

OFFERING MEMORANDUM

Marcus & Millichap

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COMMERCIAL REAL ESTATE ADVISORY GROUP

Super 8 by Wyndham

Petaluma

1368 N McDowell Blvd,
Petaluma, CA 94954



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PROPERTY INFORMATION

SECTION | 1



EXECUTIVE SUMMARY

PROPERTY OVERVIEW

Number Of Rooms:	122
Year Constructed:	1983
Building SF:	81,682 SF
Lot Size:	2.59 Acres
Zoning:	BP - Business Park

PRICE ANALYSIS

SALE PRICE	\$14,000,000
Price Per Key:	\$114,754
Price Per SF:	\$171.40
Regional ADR (Economy):	\$89.73
Pro Forma Cap:	6.07%

UNIT TYPE	COUNT	PRO FORMA MONTHLY GROSS RENT
Rooms	122	\$2,738
Totals/Averages	122	\$334,036

PROPERTY DETAILS & HIGHLIGHTS

Property Name	Super 8 by Wyndham Petaluma
Address	1368 N McDowell Blvd
City, State	Petaluma, CA
APN	137-011-015-000
Zoning	BP - Business Park
Building Size	81,682 SF
Lot Size	2.59 Acres
Year Built	1983
Rooms	122

1368 N McDowell Blvd is an exceptional 122-room motel located in the thriving city of Petaluma, CA.

Situated on an expansive 2.59 acre parcel of land, the subject property was originally constructed in 1983 and features approximately 81,682 square feet of living area. The subject property offers 122 rooms with convenient on-site amenities such as dedicated private parking, on-site laundry, and a sunny community pool.

Petaluma offers a unique blend of small-town charm and economic stability, long celebrated as the “Egg Basket of the World” and now known for its vibrant food scene with an abundance of eateries and award-winning restaurants. Residents enjoy convenient access to major local employers, including Amy’s Kitchen, Petaluma Valley Hospital, Clover Sonoma, Labcon, Lagunitas Brewing, and the Petaluma School District, supporting steady rental demand. The property is also well-positioned near U.S. Highway 101 and California State Route 37, providing efficient connectivity throughout Sonoma, Marin, and the greater Bay Area.

The investment appeal of this asset is driven by Petaluma’s low vacancy levels and strong employment fundamentals. With a world-class location in the heart of Sonoma County, 1368 N McDowell Blvd presents an attractive choice for residents due to its close proximity to major employers, transportation corridors, and lifestyle amenities.



- Well-situated Petaluma Motel Asset - Investors have the rare opportunity to acquire a 122-room motel located on a busy thoroughfare in the heart of Sonoma County.
- Potential Multifamily Conversion - 1368 N McDowell Blvd offers the potential for a multifamily conversion, subject to entitlements and zoning approvals, allowing investors to reposition the asset and capitalize on strong rental demand and limited housing supply in the broader Petaluma submarket.
- Convenient Amenities - The subject property offers convenient amenities such as dedicated private parking, on-site laundry, and a sunny community pool.
- Abundant Local Attractions and Amenities - 1368 N McDowell Blvd is strategically situated near countless local attractions such as Petaluma Village Premium Outlets, Luchessi Park, and Deer Creek Village.
- Convenient Access to Major Transportation Corridors - The subject property offers tenants convenient access to U.S. Highway 101 and California State Route 37.

PROPERTY PHOTOS



ROHNERT PARK & SANTA ROSA



ENPHASE
Digilock



LAGUNITAS
BREWING CO.

Chick-fil-A

KOHL'S
Michael's
five BELOW
DOLLAR TREE

ROOSTER RUN
GOLF CLUB



LOMBARDI'S
Gourmet BBQ

PETALUMA COMMUNITY
CENTER & LUCHERI PARK

THE PLAZA
SHOPPING CENTER
Raley's Starbucks McDonald's
BOOT BARN ROSS
petco TARGET
CVS pharmacy
TRADER JOE'S

