PRESS RELEASE

Savills Advises on Major Australian Hotel Transaction

5 February 2024

Savills Hotels is pleased to announce the sale of the Four Points by Sheraton Melbourne Docklands Hotel. The A$96 million off-market transaction that was brokered through Savills Hotels Mark Durran and Nik Sasic via a confidential off-market international sale process.

MA Financial has entered into binding agreements to acquire the hotel from Singapore based company Hiap Hoe Limited's subsidiary Meteorite Land (Pearl River) Pty Ltd.

The 4.5-star hotel opened in 2017 and features 273 luxurious modern rooms, conference facilities, pool, restaurant and bar.

Mark Durran, Managing Director – Hotel Capital Markets at Savills Australia and New Zealand said: "We would like to thank our client Hiap Hoe for entrusting us with this important mandate and we congratulate MA Financial on this exciting acquisition for their new hotel fund."

Mr. Durran said "Investor confidence in Melbourne Hotels is growing. Melbourne is one of the most active hotel markets at present and this is the third major hotel transaction the Savills Hotels team have successfully delivered for our clients over the past 12 months."

In 2023 Savills also brokered the sale of Batman's Hill on Collins, a 190-room hotel at 623 Collin Street.

Mr. Durran said "Despite the high level of new supply additions of recent years Melbourne offered investors one of the strongest upside opportunities given Melbourne is nearing the end of the current development cycle with the large increases in construction costs over the past three years presenting major barriers to new hotel developments. Recovery in international visitation throughout 2024, Melbourne's extensive events calendar, and corporate demand will all underpin demand growth this year."

Nik Sasic, Executive, Hotels at Savills Australia and New Zealand said, "Four Points by Sheraton Melbourne Docklands is located close to Marvel Stadium, the waterfront entertainment precinct, and the District Docklands Shopping Mall, an area of Melbourne undergoing growth rejuvenation and development which bodes significant future growth for immediately located accommodation."

"Melbourne's Hotel Market continues to recover with RevPAR growth in the year to December 2023 16.4% above the prior year. Melbourne has historically demonstrated its ability to soak up and absorb past new hotel openings and this market characteristic of resilience continues to provide confidence to investors," added Mr. Durran.

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Notes to Editors:
Savills is a global real estate services provider listed on the London Stock Exchange. Savills operates from over 600 owned and associate offices, employing more than 39,000 people in over 70 countries throughout the Americas, the UK, Europe, Asia Pacific, Africa and the Middle East, offering a broad range of specialist advisory, management and transactional services to clients all over the world. www.savills.com.au or www.savills.com. Follow @SavillsAus for the latest Australian and global real estate news and research.