

COMMERCE

## The Plaza Hotel is back on sale

March 24, 2016



*Fairmont's The Plaza in New York*

By STAFF REPORTS

The Fairmont-managed Plaza Hotel will soon have new owners after heading to the auction block next month.

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After changing hands a number of times, the famed five-star hotel and New York landmark will be taken to a foreclosure auction on April 26. The hotel's mortgage is currently held by billionaire brothers David and Simon Reuben, who purchased the loan from Bank of China last year after the former holder The Sahara Group sold its shares when its chairman, Subrata Roy was sent to prison in 2014 for defrauding investors.

### Bidding on The Plaza

The Sahara Group purchased The Plaza for \$570 million from the Israeli firm Elad Properties in 2012 after the latter organized a massive renovation of the property.

Sahara Group had owned 75 percent of the 107-year-old property in addition to the Dream Hotel Downtown, also in New York, and London's Grosvenor House ([see story](#)). After defaulting on its loans, the Sahara Group's interest in the hotel was transferred to the Bank of China before being purchased by the Reuben brothers.



*The Plaza Hotel, managed by Fairmont*

Over the years, The Plaza has been owned by a number of firms, including current United States presidential candidate Donald Trump in the late 1980s. Mr. Trump then sold the property to a group that included Saudi Arabia's Prince Alwalweed bin-Talal, who retains a minority stake, after selling to Elad Group.

Per [Bloomberg](#), the auction will include the hotel's guest rooms, restaurants and retail space. The sale will be

bundled with the Dream Downtown hotel located in New York's Chelsea neighborhood, near the High Line park. The combined mortgages for The Plaza and the Dream Downtown approach \$500 million.

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