

NAI Sioux Falls

De Smet Inn & Suites
288 US-14, De Smet, SD 57231
List Price: \$2,100,000



2500 W 49th Street Suite 100
Sioux Falls, SD 57105
605 357 7100
naisiouxfalls.com



Dale Zomer
Senior Vice President
605 351 1218
dzomer@naisiouxfalls.com

NAI Sioux Falls

OFFERING SUMMARY

De Smet Inn & Suites
288 US-14, De Smet, SD 57231
List Price: \$2,100,000



Listing Price
\$2,100,000



Cap Rate
10%



of Rooms
37 + Apartment

FINANCIAL

Listing Price	\$2,100,000
Cap Rate	10%
Price per Room	\$53,846
ADR - 2024	\$109.70
GRM	3.36Xs
2024 Revenue	\$625,517
Price/sq. ft.	\$23.18
Real Estate Taxes	\$22,000
Projected 2025 Revenue	\$600,000
Projected 2024 NOI	\$200,000
Financials available upon request with signed CA (attached)	

OPERATIONAL

Building Size	12,912 sq. ft.
# of Rooms	37
Lot Size	2.08 acres (90,604 sq. ft.)
2024 Occupancy	42.45%
Year Built	2002-2003
Parking Spaces	39
Zoning	Commercial

All tours must be scheduled through broker - no walk in's

PHOTOS

De Smet Inn & Suites
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AERIAL

De Smet Inn & Suites

288 US-14, De Smet, SD 57231

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CONFIDENTIALITY AGREEMENT

THE UNDERSIGNED, _____, associates or affiliated entities, hereby certifies that any and all information divulged to him/her with respect to the below named investment property (hereinafter, Property) by NAI Sioux Falls Commercial, Inc. or its affiliates, for the purpose of considering Property for purchase by himself/herself, will be kept confidential. We will furnish to you general information regarding the Property and other general aspects of the Property you request. In consideration for obtaining this proprietary information, you hereby agree as follows:

1. All proprietary information furnished by us or by the owner of the Property to you will be deemed confidential. The term proprietary information does not include any information, which is, or becomes, generally available to the public or is already in your possession. It is _____ public knowledge that the Property is for sale and you shall not divulge this to anyone else except for your close advisors who also shall agree and be subject to this Agreement.
2. Unless we otherwise agree in writing, you will not disclose or reveal any proprietary information for three (3) years from the date hereof to any persons or entities other than your employees or your representatives actively and directly participating in the evaluation of the information for any purpose other than in connection with the proposed transaction.
3. If you determine that you do not wish to pursue the proposed transaction, you will promptly advise us of this fact and will deliver to us all the proprietary information furnished to you without retaining copies, summaries, analysis or extracts thereof. Return of this information does not release you from this agreement.
4. If you determine that you have a sincere interest in buying this Property, you may, at the option of the seller, be required to execute a "non-solicitation" agreement prior to being provided with specific financial information on the Property.
5. NAI Sioux Falls Commercial and the seller have provided certain information which we consider relevant for the purpose of your investigation and the proposed transaction. However, NAI Sioux Falls Commercial, Inc. does not make any representation or warranty as to its accuracy or completeness. Certain information provided may also be speculative in that it contains estimates, forecasts and projections of future incomes, and NAI Sioux Falls Commercial, Inc. makes no guarantee or warranty of such information. It is the responsibility of the buyer to draw his/her own conclusions as to any future income potential.

I understand that disclosing to others that the Property is for sale and disclosure of proprietary information could cause a loss of income or rent, and/or create injury in tenant/landlord or owner/employee relationships. Should any legal action be taken against me as a result of this agreement, the prevailing party shall be entitled to court costs and attorneys fees as awarded by the courts.

If you are in agreement with the foregoing, please complete this form and indicate your acceptance in the space below.

PROPERTY REPRESENTED FOR CONSIDERATION: _____

Agreed to and accepted this _____ day of _____, 20 _____.

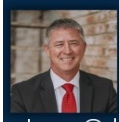
Prospect/ Company: _____ Phone: _____

Street Address: _____ City: _____ State: _____ Zip: _____

By: _____
Signature

Date: _____

Dakota BUSINESS Finance (SBA Certified Development Company)
SBA 504 Program¹



Jason Forbes
 VP, Loan Officer
 605-681-6001
Jason@dakotabusinessfinance.com

De Smet Inn & Suites

[Click Here to Apply](#)

Learn more:

dakota BUSINESS finance

INSPIRATION FROM YOU. SMALL BUSINESS FINANCING FROM US.

