

Hoosier Hot Springs & Inn

516 Austin St
Truth or Consequences, NM 87901

±6,850 SF Hot Springs Inn & Resort

Located in the Hot Springs
Bathhouse and Commercial Historic District

AUSTIN

Business & Real Estate for Sale



Property Overview

Sale Price	\$ 2,961,134
Address	516 Austin Street, Truth or Consequences NM 87901
Property Type	Hospitality; Health & Wellness
Total Square Footage	±6,850 SF
Land Area	± 0.413 Acres
Buildings	2

Information is per county assessor; buyer should verify.

- 29 acre feet of commercial hot mineral water rights
- Most of the property has been completely renovated

Description

516 Austin Street is a ±6,850 SF hot springs inn situated on two buildings within the Hot Springs Bathhouse and Commercial Historic District in Truth or Consequences, NM — a 56-acre district listed on the National Register of Historic Places in 2005.

Originally constructed in 1936, the property was renovated between 2023 and 2026 and operates as Hoosier Hot Springs & Inn, offering 10 short-term rental units, 2 long-term rentals, and an on-site hot springs facility with three outdoor soaking areas as well as the original 1937 indoor bathhouse.

Positioned within walking distance of downtown Truth or Consequences and the Rio Grande, the site sits alongside several other hot springs operators in the historic district.

[Click Here to View the Business' Website](https://www.hoosierhotsprings.com/)

Or Visit: <https://www.hoosierhotsprings.com/>

Hoosier Hot Springs & Inn



A Historic Bathhouse Property in Truth or Consequences

Hoosier Hot Springs & Inn has operated in Truth or Consequences' historic bathhouse district since 1937, offering guests access to naturally heated mineral water alongside short- and long-term accommodations. Following a multi-year renovation, the property now combines a fully restored hot springs facility with newly updated inn units, positioning it among the area's established wellness-tourism destinations. The business continues to operate under local, hands-on management focused on guest experience and property upkeep.

Building One

Year Built	1936-38
Total Building Size	±5,401 SF

Information is per county assessor; buyer should verify.

- 6 short-term rental units (4 rooms and 2 suites), fully renovated
- 2 long-term rentals
- Original 1937 bathhouse soaking area with private bathroom
- Mechanical room

Building Two

Year Built	1946-48
Total Building Size	±1,449 SF

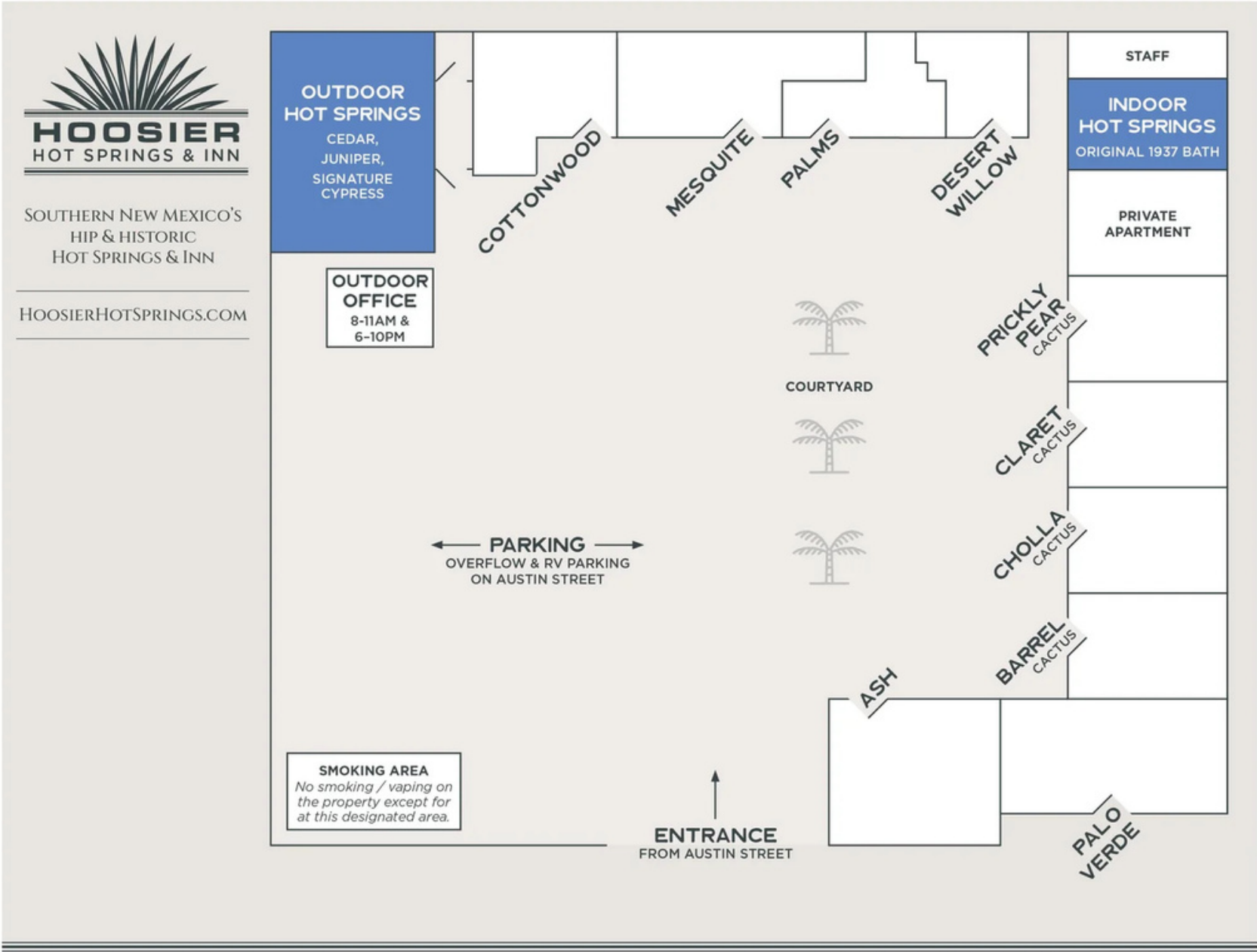
Information is per county assessor; buyer should verify.

