

# P R E S S   R E L E A S E

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Surfers Paradise Resort and development site sold to private Melbourne investor

Gold Coast, QLD (7 June 2010)

One of the larger resort and redevelopment sites in Surfers Paradise has been sold to a private Melbourne investor.

The Paradise Resort site was marketed by Andrew Jackson and Mark Witheriff from CB Richard Ellis in tandem with Dan and Sam McVay of McVay Real Estate. The sale was negotiated on behalf of Azzura Pacific Resort Pty Ltd.

The marketing campaign for the 2.49ha Surfers Paradise site attracted over 80 enquiries, from as far afield as Europe and Asia. Ten official Expressions of Interest were lodged for the property which occupies an entire city block.

Mr McVay linked the strong buyer interest in the sale campaign to the flexibility of the site, which offered the incoming owner the ability to acquire a popular resort asset with substantial holding income while a future development was planned and priced.

"The Paradise Resort complex has a long-running record of success and attracts repeat guests year after year who appreciate the family friendly model they have created. The property consistently trades at occupancy levels well above the Gold Coast average," Mr McVay said.

"The high occupancy indicates the family resort model is excelling in this location with improvements including a \$1million Zone 4 Kids Club, four swimming pools, an adventure playground, restaurant, bar, mini mart and coffee shop. Despite the recent challenges posed by the Global Financial this property has continued to generate impressive revenues hovering around the \$20 million mark."

Mr Witheriff said the approved DA granted for the site's south-western corner had attracted considerable interest from developers interested in expanding the site's earning potential with the construction of a 232 room apartment building.

"The property was listed for sale in 2008 and despite significant interest, buyers were unable to gain finance for a development site due to the economic downturn. However recent transactions such as this indicate the demand for large resort/development sites in Queensland has increased significantly in the past six months," Mr Witheriff said.

Mr McVay said; "By having a masterplan approval for four towers, the incoming owner has the opportunity to build around 1700 rooms across the entire site. This is incredibly appealing as you can get under way with building and continue to sell off the plan, while still generating a strong income from the existing resort facility."

The widely successful Paradise Resort has gained iconic status within Surfers Paradise over the years due to its overwhelming success and popularity amongst families visiting the Gold Coast.

The site has frontages onto four streets on the northern edge of the Surfers Paradise CBD.

#### About CB Richard Ellis

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