

Colliers



Investment Opportunity | Offering Memorandum | Coastal Town  
**For Sale - \$9,150,000**

## Motel 6 - Monterey

2124 North Fremont Street  
Monterey, CA 93940

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# Investment Summary

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# Investment Highlights

Motel 6 is a two-story, Class-B hospitality property. It features a variety of guest rooms in numerous configurations and designs, catering to the diverse needs of its clientele.

Motel 6's strategic positioning offers the following advantages to its occupants:



**CONVENIENT ACCESS** to Fisherman's Wharf, Monterey Peninsula Airport, and Del Monte Golf Course



**SWIFT PROXIMITY** to Monterey State Beach and Cabrillo Highway, ensuring easy travel around the area



**CLOSE TO THE CITIES** of Seaside, Carmel, and Pacific Grove, providing various options for exploration and activities



**IDEALLY SITUATED** in a region known for its beautiful coastline, historical sites, and cultural events such as the Monterey Jazz Festival and Monterey Bay Aquarium

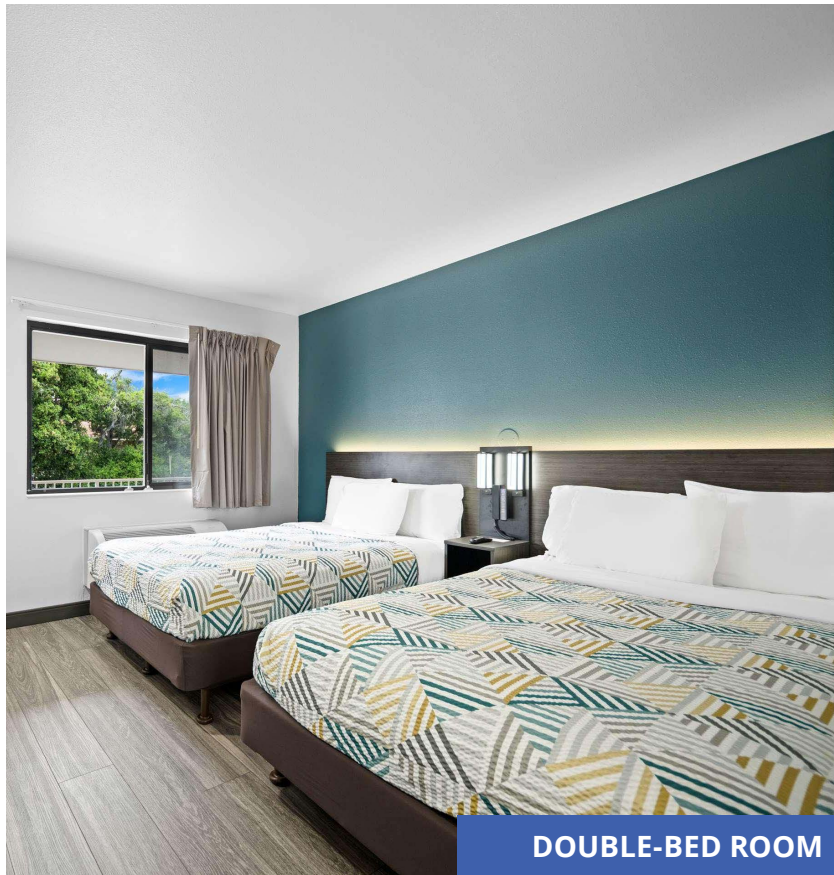


**BENEFITS FROM A COMPETITIVE HOSPITALITY MARKET** with easy access to local attractions, restaurants, recreational activities, and Monterey Peninsula Airport, making it an ideal choice for both leisure and business travelers

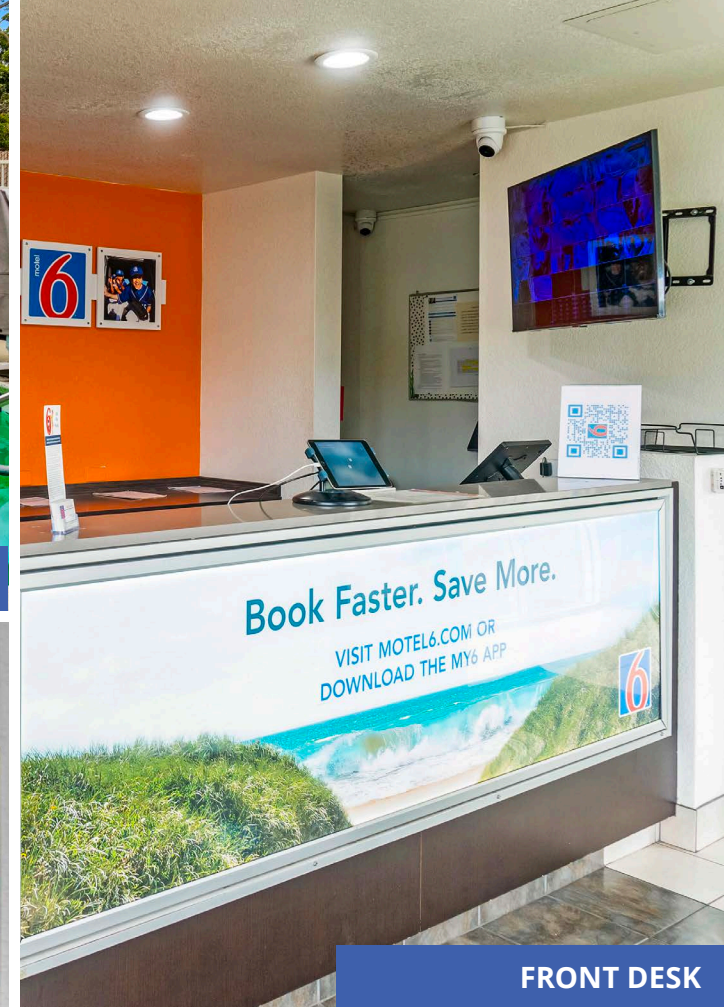
# Property Photos



**POOL AREA**



**DOUBLE-BED ROOM**



**FRONT DESK**



**LAUNDRY ROOM**

# Property Overview

## PROPERTY DETAIL

Room Count	53
Lot Size	0.85 Acres (37,026 SF)
Year Built/Renovated	1963/2015
Number of Buildings	1
Number of Stories	2

## VITAL DATA

Occupancy	76.5%
Average Daily Rate	\$86.91
RevPAR	\$57.47
List Price	\$9,150,000
Price per Key	\$172,641
Cap Rate	8.50%

# Features & Amenities

**TOURIST ATTRACTIONS:** Proximity to popular destinations like Cannery Row, Monterey Bay Aquarium, and Fisherman's Wharf, offering a variety of shopping, dining, and entertainment options.

**RECREATIONAL ACTIVITIES:** Access to scenic spots such as 17-Mile Drive, Del Monte Beach, and the Monterey Peninsula Recreational Trail, ideal for outdoor activities like walking, cycling, and beachcombing.

**CONVENIENT AMENITIES:** Nearby dining options, shopping centers including Del Monte Shopping Center, healthcare facilities like the Community Hospital of the Monterey Peninsula, and educational institutions such as Monterey Peninsula College.

**EVENT AND TRANSPORTATION HUB:** Close to the Monterey Conference Center, Monterey Regional Airport, and major highways (Highway 1), providing ease of travel and attracting business and cultural events.

## Total Rooms:

53

## Property Address:

2124 North Fremont Street  
Monterey, CA 93940

## Year Built/Renovated:

1963/2015

## No. of Floors:

Two (2)

## Parking:

On site parking and accessible parking.

## Reception Services:

Reception services; Invoice provided; Private check-in/check-out; Luggage storage; Express check-in/check-out; 24-hour front desk

## Pool:

Outdoor pool

## Rooms:

Modern rooms with one & two queen beds

## WiFi:

Free Wi-Fi complimentary through the property

## Food & Drink:

Vending Machines; Snack Bar; Tea/Coffee Maker; Mini Fridge

## Wellness:

Beach chairs; Coin Laundry; Free Local Calls; Free Coffee

## Accessibility:

Accessible on-site parking, elevator

## Pet:

Pets and Service Animals welcome





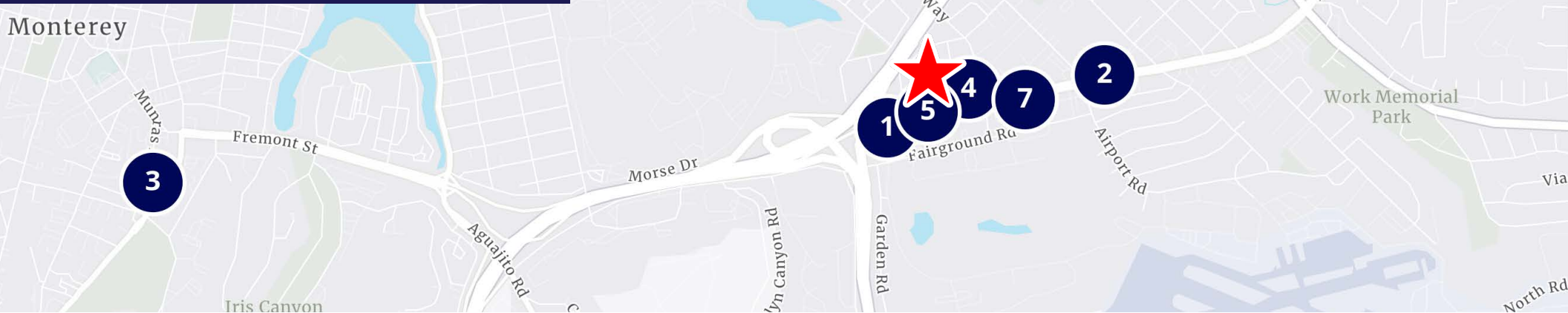
# Competitive Property Set



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# Competitive Property Set

	PROPERTY	ROOMS
★	<b>Motel 6 Monterey</b>	<b>53</b>
①	Travelodge Monterey	104
②	Red Roof Inn Monterey	55
③	Days Inn Downtown Monterey	56
④	Quality Inn Monterey	42
⑤	Roadway Inn Monterey	22
⑥	Surestay Monterey	45
⑦	Super 8 Monterey	20



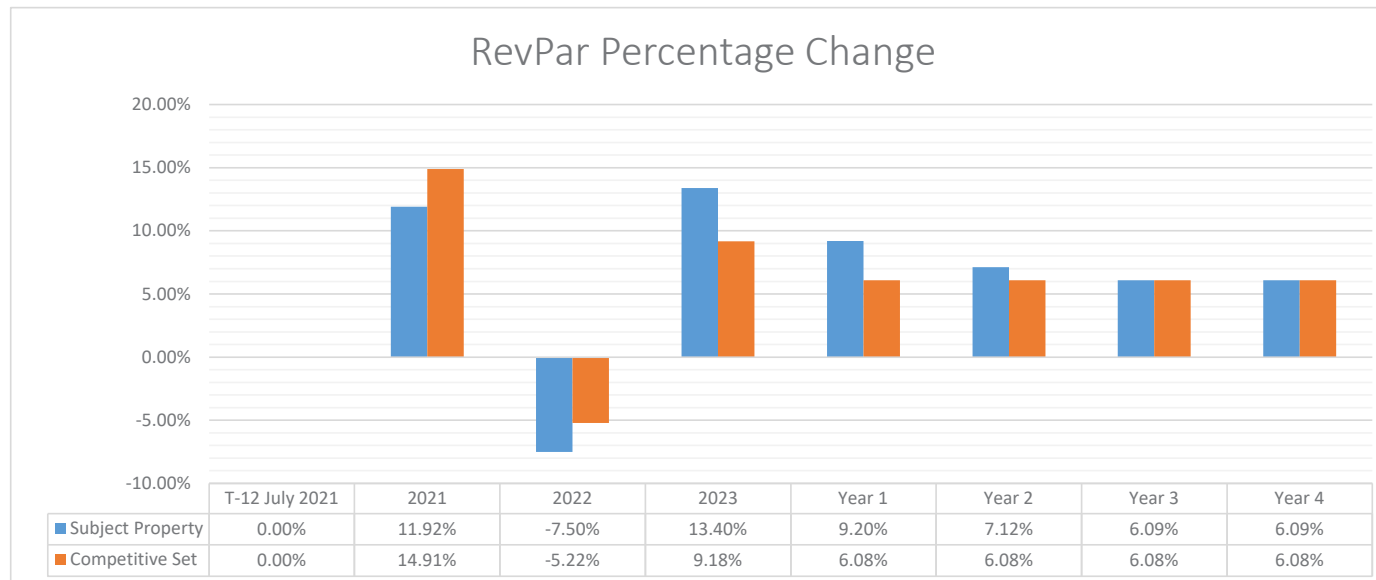
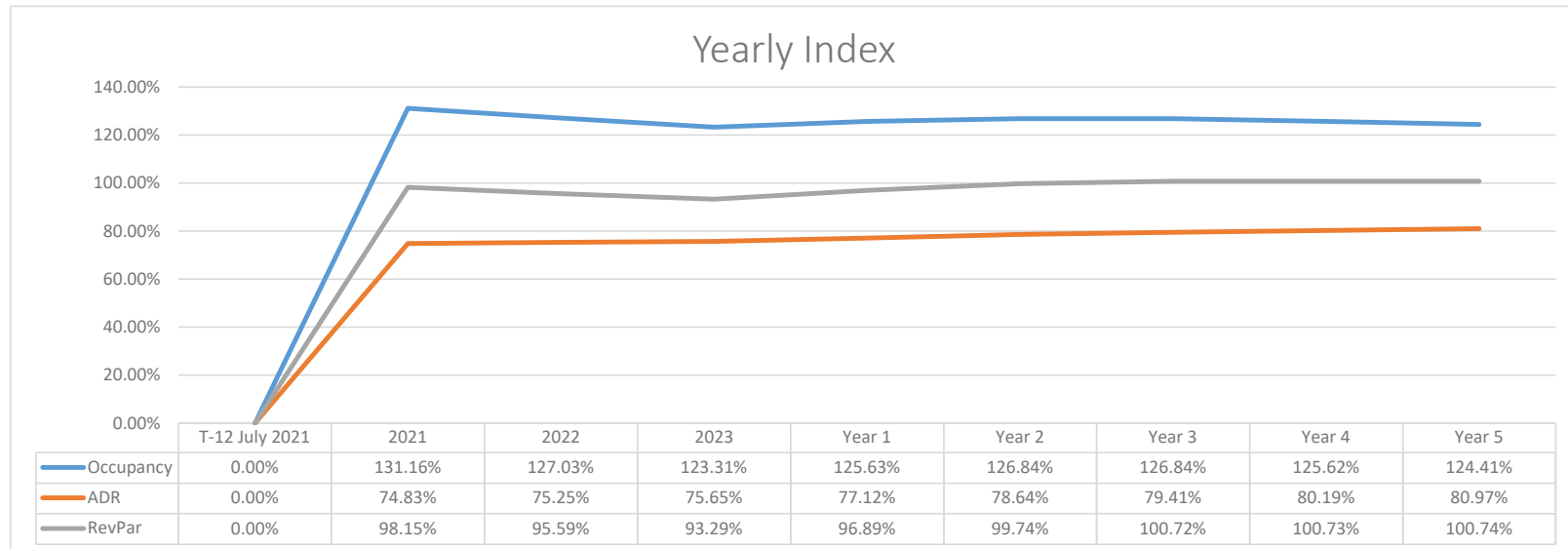
# STAR Report Annual Performance

