

Fractional Feasibility Assessment

Harris Fractional Consulting Group and other industry experts agree that clients are best served when a qualified third party helps them to assess their options *before* they move ahead with the decision to fractionalize. We are pleased to offer our comprehensive fractional evaluation, development, and marketing services to small developers, real estate agents, and home owners wishing to fractionalize their single-family vacation residence. We strongly encourage *anyone* to begin with a Fractional Feasibility Assessment.

Our Fractional Feasibility Assessment has two primary objectives: (1) to determine whether the benefits outweigh the risks of fractionalizing a property; and (2) to provide our clients with a full and complete picture of *everything* they will need in order to sell their property as a fractional offering.

At **Harris Fractional Consulting Group**, we work closely with our clients during the fractional feasibility assessment, carefully assessing the benefits and risks of fractionalizing their property. It is essential that the client first obtain a definitive and documented determination, through the client's legal counsel, that the property can in fact be fractionalized. If you have not completed this all-important step, please feel free to contact us for a list of eminently qualified fractional real estate attorneys who can help you.

Our Fractional Feasibility Assessment thoroughly examines each of the following vital areas:

1. An in-depth understanding of the client's needs, goals, and expectations regarding the property, as well as all options that the client is, or should be, considering
2. A candid assessment of the property and location, and the likelihood of success as a fractional offering
3. A preliminary financial analysis of the options, based on the property's realistic fair market value if sold as a whole versus a fractional property in today's market environment
4. A preliminary budget identifying the total and itemized costs of fractionalizing, including an estimated net profit projection and a determination of the cash reserves needed to support the property for a twelve- to eighteen-month period during its sale as a fractional offering
5. A conservative set of sales projections, based on a number of assumptions that will be evaluated with the client and listing agent (if applicable)
6. A discussion of the property's current debt and a review of options for converting the existing debt into a fractional loan, allowing for partial release of deed upon sale of each fractional interest
7. A thorough discussion of the specific risks and benefits of a fractional offering that are *unique to this property* in the context of the local real estate market
8. A set of proposed next steps should the client decide to move forward and fractionalize their luxury vacation home

For more information about our comprehensive fractional consulting services, please contact Randall Harris at 530-888-8675 or randall@fractionalrealestateconsulting.com.