

NATahoe Sierra

Confidential Offering Memorandum

Hospitality

For Sale
Firelite Lodge

7035 N Lake Blvd. Tahoe Vista, CA 96148



EXECUTIVE SUMMARY

PROPERTY OVERVIEW

FINANCIAL ANALYSIS

MARKET OVERVIEW

Table of Contents

Executive Summary

- Offering Procedure
- Aerial Map
- Additional Photos

Property Overview

- Property Details
- Property Systems
- Capital Improvements
- Unit Mix Summary
- Additional Photos
- Additional Photos
- Additional Photos
- Site Plan
- Floor Plans
- Retailer Map
- Resort Map

Financial Analysis

- Financial Summary

3

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7

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Any party contemplating or under contract or in escrow for a transaction is urged to verify all information and to conduct their own inspections and investigations including through appropriate third party independent professionals selected by such party. All financial data should be verified by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. NAI Tahoe Sierra, LLC makes no warranties and/or representations regarding the veracity, completeness, or relevance of any financial data or assumptions. NAI Tahoe Sierra, LLC does not serve as a financial advisor to any party regarding any proposed transaction. All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors and other issues in order to determine rents from or for the property.

Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by NAI Tahoe Sierra, LLC in compliance with all applicable fair housing and equal opportunity laws.

20



Executive Summary



Firelite Lodge was built to host participants of the 1960 Winter Olympics and over the years has become one of the most popular mid-price hotels in North Lake Tahoe.

The Firelite Lodge is located on the North Shore of Lake Tahoe in Tahoe Vista. The property is surrounded by an abundance of outdoor activities ranging from cycling, mountain biking, hiking, water sports, and world class skiing. Firelite Lodge is centrally located to major ski resorts: Squaw Valley, Alpine Meadows, Northstar, Mount Rose, Diamond Peak, Howewood, Sugar Bowl, and Boreal. XC skiing and snowmobiling trails are also nearby. Firelite Lodge resides just steps from sandy beaches, boat marina, various boat/kayak rentals and a great access to hiking and mountain biking trails. North Tahoe Regional Park is 1 mile away.

Firelite Lodge is a 28 unit lodge which includes a managers unit and a 2BD/1BA free standing housing unit both of which are currently occupied by ownership. The property runs 26 rentable rooms that include both single and double King and Queen rooms with lake, partial lake, and courtyard views. Operationally the property has consistently operated at the forefront of hotel standards. Due to high barriers of entry there is a limited supply of hotel rooms in the North Lake Tahoe region allowing any investor a piece of mind for a continuing growing business.

Offering Procedure

The subject property is being offered at \$5,850,000.

This transaction will be conducted through an offering process in accordance with the terms and provisions of this Offering Memorandum, which NAI Tahoe Sierra may, in its sole discretion, amend or update (provided that NAI Tahoe Sierra has no obligation to amend or update the information included herein or otherwise made available to prospective purchasers). Each prospective purchaser has signed a Confidentiality Agreement in form and substance satisfactory to NAI Tahoe Sierra as a condition of its receipt of this Offering Memorandum.

Inquiries concerning the procedures outlined in this Offering Memorandum may be directed to:

NAITahoe Sierra

Scott Fair

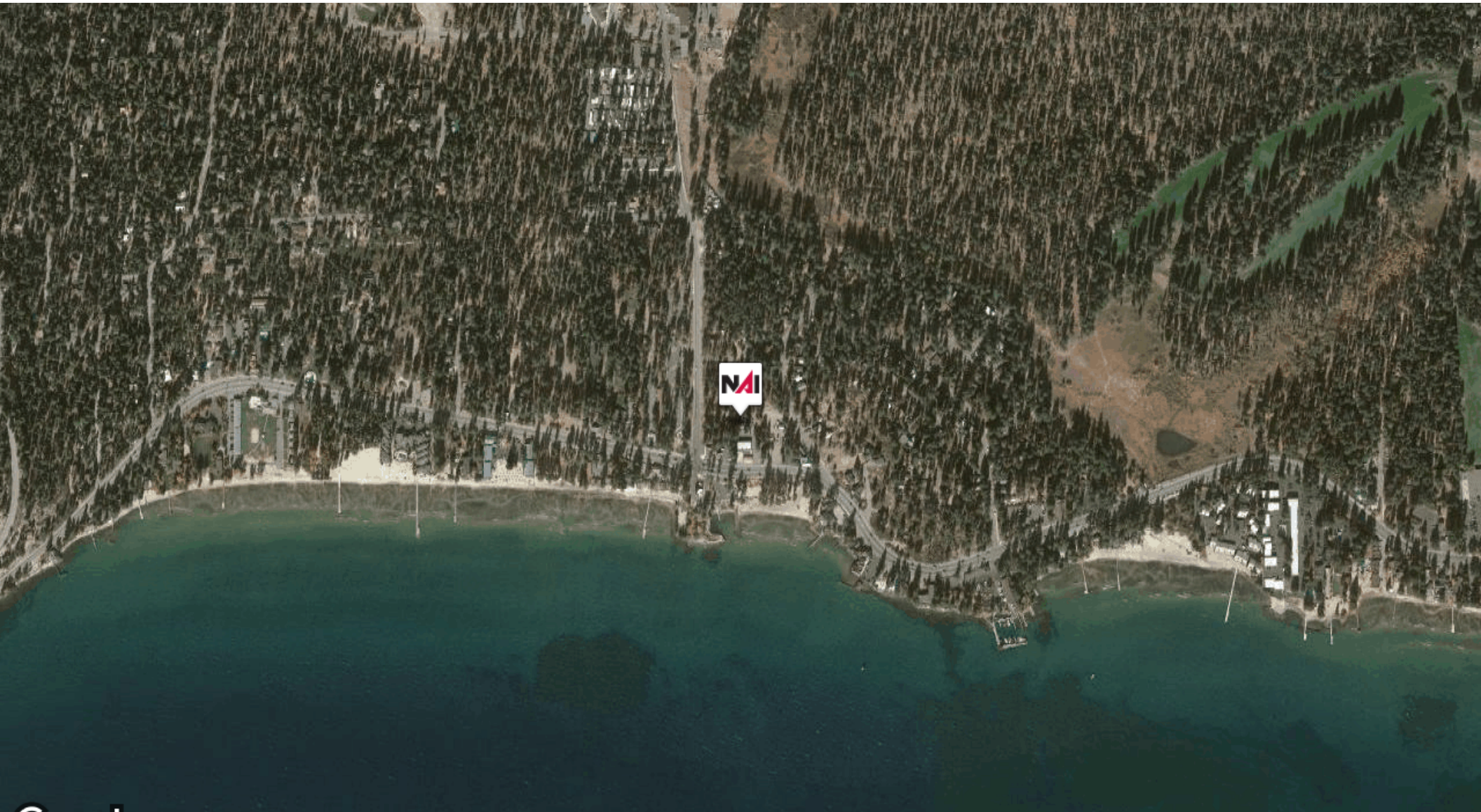
O: 530 573 4669
sfair@naitahoesierra.com
CalDRE #01761504

