

REAL ESTATE, LEISURE AND TOURISM

Advisory Services for the entertainment, sport and recreation industries

ADVISORY

Leisure components are becoming a key factor in mixed use developments across Europe, yet the dynamism of leisure developments and the range of concepts vary significantly from country to country. The leisure sector is expected to grow in importance and become an appealing investment product in the coming years.

KPMG's Real Estate, Leisure & Tourism (RELT) Group has developed in-depth industry focus and knowledge of the business of sports, leisure and entertainment. Our practice has provided professional services to owners of existing golf courses, as well as developers and operators of casinos, theme parks and entertainment centers throughout the CEE Region.

Our services include:

- Market demand studies and consumer research
- Market entrance strategies
- Financial feasibility studies
- Project conceptualizations
- Benchmarking and operational reviews
- Development of operational and marketing plans
- Economic impact assessments

Theme park market and financial feasibility study

KPMG was commissioned to prepare the market and financial analysis for a planned theme park focused on the Communist Era. As part of the

engagement, KPMG assessed the site and location of the proposed development, analyzed the tourism sector and the socio-economic and demographic indicators of Hungary.

Gaming destination market and financial feasibility study

On behalf of an Austrian developer, KPMG was commissioned to prepare a market and financial feasibility study for a proposed gaming destination development in Western Hungary including several casinos and entertainment facilities. Our investigation also included the review of the local regulatory and socio-economic environment in which the gaming facility will operate.

Market and financial feasibility study for a safari park

KPMG was commissioned to prepare a market and financial feasibility study for a safari park development. The proposed project is planned to include a mid-scale, themed hotel, commercial space and food & beverage facilities. As part of the assignment, KPMG also assisted in

quantifying the development costs of the different facilities as well as the purchase prices of animals to be fostered at the park.

Bid preparation for UEFA EURO 2012

The Croatian Football Federation and the Hungarian Football Federation retained KPMG to provide assistance with the joint candidacy for the UEFA, EURO 2012 football tournament. KPMG involvement concerned the preparation of the official Bid Book in the first bidding phase. Following the evaluation of the UEFA Executive Committee the Croatian-Hungarian bid was short listed along with the Italian and the Polish-Ukrainian joint bid.

Development concepts at Lake Balaton

A major developer in Central and Eastern Europe broadened its portfolio in the tourism industry through the acquisition of more than 20 campsites around Hungary's Lake Balaton totaling more than 170 hectares of lakeshore. The developer requested KPMG to assist with a three-fold advisory process: improving the business performance of the acquired companies;

creating a comprehensive development strategy of the acquired portfolio; and determining an indicative investment value for the proposed development concepts ranging from high-quality campgrounds and leisure villages, to hotels, resorts and a large scale amusement and theme park, as well as residential developments.

Castle hotel and leisure center feasibility study and business plan

The current owners of a historic castle embarked on an extensive redevelopment plan and KPMG was requested to prepare the market and financial feasibility study as well as a marketing and business plan for a 4-star castle hotel and leisure center. The development concept also included a 9-hole golf course, and an equestrian and hunting center.

Aqua park feasibility study

An international developer commissioned KPMG to prepare a feasibility study for an indoor aqua park. We estimated the demand for the facility and, based on international data, its operational costs. In order to determine its market penetration level, KPMG reviewed the supply and estimated the demand of similar recreational facilities in the relevant catchment area, and based on that we prepared the financial forecasts for the planned development.

Multiplex cinema business plan

KPMG was commissioned to prepare a business plan and identify potential investors for the development of a multiplex cinema and entertainment center. As part of the assignment, KPMG assisted the company in arranging necessary financing, including transaction assistance.

Site and market assessment for ski and golf resort

At the request of a large investment group from the Middle East, KPMG assessed the site and the market potential for the development of an integrated ski, golf and real estate development in the Atlas Mountains of Morocco.

Market and site assessment for leisure development

A Russian-based developer purchased 6,000 hectares of land approximately 100km south west of Moscow. The developer engaged KPMG to assess the opportunities for developing the land. KPMG assessed four market sectors including hotels, theme parks/attractions, and residential and spa to identify a development opportunity for the site. The site was well positioned to serve these market sectors and a detailed market concept, to be developed in four phases, was developed.

Market Study for an integrated leisure development

KPMG undertook a market study and conceptualization for an integrated leisure development, combining a range of attractions for creating a large recreation destination in the proximity of Budapest. The project concept included several hotels, an aqua and entertainment park, wellness, spa and sport center as well as retail areas.

Market study for a large-scale luxury spa

The KPMG was retained to assist in the preparation of a market study for a proposed luxury spa complex near Munich. The engagement included the assessment of international spa trends, a benchmark analysis of state-of-the-art spa developments as well as a market demand quantification for the proposed development.

Market study and conceptualization

KPMG was appointed to prepare a market study and conceptualization for the redevelopment of "Club Aliga," an existing resort on the shores of Lake Balaton. The mixed-use development is planned to include a 200-room family-oriented spa hotel, a boutique hotel, residential component consisting of apartments and luxury villas, a waterfront retail development, marina and a 5-hectare international standard aqua park.

Preparation of international business plan

A Middle East based investment house commissioned KPMG to develop a business plan for the group regarding their global approach to investments and developments in the leisure and sports industries. The business plan addressed sectors such as golf, alpine, marina and boating, etc.

Festival Economic impact study

The organizers and owners of the largest music festival in continental Europe, Budapest's 'Island Festival', commissioned KPMG to assess the macroeconomic impacts of the 6-day event which hosts over 300,000 visitors. Besides the fiscal and ripple economic effects of the event KPMG has also quantified the impact of the event on Hungary's tourism sector.

For further information on our services please contact

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