



NORTHWEST ARKANSAS NATIONAL AIRPORT

**REQUEST FOR PROPOSALS
DESIGN, FINANCE, CONSTRUCT, AND OPERATE A HOTEL FACILITY**

June 1st, 2026

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SECTION 1:
NOTICE OF OPPORTUNITY AND GENERAL PROJECT INFORMATION

A. NOTICE AND DESCRIPTION.

The Northwest Arkansas Regional Airport Authority (the “Authority”) is requesting proposals for the development, financing, design, construction, and operation of a hotel facility (the “Hotel”) to be located at one of three potential sites at the Northwest Arkansas National Airport (“XNA”). All interested and qualified parties shall submit their proposals under the terms and conditions set out further in this Request for Proposals (together with any addenda and answers to questions, the “RFP”). The successful proposer will be required to furnish all labor, material, equipment, supplies, applicable taxes, insurance, bonding, permits, and licenses to design, construct, maintain, and operate the Hotel.

B. TIMELINE AND SCHEDULE OF EVENTS.

The anticipated timeline and schedule of events for the proposal process is as follows:

<u>EVENT</u>	<u>DATE/TIME</u>
Issue RFP	June 1 st , 2026
Virtual Kick-off Meeting	June 15 th , 2026
Deadline for Submitting Questions	August 3 rd , 2026, at 5:00 p.m. CT
XNA Issues Answers to Questions	August 5 th , 2026, by 12:00 noon CT
SUBMISSION DEADLINE	August 7th, 2026, BY 5:00 P.M. CT
Finalist Interviews (if necessary; virtual)	August 14 th , 2026

NOTE The above timeline and schedule of events is subject to modification without notice at the Authority’s sole discretion.

C. LOCATION OF PROCUREMENT DOCUMENTS.

This RFP and all other documents related to this procurement are only available online at www.flyxna.com/public-notices-procurements. This RFP will be available beginning June 1st, 2026. Any amendments, addenda, questions/answers, and other documents pertaining to this procurement will be posted at this site as they are released. It is the responsibility of each proposer to view this site on a regular basis to ensure the receipt of up-to-date information and documentation regarding this procurement.

D. VIRTUAL KICK OFF MEETING.

The Authority will not hold a formal site visit for this procurement opportunity; however, there will be an optional virtual kick off meeting with XNA staff on Monday, June 15th at 11:00am CT to further explain project goals and vision. Proposers are expected to be familiar with XNA and the location described herein as the site identified herein for the Hotel location. Access information for the virtual kick off meeting is as follows:

Link: <https://teams.microsoft.com/meet/246401958441961?p=BiTiqISVoN1NP4fiiB>

Meeting ID: 246 401 958 441 961

Passcode: Rx9ss7D6

E. MINIMUM QUALIFICATIONS.

Proposers must demonstrate a minimum of 10 years of industry experience in the development, design, and operation of hotel facilities. Specifically, Proposers must have a verified history of delivering and managing properties within the Upscale or higher market segments, as defined by the STR Chain Scale.

The Authority will assess a Proposer's qualifications based on the Proposer's work history, historical financial stability, operating history, and other relevant performance metrics. Furthermore, Proposers must be legally organized within the United States and be fully authorized to do business in the State of Arkansas prior to the execution of the final agreement.

F. EVALUATION.

The Authority will evaluate proposals based on the criteria set forth herein. In general, the Authority will only evaluate proposals submitted by proposers who meet the minimum requirements and qualifications set forth in this RFP. Further, the Authority reserves the right to reject any or all proposals, to waive irregularities and technicalities of any kind, to re-advertise, or to otherwise proceed in the best interests of the Airport.

G. PROHIBITION AGAINST LOBBYING.

A proposer shall not lobby, either on an individual or collective basis, the Authority (including its directors, officers, employees, or agents) or any federal, state, or local elected or public official or staff regarding this RFP or its written proposal. No proposer, and no acquaintances, friends, family members, outside advisors, agents, or other representatives of a proposer, shall contact the Authority (including its directors, officers, employees, or agents), or any federal, state, or local elected or public officials or Airport staff to arrange meetings, visits, or presentations to influence the outcome of the selection process. Violation of this provision, by or on behalf of a proposer, intentionally or unintentionally, may result in disqualification of the proposer and/or rejection of a written proposal.

H. QUESTIONS, INQUIRIES AND AIRPORT CONTACT.

The Authority is committed to providing all interested parties with accurate and consistent information. To this end, from the date of this RFP through the execution of a written hotel agreement, the Authority's contact is Brett Meek, Chief Infrastructure Officer (email: brett.meek@flyxna.com; telephone: (479) 787-0896. All submissions required by this RFP shall adhere to the Timeline and Schedule of Events set out in Section 1 of this RFP.

Oral communications and emails from the Authority, its staff, agents, employees or outside advisor, or any other person associated with this RFP shall not be binding on the Authority and shall in no way modify any provision of this RFP. Only formally issued addenda and the Authority's published responses to proposers' questions shall modify the terms of this RFP. Any addenda issued for this RFP will be published at the following website address: <https://www.flyxna.com/public-notice-procurements.com>

Proposers are responsible for checking the website prior to submission of proposals for any addenda and responses to questions. If you are unable to download the addenda, you may contact the Authority's contact noted in this Section.

I. PUBLICATION OF NOTICE.

This RFP, or a summary thereof, may be published, posted, or delivered to the following:

Public Notices and Procurement page on XNA's website;

Relevant industry trade publications or procurement sites; and

Any entity that has previously expressed interest in the project or which the Authority has identified as a potential proposer.

SECTION 2: AIRPORT AND REGIONAL INFORMATION

A. AIRPORT INFORMATION.

Northwest Arkansas National Airport (XNA) stands as the primary gateway to one of the fastest-growing regions in the United States. With over 1.26 million enplanements in 2025, **XNA is the largest commercial service airport in the state.** As one of the youngest airports in the nation, XNA has seen rapid sustained growth, driven by a robust mix of business and leisure travel.

Originally opening its doors in November of 1998, with limited commercial service to two destinations, XNA is now plays host to six commercial service airlines (American, United, Delta, Allegiant, Frontier, and Breeze) serving 27 non-stop destinations, including service to Dallas/Ft. Worth (DFW), Atlanta (ATL), Chicago O'Hare (ORD), Atlanta (ATL), Charlotte (CLT), Denver (DEN), Houston (IAH), New York City (LGA), Phoenix (PHX), Minneapolis / St. Paul (MSP), and Los Angeles (LAX).

While XNA's core customer base is rooted in the high-frequency business travel of Fortune 500 giants such as Walmart, Tyson, and J.B. Hunt, the region has recently emerged as a world-class destination for mountain biking and outdoor tourism, further diversifying and stabilizing year-round passenger volume.

With a campus workforce of over 1,000 employees and a passenger base characterized by strong purchasing power and discerning business orientation, XNA represents a premier opportunity for a sophisticated hospitality partner to capture a captive and growing market that demands high quality accommodations and concession options.

B. REGIONAL INFORMATION.

Northwest Arkansas is a fast-growing metropolitan area that is home to more than 605,000 people. In addition to being home to the University of Arkansas, Northwest Arkansas is the corporate headquarters of three Fortune 500 companies: Walmart (#2), Tyson Foods (#85) and J.B. Hunt Transport Services (#353). Hundreds of Walmart supplier offices have been established in the region, meaning thousands of employees for Procter & Gamble, Colgate-Palmolive, General Mills, Kraft Heinz, Coca-Cola, Mondelez International, Johnson & Johnson, Nestle USA, Hershey, and other companies rely on XNA to conduct business worldwide.

Leisure travelers use XNA to access the region's increasing number of quality-of-life amenities. Crystal Bridges Museum of American Art, The Momentary, the Walmart AMP outdoor concert venue, and the region's recognition as the "Mountain Bike Capital of the World" are among dozens of reasons Northwest Arkansas is an attractive place to visit.

SECTION 3:
PROJECT INFORMATION

A. HOTEL FACILITY PROGRAMATIC REQUIREMENTS.

The Airport is seeking a qualified professional team comprised of a hotel developer, design team, brand partner, and management company to build and operate a best-in-class, Upscale or higher hotel on the XNA campus. The potential sites selected by the Authority for the location of the Hotel are identified in Exhibit A (Hotel Site Location) hereto. The hotel facilities shall have a clear delineated pedestrian pathway to the main airport terminal, which may include traversing the parking deck. The Authority shall make available its paid parking areas for guests and staff parking for the full utilization of the hotel, the specifics of which will be negotiated between the Authority and the successful proposer. **No additional parking is required for this development.**

The Hotel is expected to have between 150-200 rooms catering to guests that have early morning flight departures, evening incoming flight arrivals, and on-site business meetings. These guests will include families, business travelers, and leisure travelers initiating or concluding their travels to Northwest Arkansas. The Airport previously commissioned a market and feasibility study with an independent consultant. This study is included as Exhibit B (Hotel Feasibility Study) hereto.

Suggested Programmatic Elements:

Front of House & Public Areas:

- Lobby / Arrival Hall (1,500-2,000 Sq. Ft.)
 - Large-scale Luggage / Bike Storage (100-200 Sq. Ft.)
- Food & Beverage Concepts:
 - Grab & Go Kiosk (200 Sq. Ft., 24-Hour, Lobby Adjacent)
 - Integrated Bar/Bistro (2,000-2,500 Sq. Ft.)
 - Breakfast & Lunch Service (Daily): 5:00 a.m.-2:00 p.m.
 - Dinner & Cocktail Bar Service (Daily): 5:00 p.m.-11:00 p.m.
- Meeting & Event Space (1,500-3,000 Sq. Ft.)
 - Partitionable Ballroom with 2 Small Breakout Rooms
- Wellness (800-1,200 Sq. Ft.)
 - Fitness Center (24-Hour)

Back of House & Operations

- On-Site Laundry & Housekeeping (1000-1,500 Sq. Ft.)
- Administration (800-1,500 Sq. Ft.)
- Kitchen (800-1200 Sq. Ft.)

Food & Beverage facilities can be operated by the hotel management company or managed by a sub-lease arrangement with an external operator.

B. DEAL TERMS AND FINANCIAL CONSIDERATIONS

The Authority is required by federal law to receive fair market rental value for the lease of its property for non-aeronautical uses. The Authority has determined that the annual fair market rental rate for the available sites is \$1.00/Sq. Ft., with a 2% annual increase each year during the lease term.

The Authority encourages creative financial proposals, including concepts such as specific rent credits based on a defined dollar value of constructed improvements, a percentage share of gross revenues generated by hotel transactions and activities, and other commercially reasonable rental concepts that are designed to ensure that that Authority receives at reasonable intervals fair market rental value for the site. In the event that a proposal would result in the Authority receiving less than fair market rental value during the lease term, the proposal should describe in detail the justification for why the fair market rental value described above would not be financially feasible.

Sample Deal Terms:

Ground Lease Terms

- Initial Lease Term: 35 Years
- Renewal Options: three five-year options, subject to renegotiation with the Authority at fair market value of the land and all leasehold improvements.

Rent Structure ("Greater of" Model):

- Ground Rent MAG: \$1.00/ Sq. Ft. of Land (+2% Annual Increase)
- Percentage Rent:
 - Rooms: 5% of gross room revenue
 - Food & Beverage: 1% of gross food and beverage revenue

Ownership & Reversion:

- Tenant holds title to all leasehold improvements for the duration of the term.
- All leasehold improvements revert to the Authority upon lease expiration or termination for \$0.

Financing:

- Tenant may grant leasehold mortgage. The Authority will provide reasonable lender protections as negotiated in final agreement.

Buyout Right:

- The Authority retains a call option to purchase the leasehold interest at year 35 based on a predetermined formula to be negotiated in final agreement.
- The Authority retains the right of first refusal in the event of a third party offer for buyout during the initial 35-year term.

Capital Investment Requirements:

- Minimum expected investment per key: \$275,000 (hard cost)

- Estimated maintenance reserve: Set-aside of 5% of gross revenue into a dedicated capital account for cyclical renovations, every seven years.
- Payment & performance bond: 100% of construction value must be bonded to mitigate any potential for mechanic's and materialmen's liens.

Taxes:

- Tenant is responsible for all applicable possessory interest taxes or ad valorem taxes on the improvements.
- City of Highfill sales tax collection will not be required on XNA property after December 31st, 2030.

All agreements between the Authority and the successful proposer may require approval by the Federal Aviation Administration, and any and all contractual obligations are contingent upon such approval.

C. AIRPORT SECURITY REQUIREMENTS.

Before commencement of operations, the successful proposer will be required to schedule a meeting with XNA's Airport Security Coordinator or their designee to establish security expectations, badging needs, areas of access, and any driving/vehicle permit requirements. The successful proposer will be required to conduct all its activities at XNA in compliance with all security rules and regulations at XNA.

D. MISCELLANEOUS REQUIREMENTS.

In addition to other requirements and terms described elsewhere in this RFP, and in addition to other negotiated terms in the Agreement, the following will apply:

1. ACBDE Requirements.

In accordance with regulations of the U.S. Department of Transportation, 49 CFR Part 23, Subpart C, the Authority has implemented an Airport Concessions Disadvantaged Business Enterprise (ACDBE) concession plan under which qualified firms may have the opportunity to operate or participate in the operation of an airport business.

However, due to the current state of federal law regarding the legitimacy of this program nationwide, and in consideration of the Authority's grant assurances to the Federal Aviation Administration, the Authority currently does not require or enforce ACDBE goals or reporting requirements. The future implementation of this requirement is subject to change pending the ultimate resolution of various ongoing challenges in federal courts across the United States.

2. Insurance and Indemnification. The successful proposer will be required to meet the insurance requirements established by the Authority during the negotiation of

the Concession agreement with the successful proposer. For reference, the Authority's minimum insurance requirements are:

- a. Comprehensive commercial general liability with a limit of not less than \$1,000,000.00 per occurrence and no less than \$2,000,000.00 aggregate for bodily injury, including death resulting therefrom, personal injury, property damage and advertising injury;
- b. Business automobile liability with a limit of not less than \$1,000,000.00 per occurrence and no less than \$2,000,000.00 aggregate;
- c. Statutory workers compensation and employer's liability insurance with limits not less than \$1,000,000.00 for each sub-category of coverage; and
- d. Umbrella or excess liability coverage with a minimum limit of \$1,000,000.00 each occurrence and \$2,000,000.00 in the annual aggregate with coverage extending over primary commercial general liability, business automobile liability, and employer's liability.

It is anticipated that the coverage requirements for general liability insurance and umbrella/excess liability will be significantly greater than the Authority's above-stated minimum coverage amounts. Proposers should be aware that the Authority is a public corporation and enjoys statutory immunity under Arkansas law. Thus, while the proposer will be required to indemnify and hold the Authority harmless as to any damages or claims arising out of the operation of the Hotel, the Authority cannot and will not agree to indemnify the successful Proposer.

E. EVALUATION AND CRITERIA.

Proposals received in response to this RFP will be evaluated by Authority staff members. Staff will use the evaluation criteria summarized below and may utilize any information or other criteria they deem necessary as submitted by proposers.

1. Overall strength of the project team and brand partner;
2. Preferred site selection and preliminary concepts;
3. Operations and management plan(s);
4. Business and finance plan(s);
5. Experience and qualifications of the proposer;
6. Demonstrated familiarity of XNA, the Hotel location, and the surrounding environs; and
7. Interview and presentation (if applicable).

SECTION 4:
PROPOSAL CONTENT AND INSTRUCTIONS

Proposals shall be divided into the following six sections:

1. Cover Letter;
2. Proposed Project Team and Brand Partner;
3. Preferred Site Selection and Preliminary Concepts;
4. Operations and Management Plan;
5. Business and Financing Plan; and
6. Experience and Qualifications including relevant Work Precedents.

Each proposer shall submit five hard copies of its proposal, bound in a way that makes it easy to read. Additionally, each proposer shall submit a digital copy of the proposal on a USB flash drive, accompanied by an executed copy the certification form set out in Exhibit “C” hereto. Page sizes must be 8½” by 11”; provided, however, that drawings, renderings, or other similar material that would benefit from a larger page size may be on a page size of 11” by 17”, folded to 8½” by 11”.

Proposals must be received by the due date established in Section 1 of this RFP. IT IS A PROPOSER’S RESPONSIBILITY TO ENSURE THAT THE AUTHORITY HAS RECEIVED A SUBMISSION.

A. COVER LETTER.

Each proposer must submit a cover letter identifying (a) the proposer’s name, legal form, date of formation, information relating to the proposer’s size and history, along with biographical information of the proposer’s principal officers; (b) complete contact information for the proposer’s authorized representative; (c) a brief description of the proposed concept; and (d) such other information which the proposer deems significant to the reader’s general understanding of the proposal. The cover letter must be signed by an authorized representative of the proposer.