SUBJECT PROPERTY	T-12 JULY 2021	2021	2022	2023	Year 1	Year 2	Year 3	Year 4	Year 5
Occupancy		88.40%	86.00%	78.30%	84.6%	88.8%	92.3%	95.1%	98.0%
% Change			-2.71%	-8.95%	8.00%	5.00%	4.00%	3.00%	3.00%
Occupancy Penetration		131%	127%	123%	126%	127%	127%	126%	124%
Average Daily Rate		\$85.03	\$97.82	\$99.38	\$104.35	\$108.52	\$111.78	\$115.13	\$118.59
% Change			15.04%	1.59%	5.0%	4.0%	3.0%	3.0%	3.0%
ADR Penetration		75%	75%	76%	77%	79%	79%	80%	81%
RevPAR	\$0.00	\$75.17	\$84.13	\$77.81	\$88.24	\$96.36	\$103.22	\$109.51	\$116.18
% Change			11.92%	-7.50%	13.40%	9.20%	7.12%	6.09%	6.09%
Rev PAR Penetration		98%	96%	93%	97%	100%	101%	101%	101%
COMPETITIVE SET	T-12 JULY 2021	2021	2022	2023	Year 1	Year 2	Year 3	Year 4	Year 5
Occupancy		67.40%	67.70%	63.50%	67.31%	70.00%	72.80%	75.71%	78.74%
% Change			0.45%	-6.20%	6.00%	4.00%	4.00%	4.00%	4.00%
Average Daily Rate		\$113.63	\$129.99	\$131.36	\$135.30	\$138.01	\$140.77	\$143.58	\$146.45
% Change			14.40%	1.05%	3.00%	2.00%	2.00%	2.00%	2.00%
Rev PAR	\$0.00	\$76.59	\$88.00	\$83.41	\$91.07	\$96.61	\$102.48	\$108.71	\$115.32
% Change			14.91%	-5.22%	9.18%	6.08%	6.08%	6.08%	6.08%

# Subject & Competitive Set Historical Performance

	Occupancy			ADR			RevPar		
Period	Subject	Comp. Set	Index	Subject	Comp. Set	Index	Subject	Comp. Set	Index
2021	88.40%	67.40%	131.16%	\$85.03	\$113.63	74.83%	\$75.17	\$76.59	98.15%
2022	86.00%	67.70%	127.03%	\$97.82	\$129.99	75.25%	\$84.13	\$88.00	95.59%
2023	78.30%	63.50%	123.31%	\$99.38	\$131.36	75.65%	\$77.81	\$83.41	93.29%
Year 1	84.56%	67.31%	125.63%	\$104.35	\$135.30	77.12%	\$88.24	\$91.07	96.89%
Year 2	88.79%	70.00%	126.84%	\$108.52	\$138.01	78.64%	\$96.36	\$96.61	99.74%
Year 3	92.34%	72.80%	126.84%	\$111.78	\$140.77	79.41%	\$103.22	\$102.48	100.72%
Year 4	95.11%	75.71%	125.62%	\$115.13	\$143.58	80.19%	\$109.51	\$108.71	100.73%
Year 5	97.97%	78.74%	124.41%	\$118.59	\$146.45	80.97%	\$116.18	\$115.32	100.74%
Change vs. Prior Year									
2022	-2.71%	0.45%	-3.15%	15.04%	14.40%	0.56%	11.92%	14.91%	-2.60%
2023	-8.95%	-6.20%	-2.93%	1.59%	1.05%	0.54%	-7.50%	-5.22%	-2.41%
Year 1	8.00%	6.00%	1.89%	5.00%	3.00%	1.94%	13.40%	9.18%	3.87%
Year 2	5.00%	4.00%	0.96%	4.00%	2.00%	1.96%	9.20%	6.08%	2.94%
Year 3	4.00%	4.00%	0.00%	3.00%	2.00%	0.98%	7.12%	6.08%	0.98%
Year 4	3.00%	4.00%	-0.96%	3.00%	2.00%	0.98%	6.09%	6.08%	0.01%
Year 5	3.00%	4.00%	-0.96%	3.00%	2.00%	0.98%	6.09%	6.08%	0.01%

# STAR Report Charts



# Financial Overview

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# Operating Statement

P&L DATE/NAME	2021	2022	2023	2023 Adjusted	Code
Room Revenue	\$1,454,859	\$1,627,470	\$1,486,089	\$1,486,089	RM
Other Income - Misc.	\$287	\$2,832	\$1,327	\$1,327	OD
Other Income - Copy/Fax Income				\$0	OD
Gross Income	\$1,455,146	\$1,630,302	\$1,487,416	\$1,487,416	
Total Expenses	\$858,773	\$1,049,920	\$709,935	\$709,935	
<b>Net Operating Income</b>	<b>\$596,373</b>	<b>\$580,382</b>	<b>\$777,481</b>	<b>\$777,481</b>	

**Reserves**

Capital Replacement Reserve	
Management Fee	

**Expenses**

Rooms	\$199,292	\$244,049	\$242,395	\$242,395	RM
Food & Beverage	\$555	\$4,171	\$2,387	\$2,387	FB
Chargeback	\$3,824	\$8,306	\$5,543	\$5,543	AG
Payoll Tax	\$46,767	\$48,704	\$685	\$685	AG
Info & Telecom	\$2,307	\$0	\$2,631	\$2,631	AG
WC					RM
Utilities	\$98,204	\$113,499	\$124,237	\$124,237	UT
Property Operations & Maint	\$46,109	\$178,375	\$69,137	\$69,137	PM
Royalties	\$303,056	\$165,952	\$50,176	\$50,176	FF
Travel Agent	\$9,685	\$37,701	\$19,132	\$19,132	AG
Insurance	\$33,300	\$40,026	\$43,043	\$43,043	IN
Property Tax	\$24,635	\$47,384	\$25,083	\$25,083	PT
Landscaping	\$3,137	\$6,125	\$3,746	\$3,746	PM
Laundry & Cleaning	\$2,139	\$3,696	\$5,691	\$5,691	RM
State Tax	\$800	\$1,730	\$3,455	\$3,455	AG
Office Exp	\$1,675	\$12,237	\$2,527	\$2,527	AG
Janitorial & Trash					RM
Pest Control	\$1,548	\$1,025	\$2,275	\$2,275	PM
Lic and permits	\$2,724	\$5,222	\$8,296	\$8,296	AG
Fire Alarm					AG
Cable	\$5,178	\$8,143	\$11,016	\$11,016	AG
Guest Room Supplies	\$24,994	\$23,856	\$10,752	\$10,752	RM
CC Charges	\$22,465	\$39,959	\$35,831	\$35,831	AG
Postage					AG
Pool	\$0	\$2,872	\$5,707	\$5,707	PM
Elevator					PM
Internet	\$14,442	\$7,237	\$4,565	\$4,565	AG
Payroll Fees	\$1,468	\$1,963	\$1,571	\$1,571	AG
Training					RM
Marketing	\$50				MA
Legal & Prof.	\$1,185	\$44,410	\$695	\$695	AG
Auto / Travel	988,5	\$1,206	\$6,755	\$6,755	AG
Bank Service Charges	\$796	\$483	\$476	\$476	AG
Refunds/Withdrawals	\$1,439	\$366	\$2,671	\$2,671	AG
G6 Conference			\$3,463	\$3,463	AG
Appraisal	\$7,000		\$950	\$950	AG
Employer Wage Tax			\$14,195	\$14,195	AG
Uniforms			\$847	\$847	AG
Tax		\$1,224			

**DEPARTMENTALIZED EXPENSE SUMMARY**

Department	Code	2021	% of Rev.	2022	% of Rev.	2023	% of Rev.	Notes about % of Rev.
Rooms	RM	\$226,424	15.56%	\$271,601	16.69%	\$258,839	17.42%	% Room Rev.
Food & Beverage	FB	\$555		\$4,171		\$2,387		% Food/Bev Rev.
Other Operated Depts & Rentals	OD	\$0	0.00%	\$0	0.00%	\$0	0.00%	% Other Dept. Rev.
Administration & General	AG	\$121,754	8.37%	\$217,666	13.35%	\$125,305	8.42%	% of GR
Marketing	MA	\$50	0.00%	\$0	0.00%	\$0	0.00%	% of GR
Franchise Royalty Fees	FF	\$303,056	20.83%	\$165,952	10.20%	\$50,176	3.38%	% Room Rev.
Utility Costs	UT	\$98,204	6.75%	\$113,499	6.96%	\$124,237	8.35%	% of GR
Property Operations & Maint	PM	\$50,794	3.49%	\$188,396	11.56%	\$80,865	5.44%	% of GR
Property Taxes	PT	\$24,635	1.69%	\$47,384	2.91%	\$25,083	1.69%	% of GR
Insurance	IN	\$33,300	2.29%	\$40,026	2.46%	\$43,043	2.89%	% of GR
Lease Expense	LE	\$0	0.00%	\$0	0.00%	\$0	0.00%	% of GR
Capital Replacement Reserve	FFE	\$0	0.00%	\$0	0.00%	\$0	0.00%	% of GR
Management Fee	MR	\$0	0.00%	\$0	0.00%	\$0	0.00%	% of GR
<b>Total Expenses</b>		<b>\$858,773</b>	<b>59.02%</b>	<b>\$1,048,696</b>	<b>64.33%</b>	<b>\$709,935</b>	<b>47.73%</b>	

# Historical

	2021		2022		2023	
<b>Rooms</b>	53		53		53	
<b>Available Rooms</b>	19,345		19,345		19,345	
<b>Rooms Sold</b>	17,101		16,637		14,954	
<b>Occupancy</b>	88.4%		86.0%		77.3%	
<b>ADR</b>	\$85.03		\$97.82		\$99.38	
<b>RevPAR</b>	\$75.17		\$84.13		\$76.82	
<b>Revenue/Room</b>	\$27,456		\$30,760		\$28,064	
<b>INCOME</b>						
<b>Room Revenue</b>	\$1,454,859	100.0%	1,627,470	99.8%	\$1,486,089	99.9%
<b>Other Income - Misc.</b>	\$287	0.0%	\$2,832	0.2%	\$1,327	0.1%
<b>Other Income - Copy/Fax Income</b>	\$0	0.0%	\$0	0.0%	\$0	0.0%
<b>Total Revenue</b>	\$1,455,146	100.0%	\$1,630,302	100.0%	\$1,487,416	100.0%
	2021		2022		2023	
<b>DEPARTMENTAL EXPENSES</b>						
<b>Total Departmental Expenses</b>	\$226,979	15.6%	\$275,773	16.9%	\$261,226	17.6%
<b>Gross Operating Income</b>	\$1,228,167	84.4%	\$1,354,529	83.1%	\$1,226,190	82.4%
<b>UNDISTRIBUTED OPERATING EXPENSES</b>						
<b>Total Undistributed Operating Expenses</b>	\$573,859	39.4%	\$685,513	42.0%	\$380,582	25.6%
<b>Gross Operating Profit</b>	\$654,308	45.0%	\$669,016	41.0%	\$845,607	56.9%
<b>FIXED EXPENSES</b>						
<b>Total Fixed Charges</b>	\$57,935	4.0%	\$87,410	5.4%	\$68,126	4.6%
<b>Total Expenses</b>	\$858,773	59.0%	\$1,048,696	64.3%	\$709,935	47.7%
<b>Amount Available for Debt Service &amp; Other Fixed Charges</b>	\$596,373	41.0%	\$581,606	35.7%	\$777,481	52.3%
<b>Net Operating Income (EBITDA)</b>	<b>\$596,373</b>	<b>41.0%</b>	<b>\$581,606</b>	<b>35.7%</b>	<b>\$777,481</b>	<b>52.3%</b>

