



STRATEGIC FINANCIAL FRAMEWORK: HORIZON HORIZON TRAILS RV RESORT

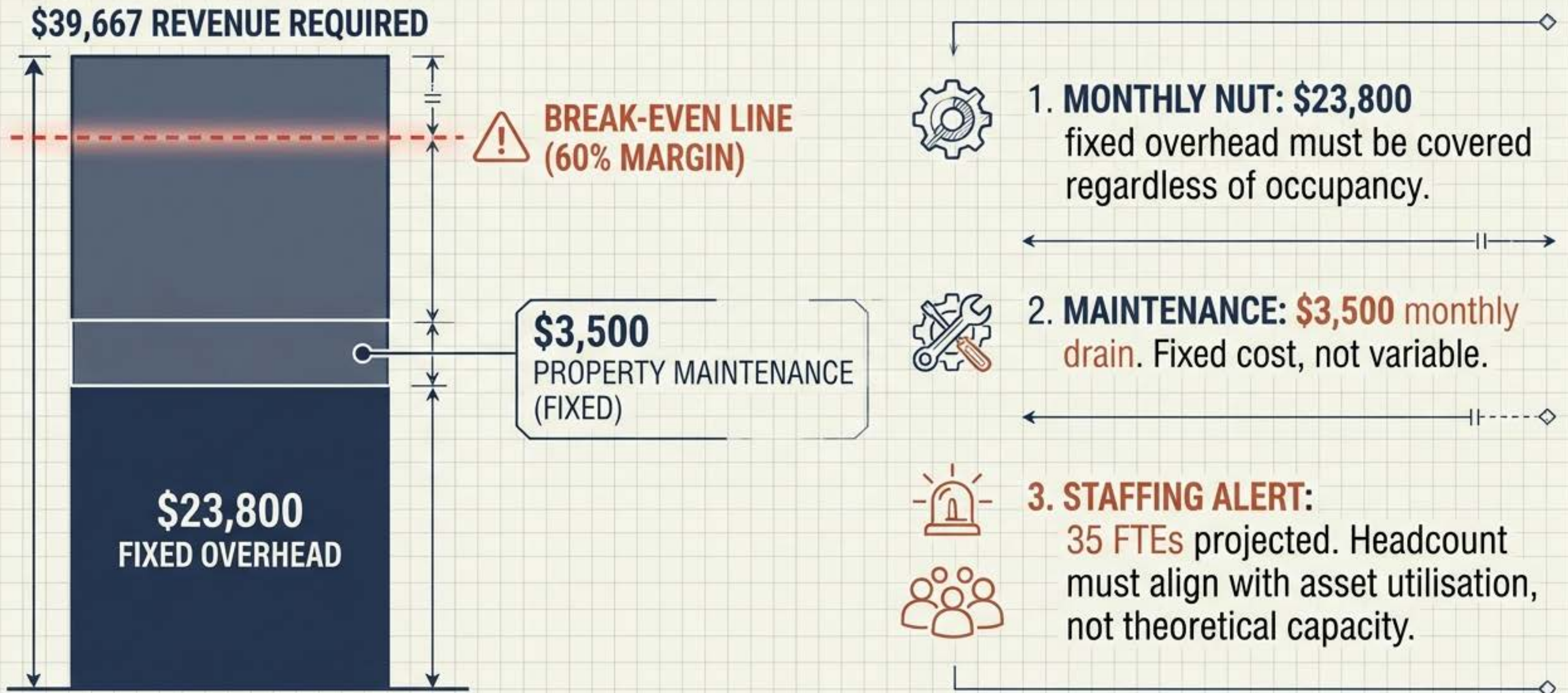
NAVIGATING THE PATH TO PROFITABILITY
& OPERATIONAL SCALE (2026-2028)

Oswald: THE 32-MONTH SPRINT TO SOLVENCY

CURRENT RISK PROFILE
IRR: **-0.002%**
CAPEX GAP: **\$12M**

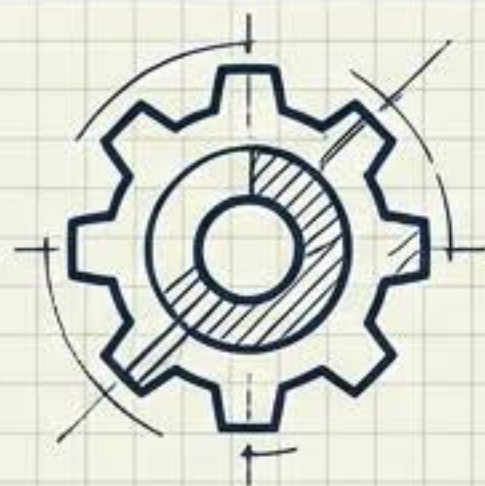


THE FIXED COST BURDEN



SEVEN LEVERS TO ENGINEER PROFITABILITY

VOLUME & YIELD (THE ENGINE)



