



OFFERING MEMORANDUM

ROYAL MOTOR INN

1510 ADAMS AVE LA GRANDE, OR 97850

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SECTION 1

PROPERTY INFORMATION



EXECUTIVE SUMMARY

Presenting the Royal Motor Inn, a 43-room economy motel strategically located in downtown La Grande, Oregon. This 15,000-square-foot property, built in 1963, offers an exceptional investment opportunity in the heart of a vibrant and growing community.

Well-maintained and centrally positioned, this motel delivers strong potential for steady cash flow or future redevelopment. La Grande attracts a diverse mix of travelers, including outdoor enthusiasts exploring the nearby Blue Mountains, visitors to Eastern Oregon University, and those drawn by the area’s rich history and vibrant local events. This makes the Royal Motor Inn a well-placed asset to cater to consistent demand from a variety of guest segments.

PROPERTY TYPE	HOSPITALITY
NUMBER OF ROOMS	43
YEAR CONSTRUCTED	1963
BUILDING SIZE	15,000 SF
LOT SIZE	25,590 SF

PRICE ANALYSIS

OFFERING PRICE	\$2,800,000
PRICE PER ROOM	\$65,116
PRICE PER SF	\$186.67
CURRENT CAP	8.71%
PRO FORMA CAP	9.03%

DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
TOTAL HOUSEHOLDS	4,223	6,607	6,790
TOTAL POPULATION	10,086	15,928	16,387
AVG HOUSEHOLD INCOME	\$70,728	\$75,430	\$75,890

PROPERTY DETAILS

ROYAL MOTOR INN

ADDRESS	1510 ADAMS AVE, LA GRANDE, OR 97850
APN	03S3808BA 6500

Located in the heart of historic La Grande, Oregon, the area surrounding the property offers the perfect blend of small-town charm and modern amenities. Investors in office buildings will appreciate the proximity to key attractions such as the Eastern Oregon University and the charming downtown district with its unique shops, restaurants, and cafes. The area also boasts easy access to outdoor recreation opportunities, including hiking, biking, and skiing at nearby Anthony Lakes Mountain Resort. With a strong sense of community and a thriving local economy, the location presents an excellent opportunity for office building investors seeking a vibrant and dynamic environment.

Explore Nearby Attractions

Located in the heart of downtown La Grande, this property is surrounded by historic 19th- and 20th-century architecture and is within walking distance of Liberty Theatre and Eastern Oregon University, offering enriching cultural experiences.

Access to Outdoor Adventures

Close to the Blue Mountains, Eagle Cap Wilderness, and Anthony Lakes Mountain Resort, the area provides year-round recreation opportunities, while the Grande Ronde Valley adds scenic beauty and showcases a rich agricultural heritage of barley, wheat, and cattle ranching.

Convenient Downtown Amenities

Centrally positioned among La Grande's local restaurants, boutique shops, and vibrant community activities, this location offers travelers easy access to dining, shopping, and entertainment in the city's charming downtown area.

Hub for Events and Travel

Ideally situated for visitors attending events at Eastern Oregon University or the Liberty Theatre, the property also serves as a gateway for travelers exploring the region's natural and cultural attractions, benefiting from a stable and thriving hospitality market.

HIGHLIGHTS

- **Affordable and Convenient Lodging:** The Royal Motor Inn offers clean, budget-friendly accommodations in the heart of historic downtown La Grande, just steps away from shopping, dining, and Eastern Oregon University.
- **Comfortable and Well-Equipped Rooms:** Guests can enjoy air-conditioned rooms with cable TV (including premium channels), free Wi-Fi, direct-dial telephones, work desks, and most rooms include a microwave and refrigerator for added convenience.
- **Complimentary Amenities:** Start your day with a free continental breakfast featuring muffins, bananas, and hot beverages, and enjoy free local calls, parking, and 24-hour wake-up service during your stay.
- **Friendly, 24/7 Service:** The Royal Motor Inn provides round-the-clock guest support, ensuring assistance is always available for any needs, including late check-ins or emergencies.
- **Ideal Location for Exploration:** Situated in La Grande, a historic Oregon Trail town, the motel serves as a perfect base for outdoor activities like wildlife watching at Ladd Marsh and other nearby attractions.

