

1961 Douglas and 722 & 726 Discovery Street, Victoria BC

Invitation to Attend a Court Ordered Sale

There is a court date set for 9:30am on Tuesday May 3rd, 2011, at the BC Supreme Court at 850 Burdett Avenue, Victoria. Call the Listing Agent for disclosure of the current accepted offer price and terms.

COURT ORDERED SALE!**Opportunity**

Excellent opportunity to acquire a four storey full service hotel comprised of 84 rentable rooms. The property is ideally located close to the downtown core and offers an outdoor swimming pool and licensed patio, banquet rooms, restaurant, lounge, and pub (leased to Soprano's).

Rick Pettinger

rick.pettinger@dtzbarnicke.com

Amanda Crowder

amanda.crowder@dtzbarnicke.com

Griffin Lewis

griffin.lewis@dtzbarnicke.com

Price~~\$6,675,000~~

\$6,425,000

INVITATION TO ATTEND COURT ORDERED SALE

Overview

DTZ Barnicke is pleased to present the Court ordered listing of the “Traveller’s Inn City Center”, a four storey full service 84 unit hotel constructed in 1961 and ideally located within walking distance of Victoria’s downtown core. The property benefits from it’s exposure to Douglas Street and it’s close proximity to a vast array of amenities, services and recreational activities. The subject lands are “L” shaped and consist of 43,566 square feet at 1961 Douglas Street, in addition to 14,400 square feet of adjacent land at 722 and 726 Discovery Street (currently used for parking).

The existing facilities include an outdoor swimming pool (with a licensed pool patio), restaurant, lounge, banquet rooms, pub, and business centre. Several of the guest rooms have recently been renovated and 7 rooms contain kitchenettes. All rooms provide TV, work desks, in-room coffee makers, and voicemail.

Location

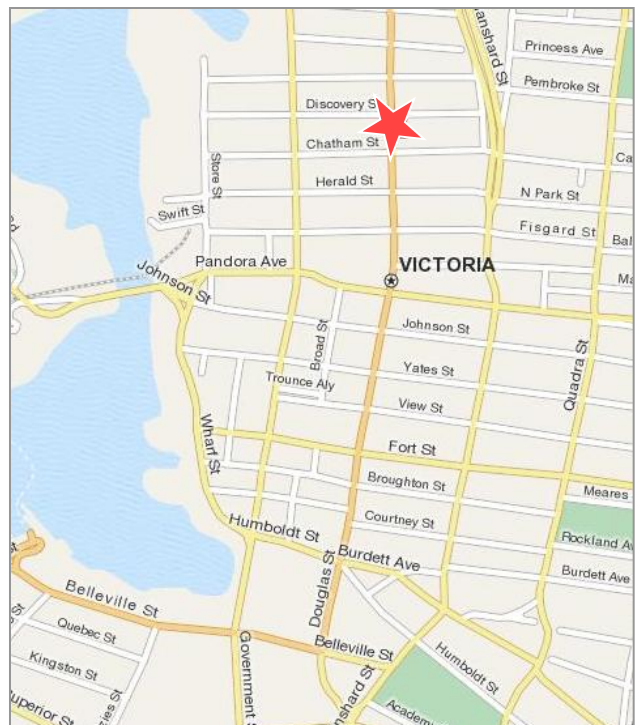
Traveller’s Inn City Center is ideally situated on the northern periphery of Victoria’s downtown core, just one block west from the Save-On Foods Memorial Centre.

The area is convenient and popular for tourists as it is within walking distance or just a short drive (5 minutes) to many of Victoria’s major attractions including the Inner Harbour, Royal BC Museum, Beacon Hill Park, Chinatown, the Victoria Conference Centre, in addition to a wide variety of shops, restaurants and pubs.

The property also benefits from excellent frontage on Douglas Street (120 feet) and very convenient access to two of Victoria’s primary thoroughfares, Highway #1 (Douglas Street) and Highway 17 (Blanshard Street).



Licensed Patio



Location Map

Improvements

The property is improved with a 4 storey 49,183 square foot hotel. Originally constructed in 1961, the building has undergone several renovations and additions over the years. The hotel offers 84 guest rooms approved for rent.

Furnishings vary depending on the unit, but most rooms offer a king size bed or two double beds, four-fixture washroom, bedside table with lamp, pedestal table with chairs, work desk and credenza. Most rooms contain a large armoire with a 27" television, direct dial telephone, and coffee maker. The hotel also benefits from 7 guest rooms with kitchenettes.

Common areas include the hotel's front reception area together with meeting rooms, business centre, and the outdoor heated pool with deck. The front reception/lobby was recently renovated with several upgrades. The roof was also recently replaced and the elevator rebuilt.

