Proposed 150-room Boutique Hotel & Conference Center
Historic St. Mary's, Maryland



WOODWORTH CORE
HOSPITALITY ADVISORY SERVICES

SCOPE OF PROJECT

- **SITE VISIT:** A site visit was conducted to Historic St. Mary's City and St. Mary's County site inspections of the town of St. Mary's, the County Seat of Government Leonardtown, along with California, and other towns within the County. The primary purpose was to inspect the local lodging inventory, understand proximity of local lodging demand generators and understand the County in general.

- Review of the existing market analysis report and the lodging inventory of the market. This included a high-level review of the site location(s) and their environs, high level evaluation of the general market characteristics of the area.

- **MARKET REVIEW:** During our initial site visit and meeting with local officials, data was collected for a review of the supply and demand factors affecting a proposed Hotel. The inspections and fieldwork will form the basis for the evaluation of potential demand in the previously completed market study, and aid in suggestions with regard to amenities and programming. Market representatives from Historic St. Mary's, St. Mary's College, Visit St. Mary's and other demand generators in the area have been contacted for respective perspectives regarding needs for a conference center hotel and preferences.

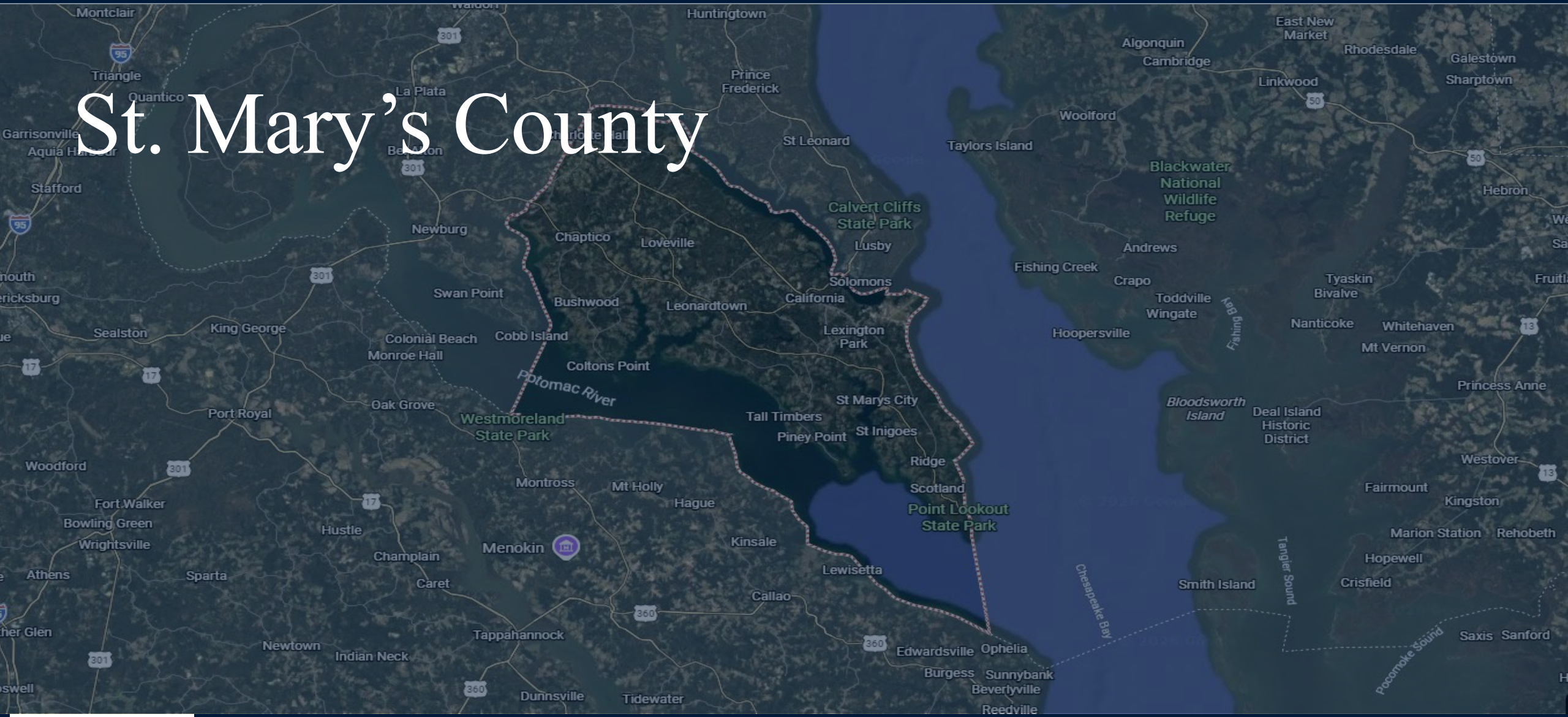
- Three comparable cities/towns with hotels similar to those envisioned for this project were reviewed. Economic and demographic factors of the general area or region have been investigated with the intention of determining: (1) the economic environment within which the property will operate and (2) likely demand sources and generators. We have reviewed the market analysis completed by Crossroads Consulting for agreement and consistency in its conclusions.

- **FACILITIES PROGRAMMING**: We have confirmed preliminary plans and recommended a facilities program designed to best meet the needs of the market with consideration to both existing and future supply and demand in the market. Preliminary plans for the proposed facilities and focused on the number, size and type of guest rooms, food and beverage outlets, meeting space and other amenities have been reviewed.

- **SITE EVALUATION:** The potential site has been reviewed to determine overall suitability for hotel operations on the basis of accessibility, visibility, and location.

- **RECOMMENDATIONS:** Based on the aforementioned recommendations for amenities and programming have been summarized.