- 4 short-term rental units (3 suites and 1 room), fully renovated
- 3 outdoor private hot springs soaking areas
- Office with laundry facilities
- 1 hot springs public bathroom



[Click Here to View More Photos](#)

Property Map



Value Analysis & Cash Flow

Value Estimate	
Net Operating Income	296,113.38
Cap Rate	10%
Value	2,961,134

Structure of Sale	
Price	2,961,134
Down Payment 30%	888,340
Loan Amount	2,072,794
Interest Rate	7%
Amortization Schedule	25
Annual Debt Service	(177,867)
Debt Coverage Ratio	1.66

Cash Flow Estimates	
Net Operating Income	296,113.38
Debt Service	(177,867)
Cash Flow	118,245.89
Cash On Cash Return Rate	13.31%

A detailed pro forma is available upon request; please contact the listing broker for more information.

Expenses, To-Date

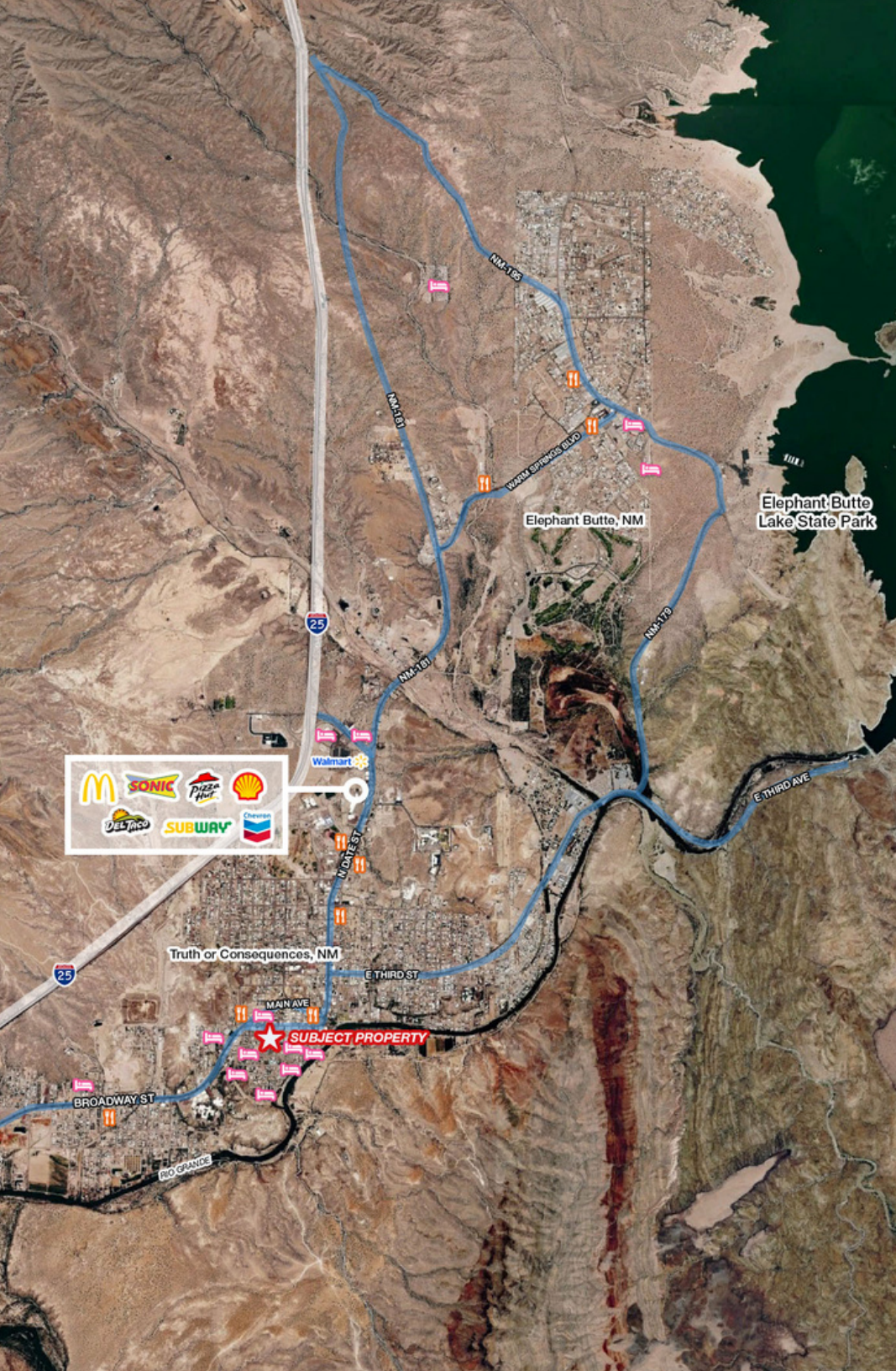
CAPITAL EXPENSES (7/1/23 TO 7/31/26)	Total by Project	Status	Impact on Revenue	Notes
PHASE 1: Building 2 renovations (6 units converted to 4 units, balcony new construction)	\$440,535	Completed Dec 2024	Converted units from long-term to short-term rental; increased revenue per unit from fixed monthly income to nightly inn rates	
PHASE 2: Building 1 renovations (2 units)	\$138,114	Completed Sept 2025		
PHASE 3: Building 1 renovations (4 units)	\$254,742	Completed June 2026		
PHASE 3b: Building 1 patio renovations (5 units)	\$6,460	Completed May 2026	Enhanced outdoor guest experience; supports rate integrity and guest satisfaction	Rough-in mineral water lines, lay flagstone, re-clad partitions