**ROYAL
MOTOR INN**
VACANCY

CLEAN ROOMS
FREE WIF CABLE

SPEED
25













SECTION 2

LOCATION INFORMATION



LA GRANDE, OR

La Grande, Oregon, is a picturesque city nestled in the Grande Ronde Valley of Union County, surrounded by the majestic Blue Mountains. Known for its blend of natural beauty, rich history, and a welcoming, close-knit community, La Grande offers an appealing balance between tranquil small-town charm and the vibrancy of a university town.

With a population reflecting a mix of families, young professionals, and retirees, the city has a median age of 35. While the population is predominantly White, there is growing representation from Hispanic, Native American, and other ethnic groups. The median household income is approximately \$45,000, with a relatively low cost of living compared to larger Oregon cities.

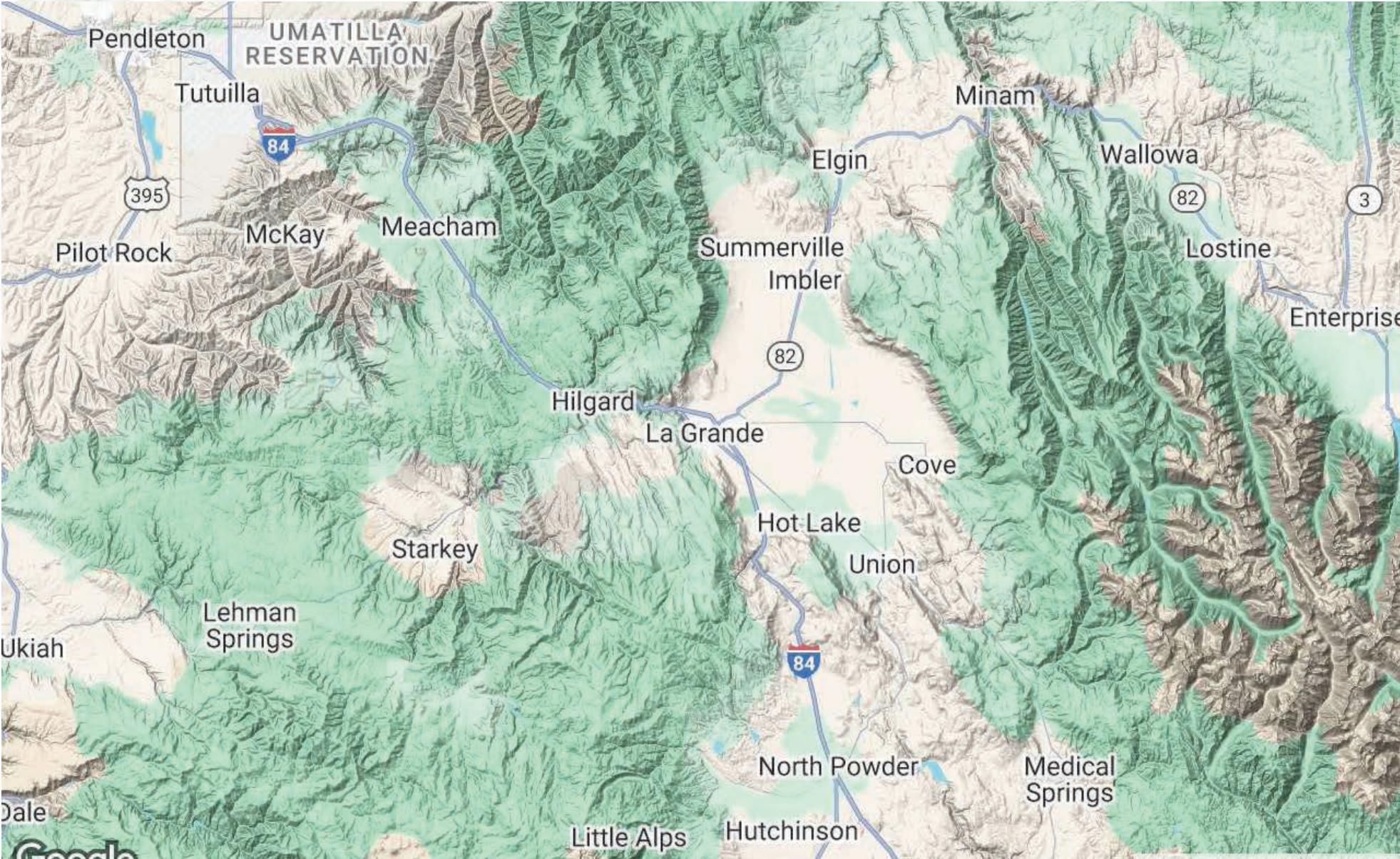
La Grande's economy thrives on education, healthcare, and retail trade, with Eastern Oregon University (EOU) serving as a cornerstone institution. EOU not only provides higher education but also contributes to the city's cultural life with arts programs, music festivals, and theatrical performances. Agriculture and forestry remain vital to the local economy, and the region benefits from its rich farming and ranching heritage.

