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By Marc Pallisco

Invictus boosts Australian hotel portfolio



Nine months after entering the Australian market with plans to build a c\$500 million hospitality portfolio, Singapore's Invictus Developments, backed by Indonesia's billionaire Karim family, has snared another asset, this time in Brisbane's Spring Hill.

The Inchcolm by Ovolo at 73 Wickham Terrace is setting the group back \$25 million from the operator's recently launched asset management arm, TriO Capital.

The deal comes a fortnight since Invictus bought Sydney 39 York Street from the Bank of China for \$52.5m – well under the c\$80m-plus guide when it was listed last September.

The buyer plans to repurpose the 15 level, 4412 square metre space as a guesthouse at a \$30m cost.



Sydney's ex-Bank of China office is set for a \$30 million repurposing.

In 2022
meanwhile,
Invictus bought
Brisbane's
Quest
Woolloongabba,
for \$48.3m.

The company's
first Australian
hotel purchase,
nine months
ago, was
Sydney's c1887
Harbour Rocks,
which cost
c\$40m from the
Magid family,
which founded
Twisties.



Inchcolm by Ovolo Hotel

Built into a c1930
Georgian revival
office, the five level,
5-star Inchcolm by
Ovolo contains 50
guest rooms,
conference facilities,
a restaurant and
basement car
parking.

CBRE's Wayne Bunz
and Steve Carroll
brokered the off-
market deal; the pair
are also publicly
marketing The
Woolstore hotel
conversion, in
Sydney's Darling
Harbour, for TriO.



That asset was
constructed in 1888.

The Inchcolm by Ovolo, built into a 1930 Georgian office.

TriO managing director Tim Alpe said Ovolo has tripled its Australian room count since 2018 including with the purchase of two assets during the pandemic; it now controls eight properties here.

Proceeds from the Spring Hill and Darling Harbour assets will be tipped into its local development pipeline and doubling room capacity again.

Invictus invests again

Intergen Property Group is advising Invictus.

JLL's Mitch Noonan, James Aroney and Sophie Tieman marketed the former Bank of China building, expected to reopen as a guesthouse at the end of 2025.

"We are very strong believers in the Australian hotel market as international travel is returning to pre-COVID levels and Australia is seen as an exciting and vibrant destination in the Asia Pacific region," Invictus principal Chayadi Karim said.

"The addition of these two properties, with more planned on the east coast, adds to our current portfolio of hotels in Singapore and Japan," he added.

According to Mr Carroll, hotel investments like Inchcolm by Ovolo continue to be sought by investors given the sector's positive market fundamentals – high occupancy amongst them – and risk adjusted returns.



Sydney's Harbour Rocks Hotel cost Invictus c\$40 million.

"Revenue per available room has risen by 49pc in Brisbane since 2019," the executive said.

With the Olympics coming in 2032, Brisbane is seen as a tier 1 destination for the astute hotel investors," he added.