KPI 1: Occupancy Rate

KPI 2: Average Daily Rate (ADR)

KPI 3: RevPAS

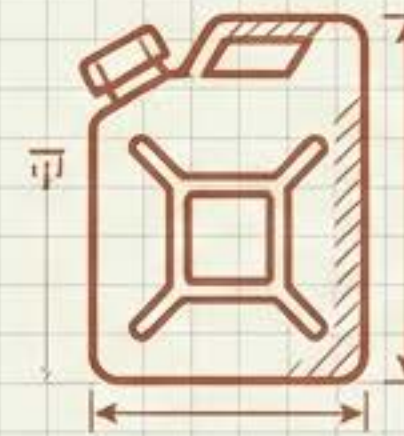
EFFICIENCY & MARGIN (THE BRAKES)



KPI 4: Gross Margin %

KPI 5: Fixed OpEx Ratio

LIQUIDITY & RUNWAY (THE FUEL)

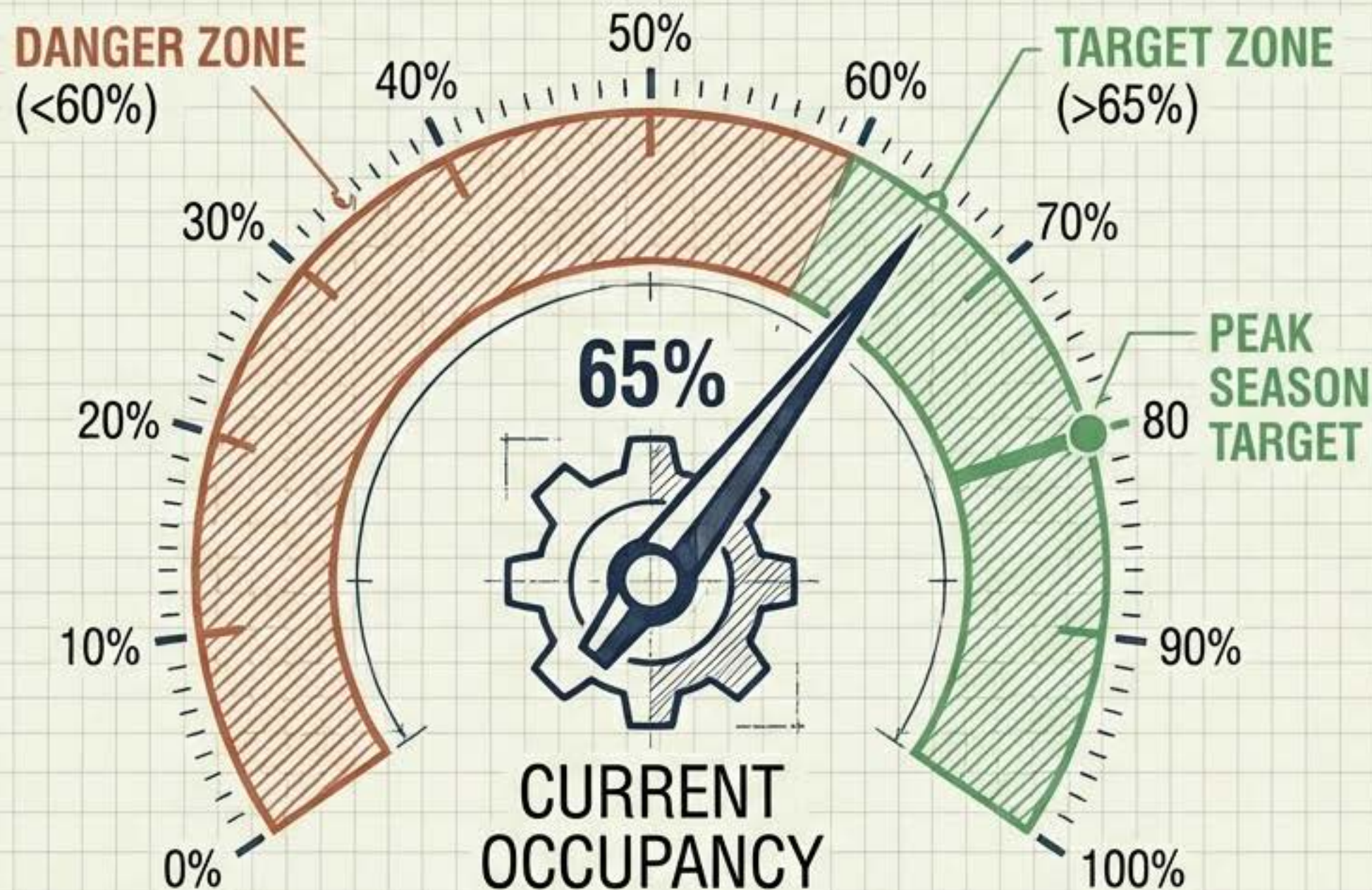


KPI 6: Ancillary Revenue (ARG)

KPI 7: Cash Burn Rate

KPI 1: OCCUPANCY RATE (OR)

PERCENTAGE OF PHYSICAL CAPACITY SOLD



STRATEGY NOTES



- **THE REALITY:** Fixed costs remain whether the site is full or empty.

