

Madison Dale Estimates for 10 Hotel Street & 18 Court Street ^[1]

<i>10 Hotel Street</i>	2026	2027	2028	2029	2030	2031	2032	2033
Rooms			25	25	25	25	25	25
Rooms Revenue			1,708,200	1,793,610	1,883,291	1,977,455	2,076,328	2,180,144
Hotel Bar			1,000,000	1,050,000	1,102,500	1,157,625	1,215,506	1,276,282
			2,708,200	2,843,610	2,985,791	3,135,080	3,291,834	3,456,426
<i>18 Court Street</i>	2026	2027	2028	2029	2030	2031	2032	2033
Restaurant			4,000,000	4,200,000	4,410,000	4,630,500	4,862,025	5,105,126
Memberships			2,000,000	2,100,000	2,205,000	2,315,250	2,431,013	2,552,563
			6,000,000	6,300,000	6,615,000	6,945,750	7,293,038	7,657,689
<u>Values</u>								
Real Estate ^[2]			8,500,000	8,500,000	8,925,000	8,925,000	9,371,250	9,371,250
Personal Property ^[3]			550,000	450,000	350,000	250,000	150,000	150,000
<u>Revenue Summary</u>								
Meals Tax Revenue			5,000,000	5,250,000	5,512,500	5,788,125	6,077,531	6,381,408
Lodging Tax Revenue			1,708,200	1,793,610	1,883,291	1,977,455	2,076,328	2,180,144
All Revenue			8,708,200	9,143,610	9,600,791	10,080,830	10,584,872	11,114,115
<u>Tax Revenue Projections</u>								
Real Estate @ \$0.055			4,675	4,675	4,909	4,909	5,154	5,154
Business Property @ \$1.00			5,500	4,500	3,500	2,500	1,500	1,500
Sales Tax			5,573	5,852	6,145	6,452	6,774	7,113
Meals Tax @ 6%			300,000	315,000	330,750	347,288	364,652	382,884
Lodging Tax @ 4%			68,328	71,744	75,332	79,098	83,053	87,206
BPOL:								
Hotel @ \$0.1683			6,241	6,553	6,881	7,225	7,586	7,965
Restaurant @ \$0.10			5,000	5,250	5,513	5,788	6,078	6,381
			<u>395,317</u>	<u>413,574</u>	<u>433,028</u>	<u>453,259</u>	<u>474,797</u>	<u>498,204</u>
<u>Less: Tourism Zone Rebates (Town Code, Chapter 15, Article VIII) :</u>								
Business Property			(5,500)	(4,500)	(3,500)			
BPOL - Hotel, Memberships			(6,241)	(6,553)	(6,881)			
BPOL - Restaurant			(5,000)	(5,250)	(5,513)			
			<u>(16,741)</u>	<u>(16,303)</u>	<u>(15,893)</u>			
Net tax revenue projected			378,576	397,271	417,135	453,259	474,797	498,204
A Assume 50% of net tax revenue			189,288	198,636	208,567	226,629	237,398	249,102

Sale of 18 Court Street

Financing revenue								
	20,371							
Earnest money deposit	20,371							
Balance of deposit at closing								
Principal financed @ SOFR (3.98%) ^[4]		17,327	17,327	17,327	17,327	17,327		
Balloon payment in Year 5							468,543	
B Total revenue from sale	40,743	17,327	17,327	17,327	17,327	17,327	485,870	
C Reduction in operating expenditures ^[5]		25,000	25,500	26,010	26,530	27,061	27,602	28,154

A+B+C Total revenue	40,743	42,327	232,115	241,972	252,424	739,560	265,000	277,256
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Total revenue impact over 8 years

2,091,398

Notes:

- [1] Projected 5% growth
- [2] Based on current assessment of Hotel Burg in Leesburg. 5% increase in 2030 and 2032 based on reassessment every 2 years.
- [3] Assume personal property (furniture, fixtures, and equipment) investment of \$1 million; Commissioner of Revenue depreciation schedule applied.
- [4] Used rate stated in initial offer. Variable rate based on SOFR requested. Analysis is based on fixed rate.
- [5] The Town currently pays electric, cable, natural gas, and property insurance. Assume 2% annual increase in operating expenditures