

Gold Coast's Royal Terranora Resort changes hands for \$7m ***One of the Gold Coast's original timeshare resorts has changed hands and is set for a major expansion***

2 December 2015, Gold Coast – The former Royal Terranora Resort in the Tweed Valley has changed hands for \$7 million and is set for major refurbishment and expansion. The former timeshare resort has been acquired by Eureka Group Holdings from a joint marketing campaign conducted by James Branch and Mark Witheriff of Knight Frank, and Greg Harris and Roland Evans of Canford Property Group.

Mr Branch said, “Eureka Group Holdings is an ASX-listed company focussing on the provision of quality rental accommodation for seniors. The company is rapidly expanding its portfolio, buying 17 villages in the last 15 months and now managing over 1,600 units in 27 villages.

“The company is committed to providing quality and affordable rental accommodation for seniors and disability pensioners in safe and well-managed environments. The communities owned or managed by Eureka are located in close proximity to public transport, shopping areas and other amenities such as health care facilities.

“The acquisition of the former resort is part of an ambitious growth strategy designed to consolidate Eureka's position as Australia's largest provider of senior's rental accommodation,” said Mr Branch.

According to Mr Harris, “The unique property once operated as the Royal Terranora Resort, and consists of a mix of unit buildings that were largely constructed through the early '80's and included a total of 60 apartments in a resort-style environment. This includes pools and other facilities, plus a substantial management building with managers' residence.

“The property is nestled in the Tweed Valley Hinterland and directly adjoins the former Terranora country club. The total property has an area of 6.78 hectares with 5 hectares yet to be developed. In recent times the property has been run as long-term accommodation and is running at 100 per cent occupancy.”

Mr Branch said, “The sale of this property to a publicly-listed entity is another reflection of growing confidence around the long-term stability of the Gold Coast's short-and long-term residential accommodation markets. Vacancies were recently sitting at record lows and are currently sitting at around 2.3 per cent.

“The views of many new investors to the market are that they are predicting upward pressure on rental levels in the short term. We are seeing an emergence of interest – both in new builds and conversions of older-style buildings – to accommodate for an ever-diversifying accommodation market, spanning from student accommodation through to seniors living.

“The opportunities are increasingly becoming more difficult to identify. This interest is also not just being led by domestic investors. Interest is also stemming from developers with a growing interest in these particular markets from South East Asian companies looking for diversification,” concluded Mr Branch.

The former Royal Terranora Resort unit complex and development site was offered to the market in an Expressions of Interest campaign that closed on 13 August 2015. Eureka has undergone extensive due diligence on the asset.

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Notes to Editors

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