



Equalization Department

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Staff Report for Abatement 4517

Friday, February 11, 2022

City: Fargo

Appellant: Fargo My Place, LLC – Represented by Fremstad Law Firm

Location: 2555 55th St S

Parcel Number: 01-8529-00100-000

Issue: Applicant is requesting a reduction in value for the 2019 Taxable Year

Summary

Fargo My Place Hotel is a 28,879 square foot hotel with 65 rooms. It was constructed in 2014 for \$3,272,300 (including land). The appellant supplied an income approach to value as well as financial statements as support for their requested value.

The abatement request was denied by the city of Fargo commission on a 5-0 vote.

2019 – From \$2,896,000 to \$1,710,000

Analysis

For an income analysis to effectively work for mass appraisal purposes, consideration must be given to local market rates (vacancy, room, expenses, etc.). I feel the income analysis provided by Fremstad Law Firm is property specific and does not reflect how similar properties would produce. Since a cost approach to value and a sales approach to value was not supplied by the appellant, there was no additional information to review from the appellant.

The City of Fargo Assessment Office supplied supporting information through a sales and cost analysis of the property, which demonstrated that the assessed value of the property is a fair and equitable representation of value for the 2019 taxable year.

Suggested motion

Deny the request for abatement 4517

City of Fargo Supporting Information

My Place

Parcel Number: 01-8529-00100-000

2555 55 St S

Owner: Fargo My Place LLC

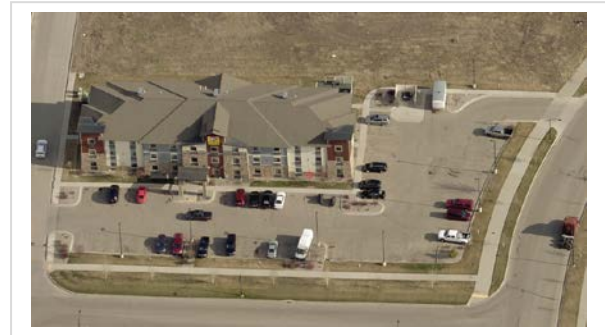
Appeal of Assessment for Year: 2019

Name of Applicant: Fargo My Place LLC
Representative: Joel Fremstad, Fremstad Law Firm

Assessed Value(s) 2019 \$ 2,896,000
Applicants Requested Value(s) 2019 \$ 1,710,000 -41.0%

General Property Information

Property Type Hotel / Motel
Year Built 2014
Building Area 28,879
Land Sale Price (03/03/2014) \$ 776,300
Declared Construction Cost \$ 2,496,000
Total Construction Cost (with land) \$ 3,272,300



Summary

Applicant provided financial statements and an income approach to value as support for the requested value. We are concerned with a lack of market evidence in applicant's supporting documentation. No comparable sales are provided as support. Applicant's requested value is significantly under (~ 48%) the relatively recent declared construction cost of the facility. City staff utilizes recent comparable sales as support for the True & Full Value. We also use a market driven cost model (est \$3.4M) and recent construction cost.

Comparable Sales Summary

Property Name/Type	Address	Sale Date	Contract Price	Adjusted Price	Year Built	Total \$/Room	Total \$ / SF
Holiday Inn Express	1040 40 St S	03/01/2016	\$ 9,000,000	\$ 7,681,000	1993	\$ 99,753	\$ 190.46
Holiday Inn Express	4711 19 Ave S	06/08/2017	\$ 14,224,000	\$ 12,113,300	2013	\$ 110,120	\$ 172.69
Four Points by Sheraton	5064 23 Ave S	03/26/2019	\$ 9,040,000	\$ 7,805,400	2013	\$ 86,727	\$ 121.43
Days Inn	1507 19 Ave N	09/20/2019	\$ 2,825,000	\$ 2,435,350	1994	\$ 40,589	\$ 87.44
MicroTel (West Fargo)	705 23 Ave E	06/01/2018	\$5,961,038	\$ 5,106,038	2014	\$58,023	\$124.30
Subject	2555 55 St S				2014	\$ 45,250	\$ 100.28

Competing Properties (Assessed Values) Summary

To test for uniformity among assessments, we studied the assessed valuations of similar properties. The sample set consists of hotel and motel properties that are 'suite style facilities'. We limited our search to those properties built after 1999. There are 10 such properties within Fargo. We found the assessed value range reasonably brackets the subject property. We feel the subject is equalized and fairly valued relative to its competitors.

	Value Per Room	Value Per SF
Maximum	\$ 74,726	\$ 101.70
3 rd Quartile	\$ 62,614	\$ 96.22
Median	\$ 58,466	\$ 90.66
1 st Quartile	\$ 48,891	\$ 80.56
Minimum	\$ 29,480	\$ 76.49
Subject	\$ 45,250	\$ 100.28

Recommended Action: Retain the current value of \$2,896,000 for the 2019 Tax Year.

Appellant Supporting Information

Valuation Analysis and Settlement Proposal

Fargo My Place LLC

TO: Fargo Assessor's Office
FROM: Counsel for Fargo My Place LLC
DATE: November 5, 2021
RE: 2555 55th Street South, Fargo, ND (PID 01-8529-00100-000)

Confidential Settlement Negotiations

Introduction

The above-listed applicant ("Taxpayer") has filed an Application for Abatement or Refund of Taxes relating to the February 1, 2019 assessment on its hotel property located at 2555 55th Street South in Fargo and identified by the Property ID Number 01-8529-00100-000 (the "Subject Property").

This memorandum will provide the Taxpayer's opinion and analysis of value for the Subject Property. Our intent with this memorandum is to begin a conversation concerning the value of the Subject Property, with the hope that the Taxpayer and the Assessor's Office can reach an agreement on the appropriate true and full value of the Subject Property ahead of any formal hearing.

Enclosed with this memorandum are year-end financial statements for the Subject Property containing information from 2015 through 2020.¹ The Taxpayer has formed its opinion of value based upon income approach analyses derived from this data. Although the only assessment date formally at issue is February 1, 2019, the Taxpayer's analysis also encompasses the

¹ Note that the 2015 and 2017 Year End financial statements are not available, but the financial information for those years is contained within the "Year-to-Date Previous Year" column on the 2016 and 2018 Year End statements, respectively.

February 1, 2020 and February 1, 2021 assessment dates. Our hope is to reach an agreement with the Assessor’s Office on true and full value for all three years under discussion.²

Summary of Assessments

Assessment Date	Feb. 1, 2019	Feb. 1, 2020	Feb. 1, 2021
Current Assessment	\$2,896,000	\$2,896,000	\$2,461,600
Owner’s Opinion of True and Full Value	\$1,710,000	N/A	N/A
Proposed Settlement	\$2,180,000	\$2,180,000	\$2,180,000

Income Approach

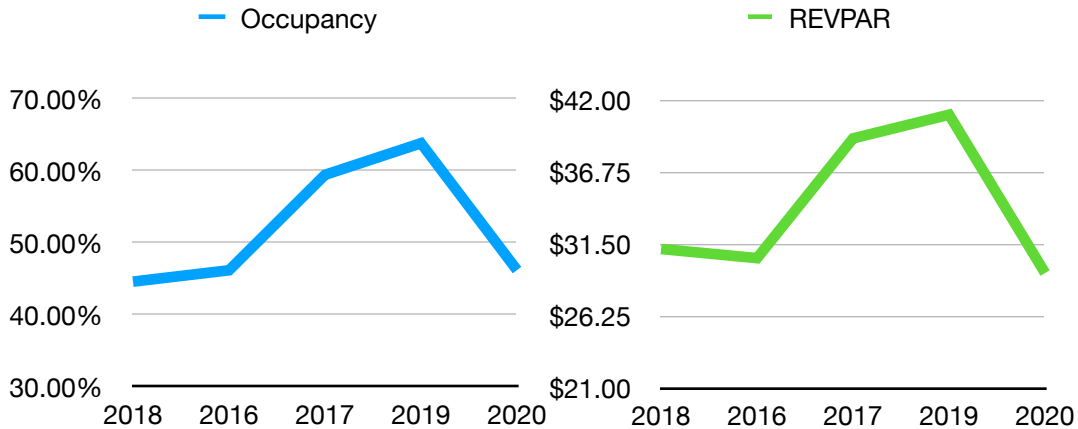
Taxpayer has prepared an analysis of value under the income approach. This analysis arrives at an indication of value under an assumption of market conditions. In other words, this analysis describes what an investor could expect to earn in rent from a particular property assuming that average daily rate, occupancy, expenses, and all other factors were in line with average performance throughout the market.

² Should we be unable to resolve this matter prior to a formal hearing, Taxpayer intends to submit a further memorandum for consideration by the Board of County Commissioners. Any such additional memorandum would summarize the law governing Applications for Abatement—information we omit here, since we presume it is already well known within the Assessor’s Office—and would focus solely upon the February 1, 2019 assessment date, rather than on a comprehensive settlement proposal. That said, our intent is that the substance of the valuation analysis presented herein would be the same as would be presented to the Board at a formal hearing.

Fargo MyPlace

The hotel industry measures the strength of a hotel using three key indicators: 1) Occupancy Rate, the percentage of available rooms that were sold through the year; 2) Average Daily Rate (ADR), the average rate paid for rooms sold; and 3) Revenue Per Available Room (RevPAR), which is the product of Occupancy Rate and ADR, and which represents the amount of gross revenue on a per room basis. RevPAR multiplied by the total number of rooms available in a year generates the total gross room revenue for the year.

In general, the financial performance of the Fargo MyPlace improved from 2016 to 2019. In 2020, the performance of the hotel dropped significantly, essentially wiping out the gains in performance since 2016. This drop in performance is likely due to reduced travel during the COVID-19 pandemic.



Taxpayer has performed an income approach analysis for the year prior to the assessment date, as well as two years prior to and subsequent to the assessment date. For each date of value, the income approach was based on the following information:

Potential Revenue

Taxpayer estimated market revenue based upon the actual financial performance of the hotel during the each calendar year.

Expenses

Expenses are based on actual expenses in each year. Real estate taxes are omitted from the expense analysis, and are instead loaded into the capitalization rate to derive a tax-neutral indication of value.

Extraction of business and personal property value

In order to derive an estimate of the real estate value of the Subject Property, the Taxpayer must segregate the amount of income which may be attributable to the tangible personal property—i.e., the furniture, fixtures and equipment, or FF&E—and deduct it from the income stream.

Similarly, a deduction from the revenue stream must be made in order to account for the value of intangible personal property, including the hotel franchise, its goodwill and its assembled workforce. Under generally accepted hotel valuation practices, this value can be captured with deductions for both management fees and franchise fees.

In order to properly account for all the income attributable to the tangible personal property, the analysis sets aside a replacement reserve of 4% of room revenue.

Capitalization Rate

Taxpayer has reviewed published capitalization rates for hotels in the Midwest as well as capitalization rates derived from regional hotel sales and has determined that a base capitalization rate between 8.0% and 8.5% is appropriate. Because the effective tax rate varies from year to year (while always approximating 1.4%), we have concluded to a loaded capitalization rate of 9.5%.

Settlement Proposal

Because the financial performance of the hotel has fluctuated over time, taxpayer proposes that the best way to determine true in full value is to consider the average indication of value over time. We have considered the average of our income approach analyses in three ways: from 2016-2018 (i.e., the three years prior to the assessment date); from 2018-2020 (i.e., each of the years prior to the three assessment dates we would propose a true and full value); and from 2016-2020 (i.e., giving an overall indication of value based on all five years of financial data available).

