

— Exclusive

Rich Lister Turners sell 60pc stake in luxury bush retreats

Fiona Carruthers *Travel editor*



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After almost a year of negotiations [<https://www.afr.com/street-talk/spicers-retreat-sale-talks-end-no-deal-in-sight-20220828-p5bddg>], Salter Brothers has bought Jude and Graham Turner's Spicers Retreats brand and six of the 10 luxury resort-style properties for an unconfirmed sum believed to be about \$130 million.

The Australian-owned global fund manager which focuses on hotels, property, private equity and credit will take a total of 127 rooms, including the land and buildings for Spicers Clovelly Estate, Spicers Tamarind Retreat and Spicers Peak Lodge in Queensland.



Jude Turner and Paul Salter toast the partial sale of Spicers Resorts to Salter Brothers outside the brand's Spicers Potts Point, in Sydney's inner east.

The deal also rolls in two NSW properties in the Hunter Valley and the Blue Mountains.

The Turners, who made their money from Graham co-founding Flight Centre and were last on the Rich List with an estimated wealth of \$629 million, will keep about 75 rooms spread across the brand's two city hotels in Brisbane and Sydney and two south-east Queensland retreats.

"We're interested in regional hotels, and these are unrepeatable properties in amazing locations," Paul Salter, managing director of Salter Brothers, told *The Australian Financial Review* on Tuesday, shortly after the deal was signed.

"The intention is to continue to grow the brand by adding new properties, and it's really a 2023 story for us given we will settle the deal in the first quarter of next year."

[<https://www.afr.com/property/commercial/salter-brothers-circling-rich-listers-200m-luxury-lodge-portfolio-20220630-p5ay2p>] by valuing the entire portfolio at about \$220 million, where Salters took six of ten properties, or 60 per cent of the assets. McVay Real Estate were the agents.



Luxurious Spicers Peak Lodge at Maryvale in Queensland's Southern Downs is now held by Salter Brothers. **Spicers Peak Lodge - Facebook**

Salter Brothers already have 19 hotels in its portfolio that are all city based, including The InterContinental Melbourne, The Rialto, and the Hyatt Regency Brisbane.

“We like regional Australia, and it’s not just a COVID phenomenon,” Mr Salter said. “The strong development of regional hotels has been going for at least five years now; COVID just opened everyone’s eyes more, and we will continue looking for unrepeatable properties in incredible locations.”

Salters is keen on capturing the tourists that are happy to drive by expanding Spicers Resorts with bespoke hotels located within a three-hour journey of any capital city. “We’re after assets with domestic and international appeal, but no-one is banking on the international market anytime soon. Having said that, domestic is so strong, it’s not really a problem.”

The Australian regional tourism boom has continued, despite the international border fully re-opening earlier this year.

At the beginning of the pandemic in autumn of 2020, tourism fell off a cliff around the world as airlines, airports and cruise ships ceased operation.

Domestic tourism steady

Australia’s tourism operators had to rely on the domestic market through all of 2020 and virtually all of 2021. Even then, domestic travel was fraught due to rolling interstate border closures.

almost fully recovered in Australia this year – and have held firm at around 85 per cent of pre-pandemic levels since Easter 2022, according to the Australian Bureau of Statistics.

Mrs Turner founded Spicers in 2002 with the vision of creating all-inclusive retreats within a two-hour drive of Sydney or Brisbane, and with quality food and beverage options on site, plus a host of activities.

After COVID-19 hit, average occupancy rates at her 10 properties soared from about 65 per cent to 85 per cent; rates range from \$500 to \$2500 a night, inclusive of most meals and drinks.

“The pandemic delivered many more first-time guests to us, and helped us to hold rate [<https://www.afr.com/life-and-luxury/travel/jude-turner-expands-her-spicers-retreats-empire-20210608-p57z5d>] and keep occupancy high,” she said.

Jude Turner in rainforest near Spicers Peak Lodge and Hidden Vale, in February 2020. **Paul Harris**

Salter Brothers were not interested in the couple’s city hotels, so the Turners kept them and will manage them jointly with the fund manager. “We also held on to Scenic Rim Trail and Hidden Vale [in south-east Queensland], as Hidden is so closely tied to the family in terms of the Turner Foundation’s work, the wildlife sanctuary, and it’s just a property that’s very close to our hearts.”

Many groups have been on a regional tourism asset buying spree over the past 12 to 24 months, including NRMA Expeditions’ chief executive, Rachel Wiseman, and Experience & Co’s CEO John Sullivan.



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