

CEFC AND PRO-INVEST REACH FOR THE STARS WITH FIRST CLEAN ENERGY INVESTMENT IN THE HOTELS SECTOR

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A new Melbourne hotel will set new design standards in energy efficiency to help cut as much as 25 per cent of its energy consumption, drawing on a \$39 million investment commitment from the Clean Energy Finance Corporation (CEFC).

The Holiday Inn Express at Southbank in Melbourne is being developed by the Pro-invest Group, one of the largest hotel investment platforms in Australasia.

In its first investment in the hotels sector, the CEFC is driving Pro-invest Group to achieve a 5-star energy rating for the project, under the National Australian Built Environment Rating System (NABERS).

As part of the CEFC finance, Pro-invest Group will lift the design standard for the project, ensuring the latest clean energy technologies are included from the construction stage.

CEFC CEO Ian Learmonth said: “These design changes will result in a 25 per cent drop in the hotel’s energy use, delivering a substantial energy saving that will provide ongoing benefits for the hotel, carbon-conscious guests and for the environment.

“Hotels are traditionally high energy consumers, with significant requirements for air conditioning, refrigeration and hot water services. We congratulate Pro-invest on taking the initiative to incorporate energy saving initiatives right from the design phase for this prominent hotel. Together, we are delivering a new standard in hotel energy efficiency, which we encourage other developers to adopt.”

The CEFC is providing a \$39 million construction and term debt facility as part of a co-financing package for the \$125 million Southbank project.

The Pro-invest Group already operates Holiday Inn Express hotels in Sydney, Adelaide and Brisbane. It expects to develop another six hotels across Australia and New Zealand, including the Southbank project.

Pro-invest Group CEO Ronald Barrott said: “We are committed in ensuring all our assets achieve high-ranking NABERS Energy and Water ratings. Together with CEFC guidance, we will incorporate a range of initiatives into the Southbank project to improve the NABERS Rating outcome to 5 stars.

“This will include high performance glazing, high efficiency air-cooled chillers and condensing boilers and solar photovoltaic systems on the hotel’s roof.

“Other initiatives include regenerative lift drives rather than standard lift motors, which will enable the hotel to recycle energy. Integrated building management and guestroom energy management systems will also mean we can both monitor and drive optimum building energy performance.”

The Southbank project is a 22-storey mixed-use development, featuring a 345-room hotel, extensive commercial and retail space and car parking. The hotel is expected to be operational by the end of 2019.

CEFC Property Lead Chris Wade added: “Our goal is to work across the entire property sector to deliver lower carbon emissions. Through our investments we are providing real life examples to property developers of how and where new technologies can deliver the most value.

“By investing at an early stage in this exciting project, we are using CEFC finance to positively influence the design approach so that we can help deliver a range of cost effective energy performance improvements to achieve a 5-star NABERS rating.

“There is no question that investments in clean energy technologies offer real and lasting benefits across the property sector. We are seeing this with our investments in commercial property, affordable and student housing, hospitals and now hotels.

“We are confident this investment will provide developers and operators with practical insights into how they can lift their energy performance and achieve long term costs benefits by investing in proven clean energy technologies.”

The CEFC finance for the Southbank project is part of its Sustainable Cities Investment Program, which is aiming to invest \$1 billion into clean energy initiatives in Australian cities over 10 years.

ABOUT THE CEFC

The CEFC is a specialist clean energy financier, investing with commercial rigour to increase the flow of finance into renewable energy, energy efficiency and low emissions technologies. We invest in projects with the strongest potential for decarbonisation, including low carbon electricity, such as solar, wind, battery storage and bioenergy; ambitious energy efficiency, such as property, infrastructure, manufacturing and agribusiness; and electrification and fuel switching, such as vehicles and biofuels. www.cefc.com.au

ABOUT PRO-INVEST

Pro-invest Group is a boutique investment firm specialising in Private Equity Real Estate and Real Estate Asset Management. In a unique partnership with InterContinental Hotels Group, we own, develop and manage Holiday Inn Express-branded hotels across Australia and we are further developing Holiday Inn Express and EVEN hotel-branded assets across Australia and New Zealand. With an on-the-ground presence in Australia, the Middle East and Europe, we are dedicated to optimising the financial and social returns of our hotel investment portfolio for investors, facilitated through a focus on environmental social governance. www.proinvestgroup.com