While arguments can be made for each of the three averages, Taxpayer has submitted its Application for Abatement based on the overall five-year average. Given the rise and fall of the financial performance of the Subject Property, we believe the five-year average paints the most accurate overall picture. The indicated true and full value for February 1, 2019 based on the five-year average is \$1,710,000 (rounded). This is the abatement that we would intend to request from the Board of County Commissioners.

In order to resolve this matter without the need for a formal hearing, Taxpayer would propose a settlement based upon the average financial performance from 2018-2020, which reflects the most recent economic activity at the Subject Property. The indicated true and full value under the 2018-2020 three-year average is \$2,180,000 (rounded). For purposes of settlement, Taxpayer would therefore propose to set the true and full value of the Subject Property at \$2,180,000 for February 1, 2019; February 1, 2020; and February 1, 2021.

Fargo My Place LLC
Statement of Operations
For the Twelve Months Ending Saturday, December 31, 2016

	Current Month	Ratio %	Current Month Previous Year	Ratio %	Current Month Budget	Ratio %	Year-to-Date	Ratio %	Year-to-Date Previous Year	Ratio %	Year-to-Date Budget	Ratio %
AVERAGE DAILY RATE	\$62.56	0.00%	\$62.74	0.00%		0.00%	\$69.71	0.00%	\$68.01	0.00%		0.00%
OCCUPANCY	31.45	0.00%	60.48	0.00%		0.00%	44.64	0.00%	52.83	0.00%		0.00%
Occupied rooms	624.00	0.00%	1,200.00	0.00%		0.00%	10,457.00	0.00%	12,342.00	0.00%		0.00%
Available rooms	1,984.00	0.00%	1,984.00	0.00%		0.00%	23,424.00	0.00%	23,360.00	0.00%		0.00%
REVENUES												
Room sales	39,037.11	99.34%	75,293.98	100.13%		0.00%	728,918.81	99.12%	839,356.25	99.03%		0.00%
Other operating revenue	260.55	0.66%	(99.96)	(0.13%)		0.00%	6,449.53	0.88%	8,188.81	0.97%		0.00%
Total Revenues	39,297.66	100.00%	75,194.02	100.00%		0.00%	735,368.34	100.00%	847,545.06	100.00%		0.00%
EXPENSES:												
Management wages	4,657.00	11.85%	3,883.04	5.16%		0.00%	48,934.76	6.65%	46,655.40	5.50%		0.00%
Front Desk wages	7,658.35	19.49%	8,722.31	11.60%		0.00%	100,789.39	13.71%	101,049.33	11.92%		0.00%
Housekeeping wages	3,697.36	9.41%	6,190.66	8.23%		0.00%	49,245.34	6.70%	53,133.08	6.27%		0.00%
Maintenance wages	1,754.51	4.46%	1,531.85	2.04%		0.00%	17,148.13	2.33%	11,265.56	1.33%		0.00%
Payroll taxes	1,617.79	4.12%	1,673.66	2.23%		0.00%	20,874.30	2.84%	19,207.17	2.27%		0.00%
Other employee benefits	898.55	2.29%	703.94	0.94%		0.00%	9,789.59	1.33%	11,630.09	1.37%		0.00%
Total Payroll Expense	20,283.56	51.62%	22,705.46	30.20%		0.00%	246,781.51	33.56%	242,940.63	28.66%		0.00%
Cleaning & laundry supplies	741.59	1.89%	5,991.68	7.97%		0.00%	10,574.16	1.44%	14,466.72	1.71%		0.00%
Linens	1,141.87	2.91%	1,057.56	1.41%		0.00%	4,540.27	0.62%	4,802.56	0.57%		0.00%
Guest room supplies	880.70	2.24%	1,151.71	1.53%		0.00%	6,251.80	0.85%	10,130.74	1.20%		0.00%
Other supplies	302.43	0.77%	1,475.57	1.96%		0.00%	9,830.85	1.34%	12,840.45	1.52%		0.00%
Telephone expense	259.46	0.66%	270.64	0.36%		0.00%	2,891.92	0.39%	3,746.16	0.44%		0.00%
Credit card expense	1,541.61	3.92%	2,129.56	2.83%		0.00%	20,530.43	2.79%	18,337.30	2.16%		0.00%
Travel & vehicle expense	1,625.73	4.14%	50.00	0.07%		0.00%	2,020.13	0.27%	1,398.40	0.16%		0.00%
Professional fees	1,194.93	3.04%	1,052.58	1.40%		0.00%	15,429.36	2.10%	13,712.16	1.62%		0.00%
Other	206.34	0.53%	307.51	0.41%		0.00%	2,335.50	0.32%	2,411.95	0.28%		0.00%
Cable & satellite TV	1,856.24	4.72%	1,349.71	1.79%		0.00%	16,197.96	2.20%	15,044.59	1.78%		0.00%
Repairs & maintenance	1,845.07	4.70%	3,472.67	4.62%		0.00%	35,788.11	4.87%	38,196.70	4.51%		0.00%
Utilities	5,820.89	14.81%	5,081.28	6.76%		0.00%	49,454.19	6.73%	51,722.09	6.10%		0.00%
Billboard expense	4,300.00	10.94%	4,300.00	5.72%		0.00%	51,845.00	7.05%	53,300.00	6.29%		0.00%
Complimentary food	679.20	1.73%	898.30	1.19%		0.00%	5,373.51	0.73%	8,793.66	1.04%		0.00%
Other marketing	1,795.48	4.57%	5,652.66	7.52%		0.00%	28,733.04	3.91%	34,267.96	4.04%		0.00%
Management fees	1,951.85	4.97%	3,764.69	5.01%		0.00%	36,442.68	4.96%	41,967.75	4.95%		0.00%
Adv & marketing fund	878.33	2.24%	1,694.11	2.25%		0.00%	16,399.17	2.23%	17,901.84	2.11%		0.00%
Royalties	1,561.48	3.97%	3,011.75	4.01%		0.00%	29,154.11	3.96%	26,229.07	3.09%		0.00%
Systems and training fees	(860.51)	(2.19%)		0.00%		0.00%	6,804.70	0.93%	4,549.10	0.54%		0.00%
Property taxes	3,963.04	10.08%	7,300.99	9.71%		0.00%	45,094.37	6.13%	44,601.98	5.26%		0.00%
Insurance	1,189.95	3.03%	1,650.72	2.20%		0.00%	18,059.75	2.46%	16,606.94	1.96%		0.00%
Bad debts		0.00%		0.00%		0.00%	1,396.82	0.19%		0.00%		0.00%
Total Operating Expenses	53,159.24	135.27%	74,369.15	98.90%		0.00%	661,929.34	90.01%	677,968.75	79.99%		0.00%
Net Operating Income	(13,861.58)	(35.27%)	824.87	1.10%		0.00%	73,439.00	9.99%	169,576.31	20.01%		0.00%
Interest expense	7,611.74	19.37%	12,224.54	16.26%		0.00%	140,470.25	19.10%	143,799.77	16.97%		0.00%
Depreciation & amortization	26,003.79	66.17%	25,984.83	34.56%		0.00%	208,921.03	28.41%	265,969.11	31.38%		0.00%
Non-operating income/expense	(41.73)	(0.11%)	(49.07)	(0.07%)		0.00%	(703.96)	(0.10%)	(805.64)	(0.10%)		0.00%
NET INCOME (LOSS)	(47,435.38)	(120.71%)	(37,335.43)	(49.65%)		0.00%	(275,248.32)	(37.43%)	(239,386.93)	(28.24%)		0.00%

Fargo My Place LLC
Statement of Operations
For the Twelve Months Ending Monday, December 31, 2018

