



Motel Inspection

Second Inspection

Suggest you investigate items in red Prepared by:.....

Date of Inspection...../...../..... Contract Available Y/N Inventory Available Y/N

Rating: **A: Good B: Average C: Below Average** (**Place alpha symbols next to questions**)

Motel.....LH/FH/INV.Rms.....Town.....

1. Reason for Sale – Retiring – Larger Motel – **Financial Difficulty** – Ill Health.....
2. Location: - Where is the motel located
3. **Prominent Site: Y/N** - Highway Frontage **Y/N** – Traffic Noise **Y/N** Other.....
4. Title: If Leasehold Number of years left.....Copy of Lease **Y/N** Number of Motels in Area.....
5. Construction – Brick – **Timber – Fibro – Mixed Construction** Roofing (**Note: If construction is not brick the insurance premiums can be quite high – sometimes it is very difficult to arrange cover**) UCV \$..... (Land Tax)
Condition – Does the motel need upgrading – **Y/N** Last Upgrade...../...../..... Yr Built.....
 - (a) External condition...**A/B/C**..... Last Painted...yrs ago AAAT rating..... Check last report
 - (b) Internal condition – Carpet.... Paint.... Showers....Mattress....Bedspreads....Curtains..... A/C.....TV reception.....Cable TV **Y/N** Videos.....Refrigerator....Mini Bar in Operation **Y/N**
Condition of Bathrooms.....
 - (c) **In House Laundry** – Washing Machine No...(Size .kg) Dryer.....Condition of Linen.....
 - (d) **Hot Water Systems Age**.....yrs (Gas/Electricity/Oil/Sola) Electrician.....
 - (e) **Central Heating System** – (Gas/Oil) Manufacturer..... Service Contract **Y/N**
 - (f) **Sola Heating or Electricity Grid in place:**.....
6. Chain:Check the introduction T/O with total T/O as a percentage.....%
7. Residence – Bedrooms Other features.....Garage/Carport/Storage
8. Clientele – Commercial Travellers ...% Tourists...% Coaches ...% Sporting Groups (Show % of each)
9. Occupancy – Over past 12 months showing monthly % with average room rate \$...../.....%
10. Restaurant –This requires a detailed analysis and **if you have not run a restaurant before a separate investigation must be carried out**. Main points to consider now:
 - (a) Restaurant Licensed – **Y/N** Condition of Tables..... Chairs..... Carpet.....
 - (b) Seating Capacity.....Condition of Linen.....Air-conditioning effective **Y/N**
 - (c) **Staff operating restaurant – Number..... Permanent..... Casual.....Full Time Chef Y/N**
 - (d) **Wages \$.....Chef \$.....Percentage of T/O.....%**
 - (e) HACCP system in place **Y/N**
 - (f) Check Hygiene and cool room.....Is it clean inside **Y/N**
 - (g) Make sure that stainless steel benching is in good order and clean.....**Drains.....**
 - (h) Condition of Automatic Dishwasher..... Is it clean inside **Y/N** Checked Function **Y/N**
 - (i) **Flooring in good condition with acceptable return flashing if lino**.....
 - (j) Take a copy of the menu and wine list to check pricing.....**Value of Stock \$**.....
11. Conference Facilities – **Y/N** If so, Seating..... Extra Kitchen **Y/N** Extra Staff.....
12. Reception Area **M/C = Manual/Computer Operated**
 - (a) Manual or computerised front office system **M/C** System Name.....
 - (b) Accounting System **M/C**.....GST Version **Y/N**
 - (c) Tariff – Single \$..... Double\$..... Family\$..... Spa \$..... Extra \$.....
 - (d) Telephone System Condition.....Age..... Date Acquired...../...../.....
 - (e) Are accounts used for corporate customers **Y/N** How much is charged monthly \$.....
 - (f) Forward Booking.....Mth1 \$.....Mth2 \$.....Mth3 \$..... Mth4 \$.....
 - (g) Manager/Receptionist **Y/N-Y/N** – Period employed.../.....yrs Hours worked per week.../.....
 - (h) **Room Size.....m2** - Cleaning of Rooms – System in place **Y/N**– Main chemical used to clean rooms..... Chlorine used **Y/N** – Staff, Permanent Casual Rooms clean? **Y/N** - Time Allowed.....minutes (usually 30 minutes is allowed per room)
13. Financial Considerations – Inspect at least 3 years of Profit & Loss Accounts prepared by owner's accountant.
 - (a) **Check the turnover figures supplied with the bank statements or in-house computer print outs**
 - (b) Satisfy yourself that you can maintain the business and improve it, **consider 1-2% growth**
 - (c) Check with local Council that all ordinances comply within motel and **no future Development Applications** for new motels or additional rooms to existing motels
 - (d) Regulations are in force through WorkCover – make sure these are in place.
 - (e) If you have decided to purchase the motel stay an extra night and familiarize yourself with the town and surrounds. It would pay to call on the local Information-Tourist Centre
 - (f) Before you commence negotiations **ask if the owners if they will sign a personal warranty** verifying that the motel figures are correct and that they will not operate a motel or restaurant for 2 to 3 years within a radius of 50km of the existing motel.