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## Chinese-Australian buys Hilton Surfers

Matthew Cranston

Brookfield Multiplex has sold its Hilton Surfers Paradise Hotel on the Gold Coast for more than \$50 million to a private Chinese-Australian family.

The deal adds to a resurgent Gold Coast property market where more than \$650 million in development sites and hotels has been snapped up in the past 12 months by Asian buyers.

The Hilton, which has 169 rooms, was offered for sale in March along with the management rights of the hotel's adjacent tower, containing 250 residences.

McVay Real Estate's Dan McVay and Sam McVay confirmed a transaction had taken place but declined to give details other than to say the acquisition was further evidence of the Gold Coast's property market bouncing back.

The original site on which the Hilton is built was owned by listed developer Raptis Group before the company collapsed during the financial crisis. The \$700 million Hilton Hotel complex, backed by the Australia and New Zealand Banking Group, was developed by what was then Multiplex before it was taken over by Canadian giant Brookfield.

Brookfield Multiplex declined to comment on the transaction.

The deal comes less than a month after a Singapore-based family office snapped up the Crowne Plaza at Broadbeach for around \$70 million in an off-market deal. Global timeshare operator Marriott Vacation Club bought the Surfers Paradise Marriott Resort and Spa a month earlier for \$90 million.

The heightened interest in the Gold Coast has been fuelled by strengthening tourism numbers, particularly from China. Chinese visitor numbers rose 18 per cent to 784,000 over the year ended December 2014 according to Tourism Research Australia's International Visitor Survey.

The Gold Coast has the largest concentration of themed attractions such as Wet'n Wild in the southern hemisphere and, according to the latest census data, more than 12 million annual visitors



Hilton Surfers Paradise Hotel has been snapped up for \$50m. PHOTO: GLENN HUNT

and 22.4 million annual visitor nights. It has also been in the spotlight since China's richest man Wang Jianlin from the Wanda property group committed up to \$900 million to a beachfront resort and residential tower development called the Jewel.

The Hilton deal reflects ongoing interest in hotel assets from Asian-

backed investors, with Hong Kong billionaire Tony Fung recently securing the Sheraton Mirage at Surfers Paradise in a deal believed to be worth \$160 million.

The Hilton's trading performance has strengthened since opening late in 2011 and strong earnings growth is forecast to continue.

## Few towers sold but

Robert Harley

The investment in Australian towers, shopping centres and trial facilities dipped markedly in June half but not because of a lack of demand.

Sales above \$5 million in office and industrial sectors totalled \$9.9 billion in the six months to preliminary figures for June. This compares with \$13.4 billion in the same period of what became a record year.

At the same time, \$1.2 billion of hotels and \$850 million of pubs changed hands.

JLL's head of office in Australia, Rob Sewell, said transaction volumes were down from a record of reduced interest.

"Investor demand from buyer cohorts remains strong. We expect that transaction volumes will recover in the second half of the year."

If anything, office sales are increasing. At least, prices show. A dip in the financial year is expected as its stake in the market in Brisbane at least as much as it paid in the first half.

And just a month ago, Lend Lease Sydney's Financial Centre was known as the 'new' office. The yield on the cent and around 3 per cent around the adjacent

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