

## 4. Description of the Site and Recommended Hotel Facilities

This section of the report comments on the local area in which the Hotel will operate and sets out the recommended facilities for the proposed Hotel.

### Site Area

The site of the proposed Hotel is approximately 15 ha; all guest and staff amenities are likely to be located within this area.

The topography of the site is somewhat hilly; the eastern area of the site is on an incline of approximately four metres above sea level, whilst the central and western areas of the site are elevated between six and thirty metres above sea level. The western area of the site, containing the highest elevation, is located on top of a cliff face. Owing to the elevation of the site, we consider that the guestrooms of the proposed five-star deluxe Hotel will enjoy views of the ocean. Such views are expected of a five-star deluxe resort development of this kind and in this location.

The southern border of the site is the beach area fronting the Indian Ocean. We estimate that the beach frontage is approximately 350 m in length. The beach is flat and ranges from approximately 10-20 m in depth, depending on the sea level. The eastern boundary of the site is Ke Tabuan Road, the western boundary lies to the west of the prominent cliff face and the northern boundary extends from approximately 150 m to 400 m north of the beach.

We consider the size and topography of the site to be suitable for a five-star deluxe resort development.

### Location

A hotel's site and its location within a specific neighbourhood can have a direct impact upon its performance, relative to its competitive market. The following paragraphs analyse the site and location of the proposed Hotel in relation to its immediate surroundings and market area, which were described in Chapter 3, *Country Perspective and Market Area Overview*. The site of the proposed Hotel is located on the southern tip of the Kaliaantan Peninsula, on Lombok Island. The Kaliaantan peninsula is located in the southeastern corner of Lombok. We consider the location of the site to be suitable for a five-star deluxe hotel.

### Access

Mataram airport is likely to be the main access point for guests travelling to Lombok from other parts of Indonesia and from abroad. The Hotel site is approximately a one and a half hour-drive from Mataram Airport. However, we understand that the travel time from Mataram Airport will be reduced to approximately one hour with the completion of the main access road linking the proposed Hotel site to the existing access road leaving the Kaliaantan Peninsula. We consider access to the Hotel to be reasonable.

Visibility	<p>Visibility of a hotel can be significant as it may increase a property's exposure to the market and therefore affect its propensity to attract demand. In Lombok, the market for transient 'walk-in' demand is inconsequential, as most demand tends to be short-stay booked via Wholesalers or travel agents. As such, we consider the visibility of the proposed Hotel site to be neither a competitive advantage nor disadvantage to the property.</p>
Neighbourhood and Surrounding Land Use	<p>The Hotel site is located on the Kaliantan Peninsula, which covers approximately 1,500 ha. In 1994/95, the provincial government declared the Peninsula of Kaliantan a new tourist development area.</p> <p>Currently, there is very little development on the peninsula. However, we understand that investors have acquired a reasonable amount of the land contained within the 1,500 ha. However the development plans of other landowners are presently unclear. As such, no other development plans have been confirmed. However, we understand that future development plans could include an 18-hole golf course, conservation / nature areas, further hotel development, a turtle research centre as well as residential / holiday homes. It should be noted that we have not considered any of these potential developments in our analysis.</p>
PROPOSED HOTEL FACILITIES	<p>Table 4-1, overleaf, outlines the proposed facilities for the Hotel. Our recommendations are based on the facilities of comparable five-star deluxe hotels in resort markets throughout Southeast Asia. Furthermore, we have considered demand characteristics of available and potential demand segments.</p> <p>Facilities of comparable five-star hotels are set out in Chapter 6, <i>Comparable Five-Star Deluxe Hotels in Southeast Asia</i>.</p> <p>We recommend that the Hotel provide excellent five-star deluxe facilities and services in order to enable the Hotel to target a specific market. In addition, we recommend that the Hotel be constructed and maintained to an excellent physical condition and that an international hotel management company, such as Four Seasons Hotels &amp; Resorts or Banyan Tree Hotels and Resorts manage the Hotel. We consider that the abovementioned measures are likely to minimise the risk associated with the proposed development.</p>
FACILITIES	<p>We estimate that the construction of the Hotel will commence in 2003. The estimated opening date of the Hotel is 1 January 2005.</p>

Table 4-1 Recommended Facilities, Proposed Hotel

Guestrooms	Comparable Resorts (Range)			HVS Recommendations
	From	To	Average	(Proposed Hotel)
No. of 2-room Villas	10	139	54	68
No. of 1-room Villas	1	27	10	5
Presidential Villas	1	3	2	2
Total	12	169	65	75

  

Guestrooms (All Villa Hotels <sup>1</sup> )	From	To	Average	(Proposed Hotel)
No. of 2-room Villas	32	139	76	68
No. of 1-room Villas	1	10	5	5
Presidential Villas	1	2	1	2
Total	34	151	82	75

  

Average Guestroom Sizes	From	To	Average	(Proposed Hotel)
No. of 2-room Villas	90	400	220	220
No. of 1-room Villas	110	850	344	350
Presidential Villas	155	1000	552	750

  

Food & Beverage Outlets	From	To	Average	(Proposed Hotel)
Number of Restaurants	2	4	3	3
Number of Bars	2	2	2	2
Total Number of Outlets	4	6	5	5

  

Food & Beverage Operational Details	Opening Hours	Cuisine	No. of Seats	Comments
Restaurant 1	06.30 – 23.00	International	150	Includes Terrace
Restaurant 2	Lunch / Dinner	Asian	50	Includes Terrace
Restaurant 3	Dinner	Seafood	75	Includes Terrace
Bar 1	Daily	Snacks	50	Includes Terrace
Bar 2	Daily	Snacks	25	Includes Terrace
Pool Bar	Daily	-	10	-

