DOWNTOWN STATESBORO MASTERPLAN
COMMERCIAL REAL ESTATE MARKET ANALYSIS

May 2021

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Exhibit 1

Summary of Forecasted Commercial Demand By Product Type for the Downtown Study Area, 2021-2025

Land Use	Example Picture	Demand 2021 - 2025	Est. Pricing	Estimated Configuration	Notes/Comments
Retail / Service		Potential demand for 50,000 - 51,000 SF. Heavily food and beverage with restaurants, specialty food stores, and beer/wine making up 60% of the demand. Other demand comes from potential for a health & personal care store (CVS/Walgreens), a few small boutiques, and nearly 11,000 SF of population servicing office users - medical, real estate, cell phone, etc.	$18-20/SF NNN	Existing structures, ground floor in mixed-use, and owner operators on pad sites	While retail in general is oversupplied in many categories, retailers are seeking to locate in walkable, mixed-use formats. Will need to increase captive audiences/vibrancy in Downtown through increased population density, and/or destination hotel (see below). Strong potential for a Downtown student housing development with student oriented retail in the ground floor. Demand should be concentrated in existing Downtown node and/or the Creek on the Blue Mile, with retail pruning occurring in between.
Conventional Office		Limited conventional demand of 6,000 - 9,000 SF total over 5 years. Would need to be subsidized, ground floor of multifamily deal subordinating, and/or find unique tenant in market to anchor (municipal government, University, medical, etc.). Additional demand exists for pad sales to owner/users, but still limited to an estimated 2-4 pads (.25-.5 acres)/year.	$18-20/SF Full Service	Existing structures, ground floor in mixed-use, and owner operators on pad sites	Office demand very limited and mostly population servicing medical tenant based. Opportunity to attract firms will increase as employment base (educated workforce) strengthens and/or greater leveraging of University.
Lodging		Could see support for new 100-120 room hotel by 2025 if right environment/momentum is created/achieved in Downtown. Limited-service and best potential flag/brand is a Courtyard by Marriott	$120 - $125 ADR	80-100 Rooms/Acre - podium or deck parked	Local market has been over supplied, and COVID has caused significant disruption, however new Holiday Inn Express in Blue Mile is performing well. We believe there is potential to attract a developer interested in bringing a new offering to market (not just a highway oriented limited-service), but will need a full subsidy package. City will need to contribute land, parking deck, and likely additional assistance in maintenance/marketing going forward. It will be critical that the University unofficially adopts this as their preferred hotel - traveling faculty, alumni, Greek events, parents weekend, etc.

SOURCE: Noell Consulting Group

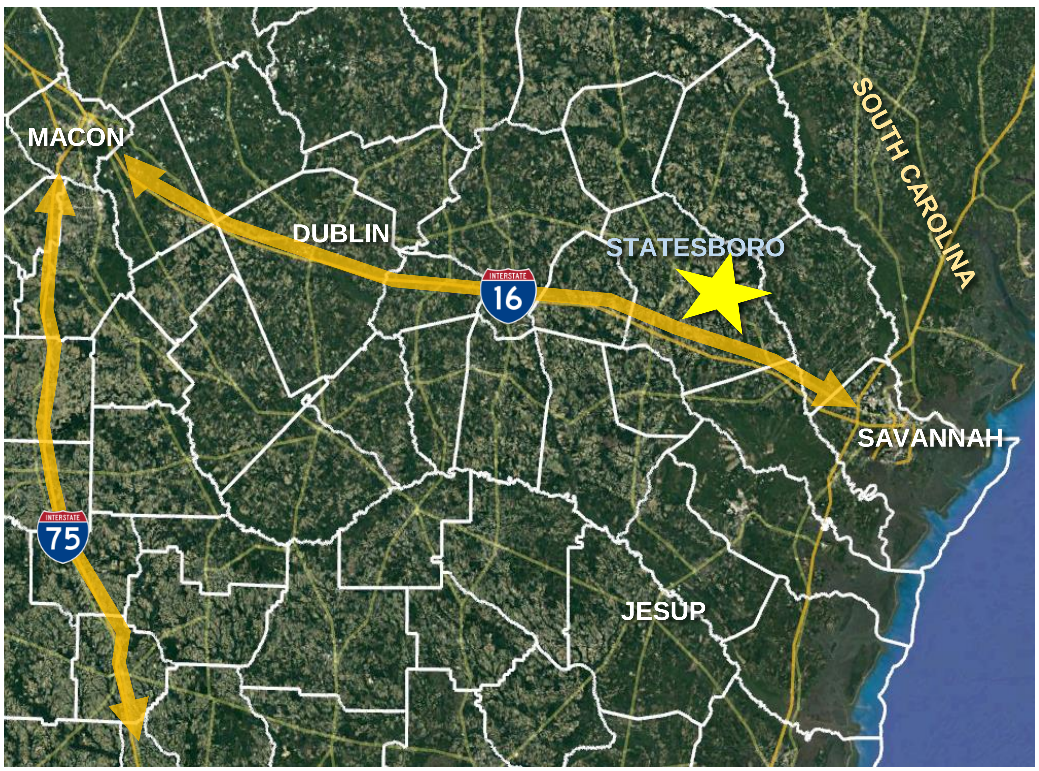
Locational Analysis

Exhibit 2

City of Statesboro and Project Overview

Noell Consulting Group was retained by the City of Statesboro to aid in the development of a Master Plan for the City. The area for the Master Plan is known as the Downtown District and is comprised of 433.92 acres. The center of the district is a "historic crossroads" containing 19th century commercial architecture that historically served as the business hub of the City. The City's major economic generator is Georgia Souther University home to approximately 20,000 students and employees. Connecting the historic Downtown to Georgia Southern University along Mair Street is the Blue Mile. The Blue Mile historically has been a bustling area for local residents and visitors but now it is struggling with a lack of identity and amenities. The following analysis will analyze the current Downtown District, understanding its strengths, challenges and opportunitie from a market perspective. This will be completed through the following tasks:

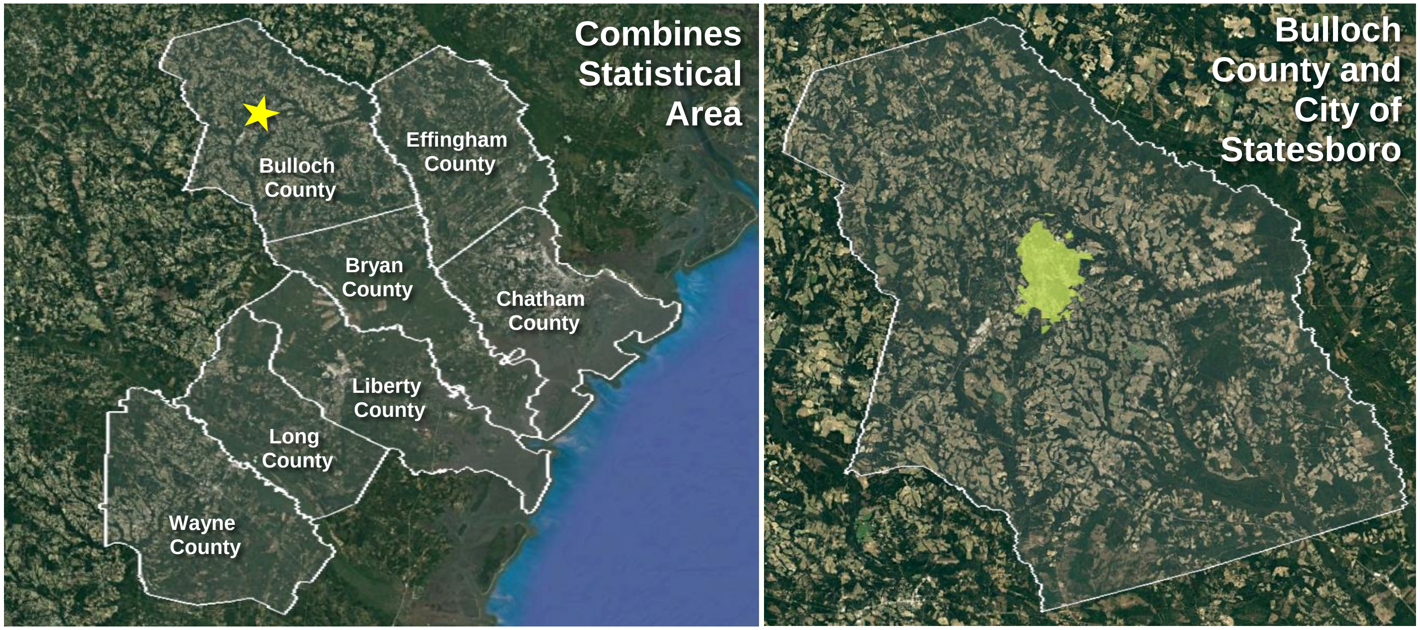
- Research retail/office, and lodging lease and vacancy rates in and near the study area.
- Prepare a market feasibility analysis that supports the plan recommendations and ensures the proposed plan is realistic.
- Estimate level of market opportunity and depth by land use (retail, office and lodging)
- Identify potential catalytic development types. Sites and optimal tenant mix for Downtown Statesboro and the Blue Mile.
- Recommended interventions to promote business and housing development and leverage the impact of Georgia Southern University.
- Identify best practices and.or new development incentives or financing mechanisms for including public and private sources of funding.



SOURCE: Noell Consulting Group, Google Maps, US Census

Exhibit 3

Overview of Savannah-Hinesville-Statesboro-Jesup Combined Statistical Area (CSA)



The City of Statesboro is located in Bulloch County within the Savannah-Hinesville-Statesboro-Jesup Combined Statistical Area (CSA). While the CSA is home to over 571,000 people, Bulloch County accounts for just 13.3% with 76,120 people. The County experienced strong growth from 2000-2010, outpacing the CSA and adding around 1,423 people annually. More recently the County has experienced slower growth than the CSA and only gained 656 people annually.

The City has made up the lion's share of the population in the County and as such has experienced similar growth rates. Since 2010, around 340 people have moved to the City annually. As of 2019, the City was home to almost 31,500 people.

	LAND AREA		POPULATION		ANNUAL GROWTH		ANNUAL % GROWTH		CAPTURE OF REGION		
GEOGRAPHY	SQ MILES	% of CSA	2019	% of CSA	2000-10	2010-19	2000-10	2010-19	2000-10	2010-19	LAND CAPTURE RATIO (2010-19)
Bryan County	436	12.3%	37,063	6.5%	682	759	2.6%	2.3%	8.1%	14.8%	1.20
Bulloch County	673	19.0%	76,120	13.3%	1,423	656	2.3%	0.9%	16.9%	12.8%	0.67
Chatham County	426	12.0%	288,496	50.4%	3,308	2,596	1.3%	0.9%	39.3%	50.6%	4.21
Effingham County	478	13.5%	60,477	10.6%	1,472	914	3.4%	1.6%	17.5%	17.8%	1.32
Liberty County	490	13.8%	61,349	10.7%	184	-234	0.3%	-0.4%	2.2%	-4.6%	-0.33
Long County	400	11.3%	18,692	3.3%	416	470	3.4%	2.9%	4.9%	9.2%	0.81
Wayne County	642	18.1%	29,788	5.2%	353	-35	1.3%	-0.1%	4.2%	-0.7%	-0.04
CSA Total	**3,545**	**100.0%**	**571,985**	**100.0%**	**8,411**	**5,127**	**1.6%**	**1.2%**	**93.2%**	**100.0%**	**1.00**
City of Statesboro	**15**	**0.4%**	**31,495**	**5.5%**	**572**	**341**	**2.3%**	**1.1%**	**6.8%**	**6.7%**	**15.86**

SOURCE: Noell Consulting Group, United States Census Bureau

Exhibit 4
Proximity and Connection of the Study Area to Jobs

Total Jobs, By Distance

Distance	Employment
15 Miles	26,326
10 Miles	24,959
5 Miles	21,721
1 Miles	6,465

Top 10 Industry Sectors Within 15 Miles

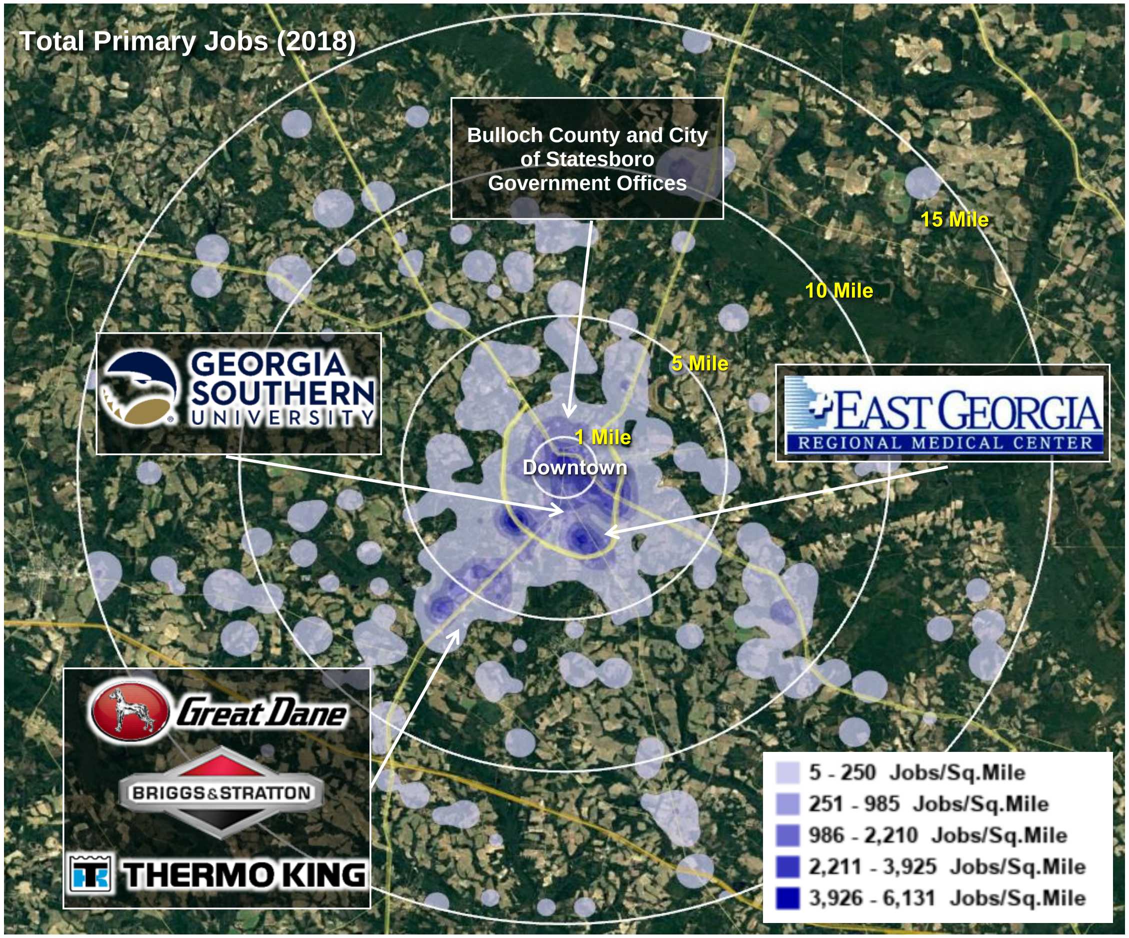
Industry Sector	
Educational Services	18%
Health Care and Social Assistance	15%
Accommodation and Food Services	13%
Retail Trade	12%
Manufacturing	10%
Public Administration	6%
Transportation and Warehousing	5%
Construction	5%
Administration & Support	4%
Professional, Scientific, and Technical Services	3%

Jobs By Earnings

Income Range	
$1,250 per month or less	31%
$1,251 to $3,333 per month	39%
More than $3,333 per month	30%