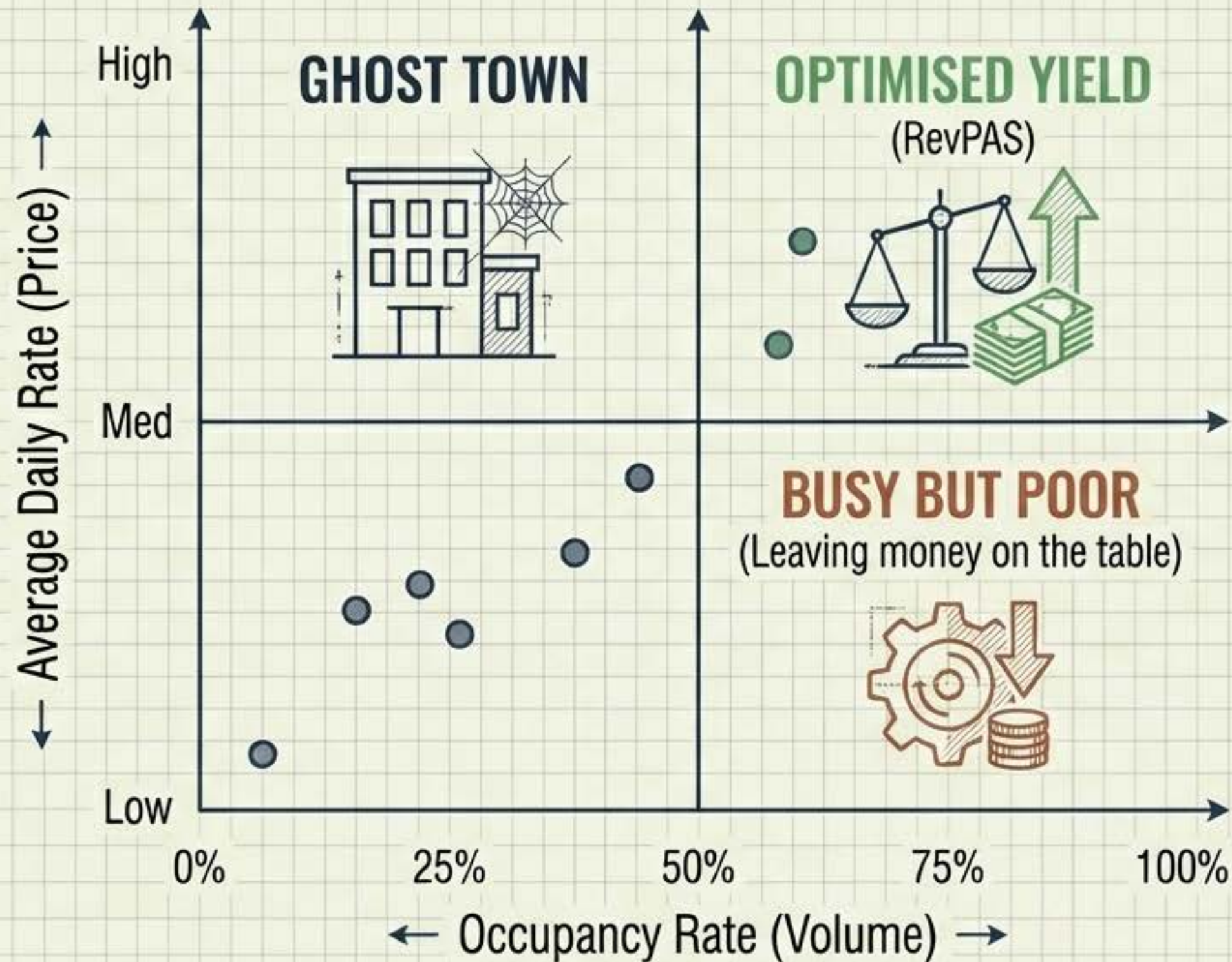


- **IMMEDIATE ACTION:** Aggressive growth required post-launch.



- **TACTIC:** Use dynamic pricing and shoulder-season discounts to stay out of the red zone.

KPI 2 & 3: BALANCING PRICE WITH YIELD



KEY METRICS

METRIC A: ADR (PRICING POWER)



