

FINANCIAL REVIEW

SE **Property**
HD **Showgrounds hotel ready for 2015 Ekka**
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A consortium, comprising Phillip Wolanski's Denwol **Group** and Stewart Baron's Baron Corporation have struck a deal with the Royal National Agricultural association to develop the Brisbane Showgrounds **Hotel**.

The consortium has been working with the showground owners alongside approval authorities for 12 months to finalise the **hotel** development agreement which was negotiated by CBRE Hotels senior director Wayne Bunz.

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The four-star, 208-room **hotel** project, which could cost as much as \$50 million to construct, is expected to be completed and launched in time for Queensland's RNA show or "Ekka" next year.

Mr Wolanski, who **sold** a \$65 million office tower in Sydney last year, said the **hotel** would be built on a prime **site** and that he expected strong visitor and conference trade to flow through.

"The location was enhanced by the association with the Showgrounds, the **commercial** offices moving into the area and the proximity to the Royal Brisbane Hospital," Mr Wolanski said.

Mr Wolanski, who was the developer of the recently completed Rydges Sydney Airport **Hotel**, said the **hotel** would generate significant visitor and conference trade in association with the new \$59 million Royal International Convention Centre.

The parties declined to comment on who would operate the **hotel**, but Rydges is likely to take the reins.

The **hotel** will be a mix of standard rooms, suites and family accommodation with a sweeping 70 metre frontage to the new main Brisbane Showgrounds thoroughfare of King Street.

"The **hotel** will provide for comprehensive food and beverage offerings including a restaurant spilling out on to the King Street promenade and a high exposure bar at the **hotel**'s dramatic architectural interface with Gregory Terrace," Mr Baron said.

RNA chief executive Brendan Christou said the RNA was completing the due diligence process for the **hotel**, which was viewed as a central component of the \$2.9 billion regeneration of the showgrounds being undertaken in conjunction with Lend Lease.

"The **hotel** will prove a wonderful addition to the Brisbane Showgrounds precinct and support the Royal International Convention Centre (Royal ICC) while providing another 200 plus rooms for the city's tourism and convention centre markets," Mr Christou said.

A range of investors have taken the punt on the **hotel** market in Brisbane which will be put on the world stage when it hosts the G20 Summit this year.

Property entrepreneur Will Deague is constructing one of his Art Series Hotels, while a **Chinese** businessman **purchased** the Diamant **Hotel**, also in Spring Hill, for \$20 million.

"Whilst there is mooted new **hotel** supply for Brisbane, only projects that are being built in a precinct where there is a demand generator such as the RNA will be successful," CBRE's Mr Bunz said.

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