St. Mary's County



ST. MARY'S COUNTY

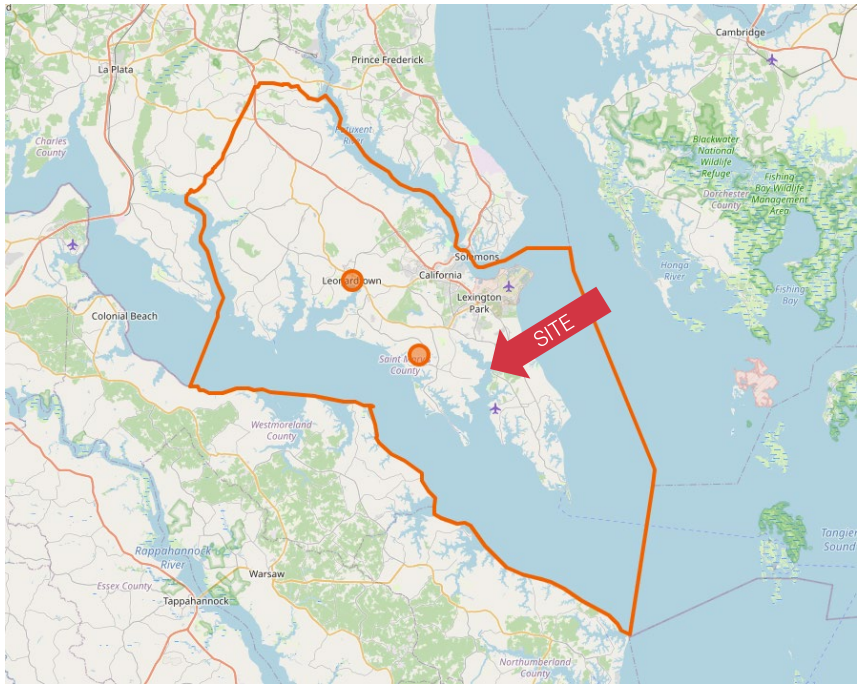
St. Mary's County, Maryland is strategically located in Southern Maryland along the western shore of the Chesapeake Bay and is approximately 60 to 70 miles southeast of Washington, D.C. The county is defined by its unique combination of waterfront geography, federal defense presence, and semi-rural development pattern, which together shape its economic profile and long-term growth trajectory. Unlike larger metropolitan markets, St. Mary's County is not driven by urban density or diversified private-sector clustering; rather, it exists as a stable, government-anchored regional economy with a high-income workforce and a controlled pace of development.

The county's origins date back to 1634, when English settlers established Maryland's first capital at what is now St. Mary's City. This early settlement was intentionally located along the Potomac River to provide access to maritime trade routes and defensible positioning. As with many early American settlements, geography dictated development. The county sits at the confluence of the Chesapeake Bay and Potomac River systems, which historically provided transportation, commerce, and access to broader regional markets. While the importance of waterways has diminished relative to modern transportation infrastructure, **the** physical geography continues to shape land use, development constraints, and lifestyle appeal**.**

Today, St. Mary's County covers approximately 357 square miles (land, water adds an additional 407 square miles) and is bounded by the Chesapeake Bay to the east, the Potomac River to the south and west, and Charles County to the north. This geography results in a peninsular configuration with limited ingress and egress**,** which has significant implications for economic development and accessibility. Unlike major metropolitan areas that benefit from interstate convergence and multiple transportation nodes, St. Mary's County is accessed primarily via state highways, most notably Maryland Route 235 (Three Notch Road), which serves as the county's principal commercial spine. Secondary access is provided by Maryland Route 5, which connects the county to the Washington, D.C. metropolitan area.

The absence of direct interstate access and commercial air service reinforces the county's role as **a** self-contained regional market. Travel times to Washington, D.C. and Reagan National Airport generally range from 90 minutes to two hours depending on traffic conditions. As a result, while some residents commute to the broader Washington metropolitan region, the county is not a traditional commuter suburb. Instead, it functions as a localized employment center anchored by federal and defense-related activity**,** with limited reliance on transient or pass-through demand.

The defining feature of St. Mary's County's modern economy is the presence of Naval Air Station Patuxent River ("NAS Pax River"), one of the most significant naval aviation and research installations in the United States. Established during World War II and expanded significantly in the post-war period, NAS Pax River serves as the U.S. Navy's premier facility for aircraft testing, evaluation, and development.



The economic influence of NAS Pax River cannot be overstated. It functions as the primary economic engine of the county**,** directly and indirectly supporting tens of thousands of jobs. In addition to military personnel, the base supports a substantial civilian workforce as well as a dense network of defense contractors, including firms engaged in engineering, systems integration, cybersecurity, and advanced research. This concentration of highly skilled labor contributes to elevated income levels and a relatively affluent population base compared to national averages.

ST. MARY'S COUNTY (continued)

St. Mary's County's population was approximately 113,777 as of the 2020 Census and is estimated to be approximately 118,000 to 119,000 as of 2025–2026. Growth over the past decade has been steady but not rapid, averaging less than 1% annually. This measured pace of growth reflects both the stability of the federal employment base and the physical and infrastructural constraints of the region. Based on historical trends and current development patterns, the county's population is projected to reach approximately 122,000 to 125,000 by 2030. This growth is expected to be driven by continued in-migration from higher-cost areas of the Washington metropolitan region, as well as ongoing employment stability associated with defense-related activity.

Demographically, St. Mary's County is characterized by a relatively young and family-oriented population, with a median age in the mid-30s and a high rate of homeownership. Households are predominantly middle- to upper-middle-income, reflecting the professional and technical composition of the workforce. The county also has a notable presence of active-duty military personnel and veterans, which contributes to a disciplined and stable community profile. Compared to larger metropolitan areas, the county has a lower proportion of foreign-born residents and a more homogeneous population base, although diversity has been gradually increasing over time.

Income levels in St. Mary's County are a defining strength. Median household income exceeds $114,000 and is significantly above both state and national averages. This is largely attributable to the concentration of high-paying federal and defense-related employment. Per capita income is also elevated, reflecting the presence of dual-income households and highly skilled professionals. These income characteristics support strong consumer spending capacity and residential stability, which are important factors in evaluating long-term market viability.

Unemployment in the county has consistently remained below national averages and is typically in the range of approximately 3% to 4% under normal economic conditions. This stability is a direct function of the federal employment base, which tends to be less sensitive to economic cycles than private-sector industries. While the county is not immune to broader economic trends, it has historically demonstrated resilience during periods of national downturn, particularly when compared to markets reliant on cyclical industries such as manufacturing or energy.

The structure of the local economy is relatively concentrated, with government and defense-related employment representing the largest sector, followed by professional and technical services, healthcare, and education. Key employers include NAS Pax River, associated defense contractors, MedStar St. Mary's Hospital, St. Mary's County Public Schools, and St. Mary's College of Maryland. While the presence of these anchor institutions provides stability, it also creates a degree of dependency on federal spending and policy decisions, which represents a structural risk factor.

