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The competition for all large-scale management rights offerings ... now looks very different.

PETER HARPER, JLL HOTELS

PRIMESPACE

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Management giants in battle for Soul control

EXCLUSIVE

LISA ALLEN
MANAGEMENT RIGHTS

The sale of management rights to the Soul Surfers Paradise tower is set to smash all Gold Coast records with at least six major groups vying for the hotel and associated real estate, including private equity players and a relative newcomer, Ultiqa Group.

Fresh from its successful \$50 million capital raising, listed hospitality group Mantra is also among the companies vying for the 170-plus apartments in the letting pool for the 77-level Soul tower, which is being sold by Resort Brokers on behalf of receivers and managers PwC.

The Thai-owned Oaks group is also vying for the management letting rights as well as associated real estate including Soul's Seaduction restaurant, conference centre, reception and foyer.

Apart from the big hospitality groups, the Gold Coast-based Piccone family, who own the man-

agement rights to the Chevron Renaissance Hotel, are also said to be competing for the prized asset, which is expected to fetch more than \$20m, eclipsing the previous \$15.5m Gold Coast record paid for management rights to Turtle Beach Resort at Mermaid Beach.

Another contender is Gold Coast-based private equity group Dreamtime, which specialises in management rights.

However, Ultiqa, a South African time share company that has also recently bought the management rights to the Air and Freshwater Point hotels in Broadbeach, is also believed to be a strong contender.

Several other private management groups are expected to express interest as Queensland's tourism industry undergoes a long-awaited turnaround. Major infrastructure projects planned for the Gold Coast include the sporting infrastructure associated with the Commonwealth Games.

Hawaii-based Outrigger Resorts recently sold management rights to four Queensland hotels and resorts to Mantra Group for

an aggressive \$29.5m, with Accor and Oaks outbid in the process. JLL Hotels senior vice-president Peter Harper was yesterday unable to comment on the Outrigger transaction, but he confirmed strong interest.

"The larger end of the management rights sector has evolved considerably over the past few years," Mr Harper said.

"While historically it has been the domain of smaller companies and specialist operators, a number of milestone events including Minor's acquisition of Oaks Hotels & Resorts, Accor's acquisition of Mirvac Hotels and the recent public listing of Mantra Group, have resulted in a range of major hotel management companies now viewing the sector as a viable growth opportunity.

"The competition for all large-scale management rights offerings ... now looks very different to what it did only a few years ago."

Expressions of interest for the management rights to the Soul Tower close on April 13 through Resort Brokers Alex Cook, who declined to comment yesterday.



The 77-level Soul Surfers Paradise tower, centre

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