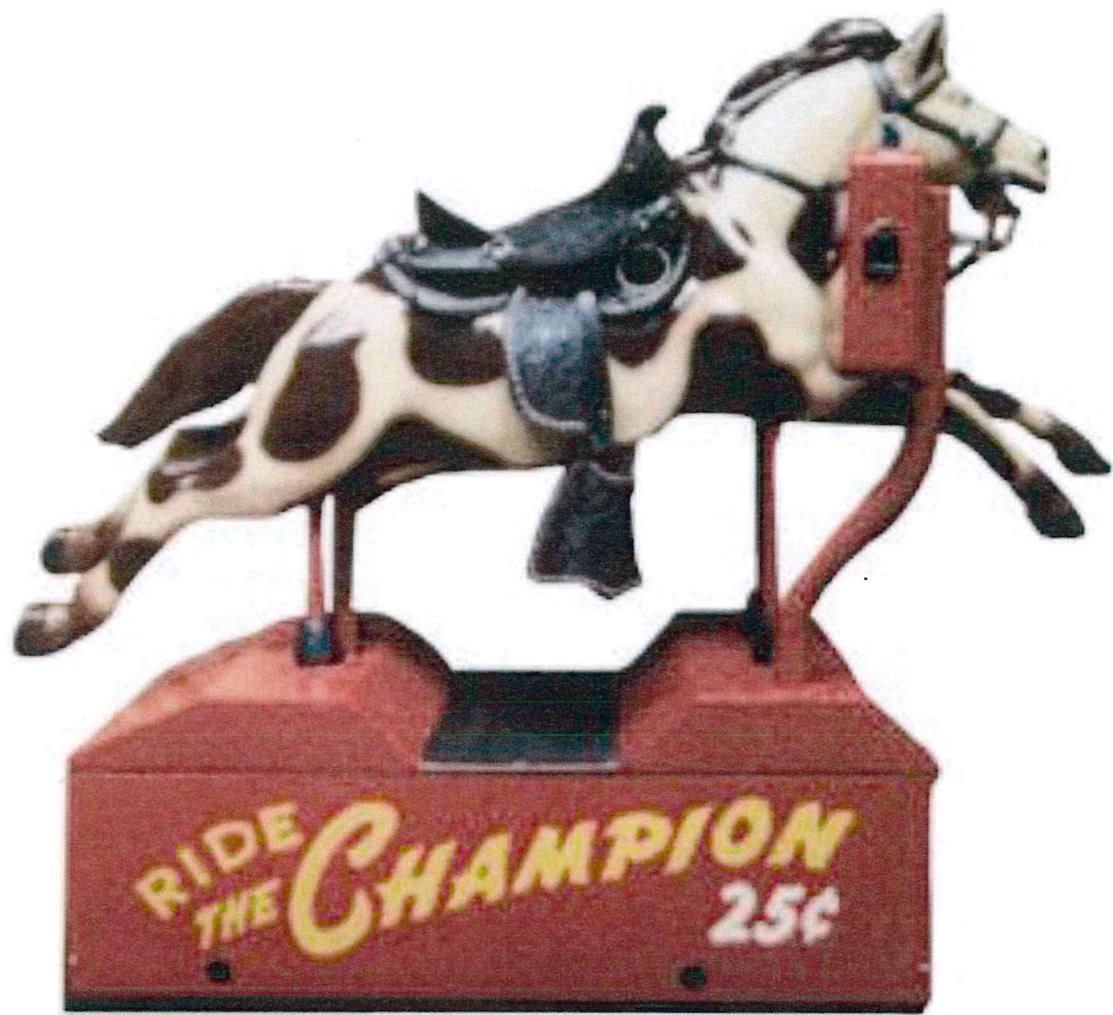




Get Ready...or Get Trampled!

