

1906 Pine Crest Inn - 2022 Room Config by Cottage

Unit	Cottage	Room Name	Category	2022 Weekday	2022 Weekend	Location	Sq Ft	Beds	Bdrms	Baths	Fireplace	Other
1	Main Lodge	Holly	Boutique	\$159	\$185	Back Left	200	Queen	1	1	no	
2	Main Lodge	Pine	Classic	\$179	\$195	Front Left	200	Queen	1	1	no	Mtn. Views
3	Main Lodge	Dogwood	Deluxe	\$199	\$220	Back Right	250	Queen	1	1	Yes	
4	Main Lodge	Rose	King Suite	\$249	\$270	Front Right	310	King	1	1	no	Mtn. Views
5	Oak Cottage	Acorn	Classic	\$179	\$195	Back Right	200	Queen	1	1	no	Private Porch
6	Oak Cottage	Oakwood	Deluxe	\$199	\$220	Back Left	220	Queen	1	1	Yes	
7	Oak Cottage	White Oak	Deluxe	\$199	\$220	Front Left	210	Queen	1	1	Yes	
8	Oak Cottage	Black Oak	King Room	\$219	\$235	2nd Floor Right	300	King	1	1	no	
9	Oak Cottage	Chestnut	King Suite	\$249	\$270	2nd Floor Left	380	King	1	1	no	Mtn. Views
10	Oak Cottage	Oak Leaves	Executive Suite	\$289	\$315	Front Right	400	King	1	1	Yes	
11	English Cottage	Kent	Deluxe	\$199	\$220	Front Left	210	Queen	1	1	Yes	
12	English Cottage	Southampton	King Room	\$219	\$235	Back Right	210	King	1	1	no	Double Vanity
13	English Cottage	Devon	King Room	\$219	\$235	Back Left	220	King	1	1	Yes	
14	English Cottage	Windsor	Executive Suite	\$289	\$315	Front Right	400	King	1	1	Yes	
15	English Cottage	Surrey	Cabin/Cottage	\$429	\$465	2nd Floor	560	K+Dbl+Tx3	3	2	Yes	
16	Hunt Cottage	Foxcroft	Classic	\$179	\$195	Back Right	180	Queen	1	1	no	
17	Hunt Cottage	Saddlewood	Deluxe	\$199	\$220	Back Left	200	Queen	1	1	Yes	
18	Hunt Cottage	Hilltop	King Room	\$219	\$235	Front Right	240	King	1	1	Yes	
19	Hunt Cottage	Masters	Executive Suite	\$289	\$315	Front Left	330	King	1	1	Yes	
20	Hunt Cottage	Chase	Innkeeper/VRBO	\$579	\$625	2nd Floor	600+	King x2	2	2	Yes	Kitchen
21	Gate House	Laurel	Boutique	\$159	\$185	Right	190	Queen	1	1	no	
22	Gate House	Magnolia	Pet Friendly Q	\$209	\$230	Center Right	210	Queen	1	1	no	Shared Deck
23	Gate House	Garden	Executive Suite	\$289	\$315	Center Left	450	King	1	1	Yes	Shared Deck; Handicap
24	Gate House	Gatewood	Pet Friendly Suite	\$299	\$325	Left	430	King + Sleeper	1	1	no	Private Deck
25	Stone Cottage	Stone	Cabin/Cottage	\$679	\$720	Right Front	970	King x2, Queen	3	3	Yes	Private deck, Kitchen
26	Swayback Cabin	Swayback	Cabin/Cottage	\$249	\$275	Below Conf Ctr	240	Queen	1	1	Yes	265+ yr-old Log Cabin
27	Twain Cottage	Sandburg	Deluxe	\$199	\$220	Left	200	Queen	1	1	Yes	
28	Twain Cottage	Fitzgerald	Executive Suite	\$289	\$315	Right	600	King	1	1	Yes x2	Large Sitting Room
29	Woodcutter Cottage	Woodcutter	Cabin/Cottage	\$439	\$475	Behind Gazebo	410	Queen x2	2	1	Yes	Dbl Vanity, Spa Tub
30	Britton Cottage	Britton	Innkeeper/VRBO	\$849	\$925	Next to Twain	1631	King x2	2	2	Yes	Kitchen