  

Conference & Meeting Facilities	Comparable Resorts (Range)			HVS Recommendations
	From	To	Average	(Proposed Hotel)
Number of Rooms	1	4	2	1
Total Meeting Area (m <sup>2</sup> )	50	880	212	100

  

Spa Facility	From	To	Average	(Proposed Hotel)
Number of Treatment Rooms	2	19	7	9
Gymnasium	Yes	Yes	Yes	Yes

  

Other Recommended Facilities	
Swimming Pool (split level)	Small Business Centre
Library and Lounge Area	Gift Shop
2 Tennis Courts	Tour Desk
Diving School	Non-Motorised Water Sports

**Notes:** <sup>1</sup>Includes Four Seasons Jimbaran (Bali), Four Seasons Sayan (Bali), Rayavadee (Krabi), Banyan Tree Phuket

<sup>2</sup>Room should be divisible and contain a 'break-out' area. Room also utilised for evening events / shows

Source: HVS International Research and Recommendations, 2002

**Guestrooms** The Hotel is expected to offer three different categories of guest accommodation. Table 4-2, below, sets out our recommendations for the configuration of the proposed guestrooms.

Table 4-2 Proposed Guestroom Configuration

Room Type	No.	Net Area (m <sup>2</sup> )	Gross Area (m <sup>2</sup> )	Villa Features
1-Bedroom Villa	68	150	220	Outdoor plunge pool (15m <sup>2</sup> ), separate outdoor dining area, patio area
2-Bedroom Villa	2	230	350	Outdoor plunge pool (15m <sup>2</sup> ), separate outdoor dining area, patio area
Presidential Villa	2	500	750	Outdoor plunge pool (30m <sup>2</sup> ), 3 bedrooms, separate outdoor dining area, patio area, kitchenette
<b>Total</b>	<b>75</b>			

Source: HVS International Recommendations, 2002

**Room Count** Considering the topography of the site as well as the position of Lombok compared to other more established tourist destinations, in terms of overall development and accessibility, we recommend that the room count of the Hotel not exceed 75. We consider a smaller sized hotel is likely to minimise the risk associated with the development.

**One- and Two-Bedroom Villas** We recommend that the one- and two-bedroom villas feature en-suite bathrooms, with separate shower and bathtub as well as a toilet with bidet and an outdoor shower.

**Presidential Villas** We recommend that the two Presidential Villas be located on the cliff face, thus enabling them to benefit from prime ocean views to the east and west. We recommend that the Presidential Villas contain three bedrooms, two of which should be double rooms, offering king sized beds, the third being a smaller guestroom meant for children. In addition, we recommend that a maid's room be included to offer inroom services. We recommend that the two larger bedrooms have an adjoining bathroom with a separate shower, bathtub, and toilet with bidet. These bedrooms will also have adjacent outdoor showers. The smaller bedroom will have an adjacent bathroom with a shower and toilet.

**Diving Centre / Fishing / Water Sports Centre** We recommend that a specialist operator be employed by the Hotel to manage both the diving and water sports centres. We have accounted for this within our projections of income and expense. A specialist operator at a hotel of this type typically provides all the equipment and expertise for such an operation and a revenue share agreement is negotiated with the hotel.

From our research, we understand that there are suitable diving sites within close proximity to the proposed Hotel. In addition, we understand that the south coast of Kaliantan is abundant with fish life such as tuna, marlin and mackerel. As such, we have included revenue from fishing in our projections.

We recommend that the water sports offered be non-motorised in order to minimise noise and disruption to guests. Furthermore, we have assumed that the water sports will be complimentary. However, we have included revenue within our revenue projections from boat charters and excursions.

#### Other Recreational Facilities

In addition, we recommend that the Hotel offer two tennis courts, a swimming pool, a library, gift shop and a small tour desk offering guests various excursions around Lombok and Bali.

#### Dolphinarium and Equestrian Centre

In addition to the recreational activities offered at the Hotel, the Hotel will be located within close proximity to the proposed dolphinarium and the proposed equestrian centre. The dolphinarium and equestrian centre are discussed in more detail in Chapter 10, *Proposed Dolphinarium* and Chapter 11, *Proposed Equestrian Centre*. We have assumed that both developments will benefit from demand from the proposed Hotel.

#### Infrastructure

Owing to the remote location of the proposed Hotel, it has to be self-sufficient. As such, the proposed Hotel should at least be equipped with power generators, a water desalination plant and a sewage treatment system. We recommend that the area north of the site be used to house these required infrastructural support systems in order to minimize any guest disturbances.

#### Back-of-House Facilities

We recommend that the executive offices, including the accounting and administrative departments, be located behind the reception area in the main hotel building. Furthermore, we recommend that back-of-house facilities include carpentry, storage areas, laundry, vegetable garden, nursery, staff accommodation and a Mosque.

#### Staff Village

Owing to the remote location of the Hotel, we recommend that the Hotel provide staff housing. Although not common in Lombok, residential staff housing is common in many resort destinations. We recommend that the staff village be housed north of the site within close proximity of the back-of-house areas.

#### CONCLUSION

Based on our recommendations relating to the proposed Hotel's facilities, the Hotel's positioning and its branding, we expect the proposed Hotel to perform well vis-à-vis both the competitive five-star deluxe resort market in Lombok and in other parts of Southeast Asia.