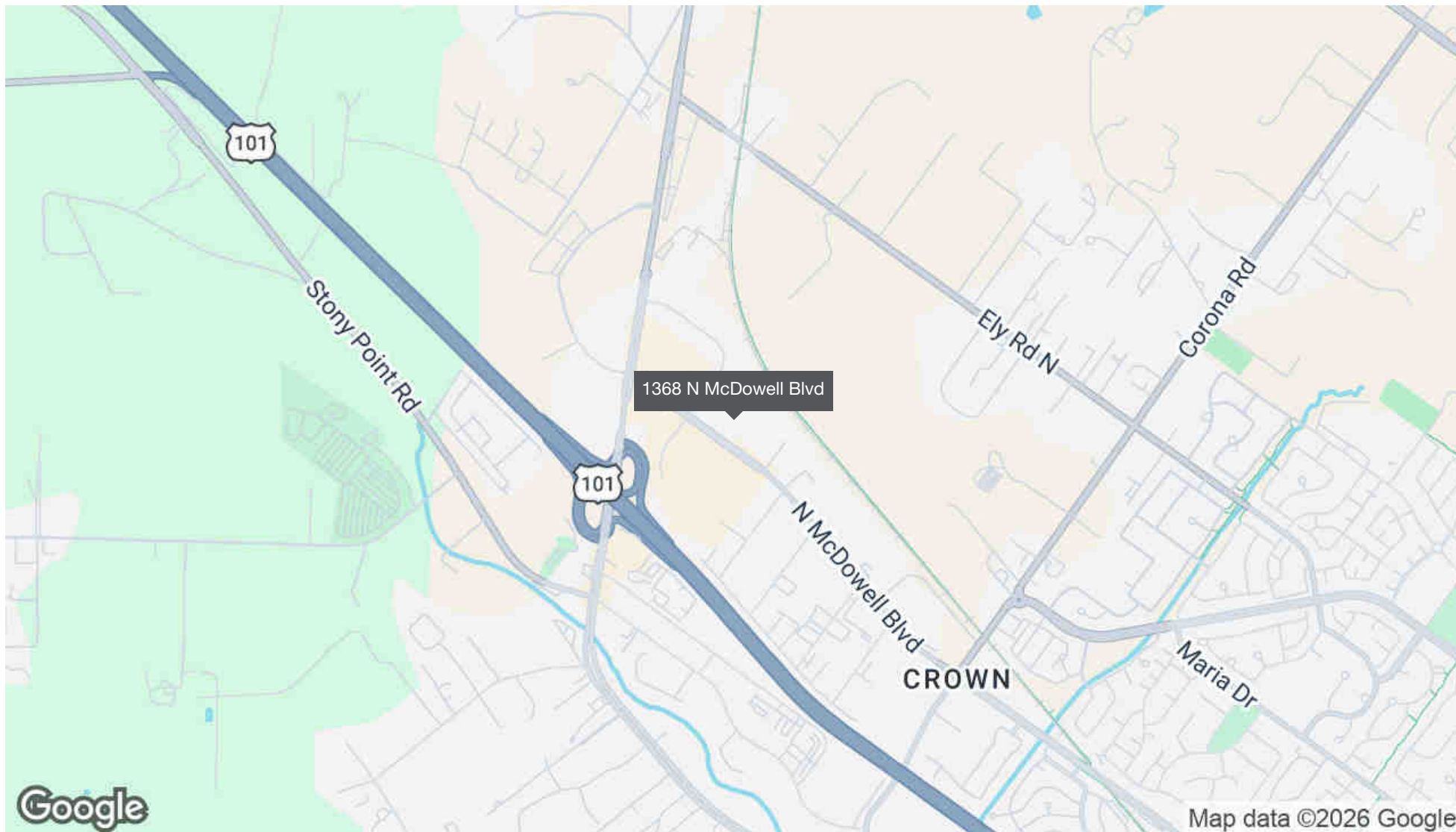
PETALUMA VILLAGE
PREMIUM OUTLETS
adidas VANS GAP
BANANA REPUBLIC
COACH OUTLET Levi's

