

Jervis Bay Motel Huskisson sold for \$5.2m

Exclusive agency **Tourism Property** has announced another major regional hotel sale, transacting the Jervis Bay Motel in Huskisson as a freehold going concern. Agent Matt Davidson put the deal together and reports genuine competition for the asset.

“After the success of the motel renovations in 2015, the owner achieved a DA approval for the construction of an additional 18 rooms. He had been approached by a number of parties over the years about selling and decided to put the property on the open market before Christmas. I’ve actually been working with the vendors for close to 10 years as they grew the motel business and pursued development options”, said Matt.

All parties are reportedly very pleased with the deal. An achieved price of \$346,666 per motel room is an excellent result for a regional location and Mr Davidson says this reflects the strong interest in both the region and in tourist accommodation as an asset class.

“The 15 room motel sits on premium main street land with water views and offers over 500 square metres of vacant land with a favourable zoning for future re-development”.

Settlement was on Friday 16th February at \$5.2m and the new owners were excited to have their first motel fully booked for the Huskisson Triathlon. The new owners see great opportunities for the already successful motel.

A spokesman for the new owner explained their rationale for investing in their first motel.

“Especially with the significant upgrades to the M1 Princes Motorway already achieved at Gerringong and Berry and with the coming improvements at Nowra including the duplication of the bridge, we feel that Huskisson is just getting more and more accessible to Sydney. Huskisson has been a premium real estate market for many years and property here is always hotly contested. We’re very pleased to be expanding into motels and are passionate about helping to build the tourism industry in the region”.

Matt Davidson comments on this niche market.

“Hotels and motels are very tightly held as the underlying property fundamentals are generally strong. The 2nd half of 2017 and this new year period has seen limited numbers of tourism properties on the market in NSW while buyer numbers are growing, so this increased competition for properties certainly helps with these high value and more complex deals. We continue to see increased demand from investors pushing into regional markets to achieve the yields not available in capital cities and in other asset classes”.

The sale of the Jervis Bay Motel further cements **Tourism Property** as the premier hospitality agency in the Illawarra.

“We’ve settled over \$30 million worth of hotels in the past 15 months and have current listings in advanced stages of negotiation totaling another \$22.0m – all between Wollongong and Jervis Bay.

“Obviously we’re very proud to be operating in the Illawarra, but as the agency expands into 2018 we’ll be spreading across NSW and are now also licensed in the ACT. Our focus is on high-end transactions where we can add most value.

Images are available, please request

- - Continues below - -

About the agency:

Tourism Property is the brainchild of Matt Davidson, former chairman of Destination Wollongong and 20+ year hospitality management veteran.

Based in Wollongong and operating throughout NSW, plus in conjunction with partner agencies in QLD, VIC and New Zealand, Tourism Property is a boutique agency specializing in the sale of substantial tourism assets.

"We've been lucky enough to handle some substantial deals in our own backyard with Sebel Kiama, Comfort Inn Fairways, Jamberoo Resort and now Jervis Bay Motel – all quite complex matters and with great results achieved in all cases. The business is now in it's 2nd full year and is growing quickly. We're working closely with partners interstate and overseas and taking a fresh, collaborative approach to the property side of tourism.

"We're focused on a boutique approach – taking on a small number of listings, getting a real understanding of the property and business to find the best approach for vendors and really working hard to build a reputation for delivering results.

"It's all built on the genuine hospitality service I've always known – purchasers are responding really well and vendors are impressed with the professional marketing and our tenacious commitment to succeed. There's no better motivation than starting a new business and having to really work hard to establish yourself and impress people".

Matt was awarded the prestigious ACES Award for Excellence in Accommodation Management in 2011. During his more than 10 years running a very successful hotel management and consultancy firm, Matt came to identify a gap in the market for transaction services, particularly for regional tourism assets.

"Tourism asset transactions are so completely different to typical real estate work", says Matt. "Successful sales campaigns take planning and persistence. Tourism assets are often among the most valuable businesses in any city - these are complex transactions that require skill, diplomacy, commitment and dedication. Properly understanding the business is the only way to be able to portray it's true worth and potential to buyers".

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