

RED ROOF INN LLC

OFFERING MEMORANDUM

**\$3.5MIL**

MOBILE, ALABAMA

5635 TILLMANS CORNER  
PKWY

MOBILE AL 36619

asking price: \$3,500,000



FAITH MORGAN LLC

DISCLAIMER:

This is an Offering Memorandum and should not be considered an appraisal. In making any decision that relies upon Alliance Real Estate's work, you should know that Alliance Real Estate has not followed the guidelines for development of an appraisal or analysis contained in the Uniform Standards of Professional Appraisal Practice of Appraisal Foundation. This opinion is based upon Alliance Real Estate's general knowledge of the marketplace as real estate brokers and should not be relied upon as a real estate appraisal prepared by professional appraisers. This opinion is intended solely for your internal use. It is understood that you will not disclose this analysis to any other party without prior written consent. This opinion cannot serve as the basis for providing financing or a mortgage loan.

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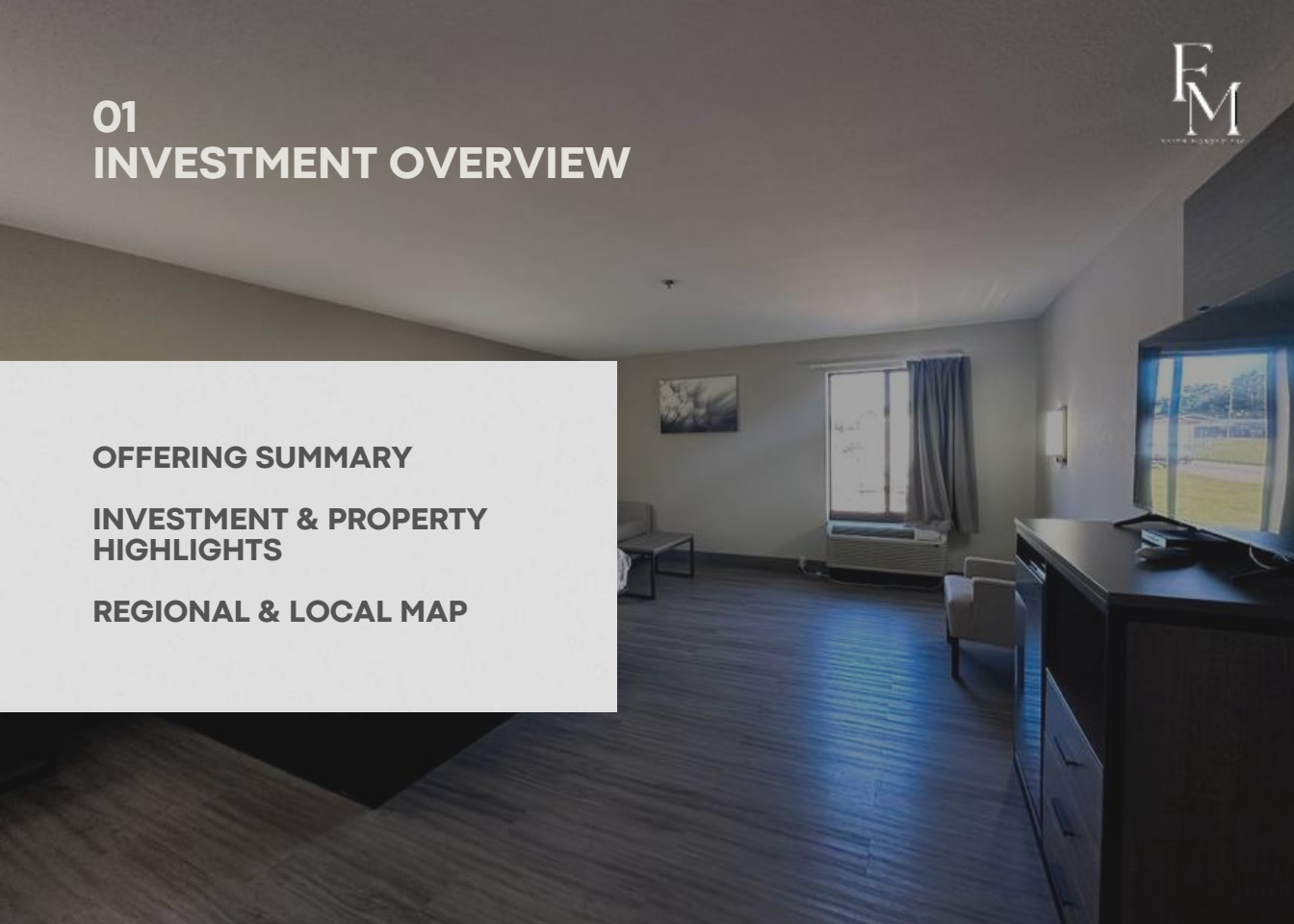


