

ESSEX COUNTY, NY HOTEL REGIONAL STUDY

M A Y 2 0 2 6

PREPARED BY:
CBRE HOTELS ADVISORY



April 13, 2026

Adam DeSantis
Director of Economic Development
Regional Office of Sustainable Tourism
2608 Main Street
Lake Placid, NY 12946
518-796-0718
adam@roostadk.com

CBRE, Inc.

Andrew Hartley
Senior Vice President
CBRE Hotels Advisory

200 Park Avenue, 20th Floor
New York, NY 10116

+1 212 207 6030 Office
+1 917 690 8054 Mobile

andrew.hartley@cbre.com
www.cbrehotels.com

Dear Mr. DeSantis,

In accordance with your request, we have completed our analysis of Essex County, NY. Pursuant to our engagement, we have prepared reports summarizing our findings. This analysis included four deliverables.

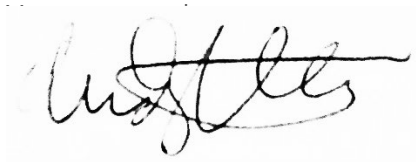
- The first deliverable provided in August of 2025, conducted by CBRE's Location Intelligence team, consisted of an online and interactive mapping program highlighting visitor statistics, points of interest, hotel and short-term rental supply, as well as indexes and heat mapping capabilities to determine areas which could support additional hotel supply.
- The second deliverable was a draft report which utilized the mapping program, as well as market fieldwork to recommend potential facilities and operating results for three distinct hotel offerings.
- The third deliverable revised and improved on the previous report including additional tourism statistics.
- The fourth deliverable is this report which updated the aggregated hotel market data and provided further insight into the potential hotels' market penetration.

As in all studies of this type, the estimated results are based on competent and efficient management and presume no significant change in the status of the competitive lodging market set forth in this report. The terms of our engagement are such that we have no obligation to revise our conclusions to reflect events or conditions that occur subsequent to the date of completion of our fieldwork. However, we are available to discuss the necessity for revisions in view of changes in the economy or market factors should such arise.

Since the hotel's future performance is based on estimates and assumptions that are subject to uncertainty and variation, we do not present them as results that will actually be achieved. However, our analysis has been conscientiously prepared on the basis of information obtained during the course of the assignment and on our experience in the industry. This report is subject to the Assumptions and Limiting Conditions presented in the Addenda.



After you have had an opportunity to review this report, please feel free to contact us with any questions or comments. Thank you for the opportunity to work with you on this interesting engagement.



Andrew Hartley
Senior Vice President

TABLE OF CONTENTS

1. INTRODUCTION
2. EXECUTIVE SUMMARY
3. ESSEX COUNTY TOURISM OVERVIEW
4. REGIONAL OVERVIEW
5. MACRO HOTEL MARKET – LAKE PLACID
6. KEY DEFINITIONS
7. POTENTIAL PROPERTY 1
8. POTENTIAL PROPERTY 2
9. POTENTIAL PROPERTY 3

INTRODUCTION

Introduction

The Regional Office of Sustainable Tourism (ROOST) wishes to determine potential hotel demand and supply that could be supported in the various regions within Essex County, NY in the Adirondack Park. Specifically, the areas of concern are currently lacking in hotel supply and measurable demand. These areas included:

South Lake Champlain Region

Municipalities include, but not limited to:

Crown Point, Moriah, and Ticonderoga

Adirondack Hub

Municipalities include, but not limited to:

Minerva, Newcomb, North Hudson and Schroon

North Lake Champlain Region

Municipalities include, but not limited to:

Chesterfield, Elizabethtown, Essex, Lewis, Westport, and Willsboro

We understand there are no particular sites in mind for this analysis at this time, however, you requested CBRE to recommend locations that would best support hotel development. Since the County consists of significant ground to cover, CBRE utilized a multi-department approach to develop a methodology to both recommend and predict visitor travel patterns relative to areas of interest. CBRE’s Location Intelligence platform was engaged to produce a program which ROOST can utilize to triangulate potential areas best suited for hotel development. This report summarizes 3 hotel offerings which the market could support.

Introduction – Methodology – Location intelligence

CBRE Dimension™ ROOST Hotel Analysis

ROOST Hotel Analysis

Accommodation Type Analysis

Hotel Attractiveness

Short Term Rental Attractiveness

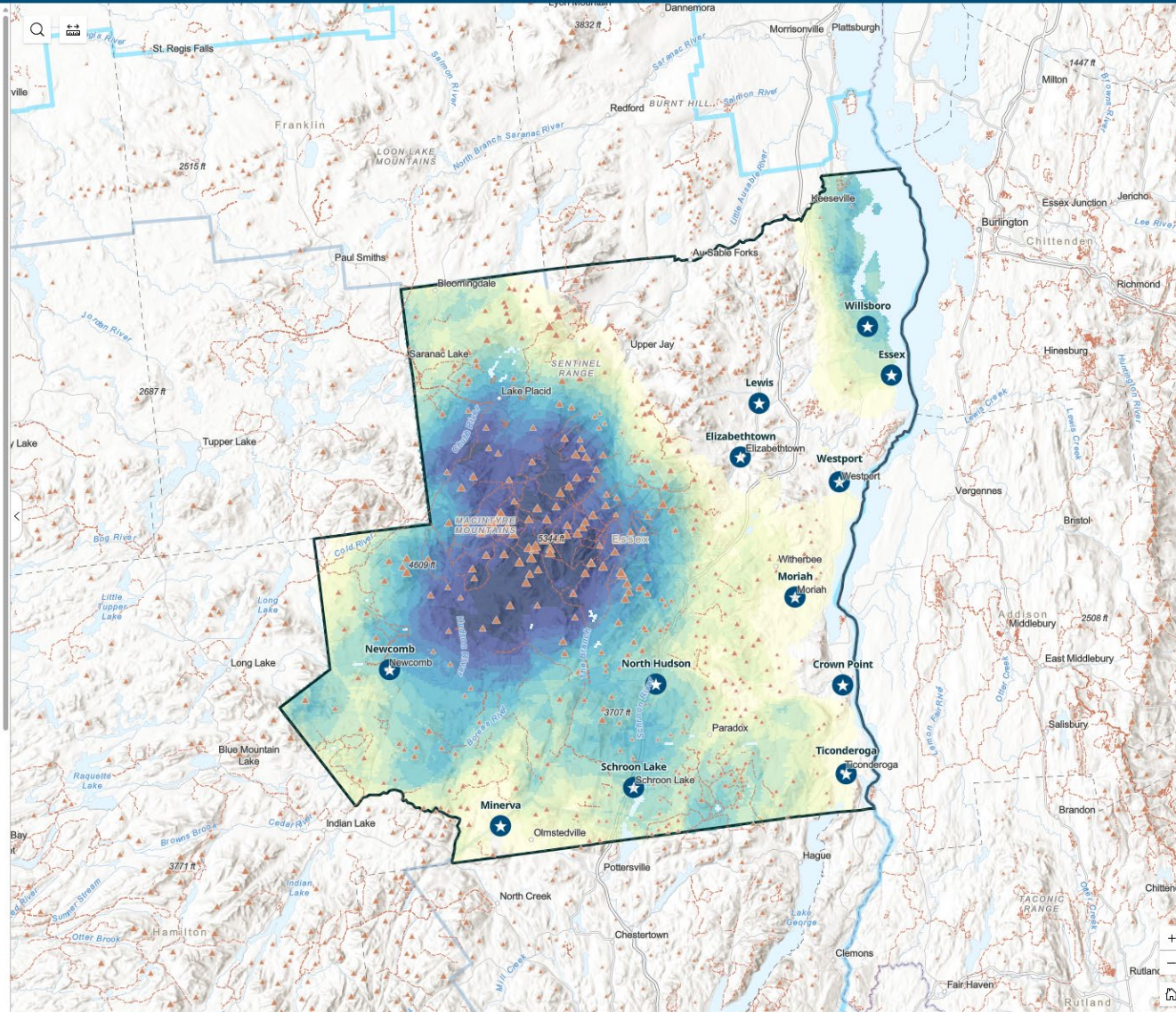
Outdoor Experience Attractiveness

Hotel Filter ☒

Short-Term Rental Filter ☒

- ☐ Hotels
- ☐ Short-Term Rental Property Clusters
- ☐ Short-Term Rental Area Summary
- ☐ Hotels Coming Soon
- ☐ Hotel Attractiveness Index
- ☐ Short-Term Rental Attractiveness Index
- ☐ Outdoor Experience Attractiveness Index

- Regional Hotel Customer Profiles
- Regional STR Customer Profile
- Day Tripper Customer Profile
- Visitor Density & Access
- Attractions
- Land Development



Location Intelligence and their proprietary platform, CBRE Dimension, developed a real-time tool specific to ROOST to better inform and predict decision making and development planning. The tool succinctly summarizes real time data surrounding the following factors:

- **Area Attractions**
 - Nature Tourism: trail heads, summits, lakes, ski, hunting, fishing, boat ramps, camps, etc.
 - Other/Indoor Tourism: museums, art galleries, event centers, historic sites, etc.
- **Area Amenities**
 - Restaurants, shops, gas stations, etc.
- **Lodging Supply**
 - Short-Term Rentals (STR)
 - Hotels
- **Visitor Travel Patterns**
 - Geofencing technology to predict travel patterns, points of origin, and points of transaction.

Introduction – Methodology – Fieldwork and Analysis

Regional Interviews

Interviews with key stake holders in the County including the following:

- Municipal representatives
- Convention and Visitor Bureaus
- Representatives of major museum attractions
- Nature and Hiking association representatives
- Hotel developers, owners, and operators.
- Major Hotel Franchises.

Tours

CBRE toured the area to understand the potential guest and traveler profile:

- Municipalities within Essex County, as well as comparable/competitive destinations
- Existing lodging facilities
- Drive times between various points of interest
- Routes from the major population centers providing the primary demand source: i.e. New York and Montreal.
- Tourism attractions in the area
- Corporate and industrial entities.

Supply and Demand

CBRE compiled various lists of comparable and/or competitive sets to determine potential market positioning and benchmarking:

- Existing Short-term Rental Market
- Existing Hotel Market
- Comparable Hotel Markets
- Lack of supply in the regions studied necessitated a broader comparative approach rather than a standard penetration analysis to predict ADR and Occupancy

Facility Recommendation & Estimated Performance

For each potential Hotel, CBRE:

- Recommended the number of rooms, amenities, branding, and general regional location.
- Presented case studies reflective of the recommended facilities.
- Developed an operational proforma utilizing CBRE's proprietary database of 7,000 Hotel statements.

ASSUMPTIONS, CONTINGENCIES, CAVEATS

- Developing in the Adirondack Park is regulated under the Adirondack Park Agency Act which facilitates predictable and timely approvals. CBRE Assumes a hypothetical development achieves the proper entitlements.
- The projected performance of the potential hotels are region oriented but not **SITE** specific – an update would be required if a specific site is selected for one of the hotel concepts herein.
- Long-term disruptions (geo-political, economic, etc.), natural disasters, or other factors outside market control are not incorporated into the analysis



EXECUTIVE SUMMARY

Summary of Property Conclusions and Market Performance

South Champlain - Summary

Small Conference Hotel

Rooms	120
Occupied Room Nights	26,280

Market Penetration Rates

Occupancy	ADR	RevPAR
60%	\$220	\$132

130%	95%	116%
125%	61%	133%
130%	132%	172%

Short-Term Rental Markets

Lake Champlain Valley
Ticonderoga
Port Henry

Benchmark Hotel Markets

Small Conference Hotels New York

84%	102%	85%
-----	------	-----

Lake Placid - Total
Lake Placid - Branded
Lake Placid - Luxury/Upper Upscale
Lake Placid - Upscale/Midscale

117%	89%	104%
108%	82%	89%
115%	67%	77%
110%	104%	115%

Over Penetrate

Under Penetrate

Market Share = 100%

Compiled by CBRE Hotels

North Champlain - Summary

Boutique Mansion/Estate

Rooms	40
Occupied Room Nights	7,665

Market Penetration Rates

Occupancy	ADR	RevPAR
53%	\$301	\$158

105%	110%	116%
107%	130%	139%
117%	77%	89%

Short-Term Rental Markets

High Peaks Adirondacks
Lake Champlain Valley
Lake Placid

Benchmark Hotel Markets

NE and Mid-Atlantic Resorts and Inns (2024)
Comparable Set (2025)

86%	89%	77%
92%	77%	71%

Lake Placid - Total
Lake Placid - Branded
Lake Placid - Luxury/Upper Upscale
Lake Placid - Upscale/Midscale

102%	121%	124%
94%	113%	106%
101%	92%	92%
96%	143%	137%

Over Penetrate

Under Penetrate

Market Share = 100%

Compiled by CBRE Hotels

Adirondack Hub - Summary

Glamping Trailers

Rooms	40
Occupied Room Nights	2,030

Market Penetration Rates

Occupancy	ADR	RevPAR
68%	\$184	\$126

Short-Term Rental Markets

Central Adirondacks
High Peaks Adirondacks
Schroon Lake

159%	62%	99%
137%	67%	92%
142%	70%	99%

Benchmark Hotel Markets

Benchmark Rates Glamping/Trailer

96%	99%	96%
-----	-----	-----

Lake Placid - Total
Lake Placid - Branded
Lake Placid - Luxury/Upper Upscale
Lake Placid - Upscale/Midscale

133%	74%	99%
123%	69%	84%
131%	56%	73%
125%	87%	109%

Over Penetrate

Under Penetrate

Market Share = 100%

Compiled by CBRE Hotels

Recommended Facilities South Champlain

Recommended Facilities		
Property Type	Hotel	(full service)
Number of Buildings	1	
Number of Stories	4-6	
Year Built	2028	
Number of Guest Rooms	120	
Restaurant/Lounge	Restaurant and Lobby/Rooftop Bar Coffee Shop/Grab and Go Market	
Meeting/Banquet Rooms	1 large ballroom, breakout space, outdoor event space, private dining, potential enclosed rooftop bar	
Property Amenities	Wellness activities, access to golf or a marina, indoor/outdoor pool	

Source: Various sources compiled by CBRE

Guest Room Configuration			
Room Type	No. Rooms	Percent of Total	Size (SF)
King Standard Rooms	50	41.67%	350
Double Queen Standard Rooms	50	41.67%	400
King Junior Suites	15	12.50%	500
King - 1 Bedroom Suites	5	4.17%	550
Total/Average:	120	100%	398

Source: Compiled by CBRE

Food & Beverage Facilities	
Name	Seating Capacity
Locally Sourced/Farm-to-table dining	60
Lobby or Rooftop Bar	30
Coffee Shop/Grab and Go Market	6

Compiled by CBRE

Meeting/Banquet Rooms		
Name	Size (SF)	Type/Comments
Ballroom (Can be Sub-Divided into 3 Rooms)	6,000	Indoor
Meeting Rooms	3,500	Indoor, divisible
Boardroom(s)	1,000	Indoor
Prefunction Space	1,000	Indoor/Exterior Space
Private Dining	500	In Restaurant
Total Interior Four Wall Space	12,000	

Compiled by CBRE

Conference Center Hotel Concept

The South Champlain market benefits from a variety of distinct tourism attractions. It is positioned between Lake George and Lake Champlain providing access to a plethora of water-based recreational opportunities. The historical aspect, particularly in Ticonderoga, is nationally recognized and attracts leisure and group travelers. Furthermore, South Champlain boasts a wide array of outdoor activities, including river trails and waterfalls, hiking trails, and the Ticonderoga Golf Course.

The proposed hotel aims to provide comprehensive amenities, ideally suited for a small conference center hotel. The region would likely support 100-130 rooms. The layout of the improvements are recommended to be upscale and integrate with the character of the South Champlain market. For example, a farm-to-table restaurant would align with the growing interest in locally sourced cuisine among visitors and residents in the Lake Champlain area.

The region’s history and scenic natural attractions are expected to draw a variety of events, including weddings, social gatherings, and statewide association meetings. Additional target markets include corporate and executive retreats focused on wellness, golf, hiking, history, and other nature-based activities. The facility should include flexible meeting spaces capable of accommodating a minimum of 400 attendees, both indoors and outdoors. These spaces should depart from traditional ballroom layouts, instead incorporating the natural elements of South Champlain. Examples include enclosed spaces with panoramic views of the mountains and lakes or utilizing a brewery/winery as a meeting venue. This flexible function space will be a key differentiator for the property.

A signature restaurant is proposed as a core amenity. This chef-driven concept should feature locally sourced cuisine, serving as the central gathering point and hub for all guests and residents of the region, offering breakfast, lunch, and dinner. This destination-worthy amenity is expected to drive guest stays.

In summary, a facility like this will be unique to the region while still competing with like kind operations in other tertiary New York markets, as well as New England. Additionally, it is recommended the property adopt a major brand from a major franchise such as Hilton, Marriott, or Hyatt:

- Marriott Hotels, Westin Hotels, Tribute Portfolio, Autograph Collection - Marriott
- Hilton Hotels, Curio Collection, Tapestry Collection - Hilton
- Hyatt Hotels, Hyatt Centric, Destination by Hyatt - Hyatt

Subject Proforma

Potential Cash Flow - South Champlain Region, Beginning 01/01/2028

YEAR	1	2	3	4	5
Year Ended:	12/31/28	12/31/29	12/31/30	12/31/31	12/31/32
Number of Rooms	120	120	120	120	120
Annual Available Rooms	43,800	43,800	43,800	43,800	43,800
Occupied Rooms	21,900	26,280	26,280	26,280	26,280
Occupancy	50.0%	60.0%	60.0%	60.0%	60.0%
Average Rate	\$247.61	\$255.04	\$262.69	\$270.57	\$278.69
REVENUE					
Rooms	\$5,422,701	\$6,702,459	\$6,903,533	\$7,110,639	\$7,323,958
Food & Beverage	2,563,459	3,046,572	3,137,969	3,232,109	3,329,072
Other Operated Departments	130,638	152,329	156,898	161,605	166,454
Miscellaneous Income (Net)	76,904	91,397	94,139	96,963	99,872
Total Operating Revenue	\$8,193,702	\$9,992,757	\$10,292,540	\$10,601,316	\$10,919,355
DEPARTMENTAL EXPENSES					
Rooms Expense	\$1,380,324	\$1,523,286	\$1,568,985	\$1,616,054	\$1,664,536
Food & Beverage Expense	\$1,904,847	\$2,132,601	\$2,196,579	\$2,262,476	\$2,330,350
Other Operated Departments Expense	69,632	76,164	78,449	80,803	83,227
Total Departmental Expenses	\$3,354,804	\$3,732,051	\$3,844,013	\$3,959,333	\$4,078,113
DEPARTMENTAL PROFIT	\$4,838,898	\$6,260,706	\$6,448,527	\$6,641,983	\$6,841,242
UNDISTRIBUTED OPERATING EXPENSES					
Administrative and General	\$843,782	\$904,234	\$931,361	\$959,302	\$988,081
Information and Telecommunications Systems	\$181,738	\$194,758	\$200,601	\$206,619	\$212,817
Sales and Marketing	\$713,970	\$765,121	\$788,075	\$811,717	\$836,068
Franchise Fees (Royalty)	\$379,589	\$469,172	\$483,247	\$497,745	\$512,677
Property Operations and Maintenance	\$383,140	\$417,339	\$429,859	\$442,755	\$456,037
Utilities	\$279,692	\$304,657	\$313,797	\$323,211	\$332,907
Total Undistributed Expenses	\$2,781,911	\$3,055,281	\$3,146,939	\$3,241,347	\$3,338,588
GROSS OPERATING PROFIT	\$2,056,987	\$3,205,425	\$3,301,588	\$3,400,636	\$3,502,655
Management Fee	\$245,811	\$299,783	\$308,776	\$318,039	\$327,581
INCOME BEFORE NON-OPERATING INCOME AND EXPENSES	\$1,811,176	\$2,905,643	\$2,992,812	\$3,082,596	\$3,175,074
NON-OPERATING INCOME AND EXPENSES					
Property Taxes	\$245,001	\$252,351	\$259,921	\$267,719	\$275,751
Insurance	\$148,567	\$153,024	\$157,615	\$162,343	\$167,214
Reserve for Replacement	\$327,748	\$399,710	\$411,702	\$424,053	\$436,774
Total Non-Operating Income and Expenses	\$721,316	\$805,085	\$829,238	\$854,115	\$879,738
NET INCOME (EBITDA)	\$1,089,860	\$2,100,557	\$2,163,574	\$2,228,481	\$2,295,336

Recommended Facilities North Champlain

Recommended Facilities		
Property Type	Boutique	(full service)
Number of Buildings	3-4	
Number of Stories	2-3	
Year Built	2028	
Gross Building Area	34,600 SF	(865 SF per key)
Number of Guest Rooms	40	
Property Amenities	Wellness/Sauna	

Source: Various sources compiled by CBRE

Guest Room Configuration				Food & Beverage Facilities	
Room Type	No. Rooms	Percent of Size (SF)		Name	Seating Capacity
Studio/Standard Guestroom	25	62.50%	320	Signature Restaurant and Bar	30
1-Bedroom Suites	10	25.00%	450	Gift shop/Local/farm Grocery	
2-Bedroom Suites	5	12.50%	600		
Total/Average:	40	100%	388		

Source: Compiled by CBRE

Meeting/Banquet Rooms		
Name	Size (SF)	Type/Comments
Breakout/Bridal Suite	600	Function Room/Bridal Suite
Function Room/Barn	2,000	100 Person
Total Interior Four Wall Space	2,600	
Outdoor Tent	2,500	100 Person
Outdoor Lawn	5,000	400 Persons
Lobby/Restaurant Bar Conversion	1,000	50 persons

Compiled by CBRE

Boutique Mansion/Estate Concept

The North Champlain area benefits from 3 distinct tourism draws. It has scenic lake front amenities along Lake Champlain in Chesterfield, Willsboro, Essex, and Westport. There are also historic and nationally recognized agriculture and farm estates which could be attractive for weddings, social events, and leisure getaways. Finally, the inland area benefits from a vast trail network and mountain attractions. The Boutique Mansion/Estate Concept could suit any of these locations and there is currently one missing in the region.

The recommended facilities are intended to provide general amenities which could service a boutique estate property. The region could likely support 30-50 rooms. The layout of the improvements are recommended to be bespoke to take advantage of either an existing house or estate with a lodging addition. For Example, a conversion of a historic farmhouse with a new built lodge or 3 story guestroom building.

The region benefits from scenic nature attractions and will attract weddings, social events, and or other seasonal functions. The facilities should have enough gather space to hold a minimum of 100 people indoors and outdoors. The meeting space does not need to be a standard ballroom but could be an old house, chapel/church, barn, or wilderness lodge. This function space will be an identifying factor as to the identity of the property. Other groups could be corporate/executive retreats centered around wellness, fishing, hunting, or other nature attractions.

The property is recommended to incorporate a signature restaurant as a core amenity. The chef-driven concept should feature a local “wilderness to table” cuisine that serves as the primary gathering space and hub for all guests. Serving breakfast, lunch, and dinner, this amenity should have a destination factor driving guest stays.

In summary, a facility like this will be unique in the region while still competing with like kind operations in other tertiary New York markets, as well as New England. Additionally, it is recommended the property adopt a major soft-brand from a major franchise such as Hilton, Marriott, or Hyatt:

- Autograph Collection/Tribute – Marriott
- Curio Collection/Tapestry – Hilton
- Bunkhouse, Joi de Vivre, Unbound Collection - Hyatt

Potential Cash Flow - North Champlain, Beginning 01/01/2028

YEAR	1	2	3	4	5
Year Ended:	12/31/28	12/31/29	12/31/30	12/31/31	12/31/32
Number of Rooms	40	40	40	40	40
Annual Available Rooms	14,600	14,600	14,600	14,600	14,600
Occupied Rooms	6,570	7,300	7,665	7,665	7,665
Occupancy	45.0%	50.0%	52.5%	52.5%	52.5%
Average Rate	\$338.32	\$348.47	\$358.93	\$369.69	\$380.79
REVENUE					
Rooms	\$2,222,779	\$2,543,848	\$2,751,171	\$2,833,706	\$2,918,717
Food & Beverage	1,146,162	1,282,099	1,372,862	1,414,047	1,456,469
Other Operated Departments	543,503	601,275	640,669	659,889	679,685
Miscellaneous Income (Net)	305,643	341,893	366,096	377,079	388,392
Total Operating Revenue	\$4,218,087	\$4,769,115	\$5,130,798	\$5,284,722	\$5,443,264
DEPARTMENTAL EXPENSES					
Rooms Expense	\$488,043	\$522,995	\$549,145	\$565,619	\$582,588
Food & Beverage Expense	\$843,723	\$911,687	\$961,003	\$989,833	\$1,019,528
Other Operated Departments Expense	372,903	397,567	416,435	428,928	441,796
Total Departmental Expenses	\$1,704,669	\$1,832,249	\$1,926,582	\$1,984,380	\$2,043,911
DEPARTMENTAL PROFIT	\$2,513,418	\$2,936,866	\$3,204,215	\$3,300,342	\$3,399,352
UNDISTRIBUTED OPERATING EXPENSES					
Administrative and General	\$613,715	\$643,400	\$668,507	\$688,563	\$709,220
Information and Telecommunications Systems	\$110,469	\$115,812	\$120,331	\$123,941	\$127,660
Sales and Marketing	\$245,486	\$257,360	\$267,403	\$275,425	\$283,688
Franchise Fees (Royalty)	\$0	\$0	\$0	\$0	\$0
Property Operations and Maintenance	\$117,816	\$124,507	\$129,868	\$133,764	\$137,776
Utilities	\$112,882	\$119,293	\$124,429	\$128,162	\$132,007
Total Undistributed Expenses	\$1,200,368	\$1,260,371	\$1,310,539	\$1,349,855	\$1,390,350
GROSS OPERATING PROFIT	\$1,313,050	\$1,676,494	\$1,893,677	\$1,950,487	\$2,009,002
Management Fee	\$92,158	\$104,610	\$112,738	\$116,120	\$119,604
INCOME BEFORE NON-OPERATING INCOME AND EXPENSES	\$1,220,892	\$1,571,884	\$1,780,939	\$1,834,367	\$1,889,398
NON-OPERATING INCOME AND EXPENSES					
Property Taxes	\$96,726	\$99,628	\$102,617	\$105,695	\$108,866
Insurance	\$81,037	\$83,468	\$85,972	\$88,551	\$91,207
Reserve for Replacement	\$122,877	\$139,481	\$150,317	\$154,827	\$159,472
Total Non-Operating Income and Expenses	\$300,640	\$322,576	\$338,906	\$349,073	\$359,545
NET INCOME (EBITDA)	\$920,252	\$1,249,308	\$1,442,033	\$1,485,294	\$1,529,852

Recommended Facilities Adirondack Hub

Recommended Facilities			
Property Type	Glamping Trailers		
Number of Buildings	42-45	40 Trailers	2-5 support buildings
Number of Stories	1		
Year Built	2028		
Gross Building Area	9,500 SF	(238 SF per key)	
Number of Guest Rooms	40		
Public Areas	Outdoor Gathering Space, Indoor sundry/storage area		
Property Amenities	Kitchenettes, patios, outdoor Jacuzzi, saunas		

Source: Various sources compiled by CBRE

Guest Room Configuration			
Room Type	No. Rooms	Percent of Size (SF)	
Sleeps 2	25	62.50%	165
Sleeps 4	10	25.00%	175
Sleeps 4 - ADA/Larger	5	12.50%	220
Total/Average:	40	100%	174

Source: Compiled by CBRE

GLAMPING RECOMMENDATION

The remote area with an abundance of natural amenities is attractive to an active, nature seeking traveler. The area contains campgrounds and cabins. However, there isn't a major hotel offering outside of the Lodge at Schroon Lake. A complimentary addition to the market would be a bespoke property that offers hotel-like services but within a more camp-like setting. This benefits by using the natural features from the Adirondack Park as the destination.

A growing trend in nature tourism as the market has continued to expand is glamping. Glamping is a form of "luxury camping". In practice, glamping merges the quality, security, and amenities of an upscale hotel experience with a camping environment. Glamping facilities can be in the form of high-quality durable tents, Small house/cabins, or trailers. However, what is consistent across the niche market is high quality furnishings, heat/AC, internet access, kitchenettes, and generally private full baths.

Just like a hotel, there would generally be provided linens, housekeeping between stays, 24-hour staff accessible nearby or on property. The trailers or small cabins can be also utilized for public areas such as saunas, sundry/gift shops, indoor sitting/dining areas, wellness, etc. Major flags have recognized this trend and franchise offerings are now available with Marriott and Hilton, increasing the potential guest exposure and distribution to a broader market.

Additionally, these new concepts have succeeded in minimizing construction costs and timing as the units are all pre-fabricated domestically and delivered to the site. Most of what is needed for site preparation is utility oriented. This greatly mitigates the otherwise costly effort of constructing a hotel in a remote, tertiary market. Furthermore, considering the process of new construction in nature conservation areas, this concept is less impactful to the environment.

With minimal area amenities such as grocery stores, restaurants, gas stations, etc. these types of units need to feature kitchenettes and/or outdoor cooking areas for guests to bring and prepare their own food.

Potential Cash Flow - Adirondacks Hub, Beginning 01/01/2028

YEAR	1	2	3	4	5
Year Ended:	12/31/28	12/31/29	12/31/30	12/31/31	12/31/32
Number of Rooms	40	40	40	40	40
Annual Available Rooms	14,600	14,600	14,600	14,600	14,600
Occupied Rooms	8,030	9,490	9,983	9,983	9,983
Occupancy	55.0%	65.0%	68.4%	68.4%	68.4%
Average Rate	\$206.62	\$212.82	\$219.21	\$225.78	\$232.56
REVENUE					
Rooms	\$1,659,195	\$2,019,692	\$2,188,353	\$2,254,003	\$2,321,623
Food & Beverage	-	-	-	-	-
Other Operated Departments	281,221	324,016	345,686	356,057	366,739
Miscellaneous Income (Net)	11,847	13,895	14,900	15,347	15,808
Total Operating Revenue	\$1,952,262	\$2,357,603	\$2,548,939	\$2,625,408	\$2,704,170
DEPARTMENTAL EXPENSES					
Rooms Expense	\$372,841	\$408,399	\$429,128	\$442,002	\$455,262
Food & Beverage Expense	\$0	\$0	\$0	\$0	\$0
Other Operated Departments Expense	91,060	98,945	103,706	106,817	110,022
Total Departmental Expenses	\$463,901	\$507,344	\$532,834	\$548,819	\$565,284
DEPARTMENTAL PROFIT	\$1,488,361	\$1,850,259	\$2,016,105	\$2,076,589	\$2,138,886
UNDISTRIBUTED OPERATING EXPENSES					
Administrative and General	\$175,934	\$187,872	\$195,825	\$201,699	\$207,750
Information and Telecommunications Systems	\$77,239	\$82,480	\$85,972	\$88,551	\$91,207
Sales and Marketing	\$94,403	\$100,809	\$105,077	\$108,229	\$111,476
Franchise Fees (Royalty)	\$0	\$0	\$0	\$0	\$0
Property Operations and Maintenance	\$206,127	\$223,455	\$234,034	\$241,055	\$248,287
Utilities	\$83,991	\$91,051	\$95,362	\$98,223	\$101,169
Total Undistributed Expenses	\$637,694	\$685,667	\$716,269	\$737,757	\$759,890
GROSS OPERATING PROFIT	\$850,667	\$1,164,591	\$1,299,836	\$1,338,832	\$1,378,996
Management Fee	\$58,568	\$70,728	\$76,468	\$78,762	\$81,125
INCOME BEFORE NON-OPERATING INCOME AND EXPENSES	\$792,100	\$1,093,863	\$1,223,368	\$1,260,069	\$1,297,871
NON-OPERATING INCOME AND EXPENSES					
Property Taxes	\$48,052	\$49,493	\$50,978	\$52,507	\$54,083
Insurance	\$67,531	\$69,556	\$71,643	\$73,792	\$76,006
Reserve for Replacement	\$78,090	\$94,304	\$101,958	\$105,016	\$108,167
Total Non-Operating Income and Expenses	\$193,673	\$213,354	\$224,579	\$231,316	\$238,256
NET INCOME (EBITDA)	\$598,427	\$880,509	\$998,789	\$1,028,753	\$1,059,616



ESSEX COUNTY TOURISM OVERVIEW

Macro Tourism Economics

The Adirondacks receives significant economic impact from tourism. The region has increased in tourism spend every year since 2020. By 2024, the Adirondacks has accounted for 9% of the total upstate New York tourism expenditures (excluding New York City and Long Island).

Essex County is a significant hub for tourism. Within the Adirondacks region, Essex County ranks number 1 as the County with the greatest expenditures in the Adirondacks Region in 2024.

After review of the regions and our discussions in the market. Most of the tourism spend in the Adirondacks is centralized around three significant destinations:

Lake Placid – Essex County

Lake George – Warren County

Saranac Lake – Franklin County

Within Essex County, Lake Placid is currently the primary destination for tourism expenditures. While this study acknowledges the contribution to Essex County Lake Placid provides, the purpose is to identify other potential regions which would benefit from new hotel supply to induce additional tourism to underserved locations.

Tourism Spend State of New York (Excluding New York City and Long Island)											
	2020		2021		2022		2023		2024		
State Total w/o NYC	\$12,444		\$19,633		\$23,809		\$25,861		\$27,141		
Chautauqua-Allegheny	\$439	4%	\$666	3%	\$746	3%	\$792	3%	\$829	3%	
Greater Niagara	\$1,584	13%	\$2,828	14%	\$3,449	14%	\$3,824	15%	\$4,076	15%	
Finger Lakes	\$2,016	16%	\$3,275	17%	\$4,091	17%	\$4,492	17%	\$4,587	17%	
Thousand Islands	\$424	3%	\$576	3%	\$693	3%	\$725	3%	\$766	3%	
Adirondacks	\$1,343	11%	\$1,991	10%	\$2,236	9%	\$2,386	9%	\$2,493	9%	
Central New York	\$1,555	12%	\$2,427	12%	\$3,035	13%	\$3,266	13%	\$3,464	13%	
Capital - Saratoga	\$1,302	10%	\$2,013	10%	\$2,553	11%	\$2,793	11%	\$2,848	10%	
Catskills	\$1,181	9%	\$1,937	10%	\$2,296	10%	\$2,454	9%	\$2,628	10%	
Hudson Valley	\$2,600	21%	\$3,920	20%	\$4,710	20%	\$5,130	20%	\$5,450	20%	

Source: Tourism Economics - New York State 2024 Report

Tourism Spend Per County - Adirondacks														
(Per \$1000)														
	Lodging		Recreation		Food & Beverage		Retail & Svc Stations		Transport		Second Homes		Total	
	\$	Rank	\$	Rank	\$	Rank	\$	Rank	\$	Rank	\$	Rank	\$	%
Regional Total	\$1,199		\$93		\$506		\$309		\$35		\$350		\$2,492	
Essex	\$509	1	\$57	1	\$163	2	\$142	1	\$6	3	\$86	2	\$964	39%
Warren	\$468	2	\$19	2	\$225	1	\$107	2	\$14	2	\$96	1	\$928	37%
Franklin	\$109	3	\$8	3	\$41	4	\$21	4	\$0	5	\$43	5	\$222	9%
Clinton	\$75	4	\$5	4	\$58	3	\$27	3	\$15	1	\$25	6	\$205	8%
Hamilton	\$28	5	\$3	5	\$12	5	\$9	5	\$0	4	\$57	3	\$109	4%
Lewis	\$9	6	\$1	6	\$9	6	\$4	6	\$0	6	\$43	4	\$65	3%

Source: Tourism Economics - New York State 2024 Report

CBRE Location Intelligence – Geofencing Data and Limitations

Limitations

USA Bias - Because of the restrictions with international mobile data collection and geofencing, CBRE's Location Intelligence Team is only presenting the US-based data as the most reliable in measuring visitor behavior. It is acknowledged that a significant portion of tourism is derived from Canada. While the data is not explicitly conveyed, we have inferred similar demographic profiles for the Canadian and other international traveler.