Preparing for the Impact of the Tryon
International Equestrian Center



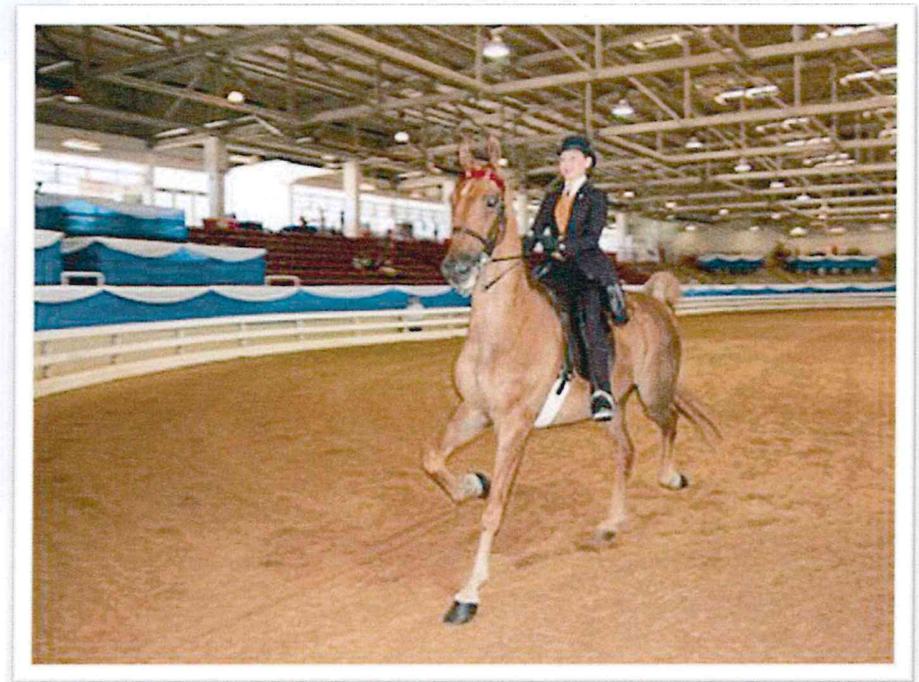


**HORSES ARE
BIG BUSINESS**

North Carolina's Equine Industry 2008 Study by the NC Rural Center



- \$1.9 billion in annual economic impact
- 19,200 jobs directly tied to the industry
- \$1.4 billion spent annually on goods and services
- 72% of equine-related expenditures made within the local area of the owner



North Carolina's Equine Industry 2008 Study by the NC Rural Center



Recommendation:

***“Conduct a feasibility and site selection study
for a mega horse park”***

Measured Impacts of Equestrian Activity in Other Areas



Village of Wellington, FL:
\$185 million annual economic impact in the area from equestrian activities (2012)

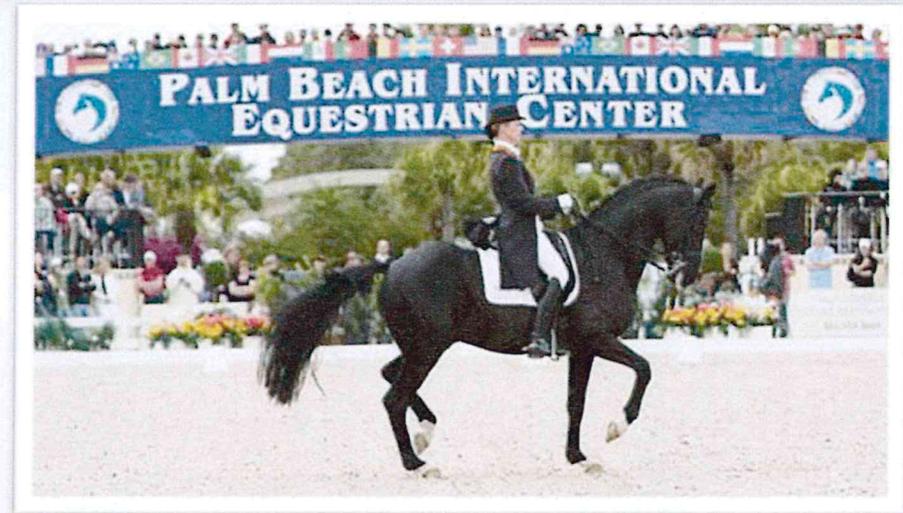
Aiken, SC: \$72 million economic impact and 1,800 jobs tied to the industry (2008)

