

## FINANCIAL REVIEW

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# Indian billionaire sells hotel

Matthew Cranston

Pearls Australasia, backed by Indian billionaire **Nirmal Singh Bhangoo**, is selling the Sheraton Mirage Resort on the Gold Coast with expectations it could fetch as much as \$170 million.

McVay Real Estate Australia and Knight Frank Gold Coast have been appointed to sell the 296-room asset following numerous unsolicited approaches.

Pearls bought the Sheraton Mirage, famously built by failed tycoon Christopher Skase, in 2009 for \$62 million.

In 2011 Pearls undertook an extensive refurbishment program that positioned what is the Gold Coast's only five-star beachfront resort as the leading resort hotel in Queensland in all main performance criteria. "The Pearls Australasia board took the strategic decision to publicly offer the property for sale in order to focus resources on the group's Australian market-leading major diversified property business," Pearls director David Higgins said.



The Sheraton Mirage Resort on the Gold Coast could fetch \$170 million.

Located on five hectares of absolute beachfrontage, the property has further development potential. Starwood Hotels is contracted until 2022 as the resort's manager. The appetite for such hotels in Australia from offshore investors has rapidly accelerated in the past six months.

Sunshine Insurance Group is reportedly eyeing Sydney's Sheraton on the

Park for \$465 million, while Singaporean developer Hiap Hoe is building a Four Points by Sheraton in the Melbourne's Docklands. McVay Real Estate's Dan McVay said: "The Australian hotel investment market has experienced unprecedented levels of activity over recent years and this is set to continue with a record \$2.5 billion in transactions expected this year."