

A man in a blue suit and patterned shirt stands on a city street, smiling. The background shows a building and a blue trash bin.

BUSINESS REPORT

Date: **3rd July 2024**

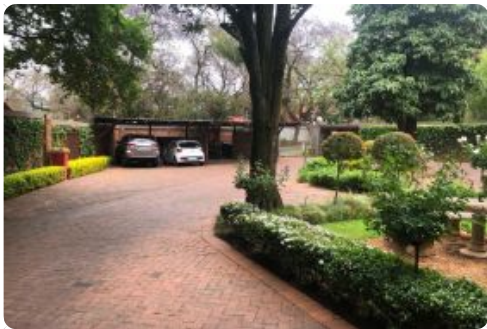
Business Reference: **34269**

About the Business:

Upmarket and well established 13 Bed guest house for sale in Pretora East

This guest house has been operating successfully for the past 17 years and provides accommodation to visitors to the nearby embassies and business hubs in Pretoria.

Upmarket and well established 13 Bed guest house for sale in Pretora East



Sector: Accommodation

Asking Price:

R 10,600,000

Monthly Profit:

R 61,335

Asset Value:

R 4,809,684

Stock Value:

R 0

Yearly Net Profit :

R 736,018



Business Report

Fully describe the business's activities?

This guest house is a highly recommended 4 star B&B Guesthouse situated in an upmarket area in Pretoria East that is close to schools, embassies, shopping centres and the Gautrain station. We cater from one night stays to monthly long term self-catering accommodation.
We also serve dinner on request.
Conference facilities are available for up to 14-16 delegates

How does the business operate on a daily basis?

From 6:30 in the morning. Reception closes at 20:00. Late check ins are accommodated on request.

What Advertising/Marketing is carried out?

Online marketing on booking platforms
Word of mouth

What competition exists?

There are a couple of guest houses in the area being close to embassies and key business areas. The guest houses have a good relationships between them and help each other with overflow business.

How could the profitability of the business be improved?

Increasing the occupancy rates would be the most effective

Give a breakdown of staff/ functions/ length of service?

Housekeeping Lady – started in 2011
Receptionist – started in 2015

Do any have management potential?

The afternoon receptionist does have potential

How involved is the Owner in running the business?

On a daily basis

What are the main assets of the business?

Fully functional & furnished 13 room guest house with reception, inside and outside living areas, kitchen , fibre optic based WIFI, generator, cold room and sauna.

Strengths?

- Rated as a 4-star guest house
- Surrounded by embassies and company head offices
- Award-winning and well- established guest house with 17 years of trading history

Weaknesses?

None to speak of

Opportunities?

- Conversion to long term/ self-catering accommodation
- Conversion to embassy staff residence or office
- Conversion into Spa with accommodation with treatment rooms

Threats?

Travel industry has shown itself to be very vulnerable to a pandemics (Covid19) but this will hopefully be brought under control in the short to medium term and the industry will return to its normal

What is the reason for the sale?

The owners are immigrating