

SIMPLY MARINAS AND RV RESORTS

PREPARING AND EXECUTING YOUR MARINA SALE

STATE OF THE MARINA MARKET

FEATURED MARINAS FOR SALE

CASE STUDIES

FEATURED SOLD MARINAS

MARINA VALUATION

MAXIMIZING RETURNS

CONFIDENTIAL SALE PROCESS



MARINA- RESORT SALES •

VALUATION •

EQUITY •

DEBT •

DUE DILIGENCE

SimplyMarinas.Com

305-390-0397

Team@SimplyMarinas.Com



We Help Prepare and Execute Your Marina Sale

At Simply Marinas, we help marina owners prepare for the highest-value sale. We have the essential insights and a proven track record to assist you as leading marina sales experts.

Our company has over two decades of experience and has facilitated over 250 marina transactions. Thanks to our top-tier specialists and award-winning outreach with a **network of more than 14,000 marina investors**, we have one of the highest sales volumes, with **recent sales exceeding \$380mm.**

The team has received the prestigious 'Real Estate Achievers and Leaders Award.' Industry publications seek our insights on the marina market, a testament to our industry recognition. **The article that follows is a recent interview with Marina Dock Age Magazine on the State of the Marina Market.**

Marina owners can obtain a free copy of our recent publication, "The Marina Seller's Guide." Following the guidelines in the guide, they can prepare to position their marina to maximize its value.

We offer complimentary strategic consultation and valuation. This session provides advice based on your marina's unique aspects. Our recommendations are based on decades of proven results.

Our team has assisted numerous owners with their marina valuation. However, the process of selling a marina goes beyond valuation; we tell the story and position the marina for the best possible value while conducting a competitive marketing approach using our proven tools.

As the leading independent marina broker, we offer flexible, friendly programs and rates while exceeding clients' expectations. In some cases, we represent buyers who pay our fee.

Your success is our success. We are committed to ensuring your smooth transition.

We invite you to visit our website to review our testimonials, case studies, and track record.

Contact us to learn about our rates and to schedule your free consultation - no strings attached.

The Simply Marinas Team

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Marinas are still viable investments as the popularity of recreational boating remains strong. *Marina Dock Age* sat down with the Simply Marinas team, Michelle Ash, owner and broker, and George Ash, national director, to discuss the state of the marina market and what sellers need to know.

Marina Dock Age (MDA): What is your role as a marina broker?

Simply Marinas (SM): We advise our clients on the much-needed presale strategic planning. The same principles apply to large operations or small marinas. We share our strategies with all marina owners for early and comprehensive preparation to position their marina for sale to achieve the highest possible value. We recently completed a seller's guide that's filled with our recommendations that come from decades of proven results including more than 250 marina transactions and more than \$380 million in recent sales alone. (Request a copy at team@simplymarinas.com.)

MDA: What are some critical pieces of advice you offer sellers?

SM: Luck is not a strategy. We emphasize ongoing preparation from day one to position the marina for sale, not just when a marina owner decides to sell. Marina owners should pay attention to understanding the market and what buyers look for, identifying new profit centers, exploring expansion potential, taking care of deferred maintenance and maintaining reliable financial records. In addition, knowing what the impact of the sale is on their bottom line after depreciation and planning their exit strategy are essential.

MDA: Of your sellers, what do you see as the most common reason they are ready to sell?

SM: It is mainly about the timing, whether it is a good time to leverage their investment, a time for them to retire, or circumstances that would require them to sell.

MDA: How have marina prices changed over the past several years?

SM: Marina sales and pricing accelerated after the pandemic with a more robust interest in marina

acquisitions in 2021, followed by 2022 and 2023. We are seeing slight stabilization at this time; however, due to new investors and Wall Street private equity firms' strong interest in marinas, this demand will continue to make marina investments viable.

MDA: Are more marinas being sold to corporations or individuals?

SM: Several existing and new corporations have been actively buying and consolidating marina acquisitions. However, several of our buyers are individuals or regional buyers and not large groups. Corporations focus on larger marinas with storage income and have stringent criteria concerning investment requirements, location, type of marina and upside. End users, local buyers and regional buyers are also very active in the market, often proving to be more suitable matches for many marinas sold. There is a buyer for each marina type.

MDA: How are corporate buyers and individual buyers different?

SM: The intent is different. Corporations acquire multiple marinas within similar locations for economies of scale and have the goal of selling their portfolio.

Individuals focus more on long term holdings and creating a family business and legacy.

