



The City of Lago Vista

To provide and maintain a healthy, safe, vibrant community, ensuring quality of life.

AGENDA CITY COUNCIL SPECIAL CALLED MEETING THURSDAY, DECEMBER 1, 2016

NOTICE IS HEREBY GIVEN that the Lago Vista City Council will hold a Special Called Meeting on Thursday, December 1, 2016, beginning at 6:30 p.m. in the City Council Chambers at City Hall, 5803 Thunderbird, Lago Vista, Texas, as prescribed by V.T.C.A., Government Code Section §551.041, to consider the following agenda items. Items do not have to be taken in the same order as shown in the meeting notice.

CALL TO ORDER, CALL OF ROLL, PLEDGE OF ALLEGIANCE

CITIZEN COMMENTS: In accordance with the Open Meetings Act, Council is prohibited from acting or discussing (other than factual responses to specific questions) any items not on the agenda.

PUBLIC HEARING

1. The City Council will receive comments from the public regarding Ordinance No. 16-12-01-01 regarding Airport Re-Zoning.
 - A. Staff Presentation
 - B. Open Public Hearing
 - C. Close Public Hearing
 - D. Council Discussion
 - E. Consideration of Ordinance No. 16-12-01-01; An Ordinance of the City Council of the City of Lago Vista, Texas, amending the Official Zoning Map by rezoning Bar K Ranches Section 15-A Lots 15045-15099; Lots 15130-15140; Lots 15143-15150; including ABS 2540 Sur 92 Faubion F F Acr. 0368 from R-1B (single family residential) & TR-1 (temporary restricted) to LI (light industrial) zoning districts; and providing for related matters.

WORK SESSION

2. Overview and Discussion on Hotel Feasibility Study (Via Skype).
3. Overview and Discussion - Buxton Retail / Commercial Development Program.
4. Presentation and discussion of the Water Master Plan.
5. Continued discussion of Street Maintenance/Improvement Plan.

ACTION ITEMS

6. Discussion and consideration of Resolution No. 16-1668; A Resolution by the City Council of the City of Lago Vista, Texas declaring various property and/or equipment to be Surplus Property and authorizing the City Manager to dispose of such property in a matter which is beneficial to the City of Lago Vista.

WORK SESSION

7. Discussion on appointed Boards, Commissions, Committees/Council Liaison assignments.

FUTURE MEETINGS

8. Consider schedule and items for future Council meetings.

EXECUTIVE SESSION

9. Convene into Executive Session pursuant to Sections 551.071 (Advice of Counsel), 551.072 (Real Property), 551.087 (Economic Development), Texas Government Code and Section 1.05 Texas Disciplinary Rules of Professional Conduct regarding:
 - A. Consultation with legal counsel regarding LVISD subsequent user fees and questions related to payment thereof.
 - B. Consultation with legal counsel regarding Rusty Allen Airport plans and possible revisions thereto.
 - C. Consultation with legal counsel regarding Economic Analysis of golf facilities within the City.
 - D. Consultation with legal counsel regarding Walters Wedding and Real Property issues and questions related to acquisition, sale or lease.
 - E. Consultation with legal counsel regarding claims or possible claims or contractual claims or possible claims or charges, and issues and questions related thereto.

ACTION ITEMS (action and/or a vote may be taken on the following agenda items):

10. Reconvene from Executive Session into open session to take action as deemed appropriate in City Council's discretion regarding:
 - A. Consultation with legal counsel regarding LVISD subsequent user fees and questions related to payment thereof.
 - B. Consultation with legal counsel regarding Rusty Allen Airport plans and possible revisions thereto.

- C. Consultation with legal counsel regarding Economic Analysis of golf facilities within the City.
- D. Consultation with legal counsel regarding Walters Wedding and Real Property issues and questions related to acquisition, sale or lease.
- E. Consultation with legal counsel regarding claims or possible claims or contractual claims or possible claims or charges, and issues and questions related thereto.

ADJOURNMENT

IT IS HEREBY CERTIFIED that the above Notice was posted on the Bulletin Board located at all times in City Hall in said City at _____ on the 23th day of November, 2016.

Sandra Barton, City Secretary

THIS MEETING SHALL BE CONDUCTED PURSUANT TO THE TEXAS GOVERNMENT CODE SECTION 551.001 ET SEQ. AT ANY TIME DURING THE MEETING THE COUNCIL RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION ON ANY OF THE ABOVE POSTED AGENDA ITEMS IN ACCORDANCE WITH THE SECTIONS 551.071, 551.072, 551.073, 551.074, 551.075 OR 551.076.

THE CITY OF LAGO VISTA IS COMMITTED TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. REASONABLE MODIFICATIONS AND EQUAL ACCESS TO COMMUNICATIONS WILL BE PROVIDED UPON REQUEST.

AT THIS MEETING AT THE STATED LOCATION, A QUORUM OF THE CITY COUNCIL WILL BE PHYSICALLY PRESENT AND THIS NOTICE SPECIFIES THE INTENT TO HAVE A QUORUM PRESENT THERE, AND THE MEMBER OF THE CITY COUNCIL PRESIDING OVER THE MEETING WILL BE PHYSICALLY PRESENT AT THAT LOCATION.

ONE OR MORE MEMBERS OF THE CITY COUNCIL MAY PARTICIPATE IN THIS MEETING REMOTELY, AND IF SO, VIDEOCONFERENCE EQUIPMENT PROVIDING TWO-WAY AUDIO AND VIDEO DISPLAY AND COMMUNICATION WITH EACH MEMBER WHO IS PARTICIPATING BY VIDEOCONFERENCE CALL WILL BE MADE AVAILABLE.

**REMOVED FROM
BULLETIN BOARD:**

Date: _____ Time: _____

By: _____

MEETING DATE: December 1, 2016

CALL TO ORDER:

AGENDA ITEM: CALL TO ORDER, CALL OF ROLL AND PLEDGE OF ALLEGIANCE

Comments:

ADJOURN:

TURN RECORDER OFF

Motion by: _____

Seconded by: _____

Content of Motion: _____

Vote: Tippetts _____; Sullivan _____; Tidwell _____; R. Smith _____;

Mitchell _____; S. Smith _____; Bland _____

Motion Carried: Yes _____; No _____

MEETING DATE: December 1, 2016

AGENDA ITEM: CITIZEN COMMENTS

Comments:

Motion by: _____

Seconded by: _____

Content of Motion: _____

Vote: Tippetts _____; Sullivan _____, Tidwell _____; R. Smith _____;

Mitchell _____; S. Smith _____; Bland _____

Motion Carried: Yes _____; No _____



AGENDA ITEM

City of Lago Vista

To: **Council Meeting:**

From:

Subject:

Request: **Legal Document:** **Legal Review:**

EXECUTIVE SUMMARY:

Please see attached staff report.

The Planning & Zoning Commission heard the item at their October 27, 2016 meeting date; at that meeting they recommended approval.

Impact if Approved:

The properties will be rezoned to Light Industrial (LI)

Impact if Denied:

The property will not be rezoned to Light Industrial (LI) and will remain in Single Family Residential (R-1B) and Temporary Restricted (TR-1) zoning categories.

Is Funding Required? Yes No **If Yes, Is it Budgeted?** Yes No N/A

Indicate Funding Source:

Not Applicable

Suggested Motion/Recommendation/Action

Motion to:

Motion to:

Motion to:

Known As:

Ordinance 16-12-01-_____ (Project #ZON-1064)

Agenda Item Approved by City Manager



Development Services Department

STAFF REPORT

Application for Rezoning File Number: ZON-1064

Date: October 23, 2016

Applicant: City of Lago Vista

Representative: SAME

Hearing Dates: Planning & Zoning Commission – October 27, 2016
City Council – December 1, 2016

Location: Bar K Ranches Section 15-A Lots 15045 - 15099; Lots 15130 – 15140; Lots 15143 – 15150; Lots 15153 – 15163; including ABS 2540 SUR 92 FAUBION F F ACR .0368

APPLICATION SUMMARY

Consider adoption of Ordinance amending the official zoning map for Bar K Ranches Section 15-A Lots 15045 - 15099; Lots 15130 – 15140; Lots 15143 – 15150; Lots 15153 – 15163; including ABS 2540 SUR 92 FAUBION F F ACR .0368, respectively, Lago Vista, Travis County, Texas. (Case No. ZON 1064)

DEVELOPMENT REVIEW DEPARTMENT COMMENTS

Since the rezoning allows new uses, all these uses must be taken into consideration when determining compatibility with the area. On the next page is a list of all uses within the Single Family Residential (R-1B) and Light Industrial (LI), with **RED** being a subtracted use and **GREEN** being an added use:

STRUCTURE/USE	R-1B	L-I	STRUCTURE/USE	R-1B	L-I
Accessory Building or Use	v	v	Hotel		v
Amphitheater		v	Ice cream store		v
Amusement arcade		v	Interior Decorator		v
Amusement Park		v	Jewelry, optical goods		v
Antique shop		v	Laboratory		v
Asphalt and concrete production		v	Laundromat		v
Auditorium		v	Laundry-commercial		v
Auto sales and service		v	Library	v	v
Auto wash, tune-up, repair		v	Machine shop, metal products, welding		v
Bakery		v	Manufactured housing sales		v
Bank, Savings and		v	Manufacturing and Assembly		v

Loan				
Barber, Beauty Shop		v		Meat markets
Bars, Nightclubs and Taverns		v		Mini warehouse (inside storage only)
Beverage Bottling or distribution		v		Mini warehouse (with outside storage)
Bike/motorbike sales & service		v		Mortuary
Billiard/Pool Rooms		v		Motel
Boat storage (outside)		v		Museums
Boat Sales or Service		v		Office, Medical and general
Book/stationary shop		v		Open storage
Bowling alley establishment		v		Park-passive
Building material sales		v		Park-and-ride facilities
Bus depot		v		Parking lot, commercial
Cabinet shop/commercial		v		Pet boarding with outside run
Cafeterias		v		Pet store-no outside run
Camera store		v		Photo studio
Canvas goods fabrication		v		Playground
Carpentry shop		v		Plumbing, HVAC, roofing supply
Carpet, rug cleaners		v		Police station
Carting, hauling, storage warehouse		v		Printing shop
Catering establishments		v		Public and municipal treatment plants, pump stations, lift stations, public works and related facilities, and municipal buildings and facilities
Churches, Temples	v			Quarry, Mining, Rock Crushing
				Radio, TV, VCR sales/service
Clinics (medical)		v		Radio, TV studio
Clothing store-men's and/or women's		v		Realty office
Club, not nightclub		v		Realty office-temporary
Coal, sand, soil, and gravel yards		v		Recreation facility, commercial
Community Home	v			Recreational Vehicle Park
Craft, hobby shop		v		Restaurant
Dance halls		v		Retail store-general
Dept. store, sporting		v		School-public/private

goods, novelty, toy shops					
Dog and cat grooming		v		Service station	v
Drug store, soda fountain, tobacco, candy shops		v		Short Term Occupancy	v
Dry cleaning		v		Sign Shop	v
Dwelling-single family	v			Specialty and novelty establishments	v
Electric appliance shop/repair		v		Storage & sale of autos, trailers, farm implements & equipment, & similar equipment on open lot	v
Employment agency		v		Substation-public utility	v v
Exhibition and rodeo grounds		v		Swimming pool-private	v v
Expressing, baggage, delivery service		v		Tailor & dressmaking shop	v
Fabric shop		v		Telephone exchange	v
Family home facility	v			Theater-indoor	v
Farmers markets		v		Tinsmith & sheet metal	v
Fire Station	v	v		Trailer, truck, bus sales	v
Florist		v		Upholstery shop	v
Food store-convenience		v		Veterinary hospital, no outside run	v
Food store-supermarket		v		Vocational and Private School	v
Fuel storage		v		Warehouse	v
Furniture, appliance store		v		Water tank-surface, subsurface, public	v v
Golf course	v			Wildlife sanctuaries	v
Greenhouse-wholesale		v		Wireless Communications Systems, Radio, television and microwave antennae and towers	v
Greenhouse-retail		v		Wholesale distribution	v
Hardware, paints, wallpaper		v			
Health club/spa		v			
Hobby shop		v			
Home based business or occupation	v				
Hospital		v			

The rezoning will subtract eleven (11) uses and add over one hundred (100) potential uses to the site.

Uses that have the best potential on this site are: Carting, hauling, storage warehouse, Fuel storage, mini-warehouse, open storage, and Warehouse due to proximity to the Airport and that the rezoning will create the largest LI zoning area in the City to place these uses.

Uses that may have potential on this site are several commercial uses are auto sales and service, carpentry shop, greenhouses, print shop, photo studios, and restaurant. However, this will require the area to continue to develop through additional homes and potential new road systems to connect the Airport directly to FM 1431 before these uses will become viable.

Uses not likely to have potential on this site are Fire Station, Museums, Police station, Studio-artist, Substation-public utility, Telephone exchange, Water tank-surface, subsurface, and public. There are no plans to expand police, fire, or other public utility services into that area due to lack of need. Other uses would not be compatible at the Airport due to height obstructions.

The Lago Vista 2030 Comprehensive Plan has several action items and policies that are supportive of this rezoning (see attachment #2). These consist of the following:

- 1) Under the Land Use Element action items the City must “Use the Future Land Use Map to Guide Future Zoning Decisions”. This is reflected in the Land Use Map located in attachment #3
- 2) Under the Land Use Element action items the City must “Focus Development around the Airport on aviation and other small industrial areas”.
- 3) Under Policies within the Comp Plan is states the following “Use the Future Land Use Map to Guide Future Zoning Decisions” & “Focus Development around the Airport on aviation and other small industrial areas”

FINDINGS OF FACT

Based on the planning file, staff report, and attachments associated with this packet staff believes this rezoning is not contrary to the public interest as required by Section 13.20(E)(3)(a), City Code, because the underlying land use is industrial per the 2030 Comprehensive Plan (see attachment 2) and LI zoning would match this Land Use Category. Also, due to the location of the Airport, the uses listed within the LI zoning category would also better accommodate development patterns around the Airport versus allowing single family homes as currently allowed under the R-1B zoning category.

ATTACHMENTS

Additional information is provided through attached exhibits.

1. Proposed Ordinance
2. Portions of 2030 Comprehensive Plan Supporting Request
3. Maps

Attachment 1
Proposed Ordinance

ORDINANCE NO. 16-12-01-___

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS, AMENDING THE OFFICIAL ZONING MAP BY REZONING BAR K RANCHES SECTION 15-A LOTS 15045-15099; LOTS 15130-15140; LOTS 15143-15150; INCLUDING ABS 2540 SUR 92 FAUBION F F ACR .0368 FROM R-1B (SINGLE FAMILY RESIDENTIAL) & TR-1 (TEMPORARY RESTRICTED) TO LI (LIGHT INDUSTRIAL) ZONING DISTRICTS; AND PROVIDING FOR RELATED MATTERS.

WHEREAS, the City has initiated an administrative rezoning on Bar K Ranches Section 15-A Lots 15045 - 15099; Lots 15130 – 15140; Lots 15143 – 15150; Lots 15153 – 15163; including ABS 2540 SUR 92 FAUBION F F ACR .0368 to consider rezoning such Lots from R-1B (Single Family Residential) & TR-1 (Temporary Restricted) to LI (Light Industrial); and

WHEREAS, after giving ten (10) days written notice to the owners of land in and within 200-feet of the area being rezoned, as well as having published notice to the public at least fifteen (15) days prior to the date of such hearing(s), the Planning and Zoning Commission and City Council each held a public hearing on the proposed administrative re-zoning; and

WHEREAS, the Planning and Zoning Commission (the “Commission”) at its public hearing on the rezoning of such Lot, reviewed the request and the circumstances of the area being rezoned, reviewed the City’s Comprehensive Plan, and finds that a substantial change in circumstances of the area being rezoned has transpired sufficient to warrant a change in the zoning and that such request is in line with the Comprehensive Plan; and

WHEREAS, the Commission recommends rezoning such Lot from R-1B & TR-1 to L-I; and

WHEREAS, the City Council at its public hearing on the rezoning, reviewed the request and the circumstances of the area, as well as the Comprehensive Plan and it concurs with the recommendation of the Commission; and

WHEREAS, the City desires that development within its corporate limits occur in an orderly manner in order to protect the health, safety, and welfare of its present and future citizens, protect property values and provide for the growth of the City’s tax base; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS, THAT:

Section 1. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all

purposes as findings of fact. The Commission, City Manager and City Council find that this Ordinance satisfies the requirements of Section 13 of the City of Lago Vista Zoning Ordinance.

Section 2. Amendment of Zoning Ordinance and Zoning Map. The Zoning Ordinance and the Official Zoning Map and other applicable ordinances are hereby modified and amended by rezoning Bar K Ranches Section 15-A Lots 15045 - 15099; Lots 15130 – 15140; Lots 15143 – 15150; Lots 15153 – 15163; including ABS 2540 SUR 92 FAUBION F F ACR .0368 from R-1B (Single Family Residential) & TR-1 (Temporary Restricted) to LI (Light Industrial).

Section 3. Severability. Should any section or part of this Ordinance be held unconstitutional, illegal, or invalid, or the application to any person or circumstance for any reasons thereof ineffective or inapplicable, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section or part shall in no way affect, impair or invalidate the remaining portion or portions thereof; but as to such remaining portion or portions, the same shall be and remain in full force and effect and to this end the provisions of this ordinance are declared to be severable.

Section 4. Conflicting Ordinances. All ordinances or parts thereof conflicting or inconsistent with the provisions of this ordinance as adopted and amended herein, are hereby amended to the extent of such conflict. In the event of a conflict or inconsistency between this ordinance and any other code or ordinance of the city, the terms and provisions of this ordinance shall govern.

Section 5. Effective Date. This Ordinance shall be in force and effect from and after its passage on the date shown below.

Section 6. Open Meeting. It is hereby officially found and determined that this meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by the Open Meetings Act, *Chapt. 551, Tex. Gov't Code*.

PASSED AND APPROVED this 1st day of December, 2016.

Dale Mitchell, Mayor

ATTEST:

Sandra Barton, City Secretary

Attachment 2

Portions of 2030 Comprehensive Plan Supporting Request

Action Items

Land Use Goal: Responsibly maximize land by expanding recreational uses, providing housing opportunities for all ages, and fostering an environment for local business.	
Recommendation Topic	Action Item
Future Land Use and Population Planning	Use the Future Land Use Map to guide future zoning decisions.
	Revise the zoning ordinance to include overlay character districts for Dawn Drive, FM 1431, and Lohman Ford Road.
	Revise the zoning ordinance to allow more areas for retail, commercial, and multifamily development.
Design Standards for Nonresidential and Multifamily Development	Revise the zoning ordinance to include a mixed use land use classification.
	Revise the zoning ordinance to require building articulation for larger structures.
	Revise the zoning ordinance to include specific requirements for screening waste receptacles and utilities.
	Revise the zoning ordinance to include specific requirements for screening and buffering near industrial uses.
	Revise the business regulations ordinance to allow for larger multitenant freestanding signs.
	Consider establishing overlay districts to ensure quality development along the main corridors.
	Meet with private capital partners to share the comprehensive plan efforts and promote nonresidential development.
Resource Protection	Develop regulations for solar and wind energy to ensure quality standards for equipment and installation
	Offer incentives to developers for using solar and wind energy.
	Require all street signs be reflective to accommodate dark skies efforts.
	Expand the existing lighting regulations to further promote dark skies.
	Develop an approved native plant list to be maintained by the Director.
	Develop regulations to accommodate and encourage low-impact development.

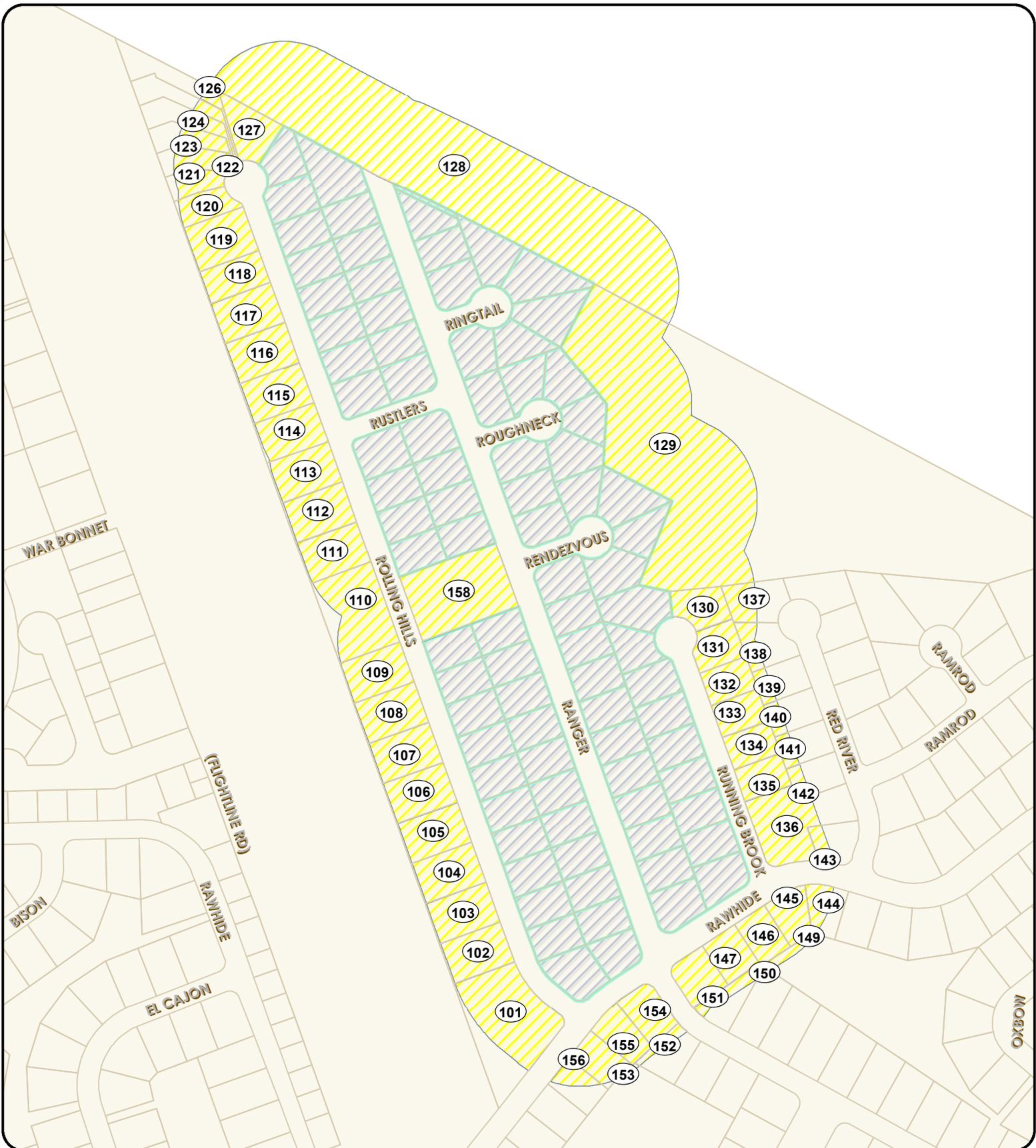
Lakefront and Tourism	Prioritize and purchase lakefront lots.
	Accommodate tourists in certain areas.
	Continue to proactively seek hotel operators for a lakefront hotel resort, event center, or civic center.
	Expand branding and placemaking efforts through a marketing/image campaign and/or the development of a tourism plan.
	Apply for and receive the designation of a “Scenic City”.
	Focus development around the airport on aviation and other small industrial uses.
Growth Prioritization	Conserve areas with extreme topography by acquiring the property or assisting property owners in coordinating with nonprofit organizations to accept the land.
	Explore the possibility of allowing the landowners to keep their POA membership after donating the land.
	To encourage infill development, prioritize areas with existing infrastructure through development incentives.
	To encourage future development in key greenfield areas, develop long-range infrastructure plans for identified expansion areas and use these areas for desirable development types, such as a hotel, grocery store, or sports complex.
Future Expansion Areas	Conduct a detailed analysis to determine whether a 3-year annexation plan is necessary for the desired expansion.
	Focus on annexation of areas located along major roadways or the lake.
Rusty Allen Airport Area	Prioritize the area surrounding the Rusty Allen Airport for land acquisition and assembly.
	Vacate plats and roadways for undevelopable land around the airport.
	Rezone area surrounding the airport by extending the C-4 zoning and rezone the steep slope areas to a conservation district.
	Coordinate with the actions from TxDOT Airport Action Plan.
Municipal Complex Redevelopment	Develop a concept plan followed by a more detailed site plan for the area.
	Continue efforts to reach out to local developers and local/national retailers.
	Rezone the south side of Dawn Drive to accommodate commercial and retail development.
	Allocate funding in the Capital Improvements Program for demolition and construction of new municipal facilities.

Policies

1. Use the Future Land Use Map to guide future zoning decisions.
2. Conduct regular review of the Comprehensive Plan through quarterly P&Z review and an annual updated by the City Council.
3. Coordinate all City operations with any applicable advisory committees.
4. Before developing new parkland, seek out partnerships with the POA to ensure that the City and POA are being fiscally responsible and not duplicating efforts.
5. Focus development around the airport on aviation and other small industrial uses.
6. Proactively seek hotel operators for a lakefront hotel resort, event center, or civic center.
7. Continue efforts to reach out to local developers and local/national retailers.
8. Focus on annexation of areas located along major roadways or the lake.
9. Prioritize the area surrounding the airport land acquisition and assembly.
10. Coordinate transportation efforts with all regional transportation agencies to ensure better regional connectivity and partnerships, and evaluate the feasibility of a bridge across the lake for better mobility and access to surrounding communities.
11. Ensure that roadways provide sufficient access and mobility for all EMS and fire services.
12. Coordinate with the Chamber of Commerce to advertise City notices in the upcoming newsletter.
13. Use recreational facility standards when developing new parkland or trails.
14. Assess park level of service annually and acquire additional parkland, as needed.

Attachment 3

Maps



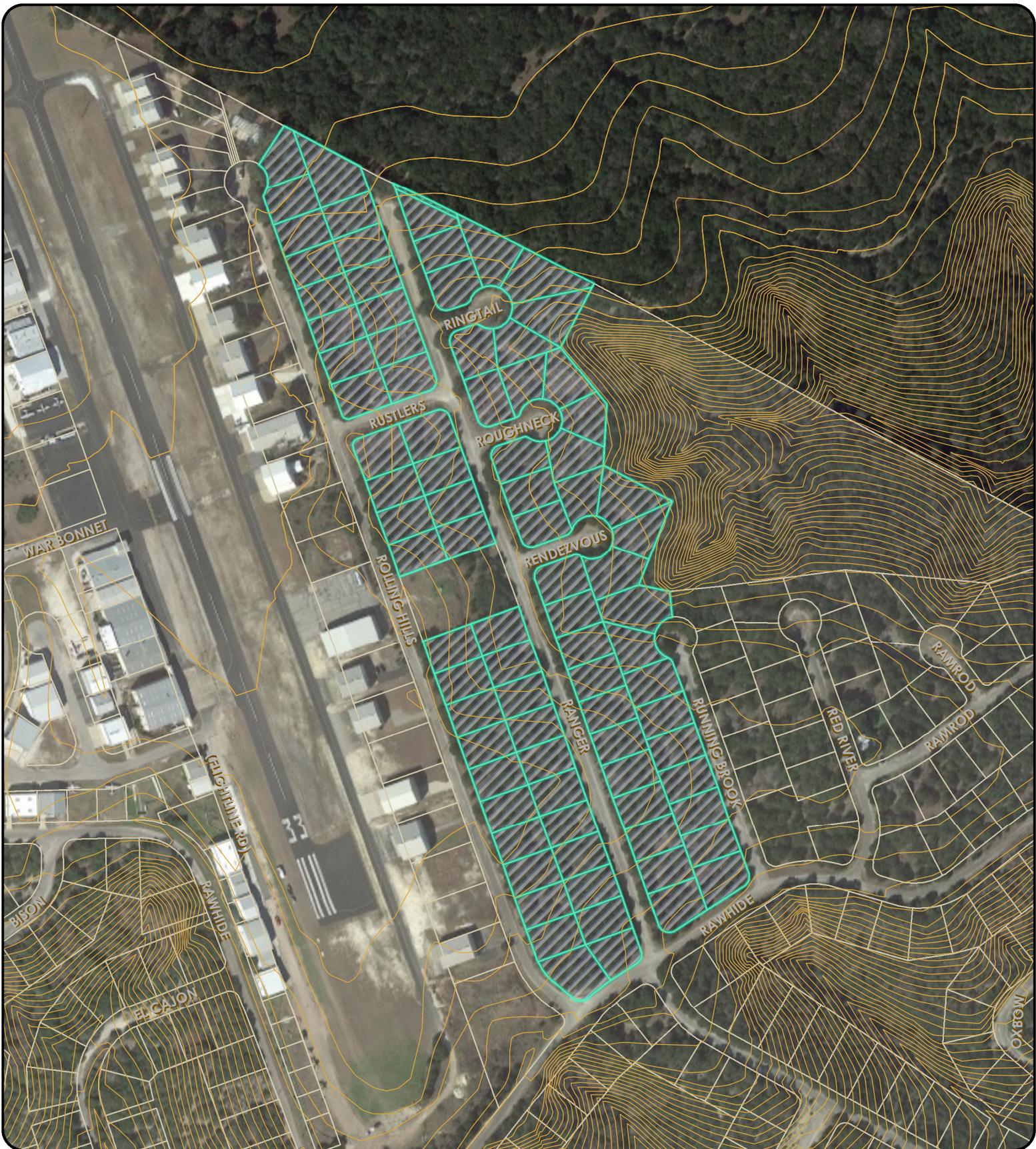
Multiple Lots - Bar K Sec. 15

Request Type:	Administrative Rezone	Project:	ZON-1064
Change Requested:	Rezone to LI	Date:	19-10-2016
Map Purpose:	200 Ft Buffer Map	Drawn By:	CM

- Legend**
- Rezone Lots
 - Tax Parcels
 - 200ft Buffer

0 150 300
1 inch = 300 feet

While every effort has been made to ensure the accuracy of this data, this map is to be used for reference purposes only. This data should not be construed as a survey instrument. No responsibility is assumed by the author for damages or other liabilities due to the accuracy, availability, completeness, use or misuse of the information herein provided.

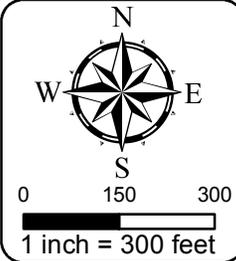


Multiple Lots - Bar K Sec. 15

Request Type:	Administrative Rezone	Project:	ZON-1064
Change Requested:	Rezone to LI	Date:	19-10-2016
Map Purpose:	Aerial Image & Contour Map	Drawn By:	CM

While every effort has been made to ensure the accuracy of this data, this map is to be used for reference purposes only. This data should not be construed as a survey instrument. No responsibility is assumed by the author for damages or other liabilities due to the accuracy, availability, completeness, use or misuse of the information herein provided.

- Legend**
- Contour_4miles
 - Rezone Lots
 - Tax Parcels



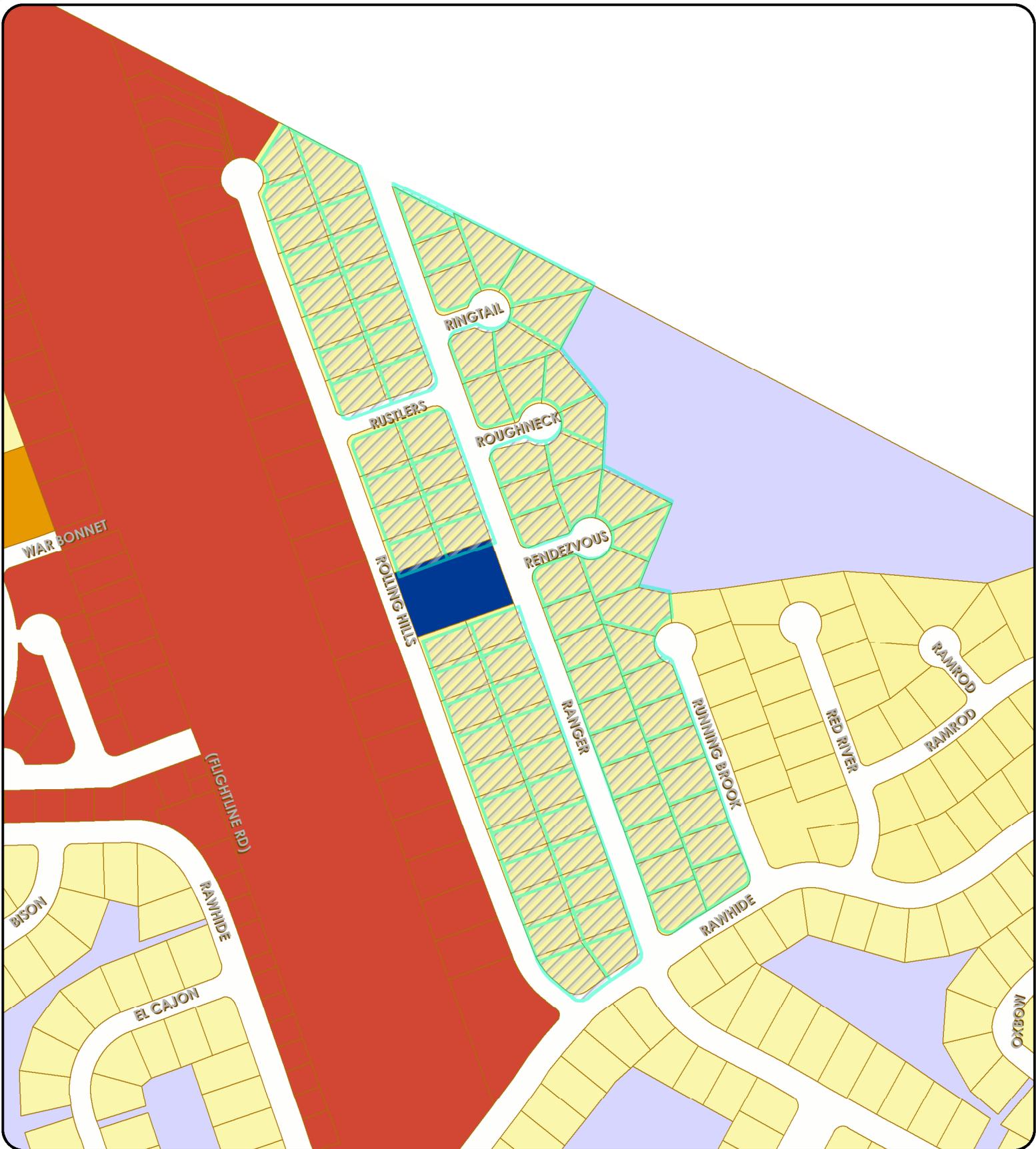
Multiple Lots - Bar K Sec. 15

Request Type:	Administrative Rezone	Project:	ZON-1064
Change Requested:	Rezone to LI	Date:	19-10-2016
Map Purpose:	Future Land Use Map	Drawn By:	CM

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Legend

- Rezone Lots
- Tax Parcels
- Future Land Use**
- Public Semi Public
- City Park
- Balcones Canyonlands
- Industrial



Multiple Lots - Bar K Sec. 15

Request Type:	Administrative Rezone	Project:	ZON-1064
Change Requested:	Rezone to LI	Date:	19-10-2016
Map Purpose:	Zoning Map	Drawn By:	CM

While every effort has been made to ensure the accuracy of this data, this map is to be used for reference purposes only. This data should not be construed as a survey instrument. No responsibility is assumed by the author for damages or other liabilities due to the accuracy, availability, completeness, use or misuse of the information herein provided.

Legend

- Rezone Lots
- Zoning District**
- C-4
- R-1A
- R-1B
- RR-A
- TR-1
- U-1



0 150 300

1 inch = 300 feet

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WHEREAS, the City has initiated an administrative rezoning on Bar K Ranches Section 15-A Lots 15045 - 15099; Lots 15130 – 15140; Lots 15143 – 15150; Lots 15153 – 15163; including ABS 2540 SUR 92 FAUBION F F ACR .0368 to consider rezoning such Lots from R-1B (Single Family Residential) & TR-1 (Temporary Restricted) to LI (Light Industrial); and

WHEREAS, after giving ten (10) days written notice to the owners of land in and within 200-feet of the area being rezoned, as well as having published notice to the public at least fifteen (15) days prior to the date of such hearing(s), the Planning and Zoning Commission and City Council each held a public hearing on the proposed administrative re-zoning; and

WHEREAS, the Planning and Zoning Commission (the “Commission”) at its public hearing on the rezoning of such Lot, reviewed the request and the circumstances of the area being rezoned, reviewed the City’s Comprehensive Plan, and finds that a substantial change in circumstances of the area being rezoned has transpired sufficient to warrant a change in the zoning and that such request is in line with the Comprehensive Plan; and

WHEREAS, the Commission recommends rezoning such Lot from R-1B & TR-1 to L-I; and

WHEREAS, the City Council at its public hearing on the rezoning, reviewed the request and the circumstances of the area, as well as the Comprehensive Plan and it concurs with the recommendation of the Commission; and

WHEREAS, the City desires that development within its corporate limits occur in an orderly manner in order to protect the health, safety, and welfare of its present and future citizens, protect property values and provide for the growth of the City’s tax base; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS, THAT:

Section 1. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all

purposes as findings of fact. The Commission, City Manager and City Council find that this Ordinance satisfies the requirements of Section 13 of the City of Lago Vista Zoning Ordinance.

Section 2. Amendment of Zoning Ordinance and Zoning Map. The Zoning Ordinance and the Official Zoning Map and other applicable ordinances are hereby modified and amended by rezoning Bar K Ranches Section 15-A Lots 15045 - 15099; Lots 15130 – 15140; Lots 15143 – 15150; Lots 15153 – 15163; including ABS 2540 SUR 92 FAUBION F F ACR .0368 from R-1B (Single Family Residential) & TR-1 (Temporary Restricted) to LI (Light Industrial).

Section 3. Severability. Should any section or part of this Ordinance be held unconstitutional, illegal, or invalid, or the application to any person or circumstance for any reasons thereof ineffective or inapplicable, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section or part shall in no way affect, impair or invalidate the remaining portion or portions thereof; but as to such remaining portion or portions, the same shall be and remain in full force and effect and to this end the provisions of this ordinance are declared to be severable.

Section 4. Conflicting Ordinances. All ordinances or parts thereof conflicting or inconsistent with the provisions of this ordinance as adopted and amended herein, are hereby amended to the extent of such conflict. In the event of a conflict or inconsistency between this ordinance and any other code or ordinance of the city, the terms and provisions of this ordinance shall govern.

Section 5. Effective Date. This Ordinance shall be in force and effect from and after its passage on the date shown below.

Section 6. Open Meeting. It is hereby officially found and determined that this meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by the Open Meetings Act, *Chapt. 551, Tex. Gov't Code*.

PASSED AND APPROVED this 1st day of December, 2016.

Dale Mitchell, Mayor

ATTEST:

Sandra Barton, City Secretary



AGENDA ITEM

City of Lago Vista

To: **Mayor & City Council** **Council Meeting:** **December 1, 2016**

From: **Melissa Byrne Vossmer, City Manager**

Subject: **Overview and Discussion on Hotel Feasibility Study**

Request: **Report** **Legal Document:** **Other** **Legal Review:**

EXECUTIVE SUMMARY:

In July of this year Staff reached out to Todd Walker at Source Strategies, the company that had completed two targeted hotel feasibility studies in 2010 for the City. These targeted studies had focused on two different hotels - A Holiday Inn Resort at the Peninsula and a Best Western Inn and Suites (50 rooms) to be located along FM 1431. For whatever reason(s), neither of these sites produced a hotel. As a result of a discussion in August, I asked Todd to provide a new feasibility study for a hotel in Lago Vista. Attached is the study received in late September.

The City of Lago Vista is home to a number of short term 2nd home vacation rentals as well as a number of condos located throughout the City. The FY16/17 budget projects that the City will receive \$85,000 in Hotel Occupancy Tax (HOT) over the course of the year indicating that Lago Vista is a destination for visitors. In 2010 the City could have supported a hotel and the same holds true today. The need for a hotel was highlighted during the Comprehensive Plan 2030 process. Knowing that it can take time to move this project forward, Staff did initiate the study in order to have it available as we reach out to vendors in the coming months.

The attached study provides the analysis in support of a hotel. It was developed based on general agreement that a luxury hotel would be difficult to support in Lago Vista at this time but a high quality, limited service or select hotel would be viable. We discussed the need to be able to be family friendly, rooms should include refrigerators / microwaves and it would be an added bonus if there was a restaurant and / or lounge as well.

Todd Walker will be going over the study with Council via Skype.

Impact if Approved:

N/A. Staff does hope to get direction from the Council to begin to market Lago Vista for a hotel development.

Impact if Denied:

N/A

Is Funding Required? Yes No **If Yes, Is it Budgeted?** Yes No N/A

Indicate Funding Source:

N/A

Suggested Motion/Recommendation/Action

Motion to:

Motion to:

Motion to:

Known As:

Overview and Discussion on Hotel Feasibility Study

Agenda Item Approved by City Manager



September, 2016

FINANCIAL FEASIBILITY STUDY:
Limited or Select Service Hotel

Lago Vista, Texas 78645

This study has been prepared to determine the financial feasibility of building and operating a limited or select service hotel in Lago Vista, Texas. For the purposes of our analysis, we have selected two available brand options for the prospective project; TownePlace Suites by Marriott, and Best Western Plus. Several locations within the city of Lago Vista were examined, with the main thoroughfare of FM 1431 deemed the most likely site due to higher visibility and the location within the 'central' business district. The hotel is projected to open in January of 2019 on a site that is visible and is easily accessible from nearby traffic corridors. The hotel will be convenient to the many businesses, restaurants and other amenities in this growing corner of the Austin metro, which is essentially the last area in Austin without a major branded hotel.

Project quality is set to meet the physical and operating standards of a high quality limited service brand, such as the TownePlace by Marriott, or a the Best Western Plus. Specific brands were chosen so that we may provide the expected 10 year projected cash flow and a full ROIC for either hotel project, or like product to be built in Lago Vista. The actual level of consumer acceptance for these brands has been quantified versus market averages and has been assumed in developing this financial feasibility study. Product specification, revenues, and operating costs are set at the level of similar limited service segment hotel products.

KEY FINDING: Developing and opening a TownePlace by Marriott hotel at this site generates an unleveraged, pre-tax return on total invested capital exceeding 18%, with a return on equity of 50% (DCF). This return on invested capital also assumes that improvements are completed at the estimated cost of \$95,000 per unit, plus \$1,000,000 for land. This is a good hotel investment. Project details follow:

Total Investment

Land Value	\$ 1,000,000
Improvements Budget	<u>\$ 8,550,000</u> @ \$95,000 per key ¹
Total Investment	\$ 9,550,000

Pre-Tax Project Return	18.44% ²
Pre-Tax Return on Equity	49.80% ³

This study incorporates the current downturn in the Texas hotel market, the rebound from the recent national recession which began in late 2008, and the continued impact of the Permian Basin and the Eagle Ford Shale Oil and Gas developments, and the Texas hotel market's overall response to lower oil prices. In our Market section, we highlight the historical hotel performance in Texas, noting the effect of past recessions. Consequently, our market projections consider how the lodging industry reacts in times of economic downturn, booms, and in normal times. See the Market section for details.

With an expected January of 2019 opening, cash flow market projections for a TownePlace Suites, or the equivalent, before taxes and after renovation reserves, should be available for debt service, income tax and dividends as follows:

PROJECT SUMMARY

	<u>Occupancy Percent</u>	<u>Average \$ Rate</u>	<u>\$ REVPAR</u>	<u>Total Revenue</u>	<u>CashFlow**</u>
Year I	58.2%	\$125.00*	\$72.70	\$2,459,857	\$1,079,820
Year II	65.5%	\$134.38	\$87.96	\$2,976,028	\$1,352,495
Year III	67.9%	\$139.45	\$94.75	\$3,205,912	\$1,470,832
Year IV	68.3%	\$143.64	\$98.07	\$3,318,118	\$1,523,236
Year V	68.9%	\$147.23	\$101.50	\$3,434,253	\$1,573,683
Year VI	68.8%	\$150.17	\$103.30	\$3,495,092	\$1,591,377
Year VII	68.2%	\$153.17	\$104.48	\$3,535,141	\$1,597,923
Year VIII	68.5%	\$156.24	\$106.99	\$3,620,024	\$1,626,812
Year IX	67.8%	\$159.36	\$108.02	\$3,655,012	\$1,629,818
Year X	67.0%	\$162.55	\$108.87	\$3,683,823	\$19,008,005***

*Year I ADR equates to approximately \$121 in current market dollars.** Before Income Tax & Financing expense, but reflecting \$1,836,079 in reserves for capital expenditures/property renovation (\$20,401 per unit).

***Assumes valuing property at Year 10 cash flow at a 9% return-to-buyer, less 4% expense of sale, plus year 10 cash flow.

1. SSI estimates of land purchase price and of development costs.
 2. After reserve for on-going renovations.
 3. Assuming 25% equity and 75% debt at a 5% pre-tax debt cost; calculated weighted average.

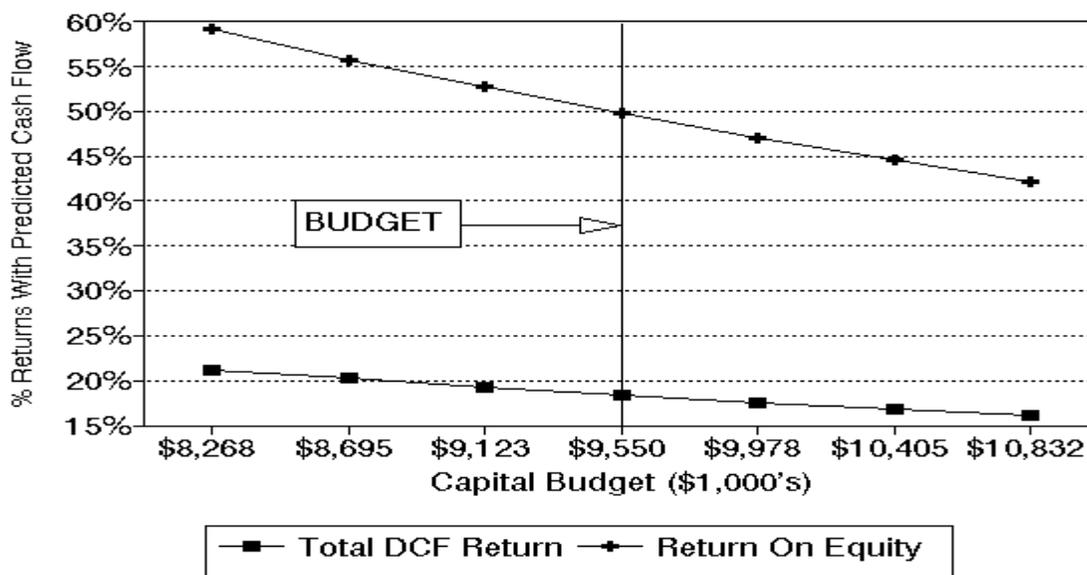
The above cash flow, assuming a Year 10 sale, has been discounted at the rate of 18.44% to a present value of \$9,550,061, essentially equaling the total budgeted investment of \$9,550,000. This 18.44% is the project's unleveraged return, provided capital costs are kept at this level.

An estimated capital budget for construction, soft costs, and FF&E of \$95,000 per unit 'turn-key' costs for a hotel of this size and quality are above average for this type of hotel, in our experience, but reasonable for this project given the expense of development in the local terrain. If capital outlays vary from the current budget for this project, returns will vary accordingly. The following table illustrates the linear nature of financial returns as capital requirements escalate or decline and revenue streams remain stable.

Effect on Returns if Capital Investment Changes⁴

<u>Variance</u>	<u>Improvements Budget</u>		<u>Land Cost</u>	<u>Total Investment</u>	<u>Discounted Cash Flow</u>	
	<u>Per Unit</u>	<u>Total</u>			<u>Total Proj</u>	<u>On Equity</u>
(85%)	\$80.8	\$7,268	\$1,000	\$8,268	21.23%	59.10%
(90%)	\$85.5	\$7,695	\$1,000	\$8,695	20.23%	55.77%
(95%)	\$90.3	\$8,123	\$1,000	\$9,123	19.31%	52.70%
BUDGET	\$95.0	\$8,550	\$1,000	\$9,550	18.44%	49.80%
(105%)	\$99.8	\$8,978	\$1,000	\$9,978	17.63%	47.10%
(110%)	\$104.5	\$9,405	\$1,000	\$10,405	16.86%	44.53%
(115%)	\$109.2	\$9,832	\$1,000	\$10,832	16.15%	42.17%

DCF Project Returns If Capital Investment Varies



4. Discounted Cash Flow / Internal Rate of Return.

The first stabilized year (Year III) shows the following results:

Year III 2021

Room Revenues	\$3,113,536
Total Revenues	\$3,205,912
Income Before Fixed Costs	\$1,829,834 (57.1%)
Net Income Before Tax & Fin.	\$1,427,927 (44.5%)
Cash Flow Before Financing	\$1,470,832 (45.9%) ⁵
Occupancy %	67.9%
Average Daily Rate	\$139.45
\$ REVPAR	\$ 94.75
Per Occupied Room Cost	\$ 57.05

The critical statistic used in this study is REVPAR. REVPAR means revenue per available room per day, and reflects the average daily room revenue yield of every room in a property or market (not just occupied rooms). REVPAR is generated by multiplying occupancy times rate (i.e. REVPAR = % occupancy times average daily rate), and is the most effective and important tool in the evaluation of the success of any lodging concern.

SUMMARY OF CRITICAL ASSUMPTIONS: Assumptions are summarized as follows (see page 11 for full Market History and Projection study, and page 7 for Methodology):

1. Projections of the local Lago Vista Area Market⁶ reflect a mixture of a significant number of older hotels, a high number of small condominium style operations, and many modern newly built smaller brands. The average hotel room in the local market is 20 years old, past the middle of the life cycle of the typical hotel building, and well beyond the peak performance of the first ten years. The typical hotel building becomes stylistically and structurally obsolete after 30+ years, though this life cycle is longer for high-rise/concrete structures. Out of 1,700 total rooms in the local market, 209 hotel rooms have been built since 2010, while 516 were opened before 1986 and will continue to slowly lose business to newer competition. We expect much of the new supply coming into the market is in reasonable balance for a healthy supply and demand mix. We add 616 (+36%) *net* new rooms to the market by 2024.

5. Before deductions of loan principal and interest, before income tax deductions, and before any equity payout.

6. Zip codes 78645/641/654/734/732/726/613.

We are comfortable with market projections, and expect market demand growth levels in the area to slow over the next nine years from the current high growth levels. After strong results in the past 48 months, demand growth is expected to moderate while occupancy is expected to fall, before reaching an equilibrium level of 61% by mid-2023. Local market REVPAR is currently projected to rise by 3.1% annually *in the next five years* (versus a 9.3% average growth rate per year in each of the last four years). Detailed local market history and projections commence on page 21.

LAGO VISTA AREA MARKET⁷

<u>Year⁸</u>	<u>Occupancy %</u>	<u>\$ REVPAR</u>
2009	46.5%	\$ 53.23
2011	49.4%	\$ 51.55
2013	58.7%	\$ 67.46
2014	60.9%	\$ 74.77
2016	62.6%	\$ 78.78 ⁹

Projected

2019	61.4%	\$ 87.23
2024	61.4%	\$103.76

Historical Annual Compound Growth Rates

Past 9 Year Average	1.8%	3.2%
Past 4 Year Average	5.2%	9.3%
Past 1 Year Average	1.4%	2.0%

Future Annual Compound Growth Rates

Next 9 Years	-0.2%	3.3%
Next 5 Years	-0.3%	3.1%

2. Versus the local market's REVPAR dollar projection the REVPAR index of the proposed *TownePlace Suites*, or like hotel, ramps upwards, peaking at 102% of the market average REVPAR in Years III-V. Thereafter, the REVPAR Index declines due to the normal aging cycle. Detailed REVPAR derivation and subsequent projections commence on page 31.

TownePlace Suites DERIVATION

Data in 2016 \$'s	Year I	Year II	Year III
Base: Name & Quality	1.01	1.01	1.01
x Brand Age Adjustment	1.00	1.00	1.00
x Site Value Adjustment	0.85	0.85	0.85
x Size Adjustment	1.07	1.07	1.07
x Other Adjustments	1.00	1.00	1.00
x Newness Adjustment	0.92	1.07	1.12
= Performance Factor	84%	98%	102%
x Market REVPAR	\$78.78	\$78.78	\$78.78
= Projected Performance	\$66.27	\$77.08	\$80.68

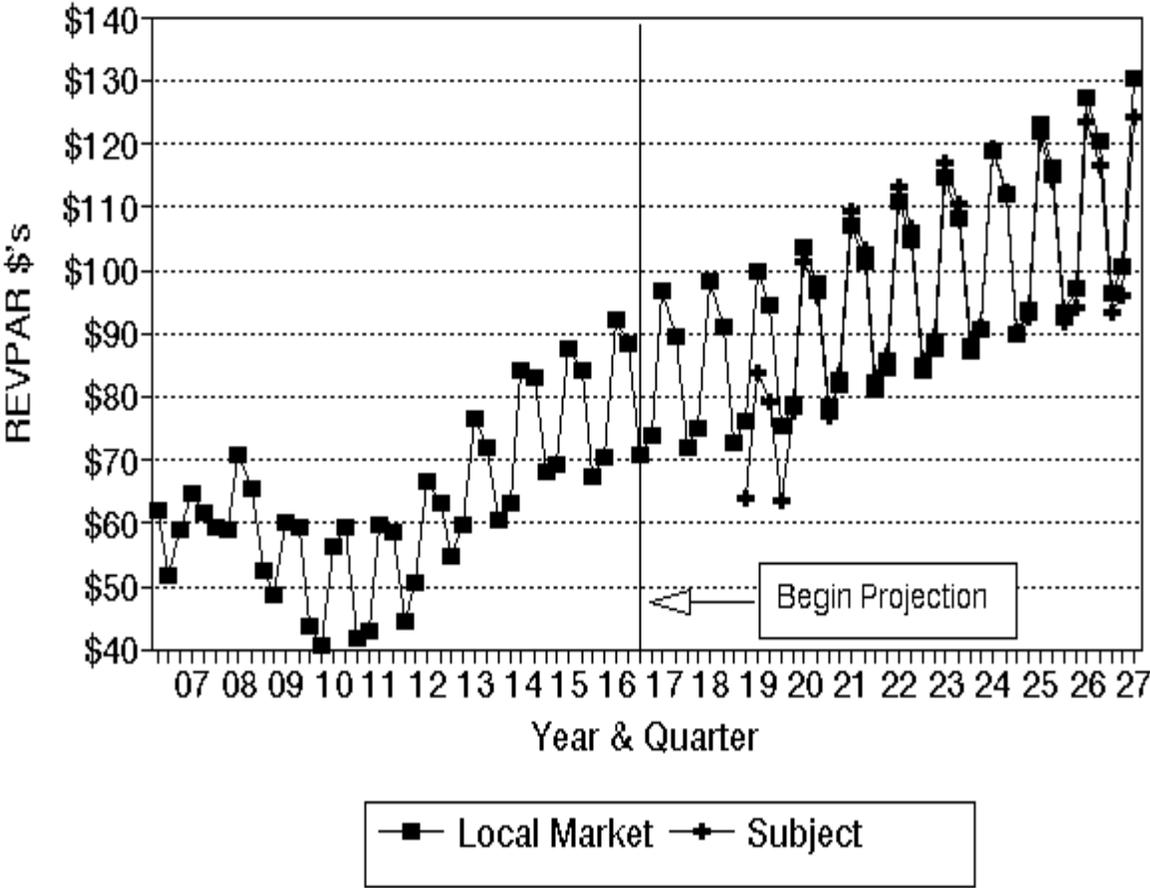
7. Zip codes 78645/641/654/734/732/726/613.

8. Calendar Year basis.

9. 12 months ending June 30, 2016.

The projected REVPAR performance of the subject hotel, versus the local market average REVPAR reflects the fact that this hotel is expected to perform at a level above the market average in its peak years. The hotel's REVPAR index starts in Year I at 84% of the market, rises to a peak of 102% of the market in Years III-V, then slowly loses ground versus the local market's typical inflationary growth:

REVPAR History & Projection: Lago Vista Area / Subject Hotel



3. Expenses are set at the level of similar limited service hotel products from Smith Travel Research Host Reports operating statistics, inflated at 3% per annum. See page 44 for details.

METHODOLOGY

To develop Pro Forma financial results for the proposed project, two major sets of assumptions have been developed. First, the future market's average REVPAR is forecast on a reasonable and economically-sound basis; the performance of the project is dependent on this market forecast and varies from it only due to specific variables of the project. **Second, the specific variables of the project are combined and expressed as an index for each quarter of the forecast, an index that is used to adjust the overall market performance to the specific project.**

MARKET REVPAR FORECAST

The large Austin Metro is examined historically and projected. The key in the market projection is to stabilize the wider area market in the future at a sustainable, average equilibrium for occupancy, a level which we have determined to be approximately 63% in successful metro markets of this type. This occupancy level is highly relevant as a long-term, equilibrium occupancy, a level where investors are neutral about adding new hotel rooms to the market and an average that will reoccur over long periods of time (e.g. 20 years).

After the wider market area is forecast, the performance of the local Lago Vista Area market is examined historically and projected. The key in the market projection is to stabilize this large seasonal market in the future at a sustainable, average equilibrium for occupancy, a level which we have determined to be approximately 61% in very successful airport markets of this type. Over the 20 years from 1987 through 2007, according to the Source Strategies, Inc. database, hotel occupancy in Texas has averaged 60%, and 62% in larger Texas metros. The REVPAR projection of the local market is then the pro forma market environment of the project. This project will vary from the norm for only project-specific differences, and then only relatively.

PROJECT VARIABLES:

DEVELOPMENT OF PROJECT REVPAR INDICES

The first variable from the averages to be developed has to do with the fact that each product type and brand have a typical and identifiable influence on REVPAR performance. This variable is based on its consumer acceptance, its product definition, its level of quality, the price it can command from the consumer, its marketing efforts, and other factors. The value of the brand and product type is termed the Base Value.

The second adjustment used on the dollar value of the local market's REVPAR is the Brand Age Adjustment. This is made to reflect the average age of similarly branded hotels on the subject property's performance versus the market average. Typically, the opening dates of the same branded hotels as the subject are examined in order to quantify this factor.

The third step to developing a project REVPAR index is to determine an adjustment based on any deviation from a normal project. If the number of proposed rooms in the project is significantly above or below the average for that brand, its performance will also vary from the norm. A lower than average number of rooms should increase per room performance and vice versa. This is due to the fact that consumer demand for a single brand is demand at the project's site, regardless of the number of rooms offered by the hotel.

An empirical proof of this evaluation of Size is the major increase in volume enjoyed by numerous hotels throughout Texas that have split into two branded operations, using two different names. For example, the Hilton Hotel Towers Austin added \$1,000,000 annually to revenues by splitting off its adjacent, ground-based rooms as a Super 8 Motel. By creating another brand, the Super 8 began to fill demand for budget properties in the immediate area, while the Hilton Towers kept its current upscale customer base. Hence, smaller room counts than average generate higher occupancy than average. Further proof is the correlation between project size and occupancy: the smaller the property, the higher the occupancy.¹⁰

Lastly, an 'Other' segment adjustment may be made if the proposed product type is under- or over- supplied in the local market, or for other factors. For example, a product type commanding 10% of the Texas market - but zero locally - would command a higher daily rate or occupancy locally because it is a relatively scarce commodity. Further, a subject product far exceeds the product quality of the brand average, then a positive adjustment should be made. While there is usually a reasonably consistent pattern of site factors for the brand properties selected, these factors often vary because of unique situations: 1) visibility and access differences between nearby sites; 2) any large variation from the norm in the usual number of rooms for a chain; 3) a nearby property's quality, the quality of management, last renovation; 4) any major new commercial development nearby. Adjustments will be made for these differences based on industry experience.

10. Study detailed in size factor derivation in analysis section.

Then the REVPAR potential of the subject Site is developed in two ways. First, all other property factors except site are calculated for the competitors, the site factor then being used to bring the calculated REVPAR into a match with actual REVPAR performance. In other words, combining all factors including a 'plugged' site factor results in Theoretical REVPAR projection equaling actual REVPAR for each property studied, revealing the mathematical value of individual hotel sites.

With the development of the adjustments for Brand/product type, overall Brand Age, Segment, project Size, and Site, a revenue projection for the proposed operation begins to take form by combining these factors into a combined index that is applied to the overall market-wide REVPAR projection, resulting in the forecast of the project's dollar REVPAR. However, this combined index changes as the project ages.

Consequently, the physical Age of the individual project impacts this REVPAR index. A +12% increase factor is applied to the combined REVPAR index in the peak performing Year III through Year V. A first-year start-up adjustment of -8% and a second year adjustment of +7%, is followed by this +12% adjustment for years III-V. This factor reflects the major revenue-generating power of new versus old properties.

In the sixth year and thereafter, the REVPAR index is then diminished at a rate of 1.67% per annum in order to reflect aging and the normal life-cycle of a hotel. For a completely renovated property, this factor is slightly different.