Tour Dates:

Private tours of the Property are being offered by appointment only. Please schedule your site visit at your earliest convenience, by sending an email to sfair@naitahoesierra.com

Initial Offers Due:

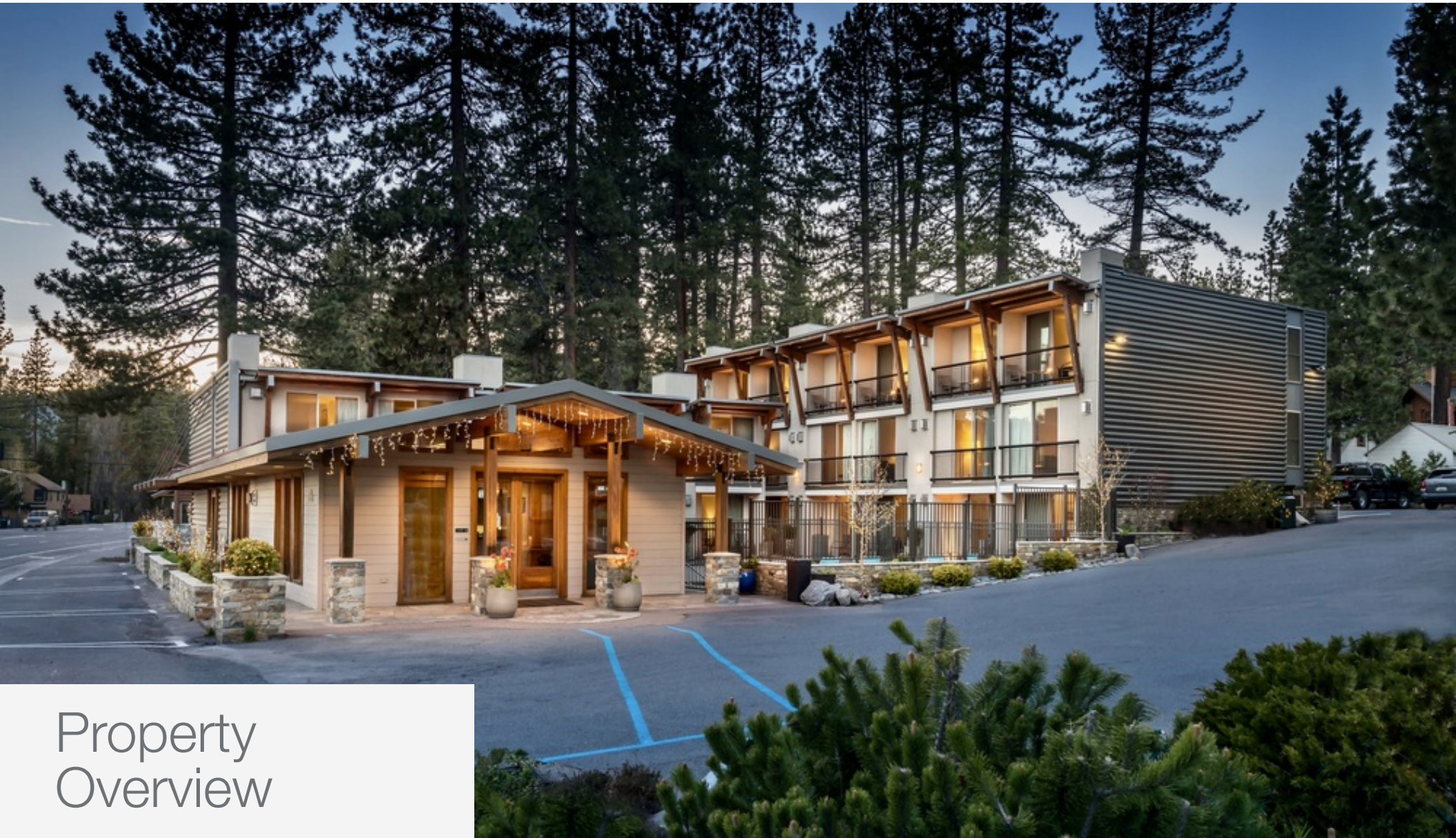
The official bid date will be determined and communicated at a later date. NAI Tahoe Sierra encourages all prospective purchasers to review the offer instructions prior to the Offer Date and contact Scott Fair at sfair@naitahoesierra.com should they have any questions.