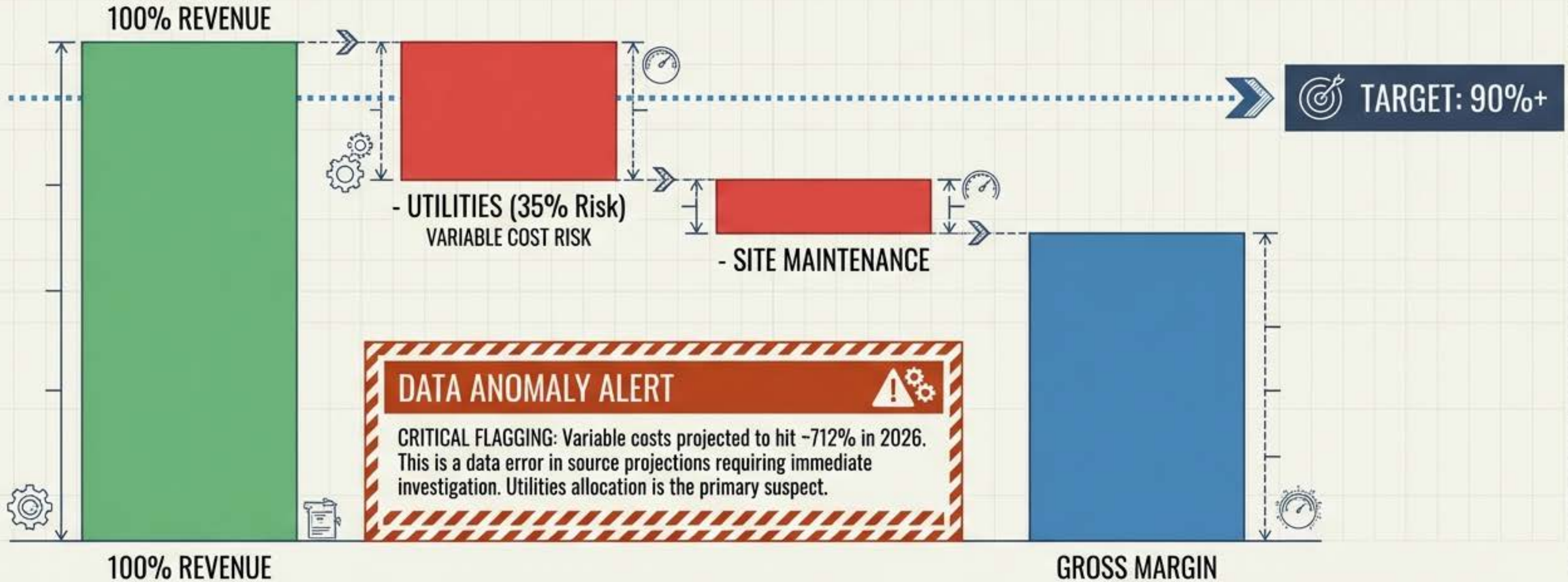
Warning: If ADR lags competitors by >10%, value prop is failing.

METRIC B: RevPAS (TRUE EFFICIENCY)



- **Formula:** Total Site Revenue / Total Available Nights.
- **Strategy:** The ultimate arbiter. Do not sacrifice rate solely for volume.

