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By Larry Schlesinger

Indonesians extend hotel spending spree to \$270m with Sydney deal

Indonesia's ultra-wealthy Karim family has added a fifth property to its rapidly expanding Australian hotel portfolio after buying The Old Clare Hotel in Chippendale on the Sydney city fringe for \$61.8 million.

The acquisition of the 69-room boutique luxury hotels takes the value of the Karim family's local accommodation platform to \$270 million (including planned refurbishments), meaning it's more than halfway towards a goal of [owning \\$500 million worth of accommodation assets on the east coast](#).

Through Singapore-based Invictus Developments, which is led by Chayadi Karim the son of palm oil magnate Bachtiar Karim, the Karims have acquired five properties in just 12 months.

"As the tourism sector continues to thrive amidst the post pandemic recovery, we are very pleased to be able to find superb hotels across Sydney and Brisbane," Chayadi Karim said.



The hotel includes 69 rooms and the hatted restaurant, Longshore.

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“Having set in stone our property improvement plans and management strategies, we remain committed to further investment within the Australian hotel sector.”

Invictus made its entrance into Australia’s accommodation market in October last year, when it bought the Harbour Rocks Hotel in [Sydney’s The Rocks district for \\$40 million](#) from Rich Lister Robert Magid.

This deal was followed up five months later with the acquisition of the 132-key Quest Woolloongabba from [Melbourne’s Pellicano Group for \\$43.8 million](#).

In August, Invictus scored a double whammy when it acquired The Inchcolm by Ovolo, a 50-room luxury hotel in Brisbane’s Spring Hill as well as the vacant former Bank of China building near Sydney’s Wynyard Station for \$52.5 million, [which it will convert into a new upmarket hotel](#).

Invictus nabbed the Art Deco-style The Old Clare hotel after it was offered to a handful of groups via an off-market campaign handled by Karen Wales of Colliers. Local investment manager Interogen Property Group advised Invictus.

The hotel on Kensington Street was developed out of an old pub (The 1939-built Clare Hotel) and a neighbouring administration building in 2015 by hotelier and restaurateur Loh Lik Peng. Mr Peng is the CEO of Unlisted Collection, which operates five hotels and 20 restaurants in Singapore, Ireland, London and Shanghai.

The Old Clare includes the Longshore restaurant (which was awarded a hat in this year’s *Sydney Morning Herald Good Food Guide*), The Clare Bar, a rooftop bar and a swimming pool. It forms part of the Eat Street lifestyle and hospitality precinct within the Central Park residential and commercial development at Broadway.

Mr Peng said he was proud to have developed The Old Clare Hotel into one of Australia’s foremost boutique hotels.

“I am pleased to be handing over the hotel to Invictus, who I know will be the best long-term guardians to continue the legacy of this historic property,” he said.

Invictus will appoint new hotel managers of the hotel in early 2024.

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A photo of the foyer of the Old Clare Hotel.

Selling agent Ms Wales said the strong outcome achieved for The Old Clare Hotel – the sale price equates to almost \$900,000 per room key – was a reflection of investor interest in Sydney hotels.

“This is a luxury, boutique hotel designed to a high standard that would be hard to replicate,” she said.

Ms Wales said around \$2.5 billion of hotels were expected to change hands this year, with a further \$2 billion being marketed.