Google

Imagery ©2021 Maxar Technologies, U.S. Geological Survey, USDA Farm Service Agency





Property Overview

Sale Price

\$5,850,000

Location Information

Building Name	Firelite Lodge
Street Address	7035 N Lake Blvd.
City, State, Zip	Tahoe Vista, CA 96148
County	Placer

Building Information

Building Size	11,562 SF
Ceiling Height	8 ft
Number of Floors	3
Year Built	1960
Framing	Metal/wood siding & Stucco
Condition	Excellent
Roof	Metal
Pool & Spa	Yes
Free Standing	Yes
Number of Buildings	Two (2) Motel, One (1) 2BD/1BA Cabin, Spa, Storage
Walls	3 X 5/8 drywall, soundproof construction
Ceilings	8 ft.+
Floor Coverings	Carpet

Property Information

Property Type	Hospitality
Property Subtype	Limited Service
Zoning	Mixed Use Community Center - Tourist
Lot Size	30,176 SF
APN #	117-100-023-000
Lot Frontage	154 ft
Waterfront	Yes
Power	200Amp 120/208V 3 Phase

Parking & Transportation

Parking Type	Surface
Number of Parking Spaces	30 hotel guests; 10 other (backside)

Utilities & Amenities

Handicap Access	2 ADA units
In Room Thermostat	Yes
Thru-wall/ Individual Units	Heat & Glo fireplaces, 7 years
Hot Water Storage Capacity	100 gal
Separate Domestic Hot Water System	Yes

Life Safety & Fire Protection

Smoke Detectors in Rooms	CO/SD audio/talking detectors
Hard Wired Battery	120VAC w/10 year battery backup, installed 2020

Utilities

Electric	Liberty Utilities
Gas	Southwest Gas
Water	NTPUD
Sewer	TTSA

Property Management Systems

Front Desk	Cloudbeds
Telephone Systems	Avaya
F&B POS	Granite Merchant Services, Authorize.net
Service Provider	Spectrum

Laundry & Housekeeping

Washer	One (1) 35 pound Speed Queen
Dryer	One (1) 50 pound Speed Queen
Linens & Towels	Owned and cleaned on site



Capital Improvements

Last Soft Goods	Carpet
Next Soft Goods	Drapes
Last Hard Goods	Furniture, Refrigerators, Lamps, Phones, TV's, CO/SD
TVs	Samsung 2021, 50", Smart/Stream
Next Hard Goods	Bathroom Remodel
Last Public Area	Lobby/Apartment Flooring

Major Equipment Replacement Last 3 Years

Water Heater, Pool Heater, Ice Maker, Coin-Op Laundry, Coin Changer, Wifi

Major Building Improvement/Repair Last 3 Years

House Remodel, Street Sign

Employees

General Manager	One (1) Full Time Employee \$52K
Maids	Two (2) Full Time Maids \$57K
Ownership Employment	One (1) Full Time; Two (2) Part Time \$60K



