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|------------------------|--------------------------------|----------------|--------------|-----------|------------|----------------|
| PROFORMA PROFIT & LOSS | | | | | | |
| CROSSROADS INN | | | | | | |
| JOHNSON CITY, TX | | | | | | |
| | INCOME | Rack / Nightly | 360 / Annual | Occupancy | Rev Nights | Annual Revenue |
| 1 | Rose Garden Suite | \$220 | 360 | 50% | 180 | \$39,600 |
| 2 | Taste of Country Suite | \$220 | 360 | 50% | 180 | \$39,600 |
| 3 | Carriage 1 | \$189 | 360 | 50% | 180 | \$34,020 |
| 4 | Carriage 2 | \$189 | 360 | 50% | 180 | \$34,020 |
| 5 | Rosemary Cottage | \$198 | 360 | 50% | 180 | \$35,640 |
| 6 | Lavender Cottage | \$198 | 360 | 50% | 180 | \$35,640 |
| 7 | 3 & 4th person charges | \$25 | | | 1080 | \$27,000 |
| | Total Annual Income | | | | | \$245,520 |
| | | | | | | \$245,520 |
| | OPERATIONAL EXPENSES | Unit Costs | Monthly | Months | | Annual Expense |
| 1 | Electricity | | | | | |
| | a. Main House Net Expense* | | \$20 | 12 | | \$240 |
| | b. Cottages and Grounds** | | \$80 | 12 | | \$960 |
| 2 | Gas (Propane) | | \$20 | 12 | | \$240 |
| 3 | Cleaning (\$20 hr.) | \$20 | \$1,800 | 12 | | \$21,600 |
| 4 | Gardening / Landscape | | \$200 | 12 | | \$2,400 |
| 5 | Property Taxes*** | Annual 2024 | | | | \$12,898 |
| 6 | Hotel Occupancy Tax**** | 13% | \$2,660 | 12 | | \$31,918 |
| 7 | Maintenance / Repairs | \$50 | \$300 | 12 | | \$3,600 |
| 8 | Property Insurance | Gen Liability | \$800 | 12 | | \$9,600 |
| 9 | Hotel Sites Booking Fees ***** | 10% | \$1,350 | 12 | | \$16,200 |
| 10 | SEO, Website | \$100 | \$100 | 12 | | \$1,200 |
| 11 | Internet | \$120 | \$120 | 12 | | \$1,440 |

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|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------|----|------------------|-----------|
| 12 | Reserve for replacements | \$500 | \$500 | 12 | \$6,000 | |
| | <i>Total Annual Estimated Expenses</i> | | | | <i>\$108,296</i> | |
| | | | | | | \$108,296 |
| | NET OPERATING INCOME (Profit before Tax) | | | | | \$137,224 |
| | Notes | | | | | |
| * | Average Net Expense after Solar savings | | | | | |
| ** | Average Net Expense after Solar savings | | | | | |
| *** | Property Tax Estimate 2024 without homestead | | | | | |
| **** | 7% to Johnson City; 6% to State of Texas | | | | | |
| ***** | 50% of bookings on reservation sites / 50% hotel website | | | | | |
| | Disclaimer | | | | | |
| | Proforma P&L information and income projections are provided as a general guide to the operating financial potential of the hotel and formulated from sources we deem reliable but are not guaranteed by Berkshire Hathaway Commercial Division or its agents. Actual results will vary and are subject to business and economic forces that will change this proforma. Buyers are advised to apply its own operating criteria to establish the operating potential of the hotel. | | | | | |