



Horwath HTL
Hotel, Tourism and Leisure

Market Study Report and Level II Market Analysis

**Proposed Hotel
Tarboro, North Carolina 27604**

The Global Leader in Hospitality Consulting

Effective Date June 1, 2020
Partially Revised September 24, 2020

Ms. Brenda Daniels
ElectriCities of North Carolina, Inc.
1427 Meadow Wood Boulevard
Raleigh, North Carolina 27604

COPY: Town of Tarboro, NC

Reference: Market Study Report and Level II Market Analysis
Proposed Hotel, Tarboro, North Carolina 27604

Dear Ms. Daniels:

Per your request, we have analyzed the Tarboro, North Carolina lodging market as it pertains to a proposed hotel. Our analysis indicates that a 60-room, upscale, soft brand/boutique hotel should attain a Year 1 occupancy rate of 57.8% with an ADR of ±\$110.00 and stabilize in Year 2 at 70.9% with an ADR of ±\$113.30.

Our findings and conclusions are explained in detail in the body of this report. Subsequent to your review, if you have any further questions or need additional information, please feel free to contact us.


The global outbreak of Covid-19 has officially been declared a pandemic by the World Health Organization (WHO). Accordingly, the reader is reminded that the conclusions presented in this market study report apply only as of the first effective date indicated. The consultant(s) make no representation as to the effect on the proposed subject hotel of any unforeseen event subsequent to the effective date of this market study.

Respectfully submitted,

For and on behalf of Horwath HTL



Michael P. Cummings, MAI, ISHC
Managing Director



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Senior Consultant

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1. Legal Information

1.1. Disclaimer

The enclosed report pertains to the market study of the proposed subject property. The scope of the work is described in the body of the report.

We have no obligation to update our findings and conclusions for changes in market conditions which may occur subsequent to our fieldwork. Any such changes in market conditions will affect the validity of our estimates. Since changes in market conditions are likely to occur, it is expressly understood that we have no obligation to revise the report or the analysis of prospective conditions subsequent to the submission of our findings.

Our report is based on assumptions and estimates that are subject to uncertainty and variation. All information provided by others has been accepted without audit or verification and is assumed to be correct. In addition, we have made assumptions as to the future behavior of consumers and the general economy, which are uncertain.

1.2. Copyright Notice

All rights reserved; no part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without either the prior written permission of Horwath HTL or a license permitting restricted copying. This publication may not be lent, resold, hired out or otherwise disposed of by way of trade in any form of binding or cover other than that in which it is published, without the prior consent of Horwath HTL.

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2. Assumptions and Limiting Conditions

1. The consultants certify that, to the best of our knowledge and belief, the statements contained in this report, subject to the limiting conditions set forth below, are correct; also, that this report has been made in conformity with the accepted practices of the Appraisal Institute.
2. Prospective sites have been analyzed as though free of all liens and encumbrances, unless otherwise stated herein. No responsibility is assumed for matters legal in nature, nor is any opinion of title rendered herewith. Good title is assumed.
3. The consultants herein, by reason of this report, are not required to give testimony in court, with reference to the prospective sites herein appraised, unless arrangements have been previously made.
4. Disclosure of the contents of this market study report is governed by the By-Laws and Regulations of the Appraisal Institute.
5. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the consultants or the firm with which they are connected, or any reference to the Appraisal Institute, the MAI or SRA Designations or ISHC Designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without the prior written consent and approval of the undersigned.
6. Certain information in this report was furnished from sources believed to be reliable; however, such information is not guaranteed to be correct, although it has been checked insofar as possible and is believed to be correct.
7. We are not familiar with any engineering or geological studies made to determine the bearing capacity of the land or that indicate any mineral contents of a significant nature. Because improvements in the area appear to be structurally sound, we assume that soil and subsoil conditions are stable.
8. Plats, maps, and other exhibits in this report are used merely to help the reader visualize the prospective sites and its surroundings, and no responsibility is assumed for their cartographic accuracy.
9. The land estimate (if applicable) reported herein are under the purpose and land-use premise stated. They are not valid for any other purpose or premise and must not be used in conjunction with any other report, appraisal, or intended use.
10. Full compliance with all applicable federal, state, and local environmental regulations is assumed, as well as all applicable zoning, use, and occupancy regulations and restrictions as stated and considered in this report.

11. In this assignment, the existence of any hazardous or potentially hazardous material possibly located on the site thereon, such as urea formaldehyde foam insulation, asbestos, or toxic waste, etc., was not observed by the inspecting consultants and has not been considered. The consultants have no knowledge of any such materials on or in the prospective sites but are not qualified to detect such substances. The presence of such materials may have an effect on the value or use of the prospective sites. It is assumed that there are no hazardous material spills, etc. resulting from underground storage tanks or other causes associated with the subject prospective sites. Full compliance with all environmental laws is assumed. The client is urged to retain an expert in this field if desired.
12. Any projections, forecasts, etc., regarding future patterns of income and/or expenses, prices/values, etc. represent the appraisers'/consultants' best estimates of investor anticipations with respect to these items, based on information available at the date of appraisal or analysis. Such information includes forecasts/projections published by recognized sources such as economists, financial publications, investor surveys, etc. Economic trends can affect future behavior of income, expenses, values, etc. Changes in these items caused by future occurrences could result in values different from those established in this report. We cannot accept responsibility for economic variables in the future that could not have been known or anticipated at the date of analysis (inflation rates, economic upswings or downturns, fiscal policy changes, etc.).
13. All mechanical equipment, existing or as proposed, in the building(s) is assumed to be in average to good working order, unless otherwise stated and treated elsewhere in the report.
14. The Americans with Disabilities Act (ADA) became effective January 26, 1992 setting strict and specific standards for disabled access to and within most commercial and public buildings. We have not made a specific compliance survey and analysis of the prospective sites to determine whether or not it will be in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the prospective sites together with a detailed analysis of the requirements of the ADA could reveal that the prospective sites will not be in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the prospective sites. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of the ADA in estimating the value of the prospective sites.
15. The indicated values are subject to the completion of the property in accordance with the forecast construction budget and other project information which has been provided by the franchisor and Client. We assume the construction will be completed with quality materials in a workmanlike, timely and quality manner.
16. The estimated income and expense results are based upon competent, efficient management and responsible ownership. Other than as set forth in this report, we assume no significant change in the competitive position of the competitive facilities (supply) in the area.

17. It should be noted that the estimated development costs are based on budget estimates provided by various franchisors, Marshall Valuation Service, and/or comparable development projects and on the premise that no atypical unforeseen delays or problems occur. In a construction project of this scope, there are numerous complications that may occur. For example, unexpected drainage problems resulting from soil conditions, springs, or unusual precipitation can complicate and prolong the construction. Similarly, unanticipated environmental issues can cause construction delays or expensive corrective measures. Unexpected weather conditions or other unpredictable factors may also influence the cost of the project. In addition, problems associated with the building or site improvements may occur. Changes in prices or availability of materials or labor can impact costs. Also, problems with timely work, inspections or approvals can slow construction and impact costs. Finally, other events outside of the control of the eventual developer, such as bankruptcy of the general contractor or subcontractors, could cause delays and cost overruns.

We earlier made an inspection of the prospective hotel sites and at that time did not note any particular conditions that would indicate problems for the development process. We are not experts on soil conditions, subterranean rock, environmental issues or similar matters, but we simply have pointed out some important factors that can produce unexpected costs to construct a proposed project.

18. If applicable to the proposed subject's market, a Custom Trend Report from STR has been utilized to verify and augment our primary market research. Sole reliance is not made upon the STR data provided, specifically in instances when a period of non-reporting has occurred in one or more of the properties in the sample set. Due to the methodology used by STR, this situation may result in skewed data as the average of the reporting properties is assumed for the entire sample, including any non-reporting property or properties.
19. Unless specifically stated otherwise, we assume the proposed subject's franchise agreement, if any, will extend through the specified holding period and beyond such that it will not affect the marketability or reversion price(s) forecast within this report. We have assumed that upon completion the hotel will, where appropriate, meet all the requirements of the franchise and no substantial capital improvements will be required to maintain the agreement over the holding period and beyond.

2.1. Extraordinary Assumptions

Due to the effects of the Covid-19 pandemic on the economy in general and on the hospitality, tourism and leisure markets in particular, the consultants have attempted to reflect current perceptions within the hotel marketplace. The full economic and public health effects of the pandemic are still evolving and can potentially impact the results of this market study.

3. Definitions

Text	Description
Basic Market Analysis	An inferred method of market analysis that analyzes current and historical market conditions and closely mirrors the level of due diligence conducted by market participants. This level of market analysis includes an evaluation of the subject's overall market capture rate relative to competitive hotels preselected on the subject property's STR STAR report if available. This level of market analysis is applicable for existing hotels in an established market.
Comprehensive Level I Market Analysis	An inferred method of market analysis that uses current and historical general market conditions to <i>infer</i> future supply and demand conditions. Direct sampling and interviews of competitive properties are employed to generate market data and a STR STAR report or CUSTOM TREND report is utilized. This level of analysis is most applicable for existing and proposed properties in an established hotel market.
Comprehensive Level II Market Analysis	A method of market analysis that analyzes current and historical market conditions, but additionally includes fundamental analysis to <i>forecast</i> subject-specific supply, demand, absorption and capture over the property's holding period. Direct sampling and interviews of competitive properties are employed to generate market data and a STR STAR report or CUSTOM TREND report is utilized. This level of analysis is applicable for existing and proposed properties in an established hotel market.
Comprehensive Level III Market Analysis	A fundamental method of market analysis that analyzes current and historical market conditions, but additionally includes fundamental analysis to <i>forecast</i> subject-specific supply, demand, absorption and capture over the property's holding period. Direct sampling and interviews of competitive properties are employed to generate market data and a STR CUSTOM TREND report is purchased. Additionally, specific demand generators are surveyed to quantify their level of demand and determine the optimal property size, product type and level of amenities suited for the market. This level of market analysis is most applicable for proposed properties in unestablished markets.
Fee Simple Estate	Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of police power, escheat, taxation, and eminent domain.
Going Concern	A business having the ability to continue functioning as a business entity in the future. In accounting, a business is considered to be a going concern if it is likely to continue functioning 12 months into the future.
Leased Fee Interest	An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease.
Leasehold Interest	The interest held by the lessee (the tenant or renter) through a lease transferring the rights of use and occupancy for a stated term under certain conditions.
Boutique Hotel	A smaller (40-100± rooms), design-centric, often unique in style, independent or affiliated hotel.
Soft-Branded Hotel	A franchise-system-affiliated hotel which retains its own identity while benefitting from its connection to a parent company's global distribution system, central reservation system and loyalty program. Soft brands are also known as "collection brands."

4. Scope of Work & Methodology

This market study report provides a presentation of information based upon provided documentation, an inspection of the subject site and its marketplace.

The scope of the market study includes the investigations necessary to gather sufficient data from which to derive an opinion of market conditions and trends, and it encompasses the necessary research and analysis to prepare a report in accordance with its intended use.

Due to travel and social-distancing restrictions associated with the aforementioned pandemic, the consultants, with the Client's concurrence and with direct input and responses from local public officials, have relied on an earlier inspection of the market and appropriate neighborhoods to determine the physical features and condition of available hotel sites and the environment in which they are located. When deemed appropriate, contacts were made with realtors and local officials to determine preferred, permitted and restricted uses for available sites of interest vis à vis local, state and federal regulations.

The subject market data is based upon information provided by STR; town, county and state officials and/or websites; market participants; and by area demand generators. Hotel properties of all types in the market were explored to determine existing/proposed hotel inventory, supply/demand, and the marketability of properties within or most proximate to the proposed hotel's classification. A thorough research effort was conducted to extract market data to be used in the market study. To the best of our ability, the research, analysis and interpretation of the information in the marketplace were completed in accordance with sound analytical principles, and the opinions and conclusions are considered to be reasonable and reliable.

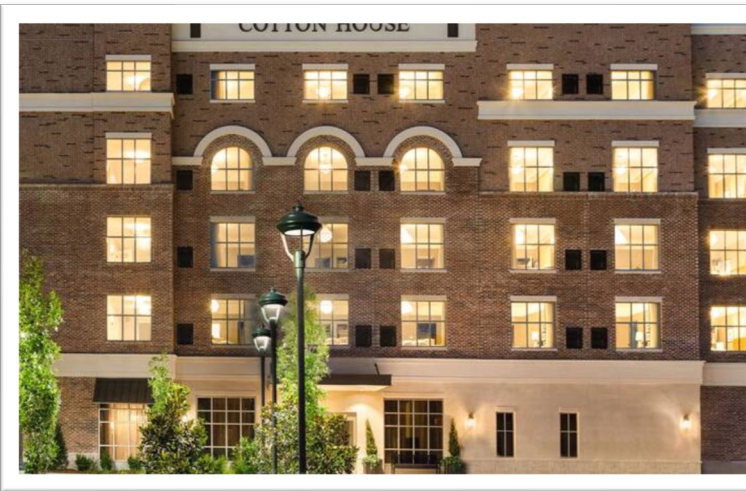
At the Client's request, the report focuses on identifying an appropriate hotel chain scale and asset class rather than recommending a specific brand or brand family. Additionally, we were asked to determine the number of additional rooms and price points the market could support, discuss specific demand generators, and identify potential locations for a hotel. This market study report provides a presentation of information based upon provided documentation, an inspection of the subject site and its marketplace.

5. Introduction

Examples of Upscale Soft Brand/Boutique Hotels



Source: Curio Collection by Hilton



Source: Tribute Collection by Marriott

Examples of Upscale Soft-Brand/Boutique Hotels



Source: Ascend Collection by Choice



Source: Unbound Collection by Hyatt

5.1. Identification of the Property

The subject of this market study is a proposed upscale soft brand/boutique hotel to be located in Tarboro, Edgecombe County, North Carolina. As of the date of this report, no specific site or building has been optioned, subdivided, leased or acquired; accordingly, we are unable to discuss deed or other ownership information. However, based on our research, the recommended hotel product of choice for this Rocky Mount MSA submarket will be a nationally affiliated, upscale soft brand/boutique hotel with a focused food and beverage venue and a small meeting facility for corporate, government, sports and social groups of 25 to 50 people.

5.2. Client

The client of this market study is Ms. Brenda Daniels of ElectriCities of North Carolina, Inc., who authorized its preparation by acceptance of a proposal letter.

5.3. Intended Users

The report is intended for use only by ElectriCities of North Carolina, Inc. and the Town of Tarboro, North Carolina. Use of this report by others is not intended by the consultants.

5.4. Client's Intended Use

The intended use of this market study is for internal financial analysis and decision making as they pertain to the development of the proposed upscale soft brand/boutique hotel. The report is not intended for any other use.

5.5. Dates of Analysis

With the Client's approval, and due to travel restrictions associated with the global pandemic, the subject market area and proposed sites were most recently discussed with local officials on March 31, 2020 and this date will serve as the effective date of our analysis. Based upon our research, the project is expected to be completed by June 1, 2021 and reach a stabilized level of occupancy by September 1, 2023.

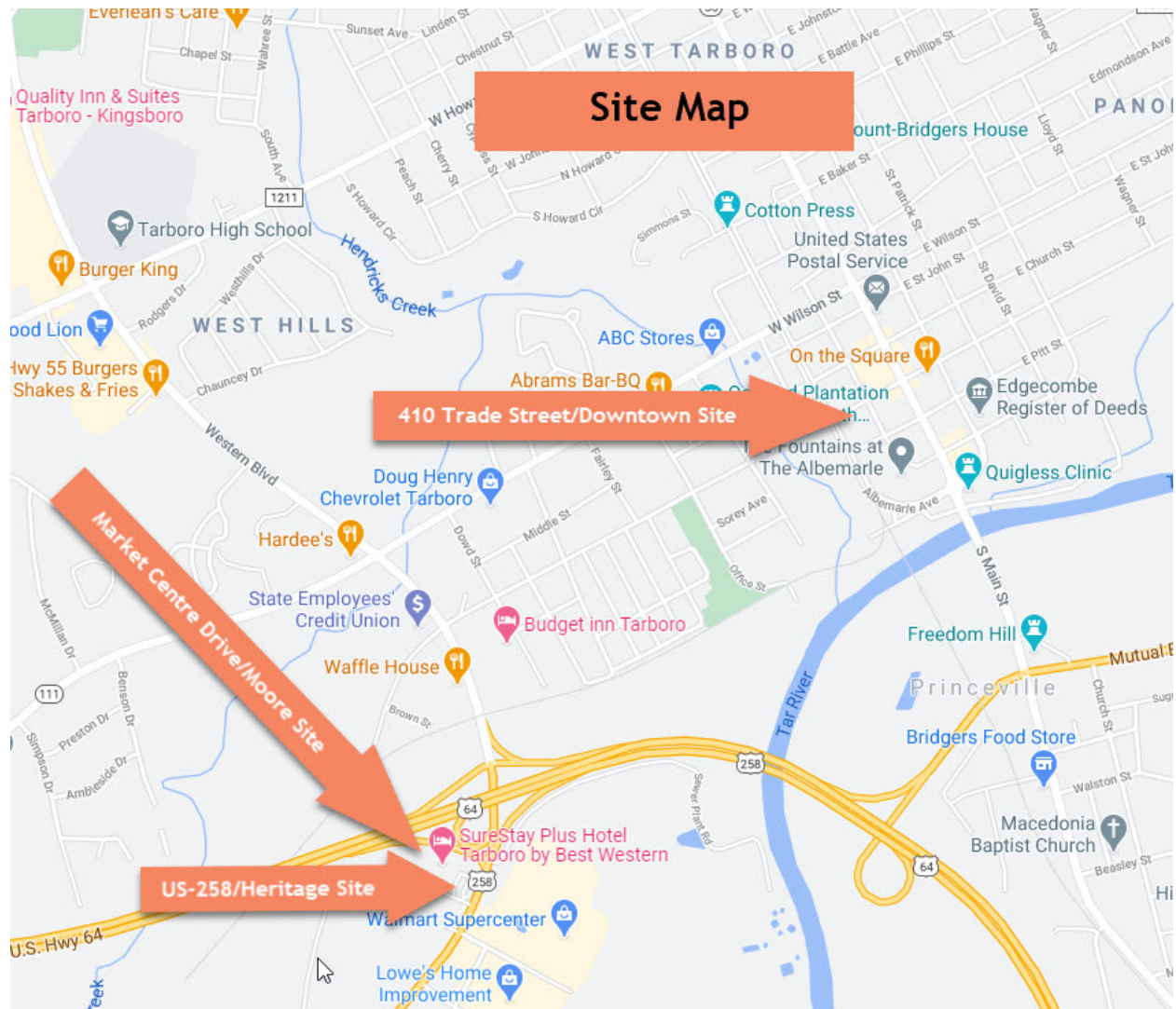
5.6. Site Selection

The Client has requested that the consultants recommend for consideration sites deemed suitable for the development of a hotel of the size, asset class and chain scale being recommended in this report. As mentioned in Section 4 above, travel and social-distancing restrictions associated with the Covid-19 pandemic have precluded the consultants from conducting in-person site inspections. With the Client's concurrence, we have relied on earlier site visits in the market and information provided by local realtors and public officials to identify potential sites suitable for the development of the proposed subject hotel. Accordingly, potential sites were evaluated in the context of asking price versus site size, shape, access and visibility.

We estimate the subject hotel, as proposed, will require 1.5± acres of usable land. For pad-ready retail and fast-food sites, commercial land sales over the past five years have exceeded \$300,000 per acre. Though recent asking prices for known commercial parcels—612 Wilson Street, 1712 Howard Avenue and 1501 Barlow Road—range from \$approximately 30,000 to \$80,000 per acre, none is particularly suitable for hotel use due to location and/or varying degrees of site preparation required. However, three currently unlisted sites—listed in order of preference—have influenced our higher cost estimate of \$350,000± per acre, or a site acquisition cost of \$525,000 in our analysis:

1. 410 Trade Street site – 2.0 acres downtown; requires demolition of a one-story, 20,800 SF building;
2. Market Centre Drive site – 4.33 acres in the southwest quadrant of the US-64/US-258 interchange adjacent to SureStay Plus Hotel by Best Western; and
3. US-258 Bojangle's site – 36.05 acres in the southwest quadrant of the US-64/US-258 interchange adjacent to Bojangle's.

Map of Potential Sites



410 Trade Street/Downtown Site

Currently unlisted, this ± 2.0 -acre site is improved with a vacant 20,800-square-foot improvement built in 1974—a former IGA grocery store requiring demolition (estimate \$5.00/SF, or \$100,000 \pm). Located within the 45-block Tarboro Historic District, the site is accessible from Trade Street to the east and is bounded by Church Street to the north, St. James Street to the south and Albemarle Avenue to the west.

This Downtown Tarboro site is within walking distance of several casual dining venues, including On the Square, an American bistro, Tarboro Brewing Company, and the Classic Diner; town and county government buildings—Tarboro Town Hall, Edgecombe County Courthouse, etc.; the historic Town Common, and The Fountains at Albemarle—a large retirement community providing independent living, assisted living and memory-care options for seniors.

410 Trade Street/Downtown Site (Cont'd)



View of unlisted ± 2.0 -acre downtown “IGA” site fronting Trade Street to the east

Source: Google Maps

Nearby demand generators, listed by distance from the subject site, include:

- Vidant Edgecombe Hospital – 2.4 miles NNW via Main Street
- Sara Lee Frozen Bakery – 2.6 miles SSW via St James Street & Western Blvd/US-258
- Air System Components/Johnson Controls - 2.8 miles NNW via Main Street
- Americold Logistics – 2.9 miles SSW via St James Street & Western Blvd/US-258
- Piedmont Natural Gas – 3.0 miles WSW via Wilson St & Commerce Center Drive
- LS Cable & System – 3.5 miles WNW via Main Street & Anaconda Road
- Keihin Carolina System Technology – 3.6 miles WSW via Wilson St & McNair Road
- Kingsboro Megasite – 8.3 miles WNW via Main Street & Alt US-64
 - CCX – “Carolina Connector” Intermodal Rail Terminal
 - Triangle Tire USA

Market Centre Drive/Moore Site

Currently unlisted is a 4.33-acre parent parcel which reportedly is divisible into 1.5-acre minimum lot sizes. Known locally as the Moore site, it is located in the southwest quadrant of US-64 exit 485 at the US-258/Western Boulevard interchange. The site, which is west of and adjacent to the 23-year-old, 61-room, economy-class SureStay Plus Hotel by Best Western (102 Market Centre Drive), fronts to the north along the eastbound offramp of US-64 at exit 485, and is accessible to the south along Market Centre Drive, which also intersects to the east with US-258.

Reportedly, the site is divisible, with 1.5 acres being the minimum lot size. The entire parcel previously was offered for \$2 million, or \$465,000 per acre. Considering it subsequently was taken off the market, the price likely is negotiable.



Satellite view depicting unlisted 4.33-acre site south of US-64 (future I-87).

Source: Google Maps

Nearby demand generators, listed by distance from the subject site, include:

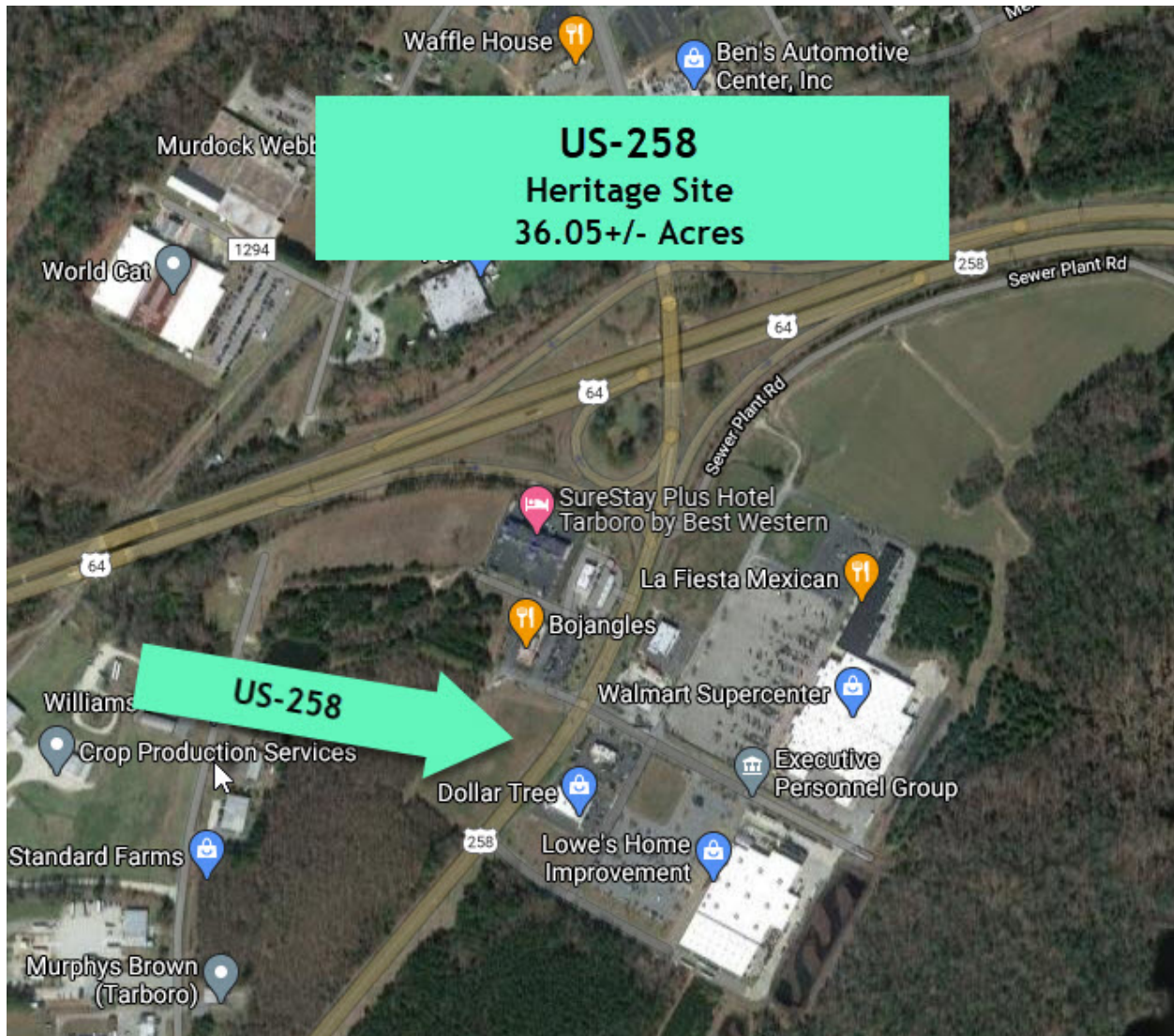
- Sara Lee Frozen Bakery – 1.3 miles S via US-258 & Sara Lee Rd
- Americold Logistics – 1.7 miles S via US-258/Western Blvd & Hospital Dr
- Piedmont Natural Gas – 2.7 miles W via US-258 N/Western Blvd, W Wilson St & Commerce Center Dr or 3.5 miles via US-258 S, W Wilson St & Commerce Center Dr
- Keihin Carolina System Technology – 3.2 miles W via US-258, Sara Lee Rd & McNair Rd
- Vidant Edgecombe Hospital – 3.2 miles N via US-258/Western Blvd & Hospital Dr
- LS Cable & System – 3.6 miles NNW via US-258/Western Blvd/Alt US-64, Sunset Ave & Anaconda Rd or 5.0 miles via US-64, McNair Rd & Anaconda Rd
- Air System Components – 3.7 miles N via US-258/Western Blvd/Alt US-64 & Main Street
- Kingsboro Megasite – 10.5 miles WNW via US-64 & Alt US-64
 - CCX – “Carolina Connector” Intermodal Rail Terminal
 - Triangle Tire USA

US-258/Heritage Site

Known locally as the Heritage site, the currently unlisted and reportedly divisible 36.05-acre US-258/Heritage parent site, like the Market Centre Drive site, is located in the southwest quadrant of US-64 exit 485 at the US-258/Western Boulevard interchange.

The parent site, which is west across US-258 from the Tarboro/Walmart Supercenter, fronts to the north along and is accessible from the partial extension of River Oaks Drive at Bojangles, a quick-service chicken restaurant. The site is highly visible from US-258, along which fronts to the west. Bordering the parent site to the south and west is raw land. While local officials believe the site is divisible, neither minimum lot size nor pricing options were made available to the consultants.

US-258/Heritage Site (Cont'd)



Satellite view depicting unlisted 36.05-acre parent site south of US-64.

Source: Google Maps

The site is highly visible and accessible from US-258 and the westerly extension of River Oaks Drive. It is immediately south of Bojangles (101 Market Centre Drive) and directly west across US-258 from Wendy's and Dollar Tree in the Lowe's- and Walmart Supercenter-anchored River Oaks Shopping Center at 110 River Oaks Drive. (Pricing and subdividing options were not made available to the consultants.)

Nearby demand generators, listed by distance from the subject site, include:

- Sara Lee Frozen Bakery – 1.3 miles S via US-258 & Sara Lee Rd
- Americold Logistics – 1.7 miles S via US-258/Western Blvd & Hospital Dr
- Piedmont Natural Gas – 2.7 miles W via US-258 N/Western Blvd, W Wilson St & Commerce Center Dr or 3.5 miles via US-258 S, W Wilson St & Commerce Center Dr

- Keihin Carolina System Technology – 3.1 miles W via US-258, Sara Lee Rd & McNair Rd
- Vidant Edgecombe Hospital – 3.2 miles N via US-258/Western Blvd & Hospital Dr
- LS Cable & System – 3.6 miles NNW via US-258/Western Blvd/Alt US-64, Sunset Ave & Anaconda Rd or 5.0 miles via US-64, McNair Rd & Anaconda Rd
- Air System Components – 3.7 miles N via US-258/Western Blvd/Alt US-64 & Main Street
- Kingsboro Megasite – 10.0 miles WNW via US-258 N/Western Blvd & Alt US-64 or 10.5 miles via US-64 & Alt US-64
 - CCX – “Carolina Connector” Intermodal Rail Terminal
 - Triangle Tire USA

5.7. Improvement Description

Based on our analysis of the Tarboro market, a proposed upscale soft brand/boutique hotel with 60 guestrooms is suitable for the subject market. Major hotel companies endeavor to position their soft brand collections as flexibly designed upscale or upper upscale conversion or new-build hotels featuring scaled, locally influenced dining and lounge amenities similar to those often found in boutique hotels.

While no building plans have been provided, the Client has requested that the consultants recommend for consideration an asset class and/or an independent or chain scale hotel deemed suitable for the subject market. As of the date of our analysis, an upscale soft brand/boutique hotel has been identified as being the most suitable for the Tarboro market.

A typical upscale, soft brand hotel will feature scaled and locally influenced dining and lounge amenities that, in addition to meeting the needs of less-price-sensitive commercial and leisure guests, they are capable of attracting travelers pursuing distinct experiences in unforgettable surroundings—the typical target customer of upscale soft brands. Tarboro is an attractive and historically relevant market poised to benefit from significant residential growth resulting from good government, the availability of sizeable, affordable and readily developable tracts of land, and proximity to large new employers entering the Twin County market.

The expectation is that current and projected strong residential growth will in turn spur additional retail and commercial growth such that the market will benefit from the development of a 3-to-4-story interior-corridor, upscale hotel. Our cost estimates are based on such a hotel consisting of masonry exterior walls and floors; good-to-excellent guestroom and public area furnishings, floor coverings, finishes, lighting and plumbing fixtures; state-of-the-art internet access and a small-but-well-appointed meeting facility; a distinctive, locally influenced and properly scaled restaurant and bar.

6. Market Area Overview

This analysis summarizes important demographic trends that influence real estate values in a defined area.

