



CASE STUDY

Railz on Regent, 56 Regent Street, Redfern

NSW | Hotel | Public Auction

“Railz on Regent” is a two story hotel located on a 322.5m²* land parcel, situated on the corner of Regent Street and Redfern Street, Redfern.

Originally a commercial bank building, the extensively renovated hotel enjoys high pedestrian and vehicular traffic and was offered for sale as a freehold going concern.

The ground floor consists of the main bar, cellar, male and female amenities, bottle shop, gaming room with 25 EGM's (including smoking solution), office and garage.

The first floor includes function area/bistro, male and female amenities, pool room, outdoor smoking balcony and access via two internal stairways.

The Vendor was an interstate operator that was divesting of all of their hotel assets in preparation for retirement. His mandate to us was to secure a purchaser that would be willing to pay the best possible price and deliver an unconditional contract of sale.

Taking into consideration the Vendors requirement the property was heavily marketed for a four week period and submitted to public auction on the 1st of November 2013. From the marketing we were able to generate 33 enquiries and had 14 people actively perusing the online data room.

We felt confident that we would be able to attract unconditional bids at auction on this hotel because it was an easy asset to conduct due diligence on. On the day of the auction we had four bidders that attended in the room and 2 bidders that were participating over the telephone.

Bidding started at \$5,500,000 and quickly rose to \$6,500,000, where it passed in, below where we suspected the highest bidder might eventually pay. Immediately after the auction we were able to increase the best offer by \$300,000 in exchange for a six month settlement period, which was graciously accepted by the seller.

Sales Analysis*

Sale Price:	\$6,800,000
Enquiries:	33
Auction Date:	1 st November 2013
Settlement Terms:	6 months from contract date
Tenure Type:	Freehold Going Concern

Sale Process*

Process:	Public Auction
Marketing Time Frame:	4 Weeks
Vendor:	Spanky Hotel Group
Marketed By:	Andrew Jolliffe and Blake Edwards



Hotels Australia

Contact Agents

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