B. PROPOSED PROJECT TEAM AND BRAND PARTNER.

This section should contain all pertinent information regarding the proposed concept and design. At a minimum, this section must contain the following:

1. Proposed Development team members;
2. Proposed Architect & Interior Design team members;

3. Proposed Operations and Management team members;
4. Proposed Hotel Brand Partner or Franchise.

C. PREFERRED SITE SELECTION AND PRELIMINARY CONCEPTS.

1. Identify the Project Team's preferred Hotel site.
2. Identify how the Hotel would create a "sense of place" that fits within the context of the Airport campus and the Northwest Arkansas region;
3. Provide the target number of guest rooms ("key count") and preliminary room mix;
4. Provide information on the proposer's operation of the same or similar concept or brand at other airport locations (to include location, size, sales volume, etc.), how the proposal is similar to or differs from those other operations, and how XNA's market facilitates those similarities or differences;
5. Copies of published reviews and awards, if applicable;
6. A narrative description of the proposed hotel, including an explanation of significant design elements, guest amenities, and other notable programmatic items;
7. Preliminary concepts or precedent imagery to generally illustrate the Hotel's proposed architectural character, materiality, interior design motifs, color palettes, fixtures, finishes, and graphic identity;
8. A description of the proposed approach to food and beverage concepts;
9. A thorough description (including anticipated cost) of any modifications or improvements to XNA facilities in order to accommodate the proposed concept;
10. A Gantt-style schedule that defines preliminary design and construction schedule; and
11. Provide links to Brand Standards documentation, if available, including information regarding target STC & IIC ratings.

D. OPERATIONS AND MANAGEMENT PLAN.

Each proposal shall contain a section that describes the proposed operation, management, staffing, and marketing of the proposed concept. At a minimum, this section must contain the following:

1. Operations. Operations plans should address:
 - a. Delivery, storage, replenishment, and trash removal;
 - b. Plans for ensuring ongoing, high-quality operations, including employee training and cleanliness standards;

- c. Housekeeping schedules and staffing plans;
 - d. Reservations procedures;
 - e. Cash control systems;
 - f. Audit practices;
 - g. Approach and ability to ensure operation of the hotel during periods of inclement weather;
 - h. Any proposals requiring cross-coordination with existing Airport amenities (such as the use of hotel fitness center by users of the Airport's common use passenger lounge); and
 - i. Traffic Assumptions and Guest Drop Off Plans.
2. Management. Provide reference management plan information from existing or comparable facility addressing the following information:
- a. Description and experience of management team;
 - b. Proposed staffing schedule(s) during both peak and off-peak hours;
 - c. Recruitment and training practices;
 - d. Liquor control practices;
 - e. Food safety practices;
 - f. Employee incentive programs (if any); and
 - g. Dress code requirements;
3. Marketing and Promotion. Proposers should include marketing plans that address:
- a. The analysis utilized in the selection of room mix, room furnishings and layout, food and beverage menu items, and concepts employed in the proposal;
 - b. The methods to be used to gauge customer satisfaction;
 - c. Process and philosophy on dealing with customer complaints; and
 - d. Digital marketing and social media strategies.

E. FINANCIAL INFORMATION.

Each proposal shall contain a thorough description of all business and financial matters regarding the proposal, to contain the following:

1. A detailed business and financial plan for the Hotel;
2. Expected development and construction costs;
3. Anticipated annual gross revenue generated by the Hotel;
4. The timing and anticipated cost of any mid-term refurbishments to the Hotel, along with a description of potential refurbishment items;
5. The amount the proposer expects to spend on annual upkeep (in \$/Sq. Ft.).
6. The amount (expressed in whole dollars) the proposer expects to spend each month on operating expenses, to include an itemization of such expenses; and
7. A description of the model by which the proposer will compensate the Authority during the term of the concession agreement, whether by MAG/percentage of sales or otherwise, together with any short-term concessions or incentives requested of Authority.

Proposers are free to include other financial metrics that would be relevant to an understanding of the financial viability of the proposal. However, the foregoing factors are required and should be set out in order in the proposal.

F. EXPERIENCE AND QUALIFICATONS.

Each proposal shall contain a section that fully and fairly describes the proposer's experience and qualifications to be selected as the Concession operator, to specifically include information on the following:

1. Any experience in development and design of a Hotel within the 15-year period immediately preceding the submission of the proposal;
2. Any experience with the proposed concept, including data to support the success of the proposed concept;
3. The experience of the management team members that will be responsible for operating the Hotel;
4. A list of any ground leases where the proposer has been a tenant and has been terminated for cause or declared in default within the 10-year period immediately

preceding the submission of the proposal, unless termination or default was withdrawn in your favor; and

5. A list of leases, agreements, loans, or other contractual obligations with any landlord or creditor where the proposer presently has delinquent debts or arrearages.

SECTION 5:
MISCELLANEOUS NOTICES AND INFORMATION

A. TITLE VI SOLICITATION NOTICE.

The Northwest Arkansas Regional Airport Authority, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4), 28 CFR § 50.3, and 49 CFR Part 21, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, all contractors will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of the owner's race, color, national origin, sex, creed, age, or disability in consideration for an award.

B. EQUAL EMPLOYMENT OPPORTUNITY.

The Authority is an equal employment opportunity organization, which does not discriminate on the basis of race, religion, color, sex, age, marital status, national origin, or the presence of any sensory, mental, or physical disability in consideration of a contract award. The successful proposer will be required to comply with all federal, state, and local laws and regulations.

C. OPEN RECORDS AND CONFIDENTIALITY.

The Authority is a public corporation and is subject to the Arkansas Freedom of Information Act ("FOIA"), and upon receipt of a valid request made under FOIA, the Authority may be required to disclose copies of proposals submitted in response to this RFP. The Authority shall promptly notify a proposer if it receives a request under FOIA that would require it to produce financial information relating to a proposer or its proposal, and shall timely assert, for itself or on behalf of a proposer, any exemption to FOIA the Authority believe may apply to prevent or limit disclosure of such financial information. However, in the event the Authority believes no exemption applies, or if a requesting party pursues or threatens to pursue a lawsuit to enforce its request over any exemption asserted on a proposer's behalf, proposers are hereby notified that the Authority will comply with FOIA and a proposer may, at its expense, assert or defend on its own behalf any FOIA exemption it believes applies to the requested documents.

D. MANDATORY FEDERAL PROVISIONS.

Certain provisions mandated by federal law apply to this procurement and are attached hereto as Exhibit "D" and are incorporated herein by reference.

EXHIBIT "A"

HOTEL SITE LOCATIONS

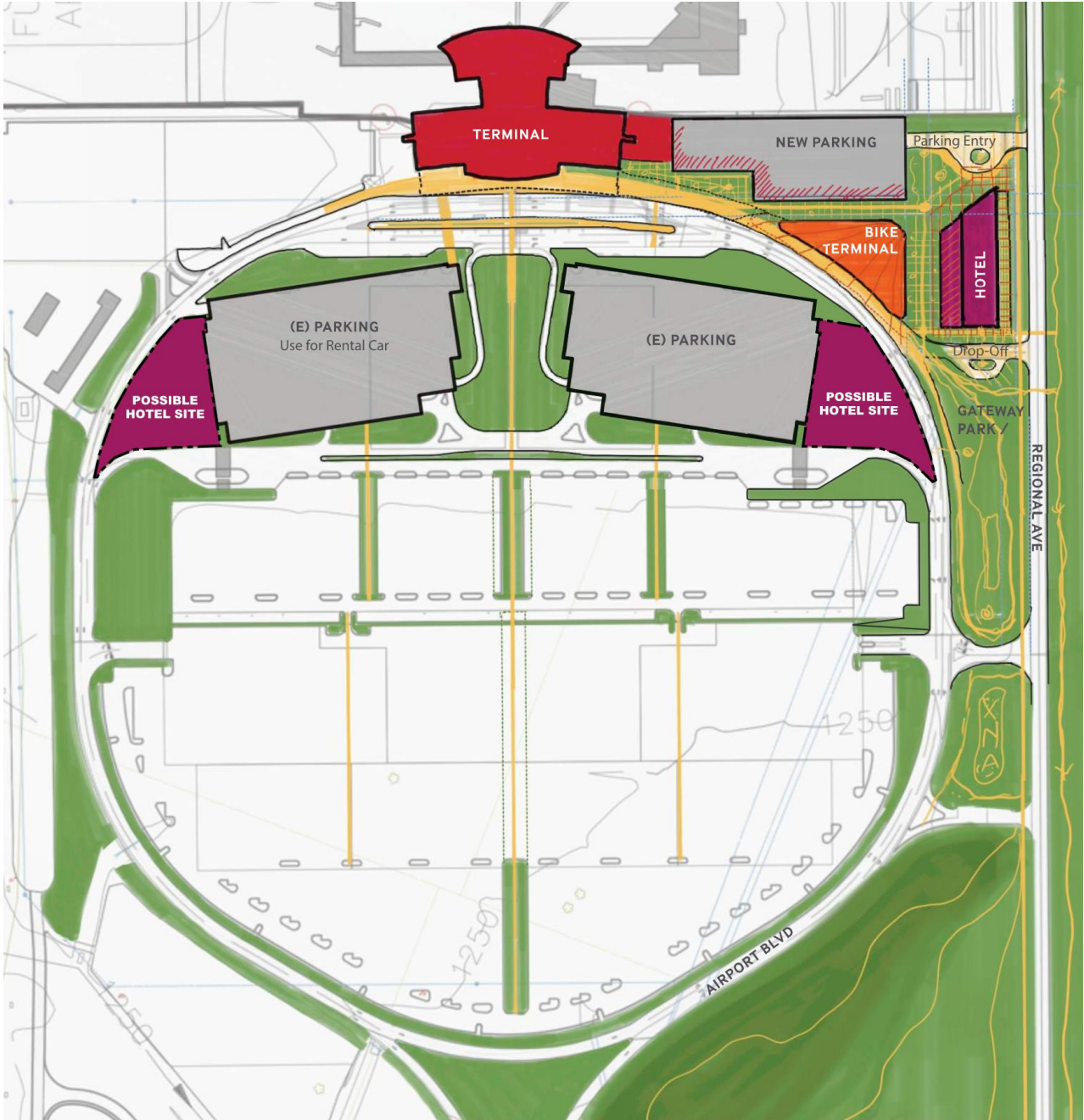


EXHIBIT “B”

HOTEL FEASIBILITY STUDY

DPC Hospitality

Professionals in Advisory and Valuation



Market Study for the Proposed
Select-Service Hotel

Prepared for:
Northwest Arkansas National Airport

August 15, 2022



August 15, 2022

Mr. Andrew Branch
Northwest Arkansas National Airport
One Airport Blvd., Suite 100
Bentonville, AR 72713

Re: Market Study for Proposed Select-Service Hotel at the Northwest Arkansas National Airport

Mr. Branch:

We have completed our analysis of the hotel market surrounding the Northwest Arkansas National Airport (XNA), and the addition of a nationally-branded, select-service hotel with approximately 120 units. The conclusions reached are based upon our present knowledge of the competitive market area resulting from our fieldwork completed on May 13, 2022.

As in all studies of this type, the estimated results are based upon competent and efficient management and presume no significant change in the competitive position of the hotels from that as set forth in this report. The terms of our engagement are such that we have no obligation to revise this report to reflect events or conditions that occur subsequent to the date of the completion of our fieldwork. The estimates of property performance are based on an evaluation of the present general level of the area's economy and make no provision for the effect of any sharp rise or decline in local or general economic conditions.

In summary, it is our opinion that there will likely be market justification for developing a nationally-branded, select-service hotel with approximately 120 units, as described in this report. Our conclusions for the subject-proposed hotel are summarized as follows:

Performance Summary			
	2024	2025	2026
Units	120	120	120
Stabilized Occupancy	61%	68%	69%
Average Daily Rate	\$160.00	\$169.75	\$176.50
Rooms Revenue	\$4,275,000	\$5,055,000	\$5,334,000
Net Operating Income	\$1,360,000	\$1,701,000	\$1,762,000

Economic Summary

The State of Arkansas is located in the South-Central United States and is bordered by Missouri, Tennessee, Mississippi, Louisiana, Texas, and Oklahoma. Arkansas is the 29th largest, by area, and the 34th most populous state, with a population of just over three million according to the 2020 Census. The capital and most populous city in Arkansas is Little Rock, which is located in Central Arkansas, a hub for transportation, business, culture, and government. The subject market is located in Northwest Arkansas, which is a population, education, and economic center.

Northwest Arkansas (NWA) is a defined metropolitan statistical area located in the Ozark Mountains that comprises Benton, Washington, and Madison counties. The MSA includes four of the ten largest cities in the state: **Fayetteville, Springdale, Rogers, and Bentonville**, and then a smaller but significant town called **Siloam Springs**. As of 2020, NWA had over 546,000 residents, ranking it the 105th most populous metropolitan statistical area (MSA) in the U.S. and the 13th fastest growing. From 2020 to 2021, the MSA added another 14,000 people, pushing the population over 560,000.

The growth of Northwest Arkansas has been driven by three Fortune 500 companies based in the region: **Walmart (Fortune 1), Tyson Foods (73), and J.B. Hunt Transport Services, Inc. (315)** as well as numerous suppliers and vendors drawn to the region by these large businesses and NWA's business climate. There are also several large private employers like **Simmons Foods** in nearby Siloam Springs. The following table lists the largest private sector employers in Northwest Arkansas.

Major Private Sector Employers - Northwest Arkansas		
Company	Industry / Product	Employees
Walmart, Inc.	Retail	7,500+
Tyson Foods, Inc.	Food Processing	7,500+
J.B. Hunt Transport Services, Inc.	Motor Freight Carrier	5,000-7,499
Simmons Foods, Inc.	Food Processing	2,500-4,999
George's, Inc.	Poultry Processing & Packaging	2,500-4,999
Harp's Food Stores, Inc.	Grocery/Pharmacy	2,500-4,999
Arvest Bank Group, Inc.	Finance/Banking	2,500-4,999
Washington Regional Medical Center	Healthcare	2,500-4,999

Source: Arkansas Economic Development Commission, Q4 2020

Walmart, Inc. and the Walton family's impact on Northwest Arkansas is especially profound. Based in Bentonville, Walmart is the world's single largest company by revenue, with about \$570 billion in annual revenue, according to the Fortune Global 500 list in May 2022. It is also the largest private employer in the world with 2.3 million employees. Walmart is a publicly traded, family-owned business, as a majority of the company's stock is controlled by the Walton family. The Walmart headquarters generates abundant employment opportunities and attracts talent from

all over the nation and beyond. Over 1,400 Walmart suppliers have a presence in Northwest Arkansas, most of which are within 30 miles of Walmart's home office.

Prior to COVID-19, Walmart would routinely bring in around 2,000 employees from operations all around the world to Northwest Arkansas every year to attend the week-long Walmart Shareholder's Meeting and celebrations, which generates significant demand for local lodging facilities. Looking forward, a hybrid of remote and in-person meetings might be adopted, but Walmart's annual shareholder meeting will remain a major event for the region.

Not only does Walmart largely shape the region's economy, its founding family, the Walton family, has been transforming NWA's infrastructure, arts and culture scene as well as recreation facilities through its philanthropic arm, the **Walton Family Foundation**. Examples of their contribution include the **Crystal Bridges Museum of American Art** in Bentonville, the **Walmart Arkansas Music Pavilion** in Rogers, the **Northwest Arkansas Razorback Regional Greenway**, and the **WOKA Whitewater Park** set to open in 2023 in Siloam Springs.

The combination of abundant job opportunities, low cost of living, and high quality of life have attracted an inflow of professionals and remote workers, which boosted the development of wealthy enclaves, such as Pinnacle in Rogers, and other high-quality developments. Northwest Arkansas is well on its way to become the next urban juggernaut.

Northwest Arkansas also showed great resilience to the national economic downturn caused by the COVID-19 pandemic. The region's unemployment rate peaked at 7.4% in April 2020, but was quick to recover and averaged at 4.6% annually. By December 2021, the unemployment rate had dropped to 1.9%, averaging 2.9% annually. The number of Northwest Arkansas business establishments grew by 388 in 2020 despite the pandemic and has grown by 1,804 since 2015.

Transportation

Surface Transportation. The region is mainly served by Interstate 49 (I-49), which runs north-south and connects Bentonville, Rogers, Springdale, and Fayetteville. This section of the highway was widened to 6 lanes in 2017, which enhanced the transportation connection between the cities, increased capacity, and improved traveler safety. Other major highways that serve the area include US-62, US-71, US-71B, and US-412B.

Aviation

The region's main airport is **Northwest Arkansas National Airport**, often referred to by its IATA code **XNA**. It is located in Highfill, Arkansas, 13 miles southwest of Bentonville and 20 miles northwest of Fayetteville. Opened in 1998, XNA was built to accommodate the growing traffic in the region, replacing the older Drake Field

Airport in Fayetteville. XNA currently serves 23 major domestic destinations (non-stop) via 6 airlines. In 2019, prior to the COVID-19 pandemic, over 1,846,000 passengers used the airport. In 2020, at the height of the pandemic, the number of total passengers plummeted to just over 721,000, but by the end of 2021, it had recovered to 1,234,000, approximately 67% of that in 2019. The first five months of 2022 recorded 635,000 total passengers, an 85% increase over the same period in 2021. Several renovation and expansion projects at the airport have begun or have been approved including, but not limited to, a second concourse, a skybridge, a new control tower, and a new connector road. Timelines for project completion range from 2024 to 2028.

