



**Preston  
Rowe  
Paterson**

International  
Property Consultants  
and Valuers



**IN THIS ISSUE**

**Sales**

2020 Hotels & Leisure  
Transactions

4

**Transactions in Review**

**Hotels & Leisure  
2020**



## **ABOUT THIS REPORT**

Preston Rowe Paterson prepare research reports covering the main markets within which we operate in each of our capital cities and major regional locations.

This report summarises major reported transactions within these markets whilst adding transactional analysis to provide greater market insight.

The markets covered in this research report include the commercial office market, industrial market, retail market, specialised property market, hotel and leisure market, residential market and significant property fund activities.

We regularly undertake valuations of commercial, retail, industrial, hotel and leisure, residential and special purpose properties for many varied reasons, as set out later herein.

We also provide property management services, asset and facilities management services for commercial, retail, industrial property as well as plant and machinery valuation.



Sales Transaction



Rental Transaction



### Sydney Hotel

A Taiwanese family has acquired a newly developed nine-level freehold property comprising 60 hotel rooms for **\$28.7 million**,

### Hobart Hotel

A strata building comprising serviced apartments on the historic Elizabeth Street Pier has sold to an interstate buyer for **\$30.1 million**.

## HIGHLIGHTS

### Melbourne Hotel

Thailand's *Savetsomphob family* has struck a deal to purchase the new Vibe Hotel Melbourne for **\$108 million**.



# Hotels & Leisure

## Central Hills Drive, Gregory Hills NSW 2557

- \$40 million
- 5.5% Yield
- \$2,920 per sqm lettable area

*Hotel Property Investments* has broken its long acquisition drought with the purchase of the Gregory Hills Hotel in Sydney's south west. The property sold in conjunction with the Acacia Ridge Hotel in Brisbane's south east in a \$20 million dollar deal. Both transactions were struck on initial 5.5% yields and with 12 year leases in place. HPI will fund the acquisitions through a \$30 million fully underwritten institutional equity raising, a \$5 million security purchase plan and debt. The hotel property investors have reaffirmed its fiscal 2020 distribution guidance of 20.7c per security. (AFR 27.02.20)

## 131-133 Murray Street, Pyrmont NSW 2009

- \$28.7 million
- \$478,333 per room

A Taiwanese family has acquired a newly developed nine-level freehold property comprising 60 hotel rooms. The property, standing on a 280 sqm site, offers 60 newly developed rooms with areas between 14 and 16 square metres. It was leased for 10 years to Singapore based serviced apartment company MetroResidences, which is backed by Japanese electronics group, Rakuten, at the time of sale. Pyrmont is located approximately 2 km west of the Sydney CBD. (AFR 04.03.20)

## 4 Franklin Wharf, Hobart TAS 7000

- \$30.1 million
- 5.5% Yield
- \$6,155 per sqm lettable area

A strata freehold building on the historic Elizabeth Street Pier has sold to an interstate buyer for **\$30.1 million**. The Tasmanian State Government sold the waterfront property on a **5.5% yield**, which had previously been used as a warehouse until the late 90s when it was strata subdivided into 64 lots. The sale included 61 strata lots sold in one line and comprised 56 serviced apartments, 5 commercial tenancies, a conference centre and hospitality venues. Even amid the current Coronavirus pandemic the campaign fielded a total of 140 enquiries. The deal was struck at a **rate of \$6,155 psm of lettable area**. (AFR 23.03.20)





### 1 Queen Street, Melbourne VIC 3000

\$108 million

\$524,272 per room

Thailand's *Savetsomphob family* has struck a deal to purchase the new Vibe Hotel Melbourne for **\$108 million**. The sale represents the families second Australian hotel acquisition in the past six months. The deal was reported to have been agreed into pre COVID-19. The 23 storey hotel is located on the corner of Flinders and Queen Street and comprises 181 rooms and 26 suites. Developer and vendor, *Caydon*, sold the hotel on a **rate of \$524,272 per room**. (AFR 03.07.20)

### 269 Macquarie Street, Liverpool NSW 2170

\$43 million

\$40,490 per sqm of site area

*The De Angelis family* has bought the Macquarie Hotel in the Liverpool CBD for **\$43 million**. The property was the last asset sold in the private equity backed *Monarch Hotels Fund*. The hotel stands on a 1,062 sqm site and includes a bistro, 17 hotel rooms, a bottle store, function space and 30 electronic gaming machines over two levels. The deal was completed on a **rate of \$40,490 per sqm of site area**.

(AFR 20.08.20)

### The Courthouse Hotel, Darlinghurst NSW 2010

\$22 million

The Courthouse Hotel has changed hands for the first time in 30 years in a **\$22 million** deal with investment group *Moelis*. The four level venue at Taylor Square will be refurbished by *Moelis* as they look to re-establish the precinct. The acquisition will be funded through the newly established *Moelis Australia Courthouse Fund*. (AFR 22.11.20)

### 200 Creek Street, Brisbane QLD 4000

\$67.9 million

\$229,392 per room

A *Singapore based hotel trust* has sold the Novotel Brisbane for **\$67.9 million** to *Thai investors*. The 4.5 star hotel comprises 296 guest room, outdoor swimming pool, business centre, gym and restaurant. Vendors, *M&C REIT Management Limited* cited near term challenges created by COVID-19 as motivation for divestment. The hotel has delivered a rental yield of at least 7.8% a year since 2010. The deal was struck on a **rate of \$229,392 per room**. (AFR 22.10.20)

### 3 Campbell Street, Haymarket NSW 2000

\$26 million

\$276,596 per room

A strata titled hotel in the Sydney CBD has sold to Malaysia's *Mah family* for **\$26 million**. The 94 room mid-scale hotel is the first hotel to be sold in the Sydney CBD since the start of the pandemic. The hotel sold at a \$2 million discount to its February valuation on a **rate of \$276,596 per room**.