This analysis attempts to highlight important facets of the area economy and illustrates past, current and future growth trends. The general area has first been studied to gain an insight from a macro level, and then the market area has been studied with regards to surrounding land uses and growth patterns.

6.1. Town of Tarboro, Edgecombe County, Rocky Mount, NC MSA

The subject property will be located within the Town of Tarboro, Edgecombe County, North Carolina. The town is transected north-south by U.S. 258 and the Tar River, and east-west by U.S. 64/Future I-87. This section will focus on the key demographic and economic indicators of Tarboro, the Twin County area of Edgecombe and Nash, which combine to form the Rocky Mount, NC MSA.

With over 11,000 residents, Tarboro is the largest town in and county seat of Edgecombe County, North Carolina. Founded in 1760, Tarboro is the ninth-oldest incorporated town in North Carolina. The Town of Tarboro encompasses 11± square miles and is situated along the Tar River where, until the Civil War, it once served as an important colonial river port and thriving trade center. Tarboro is located 72 miles east of Raleigh, the state capital; 25 miles north-northwest of Greenville, a primary eastern North Carolina hub; 16 miles east of Rocky Mount and 120 miles west of the Outer Banks.

Edgecombe County is a largely rural county located in Eastern North Carolina, approximately a one-hour drive east of Raleigh and a two-hour drive west of North Carolina's beaches. With a population of approximately 51,000, the county maintains its agricultural base while aggressively supporting the addition of such significant industries as Hillshire Brands (Sara Lee), Keihin Carolina System Technology (electronics), CSX Corporation (intermodal transportation hub), Triangle Tire USA (tire manufacturing), QVC Distribution Center (online shopping) and MBM-McLane (foodservice). Tarboro is a historic community offering brick-paved sidewalks and the Tarboro Town Common, north of which is the preponderance of its 45-block historic district, the largest in North Carolina, featuring 300 structures from the 18th and 19th centuries, including the Archibald White House from 1785 and 24 Antebellum homes.

Edgecombe County was formed in 1741. It was named for Sir Richard Edgcumbe, a Member of Parliament from 1701 to 1742 and a lord of the treasury, who became 1st Baron Edgcumbe in 1742. The county is bordered by Halifax County to the northeast, Martin County to the east, Pitt County to the southeast, Wilson County to the southwest and Nash County to the west/northwest. Edgecombe County is part of the Rocky Mount, NC Metropolitan Statistical Area; 288th largest (out of 384) in the United States. Rocky Mount is the principal city of the Rocky Mount MSA, which comprises the Twin Counties of Edgecombe and Nash.

6.1.1. Population/Labor Force

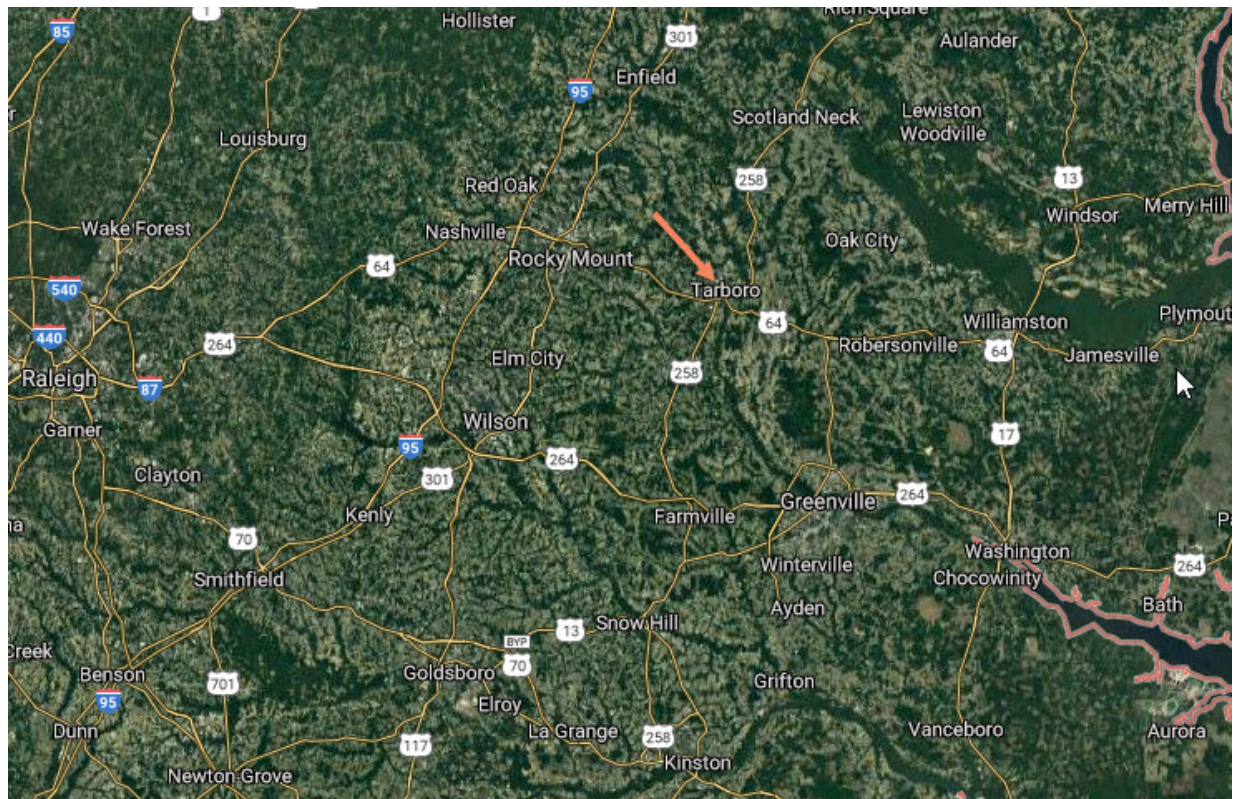
Based on U.S. Census data, the Town of Tarboro's population decreased by -5.0% between 2010 (11,415) and 2018 (10,844). The neighboring City of Rocky Mount is the largest municipality in the Twin County region of Edgecombe and Nash—the Rocky Mount, NC MSA with a 2019 population estimate of 145,770.

Area	2010	2018-19 est.	Growth
Tarboro, Town of	11,415	10,844	-5.0%
Edgecombe County	56,552	51,472	-9.0%
Rocky Mount, City of	57,477	54,242	-5.6%
Nash County	95,840	94,298	-1.6%
Rocky Mount, NC MSA	152,392	145,770	-4.4%
North Carolina, State of	9,535,483	10,488,084	+10.0%
United States	308,745,538	328,239,523	+6.3%

Sources: U.S. Census Bureau

According to the U.S. Bureau of Labor Statistics, the Rocky Mount, NC MSA had a March 2020 civilian labor force of 62,609. The unemployment rate as of March 2020 was 5.5%, or 1.3 percentage points higher than the State of North Carolina's rate of 4.2% for the same period.

AREA MAP



6.1.2. Economy

The Twin Counties are undergoing a transition. With shovel-ready sites available in such desirable master-planned developments as the 185-acre Tarboro Commerce Center and the 1,449-acre Kingsboro Megasite (the largest in North Carolina), Edgecombe and Nash County businesses that once were the backbone of the economy, particularly agriculture, are steadily being replaced by four dynamic new industry clusters:

- **Advanced/Industrial Manufacturing**
 - Keihin (Tokyo) – electronics manufacturer, Edgecombe County
 - Triangle Tire USA (China) – tire manufacturer, Edgecombe County (2020)
 - Honeywell (Charlotte) – aerospace & control systems manufacturer, Edgecombe County
 - Air System Components/Johnson Controls (Ireland) – climate control systems manufacturer, Edgecombe County (also classified under pharmaceuticals)*
 - LS Cable & System (Seoul) – telecommunications cable manufacturer, Edgecombe County
 - Cummins (Columbus, IN) – diesel engine manufacturer, Edgecombe-Nash Counties
 - Eaton Corp (Ireland) – aerospace and marine hose manufacturer, Nash County
- **Logistics & Distribution – *region is served by I-95 and US-64 (future I-87)***
 - CSX (Jacksonville, FL) – intermodal rail terminal, Edgecombe County
 - QVC (Westchester, PA) – online retail distributor, Edgecombe County
 - Acme United (Fairfield, CT) – cutting and measuring products, Edgecombe County
 - MBM-McLane (Temple, TX) – national food distributor, Edgecombe County
 - Americold Logistics (Atlanta, GA) – cold storage facility, Edgecombe County
- **Pharmaceuticals & Healthcare**
 - Corning (Corning, NY) – pharmaceutical packaging distributor, Edgecombe County
 - Vidant Health (Greenville, NC) – 117-bed acute care hospital, Edgecombe County
 - Air System Components/Johnson Controls (Ireland) – climate control systems manufacturer, Edgecombe County (also classified under advanced manufacturing)*
 - Nash UNC Health Care (Rocky Mount) – a 272-bed acute care facility, Nash County
- **Food Processing – *Twin Counties are known as the “Sweet Spot” of food processing***
 - Sara Lee Brands (Illinois) – frozen bakery and meat products, Edgecombe County
 - Nutkao (Italy) – nut-based spreads, creams and fillings, Nash County
 - The Cheesecake Factory Bakery (California) – cheesecake manufacturer, Nash County
 - Poppies Int'l (Belgium) – frozen desserts manufacturer, Nash County

6.1.3. Location/Transportation

Located in the geographic center of the Eastern Seaboard, Edgecombe County and Nash County are part of the Gateway to the Sunbelt. U.S. 64/Future I-87 traverses the county east to west giving exceptional access to I-95 and the East Coast's major markets. Easy connections with Interstates 40 and 85, via U.S. 64, open the way to an overland transportation system, which has earned North Carolina its reputation as the "Good Roads State." The center of Edgecombe County is about one hour's drive from Raleigh, the state capital, and just over one hour from the world-famous Research Triangle Park.

Tarboro's proximity to Interstate 95 and U.S. 64/Future I-87 allow for strategic accessibility to and from the East Coast's major markets, many of which are within one day's drive. It is approximately 72 miles east of Raleigh, the state capital, 25 miles north of Greenville, a primary Eastern North Carolina hub, and two hours west of the Outer Banks. Tarboro also is convenient to area and regional airports, freight and passenger train service, interstate and intrastate highway systems, and the deep-water ports of Morehead City and Wilmington, NC.

- U.S. 64/Future I-87, an interstate-quality four-lane highway, is continuing to be upgraded in order to be re-designated Interstate 87, the main highway connecting Raleigh and the Research Triangle region with Norfolk and the Hampton Roads region via Rocky Mount and Tarboro.
- U.S. 258 transects Tarboro north-south and serves as an important thoroughfare linking Naval Station Norfolk, Virginia and Marine Corps Base Camp Lejeune, Jacksonville, North Carolina.
- Interstate 95, located 22 miles west of Tarboro, transects neighboring Rocky Mount north-south and provides easy access to Washington, D.C., New York City, the Northeast and Florida.

6.1.4. Education

NC Wesleyan College is a four-year coeducational liberal arts college located in nearby Rocky Mount. It offers a full curriculum of undergraduate programs as well as educational opportunities for residential, commuting and adult students.

Edgecombe Community College has campuses in Tarboro (currently closed) and Rocky Mount. ECC offers technical skills training, two-year college transfers, two-year technical and one-year vocational degree programs, short-term certificate and continuing education programs, and customized employee training programs to local businesses and industries at little or no cost to the companies.

Edgecombe County has five high schools, four middle schools, and six elementary schools.

6.1.5. Healthcare

Vidant Edgecombe Hospital, a 94-bed acute care facility, and Vidant Multispecialty Clinic are located in the Edgecombe County seat of Tarboro, North Carolina. Nash UNC Healthcare and 282-bed Nash General Hospital are located in nearby Rocky Mount.

7. Hotel Market Trends & Analysis

The following analysis will examine pre-Covid-19 hotel supply and demand trends as well as factors that influence the hotel investment market.

7.1. National Economic Trends and Future Outlook

The paragraphs which follow discuss historical U.S. economic trends and the future U.S. economic outlook. The principal resources used for this discussion include Barron's, CBRE Econometric Advisors, CoStar News, Federal Open Market Committee of the Federal Reserve System, Federal Reserve Bank of Philadelphia, Federal Reserve Bank of St. Louis, Haver Analytics, JPMorgan, Kiplinger, Los Angeles Times, Mumford Company, Survey of Professional Forecasters, The New York Times, The Washington Post, Trading Economics, U.S. Bureau of Economic Analysis (BEA) and USA Today.

In 2019, the U.S. economy advanced a modest 2.3 percent, the least since 2016 and -20.7 percent lower than 2018's GDP growth rate of 2.9 percent, a rate which was attributable in significant measure to such stimulus measures as the \$1.5 trillion Tax Cuts and Jobs Act of 2017 and increases in federal, state and local government spending, all of which was enhanced by strong job and wage growth, record low unemployment and brisk consumer spending.

Despite a weak global economy and the trade war with China, the U.S. economy performed better in 2019 than most consultants had predicted—Q3 and Q4 each posted modest GDP growth rates of 2.1 percent as consumer spending, which slowed after six months of brisk growth, remained the economy's main driver and the trade deficit narrowed to help offset persistently sluggish business investment and stockpiling. While the deceleration in real GDP in 2019, compared to 2.9 percent in 2018, reflected the aforementioned slowdowns in business investment and personal consumption expenditures (PCEs), the impact was lessened by a moderate decrease in imports and by further increases in federal, state and local government spending.

As 2019 drew to a close, the U.S. economic outlook was for GDP growth to decrease further, from an expected 2.3 percent in 2019 to 1.9 percent in 2020—a then-projected -17.4 percent deceleration in the rate of GDP growth, with professional forecasters noting the following:

- the U.S. economy remained in record-setting territory through December 2019, its 126th month of expansion;
- though the pace of real GDP growth had slowed, it remained consistent with the economy's potential rate of growth, which most economists estimate to be between 1.75% and 2.0%, though 2.0% to 3.0% is considered to be ideal for the U.S.;

- of concern throughout 2019, especially Q2 through Q4, was the sluggish pace of business capital expenditures as weak business fixed investment often is a signal that firms see impediments to profitably deploying scarce resources:
 - domestic manufacturers are important providers of capital goods to firms; as such, slow business fixed investment leads to fewer orders and reduced activity at the nation's factories—weak capital spending has important ramifications for the whole economy;
- on a macroeconomic level, 2019 closed with two main impediments facing manufacturing firms, nonmanufacturing firms and farmers: (1) increased tariffs and (2) slower global growth:
 - tariffs and slower global growth have increased costs, decreased profit margins and reduced sales to overseas markets (exports);
- throughout 2019, the U.S. consumer remained the economy's strongest pillar, a fact most attributable to good labor-market conditions such as the lowest unemployment rate in 50 years and wage gains broadly consistent with the underlying pace of labor productivity growth; and
- consumption spending also was boosted significantly by continued solid gains in household wealth—driven by double-digit gains in equity prices and steady increases in house prices.

Historical Lodging Industry Trends and Future Outlook

The history of the lodging industry is characterized by periods of rapid expansion and development, followed by periods of adjustment and recovery. The paragraphs which follow discuss historical and current industry supply and demand, occupancy rates, average daily rates (ADRs), and revenues per available room (RevPARs). The principal resources used for the following discussion on national lodging industry trends include: Business Travel News (BTN), CBRE Econometric Advisors, CoStar News, Hotel Business, Hotel News Now (HNN), Mumford Company, STR/a CoStar Group company, STR's *U.S. Hotel Industry Performance* (as presented January 30, 2020), Tourism Economics/an Oxford Economics company.

Since 2010, the U.S. hotel industry has registered 10 consecutive years of RevPAR growth (2010-2019, inclusive). However, 2019's year-over-year growth rate of 0.9 percent was the lowest since the recovery from the Great Recession of 2008-2009 and well below the historical average growth of 3.2 percent. As components of RevPAR, two key metrics—occupancy and average daily rate—served as harbingers of an impending industry-wide slowdown as year-over-year occupancy remained flat at 66.1% and ADR increased only 1.0 percent, considerably below the 2.28 percent rate of inflation.

The foregoing growth data notwithstanding, the industry set several records in 2019:

- ADR – \$131.21 is the highest ADR ever benchmarked by STR
- RevPAR – \$86.76 is the highest RevPAR ever benchmarked by STR
- Supply – 1.9 billion room nights available is the highest ever reported by STR
- Demand – 1.3 billion room nights sold is the highest ever reported by STR

Room supply and demand each increased 2.0 percent in 2019. When supply and demand grow in such equilibrium, ADR becomes the sole driver of RevPAR gains. As quarter-over-quarter Real ADR (ADR% minus CPI%) was negative for the six quarters ended Q4 2019, year-end ADR growth lagged the rate of inflation by 56% [0.01/ 0.228 – 1]. Put simply, hotel revenue growth did not keep pace with rising wage and other operating costs.

Year-over-year room supply growth rates increased steadily from 0.5 percent in 2011 to a high of 2.0 percent in 2018 and again in 2019. While such supply growth nationally remained manageable throughout 2019, an uneven amount of new inventory came online in the limited-service sectors and in certain major markets, giving rise to concerns about crowding out in gateway and other urban markets.

In 2020, the growth rates for room supply, demand and pricing power are expected to decelerate, but with room supply and demand no longer in equilibrium:

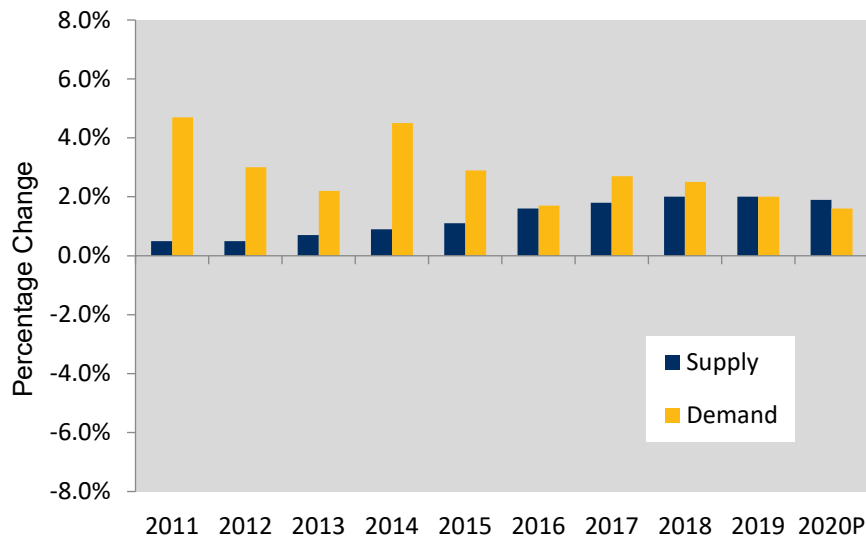
- Room supply is expected to grow 1.9% vs 2.0% the year prior.
- Demand is expected to grow 1.6% vs 2.0% the year prior.
- ADR is expected to grow 0.3% vs 0.9% the year prior.
- RevPAR is expected to grow 0.0% vs 0.9% the year prior.

Annually from 2010 through 2019, new supply was absorbed either handily or apace with increases in newly generated demand. While these key industry performance metrics moved in equilibrium in 2019, the outlook for 2020 is less sanguine. The deceleration in demand growth is expected to exceed the deceleration in supply growth by 16%, which in turn will have a further deleterious effect on pricing power. ADR growth, which significantly lagged the rate of inflation in 2019, is expected to increase by only 0.3 percent in 2020, a rate of growth which will lag the Fed's 1.9 percent inflation rate forecast by minus 84 percent—again ensuring that hotel revenue growth will not keep pace with rising operating costs.

Room Supply and Demand

As illustrated in the graph below, demand growth outpaced supply growth from the back end of the financial crisis in 2010 through 2018. In 2019, supply and demand grew in equilibrium at 2.0 percent. Though still ahead of supply growth, year-over-year demand growth began decelerating in 2018—from 2.7 percent in 2017 to 2.5 percent in 2018 to 2.0 percent in 2019. As seen below, STR expects both performance metrics to slow further. At 1.6 percent and 1.9 percent, respectively, demand growth is projected to decelerate more than supply growth, resulting in the first negative supply-demand disequilibrium since the Great Recession years of 2008 and 2009.

Lodging Industry Supply and Demand Growth

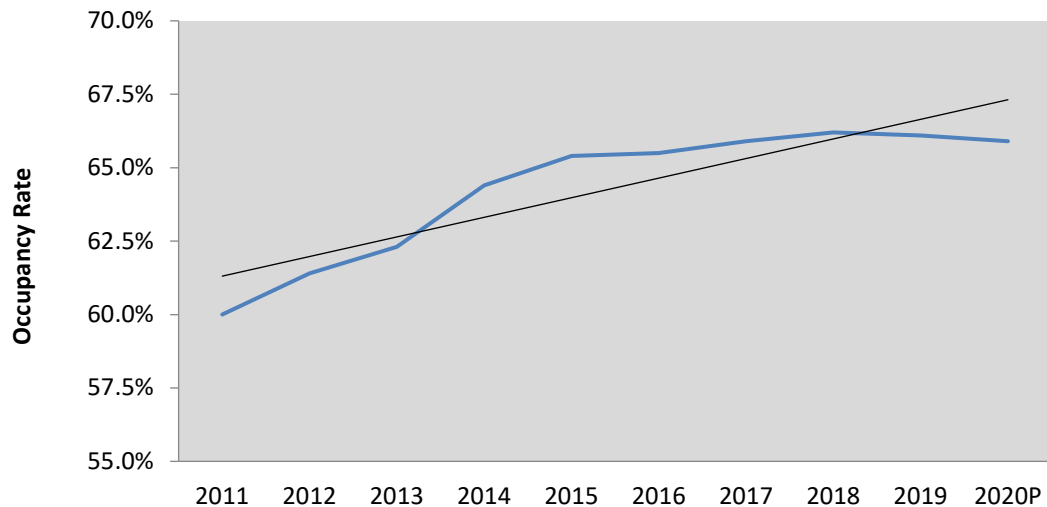


Source: STR

Occupancy

As illustrated above, year-over-year room night demand growth surpassed room night supply growth for the eight years ending 2018 and in 2019 the two were in equilibrium. As seen in the chart below, occupancy levels peaked in 2018 at a best-ever 66.2% before declining moderately to 66.1% in 2019.

National Occupancy Rates



Source: STR

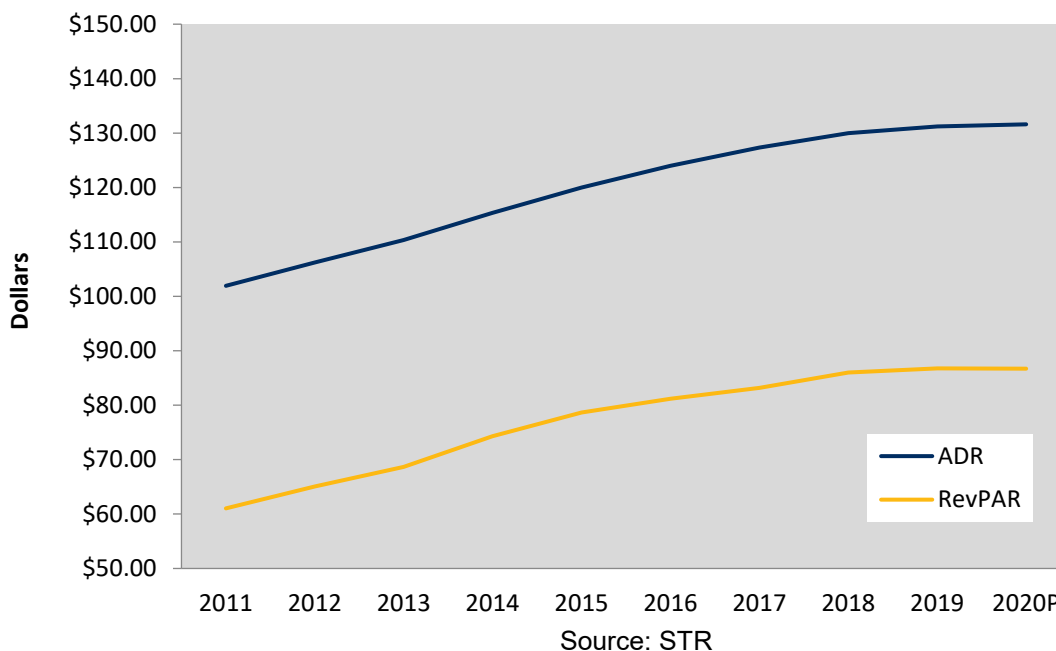
Consistent with its projected disequilibrium in supply and demand growth, for 2020 STR has forecast a -0.3 percent occupancy rate decrease from 2019, resulting in a national occupancy rate forecast of 65.9%.

ADR and RevPAR

Two important hotel performance indicators are average daily rate (ADR) and revenue per available room (RevPAR). For the nine years ending in 2019, national ADR increased at a compound annual growth rate of 3.2 percent, from \$101.93 in 2011 to \$131.21 in 2019. During this same period, national RevPAR increased at a compound annual growth rate of 4.5 percent, from \$61.04 in 2011 to \$86.76 in 2019. From 2011 through 2015, RevPAR growth was both occupancy-driven and ADR-driven. From 2016 through 2019, RevPAR growth has been overwhelmingly ADR-driven.

Though RevPAR increased annually from 2011 through 2019, inclusive, in 2019 it grew at a year-over-year rate of less than 2.5 percent for the first time in nine years. As seen below, the similarities in the growth trajectories for ADR and RevPAR, especially since 2016, suggest that the industry has been at or near equilibrium. In fact, for 2019 STR reported the national ADR and RevPAR of \$131.21 and \$86.73, respectively, grew at an identical rate of 0.9 percent—in other words, equilibrium. The following table illustrates the trend for each since 2011.

National ADR and RevPAR



For 2020, STR forecasts national ADR to increase by a very modest 0.3 percent to \$131.60 from \$131.21 in 2019 and RevPAR to remain virtually unchanged at 0.0 percent, or \$86.73. Viewed in tandem, STR's projected ADR increase of +0.3 percent will be offset by STR's projected occupancy decrease of -0.3 percent, with the result being a flattened 0.0 percent RevPAR growth forecast in 2020.

8. Supplement to Hotel Market Trends & Analysis

The following supplement discusses the influence which the Covid-19 pandemic has had and is expected to have on the U.S. economy and U.S. hotel industry.

8.1. Covid-19's Impact on the U.S. Economy

The principal resources used for this update on the U.S. economy include Associated Press, Bloomberg, Capital Economics, Federal Open Market Committee (FOMC), Federal Reserve Bank of St. Louis, First Trust, Goldman Sachs, Internal Revenue Service, Kiplinger, New York Times, Oxford Economics, Robert Douglas Market Pulse, Trading Economics, U.S. Bureau of Economic Analysis (BEA) and the U.S. Bureau of Labor Statistics (BLS).

Pre-Covid, the U.S. economy expanded and remained in record-setting territory for 31-½ quarters. Real GDP growth remained positive throughout 2019 due to high levels of personal consumption expenditures (PCEs) buoyed by a 50-year low unemployment rate, steady increases in home prices and double-digit gains in equity prices.

The pre-Covid state of the two main pillars of the U.S. economy— consumer spending, which remained robust throughout 2019, and business capital expenditures, which began slowing in Q2 2019—occasioned a cautious outlook for real GDP growth in 2020: *It would remain positive at an annualized rate of 1.8% but decelerate from its 2019 average of 2.3%.*

Taken together, the state of these two pillars of the economy—business capital expenditures and consumer spending—led to a pre-Covid-19 outlook for GDP growth to remain positive but decelerate from 2.3%—its 2019 average—to 1.8% in 2020.

Since the January 31, 2020 declaration of a U.S. public health emergency, the Covid-19 pandemic **has** reversed the trajectory of the U.S. economy. Following 10-plus years of real GDP growth, Q1 2020 annualized GDP decreased at a rate of -5.0%.

Q2 2020 ended with the U.S. economy experiencing its worst quarterly plunge ever: annualized GDP contracted at a record-breaking rate of -32.9%. For each of the 16 consecutive weeks ended June 30, more than one million new unemployment claims were reported and the quarter ended at an 11.1% unemployment rate. As 70% of U.S. economic activity is attributable to consumer spending, these high levels of unemployment—especially when coupled with public fear and government-mandated restrictions and closures of restaurants, bars, retail establishments and entertainment venues—account for the -34.6% Q2 collapse in personal consumption expenditures (PCEs). Unsurprisingly, Q2 travel and hotel stays all but froze.

Q2 2020 also saw sharp declines in business investment and residential housing, down -27% and -38.7%, respectively. Though Q2 benefitted from the passage of debt-heavy stimulus bills, start-and-stop reopenings created additional pressures on businesses of all sizes, especially those with anemic balance sheets, and on states, counties and municipalities beset by tight liquidity conditions, even as the Federal funds target interest rate remained at 0.25%, a full 225 basis points lower than the same period last year.

Projections for the U.S. economy during the now-protracted first wave of the Covid-19 pandemic are of increasingly questionable value due to the continuing lack of a national consensus on containment, disturbingly high increases in new cases, hospitalizations and deaths, the impending onset of the fall-winter flu season, and the ensuing reality of above-average hurricane activity. That said, during its June meeting, the FOMC projected year-over-year annualized real GDP growth rates to decline -6.55% in 2020 and increase 5.25% and 3.75% in 2021 and 2022, respectively.

The FOMC's projected contraction for 2020 is expected to be of shorter duration than those experienced during the Great Depression of the 1930s—an event triggered by the speculation-driven stock market crash of 1929 and exacerbated by increased taxes and tariffs, and the Great Recession of 2008—an event believed by most economists to have been caused by an asset bubble and excessive deregulation of the financial industry. Unlike these events, the Covid-19 pandemic is a random event, an external shock that has resulted in an on-again/off-again series of self-induced government and business freezes on economic activity, growth-stifling curtailments which are expected to end only once a vaccine is found and widely distributed.

8.2. The Impact of Covid-19 on the U.S. Hotel Industry

The principal resources used for the update on the USA hotel industry include CoStar News, Hotel News Now (HNN), Hotel News Resource, Kalibri Labs, Lodging Magazine, RobertDouglas Market Pulse, STR and Tourism Economics.

Hotel occupancy bottomed out at 21% the second week of Q2 2020 (April 11) before embarking on a slow recovery that remains well off pre-pandemic levels. A comparison of year-over-year key performance indicators (KPIs) for July, month one of Q3 2020, versus the same period last year shows the following¹:

- Occupancy declined -36.1% to 47.0% (up 11.4% from 42.2% occupancy in June)
- ADR declined -24.8% to \$101.76 (up 10.4% from \$92.15 ADR in June), and
- RevPAR declined -52.0% to \$47.84 (up 23% from \$38.88 RevPAR in June).

¹ Source: U.S. Hotel Performance for July 2020, an STR press release dated 19 August 2020

Though all three KPIs are up over June 2020—which experienced the lowest occupancy rate for any June on record—all remained down versus prior-year July.

Additionally, after reaching 50% occupancy for the first time since mid-March during the second full week of Q3 (9-15 August), USA hotel occupancy again decreased to a three-week low of 48.8% for the period ending 22 August.²

- Occupancy: 48.8%, down -30.3% versus comparable period in 2019²
- ADR: \$100.08, down -22.7% versus comparable period in 2019²
- RevPAR: \$48.81, down -46.1% versus comparable period in 2019²

² Source: STR, as reported in Hotel News Resource dated 27 August 2020

Prior to this 16-22 August 2020 decline, USA room demand had increased week over week since mid-April. The physical and virtual reopening of schools effectively ended vacation travel, such that for the seven-day period ended 22 August, week-over-week room nights sold had decreased by 492,000, or -2.7%. Considering pre-vaccine increases in corporate, group and international demand are expected to remain de minimis, STR expects similar challenges to a full recovery going forward. Though there are positive signs—strong occupancy rates in the economy extended-stay segment, modest increases in air travel, and “toe-in-the-water” upticks in corporate-transient travel—indications are it will remain difficult over the near term to replace the aforementioned loss of school-impacted leisure demand.

