lf	\$	-	Included in GR's
Perimeter Fencing & Barricades - Gates		sets	\$	-	Included in GR's
Temporary Site Signage		ls	\$	-	Included in GR's
Temporary Access Roads		ls	\$ 10,000	\$	-
Tree Protection Allowance		allow	\$	-	Included in GR's
01 70 00 Execution and Closeout Requirements					
Final Cleaning		allow	\$	-	Included in GR's
TOTAL - DIV 1				\$	-
02 EXISTING CONDITIONS					
02 40 00 Demolition and Structure Moving					
<u>Site Demolition</u>					
Site Demolition		sf	\$	-	None Assumed
<u>Site Utility Demolition</u>					
Site Utility Demolition		lf	\$	-	None Assumed
<u>Building Demolition</u>					
Building Demolition		cf	\$	-	None Assumed
<u>Site Remediation</u>					
Hazardous Materials Remediation		allow	\$	-	None Assumed
TOTAL - DIV 2				\$	-
10 SPECIALTIES					
10 10 00 Information Specialties					
Site Monument Sign	1	ea	\$ 25,000	\$ 25,000	Monument Sign
10 70 00 Exterior Specialties					
Ground Set Flag Poles		ea	\$	-	None Assumed
TOTAL - DIV 10				\$	25,000
26 ELECTRICAL					
26 50 00 Lighting					
Site Lighting - Parking Lot	3	ea	\$ 4,500.00	\$ 13,500	
Site Lighting - Pole Bases	3	ea	\$ 750.00	\$ 2,250	
Power to Dumpster Enclosure/Monument Sign	1	ls	\$ 5,000.00	\$ 5,000	
TOTAL - DIV 26				\$	20,750
31 EARTHWORK					
31 10 00 Site Clearing					
Clear and Grub		acres	\$ 5,000.00	\$	Included in below
31 20 00 Earth Moving					
<u>Excavation - Mass Site Operation</u>					
Parking Lot Lime Stabilization	2,700	sy	\$ 6.00	\$ 16,200	
Building Pad 10' Moisture Condition	5,000	cy	\$ 3.50	\$ 17,500	
Cut/Fill	61,552	sf	\$ 2.00	\$ 123,104	Assume Balanced Site
<u>Sediment and Erosion Control</u>					
SWPPP	1	LS	\$ 15,000.00	\$ 15,000	
Construction Entrance - Fabric and Stone	1	ea	\$ 3,500.00	\$ 3,500	
Construction Entrance - Temp Water & Labor		ea	\$	\$	
Dust Control/Street Cleaning		mths	\$	\$	Included in GR's
Temporary Seeding		sy	\$	\$	
SEC Maintenance		ls	\$	\$	
Additional Sediment and Erosion Control Measures		acres	\$	\$	
31 30 00 Earthwork Methods					
Termite Control Soil Treatment	12,500	sf	\$ 0.15	\$ 1,875	
31 40 00 Shoring and Underpinning					
Sheeting and Shoring		sf	\$	\$	None Assumed
Structure Underpinning		cy	\$	\$	None Assumed
TOTAL - DIV 31				\$	177,179
32 EXTERIOR IMPROVEMENTS					
32 10 00 Bases, Ballasts, and Paving					
<u>Asphalt Paving</u>					
Asphalt Pavement - Heavy Duty (Roadways)		sy	\$	\$	NIC - Concrete Paving Assumed
Asphalt Pavement - Light Duty (Parking Lots)		sy	\$	\$	NIC - Concrete Paving Assumed

