

HOTEL OWNERS & OPERATORS

WORKING YOUR WAY THROUGH CRITICAL MIXED-USE DEVELOPMENT & OPERATIONAL ISSUES

Moderator:



Roy Melick
Partner
Baker McKenzie



Graeme Dickson
Partner
Baker McKenzie



Lucia Grambalova
CIO & Head of Asset Management
Hotel Capital Partners



Penny Trinh
Senior Director, Development,
Asia Pacific
Marriott International



Alexandra Yao
Vice President, Global Head of
Branded Residences, Luxury &
Lifestyle
IHG Hotels & Resorts

**Mixed use developments
are not new**





Look where we have ended up

Agenda

1 Financial Drivers

2 Operator and Owner Cooperation

3 Obligations in HMA

4 Completion of the mixed-use development

5 Common facilities

6 Short term letting

7 Some operational issues

8 Finance restrictions in the HMA

9 The future

Question 1 | Financial Drivers

- For major CBD locations particularly in gateway cities what are the financial drivers which influence the decision making process to develop a mixed use development as opposed to a standalone hotels?



Hilton Hotel, Sydney



Westin Hotel, Perth

Question 2 | Operator and Owner Cooperation

- What input will the operator and owner require from each other and their consultants over the construction of the development and the common areas and facilities of a mixed-use development?



Aloft Hotel, Perth



Cbus Property Development, Melbourne

Question 3 | Obligations in HMA

- How are the absolute obligations usually contained in an HMA in regard to the owner's ability to influence decisions in a mixed-use development?



Waldorf Astoria Sydney

Question 4 | Completion of the mixed-use development

- What is the position between the operator and the owner in regard to the timing of owner settling the sales of the branded residences and the opening of the hotel and completing the other components of the mixed use development and the possible financial issues?



Kimpton Kitalay Samui, Thailand

Question 5 | Common facilities

- How do operators deal with facilities (such as swimming pool, gym) which are available for use by persons located in other components of the mixed-use developments ?



Voco, Melbourne



Marriott Resort & Spa, Surfers Paradise

Question 6 | Short-term letting

- What are the issues with short-term letting in the residential component of a mixed-use development and what steps are usually taken to minimise or eliminate such use?



Four Seasons, Southbank, Melbourne



Hilton Branded Hotel, Southbank, Melbourne

Question 7 | Some operational issues

- How are some operational issues such as signage, rubbish and trade waste storage and removal and car park and loading bay use and charges resolved between the hotel and the balance of the mixed-use development ?



Langham, Gold Coast, Australia



Mandarin Oriental, Melbourne, Australia (proposed)

Question 8 | Finance restrictions in the HMA

- How do the usual provisions of a HMA with respect to restrictions on owner financing operate during the construction phase of a mixed-use development ?



InterContinental Auckland



Park Hyatt Hotel & Residence Niseko, Japan

Question 9 | The future

- What is the future for mixed use developments?



JW Marriott Hotel Singapore



InterContinental Auckland