



Interim Hospitality Consultants, LLC

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April 15, 2008

Paul Van Buskirk, AICP, PhD
City of Cape Coral
20120 Seagrove St., Unit 2405
Estero, FL, 33928

Via FedEx

Dear Mr. Buskirk:

This update of a report, entitled Feasibility Study and Financial Projections for a proposed hotel for the City of Cape Coral, Florida, which was prepared pursuant to our Letter of Agreement dated December 10, 2007, has been updated from the original Feasibility Study dated February 15, 2008, at the request of the Cape Coral Economic Development Office.

The report consists of a survey of the site and surrounding areas regarding the suitability for hotel development of the Cape Coral, Florida, area pertaining to transient lodging facilities; and based on these studies, estimates and assumptions, discussed in this report, the Financial Projections for the proposed hotel.

The scope of our work is described in the attached report and includes, among other things, the following steps: We discussed the demand for the proposed facilities with representatives of government, commerce, and industry. We revisited economic and demographic data and industrial growth statistics of the area. Existing and planned travel patterns, area approaches, hotels, restaurants, and lounges were surveyed and analyzed as they pertain to the proposed site.

In accordance with our engagement letter, we did not ascertain the legal and regulatory requirements applicable to this project, including zoning, permits, licenses, and other state and local government regulations. No effort has been made to determine the possible effect on this project of present or future federal, state, and local legislation, including any regarding environmental or ecological matters, nor has there been any analysis of the potential impact of possible energy shortages.

Our study is based on information developed from research of the market, knowledge of the industry, and conversations with you during which we were provided certain information. The sources of information and bases of our estimates and assumptions are stated in the body of this report. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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The accompanying projections are based on estimates and assumptions developed in connection with the Feasibility Study. However, certain assumptions may not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the projection period may vary from the forecasts, and the variations may be material.

The Author and Interim Hospitality Consultants will not be liable for errors or omissions in judgment, negligence, or other fault in connection with this Feasibility Study, except for acts of gross negligence, wilful malfeasance, or fraud.

The report included herein was prepared for your information and for use in connection with an application for franchising and financing the proposed project. The report should not be relied on for any other purpose.

We thank you for allowing Interim Hospitality Consultants to be of service to you.

Regards,



Edward L. Xanders, CHA
President



Bunny Nocera
Senior Research Analyst