



OFFERING MEMORANDUM

36 Martin Luther King Jr. Blvd.

SAVANNAH, GEORGIA



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Executive Summary

The property located at 36 Martin Luther King Blvd in Savannah's Historic Landmark District offers a unique investment opportunity. This m-use asset comprises a ground-floor restaurant, Órale Tacos + Tequila, operating under a NNN lease, and twelve short-term rental (STR) units, functioning as but not marketed as a contactless check-in hotel. Through optimized pricing, branding, and distribution, this property is poised to attract a new owner-operator seeking a stabilized, long-term investment in Savannah's booming hospitality market.

Key Investment Highlights:

- ◆ **Prime Location:** Situated in the heart of Savannah's Historic Landmark District, the property benefits from high tourist traffic and proximity to key attractions.
- ◆ **Revenue Generating Asset:** Ground-floor restaurant under a NNN lease and 12 STR units with significant room for revenue growth through strategic operations.
- ◆ **Operational Upside:** Potential to increase ADR and RevPAR through dynamic pricing, enhanced branding, and expanded distribution channels.
- ◆ **Market Demand:** Strong demand in Savannah's hospitality sector, driven by tourism and economic growth.



ASSET OVERVIEW

Property Overview

36 Martin Luther King Jr. Blvd.

Zoning	D-CBD
Building Size	± 10,215 SF
Commercial Area	± 2,622 SF Restaurant
Apartment Hotel	12 Units/Keys
Floors	4 Full + Mezzanine
Bedrooms	18 Bedrooms
Beds	21 Beds
Bathrooms	18 Bathrooms
Max Guests	38
Offered at	Call for Pricing

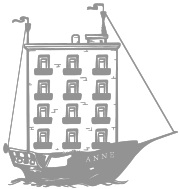


Property Overview



The Restaurant Space | Órale Tacos + Tequila

Órale Tacos + Tequila is a popular local restaurant occupying the ground floor of the property. It operates under a NNN lease, with an annual base rent of \$150,765, which increases to \$153,780.30 in 2028. The lease includes renewal options, providing stable long-term income.



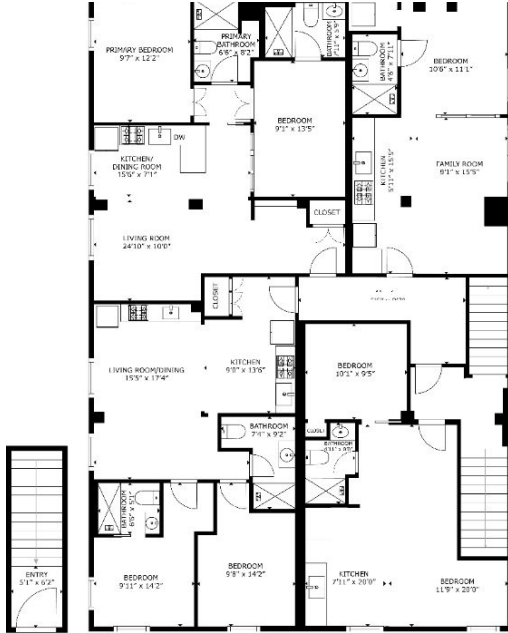
ANNABELLE
APARTMENT HOTEL

Short-Term Rentals | Annabelle

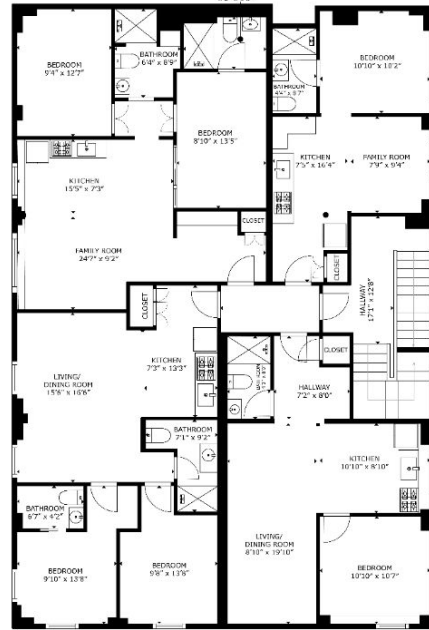
The upper floors consist of 12 STR units, currently underperforming due to pricing inefficiencies and limited distribution channels. With optimized branding as a "contactless check-in hotel" and improved pricing strategies, the STR units offer substantial revenue growth potential.