# 5 Year Pro Forma

PRO FORMA	2023		Year 1		Year 2		Year 3		Year 4		Year 5	
Rooms	53		53		53		53		53		53	
Available Rooms	19,345		19,345		19,345		19,345		19,345		19,345	
Rooms Sold	15,147		16,359		17,177		17,864		18,400		18,952	
Occupancy	78.3%		84.6%		88.8%		92.3%		95.1%		98.0%	
ADR	\$99.38		\$104.35		\$108.52		\$111.78		\$115.13		\$118.59	
RevPAR	\$77.81		\$88.24		\$96.36		\$103.22		\$109.51		\$116.18	
Revenue/Room	\$28,064		\$32,251		\$35,222		\$37,735		\$40,038		\$42,481	
<b>INCOME</b>												
Room Revenue	\$1,486,089	99.9%	\$1,707,035	99.9%	\$1,864,083	99.9%	\$1,996,805	99.8%	\$2,118,411	99.8%	\$2,247,422	99.8%
Other Income - Misc.	\$1,327	0.1%	\$1,500	0.1%	\$1,800	0.1%	\$2,100	0.1%	\$2,400	0.1%	\$2,700	0.1%
Other Income - Copy/Fax Income	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
<b>Total Revenue</b>	<b>\$1,487,416</b>	<b>100.0%</b>	<b>\$1,709,285</b>	<b>100.0%</b>	<b>\$1,866,783</b>	<b>100.0%</b>	<b>\$1,999,955</b>	<b>100.0%</b>	<b>\$2,122,011</b>	<b>100.0%</b>	<b>\$2,251,472</b>	<b>100.0%</b>
<b>DEPARTMENTAL EXPENSES</b>												
Rooms	\$258,839	17.4%	\$294,460	17.2%	\$317,772	17.0%	\$339,415	17.0%	\$358,797	16.9%	\$379,037	16.8%
Food & Beverage	\$2,387	0.2%	\$4,090	0.2%	\$5,153	0.3%	\$6,252	0.3%	\$7,360	0.3%	\$8,528	0.4%
Other Operated Depts & Rentals	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
<b>Total Departmental Expenses</b>	<b>\$261,226</b>	<b>17.6%</b>	<b>\$298,550</b>	<b>17.5%</b>	<b>\$322,925</b>	<b>17.3%</b>	<b>\$345,667</b>	<b>17.3%</b>	<b>\$366,157</b>	<b>17.3%</b>	<b>\$387,565</b>	<b>17.2%</b>
<b>Gross Operating Income</b>	<b>\$1,226,190</b>	<b>82.4%</b>	<b>\$1,410,735</b>	<b>82.5%</b>	<b>\$1,543,858</b>	<b>82.7%</b>	<b>\$1,654,288</b>	<b>82.7%</b>	<b>\$1,755,854</b>	<b>82.7%</b>	<b>\$1,863,907</b>	<b>82.8%</b>
<b>UNDISTRIBUTED OPERATING EXPENSES</b>												
Administration & General	\$125,305	8.4%	\$132,000	7.7%	\$138,000	7.4%	\$144,000	7.2%	\$150,000	7.1%	\$156,000	6.9%
Marketing	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Franchise Royalty Fees	\$50,176	3.4%	\$170,704	10.0%	\$186,408	10.0%	\$199,681	10.0%	\$211,841	10.0%	\$224,742	10.0%
Utility Costs	\$124,237	8.4%	\$139,051	8.1%	\$150,297	8.1%	\$160,775	8.0%	\$170,199	8.0%	\$180,042	8.0%
Property Operations & Maintenance	\$80,865	5.4%	\$98,153	5.7%	\$107,355	5.8%	\$116,116	5.8%	\$124,199	5.9%	\$132,663	5.9%
<b>Total Undistributed Operating Expenses</b>	<b>\$380,582</b>	<b>25.6%</b>	<b>\$539,908</b>	<b>31.6%</b>	<b>\$582,061</b>	<b>31.2%</b>	<b>\$620,571</b>	<b>31.0%</b>	<b>\$656,239</b>	<b>30.9%</b>	<b>\$693,448</b>	<b>30.8%</b>
<b>Gross Operating Profit</b>	<b>\$845,607</b>	<b>56.9%</b>	<b>\$870,828</b>	<b>50.9%</b>	<b>\$961,797</b>	<b>51.5%</b>	<b>\$1,033,717</b>	<b>51.7%</b>	<b>\$1,099,615</b>	<b>51.8%</b>	<b>\$1,170,459</b>	<b>52.0%</b>
<b>FIXED EXPENSES</b>												
Property Taxes	\$25,083	1.7%	\$25,200	1.5%	\$25,800	1.4%	\$26,400	1.3%	\$27,000	1.3%	\$27,600	1.2%
Insurance	\$43,043	2.9%	\$43,200	2.5%	\$43,800	2.3%	\$44,400	2.2%	\$45,000	2.1%	\$45,600	2.0%
<b>Total Fixed Charges</b>	<b>\$68,126</b>	<b>4.6%</b>	<b>\$68,400</b>	<b>4.0%</b>	<b>\$69,600</b>	<b>3.7%</b>	<b>\$70,800</b>	<b>3.5%</b>	<b>\$72,000</b>	<b>3.4%</b>	<b>\$73,200</b>	<b>3.3%</b>
<b>Total Expenses</b>	<b>\$709,935</b>	<b>47.7%</b>	<b>\$906,858</b>	<b>53.1%</b>	<b>\$974,586</b>	<b>52.2%</b>	<b>\$1,037,038</b>	<b>51.9%</b>	<b>\$1,094,395</b>	<b>51.6%</b>	<b>\$1,154,213</b>	<b>51.3%</b>
<b>Amount Available for Debt Service &amp; Other Fixed Charges</b>	<b>\$777,481</b>	<b>52.3%</b>	<b>\$802,428</b>	<b>46.9%</b>	<b>\$892,197</b>	<b>47.8%</b>	<b>\$962,917</b>	<b>48.1%</b>	<b>\$1,027,615</b>	<b>48.4%</b>	<b>\$1,097,259</b>	<b>48.7%</b>
Capital Replacement Reserve	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Management Fee	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
<b>Net Operating Income (EBITDA)</b>	<b>\$777,481</b>	<b>52.3%</b>	<b>\$802,428</b>	<b>46.9%</b>	<b>\$892,197</b>	<b>47.8%</b>	<b>\$962,917</b>	<b>48.1%</b>	<b>\$1,027,615</b>	<b>48.4%</b>	<b>\$1,097,259</b>	<b>48.7%</b>

# 5-Year Returns

## INVESTMENT ANALYSIS

Name of Property	Motel 6 Monterey
Location	2124 Fremont Street, Monterey, CA 93940
No. of Rooms	53

## DEVELOPMENT/ACQUISITION COSTS - SOURCES/USES

	Amount	Per Key	% of Total	Cap Rate	RRM
Base Price	\$11,000,000	\$207,547	99.4%	7.07%	7.40
Initial PIP Estimate	\$13,250	\$250	0.1%		
Initial Franchise Fee Estimate	\$50,000	\$943	0.5%		
Estimated Closing Cost	\$0	\$0	0.0%		
Contingency	\$0	\$0	0.0%		
<b>Total</b>	<b>\$11,063,250</b>	<b>\$208,741</b>		<b>7.03%</b>	<b>7.44</b>

## OPERATING CASH FLOW SUMMARY

Year Ending	Year Ending	Jun-2025	Jun-2026	Jun-2027	Jun-2028	Jun-2029
	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Net Operating Income	\$777,481	\$802,428	\$892,197	\$962,917	\$1,027,615	\$1,097,259
<b>DEBT</b>						
Primary Loan	\$0	-\$733,798	-\$733,798	-\$733,798	-\$733,798	-\$733,798
Refinancing	\$0	\$0	\$0	\$0	\$0	\$0
Other Financing Costs	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Flow After Debt Financing	\$777,481	\$68,630	\$158,399	\$229,119	\$293,818	\$363,462
Debt Service Coverage Ratio	1.06	1.09	1.22	1.31	1.40	1.50
Terminal Cap Rate	8.0%					
Disposition Cost	3.0%					

## OVERALL PROJECT RETURN SUMMARY

Year Ending	Year Ending	Jun-2025	Jun-2026	Jun-2027	Jun-2028	Jun-2029
	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Initial Equity	(\$2,212,650)					
Cash Flow Before Debt Service		\$802,428	\$892,197	\$962,917	\$1,027,615	\$1,097,259
Cash Flow After Debt Service		\$68,630	\$158,399	\$229,119	\$293,818	\$363,462
Gross Selling Price						\$14,645,293
Less: Primary Loan (Balloon)						-\$8,226,325
Less: Refinanced Loan (Balloon)						\$0
Less: Disposition Cost						-\$439,359
Unlevered Return	11063250	\$802,428	\$892,197	\$962,917	\$1,027,615	\$15,303,194
Levered Return	2212650	\$68,630	\$158,399	\$229,119	\$293,818	\$6,343,071
Unlevered Annual Cash-on-Cash Return		7.29%	8.11%	8.75%	9.34%	9.98%
Levered Annual Cash-on-Cash Return		3.10%	7.16%	10.35%	13.28%	16.43%
Levered IRR	28.03%					
Unlevered IRR	12.88%					

# Market Overview

Offering Memorandum  
Motel 6 - Monterey



# Top Area Attractions



- **CANNERY ROW**

A historic waterfront street, Cannery Row is a vibrant area lined with shops, restaurants, and attractions. Once the heart of the sardine-packing industry, it's now a popular destination for both locals and tourists. You can explore boutique stores, savor fresh seafood, and enjoy the scenic views of the Monterey Bay.

- **MONTEREY BAY AQUARIUM**

World-renowned for its impressive marine life exhibits, the Monterey Bay Aquarium is a must-visit. It features a diverse range of marine species, from playful sea otters to mesmerizing jellyfish. The aquarium is dedicated to ocean conservation and offers interactive exhibits and educational programs for visitors of all ages.

- **FISHERMAN'S WHARF**

Fisherman's Wharf is a bustling hub known for its seafood restaurants, shops, and entertainment options. Visitors can embark on whale-watching tours, enjoy fresh clam chowder, or simply stroll along the wharf while taking in the sights and sounds of the harbor. It's a lively area that captures the essence of Monterey's maritime heritage.

- **17-MILE DRIVE**

One of the most scenic drives in the world, 17-Mile Drive offers breathtaking views of the Pacific coastline, iconic landmarks like the Lone Cypress, and world-famous golf courses such as Pebble Beach. It's a perfect route for a leisurely drive, offering numerous photo opportunities and picnic spots along the way.

- **PACIFIC GROVE**

Neighboring Monterey, Pacific Grove is known for its charming Victorian architecture, scenic beaches, and the annual migration of monarch butterflies. It's a peaceful area ideal for leisurely walks, beachcombing, and enjoying the natural beauty of the coastline.

- **DEL MONTE BEACH**

A local favorite, Del Monte Beach is perfect for picnics, beachcombing, and relaxing by the ocean. Its sandy shores and gentle waves make it a great spot for families and beach enthusiasts. The beach offers a serene escape and beautiful views, especially at sunset.

# Market Overview - Monterey, California

Monterey, California, is a picturesque coastal city on the Monterey Peninsula known for its natural beauty, rich history, and vibrant cultural scene. Its prime location along the Pacific Ocean makes it a popular destination for tourists and residents alike, offering scenic landscapes, a moderate climate, and a variety of outdoor activities. Monterey's economy thrives on tourism, education, and marine research, creating an appealing environment for living and investing.

As of the 2020 census, Monterey had a population of approximately 28,000 to 30,000 residents, with around 12,000 to 13,000 households. The average household size is about 2.2 to 2.5 people. The city boasts higher-than-average median household income and educational attainment levels, supported by its well-established institutions and research centers. Key industries include tourism, education, marine biology, and healthcare

Monterey offers a wealth of cultural and recreational activities that enhance its quality of life:

- **Cannery Row and Fisherman's Wharf:** Historic waterfront areas with shopping, dining, and entertainment, reflecting the city's sardine-packing past.
- **Monterey Bay Aquarium:** A world-renowned aquarium known for its marine life exhibits and conservation efforts.
- **17-Mile Drive and Del Monte Beach:** Scenic spots providing breathtaking coastal views and outdoor activities.
- **Monterey Peninsula Recreational Trail:** A popular trail for walking, cycling, and enjoying ocean views.

Monterey is undergoing revitalization to boost economic activity while preserving its historical charm. The city's cultural and arts scene includes the Monterey Museum of Art and the Monterey Jazz Festival. Annual events such as Monterey Car Week and the California Roots Music and Arts Festival highlight its diverse cultural offerings. These efforts, along with a commitment to environmental sustainability, reflect Monterey's dedication to fostering a dynamic and inclusive community.





Hospitality Submarket Report

Monterey/Salinas

California Central Coast USA

**HOSPITALITY SUBMARKET REPORT**

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Sale Trends	22
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PREPARED BY



Michael Romero  
Senior Client Services Coordinator



# Overview

## Monterey/Salinas Hospitality

12 Mo Occupancy      12 Mo ADR      12 Mo RevPAR      12 Mo Supply      12 Mo Demand

**66.0%**      **\$265.77**      **\$175.27**      **4.6M**      **3M**

Monterey/Salinas is a large submarket, and contains around 13,000 rooms spread over 233 properties. That adds up to about a third of the California Central Coast market's hotel inventory. Monterey/Salinas is characterized by very small hotels, with an average property size of 54 rooms. That's even lower than the 60 room per building market average, and both are well below the national norm of about 90 rooms per building.

In the past 12 months, monthly occupancy has averaged 66.2%, essentially matching the market average of 66.5% for the same period.

Like the market, 12-month RevPAR is down on a year-

over-year basis, most recently by 1.1% as of June. That's roughly in line with the decrease observed market-wide.

There are about 320 rooms underway in the Monterey/Salinas submarket, the largest under construction pipeline in more than a decade. This marks a continuation of new development in the submarket: A handful of projects containing around 180 total rooms delivered within the past three years.

Monterey/Salinas usually has an active investment market, but recorded just a single trade in the past 12 months.

### KEY INDICATORS

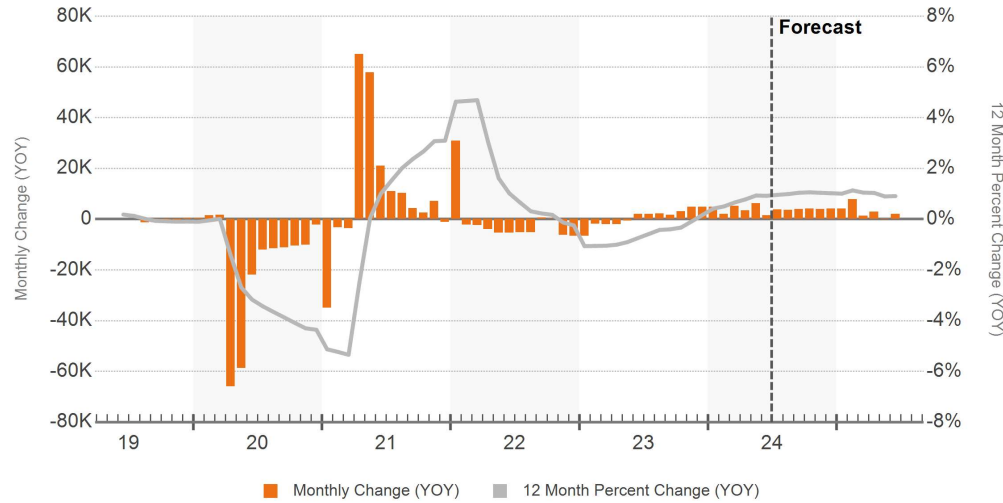
Class	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR	12 Mo Delivered	Under Construction
Luxury & Upper Upscale	4,627	69.7%	\$450.08	\$313.82	0	101
Upscale & Upper Midscale	2,683	66.8%	\$188.12	\$125.57	93	214
Midscale & Economy	5,276	62.2%	\$125.23	\$77.92	0	0
<b>Total</b>	<b>12,586</b>	<b>66.0%</b>	<b>\$265.77</b>	<b>\$175.27</b>	<b>93</b>	<b>315</b>

Average Trend	Current	3 Mo	YTD	12 Mo	Historical Average	Forecast Average
Occupancy	68.9%	67.1%	61.2%	66.0%	63.3%	64.4%
Occupancy Change	-0.7%	0.8%	-1.3%	-2.4%	-1.8%	-0.4%
ADR	\$270.23	\$247.31	\$235.51	\$265.77	\$238.10	\$275.47
ADR Change	-1.7%	-1.6%	-0.7%	0.1%	5.5%	1.3%
RevPAR	\$186.11	\$165.99	\$144.22	\$175.27	\$150.73	\$177.26
RevPAR Change	-2.5%	-0.8%	-2.0%	-2.3%	3.6%	0.9%