U.S. Hotel Industry Observations and Forecasts

Due to such unknown variables as government regulations and containment measures related to Covid, forecasting USA hotel performance comes with several caveats.

While overall economic activity is showing signs of improvement, sustained economic recovery depends on successful containment of the Covid outbreak. Considering hotel performance correlates strongly with GDP growth, which in turn is influenced by consumer spending and unemployment, full recovery in USA hotel demand and room revenue remains unlikely until 2023 and 2024, particularly in urban markets largely reliant on corporate group and international traveler demand. That said, economists and industry experts currently forecast:

- GDP and consumer spending will not regain Q4 2019 levels until Q4 2021.³
- Unemployment will not return below 6% until 2022.³
³ Viewed in tandem, these factors create an overhang on hotel performance and travel industry activity due to substantial shocks to income, wealth and the confidence experienced by the heads of businesses and households.
- Regional virus outbreaks are expected to continue through Q1 2021, resulting in gradual but uneven progress in restoring traveler confidence.
- Hotel and travel demand will improve only as the economy improves.
 - Small group events and essential meetings will resume at different rates across different regions, though restrictions will reduce attendance.
 - Group demand—particularly large corporate, association, trade-show and SMERF events in gateway markets—will continue to be significantly impacted into 2022-23 due to longer advance booking requirements and participant reluctance to congregate in large settings.
 - International tourism is expected to decline 60-80% on an annualized basis by year-end 2020 and take until 2024 to return to 2019 levels.
- As hotel demand is down due to an external shock and traveler concerns about personal safety, it is unlikely that sacrificing rate will appreciably drive incremental occupancy.
- Suburban, small-town and interstate hotels will recover a higher percentage of their respective 2019 demand more quickly than hotels in urban or resort destinations.
- Corporate-transient demand will remain sluggish while companies adopt and employees adapt to new liability-limiting travel policies.

KPI Forecasts⁴

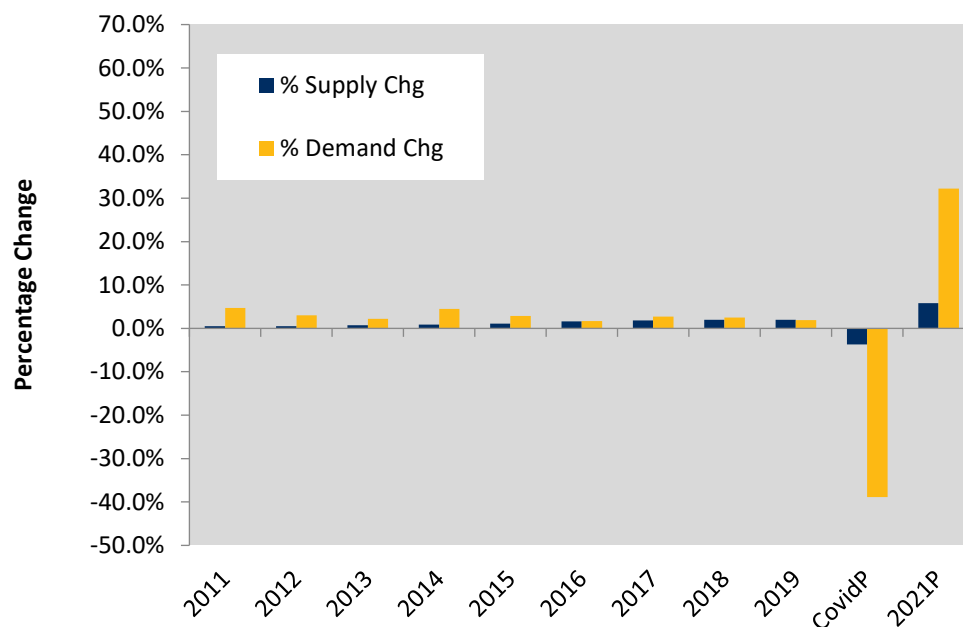
- Occupancy: 39.8% Y-E 2020 and 52.0% in 2021
- ADR: \$103.71 Y-E 2020 and \$109.56 in 2021
- RevPAR: \$41.31 Y-E 2020 and \$56.95 in 2021

⁴ Source: STR and Tourism Economics, as presented at the 2020 Hotel Data Conference and released to the press by STR 13 August 2020 announcing “STR, TE slightly downgrade USA hotel forecast”

Room Supply and Demand Forecast

For the year ending 31 December 2020, room supply is projected to decrease -3.7% and demand -38.9%. By year-end 2021, supply is forecast to increase 5.8% and demand 32.2%, resulting in a state of positive disequilibrium wherein demand growth outpaces supply growth—in this case by a multiple of 5.6 times.

Lodging Industry Supply and Demand Growth

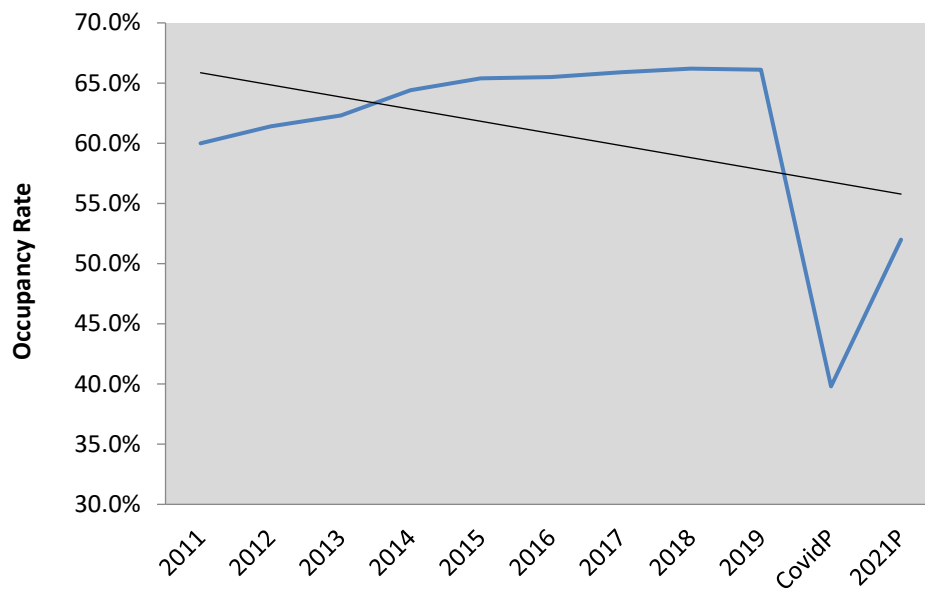


Source: STR & Tourism Economics

Occupancy Forecast

Covid-influenced occupancy rates are projected to end 2020 at 39.8%, a decrease of -39.7% from 66.1% in 2019. For 2021, occupancy rates are forecast at 52%, a year-over-year increase of 30.5%.

National Occupancy Rates

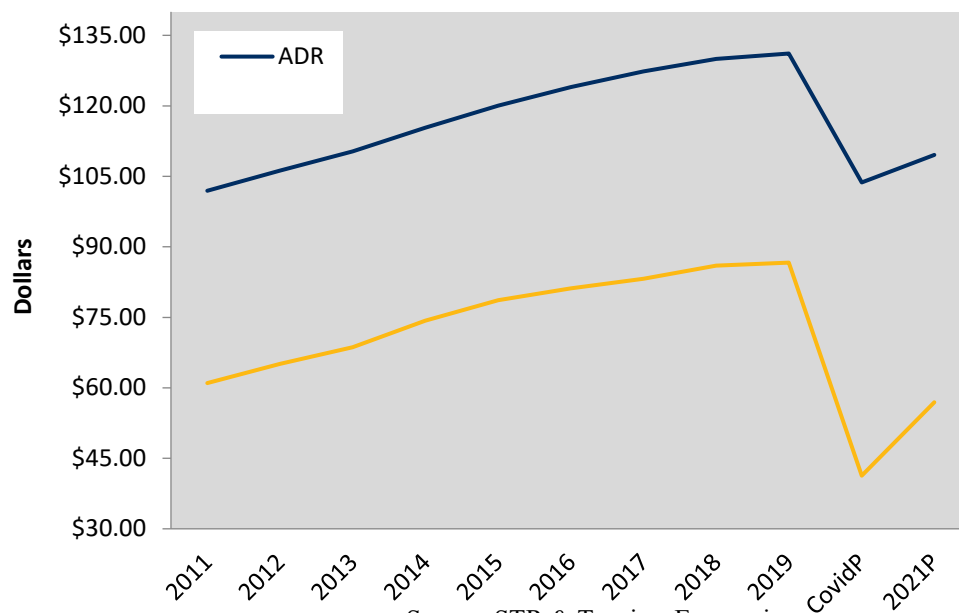


Source: STR & Tourism Economics

ADR and RevPAR Forecast

Covid-influenced ADRs are projected to decrease in 2020 by -20.9% to \$103.71 from \$131.13 in 2019. RevPAR is forecast to decrease -52.3% in 2020 to \$41.31 from \$86.64 in 2019. For 2021, year-over-year ADR growth is forecast to increase 5.6% to \$109.56 and occupancy-driven RevPAR growth is forecast to increase 37.9% to \$56.95.

National ADR and RevPAR



Source: STR & Tourism Economics

8.3. Local Lodging Trends

The following paragraphs give an overview of the current and historical market conditions to *infer* future supply and demand conditions.

8.3.1. Supply Summary

To properly evaluate the competitive lodging market, several supply factors have been considered in our analysis to include historic expansion, determining which existing lodging facilities are most competitive with the subject and potential new competition.

Historical Supply

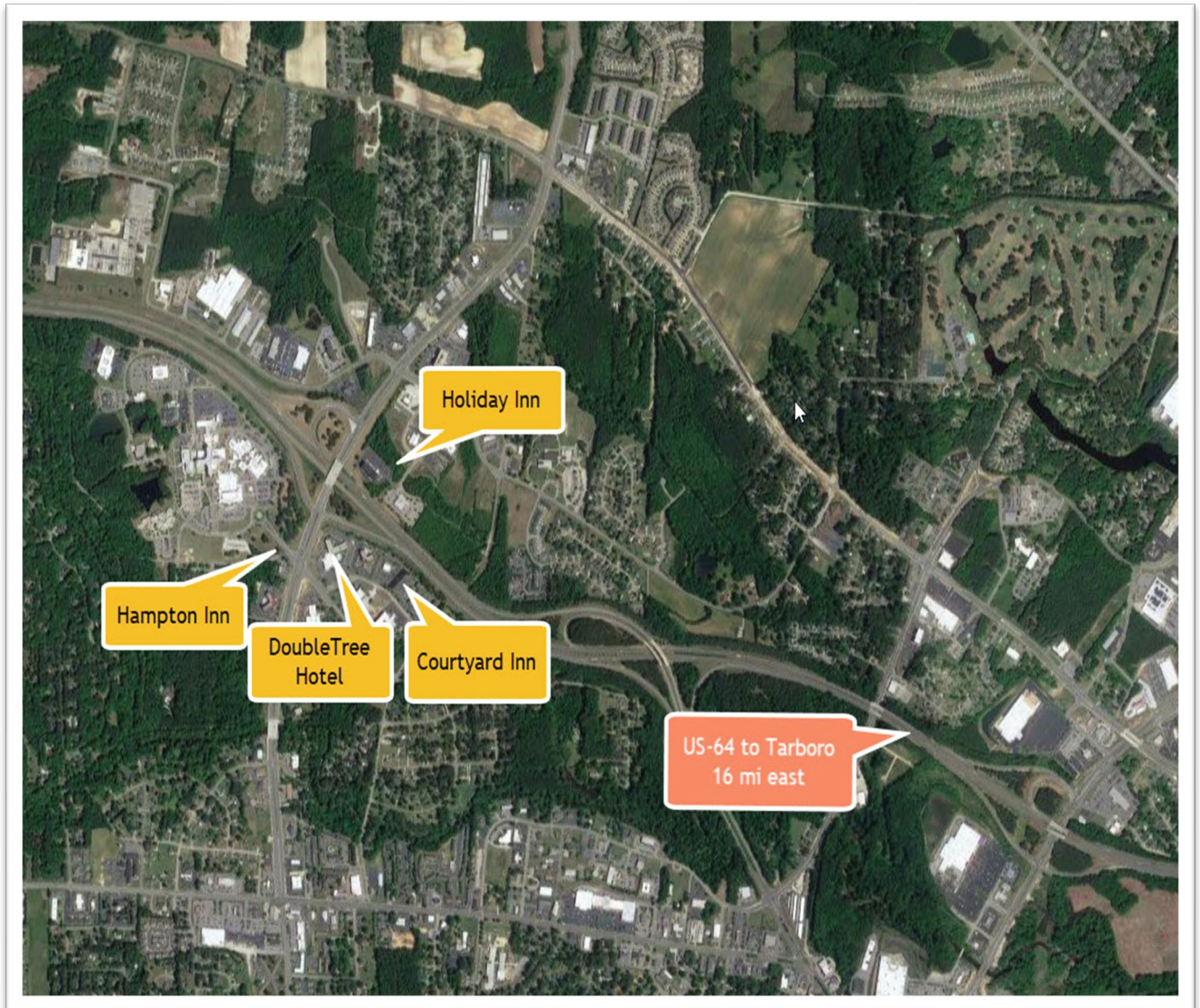
Over the past decade (2011-2020), the Rocky Mount-Tarboro market has experienced a modest 0.5% compound annual growth rate in room supply. The largest increase in supply over this period occurred in January 2018 with the opening of the 93-room Homewood Suites by Hilton in Rocky Mount.

Existing Supply

Our market supply analysis involved a study of the competitive lodging facilities with which the subject hotel will directly and indirectly compete for demand. While the degree of competitiveness varies, several factors, including room rate, relative location, amenities, level of service, quality of guest rooms and similar market positioning, make a hotel a competitor.

Based on our research, the Courtyard Rocky Mount, Holiday Inn Rocky Mount, DoubleTree by Hilton Rocky Mount and the Hampton Inn Rocky Mount will be the primary competitors of the proposed upscale subject hotel. Salient information on each of the selected competitors compiled from our interviews and other sources is included in the following section and a map depicting the location of each is below.

Competitive Set Map



Competitive Supply Comparable 1



Location and Reference

Property:	Courtyard
Location:	2 Gateway Boulevard
City/State:	Rocky Mount, North Carolina 27804

Property Summary

Classification:	Select Service
Year Built:	2000
Condition:	Average to Good (recently renovated)
Rooms:	90
Room Mix:	Kings, Double Doubles and Suites
Amenities:	Indoor Pool Fitness Center
	Bistro/Bar Meeting Facilities (260 sf)
	Guest Laundry

Operating Summary

	<u>TTM 20 est. (Pre Covid-19)</u>	
Occupancy:	65% - 70%	
Average Daily Rate:	\$105 - \$110	
Published Room Rates:	\$89 - \$224	
Marketing Mix:	Transient	45%
	Commercial	50%
	Group	5%
	Extended Stay	0%

Comments

Competitive Supply Comparable 2



Location and Reference

Property:	Holiday Inn
Location:	200 Enterprise Drive
City/State:	Rocky Mount, North Carolina 27804

Property Summary

Classification:	Full Service	
Year Built:	2008	
Condition:	Good	
Rooms:	128	
Room Mix:	Kings, King w/ Sofa Sleeper and Suites	
Amenities:	Business Center	Meeting Facilities (1,006 sf)
	Indoor Pool	Fitness Center
	Guest Laundry	Restaurant/Lounge

Operating Summary

	<u>TTM 20 est. (Pre Covid-19)</u>	
Occupancy:	70% - 75%	
Average Daily Rate:	\$105 - \$110	
Published Room Rates:	\$120 - \$180	
Marketing Mix:	Transient	50%
	Commercial	40%
	Group	10%
	Extended Stay	0%

Competitive Supply Comparable 3



Location and Reference

Property:	DoubleTree by Hilton
Location:	651 N Winstead Avenue
City/State:	Rocky Mount, North Carolina 27804

Property Summary

Classification:	Full Service
Year Built:	1986
Condition:	Average
Rooms:	166
Room Mix:	Kings, Double Queens
Amenities:	Business Center Meeting Facilities (2,900 sf)
	Fitness Center Outdoor Pool
	Restaurant & Bar (Texas Steakhouse & Saloon)

Operating Summary

	<u>TTM 20 est. (Pre Covid-19)</u>
Occupancy:	70% - 75%
Average Daily Rate:	\$105 - \$110
Published Room Rates:	\$95 - \$147 (\$205-\$210 peak weekends)
Marketing Mix:	Transient 50%
	Commercial 40%
	Group 10%
	Extended Stay 0%

Competitive Supply Comparable 4



Location and Reference

Property:	Hampton Inn
Location:	530 N Winstead Avenue
City/State:	Rocky Mount, North Carolina 27804

Property Summary

Classification:	Limited Service
Year Built:	1995
Condition:	Average
Rooms:	124
Room Mix:	Kings, Double-Doubles
Amenities:	Business Center Meeting Facilities (1,150 sf)
	Fitness Center Outdoor Pool

Operating Summary

	<u>TTM 20 est. (Pre Covid-19)</u>	
Occupancy:	75% - 80%	
Average Daily Rate:	\$110 - \$115	
Published Room Rates:	\$107 - \$169	
Marketing Mix:	Transient	45%
	Commercial	50%
	Group	5%
	Extended Stay	0%

8.3.2. Supply Forecast

We have researched the area for future additions to the hotel supply that would potentially impact the subject facility and its competitive set. Based on discussions with local hoteliers and third parties, potential changes to the Rocky Mount-Tarboro market area include the following:

- 84-room upper midscale Fairfield Inn & Suites by Marriott, 105 Wellspring Drive, Rocky Mount, scheduled to open late summer-early fall 2020
- 92-room midscale Tru by Hilton, Gateway Blvd & Jones Rd, Rocky Mount, scheduled to open early 2021
- 100-room midscale Avid Hotel by IHG, 101 Gateway Blvd, Rocky Mount, scheduled to open late summer 2021
- 108-room SpringHill Suites by Marriott, Goldleaf Street & Albemarle Avenue, Rocky Mount, in early planning, projected to open early 2023

Considering the first three potential developments are midscale limited-service hotels and noting the SpringHill Suites remains uncertain, we have added only the proposed subject 60-room upscale soft brand/boutique hotel to the existing competitive supply beginning in July 2021. The following table depicts this change.

Fiscal Year Ending	2020	2021	2022	2023	2024+
Room Night Supply	187,975	187,975	208,506	215,350	215,350
Growth		0.0%	10.9%	3.3%	0.0%

8.3.3. Competitive Demand Analysis

The principle sources of demand for lodging accommodations in the competitive market include transient, commercial and group, and in the overall market extended stay. These first three sources of demand will be the basis for examining the market's historical, existing and future demand trends as outlined in the following paragraphs.

8.3.4. Historical Demand

Room night demand in the subject's market area is similar to that of many commercial and transient markets. Tuesday through Thursday are popular nights for commercial demand, while Fridays and Saturdays entice strong and more discretionary segments of demand, particularly amateur sports teams competing in the many tournaments hosted at the large-scale Rocky Mount Sports Complex.

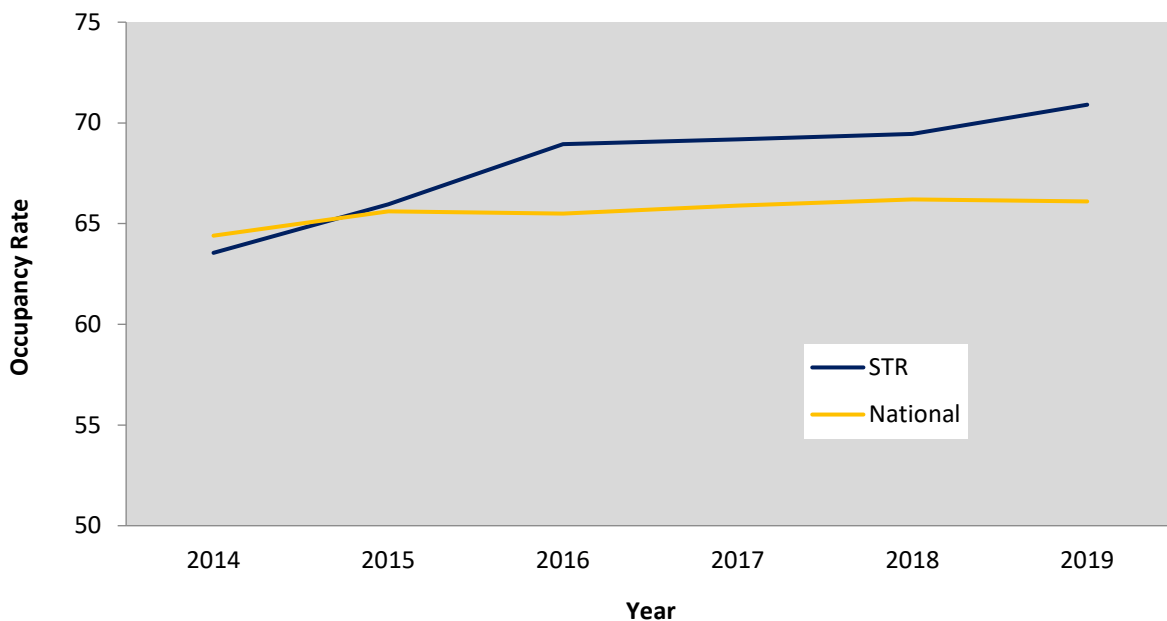
Midweek room night demand is relatively stable March through November, with troughs in the winter months of December through February. Sports Complex-driven weekend demand is consistently high (>80% occupancy) from March through September, with peaks (>90% occupancy) Saturdays in May and Fridays-Saturdays from June through August. Outdoor-sports-related weekend demand falls off October through February, though "snowbird" fills in strongly (>80% occupancy) for the months of November-December. The following chart tracks room night demand for the competitive market over the last several years.



Source: Horwath HTL and STR

For additional insight into historical demand, the following graph compares the annual occupancy rates of the competitive submarket with the national averages.

Occupancy Rates STR Competitive Set versus National Market



Over the last six years, the occupancy rate of the subject market has increased at a compound annual growth rate (CAGR) of 2.2%, well above the 0.5% CAGR reported nationally.

As depicted above, the competitive set has shown steady annual occupancy increases since 2014, principally due to the Twin Counties' focused and aggressive recruitment of regional, national and international companies in four major industry clusters: Advanced Manufacturing, Food Processing, Logistics & Distribution, and Pharmaceuticals.

8.3.5. Existing Demand

The following section analyzes the market's existing demand on the basis of the competitors' ability to penetrate the market and their existing demand mix or accommodated demand.

8.3.6. Market Penetration

Market penetration is calculated by dividing the property's actual market share by its fair share. The actual market share is the percentage of one lodging facility's occupied room nights divided by the total occupied room nights in the identified market. A fair share percentage is calculated by dividing one lodging facilities available rooms by the total available rooms of all competitors. From this formula, the following chart shows the overall penetration levels of the competitors.

Competitive Supply Penetration Rates – TTM 20

Comp.	Property	Penetration
1	Courtyard	95%-100%
2	Holiday Inn	95%-100%
3	DoubleTree	100%-105%
4	Hampton Inn	105%-110%

8.3.7. Accommodated Demand

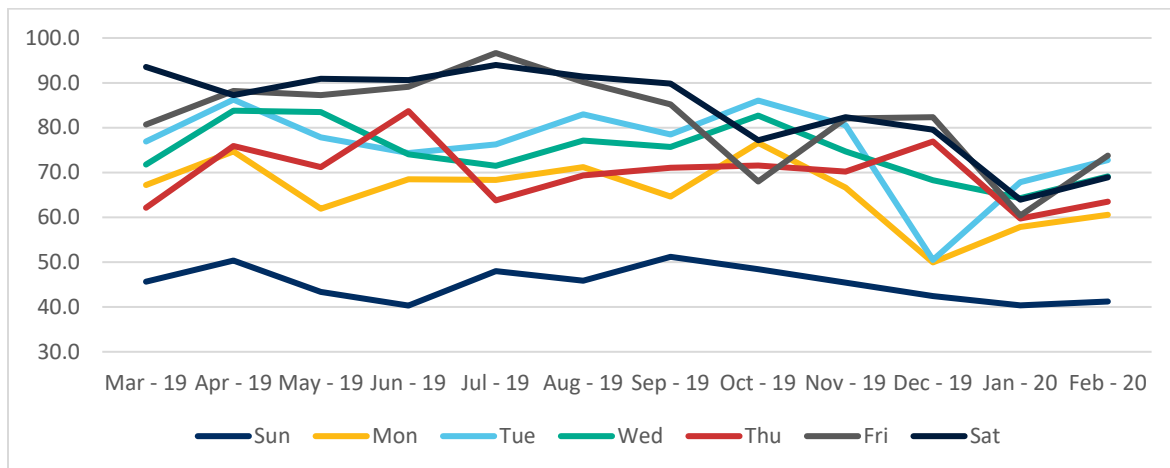
The subject's accommodated demand may be analyzed by applicable market segment (transient, commercial and group) by studying occupancies at competitive properties as they relate to each segment. We have additionally conducted telephone interviews with the hotel managers of the subject's competitive set. In addition, data taken from statistical reports and office files were also used in segmenting these properties. From this information, the market segments are then translated into room nights and occupancy percentages and summarized below.

Segment	Demand	Room Nights
Transient	42.6%	56,940
Commercial	49.5%	66,290
Group	7.9%	10,565
Totals	100.0%	133,795

8.3.8. Unaccommodated Demand

Unaccommodated demand refers to individuals who are unable to secure accommodations in the competitive market because all the local hotels are filled. These travelers must defer their trips, settle for less desirable accommodations, or stay in properties located outside the market area. Because this demand did not yield occupied room nights, it is not included in the estimate of historical accommodated room night demand. If additional lodging facilities are expected to enter the market, it is reasonable to assume that these guests will be able to secure hotel rooms in the future, and it is therefore necessary to quantify this demand.

Unaccommodated demand is further indicated if the market is at all seasonal, with distinct high and low seasons; such seasonality indicates that although year-end occupancy may not average in excess of 70 percent, the market may sell out many nights during the year. This unaccommodated demand may be quantified by looking at the number of days occupancy is in excess of the 80th percentile. The following chart illustrates the occupancy rate per day of the week over the last twelve-month period.



According to STR, the local market exhibited unaccommodated demand in 25 out of the previous 84 periods (7 days and 12 months), or about 30% of the time.

8.3.9. Demand Forecast

Projections of future demand in the competitive market and for the subject are integral in determining the future cash flows and returns of the project. The following discussions outline the projections for induced demand as it relates to new hotels entering the market and future demand growth within each market demand segment.

8.3.10. Unaccommodated Demand

Our previous analysis indicates about 30% of the time there is unaccommodated demand present in the market. Given the subject's location and branding, we forecast a capture ratio of 15% or 8,392 room nights. This estimate has been allocated as 30% transient, 60% commercial and 10% group.

8.3.11. Induced Demand

Similar to the concept of unaccommodated demand, it is apparent that the inducement of demand occurs when a new product is added that attracts guests which previously stayed outside the competitive set due to brand loyalty, or simply because the type of accommodations they prefer were unavailable in the market area. The proposed upscale soft brand/boutique hotel should be well received considering its probable brand affiliation; upscale amenities to be offered; relative proximity to transient, commercial and group demand generators; its location in or near historic downtown Tarboro, and its ease of access via US-64 (future I-87) to Rocky Mount and I-95. As such, we have forecast induced demand of 20% of the property's room supply, or 4,380 room nights. As the subject is anticipated to open in July 2021, we have forecast this induced demand to occur in FY22. The induced demand has been allocated at 30% transient, 60% commercial and 10% group.

8.3.12. Market Demand Growth

The following discussions outline the projections for each market segment pertaining to growth of room night demand within the competitive submarket.

- **Transient** - This category has historically included persons visiting local attractions, engaging in recreational pursuits, including sports tourism, or passing through the area in the spring, summer or fall months (snowbirds, late fall) and on weekends and holidays. The STR Custom Trend report indicates overall demand is down -4.3% for the most recent trailing twelve-month period ending February 2020. Demand was stronger in the spring, summer and fall months of March through November 2019 but slowed over the winter months of December 2019 through February 2020. Based on our research, STR Custom Trend report and the current uncertainty in the market due to the negative impact of the Covid-19 pandemic on current and future travel, we have forecast the transient segment to decrease -40% for fiscal year-ending 2021, followed by a rebound to pre-Covid levels in 2022 and 2023 as consumer confidence builds back. Thereafter, transient demand is forecast to remain stable.
- **Commercial** - This segment of demand emanates from sales representatives, corporate visitors to regional and branch offices, government officials, interviewees, trainees, engineers, consultants and other business-related travel to the area. This segment regularly seeks accommodations Monday through Thursday and is predominantly single occupancy. The average stay in the local market for commercial guests typically is one to three nights.

Two significant commercial developments are underway and in various phases of completion at the 1,449-acre Edgecombe County/Kingsboro Megasite, a shovel-ready advanced-manufacturing industrial park just seven miles west of another advanced-manufacturing industrial park—the Tarboro Commerce Center in the southeast quadrant of US-64 exit 484 at McNair Road.

1. CSX broke ground April 2019 on its 330-acre Carolina Connector (CCX) intermodal transportation facility—1,300± direct and indirect jobs are projected.
2. Triangle Tire USA has announced it is investing \$580 million in a new manufacturing facility on its 400-acre Kingsboro Megasite campus—800± direct and indirect jobs are projected.

Prior to the Covid-19 pandemic, CSX and Triangle were expected to open, at least initially, in late in 2020-early 2021. As the reopening of the economy commenced with manufacturing facilities mid-Q2 2020, completion estimates now range from early-to-mid 2021, by which time it is estimated that these and other new and/or expanding businesses and industries will need as many as 3,500 people ready to go to work.

Considering Edgecombe County/Kingsboro Megasite tenants CSX and Triangle Tire are headquartered elsewhere—Jacksonville, FL (CSX) and Franklin, TN (Triangle Tire USA), and Shandong Province, China (parent Triangle Tyre), market participants anticipate visiting executives, middle managers, consultants, specialists and technicians—e.g., accountants, architects, engineers, human resources managers, quality control specialists, etc.—will be seeking upscale hotel accommodations with appropriate food and beverage options.

In addition to CSX and Triangle, market participants expect additional upscale demand from these Tarboro/Edgecombe County companies:

- Air System Components is a Milwaukee-based division of Johnson Controls, a Cork, Ireland-headquartered multinational manufacturer of climate control, facility management, fire alarm and fire suppression systems.
- Americold Logistics is an Atlanta-headquartered cold storage and supply-chain management company whose Tarboro facility is synergistically located adjacent to Sara Lee Frozen Bakery.
- Keihin Carolina System Technology, or KCST, is part of Tokyo-based Keihin Group with US headquarters in Anderson (Indianapolis), IN. KCST manufactures engine control units using advanced robotics and automated manufacturing technology.
- LS Cable & System is a multinational industrial corporation headquartered in Seoul, South Korea, with US operations based in Atlanta, GA. LS Cable is one of the largest power cable and telecommunications cable manufacturers in the world.
- Piedmont Natural Gas is headquartered in Charlotte, NC. Piedmont provides natural gas to residential, commercial and industrial customers.
- Sara Lee Frozen Bakery, f/k/a Tyson Foods and synergistically located adjacent to Americold Logistics, is headquartered in Chicago. Sara Lee is a wholesale supplier of frozen bakery, desserts and snacks to foodservice companies.
- Vidant Edgecombe Hospital 117-bed acute care facility offering 20+ medical specialties. Vidant Edgecombe is part of the 29-county Vidant Health system headquartered in Greenville, NC.

