



MARKET, ECONOMIC, FEASIBILITY AND VALUATION STUDIES

SELF-CONTAINED APPRAISAL REPORT

- i. **identify** and describe the real estate being appraised;
- ii. **state** the real property interest being appraised;
- iii. **state** the purpose and intended use of the appraisal;
- iv. **define** the value to be estimated;
- v. **state** the effective date of the appraisal and the date of the report;
- vi. **state** the extent of the process of collecting, confirming, and reporting data ;
Comment: ...the full extent of the process should be apparent to the reader in the contents of the report.
- vii. **state** all assumptions and limiting conditions that affect the analysis, opinions, and conclusions;
- iii. **describe** the information considered, the appraisal procedures followed, and the reasoning that supports the analyses, opinions, and conclusions
- ix. **describe** the appraiser's opinion of the highest and best use of the real estate, when such an opinion is necessary and appropriate;
- x. **explain and support** the exclusion of any of the usual valuation approaches;
- xi. **describe** any additional information that may be appropriate to show compliance with, or clearly identify and explain permitted departures from the specific guidelines of Standard
- xii. include a signed certification in accordance with Standards Rule 2-3.

Source: Standards of Professional Practice of the Appraisal Institute

Self-Contained Appraisal Reports/ Valuations and Feasibility Studies

HCI Hotel Consulting International a leading appraisal and consulting firm devoted exclusively to the lodging industry provides the expertise in appraisal reports, valuations and feasibility studies.

HCI's comprehensive reports allow the potential investors, lenders and operators of a hotel property the opportunity to preview the potential operating results. The scope of each assignment and the resulting report is structured to meet the client's individual needs. The typical product is a comprehensive economic study and appraisal that includes not only an opinion of value, but also a full economic and markets analysis.

In the case of a proposed hotel development the report is also a full feasibility study that encompass not only cash flow projections and rate of return but also a market value as of the date of completion. True feasibility considers a property's value as of the time of completion. This value is compared to the total development cost and entrepreneurial profit for a final determination of feasibility.

HCI commences its analysis by examining the subject site, inspecting the improvements, and analyzing the neighborhood and area. Competitive lodging facilities are evaluated and their market orientation is determined. The demand for transient accommodations are researched and quantified. A projection of income and expense based on the subject property's anticipated competitive position is formulated. The resulting net income is used to arrive at an opinion of value and feasibility.

Many lenders, owners and developers prefer HCI's appraisal format to the standard feasibility study as HCI reports provide thorough market documentation and an MAI-certified estimate of value in one package. Thus the need for two overlapping reports is eliminated.

Clients seeking to confirm important hotel investment decisions and attract the support of others will find that HCI studies stand up to the scrutiny of lenders, hotel investors, hotel companies, courts, and government agencies. Because HCI offers an experienced professional staff, an impeccable reputation, the highest level of integrity, and a thoroughly documented analysis, hotel and resort projects attract immediate attention when accompanied by an HCI report.