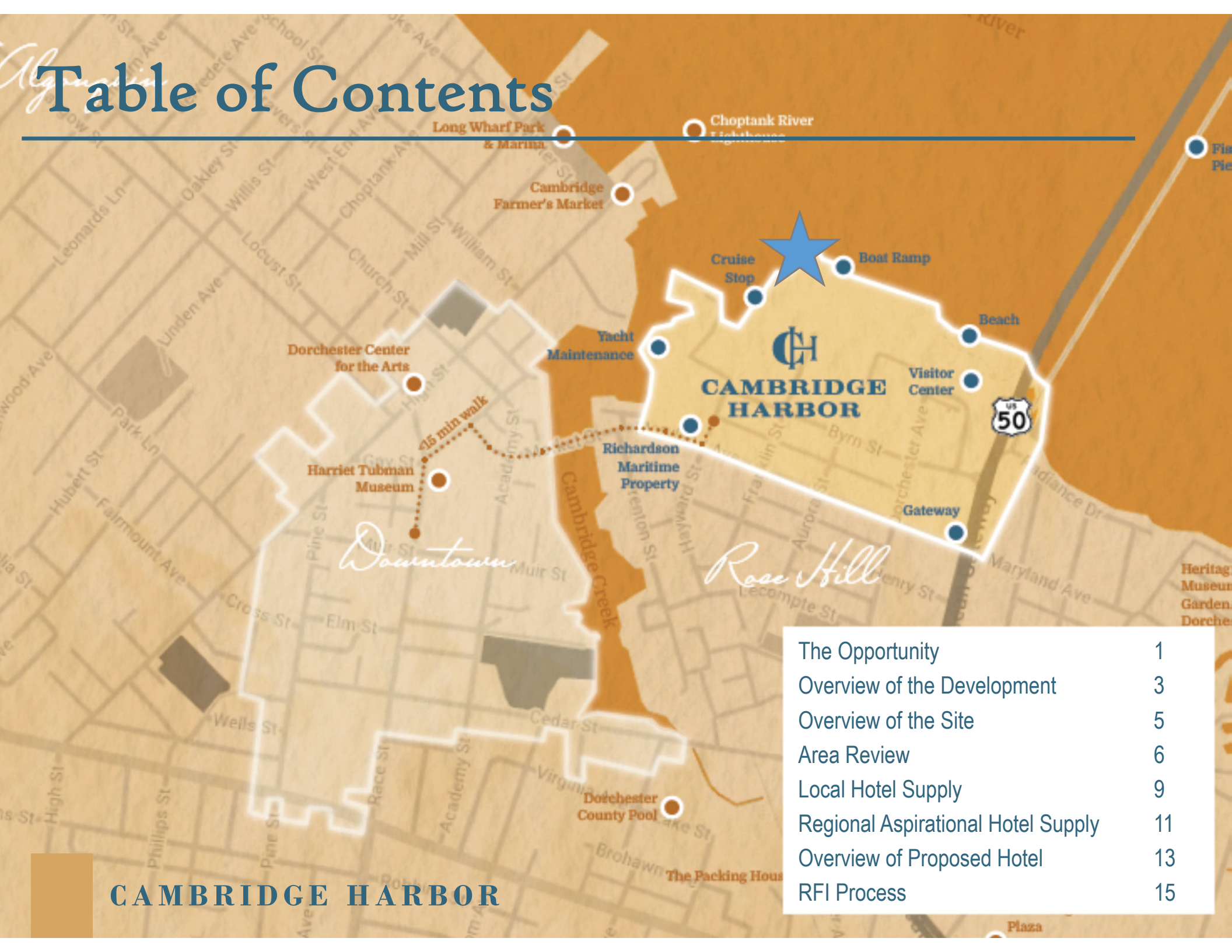




RFI for Hotel Development Opportunity Waterfront Site within Proposed Mixed-Use Development Cambridge, MD

Submission Deadline for RFI: November 15, 2022

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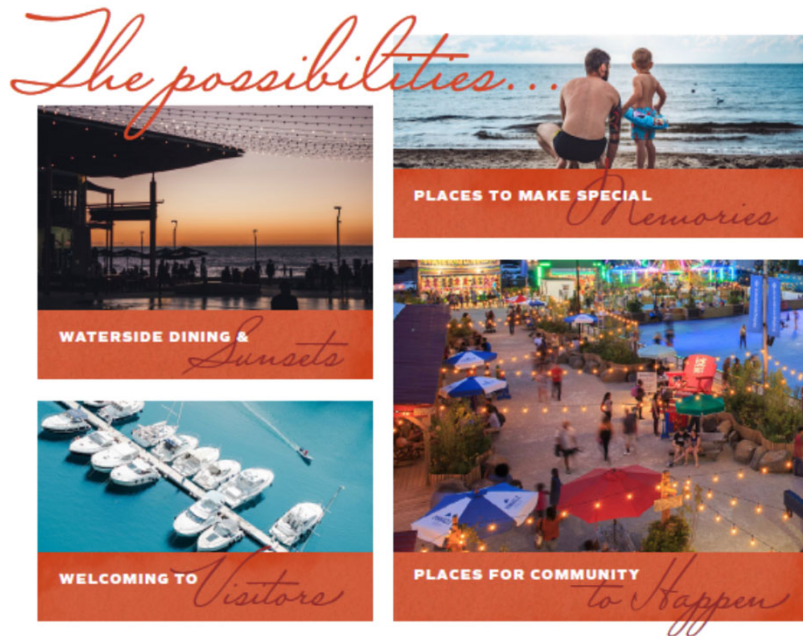