Unit Type

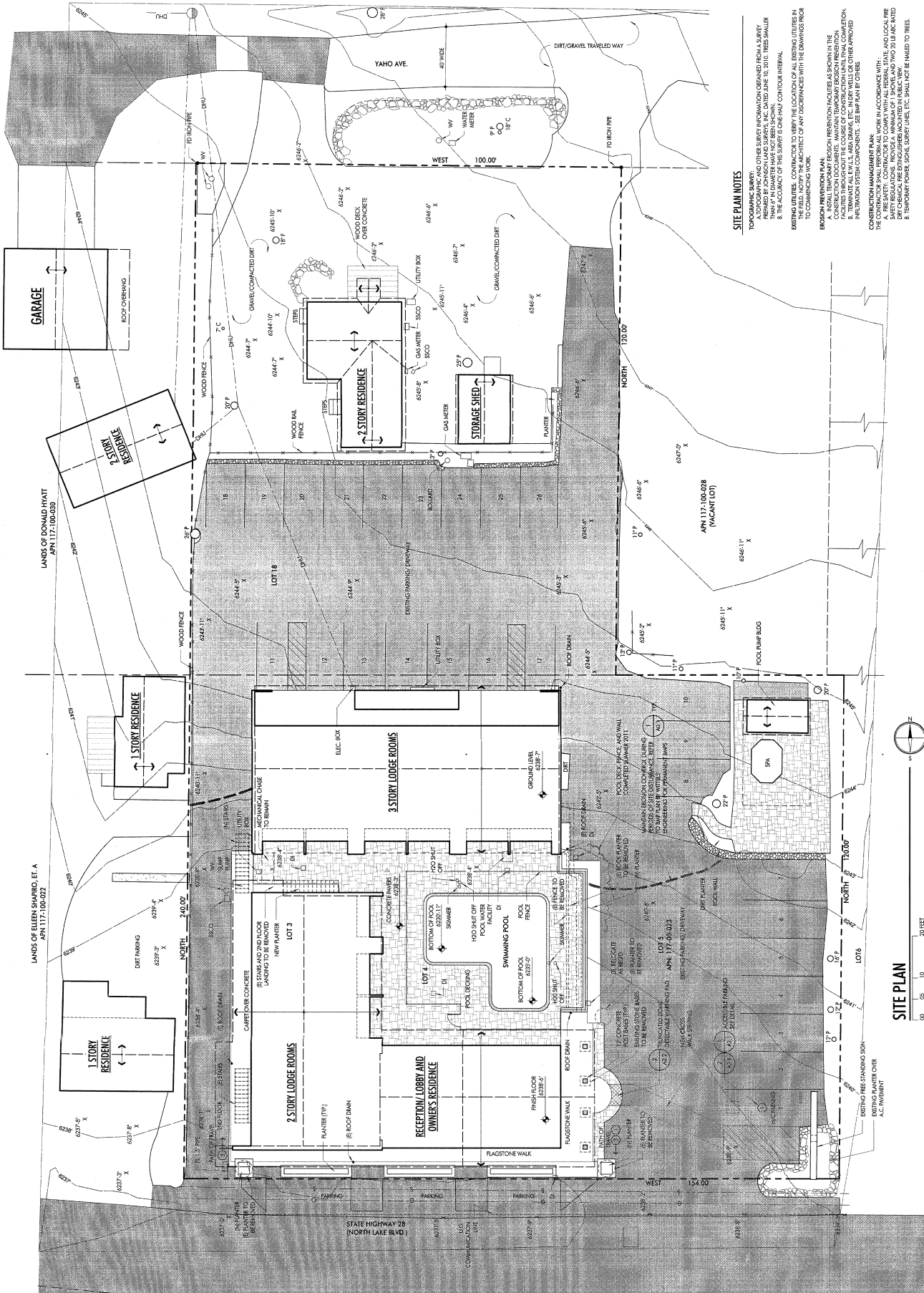
Count

King	4
Double Queen	14
Double Queen + Sofa	5
Single Queen	1
ADA	2
Managers Unit	1
2BD/1BA Cabin	1
Totals/Averages	28









SITE PLAN NOTES

- 1. TOPOGRAPHIC SURVEY AND OTHER SURVEY INFORMATION OBTAINED FROM A SURVEY PREPARED BY JOHNSON LAND SURVEYS, INC. DATED JUNE 10, 2010. TREES SMALLER THAN 10" DBH SHALL BE REMOVED AND REPLANTED WITH SIMILAR SPECIES. THE ACCURACY OF THIS SURVEY IS ONE-HALF CONTOUR INTERVAL.
- 2. EXISTING UTILITIES: CONTRACTOR TO VERIFY THE LOCATION OF ALL EXISTING UTILITIES IN THE FIELD. NOTIFY THE ARCHITECT OF ANY DISCREPANCIES WITH THE DRAWINGS PRIOR TO COMMENCING WORK.
- 3. EROSION PREVENTION PLAN: BLDG. DET. SUBMITTAL W/ ORDC CONSTRUCTION DOCUMENTS. MAINTAIN TEMPORARY EROSION PREVENTION FACILITIES THROUGHOUT THE COURSE OF CONSTRUCTION UNTIL FINAL COMPLETION OF THE PROJECT. EROSION PREVENTION FACILITIES SHALL BE MAINTAINED THROUGHOUT CONSTRUCTION. SEE BMP PLAN BY OTHER.
- 4. CONSTRUCTION MANAGEMENT PLAN: THE CONTRACTOR SHALL PERFORM ALL WORK IN ACCORDANCE WITH THE LOCAL AND STATE SAFETY REGULATIONS. PROVIDE A MINIMUM OF 1' SHOULDER AND TWO 20" BARRIERS TO PROTECT THE WORK AREA FROM TRAFFIC. ALL TRUCKS AND TRAILERS SHALL BE HALLED TO TREES.

