

**ESSEX COUNTY INDUSTRIAL DEVELOPMENT
AGENCY & ESSEX COUNTY CAPITAL RESOURCE CORPORATION**

Joint Application for Financial Assistance

The County of Essex Industrial Development Agency (the “Agency”) is a body corporate and politic of the State of New York (the “State”), established in 1974 under section 914-a of the State General Municipal Law, and operating pursuant to the provisions of Article 18-A of the State General Municipal Law. The Essex County Capital Resource Corporation (“ECCRC”) is a not for profit corporation, established in 2010 under section 1411 of the State Not-for-Profit Corporation Law. The Agency provides several forms of financial assistance under State law and pursuant to the Agency’s “uniform tax exemption policy”, including tax-exempt revenue bond financing, PILOT agreements, and “straight lease” agreements. ECCRC provides tax-exempt financing for economic development projects which fulfill public purpose and reduce the burden of government.

In order to be considered for the financial assistance the Agency may provide, the applicant should complete the Application in duplicate, sign and date the Application, and return the completed Application to the Agency together with a processing fee of \$1,000, or \$1,500, as appropriate.

Please answer all the questions in Parts A through D either by filling in the blanks, completing the answer in the space provided in the Application, or by attachment. Please refer to section IV of Part D of the Application for a statement of costs and fees applicable to providing financial assistance. All information submitted in the Application will be kept confidential. No Application will be considered until a fully completed and executed Application, in duplicate, is received by the Agency, together with applicable processing fees.

PART A
Applicant and Project Information

Applicant Name	Dual Development, LLC
Address	15 Shelbourne Drive, Clifton Park, NY 12065
Telephone	(617) 308-0213
Fax	
Email	bjariwala@oakfieldhospitality.com
Contact Name	Bhavik Jariwala

<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Corporation
<input type="checkbox"/> Partnership	<input type="checkbox"/> Not-For-Profit Corporation (see Part C)
<input checked="" type="checkbox"/> Limited Partnership	<input type="checkbox"/> Other

NYS Limited Liability Company

Federal ID #	84-2501050
If corporation, what is State of incorporation?	
Is the corporation authorized to do business in New York state? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	

If a not-for-profit corporation, is the corporation qualified under IRS code section 501(c) 3? YES NO

List names and addresses of principal shareholders or board members in case of not-for-profit:

Bhavik Jariwala, 15 Shelbourne Drive, Clifton Park, NY 12065
 Nitin Patel, 12405 Willscox Place, Glen Allen, VA 23059
 Mukund Patel, 412 Altas Place, Bel Air, MD 21014

List at least 3 financial references including address and telephone # and contact:

1. Tim Kononan, Champlain National Bank, 32 Cornelia St, Plattsburgh, NY 12901 (518) 562-1776
2. Allen Racine, Community Bank, 463 Route 3, Plattsburgh, NY 12901 (518) 561-0086
3. Chad Richards, Glens Falls National Bank, 250 Glen St, Glens Falls, NY 12801 (518) 415-4503

Attorney Firm	Lemery Greisler LLC
Address	50 Beaver, 2nd Floor, Albany, NY 12207
Telephone	(518) 433-8800
Fax	
Email	CDumas@lemerygreisler.com
Contact Name	Charles B. Dumas, Esq.

Accounting Firm	Martindale Keysor & Company
Address	24 Margaret Street, Plattsburgh, NY 12901
Telephone	(518) 563-7717
Fax	
Email	DFordam@mkc7717.com
Contact Name	Daniel Fordham

Type of Assistance Requested:

Tax-Exempt Revenue Bond Financing*	<input type="checkbox"/>
Taxable Bond Financing	<input type="checkbox"/>
Not-For-Profit Financing (see Part C)	<input type="checkbox"/>
Pollution Control Bond Financing	<input type="checkbox"/>
Straight Lease Back Transaction	<input checked="" type="checkbox"/> PILOT Agreement <input checked="" type="checkbox"/> Sales Tax Exemption See Attachment "A" <input checked="" type="checkbox"/> Mortgage Recording Tax Exemption

*Please note that for any proposed project for which tax-exempt financing is requested, the applicant will be required to complete a detailed "tax questionnaire" to determine eligibility under the Internal Revenue Code for tax-exempt financing.

