

MOUNTAIN CREEK ENTERPRISES
630 Riverbend Road
Monroe, GA 30655

July 30, 2026

Development Authority Selection Committee
c/o Mr. Shane Short
132 E. Spring Street
Monroe, GA 30655

Dear Selection Committee Members,

Thank you for the opportunity to bid on an underutilized building that has the potential to contribute more to our thriving downtown economy and cultural heritage. 111 East Spring Street has served many purposes during its 135+ year existence. Our goal is to build on past successes and revitalize this property to fit the needs of Monroe's residents and visitors.

We propose an expansion of Wayfarer Hotel & Events into 111 East Spring Street. This renovation would add much-needed hotel capacity to the local economy and a bakery/deli to diversify dining options downtown and enhance our hotel guests' experiences. In addition, an event/meeting space in the building would offer an affordable downtown venue for small groups.

After reviewing the occupancy and increasing demand for hotel rooms, along with the efficiencies we will gain from doubling our capacity, we are able to have the hotel proforma support the lease rates required to make this expansion feasible. We can offer \$400,000, with no additional requests, for the purchase of 111 East Spring Street.

We established Mountain Creek Enterprises in 2006 to rehabilitate historic properties in Monroe. Historic preservation and the creative reuse of buildings enrich our community by converting underdeveloped cultural assets into income-generating destinations. With our 20-year history of historic preservation and operating businesses in the renovated properties, we are confident that we can complete this project to conserve this important structure and improve our local economy for decades to come.

Sincerely,

Rick Huszagh

Rick Huszagh

Crista Carrell

Crista Carrell

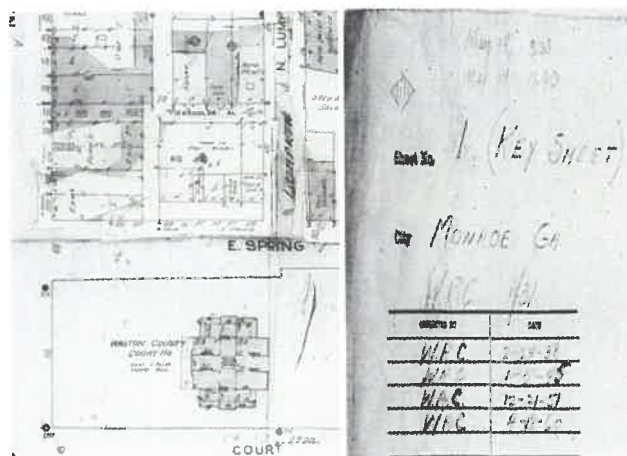
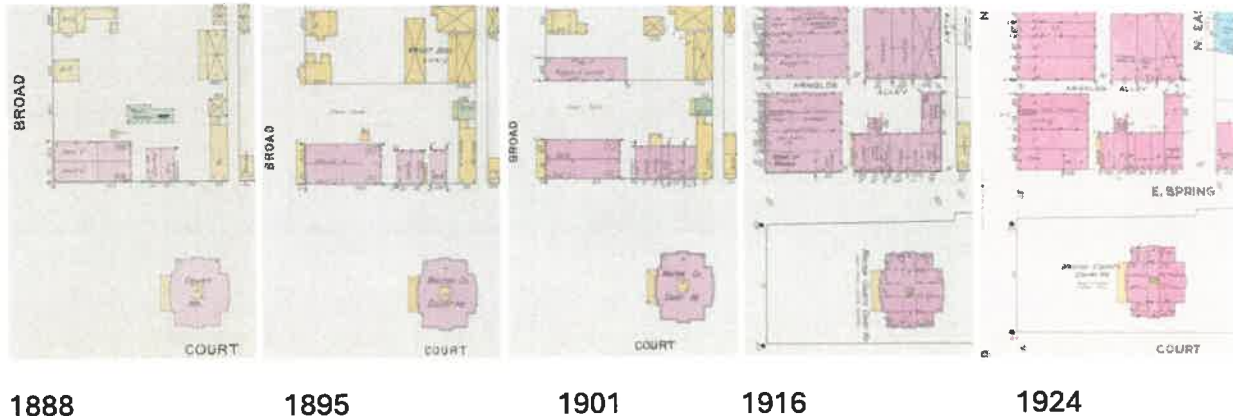
1. Executive Summary

The adaptive reuse of 111 East Spring Street would revitalize a prominent downtown Monroe property while expanding existing hospitality operations. Mountain Creek Enterprises has a proven track record of historic redevelopment projects in Monroe, including Wayfarer Hotel & Events and the Launius Memorial Library.