Jobs by Worker Age

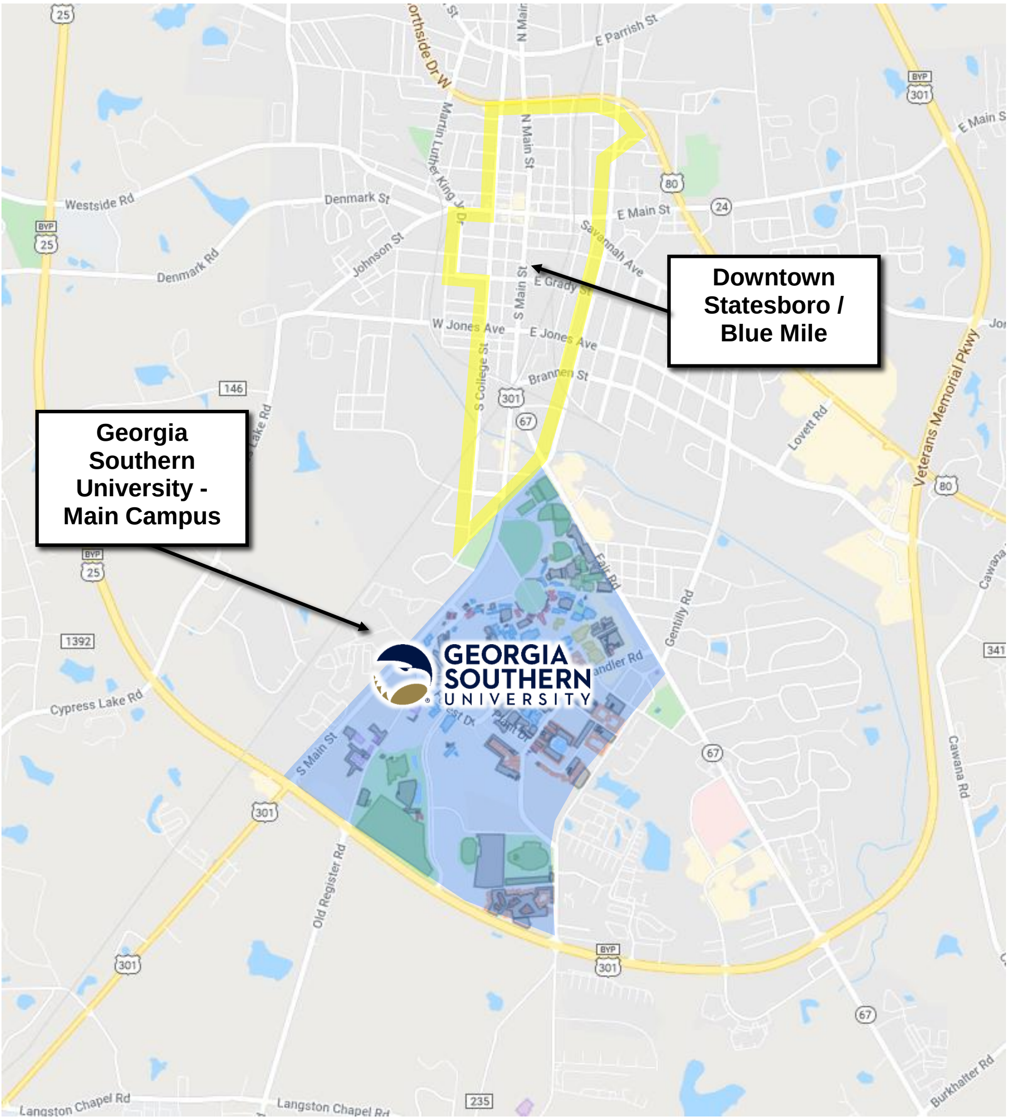
Age Range	
Age 29 or younger	12%
Age 30 to 54	65%
Age 55 or older	23%



There are over 26,000 jobs within 15 miles of Downtown Statesboro. These jobs are heavily concentrated in educational servic es and health care and primarily at Georgia Southern University and East Georgia Regional Medical Center. There are also strong shares of jobs in accommodation/food services, and retail trade, all industries that cater to the local population and students at GSU. Downtown employment mainly consists of County and City Government offices and a handful of smaller office users such as lawyers. Other sizeable employers are in the manufacturing or warehousing industries and include Great Dane, Briggs&Stratton, and TheroKing.

SOURCE: Noell Consulting Group, Google Maps, US Census, OntheMap

Exhibit 5
Proximity to Georgia Southern University



SOURCE: Noell Consulting Group, Georgia Southern University Fall 2020 Fast Facts

As mentioned previously, Georgia Southern University is Statesboro's largest economic generator. It is the regional powerhouse and the state's largest university south of I-20. There are nearly 140 programs of study at the bachelor's, master's, and doctoral levels and three campuses including Statesboro, Savannah, and Hinesville. Approximately 20,000 students and staff attend and work at the Statesboro campus. The current campus is heavily self-contained with admissions buildings, classrooms, athletic fields, and university housing mostly in the campus outline. The one exception has been the Innovation Incubator located Downtown, which offers space for 20+ local entrepreneurs. The Statesboro Campus is on the southern edge of the Downtown area and has the potential to have major impacts on future developments in the area.

GEORGIA SOUTHERN UNIVERSITY

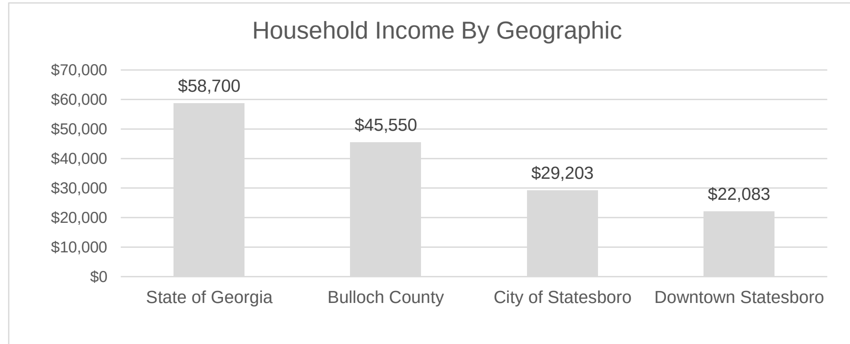
- Largest Georgia University south of I-20
- 140 undergraduate, graduate, online and professional degrees

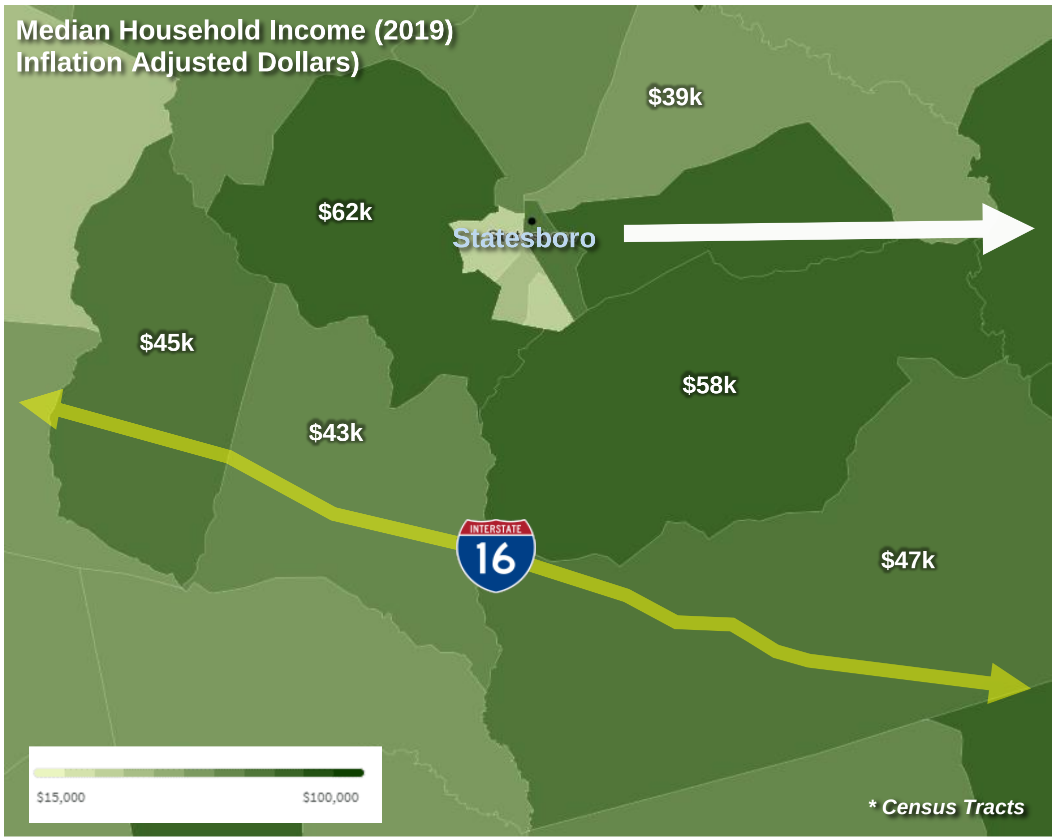
Total Enrollment (2020)	**26,949**	**Total Employment**	**2,042**
Undergraduate	23,469	Academic Staff	787
Graduate	3,480	Admin Staff	1255
Statesboro Campus	**18,828**		

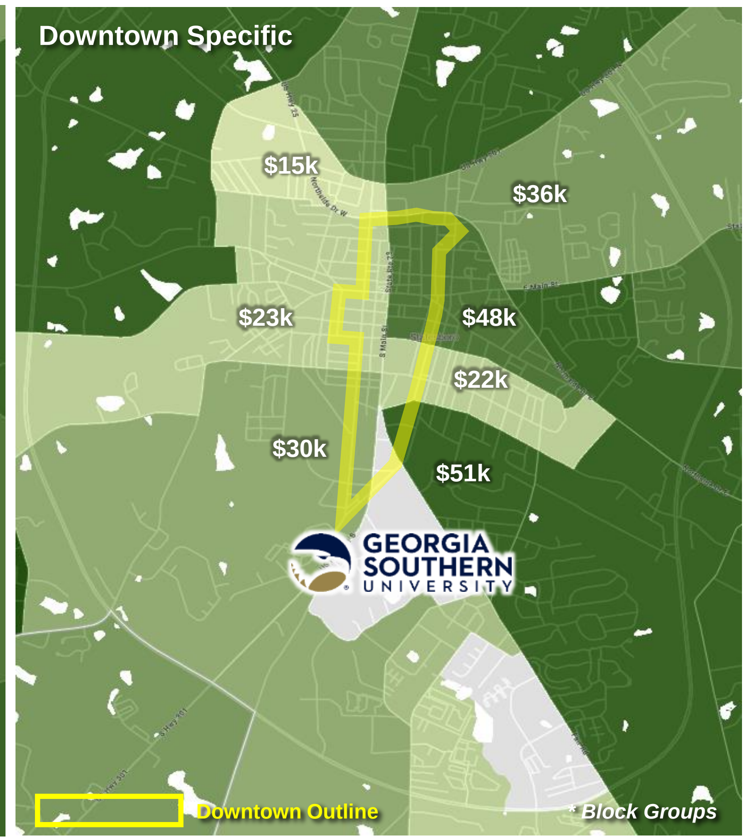
FACTS	**Student Enrollment by Year**			
	2017	**2018**	**2019**	**2020**
Statesboro	20,418	18,499	18,256	18,828
On Campus Residents	4,736	5,794	5,454	5,225
All Campuses				
Undergrad	24,040	23,130	22,715	23,469
Grad	3,419	3,278	3,339	3,480
Total	**24,040**	**26,408**	**26,054**	**26,949**

Exhibit 6
Median Household Income

The maps below show median household income in Statesboro and surrounding areas. Income levels are lower in Statesboro and surrounding areas compared to parts of middle Georgia, Atlanta, and Savannah but higher than many of the rural parts of Southeast Georgia. Bulloch County had a median household income above $45,000 in 2019, compared to the City of Statesboro at only $29,000 annually. The City has over 40% of its population below the poverty line and severely impacting median household incomes. These low incomes can create challenges in attracting new retailers and restaurants to the area. It places reliance on Georgia Southern University faculty and heavily students who are spending money at the City's retailers and eating at the dining establishments.



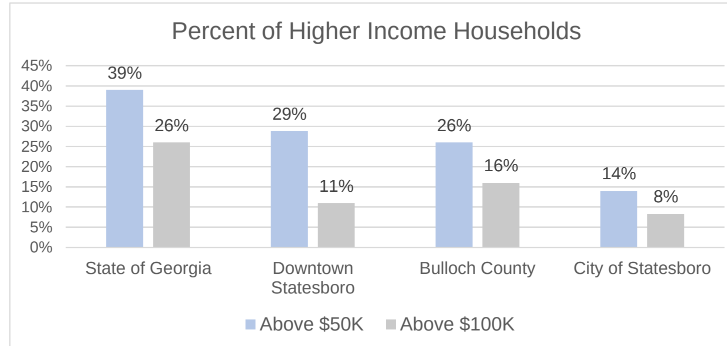


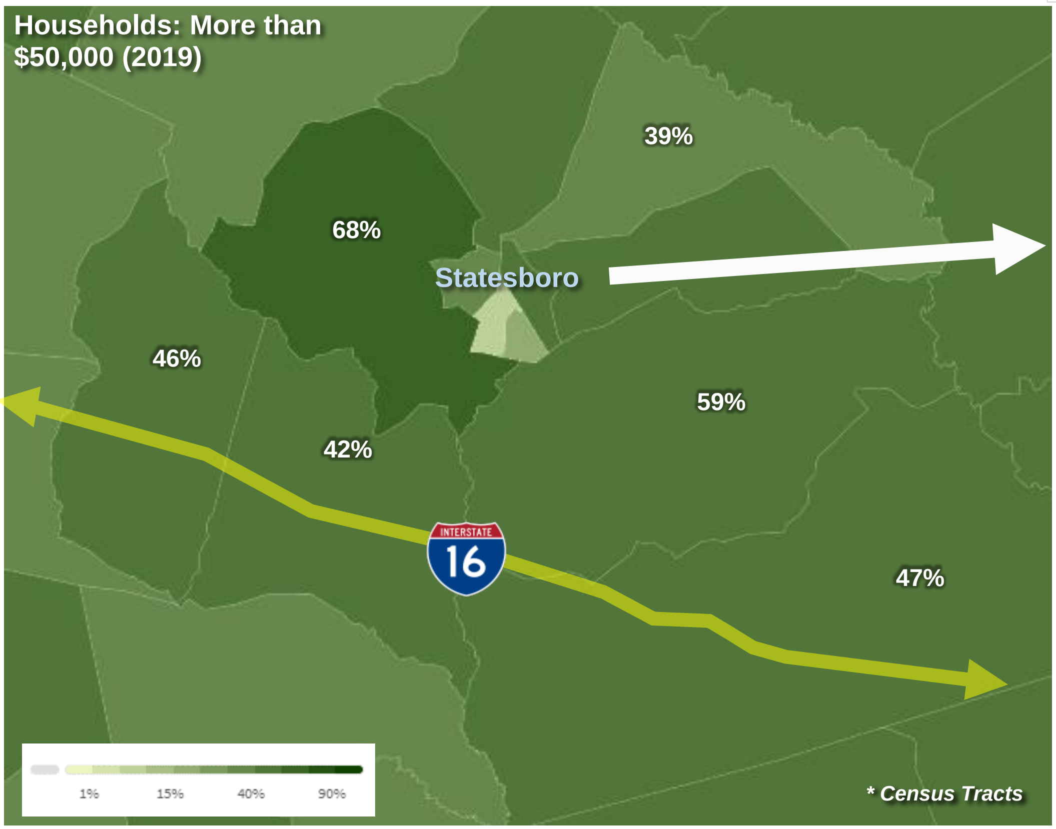


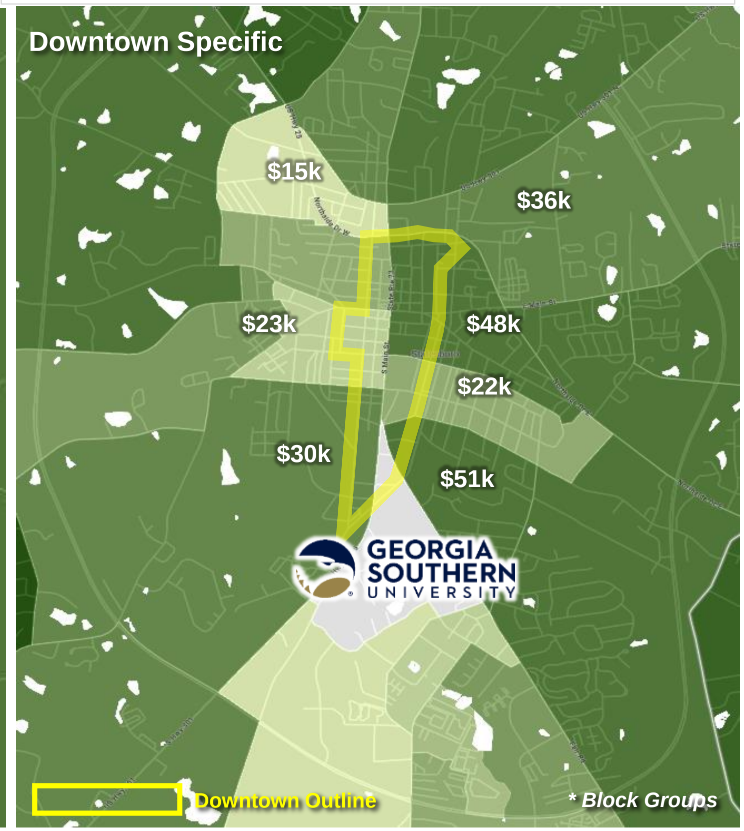
SOURCE: Noell Consulting Group, US Census Bureau, Social Explorer (Downtown data based on 5 Block Groups, includes some areas outside of boundary)

Exhibit 7
Higher Income Households

Households with higher incomes often have more disposable income to spend on shopping and dining. This is true across Georgia with pockets of wealth typically seeing a broader range and higher quality of retailers and restaurants. Currently, Bulloch County has 26% of households earning above $50,000 annually. This equates to approximately 7,379 households, a 26% increase from 5,404 seen in 2012. The number of higher-income households is limited by the availability of higher-paying jobs in the County and City. That said the abundance of Georgia Southern University students with disposable income is taken into account with retailers locating in the area.



