

# Motel 6

587 EDDY STREET, SAN FRANCISCO, CALIFORNIA



## Investment Highlights:

- *Newly Renovated Hotel Opportunity for Sale*
- *68 Room Hotel plus Three Commercial located in the Civic Center / Mid-Market Area of San Francisco*
- *Hotel consists of newly renovated 48 Tourist Rooms and 20 Residential Rooms*
- *All Rooms have private baths and are in excellent condition*
- *Ground Floor large common area and lobby. Potential commercial use in one of the Busiest Areas of the City*
- *Tons of Upside Potential; San Francisco is one of the most improved Hospitality Markets in the Country*

## THE EHMER GROUP

HOSPITALITY AND INVESTMENT REAL ESTATE

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# INVESTMENT OVERVIEW



## Investment Overview:

This offering consists of the purchase of the Motel 6 in a prime location. The property is a 68-room hotel over three commercial spaces located in the heart of San Francisco's rapidly growing Civic Center / Mid - Market Districts. The 68-room hotel consisting of 48 Tourist Rooms and 20 Residential Rooms. The hotel rooms are all in incredibly good condition and each room has its own private bath and shower facility. There is a large lobby area and community space for guest to mingle. All hotel rooms and common areas have undergone a multi-million-dollar renovation in the last 24 months. The building consists of a six story plus basement concrete structure of 29,171 square feet on a 5,031 square foot lot.

This is a great opportunity for a hotel operator to purchase a hotel in one of the strongest hospitality markets in the country and specifically in a neighborhood that has been experiencing rapid growth in business, rents and real estate values. The upside potential is substantial in operating a nightly and or monthly hospitality business in a dynamic area of high-tech companies, governmental agencies and performing arts and museum location in San Francisco.



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# INVESTMENT SUMMARY



## Investment Summary

|                               |                             |
|-------------------------------|-----------------------------|
| Price                         | \$9,000,000                 |
| Price Per Room                | \$132,350                   |
| Price Per Sq. Ft.             | \$309.00                    |
| Number of Rooms               | 68                          |
| Room Type                     | 48 Tourist & 20 Residential |
| Number of Buildings / Sq. Ft. | 1 / 29,171                  |
| Number of Floors              | 6 + Basement                |
| Year Built                    | 1925/Renovated 2023         |
| Type of Ownership             | Fee Simple                  |
| Commercial Spaces             | Three Spaces                |
| Lot Size                      | 5,301 Sq. Ft.               |

## Description:

At close of escrow, the Buyer will be delivered a turnkey operation and will assume all management and operational responsibilities of the hotel. This is an exciting opportunity to reposition and operate a hotel in San Francisco by developing the commercial space and incorporating that use into the existing hotel operations such as an F&B / Restaurant outlet in one of the world's most valued hospitality markets in the US.

# PROJECTIONS

## MOTEL 6 HOTEL PROJECTIONS

|  |                        |                |
|--|------------------------|----------------|
| Tourist Rooms                                      | 68                     |                |
| Days in Period                                     | 365                    |                |
| Available Rooms                                    | 24,820                 |                |
| Occupied Rooms                                     | 18,615                 |                |
| Occupancy  | 75.00%                 |                |
| ADR  | \$ 105.00              |                |
| RevPAR   | \$ 78.75               |                |
|  |                        |                |
| <b>Income</b>                                      |                        |                |
| Tourist Revenue                                    | \$ 1,954,575.00        | 93.99%         |
| Commercial Revenue                                 | \$ 125,000.00          | 6.01%          |
| <b>Total Income</b>                                | <b>\$ 2,079,575.00</b> | <b>100.00%</b> |
|  |                        |                |
| <b>Expenses</b>                                    |                        |                |
| <b>Total Operating &amp; Departmental Expenses</b> | <b>\$ 675,000.00</b>   | <b>32.46%</b>  |
| <b>FIXED CHARGES</b>                               |                        |                |
| Real Estate Taxes                                  | \$ 120,000.00          | 4.49%          |
| Insurance  | \$ 70,000.00           | 3.37%          |
| Management Fee                                     | \$ 55,000.00           | 2.64%          |
| <b>Total Fixed Charges</b>                         | <b>\$ 245,000.00</b>   | <b>11.78%</b>  |
|  |                        |                |
| <b>Net Operating Income</b>                        | <b>\$ 1,159,575.00</b> | <b>55.76%</b>  |

