



February 17, 2021

Michael Reso  
City Manager  
City of Diamondhead, MS  
5000 Diamondhead Circle  
Diamondhead, MS 39525

Re: Feasibility study for proposed hotel in Diamondhead, MS

Dear Mr. Reso:

I appreciate your inquiry into our services and propose to provide a feasibility study for development of an upper midscale hotels (Hampton Inn or similar) in Diamondhead, MS.

**Scope of Work and Contract Provisions**

Client:	City of Diamondhead
Intended Users:	City of Diamondhead and interested developers
Intended Use:	To determine the feasibility of developing an upper midscale hotel.
Purpose:	<ul style="list-style-type: none"><li>• Complete a fundamental market analysis including the prospective impact of a proposed hotel.</li><li>• Analyze the site and its suitability for the proposed development.</li><li>• Develop income statements for the first three years of operation or until stabilization, whichever is longer.</li><li>• Estimate value opinion(s) for the proposed hotel and underlying site.</li><li>• Estimate cost of development for the proposed hotel.</li><li>• Compare the cost to construct the hotel with the completed value to determine the feasibility of this project.</li></ul>
Effective Dates:	Market value "as is" (site value) Prospective value "at completion" Prospective value "at stabilization"
Valuation Approach(es):	Income Capitalization Cost

Franchise Assumption: TBD – (Hilton, Marriott or IHG affiliation)

Management Assumption: To be determined

Other Considerations: More detail on the site and proposed property will be provided by the client upon acceptance of the assignment.

License: I have the appropriate license.

Delivery: 30 days from engagement.

Fee: \$6,950 + the cost of any STR Reports we must order. This report cost \$550 if we are unable to find a relevant one locally.

Payment: Due at the time of engagement

Format: A digital PDF copy.

#### **Information Needed to Complete the Assignment**

Additional items will be required and will be requested during the course of this assignment.

#### **Lender's Selection of Appraiser**

Please note that most lenders prefer to select the appraiser and may not accept the appraisal report unless the appraiser is engaged directly by the lender. Before accepting this proposal or providing any information, you should make this determination. The appraisal report cannot be "re-addressed" after it has been completed.

**Conclusion**

If these terms meet with your approval, please initial by the selected option and sign below.

  
\_\_\_\_\_  
Michael Reso

3-4-21  
\_\_\_\_\_  
Date

  
\_\_\_\_\_

2/17/2021  
\_\_\_\_\_

Adam Russell Cowart, MAI  
Certified General Real Property Appraiser  
(205) 382-0616  
adam@coreha.com

\_\_\_\_\_  
Date

Core Hospitality Advisors, LLP  
4 Office Park Circle  
Suite 304  
Birmingham, AL 35223

## **GENERAL ASSUMPTIONS & LIMITING CONDITIONS**

1. Title to the appraised property interest is good and marketable.
2. The appraised property interest is free and clear of all liens or encumbrances unless stated in the report.
3. The subject property is appraised as a going-concern, an open and operating business.
4. The subject property will be operated by competent management under the direction of experienced ownership.
5. There are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less value if known.
6. The subject property is in full compliance with all applicable federal, state, and local regulations, laws, ordinances, and similar requirements.
7. All necessary licenses, certificates, permits, consents, and authorizations are in place and can be renewed without unusual conditions.
8. The subject improvements are confined within the boundaries of the subject property and no encroachment or trespass exists.
9. There are no encroachments or trespass from adjacent properties onto the subject property.
10. There are no easements, restrictions, or other limitations on the use of the subject property that are not evident from inspection or shown on documents provided by the client.
11. There are no hazardous substances, materials, or conditions on the subject property or in such proximity to the subject property that its marketability would be affected.
12. The subject property is in full compliance with all applicable provisions of the American with Disabilities Act (ADA).
13. The subject property is in full compliance with all applicable life/safety requirements.
14. All areas of the improvements and the furniture, fixtures, and equipment (FF&E) that were not physically inspected are assumed to be equal in physical condition, décor, finish, quantity, and suitability as the areas that were inspected. The purpose of the appraiser's inspection is to identify marketable attributes, physical condition, functional utility, and the adaptability of the subject property; it is not intended as a determination of the physical or structural condition or compliance with any legal requirements.

15. All data and information compiled and considered in developing this appraisal are assumed to be correct, but are not guaranteed.
16. Financial forecasts are developed to simulate the analysis process of market participants and are not guaranteed future occurrences.
17. There are no delinquent property taxes or assessments of any type.

Form

**W-9**(Rev. October 2018)  
Department of the Treasury  
Internal Revenue Service**Request for Taxpayer  
Identification Number and Certification**► Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.Give Form to the  
requester. Do not  
send to the IRS.Print or type.  
See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

**Core Hospitality Advisors, LLP**

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate☒ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► **P**  
**Note:** Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.☐ Other (see instructions) ►

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) \_\_\_\_\_

Exemption from FATCA reporting code (if any) \_\_\_\_\_

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

**4 Office Park Circle, Suite 304**

6 City, state, and ZIP code

**Birmingham, AL 35209**

7 List account number(s) here (optional)

Requester's name and address (optional)

**Part I Taxpayer Identification Number (TIN)**Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

				-			-				
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or

Employer identification number

8	1	-	0	9	7	5	4	2	0
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**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.**Sign  
Here**Signature of  
U.S. person ►

Date ►

**2/14/2020****General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).**Purpose of Form**

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
  - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
  - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
  - Form 1099-S (proceeds from real estate transactions)
  - Form 1099-K (merchant card and third party network transactions)
  - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
  - Form 1099-C (canceled debt)
  - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.*



# REQUISITION

Requisition #: R-04039

Date: 03/05/2021

Vendor #: 1964

**ISSUED TO:** CORE HOSPITALITY ADVISORS LLP  
4 OFFICE PARK CIRCLE  
SUITE 304  
BIRMINGHAM, AL 35209-

**SHIP TO:** City of Diamondhead  
5000 Diamondhead Circle  
Diamondhead, MS 39525

ITEM	UNITS DESCRIPTION	ITEM #	PRICE GL ACCOUNT NUMBER	AMOUNT
1	0 FEASIBILITY STUDY FOR PROPOSED HOTEL		0.00 001-653-601.00	6,950.00
<div>QU 31521</div>				
Detailed Description:				

Authorized By: \_\_\_\_\_

SUBTOTAL:	6,950.00
TOTAL TAX:	0.00
SHIPPING:	0.00
<b>TOTAL</b>	<b>6,950.00</b>