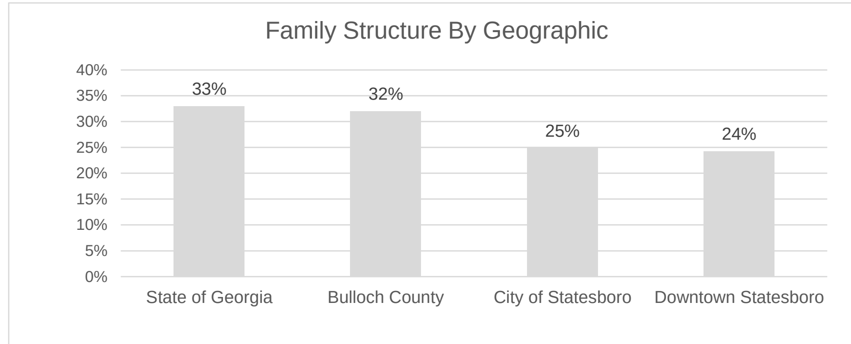


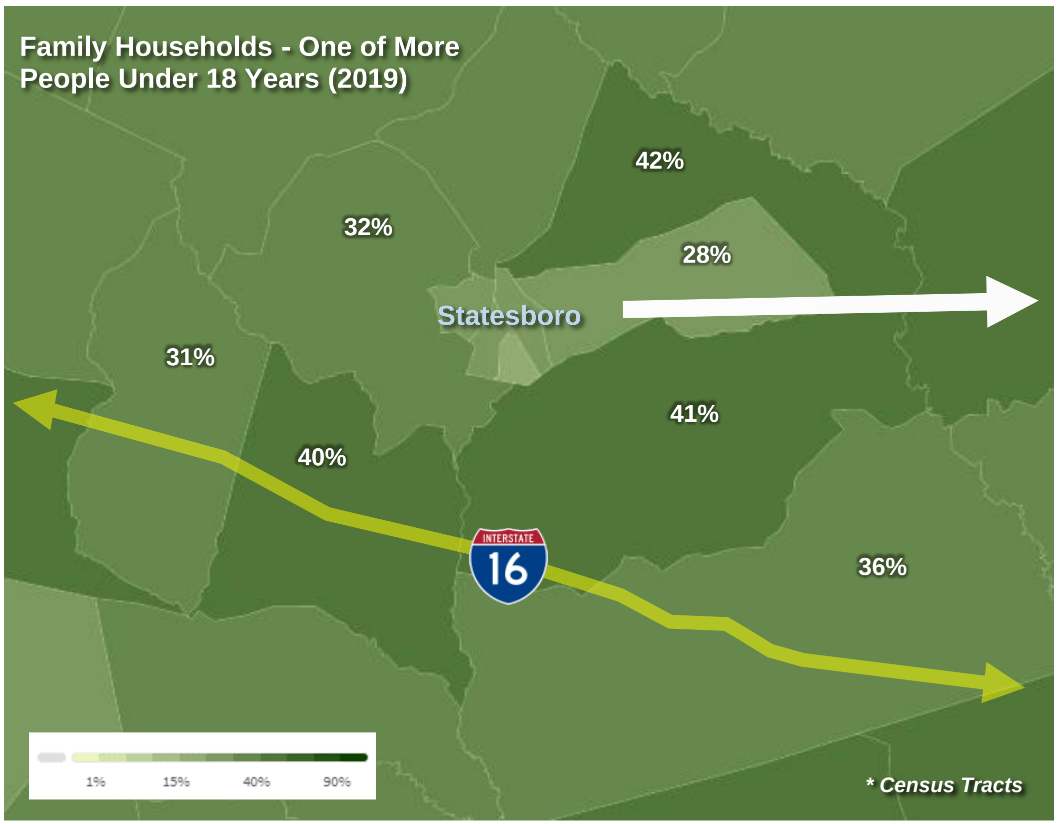


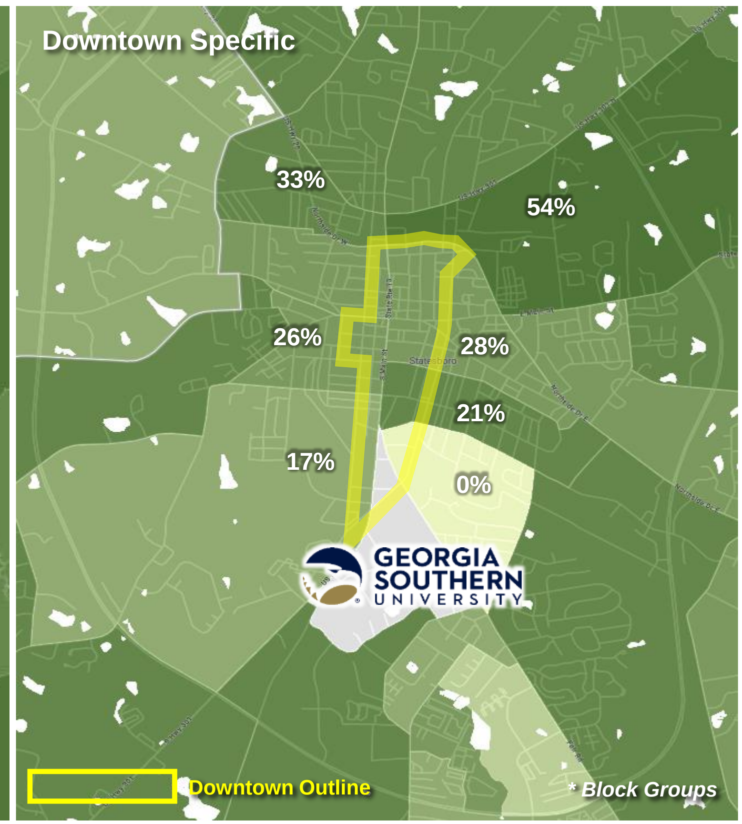
SOURCE: Noell Consulting Group, US Census Bureau, Social Explorer

Exhibit 8
Family Structure

The maps below show the percentage of family households within the Statesboro area. Overall Bulloch County is on par with the state in terms of family households. The Downtown Statesboro area has a substantially lower amount of family households and likely attributed to the availability of housing and school ratings. However commercial uses such as retailers and dining establishments in the Downtown area will have trade areas that include these households. It will be important to include a portion of family-friendly retailers in the Downtown area moving forward. The large number of students from the University is skewing the city's percentage of families.





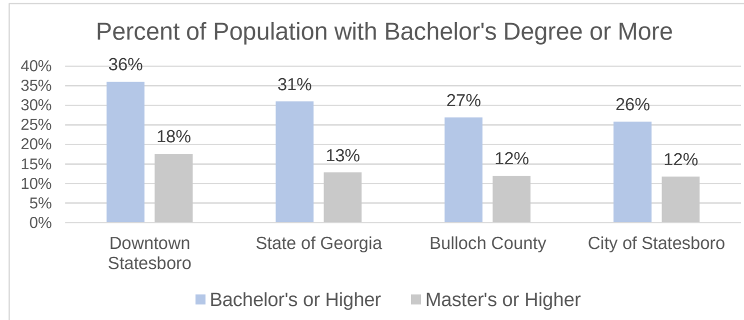


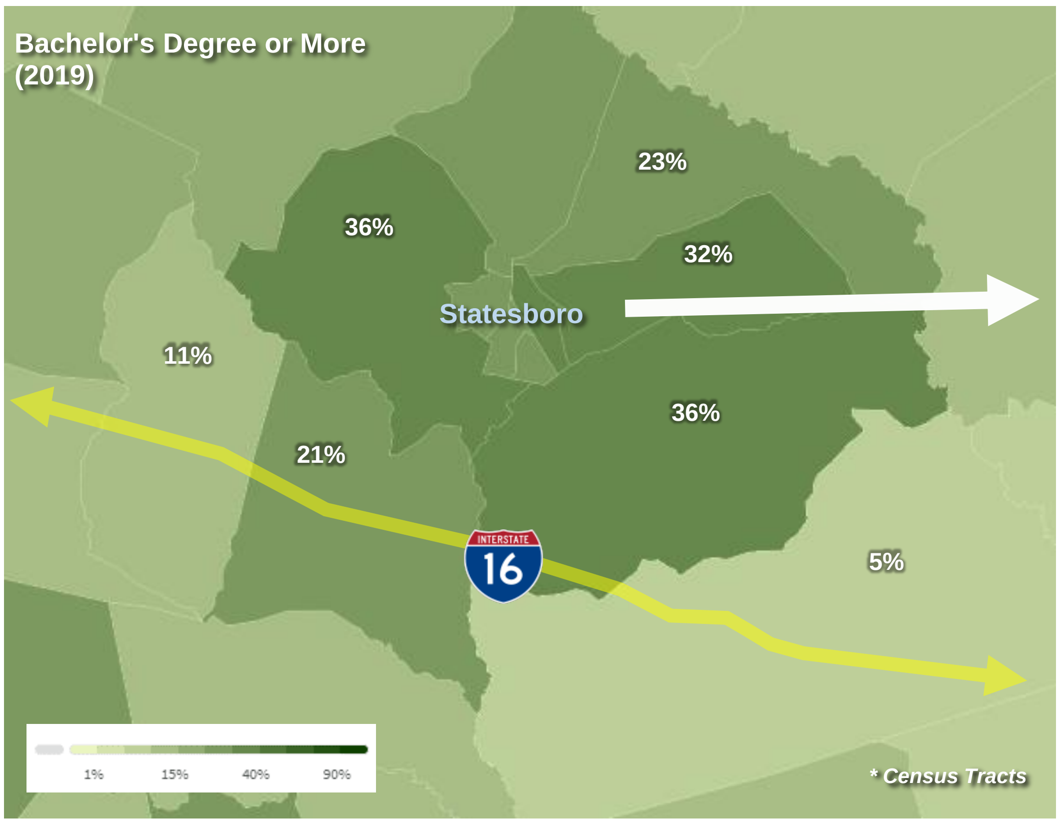
SOURCE: Noell Consulting Group, US Census Bureau, Social Explorer (Downtown data based on 5 Block Groups, includes some areas outside of boundary)

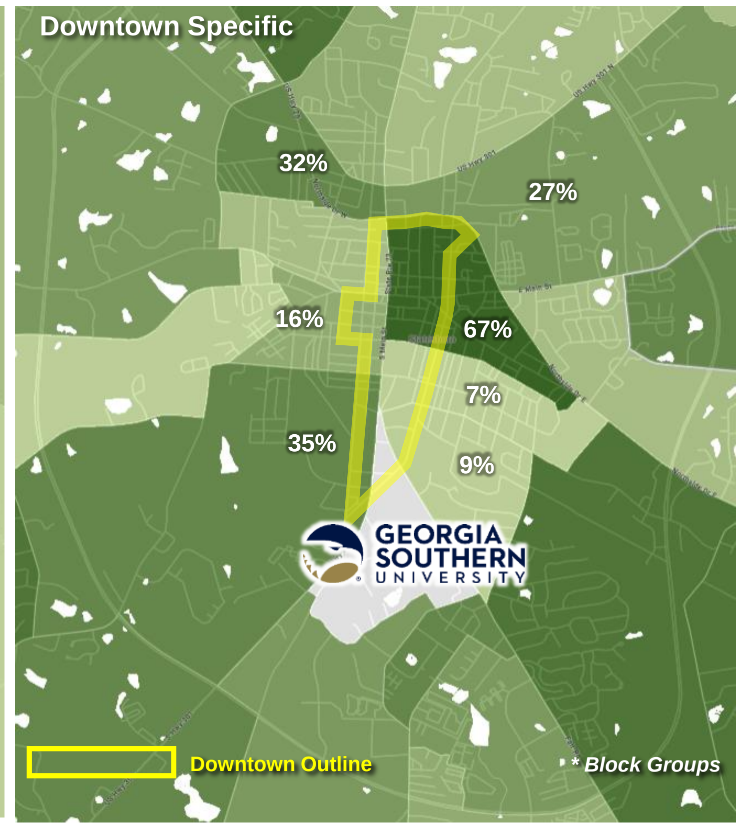
Exhibit 9

Educational Attainment

Concentrations of highly educated households are attractive to both office-using employers and retailers, with office users desiring proximity to a highly educated workforce, and retailers using educational attainment level metrics as a key factor when determining site location. These households have high-income potential and are strong indicators of neighborhood stability. Since 2012 Bulloch County has added over 1,600 people who have earned a bachelor's degree or higher.

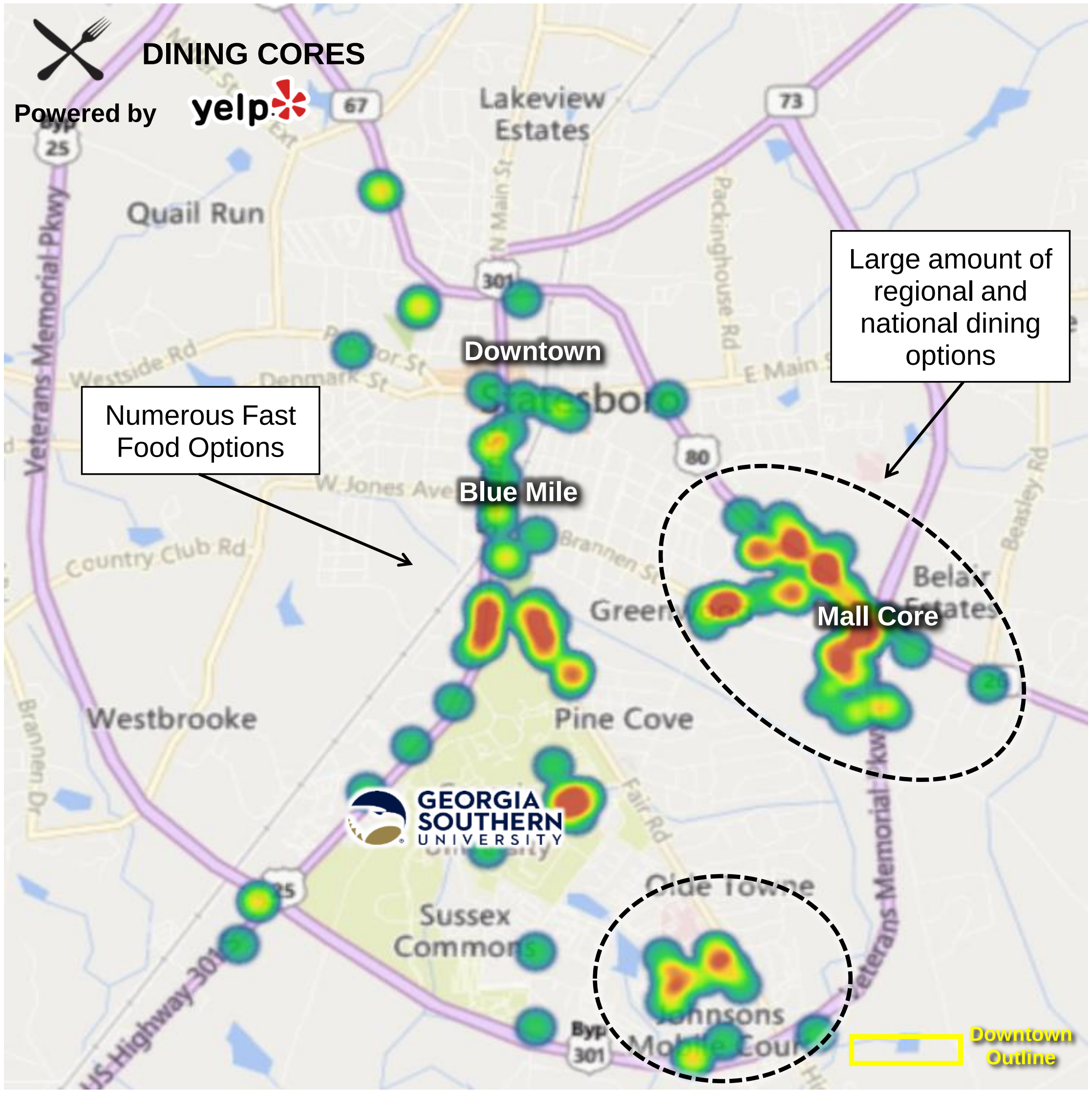






SOURCE: Noell Consulting Group, US Census Bureau, Social Explorer

Exhibit 10
Access to Restaurants



SOURCE: Noell Consulting Group, Yelp

The heatmap to the left shows the location and relative density of restaurants reviewed by Yelp users around the Statesboro area. The colors represent the density of the total number of dining establishments in each area, with a higher concentration highlighted in red. The City of Statesboro is the main dining core within Bulloch County and includes several cores. These cores include the Downtown/Blue Mile, The Market District, The Mall Core, and the Georgia Southern University Core.

The largest dining core in the City is anchored by the Statesboro Mall. Numerous fast-food, fast-casual, and full-service dining establishments are located here. The Market District, anchored by the East Georgia Medical Center is home to a variety of establishments and includes popular options such as Barberitos and Mellow Mushroom. It heavily caters to a mix of medical employers and GSU students.