# LOCATION OVERVIEW



## Location Highlights:

- Conveniently located in the rapidly growing Mid-Market / Civic Center Area
- Just Steps Away from the City Hall, Federal Courts, Hastings Law School, Bill Graham Civic Auditorium
- Walking Distance from Shopping, Restaurants, Bars, Art Galleries, and Performing Arts
- Easily Accessible by Public Transportation, SF Muni, Bart Train System, & Caltrain
- San Francisco is one of the nation's strongest and most desirable lodging markets in the US

## Location Overview:



The Motel 6 is in the heart of the Civic Center / Mid-Market areas of San Francisco. The Hotel is steps away from City Hall, Federal Court Buildings, Hastings Law School, Bill Graham Civic Auditorium, The San Francisco Opera, Symphony and Ballet Buildings. The Hotel is in walking distance to Shopping, Restaurants, Bars, Art Galleries, and Performing Arts.

The Mid-Market area is home to San Francisco's new technology economy and the heart of the Millennial culture. Leaders in the technology economy paved the way for the urban renaissance of San Francisco's Mid-Market district. Driven by a new wave of entrepreneurial spirit and an incredible appetite for large blocks of creative office space, Twitter, Uber, Square, and others are remaking the Mid-Market district by combining the tech campus tradition with the irreplaceable live energy of a true gateway city. Consequently, the submarket has experienced strong rental demand from the growing labor base of young technology workers, artists, and other single professionals who desire to live within walking distance to their offices.

In addition to being in one of the most rapidly improving areas of San Francisco, the Hotel is just steps away from San Francisco's major public transportation hubs, multiple Muni lines, the Bart, and the Caltrain. It is located a short distance from San Francisco's Theatre District, Financial District, Union Square, Hayes Valley, Performing Arts and Civic Center areas surrounded by a multitude of shopping, museums and restaurant options. Being in such a central location, the property is in one of the busiest areas of San Francisco.

San Francisco is California's strongest lodging market. The allure of San Francisco has always made it one of the most coveted international destinations and keeps tourists coming year-round. With its continued growth and current economic boom, hotel rooms in San Francisco remain in high demand.

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# PROPERTY SUMMARY

## Property Summary:

### The Offering

Property: Motel 6

Address: 587 Eddy Street, San Francisco, CA, 94103

Assessor's Parcel Number (APN): 0336 - 014A

### Site Description

Year Built: 1925 / Renovated 2023

Number of Rooms: 68 Total (20 SRO + 48 Tourist)

Number of Buildings: 1

Number of Floors: 6

Number of Commercial Retail Tenants: 3

Lot Size: 5,013 Sq. Ft.

Building SF: 29,171 Sq. Ft.

Type of Ownership: Fee Simple

Property Tier: Tourist Hotel, Commercial Retail

Location Type: Urban, City, Downtown

Transient Occupancy Tax: 15.5%

### Room Breakdown

Number of Rooms: 68 Total (20 SRO + 48 Tourist)

Rooms with Private Bathrooms: All rooms have a private bath and shower facility recently renovated



## Property Summary:

### Construction/Mechanical

Foundation: Concrete Slab

Framing: Steel Frame and Reinforced Concrete

Exterior: Block Concrete

Roof: Flat Tar & Gravel

Plumbing: Cast Iron & Copper

Elevator: Yes

Fire/Life/Safety: Sprinklered and Up To Code

### Utilities

Water: S.F. Water Dept.