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The Opportunity

Development of a design driven upscale, hotel on a waterfront site at Cambridge Harbor in Cambridge, Maryland.

The proposed hotel is envisioned as a 75-to-125 unit operation offering several food & beverage outlets and event space. Additional details on page 14.

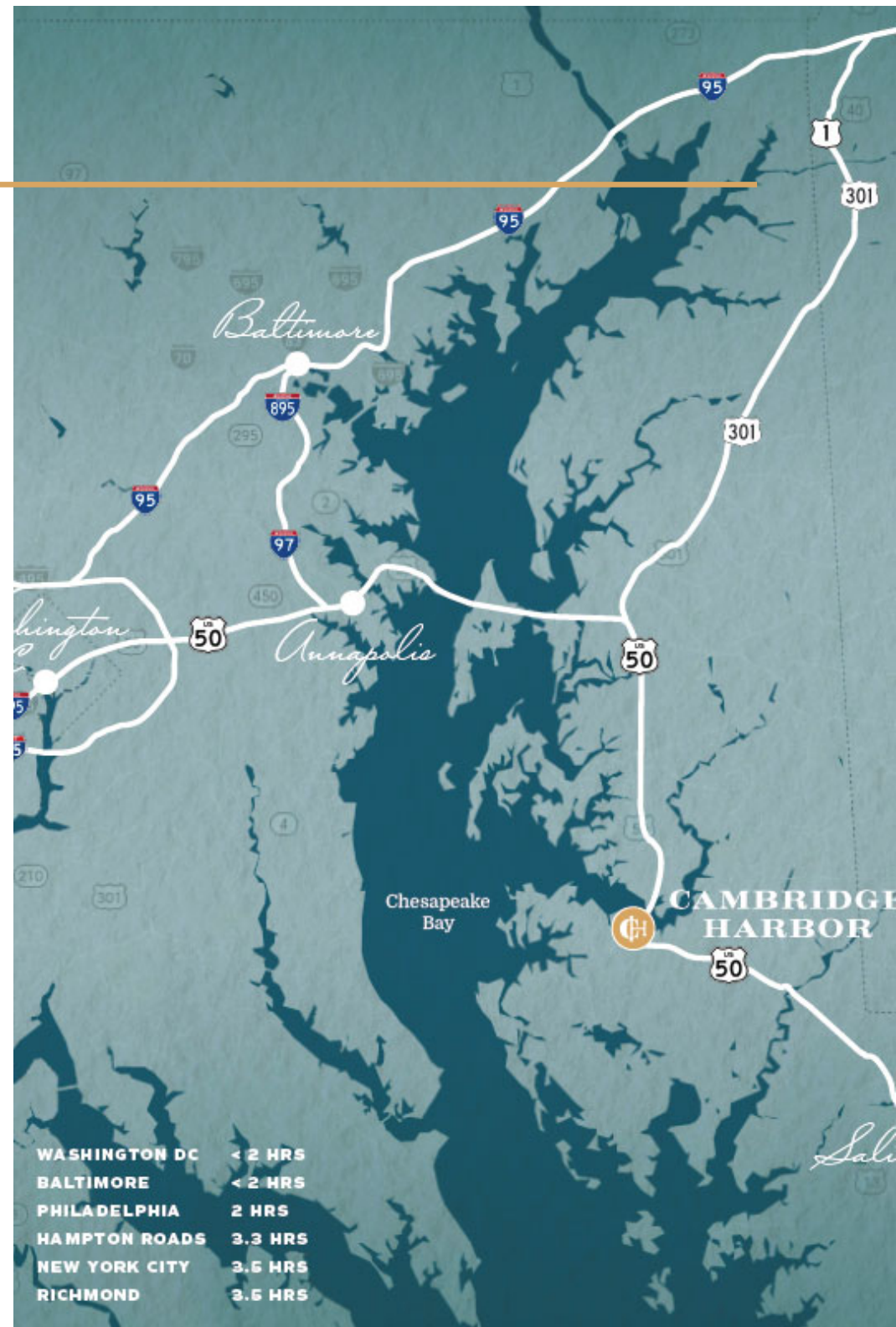


The Opportunity

REVPAR International and Cambridge Waterfront Development, Inc (CWDI) are pleased to present this unique opportunity to develop a hotel on a waterfront parcel within a proposed mixed-use development in Cambridge, Maryland.