Individual Opt In – US Residents have the option to opt out of mobile and location data tracking. Generally, cell service and mobile devices track users by default, the individual has the right and ability to opt out of most location-tracking services. This data can only convey the US visitors who have allowed tracking. The number of visitors presented in the data sets is not meant to convey **actual** visitor numbers but behaviors. As such, the data is most reliable in providing ratios and rankings of visitor profiles.

Summary of Data Collected and Utilized

Home Base – Categorized by micro-region, County, MSA, and State

Destinations – Where they Spent Money; Where they visited; where they stayed.

Retail/Restaurants, Points of Interest/Attractions, Hotels/Short-term Rentals.

Visitor Traffic Patterns – Roadways, Public Transit

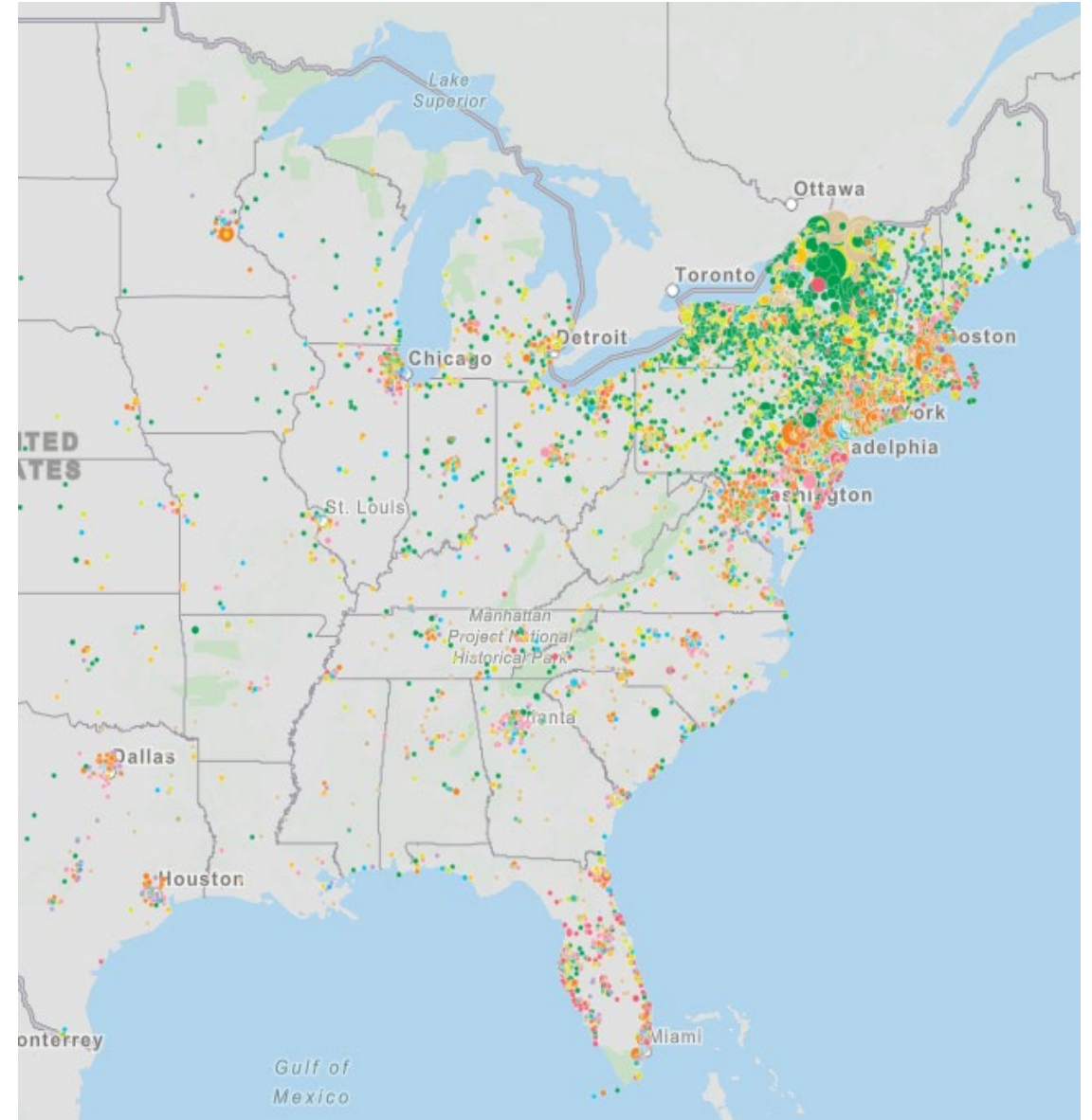
ESRI Tapestry Segmentation – Visitor Demographic Categories

Visitor Home Base by State – Hotel Visitors

US Visitors who stay in hotels within Essex county are primarily from the Northeast and mid-Atlantic region. However, Florida is ranked 6th and not within the local drive-to region. This is reasonable given that Florida is a major retirement destination for residents of New York and New Jersey. It is likely the visitors from Florida have specific roots or ties to the Northeast Region.

Top 10 States of Origin

1. New York - 63.5%
2. New Jersey – 11.4%
3. Pennsylvania – 4.9%
4. Massachusetts – 3.2%
5. Connecticut – 2.7%
6. Florida – 1.8%
7. Vermont – 1.8%
8. Ohio – 1.0%
9. Virginia – 0.9%
10. West Virginia – 0.9%



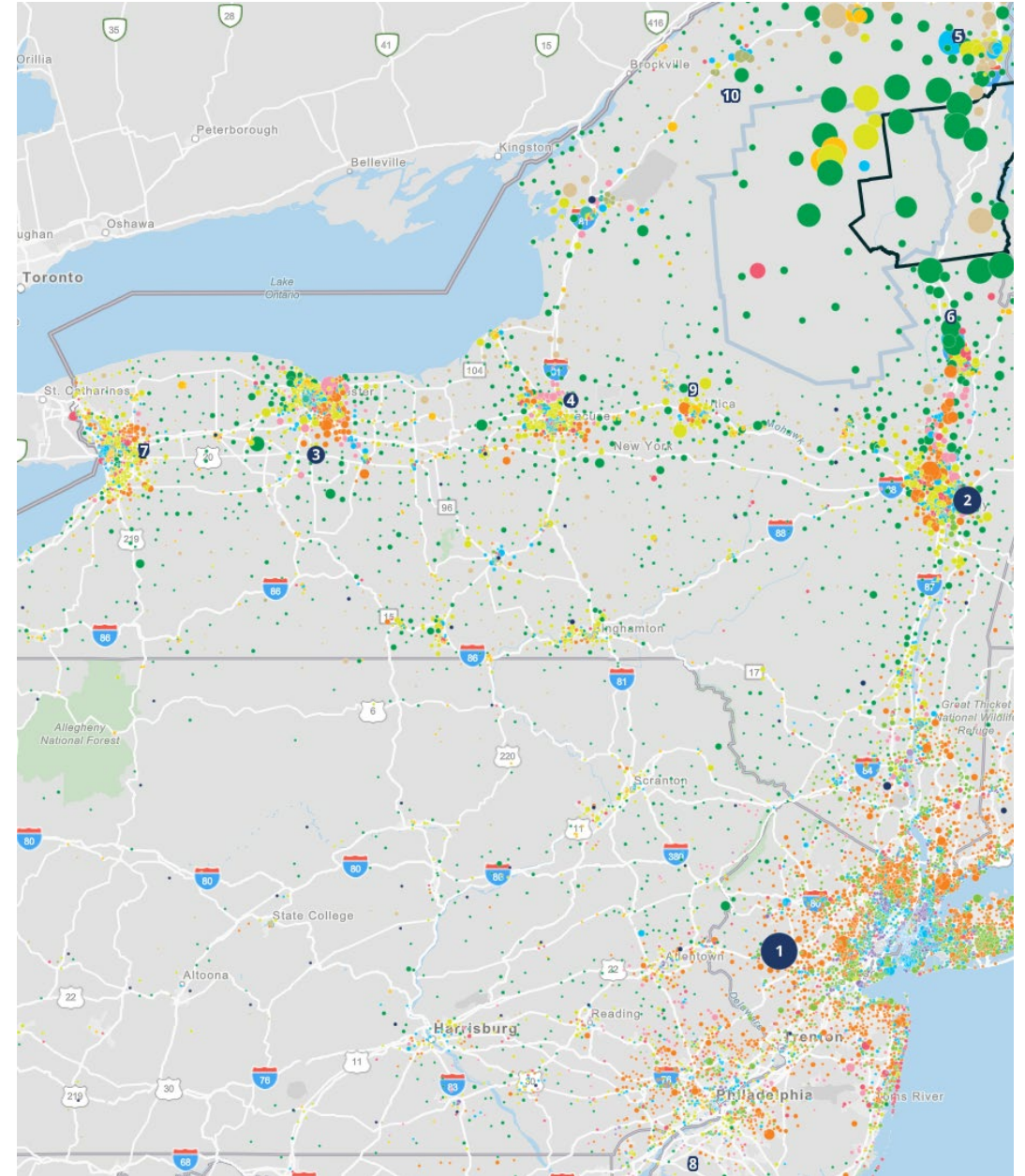
Visitor Home Base by MSA – Hotel Visitors

The New York City/Tri-State MSA accounts for 21.2% of all visitors to Essex County staying in a Hotel. As evident in the following statistics, The Tristate area is the largest source of visitors staying overnight in hotels. Despite more proximate nature tourism destinations such as the Catskills, NY or Poconos, PA, Essex county is still supported by a substantial amount of Tri-State based visitors.

The Boston and New England area is not as influential to Essex County's tourism. There are geographical and cultural dynamics potentially affecting the desire of New Englanders willing to travel to this area of Upstate, NY.

Top 10 MSAs

1. New York City/Tri-State, NY/NJ – 21.2%
2. Albany, NY – 9.2%
3. Rochester, NY – 5.5%
4. Syracuse, NY – 4.5%
5. Plattsburgh, NY – 4.0%
6. Glenn Falls, NY – 3.4%
7. Buffalo, NY – 3.0%
8. Philadelphia, PA/NJ – 3.0%
9. Utica-Rome, NY – 2.4%
10. Massena-Ogdensburg, NY – 1.9%



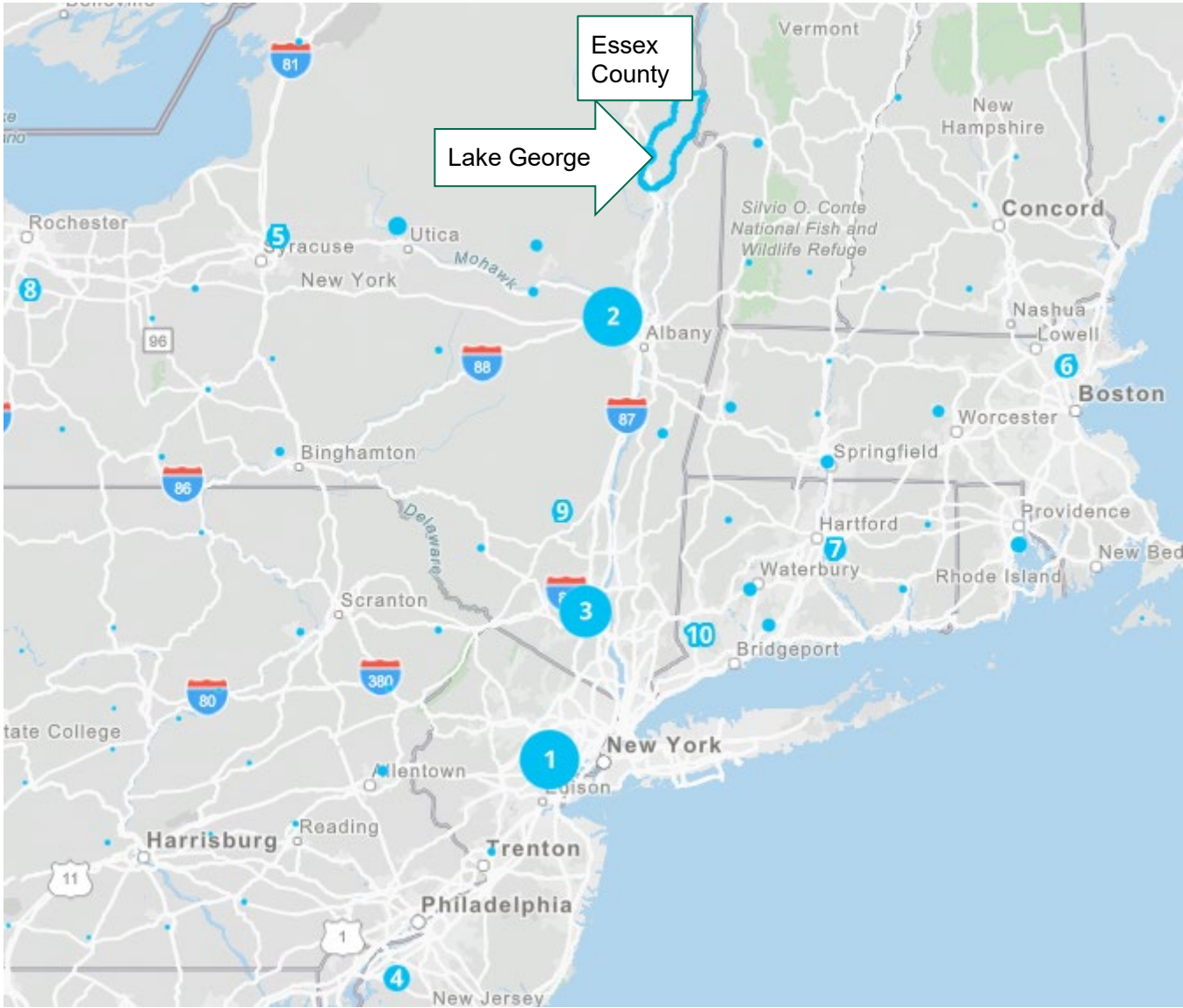
Visitor Home Base Comparison – Lake George

To determine the level of influence geography and accessibility has on tourism in Essex County, Lake George provided a proximate but comparable benchmark. Generally, in order of magnitude the dynamics are similar to Essex County, however, the Lake George area is able to attract a moderate amount of New England travelers due to more direct routing.

Lake Placid is currently the most visited location in Essex County with the highest concentration of hotel supply. However, it is furthest away from the major population centers in New England. It is likely that a destination with lodging in the south near Lake George or the eastern portion along Lake Champlain bordering Vermont could capture New England travelers currently not staying in Essex County.

Top 10 MSAs of Origin Lake George

- 1. New York City/Tri-State, NY/NJ – 43.8%
- 2. Albany, NY – 12.9%
- 3. Poughkeepsie-Newburgh, NY– 4.2%
- 4. Philadelphia, PA/NJ – 1.9%
- 5. Syracuse, NY – 1.7%
- 6. Boston, MA – 1.7%
- 7. Hartford, CT– 1.6%
- 8. Rochester, NY – 1.5%
- 9. Kingston, NY – 1.5%
- 10. Stamford, CT – 1.4%

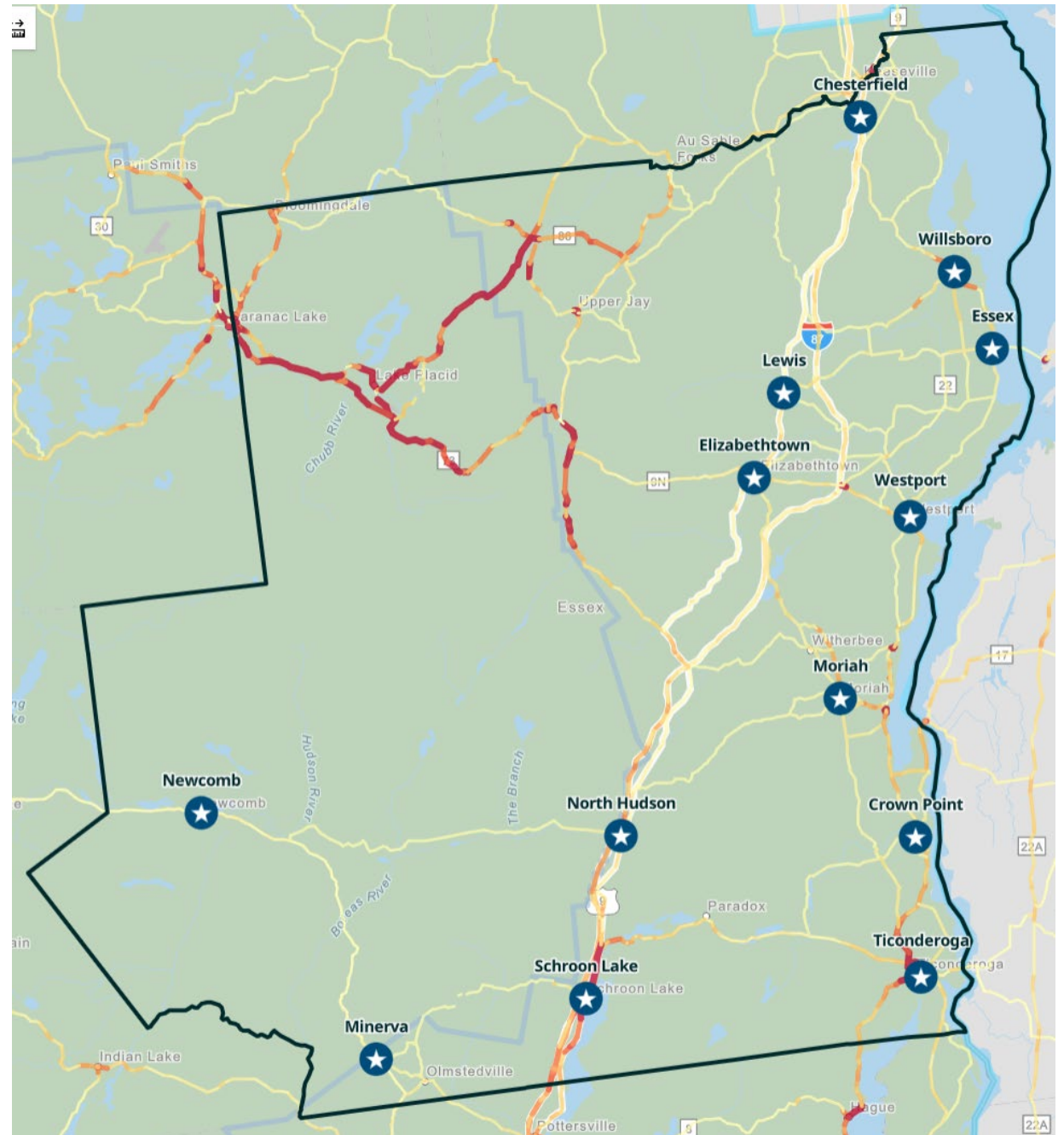


Visitor Traffic Patterns – All Visitors

For all visitors to Essex County, the primary Highway into Essex County is Interstate 87. However, the traffic patterns of visitors is primarily surrounding the Lake Placid area to the Northwest and, secondarily, New York State Route 9 North along Lake Champlain.

Since there is significant travel along the eastern portion of the County from Ticonderoga to Willsboro, it is indicative there is visitor travel to those areas.

The following slide presents the Traffic patterns of Visitors staying in a Hotel for comparison purposes.

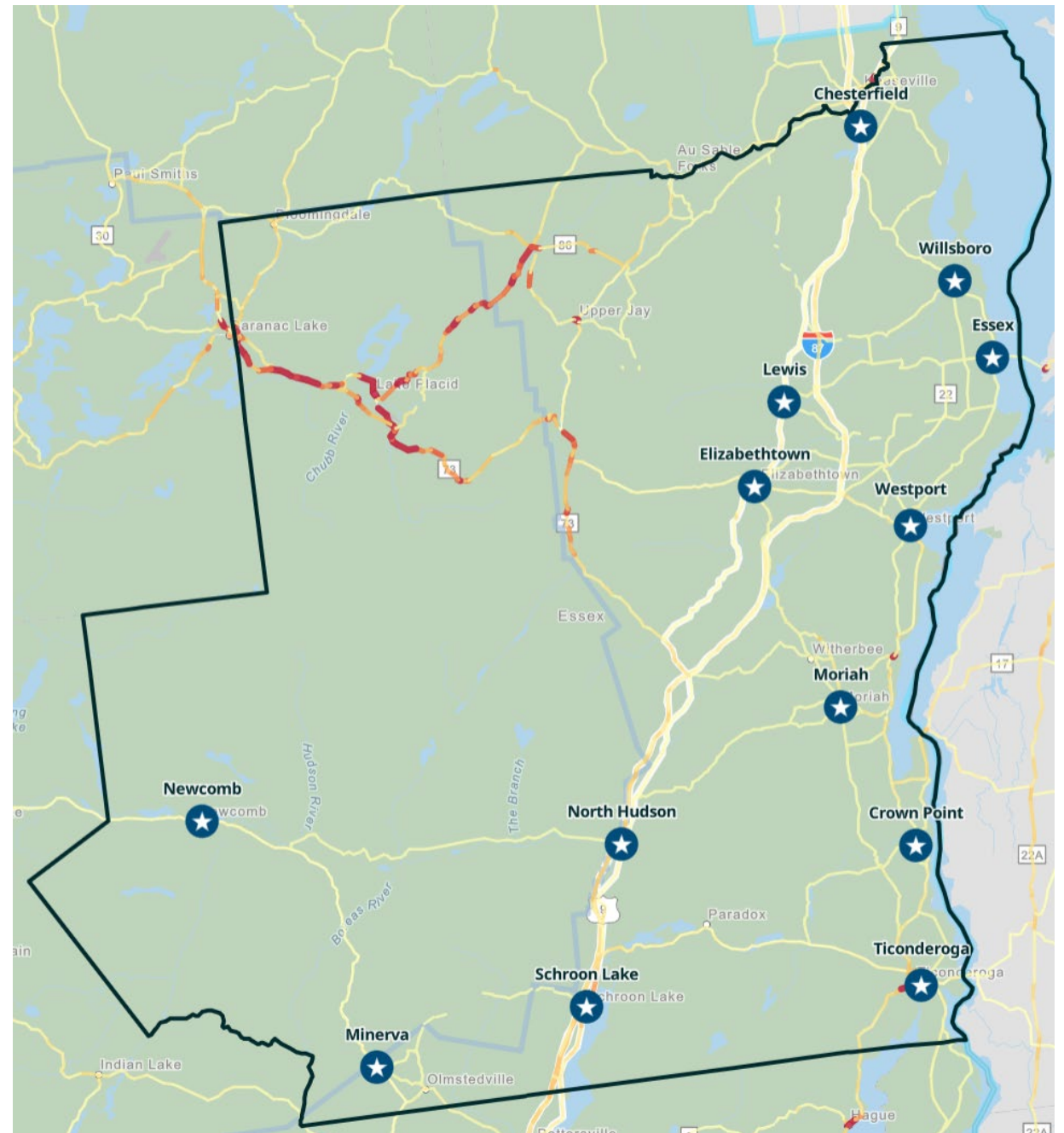


Visitor Traffic Patterns – Hotel Visitors

For all visitors **staying in a hotel**. The traffic patterns of visitors is nearly exclusively along the routes and roads around Lake Placid.

As seen in the previous slides, traffic counts for all visitors to the area indicate activity along the eastern portion of Essex County along Lake Champlain. However, there is minimal Hotel visitors along those routes.

This potentially indicates some pent-up demand for lodging supply in the area. There is currently minimal supply along NYS Route 9N, the second most traveled route in the County (aside from I-87) and the addition of future lodging supply could be supported.



Esri's Tapestry Segmentation of demographic profiles

Top 15 Profiles to Essex County (click link for detailed description)

1. [Old and Newcomers](#): **7.2%**
2. [Rural Resort Dwellers](#): **6.5%**
3. [The Great Outdoors](#): **6.3%**
4. [In Style](#): **6.2%**
5. [Pleasantville](#): **5.5%**
6. [Savvy Suburbanites](#): **4.9%**
7. [Green Acres](#): **4.8%**
8. [Comfortable Empty Nesters](#): **3.6%**
9. [Parks and Rec](#): **3.4%**
10. [Top Tier](#): **3.3%**
11. [Midlife Constants](#): **3.0%**
12. [Heartland Communities](#): **2.8%**
13. [Exurbanites](#): **2.6%**
14. [Salt of the Earth](#): **2.3%**
15. [Small Town Sincerity](#): **2.1%**

Esri provides an Esri Tapestry Segmentation advanced demographics dataset that contains detailed summaries of communities across the United States. The Esri Tapestry Segmentation dataset is developed by Esri and includes source material supplied by the U.S. Census Bureau, the U.S. Census Bureau's American Community Survey, and consumer surveys such as MRI-Simmons.

The following pages present a summary of the Top 15 Tapestry Segments among visitors staying in a hotel to Essex County.

Visitor Profile Essex County – Hotel Visitors

Using Esri’s Tapestry Segmentation of demographic profiles. The top visitor profile is the Old and Newcomers Segment followed by Rural Resort Dwellers. Generally, Essex County mostly consists of Suburban-based travelers near metro areas. Rural-based travelers are also a significant contribution. The majority of travelers to the area have a net worth greater than \$200,000.

Neighborhood: Summary of segments by Neighborhood Breakdown:

1. Suburban: 7
2. Rural: 6
3. Urban: 2

Median Net Worth: Summary of Neighborhood Breakdown:

1. >\$200,000: 7
2. \$100,000 - \$200,000: 5
3. <\$100,000: 3

Median Age: Summary of Neighborhood Breakdown:

1. 40-50: 12
2. >50: 2
3. <40: 1

Top Visitors by Tapestry Segment Essex County

Rank	Segments	% of Total Visitors	Median Age	Median Net Worth	Diversity Index	Neighborhood
1	Old and Newcomers	7.2%	39.4	\$30,900	52.7	Major metro urban
2	Rural Resort Dwellers	6.5%	54.1	\$163,000	23.4	Rural metropolitan
3	The Great Outdoors	6.3%	47.4	\$156,600	35.6	Rural micropolitan
4	In Style	6.2%	42.0	\$165,800	39.8	Major metro urban
5	Pleasantville	5.5%	42.6	\$339,300	61.0	Major metro suburban
6	Savvy Suburbanites	4.9%	45.1	\$518,100	36.2	Major metro suburban
7	Green Acres	4.8%	43.9	\$267,700	26.0	Rural metropolitan
8	Comfortable Empty Nesters	3.6%	48.0	\$293,000	33.0	Metro suburban
9	Parks and Rec	3.4%	40.9	\$125,500	50.7	Suburban
10	Top Tier	3.3%	47.3	\$577,500	37.9	Major metro suburban
11	Midlife Constants	3.0%	47.0	\$138,300	36.2	Small metro suburban
12	Heartland Communities	2.8%	42.3	\$70,900	31.5	Rural micropolitan
13	Exurbanites	2.6%	51.0	\$505,400	35.2	Major metro suburban
14	Salt of the Earth	2.3%	44.1	\$167,700	19.8	Rural micropolitan
15	Small Town Sincerity	2.1%	40.8	\$15,300	51.0	Rural micropolitan

Compiled by CBRE Location Intelligence from ESRI

[Click segment link for a deeper description](#)

Esri's Tapestry Segmentation of Demographic Profiles



LifeMode Group: Middle Ground

Old and Newcomers

8F

Households: 2,859,200
Average Household Size: 2.12
Median Age: 39.4
Median Household Income: \$44,900

WHO ARE WE?

This market features singles' lifestyles, on a budget. The focus is more on convenience than consumerism, economy over acquisition. *Old and Newcomers* is composed of neighborhoods in transition, populated by renters who are just beginning their careers or retiring. Some are still in college; some are taking adult education classes. They support charity causes and are environmentally conscious. Age is not always obvious from their choices.

OUR NEIGHBORHOOD

- Metropolitan city dwellers.
- Predominantly single households (Index 148), with a mix of married couples (no children); average household size lower at 2.12.
- 55% renter occupied; average rent is lower than the US (Index 85).
- 45% of housing units are single-family dwellings; 45% are multiunit buildings in older neighborhoods, built before 1980.
- Average vacancy rate at 11%.

SOCIOECONOMIC TRAITS

- An average labor force participation rate of 62.6%, despite the increasing number of retired workers.
- 32% of households are currently receiving income from Social Security.
- 31% have a college degree (Index 99), 33% have some college education (Index 114), 9% are still enrolled in college (Index 121).
- Consumers are price aware and coupon clippers but open to impulse buys.
- They are attentive to environmental concerns.
- They are comfortable with the latest technology.



LifeMode Group: Cozy Country Living

Rural Resort Dwellers

6E

Households: 1,227,200
Average Household Size: 2.22
Median Age: 54.1
Median Household Income: \$50,400

WHO ARE WE?

Although the Great Recession forced many owners of second homes to sell, *Rural Resort Dwellers* residents remain an active market, just a bit smaller. These communities are centered in resort areas, many in the Midwest, where the change in seasons supports a variety of outdoor activities. Retirement looms for many of these blue collar, older householders, but workers are postponing retirement or returning to work to maintain their current lifestyles. Workers are traveling further to maintain employment. They are passionate about their hobbies, like freshwater fishing and hunting.

OUR NEIGHBORHOOD

- Housing is owner-occupied, single-family homes, with some mobile homes. A strong market for second homes, these rural areas contain homes valued near the US median. Over half of the housing units are vacant due to a high seasonal vacancy rate.
- In this older market, 42% of households consist of married couples with no children at home, while another 28% are single person. Married couples with children at home have older school-age children.
- Set in scenic rural locations with proximity to outdoor activities, two vehicles are essential to get around.

SOCIOECONOMIC TRAITS

- *Rural Resort Dwellers* residents are close to retirement. They've accumulated wealth and begun to shift their portfolios to low-risk assets. These active residents continue to work in skilled occupations.
- Simple tastes and modesty characterize these blue-collar residents. They shop for timeless, comfortable clothing but only when something must be replaced. They pay little attention to advertising and usually stick to the brands they know.
- They spend time with their spouses and also maintain a social calendar.

Esri's Tapestry Segmentation of Demographic Profiles



LifeMode Group: Cozy Country Living The Great Outdoors

6C

Households: 1,908,600
Average Household Size: 2.44
Median Age: 47.4
Median Household Income: \$56,400



LifeMode Group: GenXurban In Style

5B

Households: 2,764,500
Average Household Size: 2.35
Median Age: 42.0
Median Household Income: \$73,000

WHO ARE WE?

These neighborhoods are found in pastoral settings throughout the United States. Consumers are educated empty nesters living an active but modest lifestyle. Their focus is land. They are more likely to invest in real estate or a vacation home than stocks. They are active gardeners and partial to homegrown and home-cooked meals. Although retirement beckons, most of these residents still work, with incomes slightly above the US level.

OUR NEIGHBORHOOD

- Over 55% of households are married-couple families; 36% are couples with no children living at home.
- Average household size is slightly smaller at 2.44.
- Typical of areas with rustic appeal, the housing inventory features single-family homes (77%) and mobile homes (15%); a significant inventory of seasonal housing is available (Index 397).
- Residents live in small towns and rural communities throughout the West, South, and Northeast regions of the country.
- More than half of all homes were constructed between 1970 and 2000.
- Most households have one or two vehicles; average travel time to work is slightly higher (28 minutes) despite a disproportionate number that work from home (Index 149).

SOCIOECONOMIC TRAITS

- 60% have attended college or hold a degree.
- Labor force participation is low at 60%.
- Typical of neighborhoods with older residents, income from retirement and Social Security is common, but residents also derive income from self-employment and investments.
- Residents are very do-it-yourself oriented and cost conscious.
- Many service their own autos, work on home improvement and remodeling projects, and maintain their own yards.
- They prefer domestic travel to trips abroad.

Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by MRI-Simmons.

WHO ARE WE?

In Style denizens embrace an urbane lifestyle that includes support of the arts, travel, and extensive reading. They are connected and make full use of the advantages of mobile devices. Professional couples or single households without children, they have the time to focus on their homes and their interests. The population is slightly older and already planning for their retirement.

OUR NEIGHBORHOOD

- City dwellers of large metropolitan areas.
- Married couples, primarily with no children (Index 112) or single households (Index 109); average household size at 2.35.
- Homeownership average at 68% (Index 108); nearly half, 47%, mortgaged (Index 114).
- Primarily single-family homes, in older neighborhoods (built before 1980), with a mix of townhomes (Index 132) and smaller (5-19 units) apartment buildings (Index 110).
- Median home value at \$243,900.
- Vacant housing units at 8.6%.

SOCIOECONOMIC TRAITS

- College educated: 48% are graduates (Index 155); 77% with some college education.
- Higher labor force participation rate is at 67% (Index 108) with proportionately more two-worker households (Index 110).
- Median household income of \$73,000 reveals an affluent market with income supplemented by investments (Index 142) and a substantial net worth (Index 178).
- Connected and knowledgeable, they carry smartphones and use many of the features.
- Attentive to price, they use coupons, especially mobile coupons.



Esri's Tapestry Segmentation of Demographic Profiles



LifeMode Group: Upscale Avenues
Pleasantville

2B

Households: 2,718,100
Average Household Size: 2.88
Median Age: 42.6
Median Household Income: \$92,900

WHO ARE WE?

Prosperous domesticity best describes the settled denizens of *Pleasantville*. Situated principally in older housing in suburban areas in the Northeast (especially in New York and New Jersey) and secondarily in the West (especially in California), these slightly older couples move less than any other market. Many couples have already transitioned to empty nesters; many are still home to adult children. Families own older, single-family homes and maintain their standard of living with dual incomes. These consumers have higher incomes and home values and much higher net worth (Index 364). Older homes require upkeep; home improvement and remodeling projects are a priority—preferably done by contractors. Residents spend their spare time participating in a variety of sports or watching movies. They shop online and in a variety of stores, from upscale to discount, and use the internet largely for financial purposes.

OUR NEIGHBORHOOD

- Suburban periphery of large metropolitan areas, primarily in Middle Atlantic or Pacific states.
- Most homes owned (and mortgaged) (Index 146).
- Households composed of older married-couple families, more without children under 18, but many with children over 18 years (Index 141).
- Older, single-family homes: two-thirds built before 1970, close to half from 1950 to 1969.
- One of the lowest percentages of vacant housing units at 4.5% (Index 39).
- Suburban households with three or more vehicles and a longer travel time to work (Index 132).

SOCIOECONOMIC TRAITS

- Education: 66% college educated, 37% with a bachelor's degree or higher.
- Higher labor force participation rate at 67% (Index 107); higher proportion of households with two or more workers (Index 118).
- Many professionals in finance, information/technology, education, or management.
- Median household income denotes affluence, with income primarily from salaries and also from investments (Index 130) or Social Security (Index 106) and retirement income (Index 122).
- Not cost-conscious, these consumers willing to spend more for quality and brands they like.
- Prefer fashion that is classic and timeless as opposed to trendy.
- Use all types of media equally (newspapers, magazines, radio, internet, TV).



LifeMode Group: Affluent Estates
Savvy Suburbanites

1D

Households: 3,664,200
Average Household Size: 2.85
Median Age: 45.1
Median Household Income: \$108,700

WHO ARE WE?

Savvy Suburbanites residents are well educated, well read, and well capitalized. Families include empty nesters and empty nester wannabes, who still have adult children at home. Located in older neighborhoods outside the urban core, their suburban lifestyle includes home remodeling and gardening plus the active pursuit of sports and exercise. They enjoy good food and wine, plus the amenities of the city's cultural events.

OUR NEIGHBORHOOD

- Established neighborhoods (most built between 1970 and 1990) found in the suburban periphery of large metropolitan markets.
- Married couples with no children or older children; average household size is 2.85.
- 91% owner occupied; 66% mortgaged (Index 160).
- Primarily single-family homes, with a median value of \$362,900 (Index 161).
- Low vacancy rate at 3.8%.

