

Katara set to buy New York's Plaza Hotel for \$600mn



By Dmitry Zhdannikov/Reuters, London

Qatar has agreed to buy one of New York's most iconic buildings, the Plaza Hotel, for around \$600mn, adding a development that was once owned by US President Donald Trump, to its luxury property portfolio.

Qatar's state-owned Katara Holding is buying full ownership of the hotel, including a 75% stake from Indian business group Sahara India Pariwar. Katara and Sahara were not immediately available to comment.

Qatar has been buying top hotels and luxury properties in the West over the past decade as part of a drive by its \$300bn-plus sovereign wealth fund to diversify the wealth it accumulates from gas and oil exports. Qatar, the world's largest exporter of liquefied natural gas, already owns landmark hotels such as The Savoy and The Connaught in London. Its wealth fund, the Qatar Investment Authority (QIA), has also invested in large Western companies such as carmaker Volkswagen and mining giant Glencore.

Qatar has said the impact of a year-long blockade by its neighbours has been mitigated allowing it to resume large-scale investments abroad, including buying a stake in Russian oil major Rosneft.

The Plaza Hotel deal is the largest investment in the Western property market by Qatar since the start of the blockade in June last year.

Trump bought the Plaza in 1988, but had to sell it to a group of investors more than two decades ago as part of a bankruptcy proceeding.

Sahara has been trying to sell its stake for several years amid financial difficulties for its chairman, Subrata Roy. The Plaza has hosted guests including the Beatles and Marlene Dietrich, who performed there. It was also the site of Trump's marriage to Marla Maples in 1993.

The hotel has featured in movies including the 1959 American thriller by Alfred Hitchcock, *North by Northwest*; the 1991 drama *Scent of a Woman* starring Al Pacino; and the 1990 gangster drama *The King of New York* with Christopher Walken.