THE WHITING-TURNER CONTRACTING COMPANY

SITE DEVELOPMENT

DESCRIPTION	QTY	UNIT	UNIT \$	TOTAL	COMMENTS
Mill and Tie into Existing asphalt areas		sf	\$		NIC - Concrete Paving Assumed
<u>Concrete Paving</u>					
Concrete Paving (Parking Area & Drop Off) - 6"	40,821	sf	\$ 5.00	\$ 204,105	
Concrete Paving (Sidewalks) - 4"	2,857	sf	\$	\$	
Concrete Paving (Integral Color)	1,074	sf	\$ 12.00	\$ 12,888	
Concrete Curb & Gutter - 6"	1,161	lf	\$ 7.75	\$ 8,998	
<u>Unit Paving</u>					
Concrete Unit Pavers - pedestrian		sf	\$	\$	NIC - None Assumed
Concrete Unit Pavers - vehicular		sf	\$	\$	NIC - None Assumed
Stone Pavers		lf	\$	\$	NIC - None Assumed
<u>Aggregate Surfacing</u>					
Crushed Stone Surfacing - 4" thick		sf	\$	\$	NIC - None Assumed
<u>Paving Specialties</u>					Included in GR
Parking Bumpers	2	ea	\$ 125.00	\$ 250	
Pavement Markings & Signage	1	ls	\$ 5,000.00	\$ 5,000	Surface Markings and Vehicle Directional
Site Sealants	44,752	sf	\$ 0.25	\$ 11,188	Surface Markings and Vehicle Directional
Bollards	6	ea	\$ 750.00	\$ 4,500	
32 30 00 Site Improvements					
<u>Chain Link Fences and Gates - Permanent</u>					
Dumpster Enclosure	320	sf	\$ 18.00	\$ 5,760	
Dumpster Enclosure Gates	1	pr	\$ 5,000.00	\$ 5,000	
24' Cantilever Automatic Sliding Gate		ea	\$	\$	NIC - None Assumed
Drop Arm Gate		ea	\$	\$	NIC - None Assumed
<u>Site Concrete</u>					
Sidewalk	2,857	sf	\$ 6.00	\$ 17,142	
Transformer Pad	1	ea	\$ 2,500.00	\$ 2,500	
Dumpster - Concrete Pad		sf	\$ 20.00	\$	
<u>Site Retaining / Screen Walls</u>					
CIP Site retaining walls		cy	\$	\$	NIC - None Assumed
Segmented Block Site retaining walls		sf	\$	\$	NIC - None Assumed
Masonry Screen Wall		sf	\$	\$	NIC - None Assumed
Site retaining walls - Footing		cy	\$	\$	NIC - None Assumed
<u>Site Furnishings</u>					
Bicycle Racks	2	ea	\$ 1,000.00	\$ 2,000	
Benches		ea	\$	\$	Assumed by Others - FFE Package
Trash Receptacles		allow	\$	\$	Assumed by Others - FFE Package
Table and Chairs		allow	\$	\$	Assumed by Others - FFE Package
Fountain	1	allow	\$ 100,000.00	\$ 100,000	
32 80 00 Irrigation					
<u>Landscape Irrigation</u>					
Sprinkler Irrigation including power feed		sf	\$	\$	included in allowance below
Planting Drip Irrigation including power feed		sf	\$	\$	included in allowance below
32 90 00 Planting					
<u>Turf and Grasses</u>					
Seed Disturbed Areas		sy	\$	\$	Included in Allowance Below
Sod		sf	\$	\$	Included in Allowance Below
Soils Amendments/Fertilizers		allow	\$	\$	Included in Allowance Below
<u>Plants</u>					
Landscape and Irrigation Allowance	1	allow	\$ 100,000.00	\$ 100,000	
Ornamental Trees		ea	\$	\$	included in allowance below
Shrubs		ea	\$	\$	included in allowance below
Plants/Perennial Ground Cover		sf allow	\$	\$	included in allowance below
Plantings at MicroBioretention Areas		sf allow	\$	\$	included in allowance below
Mulch		cy	\$	\$	included in allowance below
TOTAL - DIV 32				\$ 479,331	

33 UTILITIES

33 10 00 Water Utilities

Domestic Water

Tie Into Existing	1	ea	\$ 3,000.00	\$ 3,000	
Valves	2	ea	\$ 1,500.00	\$ 3,000	
Water 6" PVC	600	lf	\$ 50.00	\$ 30,000	
Fire Hydrants	2	ea	\$ 7,500.00	\$ 15,000	

33 30 00 Sanitary Sewerage

Tie Into Existing	1	ea	\$ 3,000.00	\$ 3,000	
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THE WHITING-TURNER CONTRACTING COMPANY