St. Mary's County does not have a single dominant urban core; instead, it is organized around a series of distinct population and commercial nodes. The largest and most economically significant of these is Lexington Park, which is located immediately adjacent to NAS Pax River and serves as the county's primary commercial and employment hub. The area includes a mix of retail, residential, and service-oriented uses and has historically been characterized by a working, defense-oriented identity. In recent years, there have been efforts to improve and redevelop portions of Lexington Park, with a focus on enhancing its appeal and functionality.

ST. MARY'S COUNTY (continued)

The California area, located along the Route 235 corridor, represents the county's primary growth node. This area has experienced significant residential and retail development and functions as a suburban commercial center. Leonardtown, the county seat, offers a contrasting environment, with a historic downtown, waterfront access, and a more boutique, walkable character. Leonardtown serves as the center of government, legal, and civic activity and has increasingly become a focal point for dining, culture, and small-scale tourism.

Other areas within the county, including Mechanicsville and the rural southern portions of the county, retain a more agricultural and low-density character. St. Mary's City remains an important historical and academic anchor, attracting visitors and supporting educational activity, though it does not function as a major commercial center.

Development patterns in St. Mary's County are shaped by both infrastructure and environmental constraints. The linear nature of the primary roadway network concentrates development along the Route 235 corridor, while large portions of the county remain rural or environmentally protected due to proximity to the Chesapeake Bay and associated regulatory frameworks. These factors limit the availability of large, contiguous development sites and contribute to a supply-constrained environment, particularly for commercial and hospitality uses.

Looking forward, the outlook for St. Mary's County is characterized by continued stability and moderate growth rather than rapid expansion. The defense sector is expected to remain the primary economic driver, supported by ongoing investment in aviation, unmanned systems, and advanced technologies. Residential growth is likely to continue at a measured pace, driven by affordability relative to the Washington metropolitan area and the appeal of the county's lifestyle and environment.

In summary, St. Mary's County represents a stable, higher income, and government-supported market with a unique combination of defense-driven employment, waterfront geography, and controlled development patterns. The county's strengths lie in its economic stability, high household incomes, and quality of life, while its constraints include limited accessibility and dependence on federal spending. For investors and developers, the market offers opportunities for well-positioned, appropriately scaled projects that align with local demand drivers and the county's long-term growth trajectory.

St. Mary's City



HISTORIC ST. MARY'S CITY

St. Mary's City is located in southern St. Mary's County along the western shore of the Chesapeake Bay and the Potomac River and represents one of the most historically significant locations in the State of Maryland. Established in 1634 as Maryland's first colonial capital, the area was intentionally situated along navigable waterways to support trade, governance, and settlement. While its role as a political center declined over time, the site has remained a cultural, academic, and heritage destination that continues to influence the surrounding region.

St. Mary's City holds a position in early American history comparable in importance to Jamestown and Williamsburg, serving as the birthplace of Maryland's colonial government and one of the earliest centers of religious tolerance in North America. The settlement was carefully planned as a capital and port, and it played a central role in shaping the political and cultural foundation of the colony that would eventually become the State of Maryland. Today, the area is home to one of the most significant archaeological sites in the Mid-Atlantic, where ongoing excavations continue to uncover original structures, artifacts, and settlement patterns from the 17th century. This deep historical layering creates a sense of authenticity and place that is rare in the United States, reinforcing St. Mary's City as a living historical landscape rather than simply a preserved site.

Today, St. Mary's City functions not as a traditional town or commercial center, but as a low-density, destination-oriented environment anchored by education, history, and waterfront access. The area is home to Historic St. Mary's City, a major outdoor museum and archaeological site, as well as St. Mary's College of Maryland, a nationally recognized public honors college located along the St. Mary's River. These institutions drive visitation, academic programming, and a steady flow of small-scale events, conferences, and cultural tourism.

St. Mary's College of Maryland serves as one of the defining institutional anchors of the region and plays an outsized role in shaping the character and activity of St. Mary's City. As the state's designated public honors college, it enrolls approximately 1,600 to 1,700 undergraduate students and maintains a highly selective admissions profile, contributing to a focused, academically rigorous environment. The college offers a liberal arts curriculum with majors across disciplines including biology, chemistry, physics, mathematics, economics, business administration, political science, public policy, psychology, sociology, history, English, philosophy, environmental studies, marine science, and international languages and cultures. The faculty base includes approximately 150 full-time professors, supporting a low student-to-faculty ratio and an emphasis on discussion-based, experiential learning.

Athletically, the college competes at the NCAA Division III level as the Seahawks, with programs including soccer, lacrosse, basketball, baseball, softball, cross country, track and field, sailing, tennis, and swimming. The sailing program, in particular, has national recognition and leverages the college's waterfront setting. Campus amenities include waterfront access along the St. Mary's River, sailing facilities, athletic fields, soccer and lacrosse complexes, tennis courts, a fitness center, and aquatic facilities. The campus is widely regarded as one of the most scenic in the country, with expansive waterfront frontage, historic buildings, and integrated natural landscapes. Student life is centered around a residential campus experience with a strong emphasis on community engagement, outdoor recreation, and academic enrichment. The college hosts a variety of lectures, performances, conferences, and cultural events that generate consistent visitation throughout the year. Looking forward, the institution continues to invest in academic programming, campus improvements, and student life enhancements, with a focus on sustainability, waterfront integration, and strengthening its role as a premier public honors college. This ongoing investment supports long-term stability and reinforces the area's positioning as an education-driven destination.

HISTORIC ST. MARY'S CITY (continued)

Athletic teams include Lacrosse, Sailing, Soccer, Baseball, Volleyball, Basketball , Rowing, Tennis , Cross County Track & Field, Swim Meets (College and Community) and club Rugby Scrimmages. Other demand generated from the College includes alumni and student events which approximate around 10,000 room nights annually. This along with summer camps, events at the Performing Arts Center, and other concerts and College Trustee meetings add to the existing room night demand. The area lacks a higher end quality facility with suitable meeting space.

The relationship between St. Mary's City and the surrounding waterways is central to its identity and long-term appeal. Positioned along the St. Mary's River near its confluence with the Potomac River and Chesapeake Bay, the area offers expansive views, direct water access, and a strong connection to maritime heritage. The waterfront is not only a scenic amenity but also a functional asset supporting boating, sailing, kayaking, and passive recreation. This setting contributes to a relaxed, destination-oriented atmosphere that differentiates the area from more commercialized waterfront markets. The integration of water, landscape, and historic setting creates a highly desirable environment for leisure visitation, small-scale events, and experiential hospitality uses.