The proposed redevelopment would expand Wayfarer Hotel's six guestrooms to twelve guestrooms, introducing a mix of king rooms, double-queen rooms, and an extended-stay suite, as well as an event/meeting space in the southwestern side. The project includes a bakery in the southeastern portion of the building, reviving a use of the building listed on the Sanborn map in 1916. This mixed-use approach combines hospitality and retail uses to create a financially sustainable project that supports downtown activity, tourism, and economic growth.

2. Concept Plan & Architectural Vision

Like many historic properties, 111 East Spring Street has evolved over the years to its current configuration. Sanborn Fire Insurance maps show the site starting as a few individual buildings in the late 1800s, expanding into a larger commercial block by the early 1900's. Historic photographs from the 1940's and 1950's show different storefront configurations and divided-light windows consistent with the surviving architectural openings. During its 135+ years, the building has been home to various enterprises: bakery, banking, jewelry, printing, automotive services, vulcanizing, furniture, coffins, and offices.



1960 Updated Sanborn

The building's layered architectural history and prominent downtown location make it an ideal candidate for adaptive reuse. Our proposed renovation would preserve the decorative tile elements, granite window sills, segmented brick arch openings, and steel roof trusses. Original window openings would be restored. Interior brick walls showing the evolution of the building would remain. The redevelopment would preserve the historic character of the structure.



Revelle Gurnett, Billy Catellon, Louise Wreanan McCullough on Spring Street in front of John's Soda Bar