Floor Plans | Annabelle



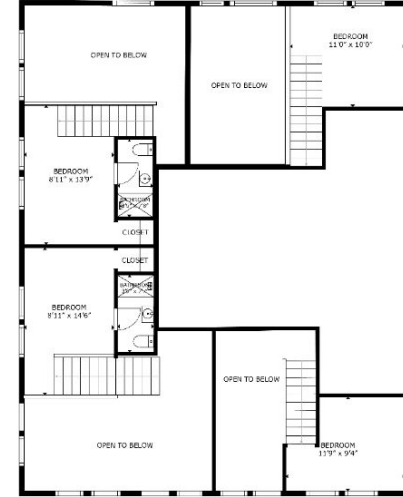
Level 2



Level 3



Level 4



Level 5



Annabelle | Unit Mix

Unit / Listing Link	Bedrooms	Bathrooms	Beds	Bed Mix	Kitchen	Washer & Dryer	Guests
2A – Studio	1	1	1	Q	Full	Yes	2
2B – 1 Bedroom Suite	1	1	2	Q, DBL	Full	Yes	4
2C – 2 Bedroom	2	2	2	K, Q	Full	Yes	4
2D – 2 Bedroom	2	2	3	Q, 2 DBL	Full	Yes	4
3A – Studio	1	1	1	Q	Full	Yes	2
3B – 1 Bedroom Premium	1	1	1	K	Full	Yes	2
3C – 2 Bedroom	2	2	2	K, Q	Full	Yes	4
3D – 2 Bedroom	2	2	3	Q, T, T	Full	Yes	4
4A – 1 Bedroom Suite	1	1	1	Q	Full	Yes	2
4B – 1 Bedroom Suite	1	1	1	Q	Full	Yes	2
4C – 1 Bedroom Double	2	2	2	Q, Q	Full	Yes	4
4D – 1 Bedroom Double	2	2	2	Q, Q	Full	Yes	4
Totals	18	18	21	–	–	–	38

Exterior Photographs



Interior Photographs | Commercial



Interior Photographs | Annabelle



Third Level | Unit C



Fourth Level | Unit D



Second Level | Unit C



Second Level | Unit A



Second Level | Unit B



Second Level | Unit D

Interior Photographs | Annabelle



Fourth Level | Unit B



Fourth Level | Unit A



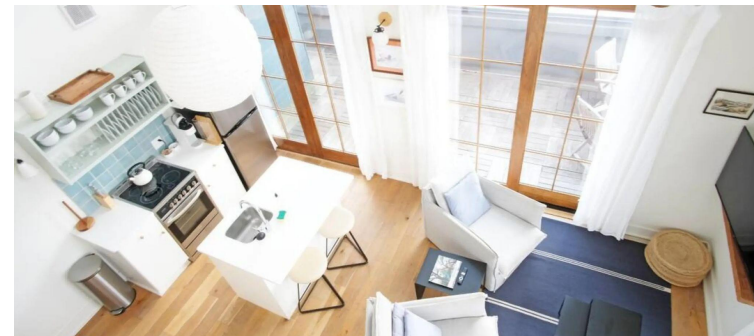
Fourth Level | Unit C



Fourth Level | Unit C













Third Level | Unit B

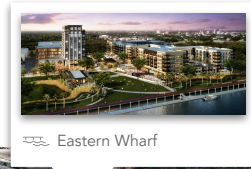
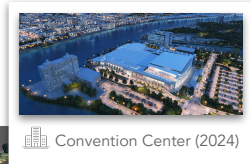
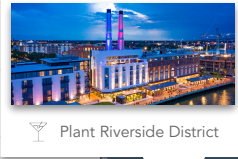


Fourth Level | Unit D

Location Highlights

36 Martin Luther King Jr. Blvd. Walk Drive

	Broughton Street	2 min	1 min
	Plant Riverside	5 min	2 min
	Ships of the Sea Museum	1 min	1 min
	Savannah Square	1 min	1 min
	SCAD	2 min	1 min
	Convention Center	15 min	6 min
	Eastern Wharf	28 min	7 min
	The Grey	3 min	1 min
	The Olde Pink House	11 min	4 min
	City Market	1 min	1 min



ASSET OVERVIEW

Landmark Historic District Savannah, Georgia

36 Martin Luther King Jr Blvd, offers an unbeatable location in Savannah's walkable Historic District. Guests can explore iconic attractions like City Market, River Street, Forsyth Park, and Savannah College of Art and Design within minutes on foot, enjoying the district's charming streets and vibrant cultural scene. Savannah's renowned pedestrian-friendly layout allows visitors to fully experience the city's historic beauty and southern hospitality without needing a car.