SOCIOECONOMIC TRAITS

- Education: 50.6% college graduates; 77.6% with some college education.
- Higher labor force participation rate at 67.9% (Index 109) with proportionately more 2-worker households at 62.2% (Index 120).
- Well-connected consumers that appreciate technology and make liberal use of it for everything from shopping and banking to staying current and communicating.
- Informed shoppers that do their research prior to purchasing and focus on quality.

Esri's Tapestry Segmentation of Demographic Profiles



LifeMode Group: Cozy Country Living

Green Acres

6A

Households: 3,923,400

Average Household Size: 2.70

Median Age: 43.9

Median Household Income: \$76,800



LifeMode Group: GenXurban

Comfortable Empty Nesters

5A

Households: 3,024,200

Average Household Size: 2.52

Median Age: 48.0

Median Household Income: \$75,000

WHO ARE WE?

The *Green Acres* lifestyle features country living and self-reliance. Avid do-it-yourselfers, they maintain and remodel their homes with all the necessary power tools to accomplish the jobs. Gardening, especially growing vegetables, is a priority, again with the right tools, tillers, tractors, and riding mowers. Outdoor living features a variety of sports: hunting and fishing, motorcycling, hiking and camping, and even golf.

OUR NEIGHBORHOOD

- This large segment is concentrated in rural enclaves in metropolitan areas.
- Primarily (not exclusively) older homes with acreage; new housing growth in the past 15 years.
- Single-family, owner-occupied housing, with a median value of \$235,500.
- An older market, primarily married couples, most with no children.

SOCIOECONOMIC TRAITS

- Education: More than 60% are college educated.
- Labor force participation rate is high at 66.8% (Index 107).
- Income is derived not only from wages and salaries but also from self-employment (more than 13% of households), investments (27% of households), and increasingly, from retirement.
- They are cautious consumers with a focus on quality and durability.
- Comfortable with technology, more as a tool than a trend: banking or paying bills online is convenient; but the internet is not viewed as entertainment.
- Economic outlook is professed as pessimistic, but consumers are comfortable with debt, primarily as home and auto loans, and investments.

WHO ARE WE?

Residents in this large, growing segment are older, with nearly half of all householders aged 55 or older; many still live in the suburbs where they grew up. Most are professionals working in government, health care, or manufacturing. These Baby Boomers are earning a comfortable living and benefitting from years of prudent investing and saving. Their net worth is well above average (Index 314). Many are enjoying the transition from child rearing to retirement. They value their health and financial well-being.

OUR NEIGHBORHOOD

- Married couples, some with children, but most without (Index 149).
- Average household size slightly higher at 2.52.
- Found throughout the suburbs and small towns of metropolitan areas, where most residents own and live in single-family detached homes (Index 142).
- Most homes built between 1950 and 1990 (Index 131).
- Households generally have one or two vehicles.

SOCIOECONOMIC TRAITS

- Education: 36% college graduates; nearly 68% with some college education.
- Average labor force participation at 61%.
- Most households' income from wages or salaries, but a third also draw income from investments (Index 150) and retirement (Index 159).
- *Comfortable Empty Nesters* residents physically and financially active.
- Prefer eating at home instead of dining out.
- Home maintenance a priority among these homeowners.

Esri's Tapestry Segmentation of Demographic Profiles



LifeMode Group: GenXurban Parks and Rec

5C

Households: 2,449,600

Average Household Size: 2.51

Median Age: 40.9

Median Household Income: \$60,000



LifeMode Group: Affluent Estates Top Tier

1A

Households: 2,113,000

Average Household Size: 2.84

Median Age: 47.3

Median Household Income: \$173,200

WHO ARE WE?

These suburbanites have achieved the dream of home ownership. They have purchased homes that are within their means. Their homes are older, and townhomes and duplexes are not uncommon. Many of these families are two-income married couples approaching retirement age; they are comfortable in their jobs and their homes, budget wisely, but do not plan on retiring anytime soon or moving. Neighborhoods are well established, as are the amenities and programs that supported their now independent children through school and college. The appeal of these kid-friendly neighborhoods is now attracting a new generation of young couples.

OUR NEIGHBORHOOD

- Homes are primarily owner-occupied, single-family residences built prior to 1970; townhomes and duplexes are scattered through the neighborhoods.
- Both median home value and average rent are close to the national level.
- Households by type mirror the US distribution; married couples, more without children, dominate. Average household size is slightly lower at 2.51, but this market is also a bit older.

SOCIOECONOMIC TRAITS

- More than half of the population is college educated.
- Older residents draw Social Security and retirement income.
- The workforce is diverse: professionals in health care, retail trade, and education, or skilled workers in manufacturing and construction.
- This is a financially shrewd market; consumers are careful to research their big-ticket purchases.
- When planning trips, they search for discounted airline fares and hotels and choose to vacation within the US.
- These residents tend to use their cell phones for calls and texting only.

WHO ARE WE?

The residents of the wealthiest Tapestry market, *Top Tier*, earn more than three times the US household income. They have the purchasing power to indulge any choice, but what do their hearts' desire? Aside from the obvious expense for the upkeep of their lavish homes, consumers select upscale salons, spas, and fitness centers for their personal well-being and shop at high-end retailers for their personal effects. Whether short or long, domestic or foreign, their frequent vacations spare no expense. Residents fill their weekends and evenings with opera, classical music concerts, charity dinners, and shopping. These highly educated professionals have reached their corporate career goals. With an accumulated average net worth of over US\$3 million dollars and income from a strong investment portfolio, many of these older residents have moved into consulting roles or operate their own businesses.

OUR NEIGHBORHOOD

- Married couples without children or married couples with older children dominate this market.
- Housing units are owner occupied with the highest home values—and above-average use of mortgages.
- Neighborhoods are older and located in the suburban periphery of the largest metropolitan areas, especially along the coasts.

SOCIOECONOMIC TRAITS

- *Top Tier* is a highly educated, successful consumer market: more than one in three residents has a postgraduate degree.
- Annually, they earn more than three times the US median household income, primarily from wages and salary but also self-employment income (Index 177) and investments (Index 251).
- These are the nation's wealthiest consumers. They hire financial advisers to manage their diverse investment portfolios but stay abreast of current financial trends and products.
- Socially responsible consumers who aim for a balanced lifestyle, they are goal oriented and hardworking but make time for their kids or grandkids and maintain a close-knit group of friends.
- These busy consumers seek variety in life. They take an interest in the fine arts; read to expand their knowledge; and consider the internet, radio, and newspapers as key media sources.
- They regularly cook their meals at home, attentive to good nutrition and fresh organic foods.

ESRI TAPESTRY

ESRI TAPESTRY

Esri's Tapestry Segmentation of Demographic Profiles



LifeMode Group: GenXurban

Midlife Constants

5E

Households: 3,068,400

Average Household Size: 2.31

Median Age: 47.0

Median Household Income: \$53,200

WHO ARE WE?

Midlife Constants residents are seniors, at or approaching retirement, with below-average labor force participation and below-average net worth. Although located in predominantly metropolitan areas, they live outside the central cities, in smaller communities. Their lifestyle is more country than urban. They are generous but not spendthrifts.

OUR NEIGHBORHOOD

- Older homes (most built before 1980) found in the suburban periphery of smaller metropolitan markets.
- Primarily married couples, with a growing share of singles.
- Settled neighborhoods with slow rates of change and residents that have lived in the same house for years.
- Single-family homes, less than half still mortgaged, with a median home value of \$154,100 (Index 74).

SOCIOECONOMIC TRAITS

- Education: 63% have a high school diploma or some college.
- At 31%, the labor force participation rate is low in this market (Index 91).
- Almost 42% of households are receiving Social Security (Index 141); 27% also receive retirement income (Index 149).
- Traditional, not trendy; opt for convenience and comfort not cutting edge. Technology has its uses, but the bells and whistles are a bother.
- Attentive to price, but not at the expense of quality, they prefer to buy American and natural products.
- Radio and newspapers are the media of choice (after television).



LifeMode Group: Cozy Country Living

Heartland Communities

6F

Households: 2,850,600

Average Household Size: 2.39

Median Age: 42.3

Median Household Income: \$42,400

WHO ARE WE?

Well settled and close-knit, *Heartland Communities* residents are semirural and semiretired. These older householders are primarily homeowners, and many have paid off their mortgages. Their children have moved away, but they have no plans to leave their homes. Their hearts are with the country; they embrace the slower pace of life here but actively participate in outdoor activities and community events. Traditional and patriotic, these residents support their local businesses, always buy American, and favor domestic driving vacations over foreign plane trips.

OUR NEIGHBORHOOD

- Rural communities or small towns are concentrated in the Midwest, from older Rustbelt cities to the Great Plains.
- Distribution of household types is comparable to the US, primarily (but not the majority) married couples, more with no children, and a slightly higher proportion of singles (Index 112) that reflects the aging of the population.
- Residents own modest, single-family homes built before 1970.
- They own one or two vehicles; commutes are short (Index 82).

SOCIOECONOMIC TRAITS

- Retirees in this market depress the average labor force participation rate to less than 60% (Index 94). More workers are white collar than blue collar; more skilled than unskilled.
- The rural economy of this market provides employment in the manufacturing, construction, utilities, health-care, and agriculture industries.
- These are budget-savvy consumers; they stick to brands they grew up with and know the price of goods they purchase. Buying American is important.
- Daily life is busy but routine. Working on the weekends is not uncommon.
- Residents trust TV and newspapers more than any other media.
- Skeptical about their financial future, they stick to community banks and low-risk investments.

ESRI'S TAPESTRY SEGMENTATION OF DEMOGRAPHIC PROFILES

Esri's Tapestry Segmentation of Demographic Profiles



LifeMode Group: Affluent Estates

Exurbanites

1E

Households: 2,398,200

Average Household Size: 2.50

Median Age: 51.0

Median Household Income: \$103,400

WHO ARE WE?

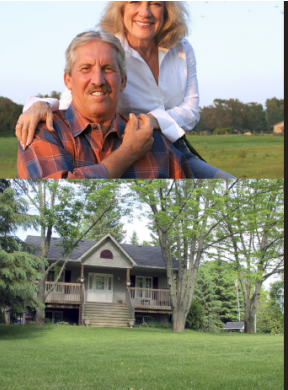
Exurbanites residents are now approaching retirement but showing few signs of slowing down. They are active in their communities, generous in their donations, and seasoned travelers. They take advantage of their proximity to large metropolitan centers to support the arts but prefer a more expansive home style in less crowded neighborhoods. They have cultivated a lifestyle that is both affluent and urbane.

OUR NEIGHBORHOOD

- Established neighborhoods (most built between 1970 and 1990) found in the suburban periphery of large metropolitan markets.
- A larger market of empty nesters, married couples with no children; average household size is 2.50.
- Primarily single-family homes with a high median value of \$423,400 (Index 204), most still carrying mortgages.
- Higher vacancy rate at 9%.

SOCIOECONOMIC TRAITS

- Residents are college educated; more than half have a bachelor's degree or higher; nearly 81% have some college education.
- This labor force is beginning to retire. One in three households currently receive Social Security or retirement income. Labor force participation has declined to less than 60% (Index 95).
- More of the residents prefer self-employment (Index 178) or working from home (Index 177).
- Consumers are more interested in quality than cost. They take pride in their homes and foster a sense of personal style.
- *Exurbanites* residents are well connected, using the internet for everything from shopping to managing their finances.
- Sociable and hardworking, they still find time to stay physically fit.



LifeMode Group: Cozy Country Living

Salt of the Earth

6B

Households: 3,545,800

Average Household Size: 2.59

Median Age: 44.1

Median Household Income: \$56,300

WHO ARE WE?

Salt of the Earth residents are entrenched in their traditional, rural lifestyles. Citizens here are older, and many have grown children that have moved away. They still cherish family time and also tending to their vegetable gardens and preparing homemade meals. Residents embrace the outdoors; they spend most of their free time preparing for their next fishing, boating, or camping trip. The majority has at least a high school diploma or some college education; many have expanded their skill set during their years of employment in the manufacturing and related industries. They may be experts with DIY projects, but the latest technology is not their forte. They use it when absolutely necessary, but seek face-to-face contact in their routine activities.

OUR NEIGHBORHOOD

- This large segment is concentrated in the Midwest, particularly in Ohio, Pennsylvania, and Indiana.
- Due to their rural setting, households own two vehicles to cover their long commutes, often across county boundaries.
- Homeownership rates are very high (Index 133). Single-family homes are affordable, valued at 25% less than the national market.
- Nearly two in three households are composed of married couples; less than half have children at home.

SOCIOECONOMIC TRAITS

- Steady employment in construction, manufacturing, and related service industries.
- Completed education: 40% with a high school diploma only.
- Household income just over the national median, while net worth is nearly double the national median.
- Spending time with family is their top priority.
- Cost-conscious consumers, loyal to brands they like, with a focus on buying American.
- Last to buy the latest and greatest products.
- Try to eat healthy, tracking the nutrition and ingredients in the food they purchase.



Esri's Tapestry Segmentation of Demographic Profiles



LifeMode Group: Hometown

Small Town Sincerity

12C

Households: 2,305,700

Average Household Size: 2.26

Median Age: 40.8

Median Household Income: \$31,500

WHO ARE WE?

Small Town Sincerity includes young families and senior householders that are bound by community ties. The lifestyle is down-to-earth and semirural, with television for entertainment and news, and emphasis on convenience for both young parents and senior citizens. Residents embark on pursuits including online computer games, renting movies, indoor gardening, and rural activities like hunting and fishing. Residents keep their finances simple—paying bills in person and avoiding debt.

OUR NEIGHBORHOOD

- Reside in small towns or semirural neighborhoods, mostly outside metropolitan areas.
- Homes are a mix of older single-family houses (61%), apartments, and mobile homes.
- Half of all homes are owner occupied (Index 79).
- Median home value of \$92,300 is about half the US median.
- Average rent is \$639 (Index 62).
- This is an older market, with half of the householders aged 55 years or older and predominantly single-person households (Index 139).

SOCIOECONOMIC TRAITS

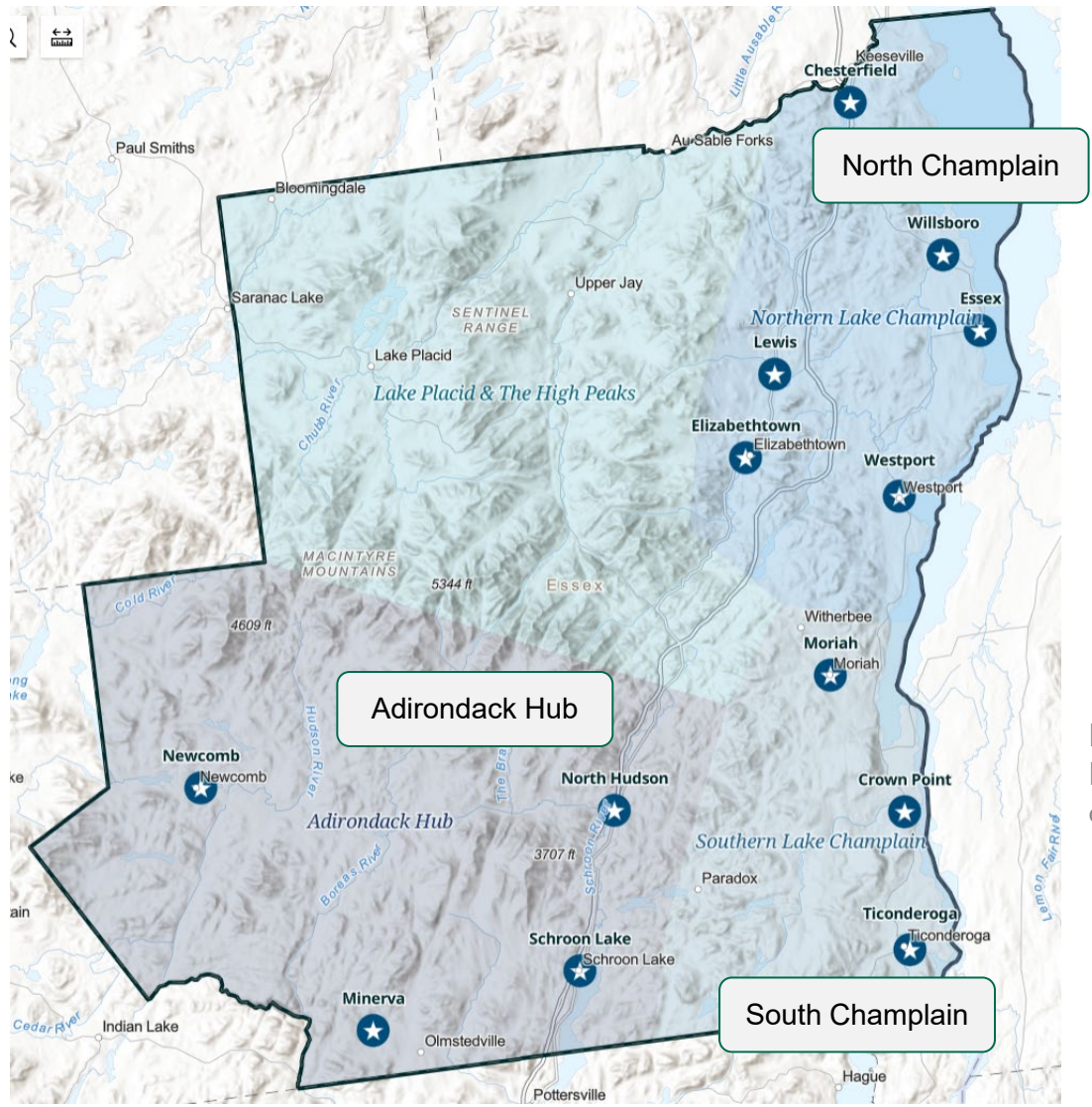
- Education: 67% with high school diploma or some college.
- Labor force participation lower at 52% (Index 83), which could result from lack of jobs or retirement.
- Income from wages and salaries (Index 83), Social Security (Index 133) or retirement (Index 106), increased by Supplemental Security Income (Index 183).
- Price-conscious consumers that shop accordingly, with coupons at discount centers.
- Connected, but not to the latest or greatest gadgets; keep their landlines.
- Community-oriented residents; more conservative than middle of the road.
- Rely on television or newspapers to stay informed.



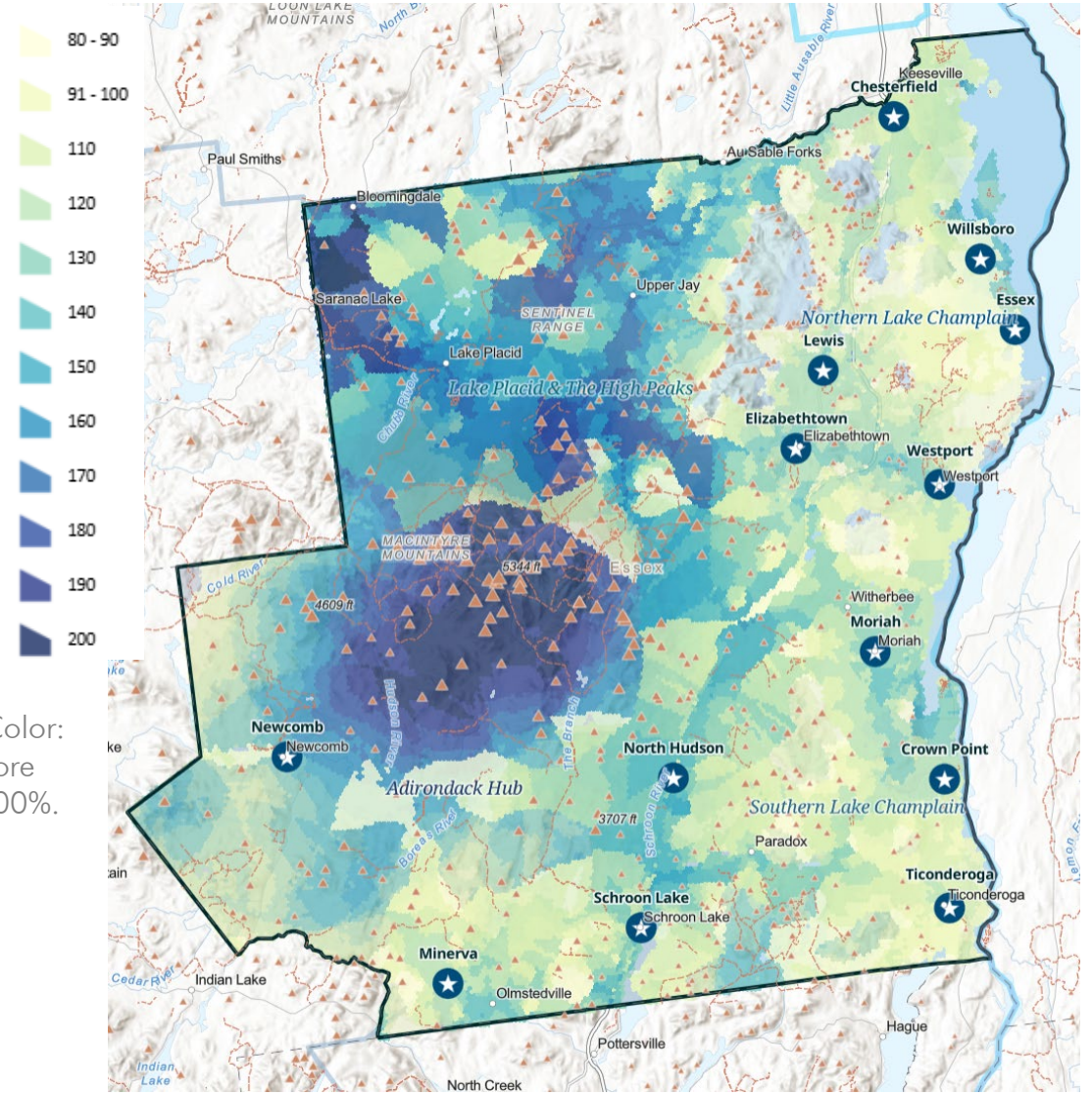
REGIONAL REVIEW

Location

3 Areas of Study



Essex County – Attraction Index and Heat Map



Darker Color:
Index Score
above 100%.

Greater Essex County

COUNTY RESIDENTS



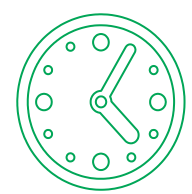
37,071

COUNTY RESIDENTS 25+
WITH BACHELOR'S
DEGREE OR HIGHER



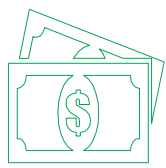
32%

DAYTIME POPULATION



35,573

AVERAGE HOUSEHOLD
INCOME



\$91,436

PROJECTED INCOME
GROWTH 2025-2029



9.1%

Located in the heart of the Adirondack Mountains, Essex County is one of the largest counties in New York State by land area. While Lake Placid is internationally recognized for hosting two Winter Olympics and remains a key tourism hub, the county's economic, demographic, and developmental landscape extends well beyond this village.

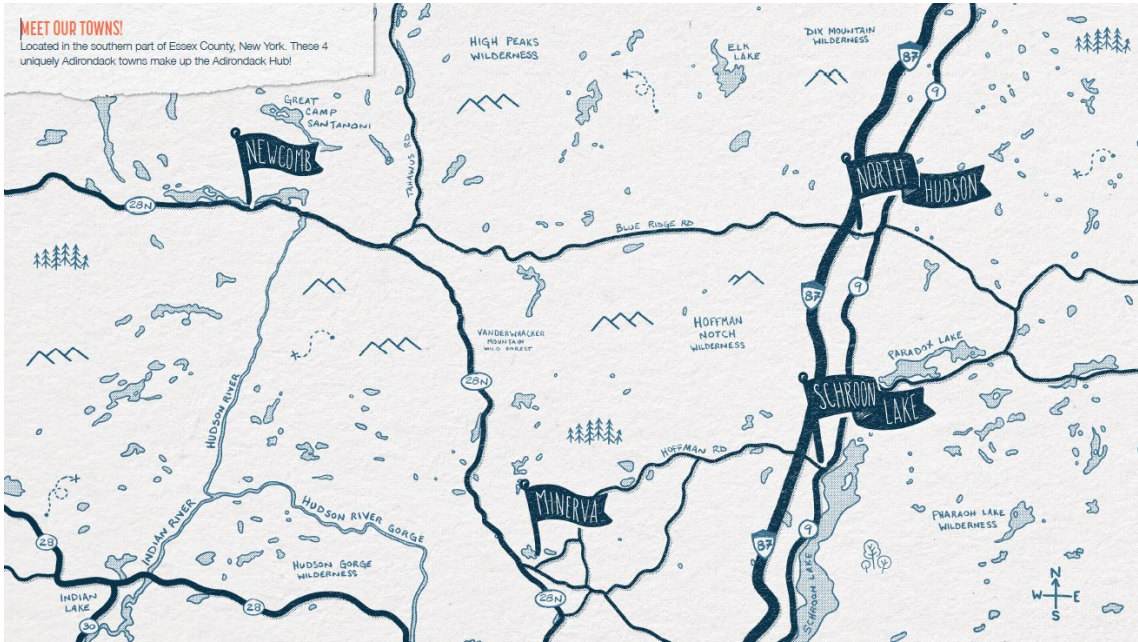
Tourism is a cornerstone of Essex County's economy. In 2024, visitor spending totaled \$963.5 million, supporting over \$350.3 million in local employment income. Key attractions include hiking in the Adirondack High Peaks, boating on Lake Champlain, and visiting historical sites like Fort Ticonderoga. Essex County is increasingly popular for eco-tourism and seasonal recreation.

The county's economy is driven by tourism, agriculture, education, and public services with a growing emphasis on small business development and community revitalization.

Three key trends are driving new development: workforce and affordable housing expansion, community infrastructure investment, and sustainable tourism and economic diversification.

Source: CBRE Research, New York State Tourism Industry Association Annual report, 2024, Regional Office of Sustainable Tourism (ROOST) annual report, 2024.

Tourism in the Adirondack Hub



Notable Attractions and Activities in The Hub:

- Gore Mountain (Home to the most skiable acreage in New York)
- Great Camp Santanoni in Newcomb
- Camping, horseback riding, and hiking at Frontier Town Campground (previously Frontier Town theme park) along the scenic Schroon River

Major Events

The Adirondack Hub is located in the central-eastern Adirondacks of New York and encompasses four communities including Newcomb, North Hudson, Minerva, and Schroon. This region is especially renowned for its vibrant fall foliage, drawing visitors each autumn to experience the brilliant colors that blanket the mountains, lakes, and forests. Outdoor enthusiasts are drawn to the area for activities such as hiking, paddling, cycling, snowmobiling, cross-country skiing, and camping—all supported by a network of well-maintained trails and public lands.

Significant events in the Adirondack Hub include:

- Teddy Roosevelt (TR) Weekend in Newcomb featuring woodsman's activities, craft fairs, and community events
- Minerva Irish Day Celebration
- Adirondack Marathon Distance Festival in Schroon Lake (A record 1,002 participants in 2025)
- North Hudson Annual Car Show
- Schroon Lake Ice Fishing Derby Weekend
- Schroon Lake Labor Day Weekend and Fourth of July Celebrations



Tourism in the North Champlain Region



Source: Lake Champlain Region, NY

Agritourism & Local Food:

- Essex Food Hub
- Farmers Markets
- Farm to table restaurants
- Authentic farm stays and hands-on experiences
- Biking through cow pastures and farms

Nestled between the Adirondack Mountains and the shores of Lake Champlain (the sixth largest freshwater lake in the United States), this region includes Chesterfield, Elizabethtown, Essex, Lewis, Westport, and Willsboro. The area is recognized for its blend of natural landscapes, historic character, and a growing emphasis on agritourism and local food systems. Agritourism plays a significant role in supporting rural economies throughout the region. It helps preserve agricultural traditions while providing diversified revenue streams for farms and producers. The farm-to-table movement is well represented through local restaurants and food hubs that source ingredients directly from nearby farms, enhancing both sustainability and community engagement.

Signature Events

- Adirondack Harvest Festival in Westport
- Ticonderoga Area & Lake Champlain Region Fishing Tournament
- Champlain Area Trails Grand Hike
- Bike the Barns (250 participants in 2025)
- Holiday Parade of Lights & Christmas Bazaars

Notable Attractions & Activities:

- Bass fishing on Lake Champlain
- Champlain Area Trails (CATs)
- Ausable Chasm ("The Grand Canyon of the Adirondacks" features tours, cliff hikes, rafting, and various outdoor activities)

Tourism in the Southern Lake Champlain Region

Situated along the western shore of Lake Champlain, this region includes Crown Point, Moriah, and Ticonderoga. The region's economy has historically been tied to resource extraction, including iron ore mining and lumber. Today, the area's economy is diversifying, with tourism playing an increasing role. Points of interest include historic sites such as Fort Ticonderoga and Crown Point State Historic Site, reflecting the region's significant role in American history. All three communities benefit from concentrated municipal water and wastewater facilities in their hamlets. There is an Amtrak train station in Ticonderoga, and the town was recently awarded \$10 million in funding from the "New York State Downtown Revitalization Initiative (DRI). Additionally, there is an Amtrak station in Port Henry.

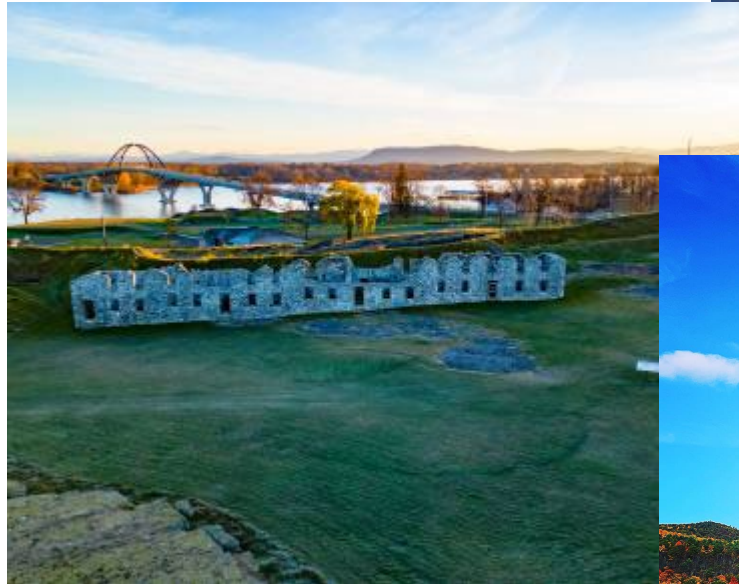
Signature Events

- Annual Heritage, Harvest, & Horse Festival in Ticonderoga
- Champ Day Festival in Moriah
- Moriah Labor Day Festival
- Crown Point Memorial Day Celebration
- Trekonderoga in Ticonderoga
- StreetFest in Ticonderoga
- Ticonderoga Area Car Show

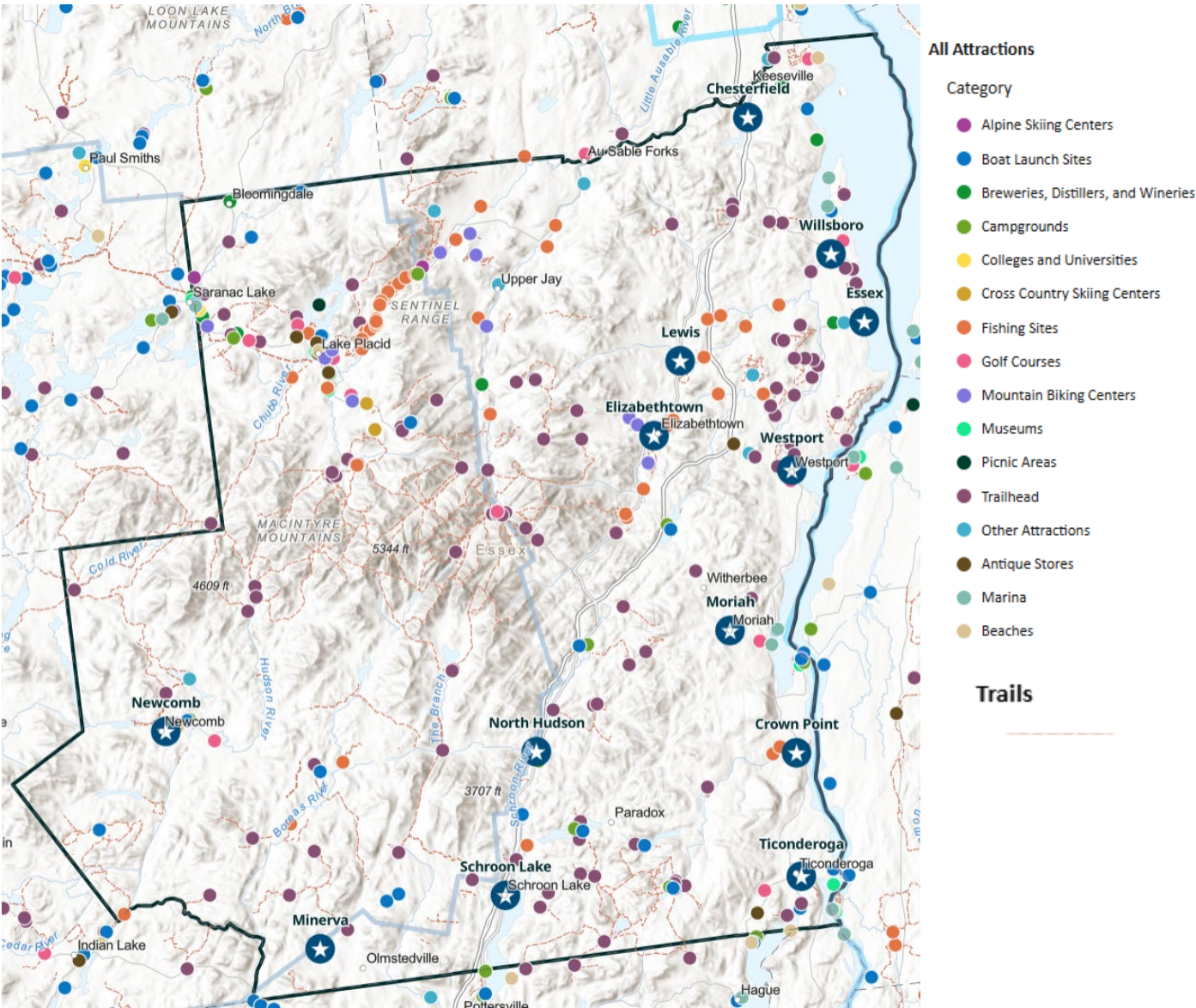
Notable Activities:

- Fort Ticonderoga (more than 70,000 visitors yearly)
- Crown Point State Historic Site
- Ticonderoga Golf Course
- Champlain Memorial Lighthouse
- Bird watching in Crown Point
- Sightseeing for Lake Monster Champ in Moriah
- Iron Center Museum in Moriah
- Bulwagga Bay Beach
- CBS licensed Star Trek Original Series Set Tours

Source: CBRE Research, Lake Champlain Region, NY



Tourism Attractions



Source: CBRE Location Intelligence

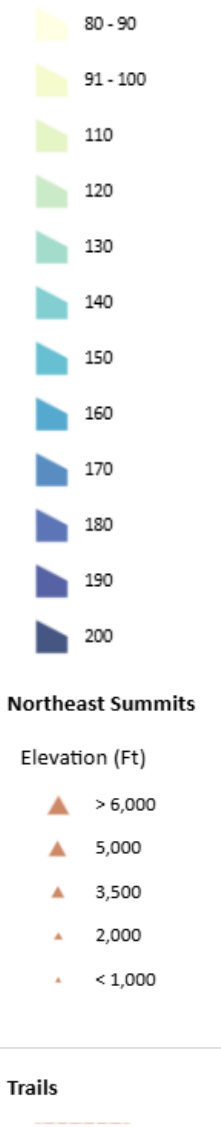
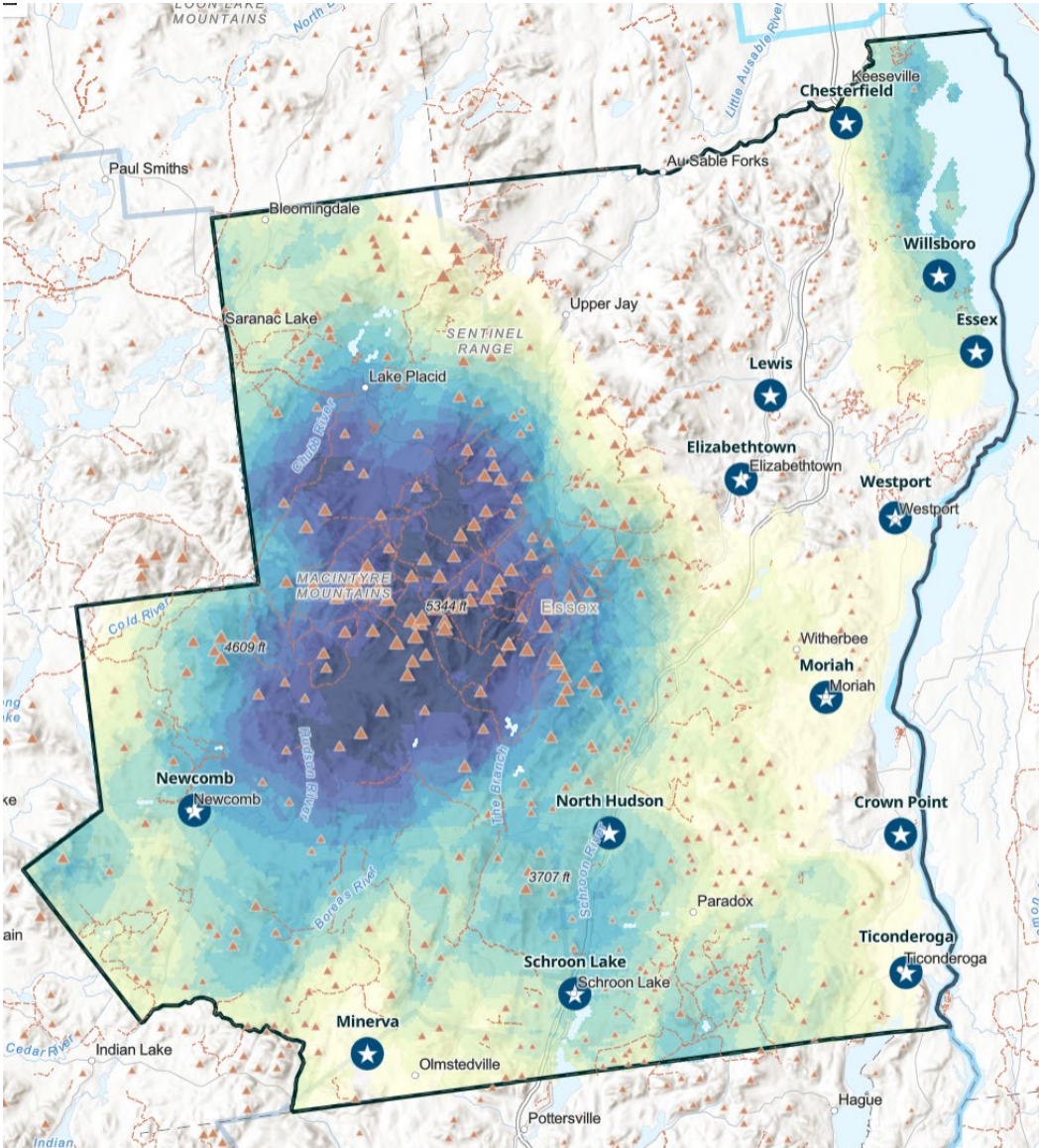
Nature tourism is a vital economic driver for Essex County and has a broad impact on many other industry sectors. Nature tourism is based on a wide range of activities including hiking, camping, fishing, birdwatching, and engaging with the area's natural resources in locations like mountains, lakeside, wilderness areas, parks, and rural areas. Nature tourism is driven by the motivation to experience the natural environment. The Adirondack Hub and Lake Champlain regions have several distinct features that satisfy the goals of nature tourists.