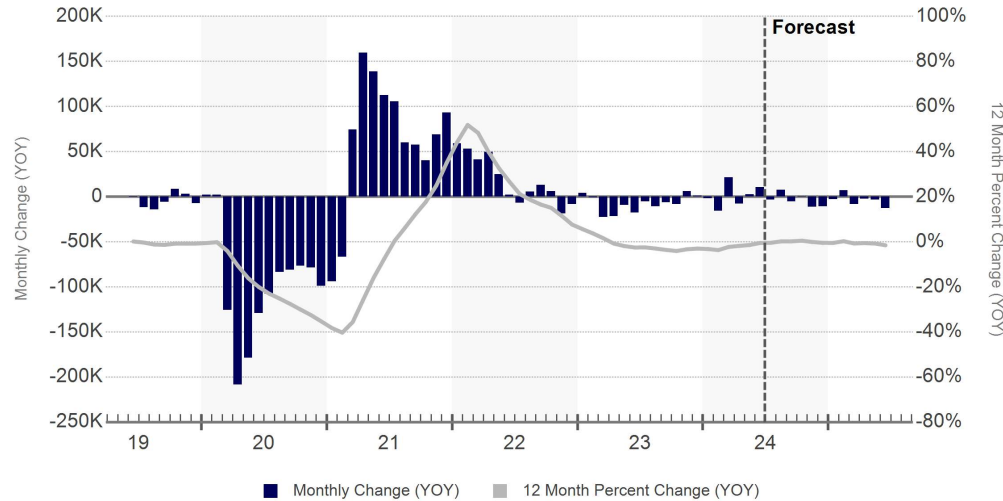
# Performance

## Monterey/Salinas Hospitality

### SUPPLY CHANGE



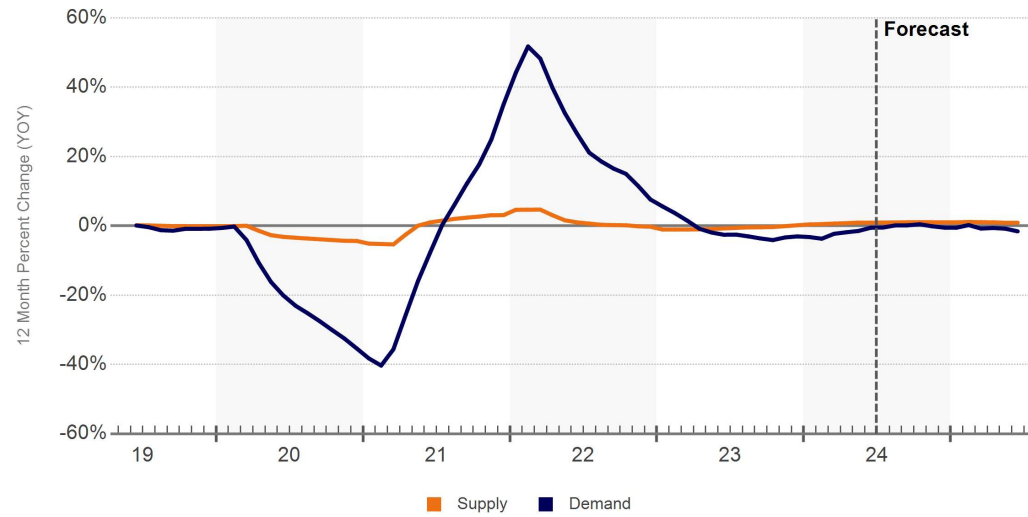
### DEMAND CHANGE



# Performance

Monterey/Salinas Hospitality

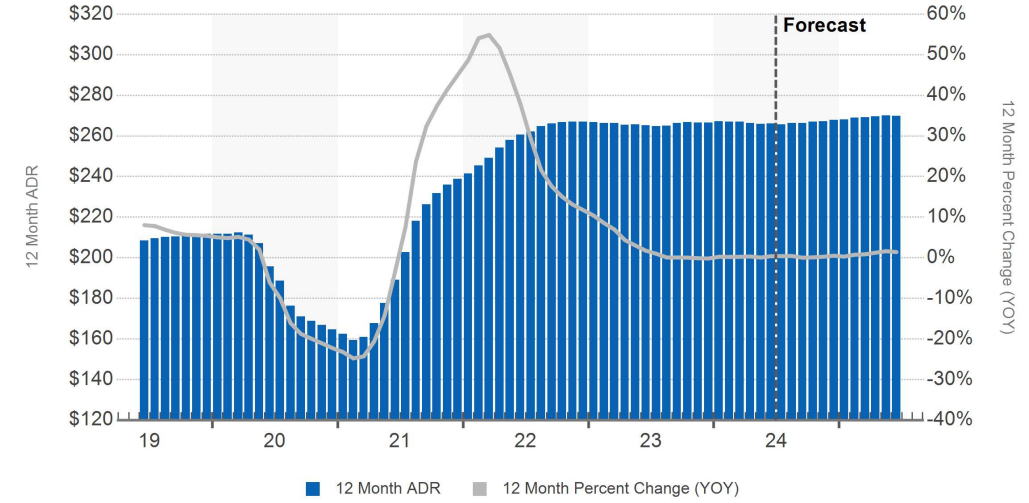
## SUPPLY & DEMAND CHANGE



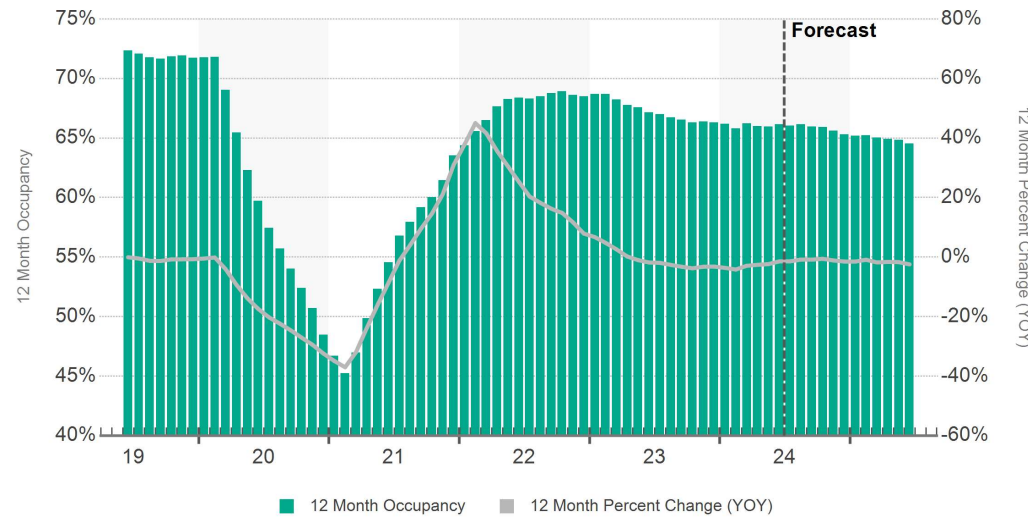
# Performance

Monterey/Salinas Hospitality

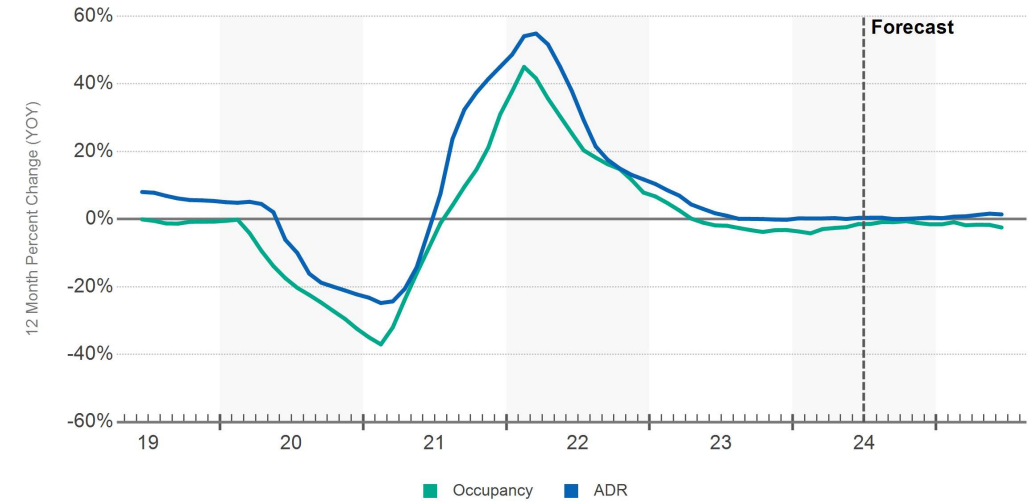
## ADR



## OCCUPANCY



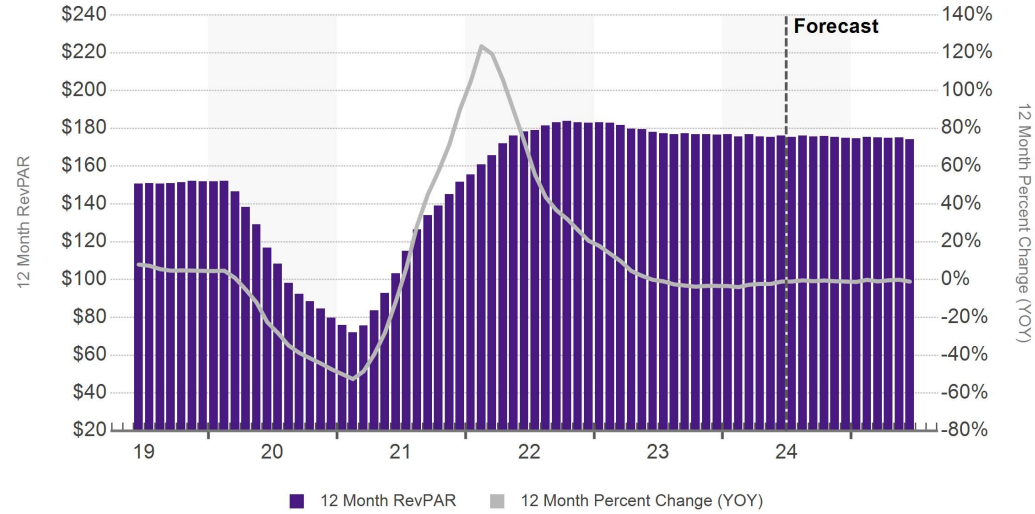
## OCCUPANCY & ADR CHANGE



# Performance

Monterey/Salinas Hospitality

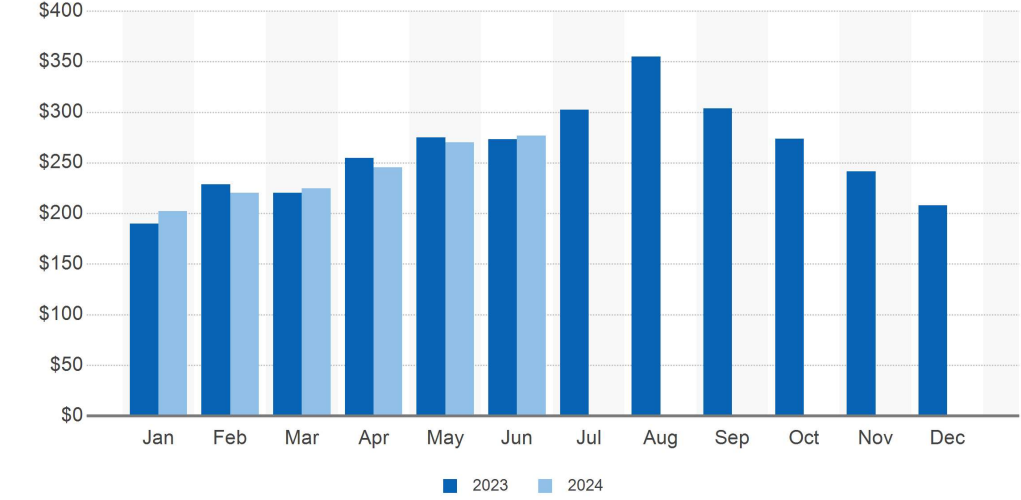
## REVPAR



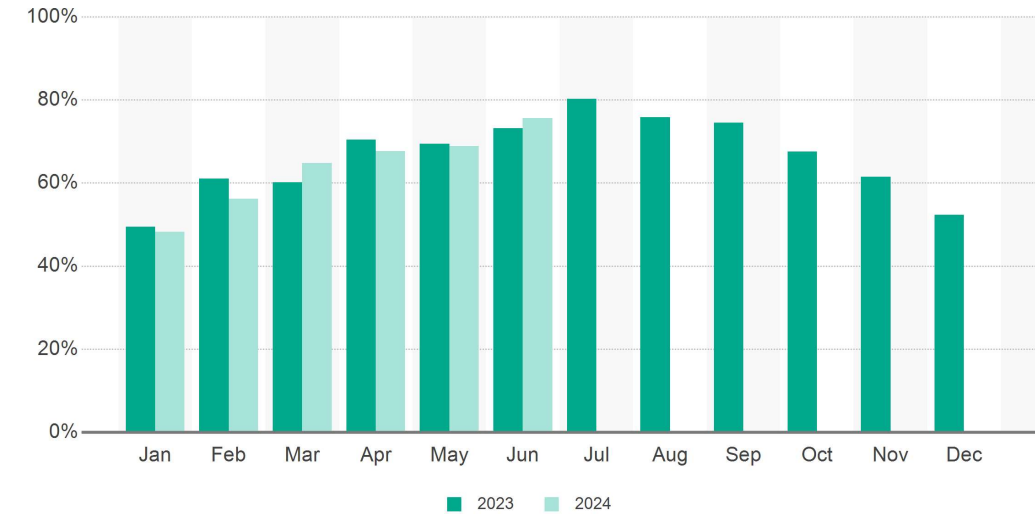
# Performance

Monterey/Salinas Hospitality

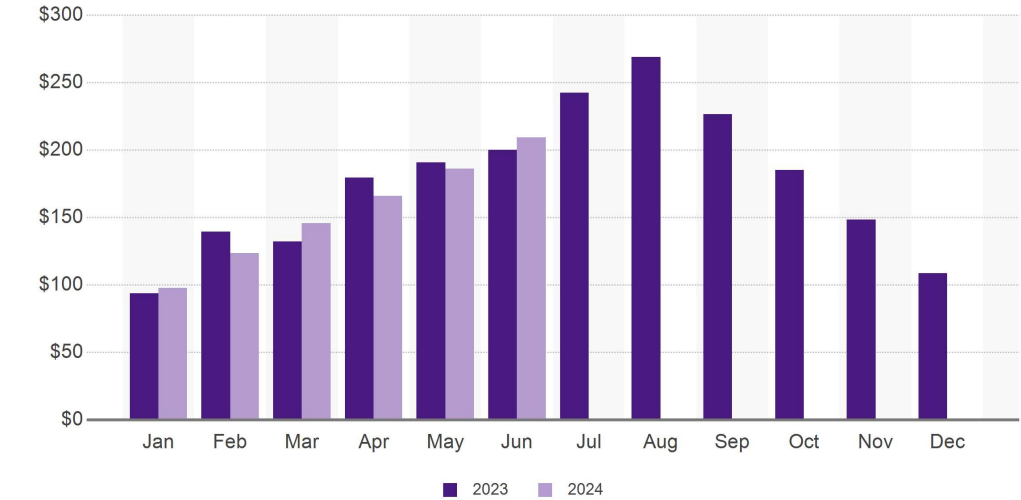
## ADR MONTHLY



## OCCUPANCY MONTHLY



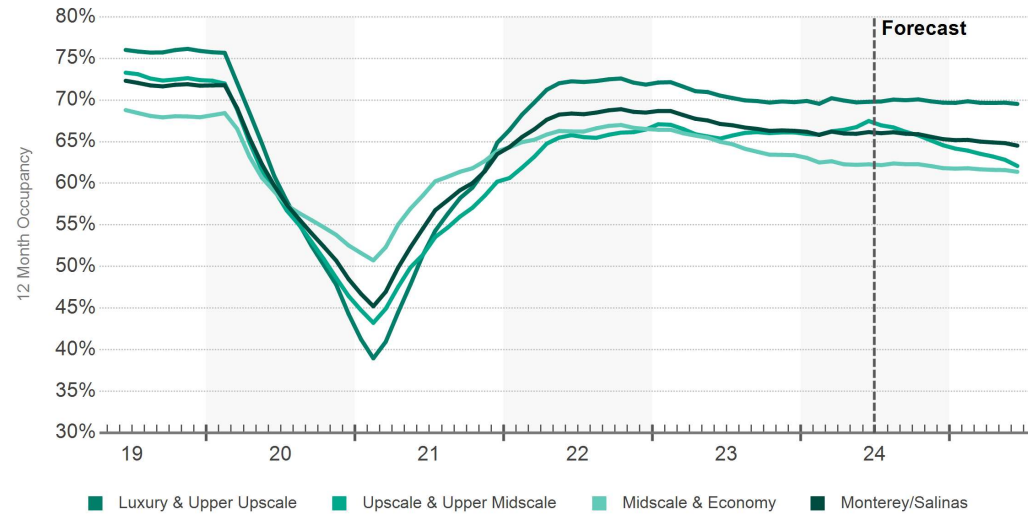
## REVPAR MONTHLY



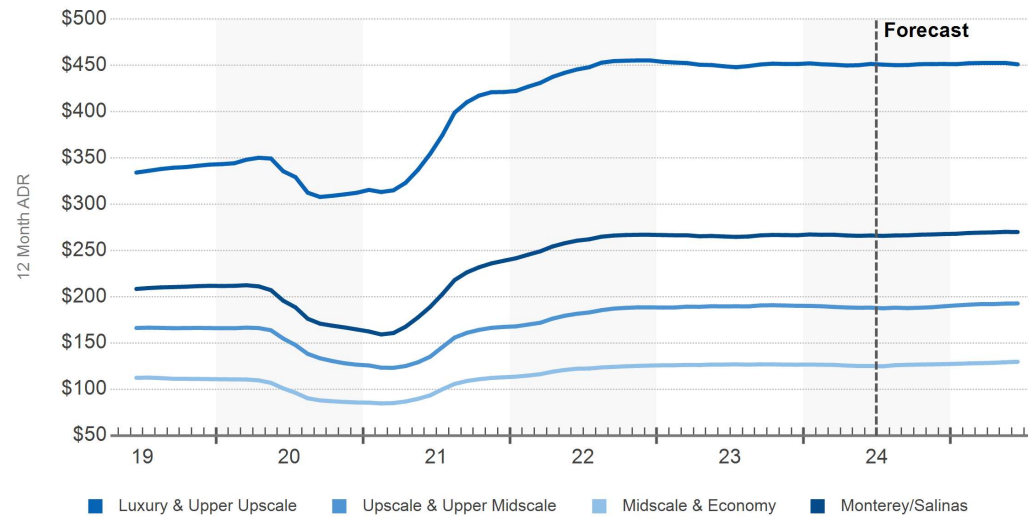
# Performance

Monterey/Salinas Hospitality

## OCCUPANCY BY CLASS



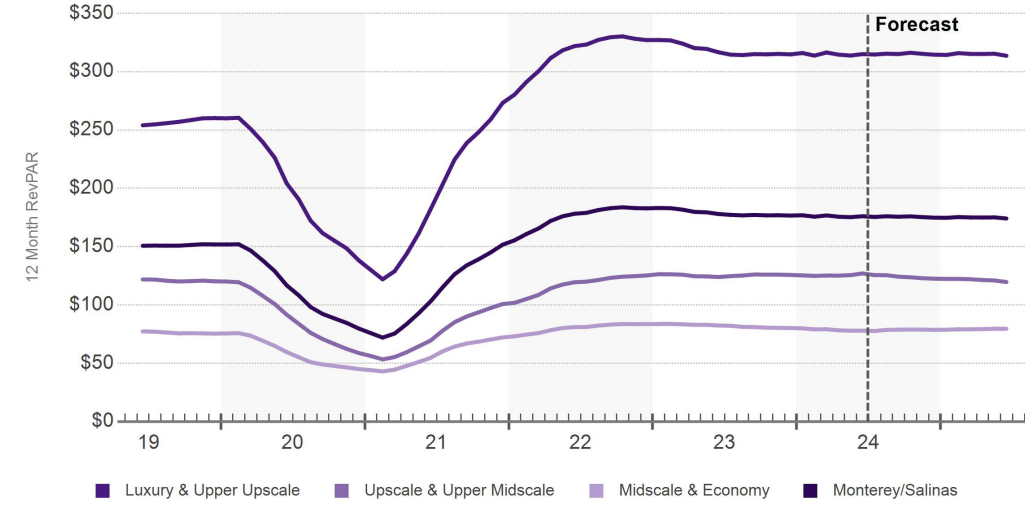
## ADR BY CLASS



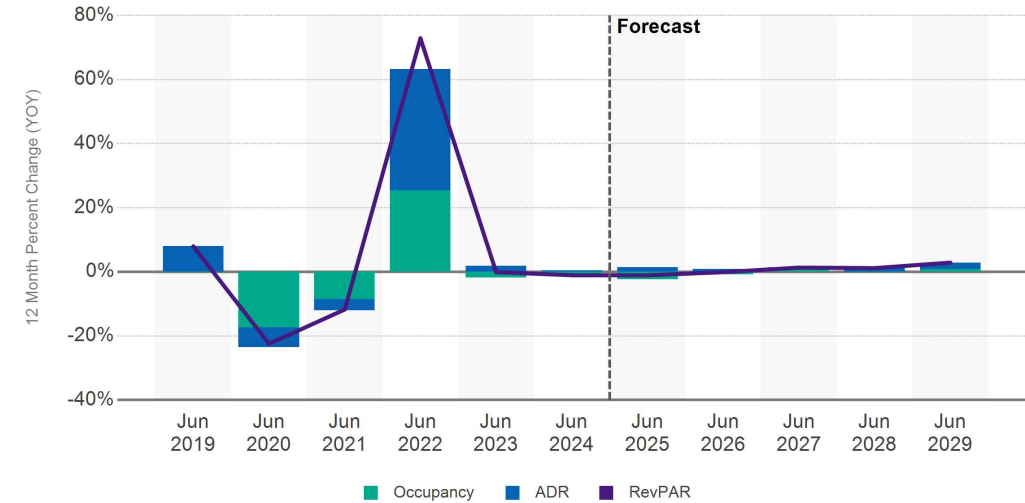
# Performance

Monterey/Salinas Hospitality

## REVPAR BY CLASS



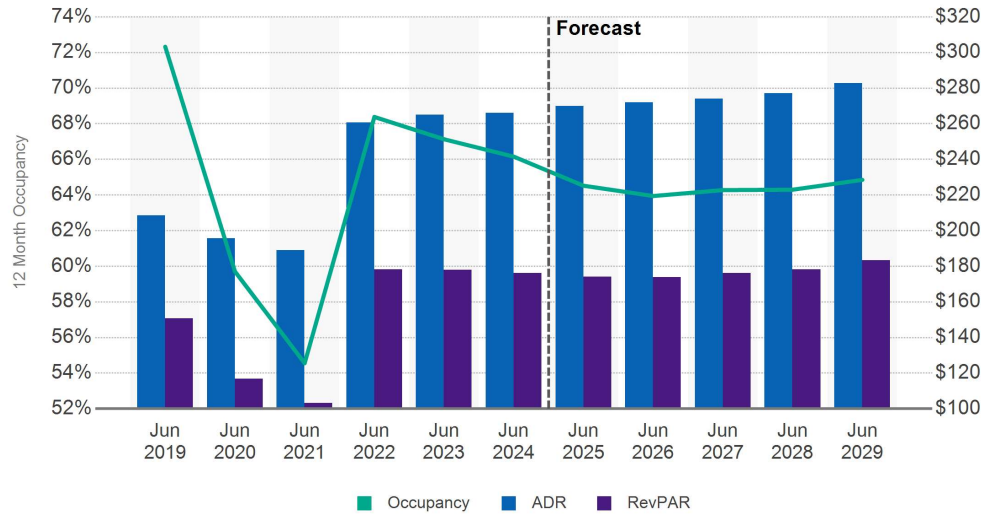
## REVPAR GROWTH COMPOSITION



# Performance

Monterey/Salinas Hospitality

## OCCUPANCY, ADR & REVPAR



# Performance

Monterey/Salinas Hospitality

## FULL-SERVICE HOTELS PROFITABILITY (ANNUAL)

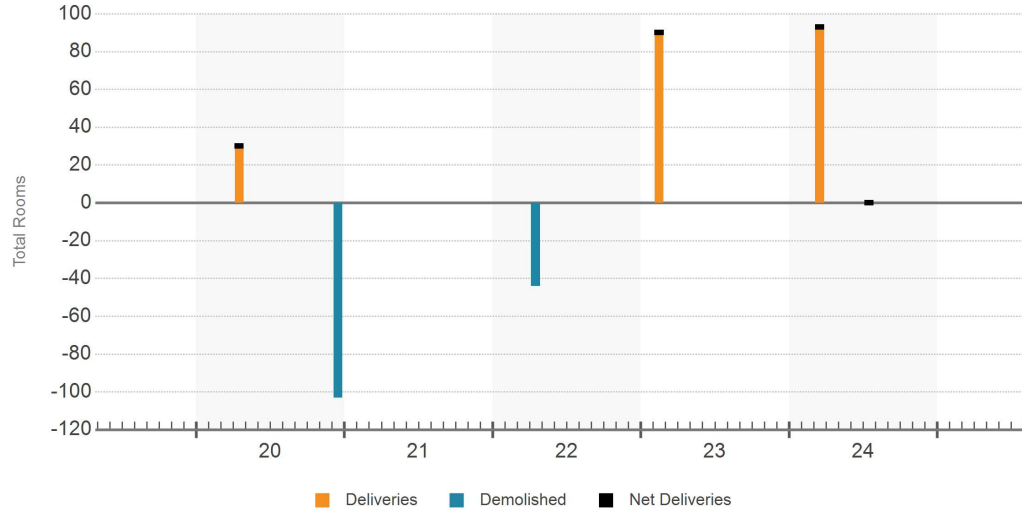
Market	% of Revenues	2022		2021-2022 % Change	
		PAR	POR	PAR	POR
<b>Revenue</b>					
Rooms	73.5%	\$100,223	\$373.96	23.1%	4.8%
Food	11.3%	\$15,353	\$57.29	60.7%	36.9%
Beverage	3.5%	\$4,820	\$17.99	28.7%	9.6%
Other F&B	4.4%	\$5,976	\$22.30	105.0%	74.6%
