

# Approved Hotel Site Port Royal/Beaufort



## Confidential Offering Memorandum

Port Royal/Beaufort, South Carolina | Fee Simple | 1.8+/- Acres

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# Table of Contents

Executive Summary	4
Property Details	6
Market Information	10
Competitive Set	17
Who We Are	19



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more  
information**

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# Confidential Information & Disclaimer

Avison Young has been engaged by Ownership as the exclusive agent for the sale of the Approved Hotel Site located in **Port Royal/Beaufort, South Carolina**.

The Property is being offered for sale in an “as-is, where-is” condition and Seller and Agent make no representations or warranties as to the accuracy of the information contained in this Offering Memorandum. The enclosed materials include highly confidential information and are being furnished solely for the purpose of review by prospective purchasers of the interest described herein. Neither the enclosed materials nor any information contained herein is to be used for any other purpose or made available to any other person without the express written consent of the Seller. Each recipient, as a prerequisite to receiving the enclosed, should be registered with Avison Young as a “Registered Potential Investor” or as “Buyer’s Agent” for an identified “Registered Potential Investor”. The use of this Offering Memorandum and the information provided herein is subject to the terms, provisions and limitations of the confidentiality agreement furnished by Agent prior to delivery of this Offering Memorandum.

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**Avison Young | Hospitality Group**  
**Attn: Keith Thompson**  
**Principal**  
**280 Country Club Drive, Suite 200**  
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The information contained herein was obtained from sources believed reliable; however, Avison Young makes no guarantees, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is submitted subject to errors, omissions, change of price or conditions, prior to sale or lease, or withdrawal without notice.



# Executive Summary

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**Approved Hotel Site**  
Port Royal/Beaufort, South Carolina

**AVISON  
YOUNG**



# Executive Summary

**Approved Hotel Site**  
101 High Tide Drive  
Port Royal/Beaufort, South Carolina



## Property Highlights

- \$600,000
- 1.8 +/- Acres
- Unencumbered by Brand
- Near Local Area  
Businesses Marine Corps  
Air Station, Marine Corps  
Recruit Depot Parris  
Island, Naval Hospital  
Beaufort

## Property Overview

Avison Young, as the sole exclusive agent, is pleased to offer the fee simple interest in the Approved Hotel site (hereinafter "Property" or "Hotel"), in Port Royal, South Carolina. The Property sits at 101 High Tide Drive in Port Royal, South Carolina.

The proposed Hotel is located just west of the US Marine Corps Recruit Depot's front gate at Parris Island. As the Marine Corps primary boot camp, this military installation graduates recruits approximately 45 weekends each year. On average each graduate has five to nine guests attend these graduations each weekend. The area's hotels usually fill available hotels and overflow into other markets. The proposed Hotel site will be the first extended stay product in the market and the closest lodging destination to the military base.

Tourism is the second largest industry in Beaufort County according to The Greater Beaufort County Chamber of Commerce. Tourist are attracted to the city's homes, history, antique stores, art galleries, and harbor. Additionally, Beaufort hosts a number of festivals and events each year, the largest of which are the Water, Shrimp, and Gullah Festivals. The bigger festivals usually sell out the local hotel market.



# Property Details

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**Approved Hotel Site**  
Port Royal/Beaufort, South Carolina



## Location

The Property's civic address is 101 High Tide Drive in Port Royal/Beaufort, South Carolina.

## Accessibility

The Approved Hotel Site is easily accessible with excellent visibility from U.S. Hwy 21.