# 01 INVESTMENT OVERVIEW

**OFFERING SUMMARY**

**INVESTMENT & PROPERTY  
HIGHLIGHTS**

**REGIONAL & LOCAL MAP**





EM  
HOTEL GROUP

- 1998-BUILT
- INTERIOR-CORRIDOR
- NEWLY RENOVATED HOTEL
- RED ROOF INN IS A HIGHLY DESIRABLE FLAG BY BOTH INVESTORS AND CONSUMERS ALIKE
- **STRONG BRAND RECOGNITION**
- EXTENSIVE TIMELINES TO CONSTRUCT NEW HOTELS IN THE TILLMANS CORNER - MOBILE - ORANGE BEACH ALABAMA AREA
- LACK OF AVAILABLE HOTEL PROPERTIES ON-MARKET IN THE MOBILE ALABAMA
- OPPORTUNITY TO INCREASE REVPAR TO COMPETITIVE SET STANDARDS AND EXCEED PERFORMANCE OF COMPETITION THROUGH STRONG HANDS-ON MANAGEMENT AND INCREASED MARKETING
- 30 MINUTES TO DAUPHIN ISLAND
- LOCATED DIRECTLY OFF OF I-10
- THE I-65 NEAR I-10 CLOSEST TO THE PROPERTY HAS AVERAGE ANNUAL DAILY TRAFFIC (AADT) COUNT OF OVER **83,726 (2022)**
- THE PROPERTY IS ALSO LOCATED WITHIN CLOSE PROXIMITY TO A VARIETY OF DEMAND GENERATORS INCLUDING, BUT NOT LIMITED TO:



# PROPERTY SUMMARY

ACQUISITION PRICE: \$3,500,000

RED ROOF INN

5635 TILLMANS CORNER PKWY

YEAR BUILT / 1998

RENOVATED: 2023

NEW ROOF

NEW POOL

STORIES: 3

KEYS: 46

BUILDING AREA +/- 22399 SF

LOT SIZE +/- 0.9216 ACRES

ZONING DISTRICT: 52 COMMERCIAL  
AND DESCRIPTION COMMERCIAL - HOTELS/MOTELS

AMENITIES:

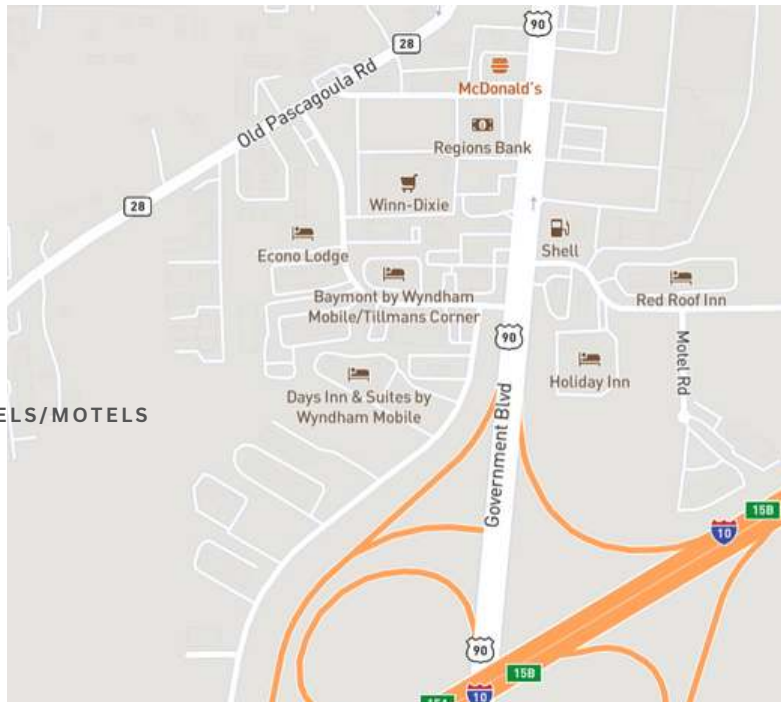
LOUNGE AREA

POOL

VENDING MACHINES

ASSESSOR'S PARCEL  
NUMBER

33 08 27 2 000 023.01X





**FAITH MORGAN LLC'S COMMERCIAL REAL ESTATE GROUP HAS BEEN RETAINED TO OFFER FOR SALE THE FEE SIMPLE INTEREST IN THE 46-ROOM RED ROOF INN LOCATED IN MOBILE, ALABAMA- ONE OF ALABAMA'S MOST PREMIER COASTAL CITIES ALONG THE GULF OF MEXICO. THE PROPERTY IS A RECENTLY RENOVATED, THREE-STORY, LIMITED-SERVICE HOTEL THAT IS CONVENIENTLY LOCATED WITHIN CLOSE PROXIMITY TO A VARIETY OF DEMAND GENERATORS THAT INCLUDE DAUPHIN BEACH, ORANGE BEACH, MOBILE ALABAMA DOWNTOWN, PENSACOLA, FLORIDA AND MORE AMONG OTHERS.**

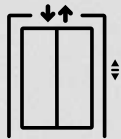
**THE PROPERTY ALSO PRESENTS THE OPPORTUNITY TO TAKE CONTROL OF AN EXCEPTIONAL BRAND AND SCALE UP OPERATIONS TO COMPETITIVE SET STANDARDS THROUGH FOCUSED, HANDS-ON MANAGEMENT AND MARKETING. THE RED ROOF INN MOBILE ALABAMA OFFERS INVESTORS THE OPPORTUNITY TO ACQUIRE A RECENTLY RENOVATED UP-TO-DATE PROPERTY IN A HIGHLY DESIRABLE AND GROWING MARKET AT A BELOW REPLACEMENT COST PRICE .**







46 KEYS



3 FLOORS



2023  
RENOVATIONS

RED ROOF INN - MOBILE, AL



# 02 FINANCIAL ANALYSIS

A bright, modern hallway with a white bathtub on the left and a bedroom visible at the end of the hallway. The hallway has light-colored walls and a tiled floor. A white door is on the right side. The bedroom at the end has a bed, a desk, and a window with curtains.

PRICING

HISTORICALS

FINANCIAL ANALYSIS

## **CURRENT 1**

ACQUISITION PRICE \$3,500,000

ROOMS 46

PRICE PER ROOM \$86,956.52

PROPERTY IMPROVEMENT PLAN:  
RECENTLY RENOVATED 2023-2024

**CURRENT AVERAGE REVENUE PER ROOM:  
\$77**

**PROJECTED AVERAGE REVENUE ANALYSIS:  
\$135 PER ROOM**

**2023 TOTAL REVENUE**

**\$701,938.82**

**2022 TOTAL REVENUE**

**\$800,394.74**

**FOR COMPLETE 2021-2023 P&L'S  
CONTACT FAITH MORGAN LLC**

**850.889.2571**



# 03 VISION REPORT

## Operating Statistics

- Occupancy is projected to achieve 50.0 percent in Year One, 59.0 percent in Year Two, 61.0 percent in Year Three, and then grow at a rate of 2.3 percent each year thereafter.

## PRO FORMA ASSUMPTIONS

Franchise can be changed/improved into Choice brand hotel or other well established brand to increase revenue and future profit.

Upper apartment can be converted into fitness room/etc.

**Projected room calculations:  
\$135 per room/key**



03

## COMPETITIVE PROPERTIES

### COMPETITIVE SET

RedRoof.





\$45  
Feb 25 - 26

### Quality Inn Mobile West Tillmans Corner

3.0 ★★★★★ (342) · 2-star hotel



\$60  
Feb 15 - 16

### Baymont by Wyndham Mobile/Tillmans Corner

3.6 ★★★★★ (489) · 2-star hotel



\$185  
Mar 9 - 10

### Home2 Suites by Hilton Mobile West I-10 Tillmans Corner

4.0 ★★★★★ (531) · 3-star hotel



\$107  
Feb 13 - 14

### Holiday Inn Mobile West - I-10, an IHG Hotel

3.7 ★★★★★ (1,030) · 3-star hotel



The background image shows an outdoor swimming pool area at a hotel. In the foreground, there is a dark metal railing. Beyond the railing is a swimming pool with blue water and several lounge chairs. In the background, there is a multi-story hotel building with a light-colored facade and a dark roof. The sky is blue with scattered white clouds. The overall scene is bright and sunny.

**04**

# **MARKET OVERVIEW**

**2023 LOCAL GROWTH NEWS**

**MAJOR DEMAND GENERATORS**

**LOCAL MAP**

**LOCAL HOTEL SUPPLY**

# Port of Mobile marks ninth year of double-digit growth

January 26, 2023

By Margherita Bruno



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PORTCHAIN

FEBRUARY 28TH, 14:00

FREE WEBINAR

Plans are nothing;  
planning is everything.

