

MONTHLY REPORT

AUGUST 15 - SEPTEMBER 11, 2025

PREPARED BY:
Kaylee Paffrath



TAKE A LOOK INSIDE

Executive Summary

Business Attraction, Retention and Expansion

Marketing & Outreach

Workforce Development & Entrepreneurship

Community Development

Regional & State Engagement

Economic Development Projects

Getro Job Board

Patek Hotel Feasibility Study

Assessment Report for Moberly Area Industrial Park



Patek Hospitality Consultants, Inc.
207 S.27841 Walnut Grove Court
Sumner, Wisconsin 53089
(262) 588-0445

August 12, 2025

Ms. Kaylee Paffrath, MBA
President/CEO
Vice President of Missouri Northeast
MAEDC
115 N. Williams
Moberly, Missouri 65270

Dear Ms. Paffrath:

In accordance with our agreement, Patek Hospitality Consultants, Inc. has completed a study of potential market demand and prepared a Statement of Estimated Annual Operating Results for development of a 70-room limited-service hotel in Moberly, Missouri.

As in all studies of this type, the estimated results are based upon competent and efficient management and an effective marketing program and presume no significant change in the competitive position of the hotel industry from that set forth in this report. We have no responsibility to update this report for events and circumstances occurring after completion of our fieldwork and research conducted in June 2025. These projections are based upon estimates, assumptions and other information developed from our research and we do not warrant that they will be attained. We did not consider the legal and regulatory requirements applicable to this project, including zoning, permits, licenses and other state and local government regulations.

This report has been prepared for your use and guidance. In determining whether to pursue development of the proposed hotel, what incentives may need to be considered by the City of Moberly, and for investment purposes. The report is also available for use by developers, hotel companies, management companies, and lending institutions/investors. Neither our name nor the material submitted may be used in any prospectus or used in offerings or representations in connection with the sale of securities or participation interests without our express written permission.

It has been over five years since the start of the Covid-19 pandemic, which had a devastating impact on the hospitality industry. Some of the trends that have continued to challenge the hotel industry are described below, as well as more recent challenges that could have an impact on hotel development. We do believe that a hotel could be supported in Moberly by capturing not only local demand but that demand from throughout Randolph County and possibly

EXECUTIVE SUMMARY

Greetings!

September is bringing strong momentum for Moberly and Randolph County. From statewide engagement at the Governor's Conference to local project wins and community celebrations, our work continues to build visibility, attract investment, and strengthen our partnerships.

We are also beginning the groundwork for 2026; outlining priorities, starting the budget process, and continuing to pursue opportunities that will position the Moberly area for long-term growth.

Save the Date – 2025 Investors Club Luncheon

Thursday, November 6 at 11:30 AM

 The Biermann, Moberly

I hope you'll join us to celebrate progress, recognize our partners, and look ahead to what's next.

At the end of this packet, you will also find two important resources: the completed Hotel Feasibility Study prepared by Patek Hospitality and the final assessment report for the Moberly Area Industrial Park from the Raise the Bar – Assess site visit held in January 2025. Both documents provide valuable insights that will help guide our future strategies and decision-making.

Together, we are shaping the future of Moberly and Randolph County. Thank you for your continued support and partnership.

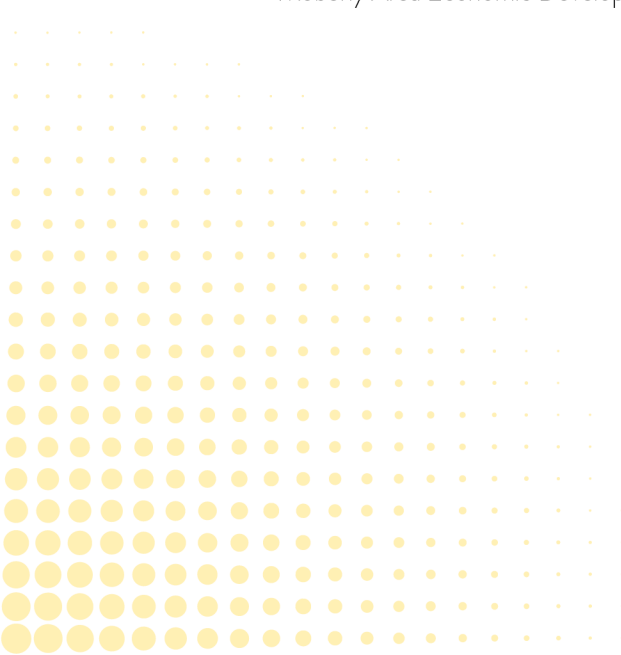
Sincerely,



Kaylee J. Paffrath, MBA, MoCED

President/CEO

Moberly Area Economic Development Corporation



BUSINESS ATTRACTION, RETENTION & EXPANSION

- Discussions with hotel brands and Select developers, follow-up with Marriott.
- Project Glinda – Chapter 100 presented to City Council.
- Raise the Bar – Assess report check-in call.
- MoEX Strategic Doing Grant Agreement executed.
- Ongoing labor demand study for Missouri Northeast– survey review.
- Engagement with Nexus/Ozark Nexus initiatives.
- Discussions and planning with DCI Marketing.
- Damotech press release distributed.

MARKETING & OUTREACH

- Filming underway for the Moberly Promotional Video as part of Raise the Bar – Assess.
- Radio interview with Alpha Media held 9/8/2025.
- Continued budget planning for 2026 with marketing MOUs.
- Meeting with CGI Digital and Community Foundation of Central Missouri.
- Initial planning for the 2026 Community Profile.
- Faith Bridge Low Country Boil fundraiser participation.

WORKFORCE DEVELOPMENT & ENTREPRENEURSHIP

- Letter of support submitted for MU Excels Career Accelerator Grant.
- SBDC Office Hours hosted August 21.
- MONE Leadership and Executive Committee meetings.
- Planning underway for February 2026 Professional Development Day at Moberly Public Schools.
- NE Region Workforce discussions scheduled for late September.

COMMUNITY DEVELOPMENT

- Ribbon Cutting – Moberly Kiwanis Park.
- Randolph County Health Department meeting.
- Chamber/EDC monthly meeting participation.
- Community Daycare and Learning Center Board meeting.
- MAEDC Building project discussions.
- Presentation to Randolph County Pachyderms.

REGIONAL & STATE ENGAGEMENT

- Attended MEDC Governor’s Conference on Economic Development in Branson.
- Joined MEDC Communications Committee.
- Attended NE/NW Economic Development Annual Meeting in Marceline.
- NREDA Webinar: “Revitalizing Rural America: Empowering Downtown Entrepreneurs.”
- Lunch with Dr. Lashley.
- CVN – Minneapolis meeting.

Economic Development Projects

RFIs & LEADS

- Project Paper Trail – Lead received from MoPar on 8/11/25. Submitted MAIP and Corptech.

WON PROJECTS

- **Project Big Mac II** – Final amendment docs received. Press release scheduled and released on Sept. 10, 2025.
 - Investment: \$1,000,000 | Jobs: 50
- **Project Blue Jay** – Signed offer letter in place; company is monitoring potential tariff impacts before proceeding. Awaiting PIR.
 - Investment: \$1,282,000 | Jobs: 9
- **Project Diamond** – Negotiations continue; company prefers an MOU over development agreement.
 - Investment: \$50,000,000 | Jobs: 10
- **Project Glinda** – Signed offer letter received; IFA funds received 8/4. G&B preparing Chapter 100 Bonds. Presented to City Council in August; work session on 8/18. City council meeting to approve inducement resolution 9/8/25.
 - Investment: \$37,814,600 | Jobs: 31
- **Project Moberly Strip (Retail)** – AT&T confirmed lease of space (update from 8/11).
 - Investment: TBD | Jobs: TBD
- **Project Peridot** – Still working on E-Verify MOU and state incentive documentation. Local support in place; announcement planning underway.
 - Investment: \$200,000 | Jobs: 40
- **Project Table Rock** – Developer accepted offer; working on 2025 circuit mileage data and ESRI shapefiles.
 - Investment: \$15,860,000 | Jobs: 10
- **Raise the Bar – Assess** – Final report received 8/4.
- **Raise the Bar – Compete** – Site visit hosted July 14; awaiting final report.

ACTIVE/LEAD PROJECTS

- **Project Spyros** – Verbal agreement reached on land purchase; company preparing MoDOT Cost Share application (due 10/3). Construction planned for late 2026.
 - Investment: \$10,000,000 | Jobs: 100
- **Project Pecan** – Group hosted an open house; still no incentives available for wind projects.
 - Investment: TBD | Jobs: TBD
- **Project Clemens** – Introduction made to HRHC for Moberly Crossings (May 29). Ongoing discussions.
- **Project General Bradley, Inc.** – Ongoing development.
- **Project Harvest Ridge** – Marketing ongoing for future tenants.
- **Project Holiday** – Awaiting funding commitments and signed offer; continuing to work with prospects.
 - Jobs: ~25
- **Project Lift** – Marketing land for potential hotel development.
- **Project Pond** – Ongoing promotion for sale of facility.
- **Project Silva Lane** – Hotel study and marketing efforts underway.
- **Project Green Lawn** – Inquiry received regarding potential solar farm and data center.
- **Project Higbee** – Working with Howard Electric on potential industrial park or data center.



MEDC GOVERNORS CONFERENCE ON ECONOMIC DEVELOPMENT - SEPTEMBER 2025

GETRO JOB BOARD

How is the job board helping our companies?

Aug 14, 2025 - Sep 7, 2025 ▼

420

Page views



117

Clicks on jobs



0

New job alerts subscribers



12

Likely applied

Download



0

Applications



Network overview

45

Visible companies

308

Visible jobs

43

Job alerts subscribers

2025 YTD Totals

How is the job board helping our companies?

This year ▼

5,087

Page views



1,525

Clicks on jobs



13

New job alerts subscribers



163

Likely applied

Download



0

Applications



Network overview

45

Visible companies

308

Visible jobs

43

Job alerts subscribers

Moberly Hotel Feasibility Study – Executive Overview

Prepared by: Patek Hospitality Consultants, Inc.

Date: August 2025

Purpose

To assess the market feasibility of developing a 70-room limited-service hotel in Moberly, MO, including site analysis, demand drivers, competitive supply, and financial projections.

Key Findings

• **Demand & Need**

- Moberly currently has two branded hotels: Comfort Inn & Suites (63 rooms) and Super 8 (59 rooms).
- Surveys show many companies and visitors are staying in Columbia due to hotel brand variety, amenities, and availability.
- There is a clear demand for more lodging options in Moberly, particularly from corporate travelers, contractors, and visitors.

• **Recommended Concept**

- 70-room, limited-service, nationally branded hotel.
- Mix of standard king, double queen rooms, and a few extended-stay suites.
- Amenities: complimentary breakfast, bar/lounge, indoor pool, fitness center, small meeting room.
- Strong recommendation for a national franchise affiliation.
- A standalone sit-down restaurant is strongly recommended alongside hotel development.

• **Site Recommendation**

- Preferred site: 21-acre Silva Lane parcel (northwest quadrant of U.S. 63/24 interchange).
- Excellent access, visibility, and proximity to demand generators: Walmart DC, Swift/JBS, Moberly Regional Medical Center, MACC, and Rothwell Park.
- Southern interchange parcels are feasible but lack dining/entertainment support.

Moberly Hotel Feasibility Study – Executive Overview

Key Findings (Continued)

• Market Conditions

- Competitive set (Moberly, Macon, Columbia hotels): 729 rooms, 2024 occupancy 68%, ADR \$121, RevPAR \$82.
- Moberly short-term rentals (Airbnb/Vrbo): 34 listings, 45% occupancy, ADR \$138.
- Local lodging tax revenues have been rising, with \$126,632 in FY2023-24.
- Financial Projections (Stabilized by 2031)
- Occupancy: 68%
- Average Daily Rate (ADR): \$149 (in 2031 dollars)
- Revenue per Available Room (RevPAR): \$102
- Opening projected January 2028.

• Challenges & Considerations

- Financing: Project requires city incentives, local investors, and creative financing.
- Costs: Construction, labor, and materials remain elevated; tariffs add uncertainty.
- Management: Recommended third-party, experienced hotel management company.

Conclusion

A new, branded limited-service hotel at the Silva Lane site is market-supported and strategically positioned to capture both corporate and leisure demand. Development will require incentives, local investment, and strong city/community support to move forward.

Raise the Bar – Assess: Moberly Area Industrial Park Executive Overview

Prepared by: Quest Site Solutions for Missouri Partnership.

Date: August 2025

Purpose

The Raise the Bar – Assess program is designed to evaluate community readiness for business attraction projects. Moberly participated with a focus on the Moberly Area Industrial Park, receiving direct feedback from professional site selectors.

Key Findings

Strengths

- MACC Workforce Advantage – Strong training pipeline, particularly for manufacturing.
- Low Cost of Doing Business – Competitive operating environment compared to peer communities.
- City-Owned Industrial Park – Direct control of land reduces risk and improves marketability.
- Manufacturing Cluster – Strong concentrations in Food, Electrical Equipment, Machinery, and Primary Metals provide a base for recruitment.
- Community Appeal – Welcoming culture, engaged leadership, and clear civic pride position Moberly as a “hidden gem.”

Weaknesses

- Distance to Interstate – 39 miles from I-70, which may disqualify certain projects.
- Air Service Limitations – Kansas City and St. Louis airports are 135 miles away; Columbia’s limited flights are a challenge for projects requiring frequent travel.
- Lack of Sense of Place at Gateways – Entrances to Moberly need stronger signage and placemaking to reflect community identity.

Report Card

- RFI Response: A / B range – Timely, thorough, professional, though some materials need updating.
- Site Visit: A – Well-prepared agenda, strong team representation, professional delivery.
- Overall: Above average compared to peer communities; site selectors noted no hesitation in bringing a client to Moberly if the property fits.

MISSOURI AREA ECONOMIC DEVELOPMENT CORP.

**Market Feasibility Study For
Proposed Hotel Development
Moberly, Missouri**

August 2025

Patek Hospitality Consultants, Inc.
N57 W27841 Walnut Grove Court
Sussex, Wisconsin 53089
(262) 538-0445

August 12, 2025

Ms. Kaylee Paffrath, MBA
President/CEO
Vice President of Missouri Northeast
MAEDC
115 N. Williams
Moberly, Missouri 65270

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As in all studies of this type, the estimated results are based upon competent and efficient management and an effective marketing program and presume no significant change in the competitive position of the hotel industry from that set forth in this report. We have no responsibility to update this report for events and circumstances occurring after completion of our fieldwork and research conducted in June 2025. These projections are based upon estimates, assumptions and other information developed from our research and we do not warrant that they will be attained. We did not consider the legal and regulatory requirements applicable to this project, including zoning, permits, licenses and other state and local government regulations.

This report has been prepared for your use and guidance in determining whether to pursue development of the proposed hotel, what incentives may need to be considered by the City of Moberly, and for investment purposes. The report is also available for use by developers, hotel companies, management companies, and lending institutions/investors. Neither our name nor the material submitted may be used in any prospectus or used in offerings or representations in connection with the sale of securities or participation interests without our express written permission.

It has been over five years since the start of the Covid-19 pandemic, which had a devastating impact on the hospitality industry. Some of the trends that have continued to challenge the hotel industry are described below, as well as more recent challenges that could have an impact on hotel development. We do believe that a hotel could be supported in Moberly by capturing not only local demand but that demand from throughout Randolph County and possibly

overflow demand from Columbia. The challenges discussed below are very relevant to the hotel industry and we believe it will take considerable effort by city officials and the local community to get behind the project to support it with city incentives, local investment, and for local financial institutions to consider creative financing resources.

- Corporate travel came to a standstill during the pandemic when offices shut down and employees were working remotely. Corporate travel has returned although not to pre-pandemic levels as virtual meetings became the norm during the pandemic and continue to be a popular way of conducting business. Corporate travel impacts the weekday demand, particularly Tuesday and Wednesday nights, which are considered peak travel nights for this segment of demand. During the pandemic, the short-term rental business offered by Airbnb and Vrbo grew rapidly as people realized they could work from anywhere and enjoy a change of scenery. Short-term rentals and hotels continue to vie for corporate and bleisure (business and leisure) travelers.
- The two years (2021-2022) after the start of the pandemic, leisure travel grew significantly as people wanted to get away. Hotel operators saw an opportunity to increase rates and hotels realized strong rate growth during this period, which has slowed based on recent data as noted in the Hotel Industry Outlook section of this report.
- The pandemic had a negative impact on the supply chain and the cost of materials skyrocketed making many hotel projects economically unfeasible. Added to this was the significant increase in labor costs, and ultimately other hotel operating costs that increased throughout this period. While some construction costs had declined, the tariffs announced by the current administration leaves much uncertainty in the cost and availability of building materials.
- Tariffs by the current administration have created significant uncertainty among consumers and businesses. The effects of these tariffs are still too new to know what impact they will have on the cost and availability of materials and the cost and availability of funding sources for hotel development.
- Interest rates continue to be a challenge for hotel development. The Federal Open Market Committee cut rates twice in 2024, by 50 basis points in September and another 25 basis points in December. In March 2025, the Committee lowered its full-year 2025 GDP growth expectation to 1.7 percent, down from the 2.1 percent forecast in December. This will likely have an impact not only on hotel development but could also impact consumer's spending on travel. In June 2025, the Fed opted to hold the federal funds rate steady at 4.25%-4.50%.
- During the last three years, it's not like hotels haven't been built, but those projects that have, have required more equity by the developer/investor, incentives by local government, creative financing, and an experienced development/management team.

Throughout the report, we have included comments, footnotes, and disclaimers regarding the pandemic's impact and the current challenges facing hotel development as it pertains to the local hotel market and the hotel industry in general. Industry sources such as CoStar Group, Inc., STR, Tourism Economics, and CBRE are deemed reliable as it pertains to our performance estimates and overall recommendations for the proposed hotel.

Please do not hesitate to call if we may be of further assistance in the interpretation and application of our findings, recommendations and conclusions. We appreciate the cooperation you extended to us during our engagement and look forward to working with you again in the future.

Sincerely,

Patek Hospitality Consultants, Inc.

Patek Hospitality Consultants, Inc.

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EXECUTIVE SUMMARY

The Moberly Area Economic Development Corporation (MAEDC) has retained Patek Hospitality Consultants, Inc. to provide consulting services to determine the potential market feasibility for a 70-room limited-service hotel for Moberly, Missouri.

The report that follows provides more information about the proposed sites (and recommended site), an overview of Moberly, Randolph County, the Columbia Metropolitan Area, the hotel competition, and the future market position of the proposed hotel. Below are bullet statements summarizing the project followed by the full report. We have also included a section titled Hotel Industry Outlook, a current snapshot of overall hotel performance provided by industry experts.

- The City of Moberly is in southeast Randolph County with Randolph County positioned in the northern portion of the state of Missouri. Moberly is the largest city in the county and Huntsville is the county seat. Moberly and Randolph County are part of the Columbia Metropolitan Area, and the nine-county Columbia-Jefferson City-Moberly combined statistical area that has 415,747 residents as of the 2020 census. Columbia, the fastest growing city in the state of Missouri, is about 30 minutes south of Moberly via U.S. Highway 63.
- Moberly is approximately 66 miles north of Jefferson City, the capitol of Missouri; 197 miles north of Springfield; 157 miles northwest of St. Louis; 131 miles east of Kansas City; and 70 miles southwest of Hannibal, MO/Mississippi River/Illinois state line.
- We reviewed two site areas within Moberly. There are two sites in the southeast quadrant of the interchange of U.S. Highway 63 and County Highway M, on the south side of Moberly. One site is owned by MAEDC, and an adjacent site is owned by the City of Moberly. Both are large enough to support hotel development. The second site area is on the north side of Moberly at the interchange of U.S. Highways 63 and 24. Located in the northwest quadrant is a 21-acre parcel owned by two local businessmen. We recommend hotel development on the north side of Moberly; our rationale is provided in the Site Analysis section of this report.
- The proposed 70-room hotel is recommended to be a limited-service hotel that is recommended to offer a mix of guest rooms including standard king and double queen rooms, suites, and a few extended-stay suites. Facilities and amenities are recommended to include complimentary breakfast, expanded bar/lounge, indoor pool, and fitness center. It is strongly recommended that the proposed hotel be affiliated with a national franchise, which is discussed in a separate letter. A standalone restaurant is recommended to be built within the development. It was made clear during our demand surveys and our discussions with local officials that Moberly is in need of a sit-down restaurant and bar.

- It is recommended discussions take place with local financing institutions and potential local investors to finance the hotel. The project will require city incentives, which we have discussed briefly with city officials. It is recommended that an outside third-party management company be in place to manage the hotel.
- At the present time, lodging available in Moberly include two franchised hotels, the 63-room Comfort Inn & Suites, and the 59-room Super 8. The Comfort Inn & Suites is an upper midscale brand with Choice Hotels; the hotel originally opened in 2003 and converted to its current brand in 2014. The Super 8 is an economy property under the Wyndham Hotels umbrella and opened in 1981.
- In Columbia, there are 36 lodging properties with nearly 3,800 hotel rooms, 31 of which are affiliated with national hotel companies. Most of our demand surveys indicated they were staying in Columbia for reasons that included the large selection of hotel brands (for loyalty points/rewards), availability of rooms, and proximity to support amenities such as restaurants, retail, and entertainment. The downside to staying in Columbia from the surveys is that it is a 30-minute drive from Moberly.
- To better understand the performance of the lodging properties in the greater market area, we chose a competitive set that included eight hotels with 729 rooms. The properties included the Comfort Inn & Suites Moberly, Comfort Inn & Suites Macon, and six hotels in Columbia – the Hilton Garden Inn, Hampton Inn, Fairfield Inn & Suites, Best Western Plus, Country Inn & Suites, and Wingate by Wyndham. We did not include the Super 8 Moberly due to its lower rate structure that captures the more price conscious traveler and contract work that seeks more heavily discounted and negotiated rates.
- According to STR, these eight hotels were estimated to achieve occupancy of 68.0 percent in 2024 with an ADR of \$120.68 and RevPAR of \$82.01. This competitive set is heavily weighted toward the hotels in Columbia, with six of the eight properties located there. However, this comp set provides an indication of weekday/weekend demand and the visitation trends over the past eight years in this greater market area.
- The short-term rental housing market, primarily driven by Airbnb and Vrbo rental channels, offers 34 listings with 22 active listings in Moberly as of May 2025, according to the research firm AirDNA. The majority (79 percent) are rentals of entire homes versus 21 percent are private room rentals. Over the past twelve months (June 2024 to May 2025), occupancy was estimated to average 45 percent, ADR was estimated to average \$137.74, and RevPAR was \$61.73. The availability of short-term rentals in Moberly has grown 22.0 percent over the past three years.

A map of Moberly's location within the region (Columbia, Jefferson City, St. Louis, Kansas City, Springfield, and Hannibal/MO/IL state line) follows (**stated distances are not to scale**).

MOBERLY, MISSOURI (distances not to scale)



EXECUTIVE SUMMARY cont'd

Proposed Hotel:	To Be Determined
Number of Rooms:	70
Opening Date:	January 2028
Occupancy (Stabilized):	68%
ADR (2025 dollars):	\$125.00
Stabilized Year:	2031

Site Evaluation:

Access:	Very Good
Visibility:	Very Good
Proximity to Demand:	Very Good
Support Amenities:	Very Good
Competitive Position:	Very Good

Competitive Lodging Market Summary:

Comfort Inn & Suites Moberly	63 Rooms
Comfort Inn & Suites Macon	64
Hilton Garden Inn Columbia	151
Hampton Inn Columbia	120
Fairfield Inn & Suites Columbia	91
Best Western Plus Columbia	76
Country Inn & Suites Columbia	85
Wingate by Wyndham Columbia	<u>81</u>
Total Number of Rooms	729

Competitive Market Performance (STR)	<u>Occup.</u>	<u>ADR</u>	<u>RevPAR</u>
Year-End 2017	66.7%	\$101.94	\$67.99
Year-End 2018	63.9%	\$98.69	\$63.04
Year-End 2019	61.3%	\$98.13	\$60.11
Year-End 2020	42.7%	\$86.68	\$37.05
Year-End 2021	60.9%	\$100.46	\$61.15
Year-End 2022	65.8%	\$113.34	\$74.54
Year-End 2023	65.8%	\$119.95	\$78.87
Year-End 2024	68.0%	\$120.68	\$82.01
YTD May 2024	64.5%	\$118.69	\$76.52
YTD May 2025	67.2%	\$124.63	\$83.76

Source: STR

**Projections – Proposed 70-Room Limited-Service Hotel
Moberly, Missouri**

Year	Occupancy	ADR	RevPAR
2028*	58.0%	\$136.60	\$79.23
2029	63.0	140.70	88.64
2030	66.0	144.90	95.63
2031	68.0	149.30	101.52
2032	68.0	153.70	104.52

**Estimated opening January 2028*

Source: Patek Hospitality Consultants, Inc.