The market in St. Mary's City is therefore best understood as a special-purpose submarket, driven by academic demand (college-related visitors, faculty, and events), heritage tourism associated with Historic St. Mary's City, small-scale conferences, retreats and weddings, and seasonal leisure demand tied to waterfront and outdoor recreation.

Unlike broader St. Mary's County, which is heavily influenced by defense and government employment, St. Mary's City operates within a more niche, experience-driven economic framework. Demand is not volume-based but instead focused on quality, setting, and programming, making it well-suited for boutique lodging, retreat-oriented uses, and destination-driven development.

Looking forward, the future of St. Mary's City is expected to remain intentionally constrained and preservation-focused, with limited large-scale development. Growth will likely occur through incremental enhancements to tourism, academic programming, and small-scale hospitality offerings, rather than through traditional suburban expansion. At the same time, this controlled growth environment creates a meaningful opportunity for well-conceived, context-sensitive development that leverages the area's unique assets. The combination of historic significance, waterfront setting, and institutional support positions St. Mary's City for continued evolution as a high-quality, experience-driven destination. Thoughtfully designed projects that align with the area's character have the potential to capture unmet demand for boutique lodging, retreats, and small-scale gatherings, supporting long-term upside while preserving the integrity of the setting.

In summary, St. Mary's City is a unique, low-density, historically significant submarket that offers a distinct contrast to the broader county. Its value lies not in scale or commercial intensity, but in its authenticity, setting, and institutional anchors, which together create a compelling foundation for boutique, experiential, and destination-oriented development.

SITE

The proposed subject site occupies a highly visible, gateway location to the St. Mary's College and is convenient to the entrance to the athletic facilities on the northern peripheral of the campus. The site is at grade and cleared.

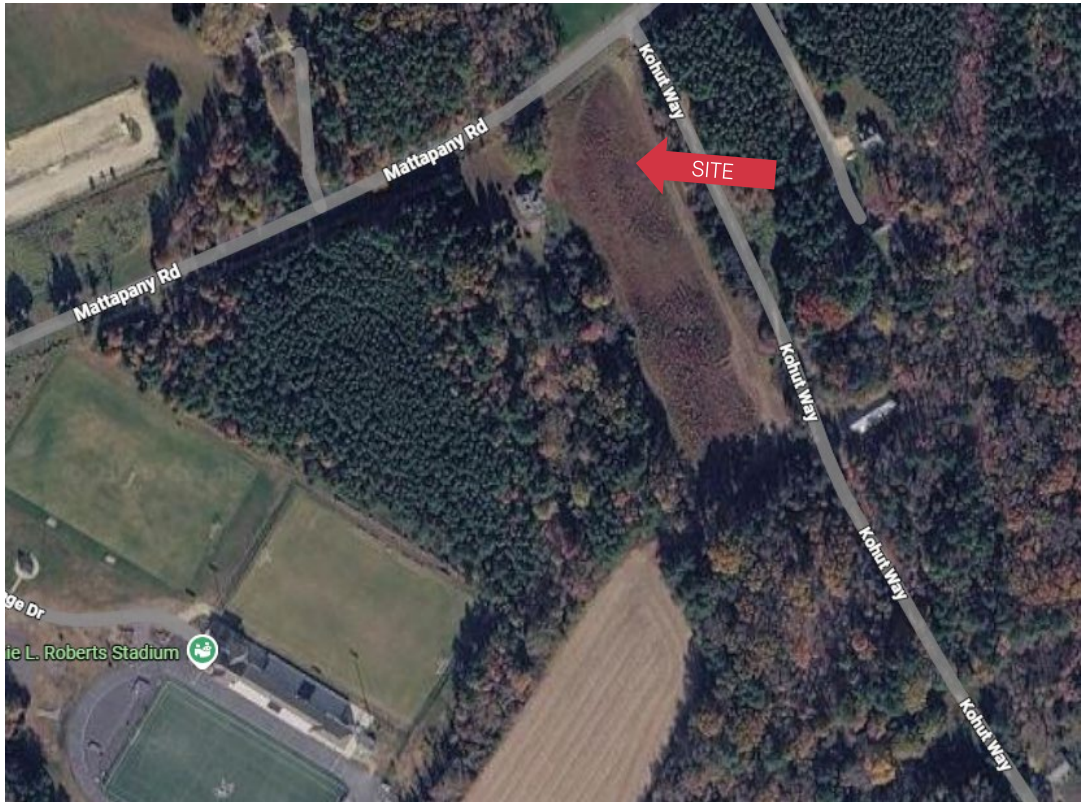
The site is strategically located along Mattapany Road in immediate proximity to its intersection with Kohut Way, directly adjacent to and effectively integrated within the St. Mary's College of Maryland campus.

The parcel is level, cleared, and development-ready, offering efficient site conditions with minimal grading requirements and a straightforward path to construction.

The location provides strong regional accessibility, with direct access to Mattapany Road and convenient connectivity to MD Route 5 (Point Lookout Road), the county's primary north–south arterial, as well as onward access to the Route 235 commercial corridor.

The site benefits from immediate proximity to key demand generators, including St. Mary's College of Maryland, Historic St. Mary's City, and the surrounding waterfront, positioning it within the core of the area's academic, cultural, and leisure activity.

The property's location offers a unique combination of campus integration, waterfront proximity, and regional accessibility, supporting a wide range of uses including boutique lodging, academic-related visitation, and small-scale meetings and events. The site presents a compelling opportunity for a 150-room boutique hotel to serve a unique mix of college-driven, heritage tourism, and retreat-oriented demand not currently accommodated in the market.



SUBJECT SITE ANALYSIS					
	Excellent	Very Good	Good	Fair	Poor
Accessibility	X				
Visibility	X				
Proximity to Demand	X				
Proximity Amenities		X			
Long-Term Potential	X				

Facilities & Programming



WOODWORTH CORE
HOSPITALITY ADVISORY SERVICES

FACILITIES, POSITIONING AREA LODGING PERFORMANCE

Smith Travel Research (STR) tracks lodging performance in the market and throughout the US and categorizes properties into chain scales which are based on average daily rates from lowest to highest, The St. Mary's County lodging market contains approximately 12 hotels (1,096 rooms) representing 7 brands and 3 of the 6 chain scales. There are no properties in the top two tiers of Luxury and Upper Upscale hotels in the St. Mary's County market.

