Historic Boutique Hotel & Loft Redevelopment
400-Space Municipal Parking Garage

244 - 252 Broad St. Kingsport, TN 37660

Sale: $1,570,000

Where Fortune 500 Business Travel Meets 12M+ Smoky Mountains Travelers

Boutique Hotel Opportunity — The Rate Data Supports the Concept

Downtown Kingsport has no boutique hotel. Not one. The city's lodging supply is concentrated in highway-corridor select-service product — and even that stock is commanding rates that make the boutique math work. Kingsport's leading branded hotels currently publish nightly rates of $130 to $137, with the market averaging approximately $116 across all properties. During compression events — Bristol Motor Speedway race weekends and Kingsport's Fun Fest, which draws visitors from across the region — published rates climb past $210 per night, proving the market absorbs premium pricing whenever supply tightens.

Now compare the peer markets. Nashville's Davidson County hotels averaged a $199 daily rate at 67% occupancy in 2025. Franklin and Brentwood's Cool Springs corridor — a suburban select-service market with more than 6,000 hotel rooms — typically prices between $120 and $170 per night, with peaks well above $230. Kingsport's top-of-market rates are already within striking distance of Cool Springs product, **while the acquisition basis in downtown Kingsport is a fraction of Williamson County land and construction costs.** The rate gap is narrow; the basis gap is enormous. **That spread is the opportunity.**

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PASSIVE INVESTMENTS
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A differentiated historic-building hotel at this corner would not compete on rate with highway select-service stock — it would establish its **own tier.** In comparable secondary markets, boutique conversions in historic downtown cores routinely price **$30 to $60 above the local branded average,** driven by guests who choose character, walkability, and a downtown address over an interstate exit. With Broad Street's restaurants, entertainment venues, and the momentum of 2,500 new downtown residential units, the demand drivers for exactly that guest are already in place.

The Stripped Second Floor Is the Substantial Improvement Path

For Opportunity Zone investors, the building's configuration is a rare advantage: the second floor is already stripped to shell, presenting a **pre-defined substantial improvement path** for Qualified Opportunity Fund compliance. Rather than demolition risk and discovery surprises, the redevelopment scope is visible from day one — guest rooms above, lobby, food and beverage, and street-level activation below. Combined with the downtown incentive stack — TIF, PILOT, KEDB façade and redevelopment grants, and Tennessee Main Street programs — the capital stack for a boutique hospitality project here is stronger than the raw purchase price suggests.

Whether repositioned as a **boutique hotel, luxury loft apartments, mixed-use residential, creative office, or hospitality-driven redevelopment**, few properties in Downtown Kingsport offer comparable scale, visibility, accessibility, and redevelopment flexibility in an **opportunity zone.**

Positioned on one of Downtown Kingsport's most prominent intersections, **244-252 Broad Street** presents a rare opportunity to acquire a **±25,043-square-foot** historic mixed-use building with immediate income, exceptional redevelopment potential, and arguably one of the strongest boutique hotel sites in the downtown market.

Among Downtown Kingsport's historic commercial inventory, few buildings appear better positioned for boutique hotel redevelopment. Several characteristics distinguish this opportunity: This highly visible downtown corner at Broad & Center combines historic character with exceptional redevelopment potential. The property features immediate access to adjacent structured public parking, a passenger elevator, and an expansive ±8,000+ SF second floor that has been stripped and is ready for redevelopment. Located within the walkable restaurant and entertainment district.

Collect $4,000 Monthly Rent During Build-out

Rate data reflects published pricing from major hotel booking platforms and market research sources as of mid-2026 (Nashville Convention & Visitors Corp; Booking.com; Trivago; Priceline; Trip.com; Visit Franklin and is provided for illustrative purposes only. Figures for the Kingsport and Franklin/Brentwood markets are not STR- or CoStar-audited market ADR. Prospective purchasers should conduct their own hospitality feasibility analysis and verify all market data, incentive eligibility, and Opportunity Zone requirements with their own qualified advisors.