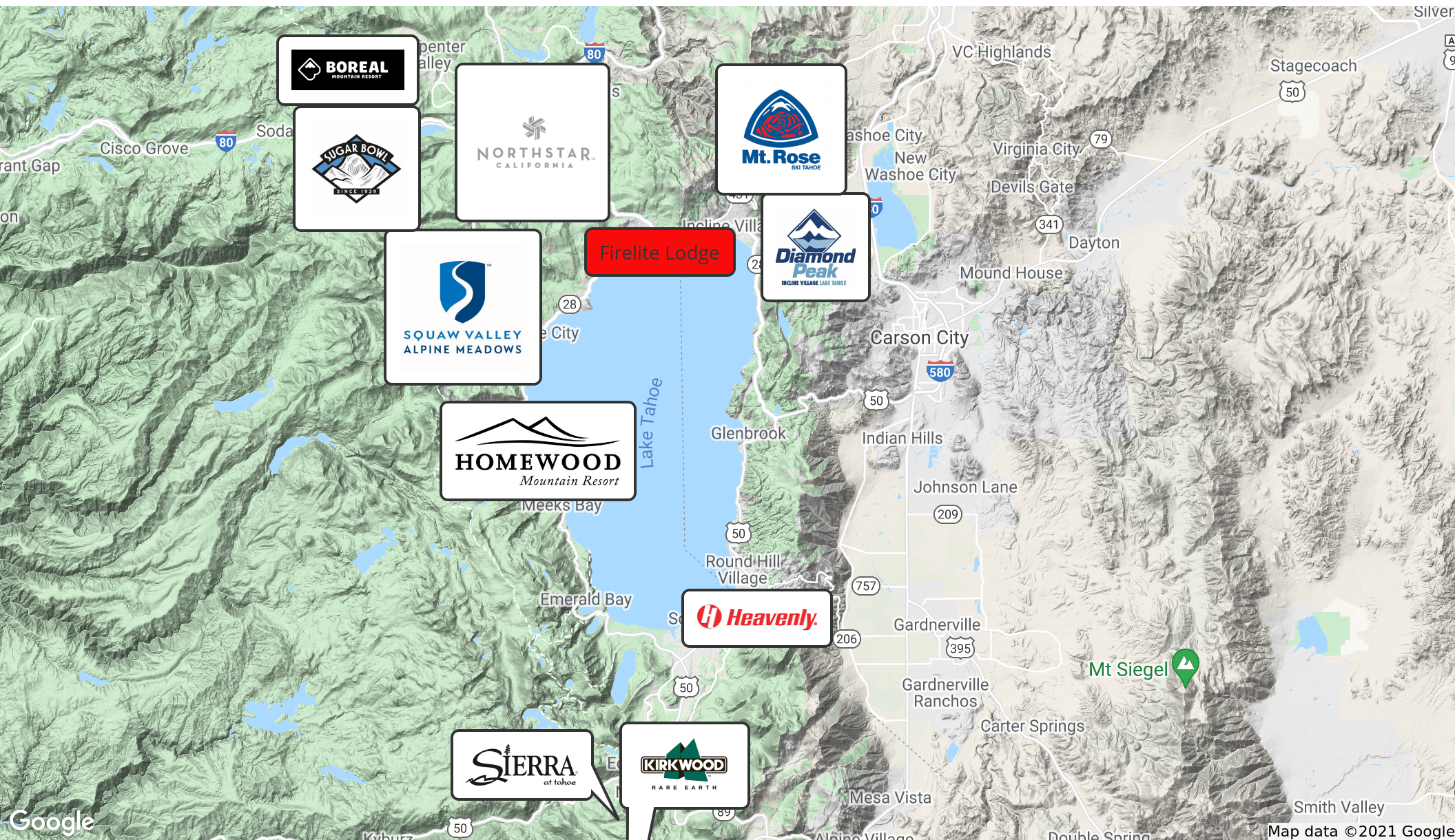


SITE PLAN
 0 5 10 20 FEET

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Financial Analysis

Investment Overview

2021 T-12 Normalized

Price	\$5,850,000
Price per Room	\$208,928
RevPAR	\$112
ADR	\$148
CAP Rate	7.79%
Cash-on-Cash Return (yr 1)	10.0 %
Debt Coverage Ratio	1.76

Operating Data

2021 T-12 Normalized

Total Scheduled Income	\$975,186
Gross Income	\$975,186
Operating Expenses	\$519,552
Net Operating Income	\$455,633
Pre-Tax Cash Flow	\$196,504

Financing Data

2021 T-12 Normalized

Down Payment	\$1,965,000
Loan Amount	\$3,885,000
Debt Service	\$259,129
Debt Service Monthly	\$21,594
Principal Reduction (yr 1)	\$86,064

Income Summary

Room Revenue

\$975,186

Gross Income

\$975,186

Expense Summary

2021 T-12 Normalized

Advertising

\$2,798

Automobile

\$3,000

Bank Charges (merchant fees)