If applicant is seeking PILOT Agreement, please indicate PILOT schedule:

<input type="checkbox"/> Schedule A Year 1 = 100% exemption Year 2 = 100% exemption Year 3 = 50% exemption Year 4 = 45% exemption Year 5 = 40% exemption Year 6 = 35% exemption Year 7 = 30% exemption Year 8 = 20% exemption Year 9 = 10% exemption Year 10 = 5% exemption	<input checked="" type="checkbox"/> Schedule B Year 1 = 50% exemption Year 2 = 45% exemption Year 3 = 40% exemption Year 4 = 35% exemption Year 5 = 30% exemption Year 6 = 25% exemption Year 7 = 20% exemption Year 8 = 15% exemption Year 9 = 10% exemption Year 10 = 5% exemption
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Please note:

1. Projects with a lesser economic impact based on an economic assessment will be eligible for Schedule B, (i.e. If project does not include a high level of commitment for: permanent payroll level in terms of number of jobs created, and/or number of potential spin off jobs, and/or high investment in total project, or a local business impact, and/or community investment).
2. Agency staff will calculate the amount of savings from the proposed PILOT Agreement based on the anticipated tax rates and assessed value of property at time of application and based on proposed expansion (if applicable) for each year of PILOT and for the term of the PILOT. Copy will be attached.

Identify and describe any other real property tax exemption other than that requested from the Agency the project will utilize:

No other real property tax exemption is being requested.

Agency staff will calculate the amount of savings from the proposed PILOT Agreement based on the anticipated tax rates and assessed value of property at time of application and based on proposed expansion (if applicable) for each year of PILOT and for the term of the PILOT.

Tax Map #:	42.33-1-2
Assessment of property (now):	\$3,000,000
Assessment of property (at completion):	

If applicant is seeking usage of the Essex County IDA sales tax exemption as part of the assistance for this project, please provide an estimate of the total sales tax to be saved (i.e. equipment purchase, construction, etc.)	\$ 848,000
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Items to be purchased using IDA sales tax exemption:
Construction materials and FF&E

If applicant is seeking usage of the Essex County IDA mortgage recording tax exemption as part of the assistance for this project, please provide an estimate of the total to be saved	\$ 221,000
Amount of mortgage to be filed at Essex County Clerk's Office	\$22,100,000

Provide a general description of the proposed project, indicating (1) location, (2) dimensions of the building or facility, (3) type of construction of the building or facility, (4) intended use of the building or facility and (5) describe any and all tenants and any/all end users:

The owners are looking to redevelop their current property located at 2125 Saranac Avenue, Lake Placid, also known as Tax Parcel 42.33-1-2. The property currently houses the Quality Inn on Lake Placid. The proposed redevelopment plan calls for the complete removal of the main hotel building and construction of a new three-story duo-brand, 188-bedroom facility, by Hilton, in the same location, with related site improvements.

Attach photograph of site or existing facility See Attachment "B"

Attach copy of preliminary plans for proposed project See Attachment "C"

If the proposed project is a manufacturing facility, briefly describe the proposed manufacturing process:

The proposed project does not involve a manufacturing facility.

Will the completion of the project result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state OR in the abandonment of one or more plants or facilities of the project applicant located within the state? YES NO

If the proposed project is a commercial facility, briefly describe the proposed retail sales operation contemplated:

Select Service Hotel:

Offering nightly lodging accommodations to guests. Our product is rental of guest rooms with amenities and offering friendly customer service.

If proposed project has economic activities that would be deemed retail, please indicate if customers personally visit the project site for either of the following:

Retail Sale YES NO Services YES NO

See answer provided in the immediate paragraph.