# Land Deal Aerial

**Approved Hotel Site**  
101 High Tide Drive  
Port Royal/Beaufort, South Carolina





# Military Demand Generators

Approved Hotel Site  
101 High Tide Drive  
Port Royal/Beaufort, South Carolina







# Market Information

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Port Royal/Beaufort, South Carolina



# Port Royal/Beaufort, SC Market Summary

## Economy & Tourism

- Port Royal is home to the Marine Corps Recruit Depot Parris Island and the Naval Hospital Beaufort, and the area's military presence is its largest economic sector
- The Beaufort region has the fourth largest military presence in South Carolina with an annual economic impact of approximately \$2.3 billion that is supported by 19,460 jobs
- The tourism and hospitality industries are also major economic sectors in Beaufort, with nearly two million people visiting the city each year

## Business

Major Employers located in Port Royal/Beaufort, South Carolina



## Healthcare

- Naval Hospital Beaufort
- Beaufort Memorial Hospital

## Education

- University of South Carolina Beaufort has an enrollment of 1,800+ students
- Technical College of the Lowcountry has an enrollment of 1,700+ students

## Transportation

- U.S. Highway 21
- S.C. Highway 128
- S.C. Highway 170
- S.C. Highway 281
- Beaufort County Airport
- Palmetto Breeze transit

## Population & Demographics

County Population

**191,748**

Median Household Income

**\$70,501**

Income Per Capita

**\$43,952**

# Port Royal/Beaufort, SC Market Overview



## Port Royal/Beaufort, South Carolina

Port Royal is a town located on Port Royal Island in Beaufort County, South Carolina. Port Royal, as defined by the U.S. Census Bureau, is part of the Hilton Head Island-Bluffton-Beaufort, South Carolina Metropolitan Statistical Area. The town has a total area of 22 square miles (19 of which are land) and is home of the Marine Corps Recruit Depot Parris Island and the Naval Hospital Beaufort.

Beaufort is the second oldest city in South Carolina and is the county seat of Beaufort County. The town generates nearly one million visitors annually and is located 70 miles from Charleston and 40 miles from Savannah, Georgia. Beaufort is home to The Kazoobie Kazoo Factory, the last operating kazoo factory in the United States.

## Economy/Tourism

Beaufort is within close proximity to other fast-growing areas, including Hilton Head Island and Bluffton as well as Savannah, Georgia, and the Savannah/Hilton Head International Airport. Access to

these nearby areas make Beaufort a desirable choice for residential and business development opportunities.

Port Royal/Beaufort has several geographic areas of economic activity. The downtown area is the historical center of commerce, primarily focused on tourism. The tourism and hospitality industries are major economic sectors in Beaufort. Nearly two million people visit the city each year, with peak activity in the spring and fall seasons. The primary attractions of the area include golfing, beach vacations, historic locations and tours, water sports, and local arts and crafts. Smaller economic sectors of note include agriculture/aquaculture, local government, and retail.

## Military Impact

The military presence in Beaufort is its largest economic sector. The region has the fourth largest military presence in South Carolina with an annual economic impact of approximately \$2.3 billion that is supported by 19,460 jobs. This multi-billion impact is created by the Marine Corps Air Station (MCAS) Beaufort, the Marine Corps Recruit Depot (MCRD)



County Population  
**191,748**



Avg hh income  
**\$70,501**



Unemployment  
**3.8%**



Income Per Capita  
**\$43,952**



# Port Royal/Beaufort, SC Market Overview

Parris Island, and the Naval Hospital Beaufort as well as DoD contractors, military retirees and veterans, and portions of the South Carolina National Guard and the U.S. Army Reserve.

Marine Corps Recruit Depot Parris Island (MCRD PI) is used for the training of enlisted Marines (training over one million Marines). MCRD PI focuses on the Marine Corps' Eastern Recruiting Region (ERR) which encompasses all states east of the Mississippi River and Puerto Rico, is responsible to the Marine Corps Recruiting Command, and executes the ERR share of the enlisted recruiting mission through operations conducted by over 20 recruiting stations located in three recruiting Districts. The ERR is also responsible for the recruitment of new officers through the Platoon Leadership Course, Officer Candidate Class, and the Naval Reserve Officer Training Corps (ROTC). Statewide, MCRD PI represents a total economic output of \$740 million, 6,130 jobs, and \$344 million in labor income. A large majority of the output (\$601 million), jobs (5,656) and labor income (\$325 million) impacts the Beaufort region directly.

