

# Lemon Tree Sowing Seeds of Expansion

## **EH&C Staff**

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After tasting success with its first property, Lemon Tree Hotels is to open three new properties in Gurgaon, Pune and Chennai within the next two years. And in its expansion plans, the management has also identified land in the cities of Jaipur, Bangalore and Hyderabad for further property developments. According to Patu Keswani, Managing Director, Lemon Tree Hotels, "We want to expand the Lemon Tree brand across 22 cities in India. Our aim is to target the expansive population in major cities with our typical hotel model of 50 to 100 rooms."

Speaking on the equity participation route adopted by the management, Keswani explained that Lemon Tree Hotels will be part owners of the properties with the prime responsibilities being taking care of design, property development and management of operations, while sharing equity with other companies. The real estate asset company Winsome owns 66 per cent stake in the new Gurgaon, Pune and Chennai properties, while the Lemon Tree management owns 33 per cent.

The 50 room Gurgaon property featuring eight service apartments is to be the company's second venture in this city. The property is to be operational in February 2005, while the 75-room Pune and 160- room Chennai properties will be operational in February 2006 and October 2006 respectively. "The most important highlight of all our properties is that they are aimed at attracting the business traveller, Keswani added.