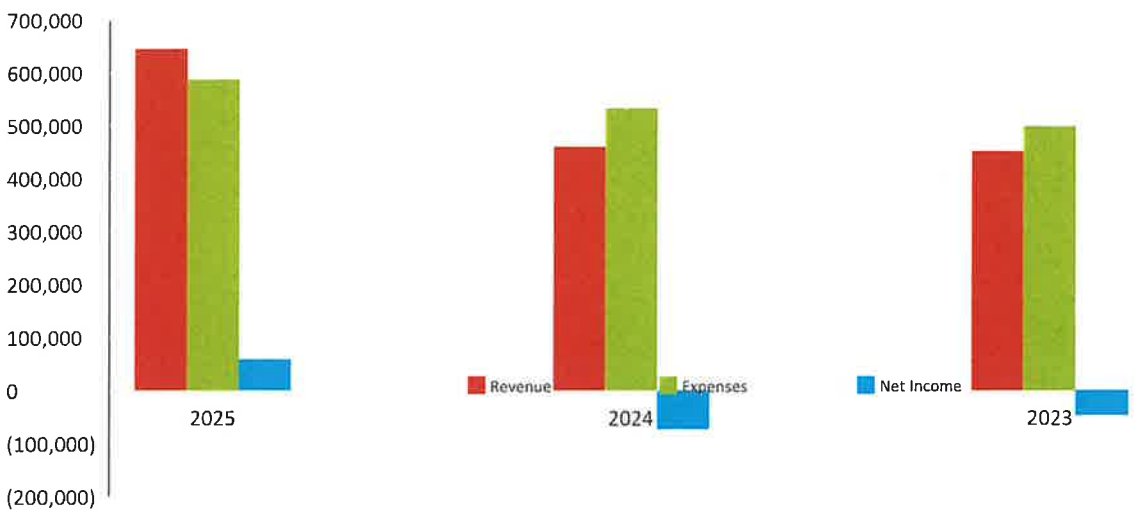
LeFevre BUILT DIFFERENT

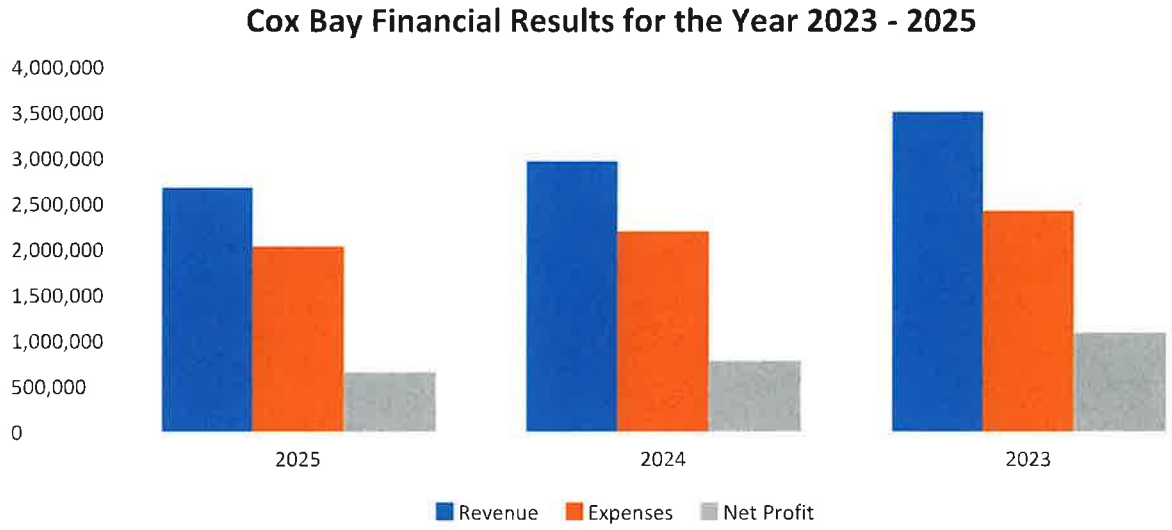
REPORT OF THE ADMINISTRATION MANAGER

FOURTH QUARTER ENDED DECEMBER 31, 2025

1. REVENUES & EXPENSES — Schedule #1 — Income & Expense Statement

- Fourth quarter Revenue at $645,198 was 40% above the 2024 results of $464,019 and 43% above 2023 Revenue of $450,866. This was due to strong increases in Occupancies driven by promotions throughout the quarter. Revenue for the year exceeds 2024 at $3,494,605 compared to $2,956,811, an 18% overall increase.
- Wages in the quarter increased by 15.6% or $36,830 due to dual GM salaries being paid during the period as Ashley Booth transitioned into her new role. Wages for the year have increased by 7% over 2024.
- Other Expenses showing a significant variance include the following.
    - Bank Charges increased by 28% due to the increase in credit card charges related to the Revenue/Occupancy increase.
    - Commissions decreased by 14% with less usage of OTA websites with the focus on in-house promotions, which has driven increased bookings and Revenue.
    - Memberships & Licenses increased by $9,545 due to the update to our phone system. Although the upgrade required higher initial installation and upgrade costs, it will generate ongoing savings of approximately $600 per month.
    - Professional Fees increased by $9,016 due to invoice timing differences from 2024.
    - Utilities increased by $17,480 again due to invoice timing differences.
- Expenses for the year (not including any roofing costs) increased by 10% or $225,944. This increase was primarily driven by increased guest volumes.
- Repairs and Maintenance expenses in the quarter include $8,093 in Furnishings, $3,090 in outsourced landscaping, $3,670 in Repairs to the front gate, $17,976 for motorized roller shades, $5,201 for new decking materials, $6,286 for beam remediation, $6,144 for appliances and $2,812 for new locks.
- Net Income for the quarter showed a strong increase over 2024 due to higher Revenue with Net Income increasing to $58,420 from negative $73,037 in 2024.
- Net Income for fiscal 2025 is $1,079,212. This compares favorably to 2024 with showed $767,362 in Net Income and 2023 which showed a Net Income of $645,234. Net Income in fiscal 2025 showed an improvement over 2024 of 41% and 67% over 2023.