\$29,951

Commissions

\$87,248

Credits and Refunded Deposits

\$13,690

Memberships & Dues

\$1,296

Liability and Workers Comp

\$14,434

Labor

\$169,000

Landscaping

\$3,000

Laundry

\$12,793

Licenses and Permits

\$1,998

Mail & Shipping

\$776

Pool & Spa

\$8,616

Professional Fees CPA

\$2,272

R&M

\$12,381

Breakfast

\$18,000

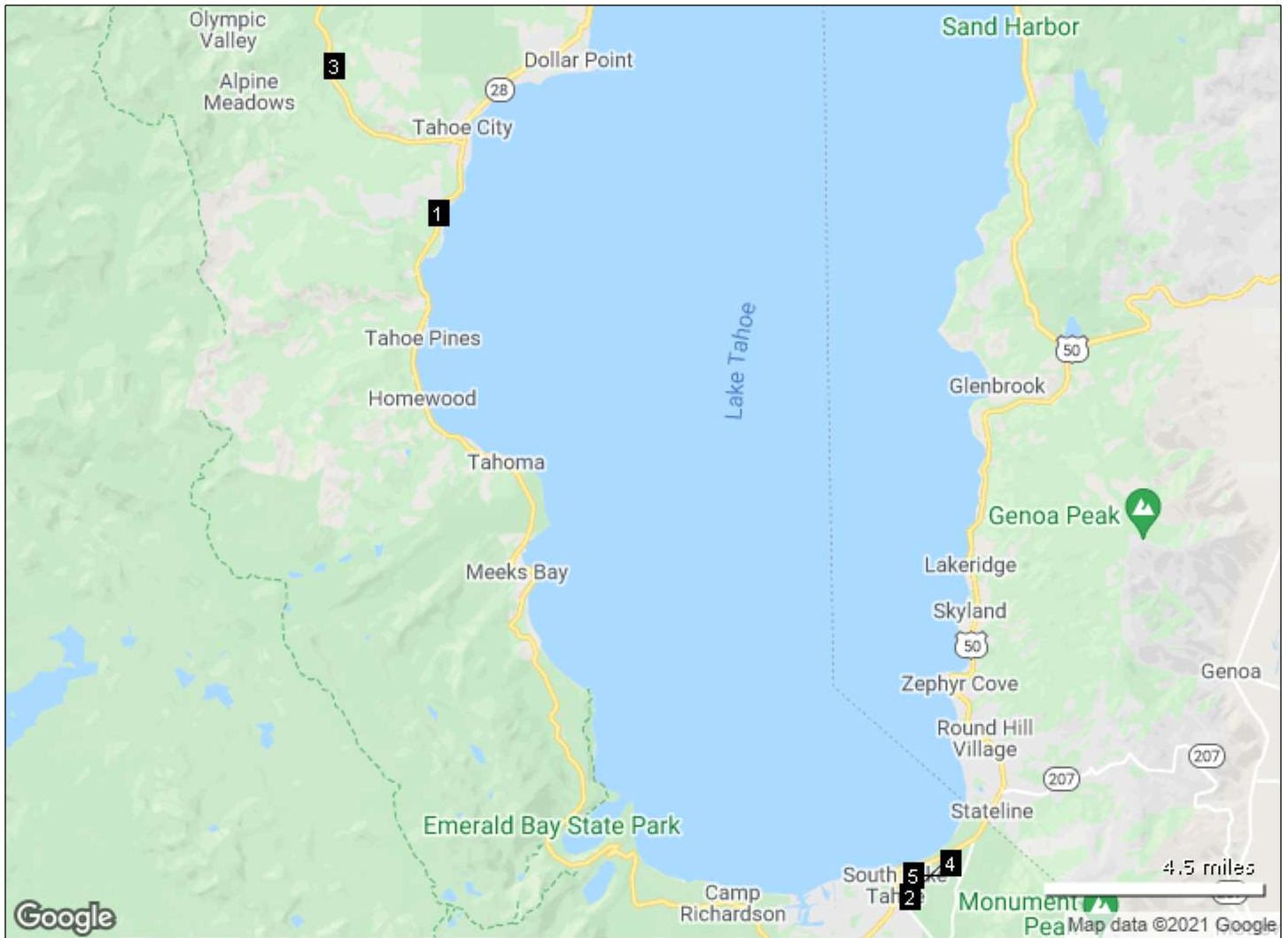
Supplies

\$12,000

Payroll Tax	\$23,076
Federal & State	\$955
Utilities	\$44,765
Property Tax @ 1%	\$57,500
Gross Expenses	\$519,552
Net Operating Income	\$455,633



Market Overview



	Address	City	Property Info	Sale Info
1	1690 W Lake Blvd	Tahoe City	8,598 SF Hospitality/Hotel	Sold: \$6,119,000 (\$278,136/Room)
2	3696 Lake Tahoe Blvd	South Lake Tahoe	29,507 SF Hospitality/Hotel	Sold: \$9,000,000 (\$169,811/Room)
3	2285 River Rd	Tahoe City	12,840 SF Hospitality/Hotel	Sold: \$1,400,000 (\$147,368/Room)
4	1072 Ski Run Blvd	South Lake Tahoe	9,600 SF Hospitality/Hotel	Sold: \$3,000,000 (\$125,000/Room)
5	1200 Ski Run Blvd	South Lake Tahoe	16,000 SF Hospitality/Hotel	Sold: \$5,137,000 (\$223,348/Room)

1 1690 W Lake Blvd - The Cottage Inn **SOLD**

Tahoe City, CA 96145 **Placer County**

Sale Date: 11/25/2020 (135 days on mkt)	Bldg Type: HospitalityHotel
Sale Price: \$6,119,000 - Confirmed	Year Built/Age: Built 1938 Age: 82
Price/SF: \$711.68	RBA: 8,598 SF
Price/Room: \$278,136	# of Rooms: 22
Pro Forma Cap: -	Parcel No: 083-107-009
Actual Cap Rate: 7.08%	
Comp ID: 5306265	Sale Conditions: 1031 Exchange
Research Status: Confirmed	



2 3696 Lake Tahoe Blvd - Postmarc Hotel & Spa Suites **SOLD**

South Lake Tahoe, CA 96150 **El Dorado County**

Sale Date: 07/02/2018 (266 days on mkt)	Bldg Type: HospitalityHotel
Sale Price: \$9,000,000 - Confirmed	Year Built/Age: Built 1993 Age: 25
Price/SF: \$305.01	RBA: 29,507 SF
Price/Room: \$169,811	# of Rooms: 53
Pro Forma Cap: -	Parcel No: 027-071-29-100
Actual Cap Rate: 7.57%	
Comp ID: 4347616	Sale Conditions: -
Research Status: Confirmed	