	Current Month	Ratio %	Current Month Previous Year	Ratio %	Current Month Budget	Ratio %	Year-to-Date	Ratio %	Year-to-Date Previous Year	Ratio %	Year-to-Date Budget	Ratio %
AVERAGE DAILY RATE	\$61.57	0.00%	\$62.92	0.00%	\$60.68	0.00%	\$65.88	0.00%	\$65.89	0.00%	\$62.51	0.00%
OCCUPANCY	55.04	0.00%	50.76	0.00%	66.45	0.00%	59.47	0.00%	46.22	0.00%	75.44	0.00%
Occupied rooms	1,092.00	0.00%	1,007.00	0.00%	1,318.37	0.00%	13,893.00	0.00%	10,796.00	0.00%	17,623.75	0.00%
Available rooms	1,984.00	0.00%	1,984.00	0.00%	1,984.00	0.00%	23,360.00	0.00%	23,360.00	0.00%	23,360.00	0.00%
REVENUES												
Room sales	67,238.38	98.56%	63,364.33	99.48%	79,998.57	98.89%	915,315.93	99.01%	711,361.12	98.84%	1,101,712.71	98.92%
Other operating revenue	980.87	1.44%	333.88	0.52%	896.49	1.11%	9,189.62	0.99%	8,335.66	1.16%	11,984.10	1.08%
Total Revenues	68,219.25	100.00%	63,698.21	100.00%	80,895.06	100.00%	924,505.55	100.00%	719,696.78	100.00%	1,113,696.81	100.00%
EXPENSES:												
Management wages	5,264.00	7.72%	4,989.60	7.83%	4,583.33	5.67%	61,734.00	6.68%	49,409.60	6.87%	54,999.96	4.94%
Front Desk wages	8,952.51	13.12%	9,922.13	15.58%	8,878.90	10.98%	104,213.70	11.27%	106,561.09	14.81%	104,541.87	9.39%
Housekeeping wages	5,180.94	7.59%	6,410.65	10.06%	5,111.97	6.32%	70,834.30	7.66%	57,683.47	8.01%	68,336.04	6.14%
Maintenance wages	718.48	1.05%	1,502.16	2.36%	1,280.81	1.58%	12,352.77	1.34%	19,030.61	2.64%	15,369.72	1.38%
Payroll taxes	1,486.07	2.18%	1,860.77	2.92%	1,736.34	2.15%	20,620.60	2.23%	19,311.53	2.68%	21,272.23	1.91%
Other employee benefits	1,104.61	1.62%	46.12	0.07%	1,000.91	1.24%	10,510.02	1.14%	9,792.81	1.36%	12,010.92	1.08%
Total Payroll Expense	22,706.61	33.28%	24,731.43	38.83%	22,592.26	27.93%	280,265.39	30.32%	261,789.11	36.37%	276,530.74	24.83%
Cleaning & laundry supplies	230.42	0.34%	2,883.93	4.53%	764.65	0.95%	10,775.68	1.17%	11,206.02	1.56%	10,221.74	0.92%
Linens	4,301.30	6.31%	2,401.96	3.77%	619.63	0.77%	21,474.27	2.32%	14,467.89	2.01%	8,283.17	0.74%
Guest room supplies	544.01	0.80%	2,907.66	4.56%	777.84	0.96%	10,251.27	1.11%	10,173.95	1.41%	10,398.01	0.93%
Other supplies	1,077.91	1.58%	2,345.87	3.68%	780.16	0.96%	7,692.96	0.83%	9,781.02	1.36%	9,361.92	0.84%
Telephone expense	385.44	0.57%	637.08	1.00%	301.43	0.37%	3,959.18	0.43%	4,079.88	0.57%	3,617.16	0.32%
Credit card expense	1,697.68	2.49%	1,870.16	2.94%	2,425.80	3.00%	27,190.88	2.94%	19,684.97	2.74%	32,427.68	2.91%
Travel & vehicle expense	659.64	0.97%	1,509.29	2.37%	41.67	0.05%	1,496.72	0.16%	4,506.35	0.63%	500.04	0.04%
Professional fees	1,603.89	2.35%	4,759.49	7.47%	1,702.00	2.10%	20,471.43	2.21%	20,246.72	2.81%	20,424.00	1.83%
Other	256.12	0.38%	125.71	0.20%	197.91	0.24%	5,346.82	0.58%	2,439.33	0.34%	2,374.92	0.21%
Cable & satellite TV	486.87	0.71%	3,218.64	5.05%	1,586.43	1.96%	18,341.29	1.98%	19,676.86	2.73%	19,037.16	1.71%
Repairs & maintenance	1,506.19	2.21%	1,991.27	3.13%	2,125.00	2.63%	53,349.80	5.77%	31,798.48	4.42%	25,500.00	2.29%
Utilities	6,063.94	8.89%	6,499.42	10.20%	4,801.16	5.94%	59,025.70	6.38%	54,532.81	7.58%	57,613.92	5.17%
Billboard expense		0.00%		0.00%	1,540.00	1.90%		0.00%	19,350.00	2.69%	18,480.00	1.66%
Complimentary food		0.00%	1,584.72	2.49%	672.37	0.83%	5,618.62	0.61%	6,606.48	0.92%	8,988.11	0.81%
Other marketing	2,017.67	2.96%	3,744.19	5.88%	2,088.30	2.58%	33,191.08	3.59%	32,716.14	4.55%	28,390.25	2.55%
Management fees	3,361.91	4.93%	3,168.21	4.97%	3,999.93	4.94%	45,765.72	4.95%	35,568.00	4.94%	55,085.63	4.95%
Adv & marketing fund	1,512.86	2.22%	1,425.69	2.24%	1,799.97	2.23%	20,594.54	2.23%	16,005.55	2.22%	24,788.53	2.23%
Royalties	2,689.53	3.94%	2,534.57	3.98%	3,199.94	3.96%	36,612.60	3.96%	28,454.38	3.95%	44,068.49	3.96%
Systems and training fees	789.28	1.16%	6,538.93	10.27%	1,083.33	1.34%	11,762.55	1.27%	19,565.66	2.72%	12,999.96	1.17%
Property taxes	2,861.44	4.19%	5,123.28	8.04%	3,985.43	4.93%	45,577.17	4.93%	47,825.16	6.65%	47,825.16	4.29%
Insurance	1,634.99	2.40%	3,203.56	5.03%	1,379.42	1.71%	16,411.16	1.78%	17,918.83	2.49%	16,553.04	1.49%
Bad debts		0.00%		0.00%	75.00	0.09%	655.60	0.07%	366.46	0.05%	900.00	0.08%
Total Operating Expenses	56,387.70	82.66%	83,205.06	130.62%	58,539.63	72.36%	735,830.43	79.59%	688,760.05	95.70%	734,369.63	65.94%
Net Operating Income	11,831.55	17.34%	(19,506.85)	(30.62%)	22,355.43	27.64%	188,675.12	20.41%	30,936.73	4.30%	379,327.18	34.06%
Interest expense	10,932.68	16.03%	8,423.72	13.22%	10,932.10	13.51%	133,070.58	14.39%	135,144.88	18.78%	131,135.08	11.77%
Depreciation & amortization	13,292.03	19.48%	13,526.14	21.23%	13,526.00	16.72%	159,503.92	17.25%	162,313.02	22.55%	162,312.00	14.57%
Non-operating income/expense	12,146.87	17.81%	(36.25)	(0.06%)		0.00%	9,160.86	0.99%	(2,551.52)	(0.35%)		0.00%
NET INCOME (LOSS)	(24,540.03)	(35.97%)	(41,420.46)	(65.03%)	(2,102.67)	(2.60%)	(113,060.24)	(12.23%)	(263,969.65)	(36.68%)	85,880.10	7.71%

Fargo My Place LLC
 Statement of Operations
 For the Twelve Months Ending Tuesday, December 31, 2019

	Current Month	Ratio	Current Month	Ratio	Current Month	Ratio	Year-to-Date	Ratio	Year-to-Date	Ratio	Year-to-Date	Ratio
		%	Previous Year	%	Budget	%		%	Previous Year	%	Budget	%
AVERAGE DAILY RATE	\$65.12	0.00%	\$61.57	0.00%	\$64.18	0.00%	\$64.06	0.00%	\$65.88	0.00%	\$70.55	0.00%
OCCUPANCY	42.29	0.00%	55.04	0.00%	58.76	0.00%	63.87	0.00%	59.47	0.00%	69.95	0.00%
Occupied rooms	839.00	0.00%	1,092.00	0.00%	1,165.72	0.00%	14,919.00	0.00%	13,893.00	0.00%	16,340.08	0.00%
Available rooms	1,984.00	0.00%	1,984.00	0.00%	1,984.00	0.00%	23,360.00	0.00%	23,360.00	0.00%	23,360.00	0.00%
REVENUES												
Room sales	54,634.31	97.50%	67,238.38	98.56%	74,815.91	98.95%	955,659.99	97.96%	915,315.93	99.01%	1,152,735.45	99.05%
Other operating revenue	1,398.84	2.50%	980.87	1.44%	792.70	1.05%	19,914.33	2.04%	9,189.62	0.99%	11,111.28	0.95%
Total Revenues	56,033.15	100.00%	68,219.25	100.00%	75,608.61	100.00%	975,574.32	100.00%	924,505.55	100.00%	1,163,846.73	100.00%
EXPENSES:												
Management wages	5,858.40	10.46%	5,264.00	7.72%	4,666.67	6.17%	65,630.00	6.73%	61,734.00	6.68%	56,000.04	4.81%
Front Desk wages	9,122.32	16.28%	8,952.51	13.12%	8,916.84	11.79%	107,378.23	11.01%	104,213.70	11.27%	104,988.60	9.02%
Housekeeping wages	4,805.52	8.58%	5,180.94	7.59%	5,429.34	7.18%	65,484.87	6.71%	70,834.30	7.66%	76,103.93	6.54%
Maintenance wages	1,272.05	2.27%	718.48	1.05%	1,573.41	2.08%	12,133.54	1.24%	12,352.77	1.34%	18,880.92	1.62%
Payroll taxes	1,549.92	2.77%	1,486.07	2.18%	1,719.43	2.27%	20,250.95	2.08%	20,620.60	2.23%	21,379.67	1.84%
Other employee benefits	1,143.84	2.04%	1,104.61	1.62%	801.63	1.06%	10,934.77	1.12%	10,510.02	1.14%	9,619.56	0.83%
Total Payroll Expense	23,752.05	42.39%	22,706.61	33.28%	23,107.32	30.56%	281,812.36	28.89%	280,265.39	30.32%	286,972.72	24.66%
Cleaning & laundry supplies	734.70	1.31%	230.42	0.34%	769.38	1.02%	9,731.96	1.00%	10,775.68	1.17%	10,784.46	0.93%
Linens	117.66	0.21%	4,301.30	6.31%	606.17	0.80%	935.24	0.10%	21,474.27	2.32%	8,496.82	0.73%
Guest room supplies	1,189.50	2.12%	544.01	0.80%	699.43	0.93%	13,230.62	1.36%	10,251.27	1.11%	9,804.03	0.84%
Other supplies	1,122.48	2.00%	1,077.91	1.58%	844.20	1.12%	9,817.51	1.01%	7,692.96	0.83%	10,130.40	0.87%
Telephone expense	246.68	0.44%	385.44	0.57%	369.46	0.49%	3,391.17	0.35%	3,959.18	0.43%	4,433.52	0.38%
Credit card expense	1,319.96	2.36%	1,697.68	2.49%	2,273.15	3.01%	21,168.15	2.17%	27,190.88	2.94%	31,863.17	2.74%
Travel & vehicle expense	50.00	0.09%	659.64	0.97%	320.84	0.42%	3,759.61	0.39%	1,496.72	0.16%	3,850.08	0.33%
Professional fees	1,641.17	2.93%	1,603.89	2.35%	1,918.50	2.54%	20,972.04	2.15%	20,471.43	2.21%	23,022.00	1.98%
Other	392.77	0.70%	256.12	0.38%	460.41	0.61%	5,136.06	0.53%	5,346.82	0.58%	5,524.92	0.47%
Cable & satellite TV	1,471.25	2.63%	486.87	0.71%	1,724.12	2.28%	18,852.53	1.93%	18,341.29	1.98%	20,689.44	1.78%
Repairs & maintenance	4,462.61	7.96%	1,506.19	2.21%	2,208.34	2.92%	46,654.60	4.78%	53,349.80	5.77%	26,500.08	2.28%
Utilities	6,304.33	11.25%	6,063.94	8.89%	5,192.81	6.87%	60,088.40	6.16%	59,025.70	6.38%	62,313.72	5.35%
Complimentary food	307.43	0.55%		0.00%	571.20	0.76%	8,215.44	0.84%	5,618.62	0.61%	8,006.65	0.69%
Other marketing	1,304.74	2.33%	2,017.67	2.96%	2,577.04	3.41%	25,209.70	2.58%	33,191.08	3.59%	37,782.49	3.25%
Management fees	2,731.71	4.88%	3,361.91	4.93%	3,740.80	4.95%	47,782.94	4.90%	45,765.72	4.95%	57,636.77	4.95%
Adv & marketing fund	1,229.27	2.19%	1,512.86	2.22%	1,683.36	2.23%	21,502.29	2.20%	20,594.54	2.23%	25,936.55	2.23%
Royalties	2,185.37	3.90%	2,689.53	3.94%	2,992.64	3.96%	38,226.35	3.92%	36,612.60	3.96%	46,109.41	3.96%
Stay rewarded program fees	546.34	0.98%		0.00%		0.00%	6,274.59	0.64%		0.00%		0.00%
Systems and training fees	940.13	1.68%	789.28	1.16%	791.67	1.05%	12,092.06	1.24%	11,762.55	1.27%	9,500.04	0.82%
Property taxes	4,838.95	8.64%	2,861.44	4.19%	3,985.42	5.27%	46,617.94	4.78%	45,577.17	4.93%	47,825.04	4.11%
Insurance	2,044.12	3.65%	1,634.99	2.40%	1,452.58	1.92%	16,723.04	1.71%	16,411.16	1.78%	17,430.96	1.50%
Bad debts	391.17	0.70%		0.00%	75.00	0.10%	2,948.32	0.30%	655.60	0.07%	900.00	0.08%
Total Operating Expenses	59,324.39	105.87%	56,387.70	82.66%	58,363.84	77.19%	721,143.28	73.92%	735,830.43	79.59%	755,513.27	64.92%
Net Operating Income	(3,291.24)	(5.87%)	11,831.55	17.34%	17,244.77	22.81%	254,431.04	26.08%	188,675.12	20.41%	408,333.46	35.08%
Interest expense	9,343.98	16.68%	10,932.68	16.03%	10,463.85	13.84%	125,758.08	12.89%	133,070.58	14.39%	125,734.62	10.80%
Depreciation & amortization	15,914.98	28.40%	13,292.03	19.48%	10,893.00	14.41%	160,850.56	16.49%	159,503.92	17.25%	130,716.00	11.23%
Non-operating income/expense	(29.69)	(0.05%)	12,146.87	17.81%		0.00%	(2,450.42)	(0.25%)	9,160.86	0.99%		0.00%
NET INCOME (LOSS)	(28,520.51)	(50.90%)	(24,540.03)	(35.97%)	(4,112.08)	(5.44%)	(29,727.18)	(3.05%)	(113,060.24)	(12.23%)	151,882.84	13.05%