The subject site is situated directly on the waterfront of the Choptank River, within the Chesapeake/Ocean City hotel submarket. Proximity to leisure demand generators is excellent as the site is centrally located within the Delmarva Peninsula. There are over 8 million annual visitors to the region, generating roughly \$230 million in annual economic impact. Recreational activities include boating, kayaking, hunting, fishing, national parks and hiking trails, historic sites, shopping, dining, and many annual events, concerts, and festivities. Area corporations and businesses generate room night demand for area hotels throughout the year. Notable contributors include production, manufacturing, healthcare, and transient travelers. Destination group demand also emanates from the Washington and Baltimore Metropolitan Areas, along with Dover and Wilmington. Like many markets with ample outdoor resources, Cambridge has experienced an influx of visitors and significant investment in residential and commercial development activity during the COVID-19 pandemic. As a result, the destination has had tremendous growth and exposure in recent years.

Named Cambridge Harbor, the proposed mixed-use project will be an infill project of a key 30-acre waterfront neighborhood in Cambridge. The project builds on the success of the adjacent Sailwinds Park, which features a beach, playground, event lawn, and visitor's center with an iconic sail-shaped art installation.



Overview of the Development

Cambridge Harbor's primary features include:

- A minimum 50,200-square foot waterfront site allocated for the proposed hotel, with the option to expand the site and utilize adjacent green space.
- Over 310,000 square feet of multifamily residential spread across four parcels.
- A nearly 30,000-square foot parcel allocated for a destination restaurant or entertainment venue, such as a brewery/restaurant.
- Nearly 20,000 square feet of dedicated retail space.
- A 470-square foot wharf and marina with a deep-water harbor and boat launch.
- A maritime museum.
- Numerous public art installations.
- An event lawn/pavilion adjacent to the hotel, providing opportunities to generate revenue.

It should be noted that CWDI is concurrently distributing an RFI relative to interest in developing any or all of the Cambridge Harbor project, including the hotel, while this document and related process are specific to the hotel component only. Thus, some of these preceding uses may be subject to change. We recommend reviewing both documents for additional information.

Based on a review and analysis of the competitive trade area, as well as current and prospective hotel supply and demand trends in Cambridge, REVPAR International is of the opinion that there is sufficient demand for the development of a 75-to-125-unit upscale boutique hotel.

A site plan for Cambridge Harbor, highlighting the proposal hotel parcel is displayed on the following page.



Overview of the Development



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Overview of the Site

The subject site is located along the Choptank River in Cambridge, a city of approximately 12.7 square miles and roughly 12,000 residents. The site's location is west of US-50, a primary east-west thoroughfare connecting the Washington, D.C. region to Maryland's Eastern Shore. The city of Cambridge is the county seat of Dorchester County and it's largest municipality. The hotel is proposed as one component of a larger mixed-use project containing separate residential and retail spaces. Potential developers may choose to develop all of the project or just the hotel. To that end, the site parameters for the hotel will need to be reconciled with the developer of the other uses since all of the project uses are earmarked for the entire site.

Accessibility & Visibility

Access to the site is considered excellent in what is almost entirely a drive market. Cambridge Harbor features a direct exit from US-50. Further, the site has direct visibility from US-50 as travelers cross the bridge over the river, as well as from boaters on the water. These access and visibility attributes, when combined with the distribution platform of a major franchisor, should allow the hotel to compete for both leisure and commercial demand travelling along US-50.

Proximity to Area Amenities

The subject's location relative to amenities is considered good and expected to improve significantly over the next few years as Cambridge Harbor builds-out. The downtown historic district of Cambridge is less than one mile southwest of the subject site and home to a growing amenity base featuring dining, shopping and entertainment. Nearby destinations of Easton and St. Michaels also offer a complementary upscale amenity base.

Proximity to Demand Generators

The subject's proximity to demand generators is considered excellent. Tourism is a significant economic driver for the entire Eastern Shore. With over 1,700 miles of shoreline, outdoor aquatic activities, golfing, bird watching, hunting, and cycling are major tourism draws to the region, just to name a few. While commercial demand is a smaller market segment, proximity to US-50 will serve the hotel well.



ACCESSIBLE YET ELEVATED

Hospitality

Leisure Demand

Tourism plays a significant role in Dorchester County's local economy, and area hotels accommodate leisure transient and group demand generated primarily by tourists visiting the many attractions, shopping destinations, and natural elements situated there. The market is a popular draw for leisure groups including weddings, family reunions, charity events, and more. A few notable leisure attractions are described below.