The map on the left focuses on outdoor activities and excludes the following attractions:

- Breweries, distillers, and wineries
- Colleges and universities
- Museums
- Other Attractions
- Antique Stores

The importance of nature tourism lies in its contribution to the local economy, generating revenue for businesses related to lodging, dining, retail, and guided services. Over the past decade, nature tourism has demonstrated consistent growth, driven by a confluence of factors. Increased interest in outdoor recreation, coupled with a national trend toward prioritizing health and wellness, has brought more visitors to the region. Over recent years, nature tourism has experienced growth, fueled by increasing interest in outdoor recreation post COVID-19 and promotion of the national, regional, and state park's natural assets. Managing the balance between economic growth and the preservation of the natural resources that attract visitors requires careful planning and sustainable tourism practices to ensure the long-term viability of this important sector.

Nature Tourism



The map on the left focuses on the key attractions listed on the legend.

The following tourism statistics show the significance of the tourism industry in Essex County:

2024 TOTAL VISITOR
SPENDING IN ESSEX
COUNTY



\$963.5 M

2024 VISITOR SPENDING ON
RECREATION /
ENTERTAINMENT



\$57.3 M

% OF TOURISTS WHOSE 1ST
POINT OF INTEREST IS
OUTDOOR ACTIVITIES



66%



MACRO HOTEL MARKET – LAKE PLACID

Lake Placid Region

Historical Market Performance - Lake Placid

Year	Room Night Supply	% Δ	Room Night Demand	% Δ	Market Occupancy	Average Daily Rate	% Δ	RevPAR	% Δ
2011	465,104	---	250,842	---	53.9%	\$179.38	---	\$96.75	---
2012	465,524	0.1%	250,218	-0.2%	53.7%	\$181.78	1.3%	\$97.71	1.0%
2013	484,578	4.1%	254,091	1.5%	52.4%	\$183.16	0.8%	\$96.04	-1.7%
2014	466,410	-3.7%	251,199	-1.1%	53.9%	\$182.23	-0.5%	\$98.15	2.2%
2015	466,410	0.0%	250,910	-0.1%	53.8%	\$190.05	4.3%	\$102.24	4.2%
2016	467,176	0.2%	267,444	6.6%	57.2%	\$193.25	1.7%	\$110.63	8.2%
2017	467,176	0.0%	271,719	1.6%	58.2%	\$193.26	0.0%	\$112.40	1.6%
2018	502,947	7.7%	289,140	6.4%	57.5%	\$194.86	0.8%	\$112.02	-0.3%
2019	506,267	0.7%	291,416	0.8%	57.6%	\$196.38	0.8%	\$113.04	0.9%
2020	496,096	-2.0%	205,105	-29.6%	41.3%	\$219.22	11.6%	\$90.64	-19.8%
2021	512,461	3.3%	253,432	23.6%	49.5%	\$259.33	18.3%	\$128.25	41.5%
2022	532,486	3.9%	282,226	11.4%	53.0%	\$262.66	1.3%	\$139.21	8.6%
2023	589,684	10.7%	291,976	3.5%	49.5%	\$263.21	0.2%	\$130.33	-6.4%
2024	648,459	10.0%	318,336	9.0%	49.1%	\$255.44	-3.0%	\$125.40	-3.8%
2025	648,839	0.1%	333,098	4.6%	51.3%	\$247.65	-3.0%	\$127.14	1.4%
CAG *		2.4%		2.0%			2.3%		2.0%
Feb TTM 2024	606,534	---	289,191	---	47.7%	\$260.15	---	\$124.04	---
Feb TTM 2025	648,708	7.0%	323,177	11.8%	49.8%	\$254.39	-2.2%	\$126.73	2.2%
Feb TTM 2026	648,776	0.0%	333,967	3.3%	51.5%	\$248.61	-2.3%	\$127.98	1.0%
CAG *		3.4%		7.5%			-2.2%		1.6%
Feb YTD 2023	87,782		48,448	---	55.2%	\$287.85	---	\$158.87	---
Feb YTD 2024	104,632	19.2%	45,663	-5.7%	43.6%	\$269.94	-6.2%	\$117.81	-25.8%
Feb YTD 2025	104,881	0.2%	50,504	10.6%	48.2%	\$261.82	-3.0%	\$126.07	7.0%
Feb YTD 2026	104,818	-0.1%	51,373	1.7%	49.0%	\$267.83	2.3%	\$131.27	4.1%
CAGR *		6.1%		2.0%			-2.4%		-6.2%

Lake Placid (including Saranac Lake) is the closest concentration of hotel supply in the region. It is currently the flagship market and primary destination for most travelers to Essex County and the Adirondacks. While the different regions and study areas presented in this report are not directly competitive with Lake Placid, it is indicative of potential performance for hotels in the area and utilized as a macro benchmark.

Historically, Lake Placid has generally maintained occupancies in the mid 50 percentile with ADR surpassing \$250 since 2021. This market is considered a high rated market due to the demand base coming from major affluent metros such as New York City and Montreal.

While the COVID pandemic did cause a sharp decline in demand in 2020, ADR increased substantially as rural resort destinations fared relatively well during the downturn compared to typical urban and suburban markets. Moreover, the ramp up out of COVID was aggressive with record high hotel rates. By 2021, the market was surpassing 2019 levels. While there has been decreases in ADR since 2023, more demand has been accommodated resulting in increasing occupancy. Overall, the market is plateauing at a significantly elevated level.

By year to date through February 2026, the market is increasing in occupancy and ADR resulting in a RevPAR growth of 4.1% to \$131. This particular snow season has been good for winter sports due to major weather events in the northeastern US region. 2026 will likely be another expansion year.

Lake Placid Seasonality

Competitive Occupancy - Monthly Seasonality		
Monthly Occupancy	2025	3-Year Avg.
January	43%	44%
February	54%	54%
March	40%	44%
April	27%	28%
May	39%	38%
June	55%	53%
July	72%	68%
August	72%	67%
September	58%	60%
October	65%	61%
November	41%	39%
December	50%	45%
Average	51%	50%

Source: STR Custom Trends Report

Competitive ADR - Monthly Seasonality		
Monthly ADR	2025	3-Year Avg.
January	\$248	\$248
February	\$274	\$295
March	\$195	\$200
April	\$146	\$187
May	\$170	\$181
June	\$201	\$219
July	\$335	\$342
August	\$296	\$311
September	\$232	\$242
October	\$249	\$244
November	\$206	\$200
December	\$280	\$284
Average	\$248	\$255

Source: STR Custom Trends Report

Competitive ADR - Weekly Seasonality	
Daily ADR	2-Year Avg.
Sunday	\$205
Monday	\$192
Tuesday	\$186
Wednesday	\$189
Thursday	\$206
Friday	\$257
Saturday	\$261
Average	\$214

Source: STR Custom Trends Report

Competitive Occ - Weekly Seasonality	
Daily Occupancy	2-Year Avg.
Sunday	42%
Monday	40%
Tuesday	41%
Wednesday	43%
Thursday	53%
Friday	67%
Saturday	72%
Average	51%

Source: STR Custom Trends Report

As typical with rural resort markets, most of the demand is considered transient and leisure-oriented. The peak days are Friday and Saturday nights with long weekend pick ups on Thursday and Sunday. Midweek demand is still relatively healthy as the market can capture weeklong leisure stays during peak seasons, as well as group/meeting travelers.

The Lake Placid market is considered seasonal due to the rural location and heavy reliance on outdoor activities as a demand generator. Generally, the late summer spilling into fall is considered the busiest period due to the warmer weather, lake activities, hiking, as well as fall foliage season. This period exhibits peak occupancies and ADR. Some of the hotels do benefit from a high season during the winter depending on weather conditions as Whiteface Mountain is a major ski destination in the Adirondacks. However, Lake Placid hotels are mostly located in the town and there is not a traditional ski in/ski out winter resort which mitigates some of this demand potential.

Lake Placid Market Delineation

Select Branded Hotels

Property	Year Built	Chainscale	Rooms	Meeting Space
Courtyard by Marriott Lake Placid	2007	Upscale	96	725
voco Saranac Lake NY - Waterfront	2019	Upscale	93	3,100
Hotel Saranac, Curio Collection by Hilton	1927	Upper Upscale	102	3,817
Grand Adirondack Hotel, a Tribute Portfolio Hotel	1960	Upper Upscale	92	2,912
Mirror Lake Inn Resort & Spa	1878	Luxury	123	3,275
Hampton Inn & Suites Lake Placid	2013	Upper Midscale	97	1,374

Select Upper Upscale/Luxury Hotels

Property	Year Built	Chainscale	Rooms	Meeting Space
High Peaks Resort	1978	Upper Upscale	177	8,176
The Whiteface Lodge	2005	Luxury	96	8,400
Mirror Lake Inn Resort & Spa	1878	Luxury	123	3,275
Hotel Saranac, Curio Collection by Hilton	1927	Upper Upscale	102	3,817
Grand Adirondack Hotel, a Tribute Portfolio Hotel	1960	Upper Upscale	92	2,912

Select Upscale/Midscale Hotels

Property	Year Built	Chainscale	Rooms	Meeting Space
Courtyard by Marriott Lake Placid	2007	Upscale	96	725
voco Saranac Lake NY - Waterfront	2019	Upscale	93	3,100
Placid Bay Hotel	1968	Independent	22	N/A
Town House Lodge	1963	Independent	25	N/A
Best Western Adirondack Inn	1968	Midscale	49	N/A
Hampton Inn & Suites Lake Placid	2013	Upper Midscale	97	1,374
Lake Placid Inn	1980	Independent	40	N/A
Lake Placid Club Grandview	1969	Independent	246	15,129
Cambria Hotel Lake Placid - Lakeside Resort	2023	Upscale	185	4,185

The Lake Placid market was segmented to reflect the varying performance between different brands and chain scales.

Branded Hotels

These properties were selected based on their affiliation with hotel brand and franchise umbrellas offering the most distribution. The selected hotels were associated with Marriott, Hilton, and Intercontinental Hotel Group and may induce travel into the market due to brand recognition and guest loyalty programs.

Upper Upscale/Luxury

These properties were selected based on their higher rate capture and reflect the market “ceiling”. They represent the highest service levels, as well as quality of facilities and FF&E.

Upscale/Midscale

These properties were selected based on their midlevel positioning and reflect the moderate priced segment. Typically, these properties have limited services and mid-quality FF&E.

Economy

Is minimal in the market, do not report to CoStar and not reflected in the analysis.

Lake Placid - Branded Hotels

Year	Market Occupancy	% Δ	Average Daily Rate	% Δ	RevPAR	% Δ
2023	51.3%	0.0%	\$277.17	-1.0%	\$142.19	-1.0%
2024	52.1%	1.6%	\$275.58	-0.6%	\$143.58	1.0%
2025	55.7%	6.9%	\$266.90	-3.1%	\$148.66	3.5%
CAG *		4.2%		-1.9%		2.3%
2025 Penetration	108%		108%		117%	

Lake Placid - Upper Upscale/Luxury Hotels

Year	Market Occupancy	% Δ	Average Daily Rate	% Δ	RevPAR	% Δ
2023	50.0%	0.6%	\$347.93	-6.9%	\$173.97	-6.3%
2024	50.2%	0.4%	\$345.50	-0.7%	\$173.44	-0.3%
2025	52.2%	4.0%	\$327.56	-5.2%	\$170.99	-1.4%
CAG *		2.2%		-3.0%		-0.9%
2025 Penetration	102%		132%		134%	

Lake Placid - Upscale/Midscale Hotels

Year	Market Occupancy	% Δ	Average Daily Rate	% Δ	RevPAR	% Δ
2023	53.6%	-5.5%	\$218.65	-0.7%	\$117.20	-6.2%
2024	52.4%	-2.2%	\$209.61	-4.1%	\$109.84	-6.3%
2025	54.6%	4.2%	\$210.54	0.4%	\$114.95	4.7%
CAG *		0.9%		-1.9%		-1.0%
2025 Penetration	106%		85%		90%	



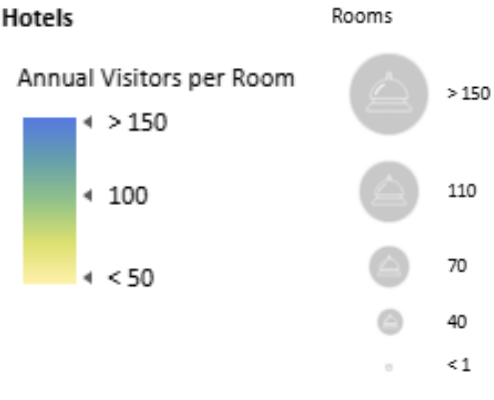
KEY DEFINITIONS AND MAPPING LEGENDS

Key Definitions and Mapping Legends

Mapping Legends

Hotel Supply

Measured as Visitors Per room and number of guest rooms



Attractiveness Index

Hotel Attractiveness Index:

This index calculated using the total weighted volume of nearby amenities. The nearby amenities, aggregated within a 30-minute drive time, are adjusted based on their correlation with higher hotel occupancy.

Outdoor Experience Index:

This index is a composite score of the following demographics, measured at a 10-mile radius and weighted accordingly.

An index score of 100 is average for the study area. A score of 120 is 20% above the average.



Occupancy (OCC)

Ratio of occupied rooms to total inventory/supply over a specific period.

(80 occupied rooms, 100 total rooms = 80% OCC)

Average Daily Rate (ADR)

Average Revenue Earned per **occupied** room over a specific period. Typically, monthly and annually.

Revenue per Available Room (RevPAR)

Average Revenue Earned per **available** room over a specific period.

Alternative Lodging Concepts

Short-Term Rental (STR):

Residential homes or apartments leased over a term less than 30 days. Common in dense urban areas and remote/tertiary markets with a concentration of vacation homes. Typically, the entire home is leased to a 3rd-party using an online travel agency, such as AirBnB or VRBO. Minimal staffing, host interaction, and outsourced cleaning services.

Bed & Breakfast:

A larger residential home leasing out bedrooms as hotel units. Typically, an all-inclusive experience serving a full breakfast and evening dinner/happy hour. Owner operated and can be booked through online travel agencies. Minimal staffing but host/owner interactive. Attractive for guests wanting an authentic/cultural experience from a host representing the local area.

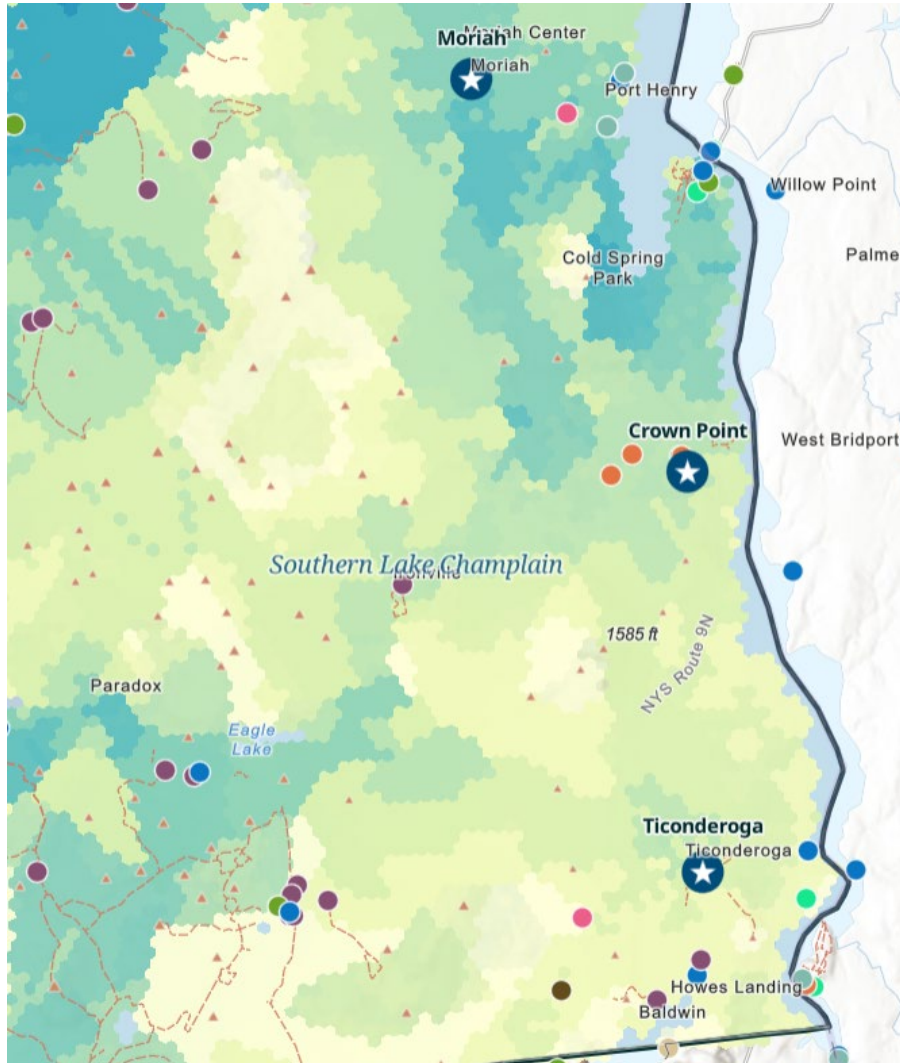
Boutique Hotel:

Bespoke Hotel concept with independent design and branding. Typically, smaller than prototypical hotels but still operates and functions similar to a standard hotel with staff, public/lobby area, and amenities. Can be franchised with a “soft-brand” from a major hotel company. Amenities and style can vary significantly depending on the local attractions or destination attributes of the hotel facilities.

**POTENTIAL
PROPERTY 1**

SOUTH CHAMPLAIN

South Champlain Neighborhood Analysis



The South Champlain Region can be defined as the hamlets and municipalities along State highway 9N including Ticonderoga, Crown Point and Moriah. A summary of the area attributes (rounded) is, as follows:

- Attractions: 31
- Hotels: 7
- Short-term rentals: 36
- Summits: 35
- Restaurants/Food Service: 20

Based on the map, the purple dots represent the visitor attractions in the area.

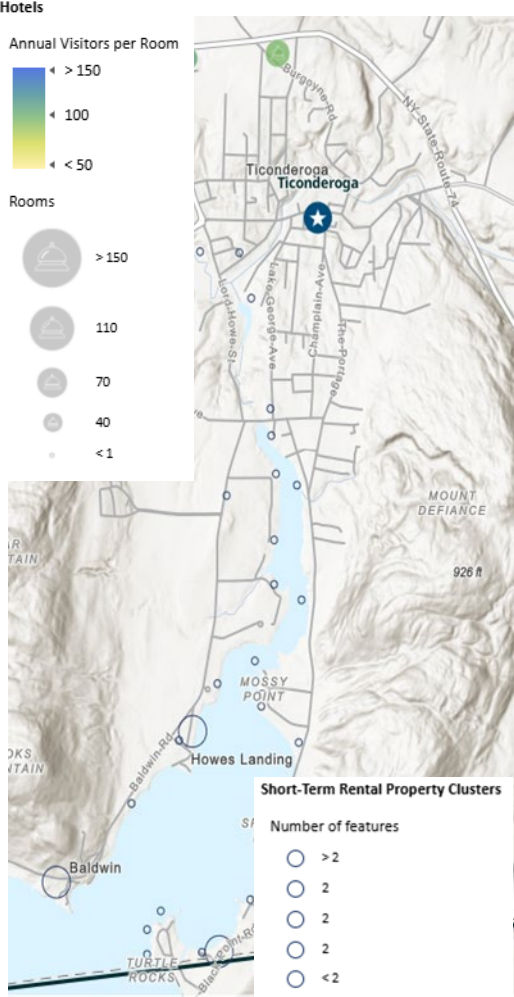
Ticonderoga and Port Henry have the most visitor attractions in the region. We are recommending a hotel development in Ticonderoga due to its access to both Lake Champlain and Lake George. Additionally, Ticonderoga's current infrastructure and attractions are more likely to induce overnight guests due to the type of attractions in the town.

South Champlain – Ticonderoga Closer Look

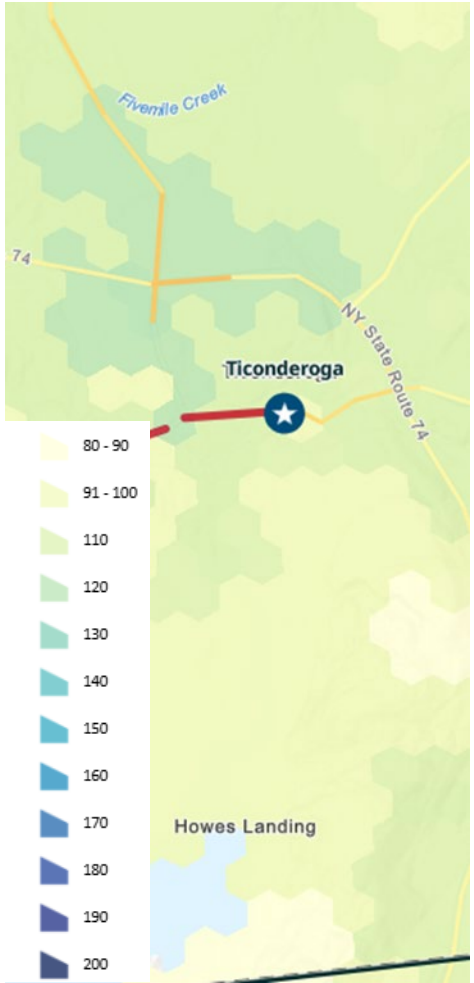
Hotel and STR Guest traffic density



Concentration of Hotel and STR Units



Hotel and STR Guest traffic density



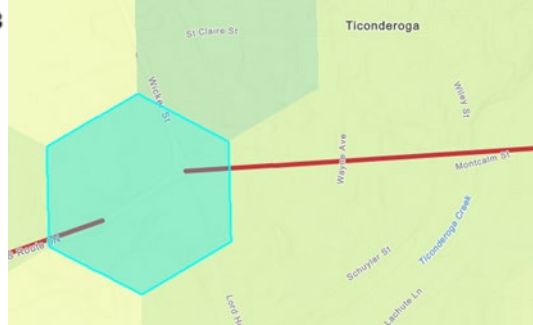
Within the South Champlain region, Ticonderoga experiences the most traffic density for Hotel and Short-term rental (STR) guests in the region. Moreover, the greater concentration of Hotel and STR supply is in Ticonderoga. It is mostly located around Howes Landing and Baldwin, south of Ticonderoga due to the desirable location of Lake George.

However, the hotels currently in Ticonderoga do not drive additional demand to the South Champlain region due to lack of amenities and facilities. The proposed conference hotel is intended to drive group and leisure demand to the market with the addition of meeting space and leisure amenities.

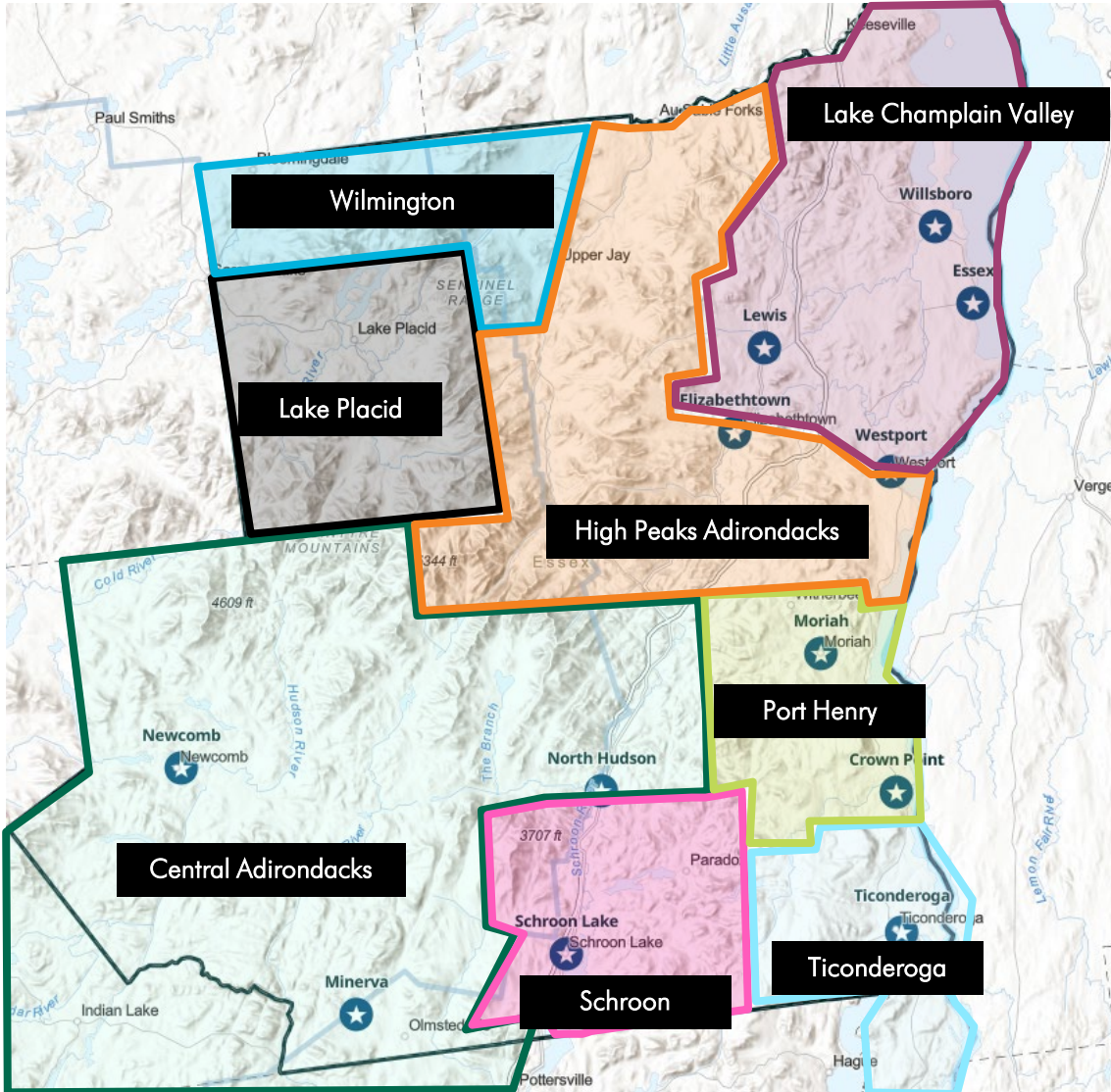
The traffic patterns combined with the Hotel attractiveness index, as measured by the green heat maps, indicate Ticonderoga is potentially lacking in functional and modern lodging supply. For any potential Lodging development in this area, Ticonderoga would be most attractive as it benefits from New York State Routes 9N, 22 and 74 and access to I-87, and has a positive hotel attractiveness Index at roundly 115. The following presents a snapshot within Ticonderoga and CBRE's index adjustments leading to Hotel attractiveness

Index Adjustments:

- +7% - Alpine Ski Resorts:
- 5% - Other Attractions:
- +8% - Boat Launches: 16
- +4% - Breweries/Wineries/Distilleries: 3
- +4% - Campgrounds: 2
- +2% - Colleges:
- 7% - Cross Country Facilities:
- 6% - Fishing Sites: 6
- +6% - Golf Courses: 4
- 6% - Mountain Biking Facilities:
- +0% - Picnic Areas: 1
- +8% - Museums: 4
- 5% - Trailheads: 14



FS



According to AirDNA, the Short-Term Rental Market in Essex County is broken out into 8 submarkets:

- Central Adirondacks
- Schroon
- High Peaks Adirondacks
- Ticonderoga
- Wilmington
- Lake Placid
- Port Henry
- Lake Champlain Valley

Short Term Rental Analysis – South Champlain

Lake Champlain Valley

Trailing Twelve Through March 2026

Listing Type	Market Average		Studio		1-Bedroom		2-Bedroom	
	OCC	ADR	OCC	ADR	OCC	ADR	OCC	ADR
Apartment	61%	\$165	34%	\$93	60%	\$144	58%	\$125
Bed & Breakfast	26%	\$165	n/a	n/a	29%	\$147	31%	\$305
House	50%	\$251	44%	\$113	51%	\$155	50%	\$203
Totals/Average	49%	\$232	36%	\$134	48%	\$149	52%	\$182

CBRE Hotels/ AirDNA

Ticonderoga

Trailing Twelve Through March 2026

Listing Type	Market Average		Studio		1-Bedroom		2-Bedroom	
	OCC	ADR	OCC	ADR	OCC	ADR	OCC	ADR
Apartment	49%	\$202	10%	\$200	44%	\$137	57%	\$278
Bed & Breakfast	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
House	48%	\$377	38%	\$184	40%	\$154	52%	\$268
Totals/Average	48%	\$361	32%	\$186	41%	\$152	51%	\$269

CBRE Hotels/ AirDNA

Port Henry

Trailing Twelve Through March 2026

Listing Type	Market Average		Studio		1-Bedroom		2-Bedroom	
	OCC	ADR	OCC	ADR	OCC	ADR	OCC	ADR
Apartment	44%	\$157	n/a	n/a	41%	\$250	23%	\$132
Bed & Breakfast	16%	\$85	n/a	n/a	n/a	n/a	16%	\$85
House	44%	\$197	13%	\$73	49%	\$109	45%	\$216
Totals/Average	46%	\$167	53%	\$39	49%	\$105	44%	\$211

CBRE Hotels/ AirDNA

These submarkets are most representative of the South Champlain study area. Looking at apartment and bed & breakfast performance is most indicative of hotel performance.

ADR

ADR ranged from \$85 to \$305 for apartment and B&B units.

OCC

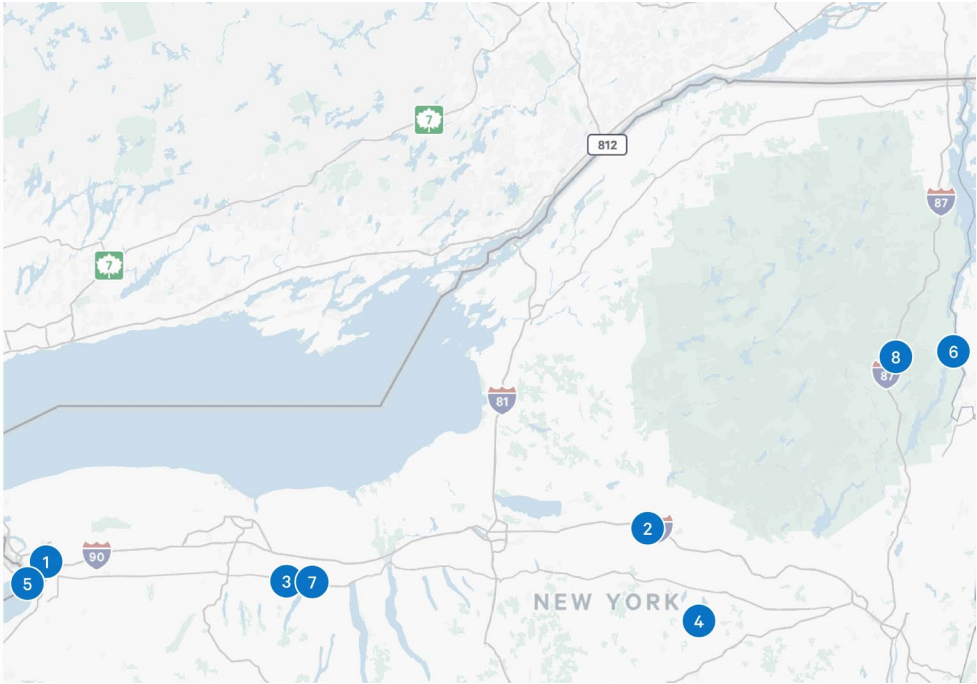
Occupancy ranged from 16% to 57%.

Overall, the STR rental market is fragmented with many types of properties most of which consist of less than 5 private bedrooms. The STR rental market is useful in predicting market pricing. However, STR properties are usually owner occupied and the inventory is not always available. Therefore, OCC is less indicative of a dedicated lodging property such as a hotel.

