

## **Saddleback Mountain Resort Q&A**

### DETAILS OF THE SALE

#### **What is the purchase agreement?**

We are pleased to announce that after months of anticipation, an asset purchase agreement has been signed to secure ownership of Saddleback Mountain Resort in Rangeley, Maine. The historic deal has been struck between Bill and Irene Berry and the Majella Group, a Maine registered LLC owned by Australian businessman Sebastian Monsour. The transaction is expected to finalize later this summer and encompasses all holdings of Saddleback Mountain Resort including the ski resort, base lodge, ski lifts, and surrounding timberland – a total of 6,337 acres.

#### **Who is the new owner?**

The Majella Group, founded by Professor Frank Monsour and operated by his son Sebastian Monsour, is a full-service property company, headquartered in Brisbane, Australia. The company operates in a variety of sectors, including property, engineering, design, technology, project management, consulting and capital. The company has offices in the U.S., Australia, Philippines, India, Singapore, United Arab Emirates, Bahrain, Hong Kong, and China.

#### **What sparked Majella's interest in Rangeley?**

Sebastian and his father, Professor Frank Monsour, first visited Portland, Maine in 2011. The pair spent a few nights on the Portland Waterfront and quickly fell in love with the city and its surrounding area. Agreeing that Portland was one of the most beautiful places around, they started to create a vision for investing in the region. In 2011, Professor Monsour purchased the Williston West Church in Portland, Maine for his wife, Elizabeth, and began renovations to include accommodation and offices for the Majella Group.

Several years later, Sebastian toured the Western Mountain region with retired Maj. Gen. John W. Libby and Majella CEO – Western Region and former Portland Fire Chief Fred LaMontagne. Sebastian became captivated by the natural beauty and historic significance of the Rangeley Lakes Region and Saddleback's unique potential.

#### **Why did this take so long?**

A complex transaction of this nature involves significant discussion, planning, business analysis and legal work. The Berry family and the Majella Group have been in direct negotiations for nearly a year and did not want to make a premature announcement before all aspects of the deal were secure. While some work remains, the expected real estate closing will occur later this summer. Until that time, a formal operating agreement is in place to allow the Majella management team to assume responsibility for immediate operations, including hiring back select managers and employees and replacing lifts. Our announcement today signifies a new era of hope and expansion for Saddleback, Rangeley and for all of Franklin County.

## VISION FOR THE FUTURE / ECONOMIC IMPACT

### **What is the Majella's vision for Saddleback?**

Majella shares the vision of transforming Saddleback into a premiere four-season resort that can become a destination for visitors from all over the U.S., Canada and further abroad, and will provide substantial benefits to the Town of Rangeley, Franklin County, and Maine. Majella is making a significant short and long-term investment in Saddleback Mountain Resort. Additional investment will follow once a master plan is created. Majella believes Saddleback requires a visionary plan to create more lodging, restaurants, and additional on-mountain opportunities. The vision is to attract significantly more visitors to Rangeley in all four seasons and to create a mountain experience that complements and energizes the Rangeley business community.

### **What is Majella's business approach?**

Majella's approach is to acquire rare and exceptional properties that may be experiencing challenges or barriers and to invest in them to achieve their maximum potential. Majella envisions a premiere four-season offering for the mountain and the region that will build upon the extraordinary potential of the Rangeley region.

### **What is the economic impact of the purchase?**

The mountain is expected to create as many as 200 to 300 seasonal and full-time jobs. In the short-term, a dozen or more staff members will be retained to help facilitate the work needed to be done before opening. Majella believes that a Saddleback Mountain four-season resort will spur an unprecedented era of growth for Rangeley and can be a significant economic driver for Franklin County for decades to come. A premiere four-season resort has the potential to attract many outdoor enthusiasts who have the desire to experience the Rangeley region.

### **Is there a land conservation element to this deal?**

The 6,337-acres of the Saddleback property are currently not protected by a conservation easement. Majella values the environmental significance of the mountain and will honor our commitments to the Appalachian Trail and the Appalachian Mountain Club. As soon as the transaction is finalized and we have enough time to develop our master plan, we fully intend to dialogue key stakeholders, including land conservation groups. Until that time, it is premature to discuss.

## THE 2017-2018 SKI SEASON

### **Will any lifts be replaced?**

The Rangeley Double Chair will be replaced with a new TRISTAR Fixed Grip Quad Chair Lift that can support 1,500 skiers per hour. The Cupsuptic T-Bar, will be replaced with a new Wind Resistant, Higher-Speed Surface Lift, that can support 1,200 skiers per hour. Doppelmayr has already begun the survey, design, and engineering work. When finished, Saddleback will feature one of the newest lift systems in all of New England.

