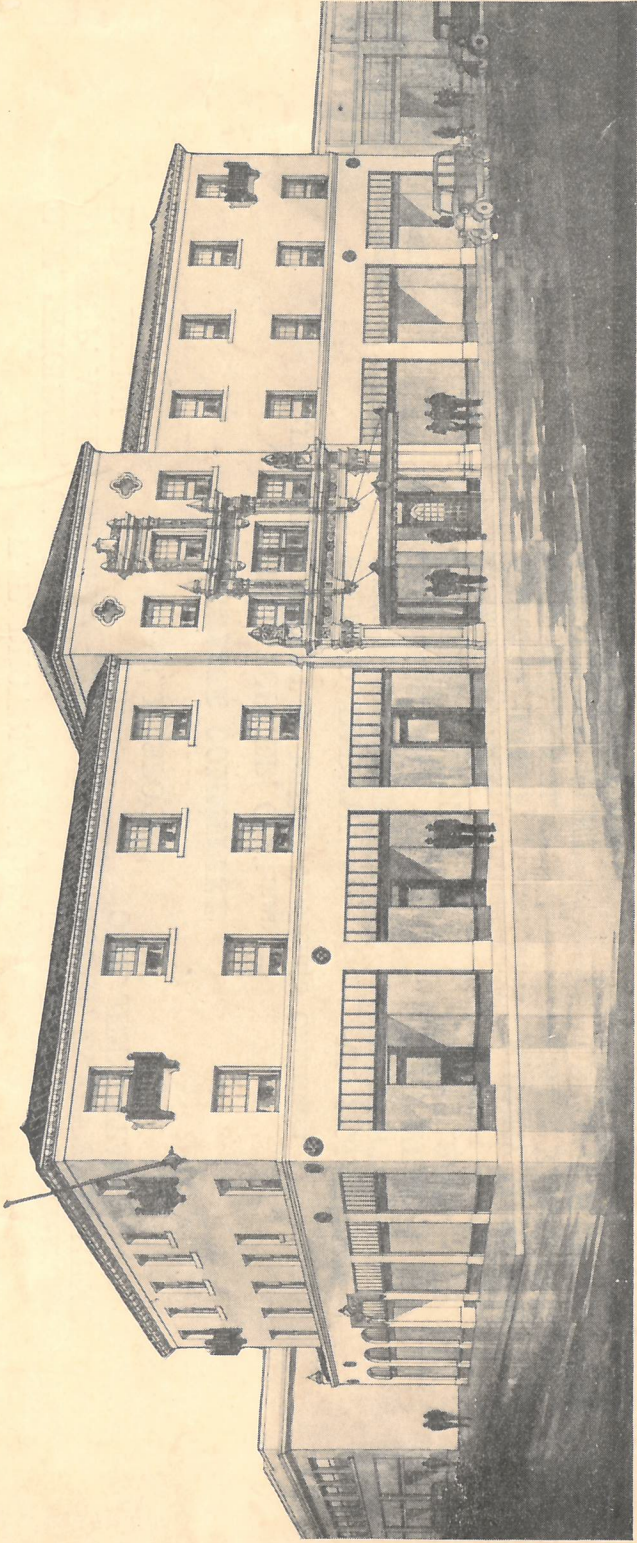


**A Distinctive Hotel  
for Sandpoint**



*What Sandpoint Builds--Builds Sandpoint*



# Sandpoint Community Hotel Campaign

Community Enterprise

## The Sandpoint Community Hotel Company

### OFFICERS AND BOARD OF DIRECTORS

E. F. HITCHNER, Vice-President  
ALLEN P. ASHER, Secretary  
E. D. FARMIN  
H. E. BROWN, President  
H. C. BANCROFT, Treasurer  
JUDGE EVERETT E. HUNT  
O. M. JENNESTAD

CHAS. E. SPOOR

### EXECUTIVE COMMITTEE

E. F. HITCHNER, Chairman  
JUDGE EVERETT E. HUNT, Associate Chairman

W. C. AMES  
ALLEN P. ASHER  
H. C. BANCROFT  
A. W. BOWEN  
AL E. BOWER  
H. E. BROWN  
W. A. BROWN  
ROBT. COONS  
R. F. CURTIS  
ED J. ELLIOTT

