SAND DRAW INN

Boulder, Wyoming I Investment Pro Forma & Value-Add Opportunity

ASKING PRICE	FINISHED ROOMS	EXPANSION ROOMS	RV SPACES
$575,000	42	10	4

Investment Overview

Sand Draw Inn offers a value-add lodging opportunity along the US-191 corridor in western Wyoming. The property includes 42 finished guest rooms with private bathrooms, 10 additional roughed-in rooms under roof, four RV spaces and approximately 2.69 acres. The opportunity is to improve utilization of existing inventory, apply active seasonal pricing and marketing, develop workforce/extended-stay demand, and ultimately bring additional rooms online.

Projected Revenue - Existing 42 Finished Rooms Only

Scenario	Occupancy	Blended ADR	Avg. Rooms Occupied/Night	Projected Annual Room Revenue
Conservative	25%	$125	10.5	$479,062
Moderate	35%	$135	14.7	$724,342
Stabilized	45%	$145	18.9	$1,000,282

Revenue formula: 42 rooms x 365 days x occupancy x blended average daily rate (ADR). These scenarios exclude the 10 roughed-in rooms and RV-space revenue.

Illustrative Operating Pro Forma

Because a new operator's actual cost structure is unknown, the following NOI analysis uses illustrative assumptions rather than representing historical expenses: **$95,000 of annual fixed operating costs plus variable operating costs equal to 30% of room revenue.** Variable costs are intended to broadly account for items that rise with occupancy, such as housekeeping labor, laundry, guest supplies, booking/credit-card costs and incremental utilities. Fixed costs are intended to broadly account for property taxes, insurance, baseline utilities, maintenance, administration and other recurring operations. Debt service, income taxes, depreciation, capital improvements and buyer-specific management/financing costs are excluded.

Scenario	Gross Room Revenue	Illustrative Operating Expenses	Illustrative NOI	NOI Yield on $575,000 Price
Conservative	$479,062	$238,719	$240,344	41.8%
Moderate	$724,342	$312,303	$412,040	71.7%
Stabilized	$1,000,282	$395,085	$605,198	105.3%

Important: The NOI and yield figures above are purely illustrative and should not be presented as historical performance or guaranteed results. A buyer should replace these expense assumptions with its own operating budget during due diligence.

SAND DRAW INN - UPSIDE ANALYSIS

How the existing asset base can support a value-add strategy

Moderate Scenario in Practical Terms

The moderate scenario assumes 35% occupancy and a $135 blended ADR. That equates to approximately **14.7 occupied rooms per night** out of the 42 finished rooms and approximately **$724,000 in annual room revenue.** In other words, the projection does not depend on filling the motel; approximately 27 rooms would remain unoccupied on an average night.

Seasonal Pricing Opportunity

Room pricing can vary materially by season. A working rate range of approximately **$100-$200 per night** creates an opportunity for an active operator to use seasonal and dynamic pricing rather than a single year-round rate. The blended ADR assumptions in this pro forma ($125-$145) are deliberately below the top of that stated seasonal range.

Expansion & Additional Revenue Opportunities

Opportunity	Potential
10 roughed-in rooms	Increasing inventory from 42 to as many as 52 rooms represents roughly 24% additional room count once com
4 RV spaces	Potential incremental lodging revenue not included in the room-revenue projections.
Workforce / extended stay	Potential weekly and monthly demand from contractors, traveling workers and other longer-stay guests.
Distribution & direct booking	Greater use of online travel agencies, direct booking, local employer relationships and active revenue managem

Acquisition Basis

At the $575,000 asking price, the acquisition basis is approximately **$13,690 per existing finished room**. If all 52 rooms are ultimately completed and operational, the purchase price equates to approximately **$11,058 per potential room**. These calculations assign no separate acquisition value to the RV spaces, land, common areas or other improvements.

Buyer Due Diligence / Pro Forma Disclosure

This document is provided solely as an illustrative investment pro forma. Projected figures are estimates based on stated room count, seasonal rate expectations and hypothetical occupancy/expense assumptions. They are not appraisals, guarantees, representations of future performance, or substitutes for historical financial statements. Actual results may differ materially based on room condition and availability, seasonality, market demand, competition, staffing, utilities, maintenance, insurance, taxes, management, marketing, booking commissions, capital expenditures and other factors. Prospective purchasers should independently verify all property facts and financial assumptions and conduct their own legal, tax, physical and financial due diligence.