This pattern of declining performance with property aging is based on major studies of economic life-cycle patterns. The first study was conducted on a census of all 25,000 Texas rooms built between 1980 and 1982 (study published in September 1994 issues of *MarketShare*¹¹ and the October 1994 issue of *Hotel & Motel Management*); the second investigation was conducted on all 17,231 rooms built in Texas from 1990 through 1995. These Source Strategies, Inc. studies confirm a similar, major study conducted in 1982 at the Holiday corporation on 160 company-owned Holiday hotels.

11. Now *Hotel Brand Report*.

Combining all of these factors - Product Type, Brand Age, Site, Size, Segment (other), and Newness (Age) - results in the REVPAR stream for the project. A REVPAR stream from which room revenues, estimated rate, occupancy and room-nights sold are derived. At this point, the investment and operational costs can be laid against the revenue line to generate pro forma financial performance and discounted cash flow analysis.

The calculation of the statistic of Operating Costs Per Occupied Room (before fixed/capital costs are deducted) is typically the important cost to examine carefully because it is highly stable and predictable, regardless of occupancy and rate. The Smith Travel Research's '2015 Almanac' (2014 data) with dollar costs inflated, and Source Strategies, Inc. financial models are the source of operating cost statistics.

From national average occupancies, costs are categorized as fixed, semi-variable or variable, resulting in the highly-leveraged profit performance characteristic of lodging products, depending on occupancy and REVPAR performance (i.e. variable costs increase proportionately with higher occupancy levels while fixed costs do not). Furthermore, with a capital expenditures profile provided by the International Society of Hospitality Consultants' CapEx, A Study of Capital Expenditures in the U.S. Hotel Industry, a method has been applied to determine an appropriate amount of renovation reserves to ensure that the property is maintained at the franchisor's required level.

All study-area individual hotel/motel five year histories are included in the study, using the Source Strategies, Inc. database of all Texas hotels and motels (includes each hotel's brand, room count, room revenue, occupancy, rate and REVPAR). The methodology of this database is attached as an exhibit.

MARKET REVPAR HISTORY: TEXAS

1. Since 1980, the State of Texas (and the wider U.S. market) has experienced other instances of economic turmoil such as the recent recession that began in 2009. In 1982-1983 the Texas market suffered through six consecutive quarters of major demand declines, with a sharp plummet of 24% in the first quarter of 1983.

Two years later, every quarter in 1986 posted significant demand decreases of 19% or more.

Before the recession starting in 2009, the most recent period of decline was in 2001, during which the onset of a recession was coupled, and accelerated by, the terrorist attacks of 9/11. Beginning in the Third quarter of 2001, seven of the next eight quarters showed declining room demand, and it was not until the first quarter of 2004 that healthy levels of growth resumed.

We have considered these historical market patterns in formulating our projections for all markets. Though there are differences in each economic downturn, and areas across the state are impacted differently depending on factors driving demand – particularly Oil & Gas development and production - there is much that can be discerned from historical negative trending performances and the patterns of subsequent periods of recovery.

Historical quarterly periods of economic decline and recession are highlighted in the Texas market data that follows overleaf, while more recent history shows the positive results of an improving economy and the impacts of shale oil extraction:

HOTEL MARKET: STATE OF TEXAS - 1980-1989

Year & Quarter	# Htls and Mtls	# Rooms	Room-1 nites sold 000's	Total Rooms Revenue \$ 000's	% 2 Occ.	\$ 3 Rate	\$ 4 RPAR	% Growth Vs Yr Ago			
								Sply	Real	ADR	\$ Rev
801	1,694	138,446	9,012	286,171	72.3	31.76	22.97				
802	1,859	143,967	9,593	321,352	73.2	33.50	24.53				
803	1,941	147,589	10,077	331,532	74.2	32.90	24.42				
804	1,827	150,272	9,430	296,137	68.2	31.40	21.42				
811	1,808	149,062	10,268	349,319	76.5	34.02	26.04	7.7	13.9	7.1	22.1
812	1,990	154,783	11,102	398,057	78.8	35.85	28.26	7.5	15.7	7.0	23.9
813	2,065	157,359	12,026	429,629	83.1	35.73	29.68	6.6	19.3	8.6	29.6
814	1,941	159,855	10,955	368,202	74.5	33.61	25.04	6.4	16.2	7.0	24.3
821	1,944	159,719	11,275	410,194	78.4	36.38	28.54	7.1	9.8	6.9	17.4
822	2,072	164,022	11,554	448,560	77.4	38.82	30.05	6.0	4.1	8.3	12.7
823	2,122	168,756	11,239	426,972	72.4	37.99	27.50	7.2	-6.5	6.3	-0.6
824	1,909	169,962	9,383	340,781	60.0	36.32	21.79	6.3	-14.4	8.1	-7.4
831	1,927	171,393	8,574	326,286	55.6	38.06	21.15	7.3	-24.0	4.6	-20.5
832	2,098	177,954	9,118	367,533	56.3	40.31	22.70	8.5	-21.1	3.8	-18.1
833	2,192	181,281	9,574	378,280	57.4	39.51	22.68	7.4	-14.8	4.0	-11.4
834	1,988	181,046	8,445	320,928	50.7	38.00	19.27	6.5	-10.0	4.6	-5.8
841	2,059	185,074	9,110	370,661	54.7	40.69	22.25	8.0	6.3	6.9	13.6
842	2,263	193,838	9,777	417,810	55.4	42.73	23.69	8.9	7.2	6.0	13.7
843	2,343	198,581	10,267	440,975	56.2	42.95	24.14	9.5	7.2	8.7	16.6
844	2,144	198,042	8,762	357,849	48.1	40.84	19.64	9.4	3.8	7.5	11.5
851	2,168	201,426	11,088	462,103	61.2	41.68	25.49	8.8	21.7	2.4	24.7
852	2,396	207,832	12,005	525,445	63.5	43.77	27.78	7.2	22.8	2.4	25.8
853	2,456	210,876	12,004	521,612	61.9	43.45	26.89	6.2	16.9	1.2	18.3
854	2,201	210,122	10,095	422,314	52.2	41.83	21.85	6.1	15.2	2.4	18.0
861	2,221	209,942	8,935	394,611	47.3	44.16	20.88	4.2	-19.4	6.0	-14.6
862	2,366	216,430	9,484	438,490	48.2	46.24	22.26	4.1	-21.0	5.6	-16.5
863	2,398	216,313	9,335	433,948	46.9	46.49	21.81	2.6	-22.2	7.0	-16.8
864	2,162	214,530	8,011	354,767	40.6	44.29	17.97	2.1	-20.6	5.9	-16.0
871	2,125	211,297	9,822	439,986	51.6	44.80	23.14	.6	9.9	1.4	11.5
872	2,323	217,846	10,613	469,942	53.5	44.28	23.71	.7	11.9	-4.2	7.2
873	2,488	223,226	11,609	513,072	56.5	44.20	24.98	3.2	24.4	-4.9	18.2
874	2,288	220,113	8,703	389,235	43.0	44.72	19.22	2.6	8.6	1.0	9.7
881	2,225	216,646	10,651	480,022	54.6	45.07	24.62	2.5	8.4	.6	9.1
882	2,328	219,194	11,468	519,279	57.5	45.28	26.03	.6	8.1	2.3	10.5
883	2,394	220,718	12,179	551,823	60.0	45.31	27.18	-1.1	4.9	2.5	7.6
884	2,183	217,487	10,408	468,241	52.0	44.99	23.40	-1.2	19.6	.6	20.3
891	2,139	214,433	10,972	505,830	56.9	46.10	26.21	-1.0	3.0	2.3	5.4
892	2,254	216,409	12,152	568,731	61.7	46.80	28.88	-1.3	6.0	3.4	9.5
893	2,380	219,464	13,087	606,723	64.8	46.36	30.05	-0.6	7.5	2.3	9.9
894	2,143	214,991	10,915	505,305	55.2	46.30	25.55	-1.1	4.9	2.9	7.9

1. Room nights sold (derived from est. rate and actual revenues) 2. Occupancy nights sold divided by nights available for sale. 3. Avg. price for room nights sold; Directories, Surveys, & experience.
4. \$ Revenue per available room per day (room sales per day)

HOTEL MARKET: STATE OF TEXAS - 1990-1999

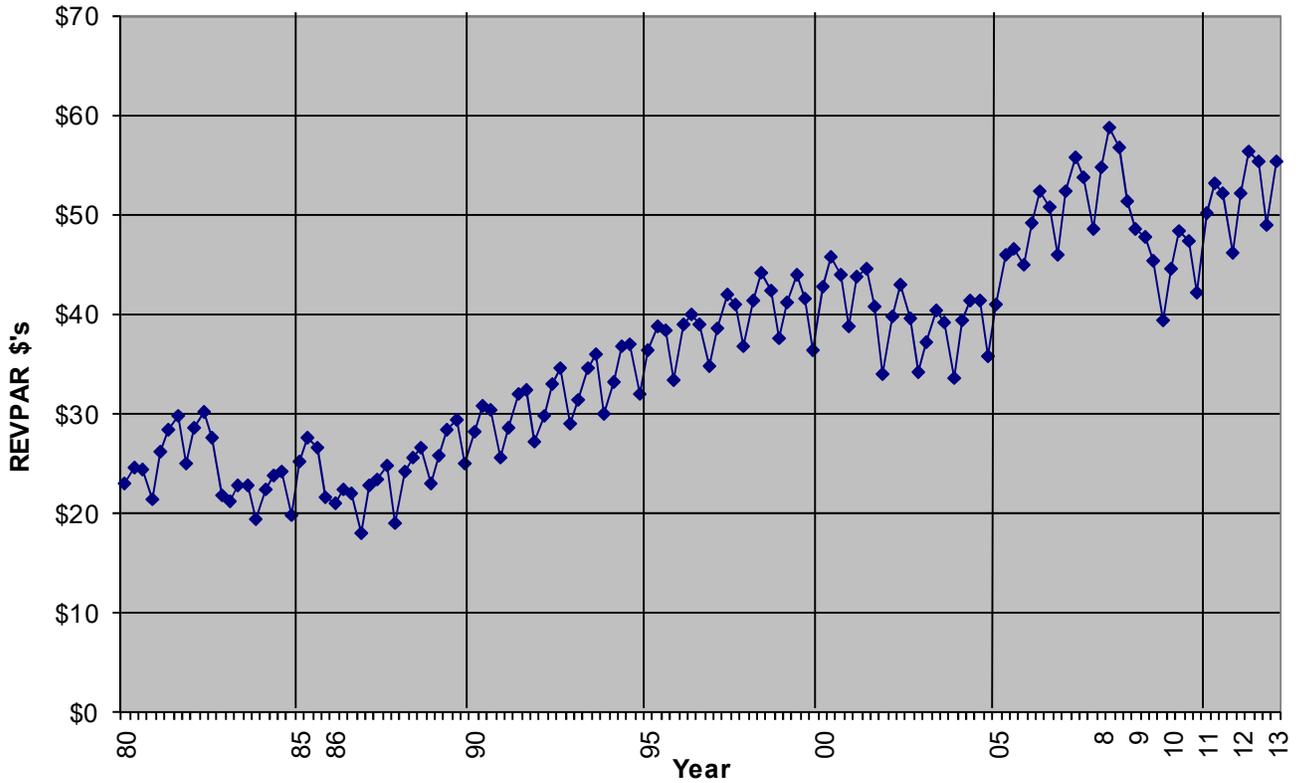
Year & Quarter	# Htals and Mtls	# Rooms	Room-1 nites sold 000's	Total Rooms Revenue \$ 000's	% 2 Occ.	\$ 3 Rate	\$ 4 RPAR	% Growth Vs Yr Ago			
								Sply	Real	ADR	\$ Rev
901	2,129	214,419	11,679	554,170	60.5	47.45	28.72	-0.0	6.4	2.9	9.6
902	2,311	218,824	12,840	624,482	64.5	48.64	31.36	1.1	5.7	3.9	9.8
903	2,488	223,343	12,708	629,223	61.8	49.51	30.62	1.8	-2.9	6.8	3.7
904	2,195	215,581	10,531	513,588	53.1	48.77	25.90	.3	-3.5	5.3	1.6
911	2,288	216,607	11,476	565,424	58.9	49.27	29.00	1.0	-1.7	3.8	2.0
912	2,450	220,230	12,714	652,416	63.4	51.31	32.55	.6	-1.0	5.5	4.5
913	2,489	221,280	13,203	669,743	64.9	50.73	32.90	-0.9	3.9	2.5	6.4
914	2,288	217,777	11,146	556,396	55.6	49.92	27.77	1.0	5.8	2.4	8.3
921	2,311	218,438	11,593	595,139	59.0	51.34	30.27	.8	1.0	4.2	5.3
922	2,488	222,368	12,751	675,369	63.0	52.97	33.38	1.0	.3	3.2	3.5
923	2,548	223,434	13,690	721,311	66.6	52.69	35.09	1.0	3.7	3.9	7.7
924	2,359	219,803	11,488	593,804	56.8	51.69	29.36	.9	3.1	3.5	6.7
931	2,364	220,328	11,903	630,049	60.0	52.93	31.77	.9	2.7	3.1	5.9
932	2,526	223,631	12,955	711,191	63.7	54.90	34.95	.6	1.6	3.6	5.3
933	2,587	225,580	14,033	762,508	67.6	54.34	36.74	1.0	2.5	3.1	5.7
934	2,382	221,392	11,714	625,100	57.5	53.36	30.69	.7	2.0	3.2	5.3
941	2,414	222,471	12,287	671,853	61.4	54.68	33.56	1.0	3.2	3.3	6.6
942	2,593	227,497	13,565	773,762	65.5	57.04	37.38	1.7	4.7	3.9	8.8
943	2,666	230,187	13,848	787,544	65.4	56.87	37.19	2.0	-1.3	4.7	3.3
944	2,475	226,119	12,215	677,868	58.7	55.50	32.59	2.1	4.3	4.0	8.4
951	2,457	225,028	12,549	738,394	62.0	58.84	36.46	1.1	2.1	7.6	9.9
952	2,604	229,116	13,526	810,170	64.9	59.90	38.86	.7	-0.3	5.0	4.7
953	2,701	234,593	14,117	841,494	65.4	59.61	38.99	1.9	1.9	4.8	6.9
954	2,602	232,201	12,326	722,297	57.7	58.60	33.81	2.7	.9	5.6	6.6
961	2,596	233,619	13,221	823,051	62.9	62.26	39.14	3.8	5.4	5.8	11.5
962	2,740	239,156	14,047	878,542	64.5	62.54	40.37	4.4	3.9	4.4	8.4
963	2,735	242,809	14,040	875,250	62.9	62.34	39.18	3.5	-0.5	4.6	4.0
964	2,666	241,679	12,572	775,657	56.5	61.70	34.89	4.1	2.0	5.3	7.4
971	2,694	245,315	13,353	861,700	60.5	64.53	39.03	5.0	1.0	3.6	4.7
972	2,774	250,349	14,720	965,813	64.6	65.61	42.39	4.7	4.8	4.9	9.9
973	2,838	254,368	14,874	968,988	63.6	65.15	41.41	4.8	5.9	4.5	10.7
974	2,800	257,088	13,470	873,191	57.0	64.83	36.92	6.4	7.1	5.1	12.6
981	2,847	258,388	14,390	965,828	61.9	67.12	41.53	5.3	7.8	4.0	12.1
982	2,930	263,497	15,481	1,057,929	64.6	68.34	44.12	5.3	5.2	4.2	9.5
983	3,019	270,763	15,927	1,053,109	63.9	66.12	42.28	6.4	7.1	1.5	8.7
984	2,978	271,238	14,316	941,569	57.4	65.77	37.73	5.5	6.3	1.4	7.8
991	3,047	277,678	15,010	1,023,911	60.1	68.22	40.97	7.5	4.3	1.6	6.0
992	3,129	282,933	15,996	1,125,938	62.1	70.39	43.73	7.4	3.3	3.0	6.4
993	3,220	290,145	16,562	1,111,162	62.0	67.09	41.63	7.2	4.0	1.5	5.5
994	3,208	289,149	14,552	968,974	54.7	66.59	36.43	6.6	1.7	1.2	2.9
20001	3,226	290,046	15,883	1,114,731	60.8	70.18	42.70	4.5	5.8	2.9	8.9

1. Room-nights sold (derived from est. rate and actual revenues) 2. Occupancy nights sold divided by nights available for sale. 3. Avg. price for room-nights sold; Directories, Surveys, & experience.
4. \$ Revenue per available room per day (room sales per day)

HOTEL MARKET: STATE OF TEXAS - 2000-2013

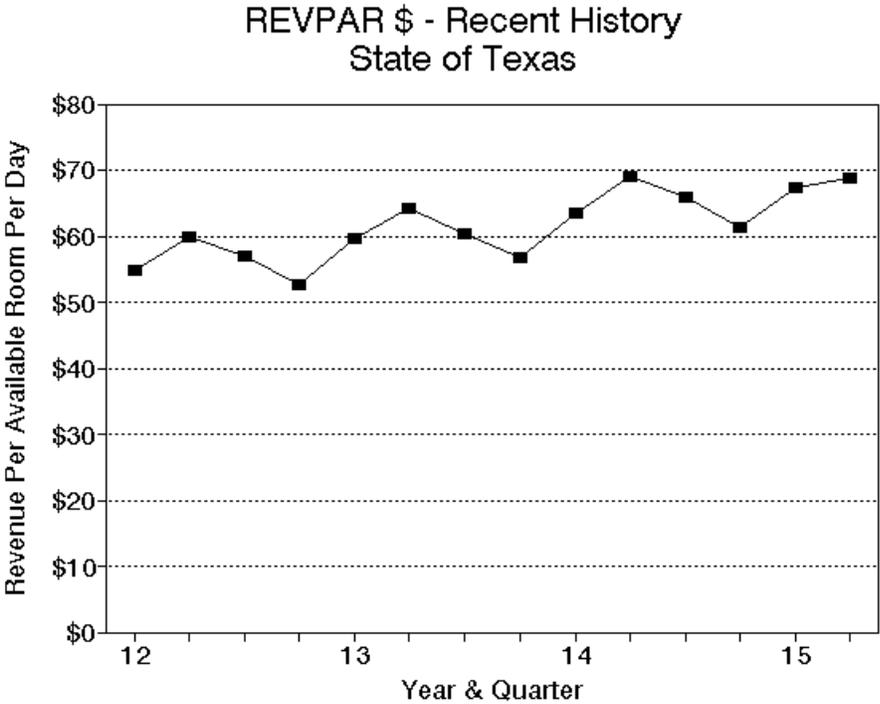
Year & Quarter	# Htls and # Mtls Rooms		Room-1 nites sold 000's	Total Rooms Revenue \$ 000's	% 2 Occ.	\$ 3 Rate	\$ 4 RPAR	% Growth Vs Yr Ago			
	Sply	Real	ADR	\$ Rev							
20004	3,360	299,047	15,228	1,064,870	55.3	69.93	38.71	3.4	4.6	5.0	9.9
011	3,411	302,343	16,517	1,188,162	60.7	71.94	43.66	4.2	4.0	2.5	6.6
012	3,536	306,089	17,222	1,239,069	61.8	71.95	44.48	3.5	1.3	-0.8	.5
013	3,589	310,957	16,802	1,164,254	58.7	69.29	40.70	3.5	-2.2	-2.3	-4.5
014	3,535	307,914	14,483	960,167	51.1	66.30	33.89	3.0	-4.9	-5.2	-9.8
021	3,576	309,745	15,867	1,110,327	56.9	69.98	39.83	2.4	-3.9	-2.7	-6.6
022	3,684	314,166	17,012	1,225,468	59.5	72.04	42.86	2.6	-1.2	.1	-1.1
023	3,707	318,226	16,541	1,158,407	56.5	70.03	39.57	2.3	-1.6	1.1	-0.5
024	3,644	313,988	14,713	986,554	50.9	67.05	34.15	2.0	1.6	1.1	2.7
031	3,672	316,723	15,361	1,057,864	53.9	68.87	37.11	2.3	-3.2	-1.6	-4.7
032	3,780	318,836	16,737	1,169,718	57.7	69.89	40.32	1.5	-1.6	-3.0	-4.5
033	3,805	323,624	16,776	1,162,518	56.3	69.30	39.05	1.7	1.4	-1.0	.4
034	3,734	320,212	14,914	987,483	50.6	66.21	33.52	2.0	1.4	-1.3	.1
041	3,747	323,147	16,239	1,145,793	55.8	70.56	39.40	2.0	5.7	2.5	8.3
042	3,878	327,926	17,518	1,237,847	58.7	70.66	41.48	2.9	4.7	1.1	5.8
043	3,913	332,549	17,679	1,264,128	57.8	71.50	41.32	2.8	5.4	3.2	8.7
044	3,829	329,158	15,951	1,082,616	52.7	67.87	35.75	2.8	7.0	2.5	9.6
051	3,852	329,449	17,015	1,214,908	57.4	71.40	40.97	2.0	4.8	1.2	6.0
052	3,983	332,254	18,593	1,391,414	61.5	74.84	46.02	1.3	6.1	5.9	12.4
053	4,048	338,115	19,173	1,449,393	61.6	75.59	46.59	1.7	8.5	5.7	14.7
054	3,962	334,144	18,561	1,383,105	60.4	74.52	44.99	1.5	16.4	9.8	27.8
061	3,978	334,912	18,910	1,479,351	62.7	78.23	49.08	1.7	11.1	9.6	21.8
062	4,121	337,788	19,328	1,609,669	62.9	83.28	52.37	1.7	4.0	11.3	15.7
063	4,184	344,093	19,733	1,606,206	62.3	81.40	50.74	1.8	2.9	7.7	10.8
064	4,093	341,556	18,004	1,439,964	57.3	79.98	45.82	2.2	-3.0	7.3	4.1
071	4,127	343,745	19,366	1,614,471	62.6	83.37	52.19	2.6	2.4	6.6	9.1
072	4,290	347,178	19,916	1,756,887	63.0	88.21	55.61	2.8	3.0	5.9	9.1
073	4,340	353,440	20,324	1,743,413	62.5	85.78	53.62	2.7	3.0	5.4	8.5
074	4,248	350,908	18,594	1,564,612	57.6	84.15	48.46	2.7	3.3	5.2	8.7
081	4,276	353,555	19,690	1,738,726	61.9	88.31	54.64	3.1	1.7	.2	-0.9
082	4,463	359,217	20,654	1,919,396	63.2	92.93	58.72	3.6	3.7	8.5	10.3
083	4,524	366,163	21,246	1,907,486	63.1	89.78	56.62	3.8	4.6	7.0	22.3
084	4,338	360,500	19,285	1,694,290	58.1	87.86	51.09	2.7	3.7	4.4	8.2
091	4,378	366,440	18,710	1,592,799	56.7	85.13	48.30	3.6	-5.0	-3.6	-8.4
092	4,603	374,553	18,627	1,613,320	54.7	86.61	47.33	4.3	-9.8	-6.8	-15.9
093	4,789	385,834	18,572	1,598,060	52.3	86.05	45.02	5.2	-12.6	-2.3	-5.6
094	4,409	377,400	17,096	1,366,915	49.2	79.95	39.33	4.9	-10.6	-6.3	-13.9
101	4,569	385,457	19,015	1,544,141	54.8	81.21	44.51	4.6	1.8	-6.0	-4.3
102	4,782	392,775	20,075	1,725,520	56.2	85.96	48.28	4.2	7.5	-0.1	8.0
103	4,675	394,600	20,747	1,734,223	57.1	83.59	47.73	2.3	11.7	2.9	8.5
104	4,400	386,300	18,588	1,537,803	52.3	82.73	43.27	2.4	8.7	3.5	12.5
111	4,509	392,003	20,983	1,779,430	59.5	84.80	50.44	1.7	10.3	4.4	15.2
112	4,769	398,204	21,956	1,943,642	60.6	88.52	53.64	1.4	9.4	3.0	12.6
113	4,647	399,800	22,581	1,945,543	61.4	86.16	52.90	1.3	8.8	3.1	12.2
114	4,428	390,500	19,978	1,702,585	55.6	85.22	47.38	1.1	7.5	3.0	10.7

Texas REVPAR Growth History & Projection



RECENT MARKET HISTORY: STATE OF TEXAS - 2012-2015 2d Quarter

Year & Quarter	# Htls and Mtls	# Rooms	Room-1 nites sold 000's	Total Rooms Revenue \$ 000's	% 2 Occ.	\$ 3 Rate	\$ 4 RPAR	% Growth Vs Yr Ago			
								Sply	Real	ADR	\$ Rev
121	4,386	390,175	22,158	1,928,798	63.1	87.05	54.93	.8	6.0	2.2	8.4
122	4,628	396,820	23,446	2,159,968	64.9	92.13	59.82	1.0	7.2	3.7	11.2
123	4,637	401,793	23,356	2,107,964	63.2	90.25	57.03	2.1	4.4	4.7	8.9
124	4,425	392,476	21,229	1,900,874	58.8	89.54	52.64	2.1	4.4	4.7	8.9
131	4,474	395,679	23,072	2,120,968	64.8	91.93	59.56	1.4	4.1	5.6	10.0
132	4,685	401,726	24,167	2,347,047	66.1	97.12	64.20	1.2	3.1	5.4	8.7
133	4,716	405,077	23,801	2,252,734	63.9	94.65	60.45	0.8	1.9	4.9	6.9
134	4,481	397,475	22,127	2,078,899	60.5	93.95	56.85	1.3	4.2	4.9	9.4
141	4,554	402,207	23,904	2,297,560	66.0	96.11	63.47	1.6	3.6	4.5	8.3
142	4,745	407,706	25,224	2,559,833	68.0	101.48	69.00	1.5	4.4	4.5	9.1
143	4,847	411,867	25,140	2,498,775	66.3	99.40	65.95	1.7	5.6	5.0	10.9
144	4,625	406,063	23,537	2,297,348	63.0	97.60	61.50	2.2	6.4	3.9	10.5
151	4,697	411,743	24,846	2,490,823	67.0	100.25	67.22	2.4	3.9	4.3	8.4
152	4,933	419,276	25,272	2,624,162	66.2	103.84	68.78	2.8	0.2	2.3	2.5
CGR%2yrs		1.8%	3.7%	8.1%	1.9%	4.3%	6.2%				
"1yr		2.3%	3.9%	7.9%	1.6%	3.9%	5.5%				
2d Qtr 2015		2.8%	0.2%	2.5%	-2.6%	2.3%	-0.3%				



PROJECTIONS & EXPECTATIONS

In making projections for the future, we have considered the historical market patterns for the state of Texas and for sub-markets within Texas. We have noted the past three years of a recovery that have occurred since the acute recession of 2009, and the drop to a low growth in the Second quarter of 2015 due to the modest but real declines in Oil & Gas areas.

Ongoing projections reflect the likelihood of slow growth through 2017 before returning to reasonable and normal revenue increases of about +6.5% dollar growth in 2018 and thereafter.

Market REVPAR History & Forecast:

2. Over the past nine years, the Austin Metro Market had an average annual real growth of 4.3% (room-nights sold), annual growth of 7.8% in total room revenues, and a 4.7% annual gain in REVPAR; note that the severe recession of 2009 depressed long-term performance numbers in many markets. Occupancy gained 1.3% per year over the nine years. Supply rose by 3% per year, with room rates rising 3.3% annually.

Over the past four years, a gain of 6.8% per year in demand was coupled with supply growth of 3.1% annually. Revenues over this period rose an average of 12.7% per year, while REVPAR gained 9.3% annually. Room rates were up 5.5% on average. Occupancy increased over the last four years by 3.6% per year.

Over the last two years, demand rose by 6.5% annually, which outpaced a 4.2% annual increase in supply. These results caused occupancy to increase by 2.3% annually, and REVPAR to gain 7.9% per year. Rates increased 5.6% per year, and yearly revenues climbed 12.4%.

Most recent history, the 12 months ending March 31, 2016, show continued positive results. Real demand rose by 9%, rates rose by 4.2%, revenues rose by 13.5%; occupancy gained 2.6% as supply grew by 6.3%. REVPAR gained 6.8% for the average hotel room.

LODGING MARKET HISTORY: AUSTIN METRO

Year & Quarter	# Htles and Mtls	# Rooms	Room ¹	Total	% ² Occ.	\$ ³ Rate	\$ ⁴ RevPar	% Growth Vs Yr Ago			
			nites sold 000's	Revenue \$000's				Sply	Real	ADR	\$Rev
062	249	25,163	1,540	155,411	67.2	100.95	67.87				
063	255	25,747	1,582	155,791	66.8	98.48	65.77				
064	250	25,859	1,499	140,865	63.0	94.01	59.21				
071	247	25,783	1,701	171,499	73.3	100.84	73.91				
072	257	25,946	1,641	180,234	69.5	109.82	76.34	3.1	6.6	8.8	16.0
073	258	26,123	1,605	170,167	66.8	106.00	70.81	1.5	1.5	7.6	9.2
074	250	25,954	1,526	152,943	63.9	100.22	64.05	0.4	1.8	6.6	8.6
081	251	25,930	1,645	175,093	70.5	106.44	75.03	0.6	-3.3	5.6	2.1
082	267	26,338	1,653	190,144	68.9	115.06	79.33	1.5	0.7	4.8	5.5
083	265	26,686	1,588	180,520	64.7	113.66	73.53	2.2	-1.1	7.2	6.1
084	255	26,506	1,504	156,975	61.7	104.40	64.37	2.1	-1.5	4.2	2.6
091	251	26,772	1,591	162,839	66.0	102.36	67.58	3.2	-3.3	-3.8	-7.0
092	269	27,355	1,566	161,555	62.9	103.20	64.90	3.9	-5.3	-10.3	-15.0
093	266	27,493	1,471	147,954	58.2	100.56	58.49	3.0	-7.4	-11.5	-18.0
094	266	27,752	1,441	138,558	56.4	96.19	54.27	4.7	-4.2	-7.9	-11.7
101	268	28,117	1,711	161,267	67.6	94.24	63.73	5.0	7.6	-7.9	-1.0
102	285	28,773	1,732	172,734	66.2	99.71	65.97	5.2	10.7	-3.4	6.9
103	290	29,075	1,639	165,892	61.3	101.20	62.02	5.8	11.4	0.6	12.1
104	281	29,085	1,570	158,917	58.7	101.23	59.39	4.8	9.0	5.2	14.7
111	284	29,557	1,884	194,556	70.8	103.26	73.14	5.1	10.1	9.6	20.6
112	303	29,843	1,849	195,684	68.1	105.85	72.06	3.7	6.7	6.2	13.3
113	291	29,642	1,769	185,757	64.8	105.04	68.12	2.0	7.9	3.8	12.0
114	275	29,461	1,610	170,160	59.4	105.67	62.78	1.3	2.6	4.4	7.1
121	279	29,533	1,892	211,366	71.2	111.73	79.52	-0.1	0.4	8.2	8.6
122	291	29,670	1,925	213,030	71.3	110.65	78.90	-0.6	4.1	4.5	8.9
123	290	29,799	1,779	189,776	64.9	106.69	69.22	0.5	0.6	1.6	2.2
124	287	29,876	1,896	217,269	69.0	114.57	79.05	1.4	17.8	8.4	27.7
131	300	30,369	2,023	239,670	74.0	118.50	87.69	2.8	6.9	6.1	13.4
132	311	30,720	2,112	247,843	75.6	117.34	88.66	3.5	9.7	6.0	16.3
133	312	30,754	1,927	216,663	68.1	112.44	76.58	3.2	8.3	5.4	14.2
134	298	30,830	2,048	242,857	72.2	118.61	85.62	3.2	8.0	3.5	11.8
141	302	30,919	2,081	264,750	74.8	127.22	95.14	1.8	2.9	7.4	10.5
142	314	31,136	2,144	266,760	75.7	124.43	94.15	1.4	1.5	6.0	7.6
143	322	31,372	2,054	247,490	71.2	120.47	85.75	2.0	6.6	7.1	14.2
144	312	31,252	2,102	265,255	73.1	126.21	92.26	1.4	2.6	6.4	9.2
151	329	32,044	2,205	303,864	76.4	137.82	105.36	3.6	5.9	8.3	14.8
152	342	32,740	2,353	315,550	79.0	134.13	105.91	5.2	9.7	7.8	18.3
153	341	33,235	2,293	285,993	75.0	124.71	93.53	5.9	11.6	3.5	15.6
154	329	33,533	2,295	296,796	74.4	129.31	96.20	7.3	9.2	2.5	11.9
161	341	34,230	2,329	330,859	75.6	142.05	107.40	6.8	5.6	3.1	8.9
CGR%Past9yrs		3.0%	4.3%	7.8%	1.3%	3.3%	4.7%				
"4yrs		3.1%	6.8%	12.7%	3.6%	5.5%	9.3%				
"2yrs		4.2%	6.5%	12.4%	2.3%	5.6%	7.9%				
"1yr		6.3%	9.0%	13.5%	2.6%	4.2%	6.8%				

1. Roomnights sold (derived from est. rate and actual revenues) 2. Occupancy nights sold divided by nights available for sale. 3. Avg. price for roomnights sold; Directories, Surveys, & experience.
4. \$ Revenue per available room per day (room sales per day)

3. In the future, Austin Metro market occupancy is projected to return to the estimated long-term equilibrium occupancy level of 63/64% by the end of our projection. *For the next nine years*, real demand (room nights sold) is projected at an average 3.2% growth rate, below the projected net supply growth of 5.2%. With 3% average daily rate inflation, market gross revenues should gain 6.3%, and REVPAR should increase 1% annually during the nine year forecast.

These assumptions relative to demand, supply, and occupancy reflect the fact that over the past 20 years overall occupancy in Texas has averaged about 60%, a level considered to be 'Equilibrium Occupancy' state-wide. This fact considers that larger and more successful metro area markets generate higher overall occupancy and REVPAR numbers than state averages, while rural areas lag these averages (Source Strategies, Inc. database).

'Equilibrium Occupancy' is further explained by the fact that new investment money will eventually be attracted to an under-supplied market until market occupancy falls and lower returns on capital are the result. The equilibrium occupancy point is where net, new supply is being added at about the same rate as growth in demand, and where return on investment is in balance with the cost of capital.

Fueled by moderate, steady demand growth, the Metro market has room for appropriately-positioned new development, added at similar rates to demand. Higher quality new lodging products at or above mid-priced levels are performing very well in the market despite overall performance numbers being moderated by the large number of older, obsolete, budget and independent hotels. These older, existing competitors are highly vulnerable to the superior attractiveness of newly-built lodging. This pattern can be seen in the success of chain operations at or above the mid-priced levels.

Note that REVPAR growth for every individual hotel unit is well below the total revenue growth of the market, with average REVPAR in our projection falling 0.2% per annum **over the next five years** (compared to 4.7% REVPAR average growth of the past nine years). Revenues are forecast to grow by 6.4% per year on the strength of 3.3% growth in real demand and 3% growth in price (room-rates). Occupancy over the next five years is expected to decline by 3.1% per year, as supply rises 6.6% per year.

AUSTIN METRO AREA PROJECTION

Year & Quarter	# Htls and Mtls		Room ¹ nites sold 000's	Total Rooms Revenue \$000's	% ² Occ.	\$ ³ Rate	\$ ⁴ RevPar	% Growth Vs Yr Ago			
	# Rooms							Sply	Real	ADR	\$Rev
162	371	35,196	2,470	341,589	77.1	138.29	106.65	7.5	5.0	3.1	8.3
163	351	35,728	2,408	309,593	73.3	128.58	94.19	7.5	5.0	3.1	8.3
164	339	36,048	2,410	321,307	72.7	133.32	96.88	7.5	5.0	3.1	8.3
171	351	39,365	2,399	351,338	67.7	146.45	99.17	15.0	3.0	3.1	6.2
172	431	40,475	2,544	362,391	69.1	142.44	98.39	15.0	3.0	3.0	6.1
173	408	41,087	2,480	328,447	65.6	132.43	86.89	15.0	3.0	3.0	6.1
174	394	41,455	2,482	340,874	65.1	137.32	89.38	15.0	3.0	3.0	6.1
181	373	41,333	2,471	372,735	66.4	150.85	100.20	5.0	3.0	3.0	6.1
182	458	42,499	2,621	384,461	67.8	146.71	99.41	5.0	3.0	3.0	6.1
183	433	43,141	2,554	348,450	64.4	136.41	87.79	5.0	3.0	3.0	6.1
184	417	43,528	2,557	361,633	63.8	141.44	90.31	5.0	3.0	3.0	6.1
191	389	42,779	2,545	395,434	66.1	155.37	102.71	3.5	3.0	3.0	6.1
192	478	43,986	2,699	407,875	67.4	151.11	101.90	3.5	3.0	3.0	6.1
193	452	44,651	2,631	369,670	64.1	140.50	89.99	3.5	3.0	3.0	6.1
194	436	45,051	2,634	383,657	63.5	145.68	92.56	3.5	3.0	3.0	6.1
201	407	44,277	2,621	419,516	65.8	160.03	105.28	3.5	3.0	3.0	6.1
202	500	45,526	2,780	432,714	67.1	155.64	104.45	3.5	3.0	3.0	6.1
203	473	46,214	2,710	392,183	63.7	144.71	92.24	3.5	3.0	3.0	6.1
204	456	46,628	2,713	407,021	63.2	150.05	94.88	3.5	3.0	3.0	6.1
211	426	45,826	2,700	445,065	65.5	164.83	107.91	3.5	3.0	3.0	6.1
212	523	47,119	2,864	459,067	66.8	160.31	107.06	3.5	3.0	3.0	6.1
213	494	47,831	2,791	416,067	63.4	149.05	94.55	3.5	3.0	3.0	6.1
214	477	48,260	2,794	431,809	62.9	154.55	97.26	3.5	3.0	3.0	6.1
221	445	47,430	2,781	472,169	65.1	169.78	110.61	3.5	3.0	3.0	6.1
222	547	48,768	2,949	487,024	66.5	165.12	109.74	3.5	3.0	3.0	6.1
223	517	49,505	2,875	441,406	63.1	153.53	96.92	3.5	3.0	3.0	6.1
224	499	49,949	2,878	458,106	62.6	159.19	99.69	3.5	3.0	3.0	6.1
231	465	49,090	2,864	500,924	64.8	174.87	113.38	3.5	3.0	3.0	6.1
232	571	50,475	3,038	516,684	66.1	170.08	112.49	3.5	3.0	3.0	6.1
233	540	51,238	2,961	468,287	62.8	158.13	99.34	3.5	3.0	3.0	6.1
234	521	51,698	2,964	486,005	62.3	163.97	102.18	3.5	3.0	3.0	6.1
241	486	50,808	2,950	531,430	64.5	180.12	116.22	3.5	3.0	3.0	6.1
242	597	52,242	3,129	548,150	65.8	175.18	115.30	3.5	3.0	3.0	6.1
243	565	53,031	3,050	496,806	62.5	162.88	101.83	3.5	3.0	3.0	6.1
244	545	53,507	3,053	515,603	62.0	168.88	104.74	3.5	3.0	3.0	6.1
251	508	52,587	3,039	563,795	64.2	185.52	119.12	3.5	3.0	3.0	6.1
252	625	54,070	3,223	581,532	65.5	180.43	118.19	3.5	3.0	3.0	6.1
253	591	54,888	3,142	527,061	62.2	167.76	104.38	3.5	3.0	3.0	6.1
254	570	55,380	3,145	547,003	61.7	173.95	107.36	3.5	3.0	3.0	6.1
261	532	54,427	3,130	598,130	63.9	191.09	122.11	3.5	3.0	3.0	6.1
262	653	55,962	3,320	616,947	65.2	185.85	121.15	3.5	3.0	3.0	6.1
263	618	56,809	3,236	559,159	61.9	172.80	106.99	3.5	3.0	3.0	6.1
264	596	57,318	3,239	580,315	61.4	179.17	110.05	3.5	3.0	3.0	6.1
271	556	56,332	3,224	634,556	63.6	196.82	125.16	3.5	3.0	3.0	6.1
9yr CGR %		5.2%	3.2%	6.3%	-2.0%	3.0%	1.0%				
"5yrs		6.6%	3.3%	6.4%	-3.1%	3.0%	-0.2%				
HISTORY											
CGR%Past9yrs		3.0%	4.3%	7.8%	1.3%	3.3%	4.7%				
"4yrs		3.1%	6.8%	12.7%	3.6%	5.5%	9.3%				
"1yr		6.3%	9.0%	13.5%	2.6%	4.2%	6.8%				

1. Roomnights sold (derived from est. rate and actual revenues) 2. Occupancy nights sold divided by nights available for sale. 3. Avg. price for room-nights sold; Directories, Surveys, & experience. 4. \$ Revenue per available room per day (room sales per day).

LOCAL MARKET PERFORMANCE

4. The subject hotel's market in Lago Vista Area currently generates a REVPAR of \$79 compared to the Texas average of \$65. Also, the 15 independents measured (Source excludes properties not producing \$36,000 taxable per quarter) had an average REVPAR of \$90, in 800 rentable rooms:

Twelve Months Ending June 30, 2016 HOTEL MARKET: LAGO VISTA AREA ZIP CODES

BRAND	# HTL	# RMS	* %	EST.		\$			EST.	
				RNS	%	AMT.	%	EST.	\$	\$
		000S	RMS	000'S	RNS	000'S	AMT	%OCC	RATE	RPAR
BEST WEST CED PK		.0	2.4	11	2.9	757	1.6	75.8	68.44	51.87
COMFO INN CED PK		.1	3.4	16	4.1	1,295	2.7	75.7	80.84	61.17
HOL EXP LAKEWAY		.1	4.6	19	5.0	2,438	5.0	67.7	126.57	85.63
LA QUINTA CED PK		.1	4.4	21	5.4	2,256	4.6	76.9	107.10	82.41
TOTAL COMPS	4	.3	14.8	67	17.4	6,746	13.8	73.6	100.07	73.64
CANDLWOOD	1	.1	4.7	23	5.8	1,819	3.7	77.3	80.53	62.28
BEST WEST	1	.1	3.7	13	3.3	1,048	2.1	57.2	80.97	46.29
HAMPTON	2	.1	7.9	34	8.7	4,991	10.2	68.8	148.42	102.04
HOLID EXP	2	.1	7.7	33	8.6	3,805	7.8	69.5	114.50	79.57
LA QUINTA	1	.1	4.3	16	4.2	2,362	4.8	61.5	144.04	88.65
TOT LTD SVE	6	.4	23.6	96	24.8	12,206	25.0	65.9	126.89	83.60
MOTEL 6	2	.2	9.6	41	10.7	2,411	4.9	69.7	58.14	40.52
QUALITY	1	.0	2.9	10	2.6	783	1.6	55.9	78.24	43.76
TOT BUDGET	3	.2	12.5	51	13.3	3,194	6.5	66.5	62.05	41.27
TOT CHAINS	14	.9	55.5	238	61.3	23,964	49.1	69.0	100.83	69.62
<u>INDEPENDENTS</u>										
TRAAVAASA	1	.1	4.4	23	5.8	7,503	15.4	83.4	333.10	277.77
\$100+ ADR	11	.5	31.9	102	26.3	15,828	32.4	51.5	155.33	79.93
\$60-99ADR	2	.1	4.1	15	3.9	1,046	2.1	60.0	68.46	41.11
LT \$60ADR	1	.1	4.1	11	2.7	490	1.0	41.8	46.57	19.45
TOTAL INDEP	15	.8	44.5	150	38.7	24,866	50.9	54.5	165.54	90.21
TOT MARKET	29	1.7	100.0	388	100.0	48,830	100	62.6	125.89	78.78

* All figures annualized. Includes taxed and est non-tax room revenues.
Independents are sorted by price.

Local Market REVPAR History & Forecast:

5. Over the past nine years, the Lago Vista Area Market¹² has shown real growth (room-nights sold) of 7.7% and annual growth of 9.1% in total room revenues, and a 3.2% annual gain in REVPAR. Occupancy was up 1.8% annually over each of the nine years. Supply rose by 5.8% per year, with room rates rising 1.3% annually.

Over the past four years, 6.9% annual demand gains were coupled with a gain in supply of 1.6% annually. Revenues over this period rose by 11.1% per year, while REVPAR rose 9.3%, occupancy rose 5.2%, and room rates rose 4%.

Over the last two years, real demand rose by 5% annually, and supply rose by 1.8%. Rates rose 2.7%, and yearly revenues rose 7.9%. These results caused occupancy to rise 3.2% annually, and REVPAR improved by 6% per year.

In the latest year, demand growth has increased. Real demand rose 3.2%, rates rose 0.6%, revenues rose by 3.8% and occupancy rose by 0.6% for the year. With a supply increase of 1.6%, REVPAR rose 2%. Market occupancy averaged 63%, below the 65% average for the overall state of Texas, but very high for an area characterized by seasonal travel. These growth levels are also reasonable, considering the current high level of demand for hotel rooms in the area, which is amongst the fastest growing areas in the nation. Over time, we decrease the current occupancy to 61% (which is above the simple average of the past 10 years) by 2021.

12. Zip codes 78645/641/654/734/732/729/613.

LODGING MARKET HISTORY: LAGO VISTA AREA MARKET

Year & Quarter	# Htls and Mtls	# Rooms	Room ¹ nites sold 000's	Total Rooms Revenue \$000's	% ² Occ.	\$ ³ Rate	\$ ⁴ RevPar	% Growth Vs Yr Ago			
								Sply	Real	ADR	\$Rev
063	21	1,063	53	6,072	54.5	113.82	62.09				
064	19	1,009	47	4,813	50.4	102.89	51.85				
071	18	959	49	5,085	56.3	104.63	58.91				
072	21	1,064	50	6,273	52.1	124.42	64.79				
073	23	1,073	49	6,088	49.8	123.73	61.67	0.9	-7.7	8.7	0.3
074	18	994	48	5,431	52.8	112.39	59.39	-1.5	3.2	9.2	12.8
081	20	1,063	50	5,631	52.3	112.49	58.86	10.8	3.1	7.5	10.7
082	25	1,158	54	7,452	51.5	137.19	70.72	8.8	7.7	10.3	18.8
083	25	1,232	54	7,396	48.0	135.92	65.25	14.8	10.6	9.9	21.5
084	21	1,179	49	5,699	45.5	115.47	52.54	18.6	2.3	2.7	4.9
091	20	1,170	48	5,126	45.8	106.39	48.68	10.1	-3.8	-5.4	-9.0
092	27	1,306	59	7,151	49.9	120.65	60.17	12.8	9.2	-12.1	-4.0
093	25	1,249	57	6,818	49.8	119.04	59.34	1.4	5.3	-12.4	-7.8
094	21	1,209	45	4,872	40.3	108.60	43.80	2.5	-9.1	-5.9	-14.5
101	24	1,328	48	4,856	40.4	100.55	40.63	13.5	0.2	-5.5	-5.3
102	32	1,566	71	8,010	49.9	112.68	56.21	19.9	19.9	-6.6	12.0
103	33	1,574	73	8,599	50.6	117.38	59.38	26.0	27.9	-1.4	26.1
104	25	1,541	60	5,917	42.5	98.30	41.73	27.5	34.1	-9.5	21.4
111	25	1,573	65	6,046	46.0	92.93	42.71	18.4	34.8	-7.6	24.5
112	33	1,651	82	8,978	54.8	109.10	59.76	5.4	15.8	-3.2	12.1
113	32	1,635	80	8,824	52.8	111.03	58.67	3.9	8.5	-5.4	2.6
114	23	1,551	62	6,306	43.3	101.99	44.20	0.6	2.7	3.8	6.6
121	23	1,551	68	7,049	48.7	103.62	50.50	-1.4	4.5	11.5	16.6
122	30	1,627	88	9,869	59.4	112.20	66.65	-1.5	6.9	2.8	9.9
123	29	1,614	83	9,356	55.7	113.09	63.01	-1.3	4.0	1.9	6.0
124	23	1,554	71	7,846	49.6	110.61	54.88	0.2	14.7	8.5	24.4
131	24	1,574	77	8,460	54.2	110.29	59.72	1.5	12.8	6.4	20.0
132	30	1,672	100	11,660	65.4	117.14	76.64	2.8	13.1	4.4	18.1
133	31	1,672	94	11,065	60.9	118.07	71.93	3.6	13.3	4.4	18.3
134	25	1,605	79	8,974	53.8	113.02	60.77	3.3	12.0	2.2	14.4
141	24	1,601	79	9,077	54.5	115.68	62.99	1.7	2.3	4.9	7.3
142	30	1,673	100	12,798	65.7	127.93	84.07	0.1	0.5	9.2	9.8
143	30	1,663	99	12,708	64.7	128.33	83.06	-0.5	5.7	8.7	14.8
144	26	1,626	87	10,200	58.2	117.12	68.19	1.3	9.7	3.6	13.7
151	27	1,683	88	10,485	57.9	119.53	69.22	5.1	11.7	3.3	15.5
152	31	1,711	102	13,632	65.7	133.26	87.55	2.3	2.3	4.2	6.5
153	34	1,725	103	13,341	65.0	129.30	84.06	3.7	4.2	0.8	5.0
154	25	1,649	86	10,230	56.5	119.35	67.43	1.4	-1.6	1.9	0.3
161	27	1,683	90	10,675	59.1	119.31	70.47	0.0	2.1	-0.2	1.8
162	30	1,736	110	14,585	69.4	133.10	92.32	1.5	7.1	-0.1	7.0
CGR%9yrs		5.8%	7.7%	9.1%	1.8%	1.3%	3.2%				
"4yrs		1.6%	6.9%	11.1%	5.2%	4.0%	9.3%				
"2yrs		1.8%	5.0%	7.9%	3.2%	2.7%	6.0%				
"1yr		1.6%	3.2%	3.8%	1.4%	0.6%	2.0%				
Wider Market History											
CGR%Past9yrs		3.1%	4.3%	7.7%	1.2%	3.2%	4.5%				
"4yrs		3.4%	6.9%	12.8%	3.3%	5.5%	9.0%				

1. Room-nights sold (derived from est. rate and actual revenues) 2. Occupancy nights sold divided by nights available for sale. 3. Avg. price for room-nights sold; Directories, Surveys, & experience.
4. \$ Revenue per available room per day (room sales per day)

6. Overall market occupancy is projected to fall, with 3.4% demand gains and supply rising 3.6% annually for the next nine years. This translates to occupancies falling to the 61% long-term equilibrium level. REVPAR should rise 3.3% annually in the period, based on rates rising 3.4% per year. This compares to an average level of REVPAR growth of 3.2% for the past nine years.

These assumptions relative to demand, supply, and occupancy reflect the fact that over the past 20 years overall occupancy in Texas has averaged about 60%, a level considered to be 'Equilibrium Occupancy' state-wide. This fact considers that larger and more successful metro area markets generate higher overall occupancy and REVPAR numbers than state averages, while rural and Interstate highways areas lag these averages (Source Strategies, Inc. database). 'Equilibrium Occupancy' is further explained by the fact that new investment money will eventually be attracted to an under-supplied market until market occupancy falls and lower returns on capital are the result. The equilibrium occupancy point is where net, new supply is being added at about the same rate as growth in demand, and where return on investment is in balance with the cost of capital. The Lago Vista Area Market has room for selectively-positioned new development. Higher quality new lodging products at or above mid-priced levels are performing very well in the market despite overall performance numbers being moderated by the large number of older, obsolete, budgets. These older, existing competitors are highly vulnerable to the superior attractiveness of newly-built, major-branded lodging. This pattern can be seen in the success of chain operations at or above the mid-priced levels. Given our growth assumptions, room supply consequently grows from 1,698 rooms currently to 2,314 in 2024, 36% higher and representing 616 *net* new rooms (gross new openings, less closings).

REVPAR growth for every individual hotel unit is below the total revenue growth of the market, with average REVPAR in our projection rising 3.1% per annum over the next five years. Revenues during this upcoming period are forecast to rise by 7% per year on demand gains of 3.8% per year and 3.4% annual increase in prices (room-rates). Occupancy over the next five years is expected to fall as supply rises by an expected 3.8% per year. If supply should grow 230 rooms over forecast (+10%), without demand also growing faster than forecast, average individual hotel REVPAR would decline by 9% versus forecast, dropping from the forecast REVPAR of \$108 to \$98 by the end of 2024.