SITE DEVELOPMENT

DESCRIPTION	QTY	UNIT	UNIT \$	TOTAL	COMMENTS
Sanitary Sewer - 6" PVC	200	lf	\$ 50.00	\$ 10,000	
Sanitary Sewer - Manhole	1	ea	\$ 10,200.00	\$ 10,200	
Sanitary Sewer - Cleanout	1	ea	\$ 1,000.00	\$ 1,000	
Grease Trap	1	ea	\$ 10,000.00	\$ 10,000	
33 40 00 Stormwater Utilities					
Tie Into Existing	1	ea	\$ 3,000.00	\$ 3,000	
18" HDPE	600	lf	\$ 70.00	\$ 42,000	
Catch Basin	3	ea	\$ 2,000.00	\$ 6,000	
33 50 00 Hydrocarbon Utilities					
Natural Gas - Piping	100	lf	\$ 35.00	\$ 3,500	
Natural Gas - Meter		ea	\$	-	NIC By Owner
33 60 00 Hydronic and Steam Energy Utilities					
33 70 00 Electrical Utilities					
Electric - Duct Bank (Primary)	100	lf	\$ 50.00	\$ 5,000	Raceways Only
Electric - Transformers		ea	\$	-	NIC By Owner
33 80 00 Communications Utilities					
Communication - Telecomm Raceways	100	LF	\$ 25.00	\$ 2,500	
TOTAL - DIV 33				\$ 147,200	
TOTAL SITE DEVELOPMENT				\$ 849,460	

THE WHITING-TURNER CONTRACTING COMPANY

Denizen District 121 Hotel
Conceptual - 11/11/2021- Updated SF

MASTERFORMAT SUMMARY



DIVISION	SITE DEVELOPMENT		
	1.7	ACRE	SITE
	COST	\$/ACRE	% COW
01 General Requirements	\$ -	\$ -	0.00%
02 Existing Conditions	\$ -	\$ -	0.00%
03 Concrete	\$ -	\$ -	0.00%
04 Masonry	\$ -	\$ -	0.00%
05 Metals	\$ -	\$ -	0.00%
06 Wood, Plastics, and Composites	\$ -	\$ -	0.00%
07 Thermal & Moisture Protection	\$ -	\$ -	0.00%
08 Openings	\$ -	\$ -	0.00%
09 Finishes	\$ -	\$ -	0.00%
10 Specialties	\$ -	\$ -	0.00%
11 Equipment	\$ 25,000	\$ 14,705.88	2.94%
12 Furnishings	\$ -	\$ -	0.00%
13 Special Construction	\$ -	\$ -	0.00%
14 Conveying Systems	\$ -	\$ -	0.00%
21 Fire Suppression	\$ -	\$ -	0.00%
22 Plumbing	\$ -	\$ -	0.00%
23 HVAC	\$ -	\$ -	0.00%
25 Integrated Automation	\$ -	\$ -	0.00%
26 Electrical	\$ 20,750	\$ 12,205.88	2.44%
27 Communications	\$ -	\$ -	0.00%
28 Electronic Safety & Security	\$ -	\$ -	0.00%
31 Earthwork	\$ 177,179	\$ 104,222.94	20.86%
32 Exterior Improvements	\$ 479,331	\$ 281,959.26	56.43%
33 Site Utilities	\$ 147,200	\$ 86,588.24	17.33%
SUBTOTAL - COST OF WORK	\$ 849,460	\$ 499,682.21	100.00%
General Requirements	\$ 13,591	\$ 7,994.92	1.60%
Estimating Contingency	\$ -	\$ -	0.00%
Construction/CM Contingency	\$ -	\$ -	0.00%
Escalation Contingency	\$ -	\$ -	0.00%
General Conditions	\$ 56,257	\$ 33,092.35	6.50%
Liability Insurance	\$ 7,813	\$ 4,595.75	0.85%
Whiting-Turner Bond	\$ -	\$ -	0.00%
Whiting-Turner Fee	\$ 37,078	\$ 21,810.88	4.00%
Builder's Risk Insurance	\$ 4,820	\$ 2,835.41	0.50%
PROJECT TOTALS	\$ 969,020	\$ 570,011.51 / ACRE	