



## SHASTA PINES MOTEL

37386 State Highway 299 E.  
Burney, CA 96013

**TEAM GHOBADI**  
Apartment Building Specialists

### OFFERING MEMORANDUM

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“Our mission is to provide our clients with proven, personalized service that not only achieves—but exceeds—their investment objectives. Through a spirit of honesty, integrity and ingenuity, our team of brokerage, research and marketing professionals, with expertise in the San Fernando Valley and Tri-Cities markets, aims to maximize returns while safeguarding the best interests of our clients.”

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# Executive Summary

Colliers International’s Ghobadi Multifamily Investment Team is proud to present the exceptional ± 15,000 square foot hospitality property at 37386 State Highway 299 E. in Burney, California. Shasta Pines Motel & Suites is the only AAA “Two Diamond ” approved motel in the area with modern two story designed building. The Shasta Pines Motel & Suite is a 30 key, select service, independently owned motel located in the center of Burney, California. Situated just over an hour north east from the major Redding Metro area and Redding Municipal Airport this Northern California town is considered to be a premiere getaway spot for any outdoor enthusiasts.



Well situated in Burney, the property offers an array of outdoor activities like Fall River Lake Fishing, watersports in Lake Britton, Fall River Golf Course and Hat Creek Park Hiking Trails perfect for picnics.





# Property Overview

The property is located within 6 miles of the famous Pacific Crest Trail, offers dedicated parking for motel patrons, and is restaurant adjacent, making it a highly attractive motel for all travelers. With aproximately \$90k in recent improvements such as new bedding, towels, paint interior/exterior, laundry facility, and 220 EV charger plug, this updated motel has strong financials and excellent cash flow. There is a recently remodeled large 600 sq. ft. 1 bedroom & 1 bath unit that is perfect for owner/operator, or for manager’s quarters. Room mix includes 8 King, 2 Double Queen, 10 Queen, 6 Queen Suites, 4 Queen and Double beds. Amenities such as WiFi, large high definition flat screen TVs, mini-fridge, microwave, coffee maker, and blow dryers are available in each room. The property underwent substantial renovations in 2015 to the original 16 units.

Building size is approximate and all information is obtained from sources deemed reliable but subject to buyer verification. All property tours must be arranged through the broker. DO NOT CONTACT PROPERTY OR EMPLOYEES!

## PROPERTY INFORMATION

|                     |                                                |
|---------------------|------------------------------------------------|
| Address             | 37386 State Highway 299 E,<br>Burney, CA 96013 |
| APN                 | 028-060-017-000                                |
| Year Built          | 1975/2000                                      |
| Number of Units     | 30                                             |
| Number of Buildings | 3                                              |
| Building Area       | ± 15,000 SF                                    |
| Land Area           | 44,431 SF                                      |
| Zoning              | C-2                                            |
| Roof                | Pitched                                        |
| Stories             | 2                                              |
| Parking             | 42 Parking Spaces                              |
| Laundry             | Yes                                            |



## PROPERTY HIGHLIGHTS

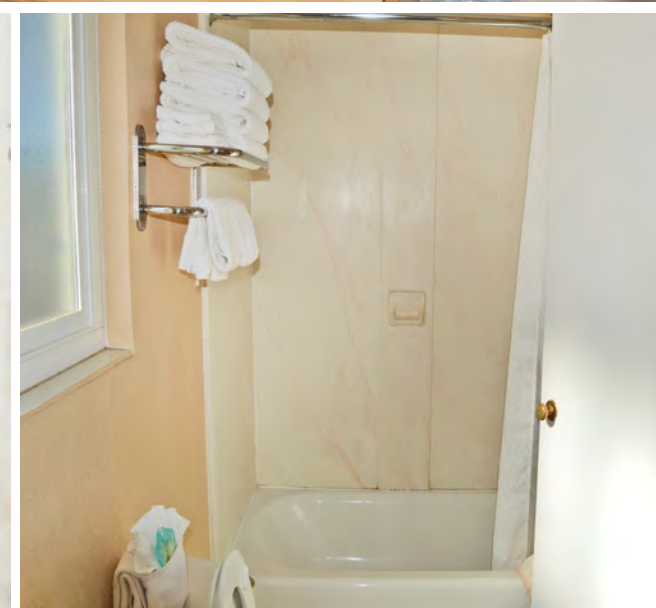
- New bedding, paint interior/exterior, EV Charger plug, and more come to approximately \$90,000 worth of improvements
- Brand new coin operated laundry facility for guests
- Original 16 units constructed in 1975 and remodeled in 2015, 14 units constructed in 2000
- All rooms have individual heater, either gas or electric
- New roof in 2015
- On-Site Laundry Facilities
- 42 Parking Spaces
- Highway 299 Frontage
- Easy to Manage
- Turn-key Investment
- Stabilized asset
- Closely located to the famous Pacific Crest Trail



















