How the Conservative Cost-to-Recreate Figures Were Developed

813 Robinson-Clemmer Road, Dallas, North Carolina
Prepared as a separate explanation for the seller

Purpose of This Analysis

This explanation shows, in simple terms, how the figures in the separate Conservative Cost-to-Recreate Analysis were developed. It is not an appraisal, insurance estimate, broker price opinion, or guarantee of market value. It is a transparent and intentionally conservative marketing framework.

Both residences are fully functional and immediately livable. The reductions below recognize that many buyers may still choose to remodel or modernize kitchens, bathrooms, flooring, lighting, paint, and finishes.

1. Residential Improvements

Residence	Actual size	Calculation	Working value
Main residence	2,286 HLA	\$200/SF x 2,286 = \$457,200 Less about 25% for age and updating	**\$340,000**
Guest cottage	1,054 HLA	\$180/SF x 1,054 = \$189,720 Less about 20% for age and updating	**\$160,000**
Combined residential	**3,340 HLA**	\$646,920 starting basis, intentionally rounded downward	**\$500,000**

Main residence: The measured heated living area is 2,286 square feet. A \$200-per-square-foot starting basis produces \$457,200. A reduction of roughly 25% was applied because the home is older and many buyers may plan cosmetic modernization. The rounded working figure is \$340,000.

Guest cottage: The measured heated living area is 1,054 square feet. A lower \$180-per-square-foot starting basis produces \$189,720. A reduction of roughly 20% was applied for age and likely updating. The rounded working figure is \$160,000.

Combined residential figure: \$500,000. This is materially below the \$646,920 starting basis and intentionally recognizes both the present usefulness of the homes and likely buyer remodeling costs.

2. Equestrian and Agricultural Improvements

Improvement	Actual size / feature	Method	Working value
Horse barn	1,584 SF; stalls, tack/storage area, bathroom, wash area; new roof	Conservative lump-sum estimate, not full new-construction cost	**\$110,000**
Covered equipment storage	3,681 SF	Low contributory estimate for open covered storage	**\$80,000**
Hay barn and other farm improvements	Hay storage and supporting improvements	Conservative lump-sum allowance	**\$45,000**
Total agricultural improvements	-	Rounded combined contribution	**\$235,000**

These structures were not valued at full current construction cost. Conservative lump-sum figures were used to acknowledge their utility while recognizing their age and existing condition.

3. Contributory Land Value

Land factor	Effect on the estimate
37.89 total acres	Recognizes the scale, privacy, pasture, creek frontage, recreation, and estate setting.
Large floodplain component	Reduces value compared with fully developable residential acreage.
Usable acreage is already improved	The homes, barns, pond, driveway, and related improvements occupy much of the usable land. This avoids counting the same value twice.
Agricultural and recreational use	Floodplain acreage still contributes value for horses, pasture, privacy, open space, and recreation.
Final land contribution	**$175,000 - a deliberately conservative lump-sum amount.**

The land was not valued as 37.89 acres of vacant, fully buildable property. Much of it is in the floodplain, and the usable acreage already supports the residences and improvements. The $175,000 amount is only a conservative contributory value for the land as part of the improved estate.

4. Simple Final Summary

Category	Working value	Simple reason
Main residence	**$340,000**	2,286 HLA; reduced for age and expected updating
Guest cottage	**$160,000**	1,054 HLA; reduced for age and expected updating
Horse barn	**$110,000**	Useful equestrian facility, but not valued as new
Covered equipment storage	**$80,000**	Large 3,681 SF covered storage structure
Hay barn and miscellaneous improvements	**$45,000**	Conservative allowance
Land contribution	**$175,000**	Reduced for floodplain and existing improvements
Illustrative combined total	**$910,000**	**Conservative marketing support figure, not an appraisal**

5. Why This Helps the Seller and Buyer

For the seller, this method shows that the property is being positioned thoughtfully rather than with inflated assumptions. For the buyer, it demonstrates that the asking price is supported by the combined utility of two functioning residences, equestrian infrastructure, storage facilities, acreage, privacy, and setting, while openly recognizing remodeling needs and floodplain limitations.

The end goal is buyer confidence. The figures begin with actual measured square footage and are then intentionally reduced. This makes the presentation more credible and easier to explain during negotiations.

Important limitation: This document is for seller discussion and marketing strategy only. It is not a certified appraisal, comparative market analysis, broker price opinion, insurance estimate, or guarantee of sale price.