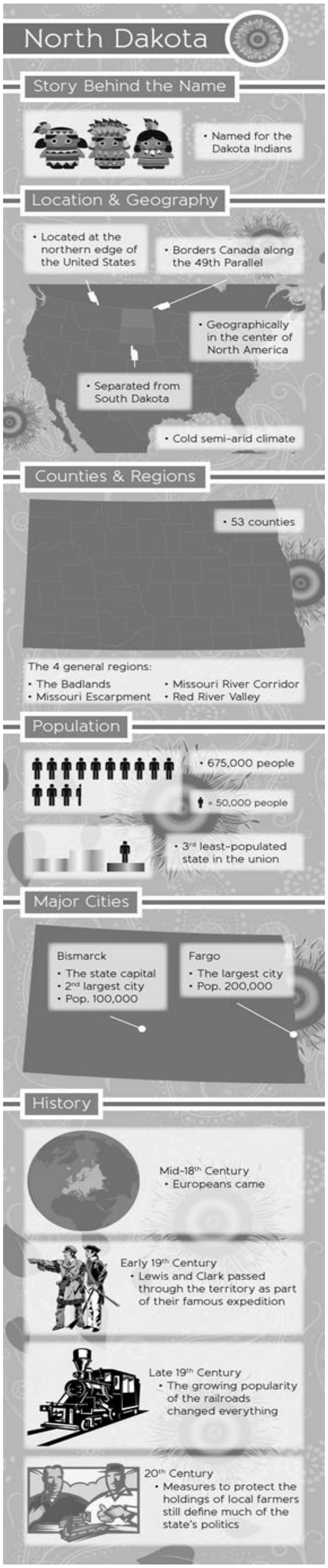

Market Feasibility Study

WAHPETON
NORTH DAKOTA

For more information regarding this report, contact:

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Introduction

Introduction

The following Comprehensive Market Feasibility Study Report will review the proposed development of a hotel in the city of Wahpeton, ND. At the time of this report, the style, type, and size of hotel determined would be between 40-50 guestrooms. The site for the proposed hotel being recommended is on the west central end of Wahpeton, ND on the east side of Highway 210.

Core Distinction Group LLC (CDG) has been engaged by Wahpeton Economic Development and BriMark Builders LLC to provide this Comprehensive Market Feasibility Study Report of the City of Wahpeton, North Dakota market area. This Market Study provides an overview of information concerning the market area and the factors that would affect the possible development of a hotel facility in this community. This document is written in a format that highlights key information and offers a preliminary indication of this market's ability to support the proposed hotel development.

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

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

This Market Study report provides statistical support and highlighted narrative's to support the conclusions regarding the market area and its ability to support the proposed hotel. This report should be acceptable for external investing and/or lending purposes. Core Distinction Group LLC will be available to answer any questions related to this Market Feasibility Study Report.

General Market Overview

General Market Location

The general market for this hotel is Wahpeton, North Dakota. However, this market is broader than just Wahpeton and includes areas within Richland County, Breckenridge, MN and Wilkin County, MN.

Wahpeton, ND is located in south east North Dakota, on the ND/MN border surrounded by several smaller communities within short driving distance. These cities offer a variety of local support for retail, dining options, and community. Nearest city with pop. 50,000+: Fargo, ND (42.7 miles , pop. 90,599). Nearest city with pop. 200,000+: Minneapolis, MN (185.2 miles , pop. 382,618). Nearest city with pop. 1,000,000+: Chicago, IL (538.9 miles , pop. 2,896,016).

Nearest cities: Breckenridge, MN (1.1 miles), Dwight, ND (9.8 miles) , Doran, MN (8.9 miles) , Kent, MN (14.1 miles) , Great Bend, ND (20.7 miles) , Mooreton, ND (13.7 miles), Abercrombie, ND (16.5 miles), Foxhome, MN (15.8 miles) .

Other cities, towns, and suburbs near Wahpeton, North Dakota:

Fergus Falls, MN	Valley City, ND	Brainerd, MN
Moorhead, MN	Watertown, SD	Grand Forks, ND
Fargo, ND	Aberdeen, SD	Bemidji, MN
West Fargo, ND	Willmar, MN	Sartell, MN
Alexandria, MN	Jamestown, ND	

The center of each city listed is within 123 miles of Wahpeton, ND.

Map of local cities around Wahpeton, ND

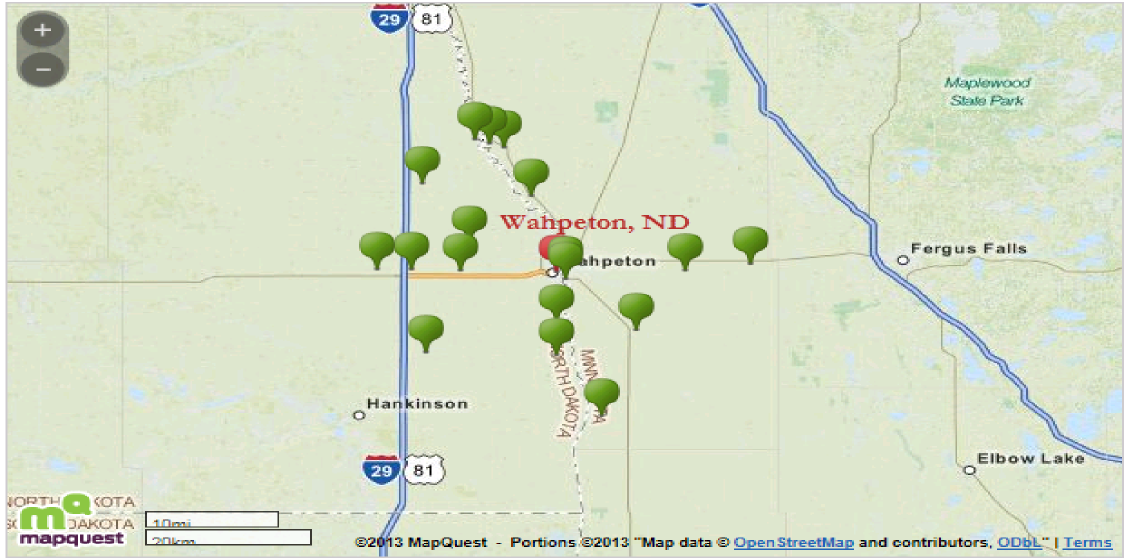
General Market Overview (Map)

local towns

This is a list of smaller local towns that surround Wahpeton, ND. If you're planning a road trip or exploring the local area, make sure you check out some of these places to get a feel for the surrounding community.

- Breckenridge, MN
- Dwight, ND
- Doran, MN
- Great Bend, ND
- Kent, MN
- Mooreton, ND
- McCauleyville, MN
- Abercrombie, ND
- Foxhome, MN
- Childs, MN

Map of local towns around Wahpeton, ND



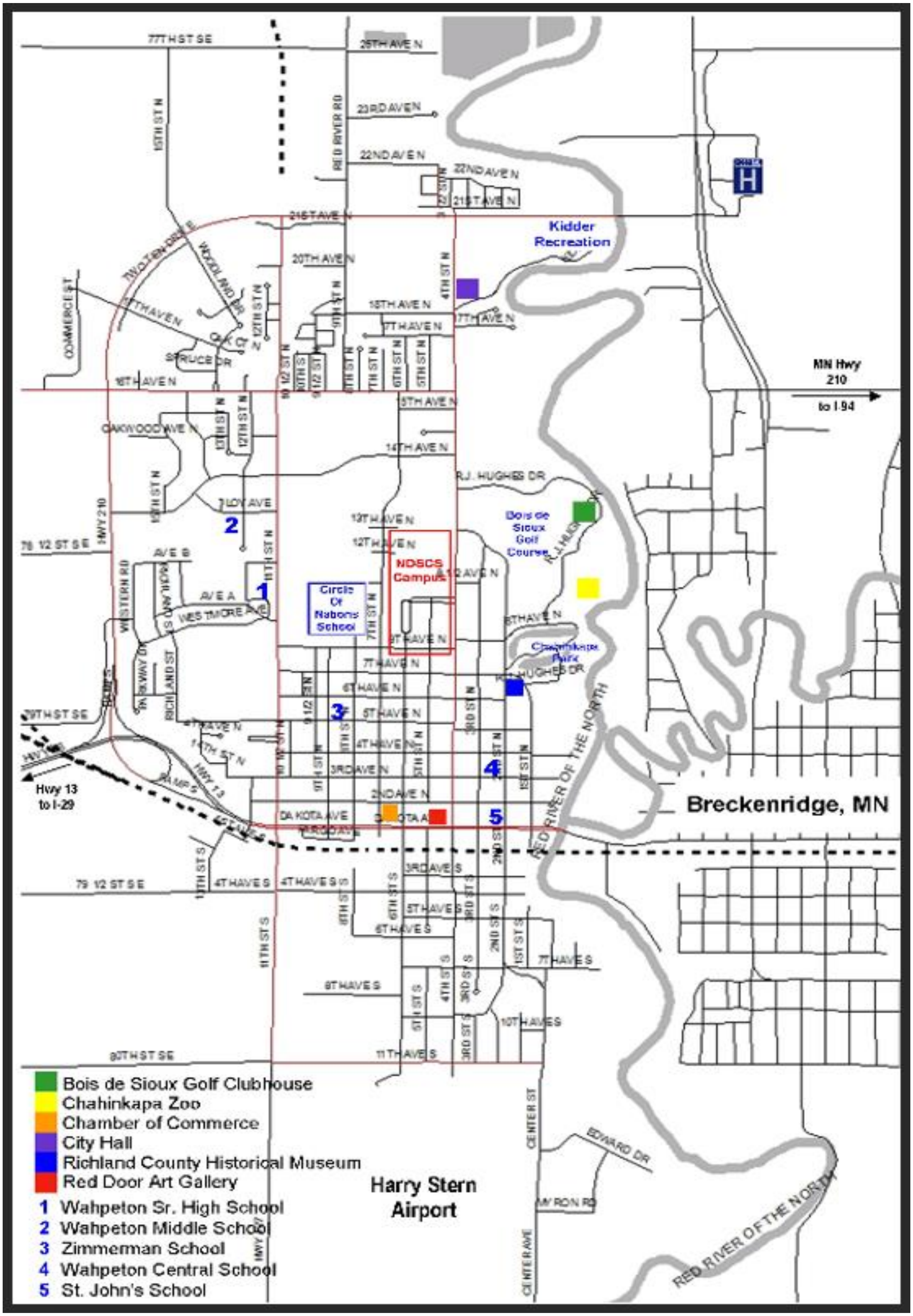
Map of major cities nearby Wahpeton, ND

distance from Wahpeton, ND

This is a list of large cities closest to Wahpeton, ND. A big city usually has a population of at least 200,000 and you can often fly into a major airport. If you need to book a flight, search for the nearest airport to Wahpeton, ND.

- 202 miles to Minneapolis, MN
- 211 miles to Saint Paul, MN
- 273 miles to Winnipeg, Canada
- 390 miles to Omaha, NE
- 438 miles to Lincoln, NE
- 470 miles to Madison, WI
- 538 miles to Milwaukee, WI
- 584 miles to Kansas City, MO
- 592 miles to Chicago, IL
- 612 miles to Wichita, KS

Wahpeton, ND Map



Site Analysis

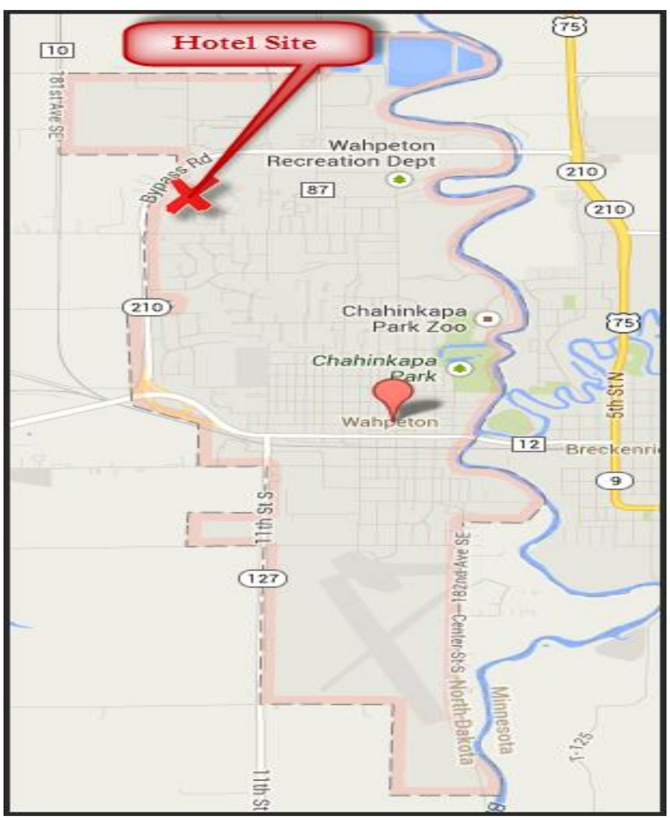
This section of the report describes the site identified for the proposed hotel.

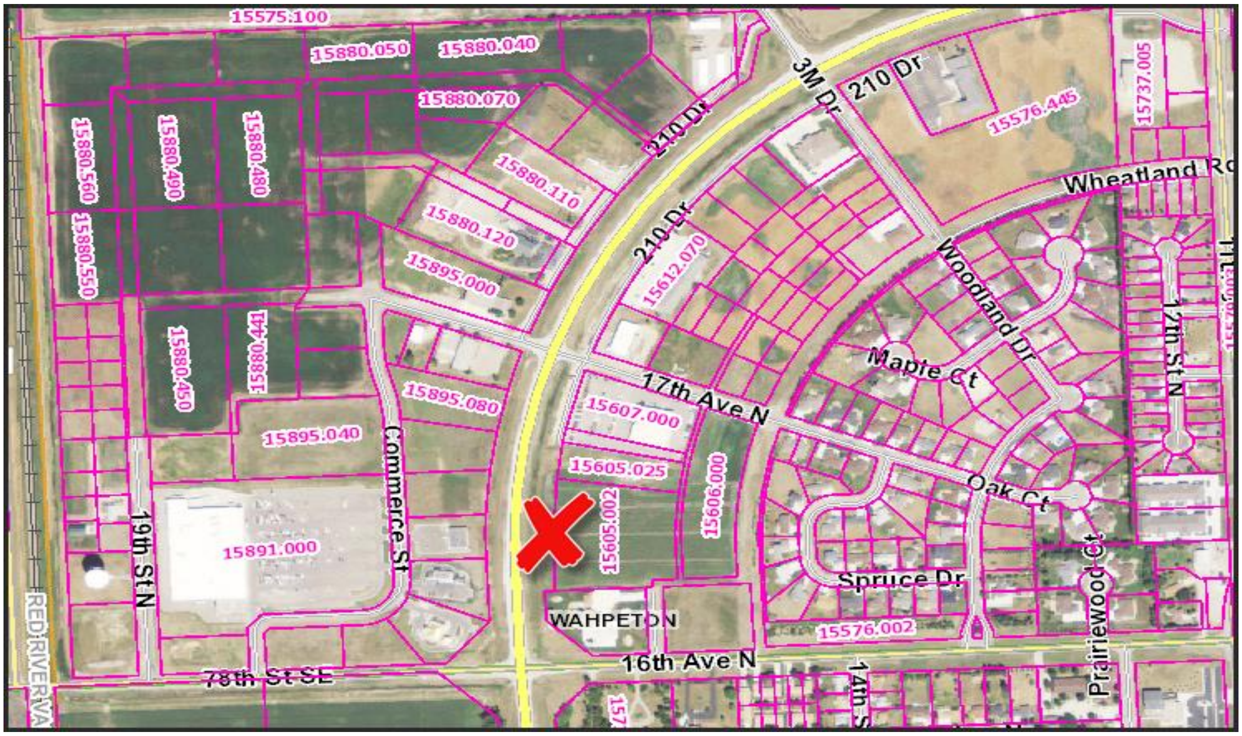
Chosen Site Options (Highway 210)

The site for the proposed hotel being recommended is on the west central end of Wahpeton, ND on the east side of Highway 210. This hotel site would give the hotel visibility for travelers on Highway 210 into the industrial area of the city.

Subject Site Evaluation				
Visibility	~~Poor~~	~~Fair~~	~~Good~~	Excellent
Accessibility	~~Poor~~	~~Fair~~	~~Good~~	Excellent
Site Prep	~~Poor~~	~~Fair~~	Good	~~Excellent~~
Environmental	~~Poor~~	~~Fair~~	Good	~~Excellent~~
Major Utilities	~~Poor~~	~~Fair~~	~~Good~~	Excellent
Zoning	~~Poor~~	~~Fair~~	~~Good~~	Excellent
Architectural Controls	~~Poor~~	~~Fair~~	~~Good~~	Excellent
Area Support Services	~~Poor~~	~~Fair~~	~~Good~~	Excellent
Competition Position	~~Poor~~	~~Fair~~	Good	~~Excellent~~
Overall Result	~~Poor~~	~~Fair~~	~~Good~~	Excellent

The recommended site due to its Competitive Position the site location was felt to be "Excellent" since this site is located along a major traffic route through and into the city as well as located near demand generators. Site preparation for this site are some what unknown. Wetland, water drainage, seepage or flood plain issues were not directly addressed but they do not appear to be present here. A detailed Environmental Impact study was not within the scope of this report. The developer should conduct necessary environmental impact testing to ensure the subject site is in compliance with local ordinances and environmental regulations. Major utilities were reported to be in place in the immediate area including water, sewer, electric, telephone, etc.

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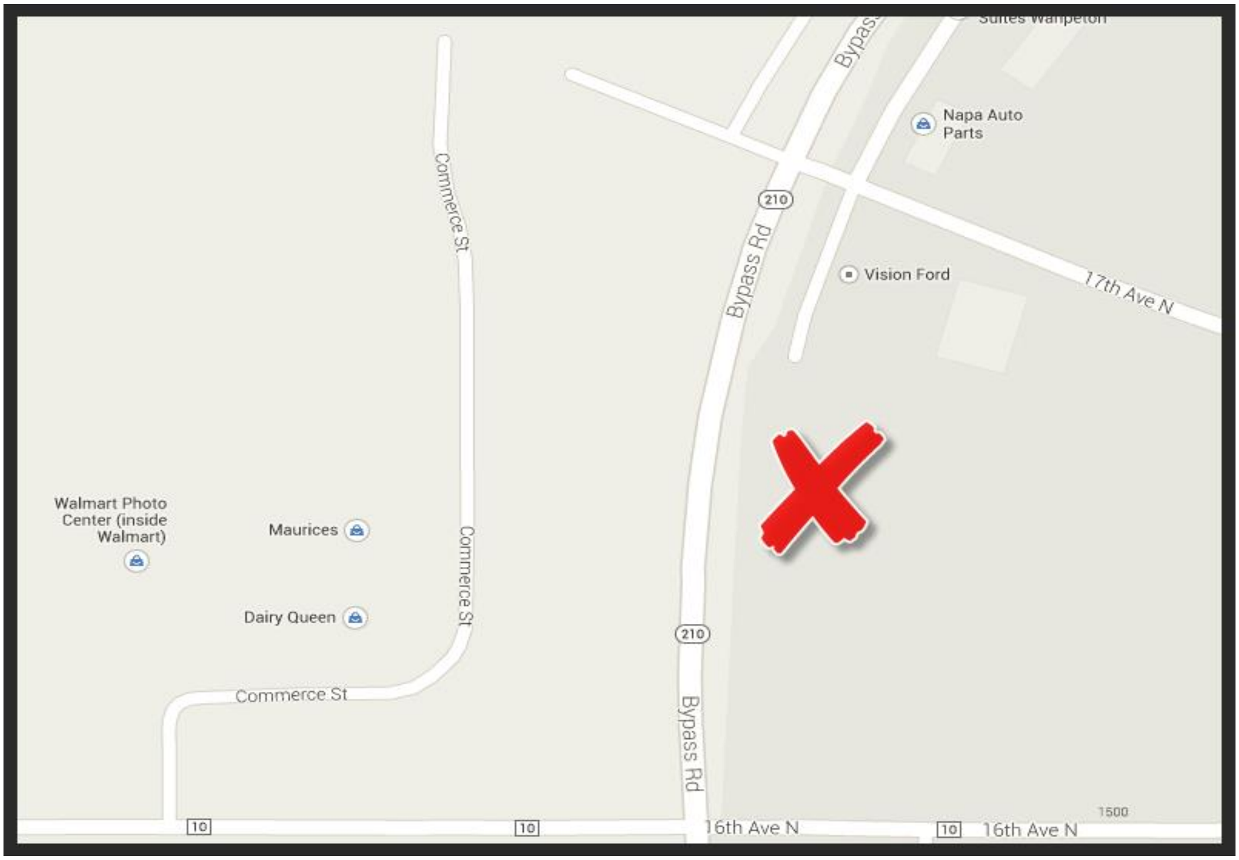
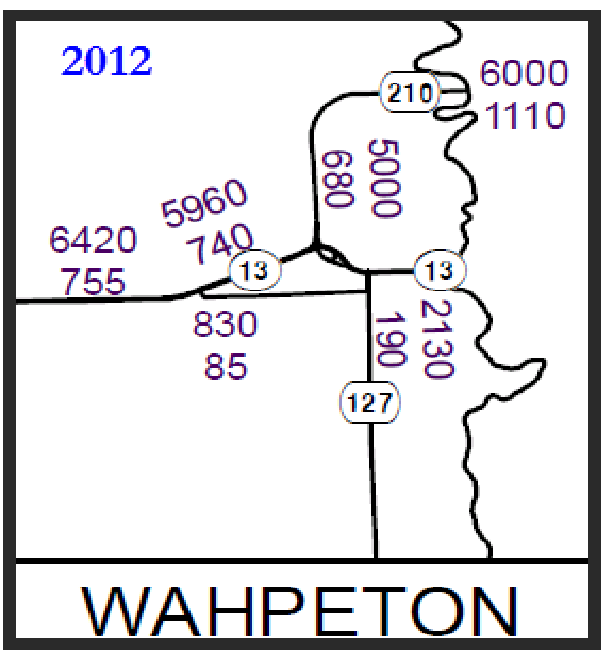
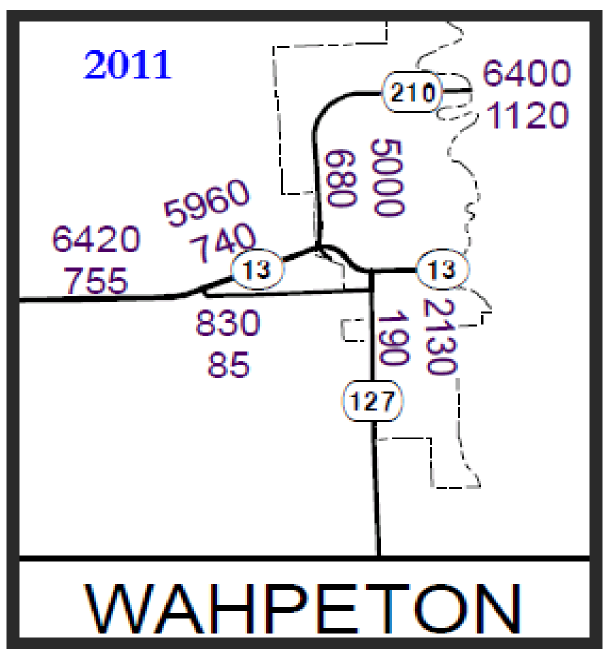
15880.550
15880.120
15895.000
210 Dr
15612.070
Woodland Dr
15880.450
15880.441
Maple Ct
17th St N
15895.080
17th Ave N
15607.000
15895.040
Commerce St
15605.025
15606.000
Oak Ct
19th St N
15891.000
15605.002
Spruce Dr
Prairiewood Ct
WAHPETON
15576.002
16th Ave N
78th St SE