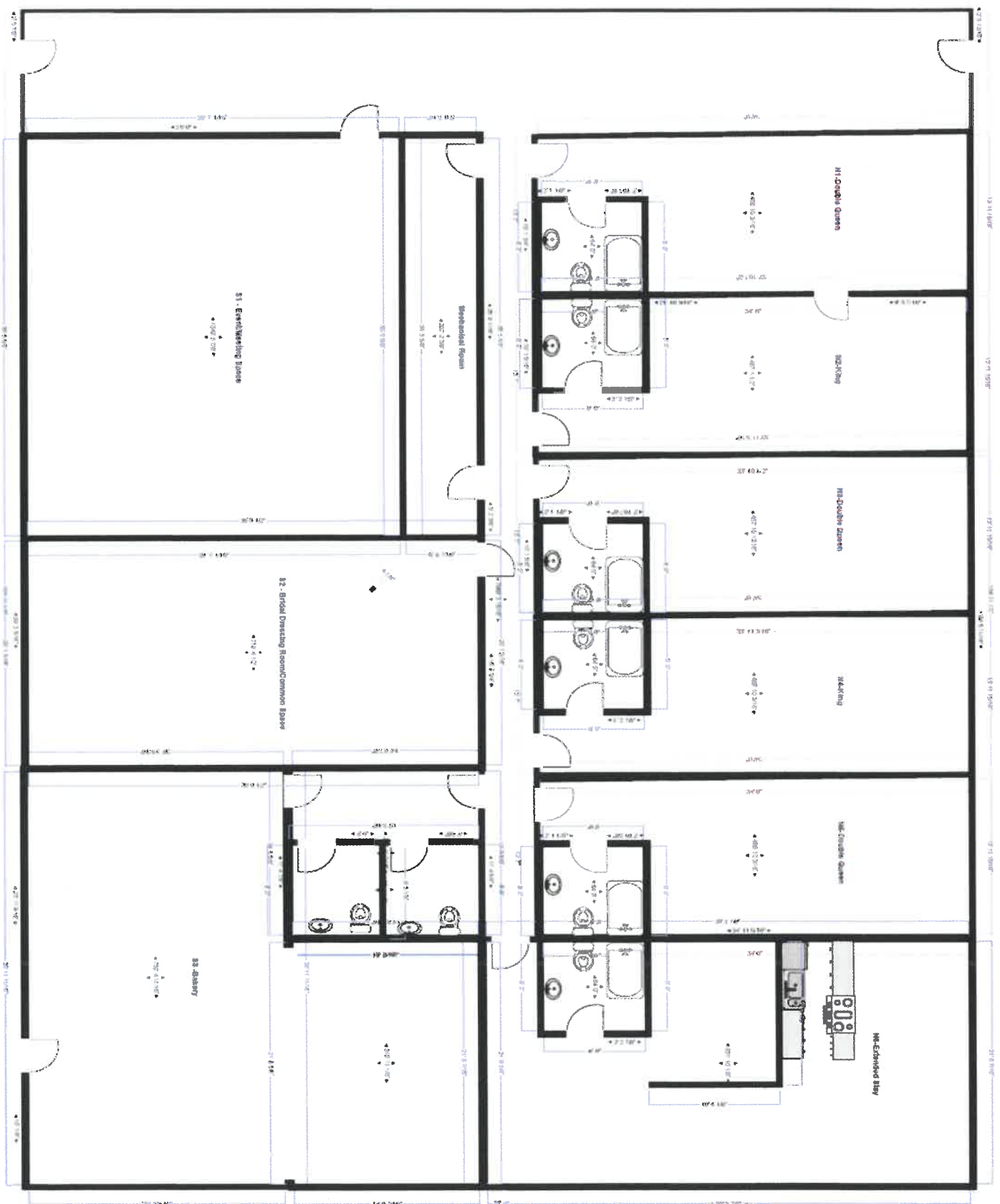




Rendering exhibit: 111 East Spring Street Front



Rendering exhibit: Lumpkin Street Back Alley



Blueprint exhibit: 111 East Spring Street N1 - Double Queen, N2 - King, N3 - Double Queen, N4 - King, N5 - Double Queen, N6 - Extended Stay Suite, S1 – Event/Meeting Space, S2 – Bridal Dressing Room/Common Space, S3 - Bakery, and a Mechanical Room.

3. Qualifications & Experience

Developer

For twenty years, Mountain Creek Enterprises (MCE) has purchased, rehabilitated, and repurposed historic buildings in Monroe. MCE has retained ownership of all but one of the properties, renting to businesses which provide employment to local residents and stimulate the local economy by bringing thousands of visitors to the downtown business district throughout the year.

MCE's original projects were on North Broad Street: 112, 114, and 116. In 2006 these buildings desperately needed repair and were not realizing their economic potential. The livery stable on Lumpkin Street was renovated and added to the Wayfarer business in 2017 as an event venue. An important cultural landmark, the Launius Memorial Library, was rehabilitated in 2019. The second phase of the hotel's renovation was completed in 2023.

MCE partnered with state and local governments and a nonprofit to make these projects possible. Georgia Department of Community Affairs' and Georgia Cities Foundation's low-interest loans were utilized in the earliest projects. The redevelopment of the livery stable was facilitated with a federal blight grant. The program provided funds for the City of Monroe to offer a low interest loan to MCE through the Downtown Development Revolving Loan Fund. MCE loan payments go into a revolving fund maintained by the City to encourage the rehabilitation of other blighted properties. In addition, federal and state historic preservation tax credits were used to make the project feasible. Grants to fund the solar installation, energy efficiency improvements, and reflective roofs were provided by U.S. Department of Agriculture's Rural Energy for America Program and Georgia Cities Foundation's Green Communities Fund Rebate Program.

Architect

Architectural Collaborative LLC is a multi-disciplinary firm, with practice areas including all types of new construction, sustainable design, historic preservation, existing building conditions evaluation, master planning, and preservation planning. Arcollab is led by founding principals Lori Bork Newcomer, Joseph Smith, and Gabriel Comstock. The Arcollab partners have built a strong reputation for creating innovative functional designs tailored to the individual needs of clients. They strive to create inspired spaces and structures that are strongly rooted in their sense of place and grow from their surrounding natural and built environment. Their designs are responsive to and respectful of each project site.

The Arcollab leadership team brings more than 75 years of combined professional experience in project types ranging from single-family residential to large-scale commercial work. Their creative process includes research and experimentation, ongoing client collaboration, and ultimately the thoughtful articulation of light, form, and materials in order to create inspired spaces that maintain a sense of place. From the overall massing of building forms to the careful assembly of construction details, they combine a strong understanding of construction systems, attention to clients' needs and budget, and an artistic sensibility.

Past Projects in Monroe

112, 114, and 116 North Broad – 2006-2007 and 2023



116 North Broad - The first renovation transformed a dilapidated structure into a restaurant. The original cotton freight elevator in the back of the building was restored as a dumbwaiter for the kitchen to service the upstairs bar/dining room.



114 North Broad - The next property was repurposed as the home of Wayfarer Hotel, with three guest rooms/suites and a small office upstairs. Original plaster walls determined the design of the guest rooms; windows that had been covered were restored; the door trim and transoms were protected during construction and put back in place. The upstairs office was later turned into a guest room due to increased hotel demand. A second phase of construction, completed in 2023, added two downstairs guest rooms (one of those ADA compliant), an office, and improved common space for guests.



