

# SAN JUAN MOTEL

## 191 E. PAGOSA STREET

Contact Broker for Pricing

### OFFERING MEMORANDUM



**PREPARED BY:**

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# PROPERTY INFORMATION

Snowball Extention Ditch

Riff Raff on the Rio

160

2.25 acres available

San Juan Motel

5.21 acres



# PROPERTY SUMMARY

## SAN JUAN MOTEL



### PROPERTY DESCRIPTION

This is a mix of cabins and motel building that is prime for redevelopment. It is a 5.21 acre parcel with excellent frontage and visibility from Highway 160 within the town limits of Pagosa Springs, a southern Colorado tourist town with winter and summer appeal. Excellent potential for new hotel/retail/ multi family residential development. Excellent interim income from the existing motel while obtaining entitlements.

### PROPERTY HIGHLIGHTS

- Rare large acreage parcel with excellent Highway 160 frontage within the Town of Pagosa Springs
- Close proximity to world famous Pagosa Hot Springs
- First in town lodging opportunity when approaching from Wolf Creek Ski area
- Walking distance to nearby brewery, restaurant and retail sales.
- Flexible zoning which allows multiple use
- Potential opportunity to purchase 2.25 acres of adjacent land that could provide San Juan river access

### OFFERING SUMMARY

<b>Sale Price:</b>	Contact Broker for Pricing
<b>Number of Rooms:</b>	46
<b>Lot Size:</b>	5.21 Acres
<b>Building Size:</b>	18,000 SF
<b>NOI:</b>	\$235,000.00

DEMOGRAPHICS	1 MILE	5 MILES	10 MILES
<b>Total Households</b>	85	2,887	6,342
<b>Total Population</b>	147	3,687	8,984
<b>Average HH Income</b>	\$35,939	\$34,699	\$44,570

# PROPERTY DESCRIPTION

## SAN JUAN MOTEL



### PROPERTY DESCRIPTION

This is a mix of cabins and motel building that is prime for redevelopment. It is a 5.21 acre parcel with excellent frontage and visibility from Highway 160 within the town limits of Pagosa Springs, a southern Colorado tourist town with winter and summer appeal. The property has excellent potential for mixed use development which might include needed upper midscale hotels, townhome residential development, and/or retail uses. The property has excellent interim income from the existing motel while obtaining entitlements.

### LOCATION DESCRIPTION

The San Juan Motel is located at the eastern town limits of Pagosa Springs. Pagosa Springs is located in north central Archuleta County, about 60 miles east of Durango. Pagosa Springs lies in the San Juan River Valley at an elevation of 7,000 feet. The mostly hilly and mountainous surrounding terrain ranges in elevation from 6,000 feet to 13,150 feet. The economy is heavily reliant on tourism, primarily attributable to the world renowned Pagosa Hot Springs, and the nearby Wolf Creek ski area.

Pagosa Springs is the world's largest and deepest geothermal underground hot water spring. The downtown area of the Town is located over the natural spring. The town uses the geo thermal water to heat buildings in the downtown area. Pagosa Hot Springs is a large facility containing 18 mineral pools of varying temperatures, along with two hotels, spa, snack bar, locker rooms and gift shop. Annual attendance is well over 100,000. The two hotels have annual occupancies of over 80%. The hot springs have been so successful that a large scale expansion is underway. A 78 room hotel is under construction, along with a 15,000 square foot spa, and 21 additional mineral pools.

The San Juan motel is the first lodging facility when entering the Town when traveling west from Wolf Creek Pass. The property is located in close proximity to the San Juan River. Nearby properties include the River Center shopping center, a brewery, and numerous restaurants and commercial uses.