LEFT TURN SIGNAL
16TH AVE N
COUNTY 10
WAL-MART







Above shown AADT for Wahpeton, ND indicates traffic patterns year over year from 2012 to 2011 nearly identical with a slight decline on the northeast end of the community area.

Economic Overview

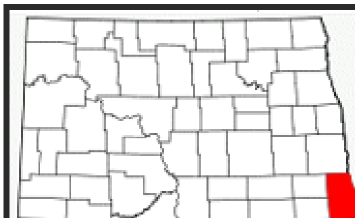
This section describes the preliminary general economic conditions observed in this area through various research sources.

Wahpeton, ND is driven primarily by the economic segments of Manufacturing, Retail Trade; Health Care and Social Assistance; and Accommodation and Food Service.

Population

Wahpeton is a city in Richland County, North Dakota, United States. It is the county seat of Richland County and had a population of 7,766 at the 2010 census. The U.S. Census Bureau estimated 2012 population is 7,800. Wahpeton was founded in 1869 and is the principal city of the Wahpeton Micropolitan Statistical Area. The Census Bureau estimates the total population in the Wahpeton Micropolitan Statistical Area to be 22,802. This area includes all of Richland County, North Dakota and Wilkin County, Minnesota.

As of the census of 2010, there were 16,321 people, 6,483 households, and 4,427 families residing in the county. The population density was 12 people per square mile (5/km^2). There were 7,500 housing units at an average density of 5 per square mile (2/km^2). The racial makeup of the county was 95.1% White, 0.7% Black or African American, 2.3% Native American, 0.6% Asian, 0.1% Pacific Islander, 0.14% from other races, and 1.3% from two or more races. 0.68% of the population were Hispanic or Latino of any race. 46.5% were of German and 26.9% Norwegian ancestry according to the 2010 census.



Location in the state of North Dakota

Historical populations		
Census	Pop.	%±
1880	3,597	—
1890	10,751	198.9%
1900	17,387	61.7%
1910	19,659	13.1%
1920	20,887	6.2%
1930	21,008	0.6%
1940	20,519	−2.3%
1950	19,865	−3.2%
1960	18,824	−5.2%
1970	18,089	−3.9%
1980	19,207	6.2%
1990	18,148	−5.5%
2000	17,998	−0.8%
2010	16,321	−9.3%
Est. 2012	16,217	−0.6%

U.S. Decennial Census[4]
2012 Estimate[5]

There were 6,885 households out of which 32.4% had children under the age of 18 living with them, 54.2% were married couples living together, 6.5% had a female householder with no husband present, and 35.7% were non-families. 29.4% of all households were made up of individuals and 11.6% had someone living alone who was 65 years of age or older. The average household size was 2.43 and the average family size was 3.06.

In the county the population was spread out with 24.7% under the age of 18, 14.5% from 18 to 24, 25.6% from 25 to 44, 20.0% from 45 to 64, and 15.3% who were 65 years of age or older. The median age was 35 years. For every 100 females there were 107.7 males. For every 100 women age 18 and over, there were 108.6 men.

The median income (*median income is the income at which half of the population has an income greater than that income and half of the population has an income lower than that income) for a household in the county was $45,894, and the median income for a family was $45,484. The per capita income for the county was $16,339. About 7.2% of families and 10.0% of the population were below the poverty line, including 7.9% of those under age 18 and 9.6% of those age 65 or over.

Effective Buying Income

2010 Household Income Statistics	Wahpeton, ND
Median Household Income	**$45,894**
Average Household Income	**$53,693**
Income Less than $10,000	**7.2%**
Income $10,000 to $14,999	**10.0%**
Income $15,000 to $24,999	**10.2%**
Income $25,000 to $34,999	**16.7%**
Income $35,000 to $49,999	**22.7%**
Income $50,000 to $74,999	**12.8%**
Income $75,000 to $99,999	**4.3%**
Income $100,000 to $149,999	**2.8%**
Income $150,000 to $199,999	**1.7%**
Income $200,000 and Over	**1.1%**

Source: ACS City Economic Census Data / Source: CLR Search

Retail Sales

2010 Retail Sales Statistics	Wahpeton, ND
Building Materials and Garden Store Sales	**3.35%**
Clothing and Accessories Store Sales	**3.49%**
Electrical and Appliance Store Sales	**1.64%**
Food and Beverage Store Sales	**19.42%**
Food Services	**16.82%**
Gasoline Statins Store Sales	**8.10%**
General Merchandise Store Sales	**11.04%**
Health and Personal Care Store Sales	**2.66%**
Home Furnishings Store Sales	**1.08%**
Miscellaneous Store Sales	**1.13%**
Motor Vehicle Store Sales	**23.52%**
Nonstore Purchases Store Sales	**7.09%**
Sporting Goods Store Sales	**0.66%**
	100.0%

Source: ACS City Economic Census Data / Source: CLR Search

Workforce/Employment Distribution

Employment leaders in Wahpeton, ND: Manufacturing (35%); Retail Trade (12%); Health Care and Social Assistance (12%); and Accommodation and Food Services at (7%).

Employee Statistics by NAICS Code	Wahpeton, ND
Manufacturing	**35.05%**
Health Care and Social Assistance	**11.70%**
Retail Trade	**11.55%**
Accommodation and Food Services	**6.85%**
Construction	**6.38%**
Educational Services	**5.17%**
Other Services (Except Public Admin)	**4.11%**
Transportation and Warehousing	**2.96%**
Wholesale Trade	**2.71%**
Finance and Insurance	**2.41%**
Forestry, Fishing, Hunting, and Agriculture Support	**2.24%**
Professional Scientific, and Technical Services	**1.92%**
Admin Support, Wast Mgmt., and Remediation Services	**1.72%**
Real Estate, Rental, and Leasing	**1.48%**
Arts, Entertainment, and Recreation	**1.26%**
Information	**1.06%**
Utilities	**0.71%**
Mining	**0.67%**
Management of Companies and Enterprises	**0.05%**
	11.1%

Source: ACS City Economic Census Data / Source: CLR Search

Major Employers Wahpeton, ND

Largest employers for 2012 are ranked below:

Rank	Employer Name
1	ND State College of Science
2	Minn-Dak Farmers Cooperative
3	Wahpeton Public Schools
4	Primewood, Inc.
5	Wal-Mart
6	ComDel Innovation
7	Red River Human Services Foundation
8	St. Catherine's Living Center
9	WCCO Belting
10	Cargill
11	Richland County
12	Circle of Nations School
13	Wil-Rich
14	Econofoods
15	Bobcat-Wahpeton

Source: North Dakota Workforce Intelligence

Major Employers Breckenridge, MN

Largest employers for 2012 are ranked below:

Rank	Employer Name
1	St. Francis Healthcare Campus
2	Breckenridge Schools - ISD #846
3	County of Wilkin
4	Sunopta Sunflower
5	Red River Valley & Western Railroad
6	Seeds 2000
7	Minn-Kota Ag Products
8	City of Breckenridge
9	Bremer Bank

Source: North Dakota Workforce Intelligence

Unemployment

Since 2005 the unemployment rate in Wahpeton, North Dakota has ranged from 2.3% in October 2007 to 7.3% in February 2009. The current unemployment rate for Wahpeton is 4.5% in June 2013.

Labor Supply

The labor supply is felt to be average to support a hotel development. The hotel could draw employment from the broad geographic area of Richland County or entice commuting community members to stay closer to home for work rather than commuting to cities outside Wahpeton, ND. The unemployment levels in the county do not appear to place limitations on labor supply needed for this build.

Wage Pressures

Wage pressures were not reported to be a concern in attracting Service employees for a hotel. Wage competition was indicated as average.

Eating and Drinking Places

Antoinette's On the River	Domino's	Prante's Fine Dining
Beyond's China Restaurant	El Toro Mexican Restaurant	Simonson Station of Wahpeton
Burger King	Fryn' Pan Family Restaurant	Subway
Dairy Delight	Hills 210 Café and Subs	Taco John's
Dairy Queen	McDonald's	Vinny's Pizza
BDS Grille Room	Pizza Ranch	Wahpeton Deli

Major Highways Richland County

Interstate I-29

Highway 11 (ND)

Highway 13 (ND)

Highway 18 (ND)

Highway 27 (ND)

Highway 46 (ND)

Highway 127 (ND)

Air Transportation

Harry Stern Airport (Runways: 2)

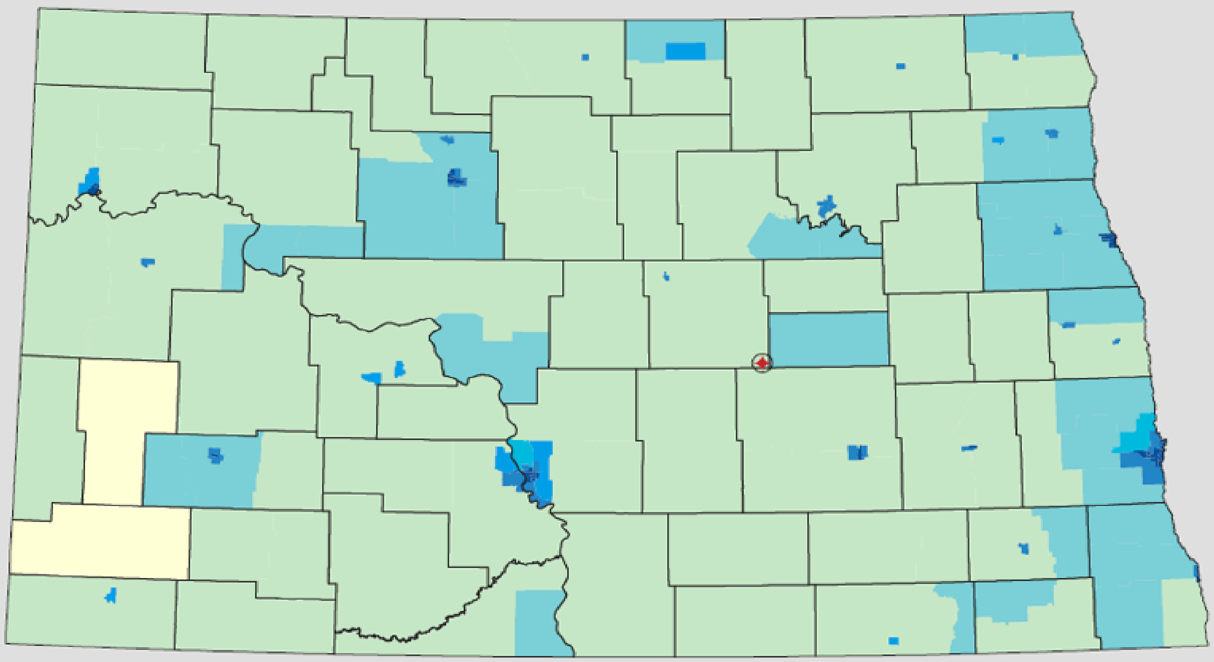
The closest major airport to Wahpeton, North Dakota is Hector International Airport (FAR / KFAR). This airport is in Fargo, North Dakota and is 60 miles from the center of Wahpeton, ND.

Continued Economic Overview Information to follow:

* North Dakota Profile 2010 Census
* Comprehensive Plan Highlights
* In the news…

2010 Census: North Dakota Profile

Population Density by Census Tract

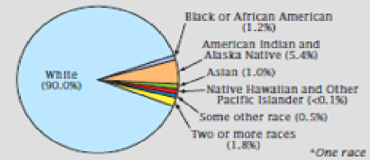


North Dakota Population 1970 to 2010	
2010	672,591
2000	642,200
1990	638,800
1980	652,717
1970	617,761

0 20 40 60 Kilometers
0 20 40 60 Miles

United States Census Bureau

State Race* Breakdown

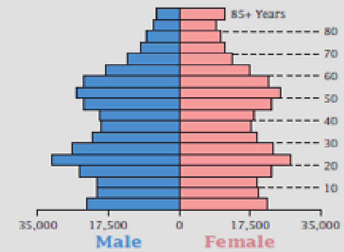


*One race

Hispanic or Latino (of any race) makes up **2.0%** of the state population.

Population by Sex and Age

Total Population: 672,591



Housing Tenure

Total Occupied Housing Units:
281,192

65.4% Owner Occupied	34.6% Renter Occupied

Average Household Size of Owner-Occupied Units: 2.48 people

Average Household Size of Renter-Occupied Units: 1.96 people

People per Square Mile by Census Tract

- 1,000.0 to 8,699.5
- 200.0 to 999.9
- 88.4 to 199.9
- 20.0 to 88.3
- 5.0 to 19.9
- 1.0 to 4.9
- Less than 1.0

U.S. density is 88.4

County Boundary

North Dakota Mean Center of Population

A Comprehensive Plan is a big picture, comprehensive tool used to guide physical and socio-economic changes in the community over the next 20 years. The Plan is intended to be broad in scope and establishes general goals, policies and maps addressing critical elements of the community. The Plan is a guide for citizens, elected and appointed officials, city staff, property owners, business owners, developers and investors as they make decisions about land use, development and public improvements.

The Comprehensive Plan is organized into the following chapters:

Chapter 1

Introduction provides an introduction to the Plan and overview of the comprehensive planning process.

Chapter 2

Vision and Guiding Principles summarizes the community's desires for the future and serves as the foundation for the Plan.

Enhance our community institutions, gathering places and entertainment opportunities

A major element of Wahpeton's high quality of life is our wealth of major community institutions, public gathering places and entertainment opportunities. To maintain our high quality of life, optimize our economic development potential, grow regional tourism, and attract new residents and businesses, we must continue to enhance our existing community assets. In addition, we strive to add entertainment opportunities that are desirable for improving the quality of life for existing and future residents. These unique community assets include our community schools, city library, ND State College of Science, Circle of Nations Indian School, Southeast Region Career and Technology Center, Chahinkapa Zoo, Chahinkapa Park, Prairie Rose Carousel, Prairie Rose Chapel, Bois de Sioux Public Golf Course, Richland County Historical Museum, Stern Sports Arena, Stern Cultural Center, Blikre Activities Center/Werre Arena, Kidder Dam Recreation Area, Red River levee trail/greenway, City Hall, County Courthouse, Community Center, and others.

Quality/character of development

The major concerns about development/redevelopment in the community are the future character of commercial development along Highway 210, the character of recent development in the city, and the perceived City regulation barriers to development.

General retail challenges and opportunities for Wahpeton

Input was mostly positive regarding the recent opening of the Walmart store along Highway 210, which is outside of downtown Wahpeton. Many stakeholders felt that Walmart makes available many basic retail goods that were no longer available within Wahpeton. The major concerns regarding retail in Wahpeton is the challenge of attracting additional desirable retail stores to the city, since it is a smaller city and currently declining in population. Potential competition between downtown retail and the Highway 210 commercial area was not a big concern.

Transportation

Input regarding transportation identified the community's multi-modal assets, including great railroad, airport, and interstate highway access. The major concerns with the community's transportation system are the need for improved walk/bike access within downtown and to the new Hwy 210 commercial area and improved public transportation options (within Wahpeton and to services in Fargo and Fergus Falls).

Chapter 3

Community Context provides an overview of the community's existing conditions, demographic trends and projections, community input regarding issues and opportunities, and the major trends and issues influencing the community's future planning.

Chapter 4

Land Use Management describes the community's desired future land use and development patterns and establishes the community's goals and policies related to land use and development, housing, and economic development.

Business and Industrial

Outside of downtown, the ND Hwy 210 corridor has seen some recent development of commercial businesses, primarily on the city side (east & south) of the highway. Even more recently, a couple of major retail businesses have developed on the highway's west side. The community has two industrial districts: south of downtown/railroad corridor is primarily smaller industries, whereas, the majority of larger industries are located on the north side of town both in the City and in Dwight Township.

Agricultural

Within the City's current boundaries, there is about 130 acres of agricultural land west of Hwy 210 and Hwy 127.

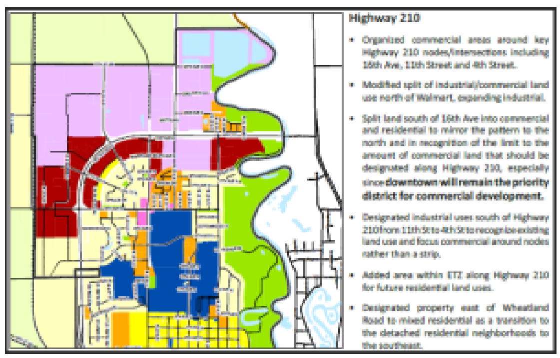
2030 Planned Land Use Patterns

The 2030 Land Use Plan comprehensively guides the community's land toward a desired future land use pattern. Establishing a future land use plan provides a reasonable level of certainty or predictability in both public and private future investments which would not otherwise exist. The 2030 Land Use Plan is created using the new land use categories established by this Plan. The land use plan is informed by an in-depth exploration of three focus areas within the community:

- Downtown
- Highway 210 Corridor
- Southwest

As part of the planning process, individual visioning sessions were conducted for these three focus areas. These focus area visioning sessions identified key issues, opportunities and preferences for future land uses and development character. Key community stakeholders participated in the focus area visioning sessions.

The 2030 Land Use Plan Map incorporates the analysis, input and findings from the focus area explorations. Figure 4.3 summarizes the changes made to the land use plan for each of the focus areas. Figure 4.4, 2030 Land Use Plan Map, shows the city-wide planned land use patterns as the community evolves over the next twenty years. This map provides the basis for the City's zoning districts and their boundaries. Table 4.2 summarizes the distribution of planned land uses within the City's current boundaries, the ETZ area, and overall.



Tourism

Wahpeton is home to an impressive number of regional tourist destinations for a town of its size, including Chahinkapa Park, Chahinkapa Zoo, Bois de Sioux Golf Course, Kidder Recreation Area, Prairie Rose Carousel, Prairie Rose Chapel, Richland County Historical Museum, Head of the Red Gun & Archery Club, Red Door Art Gallery, and fishing the Red River of the North. Nearby to Wahpeton are the Bagg Bonanza Historical Farm, Fort Abercrombie State Historic Site, Ringling Brothers Memorial, and the Dakota Magic Casino & Resort. The Twin Towns area is a major destination for fishing, hunting and bird watching.