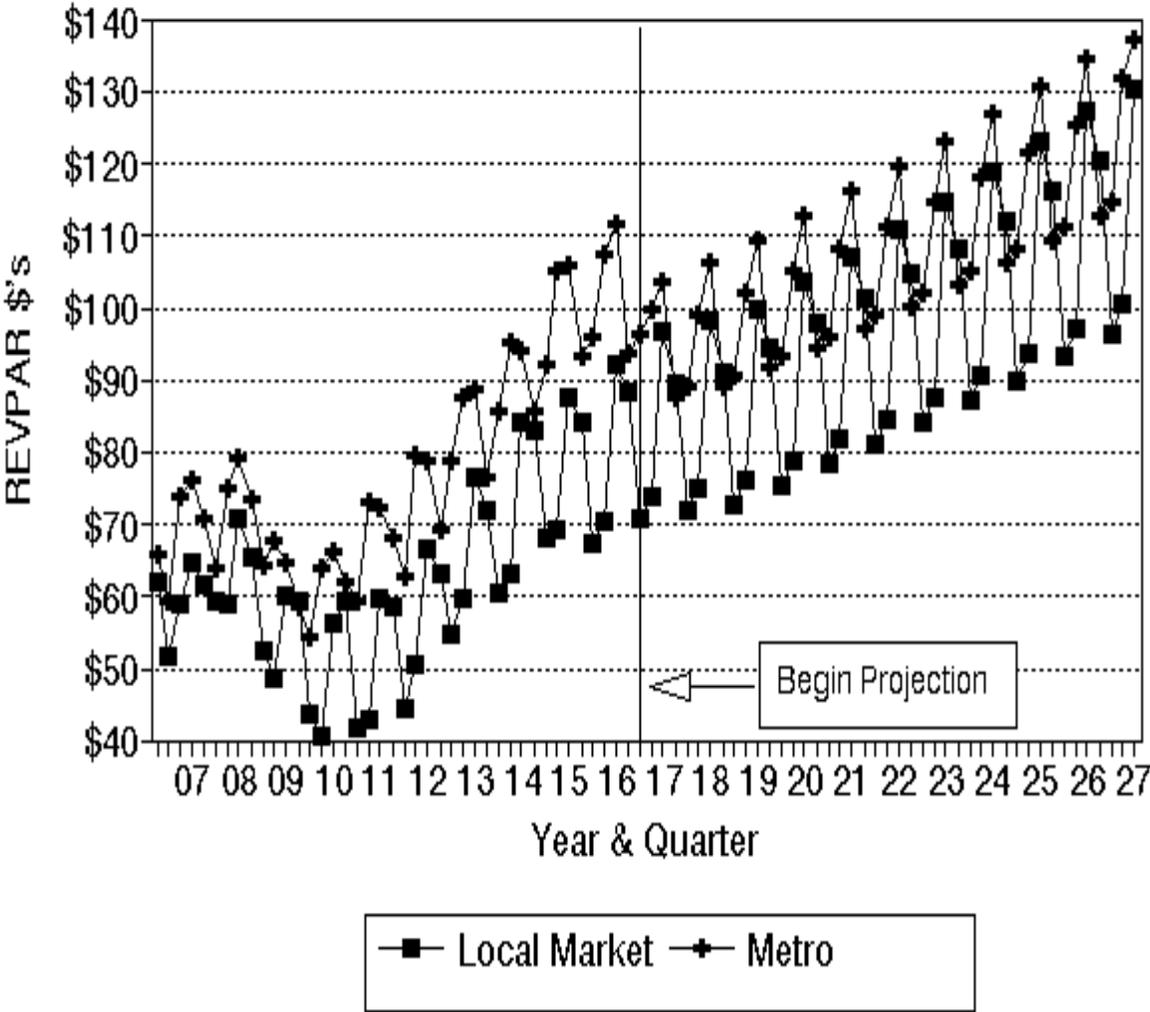
LODGING MARKET PROJECTION: LAGO VISTA AREA MARKET

Year & Quarter	# Htlns and Mtls	# Rooms	Room ¹ nites sold 000's	Total Rooms Revenue \$000's	% ² Occ.	\$ ³ Rate	\$ ⁴ RevPar	% Growth Vs Yr Ago			
								Sply	Real	ADR	\$Rev
163	28	1,753	107	14,225	66.2	133.18	88.22	1.6	3.5	3.0	6.6
164	29	1,675	89	10,904	57.5	122.93	70.74	1.6	3.5	3.0	6.6
171	28	1,710	93	11,384	60.2	122.89	73.97	1.6	3.5	3.0	6.6
172	31	1,764	113	15,551	70.7	137.09	96.89	1.6	3.5	3.0	6.6
173	30	1,849	111	15,238	65.0	137.84	89.58	5.5	3.5	3.5	7.1
174	31	1,768	92	11,681	56.5	127.23	71.83	5.5	3.5	3.5	7.1
181	30	1,804	96	12,194	59.1	127.19	75.11	5.5	3.5	3.5	7.1
182	33	1,861	117	16,659	69.3	141.89	98.38	5.5	3.5	3.5	7.1
183	32	1,951	114	16,324	63.8	142.66	90.96	5.5	3.5	3.5	7.1
184	33	1,865	95	12,512	55.4	131.69	72.93	5.5	3.5	3.5	7.1
191	30	1,903	99	13,063	57.9	131.64	76.26	5.5	3.5	3.5	7.1
192	34	1,963	122	17,845	68.0	146.86	99.89	5.5	3.5	3.5	7.1
193	33	2,015	118	17,486	63.9	147.66	94.32	3.3	3.5	3.5	7.1
194	34	1,926	98	13,404	55.5	136.30	75.63	3.3	3.5	3.5	7.1
201	31	1,966	103	13,993	58.0	136.25	79.08	3.3	3.5	3.5	7.1
202	34	2,028	126	19,116	68.2	152.00	103.59	3.3	3.5	3.5	7.1
203	34	2,082	123	18,732	64.0	152.83	97.81	3.3	3.5	3.5	7.1
204	35	1,990	102	14,358	55.6	141.07	78.43	3.3	3.5	3.5	7.1
211	32	2,031	106	14,961	58.0	141.02	81.85	3.3	3.3	3.5	6.9
212	35	2,095	130	20,438	68.2	157.32	107.22	3.3	3.3	3.5	6.9
213	35	2,150	127	20,027	64.0	158.17	101.24	3.3	3.3	3.5	6.9
214	36	2,056	105	15,351	55.6	146.00	81.18	3.3	3.3	3.5	6.9
221	32	2,098	110	15,996	58.0	145.95	84.72	3.3	3.3	3.5	6.9
222	36	2,164	134	21,852	68.2	162.82	110.97	3.3	3.3	3.5	6.9
223	35	2,221	131	21,412	64.0	163.71	104.78	3.3	3.3	3.5	6.9
224	36	2,123	109	16,413	55.6	151.11	84.02	3.3	3.3	3.5	6.9
231	33	2,167	113	17,102	58.0	151.06	87.68	3.3	3.3	3.5	6.9
232	37	2,235	139	23,363	68.2	168.52	114.85	3.3	3.3	3.5	6.9
233	36	2,295	135	22,893	64.0	169.44	108.45	3.3	3.3	3.5	6.9
234	37	2,193	112	17,548	55.6	156.40	86.96	3.3	3.3	3.5	6.9
241	34	2,239	117	18,284	58.0	156.35	90.75	3.3	3.3	3.5	6.9
242	37	2,309	143	24,979	68.2	174.42	118.87	3.3	3.3	3.5	6.9
243	37	2,370	140	24,476	64.0	175.37	112.24	3.3	3.3	3.5	6.9
244	38	2,266	116	18,761	55.6	161.88	90.00	3.3	3.3	3.5	6.9
251	34	2,313	121	19,549	58.0	161.82	93.93	3.3	3.3	3.5	6.9
252	38	2,385	148	26,706	68.2	180.53	123.03	3.3	3.3	3.5	6.9
253	37	2,448	144	26,169	64.0	181.51	116.17	3.3	3.3	3.5	6.9
254	39	2,341	120	20,059	55.6	167.54	93.15	3.3	3.3	3.5	6.9
261	35	2,389	125	20,901	58.0	167.49	97.22	3.3	3.3	3.5	6.9
262	39	2,464	153	28,553	68.2	186.84	127.34	3.3	3.3	3.5	6.9
263	38	2,529	149	27,978	64.0	187.86	120.24	3.3	3.3	3.5	6.9
264	39	2,418	124	21,446	55.6	173.41	96.41	3.3	3.3	3.5	6.9
271	36	2,468	129	22,346	58.0	173.35	100.62	3.3	3.3	3.5	6.9
272	40	2,545	158	30,528	68.2	193.38	130.36	3.3	3.3	3.5	6.9
9yr CGR %		3.6%	3.4%	7.0%	-0.2%	3.4%	3.3%				
"5yrs		3.8%	3.5%	7.0%	-0.3%	3.4%	3.1%				
HISTORY											
CGR%9yrs		5.8%	7.7%	9.1%	1.8%	1.3%	3.2%				
"4yrs		1.6%	6.9%	11.1%	5.2%	4.0%	9.3%				
"1yr		1.6%	3.2%	3.8%	1.4%	0.6%	2.0%				

1. Room-nights sold (derived from est. rate and actual revenues) 2. Occupancy nights sold divided by nights available for sale. 3. Avg. price for room-nights sold; Directories, Surveys, & experience. 4. \$ Revenue per available room per day (room sales per day)

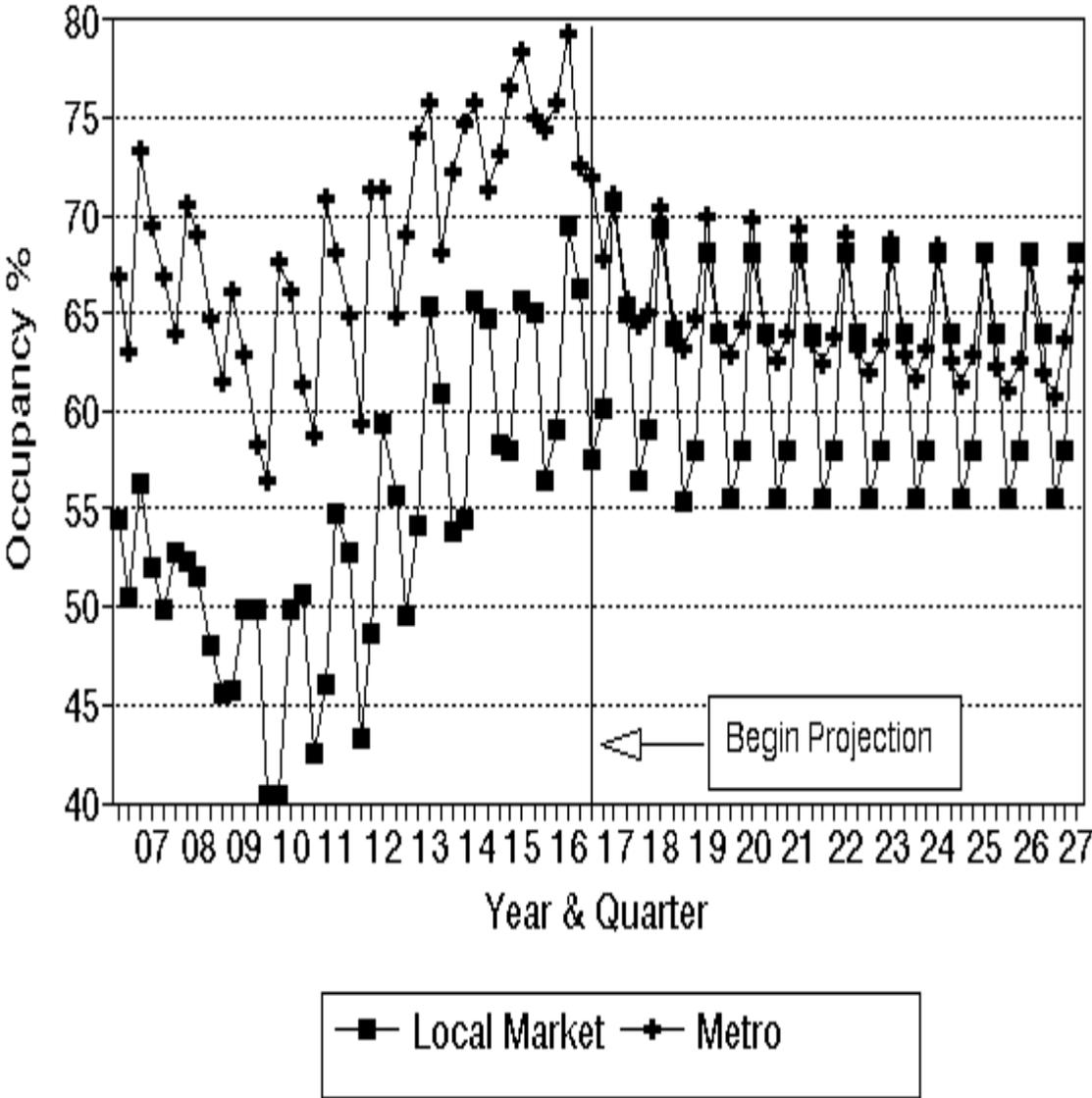
7. A graph of the REVPAR history and projection for the local market compared to the Austin Metro shows the recent surge moderating in both markets before resuming normal growth:

REVPAR History & Projection: Lago Vista Area / Austin Metro



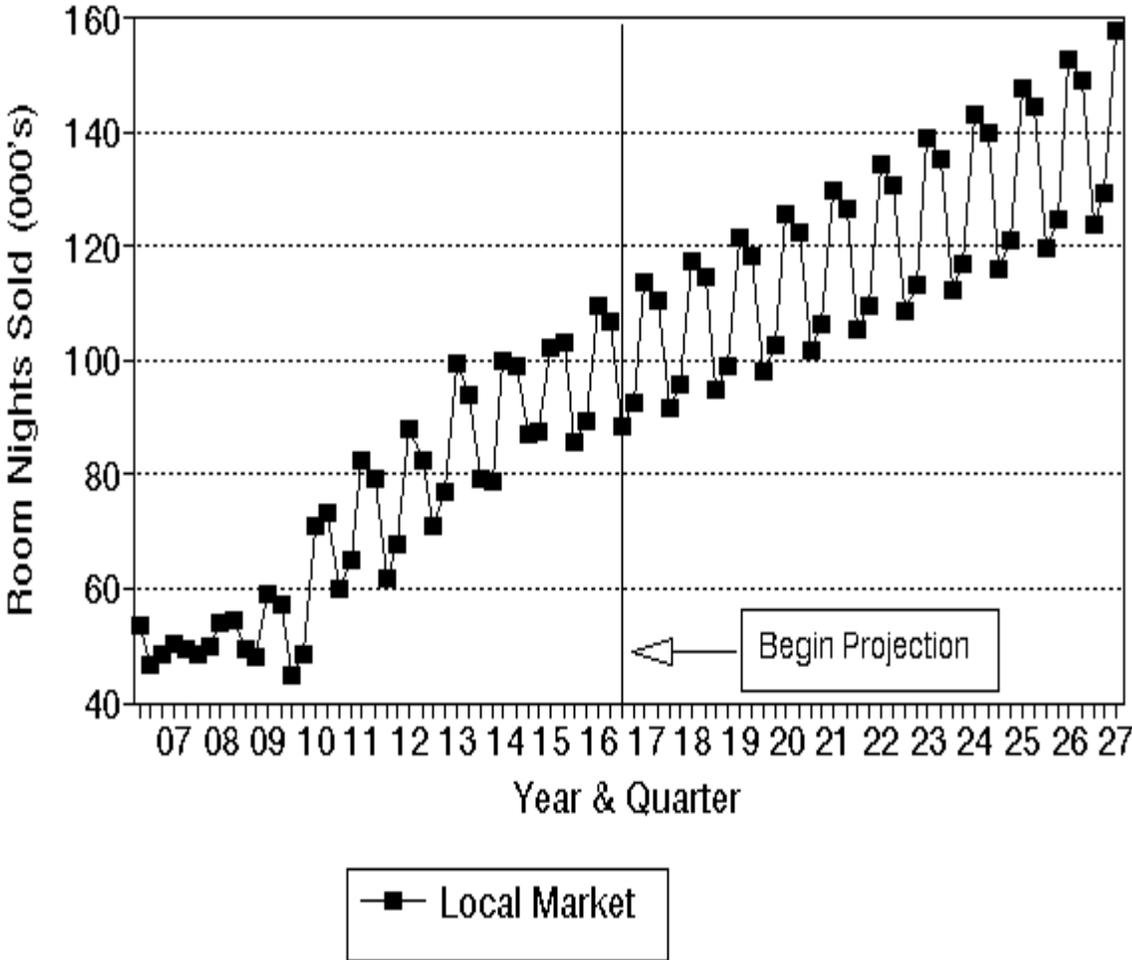
8. The occupancy projection for Lago Vista Area market is for a return to normal levels, with a drop from the most recent boom; occupancy approaches 61% on average, with seasonal highs and lows shown below:

Occupancy History & Projection: Lago Vista Area/Austin Metro



9. The Room Nights Sold history and projection graph shows the reasonable nature of the ‘trend’ expectations for the local market, and with steady levels of growth assuming continued population growth and a continued steady national economy:

Room Nights Sold History & Projection: Lago Vista Area



10. The local market has recently fallen to 77% of the metro average REVPAR in the past year:

MARKET REVPAR HISTORY

Year & Quarter	Total Mkt	Local Area	Local/Total Market	
			Quartrly Index	Annualized Index
063	65.78	62.09	94	
064	59.20	51.85	88	
071	73.93	58.91	80	
072	76.34	64.79	85	87
073	70.81	61.67	87	
074	64.06	59.39	93	
081	75.03	58.86	78	
082	79.34	70.72	89	87
083	73.53	65.25	89	
084	64.34	52.54	82	
091	67.65	48.68	72	
092	64.91	60.17	93	84
093	58.50	59.34	101	
094	54.27	43.80	81	
101	63.73	40.63	64	
102	65.97	56.21	85	83
103	62.02	59.38	96	
104	59.40	41.73	70	
111	73.14	42.71	58	
112	72.08	59.76	83	77
113	68.12	58.67	86	
114	62.80	44.20	70	
121	79.54	50.50	63	
122	78.92	66.65	84	76
123	69.24	63.01	91	
124	79.06	54.88	69	
131	87.71	59.72	68	
132	88.68	76.64	86	79
133	76.59	71.93	94	
134	85.70	60.77	71	
141	95.08	62.99	66	
142	94.11	84.07	89	80
143	85.72	83.06	97	
144	92.22	68.19	74	
151	105.29	69.22	66	
152	105.81	87.55	83	80
153	93.49	84.06	90	
154	96.22	67.43	70	
161	107.54	70.47	66	
162	111.83	92.32	83	77
CGR%9yrs	4.5%	3.2%		
"4yrs	9.0%	9.3%		
"2yrs	7.9%	6.0%		
"1yr	5.2%	2.0%		

11. The REVPAR forecast calls for the local market REVPAR index to rise back to above its current level, eventually reaching 90% of the overall metro average:

Year & Quarter	Total Mkt	Local Area	Local/Total Market	
			Quartrly Index	Annualized Index
163	93.60	88.22	94	
164	96.33	70.74	73	
171	99.69	73.97	74	
172	103.66	96.89	93	84
173	87.72	89.58	102	
174	89.30	71.83	80	
181	99.01	75.11	76	
182	106.42	98.38	92	88
183	89.06	90.96	102	
184	90.66	72.93	80	
191	101.98	76.26	75	
192	109.61	99.89	91	87
193	91.73	94.32	103	
194	93.38	75.63	81	
201	105.04	79.08	75	
202	112.90	103.59	92	88
203	94.48	97.81	104	
204	96.18	78.43	82	
211	108.19	81.85	76	
212	116.29	107.22	92	88
213	97.32	101.24	104	
214	99.07	81.18	82	
221	111.44	84.72	76	
222	119.77	110.97	93	89
223	100.24	104.78	105	
224	102.04	84.02	82	
231	114.78	87.68	76	
232	123.37	114.85	93	89
233	103.24	108.45	105	
234	105.10	86.96	83	
241	118.23	90.75	77	
242	127.07	118.87	94	90
243	106.34	112.24	106	
244	108.26	90.00	83	
251	121.77	93.93	77	
252	130.88	123.03	94	90
253	109.53	116.17	106	
254	111.50	93.15	84	
261	125.43	97.22	78	
262	134.81	127.34	94	90
263	112.82	120.24	107	
264	114.85	96.41	84	
271	132.06	100.62	76	
272	137.32	130.36	95	90
CGR%9Yrs	1.5%	3.3%		
"First5Yrs	0.3%	3.1%		

PROJECT REVPAR - DEVELOPMENT OF INDICES

Within the above market REVPAR forecast, the expected performance of the proposed hotel is based on six factors. All six factors are independent and modify the market's projected REVPAR average to reflect the subject property's particular characteristics. First, what is the **Base Value**? It is the effect of the Brand, including specified product quality levels. Second, what is the effect of the **brand's overall Age** on its average performance? Third, what is the effect of **the project's Size**, or room-count, on results? Fourth, are there **any 'Other' adjustments** needed to account for various factors, including under- or over-supply in the product's Segment in which the project will compete? Fifth, what is the effect of **the normal Life Cycle** patterns on the project (e.g. the effect of the project's Newness compared to older competition on its unstoppable way to obsolescence)? And sixth, what is the likely influence of **the selected Site** on results?

1. The Base Value factor sets property type/brand/product quality for a TownePlace Suites hotel, or like product, at 101% of the average for the product in the Exhibit IV market.¹³ The valuation for the subject hotel is based on the REVPAR performance of the existing stock of TownePlace Suites hotels currently operating in the Texas Major Metros market (average REVPAR of \$75.64, 25 hotels and 2,700 rooms):

$$\textit{TownePlace REVPAR } \$75.64 / \textit{Exhibit IV REVPAR } \$75.25 = 1.005 \textit{ or } \underline{101\%}$$

This sample of TownePlace hotels in Texas markets firmly establishes the basic REVPAR performance that can be expected when operating such a hotel in a market such as the proposed location.

2. The second adjustment factor, Brand Aging, is set at 1.00 (100%), or neutral. This factor adjusts for the effect of the average age of the existing hotels on the brand's current performance.¹⁴ The brand age adjustment, or life-cycle adjustment, for other brands examined includes:

13. The Exhibit IV hotel market consists of the highest performing zip code markets in the state. This large market was selected to closely mimic the local market situation/mix and to provide a wider body of information from which to draw the characteristics of specific brand performance.

14. Point #5, below, adjusts for the physical life-cycle of the subject property, a different and additional consideration.

BRAND AGING: TEXAS MARKETS

<u>Brand</u>	<u>Average Opening</u>	<u>Brand Aging Adjustment</u>
EconoLodge	1988	1.32
La Quinta Inn	1997	1.14
Hampton Inn	2004	1.01

3. The property **Size** factor - reflecting room count - calls for a premium of +7% (1.07), as a TownePlace Suites in the Exhibit IV market averages 109 rooms, significantly more than the subject, at 90 units. The size factor assigns a premium if the property is smaller than average and a penalty to the property if it is larger than average for its brand or product type. The size adjustment is necessary because demand is not affected by the number of rental rooms offered, as the individual consumer only needs one room: customers do not care whether a hotel offers 100, 125 or 150 rooms and their purchasing behavior will be the same regardless of how many rooms the property offers. Keeping a project conservatively sized assures a higher per-unit revenue yield, particularly in very competitive markets like the local market. The highly-positive effect on revenues and return on capital due to building small, and not 'over-sizing' projects is best explained by the following study, a study that can be replicated with any brand, in almost any situation. The net effect of building small is to run higher occupancy and rate, thereby increasing brand REVPAR by building a below-average number of rental units.

A STUDY OF THE EFFECT OF HOTEL SIZE ON PERFORMANCE IN THE TEXAS HOTEL INDUSTRY THE CASE FOR DOWNSIZING NEW HOTELS¹⁵

Source Strategies, Inc., has long contended that the number of rooms a developer offers in a new property is one of the key factors in determining a venture's relative success or failure. It is every bit as important to size a hotel project properly as it is to select the appropriate brand, and to have chosen to develop in a suitable market and location. For the purposes of this study, we analyzed two separate samplings of hotels. We first looked at Comfort Inns across Texas as a selected brand sampling; then we examined all branded hotels built during a set period of time for a wider sampling.

1) COMFORT INN - ANALYSIS OF SIZING AND ITS IMPACT ON PERFORMANCE

In our initial analysis, we selected a group [55 properties] of Texas Comfort Inn branded properties ranging in size from 36 to 75 rooms. The following chart of performance statistics clearly illustrates

¹⁵ Analyzed and compiled by Douglas W. Sutton and Bruce H. Walker.

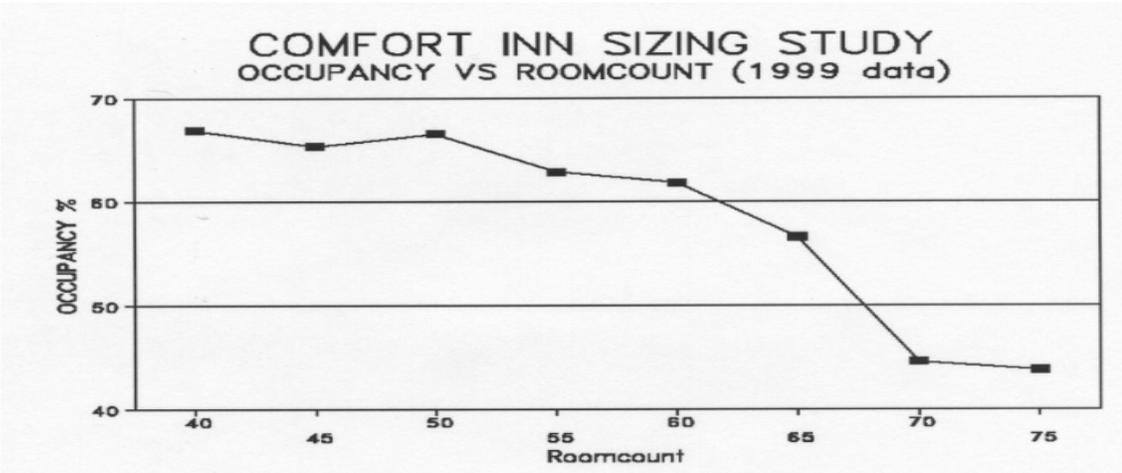
the fact that on average, the smaller property will perform better, in terms of REVPAR and occupancy, than a larger property of the same brand:

SIZING ANALYSIS

12 Months Ending September 30, 1999

Rooms	Occupancy	Rate	REVPAR
36-40	66.9	55.25	36.95
41-45	65.3	57.34	37.45
46-50	66.5	57.38	38.17
51-55	62.8	56.02	35.20
56-60	61.8	54.26	33.55
61-65	56.6	55.33	31.33
66-70	44.6	45.71	20.41
71-75	43.8	44.20	19.38
Combined:	52	63.2	55.46

Further, properties with lower room counts were clearly able to sustain a higher level of occupancy. Average occupancy ranged from 66.9% for properties of 36-40 rooms, downward to a much lower 43.8% average occupancy for properties in the 71-75 room size bracket.



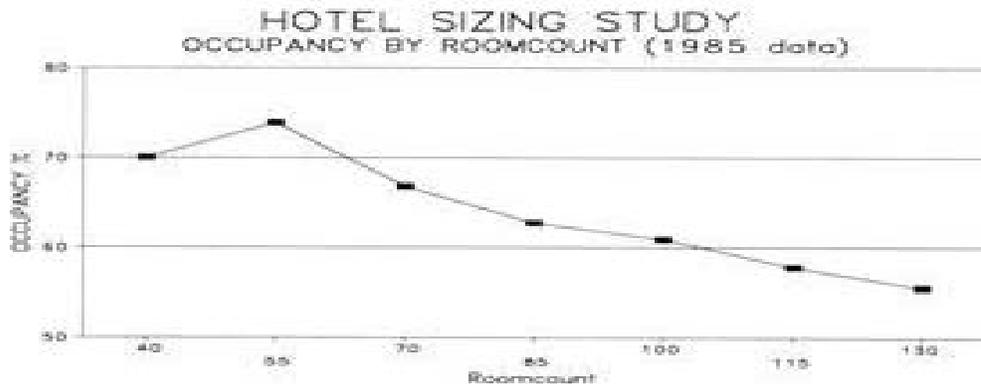
The above chart and graph clearly illustrate that developers often miss the mark, building more rooms than 'optimum'. 'Optimum' is defined as generating the highest return on invested capital, and is closely tied to occupancy and REVPAR. Analyzing the above data provides a measure of the effect of over-building. For the typical range of rooms for Comfort Inn projects occupancy dropped 23 points (a full 35%) from 67% to 44% as room counts escalated. The key question is, 'how to apply this principle to a given hotel project.' Naturally, each project would have to be judged on its individual merits, but looking at an 'average' project for a single brand and product is very revealing.

BRANDED HOTELS - ANALYSIS OF SIZING AND ITS IMPACT ON PERFORMANCE

In our second analysis, we looked at a sampling [91 properties] of Texas branded hotels of less than 135 rooms which were constructed from 1970-1975. For our analysis we examined performance results from the year 1985 when all subject hotels were 10 to 15 years old, to well into their aging life cycles. The following table of performance statistics from 1985 for branded properties throughout Texas clearly illustrates the downward curve, with a pronounced and methodical erosion of performance as room counts increased:

<u># of Hotels</u>	<u>Rooms</u>	<u>Occupancy</u>	<u>Rate</u>	<u>REVPAR</u>
2	00-44	70.0	37.88	26.50
3	45-59	73.9	36.13	26.71
7	60-74	66.8	31.10	20.77
14	75-89	62.7	31.65	19.86
29	90-104	60.9	32.42	19.75
16	105-119	57.8	26.25	15.18
20	120-134	55.5	29.35	16.28
Combined: 91	98	59.8	30.34	18.14

The following graph provides a clear picture of descending performance as room counts increase. Average occupancy ranged from 70% for properties of 44 rooms or less, downward to a much lower 55.5% average occupancy for properties in the 120-134 size bracket, after peaking at 73.9% in the 45-59 size range.



The data is clear: in almost every case small hotels outperform larger ones. Common sense explains this occurrence: a successful 100 room hotel will inevitably prompt the development of one or more new, small hotels of similar quality in the immediate area. In a competitive market environment, the smaller hotel has a distinct advantage and wins - almost every time. The fact remains that if one builds a smaller than average property for a given brand, results should be improved over the average for that brand, with the converse of this fact also true.

4. Fourth, the **Segment** or **Other** adjustment factor is neutral (1.00). This product is a good fit for the local market area, as is the other brand selected, the Best Western Plus, which will be offering a bar and grill as part of the hotel.

5. Fifth, the **Aging** Adjustment factor reflects the standard hotel life cycle: 92% (-8%) in Year I; 107% for Year II; 112% for Years III through V; followed by a 1.67% annual decline in the REVPAR index starting in Year VI. The aging factor also mirrors extensive studies of hotel life-cycles conducted by Source Strategies, Inc.'s principal, Bruce Walker, when heading the Holiday Corporation's strategic planning department (1979-83). It also reflects recent research on the life cycles of 25,000 Texas hotel rooms, developed from 1980 through 1982, and then again in 1990 through 1992, with each group's performance versus the market tracked to the present (MarketShare newsletter, "The Hotel Life Cycle - It's Very Real" published September 1994).

6. The last factor, **Site**, is set at 0.85 (85%), or below average for the local market, but reasonable considering the values of other hotel sites examined. The site is convenient to all area attractions, with quick access to Lake Travis, Cedar Park and Austin, and the Balcones Canyonlands and Marble Falls to the West. As we have used the other nearby hotels around the market for our analysis, it is our determination that the value of the subject's location is comparable to that of several other examined hotel sites in the area.

With the evaluation of the current sites around this location, we have an easy analysis of the site potential. The site values for this property, as well as for nearby existing competitors have been developed by quantifying the influence site has had on their performance. Applying known adjustment factors to existing properties, except for a site factor, lets us solve for the site value itself. Source Strategies' site methodology 'backs into' the value of the site by matching actual performance against known factors, using the site factor as the 'plugged number.' The differences between the closest key competitors appear to be both explainable and reasonable. The site value is 'plugged' so that projected REVPAR versus market approaches the actual REVPAR over the past 12 months. Overall, the current performance of nearby existing competition would indicate that a 85% site value for the subject *TownePlace Suites* hotel is a responsible estimate, with Lago Vista understandably

coming in lower than other existing sites, despite the fact the location is unparalleled in natural beauty and without any other branded competition:

DERIVATION OF LOCAL COMPETITION

Data in 2016 \$'s	BestWest CedarPk	ComfInn CedarPk	HolExp Lakeway	LaQuinta CedarPk	Travaasa Austin
Base: Name & Quality	0.74	0.66	0.99	0.78	1.48
x Brand Age Adjustment	1.10	1.04	0.99	1.14	1.00
x Site Value Adjustment	1.04	1.15	0.96	1.14	1.13
x Size Adjustment	1.23	1.09	1.03	1.05	0.98
x Other Adjustments	0.70	1.00	1.00	1.00	2.00
x Newness Adjustment	0.91	0.90	1.12	0.98	1.08
= Performance Factor	66%	77%	108%	104%	353%
x Market REVPAR	\$78.78	\$78.78	\$78.78	\$78.78	\$78.78
= Projected Performance	\$51.90	\$61.02	\$85.42	\$82.07	\$277.89
REVPAR latest 12 months Index (Proj. Vs Actual)	\$51.87 100	\$61.17 100	\$85.63 100	\$82.41 100	\$277.77 100
Units in Above Subject	40	58	78	75	74
Average Units	67	74	86	96	69
Size Adjustment (33%)	23	9	3	9	-2
Year Built	1999	1998	2013	2003	2009

Combining all six factors that affect a hotel's REVPAR performance, we calculate that the proposed hotel's REVPAR will achieve 102% of the market average REVPAR in Years III-V, declining slowly thereafter:

TownePlace Suites DERIVATION

Data in 2016 \$'s	Year I	Year II	Year III
Base: Name & Quality	1.01	1.01	1.01
x Brand Age Adjustment	1.00	1.00	1.00
x Site Value Adjustment	0.85	0.85	0.85
x Size Adjustment	1.07	1.07	1.07
x Other Adjustments	1.00	1.00	1.00
x Newness Adjustment	0.92	1.07	1.12
= Performance Factor	84%	98%	102%
x Market REVPAR	\$78.78	\$78.78	\$78.78
= Projected Performance	\$66.27	\$77.08	\$80.68

COMBINING THE ABOVE MARKET REVPAR PROJECTION AND THE HOTEL'S REVPAR INDEX TO DEVELOP REVENUES, OCCUPANCY, AND RATE

Using the projected Year III REVPAR index of 102%, the above process generates a theoretical REVPAR of \$80.68 in 2016 market dollars. This is the result of the Year III performance index of 102% (1.02) multiplied by the current market average REVPAR of \$78.78.

Therefore, if the property were open today and were in its third year of operation, it should theoretically be operating at the following level against 2016 market results: an \$80.68 REVPAR computes to gross room revenues of approximately \$2,650,338 (\$80.68 times 90 units times 365 days). Please note that the actual effect on the market due to the introduction of this project and other new hotels is fully reflected in subsequent pro forma market projections and financials.

In latest year's dollars (2016), this projection for the project's theoretical Year III revenue breaks down seasonally as follows:

Quarter	First	Second	Third	Fourth	Year III
Room Revenues	\$575,846	\$762,658	\$728,048	\$583,786	\$2,650,338
% of Year	21.7%	28.8%	27.5%	22.0%	100
Seasonal Index	88	115	109	87	100
REVPAR\$	\$71.09	\$93.12	\$87.93	\$70.51	\$80.68

Source Strategies, Inc.'s projections of a reasonable rate and occupancy mix, a split of the subject hotel's REVPAR for occupancy and rate, in latest year dollars, would be as follows:

Quarter	First	Second	Third	Fourth	Year III
ADR - \$	\$119.00	\$119.00	\$119.00	\$117.85	\$118.74
Occupancy %	59.7%	78.3%	73.9%	59.8%	67.9%
REVPAR\$	\$71.09	\$93.12	\$87.93	\$70.51	\$80.68

TESTS FOR REASONABILITY

Comparisons made here support the reasonable nature of market and subject projections:

1. Individual hotel property projections depend importantly on the projection of local market REVPAR – which is forecast to rise at a reasonable, conservative rate through 2024, starting at the current level. Over the next nine years market REVPAR is projected to rise 3.3% per year, compared to a 2.3% average over the past nine years, and a 9.3% level of growth in the past 4 years. REVPAR encompasses the net effects of room supply, room-night demand and prices. Over the next nine years, we are comfortable with the 3.4% real compound gain projected for the market, the slightly higher projected **net** supply growth of 3.6% annually, and prices going up 3.4%. The resulting level of occupancy is 61% (equilibrium), which is above the past ten year occupancy average for the local market.

2. The derived Base Value of 101 (101%) for a TownePlace Suites is reasonable when compared to the Base Values of other hotels in these same high priced markets. The hierarchy of REVPAR indices for various brands is shown below:

REVPAR INDEX COMPARISON¹⁶

Hilton	159
Hampton Inn	114
TownePlace Suites	101
Holiday Express	99
Best Western	74
Quality Inn	49

3. Developing actual adjustment factors for the existing properties - so that their projected REVPAR equals actual REVPAR - indicates why the REVPAR index projection has a high probability of being achieved. The REVPAR differences between the closest key competitors appear to be both explainable and reasonable, using the standard, Source Strategies' adjustment factor quantification. For each property, revenues are driven first by chain name affiliation and product type, and are

¹⁶. Unadjusted for physical aging of each brand.

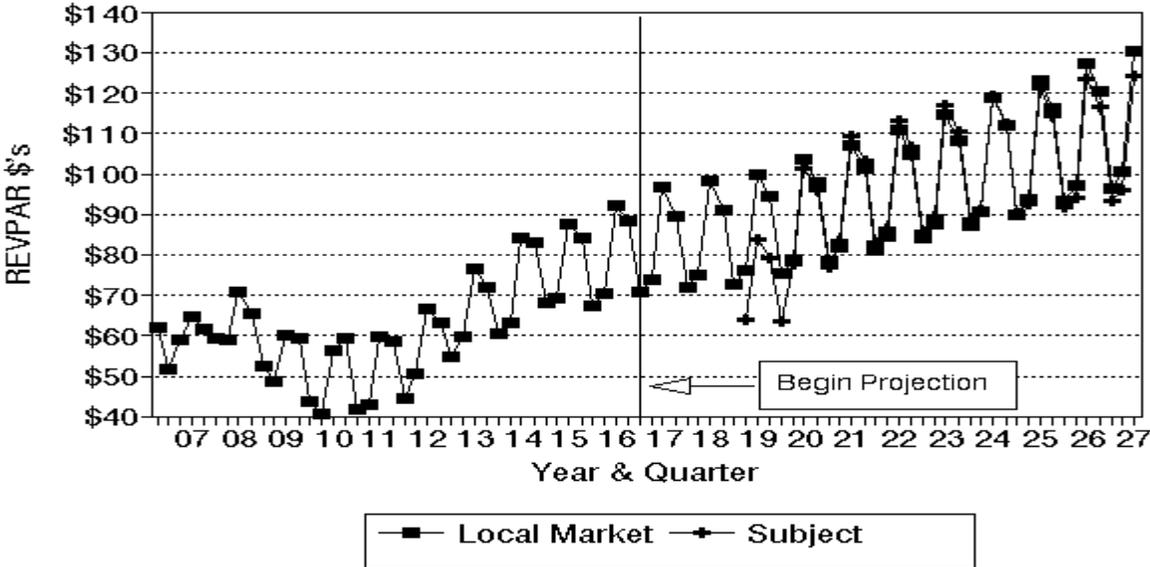
further adjusted for size, segment, hotel age and site location. The REVPAR Index is then multiplied by the actual local market average to generate dollar REVPAR. We also include Theoretical Year III performance of the subject hotel, as if it were open today and in it's third year of operation, as follows:

REVPAR DERIVATION

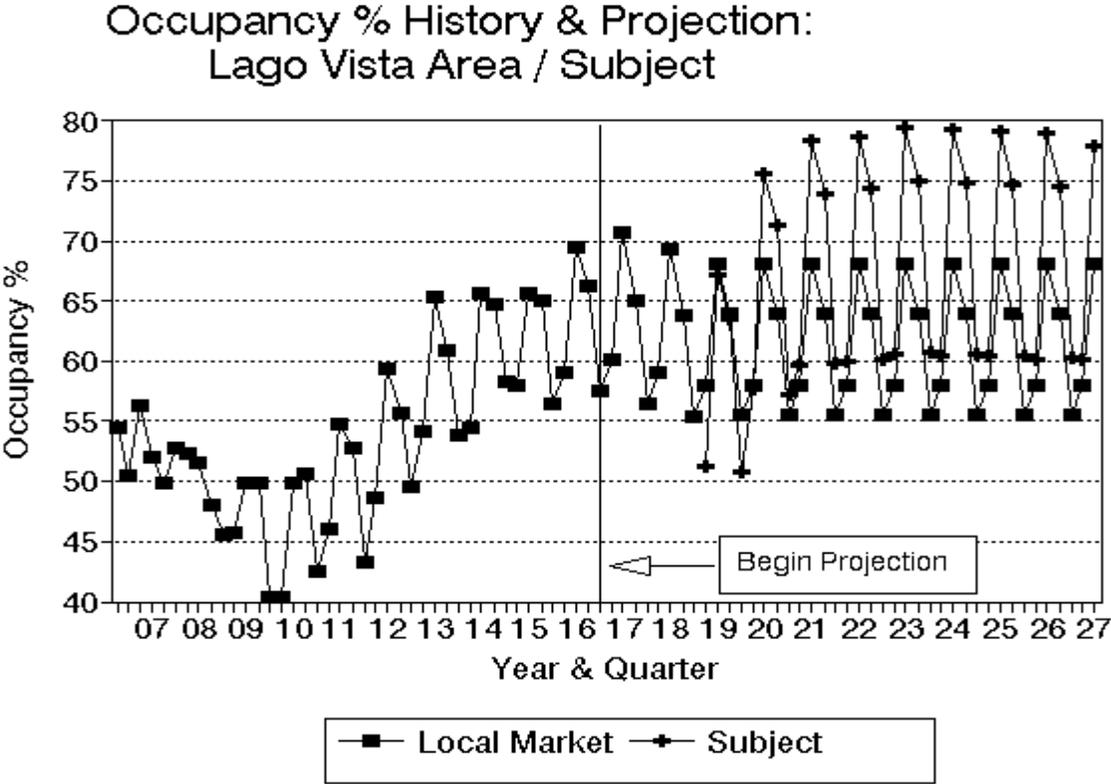
	TownePlac	BestWest	ComfInn	HolExp	LaQuinta
Data in 2016 \$'s	Yr III	CedarPk	CedarPk	Lakeway	CedarPk
Base: Name & Quality	1.01	0.74	0.66	0.99	0.78
x Brand Age Adjustment	1.00	1.10	1.04	0.99	1.14
x Site Value Adjustment	0.85	1.04	1.15	0.96	1.14
x Size Adjustment	1.07	1.23	1.09	1.03	1.05
x Other Adjustments	1.00	0.70	1.00	1.00	1.00
x Newness Adjustment	1.12	0.91	0.90	1.12	0.98
= Performance Factor	102%	66%	77%	108%	104%
x Market REVPAR	\$78.78	78.78	78.78	78.78	78.78
= Projected Performance	\$80.68	51.90	61.02	85.42	82.07
Actual Past Year	n/a	51.87	61.17	85.63	82.41
Index (Proj./Actual)	n/a	100	100	100	100
Year Opened	n/a	1999	1998	2013	2003
# Rooms	90	40	58	78	75

4. The projected REVPAR performance of the *TownePlace Suites* versus the local market average reflects the fact that this hotel will be newly built, still small compared to many similar products, have a good select service brand with the Marriott reservation system behind it, and a good location:

**REVPAR History & Projection:
Lago Vista Area / Subject Hotel**



5. The graphically projected occupancy performance of a *TownePlace Suites* versus the local market average reflects the fact that this hotel will be above the overall market average because of its brand, size, location, and newness:



7. In the overall market, any new hotel will have an inordinate advantage over the old; the playing field here is not level as the lodging consumer almost always votes for 'new' versus old. **Projections of the local Lago Vista Area Market¹⁷ reflect a mixture of a significant number of older hotels, a high number of small condominium style operations, and many modern newly built smaller brands.** The average hotel room in the local market is 20 years old, past the middle of the life cycle of the typical hotel building, and well beyond the peak performance of the first ten years. The typical hotel building becomes stylistically and structurally obsolete after 30+ years, though this life cycle is longer for high-rise/concrete structures. Out of 1,700 total rooms in the local market, 209 hotel rooms have been built since 2010, while 516 were opened before 1986 and will continue to slowly lose business to newer competition. We expect much of the new supply coming into the market is in reasonable balance for a healthy supply and demand mix. We add 616 (+36%) *net* new rooms to the market by 2024.

17. Zip codes 78645/641/654/734/732/726/613.

LAGO VISTA AREA MARKET PROPERTIES

<u>Year</u>	<u>#</u>	<u>Hotel</u>
<u>Open</u>	<u>Rooms</u>	
2016	30	NORTH SHORE VACATION RENT
2014	5	TURNKEY VACATION RENTALS
2014	48	THE BUNGALOWS HOTEL & EVENT CE
2013	78	HOLIDAY EXPRESS & SUITES
2013	25	HILL COUNTRY LAKES
2011	8	FS INVESTMENTS, LLC
2011	15	LA HACIENDA RV PARK RESORT
2010	80	MOTEL 6 CEDAR PARK, TX #4
2010	69	HOLIDAY EXPRESS
2010	83	MOTEL 6
2010	80	CANDLEWOOD SUITES
2009	75	LA QUINTA INN & SUITES
2008	28	THE ISLAND ON LAKE TRAVIS
2008	73	LA QUINTA INNS & SUITES
2008	70	HAMPTON INN & SUITES
2007	8	LA VILLA VISTA BED AND BREAKFA
2003	74	TRAVAASA EXPERIENTIAL RESORT
2002	62	HOLIDAY EXPRESS
1999	40	BEST WESTERN CEDAR INN
1999	64	HAMPTON INN MARBLE FALLS
1998	58	COMFORT INN CEDAR PARK
1997	44	VINTAGE VILLAS
1996	62	BEST WESTERN MARBLE FALLS
1992	41	CAMP BALCONES SPRINGS FOR GROU
1987	19	VACATION VILLAGES/SHORES OF LA
1986	49	QUALITY INN FMR RAMADA/S8/COMF
1982	69	HILL COUNTRY INN
1979	40	LAKE AUSTIN SPA @ 33% OF REPOR
1974	100	HORSESHOE BAY RESORT
1962	239	LAKeway INN RESORT & CONFERENC
1999	40	BEST WESTERN CEDAR INN
1999	64	HAMPTON INN MARBLE FALLS
1998	58	COMFORT INN CEDAR PARK
1997	44	VINTAGE VILLAS
1996	62	BEST WESTERN MARBLE FALLS
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1974	100	HORSESHOE BAY RESORT
1962	239	LAKeway INN RESORT & CONFERENC

PRO FORMA: Applying the project derivation factor (102% Years III-V) to the quarterly local market REVPAR forecast results in the following progression:

PROJECT REVPAR PROJECTION

Year & Quarter	Subject/		Market Index	
	Local Market	Subject Hotel	Qtr	Year
191	76.26	64.06	84	
192	99.89	83.91	84	
193	94.32	79.23	84	
194	75.63	63.53	84	84
201	79.08	77.50	98	
202	103.59	101.52	98	
203	97.81	95.86	98	
204	78.43	76.86	98	98
211	81.85	83.49	102	
212	107.22	109.36	102	
213	101.24	103.26	102	
214	81.18	82.80	102	102
221	84.72	86.41	102	
222	110.97	113.19	102	
223	104.78	106.88	102	
224	84.02	85.70	102	102
231	87.68	89.44	102	
232	114.85	117.15	102	
233	108.45	110.62	102	
234	86.96	88.70	102	102
241	90.75	91.02	100	
242	118.87	119.22	100	
243	112.24	112.58	100	
244	90.00	90.27	100	100
251	93.93	92.63	99	
252	123.03	121.34	99	
253	116.17	114.57	99	
254	93.15	91.87	99	99
261	97.22	94.27	97	
262	127.34	123.49	97	
263	120.24	116.60	97	
264	96.41	93.50	97	97
271	100.62	95.94	95	
272	130.36	124.31	95	
273	123.24	117.52	95	
274	98.82	94.23	95	95
281	103.13	96.70	94	
282	133.62	125.29	94	
283	126.33	118.45	94	
284	101.29	94.98	94	94
291	105.71	97.46	92	
292	136.96	126.28	92	
293	129.48	119.38	92	
CGR%9Yrs	3.0%	4.5%		
"First5Yrs	3.5%	7.3%		

-CGR% measured from open date-

This REVPAR forecast is then extended to room revenues - multiplying REVPAR by the number of days in each quarter and by the number of rooms in the project - and to occupancy, estimated rate and to room-nights sold:

RESULTING PROJECTION: TownePlace Suites or Similar

<u>Year & Quarter</u>	<u>Resulting Room Revenues</u>	<u>Annual Basis</u>	<u>% Occ</u>	<u>Aver. Daily Rate</u>	<u>Room-nights Sold</u>	<u>Annual Basis</u>		
						<u>RMNTES</u>	<u>Occ.</u>	<u>Rate</u>
191	\$518,893		51.2	\$125.00	4,151			
192	\$687,228		67.1	\$125.00	5,498			
193	\$656,042		63.4	\$125.00	5,248			
194	\$526,048	\$2,388,211	50.8	\$125.00	4,208	19,106	58.2%	\$125.00
201	\$627,777		57.7	\$134.38	4,672			
202	\$831,435		75.5	\$134.38	6,187			
203	\$793,704		71.3	\$134.38	5,907			
204	\$636,432	\$2,889,348	57.2	\$134.38	4,736	21,502	65.5%	\$134.37
211	\$676,269		59.7	\$139.75	4,839			
212	\$895,659		78.3	\$139.75	6,409			
213	\$855,014		73.9	\$139.75	6,118			
214	\$685,594	\$3,112,536	59.8	\$138.41	4,953	22,320	67.9%	\$139.45
221	\$699,938		60.0	\$143.94	4,863			
222	\$927,007		78.6	\$143.94	6,440			
223	\$884,940		74.2	\$143.94	6,148			
224	\$709,589	\$3,221,474	60.1	\$142.56	4,978	22,428	68.3%	\$143.64
231	\$724,436		60.6	\$147.54	4,910			
232	\$959,452		79.4	\$147.54	6,503			
233	\$915,912		75.0	\$147.54	6,208			
234	\$734,425	\$3,334,226	60.7	\$146.12	5,026	22,647	68.9%	\$147.23
241	\$737,270		60.5	\$150.49	4,899			
242	\$976,449		79.2	\$150.49	6,488			
243	\$932,138		74.8	\$150.49	6,194			
244	\$747,436	\$3,393,293	60.6	\$149.04	5,015	22,596	68.8%	\$150.17
251	\$750,331		60.3	\$153.50	4,888			
252	\$982,827		79.0	\$153.50	6,403			
253	\$938,340		74.6	\$153.50	6,113			
254	\$760,677	\$3,432,176	60.4	\$152.03	5,004	22,407	68.2%	\$153.17
261	\$763,624		60.2	\$156.57	4,877			
262	\$1,011,352		78.9	\$156.57	6,459			
263	\$965,457		74.5	\$156.57	6,166			
264	\$774,153	\$3,514,586	60.3	\$155.07	4,992	22,495	68.5%	\$156.24
271	\$777,152		60.1	\$159.70	4,866			
272	\$1,018,081		77.8	\$159.70	6,375			
273	\$973,068		73.6	\$159.70	6,093			
274	\$780,255	\$3,548,555	59.6	\$158.17	4,933	22,267	67.8%	\$159.36
281	\$783,278		59.4	\$162.90	4,808			
282	\$1,026,106		76.9	\$162.90	6,299			
283	\$980,738		72.7	\$162.90	6,021			
284	\$786,405	\$3,576,527	58.9	\$161.33	4,874	22,003	67.0%	\$162.55
CGR%9Yr	4.5%		1.7%	2.7%	1.7%			
"First5	7.3%		3.4%	3.7%	3.4%			

-CGR% measured from open date-

OPERATING COSTS¹⁸

Profitability and returns reflect the above revenue projections and the following other critical assumptions: operating costs per occupied room approximate Select & Limited Service hotels of similar size, rate, and occupancy and include appropriate fixed, semi-fixed and variable costs (Smith Travel Research's 2015 *Host Almanac* for year 2014 data, and Source Strategies, Inc. data).

Estimates of operating costs take into account the lower costs of the West South Central region of the United States, which had an average Per Occupied Room Cost of \$49.44 (including 5% royalties) in 2014 in Limited Service hotels - versus a national average of \$55.83 - or 89% of the U.S. average. The following cost comparisons have all been adjusted to reflect this 11% lower-cost environment that may be expected in operating a hotel in the West South Central (WSC) region.

Rooms only Operating Costs per Occupied Room (before Fixed Charges) are estimated at \$52.03 for Year I (\$994,042 divided by 19,105 room-nights sold); \$55.21 for Year II (\$1,187,199 divided by 21,502), and \$57.05 for Year III (\$1,273,308 divided by 22,320). These numbers compare to industry-wide data as follows:

- a) \$42.29 in the Host Almanac for Suburban hotels in 2014 (average rate of \$88), adjusted to Southwest the WSC region of the USA. This POR cost translates to \$49.04 when inflated 3% annually to Year 2019 dollars.
- b) \$55.84 in the Host Almanac for Upper-Midscale hotels in 2014 (average rate of \$113), adjusted to WSC USA. This POR cost translates to \$64.74 when inflated to Year 2019 dollars.
- c) \$43.49 in the Host Almanac for Interstate hotels in 2014 (average rate of \$88), adjusted to WSC USA. This POR cost translates to \$50.41 when inflated to Year 2019 dollars.
- d) \$63.91 in the Host Almanac for Upscale hotels in 2014 (average rate of \$135) adjusted to WSC USA. This translates to \$74.09, when inflated to Year 2019 dollars.
- e) \$30.07 in the Host Report for Midscale/Economy hotels, 2014 data (average rate of \$64), adjusted to WSC USA. This POR cost translates to \$34.86 when inflated to Year 2019 dollars.

18. The calculation of the statistic of Operating Costs Per Occupied Room (before fixed/capital costs are deducted) is typically the important cost to examine carefully because it is highly stable and predictable, regardless of occupancy and rate. Looking at costs on a percentage basis can be highly misleading because of the high variability in average room revenues.

- **Versus room revenues:** a necessary marketing expense of 7% in Year I and thereafter. Marketing includes reservation and advertising fees, sales expense, local advertising and the always important outdoor billboards. A royalty of 6% is charged, as is an *annual management fee*.

-A reserve for renovations is taken and subtracted from projected cash flows annually; such renovation reserves amount to \$1,836,079 in the first ten years (\$20,401 per unit). Reserves insure that future revenue streams continue by maintaining product quality at high, excellent levels as required by the franchisor. Reserves are based on an extensive 2001 study, CapEx, by the International Society of Hospitality Consultants, and subsequent studies by the same group through 2013. The studies show that required reserves typically average 5.5% over a 20 year period. We have applied a 5.5% annual reserve annually for the first ten years.

- Total capital of \$9,550,000 is allocated for the development of the project. The estimated total turn-key cost (excluding land) of \$95,000 per unit is average and reasonable for a hotel of this size and quality, in our experience. Land has been estimated at \$1,000,000. Should capital needs vary, then returns would change proportionately. The estimates of necessary capital include:

Total Investment

Land Value	\$ 1,000,000
Improvements Budget	\$ 8,550,000 @ \$95,000 per key ¹⁹
Total Investment	\$ 9,550,000

<PROFIT & LOSS STATEMENTS FOLLOW OVERLEAF>

19. SSI estimates of land purchase price and of development costs.

<u>TownePlace Suites</u>						
Land Value:	\$1,000,000	Starts: 1/1/19	#Rooms: 90	cost per unit:	\$95,000	
QUARTER:	First	Second	Third	Fourth	Year	
Rmnltes Sold	4,151	5,498	5,248	4,208	19,105	
Rmnltes Avail	8,100	8,190	8,280	8,280	32,850	
Occupancy %	51.2%	67.1%	63.4%	50.8%	58.2%	
Avg Rate	\$125.00	\$125.00	\$125.01	\$125.01	\$125.00	
REVPAR	\$64.06	\$83.91	\$79.23	\$63.53	\$72.70	
					%	
					<u>Revenues</u>	
Room Revenues	\$518,893	\$687,228	\$656,042	\$526,048	\$2,388,211	97.1%
Misc Revenues	15,567	20,617	19,681	15,781	71,646	2.9%
Total Sales	\$534,460	\$707,845	\$675,723	\$541,829	\$2,459,857	100.0%
<u>Operating Expe-Payroll</u>						
Administration	20,309	26,898	25,677	20,590	93,475	3.8%
Housekeeping	18,680	24,741	23,616	18,936	85,973	3.5%
Laundry	8,094	10,721	10,234	8,206	37,255	1.5%
Front Desk	20,755	27,490	26,240	21,040	95,525	3.9%
Misc.	5,345	7,078	6,757	5,418	24,599	1.0%
Taxes/Benefits	10,246	13,570	12,953	10,387	47,156	1.9%
Total Payroll	83,429	110,499	105,478	84,576	383,981	15.6%
<u>-Room Expense</u>						
S:Linen & Laun	6,227	8,247	7,872	6,312	28,658	1.2%
CompFood&Bev.	12,453	16,494	15,744	12,624	57,315	2.3%
Total Room	18,680	24,741	23,616	18,936	85,973	3.5%
<u>-Other Expense</u>						
Phone/Telecom.	11,941	11,941	11,941	11,941	47,763	1.9%
Elec/Utility	17,642	23,367	22,304	17,884	81,196	3.3%
Maint. & Repai	8,017	10,618	10,136	8,127	36,898	1.5%
Total Other	37,599	45,925	44,380	37,952	165,857	6.7%
<u>-Gen & Admin</u>						
Adver. & Sales	36,323	48,106	45,923	36,823	167,175	6.8%
Royalty	31,134	41,234	39,363	31,563	143,293	5.8%
Credit Card	10,378	13,745	13,121	10,521	47,764	1.9%
Tot Admin & Ge	77,834	103,084	98,406	78,907	358,232	14.6%
-Total Operati Expenses	217,541	284,249	271,880	220,371	994,042	40.4%
Gross Oper. Profit	316,918	423,596	403,843	321,458	1,465,816	59.6%
Management Fee	17,028	22,629	21,591	17,266	78,513	3.2%
Income Bef Fix Charges	299,891	400,967	382,251	304,192	1,387,302	56.4%
<u>-Fixed Charges</u>						
Insurance	24,599	24,599	24,599	24,599	98,394	4.0%
Property Tax	18,449	18,449	18,449	18,449	73,796	3.0%
DeprecSL 39Yrs	54,808	54,808	54,808	54,808	219,231	8.9%
Tot Capital Ex	97,855	97,855	97,855	97,855	391,421	15.9%
Net Income Bef Tax & Financing	202,036	303,112	284,396	206,337	995,881	40.5%
Depreciat. Add	54,808	54,808	54,808	54,808	219,231	8.9%
Renovation Res	(29,395)	(38,931)	(37,165)	(29,801)	(135,292)	-5.5%
Cash Flow Befo Tax & Financing	227,448	318,988	302,039	231,344	1,079,820	43.9%

TownePlace Suites										Compound
#Rooms:	90									Growth
Year	2	3	4	5	6	7	8	9	10	Yr 2-10
Rmnltes Sold	21,502	22,320	22,428	22,647	22,596	22,407	22,495	22,267	22,003	1.6%
Rmnltes Avail	32,850	32,850	32,850	32,850	32,850	32,850	32,850	32,850	32,850	0.0%
Occupancy %	65.5%	67.9%	68.3%	68.9%	68.8%	68.2%	68.5%	67.8%	67.0%	1.6%
Avg Rate*	\$134.38	\$139.45	\$143.64	\$147.23	\$150.17	\$153.17	\$156.24	\$159.36	\$162.55	3.0%
REVPAR	\$87.96	\$94.75	\$98.07	\$101.50	\$103.30	\$104.48	\$106.99	\$108.02	\$108.87	4.6%
RoomRevenues	2,889,348	3,112,536	3,221,474	3,334,226	3,393,293	3,432,176	3,514,586	3,548,555	3,576,527	4.6%
Misc Revenues	86,680	93,376	96,644	100,027	101,799	102,965	105,438	106,457	107,296	4.6%
Total Sales	2,976,028	3,205,912	3,318,118	3,434,253	3,495,092	3,535,141	3,620,024	3,655,012	3,683,823	4.6%
<u>Operating Expense - Payroll</u>										
Administration	108,358	115,855	119,908	124,711	128,163	130,904	135,361	138,009	140,463	4.6%
Housekeeping	99,662	106,557	110,285	114,702	117,877	120,398	124,497	126,932	129,190	4.6%
Laundry	43,187	46,175	47,790	49,704	51,080	52,173	53,949	55,004	55,982	4.6%
Front Desk	110,735	118,396	122,538	127,447	130,975	133,776	138,330	141,036	143,545	4.6%
Miscellaneous	28,515	30,488	31,555	32,819	33,727	34,448	35,621	36,318	36,964	4.6%
Taxes/Benefits	54,664	58,446	60,491	62,914	64,655	66,038	68,286	69,622	70,860	4.6%
Total Payroll	445,122	475,917	492,566	512,297	526,478	537,737	556,044	566,920	577,005	4.6%
<u>-Room Expense</u>										
Linen & Laundry	33,221	35,519	36,762	38,234	39,292	40,133	41,499	42,311	43,063	4.6%
CompFood&Bev.	66,441	71,038	73,523	76,468	78,585	80,265	82,998	84,622	86,127	4.6%
Total Room	99,662	106,557	110,285	114,702	117,877	120,398	124,497	126,932	129,190	4.6%
<u>-Other Expense</u>										
Phone Lines	55,368	59,198	61,269	63,723	65,487	66,888	69,165	70,518	71,772	4.6%
Electric/Util.	94,125	100,637	104,158	108,330	111,329	113,709	117,581	119,880	122,013	4.6%
Repairs & Maint	59,521	64,118	66,362	68,685	69,902	70,703	72,400	73,100	73,676	8.0%
Total Other	209,013	223,953	231,789	240,738	246,718	251,300	259,146	263,499	267,462	5.5%
<u>-Gen & Admin</u>										
Adver. & Sales	202,254	217,878	225,503	233,396	237,531	240,252	246,021	248,399	250,357	4.6%
Royalty	173,361	186,752	193,288	200,054	203,598	205,931	210,875	212,913	214,592	4.6%
Credit Card	57,787	62,251	64,429	66,685	67,866	68,644	70,292	70,971	71,531	4.6%
Total G & A	433,402	466,880	483,221	500,134	508,994	514,826	527,188	532,283	536,479	4.6%
-TotOperExp.	1,187,199	1,273,308	1,317,861	1,367,872	1,400,067	1,424,261	1,466,875	1,489,635	1,510,136	4.8%
GrossOpProfit	1,788,830	1,932,604	2,000,257	2,066,381	2,095,025	2,110,880	2,153,148	2,165,377	2,173,687	4.5%
Mngmt Fee	95,297	102,770	106,368	110,013	111,802	112,920	115,463	116,408	117,150	4.5%

	TownePlace Suites										Compound
#Rooms:	90										Growth
Year	2	3	4	5	6	7	8	9	10	Yr 2-10	
RmNites Sold	21,502	22,320	22,428	22,647	22,596	22,407	22,495	22,267	22,003	1.6%	
RmNites Avail	32,850	32,850	32,850	32,850	32,850	32,850	32,850	32,850	32,850	0.0%	
Occupancy %	65.5%	67.9%	68.3%	68.9%	68.8%	68.2%	68.5%	67.8%	67.0%	1.6%	
Avg Rate*	\$134.38	\$139.45	\$143.64	\$147.23	\$150.17	\$153.17	\$156.24	\$159.36	\$162.55	3.0%	
REVPAR	\$87.96	\$94.75	\$98.07	\$101.50	\$103.30	\$104.48	\$106.99	\$108.02	\$108.87	4.6%	
RoomRevenues	2,889,348	3,112,536	3,221,474	3,334,226	3,393,293	3,432,176	3,514,586	3,548,555	3,576,527	4.6%	
Misc Revenues	86,680	93,376	96,644	100,027	101,799	102,965	105,438	106,457	107,296	4.6%	
Total Sales	2,976,028	3,205,912	3,318,118	3,434,253	3,495,092	3,535,141	3,620,024	3,655,012	3,683,823	4.6%	
IncomeBefore	1,693,532	1,829,834	1,893,889	1,956,368	1,983,222	1,997,960	2,037,685	2,048,969	2,056,537	3.8%	
Fixed Charges											
-Fixed Charges											
Insurance	101,346	104,387	107,518	110,744	114,066	117,488	121,013	124,643	128,382	3.0%	
Property Tax	76,010	78,290	80,639	83,058	85,549	88,116	90,759	93,482	96,287	3.0%	
Depr. SL 39 Yrs	219,231	219,231	219,231	219,231	219,231	219,231	219,231	219,231	219,231	0.0%	
Total Fixed Ch.	396,586	401,907	407,387	413,032	418,846	424,835	431,003	437,356	443,900	1.4%	
Income Before	1,296,946	1,427,927	1,486,502	1,543,336	1,564,376	1,573,125	1,606,682	1,611,613	1,612,637	5.5%	
Tax & Financing											
Depr. AddBack	219,231	219,231	219,231	219,231	219,231	219,231	219,231	219,231	219,231	0.0%	
RenovReserve	(163,682)	(176,325)	(182,497)	(188,884)	(192,230)	(194,433)	(199,101)	(201,026)	(202,610)	4.6%	
Cash Before	1,352,495	1,470,832	1,523,236	1,573,683	1,591,377	1,597,923	1,626,812	1,629,818	1,629,258	4.7%	
Tax & Financing											



September 14, 2016

OPINION

This report is based on independent opinion, surveys and research from sources considered reliable. No representation is made as to accuracy or completeness and no contingent liability of any kind can be accepted. The study projections are dependent on the developer building and operating the subject hotel as an 'TownePlace Suites' for the next ten years, including certain amenities, and spending the appropriate operating funds necessary to generate projected revenues, most especially budgeted funds for aforementioned amenities and for marketing, including a listing in the American Automobile Association Texas Tourbook.

It is our opinion that this report fairly and conservatively represents the room revenues, profitability and return on investment performance that can be achieved by building and operating an 90 unit *TownePlace Suites*, Best Western Plus, or like hotel, at the aforementioned site in Lago Vista, Texas.

Please contact us with any questions at (210) 734-3434.

Respectfully submitted,

A handwritten signature in cursive script that reads 'Todd Walker'.

Todd Walker,
Senior Vice President

A handwritten signature in cursive script that reads 'Bruce H. Walker'.

Bruce H. Walker,
President

ADDENDUM I: HOTEL AS A BEST WESTERN PLUS
WITH FOOD & BEVERAGE

EXHIBITS:

- I Metro Austin & Lago Vista Area, Aggregated Basis
- II Local Market History: By Segment and Brand, Past Five Years, Annual Basis
- III Individual Hotel/Motel Histories Local Market
- IV Texas Top 5 Metro Areas
- V The Case For Downsizing Hotels
- VI Start-up Performance of New Hotels
- VII CAPEX Study of Capital Expenditures
- VIII Preparer Qualifications and Client List
- IX Source Strategies Database Methodology
- X Hotel Brand Report Newsletter (separate file)

ADDENDUM I: HOTEL AS A BEST WESTERN PLUS WITH F&B

KEY FINDING: Developing and opening a Best Western Plus, with Food & Beverage, at this site generates an unleveraged, pre-tax return on total invested capital exceeding 15%, with a return on equity of 45% (DCF). This return on invested capital also assumes that improvements are completed at the estimated cost of \$80,000 per unit, plus \$1,000,000 for land. This is a good hotel investment. Project details follow:

Total Investment

Land Value	\$	1,000,000
Improvements Budget	\$	<u>7,400,000</u> @ \$80,000 per key ²⁰
Total Investment	\$	8,400,000
Pre-Tax Project Return		15.11% ²¹
Pre-Tax Return on Equity		45.44% ²²

With an expected January of 2019 opening, cash flow market projections for a Best Western Plus, or the equivalent, before taxes and after renovation reserves, should be available for debt service, income tax and dividends as follows:

PROJECT SUMMARY

	<u>Occupancy Percent</u>	<u>Average \$ Rate</u>	<u>\$ REVPAR</u>	<u>Total Revenue</u>	<u>CashFlow**</u>
Year I	60.4%	\$90.34*	\$54.53	\$1,958,332	\$681,753
Year II	68.4%	\$97.13	\$66.42	\$2,365,990	\$873,089
Year III	71.0%	\$100.78	\$71.53	\$2,548,075	\$954,135
Year IV	71.3%	\$103.80	\$74.03	\$2,637,257	\$988,625
Year V	72.0%	\$106.40	\$76.62	\$2,729,561	\$1,021,700
Year VI	71.9%	\$108.53	\$77.98	\$2,777,917	\$1,031,433
Year VII	71.3%	\$110.67	\$78.87	\$2,809,748	\$1,033,014
Year VIII	71.5%	\$112.91	\$80.77	\$2,877,214	\$1,050,700
Year IX	70.8%	\$115.15	\$81.55	\$2,905,023	\$1,049,662
Year X	70.0%	\$117.46	\$82.19	\$2,927,921	\$12,204,466***

*Year I ADR equates to approximately \$85 in current market dollars.** Before Income Tax & Financing expense, but reflecting \$1,393,194 in reserves for capital expenditures/property renovation (\$17,415 per unit).

***Assumes valuing property at Year 10 cash flow at a 9% return-to-buyer, less 4% expense of sale, plus year 10 cash flow.

