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Market Analysis & Price Valuation Software

(4-minute read)

Author: James Cornell

Introduction to Version 6.0 Hotel Valuation Software

The software is unique in that it is the only Hotel Valuation Software that is designed to assist in organizing data necessary to calculate:

- Hotel market analysis
- Forecasts income and expenses, and
- Hotel price valuations

What is Hotel Market Value?

The Appraisal Institute defines market value as "the most probable price." All appraisals produce implied or estimated price valuations because no one knows the actual realized dollar value of a hotel until after a sale transaction has been completed. However, excellent market-based price valuations are made using computerized valuation software.

Hotel Price Valuation Software

- Cornell conducts fieldwork and research before feeding the right data into the software. Current data is necessary for accurate hotel price valuations.
- The software performs market-based calculations that yield current, reliable valuations.
- Reduces calculation errors.
- Produces faster results.
- Computerized valuations are less expensive than complete MAI-certified appraisals. Banks and tax authorities generally need MAI appraisals. MAI appraisals are costly, time-consuming reports that provide an estimate of price and feasibility.

Read Library Article: "Calculate Cap Rates Using Regression Analysis"

NOTE: James Cornell is a Certified Hotel Valuation Software Consultant (CHVSC). Cornell Hotel Brokers performs hotel valuations using modernized, computerized hotel valuation software.

Read Library Articles:

- "How to Choose the Right Broker"
- "Our Offer to You"
- "Before You Choose the Listing Broker - You Need A Price Valuation"
- "How Much is Your Hotel Worth? Price?"
- "Occupancies are Rising. Why sell now?"
- "Suggestions on How to Make Your Hotel Sale Go Easier and Efficiently"

Attributions

This article is derived from literature about Hotel Market Analysis & Valuation Software (Hotel Mortgage-Equity Valuation Model- v6.7).[1] Steve Rushmore and associates have engineered the creation of the Hotel Market Analysis & Valuation

Software, 6th edition. Stephen Rushmore, MAI, CHA, has developed a name and reputation that is well recognized in the hospitality industry. Rushmore (HVS) has appraised thousands of hotels worldwide. He is a renowned teacher and author who has been published in numerous industry magazines and academic journals. The Rushmore method accurately computes Cap Rates by weighting Lender and Investor required returns on investment capital. The weighted cost of capital result is then factored into a regression analysis to provide the most up-to-date and accurate Cap Rate, which is used to calculate a verifiable, market-supported hotel price valuation.

Much of modern hotel valuation theory was introduced into the hotel industry by Rushmore. This written article and others on this website rely on articles, books, newsletters, and lecture notes authored by Stephen Rushmore.

[1] Hotel Market Analysis & Valuation Software, 6th edition, Version 6.0. The software models were developed by Steve Rushmore, MAI, CHA, and Jan A. deRoos, PhD. The software programs rely on work by Suzanne Mellen, CRE, MAI, and Stephen Rushmore, Jr., MAI, FRICS.