Downtown is divided between the historic portion of Downtown and the Blue Mile. The historic portion of Downtown has limited options with several full-service restaurants, a brewery, and a cafe. The Blue Mile includes a large number of fast-food operators and is home to several local favorites including Gnat's Landing. A current issue for Downtown is that many restaurants aren't open for dinner.

Downtown Statesboro

Vandy's BAR-B-Q · Honey Specialties · Tandoor & Tap · Eagle Creek Brewing Company · Bull and Barrel Steakhouse

The Blue Mile

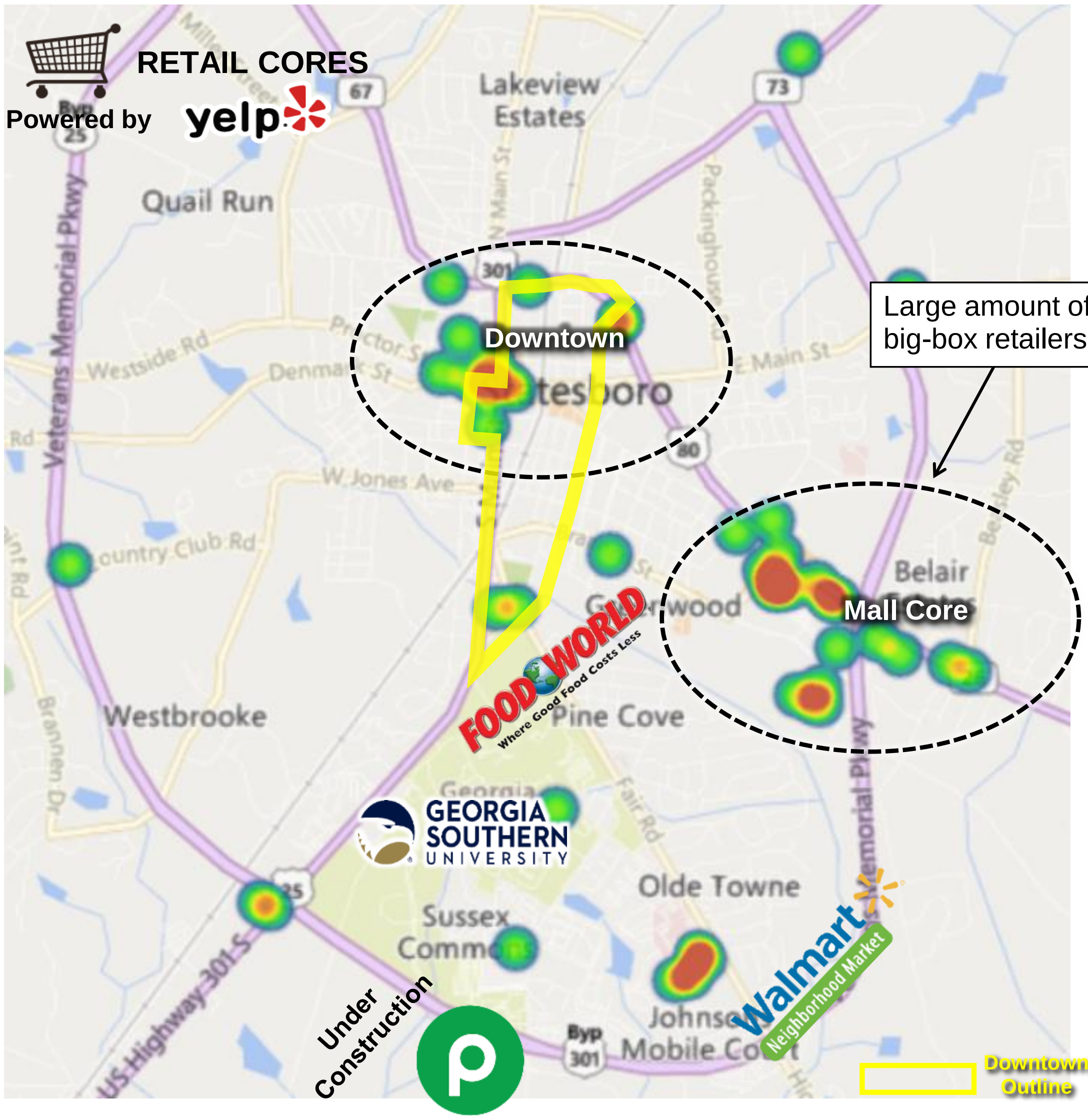
Del Sur Tacos & Cantina · Gnat's Landing · El Sombrero Mexican Restaurant

Market District

Barberitos · Mellow Mushroom · Shane's Rib Shack

* Sampling of establishments in each area

Exhibit 11
Access to Retail and Grocery



SOURCE: Noell Consulting Group, Yelp

Similar to locations of dining establishments, retailers are typically located in the same cores as seen on the previous exhibit. The Mall Core is the premier shopping area for the City and County. It is anchored by the Statesboro Mall which includes Belk's and numerous national inline tenants. Additionally, there are several grocery options including a Walmart, Aldi, and Food Lion. Retail is limited in other areas of the City with small pockets of grocery-anchored shopping centers and neighborhood-serving retail. Downtown is home to several clothing stores and boutiques.

Downtown Statesboro

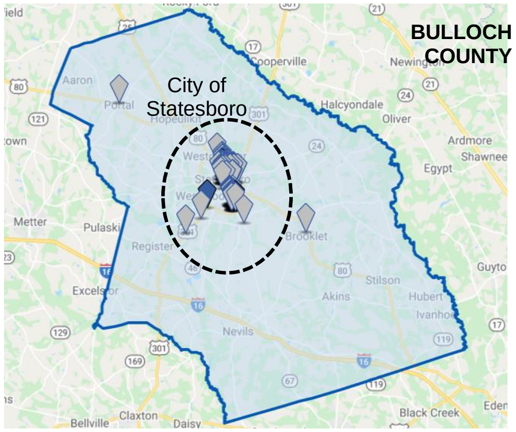
Mall Core

* Sampling of establishments in each area

Noell Consulting Group

Office Analysis

Exhibit 12
Bulloch County and Statesboro Office Overview

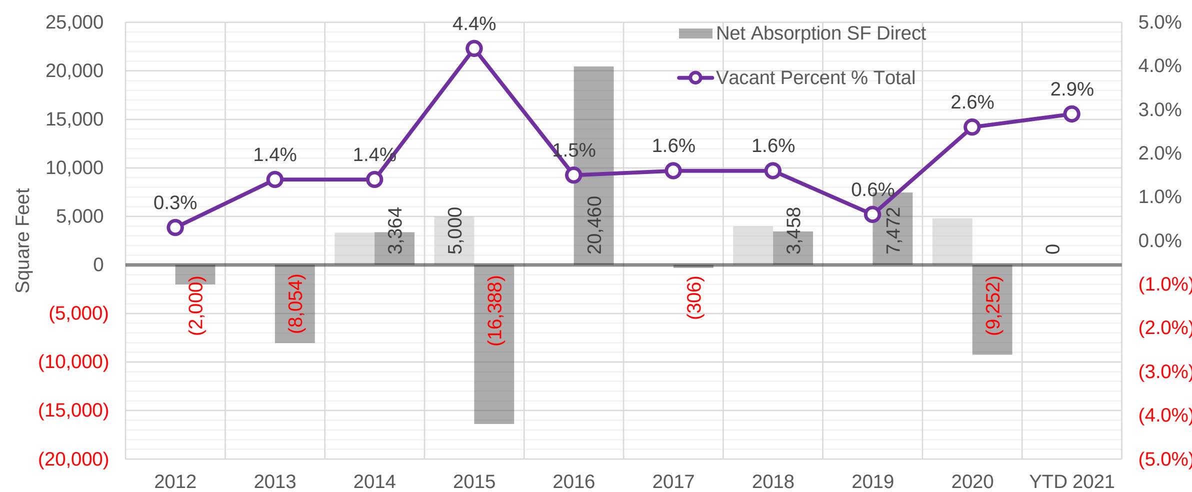


Area	# of Buildings	SF
County	132	719,547
City	130	691,527
Downtown	54	242,893

Bulloch County has remained a small office market most of its existence. As of 2021, the market accounted for nearly 720,000 SF of Class A/B office space, with the City of Statesboro home to over 96% of this space. The City has two main office cores, Downtown Statesboro and the Medical Core around East Georgia Regional Medical Center. Space on the market ranges from 576 SF in Downtown to a 62,000 SF medical office building. Outside of medical and government tenants, there are few sizeable employers in traditional office sizes. This is heavily attributed to the types of employers in the market today with medical and manufacturing being the largest shares.

There have been few new additions to the office market since 2012 and all under 5,000SF. Absorption has fluctuated with a low of negative 15,000 SF in 2015 and a high of 20,000 SF in 2016. Rents are fluctuated based on availability and achieve a peak of $15.68 in 2019. These rates have dropped to below $14/SF as of 2021. Current rents make it hard to justify new construction costs for new office space that need north of $20/SF.

Bulloch County Office New Space: 2006-2020 YTD



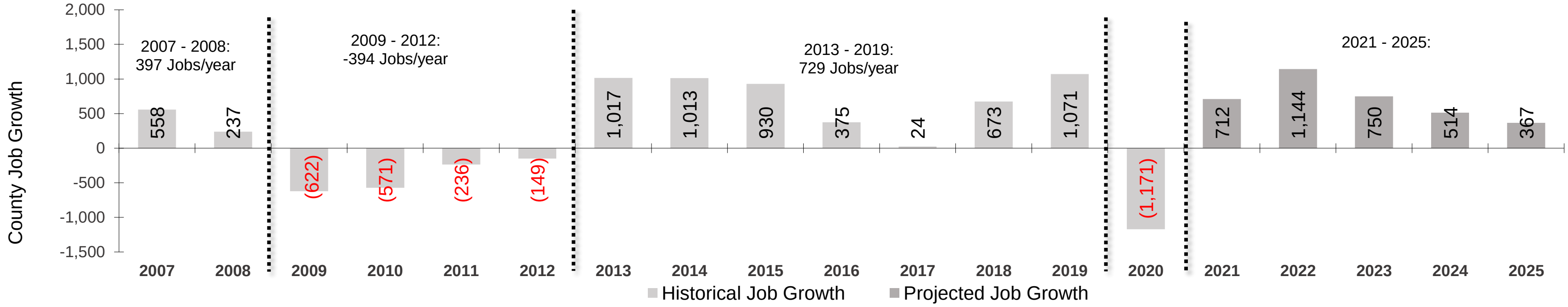
Office Rent Growth in Bulloch County

Source: NCG, CoStar (Data only includes 3-5 star properties)

Exhibit 13

Historical and Projected Job Growth to Office Absorption Relationship in Bulloch County

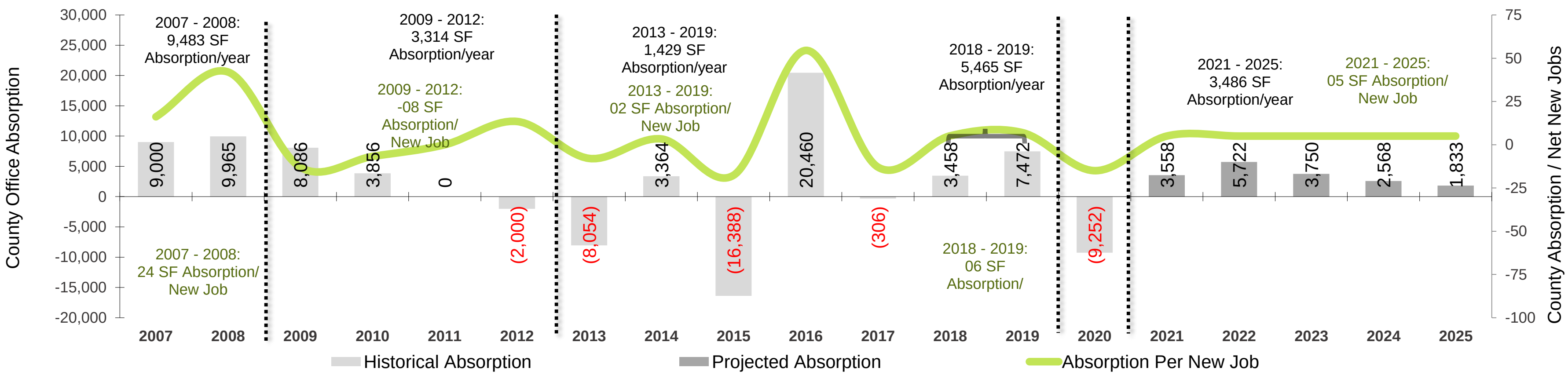
Bulloch County Job Growth



Bulloch County had a longer recovery from the Great Recession than many markets and job losses continued into 2012. The County did experience strong job growth from 2013-2019, averaging 729 new jobs per year. This job growth was halted in 2020 due to the Covid-19 Pandemic that caused historic job losses of over 11,000. Moving forward 2021 is projected to be a recovery year for the market and will start to see positive job growth by year end. By 2022 the market should regain all jobs lost in 2020, with 2023-2025 returning to normal job growth seen in the market historically. As mentioned previously, job growth has typically only had a moderate impact on office absorption, given that many of the new jobs are not occupying new office space. That said from 2011-2019, the County absorbed 1,000 SF of office space per year. This was heavily attributed to 20,000 SF absorbed in 2016. When looking at a more recent period, 2017-2019 absorbed 3,541 SF, which is an amount we believe the County can absorb moving forward. We predict the County will absorb around 3,500 SF annually from 2021-2025.

Historically Downtown has captured 35% of Bulloch County office demand. The Market District around the medical center has historically captured the majority of office demand in the County, with a large portion being medical office. Moving forward if Downtown captured 35%, it would see around 6,100 SF of office space absorbed. If Downtown was able to increase to a 50% capture rate, it would be around 8,700 SF over the next five years. This demand would likely be in the form of 1-3 small office users.

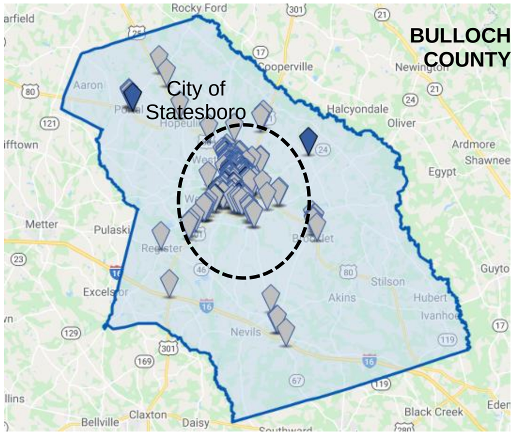
Bulloch County Class A Office Absorption



SOURCE: Noell Consulting Group, Costar, Economy.com | Moody's Analytics, Georgia State University Economic Forecasting Center

Retail Analysis

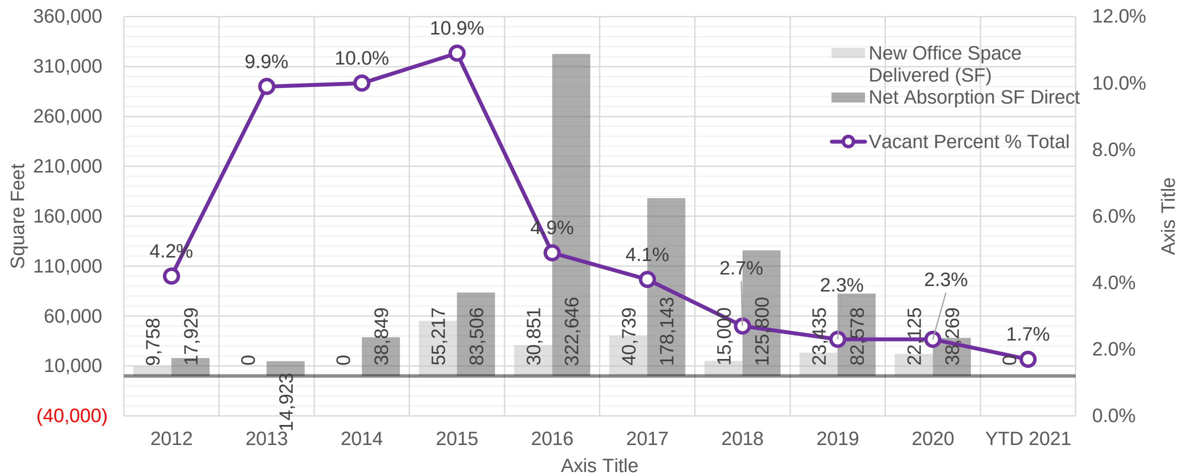
Exhibit 14
Bulloch County and Statesboro Retail Overview



Area	# of Buildings	SF
County	349	3,616,305
City	331	3,504,029
Downtown	101	495,674

Bulloch County has historically seen the delivery of 20-30,000 SF of new retail per year, of which it has largely absorbed. In 2016 an unprecedented amount of leasing activity (JC Penny, Ollie's, etc.) came into the market backfilling a large portion of vacancy that remained following the Great Recession. Since that point 2017+ has witnessed low vacancy, and the return of modest rate growth.