HOTEL INDUSTRY OUTLOOK

STR and Tourism Economics

Two months after downgrading the U.S. Hotel Forecast in June 2025 at the NYU International Hospitality Investment Forum, CoStar and Tourism Economics further downgraded growth projections in a revised 2025-2026 U.S. hotel forecast released in August at the 17th Annual Hotel Data Conference in Nashville. Given continued underperformance and elevated macroeconomic concerns, forecasted growth were lowered across the top-line metrics: demand (-0.6 percentage points), average daily rate (ADR) (-0.5 percentage points), and revenue per available room (RevPAR) (-1.1 percentage points). Similar adjustments were made for 2026.

US Hotel Forecast, Year-over-Year (YoY) Percent Change

Metric	2023 Actual	2024 Actual	2025 Forecast	2026 Forecast
Occupancy	63.0%	63.0%	62.5%	62.3%
ADR Change	4.3%	1.8%	0.8%	1.0%
RevPAR Change	5.0%	1.9%	(0.1%)	0.8%
Supply	0.2%	0.5%	0.8%	0.8%
Demand	0.9%	0.5%	(0.1%)	0.6%

Source: CoStar, Tourism Economics August 2025

According to Amanda Hite, STR president, “it’s going to be some of the worst performance we’ve had in several years now. The bulk of the growth occurred in the first half of this year and the next six months are going to be rocky”. Unrelenting uncertainty and inflation, coupled with tough calendar comps and changing travel patterns, have caused lower demand. As the year as gone on, rate growth has converged closer with demand. Little change is expected in the economic outlook over the next 18 months, but optimism will prevail once trade talks have concluded and the impact of the budget reconciliation bill comes to fruition, hotel performance will recover.

According to Aran Ryan, Director of Industry Studies at Tourism Economics, the slowing U.S. economy should absorb the effects of tariffs without tipping into a recession. The current environment-characterized by slowing consumer spending, reduced business capital spending, and declining international visitation- will transition to one boosted moderately by tax cuts, and less policy uncertainty as we look to 2026. While the GOP (Gross Operating Profit per available room) forecast remains unchanged from the previous revision, GOP margins were revised down 0.3 percentage points for 2025 and 2.3 percentage points for 2026, mainly due to potential increases in expenses, particularly food and beverage.

CBRE

As of May 16, 2025, CBRE forecasted a 1.3 percent increase in RevPAR (revenue per available room) in 2025, while ADR is estimated to increase 1.2 percent and occupancy to improve 14 basis points. These latest figures represent slightly softer growth than CBRE anticipated in their February 2025 forecast where they showed 2.0 percent growth in RevPAR, a 1.6 percent growth in ADR, and a 21-bps boost in occupancy rate.

CBRE estimates a 1.4 percent GDP growth rate and average inflation of 2.9 percent for 2025 (as compared to 2.4 percent and 2.5 percent, respectively in the February forecast). There is typically a strong correlation between GDP and RevPAR growth, therefore, the relative strength of the economy will directly impact the lodging industry's performance. CBRE's head of hotel research and data analytics, economic and geopolitical uncertainties aside, several factors will drive RevPAR growth in 2025 including an uptick in group and business travel, a weaker U.S. dollar and lower airfares, which may encourage domestic travelers to stay closer to home.

CBRE expects restrained supply growth due to higher financing and construction costs, and a tight labor market, averaging 0.8 percent over the next four years. Potential additional tariffs, labor shortages, or the Fed pulling back on further interest rates could temper supply growth even more, enhancing pricing leverage and elevating replacement costs for existing assets. Challenges continue to be weakening consumer spending and increased competition from short-term rentals, cruise lines, and other lodging alternatives pose downside risks.

It should be noted that these forecasts and the comments herein by STR/CoStar, Tourism Economics, and CBRE reflect a national hotel industry outlook, which may not necessarily reflect trends in the local market. The data is provided for informational purposes regarding current trends in the hotel industry.

Hotel Development and Financing of Hotels in Today's Marketplace

Interest rates continue to be a challenge for hotel development. The Federal Open Market Committee cut rates twice in 2024, by 50 basis points in September and another 25 basis points in December. In March 2025, the Committee lowered its full-year 2025 GDP growth expectation to 1.7 percent, down from the 2.1 percent forecast in December. This will likely have an impact not only on hotel development but could also impact consumer's spending on travel. The interest rate environment still isn't conducive to dealmaking and new construction according to CoStar as it relates to the hotel industry. Tourism Economics believes that the Fed is in a tough spot, as there is a desire to lower interest rates to help stimulate a slower economy, but inflation remains higher than desired. In June 2025, the Fed opted to hold the federal funds rate steady at 4.25%-4.50%.

Adding to the financing challenges are continued labor shortages, which were exacerbated during the pandemic and resulted in rising labor costs, still high construction costs, and more recently, higher insurance premiums that are impacting the bottom line. Developers have been

forced to postpone projects or explore alternative ways to raise capital. However, hotel projects are getting developed but are taking longer to come to fruition and require an experienced team that have the relationships to get a project developed. City incentives are an important topic of conversation for hotel development going forward.

PROJECT CONCEPT AND RECOMMENDATIONS

The proposed three- to four-story, 70-room limited-service hotel is recommended to be an upper midscale concept.

A limited-service hotel is defined as a hotel without a restaurant, room-service, and banquet facilities. Typical facilities and amenities offered in this type of hotel include a wide range of amenities such as complimentary breakfast, a business center, fitness room, guest laundry, market pantry, an indoor or outdoor pool, whirlpool, a small meeting room, and 24-hour front desk. Limited-service hotels typically have lower operating costs because they don't offer the food and beverage outlets or banquet facilities. Because limited-service hotels do not offer a restaurant, it is important to be near dining establishments, which is why we would recommend a free-standing restaurant within the overall development plan.

The proposed hotel should include a mix of double queen and king standard guest rooms. There were only a few companies in our 17 demand surveys that had a need for extended-stay suites that offer a full kitchen and larger space. There are a few hotel companies that will include extended-stay suites with standard guest rooms in their limited-service hotel concept; however, most companies have brands that offer either standard or extended-stay brands. It is our opinion that three to four extended-stay suites could be supported in Moberly and if possible, should be incorporated into the proposed hotel.

Recommended Guest Room Configuration Proposed Hotel – Moberly, Missouri

Type of Room	Number of Rooms	Percent of Total Rooms
King	34	48.0%
Double Queen	32	46.0
Extended-Stay Suite	<u>4</u>	<u>6.0</u>
Total	70	100.0%

Source: Patek Hospitality Consultants, Inc.

All standard guest rooms should include a small microwave/refrigerator, coffee maker, iron and ironing board, desk with ergonomic chair, wall-mounted television with premium channels, telephone with voice mail, multiple USB ports, hair dryer, and wall mounted premium bath products in the shower. A sleeper sofa should be considered for the king rooms. The extended-stay suites would be fully equipped with a refrigerator, microwave, cooktop, dishwasher, a set of dishes, glassware, and eating and cooking utensils. The extended-stay suites could be a mix of double queen and king rooms, that should include a sleeper sofa.

Facilities and amenities for the hotel should include a complimentary hot breakfast, expanded wine and beer bar, indoor pool, fitness room, and back of the house typical for a limited-service hotel. A boardroom and meeting room for 30 people is also recommended. Surface parking would be provided, with a drop-off/check-in area at the front entrance.

The desire for a free-standing restaurant was mentioned in most of our demand surveys. Our discussion with the landowner of the recommended site indicated at least one restaurant would be developed as part of the mixed-use development of the 21 acres. A full-service, sit-down restaurant with a bar is most needed in Moberly, according to many individuals we spoke with during our research. This restaurant could be developed by an existing operator or franchised through a national chain.

SITE ANALYSIS

We were asked to review two different site areas within Moberly and make a recommendation on the most appropriate site for hotel development. There are two sites in the southeast quadrant of the interchange of U.S. Highway 63 and County Highway M, on the south side of Moberly. One site is owned by MAEDC, and an adjacent site is owned by the City of Moberly. Both are large enough to support hotel development. The second site area is on the north side of Moberly at the interchange of U.S. Highways 63 and 24. Located in the northwest quadrant is a 21-acre parcel owned by two local businessmen.

The sites on the south side of Moberly are between Hirst Drive and Over Center. MAEDC owns a six-acre site, and the City of Moberly owns a two-acre site across from each other. Both sites would be large enough for hotel development. Both sites are flat, offer very good access and visibility, and are proximate to small businesses, as well as Bomgaars corporate headquarters and distribution center and Mid-Am Supply. What is lacking in this area are support amenities such as dining establishments.

The recommended site is a 21-acre parcel in the northwest quadrant of U.S. Highways 63 and 24 that is owned by two local businessmen, who also own other real estate in Moberly. A preliminary site plan (completed in July 2023) of the 21 acres is shown on the following page, that includes a hotel and commercial and residential development, although after our discussions with the landowners, the plan could change depending on what the market's needs are going forward.

Referred to as Silva Lane Development, the property is 0.3 miles north of U.S. Highway 24 via Silva Lane, just west of U.S. Highway 63. Along Silva Lane is Wendy's, KFC; D'Abolengo Mexican Restaurant; Century 21; North Village Park Rehabilitation; Moberly apartments; and Surgery Center Northcentral Missouri. As Silva Lane turns west where the 21-acre parcel begins, the road eventually dead ends at the entrance to Country Villa apartments, a 55+ and disabled housing community. U.S. Highway 63 forms the eastern border of the site.

Silva Lane currently dead ends, however, we were told by several individuals, including the City of Moberly, that Silva Lane could be extended to Morley Street (Business 63) to the west, which is the main north/south thoroughfare in Moberly, and which travels south to downtown Moberly. Morley Street could also become an alternate route from U.S. Highway 63 from the north. Business 63 is a full interchange with U.S. Highway 63 where guests would exit and travel south for about 0.5 miles to where Silva Lane would intersect with Morley Street and turn

east to the site. This extension to Morley Street is highly recommended, as U.S. Highway 24 is a well-traveled thoroughfare.

The interchange of U.S. Highways 63 and 24 is the primary commercial route into Moberly and has been well developed with commercial development including dining establishments, gas service stations, retail development, and lodging. The interchange is developed as follows:

- NWQ – location of proposed hotel site and other development described above
- SWQ – Arby's; Phillips 66 service station; Comfort Inn & Suites; retail strip center; Super 8
- NEQ – Wal-Mart SuperCenter; Wal-Mart Distribution Center; retail development
- SEQ – Closed Moberly Inn & Suites; strip centers; Lowe's

Criteria that we review regarding potential sites for hotel development include access, visibility, proximity to demand generators and support amenities, and advantages/disadvantages of the proposed site compared to the competition.

Access

Access to the hotel from either direction on U.S. Highway 63 would be to exit at U.S. Highway 24 and travel west a short distance to Silva Lane. The road sign for Silva Lane is not well marked, and it would be easy to miss. It is recommended that some kind of signage directing guests to the hotel be placed along U.S. Highway 24 if possible. Once guests are on Silva Lane, they would only have to travel 0.3 miles north to the site. An alternate route was discussed above, and this route would be most feasible if Silva Lane is extended west to Morley Street.

Visibility

Visibility of the proposed hotel would be very good from U.S. Highway 63 and once guests turn on Silva Lane, the three- to four-story hotel would be visible. With GPS systems today, visibility of a hotel is not as critical as it once was.

Proximity to Demand Generators

The proposed hotel will be located near two of the larger companies in Moberly, the Wal-Mart Distribution Center to the east and JBS (Swift) to the west. U.S. Highway 24 is a main thoroughfare through Moberly and provides convenient access from throughout the community. Downtown Moberly is approximately 1.5 miles south of the proposed site via U.S. Highway 24 and Business 63. The Moberly Regional Medical Center is 1.4 miles south along West Outer Road, that runs parallel with U.S. Highway 63. The Moberly Area Community College is about 2.5 miles southwest of the proposed site, which is very near Rothwell Park, Rothwell Lake, Moberly Aquatic Center, and Howard Hills Athletic Complex.

Proximity to Support Amenities

The proposed site is close to a variety of dining establishments, many of which are fast food. More dining options are in downtown Moberly, which is a relatively easy drive from the site. It is recommended that a full-service, sit-down restaurant be incorporated into the Silva Lane Development. This was further corroborated in our demand surveys. A variety of retail options are proximate to the site, including grocery and gas service stations.

Conclusion

It is our opinion the proposed hotel would be well positioned in the Silva Lane development to attract both corporate and leisure guests. All four of the criteria that we rate are considered very good for the proposed location. We should add that U.S. Highway 24 is a well-traveled thoroughfare; making left turns is aided however by a median that allows left turns.

Pictures of the proposed site is followed by two maps. The first map shows the layout of the Silva Lane Development. As mentioned, the plans as to how these 21 acres ultimately get developed could change from what is shown. The second map shows the proposed site area and potential demand generators within Moberly.



Site looking northeast toward U.S. Highway 63



Site looking east toward U.S. Highway 63 off-ramp



Moberly, Missouri



ALTERNATE RESIDENTIAL

SCALE: 1" = 80'

Conceptual Design for Silva Lane Development



Moberly, Randolph County, Missouri
July 2023

Site Information:

Property Address: Silva Lane, Moberly, MO 65270
 Property Owner Info:
 Code in Effect: IBC 2021, City of Moberly
 Lot Area: ± 21 Acres
 Zoning: Current: B-3 Multifamily Dwelling District; B-3 General Commercial District
 Proposed: B-3 Planned Development
 Intensity of Use Regulations:
 Minimum Lot Area: 6,000 sq.ft. (0.14 acres)
 Minimum Lot Width: 400'
 Lot Coverage: None
 Height: 300'
 Setbacks:
 Front Yard: 300'
 Side Yard: 50' when abutting Residential, otherwise None
 Rear Yard: 150' when abutting Residential, otherwise None

Lot & Building Information:

Lot 1: ± 3.0 Acres, Commercial
 2-Story Street Building, 60 / 80 Rooms
 12,000 SF per Floor, Sprinklered
 Type 5B: 2 Stories (80 feet), 21,000 SF
 Allowable Height & Area:
 Lot 2: ± 1.5 Acres, Commercial
 1-Story Restaurant / Retail / Business, 5,000 SF
 Type 5B: 1 Story (40 feet), 6,000 SF
 Allowable Height & Area:
 Lot 3: ± 1.5 Acres, Commercial
 1-Story Restaurant / Retail / Business, 5,000 SF
 Type 5B: 1 Story (40 feet), 6,000 SF
 Allowable Height & Area:
 Lot 4: ± 1.6 Acres, Commercial
 1-Story Restaurant / Retail / Business, 5,000 SF
 Type 5B: 1 Story (40 feet), 6,000 SF
 Allowable Height & Area:
 Lot 5: ± 0.6 Acres, Greenspace / Stormwater Control
 Lot 6: ± 0.6 Acres, Commercial
 6A: Single-Story Retail / Business, 12,000 SF
 Allowable Height & Area:
 Type 2B: 1 Story (40 feet), 9,000 SF = 75%
 Type 2B: 2 Stories (55 feet), 23,000 SF = 75%
 6B & 6C: 1-Story Retail / Business / Storage, 12,000 SF
 Allowable Height & Area:
 Type 2B: 1 Story (40 feet), 9,000 SF = 75%
 Type 2B: 2 Stories (55 feet), 23,000 SF = 75%
 Lot 10: ± 7.3 Acres, 17 Lot Residential Subdivision
 AB: 14 Lot Two-Family Residential (28 Units)



Parking Requirements:

Lot 1 Hotel:	1 Space / Unit = 1 per 2 Employees =	4100 Spaces Required	96 Spaces Provided
			(12 Optional Future)
Lot 2 Restaurant:	1 Space / 2.5 Seats =	±65 Spaces Required	25 Spaces Provided
Lot 2 Retail / Clinic:	1 Space / 200 SF =	36 Spaces Provided	16 (Optional Future)
Lot 3 Restaurant:	1 Space / 2.5 Seats =	±65 Spaces Required	25 Spaces Provided
Lot 3 Retail / Clinic:	1 Space / 200 SF =	36 Spaces Provided	16 (Optional Future)
Lot 4 Restaurant:	1 Space / 2.5 Seats =	±65 Spaces Required	25 Spaces Provided
Lot 4 Retail / Clinic:	1 Space / 200 SF =	37 Spaces Provided	17 (Optional Future)
Lot 6A Retail / Clinic:	1 Space / 200 SF =	60 Spaces Required	60 Spaces Provided
Lot 6B / 6C Mixed Use:			
25% A-2 Restaurant = 6,000sf = 200 Occupants / 2.5 =		80 spaces	
25% A-2 Restaurant = Retail Space = 6,000sf / 200 =		30 spaces	
25% B Business = Office Space = 6,000sf / 300 =		20 spaces	
25% B-2 Storage = Storage Space = 6,000sf / 300 =		20 spaces	
		136 spaces Required	107 spaces Provided

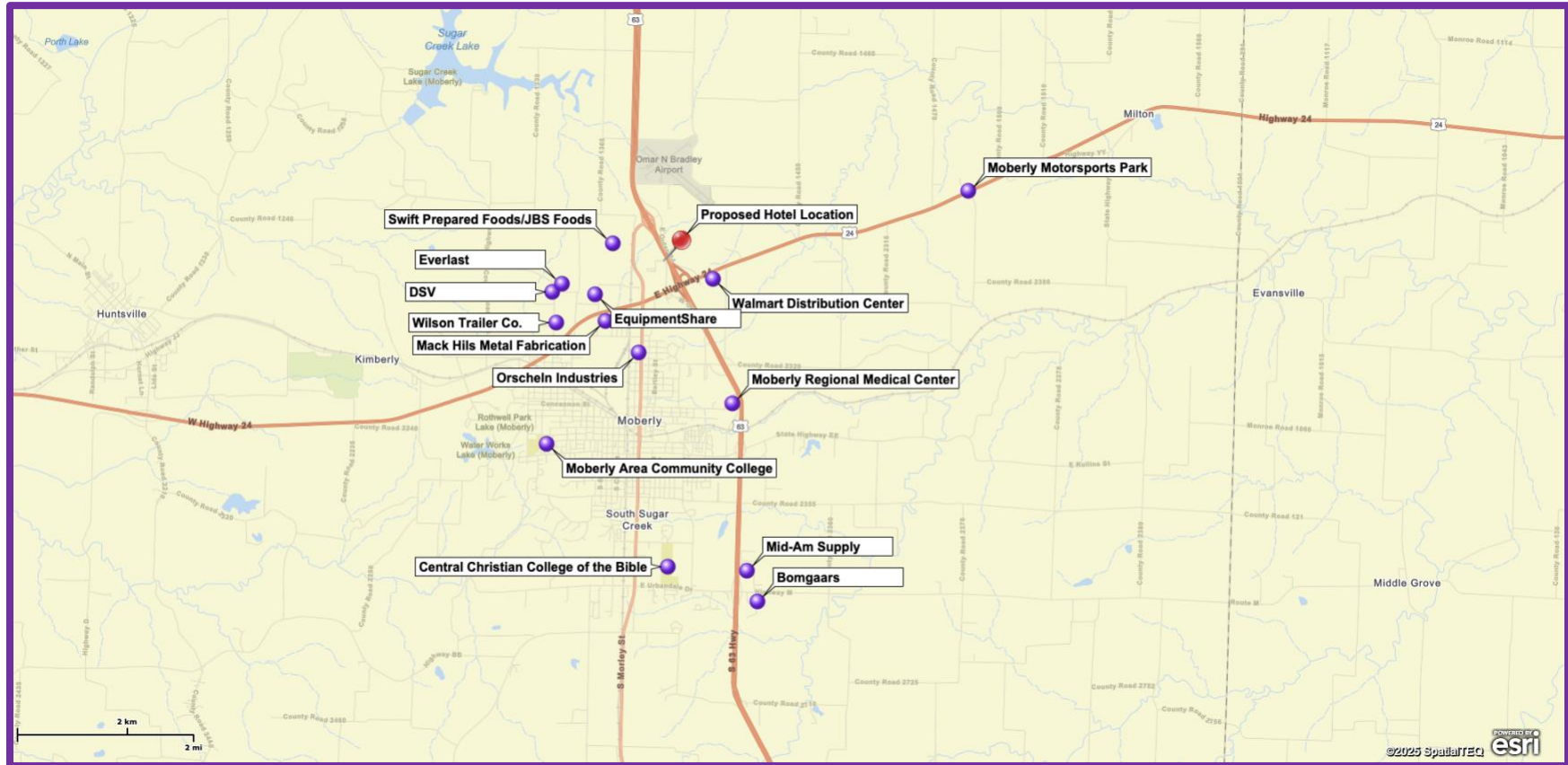
- Concept intends to pursue Parking Reduction Provisions for Mixed Use Development.
- Potential Tenants that require higher parking capacity (A-2 Restaurant) will likely demand peak parking at different time of day than remaining Tenants.
- Proposed Mixed Use Development consists of Residential within Development that is within direct proximity and walking distance of Proposed Commercial Areas.

CONCEPTUAL SITE PLAN

SCALE: 1" = 80'

THIS DRAWING IS THE PROPERTY OF THE ENGINEER AND ARCHITECT. NO PART OF THIS DRAWING IS TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF THE ENGINEER AND ARCHITECT.

PROPOSED HOTEL POTENTIAL DEMAND GENERATORS MOBERLY, MISSOURI



MARKET AND ECONOMIC OVERVIEW

Moberly and Randolph County

The City of Moberly is in southeast Randolph County with Randolph County positioned in the northern portion of the state of Missouri. Moberly is the largest city in the county and Huntsville is the county seat. Moberly and Randolph County are part of the Columbia Metropolitan Area, and the nine-county Columbia-Jefferson City-Moberly combined statistical area that has 415,747 residents as of the 2020 census. Columbia, the fastest growing city in the state of Missouri, is about 30 minutes south of Moberly via U.S. Highway 63.

Moberly is approximately 66 miles north of Jefferson City, the capitol of Missouri; 197 miles north of Springfield; 157 miles northwest of St. Louis; 131 miles east of Kansas City; and 70 miles southwest of Hannibal, MO/Mississippi River/Illinois state line.

Moberly is known as the “Magic City” due to its rapid growth as a railroad hub in the late 19th century. The railroad’s history stems from its rapid growth as a railroad town after the Civil War. The North Missouri Railroad (later part of the Wabash Railroad) established a junction here in 1866, which led to rapid development and attracted businesses and residents.

It is also known for being the birthplace of General Omar Bradley, a key figure in World War II, with a statue honoring him in the city. Moberly is also home to the founding store of Westlake Ace Hardware, which grew to become the largest Ace Hardware franchisee in the nation. When Westlake transitioned, it was acquired by Ace Hardware Corporate and remains a corporate-owned brand today, an important part of Ace’s network. Orscheln Industries was founded in Moberly and continues to have a large presence in the community.

The largest employers in Moberly include Wal-Mart Distribution Center, Orscheln Industries, and Swift Prepared Foods/JBS Foods.

Columbia, Missouri

Moberly and Randolph County are part of the Columbia MSA. Columbia is a regional hub for employment, healthcare, shopping, dining, and entertainment. Columbia is the county seat of Boone County and is known as a college town with the University of Missouri’s main campus here. Originally known as an agricultural town, education and healthcare are now Columbia’s primary economic concerns, with secondary interests in the insurance, finance, and technology sectors. The top employers include the University of Missouri, MU Healthcare, Columbia Public Schools, Veterans United Home Loans, Harry S. Truman Memorial Veteran’s Hospital, Boone Health, and Shelter Insurance to name a few.

Local attractions such as the Columbia Mall, Stephens Lake Park, Cosmo Park, Rock Bridge Memorial State Park, The Blue Note, and the University are some of the reasons that visitors travel to Columbia.

Demographics and Employment Trends

Although there is no correlation between the size of an area's population and its level of transient visitation, historical and projected population trends often reflect the economic climate of a locale. Population trends for the cities of Moberly and Columbia, Randolph County, and the State of Missouri are presented in the following table.

Population Estimates

Community	April 2010 Census	April 2020 Census	July 1, 2024, Estimate	% Change 2010-2020	2023 \$ Median HH Income
City of Moberly	13,974	13,783	13,337	(1.4%)	\$43,231
City of Columbia	108,500	126,254	130,900	16.4%	\$64,488
Randolph County	25,414	24,716	24,077	(2.7%)	\$55,310
State of Missouri	5,988,927	6,154,913	6,245,466	2.8%	\$68,920

Source: US Census Bureau

Randolph County is comprised of five cities, three villages, and 13 unincorporated communities.

The labor force estimates for Randolph County, the state of Missouri, and the Columbia Metropolitan Statistical Area (MSA) for the month of May 2023-2025 is presented in the table on the following page. The Columbia MSA is comprised of Boone, Audrain, **Randolph**, Cooper, and Howard counties and is centered around the city of Columbia in Boone County.

Labor Force Estimates Randolph County, State of Missouri, and Columbia MSA Month of May 2023-2025

Area	Labor Force	Employed	Unemployed	Unemployment Rate
May 2023				
Randolph County	11,238	10,899	339	3.0%
State of MO	3,105,878	3,009,747	96,131	3.1%
Columbia MSA	112,833	109,908	2,925	2.6%
May 2024				
Randolph County	10,882	10,474	408	3.7%
State of MO	3,139,984	3,022,340	117,644	3.7%
Columbia MSA	112,733	109,041	3,692	3.3%
May 2025				
Randolph County	11,022	10,605	417	3.8%
State of MO	3,164,224	3,041,489	122,735	3.9%
Columbia MSA	114,251	110,386	3,865	3.4%

Source: Missouri Economic Research and Information Center

The Quarterly Census of Employment for Randolph County for year-end 2024 is presented in the following table.