Phone: NA

Electric: Pacific Gas & Electric

Gas: Pacific Gas & Electric

Cable: Free Internet Access

### Transportation

Highway: US Highway 1, Highway 101, Interstate 280

Public: MUNI, BART, CALTRAIN



# PROPERTY PHOTOS



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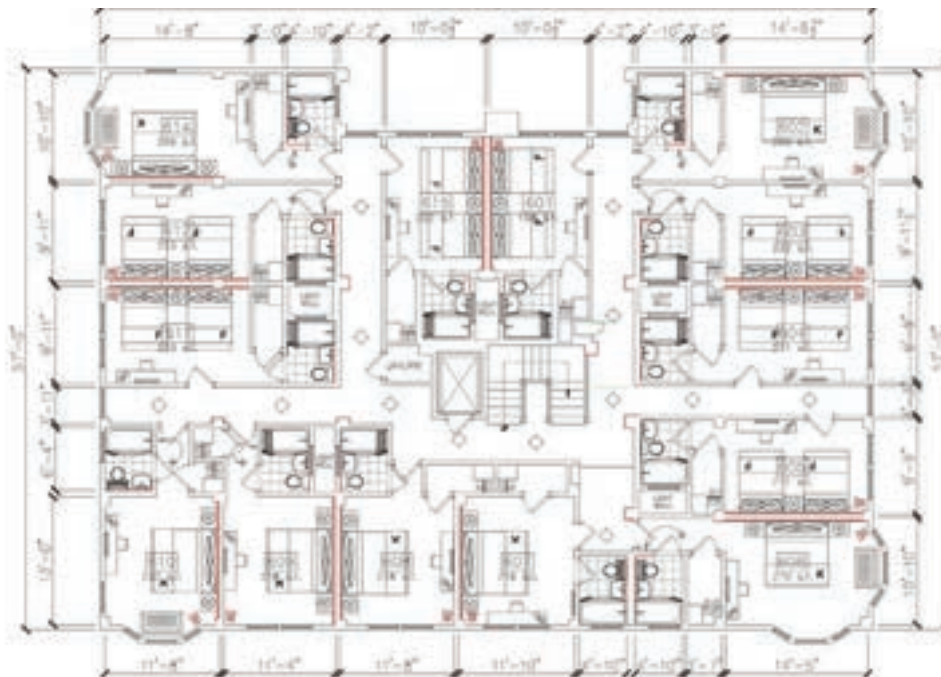
