



A HISTORIC MAIN STREET LANDMARK

# The Historic Lebanon Hotel

661 S MAIN ST, LEBANON, OREGON

Offered at \$4,750,000



## THE PROPERTY

# A Landmark Worth Investing In



Rising three stories above Main Street in the heart of downtown Lebanon, this historic hotel building has anchored the community for over a century. Today, the property spans approximately 27,764 square feet on 0.87 acres, including a 0.37-acre off-street parking lot, a rare find for a downtown commercial property of this scale.

The ground floor is home to four glass-front retail spaces, fully leased and active. Ten apartment units (occupying former hotel employees living quarters) generate steady income. The second and third floors are currently mid-renovation, opening the door to a significant upside: space for 60+ additional hotel or apartment units.

Recent capital improvements include a new membrane roof (2020) and updated electrical and plumbing systems throughout, meaningful infrastructure work already completed, reducing near-term capital risk for a new owner.



GROUND-FLOOR RETAIL, FULLY LEASED



## CURRENT INCOME, IN PLACE TODAY

Four ground-floor retail spaces and ten apartment units are fully occupied, generating a current combined net operating income of \$176,964.

## CURRENT COMBINED NOI

**\$176,964**

*\*SEE HOTEL BUILDOUT PROJECTIONS*

## THE HISTORY

# Historic Overview

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Built in 1913 at a cost of \$65,000, the Lebanon Hotel opened its doors on May 7, 1913, with Senator M. A. Miller presiding as toastmaster and guest speakers arriving from across the state to mark the occasion. From the beginning, it was more than a place to stay, it was a gathering point for the community.

The hotel was later operated by Albert F. Wilson, born in Linn County near Lebanon in 1881, who purchased the business in 1912. Under his stewardship, the hotel's dining room became known well beyond Lebanon, drawing visitors from around the state who came for the food as much as the accommodations.

The Lebanon Hotel closed its doors in 1953, but the building itself never stopped anchoring Main Street. Today, it stands ready for a new chapter.



LEBANON HOTEL, EARLY 1900S



HOTEL LOBBY, EARLY 1900S



DINING ROOM, EARLY 1900S

THE OPPORTUNITY

# The Hotel Buildout

The Lebanon Hotel offers what few historic properties can: a fully leased, income-producing asset today, with a clear and well-documented path to significantly higher returns tomorrow.

THE INVESTMENT

|                                                  |             |
|--------------------------------------------------|-------------|
| Purchase price                                   | \$4,750,000 |
| Estimated Buildout + furnishings (50-room hotel) | \$3,000,000 |
| TOTAL INVESTMENT                                 | \$7,750,000 |

*See Hotel Buildout Projected Returns*



# The Hotel Buildout: Projected Returns

With the second and third floors converted into a 50-room boutique hotel, the numbers tell a compelling story, even under conservative assumptions.

TARGET CASE

20% Vacancy

|                                  |                    |
|----------------------------------|--------------------|
| Gross annual revenue             | \$1,625,000        |
| Hotel NOI                        | \$1,218,750        |
| Plus current NOI (retail + apts) | \$176,964          |
| Total NOI                        | <b>\$1,395,714</b> |

CAPITALIZATION RATE

18%

CONSERVATIVE CASE

50% Vacancy

|                                  |                  |
|----------------------------------|------------------|
| Gross annual revenue             | \$1,015,625      |
| Hotel NOI                        | \$761,719        |
| Plus current NOI (retail + apts) | \$176,964        |
| Total NOI                        | <b>\$938,683</b> |

CAPITALIZATION RATE

12%

Projections based on 50 rooms at an average nightly rate of \$125, operating 325 days annually, with a 25% operating expense ratio.

EXPANSION UPSIDE

# Further Upside: A Fourth Floor

For an owner looking to maximize the property's full potential, an additional 20-room fourth-floor addition pushes returns even higher.

TARGET CASE

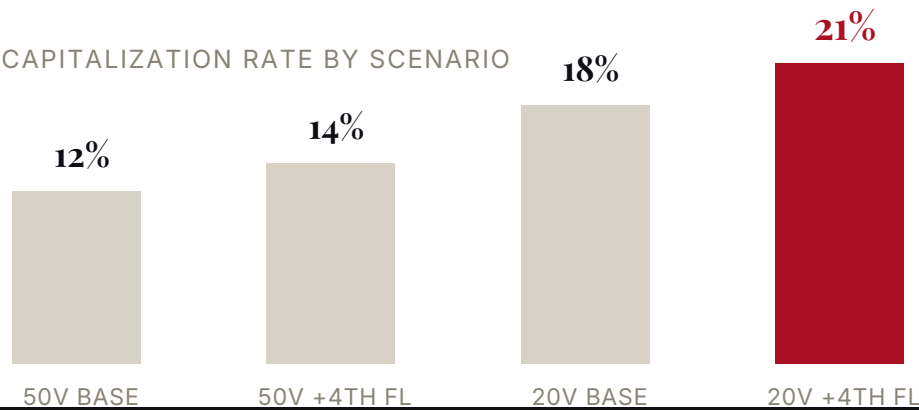
20% Vacancy + 4th Floor

|                     |             |
|---------------------|-------------|
| Additional buildout | \$1,000,000 |
| Total investment    | \$8,750,000 |
| Total NOI           | \$1,883,214 |

CAP RATE

21%

CAPITALIZATION RATE BY SCENARIO



CONSERVATIVE CASE

50% Vacancy + 4th Floor

|           |             |
|-----------|-------------|
| Total NOI | \$1,243,371 |
|-----------|-------------|

CAP RATE

14%

Across every scenario modeled, from conservative to target, this property outperforms typical stabilized commercial returns, with a clear, documented path to execution.



## LOCATION

# The Heart of Downtown Lebanon

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Located in Oregon's Willamette Valley, Lebanon offers small-town character with easy access to the broader region. The Lebanon Hotel sits in the city's historic downtown district, a walkable stretch of Main Street lined with local shops, restaurants, and community gathering spots.

As downtown Lebanon continues to grow, this property offers a rare chance to own not just a building, but a piece of the town's identity, positioned to serve both the local community and visitors drawn to the area's small-valley-town charm.



AERIAL VIEW · DOWNTOWN LEBANON



## CONTACT

# Schedule a Private Tour

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The Lebanon Hotel represents a rare combination: a fully leased historic asset generating income today, with a clear, well-documented path to substantial upside. Contact us to schedule a private tour and review the complete offering.

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