Based on our research, an STR Custom Trend report and the current uncertainty in the market, especially as it relates to evolving corporate travel policies and liability issues related to the Covid-19 pandemic, we have forecast the commercial segment to decrease -60% for fiscal year-ending 2021, followed by a rebound to pre-Covid levels in 2022. Further increases are expected in 2023 with the opening of CCX and Triangle. Thereafter, commercial demand is forecast to remain stable.

- **Group** - The group demand segment includes blocks of rooms used to accommodate commercial groups, contact business, association business, corporate meetings, small state association meetings, sports-related groups, etc. Typically, these groups will require blocks of rooms in conjunction with meeting facilities and will negotiate room rates based on the number of nights and blocks of rooms needed. Similar to transient/leisure and commercial demand segments, we have forecast the Covid-19 social-distancing-sensitive group segment to decrease -80% for fiscal year-ending 2021, followed by an increase in FY22 as social distancing guidelines are relaxed and group travel—especially sports tournament-related group travel—begins to rebound. In addition, considering the outdoor (safer) nature of the Twin Counties' large sports complex, we have further forecast an additional increase in FY23.

8.3.13. Summary

Using our projections of market demand by segment in consideration of overall market supply forecasts, the resulting market occupancy over the holding period is calculated and summarized below. The table indicates Covid-19-impacted occupancy in Fiscal 21 to decrease -53.1% to 33.4%, followed by an abating Covid-19, partial-economic-recovery increase in Fiscal 22 to 60.1% as the subject enters the market. For FY23, market occupancy is forecast to increase and return to equilibrium and stabilize at 71.6%.

Market Demand by Segment Forecast

Fiscal Year	Fiscal 19	Fiscal 20	Fiscal 21	Fiscal 22	Fiscal 23	Fiscal 24	Fiscal 25+
Room Night Demand by Segment							
Transient							
Unaccommodated Demand			0	1,762	755	0	0
Induced Demand			0	920	394	0	0
Market Demand Growth			-22,776	30,748	6,759	0	0
Total	55,400	56,940	34,164	67,594	75,502	75,502	75,502
Commercial							
Unaccommodated Demand			0	3,525	1,511	0	0
Induced Demand			0	1,840	788	0	0
Market Demand Growth			-39,774	21,213	15,928	0	0
Total	64,561	66,290	26,516	53,093	71,319	71,319	71,319
Group							
Unaccommodated Demand			0	587	252	0	0
Induced Demand			0	307	131	0	0
Market Demand Growth			-8,452	1,690	2,349	0	0
Total	10,278	10,565	2,113	4,698	7,429	7,429	7,429
Total Room Night Demand	130,239	133,795	62,793	125,384	154,251	154,251	154,251
Growth			-53.1%	99.7%	23.0%	0.0%	0.0%
Total Room Night Supply	187,975	187,975	187,975	208,506	215,350	215,350	215,350
Growth			0.0%	10.9%	3.3%	0.0%	0.0%
Overall Market Occupancy	69.3%	71.2%	33.4%	60.1%	71.6%	71.6%	71.6%
Growth			-53.1%	80.0%	19.1%	0.0%	0.0%

8.3.14. Subject Occupancy Projections

In our analysis of anticipated occupancy at the subject property, we have considered the recent occupancy levels at the most competitive properties in the market. To accurately project the subject's occupancy rate over the holding period, we have forecast the subject's penetration level within each of the previously defined market segments.

- **Transient** - Signage and online marketing will promote and introduce the subject to the transient segment of demand. Additionally, a nationally recognized hotel brand family affiliation (recommended) will give the proposed facility significant exposure to the public. Current penetration levels within the competitive set for the transient segment are as follows:

Comp.	Property	Penetration*
1	Courtyard	90%-95%
2	Holiday Inn	100%-105%
3	DoubleTree	90%-95%
4	Hampton Inn	110%-115%

*Pre-Covid-19

The proposed soft brand/boutique hotel will be a new property that is positioned as an upscale focused-service hotel. With the subject's historic Tarboro location along US-64 (future I-87) east of I-95/Rocky Mount and west of North Carolina's popular Outer Banks, coupled with the level of amenities to be offered, we anticipate the subject to penetrate the transient demand segment at 90% in Year 1 and stabilize at 100% (fair share) penetration in Year 2.

- **Commercial** – As the proposed hotel will be affiliated with a nationally known brand family and loyalty program, and considering the business-friendly amenities typical of an upscale focused-service hotel, the subject is expected to be well received by commercial travelers. Its proposed Tarboro location, with in-town access to the Tarboro Corporate Center and ready access via US-64 (future I-87) access to the Edgecombe County/Kingsboro Megasite and nearby Interstate 95 will add to its immediate appeal. The current penetration levels within the competitive set for the commercial segment are as follows:

Comp.	Property	Penetration*
1	Courtyard	105%-110%
2	Holiday Inn	85%-90%
3	DoubleTree	100%-105%
4	Hampton Inn	105%-110%

**Pre-Covid-19*

The proposed subject hotel is expected to be well received by commercial travelers due to its level of amenities it is expected to offer and due to its recommended major brand family/loyalty program affiliation. With the proposed subject's location and expected level of amenities, we anticipate it will penetrate the commercial demand segment at 100% in Year 1 and remain stable for the remainder of the projection period.

- **Group** – While there is reasonably strong corporate, hospital, academic, training, tour bus, social and family group business in the market, the single-largest contributors to group demand are the many sports teams competing in the nearly eight months of tournaments hosted at the Rocky Mount Sports Complex, a very large, multi-field, multi-sport regional venue. The current penetration levels within the competitive set for the group segment are as follows:

Comp.	Property	Penetration*
1	Courtyard	60%-65%
2	Holiday Inn	125%-130%
3	DoubleTree	125%-130%
4	Hampton Inn	65%-70%

**Pre-Covid-19*

Considering the proposed subject likely will have a restaurant and small meeting facility, and noting it will be the newest upscale focused-service hotel in the market, we anticipate the property will focus mostly on non-sports group business—particularly small corporate, social and family gatherings—to achieve a penetration rate in the group segment of 80% in Year 1 and remain stable thereafter.

8.3.15. Summary

Using these projections for the proposed subject's demand by segment and considering overall market supply and demand forecasts, the resulting occupancy over the holding period is summarized below. Noting the considerably smaller room count for the proposed subject vis-à-vis its competitors, it is projected to have an abating-Covid-19-influenced occupancy rate of 57.8% during Year 1, increasing and stabilizing at 70.9% in Year 2 with an overall penetration rate of 0.99.

Proposed Subject's Demand and Occupancy Forecast

Fiscal Year	Year 1	Year 2	Year 3	Year 4	Year 5+
Total Room Night Supply	215,350	215,350	215,350	215,350	215,350
Subject's Fair Share	10.2%	10.2%	10.2%	10.2%	10.2%
Total Transient Demand	69,571	75,502	75,502	75,502	75,502
Subject Fair Share	7,075	7,678	7,678	7,678	7,678
Subject Penetration	90.0%	100.0%	100.0%	100.0%	100.0%
Subject Demand Captured (Market Share)	6,367	7,678	7,678	7,678	7,678
Subject's Percentage of Total Mix	50.3%	49.4%	49.4%	49.4%	49.4%
Total Commercial Demand	57,649	71,319	71,319	71,319	71,319
Subject Fair Share	5,863	7,253	7,253	7,253	7,253
Subject Penetration	100.0%	100.0%	100.0%	100.0%	100.0%
Subject Demand Captured (Market Share)	5,863	7,253	7,253	7,253	7,253
Subject's Percentage of Total Mix	46.3%	46.7%	46.7%	46.7%	46.7%
Total Group Demand	5,381	7,429	7,429	7,429	7,429
Subject Fair Share	547	756	756	756	756
Subject Penetration	80.0%	80.0%	80.0%	80.0%	80.0%
Subject Demand Captured (Market Share)	438	604	604	604	604
Subject's Percentage of Total Mix	3.5%	3.9%	3.9%	3.9%	3.9%
Subject's Total Demand Captured (Market Share)	12,668	15,535	15,535	15,535	15,535
Subject's Room Supply	21,900	21,900	21,900	21,900	21,900
Subject's Projected Occupancy	57.8%	70.9%	70.9%	70.9%	70.9%
Overall Market Occupancy	61.6%	71.6%	71.6%	71.6%	71.6%
Subject's Actual Market Share	9.6%	10.1%	10.1%	10.1%	10.1%
Subject's Penetration Level	0.94	0.99	0.99	0.99	0.99

8.3.16. Proposed Subject's Average Daily Rate Projections

To forecast the proposed subject's average daily rate, we have developed the following table summarizing the ADR and RevPAR for the competitive set.

Comparable ADR and RevPAR Rates

Comp.	Property	Built	Rooms	TTM 20-Est*	
				ADR	RevPAR
1	Courtyard	2000	90	\$105-\$110	\$70-\$75
2	Holiday Inn	2008	135	\$105-\$110	\$70-\$75
3	DoubleTree	1986	166	\$105-\$110	\$75-\$80
4	Hampton Inn	1995	124	\$110-\$115	\$85-\$90
	Total/Average (per STR)		515	\$108.07	\$76.84

*Pre-Covid-19

The competitive set offered average daily rates in FY20 (trailing twelve months ended February 2020) that ranged from the low-\$100s to the mid-\$110s and averaged \$108.07 per occupied room night, or a modest increase of 0.5% from FY19 levels. The Hampton Inn commanded the highest rate, followed closely by the others. The following table summarizes the historic growth rates of the national average and competitive market.

National versus Submarket Trends

Period	2014	2015	2016	2017	2018	2019
National ADR	\$115.32	\$120.01	\$123.97	\$127.34	\$129.83	\$131.21
Growth	- - -	4.1%	3.3%	2.7%	2.0%	1.1%
Submarket ADR	\$96.64	\$102.94	\$108.72	\$107.99	\$106.97	\$107.93
Growth	- - -	6.5%	5.6%	-0.7%	-0.9%	0.9%

Source: STR and Horwath HTL

Based on the preceding information and considering the non-supply-induced rate resistance evident in the competitive market over the three years preceding the 2020 Covid-19 pandemic, we have forecast an ADR of \$102, in current dollars. As the proposed subject hotel is not anticipated to open until July 2021, we have projected the average daily rate to modestly increase to \$105 in Year 1.

9. Cash Flow Projections

In order to accurately estimate the subject's potential income, we have surveyed the competing facilities relative to their location, restaurants, meeting spaces, amenities, average daily room rates and occupancy rates. Based on our survey we have projected the subject hotel's occupancy and average daily rates as a typical developer would view the property. From the estimated income, we have then deducted expenses attributable to the operation based on operating histories of comparable hotels. Prudent management is assumed with the realization that actual expenses on any single property can be strongly influenced by the particular management team operating the facility. While the level of management expertise customarily will have some effect on the level of gross income, it is noted that such income is largely a function of the physical property, its location and competition in the area. Control of expenses, on the other hand, is largely a function of management's expertise.

The detailed discussion of room revenues in this section is followed by a description of other revenue sources and expense categories. The Uniform System of Accounts for Hotels, as adopted by the American Hotel & Motel Association, has been used in the classification of revenues and expenses in this report for comparison purposes. Certain expenses typically shown in audited financial reports are considered capital-related and are not included in this operating forecast. These expenses consist of depreciation, interest expense, amortization, capital gains (losses) and income taxes.

Typical investors in the marketplace would generally consider most strongly the level of expenses that they anticipate with their own management capabilities. With this in mind, we have carefully considered the subject property's competitive position in the market. In addition, we have considered expense information derived from comparable hotels.

9.1. Basis of Financial Analysis

In order to estimate accurately the proposed subject hotel's potential income, we have surveyed the competing facilities relative to their location, restaurants, meeting spaces, amenities, average daily room rates and occupancy rates. Based on our survey, we have projected the proposed hotel's occupancy and average daily rates as a typical buyer would view the business. From the estimated income, we then have deducted expenses attributable to the operation based on operating histories of comparable hotels and of the proposed subject property. As no developer has yet been identified, the consultants have been provided no operating proforma to be reconstructed at this time.

In an estimate of future performance, prudent management is assumed, with the realization that actual expenses on any single property can be strongly influenced by the particular management team operating the facility. While the level of management expertise will customarily have some effect on the level of gross income, it is noted that such income is largely a function of the physical property, its location, and competition in the area. Control of expenses, on the other hand, is largely a function of management's expertise. Typical investors in the marketplace generally would consider most strongly the level of expenses that they anticipate with their own management capabilities. With this in mind, we have carefully considered the proposed subject property's competitive position in the market. In addition, we have considered expense information derived from comparable hotels.

9.2. Basis of Assumptions

The estimate of future operating results is based on a projected stabilized occupancy and average daily rate. These are estimates of investor expectations that could be achieved in a typical year with proper marketing as shown in the Hotel Market Trends & Analysis section of this report. In the Projected Income and Expense statement, we have used actual income and expense ratios from comparable hotel facilities as a means of forecasting major operating expenses. These statements have been reconstructed on the following page for the reader's reference. Due to the confidential nature of the operating statements, individual identifications of the comparable hotels are kept in the valuer's files.

The use of the stabilized year of operations in determining value is important to the projections. It provides an estimate of the annual operating results in current dollars as if it were operating at a level considered representative of its long-term potential. There will be small differences in the stabilized year income and expense statement from the projected income statement. These differences primarily are due to some expense categories being based on the number of occupied rooms, some based on available rooms and some on a percent of gross revenues.

We also have considered the anticipated effects of inflation, business development, and the occupancy levels for the projection period. The underlying rationale and assumptions used in preparing these estimates are presented in the paragraphs that follow the stabilized year income and expense statement.

9.3. Analysis of Revenue

Revenue sources for hotels typically include room sales, food and beverage, other operated departments and rentals and other income.

9.3.1. Rooms Revenue

There are two major factors to estimate when considering the room revenue for the income statement: the average daily rate and a projection of the occupancy curve for the facility. Various features of a particular hotel affect the rate and occupancy level that can be achieved. These include proximity to local demand generators, rate structure in relation to the competitive market, seasonality, supply of competitive properties and the different hotel amenities that are offered.

Occupancy Rate

As discussed in the Hotel Trends & Analysis section of this report, we have estimated the projected occupancy for the anticipated holding period. We also have identified the competitive supply in the market and related their operating statistics to the subject property. Based on this information, we have estimated that the proposed subject property will attain a Year 1 post-Covid-19-pandemic-reopening occupancy rate of 57.8% and reach a stabilized level of operation in Year 2 at 70.9% occupancy. These estimates are based on the occupancy levels in the competitive market over the last several years and current supply and demand factors in the local market.

Average Daily Rate

As discussed in the Hotel Trends & Analysis section of this report, and for projection purposes, we believe the subject upscale property will be able to attain an average daily rate of \$110.00 in Year 1.

Comparable Hotel Operating Expenses

	Comparable A			Comparable B			Comparable C			Comparable D		
	%	(POR)	(/Room)	%	(POR)	(/Room)	%	(POR)	(/Room)	%	(POR)	(/Room)
Revenues												
Room Sales	92.9%	\$123.37	\$33,998	75.0%	\$123.49	\$33,805	90.2%	\$119.08	\$27,484	85.7%	\$143.44	\$36,231
Food and Beverage	6.5%	\$8.65	\$2,384	24.2%	\$39.87	\$10,914	8.4%	\$11.09	\$2,559	12.9%	\$21.56	\$5,446
Other Operated Departments	0.0%	\$0.00	\$0	0.0%	\$0.00	\$1	0.2%	\$0.22	\$51	0.0%	\$0.00	\$0
Net Rentals and Other Income	0.6%	\$0.81	\$222	0.8%	\$1.34	\$366	1.2%	\$1.65	\$380	1.4%	\$2.28	\$577
Total Revenues	100.0%	\$132.83	\$36,604	100.0%	\$164.70	\$45,086	100.0%	\$132.03	\$30,473	100.0%	\$167.29	\$42,254
Departmental Expenses												
Room Expense	19.4%	\$23.96	\$6,602	20.4%	\$25.19	\$6,897	20.4%	\$24.31	\$5,612	17.6%	\$25.18	\$6,360
Food and Beverage	79.2%	\$6.85	\$1,889	88.8%	\$35.38	\$9,687	77.4%	\$8.58	\$1,981	81.7%	\$17.61	\$4,447
Other Operated Departments	0.0%	\$1.78	\$490	- - -	\$2.02	\$553	597.0%	\$1.31	\$303	- - -	\$0.84	\$213
Undistributed Expenses												
Administration & General	5.6%	\$7.45	\$2,052	5.8%	\$9.60	\$2,627	8.1%	\$10.74	\$2,479	7.9%	\$13.18	\$3,329
Sales & Marketing	11.6%	\$15.43	\$4,252	12.3%	\$20.30	\$5,557	10.1%	\$13.38	\$3,087	15.1%	\$25.23	\$6,373
Property Operation & Maintenance	3.0%	\$4.00	\$1,103	1.8%	\$3.02	\$826	2.9%	\$3.77	\$870	4.2%	\$6.95	\$1,756
Utilities	2.5%	\$3.26	\$897	3.8%	\$6.29	\$1,722	4.0%	\$5.34	\$1,233	2.8%	\$4.64	\$1,173
Management Fees	4.5%	\$5.99	\$1,651	5.1%	\$8.46	\$2,315	3.9%	\$5.16	\$1,191	3.0%	\$5.05	\$1,276
Fixed Expenses												
Rent	0.0%	\$0.00	\$0	0.0%	\$0.00	\$0	0.0%	\$0.00	\$0	0.0%	\$0.00	\$0
Property & Other Taxes	5.7%	\$7.62	\$2,099	1.3%	\$2.12	\$580	7.6%	\$10.03	\$2,316	4.2%	\$6.97	\$1,760
Insurance	0.6%	\$0.86	\$237	0.6%	\$0.97	\$265	1.1%	\$1.42	\$327	1.2%	\$1.99	\$502
Reserve for Replacements	5.0%	\$6.67	\$1,838	0.0%	\$0.00	\$0	0.0%	\$0.00	\$0	5.0%	\$8.42	\$2,126
Total Expenses	63.1%	\$83.86	\$23,110	68.8%	\$113.34	\$31,028	63.7%	\$84.05	\$19,399	69.4%	\$116.06	\$29,315
Net Operating Income (1)	36.9%	\$48.97	\$13,494	31.2%	\$51.36	\$14,058	36.3%	\$47.98	\$11,075	30.6%	\$51.23	\$12,939

NOTES:

(1) Income before deducting depreciation, interest, amortization and income taxes.

9.3.2. Food and Beverage (F&B) Income

The food revenue category includes income derived from the sale of food and nonalcoholic beverages such as coffee, milk, tea and soft drinks and premises rental. The beverage category covers the sale of beer, wine and other alcoholic beverages.

Expense Comp ¹	A	B	C	D	Forecast
% of Total Revenue	6.5%	24.2%	8.4%	12.9%	18.2%
\$ POR	\$8.65	\$39.87	\$11.09	\$21.56	\$25.00
\$ Per Room	\$2,384	\$10,914	\$2,559	\$5,446	\$5,278

¹ Expense comps are comprised of four upscale select-service hotels.

Based upon the comparables and noting the subject's location, offerings and proforma, we forecast food and beverage revenue at \$25.00 per occupied room night.

9.3.3. Other Operated Department Revenue

Most hotels no longer generate any other operated department revenue from telecommunications. Based on the provided proforma and without any other operated departments run for profit, no revenue has been forecast within this category.

9.3.4. Miscellaneous Income

Miscellaneous Income typically includes revenue from meeting rooms, sundry shop, movie rentals and a number of other services provided by a hotel. The following table summarizes the miscellaneous income generated from comparable hotels on a net basis.

Expense Comp ¹	A	B	C	D	Forecast
% of Total Revenue	0.6%	0.8%	1.2%	1.4%	1.8%
\$ POR	\$0.81	\$1.34	\$1.65	\$2.28	\$2.50
\$ Per Room	\$222	\$366	\$380	\$577	\$528

¹ Expense comps are comprised of four upscale select-service hotels.

The subject will generate other revenue from its sundry shop, meeting room, guest laundry, and other miscellaneous items. Based on the comparables and considering the proforma, we have forecast miscellaneous income at \$2.50 per occupied room.

9.3.5. Total Revenue

Total revenue for Year 1 is projected at \$1,741,834 or \$137.50 per occupied room night.

9.4. Analysis of Operating Expenses

On a line-by-line basis, we have considered each expense category and estimated the appropriate level of expense for the proposed subject. The following is a detailed explanation of each expense category.

9.4.1. Departmental Expenses

Departmental expenses consist of rooms, food and beverage and minor operated departments. Each applicable category will be analyzed as follows.

Rooms

Consistent with itemization of expenses in the Host Report, rooms department expenses include front desk and housekeeping salaries/wages/benefits, satellite/cable television fees, cleaning supplies, guest supplies, linens and uniforms, front desk supplies/postage, reservations expenses, travel agent commissions and other expenses attributed to the rooms operation. These department costs are largely occupancy sensitive.

Expense Comp ¹	A	B	C	D	Forecast
% of Dept. Revenue	19.4%	20.4%	20.4%	17.6%	22.7%
\$ POR	\$23.96	\$25.19	\$24.31	\$25.18	\$25.00
\$ Per Room	\$6,602	\$6,897	\$5,612	\$6,360	\$5,278

¹ Expense comps are comprised of four upscale select-service hotels.

Based on the expense of the comparables, we have forecast a market-oriented rooms expense of \$25.00 per occupied room night.

Food and Beverage Expenses

Food and beverage expenses are largely a variable expense.

Expense Comp ¹	A	B	C	D	Forecast
% of Total Revenue	79.2%	88.8%	77.4%	81.7%	80.0%
\$ POR	\$6.85	\$35.38	\$8.58	\$17.61	\$20.00
\$ Per Room	\$1,889	\$9,687	\$1,981	\$4,447	\$4,223

¹ Expense comps are comprised of four upscale select-service hotels.

Based on the above, we have forecast the F&B expense at 80.0% of department revenue.

Other Operated Department Expenses

Expenses within this category typically are a function of department revenue, which is dependent upon the services offered at a given facility. For the proposed subject, these expenses will be attributable solely to its telephone services and wi-fi services. The following table depicts the comparable expenses.

Expense Comp ¹	A	B	C	D	Forecast
% of Dept. Revenue	0.0%	---	597.0%	---	---
\$ POR	\$1.78	\$2.02	\$1.31	\$0.84	\$1.66
\$ Per Room	\$490	\$553	\$303	\$213	\$350

¹ Expense comps are comprised of four upscale select-service hotels.

Based on the expense of the comparables and the upscale nature of the proposed subject, we have forecast this expense at \$350 per room.

9.4.2. Undistributed Operating Expenses

Undistributed operating expenses consist of administrative and general, sales and marketing, property operation/maintenance and utilities. Each of these categories will be analyzed in the following paragraphs.

Administrative and General

Administrative and general (A&G) expenses include items such as the salaries/wages/benefits for the general manager and other administrative persons, accounting and legal expenses, bad debt and bank charges, office equipment/service/supplies, credit card commissions, permits and licenses, postage, security charges and travel/entertainment.

Expense Comp ¹	A	B	C	D	Forecast
% of Total Revenue	5.6%	5.8%	8.1%	7.9%	7.5%
\$ POR	\$7.45	\$9.60	\$10.74	\$13.18	\$10.31
\$ Per Room	\$2,052	\$2,627	\$2,479	\$3,329	\$2,177

¹ Expense comps are comprised of four upscale select-service hotels.

It is noted that the proposed subject's proforma A&G expense excluded all salaries and wages. Based on the comparables, we have forecast a market-oriented A&G expense of 7.5% of total revenue.

Sales & Marketing

Marketing expenses include a broad spectrum of advertising and promotional expenses, brand royalty fees and national marketing fees charged by the brand. Typical local marketing expenses include salaries for the sales and reservation staff, marketing employee benefits, media advertising, outdoor advertising, promotional expenses, directories, travel and entertainment, dues and subscriptions, yellow pages advertising, printing and stationery, postage and other smaller items.

Expense Comp ¹	A	B	C	D	Forecast
% of Total Revenue	11.6%	12.3%	10.1%	15.1%	10.8%
\$ POR	\$15.43	\$20.30	\$13.38	\$25.23	\$14.85
\$ Per Room	\$4,252	\$5,557	\$3,087	\$6,373	\$3,135

¹ Expense comps are comprised of four upscale select-service hotels.

It is anticipated the proposed upscale subject property will be affiliated with a top-tier brand family commanding a royalty fee and national marketing fee of 5.0% and 3.5% of room revenue, respectively. Additionally, we have forecast a combined franchise rewards/local marketing expense of 4.0% of total revenue for an all-in sales and marketing expense of approximately 10.8% of total revenue.

Property Operation and Maintenance

Portions of the costs within this category are fixed and represent salaries, wages and related expenses. They also include maintenance costs related to the operations of public areas within the property.

Expense Comp ¹	A	B	C	D	Forecast
% of Total Revenue	3.0%	1.8%	2.9%	4.2%	3.0%
\$ POR	\$4.00	\$3.02	\$3.77	\$6.95	\$4.13
\$ Per Room	\$1,103	\$826	\$870	\$1,756	\$871

¹ Expense comps are comprised of four upscale select-service hotels.

Noting that this expense category often includes some capital expenditures, and considering we have used a replacement reserve of 4.0% later in this analysis, we have forecast a property operation and maintenance cost of 3.0% of total revenue in Year 1 and following.

Utilities

Energy expenses consist of electric, water and sewer service and other fuel charges.

Expense Comp ¹	A	B	C	D	Forecast
% of Total Revenue	2.5%	3.8%	4.0%	2.8%	4.1%
\$ POR	\$3.26	\$6.29	\$5.34	\$4.64	\$5.68
\$ Per Room	\$897	\$1,722	\$1,233	\$1,173	\$1,200

¹ Expense comps are comprised of four upscale select-service hotels.

Based on the expense of the comparables, we have forecast a utilities expense of \$1,200 per room.

9.4.3. Management Fees

In the hotel management industry, a management fee of 3.0% to 7.0% of total revenues is typical for providing brand name and management experience. Fees paid to second tier management companies that provide management experience but no brand identity range from 2.0% to 3.0%. Recognizing the size of the proposed subject and the market in which the facility will operate, we have forecast 3.0% of total revenue as a reasonable market-oriented management fee. This reflects the need for professional and adaptable management.

9.4.4. Fixed Expenses

The fixed charges within this category include rent, taxes and insurance premiums.

Rent

The proposed subject will be owned in Fee Simple and no deduction is required.

Real Estate Taxes

Real property is assessed at 100% of full market value as determined by the Edgecombe County Assessor's office and taxed at the rate of \$1.36 per \$100 of assessed valuation. Based on the averaged values of selected tax comparable hotels—four in Nash County, two in Edgecombe County—which range from a low of \$43,600 per room for the Hampton Inn to a high of \$72,700 per room for the Holiday Inn, we have forecast a market value estimate of \$56,600 per room for the proposed subject property. Applying the above tax assessment ratio and tax rate, we project a real estate tax liability of \$46,186 in Year 1.

Personal Property Taxes

Taxable personal property is assessed in North Carolina based on 100% of original cost by year of acquisition. The county then applies the North Carolina Department of Revenue (NCDOR) trending schedules to the original cost to reach a current replacement cost new, to which it applies a straight-line depreciation method to derive taxable market value. For most hotel tangible personal property, say 70%, NCDOR assumes a 10-year life (5 years for TVs) commencing at 90% Year 1 and depreciating to a minimum of 25% of replacement cost in Year 8 and following.

Using an upscale soft brand/boutique hotel FF&E cost estimate of \$20,000 per key, or approximately \$1,200,000, and assuming 70%, or \$14,000 per key, represents taxable personal property, by applying the same tax rate as in the section above to 90% of the derived original cost, the proposed hotel's Year 1 personal property tax liability is projected at \$10,282.

Insurance

Insurance expenses included under fixed charges represent insurance premiums paid for property and casualty insurance.

Expense Comp¹	A	B	C	D	Forecast
% of Total Revenue	0.6%	0.6%	1.1%	1.2%	1.0%
\$ POR	\$0.86	\$0.97	\$1.42	\$1.99	\$1.42
\$ Per Room	\$237	\$265	\$327	\$502	\$300

¹ Expense comps are comprised of four upscale select-service hotels.

Based on the expense of the comparables, we have forecast an insurance expense of \$300 per room, or \$18,000.

9.4.5. Replacement Reserves

An expensive component of the operation of a full-service property such as the proposed subject is the maintenance of quality case goods, carpeting, bedding, public area furnishings, fitness equipment and other short-lived items. As the proposed subject property will be catering mainly to transient clients, we have used a replacement reserve of 4.0% of total revenues throughout the projection period. We believe most respondents in this segment actually do reserve, however, based upon our experience, this has rarely been enough to cover needed replacements.

9.4.6. Total Expenses

Incorporating all of the expense estimates outlined previously into the operating statement, total expenses equal \$1,230,461 or 70.6% of total revenue.

9.5. Net Operating Income

The exhibit on the following page summarizes all revenue and expense estimates described in this section. The Year 1 Net Operating Income generated by the proposed subject is estimated at \$511,373 to include deductions for replacement reserves.

Year 1 Operating Forecast Proposed Upscale Soft-Brand/Boutique Hotel Tarboro, North Carolina

Number of Rooms	60
Available Room Nights	21,900
Occupancy Rate	57.8%
Occupied Room Nights	12,668
Average Daily Rate {ADR}	\$110.00

Revenues	\$	%	POR	PAR
Rooms	\$1,393,467	80.0%	\$110.00	\$23,224
Food and Beverage ¹	316,697	18.2%	25.00	5,278
Other Operated Departments ²	0	0.0%	0.00	0
Rentals & Other Income	31,670	1.8%	2.50	528
Other	0	0.0%	0.00	0
Total Revenues	\$1,741,834	100.0%	\$137.50	\$29,031
Department Expenses				
Rooms	\$316,697	22.7%	\$25.00	\$5,278
Food and Beverage ¹	253,358	80.0%	20.00	4,223
Other Operated Departments ²	21,000	---	1.66	350
Miscellaneous	0	0.0%	0.00	0
Total Department Expenses	\$591,055	33.9%	\$46.66	\$9,851
Total Department Income	\$1,150,779	66.1%	\$90.84	\$19,180
Undistributed Operating Expenses				
Administrative & General	\$130,638	7.5%	\$10.31	\$2,177
Sales & Marketing	188,118	10.8%	14.85	3,135
Property Operation & Maintenance	52,255	3.0%	4.13	871
Utilities	72,000	4.1%	5.68	1,200
Total Undistributed Expenses	\$443,011	25.4%	\$34.97	\$7,384
Gross Operating Profit	\$707,769	40.6%	\$55.87	\$11,796
Management Fees	52,255	3.0%	4.13	871
Income Before Fixed Expenses	\$655,514	37.6%	51.75	10,925
Fixed Expenses				
Rent	\$0	0.0%	\$0.00	\$0
Property & Other Taxes	56,467	3.2%	4.46	941
Insurance	18,000	1.0%	1.42	300
Total Fixed Expenses	\$74,467	4.3%	\$5.88	\$1,241
Replacement Reserve	\$69,673	4.0%	\$5.50	\$1,161
Total Expenses	\$1,230,461	70.6%	\$97.13	\$20,508
Net Operating Income	\$511,373	29.4%	\$40.37	\$8,523

¹ Includes meeting room revenue and expenses.

² Excludes meeting room revenue and expenses.