If the proposed project is a dormitory, healthcare, senior housing or education which a non-for-profit corporation must engage in, briefly describe the proposed project:

This question is not applicable.

If the proposed project is a pollution control facility, briefly describe the type of pollution to be abated, and existing orders of environmental agencies to abate pollution:

This question is not applicable.

On-Site Utilities:

Water	Municipal: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Municipal: <input type="checkbox"/> YES <input type="checkbox"/> NO
Sewer	Other: Village of Lake Placid	
Electric	Supplier: Village of Lake Placid	
Natural Gas	Supplier: No natural gas service	

Indicate the current legal owner of the building or site or the proposed project:

Lake Placid Hospitality LLC

Indicate any existing or proposed leases for the proposed project and provide a copy of such lease:

There are no existing or proposed leases for the proposed project.

Indicate any purchase option agreement relating to the proposed project and provide a copy of the purchase option agreement:

There are no option agreements for the proposed project.

Indicate any litigation or controversy regarding (1) title to the site or building to be acquired, constructed or improved, (2) conditions on or under the site including environmental or hazardous waste conditions, (3) the financial condition of the Applicant or any entity controlling the Applicant or any entity which the Applicant control, and (4) the general operations of the Applicant.

None

If the applicant is or is controlled by a corporation or by a person or entity which is a majority shareholder in a corporation listed on a national stock exchange, please provide a copy of the annual report (including certified financial statements) of such corporation for its two (2) most recent fiscal years. Not Applicable

Annual Report (including financials) attached

Employment:

CURRENT	YEAR 1	YEAR 2
full-time employees: 0	projected FT additional:20	projected FT additional: 5
part-time employees: 0	projected PT additional:20	projected PT additional: 5
seasonal employees:	projected S additional:	projected S additional:
TOTAL: 0	TOTAL: 40	TOTAL: 10

Current Annual Payroll	\$ 0
Estimated Payroll for Year 1	\$ 1,400,000
Estimated Payroll for Year 2	\$ 1,600,000

Of New Jobs Per Month:

MONTH	YEAR 1	YEAR 2
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

Opening day is unknown

CATEGORY OF JOBS TO BE RETAINED	AVERAGE SALARY	AVERAGE FRINGE BENEFITS
Management	\$	\$
Professional	\$	\$
Administrative	\$	\$
Production	\$	\$
Independent Contractor	\$	\$
Other:	\$	\$
CATEGORY OF JOBS TO BE CREATED	AVERAGE SALARY	AVERAGE FRINGE BENEFITS
Management	\$ 60,000	\$ 5,000
Professional /Supervisor	\$ 45,000	\$ 2,000
Administrative/Line Level	\$ 30,000	\$ 1,000
Production	\$	\$
Independent Contractor	\$	\$
Other:	\$	\$

Indicate labor market area in which the project is located and where employees may reside and commute to work (county or town):
 Project is located in the NYS Labor Department's North Country Region.
 Employees will come from a 30 mile radius of Lake Placid.

Will any construction jobs to be created or retained as a result of this project? If so, how many?	150
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Project Costs: **See Attachment "D"**

Land	\$
Improvements to Land (other than site work)	\$
Site Work:	
Materials	\$
Labor	\$
Building Construction:	
Materials	\$
Labor	\$
Machinery & Building Fixtures	\$
Equipment	\$
Legal Fees (excluding financing costs)	\$
Architect & Engineering Fees	\$
Financing Costs (including transaction legal counsel)	\$
Working Capital	\$
Other: Construction Interest, Contingency, Insurance, Permits, Licenses & Other Fees	\$
TOTAL	\$

Project Financing:

Total Amount to be Financed	\$ 22,100,000
Term of Financing	Construction to Perm
Indicate the name, address, telephone, fax, email and contact person of the financial institution where the applicant is seeking financing:	
Community Bank Allen Racine - (518) 415-4503 468 Route 3, Plattsburgh, NY 12901	
Has the applicant received a written commitment from the financial institution to finance the proposed project? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO Pending <input type="checkbox"/> Commitment Letter attached	
Would the applicant like the Agency's assistance in obtaining a financial institution to assist in the financing of the proposed project? <input type="checkbox"/> YES* <input checked="" type="checkbox"/> NO <small>*If so, an additional \$500 processing fee is payable to the Agency</small>	