**Quarterly Census of Employment
Average Monthly Employment – Year-End 2024
Randolph County, Missouri**

Industry	Year-End 2024	
	Average Employment	Percent of Total
Trade, Transportation, Utilities	2,489	34.4%
Education & Health Services	1,288	17.8
Manufacturing	1,205	16.6
Leisure & Hospitality	665	9.2
Professional & Business Services	501	6.9
Financial Activities	448	6.2
Construction	259	3.6
Other Services	183	2.5
Natural Resources & Mining	141	1.9
Information	59	0.8
Public Administration	NA	--
Total	7,238	100.0%

Numbers may not add due to rounding

NA – Not Available

Source: Missouri Economic Research and Information Center

The top three industries, Trade/Transportation/Utilities, Education & Health Services, and Manufacturing account for nearly 70 percent of the employment in Randolph County.

The largest employers in Moberly with more than 40 employees are as follows:

**Largest Employers
Moberly, Missouri**

Employer	Number of Employees
Wal-Mart DC	458
Orscheln Industries	430
Swift Prepared Foods/JBS Foods	343
DSV	300-400
Moberly Regional Medical Center	250-300
Bomgaars	227
Mid-Am Supply	200
Moberly Area Community College	175
Wilson Trailer Co.	143
Central Christian College of the Bible	80
Mack Hills Metal Fabrication	78
Everlast	67
EquipmentShare	42

Source: MAEDC; numbers from Fall 2024

Transportation

Highways

Moberly is served by U.S. Highway 63 on the east as a bypass. The old Highway 63 is designated as both Business 63 and Morley Street and goes through the city. U.S. Highway 63 is a 1,286-mile, north/south U.S. highway, mostly in the Midwestern and Southern United States. The northern terminus is west of Ashland, Wisconsin and the southern terminus is in Ruston, Louisiana. In Moberly, U.S. 63 intersects with U.S. Highway 24, an east/west route that travels for approximately 1,564 miles between Independence Township in Michigan to near Minturn, Colorado. U.S. 24 is one of the original US numbered highways of 1926. Route M travels on the south side of Moberly.

Air

The Omar Bradley Airport in Moberly is on the north side of Moberly and owned by the City of Moberly. There are currently more than 12 hangars, with another ten more being built. One hangar can hold six to seven planes. There are currently about 40 aircraft based at this airport. Jet service is provided 33 miles south at the Columbia Regional Airport.

St. Louis Lambert International Airport is the largest and busiest in the state of Missouri. In 2024, 15.9 million passengers traveled through this airport, located 15 miles northwest of downtown St. Louis and about 150 miles southeast of Moberly. The Kansas City International Airport is located about 15 miles northwest of downtown Kansas City and about 130 miles west of Moberly. In 2024, about 12.1 million passengers traveled through this airport.

Rail

The Norfolk Southern Railway serves Moberly running west to Kansas City and east toward Hannibal and points further. Norfolk Southern also runs south to St. Louis. Moberly is home to one of Norfolk Southern's many rail yards.

Economic Development

Discussions with city officials provided some insight into the economy and economic development in Moberly.

- Between three attraction and expansion companies, job growth is estimated to increase by 250+ jobs over the foreseeable future.
- There are several distribution/warehouse companies in Moberly, with the Wal-Mart Distribution Center being the largest one. There is a significant need for a large truck stop to accommodate the semi-trucks that come through the city. Some discussion regarding this need has taken place, however it does not appear that development is imminent.
- The City of Moberly is estimated to open three lodging units in mid-July 2025 at the Omar Bradley Airport in Moberly. This project is mainly being developed for housing for pilots, who currently travel to Columbia to stay or will fly into Columbia because of the lodging that is available there. The building is two stories and will house two units upstairs, of which one unit will offer a single queen bed, and the second unit will offer two queen beds. The downstairs unit will offer a king bed. All units will offer a microwave and mini fridge, walk-in showers, and will be new construction. Guests will have access to food and beverage offerings at the Airport. These units are considered short-term rentals; however, they will not be listed on platforms such as Airbnb or Vrbo, but rather through word-of-mouth and aviation materials. The units are designed and intended to accommodate guests associated with aviation such as pilots and not necessarily open to the public.
- Development of a second industrial park on the south side of Moberly is planned.
- The coal power plant in Randolph County will be undergoing a large renovation in summer 2026; the plant employs about 200 people.
- The 99-bed Moberly Regional Medical Center (MRMC) is owned by Community Health Systems, a large conglomerate of private hospitals. The hospital's economic impact in 2024 was estimated to be more than \$38 million. In other healthcare news, Hannibal Regional Healthcare System has plans to build a new cancer center in Kirksville and it may be possible the healthcare system would consider Moberly in the future.

- Residential development continues to take place in Moberly. Lantern Pointe and Angels Landing subdivisions by E. Urbandale Development resulted in 98 units of multi-family duplex residences. Schnell Construction, LLC is developing the Dream Moore Falls Project on S. Williams Street. This project is expected to yield 193 units and is slated for mixed-use, including senior housing and multi-family units. The City of Moberly has supported private developers by selling condemned houses and lots to create affordable in-fill housing across the city. The city continues to be proactive in residential development and to increase accessibility of workforce housing.
- Starbucks broke ground in February 2025 on U.S. Highway 24. Those that we spoke with in the community are hopeful the opening of a Starbucks will pave the way for other national chains to consider Moberly for future development.

Tourism

Economic impact and visitor spending data for 2023 and 2024 for the state of Missouri and Randolph County is shown in the following table.

**Tourism Data
State of Missouri and Randolph County
2023-2024**

Year	Tourism Related Jobs	Tourism Related Sales	Percent Change	Visitor Volume	Percent Change	Total Economic Impact	Percent Change
State of Missouri							
2023	301,466	\$11.9 billion	--	41.9 million	--	\$19.9 billion	--
2024	308,000	\$12.5 billion	5.1%	42.4 million	1.1%	\$20.8 billion	4.5%
Randolph County							
2023	607	\$38.3 million	--	69,300	--	\$34.4 million	--
2024	625	\$38.9 million	1.6%	70,500	1.7%	\$36.0 million	4.7%

Source: Missouri Division of Tourism, Tourism Economics, MO Dept. of Labor, MO Dept. of Revenue

Moberly is known for its recreation and railroad heritage. Activities, events, and festivals include the following:

- **Rothwell Park** is a 465-acre park and is one of the largest municipal owned parks in the state. Located on the west side of Moberly, near the Moberly Area Community College, the park offers Thompson Campground, Rothwell Lake, Waterworks Lake, the Moberly Mini Train, two 18-hole disc golf courses, Omar Bradley War Memorial, the Moberly Aquatic Center, shelters, archery range, dog park, West 43 Wilderness Area, Howard Hills Athletic Complex, Amphitheater, and miles of paved and unpaved trails.
- **4th Street Theater** – built in 1913, it is one of the oldest vaudeville theaters in mid-Missouri
- **Randolph County Historical Society** – has artifacts from America’s last five-star general, Omar Bradley

- **Railroad Museum & Caboose**
- **Depot Park and Fox Park** – both offer recreational activities
- **Heritage Hills Golf Course**
- **Howard Hills Athletic Complex** (in Rothwell Park) – offers eight baseball and softball fields, three multi-purpose fields, and batting cages
- **Moberly Mini Train** (in Rothwell Park) – this is a main attraction in the local parks system, which brings in about 6,000 visitors annually
- **Moberly Motorsports Park** – located on the east side of Moberly along U.S. Highway 24, car racing is held on a high-banked 4/10-mile clay oval; races are held every Tuesday, and the annual Weiner Nationals race is held Labor Day weekend.
- **HLR Motorsports** – this track is in Huntsville and features dirt bikes and ATVs
- **Some of the larger events** include Railroad Days (mid-June); Allen Train Robbery (September); Junk Junktion (September, 18,000 attendees); and Mid-MO Christmas Festival (December, 8,000 visitors and out-of-town vendors).

Meeting and Banquet Facilities

There are several facilities in Moberly that offer meeting and banquet facilities and are included below.

- **The Bierman Event Center & Lofts** – seats up to 100 people and offers two upstairs lofts for overnight guests.
- **Moberly Municipal Auditorium**
- **Moberly Area Community College (MACC)** offers a variety of spaces including the Activity Center, three conference facilities, and the Auditorium.
- **Paradise Park Event Center** - just outside of Moberly, the center offers a pavilion and indoor venue for up to 300 guests.
- **Emerson Fields** – this venue is about 16 miles north of Moberly. The facility is a 24-acre estate that offers five unique venues and indoor seating for up to 300 guests on a main floor and balcony level. The facility also offers the 2,000 square foot Emerson Suites that offers a full kitchen, dining area, three bedrooms, four full bathrooms, and washer/dryer; the suite can accommodate up to 14 guests.

The Moberly Area Chamber of Commerce provided lodging tax revenue. The lodging tax is currently 4.0 percent in Moberly, which is the maximum that can be charged per state regulations. The data is presented as a fiscal year, which begins July 1 through June 30 of the following year.

**City of Moberly, Missouri
Non-Resident Lodging Tax**

Fiscal Year	Revenue	Percent Change
2014-2015	\$117,723	--%
2015-2016	113,352	(3.9)
2016-2017	106,919	(5.7)
2017-2018	118,630	11.0
2018-2019	104,886	(11.6)
2019-2020	94,289	(10.1)
2020-2021	103,242	9.5
2021-2020	103,458	0.2
2022-2023	112,044	8.3
2023-2024	126,632	13.0
2024-2025*	104,322	--

**Data provided to us by the Moberly Area Chamber of Commerce was as of 5/31/25 and does not include the month of June, therefore it does not reflect a complete year. Numbers have been rounded
Source: City of Moberly*

SUPPLY AND DEMAND ANALYSIS – HOTELS AND ALTERNATIVE ACCOMMODATIONS

There are currently two branded lodging properties in Moberly, the 63-room Comfort Inn & Suites and the 59-room Super 8. The Comfort Inn & Suites is an upper midscale brand of Choice Hotels and would be a direct competitor to the proposed hotel. The Super 8 is an economy brand of Wyndham Hotels and we do not believe will compete with the proposed hotel due to its lower rate structure and market orientation toward the price conscious traveler and negotiated rates with contractors. These two hotels opened in 2003 and 1981, respectively.

Columbia is approximately 30 miles south of Moberly via U.S. Highway 63. According to STR, there are 36 lodging properties with nearly 3,800 rooms in Columbia. We are aware of three hotels either under construction or in the discussion stage in Columbia, which would add over 400 guest rooms to the market over the next two to three years.

Our demand surveys indicated that some of Moberly's businesses are utilizing the Comfort Inn & Suites, however, many of the surveys indicated that Columbia hotels are being utilized. A few of the surveys named specific hotels in Columbia, although many of the surveys just said, "Columbia hotels". For this study, we considered hotels located at the I-70 and U.S. Highway 63 interchange, as this would be the most convenient location for travelers traveling from Moberly. We counted 14 lodging properties at this interchange and chose six hotels based on the type of hotel (midscale to upscale class), product concept, brand affiliation (loyalty programs), and quality of product based on reviews, to include in our STR report. While we do not believe these properties will be direct competition to the proposed hotel, we included them in the STR report for two reasons – (1) we chose hotel brands/concepts that we believe would be the type of property that we would recommend for Moberly and (2) we needed a minimum of four hotels in the STR report per STR's requirements.

Our discussions during fieldwork and a couple of the surveys indicated rather than some companies traveling to Columbia, they will travel to Macon, about 30 miles north of Moberly and stay at the Comfort Inn & Suites in Macon. This hotel had very good reviews on the various booking platforms, and therefore, we included this hotel in the competitive set for those reasons.

In addition to hotels, we researched the short-term rental market, which includes lodging booked through Airbnb and Vrbo. The short-term rental market is not significant in Moberly, as compared to a large market like Columbia. As of May 2025, there were 22 active listings out of a total of 34 possible listings for the rental market; in addition, there are 11 short-term rental properties available for sale currently in Moberly.

The hotels that we included in the STR report are shown in the following table

**Lodging Supply
Moberly, Missouri Greater Market Area**

Hotel	Location	Parent Company	Class of Property	Number of Rooms	Year Open/Change
Comfort Inn & Suites	Moberly	Choice	Upper Midscale	63	2003/2014
Comfort Inn & Suites	Macon	Choice	Upper Midscale	64	2004
Hilton Garden Inn	Columbia	Hilton	Upscale	151	2006
Hampton Inn	Columbia	Hilton	Upper Midscale	120	1996
Fairfield Inn & Suites	Columbia	Marriott	Upper Midscale	91	2008
Best Western Plus	Columbia	Best Western	Upper Midscale	76	1998/2015
Country Inn & Suites	Columbia	Choice	Upper Midscale	85	2007
Wingate	Columbia	Wyndham	Midscale	<u>81</u>	2000
Total				729	

Source: Patek Hospitality Consultants, Inc. and STR

A property profile of the lodging properties available in Moberly, Macon, and Columbia is shown on the following two pages together with a location map.

**MOBERLY, MISSOURI GREATER MARKET AREA
PROPOSED LIMITED-SERVICE HOTEL
COMPETITIVE PROPERTY PROFILE**

	Comfort Inn & Suites	Comfort Inn & Suites	Hilton Garden Inn	Hampton Inn
Location	Moberly, W. Outer Rd.	Macon, N. Missouri St.	Columbia, Vandiver Dr.	Columbia, Clark Lane
# Of Rooms	63	64	151	120
Year Opened/Changed	2003/2014	2004	2006	1996
FACILITIES/AMENITIES				
Suites	yes	yes	yes	yes
Complimentary Breakfast	yes	yes	No	yes
Restaurant/Lounge	None	None	The Garden Grille & Bar	none
Meeting Space SF	none	4,000SF	12,638 SF	none
Other Features	Indoor pool, fitness, busines center, micro/fridge all rooms	Indoor pool, fitness, business center, Bus/truck parking, micro/fridge all rooms	Indoor pool, fitness, room-service, micro/fridge all rooms	Indoor pool, fitness, mini fridge all rooms
2025 Published Rates - 2 Queen Beds				
Weekday, July 2025	\$138.00	\$168.00	\$154.00	\$159.00
Weekday, September 2025	\$148.00	\$168.00	\$180.00	\$189.00
Weekend, October 2025	\$139.00	\$166.00	\$189.00	\$197.00

Note: Published rates as of Tuesday, July 1, 2025 for Tuesday, 7/15/25; Wednesday, 9/17/25, and Weekend 10/3-5/25

Source: Patek Hospitality Consultants, Inc., Hotel Interviews, and Internet

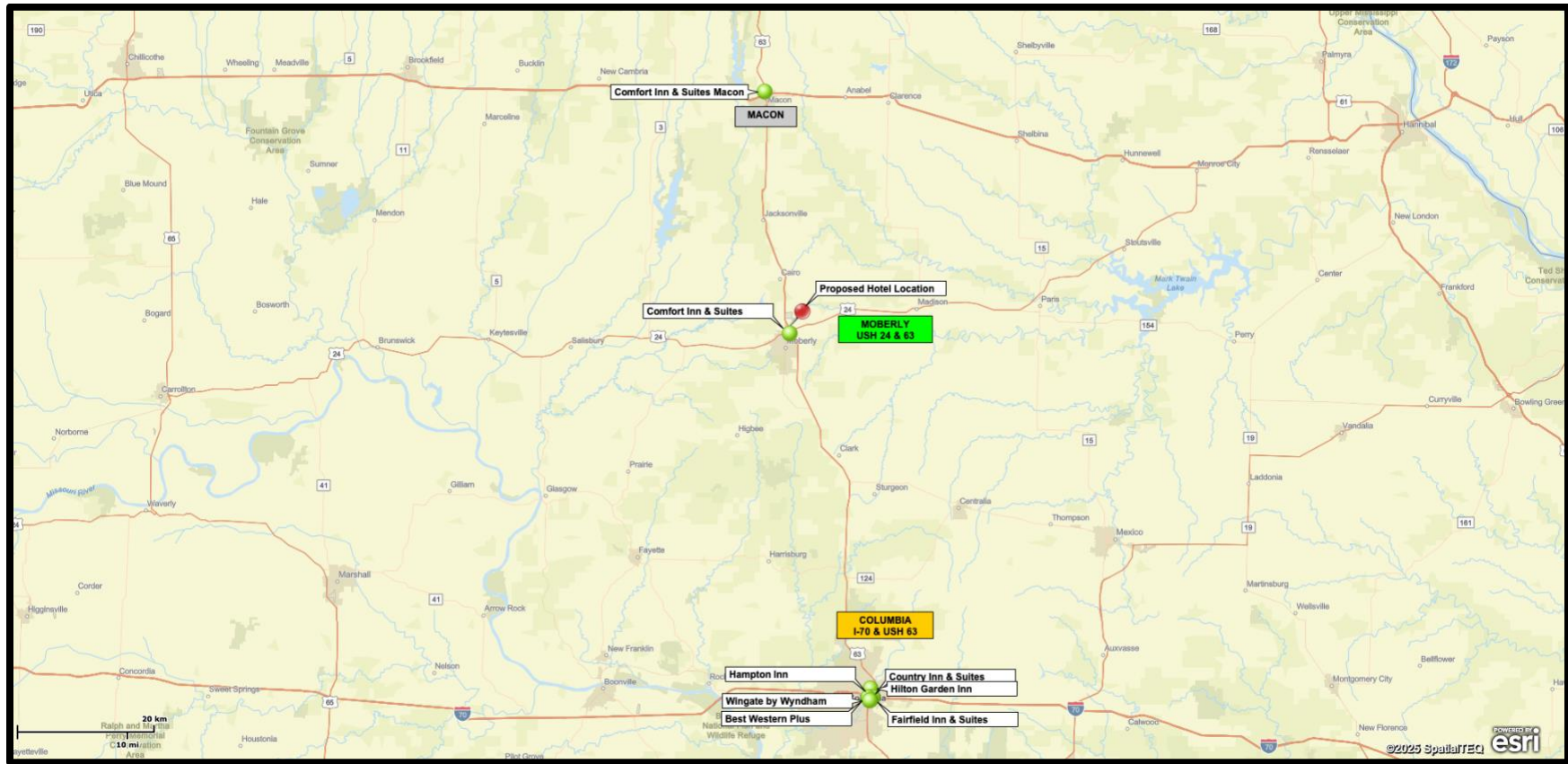
**MOBERLY, MISSOURI GREATER MARKET AREA
PROPOSED LIMITED-SERVICE HOTEL
COMPETITIVE PROPERTY PROFILE**

	Fairfield Inn & Suites	Best Western Plus	Country Inn & Suites	Wingate by Wyndham
Location	Columbia, Woodland Springs	Columbia, Clark Lane	Columbia, N. Keene St.	Columbia, Wingate Ct.
# Of Rooms	91	76	85	81
Year Opened/Changed	2008	1998/2015	2007	2000
FACILITIES/AMENITIES				
Suites	yes	yes	yes	yes
Complimentary Breakfast	yes	yes	yes	yes
Restaurant/Lounge	none	none	none	none
Meeting Space SF	none	none	40 people	770 SF
Other Features	Indoor pool, fitness, micro/fridge all rooms,	Indoor pool, fitness, business center, micro/fridge all rooms	Indoor pool, fitness hot tub, bus. Center, micro/fridge all rooms	Indoor pool, fitness, business center, micro/fridge all rooms
2025 Published Rates - 2 Queen Beds				
Weekday, July 2025	\$129.00	\$80.00	\$80.00	\$121.00
Weekday, September 2025	\$159.00	\$80.00	\$98.00	\$163.00
Weekend, October 2025	\$209.00	\$119.00	\$121.00	\$169.00

Note: Published rates as of Tuesday, July 1, 2025 for Tuesday, 7/15/25; Wednesday, 9/17/25; and Weekend 10/3-5/25

Source: Patek Hospitality Consultants, Inc. , Hotel Interviews, and Internet

COMPETITIVE HOTEL SUPPLY MOBERLY, MACON, AND COLUMBIA, MISSOURI



Additions to Supply

During our fieldwork, we did not learn of any other hotels proposed for Moberly. We did learn of a 131-room Tru by Hilton under construction near the Columbia Regional Airport. In addition, the Broadway Hotel, a Doubletree Hotel by Hilton expanded; the property added 80 rooms to bring its room count to 194 in May 2025.

Maybe more relevant to Moberly are two hotels and a convention center that have been discussed for Columbia across U.S. Highway 63 from the Menards and Bass Pro Shop off Vandiver Drive. In mid-May 2025, the Columbia city council approved zoning changes and land use plans for the Puri Group's proposed development. The project includes a 46,000 square foot convention facility with exhibit space, a ballroom, a 10,000 square foot outdoor patio, and multi-functional meeting spaces. In addition, two hotels are proposed, a Hyatt Place and Courtyard by Marriott. We believe both hotels would be about 150 guest rooms and could potentially open in 2027-2028. The location of these two hotels on the north side of Columbia, across U.S. Highway 63 from the existing 151-room Hilton Garden Inn and closer to Moberly, could give Moberly guests additional options to stay in Columbia, especially if a new hotel is not built in Moberly.

We did not include either of these hotels as additions to supply in our analysis. In general, we do not believe the Columbia hotels present direct competition to Moberly at the present time, but according to our demand surveys, visitors to Moberly are staying in Columbia because of the hotel options there, the dining and entertainment available, and the hotel product in Moberly not always meeting the guest's needs. Should a new hotel be built in Moberly with a quality product and recognized brand, together with a food and beverage option, we believe those visitors traveling to Columbia would rather stay in Moberly, closer to their place of business. With the addition of the convention center, we believe these two proposed hotels will become more group oriented and will compete with similar hotels that currently exist in Columbia, like the Hilton Garden Inn.

Based on the opening of the Subject 70-room hotel in January 2028, it is estimated a compound annual growth rate of 1.3 percent in supply will be realized between 2024 and 2031. On an annual basis, supply is estimated to increase 9.6 percent in 2028. The base number of competitive rooms would increase from 729 to 799 or 70 rooms. Demand during this same period is estimated to also increase at a compound annual growth rate of 1.3 percent.

Alternative Accommodations

JLL is a leading professional services firm that specializes in real estate and investment management. During and after the pandemic, JLL discussed how alternative accommodations have undergone a transformational shift over the past decade. What started out as a marketplace for individuals to rent out their primary or secondary homes to generate extra income has evolved into a very different space from traditional lodging. The Covid-19 pandemic helped accelerate the growth in this concept of live, work, stay, and play wherever people wished, which has resulted in unprecedented growth in alternative accommodations. Corporate travelers, business/leisure (bleisure), business groups, and affluent families on

vacation make up a greater share of the sector's consumer base. According to JLL, there are several sub-sectors of alternative accommodations including short-term rentals, distribution platforms, branded home property managers, branded multi-housing alternatives, membership programs, and shared accommodations. For purposes of our study, we focus on the short-term rentals sub-sector.

The short-term rental housing market is primarily driven by Airbnb and Vrbo rental channels. According to the research firm AirDNA, there were 34 total listings with 22 active listings for Moberly as of May 2025 (the number of units can vary by month). The majority (79 percent) are rentals of entire homes, while 21 percent of the rentals are for a private room. Over the past twelve months (June 2024 to May 2025), occupancy was estimated to average 45 percent, ADR was estimated to average \$137.74, RevPAR was estimated to be \$61.73, and the revenue was \$19,000/month. The most common number of bedrooms in the homes rented were one or two bedrooms. In Moberly, 65 percent of the rentals were booked through Airbnb, 9 percent were booked through Vrbo, and 26 percent were listed on both rental channels.

AirDNA defines the four metrics they use as follows: **Occupancy** is the number of booked days divided by the number of available days. Properties with no reservations are excluded. The occupancy rate of 45 percent presents the median occupancy over the past 12 months. **Average daily rate (ADR)** is the average booked nightly rate including cleaning fees for all booked days and for all price tiers. **RevPAR** (revenue per available rental) is calculated by dividing total revenue generated by the number of available properties in the market. **Revenue** is calculated by multiplying the booked days by the booked rate including the cleaning fee.

The data on short-term rentals was presented for informational purposes only and to give the reader a perspective that there is alternative lodging offered in Moberly, although we do not believe short-term rentals pose significant competition to the hotel market in general in Moberly nor to the proposed hotel. One reason for visitors to Moberly to consider a short-term rental is because the existing hotel product is not meeting guest's needs.

We utilized the data from the eight hotels listed in the previous table as the basis for our analysis going forward for the proposed hotel.

AREA HOTEL DEMAND

Hotel room demand is categorized as “demonstrated” demand, or that demand which can be quantified by examining occupancies at existing hotels; “unsatisfied” demand, or that demand which is turned away or denied at existing hotels because of capacity limits and finding accommodations outside the defined competitive market; and “induced” demand, defined as that demand which does not now seek accommodations in the market but which would, given an acceptable quality hotel, the proper sales efforts and the availability of additional rooms supply. In this market, all three types of demand have been evaluated.