The Chahinkapa Zoo recorded just over 54,000 visits in 2010, which was a 3.8% increase over 2009. The Prairie Rose Carousel is estimated to have attracted 15,000 rides in 2010. Fort Abercrombie State Historic Site attracted approximately 5,700 visits in 2010.

These regional tourism destinations are owned and operated by multiple organizations, including the City of Wahpeton, City of Breckenridge, Richland County, Wahpeton Park District, and the State of North Dakota. Promotion and economic development relating to tourism requires significant coordination between these organizations. The expanding trails system in Wahpeton and Breckenridge may be an opportunity to develop a new regional destination in the Twin Towns and better connect many of the regional tourism destinations to each other and to both downtown areas.

Chapter 5
Transportation describes the community's transportation system issues and future plan, including streets, highways, sidewalks and trails to accommodate the needs of drivers, walkers, and bicyclists.

Chapter 6
Community Facilities describes the community's desired public facilities and services over the next twenty years or 2030, including potable water supply, waste water, storm water, flood protection, parks and open space, recreational buildings, trails, civic institutions, and public schools.

Chapter 7
Implementation briefly summarizes how the Plan is to be implemented to achieve the community's vision, guiding principles and goals.

Appendix A Water Infrastructure Systems Report

Appendix B Large Scale 11"x17" Maps

Vision & Guiding Principles

Community Vision
(4 elements)

- Community for a Lifetime
- Regional Hub, Jobs & Attractions
- Traditional Midwest Town Character
- High Quality of Life for Everyone

Guiding Principles

- Reinforce our traditional midwest town character
- Offer housing options for all stages of life
- Provide convenient connections to destinations
- Revitalize downtown as the civic, commercial and cultural heart of our community
- Grow and diversify our economy and job opportunities
- Enhance our community institutions, gathering places and entertainment opportunities
- Create a senior-friendly community
- Provide high quality and cost-efficient public services

NDSCS ranked 3 in nation among community colleges

Wahpeton, ND (WDAY TV) - The school year at NDSCS in Wahpeton has kicked off in a high-profile way.

September 3rd, 2013

Wahpeton, ND (WDAY TV) - The school year at NDSCS in Wahpeton has kicked off in a high-profile way.

The prestigious Washington Monthly Magazine has ranked the college in Wahpeton number three in the nation among community colleges.

Keeping pace with the science and technology advances has NDSCS attracting students and head hunters in the corporate world who want them.

The welcome signs on campus this fall say it all: This is High Tech Heaven. NDSCS in Wahpeton has, for the past few years, exploded with students who want to get in and get out. Come here and learn a high-tech trade and leave here in two years for the workplace. The ranking by Washington Monthly, NDSCS number 3 in the country, has President John Richman beaming.

NDSCS ranked 3 in nation among community colleges

Wahpeton, ND (WDAY TV) - The school year at NDSCS in Wahpeton has kicked off in a high-profile way.

John Richman- NDSCS President: "That placement rate at 99 percent; it gives a testimony that what we do is working and it is working well."

Students Austin Tysver and Alan Martin of Dickinson admit they are motor heads: Love cars. And so they headed east and plan to return home out west when school is done and they start getting paychecks for doing what they love.

Austin Tysver- NDSCS Student: "The kids they turn out of here, just really impresses me and their work impresses me."

One of the pluses of NDSCS has been teaming up with corporate America and high tech giants. In fact, days from now, NDSCS will announce another partnership.

Alan Martin- NDSCS Student: "Job placement is really good and smaller classes one on one, and you learn more from your teacher and they are so friendly."

The demand for other graduates is just as strong: Health care, construction; one more feather in the cap for one of America's oldest two-year schools, right in our own backyard.

Meantime, Bisek Hall on the NDSCS campus is set to become North America's largest Diesel Tech Educational Facility.

Wahpeton voters approve $30 million building bond

Posted: Sep 23, 2013 4:57 PM CDT
Updated: Oct 02, 2013 7:16 AM CDT

UPDATE: OCTOBER 1 11:00 PM

Voters in Wahpeton, North Dakota, have approved a 30-million-dollar building project to replace and improve the district's schools.

When the votes were counted, 1,201 people had said yes to the project and only 162 disagreed. That's an 88% approval, and the district needed only 60% to move forward with the project. The $30 million will go towards replacing Central Elementary and upgrading the middle and high schools.

ORIGINAL

Tuesday, October 1 people in Wahpeton, North Dakota, head to the polls to decide the fate of a $30 million dollar building project to improve schools in the district.

From bats to no air conditioning, employees with the Wahpeton school district say it's time to shut down the old elementary school and build a new one. They say the safety and security of the students are now in jeopardy.

From cracks in the foundation, to water in the basement, old electrical systems and temps that can some days reach 100 degrees. It's a building that happens to be the same place that holds close to 500 children.

"All classrooms are full. Title rooms are old storage rooms," says Rick Jacobson, Wahpeton Schools Superintendent.

At Central Elementary School in Wahpeton, officials says things need to change.

"This year has been the worst with aging of building," says Steve Hockert, principal of Central Elementary.

That's why they are asking for the city to pass a $30 million dollar building project that would allow a brand new school to be built, fixing major concerns.

"We're trying to address poor ventilation and lighting," says Hockert.

There would also be improvements to the middle and high schools and although $30 million dollars is a hefty amount of money, the superintendent of Wahpeton schools says this is the time to do it.

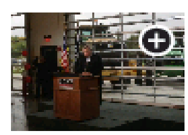
"With the legislature approving the property tax relief, people would still be getting money back," says Jacobson.

The proposed building project will go to a vote at a special election at the high school on October 1. Wahpeton residents can vote at the high school on Tuesday from 11:00 a.m. to 7:00 p.m. If the vote is passed construction will begin sometime this spring.

For more information visit, www.facebook.com/pages/Wahpeton-Public-School-District

NDSCS Celebrates Diesel Tech Expansion

Posted: Sep 20, 2013 5:14 PM CDT
Updated: Sep 20, 2013 5:14 PM CDT



WAHPETON, ND – Governor Jack Dalrymple joined administrators, faculty and staff at North Dakota State College of Science (NDSCS) in Wahpeton to celebrate the completion of the Bisek Hall expansion project. The expanded Bisek Hall will enable NDSCS to expand and enhance its Diesel Technology program.

"North Dakota State College of Science plays a critical role in preparing students for the growing number of skilled jobs created by North Dakota's strong economy," Dalrymple said. "This investment in Bisek Hall will enhance one of the nation's leading diesel tech programs and help us meet our current and emerging workforce needs."

In 2011, the Legislature appropriated $10.3 million for the Bisek Hall renovation and expansion project. The project included the construction of a 65,500-square-foot addition that will enable the college to expand its high-demand diesel technology program. Other facility enhancements include state-of-the-art classrooms and labs; improved building safety conditions and high-tech automotive monitoring and diagnostic systems.

The college's two-year Diesel Technology program provides students with extensive training and practical experience in diagnosing and servicing all types of engines, drive trains, hydraulic systems and electrical systems found on diesel equipment used in the agriculture, construction, energy and transportation industries. NDSCS partners with major companies to train students on the most advanced equipment and the latest diagnostic procedures. Through industry partnerships, students also gain access to internships and opportunities for job placement.

Those joining Dalrymple to mark the project's completion included NDSCS President John Richman, area legislators, Wahpeton Mayor Jim Sturdevant and representatives of the college's industry partnerships.

Dakotas tribe opens $31M administration building

AGENCY VILLAGE, S.D. (AP) — The Sisseton Wahpeton Oyate tribe on Friday opened a $31 million administration building in the northeastern South Dakota town of Agency Village.

October 14th, 2013

AGENCY VILLAGE, S.D. (AP) — The Sisseton Wahpeton Oyate tribe on Friday opened a $31 million administration building in the northeastern South Dakota town of Agency Village.

The facility was funded with the largest Rural Development Community Facilities loan in South Dakota history, said Patrice Kunesh, deputy undersecretary for rural development with the U.S. Department of Agriculture, who attended the grand opening celebration.

"It replaces 26 individual offices and will serve as a central hub, assisting tribal members with their social, educational, and housing needs," Kunesh said.

The facility came about through USDA's StrikeForce Initiative, a program aimed at increasing technical assistance and other investments in poverty-stricken communities. The tribe blessed ground for it about two years ago.

It will serve more than 7,000 members of the tribe that resides on the Lake Traverse Reservation in northeastern South Dakota and southeastern North Dakota.

http://www.wday.com/event/article/id/87180/group/News/

Wahpeton Daily News: Conference focuses on industry's future

By: Matthew Liedke, Wahpeton Daily News

North Dakota State College of Science was a scene of collaboration Thursday and Friday as personnel from educational institutions met for a conference.
The American Technical Education Association held the regional conference, inviting staff from two-year community and technical colleges in seven states: North Dakota, Minnesota, South Dakota, Wyoming, Nebraska, Montana and Iowa.
Locations for the conference varies year-to-year, with NDSCS hosting every five-to-seven years. Other community and technical colleges in the aforementioned states have an opportunity to host the conference, as well.
Barbara Bang, dean of the technologies and services division at NDSCS, explained that the two-day conference included tours of different industries and businesses, as well as educational sessions held on the campus.
"It includes a little bit of everything," Bang said. "We had hands-on sessions. Some were very general sessions on teaching and learning and some are more focused on automotive or construction, while others covered using technology in the classroom."
The conference also included a keynote speaker, whose topic was on teaching today's students. Dr. Mark Taylor, a national speaker, gave the presentation.
Bang described it as "teaching the next generation and how today's learner is different than students in the past and how faculty has to adapt."
Networking is the most important part of the conference, according to Bang, who said, "it's all about sharing ideas and professional development, they can learn a lot from each other."

Lodging Demand

This section of the report is a brief overview of the Lodging Demand highlights identified in this market.

Market Segmentation Projection for Wahpeton, ND are as follows:

Negotiated	**70%**
Agriculture	45%
Medical	15%
Government	10%
Transient	**30%**
TOTAL	**100%**

Source: Core Distinction Group LLC

Identifying which segments have the potential to produce 80 percent of your hotel's revenue is imperative to success of developing these segments to ensure your hotel is achieving fair market share. This starts with understanding the market in which any given hotel operates. A fundamental understanding of the competitive environment, key economic drivers and historical trends are essential to understanding which market segments are relevant. The two main market segments are Transient and Group. However, these can be further segmented depending on each hotel's individual trading area and feeder markets. Examples of these are as follow: Transient Segments: Rack, Corporate, Government and Seniors etc. Group Segments: Corporate, Association and Sports etc. At this time, the proposed hotel should experience the same Market Segmentation as the overall market. The proposed hotel in Wahpeton, ND would be the newest hotel in the immediate regional area. The proposed hotel would be positioned to serve a wide variety of Lodging Demand. Also, as a proposed upper economy hotel, it would be able to flex rates and services to accommodate a full range of Lodging Demand identified for this market.

Market Segmentation Profiles		
Wahpeton, ND	**Demand Potential**	
	T = Transient E = Extended G = Group	Below, Average, Above
Corporate/Commercial Markets		
Agriculture	T, E, G	**Above**
Manufacturing	T	**Above**
Construction	T, E	Average
Transportation	T	**Above**
Retail/Commercial	T	**Above**
Professional Services	T	Average
Insurance	T, E	Average
Government	T, E, G	**Above**
Health Care	T, E, G	**Above**
Education	T	**Above**
Distribution	T	Average
Utilities	T	Average
Real Estate	T	Below
Entertainment	T, G, E	Below
Vendors & Suppliers to Local Market	T, E	Average
Meetings and Seminars		Average
Corporate	T, G	Average
Association	T, G	Average
Training Groups	E, G	Average
Company Parties, Awards Dinners, and Celebrations	T	Average
Inventory and Auditing Companies	T, E, G	Below
Social/Leisure Markets		
Highway Travelers	T	**Above**
Area Recreation	T	**Above**
Outdoor Recreation	T	Average
Area Sites, Entertainment, and General Tourism	T	**Above**
Events & Festivals	T	Below
Regional Shopping	T	Average
Relocation-Real Estate	T, E	Below
Distressed Social-Interim Housing	T, E	Below
SMERF (Weddings, Reunions)	G	Average
Association Groups	G	Average
Amateur/Youth Sports	G	Average

Source: Core Distinction Group LLC

As described in the above chart, the overall market potential appears to be average. Additionally, the development of a hotel in the city has the potential to encourage new areas of growth in the market.

Seasonality of Lodging Demand

A Seasonality of Lodging Demand analysis was performed. This demand analysis is based on general observations of the surrounding market area and the overall North Dakota market area.

1st Quarter (Jan-Mar)	January	February	March
Lodging Rooms Available	1,364	1,232	1,364
Lodging Occupancy %	49%	55%	55%
Total Occ. Rooms	668	678	750
Average Daily Rate	84.00	84.00	85.00
Total Revenue	**$56,142**	**$56,918**	**$63,767**
2nd Quarter (Apr-June)	**April**	**May**	**June**
Lodging Rooms Available	1,320	1,364	1,320
Lodging Occupancy %	55%	55%	75%
Total Occ. Rooms	726	750	990
Average Daily Rate	85.00	89.00	89.00
Total Revenue	**$61,710**	**$66,768**	**$88,110**
3rd Quarter (July-Sept)	**July**	**August**	**September**
Lodging Rooms Available	1,364	1,364	1,320
Lodging Occupancy %	80%	80%	85%
Total Occ. Rooms	1,091	1,091	1,122
Average Daily Rate	94.00	94.00	99.00
Total Revenue	**$102,573**	**$102,573**	**$111,078**
4th Quarter (Oct-Dec)	**October**	**November**	**December**
Lodging Rooms Available	1,364	1,320	1,364
Lodging Occupancy %	80%	55%	55%
Total Occ. Rooms	1,091	726	750
Average Daily Rate	89.00	89.00	84.00
Total Revenue	**$97,117**	**$64,614**	**$63,017**

TOTAL
16,060
65.0%
10,434
$89.55
934,387

Source: Core Distinction Group LLC

It should be noted that the hotels used in this seasonality analysis are all from the immediate Wahpeton area as well as Fergus Falls, MN market. The market's Seasonality of Lodging Demand patterns appear average. Traditional higher occupancy nights during the week are Tuesdays and Wednesdays. On weekends, occupancy is traditionally higher on Saturdays, yet within this comp set Fridays appear to have a slightly higher average. The weakest nightly occupancy is on Sundays. This pattern should be representative of what we could expect at this location in Wahpeton, ND as well.

Rate Sensitivity

This market should have high to average rate sensitivity. Traditionally, the social/leisure market will be more rate sensitive than the corporate/commercial markets. This pattern should be represented in the Wahpeton Market. There may be additional ADR (Average Daily Rate) opportunities as well during peak demand periods when festivals and city events bring more travelers to the market creating demand to force ADR's higher than average. Traditionally social/leisure/group rates will be discounted on weekends with special rates and packages for 10 or more guestrooms utilized. At this location a group may also be considered as 5 or more guestrooms utilized for a period of time.

Feeder Markets

The Feeder Markets for this hotel will be regional and local. Social/Leisure feeder markets tend to be generated from the region. Typical Corporate/Commercial market segments tend to be more national or international yet this market may not see this type of business in the immediate future.

Unaccommodated Lodging Demand

Unaccommodated Lodging Demand may be occurring in this market primarily due to the lack of adequate lodging options currently in the city.

A secondary definition of Unaccommodated Lodging Demand is demand by consumers desiring to stay in other markets but having to stay in Wahpeton or other surrounding markets due to lack of Lodging Supply in the primary market desired. This type of Unaccommodated Lodging Demand appears to occur in Wahpeton. Also, some of the smaller communities surrounding Wahpeton could affect this Lodging Demand potential as they require lodging accommodation for their visitors as well.

Events and Attractions

(The events/attractions listed below are demand generators for leisure transient business)

The Bagg Bonanza Farm, North Dakota's only restored bonanza farm. The Bagg Farm is located in Richland County, North Dakota. We invite guests to come visit and take a tour, learning about bonanza farm life and the past generations that changed the Red River Valley from the country's furthest outpost to a settled, prosperous farming community. The Bagg Farm was named to the National Register of Historic Places in 1985. In 1986 the farm was added to the State Historic Sites Registry. In the same year the Bagg Bonanza Farm Historic Preservation Society, a non-profit organization, was officially founded. In 2005, the farm was designated as a National Historic Landmark. Today, the Society has over 400 members and derives its funding through the generosity of individuals, businesses, and corporations. The ultimate goal of the Society is to restore all buildings on the site as well as begin agricultural production plots adjacent to the farm site.

The 18-hole Bois De Sioux Golf Course facility in Wahpeton, North Dakota features 6,675 yards of golf from the longest tees for a par of 71 . The course rating is 71.3 and it has a slope rating of 122. The Bois de Sioux Golf Club is the only public golf course in the nation to have nine holes in one state and nine holes in another; the front side in Wahpeton, N.D., and the back side in Breckenridge, MN. The course proves challenging for the skilled and entertaining for the novice. The course offers watered greens, tees and fairways.

The Richland County Historical Museum, built in 1965 with an addition in 1984, now provides more than 12,500 square feet of display space making it possible to house a great variety of historical items. Free admission. We have Native American artifacts, and we're told it is one of the best between here and Bismarck! See our collection of beautiful "Rosemeade" Pottery designed by Laura Taylor Hughes Artist/Sculptor. These collector's pieces were made locally at Wahpeton Pottery owned by Robert Hughes. Unique to our museum is the guest register which is the largest registration book in the world! People have been signing it since 1938. Step back in time, with our real "One Room School House" Building. It is located next to the museum, and is from a by-gone area in Richland County. Children especially enjoy seeing how their Grandparent's attended rural school. Visit our many "rooms" in the museum showing scenes from early homes with furnishings and amenities of the day. We also have many "shops" in our lower level depicting lifestyles of yesteryear. If you are interested in Genealogy, we have a number of family histories. We also have original plat books, newspapers and all are available to use as references.

Red Door Art Gallery Newly renovated and located in the heart of the historic downtown business district, the Gallery displays and sells many forms of local and regional art. Fritz Scholder paintings and Erdrich family literary art in permanent collection. Located in downtown Wahpeton, their mission is to increase and diffuse knowledge; to encourage the appreciation of art in all visual forms; to maintain a physical location for displaying visual arts; to collect and preserve objects of artistic interest; to protect works of art from needless destruction; to provide facilities, expertise and materials for artistic education; to offer opportunities for aesthetic enjoyment.

Fast becoming the best "catch" of the day is the **Kidder Recreation Area** in north Wahpeton. The Kidder Recreation Area is 26 acres, located along the Red River. The Kidder Recreation Area is also home to "Wahpper", the World's Largest Catfish. This area includes recreation areas like garden plots, an arboretum, excellent fishing along shorelines, fish cleaning station, picnic shelter, restrooms and showers, modern campsites with water and electricity, a boat ramp and fishing piers. The Kidder Recreation Area provides great photo opportunities and relaxing quiet times for the whole family in a beautiful natural setting.

Prairie Rose Carousel A landmark and local favorite, the restored Prairie Rose Carousel brings joy to both historians and children. The 20-horse carousel demonstrates Wahpeton's dedication to history and sense of community. Each horse has been adopted by a local business or organization in order to preserve this slice of Americana.

This fully restored 1926 antique carousel is only one of the 150 original wooden horse carousels still operating in the United States. After four years of meticulous restoration of its 20 wooden horses, two chariots, calliope and mechanism, it's open to the public daily Memorial Day weekend to Labor Day weekend, located next to the Chahinkapa Zoo.

Chahinkapa Zoo is a favorite for tourists and townsfolk alike; considered by many to be the best zoo in North Dakota. The zoo features over 70 species of wildlife and houses over 200 animals. The white tigers, zebras and spider monkeys are among the most popular attractions. Chahinkapa is home to Talukan, North Dakota's only orangutan. Data collected from Chahinkapa Zoo identified that they on average annually have 3,177 visitors primarily from the North Dakota area.

Welcome to a Higher Standard of Higher Education

Wahpeton is the proud home of one of the nation's oldest public, two-year colleges. **North Dakota State College of Science** adds enormous value to the community. Not only does the school draw students from around the country with unique programs and athletic opportunities, but its technical degrees further the industries Wahpeton thrives on. Fields of the FutureGreen technology continues to appear in national headlines. NDSCS addresses the issues locally, filling need for cleaner, more efficient industries with education for tomorrow. From the field to the factory, NDSCS applies a green ideology to several of its degree programs such as: Agriculture; Automotive Technology; Biofuels; Biotechnology; Building Construction; Civil Engineering; Construction Technology; Diesel Mechanics; Microelectronics; Nanoscience; and much more...

