

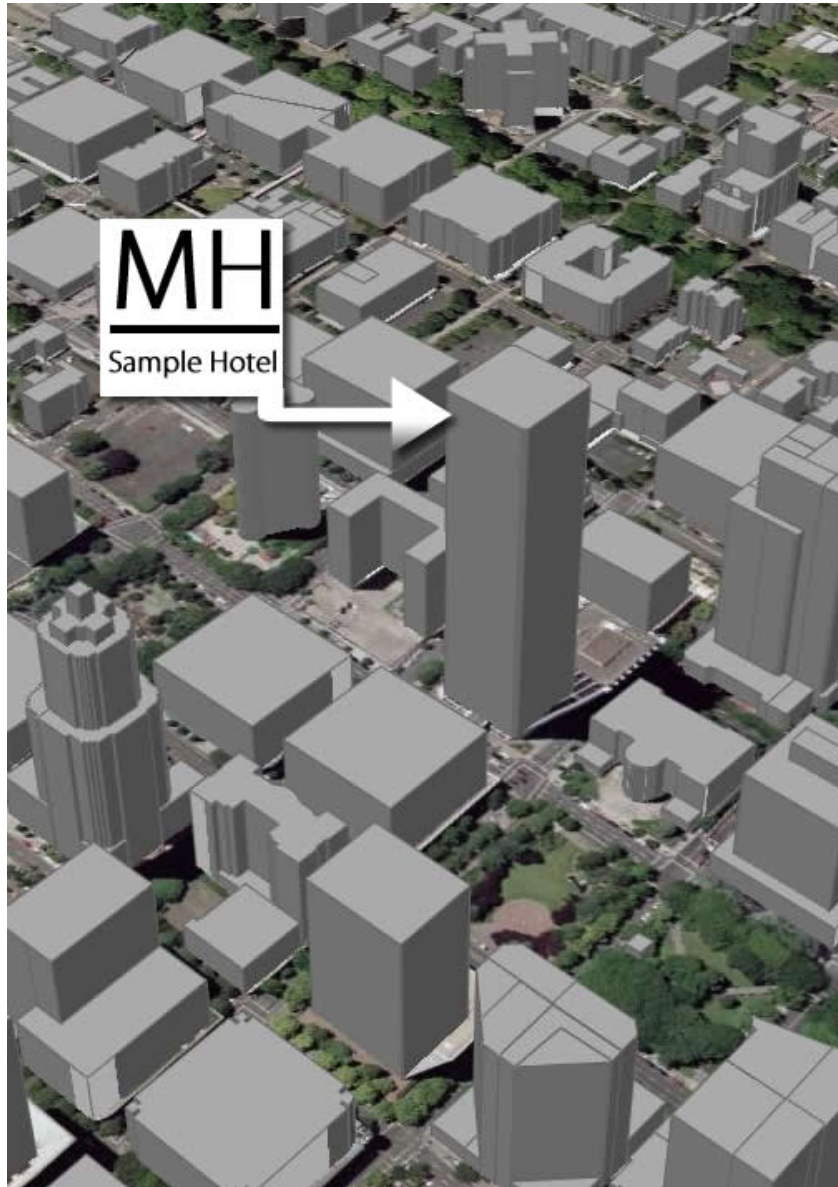
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The Market Hotel



Sample Market Research & Feasibility Study
AnyCity, AnyWhere

Market Research & Feasibility Study



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Market Research & Feasibility Study

About AnyCity: *Overview*

AnyCity Metropolitan Population: 2.9 MM

Median Age: 32.5

Projected # of Overnight Visitors to AnyCity: 8.83 MM

Downtown AnyCity Housing Facts

Median Home Cost: \$371,500

92101 (downtown) only: \$490,000

Average Apartment Rent: \$912+/month

Housing Units Downtown: 11,200++

Housing Units in Metro AnyCity: 1,032,736++

Workforce Facts

Population median age: 33.5 years

Percent of population age 18+: 74.9%

Male median age: 32.2 years

Percent of male population 18+: 74.6%

Female median age: 35.0 years

Percent of female population 18+: 75.3%

Median Family Income

AnyCity County: \$59,900

United States: \$56,500

Metropolitan Population Comparison

Other Metropolitan Populations between 2 and 3 million:

Cleveland, OH

Charlotte, NC

St Louis, MO

Cincinnati, OH

Tampa, FL

Portland, OR

Denver, CO

Kansas City, MO

Pittsburgh, PA

Orlando, FL

Sacramento, CA

Metropolitan Populations of notable culinary appeal with population less than 2 million:

Orlando, FL

Las Vegas, NV

Indianapolis, IN

New Orleans, LA

Metropolitan Populations of notable culinary appeal with population greater than 3 million:

New York, NY

Dallas, Tx

Los Angeles, CA

Miami, FL

Chicago, IL

Atlanta, GA

Washington, DC

Phoenix, AZ

San Francisco, CA

Seattle, WA

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About AnyCity: *Economy*

Major Industries

Tourism:

- The Big Park (Museums & Zoo)
- AnyCity Zoo
- WaterPark World
- AnyCity Outdoor Park
- Old Historic AnyCity
- Beach Park

Educational Institutions:

- AnyWhere State University
- AnyCity Community College District
- AnyCity State University
- University of AnyWhere, AnyCity
- University of AnyCity
- AnyCity College
- Design Institute of AnyCity

United States Military:

- U.S. Navy Ports
- Marine Corps Bases
- Coast Guard Stations
- Naval Fleet

Technology/Biotech:

- Com Co
- Bio Co
- Tech Co
- Gen Co

Sports:

- Baseball: AnyCity Hitters
- Football: AnyCity Tacklers
- Soccer: AnyCity Kickers
- Basketball: AnyCity Dunkers

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About AnyCity: *Economy* (cont.)

Largest Employers

Employer:	Number of Local Employees
Federal Government:	38,700
State of AnyWhere:	37,100
University of AnyWhere, AnyCity:	24,790
City of AnyCity:	20,700
County of AnyCity:	18,900
HealthCare Company A:	13,269
United States Postal Service:	11,611
Manufacturing Plant:	10,313
BioTech Firm A:	6,600
BioTech Firm B.:	6,000
AnyCity Community College District:	5,600
Energy Company:	5,500
Science Corporation:	4,667
High School District:	4,490
AnyCity State University:	4,283
Communications Headquarters:	4,200
Steel & Shipbuilding Company:	4,150
Computer Parts Company:	3,500
HealthCare Company B:	3,200
Hospital & Health Center:	3,131
Major Food Chain Headquarters:	3,000
AnyCity Police Department:	2,775
Cell Phone Technology Research Lab.:	2,734

Market Research & Feasibility Study

About AnyCity: *Downtown*

Downtown AnyCity is comprised of 8 distinctive neighborhoods totaling more than 24,000 residents. These neighborhoods represent not only the local residents, but also professionals and visitors that are in the closest proximity to The Market Hotel's location.

Neighborhood A:

Hotel T, AnyCity, is located in the heart of this commercial neighborhood. Current development includes over 1,800 residential units, 1 million+ square feet of commercial space, and hundreds of parking spaces. The Market Hotel is located blocks from downtown's main street, Broadway. The AnyCity Metropolitan Transit System is two blocks away with the city center's primary depot within 7 minutes walking distance.

Along the waterfront are such tourist attractions as Attraction A, Attraction B, Attraction C, Attraction D, Attraction E, and waterfront dining. This area is being developed with more than \$50 million designated to restructure the piers and create new activity centers.

Neighborhood B:

This neighborhood combines a thriving restaurant scene, art and cultural activities, urban living, with parks, schools, and annual festivals to create one of the best representations of AnyCity living.

In development are over 500 parking spaces, 1,630 residential units, 33,500 square feet of retail space, a waterfront park, and Attraction A.

