

2228 U Ave

60 Room Value Add Hotel



OFFERING
MEMORANDUM

31,948 SF Hospitality Building, Williamsburg, IA



Primary Contacts:

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TABLE OF CONTENTS

4 Section 1
Property Information

9 Section 2
Location Information

10 Section 3
Financial Analysis

13 Section 4
Demographics



2228 U Ave



PROPERTY INFORMATION

Executive Summary

Property Description

Property Details

Complete Highlights

Additional Photos

Additional Photos



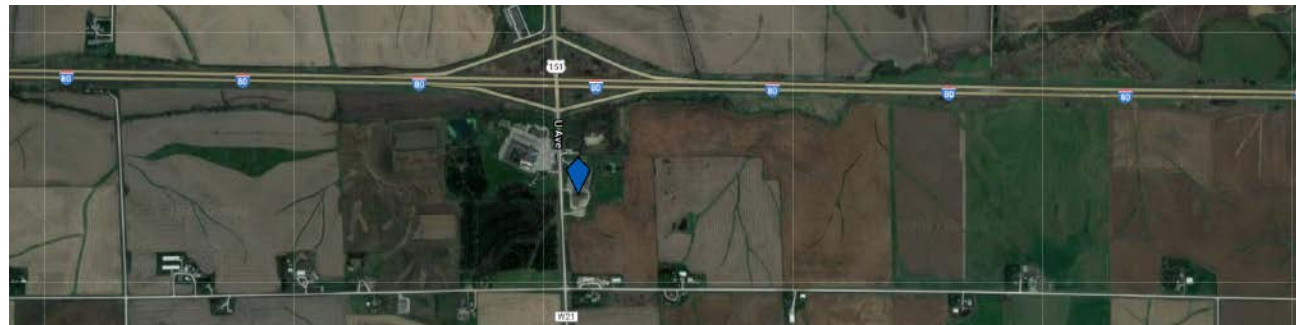
Executive Summary



Property Details

Price	\$395,000
Price Per Room	\$6,583
Sale Type	Investment
Cap Rate	1%
Sale Conditions	Deferred Maintenance
Property Type	Hospitality
Property Subtype	Hotel
Lot Size	3.30 AC
Building Size	31,948 SF
No. Rooms	60
No. Stories	2
Year Built	1990
Corridor	Interior
Opportunity Zone	No

Location Map



Demographics

Total Households:	11	2,781	10,563
Total Population:	30	6,668	27,616
Average HH Income:	\$79,752	\$57,057	\$55,492

Property

Description

Property Overview

The subject property is currently an independently owned hotel that was a former Motel 6 constructed in 1983. The exterior corridor property includes 79 guest rooms and one manager's quarter with 1 bedroom and 1 bathroom and full kitchen. The building is 24,168 SF and sits on a 2.29 acres lot. Amenities include: pool, ample parking, large pylon sign and visibility from Highway 84 and Interstate 20.

The location offers an excellent mix of hotels and restaurants and sits adjacent to US Route 84. This highway runs a length of about 1,919 miles from Colorado and passes through New Mexico, Texas, Louisiana, Mississippi, Alabama and ends in Georgia.

Potential buyers have the opportunity to create value through a renovation and repositioning of the asset, which is currently managed by out-of-state absentee owners. Current revenues are well below the competitive set within the city of Sweetwater. 2019 data shows Occupancy at 59.3%, ADR at \$75.83 and RevPAR at \$45. The RevPAR indicates a potential for this hotel to generate over \$1.2M in revenues. A new owner can achieve the increased income by completing a renovation, repositioning the advertising strategy to online websites and adding amenities like continental breakfast.

Location Overview

Sweetwater, the "Wind Energy Capital", is the largest population center of Nolan County located on Hwy 84 and I-20 virtually halfway between El Paso and Shreveport. The city is located 40 miles west of Abilene, 75 miles north of San Angelo, 125 miles southeast of Lubbock, 130 miles east of Odessa and 190 miles west of Fort Worth. Sweetwater's 585 MW Wind Farm is the largest in Texas.