Source of Funds:

Bank Financing	\$ 22,100,000
Equity	\$ 4,900,000
Tax Exempt Bond Issuance	\$
Taxable Bond Issuance	\$
State or Federal Grants	\$ 3,000,000 CFA Grant
Tax Credits	\$
Other:	\$
TOTAL	\$ 30,000,000

Indicate source of owner equity in project:

Cash on hand by investors

Indicate any contribution of funds from an equity offering or venture capital funding for the proposed project:

Not Applicable

For a manufacturing facility only, please indicate the dollar value of “capital expenditures” (as determined in accordance with the provisions of the Internal Revenue Code) that the applicant or entity related to or controlled by the applicant, has expended within the County of Essex during the past three (3) calendar years?

The proposed project does not involve a manufacturing facility.

Indicate the proposed date for commencement of construction or acquisition of the proposed project, assuming financing of the proposed project is available to meet the

September 2020

applicant's schedule	
Indicate a schedule for the application of proceeds of financing and other moneys to acquire, construct, and equip the proposed project to completion	Fall 2020 to Spring 2022
Indicate the date on which the completed project is expected to be first placed in service	Spring 2022

Indicate whether or not the Project would be likely to occur without the assistance of the Agency, and, if it could, please provide a statement indicating why the Project should be undertaken by the Agency.

The proposed project will not occur "but, if for" the assistance provided by the Essex County Industrial Development Agency.

Environmental Compliance Review

Has the applicant retained an environmental engineer to assist with the environmental review compliance procedures relating to the proposed project?

YES NO

If so, please provide the name, address, telephone, fax, email and contact person of the firm:

If not, would the applicant like the Agency's assistance in obtaining the services of an environmental engineer? YES* NO

*If so, an additional \$500 processing fee is payable to the Agency

If an environmental assessment form or a draft environmental impact statement has been prepared by the applicant, please attach a copy of the completed form to the Application.

Attached

To the knowledge of the applicant, has there ever been any toxic or hazardous waste materials located or stored on the site of the proposed project site, or has any activity ever been conducted on the site of the proposed project which could be expected to generate toxic or hazardous waste material? YES NO

For a proposed project located in the Adirondack Park, has the applicant received the permission of the Adirondack Park Agency to acquire and construct the proposed project? YES NO

Because the project is not subject to Adirondack Park Agency (APA) permit jurisdiction under Section 809 of the APA Act, the project is subject to the State Environmental Quality Review Act (SEQRA) and is an "unlisted action" under SEQRA. For this project, the Review Board has made a "negative declaration" under SEQRA.

See Attachment "E"

PART C

Is the company a not-for-profit corporation qualified under Section, 501(c) 3 of the Internal Revenue Code? YES NO

If yes, attach copy of IRS designation letter

Does the project fulfill a public purpose for Essex County or a municipality within Essex County? The benefits to Lake Placid and North Elba are tremendous. It's location is within walking distance to downtown Lake Placid and within the Gateway District that has seen recent investments including a new Rite Aid, Hannaford Plaza, and Stewarts Plaza which have begun to greatly improve the visual aesthetics of the neighborhood as well as the economic impacts. The removal of the out dated, bleached white hotel with a building that is keeping in character of the Gateway District with further enhance the redevelopment of this part of the community.

What are the economic development aspects of the project?

The North Country Regional Economic Development Council's (NCREDC) vision includes the desire to, "Activate tourism as a driver to diversify economies." Tourism has been identified as a critical issue stating the need to develop tourism "infrastructure", including lodging. The 2018 Strategic Plan recognizes that providing more and higher quality lodging, in particular, could quadruple individual visitor spending. The uniqueness of this dual brand hotel will provide a product that is not available in this market helping to, "Elevate global recognition of the region as one of the special places on the planet to visit, live, work and study". This type of lodging facility will complement the State's continued investments in Olympic sports venues by providing a unique product for longer term stays (suites) and rooms for the young, tech-savvy budget minded traveler.

