

NAI Sioux Falls

Ramada by Wyndham Hotels
1301 W. Russell Street, Sioux Falls, SD 57104
List Price: \$16,500,000



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



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OFFERING SUMMARY

Ramada by Wyndham Hotels
 1301 W. Russell Street, Sioux Falls, SD 57104
List Price: \$16,500,000



Listing Price
\$16,500,000



Cap Rate
12%



of Rooms
150

FINANCIAL

Listing Price	\$16,500,000
Cap Rate	12%
Price per Room This price includes the restaurant, waterpark, casino, arcade, etc.	\$110,000
Revenue PAR	\$84.10 YTD
ADR	\$142.23 YTD
Price/sq. ft.	\$133.39
Real Estate Taxes	\$172,061
Ramada Worldwide Inc - Franchise Agreement	Expires 7-10-2034

OPERATIONAL

Building Size	123,702 sq. ft.
# of Rooms	150
Lot Size	5.75 acres (250,470 sq. ft.)
Occupancy	59.10% - STR - YTD
Year Built	1962/1995
Boston's Restaurant	ROI Hospitality Management Co.



COMPETITIVE SET

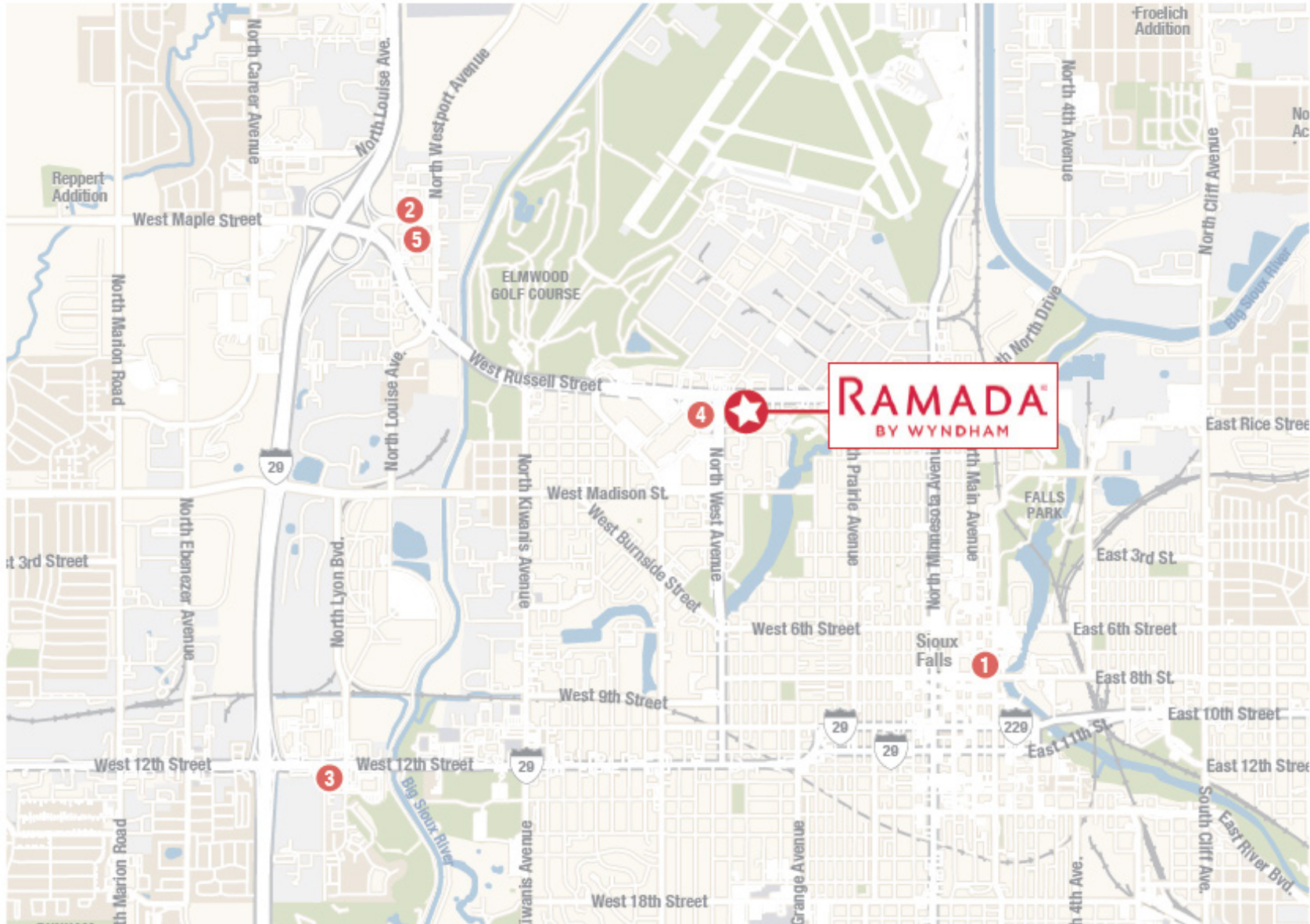
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In determining the Hotel's competitive set, the following criteria were considered by management: market orientation, number of rooms, brand, location, and meeting facilities. The following table summarizes the competitive set:

Property:	Ramada by Wyndham Sioux Falls Airport-Waterpark & Event Center	Holiday Inn Sioux Falls City Centre	Best Western Plus Ramkota Hotel	Ramada by Wyndham Sioux Falls	Sheraton Hotel Sioux Falls & Convention Center	Americinn Sioux Falls North
Address:	1301 W Russell Street	100 W 8th Street	3200 W Maple St	407 S Lyons Ave	1211 North West Ave	3300 W Russell Street
Lodging Type:	Full-Service	Full-Service	Full-Service	Limited Full-Service	Full-Service	Limited Service
Distance from Hotel (Miles):	-	1.9	1.9	2.8	0.3	1.7
Rooms:	150	290	225	66	243	78
Stories:	2	10	2	2	6	4
Year Opened:	1962	1970	1965	1994	1998	2019
Year Renovated:	-	-	2020	-	-	-
Meeting Space (SF):	5,000	13,972	60,000	550	5,930	-
F&B Outlets:	Boss Pizzeria and Bar Tiki Bar	Grille100 Verde Lounge	Frankles Bar and Grill Maple Street Café	None	Falling Water Grille	Onsite Lounge and Bar
Amenities:						
Complimentary Wi-Fi	✓	✓	✓	✓	✓	✓
Fitness Center	✓	✓	✓	✓	✓	✓
Business Center	✓	✓	✓	✓	✓	✓
Guest Laundry	✓	✓	✓	✓	✓	✓
Restaurant	✓	✓	✓	✓	✓	✓
Pool	✓	✓	✓	✓	✓	✓
Complimentary Breakfast	✓		✓	✓		✓

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The competitive properties proximate to the Hotel benefit from a diverse economy, the convention center, proximity to the airport, as well as prudent access to the surrounding demand drivers in the area, such as the many nature attractions.

Despite the challenging market during the pandemic, hotels in the region bounced back to pre-pandemic levels and continue to see steady growth as the overall economy in the area continues to thrive.

The Hotel enjoys a competitive position as a nationally-branded, full-service hotel that is adjacent to the convention center and has major attraction with its in-house amenities. The Hotel has consistently outperformed its peers in occupancy (65.1% versus 57.6% in 2022) and ADR (\$133.33 versus \$113.66 in 2022).

Below are recent highlights of the comparable hotel market in submarket:

- The competitive set generated occupancy levels of 57.6% in 2022, increasing by 8.5% YoY. Occupancy remained steady in Q1 of 2023 and is expected to have moderate increases for the year.
- Rate in the competitive set also increased in 2022 by 7.8% with the market generating over \$133.66 per day, showing the strength of the Sioux Falls market

The five year market projections assume that the Hotel will continue to outperform the market and will continue to grow alongside the market. The outlook indicates that the market has reached stable occupancy levels, and will continue to push rates at the level of inflation.



