

Campground / Resort Pricing Guide

The formula we use to assign a value to a campground or resort comes from working with commercial lenders and appraisers. It is known as the Income Approach for an appraisal.

There are potentially 3 components to establishing the value of a campground or resort.

1. Establishing the “true net income” and then assigning a capitalization rate of 10 to that amount. This is done by knowing what expenses need to be added back in as income from the recorded expenses. We will walk you through that process and make sure you get credit for every last dollar you are entitled to so that you end up with the highest possible sale price and reward for your years of hard work.
2. If there is a home or some other type of living quarters used by the owners, it will add to the total value of the business.
3. If there is a notable amount of land that could be developed and is included with the sale, that will also add to the total value of the business.

It is highly likely that a buyer will require lending to purchase a campground and their lender will protect their own interests as well as those of the buyer by making sure that the business appraises at or above the agreed upon sale price. Because the formula we use comes directly from working with commercial lenders and appraisers you can have the utmost confidence that the value we assign to your business will make sense to not only the buyer, but their lender as well. We use our expertise to establish a listing price that reflects all you are entitled to and also makes sense to the buyer’s side of the sale.

