

OFFERING MEMORANDUM

CLARION POINTE

HUNTSVILLE RESEARCH PARK, 4815 UNIVERSITY DR NW, HUNTSVILLE, AL 35816



MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



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An aerial photograph of a modern, multi-story apartment complex. The building features a mix of light-colored and dark grey exterior panels. It has multiple levels with balconies and a central courtyard area. In the foreground, there is a parking lot with several cars parked. To the right, a swimming pool is visible with white lounge chairs and umbrellas. The background shows a clear sky with some clouds, suggesting a sunset or sunrise. The overall scene is well-lit and modern.

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PROPERTY OVERVIEW

INVESTMENT HIGHLIGHTS | CLARION POINTE

Mitchell Glasson and Luke Whittaker of Matthews Real Estate Investment Services™ are pleased to present an exceptional opportunity to acquire the 154-room Clarion Pointe located at 4815 University Dr NW, Huntsville, AL 35816.

The hotel has proven revenue, bringing in an average of \$2,960,000 over the past three years. The property, situated in a prime location on University Drive (55,000+

MULTIPLE DEMAND DRIVERS - Hotel is located on University Drive close to major attractions such as the U.S Space & Rocket Center, Redstone Arsenal, and the Huntsville Botanical Garden

PROVEN REVENUE - Hotel has averaged \$2.96 million in revenue over the past three years

AMENITIES - The hotel offers interior and exterior corridor rooms and includes a complimentary breakfast, fitness center, business center, meeting space, and an outdoor pool

GROWING MARKET - Huntsville has experienced a 20% population growth from 2010-2020 and its GDP has increased $\pm 4.5\%$ annually in recent years

POTENTIAL FOR REVENUE GROWTH - Current owner operates at 70% of the comp set RGI RevPAR

vehicles per day), is just two minutes from The University of Alabama in Huntsville campus. Multiple fortune 500 companies including Boeing, Northrop Grumman, and Lockheed Martin reside within Research Park which focuses on aerospace and defense technologies.

LOCAL AEROSPACE DEFENSE AND TECHNOLOGY COMPANIES

NASA - Home to the Marshall Space Flight Center

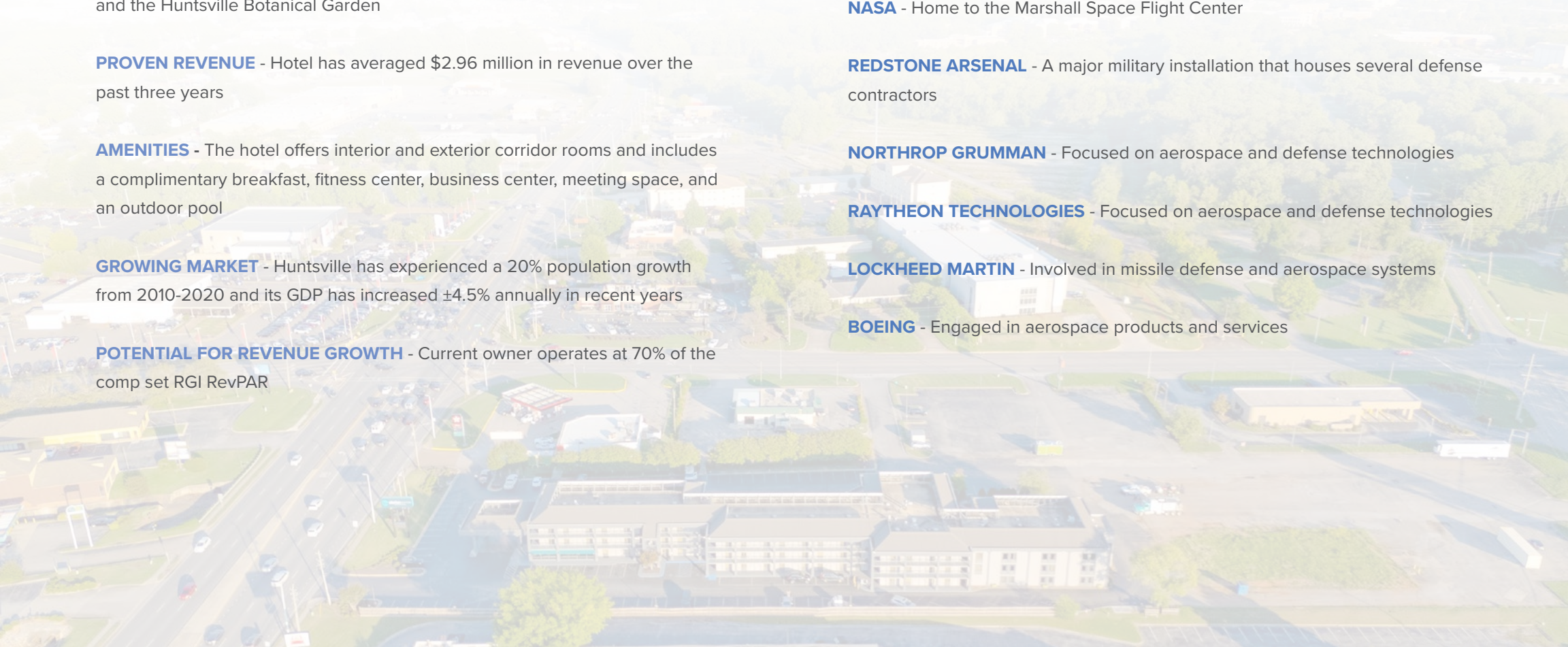
REDSTONE ARSENAL - A major military installation that houses several defense contractors