Tourism

The Northwest Arkansas region is known for its natural environment and outdoor recreation. **Hobbs State Park – Conservation Area**, the largest state park in Arkansas, is located less than 30 miles east of XNA. The most popular water destination, **Beaver Lake**, is just north of Hobbs State Park. Another popular outdoor destination, the **Devil’s Den State Park**, is located 47 miles south of XNA. Travelers to this area can enjoy a plethora of outdoor activities such as hiking, camping, climbing, floating, fishing, birdwatching, and cycling.

Boasting 484 miles of trails, including 322 miles of natural-surface trails and 162 miles of multi-use paved paths, Northwest Arkansas has something for cyclists of all levels. To seamlessly connect cycling and other outdoor activities with people’s lives, the **Northwest Arkansas Razorback Regional Greenway** was dedicated in May 2015. It is a 37-mile long, primarily off-road, shared-use trail that connects Walker Park in Fayetteville to north of Lake Bella Vista, while also serving schools, hospitals, businesses, historic sites, residential communities, shopping areas, and other cultural amenities along the route.

In addition to outdoor adventures, the region also offers plenty of indoor attractions, including historic sites, museums, and entertainment venues. For example, the 1.2-billion-dollar **Crystal Bridges Museum of American Art** displays five centuries of American art. **The Momentary** is a contemporary art museum and event space which includes galleries, Theater and Concert Spaces, Black Box Theater, Momentary Green, Festival Stage, Culinary Experiences and a Tower Bar. **The Museum of Native American History** houses over 10,000 of the finest Native American artifacts and is recognized as a thriving cultural center representing indigenous communities through storytelling, song, art, language, dialogue and more. Additionally, **The Walmart Museum** encapsulates the origin and growth of the nation’s largest corporation.

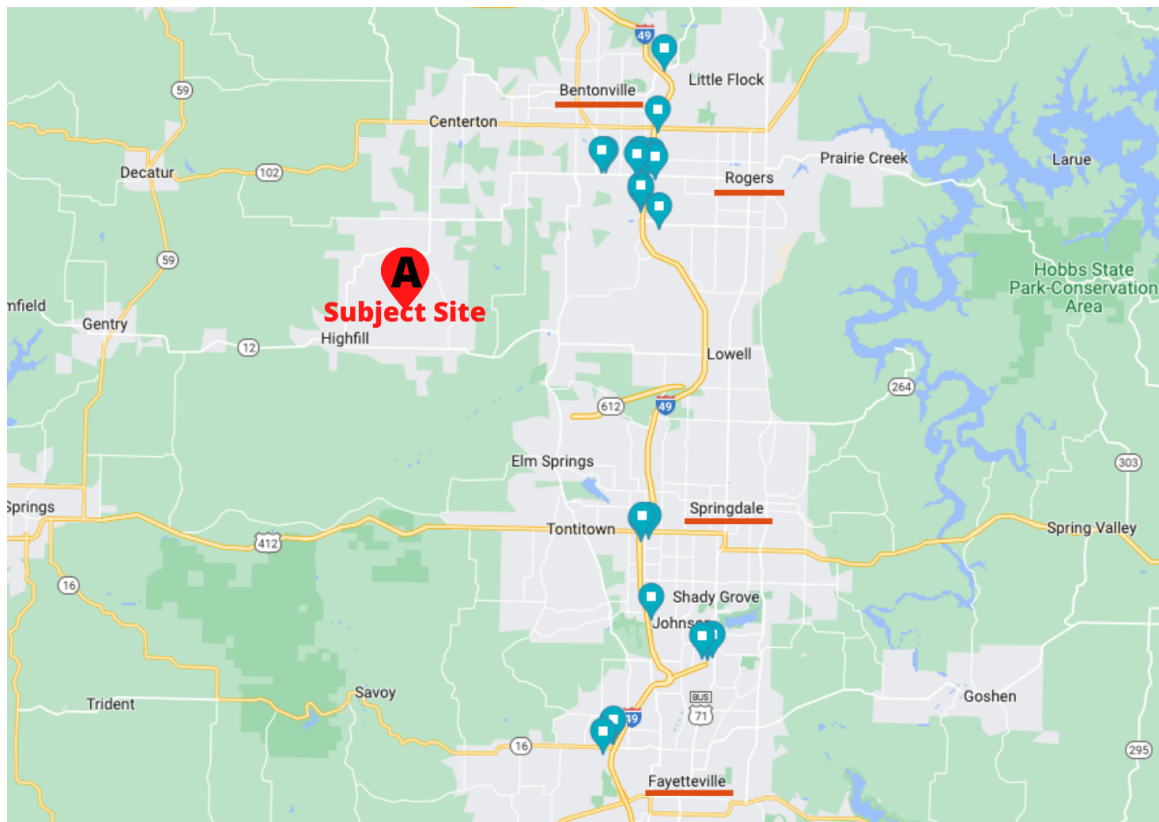
Higher Education

The University of Arkansas located in Fayetteville is the flagship of the University of Arkansas System and the largest university in Arkansas. The university campus consists of 378 buildings spread across 512 acres of land in the heart of Fayetteville.

It comprises 10 colleges and schools and offers more than 240 academic programs, including the nationally competitive Sam M. Walton College of Business and the newly established School of Art, made possible by a \$120 million gift from the Walton Family Charitable Support Foundation. The university has approximately 27,000 students representing 50 states and more than 120 countries. Enrollment for the fall semester of 2021 was 29,068. The university has 19 athletic teams competing at the highest level of NCAA competition in the SEC, which equates to more than 200 sporting events on campus every year. The presence of a strong higher-education institution greatly benefits the local economy by providing an educated workforce and attracts talented individuals from across the nation and the world who add to demand for local businesses, including hotels.

Project Description
Proposed Site

The following map shows the location of XNA in relationship to the major cities and competitive hotels on the north-south I-49 corridor. Travelers to proposed hotel will find their way to XNA via published routes. While a specific site has not yet been identified, it will be on airport property and will be connected to the air terminal, making it convenient for air passengers who are leaving, arriving, or stranded for weather.



Regarding site area, the site plan envisioned for the hotel will only require the foot print of the tower, covered porte-cochere, and required fire lanes. Not contemplated in the proposed site plan is guest parking, which will be accommodated in the nearby parking structure owned and managed by the airport.

Proposed Hotel

Plans call for the proposed hotel to be a nationally-branded, select-service hotel with approximately 120 guestrooms and suites. Such hotels are typically equipped with an on-site restaurant and bar, which we rate necessary to this project since no other food and beverage options exist outside the airport.

Nationally-branded, select-service hotels are well represented in the cities such as Bentonville, Rogers, Springdale, and Fayetteville, yet do not exist within a 10-mile radius of XNA. For the purpose of our pro forma, we recommend any of the following national brands based on the strength of their reservation system and reputation among frequent travelers:

- Hilton Garden Inn
- Courtyard by Marriott
- Hyatt Place

Considering typical standards of the aforementioned hotel brands and the specific demands of the market, we recommend the following amenities for the proposed hotel:

- King Rooms (60%) and Double Queen Rooms (40%)
- 10% of the rooms with sitting areas labeled as suites
- Work space with ergonomic chair and well-placed power outlets
- A fitness center with cardio and resistance equipment
- A 24/7 lobby sundry shop offering snacks, beverages, etc.
- A business center with a network printer and mailing supplies
- Reliable high-speed Wi-Fi
- Divisible meeting room capable of seating up to 100 in a classroom configuration and up to 60 people in banquet configuration, with state-of-the-art AV equipment
- Guest laundry room

Missing from this list is a swimming pool and hot tub, as guests of this hotel will not likely use them.

Summary of Hotel Market Supply

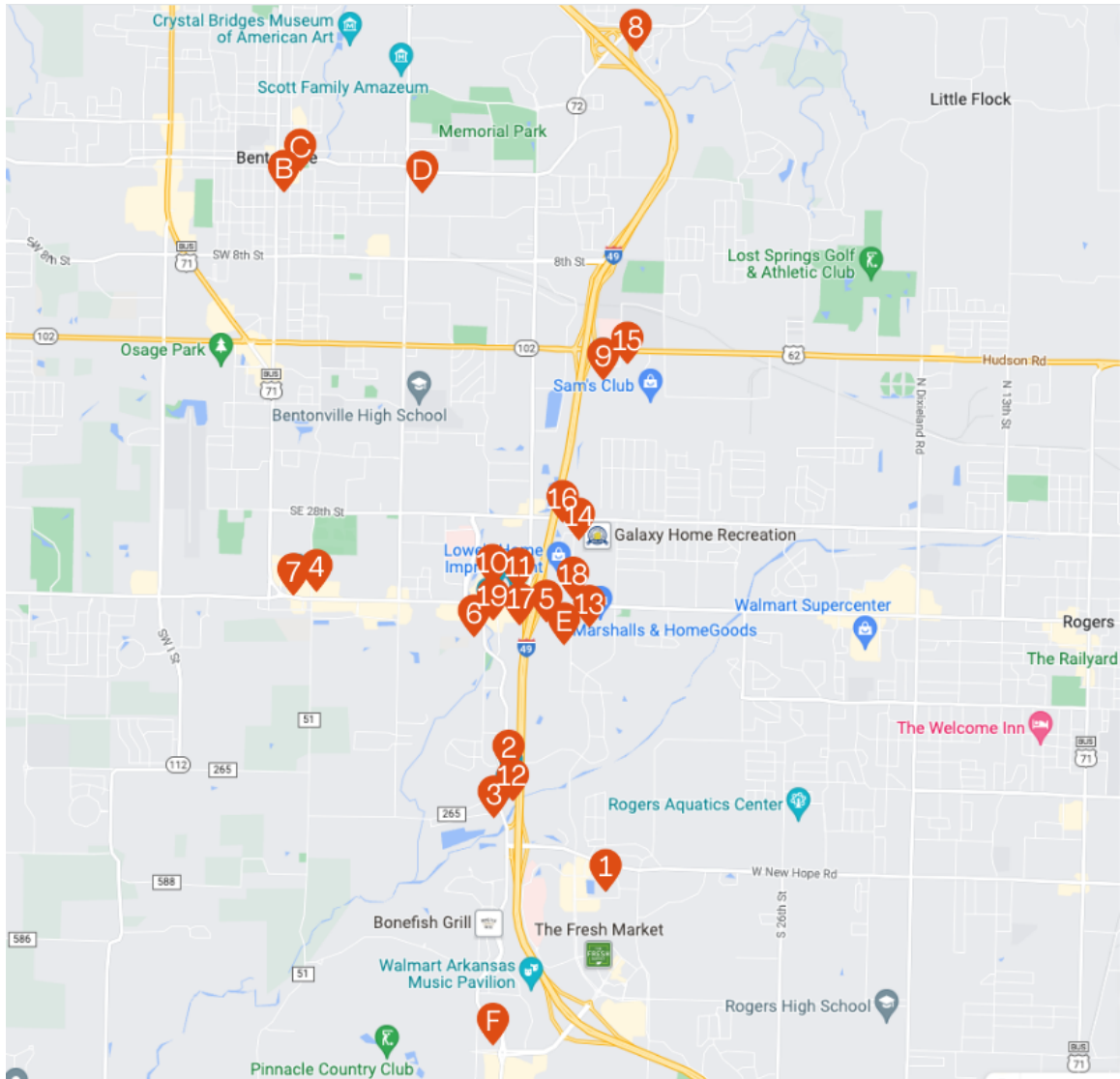
For the lack of competitive hotels in the immediate vicinity of XNA, the proposed hotel will compete in varying degrees with similarly priced hotels in nearby cities. We identified 19 hotels in the Bentonville-Rogers area and 15 hotels in the

Fayetteville-Springdale area that are currently accommodating guests who would potentially choose the hotel proposed for XNA based on price point and service level, if they had reason to stay near the airport. A summary of these competitive hotels and north facing maps are presented on the following pages. These hotels consist of limited-service, select-service, extended-stay hotels, and one full-service hotel.

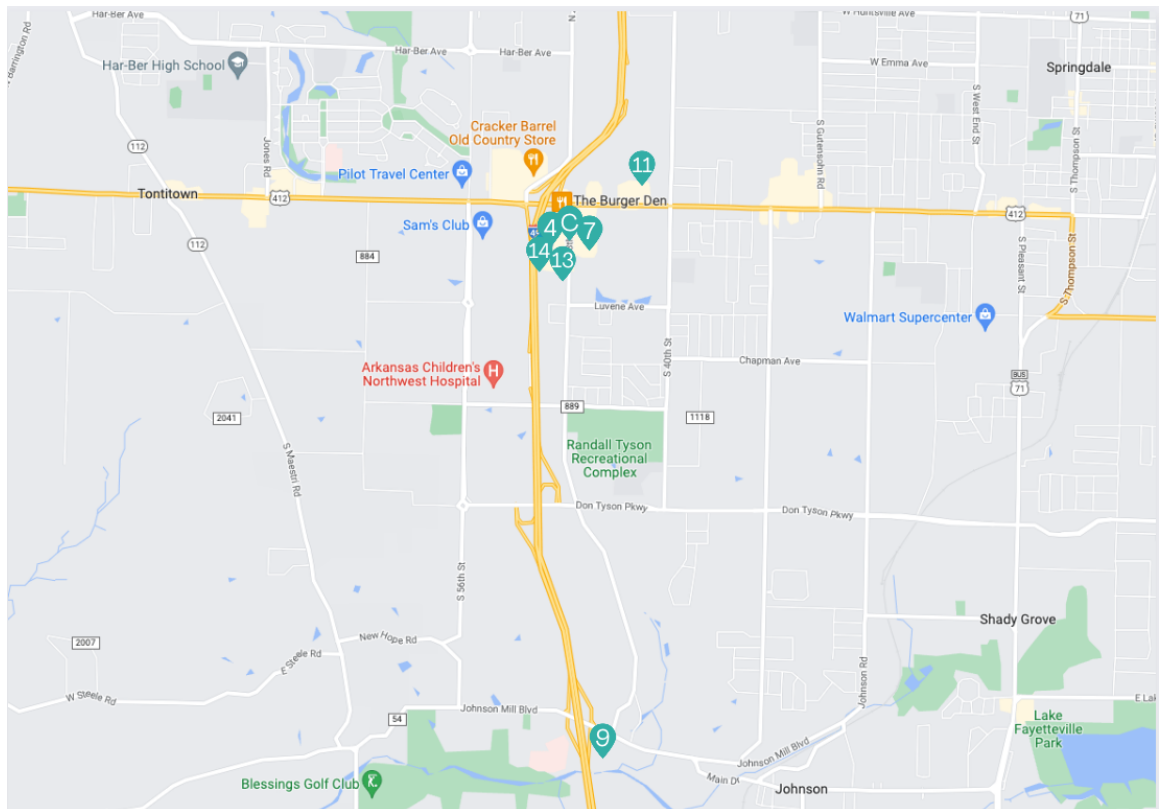
We also accounted for several new hotels that are either under construction or in various stages of planning, which will increase supply by a significant amount. It has been our experience that hotels with accumulated deferred maintenance quickly become obsolete and therefore less competitive as newer hotels open. We have therefore considered the age and condition of each competitive hotel and estimated the likelihood that some will no longer be considered competitive by the time the proposed XNA hotel opens. Our assumptions are detailed in the following tables.