Other Departments	6.1%	\$8,276	\$30.88	10.6%	-5.8%
Miscellaneous Income	1.3%	\$1,775	\$6.62	40.5%	19.7%
<b>Total Revenue</b>	<b>100%</b>	<b>\$136,424</b>	<b>\$509.04</b>	<b>28.2%</b>	<b>9.2%</b>
<b>Operating Expenses</b>					
Rooms	30.5%	\$30,606	\$114.20	24.0%	5.6%
Food & Beverage	117.8%	\$30,795	\$114.91	45.0%	23.5%
Other Departments	57.6%	\$4,766	\$17.78	5.4%	-10.2%
Administrative & General	11.9%	\$16,224	\$60.54	21.4%	3.4%
Information & Telecommunication Systems	0.7%	\$911	\$3.40	11.4%	-5.1%
Sales & Marketing	7.5%	\$10,279	\$38.35	30.8%	11.4%
Property Operations & Maintenance	5.3%	\$7,218	\$26.93	6.5%	-9.3%
Utilities	3.1%	\$4,215	\$15.73	17.7%	0.2%
<b>Gross Operating Profit</b>	<b>23.0%</b>	<b>\$31,409</b>	<b>\$117.20</b>	<b>33.3%</b>	<b>13.5%</b>
Management Fees	3.9%	\$5,265	\$19.64	28.8%	9.7%
Rent	0.1%	\$199	\$0.74	76.0%	49.9%
Property Taxes	1.3%	\$1,747	\$6.52	1.7%	-13.4%
Insurance	1.7%	\$2,330	\$8.69	7.9%	-8.1%
<b>EBITDA</b>	<b>16.0%</b>	<b>\$21,868</b>	<b>\$81.60</b>	<b>41.2%</b>	<b>20.3%</b>
<b>Total Labor Costs</b>	<b>32.0%</b>	<b>\$43,630</b>	<b>\$162.80</b>	<b>25.4%</b>	<b>6.8%</b>

(1) For Annual P&L, the current year exchange rate is used for each year going back in time. This current year exchange rate is the average of all 12 monthly rates for that year.  
 (2) Percentage of Revenues for departmental expenses (Rooms, Food & Beverage, and Other Departments) are based on their respective departmental revenues. All other expense percentages are based on Total Revenue.  
 (3) Labor costs are already included in the operating expenses above. Amounts shown in Total Labor Costs are for additional detail only.