The North Dakota State College of Science (NDSCS) is an influential member of the North Dakota higher education family. The school has been in existence since 1903 and maintains a good position on the cutting edge of technical and professional education in the region. NDSCS is a two-year, comprehensive, residential college with its main campus located in Wahpeton, ND. NDSCS offers degrees, certificates, and diplomas in over 80 academic options in traditional career and technical studies as well as the liberal arts. The college offers a variety of distance education and online courses as well. Total enrollment for NDSCS fall 2013 is 3,168 students.

Important Dates

Fall 2013

August

24 - Residential Halls Open and Welcome Week activities begin
25-26 - New Student Orientation
26 - Classes begin at 4 p.m.

September

2 - Labor Day Holiday
11-12 - Wildcat Payment & Refund Days

October

1-5 - Homecoming
4 NDSCS-Fargo Family Day

November

4 - Registration for spring semester begins
11 - Veterans' Day Holiday
28-29 - Thanksgiving Holiday

December

17-20 - Final Exams
20 - Residence Halls close for holiday break

Spring 2014

January

13 - Classes begin at 4 p.m.
20 - Martin Luther King Holiday
29-30 - Wildcat Payment & Refund Days

February

1 - NDSCS Academic Scholarship Priority Deadline
17 - President's Day Holiday

March

17-21 - Spring Break

April

18-21 - Holiday Break

May

13-16 - Final Exams
16 - Graduation at 3 p.m.
16 - Residence Halls close

Community Interviews

In speaking with the General Manager of Primewood Inc. he indicated that they have approximately 2-5 rooms per month in for two nights. Typically they stay at the AmericInn. Of the two major options in town, this hotel vs. the Baymont has gotten better reviews from his clients. He did also indicate that he felt Wahpeton could benefit from a newer branded hotel for people that are staying outside of Wahpeton rather than in the current lodging options. He also indicated that he did not see a need for convention space in the community as there were other options; specifically NDSCS space available.

In speaking with the Superintendent of the Wahpeton Public Schools systems, he indicated that they rarely have hotel room need as they have limited sports/events drawing overnight accommodation needs. When they do have need for hotel accommodations their hotel of choice for the school is the AmericInn on 210. They choose this hotel primarily due to the friendly service and clean rooms. When asked if he felt Wahpeton could benefit from a newer branded hotel he indicated that development of a hotel in Wahpeton is good for a growing community.

In speaking with the Manager of the Wal-Mart store on Hwy 210, he indicated that they do have minimum room night need in the community; approximately 10 per year and use either the Baymont or the AmericInn hotels nearby. The primary reasons for choosing these two facilities are price, friendliness, and clean rooms. He did however, indicate that he felt there was a need for another branded hotel in the community specifically due to the weekends in the market being busy with events and leisure guests. Several of the primary hotels in the community fill on weekends in the summer months. When asked about the need for convention space, he did indicate a need for small scale space or break outs needed for trainings at their facility they typically conduct in Fargo, ND due to lack of available space and hotel rooms to accommodate business.

In speaking with a principle of Comdel Innovations, he indicated that they do have room night need in the community approximately 1-4 people in per week per month. Their hotels of choice are the AmericInn and Baymont hotels in town due primarily to the convenience of their location to the business. He did also indicate he felt that the community would benefit from a convention center in Wahpeton due to events in the area creating need. They typically travel to Fergus Falls, MN for this space two to three times per year for this particular company.

Red River Human Services Foundation
Supporting People ...Creating Community

In speaking with the Community Services Director at Red River Human Services Foundation, she indicated that they do have room night need in the community approximately once per month due to unannounced surveyors who stay in the area. She also felt there was a need during bad weather, a nice place for families to stay when in town visiting, as well as class reunions or weddings. They choose either the AmericInn or Baymont hotels due to their ease of access off of Highway 210. These hotels in her opinion are kept up well. The Baymont recently renovated some of the hotel creating a better image in the community. When asked if Wahpeton could benefit from a newer branded hotel she was very confident in the fact that weekends are busy and need more hotel rooms to accommodate leisure business as well as potential wedding business that may be traveling out of Wahpeton due to lack of adequate accommodations and space. In addition, she did indicate that if there was a convention center space those guests would use the meeting space and stay at the hotel. This option would be very convenient for guests.

BENEDICTINE LIVING COMMUNITY OF WAHPETON
Benedictine Health System

In speaking with the Administrator at St. Catherine's Living Center, she indicated that they do have room night need in the community approximately 3-5 people weekly who stay for one night specifically consultants coming in from Duluth where their home office is located as well there are countless numbers of family members who commute in to visit their loved ones in their facility daily as this location is a 116 bed location. Currently they recommend and have negotiated rates with both the AmericInn and Baymont on the 210 Bypass only as the other hotels in the community are dated. When asked if Wahpeton could benefit from a newer branded hotel, she indicated that there are only two choices of hotels to recommend at this point but would prefer a home town hotel versus a large Marriott or Holiday Inn. As well, she felt that the college did not have enough lodging options in her opinion. When asked about a need for meeting/convention space she did indicate that she felt there was a need as the current meeting space available in the community is small. There are no options for larger corporate meetings in town; the space at the AmericInn is small. Several community members utilize restaurants to meet in the area.

WCCO Belting, Inc.

In speaking with the Purchaser for WCCO Belting, there was indication that they do have room night need in the community approximately one per month for 2-3 nights. They recommend the Baymont Inn or AmericInn as they have reasonable rates, good service, clean rooms, and convenient location to their offices. When asked if Wahpeton would benefit from a newer branded hotel in the community, it was felt that it would depend on services and amenities offered for the community. Convention space is a need as there are not enough options in the community for larger meetings.

In speaking with the Administrator at Cargill, he indicated that they do have room night need in the community approximately 10-15 people each week for 1-2 nights needing accommodations. They recommend the Baymont Inn, AmericInn, or Super 8 as they have rates negotiated with these hotels. When asked if he felt Wahpeton would benefit from convention space, he indicated that he felt that the community could pull in people otherwise doing business in Fargo, ND as a closer option to those businesses in the southeast area of the state. Currently they use the NDSCS College which has space to accommodate up to 100 people. On average the need for space at Cargill is 30-50 for regular meetings.

In speaking with the County Auditor of Richland County, he indicated they seldom have need for accommodations but do occasionally use either the AmericInn or Baymont as they have good rates and clean rooms. When asked if Wahpeton would benefit from a newer branded hotel, he indicated that he felt that it would be positive for the community and offer more rooms for events when the city is full. In addition, he felt a convention space for 40-60 people would be beneficial for association meetings held a few times a year.

In speaking with the CEO of Circle of Nations School, she indicated that they do have room night need in the community approximately 7-10 per month with additional in December when parents come to visit. They recommend the AmericInn or Baymont Inn due primarily to location and the free breakfast options. She did feel that the community could benefit from a newer branded hotel with convention space as the community is growing and there does not seem to be options for meetings or events other than the Eagles Club in the community, specifically for wedding business.

In speaking with the GM of Wil-Rich, he indicated that they do have room night need in the community approximately 6-10 per month yet they do not recommend any specific hotels in town. They allow those traveling into their business to choose for themselves. He however; did indicate that he did not see a strong need for additional hotel space, yet a need for convention space to hold 200 people for holiday parties and weddings would be beneficial.

In speaking with the Manager of Bobcat, he indicated they rarely have need for hotel rooms space possibly once or twice per year. They don't recommend any specific hotels in the community. He indicated there is an importance to having a place to eat close by for those traveling into town. When asked about Wahpeton benefiting from a newer branded hotel, he indicated it would be nice to have a better hotel option in town as well as a small convention space needed for 20-30 people. They have annual meetings where this space could be utilized.

In speaking with a representative of Seeds 2000, she indicated they do have guestroom need in the community of approximately 10-15 room nights per month and typically recommend the Baymont and AmericInn due primarily to having a good price on guestrooms in the market. When asked whether or not Wahpeton would benefit from a newer branded hotel, she indicated this would be good for the community as many travelers gravitate towards newer hotels with more amenities. She was very encouraged by the idea of convention space in a hotel as she indicated that meeting space combined with a hotel would be good for businesses holding meetings in the area. Seeds 2000 holds semi-annual meetings for 50 people up to 3 nights and this could be a good fit for that.

In speaking with the Marketing manager at Minn-Dak Farmers Cooperative, he indicated that they do have room night need in the community approximately 6-10 per year . They currently recommend the AmericInn and Baymont in Wahpeton mainly due to location and the brand recognition as well as easy access off of 210. Although he has heard complaints from his clients about the lodging options available, he is uncertain if Wahpeton needs a newer branded hotel. When asked about convention center space need, he did feel the community would benefit from convention space for the industrial businesses that hold meetings throughout the year as well as a place to hold a wedding and stay at the same location. Minn-Dak does have need for this space as they conduct trainings for 50-200 people once per year and currently utilize NDSCS College space. As a member of the council, in his opinion, Wahpeton is on the cusp of major growth and needs a facility like this to take them to the next level.

In speaking with the manager at Bremer Bank, she indicated that they do have room night need in the community, approximately 10-15 per year. They currently recommend the AmericInn and Baymont in Wahpeton mainly due to good price and location. She did indicate that it was easy to get rooms in Wahpeton, ND and the current hotels don't seem to be full. When asked about convention center space she felt there was no major draw for convention space in the community.

During the interview process it became clear that there would be a need for a newer branded hotel option in Wahpeton, ND. The above mentioned businesses indicate a minimum of 1,500+ guestrooms in the immediate market qualified business. The overall consensus was that most companies utilize the AmericInn or Baymont Inn but rarely utilize the Super 8 in the market; none of the other lodging options in the city were mentioned. Amenities mentioned as needs were a hotel with the conveniences for today's travelers specifically internet/technology/food & beverage. There was some indication from major employers for meeting space but more stressed a need for leisure or wedding space.

Source: Core Distinction Group, LLC

Benefits of running a business in Wahpeton, ND

- ✔ Community Pride; Great support of local businesses; Good local support; Tight knit community base; Community on the rise and growing; Friendly community; Community works together; Buy local; Loyal to the community.
- ✔ Strong Work Ethic from long term employees; caring employees; Strong workforce; Strong teamwork work ethic; Great volunteer base.
- ✔ Clean Community; Safe Community; Good Flood Protection; Friendly; Trustworthy
- ✔ Centrally Located
- ✔ Strong Agricultural background

Challenges of running a business in Wahpeton, ND

- ✘ Difficult to find good employees; Hiring skilled employees; Attracting good employees; Health care staffing concerns.
- ✘ Weather
- ✘ Proximity to larger city; Fargo, ND too close
- ✘ Not a lot of growth

Source: Core Distinction Group LLC Community Interviews (2013)

Lodging Supply

This section of the report describes the primary competitive Lodging Supply that will affect the property, particularly for hotel room demand.

Competitive Hotel Properties

There is one independent motel and three branded hotels in the immediate Wahpeton market. Rates in the immediate market were running in September 2013 from $45-$99. All other lodging is a minimum of 25 miles from Wahpeton, ND.

The Overall/Statistical Competitive Set was pared down to the three most competitive properties which will help to generate preliminary rate positioning for the proposed hotel.

Competitive Hotel Occupancy & Rates						
Property	Occ Perform	RATE ANALYSIS				Projected ADR
		SINGLE	DOUBLE	WEEKEND	CORP	
AmericInn Wahpeton	Above	$99.99	$89.99	$94.99	$89.99	$93.74
Baymont Inn & Suites Wahpeton	Above	$90.00	$76.00	$76.00	$69.00	$77.75
AmericInn Fergus Falls	Above	$119.00	$109.00	$109.00	$99.00	$109.00
COMPETITIVE MARKET AVERAGE DAILY ROOM RATE (ADR):						**$93.50**

As noted above there are three properties pared down for comparison in rate positioning. The above mentioned hotels were running rates from $69-$119 for the month of August 2013. Average ADR for these hotels range from $77-$109. With this rate positioning, this would place the subject hotel competitive with the higher priced hotel tier rates.

STR Competitive Hotel Occupancy & Rates (September 2013)						
Property	Occ Perform	RATE ANALYSIS				Projected ADR
		SINGLE	DOUBLE	WEEKEND	CORP	
AmericInn Wahpeton	Above	$99.99	$89.99	$94.99	$89.99	$93.74
Baymont Inn & Suites Wahpeton	Above	$90.00	$76.00	$76.00	$69.00	$77.75
Super 8 Wahpeton	Below	$50.00	$45.00	$45.00	$45.00	$46.25
Rodeway Inn Wahpeton	Average	$69.00	$60.00	$60.00	$60.00	$62.25
AmericInn Fergus Falls	Above	$119.00	$109.00	$109.00	$99.00	$109.00
Comfort Inn Fergus Falls	Average	$95.00	$85.00	$96.00	$75.00	$87.75
COMPETITIVE MARKET AVERAGE DAILY ROOM RATE (ADR):						**$79.46**

**** The Dakota Magic Casino Hotel was not included in the STR (Smith Travel Research) data lodging demand area as they do not report their occupancies or ADR's to STR.***

The proposed hotel will directly serve the Wahpeton, ND market and will attract the Lodging Demand identified in this report. It will offer the newest, most current hotel product in Richland County and will serve as the fourth branded hotel in Wahpeton, ND. As a result, it should be the premier property in Wahpeton and should attract any Unaccommodated Lodging Demand being displaced elsewhere in the market due to the lack of adequate accommodation in the city. Its facilities will be developed to match the expectations of today's travelers. This property could be established with a national or regional brand. Working with a brand which has experience in the lodging market will establish quality assurance for the hotel. Its defined rate positioning should establish the property as a highly competitive hotel for it's Lodging Demand.

The statistical competitive market surveyed has not seen any new supply growth in the past year. However, a 92 room Residence Inn, an 82 room Comfort Suites, and a 62 room Sleep In & Suites were recently opened in Fargo 60 miles from Wahpeton, ND. At the time of this report there was no other indication of another hotel building in Richland County. Still, this should be monitored closely throughout the development process. No additional supply growth was factored into the projections at this time.

Room rate competition for a limited-service hotel in this market will be present throughout the year. This rate competition will be dictated by the rate structure of the hotels in the surrounding regional area. With proper rate positioning the hotel should achieve a yield to the immediate market of 115% and the overall region of 100% which is above average and would assist in mitigating any rate sensitivity. The developed hotel in this market should mirror the rates of the branded hotels in the immediate market (the Baymont Inn & Suites and the AmericInn) or within a $10 rate comparison.

Typically a new property should experience a rate premium in the market with it's new and better offerings to area travelers. At this time, it is felt that this property should try to achieve a rate structure significantly higher than the current independent hotels in the immediate market. Being the newest hotel in the market as well as the fourth branded hotel, and conveniently located to main traffic routes should also give this proposed hotel a competitive advantage.

Assuming that a brand is selected for this property, an Area of Franchise Protection should be addressed by the proposed hotel owner. This Area of Franchise Protection should be reviewed to ensure it's compatibility with the Wahpeton Market. It should also be compared with the brand's Incremental Impact Policy. The owner should seek the largest Area of Franchise Protection that can possibly be obtained. At times, using the Incremental Impact Policy may provide the most protection. This market should be protected from similar brand development within the regional Wahpeton market area and a larger area of protection may not be feasible. It is recommended that the necessary impact research be performed in relation to these markets prior to development.

Competitive Hotels	
Primary Competitive Hotels (Immediate Market & Fergus Falls)	**# of Rooms**
AmericInn Wahpeton	45
Baymont Inn & Suites Wahpeton	61
Super 8 Wahpeton	58
Rodeway Inn Wahpeton	43
AmericInn Fergus Falls	59
Comfort Inn Fergus Falls	45
Grand Total:	311
Source: Core Distinction Group, LLC	

The primary competitors are expected to be the hotels in the immediate market shown above . Based on STR data provided the following table summarizes the historical trends in occupancy and rates for the competitive supply in the past five years and estimated 2013.

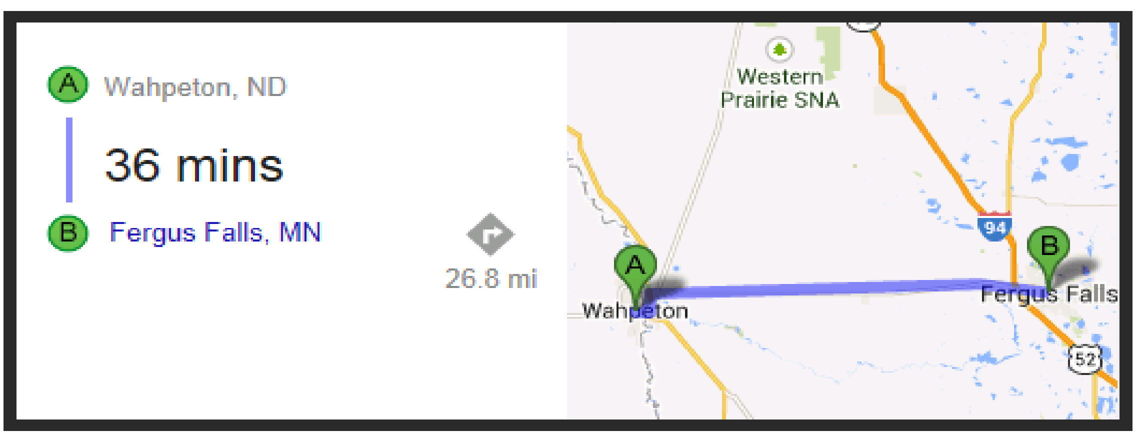
Historical Market Performance					
Year	**Annual Occupancy**	**Occupied Rooms**	**Average Rate**	**Occ %**	**ADR**
				(Growth/Decline)	
2009	54.3%	61,639	$69.90	-4.6%	$3.74
2010	55.1%	62,547	$69.64	0.8%	($0.25)
2011	49.6%	56,303	$69.88	-5.5%	$0.24
2012	50.4%	57,212	$72.78	0.8%	$2.90
2013	53.7%	60,958	$74.93	3.3%	$2.15
** 2013 data estimated based on trends from prior year and noted demand.*					
Source: Core Distinction Group, LLC					

Based on STR data provided the following table summarizes the projected occupancy and rates for the competitive supply in the upcoming three years.

Projected Market Performance					
Year	**Annual Occupancy**	**Occupied Rooms**	**Average Rate**	**Occ %**	**ADR**
				(Growth/Decline)	
2012	50.4%	57,212	$72.78	0.8%	$2.90
2013	53.7%	60,958	$74.93	3.3%	$2.15
2014	55.0%	62,433	$77.00	1.3%	$2.07
2015	55.0%	62,433	$79.00	0.0%	$2.00
2016	56.0%	63,568	$81.00	1.0%	$2.00
Source: Core Distinction Group, LLC					

Occupancy appears to be accurately forecasted for the upcoming three years based on the market and demand as well based on recent year trends. Occupancy has shown to have leveled off to stable in the last two years as rate continues to increase at 2.5%-4% annually.

IMAGES of Hotels Surveyed in the immediate Market as well as Fergus Falls, MN.



Meeting/Convention Space

The Wahpeton meetings market supply consists primarily of limited-service hotel properties, as well as other independent and corporate facilities located in the immediate area. The following list contains existing local meeting venues and their available space.

Name	Location	Space (sq./ft.)	Group Size
Holiday Inn Express	210 Bypass	900	30
AmericInn Motel & Suites	210 Bypass	750	25
Super 8 Motel	210 Bypass	3,500	250
Comfort Inn	13th Street	750	25
NDSCS	6th Street North	10,000+	1,000+
Eagles Club	Dakota Ave.	5,500	500
Veterans Club	Dakota Ave.	2,000	130

Source: Meeting Facility Market Study Document (1998) The Chambers Group Inc.

The following is a list of similar meeting facilities either opened or proposed in the immediate area or in surrounding communities.

Name	Location	Space (sq./ft.)	Group Size
Bois De Sioux Golf Club	Jct. N 4th/13th Ave	2,000	150
Fergus Falls Convention/Civic Center	Fergus Falls, MN	14,000	800-1,000
Wahpeton Armory	210 Bypass	n/a	n/a
Dakota Magic Hotel & Casino	I-29 (33miles South)	1,745	750

Source: Meeting Facility Market Study Document (1998) The Chambers Group Inc.

The following outlines major characteristics of the Wahpeton area as they relate to meeting demand in the market.

