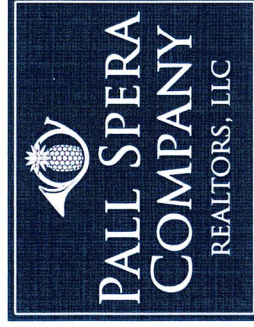


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January 27, 2025

Hello:

Enclosed please find the following provided by the Stone Hill Inn.

- Profit & Loss Statements
- Average Daily Rate (ADR) reports
- RevPAR reports
- Occupancy Reports

Also enclosed is a suggestive Proforma Budget that I have prepared with business optimization in mind.

A couple notes for consideration:

- The current owners run the B&B as a lifestyle rather than a cash cow style of business, and the financials support this suggestion. There is a lot of room for optimization!
- Hospitality properties such as this one should target 60% minimum occupancy.
- The provided 2023 P&L is, unfortunately, not great. The owners explained to me that 2023 was a difficult year for them personally, and they had to close the inn for extended periods of time. There is an attachment in this packet that explains the # of room nights that they marked as "Blackout" which means they were closed and weren't accepting reservations. I asked them if we could share this to help explain the situation.
- The 2024 P&L is a preliminary version and has not yet been reviewed by their CPA yet for their taxes, so line items such as payroll tax may not have been inserted into the calculations yet.
- The enclosed occupancy reports, some showing 29%, show it has enormous room for growth.
- The extra parcel of land would also offer more room for expansion while the existing hotel business pulls revenue if one chooses, or subdivide.

I look forward to future discussions and collaboration!

Warmly,

Lauren Soelch, REALTOR®
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