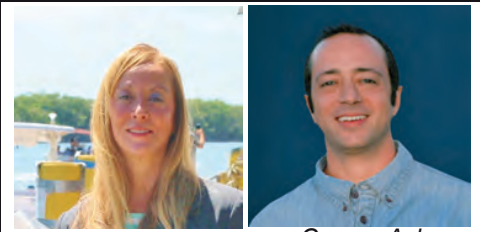
MDA: Taking a longer view since you've been in the business so long, how has the market changed?

SM: More deals were closing with local buyers. Marina investments attracted fewer investors early on, while most gravitated to other commercial real estate asset types.

At this time, buyers are not limited by location; they consider marinas as desirable acquisitions due to their higher cap rates and accelerated depreciation compared to other asset types.

There is a significant shift in the market, with a much larger pool of qualified buyers now showing interest in marinas, this is further fueled by a substantial influx of cash from private equity groups, injecting a new level of competition into marina acquisitions.

MDA: How has the role of a marina broker changed through the years to meet the market?



Michelle Ash

George Ash

SM: These newer investors are focused on the bottom line rather than a lifestyle acquisition.

We work with the marina owner to present reliable financials and to produce the required due diligence package so there is no re-trading in the value of the marina down the line.

Our outreach and marketing are national and global because buyers are open to more than one location. Our sales velocity has accelerated, which is a testament to our growth and the success of our award-winning marketing outreach. Our Simply Marinas Network of marina buyers and investors, which we developed over the years, now has more than 14,000 marina investors.

To meet clients' needs, our team provides support to our clients from presale strategic planning and valuation to due diligence, financing, contract negotiations and exit strategy.

MDA: What have been some key learning moments in your career?

SM: The most rewarding aspect of our work has been the endearing relationships we have developed with our clients, who sometimes become friends. Several have become repeat clients who buy and then sell with us. We value each client and understand their goals and needs to help them achieve their end goal.

MDA: What are your predictions for where the marina market is heading?

SM: Based on the number of investors and private equity firms contacting us regarding marina acquisitions, we believe the market will continue to be a viable acquisition attractive to investors. Sophisticated marina buyers who contact us share their enthusiasm and confidence in the marina market.

Visit SimplyMarinas.Com for NDAs and executive summaries

Featured Marinas for Sale by the Simply Marinas Team



Florida Inland Full-Service Marina -Major MSA ID: SMFL47 - Price: \$9,900,000

- Inland fresh water marina in a great MSA location
- 600 Boats (200 wet and 400 dry+/-)
- Operated on long-term leasehold land
- 21+/- acres (upland and submerged) - 14' average depth
- 30,000+/- square feet of buildings
- Potential to add additional dry storage building



The Opportunity

Due to high occupancy on the dry storage with a long wait list, there is expansion potential by adding an enclosed dry storage facility. Also, a rate increase is expected based on comparable marinas in the area.

Overview This is a large, well located full-service inland marina in Central Florida. Guests have access to a full suite of amenities, with a ships store, fuel dock, two on-site restaurants, and boat and motor service repair. The diverse business lines and strategic location make for a captive and dedicated customer base. Most of the net income is derived from boat storage and third-party commercial tenant rents. A dedicated and longstanding management team, overseeing all operations, is in-place and able to transition to new marina ownership. The two on-site restaurants are operated by reputable third-party commercial tenants, providing marina ownership a steady rental income stream.



Florida Dry Storage and Full Service Marina ID: SMFL48 - Price: \$10,500,000

- Florida Dry Storage Marina and Full Service
- Sits on 2+/- acres plus bay bottom
- This prime real estate is owned in fee simple
- Operated as absentee ownership
- Majority of net operating income from storage
- The Marina offers fuel and repairs



The Opportunity

The marina is absentee-owned. New management would have significant upside to add value. The location is surrounded by new and forthcoming multifamily developments that should maintain a flow of customers.

Overview This is a full-service rack storage marina in one of Florida's most popular boating destinations. The Marina stands out as an attractive marina due to its prime location, full range of services, vibrant community, and secure facilities. These features collectively make it an appealing destination for boaters seeking convenience, comfort, and a welcoming atmosphere. The Marina offers dry storage on racks and blocks for approximately 1,000 boats. In addition to boat storage, the marina offers a comprehensive range of high-quality services, including maintenance and repairs, engine and parts sales, and fuel sales.

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Wet Slip Marina Leasehold in a Prime West Coast MSA ID: SM200 – Price: \$38,000,000

- An iconic fixture-Desirable coastal urban location
- 161+/- Recreational Boat Slips on 6,100'
- Vast majority of income is derived from slip rentals
- Absentee owned with management in-place
- Commercial business tenants
- Full occupancy with a wait list

Overview This is a premier wet slip marina in a prime west coast MSA. It is an iconic fixture in one of the most desirable coastal urban locations in the heart of one of the country's biggest boating destinations. The marina has all floating docks. This absentee owned turnkey marina derives income from slip rentals and multiple commercial tenants. It is a passive marina investment opportunity with management in place. The marina is impeccably maintained and certified as a "Clean Marina ". The Marina has an electronic key security system. It has approximately 6,100 linear feet of dock space. The wet slips as well as the commercial space in the building are 100% occupied.