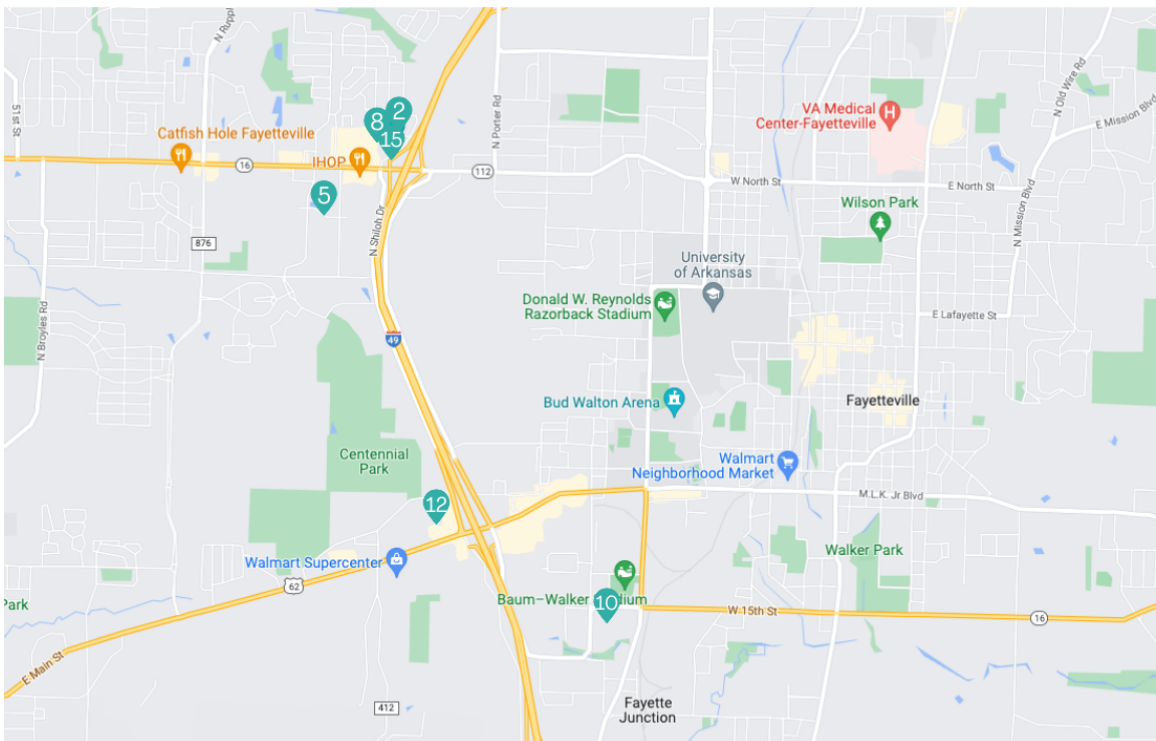
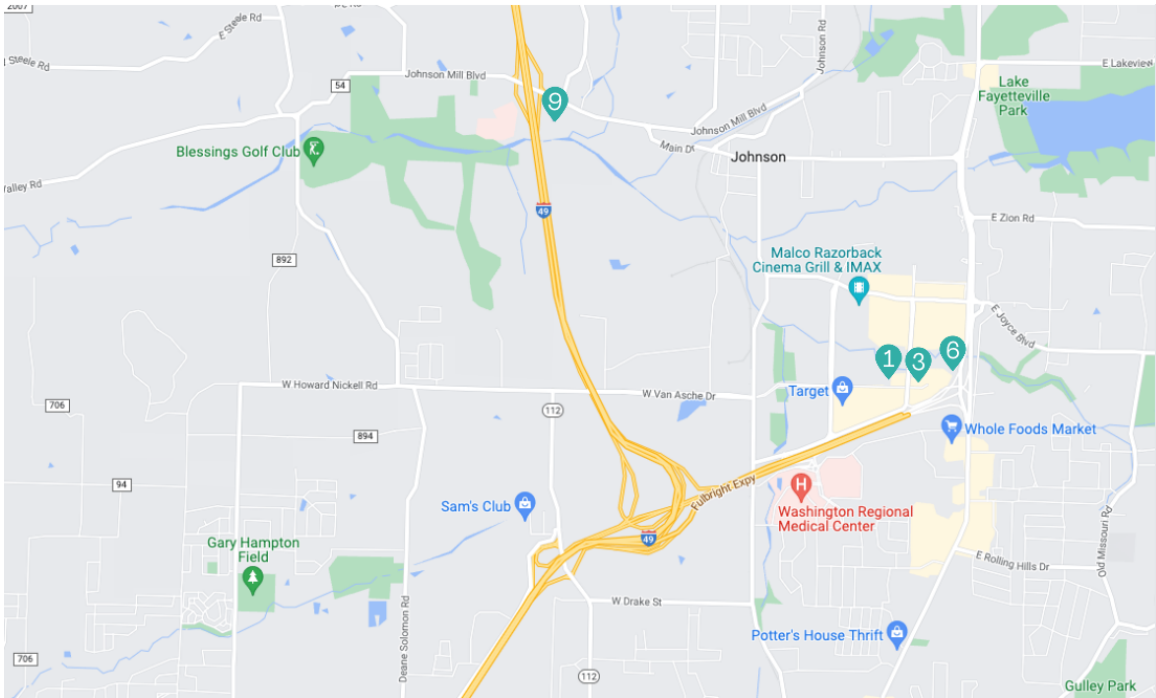
A detailed listing of the competitive hotels is also provided in **Exhibit A-2 and A-3**.

SUMMARY OF COMPETITIVE HOTELS				
Bentonville - Rogers				
Properties	Rooms	Year Opened	Property Type	Affiliation
Select-Service and Full-Service				
1 Courtyard Bentonville Rogers Promenade	122	Oct 2019	Select Service	Marriott
2 Aloft Hotel Rogers-Bentonville	130	2008	Select Service	Marriott
3 Holiday Inn & Suites Bentonville - Rogers	127	2008	Select Service	IHG
4 DoubleTree by Hilton Suites Bentonville Rogers	140	2008	Full Service	Hilton
5 Hyatt Place Rogers Bentonville	103	2002	Select Service	Hyatt
6 Hilton Garden Inn Bentonville Rogers	133	2000	Select Service	Hilton
7 Four Points by Sheraton Bentonville	75	1998	Select Service	Marriott
8 Courtyard Bentonville	90	1996	Select Service	Marriott
Limited-Service and Extended-Stay				
9 Home2 Suites by Hilton Bentonville Rogers	119	Aug 2021	Extended Stay	Hilton
10 Avid Bentonville - Rogers	87	Sep 2020	Limited Service	IHG
11 Element Bentonville	107	May 2019	Extended Stay	Marriott
12 Staybridge Suites Bentonville - Rogers	83	2007	Extended Stay	IHG
13 Homewood Suites by Hilton Bentonville Rogers	126	2006	Extended Stay	Hilton
14 Residence Inn Rogers	88	2003	Extended Stay	Marriott
15 TownePlace Suites Bentonville Rogers	78	2003	Extended Stay	Marriott
16 Fairfield Inn & Suites Bentonville Rogers	99	2002	Limited Service	Marriott
17 SpringHill Suites Bentonville	67	1999	Limited Service	Marriott
18 Hampton by Hilton Inn Bentonville/Rogers	122	1998	Limited Service	Hilton
19 Holiday Inn Express & Suites Bentonville	84	1997	Limited Service	IHG
Supply Change				
A Subject - Proposed Select-Service Hotel	120	2024	Select Service	n/a
B Motto by Hilton	175	2024	Limited Service	Hilton
C Downtown Boutique Hotel	142	2024	n/a	Independent
D AC Hotel	153	2024	Select Service	Marriott
E Tru by Hilton	90	2024	Limited Service	Hilton
F Tapestry by Hilton	141	2023	Select Service	Hilton
7 Four Points by Sheraton Bentonville	-75	1998	Select Service	Marriott
17 SpringHill Suites Bentonville	-67	1999	Limited Service	Marriott
18 Hampton by Hilton Inn Bentonville/Rogers	-122	1998	Limited Service	Hilton
19 Holiday Inn Express & Suites Bentonville	-84	1997	Limited Service	IHG
Total Hotel Rooms	2,453			



SUMMARY OF COMPETITIVE HOTELS				
Fayetteville - Springdale				
Properties	Rooms	Year Opened	Property Type	Affiliation
Select-Service and Full-Service				
1 Hyatt Place Fayetteville	107	Mar 2021	Select Service	Hyatt
2 Hilton Garden Inn Fayetteville	115	2014	Select Service	Hilton
3 Courtyard Fayetteville	114	2007	Select Service	Marriott
4 Holiday Inn Springdale Fayetteville Area	206	1989	Select Service	IHG
Limited-Service and Extended-Stay				
5 Avid hotel Fayetteville West	82	Sep 2021	Limited Service	IHG
6 Fairfield Inn & Suites Fayetteville	94	Jan 2019	Limited Service	Marriott
7 Home2 Suites by Hilton Springdale	119	Oct 2018	Extended Stay	Hilton
8 Homewood Suites by Hilton Fayetteville	96	2009	Extended Stay	Hilton
9 TownePlace Suites Fayetteville North/Springdale	92	2009	Extended Stay	Marriott
10 Staybridge Suites Fayetteville/Univ Of Arkansas	109	2008	Extended Stay	IHG
11 Fairfield Inn & Suites Springdale	74	2004	Limited Service	Marriott
12 Hampton Inn Fayetteville	95	2004	Limited Service	Hilton
13 Residence Inn Springdale	72	2001	Extended Stay	Marriott
14 Hampton by Hilton Inn & Suites Springdale	102	1995	Limited Service	Hilton
15 Holiday Inn Express & Suites Fayetteville-Uni Of Arkansas	109	1990	Limited Service	IHG
Supply Change				
A Subject - Proposed Select-Service Hotel	120	2024	Select Service	n/a
B Staybridge Suites Springdale	92	2023	Extended Stay	IHG
C Holiday Inn Express & Suites Springdale	85	2023	Limited Service	IHG
4 Holiday Inn Springdale Fayetteville Area	-206	1989	Select Service	IHG
14 Hampton by Hilton Inn & Suites Springdale	-102	1995	Limited Service	Hilton
15 Holiday Inn Express & Suites Fayetteville-Uni Of Arkansas	-109	1990	Limited Service	IHG
Total Hotel Rooms	1,466			





New Supply

In addition to the subject-proposed hotel (A), more hotels are expected to open in this market within the next three years. A 175-unit **Motto by Hilton (B)** and a 142-unit, full-service **boutique hotel (C)** are set to open their doors in Downtown Bentonville by the end of 2024. An **AC Hotel by Marriott (D)** with 153 units was also announced to be part of Walmart's new headquarters campus in Bentonville. A 90-unit **Tru by Hilton (E)** is under construction in Rogers near the existing Hyatt Place Rogers/Bentonville (5), and a 141-unit **Tapestry by Hilton (F)** is planned for the Pinnacle Hills Promenade area of Rogers.

In Springdale, a 92-unit **Staybridge Suites by IHG** is under construction according to Smith Travel Research, and an 85-unit **Holiday Inn Express (C)** is being built near W Sunset Avenue and Rieff Street, just west of the Lowe's Home Improvement in Springdale. Both hotels are likely to open in 2023.

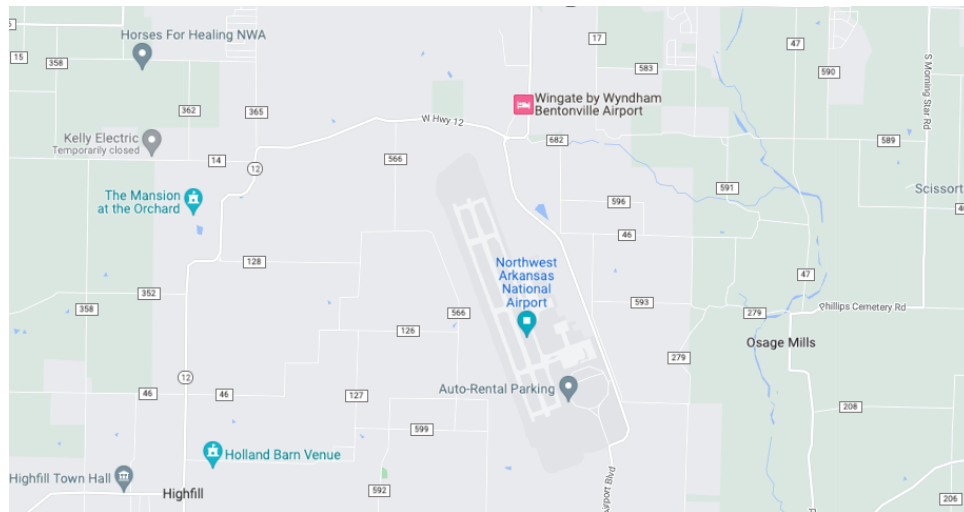
In total, seven hotels with 878 guestrooms are planned or under construction. In the event that additional hotels open, or any of the aforementioned hotels do not, the projections that follow could be affected.

Non-competitive Hotels

We excluded a number of economy hotels with weaker brands and accumulated deferred maintenance that are already performing well below the range of the competitive hotels. As such, we excluded them from the competitive analysis. We also excluded numerous luxury and larger group-oriented hotels, which were performing well above the likely price point of the proposed XNA Hotel.

Going forward, we observed a number of hotels that are older than 25 years, or will be when the new hotels open. It has been our experience that not all construction types and hotel designs are timeless in their appeal and eventually develop incurable obsolescence. When this happens, they lose their competitiveness to newer hotels. We have assigned this probability to seven hotels in the competitive set having 765 guestrooms.

As shown in the following map, there is a **Wingate by Wyndham** hotel located about three miles from the airport that opened in 2005 and suffers from accumulated deferred maintenance, which prevents it from achieving higher performance. While this hotel currently accommodates some air travelers for lack of better options, those who can afford a higher price point are likely choosing to stay in the nicer hotels further away. Said another way, the travelers likely to choose the subject-proposed hotel once it opens would not likely choose the Wingate.



Sources of Market Demand

Through our research of the competitive set and our observations of hotel operations in the market, we were able to develop the following analysis that quantifies the primary sources of demand for the combined competitive sets.

Market Demand Segmentation - Annual Occ'd Room Nights						
Northwest Arkansas (Bentonville, Rogers, Springdale, Fayetteville)						
Demand Segments	2018		2022		2027	
IBT	348,300	50%	302,000	40%	469,600	49%
Group	69,700	10%	75,500	10%	86,800	9%
Leisure	278,600	40%	377,500	50%	397,100	42%
Total	696,600	100%	755,000	100%	953,500	100%

Individual Business Travelers (IBT) demand is created when inter-office meetings such as training, installation, and strategy review need to occur in person. Business-to-business meetings also generate travel when new ideas are proposed and relationships are being formed. IBT has represented as much as 50% of the market demand prior to the pandemic. Thus far into the recovery, IBT has only recovered to approximately 40% as the delayed return to the office and the impact of video conferencing has slowed the return of business travel to previous levels. While the recovery in IBT demand has been slow, it has been steady and will likely return to dominance once attitudes toward in-person meetings overcomes the inconvenience of travel. One of the ways this will occur in this market will be the mixture of business and pleasure via extended trips.

Whereas **Leisure** travel used to be limited to the weekends and summers, and generally involved visiting friends and family for life events, or seeking recreational experiences, it also occurs in conjunction with business trips. Prior to the Pandemic, Leisure in this market was estimated to be 40%. Immediately following the pandemic, Leisure was the first demand segment to come back and is currently estimated to

represent 50% of total demand on an annual basis. As IBT demand continues its return to pre-pandemic levels, we estimate Leisure demand will land at 42%.

As most of the hotels in this competitive set have limited to no meeting space, their **Group** demand mostly includes social gatherings booked as a group and small business meetings. In totality, group demand represents approximately 10% of the demand accommodated by the competitive hotels. While Group demand dropped to zero during the pandemic, it will also return to previous levels once travel normalizes. We should also point out that four new wedding venues have opened within eight miles of XNA and will likely increase the demand for leisure travel as they have no on-site lodging facilities.

Wedding Venues Near XNA			
Name/Address	Capacity	Lodging	Miles from XNA
Holland Barn Venue 1045 W Holland Ave, Gentry, AR 72734	350 guests	None	5.6
The Mansion at the Orchard 14339 Pautsky Ln, Bentonville, AR 72713	120 guests	16 guests	5.8
Osage House 243 Pace Ln, Cave Springs, AR 72718	727 guests	None	7.2
The Barn at the Springs 5190 AR-112, Springdale, AR 72762	600 guests	None	6.1

Compiled by: DPC Hospitality

Competitive Set Historical Performance

DPC Hospitality assembled occupancy and ADR information for the competitive hotels for year-end 2018 through estimated year-end 2022. From 2018 to 2022, supply in the market increased at 6.3% per year from 2,790 guestrooms to 3,566 guestrooms, while demand increased at 2.0% per year despite the disproportional blow to the hospitality industry brought by the COVID-19 pandemic.

In 2018 and 2019, occupancies were over 68% while the ADRs were just under \$120. The impact from COVID-19 was acutely felt in 2020 as occupancy fell to 34.4% and ADR bottomed out at \$98.27. Fortunately, leisure demand has proved to be the first demand segment to recover and became one of the primary drivers of the competitive set. We expect the market occupancy to achieve 58% for year-end 2022, which means that overall demand expressed as occupied room nights increased at 2.0% per year to approximately 755,000, which is 98.5% of the previous high set in 2019. ADR will likely achieve \$112 by the end of 2022.