(AFR 21.10.20)

### Accor Portfolio

\$180 million

\$100,000 per room

Private hospitality group *Iris Capital* has acquired a portfolio of 17 Ibis Hotels from *Accor Invest* for about **\$180 million**. The portfolio had been originally sold last year to *iProsperity* before the deal collapsed. The portfolio comprises 17 freehold hotel and almost 1,800 rooms of which 12 are in NSW, 3 in Victoria, 1 in Canberra and 1 in Brisbane. The deal was struck on a **rate of \$100,000 per room**. (AFR 26.11.20)



**Preston  
Rowe  
Paterson**

## Our Research

At Preston Rowe Paterson we take pride in the extensive research we prepare for the market sectors within which we operate in. These include Commercial, Retail, Industrial, Hotel and Leisure and Residential property markets, as well as Infrastructure, Capital, Asset, Plant and Machinery markets.

## We have **property** covered.

## We have **clients** covered

Preston Rowe Paterson acts for a diverse range of clients with all types of property needs, covering real estate, infrastructure, asset, plant and machinery interests, these include:

- Accountants, auditors & insolvency practitioners
- Banks, finance companies & lending institutions
- Commercial & residential non-bank lenders
- Co-operatives
- Developers
- Family Offices
- Finance & mortgage brokers
- Hotel owners & operators
- Institutional investors
- Insurance brokers & companies
- Investment advisors
- Lessors & lessees
- Listed & private companies & corporations
- Listed & unlisted property trusts
- Local, state & federal government departments & agencies
- Mining companies
- Mortgage trusts
- Overseas clients
- Private investors
- Property syndication managers
- Real Estate Investment Trusts (REITS)
- Rural landholders
- Solicitors & barristers
- Sovereign wealth funds
- Stockbrokers
- Superannuation funds
- Trustee & custodial companies.

## We have **real estate** covered

We regularly provide valuation, advisory, research, acquisition, due diligence management, asset and property management, consultancy and leasing services for all types of Real Estate, including:

- Metropolitan & CBD commercial office buildings
- Retail shopping centres & shops
- Industrial, office/warehouses & factories
- Business parks
- Hotels (accommodation) & resorts
- Hotels (pubs), motels & caravan parks
- Residential developments projects
- Residential dwellings (houses/apartments/units)
- Property Management
- Rural properties
- Hospitals & aged care
- Special purpose properties
- Extractive industries & resource based enterprises
- Infrastructure including airports & port facilities.

## We have **asset, plant and machinery** covered

We regularly undertake valuations of all forms of asset, plant and machinery, including:

- Mining & earth moving equipment/road plant
- Resort & accommodation, hotel furniture, fittings & equipment
- Office fit outs & equipment
- Farming equipment
- Transport equipment
- Industrial/factory equipment
- Licensed club furniture, fittings & equipment
- Building services equipment (lifts, air conditioning, fire services & building maintenance equipment).

## We have your **needs** covered

Our clients seek our property (real estate, infrastructure, asset, plant and machinery) services for a multitude of reasons, including:

- Acquisitions & Disposals
- Alternative use & highest and best use analysis
- Asset Management
- Asset Valuations for financial reporting to meet ASIC, AASB, IFRS & IVSC guidelines
- Compulsory acquisition and resumption
- Corporate merger & acquisition real estate due diligence
- Due Diligence management for acquisitions and sales
- Facilities management
- Feasibility studies
- Funds management advice & portfolio analysis
- Income & outgoings projections and analysis
- Insurance valuations (replacement & reinstatement costs)
- Leasing vacant space within managed properties
- Listed property trust & investment fund valuations & revaluations
- Litigation support
- Marketing & development strategies
- Mortgage valuations
- Property Management
- Property syndicate valuations & re-valuations
- Rating and taxing objections
- Receivership, Insolvency & liquidation valuations & support/advice
- Relocation advice, strategies and consultancy
- Rental assessments & determinations
- Sensitivity analysis
- Strategic property planning.

## We have all **locations** covered

From our capital city and regional office locations we serve our client's needs throughout Australia. Globally, we have three offices located in New Zealand, as well as associated office networks located in the Asia-Pacific region.

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## Asia-Pacific Region

### Associated office networks throughout:

**China** via China Appraisal  
<http://www.appraisalchina.com/>

**Japan** via Daiwa Realty Appraisal  
<http://daiwakantei.co.jp/eng/about>

**Thailand** via Capital and Co.  
<http://www.cpmcapital.co.th/>

**Philippines** via Cervo Appraisal Incorporated  
<http://cervoappraisers.com.ph/>





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We have **property** covered.

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