Sale Price **\$395,000**

LOCATION INFORMATION

Building Name Hospitality Building
 Street Address 31,948 SF
 City, State Williamsburg, IA
 County USA

PROPERTY INFORMATION

Property Subtype Hotel
 APN # N0722-0005-01
 Lot Size 3.30 AC
 Building Size 31,948 SF
 Rooms 60

BUILDING INFORMATION

Number of Floors 2
 Year Built 1990
 Framing Concrete Block
 Roof sloped
 Walls Stucco
 corridors Exterior
 foundation Concrete Slab

PARKING & TRANSPORTATION

Parking Type Surface

TRANSPORTATION

AIRPORT The Eastern Iowa Airport
(40 min drive)

Complete

Highlights

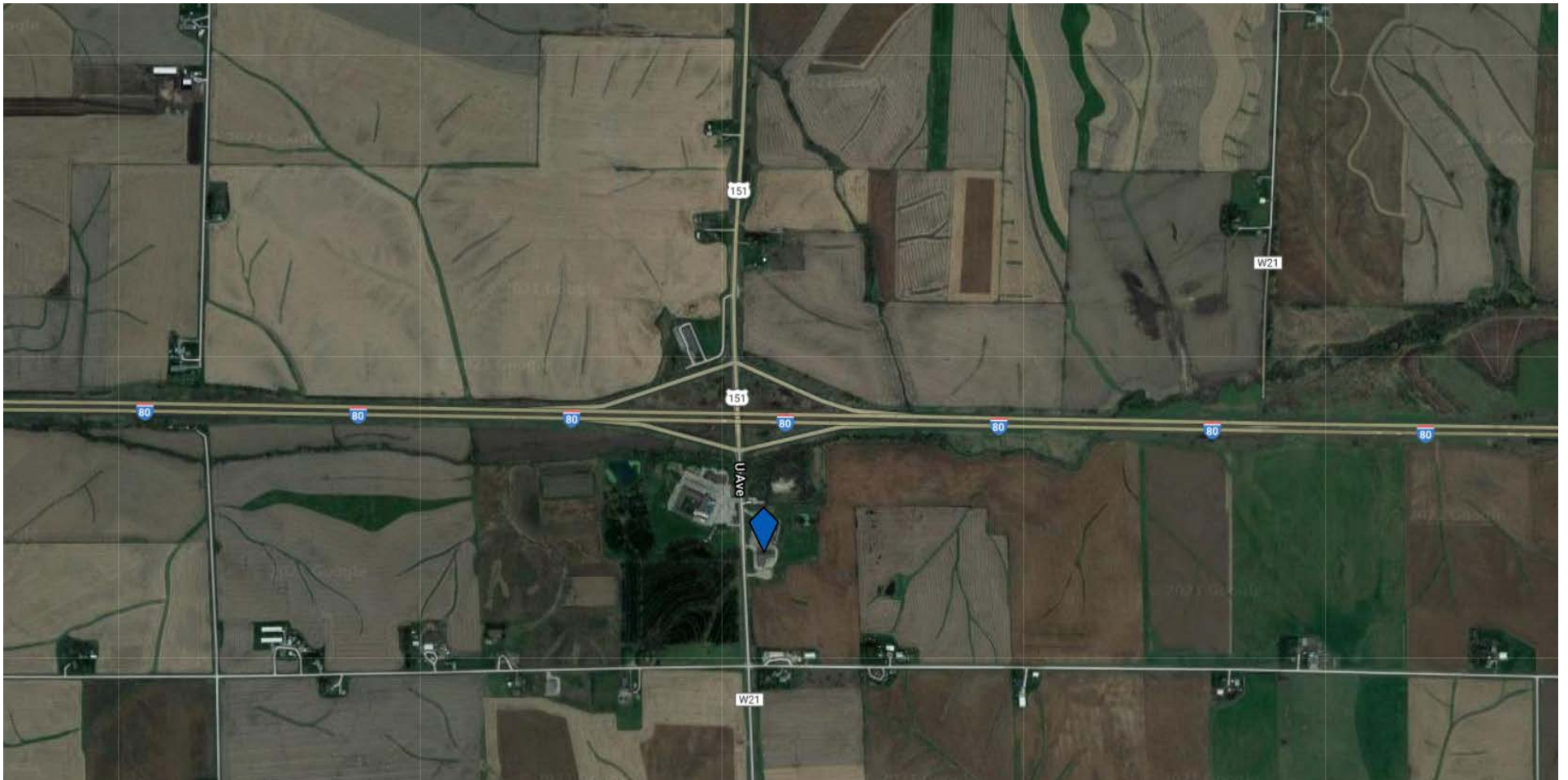
Property Highlights

- 79 Rooms Value Add
- Pool and Ample Parking
- Manager's Unit with 1 Bed/1 Bath & Full Kitchen
- Excellent Highway 84 & Interstate 20 Visibility
- Along Excellent Retail Corridor
- Blocks From Rolling Plains Memorial Hospital
- Minutes from Texas State Technical College & Avenger Field Airport
- Absentee Ownership Ready to Retire
- SELLER FINANCING AVAILABLE



Aerial

Map



Financial Analysis

Proforma Income

Competitive Set

Proforma

Income

Competitive Set Income Proforma			
2019		2020 - May YTD	
Occupancy:	59.30%	Occupancy:	50.60%
ADR:	\$75.85	ADR:	\$71.64
RevPAR:	\$45.00	RevPAR:	\$36.28
Proforma Income:	\$1,297,575.00	Proforma Income:	\$1,297,575.00