20. SSI estimates of land purchase price and of development costs.

21. After reserve for on-going renovations.

22. Assuming 25% equity and 75% debt at a 5% pre-tax debt cost; calculated weighted average.

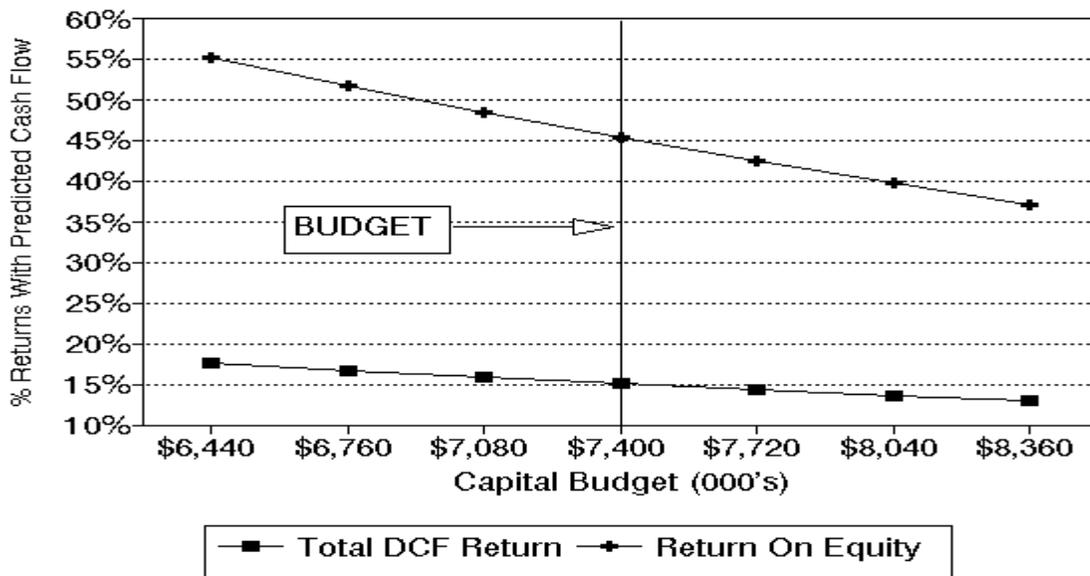
The above cash flow, assuming a Year 10 sale, has been discounted at the rate of 15.11% to a present value of \$7,399,237, essentially equaling the total budgeted investment of \$7,400,000. This 15.11% is the project's unleveraged return, provided capital costs are kept at this level.

An estimated capital budget for construction, soft costs, and FF&E of \$80,000 per unit 'turn-key' costs for a hotel of this size and quality are average for this type of hotel, in our experience, but reasonable for this project given the expense of development in the local terrain. If capital outlays vary from the current budget for this project, returns will vary accordingly. The following table illustrates the linear nature of financial returns as capital requirements escalate or decline and revenue streams remain stable.

Effect on Returns if Capital Investment Changes²³

Variance	Improvements Budget		Land Cost	Total Investment	Discounted Cash Flow	
	Per Unit	Total			Total Proj	On Equity
(85%)	\$68.0	\$5,440	\$1,000	\$6,440	17.58%	55.32%
(90%)	\$72.0	\$5,760	\$1,000	\$6,760	16.70%	51.80%
(95%)	\$76.0	\$6,080	\$1,000	\$7,080	15.88%	48.52%
BUDGET	\$80.0	\$6,400	\$1,000	\$7,400	15.11%	45.44%
(105%)	\$84.0	\$6,720	\$1,000	\$7,720	14.38%	42.52%
(110%)	\$88.0	\$7,040	\$1,000	\$8,040	13.69%	39.76%
(115%)	\$92.0	\$7,360	\$1,000	\$8,360	13.05%	37.20%

DCF Project Returns If Capital Investment Varies



23. Discounted Cash Flow / Internal Rate of Return.

The first stabilized year (Year III) shows the following results:

Year III 2021

Room Revenues	\$2,088,586
Total Revenues	\$2,548,075
Income Before Fixed Costs	\$1,233,341 (48.4%)
Net Income Before Tax & Fin.	\$ 923,807 (36.3%)
Cash Flow Before Financing	\$ 954,135 (37.4%) ²⁴
Occupancy %	71.0%
Average Daily Rate	\$100.78
\$ REVPAR	\$ 71.53
Per Occupied Room Cost	\$ 47.47

24. Before deductions of loan principal and interest, before income tax deductions, and before any equity payout.

Best Western Plus						
Land Value:	1,000,000	Open 1/1/2019	#Rooms:	80	PerRoomCost:	\$80,000
QUARTER:	First	Second	Third	Fourth	Year	
Rm nites Sol	4,070	4,823	4,604	4,126	17,623	
Rm nites Ava	7,200	7,280	7,360	7,360	29,200	
Occupancy %	56.5%	66.3%	62.6%	56.1%	60.4%	
Avg Rate	\$84.99	\$94.99	\$95.00	\$85.00	\$90.34	
REVPAR	\$48.05	\$62.93	\$59.42	\$47.65	\$54.53	%
						<u>Revenues</u>
RoomReven.	\$345,929	\$458,152	\$437,361	\$350,698	1,592,140	81.3%
F&B Revenue	62,267	82,467	78,725	63,126	286,585	14.6%
Other	17,296	22,908	21,868	17,535	79,607	4.1%
TotalSales	\$425,493	\$563,527	\$537,954	\$431,359	\$1,958,332	100.0%
<u>Operating Expense - Rooms Payroll</u>						
Administrat	13,616	18,033	17,215	13,803	62,667	3.2%
Housekeepin	15,466	18,327	17,495	15,679	66,967	3.4%
Laundry	8,140	9,646	9,208	8,252	35,246	1.8%
Front Desk	16,280	19,292	18,416	16,504	70,492	3.6%
Miscellaneous	6,382	8,453	8,069	6,470	29,375	1.5%
Taxes/Benef	9,581	11,800	11,264	9,713	42,360	2.2%
Total Payro	69,466	85,551	81,668	70,422	307,107	15.7%
<u>-Room Expense</u>						
S:Linen & L	4,884	5,788	5,525	4,951	21,148	1.1%
Comp. F & B	8,140	9,646	9,208	8,252	35,246	1.8%
Total Room	13,024	15,434	14,733	13,203	56,394	2.9%
<u>-Other Expense</u>						
Phone Lines	14,098	14,098	14,098	14,098	56,394	2.9%
Elec/Utilit	16,280	19,292	18,416	16,504	70,492	3.6%
Maint. & Re	12,765	16,906	16,139	12,941	58,750	3.0%
Total Other	43,143	50,296	48,653	43,543	185,636	9.5%
<u>-Admin & Gen</u>						
Marketing &	24,215	32,071	30,615	24,549	111,450	5.7%
Franchise F	20,756	27,489	26,242	21,042	95,528	4.9%
Credit Card	6,227	8,247	7,872	6,313	28,659	1.5%
Total G & A	51,197	67,806	64,729	51,903	235,637	12.0%
Rooms Expen	176,830	219,088	209,783	179,072	784,772	40.1%
F&B Expense	43,587	57,727	55,107	44,188	200,610	10.2%
-Tot Op Exp	220,417	276,815	264,890	223,260	985,382	50.3%
GrossOpProf	205,075	286,712	273,064	208,099	972,950	49.7%
Management	11,020	14,897	14,208	11,176	51,302	2.6%
Income Before	194,055	271,815	258,855	196,923	921,648	47.1%
<u>Fixed</u>						
<u>-Fixed Charges</u>						
Insurance	9,792	9,792	9,792	9,792	39,167	2.0%
Property Tax	21,275	28,176	26,898	21,568	97,917	5.0%
Deprec SL 39yr	41,026	41,026	41,026	41,026	164,103	8.4%
Tot Capital	72,092	78,994	77,715	72,385	301,186	15.4%
Net Income	121,963	192,821	181,140	124,538	620,463	31.7%
BeforeTax & Financing						
Depreciat.	41,026	41,026	41,026	41,026	164,103	8.4%
Renovation	(22,338)	(29,585)	(28,243)	(22,646)	(102,812)	-5.3%
Cash Flow B	140,651	204,262	193,923	142,917	681,753	34.8%
Tax & Financing						

Best Western Plus										
# Rooms:										Compound
Year	2	3	4	5	6	7	8	9	10	Yr 2-10
RmNites Sold	19,967	20,724	20,825	21,028	20,981	20,811	20,887	20,678	20,432	1.7%
RmNites Avail	29,200	29,200	29,200	29,200	29,200	29,200	29,200	29,200	29,200	0.0%
Occupancy %	68.4%	71.0%	71.3%	72.0%	71.9%	71.3%	71.5%	70.8%	70.0%	1.7%
Avg Rate*	\$97.13	\$100.78	\$103.80	\$106.40	\$108.53	\$110.67	\$112.91	\$115.15	\$117.46	3.0%
REVPAR	\$66.42	\$71.53	\$74.03	\$76.62	\$77.98	\$78.87	\$80.77	\$81.55	\$82.19	4.7%
RoomRevenues	1,939,336	2,088,586	2,161,686	2,237,345	2,276,981	2,303,072	2,358,372	2,381,166	2,399,935	4.7%
Food & Beverage	349,080	375,945	389,103	402,722	409,857	414,553	424,507	428,610	431,988	4.7%
Other	77,573	83,543	86,467	89,494	91,079	92,123	94,335	95,247	95,997	2.1%
Total Revenues	2,365,990	2,548,075	2,637,257	2,729,561	2,777,917	2,809,748	2,877,214	2,905,023	2,927,921	4.6%
<u>Operating Expense - Payroll</u>										
Administration	64,547	66,483	68,478	70,532	72,648	74,827	77,072	79,384	81,766	3.0%
Housekeeping	78,151	83,547	86,473	89,935	92,426	94,428	97,616	99,538	101,305	4.7%
Laundry	41,132	43,972	45,512	47,334	48,645	49,699	51,377	52,389	53,318	4.7%
Front Desk	82,264	87,944	91,024	94,669	97,291	99,398	102,754	104,777	106,637	4.7%
Miscellaneous	34,281	36,648	37,931	39,450	40,542	41,420	42,819	43,662	44,437	4.7%
Taxes/Benefits	48,060	50,975	52,707	54,707	56,248	57,564	59,462	60,760	61,994	4.3%
Total Payroll	348,434	369,569	382,125	396,627	407,801	417,335	431,099	440,510	449,456	4.3%
<u>-Room Expense</u>										
Linen & Laundry	24,679	26,383	27,307	28,401	29,187	29,819	30,826	31,433	31,991	4.7%
Comp. F & B	41,132	43,972	45,512	47,334	48,645	49,699	51,377	52,389	53,318	4.7%
Total Room	65,811	70,355	72,819	75,735	77,833	79,518	82,203	83,822	85,309	4.7%
<u>-Other Expense</u>										
Phone Lines	65,811	70,355	72,819	75,735	77,833	79,518	82,203	83,822	85,309	4.7%
Electric	82,264	87,944	91,024	94,669	97,291	99,398	102,754	104,777	106,637	4.7%
Repairs & Maint	70,980	76,442	79,118	81,887	83,338	84,292	86,316	87,151	87,838	4.6%
Total Other	219,055	234,742	242,961	252,291	258,461	263,208	271,273	275,749	279,783	4.7%
<u>-Admin & Gen</u>										
Marketing & Adv	135,754	146,201	151,318	156,614	159,389	161,215	165,086	166,682	167,995	4.7%
Franchise Fee	116,360	125,315	129,701	134,241	136,619	138,184	141,502	142,870	143,996	4.7%
Credit Card	34,908	37,595	38,910	40,272	40,986	41,455	42,451	42,861	43,199	4.7%
Total G & A	287,022	309,111	319,930	331,127	336,993	340,855	349,039	352,413	355,190	4.7%
Rooms Expense	920,322	983,778	1,017,835	1,055,780	1,081,089	1,100,917	1,133,613	1,152,494	1,169,739	4.5%
F&B Expense	244,356	263,162	272,372	281,905	286,900	290,187	297,155	300,027	302,392	4.7%
-TotOpExpense	1,164,678	1,246,940	1,290,207	1,337,686	1,367,988	1,391,104	1,430,768	1,452,521	1,472,131	4.6%
GrossOpProfit	1,201,312	1,301,135	1,347,050	1,391,875	1,409,929	1,418,644	1,446,446	1,452,502	1,455,790	4.6%
Mngmt Fee	62,813	67,794	70,175	72,584	73,738	74,434	76,096	76,673	77,114	4.6%

Year	Best Western Plus									Compound	
	# Rooms:	2	3	4	5	6	7	8	9	10	Growth Yr 2-10
RmNites Sold	19,967	20,724	20,825	21,028	20,981	20,811	20,887	20,678	20,432	20,432	1.7%
RmNites Avail	29,200	29,200	29,200	29,200	29,200	29,200	29,200	29,200	29,200	29,200	0.0%
Occupancy %	68.4%	71.0%	71.3%	72.0%	71.9%	71.3%	71.5%	70.8%	70.0%	70.0%	1.7%
Avg Rate*	\$97.13	\$100.78	\$103.80	\$106.40	\$108.53	\$110.67	\$112.91	\$115.15	\$117.46	\$117.46	3.0%
REVPAR	\$66.42	\$71.53	\$74.03	\$76.62	\$77.98	\$78.87	\$80.77	\$81.55	\$82.19	\$82.19	4.7%
RoomRevenues	1,939,336	2,088,586	2,161,686	2,237,345	2,276,981	2,303,072	2,358,372	2,381,166	2,399,935	2,399,935	4.7%
Food & Beverage	349,080	375,945	389,103	402,722	409,857	414,553	424,507	428,610	431,988	431,988	4.7%
Other	77,573	83,543	86,467	89,494	91,079	92,123	94,335	95,247	95,997	95,997	2.1%
Total Revenues	2,365,990	2,548,075	2,637,257	2,729,561	2,777,917	2,809,748	2,877,214	2,905,023	2,927,921	2,927,921	4.6%
Income Before	1,138,499	1,233,341	1,276,875	1,319,291	1,336,190	1,344,210	1,370,349	1,375,828	1,378,675	1,378,675	3.9%
Fixed											
-Fixed Charges											
Insurance	40,342	41,552	42,798	44,082	45,405	46,767	48,170	49,615	51,104	51,104	3.0%
Property Tax	100,854	103,880	106,996	110,206	113,512	116,918	120,425	124,038	127,759	127,759	3.0%
Depr. SL 39 Yrs	164,103	164,103	164,103	164,103	164,103	164,103	164,103	164,103	164,103	164,103	0.0%
Total Fixed Ch.	305,298	309,534	313,897	318,391	323,020	327,787	332,698	337,756	342,965	342,965	1.5%
Income Before	833,200	923,807	962,978	1,000,900	1,013,171	1,016,423	1,037,652	1,038,073	1,035,710	1,035,710	5.9%
Tax & Financing											
Depr. AddBack	164,103	164,103	164,103	164,103	164,103	164,103	164,103	164,103	164,103	164,103	0.0%
RenovReserve	(124,214)	(133,774)	(138,456)	(143,302)	(145,841)	(147,512)	(151,054)	(152,514)	(153,716)	(153,716)	4.6%
Cash Before	873,089	954,135	988,625	1,021,700	1,031,433	1,033,014	1,050,700	1,049,662	1,046,097	1,046,097	4.9%
Tax & Financing											

EXHIBIT I

LODGING MARKET: AUSTIN METRO							
YRQ	# Hotels Motels	# Rooms	Rnights sold 1 (000s)	\$ Rooms Revenues (000 s)	% OCC2	\$ Rate3	\$ RPAR4
---	-----	-----	-----	-----	-----	-----	-----
062	249	25,163	1,539.5	155,411	67.2	100.95	67.87
063	255	25,747	1,581.9	155,791	66.8	98.48	65.77
064	250	25,859	1,498.5	140,865	63.0	94.01	59.21
*TOTAL 2006			4,619.9	452,067	65.6	97.85	64.24
071	247	25,783	1,700.7	171,499	73.3	100.84	73.91
072	257	25,946	1,641.2	180,234	69.5	109.82	76.34
073	258	26,123	1,605.3	170,167	66.8	106.00	70.81
074	250	25,954	1,526.0	152,943	63.9	100.22	64.05
*TOTAL 2007			6,473.3	674,843	68.3	104.25	71.24
081	251	25,930	1,645.0	175,093	70.5	106.44	75.03
082	267	26,338	1,652.5	190,144	68.9	115.06	79.33
083	265	26,686	1,588.3	180,520	64.7	113.66	73.53
084	255	26,506	1,503.6	156,975	61.7	104.40	64.37
*TOTAL 2008			6,389.4	702,733	66.4	109.98	73.02
091	251	26,772	1,590.9	162,839	66.0	102.36	67.58
092	269	27,355	1,565.5	161,555	62.9	103.20	64.90
093	266	27,493	1,471.3	147,954	58.2	100.56	58.49
094	266	27,752	1,440.5	138,558	56.4	96.19	54.27
*TOTAL 2009			6,068.2	610,906	60.8	100.67	61.20
101	268	28,117	1,711.2	161,267	67.6	94.24	63.73
102	285	28,773	1,732.4	172,734	66.2	99.71	65.97
103	290	29,075	1,639.2	165,892	61.3	101.20	62.02
104	281	29,085	1,569.8	158,917	58.7	101.23	59.39
*TOTAL 2010			6,652.6	658,811	63.4	99.03	62.75
111	284	29,557	1,884.1	194,556	70.8	103.26	73.14
112	303	29,843	1,848.7	195,684	68.1	105.85	72.06
113	291	29,642	1,768.5	185,757	64.8	105.04	68.12
114	275	29,461	1,610.3	170,160	59.4	105.67	62.78
*TOTAL 2011			7,111.5	746,157	65.8	104.92	69.00
121	279	29,533	1,891.7	211,366	71.2	111.73	79.52
122	291	29,670	1,925.3	213,030	71.3	110.65	78.90
123	290	29,799	1,778.7	189,776	64.9	106.69	69.22
124	287	29,876	1,896.4	217,269	69.0	114.57	79.05
*TOTAL 2012			7,492.2	831,441	69.1	110.97	76.64
131	300	30,369	2,022.6	239,670	74.0	118.50	87.69
132	311	30,720	2,112.2	247,843	75.6	117.34	88.66
133	312	30,754	1,926.9	216,663	68.1	112.44	76.58
134	298	30,830	2,047.5	242,857	72.2	118.61	85.62
*TOTAL 2013			8,109.1	947,033	72.4	116.79	84.60

LODGING MARKET: AUSTIN METRO							
YRQ	# Hotels Motels	# Rooms	Rnights sold 1 (000s)	\$ Rooms Revenues (000 s)	% OCC2	\$ Rate3	\$ RPAR4
---	-----	-----	-----	-----	-----	-----	-----
141	302	30,919	2,081.1	264,750	74.8	127.22	95.14
142	314	31,136	2,143.9	266,760	75.7	124.43	94.15
143	322	31,372	2,054.4	247,490	71.2	120.47	85.75
144	312	31,252	2,101.7	265,255	73.1	126.21	92.26
*TOTAL 2014			8,381.1	1,044,255	73.7	124.60	91.78
151	329	32,044	2,204.8	303,864	76.4	137.82	105.36
152	342	32,740	2,352.5	315,550	79.0	134.13	105.91
153	341	33,235	2,293.2	285,993	75.0	124.71	93.53
154	329	33,533	2,295.3	296,796	74.4	129.31	96.20
*TOTAL 2015			9,145.7	1,202,204	76.2	131.45	100.13
161	341	34,230	2,329.1	330,859	75.6	142.05	107.40
*TOTAL 2016			2,329.1	330,859	75.6	142.05	107.40
*TOTAL			72,772.2	8,201,308	68.7	112.70	77.42

1. Roomnights sold (derived from est. rate and actual room revenues)
2. Occupancy: nights sold divided by nights available for sale(x 100)
3. Average price for each roomnight sold;from Directories and surveys
4. \$ Revenue per available room per day (room sales per day)

LODGING MARKET:		LAGO VISTA/LAKE TRAVIS AREA					
YRQ	# Hotels Motels	# ROOMS	RNIGHTS SOLD 1 (000S)	\$ ROOMS REVENUES (000 S)	% OCC2	\$ Rate3	\$ RPAR4
---	-----	-----	-----	-----	-----	-----	-----
063	21	1,063	53.3	6,072	54.5	113.82	62.09
064	19	1,009	46.8	4,813	50.4	102.89	51.85
*TOTAL 2006			100.1	10,885	52.5	108.72	57.10
071	18	959	48.6	5,085	56.3	104.63	58.91
072	21	1,064	50.4	6,273	52.1	124.42	64.79
073	23	1,073	49.2	6,088	49.8	123.73	61.67
074	18	994	48.3	5,431	52.8	112.39	59.39
*TOTAL 2007			196.5	22,876	52.6	116.40	61.28
081	20	1,063	50.1	5,631	52.3	112.49	58.86
082	25	1,158	54.3	7,452	51.5	137.19	70.72
083	25	1,232	54.4	7,396	48.0	135.92	65.25
084	21	1,179	49.4	5,699	45.5	115.47	52.54
*TOTAL 2008			208.1	26,178	49.2	125.77	61.91
091	20	1,170	48.2	5,126	45.8	106.39	48.68
092	27	1,306	59.3	7,151	49.9	120.65	60.17
093	25	1,249	57.3	6,818	49.8	119.04	59.34
094	21	1,209	44.9	4,872	40.3	108.60	43.80
*TOTAL 2009			209.6	23,968	46.5	114.35	53.23
101	24	1,328	48.3	4,856	40.4	100.55	40.63
102	32	1,566	71.1	8,010	49.9	112.68	56.21
103	33	1,574	73.3	8,599	50.6	117.38	59.38
104	25	1,541	60.2	5,917	42.5	98.30	41.73
*TOTAL 2010			252.8	27,382	46.1	108.30	49.91
111	25	1,573	65.1	6,046	46.0	92.93	42.71
112	33	1,651	82.3	8,978	54.8	109.10	59.76
113	32	1,635	79.5	8,824	52.8	111.03	58.67
114	23	1,551	61.8	6,306	43.3	101.99	44.20
*TOTAL 2011			288.7	30,156	49.4	104.46	51.55
121	23	1,551	68.0	7,049	48.7	103.62	50.50
122	30	1,627	88.0	9,869	59.4	112.20	66.65
123	29	1,614	82.7	9,356	55.7	113.09	63.01
124	23	1,554	70.9	7,846	49.6	110.61	54.88
*TOTAL 2012			309.6	34,120	53.5	110.19	58.92
131	24	1,574	76.7	8,460	54.2	110.29	59.72
132	30	1,672	99.5	11,660	65.4	117.14	76.64
133	31	1,672	93.7	11,065	60.9	118.07	71.93
134	25	1,605	79.4	8,974	53.8	113.02	60.77
*TOTAL 2013			349.4	40,159	58.7	114.95	67.46

LODGING MARKET: LAGO VISTA/LAKE TRAVIS AREA							
	#		RNIGHTS	\$ ROOMS			
YRQ	Hotels	#	SOLD 1	REVENUES	%	\$	\$
	Motels	ROOMS	(000S)	(000 S)	OCC2	Rate3	RPAR4
----	-----	-----	-----	-----	-----	-----	-----
141	24	1,601	78.5	9,077	54.5	115.68	62.99
142	30	1,673	100.0	12,798	65.7	127.93	84.07
143	30	1,663	99.0	12,708	64.7	128.33	83.06
144	26	1,626	87.1	10,200	58.2	117.12	68.19
*TOTAL 2014			364.6	44,783	60.9	122.82	74.77
151	27	1,683	87.7	10,485	57.9	119.53	69.22
152	31	1,711	102.3	13,632	65.7	133.26	87.55
153	34	1,725	103.2	13,341	65.0	129.30	84.06
154	25	1,649	85.7	10,230	56.5	119.35	67.43
*TOTAL 2015			378.9	47,688	61.4	125.86	77.22
161	27	1,683	89.5	10,675	59.1	119.31	70.47
162	30	1,736	109.6	14,585	69.4	133.10	92.32
*TOTAL 2016			199.0	25,260	64.3	126.90	81.63
*TOTAL			2,857.5	333,454	54.2	116.70	63.26

1. Roomnights sold (derived from est. rate and actual room revenues)
2. Occupancy: nights sold divided by nights available for sale(x 100)
3. Average price for each roomnight sold;from Directories and surveys
4. \$ Revenue per available room per day (room sales per day)

EXHIBIT II

PERIOD: TWELVE MONTHS ENDING JUNE 30, 2016
 LODGING MARKET: LAGO VISTA/LAKE TRAVIS AREA

BRAND	#	*	EST.		\$		EST.		EST.	\$
	HTL	RMS	%	RNS	%	AMT.	%	EST.	\$	RPAR
	000S		RMS	000S	RNS	000S	AMT	%OCC	RATE	
CHAINS										
BEST WEST	1	.0	2.4	11	2.9	757	1.6	75.8	68.44	51.87
COMFO INN	1	.1	3.4	16	4.1	1,295	2.7	75.7	80.84	61.17
HOLID EXP	1	.1	4.6	19	5.0	2,438	5.0	67.7	126.57	85.63
LA QUINTA	1	.1	4.4	21	5.4	2,256	4.6	76.9	107.10	82.41
TOT NEARBY	4	.3	14.8	67	17.4	6,746	13.8	73.6	100.07	73.64
CANDLWOOD	1	.1	4.7	23	5.8	1,819	3.7	77.3	80.53	62.28
TOT MIN STE	1	.1	4.7	23	5.8	1,819	3.7	77.3	80.53	62.28
BEST WEST	1	.1	3.7	13	3.3	1,048	2.1	57.2	80.97	46.29
HAMPTON	2	.1	7.9	34	8.7	4,991	10.2	68.8	148.42	102.04
HOLID EXP	2	.1	7.7	33	8.6	3,805	7.8	69.5	114.50	79.57
LA QUINTA	1	.1	4.3	16	4.2	2,362	4.8	61.5	144.04	88.65
TOT LTD SVE	6	.4	23.6	96	24.8	12,206	25.0	65.9	126.89	83.60
MOTEL 6	2	.2	9.6	41	10.7	2,411	4.9	69.7	58.14	40.52
QUALITY	1	.0	2.9	10	2.6	783	1.6	55.9	78.24	43.76
TOT BUDGET	3	.2	12.5	51	13.3	3,194	6.5	66.5	62.05	41.27
TOT CHAINS	14	.9	55.5	238	61.3	23,964	49.1	69.0	100.83	69.62
INDEPENDENTS										
TRAAVAASA	1	.1	4.4	23	5.8	7,503	15.4	83.4	333.10	277.77
\$100+ ADR	11	.5	31.9	102	26.3	15,828	32.4	51.5	155.33	79.93
\$60-99ADR	2	.1	4.1	15	3.9	1,046	2.1	60.0	68.46	41.11
LT \$60ADR	1	.1	4.1	11	2.7	490	1.0	41.8	46.57	19.45
TOTAL INDEP	15	.8	44.5	150	38.7	24,866	50.9	54.5	165.54	90.21
TOT MARKET	29	1.7	100.0	388	100.0	48,830	100	62.6	125.89	78.78

* All figures annualized. Includes taxed and est non-tax room revenues.
 Independents are categorized by price: \$100+, \$60-99.99, and under \$60)

PERIOD: TWELVE MONTHS ENDING JUNE 30, 2015
 LODGING MARKET: LAGO VISTA/LAKE TRAVIS AREA

BRAND	# *	EST.		\$		EST.		\$		
	HTL	RMS 000S	% RMS	RNS 000S	% RNS	AMT. 000S	% AMT	%OCC	\$ RATE	\$ RPAR
CHAINS										
BEST WEST	1	.0	2.4	11	2.8	653	1.4	73.2	61.16	44.75
COMFO INN	1	.1	3.5	16	4.3	1,302	2.8	75.7	81.25	61.52
HOLID EXP	1	.1	4.7	20	5.3	2,636	5.6	70.2	131.86	92.60
LA QUINTA	1	.1	4.5	21	5.5	2,215	4.7	76.2	106.16	80.91
TOT NEARBY	4	.3	15.0	68	18.0	6,807	14.5	73.8	100.74	74.30
CANDLWOOD	1	.1	4.8	23	6.0	1,800	3.8	77.3	79.73	61.66
TOT MIN STE	1	.1	4.8	23	6.0	1,800	3.8	77.3	79.73	61.66
BEST WEST	1	.1	3.7	13	3.5	1,105	2.3	58.3	83.73	48.81
HAMPTON	2	.1	8.0	34	9.1	4,897	10.4	69.6	143.85	100.12
HOLID EXP	2	.1	7.8	33	8.7	3,791	8.1	68.7	115.41	79.28
LA QUINTA	1	.1	4.4	17	4.6	2,419	5.1	65.3	139.11	90.77
TOT LTD SVE	6	.4	23.9	97	25.9	12,211	26.0	66.8	125.29	83.64
MOTEL 6	2	.2	9.8	40	10.6	2,196	4.7	66.8	55.28	36.90
QUALITY	1	.0	2.9	10	2.7	772	1.6	55.8	77.34	43.19
TOT BUDGET	3	.2	12.7	50	13.2	2,968	6.3	64.2	59.71	38.36
TOT CHAINS	14	.9	56.4	237	63.1	23,787	50.6	69.0	100.23	69.11
INDEPENDENTS										
TOT NEARBY	1	.1	4.4	21	5.7	6,319	13.4	79.0	296.13	233.94
\$100+ ADR	10	.5	31.7	95	25.4	15,521	33.0	49.4	162.71	80.38
\$60-99ADR	2	.1	3.3	11	3.0	875	1.9	56.1	76.91	43.17
LT \$60ADR	1	.1	4.1	11	2.8	523	1.1	42.2	49.19	20.77
TOT INDEP	14	.7	39.1	117	31.2	16,919	36.0	49.2	144.11	70.92
TOT MARKET	29	1.7	100.0	376	100.0	47,024	100	61.7	125.04	77.12

* All figures annualized. Includes taxed and est non-tax room revenues.
 Independents are categorized by price: \$100+, \$60-99.99, and under \$60)

PERIOD: TWELVE MONTHS ENDING JUNE 30, 2014
 LODGING MARKET: LAGO VISTA/LAKE TRAVIS AREA

BRAND	# *	EST.		\$		EST.		\$	\$	
	HTL	RMS	%	RNS	%	AMT.	%			EST.
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
CHAINS										
BEST WEST	1	.0	2.4	10	2.8	535	1.3	67.4	54.43	36.68
COMFO INN	1	.1	3.5	16	4.5	1,070	2.6	75.2	67.19	50.54
HOLID EXP	1	.1	4.8	17	4.8	2,015	4.8	59.0	120.06	70.78
LA QUINTA	1	.1	4.6	21	5.9	1,989	4.7	75.3	96.45	72.67
TOT NEARBY	4	.3	15.3	63	18.0	5,610	13.4	69.0	88.80	61.23
CANDLWOOD	1	.1	4.9	22	6.2	1,723	4.1	74.2	79.52	59.01
TOT MIN STE	1	.1	4.9	22	6.2	1,723	4.1	74.2	79.52	59.01
BEST WEST	1	.1	3.8	13	3.6	1,029	2.5	56.2	80.94	45.48
HAMPTON	2	.1	8.2	33	9.3	4,438	10.6	66.8	135.82	90.73
HOLID EXP	2	.1	8.0	32	9.1	3,610	8.6	67.1	112.50	75.50
LA QUINTA	1	.1	4.5	17	4.7	2,104	5.0	62.6	126.18	78.96
TOT LTD SVE	6	.4	24.4	94	26.8	11,181	26.7	64.5	118.76	76.58
MOTEL 6	2	.2	10.0	35	10.1	1,922	4.6	59.4	54.37	32.30
QUALITY	1	.0	3.0	9	2.6	684	1.6	50.7	75.43	38.24
TOT BUDGET	3	.2	12.9	44	12.6	2,605	6.2	57.4	58.67	33.67
TOT CHAINS	14	.9	57.6	223	63.5	21,119	50.4	64.9	94.54	61.36
INDEPENDENTS										
TOT NEARBY	1	.1	4.5	19	5.5	4,990	11.9	72.9	256.84	187.29
\$100+ ADR	10	.5	32.3	92	26.2	14,785	35.3	47.8	160.48	76.67
\$60-99ADR	2	.0	1.5	6	1.6	465	1.1	62.6	83.03	51.98
LT \$60ADR	1	.1	4.2	11	3.1	554	1.3	43.7	50.37	22.01
TOT INDEP	13	.6	38.0	109	30.9	15,805	37.7	47.9	145.35	69.63
TOT MARKET	28	1.6	100.0	352	100.0	41,914	100	58.8	119.22	70.11

* All figures annualized. Includes taxed and est non-tax rooms revenues.
 Independents are categorized by price: \$100+, \$60-99.99, and under \$60)

Source Strategies Inc. (210) 734-3434 08/26/16 BRDR1000.FEX

PERIOD: TWELVE MONTHS ENDING JUNE 30, 2013
 LODGING MARKET: LAGO VISTA/LAKE TRAVIS AREA

BRAND	#	EST.		EST.		EST.		EST.		
	* HTL	RMS 000S	% RMS	RNS 000S	% RNS	AMT. 000S	% AMT.	% OCC	\$ RATE	\$ RPAR
CHAINS										
BEST WEST	1	.0	2.5	10	2.9	485	1.3	66.4	49.96	33.19
COMFO INN	1	.1	3.6	15	4.5	823	2.2	69.8	55.70	38.86
HOLID EXP	0	.0	2.1	7	2.0	813	2.2	54.6	123.46	67.47
LA QUINTA	1	.1	4.7	22	6.6	1,836	4.9	79.4	84.47	67.05
TOT NEARBY	3	.2	12.8	53	16.0	3,956	10.6	70.2	74.94	52.61
CANDLWOOD	1	.1	5.0	22	6.6	1,630	4.4	74.6	74.80	55.81
TOT MIN STE	1	.1	5.0	22	6.6	1,630	4.4	74.6	74.80	55.81
BEST WEST	1	.1	3.9	12	3.7	990	2.7	54.1	80.97	43.77
HAMPTON	2	.1	8.4	32	9.8	4,277	11.5	66.3	131.97	87.44
HOLID EXP	2	.1	8.2	32	9.7	3,119	8.4	66.7	97.79	65.23
LA QUINTA	1	.1	4.6	16	5.0	1,846	4.9	61.7	112.32	69.28
TOT LTD SVE	6	.4	24.9	93	28.2	10,232	27.4	63.7	110.06	70.08
MOTEL 6	2	.2	10.2	33	10.1	1,736	4.7	56.2	51.93	29.18
QUALITY	1	.0	3.1	9	2.8	650	1.7	51.5	70.53	36.35
TOT BUDGET	3	.2	13.2	43	12.9	2,386	6.4	55.1	55.95	30.84
TOT CHAINS	13	.9	56.0	210	63.7	18,204	48.8	64.1	86.61	55.54
INDEPENDENTS										
TOT NEARBY	1	.1	5.5	15	4.7	4,193	11.2	47.7	271.70	129.60
\$100+ ADR	10	.5	32.6	88	26.8	13,999	37.5	46.3	158.29	73.29
\$60-99ADR	2	.0	1.5	5	1.5	408	1.1	56.5	80.74	45.62
LT \$60ADR	1	.1	4.3	11	3.3	518	1.4	42.6	48.26	20.57
TOT INDEP	12	.6	38.5	104	31.6	14,926	40.0	46.3	143.20	66.29
TOT MARKET	27	1.6	100.0	330	100.0	37,322	100	56.4	113.15	63.77

* All figures annualized. Included taxed and est non-tax rooms revenues.
 Independents are categorized by price: \$100+, \$60-99.99, and under \$60)

Source Strategies Inc. (210) 734-3434 08/26/16 BRDR1000.FEX

PERIOD: TWELVE MONTHS ENDING JUNE 30, 2012
 LODGING MARKET: LAGO VISTA/LAKE TRAVIS AREA

BRAND	#*	RMS	%	EST. RNS	%	\$ AMT.	%	EST. %OCC	\$ EST. RATE	\$ RPAR
HTL	000S		RMS	000S	RNS	000S	AMT			
CHAINS										
BEST WEST	1	.0	2.5	8	2.7	429	1.3	54.7	53.62	29.35
COMFO INN	1	.1	3.6	12	4.2	745	2.3	59.0	59.68	35.18
LA QUINTA	1	.1	4.7	19	6.5	1,510	4.7	71.0	77.71	55.15
TOT NEARBY	3	.2	10.9	40	13.4	2,683	8.4	63.2	67.25	42.49
CANDLWOOD	1	.1	5.0	21	7.0	1,409	4.4	71.5	67.51	48.24
TOT MIN STE	1	.1	5.0	21	7.0	1,409	4.4	71.5	67.51	48.24
BEST WEST	1	.1	3.9	11	3.6	807	2.5	46.6	76.45	35.65
HAMPTON	2	.1	8.4	31	10.6	4,004	12.5	64.3	127.24	81.87
HOLID EXP	2	.1	8.2	30	10.3	2,825	8.8	63.7	92.71	59.09
LA QUINTA	1	.1	4.6	15	5.2	1,628	5.1	57.5	106.24	61.09
TOT LTD SVE	6	.4	25.1	88	29.5	9,264	28.9	60.2	105.49	63.45
MOTEL 6	2	.2	10.2	31	10.3	1,420	4.4	51.3	46.50	23.87
QUALITY	1	.0	3.1	8	2.6	464	1.4	43.6	59.57	25.94
TOT BUDGET	3	.2	13.3	38	12.9	1,884	5.9	49.5	49.15	24.35
TOT CHAINS	13	.9	54.4	187	62.9	15,240	47.6	59.2	81.53	48.27
INDEPENDENTS										
	1	.1	6.6	13	4.3	2,508	7.8	33.7	194.38	65.43
TOT NEARBY	1	.1	6.6	13	4.3	2,508	7.8	33.7	194.38	65.43
\$100+ ADR	10	.5	30.9	82	27.7	13,260	41.4	45.8	161.05	73.82
\$60-99ADR	3	.1	3.8	8	2.7	717	2.2	36.9	88.86	32.75
LT \$60ADR	1	.1	4.3	7	2.4	325	1.0	27.9	46.22	12.89
TOT INDEP	13	.6	39.0	97	32.8	14,301	44.6	43.0	146.79	63.08
TOT MARKET	27	1.6	100.0	297	100.0	32,049	100	51.2	107.82	55.18

* All figures annualized. Included taxed and est non-tax rooms revenues.
 Independents are categorized by price: \$100+, \$60-99.99, and under \$60)
 Source Strategies Inc. (210) 734-3434 08/26/16 BRDR1000.FEX

EXHIBIT III

LODGING MARKET: LAGO VISTA/LAKE TRAVIS AREA

CITY	ADDR	ZIP	E	3	YR	AVG	
----	----	---	S	EST	OP	ADJ 1	
YRQ	#	TAXABLE	T	AVG.	%	-----	
----	----	REVENUE	2	DAILY	OCC	\$ 5	
----	----	REVENUE	ADJ 1	RATE	EST	REVPAR	
----	----	-----	-----	-----	-----	-----	
AUSTIN	13500 FM 2769	78726	TRAVAASA	EXPERIENTIAL	RESO	03	1.010
20111	105	203,626	209,495	1.029	75.00	30	22.17
20112	105	236,817	239,185	.000	85.14	29	25.03
20113	105	345,334	348,787	.000	114.14	32	36.11
20114	105	523,624	528,860	.000	155.82	35	54.75
20121	105	672,035	678,755	.000	225.82	32	71.83
20122	105	941,708	951,125	.000	275.96	36	99.54
20123	105	802,075	810,096	.000	250.28	33	83.86
20124	105	878,927	887,847	1.010	265.12	35	91.91
20131	70	1,115,046	1,131,663	1.015	285.12	63	179.63
20132	74	1,342,747	1,363,339	1.015	279.42	72	202.46
20133	74	1,009,127	1,019,218	.000	255.42	59	149.71
20134	70	1,188,034	1,195,503	1.006	253.63	73	185.64
20141	74	1,188,452	1,200,337	.000	245.84	73	180.23
20142	74	1,559,177	1,574,769	.000	269.50	87	233.85
20143	74	1,352,855	1,366,384	.000	266.27	75	200.70
20144	74	1,482,048	1,496,868	.000	282.42	78	219.87
20151	74	1,552,097	1,567,618	.000	291.98	81	235.38
20152	74	1,869,207	1,887,899	.000	340.80	82	280.35
20153	74	1,746,192	1,763,654	.000	338.92	76	259.06
20154	74	1,728,555	1,745,841	.000	329.43	78	256.44
20161	74	1,764,734	1,782,381	.000	331.74	81	267.62
20162	74	2,188,751	2,210,639	.000	332.44	99	328.28
		13010 WATER LN	78732	ANTHONY T BELL		12	1.010
20132	6	49,338	49,831	.000	147.00	62	91.27
20133	6	51,068	51,579	.000	155.00	60	93.44
20142	6	37,705	38,082	.000	142.10	49	69.75
20143	6	42,268	42,691	.000	143.36	54	77.34
20152	6	36,554	36,920	.000	129.95	52	67.62
20153	6	44,297	44,740	.000	122.85	66	81.05
		6701 OASIS PASS	78732	LA VILLA VISTA	BED AND BRE	07	1.050
20111	8	61,239	64,301	.000	130.13	69	89.31
20112	8	76,011	79,812	.000	145.41	75	109.63
20113	8	45,216	47,477	.000	125.41	51	64.51
20114	8	35,354	37,122	.000	127.92	39	50.44
20121	8	34,196	35,906	.000	127.92	39	49.87
20122	8	73,457	77,130	.000	138.60	76	105.95
20123	8	41,298	43,363	.000	133.92	44	58.92
20124	8	43,692	45,877	.000	135.26	46	62.33
20131	8	54,267	56,980	.000	135.26	58	79.14
20132	8	65,560	68,838	.000	135.79	70	94.56
20133	8	58,697	61,632	.000	135.79	62	83.74
20134	8	47,156	49,514	.000	134.84	50	67.27
20141	8	53,271	55,935	.000	136.68	57	77.69
20142	8	49,637	52,119	.000	133.95	53	71.59

CITY		ADDR		ZIP		E	3		YR	AVG
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	#		TAXABLE	GROSS	ADJ 1	T	AVG.	%	--	-----
YRQ	RMS	BRAND	REVENUE	REVENUE	FACTOR	2	DAILY	OCC	\$ 5	
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AUSTIN		6701 OASIS PASS		78732 LA VILLA		VISTA BED		AND BRE	07	1.050
20143	8		57,090	59,945	.000		132.34	61	81.45	
20144	8		50,874	53,418	.000		131.02	55	72.58	
20151	8		60,457	63,480	.000		126.52	70	88.17	
20152	8		54,187	56,896	.000		117.62	66	78.15	
20153	8		55,854	58,647	.000		111.20	72	79.68	
20154	8		38,556	40,484	.000		111.97	49	55.01	
20161	8		60,600	63,630	.000		114.69	77	88.38	
20162	8		60,585	63,614	.000		108.71	80	87.38	
		1705 S QUINLAN		78732 LAKE AUSTIN		SPA @ 33% OF R		79		1.010
20111	40		610,000	616,100	.000		263.59	65	171.14	
20112	40		700,000	707,000	.000		271.11	72	194.23	
20113	40		500,000	505,000	.000		271.11	51	137.23	
20114	40		510,000	515,100	.000		276.53	51	139.97	
20121	40		587,000	592,870	.000		276.53	60	164.69	
20122	40		650,000	656,500	.000		273.76	66	180.36	
20123	40		525,000	530,250	.000		271.57	53	144.09	
20124	40		530,000	535,300	.000		273.28	53	145.46	
20131	40		630,000	636,300	.000		275.28	64	176.75	
20132	40		720,000	727,200	.000		282.51	71	199.78	
20133	40		500,000	505,000	.000		255.51	54	137.23	
20134	40		535,000	540,350	.000		253.72	58	146.83	
20141	40		610,000	616,100	.000		257.18	67	171.14	
20142	40		820,000	828,200	.000		289.28	79	227.53	
20143	40		600,000	606,000	.000		262.10	63	164.67	
20144	40		560,000	565,600	.000		259.48	59	153.70	
20151	40		677,000	683,770	.000		262.59	72	189.94	
20152	40		815,000	823,150	.000		293.37	77	226.14	
20153	40		635,000	641,350	.000		260.32	67	174.28	
20154	40		530,000	535,300	.000		253.03	57	145.46	
20161	40		700,000	707,000	.000		272.00	72	196.39	
20162	40		780,000	787,800	.000		257.81	84	216.43	
		7086 COMANCHE T		78732 OASIS HOUSE					09	1.050
20112	7		40,250	42,263	.000		135.35	49	66.35	
20113	7		36,500	38,325	.000		130.35	46	59.51	
20122	7		34,150	35,858	.000		134.00	42	56.29	
20123	7		33,300	34,965	.000		132.93	41	54.29	
20133	7		40,450	42,473	.000		136.93	48	65.95	
		14900 FLAT TOP		78732 VILLA TOSCANA					13	1.050
20133	8		55,187	58,498	1.060		150.00	53	79.48	
20134	8		56,447	59,269	.000		148.95	54	80.53	
20142	8		38,186	40,095	.000		145.97	38	55.08	
		5220 HUDSON BEN		78734 LA HACIENDA		RV PARK RESORT			11	1.100
20111	9		49,099	54,009	.000		92.15	72	66.68	

CITY	ADDR	ZIP	E	3	YR	AVG		
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			T	AVG.	%	----		
YRQ	#	TAXABLE	GROSS	ADJ 1	DAILY	OCC	\$	5
----	----	REVENUE	REVENUE	FACTOR	RATE	EST	REVPAR	----
AUSTIN	5220	HUDSON BEN	78734	LA HACIENDA	RV PARK	RESORT	11	1.100
20112	12	78,770	86,647	.000	92.32	86	79.35	
20113	12	49,900	54,890	.000	82.32	60	49.72	
20114	12	27,276	30,004	.000	73.77	37	27.18	
20121	12	53,963	59,359	.000	73.77	74	54.96	
20122	15	85,591	94,150	.000	73.03	94	68.97	
20123	15	80,551	88,606	.000	72.45	89	64.21	
20124	15	47,482	52,230	.000	73.17	52	37.85	
20131	15	81,788	89,967	.000	85.17	78	66.64	
20132	15	96,788	106,467	.000	85.82	91	78.00	
20133	15	67,603	74,363	.000	77.52	69	53.89	
20134	15	43,857	48,243	.000	66.05	53	34.96	
20141	15	85,427	93,970	.000	84.69	82	69.61	
20142	15	110,051	121,056	.000	99.66	89	88.69	
20143	15	91,227	100,350	.000	83.64	87	72.72	
20144	15	51,877	57,065	.000	64.98	64	41.35	
20151	15	75,781	83,359	.000	75.90	81	61.75	
20152	15	40,708	44,779	.000	110.26	30	32.80	
20153	15	100,200	110,220	.000	113.69	70	79.87	
20161	15	102,771	113,048	.000	112.44	74	83.74	
20162	15	114,099	125,509	.000	112.55	82	91.95	
	15116	STORM DR	78734	LOST PARROT	CABINS		05	1.030
20112	3	48,050	49,492	.000	266.33	68	181.29	
20113	3	28,194	29,040	.000	266.33	39	105.22	
20122	3	37,426	38,549	.000	265.00	53	141.20	
20123	3	37,045	38,156	.000	262.88	53	138.25	
20153	3	45,801	47,175	.000	248.51	68	170.92	
	610	S COVE	78734	ROBIN'S NEST	BED & BREAKF		99	.000
20153	4	50,100	55,110	.000	184.36	81	149.76	
	1007	STEWART CV	78734	ROBIN`S NEST	BED & BREAKFA		99	1.035
20111	7	22,577	22,627	.000	132.85	27	35.92	
20112	7	30,522	31,184	1.022	143.13	34	48.95	
20113	7	25,415	26,282	1.034	133.13	31	40.81	
	17237	ROCKY RID	78734	TURNKEY VACATION	RENTALS		14	.000
20153	5	42,064	46,270	.000	141.80	71	100.59	
	2105	BIG HORN D	78734	TURNKEY VACATION	RENTALS		14	.000
20162	5	39,020	42,922	.000	127.96	74	94.33	
	4209	ECK LN	78734	VINTAGE VILLAS			97	1.030
20111	44	231,465	238,409	.000	129.50	46	60.20	
20112	43	285,645	294,214	.000	129.74	58	75.19	
20113	43	220,099	226,702	.000	129.74	44	57.31	
20114	44	297,357	306,278	.000	132.33	57	75.66	
20121	44	314,990	324,440	.000	132.33	62	81.93	

CITY		ADDR		ZIP		E	3		YR	AVG
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	#		TAXABLE	GROSS	ADJ 1	T	AVG.	%	--	-----
YRQ	RMS	BRAND	REVENUE	REVENUE	FACTOR	2	DAILY	OCC	\$ 5	
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AUSTIN		4209 ECK LN		78734	VINTAGE VILLAS				97	1.030
20122	44		198,657	203,355	1.024		131.01	39	50.79	
20123	44		203,876	209,992	.000		124.01	42	51.88	
20124	44		296,391	305,283	.000		141.41	53	75.42	
20131	44		204,913	211,060	.000		125.41	42	53.30	
20132	44		273,073	276,644	1.013		132.70	52	69.09	
20133	44		219,583	226,170	.000		131.50	42	55.87	
20134	44		279,354	287,735	.000		139.52	51	71.08	
20141	44		180,317	185,727	.000		137.37	34	46.90	
20142	44		340,739	350,961	.000		152.27	58	87.65	
20143	44		193,305	200,778	1.039		133.65	37	49.60	
20144	44		180,326	181,873	1.009		124.39	36	44.93	
20151	44		276,298	284,587	.000		137.01	52	71.87	
20152	44		302,673	311,753	.000		131.53	59	77.86	
20153	44		245,596	252,964	.000		123.39	51	62.49	
20154	44		190,605	196,323	.000		119.94	40	48.50	
20161	44		219,071	224,102	1.023		129.50	44	56.59	
20162	44		319,190	328,766	.000		123.69	66	82.11	
CEDAR PARK		425 E WHITESTON		78613	BEST WESTERN CEDAR INN				99	1.025
20111	40	BWEST	104,621	105,834	1.012		58.28	50	29.40	
20112	40	BWEST	121,913	123,249	1.011		58.39	58	33.86	
20113	40	BWEST	100,025	100,994	1.010		56.00	49	27.44	
20114	40	BWEST	92,344	94,653	.000		54.57	47	25.72	
20121	40	BWEST	95,512	98,542	1.032		52.57	52	27.37	
20122	40	BWEST	133,477	134,350	1.007		52.04	71	36.91	
20123	40	BWEST	118,451	120,037	1.013		49.64	66	32.62	
20124	40	BWEST	112,731	113,666	1.008		49.49	62	30.89	
20131	40	BWEST	111,433	113,423	1.018		49.00	64	31.51	
20132	40	BWEST	135,180	137,464	1.017		51.45	73	37.76	
20133	40	BWEST	116,170	119,074	.000		51.45	63	32.36	
20134	40	BWEST	131,578	132,976	1.011		53.18	68	36.13	
20141	40	BWEST	122,193	124,745	1.021		53.30	65	34.65	
20142	40	BWEST	154,828	158,699	.000		59.09	74	43.60	
20143	40	BWEST	125,762	128,820	1.024		54.92	64	35.01	
20144	40	BWEST	157,740	161,684	.000		56.94	77	43.94	
20151	40	BWEST	156,934	160,084	1.020		62.18	72	44.47	
20152	40	BWEST	201,020	202,735	1.009		69.29	80	55.70	
20153	40	BWEST	193,867	196,916	1.016		68.62	78	53.51	
20154	40	BWEST	179,030	182,866	1.021		71.50	69	49.69	
20161	40	BWEST	168,326	172,534	.000		66.76	72	47.93	
20162	40	BWEST	200,000	205,000	.000	1	67.06	84	56.32	
		1100 COTTONWOOD		78613	CANDLEWOOD SUITES				10	1.370
20111	80	CANDL	286,960	324,707	1.132		62.27	72	45.10	
20112	80	CANDL	260,562	333,521	1.280		64.40	71	45.81	
20113	80	CANDL	239,498	324,329	1.354		64.40	68	44.07	
20114	80	CANDL	264,441	337,059	1.275		65.69	70	45.80	

CITY	ADDR	ZIP	E	3	YR	AVG		
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			T	AVG.	%	----		
YRQ	#	TAXABLE	ADJ 1	DAILY	OCC	\$ 5		
----	----	REVENUE	FACTOR	RATE	EST	REVPAR		
CEDAR PARK	1100	COTTONWOOD	78613	CANDLEWOOD SUITES		10	1.370	
20121	80	CANDL	298,469	361,658	1.212	67.69	74	50.23
20122	80	CANDL	287,830	385,668	1.340	71.96	74	52.98
20123	80	CANDL	261,988	394,085	1.504	72.97	73	53.54
20124	80	CANDL	322,490	400,415	1.242	73.70	74	54.40
20131	80	CANDL	268,351	399,190	1.488	75.00	74	55.44
20132	80	CANDL	310,505	435,910	1.404	77.42	77	59.88
20133	80	CANDL	282,695	391,565	1.385	74.52	71	53.20
20134	80	CANDL	303,716	441,475	1.454	80.95	74	59.98
20141	80	CANDL	300,425	419,754	1.397	82.06	71	58.30
20142	80	CANDL	267,826	470,332	1.756	80.42	80	64.61
20143	80	CANDL	277,208	444,183	1.602	77.48	78	60.35
20144	80	CANDL	320,422	448,082	1.398	78.69	77	60.88
20151	80	CANDL	308,469	442,861	1.436	79.63	77	61.51
20152	80	CANDL	346,915	465,352	1.341	83.16	77	63.92
20153	80	CANDL	309,145	479,117	1.550	80.51	81	65.10
20154	80	CANDL	319,588	455,150	1.424	80.69	77	61.84
20161	80	CANDL	302,816	401,471	1.326	75.75	74	55.76
20162	80	CANDL	341,570	482,965	1.414	84.83	78	66.34
		300 E WHITESTON	78613	COMFORT INN	CEDAR PARK	98	1.035	
20111	58	COMFO	163,271	173,336	1.062	56.38	59	33.21
20112	58	COMFO	182,475	193,296	1.059	61.50	60	36.62
20113	58	COMFO	176,992	187,105	1.057	61.50	57	35.06
20114	58	COMFO	129,453	134,237	1.037	59.67	42	25.16
20121	58	COMFO	175,262	183,138	1.045	57.57	61	35.08
20122	58	COMFO	226,131	240,350	1.063	59.96	76	45.54
20123	58	COMFO	176,106	194,927	1.107	56.10	65	36.53
20124	58	COMFO	170,376	181,000	1.062	55.04	62	33.92
20131	58	COMFO	186,232	200,230	1.075	55.04	70	38.36
20132	58	COMFO	233,320	246,427	1.056	56.39	83	46.69
20133	58	COMFO	191,388	223,763	1.169	59.59	70	41.93
20134	58	COMFO	209,954	237,754	1.132	62.15	72	44.56
20141	58	COMFO	242,100	273,064	1.128	69.49	75	52.31
20142	58	COMFO	289,107	335,312	1.160	75.94	84	63.53
20143	58	COMFO	287,992	315,701	1.096	76.61	77	59.16
20144	58	COMFO	294,949	310,292	1.052	77.72	75	58.15
20151	58	COMFO	291,757	302,617	1.037	78.65	74	57.97
20152	58	COMFO	362,246	373,868	1.032	91.82	77	70.84
20153	58	COMFO	312,389	322,055	1.031	81.13	74	60.36
20154	58	COMFO	299,427	301,683	1.008	76.91	74	56.54
20161	58	COMFO	282,276	300,253	1.064	76.06	76	57.52
20162	58	COMFO	368,252	370,892	1.007	88.72	79	70.27
		1605 E WHITESTO	78613	HOLIDAY EXPRESS		02	1.050	
20111	62	HIEXP	317,898	332,207	1.045	89.89	66	59.54
20112	62	HIEXP	380,976	393,245	1.032	97.78	71	69.70
20113	62	HIEXP	353,694	366,860	1.037	94.58	68	64.32

CITY	ADDR	ZIP	E	3	YR	AVG		
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			T	AVG.	%	-----		
YRQ	#	TAXABLE	ADJ 1	DAILY	OCC	\$ 5		
----	----	REVENUE	FACTOR	RATE	EST	REVPAR		
CEDAR PARK	1605 E	WHITESTO	78613	HOLIDAY EXPRESS		02	1.050	
20114	62	HIEXP	347,486	352,640	1.015	95.15	65	61.82
20121	62	HIEXP	360,865	385,706	1.069	93.55	74	69.12
20122	62	HIEXP	435,669	447,298	1.027	100.53	79	79.28
20123	62	HIEXP	375,208	386,600	1.030	92.78	73	67.78
20124	62	HIEXP	407,464	415,993	1.021	97.75	75	72.93
20131	62	HIEXP	400,858	416,026	1.038	99.50	75	74.56
20132	62	HIEXP	471,046	491,567	1.044	107.31	81	87.13
20133	62	HIEXP	447,549	464,628	1.038	112.65	72	81.46
20134	62	HIEXP	474,171	485,863	1.025	117.82	72	85.18
20141	62	HIEXP	478,881	500,970	1.046	127.53	70	89.78
20142	62	HIEXP	513,898	537,240	1.045	124.98	76	95.22
20143	62	HIEXP	492,455	507,726	1.031	122.10	73	89.01
20144	62	HIEXP	469,808	484,877	1.032	117.32	72	85.01
20151	62	HIEXP	451,674	490,821	1.087	117.92	75	87.96
20152	62	HIEXP	530,752	561,109	1.057	122.80	81	99.45
20153	62	HIEXP	467,626	489,083	1.046	110.14	78	85.74
20154	62	HIEXP	493,042	527,253	1.069	115.80	80	92.44
20161	62	HIEXP	462,285	490,225	1.060	118.48	74	87.85
20162	62	HIEXP	529,611	550,589	1.040	122.82	79	97.59
		1010 E	WHITESTO	78613	LA QUINTA INN & SUITES		09	1.060
20111	75	LAQUN	320,122	333,132	1.041	74.56	66	49.35
20112	75	LAQUN	367,884	381,596	1.037	78.71	71	55.91
20113	75	LAQUN	354,109	374,615	1.058	77.00	71	54.29
20114	75	LAQUN	332,657	347,721	1.045	76.50	66	50.39
20121	75	LAQUN	370,774	395,330	1.066	78.50	75	58.57
20122	75	LAQUN	383,348	392,158	1.023	78.71	73	57.46
20123	75	LAQUN	408,710	416,895	1.020	82.05	74	60.42
20124	75	LAQUN	423,781	441,230	1.041	86.41	74	63.95
20131	75	LAQUN	439,725	473,055	1.076	83.51	84	70.08
20132	75	LAQUN	494,153	504,356	1.021	85.76	86	73.90
20133	75	LAQUN	464,070	487,929	1.051	92.76	76	70.71
20134	75	LAQUN	461,196	497,427	1.079	97.64	74	72.09
20141	75	LAQUN	447,066	468,850	1.049	94.81	73	69.46
20142	75	LAQUN	515,793	535,024	1.037	100.46	78	78.39
20143	75	LAQUN	533,118	555,352	1.042	104.19	77	80.49
20144	75	LAQUN	512,147	534,878	1.044	104.14	74	77.52
20151	75	LAQUN	503,154	532,844	1.059	105.39	75	78.94
20152	75	LAQUN	572,153	591,923	1.035	110.77	78	86.73
20153	75	LAQUN	523,039	547,393	1.047	101.88	78	79.33
20154	75	LAQUN	549,331	579,542	1.055	103.89	81	83.99
20161	75	LAQUN	502,815	534,236	1.062	110.66	72	79.15
20162	75	LAQUN	563,902	594,817	1.055	112.47	77	87.15
		800 ARROW POINT	78613	MOTEL 6 CEDAR PARK, TX	#4	10	1.205	
20111	80	MTL 6	138,842	143,303	1.032	37.03	54	19.90
20112	80	MTL 6	201,341	220,747	1.096	43.83	69	30.32

