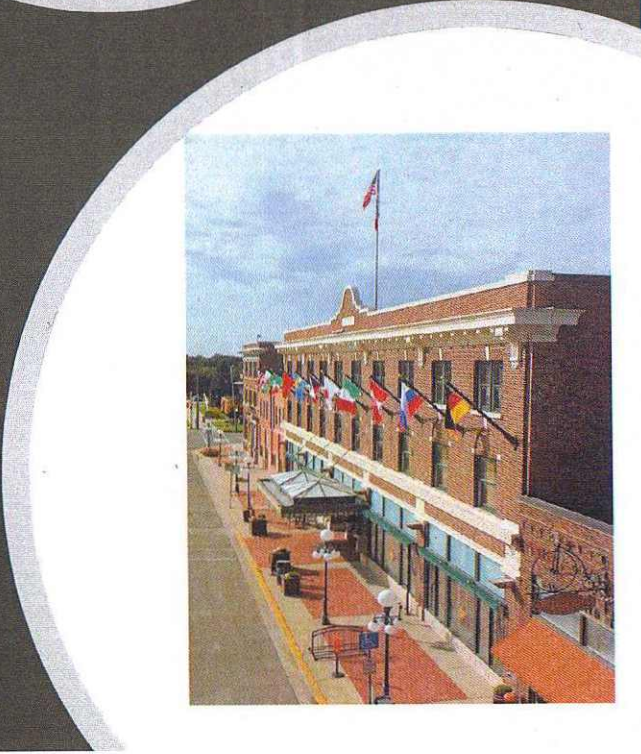
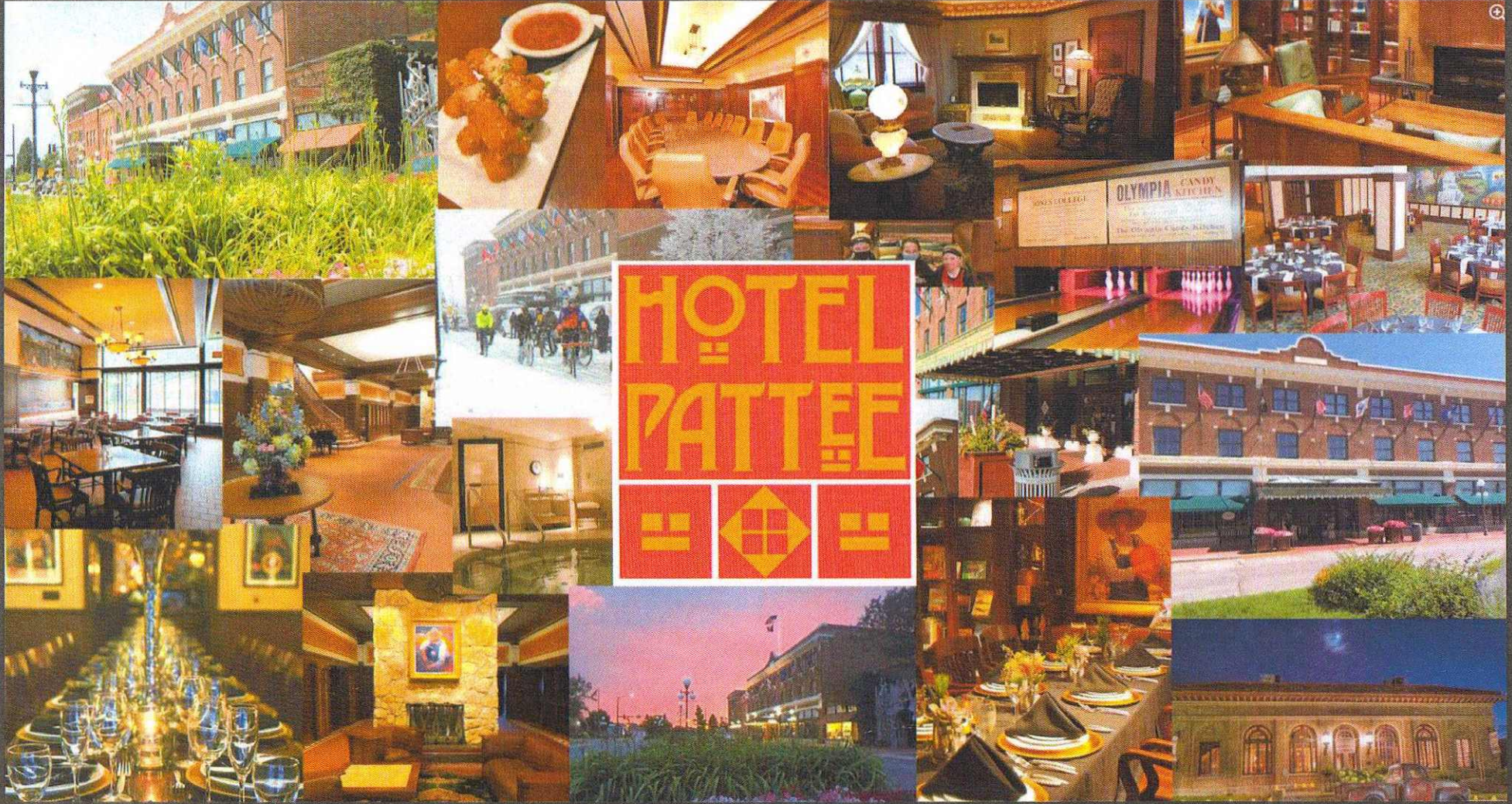




