
Nakheel not to lower its stake in Australian Mirvac Group

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Zawya reported that Nakheel is not planning to lower its stake in Australia's Mirvac Group even though it has backed out of the consortium that was bidding to develop Barangaroo, a USD 2.6 billion project on east Darling Harbor of Australia.

A company spokesperson said that "Nakheel is adjusting to market conditions and aligning its business model to meet demand. This is a responsible decision in light of the current global financial environment."

The developer of the Palm Trilogy is not planning to sell off any of its stake in Mirvac Group. It currently holds a stake of 10% stake. The spokesperson said that "We are constantly evaluating its investment strategy in line with market conditions. We remain comfortable with our level of investment in the Mirvac Group."

Mirvac Projects, Leighton Projects and Macquarie Property Development and Finance said that Nakheel's departure from their tender did not jeopardize the bid.

The spokesperson said that asked if Nakheel was planning to be part of any JV in Australia: He said that "If the project and market conditions are right, there is no reason why we would not work together in future."

Ms Kristina Keneally minister for planning Australia said that she remained confident the project would proceed as planned. Ms Keneally said that "We have some of the best consortia in Australia submitting comprehensive proposals. I am confident these bids will be the best available in the current environment and will reflect the long term nature of the project."

In January 2008, Nakheel doubled its stake in Mirvac to 12.5% from 6.5% it agreed in December 2007. Our stake in Mirvac has not been diluted. Nakheel remains happy with the partnership."

(Sourced from Zawya.com)

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