The city is a gateway to outdoor adventure, offering easy access to the Wallowa-Whitman National Forest for hiking, camping, and wildlife viewing. The Grande Ronde River is a favorite spot for fishing and rafting, making La Grande a haven for nature enthusiasts.

La Grande also boasts a thriving arts scene and a historic downtown district, where early 20th-century buildings house local boutiques, galleries, and restaurants, adding to the city's unique charm. Its deep roots in history as a stop along the Oregon Trail are evident in its preserved landmarks and pioneer heritage.

For those seeking a serene lifestyle with opportunities for cultural and recreational engagement, La Grande offers the best of both worlds. Its strategic location provides easy access to both rural escapades and urban experiences, with Portland just over four hours away by car.

REGIONAL MAP



RETAILER MAP



POINTS OF INTEREST

- 1. ANTHONY LAKES MOUNTAIN RESORT

- 2. CATHERINE CREEK STATE PARK

- 3. ELKHORN WILDLIFE AREA

- 4. FOX HILL TRAILHEAD

- 5. GRANDE RONDE RIVER

- 6. GRANDE RONDE RODEO

- 7. GRANDE TOUR SCENIC BIKEWAY

- 8. HILGARD JUNCTION STATE PARK

- 9. HISTORIC ARCH BRIDGE

- 10. IGO LANE TRAILHEADS

- 11. LADD MARSH WILDLIFE AREA

- 12. MORGAN LAKE

- 13. OWSLEY CANYON

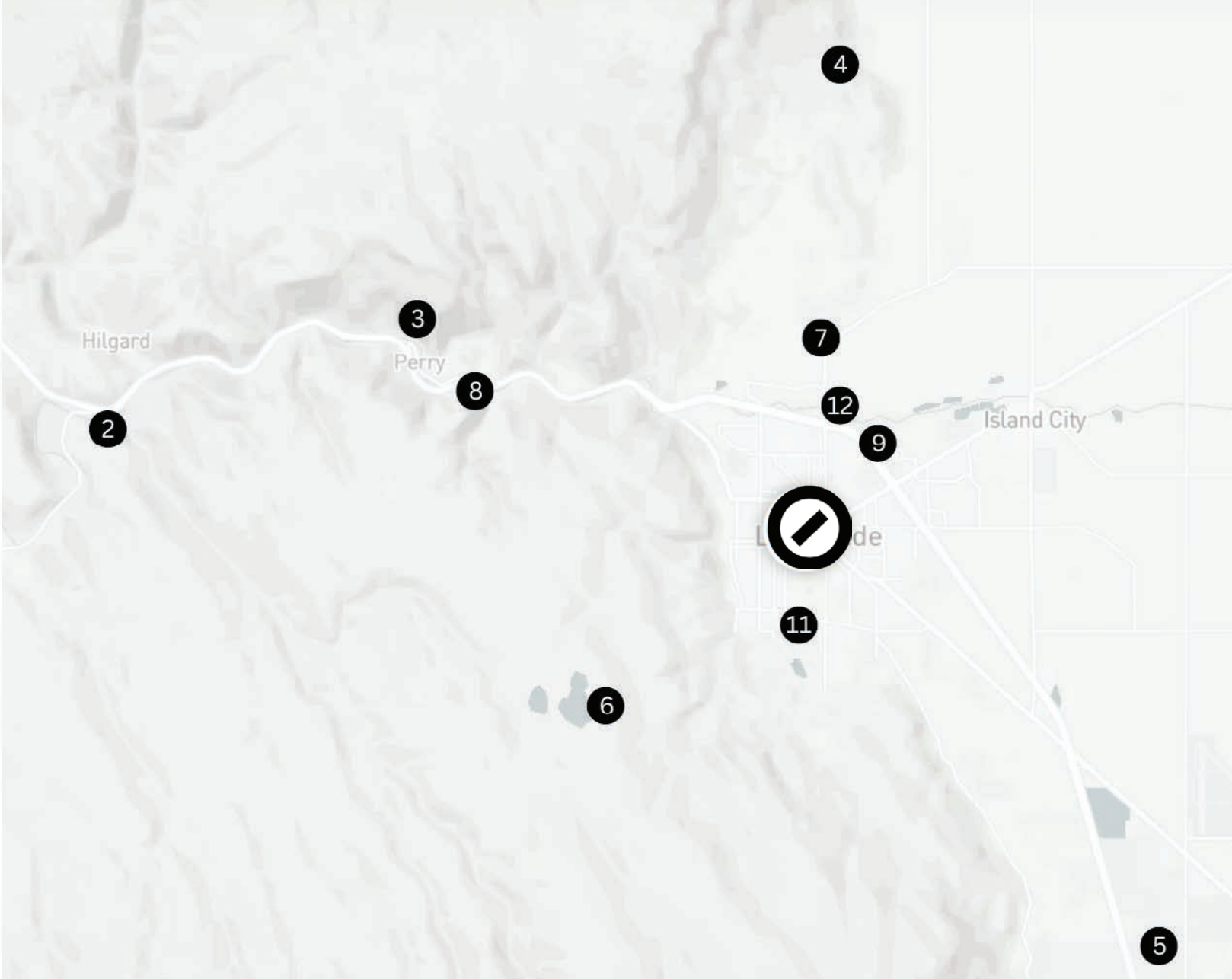
- 14. PERRY SWIMMING HOLE

- 15. RIVERSIDE GREENWAY TRAILHEAD

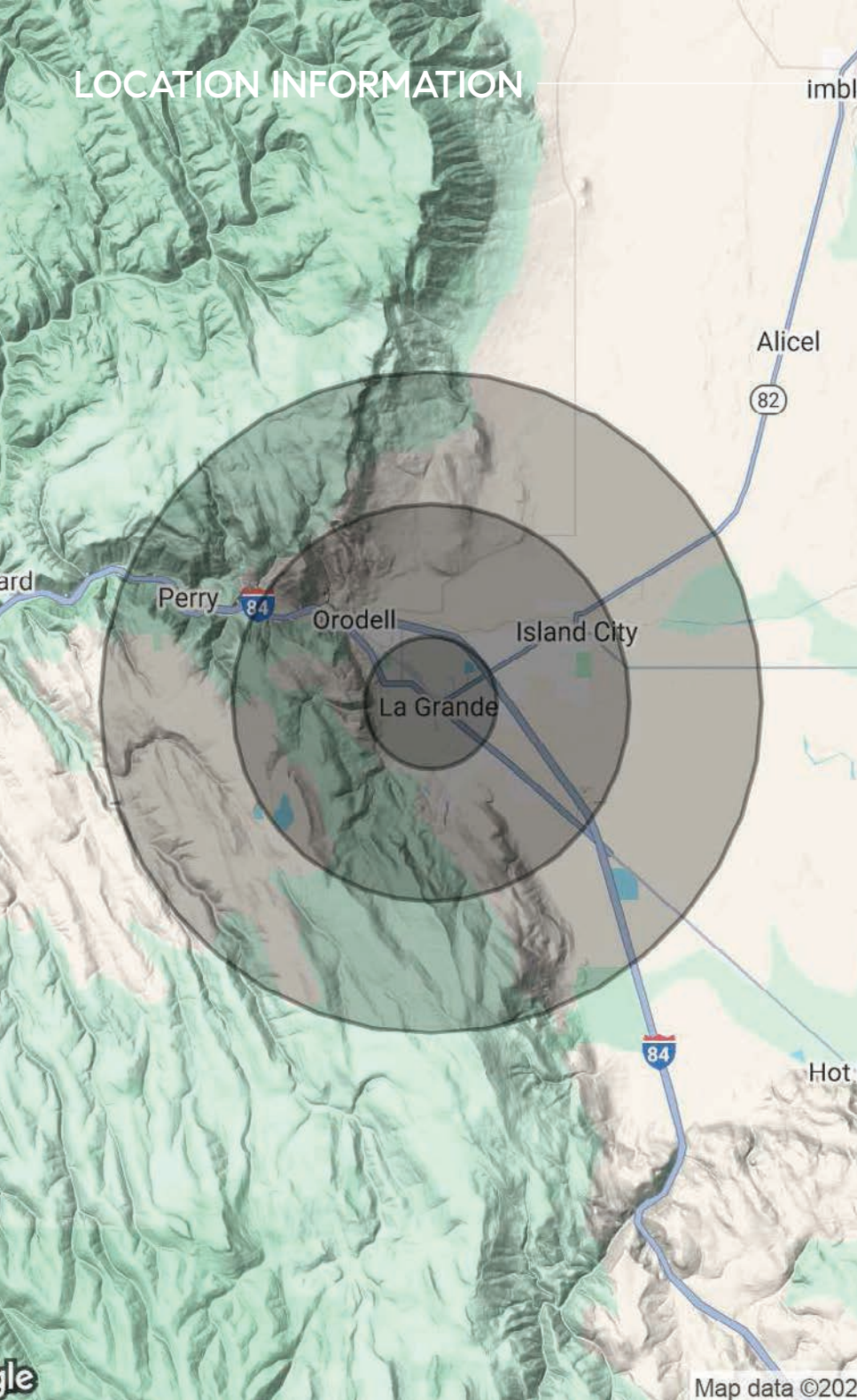
- 16. WALLOWA-WHITMAN NATIONAL FOREST

- 17. HISTORIC BIRNIE PARK

- 18. RIVERSIDE PARK



LOCATION INFORMATION



DEMOGRAPHICS

POPULATION	1 MILE	3 MILES	5 MILES
TOTAL POPULATION	10,086	15,928	16,387
AVERAGE AGE	39	40	40
AVERAGE AGE (MALE)	38	39	39
AVERAGE AGE (FEMALE)	40	41	41

HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
TOTAL HOUSEHOLDS	4,223	6,607	6,790
AVERAGE HOUSEHOLD SIZE	2.4	2.4	2.4
AVERAGE HOUSEHOLD INCOME	\$70,728	\$75,430	\$75,890
AVERAGE HOUSE VALUE	\$265,665	\$279,222	\$280,955

