

THE AUSTRALIAN

SE PrimeSpace
HD **Park Regis nears \$46m sale**
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WC 375 words
PD 25 August 2016
SN The Australian
SC AUSTLN
ED Australian
PG 27
LA English
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HOTELS: Simon Wan's Staywell Hospitality Group is close to selling its budget Park Regis Hotel in Sydney to a Chinese buyer in a deal worth \$46 million.

The sale comes after Malaysia's Mulpha Group setpped back from due diligence to acquire the hotel, that has drawn offers after being on and off the market for several years.

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Staywell had insisted that the 122-room hotel at 27 Park Street be sold with a management agreement to Mr Wan's hospitality group, which includes brands such as Leisure Inn.

Mr Wan and his lawyer Richard Doyle, who are travelling together in Dubai, could not be reached for comment on the deal yesterday.

It was negotiated by Colliers International national director Gus Moors, who also could not be reached for comment.

Billing itself as "one of the largest independently owned hotel management groups in the Asia Pacific region", Staywell Hospitality has more than 35 branded properties in Australia, Singapore, Dubai, India and Indonesia. Staywell has equity or full ownership of 16 properties in the portfolio. It looked at selling off its entire hotel portfolio last year, calling in Deloitte to advise on options.

However, it abandoned that process and instead decided to sell the Sydney CBD property with the mandate that they must be sold with long term management agreements.

The Park Regis deal comes before an office block, that could be converted into a hotel, selling in the Sydney CBD.

Hong Kong-based Maville Group had planned to convert an office tower at 333 Kent Street into a 24-storey tower with apartments and hotel rooms.

But the group, which picked up the site for \$48m in 2012, instead decided to sell, marketing the site through agents Mr Moors and Vince Kernahan of Colliers International, who were unavailable for comment.

Industry sources yesterday said the property had gone into due diligence to a Chinese group for \$88.88m, considered a lucky number in China. Malaysia's IGB Corp may also be looking to sell its St Giles, Tank Stream Hotel in Sydney that could be worth more than \$200m. The 16-floor hotel, fronting Pitt and Hunter streets, has 280 rooms. and full facilities.

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AN Document AUSTLN0020160824ec8p00032