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Need up to 50,000 SF? Combine with 255 Broad Street across the street: [Link to 255 Broad St]

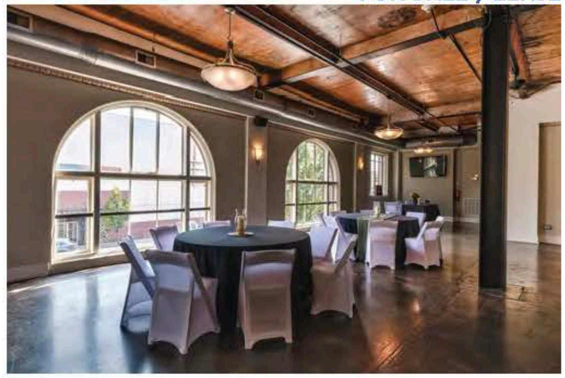
Urban Lofts, Boutique Hotel & Signature Rooftop Bar

Historic Landmark Downtown - Signature Spaces

FOR SALE / LEASE

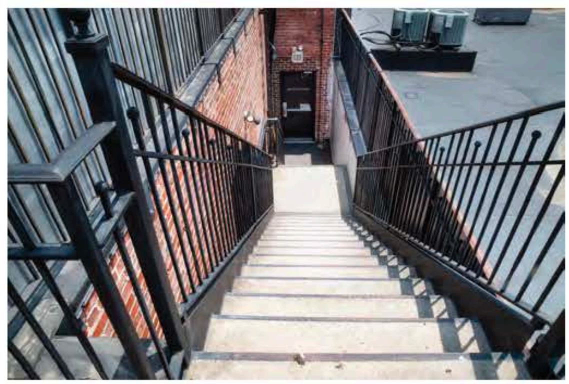
Turnkey Event Center

The second-floor event venue features a commercial kitchen, beautiful arched windows, abundant natural light, and impressive downtown views. The space is immediately suitable for weddings, corporate events, private functions, conferences, or hospitality expansion.



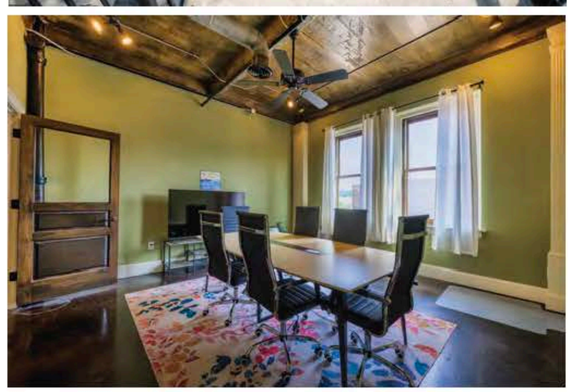
Historic Cellar

Rather than a traditional basement, the property features a character-rich historic cellar complete with elevator access and the original bank vault. The space is perfectly suited for a signature hospitality concept including a speakeasy, craft cocktail lounge, whiskey bar, wine cellar, tasting room, cigar lounge, private club, or exclusive event venue.



Rooftop Deck

One of Downtown Kingsport's premier rooftop opportunities, the expansive rooftop offers panoramic city views and tremendous potential for a rooftop restaurant, cocktail bar, lounge, event venue, or private hospitality space.



Upper Floors

Large open floor plates, abundant natural light, exposed brick, and high ceilings create an ideal environment for luxury loft apartments, boutique hotel rooms, executive offices, creative workspaces, or mixed-use redevelopment.

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Why Kingsport — Steady Growth Without the Boom-Bust Risk

Kingsport's steady, measured growth is its quiet advantage. Fast-growing markets like Nashville often **overbuild during boom cycles** and **pay for it in vacancy** spikes. Kingsport doesn't carry that risk. Commercial fundamentals here are unusually tight across every sector — Office at 4.0% vacancy, Retail at 1.5%, and Multifamily at 5.6%, all outperforming national averages.

Kingsport buying power per dollar of retail rent is 10% to 24% higher than Knoxville, Nashville, and Asheville, NC. This metric is critical: rent is ultimately funded by tenant revenue, which is directly tied to the purchasing power of the surrounding population. In Kingsport, that relationship is more favorable.

Construction Cost & Grant (DIG) Program

The same **construction-cost advantage** shown for multifamily holds true for retail and remodel work. Kingsport hard costs run meaningfully below peer markets across the board, and when paired with incentives — Opportunity Zone tax advantages, façade improvement **grants** and the **City's Redevelopment Grant** and **Downtown Loan programs** — projects achieve a superior basis and stronger risk-adjusted returns.

Whether the buyer is repositioning the existing *asset as a Hotel, Loft, F&B, or retail space* or doing a full top-to-bottom remodel, the cost to build is substantially more affordable than what the same project would carry in **Chattanooga, Knoxville, Nashville, or Asheville.**

	Multifamily	
City	Cost to Build ($/sq ft, hard cost)	Cost to Build per Unit (1,000 sq ft)
Kingsport	**$175**	**$175,000**
Chattanooga	$200	$200,000
Knoxville	$210	$210,000
Nashville	$245	$245,000
Asheville, NC	$235	$235,000

Facade Grant - Potential Renovation with NEW Windows

Façade Program Application

The purpose of the Facade Grant Program is to encourage the revitalization of building facades and to improve the aesthetics of the city's Central Business District with grant assistance through the Kingsport Economic Development Board (KEDB), for the City of Kingsport, Tennessee.