### **Will you open this winter?**

Majella and the local management team recognize that opening the mountain for the upcoming ski season is a top priority for the Rangeley community and its loyal constituents, including the many property owners on the mountain. Replacing the Rangeley Chair and T-Bar are at the top of our list, but a project of this scope takes time and we are fighting against the clock. Majella's team has engaged Doppelmayr, the world's leading manufacturer of ski lifts, to begin the survey and design process. Our commitment is not to over promise, but to move expeditiously and communicate transparently. We have much work to do. As soon as our team believes we can deliver a skiing experience that is consistent with our values and meets the needs of our skiing community, we will announce our plans for reopening.

### **Why did you choose a Fixed Quad and Wind-Resistant T-bar?**

The Rangeley Lift and T-Bar replacements have been carefully selected after a thorough analysis of the mountain operations. Majella understands the importance of maintaining the serene trail experience and supreme trail conditions for which Saddleback is well known. There is nothing more frustrating to guests than a wind hold on an epic powder day. We also understand long lift lines are not desired.

The Berry family's expansion of Saddleback increased the glades and trails by a significant amount. The new Rangeley quad lift will increase uphill capacity from 700 to 1,500 per hour and eliminate lengthy waits on busier days. The fixed grip option will better match the expanded downhill terrain and allow for uncrowded trails that have become so rare in today's ski world. Both the quad and the new surface lift T-bar are being designed to withstand windy conditions. For example, the chairs on the new Rangeley quad will be heavier, positioned lower to the ground and will run counterclockwise. This will allow the mountain to run during some of the windy conditions that inevitably come before, during, and after significant snow events.

### **Who will manage the mountain?**

We are very pleased to announce a local and highly experienced mountain operations management team will return to their former capacity. Jim Quimby will head up Mountain Operations. Rangeley residents Greg Andrews and Perry Williams will complete the management team along with former Portland Fire Chief and current Majella CEO - Western Region, Fred LaMontagne. Mr LaMontagne will serve as the resort's CEO and focus on long-range planning and strategic operations. Retired Maj. Gen. John W. Libby will continue to advise Majella with regards to the mountain.

Former Saddleback General Manager, Chris Farmer will remain an advisor to the Berry family and work toward a successful transition. Employees who held other key and support positions at the mountain are encouraged to re-apply. As the vision for a premiere four-season resort takes hold, we expect to welcome many new and former employees to Saddleback.

### **Will the ticket prices be going up?**

A market assessment is current underway. To ensure sustainability, Saddleback needs to be priced competitively. Customer pricing for each offering is being analyzed to ensure visitors

receive exceptional value for their dollar and the resort is sustainable for the long-term. The specifics of season-pass pricing, day-pass pricing and other pricing will be announced as soon as possible.

**Will my unused season-pass be valid or refunded?**

We greatly value long-standing customers. Please send us a message via the contact form on the Saddleback website.

NEAR-TERM & LONG-TERM VISION

**What is the short-term plan?**

Under the guidelines of a new operating agreement, the management team has already put into place immediate action to work on the lift replacements. Priority has been given to this need, but as time allows, additional improvements will be made to the lodge, mid-mountain yurt and warming hut. Food service offerings will be re-energized and a new, customer-friendly, mobile-friendly website will be created. In the meantime, the Majella management team will start its long-term master planning process for Saddleback.

**What is the long-term vision?**

Recognizing that Rangeley, Maine, is a spectacular outdoor vacation destination in all four seasons, the long-term planning process will explore opportunities to develop Saddleback into a premiere four-season resort. The resort will be fully integrated with the local offerings of the region. Additional facilities at Saddleback will no doubt include lodging, dining and guest services we believe the mountain needs.

Saddleback will be unlike any mountain in Maine. The vision is to create an eco-friendly resort that embraces the mountain landscape, brings the outdoors in, and minimizes impact on the environment. The plan is to ensure both existing and future property owners have access to four-season value for their investment in the mountain and region.

**Is this a moment of celebration for Rangeley?**

We believe that strong leadership, vision, and significant economic investment can usher in a new era of growth and prosperity for the entire region. We hope the wider community, many who have worked in Rangeley for generations, will celebrate and work with us to bring economic vitality back to the region.

We plan to bring to the town of Rangeley the premiere four-season resort that has been the vision of each and every owner of this property and many local residents. The mountain needs the region and the region needs the mountain. It is our hope that Saddleback resort guests will be frequent customers of local restaurants, hotels, and recreational providers.

**What is Saddleback?**

Saddleback, Maine, is the third largest ski area in the state of Maine. Saddleback features a 4,120-foot mountain, a 2000-foot vertical drop and is situated in the historic Rangeley Lakes Region of Western Maine in Franklin County. The ski resort was first opened in December of 1960. In 2003, Bill and Irene Berry purchased the mountain. In 2013, Saddleback was voted first in overall satisfaction, first in value, best family resort and best grooming in the East by *Ski Magazine*, *Snow East* and other leading industry publications.