2. AVERAGE DAILY RATE - Schedule #2 - ADR by Room Type

The quarterly ADR decreased over 2024 for all room types. The One Bedroom units decreased by $4 (1.3%), the Two Bedroom Loft units decreased by $15 (3.5%) and the Two Bedroom units decreased by $14 (3.3%). The primary reason is the increased promotions throughout Q4, along with a significant increase in advertising efforts, including mid-week specials. While these initiatives successfully drove higher occupancy and Revenue, they did so at discounted mid-week rates, which ultimately reduced ADR.

3. RESORT OCCUPANCY - Schedule #3 - Resort Occupancy

Overall occupancy for the quarter increased to 56.5% from 42.3% in 2024. Occupancy, net of Owner use, had an increase over 2024 at 53.1% vs. 38.3%. Owner usage increased slightly in the quarter compared to 2024 at 268 rooms occupied vs. 240 in 2024.

MARKETING

Online marketing this quarter entailed a photoshoot targeting young families staying at the resort for use on various social media and marketing platforms. The goal in 2025 was to grow the online following using updated content, which has been achieved. Performance metrics across all on-line platforms have experienced strong and improving visibility, increased engagement, and continued audience growth. Please see the attached Social Media Performance Report for the quarter.

5. STAFF & MANAGEMENT

During this quarter, several major projects were undertaken across the property to maintain structural integrity and overall condition.

Structural beam remediation work was completed for Units 1/22 and 2/23 to ensure their continued stability. In addition, all gutters throughout the property were inspected, with damaged sections repaired or replaced to maintain effective drainage and prevent further deterioration.

The replacement of the upper balcony patio floorboards, which have become weathered over time, was also initiated. This proactive upgrade will enhance both safety and the long-term durability of the balcony areas.

Annual maintenance shutdowns have commenced within the units, encompassing repainting, repairing baseboards, replacing heaters, upgrading appliances where required, and completing an overall refresh of the rooms. This work aligns with the continued installation of automatic roller blinds in the loft units, as the property progressively transitions from hardwired blinds to a rechargeable battery-operated system.

At the Front Desk, Emilie has departed and Nicole has joined the team. Nicole comes to us from Australia, and her contribution in this new role is greatly anticipated.

In Housekeeping, the seasonal spring and summer staff have departed, with the fall and winter team now in place. Marielle has seamlessly stepped into the Housekeeping Manager role, embracing her responsibilities and leading the team effectively.

In Maintenance, although the team operated with reduced capacity at the end of last quarter, Gabriel and Jacob have since joined and quickly become valuable contributors, bringing energy, commitment, and a strong work ethic.

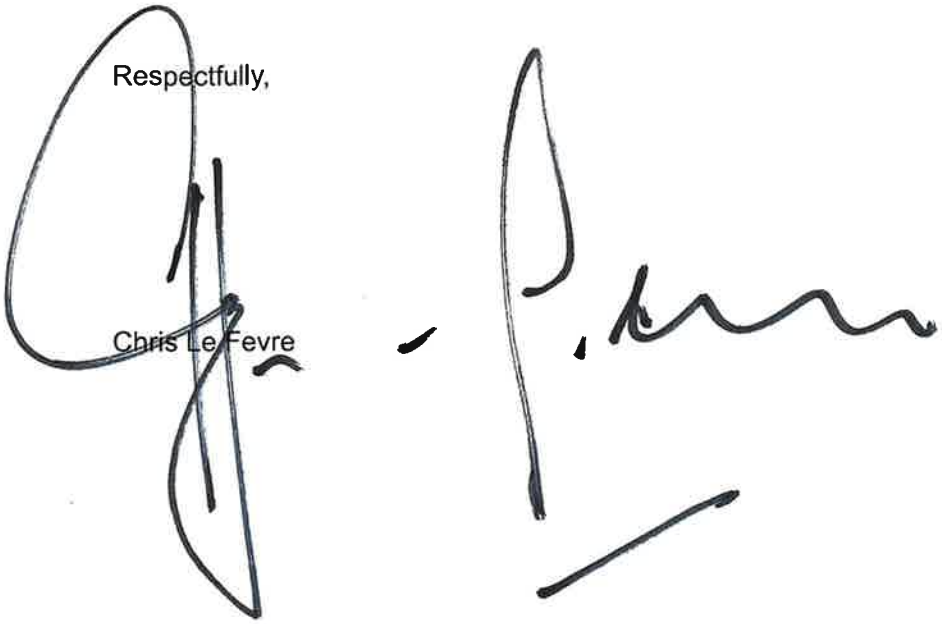
Fall occupancy reached its strongest level on record, highlighted by an outstanding November that delivered 365 additional room nights compared to the prior year — an unprecedented result for the property.

Increased local travel, influenced in part by political dynamics in the U.S., also contributed to higher cross-border visitation. As a result, our year-to-date performance has outpaced last year.

The outlook remains optimistic, as strong occupancy levels are expected to continue and, with rates scheduled to increase in 2026, further revenue growth is forecast.

Finally, active progress continues on the 3–5–10 year capital plan, which will outline timing, anticipated costs and capital expenditures for the property over this period. Collaboration with designers, contractors, and vendors is underway to gather accurate cost estimates and ensure every aspect of the property is carefully considered.

Respectfully,



Chris Le Fevre