- Social functions continue to be a large portion of the overall meeting demand in the Wahpeton area. The majority of current group demand stems from social events such as weddings, parties, club meetings, and local sporting events.
- The vast majority of meetings that take place in the Wahpeton area are generally smaller in scale, usually fewer than 300 people, with an average size of 40 to 60 people.
- Unlike Fargo, the area draws a more rate-sensitive clientele, due to the fact that the venues are not within a larger metropolitan area and do not command rates found in larges cities. This has also been a function of the historical rates charged at NDSCS. 1998 represents the first year NDSCS has actually charged for meeting room rentals.
- Group demand is heaviest during the summer months as well as the shoulder seasons of March through May and September through November. The summer months are typically utilized because a significant portion of the current group demand is social.
- The local hotel market continues to struggle with low occupancy. The addition lf two new facilities in the last three years has saturated the market without significant growth in demand. The weak hotel market is a direct reflection of the current lack of significant group, transient, and corporate demand in the area. The current occupancy levels also reflect the need to induce additional room nights in the Wahpeton area.

Source: Meeting Facility Market Study Document (1998) The Chambers Group Inc.

*** Information provided from previous study document to give a baseline of current meeting facilities in the community identified in 1998 study.*

NDSCS Wahpeton Facilities Details:

Name	Capacity	Price Range
Medora Room	16	$48-80 ($24-40 non-profit)
Plains Room	80	$96-$160 ($48-$80 non-profit)
Red River Valley Room	40/40	$96-$160 ($48-$80 non-profit)
The Alley	350	$210-$350 ($105-$175 non-profit)

Source: NDSCS

All rooms offer full catering services and are handicap accessible.

- **Medora Room** also includes computer data and phone ports, projection screen, and white board.
- **Plains Room** also includes computer data and phone ports, projection screen, white board and sound system.
- **Red River Valley Room** also includes computer data and phone ports, portable projection system, and sound system.
- **The Alley** also includes computer data and phone ports, lighting and sound system, and stage.

Source: NDSCS

In speaking with Betty from the student center at NDSCS she indicated they offer on-campus catering services and no outside catering is allowed. Currently, the meeting space available is the Medora, Plains, Red River Valley, and The Alley (capacity shown above).

In speaking with Jenny from the Bisek Hall at NDSCS she indicated they have classroom setting space seating that can be converted to meeting space for up to 40 people per classroom. Their main accounts here are industry training such as John Deere and trucking.

In speaking with Barb from the Sterns Cultural Center at NDSCS she indicated they have 500 person seating auditorium and basement meeting space offering 50-100 person space. The auditorium holds concerts, plays, and college events.

In speaking with Gayle from the Blickre Activities Center at NDSCS indicated they have an athletic complex for students; this space is not rentable to the public.

In speaking with Kathy, Student Center Catering Manager, she indicated they offer buffet style seating for up to 50 people.

Wahpeton, ND Community Center

Event Type Held	2009	2010	2011	2012	2013	2014
Benefits	6	1	4	2	2	1
Christmas Parties	3	5	5	3	1	1
Fund-Raisers	1	5	5	6	1	3
Rummage Sales	0	4	1	1	1	0
Wedding Receptions	13	9	9	9	2	11
Total	**23**	**24**	**24**	**21**	**7**	**16**

Above shows a breakdown of events held at the Wahpeton, ND Community Center for the past five years and upcoming 2014 reservations. Wayne also noted that most of their meetings are small, non-profit groups.

Source: Wayne Beyer Wahpeton, ND Community Center

Wahpeton, ND - Church Survey

In speaking with Loralie Warne at Harvest Outreach Church she identified that they have 3 to 5 weddings annually with reception space need from as small as 25 people up to 125.

In speaking with Alvita at Bethel Lutheran she identified that they have on average 12 weddings annually with reception space need estimated from 100 up to 300 persons. As well, she did note that some wedding parties have gone to Big Woods in Fergus Falls, MN to hold their reception as the space was not available in the community of Wahpeton, ND. Avita also felt that if there was convention space in the community it may also create demand for other business that otherwise would go to Fargo, ND or even Hankinson, ND to the Dakota Magic Casino & Hotel.

When contacted Faith Church identified that they have very few weddings if any at their location as most choose other venues.

When contacted St. John's Church identified that they have on average 15 weddings annually and guess the attendance to be between 100-200 people on average.

Church	Weddings Annually	Reception	
Harvest Outreach Church	5	25	125
Bethel Lutheran	12	100	300
Bible Baptist	2	25	100
Faith Church	0	0	0
St. John's Catholic Church	15	100	200
Totals:	**19**	**38**	**131**

We were unable to gather information on wedding business and needs from the following churches after contact: New Life Church of God; Church of Jesus Christ of Latter Day Saints, Evergreen United Methodist; Immanuel Lutheran; Seventh-Day Adventist; Trinity Episcopal; United Church of Christ; and Wahpeton United Pentecostal.

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www.str.com

Wahpeton, ND

January 2007 to June 2013 **Job Number: 515493_SADIM** **Staff: KK** **Created: August 13, 2013**

Currency: USD - US Dollar

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Tab 2 - Data by Measure

Wahpeton, ND
Job Number: 515493_SADIM   Staff: KK   Created: August 13, 2013

Occupancy (%)

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Jun YTD
2007	36.9	40.8	50.3	48.4	54.7	65.7	69.1	77.3	71.5	76.0	57.0	48.6	58.1	49.5
2008	46.5	57.7	64.6	66.1	62.0	65.4	69.4	61.3	60.1	68.5	45.3	39.5	58.9	60.4
2009	38.9	41.4	47.4	50.3	55.1	67.3	67.3	66.3	66.1	65.1	44.1	41.0	54.3	50.1
2010	35.5	46.0	47.4	54.8	56.5	69.3	71.9	69.9	60.3	65.6	46.3	37.3	55.1	51.6
2011	31.0	35.4	36.5	41.4	47.8	68.3	69.0	62.3	65.7	62.5	43.9	30.8	49.6	43.4
2012	30.9	32.1	44.6	47.6	58.2	58.1	59.7	64.2	60.5	67.1	43.0	37.0	50.4	45.4
2013	35.6	42.4	49.2	47.2	47.5	64.4								47.7
Avg	36.5	42.3	48.6	50.8	54.5	65.5	67.7	66.9	64.0	67.5	46.6	39.0	54.4	49.7

ADR ($)

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Jun YTD
2007	63.08	62.10	62.99	59.68	59.92	64.88	67.54	63.40	61.78	60.05	60.94	64.30	62.63	62.19
2008	62.25	60.35	59.47	63.30	64.98	67.63	70.34	75.56	67.11	65.93	67.69	68.80	66.16	63.10
2009	68.85	69.93	68.27	67.82	69.68	72.62	74.38	71.85	67.61	68.12	68.54	68.42	69.90	69.72
2010	63.96	69.88	72.29	68.54	72.82	71.03	74.94	73.79	66.71	63.79	64.35	68.89	69.64	70.13
2011	69.44	71.54	70.25	71.72	71.06	69.65	71.73	69.13	69.71	64.07	69.81	74.01	69.88	70.54
2012	71.50	68.94	74.39	72.34	72.53	75.65	70.57	76.45	72.72	70.31	72.07	74.11	72.78	72.96
2013	72.00	73.80	74.76	74.34	77.23	74.98								74.68
Avg	66.96	67.61	68.33	67.90	69.52	70.83	71.62	71.44	67.47	65.26	66.90	69.33	68.32	68.76

RevPAR ($)

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Jun YTD
2007	23.26	25.35	31.70	28.90	32.80	42.66	46.70	48.98	44.19	45.64	34.71	31.23	36.42	30.81
2008	28.96	34.84	38.39	41.82	40.27	44.22	48.83	46.32	40.31	45.14	30.66	27.20	38.94	38.08
2009	26.76	28.97	32.39	34.11	38.39	48.85	50.03	47.65	44.71	44.33	30.26	28.03	37.93	34.94
2010	22.73	32.12	34.28	37.57	41.13	49.20	53.87	51.58	40.20	41.87	29.77	25.67	38.38	36.16
2011	21.56	25.31	25.65	29.69	33.99	47.54	49.51	43.07	45.82	40.06	30.63	22.76	34.67	30.62
2012	22.10	22.11	33.16	34.46	42.18	43.95	42.12	49.06	44.00	47.16	30.99	27.39	36.66	33.11
2013	25.60	31.32	36.76	35.07	36.69	48.29								35.62
Avg	24.43	28.58	33.19	34.52	37.92	46.39	48.51	47.78	43.20	44.03	31.17	27.05	37.17	34.19

Supply

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Jun YTD
2007	9,672	8,736	9,672	9,360	9,672	9,360	9,672	9,672	9,360	9,672	9,360	9,672	113,880	56,472
2008	9,672	8,736	9,672	9,360	9,672	9,360	9,672	9,672	9,360	9,672	9,360	9,672	113,880	56,472
2009	9,672	8,736	9,672	9,360	9,672	9,360	9,672	9,672	9,360	9,672	9,360	9,672	113,880	56,472
2010	9,672	8,736	9,672	9,360	9,672	9,360	9,672	9,672	9,360	9,641	9,330	9,641	113,788	56,472
2011	9,641	8,708	9,641	9,330	9,641	9,330	9,641	9,641	9,330	9,641	9,330	9,641	113,515	56,291
2012	9,641	8,708	9,641	9,330	9,641	9,330	9,641	9,641	9,330	9,641	9,330	9,641	113,515	56,291
2013	9,641	8,708	9,641	9,330	9,641	9,330								56,291
Avg	9,659	8,724	9,659	9,347	9,659	9,347	9,662	9,662	9,350	9,657	9,345	9,657	113,743	56,394

Demand

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Jun YTD
2007	3,566	3,566	4,867	4,532	5,294	6,154	6,687	7,473	6,695	7,351	5,332	4,698	66,215	27,979
2008	4,500	5,043	6,244	6,183	5,995	6,120	6,715	5,929	5,622	6,623	4,240	3,824	67,038	34,085
2009	3,760	3,619	4,589	4,707	5,329	6,296	6,505	6,414	6,189	6,294	4,132	3,962	61,796	28,300
2010	3,437	4,015	4,586	5,130	5,463	6,483	6,952	6,761	5,640	6,329	4,316	3,592	62,704	29,114
2011	2,993	3,081	3,520	3,863	4,611	6,368	6,654	6,006	6,132	6,028	4,094	2,965	56,315	24,436
2012	2,980	2,793	4,297	4,445	5,607	5,421	5,754	6,187	5,645	6,466	4,012	3,563	57,170	25,543
2013	3,428	3,695	4,740	4,401	4,580	6,009								26,853
Avg	3,523	3,687	4,692	4,752	5,268	6,122	6,545	6,462	5,987	6,515	4,354	3,767	61,873	28,044

Revenue ($)

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Jun YTD
2007	224,943	221,434	306,593	270,463	317,224	399,289	451,655	473,762	413,613	441,393	324,913	302,078	4,147,360	1,739,946
2008	280,133	304,333	371,343	391,413	389,537	413,902	472,316	447,966	377,293	436,623	287,002	263,090	4,434,951	2,150,661
2009	258,862	253,084	313,285	319,245	371,325	457,243	483,867	460,855	418,468	428,719	283,201	271,095	4,319,249	1,973,044
2010	219,818	280,568	331,527	351,620	397,790	460,506	520,984	498,924	376,252	403,698	277,721	247,462	4,366,870	2,041,829
2011	207,822	220,418	247,287	277,044	327,654	443,543	477,288	415,214	427,463	386,188	285,819	219,441	3,935,181	1,723,768
2012	213,056	192,563	319,653	321,542	406,667	410,074	406,079	472,989	410,528	454,635	289,137	264,047	4,160,970	1,863,555
2013	246,830	272,700	354,386	327,189	353,717	450,539								2,005,361
Avg	235,923	249,300	320,582	322,645	366,273	433,585	468,698	461,618	403,936	425,209	291,299	261,202	4,227,430	1,928,309

Tab 3 - Percent Change from Previous Year - Detail by Measure

Wahpeton, ND

Job Number: 515493_SADIM   Staff: KK   Created: August 13, 2013

Occupancy

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Jun YTD
2008	26.2	41.4	28.3	36.4	13.2	-0.6	0.4	-20.7	-16.0	-9.9	-20.5	-18.6	1.2	21.8
2009	-16.4	-28.2	-26.5	-23.9	-11.1	2.9	-3.1	8.2	10.1	-5.0	-2.5	3.6	-7.8	-17.0
2010	-8.6	10.9	-0.1	9.0	2.5	3.0	6.9	5.4	-8.9	0.9	4.8	-9.0	1.6	2.9
2011	-12.6	-23.0	-23.0	-24.5	-15.3	-1.5	-4.0	-10.9	9.1	-4.8	-5.1	-17.5	-10.0	-15.8
2012	-0.4	-9.3	22.1	15.1	21.6	-14.9	-13.5	3.0	-7.9	7.3	-2.0	20.2	1.5	4.5
2013	15.0	32.3	10.3	-1.0	-18.3	10.8								5.1
Avg	0.5	4.0	1.9	1.9	-1.2	-0.0	-2.7	-3.0	-2.7	-2.3	-5.1	-4.3	-2.7	0.3

ADR

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Jun YTD
2008	-1.3	-2.8	-5.6	6.1	8.4	4.2	4.1	19.2	8.6	9.8	11.1	7.0	5.6	1.5
2009	10.6	15.9	14.8	7.1	7.2	7.4	5.8	-4.9	0.8	3.3	1.3	-0.5	5.7	10.5
2010	-7.1	-0.1	5.9	1.1	4.5	-2.2	0.7	2.7	-1.3	-6.4	-6.1	0.7	-0.4	0.6
2011	8.6	2.4	-2.8	4.6	-2.4	-1.9	-4.3	-6.3	4.5	0.4	8.5	7.4	0.3	0.6
2012	3.0	-3.6	5.9	0.9	2.1	8.6	-1.6	10.6	4.3	9.7	3.2	0.1	4.2	3.4
2013	0.7	7.0	0.5	2.8	6.5	-0.9								2.4
Avg	2.4	3.1	3.1	3.8	4.4	2.5	0.9	4.2	3.4	3.4	3.6	2.9	3.1	3.2

RevPAR

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Jun YTD
2008	24.5	37.4	21.1	44.7	22.8	3.7	4.6	-5.4	-8.8	-1.1	-11.7	-12.9	6.9	23.6
2009	-7.6	-16.8	-15.6	-18.4	-4.7	10.5	2.4	2.9	10.9	-1.8	-1.3	3.0	-2.6	-8.3
2010	-15.1	10.9	5.8	10.1	7.1	0.7	7.7	8.3	-10.1	-5.5	-1.6	-8.4	1.2	3.5
2011	-5.2	-21.2	-25.2	-21.0	-17.4	-3.4	-8.1	-16.5	14.0	-4.3	2.9	-11.3	-9.7	-15.3
2012	2.5	-12.6	29.3	16.1	24.1	-7.5	-14.9	13.9	-4.0	17.7	1.2	20.3	5.7	8.1
2013	15.9	41.6	10.9	1.8	-13.0	9.9								7.6
Avg	2.5	6.5	4.4	5.5	3.2	2.3	-1.7	0.6	0.4	1.0	-2.1	-1.9	0.3	3.2

Supply

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Jun YTD
2008	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2009	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2010	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.3	-0.3	-0.3	-0.1	0.0
2011	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	0.0	0.0	0.0	-0.2	-0.3
2012	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2013	0.0	0.0	0.0	0.0	0.0	0.0								0.0
Avg	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1

Demand

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Jun YTD
2008	26.2	41.4	28.3	36.4	13.2	-0.6	0.4	-20.7	-16.0	-9.9	-20.5	-18.6	1.2	21.8
2009	-16.4	-28.2	-26.5	-23.9	-11.1	2.9	-3.1	8.2	10.1	-5.0	-2.5	3.6	-7.8	-17.0
2010	-8.6	10.9	-0.1	9.0	2.5	3.0	6.9	5.4	-8.9	0.6	4.5	-9.3	1.5	2.9
2011	-12.9	-23.3	-23.2	-24.7	-15.6	-1.8	-4.3	-11.2	8.7	-4.8	-5.1	-17.5	-10.2	-16.1
2012	-0.4	-9.3	22.1	15.1	21.6	-14.9	-13.5	3.0	-7.9	7.3	-2.0	20.2	1.5	4.5
2013	15.0	32.3	10.3	-1.0	-18.3	10.8								5.1
Avg	0.5	4.0	1.8	1.8	-1.3	-0.1	-2.7	-3.0	-2.8	-2.4	-5.1	-4.3	-2.8	0.2

Revenue

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Jun YTD
2008	24.5	37.4	21.1	44.7	22.8	3.7	4.6	-5.4	-8.8	-1.1	-11.7	-12.9	6.9	23.6
2009	-7.6	-16.8	-15.6	-18.4	-4.7	10.5	2.4	2.9	10.9	-1.8	-1.3	3.0	-2.6	-8.3
2010	-15.1	10.9	5.8	10.1	7.1	0.7	7.7	8.3	-10.1	-5.8	-1.9	-8.7	1.1	3.5
2011	-5.5	-21.4	-25.4	-21.2	-17.6	-3.7	-8.4	-16.8	13.6	-4.3	2.9	-11.3	-9.9	-15.6
2012	2.5	-12.6	29.3	16.1	24.1	-7.5	-14.9	13.9	-4.0	17.7	1.2	20.3	5.7	8.1
2013	15.9	41.6	10.9	1.8	-13.0	9.9								7.6
Avg	2.5	6.5	4.3	5.5	3.1	2.2	-1.7	0.6	0.3	0.9	-2.2	-1.9	0.3	3.2

Tab 4 - Percent Change from Previous Year - Detail by Year

Wahpeton, ND

Job Number: 515493_SADIM   Staff: KK   Created: August 13, 2013

	Jan 08	Feb 08	Mar 08	Apr 08	May 08	Jun 08	Jul 08	Aug 08	Sep 08	Oct 08	Nov 08	Dec 08	Total Year	Jun YTD
Occ	26.2	41.4	28.3	36.4	13.2	-0.6	0.4	-20.7	-16.0	-9.9	-20.5	-18.6	1.2	21.8
ADR	-1.3	-2.8	-5.6	6.1	8.4	4.2	4.1	19.2	8.6	9.8	11.1	7.0	5.6	1.5
RevPAR	24.5	37.4	21.1	44.7	22.8	3.7	4.6	-5.4	-8.8	-1.1	-11.7	-12.9	6.9	23.6
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	26.2	41.4	28.3	36.4	13.2	-0.6	0.4	-20.7	-16.0	-9.9	-20.5	-18.6	1.2	21.8
Revenue	24.5	37.4	21.1	44.7	22.8	3.7	4.6	-5.4	-8.8	-1.1	-11.7	-12.9	6.9	23.6

	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09	Nov 09	Dec 09	Total Year	Jun YTD
Occ	-16.4	-28.2	-26.5	-23.9	-11.1	2.9	-3.1	8.2	10.1	-5.0	-2.5	3.6	-7.8	-17.0
ADR	10.6	15.9	14.8	7.1	7.2	7.4	5.8	-4.9	0.8	3.3	1.3	-0.5	5.7	10.5
RevPAR	-7.6	-16.8	-15.6	-18.4	-4.7	10.5	2.4	2.9	10.9	-1.8	-1.3	3.0	-2.6	-8.3
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	-16.4	-28.2	-26.5	-23.9	-11.1	2.9	-3.1	8.2	10.1	-5.0	-2.5	3.6	-7.8	-17.0
Revenue	-7.6	-16.8	-15.6	-18.4	-4.7	10.5	2.4	2.9	10.9	-1.8	-1.3	3.0	-2.6	-8.3

	Jan 10	Feb 10	Mar 10	Apr 10	May 10	Jun 10	Jul 10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Total Year	Jun YTD
Occ	-8.6	10.9	-0.1	9.0	2.5	3.0	6.9	5.4	-8.9	0.9	4.8	-9.0	1.6	2.9
ADR	-7.1	-0.1	5.9	1.1	4.5	-2.2	0.7	2.7	-1.3	-6.4	-6.1	0.7	-0.4	0.6
RevPAR	-15.1	10.9	5.8	10.1	7.1	0.7	7.7	8.3	-10.1	-5.5	-1.6	-8.4	1.2	3.5
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.3	-0.3	-0.3	-0.1	0.0
Demand	-8.6	10.9	-0.1	9.0	2.5	3.0	6.9	5.4	-8.9	0.6	4.5	-9.3	1.5	2.9
Revenue	-15.1	10.9	5.8	10.1	7.1	0.7	7.7	8.3	-10.1	-5.8	-1.9	-8.7	1.1	3.5

	Jan 11	Feb 11	Mar 11	Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Total Year	Jun YTD
Occ	-12.6	-23.0	-23.0	-24.5	-15.3	-1.5	-4.0	-10.9	9.1	-4.8	-5.1	-17.5	-10.0	-15.8
ADR	8.6	2.4	-2.8	4.6	-2.4	-1.9	-4.3	-6.3	4.5	0.4	8.5	7.4	0.3	0.6
RevPAR	-5.2	-21.2	-25.2	-21.0	-17.4	-3.4	-8.1	-16.5	14.0	-4.3	2.9	-11.3	-9.7	-15.3
Supply	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	0.0	0.0	0.0	-0.2	-0.3
Demand	-12.9	-23.3	-23.2	-24.7	-15.6	-1.8	-4.3	-11.2	8.7	-4.8	-5.1	-17.5	-10.2	-16.1
Revenue	-5.5	-21.4	-25.4	-21.2	-17.6	-3.7	-8.4	-16.8	13.6	-4.3	2.9	-11.3	-9.9	-15.6