Food and beverage services within the hotel are provided by Clubhouse Catering and consist of a poolside bar and grill that seats 45 people indoors and 100 outdoors (40 seats are primary liquor license with off-sales). The poolside lounge seats 50 people and the banquet rooms (3 meeting rooms) are approximately 2000 square feet in size with a total combined capacity of 150 people. Soprano's Sports Bar (seating capacity of 275 people), has a primary liquor license and is located on the southeast end of the hotel. Tenant Operating Agreements (leases) are not registered on title and are utilizing liquor licences assigned to the property. Copies of the Operating Agreements are available upon request.

The building's foundation is reinforced concrete with concrete and wood frame with stucco or painted concrete block exterior walls. The roof is flat with built-up tar and gravel and was recently replaced at a cost of approximately \$250,000.00. The building is serviced by a single elevator and offers air conditioning throughout by way of a central cooling unit. The main electrical service is 1600 amps and heating is provided by way of two natural gas fired boilers installed in 2003. The subject property is a fully functional and well maintained facility that doubled it's 2010 revenue over 2009 figures.

Financial Performance

Limited Financial Statements and historical occupancy records are available from the Receiver-Manager. Please contact DTZ Barnicke for more information pertaining to recent financial performance.



View from Outdoor Patio



Exposure on Douglas Street



Front Reception



Restaurant with view of pool



Typical guest room/washroom

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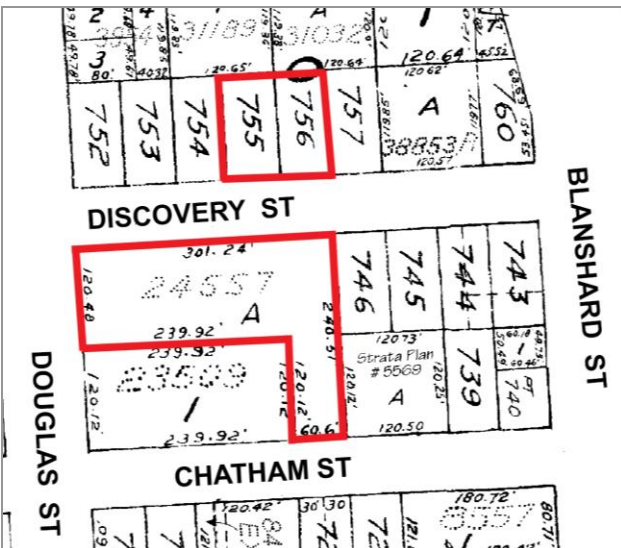
Site Description

The hotel site is a "L" shaped lot with frontage of approximately 120 feet on Douglas Street, 301 feet on Discovery Street and 60 feet on Chatham Street for a total area of 43,566 square feet. It has a moderate downward slope from east to west and is generally at grade with the adjoining streets. The Discovery Street parking lot consists of two 7,200 square foot lots which are paved for 46 vehicles.

Douglas Street is a major traffic thoroughfare providing direct access to the downtown core to the south. Discovery and Chatham Streets are two lane local roads providing access to Blanshard Street one block to the east and Government Street to the west. The hotel has driveway access to both north and south streets. An internal driveway provides direct access to the rear parking areas. There is an estimated combined total of 86 surface parking stalls (including Discovery Street parking).

Environmental

A Phase 1 Environmental Site Assessment was conducted in October 2003 by E-Pro. They determined that the probability of contamination at 1961 Douglas Street is low and did not recommend a Phase 2 Environmental Site Assessment.



Davenport Site Map

Official Community Plan (OCP)

The OCP identifies the area for General Services and Apartment Residential with low to medium density.

Zoning

T-1 Limited Transient Accommodation (Hotel)

M-1 Limited Light Industrial (parking lot on Discovery)

Services

The site is fully serviced with all municipal services including water, sewers, gas, electricity, and telephone.

Legal Descriptions

PID 003-107-575, 009-382-151, 009-382-232
 Lot A of Lots 736,747,748,749,751, Victoria City, Plan 24557. Lots 755 and 756, Victoria City.

Assessments (2011)

1961 Douglas Street	\$5,528,000
722 Discovery Street	\$ 378,400
726 Discovery Street	<u>\$ 378,400</u>
Total	\$6,284,800

Taxes (2010) \$142,244

Court Approval Process

All offers to purchase are subject to approval by the Supreme Court of British Columbia. Accordingly, all offers must be made for the property "as is where is" and cannot include any representations or warranties by the seller. The buyer must rely solely on its own investigations with respect to all aspects of the transaction.

Detailed Property Particulars

Supplementary information will be made available to qualified parties.



Price: Six Million Four Hundred and Twenty Five Thousand (\$6,425,000) Dollars

For more information, please contact:
DTZ Barnicke Victoria
Rick Pettinger, Griffin Lewis or Amanda Crowder

Tel: 250 382 3400
Fax: 250 382 1333
www.dtzbarnicke.com

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