

## International firm buys two Waterloo hotels

BY CHUCK HOWITT, RECORD STAFF

WATERLOO — A hotel development and management company with offices in Toronto, India and the United Kingdom has purchased two Waterloo-area hotels.

Palm Holdings bought the Best Western St. Jacobs Country Inn and the Destination Inn and Suites in a deal that closed recently.

"Waterloo has been on our hit list for a very long time," Anil Taneja, director of Palm Holdings, said in an interview. "It's a smaller market in terms of population, but it's known on a global scale now, which excited us a lot."

The Best Western St. Jacobs hotel, which has 188 rooms, is on Benjamin Road East just north of the city limits. The Destination Inn, with 104 rooms, is on King Street North near Conestoga Mall.

Taneja said Palm purchased St. Jacobs Country Inn Inc., a corporation owned by about 20 local investors, which owned the two hotels. The price was not disclosed.

He described Palm Holdings as a family-owned business that's been in operation for three generations. Including the two local properties, it owns three hotels in Canada, two under construction in India and two in the U.K. It also renovates and manages hotels in the three countries.

Among its projects is the former Inn on the Lake Hotel on Toronto's waterfront, which Palm bought in 1997 and converted into the Four Points by Sheraton with additional rooms and conference space.

Although plans aren't final yet, Palm intends to upgrade the St. Jacobs and Waterloo hotels into more luxurious establishments, Taneja said.

Palm may build another hotel in this area and will probably move its Canada office to Waterloo as well, he added.

Larry Martin, spokesperson for the former owners of St. Jacobs Country Inn Inc., said shareholders were getting older and decided it was time to move on.

"It was a corporation made up of a lot of individuals, some aging individuals, and so it's always difficult to develop exit strategies," he said in an interview.

The group built the Best Western St. Jacobs Country Inn in 1998 and purchased and expanded the Destination Inn, an independent hotel, in 2005.

The two hotels employ about 70 people in total.

Martin said the Best Western St. Jacobs was not a franchise. It was independently owned by St. Jacobs Country Inn which paid a licensing fee and dues to Best Western. He likened the arrangement to Home Hardware's setup with its network of dealer-owned stores across Canada.

"It's been a good experience for us and we wish the new owners well," he said.

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