CITY	ADDR	ZIP	E	3	YR	AVG
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			T	AVG.	%	----
YRQ	#	TAXABLE	ADJ 1	DAILY	OCC	\$ 5
----	----	REVENUE	FACTOR	RATE	EST	REVPAR
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CEDAR PARK	800 ARROW POINT	78613	MOTEL 6	CEDAR PARK, TX	#4	10 1.205
20113	80	192,828	1.169	45.50	67	30.64
20114	80	184,207	1.136	46.41	61	28.44
20121	80	195,137	1.187	47.49	67	31.59
20122	80	242,424	1.105	53.51	69	36.81
20123	80	241,044	1.179	55.34	70	38.60
20124	80	257,299	1.108	57.57	67	38.74
20131	80	248,249	1.138	57.00	69	39.25
20132	80	308,410	1.056	57.33	78	44.74
20133	80	272,511	1.091	57.33	70	40.38
20134	80	289,222	1.112	60.11	73	43.69
20141	80	299,028	1.108	64.37	72	46.03
20142	80	315,986	1.083	63.09	74	47.01
20143	80	301,940	1.136	62.33	75	46.60
20144	80	284,907	1.149	60.91	73	44.46
20151	80	290,843	1.184	66.30	72	47.83
20152	80	306,216	1.117	62.69	75	46.97
20153	80	302,331	1.213	64.94	77	49.83
20154	80	294,958	1.167	62.64	75	46.76
20161	80	295,183	1.203	64.92	76	49.33
20162	80	310,637	1.214	64.95	80	51.80
	1000 S BELL BLV	78613	THE BUNGALOWS HOTEL	& EVEN	14	1.040
20144	10	40,734	1.073	84.15	56	47.53
20151	48	133,336	1.093	70.99	48	33.74
20152	48	183,748	1.050	69.69	63	44.18
20153	48	183,703	1.070	63.90	70	44.50
20154	48	182,736	1.046	62.11	70	43.29
20161	48	161,033	1.027	61.43	62	38.30
20162	48	212,263	1.058	71.49	72	51.43
JONESTOWN	19624 FM 1431	78645	LAGO VISTA RENTALS			11 1.050
20112	20	77,000	.000	94.18	47	44.42
20113	20	90,000	.000	115.18	45	51.36
	7307 FLAGSHIP P	78645	THE HOLLOWES			06 1.120
20111	18	124,093	1.135	245.43	35	86.93
20112	18	179,366	1.108	245.90	49	121.31
20113	18	185,061	1.170	245.90	53	130.70
LAGO VISTA	21605 HIGH DR	78645	HILL COUNTRY LAKES			13 1.050
20132	15	61,500	.000	165.00	29	47.31
20133	15	73,500	.000	175.00	32	55.92
20142	15	70,864	.000	175.00	31	54.51
20143	15	136,840	.000	182.78	57	104.12
20144	15	56,374	.000	134.42	32	42.89
20151	15	47,265	1.030	131.99	27	36.06
20152	15	121,300	.000	168.95	55	93.31

CITY	ADDR	ZIP	E	3	YR	AVG	
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			T	AVG.	%	----	
YRQ	#	TAXABLE	GROSS	ADJ 1	DAILY	OCC	\$ 5
----	----	REVENUE	REVENUE	FACTOR	RATE	EST	REVPAR
		BRAND					
LAGO VISTA	21605	HIGH DR	78645	HILL COUNTRY LAKES		13	1.050
20153	15		191,300	206,023	1.077	77	149.29
20154	15		78,407	82,327	.000	45	59.66
20161	15		101,220	106,281	.000	55	78.73
20162	25		198,780	208,719	.000	55	91.74
		2308	QUAIL RUN	78645	JANICE L WARREN	10	1.010
20112	6		32,600	32,926	.000	41	60.30
20113	6		31,142	31,453	.000	39	56.98
20123	6		36,650	37,017	.000	46	67.06
		6015	LOHMANS FO	78645	NORTH SHORE VACATION RENT	16	.000
20162	30		114,455	133,217	1.164	61	48.80
		3404	AMERICAN D	78645	THE ISLAND ON LAKE TRAVIS	08	1.150
20111	28		71,869	82,649	.000	34	32.80
20112	28		170,636	196,231	.000	58	77.01
20113	28		182,672	210,073	.000	61	81.55
20114	28		108,514	124,791	.000	43	48.44
20121	28		45,810	57,683	1.259	24	22.89
20122	28		174,687	193,525	1.108	58	75.95
20123	28		135,750	156,113	.000	49	60.60
20124	28		53,258	61,247	.000	21	23.78
20131	28		37,883	43,565	.000	20	17.29
20132	28		86,720	99,728	.000	29	39.14
20133	28		147,133	169,203	.000	51	65.68
20134	28		60,706	69,812	.000	24	27.10
20141	28		45,755	52,618	.000	24	20.88
20142	28		133,416	153,428	.000	48	60.22
20143	28		131,615	151,357	.000	48	58.76
20144	28		55,842	64,815	1.161	22	25.16
20151	28		39,098	99,373	2.542	35	39.43
20152	28		64,143	73,764	.000	25	28.95
20153	28		131,927	151,025	1.145	49	58.63
20154	28		49,904	58,577	1.174	24	22.74
20161	28		35,000	40,250	.000	17	15.97
20162	28		35,000	40,250	.000	18	15.80
		1917	AMERICAN D	78645	VACATION VILLAGES/SHORES	08	1.050
20112	19		42,405	43,945	1.036	27	25.42
20122	19		35,440	43,780	1.235	27	25.32
20123	19		31,334	34,992	1.117	23	20.02
20132	19		33,806	36,103	1.068	25	20.88
20133	19		43,928	53,173	1.210	37	30.42
20142	19		43,359	74,519	1.719	54	43.10
20143	19		62,601	65,731	.000	44	37.60
20151	19		61,873	99,529	1.609	67	58.20
20152	19		39,695	41,680	.000	31	24.11

CITY	ADDR	ZIP	E	3	YR	AVG		
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			T	AVG.	%	----		
YRQ	#	TAXABLE	GROSS	ADJ 1	DAILY	OCC	\$	5
----	----	REVENUE	REVENUE	FACTOR	RATE	EST	REVPAR	----
LAGO VISTA	1917	AMERICAN D	78645	VACATION	VILLAGES/SHORES O	87	1.050	
20153	19		41,965	44,063	.000	80.68	31	25.21
20161	19		38,241	40,153	.000	85.73	27	23.48
20162	19		48,134	50,541	.000	81.26	36	29.23
	18100	MARSHALL	78645	WILLIAM M	FRIEDRICHS JR	12	1.020	
20132	6		36,050	36,771	.000	122.50	55	67.35
20133	6		39,667	40,460	.000	135.50	54	73.30
20143	6		40,500	41,310	.000	143.75	52	74.84
20152	6		38,525	39,296	.000	138.00	52	71.97
20153	6		42,700	43,554	.000	130.47	60	78.90
LAKEWAY	1023	CHALLENGER	78734	FS	INVESTMENTS, LLC	11	1.050	
20122	10		41,700	43,785	.000	133.65	36	48.12
20123	10		40,500	42,525	.000	132.58	35	46.22
20143	7		45,750	48,038	.000	130.99	57	74.59
20152	7		43,980	46,179	.000	125.75	58	72.49
20153	9		57,150	60,008	.000	137.79	53	72.47
20162	8		49,775	52,264	.000	130.60	55	71.79
	2013	RANCH ROAD	78734	HAMPTON INN	& SUITES	08	1.021	
20111	70	HAMPT	472,475	484,890	1.026	121.74	63	76.97
20112	70	HAMPT	618,977	628,568	1.015	137.76	72	98.68
20113	70	HAMPT	601,603	607,888	1.010	135.76	70	94.39
20114	70	HAMPT	523,663	527,150	1.007	135.15	61	81.86
20121	70	HAMPT	596,555	607,043	1.018	135.15	71	96.36
20122	70	HAMPT	718,394	725,983	1.011	146.07	78	113.97
20123	70	HAMPT	657,373	663,402	1.009	144.90	71	103.01
20124	70	HAMPT	646,492	650,994	1.007	143.93	70	101.09
20131	70	HAMPT	567,101	584,164	1.030	138.53	67	92.72
20132	70	HAMPT	670,301	674,446	1.006	139.68	76	105.88
20133	70	HAMPT	619,307	641,298	1.036	135.68	73	99.58
20134	70	HAMPT	605,976	620,826	1.025	139.70	69	96.40
20141	70	HAMPT	642,242	656,219	1.022	141.60	74	104.16
20142	70	HAMPT	758,392	768,522	1.013	154.36	78	120.65
20143	70	HAMPT	657,646	672,308	1.022	140.85	74	104.40
20144	70	HAMPT	672,846	680,697	1.012	142.41	74	105.70
20151	70	HAMPT	700,757	717,435	1.024	157.27	72	113.88
20152	70	HAMPT	808,241	816,725	1.010	160.87	80	128.21
20153	70	HAMPT	673,160	681,662	1.013	137.91	77	105.85
20154	70	HAMPT	633,873	650,429	1.026	140.94	72	101.00
20161	70	HAMPT	654,768	666,794	1.018	153.29	69	105.84
20162	70	HAMPT	784,284	790,110	1.007	163.30	76	124.04
	15707	OAK GROVE	78734	HOLIDAY EXPRESS	& SUITES	13	1.035	
20131	55	HIEXP	302,997	306,749	1.012	125.00	50	61.97
20132	78	HIEXP	500,181	506,079	1.012	122.50	58	71.30
20133	78	HIEXP	450,326	466,155	1.035	115.50	56	64.96

CITY		ADDR	ZIP		E	3		YR	AVG
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	#				T	AVG.	%	--	-----
YRQ	RMS	BRAND	TAXABLE	GROSS	ADJ 1	DAILY	OCC	\$ 5	
----	----	-----	REVENUE	REVENUE	FACTOR	RATE	EST	REVPAR	
LAKEWAY		15707 OAK GROVE	78734	HOLIDAY EXPRESS & SUITES				13	1.035
20134	78	HIEXP	438,421	452,337	1.032	114.69	55	63.03	
20141	78	HIEXP	476,342	483,191	1.014	127.41	54	68.83	
20142	78	HIEXP	590,657	613,343	1.038	122.32	71	86.41	
20143	78	HIEXP	644,247	666,796	.000	125.99	74	92.92	
20144	78	HIEXP	542,373	566,301	1.044	123.75	64	78.92	
20151	78	HIEXP	616,159	625,122	1.015	137.38	65	89.05	
20152	78	HIEXP	754,729	778,195	1.031	139.56	79	109.64	
20153	78	HIEXP	597,747	615,252	1.029	125.32	68	85.74	
20154	78	HIEXP	556,169	569,561	1.024	121.81	65	79.37	
20161	78	HIEXP	505,718	528,605	1.045	121.46	62	75.30	
20162	78	HIEXP	706,759	724,507	1.025	136.01	75	102.07	
		219 CORINTHIAN	78734	JOHN W REGER				11	1.040
20122	10		42,550	44,252	.000	133.65	36	48.63	
20132	10		38,450	39,988	.000	130.98	34	43.94	
20133	10		53,275	55,406	.000	130.98	46	60.22	
		101 LAKEWAY DR	78734	LAKEWAY INN RESORT & CONFE				62	1.015
20111	239		1,198,767	1,264,027	1.054	134.35	44	58.76	
20112	239		2,189,559	2,203,880	1.007	170.68	59	101.33	
20113	239		2,200,423	2,233,429	.000	180.68	56	101.57	
20114	239		1,144,808	1,161,980	.000	153.69	34	52.85	
20121	239		1,406,885	1,476,812	1.050	147.69	46	68.66	
20122	239		2,368,616	2,395,955	1.012	168.98	65	110.16	
20123	239		2,278,138	2,312,310	.000	168.64	62	105.16	
20124	239		1,693,468	1,714,246	1.012	157.20	50	77.96	
20131	239		1,645,630	1,700,035	1.033	150.20	53	79.03	
20132	239		2,176,010	2,208,650	.000	171.70	59	101.55	
20133	239		2,386,878	2,422,681	.000	175.70	63	110.18	
20134	239		1,480,033	1,490,639	1.007	159.58	42	67.79	
20141	239		1,430,535	1,471,745	1.029	161.76	42	68.42	
20142	239		2,352,661	2,387,951	.000	172.25	64	109.80	
20143	239		2,624,627	2,646,015	1.008	178.09	68	120.34	
20144	239		1,751,713	1,777,989	.000	156.51	52	80.86	
20151	239		1,559,971	1,589,848	1.019	162.44	45	73.91	
20152	239		2,194,525	2,227,443	.000	168.42	61	102.42	
20153	239		2,288,566	2,311,659	1.010	159.22	66	105.13	
20154	239		1,450,856	1,471,051	1.014	146.01	46	66.90	
20161	239		1,393,738	1,406,984	1.010	158.25	41	65.41	
20162	239		2,283,155	2,320,147	1.016	168.24	63	106.68	
		107 RANCH ROAD	78734	LT VACATION RENTALS				11	.000
20112	3		39,080	42,988	.000	285.00	55	157.47	
20113	3		59,936	65,930	.000	285.00	84	238.88	
		1107 RANCH ROAD	78734	OBERG PROPERTY MANAGEMENT				84	1.020
20112	15		61,963	62,633	1.011	126.15	36	45.88	

CITY	ADDR	ZIP	E	3	YR	AVG		
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			T	AVG.	%	-----		
YRQ	#	TAXABLE	GROSS	ADJ 1	DAILY	OCC	\$	5
----	----	REVENUE	REVENUE	FACTOR	RATE	EST	REVPAR	
LAKEWAY	1107	RANCH ROAD	78734	OBERG PROPERTY MANAGEMENT			84	1.020
20113	15	48,383	49,351	.000	126.15	28	35.76	
20122	15	41,717	42,551	.000	114.00	27	31.17	
20123	15	32,730	33,385	.000	119.04	20	24.19	
20132	15	44,557	45,448	.000	109.80	30	33.30	
20142	15	43,495	44,365	.000	113.49	29	32.50	
MARBLE FALLS	1403	US HIGHWAY	78654	BEST WESTERN MARBLE FALLS			96	1.030
20111	62	BWEST 141,910	145,955	1.029	74.50	35	26.16	
20112	62	BWEST 224,004	231,167	1.032	82.36	50	40.97	
20113	62	BWEST 196,721	204,313	1.039	78.56	46	35.82	
20114	62	BWEST 148,187	152,624	1.030	73.29	37	26.76	
20121	62	BWEST 160,697	177,457	1.104	73.01	44	31.80	
20122	62	BWEST 257,452	272,412	1.058	79.14	61	48.28	
20123	62	BWEST 213,745	226,330	1.059	76.87	52	39.68	
20124	62	BWEST 172,509	180,857	1.048	73.82	43	31.71	
20131	62	BWEST 196,901	205,803	1.045	75.82	49	36.88	
20132	62	BWEST 369,673	377,446	1.021	91.48	73	66.90	
20133	62	BWEST 299,886	302,909	1.010	81.72	65	53.10	
20134	62	BWEST 197,552	202,267	1.024	73.49	48	35.46	
20141	62	BWEST 206,843	223,523	1.081	76.43	52	40.06	
20142	62	BWEST 288,876	300,524	1.040	90.13	59	53.27	
20143	62	BWEST 307,868	311,467	1.012	90.87	60	54.61	
20144	62	BWEST 234,720	236,423	1.007	75.00	55	41.45	
20151	62	BWEST 213,491	217,945	1.021	72.64	54	39.06	
20152	62	BWEST 333,603	338,675	1.015	93.76	64	60.03	
20153	62	BWEST 305,508	314,673	.000	91.75	60	55.17	
20154	62	BWEST 194,648	203,938	1.048	69.99	51	35.75	
20161	62	BWEST 210,042	214,020	1.019	70.03	55	38.35	
20162	62	BWEST 309,655	314,988	1.017	88.96	63	55.83	
	104	BALCONES SP	78654	CAMP BALCONES SPRINGS FOR			92	1.110
20111	41	35,697	39,624	.000	93.54	11	10.74	
20112	41	52,933	58,756	.000	96.91	16	15.75	
20113	41	95,804	106,342	.000	98.51	29	28.19	
20114	41	129,458	143,698	.000	99.50	38	38.10	
20121	41	102,919	114,240	.000	96.46	32	30.96	
20122	41	32,543	36,123	.000	97.23	10	9.68	
20123	41	56,807	63,056	.000	103.04	16	16.72	
20124	41	74,929	83,171	.000	102.01	22	22.05	
20131	41	81,339	90,286	.000	102.01	24	24.47	
20132	41	81,536	90,505	.000	108.16	22	24.26	
20133	41	64,086	71,135	.000	112.49	17	18.86	
20134	41	160,818	177,454	1.103	104.45	45	47.05	
20141	41	77,872	128,023	1.644	105.51	33	34.69	
20142	41	71,039	116,732	1.643	111.84	28	31.29	
20143	41	74,448	201,743	2.710	123.65	43	53.48	
20144	41	129,417	135,536	1.047	105.65	34	35.93	

CITY	ADDR	ZIP	E	3	YR	AVG		
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			T	AVG.	%	-----		
YRQ	#	TAXABLE	GROSS	ADJ 1	DAILY	OCC	\$	5
----	----	REVENUE	REVENUE	FACTOR	RATE	EST	REVPAR	
MARBLE FALLS	104	BALCONES SP	78654	CAMP BALCONES SPRINGS FOR	92	1.110		
20151	41	64,580	102,901	1.593	107.34	26	27.89	
20152	41	82,760	122,595	1.481	118.18	28	32.86	
20153	41	188,294	210,056	1.116	127.39	44	55.69	
20154	41	77,930	88,020	1.129	107.60	22	23.34	
20161	41	124,904	168,978	1.353	109.86	42	45.79	
20162	41	145,893	155,986	1.069	118.07	35	41.81	
		704 1ST ST	78654	HAMPTON INN	MARBLE FALLS	99	1.035	
20111	64	HAMPT 317,747	324,124	1.020	100.19	56	56.27	
20112	64	HAMPT 418,275	433,374	1.036	116.64	64	74.41	
20113	64	HAMPT 392,202	405,929	.000	120.64	57	68.94	
20114	64	HAMPT 309,007	328,003	1.061	108.62	51	55.71	
20121	64	HAMPT 313,402	322,859	1.030	106.68	53	56.05	
20122	64	HAMPT 462,979	479,183	.000	113.48	72	82.28	
20123	64	HAMPT 446,234	461,852	.000	122.48	64	78.44	
20124	64	HAMPT 321,904	333,171	.000	111.36	51	56.58	
20131	64	HAMPT 335,957	347,715	.000	107.56	56	60.37	
20132	64	HAMPT 542,063	561,035	.000	131.39	73	96.33	
20133	64	HAMPT 462,323	478,504	.000	127.29	64	81.27	
20134	64	HAMPT 338,371	350,214	.000	112.54	53	59.48	
20141	64	HAMPT 368,858	381,768	.000	117.04	57	66.28	
20142	64	HAMPT 522,085	540,358	.000	143.67	65	92.78	
20143	64	HAMPT 521,855	540,120	.000	142.57	64	91.73	
20144	64	HAMPT 441,245	456,689	.000	122.57	63	77.56	
20151	64	HAMPT 389,119	402,738	.000	120.47	58	69.92	
20152	64	HAMPT 590,736	610,344	1.033	152.69	69	104.80	
20153	64	HAMPT 603,309	611,154	1.013	154.33	67	103.80	
20154	64	HAMPT 406,689	453,303	1.115	148.38	52	76.99	
20161	64	HAMPT 446,670	483,054	1.081	128.01	66	83.86	
20162	64	HAMPT 634,058	654,495	1.032	159.76	70	112.38	
		1101 US HIGHWAY	78654	HILL COUNTRY INN		82	1.050	
20111	69	74,902	95,419	1.274	45.05	34	15.37	
20112	69	100,294	119,852	1.195	54.44	35	19.09	
20113	69	69,215	81,470	1.177	48.44	26	12.83	
20114	69	44,815	57,351	1.280	44.88	20	9.03	
20121	69	63,178	75,430	1.194	44.02	28	12.15	
20122	69	99,068	110,324	1.114	46.90	37	17.57	
20123	69	100,104	118,580	1.185	49.71	38	18.68	
20124	69	73,481	92,150	1.254	44.06	33	14.52	
20131	69	81,782	90,733	1.109	44.06	33	14.61	
20132	69	182,168	216,678	1.189	51.56	67	34.51	
20133	69	163,459	181,477	1.110	51.54	55	28.59	
20134	69	86,487	101,093	1.169	44.52	36	15.93	
20141	69	97,145	104,298	1.074	46.30	36	16.80	
20142	69	155,153	167,562	1.080	56.50	47	26.69	
20143	69	139,164	150,539	1.082	54.97	43	23.71	

CITY	ADDR	ZIP	E	3	YR	AVG	
----	----	---	S	EST	OP	ADJ 1	
			T	AVG.	%	----	
YRQ	#	TAXABLE	ADJ 1	DAILY	OCC	\$ 5	
----	----	REVENUE	FACTOR	RATE	EST	REVPAR	
MARBLE FALLS	1101	US HIGHWAY	78654	HILL COUNTRY	INN	82	1.050
20144	69	86,203	99,694	1.157	44.50	35	15.70
20151	69	103,456	119,986	1.160	44.20	44	19.32
20152	69	143,839	152,915	1.063	51.94	47	24.35
20153	69	117,407	129,886	1.106	50.64	40	20.46
20154	69	83,620	91,897	1.099	44.56	32	14.48
20161	69	112,386	119,755	1.066	44.47	43	19.28
20162	69	145,695	148,411	1.019	46.33	51	23.64
		714 CORAZON	78654	HOLIDAY EXPRESS		10	1.045
20111	69	HIEXP 214,264	224,633	1.048	78.59	46	36.17
20112	69	HIEXP 370,249	385,855	1.042	96.96	63	61.45
20113	69	HIEXP 304,604	369,979	1.215	92.56	63	58.28
20114	69	HIEXP 240,076	271,790	1.132	85.35	50	42.82
20121	69	HIEXP 236,805	247,614	1.046	83.83	48	39.87
20122	69	HIEXP 369,137	383,542	1.039	91.56	67	61.08
20123	69	HIEXP 327,953	354,463	1.081	93.85	59	55.84
20124	69	HIEXP 280,514	291,602	1.040	86.63	53	45.94
20131	69	HIEXP 281,709	302,783	1.075	90.63	54	48.76
20132	69	HIEXP 447,050	460,070	1.029	108.70	67	73.27
20133	69	HIEXP 422,493	439,927	1.041	109.20	63	69.30
20134	69	HIEXP 286,421	307,599	1.074	89.46	54	48.46
20141	69	HIEXP 363,117	402,628	1.109	99.28	65	64.84
20142	69	HIEXP 450,696	470,977	.000	115.09	65	75.01
20143	69	HIEXP 466,326	475,320	1.019	121.25	62	74.88
20144	69	HIEXP 321,495	337,440	1.050	92.55	57	53.16
20151	69	HIEXP 337,987	349,762	1.035	94.03	60	56.32
20152	69	HIEXP 567,360	583,936	1.029	128.55	72	93.00
20153	69	HIEXP 478,624	487,025	1.018	125.61	61	76.72
20154	69	HIEXP 335,785	350,274	1.043	91.39	60	55.18
20161	69	HIEXP 330,536	349,365	1.057	93.31	60	56.26
20162	69	HIEXP 541,411	561,057	1.036	134.73	66	89.35
		RR 3	78654	HORSESHOE BAY RESORT		74	1.020
20111	100	92,028	96,228	1.046	85.32	13	10.69
20112	100	281,855	295,462	1.048	88.39	37	32.47
20113	100	474,020	499,420	1.054	115.39	47	54.28
20114	100	155,282	161,063	1.037	96.34	18	17.51
20121	100	108,688	125,750	1.157	86.19	16	13.97
20122	100	268,503	294,232	1.096	89.30	36	32.33
20123	100	500,791	507,791	1.014	122.19	45	55.19
20124	100	207,212	210,121	1.014	100.18	23	22.84
20131	100	160,835	177,081	1.101	86.18	23	19.68
20132	100	401,811	411,527	1.024	99.48	45	45.22
20133	100	605,865	650,065	1.073	127.48	55	70.66
20134	100	200,319	203,592	1.016	100.44	22	22.13
20141	100	208,876	218,896	1.048	93.12	26	24.32
20142	100	593,223	597,183	1.007	109.31	60	65.62

CITY	ADDR	ZIP	E	3	YR	AVG		
----	----	---	S	EST	OP	ADJ 1		
			T	AVG.	%	-----		
YRQ	#	TAXABLE	ADJ 1	DAILY	OCC	\$ 5		
----	----	REVENUE	FACTOR	RATE	EST	REVPAR		
MARBLE FALLS	RR 3		78654	HORSESHOE	BAY RESORT	74	1.020	
20143	100	722,662		736,962	1.020	142.30	56	80.10
20144	100	203,355		209,199	1.029	102.30	22	22.74
20151	100	182,997		190,917	1.043	98.04	22	21.21
20152	100	558,542		572,195	1.024	117.85	53	62.88
20153	100	646,133		659,056	.000	154.60	46	71.64
20154	100	251,838		256,875	.000	107.82	26	27.92
20161	100	374,862		383,561	1.023	104.65	41	42.62
20162	100	789,516		801,498	1.015	130.46	68	88.08
		501 W FM 2147	78654	LA QUINTA	INNS & SUITES	08	1.050	
20111	73	LAQUN 271,711		313,592	1.154	92.52	52	47.73
20112	73	LAQUN 451,291		460,246	1.020	110.35	63	69.28
20113	73	LAQUN 461,054		480,342	1.042	115.35	62	71.52
20114	73	LAQUN 318,176		327,852	1.030	97.52	50	48.82
20121	73	LAQUN 305,520		316,146	1.035	96.48	50	48.12
20122	73	LAQUN 489,360		503,314	1.029	111.36	68	75.77
20123	73	LAQUN 496,918		505,672	1.018	118.01	64	75.29
20124	73	LAQUN 358,444		374,742	1.045	102.47	54	55.80
20131	73	LAQUN 362,463		376,773	1.039	98.47	58	57.35
20132	73	LAQUN 577,604		588,716	1.019	126.14	70	88.62
20133	73	LAQUN 557,797		586,283	1.051	131.19	67	87.30
20134	73	LAQUN 419,675		440,045	1.049	112.54	58	65.52
20141	73	LAQUN 403,229		436,364	1.082	109.76	61	66.42
20142	73	LAQUN 585,189		641,299	1.096	148.40	65	96.54
20143	73	LAQUN 676,452		704,781	1.042	155.20	68	104.94
20144	73	LAQUN 507,207		529,291	1.044	125.20	63	78.81
20151	73	LAQUN 469,431		481,870	1.026	113.28	65	73.34
20152	73	LAQUN 684,570		702,672	1.026	160.95	66	105.78
20153	73	LAQUN 643,525		682,352	1.060	164.88	62	101.60
20154	73	LAQUN 492,907		512,922	1.041	148.94	51	76.37
20161	73	LAQUN 440,110		464,863	1.056	110.82	64	70.76
20162	73	LAQUN 682,752		701,934	1.028	151.78	70	105.67
		4900 TRAVIS PEA	78654	MICHAEL J SHEEHAN			12	1.020
20122	9	39,850		40,647	.000	133.65	37	49.63
20142	9	61,750		62,985	.000	165.60	46	76.90
20143	9	42,800		43,656	.000	176.77	30	52.72
20152	9	48,813		49,789	.000	179.47	34	60.79
20153	9	59,000		60,180	.000	190.24	38	72.68
		1400 OLLIE LN	78654	MOTEL 6			10	1.300
20111	83	MTL 6 94,581		122,955	.000	37.53	44	16.46
20112	83	MTL 6 126,772		134,001	1.057	46.13	38	17.74
20113	83	MTL 6 119,127		137,352	1.153	46.13	39	17.99
20114	83	MTL 6 65,324		77,699	1.189	43.97	23	10.18
20121	83	MTL 6 71,803		97,498	1.358	43.00	30	13.05
20122	83	MTL 6 135,503		177,461	.000	41.54	57	23.50

CITY	ADDR	ZIP	E	3	YR	AVG
----	----	---	S	EST	OP	ADJ 1
	#	TAXABLE	T	AVG.	%	-----
YRQ	RMS	REVENUE	2	DAILY	OCC	\$ 5
----	----	-----	-	RATE	EST	REVPAR
MARBLE FALLS	1400	OLLIE LN	78654	MOTEL 6		10 1.300
20123	83	MTL 6 107,794		132,044	1.225	44.02 39 17.29
20124	83	MTL 6 63,011		72,168	1.145	41.60 23 9.45
20131	83	MTL 6 96,236		103,615	1.077	39.50 35 13.87
20132	83	MTL 6 233,131		251,031	1.077	46.87 71 33.24
20133	83	MTL 6 156,513		204,880	1.309	48.74 55 26.83
20134	83	MTL 6 97,558		116,900	1.198	40.52 38 15.31
20141	83	MTL 6 109,657		115,373	1.052	42.14 37 15.44
20142	83	MTL 6 181,572		191,977	1.057	43.50 58 25.42
20143	83	MTL 6 194,632		231,878	1.191	48.57 63 30.37
20144	83	MTL 6 167,887		225,183	1.341	47.57 62 29.49
20151	83	MTL 6 150,819		159,964	1.061	43.18 50 21.41
20152	83	MTL 6 193,056		222,029	1.150	44.55 66 29.40
20153	83	MTL 6 216,246		263,727	1.220	52.52 66 34.54
20154	83	MTL 6 154,806		187,427	1.211	46.15 53 24.55
20161	83	MTL 6 154,638		218,382	1.412	47.12 62 29.23
20162	83	MTL 6 213,991		298,166	1.393	55.93 71 39.48
		1206 HWY 281 NO	78654	QUALITY INN	FMR RAMADA/S8/	86 1.060
20111	49	QUALY 90,617		94,002	1.037	62.50 34 21.32
20112	49	QUALY 155,883		159,125	1.021	70.97 50 35.69
20113	49	QUALY 135,095		139,695	1.034	67.57 46 30.99
20114	49	QUALY 76,640		79,433	1.036	60.60 29 17.62
20121	49	QUALY 82,841		87,767	1.059	55.21 36 19.90
20122	49	QUALY 154,141		157,111	1.019	55.65 63 35.23
20123	49	QUALY 152,435		153,951	1.010	62.05 55 34.15
20124	49	QUALY 113,234		118,025	1.042	61.43 43 26.18
20131	49	QUALY 117,013		120,265	1.028	61.50 44 27.27
20132	49	QUALY 247,758		257,817	1.041	90.13 64 57.82
20133	49	QUALY 196,726		201,212	1.023	78.14 57 44.63
20134	49	QUALY 135,326		143,083	1.057	64.51 49 31.74
20141	49	QUALY 127,301		131,419	1.032	65.53 45 29.80
20142	49	QUALY 199,154		208,241	1.046	91.72 51 46.70
20143	49	QUALY 202,718		205,025	1.011	88.08 52 45.48
20144	49	QUALY 149,766		156,099	1.042	65.08 53 34.63
20151	49	QUALY 170,597		176,566	1.035	66.12 61 40.04
20152	49	QUALY 227,478		234,717	1.032	90.53 58 52.64
20153	49	QUALY 180,603		191,484	1.060	86.42 49 42.48
20154	49	QUALY 142,387		153,803	1.080	66.79 51 34.12
20161	49	QUALY 157,767		174,072	1.103	63.90 62 39.47
20162	49	QUALY 255,682		263,374	1.030	95.32 62 59.07
		604 HIGHCREST D	78654	TROPICAL HIDEAWAY RENTALS		09 .000
20113	6	34,015		34,615	1.018	95.00 66 62.71
		705 1ST ST STE	78654	WHOLE HEALTH NETWORK		10 1.020
20112	3	33,729		34,404	.000	243.51 52 126.02

ENDNOTES: 1. FACTOR USED TO ADJUST TAXABLE TO GROSS REVENUES. AREA FACTOR USED IF PROPERTY DOES NOT PROVIDE GROSS. TAXABLE IS 89% OF GROSS STATEWIDE. 2. A NUMBER OR A 'Y' INDICATES QUARTERS REVENUES ARE ESTIMATED. 3. ESTIMATED AVERAGE DAILY RATE (IE 60-85% OF RACK SINGLE) 4. Occupancy derived from calculated roomnights sold (gross room revenues divided by Average Daily Rate), divided by roomnights available. 5. Total REVENUES Per Available Room per day, or 'REVPAR'; Prepared from State Comptroller, chain directories and private records. Includes all quarterly reports exceeding \$14,000 (otherwise omitted).

EXHIBIT IV

PERIOD: TWELVE MONTHS ENDING JUNE 30, 2016

LODGING MARKET: TEXAS TOP 5 METRO AREAS

BRAND	#*	EST.		\$		EST.		\$		
	HTL	RMS 000S	% RMS	RNS 000S	% RNS	AMT. 000S	% AMT	%OCC	\$ RATE	\$ RPAR
CHAINS										
FOURSEAS	3	1.2	.4	301	.4	86,606	1.1	69.4	287.41	199.39
GAYLORD	1	1.5	.5	389	.6	90,425	1.2	70.5	232.49	163.96
JW MARRT	4	2.9	1.0	738	1.1	186,342	2.5	70.8	252.36	178.69
RITZ CARL	1	.2	.1	59	.1	20,732	.3	73.6	353.87	260.55
W HOTEL	2	.5	.2	143	.2	42,472	.6	77.7	297.89	231.34
ZA ZA	2	.5	.2	127	.2	33,609	.4	72.1	264.96	191.04
TOT LUXURY	13	6.8	2.5	1,757	2.6	460,185	6.1	71.2	261.96	186.48
HILTON	24	9.9	3.6	2,545	3.7	432,209	5.7	70.2	169.82	119.28
HYATT	14	7.3	2.7	1,791	2.6	333,659	4.4	67.0	186.30	124.90
INT-C	2	.7	.3	185	.3	28,777	.4	70.5	155.68	109.81
MARRIOTT	23	9.0	3.3	2,262	3.3	363,746	4.8	68.6	160.81	110.31
OMNI	11	4.8	1.8	1,259	1.8	230,463	3.0	71.3	183.11	130.54
RENAISSAN	4	1.8	.7	490	.7	77,658	1.0	72.7	158.62	115.26
WESTIN	12	4.5	1.6	1,134	1.7	211,975	2.8	68.6	186.85	128.18
TOT UPSCALE	89	38.2	13.9	9,666	14.1	1,678,487	22.2	69.3	173.66	120.35
EMBASSY	18	4.5	1.6	1,196	1.8	198,756	2.6	73.0	166.21	121.37
HOMEWOOD	36	3.7	1.3	973	1.4	140,265	1.9	72.0	144.16	103.81
HYATH	8	1.1	.4	304	.4	40,583	.5	73.7	133.35	98.23
RESIDENCE	45	5.2	1.9	1,407	2.1	197,745	2.6	73.6	140.58	103.51
STAYBRIDG	23	2.5	.9	665	1.0	75,901	1.0	72.0	114.14	82.21
ZTH SUITE	16	3.0	1.1	760	1.1	127,321	1.7	70.5	167.58	118.13
TOT SUITES	147	20.0	7.3	5,305	7.8	780,572	10.3	72.5	147.15	106.73
4 POINTS	5	.7	.3	167	.2	21,203	.3	64.4	126.96	81.70
ALOFT	7	1.0	.4	273	.4	40,149	.5	72.4	146.94	106.38
COURTYARD	63	8.9	3.2	2,249	3.3	291,118	3.8	69.5	129.46	89.99
CROWNPLZA	11	3.2	1.1	781	1.1	84,113	1.1	67.8	107.74	73.04
DOUBLTREE	19	5.0	1.8	1,271	1.9	171,564	2.3	70.2	135.01	94.82
HILT GARD	34	5.0	1.8	1,287	1.9	181,029	2.4	70.9	140.68	99.67
HOLID INN	31	5.6	2.0	1,354	2.0	148,001	2.0	66.4	109.33	72.59
HYATT PLC	22	3.0	1.1	794	1.2	112,241	1.5	71.4	141.32	100.90
RADIS HTL	2	.7	.2	182	.3	23,768	.3	75.7	130.35	98.66
SHERATON	12	5.2	1.9	1,293	1.9	167,648	2.2	68.2	129.64	88.43
WYNDHAM	9	2.1	.8	512	.8	67,723	.9	65.5	132.15	86.54
ZTHER MUP	7	1.0	.4	255	.4	33,544	.4	69.2	131.44	90.91
TOT MID/UPS	223	41.3	15.0	10,418	15.3	1,342,100	17.7	69.0	128.82	88.95
CANDLWOOD	44	4.4	1.6	1,138	1.7	92,168	1.2	71.1	80.99	57.61
COMFO STE	68	4.8	1.7	1,178	1.7	102,922	1.4	67.8	87.41	59.24
HAWTH	6	.6	.2	165	.2	12,203	.2	71.4	74.17	52.98
HAWTHORN	3	.2	.1	60	.1	4,186	.1	74.2	70.21	52.13
HOME2	8	.8	.3	222	.3	29,204	.4	74.6	131.52	98.06
QUAL STES	3	.2	.1	38	.1	2,894	.0	63.8	75.28	48.06
SPRNGHILL	37	4.3	1.6	1,104	1.6	132,057	1.7	70.5	119.58	84.32
TOWNPLACE	25	2.7	1.0	696	1.0	75,407	1.0	69.8	108.41	75.64
ZTHER MIN	5	.4	.1	98	.1	9,581	.1	69.9	98.11	68.54
TOT MIN STE	199	18.4	6.7	4,698	6.9	460,623	6.1	70.0	98.05	68.66
BEST WEST	95	6.4	2.3	1,574	2.3	129,910	1.7	67.3	82.53	55.57

PERIOD: TWELVE MONTHS ENDING JUNE 30, 2016
 LODGING MARKET: TEXAS TOP 5 METRO AREAS

BRAND	# *		EST.		\$		EST.		\$	
	#*	RMS	%	RNS	%	AMT.	%	EST.	\$	\$
HTL	000S	RMS	000S	RNS	000S	AMT	%OCC	RATE	RPAR	
CHAINS										
CNTRY INN	13	1.0	.4	247	.4	21,528	.3	67.9	87.24	59.20
COMFO INN	38	2.8	1.0	680	1.0	51,312	.7	65.7	75.46	49.61
DRURY INN	15	2.6	.9	638	.9	70,899	.9	67.8	111.12	75.29
FAIRFIELD	42	3.9	1.4	979	1.4	101,807	1.3	69.1	104.00	71.85
HAMPTON	94	9.0	3.3	2,285	3.3	281,552	3.7	69.9	123.20	86.11
HOLID EXP	108	9.2	3.3	2,279	3.3	247,798	3.3	68.2	108.72	74.11
LA QUINTA	128	12.3	4.5	3,046	4.5	263,622	3.5	67.7	86.54	58.61
SLEEP INN	17	1.1	.4	269	.4	20,554	.3	67.5	76.29	51.47
WINGATE	11	1.0	.4	265	.4	21,336	.3	69.3	80.51	55.83
TOT LTD SVE	562	49.3	17.9	12,263	18.0	1,210,317	16.0	68.2	98.70	67.29
BUDG STES	11	4.0	1.5	1,156	1.7	49,898	.7	79.2	43.17	34.21
EXT AMERI	52	6.0	2.2	1,571	2.3	92,852	1.2	72.1	59.12	42.63
INTOWN ST	37	4.8	1.7	1,211	1.8	51,956	.7	68.9	42.89	29.55
STUDIO 6	22	2.8	1.0	743	1.1	35,783	.5	72.0	48.13	34.67
VALUE PLC	20	2.4	.9	620	.9	29,170	.4	70.6	47.05	33.23
ZTHER EXT	16	1.9	.7	507	.7	22,069	.3	72.6	43.49	31.57
TOT EXT STA	158	21.9	8.0	5,809	8.5	281,728	3.7	72.6	48.50	35.20
BAYMONT	20	1.7	.6	393	.6	23,002	.3	62.0	58.48	36.26
BEST VALU	53	2.9	1.0	680	1.0	29,302	.4	65.1	43.11	28.07
DAYS INN	71	4.8	1.7	1,130	1.7	60,500	.8	64.8	53.52	34.66
ECONOLODG	25	1.6	.6	361	.5	16,326	.2	62.4	45.21	28.23
HO JO	14	.9	.3	218	.3	10,739	.1	65.3	49.23	32.15
MICROTEL	17	1.1	.4	262	.4	15,267	.2	66.5	58.21	38.73
MOTEL 6	90	8.3	3.0	2,082	3.0	103,586	1.4	68.6	49.75	34.11
QUALITY	38	3.0	1.1	701	1.0	40,848	.5	63.0	58.28	36.71
RAMADA	11	1.2	.4	283	.4	16,052	.2	63.8	56.78	36.23
RED ROOF	19	2.4	.9	575	.8	33,051	.4	65.6	57.50	37.75
RODEWAY	12	.7	.3	155	.2	6,600	.1	59.6	42.61	25.39
SUPER 8	82	5.0	1.8	1,182	1.7	64,474	.9	65.1	54.57	35.55
TRAVELODG	9	.6	.2	134	.2	6,498	.1	58.6	48.51	28.40
ZTHER BUD	53	3.2	1.2	694	1.0	30,176	.4	59.7	43.49	25.96
TOT BUDGET	515	37.4	13.6	8,850	13.0	456,422	6.0	64.8	51.57	33.41
TOT CHAINS	1,907	233.4	84.7	58,765	86.0	6,670,434	88.1	69.0	113.51	78.31
INDEPENDENTS										
\$100+ ADR	223	15.4	5.6	3,409	5.0	626,930	8.3	60.5	183.90	111.26
\$60-99ADR	89	5.0	1.8	1,097	1.6	81,289	1.1	60.3	74.10	44.68
LT \$60ADR	383	21.7	7.9	5,039	7.4	188,748	2.5	63.5	37.46	23.80
TOT INDEP	695	42.2	15.3	9,545	14.0	896,968	11.9	62.0	93.97	58.30
TOT MARKET	2,602	275.5	100.0	68,310	100.0	7,567,401	100	67.9	110.78	75.25

* All figures annualized. Includes taxed and est non-tax room revenues.
 Independents are categorized by price: \$100+, \$60-99.99, and under \$60)

EXHIBIT V

A STUDY OF THE EFFECT OF HOTEL SIZE ON PERFORMANCE
IN THE TEXAS HOTEL INDUSTRY
THE CASE FOR DOWNSIZING NEW HOTELS

11/30/99

By Douglas W. Sutton and Bruce H. Walker

Source Strategies has long contended that the number of rooms a developer offers in a new property is one of the key factors in determining a venture's relative success or failure. It is every bit as important to size a hotel project properly as it is to select the appropriate brand, and to develop in a suitable market and location. We have previously conducted extensive studies of the lodging market that support our hotel sizing contention, and we have taken this opportunity to re-examine the issue using our extensive database of hotel and motel performance for the State of Texas.

Before delving into the numbers that define the role of room count in a hotel's performance, we should first highlight the basic industry theory of 'right-sizing' a property. The premise offered by many inexperienced developers is "If I can make a profit constructing a 50 room hotel in a given market, it would be twice as profitable to develop 100 rooms." In virtually all cases nothing could be farther from the truth. At some point adding rooms to a project reaches a point of diminishing returns, and the investment in the additional rooms cannot be economically justified.

To illustrate this point, mentally divide our hypothetical 100 room project into two 50 room hotels. The initial 50 rooms may perform very well, with occupancies over 70% and a very strong rate structure. However, the second 50 rooms are only utilized when there is overflow from the first hotel because its rooms are 100% occupied. Effectively, the second 50 rooms may only attain an occupancy of 30% or less. This low level of occupancy may prompt the general manager to lower rates to bolster occupancy, but this is a losing battle. Ultimately, overbuilding causes REVPAR erosion in the property, and in the market as a whole.

Today's developers and lenders would not seriously consider involvement in a 50 room project operating at this low level, but often times they accomplish the same end by pushing for more rooms in a project than the market can effectively support. If we now mentally put these two 50 room properties back together (one operating at 70%, the other at 30% occupancy), what we end up with is an oversized 100 room hotel that is running a mediocre 50% occupancy.

Over-sizing a hotel makes it difficult, if not impossible, to be competitive in a marketplace. There are a finite number of room-nights sold to be divided among existing hotels in the market, and developing a more conservatively sized property helps insure that a profitable level of those room-nights can be captured. Building a hotel is not the 'Field of Dreams'.... If you build it - they won't come.... With the exception of destination resorts and some unique convention hotels, people do not go someplace because there is a hotel. Rather, they stay in a hotel because they want to be near someplace.

Builders who construct too many rooms usually put themselves in unenviable financial situations. Many hotels which we see put up for sale were developed with far too many rooms. The owners, having had difficulty getting a return on their investment, are often trying to get out from under a bad investment. There are even drastic cases of properties bulldozing entire wings to provide additional parking, because those extra rooms are a financial burden, remaining unsold the vast majority of the time.

Now that we've outlined the basic economic benefits of 'building small', let's look into hotel performance numbers and see if they support this development principle. We analyzed two separate hotel samplings: First we will look at Comfort Inns across Texas as a selected brand sampling. Then we will look at all branded hotels built during a given period of time for a more diverse sampling.

COMFORT INN - ANALYSIS OF SIZING AND ITS IMPACT ON PERFORMANCE

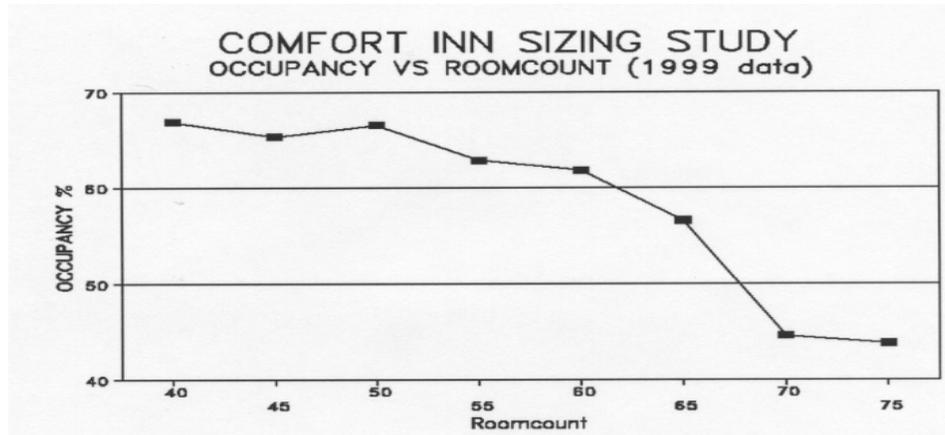
In our initial analysis, we selected a sampling of Texas Comfort Inn branded properties ranging in size from 36 to 75 rooms; they are all 'Limited Service' hotels. We excluded those properties located in exclusive, higher priced markets, since they would naturally support larger room counts while maintaining strong performance levels and would distort the findings. The resulting sample included 55 Comfort Inn hotels located across Texas.

The following chart of performance statistics from the latest year on file (12 months ending September 30, 1999) clearly illustrates the consistent curve, showing marked declines in performance as room count increases. This decline was exhibited in all three measures shown, Occupancy, Average Daily Rate, and REVPAR:

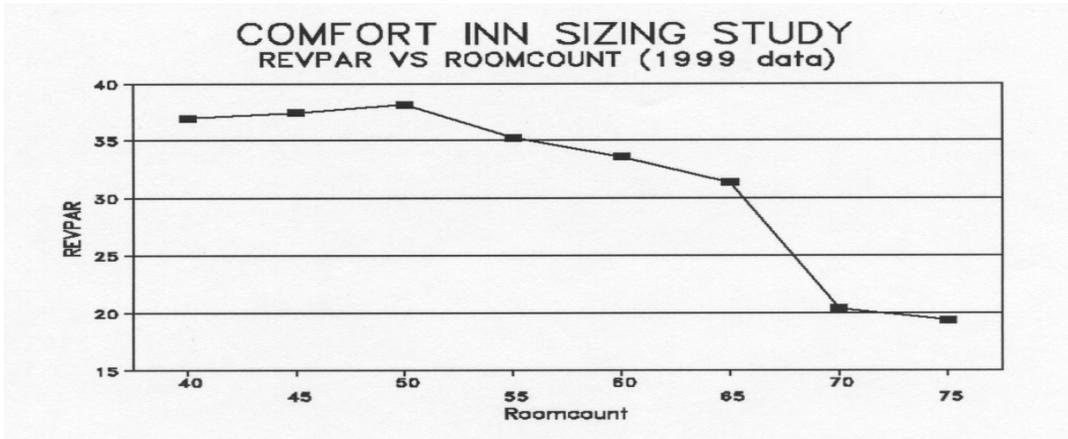
Year Ending 6/30/99 Results

# of Units	Occupancy	Average Daily Rate	REVPAR
36-40	66.9	55.25	36.95
41-45	65.3	57.34	37.45
46-50	66.5	57.38	38.17
51-55	62.8	56.02	35.20
56-60	61.8	54.26	33.55
61-65	56.6	55.33	31.33
66-70	44.6	45.71	20.41
71-75	43.8	44.20	19.38
Combined:	52	63.2	55.46

Looking only at occupancy, the following graph gives a clear depiction of the notable negative impact of larger room counts on a hotel's ability to maintain an acceptable level of room-nights sold. Properties with lower room counts were clearly able to sustain a higher level of occupancy. Average occupancy ranged from 66.9% for properties of 36-40 rooms, downward to a much lower 43.8% average occupancy for properties in the 71-75 room size bracket.



When looking at REVPAR, the following graph follows a very similar performance curve, ranging from an average REVPAR of \$36.95 for properties of 36-80 units, downward to a mediocre \$19.38 average REVPAR for properties in the 71-35 unit size bracket. Note that the downward slide in both graphs did not begin until room counts exceeded 35 units. Prior to that, a mild upward trend is experienced. This appears to indicate that, on average, 50 rooms is the 'optimum' size for a Comfort Inn in Texas markets (excluding high priced areas). Of course, this is an average number for this type of market. Each project must be examined on an individual basis to determine the proper size to develop within its given market.



The above chart and graphs clearly illustrates that Developers often missed the mark, building more rooms than 'optimum.' 'Optimum' is defined as generating the highest return on invested capital, and is closely tied to occupancy and REVPAR generation.

Analyzing the above data provides a measure of the effect of over building. For the typical range of rooms for Comfort Inn projects (40-75 rooms) outside of higher priced areas, the occupancy dropped 23.1 points (a full 35%) from 66.9% to 43.8% as room counts escalated. With a 35 room increase in rooms from the 36-40 room size bracket to the 71-75 room size bracket, a resulting 35% drop in occupancy is experienced.

The key question, is how to apply this principle to a given hotel project. Naturally, each project would have to be judged on its individual merits, but looking at an 'average' project for a single brand and product is very revealing. All are Comfort Inns. All are very similar products in similar market environments, leaving size as the major variable in performance.

In our sampling, the average project is 65 rooms in size. At this size, the average occupancy is 62.8%. If we built 36% fewer rooms (42 rooms) our average occupancy would rise a moderate 6.5% to 66.9%. Conversely, if we built 36% more than average, (71 rooms) our average occupancy plummets by 42.5% to 43.8%.

Clearly there are some basic economic principles at work. Comfort Inns are conservatively-sized. Building smaller than the average of 65 rooms yields slightly higher occupancies, but the ability to charge ever higher rates as size decreases is marginal. As rates rise, some consumers perceive lost value and will stay at another property. On the other side of the coin, properties built larger than the average 65 rooms suffer serious occupancy declines. At some point the need for additional rooms that was envisioned by the optimistic

developer is simply not there, and the extra rooms only serve to depress the overall performance of the property.

BRANDED HOTELS - ANALYSIS OF SIZING AND ITS IMPACT ON PERFORMANCE

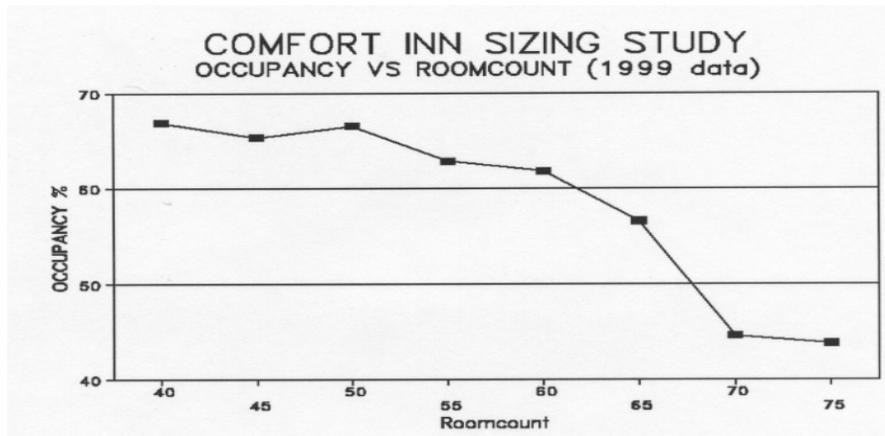
In our second analysis, we selected a sampling of all Texas branded hotels constructed from 1970-1975; 91 properties across Texas, predominantly 'Full Service'. Our sampling was limited to hotels of less than 135 rooms. We once again excluded those properties located in exclusive, higher priced markets. For our analysis we examined performance results from the year 1985 when all subject hotels were 10 to 15 years old, well into their aging life cycles.

The following chart of performance statistics from 1985 for branded properties throughout Texas clearly illustrates the downward curve, with definite erosion in performance measures as room count increases:

1985 Performance Results

# of Hotels	# of Units	Occupancy	Average Daily Rate	REVPAR	
2	00-44	70.0	37.88	26.50	
3	45-59	73.9	36.13	26.71	
7	60-74	66.8	31.10	20.77	
14	75-89	62.7	31.65	19.86	
29	90-104	60.9	32.42	19.75	
16	105-119	57.8	26.25	15.18	
20	120-134	55.5	29.35	16.28	
Combined:	91	98	59.8	30.34	18.14

With occupancy declines being the strongest indicator of the negative impact of building too large, the following graph provides a clear picture of the descending performance slide as room counts increase. Once again, properties with lower room counts were more insulated from market competition and were therefore able to be more competitive in both favorable and depressed market environments. Average occupancy ranged from 70% for properties of 58 rooms or less, downward to a much lower 55.5% average occupancy for properties in the 120-134 room size bracket, after peaking at 73.9% in the 45-59 size range.



As with the Comfort Inn analysis, the above data provides a measure of the effect of over building. However, since a number of varying brands are considered in this sample, the typical range in size of these projects ranges from about 40 to 135. This is a wider range than the Comfort sampling, since many of the brands in this sample typically have larger room counts than a Comfort Inn. This is partially due to some brands' ability to support higher room counts, and partially due to the tendency to overbuild in the early 1970s, when all hotels in this sample were constructed.

While the 65 room average for our Comfort Inn sample is reasonably close to optimum sizing for that brand, the 98 room average for this analysis appears to be oversized. In our assessment, the optimum average number of rooms for this sampling would have been 60 to 41 rooms, depending upon brand. In 1985, this roomcount supported occupancies near 70%, with an average REVPAR of almost \$27. Compare this to the average capacity of 98 rooms attaining a much lower average occupancy of 60.9% and REVPAR below \$20. Clearly this lower level of performance can be attributed to over-sizing projects in the early 1970s.

Looking at our average (oversized) roomcount of 98 rooms, increasing the size by 30% (135 rooms) would cause occupancy to slide 10% from 60.9% to 55.5%. On the other hand, making the average project smaller (58 rooms, or 75% smaller) would improve occupancy to 73.9%, or a healthy 21% increase.

For the sake of comparison, let us assume that the average property was more appropriately sized at about 58 rooms. If the project size were increased to 135 rooms, the largest range in our sample, occupancy would suffer a significant 33% decline from optimum levels.

Of course this assumes that locational differences are not significant. We believe this is true; the large sample and clear correlation between size and performance support this conclusion.

SUMMARY

The data is clear. In most cases, small hotels outperform large hotels, with the exception of higher-priced markets where competitive barriers to entry exist (e.g. lack of land, excessive land cost, building restrictions, etc.).

Common sense explains this occurrence: a successful 100 room hotel will inevitably prompt the development of one or more new, small hotels of similar quality in the immediate area. In a competitive market environment, the smaller hotel has a distinct advantage and wins - almost every time.

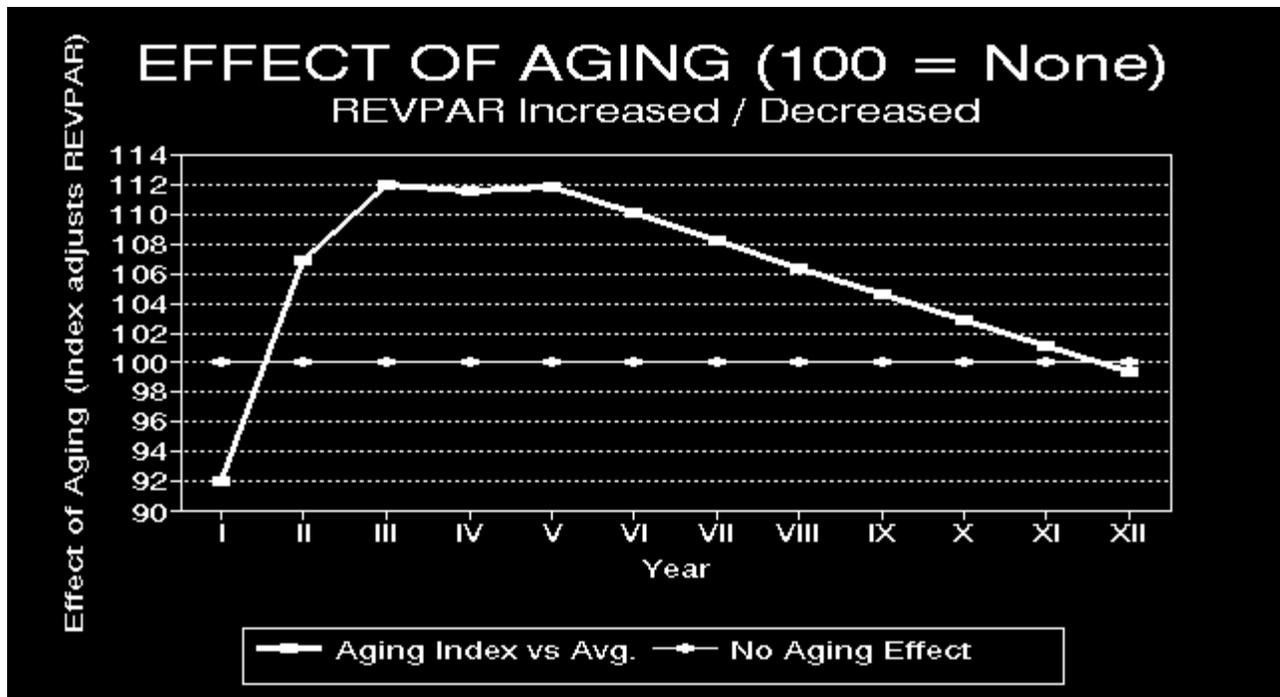
EXHIBIT VI

START-UP PERFORMANCE OF NEW HOTELS AND MOTELS

A new study by Source Strategies, Inc., utilizing all new chain hotels opened in Texas between 1990 and 1994, shows that new hotels and motels provide their peak performance in Years III through V, when they typically reach 112% of their 20-year average REVPAR performance level.

In other words, the newness of a property is an advantage on the order of a 12% premium in Years III through V - versus the average REVPAR that would otherwise be expected for that property over a twenty-year period. That's because the consumer almost always picks new over old because, to them, 'new' means 'clean' and 'new' means 'value.' Perhaps this is not news to many, but it is highly important to those who forecast the performance of new properties.

Here's what the graph looks like for the first twelve years for new properties opened in the moderately-good and improving markets of the 1990's. The years after peak are projected based on two major previous studies: one by Limited Service in the early 1980's and the second last year by Source Strategies, Inc.



Year I at 92% of the 20 Year Average, Year II at 107%

The study found that a property could expect a REVPAR at Year I of 92% of the twenty-year average for a project. In Year II, this would move to 107% and to 112% in Years' III through V.

For example, if over the twenty-year span of the project, we expect a hypothetical new hotel to generate 105% of the market average REVPAR, this means that in Year I it would generate 97% of market (105% times 92%), and in Year II 112% (105% times Year II's 107%), and then peak at 118% for Years III-V.

Study Method

The underlying design for this study was to determine what effect a property's age had on its REVPAR during the first five years of operation.

From two other studies, we know that properties will decline at 1.67% per year, versus the market average, over long periods of time. The second study sample consisted of all new Texas development in the early 1980's, a time of major under-supply. Consequently, the first few years performance of this group of hotels and motels was probably be overstated - versus the current, more-normal times. The current study confirmed that belief.

The current study's design was to develop the REVPAR index for every new chain property (each new property's REVPAR, divided by the REVPAR of all nearby hotels and motels). Then all the resulting indices were averaged.

This process was done for each year of development, 1990, 1991, 1992, 1993 and 1994, in order to obtain data for "Year I," "Year II" and so on. These were averaged as well to obtain an over-all, average Year I result.

This process produced the graph curve shown above, and is reflective of the particular mix of chain properties, a mix which produced REVPAR slightly above the market average. To eliminate the effect of a specific mix of chains, the scale was moved down slightly, so that the application of the year-by-year REVPAR indices to any project would result in averaging 100 of the first twenty years of the project.