EARL D. FARMIN  
ROY E. FEEDER  
J. A. FOSTER  
ORVILLE FRAZIER  
J. B. GARDNER  
KARL D. GREEF  
E. F. HITCHNER  
EVERETT E. HUNT  
O. M. JENNESTAD  
HARRY KREBS

W. J. MANDLEY  
ROBERT McCREA  
RAY NEAD  
ALEX SIMS  
RALPH E. SMITH  
SIDNEY H. SMITH  
CHAS. E. SPOOR  
DR. C. P. STACKHOUSE  
C. E. TWISS  
W. W. VON CANON

### GENERAL SALES ORGANIZATION

ALLEN P. ASHER, Sales Manager

Headquarters: Farmin Bldg.

Telephone: 485

## A Modern Hotel Means Greater Progress

“My advice to every city which aspires to progress would be to stimulate civic growth by building a conspicuously attractive hotel.” —B. C. Forbes.

People travel from **Good Hotel** to **Good Hotel** and not from city to city.

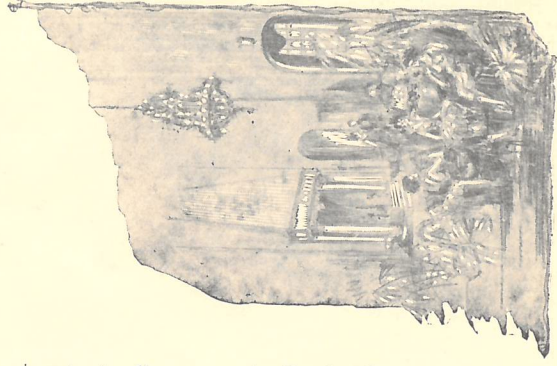
Thousands of tourists pass through Sandpoint annually without fully realizing that our city is a great scenic center. An **Outstanding Hotel** will attract these tourists to our city, enabling us to acquaint them with the beauties of Lake Pend d'Oreille as well as with our natural resources.

A Distinctive Hotel is imperative to a city's development because the impression gained by visiting business men may very easily be the deciding point in whether or not they choose that city as an industrial location.

Building an Attractive Modern Hotel is the same as bringing a new industry to Sandpoint. It will give employment to a large number of citizens. Tourists and travelers will spend money with our merchants instead of in other cities. Only Twenty Cents of the Tourist's Dollar is used for Hotel accommodations; the balance is spent for supplies, merchandise and entertainment.

It is useless to advertise Sandpoint and the territory surrounding unless we have a “Conspicuously Attractive Hotel” in which to entertain our city's guests. We now have the opportunity of obtaining **the kind of a hotel that our city needs**. This opportunity must be converted into definite action—action on the part of every loyal citizen of Sandpoint. **IT IS AN INVESTMENT IN THE FUTURE OF SANDPOINT.**

“*What Sandpoint Builds—Builds Sandpoint*”





# Financial Plan

The Sandpoint Community Hotel Company has been formed under the laws of the State of Idaho by an Incorporating Committee of prominent citizens.

The authorized capital stock is \$100,000, Preferred Stock divided into 1,000 shares, par value \$100 per share, and 1,000 shares of Common Stock, non-par value.

The stock will be sold in units of one share of seven per cent (7%) cumulative Preferred Stock and one share of Common Stock, non-par value, for the sum of \$100 per unit.

Both the Preferred and Common Stock will be issued as fully paid and non-assessable.

The Preferred Stock is preferred both as to dividends and assets.

No dividend shall be set aside or paid on the Common Stock unless the full amount of cumulative dividends has been first paid or set apart for the Preferred Stock.

Dividends on the Preferred Stock shall be cumulative from and after date of issue, at the rate of seven per cent (7%) per annum payable annually.