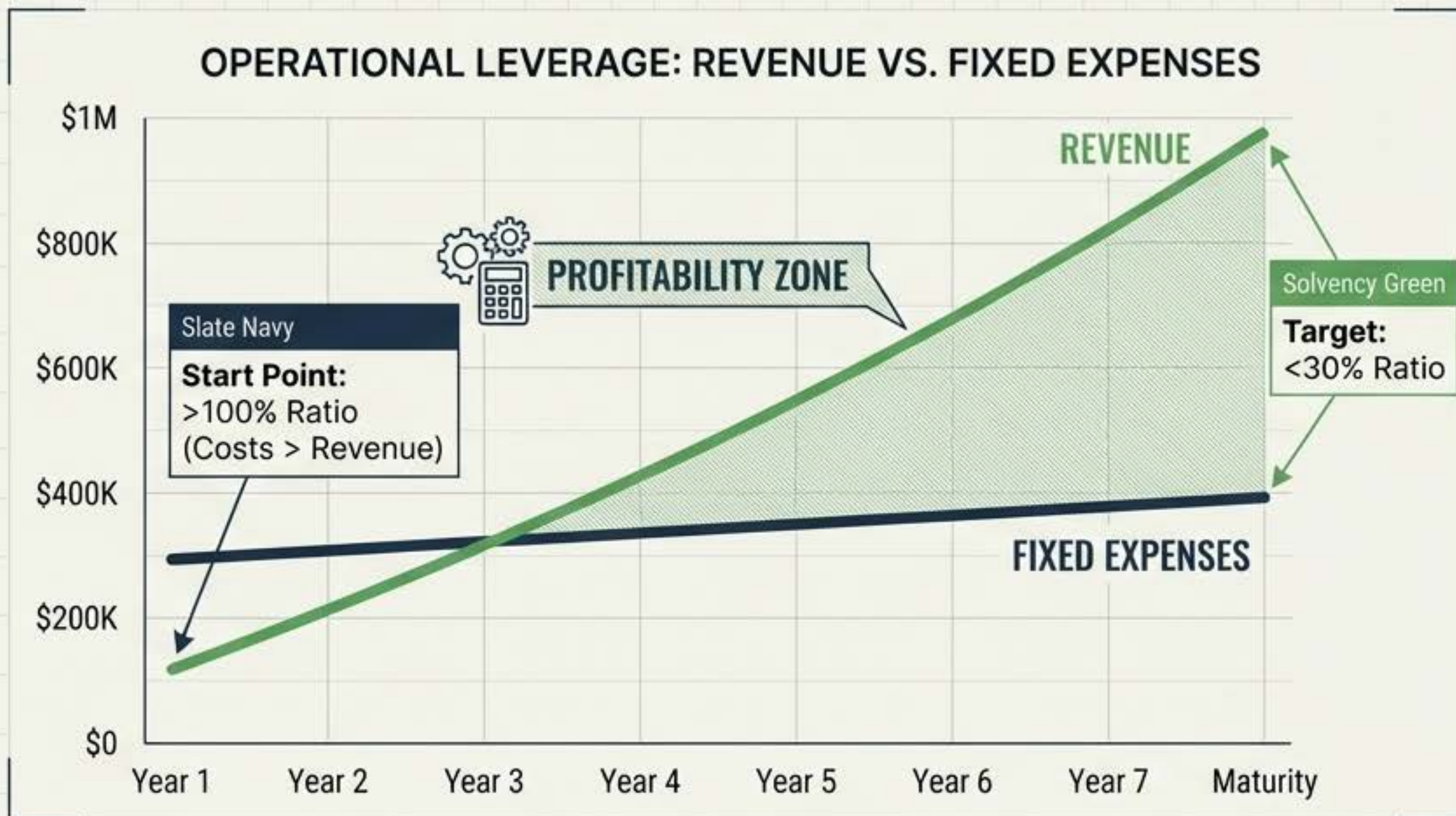
KPI 4: GROSS MARGIN INTEGRITY



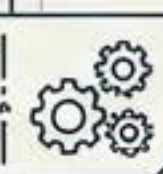
RULE: If margin drops below 80%, investigate utility leaks immediately.