The Opportunity

This facility is at full occupancy with consistent year-over-year growth. Revenue growth is built-in via future incremental rate increases.



Wet Slip Marina - Ideal Texas location - Offering ID: SM39 Marina and Restaurant Sold Separately – Un-Priced

- 111+/- Slips at full occupancy with wait list and fuel dock
- Courtesy and fuel dock can accommodate approximately 20 boats
- Internally operated very successful restaurant
- Seller will look at a possible leaseback of the restaurant
- 4,000 gallon above-ground fuel tank - Popular marina store
- 102 slip expansion plan is in process

Overview This is rare opportunity to acquire a full occupancy marina with a clear path to expansion upside, and a high-volume restaurant on the Texas Gulf Coast. All upland is owned fee simple, while the submerged land is leased from the Texas General Land Office (GLO). The improvements are very well maintained, in great condition, and relatively new. There is a full management team in place, as the ownership is currently absentee. The marina and restaurant can be purchased together or separately.



The Opportunity

Seller has construction and engineering plans in-hand and pending submission to the USACE for the additional 102 slips. Market demand is clear with a viable wait list for slips the facility is currently and historically at full occupancy.

Visit SimplyMarinas.Com for NDAs and executive summaries

Featured Marinas for Sale by the Simply Marinas Team



Confidential TN Marina & RV Campground Portfolio Offering ID: SMTN87

- 260+/- Floating wet slips (strong occupancy)
- 117+/- RV campsites with full hookups (strong occupancy)
- Expansion/growth upside
- Additional ancillary profit centers include fuel sales, retail, an internally-operated restaurant, and boat lift sales
- On-site residence
- No fee simple real estate. Both facilities are operated on Tennessee Valley Authority (TVA) land under a Grant of Term Easement (lease)



The Opportunity

Backed by strong, in-place demand, ownership believes there is opportunity to increase the wet slip and RV site unit count over time. Based on demonstrable demand, the existing ancillary profit centers, such as boat rentals, also offer plenty of growth potential.

Overview This is a rare opportunity to acquire a pristine, high-quality, successful marina and RV and campground portfolio in the highly sought after Tennessee market. There is no deferred maintenance, sophisticated management software, POS systems and accounting practices in place. This portfolio consists of two properties, both under a TVA land lease, in short proximity to one another. There are 260+/- covered wet slips and 117+/- RV camp sites, with full hookups, providing for most the gross sales. Ancillary profit centers include fuel sales, retail, boat rentals, an internally operated full-service restaurant, and boat lift sales.



Midwest Full Service Marina Offering ID: SM73 - Price: \$5,000,000

- 300+ Covered boat slips
- The marina has full occupancy with a wait list
- New fuel dock and electronic fuel console
- Restaurant is internally operated
- USACE long-term, renewable, ground lease



The Opportunity

Slip rental demand is already in-place, as the marina is at full occupancy. Demand for additional boat lifts and the popular boat rental fleet is consistent setting the marina for expansion and increased boat rental revenue.

Overview This is an absentee owned marina, situated on long-term USACE leasehold property. The strategic location helps bolster demand for the marina's various profit centers. The 300+ boat slips are at full occupancy, with a waitlist. All improvements are in great condition, with no deferred maintenance issues. Ownership has recently undertaken a major Capex overhaul, with both new and fully refurbished docks, a new floating ships store/restaurant and new fuel systems. The Marina offers covered boat slips, land-side dry boat storage, fuel, boat rentals, boat service and repair, an internally operated restaurant, and an on-site boat ramp.



A Selection of Case Studies

Recent Sales by the Simply Marinas Team

Case Studies



The Marinas at Little Harbor, Tampa, FL *Confidential Exclusive Offering*

The Property - These trophy marinas offered an incredible acquisition opportunity of two prime marinas in the Tampa Bay area with 200+ wet slips and 200+ enclosed dry rack slips at full occupancy. The marina boasts complete amenities including tennis courts, gym, pool, laundry room, and lobby. It has Long term NNN tenants. The asset has mostly rental income. 2 vacant lots were included in the sale.