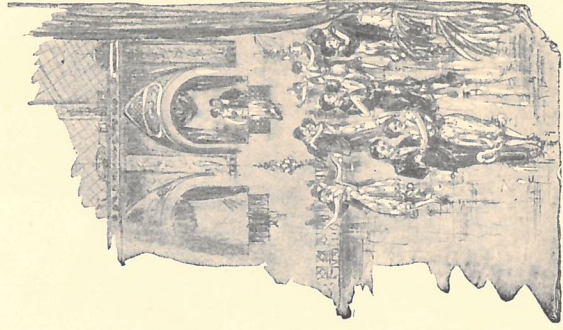
Voting rights will be in the Common Stock.

The Common Stock given as a bonus with the Preferred Stock is not redeemable. Its value increases as the Preferred Stock is redeemed and the mortgage reduced.

Preferred Stock may be redeemed by the corporation in whole or in part upon payment of \$105 per share plus all accumulated dividends thereon to date of redemption.

## SUBSCRIPTIONS FOR STOCK

The first payment of 20% of subscription is due on or before September 10, 1931. The balance is payable 10% of the subscription every thirty days thereafter.





## Building

The new hotel will be of Spanish-Renaissance architecture with Mediterranean influence, three stories in height, brick with an edging of Spanish tile. This will give a distinctive finish to the roof line.

The building has been designed by Tourtellotte & Hummel of Boise and Portland, who are well known throughout the northwest for their architectural work on hotels and other public buildings.

There will be 44 guest rooms, furnished and decorated in the most modern manner. Every room will be an outside room.

On the main floor, in addition to 5 shops, will be located the lobby and a spacious lounge designed in colorful and distinctive Spanish architecture. Its comfort and hospitality will express to the stranger the progressive spirit of Sandpoint. Connected with the lobby will be a beautiful Cafe Coffee Shop. The banquet-ballroom opening into the lounge will serve as a community center with an effective setting for dinner dances, club luncheons, banquets and social gatherings of all kinds.

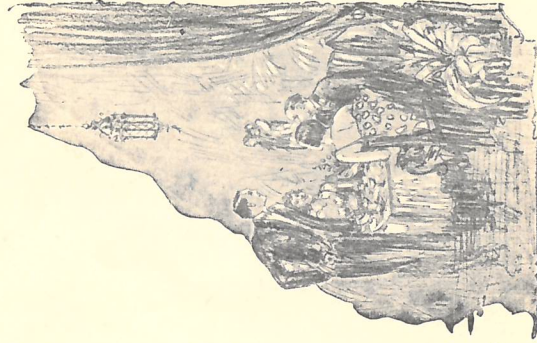
Careful estimates have been made so that there will be no over-building in size or cost of construction. In anticipation of future expansion, the hotel will be so adapted to the site as to permit construction of large additions.

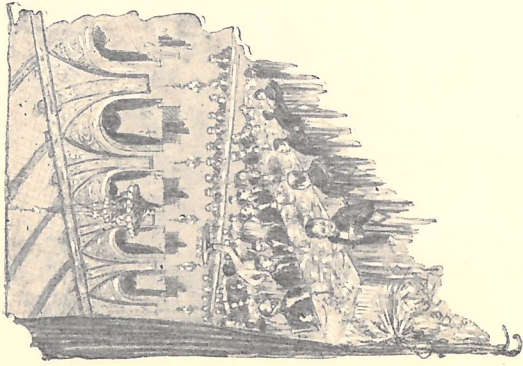
### THE SITE

The new hotel will be located on the northwest corner of Cedar Street and Second Avenue. This site has a frontage of 160 ft. on Cedar Street and 120 ft. on Second Avenue. It will be accessible to auto tourists and traveling men. It will increase in value with the development of the business district, and will have the advantage of income from shops. This location has been approved as the best from the hotel operator's and investor's standpoint.

There will be ample parking space in the rear of the hotel for automobiles of guests.

**Invest In 7% Cumulative Preferred Stock With A Bonus Of Common Stock, Non-Par Value**





## Management

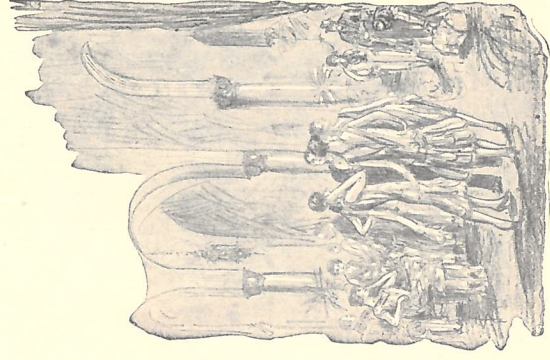
That Sandpoint is a good hotel center is evidenced by the fact that several hotel managers have been seeking to operate the new hotel. It is believed there will be many more offers from other operators before the completion of the campaign, all of which will be considered by the Board of Directors.