KPI 5: FIXED OPERATING EXPENSE RATIO

MEASURING OPERATIONAL LEVERAGE



THE STRATEGIC RULE:



Revenue must outpace fixed cost growth.

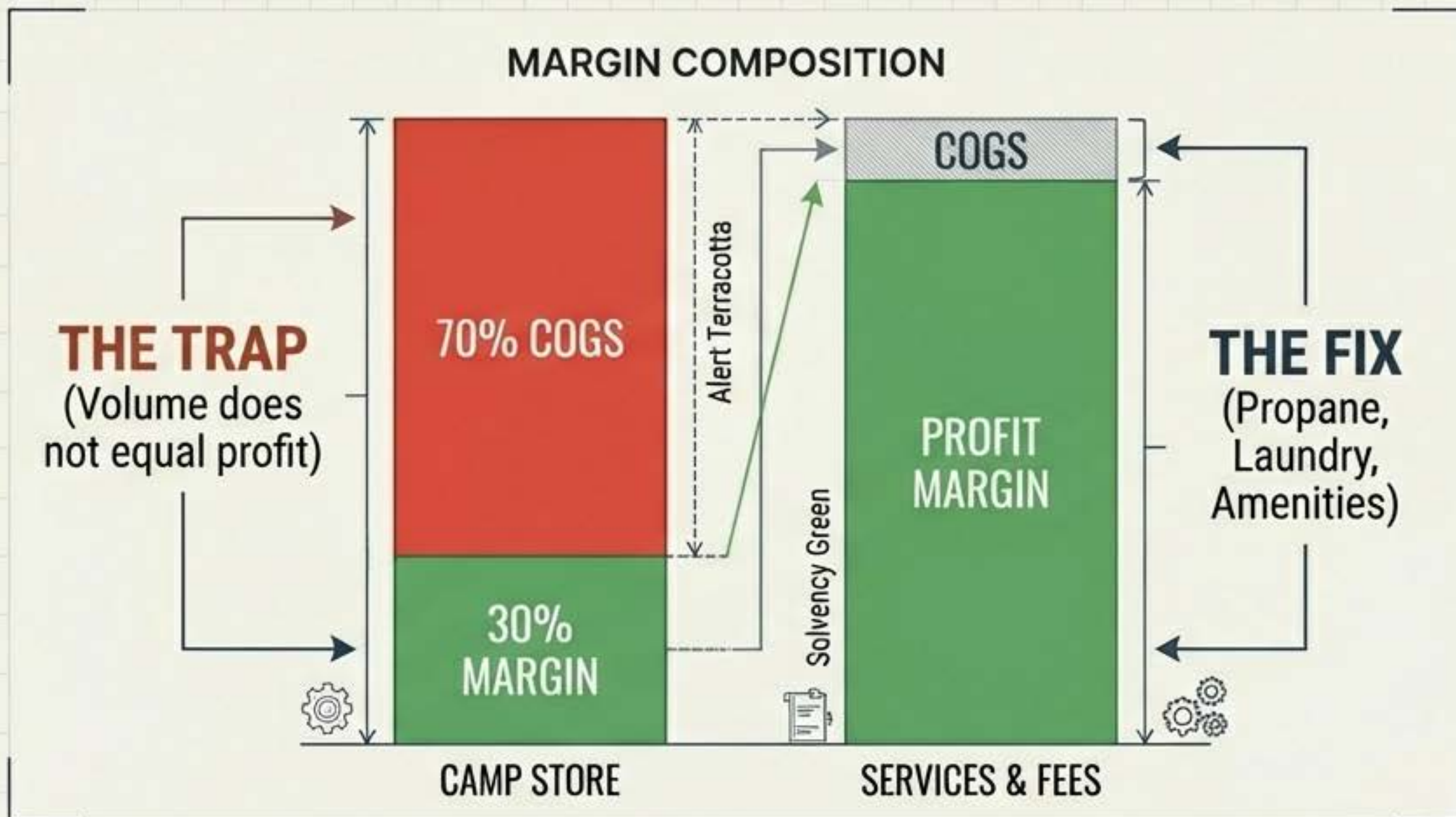
RESTRICTION:

Do not add fixed-cost amenities unless they directly drive occupancy.



KPI 6: ANCILLARY REVENUE STRATEGY (ARG)

OPTIMIZING MARGIN COMPOSITION



➤ **BENCHMARK:** Target 15–20% of Total Revenue.