NORTHROP GRUMMAN - Focused on aerospace and defense technologies

RAYTHEON TECHNOLOGIES - Focused on aerospace and defense technologies

LOCKHEED MARTIN - Involved in missile defense and aerospace systems

BOEING - Engaged in aerospace products and services





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AREA OVERVIEW

HUNTSVILLE, ALABAMA

DEMOGRAPHIC HIGHLIGHTS WITHIN 5 MILES OF THE PRIMARY TRADE AREA



The city of Huntsville is situated in northern Alabama, predominantly in Madison County, and extends into the neighboring Limestone County to the west. As the largest city in the state, Huntsville is part of a growing metropolitan area with a population of over 1.2 million people, including more than 215,070 residents within the city itself. This dynamic growth and appeal have earned it recognition as one of the top places to live and work in the United States by various national publications. Known for its high quality of life, affordability, and economic opportunities, Huntsville is a standout city in the Southeast. Huntsville's thriving economy is anchored by its robust technology, space, and defense sectors. The city is home to several prominent institutions, including the U.S. Army's Redstone Arsenal, NASA's Marshall Space Flight Center, and Cummings Research Park—the second-largest research park in the country. Huntsville has been at the forefront of aerospace and rocketry for more than 50 years, with ongoing contributions to space exploration and defense technologies. This legacy of innovation has earned it the nickname "Rocket City" and solidified its reputation as a hub for advanced research and development.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2020 Population	5,247	49,492	116,865
2024 Population	5,607	54,492	125,919
2029 Projection	6,228	60,708	139,957
HOUSEHOLD	1-MILE	3-MILE	5-MILE
2020 Population	2,674	22,014	50,735
2024 Population	2,812	24,339	54,853
2029 Projection	3,128	27,287	61,292
INCOME	1-MILE	3-MILE	5-MILE
Avg Household Income	\$44,439	\$64,504	\$77,848