Seller's Testimonial

“We've been actively seeking the right marina acquisition for some years now. With their in-depth knowledge of the marina market, the Simply Marinas team has shared many potential acquisition opportunities with us. We have been disciplined in waiting for the right deal that fit our acquisition criteria. Ultimately, Port Charles Harbor, MO, one of Simply Marinas' exclusive listings, fit the bill. George Ash and Michelle Ash facilitated the transaction, leading to a successful closing. They were professional and reliable throughout the process. We look forward to working with them again.”

Holden Beach Marina, NC *Confidential Exclusive Offering*

The Property - It enjoys a prime 7.91-acre location on North Carolina's Intracoastal Waterway. The full-service marina's 254 dry rack slips and 30 wet slips are consistently at full occupancy, owing to the property's unencumbered access to the Atlantic Ocean. Additional profit centers include a diesel and gas fuel dock; ships store with bait, tackle and snacks; and service and repair. For the buyer, this was an ideal facility.



Buyer's Testimonial

“The Simply Marinas team has been presenting marina offerings to me regularly. George Ash was diligent in fielding my preliminary due diligence requests with the seller, facilitating my understanding of the deal so that I could make a fair and informed offer. Simply Marinas brings a wealth of experience and integrity in this niche commercial real estate space. I look forward to working with them again someday.”

The Results

The owner requested that we present the marina under strict confidentiality. We presented an offering summary with an ID number instead of the name and location; once signed, we related the name, only to qualified buyers with strong interest. We procured a buyer who worked with us previously to identify the right marina. The buyer completed his due diligence subject to the dry storage expansion. Our team, along with the seller and buyer, worked together to secure the permit. This added tremendous value to the acquisition. The Simply Marinas team represented both parties.

The Results

The Simply Marinas' deep network of marina-focused buyer entities helped drive this transaction. Our team represented both the seller and buyer, helping build consensus between the two parties during the extensive due diligence process and contract negotiations. As a common ally to the two parties, we helped achieve a successful closing.



A Selection of Case Studies

Recent Sales by the Simply Marinas Team

Case Studies



Portfolio of Three Trophy Marinas

Confidential Offerings

The Property - Four Corners Marina and RV Park, TN - This was a once in a lifetime opportunity to acquire a massive, first-class trophy marina and RV resort in a major, high-growth, metropolitan area: 1,000+/- slips; 115 new RV pads with expansion in place and a wait list; massive boat rental fleet. A majority of income is derived from wet slip and RV pad rental.



The Property - Cedar Creek Marina and Resort, TN - This is a first-class trophy marina resort in one of the South's most prominent and fast-growing metropolitan areas: 550+/- Slips (including 150 slips just built); vacation rental cabins; large boat rental fleet (20 boats)



The Property - Garrison Bight Marina, Key West - This is the only rack storage marina in Key West. Buyer has long term plans to expand the number of slips and rebuild the facility. The asset included 155 enclosed dry boat storage racks; 20 wet slips, boat rentals and a successful, iconic on-site restaurant operated by a 3rd party tenant.



The Results

The Seller has been a buyer of Simply Marinas on previous marina transactions. He contacted us to offer the portfolio confidentially. We created a competitive bidding process and scheduled visits to the marinas within a week. The price was raised by approximately 25% above pricing guidelines given by the owner. All three marina resorts went under agreement within two weeks. Simply Marinas represented both parties.

Seller's Testimonial

“ I worked with the Simply Marinas team as a buyer and was impressed by their commitment, expertise, and network in the industry. We chose them to represent us in the sale of multiple marinas. They are on top of their game with total dedication to results. Their commitment and dedication are exemplary. They have the finesse and expertise to effectively manage a marina transaction of any size and complexity. They understand the business and have the know how to close a transaction. I can't say enough on how capable and resourceful their team is. ”



A Selection of Case Studies

Recent Sales by the Simply Marinas Team

Case Studies



Coconut Cay RV Resort and Marina, Marathon, FL *Confidential Offering*

The Property - Coconut Cay RV Resort & Marina, located off the fabled Overseas Highway in Marathon in the Florida Keys, features a 12 wet slip, liveaboard marina and 25 "one neighbor" RV sites, both of which are fully occupied. It also includes an adjacent property for future expansion. The combination of the RV park and marina, and its location across from the Marathon Airport, along with expansion potential made this a valuable acquisition.



Seller's Testimonial

“ The recent sale of our marina was handled professionally and expertly by Simply Marinas. Michelle was attentive to our needs and provided timely advice that aided in the smooth completion of our transaction. I would certainly use Simply Marinas again for any future purchases or sales. ”

The Results

In this transaction, Simply Marinas was contacted by an investor eager to locate and secure a combined marina / RV destination in the Florida Keys. Simply Marinas used our market knowledge to locate this boutique, family-operated RV resort with convenient boat dockage, comprising the ideal property, and matching the buyer's unique criteria. We had a strong relationship with the seller and represented both parties in the transaction. The buyer presented a cash offer, and a contract was secured within two weeks.