Polk County: 6,157 horses in the county (2009)



Winter Equestrian Festival Wellington, Florida

- The nation's premier equestrian event—largest and longest-running
- January – March (12 weeks)
- Generates an estimated 90,000 room nights in the Wellington/Palm Beach area
- 30 nations and 49 states represented among the competitors



Room Night Impact of WEF in the Wellington and Palm Beach Area



Smith Travel Research STR Report Data

- Analyzed 4,924 rooms in 34 hotel properties located within a 30 minute drive of the Palm Beach International Equestrian Center.
- Sample includes a variety of accommodation types—economy, limited service, extended stay, full service.
- None located on the beach.

Room Night Impact of WEF in the Wellington and Palm Beach Area



Metric	January 2014	February 2014	March 2014	Remainder of Year 2013-14	Difference from Jan-Mar Avg.
Occupancy	85.5%	91.6%	88.2%	70.1%	-18.3
Average Daily Rate	\$130.79	\$150.47	\$151.02	\$91.70	\$ (52.39)
RevPAR (Revenue Per Available Room)	\$111.79	\$137.84	\$133.24	\$64.60	\$ (63.02)

Room Night Impact of WEF in the Wellington and Palm Beach Area



Room Occupancy (%)

Day of the Week	January 2014	February 2014	March 2014	Remainder of Year 2013-14	Difference from Jan-Mar Avg.
Sunday	75.1	78.8	74.5	57.9	-18.3
Monday	84.1	90.2	82.5	66.0	-19.6
Tuesday	91.5	95.2	90.8	71.3	-21.2
Wednesday	87.9	95.5	93.0	72.0	-20.1
Thursday	88.1	95.2	90.9	70.4	-21.0
Friday	84.5	94.8	93.7	74.5	-16.5
Saturday	86.1	91.5	95.4	78.9	-12.1

Room Night Impact of WEF in the Wellington and Palm Beach Area



Average Daily Rate

Day of the Week	January 2014	February 2014	March 2014	Remainder of Year 2013-14	Difference from Jan-Mar Avg.
Sunday	\$ 125.24	\$ 140.22	\$ 142.88	\$ 88.46	\$ (47.65)
Monday	\$ 130.23	\$ 146.89	\$ 146.15	\$ 90.46	\$ (50.63)
Tuesday	\$ 136.10	\$ 151.86	\$ 151.83	\$ 92.42	\$ (54.17)
Wednesday	\$ 134.33	\$ 155.51	\$ 153.15	\$ 91.88	\$ (55.79)
Thursday	\$ 133.43	\$ 155.34	\$ 153.46	\$ 91.69	\$ (55.72)
Friday	\$ 127.62	\$ 152.81	\$ 153.46	\$ 92.25	\$ (52.38)
Saturday	\$ 126.51	\$ 148.66	\$ 155.53	\$ 93.23	\$ (50.34)

What Will the Room Night Impact of the TIEC Be at Peak?



1,000 horses stabled on site

X estimated 3 people per horse

= 3,000 visitors per show

Up to 30 weeks of shows, April through October

= 90,000 visitors per season

What Will the Room Night Impact of the TIEC Be at Peak?



90,000 visitors per season
at 2.5 guests per hotel room

X 5 nights average

= 180,000 room nights per year

= 6,000 room nights per week over 30 weeks (peak estimate)

1,200 room nights per night

= 3,000 room nights per week (conservative estimate)

600 room nights per night

Current Area Hotel Room Inventory

Polk County

173 rooms in hotels and B&Bs

Approximately 130 rooms/units in rentals

Henderson County

1,674 rooms in hotels and B&Bs

Approximately 272 rooms/units in rentals

Rutherford County

Approximately 650 rooms in hotels and B&Bs

Approximately 800-1,000 rooms/units in rentals

Current Area Hotel Room Inventory



Polk + Rutherford

Approximately 823 rooms in hotels and B&Bs

Approximately 930+ rooms/units in rentals

Total of 1753 rooms/units available

At 50% occupancy:

Demand = 875 room nights

If demand increases by 600-1200 room nights per night due to TIEC:

Total room demand = 1475-2075 rooms per night.