3 2285 River Rd - River Ranch Lodge **SOLD**

Tahoe City, CA 96145 **Placer County**

Sale Date: 10/12/2018	Bldg Type: HospitalityHotel
Sale Price: \$1,400,000 - Full Value	Year Built/Age: Built 1945 Age: 73
Price/SF: \$218.07	RBA: 12,840 SF
Price/Room: \$147,368	# of Rooms: 19
Pro Forma Cap: -	Parcel No: 095-050-062, 095-050-064
Actual Cap Rate: -	
Comp ID: 4565954	Sale Conditions: Partial Interest Transfer (50.00%)
Research Status: Full Value	



4 1072 Ski Run Blvd - Alder Inn Tahoe **SOLD**

South Lake Tahoe, CA 96150 **El Dorado County**

Sale Date: 10/22/2019 (111 days on mkt)	Bldg Type: HospitalityHotel
Sale Price: \$3,000,000 - Confirmed	Year Built/Age: Built 1969 Renov 2011 Age: 50
Price/SF: \$312.50	RBA: 9,600 SF
Price/Room: \$125,000	# of Rooms: 24
Pro Forma Cap: -	Parcel No: 027-123-023-000
Actual Cap Rate: 6.13%	
Comp ID: 4932730	Sale Conditions: -
Research Status: Confirmed	



5 1200 Ski Run Blvd - Dream Inn **SOLD**

South Lake Tahoe, CA 96150 **El Dorado County**

Sale Date: 03/07/2018 (112 days on mkt)	Bldg Type: HospitalityHotel
Sale Price: \$5,137,000 - Confirmed	Year Built/Age: Built 1959 Age: 59
Price/SF: \$321.06	RBA: 16,000 SF
Price/Room: \$223,348	# of Rooms: 23
Pro Forma Cap: -	Parcel No: 027-322-19-100
Actual Cap Rate: 9.01%	
Comp ID: 4157880	Sale Conditions: -
Research Status: Confirmed	