Fargo My Place LLC
 Statement of Operations
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	Current Month	Ratio %	Current Month Previous Year	Ratio %	Current Month Budget	Ratio %	Year-to-Date	Ratio %	Year-to-Date Previous Year	Ratio %	Year-to-Date Budget	Ratio %
AVERAGE DAILY RATE	\$65.12	0.00%	\$61.57	0.00%	\$64.18	0.00%	\$64.06	0.00%	\$65.88	0.00%	\$70.55	0.00%
OCCUPANCY	42.29	0.00%	55.04	0.00%	58.76	0.00%	63.87	0.00%	59.47	0.00%	69.95	0.00%
Occupied rooms:												
Occupied Rooms	839.00		1,092.00		1,165.72		14,919.00		13,893.00		16,340.08	
Total Occupied rooms	<u>839.00</u>	0.00%	<u>1,092.00</u>	0.00%	<u>1,165.72</u>	0.00%	<u>14,919.00</u>	0.00%	<u>13,893.00</u>	0.00%	<u>16,340.08</u>	0.00%
Available rooms:												
Rooms Available	1,984.00		1,984.00		1,984.00		23,360.00		23,360.00		23,360.00	
Total Available rooms	<u>1,984.00</u>	0.00%	<u>1,984.00</u>	0.00%	<u>1,984.00</u>	0.00%	<u>23,360.00</u>	0.00%	<u>23,360.00</u>	0.00%	<u>23,360.00</u>	0.00%
REVENUES												
Room sales:												
Room Sales	54,634.31		67,238.38		74,815.91		955,659.99		915,315.93		1,152,735.45	
Total Room sales	<u>54,634.31</u>	97.50%	<u>67,238.38</u>	98.56%	<u>74,815.91</u>	98.95%	<u>955,659.99</u>	97.96%	<u>915,315.93</u>	99.01%	<u>1,152,735.45</u>	99.05%
Other operating revenue:												
Sales Rev-C Store	1,560.14		1,550.00		1,340.58		17,739.34		15,560.98		18,791.10	
Sales Rev-Breakfast	40.41		58.37		46.63		843.88		570.23		653.61	
Cost of Sales-C Store	(786.96)		(1,138.63)		(1,398.86)		(13,899.92)		(16,667.44)		(19,608.10)	
Cost of Sales-KitUtensils							(45.02)					
Rev-Gst Lndry	203.25		188.75		291.43		4,867.35		3,727.50		4,085.02	
Cash Short/Over	(4.50)		(67.62)		(23.31)		4,433.70		(161.65)		(326.79)	
Misc Operating Income	386.50		390.00		536.23		5,975.00		6,160.00		7,516.44	
Total Other operating revenue	<u>1,398.84</u>	2.50%	<u>980.87</u>	1.44%	<u>792.70</u>	1.05%	<u>19,914.33</u>	2.04%	<u>9,189.62</u>	0.99%	<u>11,111.28</u>	0.95%
Total Revenues	<u>56,033.15</u>	100.00%	<u>68,219.25</u>	100.00%	<u>75,608.61</u>	100.00%	<u>975,574.32</u>	100.00%	<u>924,505.55</u>	100.00%	<u>1,163,846.73</u>	100.00%
EXPENSES:												
Management wages:												
Manager wages	5,858.40		5,264.00		4,666.67		65,630.00		61,734.00		56,000.04	
Total Management wages	<u>5,858.40</u>	10.46%	<u>5,264.00</u>	7.72%	<u>4,666.67</u>	6.17%	<u>65,630.00</u>	6.73%	<u>61,734.00</u>	6.68%	<u>56,000.04</u>	4.81%
Front Desk wages:												
Front Desk Wages	9,122.32		8,952.51		8,916.84		107,378.23		104,213.70		104,988.60	
Total Front Desk wages	<u>9,122.32</u>	16.28%	<u>8,952.51</u>	13.12%	<u>8,916.84</u>	11.79%	<u>107,378.23</u>	11.01%	<u>104,213.70</u>	11.27%	<u>104,988.60</u>	9.02%
Housekeeping wages:												
Housekeeping wages	4,805.52		5,180.94		5,429.34		65,484.87		70,834.30		76,103.93	
Total Housekeeping wages	<u>4,805.52</u>	8.58%	<u>5,180.94</u>	7.59%	<u>5,429.34</u>	7.18%	<u>65,484.87</u>	6.71%	<u>70,834.30</u>	7.66%	<u>76,103.93</u>	6.54%
Maintenance wages:												
Maintenance wages	1,272.05		718.48		1,573.41		12,133.54		12,352.77		18,880.92	
Total Maintenance wages	<u>1,272.05</u>	2.27%	<u>718.48</u>	1.05%	<u>1,573.41</u>	2.08%	<u>12,133.54</u>	1.24%	<u>12,352.77</u>	1.34%	<u>18,880.92</u>	1.62%
Payroll taxes:												
FICA	1,478.61		1,398.15		1,719.43		19,091.87		19,048.94		21,379.67	

Fargo My Place LLC
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	Current Month	Ratio %	Current Month Previous Year	Ratio %	Current Month Budget	Ratio %	Year-to-Date	Ratio %	Year-to-Date Previous Year	Ratio %	Year-to-Date Budget	Ratio %
Federal Unemployment	50.32		48.40				828.20		903.33			
State Unemployment	20.99		39.52				330.88		668.33			
Total Payroll taxes	1,549.92	2.77%	1,486.07	2.18%	1,719.43	2.27%	20,250.95	2.08%	20,620.60	2.23%	21,379.67	1.84%
Other employee benefits:												
Group Insurance	711.37		687.45		590.37		8,443.66		8,799.21		7,084.44	
Workmens Compensation	66.46		147.19		66.70		1,443.42		588.76		800.40	
Other Employee Benefits	366.01		269.97		144.56		1,047.69		1,122.05		1,734.72	
Total Other employee benefits	1,143.84	2.04%	1,104.61	1.62%	801.63	1.06%	10,934.77	1.12%	10,510.02	1.14%	9,619.56	0.83%
Total Payroll Expense	23,752.05	42.39%	22,706.61	33.28%	23,107.32	30.56%	281,812.36	28.89%	280,265.39	30.32%	286,972.72	24.66%
Cleaning & laundry supplies:												
Cleaning Supplies	206.91		230.42		291.43		3,946.91		5,776.65		4,085.02	
Laundry Supplies	527.79				477.95		5,785.05		4,999.03		6,699.44	
Total Cleaning & laundry supplies	734.70	1.31%	230.42	0.34%	769.38	1.02%	9,731.96	1.00%	10,775.68	1.17%	10,784.46	0.93%
Linens:												
Linens	117.66		4,301.30		606.17		935.24		21,474.27		8,496.82	
Total Linens	117.66	0.21%	4,301.30	6.31%	606.17	0.80%	935.24	0.10%	21,474.27	2.32%	8,496.82	0.73%
Guest room supplies:												
Guest Room Supplies	1,189.50		544.01		699.43		13,230.62		10,251.27		9,804.03	
Total Guest room supplies	1,189.50	2.12%	544.01	0.80%	699.43	0.93%	13,230.62	1.36%	10,251.27	1.11%	9,804.03	0.84%
Other supplies:												
Uniforms			531.10		178.75		1,134.86		1,635.19		2,145.00	
Pest Control	563.72		151.00		322.25		4,201.62		3,421.21		3,867.00	
Maintenance Supplies	93.65				40.65		772.51		405.41		487.80	
Other Supplies					3.38		210.34		39.46		40.56	
Postage	11.70		6.70		10.66		112.00		109.69		127.92	
Office Supplies	453.41		389.11		288.51		3,386.18		2,082.00		3,462.12	
Total Other supplies	1,122.48	2.00%	1,077.91	1.58%	844.20	1.12%	9,817.51	1.01%	7,692.96	0.83%	10,130.40	0.87%
Telephone expense:												
Local Phone Service	208.89		293.00		369.46		2,981.29		3,508.87		4,433.52	
Long Distance-Mgmt	37.79		92.44				409.88		450.31			
Total Telephone expense	246.68	0.44%	385.44	0.57%	369.46	0.49%	3,391.17	0.35%	3,959.18	0.43%	4,433.52	0.38%
Credit card expense:												
Credit Card Expense	1,319.96		1,697.68		2,273.15		21,168.15		27,190.88		31,863.17	
Total Credit card expense	1,319.96	2.36%	1,697.68	2.49%	2,273.15	3.01%	21,168.15	2.17%	27,190.88	2.94%	31,863.17	2.74%
Travel & vehicle expense:												
Travel					83.33		72.00				999.96	
Meals and Entertainment			177.98		41.67		204.51		177.98		500.04	
Vehicle Expense	50.00		292.90		50.00		833.90		909.89		600.00	
Lodging			188.76		41.67		1,131.20		408.85		500.04	

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	Current Month	Ratio %	Current Month Previous Year	Ratio %	Current Month Budget	Ratio %	Year-to-Date	Ratio %	Year-to-Date Previous Year	Ratio %	Year-to-Date Budget	Ratio %
Convention & Meeting Expenses					104.17		1,518.00				1,250.04	
Total Travel & vehicle expense	50.00	0.09%	659.64	0.97%	320.84	0.42%	3,759.61	0.39%	1,496.72	0.16%	3,850.08	0.33%
Professional fees:												
Internal Accounting	1,641.17		1,603.89		1,918.50		20,972.04		20,471.43		23,022.00	
Total Professional fees	1,641.17	2.93%	1,603.89	2.35%	1,918.50	2.54%	20,972.04	2.15%	20,471.43	2.21%	23,022.00	1.98%
Other:												
Dues & Subscriptions	250.00				291.67		1,238.83		3,339.40		3,500.04	
Licenses & Fees					58.33		843.82		700.96		699.96	
Use Tax	32.07		24.93		37.50		625.50		389.92		450.00	
Bank Charges	39.15		36.08		45.83		472.50		518.25		549.96	
Miscellaneous Expense	71.55		195.11		27.08		1,955.41		398.29		324.96	
Total Other	392.77	0.70%	256.12	0.38%	460.41	0.61%	5,136.06	0.53%	5,346.82	0.58%	5,524.92	0.47%
Cable & satellite TV:												
Cable & Satellite TV	1,175.67		333.53		1,405.04		15,361.95		15,121.05		16,860.48	
High Speed Internet	295.58		153.34		319.08		3,490.58		3,220.24		3,828.96	
Total Cable & satellite TV	1,471.25	2.63%	486.87	0.71%	1,724.12	2.28%	18,852.53	1.93%	18,341.29	1.98%	20,689.44	1.78%
Repairs & maintenance:												
Building	1,570.87		86.00		416.67		10,574.37		14,693.56		5,000.04	
Parking Lot & Grounds	1,125.79		1,220.50		750.00		19,568.15		10,826.18		9,000.00	
Furniture & Equipment	1,765.95		112.94		500.00		11,444.64		20,200.17		6,000.00	
Floor Coverings			86.75		250.00		3,444.80		4,586.51		3,000.00	
Elevator					250.00		1,622.64		2,522.88		3,000.00	
Other R & M					41.67				520.50		500.04	
Total Repairs & maintenance	4,462.61	7.96%	1,506.19	2.21%	2,208.34	2.92%	46,654.60	4.78%	53,349.80	5.77%	26,500.08	2.28%
Utilities:												
Electricity	4,967.00		4,800.00		3,772.77		44,507.00		43,574.00		45,273.24	
Gas	237.56		319.20		234.00		2,933.59		2,650.02		2,808.00	
Water and Sewer	829.58		742.10		968.07		9,910.22		10,287.00		11,616.84	
Garbage Removal	270.19		202.64		217.97		2,737.59		2,514.68		2,615.64	
Total Utilities	6,304.33	11.25%	6,063.94	8.89%	5,192.81	6.87%	60,088.40	6.16%	59,025.70	6.38%	62,313.72	5.35%
Complimentary food:												
Complimentary Food & Beverage	307.43				571.20		8,215.44		5,618.62		8,006.65	
Total Complimentary food	307.43	0.55%		0.00%	571.20	0.76%	8,215.44	0.84%	5,618.62	0.61%	8,006.65	0.69%
Other marketing:												
Printed Media	300.04				179.14		1,660.64		1,172.53		2,149.68	
Travel Agent Commissions	731.83		1,805.16		2,012.55		18,576.93		23,385.66		31,008.59	
Guest Relations & Promotions	174.54		77.06		93.69		694.67		743.04		1,124.28	
Other Advertising & Promotion	98.33		110.09		291.66		4,117.16		7,792.92		3,499.94	
Help Wanted Adv			25.36				160.30		96.93			
Total Other marketing	1,304.74	2.33%	2,017.67	2.96%	2,577.04	3.41%	25,209.70	2.58%	33,191.08	3.59%	37,782.49	3.25%