Purchase Land	\$0.00	
Renovations already completed	\$0.00	
Purchase Land & Building	\$2,100,000.00	<i>Listing Price</i>
New Construction/Remodeling	\$0.00	
Qualified Debt Refinance: Total	\$0.00	
Includes: Bank Loan + Prepayment	\$0.00	
Includes: SBA 504 + Prepayment	\$0.00	
Includes: PIP Financing	\$0.00	
Purchase/Install Equipment	\$0.00	<i>Quote</i>
Purchase/Install Fixtures	\$0.00	
Other: Cash- Out (Eligible Business Expense)	\$0.00	
Other: Professional Fees	\$21,000.00	
Includes: Appraisal	\$3,000.00	<i>Estimated</i>
Includes: Title Work, Closing, Filing Fees	\$2,000.00	<i>Estimated</i>
Includes: Environmental	\$500.00	<i>RSRA</i>
Includes: Bank Interim Loan Fees	\$5,300.00	<i>Estimated</i>
Includes: Survey	\$1,000.00	<i>Estimated</i>
Includes: Construction Contingency	\$0.00	<i>10% Construction Contingency</i>
Includes: Interim Interest	\$9,200.00	
Total Project Size	\$2,121,000.00	

Project Name

De Smet Inn & Suites

Contact

Dale Zomer
 605.351.1218

	%	Amount	
Owner's Equity Contribution ²	15%	\$318,150.00	
Bank	50%	\$1,060,500.00	
Dakota BUSINESS Finance	35%	\$742,350.00	
Base Loan Amount	100%	\$2,121,000.00	
	Bank	Dakota BUSINESS Finance	Total
Base Loan Amount	\$1,060,500.00	\$742,350.00	\$1,802,850.00
Interest Rate ³	7.250%	6.390%	
Term	10	Fixed 25-Year	
Years Amortized	25	25	
Bank Points ⁵	TBD		
SBA / CDC Closing Fees		\$18,335.13	\$18,335.13
Total Fees		\$18,335.13	\$18,335.13
Balance to Borrower		\$314.88	\$314.88
Total Loan Amount (with Fees)⁶	\$1,060,500.00	\$761,000.00	\$1,821,500.00
Monthly Payment (Principal + Interest) ⁴	\$7,665.37	\$5,086.14	\$12,751.51
Annual Debt Service (Principal + Interest)	\$91,984.40	\$61,033.71	\$153,018.11
Equity Contribution			\$318,150.00
Loan Fees Not Financed	TBD		\$0.00
First Year Cash Outlay			\$471,168.11
Total Principal and Interest (Life of Loan) plus Down Payment & Fees			\$3,825,452.68

Anticipated Appraisal Requirement

\$2,121,000.00

Supplementary Information

Breakdown of Estimated Interest (Total Project) for first five years

Year	Bank	Dakota BUSINESS Finance		Total
Year 1	\$78,348.07	\$49,843.39		\$128,191.46
Year 2	\$77,318.24	\$48,975.06		\$126,293.31
Year 3	\$76,200.17	\$48,049.60		\$124,249.77
Year 4	\$74,986.28	\$47,063.24		\$122,049.52
Year 5	\$73,668.37	\$46,011.97		\$119,680.34

Estimated Prepayment Penalty

Year	Prorated Decline	Penalty	Remaining Principal	Estimated Prepayment Penalty
Year 1	100%	5.39%	749,884.81	\$40,418.79
Year 2	90%	4.85%	737,930.51	\$35,797.01
Year 3	80%	4.31%	725,073.74	\$31,265.18
Year 4	70%	3.77%	711,246.39	\$26,835.33
Year 5	60%	3.23%	696,375.17	\$22,520.77
Year 6	50%	2.70%	680,381.28	\$18,336.28
Year 7	40%	2.16%	663,179.97	\$14,298.16
Year 8	30%	1.62%	644,680.08	\$10,424.48
Year 9	20%	1.08%	624,783.60	\$6,735.17
Year 10	10%	0.54%	603,385.07	\$3,252.25

Notes

- ¹ This information does not represent an intent by Dakota BUSINESS Finance (CDC), the Small Business Administration (SBA) or the Bank to provide financing. Information is estimated and for illustrative purposes only. Financing rates, terms, and fees will vary. Loan approval contingent upon meeting bank/SBA/CDC underwriting requirements and meeting program eligibility.
- ² Down Payment for the SBA 504 Loan Program is typically 10%. An additional 5% equity injection is required for new businesses (less than 2 years old) and/or an additional 5% if the building is classified as "single purpose" as determined by SBA.
- ³ Bank's Interest Rate estimated at 7.50%. SBA 504 Rate determined after closing loan depending on the month the debenture is funded. 25-Year loans funded in May at 6.39%. A list of historical rates is available at www.dakotaBUSINESSfinance.com
- ⁴ Monthly Payment for 504 portion of the loan decreases every 5 years as the on-going servicing fees (calculated as part of the loan's overall effective rate) adjusts downward every 5 years.
- ⁵ Points (Bank Fees) paid in cash at closing. Not included in estimated loan amounts.

Benefits of SBA 504 Program

- * 25 Year Fixed Rate Financing on SBA Portion of the Loan *
- * Below Market Interest Rate on SBA 504 Portion of the Loan *
- * Option for 10% Down Payment Preserves Cash and Working Capital for Business & Borrower² *
- * Collateral Generally Limited to Project Property *

LENDER CERTIFICATION

I hereby certify that I have read and fully understand this financing summary. I understand that this is only an estimate of the financing package and that rates, terms and amounts are subject to change. I understand that the SBA's rate for the 504 loan will not be set until after closing the SBA loan and funding the debenture. I also understand that the bank will be responsible for a third-party lender fee as part of its participation in this project equal to 1/2% of the bank's permanent loan. This fee will be due payable to SBA's servicing agent upon closing the SBA loan and will total approximately:

\$5,302.50

I also understand that the issuance of this financing summary does not represent an official action of approval by SBA to participate in this project.

Lender Name

Bank

Date

Signature