

MATTHEWS™

**Hospitality
Investment Opportunity**
Offering Memorandum



RED ARROW INN & SUITES, A TRAVELODGE BY WYNDHAM
1702 E Main St | Montrose, CO 81401

Positioned In A Year-Round Tourism Market | Supported By Major Regional Employers

MATTHEWS™



EXCLUSIVELY LISTED BY

Brayden Conner

Broker of Record

Broker Lic. No.: ER.100106933 (CO)

Firm Lic. No.: EC.100099522 (CO)



Table of Contents

- 04 Property Overview
- 09 Market Overview
- 13 Valuation Overview

PROPERTY OVERVIEW

Red Arrow Inn & Suites
1702 E Main St | Montrose, CO 81401



THE OPPORTUNITY

58

Total Keys

1956 / 2025

Year Built / Renovated

\$490,000

NOI

±36,566 SF

GLA

±3 AC

Lot Size

\$90,898

5-Mile Household Income



INVESTMENT HIGHLIGHTS

Property Highlights

NOI Growth Through RV Expansion: Opportunity to increase revenue and profitability through the development of an additional 23 RV pad units, enhancing the property's diversified income base.

Growing Room Revenue: Year-to-date room revenue is up 14% over 2025, reflecting strong market momentum and continued top line growth.

High In-Place NOI: The asset benefits from strong existing cash flow, supported by stable operations and consistent year round demand.

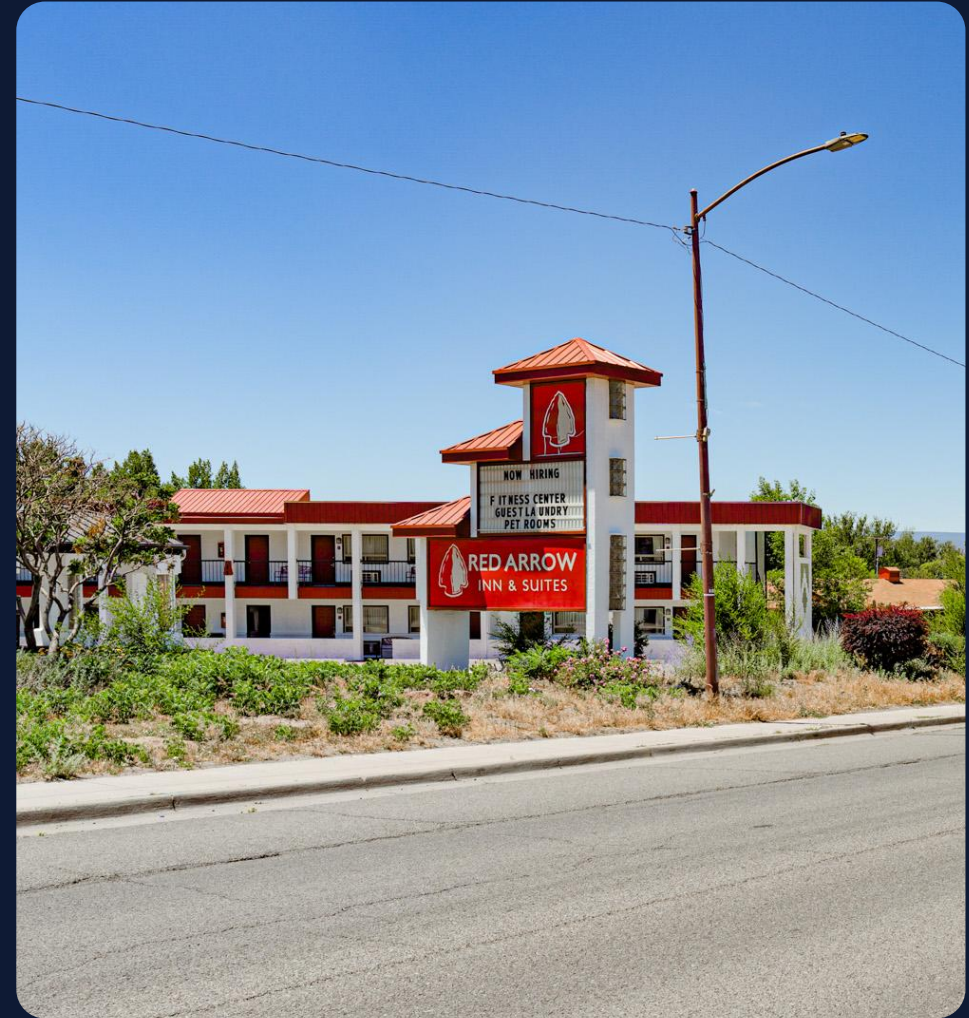
Outdoor Recreation & Tourism Demand: Montrose benefits from Black Canyon of the Gunnison National Park, Telluride and Ouray winter overflow, and extensive outdoor recreation including hiking, fishing, and San Juan Mountain tourism that drives robust seasonal and shoulder season visitation.