Chula Vista Marina, San Diego, CA *Confidential Exclusive Offering*

The Property - Chula Vista Marina is a trophy marina, in San Diego's South Bay, that has been family developed and owned for over 40 years. Its 550 wet slips serve vessels large and small. Situated beside the city's Class A urban setting, Chula Vista Marina is surrounded by impressive new developments, making it among the nation's most appealing marina projects.



Seller's Testimonial

“ When we first decided to seek out a joint venture partner to redevelop our existing marina, we had no idea how to reach the types of companies and individuals who might be interested in partnering with us. After contacting the Simply Marinas team, we were presented with a steady flow of interested and qualified potential partners of varying sizes and capacities, from which we were able to choose a JV partner who was just the right fit for us, and ultimately a buyer for our interest. The team's in-depth knowledge of the marina industry was invaluable as a marina advisory group. They were skillful in helping us in navigating our options, and we would highly recommend them. ”

The Results

The Chula Vista Marina general partner contacted the Simply Marinas team following a national search for marina advisors to secure a joint venture partner to redevelop the property. Working in partnership with real estate broker, Income Property Group, CA, our team identified 30 possible prospects. We then found the ideal partner, who uniquely complemented the managing partner's competencies. Simply Marinas' ability to secure investors and manage the transaction highlights the skills our veteran marina professionals deliver to every transaction. The marina has a projected EBITDA of \$3M+.

SIMPLY MARINAS



SALES • VALUATION •

DUE DILIGENCE •

LENDING



CEDAR CREEK MARINA, TN



PELICAN BAY MARINA, FL



THE MARINAS AT LITTLE HARBOR



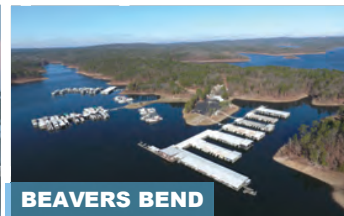
SE MARINA PORTFOLIO



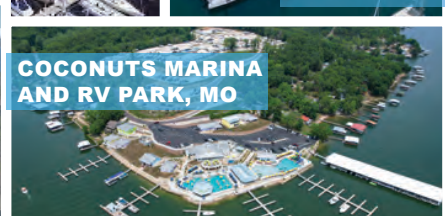
COCONUT CAY MARINA AND RV PARK, FL



YACHT HAVEN MARINA, FL



BEAVERS BEND MARINA, OK



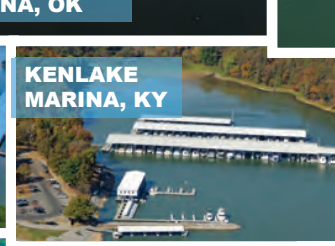
COCONUTS MARINA AND RV PARK, MO



PORT CHARLES HARBOR MARINA AND RV PARK, MO



FOUR CORNERS RESORT AND MARINA, TN



KENLAKE MARINA, KY



WATERLINE MARINA, FL



KEY COLONY MARINA, FL



SMUGGLERS COVE MARINA AND CAMPGROUND, KY



CHANNEL CLUB MARINA, NJ



STARVED ROCK MARINA, IL



GARRISON BIGHT MARINA, KEY WEST



ROOSEVELT MARINA RV PARK



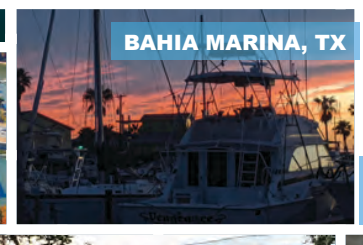
CHULA VISTA MARINA, CA



NETTLES ISLAND MARINA, FL



EDDY CREEK MARINA & RV PARK, KY



BAHIA MARINA, TX



HOLDEN BEACH MARINA, NC



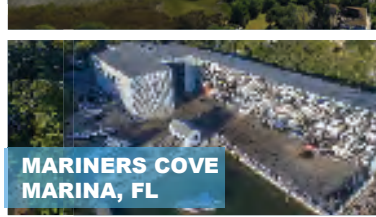
NORTH POINT MARINA, TX



SHADY SHORES CAMPGROUND, NY



RIVERVIEW MARINA, FL



MARINERS COVE MARINA, FL



FAIR POINT MARINA AND RV PARK, NY

Proven Track Record



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GILBERT'S RESORT AND MARINA, FL