Demand for hotel rooms in any given area is measured by occupancy percentages and average daily rates (ADR). Although these statistics vary between properties because of age, location, condition, marketing efforts and seasonality, area averages are useful in analyzing historical trends and projecting future conditions as they relate to the market potential of a proposed project. STR tracks room supply and demand characteristics in markets across the country, maintains an up-to-date inventory of all hotels and receives actual operating statistics from a large sample in each market. We used this information to supplement our research findings. Information from the STR report presented in the following table shows occupancy, average daily rate, demand, supply, and revenue on an annual basis for the period 2017-2024 and for year-to-date May 2022-2025. The complete STR report has been retained in our files.

STR is a research company based in Hendersonville, Tennessee that began collecting data in the 1980s and today over 88,000 hotels with over 11.5 million rooms globally submit monthly data to the STR program. STR reports are specific to a market and include those hotels that we identified as potential competition. The report provides historical performance for a competitive set including occupancy, average daily rate, supply and demand changes, revenue, and weekday versus weekend demand. The report presents the information as an aggregate and does not provide individual property data.

**Standard Historical Trend 2017-2025
Select Competitive Set
Moberly, Missouri Greater Market Area**

Year	Room Supply	% Change	Room Demand	% Change	Occupancy	ADR ¹	RevPAR ²
2017	266,815	--%	177,975	--%	66.7%	\$101.94	\$67.99
2018	266,815	0.0	170,432	(4.2)	63.9	98.69	63.04
2019	266,815	0.0	163,450	(4.1)	61.3	98.13	60.11
2020	266,815	0.0	114,054	(30.2)	42.7	86.68	37.05
2021	266,815	0.0	162,416	42.4	60.9	100.46	61.15
2022	266,815	0.0	175,464	8.0	65.8	113.34	74.54
2023	266,325	(0.2)	175,114	(0.2)	65.8	119.95	78.87
2024	266,085	(0.1)	180,816	3.3	68.0	120.68	82.01
2022*	110,381	--	66,845	--	60.6	108.41	65.65
2023*	110,319	(0.1)	66,096	(1.1)	59.9	118.25	70.85
2024*	110,079	(0.2)	70,967	7.4	64.5	118.69	76.52
2025*	110,079	0.0	73,979	4.2	67.2	124.63	83.76

*Through May

¹ Average Daily Rate

² RevPAR (Revenue Per Available Room) = occupancy x average daily rate

Source: STR

The eight hotels with 729 rooms were included in our competitive set, which is primarily made up of upper midscale hotel brands, one midscale brand, and an upscale brand. It is our opinion that some of the competitive properties perform at levels below the market average while other properties perform above the market average. A competitive set's performance can be impacted based on product quality, age, management/ownership, brand affiliation, reputation, availability, and whether the product is meeting the guest's needs or they are choosing to stay outside the competitive set because their needs are not being met, or the rooms are not available.

This competitive hotel market has performed in the low to high 60s percent range over the past eight years. Average daily rate (ADR) over the eight-year period grew 2.8 percent and RevPAR grew 6.6 percent over this same period. The exception was 2020 due to the pandemic.

The STR report presents analysis for the day of week that is presented in the following table for the eight hotels in the greater Moberly competitive set. The three-year trailing twelve-month (TTM) period starts June 2022 and ends May 2025.

**Day of Week Analysis
Select Competitive Set
Moberly, Missouri Greater Market Area**

Period	Sun.	Mon.	Tues.	Wed.	Thurs.	Fri.	Sat.	Avg.
6/22-5/23								
Occupancy	41.8%	58.9%	70.9%	72.2%	68.2%	74.6%	71.6%	65.5%
ADR	\$98.85	\$104.51	\$108.71	\$109.94	\$112.61	\$138.74	\$135.41	\$117.09
RevPAR	\$41.32	\$61.52	\$77.09	\$79.42	\$76.85	\$103.57	\$96.99	\$76.69
6/23-5/24								
Occupancy	43.0%	61.8%	72.5%	74.4%	71.0%	77.4%	73.2%	67.6%
ADR	\$99.47	\$107.17	\$112.26	\$114.64	\$114.24	\$141.81	\$138.71	\$120.08
RevPAR	\$42.72	\$66.20	\$81.41	\$85.31	\$81.08	\$109.77	\$101.54	\$81.23
6/24-5/25								
Occupancy	44.3%	65.0%	76.8%	75.5%	70.5%	77.3%	74.1%	69.1%
ADR	\$99.46	\$107.14	\$114.07	\$116.63	\$117.32	\$149.73	\$144.11	\$123.04
RevPAR	\$44.10	\$69.63	\$87.59	\$88.08	\$82.69	\$115.79	\$106.72	\$85.00
3-yr Avg.								
Occupancy	43.0%	61.9%	73.4%	74.0%	69.9%	76.5%	73.0%	67.4%
ADR	\$99.26	\$106.31	\$111.74	\$113.76	\$114.74	\$143.47	\$139.48	\$120.12
RevPAR	\$42.71	\$65.78	\$82.03	\$84.24	\$80.21	\$109.71	\$101.78	\$80.97

Source: STR

The stronger weekday demand in this market is likely generated by the corporate demand in the Columbia market, captured by the six Columbia hotels we included in the comp set. Weekend demand is generated by University of Missouri sports and general tourism events and activities in this region.

The following tables show monthly occupancies, ADRs, and RevPARs from 2017-May 2025. The yellow box highlights the lowest metric achieved for this period and the green box highlights the highest metric achieved during the same period.

Select Competitive Set
Monthly Occupancy 2017-2024, YTD May 2025
Moberly, Missouri Greater Market Area

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Avg.
2017	47.1%	57.5%	66.9%	68.2%	69.3%	80.9%	78.4%	80.1%	70.5%	71.2%	63.0%	46.9%	66.7%
2018	48.1	57.0	64.3	67.9	71.6	75.8	71.8	67.7	69.0	70.4	58.0	44.7	63.9
2019	45.4	58.3	59.1	64.1	67.4	66.1	73.2	64.6	67.5	66.5	59.3	43.7	61.3
2020	42.0	56.3	43.6	20.8	28.7	40.1	48.1	53.7	50.7	54.4	41.6	33.7	42.7
2021	36.9	40.7	55.4	59.1	68.9	73.2	73.5	71.2	69.7	69.0	62.1	49.4	60.9
2022	41.0	52.3	65.6	70.6	72.8	78.3	74.0	70.9	72.0	76.6	64.6	49.9	65.8
2022	47.1	51.7	60.2	68.9	73.1	76.5	76.6	71.6	72.2	73.5	69.5	49.6	65.8
2024	45.5	56.1	67.4	76.7	76.1	77.5	72.7	74.7	74.4	76.8	67.3	49.8	68.0
2025	49.6	57.6	73.4	74.2	80.5	--	--	--	--	--	--	--	--
Avg.	44.7%	54.2%	61.8%	63.2%	67.6%	71.0%	71.0%	69.3%	68.2%	69.8%	60.7%	46.0%	61.9%

Source: STR

Select Competitive Set
Monthly Average Daily Rate (ADR) – 2017-2024, YTD May 2025
Moberly, Missouri Greater Market Area

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Avg.
2017	\$88.26	\$96.72	\$97.70	\$101.77	\$105.89	\$99.46	\$101.00	\$105.12	\$119.36	\$106.91	\$103.18	\$87.64	\$101.94
2018	87.60	95.16	97.51	104.06	104.88	95.59	96.58	92.89	108.23	105.98	100.52	87.86	98.69
2019	85.59	95.82	92.64	99.86	104.76	93.37	95.42	93.33	113.98	108.58	99.30	86.10	98.13
2020	86.63	95.74	90.81	88.48	84.41	85.98	83.80	82.79	86.01	87.29	84.45	82.43	86.68
2021	81.52	83.47	85.61	93.97	100.37	95.09	105.11	100.92	111.99	121.16	110.47	94.85	100.46
2022	91.43	102.92	103.83	114.23	120.17	110.10	115.33	107.20	128.66	128.66	118.89	101.39	113.34
2023	99.76	118.34	114.61	125.89	126.35	110.12	118.77	111.30	128.31	141.68	128.71	103.23	119.95
2024	98.95	114.99	117.26	126.55	126.54	110.85	109.16	113.86	141.98	133.93	137.64	101.69	120.68
2025	101.35	118.62	124.62	134.01	134.50	--	--	--	--	--	--	--	--
Avg.	\$91.58	\$102.85	\$103.87	\$112.46	\$114.53	\$101.17	\$104.10	\$101.78	\$118.73	\$118.10	\$112.22	\$93.83	\$106.02

Source: STR

Select Competitive Set
Monthly Revenue per Available Room (RevPAR) – 2017-2024, YTD May 2025
Moberly, Missouri Greater Market Area

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Avg.
2017	\$41.55	\$55.59	\$65.36	\$69.40	\$73.40	\$80.45	\$79.22	\$84.20	\$84.10	\$76.17	\$65.03	\$41.14	\$67.99
2018	42.18	54.27	62.68	70.61	75.11	72.43	69.31	62.91	74.70	74.62	58.29	39.30	63.04
2019	38.86	55.89	54.77	63.97	70.64	61.71	69.82	60.29	76.89	72.18	58.91	67.66	60.11
2020	36.35	53.93	39.60	18.40	24.26	34.48	40.26	44.49	43.58	47.46	35.12	27.81	37.05
2021	30.07	33.96	47.41	55.56	69.17	69.63	77.29	71.86	78.07	63.61	68.63	46.84	61.15
2022	37.45	53.83	68.15	80.67	87.49	86.26	85.37	76.04	92.63	98.49	76.75	50.54	74.54
2023	47.01	61.18	69.02	94.19	92.39	84.28	90.98	79.72	92.59	104.08	89.39	51.21	78.87
2024	45.03	64.53	79.07	97.12	96.34	85.86	79.34	85.03	105.65	102.89	92.59	50.66	82.01
2025	50.22	68.35	91.51	99.40	108.34	--	--	--	--	--	--	--	--
Avg.	\$40.96	\$55.72	\$64.16	\$71.02	\$77.44	\$71.88	\$73.94	\$70.56	\$81.01	\$82.42	\$68.07	\$43.14	\$65.59

Source: STR

Demand Mix and Projected Growth in Demand

We estimate the 2024 market mix of the competitive supply to be 61 percent Corporate Individual, 11 percent Group/SMERF, 24 percent Tourist/Other, and 4 percent Extended-Stay. This estimated market mix is more heavily weighted toward the six Columbia hotels; however, we believe it portrays a general idea of the greater market area's potential demand sources.

Corporate Individual generated 110,900 room nights for the competitive market in 2024. This segment includes executives, salespeople, vendors, buyers, consultants and other types of people doing business with the corporations and institutions located in the defined market area. We have also included some contract demand in this segment, which includes contractors, construction, and contract business. This demand segment is typically strongest on Tuesday and Wednesday nights. The Covid-19 pandemic had a significant impact on this segment of demand nationally in 2020 and 2021. Corporate travel basically came to a halt and has returned, albeit more slowly from 2022 to the present. Even as companies continue to return to the office, business travel has not returned to pre-pandemic levels. The ability to conduct virtual meetings via Zoom, Teams, and other platforms has changed how business can be conducted. Return to office mandates continues to occur among large and small companies.

Based on our current knowledge of the markets and discussions with local officials and local hotel operators, we estimated that this market segment could experience a compound annual growth rate of 1.2 percent over the period 2025-2032. Our estimates reflect the opening of the proposed hotel which could attract demand that has not previously been accommodated in any of the competitive hotels, induced demand which is demand that could be loyal to a new franchise entering the market and/or that previously did not patronize the hotels in the competitive supply because they did not meet their needs. The estimated growth in corporate individual should vary by year.

Group/SMERF – The Group/SMERF segment with 19,700 room nights is comprised of SMERF (social, military, education, religious, fraternal) groups, sports groups, and weddings. We estimate the Hilton Garden Inn in Columbia generates a larger percentage of corporate, convention, and other large meetings/banquets with its over 12,000 square feet of meeting space in a separate building and this demand is also included in this Group segment. The rest of the competitive set hotels have minimal to no meeting space, as they are all limited-service hotels. Typically, this segment's room nights are booked as a block of rooms from the various groups identified in this report. We estimated this market segment could experience a compound annual growth rate of 1.3 percent annually from 2025-2032.

In 2020, this segment was impacted significantly as weddings were cancelled or postponed, as were a variety of sporting, other social events, and corporate and convention meetings. Re-booking of weddings and other social events in 2021-to present, has had a positive impact on this segment's growth and in 2024, the return of conferences, conventions, and corporate groups has been realized across the country, which is a positive trend for the hotel industry.

The **Tourist/Other** segment with 43,500 room nights is comprised of those travelers visiting the attractions, events, and festivals in the greater market area. There are events and tourist

activities occurring in Columbia that currently comprise most of this demand segment. The University of Missouri alone generates tourist demand throughout the year with sporting events, graduation, parents' weekends, and many others. Some of these events could generate overflow demand to a new Moberly hotel. In Moberly, there are a few events that could generate tourist demand like Railroad Days, Junk Junktion, and the Christmas Festival, as well as the Motorsports Park.

This segment would also include those individuals attending weddings or sports tournaments but are not part of a block of rooms. The pandemic had a significant impact on the tourism industry in 2020 where communities were forced to cancel or postpone festivals, events such as weddings, and other community related gatherings. However, both locally and nationally leisure travel returned in 2021 and contributed significantly to a stronger performance in 2021-2023 and this trend continued in 2024 and beyond, albeit at a slightly slower pace as compared to the last three years, according to the latest data, mainly due to economic uncertainty. We estimated a compound annual growth rate of 1.5 percent over the period 2025-2032.

Transient traffic typically grows at lower rates unless there is a new attraction or major development or other specific reason for significant increases in visitation. A new hotel will typically induce demand that has previously not been accommodated by the competitive properties. This is often because of loyalty to a chain, a more desirable location or simply the availability of a new property. This demand segment is the most volatile because visitation can be dependent on the weather, scheduled activities, nation-wide economic conditions and such.

The **Extended-Stay** segment is typically defined as those stays of five nights or longer for people that are visiting the area such as consultants working on projects, relocation, recruiting, training, traveling doctors/nurses, or for other reasons such as displaced homeowners or new home buyers or for other reasons. We also included some corporate lodging and contract/crew demand in this segment.

We believe the limited-service hotels in the competitive set do capture some extended-stay demand, however, there are several extended-stay hotels in Columbia, which we did not include in our competitive set because this was not the type of hotel concept we recommend for Moberly. In addition, based on our demand interviews, there does not appear to be a significant amount of what we defined as long-term stays in Moberly. If the proposed hotel brand could offer a few extended-stay suites along with the standard guest rooms, we believe it would be beneficial for the hotel, although there are only a few hotel brands that offer both types of guest rooms in one building, based on our recommended number of rooms.

We estimated this segment captured 7,000 room nights in 2024. We estimate growth in the extended-stay segment to be 1.0 percent over the period 2025-2032.

The following table summarizes our estimates regarding market supply and demand during the projection period.

**Total Competitive Market
Proposed Limited-Service Hotel
Moberly, Missouri**

Year	Annual Avail. Rooms	Annual Growth Supply	Annual Occupied Rooms	Annual Growth Demand	Market Occupancy
2024	266,085	--%	181,100	--%	68.0%
2025	266,085	0.0	182,000	0.5	68.0
2026	266,085	0.0	182,900	0.5	69.0
2027	266,085	0.0	184,700	1.0	69.0
2028	291,635	9.6	191,900	3.9	66.0
2029	291,635	0.0	196,400	2.3	67.0
2030	291,635	0.0	198,900	1.3	68.0
2031	291,635	0.0	198,900	0.0	68.0
2032	291,635	0.0	198,900	0.0	68.0
CAG		1.3%		1.3%	

Note: Numbers have been rounded.

Additions to supply include the Subject 70-room Limited-Service Hotel

CAG – Compound Annual Growth

Source: Patek Hospitality Consultants, Inc.

Between 2025 and 2032, supply is estimated to grow at a compound annual growth rate of 1.3 percent while demand is also estimated to grow 1.3 percent during this same period. While we believe that occupancies can exceed our estimates stated above, we also know that unforeseen circumstances can cause occupancies to fall below our estimates. From an historical perspective we believe a stabilized occupancy of 68.0 percent for the competitive set is reasonable.

PROJECTED MARKET POSITION AND PENETRATION OF THE PROPOSED HOTEL

Demand Interviews

In conducting market research for a proposed hotel in Moberly, we believe it was important to conduct demand interviews with companies and organizations that are generators of hotel room demand in the community and surrounding area. These interviews provided us with insight into the travel volume, needs, hotel preferences, desired room rates, and types of travelers (i.e., executives, sales reps, vendors, meetings, etc.) for each organization. In addition, the interviews helped us to gauge the prospective interest in a proposed hotel and provide helpful input for the facilities, amenities, and services offered at a property. The demand interviews provided us with more qualitative information rather than quantitative data.

With MAEDC's assistance, 19 organizations were contacted in the market area that could be potential demand generators for the proposed hotel. Of these 19 businesses, we received responses from 17 businesses. A copy of the survey is on the following page.

Hotel Demand Interview – Moberly, MO (June 2025)

Company:

Contact Name/Phone Number:

Date Survey was Completed:

Type of Traveler (executives, vendors, customers, training, etc.):

Estimate of Room nights (**on a weekly or monthly basis – please indicate which**):

Do you have a need for an extended-stay room (full kitchens, larger suite room):

Hotels Currently Using:

Rate currently being Paid and rate you are willing to pay:

Preferred Brand Affiliation (Hilton, Marriott, IHG, Choice, Wyndham, GrandStay, Cobblestone, Best Western, others):

Facilities/Amenities deemed important (i.e. Complimentary breakfast, restaurant, lounge, fitness, full kitchens, indoor pool):

Meeting/Banquet Space requirements (If so, what is the capacity needed and how often. Would attendees need to stay overnight?):

Do you ever have trouble finding hotel rooms (if so, when):

Would your company use a new hotel if it were built in Moberly (why or why not)

Additional Comments:

Please return to Brenda S. Patek, Patek Hospitality Consultants, Inc. at patekhc@aol.com by **June 27, 2025**. Thank you!!

As the survey shows, there are a few details we are interested in learning about from the businesses. Probably the most difficult question is estimating the number of room nights generated on a weekly or monthly basis. This information is difficult to estimate because the number can vary based on production schedules, training and meetings, seasonality, and more than any one reason, is that various individuals are likely making the reservation including visitors making the reservation themselves. Gathering this information on room nights is very helpful in determining the potential for a new hotel development, however there are other factors that are taken into consideration in making an assessment on a community's ability to support additional rooms.

A summary of the demand interviews follows:

Summary of Demand Interviews – Moberly, Missouri (Conducted June 2025)				
Survey Number	Types of Travelers Est. of Room Nights	Hotels Used Rate Paid	Facilities/Amenities Preferred	Comments
1	Employees, corporate Room Nights – NA	Comfort Inn & Suites Columbia hotels Rate - NA	Complimentary breakfast, restaurant, lounge, fitness center. Meeting space for 30 people 2x/year	Prefer Hilton and IHG. May graduation at MU can be difficult to find rooms
2	Contractors, corporate execs, Board members, customers, training Room Nights – 10-20/week	Comfort Inn & Suites, Super 8, Hilton Garden Inn, Staybridge Suites, Holiday Inn Express & Suites, Courtyard by Marriott Rate - NA	Complimentary breakfast, restaurant, lounge, fitness center. Meeting space for 5-20 people 3-4x/year	Prefer Hilton and IHG, as the company has contracts with these hotel companies. No trouble finding rooms in Moberly but would consider a new hotel
3	Executives, vendors, interviewees, families, temporary housing for new employees Room Nights – 40/month	Columbia Hotels (did not specify) Rate - \$150-\$200	Full kitchen, fitness center, restaurant and lounge, extended-stay rooms	Prefer Hilton and Marriott. Visitors will stay in Columbia because of lack of options or limited availability for one hotel in Moberly. Believes there is a need for a new hotel
4	Executives Room Nights – 2-4/quarter	Mostly Columbia Hotels (did not specify)	Complimentary breakfast, fitness center	They would possibly use a new hotel, although the downside is the lack of citywide entertainment and restaurant options in Moberly
5	Executives, staff, vendors Room Nights - @150/year	Hotels used not indicated. Rate - \$119 (willing to pay)	Complimentary breakfast, fitness center	Hilton is the preferred choice, although most brands would be okay. They use Columbia hotels because of the dining options. They would need a good corporate rate and direct bill.
6	Company salespeople, vendors Room Nights – 2-3/week	Comfort Inn & Suites, Super 8 Rate - \$87-\$150	Hot Complimentary breakfast, indoor pool, fitness center	Prefer Hilton, Marriott, IHG. Would consider a new hotel due to limited room capacity in Moberly currently and Columbia is 25-35 miles away
7	Vendors, executives, customers, employees Room Nights – varies based on the season	Drury Inn or Courtyard in Columbia Rate - \$250	Complimentary breakfast, fitness center, lounge	Prefer Drury or Marriott. They use Columbia hotels because there are more options and easy access to SH 63. Current Moberly hotels don't always meet expectations.

Summary of Demand Interviews – Moberly, Missouri (Conducted June 2025)				
Survey Number	Types of Travelers Est. of Room Nights	Hotels Used Rate Paid	Facilities/Amenities Preferred	Comments
8	Consultants, job candidates, accreditors, visiting teams Room Nights – 3/month, much more during various sports seasons	Comfort Inn & Suites Rate - \$150-\$250; rates for sports teams would be lower	Complimentary breakfast and high-speed internet. Meeting space for 100-200 people to host state-wide meetings/workshops with about 1/3 staying overnight	There can be trouble finding hotel rooms in Moberly and end up in Columbia. The company also uses Airbnb and Vrbo for better quality options for consultants and job candidates
9	Sports teams, employees, graduation attendees, tournaments Room Nights – 15/month	Comfort Inn & Suites, hotels in Columbia or Macon Rate - NA	Complimentary breakfast, fitness center, indoor pool	Prefer Hilton/Hampton Inn. Occasionally have trouble finding rooms. They would make their visitors aware of a new hotel if built
10	Executives and training Room Nights - NA	Baymont, Drury Inn, and Holiday Inn in Columbia Rate - \$98-\$120	Complimentary breakfast, restaurant, lounge	Prefer Wyndham, IHG, Best Western or Choice. Would like better options for visiting staff. They like Columbia hotels because there are more options that are reasonable and comfortable; the downside is the 30-minute drive.
11	Executives, vendors, customers, training Room Nights – 8/month	Columbia Hotels (did not specify) Rate - <\$130	Complimentary breakfast and fitness center. Meeting space for up to 25 people.	Prefer Marriott. They would use a new hotel, as it would be more convenient. An all-day dining option would be very helpful
12	Executives, vendors, customers, training Room Nights – 1-2/week	Hilton Garden Inn Columbia Rate - NA	Complimentary breakfast, restaurant, lounge within walking distance	Prefer Hilton, Marriott, Drury. Believes there is a need for a new hotel in Moberly
13	Executives, IT, training Room Nights – 8 nights every six weeks	Comfort Inn & Suites Rate – <\$150	Complimentary breakfast	Prefer any brand. Believes there is a need for a new hotel with a comparable price, good parking, and safe location
14	Training, vendors, customers. Room Nights – 1-2/month	Columbia hotels and Comfort Inn & Suites Rate - NA	Complimentary breakfast, restaurant, lounge	They may use a new hotel, but they don't use hotels frequently

Summary of Demand Interviews – Moberly, Missouri (Conducted June 2025)				
Survey Number	Types of Travelers Est. of Room Nights	Hotels Used Rate Paid	Facilities/Amenities Preferred	Comments
15	Customers Room Nights – 5-6/month	Comfort Inn & Suites, Super 8, Airbnb Rate - NA	Indoor pool	They would use a new hotel if built in Moberly
16	Visitors, special events Room Nights – 1-2/month	None provided	None provided	May use a new hotel
17	Executives, vendors, customers, training Room Nights – 2/week	Columbia hotels (did not specify) Rate – NA (corporate)	Complimentary breakfast	Prefer Hilton, Marriott, IHG. They would use a new hotel because they lose time traveling to Columbia and current lodging in Moberly is not meeting their needs
<i>NA – Not Available</i>				
<i>Source: Contact information provided by Moberly Area Economic Development Corp. (MAEDC); surveys completed by the individual company</i>				

Methodology and Assumptions

We assessed the prospective competitive status of the proposed hotel as compared to the defined competitive lodging supply and as it will be affected by such factors as location, setting, nature and quality of facilities and the extent to which the hotel could capture each demand segment by performing a fair share/penetration analysis. A hotel's fair share of the market is defined as the number of rooms in the hotel divided by the total supply of rooms in the market including the subject hotel. In 2031, the year the property is estimated to reach stabilization, there will be 799 available rooms in the competitive market. Accordingly, the subject's fair share is 70 divided by 799 or 8.8 percent.

The methodology used in this analysis considered the factors that we believe influence the prospective success of the proposed limited-service hotel.

