

RED ROOF INN (UNIVERSITY)

2930 HOSPITALITY ST, TALLAHASSEE, FL 32303



EXCLUSIVELY LISTED BY:
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INVESTMENT OPPORTUNITY

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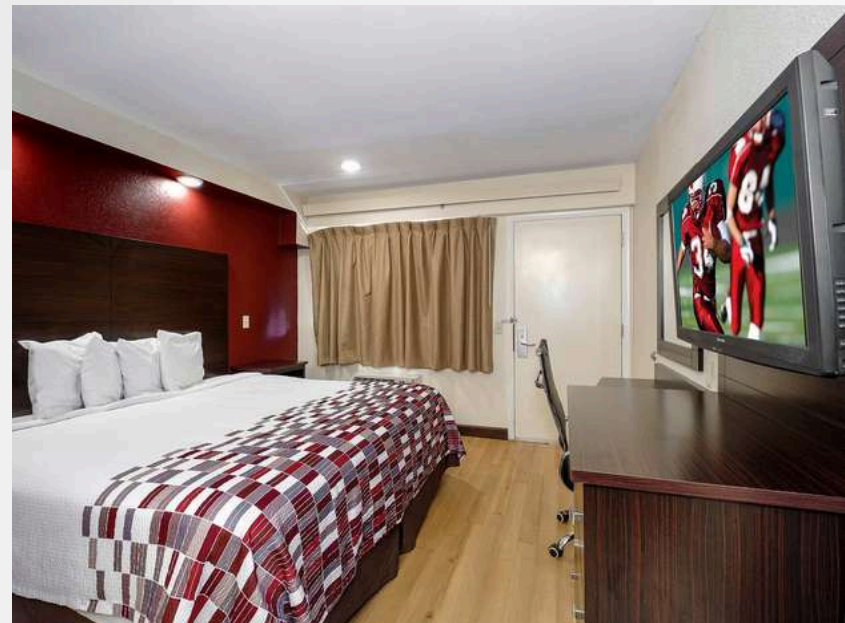


Investment Summary

Located in Florida's capital city, this hotel offering presents a compelling opportunity in one of the Southeast's most stable and institutionally driven lodging markets. Tallahassee serves as a vibrant capital city with a diverse economic base, anchored by state government employment, two major universities, and a growing healthcare sector — demand drivers that insulate the market from cyclical volatility common in leisure-dependent destinations.

The property benefits from consistent room night demand generated by Florida State University and Florida A&M University, together enrolling tens of thousands of students and drawing a steady flow of visiting faculty, families, athletic teams, and event attendees throughout the year. Government-related travel from state agencies and legislative sessions provides an additional layer of weekday occupancy support, while regional healthcare facilities and corporate accounts round out a diversified demand mix.

This offering is well-suited for a range of investor profiles — from experienced hospitality operators seeking stabilized cash flow to first-time hotel buyers entering the lodging industry, as well as owner-operators looking to capture operational upside through hands-on management. Qualified buyers may access financing through Conventional, SBA 7(a), or SBA 504 loan programs, broadening accessibility and enhancing potential leveraged returns.



Investment Highlights

With minimal to no PIP obligation anticipated at closing, buyers can deploy capital toward operations and value-add improvements rather than mandated brand-driven renovation, making this an efficient entry point into the Tallahassee lodging market.

Investment Highlights:

- Prime Tallahassee location with convenient access to major employment centers, state government offices, universities, healthcare facilities, and regional demand generators
- Benefits from educational demand generators like Florida State University & Florida A&M University
- Owner-operator or investment opportunity
- Suitable for: experienced hospitality investors seeking cash-flow potential, first-time hotel owners entering the lodging industry, and owner-operators seeking hands-on operational upside.
- Financing available for qualified buyers via conventional, SBA 7a, and SBA 504



Property Details

List Price	\$4,300,000
Brand	Red Roof
Location	2930 Hospitality St, Tallahassee, FL 32303
Submarket	Tallahassee
Building Size	43,524 SF
Lot Size	2.96 AC
Year Built	1985
Year Renovated	2024
Floors	2
Rooms	103
Property Condition	The property is fully renovated/updated per Red Roof brand standards



SWOT Analysis

STRENGTHS

Institutional Demand Base:

Positioned within reach of Florida State University, Florida A&M University, and the state capitol complex, providing consistent weekday and event-driven occupancy from government, academic, and healthcare travelers year-round.