The 28,000-acre Blackwater National Wildlife Refuge is a waterfowl sanctuary for migratory birds and attracts hundreds of thousands of visitors annually. In addition to its primary purpose as a sanctuary, the refuge also offers a visitor center, hiking trails, paddling trails and fishing areas. The annual Waterfowl Festival is a major event on the Eastern Shore.

Adjacent to Blackwater is the 17-acre Harriet Tubman Underground Railroad State Park (HTUR). The state park boasts a 10,000-square foot visitor center. According to the Community and Economic Impact Study, completed by Camoin Associates in May 2021, there are roughly 296,000 visitors annually, of which 251,000 are considered "net new visitors," and are visiting the HTUR as their primary purpose while traveling. These new visitors have an annual economic impact of roughly \$30 million. With pent up tourism demand due to COVID-19, and Harriett Tubman's 200th birthday in 2022, visitation is anticipated to only increase into the future.

Cambridge is host to many important cycling and sporting events which attract travelers for overnight stays including Ironman and Eagleman triathlons, Heart of the Chesapeake Bike Tour, Six Pillars Century Blackwater Tour, and the Cambridge Classic Powerboat Regatta, to name a few. Most notable, the Ironman and Eagleman events bring 2,000 to 3,000 spectators and participants to Cambridge annually. The city maintains a calendar of events including the Taste of Cambridge, Seafood Festival, Flower Fair, and a Christmas Parade.





Blackwater National Wildlife Refuge



Harriet Tubman Underground Railroad State Park



Ironman and Eagleman Triathlons



Cambridge Classic Powerboat Regatta

Commercial Demand Generators

Commercial demand generators in and around Cambridge include manufacturing, healthcare educational services, finance, and more. Commercial demand generators most proximate to the subject site include production, manufacturing, and other industrial users such as *Protenergy*, *LWRC International*, *Cambridge Engineered Solutions*, and *EGIDE USA*. The aforementioned production and processing facilities generate a modest level of demand for area hotels through visiting executives, relocations, sales representatives, vendors, repair technicians, as well as training events. Currently, these commercial demand generators are utilizing other hotels in Cambridge or leaving the market area altogether in search of quality hotel product.

The 13,500-square foot *Eastern Shore Innovation Center* is located 4.1 miles southeast of the subject site and is a business incubator which is home to a variety of small businesses and startup companies such as *Quevera*, *iValue Led*, *Cambridge Federal*, *SunX Analytical*, and *IES Life Sciences*. *Amick Farms*, *B&G Foods*, and *Warwick Fulfillment Solutions* are all 15 miles northeast of the subject site in Hurlock, MD, which is also located in Dorchester County. The subject hotel may accommodate demand from these companies seeking more upscale accommodations than the current midscale hotel accommodations available in both Cambridge and Seaford.



EASTERN SHORE
INNOVATION CENTER
IGNITE. FUEL. THRIVE.



Local Hotel Supply

The local lodging supply includes the following seven hotels, which represent 871 rooms, that would compete to varying degrees with the subject hotel, based on location, quality, facilities, chain-affiliation, room rate structure, and/or market orientation. The most notable of these is the upscale, 400-room waterfront Hyatt Regency, also located in Cambridge, albeit somewhat isolated, in a planned development away from the downtown area. Also, the Tidewater Inn, located about 15 miles north in Easton, is an independent, 92-room full-service hotel that caters to a very similar market as the proposed subject hotel. While this hotel is not waterfront, it is in Easton's pedestrian-friendly downtown. The remaining hotels are limited-service, branded properties in Cambridge and Easton that will be secondarily competitive to the subject hotel.



