

**Own a Cabin at Loch Lyme Lodge  
Overview – Summer 2021**

Become a cabin owner at Loch Lyme Lodge and enjoy your own rustic cabin, our waterfront, gardens and trails, the ability to make early reservations while receiving a discount on purchases at the Lodge and passing along 100 years of Loch Lyme Lodge tradition.

***Cabin owners who keep their cabin in the rental pool, using a week or two for themselves in the high season, should be able to cover costs associated with their cabin and, under most scenarios, have a modest cash return at the end of each year.***

Owners enjoy their cabin without the effort of opening and closing, cabin and property maintenance, and the other hassles of cabin ownership because Pinnacle Project, LLC continues to operate Loch Lyme Lodge & Cabins.

Purchase prices for cabins range from \$116K to \$256K. Cabin owners must also upgrade their own cabin to be comfortable in three seasons, which includes connecting to our buried infrastructure. The five components to total, out-of-pocket cost are:

- **Cabin price** based on the cabin’s size, condition, location, footprint, rental history
- **Infrastructure Assessment** (\$18K per room in the cabin plus \$6K per cabin, which reflects costs to improve infrastructure and barn and allows us to spread these costs fairly between cabins.
- **Pinnacle Member and Cabin Member** capital contributions (\$21K and \$30K, respectively).
- **A budget for improvements** to the cabin. Owners must connect their cabin to the updated septic/water/electric systems and insulate and heat their cabin to make it comfortable in three seasons. Our suggested budget for improvements is \$40K.

<b>CABIN PRICE CALCULATION</b>	
Cabin Price	<i>Based on cabin size, location, condition, rental history and maintenance requirements</i>
Infrastructure assessment	<i>Amount pro-rated, based on total number of bedrooms throughout the property</i>
\$21,000	<i>Pinnacle Member capital contribution</i>
\$30,000	<i>Cabin Member capital contribution</i>
<b>PURCHASE PRICE</b>	
Cabin Improvements	<i>Estimated at \$40K average per cabin; improvements include connecting to new infrastructure, insulation, heating and new windows to enable three-season rentals</i>
<b>TOTAL OUT OF POCKET COST</b>	

You’ll own your entire cabin – interior and exterior – plus an undivided interest in the twelve acres surrounding the cabins at the Lodge.

As a Pinnacle Member, you join a multi-generational community of friendly people, participate in decision-making for The Pinnacle Project, enjoy the common areas at the Lodge including the waterfront, meadows, trails, Lodge, and Barn when you like, get early reservations on cabins, and receive an 80% discount on money you spend at the Lodge (capped at \$500 per year).

As a Cabin Member, you receive additional benefits, including a share of your cabin’s earnings at the end of each season, a role in decision-making within the cabin condominium association

(similar to a homeowner's association), and use of your own cabin on your schedule, subject of course to prior bookings of guests and Event and Wedding activity.

Cabin Members are responsible for an **annual assessment**, which is their share of the cost of operating the hospitality business and maintaining the cabin condo property and common areas. At the end of each season, Pinnacle gives owners 75% of their cabin's **annual earnings**, which is defined as the difference between their cabin's total revenue and the cabin's annual assessment. Pinnacle retains the remaining 25%.

We have created projections for "Base", "Better", and "Bad" years. Even in a "Bad" year, each cabin's revenue is projected to exceed the owner's annual assessment. At the end of each year, Pinnacle sends each Cabin Member a check for their share of the cabin's earnings after covering their use of the cabin and their assessment. Our projections assume owners use their cabin a week or two. We want to be clear that owners who use multiple weeks in the high season for themselves may not generate enough rental revenue to cover their cabin's total assessment.

The initial Infrastructure assessment pays for site improvements including burying water, septic, and electric service to cabins, a community water and septic system, and renovating our classic barn and moving it out of the wetland. These improvements mean Pinnacle will be able to expand our existing wedding and retreat business, extend the rental season for all guests into the cooler "shoulder season" (May-October), and make modest rate increases. Buried water and septic means all cabins can be used in 3 seasons and some cabins can be converted to four-season use. After infrastructure improvements are made, funds from cabin condo sales will be used to repay debts incurred in the acquisition of Loch Lyme Lodge.

Pinnacle Project, LLC is a New Hampshire limited liability company. In Summer 2021, 17 people own 25 membership units (some people own two). Pinnacle members elect Managers who manage the affairs of Pinnacle. Pinnacle's wholly owned subsidiary (Post Pond Lodge, LLC) runs the hospitality business, Loch Lyme Lodge & Cabins.

To learn more about the Pinnacle Project itself please read "Becoming a Member", which can be found on the Pinnacle Project website, [www.pinnacleproject.info](http://www.pinnacleproject.info). We are happy to review details with you and share even more information as you are interested.

**Summary:** This cabin condominium conversion provides a way for families to enjoy time together in a beautiful rustic setting and pass along LLL traditions, while improving our infrastructure and expanding the hospitality business income. For more information, please contact Liz Ryan Cole (802-785-4124) or Rich Brown (603-795-2525) or email [info@pinnacleproject.info](mailto:info@pinnacleproject.info)

*Note: This communication is provided for informational purposes only, does not constitute an offer for the sale or disposition of any interest in a condominium unit, and is subject to change. Use and occupancy of all condominium units will be subject to the terms and conditions of a condominium declaration, bylaws, and other documents in accordance with the N.H. Condominium Act, N.H. RSA chapter. 356-B. In addition, this communication may be subject to state security laws and local planning regulations which may affect the final documents.*