Lake Champlain Valley and Ticonderoga are the most representative for the South Champlain Region. However, Port Henry is included to represent a performance minimum in the area.

Hotel Analysis – Comparable Conference Center Hotels - Map

- 1 Reikart House, Buffalo, A Tribute Portfolio Hotel
- 2 DoubleTree by Hilton Hotel Utica
- 3 The Lake House on Canandaigua
- 4 The Otesaga Resort Hotel
- 5 The Westin Buffalo
- 6 Best Western Plus Ticonderoga Inn & Suites
- 7 Hotel Canandaigua, Tapestry Collection by Hilton
- 8 The Lodge at Schroon Lake



A comparative set was determined based on locations in upstate New York markets. Furthermore, for conference center group demand, the sample of hotels capture small to moderately-sized state group business that could be accommodated in the South Champlain Region. The total room count of the comparable set is 854 rooms. This set is not directly competitive to a potential hotel in the South Champlain Region; however, it is indicative of the overall trend and used for benchmarking purposes. The hotels represent low room count group hotels that likely attract small conferences or state association business. To reiterate, these hotels are not necessarily competitive but represent like kind facilities capturing statewide group and conference business. Furthermore, there are a limited number of hotels in the immediate area that report to CoStar.

The collection of comparable hotels consist of full-service, conference center hotels. The size of the properties range from 92 rooms to 132. Due to lack of supply and uncertainty, within this range is likely what the South Champlain Region could potentially support.

Regional Comparable Set									
COMP	Name	Location		# of Units	Year Built	Open date	Year Reno.	Meeting Space	Largest Meeting Room
1	Reikart House, Buffalo, A Tribute Portfolio Hotel	Buffalo	NY	92	1962	2017	2019	4526	3506
2	DoubleTree by Hilton Hotel Utica	Utica	NY	112	1912	1912	2017	7496	3815
3	The Lake House On Canandaigua	Canandaigua	NY	124	2020	2020	n/a	4475	3900
4	The Otesaga Resort Hotel	Cooperstown	NY	132	1909	1909	2019	8200	2700
5	The Westin Buffalo	Buffalo	NY	115	2016	2016	2025	7970	3574
6	Best Western Plus Ticonderoga Inn & Suites	Ticonderoga	NY	54	2008	2008	2015	2500	2500
7	Hotel Canandaigua, Tapestry Collection by Hilton	Canandaigua	NY	109	2023	2023	n/a	14305	5580
8	The Lodge At Schroon Lake	Schroon Lake	NY	116	1917	1917	2023	7341	3856
Average/Totals				854				7102	3679

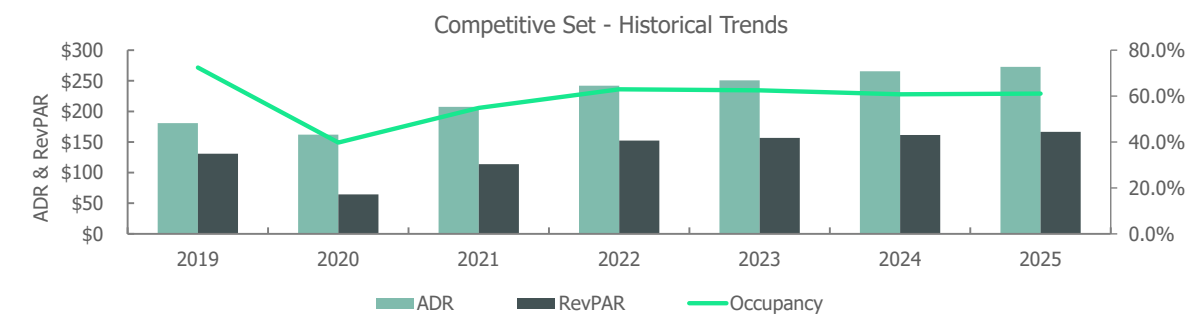
CBRE Hotels/ CoStar

Hotel Analysis – Comparable Conference Center Hotels

Historical Market Performance STR Trend Competitive Properties									
Year	Room Night Supply	% Δ	Room Night Demand	% Δ	Market Occupancy	Average Daily Rate	% Δ	RevPAR	% Δ
2019	192,221	---	139,215	---	72.4%	\$180.79	---	\$130.94	---
2020	140,752	-26.8%	55,953	-59.8%	39.8%	\$162.07	-10.4%	\$64.43	-50.8%
2021	241,055	71.3%	132,236	136.3%	54.9%	\$207.34	27.9%	\$113.74	76.5%
2022	241,055	0.0%	151,807	14.8%	63.0%	\$241.91	16.7%	\$152.34	33.9%
2023	295,163	22.4%	184,450	21.5%	62.5%	\$250.75	3.7%	\$156.70	2.9%
2024	324,604	10.0%	197,303	7.0%	60.8%	\$265.50	5.9%	\$161.38	3.0%
2025	326,806	0.7%	199,601	1.2%	61.1%	\$272.85	2.8%	\$166.65	3.3%
CAG *		9.2%		6.2%			7.1%		4.1%
Feb TTM 2024	308,668	---	189,270	---	61.3%	\$248.93	---	\$152.64	---
Feb TTM 2025	325,038	5.3%	195,378	3.2%	60.1%	\$268.12	7.7%	\$161.17	5.6%
Feb TTM 2026	326,496	0.4%	200,828	2.8%	61.5%	\$272.08	1.5%	\$167.36	3.8%
CAG *		2.8%		3.0%			4.5%		4.7%
Feb YTD 2023	38,965		18,936	---	48.6%	\$193.56	---	\$94.07	---
Feb YTD 2024	52,470	34.7%	23,756	25.5%	45.3%	\$190.67	-1.5%	\$86.33	-8.2%
Feb YTD 2025	52,904	0.8%	21,831	-8.1%	41.3%	\$207.55	8.9%	\$85.64	-0.8%
Feb YTD 2026	52,594	-0.6%	23,059	5.6%	43.8%	\$204.33	-1.5%	\$89.59	4.6%
CAGR *		10.5%		6.8%			1.8%		-1.6%

The comparable set achieved a \$273 ADR at an occupancy of 61.1% for year end 2025. The occupancy is subject to market seasonality, with June through October as peak seasons, and spring and winter as low seasons. This market is volatile, however, the meeting space at these hotels offset seasonality with weddings, retreats, and leisure travel.

The set has demonstrated significant revenue growth since 2019. Much of this is driven from the COVID pandemic which induced more demand to these markets as they feature outdoor activities and open-air meeting spaces. On a year-to-year basis, demand and ADR growth has just slowed down in 2025 as these hotels prove to be attractive options. Room night demand has increased in February year-to-date, which is a positive outlook as winter is typically a low season for this set. ADR, however, has a slight decrease in year-to-date which can be attributed to the 5.6% occupancy increase. Overall, RevPAR has continued to increase throughout the years and benefits from a 4.6% year-to-date increase.



* Compound Annual Growth Rate
Source: Report

Comparable Spotlight

Comparable Spotlight 1

Reikart House, Buffalo, A Tribute Portfolio Hotel

Address	5000 Main St, Buffalo, NY 14226		
Rooms	92	Year Built	1962
Chainscale	Upper Upscale	Year Renovated	2019
Meeting Space	4,526	Largest Space	3,506



Comparable Spotlight 2

DoubleTree by Hilton Hotel Utica

Address	5000 Main St, Buffalo, NY 14226		
Rooms	112	Year Built	1912
Chainscale	Upscale	Year Renovated	n/a
Meeting Space	7,496	Largest Space	3,815



Comparable Spotlight

Comparable Spotlight 3

The Lake House On Canandaigua

Address	770 S Main St, Canandaigua, NY 14424		
Rooms	124	Year Built	2020
Chainscale	Luxury	Year Renovated	n/a
Meeting Space	4,475	Largest Space	3,900



Comparable Spotlight 4

The Otesaga Resort Hotel

Address	60 Lake St, Cooperstown, NY 13326-1042		
Rooms	132	Year Built	1909
Chainscale	Luxury	Year Renovated	2002
Meeting Space	8,200	Largest Space	2,700



Comparable Spotlight

Comparable Spotlight 5

The Westin Buffalo

Address	250 Delaware Ave, Buffalo, NY 14202-2014		
Rooms	115	Year Built	2016
Chainscale	Upper Upscale	Year Renovated	2025
Meeting Space	7,970	Largest Space	3,574



Comparable Spotlight 6

Best Western Plus Ticonderoga Inn & Suites

Address	260 Burgoyne Rd, Ticonderoga, NY 12883		
Rooms	54	Year Built	2008
Chainscale	Upper Mids	Year Renovated	2012
Meeting Space	2,500	Largest Space	2,500



Comparable Spotlight

Comparable Spotlight 7

Hotel Canandaigua, Tapestry Collection by Hilton

Address	205 Lakeshore Dr, Canandaigua, NY 14424-2311		
Rooms	109	Year Built	2023
Chainscale	Upper Upscale	Year Renovated	n/a
Meeting Space	14,305	Largest Space	5,580



Comparable Spotlight 8

The Lodge At Schroon Lake

Address	210 Registration Way, Schroon Lake, NY 12870		
Rooms	116	Year Built	1917
Chainscale	Luxury	Year Renovated	2023
Meeting Space	7,341	Largest Space	3,856



Recommended Facilities South Champlain

Recommended Facilities		
Property Type	Hotel	(full service)
Number of Buildings	1	
Number of Stories	4-6	
Year Built	2028	
Number of Guest Rooms	120	
Restaurant/Lounge	Restaurant and Lobby/Rooftop Bar Coffee Shop/Grab and Go Market	
Meeting/Banquet Rooms	1 large ballroom, breakout space, outdoor event space, private dining, potential enclosed rooftop bar	
Property Amenities	Wellness activities, access to golf or a marina, indoor/outdoor pool	

Source: Various sources compiled by CBRE

Guest Room Configuration			
Room Type	No. Rooms	Percent of Total	Size (SF)
King Standard Rooms	50	41.67%	350
Double Queen Standard Rooms	50	41.67%	400
King Junior Suites	15	12.50%	500
King - 1 Bedroom Suites	5	4.17%	550
Total/Average:	120	100%	398

Source: Compiled by CBRE

Food & Beverage Facilities	
Name	Seating Capacity
Locally Sourced/Farm-to-table dining	60
Lobby or Rooftop Bar	30
Coffee Shop/Grab and Go Market	6

Compiled by CBRE

Meeting/Banquet Rooms		
Name	Size (SF)	Type/Comments
Ballroom (Can be Sub-Divided into 3 Rooms)	6,000	Indoor
Meeting Rooms	3,500	Indoor, divisible
Boardroom(s)	1,000	Indoor
Prefunction Space	1,000	Indoor/Exterior Space
Private Dining	500	In Restaurant
Total Interior Four Wall Space	12,000	

Compiled by CBRE

Conference Center Hotel Concept

The South Champlain market benefits from a variety of distinct tourism attractions. It is positioned between Lake George and Lake Champlain providing access to a plethora of water-based recreational opportunities. The historical aspect, particularly in Ticonderoga, is nationally recognized and attracts leisure and group travelers. Furthermore, South Champlain boasts a wide array of outdoor activities, including river trails and waterfalls, hiking trails, and the Ticonderoga Golf Course.

The proposed hotel aims to provide comprehensive amenities, ideally suited for a small conference center hotel. The region would likely support 100-130 rooms. The layout of the improvements are recommended to be upscale and integrate with the character of the South Champlain market. For example, a farm-to-table restaurant would align with the growing interest in locally sourced cuisine among visitors and residents in the Lake Champlain area.

The region’s history and scenic natural attractions are expected to draw a variety of events, including weddings, social gatherings, and statewide association meetings. Additional target markets include corporate and executive retreats focused on wellness, golf, hiking, history, and other nature-based activities. The facility should include flexible meeting spaces capable of accommodating a minimum of 400 attendees, both indoors and outdoors. These spaces should depart from traditional ballroom layouts, instead incorporating the natural elements of South Champlain. Examples include enclosed spaces with panoramic views of the mountains and lakes or utilizing a brewery/winery as a meeting venue. This flexible function space will be a key differentiator for the property.

A signature restaurant is proposed as a core amenity. This chef-driven concept should feature locally sourced cuisine, serving as the central gathering point and hub for all guests and residents of the region, offering breakfast, lunch, and dinner. This destination-worthy amenity is expected to drive guest stays.

In summary, a facility like this will be unique to the local market while still competing with like kind operations in other tertiary New York markets, as well as New England. Additionally, it is recommended the property adopt a major brand from a major franchise such as Hilton, Marriott, or Hyatt:

- Marriott Hotels, Westin Hotels, Tribute Portfolio, Autograph Collection - Marriott
- Hilton Hotels, Curio Collection, Tapestry Collection - Hilton
- Hyatt Hotels, Hyatt Centric, Destination by Hyatt - Hyatt

South Champlain Positioning

Benchmark Rates Short-Term Rentals (2024)						
Calendar Year 2024						
COMP	Location	# of Units	Accom- odates	OCC	ADR	ADR Per Bedroom /Unit
1	Ticonderoga	3	8	65%	\$293	\$98
2	Ticonderoga	4	10	52%	\$291	\$73
3	Ticonderoga	3	10	59%	\$340	\$113
4	Port Henry	3	6	47%	\$178	\$59
5	Ticonderoga	3	7	100%	\$260	\$87
6	Ticonderoga	3	6	65%	\$203	\$68
7	Ticonderoga	3	6	89%	\$249	\$83
8	Ticonderoga	4	9	43%	\$631	\$158
9	Ticonderoga	4	12	70%	\$338	\$84
10	Ticonderoga	3	6	54%	\$425	\$142
11	Ticonderoga	3	6	77%	\$327	\$109
12	Ticonderoga	3	8	79%	\$300	\$100
13	Ticonderoga	4	10	34%	\$300	\$75
14	Crown Point	3	10	39%	\$466	\$155
15	Ticonderoga	3	8	50%	\$466	\$155
16	Ticonderoga	5	11	68%	\$600	\$120
17	Ticonderoga	4	10	83%	\$428	\$107
18	Ticonderoga	2	8	44%	\$397	\$198
19	Ticonderoga	3	8	82%	\$491	\$164
20	Ticonderoga	4	8	97%	\$489	\$122
21	Ticonderoga	2	8	41%	\$610	\$305
22	Ticonderoga	4	10	67%	\$521	\$130
Min				34%	\$178	\$59
Max				100%	\$631	\$305
Average				64%	\$391	\$123
Median				65%	\$368	\$111
Subject Est.		120	240	65%	\$210	\$210

CBRE Hotels/ AirDNA

South Champlain Potential Estimate											
As if Stabilized in 2025 Dollars											
Number of Units	Subject Total			Comparable Set			Regional Conference Hotels			STRs	
	120			54	-	132	65	-	248	2	5
	OCC	ADR	REVPAR	OCC	ADR	REVPAR	OCC	ADR	REVPAR	OCC	ADR/Bedroom
	60%	\$220	\$132	61%	\$273	\$167	72%	\$216	\$155	64%	\$123

CBRE Hotels



CBRE benchmarked ADR and Occupancy utilizing actual individual performance from 3 segments in the market; The comparable set from the previous section, a selection of STRs, as well as other small regional conference center hotels. The comparables are all representative of current supply which fits the conference hotel concept and attracts guests from the broader US region.

Generally, the regional conference center hotels exhibited the highest rate, most likely due to the benefit of increased population base situated in larger towns with more demand. The subject’s ADR is on the lower end of the range between the three sets but most in line with the regional conference hotels and comparable set. However, the subject’s occupancy is greater than most of the comparables due to the lower room rate.

This is considered reasonable and within the range of the 3 sets of comparables.

Conference Hotels in Tertiary Markets - Mid-Atlantic and New England					
Calendar Year 2024					
COMP	Location	Number of Rooms		OCC	ADR
1	MA	235	- 255	67%	\$185
2	NY	230	- 250	68%	\$222
3	MA	225	- 245	78%	\$291
4	NH	240	- 260	70%	\$174
5	PA	190	- 210	68%	\$194
6	PA	110	- 130	66%	\$196
7	NJ	165	- 185	75%	\$231
8	CT	160	- 180	68%	\$193
9	ME	100	- 120	75%	\$135
10	CT	70	- 90	76%	\$190
11	NY	110	- 130	65%	\$153
12	NY	140	- 160	75%	\$169
13	PA	175	- 195	71%	\$281
14	DE	170	- 190	71%	\$204
15	PA	155	- 175	74%	\$282
16	NJ	150	- 170	73%	\$258
17	CT	175	- 195	79%	\$186
18	NY	80	- 100	69%	\$161
19	NJ	150	- 170	73%	\$258
20	DE	55	- 75	61%	\$233
Min				61%	\$135
Max				79%	\$291
Average				71%	\$210
Median				71%	\$196
Subject		120		65%	\$210

CBRE Hotels Database

South Champlain Market Penetration Summary

South Champlain - Summary			
Small Conference Hotel			
Rooms	120		
Occupied Room Nights	26,280		
Short-Term Rental Markets Lake Champlain Valley Ticonderoga Port Henry Benchmark Hotel Markets Small Conference Hotels New York Lake Placid - Total Lake Placid - Branded Lake Placid - Luxury/Upper Upscale Lake Placid - Upscale/Midscale	Market Penetration Rates		
	Occupancy	ADR	RevPAR
	60%	\$220	\$132
	130%	95%	116%
	125%	61%	133%
	130%	132%	172%
	84%	102%	85%
	117%	89%	104%
	108%	82%	89%
	115%	67%	77%
	110%	104%	115%
Over Penetrate			
Under Penetrate			
Market Share = 100%			

Compiled by CBRE Hotels

In summary, the projected penetration rates of the South Champlain small conference hotel are projected to over penetrate the local short-term rental markets in RevPAR.

Relative to the benchmark hotel markets, the subject will over penetrate the aggregated Lake Placid market. However, when segmented, the branded and upper upscale/luxury Lake Placid hotels will well outperform the subject. The subject is estimated to be more in line with the midscale Lake Placid hotels which is reasonable due to the rate sensitivity in Ticonderoga.

The subject will under penetrate the selected statewide New York conference hotel set. Which is reasonable due to the seasonal market, as well as deficient area demand generators and amenities in Ticonderoga versus other small group markets in New York.

Comparable Income Statements

The operating comparables ranged in size from 119 to 289 guestrooms. ADR and Occupancy are in line with the Subject’s projections.

The comparables offer similar amenities relative to the recommended facilities in this analysis.

Moreover, the comparables demonstrate a successful operation within like kind regions. This infers, under prudent and competent management, similar results can be achieved by the recommended subject.

Property US Region Hotel Description / Name Year Days Open Avg. No. of Rooms Occupancy Average Daily Rate	Comparable 1 NE Upper Upscale 2024 366 250 - 330 65% - 70% \$215 - \$230			Comparable 2 NE Upper Upscale 2024 366 130 - 180 70% - 75% \$250 - \$265			Comparable 3 NE Upper Upscale 2024 366 100 - 140 65% - 70% \$190 - \$200			Comparable 4 NE Upper Upscale 2024 366 220 - 290 60% - 65% \$220 - \$230			Comparable 5 NE Upper Upscale 2024 366 250 - 330 65% - 70% \$180 - \$195		
	Ratio to Sales	PAR	POR	Ratio to Sales	PAR	POR	Ratio to Sales	PAR	POR	Ratio to Sales	PAR	POR	Ratio to Sales	PAR	POR
REVENUE															
Rooms	70.1%	\$53,589	\$221.62	66.3%	\$68,904	\$257.70	59.9%	\$47,484	\$196.28	69.9%	\$53,140	\$225.64	75.3%	\$47,675	\$187.73
Food & Beverage	20.5%	15,660	64.76	29.8%	30,941	115.72	37.2%	29,477	121.85	25.9%	19,730	83.78	23.3%	14,778	58.19
Other Operated Departments	8.6%	6,543	27.06	2.8%	2,948	11.03	0.6%	454	1.88	1.8%	1,383	5.87	0.7%	421	1.66
Miscellaneous Income (Net)	0.8%	625	2.59	1.0%	1,057	3.95	2.4%	1,885	7.79	2.4%	1,821	7.73	0.7%	436	1.72
Total Operating Revenue	100.0%	\$76,417	\$316.04	100.0%	\$103,851	\$388.41	100.0%	\$79,300	\$327.80	100.0%	\$76,074	\$323.02	100.0%	\$63,310	\$249.29
DEPARTMENTAL EXPENSES*															
Rooms Expense	20.4%	\$10,907	\$45.11	23.5%	\$16,177	\$60.50	20.5%	\$9,720	\$40.18	28.2%	\$14,977	\$63.60	26.2%	\$12,481	\$49.15
Food & Beverage Expense	75.6%	11,834	48.94	84.9%	26,283	98.30	74.0%	21,805	90.13	74.0%	14,600	61.99	67.5%	9,980	39.30
Other Operated Departments Expense	84.4%	5,521	22.83	111.0%	3,272	12.24	98.3%	446	1.84	36.9%	510	2.17	57.4%	242	0.95
Total Departmental Expenses	37.0%	\$28,261	\$116.88	44.0%	\$45,732	\$171.04	40.3%	\$31,971	\$132.16	39.6%	\$30,088	\$127.76	35.9%	\$22,703	\$89.40
DEPARTMENTAL PROFIT	63.0%	\$48,156	\$199.16	56.0%	\$58,119	\$217.37	59.7%	\$47,330	\$195.64	60.4%	\$45,986	\$195.26	64.1%	\$40,607	\$159.90
UNDISTRIBUTED OPERATING EXPENSES															
Administrative and General	8.7%	\$6,630	\$27.42	10.4%	\$10,766	\$40.27	8.7%	\$6,938	\$28.68	10.6%	\$8,055	\$34.20	6.9%	\$4,391	\$17.29
Information and Telecommunications Systems	1.4%	1,049	4.34	1.4%	1,494	5.59	1.8%	1,432	5.92	2.1%	1,596	6.78	2.2%	1,407	5.54
Sales and Marketing	6.2%	4,764	19.70	9.0%	9,373	35.06	6.2%	4,922	20.35	8.5%	6,434	27.32	9.3%	5,897	23.22
Franchise Fees (Royalty)	8.5%	4,533	18.75	5.0%	3,457	12.93	0.0%	0	0.00	2.1%	1,100	4.67	6.9%	3,309	13.03
Property Operations and Maintenance	3.2%	2,411	9.97	3.3%	3,412	12.76	3.8%	2,992	12.37	5.9%	4,504	19.12	4.7%	2,998	11.80
Utilities	2.8%	2,163	8.94	2.5%	2,608	9.75	2.9%	2,293	9.48	3.5%	2,633	11.18	3.8%	2,436	9.59
Total Undistributed Expenses	28.2%	\$21,550	\$89.12	30.0%	\$31,110	\$116.35	23.4%	\$18,578	\$76.79	32.0%	\$24,323	\$103.28	32.3%	\$20,438	\$80.48
GROSS OPERATING PROFIT	34.8%	\$26,606	\$110.03	26.0%	\$27,009	\$101.01	36.3%	\$28,752	\$118.85	28.5%	\$21,663	\$91.99	31.9%	\$20,170	\$79.42
Management Fee	3.0%	\$2,293	\$9.48	3.0%	\$3,116	\$11.65	3.0%	\$2,379	\$9.83	3.0%	\$2,282	\$9.69	3.0%	\$1,899	\$7.48
INCOME BEFORE NON-OPERATING INCOME AND EXPENSES	31.8%	\$24,313	\$100.55	23.0%	\$23,893	\$89.36	33.3%	\$26,373	\$109.02	25.5%	\$19,381	\$82.30	28.9%	\$18,270	\$71.94
NON-OPERATING INCOME AND EXPENSES															
Property Taxes	3.8%	\$2,934	\$12.13	6.0%	\$6,258	\$23.41	2.2%	\$1,771	\$7.32	0.0%	\$9	\$0.04	1.6%	\$1,039	\$4.09
Insurance	1.4%	1,092	4.51	1.4%	1,415	5.29	1.4%	1,131	4.67	0.6%	460	1.96	2.4%	1,515	5.96
Reserve for Replacement	4.0%	3,057	12.64	4.0%	4,154	15.54	4.0%	3,172	13.11	4.0%	3,043	12.92	4.0%	2,532	9.97
Total Non-Operating Income and Expenses	9.3%	\$7,082	\$29.29	11.4%	\$11,827	\$44.23	7.7%	\$6,074	\$25.11	4.6%	\$3,512	\$14.91	8.0%	\$5,086	\$20.03
INCOME AFTER FIXED CHARGES	22.5%	\$17,231	\$71.26	11.6%	\$12,066	\$45.13	25.6%	\$20,299	\$83.91	20.9%	\$15,869	\$67.38	20.8%	\$13,184	\$51.92
NET INCOME (EBITDA)	22.5%	\$17,231	\$71.26	11.6%	\$12,066	\$45.13	25.6%	\$20,299	\$83.91	20.9%	\$15,869	\$67.38	20.8%	\$13,184	\$51.92

South Champlain Detailed Forecast

The subject estimates are within the range of the comparables and generally in line with the weighted average.

Food and beverage expenses are generally greater than larger conference center hotels due to the less efficient economies of scale.

Administrative and General (A&G) and marketing are heavy fixed costs which are assumed to drive excellent service levels and market exposure and presence.

Maintenance expenses are likely to be elevated along with utilities due to the conferencing facilities and potential outdoor amenities.

Most of the comparable properties are franchised operations. Royalty fees are reflected as a separate line item.

Detailed Forecast of Income and Expenses Including Comparable Average

	Comparable Weighted Average				As Complete DCF Year 1				Stabilized DCF (Year 3)			
Period Reported:	Calendar Year Ending:				Fiscal Year Ended:				Fiscal Year Ended:			
Days Open	12/31/2024				12/31/2028				12/31/2030			
No. of Rooms	365				365				365			
Occupied Room Nights	1,112				120				120			
Occupancy	274,865				21,900				26,280			
Average Daily Rate	67.5%				50.0%				60.0%			
RevPAR	\$216.38				\$247.61				\$262.69			
	\$146.53				\$123.81				\$157.61			
	Total	Ratio to Sales	PAR	POR	Total	Ratio to Sales	PAR	POR	Total	Ratio to Sales	PAR	POR
REVENUE												
Rooms	\$59,475,393	69.3%	\$53,485	\$216.38	\$5,422,701	66.2%	\$45,189	\$247.61	\$6,903,533	67.1%	\$57,529	\$262.69
Food & Beverage	22,274,971	26.0%	\$20,031	\$81.04	2,563,459	31.3%	\$21,362	\$117.05	3,137,969	30.5%	\$26,150	\$119.41
Other Operated Departments	2,889,605	3.4%	\$2,599	\$10.51	130,638	1.6%	\$1,089	\$5.97	156,898	1.5%	\$1,307	\$5.97
Miscellaneous Income (Net)	1,165,070	1.4%	\$1,048	\$4.24	76,904	0.9%	\$641	\$3.51	94,139	0.9%	\$784	\$3.58
Total Operating Revenue	\$85,805,040	100.0%	\$77,163	\$312.17	\$8,193,702	100.0%	\$68,281	\$374.14	\$10,292,540	100.0%	\$85,771	\$391.65
DEPARTMENTAL EXPENSES												
Rooms Expense	\$14,322,086	24.1%	\$12,880	\$52.11	\$1,380,324	25.5%	\$11,503	\$63.03	\$1,568,985	22.7%	\$13,075	\$59.70
Food & Beverage Expense	16,815,508	75.5%	\$15,122	\$61.18	1,904,847	74.3%	\$15,874	\$86.98	2,196,579	70.0%	\$18,305	\$83.58
Other Operated Departments Expense	2,369,267	82.0%	\$2,131	\$8.62	69,632	53.3%	\$580	\$3.18	78,449	50.0%	\$654	\$2.99
Total Departmental Expenses	\$33,506,861	39.0%	\$30,132	\$121.90	\$3,354,804	40.9%	\$27,957	\$153.19	\$3,844,013	37.3%	\$32,033	\$146.27
DEPARTMENTAL PROFIT	\$52,298,179	61.0%	\$47,031	\$190.27	\$4,838,898	59.1%	\$40,324	\$220.95	\$6,448,527	62.7%	\$53,738	\$245.38
UNDISTRIBUTED OPERATING EXPENSES												
Administrative and General	\$7,784,605	9.1%	\$7,001	\$28.32	\$843,782	10.3%	\$7,032	\$38.53	\$931,361	9.0%	\$7,761	\$35.44
Information and Telecommunications Systems	1,526,478	1.8%	\$1,373	\$5.55	181,738	2.2%	\$1,514	\$8.30	200,601	1.9%	\$1,672	\$7.63
Sales and Marketing	6,804,396	7.9%	\$6,119	\$24.76	713,970	8.7%	\$5,950	\$32.60	788,075	7.7%	\$6,567	\$29.99
Franchise Fees (Royalty)	3,097,484	5.2%	\$2,786	\$11.27	379,589	7.0%	\$3,163	\$17.33	483,247	7.0%	\$4,027	\$18.39
Property Operations and Maintenance	3,614,703	4.2%	\$3,251	\$13.15	383,140	4.7%	\$3,193	\$17.49	429,859	4.2%	\$3,582	\$16.36
Utilities	2,690,704	3.1%	\$2,420	\$9.79	279,692	3.4%	\$2,331	\$12.77	313,797	3.0%	\$2,615	\$11.94
Total Undistributed Expenses	\$25,518,371	29.7%	\$22,948	\$92.84	\$2,781,911	34.0%	\$23,183	\$127.03	\$3,146,939	30.6%	\$26,224	\$119.75
GROSS OPERATING PROFIT	\$26,779,808	31.2%	\$24,083	\$97.43	\$2,056,987	25.1%	\$17,142	\$93.93	\$3,301,588	32.1%	\$27,513	\$125.63
Management Fee	\$2,574,151	3.0%	\$2,315	\$9.37	\$245,811	3.0%	\$2,048	\$11.22	\$308,776	3.0%	\$2,573	\$11.75
INCOME BEFORE NON-OPERATING INCOME AND EXPENSES	\$24,205,657	28.2%	\$21,768	\$88.06	\$1,811,176	22.1%	\$15,093	\$82.70	\$2,992,812	29.1%	\$24,940	\$113.88
NON-OPERATING INCOME AND EXPENSES												
Property Taxes	\$2,356,273	2.7%	\$2,119	\$8.57	\$245,001	3.0%	\$2,042	\$11.19	\$259,921	2.5%	\$2,166	\$9.89
Insurance	1,230,597	1.4%	\$1,107	\$4.48	148,567	1.8%	\$1,238	\$6.78	157,615	1.5%	\$1,313	\$6.00
Reserve for Replacement	3,432,202	4.0%	\$3,087	\$12.49	327,748	4.0%	\$2,731	\$14.97	411,702	4.0%	\$3,431	\$15.67
Total Non-Operating Income and Expenses	\$7,019,072	8.2%	\$6,312	\$25.54	\$721,316	8.8%	\$6,011	\$32.94	\$829,238	8.1%	\$6,910	\$31.55
NET INCOME (EBITDA)	\$17,186,585	20.0%	\$15,456	\$62.53	\$1,089,860	13.3%	\$9,082	\$49.77	\$2,163,574	21.0%	\$18,030	\$82.33

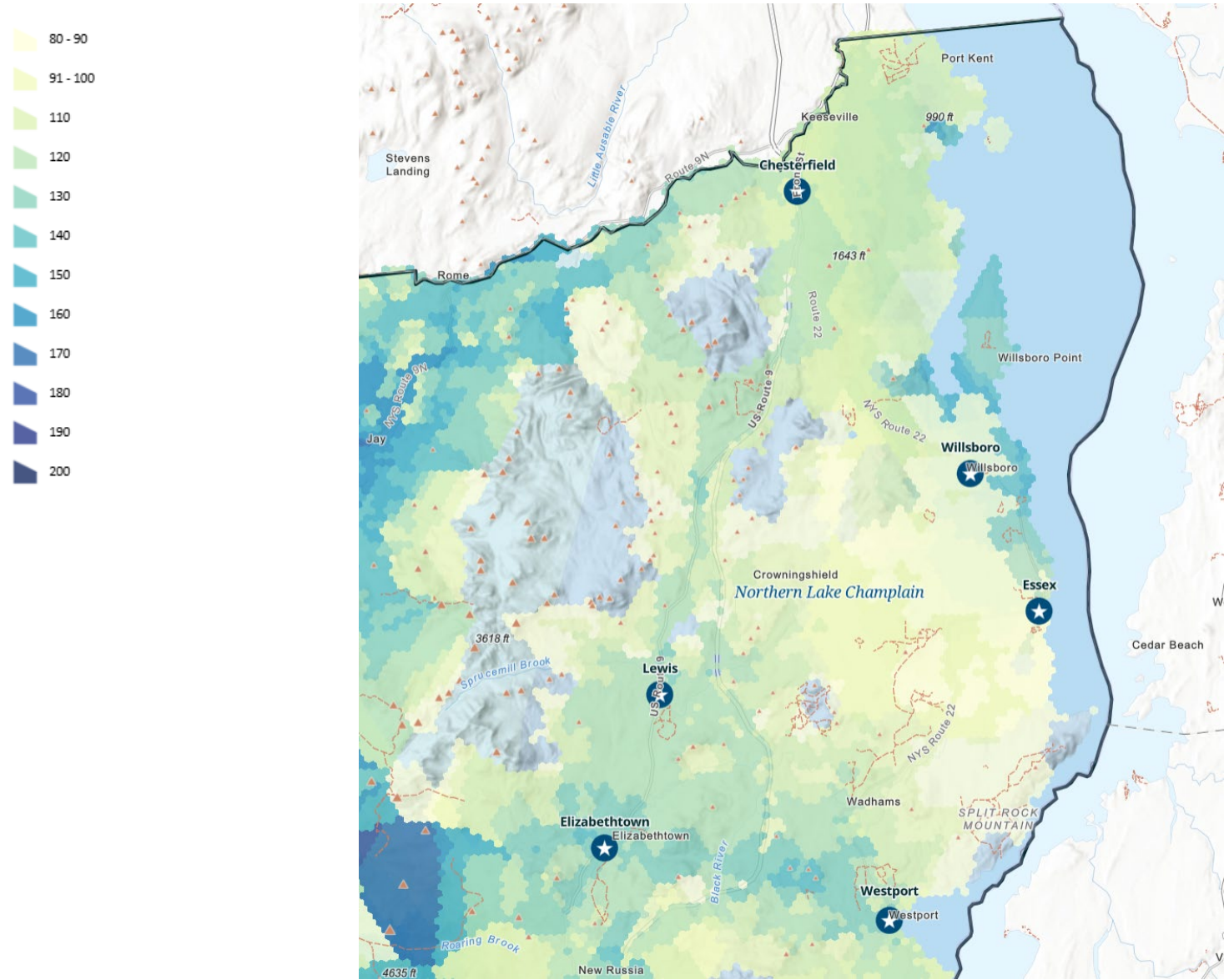
Potential Cash Flow - South Champlain Region, Beginning 01/01/2028

YEAR	1	2	3	4	5
Year Ended:	12/31/28	12/31/29	12/31/30	12/31/31	12/31/32
Number of Rooms	120	120	120	120	120
Annual Available Rooms	43,800	43,800	43,800	43,800	43,800
Occupied Rooms	21,900	26,280	26,280	26,280	26,280
Occupancy	50.0%	60.0%	60.0%	60.0%	60.0%
Average Rate	\$247.61	\$255.04	\$262.69	\$270.57	\$278.69
REVENUE					
Rooms	\$5,422,701	\$6,702,459	\$6,903,533	\$7,110,639	\$7,323,958
Food & Beverage	2,563,459	3,046,572	3,137,969	3,232,109	3,329,072
Other Operated Departments	130,638	152,329	156,898	161,605	166,454
Miscellaneous Income (Net)	76,904	91,397	94,139	96,963	99,872
Total Operating Revenue	\$8,193,702	\$9,992,757	\$10,292,540	\$10,601,316	\$10,919,355
DEPARTMENTAL EXPENSES					
Rooms Expense	\$1,380,324	\$1,523,286	\$1,568,985	\$1,616,054	\$1,664,536
Food & Beverage Expense	\$1,904,847	\$2,132,601	\$2,196,579	\$2,262,476	\$2,330,350
Other Operated Departments Expense	69,632	76,164	78,449	80,803	83,227
Total Departmental Expenses	\$3,354,804	\$3,732,051	\$3,844,013	\$3,959,333	\$4,078,113
DEPARTMENTAL PROFIT	\$4,838,898	\$6,260,706	\$6,448,527	\$6,641,983	\$6,841,242
UNDISTRIBUTED OPERATING EXPENSES					
Administrative and General	\$843,782	\$904,234	\$931,361	\$959,302	\$988,081
Information and Telecommunications Systems	\$181,738	\$194,758	\$200,601	\$206,619	\$212,817
Sales and Marketing	\$713,970	\$765,121	\$788,075	\$811,717	\$836,068
Franchise Fees (Royalty)	\$379,589	\$469,172	\$483,247	\$497,745	\$512,677
Property Operations and Maintenance	\$383,140	\$417,339	\$429,859	\$442,755	\$456,037
Utilities	\$279,692	\$304,657	\$313,797	\$323,211	\$332,907
Total Undistributed Expenses	\$2,781,911	\$3,055,281	\$3,146,939	\$3,241,347	\$3,338,588
GROSS OPERATING PROFIT	\$2,056,987	\$3,205,425	\$3,301,588	\$3,400,636	\$3,502,655
Management Fee	\$245,811	\$299,783	\$308,776	\$318,039	\$327,581
INCOME BEFORE NON-OPERATING INCOME AND EXPENSES	\$1,811,176	\$2,905,643	\$2,992,812	\$3,082,596	\$3,175,074
NON-OPERATING INCOME AND EXPENSES					
Property Taxes	\$245,001	\$252,351	\$259,921	\$267,719	\$275,751
Insurance	\$148,567	\$153,024	\$157,615	\$162,343	\$167,214
Reserve for Replacement	\$327,748	\$399,710	\$411,702	\$424,053	\$436,774
Total Non-Operating Income and Expenses	\$721,316	\$805,085	\$829,238	\$854,115	\$879,738
NET INCOME (EBITDA)	\$1,089,860	\$2,100,557	\$2,163,574	\$2,228,481	\$2,295,336

**POTENTIAL
PROPERTY 2**

NORTH CHAMPLAIN

North Champlain Region Analysis



The North Champlain Region can be defined as the hamlets and municipalities along Interstate 87 and US Route 9, as well as the lakefront along Lake Champlain. A summary of the area attributes (rounded) is, as follows:

- Attractions: 52
- Hotels: 12
- Short-term rentals: 220
- Summits: 180
- Restaurants/ Food Service: 14

Based on the map, the dark blue represents the areas with the highest concentration of visitor attractions relative to hotel supply.