Redevelopment Program Application

The purpose of the Redevelopment Grant Program is to encourage the revitalization of building sites with special emphasis on improvement of the aesthetics in the city's Central Business District with grant assistance through the Kingsport Economic Development Board (KEDB), for the City of Kingsport, Tennessee. Special emphasis is given to projects pertaining to the Central Business District, however; the grant is applicable to all parts of the city.

Visit the city website to learn more or click here: **https://www.kingsporttn.gov/ecd/incentives**

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Premier Downtown Location — Broad & Center

Located at the intersection of **Broad Street and Center Street**, the property occupies one of the highest-profile commercial corners in Downtown Kingsport. The surrounding district continues to benefit from ongoing public and private investment while attracting new restaurants, breweries, retail concepts, galleries, entertainment venues, and residential redevelopment.

The building sits **immediately adjacent to one of Downtown Kingsport's newest public parking garages** — an amenity rarely available to historic downtown redevelopment opportunities. More than **1,800 public parking spaces** are available throughout Downtown Kingsport.

The block is surrounded by regional and national operators including **Starbucks, Food City, Beef 'O' Brady's, Truist, First Horizon Bank, Regions Bank, HomeTrust Bank, and CrossFit**, with City Hall, restaurants, retail, and downtown employers all within an easy walk.

Offered at **$1,570,000** (approximately **$63 per square foot**), the property occupies a highly visible corner at **Broad Street and Center Street** — benefiting from outstanding vehicular exposure, walkability, and a location **immediately adjacent to a newly constructed public parking garage**, solving the hurdle that stalls most downtown hotel projects.

The first floor has already undergone significant redevelopment and is leased to a diverse mix of destination-oriented tenants, while the expansive **±8,000+ SF second floor has been stripped to its shell** and prepared for redevelopment — substantially reducing future construction costs.

Kingsport's B-2 Central Business District zoning provides one of the city's broadest commercial use classifications, allowing future owners considerable flexibility as market demand evolves.

Existing Income — Active, Destination-Oriented First Floor

The first floor provides immediate cash flow through an established mix of experiential and destination-oriented tenants, including:

- **Kingsport GellyBall** — experiential entertainment concept drawing families and groups downtown
- **The Bagel Exchange** — daily food-and-beverage traffic and morning foot traffic anchor
- **Impressions Fine Art Gallery** — destination retail and cultural draw - month to month lease

These businesses create consistent activity throughout the day while activating the street frontage and enhancing the property's long-term redevelopment appeal. An investor can continue collecting rental income while planning a phased redevelopment of the upper level. Rent roll and financials are available upon execution of a confidentiality agreement (NDA) — contact the listing agent.

Second Floor Value-Add — Stripped & Redevelopment-Ready

The approximately **8,000+ square-foot** second floor has already been stripped to its structural shell, significantly reducing demolition costs and accelerating redevelopment timelines. Potential strategies include boutique hotel guest rooms, luxury residential lofts, executive apartments, creative office suites, event space, and mixed hospitality concepts. The existing historic structure offers generous ceiling heights and architectural character that are increasingly difficult to replicate through new construction.

Notably, the stripped second floor pairs naturally with an Opportunity Zone strategy: OZ rules generally require **substantial improvement** to the property after purchase, and this building already has its improvement runway defined — the second floor is the project.

Historic Asset with Limited Competition

Historic downtown buildings represent an inherently limited asset class. Unlike suburban commercial developments, additional historic inventory cannot be created. As Downtown Kingsport continues attracting new residents, businesses, restaurants, and visitors, existing historic buildings become increasingly valuable because of their authenticity, walkability, and redevelopment flexibility.

At approximately **$63 per square foot**, the property provides investors the opportunity to acquire a premier downtown corner at a basis significantly below replacement cost.

Downtown Residential Momentum

Demand for quality downtown residential product continues strengthening throughout Kingsport. Over **1,200 residential permits** have been issued in the last five years, resulting in approximately **2,500 new residential units** downtown and nearby — a growing built-in customer and workforce base for street-level retail, hospitality, and services.