The property also benefits from easy access to Savannah/Hilton Head International Airport, just 15 minutes away, providing non-stop flights to over 30 destinations. In addition to exploring Savannah, guests can quickly reach Tybee Island (20 minutes away) or Hilton Head Island (45 minutes) for beach getaways. Charleston, South Carolina, and Daufuskie Island offer perfect day trips, making Annabelle an ideal base for travelers looking to explore both the city and the greater coastal region.

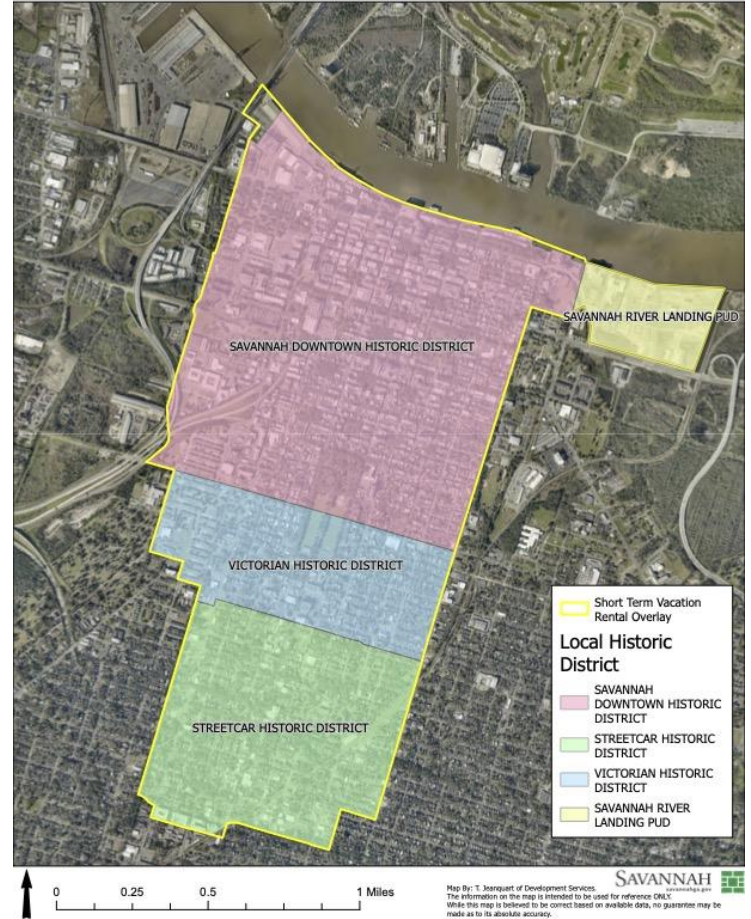


STVR Regulations

The City of Savannah tightly regulates Short-Term Vacation Rentals (STVRs) creating significant barriers to entry for new properties and enhancing the value of existing ones. STVRs are only permitted within the designated STVR Overlay District, which includes the Downtown, Victorian, and Streetcar historic districts. In 2017, the city implemented a cap that limits STVRs to just 20% within each ward in the Downtown and Victorian districts. Currently all wards are at capacity with waiting lists. Strict regulation means that properties like 36 Martin Luther King Jr Blvd, which hold a grandfathered STVR certificates, are highly desirable assets due to the increasing demand from tourists and the limited supply of new vacation rentals. The cap ensures a stable, competitive market for existing STVR properties, driving up their revenue potential in Savannah's tourism-driven economy.