REVPAR OF ALL NEW CHAIN HOTELS OPENED 1990-1994
INCLUDES THEIR LOCAL MARKET AVERAGES (SAME ZIP-CODES)

Opened 1990	Year I	Year II	Year III	Year IV	Year V	Year VI
9 Chain hotels	41.97	49.45	54.76	54.17	59.45	66.16
Local Market Average	35.38	37.40	39.72	39.71	43.31	48.87
Index New Chain/Market	119	132	138	136	137	135

(Peak)

Opened 1991	Year I	Year II	Year III	Year IV	Year V	Year VI
8 Chain hotels	32.06	37.95	41.49	44.18	46.26	
Local Market Average	29.96	31.26	32.36	33.04	33.70	est
Index New Chain/Market	107	121	128	134	137	135

(Peak)

Above assumes Year VI index decline of 1.67%

Opened 1992	Year I	Year II	Year III	Year IV	Year V	Year VI
7 Chain hotels	25.07	36.53	39.76	41.74		
Local Market Average	30.60	33.62	34.36	37.49	est	est
Index New Chain/Market	82	109	116	111	111	109

(Peak)

Above assumes Year V is "flat" and Year VI index declines by 1.67%

Opened 1993	Year I	Year II	Year III	Year IV	Year V	Year VI
16 Chain hotels	24.51	29.15	33.19			
Local Market Average	30.70	31.88	35.27	est	est	est
Index New Chain/Market	80	91	94	94	93	91

(Peak)

(Peak)

Above assumes Year III and IV are Peak, and Year V and Year VI index declines by 1.67% annually

Opened 1994	Year I	Year II	Year III	Year IV	Year V	Year VI
29 Chain hotels	30.40	35.97				
Local Market Average	38.68	41.29	est	est	est	est
Index New Chain/Market	79	87	90	89	87	86

Above assumes Year III and Year IV Peak equals Year II plus 4%, as above, and Year V and Year VI index declines by 1.67% annually

COMBINED INDICES	Peak					
	Year I	Year II	Year III	Year IV	Year V	Year VI
Average of Raw Data	93	108	113	113	113	111
Adjusted 100 over 20 years	92	107	112	112	112	110

After Year V, Declines Average 1.67% Per Annum

In the sixth year and thereafter, the twenty-year average REVPAR index is diminished at a rate of 1.67% per annum in order to reflect aging and the normal life-cycle of a hotel.

This pattern of declining performance with property aging is based on major studies of economic life-cycle patterns, studies which were conducted on a census

of all 25,000 Texas rooms built between 1980 and 1982 (study published in September 1994 issues of MarketShare and the October 1994 issue of Hotel & Motel Management). These Source Strategies studies confirm a similar, major study conducted in 1982 at the Holiday corporation on 160 company-owned and company-operated hotels.

EXHIBIT VIICapEx: A STUDY OF CAPITAL EXPENDITURES IN THE US HOTEL INDUSTRY

THE FOLLOWING IS A SUMMARY OF THE INTERNATIONAL SOCIETY OF HOSPITALITY CONSULTANTS' 2000 "CAPEX STUDY, A STUDY OF CAPITAL EXPENDITURES IN THE US HOTEL INDUSTRY" AS IT APPLIES TO LIMITED SERVICE PROPERTIES:

The objective of our historical analysis in CapEx 2000 was to determine what has been spent in the past to maintain a hotel in good, competitive condition. Hotel owners and management companies were contacted to provide data for the study.

Definition of CapEx

"Capital Expenditure" is defined as: investments of cash or the creation of liability to acquire or improve an asset, e.g., land, buildings, building additions, site improvements, machinery, equipment; Comparatively, the "reserve for replacement" for a hotel asset has been narrowly defined as the funds set aside for the periodic replacement of furniture, fixtures and equipment (FF&E). The reserve was not contemplated to fund the replacement of major building components, such as roofs, elevators, and chillers.

For this study the term has been defined as: the cost of replacing worn out FF&E, as well as the cost of;

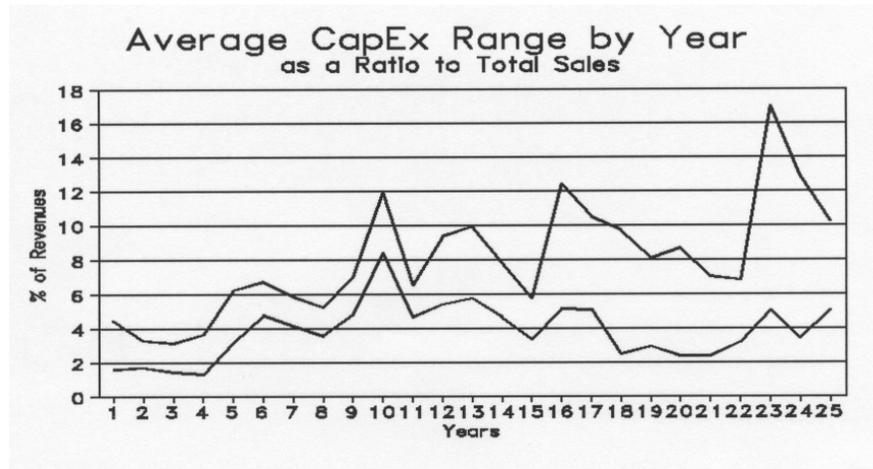
- updating design and decor
- curing functional and economic obsolescence...
- complying with franchisors' brand requirements
- technology improvements
- product change to meet market demands
- adhering to government regulatory requirements
- replacing all short and long lived building components due to wear and tear

Although many equity investors frequently argue against the necessity of a reserve, particularly if the investor does not plan to hold the property for greater than five years, the requirement for and amount of reserves are typically contractual issues between ownership, lender, manager, and/or franchisor/franchisee.

Significant Findings of CapEx 2000

The average amount spent per year by limited-service hotels in the survey was determined to be 5.5% of total revenue for the time period covered by CapEx 2000 (1988-1998). As these limited-service hotels have matured, CapEx has increased, underscoring one of our principal findings that CapEx requirements increase as a hotel ages. CapEx Spending is highly dependent upon a hotel's point in its life cycle. The following chart shows the range of CapEx spending (as a percentage of

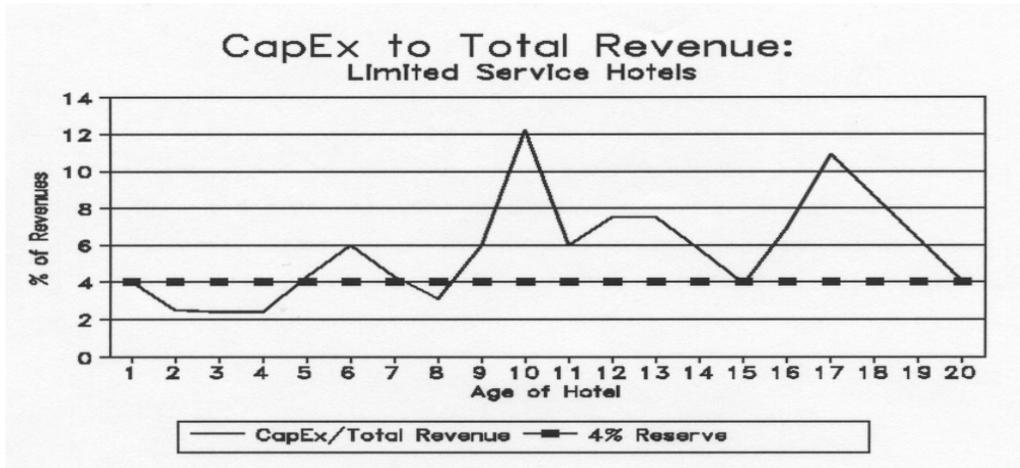
total revenues) over a 25-year time period; the table following the chart identifies the specific ranges of CapEx spending as a % of total revenues by year.



Percentage Range of
CapEx Spending by Year

Year	Range Minimum	Range Maximum
1	1.65%	4.51%
2	1.72%	3.29%
3	1.48%	3.15%
4	1.31%	3.64%
5	3.21%	6.23%
6	4.80%	6.77%
7	4.15%	5.85%
8	3.60%	5.23%
9	4.83%	7.01%
10	8.43%	11.94%
11	4.66%	6.55%
12	5.42%	9.36%
13	4.66%	9.93%
14	4.66%	7.82%
15	3.35%	5.72%
16	5.12%	12.40%
17	5.10%	10.50%
18	2.51%	9.72%
19	2.93%	8.10%
20	2.37%	8.68%
21	2.37%	6.99%
22	3.20%	6.84%
23	5.07%	16.98%
24	3.45%	12.88%
25	5.05%	10.24%

As the data indicates, CapEx spending increases over time for all (U.S.) hotels, with large differences in BOTH the level of CapEx spending and timing across different hotels. The data illustrates that, over time, the minimum and maximum levels of CapEx spending generally widens as a hotel increases in age.



For limited-service hotels, the first major increase in spending occurs in the sixth year, which likely represents the replacement of soft goods. The first major spike occurs in year 10, which is likely to be the result of a rooms and corridors renovation. Smaller spikes in CapEx spending occur in the following years, with the next major spending spike occurring in year 17, which is likely building and some mechanical renovation and replacement.

The following series of tables illustrates limited-service CapEx spending levels in various demographic categories:

CapEx 2000- Limited Service Hotels by Location

Location	Average Age	Capex/Total Revenue	CapEx per Room per Year
All Properties	12.0 yrs	5.5%	\$1,111
Airport	9.8 yrs	5.4%	\$1,268
Urban	15.2 yrs	4.3%	\$ 820
Small City/Hwy	9.2 yrs	5.1%	\$ 773
Suburban	10.5 yrs	5.7%	\$1,172

CapEx 2000- Limited Service Hotels by Average Daily Rate

Average Daily Rate	Average Age	Capex/Total Revenue	CapEx per Room per Year
All Properties	12.0 yrs	5.5%	\$1,111
< \$60	12.7 yrs	5.0%	\$ 687
\$60-\$80	12.5 yrs	6.3%	\$1,134
> \$80	12.0 yrs	5.3%	\$1,570

CapEx 2000- Limited Service Hotels by Property Size

Property Size	Average Age	Capex/Total Revenue	CapEx per Room per Year
All Properties	12.0 yrs	5.5%	\$1,111
< 100 rooms	8.7 yrs	3.3%	\$ 475
100-150 rooms	10.3 yrs	5.4%	\$1,107
> 150 rooms	20.0 yrs	6.9%	\$1,360

-CapEx 2000- Limited Service Hotels by Age of Property

Average Daily Rate	Capex/Total Revenue	CapEx per Room per Year
All Properties	5.5%	\$1,111
> 15 yrs old	6.5%	\$1,372
5-15 yrs old	4.8%	\$ 897
< 5 yrs old	3.0%	\$ 547

Overall, the study details the varying levels of capital required to keep a hotel competitive in its life cycle. Historically, many operators have held no more than 3-4% of gross revenues in reserve, a level which may be sufficient for FF&E replacement, but is woefully inadequate for OTHER required expenditures.²⁵

²⁵ Data compiled and organized from the CapEx report of the International Society of Hospitality Consultants, copyright 2000.



Know your competition

Source Strategies, Inc. maintains the most accurate and comprehensive Texas hotel database, covering 98% of all hotels. More importantly, Source is the only provider of individual, hotel-by-hotel data, trends and financial projections.

Source data is based on the Texas State Comptroller audited tax files for the period of 1980 to the present, making it more accurate and complete than voluntary samples, in our opinion. Since 1988, Source has been under contract to the Office of the Governor, Economic Development and Tourism to supply its hotel research data and analysis. Services detailed below and at www.SourceStrategies.org.

- ***The Texas Hotel Performance Factbook***, puts each and every hotel and motel's Revenue and Occupancy Numbers on your desk, hotel-by-hotel, and compared to last year, then summarized by zip-code, by city and by metro area. Factbooks are available with three month data and with 12-month data.
- ***Financial Feasibility Studies***. Over 150 hotel feasibility studies are developed annually, far more than by any OTHER consultancy. Many of Texas' lenders insist on a Source study because of the proprietary methodology and high level of accurate prediction, speed and cost efficiency.
- ***The Hotel Brand Report*** newsletter is published quarterly. It is the only industry source that tracks how each major brand is performing, as well as product and price segments. Readers learn which are winning!
- ***Appraiser's Packages***. Five and ten year market and property histories give a comprehensive view, by selected geography and for individual hotels. As BOTH market and individual property trends become very clear, so do resulting hotel appraisals.
- ***Litigation Support and Data Analysis***. Almost any question can be analyzed and proved up with the powerful Source database.

Endorsed by the Texas Hotel & Lodging Association

Contacts us at (210) 734-3434

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P.O. Box 120055 ♦ 134 Laurel Heights ♦ San Antonio, Texas 78212 ♦ 210-734-3434 ♦ Fax (210) 735-7970

www.SourceStrategies.org



BRUCE H. WALKER

1987-Present: Source Strategies, Inc. Founder and President of consultancy in research, strategy and marketing, specializing in lodging. Practice includes 120+ hotel feasibility studies annually for individual developers. Other clients include Office of the Governor, Texas Economic Development & Tourism, Banks, major accounting firms, appraisers and attorneys. Database of 4,100+ Texas hotel/motels created and maintained continuously. Testify regularly. Publisher and writer of *The Hotel Brand Report* and the *Texas Hotel Performance Factbook*.

1986-1987: La Quinta Motor Inns, Inc. Senior Vice President, Marketing. Repositioned brand with the ad campaign "Just Right Overnight," new corporate logo, extensive couponing and premium-quality king rooms.

1984-1985: Portel Videotex Network LP. President. Home-banking/shopping start-up.

1976-1983: Holiday Corporation. Hotel Group VP, Marketing (1975-79), President of subsidiaries (1979-82), Senior VP, Central and Strategic Planning(1980-83). Started the first hotel frequent traveler's program, and the classic ad campaign, "The Best Surprise is No Surprise." Developed and launched the Hi-Net satellite reception network to 350 Holiday Inn hotels, offering HBO, CNN and ESPN. Created strategic plans for new chains Hampton Inns and Embassy Suites, and recommended sale of Holiday Inn chain (sold 1989 to Bass PLC).

1969-1975: Howard Johnson Company. Assistant to the President, Director Disney World Development, Director Restaurant Marketing.

1964-1968: Procter & Gamble Company. International Brand Manager. Took Scope mouthwash, Secret deodorant and Crisco Oil into Canada, Crest toothpaste and Tempo deodorant into the United Kingdom.

EDUCATION

1957-61 Amherst College. BA, Economics.

1961-63 Harvard Business School. MBA.

Ongoing seminars throughout career include strategy with the Boston Consulting Group. Appraisal Institute Hotel/Motel Valuation and Investment Seminar, April 1992

PUBLICATIONS AND SEMINARS:

- * *Appraisal Journal*, Summer 2012, "New Option in Hotel Appraisals: Quantifying the Revenue Enhancement Value of Hotel Brands"
- * *Hotel Brand Report* newsletter, published quarterly since 1987. Over 100 issues.
- * *Cornell Quarterly*, "What's Ahead: A Strategic Look at Lodging Trends."
- * *Hotel & Motel Management*, 1994, "Hoteliers Should Examine Hotels' Life Cycles."
- * Speeches to Urban Land Institute, Appraisal Institute, Real Estate Counseling Group of America and O'Connor & Associates.



DOUGLAS W. SUTTON

1996- Present Source Strategies, Inc. Executive Vice president specializing in development of hotel feasibility studies, database software development and maintenance, and developing special studies and articles published in the *Hotel Brand Report* newsletter.

Completed over 300 Financial Feasibility studies successfully, encompassing over thirty-two different brands in Texas, New Mexico, Louisiana, Kansas, Colorado and Oklahoma. Studies include major and local market assessments and projections, proposed hotel's revenue generation and ten-year cash flow forecasts and the projection of return on capital investment. Major contributor to Source Strategies in its achieving market status as the largest supplier of hotel financial feasibilities to Texas' lending institutions.

Responsible for creating and programming database of over 4,000 Texas hotels and motels.

Contributing analyst and writer to *Hotel Brand Report* newsletter and the *Texas Hotel Performance Factbook*, including 'Hot Brands & Dying Brands' (2006), 'Development Since 9/11: Winners & Losers' (2005), 'Higher Priced Brands in Turmoil, Mid-Priced Brands Prosper' (2004).

Provides litigation support, analysis and strategy for hotel litigation and testimony.

1994-1996 University Health System, San Antonio Texas. Decision Support Analyst.

Provided data analysis support to all levels of hospital management. Prepared numerous medical studies, grant support documents, cost-analysis studies, staffing studies, and other decision support analysis. Developed a number of vertical software applications to allow key departments to track and study their individual patient populations.

1987-1994 Systems IV Professionals, Inc., San Antonio. President.

Consulting firm specializing in data analysis and customized software development utilizing *FOCUS* database software. Created major applications, including a long distance network analysis system for a major carrier; system allowed the carrier to determine the effect of various network changes before implementation to facilitate selection of the most cost efficient network possible.

1983-1987 United States Air Force. Captain and Information Services Officer, Directorate of Special Weapons, Kelly AFB, Texas.

Duties included writing and maintaining software to manage the Air Force's Nuclear weapons arsenal, tracking nuclear component parts and supplies, and acquisition and installation of major secure computer network.

EDUCATION

1979-83 Troy State University, Troy Alabama, BS in Computer and Information Science.



TODD ANDERSON WALKER

1997-Present Source Strategies, Inc. Senior Vice president, Business Operations.

Major contributor to Source Strategies in its achieving market status as the largest supplier of hotel financial feasibilities to Texas' lending institutions. Completed over 400 Financial Feasibility studies successfully, encompassing over thirty different brands now operating successfully in Texas, New Mexico, Louisiana, Kansas, Colorado and Oklahoma. Studies include major and local market assessments and projections, proposed hotel's revenue generation, ten-year cash flow forecasts and the projection of return on capital investment. Key contributor to research studies of convention hotel and convention center performance.

Responsible for sales and operation of Source Strategies' publications, including *The Texas Hotel Performance Factbook* and *The Hotel Brand Report Newsletter*. Manage Accounts Receivables, billing and collections.

Contributes as analyst, writer and editor to *Hotel Brand Report* newsletter and the *Texas Hotel Performance Factbook*, including 'Results from 1995, 2004, & 2005: Limited Service Dominates' (2005), 'First Quarter 2004, The Best Increase Since the Year 2000' (2004), 'Age Matters, Size Matters' (2005).

Provides litigation support, analysis and strategy for hotel litigation and testimony.

1997 The Toronto Globe & Mail Newspaper. Assistant to the Editor of Business Publications. The Globe & Mail is Canada's national newspaper, a division of Thomson Publishing Corporation. Wrote business articles and edited publications. Edited InfoGlobe from April to October 1997.

1994-1997 Source Strategies, Inc., San Antonio. Senior Consultant.

Developed hotel feasibility studies. Completed over 60 studies for new hotels and motels throughout Texas. Circulation Director for Brand Report newsletter and the Texas Hotel Performance Factbook. Generated renewals at 85% rate.

1989-1994 Intern at Source Strategies, Inc. during university education.

EDUCATION

1989-94 University of Toronto, Ontario, Canada. Bachelor of Arts with Honors in English and History.



2001 - 2011 FINANCIAL FEASIBILITY STUDIES

PARTIAL LISTING

AmeriSuites
Austin NW
College Station
Denton
Fort Worth Stockyards
San Antonio
Waco

Baymont Inn
Katy Area
New Braunfels

Best Value
Houston
Houston SW
San Antonio
Waller

Best Western Inn & Suites
Addison
Andrews
Big Spring
Bridgeport
Cameron
Cleveland
Copperas Cove
Dickinson
Franklin
Hallettsville
La Grange
Lake Dallas
Laredo
Levelland
Lumberton
Pearsall
Pilot Point
Rosenberg
Schulenberg
Temple
Tomball
Wakeeney, KS

Budget Host
Fort Worth

Candlewood Suites
Beaumont
Irving DFW
Friendswood
Houston Westheimer

San Antonio Toyota
San Marcos
Temple
Wichita Falls

Clarion Hotel
O'Brien San Antonio

**Comfort Inn,
Comfort Suites**
Fredericksburg
Navasota
Pampa
Pharr
Bay City
College Station
Copperas Cove
Deer Park
Elmendorf
Georgetown
Katy Area
Hobbs, NM
Longview
Pasadena
Quanah
San Antonio
San Antonio North
Sugarland
Longview
Webster

Country Inn & Suites
Arlington

Econo Lodge
Dallas
Lake Charles
Port Arthur
Texas City

Embassy Suites
Laredo
Lubbock

Fairfield Inn by Marriott
Livingston
Laredo

Hampton Inn & Suites
Austin Pecan Park

Austin Ben White
Cedar Park
Corpus Christi
Del Rio
Galveston
Gainesville
Greenville
Hillsboro
Katy Area
Houston Beltway 8
Greenville
Nipomo, CA
Rosenberg
Seguin
Schertz
South Austin
Texarkana
Waxahatchie

Hawthorn Suites Ltd
Marble Falls

Hilton Hotel
Fort Worth Convention Center

Hilton Garden Inn
Amarillo
Corpus Christi
Granbury
Houston Beltway 8
Killeen
McOdessa
New Braunfels
Temple

Feasibilities Continued...

**Holiday Express
Hotel & Suites**

Odessa
Alvarado
Amarillo
Atlanta
Austin
Buda
Cameron
Center
Cleburn
Corsicanna
Desoto
Galveston
Gatesville
La Grange
La Porte
Lampasas
Manvel
Pearland
Orange
San Antonio I-10 West
San Antonio Toyota
San Marcos
Sherman
Texarkana
Wichita Falls

Holiday Inn

Austin (Select)
Dallas North
Frisco
San Antonio

Homewood Suites

Houston Katy Freeway
Norman, OK
Marble Falls
McOdessa
New Braunfels
Waco
Wichita Falls

Independent Hotels

Crescent Hotel, New Orleans
Dacoma Inn Houston
Executive Inn Tyler
Fairmont Hotel San Antonio
First Choice Inn Grand Prairie
Garden Inn San Antonio
Harker Heights Inn
Steward Mansion Galveston
Killeen Inn
Laredo Inn
Luxury Suites Canton
Palms Hotel South Padre
Palace Inn Houston
Passport Houston
San Antonio Inn & Suites
Wylie Inn

Hotel Indigo

Alamo Plaza San Antonio

La Quinta Inn & Suites

Boerne
Cedar Hill
Gun Barrel City
Keene
Palestine
Pasadena
Pearland
Rockwall
San Antonio
San Antonio I-10W
San Antonio Toyota
Seguin
Tomball

Marriott Hotel

Dallas Convention Center
Colorado Springs CC

**Quality Inn,
Quality Suites**

Katy
San Antonio East
Waco

Radisson Inn & Suites

Amarillo

Red Roof Inn

Katy Area
Pharr
Stafford
Temple

Staybridge Suites

San Antonio
South Padre Island

Studio 6

Bay City
Tyler
Winnie

Super 8

Austin East
Beaumont
Conroe
Copperas Cove
Fort Stockton
Humble
Killeen
Livingston
Pharr
Plainview
Rosenberg
San Antonio South

Townplace Suites

Killeen

Travelodge

Killeen
San Antonio

Wingate Inn & Suites

McOdessa
San Antonio



CONSULTING STUDIES, DATA AND LITIGATION SUPPORT

1. Contracted by the Texas' Governors Office of Economic Development, Tourism Division since 1988 to maintain the industry database of hotel performance. Source Strategies is the sole supplier to the Governor's Office of lodging market statistics and analysis in reports used to assess Texas tourism promotion efforts and to aid in marketing Texas.
2. Provided over 1,500 detailed five-year custom local hotel market histories to MAI appraiser clients.
3. Developed numerous studies of subject hotel(s) to determine their historical, competitive REVPAR performance versus the market average. This unique analysis technique highlights trends and deviations in performance, regardless of market movement; a REVPAR index versus market average shows how well a property has performed. By limiting study to a single variable, a truly scientific conclusion can be made as to cause and effect.

Deviations from trend can be related to specific, causal events such as management problems or outside influence (e.g. new highway construction, brand change, new competition); if there is no effect from an event, studies confirm the absence of any impact). If there is an effect, the degree is measurable and apparent. This study approach is among Source's most important work, frequently the basis for expert witness testimony by Source's principal Bruce Walker.

Examples of major studies include: a) the (lack of) induced demand from opening every large North hotel in Texas, 1980 through 2003 (see www.sourcestrategies.org for full study); b) the impact of adding a second luxury hotel of the same brand in a local market, or removing a hotel of the same name, on the performance of the pre-existing property; 3) Studies to separate and quantify hotel Business Value - and the separate Real Estate Value - (for tax assessment disputes). The most important study here was to determine the average revenue effect of adding or removing the "Marriott Hotel" name to numerous hotel properties from 1980 through 1995. Source Strategies has produced values for the Marriott Austin hotel and the Marriott Rivercenter hotel San Antonio, both with- and without- the Marriott name for real property tax disputes. Clients include USAA and the Bexar County Appraisal District.

Sample litigation clients have included the Texas Department of Transportation (through Texas Attorney General's Office) for condemnation valuation and damage cases, including: the Days Inn Houston I-45N, Motel 6 Ft. Worth, Holiday Inn Houston I-45N, La Quinta Houston I-45N, Holiday Inn Lubbock, and Austin Hawthorn Suites South, Chariot Inn, Malibu Grand Prix), Dallas Sheraton, San Antonio Holiday Select Airport, Coit Towers Hotel Dallas, Erie County PA Hotel Owners vs. Convention Authority, Bandera Motel San Antonio. other litigating clients have included USAA, Bexar County Appraisal District, Capital Income Properties (Hilton Nassau Bay, Austin Marriott North), American Liberty, Dosani Brenham Inn, Wes-Tex Management El Campo. Hospitality (Homeplace Inn), Ramada Bannister Austin (Lock manufacturer), Rodeway Inn I-10 West (bank's non-funding of a committed loan), Homer J. Rader, and Siu Ft Worth and San Antonio Inn (bankruptcies), Holiday/Clarion (loss due to change of brand), United Fire (Wingate McAllen performance due to construction issues), Hyatt Regency San Antonio (arbitration re: introduction of second Hyatt in CVB).

4. Numerous studies to determine the effect on revenues and cash flow of brand name alternatives, whether in new builds or in changing to- or from- a brand name. This technique is used extensively in feasibility work to predict revenue performance of new hotel projects under various brand name alternatives.
5. Represented Host Marriott before Real Estate Tax Appeal Board.
6. Drafted national lending guidelines for Heller Small Business Finance for lodging projects under \$5 million.
7. Presentations to bank lending committees to explain the dynamic economics of the lodging industry, particularly the effect of market demand and supply, equilibrium occupancy, cost structures, and the effect of brand name on REVPAR and ROIC.
8. Analysis of alternative markets to determine their potential for new lodging: alternative metro areas, alternative sites, and strategically, for an expanding chain.
9. Consumer intercept and secondary data studies, including the effect of a potential name change, the effect of new hotel.



Methodology of Texas Hotel/Motel Reports

Texas Hotel/Motel Quarterly Reports are prepared on a custom basis for private clients, including Office of the Governor, Texas Economic Development & Tourism, and the Texas Attorney General. Reports are prepared by Source Strategies Inc. of San Antonio, Texas, based on Texas State Comptroller revenue records and independent research.

Data sources include the following:

Room Revenues: State of Texas Comptroller records are the source of taxable room revenues for all properties. All properties exceeding \$18,000 in the current quarter are included; the below-\$18,000 units result in 2% of the total state revenues being initially excluded from the Source Strategies database. As a result, the database covers 98% of Texas.

Gross room revenues (including Non-taxable) were reported to the Comptroller starting in the third quarter of 1990. To account for the missing non-taxable revenues prior to the third quarter of 1990, Source Strategies increases each individual property's taxable-only, reported revenues by variable factors averaging 12% to reflect this untaxed volume (e.g. government business, over 30-day stays, charitable and educational purchases). "Apartment-type" revenues are typically not reflected.

Starting in the third quarter of 1990, hotels and motels were required by the Texas Comptroller to report both taxable and gross room revenues. Approximately 80% of properties usually comply, allowing the development of adjustment factors for all hotels and motels, even if only taxable revenues are reported. For example, taxable room revenues are adjusted accordingly higher if a hotel reports only taxable revenues (i.e. where taxable equals gross room revenues).

Properties that make no report or only partial reports are estimated based on the past five quarter trends. If and when they subsequently report accurately, their actual revenues 'overwrite' our estimates.

Room Counts: these are checked annually in chain directories and the Texas American Automobile Association Tour Book; properties checked account for approximately 80% of revenues. For independent properties too small to be listed, the room counts reported to the state are used (unless they appear unreasonable; if so, a telephone contact is made).

As a result, the 'CHAIN' occupancies and room counts appear to be very close to 'actual', while independent room counts could be slightly overstated. Reports are split into CHAIN and INDEPENDENT categories.

Average Daily Rates are estimated with the aid of financial reports, appraisers, private S.S.I. surveys, chain and AAA directories and another reliable industry database.

Room-nights sold are derived from the above revenues, divided by Average Daily Rates. Room-nights available are calculated from Room Counts (times days in the period).

Occupancy is calculated from room-nights sold and room-nights available. All occupancy figures reported represent fully weighted averages, as calculations are always made after sub-totaling or totaling room-nights sold and room-nights available.

"CHAINS" are defined as one of the "Top 70+" brands, and include the following names: Four Seasons, Gaylord, Westin, W, Hilton, Hyatt, Inter-Continental, Marriott, Omni, Renaissance, Wyndham. Also, Embassy, Homewood, Residence, Staybridge, Clarion, Courtyard, Crowne Plaza, Indigo, Doubletree, Hilton Garden Inn, Holiday Inn, Radisson, Sheraton, AmeriSuites, Bradford, Candlewood, Comfort Suites, Hawthorn, Quality Suites, SpringHill, TownPlace, Amerihost, Baymont, Best Western, Comfort Inn, Country Inn, Drury, Fairfield, Hampton, Holiday Express, La Quinta, Wingate, Budget Suites, Extended Stay, Homestead Village, Intown, Value Place, Studio Plus, Studio 6, Best Value, Days, Econo Lodge, Howard Johnson, Microtel, Motel 6, Quality Inn, Ramada, Red Roof, Super 8.

Accuracy: Room counts and Room Revenues are within 2%. On an overall basis, the change in average daily rates reported by Source Strategies Inc. are within a few tenths of one-percent of PKF Trends, another private research firm that gets financial reports from about 30% of all hotel/motels in Texas and then publishes aggregated results by metro and smaller areas.



AGENDA ITEM

City of Lago Vista

To: Mayor & City Council Council Meeting: December 1, 2016

From: Melissa Byrne Vossmer, City Manager

Subject: Overview and Discussion - Buxton Retail / Commercial Development Program

Request: Report Legal Document: Other Legal Review:

EXECUTIVE SUMMARY:

In July 2015 the City Council approved a contract with Buxton to assist the City begin an outreach and recruitment program for retail and commercial development. With that in mind, an initial work group that consisted of David Harrell, Keith Billington and the City Manager began working with Buxton to reach out to businesses that might be interested in locating in Lago Vista based on our demographics. In November 2015 the City Manager and Keith Billington represented the City and attended the International Council of Shopping Centers (ICSC) Texas Conference to begin to introduce Lago Vista to the retail / commercial opportunities. In addition, several sites within Lago Vista were targeted to specifically market which included the Lago Vista Village, Highland Lakes Clubhouse and property on the north side of the High School complex. When Elaine Hughes joined the Chamber, the lead of making contacts with potential, targeted businesses moved to her for the most part.

Recognizing the need to support current businesses, a second part of the contract was the Scout program whereby local businesses could take advantage of the consumer information available to enhance their business model. For instance, based on information available from goods / services purchased with a VISA card, local businesses could tailor their merchandise to meet those buying tendencies thereby keeping business local. This program resides with the Chamber.

As Council is aware, a contingency from Lago Vista which included the Mayor, Keith and Elaine attended the May ICSC conference in Las Vegas and in October, Elaine again attended the ICSC Texas conference. This outreach effort has been extremely important as the group found through these conversations that most did not know

about Lago Vista nor the possible opportunities.

The City has just entered into year 2 with Buxton at a cost of \$50K a year. The first year, we partnered with the Chamber of Commerce (\$5,000), Tessera (\$1,500), Cedar Park Regional Medical (\$1,500) and Lago Vista Village (\$10,000). All paid but Lago Vista Village despite repeated efforts. For FY16/17, partners are the Chamber of Commerce (\$5,000) and Tessera (\$1,500).

It seemed an appropriate time to bring Buxton back to the City Council to discuss the program and how it works - particularly since we have several members of Council that are new. When we first initiated this program, the feeling was that we should see some "activity" within 18 to 24 months as it takes time to market the community, find an appropriate brand based on need and purchasing power and move into the decision making. It has been 16 months. At this time we are having meetings with Randall's; returning phone calls to two restaurant chains, actively marketing the area to retail and commercial businesses and creating a name for the City. We are not, however, a viable market for some restaurants and businesses as we do not have the traffic counts or the number of roof tops as well as a limited daily workforce. There are, however, opportunities for Lago Vista to pursue now as well as the continual need to reach out to and begin to lay the groundwork.

Lisa Hill-McCay and Cheyenne Robinson from Buxton along with Elaine Hughes and Staff will be joining Council for this discussion.

Impact if Approved:

N/A

Impact if Denied:

N/A

Is Funding Required? Yes No **If Yes, Is it Budgeted?** Yes No N/A

Indicate Funding Source:

Funding in the amount of \$50,000 was approved by Council on September 29th with the FY16/17 budget.

Suggested Motion/Recommendation/Action

Motion to:

Approve Item

Motion to:

Motion to:

Known As:

Overview and Discussion - Buxton Retail / Commercial Development Program

Agenda Item Approved by City Manager



AGENDA ITEM

City of Lago Vista

To: Mayor & City Council Council Meeting: December 1, 2016

From: Gary Graham, Public Works Director

Subject: Presentation of Water Master Plan

Request: Report Legal Document: Other Legal Review:

EXECUTIVE SUMMARY:

Walker Partners will present the methodology for development of the master plan, their findings, and recommendations in the Water Master Plan for the City of Lago Vista. Walker Partners developed a detailed comprehensive computer model of Lago Vista's water distribution system and ran simulations of its performance under various conditions. The master plan presents the findings of these simulations and recommends corrective action for the deficiencies identified.

Impact if Approved:

N/A

Impact if Denied:

N/A

Is Funding Required? Yes No **If Yes, Is it Budgeted?** Yes No N/A

Indicate Funding Source:

Suggested Motion/Recommendation/Action

Motion to:

Approve Item

Motion to:

Motion to:

Known As:

Agenda Item Approved by City Manager

CITY OF LAGO VISTA

CITY COUNCIL MEETING

DECEMBER 1ST, 2016



Lago Vista
Water Master
Plan

AGENDA

- Project Background
- Population and Land Use Projections
- Water System Analyses
- Existing System
- Proposed System
- Capital Improvement Projects
- Questions/Discussion

PROJECT BACKGROUND

PROJECT BACKGROUND

■ SCOPE:

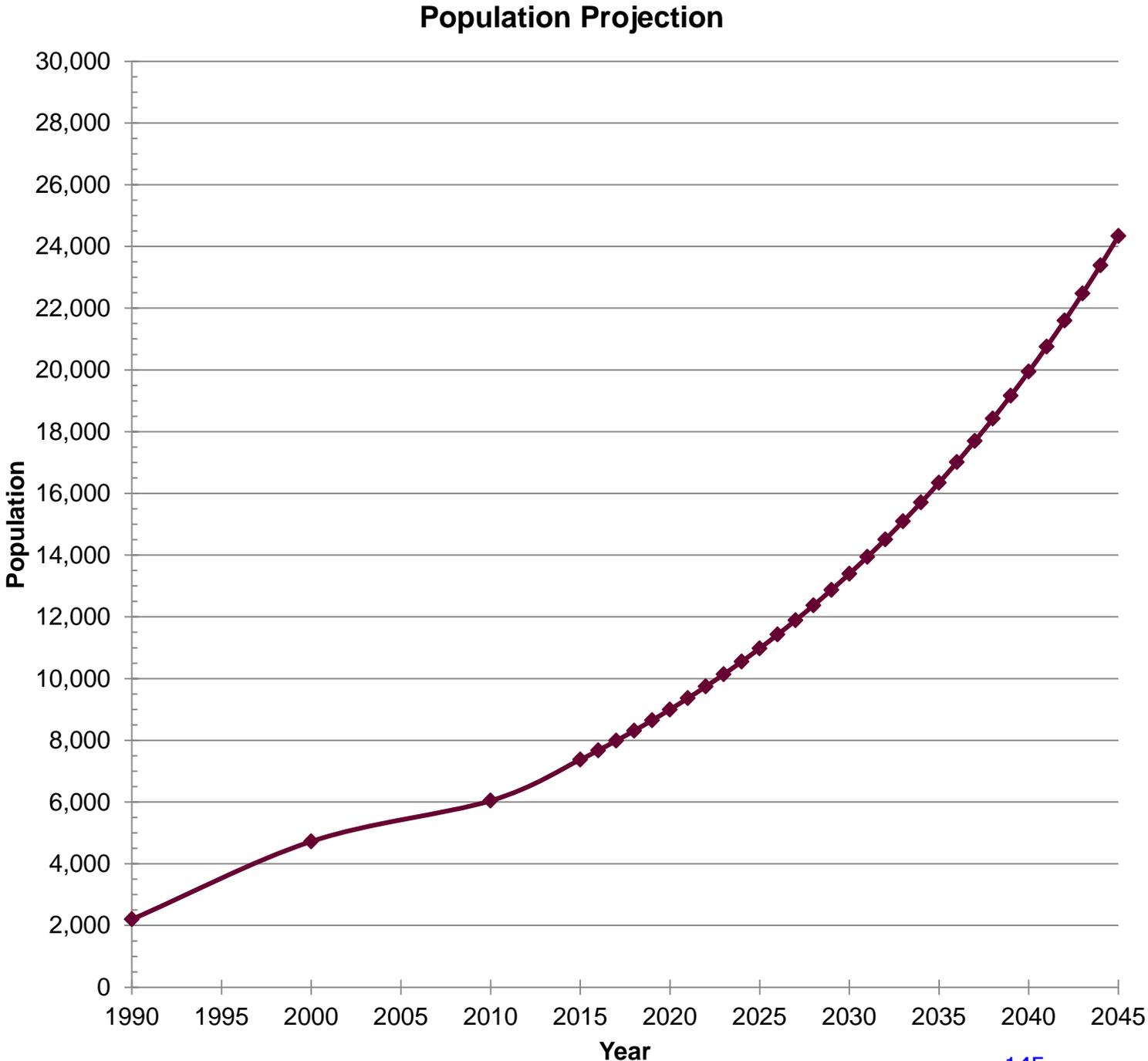
- Population Growth Projections
- Model Current 2016 Water System Using Bentley WaterCAD®
- Model Future (2016-2030) Conditions
 - Average Daily Demand
 - Peak Daily Demand
 - TCEQ Demand
- Capital Improvement Plans
- Master Plan Report

POPULATION AND LAND USE PROJECTIONS

POPULATION PROJECTIONS

■ Methodology:

- Compound Annual Growth Rate – 4.06
- 2.45 People per Household



LAND USE PROJECTIONS

■ The Focus

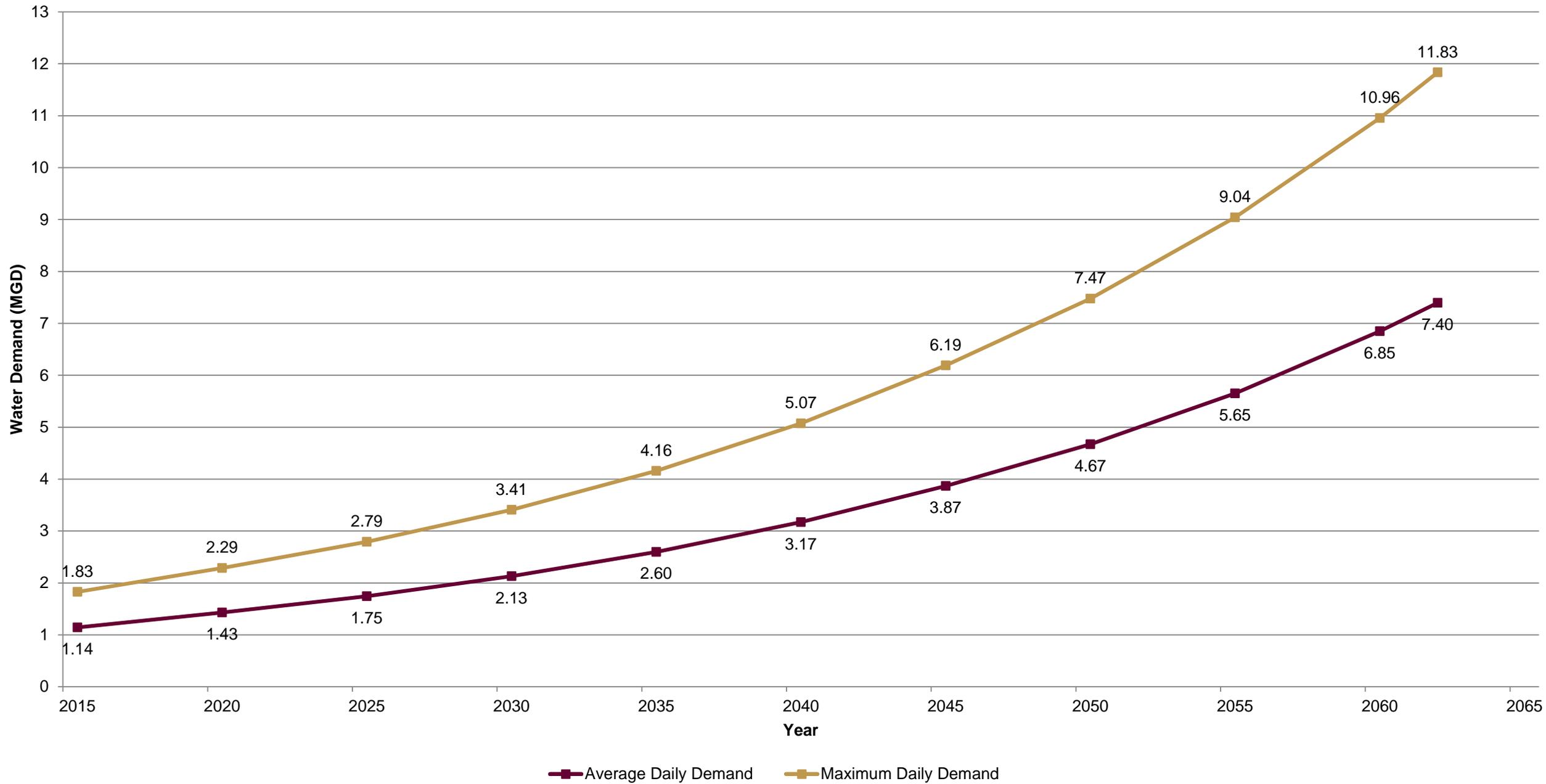
- 2030 Comprehensive Plan
 - Calls to Expand Infrastructure Within Current City Limits
- Tessera Development
 - Water Planning to Ultimate Buildout

WATER SYSTEM ANALYSES

WATER SYSTEM ANALYSES

- Inventory and Evaluate Existing Water Infrastructure
- Record Pressures & Perform Fire Flow Tests Throughout the City
- Water Supply and Demand Projections
- Water Model Development
- Water Model Calibration
- Existing Water System Components
- Existing Pressure Planes
- Existing Pressures
- Existing Water System Schematic
- Future Pressure Planes
- Future Pressures
- Future Water System Schematic

Water Demand Projections



■ Design Criteria:

- Average Gallon Per Capita Per Day = 140 GPCD
- Maximum Daily Peaking Factor = 1.6
- Peak Hour Factor = 2.5

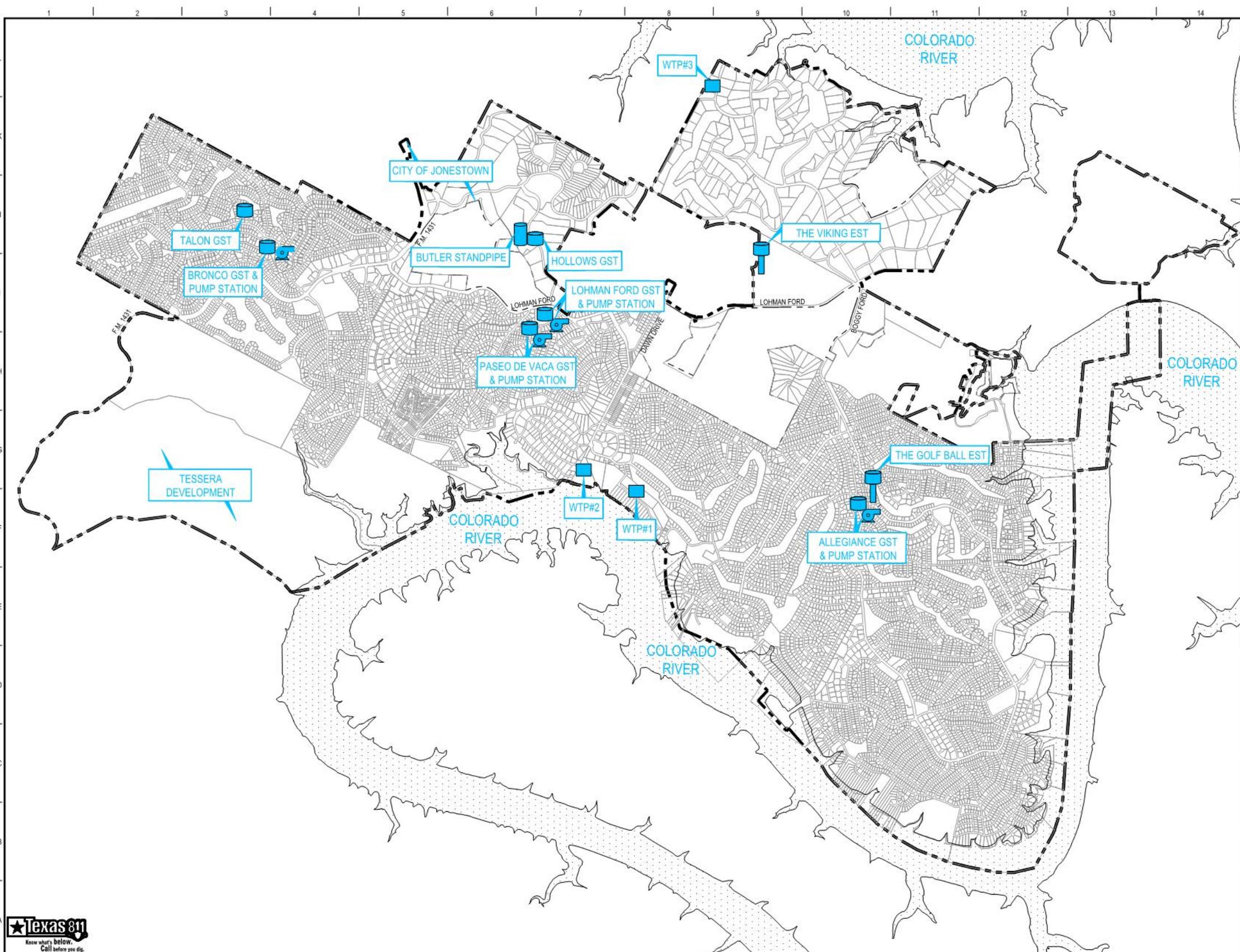
WATER SUPPLY

- Additional supply may be needed by 2058
 - Based on Current Use 140 GPCD
 - Conservation Measures
 - Renegotiate Contract?
 - Recommend Monitoring Existing Demands and Population Growth Closely

WATER MODEL DEVELOPMENT

- Model development:
 - Based on GIS data
 - City of Lago Vista Paper and Electronic Plans/Records
 - Pressure Testing
 - Fire Flow Testing
- 24-hour Extended Period Simulation and System Calibration
- August 19, 2015 – Maximum Daily Demand
- Increase Demand Based on Future Projected Demands
- Run Fire Flow Scenarios Throughout the City
- Recommend Capital Improvement Projects

EXISTING SYSTEM



- COLORADO RIVER
- LAGO VISTA CITY LIMITS
- ELEVATED STORAGE TANK (EST)
- GROUND STORAGE TANK (GST)
- STANDPIPE
- BOOSTER PUMP STATION (BPS)
- WATER TREATMENT PLANT (WTP)

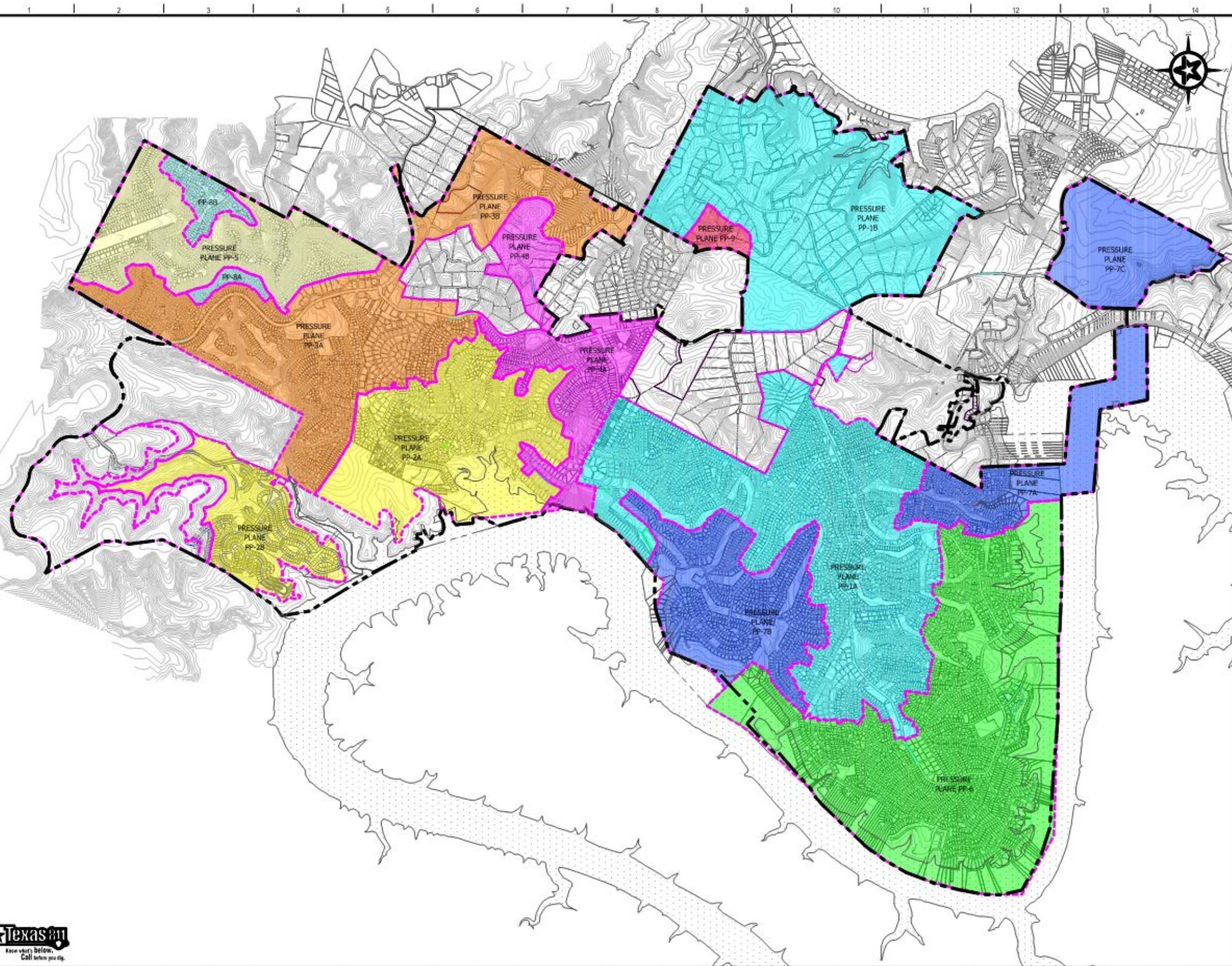
REV.	DESCRIPTION	DATE



CITY OF LAGO VISTA
EXISTING WATER SYSTEM COMPONENTS MAP

08/31/2016	WILLIAM E. PARNELL
DATE	DESIGNED
	DRAFTED
	CHECKED
	PROJECT NO. 3-00567
	DRAWING NO. EXHIBIT 2





PRESSURE PLANE

PRESSURE PLANE 1A	SERVES THE GOLF BALL ELEV. 825' TO ELEV. 945'
PRESSURE PLANE 1B	SERVES SHORELINE AREA ELEV. 715' TO ELEV. 825'
PRESSURE PLANE 2A	SERVES PASO DE VACA ELEV. 745' TO ELEV. 825'
PRESSURE PLANE 2B	SERVES LOWER TESSER ELEV. 715' TO ELEV. 890'
PRESSURE PLANE 3A	SERVES BAR K RANCH R ELEV. 850' TO ELEV. 975'
PRESSURE PLANE 3B	SERVES THE QUIET BRO ELEV. 885' TO ELEV. 1,000'
PRESSURE PLANE 4A	SERVES THE DAWN DRIV ELEV. 925' TO ELEV. 1,050'
PRESSURE PLANE 4B	SERVES THE MING TRAI ELEV. 885' TO ELEV. 1,000'
PRESSURE PLANE 5	SERVES THE TALON CIR ELEV. 1,100' TO ELEV. 1,200'
PRESSURE PLANE 6	SERVES EMERALD BEND ELEV. 715' TO ELEV. 825'
PRESSURE PLANE 7A	SERVES CONTINENTAL D ELEV. 715' TO ELEV. 825'
PRESSURE PLANE 7B	SERVES LAKEFRONT DR ELEV. 715' TO ELEV. 825'
PRESSURE PLANE 7C	SERVES THE FALLS AREA ELEV. 715' TO ELEV. 825'
PRESSURE PLANE 8A	SERVES THE BRIDARWOOD ELEV. 970' TO ELEV. 1,050'
PRESSURE PLANE 8B	SERVES THE TAHOE AREA ELEV. 970' TO ELEV. 1,050'
PRESSURE PLANE 9	SERVES GARY PLAYER DR ELEV. 715' TO ELEV. 825'