DAYTIME EMPLOYMENT

	1 MILE			3 MILES			5 MILES		
	EMPLOYEES	BUSINESSES	EMPLOYEES PER BUSINESS	EMPLOYEES	BUSINESSES	EMPLOYEES PER BUSINESS	EMPLOYEES	BUSINESSES	EMPLOYEES PER BUSINESS
SERVICE-PRODUCING INDUSTRIES	6,569	876	7	8,478	1,092	8	8,793	1,118	8
TRADE, TRANSPORTATION & UTILITIES	603	98	6	1,275	146	9	1,503	156	10
INFORMATION	151	18	8	192	24	8	202	25	8
FINANCIAL ACTIVITIES	377	93	4	468	115	4	472	117	4
PROFESSIONAL & BUSINESS SERVICES	378	72	5	522	104	5	534	106	5
EDUCATION & HEALTH SERVICES	3,063	351	9	3,322	381	9	3,324	383	9
LEISURE & HOSPITALITY	650	67	10	958	87	11	974	89	11
OTHER SERVICES	458	113	4	561	148	4	572	151	4
PUBLIC ADMINISTRATION	889	64	14	1,180	87	14	1,212	91	13
GOODS-PRODUCING INDUSTRIES	304	53	6	808	104	8	1,308	117	11
NATURAL RESOURCES & MINING	75	12	6	276	29	10	288	31	9
CONSTRUCTION	112	32	4	298	58	5	313	63	5
MANUFACTURING	117	9	13	234	17	14	707	23	31
TOTAL	6,873	929	7	9,286	1,196	8	10,101	1,235	8