DOWNTOWN PETALUMA

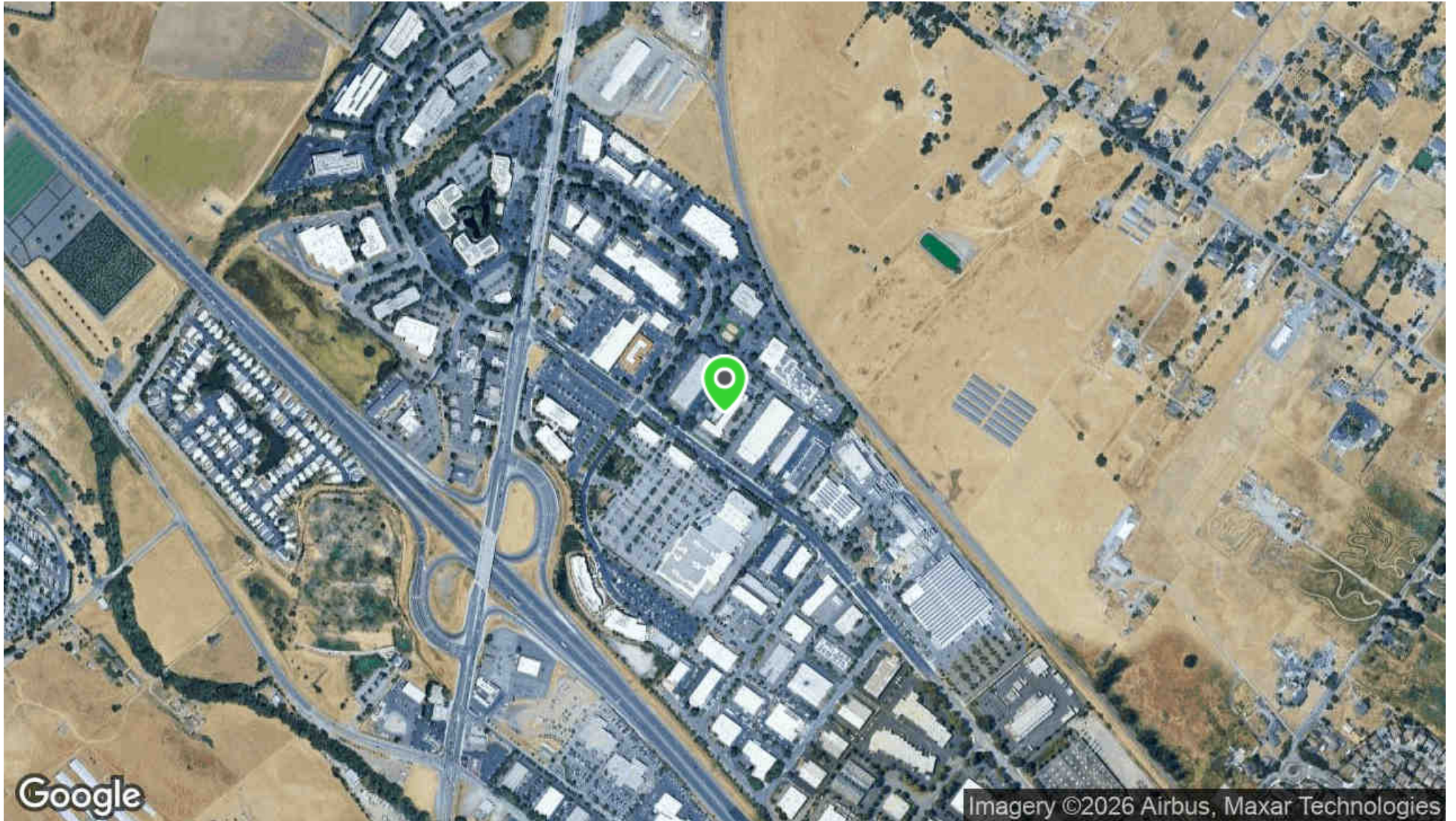
NOVATO & SAN RAFAEL

PETALUMA FAIRGROUNDS

REGIONAL MAP

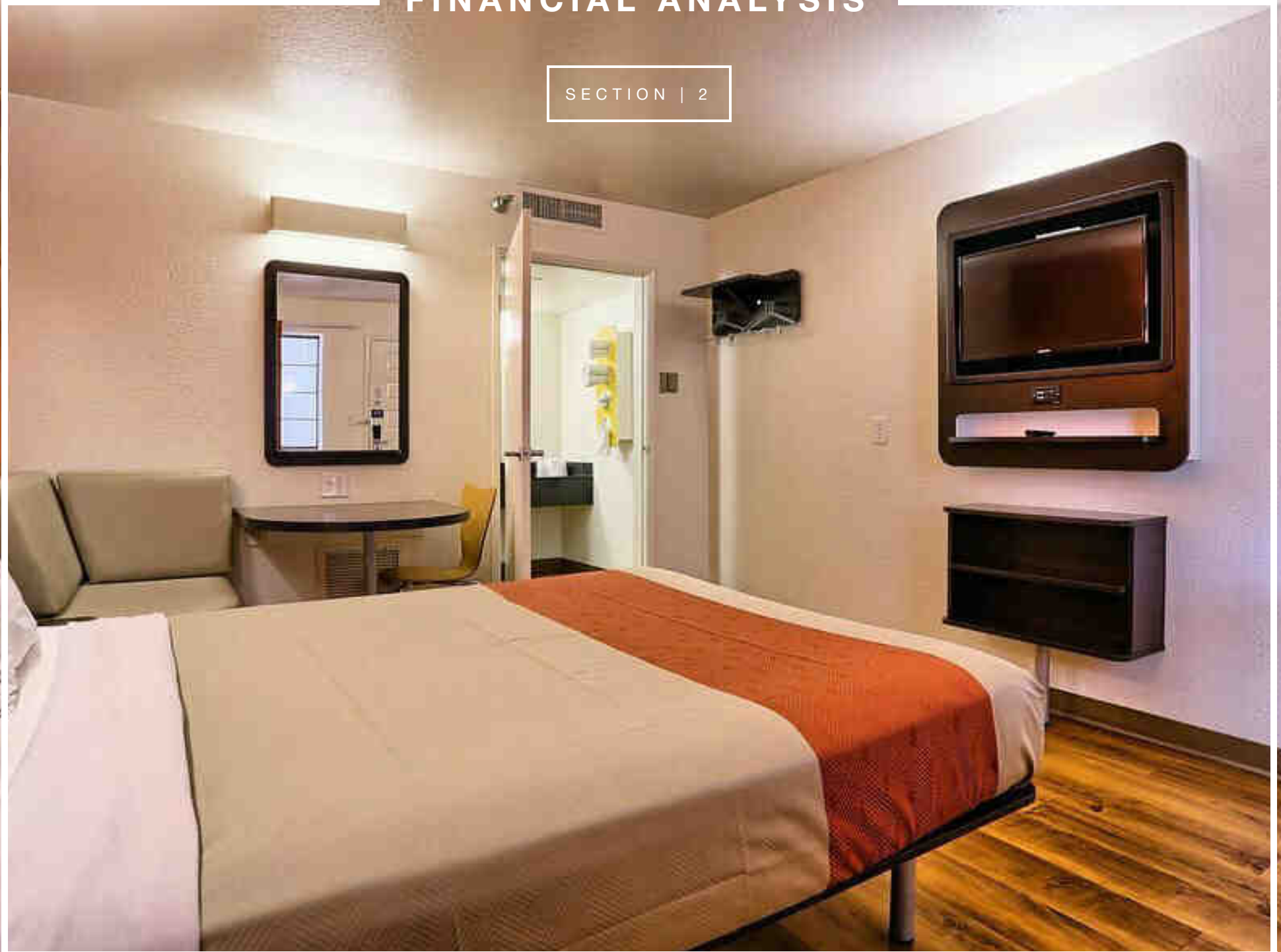


AERIAL MAP



FINANCIAL ANALYSIS

SECTION | 2



FINANCIAL SUMMARY

INVESTMENT OVERVIEW

PRO FORMA

Price	\$14,000,000
Price per SF	\$171.40
Price per Room	\$114,754
CAP Rate	6.07%

OPERATING DATA

PRO FORMA

Gross Scheduled Income	\$4,007,700
Other Income	\$36,600
Total Scheduled Income	\$4,044,300
Vacancy Cost	\$1,803,465
Gross Income	\$2,240,835
Operating Expenses	\$1,390,541
Net Operating Income	\$850,294

INCOME & EXPENSES ASSUMPTIONS

INCOME SUMMARY	PRO FORMA	PER UNIT	PER SF
Gross Scheduled Rent	\$4,007,700	\$32,850	\$49.06
All Other Income	\$36,600	\$300	\$0.45
Vacancy Cost	\$1,803,465	\$14,782	\$22.08
Gross Income	\$2,240,835	\$18,367	\$27.43
EXPENSE SUMMARY	PRO FORMA	PER UNIT	PER SF
Real Estate Taxes	\$156,046	\$1,279	\$1.91
Insurance	\$79,300	\$650	\$0.97
Utilities - PG&E	\$48,800	\$400	\$0.60
Utilities - Water & Sewer	\$85,400	\$700	\$1.05
Utilities - Garbage & Recycling	\$61,000	\$500	\$0.75
Repairs & Maintenance	\$122,000	\$1,000	\$1.49
Landscaping & Groundskeeping	\$4,800	\$39	\$0.06
Pest Control	\$5,400	\$44	\$0.07
Pool Maintenance	\$4,200	\$34	\$0.05
On-Site Payroll	\$145,600	\$1,193	\$1.78
Franchise Fees	\$165,318	\$1,355	\$2.02
OTA Commisions	\$330,635	\$2,710	\$4.05
General & Administrative	\$60,000	\$491	\$0.73
Management Fee	\$122,042	\$1,000	\$1.49
Gross Expenses	\$1,390,541	\$11,397	\$17.02
Expense % Of Gross Income	62%		
Net Operating Income	\$850,294	\$6,969	\$10.41