DAYTONA MARINA, FL



SNAKE CREEK MARINA, FL



OAK HARBOR MARINA, LA



SOUTH HARBOUR VILLAGE MARINA, NC



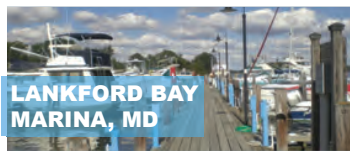
WOLF CREEK MARINA AND RESORT, KY



GRAND ELK MARINA, CO



MARINE DYNAMICS, FL



LANKFORD BAY MARINA, MD



HIGHLAND MARINA AND RV RESORT, GA



HURRICANE COVE MARINA, FL



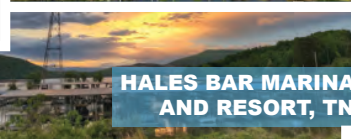
THE COVE MARINA, MD



GRIDER HILL MARINA AND RESORT, KY



SARDIS LAKE MARINA, MS



HALES BAR MARINA AND RESORT, TN



HIDEAWAY MARINA, FL



NORVIEW MARINA, VA



HI SEAS MARINA, WI



HARBOR BAY MARINA, TX



AMERICAN BOAT STORAGE, FL



EAU GALLIE YACHT BASIN, FL



EAGLE RIVER MARINA, WI



NORTHPORT BAY BOATYARD, MI



FORT PIERCE INLET MARINA, FL



NESTEGG MARINA, WI



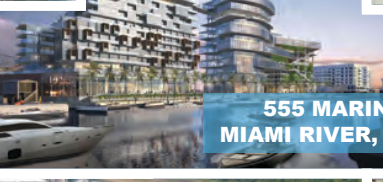
WHITMAN HOLLOW MARINA, TN



GATEWAY MARINE MIAMI RIVER, FL



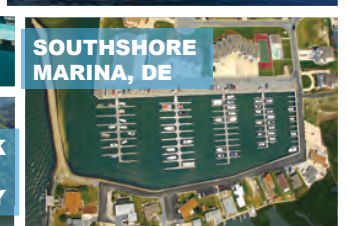
MIAMI RIVER SHIPPING TERMINAL, FL



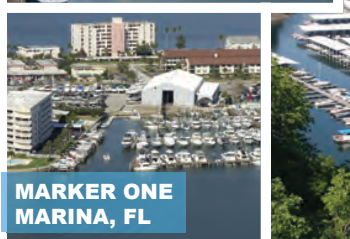
555 MARINA, MIAMI RIVER, FL



WISDOM DOCK MARINA AND RESORT, KY



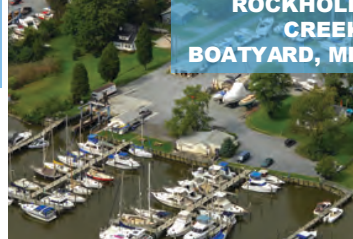
SOUTHSHORE MARINA, DE



MARKER ONE MARINA, FL



STATE DOCK MARINA AND RESORT, KY



ROCKHOLD CREEK BOATYARD, MD



RIVERBEND MARINA, FL



LAUGHLIN BAY MARINA, NV

Marina Valuation Explained

By MDA Staff Published on August 23, 2022

The term cap rate or capitalization rate is tossed around anytime the topic of marina sales comes up. In short, the cap rate is the rate of return that a buyer can expect when purchasing a marina and it's what is used in the income capitalization approach to determine a marina's value. By the math, a cap rate is found by dividing the Net Operating Income (NOI) or Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) by the purchase price. The goal for a seller is to have that rate as low as possible to achieve the highest sale. There are several factors to consider and actions to take in reaching that goal.

The intent of getting a marina valuation is to have an expert look over the operations and physical condition of a facility and determine what changes can be made to ensure the seller gets the best price on a sale.

George Ash, national director of **Simply Marinas**, said to do this efficiently requires planning ahead. "If you can think two or three years ahead and reach out for advice, I recommend it. We will look at your marina through a site assessment and a review of the financials to identify what you can do to make it more sellable. We'll tell you how to best position your marina for the highest possible sale value," Ash said.

Let P&L Reports be the Guide

A marina's income is shown through its P&L statements, which are used as a blueprint for what the business is doing, and for a marina consultant to identify what can and needs to be fixed both in terms of the facility and the bookkeeping.

Sellers should make a list of major capital improvements that occurred over the last three to five years. The expenses from these improvements, for instance adding a fuel dock or rehabilitating the docks, can often be justified as an add-back to the marina's Net Operating Income (NOI). Similarly, non-recurring maintenance items, like dredging, can be prorated or annualized.

In some cases, there is little distinction between business and personal expenses. Without clearly showing income and expenses, P&L statements will not shine a true light on the business, often leaving it to look less profitable than it really is. It is good practice to keep a tab of owner benefits by showing the appropriate supporting invoices and documents.