Current Area Hotel Room Inventory



Polk + Rutherford

Total of 1753 rooms/units available

At 80% occupancy:

Demand = 1400 room nights

If demand increases by 600-1200 room nights per night due to TIEC:

Total room demand = 2000-2600 rooms per night.

Even with the opening of Tryon Resort in 2016, anticipated guest demand will likely not be satisfied by current local inventory.

Drive Times from Tryon International Equestrian Center



Destination	Driving Time (Minutes)
Union Road Exit	4
US 221 Exit	8
Columbus	10
Downtown Forest City	15
Downtown Rutherfordton	16
Tryon	17
Downtown Spindale	18
Saluda	19
Lake Lure Golf Course	21
Chimney Rock	30
Downtown Hendersonville	31

At 180K Annual Room Nights Generated, What's the Comparable Impact?



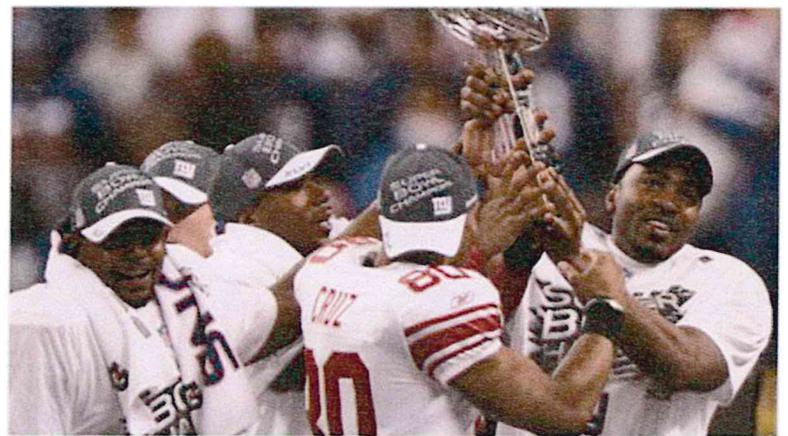
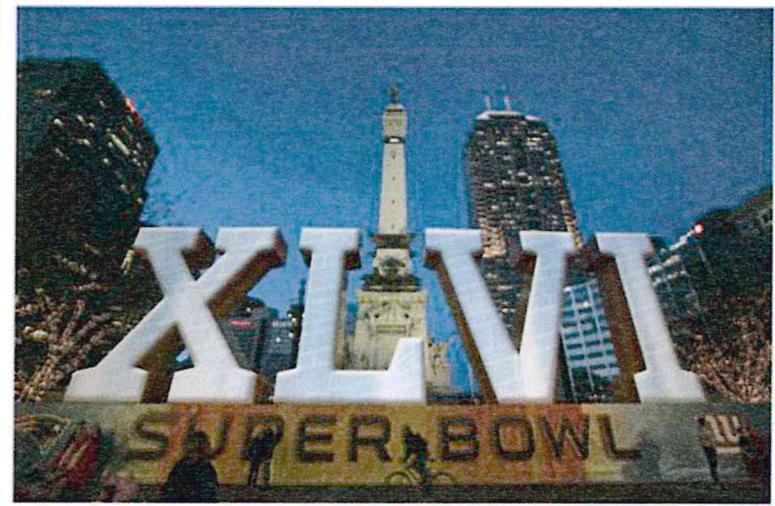
The Charlotte Convention Center is said to be responsible for 150,000 room nights per year for all events booked.



The Super Bowl of Horses?

