

Sale of Omni Hotels Corp. will affect local property

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The Austin Wyndham Hotel will be converted to an Omni Hotel within six months, and the fate of the Omni Hotel in downtown Austin is unclear following the recent purchase of Omni Hotels Corp. by TRT Holdings Inc. of Corpus Christi.

TRT Holdings Ltd. paid \$500 million for Omni Hotels Corp., which includes nine upscale hotels, management contracts or franchise agreements on 26 others, and the rights to the Omni Hotels brand worldwide, excluding Asia.

TRT will convert its existing upscale hotels, primarily located in Texas, to the Omni brand. The Austin and San Antonio Wyndham hotels, along with the Corpus Christi Marriott and Sheraton Hotels, will be switched over to the Omni brand within six months.

The Wyndham Austin Hotel at Southpark, which has 327 rooms, will undergo approximately \$300,000 in changes as part of the conversion to an Omni, says Robert Rowling, CEO of TRT Holdings Inc. The changes primarily will be made to signs.

Aside from a few management positions, personnel is not expected to change at the Austin Wyndham, Rowling says.

The fate of the Omni Hotel in downtown Austin still is uncertain pending the sale of its building to the Omni Congress Joint Venture of Austin.

InterContinental Life Corp. owns the Austin Centre at Seventh Street and San Jacinto Boulevard, which includes the Omni Hotel. Its sale to Omni Congress for \$62.67 million is expected to close within a week.

Tom Stacey, the president of Omni Congress, the hotel's prospective owner, would not discuss his plans for the Omni Hotel

until the sale closes.

"I really can't elaborate or comment now," he says. "I would just say that we are in the closing process and hope to have the closing completed in about a week."

The Omni Hotel downtown, which has 301 rooms, is managed, not owned by Omni Hotels Corp., Rowling says. Rowling says he'd like to see the hotel to remain an Omni.

Depending upon Omni Congress' decision, Austin may end up with two Omni hotels. Rowling says Austin can support two Omnis because they are located in diverse markets.

"We view the downtown market and the market that

comes to Southpark as very distinct," he says.

Omni Congress, however, may decide to look for new management for the downtown Omni, Rowling says.

"It's up to the new owners if the Omni stays in or not," he says. "We don't know if it's going to change or not yet."

"We'd love to stay in the property," he says. "It's a nice hotel."

If TRT Holdings remains manager of the downtown Omni Hotel, it will not make major changes in employment or structure, Rowling says.

As new owner of the Omni brand, TRT Holdings Inc. will pursue an aggressive management strategy and will focus on acquiring more hotels in the Midwest and on the West Coast, Rowling says.

TRT Holdings is a privately held corporation that controls the investments of the Rowling family of Corpus Christi. TRT's principal holdings are Tana Oil and Gas Corp., which develops oil and gas prospects in Texas, and TRT Development Co., which owns and operates 2,438 upscale hotel rooms.

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