Are there serious policy or potential issues which may preclude the project being financed by a municipality or Essex county?

There are no known reasons why the project cannot be financed by the Essex County Industrial Development Agency.

- As recommended by the Office of the State Comptroller, the Agency will require the inclusion of recapture provisions in project agreements to allow the Agency to recoup, in coordination with the NYS Department of Finance and Taxation and pursuant to Agency policies, some or all of previously granted benefits if job creation/retention goals or other terms of the agreements are not met. By signing this application, the applicant acknowledges that:
- the submission of any knowingly false or misleading information may lead to immediate termination or recapture of tax benefits;
- the applicant is in compliance with the anti-pirating provisions of Section 862 (1) of the General Municipal Law.
- the owner, occupant or operator to receive financial assistance is in substantial compliance with state, local and federal tax, worker protection and environmental laws.
- the Agency will conduct a cost/benefit analysis to determine whether the project will (i) create or retain employment, (ii) stimulate private sector investment, (iii) be completed in a timely fashion, and (iv) provide additional revenues for municipalities and school districts.
- upon completion, the Agency a least annually will assess the progress of the project in achieving job retention and/or expansion and investment in Essex County.

PART D
Certification

Bhavik Jariwala (name of chief executive officer of company)
deposes and says that he/she is the Managing Member of
Dual Development, LLC (name of Applicant); that he/she has read the
foregoing Application and knows the contents thereof, that the same is true to
his/her knowledge.

The grounds for deponent's belief relative to all matters in the Application which are not stated upon his/her own personal knowledge, are investigations which deponent has caused to be made concerning to subject matter of the Application, as well as information acquired by deponent in the course of his/her duties as an officer of and from the books and papers of said corporation or other entity.

As an officer of the applicant deponent acknowledges and agrees that the applicant shall be and is responsible for all costs incurred by the County of Essex Industrial Development Agency (the "Agency") and legal counsel for the Agency, whether or not the application, the proposed project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion.

By executing and submitting this application, the applicant covenants and agrees to pay the following fees to the Agency, the same to be paid at the times indicated:

- (a) The sum of \$1,000 as a non-refundable processing fee, plus the sum of \$500 if Agency assistance in retaining professionals if requested, to be paid upon submission of the Application;
- (b) The sum of:
 - 0.75% on the first \$10 million of project financing
 - 0.50% on the next \$11 million to \$20 million
 - 0.25% on the next \$21 million to \$30 million
 - 0.125% on the next \$31 millionfor which the Essex County IDA provides financial assistance, to be paid at transaction closing;
- (c) An amount equal to \$2,500 payable to the Agency's bond/transaction counsel for the preparation and review of the inducement resolution, the environmental compliance resolution, TEFRA hearing proceedings and the "tax questionnaire" assuming no further activity occurs after completion of inducement proceedings, to be paid within ten (10) business days of the receipt of bond/transaction counsel's invoice;
- (d) All fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel (Briggs Norfolk) and bond/transaction counsel (Squires Sanders), and (2) other consultants retained by the Agency in connection with the proposed project; with all such charges to be paid by the applicant at the closing or, if the closing does not occur, within ten (10) business days of receipt of the Agency's invoices therefore (Please note that the applicant is entitled to

receive a written estimate of fees and costs of the Agency's general counsel and bond/transaction counsel prior to inducement);

- (e) The cost incurred by the Agency and paid by the applicant, including bond/transaction counsel and the Agency's general counsel's fees and the processing fees, may be considered as a costs of the project and included in the financing of costs of the proposed project.