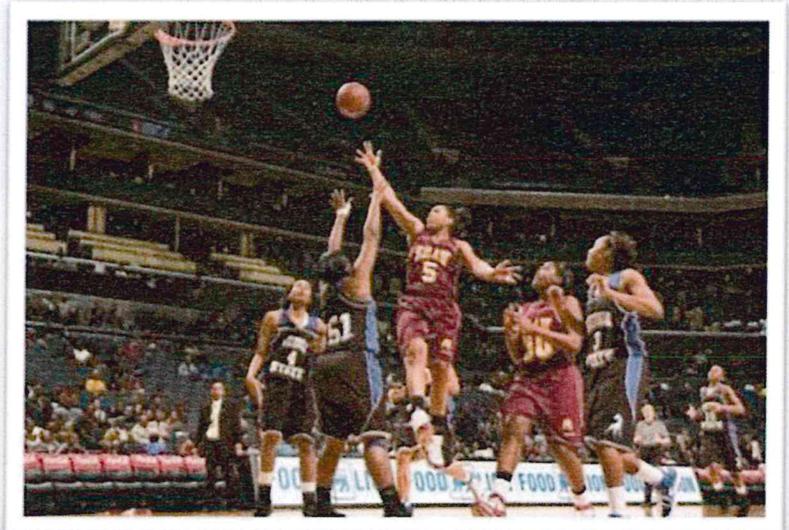
Super Bowl XLVI In Indianapolis (2012) produced an estimated 224,000 room nights at 1.61 guests per room.

If the rate of guests per room had been 2.5, the number of room nights generated would have been 144,256.



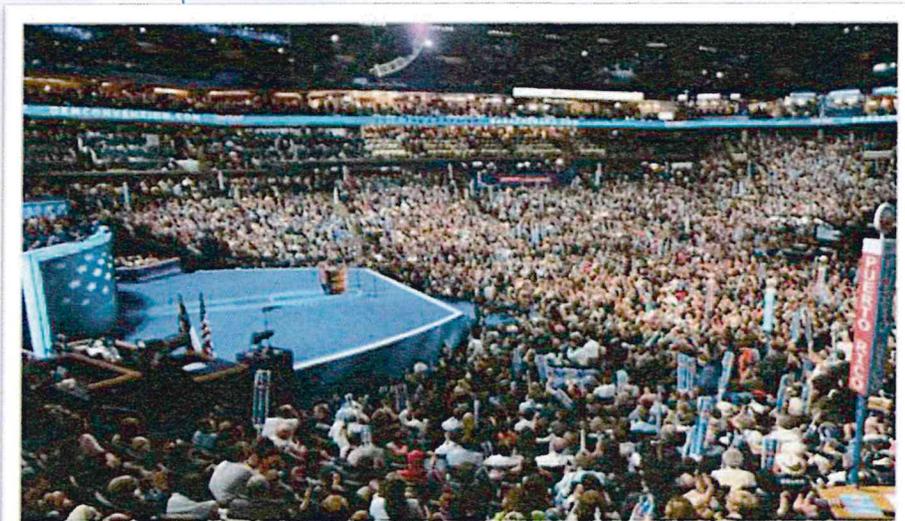
The CIAA Basketball Tournament of Horses?

The annual CIAA basketball tournament in Charlotte generates an estimated 40,000 room nights per year.



The Democratic National Convention of Horses?

The 2012 Democratic National Convention in Charlotte generated a total of 61,264 room nights.

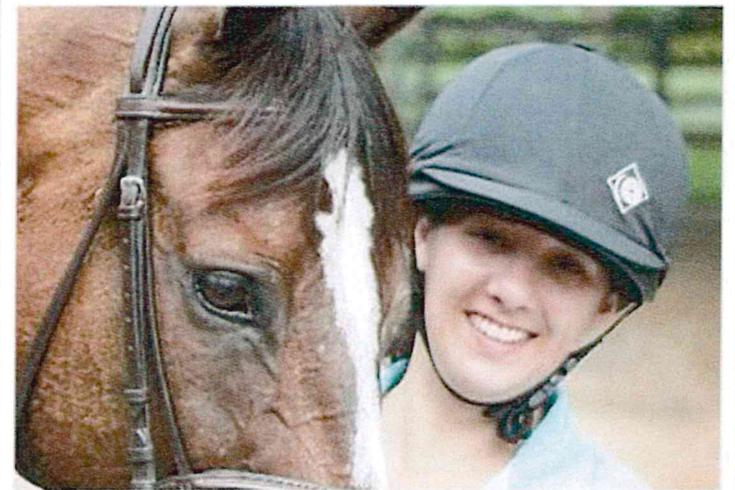
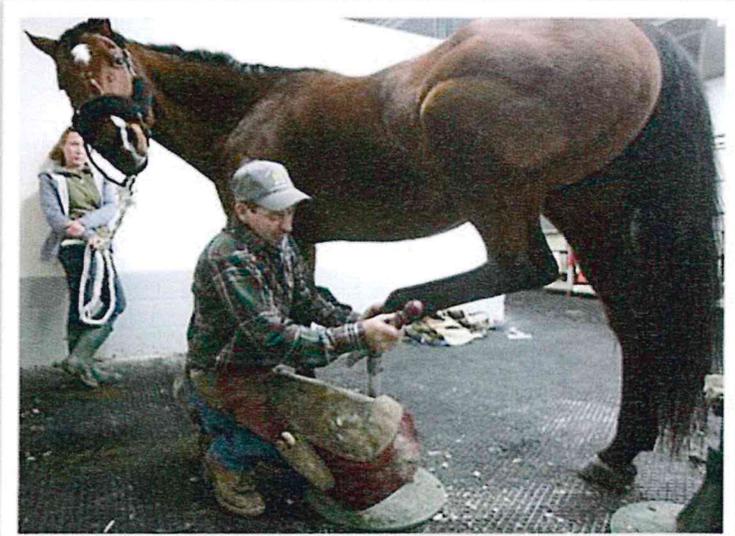