Put all income and expenses on the books, keeping it tight and transparent. "We advise sellers on how a buyer and their lender are going to look at the P&L and tax statements and how to best package and prepare

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Sellers should make a list of major capital improvements that occurred over the last three to five years. The expenses from these improvements, for instance adding a fuel dock or rehabilitating the docks, can often be justified as an add-back to the marina's Net Operating Income (NOI). Similarly, non-recurring maintenance items, like dredging, can be prorated or annualized.

In some cases, there is little distinction between business and personal expenses. Without clearly showing income and expenses, P&L statements will not shine a true light on the business, often leaving it to look less profitable than it really is. It is good practice to keep a tab of owner benefits by showing the appropriate supporting invoices and documents.

Put all income and expenses on the books, keeping it tight and transparent. "We advise sellers on how a buyer and their lender are going to look at the P&L and tax statements and how to best package and prepare

that information so it's more sellable. We will help identify potential add-backs such as owner benefits and non-recurring expenses that can be justified to adjust the EBITDA," Ash said.

Another caution that Ash highlighted is that income statements need to reflect full payroll expenses. If the owners are also the managers involved in the day-to-day business operations, yet don't receive a paycheck through payroll, the company's payroll expenses will appear low on the P&L report.

Savvy buyers will inevitably reduce the marina's net income by what the managing owners should have been paid. On the reverse side, if owners pay themselves too much, the marina will look less profitable. Payroll expenses reported on the P&L reports should match the actual labor hours that it takes to run the marina.

Recording all labor costs is also a reminder to buyers of how many people they may need to hire. Ash said many buyers keep the existing staff in place, especially in today's labor shortage, but if the owners were the managers there will be critical roles for a buyer to fill.

The Value of Full Slips

Because marinas are not simply storage businesses, but instead offer a host of other profit centers, a buyer will want to explore and assign value to each profit center on its own. Boat storage income, both slip and landside, as well as established commercial tenant lease income, will garner lower cap rates (higher values), in general. These income sources are also attractive because they have a lower expense ratio, are more stable, and are less labor-intensive than service or boat sales. "Boat owners need to keep their boats somewhere even if they can no longer afford the gas to use it or costs to repair it. The last thing to suffer during downtimes is storage," said Ash.

A final consideration for valuation is the marina's occupancy trend. Owners should provide occupancy rates and waitlist information over at least the past three years, as well as offer expectations for the coming years based on industry and economic trends. Buyers will want to see rent rolls and lease rate history so they can better estimate future success and compare the marina with its nearby competitors.

The paper trail of valuing a marina is a critical component to achieving a fair sales price, but location, the condition of infrastructure, the potential for expansion, and a top-notch staff in place, will all be factors that a buyer considers before making an offer. The location can't be changed, but with enough planning time, those wishing to sell can make changes to assure they walk away happy.

Simply Marinas – Maximizing Value and Returns for Marina Resorts and RV Campground Sales

For more than 20 years, **Simply Marinas** has earned national recognition for bringing world-class acumen to assisting buyers and sellers of marinas and waterfront RV parks, from mom-and-pop facilities to larger trophy assets. As a highly respected resource, clients look to the Simply Marinas family to effectively position, market and sell their assets.

Concierge services

Simply Marinas offers a full suite of concierge services. These include the much-needed pre-sale consultation, site assessment, valuation, brokerage, thorough due diligence, equity/debt raise, and exit strategy consultations.

Proven track record

Today, Simply Marinas is an independent brokerage firm that has assisted with more than 250 marina resort and RV park transactions. This includes more than \$350 million in marina and resort transactions in recent months alone. Clients have come to rely on the company's flexible programs, guidance and incentives to help sellers and buyers alike.

Deeply versed in the sector, the Simply Marinas team has valuable insights, derived from its velocity of transactions and client interactions. Team members report continued strong interest in their marina resorts offerings, due to limited inventory and high barriers to entry, coupled with ongoing demand from investment groups and buyers they represent.

A trusted advisory

Simply Marinas has handled the sale of several marinas with RV parks nationwide. A short list includes Four Corners Marina and RV Park, Cedar Creek Marina and RV Park, Whitman Hollow Marina and RV Park, Hales Bar Marina and Resort, and Leatherwood Marina and RV Park in Tennessee; Smugglers Cove Marina and RV Park, Wisdom Dock Marina and Resort and Grider Hill Marina Resort in Kentucky; Highlands Marina and Resort in Georgia; Coconut Cay RV Park in Florida; Port Charles Harbor and RV Park in



Missouri, and Shady Shores RV Park in New York.