1. Holiday Inn Express Cambridge



2. Hyatt Regency Chesapeake



3. Comfort Inn & Suites Cambridge



4. Hampton Inn Easton



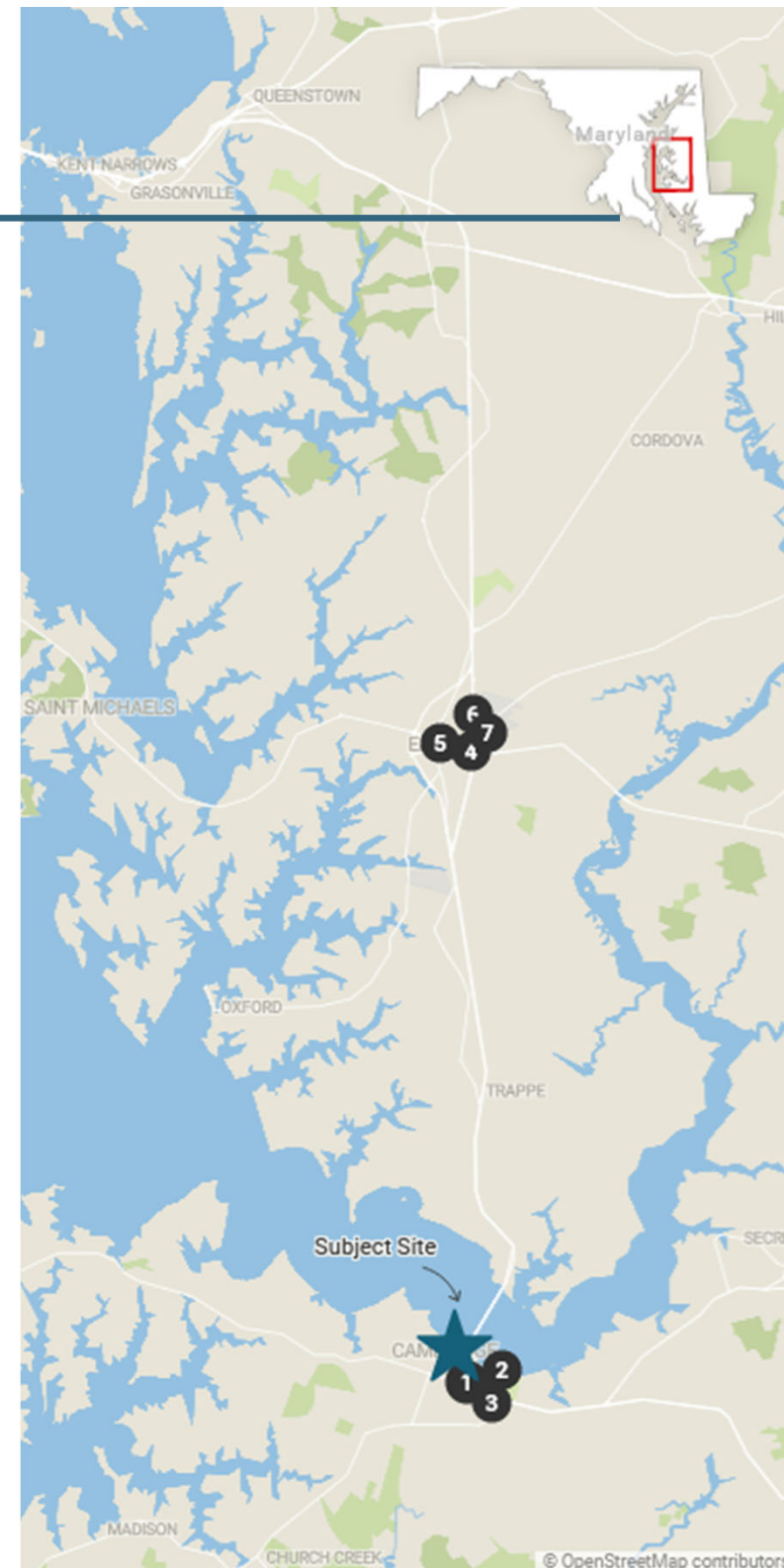
5. Tidewater Inn



6. Holiday Inn Express Easton



7. Fairfield Inn & Suites Easton



Local Hotel Supply

Name of Hotel	Holiday Inn Express Cambridge	Hyatt Regency Chesapeake	Comfort Inn & Suites Cambridge	Hampton Inn Easton	Tidewater Inn	Holiday Inn Express Easton	Fairfield Inn & Suites Easton
Location	Cambridge, MD	Cambridge, MD	Cambridge, MD	Easton, MD	Easton, MD	Easton, MD	Easton, MD
Class	Upper Midscale	Upper Upscale	Upper Midscale	Upper Midscale	Upper Upscale	Upper Midscale	Upper Midscale
Date Opened	March 2000	August 2000	April 2008	August 2006	June 1949	May 1995	December 2015
Number of Rooms	85	400	65	74	92	73	82
Advertised Room Rates (as of July 2022)							
Peak	\$216 - \$234	\$509 - \$564	\$209 - \$239	\$237 - \$237	\$289 - \$369	\$285 - \$285	\$319 - \$354
Non-Peak	\$81 - \$111	\$264 - \$329	\$115 - \$153	\$153 - \$233	\$152 - \$225	\$108 - \$270	\$120 - \$141
Estimated Market Mix Segmentation Year-End 2021							
Corporate	15%	10%	10%	25%	5%	10%	30%
Leisure	75%	65%	80%	55%	55%	75%	55%
Group	10%	35%	10%	20%	40%	15%	15%
Facilities							
Waterfront Location		X					
Complimentary Breakfast	X		X	X		X	X
Outdoor Pool		X					
Indoor Pool	X	X	X	X		X	X
Fitness Center	X	X	X	X	X	X	X
Business Center	X	X	X	X		X	X
Bar/Lounge		X			X		
Restaurant		X			X		
Complimentary Parking	X		X	X		X	X
Largest Meeting Room	540 sq. ft.	12,000 sq. ft.	N/A	345 sq. ft.	2,950 sq. ft.	1,336 sq. ft.	500 sq. ft.
Total Meeting Space	540 sq. ft.	37,000 sq. ft.	N/A	672 sq. ft.	9,000 sq. ft.	1,336 sq. ft.	500 sq. ft.