Neighborhood C:

As the region's Government and Corporate hub, Neighborhood C is home to the The Civic Center, City Hall, SBA, and World Trade Center. B and C street offer popular daytime and nighttime activities while D street serves as the "Financial Corridor" of the region.

Neighborhood D:

Attractions include historic Park A, Park B, The AnyCity Convention Center, numerous waterfront hotels, and public transportation stops.

In development are 756 residential units, 750 hotel rooms, nearly 30,000 square feet of retail space, and 480 parking spaces.

Neighborhood E:

Neighborhood E is a six and one half block retail/entertainment center that contains over 140 shops and restaurants and is considered a local landmark. Other major developments in this area include world class hotels, high-rise luxury condominium towers, apartments, corporate office towers, theatres, and the Federal Courthouse.

Neighborhood F:

Recognized on the National Register of Historic Places with 94 significant structures that contain 70 restaurants, nightclubs, movie theaters, shops, offices, galleries and lofts. Annual festivities include Festival 1, Festival 2, Festival 3, Festival 4, and Festival 5.

Nearing completion in this neighborhood are 95,000 square feet of retail space, 334 hotel rooms, and 364 residential units.

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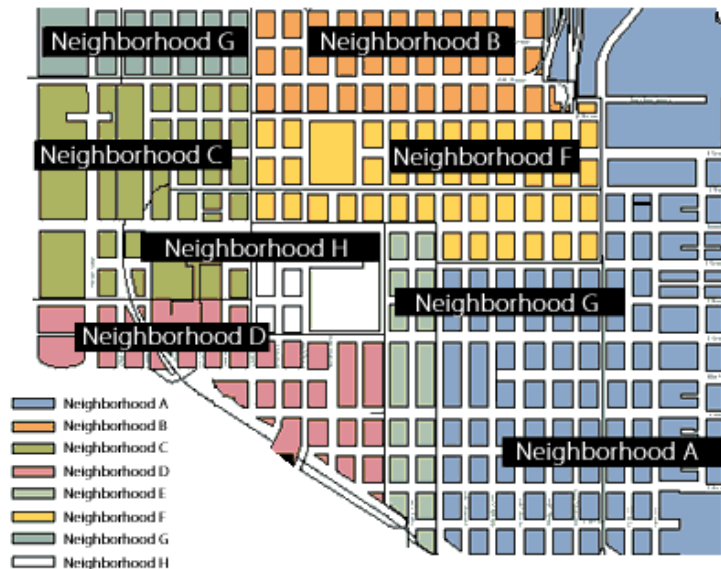
About AnyCity: *Downtown* (cont.)

Neighborhood G:

Home to the historic Hotel A which is now a luxury apartment complex. One of the areas oldest and most distinguished residential neighborhoods. The portion of the neighborhood along Fifth and Sixth Avenue contains commercial shops and sidewalk cafes. Development includes 6,000 square feet of retail space, 758 residential units, and a neighborhood park.

Neighborhood H:

As the home to the Football Stadium, this is AnyCity's largest and most rapidly developing neighborhood with nearly 7,000 parking spaces, 1 million+ square feet of retail space, 2,396 hotel rooms, and 2,429 residential units are nearing completion. Other developments include a 500,000 square foot retail, entertainment and office complex, a new library, and numerous public improvements.



About AnyCity: *Downtown* (cont.)

Other neighborhoods of interest in the AnyCity Area:
Distance listed is approximate from The Market Hotel's location.

Neighborhood L: 13 Miles

Neighborhood L is one of the most affluent communities in AnyCity County with around 38,000 residents. The average house sells for over a million dollars.

Neighborhood M: 6.5 Miles:

As a bedroom community for AnyCity executives, a haven for retired senior military officers and an internationally renowned tourist destination, this vibrant community welcomes more than two million visitors annually. The city contains 14 hotels, amongst them are 3 world-class resorts including the Hotel Z and 67 highly acclaimed restaurants.

Neighborhood N: 7.6 Miles

Population primarily consists of rental beach housing, condominiums and single-family houses. These communities are popular with young professionals and students due to the area's beach lifestyle and abundance of recreational choices.