Our counsellor and advisor, L. D. Barr of The Barr Method of Planning and Financing, recommends for the time being that we operate the hotel under a managerial contract, as is done in many of the leading hotels of the west. Under the suggested plan a competent manager will be paid a fixed salary, and after all the operating expenses, interest charges, amortization, taxes, insurance and depreciation have been deducted from the total income, and **seven per cent dividend** on all outstanding Preferred Stock has been set aside for the use of the Sandpoint Community Hotel Company, the manager or operator will receive **25%** of the net profits. The other **75%** will be available for additional dividends, amortization of mortgage, or other uses as the Board of Directors may determine.

The Board of Directors reserves the right to lease the hotel or operate the same on whatever form of lease it determines best for the interest of the stockholders.

On the last page of this Prospectus is found an Estimated Operating Statement which has been made after a very careful study.

**This Is A Conservative Business Man's Investment.**





# The Hotel As An Investment

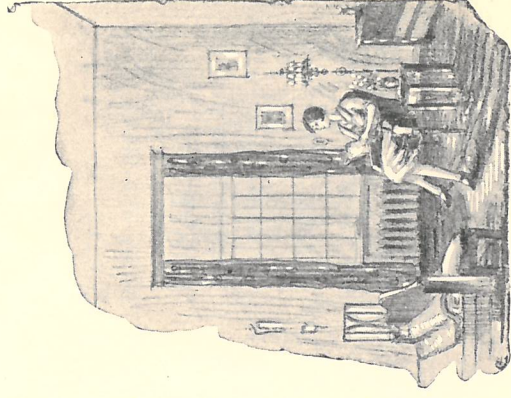
Demand for a strictly modern hotel with attractive rates assures an earning power which will be increased because hundreds of its local stockholders will personally invite tourists and travelers to patronize "our hotel." Every stockholder becomes an advertising agent for Sandpoint as a hotel and tourist center. All merchants and residents of Sandpoint will reap direct and indirect returns from this investment.

This is a Sandpoint corporation composed of some of the most prominent citizens of the community. There is **NO PROMOTION STOCK**, and all contracts will be let by our Board of Directors.

**Conservative citizens are buying large blocks of stock** because our hotel will have:

1. EFFICIENT MANAGEMENT.
2. PROPER COST OF CONSTRUCTION.
3. GOOD ARCHITECTURE; i. e. so arranged as to have economy of operation.
4. STRICTLY MODERN OUTSIDE ROOMS WITH ATTRACTIVE RATES.
5. DESIRABLE LOCATION.
6. SCIENTIFIC FINANCING; i. e., our citizens act as volunteer stock salesmen, producing a large number of interested stockholders, with a minimum cost of financing.
7. PREFERRED STOCK PLUS; the stockholder is **not limited to 7% dividend**, but through the Common Stock he has an opportunity to share in the earnings over and above 7%, and also share in the increased values resulting from the appreciation of the land and rentals of the building.

**YOUR INVESTMENT** will be represented by substantial assets in the form of valuable real estate, upon which will be erected a modern hotel. This property is regarded as adequate security without taking into consideration any increase of its value due to future growth and development of Sandpoint, or increased tourist travel on our highways.



Any practical investor should be glad to be offered an investment embodying a sound source of income, whether it be an industry, bank or hotel, and especially one which will materially increase the prosperity of our city and aid in capitalizing our magnificent scenery. For this reason the members of the Sandpoint Community Hotel Committee are sponsoring this great community enterprise.

## A Few Sources of Income

1. **COMMERCIAL TRAVELERS.** It is a well known fact that there is at present great need for additional strictly modern hotel facilities for traveling men who desire the best service and ample accommodations at reasonable rates.