Property Details

District	Savannah Historic District
Ward	Franklin Ward
STVR Certificates	12
Status	Active



Hotel Development

Hotel Permitted Streets within Savannah's Historic District:

North-South:

- Fahm St
- Ann St
- Martin Luther King Jr Blvd
- Montgomery St
- Whitaker St (north of Liberty)
- Drayton St (portions)
- Abercorn St (Bay to Oglethorpe)

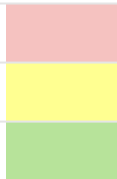
East-West:

- River St
- Indian St
- Bay St
- Bryan St (west of Lincoln)
- Broughton St
- Zubley St
- Oglethorpe Ave (portions)
- Turner Blvd
- Louisville Rd
- Liberty St (portions)
- Jones St (west of MLK)

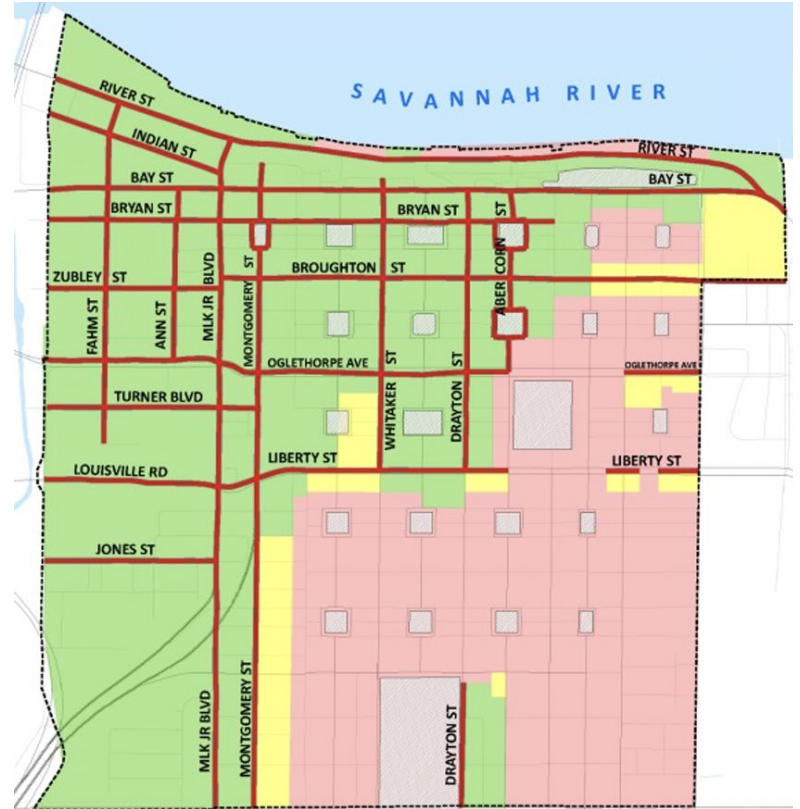
NO New Hotels Allowed

Small Hotels ONLY (16-74 Rooms)

Large Hotels (75+) or Small (16-74)



Savannah Historic District Hotel Development Overlay District



Savannah, Georgia Tourism

Savannah's rich history, unique architecture, and southern charm attract millions of visitors each year, making it a top destination in the Southeastern U.S. The city's tourism market is a significant driver of the local economy, contributing billions in annual visitor spending and providing a consistent demand for short-term vacation rentals like the Annabelle. Here are key highlights of Savannah's robust tourism industry:

- ◆ **Visitor Volume:** Savannah welcomes over 17 million visitors annually, drawn to its historic district, vibrant arts scene, and world-class dining options.
- ◆ **Year-Round Appeal:** With mild winters and year-round festivals and events, Savannah enjoys consistent tourism traffic, ensuring a stable revenue stream for local businesses.

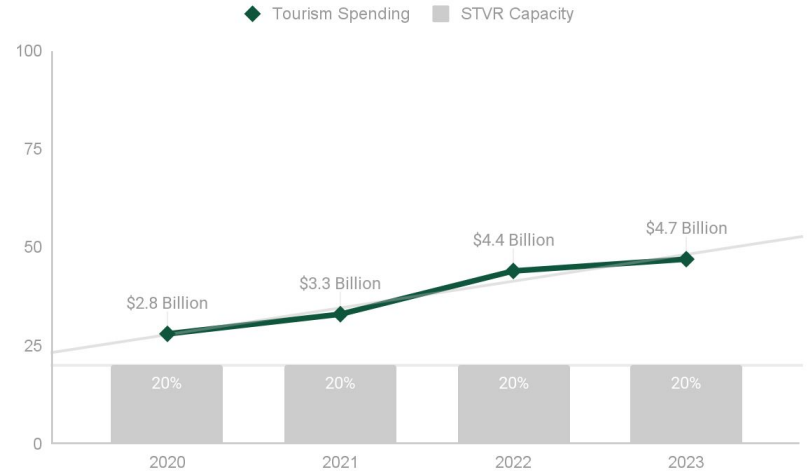
Source: Savannah Area Chamber of Commerce Economic Trends Report 2024



Savannah, Georgia Tourism Spending

In 2023, visitors spent 6.5% more than in previous years, and the average length of stay increased to 2.8 nights. Savannah’s unique appeal keeps tourists returning—69% of visitors have been to Savannah before, and 39% returned within the past 12 months. This demonstrates the city’s strong attraction for both new and repeat travelers.