How Portchain Quay enables  
better decision-making for  
terminal berth planning.

## 2023 NEWS

THE ALABAMA PORT AUTHORITY HAS ANNOUNCED RECORD-BREAKING NUMBERS FOR 2022, WITH 563,191 TEU HANDLED AT THE PORT OF MOBILE.

THIS MARKS THE NINTH YEAR OF DOUBLE-DIGIT GROWTH SINCE 2009 AND AN 11 PER CENT INCREASE IN VOLUMES OVER 2021.

INTERMODAL RAIL VOLUMES ALSO SAW A 31-MONTH RECORD OF TRIPLE-DIGIT GROWTH, ENDING THE YEAR AT 142 PER CENT OVER 2021.

THE UPCOMING INTERMODAL CONTAINER TRANSFER FACILITY (ICTF) IS SET TO BE AN ON-DOCK FACILITY BY 2025, WITH ACCESS TO FIVE CLASS I AND FOUR SHORT-LINE RAILROADS.

ADDITIONALLY, THE CONTAINER TERMINAL HANDLED A RECORD 312 VESSELS, AN INCREASE OF 75 VESSELS FROM THE PREVIOUS YEAR.

**READ: APM TERMINALS MOBILE BREAKS ALL TIME CONTAINER THROUGHPUT RECORD**

"TIME AND AGAIN, WE ARE SHOWING THAT SHIPPING THROUGH MOBILE IS AN EFFICIENT AND COST-EFFECTIVE WAY FOR BUSINESSES TO GET THEIR GOODS INTO OR OUT OF THE UNITED STATES," SAID PORT AUTHORITY DIRECTOR AND CEO JOHN C. DRISCOLL.



COMPETITIVE PROPERTY UNITS AND ISTANCE FROM SUBJECT:

**HOME 2 SUITES BY HILTON MOBILE WEST**

0.2 MILES

**COMFORT INN & SUITES MOBILE**

0.2 MILES

**LA QUINTA INN & SUITES BY WINDHAM MOBILE**

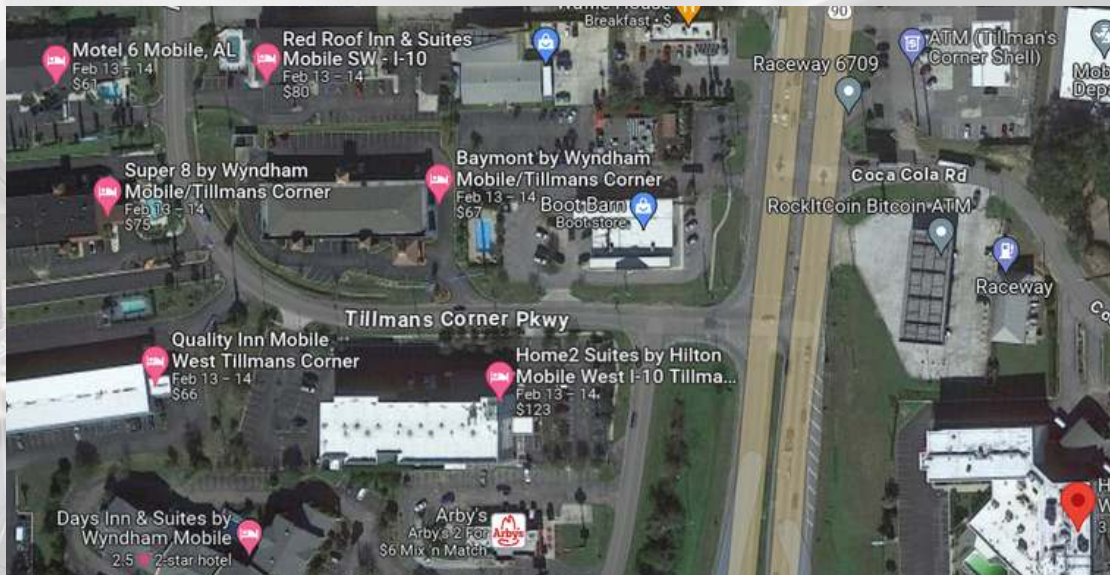
0.5 MILES

**HOLIDAY INN EXPRESS & SUITES MOBILE**

0.6 MILES

**FIREHOUSE  
SUBS**







COMMERCIAL REALTOR  
ALABAMA/FLORIDA  
FAITH MORGAN LLC  
850.889.2571  
REALTORFAITH.COM