CUMMINGS RESEARCH PARK

±3.1 MILES FROM SUBJECT PROPERTY

Established in 1962, Cummings Research Park began as an idea during a brainstorming session between Dr. Wernher von Braun and a group of Huntsville community leaders. This conversation about the city amenities needed to attract business sparked the beginnings of Cummings Research Park, first known as Huntsville Research Park. The group set out to create a collaborative environment for companies who supported the ground-breaking governmental research on Redstone Arsenal. Brown Engineering was the first business to move into the Huntsville Research Park. The engineering firm, headed by Milton K. Cummings and Joseph C. Moquin, purchased a 100-acre lot in 1962 at the end of the dirt road that developed into what is known today as Sparkman Drive. As a founding business in Huntsville Research Park, Brown Engineering established their research laboratories and flourished. In 1967, Teledyne Incorporated of Los Angeles bought the engineering firm. The company, known today as Teledyne Brown Engineering still remains an anchor tenant in the Park.



360+
COMPANIES



3,843
ACRES



26,000+
EMPLOYEES



TIER-1
RESEARCH UNIVERSITY



826
PATENTS



13,500
STUDENTS

HUNTSVILLE ECONOMY

Huntsville, Alabama boasts a resilient and diversified economy that has solidified its reputation as a hub of innovation and industry in the southern United States. Anchored by its strong ties to the aerospace and defense sectors, the city is home to NASA's Marshall Space Flight Center and the Redstone Arsenal, fostering a thriving ecosystem of government contracts, research, and technology development. This foundation has not only created a robust job market but has also propelled the growth of cutting-edge startups and established corporations within the Cummings Research Park. Beyond its aerospace prowess, Huntsville's economy flourishes through education, with institutions like the University of Alabama in Huntsville contributing to scientific breakthroughs and skilled workforce development. Healthcare, manufacturing, and a lower cost of living further enhance its allure, making Huntsville an attractive destination for professionals seeking quality of life and economic opportunity. As the city continues to evolve, its economy remains a testament to the power of innovation, collaboration, and strategic economic diversification.

2022-2023 ECONOMIC DEVELOPMENTS

- The opening of the *Orion Amphitheater* in May was a transformative project. The venue attracted more than 150,000 people in its first season and was praised by artists who performed there, including Stevie Nicks, Jason Isbell, Dave Matthews Bands, and My Morning Jacket.
- The \$110 million *Anthem House* project, which includes 330 residential units, 20,000 square feet of office space, and 30,000 square feet of retail space, broke ground in September.
- In developments like *Jaguar Hills*, which provided brand-new single-family homes at previously unheard-of price points, residential expansion flourished in 2022. More housing complexes are being built along the Bob Wade Lane, Pulaski Pike, and Blue Springs corridors.
- The historic downtown of Huntsville is undergoing a growth boom unlike any other city area. *The Von Braun Center* had improvements this past year, and the *Auto-graph by Marriott*, a new hotel, is being built close to Big Spring Park.
- It is anticipated that work will start on the 11-acre mixed-use *Front Row Huntsville* development in the spring of 2023 at the former Big Springs Bottling facility. The project will be the most extensive downtown makeover, consisting of numerous eateries, shops, offices, residences in the loft style, and a hotel.
- *Toyota Manufacturing* announced a \$222 million investment in a Huntsville facility to develop a new line of four-cylinder engines.

LARGEST EMPLOYERS





Downtown Huntsville (4.4 Miles from Property)

Downtown Huntsville stands as a captivating blend of the past and the present, where history gracefully intertwines with modern vitality. Its charming streets are adorned with meticulously preserved architectural gems, offering glimpses into the city's storied past. This hub of activity pulses with the rhythm of cultural events, from live music reverberating through its venues to bustling markets where artisans display their creations. The culinary scene is a vibrant tapestry, weaving together flavors from around the world, while the tranquil expanse of Big Spring Park provides a serene escape amidst the urban landscape. Downtown Huntsville's thriving arts and innovation scenes converge, inviting exploration of galleries, theaters, and tech-centric spaces that mirror the city's forward-thinking spirit. Whether delving into history, indulging in culinary delights, or immersing oneself in the arts, Downtown Huntsville beckons with its eclectic allure and dynamic community energy.