The applicant further covenants and agrees that the applicant is liable for payment to the Agency of all charges referred to in section above, as well as all other actual costs and expenses incurred by the Agency in handling the application and pursuing the proposed project notwithstanding the occurrence of any of the following:

- (a) The applicant's withdrawal, abandonment, cancellation or failure to pursue the Application;
- (b) The inability of the Agency or the applicant to procure the services of one or more financial institutions to provide financing for the proposed project;
- (c) The applicant's failure, for whatever reason, to undertake and/or successfully complete the proposed project; or
- (d) The Agency's failure, for whatever reason, to issue tax-exempt revenue bonds in lieu of conventional financing.

Dual Development, LLC

(name of corporation or entity)

Bhavik Jariwala

(name of officer)

Managing Member

(title)

NOTARY

Sworn to before me this 14th day of February, 2020

(Signature)

JON A. KELLEY

Notary Public, State of New York
Saratoga County, No. 01KE4902618
Commission Expires: Aug. 10, 2021

PART E

As a condition to issuing financial assistance for the proposed project, the County of Essex Industrial Development Agency (the "Agency") is required by the Office of the New York State Comptroller ("OSC") to obtain the following supplementary information on an annual basis from the applicant during the term of project:

1. Outstanding balance at beginning and end of the year and principal payments made during the year for tax-exempt and taxable bond financing (if applicable)
2. Current interest rate (for adjustable rate bonds, the interest rate at year end)
3. PILOT payments including real estate tax exemptions for county, local (city, town, village, fire district) and school district taxes.
4. Annual Sales Tax Filings: In accordance with Section 874(8) of the NY General Municipal Law, the applicant understands and agrees, that if project receives any sales tax exemptions as part of the financial assistance from the Agency, in accordance the applicant agrees to file with the NYS Department of Taxation and Finance, the annual form (ST-340) describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant. Copy of the report will be sent to the Agency.
5. Employment Reporting: The applicant understands and agrees that if the project receives any financial assistance from the Agency, at least annually or otherwise requested by the Agency, reports regarding the number of people employed at the project site, salary, fringe benefits, etc. will be sent to the Agency within 30 days of request. Report will include copies of latest NYS-45 report.

The information requested above is required by February 15th of each succeeding year and should be submitted in writing to the Agency at its office at PO Box 217, 7566 Court Street, Elizabethtown, New York 12932. Failure to provide requested reports shall be an event of default of the terms and conditions of the agreement.

The applicant, through its signing officer, certifies that it has reviewed, understands and will comply with the above, as required by OCS.

Dual Development, LLC

(Company)

By: 

(Name and Title)

Bhavik Jariwala, President

Date: February 14, 2020

Dual Development LLC

15 Shelbourne Drive
Clifton Park, NY 12065

April 14, 2021

Mr. Darren Darrah, Chairman
Essex County Industrial Development Agency
7566 Court Street
P.O. Box 217
Elizabethtown, NY 12932

Dear Chairman Darrah:

With this letter I am amending our application to the Essex County Industrial Development Agency (ECIDA) for financing of our proposed \$36 million new hotel project, located in the Town of North Elba.

Specifically, we will be asking the ECIDA for sales tax exemption on the purchase of building materials and other allowed items. In addition, it is necessary for our project to receive relief from having to pay the one percent (1%) New York State Mortgage Tax.

During our meeting, I will go into detail as to how the COVID 19 pandemic and other events have financially impacted the hospitality industry and our plans to build a new hotel.

I am sending along a new and amended project budget, along with a proposed term sheet from Pioneer Bank. While we have not finalized our financing, we are being told that approval from the ECIDA would greatly assist our plans to attract banks to the project. It is expected that bank financing will be around \$25 million.

From the beginning concept several years ago to build a new hotel, it has been our goal to have a new facility available in time for the 2023 World Winter University Games, being held in Lake Placid on January 12 - 23, 2023. In order to meet this deadline, so we can be a part of these historic games, our contractor advises us that construction on a new hotel needs to begin by July of this year. In doing so, we will be forfeiting around \$600,000 in loss room revenue that would be generated during the summer tourist season.