Marine Corps Air Station (MCAS) is located three miles northwest of Downtown Beaufort and 65 miles south of Charleston. MCAS encompasses roughly 6,900 acres and currently hosts all active-duty USMC F/A-18 air operations on the East Coast. Statewide, MCAS Beaufort represents a total economic output, of \$787 million, 7,253 jobs and \$374 million in labor income. A large majority of the output (\$624 million), jobs (6,815) and labor income (\$354 million) impacts the Beaufort region directly.

## DEMOGRAPHIC TRENDS

Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	223,373	333,399,875	0.2%	0.4%	1.4%	0.5%	0.7%	0.5%
Households	91,135	129,388,531	0.7%	0.8%	1.5%	0.8%	0.8%	0.6%
Median Household Income	\$71,973	\$74,314	4.1%	4.2%	3.4%	3.7%	2.3%	2.5%
Labor Force	89,819	165,213,563	-1.6%	0.7%	1.7%	0.6%	0.6%	0.4%
Unemployment	2.9%	3.7%	0.1%	-0.1%	-0.4%	-0.4%	-	-

Source: Oxford Economics

## POPULATION GROWTH



## LABOR FORCE GROWTH



## INCOME GROWTH



Source: Oxford Economics

# 94.6%

% Population High School Graduate or Higher

# 45.2%

% Population Bachelor's Degree or Higher

# Port Royal/Beaufort, SC

## Market Overview

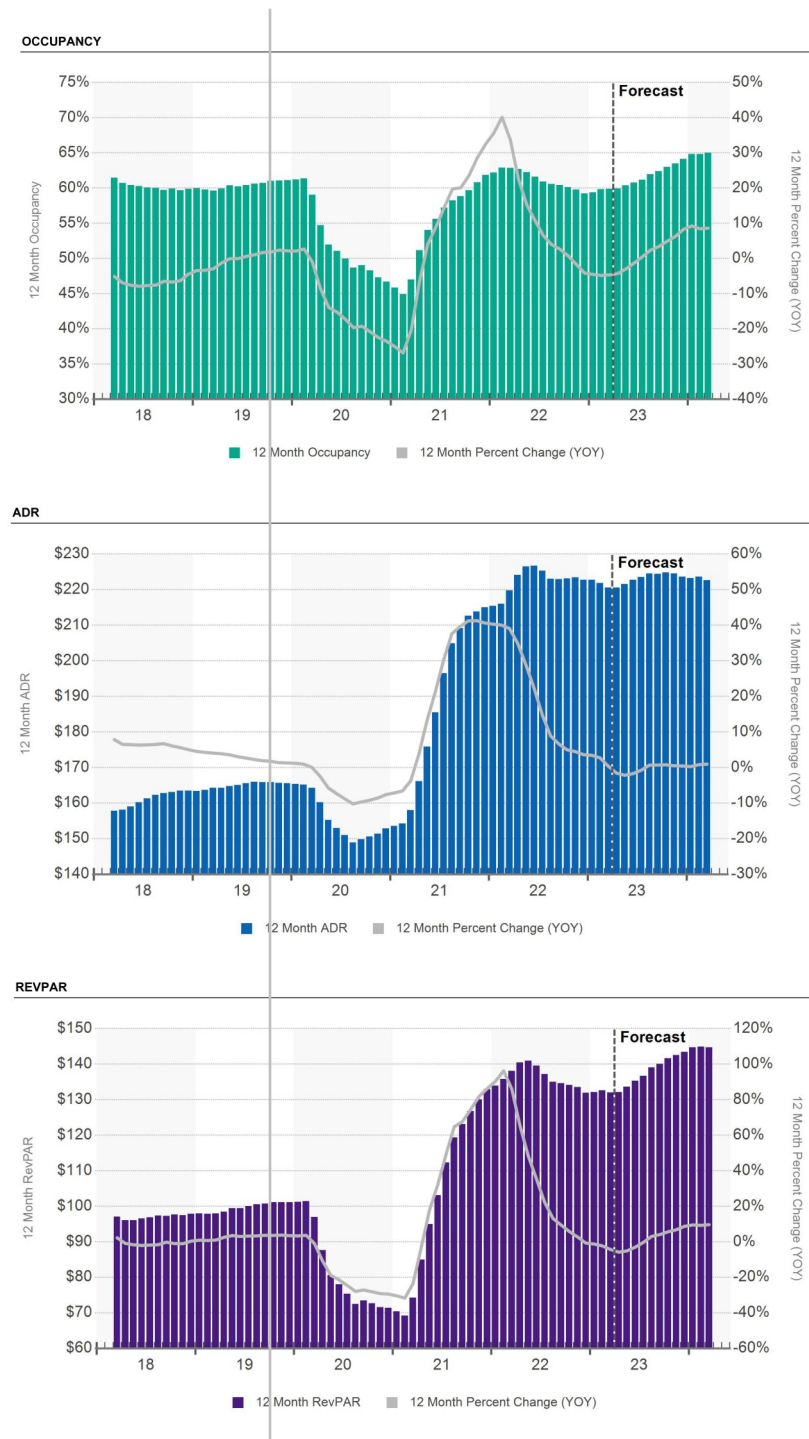
The Hilton Head/Beaufort submarket contains around 6,700 hotel rooms and houses 53 of the South Carolina Area market's 366 hotel properties. Unlike the broader market, Hilton Head/Beaufort is characterized by very large hotels relative to the national norm. The average property is 127 rooms, which is much higher than the 73-room-per-building market-wide average. Those two figures are on either side of the national norm of about 90 rooms per building.