One recent example is the historic **Sterchi Suites** condominium development at **217 Broad Street**, where a residence sold in July 2026 for approximately **$265 per square foot**, demonstrating buyer demand for renovated historic downtown living. While every project differs and future values cannot be guaranteed, the transaction reflects continued investor and buyer interest in adaptive reuse projects throughout Downtown.

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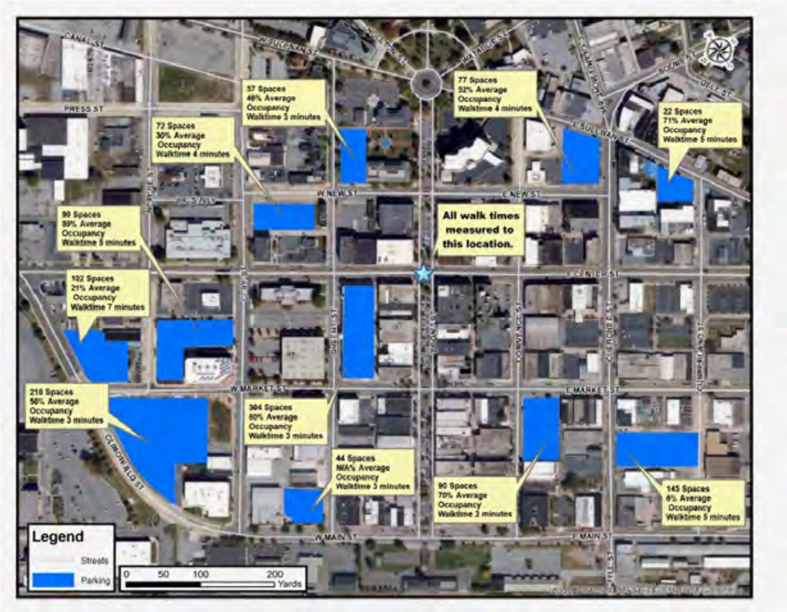
Nearby 364 - Space Parking Garage, 3 Min. Walk (~100 Yards Away)

Click Video

1,800+ public parking spaces in Downtown Kingsport

Click Map



Downtown Broad Street Video

Click Video

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$294M Capital Improvement Plan 2025–2029

Kingsport, Tennessee Infrastructure & Beautification City Scapes / "Rebuild" Initiatives

Kingsport, Tennessee, is currently undergoing significant infrastructure and beautification efforts aimed at revitalizing its downtown and enhancing public spaces. These projects, often referred to as city scapes or "rebuild" initiatives, focus on modernizing infrastructure while improving aesthetics and quality of life.

1. Main Street Rebuild Project

Scope: Revitalizing the downtown area from Market Street to Sullivan Street. **Status**: Ongoing for roughly two years. (Picture Above). Replace aging infrastructure, stabilize the road base, enhance the aesthetic appeal of the downtown corridor. Key improvements include new water, sewer, and stormwater lines, utilities moved underground, stamped brick crosswalks, landscaping, and bulb-outs.

2. Downtown Public Art & Aesthetic Enhancements

- **Vinyl Wraps**: In June 2024, new vinyl wraps were installed on utility boxes featuring local history (funded by a Tennessee Arts Commission grant).
- **Downtown Master Plan**: Comprehensive plan developed by TSW Design to guide the creation of a vibrant downtown for future generations.

3. Other Major City Upgrades

- **Riverwalk Park Expansion**: $7.8 million grant from the BlueCross BlueShield of Tennessee Foundation to add new amenities along the 11-mile Greenbelt.
- **Bays Mountain Park**: Renovations to update the nature center, expand the gift shop, and restore the observation tower.
- **Street Resurfacing**: $2.5 million project covering streets including Moreland Drive and Fall Creek Road (expected completion in 2025).
- **Scott Adams Memorial Skatepark**: New, improved skatepark planned for Brickyard Park.

4. City Visioning & Future Development

- **"Only Kingsport" Campaign**: Continues to promote the city as the “City of Originals,” highlighting unique attractions such as the hand-carved carousel and outdoor adventures.
- **Residential Growth**: Over 1,200 residential permits issued in the last five years, resulting in approximately 2,500 new residential units.
- **Industrial & Commercial Growth**: Includes redevelopment of the Dobyns-Taylor Warehouse and expansion of the IMAX theater at Fort Henry Mall.

For the most up-to-date information, visit the City of Kingsport’s official engineering project page or the dedicated Main Street Rebuild Project website.

Just Sold? Turn That Gain Tax-Free.

Roll capital gains from the sale of a property, a business, or crypto into a Qualified Opportunity Fund — defer the tax you owe now, and pay $0 on the growth.

