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## Roosevelt Hotel Stake to Be Sold in \$1Bn

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– Categories: Real Estate



Pakistan has approved a plan to sell a minority stake in the Roosevelt Hotel, its historic property located in Manhattan, New York. The government is aiming for a valuation exceeding \$1 billion as part of a broader IMF-backed privatization effort.

The decision was finalized after the Cabinet Committee on Privatization (CCOP) endorsed a transaction structure presented by the Privatization Commission Board earlier this week. The Roosevelt Hotel, acquired in 2000 by the Pakistan International Airlines Investment Limited (PIAIL), remains one of the country's most valuable foreign assets.

The government evaluated three possible transaction models: an outright sale, a long-term lease, and a joint venture. After careful consideration, the joint venture option was selected. Officials say this model offers greater flexibility and minimizes financial risk while allowing Pakistan to retain partial ownership through an equity share. The specific percentage of the stake to be sold has not yet been publicly disclosed.

According to a senior government official quoted by *Reuters*, this move is a key element of Pakistan's \$7 billion privatization roadmap, which is supported by the International Monetary Fund (IMF). The Roosevelt Hotel transaction is expected to attract substantial interest from global investors.

Jones Lang LaSalle (JLL), a globally recognized real estate advisory firm, has been appointed to oversee the transaction. Plans are underway to redevelop the 42,000-square-foot building into a modern mixed-use complex, potentially including residential and office spaces. The redevelopment is projected to take four to five years.

Officials have indicated that the initial installment of \$100 million is expected to be received from the joint venture by June 2026. This would represent a significant step forward in Pakistan's efforts to generate foreign investment and strengthen public finances through targeted privatization of state-owned assets.

The Roosevelt Hotel, situated in the heart of Manhattan, has long been a symbol of Pakistan's overseas holdings. After operating for nearly a century, the hotel ceased operations in 2020 due to the COVID-19 pandemic and mounting financial challenges. The government's current strategy aims to unlock its long-term value while retaining a degree of control.

This development is seen as part of Islamabad's larger plan to streamline public expenditure, encourage private sector involvement, and reduce fiscal deficits. The joint venture structure reflects a measured approach designed to preserve strategic interests while enabling capital inflow.