9.6. Cash Flow Projection Conclusion

A seven-year cash flow analysis reflecting the proposed subject's anticipated income and expenses has been prepared for the proposed subject property. This cash flow summary reflects an approximate holding period for the property that may range from 5 to 12 years. Typically, a midrange forecast (seven-year cash flow horizon) period is deemed appropriate in the analysis of hotels and motels in the current economic environment. This analysis reflects the expected incomes and expenses that the proposed subject will likely incur over the anticipated holding period.

Each of the incomes and expenses are based on forecasts that have been developed in the income and expense analysis earlier in this approach. Room revenue has been previously forecast to increase 2.0% per year. Other Income increases have been forecast to increase 2.0% annually as indicated by the expectation of respondents to the investment surveys. The annual expense growth rates are forecasted to increase 2.0% and are also based on the various investor surveys.

Seven Year Cash Flow Projection Proposed Upscale Soft Brand/Boutique Hotel Tarboro, North Carolina

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Number of Rooms	60	60	60	60	60	60	60	60
Available Room Nights	21,900	21,900	21,900	21,900	21,900	21,900	21,900	21,900
Occupancy Rate	57.8%	70.9%	70.9%	70.9%	70.9%	70.9%	70.9%	70.9%
Occupied Room Nights	12,668	15,535	15,535	15,535	15,535	15,535	15,535	15,535
Average Daily Rate (ADR)	\$110.00	\$113.30	\$116.70	\$120.20	\$123.81	\$127.52	\$131.35	\$135.29
Revenues								
Rooms	\$1,393,467	\$1,760,168	\$1,812,974	\$1,867,363	\$1,923,384	\$1,981,085	\$2,040,518	\$2,101,733
Food and Beverage ¹	316,697	400,038	412,039	424,401	437,133	450,247	463,754	477,667
Other Operated Departments ²	0	0	0	0	0	0	0	0
Rentals & Other Income	31,670	40,004	41,204	42,440	43,713	45,025	46,375	47,767
Other	0	0	0	0	0	0	0	0
Total Revenues	\$1,741,834	\$2,200,211	\$2,266,217	\$2,334,203	\$2,404,230	\$2,476,356	\$2,550,647	\$2,627,167
Department Expenses								
Rooms	\$316,697	\$400,038	\$412,039	\$424,401	\$437,133	\$450,247	\$463,754	\$477,667
Food and Beverage ¹	253,358	320,031	329,632	339,521	349,706	360,197	371,003	382,133
Other Operated Departments ²	21,000	21,420	21,848	22,285	22,731	23,186	23,649	24,122
Miscellaneous	0	0	0	0	0	0	0	0
Total Department Expenses	\$591,055	\$741,489	\$763,519	\$786,206	\$809,570	\$833,630	\$858,407	\$883,922
Total Department Income	\$1,150,779	\$1,458,722	\$1,502,698	\$1,547,997	\$1,594,660	\$1,642,727	\$1,692,240	\$1,743,244
Undistributed Expenses								
Administrative & General	\$130,638	\$165,016	\$169,966	\$175,065	\$180,317	\$185,727	\$191,299	\$197,037
Sales & Marketing	188,118	237,623	244,751	252,094	259,657	267,446	275,470	283,734
Property Operation & Maintenance	52,255	66,006	67,987	70,026	72,127	74,291	76,519	78,815
Utilities	72,000	74,160	76,385	78,676	81,037	83,468	85,972	88,551
Total Undistributed Expenses	\$443,011	\$542,805	\$559,089	\$575,862	\$593,138	\$610,932	\$629,260	\$648,137
Gross Operating Income	\$707,769	\$915,917	\$943,609	\$972,135	\$1,001,522	\$1,031,795	\$1,062,981	\$1,095,107
Management Fees	\$52,255	\$66,006	\$67,987	\$70,026	\$72,127	\$74,291	\$76,519	\$78,815
Income Before Fixed Charges	\$655,514	\$849,911	\$875,622	\$902,109	\$929,395	\$957,504	\$986,461	\$1,016,292
Fixed Expenses								
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property & Other Taxes	\$56,467	\$56,781	\$56,847	\$56,771	\$56,670	\$56,542	\$56,387	\$56,333
Insurance	18,000	18,540	19,096	19,669	20,259	20,867	21,493	22,138
Total Fixed Expenses	\$74,467	\$75,321	\$75,943	\$76,440	\$76,929	\$77,409	\$77,880	\$78,471
Replacement Reserve	\$69,673	\$88,008	\$90,649	\$93,368	\$96,169	\$99,054	\$102,026	\$105,087
Total Expenses	\$1,230,461	\$1,513,629	\$1,557,187	\$1,601,903	\$1,647,933	\$1,695,316	\$1,744,091	\$1,794,433
Net Operating Income	\$511,373	\$686,581	\$709,030	\$732,301	\$756,297	\$781,041	\$806,556	\$832,734

¹ Includes meeting room revenue and expenses.

² Excludes meeting room revenue and expenses.

10. Construction Costs

Three methods for estimating the replacement cost are the Comparative-Unit, Unit-in-Place and Quantity Survey. The Comparative-Unit method and the Quantity Survey Method will be utilized in estimating the Replacement Cost New of the proposed subject building.

10.1.1. Comparative-Unit Method - Marshall Valuation Service

As we have not been provided plans detailing the square footage for the proposed subject hotel, we have estimated the cost to construct an upscale soft brand/boutique hotel by employing the unit-in-place method utilizing Marshall Valuation Services' cost manual. Based on this information, considering our analysis assumes three stories comprising 60 rooms, a small meeting facility and an appropriately sized food and beverage component, we have utilized a building square footage estimate of 42,000 square feet, or 700 square feet per room.

The estimated cost to construct a three-story, 42,000-square foot, good cost quality, Class C, 60-room hotel, including FF&E but excluding land, is estimated at \$6,900,000, or \$115,000 per room, which equates to \$164.29 per square foot, as detailed in the exhibit on the following page. This replacement cost estimate for the proposed upscale soft brand/boutique hotel includes allowances for contractor's overhead and profit but does not include an allowance for entrepreneurial incentive for a developer, which is the primary motivation for developing a property.

10.1.2. Quantity Survey Method - Marshall Valuation Service

Note: As no construction cost estimate for the proposed subject has been provided by a prospective developer, the quantity survey method has not been developed.

Replacement Cost New Comparative-Unit Method

Marshall Valuation Service Section 11, Page 25 Hotels, Class C, Good Cost Quality			
Base Rate Per Square Foot ¹		\$133.60	
Adjustment for HVAC System		(4.43)	
Adjustment for Sprinkler		3.00	
Adjustment for Kitchens		0.00	
Adjustment for Number of Stories		0.66	
Subtotal		\$132.84	
Height and Size Refinements			
Height Multiplier	1.000		
Area Multiplier	1.000	1.000	
Subtotal		\$132.84	
Cost Multipliers			
Current Cost Multiplier	1.030		
Local Cost Multiplier	0.880	0.906	
Adjusted Base Cost Per Square Foot		\$120.40	
Direct Costs			
Gross Building Area {Square Feet}		42,000	
Adjusted Base Cost Per Square Foot		\$120.40	
Replacement Cost - Hotel Improvements			\$5,056,902
Replacement Cost - Furniture, Fixtures and Equipment		\$1,080,000	
Replacement Cost - Other Improvements			
Parking Area	\$90,000		
Swimming Pool/Deck/Fencing	0		
Canopy	48,161		
Exterior Signs	50,000		
Landscaping	42,000	230,161	
Cost Multipliers			
Current Cost Multiplier	1.030		
Local Cost Multiplier	0.880	0.9064	1,187,530
Total Direct Costs			\$6,244,432
Indirect Costs			
Architect and Engineering Fees		Included in Base	
Legal and Accounting		Included in Base	
Taxes and Construction Interest		Included in Base	
Environmental Impact/Tap/Municipal Fees		\$90,000	
Appraisal/Legal/Environmental/Certification		45,000	
Financing Fees		187,333	
Pre-Opening Marketing/Management		42,000	
Franchise Fees		50,000	
Initial Supplies		60,000	
Contingencies/Miscellaneous		187,333	
Total Indirect Costs			\$661,666
Total Development Cost			
Replacement Cost New of Improvements - Excluding Developer Incentive			\$6,906,098
Rounded			\$6,900,000
Cost Per Hotel Unit			\$115,000
Cost Per Square Foot			\$164.29

¹ Cost is 80% of MVS' \$167/SF for full-service hotels due to assumed smaller F&B and meeting facilities.

10.1.3. Entrepreneurial Incentive

The amount of entrepreneurial incentive “represents the economic reward sufficient to motivate an entrepreneur to accept the risk of the project and to invest the time and money necessary to seeing the project through completion.”¹ This is different than entrepreneurial profit which cannot be measured until it is achieved. Entrepreneurial profit can be achieved through profit on a sale (sale price less development cost) or additional returns on an investment in an operating property. Whether the entrepreneur actually realizes a profit depends on how successful he or she has been in selecting the site, constructing the improvements, attracting the proper demand segments, negotiating corporate and group rates and on how well he or she has analyzed the market demand for the property.

Entrepreneurial incentive for a hotel project such as the proposed subject typically is anticipated to range between \$100,000 an \$300,000. Incentive targets are influenced by many factors, with location, demand/supply and construction quality representing the most important issues. Given the size of the project and the risks of developing a property like the proposed subject in an emerging lodging market, an entrepreneurial incentive of \$250,000 is considered reasonable.

Replacement Cost New of Improvements - Excluding Incentive	\$6,900,000
Plus: Entrepreneurial Incentive	250,000
Replacement Cost New of Improvements - Including Incentive	\$7,150,000

10.1.4. Conclusion

This analysis is based on a typical ownership position, which would include land and be a before-tax, free-and-clear ownership of the property in fee simple—as illustrated below.

Total Replacement Cost New	\$6,900,000
Entrepreneurial Incentive	250,000
Cost of Land ¹	\$525,000
Total Cost Estimate	\$7,675,000
Rounded	\$7,700,000

¹ Assumes a 1.5-acre parcel of land at \$350,000 per acre.

¹ Appraisal Institute, The Dictionary of Real Estate Appraisal, 6th Edition (Chicago, 2015), Page 76

11. Investment Considerations

Any investment decision must be considered in the context of the risk of the investment. The Hotel Trends & Analysis section of this report details the lodging demand in the market area. It also discusses the prospects for acceptance of the proposed subject upscale soft brand/boutique hotel. In our view, skilled management, marketing and above-average upscale food and beverage experience will be needed to ensure the success of this investment in a Covid-19-impacted economy with significant commercial demand generators entering the proposed subject's Edgecombe County market area. Management needs to develop and maintain an effective relationship with existing and emerging demand generators in the Twin Counties, especially those with national and international ownership like to be seeking upscale accommodations when visiting their local facilities. Considering the proposed subject's location in historic Tarboro and noting its ready access from Interstate 95 to the popular Outer Banks via US-64 (future I-87), management also should actively seek to be prominently featured on websites and promotional literature for the area.

Additional investment considerations are detailed in the SWOT (Strengths, Weaknesses, Opportunities, Threats) Analysis below:

SWOT	
Strengths	Weaknesses
Strong brand family affiliation opportunity	Still emerging as a bedroom community.
Good submarket with easy access via US-64 (future I-87) to Edgecombe County/Kingsboro Megasite, CSX Intermodal Terminal, Rocky Mount Sports Complex and the Outer Banks/Atlantic Ocean.	Limited in-town corporate demand generators, upper tier lodging options and dining venues.
Opportunities	Threats
Strong residential growth activity and prospects.	Uncertainty in the current economic and Covid-19 pandemic environment.
Lack of in-town upscale hotels with food and beverage.	Affordable commercial sites available to potential competitors.

Source: Horwath HTL

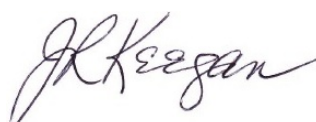
12. Consultants' Certification

We certify that, to the best of my knowledge and belief,

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, unbiased, professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved in this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this market study.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. No one other than the undersigned has provided professional assistance in the preparation of this report and the analyses herein.
10. As of the date of this report, Michael P. Cummings, MAI, ISHC has completed the requirements of the continuing education program for Designated Members of the Appraisal Institute.
11. The consultants have performed within the context of the competency provision of the Uniform Standards of Professional Appraisal Practice.
12. Our contractual arrangement with the Client does not authorize the out-of-context quoting from or partial reprinting of this report, nor does it permit all or any part of this report to be disseminated to the general public by the use of media for public communication without our written consent.



Michael P. Cummings, MAI, ISHC
Managing Director



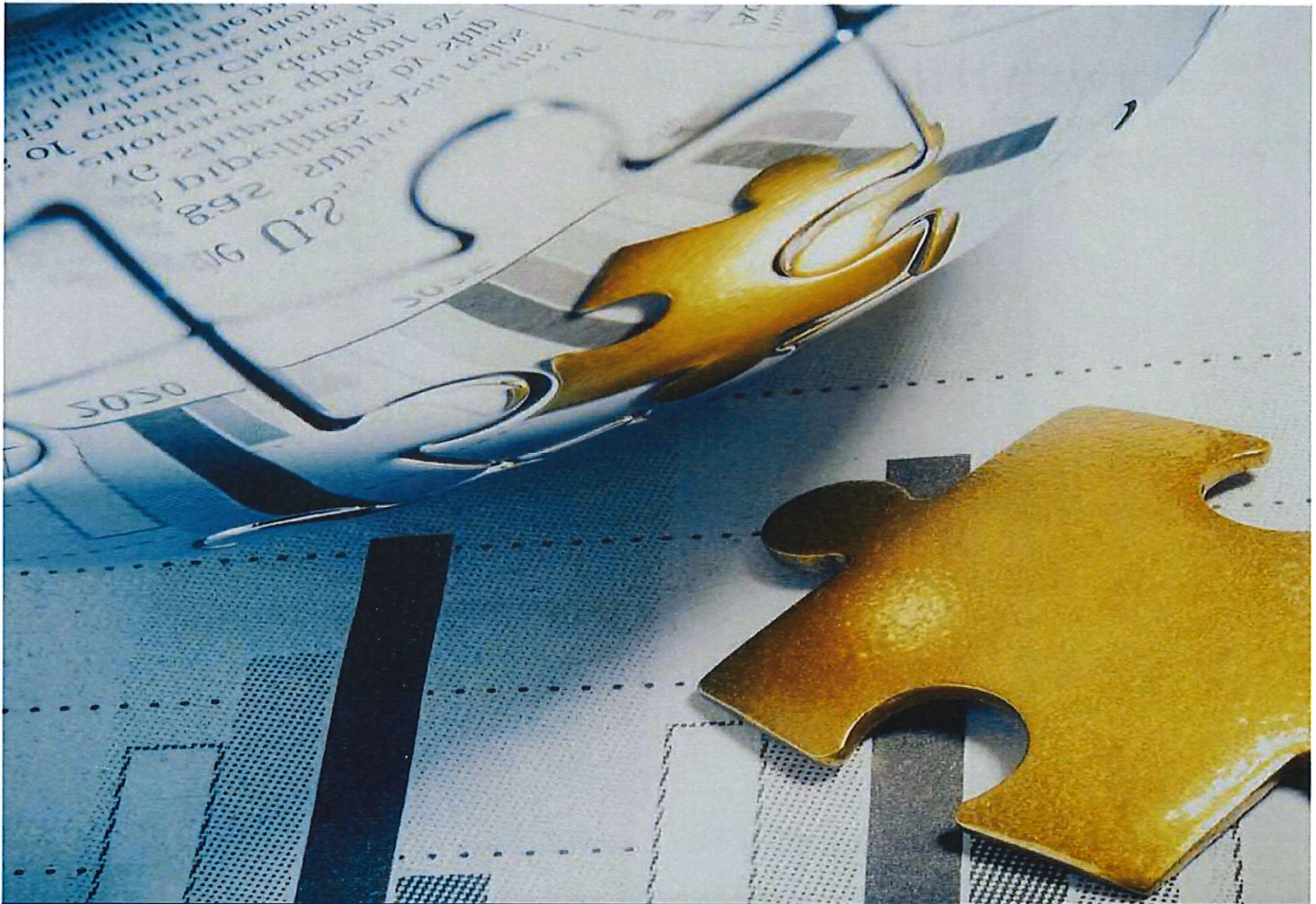
J. Richard Keegan, MBA
Senior Consultant

13. Addenda

13.1. Engagement Letter

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signed engagement letter

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retainer payment



Horwath HTL
Hotel, Tourism and Leisure

Hotel Study Proposal

Proposed Hotel
Site to be Determined
Town of Tarboro, North Carolina 27886

The Global Leader in Hospitality Consulting

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Horwath HTL

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February 27, 2020

Ms. Brenda Daniels
ElectriCities of North Carolina, Inc.
1427 Meadow Wood Boulevard
Raleigh, North Carolina 27604
919.760.6363 Work
919.218.7027 Mobile

Via Email: bdaniels@electricities.org

Re: Hotel Study and Market Analysis
Proposed Hotel
Town of Tarboro, Edgecombe County, North Carolina 27886

Dear Ms. Daniels,

We are pleased to submit this proposal for professional services in connection with a Hotel Study and Market Analysis for the above referenced property. This study will assist you in your analysis of this project for investment and financing purposes and as the foundation to estimating future revenues and expenses. The study would include:

Area Review

We will gather and summarize relevant, demographic data regarding the market area to document the economic environment of the market. We will examine key economic factors that influence demand for rooms, meetings, and food/beverage sales. Specific emphasis will be given to the trends in the market segments which potentially comprise the principal target markets for the type and class of hotel being proposed.

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Ms. Brenda Daniels

ElectriCities of North Carolina, Inc.

February 27, 2020

Primary Research

We will perform primary market research to gather the most recent and pertinent data about the area's hotel market. This will include an inspection and interviews at competitive facilities and discussions with managers and marketing staff knowledgeable about the competitive market for the type and class of hotel being proposed. Those we might interview could include:

- Town/City/County officials in economic development and zoning
- Business Leaders, CVB and Chamber representatives
- Hotel developers
- Managers or marketing personnel of hotels deemed to be competitive with or comparable to the type and class of hotel being proposed
- Corporate and association meeting coordinators

Our survey of hotels in the market area deemed to be competitive with or comparable to the type and class of hotel being proposed will address the type of facilities, amenities available, published room rates and food and beverage offerings.

Supply and Demand Analysis

Based on our market research, we will estimate potential growth in the demand for and the supply of hotels in the local market area deemed to be competitive with or comparable to the type and class of hotel being proposed. We will analyze the market's historical performance and describe the characteristics of each of the principal segments of demand. Then, based on our analysis of the demographics and the economics of the market from which the proposed hotel will attract guests, we will estimate the future performance of the overall market.

Following the aforementioned analysis, we will compare the proposed hotel type and class to the competitive supply based on such identifiable attributes demanded of market participants as location; proximity to demand generators, retail, entertainment and dining amenities; accessibility, affordability, ambiance and product quality. We then establish the theoretical "fair share" ratio and forecast the expected capture/penetration rate for the proposed hotel type and class vis à vis the competitive supply.

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Ms. Brenda Daniels
ElectriCities of North Carolina, Inc.
February 27, 2020

Operating Analysis

We will develop a statement of projected occupancy, average daily rate, meeting room revenue, food and beverage revenue, and ancillary department revenues which the proposed hotel type and class would be able to achieve in this market. Anticipated expenses will be estimated based on a line-by-line comparison with comparable hotel operations. By deducting the anticipated expenses from the projected revenues, expected cash flows are estimated.

Projected Development Costs

During our inspection of the market, we will determine or estimate the projected parcel size and acquisition cost of commercial sites deemed viable for the type and class of hotel being proposed. Additionally, as a developer has not yet been confirmed, a construction budget comprising direct and indirect costs will be estimated using area-adjusted cost data obtained from Marshall Valuation Services.

Internal Rate of Return Analysis

Once the development costs and expected cash flows are estimated for the type and class of hotel being proposed, a discounted cash flow analysis is used to estimate the internal rate of return (IRR) of the investment. The internal rate of return of the investment will then be compared to rates of return being achieved by typical investors in similar developments.

Fee and Timetable

Professional fees are based on the anticipated time of the individuals assigned to the engagement, plus direct expenses. Our fee for and date of delivery of the report will be as follows:

Hotel Study and Market Analysis **\$9,500** (plus direct expenses) ¹

Delivery of the report will be **4 weeks** from the date of engagement.

¹ Typically travel-related expenses and the cost of a Custom STR Trend Report

A retainer of **60% of the total fee** is required for work to commence, and the balance is due and payable upon delivery of the completed report.

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Ms. Brenda Daniels

ElectriCities of North Carolina, Inc.

February 27, 2020

In the event the Client cancels this agreement before a report is tendered, then Client agrees to pay Consultant/Appraiser, at Consultant/Appraiser's then existing external billing rates, for all time and expenses expended on the project, giving over and above that to which the retainer has been applied. Fareed & Cummings, LLC (dba Horwath HTL) is authorized to commence work upon the signing of the agreement. If this account is turned over to an attorney or collection agency, all charges including reasonable attorney's fees and/or court costs will be added to the balance due and be paid by the Client. The parties hereby agree to confer jurisdiction and venue in the State and Federal Courts situate in the City of Norfolk, Virginia.

It is agreed that the liability of Fareed & Cummings LLC to the Client is limited to the amount of the fee paid for the completion of the consulting/appraisal assignment. Fareed & Cummings LLC limits their responsibility to the Client and any use of the appraisal by third parties shall be at the risk of the Client and/or said third parties. The Client, by the execution of this agreement, acknowledges that he has read and agrees to the terms and conditions of this contract.

The concluded evaluation and analysis in the report will be the opinion of Fareed & Cummings LLC and the fee or the payment thereof is in no way contingent upon any particular conclusions. The fee for this appraisal or study is for the service rendered and not necessarily for the time spent on the physical report. This agreement is subject to receipt of this fully executed document and the information requested on or before **7 days from the date of this proposal.**

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Ms. Brenda Daniels
ElectriCities of North Carolina, Inc.
February 27, 2020

Limitations of the Study

1. The conclusions reached will be based on our knowledge of the hotel market in the competitive area as of the time of completion of our fieldwork.
2. As in all studies of this type, the estimated annual operating results, if included, are based upon competent and efficient management and presume no significant change in the competitive position of the competitive facilities in the area from that set forth in our study.
3. Estimated operating results are also based on an evaluation of the present general economy of the area and do not take into account, or make provisions for, the effect of any sharp rise or decline in local or general economic conditions which may occur. To the extent that wages and other operating expenses may advance over the economic life of the property, it is expected that rates, fees and related services will be adjusted to offset such advances.
4. The prospective financial information included in our reports will be based on estimates, assumptions and information developed from our research of the market and knowledge of the industry. The sources of information and bases of the estimates and assumptions would be stated in the reports. Some assumptions inevitably would not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by the prospective financial analysis would vary from the estimates, and the variations may be material. Our reports will contain a statement to that effect.
5. The terms of this engagement are such that we have no obligation to revise the report or the prospective financial information to reflect events or conditions which occur subsequent to the date of the report, which will be the day we complete our fieldwork. However, we will be available to discuss the necessity for revision in view of changes in the economic or market factors affecting the project.
6. Our report and the prospective financial information included therein will be intended solely for your information and in support of financing or securing a developer. Neither the report nor its contents may be referred to or quoted in any offering circular or registration statement, prospectus, sales brochure, loan, appraisal or other agreement or document without our prior consent, which will be granted only upon meeting certain conditions. Our report will contain a statement to that effect.
7. Any drafts or preliminary information communicated to you during the course of the assignment are for internal management use only and may not be disclosed to any outside third parties without our prior written consent.
8. Further, we will neither evaluate management's effectiveness nor be responsible for future marketing efforts and other management actions upon which actual results would depend, and we would so state in our report.

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Ms. Brenda Daniels

ElectriCities of North Carolina, Inc.

February 27, 2020

Brenda Daniels
Manager, Economic Development

Signature:

 2/28/2020


ElectriCities of North Carolina

1427 Meadow Wood Boulevard
Raleigh, North Carolina 27604

919.760.6363

bdaniels@electricities.org

Michael P. Cummings, MAI, ISHC

 02/27/2020

Fareed & Cummings LLC

999 Waterside Drive, Suite 1200
Norfolk, Virginia 23510

757-623-1400

mcummings@horwathhtl.com

13.2. STR Custom Trend Report

Trend # 1187784_SADIM / Created April 08, 2020

Trend Report - Custom Trend: Hotel Study Tarboro

January 2012 to February 2020 Currency : USD - US Dollar



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Tab 2 - Data by Measure

Custom Trend: Hotel Study Tarboro
Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

Occupancy (%)														Total Year	Feb YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2012	61.2	68.8	86.1	79.6	73.9	77.2	77.1	79.9	66.6	71.7	64.6	51.0	71.5	64.8	
2013	51.3	62.3	69.1	67.6	63.3	67.3	70.8	71.3	59.2	65.8	66.8	58.0	64.4	56.5	
2014	53.9	58.8	65.2	71.1	63.1	67.7	70.8	68.7	56.9	64.2	63.4	58.5	63.5	56.2	
2015	57.2	65.0	72.5	70.5	64.7	65.8	72.2	67.4	62.4	65.3	64.1	64.3	66.0	60.9	
2016	58.3	65.6	71.4	76.8	60.5	68.2	69.0	69.7	59.4	81.4	78.2	68.6	68.9	61.8	
2017	65.6	67.4	71.3	75.6	67.3	73.1	71.4	70.6	68.6	67.5	68.2	63.7	69.2	66.5	
2018	62.9	59.7	72.2	72.2	66.7	74.3	70.1	76.2	77.8	78.1	66.7	56.0	69.5	61.4	
2019	54.5	67.3	71.3	78.2	74.4	73.8	73.9	76.2	72.7	73.6	72.4	62.7	70.9	60.6	
2020	59.4	64.4												61.8	
Avg	58.3	64.4	72.4	73.9	66.7	70.9	71.9	72.5	65.5	71.0	68.0	60.3	68.0	61.2	

ADR (\$)														Total Year	Feb YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2012	84.05	85.80	87.98	92.60	92.31	92.62	94.94	91.78	92.70	91.25	94.78	91.28	91.09	84.93	
2013	91.86	90.94	93.94	93.23	96.10	95.53	97.02	97.00	95.87	94.31	94.71	92.86	94.57	91.38	
2014	88.32	92.95	95.21	95.41	97.27	98.54	100.31	102.16	97.72	95.89	98.01	95.38	96.64	90.62	
2015	92.44	95.68	98.27	104.55	104.59	107.63	106.26	105.27	101.18	103.35	106.76	107.55	102.94	94.08	
2016	101.40	100.68	103.05	110.60	106.10	112.26	111.95	108.96	106.99	109.70	115.31	114.22	108.72	101.04	
2017	103.80	104.11	106.07	111.13	109.78	112.24	108.19	109.88	107.18	105.22	110.91	106.44	107.99	103.95	
2018	94.66	99.54	103.20	103.94	105.58	115.32	104.88	106.24	113.54	110.83	114.97	107.67	106.97	96.91	
2019	100.68	100.73	108.92	108.32	111.98	117.90	111.17	107.27	102.46	103.54	111.06	108.19	107.93	100.70	
2020	100.54	103.19												101.85	
Avg	95.44	97.09	99.35	102.60	103.00	106.56	104.26	103.42	102.59	102.12	106.17	103.49	102.20	96.26	

RevPAR (\$)														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Feb YTD
2012	51.45	58.99	75.76	73.70	68.24	71.48	73.19	73.37	61.75	65.46	61.18	46.55	65.12	55.03
2013	47.12	56.68	64.88	62.99	60.79	64.29	68.71	69.12	56.71	62.06	63.29	53.86	60.90	51.66
2014	47.61	54.62	62.11	67.82	61.38	66.73	70.99	70.14	55.61	61.60	62.11	55.81	61.41	50.94
2015	52.84	62.19	71.23	73.66	67.62	70.82	76.76	70.93	63.15	67.49	68.40	69.19	67.89	57.28
2016	59.08	66.09	73.60	84.95	64.24	76.60	77.19	75.95	63.58	89.31	90.13	78.33	74.95	62.40
2017	68.13	70.22	75.63	84.03	73.88	82.01	77.23	77.54	73.51	71.01	75.60	67.81	74.71	69.13
2018	59.55	59.45	74.50	75.06	70.39	85.65	73.47	80.91	88.39	86.59	76.71	60.29	74.29	59.50
2019	54.85	67.78	77.70	84.74	83.28	86.99	82.12	81.77	74.45	76.22	80.40	67.79	76.52	60.99
2020	59.74	66.47												62.93
Avg	55.60	62.50	71.93	75.87	68.73	75.57	74.96	74.97	67.14	72.47	72.23	62.46	69.48	58.87

Supply														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Feb YTD
2012	15,965	14,420	15,965	15,450	15,965	15,450	15,965	15,965	15,450	15,965	15,450	15,965	187,975	30,385
2013	15,965	14,420	15,965	15,450	15,965	15,450	15,965	15,965	15,450	15,965	15,450	15,965	187,975	30,385
2014	15,965	14,420	15,965	15,450	15,965	15,450	15,965	15,965	15,450	15,965	15,450	15,965	187,975	30,385
2015	15,965	14,420	15,965	15,450	15,965	15,450	15,965	15,965	15,450	15,965	15,450	15,965	187,975	30,385
2016	15,965	14,420	15,965	15,450	15,965	15,450	15,965	15,965	15,450	15,965	15,450	15,965	187,975	30,385
2017	15,965	14,420	15,965	15,450	15,965	15,450	15,965	15,965	15,450	15,965	15,450	15,965	187,975	30,385
2018	15,965	14,420	15,965	15,450	15,965	15,450	15,965	15,965	15,450	15,965	15,450	15,965	187,975	30,385
2019	15,965	14,420	15,965	15,450	15,965	15,450	15,965	15,965	15,450	15,965	15,450	15,965	187,975	30,385
2020	15,965	14,420												30,385
Avg	15,965	14,420	15,965	15,450	15,965	15,450	15,965	15,965	15,450	15,965	15,450	15,965	187,975	30,385

Demand	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Feb YTD
2012	9,773	9,914	13,748	12,297	11,802	11,924	12,308	12,763	10,292	11,452	9,974	8,142	134,389	19,687
2013	8,189	8,988	11,027	10,438	10,099	10,397	11,306	11,376	9,140	10,506	10,325	9,260	121,051	17,177
2014	8,606	8,474	10,415	10,982	10,074	10,463	11,298	10,962	8,792	10,255	9,792	9,341	119,454	17,080
2015	9,125	9,373	11,573	10,885	10,322	10,167	11,533	10,757	9,643	10,425	9,898	10,271	123,972	18,498
2016	9,301	9,466	11,402	11,867	9,666	10,542	11,008	11,128	9,182	12,998	12,077	10,949	129,586	18,767
2017	10,479	9,726	11,383	11,682	10,745	11,289	11,396	11,266	10,597	10,774	10,532	10,171	130,040	20,205
2018	10,043	8,612	11,525	11,158	10,644	11,475	11,184	12,159	12,027	12,474	10,308	8,940	130,549	18,655
2019	8,698	9,703	11,389	12,086	11,873	11,399	11,794	12,170	11,226	11,752	11,185	10,004	133,279	18,401
2020	9,486	9,288												18,774
Avg	9,300	9,283	11,558	11,424	10,653	10,957	11,478	11,573	10,112	11,330	10,511	9,635	127,790	18,583

