Marina Valuation Issues
Seminar Description and Learning Objectives
Marina Industry Overview

- Marina Definition
- Categories of Marinas
  - Recreational Marinas (Commercial)
  - Yacht Clubs
  - Boat Yards
Marina Industry Overview (continued)

- Marina Trends
  - Construction & Design Trends
    - Dock Systems; Slip Size
    - Dry Storage
  - Economic Factors (Macro)
  - Local Market Forces & Marina Characteristics
Cost Approach to Value

- Rarely used for marina valuations
- Requires adequate Land Sale Comparables
  - Typically hardest part of Cost Approach
- Requires adequate improvement description / cost data
  - Estimating depreciation is subjective
Sales Comparison Approach to Value

- Difficult to apply due to uniqueness of individual properties
- Units of Comparison
  - $ per Slip
  - Net Income Multiplier (NIM)
    - Most reliable
Income Capitalization Approach to Value

Sources of Income
- Slip Rents; Long & Short Term
- Utility Reimbursements
- Transient Rents
- Live-Aboard Income
- Dry Stack Warehouse; Open Racks
- Dry Land Storage (Boat Stands)
- Launching Fees (Boat Ramps; Lifts)

- Fuel Sales
- Ships Store Sales
- Brokerage
- Boat Repairs/Services
- Restaurants (Owner Operated or Rented)
- Commercial Space Rents (service/retail/office)
- Apartment/Hotel Units
Income Capitalization Approach to Value (continued)

- Operating Expenses
- Minimizing Business Value
- Capitalization
SUMMARY and CONCLUSION