# HOTEL PATTEE & LA POSTE PUBLIC-PRIVATE PARTNERSHIP UPDATE







# Hotel Pattee Ownership Timeline – New Era



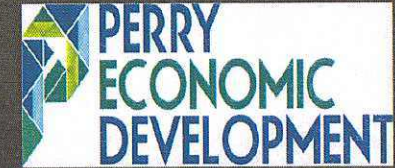
Roberta Ahmanson Green

1997



Jay & Denise Hartz

2013



Perry Economic Development

2021



2008

Leisure Hospitality



2018

Tom & Vickie Maxwell





# Project Status

- Effective April 1, 2021, Perry Economic Development concluded the agreement Perry Industries, Inc. (“PEDI”) and Perry Economic Development, Inc. (PED) had with Maxwell Hospitality, LLC and HPLP, LLC. to acquire the Hotel Pattee and La Poste assets.
- The public private-partnership funding model for the purchase and subsequent operation of the two properties includes a combination of public funding and private contributions. That funding includes a memorandum of understanding with the City of Perry to make initial economic contributions to the project that total more than \$650,000.
- The Hotel Pattee & La Poste Management Committee continues to oversee all facets of operations and is working toward the following deliverables:
  - Restoration of Hotel Facilities / Professional Facility Study
  - Lease of the Hotel & La Poste Properties to a Local Business Entity
  - Building Fund Capital Campaign Phase III
  - Creating the “Friends of Hotel Pattee” 501(c)(3) Charitable Foundation
  - Donation of the Hotel Pattee & La Poste to the City of Perry

## Hotel Pattee/La Poste Purchase

Purchase Price	\$ 2,000,000
Add: Closing Costs, Inventory Credit, etc.	\$ 16,000
<b>Total Gross Purchase Price</b>	<b>\$ 2,016,000</b>
Less: City of Perry Loan Forgiveness	\$ (350,000)
Less: Economic Development Agreement Recovery	\$ (62,500)
Less: Misc. Buyer Credits (Earnest, Prop. Tax Proration)	\$ (58,000)
<b>Total Buyer's Credits</b>	<b>\$ (470,500)</b>
<b>Net Purchase Price</b>	<b>\$ 1,603,500</b>





# Fundraising Overview



## Hotel Pattee & La Poste Project Cash Contributions to Date

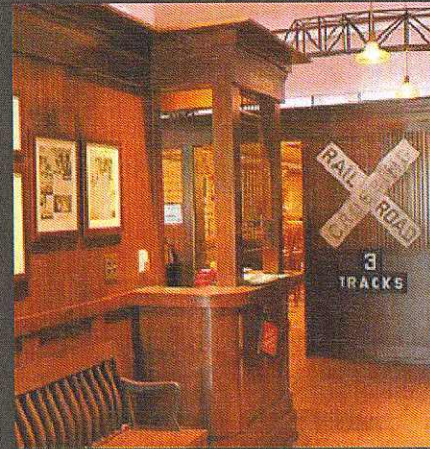
Osmundson Mfg. Co.	\$	500,000
Perry Economic Development	\$	300,000
City of Perry	\$	300,000
Wiese Foundation	\$	300,000
Perry Business & Community Donations	\$	492,135
<b>Total Cash Raised to Date</b>		<b>\$ 1,892,135</b>
City of Perry Loan Forgiveness	\$	350,000
City of Perry TIF Forgiveness	\$	93,000
Total In-Kind Donations	\$	11,500
<b>Total Economic Value Received to Date</b>		<b>\$ 2,346,635</b>



# Financial & Operations Recap

## 4/1/21 to 12/31/21

- Turned a Profit in 2021 (Expected \$100K Loss in 2021)
  - Over \$1.2MM in Gross Sales in 9 Months, During Pandemic
  - 3,600+ Hotel Rooms Sold
    - Avg. Daily Rate Over \$149 (High Water Mark)
  - Jenny Eklund, GM & Dr. Tom Burkgren, Operations Mgr.
  - 33 Employees on Staff for Total Payroll of \$527K
  - Employee Handbook Overhauled
  - Ray B. Smith Museum Store Reclamation & Conversion
- \*\*\*Significant Demand for Convention Space\*\*\*





# Hotel Pattee Facility Improvements

4/1/21 to Present

- \$174K+ in Maintenance Repair Expenses to Date
  - Highlights:
    - 1MM Gallon Water Heater - \$60K
    - Reupholster Booths & Furniture - \$8.3K
    - Hydraulic Oil & System Flush - \$8K
    - New Computers/Printers/Terminals - \$7.3K
    - Chiller Circulation Pump #2 Rebuilt - \$6.6K
    - Chiller Circulation Pump #1 Replace - \$4.5K
- \$20K+ in Experienced Maintenance Staff Salaries Paid
- All Major Systems Have Been Maintained, Inspected & Cleaned
- Perry Quilters Guild Has Donated 3 Quilts to Date
- New Access Control System Set for Immediate Install - \$30K





# A Perry Community-Owned Hotel







## About Perry Economic Development

### Mission Statement

Perry Economic Development partners with the city of Perry and others. We are a catalyst organization that supports and facilitates the sustainable growth and development of the city.

### Vision Statement

Perry is a progressive, financially viable, and diverse community; we advance the financial, social, and environmental well-being of our citizens and businesses, and we are development-ready, technology-savvy, entrepreneurial and innovation-friendly.

Since organizational inception in 1954, Perry's economic development group has attracted businesses and advanced the economic well-being of Perry, Iowa in significant and measurable ways. Its purposes extend beyond attracting new business and jobs to a dual focus of creating a climate for existing industry to grow. Perry Economic Development partners with the city of Perry and others. The organization is a catalyst organization that supports and facilitates the sustainable growth and development of the city.