- Our recommendation for new hotel development in Moberly is based on demand interviews we conducted, as well as our knowledge of Moberly and Randolph County and the lodging product offered throughout.
- The existing lodging product in Moberly includes the upper midscale Comfort Inn & Suites and the economy Super 8. Based on the demand surveys, the current lodging supply may not be meeting visitor's needs for reasons such as availability, product quality, facilities/amenities offered, and/or price. This is forcing visitors to seek accommodations outside of Moberly and likely in Columbia. A new branded hotel offering the amenities consistent with national brands would likely capture much more of the demand/room nights in Moberly, thus generating more hotel/motel tax for the community.
- The proposed hotel will be new construction and should be affiliated with a national hotel brand. While a hotel brand has not been identified, we believe there would be several brands that could be considered and appropriate for Moberly. The recommended size of the hotel will define what brands may have interest in Moberly. A separate letter discussing these brands will be forwarded to MAEDC upon completion of this study.

To project occupancy for the proposed hotel, we considered the property's recommended facilities, services, and amenities; the site's location; the competitive properties; and the competitive environment in which the hotel will operate. The advantages and disadvantages of the site were discussed in the Site Analysis section of this report. Our assumptions together with other advantages and disadvantages, as well as other factors that will influence the property's ability to capture market demand (and therefore provide the ability to achieve the projected occupancy and ADR levels) are:

1. The Subject hotel will be affiliated with a national hotel brand that offers a reputable and recognizable reservation system, guest loyalty program, and national marketing program.
2. The Subject Hotel will be open on or before January 2028. If the hotel opening is delayed, our estimates regarding future performance could be affected. Our estimates were based on a calendar year.
3. The Subject Hotel will feature 70 rooms and will include the amenities and facilities discussed in the Project Concept section of this report.
4. Ownership and development of the proposed hotel is to be determined, as is the management company. We assume that the entities will be familiar with the development and operation of a limited-service hotel concept discussed in this report.
5. The additions to supply have been considered in our analysis. If additional hotels enter the market during our projection period, our occupancy and average daily rate estimates for the proposed hotel could be impacted.

Penetration Analysis

Factors indicating that a hotel would possess competitive advantages suggest a market penetration rate of more than 100 percent of fair share while competitive weaknesses are reflected in penetration levels of less than 100 percent. There is usually a period of time required after opening for a new hotel to reach its full market penetration. We estimate that the proposed hotel will achieve a stabilized penetration of 100 percent of fair share. Stabilization is estimated to occur in the hotel's fourth year of operation in 2031. The projected penetration levels reflect the following advantages and disadvantages.

Corporate Individual - We estimate the subject hotel would achieve slightly above its fair share in this segment. We believe that the proposed hotel would capture a large share of the corporate demand in Moberly, as compared to the existing lodging that is offered, assuming that the product concept that would be developed is compatible with the needs/desires of the business community. We do believe that the proposed hotel could induce corporate demand that is currently traveling to Columbia because the current supply may not be meeting their needs. The product concept that is recommended with the facilities and amenities discussed earlier in this report, will appeal to corporate travelers. ***The recommendation to develop a food and beverage establishment within walking distance of the hotel would be a significant draw for a corporate traveler and was a highly desired amenity based on our demand surveys. Many of the comments in the demand surveys about utilizing Columbia hotels is because of the dining options offered in Columbia, as compared to Moberly. We strongly recommend that a sit-down restaurant and lounge be part of the 21-acre development.***

We estimated the penetration rates to range between 95 percent and 105 percent throughout the projection period. Our projections for this demand segment are for approximately 11,200 room nights to be accommodated at the Subject hotel in the stabilized year of operation, which represents 65.0 percent of the hotel's overall captured room nights. The demand is estimated to be consistent throughout the five-year projection period.

Group/SMERF – The proposed hotel is estimated to capture approximately 1,800 room nights in the stabilized year of operation that is estimated to account for 10.0 percent of the hotel's total demand. This demand is likely to be generated from SMERF groups, weddings, and sports groups. The hotel would be well positioned to capture wedding demand generated from the local community, as well as outside of Moberly venues. It is our opinion that a new 70-room hotel would be a catalyst for attracting more and larger youth sports tournaments. In addition, the proposed hotel could capture overflow demand from large group events emanating from Columbia such as MU sporting and other events held at the University, as well as larger social events held in Columbia. We estimated the penetration rates to range between 70 percent and 95 percent throughout the five-year projection period.

Tourist/Other - We estimate the Subject hotel will achieve below its fair share in this segment, as there are a limited number of events and attractions that currently bring in outside visitors. There were a couple of events mentioned to us that bring in outside visitors, but these occur annually. There are a few venues that can hold social events like weddings, however, our discussions during fieldwork indicated there is a need for additional venues to host weddings and other social events. The hotel's location near the interchange of U.S. Highways 63 and 24 could generate guests that would pull off to stay, however, this is estimated to be much less than what a more heavily traveled interstate highway could potentially generate.

We estimate penetration rates to range from 82 percent to 92 percent from 2028-2032. The proposed hotel is expected to accommodate approximately 3,900 room nights in the stabilized year of operation and that figure remains constant for the remainder of the projection period. These room nights represent approximately 22.0 percent of total demand.

Extended-Stay – Should the proposed hotel develop a minimum of four extended-stay rooms as part of the room mix, we estimate the proposed hotel would penetrate this segment at roughly 75 percent throughout the projection period or 500 room nights, which equates to approximately 3.0 percent of total demand. If no extended-stay rooms are developed within the hotel, we estimate these numbers would be significantly less. We do recommend some extended-stay rooms be considered based on our demand surveys. These guest rooms would include spacious studio or one-bedroom suites and fully equipped kitchens. The recommended complimentary breakfast and a 24/7 pantry that offers food, beverages, and other essentials are popular features for the long-term guest.

We estimate the penetration and segmentation of demand for the proposed hotel over the five-year period 2028-2032 to be as follows:

**Estimated Penetration and Market Segmentation
Proposed Limited-Service Hotel
Moberly, Missouri**

Year/Category	Corporate/ Individual	Group/ SMERF	Tourist/ Other	Extended- Stay	Total
2028					
Penetration	95%	70%	82%	75%	89%
Room Nights	9,800	1,300	3,300	500	14,900
Segmentation %	66%	9%	22%	3%	100%
2029					
Penetration	100%	85%	85%	75%	94%
Room Nights	10,500	1,600	3,500	500	16,100
Segmentation %	65%	10%	22%	3%	100%
2030					
Penetration	103%	90%	90%	75%	97%
Room Nights	10,900	1,700	3,800	500	16,900
Segmentation %	65%	10%	22%	3%	100%
2031					
Penetration	105%	95%	92%	75%	100%
Room Nights	11,200	1,800	3,900	500	17,400
Segmentation %	65%	10%	22%	3%	100%
2032					
Penetration	105%	95%	92%	75%	100%
Room Nights	11,200	1,800	3,900	500	17,400
Segmentation %	65%	10%	22%	3%	100%

Source: Patek Hospitality Consultants, Inc.

PROJECTED PERFORMANCE

We have chosen to use a stabilized occupancy of 68 percent, which we believe will be achieved in the fourth year of operation (2031). The stabilized occupancy is intended to reflect the anticipated results of the property over its remaining economic life, given all changes in the life cycle of the hotel. Therefore, the stabilized occupancy excludes from consideration any abnormal relation of supply and demand as well as any favorable or unfavorable non-recurring conditions that may result in unusually high or low occupancies. Although the Subject hotel may operate at occupancies above this stabilized level, we believe it equally possible for new competition and temporary economic downturns to force the occupancy below this anticipated stabilized level.

Based on the rate structures at the competitive facilities and their locations, quality levels, chain affiliations, services and facilities offered in comparison to the proposed hotel, we estimate the

proposed will be able to achieve an average room rate of \$125.00 in 2025 value dollars. This estimated ADR is slightly higher than the competitive hotel set. Our rationale for this estimated rate is that the proposed hotel will be new construction, be affiliated with a national brand, and offer the facilities and amenities that appeal to today's travelers.

The projected rate considers rack rates, discounted rates offered to preferred customers, transient discounted rates, and franchise corporate rates. It also considers the mix of demand and achievable rate by market segment. The proposed hotel's ADR will be influenced by the mix of demand and can be maximized by careful balance of room availability and corporate, group/SMERF, tourist/other, and extended-stay demand. Rack rates for the proposed hotel are estimated to range from \$109-\$169 depending on the demand segment, time of year, and room type. Rates can be set higher or lower based on what is going on in the market and what the market will bear at any one time. The lower end of the rate range is estimated to be for extended-stay demand that would stay for five+ nights.

Based on the local, regional, and national economic recessionary trends and average rate growth for the comp set as shown in the STR report, we forecast the rate increase to be 3.0 percent throughout the projection period. This growth level is intended to reflect the long-term average growth in ADR; actual year-to-year changes may vary. Assuming a January 2028 opening date, the following occupancy and average daily rates are projected for the proposed hotel based on a calendar year.

**Prospective Performance
Proposed Limited-Service Hotel
Moberly, Missouri**

Year	Market Occupancy	Hotel Occupancy	Average Daily Rate	RevPAR
2024	68.0%			
2025	68.0			
2026	69.0			
2027	69.0			
2028*	66.0	58.0%	\$136.60	\$79.23
2029	67.0	63.0	140.70	88.64
2030	68.0	66.0	144.90	95.63
2031	68.0	68.0	149.30	101.52
2032	68.0	68.0	153.70	104.52

**Hotel opening estimated to be January 2028*

Source: Patek Hospitality Consultants, Inc.

CONCLUSION

Based on our market research and the information presented in this report, it is our opinion that development of the proposed 70-room upper midscale, limited-service hotel is market justified and would be well suited for the Moberly market. Our assumptions are based on the proposed hotel being developed as described in this report and operated as a branded hotel with a well-recognized reservation system and guest loyalty program. It is assumed an aggressive sales effort will be in place prior to the hotel's opening, and aggressive and competent third-party management in place once the hotel is open.

We have assumed that the local economy will continue to experience steady growth and will continue to bring corporate, group, and leisure visitors to Moberly and Randolph County in the timeframe discussed in this report. Should any of these assumptions not occur as projected or if unforeseen circumstances occur locally or on a national level, our estimates could be negatively affected.

PROJECTIONS OF INCOME AND EXPENSE

Methodology

To project financial operating results for the proposed hotel, we utilized financial operating results for Limited-Service Hotels as reported by STR, LLC/STR Global, Ltd. (STR) 2024 Global Hotel Profitability Review (2023 data) and by CBRE's Trends In the Hotel Industry 2025 (2024 data). We also referred to actual financial operating statements in our files for limited-service hotels.

The comparable information that is presented in the following tables was provided by STR and includes All Chain Affiliated Hotels from across the country, West North Central Region that includes the state of Missouri, Small Metro/Town Location, and the Upper Midscale Class segment. The CBRE Trends included categories in All Limited-Service Hotels, North Central Region, Rate (\$100-\$150), and Size (< 100 rooms).

The following paragraphs provide a brief explanation of the basis used to prepare the projection for each line item. Data is presented as various input forms such as Per Available Room (PAR), Per Occupied Room (POR), or Ratio to Sales. Critical factors for the various properties were taken into consideration when reviewing the comparable data and adjustments for the subject hotel were made based on location, facility, occupancy and rate, and other relevant operational issues.

All amounts have been rounded to the nearest thousand dollars and account classifications for the hotel component conform to the definitions prescribed by the 12th revised edition of the *Uniform System of Accounts for the Lodging Industry*.

Inflation and Growth in Revenues and Expenses

Our projections incorporate an estimate of general price inflation based upon econometric projections from various sources, tempered by our observations and expectations based on historical perspectives both locally and nationally.

To portray price level changes, we have assumed an inflation rate of 3.0 percent throughout our projection period. Overall, the 3.0 percent rate reflects our long-term outlook for the future movement of prices in the area and is intended only to portray an expected long-term trend in price movements, rather than for a specific interval in time. Our growth assumptions for average rate have been presented previously in this report, and all other line-item expenses are projected to increase at the level of general inflation.

Departmental Revenues and Expenses

Rooms Department: Room revenue is estimated by multiplying the occupancy rate by the average daily rate (ADR) projected in the Hotel Supply and Demand section of the report. The occupancies, average daily rates and resulting room revenue projected for the hotel are summarized as follows:

Proposed Limited-Service Hotel Moberly, Missouri Projected Performance

Year	Occupancy	ADR	RevPAR	Room Revenue
2028*	58.0%	\$136.60	\$79.23	\$2,024,300
2029	63.0	140.70	88.64	2,264,800
2030	66.0	144.90	95.63	2,443,400
2021	68.0	149.30	101.52	2,593,900
2032	68.0	153.70	104.52	2,670,400

*Estimated opening January 2028

Source: Patek Hospitality Consultants, Inc.

Rooms Department expenses include payroll and related costs associated with the front desk and housekeeping, operating supplies, laundry, linens, cable television, and other items necessary to maintain guest rooms. Based on the available information from STR and CBRE and the characteristics of the subject hotel, we estimated rooms department expense to be \$41.64 per occupied room or 27.9 percent in the stabilized year (2031) and range from \$40.74 and \$42.89 per occupied room over the five-year period, which ranges from 27.9 percent to 29.8 percent.

Rooms Expense

STR 2023 Data	Limited-Service Hotels		CBRE Trends 2024 Data	Limited-Service Hotels	
Category	POR	Ratio to Sales	Category	POR	Ratio to Sales
Chain Affiliated	\$59.16	27.4%	All Hotels	\$42.89	28.3%
West North Central Region	\$35.80	31.6%	North Central Region	\$39.02	28.8%
Small Metro/Town	\$41.44	29.8%	Rate (\$100-\$150)	\$37.70	29.8%
Upper Midscale Class	\$42.30	30.3%	Size (<100 rooms)	\$39.17	29.0%
PHC Estimate (Stabilized Year - 2031)				\$41.64	27.9%

Source: STR, CBRE Trends, Patek Hospitality Consultants, Inc.

Food & Beverage Department: The proposed hotel will offer complimentary breakfast and the recommended expanded wine and beer bar. These expenses are included in the Rooms Department Expense and Miscellaneous Income and Expense, respectively.

Miscellaneous Income and Expense: This category is comprised of food and beverage sales from the expanded wine and beer bar, sales from the sundry/convenience shop, interest income, meeting room rental, vending machine commissions, guest laundry, and other miscellaneous income. We estimated Miscellaneous Revenue of approximately \$54,800 or \$3.15 per occupied room in the stabilized year (2031).

Corresponding expenses were estimated to be 50.0 percent of departmental revenue or \$29,300 in the stabilized year. This category does not include telephone expense, which is in the line-item Information & Telecommunication Systems.

Undistributed Operating Expenses

Operating expenses that are not chargeable to a particular operating department are presented as undistributed operating expenses in accordance with the 12th Revised Edition of the *Uniform System of Accounts for the Lodging Industry*. These expenses are discussed below.

Administrative and General (A&G): This category covers expenses such as salaries and wages for management staff, bookkeeping, credit card commissions, data processing charges, corporate office charges, office supplies, legal, accounting, allowance for bad debts, travel expenses, licenses and permits, and similar items.

We estimated \$3,602 per available room (PAR) to be sufficient to cover administrative expenses in the stabilized year of operation that equates to 9.5 percent of total revenue. A&G was estimated to range between 9.5 and 11.0 percent over the five years or \$3,248 to \$3,710 per available room.

A&G Expense

STR 2023 Data	Limited-Service Hotels		CBRE Trends 2024 Data	Limited-Service Hotels	
Category	PAR	Ratio to Sales	Category	PAR	Ratio to Sales
Chain Affiliated	\$6,981	8.8%	All Hotels	\$3,721	9.0%
West North Central Region	\$3,494	12.0%	North Central Region	\$3,281	9.5%
Small Metro/Town	\$4,242	11.5%	Rate (\$100-\$150)	\$3,320	9.8%
Upper Midscale Class	\$4,083	10.9%	Size (<100 rooms)	\$3,663	10.3%
PHC Estimate (Stabilized Year - 2031)				\$3,602	9.5%

Source: STR, CBRE Trends, Patek Hospitality Consultants, Inc.

Information & Telecommunication Systems: This category includes the cost of management information system services, supplies, and equipment as well as the expenses associated with maintaining these systems. These systems also include telecommunication systems such as local, long distance, and Internet communications. In the stabilized year of operation, we estimated this expense to be \$300 per available room or 0.8 percent of total revenue.

Sales and Marketing: Sales and Marketing expenses include payroll and related expenses for the sales and marketing staff, direct sales expenses, advertising and promotion, travel expenses for the sales staff and civic and community projects. The STR data does not include franchise royalties, marketing assessments and guest loyalty programs in this category, whereas the CBRE Trends report does. The STR data includes these items in Franchise Fees.

Based on the marketing expenses reflected in the compiled STR and CBRE data and information on limited-service hotels in our files, we estimated marketing expenses in the stabilized year of operation at \$675 per available room, an amount that represents 1.8 percent of total revenue. The expense is estimated to range between 1.8 and 2.0 percent during the five-year projection period or \$604 to \$696 per available room.

Sales and Marketing Expense

STR 2023 data	Limited-Service Hotels		CBRE Trends 2024 data	Limited-Service Hotels	
Category	PAR	Ratio to Sales	Category	PAR	Ratio to Sales
Chain Affiliated	\$4,476	5.6%	All Hotels	\$5,251	12.6%
West North Central Region	\$961	3.3%	North Central Region	\$4,791	13.9%
Small Metro/Town	\$1,524	4.1%	Rate (\$100-\$150)	\$4,503	13.4%
Upper Midscale	\$1,075	2.9%	Size (<100 rooms)	\$4,400	12.4%
PHC Estimate (Stabilized Year - 2031)				\$675	1.8%

Source: STR, CBRE Trends, Patek Hospitality Consultants, Inc.

Franchise Fees: This category includes the Franchise Royalty fee that is charged by national hotel companies. All franchisors collect a royalty fee, which represents compensation for the use of the brand's trade name; service marks and associated logos; goodwill; and other franchise services. Royalty fees represent a major source of revenue for a franchisor and are calculated based on a percentage of rooms revenue. We utilized a standard franchise fee of 10.0 percent of rooms revenue that is charged by most hotel companies. Depending on the franchise selected for this proposed hotel, this number could change. In the first year of operation, the franchise fee was estimated to be \$202,400 or 9.8 percent of rooms revenue. The percentage remains the same throughout; the per available room ranged from \$2,892 to \$3,815 for the period 2028-2032.

Utilities: We estimated the Utilities expense at 3.9 percent of total sales or about \$1,463 per available room in the stabilized year of operation. This expense is estimated to range from 3.9 and 4.4 percent over the five-year projection period or \$1,309 to \$1,507 per available room.

Utilities Costs

STR 2023 Data	Limited-Service Hotels		CBRE Trends 2024 Data	Limited-Service Hotels	
Category	PAR	Ratio to Sales	Category	PAR	Ratio to Sales
Chain Affiliated	\$2,407	3.0%	All Hotels	\$1,492	3.7%
West North Central Region	\$1,249	4.3%	North Central Region	\$1,264	3.7%
Small Metro/Town	\$1,345	3.6%	Rate (\$100-\$150)	\$1,350	4.0%
Upper Midscale Class	\$1,319	3.5%	Size (<100 rooms)	\$1,422	4.0%
PHC Estimate (Stabilized Year - 2031)				\$1,463	3.9%

Source: STR, CBRE Trends, Patek Hospitality Consultants, Inc.

Property Operations and Maintenance: Property Operations and Maintenance expenses include salaries and wages, employee benefits, other payroll costs, normal maintenance of the building and grounds, landscaping, and electrical and mechanical equipment. Based on the comparable information, we estimated approximately \$1,688 per available room or 4.5 percent of total sales for the stabilized year of operation (2031). This category is estimated to range from 4.5 and 5.1 percent during the projection period or \$1,522 and \$1,739 per available room.

Property Operations & Maintenance Expense

STR 2023 Data	Limited-Service Hotels		CBRE Trends 2024 Data	Limited-Service Hotels	
Category	PAR	Ratio to Sales	Category	PAR	Ratio to Sales
Chain Affiliated	\$3,582	4.5%	All Hotels	\$2,064	5.0%
West North Central Region	\$1,788	6.1%	North Central Region	\$1,824	5.3%
Small Metro/Town	\$2,089	5.6%	Rate (\$100-\$150)	\$1,826	5.4%
Upper Midscale Class	\$2,084	5.6%	Size (<100 rooms)	\$1,818	5.1%
PHC Estimate (Stabilized Year - 2031)				\$1,688	4.5%

Source: STR, CBRE Trends, Patek Hospitality Consultants, Inc.

Management Fees: A management fee of 4.0 percent of gross sales has been used throughout the projection period. Management fees for a third-party management company typically range from 3.0 percent to 6.0 percent.

Fixed Charges

Property Taxes: We utilized property tax information for properties in Moberly as the basis for the proposed hotel. The table shows 2024 real estate taxes, payable in 2025, for the two Moberly lodging properties.

Property Taxes
Moberly, Missouri
2024 Taxes Payable in 2025

Property Name	Number of Rooms	2024 Property Tax	Per Available Room
Comfort Inn & Suites	63	\$42,908	\$681
Super 8	59	\$18,797	\$319

Source: Randolph County Treasurer's website

We utilized this information as a guideline only. We considered the 63-room Comfort Inn & Suites Moberly hotels as the more direct competitor to the proposed hotel. This hotel opened in 2003 and has a current appraised value of \$1,786,900, according to property tax records on the Randolph County treasurer's website.

We estimated Property Taxes for the proposed hotel would be less in Year 1 (2028) because the hotel would have been under construction in 2027. The figure of \$75,000 was included in Year 2 (2029). For purposes of our analysis, we estimated taxes would increase 3.0 percent throughout the projection period. The annual expense is estimated to range from \$41,200 in 2028 to \$82,000 in 2032.

Insurance: This Insurance category covers the cost of building and contents insurance as well as liability insurance. Based on the experience of similar properties, we estimated this expense to be \$591 per available room or a total of \$41,400 in the stabilized year of operation or 1.6 percent. Insurance was estimated to range from \$37,900 in 2028 to \$42,600 in 2032. According to recent articles, Insurance Expense has increased considerably in the past two years, and we have taken this into account in our projection.

Insurance Expense

STR 2023 Data	Limited-Service Hotels		CBRE Trends 2024 Data	Limited-Service Hotels	
Category	PAR	Ratio to Sales	Category	PAR	Ratio to Sales
Chain Affiliated	\$1,240	1.6%	All Hotels	\$804	1.9%
West North Central Region	\$484	1.5%	North Central Region	\$517	1.5%
Small Metro/Town	\$773	2.1%	Rate (\$100-\$150)	\$705	2.1%
Upper Midscale Class	\$775	2.1%	Size (<100 rooms)	\$728	2.1%
PHC Estimate (Stabilized Year - 2031)				\$591	1.6%

Source: STR, CBRE Trends, Patek Hospitality Consultants, Inc.

Reserve for Replacement: As is standard for income-producing properties, provision has been made for a reserve for replacement for furniture, fixtures, and equipment, as well as other long-lived items. Because the proposed hotel will be new construction, we used a "step-up" approach whereas in the first year of operation, the reserve was estimated to be 2.0 percent, in

year two it was 3.0 percent and in subsequent years the reserve for replacement was estimated to be 4.0 percent of total sales and that is estimated to provide sufficient funds for future capital improvements. The Reserve for Replacement was estimated to range from \$41,400 to \$109,100 throughout the five-year projection period.

Cash Flow Projections

Our projections for the subject property, before deductions for debt service, amortization, depreciation, and income taxes, are presented in the following table. We project that, after reserve for replacement, the subject hotel would have a net operating income or EBITDA equal to 28.8 percent of total sales in the stabilized year of operation (2031); the EBITDA ranges between 26.6 percent and 28.8 percent of total sales throughout the projection period. It should be noted that the CBRE Trends data does not include a Reserve for Replacement.

Net Operating Income (EBITDA)			
(Earnings Before Taxes, Interest, Depreciation, and Amortization)			
STR 2023 Data	Limited-Service Hotels	CBRE Trends 2024 Data	Limited-Service Hotels
Category	Ratio to Sales	Category	Ratio to Sales
Chain Affiliated	25.1%	All Hotels	25.5%
West North Central Region	29.0%	North Central Region	24.1%
Small Metro/Town	27.6%	Rate (\$100-\$150)	22.1%
Upper Midscale Class	28.3%	Size (<100 rooms)	21.9%
PHC Estimate (Years 1-5)			26.6%-28.8%

Source: STR, CBRE Trends, Patek Hospitality Consultants, Inc.

The Statement of Estimated Annual Operating Results for the proposed 70-room limited-service hotel in Moberly, Missouri for the period 2028-2032 is shown on the following page.

