



WELLSPRING HOSPITALITY GROUP

310 N. 7th Street, Suite 10

Grand Junction, CO 81501

MARBLE HIGHLANDS, MARBLE, CO – “Your Colorado Adventure Awaits”

PHASE-1 – PRELIMINARY COST TO BUILD / SELL-OFF / RENTAL RATES /  
SALARIES – BASED ON MARKETING BOOKLET DATED 6/20/2022

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HIGHLANDER LODGE BUILD-OUT COSTS (TURN-KEY)

5000SF (TOTAL HEATED)

\$300SF (COST TO BUILD)

\$1.5M (TOTAL COST TO BUILD)

Inclusive of engineering/design/build/site clear/prep, solar, furnishings,  
fully equipped commercial grade kitchen, fitness center, spa with vanishing  
edge pool, hot tub, cold plunge, etc.

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VILLAS BUILD-OUT COSTS (TURN-KEY)

15 VILLAS @ 600SF (RETAIN FOR RENTAL)

9000SF (TOTAL HEATED)

\$165SF (COST TO BUILD)

\$1.5M (TOTAL COST TO BUILD)

\*10 VILLAS @ 950SF (SELL-OFF)

9500SF (TOTAL HEATED)\$200SF (COST TO BUILD)

\$1.9M (TOTAL COST TO BUILD)

Inclusive of engineering/design/build, prefab, transport, install, solar, appliances, kitchenware, furnishings.

\$4.9M (TOTAL COST TO BUILD - HIGHLANDER LODGE/15 VILLAS @ 650SF,  
\*10 VILLAS @ 950SF)

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\*VILLAS SELL-OFF

10 VILLAS @ 950SF

9500SF (TOTAL HEATED)

\$1000SF (COST TO MARKET) = \$950K (COST PER VILLA TO MARKET)

\$9.5M (TOTAL GROSS PROCEEDS)

\$1.9M (TOTAL COST TO BUILD)

\$7.6M (TOTAL NET PROCEEDS)

\$4.9M (TOTAL COST TO BUILD ALL ABOVE)

\*+ \$2.7M (TOTAL PROCEEDS/AFTER SELL-OFF/PAYBACK OF TOTAL COST TO BUILD)

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VILLA INFRASTRUCTURE BUILD-OUT COSTS

\$1.2M (TOTAL)

Inclusive of civil engineering and design, ALTA/Phase-one Environmental Study, permitting, bonds, clearing, stumping, erosion control, lot prep, roads, gravel, parking, crush & run, cut & fill, septic, water, water reclamation, hydrants, storm water retention, electric, Starlink, buried propane tanks, etc.

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LANDSCAPE/HARDSCAPE

\$350K (TOTAL)

Inclusive of all gardens, tree plantings, cut crushed marble trails, ornamental rock walls, bridges, etc.

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LAND ACQUISITION COSTS

\$400K (TOTAL, LACY PLACER @ +/- 80 ACRES) =

\$1.95M (TOTAL INFRASTRUCTURE/LANDSCAPING/LAND ACQUISITION)  
+\$2.7M (TOTAL NET PROCEEDS/HELD IN RESERVE AFTER 950SF VILLA SELL-OFF) =

+\$750K (HELD IN RESERVE)

DEVELOPMENT FEES: (BASED ON TOTAL PHASE-1 PROJECT COST OF \$6.85M @ 6%) =

\$411K (DEVELOPMENT FEES)

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VILLA RENTAL RATES (@ 80% OCCUPANCY)

\$350 a night x 292 nights x 15 VILLAS =  
\$1.5M (YEARLY GROSS PROCEEDS)

VILLA RESORT FEES - 10 950SF = \$350 per month x 10 Villas x 12 months =  
\$42K (YEARLY RESORT FEES)

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STAFF SALARIES (YEARLY)

Chef/Kitchen Manager  
\$100K

Part Time Chefs x 2  
\$80K

Bartenders x 2  
\$80K

Waitstaff x 3  
\$65K

Maids x 2  
\$60K

Prep Cooks x 2  
\$50K

Concierge x 2  
\$45K

Custodian/groundskeeper x 2  
\$45K

Dishwashers  
\$35K

Piano Player  
Works for tips

Massage Therapist  
On Call

\$520K (TOTAL YEARLY STAFF SALARIES)

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#### MARKETING/FLAG COSTS (YEARLY)

\$200K (TOTAL)

Inclusive of MARRIOTT Autograph Collection flag (1-year = \$75K) website, google algorithm, pop-ups, direct and email marketing, e-commerce, print/magazine promotions, inventory costs, booklets, trade shows, festivals, etc.

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#### OTHER REVENUE SOURCES

- Exclusive of revenue from land leases on agricultural acres to 3rd parties
- Exclusive of revenue from Highlander Lodge Restaurant, Cafe, Bar, Market, Health Spa, Gift Shop, etc.
- Exclusive of revenues from Highlander Honeymoon Suites rentals
- Exclusive of revenues from Highlander Wedding Venue rentals

- Exclusive of revenues from Water Utility Fees
- Exclusive of revenues from Solar Energy Utility Fees and sell-back
- Exclusive of TIF's, pilot's, federal, state and local tax incentives, grants
- Exclusive of potential revenues from environmental/recreational easements, land sell-off

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## ASSUMPTIONS

Certain assumptions are presented in this document. The DEVELOPMENT SCHEDULE and FUNDING SCHEDULE will be split into PHASES, with pre-determined calendar benchmarks and qualifiers. 10 more sell off villas and 10 more villa rentals planned for phase-2, once established and demand is met by phase-1

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## DISCLAIMER

Information contained herein constitutes forward-looking financial statements and includes, but is not limited to, the (i) projected financial performance of the Company; (ii) the expected development of the Company's business, projects and joint ventures; (iii) execution of the Company's vision and growth strategy, including with respect to future M&A activity; (iv) sources and availability of third-party financing for the Company's projects; (v) completion of the Company's projects that are currently underway, in development or otherwise under consideration; (vi) renewal of the Company's current customer, supplier and other material agreements; and (vii) future liquidity, working capital, and capital requirements.

These financial statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance.

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