

This underwriting report has been certified by Revedy, the market leader in underwriting short-term rentals as an investment asset.

UNDERWRITE INPUTS:

Management Type:	Management Fee:	Down Payment Percent:	Down Payment:	Loan Amount:	Interest Rate:
Professional Manager	20%	100%	\$1,071,000	\$0	6.5%
Loan Term:	Custom Expenses:	Additional Information:			
30 years	No	vtrips			



Sevierville, TN

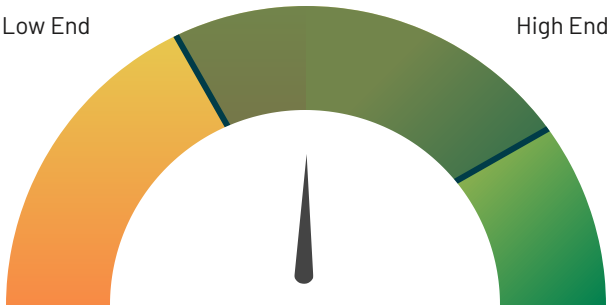
Revedy ID: 37950 - Year Built: N/A
3 Bed | 3.0 Bath | Sleeps 8 | 1,800 Sq Ft.
Home Value: \$1,071,000
Revedy AIRpraisal™: \$1,138,947



Property Underwriting

AGENT: Kristi Mastroianni
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Revenue Analysis



\$83,507 to \$131,702

Projected Rental Income

\$104,900

Projected Rental
Income

5.36%

Cap Rate

\$57,378

Net Operating Income

\$57,378

Profit

\$442

Average Daily Rate
(ADR)

65%

Occupancy

STR Performance

PROJECTED OCCUPANCY BY MONTH

January	February	March	April	May	June	July	August	September	October	November	December
44.90%	48.64%	68.42%	66.05%	59.36%	72.29%	79.93%	62.84%	64.33%	76.50%	66.72%	70.01%

PROJECTED REVENUE BY MONTH

January	February	March	April	May	June	July	August	September	October	November	December
\$5,632	\$5,098	\$8,590	\$8,139	\$7,122	\$10,184	\$12,471	\$8,737	\$8,254	\$10,688	\$9,324	\$10,667

PROJECTED CASH FLOW BY MONTH

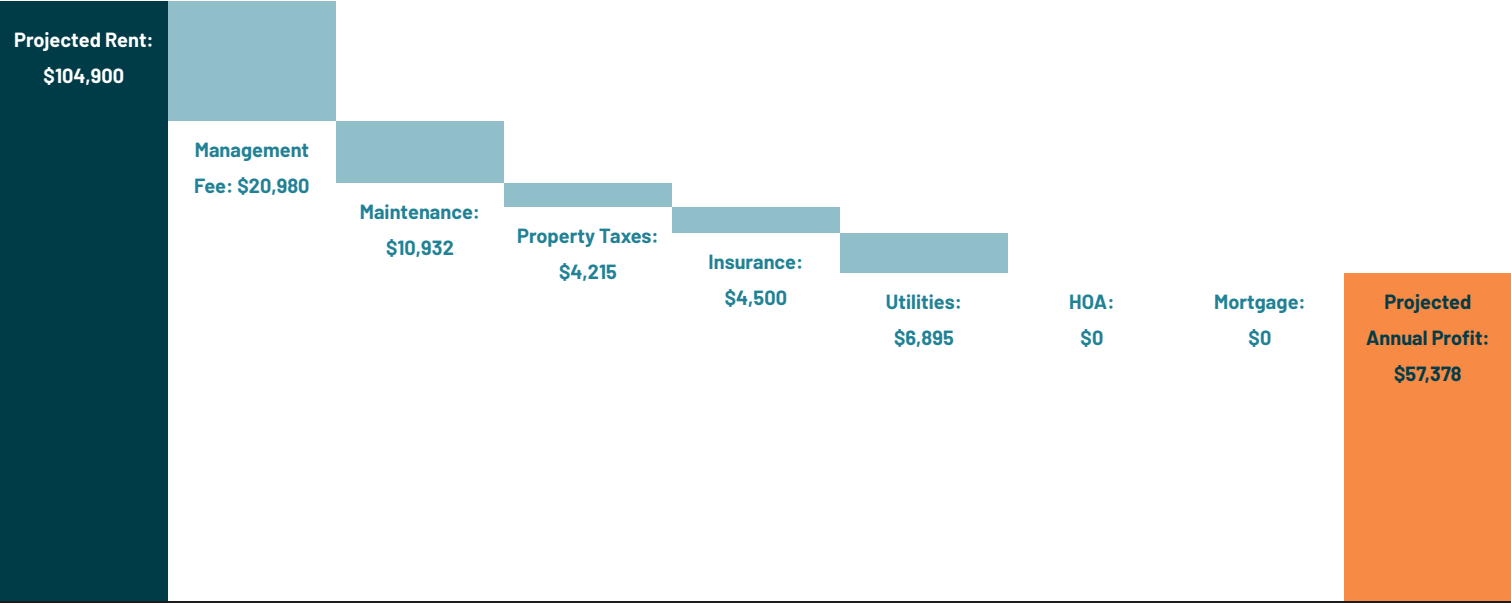
January	February	March	April	May	June	July	August	September	October	November	December
\$2,753	\$2,240	\$4,582	\$4,275	\$3,614	\$5,769	\$7,422	\$4,826	\$4,407	\$6,075	\$5,208	\$6,206

PROJECTED ADR BY MONTH

January	February	March	April	May	June	July	August	September	October	November	December
\$405	\$374	\$405	\$411	\$387	\$470	\$503	\$448	\$428	\$451	\$466	\$491