U.S. Space & Rocket Center (2.6 Miles from Property)

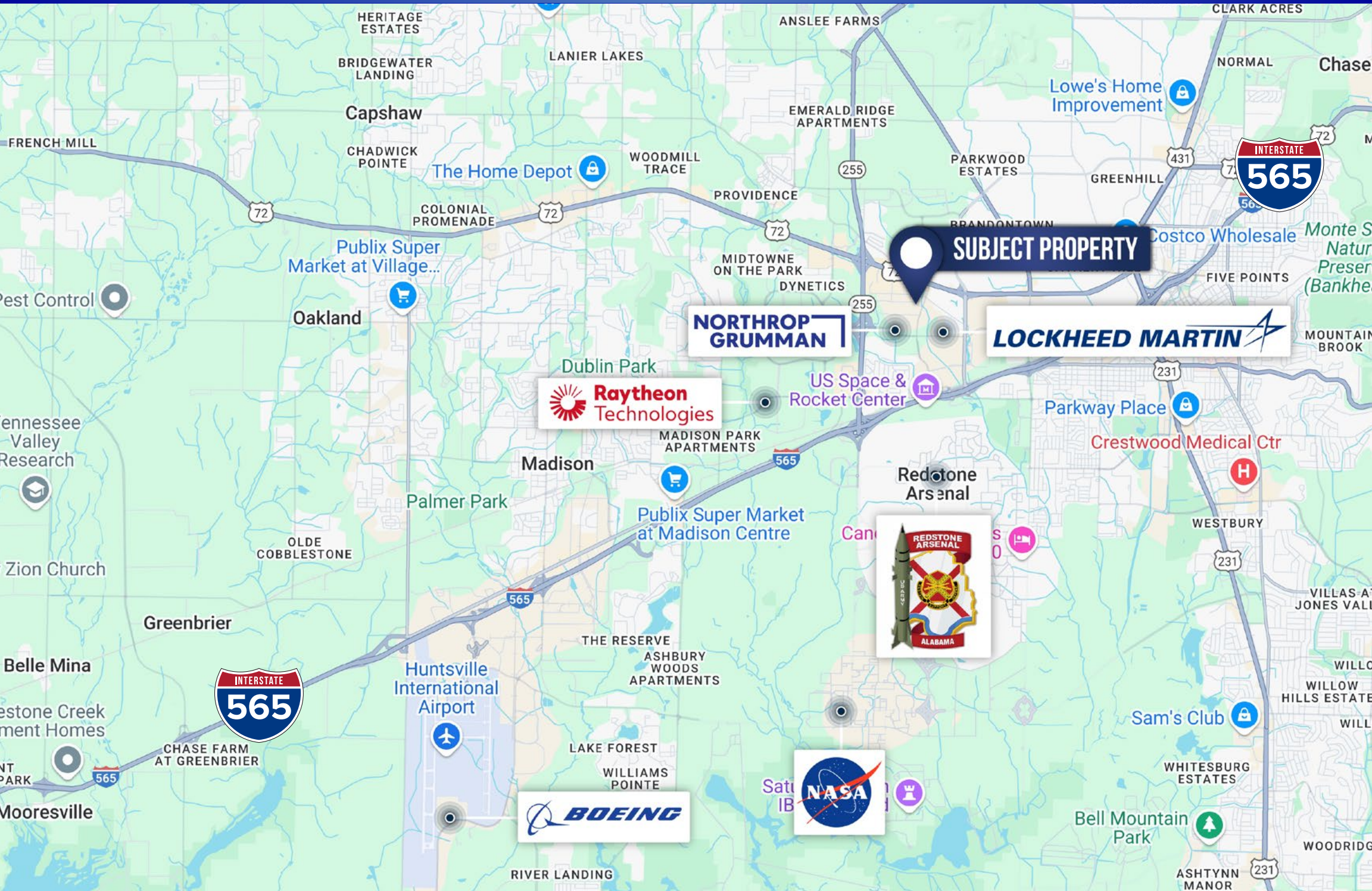
The U.S. Space & Rocket Center stands as a captivating testament to human ingenuity and exploration. Nestled in Huntsville, Alabama, this iconic institution is a mecca for space enthusiasts and curious minds alike. Its sprawling grounds house an awe-inspiring collection of historic rockets, spacecraft, and artifacts that chronicle humanity's journey beyond Earth's bounds. From the towering Saturn V rocket that propelled astronauts to the Moon to immersive simulations that offer a taste of space travel, the center fosters an unparalleled understanding of space science and technology. More than a museum, the U.S. Space & Rocket Center is a beacon of education, offering interactive exhibits and programs that ignite curiosity and inspire the next generation of innovators. Whether marveling at the achievements of the past or envisioning the limitless possibilities of the future, a visit to the U.S. Space & Rocket Center is an exploration of both our cosmic aspirations and the boundless potential of human discovery.



