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January 6, 2023

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## Davidson Kempner Buys 18 Hotels in Portugal

### Skift Take

Davidson Kempner's acquisition of a \$900 million real estate portfolio in Portugal includes a handful of high-value, desirably located hotels. That and more news in this week's global roundup of other hotel development updates.

*Sean O'Neill*

### Tuesday, January 3

in **San Diego, California**, **Developer Robert Green** is planning a 12-story luxury hotel. The project in the Gaslight Quarter will cost more than \$120 million and calls for 244 guest rooms, a rooftop pool deck, nearly 15,000 square feet of meeting space, and a jazz speakeasy below ground. Ground-breaking is planned for the first half of 2024.

In **Hong Kong**, **New World Development** has sold the **Pentahotel** for **\$257 million**. Local developer Wang On Properties teamed up with NY-based Angelo, Gordon & Co to take over the 695-room hotel in **east Kowloon**. This is part of New World Development's plan to sell \$1.28 billion worth of non-core assets during the financial year ending September 2023.

In New York City, **Extell** is paying \$94.4 million to buy the leasehold of the former **Wellington Hotel** from **Richard Born's BD Hotels**. The 27-story historic property is located one block south of Carnegie Hall in **New York City**. The developer's plans are unknown, but it was understood that a new hotel will likely be part of any new tower.

**Marriott International said its transformation of the Sheraton Hotels & Resorts brand** continues to build momentum. Greater China now features eight properties including the soon-to-open **Sheraton Xi'an Chanba**. The hotel will offer 228 residential-style guest rooms and suites and a Sheraton Club, an exclusive space for Marriott Bonvoy Elite members and Club-level guests. Other planned openings include **Sheraton Beihai Resort** and **Sheraton Lanzhou Anning**.

**TFE Hotels** will launch into 2023, **opening three new-build hotels** in the first half. The **Adina Apartment Hotel Pentridge Melbourne** will open in Australia in February. The 110-apartment hotel was developed by the **Shayher Group**. The **Vibe Hotel Adelaide** will have their soft opening on February 14 as an 18-story upscale hotel, with 123 guest rooms. In March, TFE Hotels will debut in Switzerland with the opening of the **Adina Apartment Hotel Geneva**. The hotel will offer a choice of 140 one- and two-bedroom or studio apartment-style hotel rooms. The hotel is being developed by **PG Promoters SA** and owner **Claude Berda**.

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**Congdon Park's historic Cotton Mansion** in **Duluth, Minnesota**, recently underwent a complete renovation under new ownership, transforming the former bed and breakfast into a boutique hotel and venue. **Heirloom Property Management** purchased the three-story mansion and 1,700-square-foot carriage house for approximately \$1,425,000. The entire mansion is available for rent with 11 rooms and two apartments, a total of 13 beds.

**Skift Note:** Duluth has some impressive mansions from its heyday as a boomtown in the early 1900s, when the area experienced a boom in mining and lumber extraction. It's nice to see some properties find a second life.

## Wednesday, January 4

Eric Epstein's **Davidson Kempner Capital Management** closed on a deal for a portfolio of hotels in Portugal valued at about **\$900 million (850 million euros)** from seller ECS Sociedade Gestora de Fundos de Capital de Risco. Part of the deal, which involved acquiring two private equity funds, included the acquisition of a [portfolio of hotels](#). Press coverage has said it involves [21 hotels](#) or [23 hotels](#), but the [press release says 18](#). The deal definitely includes the 60-room Palacio do Governador in Portugal, the 154-room Conrad Algarve, and the 176-room Hilton Vilamoura As Cascatas Golf Resort & Spa. Davidson Kempner [outbid Bain](#).

**IHG Hotels & Resorts** announced the signing of a management agreement with **Satyadeo Hospitality Private Limited** to convert **Corbett Aamod Spa & Resort** into **India's first voco hotel**. The new **voco Jim Corbett** is scheduled to be rebranded by July 2024, adding 100 rooms to IHG's premium portfolio in the country.

**Kolter Urban** is planning to build a **Ritz-Carlton Hotel Residences in Sarasota Bay, Florida**. The 20-story project will include 78 units.

**ARA US Hospitality Trust** has entered into a conditional sale and purchase agreement to acquire **Home2 Suites by Hilton Colorado Springs South** hotel for \$29 million. The property is being acquired from **CH Tenderfoot Hill, LLC** and is presently managed by **Chartwell Hospitality, LLC**.

**Skift Note:** Portugal had witnessed a boom in tourism before the pandemic, and Davidson Kempner has acquired a portfolio with several valuable hotels in the country. That's good news for third-party manager Highgate, which Davidson Kempner will tap to operate them. ([More on Highgate, here.](#))

## Thursday, January 5

**China's Foreign Ministry** spokeswoman told the media that many foreign nations had responded warmly to the country's newly relaxed Covid-19 regulations. Some countries were also said to have reacted to Beijing's decision to ease its own health policies with 'disproportionate' and 'unacceptable' restrictions. The Chinese government threatened to retaliate after the United States and other nations reinforced their coronavirus-related entry procedures for visitors arriving from China. The spokeswoman said they do not believe the entry

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restriction measures some countries have taken against China are science-based. They said this as numerous media reports suggested China is greatly underreporting the number of Covid cases and severity, particularly the number of deaths. **China did not say how they will retaliate** but previously accused Western nations of attempting to ‘sabotage China’s three years of Covid-19 control efforts and attack the country’s system.’

**The Novotel Suva Lami Bay Hotel in Suva, Fiji** reopened on December 9 after being closed for three years due to the pandemic. Fiji is trying to jumpstart tourism with the **Fiji Tourism** chief executive saying their goal of achieving visitor numbers of around 400,000 was way too low and they will wind up hitting over 600,000 visitors for 2022. **The holiday season was on pace to exceed 2019 levels** with Australians, Kiwis, and Americans leading the way.

[The Nation reported](#) that **hotels in Thailand** expect occupancy rates to start picking up in the second half of this year. China lifting restrictions is playing a big part in that projection. The Hotel Business Operator Sentiment Study is conducted by the Thai Hotels Association and Bank of Thailand. Last month’s study showed operators expect their revenue to rise by 10%-30%. The average occupancy rate in December was 63%. For full-year 2022, Thailand welcomed 11.81 million foreign arrivals. Their goal this year is at least 25 million foreigners.

**Arnold Companies** is looking to build a 301-room hotel, a 183-unit apartment complex and a 380-space subterranean parking garage near the Columbia Metropolitan Convention Center in **Columbia, South Carolina**. It would see the first-of-its-kind **dual-branded Hyatt House and Hyatt Centric hotel** with a rooftop restaurant and bar space with a retractable roof for indoor and outdoor options.

**Skift Note:** Global hotel industry recovery depends partly on China’s international outbound and domestic hotel business recovering. But given current trends ([Skift has covered in various stories here](#)), it may not be [until at least April](#) that large numbers of Chinese are traveling domestically again.