112 North Broad – As shown on the Sanborn maps included, this building was originally Arnold's Alley, which allowed traffic flow between Broad Street and Lumpkin Street. Before 1960 the alley was closed in to create a building. MCE removed the plywood façade, the dropped ceiling, and wood paneling to highlight the structural glass of the façade, the tin ceiling and skylights, and plaster walls with exposed brick.



123 North Lumpkin – 2017

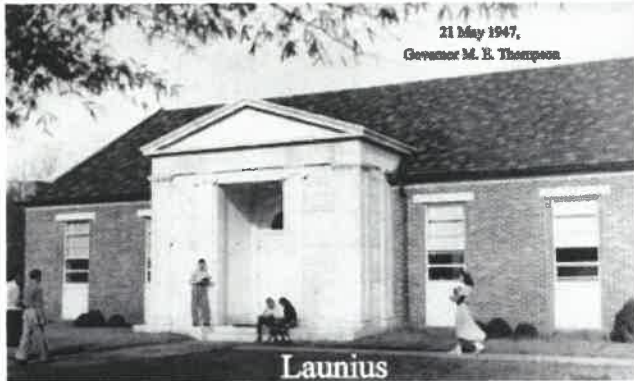
123 North Lumpkin Street – MCE saved the former livery stable from demolition by incorporating it into the hotel's business plan as the Wayfarer Music Hall. With approval from Georgia's Historic Preservation Division, we converted part of the building to an open courtyard, enhancing the attraction of the property as a wedding and event venue. The Georgia Trust for Historic Preservation awarded the Music Hall its 2021 Excellence in Sustainable Rehabilitation :

<https://www.georgiatrust.org/preservation-awards/wayfarer-music-hall/>



Bold Springs Avenue 201 – 2018

In 2018 MCE purchased the Launius Memorial Library to restore it to its former glory. The library, which was built in 1946 as a memorial to Monroe High alumni who had served in World War II, had been vacant and vandalized for ten years. Tar from a misguided roofing repair was removed from the granite roof accents. To maintain the open aspect of the main library room, custom bookshelves for the hundreds of books left behind were used as office space dividers.



4. Financial Capability & Pro Forma

The proposed redevelopment is structured as an income-producing, mixed-use hospitality and commercial project anchored by the Wayfarer Hotel and a bakery/retail space. The Wayfarer Hotel's 18-year track record shows a growth in occupancy as well as a demand for more availability. In addition, the 112 North Broad Wayfarer Hotel event space was recently converted to Maypop Framing(formerly The Gilded Lily). The new event and meeting space at 111 East Spring will replace the strong demand we had for that original event space. The financial plan demonstrates that the project can support acquisition, renovation, stabilization, and long-term operations through a combination of private equity, project debt, tenant rental income, and disciplined operating assumptions.

The Phase 1 budget totals **\$2,000,000**, including a proposed **\$400,000** acquisition price, building stabilization, MEP infrastructure, life-safety improvements, guest room buildout, FF&E, professional fees, financing costs, and contingency. The Phase 1 sources plan includes **\$600,000** of developer equity and a **\$1,400,000** construction/acquisition loan.

The redevelopment plan is intended to be supported by a combination of borrower equity, commercial financing, and project cash flow generated by stabilized tenant rents. A bank support letter from **Synovus**, dated **July 20, 2026**, is attached.

Sources and Uses Budget

The proposed budget is structured as a phased redevelopment plan. Phase 1 is capped at **\$2,000,000** to fund acquisition, stabilization, life-safety and building systems, and initial boutique lodging establishment without relying on uncertain Georgia state historic tax credits. Phase 2 is shown as future commercial activation for tenant-specific office and bakery improvements after the initial lodging component is operational or after tenant commitments are secured.

Phase 1 Sources of Funds

Source of Funds	Amount
Developer Equity	\$600,000
Construction / Acquisition Loan	\$1,400,000
Georgia State Historic Tax Credit	Not included in base funding stack due to exceeding cap 2029
Total Phase 1 Sources	\$2,000,000