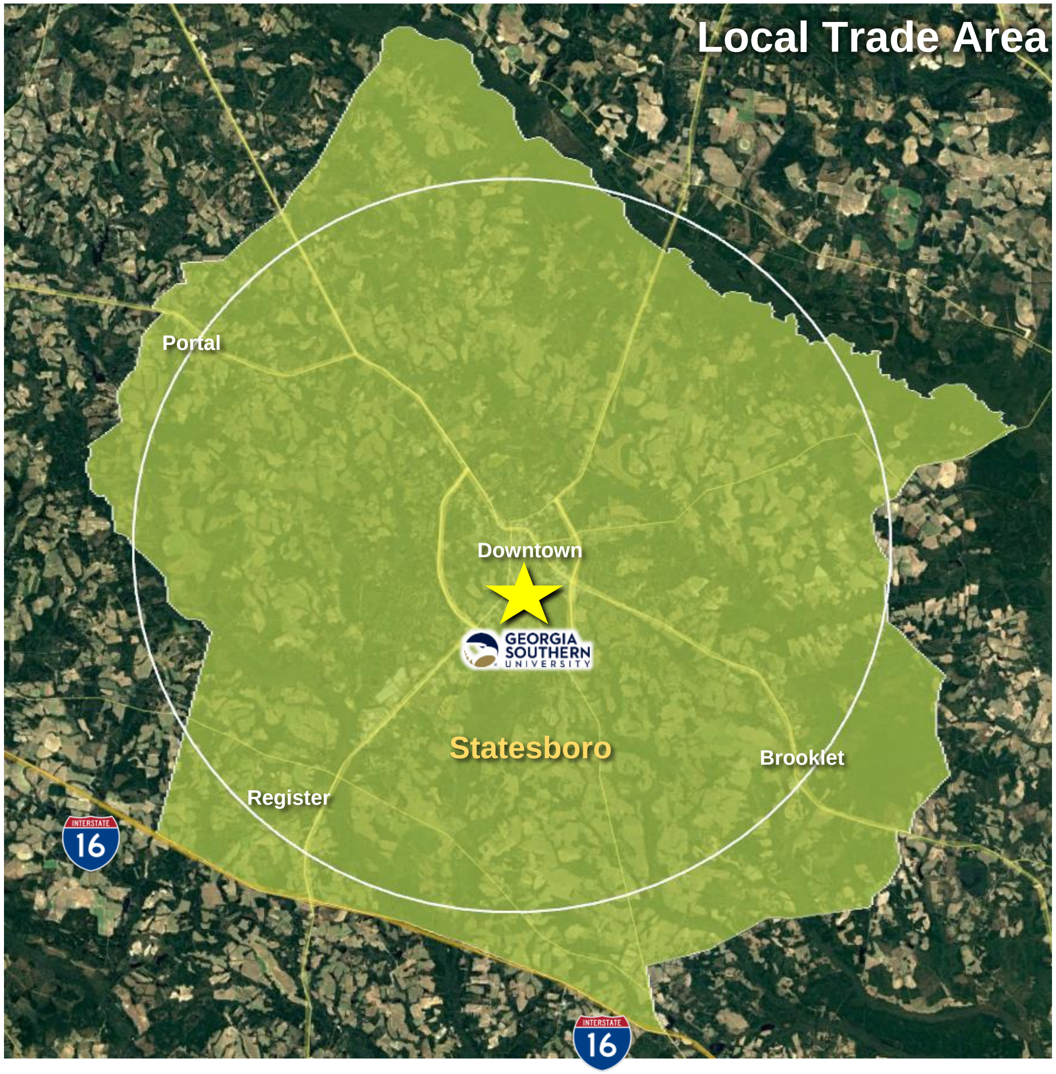
Bulloch County Retail New Space: 2006-2020 YTD



Retail Rent Growth in Bulloch County

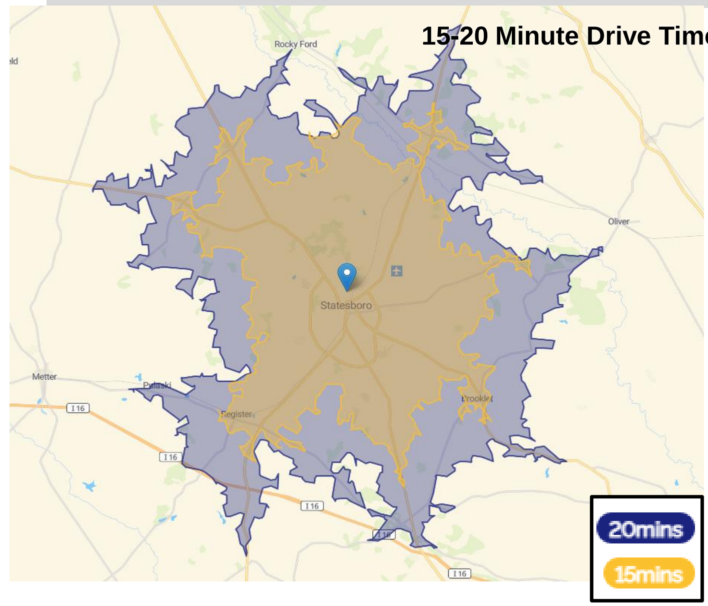
Source: NCG, CoStar

Exhibit 15
Estimating the Local Trade Area



After interviewing property owners and developers in the Statesboro area, we researched a local retail trade area that is approximately 10-12 miles in radius from the study area. This equates to a 15-20 drive time to the Downtown during normal weekday traffic.

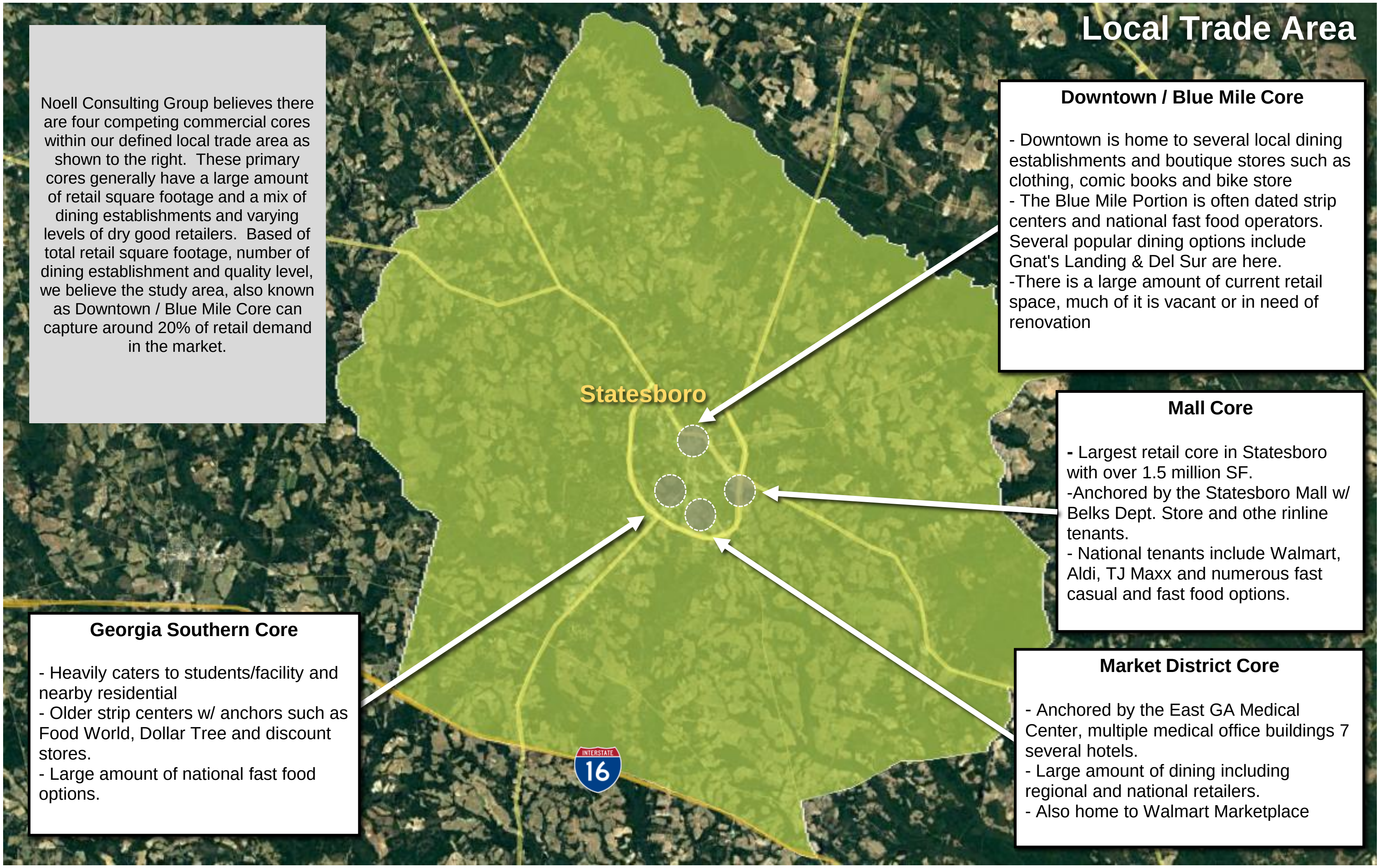
This area is larger given the rural nature of much of the surrounding areas. Residents in many parts of the County have to commute into Statesboro for daily needs such as grocery stores, pharmacy's and dining establishments.



SOURCE: Noell Consulting Group, Google Earth, Oalley

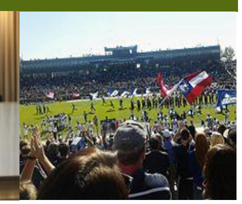
Exhibit 16

Existing and Planned Competing Commercial Cores Within the Local Trade Area



SOURCE: Noell Consulting Group, Google Earth

Exhibit 17
Matrix of Retail Demand Sources For Downtown

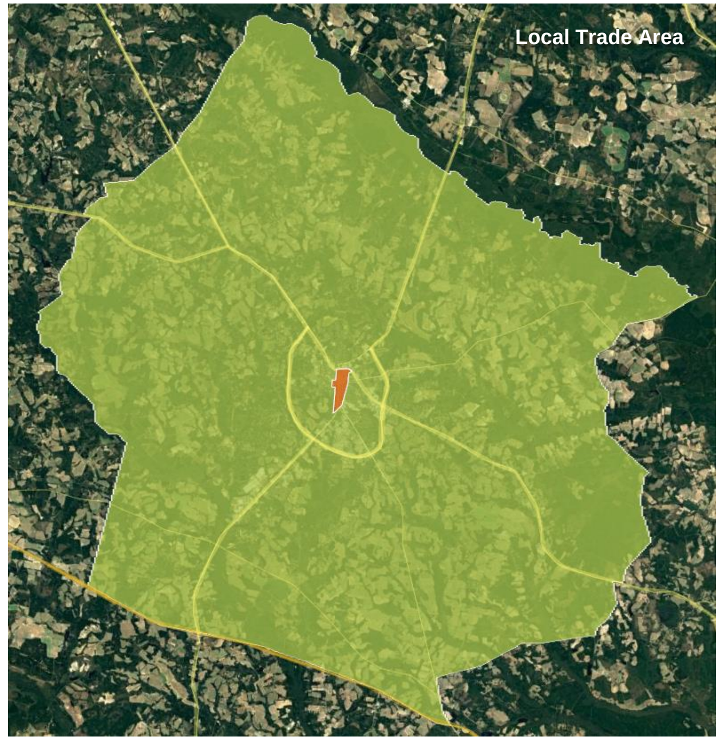
	Existing Local Population	Future Local Population Growth 2019 - 2024	Regional Destination Shoppers/ Diners	Local Employees	Students	Hotel Guests	GSU Visitors / Tourists
							
Description	A local trade area population of 70,625 with a median household income of $46,393. Primarily living in the City of Statesboro.	Estimated at approximately 4,606 residents over the next five years. Primarily those relocating for work in the local trade area. Heavily medical and education.	Approx. 86,138 people living in the regional trade area or a 45-50 minute drive time to Downtown Statesboro. This number is the regional population minus the local population.	18,968 employees working within 10 minute drive of Downtown Statesboro, shopping/dining during their commute or on lunch breaks. Includes facility at GSU and Medical Center employees.	Estimate of 18,828 students at the GSU's Statesboro Campus. Walk to parts of the Blue Mile and short drive to Downtown Statesboro.	Approximately 195,567 hotel guests per year (Assumes 893 rooms, 60% occupancy, and 1.5 guests per occupied night).	Approx 200,000 visitors annually to Statesboro, staying or stopping in town for shopping and dining. This is heavily GSU visitors and those attending sporting events. **THIS GROUP IS HEAVILY COVERED IN OTHER GROUPS SEEN TO THE LEFT**
Expenditure Categories	All	All	Destination type retailers, restaurants (mostly full service but some limited as well), drinking establishments. Also those lacking grocery access may drive for better brands / quality.	Full & limited service dining and drinking establishments both during commute, lunchtime, and happy hour/dinner, along with some retail shopping (mostly grocery or convenience).	Grocery, health/personal care, office supplies, full and limited service restaurants, drinking establishments	Grocery stores, specialty food, health/personal care, office supplies, full-service & limited-service eating places and drinking places are typically frequented by hotel guests.	Full and limited service restaurants, grocery, health/personal care, destination type retailers.
Est. Mix of Total Demand	68%	5%	12%	3%	5%	8%	
Est. Mix of Dining Demand	54%	4%	17%	4%	8%	14%	
Est. Mix of Dry Goods Demand	78%	5%	8%	3%	3%	3%	

SOURCE: Noell Consulting Group

Exhibit 18
Demographic Statistics by Radius from Downtown

POPULATION	Downtown Statesboro	Local Trade Area	Regional Trade Area
2026 Projection	1,598	75,231	164,571
2021 Estimate	1,536	70,625	156,763
2010 Census	1,435	60,508	141,805
Growth 2021-2026	4.04%	6.52%	4.98%
Growth 2010-2021	7.04%	16.72%	10.55%
Average Age	36.43	34.49	37.38
HOUSEHOLDS			
2026 Projection	654	26,766	59,500
2021 Estimate	627	25,036	56,489
2010 Census	596	12,142	51,908
Growth 2021-2026	4.31%	7.24%	5.33%
Growth 2010-2021	5.20%	15.06%	8.82%
Owner Occupied	26	49	63
Renter Occupied	74	51	37
2021 Avg Household Income	$50,404	$66,121	$63,882
2021 Med Household Income	$37,694	$46,393	$46,367
HOUSING			
Median Home Value	$132,974	$169,169	$133,255
Median Year Built	1975	1994	1991
Average Household Size	2.55	2.56	2.60
HOUSEHOLDS BY INCOME (2021)			
<$25,000	36%	29%	28%
$25,000 - $50,000	28%	24%	25%
$50,000 - $75,000	15%	17%	17%
$75,000 - $100,000	10%	11%	12%
$100,000 - $125,000	6%	8%	8%
$125,000 - $150,000	3%	4%	4%
$150,000 - $200,000	2%	3%	3%
$200,000+	1%	4%	3%

SOURCE: Noell Consulting Group, CoStar, US Census



The demographic fundamentals in Downtown Statesboro and trade areas vary with a high number of households earning low wages and causing median household income within the regional and local trade areas to hover around $46,000 annually. These numbers alone could limit Downtown Statesboro's ability to attract national and regional retailers to the area. However, these are not the only numbers affecting the potential patrons at the retail establishments. The full market audiences will include local employers, Georgia Southern University students, local hotel guests, and visitors to the market. These groups will help boost the limited incomes of the surrounding areas and can support a higher volume and broad range of retail offerings.