**WHAT ELSE YOU
NEED TO KNOW**

Audience Segmentation

- Highly affluent owners and riders
- Upscale owners and riders
- Middle-class owners and riders
- Support staff of owners
- TIEC staff
- Outside support specialists
- Spectators



Equine-Related Jobs

Rider

Farrier

Veterinarian

Veterinarian Technician or Assistant

Instructor/Coach

Trainer

Groom

Saddler

Harness Maker

Saddle Fitter

Equine Chiropractor

Carriage Maker/Repair

Equine Massage Therapist

Mounted Police

Equine Physiotherapist

Equine Nutritionist

Stable Manager

Barn Hand

Trail Guide

Guest Ranch Operator/Employee

Insurance Broker/Sales

Tack Shop Sales

Show Judge

Show Manager

Equine-Related Jobs

Show Support Staff (Stewards)

Lab Technician

Web Site Designer

Writer

Hay Dealer

Photographer

Artist

Carriage Tour Driver

Trucker/Horse Transport

Breeder

Dealer

Farm Inspector

Therapeutic Riding Instructor/Staff

Hot Walker/Pony Rider

Seamstress/Designer

Software Designer/Programmer

Track Support Staff

Carpenter

Jump/Course Designer

Breed Inspector

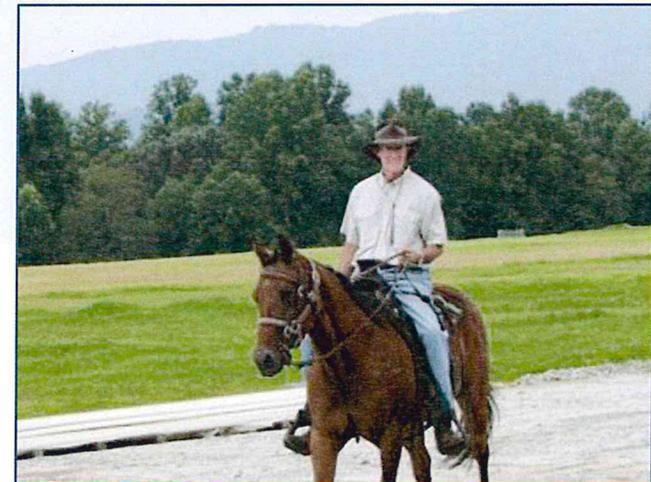
Artificial Insemination Specialist

Catch Rider

Equine Dentist

Other Local Economic Impacts

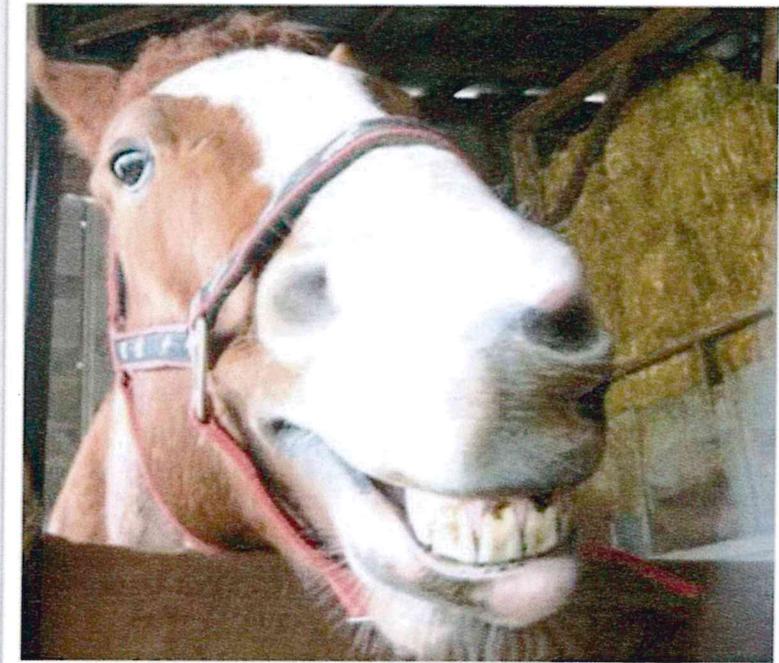
- ICC's new hospitality program will be asset for growing local visitor infrastructure.
- Demand for more area lodging, dining, and retail options.
- Substantial number of equestrian industry support specialists required.
- Growth in equine educational programs.
- Local demand for many types of equine-related goods and services, including agricultural products.