The chain scale classification for hotels is a categorization system used primarily in the hospitality industry to classify hotels based on their price range, quality of services, and amenities offered. The classification is generally broken into several tiers: Luxury, Upper Upscale, Upscale, Upper Midscale, Midscale, and Economy. The Upscale Chain Scale classification specifically represents properties that provide a higher level of comfort, amenities, and services without reaching the premium pricing and exclusive features of the luxury or upper-upscale segments. Performance in the overall St. Mary's County market in 2025 was at 59% $114.17 in average daily rate. For the upscale chain scale, the properties reported occupancies in the mid-60s percent with average daily rates ranging from $115-$120.

Considering the demand in the market and existing supply and a location adjacent to St. Mary's College along with a conference center orientation, a 150- room boutique upscale hotel has been deemed reasonable. Further the property would include 6 detached free standing cottages and approximately 7,000 square feet in total. Based on conversations with area lodging managers, the convention and visitor's bureau and our knowledge of the market, an opportunity exists for a branded full-service hotel of 100-150 rooms with 5,000 to 10,000 square of meeting space. Further, it appears that the Upscale chain scale lacks representation in the subject market and there is an opportunity to capture commercial, group meeting (conference) and leisure demand in this segment. There are no conference centers of note in the subject area of the market.

Upscale hotels fall between midscale and luxury categories in terms of price, offering a high-value experience at a more moderate cost compared to upper-upscale or luxury properties. These hotels typically attract business travelers, vacationing families, and guests seeking a comfortable, well-appointed experience without an excessive price tag. Guests may expect a better-quality experience and extra comfort compared to more basic categories.

Upscale hotels offer rooms that are well-appointed, typically larger than midscale hotel rooms, with comfortable furnishings. Rooms often include amenities like high-quality bedding, spacious work desks, and seating areas. Upscale hotels provide modern in-room technology, including flat-screen TVs, Wi-Fi (often complimentary), and smart devices for convenience. Charging stations, multimedia connectivity, and entertainment options are also commonly provided. Rooms generally include mini-fridges, coffeemakers, and microwave ovens. Upscale hotels often provide premium toiletries, and higher-quality fixtures in bathrooms, and usually offer at least one on-site restaurant or bar, with the food and beverage options designed to cater to guests' preferences. They may also provide room service, often with limited hours. Most upscale hotels have a fitness center, which is typically well-equipped with a variety of machines and weights. Some properties also offer pools or wellness amenities.

FACILITIES, POSITIONING, AREA LODGING PERFORMANCE (cont.)

Proposed Subject Property: Based on the market, location, and anticipated future demand characteristics, a 150-room Boutique Hotel and Conference Center with slightly over 7,000 square feet of conference/meeting space is considered appropriate. And in order to accommodate longer term stays and visiting faculty and those associated with the College, the hotel and conference center should include six cottages. The chart below includes an appropriate mix of king rooms and double-bedded rooms along with meeting space and amenities comparable to other hotels of similar room counts. Our review indicates that a property in this location, within St. Mary's County and specifically in St. Mary's City adjacent to the St. Mary's College should include the following attributes:

Proposed 150-room Boutique Hotel and Conference Center
Southwest quadrant of the intersection of Kohut Way & Mattapany Road
St. Mary's College of Maryland (SMCM)
St. Mary's, Maryland

Component	Units
Rooms	**Rooms**
Double Bedded	70
King	70
Suites	10
Total Rooms	150

Food and Beverage	Seats [1]
Restaurant	125
Lounge	110
Rooftop Bar	100
Total Seats	335

[1] Seats estimated at 20 SF per seat

Meeting Space		Square Feet
Large Ballroom (2 @ 2,200SF)		4,400
Meeting Rooms (2 @ 1,000 SF)		2,000
Board Rooms	(3 at various)	650
Total Square Feet		7,050

Additonial Amenities include 1,800 SF Fitness Center, 350 SF Spa, and 1 outdoor swimming pool.

