



# THE CARNOUSTIE GOLF HOTEL

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THE LINKS • CARNOUSTIE



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The Links, Carnoustie, Angus, United Kingdom, DD7 7JE

*Colliers and Savills, as joint exclusive advisors, are delighted to offer for sale the long leasehold interest in the purpose built, 96 bedroom Carnoustie Golf Hotel & Spa*





## EXECUTIVE SUMMARY

- Located approximately 12 miles east of Dundee and 60 miles north of Edinburgh on Scotland's picturesque east coast.
- The town is known for its world famous Championship Golf Course which hosted The 2018 Open Championship, adjacent to the Hotel.
- Served by Dundee Airport (13 miles), Edinburgh Airport (69 miles) and Aberdeen Airport (60 miles). Accessed from the A90.
- The property comprises a four-star Hotel and spa with 96 bedrooms and extensive conference facilities plus separate staff accommodation at 57 Carlogie Road.
- The Hotel has the benefit of guaranteed Tee Times on the Championship Course. The Hotel has exclusive use per week of 184 Tee Times across the three golf courses, of which 72 are on the Championship Course. This gives the potential to accommodate up to 736 golfers per week. In addition, the Hotel receives 30 free rounds of golf on the Championship Course and the ability to have 4 golf days per year on the Championship Course.
- Long leasehold interest from Angus Council of 125 years from 1998 (104 years unexpired). There is a rent payable which is comprised of base rent with a turnover provision until 2033.
- Total Revenue to YE April 2018 £4.1m and EBITDAM for this period is £734k. Budget to YE April 2019 £976k EBITDAM.
- The Hotel benefits from commissions income and a sub-lease to Carnoustie Golf Links Limited, which generates a total current income of £209,266 per annum.
- The property and business is to be sold as a going concern.
- Offers sought in excess of £10,000,000 (Ten Million Pounds).



The V&A Dundee



The V&A Dundee



## THE LOCATION

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The Carnoustie Golf Hotel is located in the town of Carnoustie on Scotland's east coast, approximately 12 miles east of Dundee, 60 miles north east of Edinburgh and 60 miles south of Aberdeen.

The town is renowned for its Championship Golf Course. Famously challenging and one of the venues in The Open Championship rotation, the Golf Links attracts players from across the world.

Carnoustie Bay is celebrated for its natural beauty and known for its wide sandy beaches. The area is a popular destination for windsurfing, sailing and yachting.

The Hotel benefits from excellent communication links, located approximately 13 miles from Dundee Airport and 69 miles from Edinburgh Airport. There is also a regular train service from Glasgow and Dundee to Carnoustie Station which is located a five minute walk from the Hotel. The Hotel is within a one hour drive of St Andrews forming a natural circuit of golf courses for golf tourism.

The Hotel is situated adjacent to the 1st Tee and 18th Green of the Championship Course providing unrivalled access to the course, with impressive views over the picturesque Carnoustie Bay.

Dundee has seen a substantial investment, with a £1 billion masterplan started in 2001, including the £80 million Victoria and Albert Museum, opening in September 2018. GQ magazine named Dundee as "the coolest little city in Britain" in 2015 and the Wall Street Journal ranked Dundee as No.5 on its "worldwide hot destinations" list for 2018. The brand new V&A Dundee museum of design is located approximately 12 miles to the west of the Hotel on Dundee's waterfront. The V&A welcomed over 100,000 visitors in its first month and is expected to attract half a million visitors in its first year.

The £80m building is Scotland's first design museum and was designed by acclaimed Japanese architect Kengo Kuma who has said he wanted to create a "living room for the city". At the heart of the museum, the Scottish Design Galleries feature 300 exhibits from V&A's rich collections of Scottish design, as well as from museums across Scotland and the world. A key feature of these galleries is the Charles Rennie Mackintosh Oak Room where visitors can once again experience the restored design, which has been lost to view for nearly 50 years.













## THE GOLF LINKS

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- Carnoustie Golf Links is world famous and steeped in golfing tradition, with golf first recorded as having been played in Carnoustie in the early 16th century.
- Carnoustie first played host to The Open Championship in 1931 and The Championship Course has hosted eight Open Championships, one Ladies British Open and two Senior Opens making it one of the very few to have done so in the UK. It is one of the three courses used for the annual Dunhill Links, the others being Kingsbarns and the Old Course in St Andrews.
- In July 2018 the Championship Course hosted the 147th Open Championship which attracted approximately 170,000 spectators over the duration of the competition.
- The Championship Course is widely considered to be the most challenging golf course in Britain and Ireland and is currently rated 26th in the world golf course ratings.
- There are also two additional courses within the Links. The Burnside Course includes the infamous 17th hole which is considered one of the hardest par fours in golf. The Buddon Links Course is considered the perfect introduction before tackling the two other more demanding courses.
- The Hotel has exclusive use per week of 184 Tee Time across the 3 golf courses of which 72 are on the Championship Course. This gives the potential to accommodate up to 736 golfers per week. In addition, the Hotel receives 30 free rounds of golf on the Championship Course and the ability to have 4 golf days per year on the Championship Course.



## THE PROPERTY

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The property comprises an impressive and substantial Hotel of 96 bedrooms, arranged over 4 floors. The property was built in anticipation of the 1999 Open Championship.