Fargo My Place LLC
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	Current Month	Ratio %	Current Month Previous Year	Ratio %	Current Month Budget	Ratio %	Year-to-Date	Ratio %	Year-to-Date Previous Year	Ratio %	Year-to-Date Budget	Ratio %
Management fees:												
Management fees	2,731.71		3,361.91		3,740.80		47,782.94		45,765.72		57,636.77	
Total Management fees	<u>2,731.71</u>	4.88%	<u>3,361.91</u>	4.93%	<u>3,740.80</u>	4.95%	<u>47,782.94</u>	4.90%	<u>45,765.72</u>	4.95%	<u>57,636.77</u>	4.95%
Adv & marketing fund:												
Advertising Fund Fees	1,229.27		1,512.86		1,683.36		21,502.29		20,594.54		25,936.55	
Total Adv & marketing fund	<u>1,229.27</u>	2.19%	<u>1,512.86</u>	2.22%	<u>1,683.36</u>	2.23%	<u>21,502.29</u>	2.20%	<u>20,594.54</u>	2.23%	<u>25,936.55</u>	2.23%
Royalties:												
Royalties	2,185.37		2,689.53		2,992.64		38,226.35		36,612.60		46,109.41	
Total Royalties	<u>2,185.37</u>	3.90%	<u>2,689.53</u>	3.94%	<u>2,992.64</u>	3.96%	<u>38,226.35</u>	3.92%	<u>36,612.60</u>	3.96%	<u>46,109.41</u>	3.96%
Stay rewarded program fees:												
Stay Rewarded	546.34						6,274.59					
Total Stay rewarded program fees	<u>546.34</u>	0.98%	<u></u>	0.00%	<u></u>	0.00%	<u>6,274.59</u>	0.64%	<u></u>	0.00%	<u></u>	0.00%
Systems and training fees:												
System and training fees	940.13		789.28		791.67		12,092.06		11,762.55		9,500.04	
Total Systems and training fees	<u>940.13</u>	1.68%	<u>789.28</u>	1.16%	<u>791.67</u>	1.05%	<u>12,092.06</u>	1.24%	<u>11,762.55</u>	1.27%	<u>9,500.04</u>	0.82%
Property taxes:												
Real Estate Taxes	4,838.95		2,861.44		3,985.42		46,617.94		45,577.17		47,825.04	
Total Property taxes	<u>4,838.95</u>	8.64%	<u>2,861.44</u>	4.19%	<u>3,985.42</u>	5.27%	<u>46,617.94</u>	4.78%	<u>45,577.17</u>	4.93%	<u>47,825.04</u>	4.11%
Insurance:												
Insurance	2,044.12		1,634.99		1,452.58		16,723.40		16,411.16		17,430.96	
Total Insurance	<u>2,044.12</u>	3.65%	<u>1,634.99</u>	2.40%	<u>1,452.58</u>	1.92%	<u>16,723.40</u>	1.71%	<u>16,411.16</u>	1.78%	<u>17,430.96</u>	1.50%
Bad debts:												
Bad Debts-Skips & No Shows					75.00		266.91		201.27		900.00	
Bad Debts-Direct Bill	391.17						2,527.71		86.19			
Bad Debts-CC Chargebacks							153.70		368.14			
Total Bad debts	<u>391.17</u>	0.70%	<u></u>	0.00%	<u>75.00</u>	0.10%	<u>2,948.32</u>	0.30%	<u>655.60</u>	0.07%	<u>900.00</u>	0.08%
Total Operating Expenses	<u>59,324.39</u>	105.87%	<u>56,387.70</u>	82.66%	<u>58,363.84</u>	77.19%	<u>721,143.28</u>	73.92%	<u>735,830.43</u>	79.59%	<u>755,513.27</u>	64.92%
Net Operating Income	(3,291.24)	(5.87%)	11,831.55	17.34%	17,244.77	22.81%	254,431.04	26.08%	188,675.12	20.41%	408,333.46	35.08%
Interest expense:												
Interest Expense	9,343.98		10,932.68		10,463.85		125,758.08		133,070.58		125,734.62	
Total Interest expense	<u>9,343.98</u>	16.68%	<u>10,932.68</u>	16.03%	<u>10,463.85</u>	13.84%	<u>125,758.08</u>	12.89%	<u>133,070.58</u>	14.39%	<u>125,734.62</u>	10.80%
Depreciation & amortization:												
Depreciation	15,373.84		12,750.89		10,893.00		154,356.99		153,010.35		130,716.00	
Amortization	541.14		541.14				6,493.57		6,493.57			
Total Depreciation & amortization	<u>15,914.98</u>	28.40%	<u>13,292.03</u>	19.48%	<u>10,893.00</u>	14.41%	<u>160,850.56</u>	16.49%	<u>159,503.92</u>	17.25%	<u>130,716.00</u>	11.23%

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	Current Month	Ratio %	Current Month Previous Year	Ratio %	Current Month Budget	Ratio %	Year-to-Date	Ratio %	Year-to-Date Previous Year	Ratio %	Year-to-Date Budget	Ratio %
Non-operating income/expense:												
Gain/Loss on Insurance Claim			12,186.67						12,101.67			
Discounts Taken	(29.69)		(39.80)				(2,450.42)		(2,609.51)			
Miscellaneous Income									(331.30)			
Total Non-operating income/expense	(29.69)	(0.05%)	12,146.87	17.81%		0.00%	(2,450.42)	(0.25%)	9,160.86	0.99%		0.00%
NET INCOME (LOSS)	<u>(28,520.51)</u>	<u>(50.90%)</u>	<u>(24,540.03)</u>	<u>(35.97%)</u>	<u>(4,112.08)</u>	<u>(5.44%)</u>	<u>(29,727.18)</u>	<u>(3.05%)</u>	<u>(113,060.24)</u>	<u>(12.23%)</u>	<u>151,882.84</u>	<u>13.05%</u>
STATISTICS												
Room sales:												
Room Sales	54,634.31		67,238.38		74,815.91		955,659.99		915,315.93		1,152,735.45	
Total Room sales	<u>54,634.31</u>	<u>97.50%</u>	<u>67,238.38</u>	<u>98.56%</u>	<u>74,815.91</u>	<u>98.95%</u>	<u>955,659.99</u>	<u>97.96%</u>	<u>915,315.93</u>	<u>99.01%</u>	<u>1,152,735.45</u>	<u>99.05%</u>
Occupied rooms:												
Occupied Rooms	839.00		1,092.00		1,165.72		14,919.00		13,893.00		16,340.08	
Total Occupied rooms	<u>839.00</u>	<u>1.50%</u>	<u>1,092.00</u>	<u>1.60%</u>	<u>1,165.72</u>	<u>1.54%</u>	<u>14,919.00</u>	<u>1.53%</u>	<u>13,893.00</u>	<u>1.50%</u>	<u>16,340.08</u>	<u>1.40%</u>
Available rooms:												
Rooms Available	1,984.00		1,984.00		1,984.00		23,360.00		23,360.00		23,360.00	
Total Available rooms	<u>1,984.00</u>	<u>3.54%</u>	<u>1,984.00</u>	<u>2.91%</u>	<u>1,984.00</u>	<u>2.62%</u>	<u>23,360.00</u>	<u>2.39%</u>	<u>23,360.00</u>	<u>2.53%</u>	<u>23,360.00</u>	<u>2.01%</u>