This transaction traffic reveals Simply Marinas' unique attributes, which include:

- The Simply Marinas network of 14,000-plus marina resort investors. This proprietary list allows the company to field offers within days without relying on outside marketing. This competitive bidding process often yields re-turns that exceed seller expectations.
- Simply Marinas works directly with national marina companies and investment funds often seeking to acquire multiple marinas, as well as with individual investors, owner-operators, and lifestyle buyers.
- Confidential offerings. Sellers trust Simply Marinas to discreetly handle confidential offerings and transactions. The firm recently facilitated the sale of a marina and RV park portfolio that included Four Corners Resort and Marina in Antioch, Tennessee. Based on his previous experience as a buyer working with Simply Marinas, the seller was confident the firm would respect the sensitive nature of his transaction.
- Financing facilitation. The Simply Marinas team is part of a private and a traditional lending network, and it has expanded its lending to marina acquisitions. This has proven helpful to buyer clients and to bringing the deal to the closing table.
- Cooperative partnerships. The firm continues to build on its network of national and international affiliates and cooperative relationships with

colleagues and industry professionals.

- Commitment to service.

“We understand what makes marinas work, from the docks and restaurants to the back office and ledgers,” said George Ash, Simply Marinas’ national director, who studied hospitality, leisure management, and real estate finance. “We recognize an asset’s current value and can advise buyers and sellers on how to create additional value.”

Supporting the community

As a family-run business, Simply Marinas sees its clients as friends, with buyers often returning to the Ash family to resell the same property.

“It’s all about giving back,” said Simply Marinas Owner/Broker Michelle Ash, MBA, whose Ph.D. dissertation was in community partnerships, and post doctorate work in Total Quality Management. “As a former CEO with a PBS-affiliate public radio and television station, and a top membership producer for three chambers and a supporter of the marine industry, I understand the power importance of making connections and supporting the community. That enables us to maximize value and re-turns for every client transaction.”

To learn more, download the Simply Marinas brochure with tips on pre-sale preparation and valuation, and review Simply Marinas case studies on featured sales, visit www.simplymarinas.com.

For Marina Sales, Confidentiality is King

By MDA Staff Published on March 28, 2023

When selling a marina, it might seem like the more people who hear about the sale, the more offers will roll in to put the seller in the driver's seat for high profit. When it comes to the unique business of a marina, however, confidentiality when selling or buying is key.

Imagine what might happen if a basin full of boaters or a trusted staff got wind of a potential sale. That could cause an abrupt departure of clients and employees damaging operations, goodwill, and business profitability. That's why brokers frequently work behind closed doors, relying on curated lists of pre-qualified buyers instead of mass marketing.

With more than 20 years of experience in the marina sales industry, Simply Marinas is one such brokerage that acknowledges the importance of confidentiality to the seller, buyer, and to the whole marina community. Confidentiality means keeping things quiet from pre-sale consultations and valuation to market listing, buyer due diligence, and on into closing. "We never state the name of the marina with our initial presentation to interested buyers," said Michelle Ash, owner and broker at Simply Marinas. Buyers are given a general overview of the property and its location but aren't given enough information to identify the facility. Once the pre-qualified buyer has been determined to be a good fit, they sign a non-disclosure agreement, and the broker asks the seller for authorization to share more details. Simply Marinas ensures owners are contacted only by private phone or email, preferably after hours, to avoid the risk of letting employees know the property is for sale.

List of Investors

To find the perfect buyer, instead of advertising a property for sale, Simply Marinas taps its proprietary list of 14,000 pre-qualified marina investors. Other brokers retain similar lists that enable them to field numerous, competitive offers often within days of listing without relying on outside marketing. Ash pointed out that having previously worked with many investors on their list, Simply Marinas knows how they operate and can better tailor a potential sale. The competitive bidding process brought from using a proprietary list is a boon for sellers who often yield returns beyond their expectations.

"The Simply Marinas team's ongoing outreach in the industry delivers velocity and volume of engagements and transactions. That, combined with our longevity in the marina brokerage sector, has helped nurture relationships with countless marina buyers," Ash explained. Buyers are pre-qualified based on their acquisition criteria, financial ability, and experience. Investors, both individuals and institutional buyers, are contacted directly and regularly by brokers who share what properties are hitting the market. "All prospects are vetted and profiled based on our requirements and their investor criteria, ensuring they both belong on our lists and are a match for current and future listings," Ash said. The benefits of a confidential pre-qualified list reach both buyers on the list and sellers. Marina investors on the list know they will be alerted to upcoming sales before the broader market and sellers are able to quickly and efficiently market their properties confidentially. Keeping sales behind closed doors can result in competitive bids, expedited closings, and smooth transactions.

According to Ash, the best part of using a pre-qualified list is that "confidentiality helps protect our client's business and our reputation."



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