

Smoky Mountain STR Report

The market has corrected. The question is, how long will it continue to drop? In my opinion, the current real estate sales and rental markets are in a healthy position. The aggressive rate changes in 2022 served to bring housing cost under control and with the current trends surrounding inflation the FED should have little reason to continue to raise interest rates. As you see below, at the current interest rates most investors are still able to achieve their desired returns. While the FED has proven hard to predict we have good reason to believe that the current market should settle around its current position. The risk is simple....you just never know what the FED is going to do.

Bedrooms

	<u>Occ. Rate</u>	<u>Nightly Rate</u>	<u>Gross Income</u>	<u>Purchase Price</u>	<u>Cash Flow</u>	<u>ROI</u>
1	75%	\$219	\$62,000	\$480,000	\$1,006	11.19%
2	71%	\$271	\$74,000	\$638,000	\$1,015	8.46%
3	68%	\$369	\$99,000	\$827,000	\$1,632	10.47%
4	66%	\$495	\$135,000	\$1,068,000	\$2,699	13.43%
5	64%	\$677	\$159,000	\$1,441,000	\$2,480	9.33%
6	64%	\$893	\$225,000	\$1,811,000	\$5,101	14.79%

Report vs Report

Bedrooms

	<u>Occ. Rate</u>	<u>Nightly Rate</u>	<u>Gross Income</u>	<u>Purchase Price</u>
1	-15%	-11%	-13%	-11%
2	-16%	-13%	-14%	-12%
3	-14%	-15%	-14%	-14%
4	-16%	-18%	-17%	-12%
5	-17%	-11%	-13%	3.7%
6	-13%	-23%	-15%	15%

Booking Lead Time

42 to 72 Days

Avg. Length of Stay

3 Days

Minimum Stay

- 1 Night
- 2 Nights
- 3 Nights
- 4-6 Nights
- 7+ Nights



Total Market Revenue