REPRESENTATIVE IMAGES/RENDERINGS





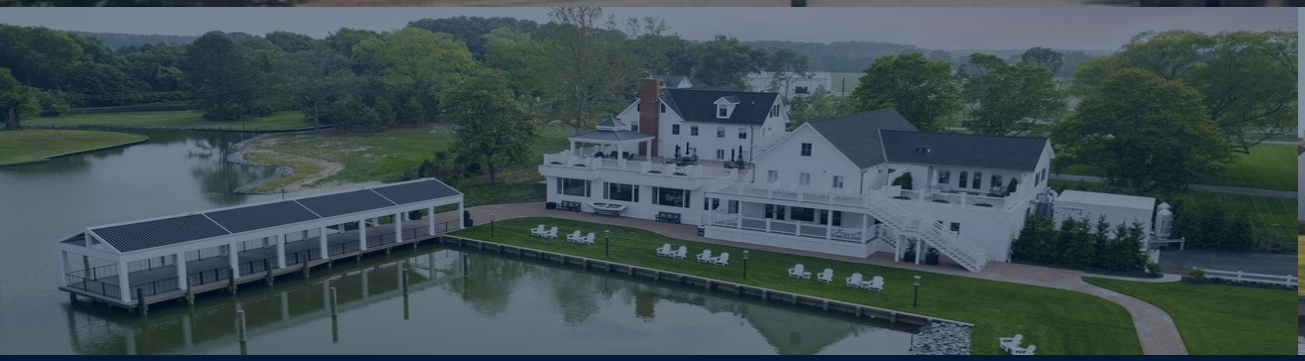


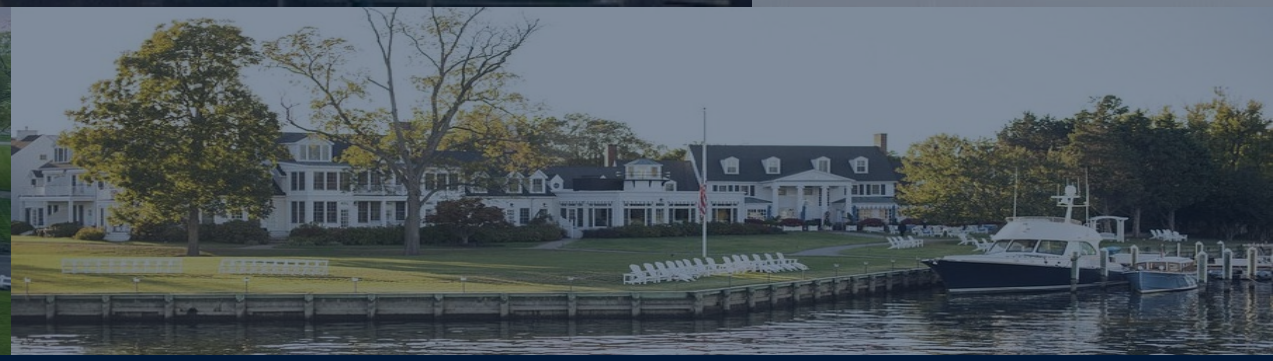


Area Lodging









WOODWORTH CORE
HOSPITALITY ADVISORY SERVICES

AREA LODGING OVERVIEW

St. Mary's County, Maryland contains a modest but functionally important lodging inventory that is heavily concentrated along the Route 235 corridor in the Lexington Park and California submarkets, with limited supply in Leonardtown and very minimal inventory in the southern and rural portions of the county. The market is not a traditional highway or tourism-driven lodging market; rather, it is primarily supported by defense-related demand associated with Naval Air Station Patuxent River (NAS Pax River), along with a secondary base of government, contractor, and visiting professional travel. In total, St. Mary's County contains approximately 12 to 15 branded and independent hotels, representing an estimated 1,100 to 1,300 rooms. The majority of these properties are select-service and extended-stay hotels positioned to serve business travelers, contractors, and government personnel. The market includes a mix of national brands and smaller independent properties, with limited presence of full-service or upscale hotels.

The Lexington Park / California corridor represents the dominant lodging cluster in the county and functions as the primary hotel submarket. This area contains approximately 9 to 11 hotels totaling roughly 900 to 1,000 rooms, representing more than 75% of the county's total supply. The cluster is located along Maryland Route 235 in close proximity to NAS Pax River and includes a range of nationally recognized brands such as Hampton Inn, Fairfield Inn by Marriott, TownePlace Suites by Marriott, Holiday Inn Express, Home2 Suites by Hilton, Spark by Hilton, and La Quinta Inn & Suites.

Representative properties within this corridor include:
- Spark by Hilton California Lexington Park
- La Quinta Inn & Suites by Wyndham Lexington Park - Patuxent
- TownePlace Suites by Marriott Lexington Park
- Fairfield Inn by Marriott Lexington Park
- Comfort Inn & Suites Lexington Park

These properties are generally positioned in the upper economy to upper midscale segments, with a strong emphasis on extended-stay product, reflecting the long-term nature of government and contractor assignments. The concentration of lodging supply in this corridor reinforces its role as the functional lodging hub for the county, with demand largely tied to NAS Pax River, defense contractors, and related government activity.

Leonardtown, the county seat and most established historic town, contains a much smaller lodging cluster, with approximately 1 to 2 hotels totaling roughly 80 to 120 rooms. The primary branded asset in this submarket is The Inn at Leonardtown, Ascend Hotel Collection, which represents the county's most boutique-oriented branded hotel and is positioned to serve government, legal, and small-scale leisure demand. This submarket also includes a limited number of bed-and-breakfast and independent lodging options. Leonardtown's lodging profile is characterized by low supply, higher relative ADR positioning, and proximity to government and waterfront amenities, but lacks the scale of the Lexington Park corridor.

South of Lexington Park, lodging supply becomes increasingly limited and transitions to small boutique inns, waterfront properties, and independent accommodations. Notable examples include The Inn at Brome Howard in St. Mary's City and Back Creek Inn and Solomons Victorian Inn in the broader waterfront region. These properties typically range from 5 to 20 rooms and cater to leisure travelers, weddings, and small retreat demand rather than large-scale business travel.

AREA LODGING OVERVIEW (continued)

This portion of the county is effectively undersupplied from a traditional hotel perspective, with no branded select-service or full-service hotels located in immediate proximity to St. Mary's City or the southern waterfront areas. As a result, visitors to Historic St. Mary's City and St. Mary's College of Maryland are typically accommodated in the Lexington Park / California corridor, approximately 10 to 20 minutes away.

The overall brand composition of the St. Mary's County lodging market reflects its demand drivers. The market is dominated by Hilton, Marriott, and IHG-affiliated select-service and extended-stay brands, supplemented by Wyndham and Choice Hotels flags. There is no meaningful presence of full-service, convention-oriented, or luxury hotel product, and limited boutique inventory outside of small independent inns. This composition reinforces the market's positioning as a functional, demand-driven lodging market rather than a destination-driven resort market.

From a segmentation standpoint, lodging demand in St. Mary's County is estimated to be heavily weighted toward government and contractor-related business travel (50%–65%), with additional demand from visiting family and friends, small group meetings, and limited leisure tourism. The absence of major highway traffic, large-scale tourism infrastructure, or significant convention facilities limits transient and group demand relative to more diversified lodging markets.

The geographic distribution of hotels also reflects the county's development pattern. The Route 235 corridor serves as the central axis for commercial activity, with lodging properties located in close proximity to retail, dining, and employment centers. Outside of this corridor, development density drops significantly, resulting in limited lodging options and reinforcing the importance of the Lexington Park / California cluster as the primary accommodation base.

Looking forward, the St. Mary's County lodging market is expected to remain stable and supply-constrained, with limited new development activity absent a major catalyst. The existing inventory is generally well aligned with current demand drivers, particularly defense-related business travel. However, the market exhibits a notable gap in boutique, waterfront, and destination-oriented lodging product, particularly in the southern portion of the county near St. Mary's City and the Chesapeake Bay.

This imbalance between supply and location-specific demand suggests potential opportunity for well-positioned, appropriately scaled hospitality development that targets experiential, academic, and leisure demand segments not fully served by the existing inventory. At the same time, the overall market size and dependence on a single dominant economic driver require a disciplined approach to development, with careful consideration of demand segmentation and positioning.

In summary, the St. Mary's County lodging market is best characterized as a small, stable, defense and college-supported hotel market with a concentrated supply base, limited competition, and identifiable gaps in boutique and destination-oriented product.

AREA LODGING OVERVIEW (continued)

The following properties are 6 or the 12 existing properties that participate in the STR/COSTAR reporting metrics. There are additional properties however they are independent, boutique, non branded smaller (in room count) properties that are not deemed competitive or comparable to a proposed new 150-room conference center hotel such as the envisioned conference center hotel.