# FLOOR PLANS



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## GROUND FLOOR PLAN

SCALE: 1/8" = 1'-0"



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## SIXTH FLOOR PLAN

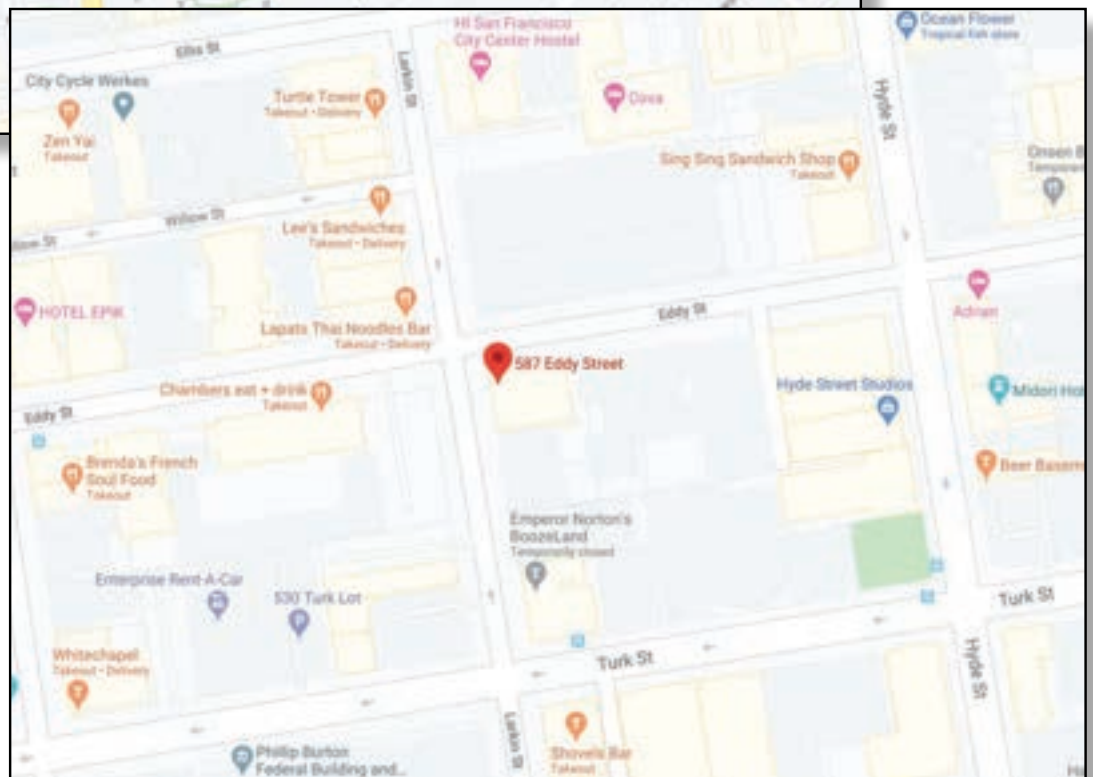
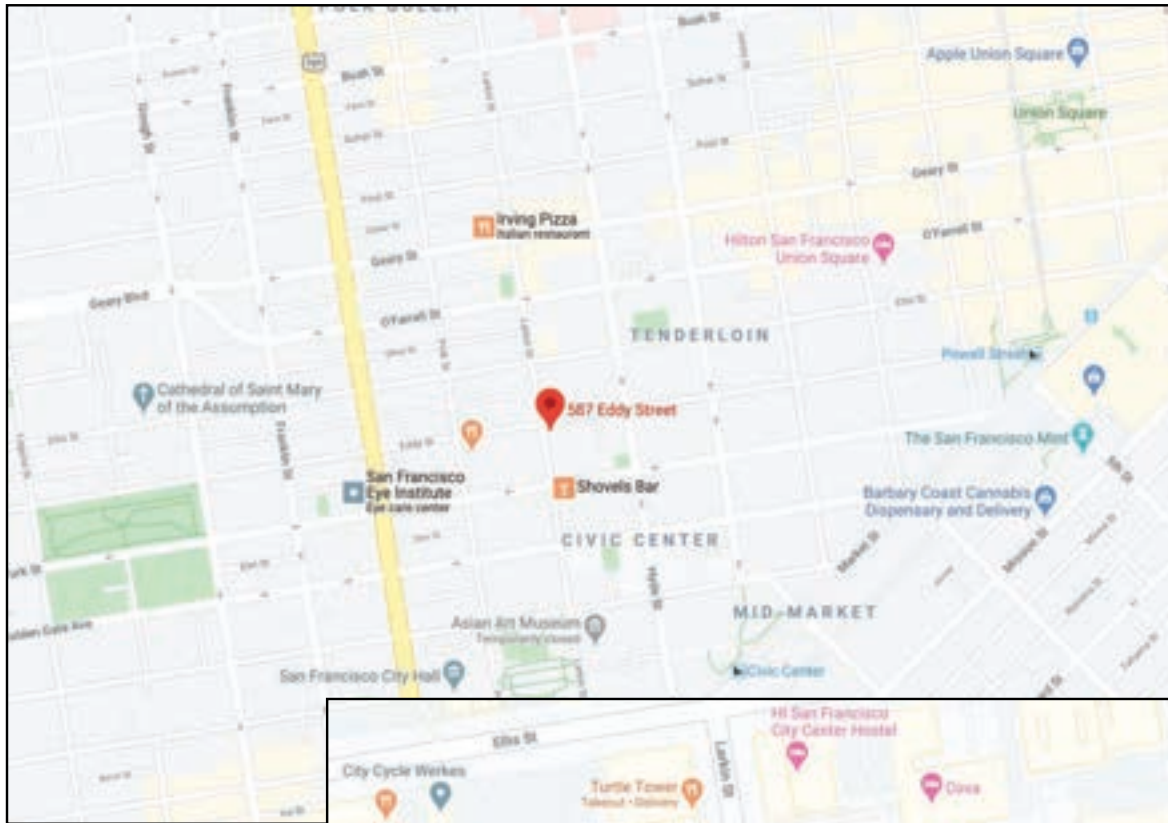
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# LOCATION MAPS

