



Welcome to our latest monthly round-up, highlighting a selection of key news and developments for the UK & Ireland.

Transactions



- Swiss-based BSQ Investments has acquired the 4-star 774-bed Citywest Hotel & Golf Resort, Dublin for around €30M. The hotel, with conference facilities for over 4,000 delegates, was developed by Mansfield Group in the 1990s but has been managed by Dalata since being placed in receivership last year. Michels & Taylor will shortly take over the management of the hotel.
- The Greater Manchester Pension Fund has acquired the 4-star 138-bed Novotel Cardiff Centre for £12.3M, reflecting a net initial yield of 6.3%. The former Hanover International hotel is leased to Accor until 2030 at the higher of a minimum base rent of £822,000 p.a. or 23% of turnover.
- Savills has completed the sale of two hotels in York. The 91-bed Ibis York Centre, which is leased to Accor until 2023 with a follow on extension, was bought by Algonquin off a £6M guide price. The 200-bed Park Inn York was sold off a £18M guide price to an unnamed buyer and is leased to Carlson Rezidor until 2031.



- Canadian hotel group Northland Properties has acquired the 4-star 151-bed Ramada Plaza London Gatwick for a price well in excess of the £4.9M guide price set by Knight Frank on behalf of administrators, KPMG. Northland plan to reposition the hotel under their Sandman Signature brand, joining their other UK property, which opened in Newcastle in 2011.
- Cordea Savills, on behalf of the Bishopsgate Long Term Property Fund Unit Trust, has purchased the iScene in Ilford for £19M from a private client of Savills. This represents a blended net initial yield of 8.60% for the leisure scheme, which includes a cinema, gym, restaurants and the 91-bed Travelodge London Ilford, which opened in 2002.
- Galleon Hotels has bought the 50-bed Olde Bell coaching inn in Hurley, Berkshire from BDO, administrators to Dhillon Hotels. The hotel had been marketed by Knight Frank off a £10M guide price. Galleon own 3 similar sized hotels in Berkshire, Richmond and Surrey, which are marketed by Bespoke Hotels.

For sale

- CBRE has been instructed to sell the 4-star 90-bed River Court Hotel in County Kilkenny by receivers, KPMG. A guide price for the hotel, which opened in 1999 and overlooks Kilkenny Castle, has not been disclosed but is reportedly around €7.5M. BDL Ireland currently manage the hotel.
- Savills has been instructed to sell the 23-bed Elms Hotel in Abberley, Worcestershire off a £5M guide price. The former Von Essen hotel, situated in 10 acres, is part of the Luxury Family Hotels brand. It was acquired by Halcyon Hotels with equity backing by Patron Capital in 2011.
- The Breaffy House Resort in Castlebar, County Mayo is also being sold by Savills with a guide price of €2.9M. The 77-acre resort, which is currently managed by Dalata on behalf of receivers Grant Thornton, includes two 3-star hotels - the 106-bed Breaffy House Hotel and the 128-bed Breaffy Woods Hotel, which opened in 2006.

Closing

- Aberdeen's only 5-star hotel, the 42-bed Marcliffe Hotel & Spa is set to close in late 2014. The hotel's owner, Stewart Spence plans to retire and has agreed a deal with developer, Gibson McCartney, who will shortly lodge a pre-application notice for a £90M office development on the 11 acre grounds to the west of the city.



New Development



- McAleer & Rushe has started excavation works for the £60M Terrace Mount scheme in Bournemouth being developed by THAT Group. Completion is expected in H2 2015 and will include residential apartments and two hotels - a 167-bed Hilton and 114-bed Hampton by Hilton.

- Arora Developments has submitted outline plans for a 602-bed Premier Inn at Heathrow T4. The site at Sheffield Road is adjacent to the 398-bed Hilton London Heathrow and around 100 yards from another site where Heathrow Airport has recently applied for outline consent for a hotel with up to 660 bedrooms.



- Clacton-on-Sea's Waverley Hall Hotel, which latterly traded as a Comfort Hotel before closing last year, could be demolished and replaced by a new 66-bed Premier Inn. Whitbread recently acquired the hotel and has submitted plans for a new build property on the Marine Parade West site.

- Property Alliance Group has submitted plans for the £6M conversion of former offices on George Hudson Street, York into a 53-room hostel with capacity for 249 bedspaces. Subject to planning, Euro Hostels, who operate two permanent hostels in Glasgow and Newcastle and a seasonal one in Edinburgh, intend to open the new hostel in summer 2014.
- Dominvs Group has submitted plans to convert the former Employment Exchange on Aytoun Street in Manchester into a 308-bed 4-star hotel. Dominvs was set up in 2011 by the Ahluwalia family and recently acquired Aston Hotels, which has hotels in Dumfries, Rotherham and Darlington. The latter will open as a Holiday Inn open lobby concept in early 2014.

New Openings

- Qbic, the Dutch modular budget hotel brand backed by Bridges Ventures, has opened its first UK property - the 171-bed Qbic London City between Aldgate and Whitechapel. Qbic has agreed a 25-year lease of the hotel, converted from the former Challenger House offices, with Hermes Real Estate Investment Management. Qbic plans to open a further 10 hotels in the UK over the next 5-10 years.



Re-branding

- Choice Hotels has announced five more properties have joined its UK & Ireland portfolio. The hotels are the Quality Hotel Wolverhampton; Quality Hotel Birmingham Airport/NEC; Clarion Collection Hotel Makeney Hall; Clarion Collection Hotel Winchester Royal; and the Gibson Hotel, an Ascend Hotel Collection Member, Dublin.
- glh. has announced the launch of a new 4-star brand, Amba. It plans to convert four Guoman and Thistle hotels with 2,088 rooms in London to the new brand by 2015. glh. is also targeting 30 key UK cities for the Amba brand.

Opening Soon

- Premier Inn is scheduled to open new hotels during November in Exeter, London (Monument) and Wrexham. The latest openings will take the total number of rooms opened by the brand in new UK hotels during 2013 to 2,300.
- South-West based family business Arkell's Brewery will welcome its first guests to a new bedroom extension at the Sun Inn at Coate Water on the outskirts of Swindon.

Data & Trends

Latest HotStats results for September revealed hotels in London returned to normal service after two months of Games period comparisons. Rate growth was boosted by London Fashion Week.

HOTSTATS Hospitality Intelligence	London			Regional UK		
	Sep-13	Sep-12	YTD 2013	Sep-13	Sep-12	YTD 2013
Occupancy	88.0%	88.6%	+1.9pts	79.9%	79.2%	+1.9pts
RevPAR	£139.15	£128.64	-0.3%	£59.23	£56.53	+4.6%
TRevPAR	£188.87	£177.49	-0.8%	£107.12	£104.61	+3.3%
GOPPAR	£96.54	£89.22	-4.2%	£36.37	£35.41	+4.5%

Regional hotels, on average, experienced continued solid results with a number of markets benefiting from rising corporate demand, also in meetings and events. Aberdeen once again headlined with significant growth in delegates for a key biennial offshore conference and exhibition reinforcing the local council's plans to create a new venue to replace the ageing AECC.