

Vogue Realty Inc.



P O Box 7,
Kenora, On.
P9N 3X1



Tel: (807) 468-3326
Fax: (807) 468-3973
E Mail: vogue@voguerealty.ca
Internet: www.voguerealty.ca
Also See: www.mls.ca

Kenora Inn Motel 1429 River Drive

Offered at \$475,000.

1463 060427 MLS #



LOT DESCRIPTION:

Level, landscaped, triangular shaped lot.

Survey:

The first Motel as you enter the City from Hwy 17 East.

Zoning:

River Dr is a quiet street just off the Trans Canada Hwy.

Drive:

Copy of Building location plan dated Nov 22, 1979 on file.

Garage:

C-3, Tourist Commercial, see uses on last page.
L- shaped, paved and gravel drive.
Detached two stall, insulated,
Separate 100 amp electrical panel, disconnected.
Separate nat gas hook up(not hooked up now).

Taxes 2007:

\$8385.00

IMPROVEMENTS:

The motel has been extensively renovated since Jan 2000.



Originally an 11 unit motel plus a 3 bedroom suite.

As of September 2003 a 14 unit motel;

- Eleven units, ground level, includes two light house keeping units.

- Three, units, second level.

New stair case to upper level, September 2003.

Office and reception area with a two pce bathroom.

Two laundry rooms. Three washers, three dryers

Owned State of the art telephone and reservation system.

Internet site; www.kenorainn.ca

E-mail site; kenorainn@kenorainn.ca

EXTERIOR:

Brick and Stucco front, vinyl siding on side and rear.

New windows prior to 2000.

Insulation:

Fibreglass and STYROFOAM insulation.

ROOF:

Flat roof has been modified as follows;

The 4" rise at the back of the roof has been removed.
 A 16" overhang built for the entire back of the motel.
 The roof was resealed as required.
 Aluminum soffits and fascia installed.

**MOTEL INTERIOR
 RENOVATIONS:**

The following upgrades and renovations have been done since January 2000.

All rooms redecorated (painted) Jan to April 2000 and redecorating continues as required.

New commercial carpeting installed May 15, 2000.

New commercial grade vinyl flooring in all entryways and bathrooms in 2002 & 03.

New marble sinks, by Sunset Marble in all rooms, 2000 & 003.

New marble tub surrounds in rooms 104, 105, 106, 108, 110 & 111, by Sunset Marble during 2000, 01 & 2002.

The remaining bathrooms are tile tub surrounds.

New tubs and toilets in 2000, 01, 02 and 2003.

The old tubs removed, the cement floor was opened up,
 The old copper piping was removed.

New copper piping was installed.

A service door, approximately 16 inches by 36 inches, was installed allowing for a future service access to the plumbing should the need arise.

This would eliminate a costly experience of tearing apart a bathroom.

Most of the bathrooms are back to back requiring an access door in only one unit. Units 104, 105, 107 and 112 excepted.

New bathroom faucets in 2001, 02 & 03.

New custom made drapes July 2001.

New pictures and frames, local scenes, 2001, 02 & 03.

New pillows and pillow covers in 2001 & 02.

Bedspreads replaced in 2002.

Woolen blankets replaced in 2002.

As of July 15, 2002 the entire motel became totally

Smoke Free, the first Motel in Kenora to do so.

Incidentally, this move has resulted in a substantial cost savings. Carpets, bedding and furniture is not subject to burns, therefore they do not have to be replaced as often.

The curtains and bedding do not have to be washed as often, and it takes far less time to clean a room.

Most importantly, ninety nine percent of the guests appreciate the clean smelling room as opposed to the stale smoky smell of a smoking room.

Even smoking guests appreciate the clean smell of the rooms. They prefer to go outside to smoke.

This complies with the Northwestern Health Unit request.



New clock radio's in all rooms July 2003.

New aluminum soffit, fascia and coach lamps, June 2003.

New air conditioners August 03 in office, rooms 301, 302 & 303

There are many other upgrades and renovations as well as those listed.

Future Expansion:

The area between room 112 and the garage affords enough room to allow for two more units.

The garage could be converted to two more large suites, or removed and 3 or 4 more units added.

The plans for future expansion have been incorporated when the following was done;

- New key tags were purchased in 2001, key tags for rooms 101 to 114 and 301, 302 and 303 were printed.
- The owned telephone system is capable of adding as many rooms as necessary.

PHONE SYSTEM:

A new computerized telephone system was purchased outright and installed May 15, 2000.

Some of the features of the new phone system are;

Automated front desk;

When the Motel is full or if the attendant is busy, the phone is answered by the automated system. The caller can then dial the room number and either speak to the guest or leave a voice message.

If the caller wishes to leave a message for a reservation or to speak to the manager, the telephone system will immediately call the pre-entered phone number of the manager, which can also be a cell phone number.

Phone System Features:

- * The phone system boasts the following and other features;
- * All room phones have a data port allowing 24 hour phone, fax and laptop use, again no front desk attendant required.
- * Twenty four hour phone & fax service to and from every room, no front desk attendant required.
- * No front desk attendant required when motel is full or attendant is busy.
- * Message light in each room.
- * Messages can be retracted from anywhere, no need to come to the room to retract messages.
- * Standard wake up service.
- * Phone system allows the front desk attendant to provide the room guests with;
- Only local calling, Local and long distance or No phone service at all should the guest request no service.
- * The phone system is also a money maker. It can be programed easily to charge a fee for local calls and a separate fee for long distance calling.

