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Fraser Sofitel deal to boost plans for trust

BEN WILMOT
PROPERTY

SINGAPORE'S Frasers Centrepoint is pushing ahead with plans for a hotel real estate investment trust after picking up the Sofitel Sydney Wentworth for \$202.7 million in a deal finalised over the weekend.

The five-star hotel was sold by fund manager LaSalle Investment Management, which picked up the 436-room property for \$130m four years earlier from Tourism Asset Holdings.

The sale was brokered by Sam McVay of McVay Real Estate and Craig Collins of JLL's Hotels & Hospitality Group. The premium price achieved is expected to be repeated in a number of other Sydney hotel deals, notably as US group Starwood brings its Sheraton on the Park property on Elizabeth Street to market for about \$450m through JLL.

Frasers Hospitality owns and operates hotels around the world and already has a local presence with a \$252m portfolio, including the Fraser Suites Perth and Sydney and Fraser Place Melbourne, but the group is now buying other properties ahead of the float in Singapore.

Frasers has been bidding for hotels across Asia as it attempts to find high-profile landmark properties to anchor the fund.

Thai billionaire Charoen Sirivadhanabhakdi won control of Fraser Centrepoint last year.