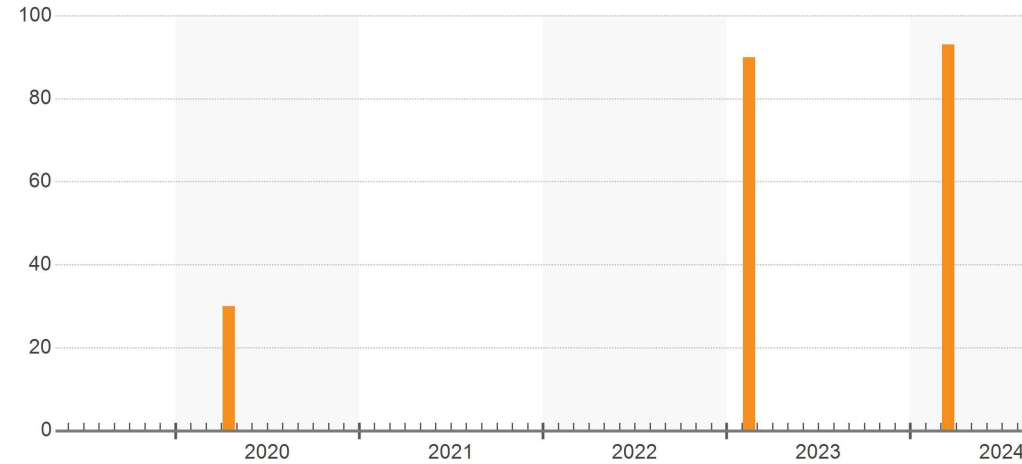
# Construction

Monterey/Salinas Hospitality

## DELIVERIES & DEMOLITIONS



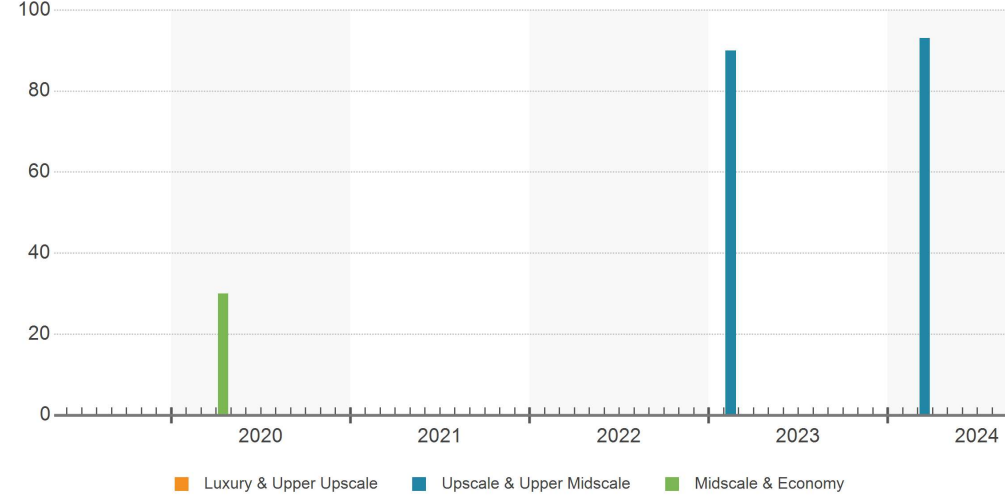
## ROOMS DELIVERED



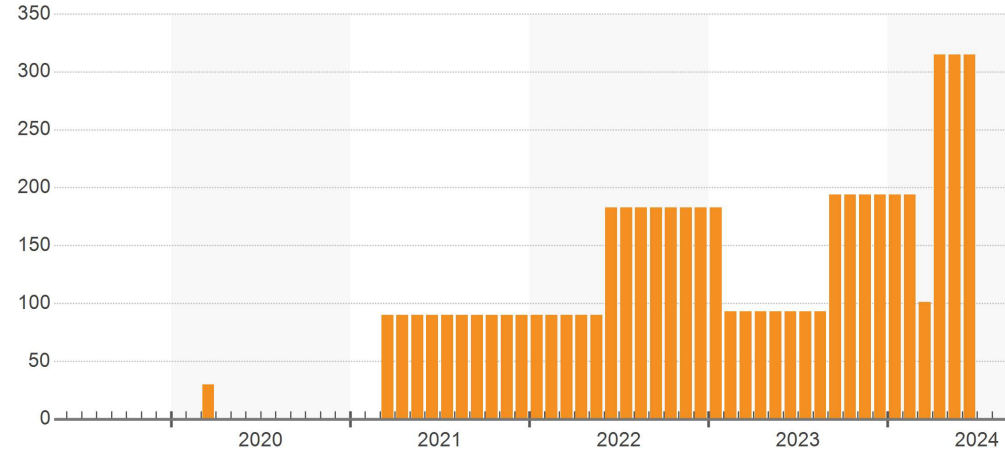
# Construction

Monterey/Salinas Hospitality

## ROOMS DELIVERED BY CLASS



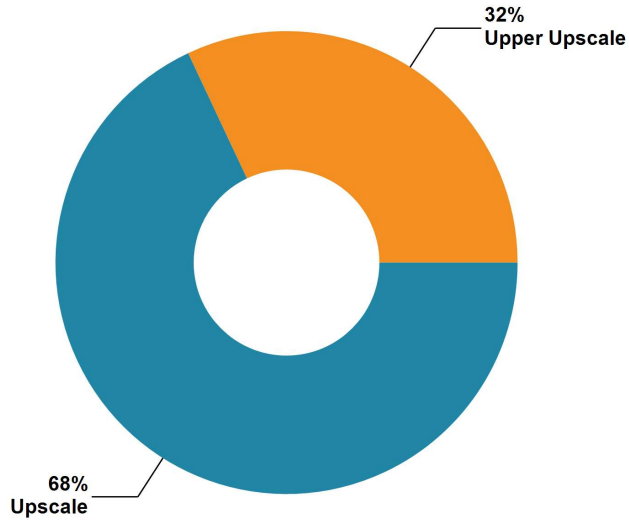
## ROOMS UNDER CONSTRUCTION



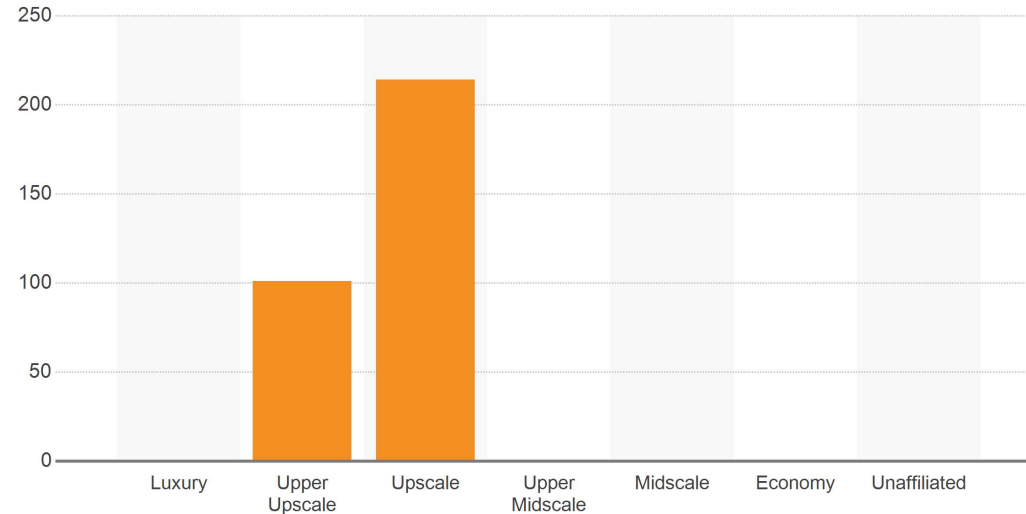
# Construction

Monterey/Salinas Hospitality

TOTAL ROOMS UNDER CONSTRUCTION BY SCALE



ROOMS UNDER CONSTRUCTION BY SCALE

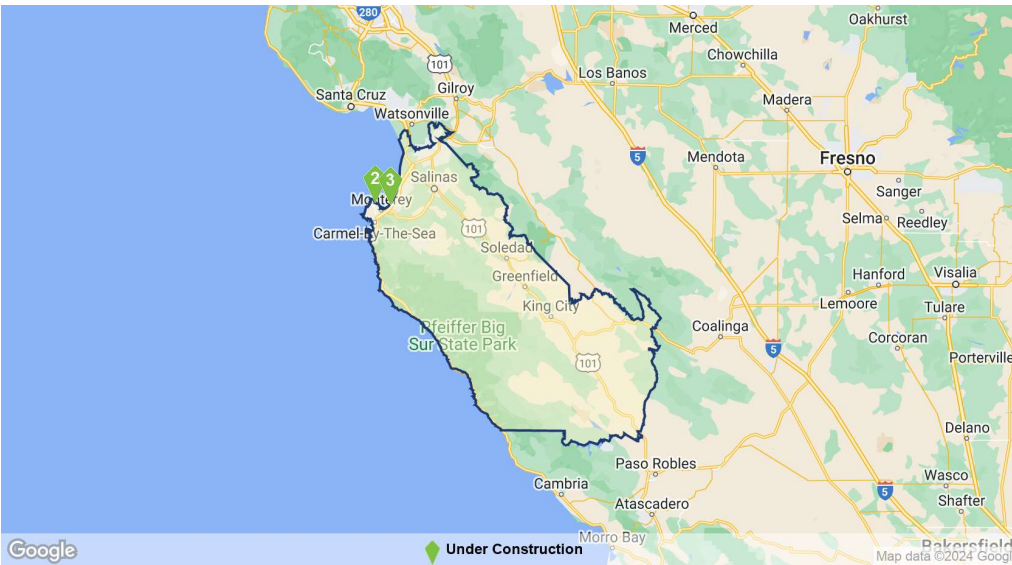


# Under Construction Properties

Monterey/Salinas Hospitality

Properties	Rooms	Percent of Inventory	Average Rooms
3	315	2.5%	105

UNDER CONSTRUCTION PROPERTIES



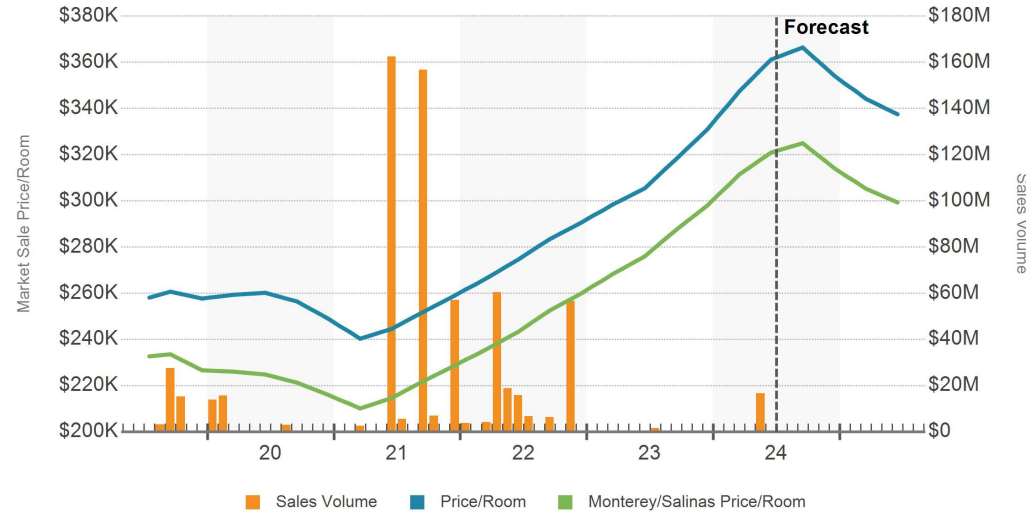
UNDER CONSTRUCTION

Property Name/Address	Class	Rooms	Stories	Start	Complete	Brand/Developer
1 Courtyard by Marriott Seaside Sa... 880 Tioga Ave	Upscale	126	4	Apr 2024	Dec 2025	Courtyard EKN Development Group
2 Kimpton Pacific Grove Hotel 157 Grand Ave	Upper Upscale	101	4	Sep 2023	Dec 2025	Kimpton Cypress 16, LLC
3 Residence Inn by Marriott Seaside... 880 Tioga Ave	Upscale	88	4	Apr 2024	Dec 2025	Residence Inn EKN Development Group

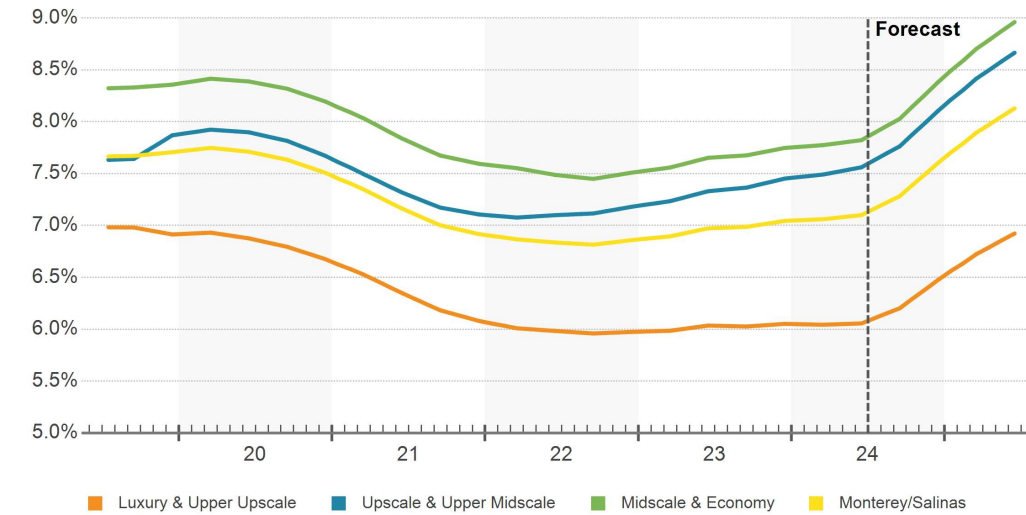
# Sales

Monterey/Salinas Hospitality

## SALES VOLUME & MARKET SALE PRICE PER ROOM



## MARKET CAP RATE



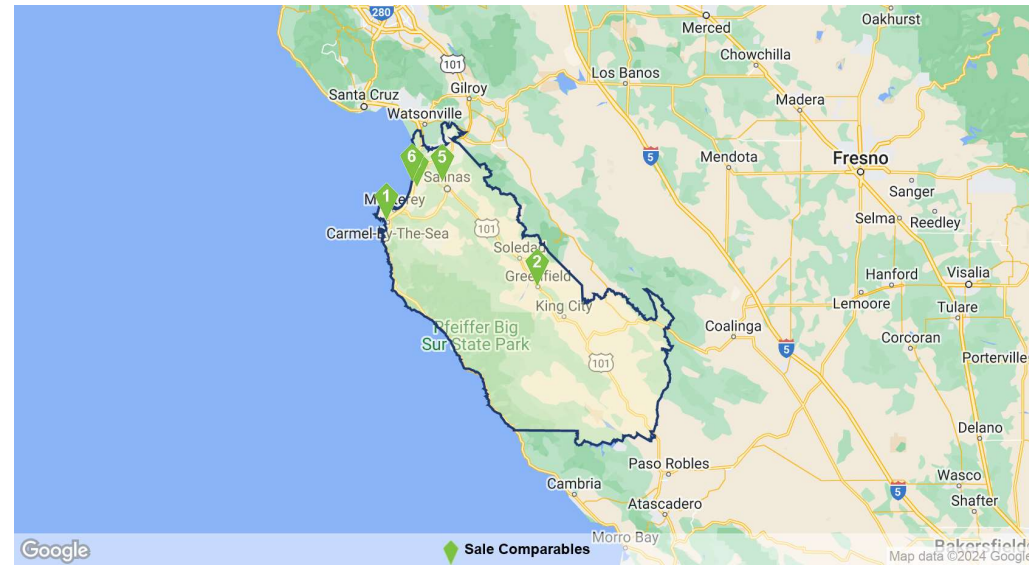
# Sales Past 12 Months

Monterey/Salinas Hospitality

Sale Comparables      Average Price/Room      Average Price      Average Cap Rate

**6**      **\$349K**      **\$9.1M**      **-**

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sale Attributes	Low	Average	Median	High
Sale Price	\$1,500,000	\$9,075,000	\$1,500,000	\$16,650,000
Price/Room	\$88,235	\$349,038	\$88,235	\$475,714
Cap Rate	-	-	-	-
Time Since Sale in Months	2.7	7.4	7.7	11.9
Property Attributes	Low	Average	Median	High
Property Size in Rooms	17	31	21	60
Number of Floors	1	2	2	3
Total Meeting Space	135	629	629	1,456
Year Built	1959	1988	2000	2004
Class	Economy	Upscale	Upscale	Luxury

