



## OVERVIEW

Cherokee Mountain Cabins are located in western North Carolina nestled in Nantahala National Forest which comprises 90% of the land in Macon County. The cabins are set on 34 acres of pristine creek side property. We are located 2.5 hours north of Atlanta, GA, 2 hours east of Chattanooga, TN, 1.5 hours west of Asheville, NC, and 1.5 hours south of Gatlinburg, TN

The Nantahala area has four distinct seasons with summer highs rarely out of the eighties and even a few snowy winter nights. The streams, rivers, and lakes are crystal clear. We have many outdoor activities nearby – whitewater rafting, mountain biking, horseback riding and hiking the Appalachian Trail to name a few.

After spending over eighteen years building and managing fourteen rental cabins, we have made a few discoveries of our own. Our monthly income per cabin exceeds \$5,000. We found not only could we enjoy our cabin when we chose, we could also generate enough income to help pay for itself by renting it to our great guests.

We purchased an additional 31 acres adjacent to the original 34 acres. We call the development The Village at Cherokee Mountain. Fifteen home sites were carefully laid out in 1 to 3.6 acre sites. We created unique home sites that not only included rushing creek side but also mountain top views.

Twelve sites have been sold as of December 2019. Eleven of the home sites have completed log cabins that the owners now enjoy. On home site fifteen we built the Sanctuary, a custom built, 3,400 square foot, 1.4 million dollar log home that is also income producing.

We would like the opportunity to show you how to build a luxury mountain cabin and have someone else help you pay for it through our rental program. The home site map and pricing are included for your review.

I have included an Average Monthly Rental Income for each cabin. After years of experience we can show you how this is accomplished. It cost \$225 to \$250 per square foot for real log construction. We can suggest log companies, builders, permit process and financing.

I have also included three different prospectuses: \$60,000, \$70,000 and \$80,000 per year rental income. All of our cabins have met or exceeded these projections, using five years of rental income history. We would be happy to give you a tour of our wonderful home sites if you would like and also included is our Management Agreement. We designed this agreement so the investment could be the most “hands off” rental property you have ever owned.

### **Tom & Coleen Enmon**

(985) 370-7700 ext. 111 Office

(985) 969-7711 Cell

tenmon@janikinggcr.com



## REVENUE HISTORY BY CABIN

Cabin	2015	2016	2017	2018	2019	Monthly Average <i>over 36 months</i>
Hideaway, 1BR	\$55,920	\$60,772	\$58,847	\$52,820	\$56,491	\$4,671
Cherokee Lodge, 2BR	\$62,468	\$69,232	\$60,903	\$56,416	\$44,675	\$4,500
Water's Edge, 3BR	\$71,606	\$80,899	\$84,342	\$68,915	\$61,904	\$5,977
Slippery Rock, 3BR	\$73,277	\$76,955	\$72,975	\$67,289	\$61,424	\$5,602
Sanctuary, Sleeps 6	\$85,792	\$88,867	\$105,41	\$83,575	\$93,500	\$7,847
Creekside, 1BR	\$71,697	\$74,322	\$76,611	\$73,708	\$70,237	\$6,127
Bear Tree, 1BR	\$61,115	\$65,148	\$63,075	\$54,204	\$55,815	\$4,808
Hawk's Landing, 1BR	\$64,448	\$72,908	\$78,193	\$68,037	\$65,436	\$5,880
Treehouse, 1BR	\$68,586	\$72,708	\$78,255	\$70,312	\$69,741	\$6,064
Between the Falls, 1BR	\$80,010	\$84,159	\$84,028	\$78,003	\$69,152	\$6,422
River Lodge, 3BR			\$59,645*	\$74,457	\$77,940	\$6,626 <i>over 32 months</i>
Heaven's Ridge, 3BR				\$43,496	\$40,194	\$3,487 <i>over 24 months</i>
Paws Up, 1BR				\$62,036**	\$82,864	\$6,900 <i>over 21 months</i>
The Appalachian, 3BR				\$29,639***	\$48,227	\$4,326 <i>over 18 months</i>
<b>Occupancy Totals</b>	<b>73.6%</b>	<b>74.6%</b>	<b>71.0%</b>	<b>58%</b>	<b>58%</b>	