ROOM PHOTOS

Ramada by Wyndham Hotels
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BOSTON'S PHOTOS

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AMENITY PHOTOS

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TRANSPORTATION

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AIR



#1

Busiest Airport in the State

10

Airlines

16 Direct Destinations

1.2 Million

Enplanements & Deplanements Annually

\$400 Million

Economic Impact

\$170 Million

Master Plan for 8 Additional Gates

Roads & Interstates



**SIOUX FALLS IS LOCATED AT THE
CROSSROADS OF TWO MAJOR
INTERSTATES**

I-90 spans from Boston to Seattle providing access to the East and West Coasts

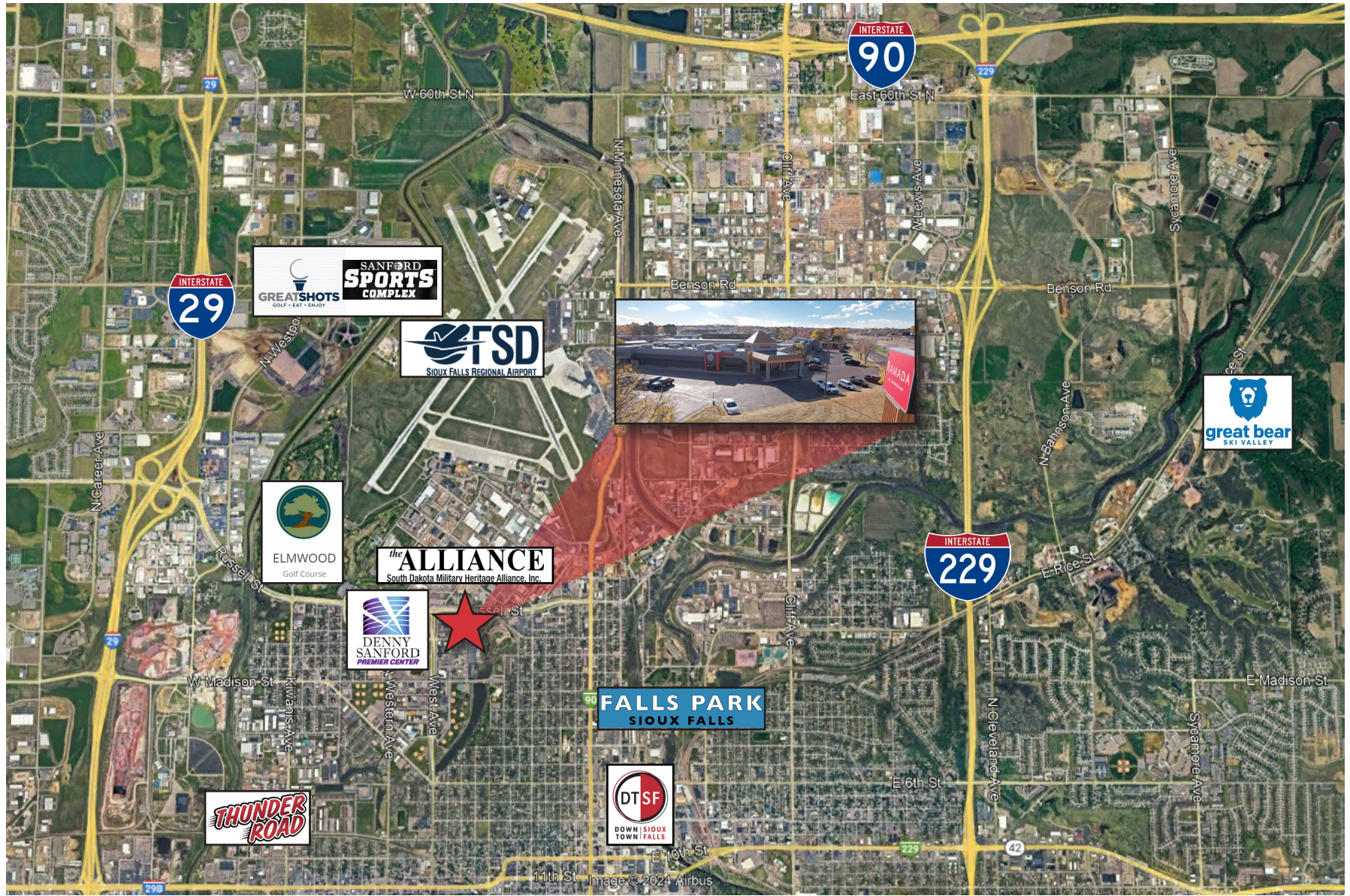
I-29 runs from Kansas City to Winnipeg, CA providing North and South access to a majority of the U.S.

I-229 forms a partial loop around Sioux Falls and connects to the two major interstates

South Dakota Highway 100 (Veterans Parkway) is a planned limited access highway around the city's outer edges to the south and east.