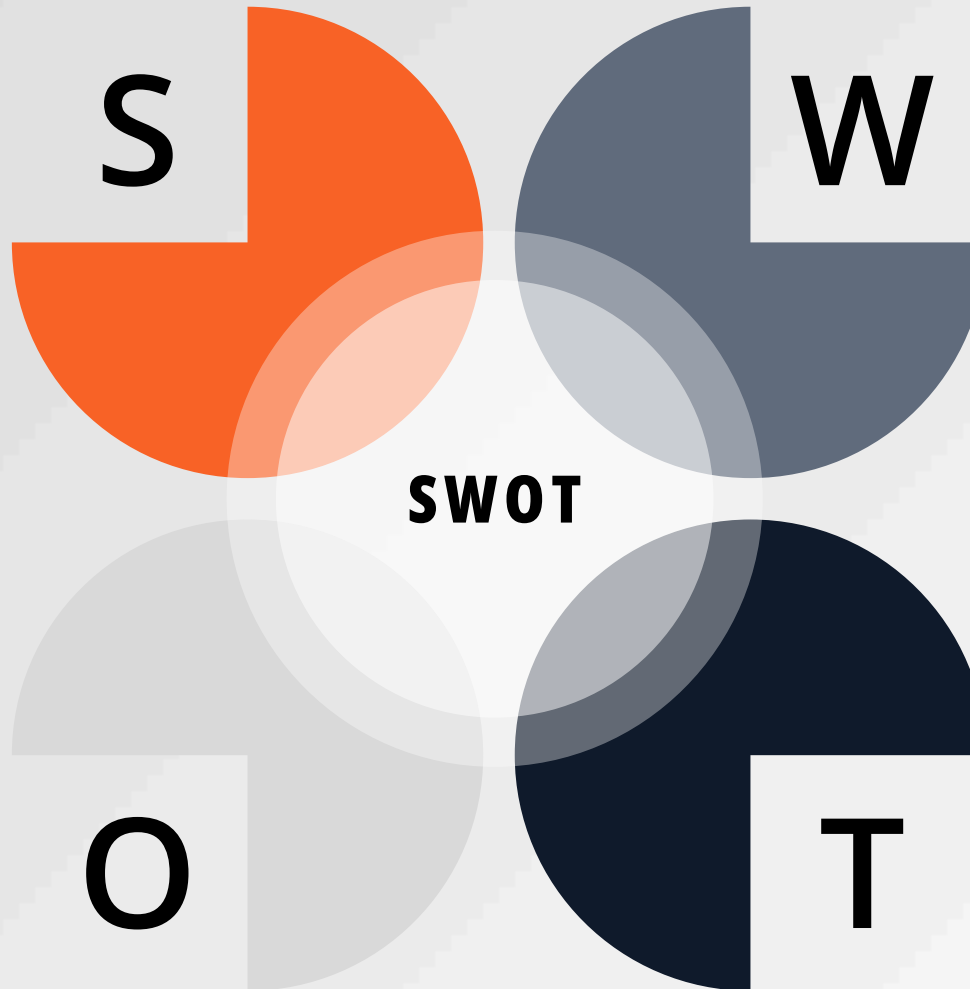
Minimal Capital Outlay: Little to no PIP requirement at closing allows ownership to focus resources on operations and revenue growth rather than mandated brand renovation spend.

OPPORTUNITIES

Owner-Operator Upside: A hands-on operator can drive NOI improvement through direct cost management, ancillary revenue capture, and tightening of operational inefficiencies common in absentee-owned assets.

Flexible Financing Structure:

Availability of SBA 7(a) and SBA 504 programs lowers the equity threshold for qualified buyers, expanding the buyer pool and supporting a competitive valuation at closing.



WEAKNESSES

Midscale Brand Perception: As an economy-tier flag, the property may face rate ceiling limitations in periods of elevated comp set demand, constraining ADR growth relative to select-service or branded midscale competitors.

Legislative Seasonality: Significant reliance on state government travel creates potential occupancy softness during legislative off-seasons and state budget cycles.

THREATS

Corridor Competition: Midscale and upscale properties along North Monroe create rate compression risk during off-peak periods outside Legislative Session and university events.