Statement of Estimated Annual Operating Results in Inflated Dollars for A Proposed Limited-Service Hotel Moberly, Missouri															
Year #:	1,000			2,000			3,000			4,000			5,000		
Year:	2028			2029			2030			2031			2032		
Available Rooms:	70			70			70			70			70		
Stabilized Occupancy	58%			63%			66%			68%			68%		
Occupied Rooms:	14,819	RevPAR		16,097	RevPAR		16,863	RevPAR		17,374	RevPAR		17,374	RevPAR	
Average Rate:	\$136.60	\$79.23		\$140.70	\$88.64		\$144.90	\$95.63		\$149.30	\$101.52		\$153.70	\$104.52	
	Amount	Ratio	Per Occ/ Avail Room	Amount	Ratio	Per Occ/ Avail Room	Amount	Ratio	Per Occ/ Avail Room	Amount	Ratio	Per Occ/ Avail Room	Amount	Ratio	Per Occ/ Avail Room
	(\$000)			(\$000)			(\$000)			(\$000)			(\$000)		
REVENUES															
Rooms	\$2,024.3	97.8%	\$136.60	\$2,264.8	97.8%	\$140.70	\$2,443.4	97.9%	\$144.90	\$2,593.9	97.9%	\$149.30	\$2,670.4	97.9%	\$153.70
Food Sales	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00
Beverage Sales	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00
Total Food and Beverage	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00
Telephone	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00
Minor Operated Departments	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00
Misc. Other Income	46.6	2.2%	3.14	51.6	2.2%	3.21	53.2	2.1%	3.15	54.8	2.1%	3.15	56.4	2.1%	3.25
GROSS REVENUE	\$2,070.9	100.0%	\$139.74	\$2,316.4	100.0%	\$143.91	\$2,496.6	100.0%	\$148.05	\$2,648.7	100.0%	\$152.45	\$2,726.8	100.0%	\$156.95
DEPARTMENTAL EXPENSES															
Rooms	\$603.7	29.8%	\$40.74	\$651.9	28.8%	\$40.50	\$690.1	28.2%	\$40.92	\$723.5	27.9%	\$41.64	\$745.2	27.9%	\$42.89
Food and Beverage	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	45.1%	0.00	0.0	45.1%	0.00
Telephone	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00	0.0	0.0%	0.00
Misc. Other Expense	22.9	49.2%	1.55	25.6	49.6%	1.59	27.6	52.0%	1.64	29.3	53.5%	1.69	30.2	53.5%	1.74
TOTAL DEPT EXPENSES	\$626.6	30.3%	\$42.28	\$677.5	29.2%	\$42.09	\$717.7	28.7%	\$42.56	\$752.9	28.4%	\$43.33	\$775.4	28.4%	\$44.63
DEPARTMENTAL PROFIT	\$1,444.3	69.7%	\$97.46	\$1,638.9	70.8%	\$101.82	\$1,778.9	71.3%	\$105.49	\$1,895.9	71.6%	\$109.12	\$1,951.4	71.6%	\$112.32
UNDISTRIBUTED EXPENSES															
Administrative and General	\$227.3	11.0%	\$3,248	\$235.9	10.2%	\$3,370	\$244.1	9.8%	\$3,486	\$252.1	9.5%	\$3,602	\$259.7	9.5%	\$3,710
Information & Telecommunications	\$19.5	0.9%	\$279	20.3	0.9%	290	21.0	0.8%	300	21.7	0.8%	310	22.3	0.8%	319
Management Fee	82.8	4.0%	1,183	92.7	4.0%	1,324	99.9	4.0%	1,427	105.9	4.0%	1,514	109.1	4.0%	1,558
Sales & Marketing	42.3	2.0%	604	44.1	1.9%	630	45.7	1.8%	653	47.3	1.8%	675	48.7	1.8%	696
Franchise Royalty Fee	202.4	9.8%	2,892	226.5	9.8%	3,235	244.3	9.8%	3,491	259.4	9.8%	3,706	267.0	9.8%	3,815
Utilities	91.7	4.4%	1,309	95.5	4.1%	1,364	99.0	4.0%	1,414	102.4	3.9%	1,463	105.5	3.9%	1,507
Property Op & Maintenance	106.6	5.1%	1,522	110.6	4.8%	1,580	114.4	4.6%	1,634	118.2	4.5%	1,688	121.7	4.5%	1,739
TOTAL UNDIST EXPENSES	\$772.7	37.3%	\$11,038	\$825.4	35.6%	\$11,792	\$868.3	34.8%	\$12,405	\$907.0	34.2%	\$12,957	\$934.0	34.3%	\$13,343
GROSS OPERATING PROFIT	\$671.6	32.4%	\$9,594	\$813.5	35.1%	\$11,621	\$910.6	36.5%	\$13,009	\$988.9	37.3%	\$14,127	\$1,017.4	37.3%	\$14,534
FIXED CHARGES															
Property Taxes	41.2	2.0%	\$589	75.0	3.2%	\$1,071	77.3	3.1%	\$1,104	79.6	3.0%	\$1,137	82.0	3.0%	\$1,171
Insurance	37.9	1.8%	541	39.0	1.7%	557	40.2	1.6%	574	41.4	1.6%	591	42.6	1.6%	609
TOTAL FIXED CHARGES	\$79.1	3.8%	\$1,129	\$114.0	4.9%	\$1,628	\$117.4	4.7%	\$1,677	\$120.9	4.6%	\$1,728	\$124.6	4.6%	\$1,779
NET INC. BEFORE RESERVES	\$592.6	28.6%	\$8,465	\$699.5	30.2%	\$9,993	\$793.2	31.8%	\$11,332	\$867.9	32.8%	\$12,399	\$892.8	32.7%	\$12,754
OTHER CHARGES															
Reserve for Replacement	\$41.4	2.0%	\$592	\$69.5	3.0%	\$993	\$99.9	4.0%	\$1,427	\$105.9	4.0%	\$1,514	\$109.1	4.0%	\$1,558
TOTAL OTHER CHARGES	\$41.4	2.0%	\$592	\$69.5	3.0%	\$993	\$99.9	4.0%	\$1,427	\$105.9	4.0%	\$1,514	\$109.1	4.0%	\$1,558
NET OP. INCOME (NOI)	\$551.1	26.6%	\$7,873	\$630.0	27.2%	\$9,000	\$693.3	27.8%	\$9,905	\$762.0	28.8%	\$10,886	\$783.7	28.7%	\$11,196

This statement should be read subject to the comments contained in the attached report
Source: Patek Hospitality Consultants, Inc.

ASSUMPTIONS AND LIMITING CONDITIONS

1. This document is to be used in whole and not in part.
2. Our conclusions are explicitly based upon the assumption that the proposed hotel will be developed and constructed to competitive standards, operated in a manner typical of a high-quality hotel, and include the assumed facilities and amenities as set forth in this report. It is expressly understood that the conclusions of this analysis could change upon any deviation from this assumption. Furthermore, the changes that might arise could be material. For the purposes of this engagement, we have assumed that the proposed hotel will open in January 2028, and contain approximately 70 rooms, will operate as a chain affiliated hotel, be operated by competent management and be effectively marketed to the appropriate demand segments identified in this report. We have no obligation to update our findings regarding changes to the scope of the proposed development including (but not limited to) changes in the guestroom inventory, ancillary facilities program, and lodging product concept.
3. As in all studies of this type, the estimated annual operating results are based upon competent and efficient management and assume no significant change in the competitive position of the lodging industry in the immediate area from that set forth in the study.
4. Estimated results are also based on an evaluation of the present general economy of the area and do not consider, or make provision for, the effect of any sharp rise or decline in local or general economic conditions, which may occur. There usually will be differences between the estimated and actual results, because events and circumstances frequently do not occur as expected. Such differences may be material.
5. We do not warrant that our estimates will be attained; they will be developed based upon information obtained during our market research and are intended to reflect the expectations of a typical hotel developer/investor as of the report date.
6. We have no obligation to update our findings regarding changes to the scope of the proposed development or changes in market conditions after the completion of our fieldwork. The information gathered during the fieldwork and used in this analysis is assumed to be accurate, although we cannot guarantee its accuracy.
7. Neither all nor part of the contents of this report shall be disseminated to the public through advertising media, news media, sales media, or any public means of communication without the prior written consent and approval of PHC.
8. The Client (MAEDC) has disclosed to Patek Hospitality Consultants, Inc. (PHC) all relevant information, conditions, data, and other information that Client deems relevant to PHC's production of the Report. Unless specifically brought to the attention of PHC, PHC will assume that there are no hidden or unexpected conditions or information that would adversely or otherwise affect the study and analysis leading to the Report. PHC expresses

no opinion and gives no advice concerning matters that require legal or specialized expertise, investigation or knowledge such as, without limitation, engineering, tax, accounting, zoning, signage, hazardous substance/waste, wetlands, franchise or other technical or developmental matters. Market studies involve the interpretation of evolving events and the research and review of highly confidential information, the accuracy of which cannot be assured. The risk of unknown or unanticipated events or conditions is an additional variable for which there is no remedy. Client understands these limitations and interprets all research, analysis, and projections accordingly.

9. It is expressly understood that the scope of our study and report thereon does not include the possible impact of zoning or environmental regulations, licensing requirements or other such restrictions concerning the project except where such matters have been brought to our attention and disclosed in the report.
10. No liability is assumed for matters legal in nature. Patek Hospitality Consultants, Inc. cannot be held liable in any cause of action concerning this assignment for any compensatory dollar amount over and above the total fees collected from this engagement.
11. All legal expenses incurred in the defense or representation of Patek Hospitality Consultants, Inc., its principals, and its employees will be the responsibility of the client.
12. We are not required to give testimony or attendance in court by reason of this assignment, with reference to the property in question, unless prior arrangements have been made and agreed to in writing.
13. Patek Hospitality Consultants, Inc. is not obligated, or qualified, to predict future political, economic, or social trends, which may or may not occur as a result. The World Health Organization (WHO) declared the Novel Coronavirus (Covid-19) a global pandemic on March 11, 2020. The global pandemic along with other more recent challenges have been discussed and the affect they have had on the industry and the economy in general; factors such as inflation, higher interest rates, supply chain, higher construction costs, labor costs and shortages, the wars in Ukraine and the Middle East, and most recently, tariffs that were enacted by the current administration that is estimated to have a significant impact on the U.S. and global economies. Data resource companies like STR, CBRE, and AirDNA continually update their future performance data as new information becomes available. Our recommendations are partially based on this data and research that is available as of the date of this report. We are not responsible for events that occur after the date of this report and the potential impact on hotel development going forward.

Raise the Bar – Assess: Moberly Area Industrial Park Executive Overview

Target Industries

- Food Manufacturing (NAICS 311) – Animal processing, grain milling, and animal food production.
- Machinery (NAICS 333) – Competitive advantage in HVAC and industrial equipment subsectors.
- Electrical Equipment & Components (NAICS 335) – Strongest cluster; projected growth continues.
- Primary Metals (NAICS 331) – Advantage in foundries, though growth outlook is limited.

Recommendations (Prioritized)

Property

- Update and expand the LOIS property listing with current visuals, parcel layouts, and certifications.
- Create professional, cohesive map sets and one-page marketing sheets for utilities, due diligence, and parcel layouts.
- Promote larger parcels and preserve southern sections for rail-served projects.

Presentation

- Customize RFIs and presentations to highlight Moberly's strengths in food and manufacturing.
- Start big (state/regional context) then narrow to community and site.
- Use bold formatting and streamlined cover letters for emphasis.

Community/Branding

- Enhance community gateways and signage to reinforce identity.
- Develop industry-specific marketing collateral for targeted sectors.
- Share Moberly's "hidden gem" story consistently across materials.

Conclusion

The assessment confirmed that Moberly has competitive assets, a strong economic development team, and clear opportunities for improvement. By implementing the property, marketing, and branding recommendations, Moberly will strengthen its ability to attract new investment and compete effectively at the state and national level.



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Raise the Bar - Assess Assessment Report Moberly, MO

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01

Introduction



Introduction

RAISE THE BAR - ASSESS

Missouri Partnership's Raise the Bar - Assess program is a key component of the organization's Raise the Bar capacity-building initiative. This innovative program is designed to prepare communities across Missouri to respond quickly and competitively to business attraction opportunities. For this year's Raise the Bar – Assess program, Missouri Partnership collaborated with the Missouri Department of Agriculture, Missouri Agricultural and Small Business Development Authority (MASBDA), and Missouri Farmers Care. The program offers selected communities the rare opportunity to work directly with site selection experts, providing site-specific feedback to further enhance their readiness for future business attraction projects. This year, Quest Site Solutions was selected to lead the exercise in six Missouri communities.

1

Pre-Assessment: To begin, the Quest team reviewed marketing materials including the local economic development organization's website, building and site profiles, and other avenues that the local community utilizes to market themselves for business attraction. During this pre-assessment, Quest also issued the community a mock RFI for a food and beverage processing project that was targeted to the specific community. During this time, Quest also analyzed the regional economy and labor force as we would do for an actual site selection project.

2

Assessment: After completing the pre-assessment, Quest then visited each community over a day and half, accompanied by a representative from the Missouri Partnership. While this was a mock site visit, the community was asked to treat this visit like they would for an actual site selection project. As part of the visit, each community was instructed to provide an overview of the community and its assets, an overview of the property submitted for the mock RFI, and provide a community tour. During the site visit, Quest also presented to the community leadership on the site selection process and how a community can be more competitive during the process.

3

Post-Assessment: While feedback was provided throughout the process, the initiative concluded with this formal written report which summarizes Quest's findings during the project and provides recommendations on how to improve.

The Raise the Bar - Assess program exemplifies Missouri Partnership's dedication to empowering communities through strategic collaboration and targeted capacity-building efforts. The initiative's focus on readiness and competitiveness is key to driving economic growth across the state.

MISSOURI PARTNERSHIP

[Missouri Partnership](#) is a public-private economic development organization focused on attracting new jobs and investment to the state and promoting Missouri's business strengths. Since 2008, Missouri Partnership has worked with partners statewide to attract companies that have created 34,100+ new jobs, \$1.7 billion+ in new annual payroll, and \$8.1 billion+ in new capital investment. Some recent successful projects that led to major investment in Missouri include Accenture Federal Services LLC, American Foods Group, Casey's, Chewy, Inc., Google, James Hardie, Meta, Swift Prepared Foods, URBN, USDA, and Veterans United.



QUEST SITE SOLUTIONS

[Quest Site Solutions](#) is a site selection and economic development consulting firm. Although Quest's main focus is site selection for corporate clients, Quest leverages its expertise and experience to assist economic development organizations in preparing for the challenges of attracting and retaining capital investment and employment opportunities in this competitive climate. Our current and past site selection project experience includes manufacturing, distribution, and office operations across a variety of sectors. Our economic development work, particularly focused on site readiness, has helped numerous communities achieve significant announcements on properties evaluated by Quest.



ACKNOWLEDGEMENTS

This assessment would not have been possible without the collaboration of several organizations partnering on this initiative. We wish to recognize these organizations for offering this program to participating communities to strengthen their competitiveness for business attraction projects.



02

Summary Report



Summary Report

OVERVIEW

Over several months, we had the opportunity to interact with and learn a lot about Moberly through the Raise the Bar – Assess initiative. While this report will provide information about the community and recommendations for improvement, we just want to say thank you to the team at the Moberly Area Economic Development Corporation and the local community for all the effort they put into this project. It was very evident from the beginning that the community took this opportunity seriously and was ready to hear our feedback. So, kudos to the MAEDC team and the community!

Below, we have provided a summary of our thoughts on the property that was submitted as part of the mock RFI, our general impressions of the community, and our interactions with the local team. The following page then indicates what we would identify, from the site selector perspective, of the key strengths of the community and the weaknesses that may eliminate the community from business attraction projects. The following sections of the report then provide a deeper dive into various aspects analyzed through this process – concluding with our specific recommendations.

The Property

The Moberly Area Industrial Park is able to accommodate a variety of project sizes that would be appropriate for the size of the community. It's often said that the hardest tenant is the first tenant, but this park is already home to two established industries – MFA Oil and JBS. The marketing materials currently divide the property into 23 available lots, and there is an opportunity to better subdivide these lots to better accommodate the existing impediments. The other big opportunity for the property is in the marketing materials. There has been substantial changes out at the park (infrastructure as well as JBS), so great care needs to be taken to make sure the information being presented reflects the current conditions out at the park.


The Community

The one thing that keeps coming to mind when I think of Moberly is “hidden gem.” And from the candid feedback during the site visit, it hasn't always been this way, but there have been some notable improvements over the last five years. The community has some attributes that really make it stand out compared to peer communities – their openness and welcoming to outsiders, the school system, VA hospital, the city leadership team, etc. All of these things are what makes Moberly special, and that really showed during the site visit.


The Team

From the very beginning, it has been evident that the MAEDC team wants to exceed expectations. Based on our experience, we would have no concerns bringing a prospect to the community. While the team expressed from the beginning that they were still learning, this was not evident from the submission to the site visit and everything in between. The delivery came across as a very experienced organization and team. The RFI response was submitted on time and thoroughly (although there is room for improvement). The team then put together a site visit that truly reflected who the community is. Overall, an extremely professional economic development team.

STRENGTHS

- The **Moberly Area Community College** serves a large portion of northeast Missouri, but the main campus is located in Moberly. Being able to offer the services of MACC, especially around the manufacturing space, is an advantage compared to other communities of similar size. 
- The **overall cost of doing business is significantly lower** in Moberly even in comparison to other competing areas in Missouri. While a portion of this is due to your size and location (rural areas are typically lower cost), there is still an opportunity to leverage this when recruiting prospects.
- The **Moberly Area Industrial Park is owned by the City of Moberly**. This is the preferred method of control by companies as it reduces the risk to prospects (and potentially the costs as well). This is definitely an advantage when competing with locations who don't have the same method of control. Although it may not be as attractive to broker driven projects because if the property is offered at a low to no cost to a project, the brokers won't receive their commission.
- There is a **concentration in a few key sectors within manufacturing** which provides a competitive advantage when recruiting similar companies. Being able to leverage the existing assets to either increase the existing concentration, recruiting sectors which have similar skillset needs, or recruiting support services is an opportunity for the community.
- **Moberly is a special community**. While this is hard to quantify and put into writing, there was a true sense of community that shone through during the site visit. From the attendees to the topics, everyone had such pride of place and truly conveyed the message that Moberly was special.

WEAKNESSES

- The **closest interstate (I-70) is 39 miles from the park**. Many projects, especially those in manufacturing, look at distance to interstates without taking into consideration the route, if a highway is to interstate quality, etc. Therefore, you will have to overcome this potential weakness by having other attributes that overcome the distance to the interstate. 
- Moberly may get **eliminated from consideration for prospects needing frequent commercial air service**. While Moberly is equidistance to two large airports (Kansas City and St. Louis), 135 miles is a pretty substantial distance for most projects. While Columbia and Quincy are much closer, both have very limited commercial air service. For prospects that have frequent travel or need access to commercial air service, this will likely eliminate Moberly.
- If you are just visiting or passing through, **there is not a sense of place**. For example, when you get off the highway coming from Columbia, there is no signage or other information that welcomes you to Moberly. There are a lot of positive attributes to the community, but those aren't apparent until you spend time with community members.

03

Report Card



Report Card

OVERVIEW

A community's ability to respond effectively to an RFI is a preliminary indication of its ability to support a project, with significant decisions often being influenced by the quality of this response. By improving the quality of an RFI response, communities can improve their odds of getting a site visit. The site visit is the first opportunity for a community to present to the prospect face-to-face (whether in-person or virtually). The way a site visit is conducted is a reflection of your community and can have a major impact on whether your site is retained or eliminated from contention. Therefore, both the RFI response and site visit are integral parts of the site selection process, so we have provided this report card as a gauge of the current level of response. In subsequent sections of this report, we will provide specific recommendations on ways to improve.

The work of an economic development team is often complex, and its value cannot be understated. Its impact touches all corners of a community, and it can often take decades to reap the benefits of years of persistent work. As part of Quest's assessment, we felt it was valuable to bring attention to your existing efforts that exceed the typical expectations of community site visits and RFI submissions. Quest wishes to recognize your organization on the following actions:

- The RFI response was very thorough and addressed the information requested. This “follow the directions” seems simple, but this is not the case for most of the RFI submissions we receive. Your response to the RFI was a good reflection of your team and what we learned about the organization, the property, and the community. While there was room for improvements and we had questions about reviewing the RFI response, you did a good job overall with the RFI response which makes us feel more confident in bringing our clients on a site visit.
- The gift basket was very thoughtful, and you somehow knew that Andes mints were one of my favorites. The coffee was also amazing. The extra effort to put this together as well as making sure I was fed throughout the visit and for the drive afterwards did not go unnoticed or unappreciated. So thank you!
- It was very evident that the community wanted to learn more about economic development and site selection and how they can better compete for projects. It was also very clear that the community wants to improve overall, and each person in attendance knew they had a part to play – even if it was just a small part.
- A day and half site visit for a smaller community can be tough to fill the time, but you did a great job creating an agenda that really showed who Moberly is as a community.
- As part of this process, we asked for materials and information that would help us in our evaluation. You provided a lot of information which was really appreciated, and it was really helpful in us learning more about Moberly.
- The site visit did a great job of conveying how special Moberly is and the pride the citizens have in the community.
- Based on your RFI submittal and the site visit, we would have no concerns bringing a client on a site visit to Moberly – as long as the property was a good fit for the project!

RFI EVALUATION

The submitted RFI response was evaluated against the criteria found below. For each criterion, a brief overview of why that criterion is important is provided as well as a letter grade and some high-level comments. This evaluation is based on how the applicant team responded to the RFI. It is not a grading of the actual property that was submitted. At the conclusion of the report, we provide specific recommendations for improving the RFI response as well as specific recommendations on the property. *Note: This RFI evaluation was completed prior to the site visit in order to give an accurate assessment with the bias of information learned during the site visit.*

Responsiveness

Site selection projects are almost always driven by a company's schedule demands. Accordingly, it is important for the submissions to arrive by the deadline. For an actual project, it is not uncommon for a property to be eliminated from consideration if the submission arrives after the stated deadline. It is also good practice to be responsive and communicative to the project team.

Criteria	Grade	Comments
RFI materials were submitted by the deadline and communication with applicant team was open and responsive.	A	The RFI was submitted by the deadline. Additionally, the applicant team was very responsive throughout the process.

Organization and Ease of Reference

Ensuring that your submission is organized and easy to review starts with providing your documentation in an order that corresponds with the requested information. A well-organized submission allows for an efficient review process. If your submission is not orderly, the project representative must take additional steps to locate the information they need. During a site selection project, this weakens your chances of moving forward as the reviewer may choose to focus their limited time for evaluation on the submissions that are organized as requested. One aspect of the submission that is crucial to organization and an efficient review are file names. The file name of each document should be a brief, clear description of the file that is easy to understand and conveys the content.

Criteria	Grade	Comments
The information was presented in a logical order that corresponds to the request and items are appropriately named.	A	The RFI response was numbered according to the order requested. A description of the file was also included in the file names making it easy to review.

Applicability

There is typically a reason that each and every document, map, or exhibit is requested. A project representative's ability to evaluate your site is contingent upon the information that is provided in the submission. Communities must exercise great care when choosing what items to include and ensure that they are not submitting items that are redundant, confusing, or irrelevant. When the attachments submitted lack context and/or requested attachments are not included, the project representative must take additional steps to obtain the necessary information to complete their review. If there are items you do not yet have access to, we recommend you state that you are working on an answer and will provide by a certain date. Always provide additional explanation if you think it will more completely paint a picture of the conditions at your site or your community.

Criteria	Grade	Comments
Content conveyed the property and community characteristics. Attachments were relevant and added value to the evaluation.	B	While the RFI response was thorough in that every requested attachment was provided, there were some discrepancies in the documentation that created some confusion during the review.

Documentation

Project representatives will likely be unfamiliar with your property. As such, a significant portion of the required information will be visual representatives of the site. Maps and visuals are critical and should have a professional appearance. Additionally, economic developers are in the business of making things happen for a project, but sometimes they are not in a position to make necessary commitments or assurances. As a result, letters stating willingness and feasibility of service from utility providers or municipal leadership are critical and help build confidence in a property. Additionally, having due diligence also helps keep a property in contention as it further reduces risks for a prospect.

Criteria	Grade	Comments
Documentation clearly and consistently identifies the property location and boundaries. Maps and other visuals accurately depict current conditions and convey any planned improvements.	B	While the maps were okay, there was room for improvement as they weren't all up to date and there is an opportunity to make them more cohesive.

Thoroughness

The thoroughness of an RFI response is a reflection of the community's understanding of the site and the ability to meet project requirements. By providing comprehensive information, the community is able to illustrate the site's level of readiness which helps illustrate the ability to mitigate risk and to improve speed to market. Responses should address the needs of the RFP.

Criteria	Grade	Comments
The RFI comprehensively describes the site to the point that no serious questions are unaddressed, and attachments are provided.	B+	While the RFI response provided a good initial overview of the property, there were some items that more explanation would have allowed us to have a better understanding of the property or to reduce the risk of this location.

Overall Submission

The response to the RFI is usually the first opportunity for a community to present itself and its property to a site consultant or project representative. The professional appearance of the materials submitted, and the quality of the content gives a strong first impression. The quality of the submission provides a competitive edge for remaining under consideration. Even if your site does not make the cut for a particular project, a professional RFI response has a positive effect and increases the likelihood that site consultants will consider your community in the future.