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	Current Month	Ratio %	Current Month Previous Year	Ratio %	Current Month Budget	Ratio %	Year-to-Date	Ratio %	Year-to-Date Previous Year	Ratio %	Year-to-Date Budget	Ratio %
AVERAGE DAILY RATE	\$59.48	0.00%	\$65.12	0.00%	\$64.65	0.00%	\$63.50	0.00%	\$64.06	0.00%	\$66.95	0.00%
OCCUPANCY	55.39	0.00%	42.29	0.00%	58.04	0.00%	46.57	0.00%	63.87	0.00%	69.83	0.00%
Occupied rooms	1,099.00	0.00%	839.00	0.00%	1,151.52	0.00%	10,832.00	0.00%	14,919.00	0.00%	16,356.50	0.00%
Available rooms	1,984.00	0.00%	1,984.00	0.00%	1,984.00	0.00%	23,260.00	0.00%	23,360.00	0.00%	23,424.00	0.00%
REVENUES												
Room sales	65,367.51	99.68%	54,634.31	97.50%	74,445.77	98.45%	687,880.96	98.28%	955,659.99	97.96%	1,095,114.80	98.50%
Other operating revenue	208.30	0.32%	1,398.84	2.50%	1,174.55	1.55%	12,042.51	1.72%	19,914.33	2.04%	16,683.64	1.50%
Total Revenues	65,575.81	100.00%	56,033.15	100.00%	75,620.32	100.00%	699,923.47	100.00%	975,574.32	100.00%	1,111,798.44	100.00%
EXPENSES:												
Management wages	5,696.30	8.69%	5,858.40	10.46%	5,250.00	6.94%	65,729.44	9.39%	65,630.00	6.73%	63,000.00	5.67%
Front Desk wages	7,138.48	10.89%	9,122.32	16.28%	9,470.82	12.52%	85,401.63	12.20%	107,378.23	11.01%	111,816.78	10.06%
Housekeeping wages	4,532.11	6.91%	4,805.52	8.58%	5,052.29	6.68%	44,295.59	6.33%	65,484.87	6.71%	71,764.16	6.45%
Maintenance wages	1,658.77	2.53%	1,272.05	2.27%	2,053.72	2.72%	15,482.14	2.21%	12,133.54	1.24%	24,644.64	2.22%
Payroll taxes	2,142.02	3.27%	1,549.92	2.77%	1,766.94	2.34%	17,732.81	2.53%	20,250.95	2.08%	21,956.42	1.97%
Other employee benefits	787.45	1.20%	1,143.84	2.04%	919.57	1.22%	9,443.33	1.35%	10,934.77	1.12%	11,034.84	0.99%
Total Payroll Expense	21,955.13	33.48%	23,752.05	42.39%	24,513.34	32.42%	238,084.94	34.02%	281,812.36	28.89%	304,216.84	27.36%
Cleaning & laundry supplies	1,129.67	1.72%	734.70	1.31%	817.58	1.08%	7,661.74	1.09%	9,731.96	1.00%	11,613.13	1.04%
Linens	862.89	1.32%	117.66	0.21%	829.09	1.10%	10,853.83	1.55%	935.24	0.10%	11,776.67	1.06%
Guest room supplies	1,411.18	2.15%	1,189.50	2.12%	1,013.34	1.34%	9,581.24	1.37%	13,230.62	1.36%	14,393.72	1.29%
Other supplies	1,516.25	2.31%	1,122.48	2.00%	774.26	1.02%	10,892.64	1.56%	9,817.51	1.01%	9,291.12	0.84%
Telephone expense	345.19	0.53%	246.68	0.44%	316.12	0.42%	3,061.81	0.44%	3,391.17	0.35%	3,793.44	0.34%
Credit card expense	1,613.63	2.46%	1,319.96	2.36%	1,796.37	2.38%	15,087.45	2.16%	21,168.15	2.17%	25,516.12	2.30%
Travel & vehicle expense	361.75	0.55%	50.00	0.09%	216.68	0.29%	1,139.50	0.16%	3,759.61	0.39%	2,600.16	0.23%
Professional fees	2,130.01	3.25%	1,641.17	2.93%	1,738.35	2.30%	22,476.72	3.21%	20,972.04	2.15%	20,860.20	1.88%
Other	74.55	0.11%	392.77	0.70%	337.49	0.45%	3,578.80	0.51%	5,136.06	0.53%	4,049.88	0.36%
Cable & satellite TV	569.28	0.87%	1,471.25	2.63%	1,605.23	2.12%	9,962.35	1.42%	18,852.53	1.93%	19,262.76	1.73%
Repairs & maintenance	4,118.67	6.28%	4,462.61	7.96%	3,291.67	4.35%	49,303.07	7.04%	46,654.60	4.78%	39,500.04	3.55%
Utilities	5,345.49	8.15%	6,304.33	11.25%	5,155.27	6.82%	55,157.71	7.88%	60,088.40	6.16%	61,863.24	5.56%
Complimentary food	291.48	0.44%	307.43	0.55%	621.82	0.82%	1,402.72	0.20%	8,215.44	0.84%	8,832.51	0.79%
Other marketing	1,832.62	2.79%	1,304.74	2.33%	2,163.20	2.86%	14,837.48	2.12%	25,209.70	2.58%	30,538.49	2.75%
Management fees	3,268.38	4.98%	2,731.71	4.88%	3,722.29	4.92%	34,394.03	4.91%	47,782.94	4.90%	54,755.73	4.92%
Adv & marketing fund	1,470.76	2.24%	1,229.27	2.19%	1,675.03	2.22%	15,477.26	2.21%	21,502.29	2.20%	24,640.10	2.22%
Royalties	2,614.70	3.99%	2,185.37	3.90%	2,977.83	3.94%	27,515.17	3.93%	38,226.35	3.92%	43,804.59	3.94%
Stay rewarded program fees	653.67	1.00%	546.34	0.98%	744.46	0.98%	6,922.74	0.99%	6,274.59	0.64%	10,951.14	0.98%
Systems and training fees	957.17	1.46%	940.13	1.68%	791.67	1.05%	13,202.52	1.89%	12,092.06	1.24%	9,500.04	0.85%
Property taxes	4,019.92	6.13%	4,838.95	8.64%	3,884.83	5.14%	46,888.04	6.70%	46,617.94	4.78%	46,617.96	4.19%
Insurance	1,356.00	2.07%	2,044.12	3.65%	1,416.67	1.87%	14,681.64	2.10%	16,723.40	1.71%	17,000.04	1.53%
Bad debts	7,332.88	11.18%	391.17	0.70%	75.00	0.10%	8,492.84	1.21%	2,948.32	0.30%	900.00	0.08%
Total Operating Expenses	65,231.27	99.47%	59,324.39	105.87%	60,477.59	79.98%	620,656.24	88.67%	721,143.28	73.92%	776,277.92	69.82%
Net Operating Income	344.54	0.53%	(3,291.24)	(5.87%)	15,142.73	20.02%	79,267.23	11.33%	254,431.04	26.08%	335,520.52	30.18%
Interest expense	10,160.72	15.49%	9,343.98	16.68%	10,019.73	13.25%	122,451.23	17.49%	125,758.08	12.89%	120,946.34	10.88%
Depreciation & amortization	8,585.38	13.09%	15,914.98	28.40%	8,585.00	11.35%	103,024.34	14.72%	160,850.56	16.49%	103,020.00	9.27%
	(118,665.13)		(29.69)	(0.05%)		0.00%	(124,324.86)	(17.76%)	(2,450.42)	(0.25%)		0.00%
NET INCOME (LOSS)	100,263.57	152.90%	(28,520.51)	(50.90%)	(3,462.00)	(4.58%)	(21,883.48)	(3.13%)	(29,727.18)	(3.05%)	111,554.18	10.03%

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AVERAGE DAILY RATE	\$59.48	0.00%	\$65.12	0.00%	\$64.65	0.00%	\$63.50	0.00%	\$64.06	0.00%	\$66.95	0.00%
OCCUPANCY	55.39	0.00%	42.29	0.00%	58.04	0.00%	46.57	0.00%	63.87	0.00%	69.83	0.00%
Occupied rooms:												
Occupied Rooms	1,099.00		839.00		1,151.52		10,832.00		14,919.00		16,356.50	
Total Occupied rooms	1,099.00	0.00%	839.00	0.00%	1,151.52	0.00%	10,832.00	0.00%	14,919.00	0.00%	16,356.50	0.00%
Available rooms:												
Rooms Available	1,984.00		1,984.00		1,984.00		23,260.00		23,360.00		23,424.00	
Total Available rooms	1,984.00	0.00%	1,984.00	0.00%	1,984.00	0.00%	23,260.00	0.00%	23,360.00	0.00%	23,424.00	0.00%
REVENUES												
Room sales:												
Room Sales	65,367.51		54,634.31		74,445.77		687,880.96		955,659.99		1,095,114.80	
Total Room sales	65,367.51	99.68%	54,634.31	97.50%	74,445.77	98.45%	687,880.96	98.28%	955,659.99	97.96%	1,095,114.80	98.50%
Other operating revenue:												
Sales Rev-C Store	1,039.01		1,560.14		1,381.82		13,338.27		17,739.34		19,627.80	
Sales Rev-Breakfast	36.91		40.41		69.09		378.48		843.88		981.38	
Cost of Sales-C Store	(1,307.36)		(786.96)		(1,209.10)		(9,744.09)		(13,899.92)		(17,174.33)	
Cost of Sales-KitUtensils							(383.21)		(45.02)			
Rev-Gst Lndry	288.75		203.25		368.49		3,180.75		4,867.35		5,234.09	
Cash Short/Over	0.99		(4.50)		80.61		1,636.62		4,433.70		1,144.96	
Misc Operating Income	150.00		386.50		483.64		3,635.69		5,975.00		6,869.74	
Total Other operating revenue	208.30	0.32%	1,398.84	2.50%	1,174.55	1.55%	12,042.51	1.72%	19,914.33	2.04%	16,683.64	1.50%
Total Revenues	65,575.81	100.00%	56,033.15	100.00%	75,620.32	100.00%	699,923.47	100.00%	975,574.32	100.00%	1,111,798.44	100.00%
EXPENSES:												
Management wages:												
Manager wages	5,696.30		5,858.40		5,250.00		65,729.44		65,630.00		63,000.00	
Total Management wages	5,696.30	8.69%	5,858.40	10.46%	5,250.00	6.94%	65,729.44	9.39%	65,630.00	6.73%	63,000.00	5.67%
Front Desk wages:												
Front Desk Wages	7,138.48		9,122.32		9,470.82		85,401.63		107,378.23		111,816.78	
Total Front Desk wages	7,138.48	10.89%	9,122.32	16.28%	9,470.82	12.52%	85,401.63	12.20%	107,378.23	11.01%	111,816.78	10.06%
Housekeeping wages:												
Housekeeping wages	4,532.11		4,805.52		5,052.29		44,295.59		65,484.87		71,764.16	
Total Housekeeping wages	4,532.11	6.91%	4,805.52	8.58%	5,052.29	6.68%	44,295.59	6.33%	65,484.87	6.71%	71,764.16	6.45%
Maintenance wages:												
Maintenance wages	1,658.77		1,272.05		2,053.72		15,482.14		12,133.54		24,644.64	
Total Maintenance wages	1,658.77	2.53%	1,272.05	2.27%	2,053.72	2.72%	15,482.14	2.21%	12,133.54	1.24%	24,644.64	2.22%
Payroll taxes:												
FICA	2,039.18		1,478.61		1,766.94		16,819.17		19,091.87		21,956.42	
Federal Unemployment	88.36		50.32				762.35		828.20			

Fargo My Place LLC
 Statement of Operations
 For the Twelve Months Ending Thursday, December 31, 2020