# COMPLETE HIGHLIGHTS

## SAN JUAN MOTEL



### PROPERTY HIGHLIGHTS

- Rare large acreage parcel with excellent Highway 160 frontage within the Town of Pagosa Springs
- Close proximity to world famous Pagosa Hot Springs, which are expanding now
- First in town lodging opportunity when approaching from Wolf Creek Ski area
- Walking distance to nearby brewery, restaurant and retail sales.
- Flexible Mixed Use Corridor zoning which allows multiple use, including lodging, retail, and multifamily. There is a three story height limit. Residential development density is 16 units per acre plus a 50% bonus credit for affordable housing.
- Potential opportunity to purchase 2.25 acres of adjacent land that could provide San Juan river access
- Unaccommodated demand for midscale and upper midscale lodging. There are no Marriott, Hilton, or IHG hotels in Pagosa Springs.
- Strong potential for multifamily residential development for year round residents or part time homeowners
- Pagosa Springs has huge upside growth as an up and coming resort town in Colorado
- Wolf Creek ski area is 30 minutes away and is a major demand generator. New lift added in 2023 with additional plans for major expert area expansion. Wolf Creek is the snowiest ski area in Colorado, with an astounding average of 430 inches of annual snowfall. Wolf Creek is usually one of the earliest ski areas in the country to fully open its terrain due to its favorable location in the San Juan mountains of Southern Colorado.

