



QUEST

Serviced Apartments

March 9, 2005

Quest nears 100 properties

Quest serviced apartments group will add 13 properties to its Australasian franchise network this year.

Quest announced today that it will have 98 properties by the end of year and will be close to a targeted 120 properties by the end of 2006, said chairman, Paul Constantinou.

Quest is the largest provider of serviced apartment accommodation with almost 4,000 apartments available each night. It set the 120 properties by 2006 target five years ago.

The 13 new businesses to open under the Quest banner in 2005, are: in West Australia – Quest on Rheola and Quest Ascot Village ; in New Zealand - Quest on Queen and Quest Invercargill; in Fiji – Quest Suva; in Victoria -- Quest Geelong, Quest Frankston, Quest Richmond, Quest Docklands and Quest Sanctuary Lakes; in New South Wales -- Quest Wagga Wagga and Quest Wollongong; and in Tasmania – Quest Launceston.

In 2004, new Quest properties were: in West Australia – Quest Margaret River; in New Zealand - Quest Ponsonby and Quest Christchurch; and in Victoria -- Quest Warrnambool, Quest on Dorcas, Quest Jolimont; in the Northern Territory -- Quest Darwin; and in Queensland – Quest River Park Central in the Brisbane CBD and Quest Caloundra.

Mr Constantinou said Quest was founded in 1988, and is a 100% Australian and privately owned business. 85% of the properties are operated as franchise businesses. The rest are company owned.

“Significantly, our ability to grow in the way we have is directly linked to the solid foundation which we have spent so long establishing – which is based on the continual understanding and satisfying of the needs of our guests, our investors and our franchisees,” he said.

Quest’s growth was occurring at a time when the accommodation and hospitality industry was for the first time being treated seriously by the Australian institutions and investment community, said Mr Constantinou.

“For many years in Australia, investment in the accommodation property sector was seen as a poor relation to other alternatives, such as shopping centres and office buildings,” he said.

Quest Serviced Apartments offer a comprehensive range of accommodation solutions across nearly 100 properties throughout Australia, New Zealand and Fiji. For more information on Quest Serviced Apartments contact 1800 334 033 from Australia, 0800 944 400 from New Zealand or email qrc@questapartments.com.au

"In the last few years both the interest and investment in the accommodation industry has grown dramatically to the extent where last year some of the country's biggest listed funds invested in excess of \$1.5billion on accommodation property purchases.

"There is no reason to believe that this will not continue to grow," he said.

Major banks and institutional lenders were also seeking higher involvement in financing the development of accommodation property and goodwill of accommodation businesses.

These factors present significant opportunities for the accommodation industry and the Quest Group, said Mr Constantinou.

"They also provide confirmation that the strength in the accommodation property sector reflects the reality that the underlying accommodation businesses, such as ours, are real and sustainable."

Mr Constantinou said the increased interest in the accommodation sector would result in new and continued competition in the serviced apartment market and other accommodation sectors.

"I must stress that the importance of the growth is not the growth itself but rather the manner in which the growth is achieved and why the growth is achieved," he said.

Ends