	Jan 12	Feb 12	Mar 12	Apr 12	May 12	Jun 12	Jul 12	Aug 12	Sep 12	Oct 12	Nov 12	Dec 12	Total Year	Jun YTD
Occ	-0.4	-9.3	22.1	15.1	21.6	-14.9	-13.5	3.0	-7.9	7.3	-2.0	20.2	1.5	4.5
ADR	3.0	-3.6	5.9	0.9	2.1	8.6	-1.6	10.6	4.3	9.7	3.2	0.1	4.2	3.4
RevPAR	2.5	-12.6	29.3	16.1	24.1	-7.5	-14.9	13.9	-4.0	17.7	1.2	20.3	5.7	8.1
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	-0.4	-9.3	22.1	15.1	21.6	-14.9	-13.5	3.0	-7.9	7.3	-2.0	20.2	1.5	4.5
Revenue	2.5	-12.6	29.3	16.1	24.1	-7.5	-14.9	13.9	-4.0	17.7	1.2	20.3	5.7	8.1

	Jan 13	Feb 13	Mar 13	Apr 13	May 13	Jun 13	Jul 13	Aug 13	Sep 13	Oct 13	Nov 13	Dec 13	Total Year	Jun YTD
Occ	15.0	32.3	10.3	-1.0	-18.3	10.8								5.1
ADR	0.7	7.0	0.5	2.8	6.5	-0.9								2.4
RevPAR	15.9	41.6	10.9	1.8	-13.0	9.9								7.6
Supply	0.0	0.0	0.0	0.0	0.0	0.0								0.0
Demand	15.0	32.3	10.3	-1.0	-18.3	10.8								5.1
Revenue	15.9	41.6	10.9	1.8	-13.0	9.9								7.6

Tab 5 - Twelve Month Moving Average

Wahpeton, ND

Job Number: 515493_SADIM Staff: KK Created: August 13, 2013

Occupancy (%)

	January	February	March	April	May	June	July	August	September	October	November	December
2008	59.0	60.3	61.5	62.9	63.5	63.5	63.5	62.2	61.2	60.6	59.6	58.9
2009	58.2	57.0	55.5	54.2	53.6	53.8	53.6	54.0	54.5	54.2	54.1	54.3
2010	54.0	54.3	54.3	54.7	54.8	55.0	55.4	55.7	55.2	55.2	55.4	55.1
2011	54.7	53.9	53.0	51.9	51.2	51.1	50.8	50.2	50.6	50.4	50.2	49.6
2012	49.6	*49.3*	50.0	50.5	51.4	50.6	49.8	50.0	49.5	49.9	49.8	50.4
2013	50.8	51.6	51.9	51.9	51.0	51.5						

ADR ($)

	January	February	March	April	May	June	July	August	September	October	November	December
2008	62.59	62.45	*62.14*	62.40	62.79	63.03	63.29	64.30	64.77	65.39	65.88	66.16
2009	66.57	67.24	68.09	68.55	68.99	69.50	69.93	69.59	69.62	69.86	69.92	69.90
2010	69.63	69.63	69.92	69.97	70.24	70.09	70.18	70.39	70.34	69.90	69.61	69.64
2011	69.95	70.03	69.87	70.11	69.93	69.78	69.38	68.83	69.13	69.19	69.60	69.88
2012	69.99	69.85	70.17	70.23	70.39	70.97	70.84	71.63	71.95	72.60	72.76	72.78
2013	72.80	73.05	73.09	73.24	73.63	73.58						

RevPAR ($)

	January	February	March	April	May	June	July	August	September	October	November	December
2008	36.90	37.63	38.20	39.26	39.90	40.03	40.21	39.98	39.66	39.62	39.29	38.94
2009	38.76	38.31	37.80	37.16	37.00	37.38	37.49	37.60	37.96	37.89	37.86	37.93
2010	37.59	37.83	37.99	38.27	38.50	38.53	38.86	39.19	38.82	38.61	38.57	38.38
2011	38.28	37.76	37.03	36.39	35.78	35.64	35.26	34.54	35.00	34.84	34.91	34.67
2012	34.71	*34.47*	35.10	35.50	36.19	35.90	35.27	35.78	35.63	36.23	36.26	36.66
2013	36.95	37.66	37.97	38.01	37.55	37.90						

Supply

	January	February	March	April	May	June	July	August	September	October	November	December
2008	113,880	113,880	113,880	113,880	113,880	113,880	113,880	113,880	113,880	113,880	113,880	113,880
2009	113,880	113,880	113,880	113,880	113,880	113,880	113,880	113,880	113,880	113,880	113,880	113,880
2010	113,880	113,880	113,880	113,880	113,880	113,880	113,880	113,880	113,880	113,849	113,819	113,788
2011	113,757	113,729	113,698	113,668	113,637	113,607	113,576	113,545	*113,515*	113,515	113,515	113,515
2012	113,515	113,515	113,515	113,515	113,515	113,515	113,515	113,515	113,515	113,515	113,515	113,515
2013	113,515	113,515	113,515	113,515	113,515	113,515						

Demand

	January	February	March	April	May	June	July	August	September	October	November	December
2008	67,149	68,626	70,003	71,654	72,355	72,321	72,349	70,805	69,732	69,004	67,912	67,038
2009	66,298	64,874	63,219	61,743	61,077	61,253	61,043	61,528	62,095	61,766	61,658	61,796
2010	61,473	61,869	61,866	62,289	62,423	62,610	63,057	63,404	62,855	62,890	63,074	62,704
2011	62,260	61,326	60,260	58,993	58,141	58,026	57,728	56,973	57,465	57,164	56,942	56,315
2012	56,302	*56,014*	56,791	57,373	58,369	57,422	56,522	56,703	56,216	56,654	56,572	57,170
2013	57,618	58,520	58,963	58,919	57,892	58,480						

Revenue ($)

	January	February	March	April	May	June	July	August	September	October	November	December
2008	4,202,550	4,285,449	4,350,199	4,471,149	4,543,462	4,558,075	4,578,736	4,552,940	4,516,620	4,511,850	4,473,939	4,434,951
2009	4,413,680	4,362,431	4,304,373	4,232,205	4,213,993	4,257,334	4,268,885	4,281,774	4,322,949	4,315,045	4,311,244	4,319,249
2010	4,280,205	4,307,689	4,325,931	4,358,306	4,384,771	4,388,034	4,425,151	4,463,220	4,421,004	4,395,983	4,390,503	4,366,870
2011	4,354,874	4,294,724	4,210,484	4,135,908	4,065,772	4,048,809	4,005,113	3,921,403	3,972,614	3,955,104	3,963,202	3,935,181
2012	3,940,415	*3,912,560*	3,984,926	4,029,424	4,108,437	4,074,968	4,003,759	4,061,534	4,044,599	4,113,046	4,116,364	4,160,970
2013	4,194,744	4,274,881	4,309,614	4,315,261	4,262,311	4,302,776						

High value is boxed. Low value is boxed and italicized.

Tab 6 - Twelve Month Moving Average with Percent Change

Wahpeton, ND
Job Number: 515493_SADIM   Staff: KK   Created: August 13, 2013

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue	
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg
Jan 08	59.0		62.59		36.90		113,880		67,149		4,202,550	
Feb 08	60.3		62.45		37.63		113,880		68,626		4,285,449	
Mar 08	61.5		62.14		38.20		113,880		70,003		4,350,199	
Apr 08	62.9		62.40		39.26		113,880		71,654		4,471,149	
May 08	63.5		62.79		39.90		113,880		72,355		4,543,462	
Jun 08	63.5		63.03		40.03		113,880		72,321		4,558,075	
Jul 08	63.5		63.29		40.21		113,880		72,349		4,578,736	
Aug 08	62.2		64.30		39.98		113,880		70,805		4,552,940	
Sep 08	61.2		64.77		39.66		113,880		69,732		4,516,620	
Oct 08	60.6		65.39		39.62		113,880		69,004		4,511,850	
Nov 08	59.6		65.88		39.29		113,880		67,912		4,473,939	
Dec 08	58.9	1.2	66.16	5.6	38.94	6.9	113,880	0.0	67,038	1.2	4,434,951	6.9
Jan 09	58.2	-1.3	66.57	6.4	38.76	5.0	113,880	0.0	66,298	-1.3	4,413,680	5.0
Feb 09	57.0	-5.5	67.24	7.7	38.31	1.8	113,880	0.0	64,874	-5.5	4,362,431	1.8
Mar 09	55.5	-9.7	68.09	9.6	37.80	-1.1	113,880	0.0	63,219	-9.7	4,304,373	-1.1
Apr 09	54.2	-13.8	68.55	9.9	37.16	-5.3	113,880	0.0	61,743	-13.8	4,232,205	-5.3
May 09	53.6	-15.6	68.99	9.9	37.00	-7.3	113,880	0.0	61,077	-15.6	4,213,993	-7.3
Jun 09	53.8	-15.3	69.50	10.3	37.38	-6.6	113,880	0.0	61,253	-15.3	4,257,334	-6.6
Jul 09	53.6	-15.6	69.93	10.5	37.49	-6.8	113,880	0.0	61,043	-15.6	4,268,885	-6.8
Aug 09	54.0	-13.1	69.59	8.2	37.60	-6.0	113,880	0.0	61,528	-13.1	4,281,774	-6.0
Sep 09	54.5	-11.0	69.62	7.5	37.96	-4.3	113,880	0.0	62,095	-11.0	4,322,949	-4.3
Oct 09	54.2	-10.5	69.86	6.8	37.89	-4.4	113,880	0.0	61,766	-10.5	4,315,045	-4.4
Nov 09	54.1	-9.2	69.92	6.1	37.86	-3.6	113,880	0.0	61,658	-9.2	4,311,244	-3.6
Dec 09	54.3	-7.8	69.90	5.7	37.93	-2.6	113,880	0.0	61,796	-7.8	4,319,249	-2.6
Jan 10	54.0	-7.3	69.63	4.6	37.59	-3.0	113,880	0.0	61,473	-7.3	4,280,205	-3.0
Feb 10	54.3	-4.6	69.63	3.5	37.83	-1.3	113,880	0.0	61,869	-4.6	4,307,689	-1.3
Mar 10	54.3	-2.1	69.92	2.7	37.99	0.5	113,880	0.0	61,866	-2.1	4,325,931	0.5
Apr 10	54.7	0.9	69.97	2.1	38.27	3.0	113,880	0.0	62,289	0.9	4,358,306	3.0
May 10	54.8	2.2	70.24	1.8	38.50	4.1	113,880	0.0	62,423	2.2	4,384,771	4.1
Jun 10	55.0	2.2	70.09	0.8	38.53	3.1	113,880	0.0	62,610	2.2	4,388,034	3.1
Jul 10	55.4	3.3	70.18	0.3	38.86	3.7	113,880	0.0	63,057	3.3	4,425,151	3.7
Aug 10	55.7	3.0	70.39	1.2	39.19	4.2	113,880	0.0	63,404	3.0	4,463,220	4.2
Sep 10	55.2	1.2	70.34	1.0	38.82	2.3	113,880	0.0	62,855	1.2	4,421,004	2.3
Oct 10	55.2	1.8	69.90	0.1	38.61	1.9	113,849	-0.0	62,890	1.8	4,395,983	1.9
Nov 10	55.4	2.4	69.61	-0.4	38.57	1.9	113,819	-0.1	63,074	2.3	4,390,503	1.8
Dec 10	55.1	1.6	69.64	-0.4	38.38	1.2	113,788	-0.1	62,704	1.5	4,366,870	1.1
Jan 11	54.7	1.4	69.95	0.5	38.28	1.9	113,757	-0.1	62,260	1.3	4,354,874	1.7
Feb 11	53.9	-0.7	70.03	0.6	37.76	-0.2	113,729	-0.1	61,326	-0.9	4,294,724	-0.3
Mar 11	53.0	-2.4	69.87	-0.1	37.03	-2.5	113,698	-0.2	60,260	-2.6	4,210,484	-2.7
Apr 11	51.9	-5.1	70.11	0.2	36.39	-4.9	113,668	-0.2	58,993	-5.3	4,135,908	-5.1
May 11	51.2	-6.7	69.93	-0.4	35.78	-7.1	113,637	-0.2	58,141	-6.9	4,065,772	-7.3
Jun 11	51.1	-7.1	69.78	-0.4	35.64	-7.5	113,607	-0.2	58,026	-7.3	4,048,809	-7.7
Jul 11	50.8	-8.2	69.38	-1.1	35.26	-9.2	113,576	-0.3	57,728	-8.5	4,005,113	-9.5
Aug 11	50.2	-9.9	68.83	-2.2	34.54	-11.9	113,545	-0.3	56,973	-10.1	3,921,403	-12.1
Sep 11	50.6	-8.3	69.13	-1.7	35.00	-9.9	113,515	-0.3	57,465	-8.6	3,972,614	-10.1
Oct 11	50.4	-8.8	69.19	-1.0	34.84	-9.8	113,515	-0.3	57,164	-9.1	3,955,104	-10.0
Nov 11	50.2	-9.5	69.60	-0.0	34.91	-9.5	113,515	-0.3	56,942	-9.7	3,963,202	-9.7
Dec 11	49.6	-10.0	69.88	0.3	34.67	-9.7	113,515	-0.2	56,315	-10.2	3,935,181	-9.9
Jan 12	49.6	-9.4	69.99	0.1	34.71	-9.3	113,515	-0.2	56,302	-9.6	3,940,415	-9.5
Feb 12	49.3	-8.5	69.85	-0.3	34.47	-8.7	113,515	-0.2	56,014	-8.7	3,912,560	-8.9
Mar 12	50.0	-5.6	70.17	0.4	35.10	-5.2	113,515	-0.2	56,791	-5.8	3,984,926	-5.4
Apr 12	50.5	-2.6	70.23	0.2	35.50	-2.4	113,515	-0.1	57,373	-2.7	4,029,424	-2.6
May 12	51.4	0.5	70.39	0.7	36.19	1.2	113,515	-0.1	58,369	0.4	4,108,437	1.0
Jun 12	50.6	-1.0	70.97	1.7	35.90	0.7	113,515	-0.1	57,422	-1.0	4,074,968	0.6
Jul 12	49.8	-2.0	70.84	2.1	35.27	0.0	113,515	-0.1	56,522	-2.1	4,003,759	-0.0
Aug 12	50.0	-0.4	71.63	4.1	35.78	3.6	113,515	-0.0	56,703	-0.5	4,061,534	3.6
Sep 12	49.5	-2.2	71.95	4.1	35.63	1.8	113,515	0.0	56,216	-2.2	4,044,599	1.8
Oct 12	49.9	-0.9	72.60	4.9	36.23	4.0	113,515	0.0	56,654	-0.9	4,113,046	4.0
Nov 12	49.8	-0.6	72.76	4.5	36.26	3.9	113,515	0.0	56,572	-0.6	4,116,364	3.9
Dec 12	50.4	1.5	72.78	4.2	36.66	5.7	113,515	0.0	57,170	1.5	4,160,970	5.7
Jan 13	50.8	2.3	72.80	4.0	36.95	6.5	113,515	0.0	57,618	2.3	4,194,744	6.5
Feb 13	51.6	4.5	73.05	4.6	37.66	9.3	113,515	0.0	58,520	4.5	4,274,881	9.3
Mar 13	51.9	3.8	73.09	4.2	37.97	8.1	113,515	0.0	58,963	3.8	4,309,614	8.1
Apr 13	51.9	2.7	73.24	4.3	38.01	7.1	113,515	0.0	58,919	2.7	4,315,261	7.1
May 13	51.0	-0.8	73.63	4.6	37.55	3.7	113,515	0.0	57,892	-0.8	4,262,311	3.7
Jun 13	51.5	1.8	73.58	3.7	37.90	5.6	113,515	0.0	58,480	1.8	4,302,776	5.6

Tab 7 - Day of Week Analysis

Wahpeton, ND

Job Number: 515493_SADIM Staff: KK Created: August 13, 2013

Occupancy (%)

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Month
Jul - 12	42.0	58.2	59.6	60.1	57.4	68.5	76.8	59.7
Aug - 12	43.8	59.5	66.5	72.3	63.3	66.3	75.1	64.2
Sep - 12	40.2	55.4	71.4	67.7	58.7	63.1	69.8	60.5
Oct - 12	39.9	67.3	72.8	70.5	67.9	73.7	74.9	67.1
Nov - 12	22.7	42.4	51.0	46.4	42.1	50.2	44.7	43.0
Dec - 12	23.3	34.1	36.8	39.0	35.1	42.5	49.1	37.0
Jan - 13	22.7	37.2	35.9	36.8	32.3	41.0	43.5	35.6
Feb - 13	30.0	44.3	41.7	40.8	37.4	49.0	53.9	42.4
Mar - 13	28.9	46.8	51.2	49.4	41.2	59.6	65.4	49.2
Apr - 13	30.3	42.1	50.5	52.6	46.7	55.6	52.8	47.2
May - 13	29.6	41.7	47.2	50.9	49.4	52.6	58.6	47.5
Jun - 13	44.9	66.1	72.1	70.3	64.4	66.0	70.4	64.4
Total Year	**33.4**	**49.6**	**54.7**	**55.0**	**49.4**	**57.3**	**61.4**	**51.5**

Three Year Occupancy (%)

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Year
Jul 10 - Jun 11	33.5	48.4	53.6	53.7	49.1	59.6	59.7	51.1
Jul 11 - Jun 12	34.5	50.0	54.4	54.5	47.0	56.2	57.2	50.6
Jul 12 - Jun 13	33.4	49.6	54.7	55.0	49.4	57.3	61.4	51.5
Total 3 Yr	**33.8**	**49.4**	**54.3**	**54.4**	**48.5**	**57.7**	**59.4**	**51.1**

ADR

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Month
Jul - 12	69.02	66.18	66.79	67.30	68.57	77.48	77.37	70.57
Aug - 12	73.30	70.91	73.17	72.85	74.01	82.89	85.37	76.45
Sep - 12	70.44	69.66	69.61	69.74	71.00	77.39	78.64	72.72
Oct - 12	69.91	67.88	67.84	70.32	69.00	73.06	74.72	70.31
Nov - 12	73.71	68.23	70.81	70.88	70.35	75.94	74.11	72.07
Dec - 12	73.09	71.28	75.70	69.89	71.58	75.25	78.93	74.11
Jan - 13	71.34	66.30	70.25	71.90	71.15	74.97	77.13	72.00
Feb - 13	71.45	69.52	70.37	70.92	71.22	78.49	80.99	73.80
Mar - 13	72.47	75.03	74.26	73.28	73.90	75.35	76.75	74.76
Apr - 13	68.40	71.28	73.59	73.49	70.82	78.86	80.91	74.34
May - 13	74.64	73.92	74.25	74.55	72.20	81.94	86.21	77.23
Jun - 13	72.27	71.68	71.56	72.84	70.36	80.65	82.82	74.98
Total Year	**71.50**	**69.96**	**71.10**	**71.54**	**71.17**	**77.87**	**79.60**	**73.58**

Three Year ADR

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Year
Jul 10 - Jun 11	69.87	66.97	67.03	67.24	68.33	72.73	75.01	69.78
Jul 11 - Jun 12	70.29	67.63	67.72	67.43	70.63	75.02	76.84	70.97
Jul 12 - Jun 13	71.50	69.96	71.10	71.54	71.17	77.87	79.60	73.58
Total 3 Yr	**70.56**	**68.20**	**68.63**	**68.76**	**70.02**	**75.17**	**77.18**	**71.45**

RevPAR

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Month
Jul - 12	28.97	38.50	39.82	40.46	39.38	53.07	59.41	42.12
Aug - 12	32.09	42.16	48.68	52.69	46.84	55.00	64.14	49.06
Sep - 12	28.34	38.59	49.73	47.21	41.65	48.80	54.89	44.00
Oct - 12	27.89	45.69	49.41	49.58	46.88	53.87	55.98	47.16
Nov - 12	16.74	28.92	36.11	32.91	29.60	38.11	33.10	30.99
Dec - 12	17.00	24.29	27.89	27.23	25.11	31.99	38.74	27.39
Jan - 13	16.19	24.64	25.19	26.44	22.98	30.76	33.55	25.60
Feb - 13	21.47	30.76	29.35	28.94	26.61	38.47	43.62	31.32
Mar - 13	20.94	35.09	38.03	36.22	30.41	44.94	50.22	36.76
Apr - 13	20.73	29.99	37.17	38.65	33.08	43.86	42.75	35.07
May - 13	22.10	30.80	35.02	37.95	35.65	43.08	50.56	36.69
Jun - 13	32.45	47.38	51.62	51.20	45.34	53.23	58.27	48.29
Total Year	**23.91**	**34.73**	**38.92**	**39.32**	**35.18**	**44.65**	**48.91**	**37.90**