WHAT COUNTS AS AN ELIGIBLE GAIN

Property

Sold a rental, land, or another appreciated property and have a capital gain.

A Business

Sold a company, partnership stake, or other business interest at a profit.

Crypto & Stocks

Cashed out crypto, stock, or other appreciated assets — short or long term.

HOW IT WORKS

1. **Realize a capital gain** from selling property, a business, or crypto.
2. **Reinvest within 180 days** into a Qualified Opportunity Fund (QOF).
3. **Hold for 10 years** and the growth on that investment is never taxed.

WORKED EXAMPLE — SALE OF A PROPERTY OR BUSINESS

— You sell a rental property or your business and walk away with a **$1,000,000 capital gain.**

— Reinvest that $1,000,000 into a Qualified Opportunity Fund within 180 days — the tax on the **gain is deferred.**

— Hold the fund for 10 years. Say it grows to **$2,500,000.**

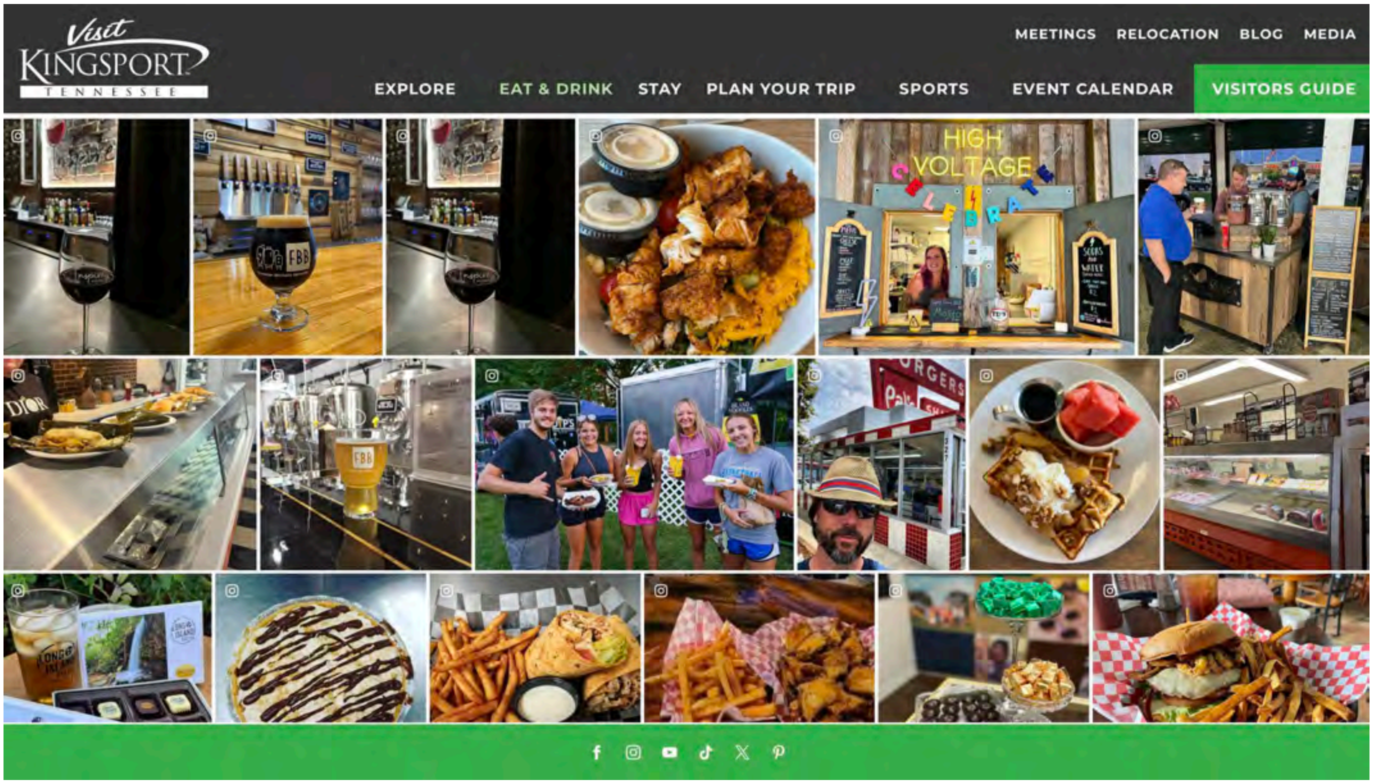
— That $1,500,000 of appreciation is **100% tax-free. You owe nothing on the growth.**

Illustrative only. The original gain is deferred, not erased; the 10-year exclusion applies to the new growth.