Proposed 150-room Boutique Hotel and Conference Center
Southwest quadrant of the intersection of Kohut Way & Mattapany Road
St. Mary's College of Maryland (SMCM)
St. Mary's, Maryland

Hotel	1	2	3	4	5	6
Hotel Name	Home2 Suites Lexington Park	TownePlace Suites Lexington Park	Fairfield Inn Lexington Park	Hampton Inn Lexington Park	Comfort Inn & Suites Lexington Park	Extended Stay America Pax River
Address	46058 Valley Dr, Lexington Park	22520 Three Notch Rd, Lexington Park	22119 Three Notch Rd Lexington Park	22211 Three Notch Rd Lexington Park	21885 Three Notch Rd, Lexington Park	46565 Expedition Dr Lexington Park
Brand	Hilton	Marriott	Marriott	Hilton	Choice	ESA
Chain Scale	Upper Midscale	Upper Midscale	Upper Midscale	Upper Midscale	Upper Midscale	Midscale
Rooms	105	95	85	80	85	110
Year Opened	2018	2016	2005	2005	2004	2003
Amenities	Indoor pool, fitness, breakfast, extended stay	Fitness, breakfast, extended stay	Breakfast, fitness	Pool, fitness, breakfast	Pool, fitness, meeting space	Extended stay, laundry
Web Address	https://www.hilton.com/im/en/DCALPHT/23558994/dcalpht-0638.jpg	https://cache.marriott.com/content/dam/marriott-digital/ts/us-canada/hws/w/wastl/en_us/photo/unlimited/assets/ts-wastl-exterior.jpg	https://media-cdn.tripadvisor.com/media/photo-s/2e/d4/b4/80/exterior.jpg	https://cf.bstatic.com/xdata/images/hotel/max500/484893186.jpg	https://www.comfortinnlexingtonpark.com/images/hotel-exterior.jpg	https://www.extendedstayamerica.com/dA/686de32b12364bd5bec464277489edfa/2549-ESA-I_exterior1_T.jpg

AREA LODGING OVERVIEW (continued)

The following properties are the remaining 6 properties.

Proposed 150-room Boutique Hotel and Conference Center
Southwest quadrant of the intersection of Kohut Way & Mattapany Road
St. Mary's College of Maryland (SMCM)
St. Mary's, Maryland

Hotel	7	8	9	10	11	12
Hotel Name	La Quinta Lexington Park	Avid Hotel California	Spark by Hilton California	Sleep Inn & Suites California	Holiday Inn Express California	Inn at Leonardtown
Address	22769 Three Notch Rd Lexington Park	23274 Three Notch Rd Califfornia	44941 Worth Ave California	23428 Three Notch Rd California	45260 Abell House Ln California	41655 Park Ave Leonardtown
Brand	Wyndham	IHG	Hilton	Choice	IHG	Ascend
Chain Scale	Upper Midscale	Upper Midscale	Midscale	Upper Midscale	Upper Midscale	Upscale Boutique
Rooms	90	90	90	85	95	42
Year Opened	2010	2023	2005	2012	2010	2021
Amenities	Pool, fitness	Fitness, breakfast	Breakfast, fitness	Breakfast, fitness	Pool, fitness, meeting	Boutique, meeting space
Web Address	https://www.wyndhamhotels.com/content/dam/property-images/en-us/lq/us/md/california/52915/52915_exterior_view_4.jpg	https://digital.ihg.com/is/image/ihg/avid-hotels-california-10391398673-2x1	https://cf.bstatic.com/xdata/images/hotel/max1024x768/748562652.jpg	https://cf.bstatic.com/xdata/images/hotel/max1024x768/380646710.jpg	https://digital.ihg.com/is/image/ihg/holiday-inn-express-and-suites-california-5377584619-2x1	https://dynamic-media-cdn.tripadvisor.com/media/photo-o/31/97/06/09/hotel-exterior.jpg

COMPARABLE MARKETS

There are three markets which stand out as comparable to St. Mary's. These three cities are Williamsburg, Jamestown and Yorktown which form the historic triangle in the Hampton Roads Virginia MSA. Comparable attributes are as follows:

Williamsburg, Virginia

•Colonial capital restored as a large-scale living history destination anchored by Colonial Williamsburg and supported by William & Mary
•Successfully combines history, education, lodging, retail, and attractions into a multi-day visitor market
•Comparable due to its origins as a colonial capital and integration of an academic institution with tourism
•Success driven by long-term investment in preservation, strong institutional stewardship, and development of complementary amenities including hotels, dining, and event spaces
•Demonstrates how a historically significant site can evolve into a year-round, diversified destination with strong lodging demand

Jamestown, Virginia

•First permanent English settlement (1607), functioning today as a preservation- and archaeology-focused heritage site
•Emphasizes authenticity and interpretation rather than commercial buildout, with visitation supported by nearby markets
•Comparable due to its low-density setting, archaeological importance, and limited on-site lodging
•Success driven by national historical significance, National Park Service involvement, and coordinated regional tourism within the Historic Triangle
•Illustrates how a site can maintain high visitation and relevance without overdevelopment, relying on surrounding areas for accommodations

Yorktown, Virginia

•Historic waterfront town and site of the final Revolutionary War battle, combining history with a walkable village and waterfront experience
•Integrates small-scale retail, dining, and public spaces into a cohesive destination environment
•Comparable due to its waterfront setting, historic significance, and boutique-scale development pattern
•Success driven by activation of the waterfront, consistent programming (events, festivals), and integration with broader regional tourism
•Demonstrates how a smaller historic market can support boutique lodging, extended stays, and repeat visitation through experience-driven development

CONCLUSIONS

St. Mary's City and County are both stable economic environments which enjoy uncongested living in a bucolic rural setting. These locations in the eastern United States, which are convenient to major metropolitan areas in peaceful idyllic settings are highly sought after today. Accordingly, St. Mary's is well regarded and highly considered for a variety of reasons to a mix of demographics.

From a lodging perspective, there is a dearth of higher quality (from a chain scale perspective) facilities in the market. While the existing supply is adequate, there are no conference centers in boutique hotels in the surrounding areas. Based on a high-level review of the current market, there is a moderate amount of unaccommodated demand in the market which would likely use a boutique conference center hotel in the St. Mary's City area. The opportunity to increase tourism visitation levels while continuing to capture existing demand appears reasonable.

