

10 STEP CHECKLIST TO SELLING YOUR Management Rights or Accommodation Business

**Ras
360°**
PROPERTY
SOLUTIONS

Accommodation businesses are highly sought after in Australia. When the time comes to sell your Management Rights, Motel, Hotel, Pub or Caravan Park, you will undoubtedly want to maximise your sale price. The following ten steps are collated by our industry experts to ensure the best chance of a seamless and successful sale.



UNDERSTAND THE BUSINESS VALUE

Researching comparable properties in your area can give you an initial idea of your business's value. Engaging a Management Rights or Accommodation Broker early on can help identify strategic improvements that could significantly boost your sale price.

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ASSEMBLE YOUR TEAM

Essential professionals include:

- Ras360 Broker
- Accountant
- Solicitor

Working with specialists in these fields will reduce stress and streamline the sale. Brokers offer market insights, expert advice, and connections that can expedite your sale.



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PREPARE YOUR FINANCIALS

Providing solid financial evidence of your business's performance is crucial. Typically, three years of financial data are required. Enlist an accountant experienced in the industry to prepare your figures early, ensuring they hold up during due diligence.



CREATE A MARKETING PROSPECTUS

An Information Memorandum (IM) highlights critical business details, including room availability, location, amenities, financial performance, and growth potential. At Ras360, our marketing team can create a compelling IM to attract potential buyers.

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GO TO MARKET

Marketing your business involves listing on major online platforms where buyers search for properties. Your broker's network and database of active buyers can significantly speed up the sale process.

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NEGOTIATE THE DEAL

With guidance from your broker, assess each offer's merits and how well it aligns with your personal goals. Your broker will assist with negotiation strategies to secure the best deal, then work with your solicitor to draft and execute contracts.

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BUYER DUE DILIGENCE & FINANCE APPROVAL

Once a contract is signed, the buyer will conduct financial and legal due diligence, reviewing documents such as leases, building approvals, licenses, permits, and other relevant agreements. Once finance is approved, the contract becomes unconditional.

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OBTAIN CONSENT

Before settlement, you'll need consent from your Body Corporate or landlord to assign agreements, such as Caretaking and Letting Agreements or leases. Your broker will guide you through this potentially stressful process. No consent is required for freehold property contracts.



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FINALISE SETTLEMENT

Settlement involves legal and financial steps best managed by your solicitor and broker, who facilitate a smooth conclusion. Once settled, it's time to celebrate this significant milestone.



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HANDOVER AND TRAINING

Post-sale, transferring ownership records and licenses is crucial. Depending on your agreement, you may also provide training to the new owners to ensure a seamless operational transition.



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MANAGEMENT RIGHTS

- Find a broker
- Prepare your figures using industry specialist accountant

COMPILE THE FOLLOWING:

- Caretaking Agreement
- Letting Agreement
- CMS
- Any amendments or variations to agreements
- Body Corporate minutes
- Inventory:
 - BC supplied to be handed over
 - Business owned being sold with the business
- Occupancy & ADR reports (Short Term Buildings)
- Professional photos

*Ask your broker for a settlement checklist once under contract
to start preparing for settlement*

ACCOMMODATION BUSINESS

- Find a broker
- Prepare your figures using industry specialist accountant

COMPILE THE FOLLOWING:

- Lease if required
- Any amendments or variations to leases
- Any licenses - pool certification, food, gaming, liquor licenses
- Inventory:
 - Itemised business owned inventory being sold with the business
- Occupancy & ADR reports
- Professional photos

*Ask your broker for a settlement checklist once under contract
to start preparing for settlement*

OUR CURRENT LISTINGS