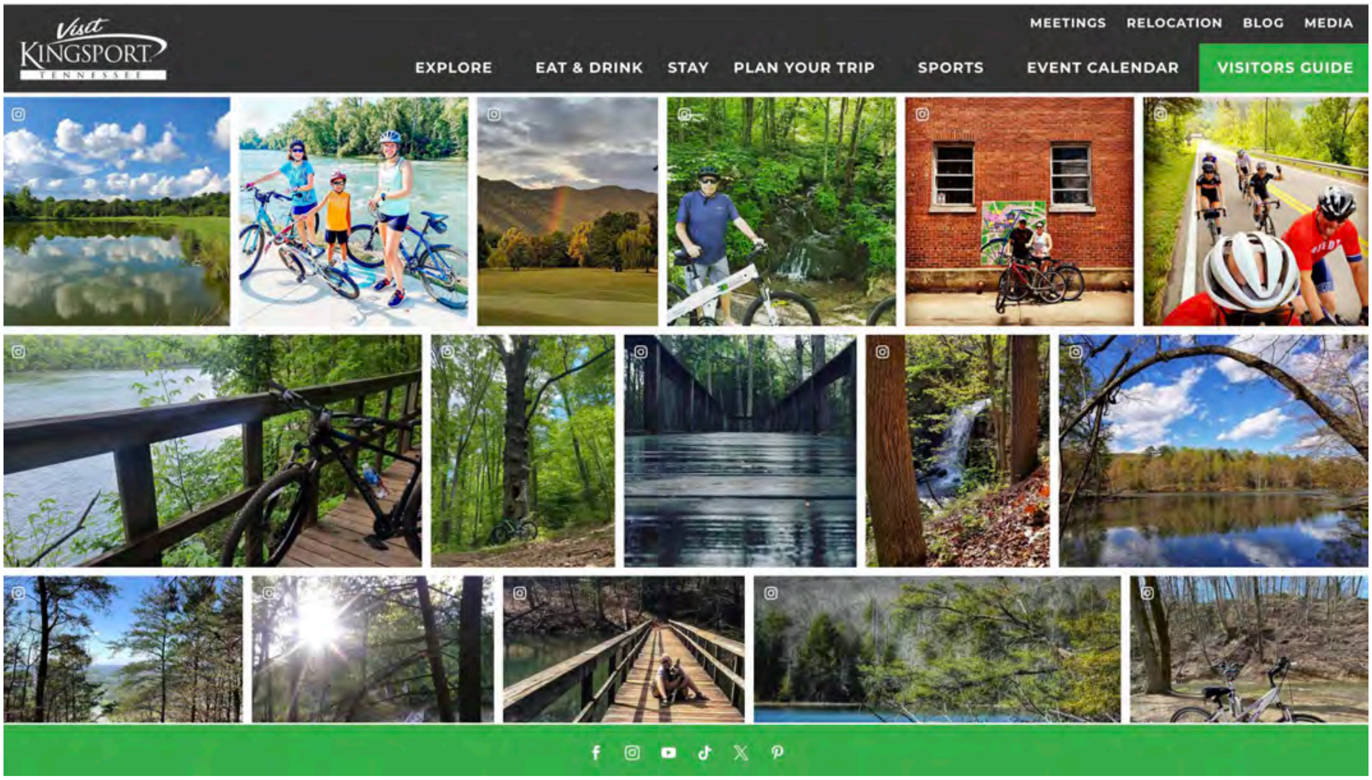
NOW PERMANENT. The 2025 federal tax law made Opportunity Zones a permanent part of the tax code.

Note: a house “flip” itself usually produces ordinary income, which does not qualify — Opportunity Zone treatment requires a capital gain. This is general information, not tax or investment advice; confirm your situation with a qualified CPA.

Explore Kingsport, TN dining at https://visitkingsport.com/eat-drink/



Discover Kingsport, TN outdoor Activity at https://visitkingsport.com/explore/category/outdoors/



Dollywood (Pigeon Forge) — roughly 1 hour 34 minutes by car.