MAJOR EMPLOYERS





CONSUMER SPENDING

CATEGORIES	PER 5 MILE HOUSEHOLDS	% TOTAL
APPAREL	\$10,054,834	4.86%
ENTERTAINMENT, HOBBIES & PETS	\$33,271,213	16.10%
FOOD & ALCOHOL	\$56,815,312	27.49%
HOUSEHOLD	\$29,622,249	14.33%
TRANSPORTATION & MAINTENANCE	\$56,208,272	27.19%
HEALTH CARE	\$10,672,703	5.16%
EDUCATION & DAYCARE	\$10,056,273	4.87%
TOTAL	\$206,700,856	100.00%

TRAFFIC

COLLECTION STREET	CROSS STREET	TRAFFIC VOLUME	MILES FROM PROPERTY
ADAMS AVE	GREENWOOD ST NW	7,129	0.03 MI
ADAMS AVENUE	GREENWOOD ST NW	7,602	0.03 MI
ADAMS AVENUE	GREENWOOD ST SE	6,022	0.06 MI
ADAMS AVENUE	ISLAND AVE SE	7,853	0.09 MI
GREENWOOD ST	MADISON AVE NE	877	0.15 MI
N AVENUE	8TH ST E	4,729	0.15 MI
FIR STREET	WASHINGTON AVE SW	3,455	0.15 MI
ISLAND AVENUE	LA GRANDE-BAKER HWY	12,960	0.15 MI

EAST OREGON SUBMARKET HOSPITALITY REPORT

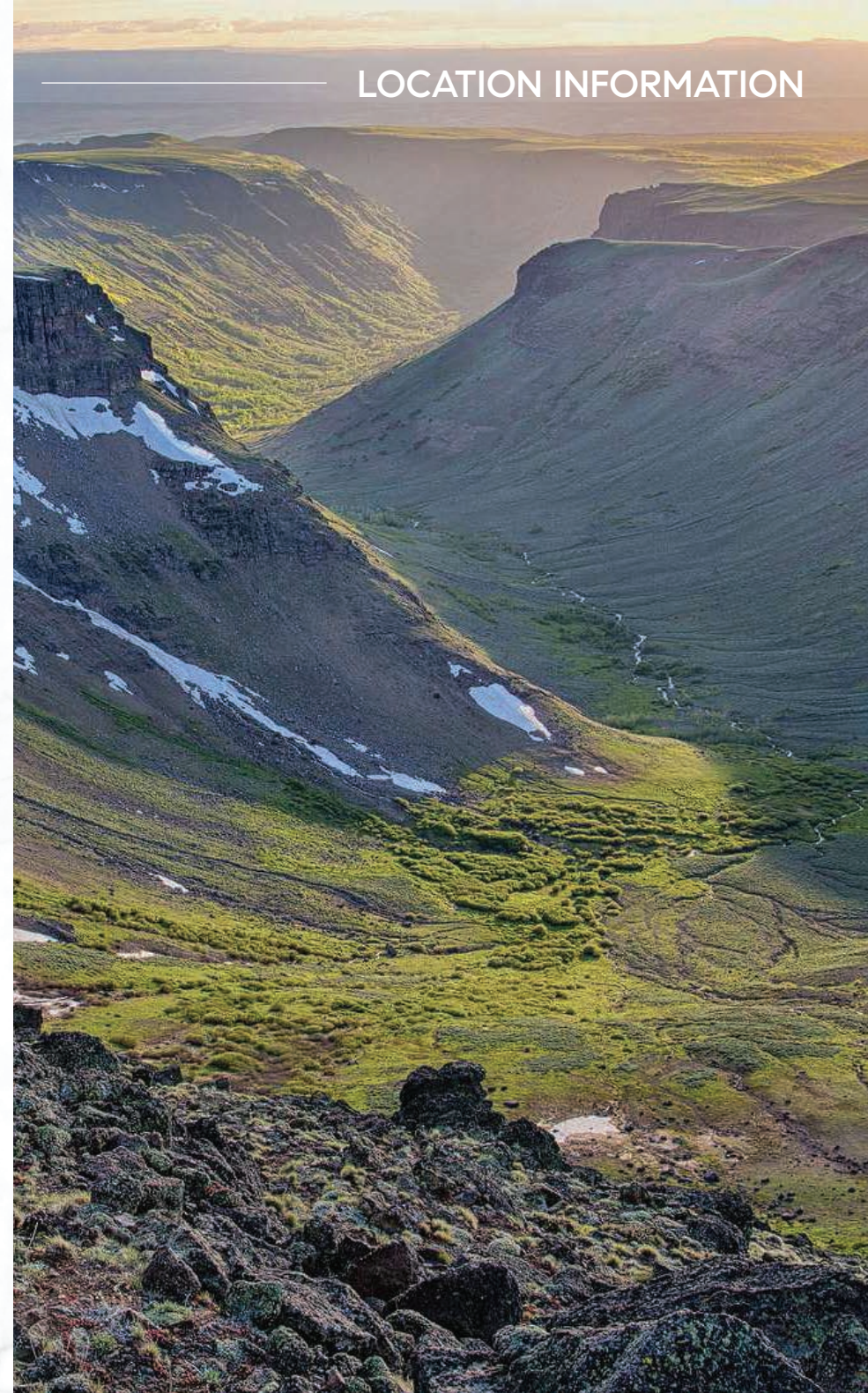
The Oregon East Area is a sizable hospitality submarket, encompassing approximately 10,000 rooms across 191 properties. Reflecting the overall market, the submarket is dominated by smaller hotels and inns, with an average property size of 53 rooms. This figure aligns closely with the regional market average but remains well below the national standard of approximately 90 rooms per property.