\$8,600 \$9,370

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\$8,600 **\$9,370**

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Real Property Appraisal • Summary Report



1906 Pine Crest Inn

85 Pine Crest Drive
Tryon, North Carolina 28782
ID: 12-001825-APR01-001

Inspection Date
March 7, 2012

“As Is” Valuation Date
March 7, 2012

Report Date
March 22, 2012

Property Rights Appraised
Fee Simple Estate

Prepared For
[REDACTED]
Market Manager
Bank of America, NA

Appraised By
[REDACTED] Certified General Real Estate Appraiser NC # [REDACTED]

[REDACTED] Certified General Real Estate Appraiser NC [REDACTED]

Reconciliation of Values

In this report the Income Capitalization Approach to Value and the Sales Comparison Approach to Value were used to estimate the value of the 1906 Pine Crest Inn. The third traditional approach to value, the Cost Approach to Value, was not utilized in developing our opinion of value for the Subject Property due to the age of its various buildings and the degree of accumulated depreciation therein. The Income Capitalization Approach was given the greater weight for the 1906 Pine Crest Inn in the reconciliation due to the motivations of the market being driven by an income stream. The final values of the subject property are indicated as follows:

Value Conclusion

<u>Valuation Method:</u>	<u>"As Is"</u>
Cost Approach:	Not Developed
Income Approach:	\$2,925,000
Sales Comparison Approach:	\$3,050,000

The result has produced multiple value conclusions that will be reconciled into a single value conclusion. Reconciliation is defined in (The Appraisal of Real Estate, Thirteenth Edition) as *"the analysis of alternative conclusions to arrive at a final value estimate."*

In order to arrive at a final value estimate the appraisers have reviewed the approaches with respect to the strengths and weaknesses of each. All data was examined for its accuracy, appropriateness and consistency. The appraisers have concluded that there was sufficient data available to solve the appraisal problem, and convey to the reader the appraisers' logic in arriving at the final value conclusion. Said value conclusion represents the value of the leased fee interest as defined in the Real Estate Interest Appraisal section of the report. Furthermore, the appraisers do not consider the presence of personal property, if any, to have an effect on the valuation of the property unless the removal of same will damage the property.

In reconciling the value estimates, the appraisers now examine each approach with respect to its relevancy and contribution to the final value estimate.

The **Income Capitalization Approach** produced a reliable value conclusion in the opinion of the appraisers. The availability of market data, income and expense information, and occupancy rates was sufficient and reflective of current market conditions. The appraisers used market rates and income ratios of other Inn facilities and were able to estimate what was felt to be a realistic economic room rent in the opinion of the appraisers. Sales with market derived capitalization rates were limited; however, the appraisers felt that the rates used were the best available, and a reliable value estimate was obtained.

The **Sales Comparison Approach** also produced a reliable value conclusion as a result of the amount of data available for comparison. The Sales Comparison Approach was given credence as it reflects what the market is willing to pay for a property comparable to the subject in size and design for use. It is believed that the market data available and presented herein was sufficient for comparison and therefore, a credible indication of value has been produced.

Final Opinion of Value

In summary, the appraisers reviewed the approaches with respect to the quality and quantity of salient data available from the market. The appraisers concluded that there was sufficient evidence of market-derived data to produce a credible and defensible value estimate. Said data was considered to be consistent with typical market expectation for properties such as the subject.

Credence was given to the indications of value for both of the methods developed for the 1906 Pine Crest Inn, however, most credence was given to the Income Capitalization Approach as it is most reflective of buyer/seller behavior for similar properties involving bed & breakfasts and country inns.

Based on the Appraisers' inspection of the site, review of the improvements and the analysis of data and conclusions as set forth in the pages that precede, it is our opinion that the market value "as is" of the fee simple interest in the subject real property is as follows:

"As Is" Value – March 7, 2012

TWO MILLION NINE HUNDRED FIFTY THOUSAND DOLLARS

\$2,950,000

The value indication includes the contributory value of the furniture, fixtures and equipment (FF&E) necessary for the operation of the subject property as a bed & breakfast/country inn is estimated at \$250,000 or 8.5% of the "as is" value. The value indication above also includes \$150,000 of excess land.