	Current Month	Ratio %	Current Month Previous Year	Ratio %	Current Month Budget	Ratio %	Year-to-Date	Ratio %	Year-to-Date Previous Year	Ratio %	Year-to-Date Budget	Ratio %
State Unemployment	14.48		20.99				151.29		330.88			
Total Payroll taxes	2,142.02	3.27%	1,549.92	2.77%	1,766.94	2.34%	17,732.81	2.53%	20,250.95	2.08%	21,956.42	1.97%
Other employee benefits:												
Group Insurance	713.05		711.37		725.56		8,499.34		8,443.66		8,706.72	
Workmens Compensation	32.95		66.46		113.01		663.48		1,443.42		1,356.12	
Other Employee Benefits	41.45		366.01		81.00		280.51		1,047.69		972.00	
Total Other employee benefits	787.45	1.20%	1,143.84	2.04%	919.57	1.22%	9,443.33	1.35%	10,934.77	1.12%	11,034.84	0.99%
Total Payroll Expense	21,955.13	33.48%	23,752.05	42.39%	24,513.34	32.42%	238,084.94	34.02%	281,812.36	28.89%	304,216.84	27.36%
Cleaning & laundry supplies:												
Cleaning Supplies	346.51		206.91		333.94		2,537.27		3,946.91		4,743.39	
Laundry Supplies	783.16		527.79		483.64		5,124.47		5,785.05		6,869.74	
Total Cleaning & laundry supplies	1,129.67	1.72%	734.70	1.31%	817.58	1.08%	7,661.74	1.09%	9,731.96	1.00%	11,613.13	1.04%
Linens:												
Linens	862.89		117.66		829.09		10,853.83		935.24		11,776.67	
Total Linens	862.89	1.32%	117.66	0.21%	829.09	1.10%	10,853.83	1.55%	935.24	0.10%	11,776.67	1.06%
Guest room supplies:												
Guest Room Supplies	1,411.18		1,189.50		1,013.34		9,581.24		13,230.62		14,393.72	
Total Guest room supplies	1,411.18	2.15%	1,189.50	2.12%	1,013.34	1.34%	9,581.24	1.37%	13,230.62	1.36%	14,393.72	1.29%
Other supplies:												
Uniforms	619.00				129.29		1,464.14		1,134.86		1,551.48	
Pest Control	281.36		563.72		328.74		5,350.29		4,201.62		3,944.88	
Maintenance Supplies	75.38		93.65		34.36		973.01		772.51		412.32	
Other Supplies					10.29		79.02		210.34		123.48	
Postage			11.70		8.26		67.95		112.00		99.12	
Office Supplies	540.51		453.41		263.32		2,958.23		3,386.18		3,159.84	
Total Other supplies	1,516.25	2.31%	1,122.48	2.00%	774.26	1.02%	10,892.64	1.56%	9,817.51	1.01%	9,291.12	0.84%
Telephone expense:												
Local Phone Service	293.59		208.89		316.12		2,766.91		2,981.29		3,793.44	
Long Distance-Mgmt	51.60		37.79				294.90		409.88			
Total Telephone expense	345.19	0.53%	246.68	0.44%	316.12	0.42%	3,061.81	0.44%	3,391.17	0.35%	3,793.44	0.34%
Credit card expense:												
Credit Card Expense	1,613.63		1,319.96		1,796.37		15,087.45		21,168.15		25,516.12	
Total Credit card expense	1,613.63	2.46%	1,319.96	2.36%	1,796.37	2.38%	15,087.45	2.16%	21,168.15	2.17%	25,516.12	2.30%
Travel & vehicle expense:												
Travel					41.67				72.00		500.04	
Meals and Entertainment					41.67		149.47		204.51		500.04	
Vehicle Expense	323.05		50.00		50.00		951.33		833.90		600.00	
Lodging	38.70				41.67		38.70		1,131.20		500.04	
Cenvention & Meeting Expenses					41.67				1,518.00		500.04	

Fargo My Place LLC
Statement of Operations
For the Twelve Months Ending Thursday, December 31, 2020

	Current Month	Ratio %	Current Month Previous Year	Ratio %	Current Month Budget	Ratio %	Year-to-Date	Ratio %	Year-to-Date Previous Year	Ratio %	Year-to-Date Budget	Ratio %
Total Travel & vehicle expense	361.75	0.55%	50.00	0.09%	216.68	0.29%	1,139.50	0.16%	3,759.61	0.39%	2,600.16	0.23%
Professional fees:												
Internal Accounting	1,668.86		1,641.17		1,738.35		21,357.57		20,972.04		20,860.20	
Outside Accounting							648.00					
Legal Fees	461.15						471.15					
Total Professional fees	2,130.01	3.25%	1,641.17	2.93%	1,738.35	2.30%	22,476.72	3.21%	20,972.04	2.15%	20,860.20	1.88%
Other:												
Dues & Subscriptions			250.00		70.83		763.00		1,238.83		849.96	
Licenses & Fees					70.83		606.02		843.82		849.96	
Use Tax	29.53		32.07		45.83		506.57		625.50		549.96	
Bank Charges	45.02		39.15		41.67		511.35		472.50		500.04	
Miscellaneous Expense			71.55		108.33		1,191.86		1,955.41		1,299.96	
Total Other	74.55	0.11%	392.77	0.70%	337.49	0.45%	3,578.80	0.51%	5,136.06	0.53%	4,049.88	0.36%
Cable & satellite TV:												
Cable & Satellite TV	303.70		1,175.67		1,350.57		6,585.28		15,361.95		16,206.84	
High Speed Internet	265.58		295.58		254.66		3,377.07		3,490.58		3,055.92	
Total Cable & satellite TV	569.28	0.87%	1,471.25	2.63%	1,605.23	2.12%	9,962.35	1.42%	18,852.53	1.93%	19,262.76	1.73%
Repairs & maintenance:												
Building	646.58		1,570.87		625.00		11,772.16		10,574.37		7,500.00	
Parking Lot & Grounds	1,332.06		1,125.79		1,083.33		18,839.67		19,568.15		12,999.96	
Furniture & Equipment	1,902.76		1,765.95		833.33		13,730.28		11,444.64		9,999.96	
Floor Coverings	237.27				416.67		2,488.68		3,444.80		5,000.04	
Elevator					291.67		2,472.28		1,622.64		3,500.04	
Other R & M					41.67						500.04	
Total Repairs & maintenance	4,118.67	6.28%	4,462.61	7.96%	3,291.67	4.35%	49,303.07	7.04%	46,654.60	4.78%	39,500.04	3.55%
Utilities:												
Electricity	3,966.00		4,967.00		3,833.09		41,632.00		44,507.00		45,997.08	
Gas	243.39		237.56		248.34		1,736.45		2,933.59		2,980.08	
Water and Sewer	849.27		829.58		848.42		8,325.77		9,910.22		10,181.04	
Garbage Removal	286.83		270.19		225.42		3,463.49		2,737.59		2,705.04	
Total Utilities	5,345.49	8.15%	6,304.33	11.25%	5,155.27	6.82%	55,157.71	7.88%	60,088.40	6.16%	61,863.24	5.56%
Complimentary food:												
Complimentary Food & Beverage	291.48		307.43		621.82		1,402.72		8,215.44		8,832.51	
Total Complimentary food	291.48	0.44%	307.43	0.55%	621.82	0.82%	1,402.72	0.20%	8,215.44	0.84%	8,832.51	0.79%
Other marketing:												
Printed Media			300.04		105.44		726.93		1,660.64		1,265.28	
Travel Agent Commissions	1,795.68		731.83		1,689.92		11,514.97		18,576.93		24,859.10	
Guest Relations & Promotions	5.00		174.54		76.18		661.45		694.67		914.16	
Other Advertising & Promotion	31.94		98.33		291.66		1,934.13		4,117.16		3,499.95	
Help Wanted Adv									160.30			
Total Other marketing	1,832.62	2.79%	1,304.74	2.33%	2,163.20	2.86%	14,837.48	2.12%	25,209.70	2.58%	30,538.49	2.75%
Management fees:												

Fargo My Place LLC
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	Current Month	Ratio %	Current Month Previous Year	Ratio %	Current Month Budget	Ratio %	Year-to-Date	Ratio %	Year-to-Date Previous Year	Ratio %	Year-to-Date Budget	Ratio %
Management fees	3,268.38		2,731.71		3,722.29		34,394.03		47,782.94		54,755.73	
Total Management fees	3,268.38	4.98%	2,731.71	4.88%	3,722.29	4.92%	34,394.03	4.91%	47,782.94	4.90%	54,755.73	4.92%
Adv & marketing fund:												
Advertising Fund Fees	1,470.76		1,229.27		1,675.03		15,477.26		21,502.29		24,640.10	
Total Adv & marketing fund	1,470.76	2.24%	1,229.27	2.19%	1,675.03	2.22%	15,477.26	2.21%	21,502.29	2.20%	24,640.10	2.22%
Royalties:												
Royalties	2,614.70		2,185.37		2,977.83		27,515.17		38,226.35		43,804.59	
Total Royalties	2,614.70	3.99%	2,185.37	3.90%	2,977.83	3.94%	27,515.17	3.93%	38,226.35	3.92%	43,804.59	3.94%
Stay rewarded program fees:												
Stay Rewarded	653.67		546.34		744.46		6,922.74		6,274.59		10,951.14	
Total Stay rewarded program fees	653.67	1.00%	546.34	0.98%	744.46	0.98%	6,922.74	0.99%	6,274.59	0.64%	10,951.14	0.98%
Systems and training fees:												
System and training fees	957.17		940.13		791.67		13,202.52		12,092.06		9,500.04	
Total Systems and training fees	957.17	1.46%	940.13	1.68%	791.67	1.05%	13,202.52	1.89%	12,092.06	1.24%	9,500.04	0.85%
Property taxes:												
Real Estate Taxes	4,019.92		4,838.95		3,884.83		46,888.04		46,617.94		46,617.96	
Total Property taxes	4,019.92	6.13%	4,838.95	8.64%	3,884.83	5.14%	46,888.04	6.70%	46,617.94	4.78%	46,617.96	4.19%
Insurance:												
Insurance	1,356.00		2,044.12		1,416.67		14,681.64		16,723.40		17,000.04	
Total Insurance	1,356.00	2.07%	2,044.12	3.65%	1,416.67	1.87%	14,681.64	2.10%	16,723.40	1.71%	17,000.04	1.53%
Bad debts:												
Bad Debts-Skips & No Shows	71.83				75.00		131.21		266.91		900.00	
Bad Debts-Direct Bill	7,212.62		391.17				8,313.20		2,527.71			
Bad Debts-CC Chargebacks	48.43						48.43		153.70			
Total Bad debts	7,332.88	11.18%	391.17	0.70%	75.00	0.10%	8,492.84	1.21%	2,948.32	0.30%	900.00	0.08%
Total Operating Expenses	65,231.27	99.47%	59,324.39	105.87%	60,477.59	79.98%	620,656.24	88.67%	721,143.28	73.92%	776,277.92	69.82%
Net Operating Income	344.54	0.53%	(3,291.24)	(5.87%)	15,142.73	20.02%	79,267.23	11.33%	254,431.04	26.08%	335,520.52	30.18%
Interest expense:												
Interest Expense	10,160.72		9,343.98		10,019.73		122,451.23		125,758.08		120,946.34	
Total Interest expense	10,160.72	15.49%	9,343.98	16.68%	10,019.73	13.25%	122,451.23	17.49%	125,758.08	12.89%	120,946.34	10.88%
Depreciation & amortization:												
Depreciation	8,044.24		15,373.84		8,585.00		96,530.77		154,356.99		103,020.00	
Amortization	541.14		541.14				6,493.57		6,493.57			
Total Depreciation & amortization	8,585.38	13.09%	15,914.98	28.40%	8,585.00	11.35%	103,024.34	14.72%	160,850.56	16.49%	103,020.00	9.27%
Non-operating income/expense:												
Discounts Taken	(37.55)		(29.69)				(2,293.21)		(2,450.42)			