# INVESTMENT SUMMARY

| Investment Summary      |     |                               |
|-------------------------|-----|-------------------------------|
| Price                   |     | \$2,750,000                   |
| Down Payment            | 20% | \$550,000                     |
| Year Built              |     | 1975 / 2000                   |
| Rooms                   |     | 30                            |
| Price / Room            |     | \$91,667                      |
| Cap Rate                |     | 13.69%                        |
| Occupancy               |     | 78%                           |
| RSF                     |     | ± 15,000 SF                   |
| Price/RSF               |     | ± \$183.33                    |
| Lot Size                |     | 44,431 SF                     |
| Available Room Nights   |     | 10,950                        |
| ADR (Average Door Rate) |     | \$79.11                       |
| RevPAR                  |     | \$61.71                       |
| APN                     |     | 028-060-017-000               |
| County Use Code         |     | Motels-Hotels Outlaying Roral |

| Financing Summary   |     |             |
|---------------------|-----|-------------|
| Lean Amount         | 80% | \$2,200,000 |
| Down Payment        | 20% | \$550,000   |
| Loan Type           |     | Fixed       |
| Interest Rate       |     | 5.25%       |
| Term                |     | 5 Years     |
| Monthly Payment     |     | \$14,824.57 |
| Debt Coverage Ratio |     | 2.12        |



**\$**  
PRICE  
\$2,750,000

**RSF**  
RSF  
± 15,000 SF

\*Information herein has been obtained from sources deemed reliable, however its accuracy cannot be guaranteed. The user is required to conduct their own due diligence and verification.



INCOME & EXPENSES

| Annualized Income                               |          |             |
|-------------------------------------------------|----------|-------------|
|                                                 | Actual % | Actual      |
| Gross Potential Income (based on 76% occupancy) |          | \$712,134   |
| Less Expenses                                   | 47.14%   | \$335,668   |
| Net Operating Income                            |          | \$376,466   |
| Less Debt Service                               |          | \$177,895   |
| Net Cash Flow After Debt Service                | 36.10%   | \$198,571   |
|                                                 |          |             |
| Annualized Expenses                             |          |             |
|                                                 | Actual % | Actual 2018 |
| Real Estate Taxes                               | 4.14%    | \$29,516    |
| Taxes TOT                                       | 9.00%    | \$64,092    |
| Insurance                                       | 3.23%    | \$23,000    |
| Advertising                                     | 0.90%    | \$6,395     |
| Utilities                                       | 7.39%    | \$52,616    |
| Desk Clerk / Manager                            | 3.37%    | \$24,000    |
| Membership License                              | 0.03%    | \$188       |
| Credit Card Commission                          | 3.39%    | \$24,175    |
| EDD                                             | 1.13%    | \$8,046     |
| Employee Payrolls                               | 6.27%    | \$44,679    |
| Supplies                                        | 4.54%    | \$32,303    |
| Manitenance                                     | 1.07%    | \$7,599     |
| Office Expenses                                 | 0.73%    | \$5,201     |
| Replacements                                    | 1.95%    | \$13,858    |
| Total Expenses                                  | 47.14%   | \$335,668   |
| Expenses Per RSF                                |          | \$22.38     |
| Expenses Per Room                               |          | \$11,189    |





# Area Overview

Burney Mountain at 7,863 feet is one of the most beautiful mountain peaks in Northern California. From the summit, there are great views of Mount Shasta to the north, Lassen Peak to the south, Black Bute, Castle Crags and Soldier Mountain. The drive to the summit is spectacular and the area has been relatively undiscovered due to its proximity to Lassen and Shasta. The area abounds with fishing, lakes, hiking, swimming, down hill and cross country skiing. A great getaway from the heat of the Central Valley of California in the summer.

The immediate area near the subject property features a variety of amenities. Prominent retailers include Rite Aid, Sporting Goods and Dollar General. Local dining options range from Art’s Outpost (adjacent to the motel) to Dragon Palace chinesse cuisine, Anna’s Country Kitchen, McDonalds and Subway. Other nearby amenities also include Burney Bowl and Mt. Burney Theatre.



**RENTER OCCUPIED**  
more than **34.39%** of units within  
a **1 mile** radius of property

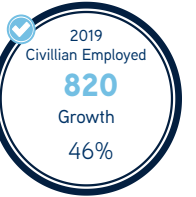


**POPULATION GROWTH**  
within a **1 mile** radius is expected  
to reach **0.83%** by 2023

## AREA DEMOGRAPHICS

| Population                      |             |
|---------------------------------|-------------|
| Total Population                | 2,227       |
| Male                            | 49.08%      |
| Female                          | 50.92%      |
| Race & Ethnicity                |             |
| White                           | 84.10%      |
| Black                           | 0.63%       |
| American Indian / Alaska Native | 6.38%       |
| Asian                           | 0.18%       |
| Hawaiian / Pacific Islander     | 0.09%       |
| Other                           | 2.33%       |
| Two or More Races               | 6.33%       |
| Income                          |             |
| Average Household Income        | \$53,505.25 |
| Median Household Income         | \$41,042.00 |

| Housing                     |           |
|-----------------------------|-----------|
| Median Housing Value        | \$183,271 |
| Median Year Structure Built | 1973      |
| Owner Occupied              | 65.61%    |
| Renter Occupied             | 34.39%    |



## AREA EMPLOYMENT

Burney is home to a variety of industries, including perhaps most Office/Administrative Support and another Construction/Extraction. Office/Administrative Support, for example, employs 9% people in the area. Other notable employers in the area also include Transportation/Material Moving, Sales/Related and Education/Training/Library.

| Top Employers                      | # of Employees |
|------------------------------------|----------------|
| Office/Administrative Support      | 75             |
| Transportation/Material Moving     | 72             |
| Sales/Related                      | 65             |
| Education/Training/Library         | 64             |
| Construciton/Extraction            | 61             |
| Food Preparation/Serving Related   | 50             |
| Healthcare Practitioner/Technician | 49             |
| Production                         | 48             |
| Healthcare Support                 | 47             |
| Managment                          | 44             |



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