



INVESTMENT  
COMMITTEE  
MEMORANDUM

**Subject Asset:** 1301 Withers Dr, Myrtle Beach, SC 29577

**Property Type:** Hospitality (Upper Midscale, 60 Keys, 11 Stories)

**Prepared for:** Investment Committee

**Prepared by:** The Wolfner Group at Bracket

**Date:** October 30, 2025



# Executive Summary

**Recommendation:** The Aqua Beach Hotel offers investors the rare opportunity to acquire a recently upgraded 60-key hotel in the heart of downtown Myrtle Beach – directly across from the SkyWheel and steps from the Boardwalk and beach. The 11-story, concrete and steel property encompasses 0.66 across two parcels, including a valuable surface parking lot. Recent capital investments – upgraded guest rooms, lobby, elevators, paint, and mechanical systems – reduce near-term CapEx and enhance operational stability. Each Guest room features a full kitchenette and private balcony, appealing to both short-term leisure and extended-stay guests. Positioned in an Opportunity Zone, the property combines steady in-place income with significant repositioning and branding upside. Myrtle Beach attracts over 18 million visitors annually, supporting a resilient lodging demand and long-term value growth.

## **Offering Process & Contact:**

The offering is being marketed via Bracket Real Estate, Inc.'s investment services team. The process is a "Call for Offers" with submissions due on December 12, 2025. Interested parties should execute a confidentiality agreement and access the data-room for full financials, property documents and market studies.

# Property Overview

**Address:** 1301 Withers Drive, Myrtle Beach, SC 29577.

**Physical:** ±34,113 SF on ±0.66 acres (0.36 ac + 0.26 ac parking) AC; 11 stories; Interior-corridor. Built 1986; renovated 2023.

**Property Facts:** 60 rooms

**Flag/Operations:** Historically operated as Aqua Beach; on-site amenities include free parking, pool, hot tub, and Wi-Fi

**Zoning:** MU-H A (Mixed Use – High Density)

**Micro-Location:** Heart of downtown Myrtle Beach, directly across from the SkyWheel and steps from the Boardwalk, the hotel sits within the highest-traffic tourism corridor in the city.

# Aqua Beach

## Investment Highlights & Strategic Opportunity

- **Prime Downtown Location:** Ideally positioned across from the SkyWheel and steps from the Myrtle Beach Boardwalk within the city's highest-traffic tourism corridor.
- **Opportunity Zone Advantage:** Located within a designated Opportunity Zone offering potential federal tax benefits from qualified investors. (Please consult with a CPA to evaluate specific benefits and eligibility requirements)
- **Two Parcel Site:** Includes both the 11-story hotel parcel and an adjacent surface parking lot totaling ±0.66 acres, a rare downtown asset.
- **Recent Capital Improvements:** Upgrades to guest rooms, lobby, elevators, paint, and mechanical systems reduce near-term capital needs.
- **Extended – Stay Appeal:** Every guest room features a kitchenette and private balcony, catering to leisure and extended-stay guests.

# Market Overview

## **Demand Drivers**

- Myrtle Beach continues to be a top drive-to leisure market in the U.S., benefitting from accessibility, beach demand, entertainment, golf, and family tourism.

## **Performance (local).**

- The Myrtle Beach upper-midscale hotel segment continues to perform steadily, with occupancy around 60% and ADR near \$140, supported by strong family and drive-to leisure demand; properties offering kitchenettes and extended-stay amenities, like Aqua Beach Inn, are well-positioned to capture further RevPAR growth through strategic branding or repositioning.

## **Capital Markets Sentiment (Myrtle Beach South).**

- The submarket has remained one of the Southeast's most resilient coastal hospitality markets, driven by consistent leisure demand and steady performance in the upper midscale segment. Year-to-date, properties within this class have averaged sale prices near \$115,000 per key with cap rates around 9-10%, reflecting continued investor confidence despite capital conditions.
- Recent trades, including the La Quinta Inn & Suites and Drury Inn & Suites, demonstrate strong buyer appetite for well-located assets offering brand conversion or repositioning potential.

## **Limited New Supply.**

- Rising construction costs, elevated interest rates, and scarce oceanfront land have kept new hotel development modest, allowing existing upper midscale assets like Aqua Beach to benefit from stable competition and sustained demand growth in the Myrtle Beach market.

# Physical Condition & CapEx

Originally constructed in 1986 with a concrete and steel structure, Aqua Beach Inn has been well maintained and significantly upgraded over time. Major capital improvements include roof replacements in 2011 and 2012, and a comprehensive renovation in 2023 encompassing a fully updated lobby with new HVAC system, replacement of both hot water heaters with recirculating pumps, and renovated guest rooms featuring new beds, mattresses, TVs, lighting, chairs, LVT flooring, and granite countertops.

The property also received fresh interior and exterior paint, a new north entrance awning, and partial elevator control replacements, with approximately two-thirds of PTAC units replaced. These enhancements position the hotel as a turnkey investment requiring minimal near-term capital expenditures while offering long-term structural integrity and strong operational upside.

# Closing Notes

The offering of Aqua Beach Inn presents investors a rare opportunity to acquire a recently renovated, well-located hotel in the heart of downtown Myrtle Beach, one block from the Boardwalk and SkyWheel. With minimal near-term capital needs, proven year-round performance, and strong upper midscale fundamentals, the property is ideally positioned for both stabilized cash flow and long-term value appreciation. Investors may choose to continue operations as an independent coastal hotel or pursue flag conversion or repositioning to further enhance performance. Supported by Myrtle Beach's enduring tourism growth, limited new supply, and favorable market dynamics, Aqua Beach Inn represents a compelling blend of stability, upside, and location-driven value creation.