RESERVATIONS

SYSTEM:

A Toshiba Reservation System was purchased outright and installed May 15, 2000. which included a stand alone computer for the telephone and reservation system.

The Toshiba Hotel Information Management System (HIMS) along with the state of the art phone system (HIMS) system is controlled by a stand alone Computer.

The HIMS room reservation system features.

- * Ability to set rate for each room from the set-up screen by the manager only..
- * Room discounts by a percentage discount can be applied.
- * Local and long distance calls are monitored automatically by the computer and charged automatically to each room.
- * If a guest pays their room by cash and the money deposited for phone calls is used up, the system automatically disconnects the phone service to the room.

ROOMS FEATURES:

The rooms are larger than the average room size of other motels of the same era.

All Rooms, in addition to the information provided, are equipped with following standard features;

- Quiet electric baseboard heat.
- Individually cooled with in wall air conditioners.
- Nineteen inch color TV's
- Cable TV and Movie Channel,
- Mini fridges,
- New Microwaves July 2003,
- New in room coffee makers July 2003
- New Custom built Oak furniture July 2003,
- New Custom built Oak Dressers Desks July 2003,
- Oak desk chairs
- New desk lamps in 2002 and 2003.
- New table tops for rooms 104 & 108, Aug 2003.
- New luxury (top of the line) linens, July 2003

Queen beds in rooms 104, 106, 108

Love seat/hide a bed in rooms 104 and 108.

New air conditioners Aug 2003 in rooms 301, 302 & 303.

S:

Six signs advertise the motel,

Two lighted Yard signs, one Welcome sign.

Three Highway signs, the **sites are not included.**

The two yard signs have been overhauled in 2004 and 2005, including new bulbs and ballasts.

Yard Sign One; double faced, is situated on the East lawn at the front of office and is approximately twenty five feet high.

Yard Sign Two, double faced situated on the east side of the driveway. The double facing is used for advertising motel features.



Three Highway signs located at Highway 17 West, East and on

Kenora Inn Motel
1429 River Drive



Offered at \$425,000.

1463 060427 MLS #



Highway 71.

Welcome sign on the main office, new in July 2003.

CHATTELS

INCLUDED: As per list to be supplied.

EXCLUDED: As per list to be supplied.

All contents of garage are excluded.

RENTALS EXCLUDED: Two, Gas Hot water tanks.

HOT WATER TANK: Two, Gas, 40 gal rented.

SERVICES: Sewer: City.

Water: City.

Phone/Cable: Yes/yes

Hydro: Two separate 200 amp breaker panels for the motel,
 One, 100 amp breaker panel in the garage, not hooked up.

Nat Gas: Yes.

Used for the Motel's, two rental gas hot water tanks.

Garage, natural gas forced air suspended heater/furnace,
 not included.

Note the natural gas to the garage is not hooked up.

MORTGAGE: None. Seller would consider holding a first mortgage only.

COMMENTS: The motel has been extensively renovated and upgraded since
 2000 as can be noted by the details within.

An excellent business opportunity for a family operation
 or add to your business portfolio.

During renovations all rooms were not available for
 renting during the peak summer months, thereby
 reflecting on the volume. Even taking the construction into
 account, the volume did increase.

With renovated rooms, new furniture bedding etc, the
 Motel is able to attract a different clientele as well as
 obtaining a higher rooms rates.

SHOWINGS: To be arranged.

POSSESSION: Negotiable.

DISCLOSURE: The motel went in receivership in 1999. The Motel was listed
 by Vogue Realty Inc. When a buyer could not be found to pay a
 sufficient amount to satisfy the receiver, the principal owner of
 Vogue Realty Inc., purchased the motel, by satisfying the
 receiver's request and thereby avoiding bankruptcy for the
 previous owners.

Note: **Many renovations have been done to the motel, some of the
 pictures on the Internet site are not current.
 Please continue to monitor the**

Income Note:

site as we upgrade the new pictures.

When the Motel was purchased on Dec 16, 1999, only eight of the eleven rooms were operational.

During the following four years all rooms including the bathrooms were totally renovated. This meant that during each of the four years 2000, 2001, 2002 & 2003, there were only about eight rooms functional during that period of time, thereby reflecting on the gross income of the operation.

The last room to be renovated was room 112, which was started in late Dec 2002 and was not ready for occupancy until Aug 15, 2003.

Therefore for Income calculation purposes it would be prudent to do a reconstructed Income analysis.

Note on Operation of Motel:

It should be noted that for 2005 the motel was only operated on 4 day basis for the last quarter, because of a staffing shortage.

Income calculation:

11rooms at a modest \$59.82. Per night = \$658.02 per day

Yearly = 365 x 658.02. = \$240,177.30

Using a 65% occupancy, Income of \$156,115.24 or rounded to

\$156,100.00

Reconstructed Income:

Expenses For 2005:

Taxes, 2005	\$7,469.45
Insurance	2,857.68
Electricity	5,965.71
Sewer	871.74
Water	871.74
Telephone (4x \$25.=100.x 12)=	1,017.65
Garbage Collection (12 x \$50.)=	698.80
Union Gas Consumption	2,407.87
Union Gas Tank Rentals	271.12
Norcom Full Cable	365.64
Norcom Movie Network	707.64
Bank Charges (\$35. X 12)	<u>420.00</u>

Total Direct Expenses:

\$23,053.30

Gross Profit Before Wages

And Mortgage Payments:

\$133,046.70

Purchase Price: \$425,000.00

Amortization 15 yrs

Interest rate 7%

P + I Payments \$3,796.31 x 12 months =

\$45,555.72

Net Revenue After P + I Payments

\$87,490.98