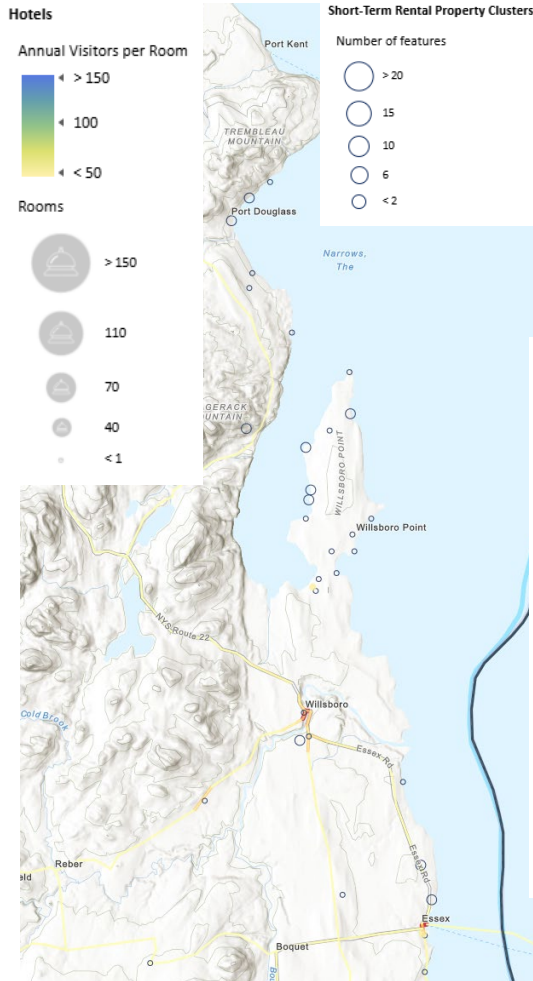
This area includes minimal lodging supply and has less population density relative to the South Champlain Region. Westport, Essex, Willsboro, and Chesterfield offer amenities and attractions associated with the Lake Champlain Waterfront. Elizabethtown and Lewis Make up the western most edge of the region. The inland areas include mild elevations and agriculture farmsteads. The area also features well positioned views of the Mountain ranges west of the region.

North Champlain – Lake Front Closer Look

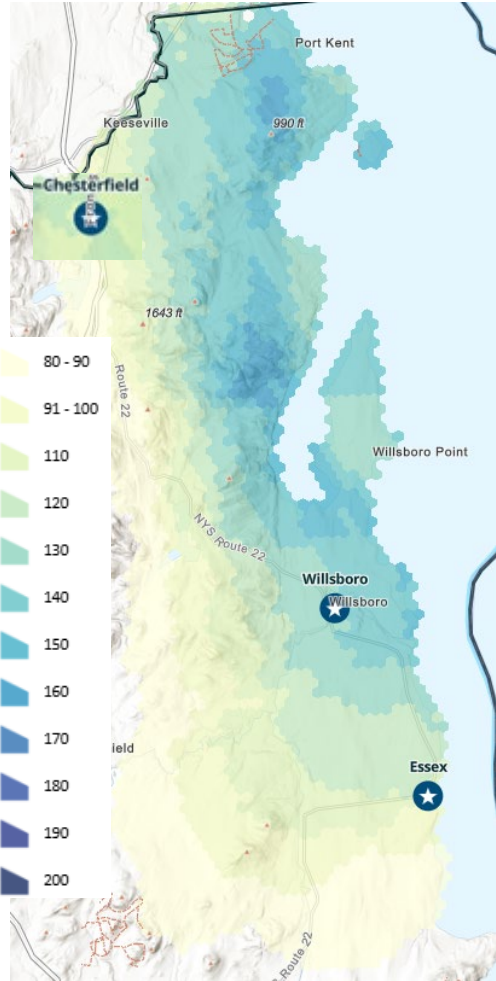
Hotel and STR Guest traffic density



Concentration of Hotel and STR Units



Hotel and STR Guest traffic density



Along the lake front in the North Champlain Region, Willsboro and Essex experience the most traffic density for Hotel and Short-term rental (STR) guests in the region. Moreover, the only concentration of Hotel supply is in Essex with the Essex Inn. While the greatest concentration of STR supply is more dispersed, it is mostly located at Willsboro Point due to the desirable location for vacation home ownership along the Lake, as well as access to Marinas and boat ramps.

Chesterfield, while scoring less in outdoor attractiveness index, benefits from easier access to Interstate 87.

The traffic patterns combined with the Outdoor Experience attractiveness index, as measured by the darker blue heat maps, indicate Willsboro is potentially lacking in lodging supply. For any potential Lodging development in this area, Willsboro would be attractive as it benefits from lake front access and a relatively high outdoor experience attractiveness Index at roundly 135.

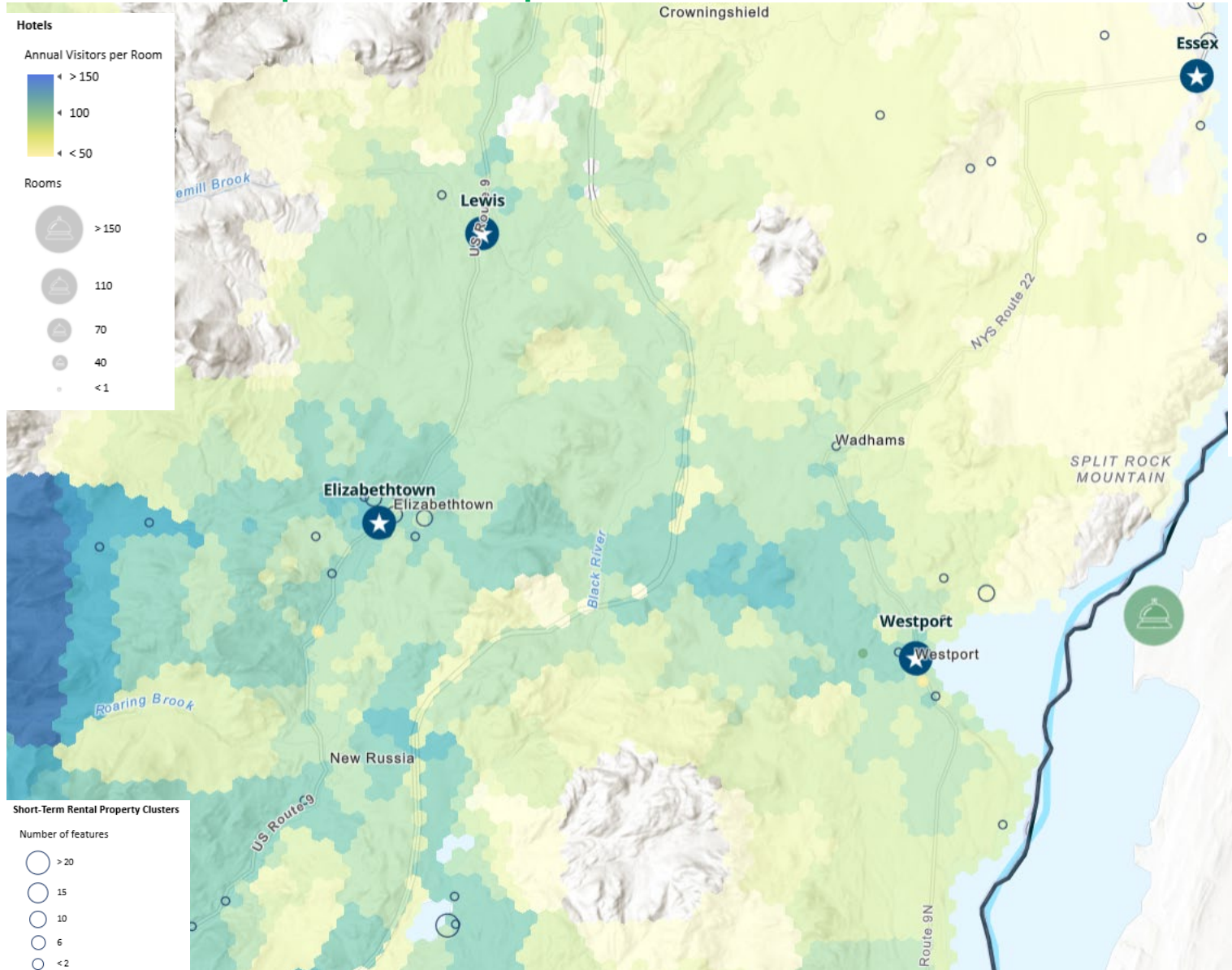
The following presents a snapshot within Willsboro and CBRE's index adjustments leading to outdoor attractiveness

Index Weighting:

- 25% - Protected Land (sq.mi.): 75.7 sq.mi.
- 25% - Lakes/Water (sq.mi.): 109.2 sq.mi.
- 10% - Total Trails: 67.1 miles
- 10% - Total Boat Launch Sites and Marinas: 10
- 5% - Fire Towers: 1
- 5% - Campsites: 0
- 5% - Lean-Tos: 1
- 5% - Swimming Beaches: 6
- 5% - 2,000+ ft Summits: 9
- 5% - Avg. Summit Elevation: 1,281 ft.
- 10% - Total Population: 29,097



North Champlain – Westport, Lewis, and Elizabeth Town Closer Look



The Elizabethtown and Lewis areas have less activity than some of the Lake communities. However, they benefit from proximate access to the economic and tourism hub of Lake Placid as most travelers will likely pass through Elizabethtown or Lewis. These town with good access to the Interstate should be attractive for a hotel to potentially service overflow demand from the density and concentration of Lake Placid to the west.

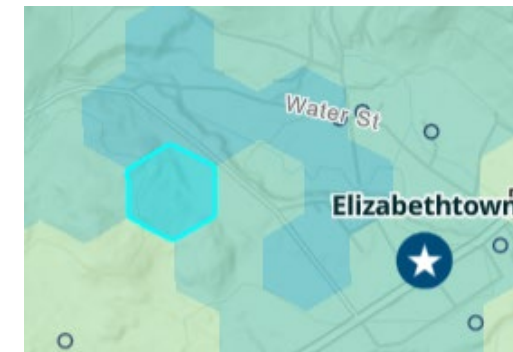
Elizabethtown is indicated as a potential option for additional hotel supply as it benefits from infrastructure amenities for development and a sufficient hotel attractiveness index.

Westport as another waterfront option which benefits from existing infrastructure, quaint downtown aesthetics, as well as a golf course.

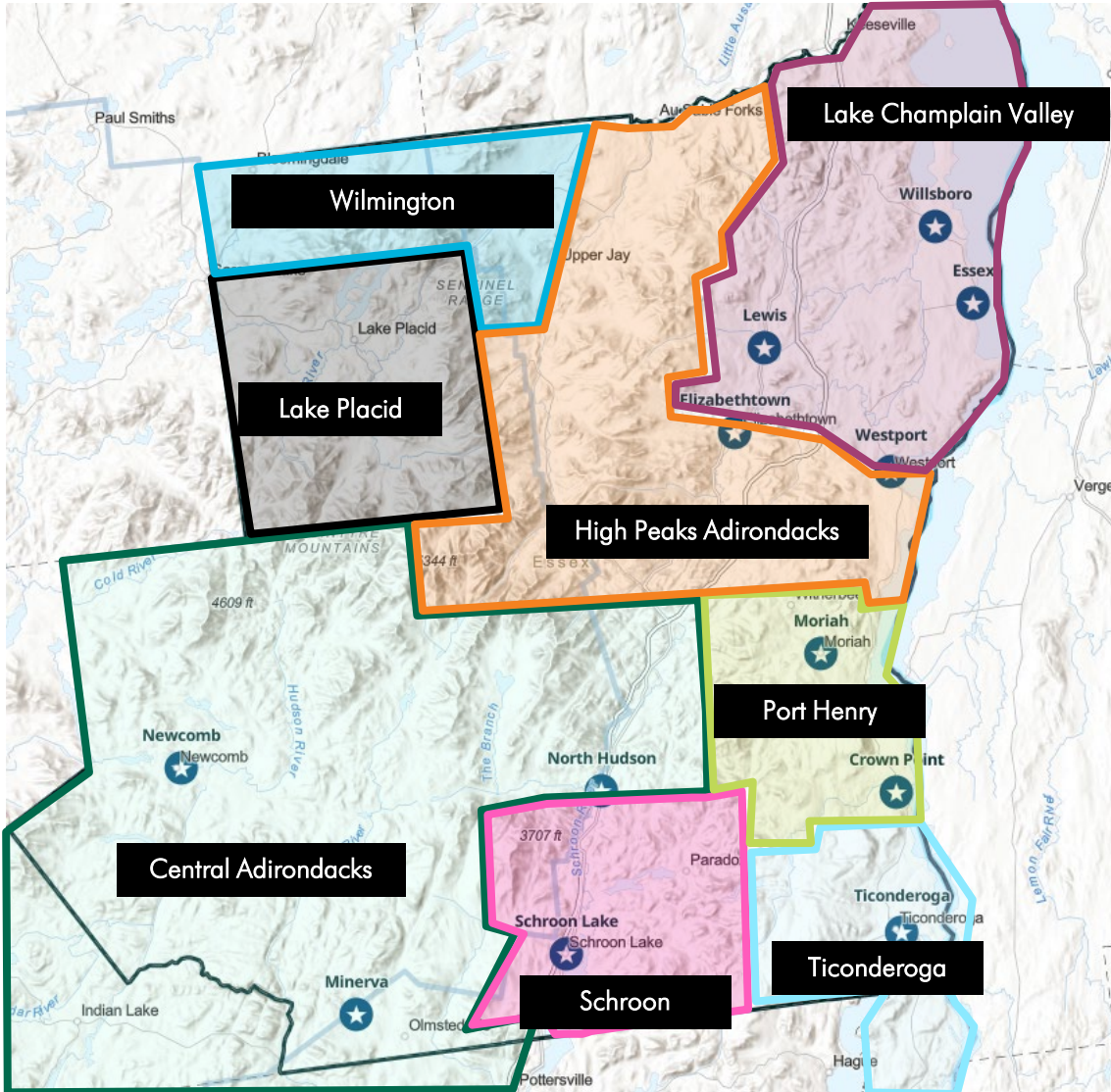
The following presents a snapshot within Elizabethtown and CBRE's index adjustments leading to Hotel attractiveness

Index Adjustments:

- +7% - Alpine Ski Resorts: **1**
- 5% - Other Attractions:
- +8% - Boat Launches: **6**
- +4% - Breweries/Wineries/Distilleries: **5**
- +4% - Campgrounds: **1**
- +2% - Colleges:
- 7% - Cross Country Facilities: **1**
- 6% - Fishing Sites: **25**
- +6% - Golf Courses: **5**
- 6% - Mountain Biking Facilities:
- +0% - Picnic Areas:
- +8% - Museums: **1**
- 5% - Trailheads: **21**



FS



According to AirDNA, the Short-Term Rental Market in Essex County is broken out into 8 submarkets:

- Central Adirondacks
- Schroon
- High Peaks Adirondacks
- Ticonderoga
- Wilmington
- Lake Placid
- Port Henry
- Lake Champlain Valley

Short Term Rental Analysis – North Champlain

High Peaks Adirondacks

Trailing Twelve Through March 2026

Listing Type	Market Average		Studio		1-Bedroom		2-Bedroom	
	OCC	ADR	OCC	ADR	OCC	ADR	OCC	ADR
Apartment	44%	\$154	41%	\$138	53%	\$122	43%	\$158
Bed & Breakfast	66%	\$193	n/a	n/a	44%	\$202	n/a	n/a
House	51%	\$293	59%	\$122	55%	\$143	56%	\$228
Totals/Average	50%	\$273	53%	\$127	53%	\$140	54%	\$218

CBRE Hotels/ AirDNA

Lake Champlain Valley

Trailing Twelve Through March 2026

Listing Type	Market Average		Studio		1-Bedroom		2-Bedroom	
	OCC	ADR	OCC	ADR	OCC	ADR	OCC	ADR
Apartment	61%	\$165	34%	\$93	60%	\$144	58%	\$125
Bed & Breakfast	26%	\$165	n/a	n/a	29%	\$147	31%	\$305
House	50%	\$251	44%	\$113	51%	\$155	50%	\$203
Totals/Average	49%	\$232	36%	\$134	48%	\$149	52%	\$182

CBRE Hotels/ AirDNA

Lake Placid

Trailing Twelve Through March 2026

Listing Type	Market Average		Studio		1-Bedroom		2-Bedroom	
	OCC	ADR	OCC	ADR	OCC	ADR	OCC	ADR
Apartment	47%	\$322	46%	\$219	48%	\$229	48%	\$283
Bed & Breakfast	50%	\$121	n/a	n/a	63%	\$127	n/a	n/a
House	44%	\$500	41%	\$213	49%	\$185	51%	\$270
Totals/Average	45%	\$392	48%	\$200	49%	\$207	49%	\$274

CBRE Hotels/ AirDNA

These submarkets are most representative of the North Champlain study area. Looking at apartment and bed & breakfast performance is most indicative of hotel performance.

ADR

ADR ranged from \$113 to \$322 for apartment and B&B units.

OCC

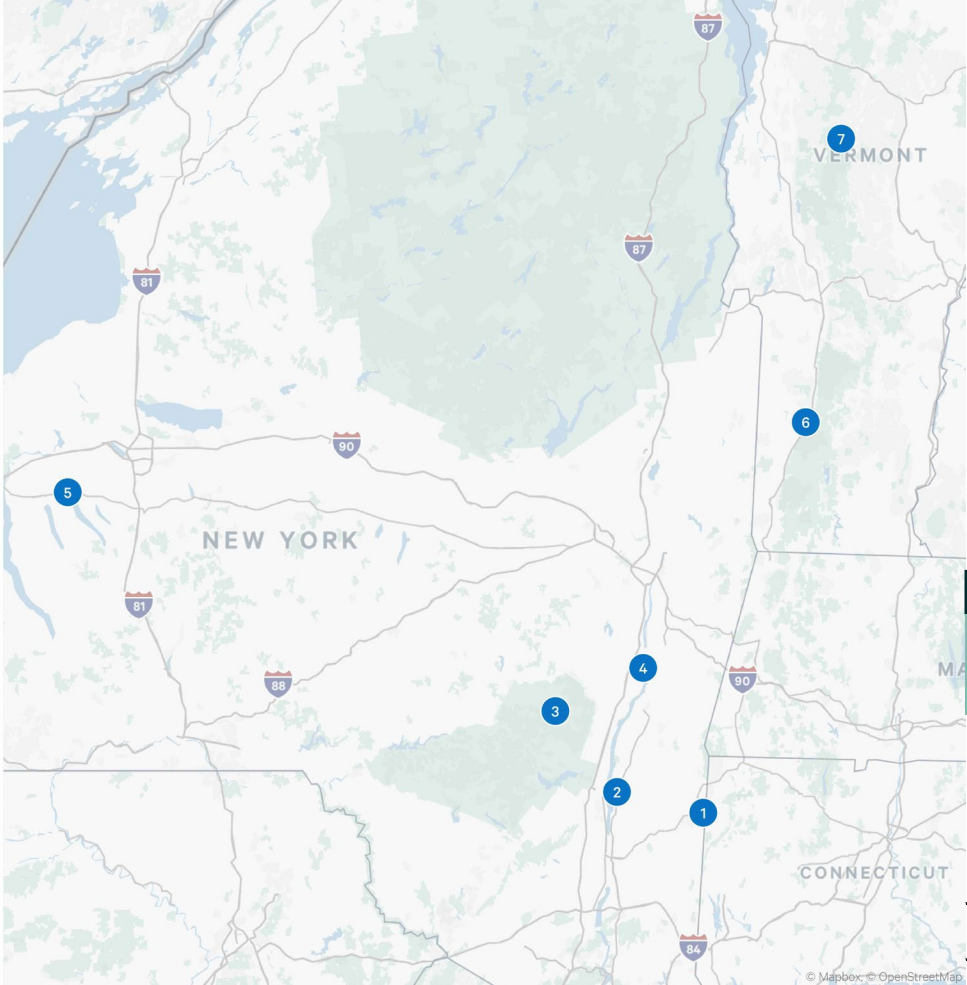
Occupancy ranged from 31% to 66%.

Overall, the STR rental market is fragmented with many types of properties most of which consist of less than 5 private bedrooms. The STR rental market is useful in predicting market pricing. However, STR properties are usually owner occupied and the inventory is not always available. Therefore, OCC is less indicative of a dedicated lodging property such as a hotel.

Lake Champlain Valley and High Peaks Adirondacks are the most representative for the North Champlain Region. However, Lake Placid is included to represent a performance ceiling in the area.

Hotel Analysis – Comparable Mansion/Manor Hotels - Map

- 1 Troutbeck
- 2 Mirbeau Inn & Spa Rhinebeck
- 3 Bluebird Hunter Lodge
- 4 voco James Newbury Hudson Valley
- 5 Mirbeau Inn & Spa Skaneateles
- 6 The Palmer House Resort, Ascend Hotel Collection
- 7 West Hill House B & B



A regional comparative set was determined based on locations in tertiary markets and away from major economic centers such as Lake Placid, Lake George, and Saratoga Springs. The total room count of the comparable set is 270 rooms. This set is not directly competitive to a potential hotel in North Champlain region, however, is indicative of the overall trend and used for benchmarking purposes. Furthermore, the hotels in the immediate area do not report to CoStar. It is likely that a traveler to any of these comparable hotels would also consider the subject region and potential hotel.

The collection of comparable hotels consist of boutique mansion/manor hotels. The size of the properties range from 9 rooms to 50. Due to lack of existing supply and market uncertainty, a recommended room count within this range is likely what the North Champlain Region could potentially support. Most of these destinations are remote areas that attract visitors from similar major markets to Essex County.

Regional Comparable Set									
COMP	Name	Location		# of Units	Year Built	Open date	Year Reno.	Meeting Space	Largest Meeting Room
1	Troutbeck	Amenia	NY	37	1765	1971	2017	5,490	2,500
2	Mirbeau Inn & Spa Rhinebeck	Rhinebeck	NY	49	2019	2019	n/a	1,042	690
3	Bluebird Hunter Lodge	Hunter	NY	44	1988	1988	2023	n/a	n/a
4	voco James Newbury Hudson Valley	Coxsackie	NY	47	2023	2023	2024	13,300	7,500
5	Mirbeau Inn & Spa Skaneateles	Skaneateles	NY	34	2000	2000	2004	720	720
6	The Palmer House Resort, Ascend Hotel Collection	Manchester Center	VT	50	1972	1972	2001	n/a	n/a
7	West Hill House B & B	Warren	VT	9	1856	1965	n/a	800	800
Average/Totals				270				4,270	2,442

CBRE Hotels/ CoStar

Hotel Analysis – Comparable Mansion/Manor Hotels

Historical Market Performance Comparable Hotels

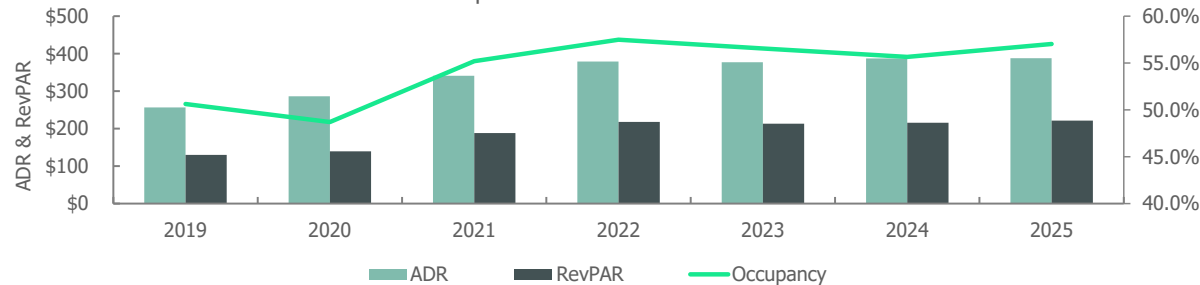
Year	Room Night Supply	% Δ	Room Night Demand	% Δ	Market Occupancy	Average Daily Rate	% Δ	RevPAR	% Δ
2019	71,811	---	36,357	---	50.6%	\$256.48	---	\$129.85	---
2020	62,779	-12.6%	30,576	-15.9%	48.7%	\$286.32	11.6%	\$139.45	7.4%
2021	84,315	34.3%	46,540	52.2%	55.2%	\$340.86	19.1%	\$188.15	34.9%
2022	84,568	0.3%	48,618	4.5%	57.5%	\$378.89	11.2%	\$217.82	15.8%
2023	94,220	11.4%	53,287	9.6%	56.6%	\$376.99	-0.5%	\$213.21	-2.1%
2024	103,346	9.7%	57,515	7.9%	55.7%	\$387.32	2.7%	\$215.56	1.1%
2025	103,474	0.1%	59,019	2.6%	57.0%	\$387.93	0.2%	\$221.26	2.6%
CAG *		6.3%		8.4%			7.1%		9.3%
Feb TTM 2024	97,193	---	54,026	---	55.6%	\$375.37	---	\$208.65	---
Feb TTM 2025	103,409	6.4%	57,823	7.0%	55.9%	\$389.91	3.9%	\$218.03	4.5%
Feb TTM 2026	103,474	0.1%	58,458	1.1%	56.5%	\$388.26	-0.4%	\$219.35	0.6%
CAG *		3.2%		4.0%			1.7%		2.5%
Feb YTD 2023	13,690		7,043	---	51.4%	\$342.43	---	\$176.17	---
Feb YTD 2024	16,663	21.7%	7,781	10.5%	46.7%	\$334.45	-2.3%	\$156.18	-11.3%
Feb YTD 2025	16,726	0.4%	8,090	4.0%	48.4%	\$354.93	6.1%	\$171.67	9.9%
Feb YTD 2026	16,726	0.0%	7,528	-6.9%	45.0%	\$355.10	0.0%	\$159.82	-6.9%
CAGR *		6.9%		2.2%			1.2%		-3.2%

The comparable set finished 2025 at a \$389 ADR and an occupancy of 57%. The occupancy is considered reasonable due to the seasonality of the region, in which winter and summer are peak, and spring/fall (Mud season) is the low point. This type of market is somewhat volatile, these assets offer meeting space and dining experiences to offset seasonality with weddings, retreats, and leisure travel. However, the midweek demand is still lacking as there are minimal major corporate entities to produce business travel or conferences.

The set has demonstrated significant revenue growth since 2019. Much of this is driven from the COVID pandemic which introduced more New York and Boston travelers to the region due to flight and travel restrictions. Since COVID, the demand growth has slowed but it remained at an elevated state. These types of properties remain an attractive option for regional tourism. For perspective, 2019 RevPAR was \$130 while 2025 achieved a RevPAR level at 170% of 2019 levels (\$221).

Looking forward, based on year-to-date performance through February 2026, the set will likely see a year of little to no growth. Occupied rooms decreased by 6.9% and ADR by 0% resulting in a RevPAR decrease of 6.9%.

Competitive Set - Historical Trends



* Compound Annual Growth Rate

Source: Report

Comparable Spotlight

Comparable Spotlight 1

Troutbeck

Address	515 Leedsville Rd, Amenia, NY 12501		
Rooms	37	Year Built	1765
Chainscale	Luxury	Year Renovated	2017
Meeting Space	5,490	Largest Space	2,500



Comparable Spotlight 2

Mirbeau Inn & Spa Rhinebeck

Address	515 Leedsville Rd, Amenia, NY 12501		
Rooms	49	Year Built	2019
Chainscale	Luxury	Year Renovated	n/a
Meeting Space	1,042	Largest Space	690



Comparable Spotlight

Comparable Spotlight 3

Bluebird Hunter Lodge

Address	7433 Main St, Hunter, NY 12442		
Rooms	44	Year Built	1988
Chainscale	Luxury	Year Renovated	2023
Meeting Space	0	Largest Space	0



Comparable Spotlight 4

voco James Newbury Hudson Valley

Address	60 S River St, Coxsackie, NY 12051-1411		
Rooms	47	Year Built	2023
Chainscale	Upscale	Year Renovated	2024
Meeting Space	13,300	Largest Space	7,500



Comparable Spotlight

Comparable Spotlight 5			
Mirbeau Inn & Spa Skaneateles			
Address	851 W Genesee St, Skaneateles, NY 13152		
Rooms	34	Year Built	2000
Chainscale	Luxury	Year Renovated	2004
Meeting Space	720	Largest Space	720



Comparable Spotlight 6			
The Palmer House Resort, Ascend Hotel Collection			
Address	5383 Main St, Manchester Center, VT 05255		
Rooms	50	Year Built	1972
Chainscale	Upscale	Year Renovated	2001
Meeting Space	0	Largest Space	0



Comparable Spotlight 7			
West Hill House B & B			
Address	1496 W Hill Rd, Warren, VT 05674		
Rooms	9	Year Built	1856
Chainscale	Luxury	Year Renovated	0
Meeting Space	800	Largest Space	800



Recommended Facilities North Champlain

Recommended Facilities		
Property Type	Boutique	(full service)
Number of Buildings	3-4	
Number of Stories	2-3	
Year Built	2028	
Gross Building Area	34,600 SF	(865 SF per key)
Number of Guest Rooms	40	
Property Amenities	Wellness/Sauna	

Source: Various sources compiled by CBRE

Guest Room Configuration				Food & Beverage Facilities	
Room Type	No. Rooms	Percent of Size (SF)		Name	Seating Capacity
Studio/Standard Guestroom	25	62.50%	320	Signature Restaurant and Bar	30
1-Bedroom Suites	10	25.00%	450	Gift shop/Local/farm Grocery	
2-Bedroom Suites	5	12.50%	600		
Total/Average:	40	100%	388		

Source: Compiled by CBRE

Compiled by CBRE

Meeting/Banquet Rooms		
Name	Size (SF)	Type/Comments
Breakout/Bridal Suite	600	Function Room/Bridal Suite
Function Room/Barn	2,000	100 Person
Total Interior Four Wall Space	2,600	
Outdoor Tent	2,500	100 Person
Outdoor Lawn	5,000	400 Persons
Lobby/Restaurant Bar Conversion	1,000	50 persons

Compiled by CBRE

Boutique Mansion/Estate Concept

The North Champlain area benefits from 3 distinct tourism draws. It has scenic lake front amenities along Lake Champlain in Willsboro, Essex, and Westport. There are also historic and nationally recognized agriculture and farm estates which could be attractive for weddings, social events, and leisure getaways. Finally, the inland areas of Elizabethtown, Lewis, and Chesterfield benefit from a vast trail network and mountain attractions. The Boutique Mansion/Estate Concept could suit any of these locations.

The recommended facilities are intended to provide general amenities which could service a boutique estate property. Based on the comparable properties, the region could likely support 30-50 rooms. The layout of the improvements are recommended to be bespoke to take advantage of either an existing house or estate with a lodging addition. For example, a conversion of a historic farmhouse with a new built lodge or 3 story guestroom building.

The region benefits from scenic nature attractions and will attract weddings, social events, and other seasonal functions. The facilities should have enough gathering space to hold a minimum of 100 people indoors and/or outdoors. The meeting space does not need to be a standard ballroom but could be an old house, chapel/church, barn, or wilderness lodge. This function space will be a destination factor as to the identity of the property. Other groups could be corporate/executive retreats centered around wellness, fishing, hunting, or other nature attractions.

The property is recommended to incorporate a signature restaurant as a core amenity. The chef-driven concept should feature a local “wilderness to table” cuisine that serves as the primary gathering space and hub for all guests. Serving breakfast, lunch and dinner, this amenity should have a destination factor driving guest stays.

In summary, a facility like this will be unique in the region while still competing with like kind operations in other tertiary markets within New York and New England. Additionally, it is recommended the property adopt a major soft-brand from a franchise such as Hilton, Marriott, or Hyatt:

- Autograph Collection/Tribute – Marriott
- Curio Collection/Tapestry – Hilton
- Bunkhouse, Joi de Vivre, Unbound Collection - Hyatt

Example Case Studies – Facilities



THE UNBOUND COLLECTION
BY HYATT

THE CHATWAL LODGE



BRAND: Hyatt – Unbound Collection

CHAINSCALE: Luxury

ROOMS: 14

LOCATION: White Lake, Catskills, New York

AMENITIES:

Restaurant, Bar, (All-inclusive) Room Service, Outdoor Event Space. Hospitality Suites, Game/Rec Center, Wellness experience programming.



Example Case Studies – Facilities

MR & MRS SMITH LAKE KORA



BRAND: Hyatt luxury brand

CHAINSCALE: Luxury

ROOMS: 14

LOCATION: Raquette Lake, New York

AMENITIES: Kitchen, Spa, tennis courts, lakefront, boathouse, cabins. Dining Room. All inclusive.



Example Case Studies – Facilities



BRAND: Independent

CHAINSCALE: Upscale, select-service, bed & breakfast

ROOMS: 8

LOCATION: Tannersville, Catskills, New York

AMENITIES: Complimentary breakfast, main lodge with separate cabins. No restaurant



Example Case Studies – Facilities

The Palmer House Resort, an Ascend Collection Hotel

BRAND: Ascend Collection - Choice
CHAINSCALE: Midscale
ROOMS: 50
LOCATION: Manchester Center, VT
AMENITIES: Complimentary breakfast, restaurant, tennis courts, Indoor and outdoor pool, bocce.