# ADDITIONAL PHOTOS

## SAN JUAN MOTEL



# LOCATION INFORMATION

Snowball Extention Ditch

Riff Raff on the Rio

160

2.25 acres available

San Juan Motel

5.21 acres





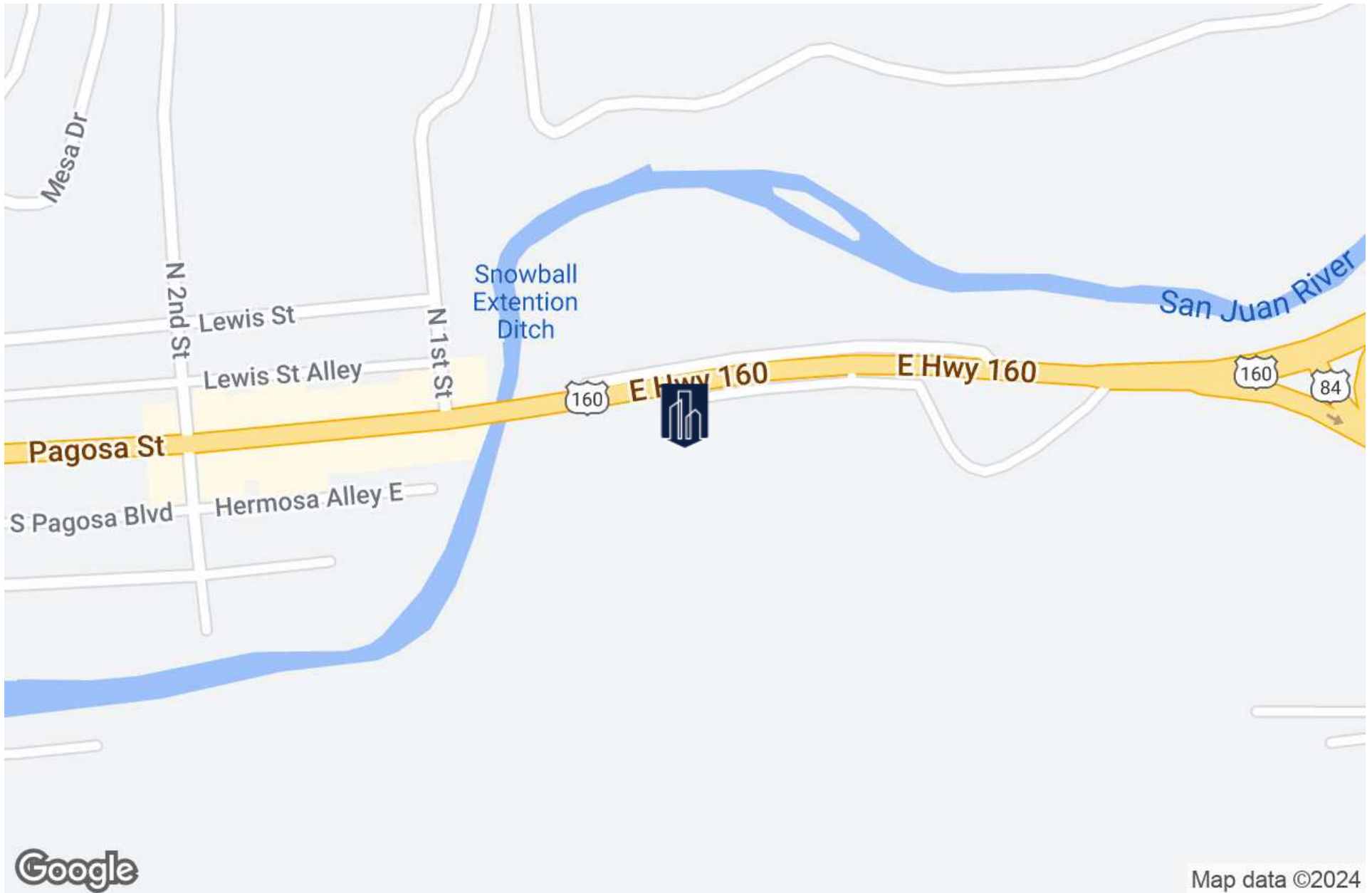
# REGIONAL MAP

## SAN JUAN MOTEL



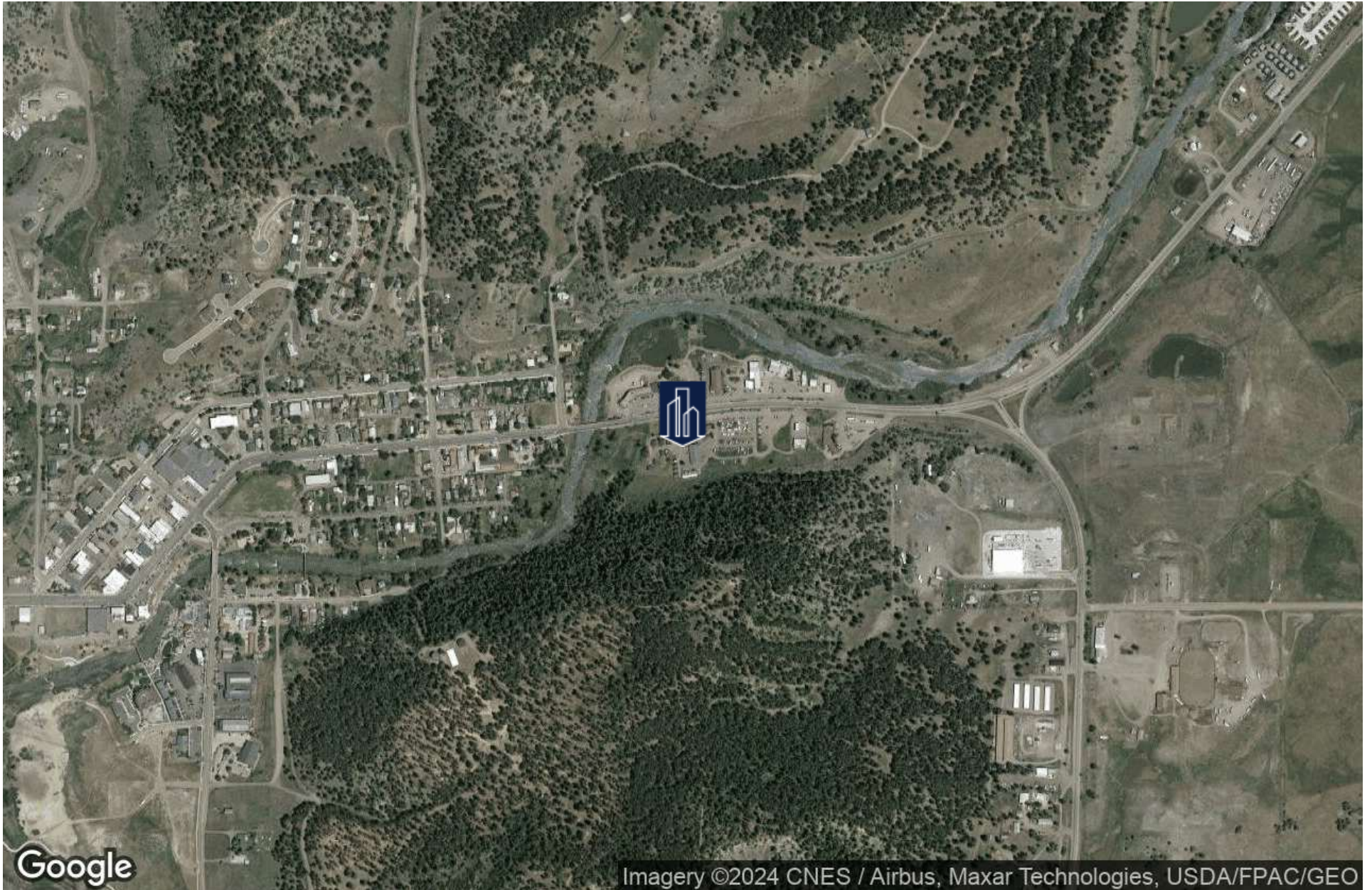
