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A About Pevy Lawyers

Pevy Lawyers is a specialist accommodation industry law practice which brings together big firm experience with small outfit accessibility, responsiveness and service. Led by managing director Trent Addison Pevy, Pevy Lawyers has the capacity and understanding to resolve the complex legal issues faced by both small businesses and large corporates alike within the accommodation sector.

Courtesy of its specialist focus, Pevy Lawyers has established itself as one of the top management rights and motel/caravan park law firms in Australia both in terms of the volume and the value of transactions handled. As a consequence, clients can be assured they are receiving the most reliable, up to date and specialised advice and solutions in their industry.

As leaders in such a niche field, the firm is relationship driven – a mantra which echoes through all its dealings with its accommodation industry clients including moteliere and caravan park operators. Trent and his team of lawyers and paralegals seek not just to act for clients, but to partner with them in achieving their business and personal goals, through the delivery of dynamic and valuable legal services across all aspects of purchasing, selling or operating a motel or caravan park.

OUR APPROACH

Meeting with you at your location or in our offices - Where geography permits, we welcome the opportunity to come to you to discuss your matter.

Dealing with the same, experienced person start through to finish – Pevy Lawyers enables you to deal directly with those who have had a decade or more of first hand experience in their fields, not with a junior paralegal or lawyer learning the ropes. You can be assured the same lawyer giving you the fee estimate at the start of your matter will be the one assisting you right through to settlement. How could we truly know and understand your business otherwise?

Proactive, not reactive, advice – As we only practice in the areas of our specialisation, we can predict and prepare you for potential problems or situations long before they arise. Setting us apart from other lawyers, this foresight can dramatically reduce the ultimate cost of your matter and increase the likelihood of it proceeding. With strategies, relationships and industry contacts that only come from having seen it many times before, you can rest easy knowing we are proactively challenging ourselves to remain one step ahead.

Competitive and flexible charging structures where you're not the only one risking a blow out on costs - If there is one pet hate amongst clients, it must surely be getting quoted one thing, and being invoiced another. Sure, occasionally factors beyond your control, or the control of your lawyer, mean the original fee estimate needs to be revised. But should your lawyer really be rewarded for inefficiency or inexperience? We are the only firm in our practice areas who is openly prepared to share the risk of fees above our initial estimates with you on a 50/50 basis - meaning those unnecessary paper wars and point scoring between lawyers will never be our profit drivers.

Doing away with the 'charge for everything' mentality - Forget about dreading the trip to the mailbox at the end of the month – you'll never receive an invoice from Pevy Lawyers without having discussed it with us first. We pride ourselves on our openness and exceptional client care which is why if the unexpected happens, any necessary variation in the fee estimate will be discussed immediately with you as your matter progresses – not just when it comes time for you to open your cheque book.

7 days a week accessibility - For when that pressing concern just can't wait until Monday morning, we provide dedicated after hours support.

Consistent, exceptional service and advice – Our business is very much referral dependent. The greatest compliment you can bestow upon us is a referral. We appreciate this will not occur without providing you with consistent and exceptional service and advice – without the need for you having to constantly send follow up emails or wait for a return phone call.

OUR MOTELS / CARAVAN PARK TEAM

The breadth and impact of regulatory change in the motel and caravan park industry places a heavy importance on having in place a reliable and connected legal advisor with specialised experience in this area.

As specialists in this field, Pevy Lawyers understand the commercial drivers of this industry to enable it to provide comprehensive and business focused advice for your acquisition, sale or ongoing operation of your motel or caravan park. Whether you operate, or are considering operating a motel or caravan tourist park facility, we are well placed to ensure you receive speedy, accurate and value adding solutions.

Our specialist motel / caravan park sector services include:

- Sale and acquisition of both freehold and leasehold interests, including one of the most comprehensive legal due diligence reviews in the sector;
- Negotiation and structuring of long term leases and chain membership arrangements;
- Advice in relation to associated liquor licence, food licence, regulatory compliance and wholesaler/supplier issues; and
- Advice with respect to general structuring matters in consultation with our industry partners to ensure maximum profitability and asset protection.



ABOUT MANAGING DIRECTOR, TRENT PEVY

In his 14 years of private practice, Trent has specialised entirely in property related matters, and in particular the accommodation industry. His years of diverse experience have seen him work in the world's largest law firm, where he represented several Fortune 500 companies, Barclays Bank and the English Government in complex property transactions. Prior to the formation of Pevy Lawyers, Trent was also an integral member of a leading property law firm in Brisbane and the Gold Coast, where he acted for major property players in transactional and advisory matters, again with particular focus in the accommodation industry sector.

Today, Trent is amongst a rare handful of top accommodation industry recognised lawyers in the country, having acted on over 600 transactions throughout Queensland, New South Wales and other states of Australia. He arguably acts for more new clientele to the industry than any other lawyer.

Trent regularly presents seminars to those new to the industry in both Australia and overseas. He holds a Bachelor of Laws and is an admitted solicitor of the Supreme Court of Queensland, Supreme Court of New South Wales and the Supreme Court of England and Wales. He is also a current member of the Queensland Law Society and the Australian Resident Accommodation Managers' Association.