Regional Aspirational Hotel Supply

More seasonal in nature, this section offers a range of regional hotels positioned similarly to the proposed subject hotel. These properties are higher-end and command stronger room rates throughout the year. Most offer a contingent of meeting space or other amenities, such as a spa or destination dining, to help drive occupancy in the shoulder and off-season months. They are also very popular wedding destinations. Each of these hotels are waterfront and, while some are historic, others, such as The Inn at Chesapeake Bay Beach Club, are recently-developed. The Hyatt Place in Grasonville/Kent Narrows is finishing construction and opens in the 4th quarter 2022. The proposed subject hotel will not compete with these hotels directly, although, at times, group demand, in particular, may consider any of these.



1. The Inn at Chesapeake Bay Beach Club



2. Tides Inn



3. Rod & Reel Resort



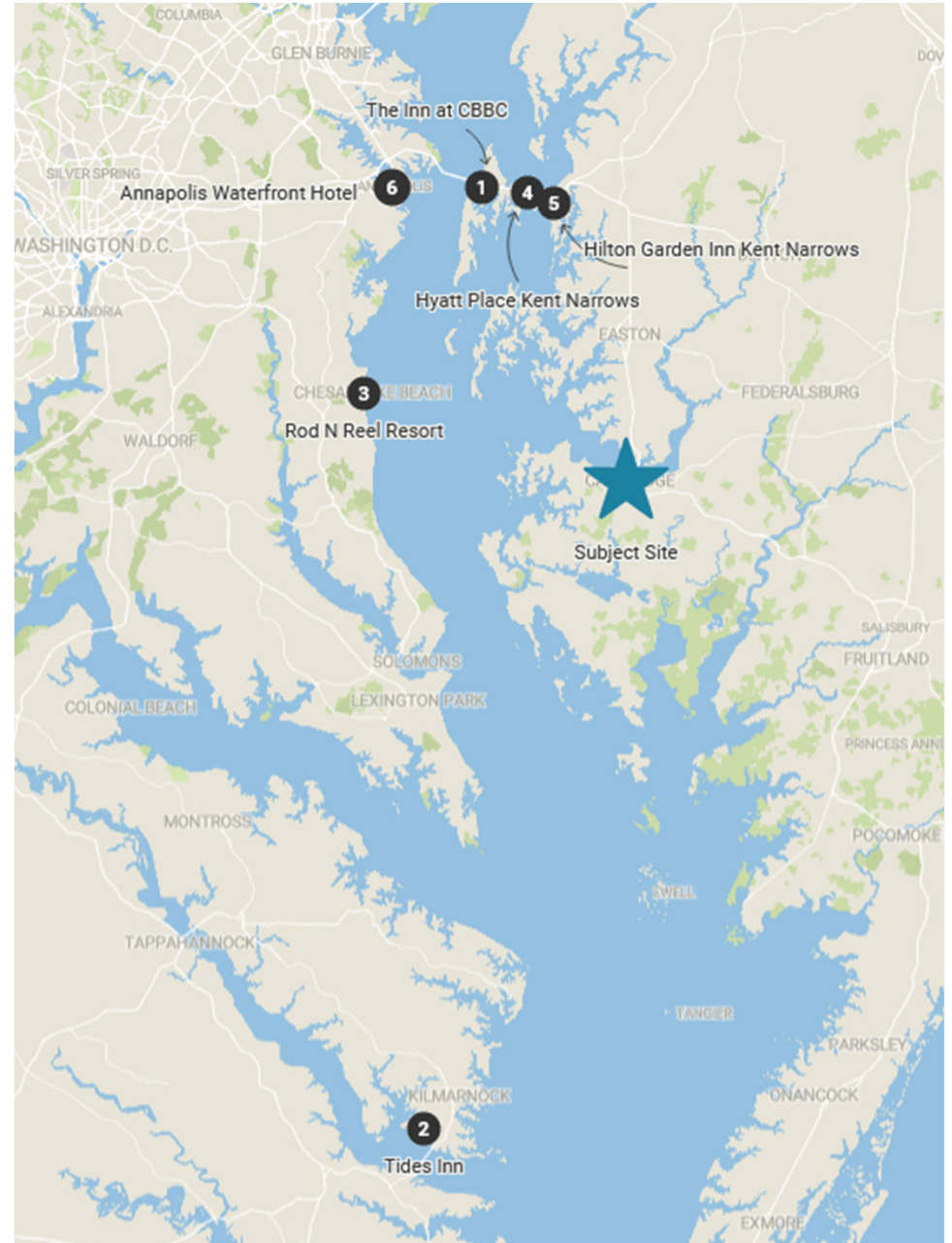
4. Hyatt Place Kent Narrows



5. Hilton Garden Inn Kent Narrows



6. Annapolis Waterfront Hotel

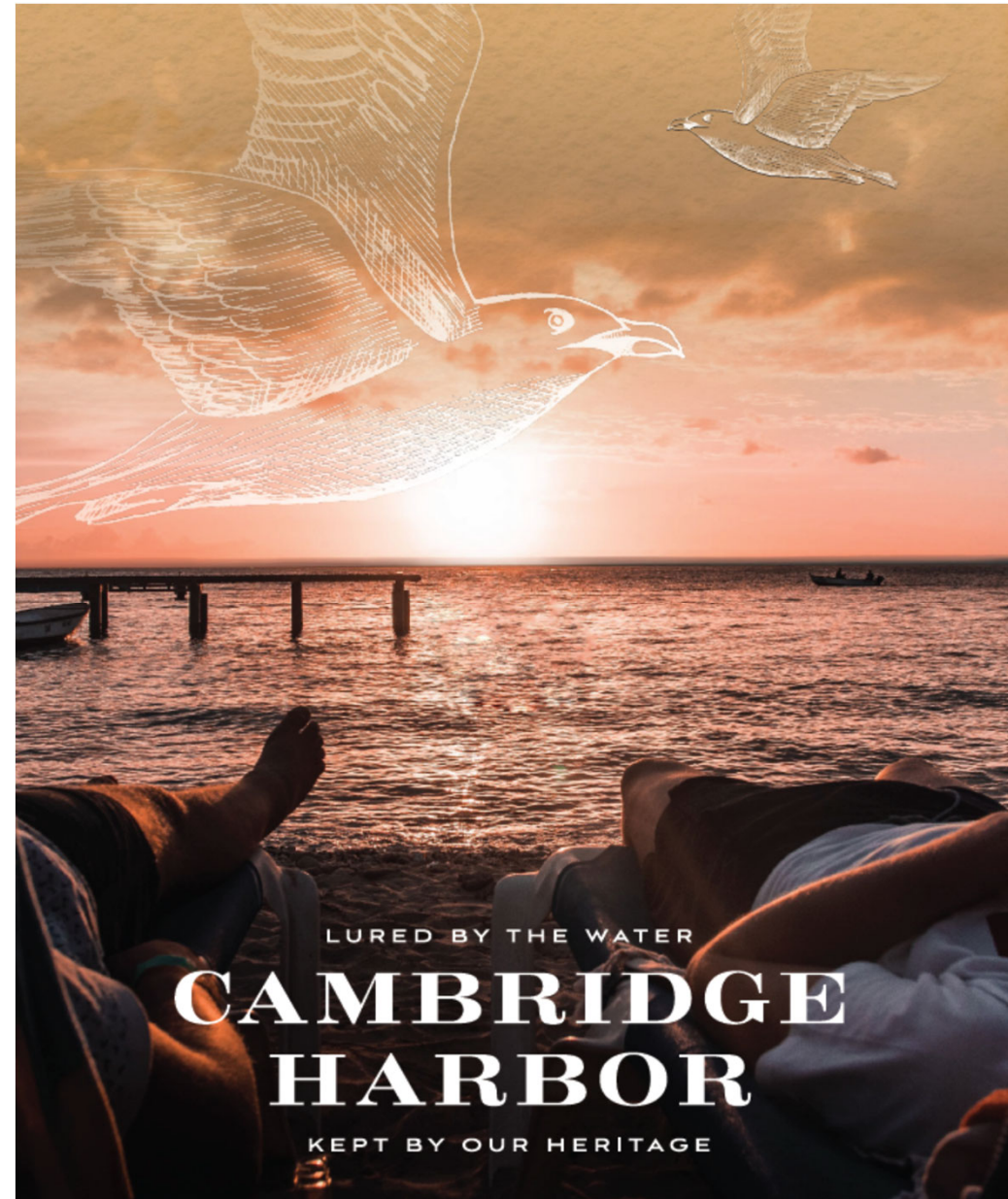