\* 8 months occupancy

\*\* 9 months occupancy

\*\*\* 6 months occupancy

## OCCUPANCY RATES (2019)

Cabin	Available	Bookings	Percentage Occupancy
Hideaway, 1BR	365	219	60.0%
Cherokee Lodge, 2BR	365	149	40.8%
Waters Edge, 3BR	365	157	43.0%
Slippery Rock, 3BR	365	163	44.7%
Sanctuary, 2BR	365	229	62.7%
Creekside, 1BR	365	260	71.2%
Bear Tree, 1BR	365	209	57.3%
Hawk's Landing, 1BR	365	248	67.9%
Treehouse, 1BR	365	262	71.8%
Between the Falls, 1BR	365	242	66.3%
River Lodge, 3BR	365	183	50.1%
Heaven's Ridge, 3BR	365	136	37.3%
Paws Up, 1BR	365	309	84.7%
The Appalachian, 3BR	365	207	56.7%

As you can see from the number of days booked there is plenty of opportunity to increase rental revenue and lots of open days for you to enjoy your cabin.



## MONTHLY INCOME

Monthly rental income will vary depending on the season. January, February, and March are typically slower months. If you will have a monthly note payment, I want you to be aware of how monthly income goes up and down.

<b>2019 Monthly Rental Income</b>	<b>Slippery Rock 3BR</b>	<b>Treehouse 1BR</b>
January	\$1,852	\$1,568
February	\$1,773	\$2,987
March	\$6,273	\$5,580
April	\$4,986	\$4,271
May	\$1,936	\$5,022
June	\$10,089	\$7,851
July	\$6,882	\$8,734
August	\$5,382	\$7,597
September	\$5,185	\$5,825
October	\$6,888	\$9,220
November	\$6,479	\$6,679
December	\$4,056	\$4,409

Go to the prospectus attachment to view the investment and tax advantages of cabin rental ownership.

**To assist buyers we can offer Owner Financing of 50% of the home site purchase for a two (2) year period at 6% interest only paid annually.**



# MANAGEMENT AGREEMENT

## REQUIREMENTS

To participate in the Cherokee Mountain Cabins (CMC) rental program, a participating cabin must offer the following amenities:

- Central air and heat
- Large screen televisions
- Game room including at least 7' pool table
- Outside hot tub and fireplace
- Local telephone landline with unlimited domestic long distance
- Internet service
- DirecTV service with all premium channels including NFL ticket

## ADVERTISING

- CMC will provide all advertising
- Each cabin will have its own page listing on the CMC website at [www.cherokeemountaincabins.com](http://www.cherokeemountaincabins.com)

## OFFICE MANAGEMENT/SECURITY

CMC office and staff will perform the following:

- Answer telephone inquiries including making reservations (Send check-in info, driving directions, etc. to guests, advise guests on activities in the area and on the property)
- Collect guest payments and collect and pay all North Carolina rental taxes
- On-site property management ensuring security of all cabins

## CABIN CLEANING

- CMC housekeeping staff will clean after each guest, with all cleaning supplies provided by CMC
- CMC will provide bed linens and towels for each cabin
- Cabins are stocked with an initial (about 2 day) supply of the following: laundry detergent, dishwasher detergent, and dish soap, toilet paper, paper towels, shampoo, conditioner, and soap for each bathroom



## MAINTENANCE PROGRAM

CMC provides complete maintenance coverage.