Smoky Mountains National Park — North Entrance 90 Miles

5 Minutes to Trout Fishing

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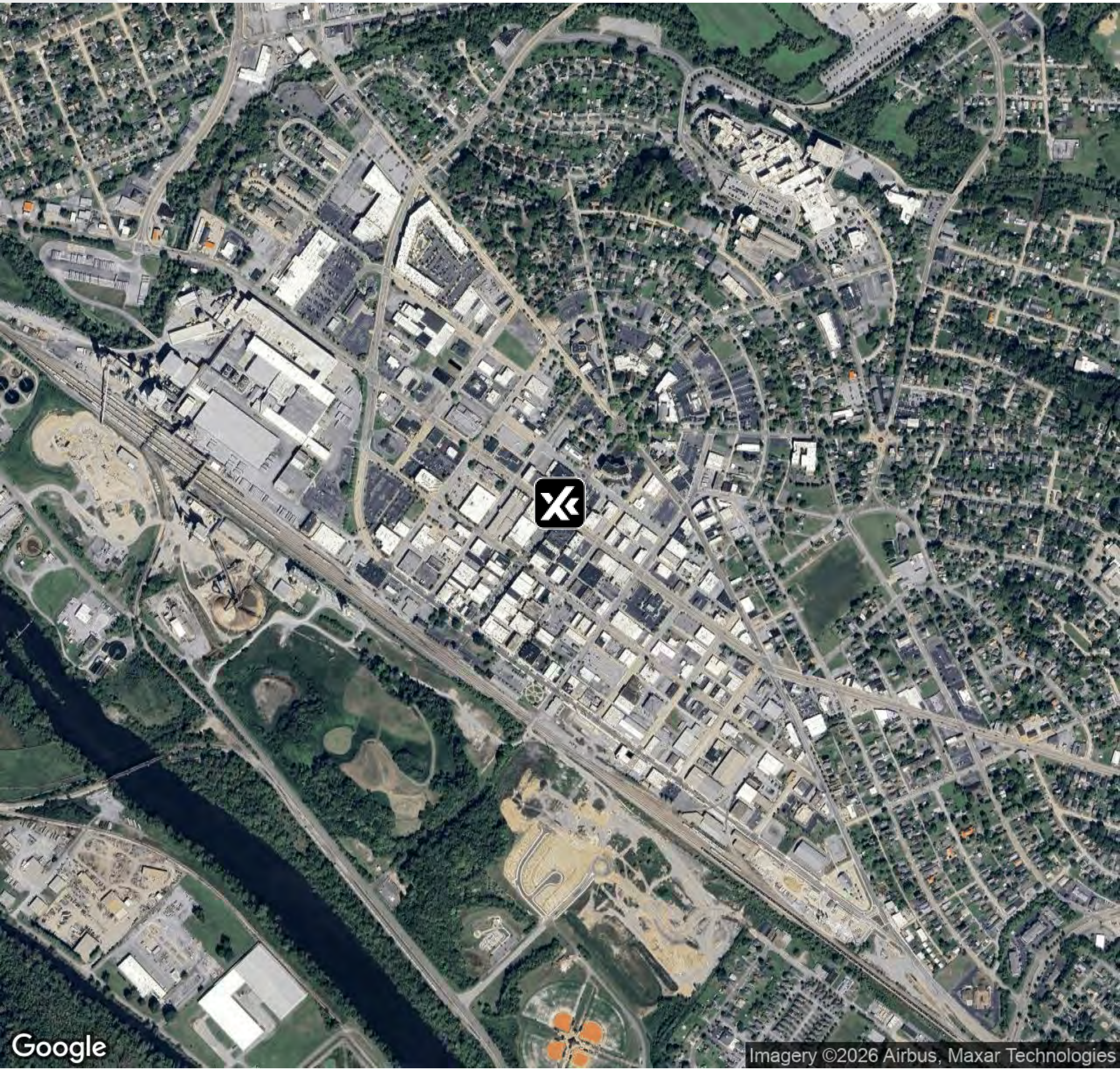
Aerial Map

