

# FINANCIAL REVIEW

SE **Property**  
HD **Toga buys Brisbane heritage for hotel**  
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Toga Far East Hotels – founded by the Sydney-based Vidor family and backed by Singapore's cashed-up Far East Hospitality **Group** – is buying a grand, heritage-listed building opposite Brisbane's Treasury Casino.

Toga **Group** amassed 57 hotels before recently signing a 50-50 joint venture with Far East. The **group** is to **purchase** the building at 171 George Street from a private **company** based in the West Indies. The price has been withheld. However, the vendors paid \$20.3 million for the building in 2003 and industry sources indicated the **property** would likely sell for between \$35 million and \$40 million. The palatial former Family Services building will be converted from offices to a **hotel**, with further storeys to be added.

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It is understood that Ray White Transact's Rick Bird and Andrew Adnam of Ray White **Commercial** were involved in the deal, but neither was available for comment.

It's the second acquisition of a city office block for **hotel** conversion by TFE Hotels in less than a month.

In June, the **group** acquired a 13-level office **property** on the corner of George and Hunter streets in the Sydney CBD for \$50 million.

The drive by TFE Hotels to expand its **hotel** portfolio is part of a national **hotel** development explosion.

JLL Hotels reported this year that the pipeline of new **hotel** projects was at a decade high, with more than 50 projects under construction or mooted, delivering an extra 7000 rooms and a host of new brands over the next five years.

Brisbane is leading the charge, with 14 projects (1702 rooms) under construction or proposed between now and 2016 that will dramatically increase the size of the market. Asian developers are active alongside local players such as Mantra and Alpha Hotels. Singapore's SilverNeedle Hospitality will open a 300-room NEXT **Hotel** this year.

**Hong Kong hotel group** Ovolo has signalled plans to expand into Brisbane.

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