## Sales Past 12 Months

Monterey/Salinas Hospitality

### RECENT SIGNIFICANT SALES

	Property Name/Address	Property Information				Sale Information		
		Class	Yr Built	Rooms	Brand	Sale Date	Price	Price/Room
1	Svendsgaard's Inn 4th St	Luxury	1959	35	-	5/2/2024	\$16,650,000	\$475,714
2	Travel Inn 120 El Camino Real	Economy	1960	17	-	7/28/2023	\$1,500,000	\$88,235
3	Monarch Valley Inn 416 Reservation Rd	Economy	2004	38	-	1/11/2024	-	-
4	Courtyard Salinas Monterey 17225 El Rancho Way	Upscale	2003	18	Courtyard	12/1/2023	-	-
5	Residence Inn Salinas Monterey 17215 El Rancho Way	Upscale	2003	21	Residence Inn	12/1/2023	-	-
6	Sanctuary Beach Resort 3295 Dunes Rd	Luxury	2000	60	-	11/28/2023	-	-

## Appendix

Monterey/Salinas Hospitality

### OVERALL SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	4,713,128	0	0%	3,034,811	(3,089)	-0.1%
2027	4,713,128	0	0%	3,037,900	43,579	1.5%
2026	4,713,128	107,425	2.3%	2,994,321	34,269	1.2%
2025	4,605,703	27,878	0.6%	2,960,052	(29,397)	-1.0%
2024	4,577,825	46,297	1.0%	2,989,449	(15,219)	-0.5%
YTD	2,262,528	23,028	1.0%	1,439,694	8,351	0.6%
2023	4,531,528	7,423	0.2%	3,004,668	(94,380)	-3.0%
2022	4,524,105	(11,107)	-0.2%	3,099,048	218,998	7.6%
2021	4,535,212	136,132	3.1%	2,880,050	747,360	35.0%
2020	4,399,080	(200,503)	-4.4%	2,132,690	(1,166,810)	-35.4%
2019	4,599,583	(4,299)	-0.1%	3,299,500	(27,270)	-0.8%
2018	4,603,882	42,052	0.9%	3,326,770	52,555	1.6%
2017	4,561,830	23,533	0.5%	3,274,215	6,869	0.2%
2016	4,538,297	399	0%	3,267,346	49,851	1.5%
2015	4,537,898	11,642	0.3%	3,217,495	131,234	4.3%
2014	4,526,256	30,056	0.7%	3,086,261	135,965	4.6%

### LUXURY & UPPER UPSCALE SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	1,725,894	0	0%	1,183,625	(1,371)	-0.1%
2027	1,725,894	0	0%	1,184,996	27,307	2.4%
2026	1,725,894	34,444	2.0%	1,157,689	(10,243)	-0.9%
2025	1,691,450	6,093	0.4%	1,167,932	(6,598)	-0.6%
2024	1,685,357	5,549	0.3%	1,174,530	2,818	0.2%
YTD	834,516	6,376	0.8%	557,797	5,145	0.9%
2023	1,679,808	(7,617)	-0.5%	1,171,712	(40,860)	-3.4%
2022	1,687,425	20,666	1.2%	1,212,572	131,371	12.2%
2021	1,666,759	156,991	10.4%	1,081,201	412,556	61.7%
2020	1,509,768	(175,600)	-10.4%	668,645	(610,787)	-47.7%
2019	1,685,368	(672)	0%	1,279,432	656	0.1%
2018	1,686,040	24,130	1.5%	1,278,776	57,938	4.7%
2017	1,661,910	(3,036)	-0.2%	1,220,838	(22,334)	-1.8%
2016	1,664,946	8,346	0.5%	1,243,172	4,609	0.4%
2015	1,656,600	3,768	0.2%	1,238,563	22,826	1.9%
2014	1,652,832	4,362	0.3%	1,215,737	35,338	3.0%

# Appendix

## Monterey/Salinas Hospitality

### UPSCALE & UPPER MIDSCALE SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	1,059,788	0	0%	663,507	(741)	-0.1%
2027	1,059,788	0	0%	664,248	11,357	1.7%
2026	1,059,788	72,981	7.4%	652,891	45,759	7.5%
2025	986,807	12,999	1.3%	607,132	(21,667)	-3.4%
2024	973,808	31,731	3.4%	628,799	5,991	1.0%
YTD	480,136	14,557	3.1%	315,828	22,789	7.8%
2023	942,077	30,822	3.4%	622,808	17,178	2.8%
2022	911,255	19,097	2.1%	605,630	68,655	12.8%
2021	892,158	9,875	1.1%	536,975	127,178	31.0%
2020	882,283	(18,038)	-2.0%	409,797	(242,036)	-37.1%
2019	900,321	961	0.1%	651,833	(6,842)	-1.0%
2018	899,360	16,006	1.8%	658,675	15,378	2.4%
2017	883,354	25,543	3.0%	643,297	33,483	5.5%
2016	857,811	61	0%	609,814	9,977	1.7%
2015	857,750	12,266	1.5%	599,837	26,166	4.6%
2014	845,484	25,694	3.1%	573,671	46,993	8.9%

### MIDSCALE & ECONOMY SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	1,927,446	0	0%	1,187,679	(977)	-0.1%
2027	1,927,446	0	0%	1,188,656	4,915	0.4%
2026	1,927,446	0	0%	1,183,741	(1,247)	-0.1%
2025	1,927,446	8,786	0.5%	1,184,988	(1,132)	-0.1%
2024	1,918,660	9,017	0.5%	1,186,120	(24,028)	-2.0%
YTD	947,876	2,095	0.2%	566,069	(19,583)	-3.3%
2023	1,909,643	(15,782)	-0.8%	1,210,148	(70,698)	-5.5%
2022	1,925,425	(50,870)	-2.6%	1,280,846	18,972	1.5%
2021	1,976,295	(30,734)	-1.5%	1,261,874	207,626	19.7%
2020	2,007,029	(6,865)	-0.3%	1,054,248	(313,987)	-22.9%
2019	2,013,894	(4,588)	-0.2%	1,368,235	(21,084)	-1.5%
2018	2,018,482	1,916	0.1%	1,389,319	(20,761)	-1.5%
2017	2,016,566	1,026	0.1%	1,410,080	(4,279)	-0.3%
2016	2,015,540	(8,008)	-0.4%	1,414,359	35,264	2.6%
2015	2,023,548	(4,392)	-0.2%	1,379,095	82,242	6.3%
2014	2,027,940	0	0%	1,296,853	53,634	4.3%

# Appendix

## Monterey/Salinas Hospitality

### OVERALL PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	64.4%	-0.1%	\$280.34	1.8%	\$180.51	1.7%
2027	64.5%	1.5%	\$275.36	0.3%	\$177.49	1.7%
2026	63.5%	-1.1%	\$274.62	1.6%	\$174.47	0.4%
2025	64.3%	-1.6%	\$270.37	1.0%	\$173.77	-0.6%
2024	65.3%	-1.5%	\$267.72	0.5%	\$174.83	-1.0%
YTD	63.6%	-0.4%	\$243.63	-0.2%	\$155.03	-0.6%
2023	66.3%	-3.2%	\$266.41	-0.2%	\$176.65	-3.4%
2022	68.5%	7.9%	\$266.89	11.8%	\$182.82	20.6%
2021	63.5%	31.0%	\$238.82	45.0%	\$151.66	90.0%
2020	48.5%	-32.4%	\$164.65	-22.2%	\$79.83	-47.5%
2019	71.7%	-0.7%	\$211.77	5.4%	\$151.91	4.6%
2018	72.3%	0.7%	\$200.96	7.5%	\$145.22	8.2%
2017	71.8%	-0.3%	\$186.97	2.2%	\$134.20	1.9%
2016	72.0%	1.5%	\$182.99	3.1%	\$131.74	4.7%
2015	70.9%	4.0%	\$177.42	4.7%	\$125.80	8.9%
2014	68.2%	3.9%	\$169.39	5.0%	\$115.50	9.1%

### LUXURY & UPPER UPSCALE PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	68.6%	-0.1%	\$446.20	1.7%	\$306	1.6%
2027	68.7%	2.4%	\$438.76	-1.8%	\$301.25	0.5%
2026	67.1%	-2.9%	\$446.91	-0.2%	\$299.78	-3.1%
2025	69.0%	-0.9%	\$447.96	-0.8%	\$309.31	-1.7%
2024	69.7%	-0.1%	\$451.36	0%	\$314.55	-0.1%
YTD	66.8%	0.2%	\$414.35	0.1%	\$276.96	0.3%
2023	69.8%	-2.9%	\$451.33	-0.8%	\$314.82	-3.8%
2022	71.9%	10.8%	\$455.19	8.1%	\$327.09	19.7%
2021	64.9%	46.5%	\$421.09	34.8%	\$273.15	97.5%
2020	44.3%	-41.7%	\$312.28	-8.9%	\$138.30	-46.8%
2019	75.9%	0.1%	\$342.73	6.5%	\$260.18	6.6%
2018	75.8%	3.2%	\$321.78	7.8%	\$244.06	11.3%
2017	73.5%	-1.6%	\$298.43	2.2%	\$219.23	0.5%
2016	74.7%	-0.1%	\$292.10	3.0%	\$218.11	2.9%
2015	74.8%	1.6%	\$283.63	4.5%	\$212.05	6.2%
2014	73.6%	2.7%	\$271.46	5.5%	\$199.67	8.3%

# Appendix

## Monterey/Salinas Hospitality

### UPSCALE & UPPER MIDSACLE PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	62.6%	-0.1%	\$215.53	1.9%	\$134.93	1.8%
2027	62.7%	1.7%	\$211.46	2.0%	\$132.54	3.8%
2026	61.6%	0.1%	\$207.26	6.1%	\$127.68	6.2%
2025	61.5%	-4.7%	\$195.40	3.0%	\$120.22	-1.9%
2024	64.6%	-2.3%	\$189.73	-0.2%	\$122.51	-2.6%
YTD	65.8%	4.5%	\$174.19	-1.7%	\$114.58	2.7%
2023	66.1%	-0.5%	\$190.17	0.9%	\$125.72	0.4%
2022	66.5%	10.4%	\$188.51	12.6%	\$125.28	24.3%
2021	60.2%	29.6%	\$167.41	32.2%	\$100.76	71.3%
2020	46.4%	-35.8%	\$126.63	-23.8%	\$58.82	-51.1%
2019	72.4%	-1.1%	\$166.16	3.5%	\$120.30	2.3%
2018	73.2%	0.6%	\$160.49	3.9%	\$117.54	4.5%
2017	72.8%	2.4%	\$154.49	4.2%	\$112.51	6.7%
2016	71.1%	1.7%	\$148.30	4.8%	\$105.43	6.5%
2015	69.9%	3.1%	\$141.53	7.9%	\$98.98	11.2%
2014	67.9%	5.6%	\$131.15	5.5%	\$88.99	11.4%

### MIDSCALE & ECONOMY PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	61.6%	-0.1%	\$151.26	2.1%	\$93.20	2.0%
2027	61.7%	0.4%	\$148.18	3.4%	\$91.38	3.8%
2026	61.4%	-0.1%	\$143.28	7.1%	\$88	7.0%
2025	61.5%	-0.6%	\$133.75	5.1%	\$82.23	4.5%
2024	61.8%	-2.4%	\$127.23	0.5%	\$78.65	-2.0%
YTD	59.7%	-3.6%	\$114.14	-2.7%	\$68.17	-6.2%
2023	63.4%	-4.7%	\$126.61	0.7%	\$80.23	-4.1%
2022	66.5%	4.2%	\$125.70	11.2%	\$83.62	15.9%
2021	63.9%	21.6%	\$113.02	31.7%	\$72.17	60.1%
2020	52.5%	-22.7%	\$85.80	-22.7%	\$45.07	-40.3%
2019	67.9%	-1.3%	\$111.04	1.9%	\$75.44	0.6%
2018	68.8%	-1.6%	\$108.95	3.5%	\$74.99	1.8%
2017	69.9%	-0.4%	\$105.29	3.2%	\$73.63	2.8%
2016	70.2%	3.0%	\$102.03	4.5%	\$71.60	7.6%
2015	68.2%	6.6%	\$97.64	7.7%	\$66.55	14.8%
2014	63.9%	4.3%	\$90.62	5.7%	\$57.95	10.3%

# Appendix

## Monterey/Salinas Hospitality

### OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$398,161	352	7.7%
2027	-	-	-	-	-	-	\$376,890	333	7.9%
2026	-	-	-	-	-	-	\$350,055	309	8.3%
2025	-	-	-	-	-	-	\$333,870	295	8.3%
2024	-	-	-	-	-	-	\$354,120	313	7.6%
YTD	1	\$16.7M	0.3%	\$16,650,000	\$475,714	-	\$370,081	327	7.1%
2023	1	\$1.5M	0.1%	\$1,500,000	\$88,235	-	\$331,123	293	7.0%
2022	17	\$172.3M	7.3%	\$10,135,303	\$189,842	-	\$290,581	257	6.9%
2021	9	\$391.2M	3.7%	\$43,468,889	\$832,383	8.1%	\$259,011	229	6.9%
2020	4	\$32.7M	1.9%	\$8,174,754	\$135,681	4.0%	\$248,883	220	7.5%
2019	11	\$103.8M	4.2%	\$9,432,591	\$194,304	5.3%	\$257,676	228	7.7%
2018	8	\$22.2M	1.7%	\$2,779,700	\$102,007	6.6%	\$248,732	220	7.7%
2017	12	\$128M	7.7%	\$10,666,292	\$130,741	8.2%	\$228,748	202	7.8%
2016	11	\$54.4M	3.4%	\$4,948,804	\$127,487	7.0%	\$206,962	183	8.0%
2015	10	\$448.5M	5.1%	\$44,848,247	\$700,754	6.0%	\$188,416	167	8.0%
2014	10	\$30.4M	2.2%	\$3,038,500	\$112,122	7.0%	\$171,440	152	7.9%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.  
 (2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

### LUXURY & UPPER UPSACLE SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$747,198	384	6.6%
2027	-	-	-	-	-	-	\$707,280	363	6.8%
2026	-	-	-	-	-	-	\$656,920	337	7.0%
2025	-	-	-	-	-	-	\$626,548	322	7.1%
2024	-	-	-	-	-	-	\$664,549	341	6.5%
YTD	1	\$16.7M	0.8%	\$16,650,000	\$475,714	-	\$694,503	356	6.1%
2023	-	-	-	-	-	-	\$618,351	317	6.1%
2022	4	\$50.3M	2.1%	\$12,575,000	\$523,958	-	\$536,320	275	6.0%
2021	4	\$369.4M	6.9%	\$92,361,250	\$1,150,919	6.9%	\$471,392	242	6.1%
2020	2	\$29.5M	4.0%	\$14,762,500	\$159,595	4.0%	\$446,017	229	6.7%
2019	1	\$27.5M	2.0%	\$27,450,000	\$295,161	-	\$457,012	235	6.9%
2018	-	-	-	-	-	-	\$430,642	221	7.0%
2017	2	\$72M	12.6%	\$36,023,750	\$123,369	-	\$395,508	203	7.2%
2016	2	\$25.2M	2.0%	\$12,600,000	\$270,968	-	\$357,449	183	7.3%
2015	3	\$392.8M	5.6%	\$130,927,490	\$1,540,323	-	\$324,388	166	7.3%
2014	-	-	-	-	-	-	\$294,691	151	7.4%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.  
 (2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