REV.	DESCRIPTION

Walker Partner
ENGINEERS • SURVEYORS
14741 WALKER PARTNER ROAD, SUITE 100, LAGO VISTA, TEXAS 78025

CITY OF LAGO VISTA

EXISTING PRESSURE PLANE MAP

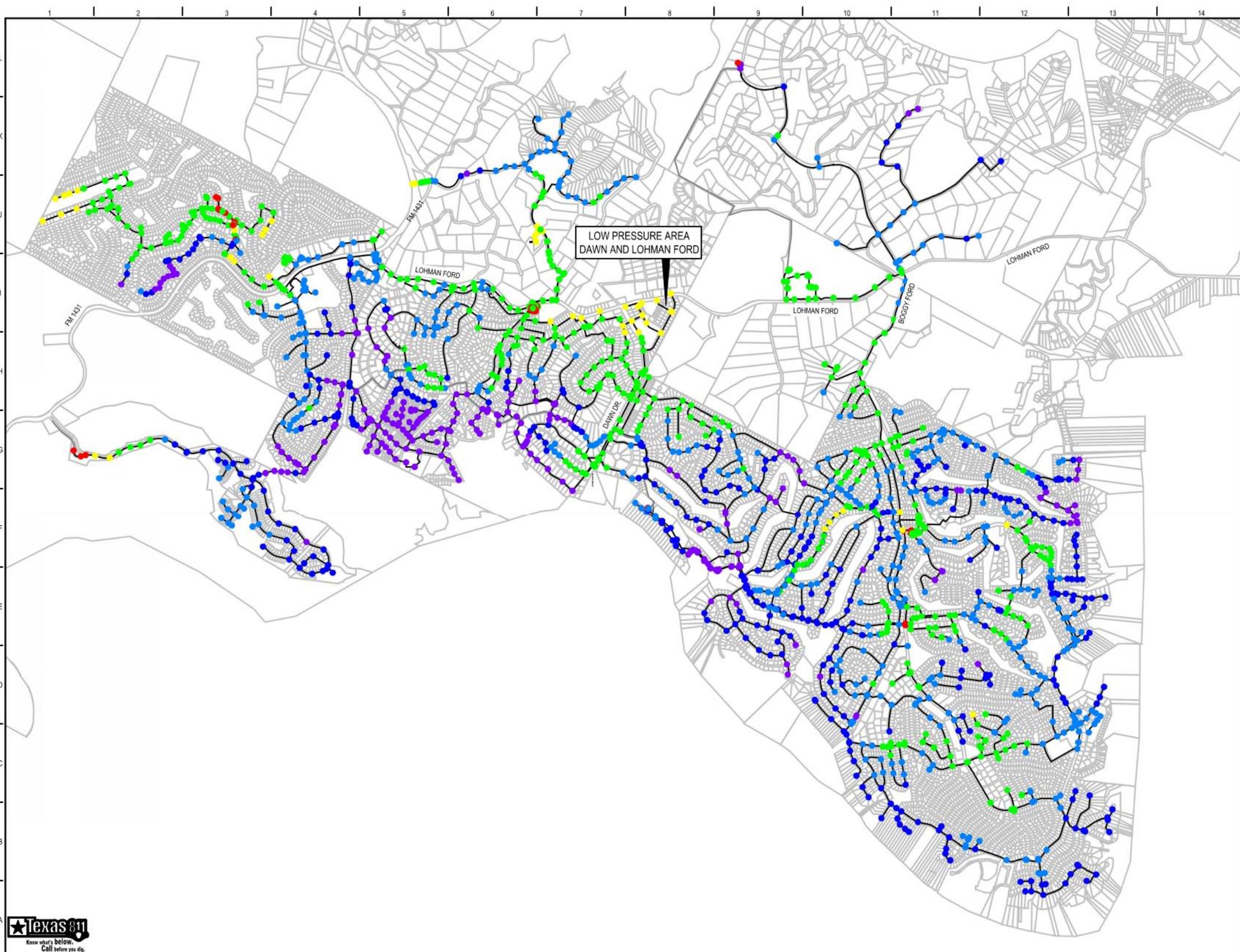
08/31/2016
DATE

William E. Parnell
WILLIAM E. PARNELL

WILLIAM E. PARNELL
121598

DRAWING NO. 121598
EXHIBIT





PRESSURE LEGEND

- PRESSURE ≤ 20 PSI
- PRESSURE ≤ 35 PSI
- PRESSURE ≤ 60 PSI
- PRESSURE ≤ 100 PSI
- PRESSURE > 100 PSI

EXHIBIT NOTES:
 YEAR - 2016
 METERS - 3,108
 APPROX. USE - 1.14 MILLION GALLONS
 - 792 GALLONS PER MINUTE



DRAWING IS NOT TO SCALE

REV.	DESCRIPTION	DATE



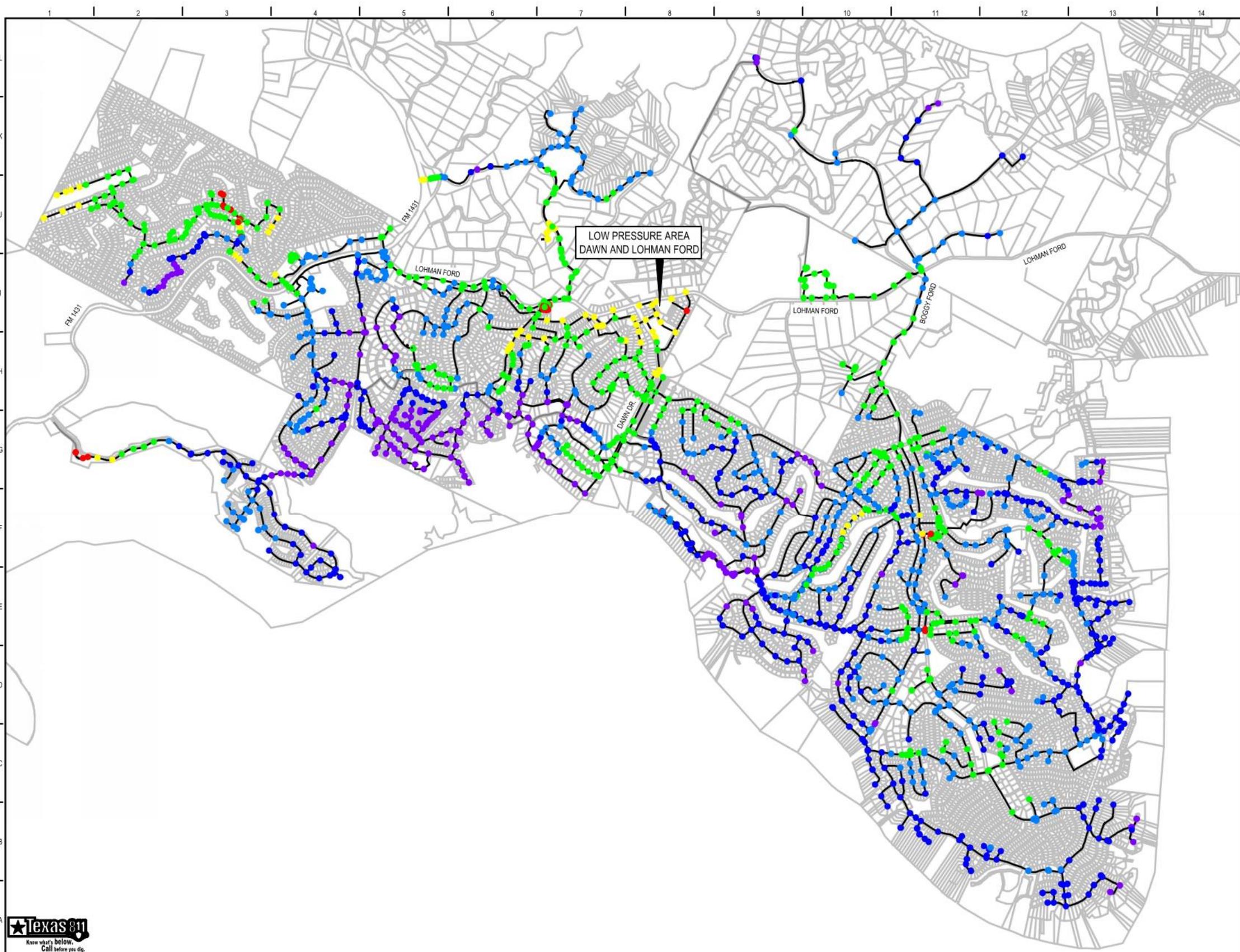
CITY OF LAGO VISTA

**EXISTING SYSTEM
 AVERAGE DAILY DEMAND
 LOW PRESSURE AREAS**

08/31/2016 DATE *Will Parnell*
 WILLIAM E. PARNELL

DESIGNED	WEP
DRAWN	WEP
CHECKED	WEP
PROJECT NO.	3-00567
DRAWING NO.	EXHIBIT 7.1





PRESSURE LEGEND

- PRESSURE ≤ 20 PSI
- PRESSURE ≤ 35 PSI
- PRESSURE ≤ 60 PSI
- PRESSURE ≤ 100 PSI
- PRESSURE > 100 PSI

EXHIBIT NOTES:
 YEAR - 2016
 METERS - 3,108
 APPROX. USE - 1.82 MILLION GALLONS
 - 1,264 GALLONS PER MINUTE



DRAWING IS NOT TO SCALE

REV.	DESCRIPTION	DATE



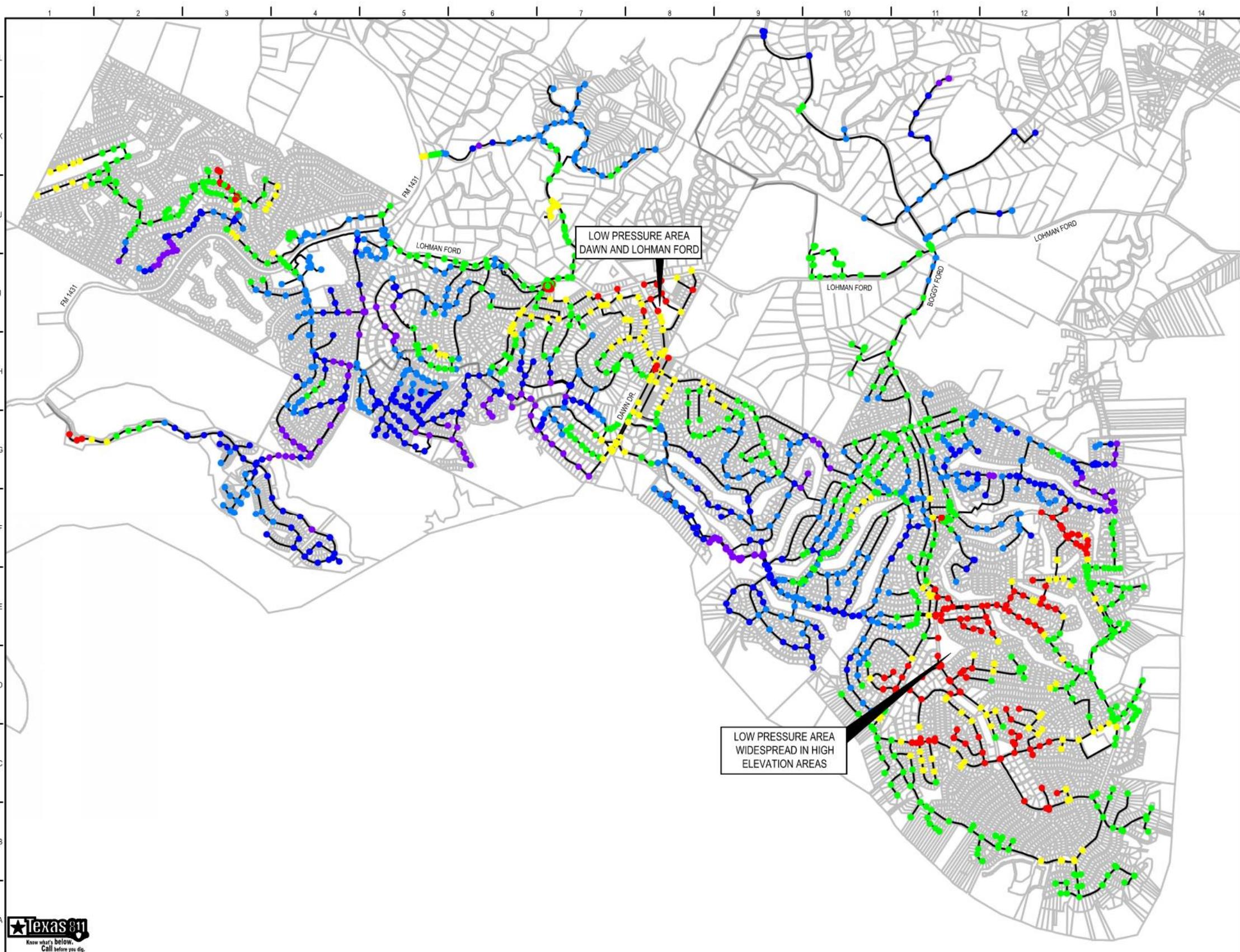
CITY OF LAGO VISTA

EXISTING SYSTEM
 PEAK DAILY DEMAND
 LOW PRESSURE AREAS

08/31/2016 DATE *William E. Parnell*
 WILLIAM E. PARNELL

	DESIGNED	WEP
	DRAWN	WEP
	CHECKED	WEP
	PROJECT NO.	3-00567
DRAWING NO.		EXHIBIT 7.2





PRESSURE LEGEND

- PRESSURE <= 20 PSI
- PRESSURE <= 35 PSI
- PRESSURE <= 60 PSI
- PRESSURE <= 100 PSI
- PRESSURE > 100 PSI

EXHIBIT NOTES:
 YEAR - 2016
 METERS - 3,108
 APPROX. USE - 2.85 MILLION GALLONS
 - 1,979 GALLONS PER MINUTE



DRAWING IS NOT TO SCALE

REV.	DESCRIPTION	DATE



CITY OF LAGO VISTA

**EXISTING SYSTEM
 TCEQ DEMAND (1.5 GPM)
 LOW PRESSURE AREAS**

08/31/2016
 DATE *William E. Parnell*
 WILLIAM E. PARNELL



DESIGNED	WEP
DRAWN	WEP
CHECKED	WEP
PROJECT NO.	3-00567
DRAWING NO.	EXHIBIT 7.3

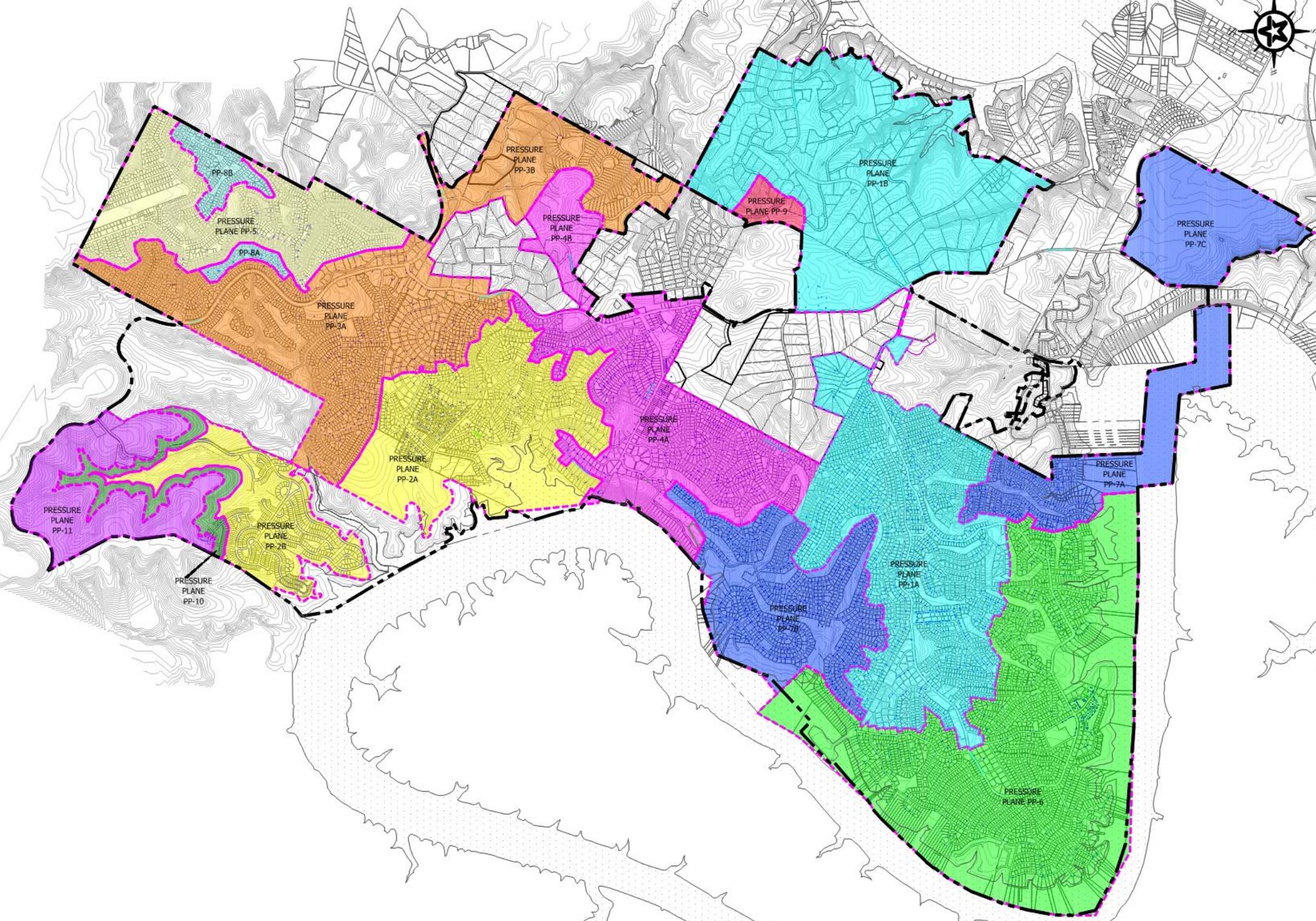


PROPOSED SYSTEM

1 2 3 4 5 6 7 8 9 10 11 12 13 14

PRESSURE PLANE KEY

PRESSURE PLANE 1A	SERVES THE GOLF BALL AREA ELEV. 825' TO ELEV. 945'
PRESSURE PLANE 1B	SERVES SHORELINE AREA ELEV. 715' TO ELEV. 825'
PRESSURE PLANE 2A	SERVES PASEO DE VACA AREA ELEV. 745' TO ELEV. 920'
PRESSURE PLANE 2B	SERVES LOWER TESSERA AREA ELEV. 715' TO ELEV. 890'
PRESSURE PLANE 3A	SERVES BAR X RANCH RD. AREA ELEV. 850' TO ELEV. 975'
PRESSURE PLANE 3B	SERVES THE QUIET BROOK AREA ELEV. 885' TO ELEV. 1,000'
PRESSURE PLANE 4A	SERVES THE DAWN DRIVE AREA ELEV. 925' TO ELEV. 1,020'
PRESSURE PLANE 4B	SERVES THE MING TRAIL AREA ELEV. 885' TO ELEV. 1,000'
PRESSURE PLANE 5	SERVES THE TALON CIRCLE AREA ELEV. 1,100' TO ELEV. 1,228'
PRESSURE PLANE 6	SERVES EMERALD BEND AREA ELEV. 715' TO ELEV. 825'
PRESSURE PLANE 7A	SERVES CONTINENTAL DRIVE ELEV. 715' TO ELEV. 825'
PRESSURE PLANE 7B	SERVES LAKEFRONT DRIVE AREA ELEV. 715' TO ELEV. 825'
PRESSURE PLANE 7C	SERVES THE FALLS AREA ELEV. 715' TO ELEV. 825'
PRESSURE PLANE 8A	SERVES THE BRIARWOOD AREA ELEV. 970' TO ELEV. 1,070'
PRESSURE PLANE 8B	SERVES THE TAHOE AREA ELEV. 970' TO ELEV. 1,070'
PRESSURE PLANE 9	SERVES GARY PLAYER DRIVE ELEV. 715' TO ELEV. 1,010'
PRESSURE PLANE 10	SERVES MIDDLE TESSERA AREA ELEV. 870' TO ELEV. 920'
PRESSURE PLANE 11	SERVES UPPER TESSERA AREA ELEV. 900' TO ELEV. 1,020'



REV.	DESCRIPTION	DATE



CITY OF LAGO VISTA

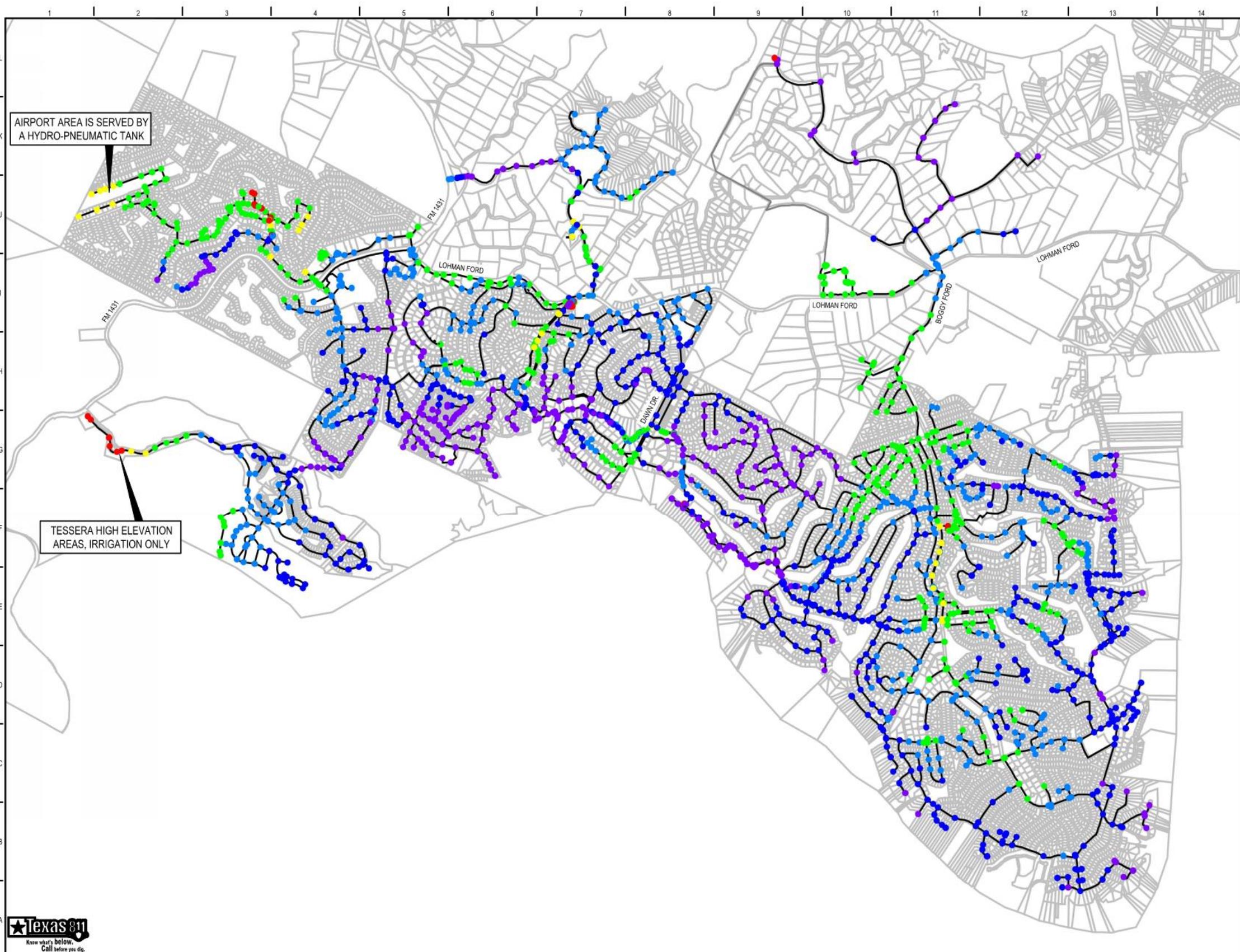
PROPOSED PRESSURE PLANE MAP

08/31/2016 DATE *Will Parnell*
WILLIAM E. PARNELL

DESIGNED	WEP
DRAWN	WEP
CHECKED	WEP
PROJECT NO.	3-00567
DRAWING NO.	EXHIBIT 6



1 2 3 4 5 6 7 8 9 10 11 12 13 14



PRESSURE LEGEND

- PRESSURE <= 20 PSI
- PRESSURE <= 35 PSI
- PRESSURE <= 60 PSI
- PRESSURE <= 100 PSI
- PRESSURE > 100 PSI

EXHIBIT NOTES:
 YEAR - 2020
 METERS - 3,895
 APPROX. USE - 1.40 MILLION GALLONS
 - 972 GALLONS PER MINUTE
 ASSUMED PRIORITY ONE PROJECTS ARE COMPLETE



DRAWING IS NOT TO SCALE

REV.	DESCRIPTION	DATE



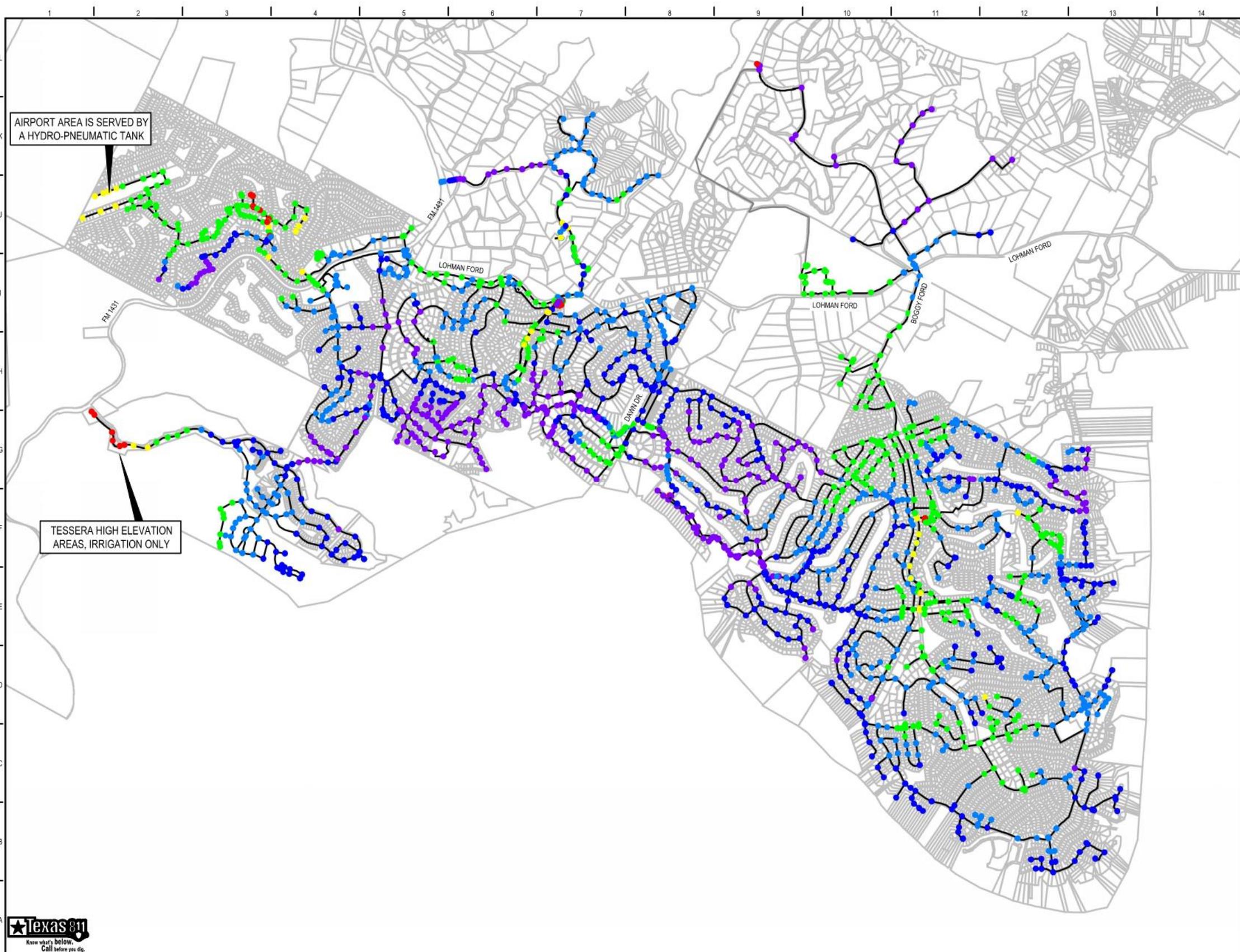
CITY OF LAGO VISTA

2020 POPULATION
 AVERAGE DAILY DEMAND
 LOW PRESSURE AREAS

08/31/2016
 DATE *William E. Parnell*
 WILLIAM E. PARNELL

DESIGNED	WEP
DRAWN	WEP
CHECKED	WEP
PROJECT NO.	3-00567
DRAWING NO.	EXHIBIT 7.4





PRESSURE LEGEND

- PRESSURE <= 20 PSI
- PRESSURE <= 35 PSI
- PRESSURE <= 60 PSI
- PRESSURE <= 100 PSI
- PRESSURE > 100 PSI

EXHIBIT NOTES:
 YEAR - 2020
 METERS - 3,895
 APPROX. USE - 2.28 MILLION GALLONS
 - 1,583 GALLONS PER MINUTE
 ASSUMED PRIORITY ONE PROJECTS ARE COMPLETE



DRAWING IS NOT TO SCALE

REV.	DESCRIPTION	DATE



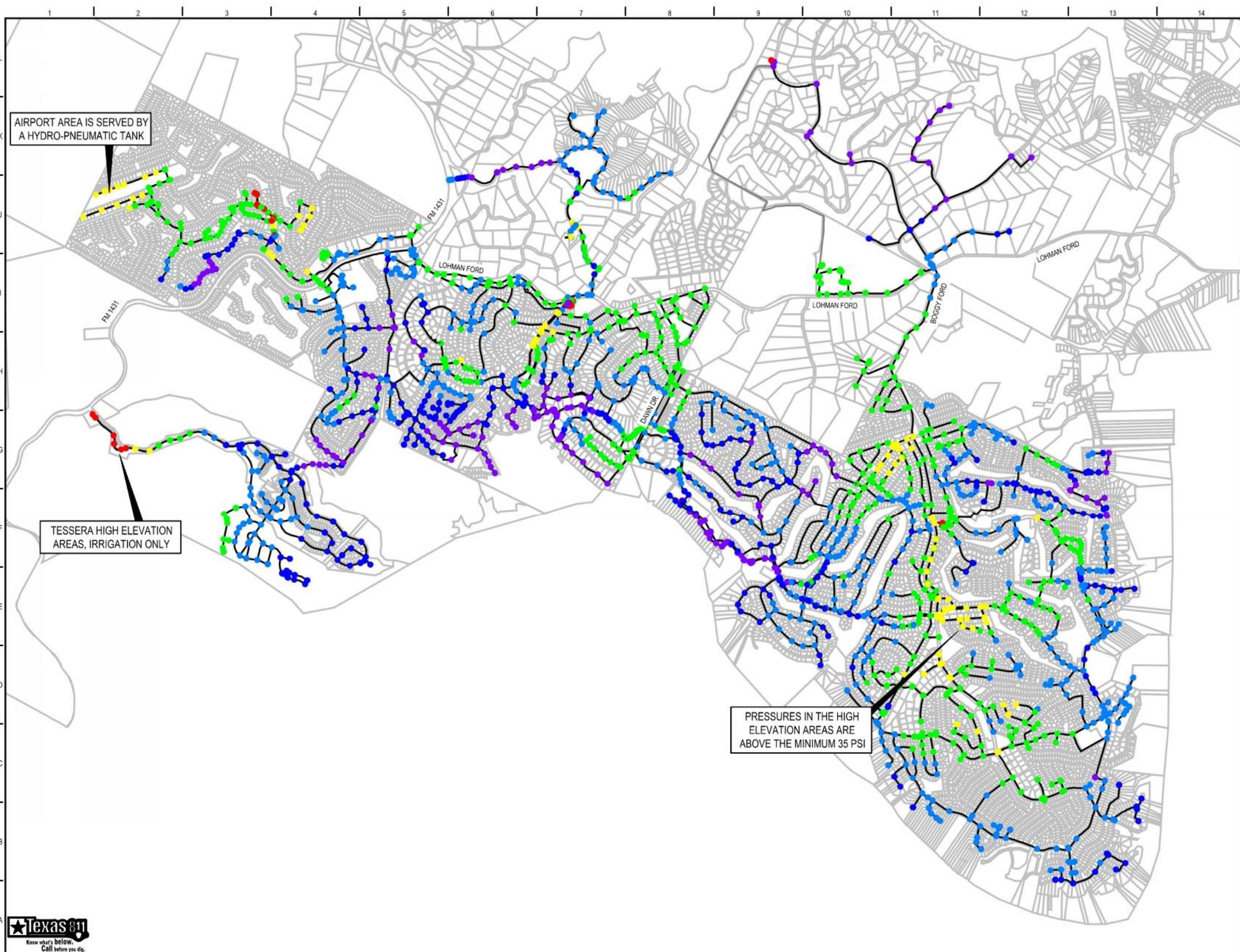
CITY OF LAGO VISTA

2020 POPULATION
 PEAK DAILY DEMAND
 LOW PRESSURE AREAS

08/31/2016
 DATE *William E. Parnell*
 WILLIAM E. PARNELL

DESIGNED	WEP
DRAWN	WEP
CHECKED	WEP
PROJECT NO.	3-00567
DRAWING NO.	EXHIBIT 7.5





PRESSURE LEGEND

- PRESSURE <= 20 PSI
- PRESSURE <= 35 PSI
- PRESSURE <= 60 PSI
- PRESSURE <= 100 PSI
- PRESSURE > 100 PSI

EXHIBIT NOTES:
 YEAR - 2020
 METERS - 3.895
 APPROX. USE - 8.41 MILLION GALLONS
 - 5,842 GALLONS PER MINUTE
 ASSUMED PRIORITY ONE PROJECTS ARE COMPLETE



DRAWING IS NOT TO SCALE

REV.	DESCRIPTION	DATE



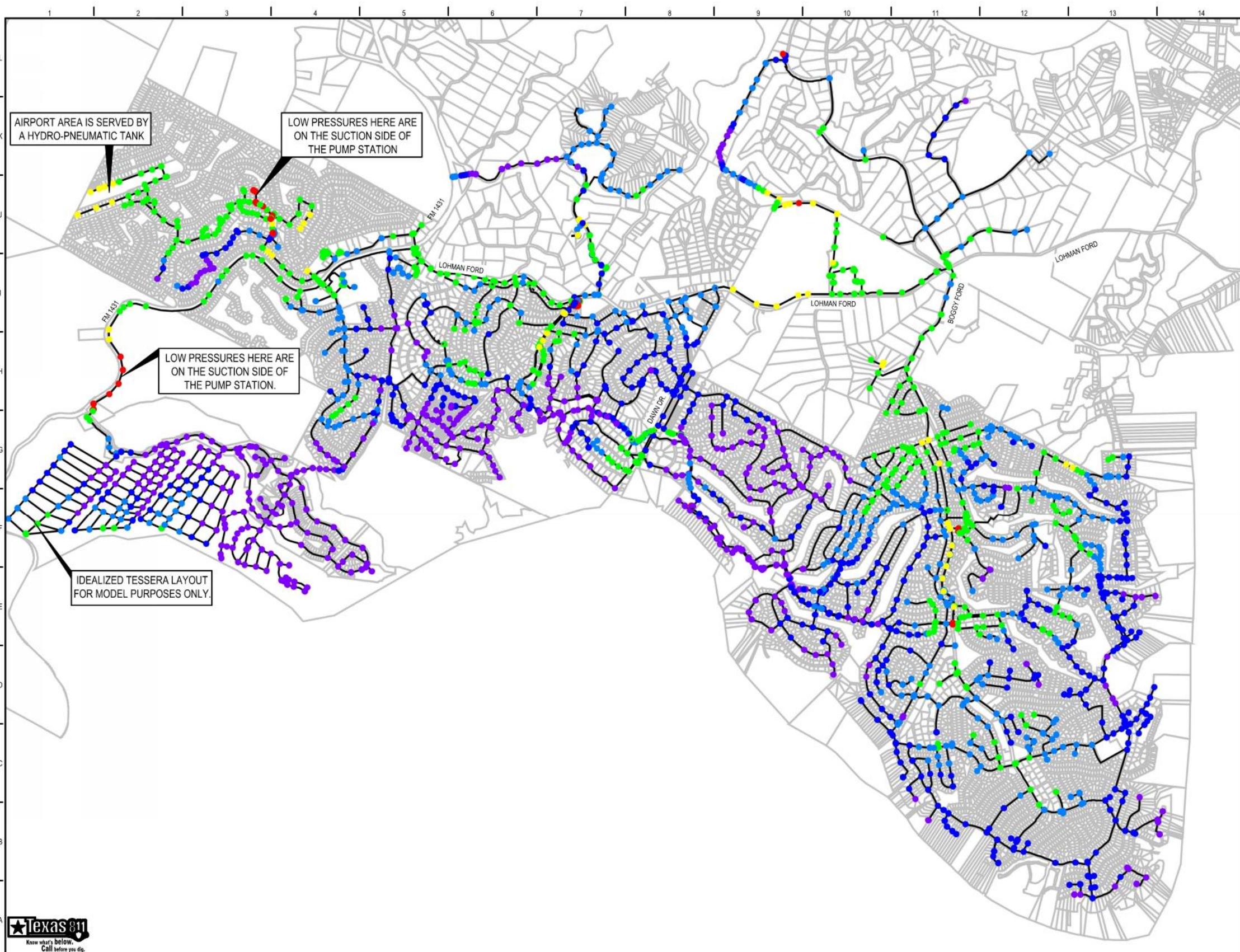
CITY OF LAGO VISTA

2020 POPULATION
 TCEQ DEMAND (1.5 GPM)
 LOW PRESSURE AREAS

08/31/2016
 DATE *William E. Parnell*
 WILLIAM E. PARNELL

	DESIGNED	WEP
	DRAWN	WEP
	CHECKED	WEP
	PROJECT NO.	3-00567
DRAWING NO.		EXHIBIT 7.6





PRESSURE LEGEND

- PRESSURE ≤ 20 PSI
- PRESSURE ≤ 35 PSI
- PRESSURE ≤ 60 PSI
- PRESSURE ≤ 100 PSI
- PRESSURE > 100 PSI

EXHIBIT NOTES:
 YEAR - 2030
 METERS - 5.798
 APPROX. USE - 2.13 MILLION GALLONS
 - 1,479 GALLONS PER MINUTE
 ASSUMED PRIORITY TWO AND PRIORITY
 THREE PROJECTS ARE COMPLETE



DRAWING IS NOT TO SCALE

REV.	DESCRIPTION	DATE



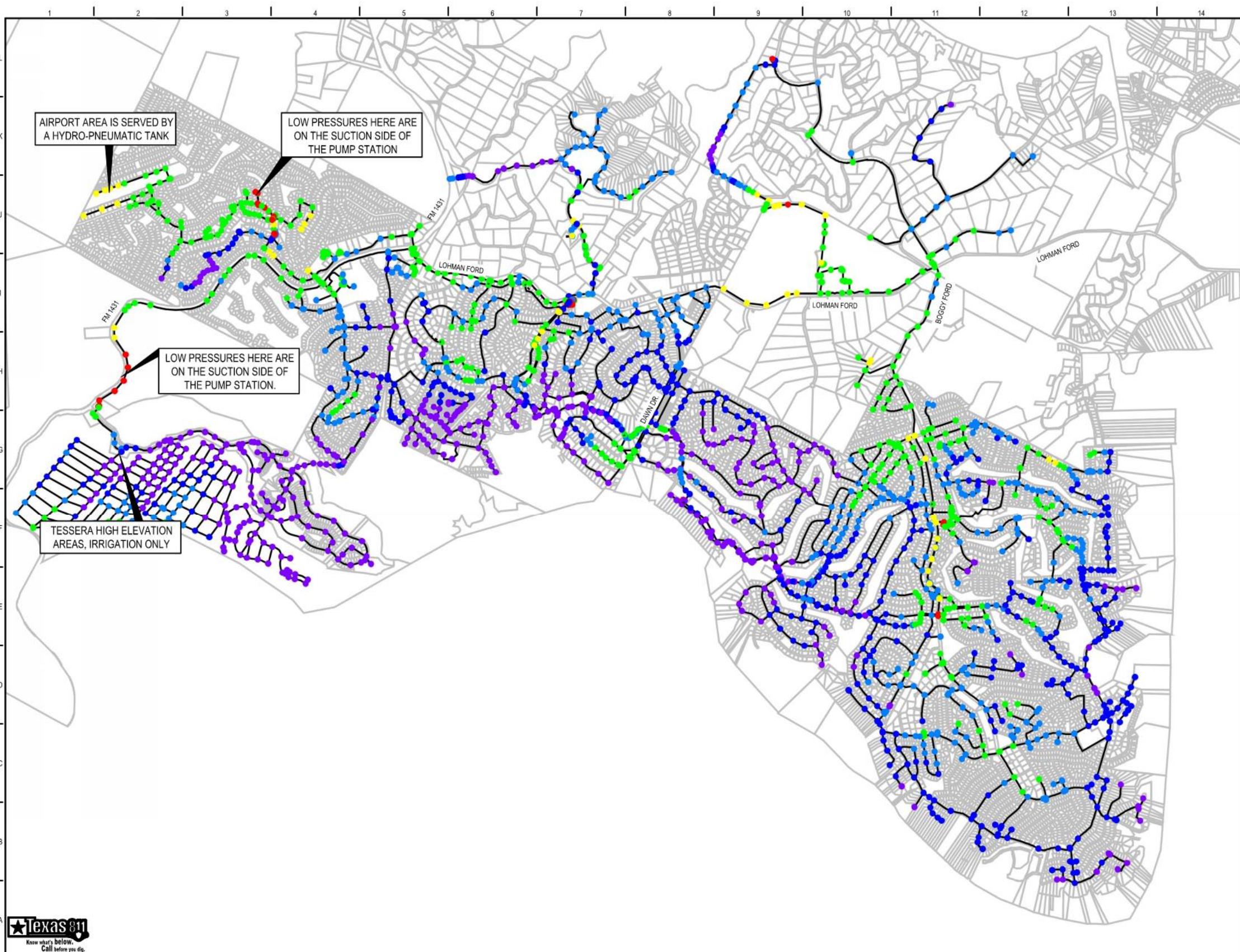
CITY OF LAGO VISTA

2030 POPULATION
 AVERAGE DAILY DEMAND
 LOW PRESSURE AREAS

08/31/2016 DATE *William E. Parnell*
 WILLIAM E. PARNELL

DESIGNED	WEP
DRAWN	WEP
CHECKED	WEP
PROJECT NO.	3-00567
DRAWING NO.	EXHIBIT 7.7





PRESSURE LEGEND

- PRESSURE <= 20 PSI
- PRESSURE <= 35 PSI
- PRESSURE <= 60 PSI
- PRESSURE <= 100 PSI
- PRESSURE > 100 PSI

EXHIBIT NOTES:
 YEAR - 2030
 METERS - 5.798
 APPROX. USE - 3.41 MILLION GALLONS
 - 2,368 GALLONS PER MINUTE
 ASSUMED PRIORITY TWO AND PRIORITY
 THREE PROJECTS ARE COMPLETE



DRAWING IS NOT TO SCALE

REV.	DESCRIPTION	DATE



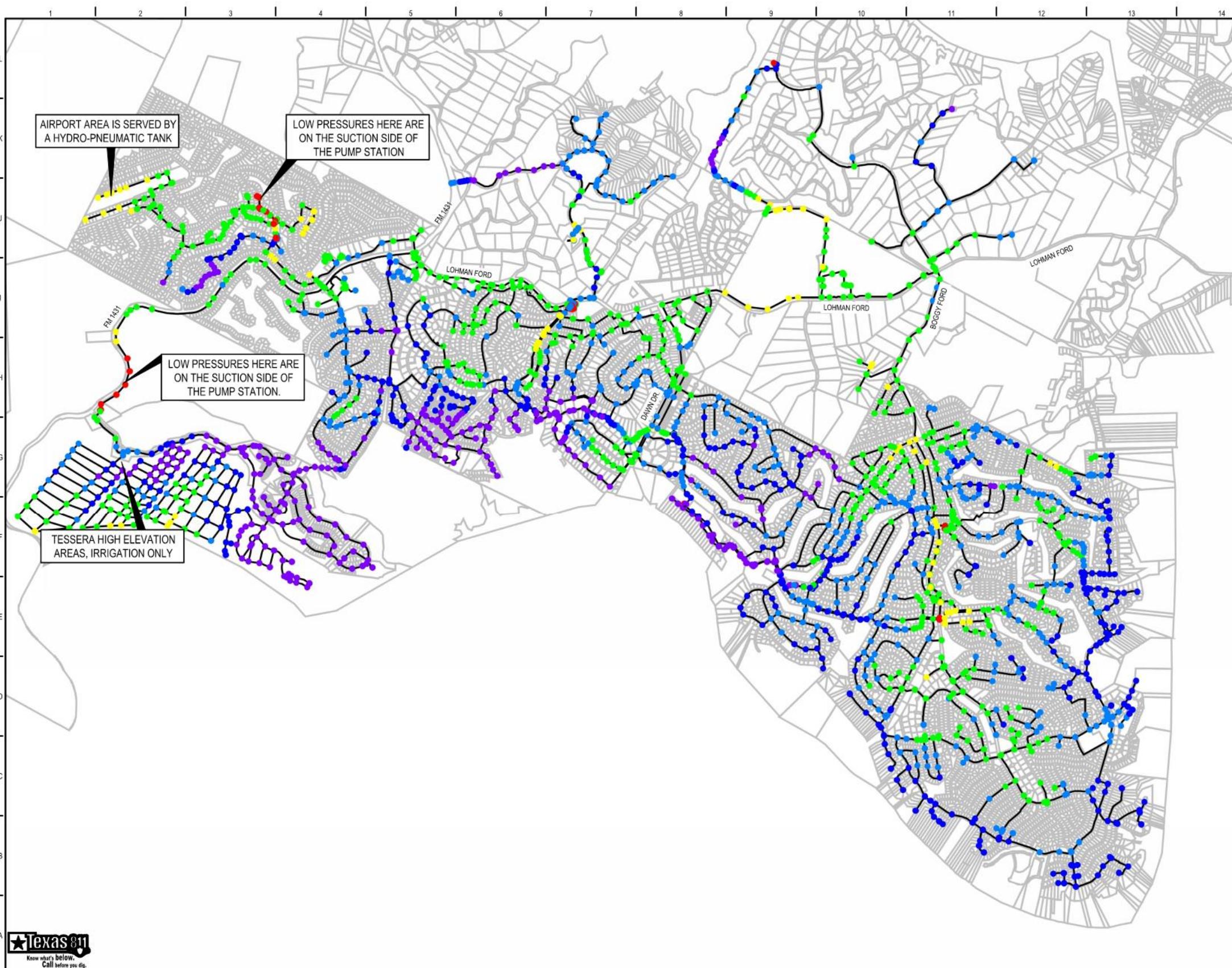
CITY OF LAGO VISTA

**2030 POPULATION
 PEAK DAILY DEMAND
 LOW PRESSURE AREAS**

08/31/2016
 DATE *William E. Parnell*
 WILLIAM E. PARNELL

DESIGNED	WEP
DRAWN	WEP
CHECKED	WEP
PROJECT NO.	3-00567
DRAWING NO.	EXHIBIT 7.8





PRESSURE LEGEND

- PRESSURE ≤ 20 PSI
- PRESSURE ≤ 35 PSI
- PRESSURE ≤ 60 PSI
- PRESSURE ≤ 100 PSI
- PRESSURE > 100 PSI

EXHIBIT NOTES:
 YEAR - 2030
 METERS - 5,798
 APPROX. USE - 12,52 MILLION GALLONS
 - 8,697 GALLONS PER MINUTE
 ASSUMED PRIORITY TWO AND PRIORITY THREE PROJECTS ARE COMPLETE



DRAWING IS NOT TO SCALE

REV.	DESCRIPTION	DATE



CITY OF LAGO VISTA

2030 POPULATION
 TCEQ DEMAND (1.5 GPM)
 LOW PRESSURE AREAS

08/31/2016
 DATE *William E. Parnell*
 WILLIAM E. PARNELL

DESIGNED	WEP
DRAWN	WEP
CHECKED	WEP
PROJECT NO.	3-00567
DRAWING NO.	EXHIBIT 7.9



CAPITAL IMPROVEMENT PROJECTS

CAPITAL IMPROVEMENT PROJECTS

PHASE	CIP #	PROJECT NAME	COST
1	1	18 IN Connect Tessera Pumps at Water Treatment Plant #1 to Paseo De Vaca and Lohman Ford Ground Storage Tanks	\$911,295.00
	2	8 IN PRV Connect Viking Elevated Storage Tank to Allegiance Ground Storage Tank	\$52,800.00
	3	250,000 GAL Lohman Ford Ground Storage Tank	\$376,350.00
	4	150,000 GAL Elevated Storage Tank (Butler Elevated Storage Tank)	\$1,060,800.00
	5	12 IN HDPE Distribution Lines to Civic Area to Loop	\$1,452,213.75
2	1	8 IN pipe to 12 IN pipe on Thunderbird Drive, Outpost Trace, and National Drive	\$1,071,638.75
	2	12 IN Line from Golf Ball Elevated Storage Tank to Pressure Plane 6: Emerald Bend multi-family area on American Drive	\$1,884,610.00
	3	12 IN Line from High Drive to Parliament Cove, to American Drive, to Patriot Drive, then Bluejay Boulevard	\$2,544,587.50
3	1	18 IN Connect Viking Elevated Storage Tank to Lohman Ford and Paseo Ground Storage Tanks	\$1,657,175.00
	2	8 IN pipe to 12 IN Bronco Ground Storage Tank Feed Line to 12 IN from F.M. 1431 to Bronco Ground Storage Tank	\$480,366.25
	3	20 IN Connect Viking Elevated Storage Tank to WTP #3	\$2,084,826.25
	4	500,000 GAL Tessera Ground Storage Tank	\$2,193,490.00
	5	250,000 GAL Tessera Elevated Storage Tank & Transfer Pump Station	\$2,462,200.00
Total =			¹⁶⁷ \$18,232,352.50

QUESTIONS/DISCUSSION

- We want your feedback!





AGENDA ITEM

City of Lago Vista

To: Mayor & City Council Council Meeting: December 1, 2016

From: Gary Graham, Public Works Director

Subject: Presentation of Street Master Plan

Request: Report Legal Document: Other Legal Review:

EXECUTIVE SUMMARY:

Walker Partners has previously presented the methodology for development of the Street Master Plan. This presentation will be to identify the work program recommended to be accomplished spending \$500,000 a year on street maintenance and improvement. In addition to the \$500,000 a year budget the presentation provides the estimated costs for rebuilding Boggy Ford with bond funds and four years later rebuilding Bar-K with bond funds. Walker Partners will be available to answer questions after the presentation. The intent is obtain City Council concurrence for this approach and funding level for inclusion in the budget and CIP program.

Impact if Approved:

N/A

Impact if Denied:

N/A

Is Funding Required? Yes No **If Yes, Is it Budgeted?** Yes No N/A

Indicate Funding Source:

Suggested Motion/Recommendation/Action

Motion to:

Approve Item

Motion to:

Motion to:

Known As:

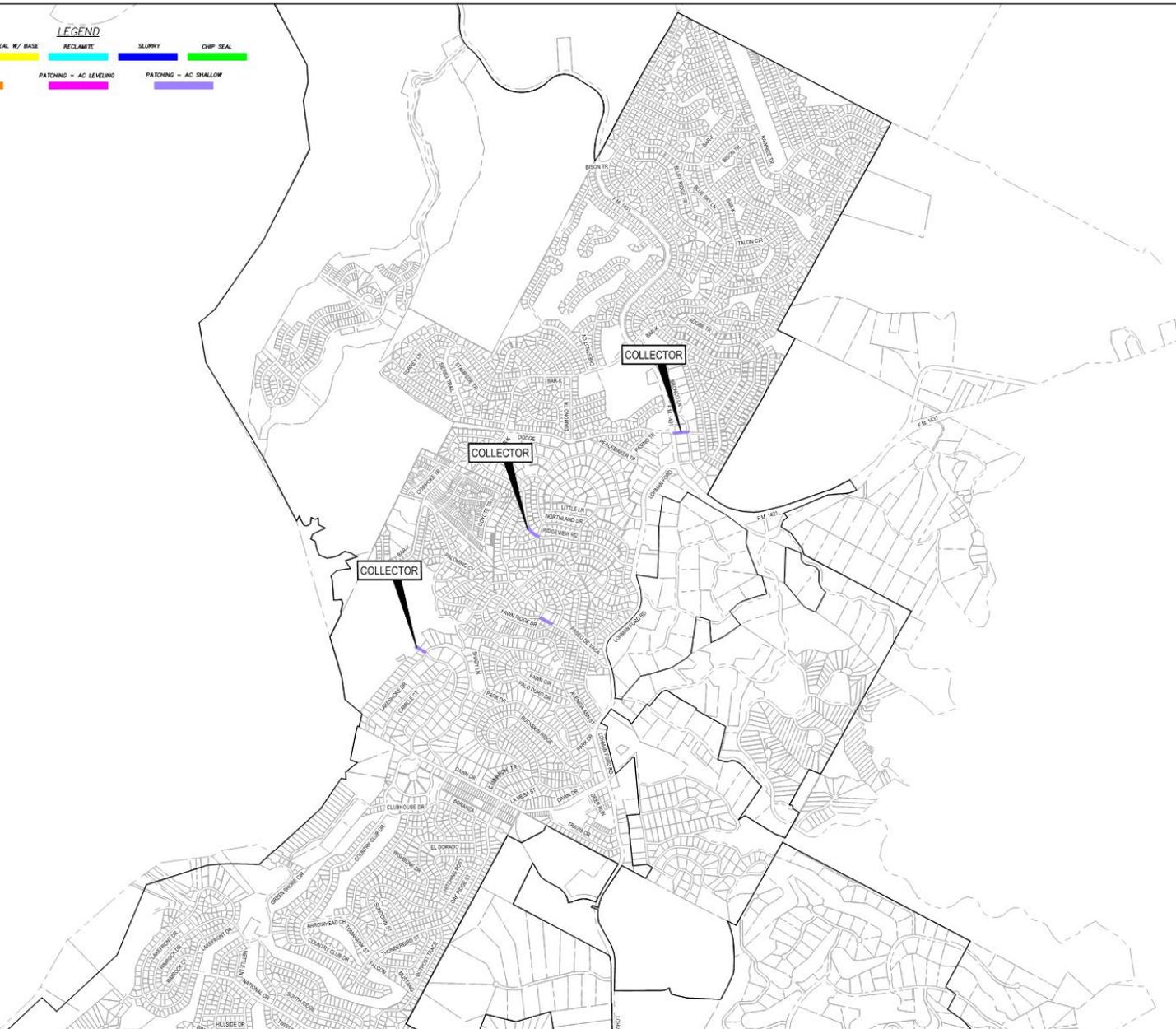
Agenda Item Approved by City Manager

CITY OF LAGO VISTA

Lago Vista
Paving Master
Plan

LEGEND

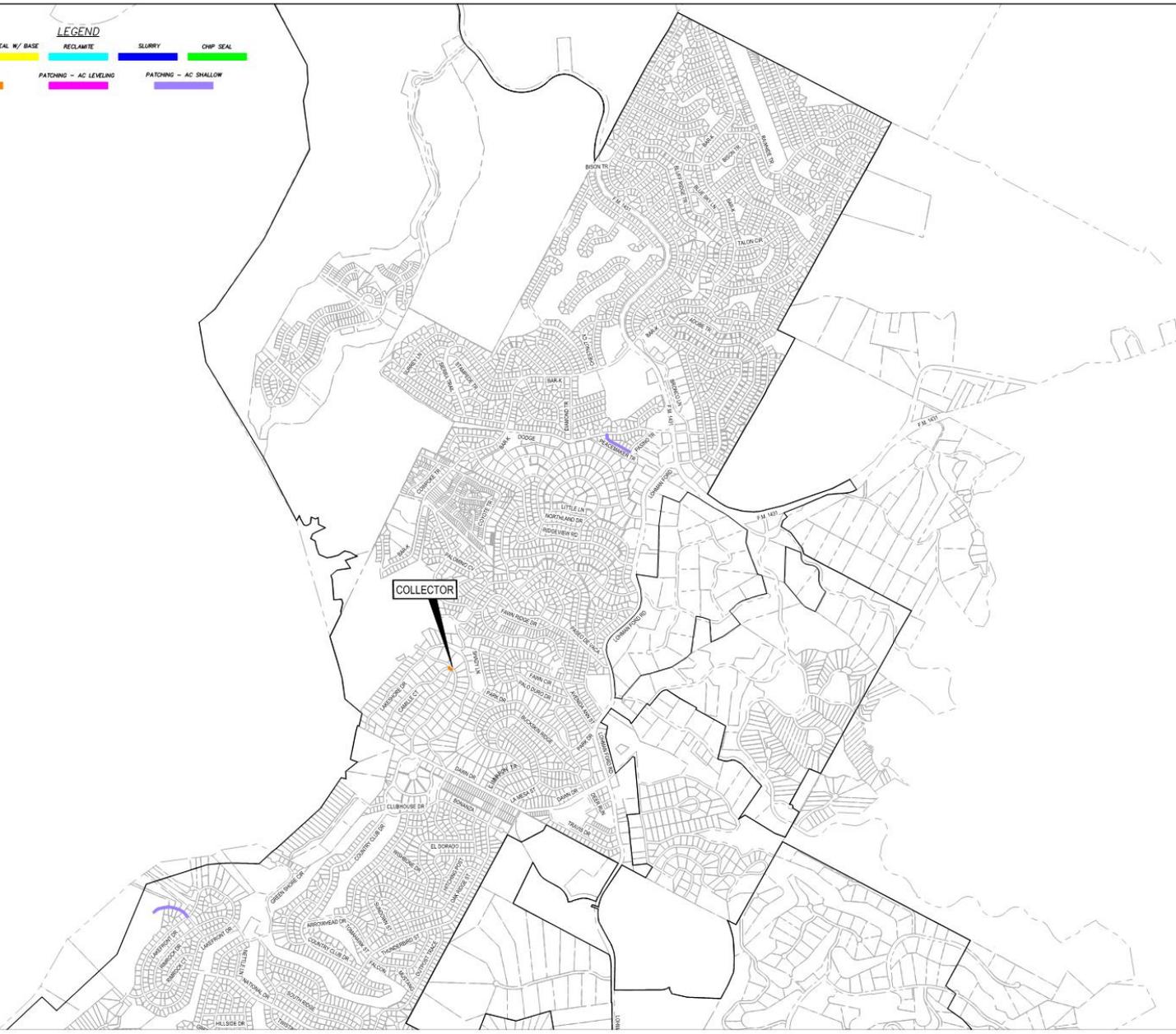
- MAJOR █
- OMP SEAL W/ BASE █
- RECLAIMITE █
- SLURRY █
- OMP SEAL █
- CRACK SEAL █
- PATCHING - AC LEVELING █
- PATCHING - AC SHALLOW █



	Walker Partners ENGINEERS • SURVEYORS
CITY OF LAGO VISTA	
NORTH 2018 STREET PRIORITY MAP	

LEGEND

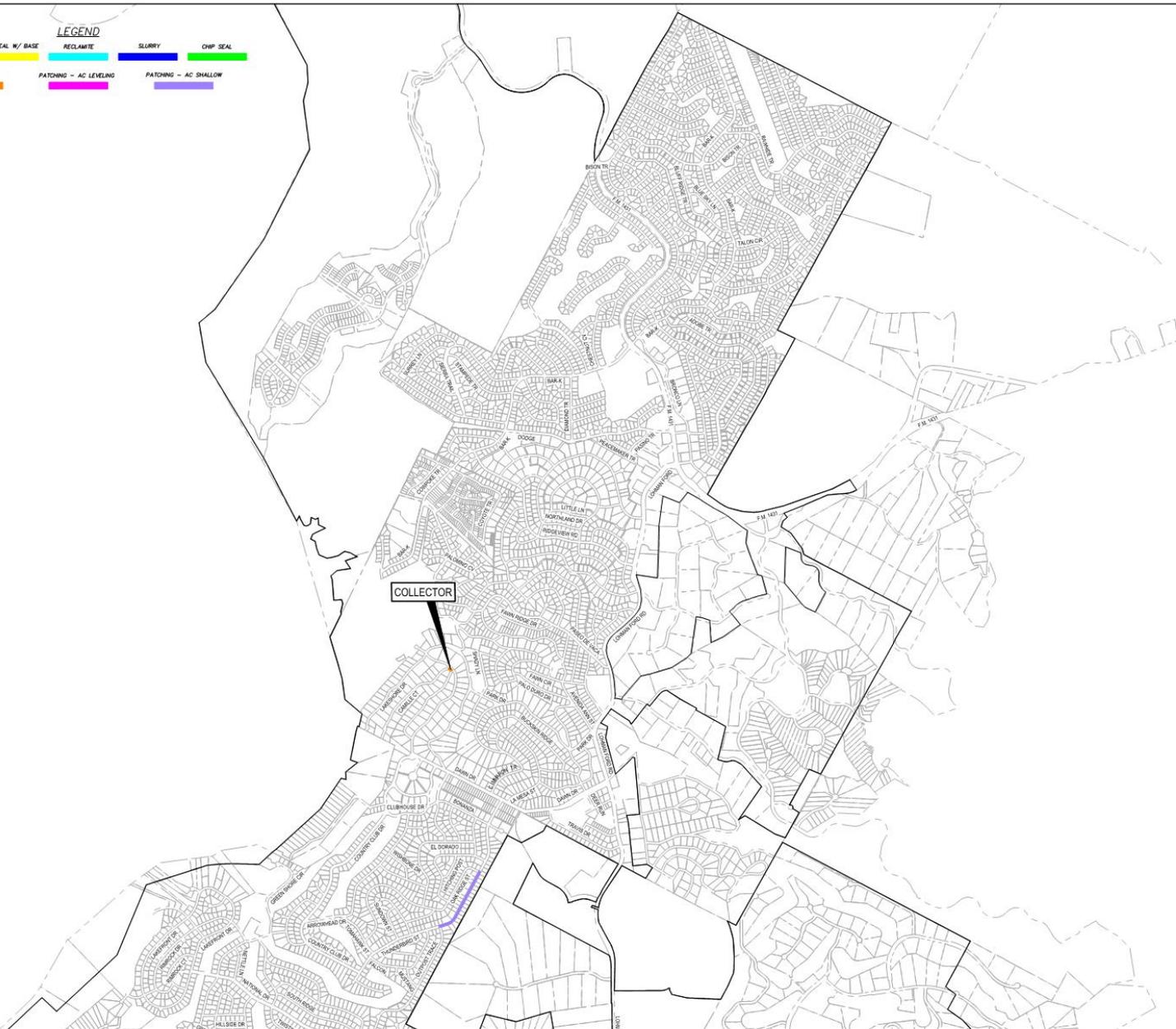
- MAJOR
- CHP SEAL W/ BASE
- RECLAIMITE
- SLURRY
- CHP SEAL
- CRACK SEAL
- PATCHING - AC LEVELING
- PATCHING - AC SHALLOW



DATE	BY
 Walker Partners ENGINEERS • SURVEYORS	
CITY OF LAGO VISTA NORTH 2019 STREET PRIORITY MAP	

LEGEND

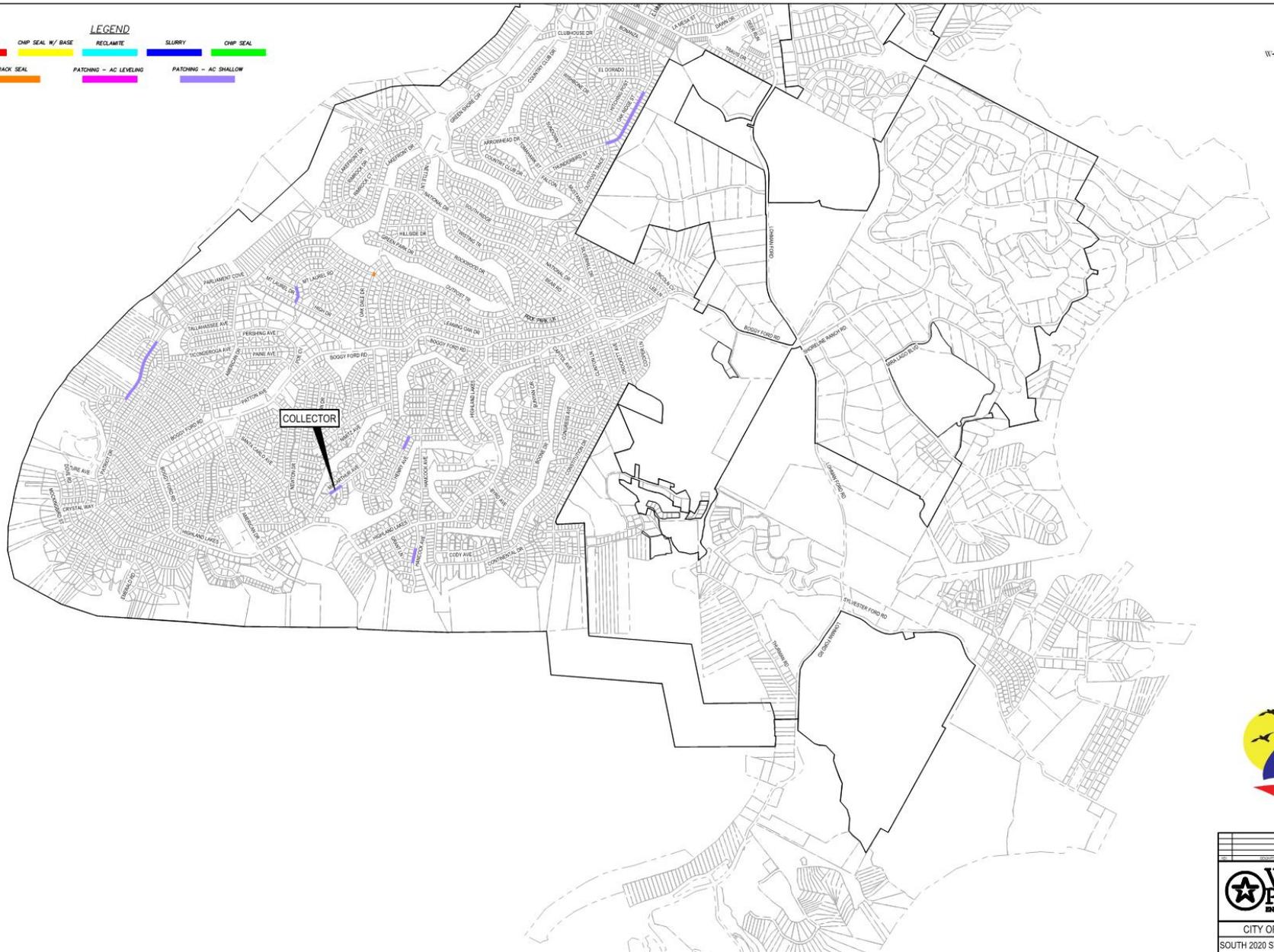
- MAJOR
- CHP SEAL W/ BASE
- RECLAIMITE
- SLURRY
- CHP SEAL
- CRACK SEAL
- PATCHING - AC LEVELING
- PATCHING - AC SHALLOW



