

Holiday Inn Express, Fortuna



Holiday Inn Express
1859 Alamar Way
Fortuna, CA

Confidential Offering Summary

Prepared By:

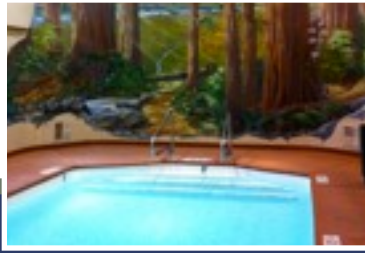


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Property Name	Holiday Inn Express Fortuna
Address	1859 Alamar Way, Fortuna, CA 95540
County	Humboldt
Listing Price	\$4,410,000
Price Per Room	\$95,870
No of Rooms	46
Year Built	1993
Parcel No	200-363-36
Ownership Interest	Fee-Simple
Site Area	1.01± Acres (44,000 Square Feet)
Franchisee	InterContinental Hotels Group*
Management	Unencumbered by Management
Floors/Layout	Two Story, Double Loaded, Exterior Corridor
Food and Beverage	Complimentary Breakfast

* The franchise agreement with Intercontinental Hotel Group is set to expire on January 31, 2013. Available brands for conversion are Clarion, Days Inn, Quality Inn, and Baymont Inn. PIPs are available for each franchise brand.

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HOTEL INVESTMENT HIGHLIGHTS

Cash Flowing Asset: The Hotel has historically produced strong revenues, resulting in consistent cash flows.

Attractive Assumable Financing: The current USDA loan with an approximate principal balance of \$3,000,000 at a 4.25% interest rate, has 26 years of the 30 amortized years left. The USDA program is a government guaranteed program for certain geographical areas. Use of the program would still allow the use of the SBA program for other investments making this program very attractive for a multi-hotel investor.

Upgraded and Well-Maintained Asset: The Hotel recently completed over \$200,000 Holiday Inn Express relaunch and upgrades to all guestrooms including, carpet, granite vanities, sinks, toilets, PTACs, professional exterior paint and professional landscaping. A new investor could leverage the Property's recent improvements to aggressively drive revenues as the Hotel is in good condition.

Strong, Stable Lodging Market: The Fortuna lodging market has a strong and stable history. Multiple demand generators include redwood tourism, farm and dairy businesses, logging and mill work, commercial and sport fishing, College of the Redwoods, Humboldt State University, and steady federal and state government business among others. The Fortuna market did not see any significant drop in revenue during the economic recession. A full year into the recession, 2009 year end STR report shows that the Eureka/Crescent City market outperformed all other California markets in maintaining RevPAR with only a dip of 3.1% compared with most other markets showing double digit drops, up to 18.7%.

Excellent Visibility: The hotel is well located with great visibility from U.S. Highway 101 (US 101). The property sits adjacent to the River Lodge Conference Center, which can host up to 500 people with its 13,000 square feet of flexible meeting and banquet space.

Unencumbered by Management: The Hotel is being offered unencumbered by management.

Ideal for Owner/Operator: With 46 units the hotel is ideally suited for an owner/operator which will allow for ease of management and significant reductions in departmental expenses. Current ownership is absentee.