North Champlain Positioning

Benchmark Rates Short-Term Rentals (2024)						
Calendar Year 2024						
COMP	Location	# of Units	Accom- odates	OCC	ADR	ADR Per Bedroom /Unit
1	Elizabethtown	1	6	47%	\$362	\$362
2	Stony Creek	4	12	49%	\$1,055	\$264
3	Keene Valley	4	10	17%	\$1,025	\$256
4	Keeseville	1	4	59%	\$251	\$251
5	Willsboro	2	6	46%	\$500	\$250
6	Willsboro	2	4	13%	\$495	\$247
7	Stony Creek	3	16	65%	\$701	\$234
8	Keene	1	4	69%	\$226	\$226
9	Keene Valley	1	4	46%	\$225	\$225
10	Keene Valley	1	4	53%	\$217	\$217
11	Stony Creek	12	42	19%	\$2,580	\$215
12	Keene Valley	1	6	31%	\$214	\$214
13	Willsboro	3	8	38%	\$641	\$214
14	Keene Valley	1	6	55%	\$212	\$212
15	Elizabethtown	1	4	74%	\$208	\$208
16	Keene	1	6	71%	\$206	\$206
				Min	13%	\$206
				Max	74%	\$2,580
				Average	47%	\$570
				Median	49%	\$225
Subject Est.		40	90	53%	\$301	\$301

CBRE Hotels/ AirDNA

North Champlain Potential Estimate												
As if Stabilized in 2025 Dollars												
Number of Units	Subject Total (2025\$)			Comparable Set (2025)			Resorts and Inns (2024)			STRs (TTM February 2026)		
	40			9 - 50			5 - 375			4 - 42		
	OCC	ADR	REVPAR	OCC	ADR	REVPAR	OCC	ADR	REVPAR	OCC	ADR/Bedroom	ADR
	53%	\$301	\$158	57%	\$388	\$221	61%	\$339	\$206	47%	\$238	\$112

CBRE Hotels



Resorts and Inns - Tertiary Mid-Atlantic and New England					
Calendar Year 2024					
COMP	Location	Number of Rooms		OCC	ADR
1	NY	5	- 25	37%	\$1,050
2	MA	10	- 30	48%	\$637
3	VT	270	- 290	49%	\$625
4	NH	355	- 375	51%	\$433
5	NY	30	- 50	41%	\$372
6	VT	60	- 80	57%	\$365
7	NJ	15	- 35	57%	\$356
8	PA	205	- 225	59%	\$342
9	NH	100	- 120	78%	\$324
10	NH	160	- 180	50%	\$315
11	VT	75	- 95	61%	\$293
12	VT	190	- 210	44%	\$279
13	NY	165	- 185	52%	\$241
14	NY	85	- 105	75%	\$233
15	NY	80	- 100	58%	\$228
16	NY	230	- 250	68%	\$222
17	NY	160	- 180	60%	\$209
18	ME	70	- 90	75%	\$198
19	NY	125	- 145	87%	\$192
20	NH	115	- 135	77%	\$189
21	NY	80	- 100	76%	\$181
22	NY	85	- 105	78%	\$178
				Min	37%
				Max	87%
				Average	61%
				Median	59%
Subject		40		53%	\$301

CBRE Hotels Database

North Champlain Market Penetration Summary

North Champlain - Summary			
Boutique Mansion/Estate			
Rooms	40		
Occupied Room Nights	7,665		
Short-Term Rental Markets High Peaks Adirondacks Lake Champlain Valley Lake Placid Benchmark Hotel Markets NE and Mid-Atlantic Resorts and Inns (2024) Comparable Set (2025) Lake Placid - Total Lake Placid - Branded Lake Placid - Luxury/Upper Upscale Lake Placid - Upscale/Midscale	Market Penetration Rates		
	Occupancy	ADR	RevPAR
	53%	\$301	\$158
	105%	110%	116%
	107%	130%	139%
	117%	77%	89%
	86%	89%	77%
	92%	77%	71%
	102%	121%	124%
	94%	113%	106%
	101%	92%	92%
	96%	143%	137%
Over Penetrate			
Under Penetrate			
Market Share = 100%			

Compiled by CBRE Hotels

In summary, the projected penetration rates of the North Champlain boutique mansion hotel are projected to over penetrate the local short-term rental (STR) markets in RevPAR but fall short of the overall Lake Placid STR market.

Relative to the hotel markets, the subject will under penetrate the selected New England and Mid-Atlantic Resorts and Inns, as well as the regional comparable set. This is due to the seasonality and rate sensitivity in the North Champlain area, as well as the historical nature of these flagship properties. Additionally, many of them are located closer to major metro areas compared to the Adirondacks.

The subject will over penetrate most of the Lake Placid market except for the Luxury/Upper upscale segment. Moreover, it will likely be best positioned as a potential alternative or competitive option for travelers who seek accommodation in the Lake Placid luxury market.

Comparable Income Statements

The operating comparables ranged in size from 9 to 56 guestrooms. ADR and Occupancy are in line with the Subject’s projections.

The comparables offer similar amenities relative to the recommended facilities in this analysis. Moreover, the comparables demonstrate a successful operation within like kind regions. This infers, under prudent and competent management, similar results can be achieved by the recommended subject.

Property US Region	Comparable 1		
Hotel Description / Name	NE		
Year	Luxury		
Days Open	2024		
Avg. No. of Rooms	366		
Occupancy	40 - 70		
Average Daily Rate	45% - 50%		
	\$385 - \$410		
	Ratio to Sales	PAR	POR
REVENUE			
Rooms	44.6%	\$71,398	\$396.85
Food & Beverage	50.7%	81,145	451.03
Other Operated Departments	0.1%	156	0.87
Miscellaneous Income (Net)	4.5%	7,245	40.27
Total Operating Revenue	100.0%	\$159,944	\$889.02
DEPARTMENTAL EXPENSES*			
Rooms Expense	19.9%	\$14,212	\$78.99
Food & Beverage Expense	57.5%	46,666	259.39
Other Operated Departments Expense	180.7%	282	1.57
Total Departmental Expenses	38.2%	\$61,160	\$339.95
DEPARTMENTAL PROFIT	61.8%	\$98,784	\$549.07
UNDISTRIBUTED OPERATING EXPENSES			
Administrative and General	11.3%	\$18,146	\$100.86
Information and Telecommunications Systems	1.1%	1,747	9.71
Sales and Marketing	2.7%	4,279	23.79
Franchise Fees (Royalty)	0.0%	0	0.00
Property Operations and Maintenance	2.6%	4,150	23.07
Utilities	2.5%	4,062	22.58
Total Undistributed Expenses	20.2%	\$32,384	\$180.00
GROSS OPERATING PROFIT	41.5%	\$66,400	\$369.07
Management Fee	3.0%	\$4,798	\$26.67
INCOME BEFORE NON-OPERATING INCOME AND EXPENSES	38.5%	\$61,601	\$342.40
NON-OPERATING INCOME AND EXPENSES			
Property Taxes	0.6%	\$917	\$5.10
Insurance	1.5%	2,422	13.46
Reserve for Replacement	4.0%	6,398	35.56
Total Non-Operating Income and Expenses	6.1%	\$9,737	\$54.12
INCOME AFTER FIXED CHARGES	32.4%	\$51,864	\$288.28
NET INCOME (EBITDA)	32.4%	\$51,864	\$288.28

Comparable 1		
NE		
Luxury		
2024		
366		
40 - 70		
45% - 50%		
\$385 - \$410		
Ratio to Sales	PAR	POR
44.6%	\$71,398	\$396.85
50.7%	81,145	451.03
0.1%	156	0.87
4.5%	7,245	40.27
100.0%	\$159,944	\$889.02
19.9%	\$14,212	\$78.99
57.5%	46,666	259.39
180.7%	282	1.57
38.2%	\$61,160	\$339.95
61.8%	\$98,784	\$549.07
11.3%	\$18,146	\$100.86
1.1%	1,747	9.71
2.7%	4,279	23.79
0.0%	0	0.00
2.6%	4,150	23.07
2.5%	4,062	22.58
20.2%	\$32,384	\$180.00
41.5%	\$66,400	\$369.07
3.0%	\$4,798	\$26.67
38.5%	\$61,601	\$342.40
0.6%	\$917	\$5.10
1.5%	2,422	13.46
4.0%	6,398	35.56
6.1%	\$9,737	\$54.12
32.4%	\$51,864	\$288.28
32.4%	\$51,864	\$288.28

Comparable 2		
NE		
Luxury		
2024		
366		
50 - 80		
55% - 60%		
\$355 - \$375		
Ratio to Sales	PAR	POR
35.9%	\$76,324	\$364.80
22.2%	47,344	226.29
36.2%	76,989	367.98
5.7%	12,187	58.25
100.0%	\$212,843	\$1,017.31
36.7%	\$28,041	\$134.02
79.3%	37,524	179.35
60.6%	46,645	222.95
52.7%	\$112,210	\$536.32
47.3%	\$100,633	\$480.99
7.7%	\$16,466	\$78.70
1.3%	2,865	13.69
5.4%	11,404	54.51
0.0%	0	0.00
6.4%	13,618	65.09
5.1%	10,797	51.61
25.9%	\$55,149	\$263.59
21.4%	\$45,484	\$217.40
3.0%	\$6,385	\$30.52
18.4%	\$39,099	\$186.88
1.9%	\$4,097	\$19.58
1.4%	3,061	14.63
4.0%	8,514	40.69
7.4%	\$15,672	\$74.91
11.0%	\$23,427	\$111.97
11.0%	\$23,427	\$111.97

Comparable 3		
NC		
Luxury		
2024		
366		

75% - 85%		
\$310 - \$330		
Ratio to Sales	PAR	POR
79.6%	\$93,194	\$318.24
0.0%	0	0.00
11.3%	13,275	45.33
9.1%	10,631	36.30
100.0%	\$117,099	\$399.87
8.4%	\$7,798	\$26.63
0.0%	0	0.00
20.0%	2,660	9.08
8.9%	\$10,458	\$35.71
91.1%	\$106,641	\$364.16
12.9%	\$15,131	\$51.67
3.0%	3,565	12.17
0.6%	696	2.38
4.0%	3,685	12.58
1.6%	1,831	6.25
0.9%	1,005	3.43
22.1%	\$25,913	\$88.49
68.9%	\$80,729	\$275.67
3.0%	\$3,513	\$12.00
65.9%	\$77,216	\$263.68
0.3%	\$299	\$1.02
1.2%	1,399	4.78
4.0%	4,684	15.99
5.5%	\$6,383	\$21.79
60.5%	\$70,833	\$241.88
60.5%	\$70,833	\$241.88

Comparable 4		
NE		
Upper Upscale		
2024		
366		
10 - 40		
55% - 60%		
\$345 - \$365		
Ratio to Sales	PAR	POR
86.7%	\$74,715	\$356.35
1.9%	1,671	7.97
0.0%	0	0.00
11.4%	9,784	46.66
100.0%	\$86,170	\$410.98
35.4%	\$26,419	\$126.00
35.0%	584	2.79
0.0%	0	0.00
31.3%	\$27,003	\$128.79
68.7%	\$59,167	\$282.19
13.2%	\$11,410	\$54.42
3.4%	2,910	13.88
9.2%	7,909	37.72
0.0%	0	0.00
4.9%	4,213	20.09
3.1%	2,644	12.61
33.8%	\$29,086	\$138.72
34.9%	\$30,081	\$143.47
3.0%	\$2,585	\$12.33
31.9%	\$27,496	\$131.14
5.2%	\$4,478	\$21.36
1.7%	1,438	6.86
4.0%	3,447	16.44
10.9%	\$9,362	\$44.65
21.0%	\$18,134	\$86.49
21.0%	\$18,134	\$86.49

Comparable 5		
NC		
Upscale		
2024		
366		
40 - 70		
50% - 55%		
\$270 - \$290		
Ratio to Sales	PAR	POR
80.5%	\$55,633	\$280.55
11.1%	7,703	38.85
1.1%	741	3.74
7.3%	5,010	25.26
100.0%	\$69,088	\$348.39
24.9%	\$13,838	\$69.78
61.6%	4,741	23.91
72.8%	539	2.72
27.7%	\$19,118	\$96.41
72.3%	\$49,969	\$251.98
12.2%	\$8,428	\$42.50
4.4%	3,042	15.34
3.7%	2,522	12.72
0.0%	0	0.00
4.8%	3,345	16.87
2.8%	1,944	9.80
27.9%	\$19,281	\$97.23
44.4%	\$30,688	\$154.75
3.0%	\$2,073	\$10.45
41.4%	\$28,616	\$144.30
0.8%	\$540	\$2.72
2.0%	1,373	6.93
4.0%	2,764	13.94
6.8%	\$4,677	\$23.58
34.6%	\$23,939	\$120.72
34.6%	\$23,939	\$120.72

North Champlain Detailed Forecast

The subject estimates are within the range of the comparables and generally in line with the weighted average.

Rooms expenses are generally greater than prototypical Hotels due to the lesser room count lacking in economies of scale.

A&G and marketing are heavy fixed costs which are assumed to drive excellent service levels and market exposure and presence.

Maintenance expenses are likely to be elevated along with utilities due to the boutique and potential historic nature of the facilities.

Some of the comparable properties are franchised operations. Royalty fees are captured in the sales and marketing expense.

Detailed Forecast of Income and Expenses Including Comparable Average											
	Comparable Weighted Average			As Complete DCF Year 1				Stabilized DCF (Year 3)			
Period Reported:	Calendar Year Ending:			Fiscal Year Ended:				Fiscal Year Ended:			
Days Open	12/31/2024			12/31/2028				12/31/2030			
No. of Rooms	365			365				365			
Occupied Room Nights	213			40				40			
Occupancy	43,075			6,570				7,665			
Average Daily Rate	55.4%			45.0%				52.5%			
RevPAR	\$346.74			\$338.32				\$358.93			
	\$192.11			\$152.25				\$188.44			
	Ratio to Sales	PAR	POR	Total	Ratio to Sales	PAR	POR	Total	Ratio to Sales	PAR	POR
REVENUE											
Rooms	49.1%	\$70,121	\$346.74	\$2,222,779	52.7%	\$55,569	\$338.32	\$2,751,171	53.6%	\$68,779	\$358.93
Food & Beverage	27.1%	\$38,662	\$191.18	1,146,162	27.2%	\$28,654	\$174.45	1,372,862	26.8%	\$34,322	\$179.11
Other Operated Departments	17.8%	\$25,375	\$125.48	543,503	12.9%	\$13,588	\$82.72	640,669	12.5%	\$16,017	\$83.58
Miscellaneous Income (Net)	6.1%	\$8,664	\$42.84	305,643	7.2%	\$7,641	\$46.52	366,096	7.1%	\$9,152	\$47.76
Total Operating Revenue	100.0%	\$142,822	\$706.24	\$4,218,087	100.0%	\$105,452	\$642.02	\$5,130,798	100.0%	\$128,270	\$669.38
DEPARTMENTAL EXPENSES											
Rooms Expense	28.0%	\$19,633	\$97.08	\$488,043	22.0%	\$12,201	\$74.28	\$549,145	20.0%	\$13,729	\$71.64
Food & Beverage Expense	66.1%	\$25,561	\$126.40	843,723	73.6%	\$21,093	\$128.42	961,003	70.0%	\$24,025	\$125.38
Other Operated Departments Expense	60.0%	\$15,220	\$75.26	372,903	68.6%	\$9,323	\$56.76	416,435	65.0%	\$10,411	\$54.33
Total Departmental Expenses	42.3%	\$60,413	\$298.74	\$1,704,669	40.4%	\$42,617	\$259.46	\$1,926,582	37.5%	\$48,165	\$251.35
DEPARTMENTAL PROFIT	57.7%	\$82,409	\$407.50	\$2,513,418	59.6%	\$62,835	\$382.56	\$3,204,215	62.5%	\$80,105	\$418.03
UNDISTRIBUTED OPERATING EXPENSES											
Administrative and General	9.9%	\$14,168	\$70.06	\$613,715	14.5%	\$15,343	\$93.41	\$668,507	13.0%	\$16,713	\$87.22
Information and Telecommunications Systems	1.9%	\$2,652	\$13.12	110,469	2.6%	\$2,762	\$16.81	120,331	2.3%	\$3,008	\$15.70
Sales and Marketing	4.4%	\$6,349	\$31.40	245,486	5.8%	\$6,137	\$37.36	267,403	5.2%	\$6,685	\$34.89
Franchise Fees (Royalty)	0.2%	\$156	\$0.77	-	0.0%	\$0	\$0.00	-	0.0%	\$0	\$0.00
Property Operations and Maintenance	4.8%	\$6,870	\$33.97	117,816	2.8%	\$2,945	\$17.93	129,868	2.5%	\$3,247	\$16.94
Utilities	3.8%	\$5,367	\$26.54	112,882	2.7%	\$2,822	\$17.18	124,429	2.4%	\$3,111	\$16.23
Total Undistributed Expenses	24.9%	\$35,562	\$175.85	\$1,200,368	28.5%	\$30,009	\$182.70	\$1,310,539	25.5%	\$32,763	\$170.98
GROSS OPERATING PROFIT	32.8%	\$46,847	\$231.65	\$1,313,050	31.1%	\$32,826	\$199.86	\$1,893,677	36.9%	\$47,342	\$247.06
Management Fee	3.0%	\$4,285	\$21.19	\$92,158	2.2%	\$2,304	\$14.03	\$112,738	2.2%	\$2,818	\$14.71
INCOME BEFORE NON-OPERATING INCOME AND EXPENSES	29.8%	\$42,562	\$210.47	\$1,220,892	28.9%	\$30,522	\$185.83	\$1,780,939	34.7%	\$44,523	\$232.35
NON-OPERATING INCOME AND EXPENSES											
Property Taxes	1.5%	\$2,208	\$10.92	\$96,726	2.3%	\$2,418	\$14.72	\$102,617	2.0%	\$2,565	\$13.39
Insurance	1.5%	\$2,196	\$10.86	81,037	1.9%	\$2,026	\$12.33	85,972	1.7%	\$2,149	\$11.22
Reserve for Replacement	4.0%	\$5,713	\$28.25	122,877	2.9%	\$3,072	\$18.70	150,317	2.9%	\$3,758	\$19.61
Total Non-Operating Income and Expenses	7.1%	\$10,117	\$50.03	\$300,640	7.1%	\$7,516	\$45.76	\$338,906	6.6%	\$8,473	\$44.21
NET INCOME (EBITDA)	22.7%	\$32,445	\$160.44	\$920,252	21.8%	\$23,006	\$140.07	\$1,442,033	28.1%	\$36,051	\$188.13

Potential Cash Flow - North Champlain, Beginning 01/01/2028

YEAR	1	2	3	4	5
Year Ended:	12/31/28	12/31/29	12/31/30	12/31/31	12/31/32
Number of Rooms	40	40	40	40	40
Annual Available Rooms	14,600	14,600	14,600	14,600	14,600
Occupied Rooms	6,570	7,300	7,665	7,665	7,665
Occupancy	45.0%	50.0%	52.5%	52.5%	52.5%
Average Rate	\$338.32	\$348.47	\$358.93	\$369.69	\$380.79
REVENUE					
Rooms	\$2,222,779	\$2,543,848	\$2,751,171	\$2,833,706	\$2,918,717
Food & Beverage	1,146,162	1,282,099	1,372,862	1,414,047	1,456,469
Other Operated Departments	543,503	601,275	640,669	659,889	679,685
Miscellaneous Income (Net)	305,643	341,893	366,096	377,079	388,392
Total Operating Revenue	\$4,218,087	\$4,769,115	\$5,130,798	\$5,284,722	\$5,443,264
DEPARTMENTAL EXPENSES					
Rooms Expense	\$488,043	\$522,995	\$549,145	\$565,619	\$582,588
Food & Beverage Expense	\$843,723	\$911,687	\$961,003	\$989,833	\$1,019,528
Other Operated Departments Expense	372,903	397,567	416,435	428,928	441,796
Total Departmental Expenses	\$1,704,669	\$1,832,249	\$1,926,582	\$1,984,380	\$2,043,911
DEPARTMENTAL PROFIT	\$2,513,418	\$2,936,866	\$3,204,215	\$3,300,342	\$3,399,352
UNDISTRIBUTED OPERATING EXPENSES					
Administrative and General	\$613,715	\$643,400	\$668,507	\$688,563	\$709,220
Information and Telecommunications Systems	\$110,469	\$115,812	\$120,331	\$123,941	\$127,660
Sales and Marketing	\$245,486	\$257,360	\$267,403	\$275,425	\$283,688
Franchise Fees (Royalty)	\$0	\$0	\$0	\$0	\$0
Property Operations and Maintenance	\$117,816	\$124,507	\$129,868	\$133,764	\$137,776
Utilities	\$112,882	\$119,293	\$124,429	\$128,162	\$132,007
Total Undistributed Expenses	\$1,200,368	\$1,260,371	\$1,310,539	\$1,349,855	\$1,390,350
GROSS OPERATING PROFIT	\$1,313,050	\$1,676,494	\$1,893,677	\$1,950,487	\$2,009,002
Management Fee	\$92,158	\$104,610	\$112,738	\$116,120	\$119,604
INCOME BEFORE NON-OPERATING INCOME AND EXPENSES	\$1,220,892	\$1,571,884	\$1,780,939	\$1,834,367	\$1,889,398
NON-OPERATING INCOME AND EXPENSES					
Property Taxes	\$96,726	\$99,628	\$102,617	\$105,695	\$108,866
Insurance	\$81,037	\$83,468	\$85,972	\$88,551	\$91,207
Reserve for Replacement	\$122,877	\$139,481	\$150,317	\$154,827	\$159,472
Total Non-Operating Income and Expenses	\$300,640	\$322,576	\$338,906	\$349,073	\$359,545
NET INCOME (EBITDA)	\$920,252	\$1,249,308	\$1,442,033	\$1,485,294	\$1,529,852

Potential Site in the North Champlain Region – Alternative Concept Outdoor/Hiking Lodge

Twin Valleys Outdoor Education Center



Interviews in the market and representatives of the Champlain Area Trails conveyed a recent transaction of the Twin Valley's Outdoor Education Center. Previously owned and operated by SUNY as an education retreat, the buyer, Champlain Area Trails, have used it as a staging ground for group trail/hiking events with overnight and dining service.

The facilities are currently in below average condition and due a significant improvement. There is a primary lodge structure with a full kitchen, restrooms, showers, and 2 dormitories. There are also 12 cabins with only electricity and no heat or water.

In order to convert to a successful lodging operation. All structures would need to be gut renovated. Furthermore, depending on approvals. Additional buildings or a guestroom expansion to the main lodge highly recommended to provide an improved layout for both gathering spaces and amenities, as well as a dining area. Moreover, this site will likely need infrastructure improvement to provide commercial utilities.

Images were provided by Champlain Area Trails.

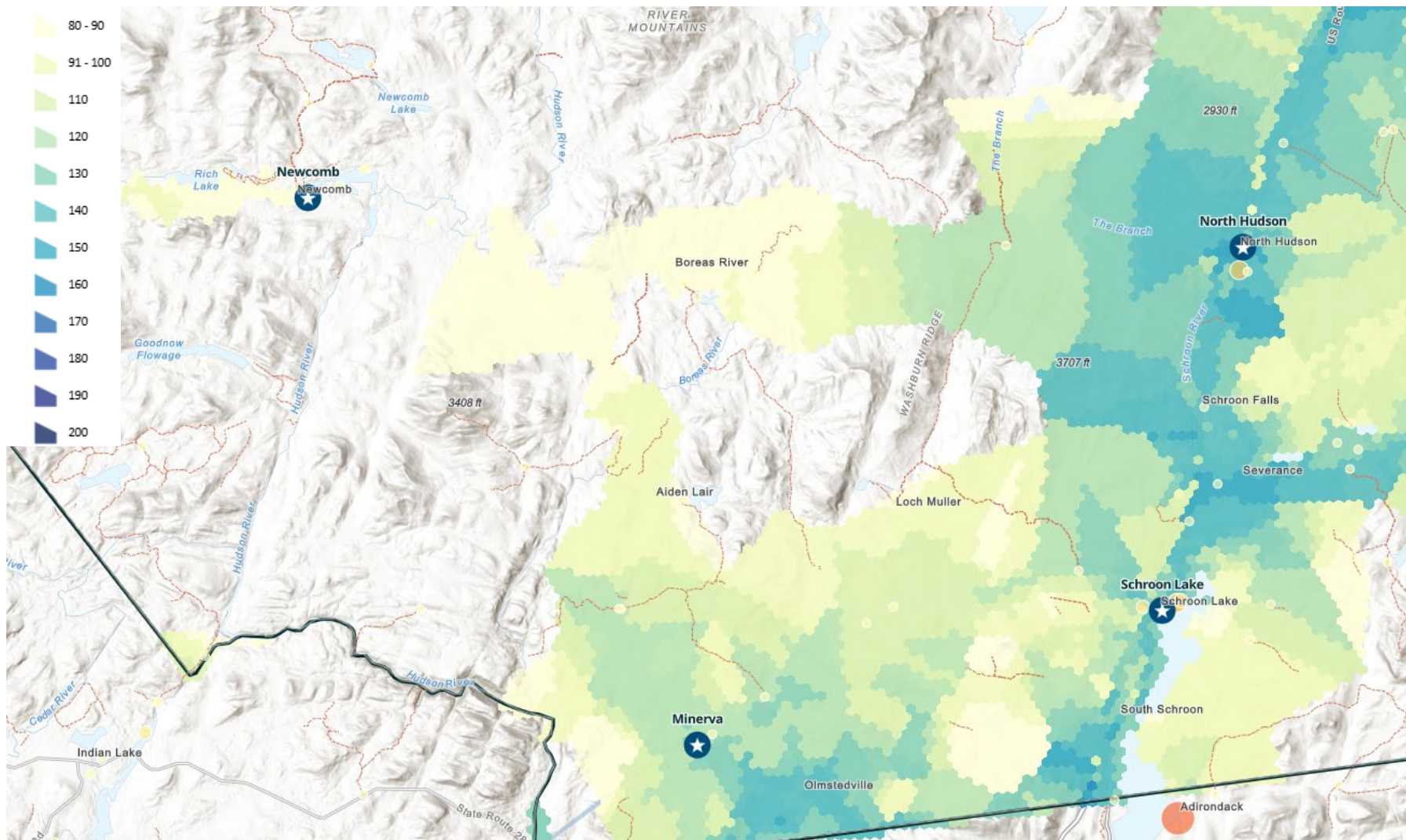


While these facilities may not be feasible to adhere to the recommended estate/mansion concept for the North Champlain Region. It would also be a candidate for a branded, glamping property which is recommended in the following section for the Adirondack Hub Region.

**POTENTIAL
PROPERTY 3**

ADIRONDACK HUB

Adirondack Hub Neighborhood Analysis



The Adirondack Hub can be defined as the hamlets and municipalities along Interstate 87, Schroon and North Hudson, as well as Minerva to the Southwest and Newcomb to the West. A summary of the area attributes (rounded) is, as follows:

- Attractions: 100
- Hotels: 10
- Short-term rentals: 140
- Summits: 290
- Restaurants/ Food Service: 10

Based on the map, the dark blue represents the Areas with the highest concentration of visitor attractions relative to Hotel Supply.

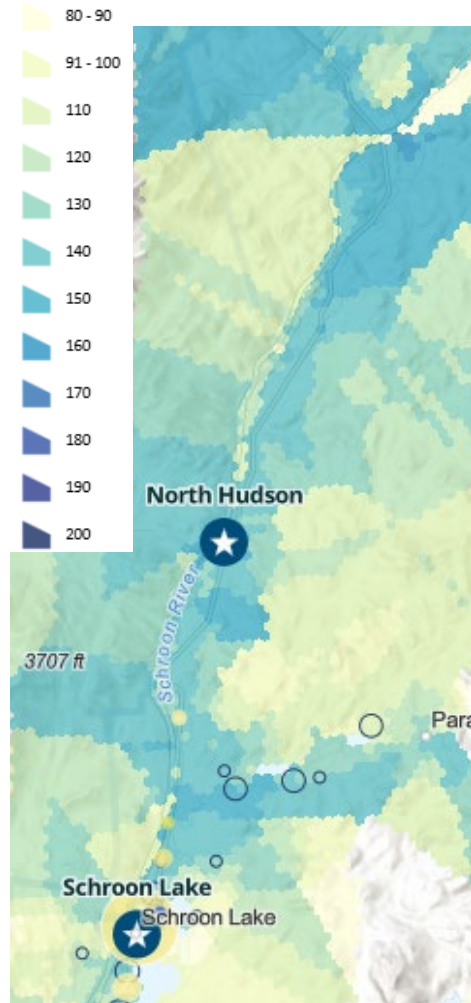
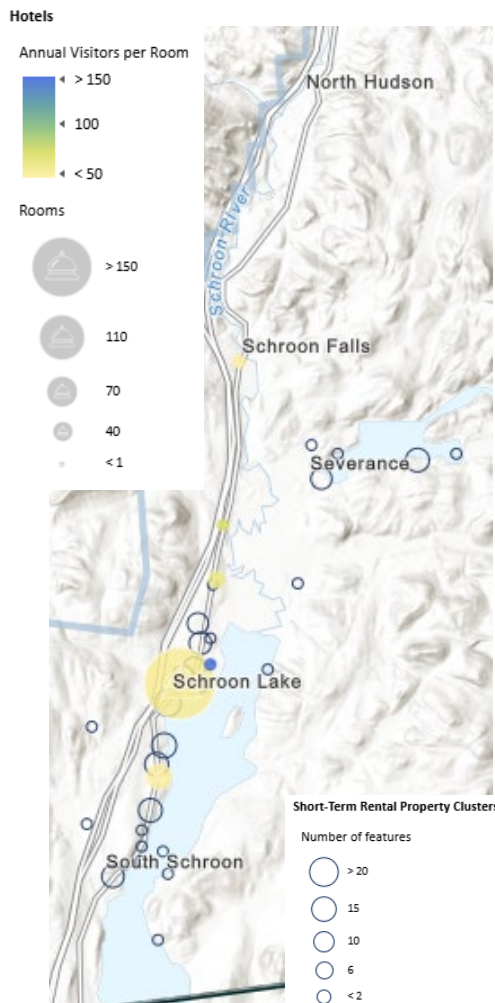
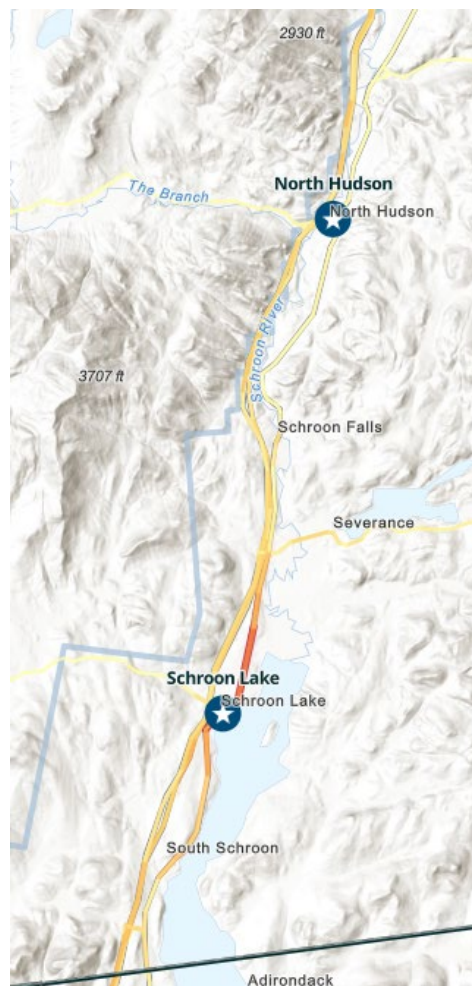
Schroon has the most Hotel and Short-term rental supply in this region due to the lake attraction, greater population density, and access to I-87. Combined with North Hudson, this area includes the most attractions.

Adirondack Hub – Schroon and North Hudson Closer Look

Hotel and STR Guest traffic density

Concentration of Hotel and STR Units

Hotel and STR Guest traffic density



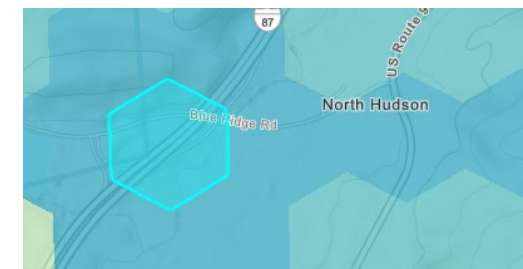
Within the Adirondack Hub, Schroon experiences the most traffic density for Hotel and Short-term rental (STR) guests in the region. Moreover, the greater concentration of Hotel supply is in Schroon. While the greatest concentration of STR supply is more dispersed, it is still mostly located around Schroon Lake due to the desirable location for second home/vacation home ownership.

Severance has a high concentration of STRs. This is because of the location along NYS Route 74, a connecting artery to other lake attractions, such as Paradox and Eagle Lake. Moreover, the route leads to the Town of Ticonderoga to the east, a major economic and tourist hub in Essex County.

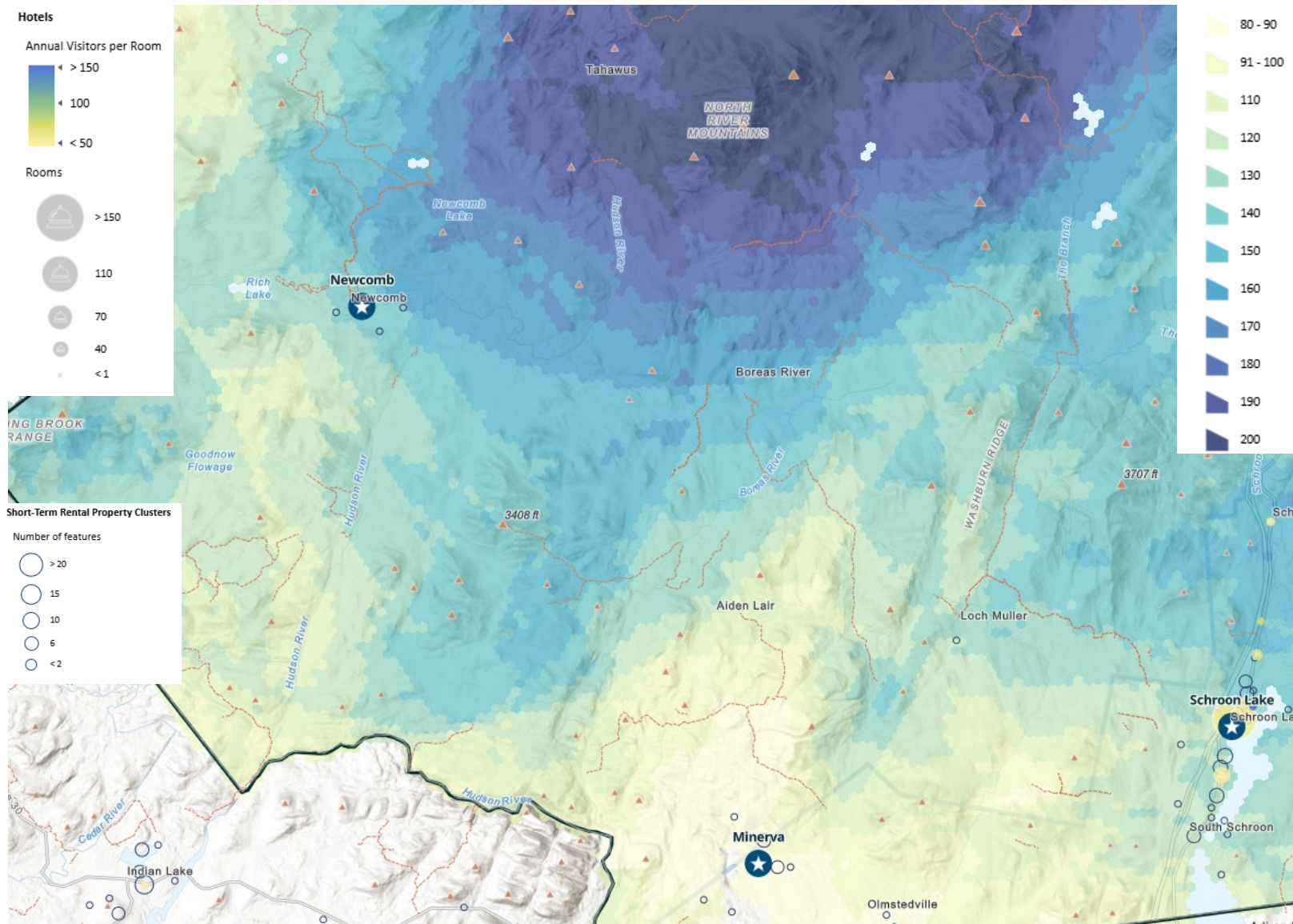
The traffic patterns combined with the Hotel attractiveness index, as measured by the darker blue heat maps, indicate North Hudson is potentially lacking in lodging supply. For any potential Lodging development in this area, North Hudson would be most attractive as it benefits from I-87 access, relatively high hotel attractiveness Index at roundly 140. The following presents a snapshot within North Hudson and CBRE's index adjustments leading to Hotel attractiveness.