HISTORICAL MARKET CONDITIONS - ANNUAL ROOM NIGHTS						
Northwest Arkansas (Bentonville, Rogers, Springdale, Fayetteville)						
	2018	2019	2020	2021	2022	CAC*
Supply - Guestrooms	2,790	3,076	3,159	3,566	3,566	
Supply - Annual Rooms Nights (x 365)	1,018,350	1,122,740	1,153,035	1,301,590	1,301,590	6.3%
Demand						
I B T	348,300	383,400	79,300	265,500	302,000	-3.5%
Group	69,700	76,700	0	33,200	75,500	2.0%
Leisure	278,600	306,700	317,300	365,100	377,500	7.9%
Total Occupied Room Nights	696,600	766,800	396,600	663,800	755,000	2.0%
Occupancy	68.4%	68.3%	34.4%	51.0%	58.0%	
Average Daily Rate	\$118.93	\$119.48	\$98.27	\$102.16	\$112.00	-1.5%
Revenue per Available Room	\$81.35	\$81.60	\$33.80	\$52.10	\$64.97	-5.5%
Change in Supply	--	10.3%	2.7%	12.9%	0.0%	
Change in Demand	--	10.1%	-48.3%	67.4%	13.7%	

Future Estimated Market Supply and Demand

Our analysis of future supply is based on the net additions to the market, which include the subject-proposed hotel with 120 guestrooms opening in 2024, the addition of six new hotels that are either planned or under construction with 878 guestrooms, and the deletion of seven hotels with 765 guestrooms that are aging out, as previously discussed. These additions and deletions will likely occur between 2023 and 2024, but the net impact will be felt in 2024 as a net addition of 223 guestrooms representing an increase to supply of 6.5%, and 1.3% per year from 2022 to 2027.

FUTURE MARKET CONDITIONS - ANNUAL ROOM NIGHTS							
Northwest Arkansas (Bentonville, Rogers, Springdale, Fayetteville)							
	2022	2023	2024	2025	2026	2027	CAC*
Supply - Guestrooms	3,566	3,566	3,799	3,799	3,799	3,799	
Supply - Annual Rooms Nights (x 365)	1,301,590	1,301,590	1,386,635	1,386,635	1,386,635	1,386,635	1.3%
Demand							
Individual Business Traveler - Base	302,000	356,300	374,100	381,600	389,300	393,100	5.4%
Individual Business Traveler - Created	-	-	76,500	76,500	76,500	76,500	-
	302,000	356,300	450,600	458,100	465,800	469,600	9.2%
Group/Convention - Base	75,500	77,000	78,500	80,100	81,700	82,500	1.8%
Group/Convention - Created	-	-	4,300	4,300	4,300	4,300	-
	75,500	77,000	82,800	84,400	86,000	86,800	2.8%
Leisure - Base	377,500	377,500	381,200	385,000	388,900	392,800	0.8%
Leisure - Created	-	-	4,300	4,300	4,300	4,300	-
	377,500	377,500	385,500	389,300	393,200	397,100	1.0%
Total Occupied Room Nights	755,000	810,800	918,900	931,800	945,000	953,500	4.8%
Occupancy	58.0%	62.3%	66.3%	67.2%	68.2%	68.8%	-
Change in Supply	0.0%	0.0%	6.5%	0.0%	0.0%	0.0%	-
Change in Demand	13.7%	7.4%	13.3%	1.4%	1.4%	0.9%	-

As the market’s recovery from the COVID-19 induced trough was significant, we project the future market demand to continue improving and ultimately stabilize at approximately 69% occupancy by 2027, as shown in the proceeding table.

More specifically, the increases to “base” demand are the product of growth rates for each year and reflect the ongoing recovery in the market if there were no changes to hotel supply. Increases that result from “created” demand are derived by the

absorption of the net increase to supply for the room nights that are sold to guests who were previously displaced to non-competitive hotels during peak periods.

With respect to created demand, we estimate the net supply addition of 233 guestrooms to be completely absorbed in 2024 by guests who were previously being turned away from the competitive set during peak periods that will now be able to find a room in the competitive set. Because the Leisure segment has already come back and will likely remain at current levels, we applied 90% of created demand to IBT demand to reflect the delayed recovery of business travel that will likely resume during these years.

Estimated Penetration of the Proposed Hotel

The following table displays the room nights sold in the market, the fair share of room nights that could be occupied in the subject-proposed hotel, and our adjustments to its fair share based on its competitive advantages. As the subject-proposed hotel will be located at the airport, air travelers who arrive late at night or have early morning flights to catch will likely choose the subject-proposed hotel for its convenience. Some business travelers may also host their smaller meetings at the subject-proposed hotel for efficiency of time. Therefore, the subject-proposed hotel will achieve its highest penetration in the IBT segment stabilized at 120%. Meanwhile, Group travelers will likely seek hotels with more meeting space and Leisure travelers usually prefer hotels near points of interest and restaurants. The resulting occupancy for the subject-proposed hotel is calculated as finishing its first year at 61% and stabilizing at 69% in 2027, at approximately 100% of its fair share.

Proposed Select Service Hotel - XNA Airport - 120 Room									
Year	Market Segment	Estimated Market Demand	Fair Market Share ¹		Estimated Market Penetration ²		Occupancy		Average Room Rate Constant \$
			Percent	Demand	Percent	Demand	Market	Subject	
2024	IB T	450,600	3.2%	14,400	110%	15,800			160.00
	Group	82,800	3.2%	2,600	60%	1,600			145.00
	Leisure	385,500	3.2%	12,300	75%	9,200			135.00
	Total	918,900		29,300	91%	26,600	67%	61%	150.45
2025	IB T	458,100	3.2%	14,700	125%	18,400			160.00
	Group	84,400	3.2%	2,700	60%	1,600			145.00
	Leisure	389,300	3.2%	12,500	80%	10,000			135.00
	Total	931,800		29,900	100%	30,000	68%	68%	150.87
2026	IB T	465,800	3.2%	14,900	125%	18,600			160.00
	Group	86,000	3.2%	2,800	60%	1,700			145.00
	Leisure	393,200	3.2%	12,600	80%	10,100			135.00
	Total	945,000		30,300	100%	30,400	69%	69%	150.86
2027	IB T	469,600	3.2%	15,000	125%	18,600			160.00
	Group	86,800	3.2%	2,800	60%	1,700			145.00
	Leisure	397,100	3.2%	12,700	80%	10,200			135.00
	Total	953,500		30,500	100%	30,500	69%	69%	151.00

¹ Fair Market Share = 120 Units (Subject) divided by 3,799 Rooms (in the Market in 2024) = 3.2%

² Subject penetration into Market above 100% indicates Subject has competitive advantages.

In estimating the Average Daily Rate (ADR), we researched rack rates for each property of the competitive sets, which are presented in **Exhibit A-1 & A-2** in the addendum. Based on our observations of the market, we estimated the average rate anticipated for each demand segment, as shown in the previous table. IBT travelers, for example, will pay the highest rate in this market because they are the least price sensitive. Leisure travelers will pay the least due to lack of amenities nearby. Group travelers will lie in between. The following table calculates a weighted average based on our analysis stated in 2022 dollars. The following table uses an inflation rate of 4.0% per year to determine ADR in future dollars and the resulting rooms revenue.

Average Daily Rate and Rooms Revenues				
Fiscal Year	Occupancy	Average Daily Rate		Rooms Revenue
		2022 Dollars	Inflated	
2024	61%	\$151.00	\$160.00	\$4,275,200
2025	68%	\$151.00	\$169.75	\$5,055,155
2026	69%	\$151.00	\$176.50	\$5,333,830
2027	69%	\$151.00	\$183.75	\$5,552,925

Financial Pro Forma

Exhibit B, located in the Addendum, summarizes our departmental operating expenses for the proposed hotel. We consulted income and expense ratios for comparable hotels published by CBRE Hotels in their *2021 USA Trends in the Hotel Industry*. The data presented by CBRE Hotels is expressed in ratios to total revenue as well as dollars per available room. Exhibit C is expressed in 2022 dollars based on the stabilized occupancy that is estimated for 2026.

Exhibit C restates these stabilized estimates into stated year (inflated) dollars starting in 2024, making assumptions for operational inefficiencies that result from the early years that the hotel operates below the stabilized occupancy. While most of the budgeted line items in Exhibit C are based on national averages, further adjustments were made to reflect recent increases to labor and utility costs as well as the increased pace of inflation. The following table is stated using inflated dollars and summarizes all the analysis contained herein.

Summary Income Statement *				
	2024	2025	2026	2027
Occupancy	61%	68%	69%	69%
Average Daily Rate *	\$160.00	\$169.75	\$176.50	\$183.75
Rooms Revenue	4,275,000	5,055,000	5,334,000	5,553,000
Other Income	<u>723,000</u>	<u>837,000</u>	<u>884,000</u>	<u>919,000</u>
Total Revenues	4,998,000	5,892,000	6,218,000	6,472,000
Departmental Expenses	1,623,000	1,787,000	1,874,000	1,949,000
Undistributed Expenses	1,578,000	1,766,000	1,854,000	1,929,000
Other Fixed Expenses	337,000	461,000	479,000	494,000
Reserve for Replacement	<u>100,000</u>	<u>177,000</u>	<u>249,000</u>	<u>259,000</u>
Net Operating Income	1,360,000	1,701,000	1,762,000	1,841,000

* Inflated Dollars.

Return on Investment

Because the land for this project will be conveyed with a 49-year ground lease, we did not take into consideration any leverage on the project. Nor did we take into consideration the value of a future sale. Instead, our investment analysis, shown in **Exhibit D**, assumes contiguous ownership for the duration of the lease.

While the summary analysis in Exhibit D presents the first 10 years of operation, we have calculated the sum of all future potential distributions for the duration of the lease inflated at 4% per year, which exceeds \$216 million over 49 years. This includes an annual lease rate of \$50,000 per year paid to XNA. We then applied a 6% discount rate to calculate the net present value of the future potential distributions, which equaled \$48.7 million and is 2.6 times the original cost to develop the hotel.

Limiting Conditions

The conclusions in this report are based upon review of published information and information provided by the general managers and/or owners at the competing hotels and an analysis of historical market area data. The report is based on estimates, assumptions, and other information developed from our analysis of the local hotel market area and characteristics of the proposed property. Since the projections in this letter are based upon estimates and assumptions, which inherently are subject to uncertainty and variation depending upon evolving events, we do not represent them as results that will actually be achieved.

WE MADE NO ATTEMPT TO CERTIFY THE ESTIMATES OF PROJECT COSTS AND HAVE NO OPINION ON THEIR VALIDITY. IN ORDER TO RELY ON THE RESULTING ESTIMATES OF CASH-ON-CASH RETURN OR INVESTMENT MULTIPLE, POTENTIAL INVESTORS MUST CONDUCT THEIR OWN INVESTIGATION AS TO THE RELIABILITY AND COMPLETENESS OF THE COSTS OF DEVELOPING THIS HOTEL.

This report has been prepared primarily for your use and guidance in determining the risk in developing the proposed property. As is customary in assignments of this

nature, neither our name nor the material submitted may be included in any prospectus, in newspaper publicity, or as part of any printed material; or used in public offerings or representations in connection with the sale of securities to the general public. You may, however, include this document in a private placement memorandum that is directed to qualified investors.

DPC Hospitality – Qualifications

DPC Hospitality is a hotel, tourism, and real estate-oriented consulting and advisory firm. We have developed a wide range of expertise that includes limited-service hotels, extended-stay hotels, convention and full-service hotels, and resorts. The principals of DPC Hospitality have completed over 500 combined hotel consulting and valuation assignments located across the United States.

The President of DPC Hospitality, David Parker, has over 30 years of experience in the hotel industry, including more than 25 years in hotel consulting and development. Prior to forming DP Consulting in 2001, Mr. Parker was employed by PKF Consulting for nearly a decade, where he developed numerous methodologies for collecting market information on hotels and meeting facilities and developed multiple modeling techniques for projecting utilization, income, and expense. The company name was changed in 2018 to DPC Hospitality when Christian Abbate was added as a partner.

Senior Vice President Christian Abbate has nearly 15 years of experience in the hospitality industry, including more than 10 years in hospitality advisory and consulting. Prior to joining DPC Hospitality, Mr. Abbate served nearly 11 years in various roles including Director at CBRE Hotels and Vice President at PKF Consulting. Mr. Abbate's previous experience also includes management positions with Accor Hotels, and Hilton Hotels.

DPC Hospitality has completed numerous hospitality projects, a summary of which are listed in **Exhibit E** in the Addendum.

We would be pleased to hear from you if we may be of further assistance in the interpretation and application of our findings and conclusions. We express our appreciation to you and your associates for the cooperation extended to us during the course of this assignment.

Sincerely,



David Parker



Addendum

- Competitive Hotels – Exhibits A-1 and A-2**
 - Financial Pro Forma – Stabilized Year – Exhibit B**
 - Financial Pro Forma – 2024 to 2033 – Exhibits C-1 and C-2**
 - Return on Investment – Exhibit D**
 - Projects Completed by DPC Hospitality – Exhibit E**
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SUMMARY OF COMPETITIVE HOTELS

Bentonville - Rogers

Exhibit A-1

Properties	Rooms	Year Opened	Age (Yrs)	2022 Rack Rates ¹		Property Type	STR Chain Scale	Affiliation	Miles from Subject	Amenities ²
				Weekday	Weekend					
Select-Service and Full-Service										
1 Courtyard Bentonville Rogers Promenade 4201 W Green Acres Rd, Rogers	122	Oct 2019	3	\$107-\$233	\$188-\$269	Select Service	Upscale	Marriott	10.9	FB, SP, FC, MR, LF
2 aloft Hotel Rogers-Bentonville 1103 S 52nd St, Rogers	130	2008	14	\$116-\$294	\$251-\$259	Select Service	Upscale	Marriott	11.2	FB, SP, FC, MR, LF
3 Holiday Inn & Suites Bentonville - Rogers 1803 S 52nd St, Rogers	127	2008	14	\$131-\$191	\$167-\$207	Select Service	Upper Midscale	IHG	11.7	FB, SP, FC, MR, LF
4 DoubleTree by Hilton Suites Bentonville Rogers 301 SE Walton Blvd, Bentonville	140	2008	14	\$127-\$290	\$209-\$238	Full Service	Upscale	Hilton	10.2	2FB, SP, FC, MMS
5 Hyatt Place Rogers Bentonville 4610 W Walnut St, Rogers	103	2002	20	\$130-\$159	\$130-\$299	Select Service	Upscale	Hyatt	11.5	FHB, FB, SP, FC, MR
6 Hilton Garden Inn Bentonville Rogers 2204 SE Walton Blvd, Bentonville	133	2000	22	\$105-\$165	\$192-\$211	Select Service	Upscale	Hilton	11.2	FB, SP, FC, MR
7 Four Points by Sheraton Bentonville 211 SE Walton Blvd, Bentonville	75	1998	24	\$119-\$189	\$249-\$369	Select Service	Upscale	Marriott	10.1	FHB, FB, SP, FC, MMS, LF
8 Courtyard Bentonville 1001 McClain Rd, Bentonville	90	1996	26	\$107-\$213	\$188-\$213	Select Service	Upscale	Marriott	15.4	FB, SP, FC, MR, LF
Limited-Service and Extended-Stay										
9 Home2 Suites by Hilton Bentonville Rogers 3100 SE E Pointe Ave, Bentonville	119	Aug 2021	1	\$132-\$158	\$190-\$200	Extended Stay	Upper Midscale	Hilton	13.1	FHB, FK, SP, FC, MR, LF
10 Avid Bentonville - Rogers 3402 Medlin Ln, Bentonville	87	Sep 2020	2	\$108-\$179	\$130-\$151	Limited Service	Midscale	IHG	11.2	CB, SP, FC
11 element Bentonville 3401 Medlin Ln, Bentonville	107	May 2019	3	\$103-\$184	\$179-\$289	Extended Stay	Upscale	Marriott	11.2	FHB, FK*, SP, FC, MR, LF
12 Staybridge Suites Bentonville - Rogers 1801 S 52nd St, Rogers	83	2007	15	\$135-\$212	\$153-\$239	Extended Stay	Upscale	IHG	11.1	FHB, FK, SP, FC, MR, LF
13 Homewood Suites by Hilton Bentonville Rogers 4302 W Walnut St, Rogers	126	2006	16	\$118-\$139	\$144-\$178	Extended Stay	Upscale	Hilton	11.8	FHB, FK, SP, FC, MR, LF
14 Residence Inn Rogers 4611 W Locust St, Rogers	88	2003	19	\$116-\$179	\$139-\$170	Extended Stay	Upscale	Marriott	11.9	FHB, FK, SP, FC, MR, LF
15 TownePlace Suites Bentonville Rogers 3100 SE 14th St, Bentonville	78	2003	19	\$129-\$169	\$110-\$249	Extended Stay	Upper Midscale	Marriott	13.0	FHB, FK, SP, FC, LF
16 Fairfield Inn & Suites Bentonville Rogers 4611 W Rozell St, Rogers	99	2002	20	\$89-\$188	\$152-\$197	Limited Service	Upper Midscale	Marriott	12.0	FHB, SP, FC, MR, LF
17 SpringHill Suites Bentonville 2304 SE Walton Blvd, Bentonville	67	1999	23	\$98-\$229	\$179-\$229	Limited Service	Upper Midscale	Marriott	11.2	FHB, WB, FC, LF
18 Hampton by Hilton Inn Bentonville/Rogers 4501 W Walnut St, Rogers	122	1998	24	\$107-\$169	\$142-\$211	Limited Service	Upper Midscale	Marriott	11.6	FHB, SP, FC, LF
19 Holiday Inn Express & Suites Bentonville 2205 SE Walton Blvd, Bentonville	84	1997	25	\$108-\$194	\$156-\$199	Limited Service	Upper Midscale	Marriott	11.1	FHB, FC, MR, LF
Total Hotel Rooms - 2018	1,980		16.0							