Major Employers & Workforce Demand: Montrose Regional Airport (MTJ), Montrose Memorial Hospital, Colorado Mesa University, government activity, and steady contractor and utility crew presence provide reliable year round institutional and workforce lodging demand.

Comprehensive Guest Amenities: The hotel offers private balconies across all 58 rooms, an onsite fitness center, guest laundry, continental breakfast, a sundries shop, and well maintained common areas that enhance guest satisfaction and length of stay.



PROPERTY PHOTOS





**Montrose
Regional Airport**
±500,000
Annual Passengers



Home of the Brave
±181 Dwelling Units (Single-Family Homes & Duplexes)



Black Canyon of the Gunnison National Park
±11 Miles Away



Colorado Mesa University
±11,051 Students | ±1,182 Employees

±310,261 Annual Visitors



**Subject
Property**



±16,000 VPD



Drive Times
±47 Minutes to Ouray
±1.5 Hours to Telluride



±250,000 Annual Visitors



**Downtown
Montrose**



**Black Canyon
Golf Course**

±700,000 Annual Visitors



Remington's at The Bridges



Montrose Memorial Hospital
±75 Beds | ±950 Employees

Sunset Mesa Sports Complex

Hosting tournaments, travel-team events, etc.
±100,000 Annual Visitors



Montrose—Nucla—Cahone Project
80+ Mile Transmission Corridor Connecting Three
Utility Locations Across Western Colorado
\$105 Million in Investment and 65,000 Labor Hours



San Juan Skyway
Scenic drives, Hiking, and Premier
Fall-Color Destination | ±66 Miles Away

Telluride Ski Resort

Mountain Village and Winter Sports
±700,000 Skier Visits Annually | ±67 Miles Away

Telluride Blues & Brews Festival

Live Music, Craft Beer Experiences, and Outdoor Rec
±13,000 Attendees Each September | ±67 Miles Away