April 13, 2021

Mr. Darren Darrah, Chairman
Essex County Industrial Development Agency

In addition, we are projecting dramatic across-the-board cost increases for building materials and the need to import specialized labor for the project. While we will be attempting to utilize as many local workers as we can, but there are other construction activities going on in the area that will cause a strain on labor.

There has been a slight change to our construction plans requiring a meeting with the Town Planning Board. We have been told that the State Environmental Quality Review Act (SEQRA) approval is still valid and we will not require any change to it.

I am also attaching some conceptual floor plans and renderings to illustrate our new hotel. We feel our hotel will support keeping Lake Placid a viable world venue for sporting activities.

We respectfully request to be placed on the Agency's April 2021 meeting Agenda.

There is information contained in this letter and attachments which if disclosed to the public or otherwise widely disseminated would cause substantial injury to our competitive position in the market.

I look forward to meeting with you. Thanks.

Sincerely,



Bhavik Jariwala
Managing Member

Atchs:

Project Budget

CAMBRIA®
hotels
Development Costs Estimating Tool

NUMBER OF KEYS	185		
NUMBER OF FLOORS	3		
GROSS BUILDING AREA	105,000		
GROSS BUILDING AREA/KEY	567.6		
STRUCTURAL SYSTEM	Wood-frame		
LAND REQUIRED - ACRES	3.00		Fee Simple
LAND REQUIRED - SQ. FT.	130,680		
NUMBER OF PARKING SPACES	200		
INPUT			
Land Cost per Sq. Ft.	\$38.26		
Construction Cost per Sq. Ft.	\$194.69		
DEVELOPMENT COST MODEL			
	<u>Line Item Cost</u>	<u>Cost/Key</u>	<u>Cost/SF</u>
LAND	\$5,000,000	\$27,027	\$47.62
SITE WORK	\$2,350,750	\$12,707	\$22.39
DESIGN & ENGINEERING	\$675,000	\$3,649	\$6.43
PERMITS, LICENSES & FEES	\$625,000	\$3,378	\$5.95
CONSTRUCTION	\$20,442,500	\$110,500	\$194.69
FURNITURE, FIXTURES & EQUIP.			
Guestrooms	\$1,942,500	\$10,500	\$18.50
Guestroom Corridors	\$185,000	\$1,000	\$1.76
Public Areas	\$231,250	\$1,250	\$2.20
Operating Supplies & Equipm't	\$555,000	\$3,000	\$5.29
Owner Direct Purchases			
Warehousing	\$37,000	\$200	\$0.35
Telephone Switch & Instr'ts	\$101,750	\$550	\$0.97
Laundry-Main & Guest	\$95,000	\$514	\$0.90
Choice Advantage	\$65,000	\$351	\$0.62
Security & Communications	\$15,000	\$81	\$0.14
HSIA Equipment	\$83,250	\$450	\$0.79
FF&E Installation	\$129,500	\$700	\$1.23
Freight	\$250,000	\$1,351	\$2.38
TOTAL FF&E	\$3,690,250	\$19,947	\$35
EXTERIOR SIGNS	\$45,000	\$243	\$0.43
INVENTORIES	\$215,000	\$1,162	\$2.05
PRE-OPENING	\$195,000	\$1,054	\$1.86
DEVELOPMENT FEE	\$500,000	\$2,703	\$4.76
BUILDERS RISK INSURANCE	\$45,000	\$243	\$0.43
FINANCIAL, TAXES & LEGAL	\$540,000	\$2,919	\$5.14
CONSTRUCTION INTEREST	\$1,000,000	\$5,405	
PROJECT-WIDE CONTINGENCY	\$700,000	\$3,784	\$6.67
TOTAL DEVELOPMENT COSTS	\$36,023,500	\$194,721.62	\$343.08

NOTES & ASSUMPTIONS:

Highlighted values are owner input items based on project specific conditions.
 Estimates based on Cost Per Key may vary substantially depending on the total number of keys.
 Hilton Worldwide does not make any representations or guarantees that these calculations are valid.
 Any use of this information is solely at the risk and discretion of the user.