Criteria	Grade	Comments
Overall submission is presented in a professional manner, and care has been taken to ensure that information provided is thorough and accurate and to the best of the applicant's knowledge.	B+	Overall, the RFI response was thorough and mostly accurate. There is room for improvement, but this would be an above average RFI response compared to most of the responses that are received on our site selection projects.

SITE VISIT EVALUATION

Similarly to the RFI response, the site visit was evaluated against the criteria found below. For each criterion, a brief overview of why that criterion is important is provided as well as a letter grade and some high-level comments. Again, this evaluation is how the site visit as conducted and not an assessment of the actual property itself. At the conclusion of the report, we provide specific recommendations for improving site visits and some recommendations on how to better present the property itself.

Agenda

The time allocated for a site visit may seem shorter than necessary to best present your site and community, so it's important to best utilize the time that you have with site consultants or project representatives. For the Raise the Bar – Assess initiative, we are able to spend a day and a half in the community which was longer than a typical visit on an actual site selection project. To best utilize the time you have, you should prepare an agenda and allocate segments of time for each topic to be discussed. Having an agenda also ensures that all needed topics will be covered. Even if discussion drifts away from the schedule, you can have comfort in knowing you have allocated time for each topic and can make changes accordingly.

Criteria	Grade	Comments
Applicant team prepared an agenda for the site visit and managed the allotted time accordingly.	A	The applicant team provided an agenda for the site visit and managed the allotted time well.

Office Meeting / Community Presentation

Community presentations are an applicant team's best opportunity to tell the unique story of the community and the subject property. The Raise the Bar – Assess initiative is designed to provide a platform to the applicant team for sharing their presentation during the site visit in a low-risk setting. The time allocated for this activity allows Quest to review the thoroughness and delivery of the presentation with the intent of providing candid feedback to enhance the attraction strategy.

Criteria	Grade	Comments
Applicant team delivers a professional presentation that adequately introduces the community and industrial property.	B	The presentation was professional and introduced the community and property, but there was an opportunity to make it more customized for the specific industry of the project (food and beverage).

Driving Tour

Driving tours are valuable during a site visit because they allow project representatives to look beyond the desktop analysis at the real-life circumstances of the community and subject property. This type of exposure to the authentic conditions allows project representatives to assess the characteristics that are so often the key differentiators in the site selection process. Driving tours should be conducted in a professional manner, with local economic development practitioner as the guide because they are best equipped to provide market intelligence anecdotally. Communities that provide transportation get additional time with the consultant or project representatives. Driving tours should be informative, safe, and on-schedule.

Criteria	Grade	Comments
Driving tour showcased the property characteristics and key assets of the applicant community.	A	The tour provided an overview and understanding of the property and community.

Project Team

A strong project team is important throughout all phases of a project. A team of partners should be established in advance of the RFI and often those team members should be at the site visit. Depending on the type of project, objectives of the site visit, and characteristics of the property under consideration, the typical representatives asked to be at the site visit (in addition to the economic development team) include utility providers, planning/zoning representatives, city/county representatives, property owners, rail providers, and site engineers. For the Raise the Bar – Assess initiative, Quest relied on the applicant to organize the site visit project team. Quest assessed the diversity of subject matter experts in attendance at the site visit and the overall ability to professionally respond to the site consultants' questions about the property and community characteristics. A strong team not only allows the project representatives to have all their questions answered, but also is a reflection on your community's ability to respond to a project's needs. The site visit team needs to strike a balance between having adequate representatives to address specific questions and too many people in the room.

Criteria	Grade	Comments
Applicant team invited the appropriate representatives of the project team, and the members were present and prepared to answer questions.	A	The applicant team did a great job having the appropriate team members in attendance when needed.

Follow-up Items

A project representative is likely to uncover questions from the desktop review of the community that will require further clarification at the site visit. Some project representatives may request that the community be prepared to respond to certain follow-up questions at the meeting. Others may request specific information during the site visit to be provided afterwards. If you are provided a list of items for discussion in advance of the meeting, you can be certain that these are important items to the project and should give thoughtful consideration how to best address the list in the time allocated.

Criteria	Grade	Comments
Project team expressed an eagerness to provide supplemental materials. Information on follow-up items was provided in a timely manner.	A	For this initiative, the only follow-up item requested was the community presentation which was provided promptly.

Overall Site Visit

As stated previously, a site visit is the introduction of your community to project representatives who will make the ultimate location decision for the project. Therefore, the manner in which all aspects of the site visit are conducted, from initial correspondence to time allocation, are crucial components in your opportunity to win a project. The site visit is a direct reflection of your community and the team's ability to meet the needs of the project. A practice site visit is a low-risk way to practice ahead of an actual project. A professionally conducted visit means that site consultants will welcome opportunities to visit your community and work with you in the future.

Criteria	Grade	Comments
Overall site visit was conducted in a professional manner. Information presented furthered the understanding of the property and community.	A	Overall, the site visit was professional and increased my understanding of the community and the property. I would have no concerns bringing a client on a site visit.

04

Target Industry Review



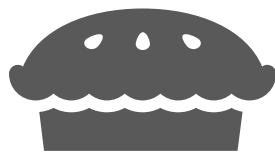
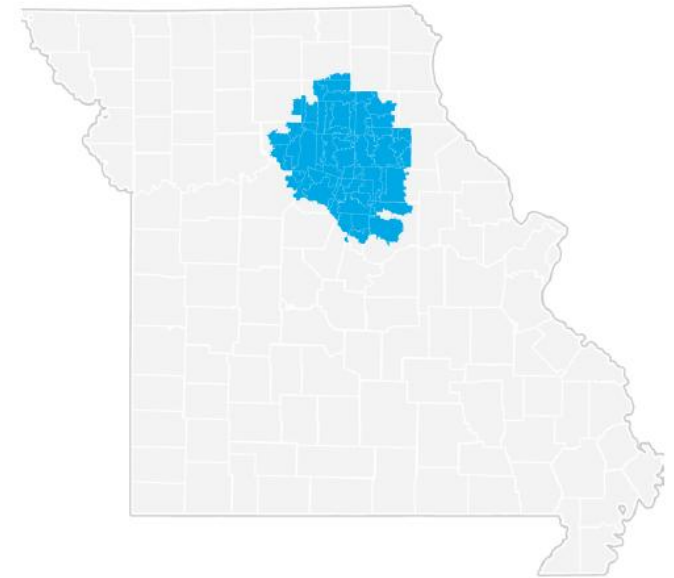
Target Industry Review

TARGET INDUSTRIES

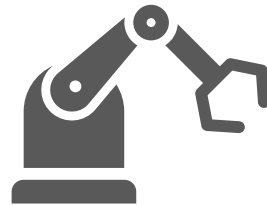
In order to determine the industries that the Moberly Area Industrial Park will be best suited for, we conducted a high-level target industry analysis. To begin, we evaluated the industry cluster concentrations and employment forecasts within a 45-minute drive-time of the Moberly Area Industrial Park. Data within the cluster evaluation, including location quotients and average wages, was derived from the Quarterly Census of Employment and Wages that is conducted by the Bureau of Labor Statistics. This component of the target industry evaluation is important because the competitive advantages within a region (such as location, labor skill sets, and education systems) can result in the formation and growth of industry clusters.

A separate but complimentary analysis looked at trends within the overall manufacturing industry (NAICS 31-33) within a 45-minute drive-time of the Moberly Area Industrial Park utilizing JobsEQ data (2024 Q3) and identified the specific manufacturing industry sectors with a robust presence in the area and potential for future growth. We then reviewed the needs of those industries relative to the property characteristics to verify that they would be appropriate targets for the property. The manufacturing industries identified included **Food** (NAICS 311), **Machinery** (NAICS 333), **Electrical Equipment, Appliance, and Components** (NAICS 335), and **Primary Metals** (NAICS 331). We also gathered data on both historical trends and forecasts for the four-digit NAICS within these sectors as this can be useful in identifying the types of companies to target.

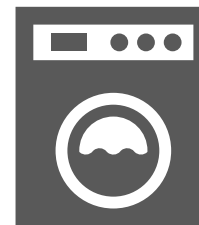
45-minute drive time of Moberly Area Industrial Park



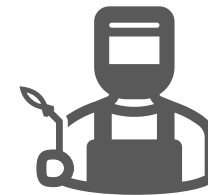
Food



Machinery



Electrical Equipment,
Appliance, and Components

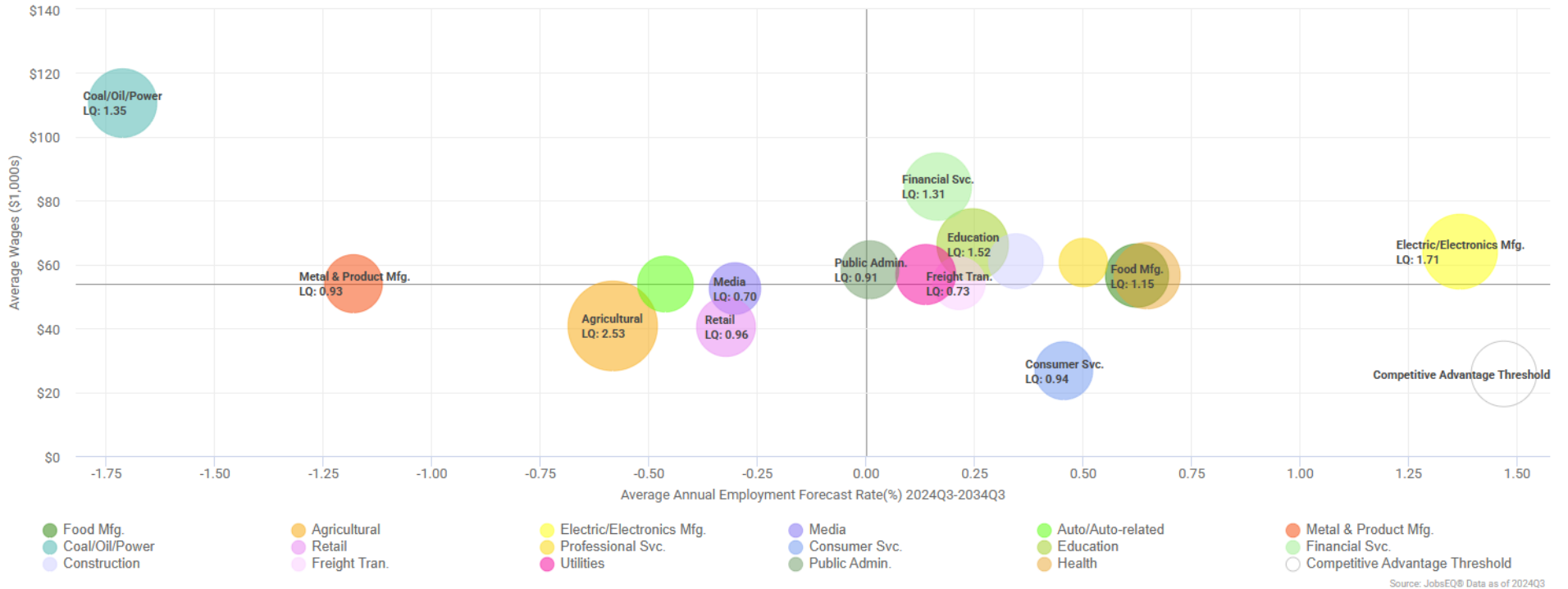


Primary Metals

INDUSTRY CLUSTERS

During our evaluation of industry clusters, we identified the industry groups with a location quotient (LQ) over 1.0 and reviewed the employment forecast for anticipated growth over the next 10 years. While a LQ over 1.0 signifies a concentration higher than the nation, an LQ of 1.25 or higher indicates a competitive advantage in that industry group. There were five industry clusters with high location quotients – Agriculture (LQ 2.53), Education (LQ 1.52), Coal/Oil/Power (LQ 1.35), Financial Services (LQ 1.31), and Health (LQ 1.27) – for which the primary activities are not applicable as targets for the Moberly Area Industrial Park. Among the industry clusters centered around manufacturing, the region’s concentration exceeds the national average in both Electric/Electronics Manufacturing (LQ 1.71) and Food Manufacturing (1.15).

The Electric/Electronics Manufacturing cluster and the Food Manufacturing cluster are each comprised of numerous four-digit NAICS codes. Both of these clusters were explored in more detail during the manufacturing sector analysis. Additional manufacturing clusters with strong employment concentrations and/or anticipated growth were also analyzed.



MANUFACTURING SECTOR

When looking at the manufacturing industry, we identified the sectors with the largest current employment and LQs and then reviewed their historic and forecasted growth rates. Four of the top seven manufacturing sectors were identified for the Moberly Area Industrial Park that have both a large employment concentration and a location quotient above 1.0: Food; Machinery; Electrical Equipment, Appliance, and Components; and Primary Metals. The region currently has a competitive advantage in these four key sectors based on their LQs. The region has a particularly high LQ and strong employment base in Electrical Equipment, Appliance, and Components. Despite low employment in Primary Metals, there is a strong competitive advantage in this industry. Four sectors are projected to have slightly negative growth over the next five years.

NAICS	Industry	Current			5-Year History		5-Year Forecast				
		Empl	Avg Ann Wages	LQ	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
	Total - All Industries	148,886	\$53,788	1.00	3,401	0.5%	82,917	33,367	47,720	1,831	0.2%
31	Manufacturing	10,015	\$57,872	0.85	414	0.8%	5,085	1,859	3,190	36	0.1%
311	Food Manufacturing	2,151	\$59,899	1.33	271	2.7%	1,329	497	786	46	0.4%
333	Machinery Manufacturing	1,506	\$57,790	1.49	-86	-1.1%	662	252	453	-43	-0.6%
335	Electrical Equipment, Appliance, and Component Manufacturing	1,311	\$63,886	3.49	173	2.9%	807	248	418	140	2.1%
334	Computer and Electronic Product Manufacturing	866	\$66,345	0.92	-158	-3.3%	415	136	236	43	1.0%
332	Fabricated Metal Product Manufacturing	705	\$54,996	0.53	189	6.4%	322	123	220	-21	-0.6%
336	Transportation Equipment Manufacturing	629	\$52,938	0.38	40	1.3%	248	103	187	-42	-1.4%
331	Primary Metal Manufacturing	610	\$52,413	1.82	-54	-1.7%	230	102	181	-53	-1.8%

FOOD MANUFACTURING (NAICS 311)

Key Subsectors

The Food Manufacturing sector ranks first in the region for the number of manufacturing employees. Among the subsectors, Animal Slaughtering has both the highest employment (1,469 employees) and the highest location quotient (2.96). This subsector is expected to have slightly positive business growth over the next five years. The region also has a competitive advantage in both Grain and Oilseed Milling (LQ 2.61) and Animal Food Manufacturing (LQ 1.66). Of these sectors with substantial employment (more than 100 employees), only one subsector is projected to experience slightly negative growth over the next five years.

	Industry	Current			5-Year History			5-Year Forecast			
		Empl	Avg Ann Wages	LQ	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
311	Food Manufacturing	2,151	\$59,899	1.33	271	2.7%	1,329	497	786	46	0.4%
3116	Animal Slaughter & Processing	1,469	\$59,471	2.96	114	1.6%	889	326	530	34	0.5%
3118	Bakeries & Tortilla Manufacturing	198	\$45,089	0.60	-24	-2.2%	135	57	79	0	0.0%
3112	Grain and Oilseed Milling	156	\$76,880	2.61	90	18.7%	77	29	51	-3	-0.4%
3111	Other Food Manufacturing	117	\$55,602	0.47	-2	-0.3%	74	26	42	6	1.0%
3119	Animal Food Manufacturing	114	\$65,886	1.66	79	26.7%	66	23	39	4	0.8%
3115	Dairy Product Manufacturing	72	\$75,371	0.48	34	13.6%	46	16	26	5	1.2%
3113	Sugar & Confection Product Mfg	21	\$47,510	0.27	-4	-3.4%	13	5	8	0	0.2%

Top Occupations

The top 10 occupations in Food Manufacturing within a 45-minute drive-time of the Moberly Area Industrial Park are:

Top Occupations	Employment
Meat, Poultry, and Fish Cutters and Trimmers	287
Packaging and Filling Machine Operators and Tenders	153
Laborers and Freight, Stock, and Material Movers, Hand	138
Slaughterers and Meat Packers	121
First-Line Supervisors of Production and Operating Workers	86
Food Batchmakers	86
Maintenance and Repair Workers, General	82
Packers and Packagers, Hand	68
Food Processing Workers, All Other	63
Inspectors, Testers, Sorters, Samplers, and Weighers	59

MACHINERY MANUFACTURING (NAICS 333)

Key Subsectors

Within the Machinery Manufacturing sector, four subsectors have location quotients over 1.0. The HVAC and Commercial Refrigeration Equipment Manufacturing subsector has both the highest employment (590) and location quotient (4.53). The region also has a competitive advantage in Commercial and Service Industry Machinery Manufacturing (LQ 3.82) and Engine, Turbine, and Power Transmission Equipment Manufacturing (LQ 3.02). All subsectors are expected to experience negative or stagnant growth over a five-year period.

	Industry	Current		5-Year History			5-Year Forecast				
		Empl	Avg Ann Wages	LQ	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
333	Machinery Manufacturing	1,506	\$57,790	1.49	-86	-1.1%	662	252	453	-43	-0.6%
3334	HVAC and Commercial Refrigeration Equipment Mfg	590	\$50,729	4.53	-107	-3.3%	262	99	179	-16	-0.6%
3333	Commercial and Service Industry Machinery Manufacturing	307	\$61,032	3.82	-115	-6.1%	138	51	90	-3	-0.2%
3336	Engine, Turbine, and Power Transmission Equipment Mfg	250	\$75,249	3.02	8	0.7%	100	40	72	-12	-1.0%
3335	Metalworking Machinery Mfg	154	\$51,540	1.07	51	8.4%	61	26	45	-10	-1.4%
3332	Industrial Machinery Manufacturing	96	\$54,635	0.80	13	3.0%	45	16	29	-1	-0.2%
3331	Agriculture, Construction, and Mining Machinery Manufacturing	91	\$58,501	0.47	51	17.6%	43	15	28	0	-0.1%

Top Occupations

The top 10 occupations in Machinery Manufacturing within a 45-minute drive-time of the Moberly Area Industrial Park are:

Top Occupations	Employment
Team Assemblers	179
Welders, Cutters, Solderers, and Brazers	95
Machinists	69
First-Line Supervisors of Production and Operating Workers	55
Computer Numerically Controlled Tool Operators	54
General and Operations Managers	50

Electrical, Electronic, and Electromechanical Equipment Assemblers, Except Coil Winders, Tapers, and Finishers	43
Mechanical Engineers	43
Inspectors, Testers, Sorters, Samplers, and Weighers	39
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	37

ELECTRICAL EQUIPMENT, APPLIANCE, AND COMPONENT MANUFACTURING (NAICS 335)

Key Subsectors

Within the Electrical Equipment, Appliance, and Component Manufacturing sector, the region has a competitive advantage in two subsectors: Other Electrical Equipment Manufacturing (LQ 4.57) and Electric Equipment Manufacturing (LQ 4.41), both which are expected to grow.

	Industry	Current			5-Year History		5-Year Forecast				
		Empl	Avg Ann Wages	LQ	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
335	Electrical Equipment, Appliance, & Component Mfg	1,311	\$63,886	3.49	173	2.9%	807	248	418	140	2.1%
3359	Other Electrical Equipment and Component Manufacturing	682	\$59,837	4.57	48	1.5%	475	133	223	120	3.3%
3353	Electrical Equipment Mfg	610	\$68,488	4.41	105	3.8%	311	111	182	18	0.6%

Top Occupations

The top 10 occupations in Electrical Equipment, Appliance, and Component Manufacturing within a 45-minute drive-time of the Moberly Area Industrial Park are:

Top Occupations	Employment
Electrical, Electronic, and Electromechanical Equipment Assemblers, Except Coil Winders, Tapers, and Finishers	320
Team Assemblers	111
First-Line Supervisors of Production and Operating Workers	44
Inspectors, Testers, Sorters, Samplers, and Weighers	42
General and Operations Managers	39
Laborers and Freight, Stock, and Material Movers, Hand	30
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	29

Electrical Engineers	27
Machinists	25
Industrial Engineers	25

PRIMARY METAL MANUFACTURING (NAICS 331)

Within the Primary Metal Manufacturing sector, the region has a competitive advantage in Foundries and Nonferrous Metal (except Aluminum) Production and Processing, but both subsectors are expected to have negative growth over the next five-year period.

	Industry	Current			5-Year History		5-Year Forecast				
		Empl	Avg Ann Wages	LQ	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
331	Primary Metal Manufacturing	610	\$52,413	1.82	-54	-1.7%	230	102	181	-53	-1.8%
3315	Foundries	419	\$48,343	4.39	-9	-0.4%	144	71	121	-48	-2.4%
3314	Nonferrous Metal (except Aluminum) Production & Processing	189	\$61,268	3.36	-44	-4.1%	86	32	58	-5	-0.6%

Top Occupations

The top 10 occupations in Primary Metal Manufacturing within a 45-minute drive-time of Moberly Area Industrial Park are:

Top Occupations	Employment
Molding, Coremaking, and Casting Machine Setters, Operators, and Tenders, Metal and Plastic	54
Foundry Mold and Coremakers	39
First-Line Supervisors of Production and Operating Workers	31
Inspectors, Testers, Sorters, Samplers, and Weighers	29
Grinding, Lapping, Polishing, and Buffing Machine Tool Setters, Operators, and Tenders, Metal and Plastic	23
Metal-Refining Furnace Operators and Tenders	22
Extruding and Drawing Machine Setters, Operators, and Tenders, Metal and Plastic	21
Maintenance and Repair Workers, General	17
Pourers and Casters, Metal	16
Industrial Machinery Mechanics	15

05

Recommendations



Recommendations

OVERVIEW

The recommendations have been divided into three sections – property, presentation, and miscellaneous. For the property section, these are specific recommendations on the property that was submitted for the mock RFI exercise. For the presentation, these are general recommendations on how the applicant team can improve their RFI responses and site visits. Finally, the miscellaneous section captures other recommendations that don't fall into the other categories. Within each of the three sections, the recommendations are listed in order of priority. We have focused on recommendations on the major items that will help move the needle versus the smaller items that may not have as big of an impact. Additionally, the recommendations in this section are focused specifically on Springfield, but we have also provided general best practices which should also be reviewed and taken into consideration.

The amount of investment required to implement each recommendation varies drastically among the items. As examples, a sewer line extension may cost millions of dollars, but others such as rewriting language to be clearer to prospects may be achieved with just a few manhours of effort by the team. To help understand the cost associated with our recommendations, we have indicated a cost estimate on a three-point scale (\$ = less costly; \$\$\$ = most costly). Similarly, we have also provided a timeline estimate on the same three-point scale (T = quick to complete; TTT = longest timeline). While the recommendations are prioritized, we recommend reviewing the items to determine which may be achieved the quickest.

\$\$\$ TTT

PROPERTY

The recommendations below are for the Moberly Area Industrial Park which was submitted for our mock project, Project Brick. Project Brick was a food and beverage manufacturing facility.

\$\$\$ TTT

Update the LOIS listing for the Moberly Area Industrial Park. Currently, the LOIS listing for the property is very sparse. It is recommended that you update LOIS with much more detail as this is the first place many prospects will look. To begin, update the main visual so that it's an image of the property (preferably with site boundaries) instead of the certified logo. Also, the only attachments currently on LOIS for the property are six images (without boundaries) and a video. We recommend updating your listing to include additional marketing information on the property (see recommendation on the following page). You may also consider developing separate individual listings for some of the other most marketable sites (see other recommendation below about site sizes within the park). That way if someone is looking for a 25-acre site, they don't skip over the listing that is for 200+ acres. Remember – the first time a prospect may learn about the property is looking on Missouri Partnership's site and building database, so you want to put your best foot forward.

\$\$\$ TTT

Ensure all information is up-to-date and is an accurate reflection of the property. There have been some changes in the park in recent years (JBS/Swift, roadways, etc.), so make sure that all the information reflects the current conditions at the property. For example, some of the visuals (aerial specifically) did not show JBS or the new roadways. In addition, some of the visuals show Swift instead of JBS which causes some initial confusion. In some visuals, it is not clear if the new roadways are proposed or completed, so ensure it's clear that they have already been constructed. The information that you submit should be as accurate as possible which means you need to update your materials as future improvements are made or companies locate within the park. If a building hasn't been constructed but the property has sold, you can mark it as sold on your maps. Also, the property is also actively certified through 2027. Ensure that you are marketing that the property is actively certified in any marketing materials.

\$\$\$ TTT

Promote larger parcels in the park while accounting for impediments. There are a variety of different layouts/parcels for the park across the various materials, but we have utilized the park layout provided as part of the site visit packet for this recommendation. There are over 20+ available parcels on the layout which do not reflect ideal layouts based on existing impediments. We recommend that you create a park layout that maximizes the developable acres with a note that parcels could be subdivided if needed. For example, Lot 25 is divided by what appears to be a drainageway and a 50' easement to the City. Therefore, we would recommend this proposed parcel be divided: the area east of the easement be one parcel and the area west be combined with Lots 23 and 24 to make one large parcel.