Exhibit 19

Estimated Retail Demand from the Local Trade Area Today

Local Trade Area Population, 2021:	*70,625*
Median Household Income, 2021:	*$46,393*

Store Type (Excl. General Merch. & Gas)	Demand Potential[1]	Per Capita	% in Non-Regional Ctrs[2]	Sales in Non-Reg Ctrs	% Local Sales[2]	Local Sales in Non-Reg Ctrs	Est. Sales/ SF	Capture Rate of Trade Area[3]	Study Area Core Capture
Furniture and Home Furnishings	$14,451,383	$205	35%	$4,913,401	77%	$3,800,647			4,082
Furniture Stores	$8,671,527	$123	30%	$2,601,458	75%	$1,951,094	$156	20%	2,501
Home Furnishing Stores	$5,779,856	$82	40%	$2,311,942	80%	$1,849,554	$234	20%	1,581
Electronics & Appliance Stores	$12,613,054	$179	20%	$2,522,611	20%	$504,522	$370	20%	273
Bldg Mats., Garden Equip & Supply	$54,970,000	$778	30%	$16,491,000	82%	$13,593,608			16,571
Bldg Materials & Supply Stores	$48,289,867	$684	30%	$14,486,960	80%	$11,589,568	$156	20%	14,858
Lawn & Garden Equipment	$6,680,133	$95	30%	$2,004,040	100%	$2,004,040	$234	20%	1,713
Food & Beverage Stores	$133,753,149	$1,894	94%	$126,387,264	81%	$101,919,559			46,491
Grocery Stores	$121,838,342	$1,725	95%	$115,746,425	80%	$92,597,140	$455	20%	40,702
Specialty Food Stores	$3,391,140	$48	75%	$2,543,355	80%	$2,034,684	$193	20%	2,108
Beer, Wine & Liquor Stores	$8,523,667	$121	95%	$8,097,484	90%	$7,287,735	$396	20%	3,681
Health & Personal Care	$56,510,602	$800	90%	$50,859,542	80%	$40,687,633	$458	20%	17,768
Clothing & Clothing Accessories	$32,239,577	$456	20%	$6,447,915	60%	$3,868,749			2,742
Clothing Stores	$22,787,035	$323	20%	$4,557,407	60%	$2,734,444	$287	20%	1,906
Shoe Stores	$5,225,591	$74	20%	$1,045,118	60%	$627,071	$205	20%	612
Jewelry, Luggage & Leather Goods	$4,226,951	$60	20%	$845,390	60%	$507,234	$451	20%	225
Sporting Gds, Hobby, Book & Music	$10,568,421	$150	21%	$2,224,217	60%	$1,334,530			1,364
Sporting Goods, Hobby, Musical Inst	$9,463,089	$134	20%	$1,892,618	60%	$1,135,571	$195	20%	1,165
Book & Music Stores	$1,105,332	$16	30%	$331,600	60%	$198,960	$200	20%	199
General Merch. Stores	$119,363,836	$1,690	58%	$69,145,739	89%	$61,489,396			0
Department Stores	$8,241,877	$117	30%	$2,472,563	60%	$1,483,538	$195		
Warehouse Clubs and Superstores	$111,121,960	$1,573	60%	$66,673,176	90%	$60,005,858	$200		
Miscellaneous Store Retailers	$18,362,525	$260	55%	$10,088,781	84%	$8,509,497			9,779
Florists	$737,246	$10	100%	$737,246	100%	$737,246	$226	20%	652
Office Supplies, Stationery & Gifts	$3,878,874	$55	30%	$1,163,662	95%	$1,105,479	$202	20%	1,095
Used Merchandise Stores	$2,629,340	$37	100%	$2,629,340	95%	$2,497,873	$202	20%	2,473
Other Miscellaneous Store Retailers	$11,117,065	$157	50%	$5,558,533	75%	$4,168,899	$150	20%	5,559
Food Service & Drinking Places	$105,177,521	$1,489	91%	$95,700,502	62%	$59,802,362			47,255
Full-Service Restaurants	$49,560,260	$702	90%	$44,604,234	60%	$26,762,540	$308	20%	17,378
Limited-Service Eating Places	$45,209,935	$640	90%	$40,688,942	65%	$26,447,812	$199	20%	26,581
Drinking Places (Alcoholic)	$3,476,141	$49	100%	$3,476,141	70%	$2,433,299	$400	20%	1,217
Snack / Non-alcoholic drink places	$6,931,185	$98	100%	$6,931,185	60%	$4,158,711	$400	20%	2,079
TOTAL	**$558,010,068**	**$7,901**	**69%**	**$384,780,971**	**77%**	**$295,510,506**	**$270**		**146,324**

1 Based on data obtained from Claritas.

2 Estimates via NCG based on ICSC data. Excludes shopping at local establishments outside the area while on destination trips/vacations/near workplace.

3 Assumes subject site is 1 of 4 major retail cores in the local trade area / Capture adjusted for total retail square footage and dining establishments.

SOURCE: NCG, Claritas, Inc.

Exhibit 20

Estimated Retail Demand from Population Growth in the Trade Area 2021 - 2026

Local Trade Area Population Growth: 4,606

Store Type (Excl. General Merch. & Gas)	Demand Potential[1]	Per Capita	% in Non-Regional Ctrs[2]	Sales in Non-Reg Ctrs	% Local Sales[2]	Local Sales in Non-Reg Ctrs	Est. Sales/SF	Capture Rate of Local Trade[3]	Study Area Core Capture
Furniture and Home Furnishings	$1,003,953	$218	35%	$341,339	77%	$264,035			284
Furniture Stores	$602,420	$131	30%	$180,726	75%	$135,545	$156	20%	174
Home Furnishing Stores	$401,533	$87	40%	$160,613	80%	$128,490	$234	20%	110
Electronics & Appliance Stores	$876,242	$190	20%	$175,248	20%	$35,050	$370	20%	19
Bldg Mats., Garden Equip & Supply	$3,818,823	$829	30%	$1,145,647	82%	$944,362			1,151
Bldg Materials & Supply Stores	$3,354,748	$728	30%	$1,006,424	80%	$805,139	$156	20%	1,032
Lawn & Garden Equipment	$464,076	$101	30%	$139,223	100%	$139,223	$234	20%	119
Food & Beverage Stores	$9,291,971	$2,017	94%	$8,780,256	81%	$7,080,459			3,230
Grocery Stores	$8,464,237	$1,838	95%	$8,041,025	80%	$6,432,820	$455	20%	2,828
Specialty Food Stores	$235,586	$51	75%	$176,690	80%	$141,352	$193	20%	146
Beer, Wine & Liquor Stores	$592,148	$129	95%	$562,541	90%	$506,287	$396	20%	256
Health & Personal Care	$3,925,851	$852	90%	$3,533,266	80%	$2,826,613	$458	20%	1,234
Clothing & Clothing Accessories	$2,239,717	$486	20%	$447,943	60%	$268,766			191
Clothing Stores	$1,583,039	$344	20%	$316,608	60%	$189,965	$287	20%	132
Shoe Stores	$363,027	$79	20%	$72,605	60%	$43,563	$205	20%	43
Jewelry, Luggage & Leather Goods	$293,651	$64	20%	$58,730	60%	$35,238	$451	20%	16
Sporting Gds, Hobby, Book & Music	$734,199	$159	21%	$154,519	60%	$92,711			95
Sporting Goods, Hobby, Musical Inst	$657,411	$143	20%	$131,482	60%	$78,889	$195	20%	81
Book & Music Stores	$76,789	$17	30%	$23,037	60%	$13,822	$200	20%	14
General Merch. Stores	$8,292,331	$1,800	58%	$4,803,627	89%	$4,271,733			0
Department Stores	$572,572	$124	30%	$171,772	60%	$103,063	$195		
Warehouse Clubs and Superstores	$7,719,759	$1,676	60%	$4,631,855	90%	$4,168,670	$200		
Miscellaneous Store Retailers	$1,275,664	$277	55%	$700,878	84%	$591,164			679
Florists	$51,217	$11	100%	$51,217	100%	$51,217	$226	20%	45
Office Supplies, Stationery & Gifts	$269,469	$59	30%	$80,841	95%	$76,799	$202	20%	76
Used Merchandise Stores	$182,663	$40	100%	$182,663	95%	$173,530	$202	20%	172
Other Miscellaneous Store Retailers	$772,314	$168	50%	$386,157	75%	$289,618	$150	20%	386
Food Service & Drinking Places	$7,306,793	$1,586	91%	$6,648,414	62%	$4,154,533			3,283
Full-Service Restaurants	$3,443,003	$748	90%	$3,098,703	60%	$1,859,222	$308	20%	1,207
Limited-Service Eating Places	$3,140,782	$682	90%	$2,826,703	65%	$1,837,357	$199	20%	1,847
Drinking Places (Alcoholic)	$241,491	$52	100%	$241,491	70%	$169,044	$400	20%	85
Snack / Non-alcoholic drink places	$481,517	$105	100%	$481,517	60%	$288,910	$400	20%	144
TOTAL	**$38,765,544**	**$8,416**	**69%**	**$26,731,137**	**77%**	**$20,529,424**			**10,165**

1 Based on data obtained from Claritas.

2 Estimates via NCG based on ICSC data. Excludes shopping at local establishments outside the area while on destination trips/vacations/near workplace.

3 Assumes subject site is 1 of 4 major retail cores in the local trade area / Capture adjusted for total retail square footage and dining establishments.

SOURCE: Noell Consulting Group, Claritas, Inc.

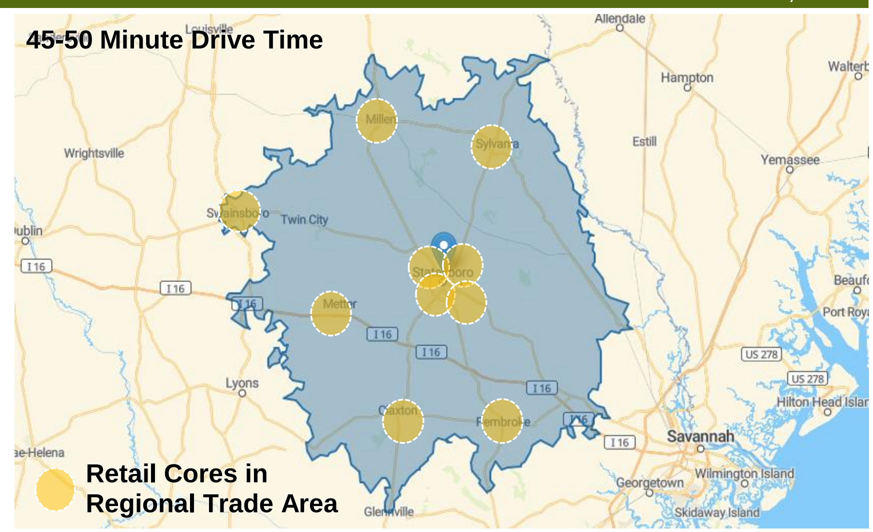
Exhibit 21

Estimated Retail Demand from Additional Non-Local Household Sources

Regional Destination Demand *86,138* *Regional population minus the local population

Store Type (Excl. General Merch. & Gas)	Demand Potential[1]	Per Capita	% in Non-Regional (Mall) Ctrs[2]	Sales in Non-Reg (Mall) Ctrs	% Dest. Sales[2]	Dest. Sales in Non-Reg Ctrs	Est. Sales/ SF	Capture Rate of Trade Area[3]	Study Area Capture
Home Furnishing Stores	$7,509,166	$87	40%	$3,003,666	20%	$600,733	$234	10%	257
Grocery Stores	$158,291,895	$1,838	95%	$150,377,300	20%	$30,075,459.98	$455	10%	6,610
Specialty Food Stores	$4,405,756	$51	75%	$3,304,317	20%	$660,863	$193	10%	342
Clothing Stores	$29,604,826	$344	20%	$5,920,965	40%	$2,368,386	$287	10%	825
Shoe Stores	$6,789,067	$79	20%	$1,357,813	40%	$543,125	$205	10%	265
Jewelry, Luggage & Leather Goods	$5,491,638	$64	20%	$1,098,328	40%	$439,331	$226	10%	194
Office Supplies, Stationery & Gifts	$5,039,418	$59	30%	$1,511,825	5%	$75,591	$202	10%	37
Used Merchandise Stores	$3,416,028	$40	100%	$3,416,028	5%	$170,801	$202	10%	85
Other Miscellaneous Store Retailers	$14,443,247	$168	50%	$7,221,624	25%	$1,805,406	$150	10%	1,204
Full-Service Restaurants	$64,388,495	$748	90%	$57,949,645	40%	$23,179,858	$308	10%	7,526
Limited-Service Eating Places	$58,736,570	$682	90%	$52,862,913	35%	$18,502,019	$308	10%	6,007
Drinking Places (Alcoholic)	$4,516,189	$52	90%	$4,064,570	30%	$1,219,371	$199	10%	613
Snack / Non-alcoholic drink places	$9,004,968	$105	100%	$9,004,968	40%	$3,601,987	$400	10%	900
TOTAL									**24,866**

Having examined existing and future unmet demand within the local market NCG considers potential demand from regional sources. Given the rural nature of surrounding areas and often limited shopping destinations, we believe Downtown Statesboro can pull from a 45-50 minute drive time. This demand is primarily driven by those looking for quality dining options, unique retailers but also grocery stores in many cases.



1) Based on data obtained for Claritas
2) Estimates via NCG based on ICSC data
3) Assumes Subject Site is 1 of 10 primary destination for shoppers & diners within the Regional Trade Area

SOURCE: Noell Consulting Group, ICSC, Claritas

Exhibit 22
Estimated Retail Demand from Additional Non-Local Household Sources

Local Employee Demand

18,968 * Employees working within 10 minute drive of Downtown Statesboro

Store Type (Excl. General Merch. & Gas)	Demand Potential[1]	Per Capita	% Sales To/From or While at Work[2]	Est. Sales Near Work	Est. Sales/ SF	Capture Rate of Core[3]	Study Area Capture
Grocery Stores	$32,722,544	$1,725	11%	$3,599,480	$455	25%	1,978
Specialty Food Stores	$910,770	$48	5%	$45,539	$193	25%	59
Beer, Wine & Liquor Stores	$2,289,231	$121	5%	$114,462	$396	25%	72
Health & Personal Care	$15,177,247	$800	13%	$1,973,042	$458	25%	1,077
Florists	$198,005	$10	5%	$9,900	$226	25%	11
Office Supplies, Stationery & Gifts	$1,041,763	$55	5%	$52,088	$202	25%	64
Full-Service Restaurants	$13,310,570	$702	13%	$1,730,374	$308	25%	1,405
Limited-Service Eating Places	$12,142,188	$640	15%	$1,821,328	$199	25%	2,288
Drinking Places (Alcoholic)	$933,599	$49	5%	$46,680	$400	25%	29
Snack / Non-alcoholic drink places	$1,861,532	$98	5%	$93,077	$400	25%	58
TOTAL							**7,041**

GSU Student Demand

18,828 GSU Students at the Statesboro Campus

Store Type (Excl. General Merch. & Gas)	Demand Potential[1]	Per Capita	% Sales To/From or While at School[2]	Est. Sales Near School	Est. Sales/ SF	Capture Rate of Core4	Study Area Capture
Grocery Stores	$16,240,512	$863	24%	$3,897,723	$455	25%	2,142
Health & Personal Care	$7,532,613	$400	28%	$2,109,132	$458	25%	1,151
Office Supplies, Stationery & Gifts	$517,037	$27	61%	$315,392	$202	25%	390
Full-Service Restaurants	$6,606,163	$351	55%	$3,633,390	$308	25%	2,949
Limited-Service Eating Places	$6,026,284	$320	46%	$2,772,091	$199	25%	3,483
Drinking Places (Alcoholic)	$463,354	$25	40%	$185,342	$400	25%	116
Snack / Non-alcoholic drink places	$923,896	$49	40%	$369,559	$400	25%	231
TOTAL							**10,462**

1) Based on data obtained for Claritas

2) Estimates via NCG based on ICSC data

3) Assumes Subject Site is 1 of 4 primary destination for office workers locally

4) Assumes Subject Site is 1 of 4 primary destination for students at GSU

SOURCE: NCG, US Census Bureau, ICSC, Claritas, Georgia Southern University

Exhibit 23

Estimated Retail Demand from Additional Non-Local Household Sources

Hotel Guests within Short Drive of Downtown

195,567 Annual Room Night Guests

Store Type (Excl. General Merch. & Gas)	Mix of Store Types (Dry Goods & Dining)	Demand Potential[1]	Per Capita Per Day	Dest. Sales in Non-Reg Ctrs	Est. Sales/ SF	Capture Rate of Core[2]	Local Capture
Grocery Stores	49%	$1,767,484	$9.04	$1,767,484	$455	50%	1,942
Specialty Food Stores	3%	$98,389	$0.50	$98,389	$193	50%	255
Health & Personal Care	45%	$1,639,576	$8.38	$1,639,576	$458	50%	1,790
Office Supplies, Stationery & Gifts	3%	$112,540	$0.58	$112,540	$202	50%	279
Full-Service Restaurants	47%	$2,902,798	$14.84	$2,902,798	$308	50%	4,712
Limited-Service Eating Places	43%	$2,647,995	$13.54	$2,647,995	$199	50%	6,653
Drinking Places (Alcoholic)	3%	$203,601	$1.04	$203,601	$400	50%	255
Snack / Non-alcoholic drink places	7%	$405,967	$2.08	$405,967	$400	50%	507
TOTAL		**$6,160,361**	**$50.00**				**16,393**


1) Based on data obtained from BLS for business travelers
2) Assumes Downtown could
SOURCE: Noell Consulting Group, ICSC, Claritas, Richmond Region Tourism

Exhibit 24

Summary of Estimated Retail Demand (By Source) and Supply By Store Type

Store Type (Excl. General Merch. & Gas)	Existing Population in Local Trade Area	New Population Growth in Local Trade Area (2019 - 2024)	Evening & Weekend Regional Destination	Local Employees	College Students	Hotel Guests	Combined Demand From All Sources	Typical Store Sf	Market Depth For Adequate Store Size
Furniture and Home Furnishings	4,082	284	257	0	0	0	4,623		4,623
Furniture Stores	2,501	174	-	-	-	-	2,675	2,500	2,675
Home Furnishing Stores	1,581	110	257	-	-	-	1,947	1,800	1,947
Electronics & Appliance Stores	273	19	19	0	0	0	311	6,577	0
Bldg Mats., Garden Equip & Supply	16,571	1,151	0	0	0	0	17,722		17,722
Bldg Materials & Supply Stores	14,858	1,032	-	-	-	-	15,891	10,000	15,891
Lawn & Garden Equipment	1,713	119	-	-	-	-	1,832		1,832
Food & Beverage Stores	46,491	3,230	6,952	2,109	2,142	2,197	63,121		63,121
Grocery Stores	40,702	2,828	6,610	1,978	2,142	1,942	56,201	40,000	56,201
Specialty Food Stores	2,108	146	342	59	-	255	2,911	1,988	2,911
Beer, Wine & Liquor Stores	3,681	256	-	72	-	-	4,009	3,196	4,009
Health & Personal Care	17,768	1,234	0	1,077	1,151	1,790	23,020	12,544	23,020
Clothing & Clothing Accessories	2,742	191	1,285	0	0	0	4,217		4,217
Clothing Stores	1,906	132	825	-	-	-	2,863	1,500	2,863
Shoe Stores	612	43	265	-	-	-	919		919
Jewelry, Luggage & Leather Goods	225	16	194	-	-	-	435		435
Sporting Gds, Hobby, Book & Music	1,364	95	0	0	0	0	1,458		0
Sporting Goods, Hobby, Musical Inst	1,165	81	-	-	-	-	1,246	2,713	0
Book & Music Stores	199	14	-	-	-	-	213	2,674	0
Miscellaneous Store Retailers	9,779	679	1,326	75	390	279	12,528		12,528
Florists	652	45	-	11	-	-	709	500	709
Office Supplies, Stationery & Gifts	1,095	76	37	64	390	279	1,941	1,500	1,941
Used Merchandise Stores	2,473	172	85	-	-	-	2,730	2,500	2,730
Other Miscellaneous Store Retailers	5,559	386	1,204	-	-	-	7,148	2,000	7,148
Food Service & Drinking Places	47,255	3,283	15,046	3,780	6,779	12,128	88,270		88,270
Full-Service Restaurants	17,378	1,207	7,526	1,405	2,949	4,712	35,178	3,212	35,178
Limited-Service Eating Places	26,581	1,847	6,007	2,288	3,483	6,653	46,858	2,400	46,858
Drinking Places (Alcoholic)	1,217	85	613	29	116	255	2,313	2,000	2,313
Snack / Non-alcoholic drink places	2,079	144	900	58	231	507	3,921	2,240	3,921
TOTAL	**146,324**	**10,165**	**24,885**	**7,041**	**10,462**	**16,393**	**215,271**		**213,502**

SOURCE: Noell Consulting Group, Claritas, Inc.