Yours sincerely,



Trent Pevy
Managing Director
Pevy Lawyers

B FIRST THINGS FIRST

So you would like to buy a motel or caravan park? Operating a business in this industry can be rewarding. Commercially speaking, the returns can be very high compared to the risk accompanying it. Nevertheless, it is hard work and may not necessarily be suited to all types of people. One of the greatest positives is that operators do have the ability to add value within a short time, which in turn leads to relatively short ownership periods (typically three years) before an operator looks to move on to their next motel or caravan park opportunity.

Sorting out your business structuring and putting in place a team of specialist advisors before you even start looking will help ensure you're ready to proceed without delay when your offer to purchase is accepted.

1. Your Support Network

The agent, your accountant, your lawyer and your finance broker / financier. These key people will steer you through the purchase process and help you realise your dream of owning a motel or caravan park. Importantly, they will also work together to safeguard a smooth and cost effective transaction.

Be wary of anybody who claims to be a specialist in this field, in particular if none of your advisors have heard of them. With a limited number of motel and caravan park experts around, those dedicated to the industry are almost always familiar with other like minded specialists. Put simply, there is no substitute for true specialisation and experience gained through large numbers of previous transactions. Buying a motel or caravan park need not be complicated, but the pitfalls are many if you are not properly advised. Using an inexperienced advisor will, more often than not, result in nothing but wasted time and money, or even more seriously, an avoidable poor investment.

Ultimately you want your advisors to be one step ahead. If it doesn't sound like they are, do not consider them on your motel or caravan transaction.

2. Determine your budget

How much do you have to invest, and how much can you borrow?

Your borrowing capacity is not as easily determined when purchasing a motel or caravan park compared to say a home. Aside from the equity you personally have to invest, your potential funder will have strong regard to your experience, equity in existing assets, and your projected serviceability of the projected debt.

A short meeting or discussion with a specialist accommodation industry finance broker can alleviate concerns and perhaps even surprise you with what you may be able to afford. Getting answers to these questions, together with having an idea as to your projected purchasing costs (including stamp duty), will help ensure your search for your ideal property is not later undone by unrealistic expectations.

3. Structuring

Aside from finding the right property, one of the biggest decisions you will make in the early part of the purchasing process will be the structuring of your purchasing entity. This could be anything from personal names, a company in its own right or as trustee, a type of trust or even a partnership with other like minded persons (who either share operational responsibilities or fulfil a silent role).

Your decision making with respect to structuring should be weighted on a combination of asset protection and tax minimisation. No one likes to pay more tax than they should, and no one wants to expose their life savings to a lawsuit. It therefore follows that the best advisors for your structuring will be your accountant and your lawyer.

Like most things in life, there is no universal solution for all potential purchasers. Whilst some vehicles such as family discretionary trusts are quite commonplace, correct structuring can only be determined from an analysis of your personal and family circumstances, including any past investment and business dealings.

Once your entities are set up and determined, it is also important for your accountant to register any new entities for a Tax File Number (TFN), Australian Business Number (ABN) and group / PAYG / GST taxes if appropriate.

Tourism Brokers

*We sell Motels, Caravan Parks, Management Rights,
Hotels & Licensed Premises*



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C LOCATING YOUR PROPERTY AND GOING TO CONTRACT

Found your property? Here we cover the role of the agent, signing an offer and acceptance and entry into the formal contract of sale.

The Agent

The agent is generally your first point of contact concerning the motel or caravan park you may be considering. The agent you are likely to deal with will be a motel and/or caravan park expert. Be cautious of any agent who does not specialise in this sector – they are unlikely to represent to you the true nature of the business you are considering because they themselves do not know the right questions to ask the vendor.

A specialist agent will have many similar listings and can actually assist you in working out whether the motel and caravan park industry is right for you. Ask them questions and tap into their operational knowledge – most have not just sold, but also operated, these types of businesses in the past.

Whilst lawyers may like to claim to be the lynchpin in the transaction, the reality is this role is undertaken by the agent. Although the agent technically acts for the seller, he or she nevertheless provides an invaluable direct link between the vendor and the purchaser during the course of the deal. The agent enjoys this unique position to quickly pass information from one party to another, and negotiate any items that come up after the contracts are entered into.

The agent is paid a commission on the sale by the vendor when it settles, and virtually single handily coordinates the pre-contract offer and acceptance process.

Offer and Acceptance

The offer and acceptance is a one to two page tool for better recording the negotiation that often occurs over the price, conditions and timing of a motel or caravan park purchase.

The offer and acceptance rarely involves lawyers as it is not binding. An experienced agent will help guide you through this process and ask you the right questions to ensure all key matters are covered. Expect to be asked whether you need a long settlement, if a valuation is required, and of course, the most important items of what price has been agreed and how much deposit are you offering up front!

Signing Up

Once you have your offer accepted, either the agent or the vendor's lawyer will prepare the contracts of sale, converting the non binding offer and acceptance into a formalised watertight promise between the vendor and purchaser. The role of both the vendor's and the purchaser's lawyers is to ensure the contracts reflect the offer and acceptance exchanged and their client's instructions.

Whilst most motel and caravan park contracts are relatively standard, each has its own nuances depending on the key contract terms and the type of accommodation business being sold.

Once contracts are finalised and agreed, the agent will typically arrange for their execution by each party. Once signed, each party will then have their copy distributed to their lawyer. Only then will timeframes for satisfying contract conditions commence.