

*The 2015 Season continues to challenge mainstream RV Parks; and, a tenacious Resort Industry – despite challenges to Financing, Refinancing, and, ultimate Cash Flows.*

*The 2016 Season has begun – with, opportunities to be embraced, garnered.*

*Mainstream Markets offer opportunities to be inventive; and, assess one's options; as situations present themselves from time to time. . .*

#### RATELINE:

*Interest Rates remain near historic lows; and, the Federal Reserve again, holding the line, As to Buying Power, holding strong.*

*And, the Low Cost of Money, should not be confused with the availability of Mortgage Money – the greater challenge.*

*Down Payments of 35 to 40%, [or, more], should be budgeted; as Lenders remain cautious; therefore, Conservative Lending.*

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### TRENDLINE: RV INDUSTRY TODAY

*I am pleased to present The Brokerage Spring / Summer Newsletter. Timely - and pointed – Information to You: The Park Owner, or, Prospective Owner.*

*Observations – [Spring / Summer 2016]*

*Anatomy of an RV Park; RV Resort; or, Lodge: Discussion Point – Value vs. Valuation. . .*

*List of Methodologies – near-endless. . .*

*[Sadly, all-too-often advanced, and/or, validated, by the uninformed. . .*

*Gross Income Multipliers equate Income to Value; Cap Rate [though, recognized], expresses Value as an empirical percentage – as a relationship of Income vs. an Expense, counterpart. . .*

*What if – the Park and/or Resort had no Income. . .*

*[Source: The Brokerage, Editorial]*



*Standing Sentinel – Mt. Sultan, commands the view – via the famed, 'Million-Dollar Highway' along U.S. Highway 550, southerly of Ouray.*

*Summer rains shroud peaks and valleys, here; Sentinel to Traveler and Guest, of the San Juan's.*

### BOTTOMLINE: PROFIT OR LOSS

*Profit or Loss – The 2015 Season has long-concluded.*

*The 2016 Season; A work in progress. . .*

*Review / Refine Value – All too often, Parks and Resorts [particularly, when Valued at less than \$1,000,000], may be overlooked by the 'uninformed. . .'*

*The Bottom Line – Value / Valuation, here, may be nuanced with Management and / or circumstances of Ownership: i.e., Aging;*

*Health; the apparent lack of verifiable Books and Records; etc., etc. . . Again, if the Property in question, generates little or no Revenue – should one routinely assume, no Value. . .*

*If Conventional Lending would be required – then, one had better have P&Ls. . . vs. a hope and a prayer. . .*

*Alternatively, if Seller Financing would be available – the floodgates of opportunity may follow:*

*However, if, one's myopic*

*conception of Value – and, Valuation, has been restricted by failed premises, then the best of opportunities – may be overlooked – as, undervalued. . .*

*Start by 'connecting' the dots: Ask, why – as to a lack of Income; then – ask the question: How might such an incongruence be altered; at what cost; and, as to what timeframe. . . Think in terms of Risk / Reward.*

*Trust: Inner Judgement.*

*[Editor's Note]*