\$\$\$ TTT

Develop a cohesive map set for the property. There is substantial room for improvement on the mapping for the property. As just two examples: the aerial doesn't show the current conditions of the property, and the utility infrastructure map is hand drawn. By developing a cohesive map set for the property, you will have consistent branding and imagery across the map set. In addition, the map set will present a professional image for MAEDC as you submit on projects. If completed, this map set should be uploaded to site and building databases such as LOIS.

\$\$\$ TTT

Develop marketing sheets for the park on relevant topics to prospects. Prospects don't always have time to review hundreds of pages of information, so it's important to prepare the information in an easy to digest manner. To do this, we recommend having one-page marketing sheets for a variety of topics specific to the property. As two examples – utilities and due diligence. For the utility marketing sheet, you could have a utility infrastructure map followed by additional details on existing infrastructure (provider, location, capacities, etc.) for each utility. For the due diligence marketing sheet, provide a summary of what the relevant study found and then note when and by whom the study was completed. Using a Phase I ESA as an example, prospects really just want to know if there are any environmental issues (RECs) found on the property and don't always want to read 100 pages to find that out. Once these various marketing sheets are developed, they can be uploaded to LOIS, but they can also be combined to create a marketing package for the property.

\$\$\$ TTT

Improve how rail is being utilized in marketing efforts. While there is rail in the vicinity, it is not ready to go today, so we have multiple recommendations. First of all, Norfolk Southern was working on some improvements to the lead tracks in the area this year as they weren't currently serviceable. Make sure to keep in contact with Norfolk Southern to know what improvements are underway and when they are completed. You'll want to make sure to update the rail information upon completion of the improvements.

Account for rail needs when submitting for projects. The southern portion of the park is better suited for rail projects, so propose non-rail projects on the northern portions of the park is possible to preserve the more southern parcels for rail-served projects. Additionally, there is potentially for an off-loading facility on one of the southern parcels owned by the City. If this comes to fruition at some point in the future, ensure that this facility is denoted on all visuals when marketing the property.

PRESENTATION

The recommendations below are for ways the MAEDC and community can better present themselves in RFI responses and during site visits.

\$\$\$ TTT

Bold important information in your submission and/or marketing materials. If there is information that you really want a prospect to read, make sure you bold that information. That way, if someone is just skimming the information, then they will at least get the key points. An example of where this could be implemented would be on the cover letter with a submission. These are nice for you to include, but we rarely read them in detail. If you bold the key points, then you ensure that we get at least the important information. Also, try to keep the cover letter to one page (reduce spacing, smaller font, etc.).

\$\$\$ TTT

For the industries where you have a concentration, make sure your materials reflect that. Our mock project for this exercise, Project Brick, was in the food and beverage sector. While there is a competitive advantage for you with your existing industries, this was not portrayed in the RFI or site visit in the level of detail that it could have been. When you have a project that falls in your key sectors (see target industry section), make sure you are accurately conveying to prospects your existing assets (employers, skillsets, workforce training, etc.).

\$\$\$ TTT

When presenting information, start big and drill down. For most prospects, they will not be familiar with the area – and may not even be familiar with the state. Therefore, we recommend for marketing materials, community presentations, etc., always starting at the state level, then drill down to the region/community, and then finally conclude with the property itself.

MISCELLANEOUS

The following are general recommendations that were observed as part of this initiative. In some instances, these may be larger items that need to be undertaken in the community, but we want to bring them to your attention as you compete for business attraction projects.

\$\$\$ TTT

Consider creating more welcome entrances at the gateways to the community. When coming into the community, there is no sense that you have entered the community. You get off the highway, and there is no signage that establishes where you are. Therefore, it is recommended that there is more signage established around the main gateways to the community – especially at the first exit along US Highway 63 when coming from the south as this is the exit that the majority of visitors and citizens that are coming up from Columbia will be utilizing. While the community gateways are the first thing that visitors see, there is also an opportunity to create more placemaking around the community by utilizing consistent signage (signs, banners, etc.). These initiatives are not easy fixes as they do take considerable time and money, but it is a way for Moberly to create more long-term goodwill and positive community relations.

\$\$\$ TTT

Prepare marketing materials that target specific industries where you have a competitive advantage. In addition to highlighting the site features that would be most relevant to an industry, also include information about employment in the region within the sector as well as information on training programs available. Including a list of the region's existing companies in their sector would be valuable in demonstrating the presence and growth of an industry cluster. Once developed, you can also use the materials to target supply chain linkages for your existing industries like suppliers, distributors, etc. When you have specific marketing materials for an industry, it shows a prospect that this is a community that would be a good fit for them.

\$\$\$ TTT

Find a way to tell the Moberly story of what makes you special. When I first saw the agenda for the community presentations during the site visit, it felt very fluffy, but once each person went, I understood why they were all there and the value they bring to the community. The presentations truly told a story of what makes Moberly such a special, welcoming place. The issue is that you want to be able to tell that story before a prospect comes to visit or if they do come to visit, you may only have a few hours total so you won't have the time to give the same level of detail that this initiative offered. Therefore, when you are developing marketing materials, updating your website, etc., make sure you are trying to sprinkle in items that share the story of "why Moberly." *Note: How best to tell this story is not my area of expertise, so I don't have an exact recommendation of how to do this. It was just really notable during the site visit that this was a special place that needed to be better portrayed to those outside the community.*

06

Best Practices Appendix



RFI + RFP Best Practices

PREPARING FOR RFI/RFP

Develop and maintain a property inventory. Ensure that you have a portfolio of properties in various sizes that can accommodate a range of projects. While you won't have a property for every RFI/RFP that comes along, having a portfolio allows you to be able to respond to a broader range of opportunities. Many of the "ready" sites have been acquired in recent years, so many of the sites currently being proposed on projects don't have the same level of information and due diligence. When you have detailed information and due diligence, you are able to stand out.

Build your team of economic development partners. Economic development is a team sport, so know your primary and secondary contacts before the RFI/RFP arrives.

Familiarize yourself with key data resources and information about your sites. RFI/RFPs often require a substantial amount of information, so familiarizing yourself with your data resources beforehand can make the response less daunting. This includes mapping information, workforce data, permitting, etc.

RESPONDING TO RFI/RFP

Create a plan for response. First, read through the RFI upon receipt and identify any aspects of RFI that need clarification. The critical details are typically beyond the first page. A good RFI/RFP will contain a project overview (capital investment, jobs, schedule), utility specs, minimum criteria for property, requested information. Notify your relevant partners of the RFI/RFP and provide them with the information they will need to complete. It is helpful to set internal timelines for collecting the information, but remember your partners are best able to support you if they have the maximum available timeframe. If something is not clear – ask! It's best to coordinate with your state project manager on questions. If you are not planning to respond, let the contact who sent it to you know (state, consultant, company, etc.). Communities are less responsive to RFI/RFPs as they become more selective about the type of projects they want to recruit. While this is perfectly acceptable, it helps to know when a community will not be responding.

Identify the property or properties that can meet the project parameters. When doing so, take into consideration size and configuration, transportation infrastructure, utility infrastructure, and permitting timeframes. Make sure that the property you are submitting will meet the projects timeline. If you have questions about whether a property is viable, ask your contact whether that is a state or regional organization, the consultant, or even the prospect if they are your primary point of contact.

Develop responses that clearly convey the property characteristics. A project representative's ability to evaluate your site is contingent upon the information that is provided in the submission. When questions are not answered and/or requested attachments are not included, the project representative must take additional steps to obtain the information or may choose to dismiss the property from consideration. Therefore, make sure you demonstrate that the property meets (or exceeds) the project criteria. Verify that information is consistent across all documentation. Document your assumptions, provide supporting material, and cite your sources (and links, where available). If you don't know the answer, be honest. Try to

indicate a response when you can have the answer. Most people comprehend and absorb information better through graphics than written descriptions. For these reasons, a significant portion of required documentation for a project will be visual representations of the site and infrastructure. Therefore, create good maps that include a title, scale, north arrow, clearly identified property boundaries, and a date.

Ensure it is clear where the property is located. Having the property name, community, and state on every attachment ensures that the person reviewing the information is always aware of what the site is and where it is.

Make sure the information submitted is consistent across the submission. The key areas where we see the most inconsistency are acreage and utilities. For example, if the natural gas map shows a 4-inch main, make sure the natural gas information also denotes that the line is a 4-inch main.

Submit a comprehensive response that is easy to review. First, focus on providing the information requested and organize your submission in the order requested. RFI/RFPs are often structured to correspond with the internal review process and property evaluation template that will be used. Organizing your response in the order requested, and with file names that describe the contents, enables an efficient review process. If your submission is not well-organized and the reviewer is unable to easily locate the information they need, they may choose to focus their limited time for evaluation on the submissions that are organized as requested – and the likelihood of your site moving forward in the process is diminished. Technology is changing the way information is collected, so if an online platform is being used, test out the system before the due date!

Follow the instructions and don't make assumptions. Period.

Provide only the information that is requested. Companies and consultants typically have a process they follow when reviewing property submissions, and they request the information to follow this process. By providing additional information, it can bog down the review process. If you feel you must provide additional information, put it at the very end of your submission. If you provide a cover letter, bold the most important items.

Respond by the deadline. When an RFI/RFP deadline is provided, it is typically part of a much longer timeline of the overall project's schedule, and in order to meet the project's site selection schedule, responses need to be evaluated quickly by a company or consultant. Therefore, it's important to submit your response by the deadline. Even better – submit early!

Accurate, Complete, Organized, and On-time. A great RFI/RFP response can be summarized with these four words. Remember - a community's ability to effectively respond to an RFI/RFP is also an indicator of its ability to support a major project.

Site Visit Best Practices

BEFORE THE VISIT

Understand the function of the visit and who is coming. First, understand where the project is in the site selection process. The visit you prepare for a team of engineers will be different than a visit from the senior executive team. If the company or consultant will share, ask for a list of the roles for the company team visitors. Additionally, understand where the project is in the site selection process so you will be able to know what is most important to the project at this step. Hopefully the company or consultant will have informed you of the specific information they want to cover during the site visit, but if they don't, ask.

Assemble a site visit team with the relevant expertise. If you have the information that is specifically requested during the site visit, make sure you have the appropriate team members assembled. For example, if the visit is focused on technical aspects of the site, then will need your utility providers, permitting, zoning, etc. If the visit is focused on workforce, then you will need your workforce partners. If it is a general visit, then you may need a variety of different partners. No matter who your team is, make sure that they are familiar with the project specifications, the specific property that was submitted, who is in charge, and always remind them of the importance of confidentiality.

Develop materials for the visit. First, create an itinerary that has the specific items that will be covered and the allotted time. While you may not adhere to this exactly, you will know the flow of the visit and how you may need to make up time if you run over on a certain topic. The itinerary should include names and the roles of your team. While the company and/or consultant will already have information about the property, it is recommended that you still have general information available about the property – especially a few good maps.

Plan the visit. Determine the location of the site visit based upon the location of the property and the company's timeline. You don't want to host at your office if the site is 45 minutes away and you only have two hours for a site visit. In that case, find a location in close proximity to the property. Also, take into consideration the weather if you plan to be out on a property. Ask about dietary restrictions/allergies if needed. Be prepared to suggest accommodations if requested.

Practice. If you haven't had a site visit in a while, do a run through of the visit with all the partners that will be in attendance. Even if you regularly host visits, drive the tour route beforehand to make sure everything is as you expect. For example, if there is trash along the roadway or a road closed, you will want to address this before the site visit.

DURING THE VISIT

Provide a comfortable environment for the visit. Make sure the location for the site visit has enough seating for all attendees. Make sure you have drinks and snacks available – even if you are also providing a meal. If you are meeting at the property, make sure there is spot to meet and if the conditions are unfavorable (hot, rainy, etc.), have a tent available. Additionally, be prepared to show the property how the company or consultant would prefer (ask!). In some cases, a drive by via vehicle is sufficient whereas others will want to physically inspect the property so you will need to be able to drive the property (vehicle, ATV, etc.).

Orient everyone at the beginning. First, review at a high level the agenda and then orient the site within the regional, state, and national terrain. Then invite the project team to introduce the project and listen carefully to identify the issues that are the highest priority.

Facilitate information flow and adhere to the allocated timeframe. As the person who knows your local team and knows the most about the project from the RFI/RFP process, you will need to lead the site visit and ensure the schedule is kept and the appropriate people speak at their time. You will also need to ensure the company or consultant is getting the information they need.

Be welcoming, responsive, and thorough. At the end of the day, you want to make sure you are meeting the needs of the company and consultant so that your property makes the next cut. You can help achieve this by being welcoming to the company, responsive to their questions, and thorough with the information you and your team are providing.

The devils in the details. Try to find a unique way to make your community stand out. If you know something about the company, try to relate your community to them. For example, if they are an Indian company, do you have any Indian owned companies in your community that could provide something for the site visit (food, gift, etc.)? If you know it is a food manufacturer, can you provide snacks that were from companies in your community? Paying attention to the little things helps you stand out among multiple communities that the company or consultant is visiting.

Don't try to hide the negative. Whether it's something specific about the site or something more general about the community, it will come out eventually if you make it far enough along the site selection process. Therefore, it's better to address items up front and provide information on how the community is addressing this item. There is a way to spin the negative to create a positive. "Yes, we have xyz issue, but we have created a task force that meets monthly to address this."

Take notes. Dedicate one team member to take notes. Make sure to mark the questions and the items where they request follow-up items. This will help you capture details about the project and make sure everything they request gets captured. At the end of the visit, have the note taker recap the list of follow-up items to ensure that everything has been addressed. This process makes follow-up much easier.

Be flexible! There are a myriad of ways that site visits can go off course (both good and bad), so the key is to remain flexible.

AFTER THE VISIT

Debrief with your team. Ideally this would be right after the site visit. You can address who, how, and when you will address any follow-up requests. It also allows the team to talk about what went well and what could be improved for future site visits.

Follow-up. By the time the company leaves, they are already on to the next community so be very timely in your follow-up. If possible, try to avoid multiple emails and package all the follow-up information together.

Informative, interactive, organized, and on-time. Similarly to RFI/RFPs, a great site visit can also be summarized with four words. Often, a site visit is the introduction of your community to the company representatives who will ultimately decide the location for the project. The way a site visit is conducted is a reflection of your community and can have a major impact on whether your site is retained or eliminated from consideration.

Marketing Best Practices

MATERIALS

Create a library of digital imagery that showcases the land and the development opportunity. Aerial photographs and drone footage remain important tools for showcasing properties. These types of materials allow viewers to understand the land characteristics without the cumbersome and expensive use of other methods. The perspective of aerial photographs should be directly overhead, and drone footage should take care to show the site from different directions.

Create an overview/summary of due diligence and efforts to illustrate site improvements. Many times the investment of time and resources into preparing a property is not well illustrated in marketing efforts, so there is an opportunity for a community to develop materials that illustrate the work involved in preparing properties by making an overview document that highlights the completed work. Due diligence and documentation that has been completed should be readily accessible for prospects.

Develop a permitting guide to illustrate the pro-business environment. Many communities promote themselves as places that are easy for businesses to get started because of the pro-business culture. This narrative is best illustrated when a community can show a permitting schedule that depicts a quick development timeline and limited approval processes. This type of guide should include an overview of the permit, permitting agency, detailed steps to obtain the permit, link to applications, anticipated fees, time period for permit review, and contact information for a person that can address questions related to that specific permit.

Personalize materials for specific targeted industries. If you are targeting specific industries, develop materials that illustrates why the region is positioned to support a specific sector. Other communities commonly prepare one- or two-pagers that highlight the attributes, workforce, employers, and resources that help establish and support the industry sector within a particular area.

MESSAGING

Clarify the value proposition by combining the community's strengths into a cohesive story. Economic developers should be asking themselves, "What makes my community stand out?" and that information should be the unique selling proposition. This is what sets a community apart in the competitive realm of economic development.

Share success stories and testimonials from businesses that have thrived in the community. For example, a storytelling effort could be developed that educates about the dominant sectors while sharing the stories of companies that have located and thrived across the community. The stories should highlight specific attributes or resources that fostered the growth for industrial employers. The content can be used to market externally to prospects, as well as internally to existing businesses and the workforce because it helps educate about regional opportunities.

Develop the workforce story to include details about the existing workforce supply. To effectively promote the region as an ideal business location, a comprehensive workforce story should be developed. There needs to be detailed information about the existing workforce, including data

on workforce quality, quantity, and availability. Businesses looking to relocate are looking for evidence that a skilled and ready workforce exists. Statistics on qualifications, experience levels, sectors in which the workforce excels, blue-collar training programs, workforce development strategies, and high school career programs are all a part of that narrative.

Explain the cost advantages to your location. Highlighting price competitiveness is one of the most compelling points an economic developer can make to a prospective business (when applicable) because businesses exist to make money. Some economic development organizations will develop cost comparisons with competitor locations to demonstrate the monetary benefits of their region. Some will combine factors into a cohesive story that shows an approximate percentage of savings compared to neighboring cities while others illustrate how their incentives will specifically impact the investment costs.

STRATEGY

Broaden your prospecting reach. Unfortunately, there is not a one size fits all when it comes to marketing your community and properties. Ensure that your outreach efforts include site selectors, state, utility, and rail project managers, commercial brokers, industrial developers, and companies within your targeted sectors.

Ensure that key properties are uploaded to all applicable site databases and update the listings on a regular basis. State, utility, national property listing databases are all places where key industrial properties should be listed. Prospects looking to invest in the state are more likely to begin their property search on the state's property tool or a national listing service like LoopNet long before they find a local or regional property listing. It is a best practice to update the listings as information changes or check the listings each quarter to ensure the information remains reliable.

Dedicate pages on the website to your top properties. Key properties available for development should be easily identified and accessible via the local economic development page. We recommend having a webpage dedicated to the most developable opportunities that is accessible from the website's home page because you want the property information to be immediately available to prospects. Having a dedicated URL specific to the property can also be leveraged in other outreach efforts by directing prospects back to your website for additional information about the property. Completed due diligence, property flyers, and maps should be able to be downloaded from the property's webpage.

Ensure that all regional marketing materials have a consistent look and brand. A consistent look and feel not only streamlines the creative process, but consistency also helps the materials appear professional. Entities whose materials are aesthetically aligned give off the impression that they are well-prepared. The addition of a consistent tagline, visuals, and key talking points that resonate across all marketing channels help build a professional perspective. It is a small, intentional act that can make a big difference in how the region is perceived.

Checklist for Industrial Site/Park Development

PRE-DEVELOPMENT PHASE

Track project inquiries and RFP size specifications. Details about the size of the site sought, industry sector, capital investment, and job creation will help illustrate the tract sizes most often sought by projects and provide data to validate the need for the development of a site or park. Identifying the types of industries you plan to target will help guide the size and location of the land tracks identified in the search. You may also consider contacting the state EDO and utility providers to inquire what size of projects they are seeing in the pipeline.

Conduct feasibility analysis to understand the favorability of the development. Market feasibility will help understand whether there is sufficient market demand and the existing competition. Financial feasibility will help understand whether there is a return on the investment and where incentives may be offered without jeopardizing the financial position of the development. Political feasibility will help determine if the public sector, elected officials, and appointed leadership will support or oppose the development. An economic impact analysis will help estimate the potential impact on the local community, which will be beneficial for illustrating the anticipated gains from job creation and capital investment. All the information acquired during this process should be utilized in the subsequent steps to help build support.

Create a narrative explaining why an industrial site/park is needed in the community. This narrative will be used to boost awareness and solicit support so as to ensure that the narrative includes factual information. Consider adding details about the vision for the property, the evidence of why this property is needed, the planned efforts to promote the property, and any other details that will help support the case.

Identify funding and financing sources. Funds will be needed to obtain control of the property and to conduct due diligence. If you plan to purchase the property, you will need to identify the strategy for expending the capital to acquire the land.

Identify viable land tracks. It is best practice to identify tracts that offer a strategic location near transportation hubs and logistical amenities like four-lane highways, interstate, intermodal facilities, rail, ports, airports, etc. that can be used to promote the property's connectedness. Accessibility into the property needs to be heavily considered. Trusted brokers or realtors may be able to provide information about land presently on the market or potential property that may not even be publicly listed. Sometimes regional utility contacts and bank lenders also are a source of information as they tend to be aware of individuals holding a lot of land.

Take environmental factors into consideration (flood zones, topography, wetlands) that could jeopardize the useability of the property.

Identified properties should be evaluated by their existing zoning classifications and the land use plan for the community. Prioritize tracks that are already zoned for industrial uses or could be rezoned for industrial use. Investigate any zoning changes, annexation requirements, or variances that may be needed and consider the political implications for each site. Consider any development standards within the land use regulations that would impact the overall developability of the property (airport proximity, setbacks, overlays, etc.).

Obtain control and/or access of the property to help protect your interest or investment in the land. You can obtain control via an option agreement, purchase agreement, letter of intent, right of first refusal, etc. The term should be long enough to allow you time to conduct due diligence and for you to offer it for development. Consider adding transferability clauses.

Finalize negotiations and public approvals. This step may include public/private development agreements, securing financial commitment, setting up engineering or construction contracts, establishing a joint venture, obtaining financing bonds or lender commitments, conducting the land transaction, etc. All necessary commitments should either be in place or underway to protect your investment of time and resources into the property during the next development phase.

DUE DILIGENCE + DEVELOPMENT PHASE

If a survey has not been done recently, consider having a survey of the property done. The survey will help you avoid boundary disputes, identify property lines, denote the location of easements or rights of way, and can help avoid future legal issues. Ensure that the surveyor has access to the title information, if available.

Conduct environmental due diligence on the entire property. For studies that identify development impediments or contamination, create a plan for mitigation.

- Phase I Environmental Site Assessment – a Phase II ESA may be needed if concerns are identified in the Phase I ESA
- Threatened and Endangered Species
- Wetland Delineation – obtain a jurisdictional determination to help understand which wetlands are jurisdictional
- Cultural Resources Investigation
- Geotechnical Investigation – ensure that the soil borings are located where a building is reasonably expected to locate. The soil testing and analysis will help provide context for the stability and suitability for construction.

Evaluate existing utility providers, availability, proximity, and access for electricity, natural gas, water, wastewater, and telecommunications. Excess capacities will be needed in order to support projects, so create a plan for necessary upgrades or extensions where shortages exist. Build strong relationships with the utility providers as you go through this process, because they will be an important part of your project response team in the future.

Analyze road access and capacity. Consider the impact that subsequent developments may have on the access points and preemptively consider where road improvements or expansions may be needed as development occurs. This may require local and state coordination. A traffic impact study may be needed. In areas where access to rail or runways is possible, connect with the service providers to coordinate access.

Review local, state, and federal regulations and compliance requirements. Identify what permits and approvals will be required of projects and document the approval processes, timelines, anticipated fees, submission processes, and a point of contact – this can be used later to support projects locating within the park.

Perform title searches and clear any encumbrances that could potentially delay a project. Ensure you understand the location of existing easements and encumbrances that need to be considered during the development process.

Develop a master plan for the industrial park/site layout that takes into consideration any development limitations and maximizes the developability of the property. Ensure that the plan considers the existing and proposed utilities, infrastructure, common access areas, and environmental features that will be retained. Park plans should consider how to create lots of varying sizes to serve a variety of projects, while also identifying which tracts could be combined to offer contiguous parcels.

Determine if the property has existing land leases. If the leases are active and will be renewed, consider adding a termination clause that would allow the property to be surrendered to a project within a reasonably short amount of time. Leases often offer compensation for the termination in order to make the tenants agreeable to the terms.

Develop a marketing strategy and materials that will be utilized to promote the available opportunities for the property. The strategy should include informative materials, online property listings and supplemental information, an attractive online digital presence and website. The marketing strategy should include efforts to promote the property to potential tenants, brokers, developers, consultants, etc. Marketing materials can include aerial photographs, drone footage, overview videos, promotional items, printed materials, maps, etc. Your strategy should evolve as the development of the property evolves and items should be consistently updated as information changes. Some properties are listed with brokers to expand the outreach potential.

Construct roads, lighting, stormwater, utilities, and common infrastructure. Some communities develop these assets once a project commits, while other communities will have these assets built ahead of a project to use as leverage during the marketing and negotiation processes.

POST-DEVELOPMENT PHASE

Note: This section would apply if an industrial park is being developed, and there will be multiple tenants.

Create a plan for ongoing maintenance and upgrades. Consider whether the park will have covenants and how common spaces (lighting, landscaping, litter pick-up, etc.) will be maintained. Some parks are managed by a third-party provider while others are managed internally by the economic development entity.

Consider constructing signage outside and inside the park to bolster the visibility of the park and the accessibility within the park. Professional signage can bolster the image and perception of the park, while also making it easier to be located.

Market the industrial park to growing companies, industrial developers, industrial brokers, state project managers, and site selectors. As companies are located within the park, expand your marketing efforts to their supply chain.

Ensure you consistently engage with the local community, stakeholders, and the media about the park. Communicate the benefits and impacts of the industrial park as progress happens. Address community concerns or issues as needed.

Treat the industrial park as an asset. Collect feedback from stakeholders and prospects and adjust the strategy accordingly. Track inquiries, economic impact, and improvements. As the park becomes occupied, begin crafting your development strategy for the park's expansion.



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