Three Year RevPAR

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Year
Jul 10 - Jun 11	23.37	32.44	35.93	36.08	33.55	43.36	44.78	35.64
Jul 11 - Jun 12	24.28	33.83	36.86	36.74	33.20	42.17	43.94	35.90
Jul 12 - Jun 13	23.91	34.73	38.92	39.32	35.18	44.65	48.91	37.90
Total 3 Yr	**23.85**	**33.66**	**37.24**	**37.38**	**33.97**	**43.38**	**45.86**	**36.48**

Tab 8 - Raw Data

Wahpeton, ND
Job Number: 515493_SADIM   Staff: KK   Created: August 13, 2013

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Jan 07	36.9		63.08		23.26		9,672		3,566		224,943		6	312	80.1
Feb 07	40.8		62.10		25.35		8,736		3,566		221,434		6	312	80.1
Mar 07	50.3		62.99		31.70		9,672		4,867		306,593		6	312	80.1
Apr 07	48.4		59.68		28.90		9,360		4,532		270,463		6	312	80.1
May 07	54.7		59.92		32.80		9,672		5,294		317,224		6	312	80.1
Jun 07	65.7		64.88		42.66		9,360		6,154		399,289		6	312	80.1
Jul 07	69.1		67.54		46.70		9,672		6,687		451,655		6	312	80.1
Aug 07	77.3		63.40		48.98		9,672		7,473		473,762		6	312	80.1
Sep 07	71.5		61.78		44.19		9,360		6,695		413,613		6	312	80.1
Oct 07	76.0		60.05		45.64		9,672		7,351		441,393		6	312	80.1
Nov 07	57.0		60.94		34.71		9,360		5,332		324,913		6	312	80.1
Dec 07	48.6		64.30		31.23		9,672		4,698		302,078		6	312	80.1
Jan 08	46.5	26.2	62.25	-1.3	28.96	24.5	9,672	0.0	4,500	26.2	280,133	24.5	6	312	80.1
Feb 08	57.7	41.4	60.35	-2.8	34.84	37.4	8,736	0.0	5,043	41.4	304,333	37.4	6	312	80.1
Mar 08	64.6	28.3	59.47	-5.6	38.39	21.1	9,672	0.0	6,244	28.3	371,343	21.1	6	312	80.1
Apr 08	66.1	36.4	63.30	6.1	41.82	44.7	9,360	0.0	6,183	36.4	391,413	44.7	6	312	80.1
May 08	62.0	13.2	64.98	8.4	40.27	22.8	9,672	0.0	5,995	13.2	389,537	22.8	6	312	80.1
Jun 08	65.4	-0.6	67.63	4.2	44.22	3.7	9,360	0.0	6,120	-0.6	413,902	3.7	6	312	80.1
Jul 08	69.4	0.4	70.34	4.1	48.83	4.6	9,672	0.0	6,715	0.4	472,316	4.6	6	312	80.1
Aug 08	61.3	-20.7	75.56	19.2	46.32	-5.4	9,672	0.0	5,929	-20.7	447,966	-5.4	6	312	80.1
Sep 08	60.1	-16.0	67.11	8.6	40.31	-8.8	9,360	0.0	5,622	-16.0	377,293	-8.8	6	312	80.1
Oct 08	68.5	-9.9	65.93	9.8	45.14	-1.1	9,672	0.0	6,623	-9.9	436,623	-1.1	6	312	80.1
Nov 08	45.3	-20.5	67.69	11.1	30.66	-11.7	9,360	0.0	4,240	-20.5	287,002	-11.7	6	312	80.1
Dec 08	39.5	-18.6	68.80	7.0	27.20	-12.9	9,672	0.0	3,824	-18.6	263,090	-12.9	6	312	80.1
Jan 09	38.9	-16.4	68.85	10.6	26.76	-7.6	9,672	0.0	3,760	-16.4	258,862	-7.6	6	312	80.1
Feb 09	41.4	-28.2	69.93	15.9	28.97	-16.8	8,736	0.0	3,619	-28.2	253,084	-16.8	6	312	80.1
Mar 09	47.4	-26.5	68.27	14.8	32.39	-15.6	9,672	0.0	4,589	-26.5	313,285	-15.6	6	312	80.1
Apr 09	50.3	-23.9	67.82	7.1	34.11	-18.4	9,360	0.0	4,707	-23.9	319,245	-18.4	6	312	80.1
May 09	55.1	-11.1	69.68	7.2	38.39	-4.7	9,672	0.0	5,329	-11.1	371,325	-4.7	6	312	80.1
Jun 09	67.3	2.9	72.62	7.4	48.85	10.5	9,360	0.0	6,296	2.9	457,243	10.5	6	312	80.1
Jul 09	67.3	-3.1	74.38	5.8	50.03	2.4	9,672	0.0	6,505	-3.1	483,867	2.4	6	312	80.1
Aug 09	66.3	8.2	71.85	-4.9	47.65	2.9	9,672	0.0	6,414	8.2	460,855	2.9	6	312	80.1
Sep 09	66.1	10.1	67.61	0.8	44.71	10.9	9,360	0.0	6,189	10.1	418,468	10.9	6	312	80.1
Oct 09	65.1	-5.0	68.12	3.3	44.33	-1.8	9,672	0.0	6,294	-5.0	428,719	-1.8	6	312	80.1
Nov 09	44.1	-2.5	68.54	1.3	30.26	-1.3	9,360	0.0	4,132	-2.5	283,201	-1.3	6	312	80.1
Dec 09	41.0	3.6	68.42	-0.5	28.03	3.0	9,672	0.0	3,962	3.6	271,095	3.0	6	312	80.1
Jan 10	35.5	-8.6	63.96	-7.1	22.73	-15.1	9,672	0.0	3,437	-8.6	219,818	-15.1	6	312	80.1
Feb 10	46.0	10.9	69.88	-0.1	32.12	10.9	8,736	0.0	4,015	10.9	280,568	10.9	6	312	80.1
Mar 10	47.4	-0.1	72.29	5.9	34.28	5.8	9,672	0.0	4,586	-0.1	331,527	5.8	6	312	80.1
Apr 10	54.8	9.0	68.54	1.1	37.57	10.1	9,360	0.0	5,130	9.0	351,620	10.1	6	312	80.1
May 10	56.5	2.5	72.82	4.5	41.13	7.1	9,672	0.0	5,463	2.5	397,790	7.1	6	312	80.1
Jun 10	69.3	3.0	71.03	-2.2	49.20	0.7	9,360	0.0	6,483	3.0	460,506	0.7	6	312	80.1
Jul 10	71.9	6.9	74.94	0.7	53.87	7.7	9,672	0.0	6,952	6.9	520,984	7.7	6	312	80.1
Aug 10	69.9	5.4	73.79	2.7	51.58	8.3	9,672	0.0	6,761	5.4	498,924	8.3	6	312	80.1
Sep 10	60.3	-8.9	66.71	-1.3	40.20	-10.1	9,360	0.0	5,640	-8.9	376,252	-10.1	6	312	80.1
Oct 10	65.6	0.9	63.79	-6.4	41.87	-5.5	9,641	-0.3	6,329	0.6	403,698	-5.8	6	311	100.0
Nov 10	46.3	4.8	64.35	-6.1	29.77	-1.6	9,330	-0.3	4,316	4.5	277,721	-1.9	6	311	100.0
Dec 10	37.3	-9.0	68.89	0.7	25.67	-8.4	9,641	-0.3	3,592	-9.3	247,462	-8.7	6	311	100.0
Jan 11	31.0	-12.6	69.44	8.6	21.56	-5.2	9,641	-0.3	2,993	-12.9	207,822	-5.5	6	311	100.0
Feb 11	35.4	-23.0	71.54	2.4	25.31	-21.2	8,708	-0.3	3,081	-23.3	220,418	-21.4	6	311	100.0
Mar 11	36.5	-23.0	70.25	-2.8	25.65	-25.2	9,641	-0.3	3,520	-23.2	247,287	-25.4	6	311	100.0
Apr 11	41.4	-24.5	71.72	4.6	29.69	-21.0	9,330	-0.3	3,863	-24.7	277,044	-21.2	6	311	100.0
May 11	47.8	-15.3	71.06	-2.4	33.99	-17.4	9,641	-0.3	4,611	-15.6	327,654	-17.6	6	311	100.0
Jun 11	68.3	-1.5	69.65	-1.9	47.54	-3.4	9,330	-0.3	6,368	-1.8	443,543	-3.7	6	311	100.0
Jul 11	69.0	-4.0	71.73	-4.3	49.51	-8.1	9,641	-0.3	6,654	-4.3	477,288	-8.4	6	311	100.0
Aug 11	62.3	-10.9	69.13	-6.3	43.07	-16.5	9,641	-0.3	6,006	-11.2	415,214	-16.8	6	311	100.0
Sep 11	65.7	9.1	69.71	4.5	45.82	14.0	9,330	-0.3	6,132	8.7	427,463	13.6	6	311	100.0
Oct 11	62.5	-4.8	64.07	0.4	40.06	-4.3	9,641	0.0	6,028	-4.8	386,188	-4.3	6	311	100.0
Nov 11	43.9	-5.1	69.81	8.5	30.63	2.9	9,330	0.0	4,094	-5.1	285,819	2.9	6	311	100.0
Dec 11	30.8	-17.5	74.01	7.4	22.76	-11.3	9,641	0.0	2,965	-17.5	219,441	-11.3	6	311	100.0
Jan 12	30.9	-0.4	71.50	3.0	22.10	2.5	9,641	0.0	2,980	-0.4	213,056	2.5	6	311	100.0
Feb 12	32.1	-9.3	68.94	-3.6	22.11	-12.6	8,708	0.0	2,793	-9.3	192,563	-12.6	6	311	100.0
Mar 12	44.6	22.1	74.39	5.9	33.16	29.3	9,641	0.0	4,297	22.1	319,653	29.3	6	311	100.0
Apr 12	47.6	15.1	72.34	0.9	34.46	16.1	9,330	0.0	4,445	15.1	321,542	16.1	6	311	100.0
May 12	58.2	21.6	72.53	2.1	42.18	24.1	9,641	0.0	5,607	21.6	406,667	24.1	6	311	100.0
Jun 12	58.1	-14.9	75.65	8.6	43.95	-7.5	9,330	0.0	5,421	-14.9	410,074	-7.5	6	311	100.0
Jul 12	59.7	-13.5	70.57	-1.6	42.12	-14.9	9,641	0.0	5,754	-13.5	406,079	-14.9	6	311	100.0
Aug 12	64.2	3.0	76.45	10.6	49.06	13.9	9,641	0.0	6,187	3.0	472,989	13.9	6	311	100.0
Sep 12	60.5	-7.9	72.72	4.3	44.00	-4.0	9,330	0.0	5,645	-7.9	410,528	-4.0	6	311	100.0
Oct 12	67.1	7.3	70.31	9.7	47.16	17.7	9,641	0.0	6,466	7.3	454,635	17.7	6	311	100.0
Nov 12	43.0	-2.0	72.07	3.2	30.99	1.2	9,330	0.0	4,012	-2.0	289,137	1.2	6	311	100.0
Dec 12	37.0	20.2	74.11	0.1	27.39	20.3	9,641	0.0	3,563	20.2	264,047	20.3	6	311	100.0
Jan 13	35.6	15.0	72.00	0.7	25.60	15.9	9,641	0.0	3,428	15.0	246,830	15.9	6	311	100.0
Feb 13	42.4	32.3	73.80	7.0	31.32	41.6	8,708	0.0	3,695	32.3	272,700	41.6	6	311	100.0
Mar 13	49.2	10.3	74.76	0.5	36.76	10.9	9,641	0.0	4,740	10.3	354,386	10.9	6	311	100.0
Apr 13	47.2	-1.0	74.34	2.8	35.07	1.8	9,330	0.0	4,401	-1.0	327,189	1.8	6	311	100.0
May 13	47.5	-18.3	77.23	6.5	36.69	-13.0	9,641	0.0	4,580	-18.3	353,717	-13.0	6	311	100.0
Jun 13	64.4	10.8	74.98	-0.9	48.29	9.9	9,330	0.0	6,009	10.8	450,539	9.9	6	311	100.0

Tab 10 - Response Report

Wahpeton, ND
Job Number: 515493_SADIM   Staff: KK   Created: August 13, 2013

STR Code	Name of Establishment	City & State	Zip Code	Class	Aff Date	Open Date	Rooms	Chg in Rms
30724	AmericInn Fergus Falls	Fergus Falls, MN	56537	Midscale Class	Mar 1995	Mar 1995	59	
12502	Comfort Inn Fergus Falls	Fergus Falls, MN	56537	Upper Midscale Class	Jun 1993	Jun 1993	45	Y
32940	AmericInn Wahpeton	Wahpeton, ND	58075	Midscale Class	Jul 1996	Jul 1996	45	
32573	Baymont Inn & Suites Wahpeton	Wahpeton, ND	58075	Midscale Class	Oct 2010	Jan 1996	61	Y
9159	Super 8 Wahpeton	Wahpeton, ND	58075	Economy Class	Mar 1992	Jun 1979	58	
26919	Rodeway Inn Wahpeton	Wahpeton, ND	58075	Economy Class	Oct 2006	Aug 1989	43	
				Total Properties:		6	311	

STR Code	2011 J	F	M	A	M	J	J	A	S	O	N	D
30724	○	○	○	○	○	○	○	○	○	○	○	○
12502	●	●	●	●	●	●	●	●	●	●	●	●
32940	○	○	○	○	○	○	○	○	○	○	○	○
32573	●	●	●	●	●	●	●	●	●	●	●	●
9159	●	●	●	●	●	●	●	●	●	●	●	●
26919	●	●	●	●	●	●	●	●	●	●	●	●

STR Code	2012 J	F	M	A	M	J	J	A	S	O	N	D
30724	○	○	○	○	○	○	○	○	○	○	○	○
12502	●	●	●	●	●	●	●	●	●	●	●	●
32940	○	○	○	○	○	○	○	○	○	○	○	○
32573	●	●	●	●	●	●	●	●	●	●	●	●
9159	●	●	●	●	●	●	●	●	●	●	●	●
26919	●	●	●	●	●	●	●	●	●	●	●	●

STR Code	2013 J	F	M	A	M	J	J	A	S	O	N	D
30724	○	○	○	○	○	○						
12502	●	●	●	●	●	●						
32940	○	○	○	○	○	○						
32573	●	●	●	●	●	●						
9159	●	●	●	●	●	●						
26919	●	●	●	●	●	●						

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

Conclusion

Property Recommendations

The Property Type recommended for the proposed hotel is an upper economy hotel. This would reflect the research performed in the Community Overview Market Study. Also, this type of hotel would allow the property to be positioned properly at the subject site and would best match the demographics of the competitive set and future Lodging Demand market in the area. It is anticipated that a new, upper-economy branded hotel would capture displaced Lodging Demand currently staying in markets surrounding Wahpeton, ND. Additionally, the newness of the hotel should be well received in the marketplace. Its location will be ideal to serve Wahpeton and regional markets. This type of hotel would also be capable of adjusting rates to best fit the demand in the market and the seasonality of the area.

The property size of this upper economy hotel was researched to be 40-50 rooms in this preliminary Market Feasibility Study. This would position it to be slightly smaller than the 50 average room size of the competitive set in the Wahpeton and Fergus Falls Market. The smaller size would assist the property in achieving the Occupancy projections listed in this report. It is not advisable to over-build in this market at this time. Expansion of the hotel in future years could be considered as the market's Lodging Demand grows. Adjusting the room count will modify Occupancy Performance.

Rate positioning, as previously stated, the subject hotel's preliminary suggested rate positioning would give it a 115% yield to the current hotels in the market and compete at 100% with the Overall/Statistical competitive set. It is estimated that a new hotel product could generate a rate premium higher than the established rate yield to the market because it will be the newest property in the area and will offer a higher level of services and amenities than the economy priced properties in the immediate area. However there does appear to be some rate sensitivity with major employers in the market indicating that competitive negotiated pricing is present in this market.

Property features, amenities, and services of the hotel should satisfy the market it is attempting to attract. Standard features and amenities required by the franchise/brand chosen for the proposed hotel should include:

**** Fitness Center recommended to meet the needs of todays traveler.***

**** Pool & Spa recommended to meet the needs of transient leisure weekend business.***

**** Convention space for up to 200 people with break outs to accommodate smaller meetings.***

Some special features may be required to attract identified target markets.

Sleeping Room Configuration

The recommended Sleeping Room Configuration should be compatible with the overall Market Segmentation of the area. Since the property's demand appears to be manufacturing and leisure weekend business the property should offer a selection of King bedded rooms at (40%) with a greater percentage of double queen-bedded rooms to serve the social/leisure market segment.

Brand Affiliation should be considered for this hotel to enhance its marketability. The brand should position the hotel well in this market. It should be competitive with the Market Segments identified for the hotel. An upper economy brand should be pursued. Potential impact issues should be addressed with pursuing a brand affiliation although these factors do not seem to be relevant in this market. As mentioned earlier in this report, there is one independent hotel and three branded hotels in the market. A brand should be successful in Wahpeton since this will be the newest branded hotel in the market. Still, a brand with experience in the North Dakota Lodging market is highly advised to ensure adequate marketing of the proposed property.

The Opening Date for the hotel should be in line with the seasonality of the market. Ideally, opening the hotel in late spring to capture the maximum revenue months prior to the softer season in mid-fall is recommended. Recommended Open Date: Late spring / early summer or at the latest June 2014 to capitalize on high demand summer months.


RODEWAY INN


North Dakota State College Of Science


Essentia Health
Wahpeton Clinic
275 11th St. S.


AGGREGATE


Masonite®
WAHPETON FACILITY
2441 15th Street N


Bobcat


PrimeWood Inc.
A DIVISION OF
WOODCRAFT INDUSTRIES INC.


GOLF CLUB
and Grille Room
Open to the Public


Southeast Region
CAREER &
TECHNOLOGY
CENTER


PARK - ZOO
GOLF - CAROUSEL


HUGHES SHELTER
SCULPTURE PARK
CAROUSEL/CHAPEL
CAMPGROUND
GOLF COURSE
ZOO


Bobcat
ComDel
Innovation
Heartland
Precision


ComDel
Innovation
Heartland
Precision


NORTH DAKOTA
STATE COLLEGE OF SCIENCE

N D S C S

AmericInn

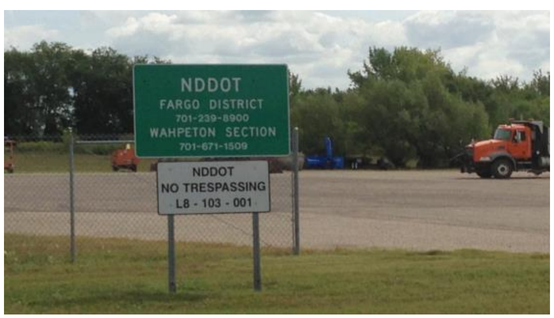
BAYMONT
INN & SUITES
GREAT POOL
Free Local Calls
& Breakfast Bar

WAL*MART

COMSTOCK
COMSTOCK
CONSTRUCTION
INC.

Starlite
MOTEL

WELCOME
WAHPETON
NORTH DAKOTA

The
ZOO

NDDOT
FARGO DISTRICT
701-239-8900
WAHPETON SECTION
701-671-1509
NDDOT
NO TRESPASSING
L8 - 103 - 001

HOME OF THE WILDCATS
HOME OF THE HUSKIES
EARL "SKIP" BUTE ALUMNI STADIUM


Cobblestone Hotel & Suites
Wahpeton, ND

Number of Units: **44**

Building Specifications: 44 Unit Cobblestone Inn & Suites w/ Microwaves and refrigerators, guest beer & wine bar, standard rooms, hot continental breakfast, guest laundry, exercise room, pool and spa, and 200 person detached banquet space with break outs for smaller meeting needs.