Huntsville Botanical Garden (2.5 Miles from Property)

The Huntsville Botanical Garden is a serene oasis that invites visitors to immerse themselves in the beauty and tranquility of nature. Nestled in Huntsville, Alabama, this 112-acre haven offers a diverse array of meticulously curated gardens, each a living canvas showcasing different themes, colors, and plant species. As one strolls through its paths, they are transported from lush tropical environments to serene Japanese gardens, fragrant herb gardens, and vibrant wildflower meadows. Beyond its botanical splendor, the garden hosts educational programs, workshops, and seasonal events that foster a deeper connection with the natural world. Families and individuals alike can find solace amidst its serenity or engage in hands-on learning experiences that celebrate the wonders of horticulture and conservation. With its scenic beauty and enriching offerings, the Huntsville Botanical Garden serves as a cherished destination for relaxation, exploration, and inspiration.

CORPORATE MAP | CLARION POINTE



SUBJECT PROPERTY

NORTHROP GRUMMAN

LOCKHEED MARTIN

Raytheon Technologies

Redstone Arsenal

BOEING





TOURSIM / LEISURE

KEY ATTRACTIONS AND EVENTS

U.S. Space & Rocket Center - The most famous attraction in Huntsville, featuring space artifacts, interactive exhibits, and the Saturn V rocket. It's ideal for space enthusiasts and families alike.

Monte Sano State Park - Known for its scenic views, hiking trails, and camping areas. This park is perfect for outdoor lovers looking to experience the beauty of the Appalachian foothills.

Huntsville Botanical Garden - A 112-acre garden with themed areas, nature trails, and seasonal displays. The butterfly house and children's garden make it a great destination for families.

Burritt on the Mountain - A unique historic park and museum offering stunning views of the city. Visitors can explore 19th-century homes, hike the surrounding trails, and learn about local history.

Huntsville Museum of Art - Showcases regional and national art, hosting various exhibits and educational programs.

Bridge Street Town Center - Outdoor shopping and dining area with a range of shops, restaurants, and entertainment options.



HIGHER EDUCATION

NOTABLE HIGHER EDUCATION PRESENCE

University of Alabama in Huntsville - A public university known for its engineering, science and business degrees located just two minutes from the hotel

Alabama A&M University - A historically black university known for its emphasis on agriculture, engineering, and education

Calhoun Community College - Provides associate degrees, technical programs, and workforce development training

Oakwood University - A private, Seventh-Day Adventist institution that offers programs with a focus on liberal arts and sciences