# LOCATION MAP

## SAN JUAN MOTEL



# AERIAL MAP

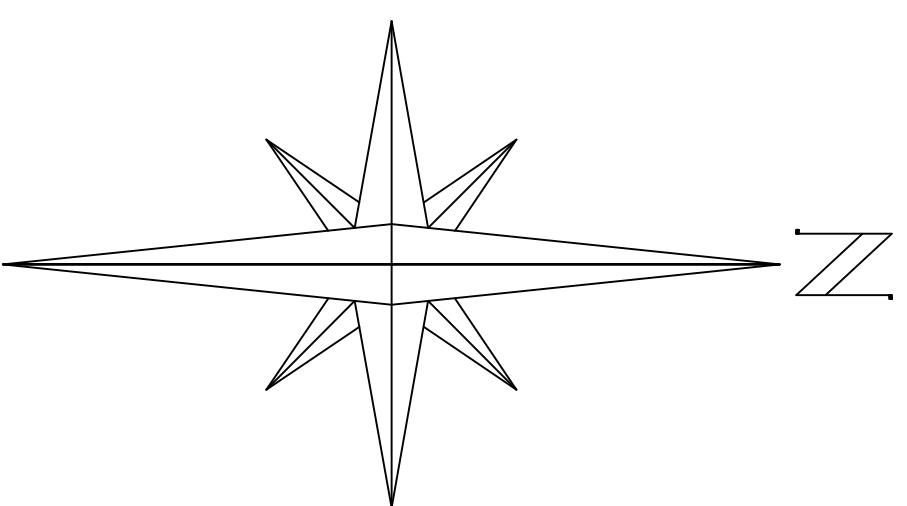
## SAN JUAN MOTEL



Google

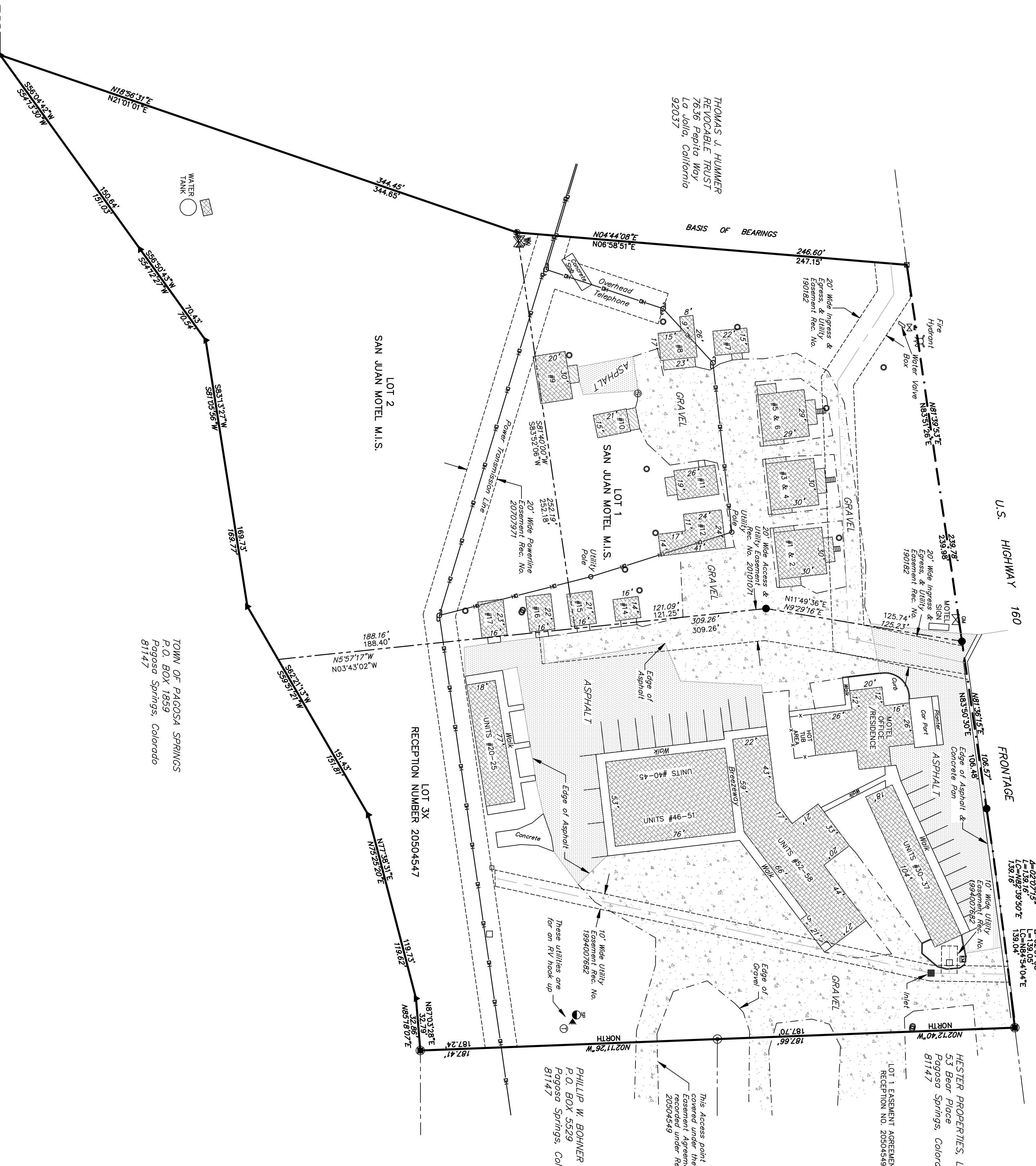
Imagery ©2024 CNES / Airbus, Maxar Technologies, USDA/FPAC/GEO

