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Hotel sale sees future emerge out of Vision

BEN WILMOT THE AUSTRALIAN SEPTEMBER 03, 2013 12:00AM

BILLION-DOLLAR plans for a mixed-use development on the Brisbane site that was once home to the Vision project have received a shot in the arm with the \$200 million hotel component going on sale.

Joint venture partners AMP Capital and private developer Billbergia are looking to pre-sell the five-star hotel at 222 Margaret Street, with most of the interest tipped to come out of Asia.

Agents McVay Real Estate and Savills are offering the hotel, which will be inside what will become Brisbane's tallest tower.

The planned development in the city's heart will incorporate a 274m mixed-use tower, including the five-star hotel and up to 850 apartments.

A second tower, fronting Mary Street, will house up to 35,000sq m of A-grade office space. If a Queensland government lease can be tied down, that element of the project is also expected to come to market.

The 380-room hotel is being pitched as the city's first five-star in 14 years, though it will face some competition as rival developers have projects in the works.

The key attraction is the offer of a hotel with vacant possession, which could see operators that are under-represented in Queensland -- including the likes of Starwood, Four Seasons, Ritz Carlton, Park Hyatt or even Mandarin Oriental -- team up with real estate investors to secure a hotel.

Selling agent Dan McVay of McVay Real Estate said that several global hotel brands had already expressed interest in operating the hotel, which demonstrated the strong demand for a new Brisbane CBD hotel.

Michael Simpson of Savills added that the tightly held Brisbane market had an acute shortage of luxury hotel accommodation.