Projected Profit

Rent - Expenses - Mortgage = Profit



Break Even

EXPENSE DETAIL

1. **Projected Rental Income:** Pure rental income, independent of fees (cleaning fee, channel fee, booking fee, credit card fees, etc.)
2. **Management Fee:** For locally and professionally-managed properties, the management fee is based on the average rate for that market, typically between 20-30% of projected rental income. For self-managed properties, we use 7% of projected rental income to account for relevant fees.
3. **Maintenance:** As a best practice, maintenance capital expenditure equals 5% of projected rental income. This accounts for landscaping, general property maintenance and repairs.
4. **Property Taxes:** Projection based on state and local property tax rates. Does not include hospitality tax, transient-occupancy tax or income tax.
5. **Homeowner's Insurance:** Projection based on standard homeowner's insurance. Private mortgage insurance, additional liability or commercial insurance not included. Get an instant insurance quote [here](#).
6. **Utilities:** Includes water, electric, gas and internet.
7. **HOA Expense:** This is a projection. Users are responsible for verifying all homeowner's association fees.
8. **Mortgage:** Reflects principal + interest based on user entered loan terms. While property tax and homeowner's insurance may be collected as part of the mortgage payment, they are broken out into separate expense items. The interest rate and down payment percent are respectively 6.5% and 100% for this underwrite.

Amenities

KEY FEATURES

Bed	3	Sq Ft	1,800
Bath	3.0	Home Type	Houses
Sleeps	8	Existing Rental	No
Furniture Included	N/A	HOA	\$0

HOME AMENITIES

Proximity to Water	Drive to Water	Reserved Parking	Reserved Parking Spaces
Proximity to Attractions	Good	Private Pool	Yes
Indoor Entertainment	Great	Outdoor Entertainment	Great
Ski-in Ski-out	No		

SHARED AMENITIES

Shared Pool	No	Clubhouse	No
Gated Community	No	Shared Game Room	Yes

Sevierville, Tennessee - Market Overview

8.19 / 10	\$84,272	\$359
Rêvedy Market Score	Market Average Revenue	Market Average Daily Rate (ADR)
68.90%	344.29	76.90
Market Average Occupancy	Market Average Active Listing Days	Market Average Bookings

Market Seasonality

REVENUE PERCENT

January	February	March	April	May	June	July	August	September	October	November	December
5.37%	4.86%	8.19%	7.76%	6.79%	9.71%	11.89%	8.33%	7.87%	10.19%	8.89%	10.17%

OCCUPANCY

January	February	March	April	May	June	July	August	September	October	November	December
47.59%	51.56%	72.53%	70.01%	62.92%	76.63%	84.73%	66.61%	68.19%	81.09%	70.72%	74.21%

Zoning and Regulations

County Regulation – Sevier, TN

3

Regulatory Risk Score



9

Regulatory Opportunity Score



KEY OBSERVATIONS & OUTLOOK

You are required to obtain a business license with Sevier County and you will have to register with the State Of Tennessee to remit sales tax. You may register with them at www.tennessee.gov or contact them at 865-594-6100. You are required to register with the Sevier County Trustee’s Office to remit lodging tax. This is remitted on a monthly basis. The tax payment is due by the 20th of each month for the previous month. If AirBnb or VRBO are collecting your taxes, you do not need to report anything to the office. However you will still need to set up a lodging account with the office.

ZONING & PERMITTING

What are the zoning regulations?	The Sevier County Planning and Zoning has no regulations on overnight rentals. Check to make sure the house is not within a Homeowners' Association, which may have its own set of rules governing short-term rentals. Subdivisions can also have covenants dictating land-use regulations.		
Types of Rental Allowed	All	Annual registration required	No
Permit Required?	No	Business license or tax filing status required	Yes
Fees	N/A	Process Timeframe	1-2 weeks
Permit renewal frequency	N/A	Permit Phone Number	+18654535502
Can permit pass to new owner?	N/A		
Additional Detail	A 3% Lodging Tax is to be collected from the renter and remitted to the Sevier County Trustee’s Office. You also are required to get an annual Business License from the County. The fee for the license is \$15.		

RESTRICTIONS

Max Short Term Rental Days Allowed a Year	Unlimited	Minimum Stay Required	Unlimited
Max Occupancy	N/A	Max STRs per Parcel	N/A
Total STRs allowed in the market	N/A	Types of Enforcement	Fines
Treatment of ADUs	Not specified	Treatment of Yurts/Tents/RVs	Not specified
Additional rules for STRs	N/A		

WEBSITE

SEVIER COUNTY TRUSTEE

DISCLOSURES

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The real estate market is cyclical and real estate values go up and down.

The financial market also changes, affecting the terms on which a lender will agree to loan money on real property. It is impossible to accurately predict what the real estate or financial market conditions will be at any given time.

The ultimate decision on the price a Buyer is willing to pay and the price a Seller is willing to accept for a specific property rests solely with the individual Buyer and Seller. The parties to a real estate transaction must decide on what price and terms they are willing to buy or sell in light of market conditions, their own financial resources and their own unique circumstances.

The parties must, upon careful deliberation, decide how much risk they are willing to assume in a transaction. Any waiver of contingencies, rights or warranties in the Contract may have adverse consequences. Buyer and Seller acknowledge that they understand these risks.

Buyer and Seller assume all responsibility should the return on investment, tax consequences, credit effects, or financing terms not meet their expectations. The parties understand and agree that the Underwriters do not provide advice on property as an investment. Underwriters are not qualified to provide financial, legal, or tax advice regarding a real estate transaction. Therefore, Underwriters make no representation regarding the above items. Buyer and Seller are advised to obtain professional tax and legal advice regarding the advisability of entering into this transaction.