

HD Cash splash as \$150m changes hands in **hotel** sales

BY **Property** Carolyn Cummins

WC 456 words

PD 23 January 2014

SN Canberra Times

SC CANBTZ

PG B013

LA English

CY (c) 2014 The Canberra Times

LP

Cash splash as \$150m changes hands in **hotel** sales

Property Carolyn Cummins

TD

Melbourne's **Park** Hyatt **hotel**.

More than \$150million in cash has changed hands in Melbourne hotels and industrial **property** sales in the past 24 hours, which experts said was an indication of a busy year ahead. In the largest deal, the private **Chinese** investor Fu Wah International **Group** has made its first significant foray into local **property** with the **purchase** of Melbourne's landmark **Park** Hyatt **hotel**. It was believed the price paid was about \$135million, but the agents and buyer declined to comment. The five-star **hotel** is near Melbourne's Parliament House, at

1St Andrews Place, and was developed in 1999 by Lustig & Moar at a cost of \$150million. The **sale** involves both the 240-room **Park** Hyatt and a **commercial** car **park** next door. Wayne Bunz, senior director of CBRE Hotels Australia, and Anton Eilers, executive director of CBRE **China**, brokered the off-market **transaction** between Singapore's GIC and Fu Wah International **Group**. The agents said the **transaction** continued the wave of recent **Chinese** investment in Australian **property**, with much of the recent activity centred on investment and development in Melbourne. Investment in Australian hotels is tipped

to breach the \$2billion level in the next few months as buyers get a foothold before the next growth phase. In Sydney, the planned Crown **Hotel** in Barangaroo and the recent **sale** of the Four Seasons **Hotel** has triggered another round

of interest by Australian and overseas investors. Established in 1988, **Hong Kong**'s Fu Wah is engaged in real **estate** development, hospitality, and art and culture services. The **group**'s existing **property** portfolio includes the Regent Beijing **hotel**, the **Park** Plaza Wangfujing **hotel** and the Sandalwood Beijing Marriott Executive **Apartment**, among others. In a statement, Fu Wah's president, Chiu Yung, said: "Fu Wah is pleased to make this investment into one of the landmark **hotel** properties in Melbourne. "The acquisition adds to our ongoing investment into premier **hotel** and service **apartment** properties in **China** and the wider region."

Mr Bunz said Melbourne was considered a priority destination for foreign capital into Australia. He said the city recorded the strongest revenue per available room growth of any of the Australian CBD markets in 2013. In the industrial sector, a Bunnings Warehouse at Torquay has **sold** to a private investor for \$11.2million. Agents said the **sale** price translated to a yield of 6.52per cent, and this was the strongest result achieved for a Bunnings Warehouse since 2007. The **transaction** follows the recent **sale** of Bunnings Mentone for \$42.95million, which represented a yield of 6.75per cent.

RF 53502375

CO Istmor : LUSTIG AND MOAR

IN i6651 : Hotels (except Casino)/Motels | i66 : Hotels/Restaurants | i665 : Lodgings | ilea : Leisure/Arts/Hospitality | itourm : Tourism | i85 : Real Estate Transactions | icre : Real Estate/Construction | ireest : Real Estate

NS c182 : Asset Transactions | c18 : Ownership Changes | cactio : Corporate Actions | ccat : Corporate/Industrial News | ncat : Content Types | nfact : Factiva Filters | nfcpin : FC&E Industry News Filter

RE austr : Australia | china : China | melb : Melbourne | victor : Victoria (Australia) | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRIC Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia

PUB Federal Capital Press of Australia Pty Ltd

AN Document CANBTZ0020140122ea1n00012