Phase 1 Uses of Funds

Use of Funds	Amount
Building Acquisition	\$400,000
Closing Costs / Survey / Legal	\$25,000
Environmental Testing & Due Diligence	\$25,000
Roof Stabilization & Repairs	\$100,000
Exterior Envelope & Masonry Repairs	\$50,000
Structural Repairs & Reinforcement	\$50,000
HVAC Infrastructure	\$150,000
Electrical Service & Distribution	\$125,000
Plumbing Infrastructure	\$100,000
Fire Alarm / Life Safety	\$75,000
Environmental Remediation Allowance	\$50,000
Guest Room Buildout (N1-N6)	\$350,000
Extended Stay Suite (N6)	\$50,000
Guest Bathrooms	\$125,000
Basic FF&E Package	\$100,000
Architectural & Engineering	\$90,000
Permits / Historic Review	\$25,000
Financing Costs	\$35,000
Contingency	\$75,000
Total Phase 1 Uses	\$2,000,000

Phase 2 Future Commercial Activation

Phase 2 is limited to tenant-specific improvements for the office and bakery spaces following stabilization and activation of the lodging component. Because Phase 1 includes major building systems, life-safety improvements, exterior restoration, and core infrastructure, future capital requirements are expected to be modest. Phase 2 costs are estimated at approximately **\$140,500**, consisting primarily of office and bakery tenant improvements with a 10% contingency allowance.

Future Use of Funds	Amount
S1 & S2 Event and Bridal Dressing Room Buildout	\$50,000
S3 Bakery Buildout	\$75,000
Contingency (10%)	\$15,500
Total Phase 2 Uses	\$140,500

Total Project Vision

Project Component	Amount
Phase 1 – Acquisition & Hotel Activation	\$2,000,000
Phase 2 – Commercial Activation	\$140,500
Total Full Project Vision	\$2,140,500

Five-Year Operating Pro Forma Summary

The updated five-year owner pro forma projects a stabilized mixed-use rental model with full occupancy of the leasable areas. The plan includes the Wayfarer Hotel and bakery/retail space under **triple net lease structures**, with tenants responsible for their proportionate share of taxes, insurance, utilities, and other operating costs customarily passed through under triple net leases. Base rent is modeled at **\$22 per square foot**, with annual rent growth of **5%**. The owner pro forma includes maintenance and repairs estimated at **5%** of gross rental income as a conservative ownership reserve, and **no property management fee** because the building will be owner-managed. Total rental income is projected to grow from approximately **\$181,751** in Year 1 to approximately **\$220,919** by Year 5. Net operating income is projected to increase from approximately **\$172,663** in Year 1 to approximately **\$209,873** by Year 5. Based on **\$600,000** of owner equity and a **\$1,400,000** loan, annual debt service is approximately **\$125,256**.

Metric	Year 1	Year 5
Total Rental Income	\$181,751	\$220,919
Total Operating Expenses	\$9,088	\$11,046
Net Operating Income	\$172,663	\$209,873
Annual Debt Service	\$125,256	\$125,256
Net Cash Flow After Debt	\$47,407	\$84,617
Debt Service Coverage Ratio	Approximately 1.38x	Approximately 1.68x

Five-Year Income Statement

Line Item	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Rental Income						
Wayfarer Hotel	\$147,158	\$154,516	\$162,242	\$170,354	\$178,871	\$187,815
Bakery	\$25,938	\$27,235	\$28,597	\$30,026	\$31,528	\$33,104
Total Rental Income	\$173,096	\$181,751	\$190,838	\$200,380	\$210,399	\$220,919
Operating Expenses						
Maintenance & Repairs	\$8,655	\$9,088	\$9,542	\$10,019	\$10,520	\$11,046
Total Operating Expenses	\$8,655	\$9,088	\$9,542	\$10,019	\$10,520	\$11,046
Net Operating Income (NOI)	\$164,441	\$172,663	\$181,296	\$190,361	\$199,879	\$209,873
Annual Mortgage Payment	\$125,256	\$125,256	\$125,256	\$125,256	\$125,256	\$125,256
Net Cash Flow After Debt	\$39,185	\$47,407	\$56,040	\$65,105	\$74,623	\$84,617

The model shows improving project performance over time, with five-year cumulative net cash flow projected at approximately **\$327,792** and five-year cumulative NOI projected at approximately **\$954,074**.

Key Pro Forma Assumptions

- Annual rent growth is modeled at approximately 5%.
- Operating expense inflation is modeled at approximately 2% annually after Year 1.
- Leases are structured as triple net leases, with tenants responsible for their proportionate share of taxes, insurance, utilities, and applicable operating expenses, reducing owner exposure to pass-through property-level costs.
- Maintenance and repairs are estimated at 5% of gross rental income.
- No property management fee is included because the project will be owner-managed.
- The Phase 1 funding plan assumes **\$600,000** of developer equity and a **\$1,400,000** construction/acquisition loan, amortized over **20 years** at an assumed **6.5%** interest rate, resulting in estimated annual debt service of approximately **\$125,256**.
- The tenant plan includes the Wayfarer Hotel and bakery/retail space.