NOTES

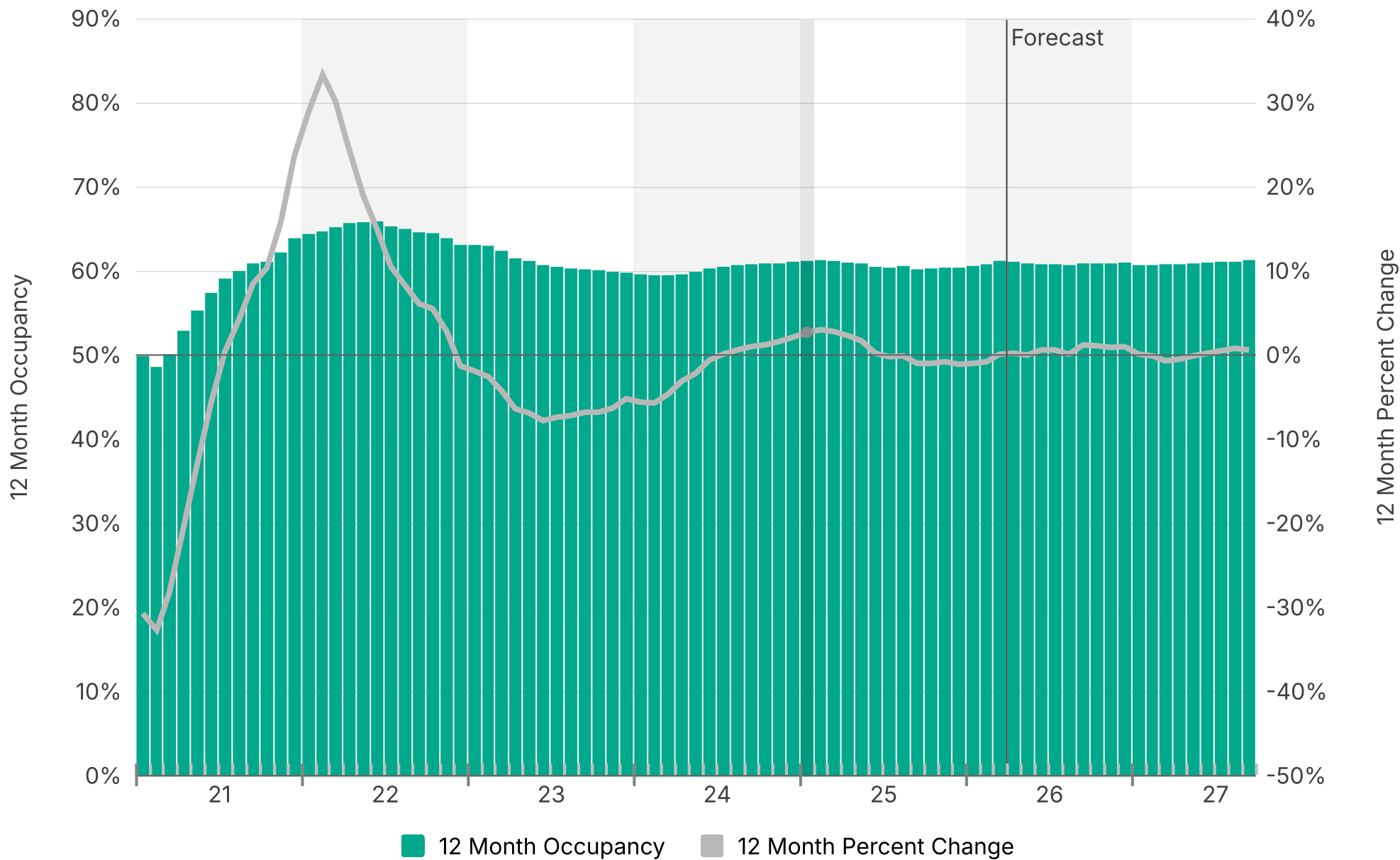
- [1] Gross Scheduled Rent - Based on \$90 ADR
- [2] All Other Income - Estimated at \$25/room/month
- [3] Vacancy Factor - Estimated at 45% of Gross Scheduled Income
- [4] Real Estate Taxes - Price (x) Composite Tax Rate (1.114%) (+) Special Assessments (\$86)
- [5] Insurance - Estimated Based on Market Comparable Expenses
- [6] Utilities - Estimated Based on Market Comparable Expenses
- [7] Repairs & Maintenance - Estimated at \$1,000/room
- [8] Landscaping & Groundskeeping - Estimated at \$400/month
- [9] Pest Control - Estimated at \$450/month
- [10] Pool Maintenance - Estimated at \$350/month
- [11] On-site Payroll - Estimated at Three Full-time and One Part-time Employees at \$20/hour
- [12] Franchise Fees - Estimated at 7.5% of Effective Gross Income
- [13] General & Administrative - Estimated at \$4,000/month
- [14] OTA Commissions - Estimated at 15% of Effective Gross Income
- [15] Management Fee - Estimated at 5% of Effective Gross Income

