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Karma Group revives Margaret River resort plans



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PROPERTY



The international luxury accommodation group formerly behind Rottnest Lodge has brought a \$20 million plan for a resort in Margaret River back to life, two decades on from acquiring the site.



Karma Group plans to incorporate a winery into its Margaret River resort. Image: Karma Group

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Karma Group is bringing a \$20 million plan to develop a tourist resort next to Margaret River airstrip back to life, two decades on from purchasing the site.

The international luxury accommodation provider, which ran Rottnest Island Lodge until last year, has turned its attention to the 50-hectare site, about six kilometres north of Margaret River townsite.

The group plans to develop a 30-lodge resort with a winery and agricultural component, on the land it bought 20 years ago from a pilot who had approval to build up to six homes with airplane hangars.

[Karma Resorts](#) chief executive [John Spence](#) told *Business News* he saw a gap in the market for a luxury resort close to Margaret River.

“Our intention was develop it all those years ago, but we came to the conclusion that maybe it was slightly ahead of the game in those days and Margaret River wasn’t necessarily ready,” he said.

“But we now think that Margaret River has accelerated both internationally as a brand and locally, and now the time is right.”

[Mr Spence](#) said Karma Group received development approval for a resort on the land shortly after acquiring it, but an opportunity to operate a resort at Rottnest saw him pivot.

The group’s lease expired on Rottnest Lodge during COVID, with a new [\\$40 million plan](#) to revamp that site spearheaded by Place Development Australia, GPA and Sirona Capital on the island.

“We only really wanted one resort in WA, rather than two, so now we’ll have that rather than the lodge,”