In addition to supporting debt repayment and ownership sustainability, the proposed reuse is expected to generate broader downtown benefits through continued lodging activity, local sales tax collections, new or retained jobs, visitor spending, and increased foot traffic for surrounding businesses. The combination of hospitality, retail, and common space uses aligns with the RFP's objective of returning the property to productive private use while creating an economic catalyst in downtown Monroe.

Tenant Details

Wayfarer Hotel & Events

We have a passion for preserving the past and protecting the future. Wayfarer Hotel & Events grew out of our desire to share the rich history of our hometown with guests. Walton County has been home to Crista's family for five generations.

We have two rooms and two suites upstairs, two guestrooms downstairs, and our event venue, the Music Hall. Our close attention to detail promises to make your stay comfortable and enjoyable. The hotel building was built in the early 1900's. It has been everything from a buggies and harness store, to a law office, to a dental practice, to a furniture showroom. Since 2007 it has been the Wayfarer's home.

In addition to our love for the past, we have a strong sense of responsibility to preserve resources for the future. Solar panels on the hotel and Music Hall roofs provide green power. Our community pantry cuts down on waste, and recycling bins are provided in the hotel and both venues. We have repurposed many materials during the renovations, including wood and steel salvaged from the buildings to make bars and tables.



The Wayfarer Music Hall, completed in 2017, has become special to the community as the site of guests' most important events in life. Whether it's a 50th anniversary party, graduation, wedding, or celebration of life, the building and courtyard provide an inviting, memorable setting. Event attendees often express their appreciation for the preservation of the building and attention to detail. The weather-worn brick exterior and landscaped grounds are a popular backdrop for photo shoots. Events bring in thousands of visitors who otherwise would not be dining, shopping, and staying in town. Wayfarer Hotel & Events works closely with nonprofit groups, offering rental discounts for various fundraisers and volunteer appreciation events.

Purchase Offer

PURCHASE OFFER

111 East Spring Street, Monroe, Georgia

Mountain Creek Enterprises, hereby offers to purchase the real property located at **111 East Spring Street, Monroe, Georgia**, together with all improvements and appurtenances, for a purchase price of **Four Hundred Thousand Dollars (\$400,000)**, payable in cash at closing.

This offer is not contingent upon financing. Buyer intends to fund the acquisition with available cash or other immediately available funds and will provide reasonable evidence of funds upon request.

The only contingency to this offer is Buyer's environmental due diligence. Buyer shall have the right, at Buyer's sole cost and expense, to obtain a **Phase I Environmental Site Assessment** for the property. If the Phase I Environmental Site Assessment recommends or identifies the need for further investigation, Buyer shall also have the right, at Buyer's sole cost and expense, to obtain a **Phase II Environmental Site Assessment** or other reasonable follow-up environmental testing recommended by Buyer's environmental consultant.

If Buyer is not satisfied, in Buyer's reasonable discretion, with the results of the Phase I Environmental Site Assessment or, if applicable, the Phase II Environmental Site Assessment, Buyer may terminate the purchase prior to the expiration of the environmental due diligence period and neither party shall have any further obligation except for obligations that expressly survive termination.

Except for the environmental contingency described above, this offer is made without further contingencies. Buyer will work in good faith with Seller to finalize a mutually acceptable purchase and sale agreement consistent with these terms and to proceed to closing promptly following satisfaction or waiver of the environmental contingency.

Respectfully submitted,



Rick Huszagh

Mountain Creek Enterprises

Bank Letter



July 20, 2026

RE: Mountain Creek Enterprises, Inc. – 111 E. Spring Street, Monroe

To The Development Authority of Walton County:

This letter acknowledges that Mountain Creek Enterprises, Inc. has maintained a long-standing banking relationship with Synovus. Synovus has financed several real estate projects for the company and related entities. Based on our relationship and experience with the company, Mountain Creek Enterprises, Inc. has the financial capacity to complete the project at 111 E. Spring Street in Monroe should they pursue this opportunity. If you have any further questions, please feel free to contact me at 770-207-7851.

Sincerely,

A handwritten signature in blue ink, appearing to read "Stuart Smith".

Stuart Smith

Senior Vice President

140 E. Washington Street

Monroe, GA 30655

770-207-7851 (Direct)