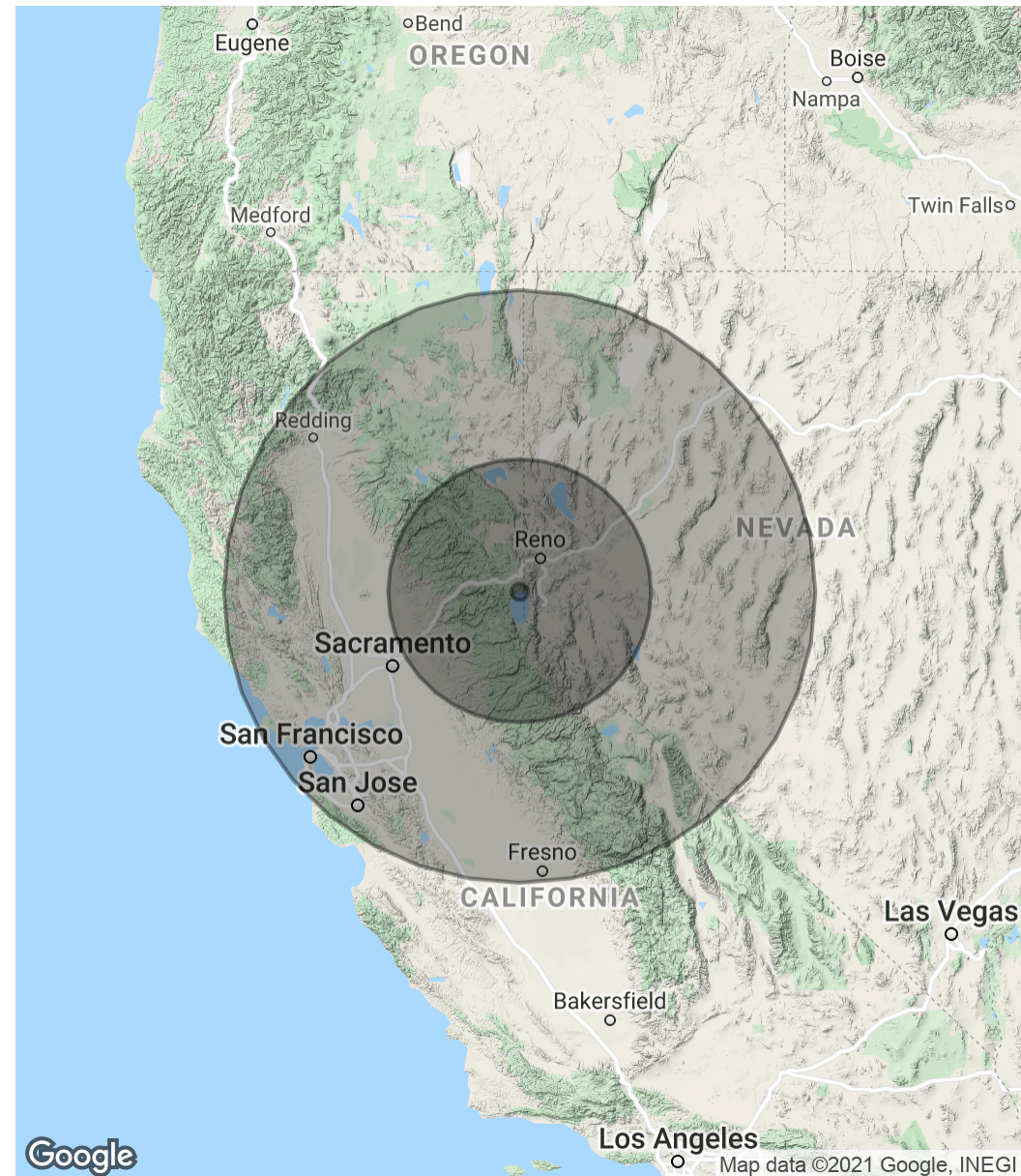
Quick Stats Report

Comps Statistics					
	Low	Average	Median	High	Count
Price					
For Sale & UC/Pending	\$6,500,000	\$6,500,000	\$6,500,000	\$6,500,000	1
Sold Transactions	\$1,400,000	\$4,931,200	\$5,137,000	\$9,000,000	5
Building Size					
For Sale & UC/Pending	17,838 SF	17,838 SF	17,838 SF	17,838 SF	1
Sold Transactions	8,598 SF	15,309 SF	12,840 SF	29,507 SF	5
Price per SF					
For Sale & UC/Pending	\$364.39	\$364.39	\$364.39	\$364.39	1
Sold Transactions	\$218.07	\$351.60	\$312.50	\$711.68	5
Actual Cap Rate					
For Sale & UC/Pending	7.69%	7.69%	7.69%	7.69%	1
Sold Transactions	6.13%	7.45%	7.33%	9.01%	4
# of Rooms					
For Sale & UC/Pending	38	38	38	38	1
Sold Transactions	19	28	23	53	5
Price per Rooms					
For Sale & UC/Pending	\$171,053	\$171,053	\$171,053	\$171,053	1
Sold Transactions	\$125,000	\$187,498	\$169,811	\$278,136	5
Days on Market					
For Sale & UC/Pending	361	361	361	361	1
Sold Transactions	111	156	124	266	4
Sale Price to Asking Price Ratio					
Sold Transactions	88.68%	92.40%	93.58%	93.75%	4
Totals					
For Sale & UC/Pending	Asking Price Total:	\$6,500,000	Total For Sale Transactions:		1
Sold Transactions	Total Sales Volume:	\$24,656,000	Total Sales Transactions:		5
	Total Included in Analysis:	\$31,156,000	Total Included in Analysis:		6
Survey Criteria					
basic criteria: Type of Property - Hospitality ; Sale Date - from 5/19/2018 ; Sale Status - Sold, Under Contract/Pending ; Return and Search on Portfolio Sales as Individual Properties - Yes ; Exclude Non-Arms Length Comps - Yes					
geography criteria: Radius - 42.72 mile(s) radius from Lat : -120.0550919, Long : 39.248683					
additional criteria: - * This result set has been amended with criteria to add and/or remove records.					

Population	5 Miles	80 Miles	180 Miles
Total Population	8,727	1,260,748	10,360,490
Average age	36.9	40.1	37.1
Average age (Male)	37.7	39.4	36.0
Average age (Female)	34.4	40.8	38.2

Households & Income	5 Miles	80 Miles	180 Miles
Total households	3,425	500,916	3,649,472
# of persons per HH	2.5	2.5	2.8
Average HH income	\$84,950	\$72,799	\$80,717
Average house value		\$410,575	\$449,701

* Demographic data derived from 2010 US Census





Scott Fair

Director

sfair@naitahoesierra.com

Direct: 530.573.4669 | Cell: 530.525.2304

CalDRE #01761504 // NV #BS.0144220

Professional Background

Focused on commercial real estate for the Lake Tahoe region. This includes investment, hospitality, multi-family, office, industrial, retail, owner's rep, tenant's rep, and understanding the complexities of the local market including TRPA (Tahoe Regional Planning Agency).

Background & Experience:

Scott was born and raised in South Lake Tahoe however began his real estate career with a multi-national commercial real estate company in the San Francisco/Bay Area focused on Industrial and Office real estate. The love of the lake, family, community, and quality of life brought Scott back to his home town of South Lake Tahoe along with his network and experience he gained while in San Francisco. Scott has the advantage of leveraging home town market knowledge and connections while, capitalizing on his experience in sales, marketing, financial analysis and technology through the NAI Global platform.

Education

Scott holds a Bachelor of Arts in business economics from the University of Santa Barbara where he was in both the Sigma Chi fraternity and the Accounting Association. He is a South Tahoe High graduate and Varsity Baseball and Football alumni as well as a two time Junior Olympian representing Heavenly Ski Resort.

Memberships

Board of Director South Tahoe Chamber of Commerce
Board Member of South Lake Tahoe's CEO working group

NAI Tahoe Sierra
3141 Highway 50 Suite A South
Lake Tahoe, CA 96150
530.525.2304

NAITahoe Sierra

Confidential Offering Memorandum

For additional information please contact:

NAITahoe Sierra

Scott Fair

O: 530 573 4669

sfair@naitahoessierra.com

CalDRE #01761504

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