Neighborhood O: 6.5 Miles

Neighborhood O hosts a community of about 18,500 residents. The household income is \$67,328 compared to the US average of \$44,684, indicating that the neighborhood is more affluent than average neighborhoods. The median home price is \$1,180,022 whereas the average price is \$850,000.

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Hotels in the Market: *Breakdown*

Downtown AnyCity contains approximately 40 Hotels.

Economy Hotels: 18

Neighborhood A: 6	Neighborhood E: 1
Neighborhood B: 2	Neighborhood F: -
Neighborhood C: -	Neighborhood G: 5
Neighborhood D: 4	Neighborhood H: -

Conference/Convention Hotels: 4

Neighborhood A: -	Neighborhood E: 1
Neighborhood B: -	Neighborhood F: 1
Neighborhood C: -	Neighborhood G: -
Neighborhood D: -	Neighborhood H: 2

Luxury/Boutique Hotels: 18

Neighborhood A: 1	Neighborhood E: -
Neighborhood B: 3*	Neighborhood F: 1
Neighborhood C: 6	Neighborhood G: 2
Neighborhood D: 2	Neighborhood H: 3

**The Market Hotel Location*

The following locations are highlights in the area:



Market Research & Feasibility Study

Hotels in the Market: *Highlights* (cont.)

Convention Hotel

Type: Convention/Conference **Area:** Neighborhood D **Rooms:** 1,625 **Rack Singe Rate:** \$290

Primary Dining Venues:

Restaurant A: Family

Breakfast: 6:00 am – 11:00 am **Range:** \$5 - \$18

Lunch: 11:30 am – 2:30 pm **Apps:** \$7- \$12 **Entrees:** \$14- \$25

Buffet: Breakfast/Dinner **Price:** \$22

Brunch: 11:30 am – 2:30 pm

Dinner: 5:30 pm – 10:00 pm **Apps:** \$7- \$12 **Entrees:** \$18- \$34

Restaurant B: AnyWhere Seafood

Lunch: 11:30 am – 2:30 pm **Apps:** \$7- \$36 **Entrees:** \$23- \$34

Dinner: 5:30 pm – 10:00 pm **Apps:** \$7- \$36 **Entrees:** \$23- \$34 **Sides:** \$5



Market Research & Feasibility Study

Hotels in the Market: *Highlights* (cont.)

Convention Hotel

Type: Convention/Conference **Area:** Neighborhood D **Rooms:** 1,362 **Rack Singe Rate:** \$205

Primary Dining Venues:

Restaurant A: AnyWhere Cuisine

Dinner: 5:30 pm – 10:00 pm **Apps:** \$7 - \$12 **Entrees:** \$18 - \$34

Restaurant B: AnyWhere Seafood

Lunch: 11:00 am – 5:30 pm **Apps:** \$6 - \$14 **Entrees:** \$9 - \$14 **Dessert:** \$6 - \$8

Dinner: 5:30 pm – 10:00 pm **Apps:** \$6 - \$13 **Entrees:** \$11 - \$30 **Dessert:** \$6 - \$8

Boutique Hotel:

Type: Boutique **Area:** Neighborhood D **Rooms:** 235 **Rack Singe Rate:** \$250

Primary Dining Venues:

Restaurant A: AnyWhere Coastal

Breakfast: 7:00 am – 10:30 am **Range:** \$5 - \$14

Brunch (Sat/Sun): 11:30 am – 2:30 pm **Range:** \$5 - \$14

Lunch (Mon-Fri): 11:30 am – 2:30 pm **Apps:** \$5 - \$12 **Entrees:** \$9 - \$14 **Dessert:** \$6 - \$9

Dinner: 5:30 pm – 11:00 pm **Apps:** \$6 - \$18 **Entrees:** \$17 - \$33 **Dessert:** \$6 - \$9

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Hotels in the Market: *Highlights* (cont.)