In the past 12 months, monthly occupancy has averaged 59.8 percent, moderately above the market average of 56.4 percent for the same period. Perhaps unsurprisingly, Hilton Head/Beaufort weathered the initial impact of COVID-19 slightly better than most areas. Here, monthly occupancy fell to 17.4 percent, and annualized occupancy dropped to 44.9 percent in the initial wake of the pandemic. Since then, its recovery has been a step ahead of the South Carolina Area market.

Twelve-month RevPAR in the Hilton Head/Beaufort hotel submarket decreased by 4.4 percent as of March. That's a contrast to the story in the South Carolina Area market, where RevPAR is up by 2.0 percent on a year-over-year basis.

While developers remain moderately active elsewhere in the South Carolina Area market, nothing is underway in the Hilton Head/Beaufort submarket itself. While nothing is currently underway, around 300 rooms delivered over the past three years. That new construction was partially offset by the demolition of a 79-room hotel during the same timeframe.

Hilton Head/Beaufort recorded 5 hotel trades over the past year, moderately above the number of deals that is typical in a twelve-month period.





# Port Royal/Beaufort, SC

## Market Overview

### Healthcare

Naval Hospital Beaufort provides general medical, surgical and urgent care services to all active duty Navy and Marine Corps personnel, as well as retired personnel and all military dependents residing in the Beaufort area. NHB consists of the hospital and two health clinics (one at Marine Corps, Recruit Depot on Parris Island and the other at Marine Corps Air Station in Beaufort).

Beaufort Memorial Hospital is a not-for-profit hospital located on the banks of the Atlantic Intracoastal Waterway. The hospital is licensed for 201 beds (169 acute, 14 rehabilitation and 18 mental health) and has a medical staff of nearly 230 board-certified or board-eligible providers. The hospital is an acute-care hospital that is the largest medical facility between Savannah, Georgia and Charleston, South Carolina. The hospital is fully accredited by The Joint Commission and was designated the first Pathway to Excellence hospital in South Carolina in 2011.

### Education

University of South Carolina Beaufort is a public university that serves an enrollment of 1,800+ students. The university offers two campuses: the "Hilton Head Gateway" campus is located between Bluffton and Hardeeville and the original Historic Beaufort campus is located in Beaufort. The Beaufort campus sits on the Intracoastal Waterway in downtown Beaufort and features the Center for the Arts and is home to the university's Studio Arts programs.