	(\$45.00 RevPAR x 79 Room x 365 day)		(\$45.00 RevPAR x 79 Room x 365 day)
Proforma Expense:	\$778,545.00	Proforma Expense:	\$778,545.00
	(60% of Proforma Income)		(60% of Proforma Income)
Proforma NOI:	\$519,030.00	Proforma NOI:	\$519,030.00

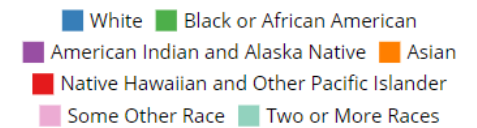
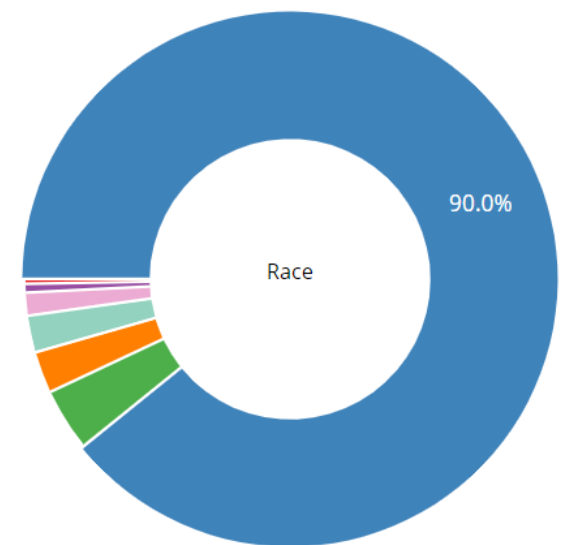
Competitive

Set

Competitive Set					
Name	City	Class	Open Date	Rooms	
Studio 6	Sweetwater, TX	Economy Class	Apr 2015	65	
Hampton Inn	Sweetwater, TX	Upper Midscale Class	Nov 2009	72	
La Quinta Inns & Suites	Sweetwater, TX	Upper Midscale Class	Mar 2018	83	
Microtel Inn & Suites	Sweetwater, TX	Economy Class	May 2015	64	
Best Western Plus	Sweetwater, TX	Upper Midscale Class	Sep 2007	58	
Sleep Express Inn	Sweetwater, TX	Economy Class	Jun 1983	130	
Quality Inn Sweetwater	Sweetwater, TX	Midscale Class	Nov 1967	104	
Holiday Inn Express & Suites	Sweetwater, TX	Upper Midscale Class	Jan 2007	67	
Econo Lodge Inn & Suites	Sweetwater, TX	Economy Class	Oct 1996	44	
				Total Properties:	9 687

Population by Race

Race	Population	Percentage
White	2,826,070	90.02%
Black or African American	116,359	3.71%
Asian	75,741	2.41%
Two or More Races	66,585	2.12%
Some Other Race	39,048	1.24%
American Indian and Alaska Native	11,976	0.38%
Native Hawaiian and Other Pacific Islander	3,729	0.12%





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