Franchise Exposure: Choice Hotels affiliation introduces potential PIP requirements at acquisition or refinancing, creating capital uncertainty for an incoming owner.



FINANCIAL SUMMARY

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Financial & Operational Summary

The Red Roof Inn (University) – Tallahassee is a 103-room economy asset that has maintained positive NOI across the trailing three-year period, ranging from \$307,853 to \$371,518. Room revenue has held between \$1.17M and \$1.29M, with modest occupancy and ADR softness consistent with broader submarket trends rather than any fundamental demand erosion. For an incoming owner-operator, the current financials represent a stable baseline with clear upside through occupancy recapture and disciplined expense management.

	Red Roof Inn		Rooms		103	
	Occupancy	ADR	RevPAR %	RevPAR Change	Room Rev.	NOI
2023	49.3%	\$69.43	\$34.25		\$1,292,639	\$367,790
2024	49.0%	\$68.36	\$33.50	-1.02%	\$1,394,245	\$371,518
2025	46.7%	\$66.85	\$31.25	-0.93%	\$1,413,145	\$307,853





MARKET OVERVIEW & PERFORMANCE

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Market Overview

The Tallahassee hospitality market is a high-volume, resilient lodging arena driven by consistent demand for both budget and midscale accommodations. Positioned as an inland capital city, the market is uniquely insulated from the typical seasonal fluctuations seen in coastal Florida, operating instead on a steady baseline of institutional, academic, and governmental cycles. Thanks to its strategic location along Interstate 10, the area serves as a critical stopover point for commercial crews, long-distance travelers, and regional motorists, ensuring a stable foundation of year-round occupancy.

The primary demand for this market is anchored by three powerful structural pillars: higher education, state governance, and sports tourism. Florida State University (FSU) and Florida A&M University (FAMU) draw over 70,000 students, generating massive county-wide compression nights during graduations, move-in weeks, and home football games. This academic demand is heavily supplemented by weekday corporate and lobbying travel during the Florida legislative session, alongside a rising influx of event travelers drawn by major regional sports and entertainment spectacles.

Future booking growth will be driven by more than \$225 million in public and private capital improvements currently transforming the Tallahassee area. Key projects include the construction of the new International Processing Facility at Tallahassee International Airport to unlock global travel routes, an expanded amphitheater concert series designed to boost weekend leisure stays, and ongoing industrial development from major corporate players like Amazon. Backed by Leon County's aggressive investments in sports tourism and infrastructure, these developments ensure an expanding pipeline of both domestic and international visitors to the immediate submarket.



Educational Demand Drivers

Florida State University

Florida State University (FSU) is a public research institution located in Tallahassee, Florida, established in 1851. As one of the state's oldest and largest universities, FSU is recognized as a preeminent research university by the Florida Legislature. The campus is celebrated for its stunning, traditional brick architecture, massive oak trees, and vibrant student life centered around the historic Westcott Building and Landis Green. FSU serves over 44,000 total campus students. It has an additional 1,482 students at its Panama City branch and 427 in the Republic of Panama.



Tallahassee State College

Widely recognized for its exceptional academic programs and stands out as a top feeder school to nearby Florida State University and Florida A&M University. Through specialized transfer tracks, students can easily transition into prestigious university programs after earning their associate degree. Beyond university transfers, TSC provides a robust selection of career and technical certificate programs designed to meet local employment demands. Currently, the college supports 12,455 undergraduate students. Over 60% of its students now come from outside its immediate local three-county service district.



Florida A&M University

A public, historically Black land-grant university located in Tallahassee, Florida, established in 1887. Affectionately known as FAMU, it is the only public HBCU in the state of Florida and is widely recognized as a top-ranked public HBCU in the country. The university boasts nationally recognized programs in pharmacy, business, architecture, and journalism, and operates a highly collaborative joint College of Engineering alongside Florida State University. FAMU has a steady undergraduate enrollment of 7,890. It continues to hold the rank as the number one public HBCU in the nation. During the 2025–2026 school year, the total enrollment at Florida A&M University (FAMU) reached 10,028 students.