Technical College of the Lowcountry (TCL) is a comprehensive, two-year community college that serves the Lowcountry region and has its main campus in Beaufort. TCL serves 1,700+ undergrad students annually and has over 80 accredited academic programs and transfer degree options.



# Port Royal/Beaufort, SC Market Overview

## Infrastructure

### Highways

The town of Port Royal/Beaufort is served by the following highways:

- U.S. Highway 21 is a major connector for the city and the principal route to the Sea Islands. It is also known as Trask Parkway, Parris Island Gateway, Ribaut Road (in Port Royal) and Lady's Island Drive. US 21 is the major hurricane evacuation route for the area.
- S.C. Highway 128 connects Lady's Island with U.S. Highway 21
- S.C. Highway 170 connects Beaufort with southern Beaufort County, Jasper County, and Savannah.
- S.C. Highway 281 connects Beaufort and Port Royal.

### Airports

Beaufort County Airport is a county owned, public use airport located in Beaufort County. The airport is located on Lady's Island, South Carolina, three nautical miles southeast of Beaufort's central business district. The airport covers 110 acres and has one runway.

### Transit

Bus transportation is provided by Palmetto Breeze with routes all throughout the Lowcountry region, including both Beaufort and Port Royal.

Greyhound operates an inter-city bus terminal that connects Beaufort to the national Greyhound bus network.

### Major Employers

Department of Defense	68,000+
Beaufort County School District	2,500+
Hargray Communications Group Inc.	1,500+
Beaufort Memorial Hospital	1,000+
Atlantic Personnel Inc.	200-500

### Nearby Cities

Jacksonville, Florida	949,611	152 miles
Charlotte, North Carolina	874,579	197 miles
Atlanta, Georgia	498,715	235 miles
Greensboro, North Carolina	299,035	261 miles
Raleigh, North Carolina	467,665	264 miles





# Competitive Set

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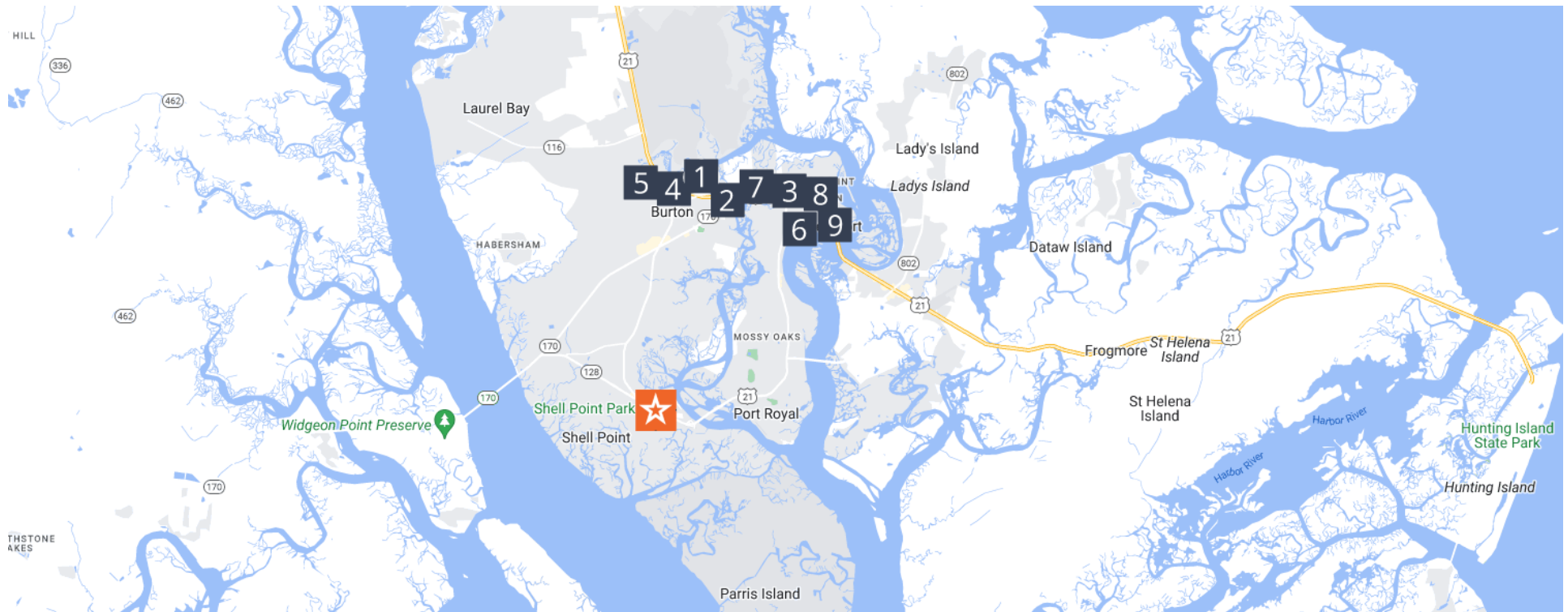
**Approved Hotel Site**  
Port Royal/Beaufort, South Carolina