Properties	Rooms	Year Opened	Age (Yrs)	2022 Rack Rates ¹		Property Type	STR Chain Scale	Affiliation	Miles from Subject	Amenities ²
				Weekday	Weekend					
Supply Change										
A Subject - Proposed Select-Service Hotel XNA Airport	120	2024		n/a	n/a	Select Service	Upscale	n/a	--	FB, FC, MR, LF
B Motto by Hilton Downtown Bentonville	175	2024		n/a	n/a	Limited Service	Upper Midscale	Hilton	0.0	n/a
C Downtown Boutique Hotel Downtown Bentonville	142	2024		n/a	n/a	n/a	n/a	Independent	0.0	n/a
D AC Hotel Walmart New HQ, Bentonville	153	2024		n/a	n/a	Select Service	Upscale	Marriott	0.0	n/a
E Tru by Hilton 310 South 45th Street, Rogers	90	2024		n/a	n/a	Limited Service	Midscale	Hilton	0.0	n/a
F Tapestry by Hilton Pinnacle Hills Promenade, Rogers	141	2023		n/a	n/a	Select Service	Upscale	Hilton	0.0	n/a
7 Four Points by Sheraton Bentonville 211 SE Walton Blvd, Bentonville	-75	1998		\$119-\$189	\$249-\$369	Select Service	Upscale	Marriott	10.1	FHB, FB, SP, FC, MMS, LF
17 SpringHill Suites Bentonville 2304 SE Walton Blvd, Bentonville	-67	1999		\$98-\$229	\$179-\$229	Limited Service	Upper Midscale	Marriott	11.2	FHB, WB, FC, LF
18 Hampton by Hilton Inn Bentonville/Rogers 4501 W Walnut St, Rogers	-122	1998		\$107-\$169	\$142-\$211	Limited Service	Upper Midscale	Marriott	11.6	FHB, SP, FC, LF
19 Holiday Inn Express & Suites Bentonville 2205 SE Walton Blvd, Bentonville	-84	1997		\$108-\$194	\$156-\$199	Limited Service	Upper Midscale	Marriott	11.1	FHB, FC, MR, LF
Total Hotel Rooms	2,453									
¹ Ranged of Published Rates. n/s - Not Shown on Map. ² Amenity Codes: FB - Food and Beverage Outlets, FHB - Full Hot Breakfast, CB - Continental Breakfast, FK - Full Kitchen, WB - Wet Bar, SP - Swimming Pool, FC - Fitness Center, LF - Laundry Facility, MMS - Major Meeting Space, MR - Meeting Room. * In Select Units										
Compiled by: DPC Hospitality										

SUMMARY OF COMPETITIVE HOTELS

Fayetteville -Springdale

Exhibit A-2

Properties	Rooms	Year Opened	Age (Yrs)	2022 Rack Rates ¹		Property Type	STR Chain Scale	Affiliation	Miles from Subject	Amenities ²
				Weekday	Weekend					
Select-Service and Full-Service										
1 Hyatt Place Fayetteville 348 Van Asche Dr, Fayetteville/Springdale	107	Mar 2021	1	\$113-\$167	\$118-\$330	Select Service	Upscale	Hyatt	18.5	FHB, FB, SP, FC, MR, LF
2 Hilton Garden Inn Fayetteville 1325 N Shiloh Dr, Fayetteville	115	2014	8	\$110-\$203	\$135-\$390	Select Service	Upscale	Hilton	25.2	FB, SP, FC, MMS
3 Courtyard Fayetteville 600 Van Asche Dr, Fayetteville	114	2007	15	\$98-\$179	\$144-\$379	Select Service	Upscale	Marriott	17.1	FB, SP, FC, MR, LF
4 Holiday Inn Springdale Fayetteville Area 1500 S 48th St, Springdale	206	1989	33	\$125-\$151	\$151-\$320	Select Service	Upper Midscale	IHG	12.4	2FB, SP, FC, MMS, LF
Limited-Service and Extended-Stay										
5 avid hotel Fayetteville West 3350 W Jewell Rd, Fayetteville	82	Sep 2021	1	\$97-\$216	\$92-\$329	Limited Service	Midscale	IHG	20.5	CB, FC
6 Fairfield Inn & Suites Fayetteville 755 Van Asche Dr, Fayetteville	94	Jan 2019	3	\$98-\$161	\$143-\$310	Limited Service	Upper Midscale	Marriott	17.2	FHB, SP, FC, MR, LF
7 Home2 Suites by Hilton Springdale 1519 S 48th St, Springdale	119	Oct 2018	4	\$92-\$167	\$109-\$299	Extended Stay	Upper Midscale	Hilton	12.4	FHB, FK, SP, FC, MR, LF
8 Homewood Suites by Hilton Fayetteville 1305 N Palak Dr, Fayetteville	96	2009	13	\$126-\$195	\$162-\$528	Extended Stay	Upscale	Hilton	23.7	FHB, FK, SP, FC, MR, LF
9 TownePlace Suites Fayetteville North/Springdale 5437 S 48th St, Springdale	92	2009	13	\$89-\$188	\$150-\$349	Extended Stay	Upper Midscale	Marriott	14.6	FHB, FK, SP, FC, LF
10 Staybridge Suites Fayetteville/Univ Of Arkansas 1577 W 15th St, Fayetteville	109	2008	14	\$113-\$203	\$135-\$367	Extended Stay	Upscale	IHG	26.0	FHB, FK, SP, FC, LF
11 Fairfield Inn & Suites Springdale 1043 Rieff St, Springdale	74	2004	18	\$88-\$152	\$152-\$254	Limited Service	Upper Midscale	Marriott	12.5	FHB, SP, FC, MR, LF
12 Hampton Inn Fayetteville 915 Krupa Dr, Fayetteville	95	2004	18	\$108-\$174	\$152-\$404	Limited Service	Upper Midscale	Hilton	24.5	FHB, SP, FC, MR
13 Residence Inn Springdale 1740 S 48th St, Springdale	72	2001	21	\$124-\$164	\$95-\$314	Extended Stay	Upscale	Marriott	12.4	FHB, FK, SP, FC, MR, LF
14 Hampton by Hilton Inn & Suites Springdale 1700 S 48th St, Springdale	102	1995	27	\$96-\$150	\$116-\$220	Limited Service	Upper Midscale	Hilton	12.4	FHB, SP, FC, MR
15 Holiday Inn Express & Suites Fayetteville-Uni Of Arkansas 1251 N Shiloh Dr, Fayetteville	109	1990	32	\$100-\$175	\$112-\$299	Limited Service	Upper Midscale	IHG	22.8	FHB, FC, MR, LF
Total Hotel Rooms - 2022	1,586		14.7							
Supply Change										
A Subject - Proposed Select-Service Hotel XNA Airport	120	2024		n/a	n/a	Select Service	Upscale	n/a	--	FB, FC, MR, LF
B Staybridge Suites Springdale n/a	92	2023		n/a	n/a	Extended Stay	Upscale	IHG	0.0	n/a
C Holiday Inn Express & Suites Springdale Near W Sunset Ave and Rieff St, Springdale	85	2023		n/a	n/a	Limited Service	Upper Midscale	IHG	12.4	n/a
4 Holiday Inn Springdale Fayetteville Area 1500 S 48th St, Springdale	-206	1989		\$125-\$151	\$151-\$320	Select Service	Upper Midscale	IHG	12.4	2FB, SP, FC, MMS, LF
14 Hampton by Hilton Inn & Suites Springdale 1700 S 48th St, Springdale	-102	1995		\$96-\$150	\$116-\$220	Limited Service	Upper Midscale	Hilton	12.4	FHB, SP, FC, MR
15 Holiday Inn Express & Suites Fayetteville-Uni Of Arkansas 1251 N Shiloh Dr, Fayetteville	-109	1990		\$100-\$175	\$112-\$299	Limited Service	Upper Midscale	IHG	22.8	FHB, FC, MR, LF
Total Hotel Rooms	1,466									

¹ Ranged of Published Rates. n/s - Not Shown on Map.

² Amenity Codes: FB - Food and Beverage Outlets, FHB - Full Hot Breakfast, CB - Continental Breakfast, FK - Full Kitchen, WB - Wet Bar, SP - Swimming Pool, FC - Fitness Center, LF - Laundry Facility, MMS - Major Meeting Space, MR - Meeting Room.

Representative Year of Operation

	Sample of Comparable Hotels			Stabilized Operating Year (2026) Stated in 2022 Dollars			
Number of Units:		122			120		
Number of Annual Rooms Available:		44,530			43,800		
Number of Rooms Occupied:		32,151			30,222		
Annual Occupancy:		72.2%			69.0%		
Average Daily Rate:		141.70			\$151.00		
Revenue Per Available Room:		\$102.30			\$104.19		
	Ratio	Per Room	P.O.R.	Amount	Ratio	Per Room	P.O.R.
Revenues							
Rooms	84.2%	37,341	\$141.70	\$4,564,000	85.8%	\$38,033	\$151.02
Food & Beverage	12.5%	5,531	20.99	604,000	11.4%	5,033	19.99
Other Operated Departments	3.3%	1,456	5.52	151,000	2.8%	1,258	5.00
Total Operating Revenues	100.0%	44,328	168.21	5,319,000	100.0%	44,325	176.00
Departmental Expenses							
Rooms	23.6%	8,800	33.39	1,058,000	23.2%	8,817	35.01
Food & Beverage	82.0%	4,538	17.22	484,000	80.1%	4,033	16.01
Other Operated Departments	37.4%	545	2.07	60,000	39.7%	500	1.99
Total Departmental Expenses	31.3%	13,883	52.68	1,602,000	30.1%	13,350	53.01
Departmental Profit	68.7%	30,445	115.53	3,717,000	69.9%	30,975	122.99
Undistributed Expenses							
Administrative & General	9.6%	4,239	16.09	508,000	9.6%	4,233	16.81
Sales and Marketing	10.8%	4,769	18.10	585,000	11.0%	4,875	19.36
Property Operation and Maintenance	4.4%	1,943	7.37	240,000	4.5%	2,000	7.94
Utilities	3.4%	1,487	5.64	180,000	3.4%	1,500	5.96
Information and Telecommunication Systems	1.4%	604	2.29	72,000	1.4%	600	2.38
Total Undistributed Operating Expenses	29.4%	13,042	49.49	1,585,000	29.8%	13,208	52.45
Gross Operating Profit	39.3%	17,403	66.04	2,132,000	40.1%	17,767	70.54
Non-Operating Income and Expenses							
Base Management Fee	3.6%	1,584	6.01	186,000	3.5%	1,550	6.15
Property Taxes	3.5%	1,573	5.97	183,000	3.4%	1,525	6.06
Insurance	0.9%	414	1.57	48,000	0.9%	400	1.59
Total Fixed Expenses	8.1%	3,571	13.55	417,000	7.8%	3,475	13.80
Net Operating Income	31.2%	13,832	52.49	1,715,000	32.2%	14,292	56.75
FF&E Reserve	4.0%	1,773	6.73	213,000	4.0%	1,775	7.05
Net Operating Income After Reserve	27.2%	12,059	45.76	\$1,502,000	28.2%	\$12,517	\$49.70
	Source: CBRE Hotels			Estimated by DPC Hospitality			

Proposed Select Service Hotel XNA - 120 ROOMS

Exhibit C-1

Projected Operating Results
Calendar Years

	2024		2025		2026		2027		2028	
Number of Units:	120		120		120		120		120	
Number of Annual Rooms Available:	43,800		43,800		43,800		43,800		43,800	
Number of Rooms Occupied:	26,720		29,780		30,220		30,220		30,220	
Annual Occupancy:	61.0%		68.0%		69.0%		69.0%		69.0%	
Average Daily Rate:	\$160.00		\$169.75		\$176.50		\$183.75		\$191.00	
Revenue Per Available Room:	\$97.60		\$115.43		\$121.79		\$126.79		\$131.79	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Revenues										
Rooms	\$4,275,000	85.5%	\$5,055,000	85.8%	\$5,334,000	85.8%	\$5,553,000	85.8%	\$5,772,000	85.8%
Food & Beverage	578,000	11.6%	670,000	11.4%	707,000	11.4%	735,000	11.4%	765,000	11.4%
Other Operated Departments	145,000	2.9%	167,000	2.8%	177,000	2.8%	184,000	2.8%	191,000	2.8%
Total Operating Revenues	4,998,000	100.0%	5,892,000	100.0%	6,218,000	100.0%	6,472,000	100.0%	6,728,000	100.0%
Departmental Expenses										
Rooms	1,078,000	25.2%	1,181,000	23.4%	1,237,000	23.2%	1,287,000	23.2%	1,338,000	23.2%
Food & Beverage	487,000	84.3%	539,000	80.4%	566,000	80.1%	588,000	80.0%	612,000	80.0%
Other Operated Departments	58,000	40.0%	67,000	40.1%	71,000	40.1%	74,000	40.2%	76,000	39.8%
Total Departmental Expenses	1,623,000	32.5%	1,787,000	30.3%	1,874,000	30.1%	1,949,000	30.1%	2,026,000	30.1%
Departmental Profit	3,375,000	67.5%	4,105,000	69.7%	4,344,000	69.9%	4,523,000	69.9%	4,702,000	69.9%
Undistributed Expenses										
Administrative & General	495,000	9.9%	565,000	9.6%	594,000	9.6%	618,000	9.5%	643,000	9.6%
Sales and Marketing	550,000	11.0%	648,000	11.0%	684,000	11.0%	712,000	11.0%	740,000	11.0%
Property Operation and Maintenance	260,000	5.2%	270,000	4.6%	281,000	4.5%	292,000	4.5%	304,000	4.5%
Utilities	195,000	3.9%	202,000	3.4%	211,000	3.4%	219,000	3.4%	228,000	3.4%
Information and Telecommunication Systems	78,000	1.6%	81,000	1.4%	84,000	1.4%	88,000	1.4%	91,000	1.4%
Total Undistributed Operating Expenses	1,578,000	31.6%	1,766,000	30.0%	1,854,000	29.8%	1,929,000	29.8%	2,006,000	29.8%
Gross Operating Profit	1,797,000	36.0%	2,339,000	39.7%	2,490,000	40.0%	2,594,000	40.1%	2,696,000	40.1%
Non-Operating Income and Expenses										
Base Management Fee	175,000	3.5%	206,000	3.5%	218,000	3.5%	227,000	3.5%	235,000	3.5%
Property Taxes	110,000	2.2%	201,000	3.4%	205,000	3.3%	209,000	3.2%	214,000	3.2%
Insurance	52,000	1.0%	54,000	0.9%	56,000	0.9%	58,000	0.9%	61,000	0.9%
Total Fixed Expenses	337,000	6.7%	461,000	7.8%	479,000	7.7%	494,000	7.6%	510,000	7.6%
Net Operating Income	1,460,000	29.2%	1,878,000	31.9%	2,011,000	32.3%	2,100,000	32.4%	2,186,000	32.5%
FF&E Reserve	100,000	2.0%	177,000	3.0%	249,000	4.0%	259,000	4.0%	269,000	4.0%
Net Operating Income After Reserve	\$1,360,000	27.2%	\$1,701,000	28.9%	\$1,762,000	28.3%	\$1,841,000	28.4%	\$1,917,000	28.5%
Estimated by <i>DPC Hospitality</i>	Full Year of Operation									