Other Local Economic Impacts

- Transportation options for guests (within the local area and to regional airports)
- Salamander Hotels places a strong emphasis upon local history, culture, and food and beverage.
- Potential growth in equine-related manufacturers.
- Friendly but fierce competition among area communities.

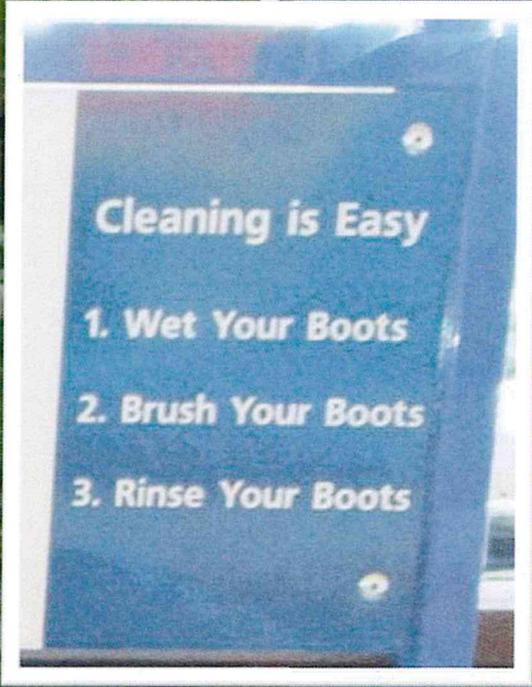




**HOW ELSE DOES IT
AFFECT ME?**









What Else You Need to Know

- Typical show week runs Wednesday through Sunday. Adjust your hours and days of operation to leverage for maximum benefit.
- There will be time for other activities—golf, sightseeing, shopping, etc.
- Many first-time visitors to the area.
- Web will be key to marketing and sales.
- The resort hotel will be open year-round...not just equestrians.
- Many horse owners travel with dogs.
- Over 1/3 of owners consider their horses to be part of the family.
- Everyone will have to step up their game—this is a well-traveled audience.
- **Equestrian enthusiasts are incredibly passionate about their sport!**

Summary of Impacts

- **It's really happening.**
- Equine industry is a proven generator of economic activity in other communities.
- Dramatic demand once the center is at peak seasonal operation.
- Growth in visitor infrastructure needed to meet the needs of thousands of new visitors.
- Demand for many equine-related goods and services.
- The ripple effects will be substantial.
- Competition for time and wallet.
- Many local businesses will feel the impact and need to adjust their operations and increase their hospitality.



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