The site location adjacent to the St. Mary's College campus and within the historic area of St. Mary's provides a significant lodging opportunity for leisure, commercial (college and town related), and group meeting/conference center demand.

Similar markets have attained significant success promoting their historic heritage, particularly in neighboring Virginia.

Key Takeaways for St. Mary's City with regard to comparable cities and towns are -

These markets show three scalable models:

- Williamsburg: full destination buildout
- Jamestown: preservation-driven visitation
- Yorktown: waterfront village activation

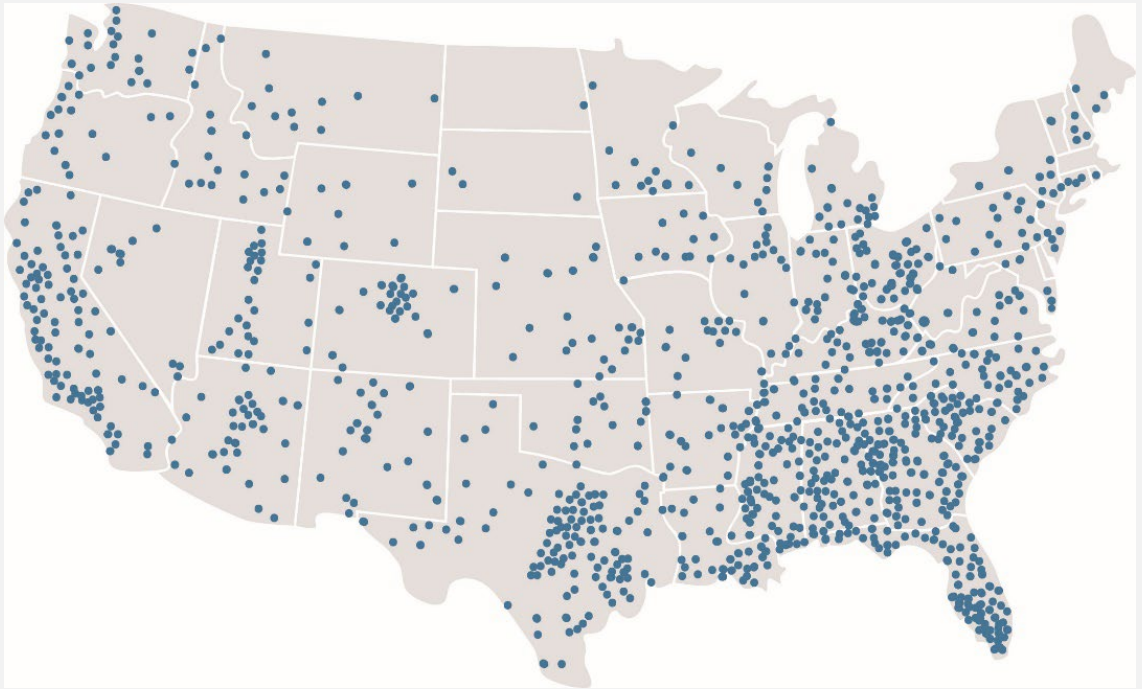
St. Mary's City is positioned to blend elements of all three, supporting boutique lodging, academic demand, and heritage tourism within a controlled, high-quality development framework.

WOODWORTH CORE GROUP

Woodworth Core Group was formed in April 2024 as the merger of R.M. Woodworth & Associates and Core Hospitality Advisors. Over the past 40 years, the principals of the firm have provided an array of services involving more than 5,000 hotels nationwide and are considered best-in-class for trusted advisors.

- ASSET MANAGEMENT
- DEVELOPMENT ADVISORY
- LITIGATION SUPPORT
- RESEARCH
- VALUATION / APPRAISAL

Where We Work:



YOUR ADVISOR

PROFESSIONAL EXPERIENCE

Tim Dick is an Executive Vice President in the Woodworth Core Group Hotels Advisory practice. Mr. Dick is a subject matter expert in hospitality real estate with deep experience in the areas of asset management, valuation, and general hospitality advisory services (market analysis, operational audits, strategic consulting). He is responsible for Hotel Advisory, Hotel Consulting, Hospitality Asset Management & Investment Services team and oversight of all functions and services covering all geographic locations in North America at Woodworth Core Group.

Prior to joining Woodworth Core Group, Mr. Dick was an Executive Vice President with CBRE where he served as a hotel advisor in a national practice. Prior to CBRE, Mr. Dick was with HotelAVE and was responsible for Asset Managing hotels in New York City, NY, Cartagena, Colombia and Buenos Aires, Argentina. These urban and resort properties were uniquely challenging as they were both branded and non-branded hotels in international markets and gateway cities.

Mr. Dick was also Principal and Managing Member of Rockcastle Real Estate Advisors, LLC, an independent third-party advisory and consulting firm specializing in hotels. Mr. Dick was responsible for operational reviews, asset management, underwriting and acquisition for hospitality investments. The portfolio included three non-branded full-service hotel assets and four branded assets with a market valuation of $400mm.

Prior to forming Rockcastle, Mr. Dick served as Head of the Hotel Asset Management Team at TriMont Real Estate Advisors, LLC, where he was responsible for providing strategic asset services to major financial institutions and oversaw a portfolio totaling 170 hotels.

Career experience highlights include:

- Managed hotel portfolios ranging from 12 to 170 properties in size with market valuations ranging from $200MM to $3.5B
- Worked on hospitality engagements throughout the U.S., Canada, Caribbean and Europe
- Brand experience includes Marriott, Hilton, Ritz Carlton, Le Meridien, Capella, Carlson, IHG, Hilton, Wyndham, Hard Rock, and recognized independent/boutique properties

PROFESSIONAL AFFILIATIONS/ACCREDITATIONS

Appraisal Institute (MAI Designation)
Counselors of Real Estate (CRE)
International Society of Hospitality Consultants (ISHC)
President of the Hotel Asset Management Association (HAMA)
Board Member of the Cornell University Council
Board Member of the Atlanta Hospitality Alliance

EDUCATION

Cornell University – Master of Professional Studies in Hotel Administration
Iowa State University – PhD in Hospitality Management

TIMOTHY (TIM) J. DICK, CRE, ISHC, PhD, MAI
Executive Vice President – Development Advisory + Appraisal + Asset Management
Woodworth Core Group
Williamsburg, VA
404-395-8393
tim@woodworthcore.com