Revenue (\$)															
	January	February	March	April	May	June	July	August	September	October	November	December		Total Year	Feb YTD
2012	821,392	850,664	1,209,585	1,138,663	1,089,473	1,104,344	1,168,472	1,171,423	954,055	1,045,049	945,288	743,230		12,241,638	1,672,056
2013	752,234	817,350	1,035,870	973,176	970,535	993,237	1,096,938	1,103,522	876,216	990,862	977,865	859,883		11,447,688	1,569,584
2014	760,040	787,692	991,621	1,047,753	979,916	1,031,035	1,133,320	1,119,864	859,183	983,376	959,673	890,971		11,544,444	1,547,732
2015	843,549	896,805	1,137,226	1,138,020	1,079,583	1,094,234	1,225,525	1,132,436	975,720	1,077,458	1,056,749	1,104,646		12,761,951	1,740,354
2016	943,159	952,993	1,174,980	1,312,527	1,025,602	1,183,481	1,232,292	1,212,469	982,352	1,425,874	1,392,552	1,250,546		14,088,827	1,896,152
2017	1,087,770	1,012,597	1,207,359	1,298,217	1,179,570	1,267,125	1,232,971	1,237,953	1,135,769	1,133,637	1,168,094	1,082,562		14,043,624	2,100,367
2018	950,718	857,218	1,189,395	1,159,734	1,123,799	1,323,330	1,172,941	1,291,802	1,365,579	1,382,470	1,185,126	962,607		13,964,719	1,807,936
2019	875,680	977,351	1,240,454	1,309,192	1,329,505	1,343,951	1,311,086	1,305,449	1,150,206	1,216,824	1,242,229	1,082,339		14,384,266	1,853,031
2020	953,695	958,465													1,912,160
Avg	887,582	901,237	1,148,311	1,172,160	1,097,248	1,167,592	1,196,693	1,196,865	1,037,385	1,156,944	1,115,947	997,098		13,059,645	1,788,819

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

Custom Trend: Hotel Study Tarboro

Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

Occupancy														Total Year	Feb YTD
	January	February	March	April	May	June	July	August	September	October	November	December			
2013	-16.2	-9.3	-19.8	-15.1	-14.4	-12.8	-8.1	-10.9	-11.2	-8.3	3.5	13.7	-9.9	-12.7	
2014	5.1	-5.7	-5.6	5.2	-0.2	0.6	-0.1	-3.6	-3.8	-2.4	-5.2	0.9	-1.3	-0.6	
2015	6.0	10.6	11.1	-0.9	2.5	-2.8	2.1	-1.9	9.7	1.7	1.1	10.0	3.8	8.3	
2016	1.9	1.0	-1.5	9.0	-6.4	3.7	-4.6	3.4	-4.8	24.7	22.0	6.6	4.5	1.5	
2017	12.7	2.7	-0.2	-1.6	11.2	7.1	3.5	1.2	15.4	-17.1	-12.8	-7.1	0.4	7.7	
2018	-4.2	-11.5	1.2	-4.5	-0.9	1.6	-1.9	7.9	13.5	15.8	-2.1	-12.1	0.4	-7.7	
2019	-13.4	12.7	-1.2	8.3	11.5	-0.7	5.5	0.1	-6.7	-5.8	8.5	11.9	2.1	-1.4	
2020	9.1	-4.3												2.0	
Avg	0.1	-0.5	-2.3	0.1	0.5	-0.5	-0.5	-0.5	1.7	1.2	2.1	3.4	-0.0	-0.4	

ADR														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Feb YTD
2013	9.3	6.0	6.8	0.7	4.1	3.1	2.2	5.7	3.4	3.4	-0.1	1.7	3.8	7.6
2014	-3.9	2.2	1.4	2.3	1.2	3.2	3.4	5.3	1.9	1.7	3.5	2.7	2.2	-0.8
2015	4.7	2.9	3.2	9.6	7.5	9.2	5.9	3.0	3.5	7.8	8.9	12.8	6.5	3.8
2016	9.7	5.2	4.9	5.8	1.4	4.3	5.3	3.5	5.7	6.1	8.0	6.2	5.6	7.4
2017	2.4	3.4	2.9	0.5	3.5	-0.0	-3.4	0.9	0.2	-4.1	-3.8	-6.8	-0.7	2.9
2018	-8.8	-4.4	-2.7	-6.5	-3.8	2.7	-3.1	-3.3	5.9	5.3	3.7	1.2	-0.9	-6.8
2019	6.4	1.2	5.5	4.2	6.1	2.2	6.0	1.0	-9.8	-6.6	-3.4	0.5	0.9	3.9
2020	-0.1	2.4												1.1
Avg	2.4	2.4	3.1	2.4	2.9	3.5	2.3	2.3	1.6	1.9	2.4	2.6	2.5	2.4

RevPAR	RevPAR												Total Year	Feb YTD
	January	February	March	April	May	June	July	August	September	October	November	December		
2013	-8.4	-3.9	-14.4	-14.5	-10.9	-10.1	-6.1	-5.8	-8.2	-5.2	3.4	15.7	-6.5	-6.1
2014	1.0	-3.6	-4.3	7.7	1.0	3.8	3.3	1.5	-1.9	-0.8	-1.9	3.6	0.8	-1.4
2015	11.0	13.9	14.7	8.6	10.2	6.1	8.1	1.1	13.6	9.6	10.1	24.0	10.5	12.4
2016	11.8	6.3	3.3	15.3	-5.0	8.2	0.6	7.1	0.7	32.3	31.8	13.2	10.4	9.0
2017	15.3	6.3	2.8	-1.1	15.0	7.1	0.1	2.1	15.6	-20.5	-16.1	-13.4	-0.3	10.8
2018	-12.6	-15.3	-1.5	-10.7	-4.7	4.4	-4.9	4.3	20.2	21.9	1.5	-11.1	-0.6	-13.9
2019	-7.9	14.0	4.3	12.9	18.3	1.6	11.8	1.1	-15.8	-12.0	4.8	12.4	3.0	2.5
2020	8.9	-1.9												3.2
Avg	2.4	1.9	0.7	2.6	3.4	3.0	1.8	1.6	3.5	3.6	4.8	6.3	2.5	2.1

Supply														
	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Feb YTD
2013	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
2014	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
2015	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
2016	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
2017	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
2018	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
2019	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
2020	0.0	0.0												0.0
Avg	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	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Feb YTD
2013	-16.2	-9.3	-19.8	-15.1	-14.4	-12.8	-8.1	-10.9	-11.2	-8.3	3.5	13.7	-9.9	-12.7
2014	5.1	-5.7	-5.6	5.2	-0.2	0.6	-0.1	-3.6	-3.8	-2.4	-5.2	0.9	-1.3	-0.6
2015	6.0	10.6	11.1	-0.9	2.5	-2.8	2.1	-1.9	9.7	1.7	1.1	10.0	3.8	8.3
2016	1.9	1.0	-1.5	9.0	-6.4	3.7	-4.6	3.4	-4.8	24.7	22.0	6.6	4.5	1.5
2017	12.7	2.7	-0.2	-1.6	11.2	7.1	3.5	1.2	15.4	-17.1	-12.8	-7.1	0.4	7.7
2018	-4.2	-11.5	1.2	-4.5	-0.9	1.6	-1.9	7.9	13.5	15.8	-2.1	-12.1	0.4	-7.7
2019	-13.4	12.7	-1.2	8.3	11.5	-0.7	5.5	0.1	-6.7	-5.8	8.5	11.9	2.1	-1.4
2020	9.1	-4.3												2.0
Avg	0.1	-0.5	-2.3	0.1	0.5	-0.5	-0.5	-0.5	1.7	1.2	2.1	3.4	-0.0	-0.4

Revenue														
	January	February	March	April	May	June	July	August	September	October	November	December		
2013	-8.4	-3.9	-14.4	-14.5	-10.9	-10.1	-6.1	-5.8	-8.2	-5.2	3.4	15.7	-6.5	-6.1

2014	1.0	-3.6	-4.3	7.7	1.0	3.8	3.3	1.5	-1.9	-0.8	-1.9	3.6	0.8	-1.4
2015	11.0	13.9	14.7	8.6	10.2	6.1	8.1	1.1	13.6	9.6	10.1	24.0	10.5	12.4
2016	11.8	6.3	3.3	15.3	-5.0	8.2	0.6	7.1	0.7	32.3	31.8	13.2	10.4	9.0
2017	15.3	6.3	2.8	-1.1	15.0	7.1	0.1	2.1	15.6	-20.5	-16.1	-13.4	-0.3	10.8
2018	-12.6	-15.3	-1.5	-10.7	-4.7	4.4	-4.9	4.3	20.2	21.9	1.5	-11.1	-0.6	-13.9
2019	-7.9	14.0	4.3	12.9	18.3	1.6	11.8	1.1	-15.8	-12.0	4.8	12.4	3.0	2.5
2020	8.9	-1.9												3.2
Avg	2.4	1.9	0.7	2.6	3.4	3.0	1.8	1.6	3.5	3.6	4.8	6.3	2.5	2.1

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Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

	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	Feb YTD
Occ	-16.2	-9.3	-19.8	-15.1	-14.4	-12.8	-8.1	-10.9	-11.2	-8.3	3.5	13.7	-9.9	-12.7
ADR	9.3	6.0	6.8	0.7	4.1	3.1	2.2	5.7	3.4	3.4	-0.1	1.7	3.8	7.6
RevPAR	-8.4	-3.9	-14.4	-14.5	-10.9	-10.1	-6.1	-5.8	-8.2	-5.2	3.4	15.7	-6.5	-6.1
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	-16.2	-9.3	-19.8	-15.1	-14.4	-12.8	-8.1	-10.9	-11.2	-8.3	3.5	13.7	-9.9	-12.7
Revenue	-8.4	-3.9	-14.4	-14.5	-10.9	-10.1	-6.1	-5.8	-8.2	-5.2	3.4	15.7	-6.5	-6.1

	Jan 14	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Total Year	Feb YTD
Occ	5.1	-5.7	-5.6	5.2	-0.2	0.6	-0.1	-3.6	-3.8	-2.4	-5.2	0.9	-1.3	-0.6
ADR	-3.9	2.2	1.4	2.3	1.2	3.2	3.4	5.3	1.9	1.7	3.5	2.7	2.2	-0.8
RevPAR	1.0	-3.6	-4.3	7.7	1.0	3.8	3.3	1.5	-1.9	-0.8	-1.9	3.6	0.8	-1.4
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	5.1	-5.7	-5.6	5.2	-0.2	0.6	-0.1	-3.6	-3.8	-2.4	-5.2	0.9	-1.3	-0.6
Revenue	1.0	-3.6	-4.3	7.7	1.0	3.8	3.3	1.5	-1.9	-0.8	-1.9	3.6	0.8	-1.4

	Jan 15	Feb 15	Mar 15	Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Total Year	Feb YTD
Occ	6.0	10.6	11.1	-0.9	2.5	-2.8	2.1	-1.9	9.7	1.7	1.1	10.0	3.8	8.3
ADR	4.7	2.9	3.2	9.6	7.5	9.2	5.9	3.0	3.5	7.8	8.9	12.8	6.5	3.8
RevPAR	11.0	13.9	14.7	8.6	10.2	6.1	8.1	1.1	13.6	9.6	10.1	24.0	10.5	12.4
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	6.0	10.6	11.1	-0.9	2.5	-2.8	2.1	-1.9	9.7	1.7	1.1	10.0	3.8	8.3
Revenue	11.0	13.9	14.7	8.6	10.2	6.1	8.1	1.1	13.6	9.6	10.1	24.0	10.5	12.4

	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16	Dec 16	Total Year	Feb YTD
Occ	1.9	1.0	-1.5	9.0	-6.4	3.7	-4.6	3.4	-4.8	24.7	22.0	6.6	4.5	1.5
ADR	9.7	5.2	4.9	5.8	1.4	4.3	5.3	3.5	5.7	6.1	8.0	6.2	5.6	7.4
RevPAR	11.8	6.3	3.3	15.3	-5.0	8.2	0.6	7.1	0.7	32.3	31.8	13.2	10.4	9.0
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	1.9	1.0	-1.5	9.0	-6.4	3.7	-4.6	3.4	-4.8	24.7	22.0	6.6	4.5	1.5
Revenue	11.8	6.3	3.3	15.3	-5.0	8.2	0.6	7.1	0.7	32.3	31.8	13.2	10.4	9.0

	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Total Year	Feb YTD
Occ	12.7	2.7	-0.2	-1.6	11.2	7.1	3.5	1.2	15.4	-17.1	-12.8	-7.1	0.4	7.7
ADR	2.4	3.4	2.9	0.5	3.5	-0.0	-3.4	0.9	0.2	-4.1	-3.8	-6.8	-0.7	2.9
RevPAR	15.3	6.3	2.8	-1.1	15.0	7.1	0.1	2.1	15.6	-20.5	-16.1	-13.4	-0.3	10.8
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	12.7	2.7	-0.2	-1.6	11.2	7.1	3.5	1.2	15.4	-17.1	-12.8	-7.1	0.4	7.7
Revenue	15.3	6.3	2.8	-1.1	15.0	7.1	0.1	2.1	15.6	-20.5	-16.1	-13.4	-0.3	10.8

	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Total Year	Feb YTD
Occ	-4.2	-11.5	1.2	-4.5	-0.9	1.6	-1.9	7.9	13.5	15.8	-2.1	-12.1	0.4	-7.7
ADR	-8.8	-4.4	-2.7	-6.5	-3.8	2.7	-3.1	-3.3	5.9	5.3	3.7	1.2	-0.9	-6.8
RevPAR	-12.6	-15.3	-1.5	-10.7	-4.7	4.4	-4.9	4.3	20.2	21.9	1.5	-11.1	-0.6	-13.9
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	-4.2	-11.5	1.2	-4.5	-0.9	1.6	-1.9	7.9	13.5	15.8	-2.1	-12.1	0.4	-7.7
Revenue	-12.6	-15.3	-1.5	-10.7	-4.7	4.4	-4.9	4.3	20.2	21.9	1.5	-11.1	-0.6	-13.9

	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Total Year	Feb YTD
Occ	-13.4	12.7	-1.2	8.3	11.5	-0.7	5.5	0.1	-6.7	-5.8	8.5	11.9	2.1	-1.4
ADR	6.4	1.2	5.5	4.2	6.1	2.2	6.0	1.0	-9.8	-6.6	-3.4	0.5	0.9	3.9
RevPAR	-7.9	14.0	4.3	12.9	18.3	1.6	11.8	1.1	-15.8	-12.0	4.8	12.4	3.0	2.5
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	-13.4	12.7	-1.2	8.3	11.5	-0.7	5.5	0.1	-6.7	-5.8	8.5	11.9	2.1	-1.4
Revenue	-7.9	14.0	4.3	12.9	18.3	1.6	11.8	1.1	-15.8	-12.0	4.8	12.4	3.0	2.5

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Revenue	8.9	-1.9	3.2
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Tab 5 - Twelve Month Moving Average

Custom Trend: Hotel Study Tarboro

Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

Occupancy (%)												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	70.7	70.2	68.7	67.7	66.8	66.0	65.5	64.7	64.1	63.6	63.8	64.4
2014	64.6	64.3	64.0	64.3	64.3	64.3	64.3	64.1	63.9	63.8	63.5	63.5
2015	63.8	64.3	64.9	64.9	65.0	64.8	65.0	64.9	65.3	65.4	65.5	66.0
2016	66.0	66.1	66.0	66.5	66.2	66.4	66.1	66.3	66.0	67.4	68.6	68.9
2017	69.6	69.7	69.7	69.6	70.2	70.6	70.8	70.8	71.6	70.4	69.6	69.2
2018	68.9	68.4	68.4	68.2	68.1	68.2	68.1	68.6	69.3	70.2	70.1	69.5
2019	68.7	69.3	69.2	69.7	70.4	70.3	70.7	70.7	70.3	69.9	70.3	70.9
2020	71.3	71.1										

ADR (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	91.66	92.05	92.64	92.69	93.00	93.25	93.43	93.94	94.19	94.48	94.48	94.57
2014	94.31	94.46	94.58	94.77	94.87	95.13	95.43	95.90	96.03	96.17	96.45	96.64
2015	96.92	97.10	97.37	98.19	98.81	99.57	100.13	100.40	100.66	101.28	101.98	102.94
2016	103.60	103.97	104.42	105.00	105.12	105.52	106.02	106.34	106.79	107.37	108.16	108.72
2017	108.85	109.09	109.35	109.40	109.67	109.68	109.37	109.44	109.43	109.06	108.64	107.99
2018	107.30	107.02	106.76	106.12	105.77	106.05	105.76	105.44	106.05	106.57	106.88	106.97
2019	107.50	107.52	108.03	108.40	108.95	109.17	109.71	109.80	108.84	108.17	107.89	107.93
2020	107.87	108.07										

RevPAR (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	64.76	64.58	63.65	62.77	62.14	61.55	61.17	60.81	60.39	60.11	60.28	60.90
2014	60.94	60.78	60.55	60.95	61.00	61.20	61.39	61.48	61.39	61.35	61.25	61.41
2015	61.86	62.44	63.21	63.69	64.22	64.56	65.05	65.12	65.74	66.24	66.76	67.89
2016	68.42	68.72	68.92	69.85	69.56	70.04	70.07	70.50	70.53	72.39	74.17	74.95
2017	75.72	76.04	76.21	76.13	76.95	77.40	77.40	77.54	78.35	76.80	75.60	74.71
2018	73.98	73.15	73.06	72.32	72.03	72.32	72.01	72.29	73.51	74.84	74.93	74.29
2019	73.89	74.53	74.80	75.60	76.69	76.80	77.54	77.61	76.46	75.58	75.89	76.52
2020	76.94	76.84										

Supply												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975
2014	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975
2015	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975
2016	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975
2017	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975
2018	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975
2019	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975	187,975
2020	187,975	187,975										

Demand												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	132,805	131,879	129,158	127,299	125,596	124,069	123,067	121,680	120,528	119,582	119,933	121,051
2014	121,468	120,954	120,342	120,886	120,861	120,927	120,919	120,505	120,157	119,906	119,373	119,454
2015	119,973	120,872	122,030	121,933	122,181	121,885	122,120	121,915	122,766	122,936	123,042	123,972
2016	124,148	124,241	124,070	124,771	125,052	124,396	124,771	124,156	124,156	126,729	128,908	129,586
2017	130,764	131,024	131,005	130,820	131,899	132,646	133,034	133,172	134,587	132,363	130,818	130,040
2018	129,604	128,490	128,632	128,108	128,007	128,193	127,981	128,874	130,304	132,004	131,780	130,549
2019	129,204	130,295	130,159	131,087	132,316	132,240	132,850	132,861	132,060	131,338	132,215	133,279
2020	134,067	133,652										

Revenue (\$)												
	January	February	March	April	May	June	July	August	September	October	November	December
2013	12,172,480	12,139,166	11,965,451	11,799,964	11,681,026	11,569,919	11,498,385	11,430,484	11,352,645	11,298,458	11,331,035	11,447,688
2014	11,455,494	11,425,836	11,381,587	11,456,164	11,465,545	11,503,343	11,539,725	11,556,067	11,539,034	11,531,548	11,513,356	11,544,444
2015	11,627,953	11,737,066	11,882,671	11,972,938	12,072,605	12,135,804	12,228,009	12,240,581	12,357,118	12,451,200	12,548,276	12,761,951
2016	12,861,561	12,917,749	12,955,503	13,130,010	13,076,029	13,165,276	13,172,043	13,252,076	13,258,708	13,607,124	13,942,927	14,088,827
2017	14,233,438	14,293,042	14,325,421	14,311,111	14,465,079	14,548,723	14,549,402	14,574,886	14,728,303	14,436,066	14,211,608	14,043,624
2018	13,906,572	13,751,193	13,733,229	13,594,746	13,538,975	13,595,180	13,535,150	13,588,999	13,818,809	14,067,642	14,084,674	13,964,719
2019	13,889,681	14,009,814	14,060,873	14,210,331	14,416,037	14,436,658	14,574,803	14,588,450	14,373,077	14,207,431	14,264,534	14,384,266

2020	14,462,281	14,443,395
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High value is boxed.

Low value is boxed and italicized.

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Tab 6 - Twelve Month Moving Average with Percent Change

Custom Trend: Hotel Study Tarboro

Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

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 13	70.7		91.66		64.76		187,975		132,805		12,172,480	
Feb 13	70.2		92.05		64.58		187,975		131,879		12,139,166	
Mar 13	68.7		92.64		63.65		187,975		129,158		11,965,451	
Apr 13	67.7		92.69		62.77		187,975		127,299		11,799,964	
May 13	66.8		93.00		62.14		187,975		125,596		11,681,026	
Jun 13	66.0		93.25		61.55		187,975		124,069		11,569,919	
Jul 13	65.5		93.43		61.17		187,975		123,067		11,498,385	
Aug 13	64.7		93.94		60.81		187,975		121,680		11,430,484	
Sep 13	64.1		94.19		60.39		187,975		120,528		11,352,645	
Oct 13	63.6		94.48		60.11		187,975		119,582		11,298,458	
Nov 13	63.8		94.48		60.28		187,975		119,933		11,331,035	
Dec 13	64.4	-9.9	94.57	3.8	60.90	-6.5	187,975	0.0	121,051	-9.9	11,447,688	-6.5
Jan 14	64.6	-8.5	94.31	2.9	60.94	-5.9	187,975	0.0	121,468	-8.5	11,455,494	-5.9
Feb 14	64.3	-8.3	94.46	2.6	60.78	-5.9	187,975	0.0	120,954	-8.3	11,425,836	-5.9
Mar 14	64.0	-6.8	94.58	2.1	60.55	-4.9	187,975	0.0	120,342	-6.8	11,381,587	-4.9
Apr 14	64.3	-5.0	94.77	2.2	60.95	-2.9	187,975	0.0	120,886	-5.0	11,456,164	-2.9
May 14	64.3	-3.8	94.87	2.0	61.00	-1.8	187,975	0.0	120,861	-3.8	11,465,545	-1.8
Jun 14	64.3	-2.5	95.13	2.0	61.20	-0.6	187,975	0.0	120,927	-2.5	11,503,343	-0.6
Jul 14	64.3	-1.7	95.43	2.1	61.39	0.4	187,975	0.0	120,919	-1.7	11,539,725	0.4
Aug 14	64.1	-1.0	95.90	2.1	61.48	1.1	187,975	0.0	120,505	-1.0	11,556,067	1.1
Sep 14	63.9	-0.3	96.03	2.0	61.39	1.6	187,975	0.0	120,157	-0.3	11,539,034	1.6
Oct 14	63.8	0.3	96.17	1.8	61.35	2.1	187,975	0.0	119,906	0.3	11,531,548	2.1
Nov 14	63.5	-0.5	96.45	2.1	61.25	1.6	187,975	0.0	119,373	-0.5	11,513,356	1.6
Dec 14	63.5	-1.3	96.64	2.2	61.41	0.8	187,975	0.0	119,454	-1.3	11,544,444	0.8
Jan 15	63.8	-1.2	96.92	2.8	61.86	1.5	187,975	0.0	119,973	-1.2	11,627,953	1.5
Feb 15	64.3	-0.1	97.10	2.8	62.44	2.7	187,975	0.0	120,872	-0.1	11,737,066	2.7
Mar 15	64.9	1.4	97.37	3.0	63.21	4.4	187,975	0.0	122,030	1.4	11,882,671	4.4
Apr 15	64.9	0.9	98.19	3.6	63.69	4.5	187,975	0.0	121,933	0.9	11,972,938	4.5
May 15	65.0	1.1	98.81	4.2	64.22	5.3	187,975	0.0	122,181	1.1	12,072,605	5.3
Jun 15	64.8	0.8	99.57	4.7	64.56	5.5	187,975	0.0	121,885	0.8	12,135,804	5.5
Jul 15	65.0	1.0	100.13	4.9	65.05	6.0	187,975	0.0	122,120	1.0	12,228,009	6.0
Aug 15	64.9	1.2	100.40	4.7	65.12	5.9	187,975	0.0	121,915	1.2	12,240,581	5.9
Sep 15	65.3	2.2	100.66	4.8	65.74	7.1	187,975	0.0	122,766	2.2	12,357,118	7.1
Oct 15	65.4	2.5	101.28	5.3	66.24	8.0	187,975	0.0	122,936	2.5	12,451,200	8.0
Nov 15	65.5	3.1	101.98	5.7	66.76	9.0	187,975	0.0	123,042	3.1	12,548,276	9.0
Dec 15	66.0	3.8	102.94	6.5	67.89	10.5	187,975	0.0	123,972	3.8	12,761,951	10.5
Jan 16	66.0	3.5	103.60	6.9	68.42	10.6	187,975	0.0	124,148	3.5	12,861,561	10.6
Feb 16	66.1	2.8	103.97	7.1	68.72	10.1	187,975	0.0	124,241	2.8	12,917,749	10.1
Mar 16	66.0	1.7	104.42	7.2	68.92	9.0	187,975	0.0	124,070	1.7	12,955,503	9.0
Apr 16	66.5	2.6	105.00	6.9	69.85	9.7	187,975	0.0	125,052	2.6	13,130,010	9.7
May 16	66.2	1.8	105.12	6.4	69.56	8.3	187,975	0.0	124,396	1.8	13,076,029	8.3
Jun 16	66.4	2.4	105.52	6.0	70.04	8.5	187,975	0.0	124,771	2.4	13,165,276	8.5
Jul 16	66.1	1.7	106.02	5.9	70.07	7.7	187,975	0.0	124,246	1.7	13,172,043	7.7
Aug 16	66.3	2.2	106.34	5.9	70.50	8.3	187,975	0.0	124,617	2.2	13,252,076	8.3

Tab 6 - Twelve Month Moving Average with Percent Change

Custom Trend: Hotel Study Tarboro

Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

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
Sep 16	66.0	1.1	106.79	6.1	70.53	7.3	187,975	0.0	124,156	1.1	13,258,708	7.3
Oct 16	67.4	3.1	107.37	6.0	72.39	9.3	187,975	0.0	126,729	3.1	13,607,124	9.3
Nov 16	68.6	4.8	108.16	6.1	74.17	11.1	187,975	0.0	128,908	4.8	13,942,927	11.1
Dec 16	68.9	4.5	108.72	5.6	74.95	10.4	187,975	0.0	129,586	4.5	14,088,827	10.4
Jan 17	69.6	5.3	108.85	5.1	75.72	10.7	187,975	0.0	130,764	5.3	14,233,438	10.7
Feb 17	69.7	5.5	109.09	4.9	76.04	10.6	187,975	0.0	131,024	5.5	14,293,042	10.6
Mar 17	69.7	5.6	109.35	4.7	76.21	10.6	187,975	0.0	131,005	5.6	14,325,421	10.6
Apr 17	69.6	4.6	109.40	4.2	76.13	9.0	187,975	0.0	130,820	4.6	14,311,111	9.0
May 17	70.2	6.0	109.67	4.3	76.95	10.6	187,975	0.0	131,899	6.0	14,465,079	10.6
Jun 17	70.6	6.3	109.68	3.9	77.40	10.5	187,975	0.0	132,646	6.3	14,548,723	10.5
Jul 17	70.8	7.1	109.37	3.2	77.40	10.5	187,975	0.0	133,034	7.1	14,549,402	10.5
Aug 17	70.8	6.9	109.44	2.9	77.54	10.0	187,975	0.0	133,172	6.9	14,574,886	10.0
Sep 17	71.6	8.4	109.43	2.5	78.35	11.1	187,975	0.0	134,587	8.4	14,728,303	11.1
Oct 17	70.4	4.4	109.06	1.6	76.80	6.1	187,975	0.0	132,363	4.4	14,436,066	6.1
Nov 17	69.6	1.5	108.64	0.4	75.60	1.9	187,975	0.0	130,818	1.5	14,211,608	1.9
Dec 17	69.2	0.4	107.99	-0.7	74.71	-0.3	187,975	0.0	130,040	0.4	14,043,624	-0.3
Jan 18	68.9	-0.9	107.30	-1.4	73.98	-2.3	187,975	0.0	129,604	-0.9	13,906,572	-2.3
Feb 18	68.4	-1.9	107.02	-1.9	73.15	-3.8	187,975	0.0	128,490	-1.9	13,751,193	-3.8
Mar 18	68.4	-1.8	106.76	-2.4	73.06	-4.1	187,975	0.0	128,632	-1.8	13,733,229	-4.1
Apr 18	68.2	-2.1	106.12	-3.0	72.32	-5.0	187,975	0.0	128,108	-2.1	13,594,746	-5.0
May 18	68.1	-3.0	105.77	-3.6	72.03	-6.4	187,975	0.0	128,007	-3.0	13,538,975	-6.4
Jun 18	68.2	-3.4	106.05	-3.3	72.32	-6.6	187,975	0.0	128,193	-3.4	13,595,180	-6.6
Jul 18	68.1	-3.8	105.76	-3.3	72.01	-7.0	187,975	0.0	127,981	-3.8	13,535,150	-7.0
Aug 18	68.6	-3.2	105.44	-3.7	72.29	-6.8	187,975	0.0	128,874	-3.2	13,588,999	-6.8
Sep 18	69.3	-3.2	106.05	-3.1	73.51	-6.2	187,975	0.0	130,304	-3.2	13,818,809	-6.2
Oct 18	70.2	-0.3	106.57	-2.3	74.84	-2.6	187,975	0.0	132,004	-0.3	14,067,642	-2.6
Nov 18	70.1	0.7	106.88	-1.6	74.93	-0.9	187,975	0.0	131,780	0.7	14,084,674	-0.9
Dec 18	69.5	0.4	106.97	-0.9	74.29	-0.6	187,975	0.0	130,549	0.4	13,964,719	-0.6
Jan 19	68.7	-0.3	107.50	0.2	73.89	-0.1	187,975	0.0	129,204	-0.3	13,889,681	-0.1
Feb 19	69.3	1.4	107.52	0.5	74.53	1.9	187,975	0.0	130,295	1.4	14,009,814	1.9
Mar 19	69.2	1.2	108.03	1.2	74.80	2.4	187,975	0.0	130,159	1.2	14,060,873	2.4
Apr 19	69.7	2.3	108.40	2.2	75.60	4.5	187,975	0.0	131,087	2.3	14,210,331	4.5
May 19	70.4	3.4	108.95	3.0	76.69	6.5	187,975	0.0	132,316	3.4	14,416,037	6.5
Jun 19	70.3	3.2	109.17	2.9	76.80	6.2	187,975	0.0	132,240	3.2	14,436,658	6.2
Jul 19	70.7	3.8	109.71	3.7	77.54	7.7	187,975	0.0	132,850	3.8	14,574,803	7.7
Aug 19	70.7	3.1	109.80	4.1	77.61	7.4	187,975	0.0	132,861	3.1	14,588,450	7.4
Sep 19	70.3	1.3	108.84	2.6	76.46	4.0	187,975	0.0	132,060	1.3	14,373,077	4.0
Oct 19	69.9	-0.5	108.17	1.5	75.58	1.0	187,975	0.0	131,338	-0.5	14,207,431	1.0
Nov 19	70.3	0.3	107.89	0.9	75.89	1.3	187,975	0.0	132,215	0.3	14,264,534	1.3
Dec 19	70.9	2.1	107.93	0.9	76.52	3.0	187,975	0.0	133,279	2.1	14,384,266	3.0
Jan 20	71.3	3.8	107.87	0.3	76.94	4.1	187,975	0.0	134,067	3.8	14,462,281	4.1
Feb 20	71.1	2.6	108.07	0.5	76.84	3.1	187,975	0.0	133,652	2.6	14,443,395	3.1

Tab 6 - Twelve Month Moving Average with Percent Change

Custom Trend: Hotel Study Tarboro
Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

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

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Tab 7 - Day of Week Analysis

Custom Trend: Hotel Study Tarboro
Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