Proposed Select Service Hotel XNA - 120 ROOMS

Exhibit C-2

Projected Operating Results
Calendar Years

	2029		2030		2031		2032		2033	
Number of Units:	120		120		120		120		120	
Number of Annual Rooms Available:	43,800		43,800		43,800		43,800		43,800	
Number of Rooms Occupied:	30,220		30,220		30,220		30,220		30,220	
Annual Occupancy:	69.0%		69.0%		69.0%		69.0%		69.0%	
Average Daily Rate:	\$198.75		\$206.50		\$214.75		\$223.50		\$232.25	
Revenue Per Available Room:	\$137.14		\$142.49		\$148.18		\$154.22		\$160.25	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Revenues										
Rooms	\$6,006,000	85.8%	\$6,240,000	85.8%	\$6,490,000	85.8%	\$6,754,000	85.8%	\$7,019,000	85.8%
Food & Beverage	795,000	11.4%	827,000	11.4%	860,000	11.4%	895,000	11.4%	930,000	11.4%
Other Operated Departments	199,000	2.8%	207,000	2.8%	215,000	2.8%	224,000	2.8%	233,000	2.8%
Total Operating Revenues	7,000,000	100.0%	7,274,000	100.0%	7,565,000	100.0%	7,873,000	100.0%	8,182,000	100.0%
Departmental Expenses										
Rooms	1,392,000	23.2%	1,448,000	23.2%	1,505,000	23.2%	1,566,000	23.2%	1,628,000	23.2%
Food & Beverage	636,000	80.0%	662,000	80.0%	688,000	80.0%	716,000	80.0%	744,000	80.0%
Other Operated Departments	80,000	40.2%	83,000	40.1%	86,000	40.0%	89,000	39.7%	93,000	39.9%
Total Departmental Expenses	2,108,000	30.1%	2,193,000	30.1%	2,279,000	30.1%	2,371,000	30.1%	2,465,000	30.1%
Departmental Profit	4,892,000	69.9%	5,081,000	69.9%	5,286,000	69.9%	5,502,000	69.9%	5,717,000	69.9%
Undistributed Expenses										
Administrative & General	669,000	9.6%	695,000	9.6%	723,000	9.6%	752,000	9.6%	782,000	9.6%
Sales and Marketing	770,000	11.0%	800,000	11.0%	832,000	11.0%	866,000	11.0%	900,000	11.0%
Property Operation and Maintenance	316,000	4.5%	328,000	4.5%	342,000	4.5%	355,000	4.5%	369,000	4.5%
Utilities	237,000	3.4%	246,000	3.4%	256,000	3.4%	266,000	3.4%	277,000	3.4%
Information and Telecommunication Systems	95,000	1.4%	99,000	1.4%	102,000	1.3%	107,000	1.4%	111,000	1.4%
Total Undistributed Operating Expenses	2,087,000	29.8%	2,168,000	29.8%	2,255,000	29.8%	2,346,000	29.8%	2,439,000	29.8%
Gross Operating Profit	2,805,000	40.1%	2,913,000	40.0%	3,031,000	40.1%	3,156,000	40.1%	3,278,000	40.1%
Non-Operating Income and Expenses										
Base Management Fee	245,000	3.5%	255,000	3.5%	265,000	3.5%	276,000	3.5%	286,000	3.5%
Property Taxes	218,000	3.1%	222,000	3.1%	227,000	3.0%	231,000	2.9%	236,000	2.9%
Insurance	63,000	0.9%	66,000	0.9%	68,000	0.9%	71,000	0.9%	74,000	0.9%
Total Fixed Expenses	526,000	7.5%	543,000	7.5%	560,000	7.4%	578,000	7.3%	596,000	7.3%
Net Operating Income	2,279,000	32.6%	2,370,000	32.6%	2,471,000	32.7%	2,578,000	32.7%	2,682,000	32.8%
FF&E Reserve	280,000	4.0%	291,000	4.0%	303,000	4.0%	315,000	4.0%	327,000	4.0%
Net Operating Income After Reserve	\$1,999,000	28.6%	\$2,079,000	28.6%	\$2,168,000	28.7%	\$2,263,000	28.7%	\$2,355,000	28.8%
Estimated by <i>DPC Hospitality</i>										

Proposed Select Service Hotel XNA - 120 ROOMS

Exhibit D

Project Description	
Keys:	120
Number of Stories	4 or 5
Net On Site Meeting Space SF	+/- 2000
Employees (Approx.)	+/- 30
Amenities: Fitness Center, Lobby Bar Restaurant, Meeting Rooms	

Cost Assumptions ¹	
Hard / Soft Cost	18,000,000
\$ Per Room	150,000
Developer Fee: 4.0%	720,000
Total Project	18,720,000
Per Room	156,000

Lease Assumptions	
Term	49 years
Lease Rate	\$50,000 / yr
Land Area	< 1.0 Acre

Net Operating Income	Today's Dollars	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Full Year of Operation	2022	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Occ%	69%	61%	68%	69%	69%	69%	69%	69%	69%	69%	69%
ADR	\$151.00	\$160.00	\$169.75	\$176.50	\$183.75	\$191.00	\$198.75	\$206.50	\$214.75	\$223.50	\$232.25
Room Revenue	4,564,000	4,275,000	5,055,000	5,334,000	5,553,000	5,772,000	6,006,000	6,240,000	6,490,000	6,754,000	7,019,000
Other Income	755,000	723,000	837,000	884,000	919,000	956,000	994,000	1,034,000	1,075,000	1,119,000	1,163,000
Total	5,319,000	4,998,000	5,892,000	6,218,000	6,472,000	6,728,000	7,000,000	7,274,000	7,565,000	7,873,000	8,182,000
Less: Total Expenses	(3,817,000)	(3,638,000)	(4,191,000)	(4,456,000)	(4,631,000)	(4,811,000)	(5,001,000)	(5,195,000)	(5,397,000)	(5,610,000)	(5,827,000)
Net Operating Income	1,502,000	1,360,000	1,701,000	1,762,000	1,841,000	1,917,000	1,999,000	2,079,000	2,168,000	2,263,000	2,355,000
Less: Nominal Lease Payment		(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Potential Distributions		1,310,000	1,651,000	1,712,000	1,791,000	1,867,000	1,949,000	2,029,000	2,118,000	2,213,000	2,305,000
Unlevered Return		7.0%	8.8%	9.1%	9.6%	10.0%	10.4%	10.8%	11.3%	11.8%	12.3%

NOTE 1) DPC Hospitality made no attempt to verify the estimates of project costs and have no opinion on their validity. In order to rely on the resulting estimates of cash on cash return, potential investors must conduct their own investigation as to the reliability and completeness of the costs of developing this hotel.

Sum of all Distributions over 49 years	216,700,000
Net Present Value Discounted at 6%	48,700,000
Potential Investment Multiple	2.6

For Discussion Purposes Only



Projects Completed by DPC Hospitality

Select and Full-Service Hotels:

Outside of Texas:

Market Study of Proposed Hotel Zaza – New Orleans, Louisiana
Market Study of Proposed National WWII Museum Hotel – New Orleans, Louisiana (Open)
Market Study for Proposed Lakefront Hotel - City of Lake Charles, Louisiana
Market Study of Proposed Boutique Hotel – New Orleans, Louisiana
Market Study of Proposed Conrad / Home2Suites CBD – New Orleans, Louisiana
Market Study of Proposed Embassy Suites CBD – New Orleans, Louisiana
Market Study of Ace Hotel New Orleans – New Orleans, Louisiana (Open)
Market Study of Proposed Convention Center Hotel - New Orleans, Louisiana
Brand Impact Study for Marriott International – Covington, Louisiana
Appraisal of the AC Hotel CBD – New Orleans, Louisiana
Appraisal of the Loews CBD – New Orleans, Louisiana
Appraisal of Renaissance Hotel – Baton Rouge, Louisiana
Appraisal of The Ritz-Carlton – New Orleans, Louisiana
Appraisal of Courtyard by Marriott New Orleans French Quarter/Iberville – New Orleans, Louisiana
Appraisals of Hyatt French Quarter and Hilton Garden Inn CBD – New Orleans, Louisiana
Appraisal of Hilton Garden Inn Airport – Baton Rouge, Louisiana
Market Study of Proposed Conference Hotel – Broken Arrow, Oklahoma (Open)
Market Study of Proposed Racetrack Hotel - Oklahoma City, Oklahoma
Market Study of Proposed Boutique Hotel – Oklahoma City, Oklahoma
Brand Impact Study of Proposed Downtown Courtyard Hotel– Kansas City, Kansas
Brand Impact Study of Proposed Aloft – Little Rock, Arkansas
Repositioning Study of NCED Conference Center & Hotel – Norman, Oklahoma
Appraisal of Ambassador Autograph Collection Downtown Hotel – Kansas City, Missouri (Open)
Market Study of Proposed Residence Inn – Orange Beach, Alabama
Market Study of Proposed Full-Service Resort with Golf – Franklin, Tennessee
Market Study of Proposed Hilton Garden Inn & Homewood Suites – Oklahoma City, Oklahoma (Open 2014)
Market Study of Proposed Conversion of the Fulton Hotel to a Holiday Inn – Alexandria, Louisiana
Market Study of Proposed Office Building Conversion into Hilton Garden Inn
– Airport - Phoenix, Arizona (Open 2008)
Market Study of Proposed Full-Service Hotel – Colorado Springs, Colorado
Performance Review of Operating Standards – Radisson Fort McDowell Resort & Casino – Scottsdale, Arizona
Market Study of Proposed Holiday Inn – Colorado Springs, Colorado
Market Study and Valuation of Cypress Bend Golf Resort and Conference Center – Sabine Parish, Louisiana
Market Study of Converting historic buildings into Residence Inn and Courtyard by Marriott
– Omaha, Nebraska (Open 1999)
Market Study of Proposed Full-Service Hotel – Sandy City, Utah
Market Study of Proposed Full-Service Hotel adjacent to Jazz Land Theme Park – New Orleans, Louisiana
Market Study and Valuation of 780-room Regal Riverfront – St. Louis, Missouri

Dallas Area:

Market Study of Proposed Embassy Suites – Richardson, Texas
Market Study of Proposed Aloft Hotel – Galleria – Dallas, Texas
Market Study of Proposed Dual-brand Hilton Garden Inn/Homewood Suites – Grand Prairie, Texas



Market Study of Proposed Hilton Garden Inn – Hurst, Texas (Open 2016)
Market Study of Proposed Hilton Dallas/Plano Granite Park – Plano, TX (Open 2014)
Market Study of Proposed Cambria Suites – Plano, Texas (Open 2014)
Market Study of Proposed Courtyard Hotel & Conference Center – Carrollton, Texas
Market Study of Renovating the Historic Blackstone Hotel into a Courtyard by Marriott
– Fort Worth, Texas (Open 1999)
Market Study of Proposed Embassy Suites Galleria – Dallas, Texas (Open 1998)
Evaluation of Converting the Employers Life Insurance Building into a Headquarters Hotel – Dallas, Texas
Market Study of Proposed Holiday Inn – McKinney, Texas (Open 2008)
Market Study of Proposed Resort Hotel and Water Park – Frisco, Texas
Impact Assessment of Converting Ramada Plaza into Holiday Inn Select (Presently The Sheraton)
– Fort Worth, Texas
Market Study of Proposed Dual Luxury/4-Star Hotels – Dallas, Texas (Near Galleria)
Market Study of Proposed Lifestyle Downtown Hotel – Dallas, Texas
Market Study of Proposed Select-Service Hotel - Lake Worth, Texas
Brand Impact Study of AC Hotel/Residence Inn Dallas Galleria – Dallas, Texas (Open)
Brand Impact Study of Proposed Delta Hotel – Westlake, Texas
Appraisal of the Warwick Hotel – Dallas, Texas
Appraisal of Le Meridien Stoneleigh – Dallas, Texas
Appraisal of the Omni Convention Center Hotel Downtown – Dallas, Texas
Appraisal of Hilton Arlington – Arlington, Texas
Appraisal of Four Seasons Resort and Club Dallas at Las Colinas – Irving, Texas

Houston Area:

Market Study of Proposed Blossom Hotel – Texas Medical Center – Houston, Texas (Open 2021)
Market Study of Proposed InterContinental TMC Hotel – Houston, Texas (Open 2019)
Market Study of Proposed Texas A&M Hotel and Conference Center – College Station, Texas (Open 2018)
Market Study of Proposed Hilton Garden Inn America Plaza – Houston, Texas (Open 2012)
Market Study of The Westin at The Woodlands – The Woodlands, Texas (Open)
Market Study of Embassy Suites by Hilton The Woodlands at Hughes Landing – The Woodlands, Texas (Open)
Market Study of Proposed Embassy Suites – Sugar Land, Texas
Market Study of Proposed Embassy Suites West I-10 – Houston, Texas (Open)
Market Study of Proposed Lifestyle Hotel Midtown – Houston, Texas
Market Study of Proposed Katy Boardwalk Hotel & Conference Center – Katy, Texas
Brand Impact Study of Proposed Hyatt House – College Station, Texas
Market Study of Proposed Hilton Garden Inn – Pasadena, Texas
Market Study of Proposed Dual-brand Aloft/Element – IAH Airport – Houston, Texas
Market Analysis of Proposed Kimpton Hotel – Houston, Texas
Market Study of Proposed Dual-brand Aloft/Element – Texas Medical Center – Houston, Texas
Market Analysis of Proposed Hyatt Regency – Katy, Texas
Market Study of Proposed Hotel – Sugar Land, Texas (Imperial Redevelopment)
Market Study of Proposed Courtyard & TownePlace Suites – Galveston, Texas (Open 2013)
Market Study of Proposed Embassy Suites & Water Park – Beaumont, Texas
Market Study of Proposed Embassy Suites – Texas Medical Center – Houston, TX
Market Study of Proposed Holiday Inn – Shenandoah, Texas
Market Study of Proposed Hilton Garden Inn Galleria – Houston, Texas (Open 2005)
Market Study and Economic Impact Assessment of 1,200-Room Hilton Americas
– Downtown Houston, Texas (Open 2004)



Market Study of Converting the Medical Towers into the Marriott Medical Center Expansion – Houston, Texas
Market Study of Converting Historic Texas State Hotel into Sheraton Suites – Downtown Houston, Texas
Market Study and Valuation of Omni Galleria – Houston, Texas
Market Study and Valuation of Red Lion Hotel Galleria – Houston, Texas
Appraisal of Crowne Plaza Downtown Houston (Now The Whitehall) – Houston, Texas
Appraisal of the JW Marriott Downtown – Houston, Texas (Open)
Appraisal of the Hyatt Regency Downtown – Houston, Texas
Brand Impact Study of Proposed AC Hotel Houston Downtown – Houston, Texas (Open)

Central Texas:

Market Study of Proposed South Congress Hotel – Austin, Texas (Open 2015)
Market Study and Valuation of St. Anthony Hotel – San Antonio, Texas
Market Study of Proposed Embassy Suites – Brooks City Base – San Antonio, Texas (Open 2017)
Market Study of Proposed Sheraton Austin Georgetown Hotel & Conference Center
– Georgetown, Texas (Open 2016)
Market Study of Proposed Residence Inn – Pearl District – San Antonio, Texas
Market Study of Proposed W Hotel – Pearl District – San Antonio, Texas
Market Study of Proposed Embassy Suites – Downtown – Waco, Texas
Occupancy Tax Rebate Request for Proposed Embassy Suites – Downtown – Waco, Texas
Market Study of Proposed Full-Service Hotel & Conference Center – Pearland, Texas
Market Study of Proposed Redevelopment of the El Tropicano Hotel – Riverwalk – San Antonio, Texas
Market Study of Proposed Element Hotel – Parmer Lane – Austin, Texas
Market Study of Proposed Kimber Modern Hotel – South Congress – Austin, Texas
Market Study of Proposed Dual-brand AC Hotels/Element – Austin, Texas
Market Study of Proposed Hilton Garden Inn & Conference Center – Bastrop, Texas
Economic Impact Study of Proposed Hilton Garden Inn – Live Oak, Texas
Market Study of Proposed Select-Service Hotel & Conference Center – Boerne, Texas
Market Study of Proposed Wyndham Garden Inn Near La Cantera – San Antonio, Texas (Open 2009)
Market Study of Proposed Boutique Hotel – Fredericksburg, Texas
Market Study of Proposed Cambria Suites – Medical Center – San Antonio, Texas
Market Study of Proposed Westin Riverwalk – San Antonio, Texas (Open 1999)
Market Study of Proposed Full-Service Hotel – New Braunfels, Texas
Market Study of Proposed Expansion of Hilton Palacio Del Rio – San Antonio, Texas
Market Study of Proposed Mueller Hotel – Austin, Texas
Market Study of Proposed Downtown Lifestyle Hotel – Austin, Texas (Austin Proper Hotel) (Open)
Appraisal of Proposed Hyatt Place Stone Oak – San Antonio, Texas (Open 2010)
Appraisal of Sheraton at the Capitol and Hyatt Place Downtown – Austin, Texas
Appraisal of JW Marriott Resort & Spa – San Antonio, Texas
Appraisal of the Hyatt Hill Country Resort & Spa – San Antonio, Texas
Brand Impact Study of the Proposed The Otis Hotel/AC Hotel – Austin, Texas (Open)
Brand Impact Study of the Proposed Marriott Downtown – Austin, Texas (Open)
Brand Impact Study for Marriott International – Austin, Texas (Sheraton Downtown conversion)
Brand Impact Study for Marriott International – Round Rock, Texas (TownePlace Suites)

South Texas:

Market Study of Proposed Hotel & Conference Center – Port Aransas, Texas
Market Study of Proposed Full-Service Hotel Adjacent to McAllen Convention Center – McAllen, Texas
Market Study of Proposed Select-Service Hotel & Conference Center – Brownsville, Texas



Market Study of Proposed All-Suite Hotel and Resort on North Padre Island – Corpus Christi, Texas
Market Study, Economic Impact Study, and Financing Recommendations of Proposed Full-Service Hotel
– South Padre Island, Texas
Market Study of Proposed Executive Conference Center – North Padre Island – Corpus Christi, Texas
Market Study of Doctors Hospital Hotel – Edinburg, Texas

North Texas:

Market Study of Proposed Hotel Conversion to a Full-Service Wyndham Hotel – Wichita Falls, Texas
Market Study of Proposed Redevelopment for The Baker Hotel and Spa – Mineral Wells, Texas

West Texas:

Market Study of Proposed Full-Service Hotel & Conference Center – Odessa, Texas
Market Study of Proposed Hyatt Place – Abilene, Texas
Market Study for Proposed El Paso Conference Hotel – El Paso, Texas
Repositioning Study of Former Downtown Camino Real Hotel – El Paso, Texas (Open)
Market Study of Proposed Lifestyle Hotel – Midland, Texas

Public Assembly Facility Studies:

Outside of Texas:

Market Study and Economic Impact Study of Proposed 453,000-square foot Exhibition Center
– Sandy City, Utah
Market Study of Proposed Ballroom Addition to the Welk Resort – Branson, Missouri
Market Study of Proposed Convention Center, Mall Conversion – Tupelo, Mississippi

Dallas Area:

Market Study of Proposed Dallas County School District Meeting Facility – Dallas, Texas
Market Study of Proposed 500,000-Square foot Exhibition Center – Grapevine, Texas
Market Study of Proposed Conference Center – Hurst, Texas (Open 2007)
Management RFP of Proposed Conference Center – Hurst, Texas

Houston Area:

Market Study of Proposed Convention Center – Stafford, Texas (Open 2003)
Market Study of Proposed Performing Arts Theater – Stafford, Texas (Open 2003)
Market Study and Economic Impact of Proposed Waterway Convention Center
– The Woodlands, Texas (Open 2002)
Citywide occupancy tax collection forecast for City of Houston, used in securing \$700 million in bonds for the
purpose of expanding the George R. Brown Convention Center, constructing the 1,200-room Hilton Hotel,
parking garage, and NBA basketball arena – Houston, Texas
Market Study and Economic Impact Study of Expanding the George R. Brown Convention Center
– Houston, Texas
Market Study of Proposed Convention Center, Mall Conversion – Baytown, Texas
Market Study of Proposed Natatorium – Stafford, Texas
Market Study of Repositioning a portion of Greenspoint Mall into a Convention Center – Houston, Texas
Market Study of Proposed Civic Center – Kemah, Texas
Market Study of Proposed Civic Center – Freeport, Texas



Central Texas:

- Market Study of Proposed Convention Center – New Braunfels, Texas
- Market Study of Proposed Civic Center & Exhibit Hall – Gonzales, Texas
- Market Study for Proposed Downtown Conference Hotel - City of New Braunfels, Texas

South Texas:

- Market Study of Expanding the Bayfront Convention Center – Corpus Christi, Texas (Completed 1999)

East Texas:

- Market Study of Proposed Convention Center – Lufkin, Texas

Limited-Service Hotels:

Outside of Texas:

- Market Study of Proposed TRU by Hilton – Moab, Utah
- Market Study of Proposed Home2 Suites – Moab, Utah
- Market Study of Proposed Dual-brand TRU/Homewood Suites – Denver Airport – Denver, Colorado (Open 2019)
- Market Study of Proposed Hampton Inn & Suites – Cranberry Township – Pittsburgh, Pennsylvania (Open 2018)
- Market Study of Proposed Fairfield Inn & Suites – Arkadelphia, Arkansas (Open 2020)
- Market Study of Proposed Home2 Suites – Lexington, Kentucky (Open 2015)
- Market Study of Proposed Limited-Service Hotel – Research and Technology Park – New Orleans, Louisiana
- Market Study of Proposed Home2 Suites – Bessemer, Alabama
- Market Study of Proposed SpringHill Suites – Bessemer, Alabama
- Market Study of Proposed Avid Hotel – Tulsa, Oklahoma
- Market Study of Proposed Home2 Suites – Tallahassee, Florida (Open 2016)
- Market Study of Proposed Home2 Suites – Stillwater, Oklahoma (Open 2016)
- Market Study of Proposed Home2 Suites – Tuscaloosa, Alabama (Open 2015)
- Market Study of Proposed Hilton Garden Inn & Homewood Suites – Oklahoma City, Oklahoma (Open 2014)
- Market Study of Proposed Hampton Inn & Suites - Mulvane, Kansas (Open 2012)
- Market Study of Proposed Hampton Inn & Suites – Dodge City, Kansas (Open 2012)
- Market Study of Proposed Homewood Suites – Nashville, Tennessee (Open 2013)
- Market Study of Proposed Fairfield Inn – Maize, KS (Open 2011)
- Market Study of Proposed La Quinta Inn & Suites – Olathe, Kansas (Open 2008)
- Market Study of Proposed Holiday Inn Express & Suites – Bloomington, Indiana (Open 2006)
- Market Study of Converting historic buildings into Residence Inn and Courtyard by Marriott – Omaha, NE (Open 1999)
- Market Study of Proposed Sleep Inn – Thornton, Colorado (Open 1998)
- Market Study and Valuation of Proposed All-Suite Hotel at Isle of Capri Casino – Lake Charles, Louisiana (Open 1998)
- Market Study and Valuation of Proposed Limited-Service Hotel at Isle of Capri Casino – Lake Charles, Louisiana (Open 1997)

Dallas Area:

- Due Diligence Analysis Homewood Suites Arlington South – Arlington, Texas
- Market Study of Proposed TownePlace Suites – Rockwall, Texas
- Market Study of Proposed Redevelopment of the Caravan Motor Hotel – Arlington, Texas
- Market Study of Proposed Comfort Inn & Suites – Dallas Executive Airport – Dallas, Texas
- Market Study of Proposed La Quinta Inn & Suites – Farmers Branch, Texas



Market Study of Proposed Dual-brand TownePlace/SpringHill Suites – Arlington, Texas
Market Study of Proposed SpringHill Suites – Stockyards – Fort Worth, Texas (Open 2019)
Market Study of Proposed Aloft Hotel – Galleria - Dallas, Texas
Market Study of Proposed Best Western Premier – Denton, Texas (Open 2009)
Market Study of Proposed Fairfield Inn – Decatur, Texas
Market Study and Valuation of Proposed Comfort Suites – Grapevine, Texas (Open 2005)
Market Study of Proposed Hampton Inn and Suites – Alliance Airport – Fort Worth, Texas (Open 1999)
Due Diligence Analysis of five hotels (Holiday Inn Expresses and Quality Suites) – Dallas, Texas
Market Study of Proposed Hampton Inn & Suites – Hurst, Texas (Open 2004)
Due Diligence Analysis Wyndham Garden Hotel Los Colinas – Irving, Texas
Due Diligence Analysis Wyndham Garden Hotel Market Center – Dallas, Texas
Appraisal of Hampton Inn – Frisco, Texas

Houston Area:

Market Study of Proposed Fairfield Inn & Suites – Energy Corridor – Houston, Texas (Open 2021)
Market Study of Proposed Holiday Inn Express & Suites – CityCentre – Houston, Texas (Open 2021)
Market Study of Proposed Element Hotel – Texas Medical Center – Houston, Texas
Market Study of Proposed Home2 Suites – Lake Jackson, Texas
Market Study of Proposed Limited-Service Hotel – Katy, Texas
Market Study of Proposed Acquisition of TownePlace Suites – Westchase – Houston, Texas
Market Study of Proposed Acquisition of TownePlace Suites – Galleria – Houston, Texas
Market Study of Proposed TRU by Hilton – Energy Corridor – Houston, Texas
Market Study of Proposed Limited-Service Hotel – Hobby Airport – Houston, Texas
Market Study of Proposed Studio 6 – Deer Park, Texas
Market Study of Proposed Sleep Inn – Hobby Airport – Houston, Texas
Market Study of Proposed Limited-Service Hotel – Mont Belvieu, Texas
Market Study of Proposed Red Roof Inn – Houston, Texas
Market Study of Proposed SureStay Hotel – Houston, Texas
Market Study of Home2 Suites Energy Corridor – Houston, Texas (Open 2016)
Market Study of Proposed Springhill Suites Houston I-45 North – Houston, Texas (Open 2015)
Market Study of Proposed Hampton Inn & Suites – Bush Intercontinental Airport – Houston, Texas (Open 2015)
Market Study of Proposed Comfort Suites – Near Westchase – Houston, Texas (Open 2013)
Market Study of Proposed Hampton Inn & Suites – Missouri City, Texas (Open 2013)
Market Study of Proposed Dual-brand Courtyard/TownePlace Suites – Galveston, Texas (Open 2013)
Market Study of Proposed SpringHill Suites – Houston, Texas
Market Study of Proposed Sleep Inn – Clute/Lack Jackson, Texas
Market Study of Proposed Microtel Inn & Suites – Port Arthur, Texas
Market Study of Proposed SpringHill Suites – Seabrook, Texas
Market Study of Proposed Springhill Suites Houston The Woodlands – The Woodlands, Texas (Open 2011)
Market Study of Proposed La Quinta Inn & Suites – Westchase - Houston, TX (Open 2007)
Market Study of Proposed Best Western Mini Suites – Texas City, Texas (Open 2005)
Market Study of Proposed Bed & Breakfast – Kemah, Texas (Open 2004)
Market Study of Proposed TownePlace Suites – College Station, Texas (Open 1999)
Market Study of Proposed TownePlace Suites – Clear Lake, Texas (Open 1999)
Market Evaluations of four Baymont Inns – Houston, Texas
Market Study of Proposed Hampton Inn & Suites – League City, Texas (Open 2010)
Appraisal of Home2Suites – Pasadena, Texas



Central Texas:

Market Study of Proposed TRU by Hilton – New Braunfels, Texas
Market Study of Proposed Fairfield Inn & Suites – Lackland AFB – San Antonio, Texas
Market Study of Proposed Hampton Inn – Bulverde, Texas (Opened 2017)
Market Study of Proposed Homewood Suites – Parmer Lane – Austin, Texas (Open 2015)
Market Study of Proposed Home2 Suites – Round Rock, Texas (Open 2015)
Market Study of Proposed Bed and Breakfast Cabins – Fredericksburg, Texas (Open 2013)
Market Study of Proposed Hampton Inn & Suites – Downtown Austin, Texas (Open 2012)
Market Study of Proposed Homewood Suites – Round Rock, Texas (Open 2010)
Market Study of Proposed Sleep Inn & Suites – Manor, Texas (Open 2012)
Market Study of Proposed Limited-Service Hotel – Marble Falls, Texas
Market Study of Proposed Microtel Inn & Suites – Austin, Texas (Airport) (Open 2010)
Market Study of Proposed Staybridge Suites – San Antonio, Texas (Open 2008)
Market Study of Proposed La Quinta Inn & Suites - Medical Center - San Antonio, Texas (Open 2007)

South Texas:

Market Study of Proposed Home2 Suites – Mercedes, Texas
Market Study of Proposed Microtel – Gonzales, Texas (Open 2013)
Market Study of Proposed Home2 Suites – Mission, Texas
Market Study of Proposed Holiday Inn Express – South Padre Island, Texas (Open 2005)

North Texas:

Market Study of Proposed Hampton Inn – Vernon, Texas (Open 2011)
Market Study of Proposed Holiday Inn Express – Vernon, Texas (Open 2006)

West Texas:

Market Study of Proposed Hampton Inn & Suites – Texas Tech – Lubbock, Texas (Open 2020)
Market Study of Proposed Fairfield Inn & Suites – Stephenville, Texas
Market Study of Proposed Hawthorn Suites – Lubbock, Texas (Open 2008)
Market Study of Proposed Microtel – San Angelo, Texas (Open 2010)
Market Study of Proposed Best Western – Hamilton, Texas (Open 2007)
Market Study of Proposed La Quinta Inn & Suites – Lubbock, Texas (Open 2006)

East Texas:

Market Study of Proposed SpringHill Suites – Lindale, Texas
Market Study of Proposed Limited-Service Hotel – Longview, Texas
Market Study of Proposed Microtel Inn & Suites – Texarkana, Texas
Market Study of Proposed Hampton Inn – Sulphur Springs, Texas (Open 2010)
Market Study of Proposed Best Western – Mt. Vernon, Texas

EXHIBIT “C”

VIRUS-FREE CERTIFICATION

COMPUTER VIRUS AND MALWARE CERTIFICATION

Proposer Name: _____

I hereby certify that the proposal submitted on the USB flash drive accompanying this certification was scanned for computer viruses and malware using software that is commercially reasonable for such purpose, and that said flash drive is free of computer viruses and malware at the time of its delivery to XNA. I further certify that to the best of my knowledge any hyperlinks contained in the proposal may be safely accessed as of the date of this certification.

Signature of Authorized Representative

Date

Print name: _____

Print title: _____

EXHIBIT "A"

HOTEL SITE LOCATIONS

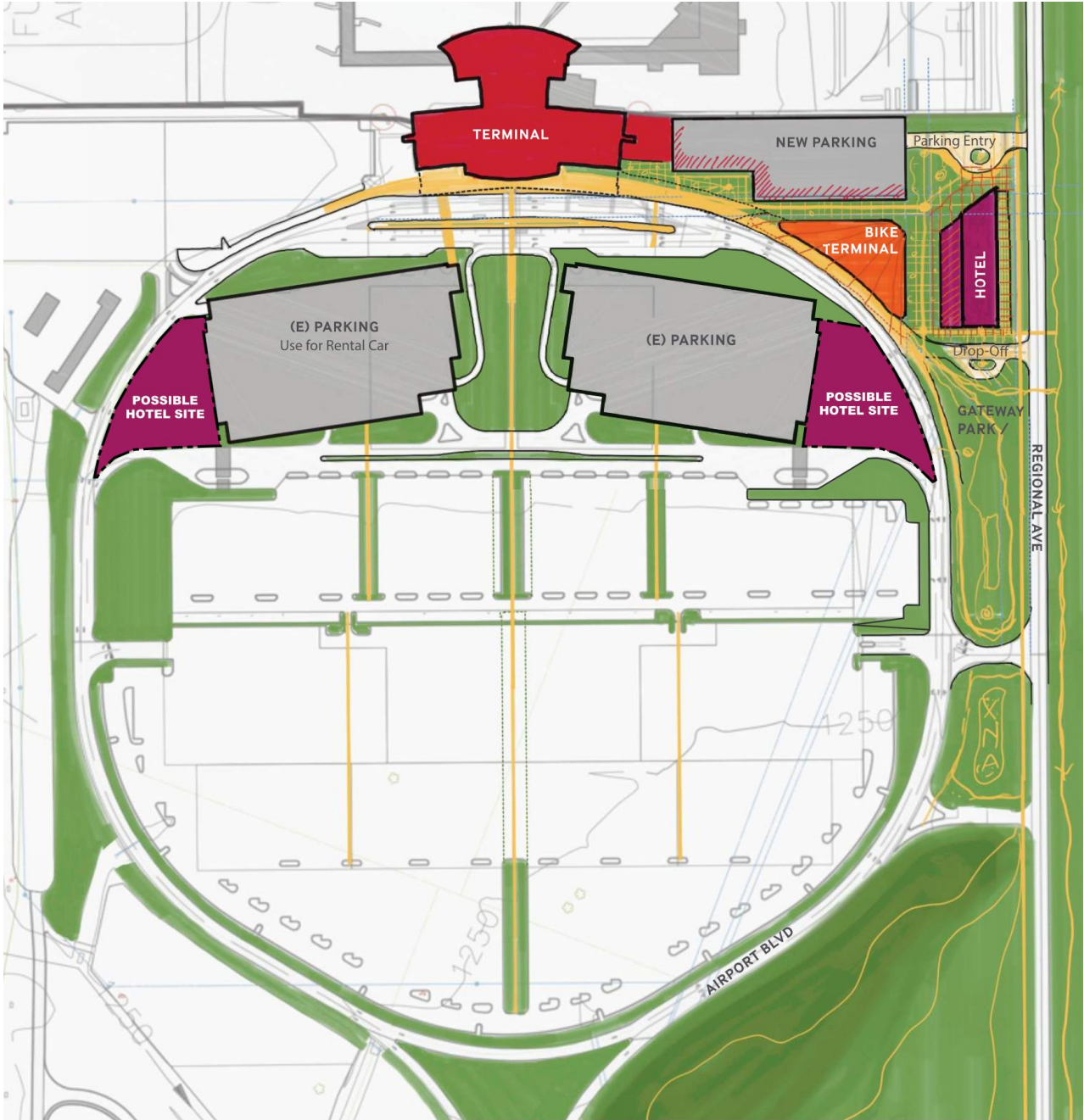


EXHIBIT “D”

MANDATORY FEDERAL PROVISIONS

EXHIBIT "D"

MANDATORY FEDERAL CONTRACT PROVISIONS

As used in this Exhibit, "Contractor" shall refer to **[NAME OF COUNTERPARTY]**

GENERAL CIVIL RIGHTS PROVISIONS

In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin, creed, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

If the Contractor transfers its obligation to another, the transferee is obligated in the same manner as the Contractor.

The above provision obligates the Contractor for the period during which the property is owned, used or possessed by the Contractor and the airport remains obligated to the Federal Aviation Administration.

TITLE VI SOLICITATION NOTICE:

The Northwest Arkansas Regional Airport Authority, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4), 28 CFR § 50.3, and 49 CFR Part 21, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, all contractors will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of the owner's race, color, national origin, sex, creed, age, or disability in consideration for an award.

TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND AUTHORITIES

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);