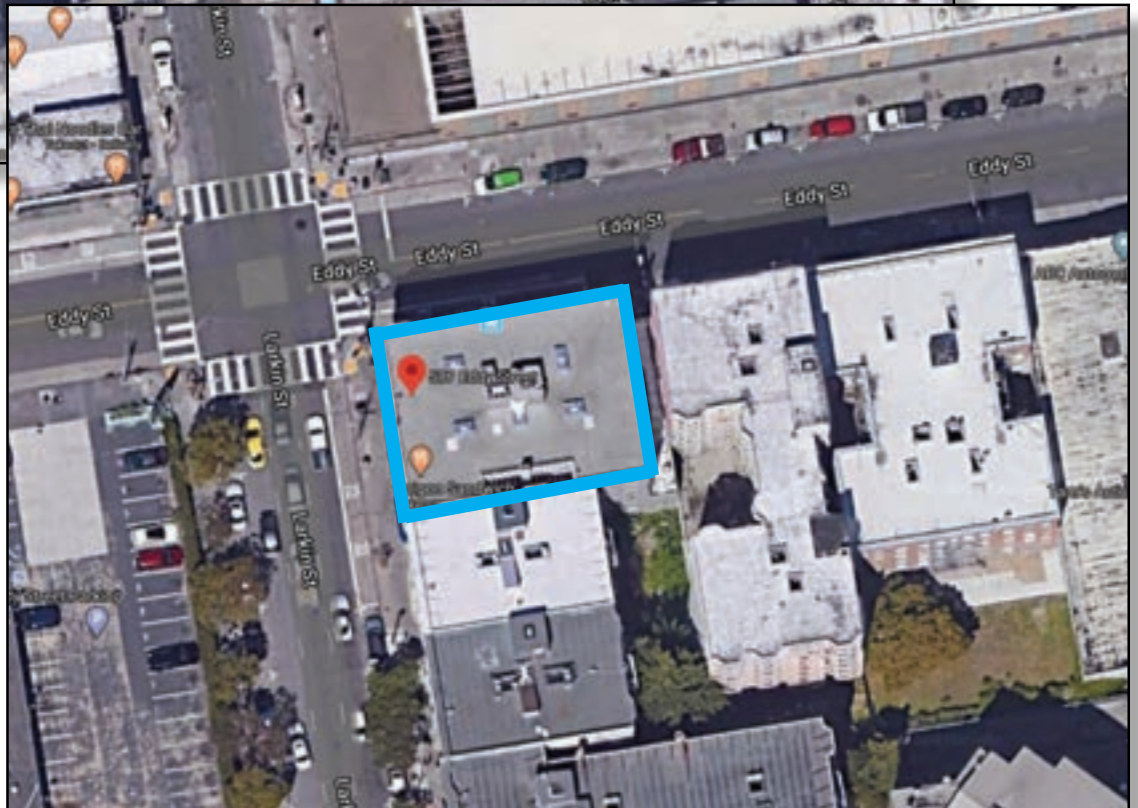
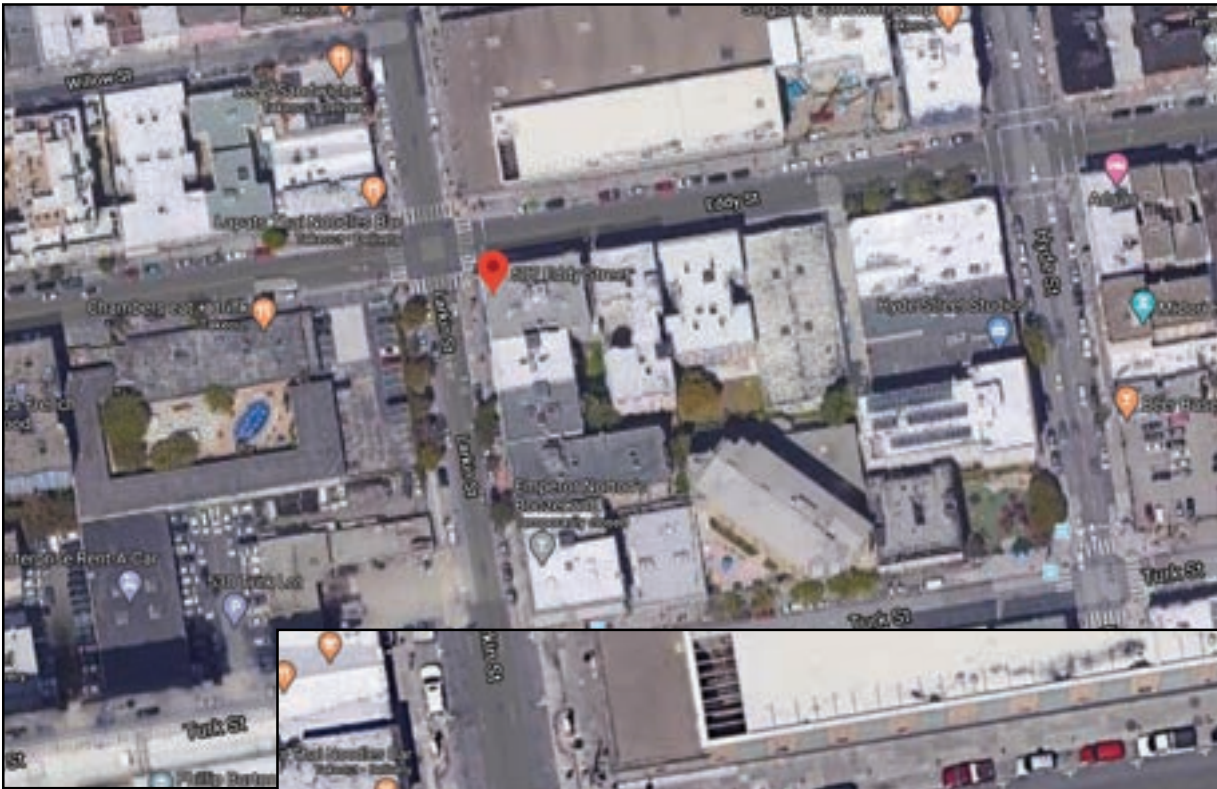


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# SATELLITE IMAGES



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