Over the past 12 months, the Oregon East Area's monthly occupancy rate has averaged 57.8%, falling moderately short of the broader market average of 59.6% during the same period. Despite this slight underperformance, the submarket's revenue metrics have been more stable. As of October, the 12-month average revenue per available room (RevPAR) grew at of 2.8%, closely mirroring the broader Oregon Area market's performance. This steady growth indicates resilience in revenue generation, even as occupancy rates trail the market average.

Development activity in the Oregon East Area has picked up recently, with an 82-room hotel project currently under construction. This marks the largest volume of new rooms underway in the past three years. Over the same period, the submarket saw three additional projects come online, contributing approximately 130 rooms to the inventory. However, this growth has been partially offset by demolitions, which removed about 42 rooms from the market, reflecting a balance between new supply and adjustments to older properties.

Investment activity in the Oregon East Area has slowed over the past 12 months, with fewer transactions recorded compared to previous years. This trend is consistent with a national decrease in hotel investment activity. Despite the decline in transaction volume, the submarket remains active, demonstrating its continued appeal to investors amid shifting market dynamics.

Overall, the Oregon East Area submarket shows steady development and revenue growth, despite challenges in occupancy rates and a softer investment climate. These dynamics highlight the submarket's potential for continued evolution and resilience in the hospitality sector.





SECTION 3

FINANCIAL ANALYSIS

FINANCIAL ANALYSIS

INCOME & EXPENSES

INCOME	2023	PRO FORMA
ROOM REVENUE	\$398,032.00	\$400,716.32
	\$398,032.00	\$400,716.32
EXPENSES	2023	PRO FORMA
ADVERTISING	\$1,760.00	\$1,812.80
BANK CHARGES	\$12,744.00	\$13,126.32
DUES & SUBSCRIPTIONS	\$8,320.00	\$8,569.60
LAUNDRY & CLEANING	\$580.00	\$597.40
OFFICE EXPENSE	\$1,876.00	\$1,932.28
REPAIRS & MAINTENANCE	\$23,638.00	\$15,000.00
TELEPHONE	\$3,584.00	\$3,691.52
UTILITIES	\$33,672.00	\$34,682.16
	\$86,174	\$79,412.08
FIXED EXPENSES	2023	PRO FORMA
INSURANCE	\$20,886.00	\$21,000.00
PROPERTY TAX	\$16,361.24	\$16,654.91
LODGING TAX	\$30,715.00	\$30,922.14
	\$67,962.24	\$68,577.05
NET OPERATING INCOME	\$243,895.76	\$252,727.19
CAP RATE	8.71%	9.03%



OPERATING DATA

FIXED EXPENSES	2023	PRO FORMA
ROOMS	43	43
AVAILABLE ROOMS	15,595	15,595
ROOMS SOLD	4,827	4,860
OCCUPANCY	30.95%	31.16%
ADR	\$82.46	\$82.46
RevPAR	\$25.52	\$25.70
REVENUE/ROOM	\$9,256.56	\$9,318.98





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VACANCY

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