Market Data

TALLAHASSEE SUBMARKET

The Tallahassee hospitality submarket is currently defined by an aggressive inventory expansion, shifting demand metrics, and a transition from a highly seasonal college town into a resilient, year-round institutional lodging destination. Driven by its unique tri-party demand engine, state government, major universities, and burgeoning sports tourism—the submarket is attracting significant national hotel development and institutional capital.



DEMOGRAPHICS				DEMAND GENERATORS DISTANCE FROM PROPERTY	
Population	2 MILES	5 MILES	10 MILES	Tallahassee Memorial HealthCare	2.7 miles
2025 Population	36,864	153,868	270,935	Florida State University	4.0 miles
Annual Growth 2020-2025	0.1%	0.1%	0.5%	Florida State Capitol	4.1 miles
Annual Growth 2025-2030	0.3%	0.2%	0.3%	Donald L. Tucker Civic Center	4.1 miles
Median Age	30.4	29.6	32.6	HCA Florida Capital Hospital	4.2 miles
Bachelors Degree or Higher	39%	42%	44%	Doak S. Campbell Stadium	4.5 miles
Households & Income	2 MILES	5 MILES	10 MILES	Florida A&M University	5.4 miles
2025 Households	16,408	64,916	112,533	Tallahassee State College	5.8 miles
Average Household Size	2.1	2.1	2.2	Tallahassee International Airport	9.5 miles
Median Home Value	\$234,850	\$277,121	\$312,707		

Market Performance

SUBMARKET KEY METRICS

*Data is from May 2026.

INVENTORY	SUBMARKET MIDSCALE & ECONOMY	SUBMARKET	
Inventory Rooms	2,365	6,788	
Existing Buildings	37	76	
Under Construction Rooms	0	206	
Under Construction Buildings	0	2	
SALES	SUBMARKET MIDSCALE & ECONOMY	SUBMARKET	
12 Mo Transactions	2	3	
12 Mo Sales Volume	\$6.2M	\$14.2M	
Market Sale Price/Room	\$60.8K	\$133K	
Market Cap Rate	10.1%	9.1%	
PERFORMANCE	SUBMARKET MIDSCALE & ECONOMY	SUBMARKET	FORECAST AVERAGE
12 Mo Occupancy	55.4%	62.2%	63.4%
12 Mo ADR	\$81.64	\$131.67	\$143
12 Mo RevPAR	\$45.25	\$81.85	\$91

Tallahassee comprises 76 hotel properties, which contain around 6,800 rooms. Among the subtypes, there are 350 Luxury & Upper Upscale rooms, 4,100 Upscale & Upper Midscale rooms, and 2,400 Midscale & Economy rooms in Tallahassee.



PROPERTY STR PERFORMANCE

	Occupancy	ADR	RevPAR
2023	49.3%	\$69.43	\$34.25
2024	49.0%	\$68.36	\$33.50
2025	46.7%	\$66.85	\$31.25
Dec 2025 YoY % Change	-4.6%	-2.2%	-6.7%

	Occupancy Index	ADR Index	RevPAR Index
2023	110.4%	93.1%	102.8%
2024	104.6%	91.7%	95.8%
2025	101.3%	90.6%	91.7%

The Tallahassee lodging market reflects a government-and-university-driven demand base — steady, institutionally anchored, and insulated from the volatility typical of leisure-heavy markets. The property has consistently outperformed the submarket on an occupancy index basis, and with zero new Midscale & Economy supply under construction, the competitive landscape supports stabilization. Modest RevPAR compression over the trailing three years is not atypical for an asset of this positioning, and for a disciplined owner-operator, the current performance profile represents a recoverable baseline with meaningful upside through occupancy recapture and hands-on expense management.



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Parcel Outline





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Professional Background

Jigar joined NewGen Advisory in 2017, focusing on hotel and lodging transactions across the Southwestern U.S. His unique ability to connect buyers and sellers while balancing their financial needs makes him an invaluable asset to clients.

Growing up in the hotel industry, Jay has a deep understanding of hotel operations. Prior to joining NewGen, he worked in financing and lending at a national bank, gaining insights and connections to help clients secure financing for complex assets.

Jay graduated from the University of Arizona in 2011 with dual degrees in Finance and Real Estate from the Eller College of Management. He is an ambassador and member of the Asian American Hotel Owners Association (AAHOA) and holds certifications from Choice Hotels and Best Western.

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