**ALTA/NSPS LAND TITLE SURVEY**  
**191 E. PAGOSA STREET**  
 LOCATED IN SECTION 18, T 35 N, R 1 W, N.M.P.M.  
 COUNTY OF ARCHULETA, STATE OF COLORADO



**GRAPHIC SCALE**  
 1 INCH = 40 FEET  
 THE LINEAR UNIT OF MEASUREMENT IS  
 THE U.S. SURVEY FOOT  
 BASIS OF BEARINGS: THE MONUMENTED  
 WESTERLY LINE OF LOT 1, AS SHOWN  
 HEREON AND ASSUMED AS BEING N04°44'08"E

LEGEND	
SLANT LETTERING = MEASURED DIMENSION	
BLOCK LETTERING = RECORD DIMENSION	
RECEPTION NUMBER 20101071 OR 20504547	
●	SET 2" ALUMINUM CAP ON A 5/8" REBAR
●	STAMPED "PINNACLE SURVEYING INC FLS 34996"
●	FOUND 1 1/2" ALUMINUM CAP ON A 5/8" REBAR
●	STAMPED "D COSTER FLS 31926"
▲	FOUND PLASTIC CAP ON A 1/2" REBAR
▲	STAMPED "DES PLS 26973"
■	FOUND PLASTIC CAP ON A 1/2" REBAR
■	STAMPED "DAVIS ENG LS 23894"
●	FOUND PLASTIC CAP ON A 1/2" REBAR
●	STAMPED "J REED LS 20693"
⊙	FOUND 5/8" REBAR
⊙	SPIGOT
⊙	ELECTRIC PLUG
⊙	POWER POLE
— — —	FENCE
○	CLEAN-OUT
□	TELEPHONE PEDESTAL
□	ELECTRIC METER
□	TRANSFORMER
⊙	MANHOLE
⊙	WATER METER
⊙	WATER VALVE
⊙	GAS METER
⊙	TELEPHONE PLUG



NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within three (3) years after you first discovered such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the statement shown hereon.

NOTICE: Easements and rights of way, except as noted, were taken from research conducted by Colorado Title and Closing Services, LLC, per Title Policy Order No. AR21702443 and not from any research conducted by Pinnacle Surveying, Inc. Easements recorded in Book 78 At Page 210, under Rec. No. 205004549, and Rec. No. 20600323 are not portable and therefore are not shown hereon.