Exhibit 25
Small Service-Oriented Office & Retail Space Demand, 2021

Industry Code	Industry Code Description	Metro Firms Less Than 19 Emps	Metro Wide SF	Metro Wide Approx. SF Per Capita	Local Firms[2] < 19 Emps	Approx. SF Per Capita	Potential Unmet Demand	Average Tenant Size	Est. Tenants	Estimated Demand By SF	Supportable Store Capture, Study Area
Typical Office Users							**83,454**		**37**	**80,224**	**4,671**
531	Real Estate	561	406,088	0.70	65	0.55	11,496	2,500	5	11,496	0
532	Rental and Leasing Services	106	125,825	0.22	9	0.05	13,208	2,250	6	13,208	2,642
523	Securities, Financial Investments	107	72,013	0.12	7	0.04	6,750	2,500	3	6,750	0
524	Insurance Carriers and Related Act.	222	181,300	0.31	38	0.29	1,954	2,500	1	1,954	0
5414	Specialized Design Services	39	20,738	0.04	3	0.02	1,513	2,500	1	1,513	0
6115	Technical and Trade Schools	8	7,175	0.01	0	0.00	978	3,500	0	0	0
6116	Other Schools and Instruction	46	47,950	0.08	7	0.10	0	3,500	0	0	0
6211	Office of Physicians	325	368,288	0.63	76	1.10	0	2,000	0	0	0
6212	Office of Dentists	148	207,725	0.36	19	0.40	0	2,000	0	0	0
6213	Office of Other Health Practitioners	211	172,113	0.29	27	0.23	5,515	2,000	3	5,515	0
6214	Outpatient Care Centers	51	84,088	0.14	3	0.02	10,145	2,000	5	10,145	2,029
6215	Medical and Diagnostic Laboratories	17	17,413	0.03	3	0.02	1,060	2,500	0	0	0
6216	Home Health Care Services	23	34,213	0.06	4	0.02	2,912	2,500	1	2,912	0
8122	Death Care Services	25	32,988	0.06	4	0.02	2,745	4,000	1	2,745	0
52231	Mortgage & Non Mortgage Loan Brokers	7	3,063	0.01	0	0.00	417	2,000	0	0	0
54111	Offices of Lawyers	248	218,400	0.37	25	0.28	7,797	2,500	3	7,797	0
54194	Veterinary Services	49	81,288	0.14	3	0.02	9,764	2,000	5	9,764	0
541211	Offices of CPAs	82	70,525	0.12	17	0.14	0	2,500	0	0	0
541213	Tax Preparation Services	53	56,788	0.10	3	0.02	6,425	2,000	3	6,425	0
541380	Testing Laboratories	5	2,188	0.00	0	0.00	298	2,000	0	0	0
541519	Computer Related Services	8	3,500	0.01	0	0.00	477	2,000	0	0	0
Typical Retail Users							**63,252**		**33**	**62,639**	**6,102**
5172	Wireless Telecommunication Carriers	44	143,550	0.25	4	0.06	15,060	1,500	10	15,060	3,012
6244	Child Day Care Facilities	90	328,050	0.56	20	0.93	0	4,900	0	0	0
8123	Dry Cleaning and Laundry Services	35	104,625	0.18	7	0.10	6,381	1,500	4	6,381	0
52211	Commercial Banking	129	511,425	0.88	18	0.95	0	3,000	0	0	0
52212	Savings Institutions	4	4,500	0.01	0	0.00	613	3,000	0	0	0
52213	Credit Unions	23	87,525	0.15	0	0.00	11,926	3,000	4	11,926	0
71394	Fitness and Other Rec. Centers	37	100,125	0.17	3	0.04	10,268	4,000	3	10,268	0
81211	Hair, Nail, and Skin Care Services	130	275,400	0.47	19	0.43	3,551	1,500	2	3,551	0
81219	Other Personal Services	44	113,400	0.19	0	0.00	15,452	1,500	10	15,452	3,090
Total, Office and Retail Users			**3,882,263**	**6.65**	**384**	**5.80**	**209,959**		**103**	**142,863**	**10,773**

1) The Metro is defined as Savannah CSA

2) Local area is defined Bullock County

SOURCE: NCG, US Census Bureau - County Business Patterns

Exhibit 26

Summary of Recommended Commercial Uses in the Study Area By Store/Tenant Type

Store Type	Downtown Combined Demand	Downtown Supply [1]	Net Unmet Demand	Justification / Comments	Targeted Tenant Types
Retail Store Types					
Furniture and Home Furnishings	2,675	20,000	-17,325	Existing Farmers covers this demand, however some potential for small boutique.	-
Electronics & Appliance Stores	1,947	5,500	-3,553	Demand covered by Statesboro appliance	-
Bldg Mats., Garden Equip & Supply	15,891	32,324	-16,433	Tillman covers demand, maybe potential for a more Downtown Ace	-
Grocery Stores	56,201	0	56,201	Strong demand but new Publix will capture demand	-
Specialty Food Stores	2,911	0	2,911	There is positive demand for one specialty food store such as a bakery or chocolate store, 1-2 beer and wine stores and one small pharmacy in Downtown.	2,911
Beer, Wine & Liquor Stores	4,009	0	4,009		4,009
Health & Personal Care	23,020	16,543	6,477		6,477
Clothing Stores	2,863	28,988	-26,125	Likely over supplied with value oriented product, however tenant evolution may occur	-
Shoe Stores	919	0	919	Limited but positive demand for a small show store and small jewelry. Could be a combined retailer	-
Jewelry, Luggage & Leather Goods	435	1,000	-565		-
Sporting Goods, Hobby, Musical Inst	0	12,000	-12,000	Existing bike store covered demand, likely oversized and/or pulls from a very large trade area	-
Florists	709	1,408	-699	No demand for additional florists or gift. Existing options covered demand.	-
Office Supplies, Stationery & Gifts	1,941	2,000	-59		-
Used Merchandise Stores	2,730	22,245	-19,515	Oversupplied and should not be a focus for new stores	-
Other Miscellaneous Store Retailers	7,148	4,000	3,148	1-2 other store misc. stores. Mostly supply type stores	3,148
Full-Service Restaurants	35,178	29,008	6,170	Positive demand for 1-2 full service restaurants and 6-7 limited service restaurants. Several brands are missing from the market and seen in other analogous college downtowns. Current retailers such as Mellow Mushroom and Barberitos could fit in well in Downtown location	6,170
Limited-Service Eating Places	46,858	29,446	17,412		17,412
Drinking Places (Alcoholic)	2,313	2,224	89		89
Snack / Non-alcoholic drink places	3,921	10,684	-6,763	Currently oversupplied w/ coffee/doughnut/cookie but would be nice to see Downtown	-
TOTAL RETAIL	**211,670**	**217,370**	**-5,700**		**40,217**
Local Service/Professional Office Space					
	10,773	This is net new demand / in addition to existing users		A combination of nearly 11,000 SF of local population and daytime employee/students servicing uses currently under served in the trade area.	10,773
TOTAL SERVICE	**10,773**	**-**			**10,773**
TOTAL	**222,443**	**-**			**50,990**

Potential Tenant Examples

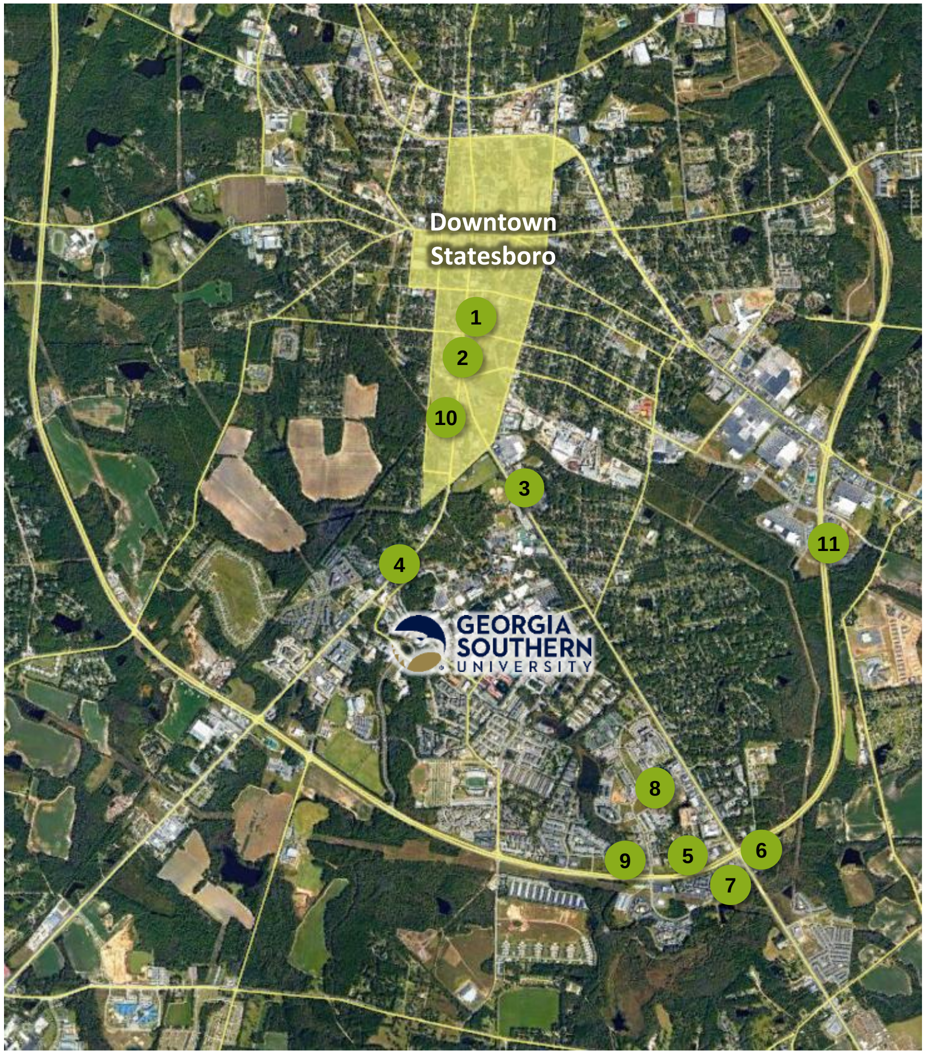
Existing Statesboro Retailers that would Fit Downtown

1) Note this only represents existing Downtown supply in these categories, total Downtown supply of all categories is approx. 400,000-500,000. Space is flexible and can be office/retail.

SOURCE: Noell Consulting Group,CoStar, Bulloch County

Lodging Analysis

Exhibit 27
Map of Selected Hotels in Statesboro, GA



	Establishment	Class	Aff. Date	Open Date	Rooms	Flag
1	Quality Inn & Suites Statesboro	Midscale Class	Aug-2007	Mar-1963	97	CHOICE HOTELS
2	Red Roof Inn & Suites Statesboro	Economy Class	Oct-2016	Mar-1991	59	Red Roof
3	Days Inn Statesboro	Economy Class	Mar-2011	Feb-1991	81	WYNDHAM HOTELS AND RESORTS
4	Super 8 Statesboro	Economy Class	Nov-2013	Jan-1990	40	WYNDHAM HOTELS AND RESORTS
5	Studio 6 Statesboro	Economy Class	Oct-2014	Jun-2000	56	6
6	Comfort Inn & Suites Statesboro-University Area	Upper Midscale Class	Apr-2011	Oct-2002	77	CHOICE HOTELS
7	SpringHill Suites Statesboro University Area	Upscale Class	Aug-2020	Sep-2008	113	Marriott INTERNATIONAL
8	Hampton Inn Statesboro	Upper Midscale Class	Apr-2013	Apr-2013	90	Hilton
9	Home2 Suites by Hilton Statesboro	Upper Midscale Class	Dec-2018	Dec-2018	96	Hilton
10	Holiday Inn Express Statesboro	Upper Midscale Class	Mar-2020	Mar-2020	91	IHG HOTELS & RESORTS
11	Holiday Inn Statesboro University Area	Upper Midscale Class	Jun-2008	Jun-2008	93	IHG HOTELS & RESORTS
	Total				***893***	

Noell Consulting Group selected nationally branded hotels located in Statesboro to understand the supply and demand relationship moving forward. These hotels are heavily concentrated around the Georgia Southern University campus and near Downtown Statesboro. They included both extended stay operators and traditional operators who both compete for the same travelers in the market. Of note there are two hotels that delivered in 2018-2020, adding 187 rooms to the local inventory.

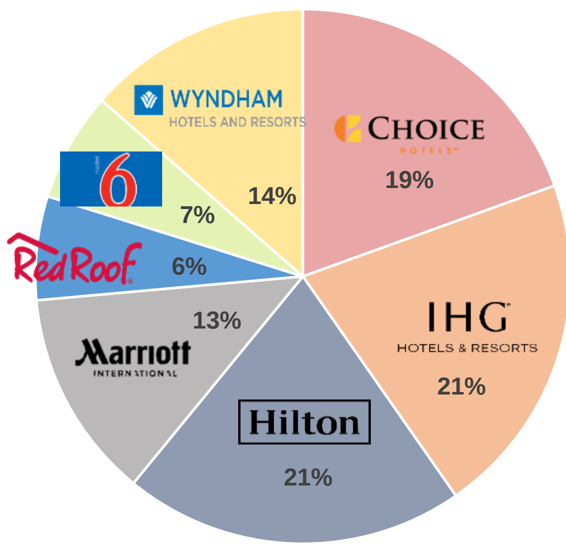
SOURCE: Noell Consulting Group, STR, Inc. NOTE: Only includes hotels that report to STR. Majority of major brands do, small local hotels are not included.

Exhibit 28
Statesboro, GA Area - Hotel Comp Set Information

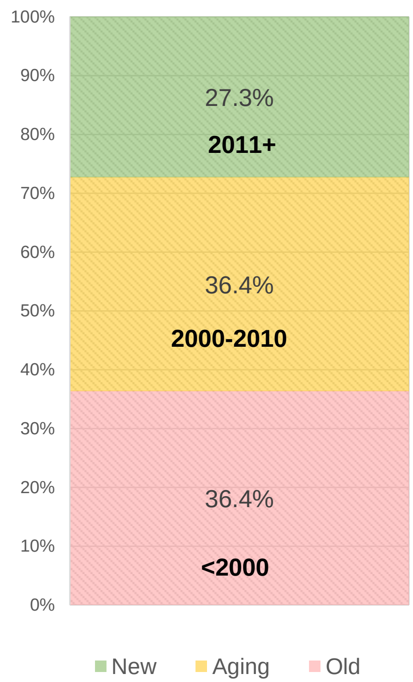
The local hotel market is diverse in terms of hotel brands with most major brands having a presence in the market today. Choice Hotels, InterContinental, and Hilton account for over 60% of local hotels. This high percentage of these brands is seen in markets across the country and often attributed to brand loyalty from mostly business travelers.