Regional Aspirational Hotel Supply

Name of Hotel	The Inn at Chesapeake Bay Beach Club	Tides Inn	Rod & Reel Resort	Hyatt Place	Hilton Garden Inn	Annapolis Waterfront Hotel
Location	Stevensville, MD	Irvington, VA	Chesapeake Beach, MD	Grasonville, MD	Grasonville, MD	Annapolis, MD
Class	Upper Upscale	Upper Upscale	Upper Midscale	Upscale	Upscale	Upper Upscale
Date Opened	2015	1947	2004	December 2022	2005	1968
Number of Rooms	77	70	71	120	91	150
Advertised Room Rates (as of July 2022)						
Peak	\$233 - \$564	\$359 - \$1,159	\$149 - \$229	\$124 - \$224	\$205 - \$482	\$254 - \$589
Non-Peak	\$219 - \$399	\$249 - \$449	\$107 - \$199	N/A	\$147 - \$335	\$232 - \$495
Facilities						
Waterfront Location	X	X	X	X	X	X
Complimentary Breakfast				X		
Restaurant	X	X	X	X	X	X
Outdoor Pool	X	X				
Indoor Pool	X		X	X	X	
Fitness Center	X	X	X	X	X	X
Spa	X	X				
Marina		X	X	X	X	X
Resort Fee		X	X			
Largest Meeting Room	5,400 sq. ft.	3,000 sq. ft.	6,000 sq. ft.	2,640 sq. ft.	1,450 sq. ft.	7,743 sq. ft.
Total Meeting Space	30,000 sq. ft.	1,000 sq. ft.	2,100 sq. ft.	2,640 sq. ft.	1,450 sq. ft.	3,337 sq. ft.