- All repairs up to \$150 will be carried out at no charge to the owner. (ALL repair costs will be calculated to include labor and material.) Any repairs over \$150 are the owner's responsibility and will be approved by the owner in advance
- Housekeeping staff will conduct a detailed "Spring Cleaning" annually at a charge of three times the normal cleaning fee

The Owner is solely responsible for the following expenses. From time to time the Owner will engage CMC staff to undertake certain projects and improvements not included in normal maintenance. When this occurs an hourly rate plus materials (if applies) will be charged to the monthly owners report. Examples are:

- Set up new cabin furniture and fixtures.
- Set up TV, Satellite Dish and Internet
- Landscaping
- Furniture change outs
- Construction Cleans or Emergency Cleans
- Light bulbs and A/C filters (we will change these regularly at no charge)
- Inventory for your cabin
- Kitchen and dining inventory

In an effort to minimize costs to owners and standardize amenities across cabins, CMC will maintain an inventory of kitchen and dining supplies (i.e., dishes, glasses, coffee cups, flatware, etc.) New cabins entering the rental program will purchase startup inventory from CMC. As items are broken or damaged over time, CMC will provide replacements from inventory. It is much more cost-effective to replace one broken coffee cup than replacing a full set.

## MANAGEMENT FEES

- CMC will withhold management fees in the amount of 50% of gross rental income. (Gross income does not include CMC's \$35 reservation fee or North Carolina rental tax.)
- On the 8th of each month, CMC will issue monthly Owner's Payments based upon the prior month's rental income.
- When the owner or owner's guest uses the cabin, the standard cleaning fee will be charged to the owner's account.



## **LAUNDRY FACILITIES**

- Cabin owner must furnish all bedspreads, comforters, bed skirts, pillows and pillow shams. These items should be machine washable— dry clean only items are not permitted.
- All towel and linens laundered/sanitized in our on-site high tech laundry facility

## **GARBAGE**

- All garbage and recyclables will be removed after each guest vacates the cabin.

## **HOT TUBS**

- Each hot tub will be sanitized before each guest arrival
- The hot tub will be emptied and refilled as required to maintain sanitation

## **OUTSIDE DECKS**

- All decks will be inspected for cleanliness and safety reasons before each guests' arrival
- Any debris on the deck will be removed and a two-day courtesy supply of firewood will be left for the guests' campfire.

## **LAWN AND DRIVEWAY MAINTENANCE**

- CMC will cut and weed eat the grass around the cabin and driveway as needed.
- Gravel driveways will be graded as needed
- Snow removal as needed

## **GUTTER MAINTENANCE**

- CMC will clean out gutters as needed. (CMC does recommend gutter guards.)

## **CABIN RENTAL FEES**

- Cabin rental fees will be determined by the number of bedrooms of the cabin.
- All cabins will be priced similar to or the same as CMC rates. This is done so pricing competition between cabin owners in The Village will not occur.

## **INSURANCE**

- The owner agrees to carry a One Million Dollar Liability Policy. With this policy the owner must name Nantahala Holdings, LLC dba Cherokee Mountain Cabins as an additional insured.



## TERMS

- The owner agrees to the terms of this agreement for one year. After one year has passed, the owner can cancel at any time with a six month written notice.
- This term will automatically renew at the end of it's agreement date.

---

Owner's Name

---

Cabin Name

---

Cabin Address

---

Signature of Owner(s)