# Comp Set

## Port Royal / Beaufort

**Approved Hotel Site**  
 101 High Tide Drive  
 Port Royal/Beaufort, South Carolina

Property Name	Rooms	Status	Address	City	Built
★ Approved Hotel Site Port Royal / Beaufort	TBD	Approved	101 High Tide Dr	Beaufort	N/A
1 Holiday Inn & Suites Beaufort @ Highway 21	97	Existing	2225 Boundary St	Beaufort	1990
2 Hampton Inn Beaufort	76	Existing	2342 Boundary St	Beaufort	1997
3 Hilton Garden Inn Beaufort	115	Existing	1500 Queen St	Beaufort	2008
4 Tru by Hilton Beaufort	92	Existing	3662 Trask Pkwy	Beaufort	2021
5 Home2 Suites by Hilton Beaufort	99	Existing	3658 Trask Pkwy	Beaufort	2019
6 Best Western Sea Island Inn	43	Existing	1015 Bay St	Beaufort	1960
7 SpringHill Suites Beaufort	111	Existing	2227 Boundary St	Beaufort	2022
8 Residence Inn by Marriott Beaufort	128	Proposed	1500 Queen St	Beaufort	2025
9 Holiday Inn Express Beaufort	93	Final Planning	1509 Salem Rd	Beaufort	2024