The majority of hotels are in the Upper Midscale Class, which includes such brands at Hampton Inn and Holiday Inn. There is also a strong portion of hotels in the Economy Class, often dated properties, and include brands such as Quality Inn and Days Inn. There has been a limited amount of new hotels built in the market, with only 27% built since 2011.

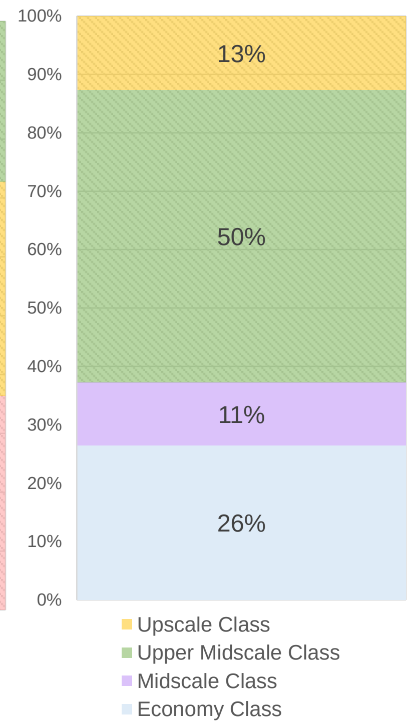
Flag Market share (%)



% of Properties by Age



% of Rooms by Chain Scale



Brands Missing in Market

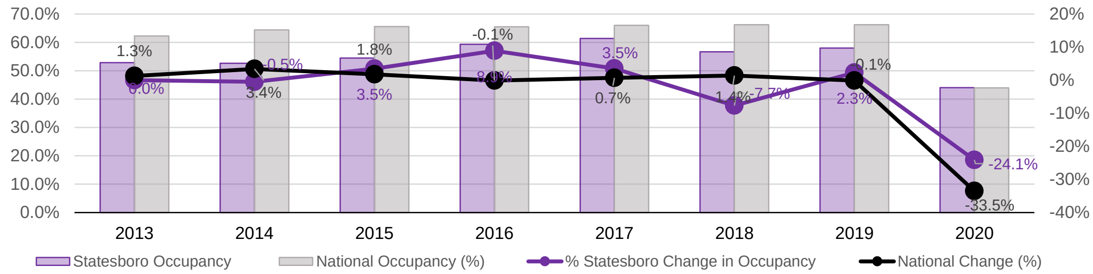
COURTYARD BY MARRIOTT
aloft HOTELS
element BY WESTIN
EVEN HOTELS
avid AN IHG HOTEL
Residence INN BY MARRIOTT
HYATT PLACE
tru by HILTON
CAMBRIA hotels
GLō BEST WESTERN

** Sampling of National brands missing from market. Excludes brands with required ADR's above $150.*

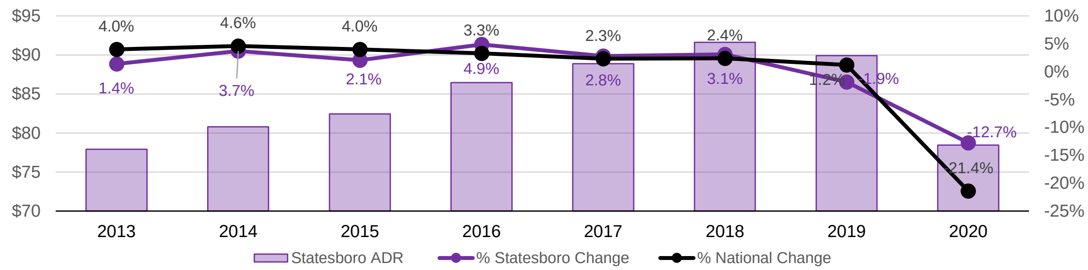
Source: NCG, STR, TRU bu Hilton

Exhibit 29
Performance of Statesboro Hotels vs. National Hotels

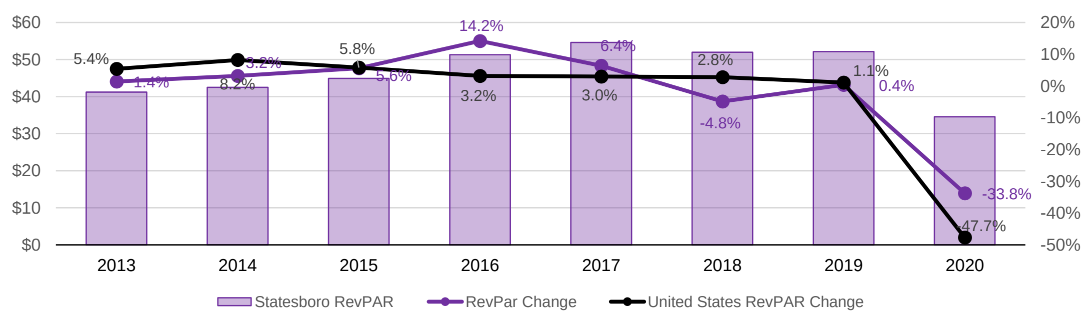
Occupancy
Local Market vs National Trends



ADR Growth
Local Market vs United States



RevPAR Growth
Local Market vs United States



Source: NCG, STR, Cushman & Wakefield

Continuing to analyze the Statesboro market, NCG compared the local market to the overall national hotel market.

- Local hotel demand growth from 2013-2019 was 4.7% annually, outpacing national demand by nearly 3%.
- Local occupancy levels from 2013-2019 were only 56%, compared to the national average of 65%.
- Local ADR growth was limited from 2013-2019 at only 2.5% annually, compared to 3% nationally during the same period.
- RevPAR growth was moderate at 3.9% annually from 2013-2019, compared to 4.2% at the national level

As mentioned previously the COVID-19 pandemic negatively impacted the entire national hotel market. By March 2020 the national government and state/local governments started placing restrictions on travel. These restrictions nearly eliminated business and leisure travelers in most markets until at least the end of 2020. Hotel owners entered one of the most challenging times for the industry and continue to see obstacles today. These challenges forced some hotels to close temporarily, reduce staffing, and introduce new cleaning protocols to make guests feel safe as they traveled through the pandemic.

Comparing 2020 and COVID Impact

- While the local Statesboro market was ravaged by the pandemic, it performed better than the national hotel market in 2020.
- Occupancy levels dropped to only around 44% in the Statesboro market and nationally.
- The loss in ADR at the local level was significant at 12.7% but less severe relative to the national decrease of 21.4%.
- Similarly to ADR loss, RevPAR at the local level experienced a decline of 33.8% compared to the national level at nearly 48%.

NOTE:
ADR = Average Daily Rate
RevPAR = Revenue Per Available Room

Exhibit 30
Performance of Statesboro, GA Area Hotels

The chart below presents the data from all the Statesboro hotel properties shown in the earlier exhibits. Affordability has historically been the main characteristic of the market, with no luxury or upper-upscale properties in the market today. Before 2020 and the effects of the Covid-19 Pandemic, the market had experienced mixed growth, with supply consistently outpacing demand. While occupancy levels have slowly grown to 58% since 2011, these levels typically do not justify adding more rooms to the market. ADR's experienced achieved a peak in 2018 with an average rate of over $91. While rates dropped in 2019 slightly, it is still a substantial increase from the $74 seen in 2011.

The COVID-19 Pandemic impacted the entire US hotel market and the local Statesboro hotels. As seen below demand dropped 20% and to make matters worse, the market saw the new 91-room Holiday Inn Express hotel deliver. Along with demand dropping, ADRs dropped 12% and RevPar by nearly 34%.

As seen below, comparing year-to-date February 2019 to 2020, demand increased slightly and caused occupancy to increase. Currently, as of February 2021, the market is regaining demand and occupancy but still experiencing near historical lows in terms of ADRs and RevPar. Given that Georgia Southern University hotel demand and business travelers have started to return to the market, it is believed a recovery will occur over the rest of the year.

Year	Supply	% Change	Demand	% Change	Occupancy	% Change	ADR	% Change	RevPAR	% Change	Notes
2011	227,336	-	119,224	-	52.4%	-	$74.00	-	$38.81	-	-
2012	227,395	0.0%	120,188	0.8%	52.9%	0.8%	$76.84	3.8%	$40.62	4.7%	-
2013	252,206	10.9%	133,362	11.0%	52.9%	0.0%	$77.92	1.4%	$41.20	1.4%	Hampton Inn opened
2014	260,518	3.3%	137,129	2.8%	52.6%	-0.5%	$80.79	3.7%	$42.52	3.2%	-
2015	260,245	-0.1%	141,785	3.4%	54.5%	3.5%	$82.45	2.1%	$44.92	5.6%	-
2016	259,693	-0.2%	154,072	8.7%	59.3%	8.9%	$86.46	4.9%	$51.30	14.2%	Supply decrease / Demand increase
2017	258,055	-0.6%	158,494	2.9%	61.4%	3.5%	$88.88	2.8%	$54.59	6.4%	Supply decrease / Demand increase
2018	260,939	1.1%	147,961	-6.6%	56.7%	-7.7%	$91.62	3.1%	$51.95	-4.8%	Home2Suites Opened
2019	292,730	12.2%	169,765	14.7%	58.0%	2.3%	$89.92	-1.9%	$52.15	0.4%	-
2020	**306,790**	**4.8%**	**135,056**	**-20.4%**	**44.0%**	**-24.1%**	**$78.45**	**-12.7%**	**$34.54**	**-33.8%**	**Effects of Covid / Holiday Inn Exp. Opened**
YTD Feb 2019	47,318	-	25,038	-	52.9%	-	$84.51	-	$44.72	-	
YTD Feb 2020	47,318	0.0%	25,798	3.0%	54.5%	3.0%	$84.26	-0.3%	$45.94	2.7%	Right before Covid Pandemic
YTD Feb 2021	52,687	11.3%	25,623	-0.7%	48.6%	-10.8%	$76.51	-9.2%	$37.21	-19.0%	Emerging from Pandemic

SOURCE: Noell Consulting Group, STR, Inc.

Exhibit 31
COVID-19 Impact on National Projections and Statesboro Forecast

HVS National Performance Hotel Forecast

	2018	2019	2020	2021	2022	2023	2024
Occupancy	66.1%	66.1%	42.0%	53.5%	61.0%	65.0%	65.5%
ADR	$129.97	$131.17	$103.00	$109.25	$119.00	$127.25	$133.75
RevPAR	$85.96	$86.76	$43.26	$58.45	$72.59	$82.71	$87.61
Occupancy % Change	-	0.0%	-36.5%	27.4%	14.0%	6.6%	0.8%
ADR % Change	-	0.9%	-21.5%	6.1%	8.9%	6.9%	5.1%
RevPAR % Change	-	0.9%	-50.1%	35.1%	24.2%	13.9%	5.9%

Nationally the hotel industry has been ravaged by COVID-19 with shutdowns occurring across the country and social distancing measures put into place. Many hotels across the country temporarily shut down to mitigate operational losses and other, more well positioned properties, are operating at 5% -10% of their normal capacity. HVS forecasts a strong recovery in 2021 with the market fully recovering in 2023/2024.

STR & Tourism Economics National Performance Hotel Forecast

	2018	2019	2020	2021	2022	2023	2024
Occupancy	66.1%	66.0%	42.2%	52.2%	-	-	-
ADR	$129.97	$131.17	$103.76	$109.21	-	-	-
RevPAR	$85.96	$86.76	$41.38	$57.03	-	-	-
Occupancy % Change	-	-0.2%	-36.1%	23.7%	-	-	-
ADR % Change	-	0.9%	-20.9%	5.6%	-	-	-
RevPAR % Change	-	0.9%	-52.3%	37.9%	-	-	-

However, STR, the premier data provider for the hospitality sector, has indicated that weekly data through May 9 shows that the industry has already hit bottom and begun a recovery. STR projects the rate of recovery to be slow and uneven, determined more by virus-specific factors than economic factors, with a full recovering not expected until 2023. This recovery is expected to be driven by regional leisure travel, particularly from drive-to sources, with business and group travel limited.

CBRE U.S. Hotel Outlook

	2018	2019	2020	2021	2022	2023	2024
Occupancy	66.1%	66.1%	39.8%	52.3%	60.2%	65.5%	66.6%
ADR	$129.97	$131.17	$104.10	$111.89	$120.52	$128.90	$134.12
RevPAR	$85.96	$86.76	$41.46	$58.51	$72.50	$84.37	$89.27
Occupancy % Change	-	0.0%	-39.8%	31.4%	15.1%	8.8%	1.7%
ADR % Change	-	0.9%	-20.6%	7.5%	7.7%	7.0%	4.0%
RevPAR % Change	-	0.9%	-52.2%	41.1%	23.9%	16.4%	5.8%

As noted earlier, the Statesboro market was hit around the same in terms of occupancy levels. This should allow for the local market to recover similar to the nationally one.

The greatest challenge to this, however, is the emergence of new hotels, of which a Fairfield Inn is already in the pipeline.

Hypothetical Statesboro, GA Area Performance & Forecast

	2018	2019	2020	2021	2022	2023	2024
Occupancy	56.7%	58.0%	44.0%	56.1%	60.6%	63.0%	64.3%
ADR	$91.62	$89.92	$78.45	$86.30	$90.62	$93.33	$95.20
RevPAR	$51.95	$52.15	$34.54	$48.44	$54.93	$58.84	$61.22

Source: STR, HVS, Tourism Economics

Exhibit 32

Lodging Demand Analysis for Statesboro, GA Competitive Market, 2014-2026

Demand	2014	2015	2016	2017	2018	2019	2020	Avg., '14- '19	Avg., '14- '20	2021	2022	2023	2024	2025	2026	Avg. '21- '26
Employment Growth in the Metro[1]	1,013	930	375	24	673	1,071	-1,171	681	416	712	1,144	750	514	367	352	697
Total Room Nights Demanded	137,129	141,785	154,072	158,494	147,961	169,765	135,056	151,534	149,180	172,189	185,965	193,403	197,271	205,162	213,369	194,560
Growth in Room Night Demand	3,767	4,656	12,287	4,422	-10,533	21,804	-34,709	6,067	242	37,133	13,775	7,439	3,868	7,891	8,206	13,052
% Change in Room Nights Demanded	2.8%	3.4%	8.7%	2.9%	-6.6%	14.7%	-20.4%	4.0%	-0.2%	27.5%	8.0%	4.0%	2.0%	**4.0%**	**4.0%**	8.2%
New Room Nights Per New Job	3.72	5.01	32.73	187.39	-15.65	20.36	29.63	38.93	37.60	52.19	41.36	41.36	41.36	41.36	41.36	43.16
Total Room Nights Supplied (Existing)	260,518	260,245	259,693	258,055	260,939	292,730	306,790	265,363	271,281							
Growth in Room Night Supply	3.3%	-0.1%	-0.2%	-0.6%	1.1%	12.2%	4.8%	2.6%	2.9%							

Additional Room Nights from Planned Deliveries

	2014	2015	2016	2017	2018	2019	2020	Avg., '14- '19	Avg., '14- '20	2021	2022	2023	2024	2025	2026	Avg. '21- '26
Fairfield Inn (Marriott)	86	rooms										31,390	31,390	31,390	31,390	
*Note this is only pipeline within our competitive set and service levels.																
Total Room Nights Supplied	260,518	260,245	259,693	258,055	260,939	292,730	306,790			306,790	306,790	338,180	338,180	338,180	338,180	
									Future Growth in Room Nights Supplied:	0.0%	0.0%	10.2%	0.0%	0.0%	0.0%	
Occupancy Rate	**52.6%**	**54.5%**	**59.3%**	**61.4%**	**56.7%**	**58.0%**	**44.0%**			**56.1%**	**60.6%**	**57.2%**	**58.3%**	**60.7%**	**63.1%**	
Excess Room Night Supply Over 60% Occupancy										-19,808	3,151	-15,841	-9,394	3,757	17,434	
Supportable Rooms @ 60% Occupancy										-54	9	-43	-26	10	48	

The overall hotel market has stayed below 60% occupancy over the past 10 years or so. We believe the market will see a quick recovery after the effects of the COVID-19 Pandemic in 2020. Room night demand should increase as major demand drivers such as Georgia Southern University see the return of campus visits, alumni events and sporting events. While demand is likely to steadily increase in 2021 and 2022, a proposed Fairfield Inn will enter the market sometime in 2023. The demand scenario above shows that the market will see a dip in occupancy with new room nights added in 2023. This creates a scenario where developing a new hotel in the market is unlikely until at least 2025-2026 when occupancy levels return to 60%+. Even at our forecasted 63.1% in 2026, it is unlikely a market rate hotel will be added without subsidy, as 70% occupancy is used by most as a new development hurdle. While we believe there is potential for a small limited-service hotel in Downtown to further differential consumers product choice, it will need to be a strong brand/flag currently missing in the market (Marriott Courtyard), and need substantial subsidies/support.

SOURCE: Noell Consulting Group, STR