Fargo My Place LLC
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	Current Month	Ratio %	Current Month Previous Year	Ratio %	Current Month Budget	Ratio %	Year-to-Date	Ratio %	Year-to-Date Previous Year	Ratio %	Year-to-Date Budget	Ratio %
Miscellaneous Income	(118,627.58)						(122,031.65)					
Total Non-operating income/expense	(118,665.13)	(180.96%)	(29.69)	(0.05%)	0.00%	(124,324.86)	(17.76%)	(2,450.42)	(0.25%)			0.00%
NET INCOME (LOSS)	<u>100,263.57</u>	<u>152.90%</u>	<u>(28,520.51)</u>	<u>(50.90%)</u>	<u>(3,462.00)</u>	<u>(4.58%)</u>	<u>(21,883.48)</u>	<u>(3.13%)</u>	<u>(29,727.18)</u>	<u>(3.05%)</u>	<u>111,554.18</u>	<u>10.03%</u>
STATISTICS												
Room sales:												
Room Sales	65,367.51		54,634.31		74,445.77		687,880.96		955,659.99		1,095,114.80	
Total Room sales	<u>65,367.51</u>	<u>99.68%</u>	<u>54,634.31</u>	<u>97.50%</u>	<u>74,445.77</u>	<u>98.45%</u>	<u>687,880.96</u>	<u>98.28%</u>	<u>955,659.99</u>	<u>97.96%</u>	<u>1,095,114.80</u>	<u>98.50%</u>
Occupied rooms:												
Occupied Rooms	1,099.00		839.00		1,151.52		10,832.00		14,919.00		16,356.50	
Total Occupied rooms	<u>1,099.00</u>	<u>1.68%</u>	<u>839.00</u>	<u>1.50%</u>	<u>1,151.52</u>	<u>1.52%</u>	<u>10,832.00</u>	<u>1.55%</u>	<u>14,919.00</u>	<u>1.53%</u>	<u>16,356.50</u>	<u>1.47%</u>
Available rooms:												
Rooms Available	1,984.00		1,984.00		1,984.00		23,260.00		23,360.00		23,424.00	
Total Available rooms	<u>1,984.00</u>	<u>3.03%</u>	<u>1,984.00</u>	<u>3.54%</u>	<u>1,984.00</u>	<u>2.62%</u>	<u>23,260.00</u>	<u>3.32%</u>	<u>23,360.00</u>	<u>2.39%</u>	<u>23,424.00</u>	<u>2.11%</u>

INCOME APPROACH

Fargo My Place LLC					
Rooms	64	64	64	64	64
Financial Information Date	Year-End 2020	Year-End 2019	Year-End 2018	Year-End 2017	Year-End 2016
Assessment Date	Feb. 1, 2021	Feb. 1, 2020	Feb. 1, 2019		
AEMV	\$2,461,600	\$2,896,000	\$2,896,000		
AEMV Per Key	\$38,463	\$45,250	\$45,250		
Rooms Sold	10832	14919	13893	10796	10457
Occupancy	46.24%	63.87%	59.47%	46.22%	44.64%
ADR	\$63.50	\$64.06	\$65.88	\$65.89	\$69.71
REVPAR	\$29.37	\$40.91	\$39.18	\$30.45	\$31.12
Room Revenue	\$687,881	\$955,660	\$915,316	\$711,361	\$728,919
Expenses					
Payroll	\$238,085	\$281,812	\$280,265	\$261,789	\$246,782
Room Expenses	\$71,429	\$73,541	\$89,006	\$85,553	\$62,824
Repairs/Maintenance	\$49,303	\$46,655	\$53,350	\$31,798	\$35,788
Utilities	\$55,158	\$60,088	\$59,026	\$54,533	\$49,454
Sales/Marketing	\$31,717	\$54,927	\$59,405	\$55,327	\$100,351
Insurance	\$14,682	\$16,723	\$16,411	\$17,919	\$18,060
Other	\$36,071	\$45,547	\$49,757	\$50,276	\$34,583
Total Expenses	\$496,445	\$579,293	\$607,220	\$557,195	\$547,842
Personal Property					
Est. FF&E/Room	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Total FF&E	\$128,000	\$128,000	\$128,000	\$128,000	\$128,000
Reserve (4%)	\$5,120	\$5,120	\$5,120	\$5,120	\$5,120
Income to Personal Property	\$5,120	\$5,120	\$5,120	\$5,120	\$5,120
Business Enterprise					
Initial Franchise Fee	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Annual Franchise Fee Rate	4.0%	4.0%	4.0%	4.0%	4.0%
Annual Franchise Fees	\$27,515	\$38,226	\$36,613	\$28,454	\$29,154
Return of Initial Fee	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Management Fee (5%)	\$34,394	\$47,783	\$45,766	\$35,568	\$36,446
Income to Business	\$64,909	\$89,009	\$85,379	\$67,022	\$68,600
NOI to Real Property	\$121,407	\$282,238	\$217,597	\$82,024	\$107,357
Base Capitalization Rate	8.12%	8.12%	8.12%	8.12%	8.12%
ETR	1.38%	1.38%	1.38%	1.38%	1.38%
Loaded Capitalization Rate	9.5%	9.5%	9.5%	9.5%	9.5%
Indicated Value	\$1,277,968	\$2,970,926	\$2,290,497	\$863,410	\$1,130,074
Indicated Value Per Key	\$19,968	\$46,421	\$35,789	\$13,491	\$17,657

Fargo My Place LLC			
Rooms	64	64	64
Financial Information Date	Average 2018-2020	Average 2016-2020	Average 2016-2018
Rooms Sold	13215	12179	11715
Occupancy	56.42%	52.14%	50.15%
ADR	\$64.55	\$65.67	\$67.02
REVPAR	\$36.41	\$34.24	\$33.61
Room Revenue	\$852,952	\$799,827	\$785,199
Expenses			
Payroll	\$266,721	\$261,747	\$262,945
Room Expenses	\$77,992	\$76,471	\$79,128
Repairs/Maintenance	\$49,769	\$43,379	\$40,312
Utilities	\$58,091	\$55,652	\$54,338
Sales/Marketing	\$48,683	\$60,345	\$71,694
Insurance	\$15,939	\$16,759	\$17,463
Other	\$43,792	\$43,247	\$44,872
Total Expenses	\$560,986	\$557,599	\$570,752
Personal Property			
Est. FF&E/Room	\$2,000	\$2,000	\$2,000
Total FF&E	\$128,000	\$128,000	\$128,000
Reserve (4%)	\$5,120	\$5,120	\$5,120
Income to Personal Property	\$5,120	\$5,120	\$5,120
Business Enterprise			
Initial Franchise Fee	\$30,000	\$30,000	\$30,000
Annual Franchise Fee Rate	4.0%	4.0%	4.0%
Annual Franchise Fees	\$34,118	\$31,992	\$31,407
Return of Initial Fee	\$3,000	\$3,000	\$3,000
Management Fee (5%)	\$42,648	\$39,991	\$39,260
Income to Business	\$79,766	\$74,984	\$73,667
NOI to Real Property	\$207,081	\$162,125	\$135,659
Base Capitalization Rate	8.12%	8.12%	8.12%
ETR	1.38%	1.38%	1.38%
Loaded Capitalization Rate	9.5%	9.5%	9.5%
Indicated Value	\$2,179,797	\$1,706,575	\$1,427,994
Indicated Value Per Key	\$34,059	\$26,665	\$22,312

RECEIVED

Application For Abatement Or Refund Of Taxes

North Dakota Century Code § 57-23-04

CASS CO AUDITOR

File with the County Auditor on or before November 1 of the year following the year in which the tax becomes delinquent.

State of North Dakota Assessment District Fargo
County of Cass Property I.D. No. 01-8529-00100-000
Name FARGO MY PLACE LLC Telephone No. 612.799.6074
Address 2555 55 ST S, Fargo, ND

OCT 28 2021 PM 02:42

Legal description of the property involved in this application:

*02/05/2014 REPLAT OF LT 2 BL 1 OF AMBER VALLEY WEST THIRD ADDN (2/25/14, B:Z-1: P:54, DOC#1410608) SPL/FR 01-8516-00200-000

Total true and full value of the property described above for the year 2019 is:

Land \$ 797,000
Improvements \$ 2,099,000
Total \$ 2,896,000 (1)

Total true and full value of the property described above for the year 2019 should be:

Land \$ 470,000
Improvements \$ 1,240,000
Total \$ 1,710,000 (2)

The difference of \$ 1,186,000 true and full value between (1) and (2) above is due to the following reason(s):

- 1. Agricultural property true and full value exceeds its agricultural value defined in N.D.C.C. § 57-02-27.2
2. Residential or commercial property's true and full value exceeds the market value
3. Error in property description, entering the description, or extending the tax
4. Nonexisting improvement assessed
5. Complainant or property is exempt from taxation. Attach a copy of Application for Property Tax Exemption.
6. Duplicate assessment
7. Property improvement was destroyed or damaged by fire, flood, tornado, or other natural disaster (see N.D.C.C. § 57-23-04(1)(g))
8. Error in noting payment of taxes, taxes erroneously paid
9. Property qualifies for Homestead Credit (N.D.C.C. § 57-02-08.1) or Disabled Veterans Credit (N.D.C.C. § 57-02-08.8). Attach a copy of the application.
10. Other (explain)

The following facts relate to the market value of the residential or commercial property described above. For agricultural property, go directly to question #5.
1. Purchase price of property: \$ N/A Date of purchase: Constructed in 2014 by owner.
Terms: Cash Contract Trade Other (explain)
Was there personal property involved in the purchase price? yes/no Estimated value: \$
2. Has the property been offered for sale on the open market? No If yes, how long?
Asking price: \$ Terms of sale:
3. The property was independently appraised: yes/no Purpose of appraisal:
Market value estimate: \$
Appraisal was made by whom?
4. The applicant's estimate of market value of the property involved in this application is \$ 1,710,000
5. The estimated agricultural productive value of this property is excessive because of the following condition(s):

Applicant asks that The true and full value of the Subject Property be reduced to \$1,710,000 based on the owner's opinion of market value.

By filing this application, I consent to an inspection of the above-described property by an authorized assessment official for the purpose of making an appraisal of the property. I understand the official will give me reasonable notification of the inspection. See N.D.C.C. § 57-23-05.1.


I declare under the penalties of N.D.C.C. § 12.1-11-02, which provides for a Class A misdemeanor for making a false statement in a governmental matter, that this application is, to the best of my knowledge and belief, a true and correct application.

Signature of Preparer (if other than applicant) Date Signature of Applicant Date
10/27/2021 10/27/2021

Recommendation of the Governing Body of the City or Township

Recommendation of the governing board of City of Fargo

On Dec 27, 2021, the governing board of this municipality, after examination of this application and the facts, passed a resolution recommending to the Board of County Commissioners that the application be DENIED

Dated this 27 day of Dec, 2021 
 City Auditor or Township Clerk

Action by the Board of County Commissioners

Application was _____ by action of _____ County Board of Commissioners.
 Approved/Rejected

Based upon an examination of the facts and the provisions of North Dakota Century Code § 57-23-04, we approve this application. The taxable valuation is reduced from \$ _____ to \$ _____ and the taxes are reduced accordingly. The taxes, if paid, will be refunded to the extent of \$ _____. The Board accepts \$ _____ in full settlement of taxes for the tax year _____.

We reject this application in whole or in part for the following reason(s). Written explanation of the rationale for the decision must be attached. _____

Dated _____
 _____ County Auditor _____ Chairperson

Certification of County Auditor

I certify that the Board of County Commissioners took the action stated above and the records of my office and the office of the County Treasurer show the following facts as to the assessment and the payment of taxes on the property described in this application.

Year	Taxable Value	Tax	Date Paid (if paid)	Payment Made Under Written Protest?
				yes/no

I further certify that the taxable valuation and the taxes ordered abated or refunded by the Board of County Commissioner are as follows:

Year	Reduction in Taxable Valuation	Reduction in Taxes

 County Auditor Date

**Application For Abatement
 Or Refund Of Taxes**

Name of Applicant Fargo My Place LLC

County Auditor's File No. 4517

Date Application Was Filed With The County Auditor 10/28/2021

Date County Auditor Mailed Application to Township Clerk or City Auditor 10/29/2021
(must be within five business days of filing date)