AERIAL

Ramada by Wyndham Hotels
1301 W. Russell Street, Sioux Falls, SD 7104
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Dakota BUSINESS Finance (SBA Certified Development Company)
SBA 504 Program¹



Jason Forbes
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 605-681-6001
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*Ramada Sioux Falls Airport
 Waterpark & Events Center*

[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	\$16,500,000.00	<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	\$117,000.00	
Includes: Appraisal	\$3,500.00	<i>Estimated</i>
Includes: Title Work, Closing, Filing Fees	\$2,500.00	<i>Estimated</i>
Includes: Environmental	\$500.00	<i>RSRA</i>
Includes: Bank Interim Loan Fees	\$45,000.00	<i>Estimated</i>
Includes: Survey	\$1,000.00	<i>Estimated</i>
Includes: Construction Contingency	\$0.00	<i>10% Construction Contingency</i>
Includes: Interim Interest	\$64,500.00	
Total Project Size	\$16,617,000.00	

Project Name

Ramada Sioux Falls Airport
 Waterpark & Events Center

Contact

Dale Zomer, NAI Sioux Falls
 605.351.1218

dzomer@naisiouxfalls.com

	%	Amount	
Owner's Equity Contribution ²	15.00%	\$2,492,550.00	
Bank	54.91%	\$9,124,450.00	
Dakota BUSINESS Finance	30.09%	\$5,000,000.00	
Base Loan Amount	100%	\$16,617,000.00	
	Bank	Dakota BUSINESS Finance	Total
Base Loan Amount	\$9,124,450.00	\$5,000,000.00	\$14,124,450.00
Interest Rate ³	7.750%	6.030%	
Term	10	Fixed 25-Year	
Years Amortized	25	25	
Bank Points ⁵	TBD		
SBA / CDC Closing Fees		\$110,244.00	\$110,244.00
Total Fees		\$110,244.00	\$110,244.00
Balance to Borrower		\$756.00	\$756.00
Total Loan Amount (with Fees)⁶	\$9,124,450.00	\$5,111,000.00	\$14,235,450.00
Monthly Payment (Principal + Interest) ⁴	\$68,919.60	\$33,024.04	\$101,943.63
Annual Debt Service (Principal + Interest)	\$827,035.14	\$396,288.43	\$1,223,323.57
Equity Contribution			\$2,492,550.00
Loan Fees Not Financed	TBD		\$0.00
First Year Cash Outlay			\$3,715,873.57
Total Principal and Interest (Life of Loan) plus Down Payment & Fees			\$30,583,089.34

Anticipated Appraisal Requirement

\$16,617,000.00

Supplementary Information

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

Year	Bank	Dakota BUSINESS Finance		Total
Year 1	\$33,304.70	\$305,717.32		\$339,022.02
Year 2	\$32,866.93	\$300,102.39		\$332,969.32
Year 3	\$32,391.65	\$294,139.36		\$326,531.01
Year 4	\$31,875.65	\$287,806.65		\$319,682.29
Year 5	\$31,315.42	\$281,081.34		\$312,396.77

Estimated Prepayment Penalty

Year	Prorated Decline	Penalty	Remaining Principal	Estimated Prepayment Penalty
Year 1	100%	5.03%	5,020,428.89	\$252,527.57
Year 2	90%	4.53%	4,924,242.85	\$222,920.47
Year 3	80%	4.02%	4,822,093.78	\$194,041.05
Year 4	70%	3.52%	4,713,612.00	\$165,966.28
Year 5	60%	3.02%	4,598,404.91	\$138,779.86
Year 6	50%	2.52%	4,476,055.59	\$112,572.80
Year 7	40%	2.01%	4,346,121.25	\$87,443.96
Year 8	30%	1.51%	4,208,131.66	\$63,500.71
Year 9	20%	1.01%	4,061,587.43	\$40,859.57
Year 10	10%	0.50%	3,905,958.23	\$19,646.97

Notes

- 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.
- 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.
- Bank's Interest Rate estimated at 7.75%. SBA 504 Rate determined after closing loan depending on the month the debenture is funded. 25-Year loans funded in October at 6.03%. A list of historical rates is available at www.dakotaBUSINESSfinance.com
- 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.
- 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:

\$45,622.25

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

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: _____ Date: _____
Signature