2. **MOTOR TOURISTS.** They travel from **good hotel** to **good hotel** and not from city to city. This distinctive hotel will attract many who are now passing through Sandpoint on the highways. Sandpoint will be known as a place to drive **TO** instead of **THROUGH**— in other words, a tourist center.

3. **PERMANENT GUESTS.** There are many who prefer to live in a modern hotel, especially during the winter season.

4. **CONVENTIONS.** With ample hotel facilities, many district and sectional conventions can be obtained. These will bring many delegates annually.

5. **LOCAL PATRONAGE.** The citizens of Sandpoint and vicinity will use the hotel as a civic center. Here will be held luncheons, banquets, dinner dances, socials, afternoon teas and business conferences.

6. **THE LOCAL STOCKHOLDERS.** Most of the leading hotel chains and operating companies desire a large number of local stockholders in any hotel they operate, the reason being that the stockholders will patronize the hotel and will constitute a vast advertising and business getting agency, directing travelers and tourists to the hotel and to Sandpoint as a hotel center. Experience in other cities shows that this is a benefit to all hotels.



## Community Dividends

While a good financial return is expected from an investment in stock in this project, other dividends to be received from the new hotel are:

1. Thousands of dollars spent in Sandpoint annually by tourists—dollars which are now being spent in neighboring cities.
2. An era of publicity for Sandpoint such as it has never before enjoyed—tourists and travelers driving TO Sandpoint and not THROUGH Sandpoint.
3. In addition to having a modern hotel to which every citizen may take pride, it will help advertise Sandpoint as being the roughly modern and progressive, and enable us to advertise the beauties of our lake region, and hold in our city for prolonged stays, many tourists and travelers.
4. Sandpoint will have a community center for all social and civic activities.

Adopting the slogan of "WHAT SANDPOINT BUILDS—BUILDS SANDPOINT," a committee of prominent citizens has been working for several months in formulating detailed plans, and a large citizens' organization is now being formed for the purpose of financing the Community Hotel.

All Officers, the Campaign Executive Committee, and the Citizen's Sales Organization will soon undertake the selling of stock in the new Community Financed, Community Owned Hotel. These progressive citizens are serving without compensation, and buying stock on the same basis as others. They are working for the development of Sandpoint and its natural resources.

ALL who believe that Sandpoint has a future, that Sandpoint should be classed as a tourist and resort center and receive the benefit of money spent by the tourists and travelers will work for and will invest in stock to the best of their ability.

THIS IS AN INVESTMENT THAT WILL HELP BUILD SANDPOINT.

**SANDPOINT COMMUNITY HOTEL COMPANY**

Sandpoint, Idaho.







**Buy 7% Cumulative Preferred Stock**  
**and**  
**Help Build Sandpoint**

“No city can make any notable growth under the handicap of inadequate hotel accommodations . . . The impression received by visiting business men may very easily be the deciding point in whether or not they choose your city as an industrial location.”  
—Roger Babson, business statistician.

Campaign Headquarters: Farmin Building, 2nd & Cedar Streets.



# Estimated Operating Statement, Sandpoint Community Hotel

## I. INVESTMENT

1. Site .....	\$ 9,500.00
2. Building (44 Guest Rooms, 5 Shops, and Cafe Coffee Shop) .....	66,150.00
3. Furniture and Equipment .....	25,000.00
4. Carrying Charges & Working Capital (Incorporation Taxes, Interest, Insurance, and Financing) .....	11,350.00
<b>Total</b> .....	<b>\$112,000.00</b>

## II. FINANCIAL PROGRAM:

1. Sell locally 7% Cumulative Preferred Stock (Aim to sell \$45,000 and if possible \$100,000) .....	\$ 45,000.00
*2. First Mortgage .....	52,000.00
3. Furniture Contract .....	15,000.00
<b>Total</b> .....	<b>\$112,000.00</b>

\*Subject to increase or decrease in amount by Board of Directors according to amount of stock sold.