---

Date

---

Cherokee Mountain Cabins

---

Date

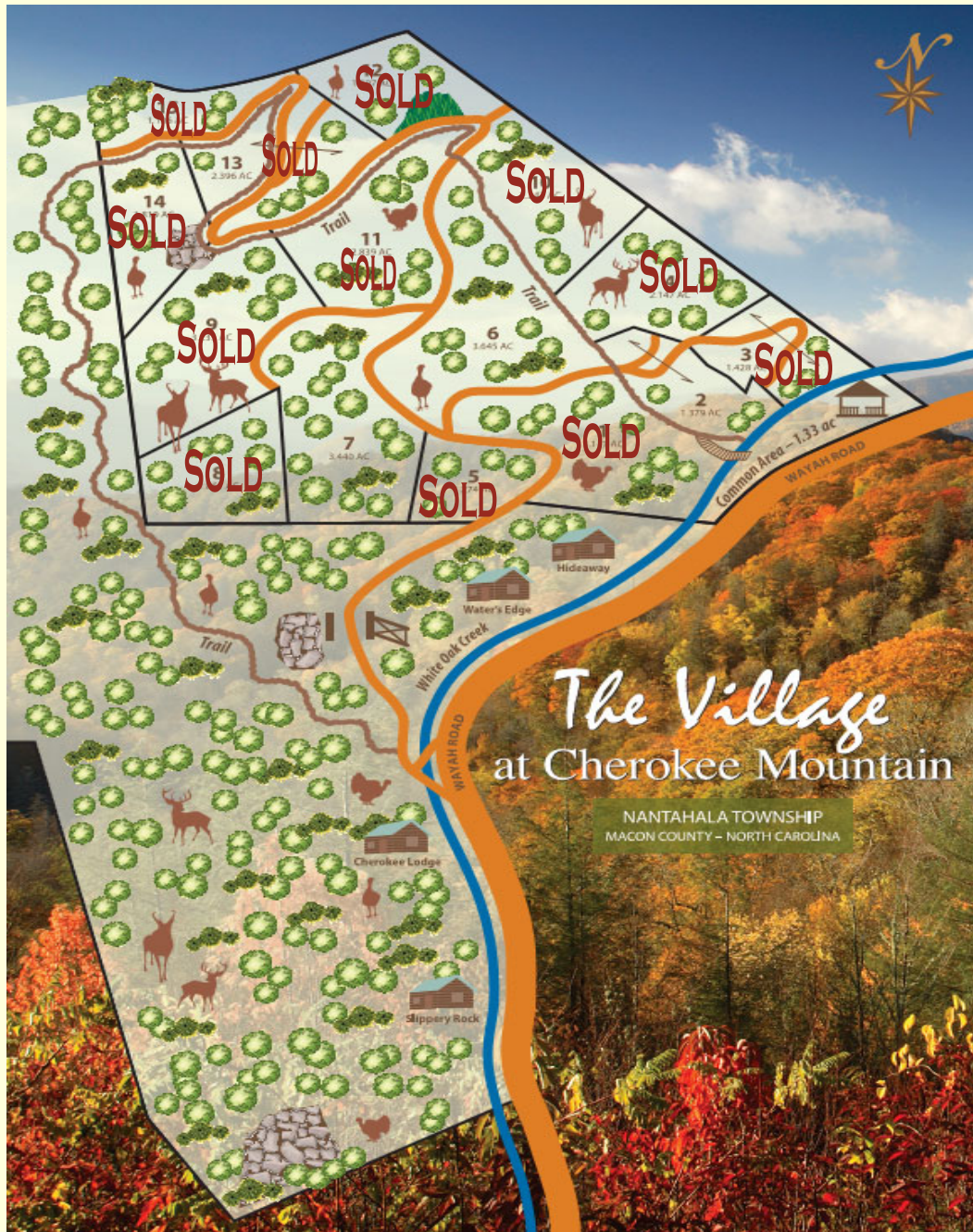
---

Date



# CHEROKEE MOUNTAIN *Cabins*

## MAP OF SITES







## LOT AVAILABILITY AND PRICING

Lot Number	Price	Lot Size (in acres)	Location
1 - SOLD	\$225,000	3.12	Creek
2	\$200,000	1.38	Creek
3 - SOLD	\$200,000	1.43	Creek
4 - SOLD	\$107,000	2.14	
5 - SOLD	\$ 99,000	1.27	
6	\$182,000	3.64	
7	\$182,000	3.44	
8 - SOLD	\$ 99,000	1.8	
9 - SOLD	\$161,000	3.23	
10 - SOLD	\$112,000	2.24	
11 - SOLD	\$142,000	2.83	
12 - SOLD	\$ 99,000	1.59	
13 - SOLD	\$125,000	2.39	
14 - SOLD	\$200,000	1.82	
15 - SOLD	\$250,000	1.11	