Subject Facility Recommendations

- 75-to-125 hotel guestrooms and suites, including some with river views and balconies
 - 90% standard guest rooms
 - 10% one-bedroom suites that offer separate living areas
- Ambitious food and beverage program with at least:
 - Three-meal F&B outlet with water-view/outdoor dining, full bar, and private dining room
 - Rooftop with revenue generating potential
- At least one 2,250± square foot event/meeting room with water views
- Spa (optional or a local partnership)
- A fitness center offering a variety of high-end fitness equipment
- Business center
- 24/7 market/retail/sundry shop
- Outdoor spaces featuring a fire pit and offering places to connect and relax
- Adequate guest parking



RFI Process

RFI Acknowledgement of Receipt

Please acknowledge receipt of this RFI by emailing the following to j.woodrum@revparintl.com no later than: August 12, 2022.

1. Your contact information (Company Name, Name, Title, Email, and Telephone)
2. If you plan to submit a proposal / response to the RFI
3. If you would like to attend the optional site tour

Submission Requirements

Please include the following information in your response in the order provided:

1. Cover letter
2. Company qualifications package as owner/developer and operator (if you plan to operate hotel as well) include history, legal status, indication of financial strength, and summary of key executives.
3. List of hotels developed, either solely or in partnership with another firm; please provide a minimum of two case studies
4. List of hotels under management (if any)
5. Your preferred market positioning, room count, and facilities (if different from proposed plan)
6. Anticipated financing and ownership structure
7. An estimated timeline to develop and open the hotel based on your assumptions
8. An outline of your terms to acquire the land and develop the property (initial/preliminary)

#	Milestones	Due Date
1	Pre-Submission Conference at 300 Bryn St. Cambridge, MD 21613	9am EST on 8/15/2022 (Register with gwenfike@cwdimd.org)
2	Hotel-Specific: Pre-Submission Conference at 300 Bryn St. Cambridge, MD 21613	TBD (Please express interest with gwenfike@cwdimd.org)
3	Submit Questions of Comments	5pm EST on 10/14/2022
4	Submission of Responses	5pm EST on 11/15/2022
5	Presentation by and interview of short-list	2-3 weeks after submission of response
6	Selection of preferred partner	Year-End 2022
7	Negotiation and signing of agreement	January 2023

RFI Process

Submission Details

Due Date: No later than November 15, 2022

Submittal:

1. Documents should be addressed to: CWDI Holdings, LLC, PO Box 1144, Cambridge, MD 21613. Attention: Matt Leonard, Executive Director
2. We will only be accepting electronic submissions of proposals. Please submit one (1) complete electronic document (including all attachments) in a searchable pdf. All submissions must be emailed to j.woodrum@revparintl.com.

Questions/Primary Points of Contact

Please direct all questions, inquiries, and correspondence associated with this RFI to the following individuals

Mr. Matt Leonard
Economic Director
Cambridge Waterfront Development, Inc
Telephone (434) 579-0374
Email: Matt.leonard@cwdimd.org

Mr. Robert Vitale
Vice President
REVPAR International, Inc.
Telephone: (703) 838-9707
Email: r.vitale@revparintl.com

Confidentiality and General Notes

- This RFI and the data contained within are collectively considered **Confidential Information**. As such, the RFI, along with any of its content in whole or in part, shall not be disclosed, divulged, or provided to any person or entity other than the Recipient and its in-house staff. Further, it may not be used for any other purpose except that stated above without the prior written consent of CWDI Holdings, LLC.
- Any submittal received after the deadline shall be returned to sender.
- CWDI Holdings, LLC and REVPAR International shall not be responsible for the loss or non-receipt or delay in the receipt of any response sent by email.
- Any and all costs associated with your company's visit to the subject site will be borne by you. Nothing in this letter should be construed as obligating the CWDI Holdings, LLC or REVPAR International to reimburse you for any costs associated with your submission.
- Nothing in this letter or solicitation obligates the CWDI Holdings, LLC to enter into an agreement with any party.
- It is the responsibility of each company to clearly mark any part of the submission considered to be of a proprietary or confidential nature.

CAMBRIDGE HARBOR