Occupancy (%)								Total Month
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Mar - 19	45.6	67.2	76.9	71.7	62.1	80.7	93.5	71.3
Apr - 19	50.3	74.7	86.3	83.8	75.9	88.2	87.2	78.2
May - 19	43.3	61.9	77.8	83.5	71.2	87.3	90.9	74.4
Jun - 19	40.3	68.5	74.4	74.0	83.7	89.1	90.6	73.8
Jul - 19	48.0	68.3	76.2	71.5	63.8	96.7	94.0	73.9
Aug - 19	45.8	71.2	83.0	77.1	69.4	90.2	91.4	76.2
Sep - 19	51.2	64.7	78.4	75.7	71.0	85.2	89.8	72.7
Oct - 19	48.4	76.6	86.0	82.7	71.6	68.0	77.2	73.6
Nov - 19	45.4	66.6	80.6	74.7	70.2	82.1	82.3	72.4
Dec - 19	42.4	49.9	50.5	68.3	76.9	82.3	79.5	62.7
Jan - 20	40.4	57.8	67.9	64.3	59.7	60.4	63.9	59.4
Feb - 20	41.2	60.5	72.8	69.1	63.5	73.8	68.9	64.4
Total Year	45.2	65.6	75.8	74.8	69.8	81.8	84.3	71.1

Three Year Occupancy (%)								Total Year
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Mar 17 - Feb 18	43.5	62.3	74.0	73.7	66.5	78.8	79.7	68.4
Mar 18 - Feb 19	47.3	63.6	72.8	73.0	67.8	79.4	81.3	69.3
Mar 19 - Feb 20	45.2	65.6	75.8	74.8	69.8	81.8	84.3	71.1
Total 3 Yr	45.3	63.8	74.2	73.8	68.0	80.0	81.8	69.6

ADR								Total Month
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Mar - 19	100.69	103.53	102.22	103.65	99.98	115.84	122.45	108.92
Apr - 19	101.75	102.84	103.38	105.33	101.03	119.16	122.35	108.32
May - 19	108.58	100.99	100.60	104.84	102.37	125.23	132.53	111.98
Jun - 19	106.08	102.61	102.27	105.34	114.49	138.58	137.12	117.90
Jul - 19	105.34	100.91	100.88	101.10	100.42	131.24	130.12	111.17
Aug - 19	98.49	99.78	100.24	100.25	97.68	118.70	121.29	107.27
Sep - 19	98.46	96.48	99.41	99.11	98.26	109.54	112.77	102.46
Oct - 19	98.37	99.42	101.19	99.78	99.40	114.69	114.17	103.54
Nov - 19	97.03	103.13	102.13	101.01	105.13	124.39	127.44	111.06
Dec - 19	99.66	98.27	98.51	107.16	112.02	117.11	117.30	108.19
Jan - 20	92.41	97.39	98.46	99.52	95.15	104.38	113.75	100.54
Feb - 20	99.03	98.92	99.35	98.30	95.39	111.31	114.17	103.19
Total Year	100.54	100.43	100.88	102.11	101.98	119.85	122.91	108.07

Three Year ADR								Total Year
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Mar 17 - Feb 18	100.26	101.80	101.81	103.33	103.02	116.29	117.28	107.02
Mar 18 - Feb 19	99.46	100.18	101.09	103.05	103.05	119.11	120.23	107.52
Mar 19 - Feb 20	100.54	100.43	100.88	102.11	101.98	119.85	122.91	108.07
Total 3 Yr	100.08	100.79	101.26	102.83	102.68	118.44	120.21	107.54

RevPAR								Total Month
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Mar - 19	45.94	69.61	78.65	74.37	62.13	93.48	114.51	77.70
Apr - 19	51.22	76.84	89.17	88.25	76.71	105.11	106.73	84.74
May - 19	47.07	62.56	78.28	87.49	72.87	109.28	120.43	83.28
Jun - 19	42.76	70.28	76.06	77.99	95.82	123.51	124.23	86.99
Jul - 19	50.57	68.97	76.90	72.28	64.06	126.84	122.28	82.12
Aug - 19	45.13	71.01	83.16	77.33	67.75	107.08	110.83	81.77
Sep - 19	50.40	62.39	77.99	75.01	69.78	93.32	101.28	74.45
Oct - 19	47.61	76.16	87.05	82.50	71.14	77.95	88.12	76.22
Nov - 19	44.09	68.69	82.30	75.41	73.80	102.07	104.92	80.40
Dec - 19	42.30	49.08	49.73	73.19	86.14	96.42	93.27	67.79
Jan - 20	37.32	56.30	66.82	63.96	56.83	63.04	72.72	59.74
Feb - 20	40.81	59.87	72.28	67.94	60.56	82.12	78.64	66.47
Total Year	45.44	65.87	76.48	76.35	71.16	98.08	103.57	76.84

Three Year RevPAR								Total Year
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
Mar 17 - Feb 18	43.63	63.39	75.31	76.12	68.50	91.62	93.45	73.15
Mar 18 - Feb 19	47.05	63.72	73.63	75.23	69.91	94.55	97.71	74.53
Mar 19 - Feb 20	45.44	65.87	76.48	76.35	71.16	98.08	103.57	76.84
Total 3 Yr	45.38	64.33	75.14	75.90	69.86	94.77	98.27	74.84

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Tab 8 - Raw Data

Custom Trend: Hotel Study Tarboro

Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

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 12	61.2		84.05		51.45		15,965		9,773		821,392		4	515	100.0
Feb 12	68.8		85.80		58.99		14,420		9,914		850,664		4	515	100.0
Mar 12	86.1		87.98		75.76		15,965		13,748		1,209,585		4	515	100.0
Apr 12	79.6		92.60		73.70		15,450		12,297		1,138,663		4	515	100.0
May 12	73.9		92.31		68.24		15,965		11,802		1,089,473		4	515	100.0
Jun 12	77.2		92.62		71.48		15,450		11,924		1,104,344		4	515	100.0
Jul 12	77.1		94.94		73.19		15,965		12,308		1,168,472		4	515	100.0
Aug 12	79.9		91.78		73.37		15,965		12,763		1,171,423		4	515	100.0
Sep 12	66.6		92.70		61.75		15,450		10,292		954,055		4	515	100.0
Oct 12	71.7		91.25		65.46		15,965		11,452		1,045,049		4	515	100.0
Nov 12	64.6		94.78		61.18		15,450		9,974		945,288		4	515	100.0
Dec 12	51.0		91.28		46.55		15,965		8,142		743,230		4	515	100.0
Jan 13	51.3	-16.2	91.86	9.3	47.12	-8.4	15,965	0.0	8,189	-16.2	752,234	-8.4	4	515	100.0
Feb 13	62.3	-9.3	90.94	6.0	56.68	-3.9	14,420	0.0	8,988	-9.3	817,350	-3.9	4	515	100.0
Mar 13	69.1	-19.8	93.94	6.8	64.88	-14.4	15,965	0.0	11,027	-19.8	1,035,870	-14.4	4	515	100.0
Apr 13	67.6	-15.1	93.23	0.7	62.99	-14.5	15,450	0.0	10,438	-15.1	973,176	-14.5	4	515	100.0
May 13	63.3	-14.4	96.10	4.1	60.79	-10.9	15,965	0.0	10,099	-14.4	970,535	-10.9	4	515	100.0
Jun 13	67.3	-12.8	95.53	3.1	64.29	-10.1	15,450	0.0	10,397	-12.8	993,237	-10.1	4	515	100.0
Jul 13	70.8	-8.1	97.02	2.2	68.71	-6.1	15,965	0.0	11,306	-8.1	1,096,938	-6.1	4	515	100.0
Aug 13	71.3	-10.9	97.00	5.7	69.12	-5.8	15,965	0.0	11,376	-10.9	1,103,522	-5.8	4	515	100.0
Sep 13	59.2	-11.2	95.87	3.4	56.71	-8.2	15,450	0.0	9,140	-11.2	876,216	-8.2	4	515	100.0
Oct 13	65.8	-8.3	94.31	3.4	62.06	-5.2	15,965	0.0	10,506	-8.3	990,862	-5.2	4	515	100.0
Nov 13	66.8	3.5	94.71	-0.1	63.29	3.4	15,450	0.0	10,325	3.5	977,865	3.4	4	515	100.0
Dec 13	58.0	13.7	92.86	1.7	53.86	15.7	15,965	0.0	9,260	13.7	859,883	15.7	4	515	100.0
Jan 14	53.9	5.1	88.32	-3.9	47.61	1.0	15,965	0.0	8,606	5.1	760,040	1.0	4	515	100.0
Feb 14	58.8	-5.7	92.95	2.2	54.62	-3.6	14,420	0.0	8,474	-5.7	787,692	-3.6	4	515	100.0
Mar 14	65.2	-5.6	95.21	1.4	62.11	-4.3	15,965	0.0	10,415	-5.6	991,621	-4.3	4	515	100.0
Apr 14	71.1	5.2	95.41	2.3	67.82	7.7	15,450	0.0	10,982	5.2	1,047,753	7.7	4	515	100.0
May 14	63.1	-0.2	97.27	1.2	61.38	1.0	15,965	0.0	10,074	-0.2	979,916	1.0	4	515	100.0
Jun 14	67.7	0.6	98.54	3.2	66.73	3.8	15,450	0.0	10,463	0.6	1,031,035	3.8	4	515	100.0
Jul 14	70.8	-0.1	100.31	3.4	70.99	3.3	15,965	0.0	11,298	-0.1	1,133,320	3.3	4	515	100.0
Aug 14	68.7	-3.6	102.16	5.3	70.14	1.5	15,965	0.0	10,962	-3.6	1,119,864	1.5	4	515	100.0
Sep 14	56.9	-3.8	97.72	1.9	55.61	-1.9	15,450	0.0	8,792	-3.8	859,183	-1.9	4	515	100.0
Oct 14	64.2	-2.4	95.89	1.7	61.60	-0.8	15,965	0.0	10,255	-2.4	983,376	-0.8	4	515	100.0
Nov 14	63.4	-5.2	98.01	3.5	62.11	-1.9	15,450	0.0	9,792	-5.2	959,673	-1.9	4	515	100.0
Dec 14	58.5	0.9	95.38	2.7	55.81	3.6	15,965	0.0	9,341	0.9	890,971	3.6	4	515	100.0
Jan 15	57.2	6.0	92.44	4.7	52.84	11.0	15,965	0.0	9,125	6.0	843,549	11.0	4	515	100.0
Feb 15	65.0	10.6	95.68	2.9	62.19	13.9	14,420	0.0	9,373	10.6	896,805	13.9	4	515	100.0
Mar 15	72.5	11.1	98.27	3.2	71.23	14.7	15,965	0.0	11,573	11.1	1,137,226	14.7	4	515	100.0
Apr 15	70.5	-0.9	104.55	9.6	73.66	8.6	15,450	0.0	10,885	-0.9	1,138,020	8.6	4	515	100.0
May 15	64.7	2.5	104.59	7.5	67.62	10.2	15,965	0.0	10,322	2.5	1,079,583	10.2	4	515	100.0
Jun 15	65.8	-2.8	107.63	9.2	70.82	6.1	15,450	0.0	10,167	-2.8	1,094,234	6.1	4	515	100.0
Jul 15	72.2	2.1	106.26	5.9	76.76	8.1	15,965	0.0	11,533	2.1	1,225,525	8.1	4	515	100.0
Aug 15	67.4	-1.9	105.27	3.0	70.93	1.1	15,965	0.0	10,757	-1.9	1,132,436	1.1	4	515	100.0
Sep 15	62.4	9.7	101.18	3.5	63.15	13.6	15,450	0.0	9,643	9.7	975,720	13.6	4	515	100.0
Oct 15	65.3	1.7	103.35	7.8	67.49	9.6	15,965	0.0	10,425	1.7	1,077,458	9.6	4	515	100.0
Nov 15	64.1	1.1	106.76	8.9	68.40	10.1	15,450	0.0	9,898	1.1	1,056,749	10.1	4	515	100.0
Dec 15	64.3	10.0	107.55	12.8	69.19	24.0	15,965	0.0	10,271	10.0	1,104,646	24.0	4	515	100.0

Tab 8 - Raw Data

Custom Trend: Hotel Study Tarboro

Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

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 16	58.3	1.9	101.40	9.7	59.08	11.8	15,965	0.0	9,301	1.9	943,159	11.8	4	515	100.0
Feb 16	65.6	1.0	100.68	5.2	66.09	6.3	14,420	0.0	9,466	1.0	952,993	6.3	4	515	100.0
Mar 16	71.4	-1.5	103.05	4.9	73.60	3.3	15,965	0.0	11,402	-1.5	1,174,980	3.3	4	515	100.0
Apr 16	76.8	9.0	110.60	5.8	84.95	15.3	15,450	0.0	11,867	9.0	1,312,527	15.3	4	515	100.0
May 16	60.5	-6.4	106.10	1.4	64.24	-5.0	15,965	0.0	9,666	-6.4	1,025,602	-5.0	4	515	100.0
Jun 16	68.2	3.7	112.26	4.3	76.60	8.2	15,450	0.0	10,542	3.7	1,183,481	8.2	4	515	100.0
Jul 16	69.0	-4.6	111.95	5.3	77.19	0.6	15,965	0.0	11,008	-4.6	1,232,292	0.6	4	515	100.0
Aug 16	69.7	3.4	108.96	3.5	75.95	7.1	15,965	0.0	11,128	3.4	1,212,469	7.1	4	515	100.0
Sep 16	59.4	-4.8	106.99	5.7	63.58	0.7	15,450	0.0	9,182	-4.8	982,352	0.7	4	515	100.0
Oct 16	81.4	24.7	109.70	6.1	89.31	32.3	15,965	0.0	12,998	24.7	1,425,874	32.3	4	515	100.0
Nov 16	78.2	22.0	115.31	8.0	90.13	31.8	15,450	0.0	12,077	22.0	1,392,552	31.8	4	515	100.0
Dec 16	68.6	6.6	114.22	6.2	78.33	13.2	15,965	0.0	10,949	6.6	1,250,546	13.2	4	515	100.0
Jan 17	65.6	12.7	103.80	2.4	68.13	15.3	15,965	0.0	10,479	12.7	1,087,770	15.3	4	515	100.0
Feb 17	67.4	2.7	104.11	3.4	70.22	6.3	14,420	0.0	9,726	2.7	1,012,597	6.3	4	515	100.0
Mar 17	71.3	-0.2	106.07	2.9	75.63	2.8	15,965	0.0	11,383	-0.2	1,207,359	2.8	4	515	100.0
Apr 17	75.6	-1.6	111.13	0.5	84.03	-1.1	15,450	0.0	11,682	-1.6	1,298,217	-1.1	4	515	100.0
May 17	67.3	11.2	109.78	3.5	73.88	15.0	15,965	0.0	10,745	11.2	1,179,570	15.0	4	515	100.0
Jun 17	73.1	7.1	112.24	-0.0	82.01	7.1	15,450	0.0	11,289	7.1	1,267,125	7.1	4	515	100.0
Jul 17	71.4	3.5	108.19	-3.4	77.23	0.1	15,965	0.0	11,396	3.5	1,232,971	0.1	4	515	100.0
Aug 17	70.6	1.2	109.88	0.9	77.54	2.1	15,965	0.0	11,266	1.2	1,237,953	2.1	4	515	100.0
Sep 17	68.6	15.4	107.18	0.2	73.51	15.6	15,450	0.0	10,597	15.4	1,135,769	15.6	4	515	100.0
Oct 17	67.5	-17.1	105.22	-4.1	71.01	-20.5	15,965	0.0	10,774	-17.1	1,133,637	-20.5	4	515	100.0
Nov 17	68.2	-12.8	110.91	-3.8	75.60	-16.1	15,450	0.0	10,532	-12.8	1,168,094	-16.1	4	515	100.0
Dec 17	63.7	-7.1	106.44	-6.8	67.81	-13.4	15,965	0.0	10,171	-7.1	1,082,562	-13.4	4	515	100.0
Jan 18	62.9	-4.2	94.66	-8.8	59.55	-12.6	15,965	0.0	10,043	-4.2	950,718	-12.6	4	515	100.0
Feb 18	59.7	-11.5	99.54	-4.4	59.45	-15.3	14,420	0.0	8,612	-11.5	857,218	-15.3	4	515	100.0
Mar 18	72.2	1.2	103.20	-2.7	74.50	-1.5	15,965	0.0	11,525	1.2	1,189,395	-1.5	4	515	100.0
Apr 18	72.2	-4.5	103.94	-6.5	75.06	-10.7	15,450	0.0	11,158	-4.5	1,159,734	-10.7	4	515	100.0
May 18	66.7	-0.9	105.58	-3.8	70.39	-4.7	15,965	0.0	10,644	-0.9	1,123,799	-4.7	4	515	100.0
Jun 18	74.3	1.6	115.32	2.7	85.65	4.4	15,450	0.0	11,475	1.6	1,323,330	4.4	4	515	100.0
Jul 18	70.1	-1.9	104.88	-3.1	73.47	-4.9	15,965	0.0	11,184	-1.9	1,172,941	-4.9	4	515	100.0
Aug 18	76.2	7.9	106.24	-3.3	80.91	4.3	15,965	0.0	12,159	7.9	1,291,802	4.3	4	515	100.0
Sep 18	77.8	13.5	113.54	5.9	88.39	20.2	15,450	0.0	12,027	13.5	1,365,579	20.2	4	515	100.0
Oct 18	78.1	15.8	110.83	5.3	86.59	21.9	15,965	0.0	12,474	15.8	1,382,470	21.9	4	515	100.0
Nov 18	66.7	-2.1	114.97	3.7	76.71	1.5	15,450	0.0	10,308	-2.1	1,185,126	1.5	4	515	100.0
Dec 18	56.0	-12.1	107.67	1.2	60.29	-11.1	15,965	0.0	8,940	-12.1	962,607	-11.1	4	515	100.0
Jan 19	54.5	-13.4	100.68	6.4	54.85	-7.9	15,965	0.0	8,698	-13.4	875,680	-7.9	4	515	100.0
Feb 19	67.3	12.7	100.73	1.2	67.78	14.0	14,420	0.0	9,703	12.7	977,351	14.0	4	515	100.0
Mar 19	71.3	-1.2	108.92	5.5	77.70	4.3	15,965	0.0	11,389	-1.2	1,240,454	4.3	4	515	100.0
Apr 19	78.2	8.3	108.32	4.2	84.74	12.9	15,450	0.0	12,086	8.3	1,309,192	12.9	4	515	100.0
May 19	74.4	11.5	111.98	6.1	83.28	18.3	15,965	0.0	11,873	11.5	1,329,505	18.3	4	515	100.0
Jun 19	73.8	-0.7	117.90	2.2	86.99	1.6	15,450	0.0	11,399	-0.7	1,343,951	1.6	4	515	100.0
Jul 19	73.9	5.5	111.17	6.0	82.12	11.8	15,965	0.0	11,794	5.5	1,311,086	11.8	4	515	100.0
Aug 19	76.2	0.1	107.27	1.0	81.77	1.1	15,965	0.0	12,170	0.1	1,305,449	1.1	4	515	100.0
Sep 19	72.7	-6.7	102.46	-9.8	74.45	-15.8	15,450	0.0	11,226	-6.7	1,150,206	-15.8	4	515	100.0
Oct 19	73.6	-5.8	103.54	-6.6	76.22	-12.0	15,965	0.0	11,752	-5.8	1,216,824	-12.0	4	515	100.0
Nov 19	72.4	8.5	111.06	-3.4	80.40	4.8	15,450	0.0	11,185	8.5	1,242,229	4.8	4	515	100.0
Dec 19	62.7	11.9	108.19	0.5	67.79	12.4	15,965	0.0	10,004	11.9	1,082,339	12.4	4	515	100.0

Tab 8 - Raw Data

Custom Trend: Hotel Study Tarboro
Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

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 20	59.4	9.1	100.54	-0.1	59.74	8.9	15,965	0.0	9,486	9.1	953,695	8.9	4	515	100.0
Feb 20	64.4	-4.3	103.19	2.4	66.47	-1.9	14,420	0.0	9,288	-4.3	958,465	-1.9	4	515	100.0

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Tab 9 - Classic

Custom Trend: Hotel Study Tarboro

Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

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 12	61.2		84.05		51.45		15,965		9,773		821,392		4	515	100.0
Feb 12	68.8		85.80		58.99		14,420		9,914		850,664		4	515	100.0
Mar 12	86.1		87.98		75.76		15,965		13,748		1,209,585		4	515	100.0
Apr 12	79.6		92.60		73.70		15,450		12,297		1,138,663		4	515	100.0
May 12	73.9		92.31		68.24		15,965		11,802		1,089,473		4	515	100.0
Jun 12	77.2		92.62		71.48		15,450		11,924		1,104,344		4	515	100.0
Jul 12	77.1		94.94		73.19		15,965		12,308		1,168,472		4	515	100.0
Aug 12	79.9		91.78		73.37		15,965		12,763		1,171,423		4	515	100.0
Sep 12	66.6		92.70		61.75		15,450		10,292		954,055		4	515	100.0
Oct 12	71.7		91.25		65.46		15,965		11,452		1,045,049		4	515	100.0
Nov 12	64.6		94.78		61.18		15,450		9,974		945,288		4	515	100.0
Dec 12	51.0		91.28		46.55		15,965		8,142		743,230		4	515	100.0
Feb YTD 2012	64.8		84.93		55.03		30,385		19,687		1,672,056				
Total 2012	71.5		91.09		65.12		187,975		134,389		12,241,638				
Jan 13	51.3	-16.2	91.86	9.3	47.12	-8.4	15,965	0.0	8,189	-16.2	752,234	-8.4	4	515	100.0
Feb 13	62.3	-9.3	90.94	6.0	56.68	-3.9	14,420	0.0	8,988	-9.3	817,350	-3.9	4	515	100.0
Mar 13	69.1	-19.8	93.94	6.8	64.88	-14.4	15,965	0.0	11,027	-19.8	1,035,870	-14.4	4	515	100.0
Apr 13	67.6	-15.1	93.23	0.7	62.99	-14.5	15,450	0.0	10,438	-15.1	973,176	-14.5	4	515	100.0
May 13	63.3	-14.4	96.10	4.1	60.79	-10.9	15,965	0.0	10,099	-14.4	970,535	-10.9	4	515	100.0
Jun 13	67.3	-12.8	95.53	3.1	64.29	-10.1	15,450	0.0	10,397	-12.8	993,237	-10.1	4	515	100.0
Jul 13	70.8	-8.1	97.02	2.2	68.71	-6.1	15,965	0.0	11,306	-8.1	1,096,938	-6.1	4	515	100.0
Aug 13	71.3	-10.9	97.00	5.7	69.12	-5.8	15,965	0.0	11,376	-10.9	1,103,522	-5.8	4	515	100.0
Sep 13	59.2	-11.2	95.87	3.4	56.71	-8.2	15,450	0.0	9,140	-11.2	876,216	-8.2	4	515	100.0
Oct 13	65.8	-8.3	94.31	3.4	62.06	-5.2	15,965	0.0	10,506	-8.3	990,862	-5.2	4	515	100.0
Nov 13	66.8	3.5	94.71	-0.1	63.29	3.4	15,450	0.0	10,325	3.5	977,865	3.4	4	515	100.0
Dec 13	58.0	13.7	92.86	1.7	53.86	15.7	15,965	0.0	9,260	13.7	859,883	15.7	4	515	100.0
Feb YTD 2013	56.5	-12.7	91.38	7.6	51.66	-6.1	30,385	0.0	17,177	-12.7	1,569,584	-6.1			
Total 2013	64.4	-9.9	94.57	3.8	60.90	-6.5	187,975	0.0	121,051	-9.9	11,447,688	-6.5			
Jan 14	53.9	5.1	88.32	-3.9	47.61	1.0	15,965	0.0	8,606	5.1	760,040	1.0	4	515	100.0
Feb 14	58.8	-5.7	92.95	2.2	54.62	-3.6	14,420	0.0	8,474	-5.7	787,692	-3.6	4	515	100.0
Mar 14	65.2	-5.6	95.21	1.4	62.11	-4.3	15,965	0.0	10,415	-5.6	991,621	-4.3	4	515	100.0
Apr 14	71.1	5.2	95.41	2.3	67.82	7.7	15,450	0.0	10,982	5.2	1,047,753	7.7	4	515	100.0
May 14	63.1	-0.2	97.27	1.2	61.38	1.0	15,965	0.0	10,074	-0.2	979,916	1.0	4	515	100.0
Jun 14	67.7	0.6	98.54	3.2	66.73	3.8	15,450	0.0	10,463	0.6	1,031,035	3.8	4	515	100.0
Jul 14	70.8	-0.1	100.31	3.4	70.99	3.3	15,965	0.0	11,298	-0.1	1,133,320	3.3	4	515	100.0
Aug 14	68.7	-3.6	102.16	5.3	70.14	1.5	15,965	0.0	10,962	-3.6	1,119,864	1.5	4	515	100.0
Sep 14	56.9	-3.8	97.72	1.9	55.61	-1.9	15,450	0.0	8,792	-3.8	859,183	-1.9	4	515	100.0
Oct 14	64.2	-2.4	95.89	1.7	61.60	-0.8	15,965	0.0	10,255	-2.4	983,376	-0.8	4	515	100.0
Nov 14	63.4	-5.2	98.01	3.5	62.11	-1.9	15,450	0.0	9,792	-5.2	959,673	-1.9	4	515	100.0
Dec 14	58.5	0.9	95.38	2.7	55.81	3.6	15,965	0.0	9,341	0.9	890,971	3.6	4	515	100.0
Feb YTD 2014	56.2	-0.6	90.62	-0.8	50.94	-1.4	30,385	0.0	17,080	-0.6	1,547,732	-1.4			
Total 2014	63.5	-1.3	96.64	2.2	61.41	0.8	187,975	0.0	119,454	-1.3	11,544,444	0.8			
Jan 15	57.2	6.0	92.44	4.7	52.84	11.0	15,965	0.0	9,125	6.0	843,549	11.0	4	515	100.0
Feb 15	65.0	10.6	95.68	2.9	62.19	13.9	14,420	0.0	9,373	10.6	896,805	13.9	4	515	100.0
Mar 15	72.5	11.1	98.27	3.2	71.23	14.7	15,965	0.0	11,573	11.1	1,137,226	14.7	4	515	100.0
Apr 15	70.5	-0.9	104.55	9.6	73.66	8.6	15,450	0.0	10,885	-0.9	1,138,020	8.6	4	515	100.0
May 15	64.7	2.5	104.59	7.5	67.62	10.2	15,965	0.0	10,322	2.5	1,079,583	10.2	4	515	100.0
Jun 15	65.8	-2.8	107.63	9.2	70.82	6.1	15,450	0.0	10,167	-2.8	1,094,234	6.1	4	515	100.0
Jul 15	72.2	2.1	106.26	5.9	76.76	8.1	15,965	0.0	11,533	2.1	1,225,525	8.1	4	515	100.0
Aug 15	67.4	-1.9	105.27	3.0	70.93	1.1	15,965	0.0	10,757	-1.9	1,132,436	1.1	4	515	100.0
Sep 15	62.4	9.7	101.18	3.5	63.15	13.6	15,450	0.0	9,643	9.7	975,720	13.6	4	515	100.0
Oct 15	65.3	1.7	103.35	7.8	67.49	9.6	15,965	0.0	10,425	1.7	1,077,458	9.6	4	515	100.0

Tab 9 - Classic

Custom Trend: Hotel Study Tarboro

Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

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
Nov 15	64.1	1.1	106.76	8.9	68.40	10.1	15,450	0.0	9,898	1.1	1,056,749	10.1	4	515	100.0
Dec 15	64.3	10.0	107.55	12.8	69.19	24.0	15,965	0.0	10,271	10.0	1,104,646	24.0	4	515	100.0
Feb YTD 2015	60.9	8.3	94.08	3.8	57.28	12.4	30,385	0.0	18,498	8.3	1,740,354	12.4			
Total 2015	66.0	3.8	102.94	6.5	67.89	10.5	187,975	0.0	123,972	3.8	12,761,951	10.5			
Jan 16	58.3	1.9	101.40	9.7	59.08	11.8	15,965	0.0	9,301	1.9	943,159	11.8	4	515	100.0
Feb 16	65.6	1.0	100.68	5.2	66.09	6.3	14,420	0.0	9,466	1.0	952,993	6.3	4	515	100.0
Mar 16	71.4	-1.5	103.05	4.9	73.60	3.3	15,965	0.0	11,402	-1.5	1,174,980	3.3	4	515	100.0
Apr 16	76.8	9.0	110.60	5.8	84.95	15.3	15,450	0.0	11,867	9.0	1,312,527	15.3	4	515	100.0
May 16	60.5	-6.4	106.10	1.4	64.24	-5.0	15,965	0.0	9,666	-6.4	1,025,602	-5.0	4	515	100.0
Jun 16	68.2	3.7	112.26	4.3	76.60	8.2	15,450	0.0	10,542	3.7	1,183,481	8.2	4	515	100.0
Jul 16	69.0	-4.6	111.95	5.3	77.19	0.6	15,965	0.0	11,008	-4.6	1,232,292	0.6	4	515	100.0
Aug 16	69.7	3.4	108.96	3.5	75.95	7.1	15,965	0.0	11,128	3.4	1,212,469	7.1	4	515	100.0
Sep 16	59.4	-4.8	106.99	5.7	63.58	0.7	15,450	0.0	9,182	-4.8	982,352	0.7	4	515	100.0
Oct 16	81.4	24.7	109.70	6.1	89.31	32.3	15,965	0.0	12,998	24.7	1,425,874	32.3	4	515	100.0
Nov 16	78.2	22.0	115.31	8.0	90.13	31.8	15,450	0.0	12,077	22.0	1,392,552	31.8	4	515	100.0
Dec 16	68.6	6.6	114.22	6.2	78.33	13.2	15,965	0.0	10,949	6.6	1,250,546	13.2	4	515	100.0
Feb YTD 2016	61.8	1.5	101.04	7.4	62.40	9.0	30,385	0.0	18,767	1.5	1,896,152	9.0			
Total 2016	68.9	4.5	108.72	5.6	74.95	10.4	187,975	0.0	129,586	4.5	14,088,827	10.4			
Jan 17	65.6	12.7	103.80	2.4	68.13	15.3	15,965	0.0	10,479	12.7	1,087,770	15.3	4	515	100.0
Feb 17	67.4	2.7	104.11	3.4	70.22	6.3	14,420	0.0	9,726	2.7	1,012,597	6.3	4	515	100.0
Mar 17	71.3	-0.2	106.07	2.9	75.63	2.8	15,965	0.0	11,383	-0.2	1,207,359	2.8	4	515	100.0
Apr 17	75.6	-1.6	111.13	0.5	84.03	-1.1	15,450	0.0	11,682	-1.6	1,298,217	-1.1	4	515	100.0
May 17	67.3	11.2	109.78	3.5	73.88	15.0	15,965	0.0	10,745	11.2	1,179,570	15.0	4	515	100.0
Jun 17	73.1	7.1	112.24	-0.0	82.01	7.1	15,450	0.0	11,289	7.1	1,267,125	7.1	4	515	100.0
Jul 17	71.4	3.5	108.19	-3.4	77.23	0.1	15,965	0.0	11,396	3.5	1,232,971	0.1	4	515	100.0
Aug 17	70.6	1.2	109.88	0.9	77.54	2.1	15,965	0.0	11,266	1.2	1,237,953	2.1	4	515	100.0
Sep 17	68.6	15.4	107.18	0.2	73.51	15.6	15,450	0.0	10,597	15.4	1,135,769	15.6	4	515	100.0
Oct 17	67.5	-17.1	105.22	-4.1	71.01	-20.5	15,965	0.0	10,774	-17.1	1,133,637	-20.5	4	515	100.0
Nov 17	68.2	-12.8	110.91	-3.8	75.60	-16.1	15,450	0.0	10,532	-12.8	1,168,094	-16.1	4	515	100.0
Dec 17	63.7	-7.1	106.44	-6.8	67.81	-13.4	15,965	0.0	10,171	-7.1	1,082,562	-13.4	4	515	100.0
Feb YTD 2017	66.5	7.7	103.95	2.9	69.13	10.8	30,385	0.0	20,205	7.7	2,100,367	10.8			
Total 2017	69.2	0.4	107.99	-0.7	74.71	-0.3	187,975	0.0	130,040	0.4	14,043,624	-0.3			
Jan 18	62.9	-4.2	94.66	-8.8	59.55	-12.6	15,965	0.0	10,043	-4.2	950,718	-12.6	4	515	100.0
Feb 18	59.7	-11.5	99.54	-4.4	59.45	-15.3	14,420	0.0	8,612	-11.5	857,218	-15.3	4	515	100.0
Mar 18	72.2	1.2	103.20	-2.7	74.50	-1.5	15,965	0.0	11,525	1.2	1,189,395	-1.5	4	515	100.0
Apr 18	72.2	-4.5	103.94	-6.5	75.06	-10.7	15,450	0.0	11,158	-4.5	1,159,734	-10.7	4	515	100.0
May 18	66.7	-0.9	105.58	-3.8	70.39	-4.7	15,965	0.0	10,644	-0.9	1,123,799	-4.7	4	515	100.0
Jun 18	74.3	1.6	115.32	2.7	85.65	4.4	15,450	0.0	11,475	1.6	1,323,330	4.4	4	515	100.0
Jul 18	70.1	-1.9	104.88	-3.1	73.47	-4.9	15,965	0.0	11,184	-1.9	1,172,941	-4.9	4	515	100.0
Aug 18	76.2	7.9	106.24	-3.3	80.91	4.3	15,965	0.0	12,159	7.9	1,291,802	4.3	4	515	100.0
Sep 18	77.8	13.5	113.54	5.9	88.39	20.2	15,450	0.0	12,027	13.5	1,365,579	20.2	4	515	100.0
Oct 18	78.1	15.8	110.83	5.3	86.59	21.9	15,965	0.0	12,474	15.8	1,382,470	21.9	4	515	100.0
Nov 18	66.7	-2.1	114.97	3.7	76.71	1.5	15,450	0.0	10,308	-2.1	1,185,126	1.5	4	515	100.0
Dec 18	56.0	-12.1	107.67	1.2	60.29	-11.1	15,965	0.0	8,940	-12.1	962,607	-11.1	4	515	100.0
Feb YTD 2018	61.4	-7.7	96.91	-6.8	59.50	-13.9	30,385	0.0	18,655	-7.7	1,807,936	-13.9			
Total 2018	69.5	0.4	106.97	-0.9	74.29	-0.6	187,975	0.0	130,549	0.4	13,964,719	-0.6			
Jan 19	54.5	-13.4	100.68	6.4	54.85	-7.9	15,965	0.0	8,698	-13.4	875,680	-7.9	4	515	100.0
Feb 19	67.3	12.7	100.73	1.2	67.78	14.0	14,420	0.0	9,703	12.7	977,351	14.0	4	515	100.0
Mar 19	71.3	-1.2	108.92	5.5	77.70	4.3	15,965	0.0	11,389	-1.2	1,240,454	4.3	4	515	100.0
Apr 19	78.2	8.3	108.32	4.2	84.74	12.9	15,450	0.0	12,086	8.3	1,309,192	12.9	4	515	100.0
May 19	74.4	11.5	111.98	6.1	83.28	18.3	15,965	0.0	11,873	11.5	1,329,505	18.3	4	515	100.0
Jun 19	73.8	-0.7	117.90	2.2	86.99	1.6	15,450	0.0	11,399	-0.7	1,343,951	1.6	4	515	100.0