## III. INCOME:

1. Room sales:	Per Day	Per Year
4 rooms @ \$1.50 .....	\$ 6.00	\$ 2,190.00
8 rooms @ \$2.00 .....	16.00	5,840.00
26 rooms @ \$2.50 .....	65.00	23,725.00
6 rooms @ \$3.00 .....	18.00	6,570.00
<b>Total</b> .....		<b>\$38,325.00</b>
Deduct 30% for vacancies .....		11,497.50
<b>Balance</b> .....		<b>\$26,827.50</b>
Add 20% for double occupancy .....		5,365.50
<b>Total Income from Hotel Rooms</b> .....		<b>\$32,193.00</b>
2. Shop Rentals, etc:	Per Year	
5 Shops @ \$250 per month total .....	\$3,000.00	
Deduct 10% for vacancies .....	300.00	
Cafe Coffee Shop, catering, banquet and ball room rent and profits, \$6.00 per day .....		2,190.00
Cigar and News Stand, commissions, laundry, tele-phones, etc. \$70.00 per month .....		840.00
<b>Total Income from Shops, etc.</b> .....		<b>\$ 5,730.00</b>
<b>Total Income from Hotel Rooms</b> .....		<b>\$32,193.00</b>
<b>Total Income from Rooms, Shops, etc.</b> .....		<b>\$37,923.00</b>

## IV. ESTIMATED OPERATING EXPENSES:

1. Salaries and wages exclusive of dining room and kitchen .....	\$ 8,340.00
2. Heat, Light and Water .....	2,400.00
3. Laundry .....	1,300.00

In event is should become necessary to change in any manner the site, plans, specifications, method of operation or leasing of the proposed hotel, the Board of Directors reserves the right to do so, in the furtherance of the best interest of all concerned. The statements herein are not guaranteed, but are from sources believed to be reliable and conservative.

SANDPOINT COMMUNITY HOTEL COMPANY, SANDPOINT, IDAHO

4. Repairs and Maintenance .....	700.00
5. Telephones .....	175.00
6. Advertising .....	500.00
7. Miscellaneous .....	600.00

Total Operating Expenses .....

**V. FIXED CHARGES:**

1. Taxes .....	\$ 3,019.00
2. Insurance, buildings .....	225.50
3. Insurance, furnishings .....	123.75
4. Compensation and other insurance .....	250.75
*5. Depreciation, building 3% .....	1,984.50
*6. Depreciation, furnishings, 10% .....	2,500.00
7. Interest on Mortgage 6 1/2% .....	3,380.00
8. 2% Amortization to retire mortgage .....	1,040.00
9. Interest 6 1/2% on Furniture Contract (balance of \$15,000.00) .....	975.00
10. Payment on balance due furniture contract (10%) .....	1,500.00

Total Fixed Charges/ .....

\*Note (Depreciation may be used to retire mortgage and furniture contract).

## VI. SUMMARY

1. Total Estimated Income (based on 70% occupancy) .....	\$37,923.00
2. Total Estimated Expenses (based on 100% occupancy)	
(a) Operating Expenses .....	\$14,015.00
(b) Fixed Charges .....	14,998.50
<b>Surplus Available for Distribution</b> .....	<b>\$ 8,909.50</b>

## VII. DISTRIBUTION OF PROFIT:

1. 7% Dividend on \$45,000 .....	\$3,150.00
2. Surplus Profit .....	5,759.50
<b>Total</b> .....	<b>\$ 8,909.50</b>

## VIII. DISTRIBUTION OF SURPLUS:

1. 75% available for Common Stock, additional payment on mortgage & furniture contracts, or other uses .....	\$4,319.62
2. 25% as bonus to Manager or Operator .....	1,439.88
<b>Total</b> .....	<b>\$ 5,759.50</b>

## AMORTIZATION:

The following items of Operating Statement are available for retirement of mortgage, payment of balance on furniture, and later for redemption of Preferred Stock:

(V-5) Depreciation of building .....	\$ 1,984.50
(V-6) Depreciation on furniture (60% of fund) .....	1,500.00
(V-8) 2% Amortization on mortgage .....	1,040.00
(V-10) 10% balance due furniture contract .....	1,500.00
(VII-1) Surplus .....	4,319.62
<b>Total</b> .....	<b>\$10,344.12</b>