Convention Hotel

Type: Convention/Conference Area: Downtown Rooms: 436 Rack Singe Rate: \$179

Primary Dining Venues:

Restaurant A: AnyWhere-Italian

Breakfast: 6:00 am – 11:30 am Range: \$7 - \$14 Buffet: \$17

Lunch: 11:00 am – 5:30 pm Apps: \$5 - \$14 Entrees: \$13 - \$25

Dinner: 5:30 pm – 10:00 pm Apps: \$5 - \$14 Entrees: \$14 - \$34

Boutique Hotel

Type: Boutique Area: Downtown Rooms: 102 Rack Singe Rate: \$189

Primary Dining Venues:

Restaurant A: AnyWhere Cuisine

Breakfast: 6:00 am – 11:30 am Range: \$6 - \$12

Lunch: 11:30 am – 4:30 pm Apps: \$3 - \$13 Entrees: \$9 - \$14 Dessert: \$4 - \$7

Dinner: 4:30 pm – 5:00 pm Apps: \$4 - \$10 Entrees: \$27 - \$49 Dessert: \$4 - \$7

Market Research & Feasibility Study

Hotels in the Market: *Highlights* (cont.)

The Luxury Hotel A

Type: Luxury	Area: Neighborhood D	Rooms: 270	Rack Singe Rate: \$379
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Primary Dining Venues:

Restaurant A: AnyWhere Cuisine

Breakfast/Grab & Go: 6:00 am – 11:00 am	Range: \$8 - \$28	Sides: \$4 - \$6
Lounge: 11:30 am - Close	Range: \$11 - \$22	
Lunch: 11:00 am – 2:30 pm	Apps: \$9 - \$20	Entrees: \$22 - \$34
Dinner: 5:30 pm – 10:00 pm	Apps: \$11 - \$21	Entrees: \$22 - \$38

The Luxury Hotel B

Type: Luxury	Area: Downtown	Rooms: 223	Rack Singe Rate: \$325
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Primary Dining Venues:

Restaurant A: Contemporary French

Dinner: 6:00 pm – 10:00 pm	Apps: \$9 - \$14	Entrees: \$28 - \$39	Dessert: \$8
Champagne Brunch (Sun): 10:00 am – 2:00 pm	Price: \$39.75		

Restaurant B: American

Breakfast: 6:00 am – 11:30 am	Range: \$7 - \$19		
Lunch: 11:30 am – 4:30 pm	Apps: \$5 - \$16	Entrees: \$11.50 - \$24	Dessert: \$7.50
Dinner: 4:30 pm – 5:00 pm	Apps: \$5 - \$18	Entrees: \$15 - \$26.50	Dessert: \$7.50

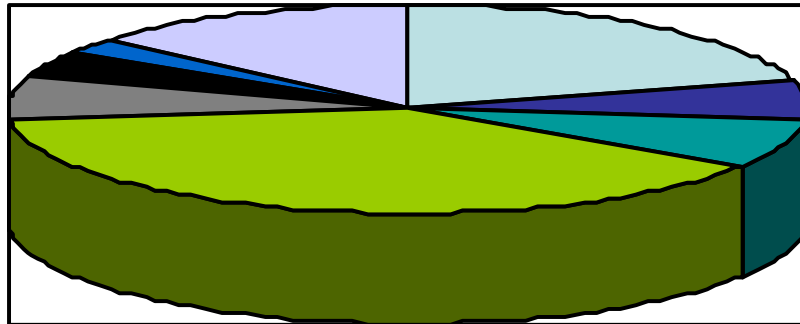
Market Research & Feasibility Study

Restaurants in the Market

Neighborhood Breakdown of 120 Full Service Restaurants in Downtown AnyCity.

Neighborhood A: 25	Neighborhood E: 8
Neighborhood B: 7*	Neighborhood F: 5
Neighborhood C: 9	Neighborhood G: 3
Neighborhood D: 47	Neighborhood H: 16

**Location of The Market Hotel*



- Neighborhood A
- Neighborhood B
- Neighborhood C
- Neighborhood D
- Neighborhood E
- Neighborhood F
- Neighborhood G
- Neighborhood H

The following locations are highlights in the Downtown area:



Market Research & Feasibility Study



Restaurants in the Market (cont.)