Lot 3X maybe subject to the easements, rights and restrictions as described in the Declaration of Covenants, Conditions and Restrictions recorded under Rec. No. 20504550.

COUNTY SURVEYOR CERTIFICATION  
 Deposited this \_\_\_\_\_ day of \_\_\_\_\_, 2017, at \_\_\_\_\_, in the  
 County Surveyors Land Survey Plats at Reception Number \_\_\_\_\_

**FOR PRELIMINARY REVIEW**  
 Pinnacle Surveying, Inc.  
 191 E. PAGOSA STREET  
 LOCATED IN SECTION 18, T 35 N, R 1 W, N.M.P.M.  
 COUNTY OF ARCHULETA, STATE OF COLORADO

DATE: 10/18/17	DRAWN BY: TEA
REV: _____	CHECKED BY: TEA
PROJECT NO: 17-118	SCALE: 1" = 40'
CLIENT: _____	SHIT 1 OF 1

**PINNACLE SURVEYING, INC.**  
 P.O. BOX 1033  
 BAYFIELD, CO 81122  
 (970) 749-6106

**LEGAL DESCRIPTION:**  
 Two (2) Tracts of land located in the County of Archuleta, State of Colorado as described in Colorado Title and Closing Services, LLC Title Policy under Order No. AR21702443.

**TRACT I:**  
 A Tract of land being a portion of GLO Lot 3 in Section 18, Township 35 North, Range 1 West, New Mexico Principal Meridian, Archuleta County, Colorado, being more particularly described as follows, to-wit:

Beginning on the southerly right-of-way of U.S. Highway 160 from whence the Northeast Corner of the Township of Pagosa Springs bears N39°46'13"W, 1025.05 feet;  
 Thence South, 374.94 feet;  
 Thence S87°03'28"W, 32.79 feet;  
 Thence S77°38'31"W, 119.75 feet;  
 Thence S62°21'13"W, 112.92 feet;  
 Thence N03°43'02"W, 309.00 feet;  
 Thence N01°43'31"E, 125.13 feet to the said Highway right-of-way.  
 Thence along the arc of a curve to the right with a delta angle of 02°07'08" and a radius of 3259.70 feet for a distance of 1358.05 feet, the long chord of which bears N84°54'04"E, 139.04 feet along the said Highway right-of-way to the Point of Beginning.

The above described Parcel was formerly described as Lot 3X of San Juan RV Park Boundary Adjustment and Minor Impact Subdivision for record May 12, 2005 as Reception No. 20504547, said plot having been subsequently vacated by Ordinance No. 679 recorded November 30, 2006 as Reception No. 20611574.

**TRACT II:**  
 Lots 1 and 2 of San Juan Motel Minor Impact Subdivision, according to the plat thereof filed for record February 2, 2001 as Reception No. 20101071.  
 TOTAL ACRES = 5.21 Acres, more or less, or 227180.12 square feet.

**NOTES FROM TABLE A:**  
 1. All existing monuments were located in the field and the new monuments were set as shown hereon.  
 2. The address for this property is 191 East Pagosa Street, Pagosa Springs, Colorado 81147 per above referenced Title Policy.  
 3. It was observed there are several Mountain Bike and Hiking trail ingress and egress points across the property. All other substantial features observed in the process of conducting the fieldwork have been shown hereon.  
 4. Location of utilities, as shown hereon, is from observed evidence collected.  
 5. Adjacent land owner information was taken from the Archuleta County GIS web page on October 25, 2017.  
 6. There was no evidence of recent earth moving work, building construction or building additions during the survey.  
 7. No field delineation markers of wetlands were found or observed.  
 8. There is an Easement Agreement (Rec. No. 20504549) between Lot 3X and Lot 1, San Juan RV Park & Boundary Adjustment & Minor Impact Subdivision, Rec. No. 20504547. Lot 3X is granted a non-exclusive use for driveways, entrances and exits to adjacent streets and roads and parking. Lot 1 is granted a non-exclusive use for the same as above, together with easements for drainage and sewer line. The said easements are not portable.