- ◆ **Spending Power:** Visitors contribute more than \$4.7 billion annually to the local economy, fueling demand for hotels, short-term rentals, and restaurants.
- ◆ **Increasing Visitor Spending:** In 2023, tourists spent more, with 66% choosing to shop at locally owned businesses, reflecting Savannah’s appeal to visitors who value authentic, local experiences.



Source: Savannah Area Chamber of Commerce Economic Trends Report 2024



Savannah, Georgia Facts & Figures



17M

Annual Tourist Visits to Savannah, Georgia



#1

Fastest Growing Container Port in the United States



309

Daily Arrivals and Departures at SAV



418k

Population (Savannah MSA)



\$95.6k

Average Household Income (Savannah MSA)

Source: Visit Savannah Relocation Guide 2024-2025

Savannah, Georgia Economy

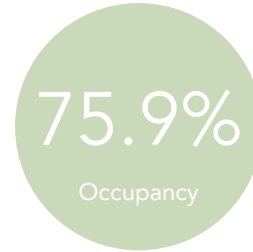
Savannah's robust and diverse economy is driven by a blend of thriving industries, including tourism, manufacturing, logistics, and aerospace, with major contributions from Gulfstream Aerospace and the rapidly expanding Hyundai Motor Group Metaplant America, which is expected to create over 15,000 jobs in the region. The Port of Savannah—the largest and fastest-growing container port in the U.S.—plays a pivotal role in supporting the local economy, bolstered by the Savannah Logistics Innovation Center. Tourism remains a cornerstone, attracting over 17 million visitors annually and generating more than \$4.7 billion in spending, with the expansion of the Savannah Convention Center further enhancing the city's ability to host large-scale events. Additionally, SCAD (Savannah College of Art and Design) contributes significantly to Savannah's creative and educational landscape, fostering a dynamic workforce and attracting talent from across the globe. With a thriving military presence at Hunter Army Airfield and Fort Stewart, as well as growing sectors in healthcare and education, Savannah continues to solidify its place as one of the Southeast's most dynamic and resilient economies.

Company	Industry	Employees
Gulfstream Aerospace Corp.	Aerospace	11,000
Hyundai Motor Metaplant America	Automobile	8,500 (expected)
St. Joseph's/Candler	Healthcare	4,832
Memorial Health	Healthcare	3,869
Georgia Ports Authority	Logistics	1,892
Hunter Army Airfield/Fort Stewart	Military	22,000
Savannah College of Art & Design	Education	2,000
Colonial Group Inc.	Chemicals	2,900
Savannah-Chatham Public Schools	Education	5,700

Savannah, Georgia Hospitality Sector

Savannah's Historic District continues to outperform many regional markets, maintaining high occupancy rates of 75.9%, well above the national average. The ADR of \$226.33 and RevPAR of \$171.83 demonstrate the district's ability to attract high-spending tourists. Despite a 1.2% decline in RevPAR year-over-year, the Historic District remains one of the strongest-performing submarkets in Georgia. Notably, 12-month total market revenue reached an impressive \$116.5 million, highlighting the strength of the local tourism industry. Properties like 36 MLK are positioned to benefit from these robust market conditions and stable demand.