±310,261
Annual Visitors



Bridges Golf & Country Club
Golf Course



Cobble Creek Golf Club
Golf Course



MARKET OVERVIEW

Red Arrow Inn & Suites
1702 E Main St | Montrose, CO 81401



MONTROSE, CO

21,600+

Total Population

\$842M

Retail/Consumer Spending

1.5M+

Annual Visitors

\$330M+

Visitor Spending

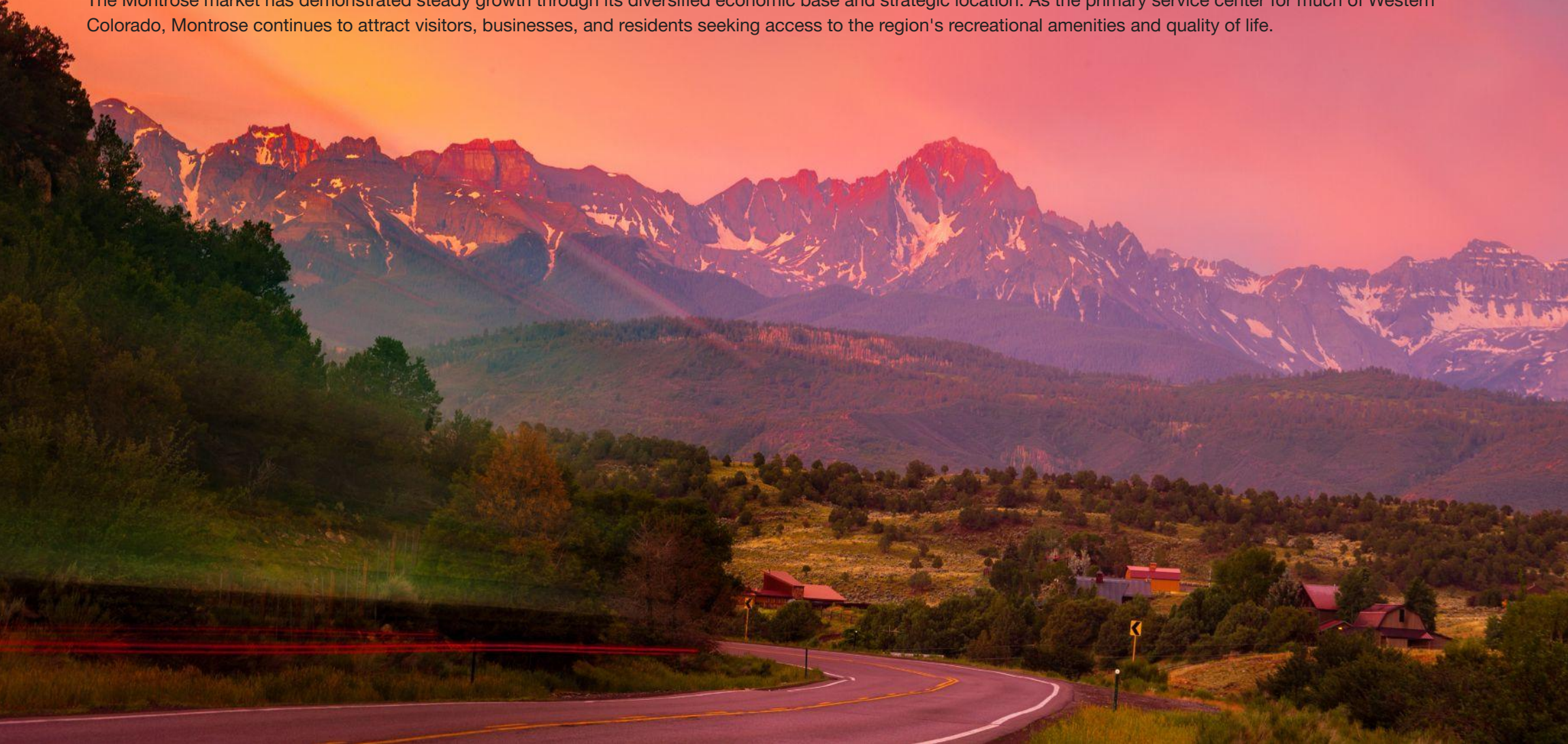
\$95M+

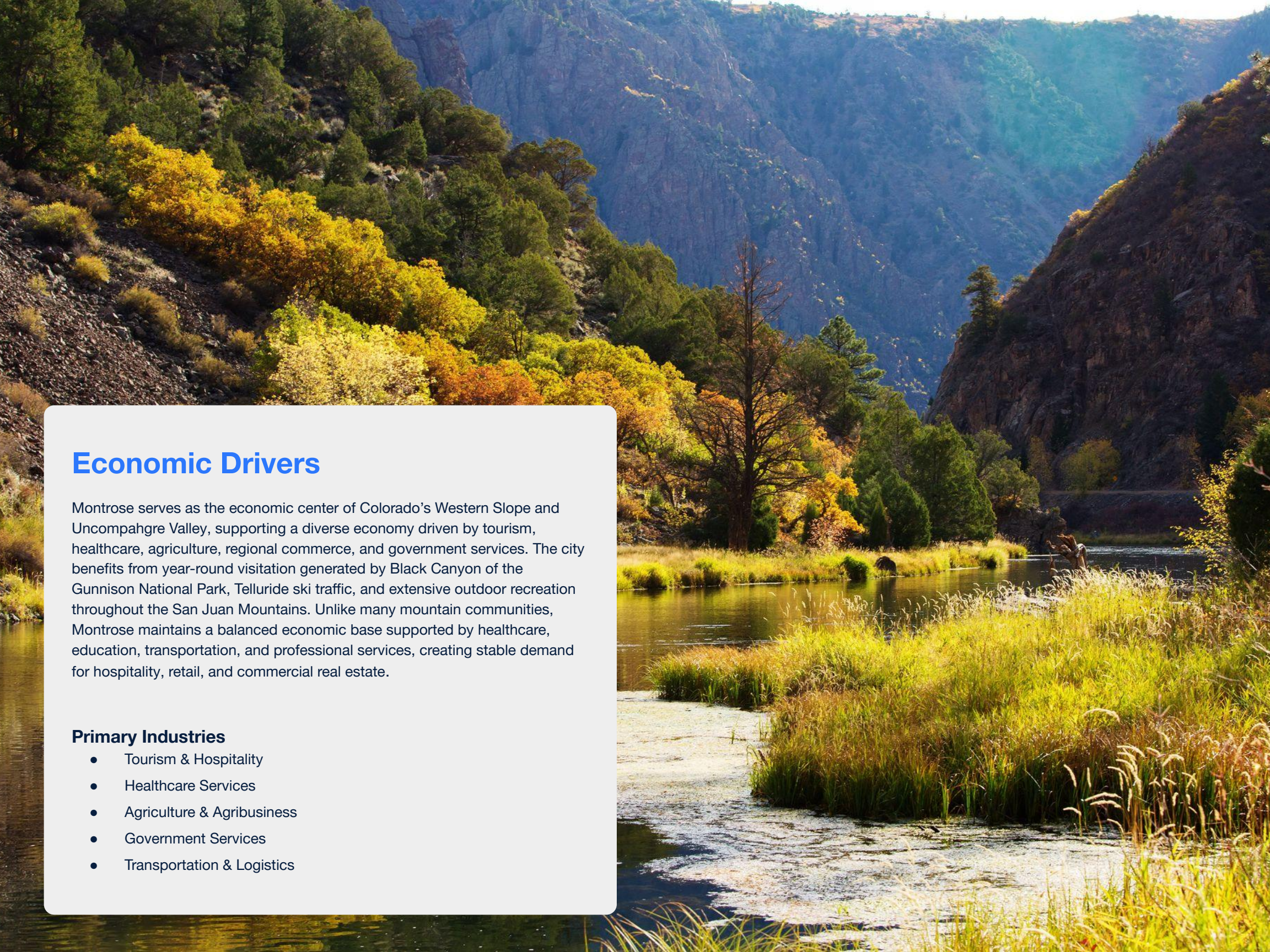
Annual Lodging Spending

Local Market Overview

Montrose serves as the commercial, healthcare, and tourism hub for Colorado's Uncompahgre Valley and surrounding Western Slope communities. The local economy is supported by a diverse mix of tourism, healthcare, agriculture, government services, and regional commerce. Visitor demand is driven by Black Canyon of the Gunnison National Park, Telluride and Ouray tourism, and year-round outdoor recreation throughout the San Juan Mountains.

The Montrose market has demonstrated steady growth through its diversified economic base and strategic location. As the primary service center for much of Western Colorado, Montrose continues to attract visitors, businesses, and residents seeking access to the region's recreational amenities and quality of life.





Economic Drivers

Montrose serves as the economic center of Colorado's Western Slope and Uncompahgre Valley, supporting a diverse economy driven by tourism, healthcare, agriculture, regional commerce, and government services. The city benefits from year-round visitation generated by Black Canyon of the Gunnison National Park, Telluride ski traffic, and extensive outdoor recreation throughout the San Juan Mountains. Unlike many mountain communities, Montrose maintains a balanced economic base supported by healthcare, education, transportation, and professional services, creating stable demand for hospitality, retail, and commercial real estate.

Primary Industries

- Tourism & Hospitality
- Healthcare Services
- Agriculture & Agribusiness
- Government Services
- Transportation & Logistics

Top 5 Hospitality Demand Drivers

Black Canyon of the Gunnison National Park

