

Royal Brothers closes deal for Times Square

SINGAPORE'S Royal Brothers has finalised its acquisition of Brisbane's Times Square complex for close to \$17 million and plans to spend \$31 million to complete the project, according to the chairman, Mr Raj Kumar.

An unconditional contract was entered into last week whereby the vendor, Singaporean Mr William Goei will receive payment upon completion of the development, he said.

Mr Goei bought the partially built Times Square complex in Brisbane's CBD in April last year for about \$6.25 million from the receivers, Ferrier Hodgson.

The two-tower property in Spring Hill had been marketed since its original developer, the Girvan Group, collapsed in January 1990.

Mr Kumar said Royal would undertake construction of a hotel and office buildings, with Accor Asia Pacific Ltd as the project manager.

By **KATHY Mac DERMOTT**

Accor will operate the hotel as the Novotel Brisbane.

The \$31 million construction contract will be awarded to one of Australia's major companies, he said.

Jones Lang Wootton has been appointed sole leasing agent for the 7,800 sq m office tower and the 369-space car park.

◀ The next region targeted for acquisitions will be Cairns ▶

Mr Kumar confirmed a revised \$30 million bid to buy Brisbane's Lennons Hotel.

The hotel, once part of the failed Interwest Group and now controlled by Global Funds Management, is attractive because of its prime location, particularly its

closeness to Brisbane's casino development, he said.

A spokesman from Global said negotiations were continuing, focusing on the terms of Royal's latest offer.

In January, the group's \$29 million bid was dismissed by the vendor as too low.

Royal Brothers is also one of the parties eyeing the Gateway Hotel complex, now in receivership, which is being marketed with an asking price of about \$18.5 million.

However, Mr Kumar said the group wanted only two hotels in the city and would not pursue the Gateway if successful in securing Lennons.

The next region targeted for acquisitions will be Cairns.

Elsewhere in Australia, Royal Brothers' purchase of the Perth International will go unconditional today for \$27.5 million, Mr Kumar said.

The group's acquisition of three Rydges Group hotels for more than \$100 million is currently being finalised.