Key Metrics from 2023



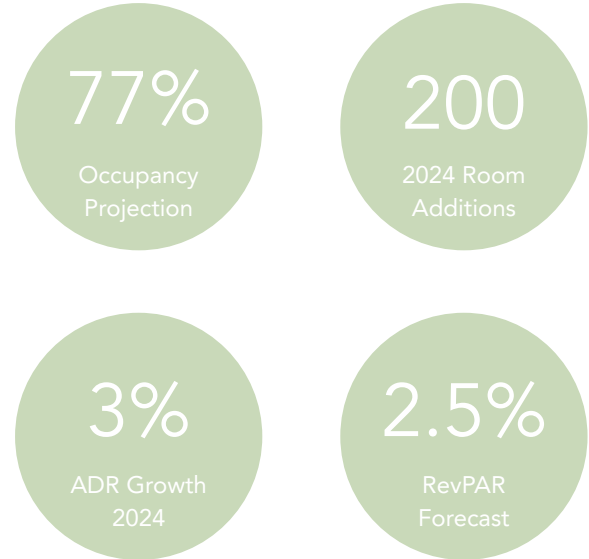
*Savannah Historic District Hospitality Submarket Report,
CoStar Group, September 2024.*



Savannah, Georgia Hospitality Outlook

Savannah's hospitality market is poised for significant growth in 2024, with the addition of 430 new rooms across six high-end hotels, expanding the market's inventory by 6.9%. Despite this influx, occupancy rates are expected to remain strong at 77%, driven by the \$276 million expansion of the Savannah Convention Center and continued investment in key developments like Eastern Wharf. This expansion is forecasted to boost ADR by 3%, bringing it to approximately \$233.12 by year-end, with RevPAR also expected to rise by 2.5% to \$176.12. These trends signal ongoing investor confidence and ensure steady returns for properties such as 36 MLK.

Anticipated Growth and Development



Savannah Historic District Hospitality Submarket Report, CoStar Group, September 2024.



Savannah, Georgia Economic Drivers

- ◆ **Savannah Convention Center:** The \$276 million expansion of the Savannah Convention Center will double the size of the facility, significantly increasing the city's ability to host large-scale conventions, meetings, and corporate events. This expansion is expected to drive tourism and business travel, boosting the hospitality sector further.
- ◆ **Savannah College of Art and Design (SCAD):** SCAD is a key driver of Savannah's creative economy, contributing over \$1 billion annually with over 17,000 students. The institution attracts global talent and fosters innovation in art, design, and technology, enhancing Savannah's reputation as a creative and educational hub.

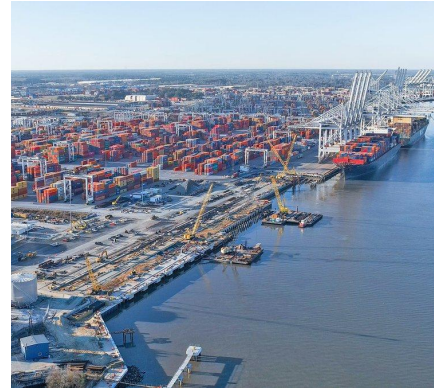
Sources:
Savannah Economic Trends 2024 (Savannah Area Chamber of Commerce)
Savannah Area Chamber of Commerce, Tourism Statistics



Savannah, Georgia Economic Drivers

- ◆ **Port of Savannah:** The Port of Savannah is the largest and fastest-growing container terminal in the U.S., serving as a critical economic driver. Recent expansions, including the Savannah Harbor Expansion Project and the Mason Mega Rail project, have increased the port's capacity and supported thousands of logistics jobs. In 2024, the port saw 11% growth in container trade, handling one out of every 8.8 loaded containers in the U.S.
- ◆ **Hyundai Motor Group Metaplant America:** Hyundai's \$7.59 billion investment in an electric vehicle and battery manufacturing facility is set to transform the local economy. The plant is expected to create 15,400 jobs in the region once complete, positioning Savannah as a leader in the electric vehicle industry.
- ◆ **Gulfstream Aerospace Corporation:** A global leader in business aviation, Gulfstream Aerospace employs nearly 11,000 people in the Savannah area. Its presence is a major contributor to the local manufacturing sector, driving innovation and supporting the region's reputation for high-tech aerospace production.

Sources:
Savannah Economic Trends 2024 (Savannah Area Chamber of Commerce)
Savannah Area Chamber of Commerce, Tourism Statistics



Savannah, Georgia Accolades

"10 Best Places for a
Multigenerational Vacation"

Southern Living, August 2024

"15 Most Beautiful Cities in
America"

MSN Travel, July 2024

"25 Most Walkable
Towns in the USA"

Home Stratosphere, July 2024

"Best Cities in the US"
(#3)

Travel + Leisure, July 2024

"10 Top Travel Destinations in the US
for 2024"

The Travel, January 2024

"Dreamiest Locations for a Spring
Wedding"

Yahoo Lifestyle, April 2024

Disclaimer

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