Index Adjustments:

- +7% - Alpine Ski Resorts:
- 5% - Other Attractions: 1
- +8% - Boat Launches: 17
- +4% - Breweries/Wineries/Distilleries: 3
- +4% - Campgrounds: 6
- +2% - Colleges: 1
- 7% - Cross Country Facilities:
- 6% - Fishing Sites: 16
- +6% - Golf Courses: 4
- 6% - Mountain Biking Facilities:
- +0% - Picnic Areas:
- +8% - Museums: 2
- 5% - Trailheads: 25

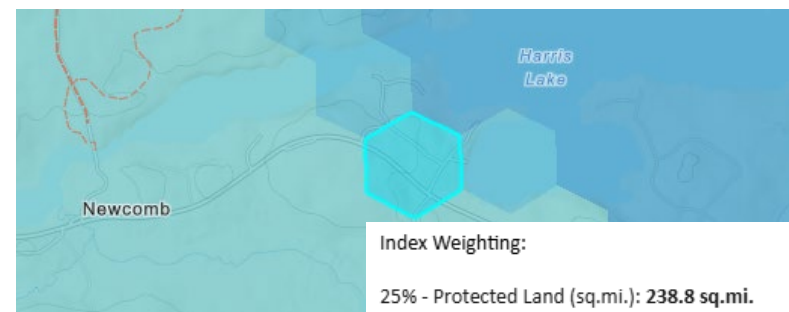


Adirondack Hub – Newcomb and Minerva Closer Look



The Newcomb and Minerva areas have less activity than Schroon and North Hudson. These towns are more remote and have less direct accessibility from the major interstates coming into the region. However, they are close to significant natural tourism destinations, such as trails, summits, and lakes. The area is generally more remote and appeals to travelers seeking a wilderness retreat.

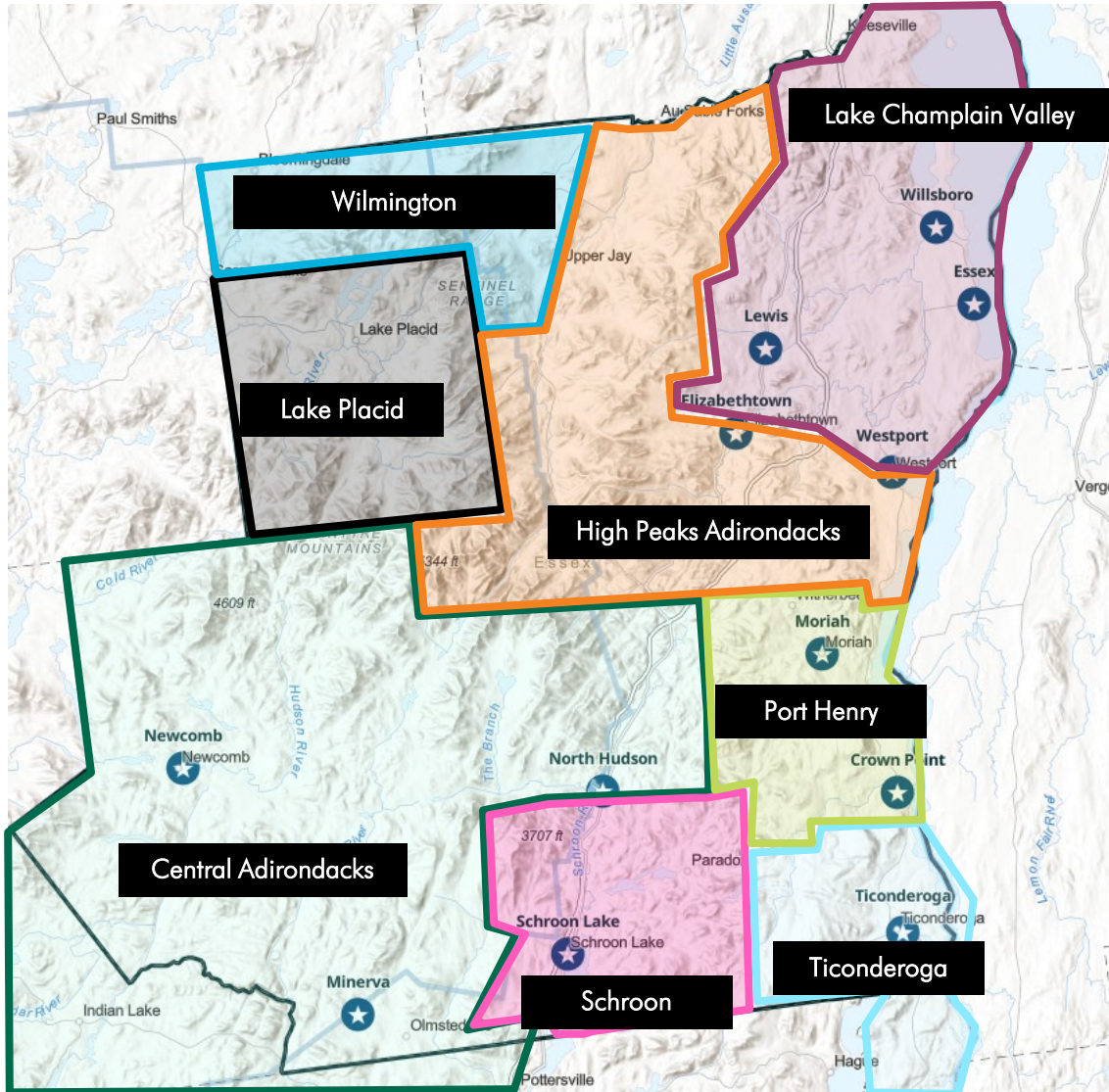
Newcomb particularly benefits from an above average outdoor experience attractiveness index at roundly 140. Recommendations for lodging additions to this area should cater to the avid hiker and outdoor enthusiast, such as nature retreats with bespoke wilderness/wellness experiences.



Index Weighting:

- 25% - Protected Land (sq.mi.): 238.8 sq.mi.
- 25% - Lakes/Water (sq.mi.): 10.0 sq.mi.
- 10% - Total Trails: 164.1 miles
- 10% - Total Boat Launch Sites and Marinas: 3
- 5% - Fire Towers: 3
- 5% - Campsites: 89
- 5% - Lean-Tos: 11
- 5% - Swimming Beaches: 1
- 5% - 2,000+ ft Summits: 41
- 5% - Avg. Summit Elevation: 2,744 ft.
- 10% - Total Population: 448

Short Term Rental Analysis – STR Markets



According to AirDNA, the Short Term Rental Market in Essex County is broken out into 8 submarkets:

- Central Adirondacks
- Schroon
- High Peaks Adirondacks
- Ticonderoga
- Wilmington
- Lake Placid
- Port Henry
- Lake Champlain Valley

Short Term Rental Analysis – Adirondack Hub

Central Adirondacks

Trailing Twelve Through March 2026

Listing Type	Market Average		Studio		1-Bedroom		2-Bedroom	
	OCC	ADR	OCC	ADR	OCC	ADR	OCC	ADR
Apartment	37%	\$287	n/a	n/a	47%	\$188	36%	\$301
Bed & Breakfast	31%	\$166	n/a	n/a	35%	\$132	21%	\$313
House	43%	\$302	32%	\$150	43%	\$170	47%	\$216
Totals/Average	43%	\$296	45%	\$180	45%	\$180	46%	\$226

CBRE Hotels/ AirDNA

High Peaks Adirondacks

Trailing Twelve Through March 2026

Listing Type	Market Average		Studio		1-Bedroom		2-Bedroom	
	OCC	ADR	OCC	ADR	OCC	ADR	OCC	ADR
Apartment	44%	\$154	41%	\$138	53%	\$122	43%	\$158
Bed & Breakfast	66%	\$193	n/a	n/a	44%	\$202	n/a	n/a
House	51%	\$293	59%	\$122	55%	\$143	56%	\$228
Totals/Average	50%	\$273	53%	\$127	53%	\$140	54%	\$218

CBRE Hotels/ AirDNA

Schroon Lake

Trailing Twelve Through March 2026

Listing Type	Market Average		Studio		1-Bedroom		2-Bedroom	
	OCC	ADR	OCC	ADR	OCC	ADR	OCC	ADR
Apartment	42%	\$173	84%	\$263	40%	\$148	42%	\$209
Bed & Breakfast	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
House	49%	\$316	n/a	n/a	49%	\$150	48%	\$202
Totals/Average	48%	\$264	61%	\$183	44%	\$150	46%	\$204

CBRE Hotels/ AirDNA

These submarkets are most representative of the Adirondack Hub study area. Looking at apartment and bed & breakfast performance is most indicative of hotel performance.

ADR

ADR ranged from \$122 to \$316 for apartment and B&B units.

OCC

Occupancy ranged from 31% to 66%.

Overall, the STR rental market is fragmented with many types of properties most of which consist of less than 5 private bedrooms. The STR rental market is useful in predicting market pricing. However, STR properties are usually owner occupied and the inventory is not always available. Therefore, occupancy is less indicative of a dedicated lodging property such as a hotel.

Recommended Facilities Adirondack Hub

Recommended Facilities			
Property Type	Glamping Trailers		
Number of Buildings	42-45	40 Trailers	2-5 support buildings
Number of Stories	1		
Year Built	2028		
Gross Building Area	9,500 SF	(238 SF per key)	
Number of Guest Rooms	40		
Public Areas	Outdoor Gathering Space, Indoor sundry/storage area		
Property Amenities	Kitchenettes, patios, outdoor Jacuzzi, saunas		

Source: Various sources compiled by CBRE

Guest Room Configuration			
Room Type	No. Rooms	Percent of Size (SF)	
Sleeps 2	25	62.50%	165
Sleeps 4	10	25.00%	175
Sleeps 4 - ADA/Larger	5	12.50%	220
Total/Average:	40	100%	174

Source: Compiled by CBRE

GLAMPING RECOMMENDATION

The remote area with an abundance of natural amenities is attractive to an active, nature seeking traveler. The area contains campgrounds and cabins for nature visits. However, there isn't a major hotel offering outside of the Lodge at Schroon Lake. A complimentary addition to the market would be a bespoke camping-like property that offers hotel-like services but within a more camp-like setting. This benefits by using the natural features from the Adirondack Park as the destination.

A growing trend in nature tourism as the market has continued to expand is glamping. Glamping is a form of "luxury camping". In practice, glamping merges the quality, security, and amenities of an upscale hotel experience with a camping environment. Glamping facilities can be in the form of high-quality durable tents, Small house/cabins, or trailers. However, what is consistent across the niche market is high quality furnishings, heat/AC, internet access, kitchenettes, and generally private full baths.

Just like a hotel, there would generally be provided linens, housekeeping between stays, 24-hour staff accessible nearby or on property. The trailers or small cabins can be also utilized for public areas such as saunas, sundry/gift shops, indoor sitting/dining areas, wellness, etc. Major flags have recognized this trend and franchise offerings are now available with Marriott and Hilton, increasing the potential guest exposure and distribution to a broader market.

Additionally, these new concepts have succeeded in minimizing construction costs and timing as the units are all pre-fabricated domestically and delivered to the site. Most of what is needed for site preparation is utility oriented. This greatly mitigates the otherwise costly effort of constructing a hotel in a remote, tertiary market. Furthermore, considering the process of new construction in nature conservation areas, this concept is less impactful to the environment.

With minimal area amenities such as grocery stores, restaurants, gas stations, etc. these types of units need to feature kitchenettes and/or outdoor cooking areas for guests to bring and prepare their own food.

Concept Spotlights - Case Studies

Postcard
CABINS MARRIOTT BONVOY™

Property Pictured: Eastern Catskills

BRAND: Marriott

PROPERTIES: 31

CLOSEST PROPERTIES:

- Postcard Cabins Eastern Catskills
- Postcard Cabins Machimoodus
- Postcard Cabins Western Catskills

FACILITIES:

Limited Service, Kitchenettes, Hotel tub (Optional), Sauna (Optional). Non-permanent structures.



Concept Spotlights - Case Studies



Property Pictured: Catskills

BRAND: Hilton

PROPERTIES: 9

CLOSEST PROPERTIES:

- Catskills
- Cape Cod

FACILITIES:

Select/full-service, Kitchenettes, Mixed-property types. Airstreams, cabins, and tents. A permanent lodge structure with lounge and lobby and a Restaurant onsite.



Concept Spotlights - Case Studies



UNDER CANVAS®

Property Pictured: Acadia



BRAND: Small Luxury Hotels of the World

PROPERTIES: 14

CLOSEST PROPERTIES:

- Acadia, Maine
- White Mountains, NH

FACILITIES:

Select/full-service, All-tent property with full bathrooms in each unit. A larger lodge tent with lounge, lobby and a restaurant onsite.



Adirondack Hub Positioning

CBRE benchmarked ADR and Occupancy utilizing actual individual performance from 2 segments in the market; comparable glamping and airstream/ trailer hospitality operations and regional resorts and inns. The comparables are all representative of current supply which attract guests from the New York City and Boston area.

Generally, the resorts and inns exhibited a greater ADR due to the amenities and facilities offering more to the guest. The subject’s ADR and occupancy are within the range of both sets and more in line with the glamping/trailer set, which is reasonable.

Furthermore, we anticipate a relatively strong position as the concept should be branded by Marriott, Hilton, or Hyatt. The brand distribution will be attractive to brand-loyal travelers.

Benchmark Rates Glamping/Trailer				
Trailing Twelve Months September 2025				
COMP	Location	# of Units	OCC	ADR
1	New York	36	67%	\$175
2	New England	45	69%	\$173
3	New York	56	75%	\$199
Subject Est.		40	68%	\$184

CBRE Hotels/ AirDNA

Adirondack Hub Potential Estimate								
As if Stabilized in 2024 Dollars								
Number of Units	Property Total		Studio		Junior Suite/ADA		Full-Suite	
	40		30		7		3	
	OCC 68%	ADR \$184	OCC 70%	ADR \$170	OCC 65%	ADR \$220	OCC 60%	ADR \$250

CBRE Hotels

Resorts and Inns - Tertiary Mid-Atlantic and New England					
Calendar Year 2024					
COMP	Location	Number of Rooms		OCC	ADR
1	NY	5	- 25	37%	\$1,050
2	MA	10	- 30	48%	\$637
3	VT	270	- 290	49%	\$625
4	NH	355	- 375	51%	\$433
5	NY	30	- 50	41%	\$372
6	VT	60	- 80	57%	\$365
7	NJ	15	- 35	57%	\$356
8	PA	205	- 225	59%	\$342
9	NH	100	- 120	78%	\$324
10	NH	160	- 180	50%	\$315
11	VT	75	- 95	61%	\$293
12	VT	190	- 210	44%	\$279
13	NY	165	- 185	52%	\$241
14	NY	85	- 105	75%	\$233
15	NY	80	- 100	58%	\$228
16	NY	230	- 250	68%	\$222
17	NY	160	- 180	60%	\$209
18	ME	70	- 90	75%	\$198
19	NY	125	- 145	87%	\$192
20	NH	115	- 135	77%	\$189
21	NY	80	- 100	76%	\$181
22	NY	85	- 105	78%	\$178
				Min	\$178
				Max	\$1,050
				Average	\$339
				Median	\$279
Subject		40		68%	\$184

Adirondack Hub Market Penetration Summary

Adirondack Hub - Summary			
Glamping Trailers			
Rooms	40		
Occupied Room Nights	2,030		
	Market Penetration Rates		
	Occupancy	ADR	RevPAR
	68%	\$184	\$126
Short-Term Rental Markets			
Central Adirondacks	159%	62%	99%
High Peaks Adirondacks	137%	67%	92%
Schroon Lake	142%	70%	99%
Benchmark Hotel Markets			
Benchmark Rates Glamping/Trailer	96%	99%	96%
Lake Placid - Total	133%	74%	99%
Lake Placid - Branded	123%	69%	84%
Lake Placid - Luxury/Upper Upscale	131%	56%	73%
Lake Placid - Upscale/Midscale	125%	87%	109%
	Over Penetrate		
	Under Penetrate		
	Market Share = 100%		

Compiled by CBRE Hotels

In summary, the projected penetration rates of the Adirondack Hub glamping hotel are projected to slightly under penetrate the local short-term rental (STR) markets in RevPAR. This is due to the size and facilities of the bespoke cabins and trailers relative to the more traditional single-family home and apartment supply.

The subject is expected to be most inline with the glamping/trailer comparables in upstate New York and New England. These are branded offerings from a group like Marriott, Hilton, or Hyatt. Moreover, they demonstrate a high-quality natural accommodation with more hotel-like services than standard camping or cabin stays. The subject is expected to be slightly underpenetrating this set due to the relatively more remote location of the Adirondack Hub.

The subject will under penetrate most of the Lake Placid hotel market except for the upscale/midscale segment. As a potentially branded bespoke cabin property, traditional hotel amenities may be lacking but the actual units and accommodations are recommended to be built comparable to the upscale hotel segment while offering more privacy and a unique natural setting. The units should have high-quality FF&E well exceeding typical camping or cabin accommodations.

For

The operating comparables ranged in size from 36 to 58 guest trailers. ADR and Occupancy are in line with the Subject's projections.

The comparables offer similar amenities relative to the recommended facilities in this analysis. Moreover, the comparables demonstrate a successful operation within the region and/or product type. This infers, under prudent and competent management, similar results can be achieved by the recommended subject.

Comparable Glamping/Trailer Properties															
Period Reported:	New York 12/31/2025			New England 12/31/2025			New York 12/31/2025			Illinois 12/31/2025			Comparable Average 12/31/2025		
Days Open	365			365			365			365			365		
No. of Rooms	36			45			56			58			195		
Occupied Room Nights	8,852			11,309			15,382			16,005			51,548		
Occupancy	67.4%			68.9%			75.3%			75.6%			72.4%		
Average Daily Rate	\$174.79			\$172.97			\$199.23			\$178.75			\$182.91		
RevPAR	\$117.75			\$119.10			\$149.93			\$135.14			\$132.47		
	Ratio to Sales	PAR	POR	Ratio to Sales	PAR	POR	Ratio to Sales	PAR	POR	Ratio to Sales	PAR	POR	Ratio to Sales	PAR	POR
REVENUE															
Rooms	85.8%	\$42,980	\$174.79	85.2%	\$43,470	\$172.97	87.5%	\$54,723	\$199.23	86.3%	\$49,326	\$178.75	86.4%	\$48,353	\$182.91
Other Operated Departments	13.5%	6,746	27.44	14.4%	7,339	29.20	12.0%	7,530	27.41	13.2%	7,527	27.28	13.1%	7,340	27.77
Miscellaneous Income (Net)	0.7%	352	1.43	0.4%	215	0.86	0.5%	302	1.10	0.6%	331	1.20	0.5%	300	1.13
Total Operating Revenue	100.0%	\$50,077	\$203.66	100.0%	\$51,024	\$203.03	100.0%	\$62,556	\$227.74	100.0%	\$57,185	\$207.23	100.0%	\$55,993	\$211.82
DEPARTMENTAL EXPENSES															
Rooms Expense	24.4%	\$10,490	\$42.66	20.9%	\$9,096	\$36.19	18.7%	\$10,208	\$37.16	20.2%	\$9,954	\$36.07	20.5%	\$9,928	\$37.56
Other Operated Departments Expense	34.8%	2,350	9.56	27.0%	1,984	7.89	35.4%	2,669	9.72	31.5%	2,372	8.60	32.2%	2,364	8.94
Total Departmental Expenses	25.6%	\$12,839	\$52.22	21.7%	\$11,080	\$44.09	20.6%	\$12,876	\$46.88	21.6%	\$12,327	\$44.67	22.0%	\$12,291	\$46.50
DEPARTMENTAL PROFIT	74.4%	\$37,238	\$151.44	78.3%	\$39,944	\$158.94	79.4%	\$49,679	\$180.86	78.4%	\$44,858	\$162.56	78.0%	\$43,702	\$165.32
UNDISTRIBUTED OPERATING EXPENSES															
Administrative and General	10.0%	\$4,991	\$20.30	8.2%	\$4,196	\$16.70	7.1%	\$4,455	\$16.22	7.0%	\$4,025	\$14.58	7.8%	\$4,366	\$16.52
Information and Telecommunications Systems	4.9%	2,460	10.01	3.0%	1,550	6.17	3.4%	2,134	7.77	1.5%	870	3.15	3.0%	1,683	6.37
Sales and Marketing	4.0%	2,007	8.16	4.0%	2,028	8.07	4.2%	2,642	9.62	3.8%	2,158	7.82	4.0%	2,239	8.47
Property Operations and Maintenance	12.3%	6,171	25.10	8.2%	4,189	16.67	7.9%	4,958	18.05	8.3%	4,761	17.25	8.8%	4,946	18.71
Utilities	4.6%	2,323	9.45	5.4%	2,747	10.93	3.3%	2,076	7.56	2.0%	1,166	4.23	3.6%	2,006	7.59
Total Undistributed Expenses	35.8%	\$17,951	\$73.01	28.8%	\$14,710	\$58.53	26.0%	\$16,266	\$59.22	22.7%	\$12,979	\$47.04	27.2%	\$15,240	\$57.65
GROSS OPERATING PROFIT	38.5%	\$19,287	\$78.44	49.5%	\$25,234	\$100.41	53.4%	\$33,414	\$121.65	55.7%	\$31,879	\$115.52	50.8%	\$28,462	\$107.67
Management Fee	2.8%	\$1,379	\$5.61	2.8%	\$1,423	\$5.66	2.8%	\$1,724	\$6.28	2.8%	\$1,608	\$5.83	2.8%	\$1,556	\$5.89
INCOME BEFORE NON-OPERATING INCOME AND EXPENSES	35.8%	\$17,908	\$72.83	46.7%	\$23,811	\$94.75	50.7%	\$31,689	\$115.37	52.9%	\$30,271	\$109.70	48.1%	\$26,905	\$101.78
NON-OPERATING INCOME AND EXPENSES															
Property Taxes	0.7%	\$354	\$1.44	0.3%	\$168	\$0.67	0.8%	\$490	\$1.78	2.3%	\$1,296	\$4.70	1.1%	\$630	\$2.38
Insurance	3.7%	1,839	7.48	2.2%	1,106	4.40	3.1%	1,930	7.03	2.2%	1,240	4.49	2.7%	1,518	5.74
Reserve for Replacement	0.0%	0	0.00	0.0%	0	0.00	0.0%	0	0.00	0.0%	0	0.00	0.0%	0	0.00
Total Non-Operating Income and Expenses	4.4%	\$2,193	\$8.92	2.5%	\$1,274	\$5.07	3.9%	\$2,420	\$8.81	4.4%	\$2,536	\$9.19	3.8%	\$2,148	\$8.13
INCOME AFTER FIXED CHARGES	31.4%	\$15,715	\$63.91	44.2%	\$22,537	\$89.68	46.8%	\$29,270	\$106.56	48.5%	\$27,734	\$100.51	44.2%	\$24,757	\$93.65
NET INCOME (EBITDA)	31.4%	\$15,715	\$63.91	44.2%	\$22,537	\$89.68	46.8%	\$29,270	\$106.56	48.5%	\$27,734	\$100.51	44.2%	\$24,757	\$93.65

Source: Hotel Operating Statements

Adirondack Hub

Detailed Forecast

The subject estimates are within the range of the comparables and generally in line with the weighted average.

The glamping/trailer operation yields many benefits over a traditional hotel product. Rooms expenses is more efficient at 13% of departmental revenue compared to a traditional limited-service hotel which typically yields an expense greater than 20%.

A&G and Marketing are lower cost fixed expenses as the property only needs 1 manager with an operations assistant or rooms supervisor.

However, maintenance costs are relatively high due to the bespoke trailer facilities requiring more frequent repairs and general outdoor amenities upkeep, relative to traditional hotel offerings.

Some of the comparable properties are franchised operations. Royalty fees are captured in the sales and marketing expense.

Detailed Forecast of Income and Expenses Including Comparable Average

	Comparable Glamping/Trailer Properties			Year 1				Year 2			
	Weighted Average			Fiscal Year Ended:				Fiscal Year Ended:			
Period Reported:	12/31/2025			12/31/2028				12/31/2030			
Days Open	365			365				365			
No. of Rooms	195			40				40			
Occupied Room Nights	51,548			8,030				9,983			
Occupancy	72.4%			55.0%				68.4%			
Average Daily Rate	\$182.91			\$206.62				\$219.21			
RevPAR	\$132.47			\$113.64				\$149.89			
	Ratio to Sales	PAR	POR	Total	Ratio to Sales	PAR	POR	Total	Ratio to Sales	PAR	POR
REVENUE											
Rooms	86.4%	\$48,353	\$182.91	\$1,659,195	85.0%	\$41,480	\$206.62	\$2,188,353	85.9%	\$54,709	\$219.21
Other Operated Departments	13.1%	\$7,340	\$27.77	281,221	14.4%	\$7,031	\$35.02	345,686	13.6%	\$8,642	\$34.63
Miscellaneous Income (Net)	0.5%	\$300	\$1.13	11,847	0.6%	\$296	\$1.48	14,900	0.6%	\$373	\$1.49
Total Operating Revenue	100.0%	\$55,993	\$211.82	\$1,952,262	100.0%	\$48,807	\$243.12	\$2,548,939	100.0%	\$63,723	\$255.33
DEPARTMENTAL EXPENSES											
Rooms Expense	20.5%	\$9,928	\$37.56	\$372,841	22.5%	\$9,321	\$46.43	\$429,128	19.6%	\$10,728	\$42.99
Other Operated Departments Expense	32.2%	\$2,364	\$8.94	91,060	32.4%	\$2,276	\$11.34	103,706	30.0%	\$2,593	\$10.39
Total Departmental Expenses	22.0%	\$12,291	\$46.50	\$463,901	23.8%	\$11,598	\$57.77	\$532,834	20.9%	\$13,321	\$53.37
DEPARTMENTAL PROFIT	78.0%	\$43,702	\$165.32	\$1,488,361	76.2%	\$37,209	\$185.35	\$2,016,105	79.1%	\$50,403	\$201.95
UNDISTRIBUTED OPERATING EXPENSES											
Administrative and General	7.8%	\$4,366	\$16.52	\$175,934	9.0%	\$4,398	\$21.91	\$195,825	7.7%	\$4,896	\$19.62
Information and Telecommunications Systems	3.0%	\$1,683	\$6.37	77,239	4.0%	\$1,931	\$9.62	85,972	3.4%	\$2,149	\$8.61
Sales and Marketing	4.0%	\$2,239	\$8.47	94,403	4.8%	\$2,360	\$11.76	105,077	4.1%	\$2,627	\$10.53
Property Operations and Maintenance	8.8%	\$4,946	\$18.71	206,127	10.6%	\$5,153	\$25.67	234,034	9.2%	\$5,851	\$23.44
Utilities	3.6%	\$2,006	\$7.59	83,991	4.3%	\$2,100	\$10.46	95,362	3.7%	\$2,384	\$9.55
Total Undistributed Expenses	27.2%	\$15,240	\$57.65	\$637,694	32.7%	\$15,942	\$79.41	\$716,269	28.1%	\$17,907	\$71.75
GROSS OPERATING PROFIT	50.8%	\$28,462	\$107.67	\$850,667	43.6%	\$21,267	\$105.94	\$1,299,836	51.0%	\$32,496	\$130.20
Management Fee	2.8%	\$1,556	\$5.89	\$58,568	3.0%	\$1,464	\$7.29	\$76,468	3.0%	\$1,912	\$7.66
INCOME BEFORE NON-OPERATING INCOME AND EXPENSES	48.1%	\$26,905	\$101.78	\$792,100	40.6%	\$19,802	\$98.64	\$1,223,368	48.0%	\$30,584	\$122.55
NON-OPERATING INCOME AND EXPENSES											
Property Taxes	1.1%	\$630	\$2.38	\$48,052	2.5%	\$1,201	\$5.98	\$50,978	2.0%	\$1,274	\$5.11
Insurance	2.7%	\$1,518	\$5.74	67,531	3.5%	\$1,688	\$8.41	71,643	2.8%	\$1,791	\$7.18
Reserve for Replacement	0.0%	\$0	\$0.00	78,090	4.0%	\$1,952	\$9.72	101,958	4.0%	\$2,549	\$10.21
Total Non-Operating Income and Expenses	3.8%	\$2,148	\$8.13	\$193,673	9.9%	\$4,842	\$24.12	\$224,579	8.8%	\$5,614	\$22.50
NET INCOME (EBITDA)	44.2%	\$24,757	\$93.65	\$598,427	30.7%	\$14,961	\$74.52	\$998,789	39.2%	\$24,970	\$100.05

Compiled by CBRE

Potential Cash Flow - Adirondacks Hub, Beginning 01/01/2028

YEAR	1	2	3	4	5
Year Ended:	12/31/28	12/31/29	12/31/30	12/31/31	12/31/32
Number of Rooms	40	40	40	40	40
Annual Available Rooms	14,600	14,600	14,600	14,600	14,600
Occupied Rooms	8,030	9,490	9,983	9,983	9,983
Occupancy	55.0%	65.0%	68.4%	68.4%	68.4%
Average Rate	\$206.62	\$212.82	\$219.21	\$225.78	\$232.56
REVENUE					
Rooms	\$1,659,195	\$2,019,692	\$2,188,353	\$2,254,003	\$2,321,623
Food & Beverage	-	-	-	-	-
Other Operated Departments	281,221	324,016	345,686	356,057	366,739
Miscellaneous Income (Net)	11,847	13,895	14,900	15,347	15,808
Total Operating Revenue	\$1,952,262	\$2,357,603	\$2,548,939	\$2,625,408	\$2,704,170
DEPARTMENTAL EXPENSES					
Rooms Expense	\$372,841	\$408,399	\$429,128	\$442,002	\$455,262
Food & Beverage Expense	\$0	\$0	\$0	\$0	\$0
Other Operated Departments Expense	91,060	98,945	103,706	106,817	110,022
Total Departmental Expenses	\$463,901	\$507,344	\$532,834	\$548,819	\$565,284
DEPARTMENTAL PROFIT	\$1,488,361	\$1,850,259	\$2,016,105	\$2,076,589	\$2,138,886
UNDISTRIBUTED OPERATING EXPENSES					
Administrative and General	\$175,934	\$187,872	\$195,825	\$201,699	\$207,750
Information and Telecommunications Systems	\$77,239	\$82,480	\$85,972	\$88,551	\$91,207
Sales and Marketing	\$94,403	\$100,809	\$105,077	\$108,229	\$111,476
Franchise Fees (Royalty)	\$0	\$0	\$0	\$0	\$0
Property Operations and Maintenance	\$206,127	\$223,455	\$234,034	\$241,055	\$248,287
Utilities	\$83,991	\$91,051	\$95,362	\$98,223	\$101,169
Total Undistributed Expenses	\$637,694	\$685,667	\$716,269	\$737,757	\$759,890
GROSS OPERATING PROFIT	\$850,667	\$1,164,591	\$1,299,836	\$1,338,832	\$1,378,996
Management Fee	\$58,568	\$70,728	\$76,468	\$78,762	\$81,125
INCOME BEFORE NON-OPERATING INCOME AND EXPENSES	\$792,100	\$1,093,863	\$1,223,368	\$1,260,069	\$1,297,871
NON-OPERATING INCOME AND EXPENSES					
Property Taxes	\$48,052	\$49,493	\$50,978	\$52,507	\$54,083
Insurance	\$67,531	\$69,556	\$71,643	\$73,792	\$76,006
Reserve for Replacement	\$78,090	\$94,304	\$101,958	\$105,016	\$108,167
Total Non-Operating Income and Expenses	\$193,673	\$213,354	\$224,579	\$231,316	\$238,256
NET INCOME (EBITDA)	\$598,427	\$880,509	\$998,789	\$1,028,753	\$1,059,616



ASSUMPTIONS & LIMITING CONDITIONS



ASSUMPTIONS AND LIMITING CONDITIONS

1. CBRE, Inc. through its appraiser (collectively, “CBRE”) has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the “Report”), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the U.S. Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:
 - (i) Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.
 - (ii) Existing improvements on the subject property conform to applicable local, state, and federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.
 - (iii) Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.
 - (iv) Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.
 - (v) No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.
 - (vi) There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.
 - (vii) All required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be readily obtained or renewed for any use on which the Report is based.
 - (viii) The subject property is managed and operated in a prudent and competent manner, neither inefficiently, nor super-efficiently.
 - (ix) The subject property and its use, management, and operation are in full compliance with all applicable federal, state, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.



ASSUMPTIONS AND LIMITING CONDITIONS

- x. The subject property is in full compliance with the Americans with Disabilities Act (ADA). CBRE is not qualified to assess the subject property's compliance with the ADA, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.
- xi. All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property, nor reviewed or confirmed the accuracy of any legal description of the subject property.

Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report and any conclusions stated therein. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.

- 4. CBRE has assumed that all documents, data and information furnished by or on behalf of the client, property owner or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report and any conclusions stated therein. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The client and intended user should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
- 5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including, without limitation, any termite inspection, survey or occupancy permit.
- 6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
- 7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. This Report has been prepared in good faith, based on CBRE's current anecdotal and evidence-based views of the commercial real estate market. Although CBRE believes its views reflect market conditions on the date of this Report, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE's control. In addition, many of CBRE's views are opinion and/or projections based on CBRE's subjective analyses of current market circumstances. Actual results are affected by a number of factors outside the control of CBRE, including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections. Further, other firms may have different opinions, projections and analyses, and actual market conditions in the future may cause CBRE's current views to later change or be incorrect. CBRE has no obligation to update its views herein if its opinions, projections, analyses or market circumstances later change.



ASSUMPTIONS AND LIMITING CONDITIONS

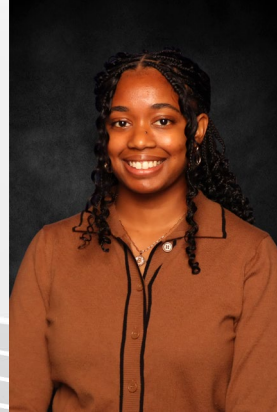
8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the intended user with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decisions based upon the Report that the client, intended user, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge including, but not limited to, environmental, social, and governance principles ("ESG"), beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.
10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.
12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.
13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any unintended users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the intended user and its attorneys, accountants, or advisors for the sole benefit of the intended user. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the intended user, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any unintended user who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such unintended user.



Andrew Hartley
Senior Vice President

200 Park Avenue, 20th Floor
New York, NY 10116

D +1 212 207 6030
M +1 917 690 8054



Brylynn Swayzer
Consultant

200 Park Avenue, 20th Floor
New York, NY 10116

M +1 602 735 1761