## Appendix

### Monterey/Salinas Hospitality

#### UPSCALE & UPPER MIDSACLE SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$258,241	276	8.2%
2027	-	-	-	-	-	-	\$244,445	261	8.5%
2026	-	-	-	-	-	-	\$227,040	243	8.8%
2025	-	-	-	-	-	-	\$216,543	231	8.9%
2024	-	-	-	-	-	-	\$229,677	245	8.1%
YTD	-	-	-	-	-	-	\$240,029	256	7.6%
2023	-	-	-	-	-	-	\$217,943	233	7.5%
2022	3	\$56.7M	8.1%	\$18,905,019	\$279,936	-	\$197,520	211	7.2%
2021	1	\$2.6M	0.4%	\$2,575,000	\$257,500	9.2%	\$184,989	198	7.1%
2020	-	-	-	-	-	-	\$183,584	196	7.7%
2019	4	\$32.3M	7.2%	\$8,063,750	\$179,194	5.3%	\$193,078	206	7.9%
2018	2	\$8.9M	1.9%	\$4,450,000	\$185,417	-	\$202,156	216	7.6%
2017	2	\$16.3M	4.0%	\$8,150,000	\$166,327	8.5%	\$186,372	199	7.7%
2016	1	\$6.3M	1.5%	\$6,299,316	\$174,981	-	\$169,214	181	7.9%
2015	1	\$34.2M	8.7%	\$34,185,000	\$167,574	-	\$155,771	166	7.8%
2014	5	\$21.1M	6.1%	\$4,212,000	\$147,273	7.3%	\$142,615	152	7.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

#### MIDSCALE & ECONOMY SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$148,855	313	8.5%
2027	-	-	-	-	-	-	\$140,902	296	8.7%
2026	-	-	-	-	-	-	\$130,870	275	9.1%
2025	-	-	-	-	-	-	\$124,819	263	9.2%
2024	-	-	-	-	-	-	\$132,390	278	8.4%
YTD	-	-	-	-	-	-	\$138,357	291	7.9%
2023	1	\$1.5M	0.3%	\$1,500,000	\$88,235	-	\$124,896	263	7.7%
2022	10	\$65.3M	11.5%	\$6,528,510	\$107,200	-	\$112,085	236	7.5%
2021	4	\$19.2M	2.6%	\$4,800,000	\$138,129	-	\$101,253	213	7.6%
2020	2	\$3.2M	1.0%	\$1,587,008	\$56,679	-	\$100,590	212	8.2%
2019	6	\$44.1M	4.7%	\$7,342,250	\$168,787	-	\$106,945	225	8.4%
2018	6	\$13.3M	3.1%	\$2,222,933	\$78,456	6.6%	\$104,430	220	8.3%
2017	8	\$39.6M	5.3%	\$4,956,000	\$133,495	8.1%	\$96,288	203	8.5%
2016	8	\$22.9M	5.4%	\$2,867,192	\$76,972	7.0%	\$87,159	183	8.6%
2015	6	\$21.5M	3.3%	\$3,585,833	\$118,867	6.0%	\$79,373	167	8.6%
2014	5	\$9.3M	2.3%	\$1,865,000	\$72,852	6.5%	\$72,180	152	8.6%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

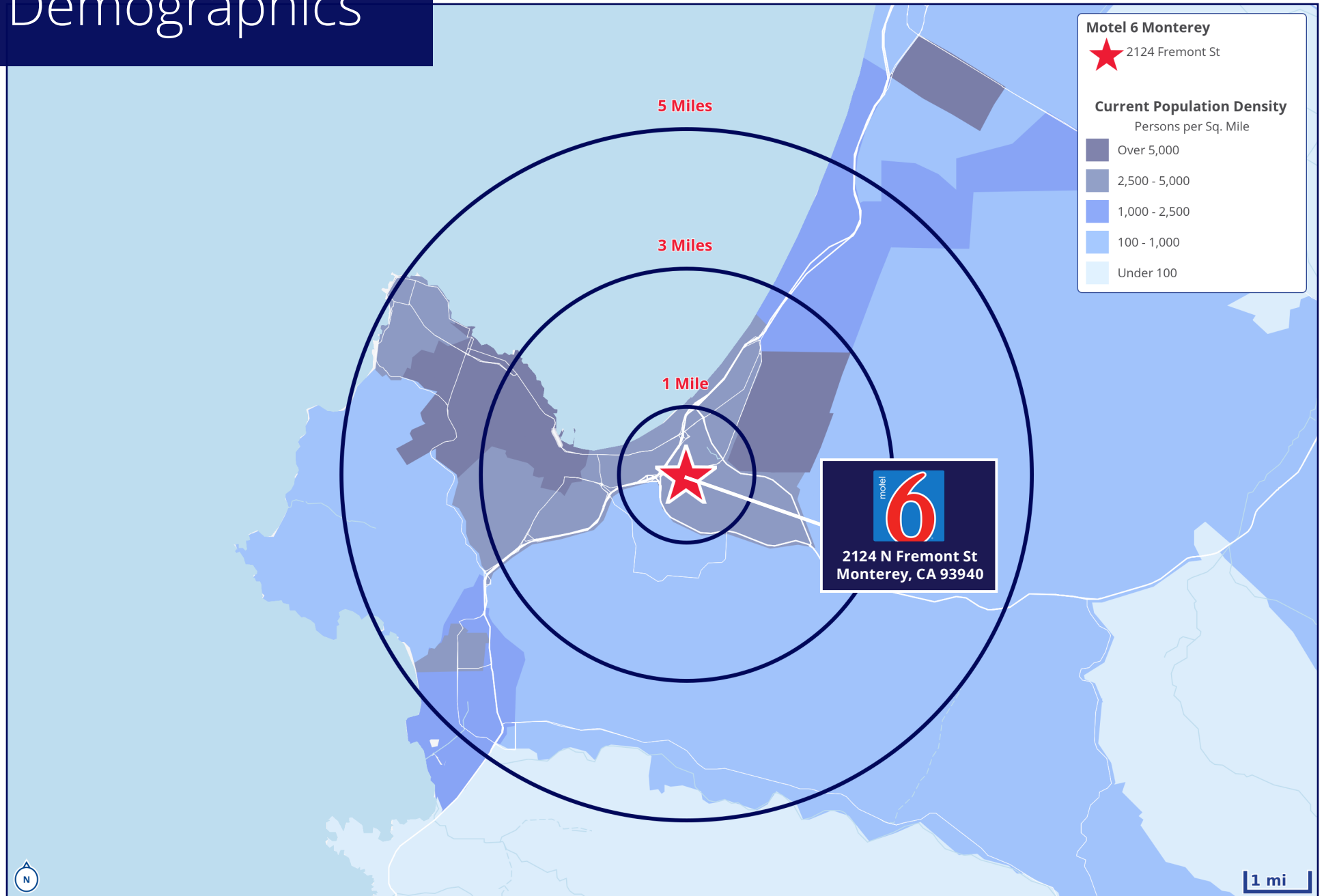
## Appendix

### Monterey/Salinas Hospitality

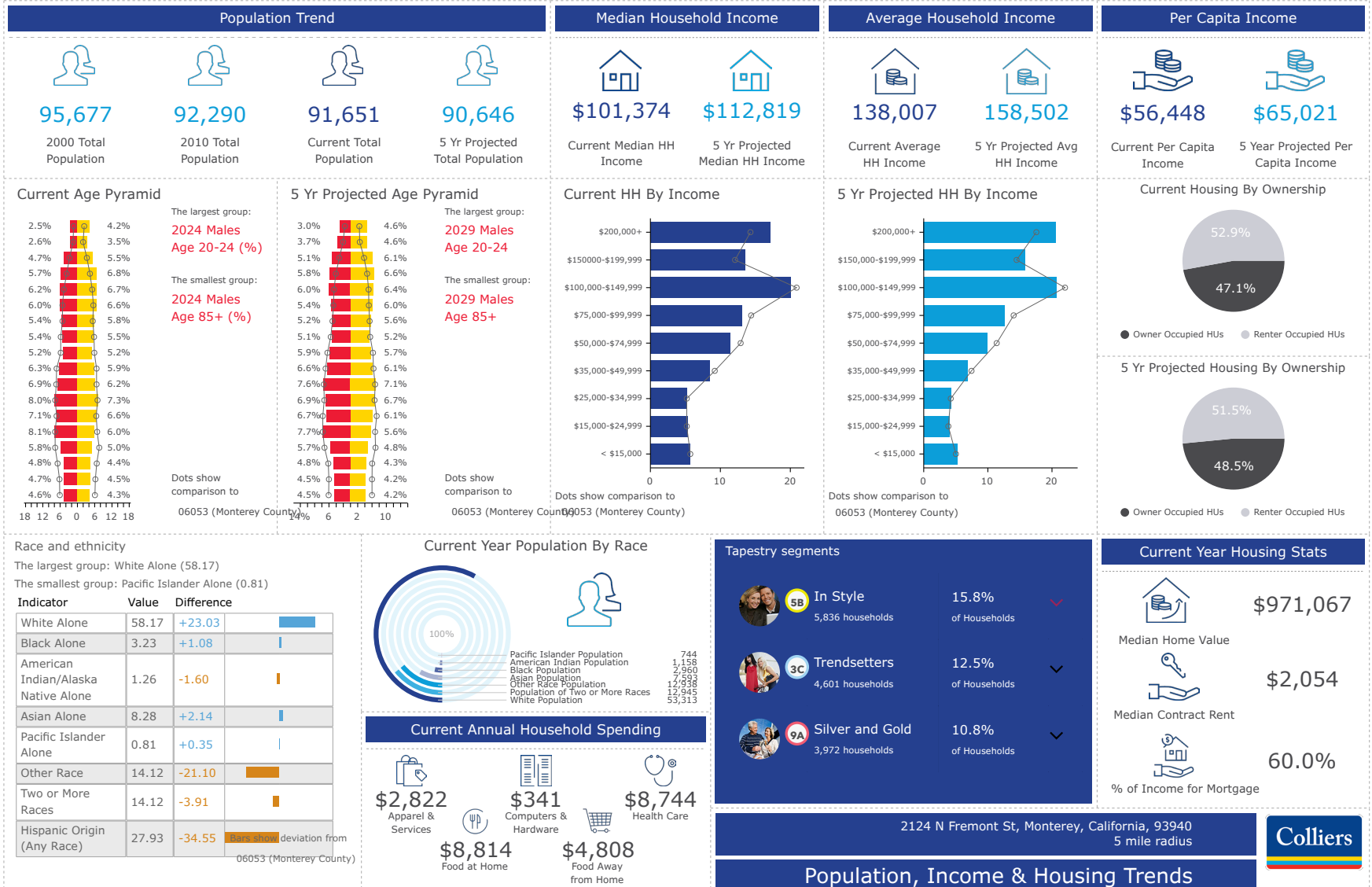
#### DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Rooms	% Change	Bldgs	Rooms	Bldgs	Rooms	Bldgs	Rooms
YTD	233	12,586	0.7%	1	93	1	93	3	315
2023	232	12,495	0.6%	1	90	1	90	2	194
2022	232	12,425	-1.2%	-	-	-	-	2	183
2021	235	12,578	0.2%	-	-	-	-	1	90
2020	234	12,547	-0.7%	1	30	0	(73)	-	-
2019	235	12,640	0.1%	-	-	-	-	-	-
2018	236	12,624	-0.2%	-	-	-	-	-	-
2017	237	12,647	1.2%	1	106	1	106	-	-
2016	236	12,495	0.1%	-	-	-	-	1	106
2015	236	12,478	-0.1%	-	-	-	-	1	106
2014	238	12,488	0.9%	1	105	1	105	1	106

# Demographics



# Economic Trends (5-Mile Radius)



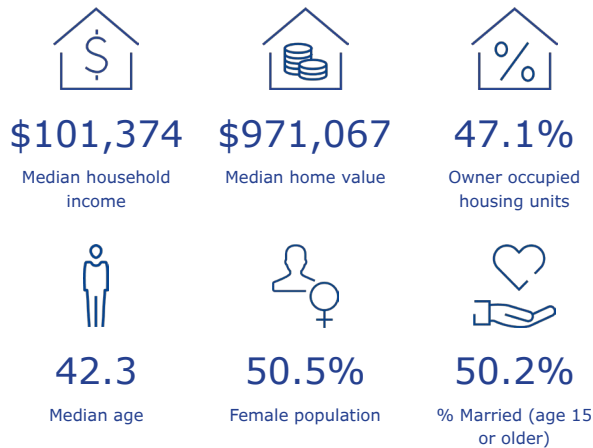
# Market Overview (5-Mile Radius)



## Market Overview

2124 N Fremont St, Monterey, California, 93940  
5 mile radius

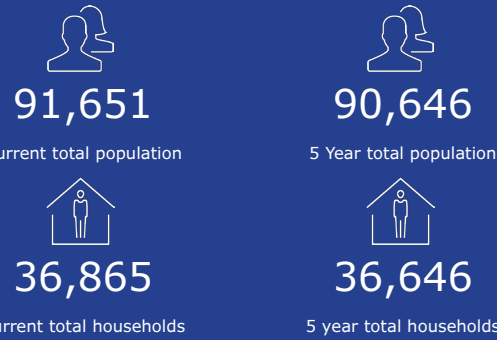
### Household & population characteristics



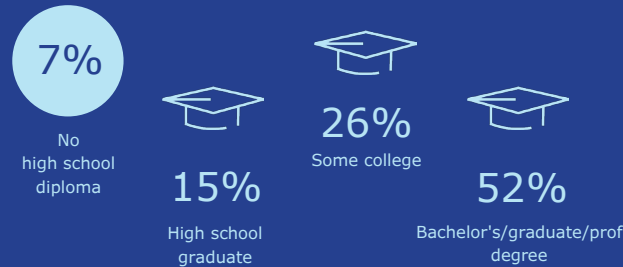
### Annual lifestyle spending



### Households & population



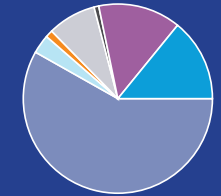
### Education



### Annual household spending

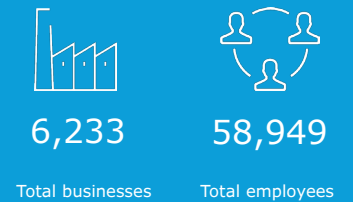


### Race

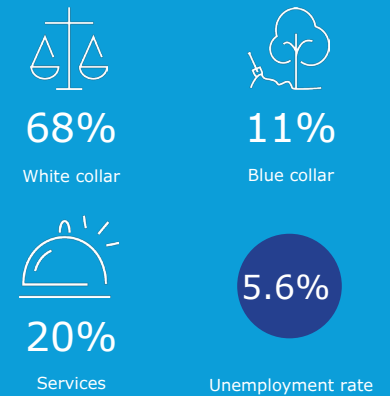


- White population
- Black population
- American Indian population
- Asian population
- Pacific Islander population
- Other race population
- Population of two or more races

### Business



### Employment



Investment Opportunity | Offering Memorandum

# Motel 6 - Monterey

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