

FOR IMMEDIATE RELEASE

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Major renovation commences as new owners re-invigorate an Illawarra favourite

Regional hotel brokers **Tourism Property** have announced another substantial hotel sale, transacting the **Jamberoo Resort** as a freehold going concern. The sale price was not disclosed; however, it is understood offers received were in the vicinity of \$5.0m. Managing Director Matt Davidson explains what it took to sell the property for the second time.

“Jamberoo Resort has a long history as a wedding, function and accommodation centre and sadly fell into disrepair around 2012 with the bank lenders taking possession of the property. Since then, two owners have come and gone with the business failing to fire. These assets are typically valued primarily on profit, so when income is below par, we really have our work cut out.

We sold the property back in December 2017 off-market and this time we were able to employ some discreet marketing, which along with direct approaches to buyers from our database, generated considerable interest prior to Christmas. We conducted onsite inspections for at least 50 buyers, which is unprecedented, however without a strong established income and a list of capital works, it’s always a tough task to find the right buyer. Having done this twice at Jamberoo now, we think there’s strong proof there is always a buyer for every asset when we work hard enough”.

The 43 room resort sits on nine (9) acres, has a large restaurant and seven (7) conference rooms, plus a formal wedding garden, full sized tennis court and much more. It is claimed that the 25 metre pool was constructed in the 1970’s for the Australian Olympic swim team training camps. Originally known as “Uncle Tom’s Hut” (Onkle Tom’s Hutt), the property also boasts of being the first venue in Australia to hold an Oktoberfest event.

The new owners took possession in early April and have wasted no time commencing renovations.

“There was a substantial amount of unused floor space here and we’ve already refurbished many of those spaces”, said a representative of new owners Jamberoo Resort Management Pty Ltd. “We’re using local tradespeople from Jamberoo, Kiama, Shellharbour and Wollongong.

There is such great potential here, but everything needed work. We are taking advantage of the current shutdown to freshen everything up to offer a genuine 4 star resort experience when we re-open. We’re also upgrading WiFi, security and technology throughout the property”.

A full refurbishment of the swimming pool and tennis court is nearly complete and work is underway to open a dedicated Yoga and Wellness centre, plus a Day Spa, Gymnasium with Sauna and Steam Room and Jacuzzi, plus a complete refurbishment of the large conference centre.

“The restaurant has been closed here for many years, we are bringing the two kitchens back online and look forward to again offering breakfast and dinner, plus professional catering for weddings and functions”, explained the new owner. “Guests continue to enquire for weddings and group bookings for 2021, so we are very enthusiastic about the future. Being so close to Sydney is a huge advantage and having the Shellharbour Airport just 10 minutes away, we will be marketing the property in Melbourne and Brisbane. Of course, the resort is also nearby to Jamberoo Action Park and has great accommodation and facilities for families – this will again be a key market.”

Tourism Property Managing Director Matt Davidson comments on this niche market in the Covid19 crisis.

“Hotels and motels have been very tightly held in the past three years as the underlying property fundamentals are generally strong. With close to zero bank interest on offer, yields on all asset classes remain tight and this has caused an increase in demand from investors pushing into regional markets to achieve the yields not available in capital cities.

The Covid19 crisis has seen accommodation all but shut down across Australia. It would be easy to think this creates an instant shift from a sellers market to a buyers market, but not so. We’re definitely seeing increased buyer activity and also some more motivation from vendors, but we don’t foresee large numbers of forced sales. What we’ve found is when buyers and sellers agree to consider creative strategies and negotiate on terms, mutually satisfying results can be achieved. There are no easy deals out there, but buyers and sellers are suddenly closer together”.

About the agency:

Tourism Property is the brainchild of Matt Davidson, former chairman of Destination Wollongong and 25 year hospitality management veteran.

Based in Wollongong and operating throughout NSW and the ACT, 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. The business is now in its 5th year and has handled numerous deals in the \$2.0m - \$15.0m price bracket.

“We were lucky enough to get started on some substantial deals in our own backyard with Sebel Kiama and Comfort Inn Fairways – both quite complex matters and with great results achieved in both cases.

“We’re focused on a boutique approach to the property side of tourism – taking on a small number of listings, getting a real understanding of the business and the property to find the best approach for vendors and really working hard to keep building our reputation for delivering results.

“It’s all built on the genuine hospitality service I’ve always known – purchasers respond really well and vendors are impressed with the professional marketing and our tenacious commitment to succeed – whatever it takes. It might be our 5th year, but we’re committed to work like it’s day one every day and we never miss a chance to impress clients”.

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 a regional 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 its true worth and potential to buyers".

Tourism Property has now settled well over \$50 million worth of accommodation properties between Wollongong and Batemans Bay.

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