DATE	BY
 Walker Partners ENGINEERS • SURVEYORS	
CITY OF LAGO VISTA NORTH 2020 STREET PRIORITY MAP	

LEGEND

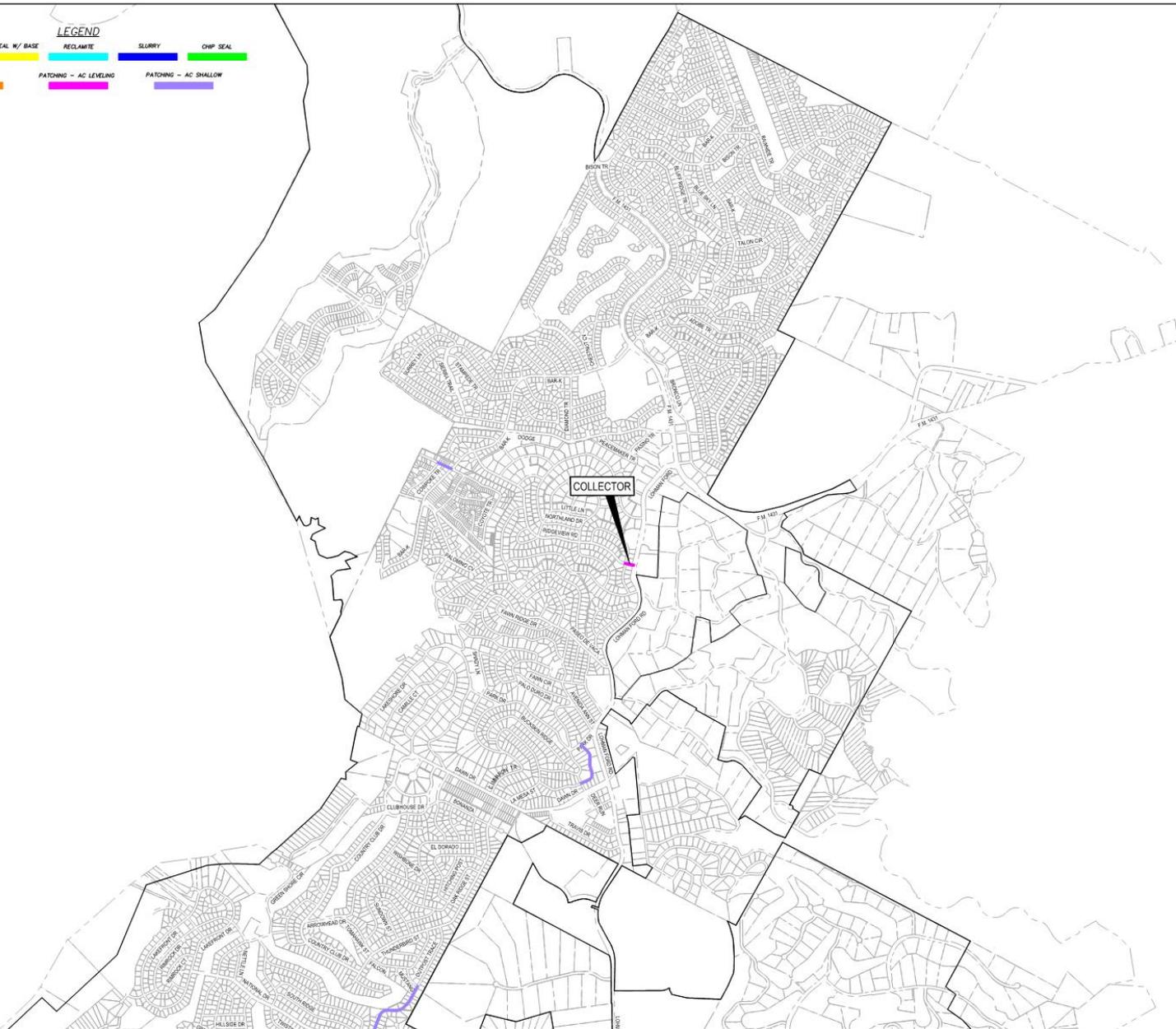
- MAJOR
- CHP SEAL W/ BASE
- RECLAIMITE
- SLURRY
- CHP SEAL
- CRACK SEAL
- PATCHING - AC LEVELING
- PATCHING - AC SHALLOW



 Walker Partners ENGINEERS • SURVEYORS	
CITY OF LAGO VISTA SOUTH 2020 STREET PRIORITY MAP	

LEGEND

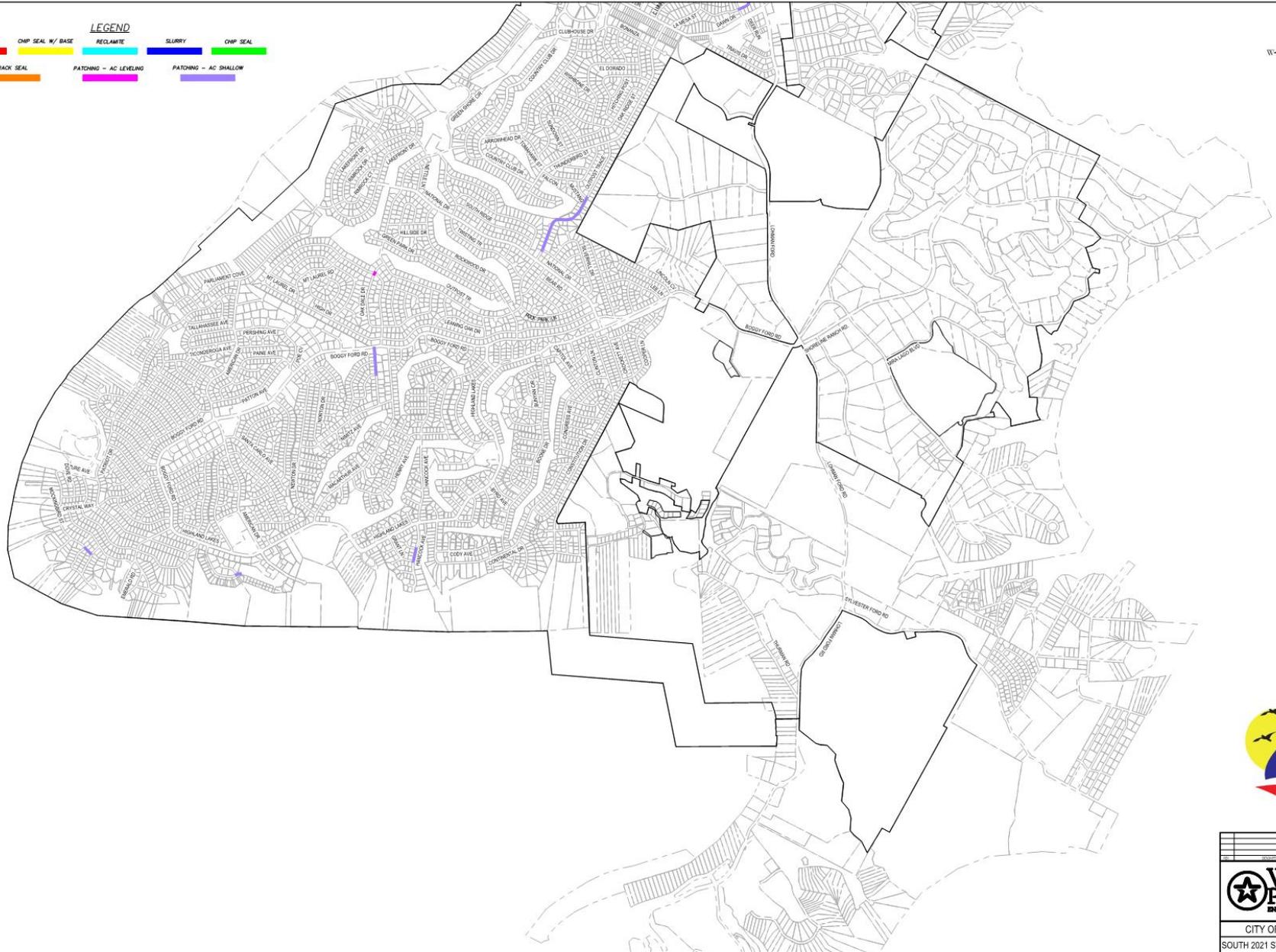
- MAJOR
- CHP SEAL W/ BASE
- RECLAIMITE
- SLURRY
- CHP SEAL
- CRACK SEAL
- PATCHING - AC LEVELING
- PATCHING - AC SHALLOW



DATE	BY
 Walker Partners ENGINEERS • SURVEYORS	
CITY OF LAGO VISTA NORTH 2021 STREET PRIORITY MAP	

LEGEND

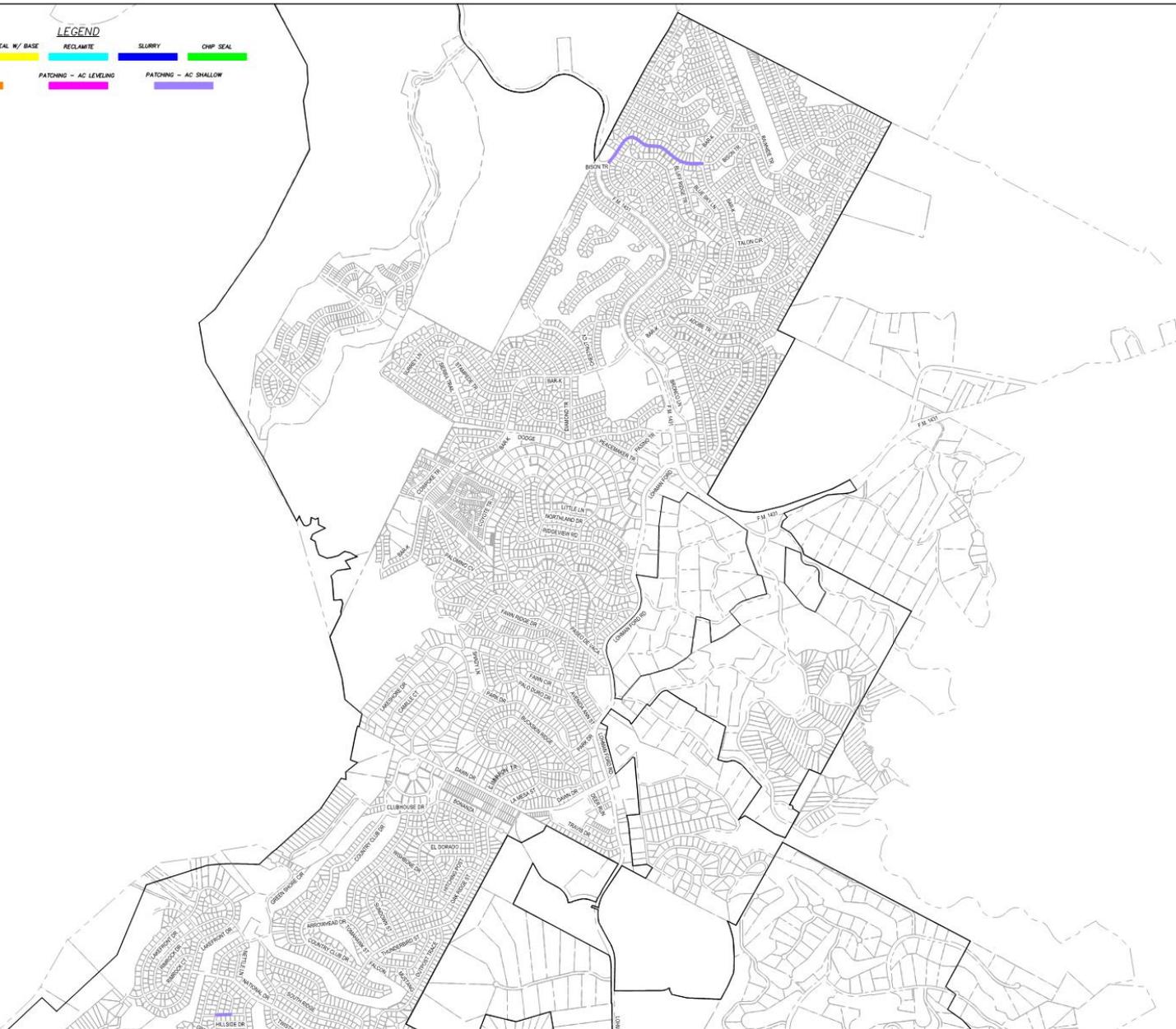
 MAJOR	 CMP SEAL W/ BASE	 RECLAIMITE	 SLURRY	 CMP SEAL
 CRACK SEAL	 PATCHING - AC LEVELING	 PATCHING - AC SHALLOW		



DATE	BY
	
CITY OF LAGO VISTA	
SOUTH 2021 STREET PRIORITY MAP	

LEGEND

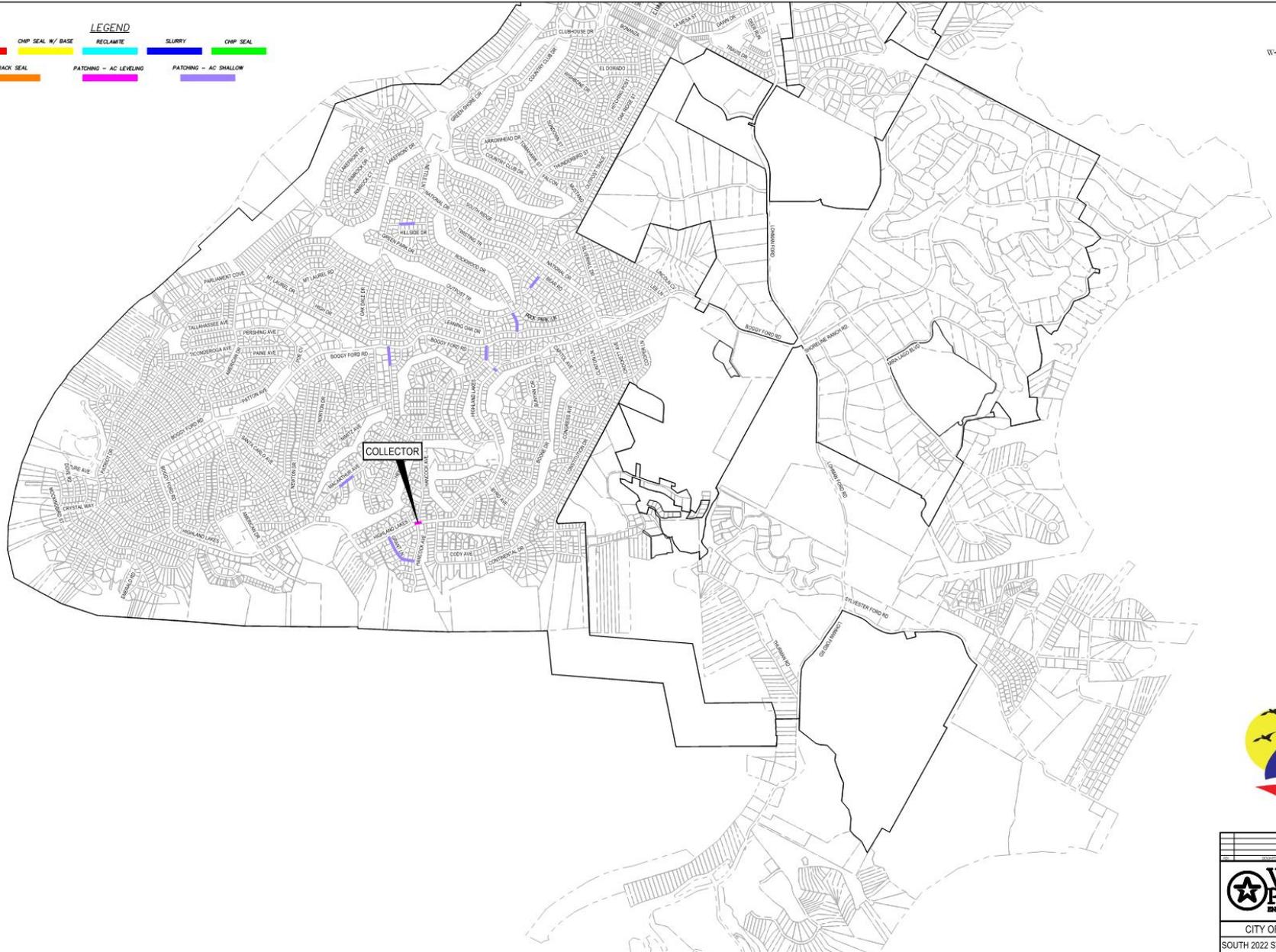
- MAJOR
- OMP SEAL W/ BASE
- RECLAIMITE
- SLURRY
- OMP SEAL
- CRACK SEAL
- PATCHING - AC LEVELING
- PATCHING - AC SHALLOW



	Walker Partners
ENGINEERS • SURVEYORS	
CITY OF LAGO VISTA	
NORTH 2022 STREET PRIORITY MAP	

LEGEND

 MAJOR	 CMP SEAL W/ BASE	 RECLAIMITE	 SLURRY	 CMP SEAL
 CRACK SEAL	 PATCHING - AC LEVELING	 PATCHING - AC SHALLOW		



DATE	BY
 Walker Partners ENGINEERS • SURVEYORS	
CITY OF LAGO VISTA SOUTH 2022 STREET PRIORITY MAP	

WALKER PARTNERS, L.L.C.
 Preliminary Engineer's Opinion of Probable Cost - Overall Summary
TRAVIS COUNTY, TEXAS
BOGGY FORD ROAD (FROM LOHMAN FORD TO MT. VERNON)
 November 22, 2016

	Item	Description	Amount
PROJECT CONSTRUCTION COSTS *	1.0	GENERAL CONDITIONS	\$ 214,160.00
	2.0	ROADWAY	\$ 1,755,292.22
	3.0	STRIPING	\$ 26,550.00
	4.0	TRAFFIC CONTROL & CONSTRUCTION SEQUENCING	\$ 180,000.00
	5.0	EROSION CONTROL	\$ 162,360.00
	6.0	DRAINAGE	\$ 168,820.00
<i>TOTAL CONSTRUCTION COST</i>			\$ 2,507,182.22
PROJECT DEVELOPMENT COSTS		Engineering	\$ 213,120.00
		Topographic Survey	\$ 54,600.00
		Construction Staking	\$ 32,760.00
		Resident Project Representative	\$ 144,000.00
		Geotechnical Investigation and Material Testing	\$ 40,000.00
		Environmental Investigation	\$ 30,000.00
<i>TOTAL DEVELOPMENT COST</i>			\$ 514,480.00
<i>TOTAL PROJECT COST</i>			\$ 3,021,662.22

* All categories within project construction costs contain a 20% contingency

WALKER PARTNERS, L.L.C.
Preliminary Engineer's Opinion of Probable Cost
TRAVIS COUNTY, TEXAS
BOGGY FORD ROAD (FROM LOHMAN FORD TO MOUNT VERNON AVE)
November 22, 2016

Item	Description	Quantity	Unit	Unit Price	Amount
1.00	General Conditions				
1.01	Mobilization	1	LS	\$ 154,760.00	\$ 154,760.00
1.02	Prep ROW	11	STA	\$ 1,700.00	\$ 18,700.00
1.03	Stormwater Pollution Prevention Plan	1	LS	\$ 5,000.00	\$ 5,000.00
	Subtotal General Conditions				\$ 178,460.00
	Contingency (20%)				\$ 35,700.00
	Total General Conditions				\$ 214,160.00
2.00	Roadway Improvements				
2.01	Removing Stab Base and Asph Pav (0-16")	33,973	SY	\$ 5.00	\$ 169,870.00
2.02	Shape and Compact Additional Base Material	5,662	CY	\$ 10.00	\$ 56,622.22
2.03	2" H.M.A.C. (Crushed "D"), Including Prime Coat & Tack Coat	3,737	TON	\$ 105.00	\$ 392,400.00
2.04	8" Flexible Base	22,762	SY	\$ 20.00	\$ 455,250.00
2.05	Ribbon Curb	21,840	LF	\$ 12.50	\$ 273,000.00
2.06	Driveway Repair	34	EA	\$ 3,000.00	\$ 102,000.00
2.07	Mailbox Install (Single)	34	EA	\$ 400.00	\$ 13,600.00
	Subtotal Roadway Improvements				\$ 1,462,742.22
	Contingency (20%)				\$ 292,550.00
	Total Roadway Improvements				\$ 1,755,292.22
3.00	Striping Improvements				
3.01	Pvmt Markings (Permanent)(4")	43,680	LF	\$ 0.50	\$ 21,840.00
3.02	Rais Pav Mrkr Cl B (Refl) TY A-A	280	EA	\$ 1.00	\$ 280.00
	Subtotal Striping Improvements				\$ 22,120.00
	Contingency (20%)				\$ 4,430.00
	Total Striping Improvements				\$ 26,550.00
4.00	Traffic Control & Construction Sequencing				
4.01	Barricades, Signs and Traf Handle	15	MO	\$ 10,000.00	\$ 150,000.00
	Subtotal Traffic Control				\$ 150,000.00
	Contingency (20%)				\$ 30,000.00
	Total Traffic Control				\$ 180,000.00
5.00	Erosion Control				
5.01	Stormwater Pollution Prevention Plan Implementation (Including rock filter dams, silt fence, etc.	1	LS	\$ 75,000.00	\$ 75,000.00
5.02	Seeding	24,267	SY	\$ 1.00	\$ 24,300.00
5.03	Soil Retention Blanket	17,957	SY	\$ 2.00	\$ 36,000.00
	Subtotal Erosion Control				\$ 135,300.00
	Contingency (20%)				\$ 27,060.00
	Total Erosion Control				\$ 162,360.00

Item	Description	Quantity	Unit	Unit Price	Amount
6.00	Drainage Improvements				
6.01	Unclassified Channel Excavation (assumed 2' deep)	638	CY	\$ 10.00	\$ 6,380.00
6.02	Riprap (Conc)(CL B)	116	CY	\$ 300.00	\$ 34,800.00
6.03	18" R.C.P. (Class III)	630	LF	\$ 50.00	\$ 31,500.00
6.04	18" S.E.T.	68	EA	\$ 1,000.00	\$ 68,000.00
	Subtotal Drainage Improvements				\$ 140,680.00
	Contingency (20%)				\$ 28,140.00
	Total Drainage Improvements				\$ 168,820.00
	 TOTAL CONSTRUCTION COST				 \$ 2,507,182.22
	 Project Development Services				
	Engineering				\$ 213,120.00
	Topographic Survey				\$ 54,600.00
	Construction Staking				\$ 32,760.00
	Resident Project Representative				\$ 144,000.00
	Geotechnical Investigation and Material Testing				\$ 40,000.00
	Environmental Investigation				\$ 30,000.00
	 TOTAL DEVELOPMENT COST				 \$ 514,480.00
	 TOTAL CONSTRUCTION COST				 \$ 3,021,662.22

WALKER PARTNERS, L.L.C.
Preliminary Engineer's Opinion of Probable Cost - Overall Summary
TRAVIS COUNTY, TEXAS
BOGGY FORD ROAD (FROM MT. VERNON TO END)
November 22, 2016

	Item	Description	Amount
PROJECT CONSTRUCTION COSTS *	1.0	GENERAL CONDITIONS	\$ 320,870.00
	2.0	ROADWAY	\$ 1,290,500.37
	3.0	STRIPING	\$ 18,650.00
	4.0	TRAFFIC CONTROL & CONSTRUCTION SEQUENCING	\$ 180,000.00
	5.0	EROSION CONTROL	\$ 140,880.00
	6.0	DRAINAGE	\$ 179,190.00
<i>TOTAL CONSTRUCTION COST</i>			<i>\$ 2,130,090.37</i>
PROJECT DEVELOPMENT COSTS		Engineering	\$ 181,060.00
		Topographic Survey	\$ 38,350.00
		Construction Staking	\$ 23,010.00
		Resident Project Representative	\$ 144,000.00
		Geotechnical Investigation and Material Testing	\$ 40,000.00
		Environmental Investigation	\$ 30,000.00
<i>TOTAL DEVELOPMENT COST</i>			<i>\$ 456,420.00</i>
<i>TOTAL PROJECT COST</i>			<i>\$ 2,586,510.37</i>

* All categories within project construction costs contain a 20% contingency

WALKER PARTNERS, L.L.C.
Preliminary Engineer's Opinion of Probable Cost
TRAVIS COUNTY, TEXAS
BOGGY FORD ROAD (FROM MOUNT VERNON AVE TO END)
November 22, 2016

Item	Description	Quantity	Unit	Unit Price	Amount
1.00	General Conditions				
1.01	Mobilization	1	LS	\$ 131,490.00	\$ 131,490.00
1.02	Prep ROW	77	STA	\$ 1,700.00	\$ 130,900.00
1.03	Stormwater Pollution Prevention Plan	1	LS	\$ 5,000.00	\$ 5,000.00
	Subtotal General Conditions				\$ 267,390.00
	Contingency (20%)				\$ 53,480.00
	Total General Conditions				\$ 320,870.00
2.00	Roadway Improvements				
2.01	Removing Stab Base and Asph Pav (0-16")	23,862	SY	\$ 5.00	\$ 119,320.00
2.02	Shape and Compact Additional Base Material	3,977	CY	\$ 10.00	\$ 39,770.37
2.03	2" H.M.A.C. (Crushed "D"), Including Prime Coat & Tack Coat	2,625	TON	\$ 105.00	\$ 275,610.00
2.04	8" Flexible Base	15,988	SY	\$ 20.00	\$ 319,760.00
2.05	Ribbon Curb	15,340	LF	\$ 12.50	\$ 191,750.00
2.06	Driveway Repair	38	EA	\$ 3,000.00	\$ 114,000.00
2.07	Mailbox Install (Single)	38	EA	\$ 400.00	\$ 15,200.00
	Subtotal Roadway Improvements				\$ 1,075,410.37
	Contingency (20%)				\$ 215,090.00
	Total Roadway Improvements				\$ 1,290,500.37
3.00	Striping Improvements				
3.01	Pvmt Markings (Permanent)(4")	30,680	LF	\$ 0.50	\$ 15,340.00
3.02	Rais Pav Mrkr Cl B (Refl) TY A-A	200	EA	\$ 1.00	\$ 200.00
	Subtotal Striping Improvements				\$ 15,540.00
	Contingency (20%)				\$ 3,110.00
	Total Striping Improvements				\$ 18,650.00
4.00	Traffic Control & Construction Sequencing				
4.01	Barricades, Signs and Traf Handle	15	MO	\$ 10,000.00	\$ 150,000.00
	Subtotal Traffic Control				\$ 150,000.00
	Contingency (20%)				\$ 30,000.00
	Total Traffic Control				\$ 180,000.00
5.00	Erosion Control				
5.01	Stormwater Pollution Prevention Plan Implementation (Including rock filter dams, silt fence, etc.	1	LS	\$ 75,000.00	\$ 75,000.00
5.02	Seeding	17,044	SY	\$ 1.00	\$ 17,100.00
5.03	Soil Retention Blanket	12,613	SY	\$ 2.00	\$ 25,300.00
	Subtotal Erosion Control				\$ 117,400.00
	Contingency (20%)				\$ 23,480.00
	Total Erosion Control				\$ 140,880.00

Item	Description	Quantity	Unit	Unit Price	Amount
6.00	Drainage Improvements				
6.01	Unclassified Channel Excavation (assumed 2' deep)	462	CY	\$ 10.00	\$ 4,620.00
6.02	Riprap (Conc)(CL B)	84	CY	\$ 300.00	\$ 25,200.00
6.03	18" R.C.P. (Class III)	870	LF	\$ 50.00	\$ 43,500.00
6.04	18" S.E.T.	76	EA	\$ 1,000.00	\$ 76,000.00
	Subtotal Drainage Improvements				\$ 149,320.00
	Contingency (20%)				\$ 29,870.00
	Total Drainage Improvements				\$ 179,190.00
	 TOTAL CONSTRUCTION COST				 \$ 2,130,090.37
	 Project Development Services				
	Engineering				\$ 181,060.00
	Topographic Survey				\$ 38,350.00
	Construction Staking				\$ 23,010.00
	Resident Project Representative				\$ 144,000.00
	Geotechnical Investigation and Material Testing				\$ 40,000.00
	Environmental Investigation				\$ 30,000.00
	 TOTAL DEVELOPMENT COST				 \$ 456,420.00
	 TOTAL CONSTRUCTION COST				 \$ 2,586,510.37

WALKER PARTNERS, L.L.C.
Preliminary Engineer's Opinion of Probable Cost - Overall Summary
TRAVIS COUNTY, TEXAS
BAR K RANCH ROAD
November 22, 2016

	Item	Description	Amount
PROJECT CONSTRUCTION COSTS *	1.0	GENERAL CONDITIONS	\$ 282,198.00
	2.0	ROADWAY	\$ 2,239,520.00
	3.0	STRIPING	\$ 40,680.00
	4.0	TRAFFIC CONTROL & CONSTRUCTION SEQUENCING	\$ 276,000.00
	5.0	EROSION CONTROL	\$ 200,760.00
	6.0	DRAINAGE	\$ 228,400.00
<i>TOTAL CONSTRUCTION COST</i>			<i>\$ 3,267,558.00</i>
PROJECT DEVELOPMENT COSTS		Engineering	\$ 277,750.00
		Topographic Survey	\$ 83,700.00
		Construction Staking	\$ 50,220.00
		Resident Project Representative	\$ 144,000.00
		Geotechnical Investigation and Material Testing	\$ 40,000.00
		Environmental Investigation	\$ 30,000.00
<i>TOTAL DEVELOPMENT COST</i>			<i>\$ 625,670.00</i>
<i>TOTAL PROJECT COST</i>			<i>\$ 3,893,228.00</i>

* All categories within project construction costs contain a 20% contingency

WALKER PARTNERS, L.L.C.
Preliminary Engineer's Opinion of Probable Cost
TRAVIS COUNTY, TEXAS
BAR K RANCH ROAD
November 22, 2016

Item	Description	Quantity	Unit	Unit Price	Amount
1.00	General Conditions				
1.01	Mobilization	1	LS	\$ 201,700.00	\$ 201,700.00
1.02	Prep ROW	17	STA	\$ 1,700.00	\$ 28,458.00
1.03	Stormwater Pollution Prevention Plan	1	LS	\$ 5,000.00	\$ 5,000.00
	Subtotal General Conditions				\$ 235,158.00
	Contingency (20%)				\$ 47,040.00
	Total General Conditions				\$ 282,198.00
2.00	Roadway Improvements				
2.01	Removing Stab Base and Asph Pav (0-16")	40,920	SY	\$ 5.00	\$ 204,600.00
2.02	Shape and Compact Additional Base Material	6,820	CY	\$ 10.00	\$ 68,200.00
2.03	2" H.M.A.C. (Crushed "D"), Including Prime Coat & Tack Coat	4,501	TON	\$ 105.00	\$ 472,630.00
2.04	8" Flexible Base	27,416	SY	\$ 20.00	\$ 548,330.00
2.05	Ribbon Curb	33,480	LF	\$ 12.50	\$ 418,500.00
2.06	Driveway Repair	46	EA	\$ 3,000.00	\$ 138,000.00
2.07	Mailbox Install (Single)	40	EA	\$ 400.00	\$ 16,000.00
	Subtotal Roadway Improvements				\$ 1,866,260.00
	Contingency (20%)				\$ 373,260.00
	Total Roadway Improvements				\$ 2,239,520.00
3.00	Striping Improvements				
3.01	Pvmt Markings (Permanent)(4")	66,960	LF	\$ 0.50	\$ 33,480.00
3.02	Rais Pav Mrkr Cl B (Refl) TY A-A	420	EA	\$ 1.00	\$ 420.00
	Subtotal Striping Improvements				\$ 33,900.00
	Contingency (20%)				\$ 6,780.00
	Total Striping Improvements				\$ 40,680.00
4.00	Traffic Control & Construction Sequencing				
4.01	Barricades, Signs and Traf Handle	23	MO	\$ 10,000.00	\$ 230,000.00
	Subtotal Traffic Control				\$ 230,000.00
	Contingency (20%)				\$ 46,000.00
	Total Traffic Control				\$ 276,000.00
5.00	Erosion Control				
5.01	Stormwater Pollution Prevention Plan Implementation (Including rock filter dams, silt fence, etc.	1	LS	\$ 75,000.00	\$ 75,000.00
5.02	Seeding	37,200	SY	\$ 1.00	\$ 37,200.00
5.03	Soil Retention Blanket	27,528	SY	\$ 2.00	\$ 55,100.00
	Subtotal Erosion Control				\$ 167,300.00
	Contingency (20%)				\$ 33,460.00
	Total Erosion Control				\$ 200,760.00

Item	Description	Quantity	Unit	Unit Price	Amount
6.00	Drainage Improvements				
6.01	Unclassified Channel Excavation (assumed 2' deep)	863	CY	\$ 10.00	\$ 8,630.00
6.02	Riprap (Conc)(CL B)	157	CY	\$ 300.00	\$ 47,100.00
6.03	18" R.C.P. (Class III)	852	LF	\$ 50.00	\$ 42,600.00
6.04	18" S.E.T.	92	EA	\$ 1,000.00	\$ 92,000.00
Subtotal Drainage Improvements					\$ 190,330.00
Contingency (20%)					\$ 38,070.00
Total Drainage Improvements					\$ 228,400.00
 TOTAL CONSTRUCTION COST					 \$ 3,267,558.00
Project Development Services					
Engineering					\$ 277,750.00
Topographic Survey					\$ 83,700.00
Construction Staking					\$ 50,220.00
Resident Project Representative					\$ 144,000.00
Geotechnical Investigation and Material Testing					\$ 40,000.00
Environmental Investigation					\$ 30,000.00
 TOTAL DEVELOPMENT COST					 \$ 625,670.00
 TOTAL CONSTRUCTION COST					 \$ 3,893,228.00

Work Year	Branch ID	Section ID	Cost	Avg PCI Before	Avg PCI After	Work Type
2018	CONSTIDR	Colum-Croc	\$176.65	65.46	66.17	Global: Slurry Seal
2018	OAKDALE	RkTer-High	\$178.18	81.88	82.67	Preventive: Crack Seal
2018	BOONE	High-Captl	\$14,888.18	53.23	53.23	Stopgap: Patching - AC Shallow
2018	DAWNDR	End-Lkshre	\$32,545.57	36.34	36.34	Stopgap: Patching - AC Shallow
2018	DODGE	End-Bronco	\$32,946.28	38.22	38.22	Stopgap: Patching - AC Shallow
2018	HIGHLANDNE	Emer-Alleg	\$140,537.84	33.34	33.34	Stopgap: Patching - AC Shallow
2018	HIGHLANDNW	Eisen-Emer	\$50,054.21	35.34	35.34	Stopgap: Patching - AC Shallow
2018	HIGHLANDSW	SntRo-Amer	\$104,532.34	31.34	31.34	Stopgap: Patching - AC Shallow
2018	PASEODEVAC	FawnRg-Ced	\$95,852.84	37.34	37.34	Stopgap: Patching - AC Shallow
2018	RIDGEVWRD	RdgVw-WhOk	\$28,258.87	38.34	38.34	Stopgap: Patching - AC Shallow
			\$499,970.96			
2019	DAWNDR	Cam-Lynn	\$818.68	91.92	91.92	Preventive: Crack Seal
2019	MACARTHUR	Jeff-Magel	\$223.43	92.07	93.24	Preventive: Crack Seal
2019	OAKDALE	RkTer-High	\$178.25	78.25	78.89	Preventive: Crack Seal
2019	ARROWHDPT	LkFnt-RmRk	\$28,219.87	50.91	50.91	Stopgap: Patching - AC Shallow
2019	BLUEJAY	Azre-Cryst	\$62,190.34	52.13	52.13	Stopgap: Patching - AC Shallow
2019	BOONE	High-Captl	\$14,888.18	52.28	52.28	Stopgap: Patching - AC Shallow
2019	CONTINENTA	Corn-Const	\$244,202.72	50.89	50.89	Stopgap: Patching - AC Shallow
2019	JACKSON	Hook-Henry	\$23,836.71	52.24	52.24	Stopgap: Patching - AC Shallow
2019	PATRIOT	Redb-Redb	\$57,763.93	52.13	52.13	Stopgap: Patching - AC Shallow
2019	PEACEMAKER	Dodge-Pias	\$66,908.53	52.19	52.19	Stopgap: Patching - AC Shallow
			\$499,230.65			
2020	DAWNDR	Cam-Lynn	\$818.68	85.22	85.22	Preventive: Crack Seal
2020	OAKDALE	RkTer-High	\$178.25	75.32	75.83	Preventive: Crack Seal
2020	HANCOCKS	Grant-Gree	\$30,040.37	45.32	45.32	Stopgap: Patching - AC Shallow
2020	HENRY	Hrdg-Jcksn	\$28,251.38	46.51	46.51	Stopgap: Patching - AC Shallow
2020	MACARTHUR	MayFl-Monr	\$27,245.80	46.51	46.51	Stopgap: Patching - AC Shallow
2020	MOUNTLRLRD	High-MtLDr	\$33,900.37	46.53	46.53	Stopgap: Patching - AC Shallow
2020	PATRIOT	Redbd-Trum	\$152,479.96	45.20	45.20	Stopgap: Patching - AC Shallow
2020	THUNDERBIR	OtPst-OkRg	\$226,260.44	45.47	45.47	Stopgap: Patching - AC Shallow
			\$499,175.25			
2021	OAKDALE	RkTer-High	\$213.90	73.00	84.74	Preventive: Patching - AC Leveling
2021	RIDGEVWRD	SpOk-Lohma	\$5,355.74	61.55	61.55	Preventive: Patching - AC Leveling
2021	COYOTETR	Cowpk-BarK	\$32,224.50	43.93	43.93	Stopgap: Patching - AC Shallow
2021	HANCOCKS	Grant-Gree	\$30,040.37	44.00	44.00	Stopgap: Patching - AC Shallow
2021	MOCKINGBRD	Heath-Fawn	\$22,354.18	43.91	43.91	Stopgap: Patching - AC Shallow
2021	MOUNTVERNO	Boggy-Morg	\$66,413.79	42.98	42.98	Stopgap: Patching - AC Shallow
2021	OUTPOSTTR	Sunst-Must	\$227,607.28	43.12	43.12	Stopgap: Patching - AC Shallow
2021	POKEALONG	Deer-Park	\$110,664.49	43.03	43.03	Stopgap: Patching - AC Shallow
2021	SANTAMONIC	SntA-Water	\$4,543.91	41.58	41.58	Stopgap: Patching - AC Shallow
			\$499,418.18			
2022	ALLEGIANCE	Boggy-Hami	\$64,257.47	39.05	39.05	Stopgap: Patching - AC Shallow
2022	ALLEGIANCE	High-High	\$6,177.73	36.05	36.05	Stopgap: Patching - AC Shallow
2022	BISON	Brnco-BarK	\$207,638.59	38.82	38.82	Stopgap: Patching - AC Shallow
2022	GLENDALE	SBend-Bear	\$28,602.15	38.95	38.95	Stopgap: Patching - AC Shallow
2022	GRANT	Gene-Hanco	\$29,826.24	37.90	37.90	Stopgap: Patching - AC Shallow
2022	HIGHLANDSW	Hanc-Hanc	\$2,639.59	63.56	63.56	Preventive: Patching - AC Leveling
2022	MACARTHUR	Henry-MayF	\$34,125.13	38.91	38.91	Stopgap: Patching - AC Shallow
2022	MACARTHUR	Boggy-Ross	\$45,004.51	39.92	39.92	Stopgap: Patching - AC Shallow
2022	ROCKWOOD	OtPst-High	\$48,582.47	38.93	38.93	Stopgap: Patching - AC Shallow
2022	YUCCA	Hls-Hls	\$30,104.45	38.93	38.93	Stopgap: Patching - AC Shallow
			\$496,958.32			



AGENDA ITEM

City of Lago Vista

To: **Mayor & City Council** **Council Meeting:** **December 1, 2016**

From: **Gary Graham, Public Works Director**

Subject: **Consideration of Resolution No. 16-1668; A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS DECLARING VARIOUS PROPERTY AND/OR EQUIPMENT TO BE SURPLUS PROPERTY AND AUTHORIZING THE CITY MANAGER TO DISPOSE OF SUCH PROPERTY IN A MANNER WHICH IS BENEFICIAL TO THE CITY OF LAGO VISTA.**

Request: **Consent Agenda** **Legal Document:** **Resolution** **Legal Review:**

EXECUTIVE SUMMARY:
Request to dispose of surplus equipment. The equipment on the attached list is not used and/or is not usable. We are requesting City Council declare the listed equipment surplus so that we can sell or otherwise dispose of it. This item is routine, every year or so equipment we must dispose of equipment that has been replaced with new.

Impact if Approved:

We will have the listed equipment sold for us.

Impact if Denied:

The equipment will continue to occupy valuable space we need in the public works yard.

Is Funding Required? Yes No **If Yes, Is it Budgeted?** Yes No N/A

Indicate Funding Source:

The small amount of money this sale will realize will be put in the City's reserve account.

Suggested Motion/Recommendation/Action

Motion to:

Approve Item

Motion to:

Motion to:

Known As:

Agenda Item Approved by City Manager

CITY OF LAGO VISTA, TEXAS

RESOLUTION NO 16-1668

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS DECLARING VARIOUS PROPERTY AND/OR EQUIPMENT TO BE SURPLUS PROPERTY AND AUTHORIZING THE CITY MANAGER TO DISPOSE OF SUCH PROPERTY IN A MANNER WHICH IS BENEFICIAL TO THE CITY OF LAGO VISTA.

WHEREAS, the City of Lago Vista, Texas owns several pieces of City property and/or equipment which have been replaced, are obsolete or are not currently used by the City, and

WHEREAS, such property and/or equipment have no or limited value to the City, and

WHEREAS, storage space for such property and/or equipment is extremely limited, and

WHEREAS, appropriate City staff members have evaluated the need for and the value to the City of each piece of property and/or equipment and have recommended disposal of the items,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS:

THAT, the City Council of the City of Lago Vista, Texas declares the following item to be surplus property and authorizes the City Manager to dispose of the property in a manner which is beneficial to the City of Lago Vista.

- (1) 1992 Case Tractor Model 380B, Serial # 8625 - Street Department
- (1) 1980 LeRoi Air Compressor, Serial # X503 – Utility Department
- (1) 1999 Ford F250 ¾ Ton Truck, Serial # 9644 - Utility Department
- (1) 2001 Ford F350 1 Ton Dump Truck, Serial #8686- Street Department
- (1) 2002 Chevrolet C2500, Serial # 6594 - Street Department
- (1) 2002 Ford F250 Truck, Serial # 2663 – Utility Department
- (1) 2005 Ford F250 Truck, Serial # 0566 – Utility Department
- (1) 2007 Chevrolet C2500, Serial # 6036 – Street Department
- (1) 2007 Chevrolet C6500 Dump Truck, Serial # 1142 – Utility Department
- (1) 2015 New 3 Phase Electrical Heater – WTP3
- (1) 2005 Spanco “A” Series Gantry Crane - WWTP

AND, IT IS SO RESOLVED. PASSED AND APPROVED this 1st day of December, 2016

ATTEST:

Dale Mitchell, Mayor

Sandra Barton, City Secretary

On a motion by Councilman _____, seconded by Councilman _____, the above and foregoing instrument was passed and approved.

ITEM	TML ID #	CoLV #	YEAR	MAKE	TYPE or LICENSE PLATE	SERIAL NUMBER	MODEL	DEPARTMENT	VALUE
1	5	N/A	1992	Case	Tractor	8625	Model 380B	Street	\$8,000
2	15	N/A	1980	Le Roi	Air Compressor	X503	Air Compressor	Utility	\$3,000
3	36	2	1999	Ford	762-781	9644	F250 3/4 Ton	Utility	\$7,120
4	44	14	2001	Ford	223-821	8686	F350 1 Ton Dump Truck	Street	\$10,039
5	48	3001	2002	Chevrolet	831-467	6594	C2500	Street	\$7,439
6	50	7010	2002	Ford	223-822	2663	F250	Utility	\$7,728
7	57	6010	2005	Ford	885-967	0566	F250	Utility	\$6,280
8	69	3003	2007	Chevrolet	100-0786	6036	C2500	Street	\$12,693
9	63	6015	2007	Chevrolet	100-0082	1142	C6500 Dump Truck	Utility	\$40,304
10	N/A	N/A	2015	Unknown	Wall Unit	Unknown	New 3 Phase Electrical Heater	WTP3	\$2,500
11	N/A	N/A	2005	Spanco	"A" Series Gantry Crane	Unknown	2 Ton Adjustable Height (12')	WWTP	\$4,000



AGENDA ITEM

City of Lago Vista

To: **Mayor & City Council** Council Meeting: **December 1, 2016**

From: **Melissa Byrne Vossmer, City Manager**

Subject: **DISCUSSION ON APPOINTED BOARDS, COMMISSIONS, COMMITTEES/
COUNCIL LIAISON ASSIGNMENTS**

Request: **Other** Legal Document: **Other** Legal Review:

EXECUTIVE SUMMARY:

Attachments:

1. Board/Committee/Commission Matrix as outlined in the City's Code of Ordinances.

The matrix includes individual boards and committees, duties and responsibilities, meeting dates and times, assigned City Council Liaisons, and the department heads/ staff members responsible for overseeing and posting vacancies. At this time we are going to discuss potential liaisons to be appointed to each board, committee, or commission.

2. List of City appointed boards/commissions/committees members, their term expiration dates and City Council Liaisons.

3. Copy of the new procedure to fill appointed board and committee vacancies that was approved by the City Council at the November 3, 2016 meeting. The following details have been provided on an information basis only.

Currently, there is a vacancy on the following appointed boards and

committees: Impact Fee Advisory Board, Planning & Zoning Commission and

Veteran's Memorial Advisory Committee

Impact if Approved:

Committees, boards and commissions will benefit by having input from their City Council Liaisons before voting on issues and making proposals to the Council. The Council will benefit from the liaison's being able to hear and participate in committee/board/commission meeting discussions.

Impact if Denied:

The City Council will hear comments and recommendations from committees, boards and commissions without the benefit of knowing more discussion details.

Is Funding Required? Yes No **If Yes, Is it Budgeted?** Yes No N/A

Indicate Funding Source:

Not applicable.

Suggested Motion/Recommendation/Action

Motion to:

Approve Item

Motion to:

Deny Item

Motion to:

Table Item

Known As:

Assignment of Council Liaisons

Agenda Item Approved by City Manager

**BOARDS/COMMISSIONS/COMMITTEES
CITY OF LAGO VISTA**

BOARD OF ADJUSTMENT

(meets 1st Monday of every month @ 3:00 p.m.)

Kurt Tessnow (Reg. Place 2)	January 1, 2018
Bill Selph (512)589-5176) Reg. Place 5	January 1, 2017
Michael Gray (512-784-7575) (Chair) Reg. Place 4	January 1, 2018
Bob Graff (512-276-2963) Reg. Place 1	January 1, 2017
Jim Speckmann (512-267-0076) Reg. Place 3	January 1, 2017
John Shroeder Alt.	January 1, 2018
VACANT Alt.	January 1, 2018

City Council Liaison – Ed Tidwell

TERM EXPIRES

PLANNING AND ZONING COMMISSION

(meets 2nd Thursday of every month @ 7:00 p.m.)

Tara Griffin, Chairperson (512-659-1074)	January 1, 2018
Vernon Reher (vernon@casawatchers.com) 512-917-5759	January 1, 2017
Gary Zaleski (512-267-5430)	January 1, 2018
Paul Smith (512-267-7665)	January 1, 2018
Jim Moss (512-267-1801)	January 1, 2018
Richard Brown (512-296-2618)	January 1, 2017
Andy White (awhite.pandz@gmail.com) 830-832-3691	January 1, 2017

City Council Liaison –

BUILDING COMMITTEE

(meets as needed)

Vernon Reher (vernon@casawatchers.com)	January 1, 2017
David Broker Reg	January 1, 2017
Jacob Lance Reg.	January 1, 2018
Kurt Tessnow Reg.	January 1, 2017
Mike Beal Reg.	January 1, 2018
Hugh Scott Cameron Reg.	January 1, 2018
Jim Cason Alt.	January 1, 2017

City Council Liaison – Ed Tidwell

AIRPORT ADVISORY BOARD

(meets last Wednesday of odd months 7:00 p.m.)

Don Barthlow, Chairperson (512-633-6877) Reg.	January 1, 2017
Baron Carter (512-267-0286) Reg.	January 1, 2018
Kris Dehnel (512-554-3383) Secretary	January 1, 2018
Linda Bush (818-899-5974) Reg.	January 1, 2018
Michael Huroskey (512-267-3493) Regular	January 1, 2017
W. Andrew Pennington Alt.	January 1, 2018
Kurt Tessnow Alt.	January 1, 2017

City Council Liaison – Kevin Sullivan

LIBRARY ADVISORY BOARD

(meets once every quarter)

Peggy Gibson (512-267-3663)	January, 2017
Michael Zaydel (mzaydel1@austin.rr.com)	January, 2017
Sharon Macut (sharonmacut@gmail.com)Chair	January, 2017
Dan Olson (512-267-2374) Vice Chair	January, 2018
Gerald Evans (512-267-0979)	January, 2018
Sheryl Speckmann (512-267-0076)	January, 2018
Trisha Upchurch	January, 2018
<i>City Council Liaison – Kevin Sullivan</i>	

PARKS & RECREATION ADVISORY COMMITTEE

(Meets 2nd Wednesday of each month)

Sheryl Speckmann – Chair, (sherylspeckmann424@gmail.com)	January 1, 2017
Michael Panter – (mcgyversolutions@gmail.com)	January 1, 2018
Hubbard Helm – (hhelm@austin.rr.com)	January 1, 2017
David White – (tpa_dwhite@att.net)	January 1, 2018
Ross Dewhurst – (rossdewhurst@yahoo.com)	January 1, 2017
Carolina Hale – (haleprac@gmail.com)	January 1, 2018
Travis Wilhow – (wilhowwa@sbcglobal.net)net	January 1, 2017
<i>City Council Liaison – Suzanne Bland</i>	

VETERAN’S MONUMENT ADVISORY COMMITTEE

(Meets as needed)

Richard “Dick” Bohn – Chair (dbohn1@austin.rr.com)	December 31, 2016
Michael Gray – (mike@grayandassociates.com)	December 31, 2016
Michael LaPlant – (c135fe@yahoo.com)	December 31, 2016
Michael Schneider – (gpar5@yahoo.com)	December 31, 2017
Jim Speckmann – (jspeckmann@earthlink.net)	December 31, 2017
Janet Sue Thompson – (suethompson@austin.rr.com)	December 31, 2017
Jimmy Thornton – (jdwjthorn@gmail.com)	December 31, 2017

Board/Committee Commission	Duties	Meeting Date/Time	Council Liason	Staff Assigned
Airport Advisory Board	Identify needs and to advise the City Council of their short-range and long-range implications for the total development of the Airport; recommend achievable goals as a basis for long-range planning and development programs of the Airport; and recommend plans, programs, policies and priorities that will aid the airport in achieving its defined goals.	Last Wednesday of odd months at 7:00 PM	Kevin Sullivan	David Harrell
Board of Adjustment	The Board shall operate within the scope and responsibilities identified in the Texas Local Government Code and comply with the specific duties and procedures as outlined in this article, the Building Code and Zoning Chapter of this code. The Board is charged with the responsibility to either approve, alter or deny requests made by a property owner for a variance to provisions of the existing Municipal Zoning Ordinance or appeals of a decision by a municipal authority concerning the building code and the zoning ordinance. Such applications to the Board can be made by property owners or other persons having proper authority to administer owner rights for the properties in question. The Board must concern itself only with the proper administration of the Building Code and Zoning Ordinance in accordance with pertinent provisions of the Texas Local Government Code. The Board shall act as the Airport Board of Adjustment in accordance with Tex. Local Govt. Code, Ann., section 241. It shall have the powers and responsibilities as allowed under this section.	1st Monday - As needed at 3:00 PM	Ed Tidwell	David Harrell
Building Committee	The Building Committee will have overall authority and responsibility to monitor, review and make recommendations to the City Council concerning building, flood damage prevention, unsafe building, and sign construction standards, processes, and ordinances. The Building Committee may also make recommendations to the City Council concerning aesthetic guidelines or standards.	As Needed	Ed Tidwell	David Harrell
Charter Review Committee	The Committee shall inquire into the operations of the City government as related to the Charter and review the Charter to determine if amendments should be recommended. Public hearings may be held and the Committee shall have the power to compel the attendance of City officers or employees and may require the submission of the City records necessary to review. The Charter Review Committee shall make a written report of its findings and recommendations to the Council, including any proposed amendments.	1st Monday		Vacant
Keep Lago Vista Beautiful	The Board shall recommend policies related to community improvement with a focus in the areas of beautification, litter prevention, recycling and waste reduction. The Board shall also develop, promote and implement programs in accordance with Keep Texas Beautiful guidelines and initiatives.	2nd Thursday each month at 3:00 PM	Stephanie Smith	James LeBlanc

Board/Committee Commission	Duties	Meeting Date/Time	Council Liason	Staff Assigned
Library Advisory Board	The Board shall serve in the capacity of a citizen’s advisory committee to the City Council regarding matters of library policy; The Board may promote the library’s programs and services in the City and the surrounding community; The Board may not authorize any expenditures out of the City budget; hire, appoint or terminate staff; interfere in administrative or personnel affairs; nor create any other obligation on the part of the City.	Once every Quarter at 9:00 AM	Kevin Sullivan	Jan Steele
Park & Recreation Committee	With the permission of the City Manager or his/her designee, members of the Committee may inspect property and premises at reasonable hours where required in the discharge of its responsibilities under the laws of the state and of the city. Formulate and recommend to the city council for its adoption a comprehensive plan for the orderly development of the parks and park-related facilities within the city and its environs, and from time to time recommend such changes in the plan as it finds will facilitate the development of park and park-related facilities within the city. Formulate a plan as may be deemed best to carry out the goals of the comprehensive master plan for park facilities; hold public hearings and make recommendations to the city council relating to the addition, modification or acquisition of parkland or park facilities. Exercise all the powers of a committee as to recommend to the city council the approval or disapproval of proposals submitted to the committee for consideration. Study and recommend on the location, extension and planning of parks or park-related facilities and on the vacating or closing of same. Keep itself informed with references to the progress on the development of park and park-related facilities within the city. In the course of performing its duties the members of the committee shall take into consideration the availability of existing and future funding for park and park-related facilities and the city’s ability to fund ongoing operation and maintenance expenses for such park facilities. The members of the committee shall refrain from involvement in the day-to-day activities and management of city park and recreation facilities and programs and shall direct all questions and comments in that regard to the city manager or his/her designee. The members of the committee shall refrain from contacting or participating in the discussion of parkland dedication issues with developers, builders and property owners, vendors or their agents who are engaged in negotiations and/or discussions with the city regarding developments, parkland dedications, property acquisition or similarly related matters.	2nd Wednesday each month	Suzanne Bland	Robin Smith

Board/Committee Commission	Duties	Meeting Date/Time	Council Liason	Staff Assigned
Planning & Zoning Commission	Act as an advisory board to the Council with respect to the planning, use and development of land and related matters as provided by ordinance; recommend a Comprehensive Master Plan for land use and the physical development of the City and its extraterritorial jurisdiction; recommend zoning, subdivision and other land use and development ordinances consistent with the master plan; recommend the zoning and rezoning of land, amendments to the zoning map, and the land use and services planning map for the extraterritorial jurisdiction that coincides with the master plan; Study and recommend approval or disapproval of proposed subdivision plats and plans to ensure conformance with subdivision and development ordinances; provided that Council may provide for administrative approval of short form plats; Recommend to the Council changes in the current master plan for the city and its extraterritorial jurisdiction; Recommend to the Council any changes deemed necessary in ordinances regulating the zoning and development of the City or its extraterritorial jurisdiction; Consider capital improvement plans and programs and annexation plans in connection with the comprehensive master plan; The Planning and Zoning Commission is hereby designated as the Airport Zoning Commission under Tex. Local Govt. Code, Ann., section 241; Performs any other planning and development related functions as required by state law or requested by the Council	2nd Thursday each month at 7:00 PM		David Harrell
Veteran's Memorial Advisory Committee		2nd Monday of each month		

COUNCIL LIAISON ASSIGNMENTS

Board/Commission/Committee	Meeting Schedule	Chairperson	Council Liaison
Airport Advisory Board	Last Wednesday of odd months	Don Barthlow	Kevin Sullivan
Board of Adjustment	1st Monday of the month, as needed	To be chosen	Ed Tidwell
Building Committee	As needed	Mike Beal	Ed Tidwell
CAPMetro Study Committee	As needed	Darren Webb	Ed Tidwell
Charter Review Committee	As needed	***	
Impact Fee Advisory Committee	2nd Thursday of March & September	Tara Griffin	
Keep Lago Vista Beautiful Board	2nd Thursday of each month	Frank Robbins	Stephanie Smith
Library Advisory Board	2nd Monday of Jan/Apr/Jul/Oct	Sharon Macut	Kevin Sullivan
Parks & Recreation Advisory Committee	2nd Wednesday each month	Sheryl Speckmann	Suzanne Bland
Planning & Zoning Commission	4th Thursday of each month	Tara Griffin	
Veteran's Memorial Citizen's Advisory Committee	2nd Monday of each month	Richard "Dick" Bohn	

*** Appointed by Council as needed

CITY OF LAGO VISTA, TEXAS

RESOLUTION 16-1664

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS ESTABLISHING A FORMALIZED PROCESS DESIGNATING DEPARTMENT RESPONSIBILITY FOR MONITORING APPOINTED BOARD VACANCIES, MINIMUM ADVERTISING STANDARDS OF BOARD VACANCIES, RETENTION OF APPOINTED BOARD APPLICATIONS BY CITY, STEPS TO FOLLOW WHEN VACANCY OCCURS ON APPOINTED BOARDS.

WHEREAS, the City of Lago Vista does not have an approved process for the items stated above in the header, and

WHEREAS, the City of Lago Vista has had previous issues occur because a formalized process is not in place, and

WHEREAS, this Resolution will establish a formalized process that Council and Staff will follow concerning our appointed boards.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS:

THAT, the City Council does hereby adopt this Resolution with the permanent appointed boards represented and the Department assigned as below, and

Name of Appointed Board	Responsibility
Planning & Zoning Commission	Development Services
Impact Fee Advisory Committee	Development Services
Board of Adjustment	Development Services
Building Committee	Development Services
Airport Advisory Board	Development Services
Parks and Recreation Advisory Committee	Public Works
Library Advisory Board	Library

1. Temporary appointed boards approved by Resolution shall be assigned responsibility by the City Manager.

THAT, the City Council does hereby adopt this Resolution with the following processes concerning any appointed boards:

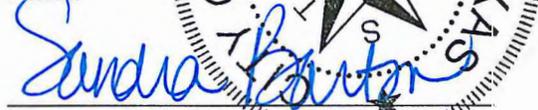
1. Staff within the listed responsibility list will keep track of the individual board member terms and notify when their term is about to expire.
2. When a vacancy occurs the responsible Department shall, no more than a maximum of fourteen (14) calendar days after the vacancy, advertise the vacancy at a minimum with a newspaper of general City-wide circulation, City's website, and City's social media sites. This shall be advertised for a minimum of thirty (30) calendar days.
3. Current appointed board members who are wishing to renew their term shall file an application with the Department responsible for their appointed board.
4. Advertising for the vacancies shall occur in October, the end of advertising shall occur in November, with scheduling in December for Council.

5. All applications shall be submitted through the City Secretary.
6. All applications submitted to the City Secretary shall be retained for a period of one (1) calendar year. If any separate board vacancy occurs within that window, provided the citizens indicates an interest in that specific appointed board, their application shall be considered by the Council.
7. The City Secretary will transfer to the appropriate Department head any applications after the thirty (30) calendar days. After transfer the Department head will prepare the item as necessary to schedule before Council for selection.

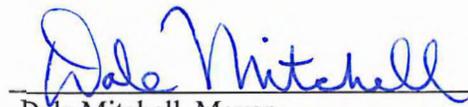
AND, IT IS SO RESOLVED.

PASSED AND APPROVED this 3rd day of November, 2016.

Attest:


Sandra Barton, City Secretary




Dale Mitchell, Mayor

On a motion by Council Member Tidwell, seconded by Council Member Bland, the above and foregoing instrument was passed and approved.

MEETING DATE: December 1, 2016

AGENDA ITEM: Consider schedule and items for future Council meetings.

Comments:

Motion by: _____

Seconded by: _____

Content of Motion: _____

Vote: Tippetts _____; Sullivan _____; Tidwell _____; R. Smith _____;

Mitchell _____; S. Smith _____; Bland _____

Motion Carried: Yes _____; No _____

MEETING DATE: December 1, 2016

AGENDA ITEM: EXECUTIVE SESSION

Comments:

- A. Consultation with legal counsel regarding LVIDS subsequent user fees and questions related to payment thereof.
- B. Consultation with legal counsel regarding Rusty Allen Airport plans and possible revisions thereto.
- C. Consultation with legal counsel regarding Walters Wedding and Real Property issues and questions related to acquisition, sale or lease.
- D. Consultation with legal counsel regarding claims or possible claims or contractual claims or possible claims or charges, and issues and questions related thereto.
- E. Pending or threatened litigation pertaining to Cause No. D-1-GN-16-002483, Brian Atlas v. City of Lago Vista, Travis County 200th District Court.

Motion by: _____

Seconded by: _____

Content of Motion: _____

Vote: Tippetts _____ ; **Sullivan** _____ ; **Tidwell** _____ ; **R. Smith** _____ ;

Mitchell _____ ; **S. Smith** _____ ; **Bland** _____

Motion Carried: Yes _____ ; **No** _____

MEETING DATE: December 1, 2016

AGENDA ITEM: RECONVENE FROM EXECUTIVE SESSION

Comments:

- A. Consultation with legal counsel regarding LVISD subsequent user fees and questions related to payment thereof.
- B. Consultation with legal counsel regarding Rusty Allen Airport plans and possible revisions thereto.
- C. Consultation with legal counsel regarding Walters Wedding and Real Property issues and questions related to acquisition, sale or lease.
- D. Consultation with legal counsel regarding claims or possible claims or contractual claims or possible claims or charges, and issues and questions related thereto.
- E. Pending or threatened litigation pertaining to Cause No. D-1-GN-16-002483, Brian Atlas v. City of Lago Vista, Travis County 200th District Court.

Motion by: _____

Seconded by: _____

Content of Motion: _____

Vote: Tippetts _____; **Sullivan** _____; **Tidwell** _____; **R Smith** _____;

Mitchell _____; **S. Smith** _____; **Bland** _____

Motion Carried: Yes _____; **No** _____