# Who We Are

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Avison Young

**AVISON  
YOUNG**



# A Growing, Multi-national Presence



Platinum member



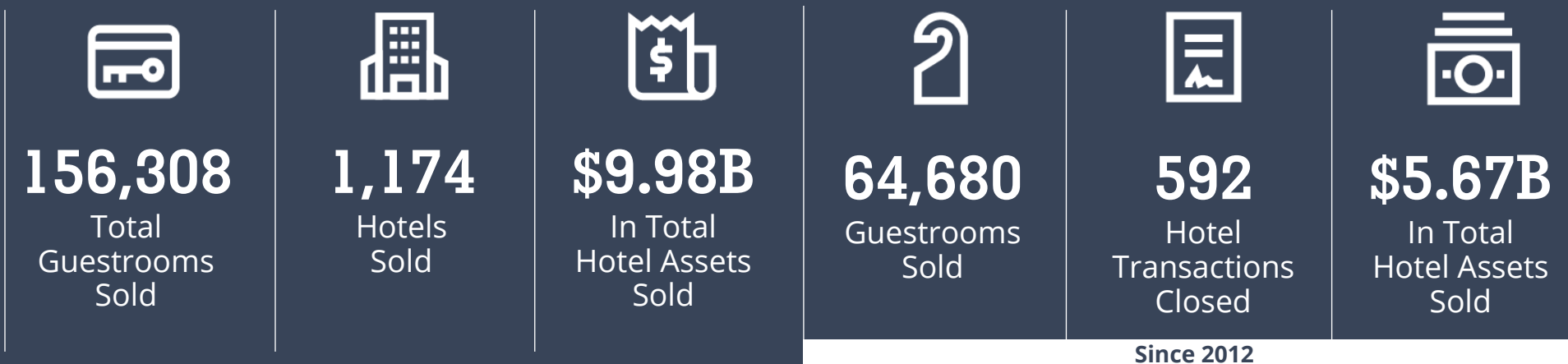
## Avison Young at a Glance

<b>Founded:</b>	1978
<b>Total Real Estate Professionals:</b>	5,000
<b>Offices:</b>	100+
<b>Countries:</b>	16
<b>Brokerage Professionals:</b>	1,600+
<b>Property Under Management</b>	225 million sf

Avison Young is the world's fastest-growing commercial real estate services firm. Headquartered in Toronto, Canada, Avison Young is a collaborative, global firm owned and operated by its Principals. Founded in 1978, with legacies dating back more than 200 years, the company comprises approximately 5,000 real estate professionals in 100+ offices in 16 countries. The firm's experts provide value-added, client-centric investment sales, leasing, advisory, management and financing services to clients across the office, retail, industrial, multi-family and hospitality sectors.

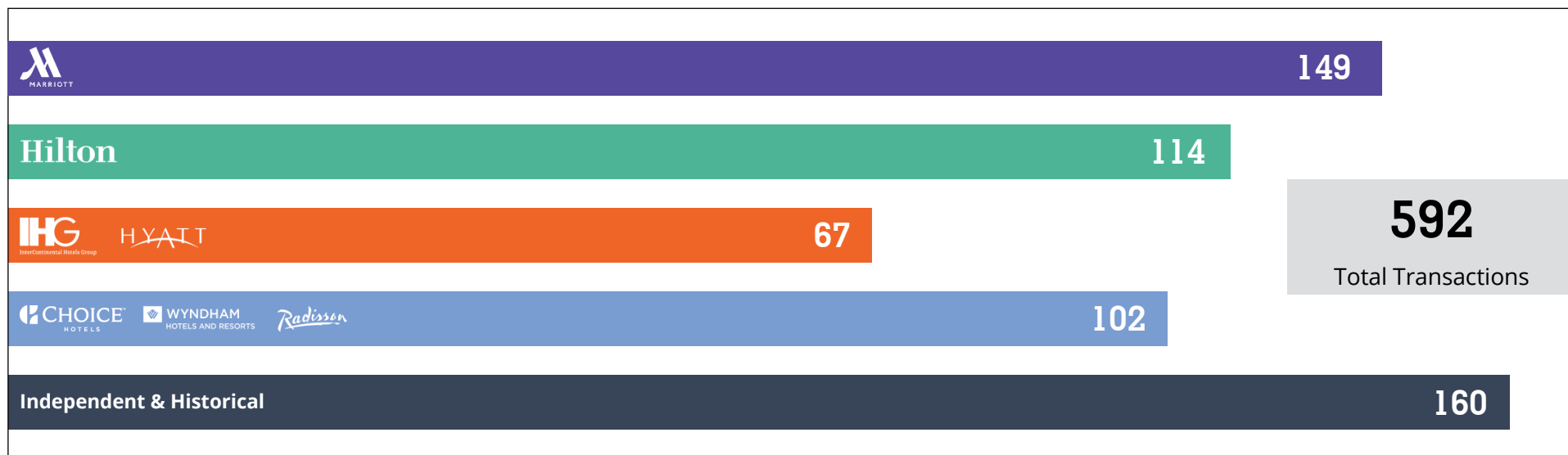
# Our Hospitality Experience

## Sales Performance



\*Current as of 12/30/2022

## Sales by Brand Since 2012





**If you would like more  
information on this offering  
please get in touch.**

**Keith Thompson**

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**Visit us online**  
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