Landscaping, parking lot, pathways, & front branded wall	\$26,350	Completed April 2025	Improved curb appeal and arrival experience; supports direct booking conversion and brand positioning	
Hot springs renovations	\$61,508	Completed April 2024	Added fourth private hot springs pool; increased soaking capacity, enabled higher pricing, and expanded revenue from public soak bookings	
Replaced HVAC	\$57,588	Completed October 2023	Replaced aging systems; improved guest comfort and year-round operational reliability	New mini-splits in all units
Laundry room	\$4,975	Completed April 2024	Reduced housekeeping turnaround time; supports operational efficiency at higher occupancy	
Re-coat elastomeric roof	\$5,571	Completed Nov 2025	Preserved building envelope; extends asset life and reduces risk of moisture-related room downtime and repair costs	
Well improvements	\$2,454	Completed March 2025	Optimizes mineral water management across the property; supports expanded hot springs operations and additional guest units	Upgrade well pump: Variable frequency drive
Well improvements	\$3,938	Completed January 2026		Upgrade well pump: New pump at higher GPM, new pressure valve
TOTAL CAPITAL EXPENSES	\$1,002,235			
REMODEL SOFT COSTS (7/1/23 to 7/31/26)				
PHASE 1: Building 2 FF&E (4 units)	\$89,356	Completed Dec 2024	Converting units from long-term to short-term rental supports increased revenue per unit	
PHASE 2: Building 1 FF&E (2 units)	\$33,146	Completed Sept 2025		
PHASE 3: Building 1 FF&E (4 units)	\$58,131	Completed June 2026		
TOTAL REMODEL SOFT COSTS	\$180,633			