One of Colorado's premier national parks, Black Canyon of the Gunnison attracts visitors year-round for hiking, sightseeing, camping, fishing, and stargazing. As the closest full-service community to the park, Montrose captures significant lodging demand from national park travelers.



Telluride Ski Resort & Winter Overflow

Montrose serves as the primary gateway for visitors traveling to Telluride. During peak ski season, limited lodging inventory and higher room rates in Telluride generate consistent overflow demand for Montrose hotels and accommodations.



San Juan Mountains & Outdoor Recreation

Montrose provides convenient access to the San Juan Mountains, supporting strong visitation for hiking, mountain biking, off-roading, fishing, hunting, and scenic touring. These activities drive lodging demand throughout the spring, summer, and fall seasons.



Montrose Regional Airport

Montrose Regional Airport serves as the primary air gateway for Southwest Colorado, bringing visitors to Telluride, Black Canyon National Park, and the surrounding region. Seasonal and year-round air service supports both leisure and business travel demand.

Gateway to Ouray, Ridgway & Western Colorado

Strategically located between several of Colorado's most visited mountain destinations, Montrose serves as a lodging base for travelers exploring Ouray, Ridgway, Telluride, and the Uncompahgre Valley. Its central location and hotel inventory support consistent year-round visitation.

VALUATION OVERVIEW

Red Arrow Inn & Suites
1702 E Main St | Montrose, CO 81401



FINANCIAL SUMMARY

\$3,850,000

List Price

13.00%

Cap Rate

3.25x

RRM

\$490,000

NOI



MATTHEWS™

EXCLUSIVELY LISTED BY

Brayden Conner

Broker of Record

Broker Lic. No.: ER.100106933 (CO)

Firm Lic. No.: EC.100099522 (CO)

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at 1702 E Main St, Montrose, CO, 81401 ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services™. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services™. has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews™. is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services™., the property, or the seller by such entity.

Owner and Matthews™. expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™. or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.