

The 2020 Season continues to challenge mainstream RV Parks; and, a tenacious Resort Industry – including challenges arising from Financing, Refinancing, and, ultimate Cash Flows.

The 2020 Season has begun – with, opportunities to be embraced, garnered.

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

RATELINE:

Interest Rates have continued to trend lower; while, the Federal Reserve attempts to manage the flow of all-things Monetary.

Interest Rates have trended to a low of 4.0% to 4.5% – higher Down Payments garnering the preferred Rates, and, Terms.

Tenured vs. newer Bank Customers, tend to enjoy the benefits of seasonal Banking Relationships.

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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 2020]

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

Definitions – near-endless. . .

An overlooked Analogy: The Stock Market.

Growth vs, Value Stocks offer insights to the Real Estate counterpart.

While Growth, here, enjoys Cap Rate driven [Bottom Line]; Value, may represent an untapped opportunity – the underperforming RV Park, RV Resort, or, Lodge, that yields hidden [all-too-often], rapid Growth.

[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 2019 Season has long-concluded.

The 2020 Season; on the horizon. . .

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, best of opportunities, may be overlooked – i.e., as underperforming.

How might such an incongruence be altered; at what cost; and, as to what timeframe. . . Think in terms of Risk / Reward.

[Editor's Note]

STEVEN L. WEINBERG, BROKER
THE BROKERAGE REAL ESTATE
800.945.0255