Expenses, Projected

PROJECTED CAPITAL EXPENSES (8/1/26 to 2027)	Total by Project	Status	Impact on Revenue	Notes
937 bathhouse renovations	\$53,000	In-process	Renovating existing soaking area yields elevated guest experience and supports premium pricing	
Building 1 exterior improvements	\$4,000	In-process	Improves property presentation and curb appeal; supports rate integrity and guest satisfaction	Restore windows
Building 1 exterior improvements	\$5,000	October 2026		Rebuild portal on Building 1
Building 1 exterior improvements	\$4,000	September 2026		Refinish front exterior doors on #5, 6
PHASE 4: Building 1 renovations (1 unit)	\$110,000	Summer 2027	Converting units from long-term to short-term rental supports increased revenue per unit	Based on PHASE 3: Building 1 renovations + 20% contingency. Vacant, used as storage, no immediate plans to renovate.
PHASE 5: Building 1 renovations (1 unit)	\$77,000	Summer 2027		Based on PHASE 3: Building 1 renovations + 20% contingency. Waiting for tenant to vacate, no immediate plans to renovate.
TOTAL CAPITAL EXPENSES	\$253,000			
REMODEL SOFT COSTS (8/1/26 to 2027)				
PHASE 4: Building 1 FF&E (1 unit)	\$17,500	Summer 2027	Converting units from long-term to short-term rental supports increased revenue per unit	Based on PHASE 3: Building 1 FF&E + 20% contingency. Vacant, used as storage, no immediate plans to renovate.
PHASE 5: Building 1 FF&E (1 unit)	\$17,500	Summer 2027		Based on PHASE 3: Building 1 FF&E + 20% contingency. Waiting for tenant to vacate, no immediate plans to renovate.
TOTAL REMODEL SOFT COSTS	\$35,000			

Location Overview

- Located in the Hot Springs Bathhouse and Commercial Historic District, within walking distance of downtown dining, shops, and the Rio Grande
- Positioned alongside several other established hot springs operators, including Blackstone Hotsprings, Sierra Grande, and Riverbend Hot Springs
- Elephant Butte Lake State Park, New Mexico's largest reservoir, located just minutes north
- Turtleback Mountain Resort, 5 miles north in Elephant Butte, is the exclusive host of the New Mexico Open through 2027.
- Approximately 150 miles south of Albuquerque, 210 miles south of Santa Fe, 280 miles south of Taos, 75 miles north of Las Cruces, and 119 miles north of El Paso via I-25

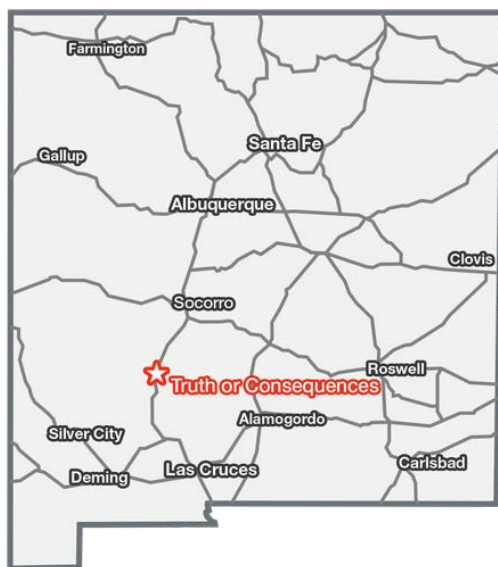




Truth or Consequences, New Mexico

Truth or Consequences, often called "T or C," is a historic resort town in Sierra County, situated along the Rio Grande at approximately 4,250 feet elevation. Known for its natural hot mineral springs, the town has drawn visitors for wellness and recreation since the early 20th century.

Truth or Consequences anchors Sierra County and functions as the area's commercial and tourism hub. The regional economy is driven by hot springs and wellness tourism, retreat and retiree residents, and recreation tied to Elephant Butte Lake.



LOCAL HIGHLIGHTS

- **Hot Springs Bathhouse and Commercial Historic District**
National Register of Historic Places, listed 2005 — 56 acres
- **Elephant Butte Lake State Park**
New Mexico's largest lake; boating, fishing, and camping minutes away
- **Historic Downtown Arts District**
Galleries, local eateries, and community events in the town's original commercial core
- **Spaceport America**
The world's first purpose-built commercial spaceport, located near Truth or Consequences and home to Virgin Galactic and other space-related companies.



Elephant Butte Lake draws up to one million visitors annually, supporting hospitality and retail sectors countywide.



Serves as the primary commercial and recreational hub for Sierra County



Located on I-25, primary corridor connecting Las Cruces and Albuquerque

Hoosier Hot Springs & Inn

516 Austin Street, Truth or Consequences, NM 87901

For more information:

Randy McMillan, CCIM, SIOR

575.640.7213 | randy@1stvalley.com

Jay Hill

575.644.5570 | jay@1stvalley.com

NAI 1st Valley

Commercial Real Estate Services, Worldwide.

Office: 575.521.1535 | www.1stvalley.com

**HOOSIER
HOT SPRINGS**

**516
AUSTIN**

We obtained the information within from sources we believe to be reliable. However, we have not verified its accuracy and make no guarantee, warranty or representation about it. It is submitted subject to the possibility of errors, omissions, change of price, rental or other conditions, prior sale, lease or financing, or withdrawal without notice. We include projections, opinions, assumptions or estimates for example only, and they may not represent current or future performance of the property. You and your tax and legal advisors should conduct your own investigation of the property and transaction.