ENCORE MIDCITY APARTMENTS
244 UNITS

EXPRESS
OIL CHANGE
10 MINUTE SERVICE

HAVERTY'S
FURNITURE · EST 1885

sam's club

Stars and Strikes
GOLF & PLAY

TOPGOLF

DAVE & BUSTERS

Holiday Inn

BEST BUY HomeGoods JOANN urbanAIR ADVENTURE PARK

TRADER JOE'S

SUBARU

CHEVROLET

TWIN PEAKS

BW Best Western

InTown SUITES

WOODSPRING SUITES
AN EXTENDED STAY HOTEL

Pizza

metro
by T-Mobile

Shumaker
BICARBONATE

JIM'N NICK'S
BAR-B-Q

CAPTAIN D'S
SEAFOOD RESTAURANT

THE BOARDWALK

SHERWIN WILLIAMS

Replay Toys

THE JUICY SEAFOOD

BIG PAPA GYRO

Classy
BEAUTY SUPPLY

SUBJECT
PROPERTY

ROOMS
TO GO

UNIVERSITY DRIVE ± 55,700 VPD

LAQUINTA
INNS & SUITES

Tenders!
Where the chicken is hot!

CIRCLE K





THE UNIVERSITY OF ALABAMA IN HUNTSVILLE
9,237 STUDENTS



WYNN DR NW ± 14,900 VPD

SUBJECT PROPERTY



UNIVERSITY DRIVE ± 55,700 VPD





03

FINANCIAL OVERVIEW

PROPERTY OVERVIEW | CLARION POINTE

PROPERTY OVERVIEW

Property Name	Clarion Pointe Huntsville Research Park
Total Keys	154
Interior Keys	40
Exterior Keys	114
Address	4815 University Dr NW
City, ST	Huntsville, AL
Year Built	1986
Building Size	±79,796 SF
Lot Size	±2.46 AC
Daily Traffic Counts	55,000 VPD
5-Mile Population	125,000
5-Mile Household Income	\$77,900

CLARION POINTE

Brand	Choice
Hotel Location Type	Suburban
Market Name	Alabama North
Submarket Name	Huntsville
Flag	Clarion Pointe
Class	Upper Midscale
Corridor	Interior / Exterior
Number of Buildings	1
Stories	3
Amenities	Business Center, Fitness Center, Pool, Meeting Space
Demand Drivers	Interstate Travel, Retail, Tech Companies, Higher Education, Aerospace, and Defense Companies
License Term/Expiration	8 Years / 2032



FINANCIAL OVERVIEW | CLARION POINTE

CLARION POINTE RESEARCH PARK 2024 TRAILING 12-MONTH AUG

Number of Rooms	154
Available Rooms	56,210
Occupancy	53.30%
ADR	\$90.32
RevPAR	\$48.14
2024 TTM Room Revenue	\$2,705,981
Expense Load	73%
Expenses	\$1,975,366
TTM Net Operating Income	\$730,615

CLARION POINTE RESEARCH PARK 2023

Number of Rooms	154
Available Rooms	56,210
Occupancy	58.10%
ADR	\$94.76
RevPAR	\$55.06
2023 Room Revenue	\$3,094,673
Expense Load	73%
Expenses	\$2,266,483
Net Operating Income	\$828,190

CLARION POINTE RESEARCH PARK 2022

Number of Rooms	154
Available Rooms	56,210
Occupancy	64.30%
ADR	\$86.03
RevPAR	\$55.32
2022 Room Revenue	\$3,109,385
Expense Load	73%
Expenses	\$2,268,010
Net Operating Income	\$841,375

PRICING OVERVIEW

Price	\$9,700,000
Price Per Key	\$63,000

FOOTNOTES:

**Revenue pullback in 2024 is in line with overall RevPAR decline across the Huntsville and Alabama North markets

**Revenue expected to stabilize after Spring of 2025 per Costar forecasts

(1) Actual Expense load of 73% from both 2022 & 2023 applied to 2024 Trailing 12 Month

(2) Addbacks only include mortgage payment to show unlevered NOI

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property commonly known as **4815 University Dr NW, Huntsville, AL 35816** (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services™. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services™ has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

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2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

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A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.



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