Tab 9 - Classic

Custom Trend: Hotel Study Tarboro

Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

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
Jul 19	73.9	5.5	111.17	6.0	82.12	11.8	15,965	0.0	11,794	5.5	1,311,086	11.8	4	515	100.0
Aug 19	76.2	0.1	107.27	1.0	81.77	1.1	15,965	0.0	12,170	0.1	1,305,449	1.1	4	515	100.0
Sep 19	72.7	-6.7	102.46	-9.8	74.45	-15.8	15,450	0.0	11,226	-6.7	1,150,206	-15.8	4	515	100.0
Oct 19	73.6	-5.8	103.54	-6.6	76.22	-12.0	15,965	0.0	11,752	-5.8	1,216,824	-12.0	4	515	100.0
Nov 19	72.4	8.5	111.06	-3.4	80.40	4.8	15,450	0.0	11,185	8.5	1,242,229	4.8	4	515	100.0
Dec 19	62.7	11.9	108.19	0.5	67.79	12.4	15,965	0.0	10,004	11.9	1,082,339	12.4	4	515	100.0
Feb YTD 2019	60.6	-1.4	100.70	3.9	60.99	2.5	30,385	0.0	18,401	-1.4	1,853,031	2.5			
Total 2019	70.9	2.1	107.93	0.9	76.52	3.0	187,975	0.0	133,279	2.1	14,384,266	3.0			
Jan 20	59.4	9.1	100.54	-0.1	59.74	8.9	15,965	0.0	9,486	9.1	953,695	8.9	4	515	100.0
Feb 20	64.4	-4.3	103.19	2.4	66.47	-1.9	14,420	0.0	9,288	-4.3	958,465	-1.9	4	515	100.0
Feb YTD 2020	61.8	2.0	101.85	1.1	62.93	3.2	30,385	0.0	18,774	2.0	1,912,160	3.2			

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Tab 10 - Response Report

Custom Trend: Hotel Study Tarboro
Job Number: 1187784_SADIM Staff: CW Created: April 08, 2020

STR Code	Name of Establishment	City & State	Zip Code	Class	Aff Date	Open Date	Rooms	Chg in Rms	2018												2019												2020																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
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13.3. Qualifications of Consultants

Michael P. Cummings, MAI, ISHC

Managing Director, Horwath HTL
999 Waterside Drive, Suite 1200
Norfolk, Virginia 23510
Tel: 757.623.1400
Fax: 757.623.8811
mcummings@horwathhtl.com

Michael Cummings, MAI joined the company in 2017 and is the managing director of the Norfolk and New York City offices for Horwath HTL. He previously held the positions of principal and managing director of the Norfolk office of Hotel & Club Associates, having joined that company in 1999. This national company offers market studies, feasibility studies, appraisals, investment analysis and counseling for golf and country clubs, existing and proposed hotels, resorts, and mixed-use real estate developments. He has completed over five hundred going concern hotel appraisals and consulting assignments within the past 36 months.

EDUCATION:

Old Dominion University

Bachelor of Science Business Administration Finance

Cornell University - School of Hotel Administration

Advanced Hotel Investments

Appraisal Institute Courses:

- Exam 1 A-1, Real Estate Appraisal Principals
- Exam 1 B-A, Capitalization Theory and Techniques
- Course 120, Appraisal Procedures
- Course 310, Basic Income Capitalization
- Course 400, National USPAP Update
- Course 410, Standards of Professionals Practice, Part A
- Course 420, Standards of Professional Practice, Part B
- Course 420, Business Practices and Ethics
- Course 430, Standards of Professional Practice, Part C
- Course 430BDM: Appraisal Curriculum Overview
- Course 510, Advance Income Capitalization
- Course 550, Advance Applications
- Course 540, Report Writing and Valuation Analysis
- Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets

Seminars:

- Construction Details & Trends
- Standards & Ethics for Professionals- USPAP
- Land & Site Valuation
- Foundations in Sustainability: Greening the Real Estate & Appraisal Industries
- Ad Valorem Tax Consultation
- Online Analyzing Operating Expenses
- Local Builders Cost Seminar
- Appraising Distressed Commercial Real Estate
- Appraising Troubled Properties
- The Internet and Appraising
- Small Hotel/Motel Valuation
- Real Estate Disclosure

Michael P. Cummings, MAI, ISHC

Managing Director, Horwath HTL

999 Waterside Drive, Suite 1200

Norfolk, Virginia 23510

Tel: 757.623.1400

Fax: 757.623.8811

mcummings@horwathhtl.com

Seminars (continued):

- The Appraiser as an Expert Witness
- Comprehensive Appraisal Workshop
- Condemnation Valuation
- Appraising Distressed Property: Here We Go Again
- Forecasting Revenue
- Evaluating Commercial Construction
- Standards & Ethics for Professionals-7 Hour USPAP Update Course
- Uniform Appraisal Standards for Federal Land Acquisitions
- Introducing Valuation for Financial Reporting

MEMBERSHIPS/LICENSES:

- MAI, Member Appraisal Institute (Certificate #11794)
- International Society of Hospitality Consultants
- Member of Hampton Roads Chapter Appraisal Institute
- Licensed Certified General Real Estate Appraiser in the States of:
AL, AR, AZ, CA, CO, DE, GA, IL, IA, KY, LA, MD, MI, MS, MO,
NC, NJ, NY, OH, PA, SC, TN, TX, VA, WV, DC.

PROFESSIONAL ACTIVITIES:

Appraisal Institute

- Associates Member Guidance Subcommittee-National 2002, 2003
- Board of Directors- Hampton Roads Chapter 2005-2008
- President-Hampton Roads Chapter 2009
- Leadership Development and Advisory Council 2003, 2005-2006
- Discussion Leader – LDAC 2007
- Admissions and Designation Qualifications Committee- Committee Member 2008-2010
- Vice-Chair- Admissions and Designation Qualifications Committee -2011
- Education Committee 2012-2013
- Demonstration Report Grader
- E-Demo Advisor

NORTH CAROLINA APPRAISAL BOARD
APPRAISER QUALIFICATION CARD
Expires June 30, 2020

REGISTRATION / LICENSE / CERTIFICATE HOLDER		
MICHAEL P CUMMINGS		
19 APPRAISER NUMBER	G TYPE	20 NATIONAL REGISTRY

 APPRAISER'S SIGNATURE

 EXECUTIVE DIRECTOR

MICHAEL P CUMMINGS
HORWATH HTL
999 WATERSIDE DRIVE, SUITE 1200
NORFOLK, VA 23510

J. Richard Keegan, MBA

Certified General Real Estate Appraiser

Horwath HTL

999 Waterside Drive, Suite 1200 • Norfolk, Virginia 23510

V: 757.623.1400 **D:** 407.402.9042 **F:** 757.623.8811

E: jrkeegan@horwathhtl.com

J. Richard Keegan joined Horwath HTL (formerly Hotel and Club Associates) in 2011. Horwath HTL, the global leader in hospitality, tourism and leisure consulting, performs market and feasibility studies, appraisals, investment analysis and consulting services for existing and proposed hotels, resorts, golf and country clubs, and mixed-use real estate developments.

EDUCATION

University of Wisconsin

Master of Business Administration Degree

Bachelor of Arts Degree

Appraisal Courses Completed

- Appraisal Business Practices & Ethics
- Appraisal Law and Rules - Florida
- Appraisal Principles
- Appraisal Procedures
- Appraisal Workfile Compliance
- FHA Property Analysis
- Golf Course Property Valuation
- Income Approach I
- Income Approach II
- Market Analysis and Highest & Best Use
- Real Estate Statistics, Modeling and Finance
- Regression Modeling for Real Estate Appraisers
- Report Writing & Case Studies
- Residential Sales Comparison & Income Approach
- Sales Comparison Approach
- Site Valuation & Cost Approach
- Uniform Standards of Professional Appraisal Practice (USPAP)
- Valuation by Comparison

LICENSES & MEMBERSHIPS

- Certified General Real Estate Appraiser licensed in Florida with temporary practice permits obtained in other states as needed
- Practicing Affiliate, Appraisal Institute
- Member, East Florida Chapter of the Appraisal Institute

PROFESSIONAL HISTORY

Horwath HTL – Norfolk, Virginia

Senior Associate, Certified General Appraiser February 2011 – Present

- Perform complex valuations (appraisals), market analyses and feasibility studies for existing and proposed hotel and resort properties

Keegan Associates LLC dba Shamrock Capital – Lake Mary, Florida

Licensed Mortgage Broker and Feasibility Analyst: 2005 – 2011

Sun Development & Management Corporation – Indianapolis, Indiana

Executive Vice President – Acquisitions & Development: 2001 – 2005

Pre-2001 Hotel, Restaurant and Real Estate Experience

Marcus Corporation (EVP), Midway Management Group (President), Milwaukee Company Properties (President), Abbey Group Limited (President), Choice Hotels International (Director-Franchise Sales)

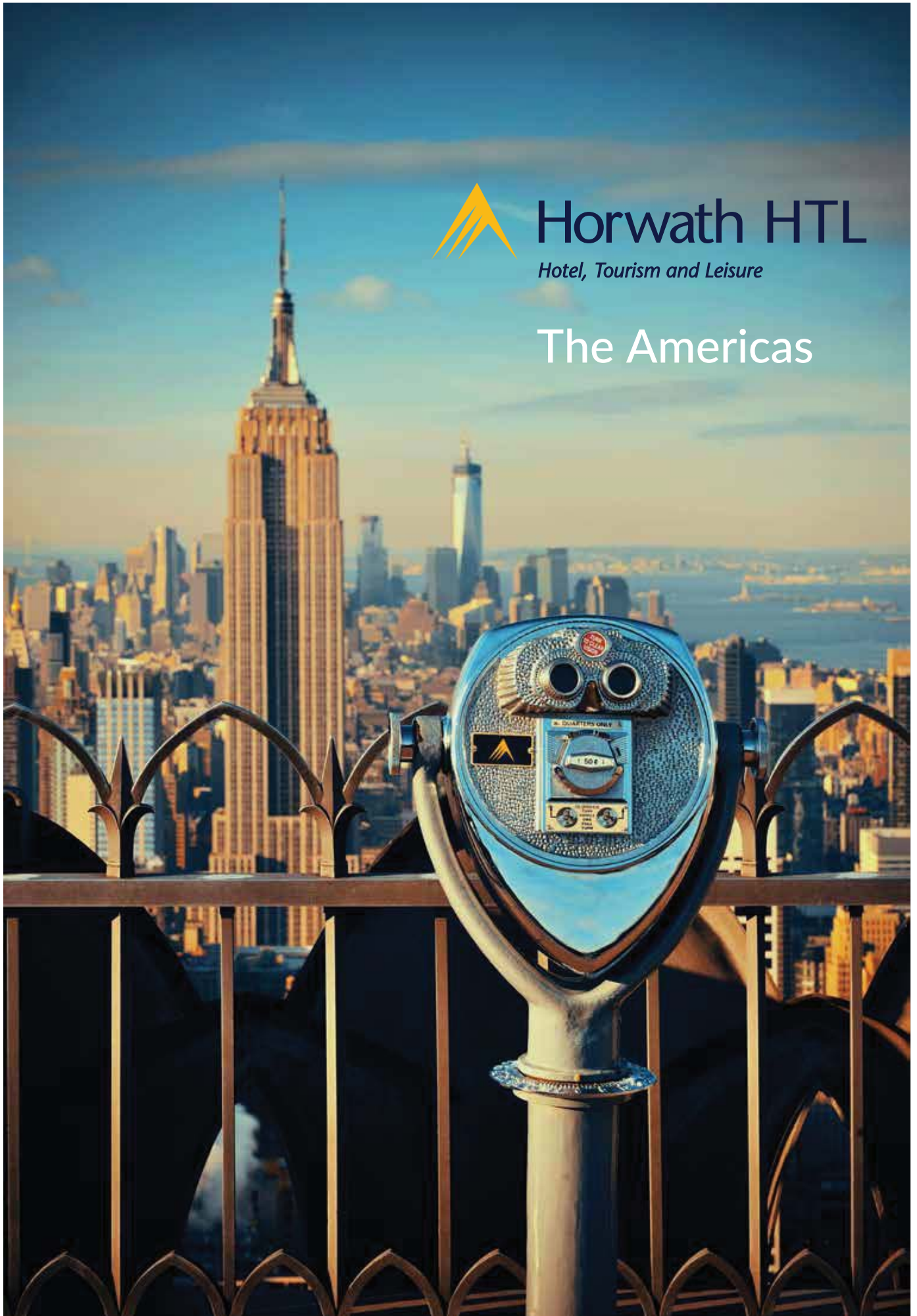
13.4. Horwath HTL Brochure



Horwath HTL

Hotel, Tourism and Leisure

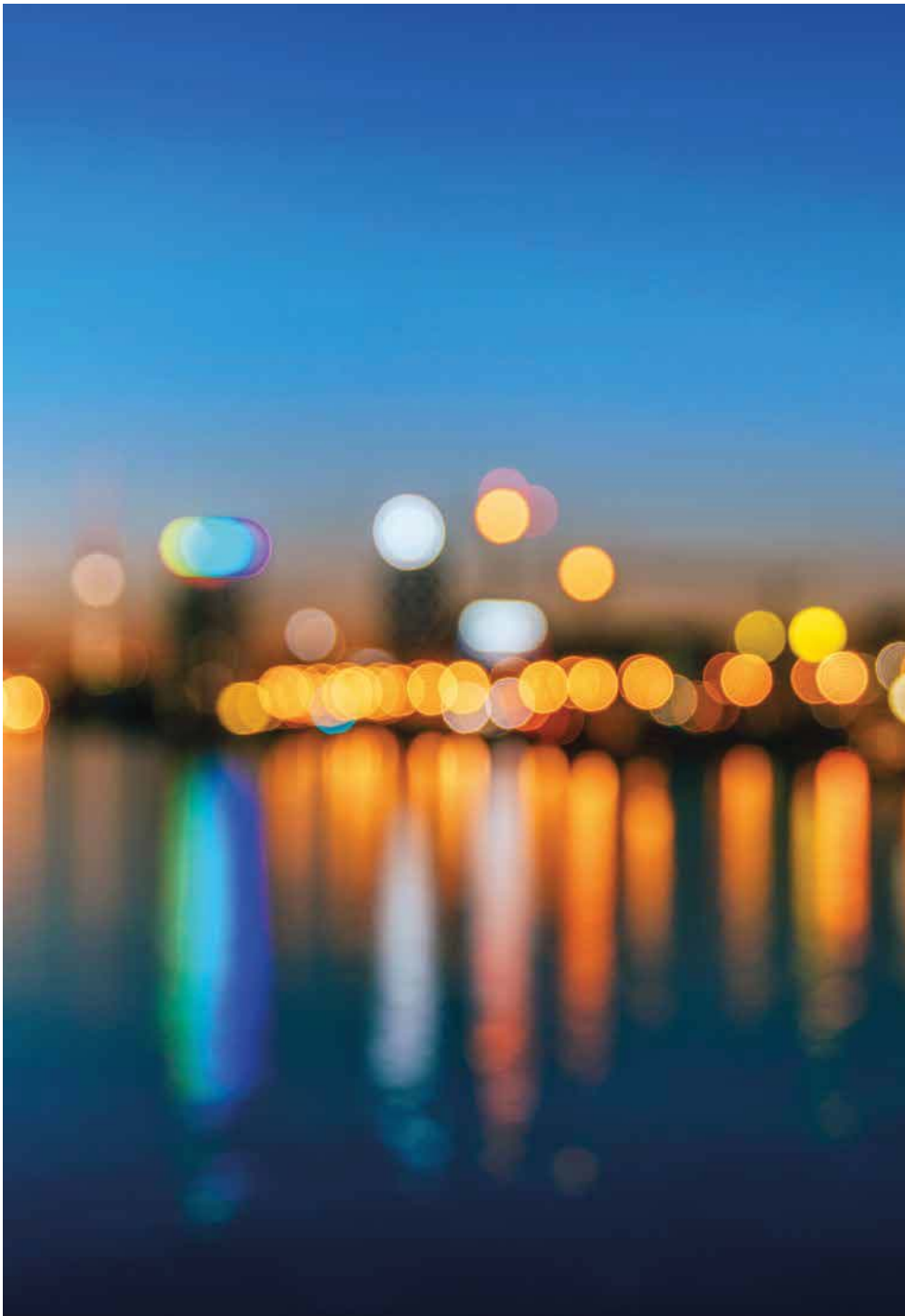
The Americas





Welcome to Horwath HTL,
the global leader in hotel,
tourism and leisure consulting.

We are the industry choice;
a global brand providing
quality solutions.



Key Services

We have successfully completed over 20,000 projects and our focus is one hundred percent on hotel, tourism and leisure consulting.

James Chappell, Global Business Director, Horwath HTL

After over 100 years in the industry, the team at Horwath HTL is uniquely qualified to add value to your project.

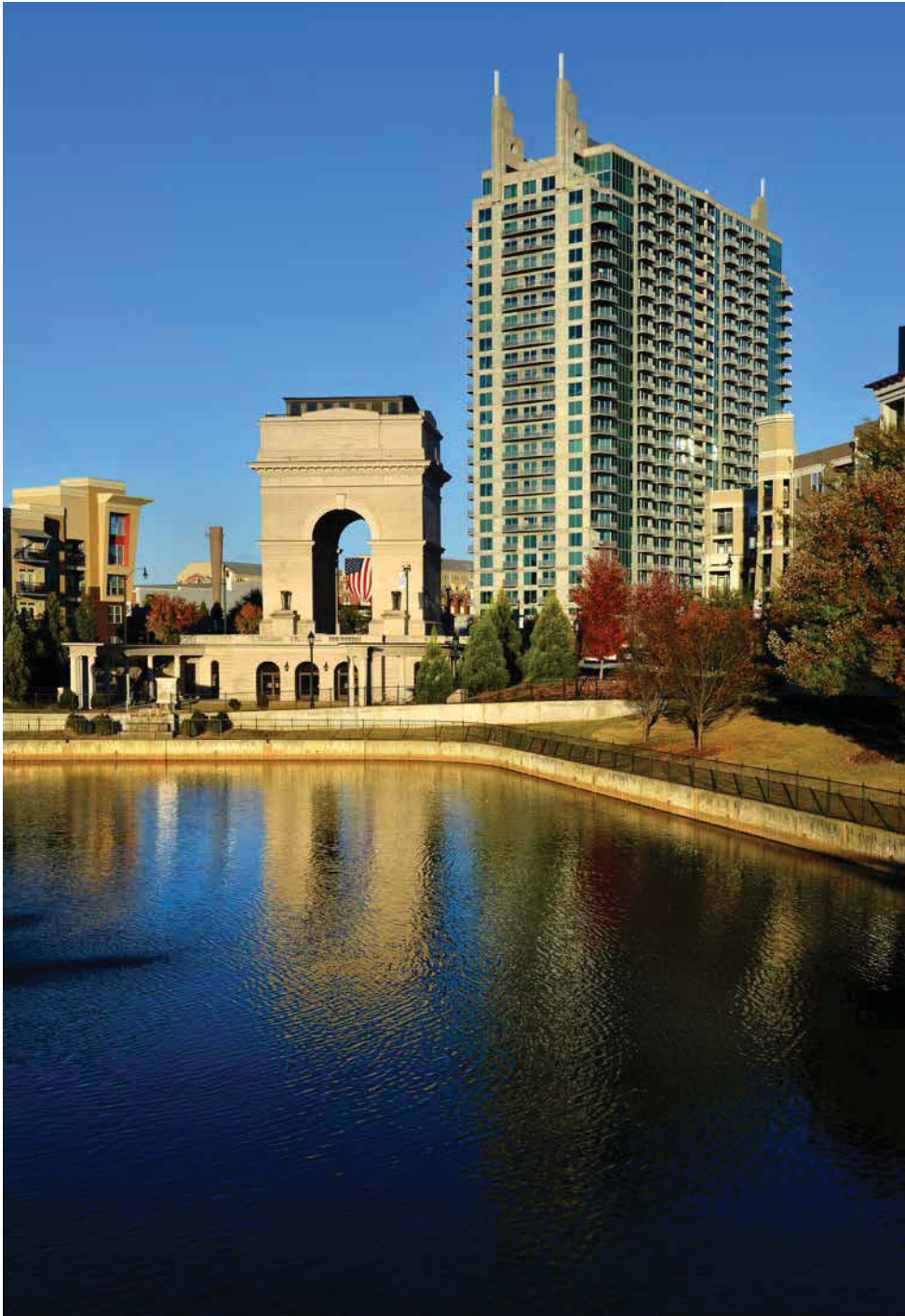
With over two hundred professionals and membership of a top ten accounting network, we are the number one choice for companies and financial institutions looking to invest and develop in the industry.

For hotels, we provide expert advice on all aspects of development, including feasibility and planning, asset management, valuation, strategic advice and health and wellness.

Our tourism and leisure team work with companies, municipalities, cities and governments on all aspects of destination development, marketing strategies, project and management assistance.

Key Services

- Hotel Planning & Development
- Tourism & Leisure
- Hotel Asset Management
- Hotel Valuation
- Health & Wellness
- Strategic Advice
- Expert Witness & Litigation



Hotel Planning & Development

The key to any successful hotel development is thorough planning - only when every aspect and cost has been carefully considered, should the wheels be set in motion.

Paolo Di Pietrantonio, Senior Associate, Horwath HTL Canada

Getting the planning and development right is fundamental for any hotel, tourism and leisure project. Our international team of experts will use their project experience, market research and analytical capabilities to help you navigate the entire process.

Developers, operators, lenders and investors rely on our reports for an impartial assessment of project viability while our market and product descriptions form the basis for architectural briefs, for shortlisting appropriate operators and for project branding.

Our Services

- Appraisal Reports
- Destination Master Planning
- Large Scale Project Master Planning
- Facilities Programming
- Highest & Best Use
- Hotel Operator Selection
- Contract Negotiation
- Macro Tourism Analysis
- Market Entry Strategy
- Market & Financial Feasibility Studies
- Product Conceptualisation
- Project Capitalisation & Financial Structuring
- Residual Land Valuation
- Strategic Planning



Tourism & Leisure

Tourism & Leisure projects make up a large part of our business - Horwath HTL has carried out over 1,000 Tourism Masterplans.

Sotero Peralta, Managing Director, Horwath HTL Dominican Republic

At Horwath HTL, we understand international tourism and leisure 'mega trends' that will shape the future, and have an extremely powerful and detailed database for each of the global regions.

Thanks to our extensive network of professionals and affiliated consultants, Horwath HTL is able to provide innovative solutions for a wide range of hotel, tourism and leisure projects.

Our Experience

- Tourism Master Planning
- Tourism Development Strategy
- Tourism Marketing Plans
- Destination Management
- Congress & Event Centres
- Culture & Heritage Sites
- Sport Facilities
- Retail & Entertainment
- Theme Parks
- Interpretation Centres
- Natural & Animal Parks





Hotel Asset Management

Proper Asset Management yields results. With one portfolio recently, we improved bottom line performance by over 16%.

Paul Breslin, Managing Director, Horwath HTL Atlanta

With an understanding of what strategies and management practices result in increased cash flow and asset value, we take an assertive position in an asset management role as owner's representative to maximise returns over time.

Our approach when undertaking asset management engagements is to seek to protect our client's interests.

An initial diagnostic review is an integral part of asset management and the basis for our ongoing role as the owner's representative.

Our Services

- Property Review
- Budget & Business Plans
- Management Team Oversight
- Optimise Cash Flow
- Customer Surveys
- Contract Compliance
- Ownership Reporting
- Manage Stakeholder Relationships
- Represent Owner Interests
- Hold/Sell Analysis & Timing
- Hotel Disposal



Hotel Valuation

To value hotels, you need access to quality data and a tremendous amount of experience in dealing with complicated and opaque markets.

Mike Cummings MAI ISHC, Managing Director, Horwath HTL LA, NYC, Norfolk & Orlando

From single asset to portfolio's spread across several countries, Horwath HTL's Hotel Valuation experts will provide an independent, fair market valuation. We have experts with RICS and MAI accreditation who have been working in markets for many years and have a huge database of knowledge to draw on.

Hospitality assets, such as hotels and resorts, are complex real estate types, with significant land use value depending on their operational performance. Their performance is susceptible to greater market fluctuations, location issues, management sophistication and high capital investment than other real estate such as office or retail. Because of this, the valuation of hospitality assets requires a special market understanding and product expertise.

Today, Horwath HTL is the leading industry expert retained by major hotel owners, lenders and operators to optimize their investment returns.

Our Services

- Hotel Management Valuation
- Franchise Company Valuation
- Real Estate Tax Assessment
- Expert Court Testimony
- Expert Valuation Testimony
- Short-Form Annual Valuations
- Feasibility Studies
- Expert Witness
- Rent Reviews
- Lease Renewals



Health & Wellness

We provide a service we call ‘personality sharpening’, to help independent and eco-resorts in improving occupancy and ADR in a two-step process.

Andrew Cohan, Managing Director, Horwath HTL Miami

Horwath HTL Health & Wellness offers a full range of consulting services exclusively for spa, health and wellness. From preliminary market research and feasibility work to asset management and operator search, our team has the expertise to maximise a successful product.

Our experienced team provides the creativity to develop unique themes, design, service and menu touchpoints that turn an ordinary wellness experience into one that is distinctive and captivating.

Our team of highly respected industry professionals with a wide ranging skill set offer clients all of the answers they need to proceed with spa and wellness developments, be it an entire wellness destination including a resort and real estate or simply a spa within a hotel or resort.

Our Focus

- Wellness Communities
- Destination Retreats
- Lifestyle & Wellness Centers
- Resort Spas
- Urban Hotel Spas
- Bathhouses
- Medical Spas
- Health & Fitness Clubs
- Day Spas



Strategic Advice

Our strategic advice is focused on long term sustainable growth, as well as direct financial impact. By working together with our clients, we are defining which direction to take and how to ensure its success.

John Fareed, Managing Director, Horwath HTL LA, NYC, Norfolk & Orlando

The global hospitality industry is fast moving and situations can change quickly, here today and gone tomorrow.

At Horwath HTL, we have both the insight into specific tourism and hospitality trends and the corporate understanding to guide you through this process. Our network of specialized experts around the world can tackle all aspects of corporate strategy.

We can shape a tourism value chain through tourism strategies and master plans of a country or a region, to an individual city or a destination.

Our Focus

- Corporate & Growth Strategy
- Business Turnaround
- Digital Strategy & Marketing
- Market & Brand Strategy
- Investment Strategy
- Strategic Business Plans & Reviews
- Strategic & Operational Restructuring
- Marketing & Sales Strategy
- Development of Products & Services
- Standard Operating Procedures (SOPs)
- Hotel Operation Optimisation
- Acquisition Due Diligence
- Transactional Support Services



Expert Witness & Litigation

Our seasoned industry professionals have operational, marketing, financial, valuation, investment sales and development expertise to provide expert witness services.

John Montgomery, Managing Director, Horwath HTL Denver

Horwath HTL provides hotel expert witness services and litigation support to attorneys specializing in bankruptcy, real estate, franchising, employment and personal injury cases related to the hospitality industry.

With extensive experience in hotel operations, marketing, financing, valuations, investment, sales, and development, our seasoned industry professionals can provide counsel with expert opinions regarding loan defaults, revenue losses, bankruptcies, refinancing, workouts, and industry standards of practice.

Our consultants can develop detailed strategies and provide expert witness testimony to support your legal position or evaluate the opposition's, so as to frame a defensible counter argument.

We have provided testimony in jury trials, AAA- and JAMS-sponsored arbitration panels, Federal Bankruptcy Courts and mediations on behalf of plaintiffs and defendants.

Our Expertise

- Hotel Wrongful Death
- Hotel Management & Franchise Issues
- Hotel Premises Liability
- Hotel Wrongful Termination
- Hotel Liability
- Hotel Finance
- Hotel Standards of Operations
- Hotel Safety & Security
- Business Interruption Claims



Horwath HTL

Hotel, Tourism and Leisure

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Montréal, Québec

Toronto, Ontario

NORTH AMERICA

Atlanta, Georgia

Denver, Colorado

Los Angeles, California

Miami, Florida

New York, New York

Orlando, Florida

Norfolk, Virginia

LATIN AMERICA

Buenos Aires, Argentina

S.Domingo, Dominican Republic

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