➤ **ACTION:** Focus on high-margin streams. \$10,000 Amenity Fees projected for 2026.

➤ **TACTIC:** Bundle high-speed internet into premium rates to boost value.

KPI 7: CASH BURN & THE RUNWAY

MEASURING THE LIFELINE TO PROFITABILITY

THE LIFELINE: This cash must absorb losses for exactly 32 months.

CALCULATION: (Start Cash - End Cash) / Months.

\$502,000 TOTAL BUFFER

BURN RATE

32 MONTHS RUNWAY

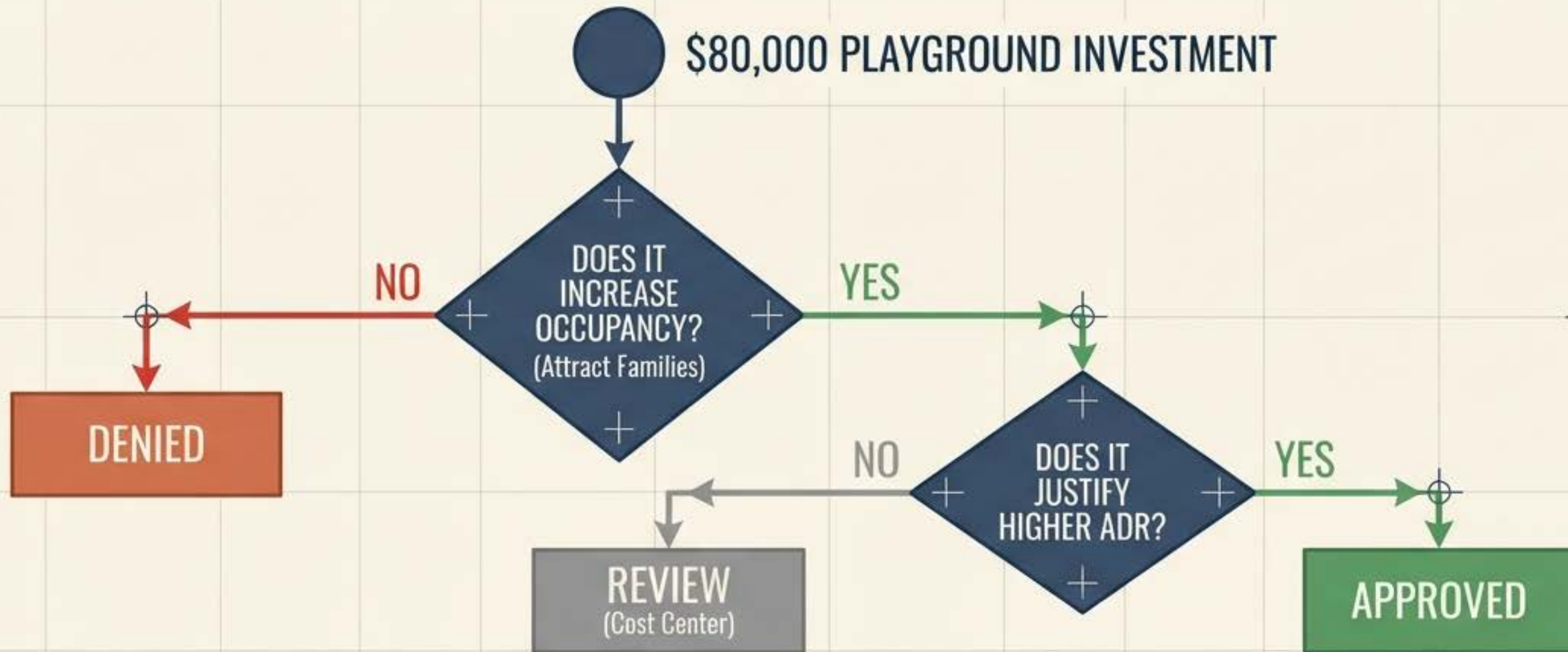
0
JAN 2028

MAY 2025

(BREAK-EVEN DEADLINE)