**SURVEYOR'S STATEMENT:**  
 To Colorado Title & Closing Services, LLC, Pagosa Opportunity Fund, LLC, a Colorado Limited Liability Company, Ashish Patel and Rakesh Patel:  
 This is to certify that this map or plat of the survey on which it is based were made in accordance with the 2016 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes Items 1, 2, 8, 11, 13, 16, 18, and 19 of Table A thereof. The field work was completed on October 18, 2017.  
 Date of Plat or Map: October 18, 2017

**FOR PRELIMINARY REVIEW**  
 Pinnacle Surveying, Inc.

# FINANCIAL ANALYSIS



# FINANCIAL SUMMARY

## SAN JUAN MOTEL



### INVESTMENT OVERVIEW SAN JUAN MOTEL REDEVELOPMENT OPPORUNITY

#### OPERATING DATA SAN JUAN MOTEL REDEVELOPMENT OPPORUNITY

Gross Income 2022	\$900,000
Operating Expenses 2022	\$665,000
Net Operating Income 2022	\$235,000
Pre-Tax Cash Flow 2022	\$235,000
Gross Income 2021	\$899,863
Operating Expenses 2021	\$565,915
Net Income 2021	\$333,888
Pre Tax Cash Flow 2021	\$333,888

2023 Revenue was \$734,008. P & L not yet available. Revenue was down in November and December, as there was a lack of typical early season snow at Wolf Creek. Over 4 feet of snow fell at Wolf Creek in mid January however, which is expected to improve visitation to Pagosa Springs.

