



Hotel Market & Financial Feasibility Study

Winthrop Harbor, Illinois

The Village of Winthrop Harbor engaged Hunden to conduct a market and financial feasibility analysis, as well as economic impact, for a new hotel development. The study considered multiple site options, including on the lakefront and in the commercial downtown district.

One of the Village's biggest assets is North Point Marina, which is the largest freshwater marina in the United States. The area offers boating, beaches, fishing and eco-tourism activities which attract nearly one million visitors annually. A shift in management of the Marina brought a new 25-year lease agreement, a committed investment of \$2 million into rehab of the marina and support amenities such as a pool, pavilion, landscaping and beach cleanup. The Village expected a resurgence in the popularity of not only the Marina, but the beach as well. The shift in management also brought an opportunity to develop a waterfront hotel on a five-acre site.

Hunden's report provided the client with multiple viable scenarios and options for a hotel development, including:

- A 60-room hotel in the commercial/downtown zone with 1,200 square feet of meeting space,
- A 100-room full-service 'lite' beachfront hotel with 6,200 square feet of meeting space, and
- A 150-room upscale full-service beachfront hotel with 9,300 square feet of meeting space.

The market findings recommended that the Village leverage its primary asset, the lakefront, and develop a compelling, quality hotel near the beach with views and year-round opportunities for visitors and residents to enjoy the location.

Client: Village of Winthrop Harbor

Time Period: 2018