MARKET OVERVIEW

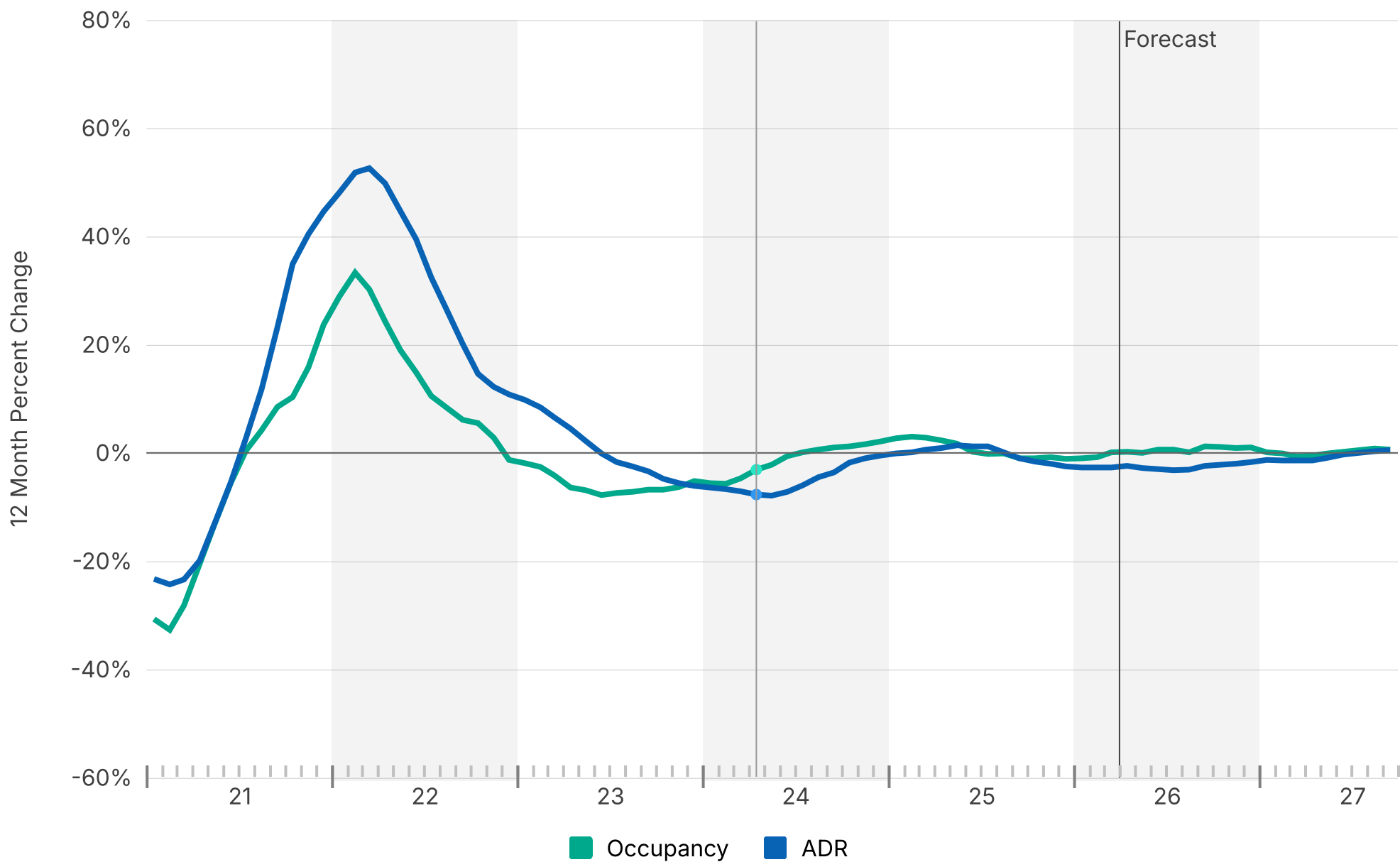
SECTION | 3



REGIONAL HISTORICAL & PROJECTED OCCUPANCY

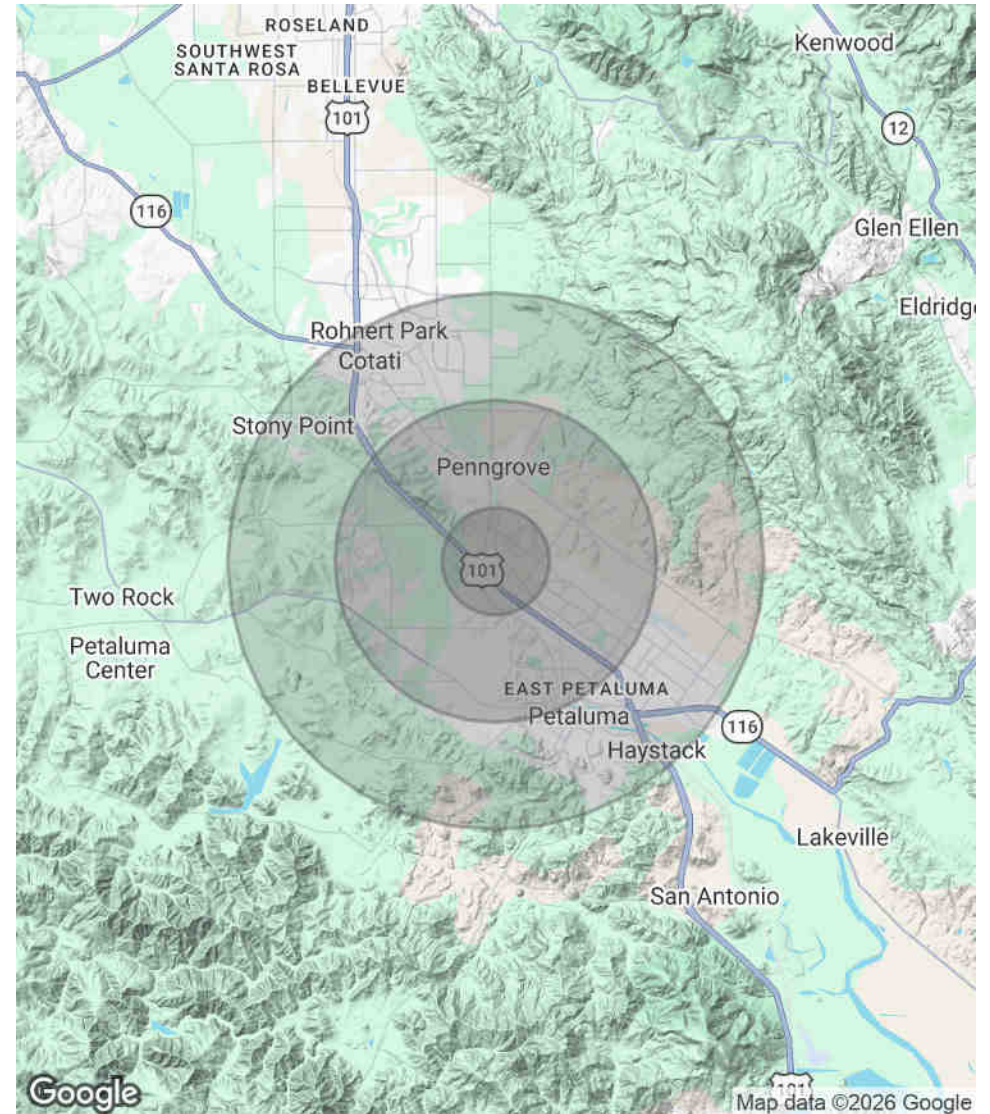


OCCUPANCY & ADR CHANGE



DEMOGRAPHICS MAP & REPORT

POPULATION	1 MILE	3 MILES	5 MILES
Total Population	2,387	33,452	104,518
Average Age	44	44	42
Average Age (Male)	43	42	41
Average Age (Female)	46	45	43
HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
Total Households	944	13,167	39,207
# of Persons per HH	2.5	2.5	2.7
Average HH Income	\$159,111	\$153,106	\$149,577
Average House Value	\$967,079	\$969,478	\$877,916



DEMOGRAPHICS INFORMATION



POPULATION

In 2025, the population in your selected geography is 98,851. The population has changed by 0.98 percent since 2010. It is estimated that the population in your area will be 100,437 five years from now, which represents a change of 1.6 percent from the current year. The current population is 48.6 percent male and 51.4 percent female. The median age of the population in your area is 42.0, compared with the U.S. average, which is 40.0. The population density in your area is 1,257 people per square mile.



EMPLOYMENT

In 2025, 52,857 people in your selected area were employed. The 2010 Census revealed that 65.7 of employees are in white-collar occupations in this geography, and 18.6 are in blue-collar occupations. In 2025, unemployment in this area was 4.0 percent. In 2010, the average time traveled to work was 31.00 minutes.



HOUSEHOLDS

There are currently 39,128 households in your selected geography. The number of households has changed by 8.18 percent since 2010. It is estimated that the number of households in your area will be 39,843 five years from now, which represents a change of 1.8 percent from the current year. The average household size in your area is 2.5 people.



HOUSING

The median housing value in your area was \$822,925 in 2025, compared with the U.S. median of \$333,538. In 2010, there were 22,559.00 owner-occupied housing units and 13,610.00 renter-occupied housing units in your area.



INCOME

In 2025, the median household income for your selected geography is \$115,578, compared with the U.S. average, which is currently \$78,171. The median household income for your area has changed by 63.41 percent since 2010. It is estimated that the median household income in your area will be \$136,444 five years from now, which represents a change of 18.1 percent from the current year.

The current year per capita income in your area is \$56,223, compared with the U.S. average, which is \$41,680. The current year's average household income in your area is \$140,488, compared with the U.S. average, which is \$103,571.