Land	**$200,000**	
per room	*$4,545*	
Building Construction	**$2,850,000**	
per room	*$64,773*	
Fixtures, Furnishings, and Equipment	**$560,000**	
per room	*$12,727*	
Indirect Costs	**$540,000**	
per room	*$12,273*	
Appraisal	$5,000	
Architectural / Engineering	$60,000	
Cobblestone Franchise Fee	$20,000	
Surveys	$5,000	
Development Services	$150,000	
Pre-Opening Expenses	$30,000	
Working Capital	$100,000	
Legal and Accounting Fees	$5,000	
Construction Period Interest / Loan Fees / Closing	$55,000	
Insurance & Taxes During Construction	$10,000	
Project Contingency	$100,000	
Total Project Costs:	**$4,150,000**	
per room	*$94,318*	
Requested Loan Amount:	$2,075,000	50.0%
Expected Cash Injection:	$2,075,000	50.0%

Sources of Funding

Bank Loan	$2,075,000	**Debt Interest:**	5.50%
		Debt Terms:	20
Expected Cash Injection	$2,075,000		
Total:	**$4,150,000**	**Debt Service:**	$171,285

Numbers projected and compared to similar markets for a hotel with the following rooms:

Rooms: 44

	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Lodging Rooms Available	1,364	1,232	1,364	1,320	1,364	1,320	1,364	1,364	1,320	1,364	1,320	1,364	16,060
Lodging Occupancy %	49%	55%	55%	55%	55%	75%	80%	80%	85%	80%	55%	55%	65.0%
Total Occ. Rooms	668	678	750	726	750	990	1,091	1,091	1,122	1,091	726	750	10,434
Average Daily Rate	$84.00	$84.00	$85.00	$85.00	$89.00	$89.00	$94.00	$94.00	$99.00	$89.00	$89.00	$84.00	$89.55
REVENUE:													
Guest Rooms	56,142	56,918	63,767	61,710	66,768	88,110	102,573	102,573	111,078	97,117	64,614	63,017	934,387
Telephone / Misc. Revenue	167	169	188	182	188	248	273	273	281	273	182	188	2,609
Meeting Room Revenue	2,673	2,710	3,001	2,904	3,001	3,960	4,365	4,365	4,488	4,365	2,904	3,001	41,737
Vending / Bar Revenue	1,003	1,016	1,125	1,089	1,125	1,485	1,637	1,637	1,683	1,637	1,089	1,125	15,651
TOTAL HOTEL REVENUE	59,985	60,815	68,081	65,885	71,081	93,803	108,847	108,847	117,530	103,391	68,789	67,330	994,383

Hotel Expenses

	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
HOTEL PAYROLL EXPENSE													
Hotel Manager	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	45,000
Sales Manager	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Housekeeping	3,008	3,049	3,376	3,267	3,376	4,455	4,910	4,910	5,049	4,910	3,267	3,376	46,954
Maintenance	167	169	188	182	188	248	273	273	281	273	182	188	2,609
Front Desk	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
Employee Benefits	617	619	633	628	633	678	697	697	703	697	628	633	7,862
Workers Comp Insurance	234	237	263	254	263	347	382	382	393	382	254	263	3,652
Payroll Tax	2,034	2,041	2,089	2,073	2,089	2,247	2,314	2,314	2,334	2,314	2,073	2,089	26,010
TOTAL HOTEL PAYROLL	18,310	18,365	18,797	18,653	18,797	20,224	20,827	20,827	21,010	20,827	18,653	18,797	234,086
HOTEL OPERATING EXPENSE													
Cleaning Supplies	234	237	263	254	263	347	382	382	393	382	254	263	3,652
Laundry Supplies	434	440	488	472	488	644	709	709	729	709	472	488	6,782
Linens	568	576	638	617	638	842	928	928	954	928	617	638	8,869
Guest Supplies	668	678	750	726	750	990	1,091	1,091	1,122	1,091	726	750	10,434
Repairs & Maintenance	234	237	263	254	263	347	382	382	393	382	254	263	3,652
Franchise Fee	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Property Mgmt. System Expense	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Complimentary Breakfast	2,005	2,033	2,251	2,178	2,251	2,970	3,274	3,274	3,366	3,274	2,178	2,251	31,302
Travel Agent Fees	281	285	319	309	334	441	513	513	555	486	323	315	4,672
Vending / Bar Expense	501	508	563	545	563	743	818	818	842	818	545	563	7,826
Office Supplies	434	440	488	472	488	644	709	709	729	709	472	488	6,782
Marketing / Advertising	835	847	938	908	938	1,238	1,364	1,364	1,403	1,364	908	938	13,043
Swimming Pool Expense	625	625	625	625	625	625	625	625	625	625	625	625	7,500
Utilities	3,299	3,345	3,744	3,624	3,909	5,159	5,987	5,987	6,464	5,687	3,783	3,703	54,691
Telephone	334	339	375	363	375	495	546	546	561	546	363	375	5,217
Cable	350	350	350	350	350	350	350	350	350	350	350	350	4,200
Credit Card Expense	1,337	1,355	1,500	1,452	1,500	1,980	2,182	2,182	2,244	2,182	1,452	1,500	20,868
Management Fee	2,999	3,041	3,404	3,294	3,554	4,690	5,442	5,442	5,876	5,170	3,439	3,367	49,719
Other Expense	468	474	525	508	525	693	764	764	785	764	508	525	7,304
Accounting Services	425	425	425	425	425	425	425	425	425	425	425	425	5,100
Professional Fees	100	100	100	100	100	100	100	100	100	100	100	100	1,200
TOTAL OPERATING EXPENSES	18,433	18,635	20,307	19,775	20,637	26,019	28,891	28,891	30,216	28,291	20,094	20,225	280,414
INCOME BEFORE FIXED EXPENSES	23,242	23,814	28,976	27,457	31,647	47,559	59,130	59,130	66,304	54,274	30,041	28,309	479,883
RESERVES & FIXED EXPENSES													
Debt Service	14,274	14,274	14,274	14,274	14,274	14,274	14,274	14,274	14,274	14,274	14,274	14,274	171,285
Real Estate Taxes	625	625	625	625	625	625	625	625	625	625	625	625	7,500
Insurance	750	760	851	824	889	1,173	1,361	1,361	1,469	1,292	860	842	12,430
Reserves For Replacement (NA)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RESERVES & FIXED	15,649	15,659	15,750	15,722	15,787	16,071	16,259	16,259	16,368	16,191	15,759	15,740	191,215
CASH FLOW BEFORE DEBT	21,868	22,429	27,500	26,008	30,134	45,761	57,144	57,144	64,209	52,357	28,556	26,842	459,953
CASH FLOW AFTER DEBT	$7,594	$8,155	$13,227	$11,734	$15,860	$31,488	$42,871	$42,871	$49,936	$38,083	$14,283	$12,568	288,668

Five Year Numbers Projected Summary

	YEAR 1		YEAR 2		YEAR 3		YEAR 4		YEAR 5	
	AMOUNT		AMOUNT		AMOUNT		AMOUNT		AMOUNT	
Lodging Rooms Available	16,060		16,060		16,060		16,060		16,060	
Lodging Occupancy %	65.0%		70.0%		70.0%		72.0%		72.0%	
Total Occ. Rooms	10,434		11,237		11,237		11,558		11,558	
Average Daily Rate	$89.55		$95.00		$99.00		$99.00		$103.00	
REVENUE:										
Guest Rooms	934,387	94.0%	1,067,538	94.3%	1,112,487	94.5%	1,144,286	94.5%	1,190,520	94.7%
Telephone / Misc. Revenue	2,609	0.3%	2,809	0.2%	2,809	0.2%	2,890	0.2%	2,890	0.2%
Meeting Room Revenue	41,737	4.2%	44,949	4.0%	44,949	3.8%	46,233	3.8%	46,233	3.7%
Vending / Bar Revenue	15,651	1.6%	16,856	1.5%	16,856	1.4%	17,338	1.4%	17,338	1.4%
	=======		=======		=======		=======		=======	
TOTAL HOTEL REVENUE	994,383	100.0	1,132,152	100.0	1,177,101	100.0	1,210,747	100.0	1,256,980	100.0

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

5 Year Projection

The following statistics are preliminary projection based on assumed costs of prototypical hotel.

Rooms: 44

	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5	%
Lodging Rooms Available	16,060		16,060		16,060		16,060		16,060	
Lodging Occupancy %	65.0%	65.0%	70.0%	70.0%	70.0%	70.0%	72.0%	72.0%	72.0%	72.0%
Total Occ. Rooms	10,434		11,237		11,237		11,558		11,558	
Average Daily Rate	$89.55		$95.00		$99.00		$99.00		$103.00	
REVENUE:										
Guest Rooms	934,387	93.97%	1,067,538	94.29%	1,112,487	94.51%	1,144,286	94.51%	1,190,520	94.71%
Telephone / Misc Revenue	2,609	0.26%	2,809	0.25%	2,809	0.24%	2,890	0.24%	2,890	0.23%
Meeting Space	41,737	4.20%	44,949	3.97%	44,949	3.82%	46,233	3.82%	46,233	3.68%
Vending / Bar Revenue	15,651	1.57%	16,856	1.49%	16,856	1.43%	17,338	1.43%	17,338	1.38%
TOTAL HOTEL REVENUE	**994,383**	**100%**	**1,132,152**	**100%**	**1,177,101**	**100%**	**1,210,747**	**100%**	**1,256,980**	**100%**
Hotel Expenses										
HOTEL PAYROLL EXPENSE										
Hotel Manager	45,000	4.53%	47,250	4.17%	49,613	4.21%	52,093	4.30%	54,698	4.35%
Sales Manager	30,000	3.02%	31,500	2.78%	33,075	2.81%	34,729	2.87%	36,465	2.90%
Housekeeping	46,954	4.72%	50,567	4.47%	50,567	4.30%	52,013	4.30%	52,013	4.14%
Maintenance	2,609	0.26%	2,809	0.25%	2,809	0.24%	2,890	0.24%	2,890	0.23%
Front Desk	72,000	7.24%	74,160	6.55%	76,385	6.49%	78,676	6.50%	81,037	6.45%
Employee Benefits	7,862	0.79%	8,251	0.73%	8,498	0.72%	8,816	0.73%	9,084	0.72%
Workers Comp Insurance	3,652	0.37%	3,933	0.35%	3,933	0.33%	4,045	0.33%	4,045	0.32%
Payroll Tax	26,010	2.62%	27,309	2.41%	28,110	2.39%	29,158	2.41%	30,029	2.39%
TOTAL HOTEL PAYROLL	**234,086**	**23.54%**	**245,780**	**21.71%**	**252,990**	**21.49%**	**262,420**	**21.67%**	**270,260**	**21.50%**
HOTEL OPERATING EXPENSE										
Cleaning Supplies	3,652	0.37%	3,933	0.35%	3,933	0.33%	4,045	0.33%	4,045	0.32%
Laundry Supplies	6,782	0.68%	7,304	0.65%	7,304	0.62%	7,513	0.62%	7,513	0.60%
Linens	8,869	0.89%	9,552	0.84%	9,552	0.81%	9,825	0.81%	9,825	0.78%
Guest Supplies	10,434	1.05%	11,237	0.99%	11,237	0.95%	11,558	0.95%	11,558	0.92%
Repairs & Maintenance	3,652	0.37%	3,933	0.35%	4,495	0.38%	5,201	0.43%	5,779	0.46%
Franchise Fee	24,000	2.41%	24,000	2.12%	24,000	2.04%	24,000	1.98%	24,000	1.91%
Property Mgmt. System Expense	3,600	0.36%	4,099	0.36%	4,261	0.36%	4,383	0.36%	4,551	0.36%
Complimentary Breakfast	31,302	3.15%	33,711	2.98%	33,711	2.86%	34,675	2.86%	34,675	2.76%
Travel Agent Fees	4,672	0.47%	5,338	0.47%	5,562	0.47%	5,721	0.47%	5,953	0.47%
Vending / Bar Expense	7,826	0.79%	8,428	0.74%	8,428	0.72%	8,669	0.72%	8,669	0.69%
Office Supplies	6,782	0.68%	7,304	0.65%	7,304	0.62%	7,513	0.62%	7,513	0.60%
Marketing / Advertising	13,043	1.31%	14,046	1.24%	14,046	1.19%	14,448	1.19%	14,448	1.15%
Utilities	54,691	5.50%	62,268	5.50%	64,741	5.50%	66,591	5.50%	69,134	5.50%
Swimming Pool	7,500	0.75%	7,688	0.68%	7,880	0.67%	8,077	0.67%	8,279	0.66%
Telephone	5,217	0.52%	5,619	0.50%	5,619	0.48%	5,779	0.48%	5,779	0.46%
Cable	4,200	0.42%	4,782	0.42%	4,972	0.42%	5,114	0.42%	5,309	0.42%
Credit Card Expense	20,868	2.10%	22,474	1.99%	22,474	1.91%	23,117	1.91%	23,117	1.84%
Management Fee	49,719	5.00%	56,608	5.00%	58,855	5.00%	60,537	5.00%	62,849	5.00%
Other Expense	7,304	0.73%	7,866	0.69%	7,866	0.67%	8,091	0.67%	8,091	0.64%
Accounting Services	5,100	0.51%	5,807	0.51%	6,037	0.51%	6,210	0.51%	6,447	0.51%
Professional Fees	1,200	0.12%	1,366	0.12%	1,420	0.12%	1,461	0.12%	1,517	0.12%
TOTAL OPERATING EXPENSES	**280,414**	**28.20%**	**307,362**	**27.15%**	**313,698**	**26.65%**	**322,529**	**26.64%**	**329,050**	**26.18%**
INCOME BEFORE FIXED EXPENSES	**479,883**	**48%**	**579,010**	**51%**	**610,413**	**52%**	**625,798**	**52%**	**657,670**	**52%**
RESERVES & FIXED EXPENSES										
Real Estate Taxes	7,500	0.75%	70,000	6.18%	71,400	6.07%	72,828	6.02%	74,285	5.91%
Insurance	12,430	1.25%	14,152	1.25%	14,714	1.25%	15,134	1.25%	15,712	1.25%
Reserves For Replacement (NA)	0	0.00%	22,643	2.00%	35,313	3.00%	42,376	3.50%	50,279	4.00%
TOTAL RESERVES & FIXED	19,930	2.00%	106,795	9.43%	121,427	10.32%	130,338	10.77%	140,276	11.16%
CASH FLOW BEFORE DEBT	459,953	46.26%	472,215	41.71%	488,986	41.54%	495,460	40.92%	517,394	41.16%
Debt Service	171,285	17.23%	171,285	15.13%	171,285	14.55%	171,285	14.15%	171,285	13.63%
NET CASH FLOW	$288,668	29.03%	$300,930	26.58%	$317,701	26.99%	$324,175	26.77%	$346,109	27.53%
RETURN ON CASH INVESTMENT	**13.91%**		**14.50%**		**15.31%**		**15.62%**		**16.68%**	

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

5 Year Break Even

The following statistics are preliminary projection based on assumed costs of prototypical hotel.

Rooms: 44

	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5	%
Lodging Rooms Available	16,060		16,060		16,060		16,060		16,060	
Lodging Occupancy %	37.6%	37.6%	42.7%	42.7%	42.1%	42.1%	43.3%	43.3%	42.5%	42.5%
Total Occ. Rooms	6,038		6,852		6,757		6,949		6,820	
Average Daily Rate	$89.55		$95.00		$99.00		$99.00		$103.00	
REVENUE:										
Guest Rooms	540,707	93.97%	650,945	94.29%	668,948	94.51%	687,956	94.51%	702,465	94.71%
Telephone / Misc Revenue	1,510	0.26%	1,713	0.25%	1,689	0.24%	1,737	0.24%	1,705	0.23%
Meeting Space	24,152	4.20%	27,408	3.97%	27,028	3.82%	27,796	3.82%	27,280	3.68%
Vending / Bar Revenue	9,057	1.57%	10,278	1.49%	10,136	1.43%	10,424	1.43%	10,230	1.38%
TOTAL HOTEL REVENUE	**575,426**	**100%**	**690,344**	**100%**	**707,801**	**100%**	**727,913**	**100%**	**741,680**	**100%**
Hotel Expenses										
HOTEL PAYROLL EXPENSE										
Hotel Manager	45,000	7.82%	47,250	6.84%	49,613	7.01%	52,093	7.16%	54,698	7.37%
Sales Manager	30,000	5.21%	31,500	4.56%	33,075	4.67%	34,729	4.77%	36,465	4.92%
Housekeeping	27,171	4.72%	30,834	4.47%	30,407	4.30%	31,271	4.30%	30,690	4.14%
Maintenance	1,510	0.26%	1,713	0.25%	1,689	0.24%	1,737	0.24%	1,705	0.23%
Front Desk	72,000	12.51%	74,160	10.74%	76,385	10.79%	78,676	10.81%	81,037	10.93%
Employee Benefits	7,027	1.22%	7,418	1.07%	7,647	1.08%	7,940	1.09%	8,184	1.10%
Workers Comp Insurance	2,113	0.37%	2,398	0.35%	2,365	0.33%	2,432	0.33%	2,387	0.32%
Payroll Tax	23,103	4.01%	24,409	3.54%	25,147	3.55%	26,110	3.59%	26,896	3.63%
TOTAL HOTEL PAYROLL	**207,924**	**36.13%**	**219,683**	**31.82%**	**226,327**	**31.98%**	**234,988**	**32.28%**	**242,061**	**32.64%**
HOTEL OPERATING EXPENSE										
Cleaning Supplies	2,113	0.37%	2,398	0.35%	2,365	0.33%	2,432	0.33%	2,387	0.32%
Laundry Supplies	3,925	0.68%	4,454	0.65%	4,392	0.62%	4,517	0.62%	4,433	0.60%
Linens	5,132	0.89%	5,824	0.84%	5,743	0.81%	5,907	0.81%	5,797	0.78%
Guest Supplies	6,038	1.05%	6,852	0.99%	6,757	0.95%	6,949	0.95%	6,820	0.92%
Repairs & Maintenance	2,113	0.37%	2,398	0.35%	2,703	0.38%	3,127	0.43%	3,410	0.46%
Franchise Fee	24,000	4.17%	24,000	3.48%	24,000	3.39%	24,000	3.30%	24,000	3.24%
Property Mgmt. System Expense	3,600	0.63%	4,319	0.63%	4,428	0.63%	4,554	0.63%	4,640	0.63%
Complimentary Breakfast	18,114	3.15%	20,556	2.98%	20,271	2.86%	20,847	2.86%	20,460	2.76%
Travel Agent Fees	2,704	0.47%	3,255	0.47%	3,345	0.47%	3,440	0.47%	3,512	0.47%
Vending / Bar Expense	4,529	0.79%	5,139	0.74%	5,068	0.72%	5,212	0.72%	5,115	0.69%
Office Supplies	3,925	0.68%	4,454	0.65%	4,392	0.62%	4,517	0.62%	4,433	0.60%
Marketing / Advertising	7,548	1.31%	8,565	1.24%	8,446	1.19%	8,686	1.19%	8,525	1.15%
Utilities	31,648	5.50%	37,969	5.50%	38,929	5.50%	40,035	5.50%	40,792	5.50%
Swimming Pool	7,500	1.30%	7,688	1.11%	7,880	1.11%	8,077	1.11%	8,279	1.12%
Telephone	3,019	0.52%	3,426	0.50%	3,379	0.48%	3,475	0.48%	3,410	0.46%
Cable	4,200	0.73%	5,039	0.73%	5,166	0.73%	5,313	0.73%	5,413	0.73%
Credit Card Expense	12,076	2.10%	13,704	1.99%	13,514	1.91%	13,898	1.91%	13,640	1.84%
Management Fee	28,771	5.00%	34,517	5.00%	35,390	5.00%	36,396	5.00%	37,084	5.00%
Other Expense	4,227	0.73%	4,796	0.69%	4,730	0.67%	4,864	0.67%	4,774	0.64%
Accounting Services	5,100	0.89%	6,119	0.89%	6,273	0.89%	6,451	0.89%	6,574	0.89%
Professional Fees	1,200	0.21%	1,440	0.21%	1,476	0.21%	1,518	0.21%	1,547	0.21%
TOTAL OPERATING EXPENSES	**181,481**	**31.54%**	**206,911**	**29.97%**	**208,647**	**29.48%**	**214,214**	**29.43%**	**215,045**	**28.99%**
INCOME BEFORE FIXED EXPENSES	**186,021**	**32%**	**263,750**	**38%**	**272,827**	**39%**	**278,711**	**38%**	**284,574**	**38%**
RESERVES & FIXED EXPENSES										
Real Estate Taxes	7,500	1.30%	70,000	10.14%	71,400	10.09%	72,828	10.01%	74,285	10.02%
Insurance	7,193	1.25%	8,629	1.25%	8,848	1.25%	9,099	1.25%	9,271	1.25%
Reserves For Replacement (NA)	0	0.00%	13,807	2.00%	21,234	3.00%	25,477	3.50%	29,667	4.00%
TOTAL RESERVES & FIXED	14,693	2.55%	92,436	13.39%	101,482	14.34%	107,404	14.76%	113,223	15.27%
CASH FLOW BEFORE DEBT	171,328	29.77%	171,314	24.82%	171,345	24.21%	171,307	23.53%	171,351	23.10%
Debt Service	171,285	29.77%	171,285	24.81%	171,285	24.20%	171,285	23.53%	171,285	23.09%
NET CASH FLOW	$43	0.01%	$29	0.00%	$60	0.01%	$22	0.00%	$66	0.01%

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DISCLAIMER

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

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

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

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

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

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

Sincerely,
Core Distinction Group, LLC

Lisa L. Boushele

Lisa L. Boushele
Owner