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Lemon Tree Hotels signs management & operational contract for Sandal Suites Service Residences of Assotech Realty

Assotech to look at more business and tourism locations for Serviced Apartments

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Lemon Tree Hotel Group, country's leading mid-market hotel chain, has entered into a strategic tie up with real estate company, Assotech Realty, to manage and operate Assotech's upcoming Serviced Residences - Sandal Suites Serviced Residences - project in Assotech Business Crestera (ABC) in Sector135 Noida in Delhi NCR. An agreement to this effect was signed between the two companies in Delhi today. With this tie up, Lemon Tree Hotels has entered into a new segment in hospitality business, Serviced Apartments.

The 210 keys Sandal Suites Serviced Residences will form part of a mix-use development of 1.5 billion sqft comprising office spaces, high street retail, banquet and conferencing, food court , private clubs, etc. According to Neeraj Gulati, Managing Director of Assotech Realty, the project is 50 per cent complete and is expected to be operational by last quarter of 2015. Gulati said that the company will be

developing seven to ten more Serviced Residences in both business and tourism location with round the year tourist footfall over the next five to seven years.

"Ahmedabad is the next project for us. We are waiting for the permissions now," he said. Goa, Hyderabad, Vizag, Bangalore, and Varanasi are the other destinations Assotech is looking at, he added.

Speaking on the occasion, Rattan Keswani, Deputy Managing Director, The Lemon Tree Hotel Group said that long stay or extended stay market is an untapped segment in India and there is dearth of quality Serviced apartments for those who come to India for long stay. "There is no place with proper kitchenette, laundry facilities, etc. exist in this market. So, most of the foreign guests who come for long stay depend on unlicensed players which is fragmented. Hence, developments like this is an opportunity," he said. Lemon Tree has been able able to demonstrate right mix of value and operating efficiency in the hospitality space over the last ten years, he said. He said that the group will be able to amalgamate their service model to suit both transient and long stay guests and offer good return on capital investment to investors in the long run.

Keswani said that the Group is in final stages of negotiations with another real estate company in Gurgaon for a similar format and hopeful of clinching the deal in a couple of weeks time.