FOR SALE



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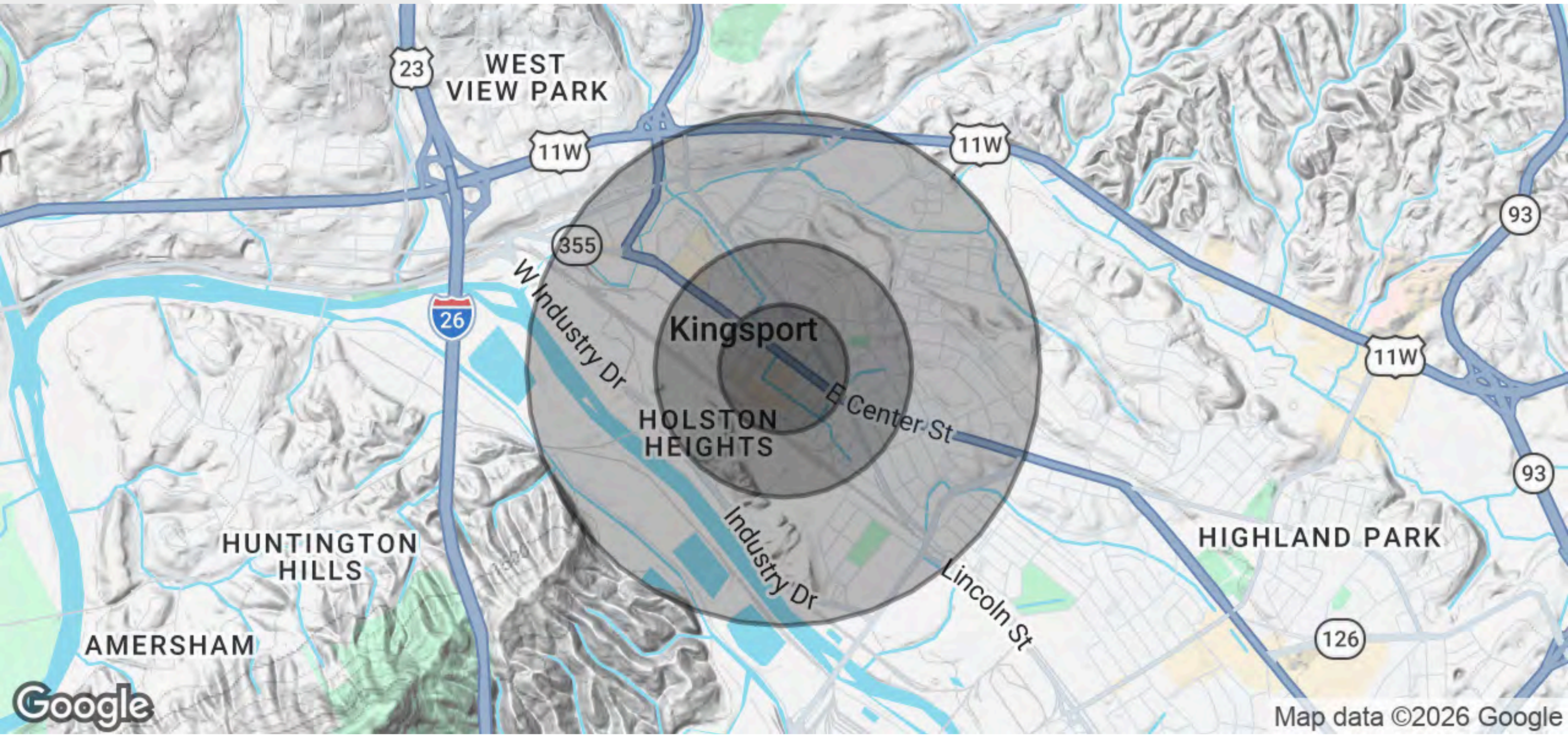
Demographics Report

FOR SALE



POPULATION	5 MILES	10 MILES	20 MILES
Total Population	68,168	115,655	287,747
Average Age	43.2	44.9	44.3
Average Age (Male)	42.3	43.9	42.9
Average Age (Female)	44.7	46.2	45.6

HOUSEHOLDS & INCOME	5 MILES	10 MILES	20 MILES
Total Households	29,874	49,948	121,107
# of Persons per HH	2.3	2.3	2.4
Average HH Income	$75,345	$81,794	$77,733
Average House Value	$205,833	$244,585	$248,060

2023 American Community Survey (ACS)

Disclaimer: All information contained herein has been obtained from sources deemed reliable; however, no representation or warranty is made as to its accuracy. Prospective purchasers should verify all square footage, zoning compliance, tenant occupancy, lease terms, and permitted uses with the appropriate authorities and their own professional advisors. Any references to 1031 exchange treatment are for illustrative purposes only; Section 1031 carries specific identification and closing deadlines and requirements, and prospective investors should consult their own qualified intermediary, tax advisor, attorney, and CPA before making any investment decision.

Disclaimer: Any references to; 1031 Exchanges, DST, or Opportunity Zone benefits, are provided for informational purposes only and reflect a general summary of the cited statutes and regulations as written. They are not tax or legal advice, are not a guarantee of any tax treatment or outcome, and do not account for any individual's circumstances. Opportunity Zone, 1031, and DST provisions carry specific deadlines and conditions and are subject to change by legislation or regulation. Prospective investors should consult their own qualified tax advisor, attorney, and CPA before making any investment decision

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