# DEMOGRAPHICS



Snow Bell Extension Ditch

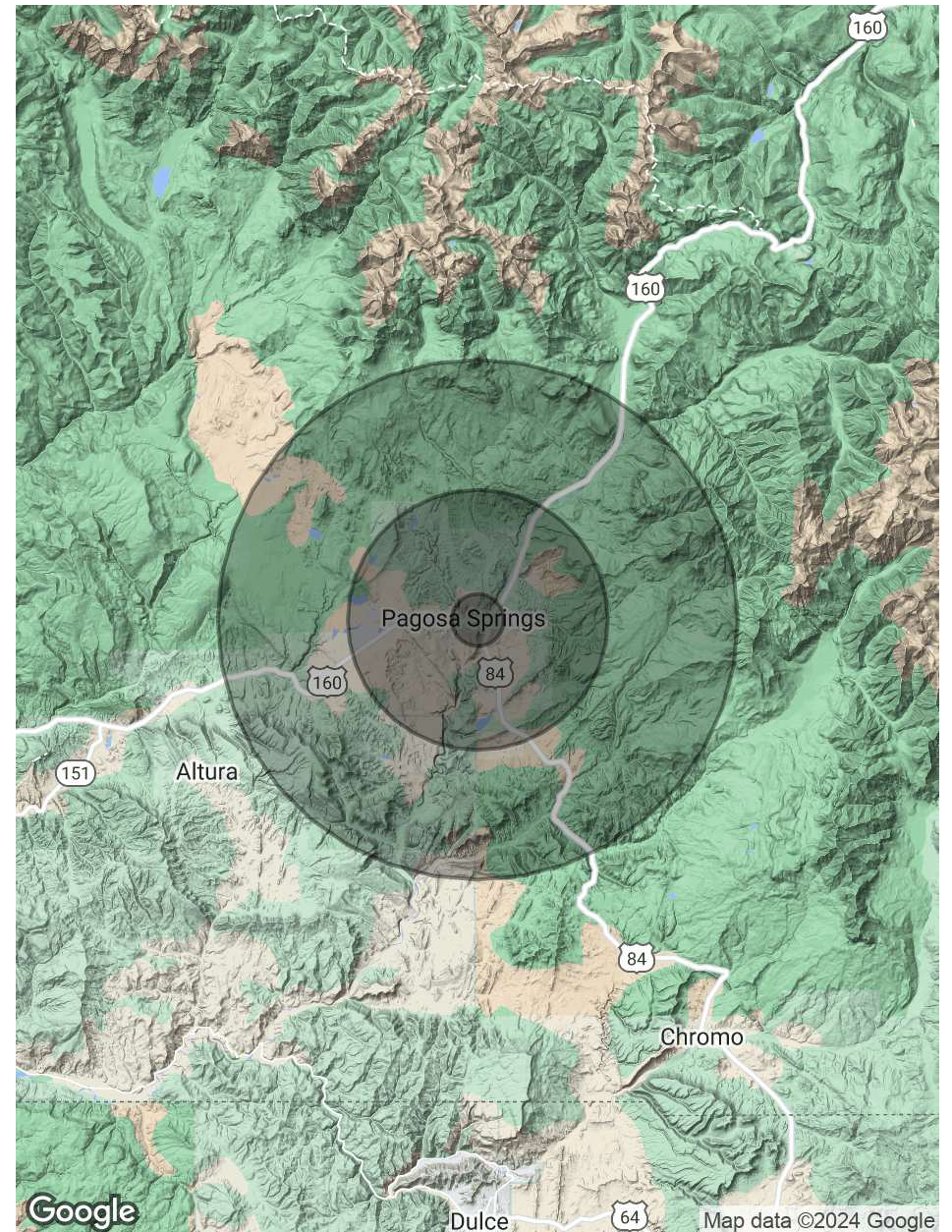
# DEMOGRAPHICS MAP & REPORT

## SAN JUAN MOTEL

POPULATION	1 MILE	5 MILES	10 MILES
Total Population	147	3,687	8,984
Average Age	58.5	49.0	48.3
Average Age (Male)	46.5	45.3	45.7
Average Age (Female)	65.0	51.2	50.4

HOUSEHOLDS & INCOME	1 MILE	5 MILES	10 MILES
Total Households	85	2,887	6,342
# of Persons per HH	1.7	1.3	1.4
Average HH Income	\$35,939	\$34,699	\$44,570
Average House Value	\$429,823	\$346,462	\$348,343

\* Demographic data derived from 2020 ACS - US Census





# ADVISOR BIO 1

## SAN JUAN MOTEL



### ALEX KOVACS

Commercial Real Estate Advisor

akovacs@madisoncommercial.com

Direct: **720.441.1460** | Cell: **303.514.7076**

### PROFESSIONAL BACKGROUND

Alex K. Kovacs CCIM is a real estate broker and consultant. His professional experience has been in commercial brokerage, the fee preparation of real estate appraisals, feasibility studies, rent analyses, and market studies specializing in hospitality, resort, and land development. He has extensive experience in a wide variety of property types including office, retail, industrial, multifamily, net leased investments, fractional interests, medical office buildings and various special purpose properties with going concern components, as well as both urban and rural lands.

Mr. Kovacs has experience compiled in the analysis of properties in Colorado, Wyoming, California, Kansas, Texas, North Dakota, Montana, and Florida. Primary geographical experience is metropolitan Denver, Colorado Springs, Fort Collins, Pueblo and the Front Range of Colorado, and various Colorado mountain resort communities. In the past, Mr. Kovacs has been an accepted expert witness in both Colorado and Florida. He has worked in Colorado as an expert witness in Arapahoe, Boulder, and Jefferson counties, as well as the City and County of Denver. Mr. Kovacs has also worked in Florida in Hillsborough, Orange, and Pinellas counties. Mr. Kovacs has been accepted as an expert witness in the US Bankruptcy Court Districts of Colorado and Florida. He has represented commercial property owners to the Board of Assessment Appeals in both the State of Colorado and Florida.

### EDUCATION

University of Florida, M.A., Real Estate

### MEMBERSHIPS

Denver Metro Commercial Association of Realtors

#### Madison Commercial Properties

501 S Cherry St. Suite 350  
Denver, CO 80246  
720.441.1460

# DISCLAIMER

This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property.

This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property (the "Owner"), to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and Madison Commercial Properties. In All financial projections and information are provide for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and Madison Commercial Properties. Therefore, all projections, assumptions, and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. In this Memorandum, certain documents, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner. Neither the Owner or Madison Commercial Properties, nor any of their respective directors, officers, Affiliates or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Memorandum or use of its contents; and you are to rely solely on your investigations and inspections of the Property in evaluating a possible purchase of the real property.

The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which

making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived. By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or Madison Commercial Properties. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or Madison Commercial Properties. If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to Madison Commercial Properties.

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*For more information about this building, contact:*

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*Commercial Real Estate Advisor*

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Direct: 303.514.7076

akovacs@madisoncommercial.com



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