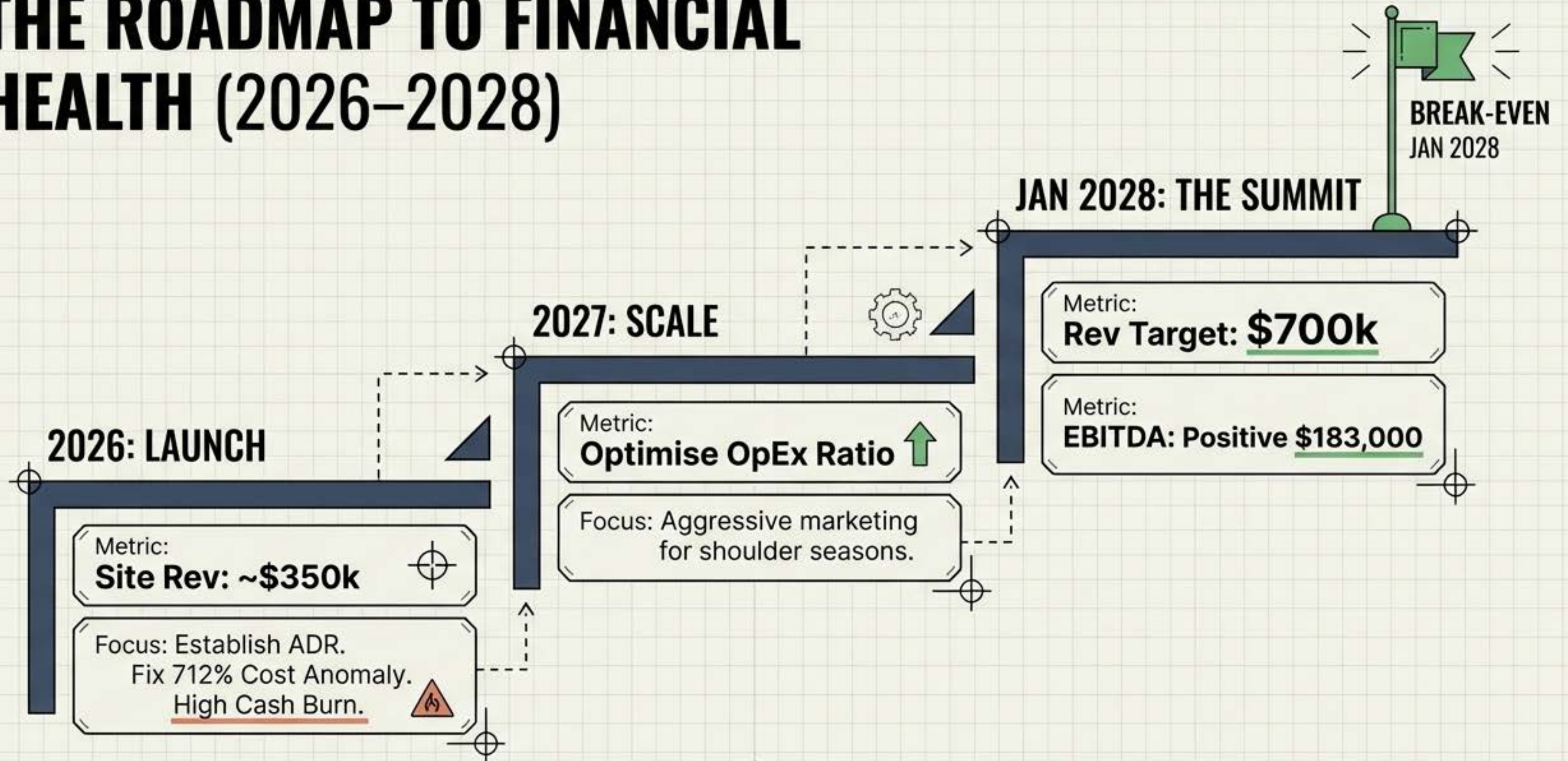
WARNING: Debt payments on the buffer reduce EBITDA directly. If onboarding drags, the runway shrinks.

CAPEX CASE STUDY: THE PLAYGROUND DECISION



THE MANDATE: Don't just spend. Tie every amenity dollar to Yield improvement.

THE ROADMAP TO FINANCIAL HEALTH (2026-2028)



OPERATIONAL CADENCE & MONITORING



Aggressive occupancy growth is required immediately after opening day.

SECURING THE FUTURE OF HORIZON TRAILS

THE FORMULA:

SCALE
(Revenue
\$350k → \$700k)



DISCIPLINE
(Variable Costs
Costs < 75%)




SOLVENCY
(JAN 2028)



PROTECT THE \$502K BUFFER. VALIDATE EVERY EXPENSE. REACH THE SUMMIT.