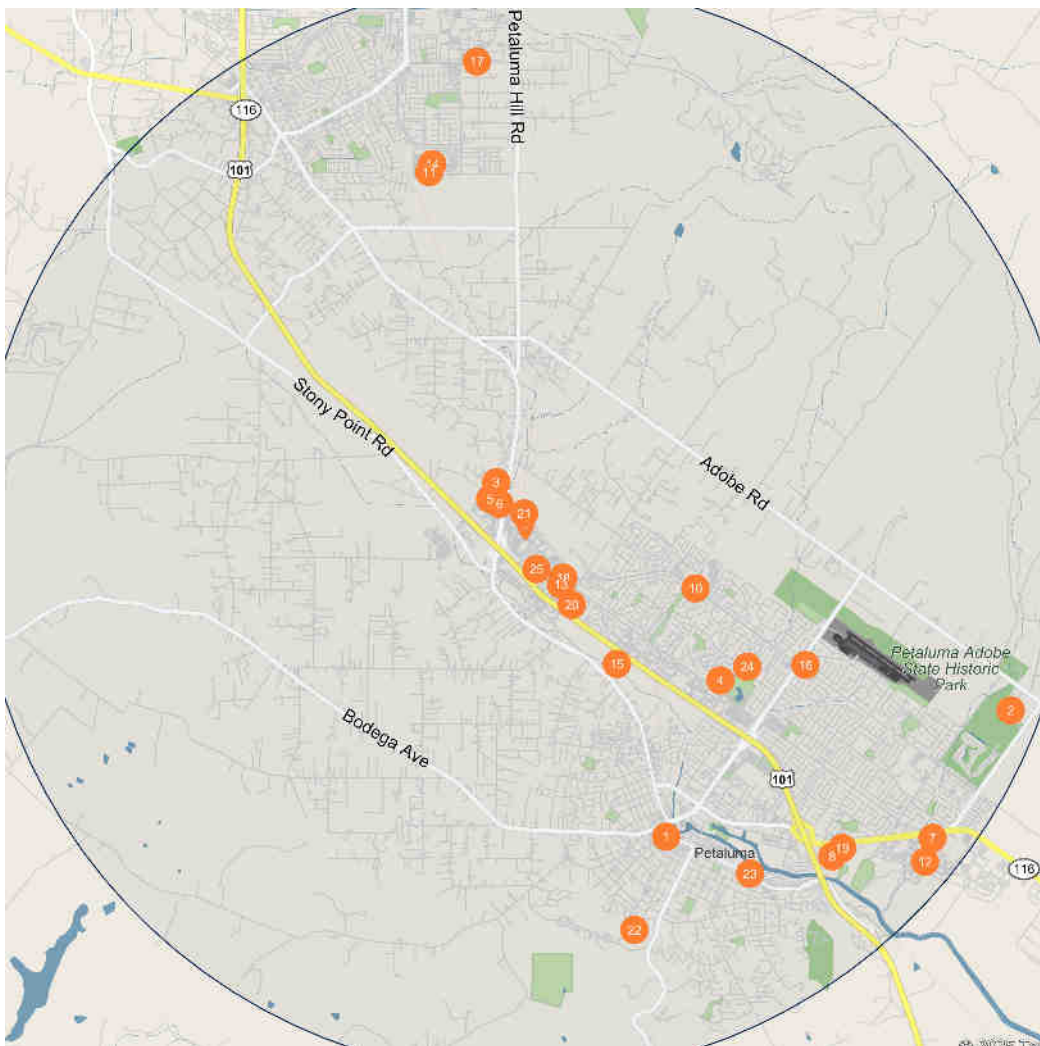
EDUCATION

The selected area in 2025 had a lower level of educational attainment when compared with the U.S. averages. 37.7 percent of the selected area's residents had earned a graduate degree compared with the national average of only 13.7 percent, and 9.9 percent completed a bachelor's degree, compared with the national average of 21.2 percent.

The number of area residents with an associate degree was higher than the nation's at 16.6 percent vs. 8.8 percent, respectively.

The area had fewer high-school graduates, 1.6 percent vs. 26.1 percent for the nation, but the percentage of residents who completed some college is higher than the average for the nation, at 25.9 percent in the selected area compared with the 19.6 percent in the U.S.

MAJOR REGIONAL EMPLOYERS



	Major Employers	Employees
1	Amys Kitchen Inc-	800
2	Pacific Gas and Electric Co-PG&e	426
3	Allianz Globl Risks US Insur-Allianz Insurance Company	400
4	Srm Alliance Hospital Services-	400
5	Optio Solutions LLC-Qualia Collection Services	263
6	Legacy Marketing Group-	215
7	Labcon North America-	199
8	Pacific Union Intl Inc-	196
9	Allianz Reinsurance Amer Inc-	193
10	Sonoma Cnty Junior College Dst-Santa Rosa Junior College	188
11	Rieke LLC-	180
12	Clover-Stornetta Farms LLC-Clover Sonoma	180
13	Traumafx Solutions Inc-	175
14	Soligent Leasing LLC-	171
15	William Carter Company-Carters	169
16	Leisure Care LLC-Springfield Place	164
17	Sonoma State Enterprises Inc-	160
18	United States Postal Service-US Post Office	156
19	Home Depot USA Inc-Home Depot The	150
20	Pacific Gas and Electric Co-PG&e	150
21	Bausch Health Americas Inc-	140
22	Pacs Group Inc-Ridgeway Post Acute	125
23	Kval Inc-Kval Machinery Co	125
24	Petalumaidence Opco LLC-Vineyard Post Acute	124
25	Universal Bldg Svcs & Sup Co-Universal Building Svc & Sup	117

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