Restaurant A: *AnyWhere* **Area: A**

Dinner:	5:00 pm – 10:00 pm	Apps:	\$6 - \$14	Entrees:	\$23- \$66
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Restaurant B: *AnyWhere* **Area: A**

Lunch:	11:30 am – 3:00 pm	Apps:	\$5 - \$14	Entrees:	\$14 - \$18
Dinner:	5:00 pm – 11:00 pm	Apps:	\$6 - \$20	Entrees:	\$18 - \$39

Restaurant C: *Mexican* **Area: B**

Lunch:	11:30 am – 2:00 pm	Apps:	\$5 -	Entrees:	\$14
Dinner:	5:00 pm – 10:00 pm	Apps:	\$5 - \$13	Entrees:	\$25 - \$41

Restaurant D: *Steak-Seafood* **Area: B**

Lunch:	11:00 am – 3:00 pm	Apps:	\$6.50 - \$16	Entrees:	\$12 - \$18	Dessert:	\$5-\$9
Dinner:	5:30 pm – 10:00 pm	Apps:	\$6.50 - \$16	Entrees:	\$18 - \$39	Dessert:	\$5-\$9

Restaurant E *"Cuisine Moderne"* **Area: B**

Dinner:	5:00 pm – 10:00 pm	Apps:	\$7 - \$12	Entrees:	\$10 - \$36	Dessert:	\$7-\$8
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Restaurants in the Market (cont.)

Restaurant F: *Seafood - Steak* *Area: A*
 Dinner: 6:00 pm – 10:00 pm **Apps:** \$12 - \$18 **Entrees:** \$28- \$42

Restaurant G: *Steakhouse* *Area: B*
 Dinner: 5:00 pm – 11:00 pm **Apps:** \$8 - \$16 **Entrees:** \$21 - \$37 **Dessert:** \$8-\$11

Restaurant H: *Steakhouse* *Area: A*
 Dinner: 6:00 pm – 10:00 pm **Apps:** \$9 - \$19 **Entrees:** \$22 - \$44 **Dessert:** \$8-\$10

Restaurant I: *Steakhouse* *Area: A*
 Lunch: 11:30 am – 3:00 pm **Apps:** \$5.50 - \$15 **Entrees:** \$10 - \$21
 Dinner: 3:00 pm – 11:00 pm **Apps:** \$5.50 - \$17 **Entrees:** \$17 - \$40

Restaurant J: *Mexican* *Area: A*
 Lunch: 11:00 am – 2:00 pm **Apps:** \$5.50 - \$15 **Entrees:** \$7 - \$11
 Dinner: 5:00 pm – 11:00 pm **Apps:** \$6 - \$14 **Entrees:** \$21 - \$35

Restaurant K: *Tapas & Small Plates* *Area: A*
 Dinner = Tapas Style: 6:00 pm – 11:00 pm **Cold:** \$5 - \$13 **Hot:** \$9 - \$17 **Sweet:** \$7



Market Research & Feasibility Study



Entertainment & Attractions

Distance listed is approximate from The Market Hotel's location.

Park A: 2.8 Miles

- Home to the AnyCity Zoo
- 15 Museums
- Restaurants

Convention Center: 1.4 Miles

- 5 minutes from the airport

Park B: 1.4 Miles

- Home to the AnyCity Football Team

Park C: 0.8 Miles

- Next to the Convention Center
- 54 Shops & Galleries
- 4 Award Winning Restaurants
- 13 Sidewalk Cafes

Museums & Theatres:

- Museum 1
- Museum 2
- Movie Theatre
- Performing Arts Center



Market Research & Feasibility Study

Market Observations & Analysis

- The Market Hotel's location is well situated to attract the local workforce and residential community to its dining venue for breakfast, lunch and dinner.
- While there are many restaurants and cafés located throughout the downtown region, the AnyCity culinary scene is still in its infancy. For instance, there is a lack of Consumer Food Press that typically influences the public's dining-out decision making process. The resulting trend is for diners to pick an area, such as Neighborhood A or the Gaslamp district, and to then pick a restaurant.
- At the same time, Culinary Events such as the AnyCity Bay Wine & Food Festival near the Convention Center create opportunities to expose the public to the local dining scene and therefore increase awareness of specific locations.
- While there are "Hot" contemporary restaurants in locations such as Neighborhood A and B, the downtown region of AnyCity lacks a notable culinary presence.
- There is an overwhelming amount of Italian restaurants, followed by Steak and Seafood houses. These restaurants are traditional and offer little creativity and therefore offer little in terms of Culinary Buzz or National Interest.
- Two noteworthy dining options are Restaurant A and B. Their menu structure, contemporary décor & service, hold strong appeal to the 25 - 39 year old clientele.
- Signs of innovation in both décor and food are starting to show with such restaurants as A, B, and C, but still fall short of the sophistication often found in other cities comparable to AnyCity's population.
- With the dramatic increase in the luxury condominium market and the centralized location of The Market Hotel, other opportunities to cater to the local resident population such as "Grab & Go" meals, Take Out, Brunch, Wine Tastings, and Private Dining should be considered.
- Lunch in Neighborhood D is relatively quiet. The majority of diners choose to sit outside in fenced sidewalk patios.
- Street A is a very active location for business lunch in sidewalk cafes. Service is very fast while price points remain under \$10 for sandwiches and salads.
- For Public Transportation the AnyCity Transit Option A is not only very popular, but is just blocks away from The Market Hotel and makes getting to the Hotel from the other neighborhoods very convenient.
- Most of the restaurants in the Neighborhood A and Neighborhood B are operated by family companies. A few national chains such as Chain 1, Chain 2, and Chain 3 are firmly established.

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Market Observations & Analysis (cont.)

Upcoming Hotel Developments and Renovations include:

- The historic Hotel A reopened late October after a \$25 million dollar renovation.
- The historic Hotel B will reopen in December after a \$16 million dollar renovation.
- The Neighborhood D's Boutique Hotel C will open mid-November, 2006 with 35 luxury stanzas (guestrooms). It's upscale restaurant, lounge, and rooftop, glass bottom pool are scheduled to open in 2007.
- Also in the Neighborhood D, is Hotel D, opening in December. Features include a four level nightclub; a street-level restaurant; a rooftop terrace and swimming pool, and 10,000 square feet of meeting space.
- Opening in late 2008, the 1,190 Room Hotel E AnyCity Convention Center Hotel will offer a resort atmosphere with a health club, upscale retail shops, food outlets, and a waterfront restaurant.
- The Hotel F is slated to open in the spring of 2007, also in the Neighborhood D and will be the city's first branded condo-hotel. It will feature Restaurant F and an Ultra Lounge and Sky Bar.



Hotel A



Hotel B



Hotel C

Conclusions

- The Downtown AnyCity Marketplace presents a vibrant opportunity for a Restaurant that is *Different* from what exists today.
- New Hotel Construction and/or Renovations of existing Properties present significant competition that must be met "Head-On".
- The AnyCity Culinary Scene is ripe for a Restaurant Company and Well-Known Chef to create substantial Consumer Interest.
- There is no great all-day Café, Bistro, or Brasserie in AnyCity, today.
- The Workforce and Residential Communities in proximity to The Market Hotel in conjunction with Hotel Guests create exciting possibilities for increased Market Share.
- Concept, Positioning, Pricing and Style will be critical to the ultimate success of the Restaurant Re-Concepting at the Property.
- An accessible and readily understandable Menu Format/Content for all Meal Periods including Weekend Brunch, Late-Night, Bar Small Plate Food, and "Grab & Go" items will greatly enhance both Revenues and Profitability.

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