

Zagame family launch boutique hotel brand

EXCLUSIVE

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Victoria's wealthy pub kings, the Zagame family, are planning a national expansion of boutique hotels in NSW and Queensland after last year coming close to selling their \$300 million casino and hotel empire to pub operator Redcape and investment bank Moelis.

Undeterred by the rash of hotels opening in Melbourne, the Zagames are set to open their first luxury hotel in suburban Carlton next week ahead of their expansion north.

Robert and Victor Zagame own a \$300m pub portfolio across Victoria as well as the Grand Hotel and Casino in the South Pacific island nation of Vanuatu, which they came close to selling to American hospitality behemoth Delaware North last year. However, the Zagame family have since sold their Paradise Resort on the Gold Coast and are pressing ahead with a \$100m water park at Dingley Village in Melbourne's southeast.

Jackie Booth, Zagame's chief operating officer, said the pub portfolio would be retained and that the Carlton hotel opening next Tuesday is an \$18m refur-

bishment of the Downtowner Hotel, which the Zagame family has owned for 16 years.

"Carlton is our first boutique, bespoke property. This will be the first of our national brand, Zagame's House, and we are going to do more in NSW and Queensland. We have not signed anything yet but we are currently looking for the right locations," Ms Booth said.

The Zagame family said they would not seek partners for their expansion into boutique hotels.

"We are a family-owned business, funded privately and we are happy to stay that way for the time being," Robert and Victor Zagame said in a statement sent to *The Australian* yesterday.

The Carlton hotel will rely on specific Victorian produce such as coffee from Mansfield Coffee Merchants and meat supplied by Flinders & Co.

"We have a strong focus on this property ensuring we are bringing Melbourne to life, we are bringing Victorian brands and using Victorian artists," Ms Booth said.

The 97-room Zagame's House Carlton opens with rooms starting at \$240 a night. The hotel will be home to a neighbourhood wine shop and bar, known as the Lord Lygon, as well as a coffee house and kitchen.