

# HYATT PLACE KATHMANDU

## SALIENT FEATURES

SN	FEATURES	CHARACTERISTICS
<b>GENERAL</b>		
1	Name of the Project	Hyatt Place Kathmandu
2	Sector	Tourism and Hospitality
3	Type	5 Star Hotel

### PROJECT LOCATION

1	Latitude of Project Area	27.6986° N
2	Longitude of Project Area	85.2893° E
3	Project Area	Land: 50,271 sq. ft.; Built-up area of hotel: 24,350 sq. ft. (estimated)

### PROJECT COMPONENT/TECHNOLOGY

The various project components are: restaurants, bar, meeting rooms, gym, swimming pool, room service, travel desk, banqueting facilities, pool deck, pool deck restaurant, Hyatt management, and spa.

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### MARKET ASSESSMENT

1	Demand	Nepal has been shortlisted as one of the upcoming investment destinations in the hospitality sector highlighting the immense growth potential the country holds for the travel and tourism sector in many international forums. Nepal's tourism industry has been bouncing back slowly after the severe effect caused by the earthquakes in April 2015. As Nepal received more than one million foreign tourists in 2018, which is a long-awaited goal of the government, stakeholders are optimistic that tourism in Nepal will grow further in the future following stability in the country. As the government has set a target to bring in two million tourists each year by 2020, the Ministry of Culture, Tourism and Civil Aviation (MoCTCA) has planned to organize 'Visit Nepal Year' in 2020 to attract more tourists to the country. These goals and trends indicate a clear demand for investment in new projects like this one.
2	Supply	It is expected additional 0.8 million tourist inflows in Nepal from 2020 and total inflows is expected 2 million. There is only 14 five- and four-star hotels fully running in Kathmandu. Total daily bed available is only approx. 1825 beds which is very low to serve the expected tourist inflows. So, there is low supply of high-quality hotels in Kathmandu, Nepal. We need at least 10,000 beds available for the higher paying tourist and guests to server the visit Nepal 2020 and upcoming years.
3	Opportunity	The gap between the demand and supply shows an opportunity for more investment in the sector.

### DEVELOPMENT MODALITY

1	Development modality	Private
2	Role of the Government of Nepal	<ul style="list-style-type: none"> <li>■ Provide legal facilitation for permits required to initiate the project.</li> <li>■ Provide facilitation for land acquisition and project security.</li> <li>■ Required permissions and registrations for the construction has already been given by the Government of Nepal.</li> <li>■ Refinancing facility, interest and vat financing approvals have been provided by Nepal Rastra Bank, the Central Bank of Nepal</li> </ul>

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3	Role of the Private Sector	<ul style="list-style-type: none"> <li>■ Conceptualize the project and implement the plans at the site with optimum quality and safety.</li> <li>■ Operate the project with proper maintenance and management.</li> <li>■ Collect the revenue during the operation period and pay tax to the government on time.</li> </ul>
4	Development Period	<p>a. Pre-Construction Period: 1 year (already completed)</p> <p>b. Financial Closure: 1 year (already completed)</p> <p>c. Construction Period: 3 years (third year of the construction, almost 70% work is completed)</p> <p>d. Expected Hotel operation: From December 2019</p>

### INDICATIVE FINANCIALS

1	Total Project Cost (including Interest During Construction)	~ USD 26.3 million (NRs 289.67 Crores)
2	Interest Rate (including hedging cost)	10.00% per annum
3	Project IRR	16.72%
4	Equity IRR	20.10%
5	Project Benefit-Cost Ratio	1.07

### CONTACT DETAILS

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