The Hotel houses a 2.8m Rolex clock weighing 450kg. This was the largest timepiece supplied by Rolex at the time it was fitted. There are only 40 golf courses worldwide that have been given these Rolex clocks.

The vendor has recently undertaken a program of refurbishment and upgrading totalling approximately £1.9 million.

### Public Areas

- Covered entrance with car drop off point
- Reception Lobby
- Reception Lounge
- Reception & Concierge Desks
- Calder's Bistro, Bar and Lounge (50)
- Dalhousie Restaurant - 1 AA Rosette (60)
- Terrace with views over the 1st Tee and 18th Green with 80 seats
- 2 passenger lifts to all floors

### Guest Rooms

- The Hotel currently has a total of 96 guest en-suite bedrooms:
- 2 full suites
- 8 junior suites
- 6 family rooms
- 80 en-suite bedrooms

All guests have access to Calders Bar and Restaurant and the facilities provided in the leisure suite and spa.









## CONFERENCING/ EVENTS FACILITIES

The property benefits from substantial conference facilities comprising 7 event rooms which can accommodate up to 250 people.

The Augusta Suite is the largest function area, it can be accessed by its own dedicated entrance and has a large foyer, private bar and cloakroom. It is a flexible space and can be

divided into 3 smaller areas known as the Pinehurst, Congressional and Merion. It boasts a full room height roller door - ideal for car launches or large production sets.

The delightful Hogan Suite is situated on the 3rd floor, the Suite comes with its very own private balcony boasting spectacular views over the Championship Golf Course and beyond.

	Theatre	Boardroom	U-Shape	Classroom	Dinner	Cabaret	Dimensions (metres) L x W (H)
<b>Augusta</b>	250	85	65	150	220	160	20.75 x 13.0 (3.6)
<b>Oakmont</b>	180	50	35	60	100	70	12.0 x 13.05 (3.6)
<b>Merion</b>	100	40	30	60	80	60	8.75 x 13.05 (3.6)
<b>Pinehurst</b>	70	40	25	30	50	35	6.0 x 13.05 (3.6)
<b>Congressional</b>	70	40	25	30	50	35	6.0 x 13.05 (3.6)
<b>Meeting Room 1</b>	16	12	-	-	-	-	3.5 x 5.0 (2.8)
<b>Meeting Room 2</b>	16	14	-	-	-	-	3.5 x 5.0 (2.8)
<b>Calder's Bistro</b>	120	-	-	-	80	-	16.5 x 9.0 (3.0)
<b>Hogan Suite</b>	50	26	16	16	50	40	10.5 x 6.4 (2.4)





## SPA AND LEISURE FACILITIES

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The spa and leisure facilities at the Hotel comprise:

- 15-station Gymnasium
- 15m Swimming Pool
- Jacuzzi
- Sauna
- Steam Room
- 3 Treatment Rooms
- Relaxation Room
- Spa & Leisure Reception
- Changing Facilities

## EXTERNAL & SERVICES

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The site includes 100 car parking spaces (including six electric charging points).

We are informed that the Hotel is provided with mains gas, water, drainage and electricity.

There is also a staff accommodation house located within Carnoustie at Carlogie Road. The house comprises; 10 bedrooms, kitchen, laundry room, common room, two bathrooms.



## TENURE

The property is held on a long leasehold interest of 125 years from Angus Council from 23 January 1998.

The rent payable comprises the following:

- Base rent (currently £34,608 per annum) reviewed every 5 years to RPI - upwards only.
- Turnover Rent - 1.5% of the Gross Turnover above the excess figure (£1,315,556).
- The excess figure is reviewed every 5 years (next review in 2019) and is linked to RPI- upward only.
- From 31st March 2033 no turnover rent will be payable.

**Total current rent payable of £67,885 per annum (base rent + turnover rent)**

Further information on the tenure structure, rents payable and rents received is available upon request. The sellers reserve the right to require advanced signature of a non-disclosure agreement by interested parties, at the relevant party's cost.

## RENTAL INCOME

There is a sub-lease in place to Carnoustie Golf Links Limited of an area which comprises:

- Male and female golf changing rooms
- Storage area adjacent to the General Managers Office



The lease expires on 31st March 2033

**The current rent received is £54,992**

The rent is reviewed every 10 years from 2009 and is linked to RPI- upward only.

## COMMISSIONS

The property benefits from commission income for the Carnoustie branded items which are sold in the Pro Shop

- Commission calculated as 25% of Gross Profit
- There is a cap on sales of £1.4 million
- Subject to a minimum payment of £90,000 per annum

- The minimum payment is reviewed in 2019 and is linked to CPI
- The total commission received in year end April 2018 was **£163,438**.
- Expiry in 21st March 2033

**The Property receives a total current income from the Council and Links Committee of £209,266 per annum.**



## THE BUSINESS

The Carnoustie Hotel benefits from strong business throughout the year, with a large proportion of guests on golfing holidays, attracted by the celebrated Golf Links.

The Hotel benefits considerably from corporate trade during the week and is a well established conference centre, hosting up to 200 delegates.

The Hotel is also a popular wedding destination hosting approximately 30 weddings each year, in addition to numerous family celebrations, charity balls and corporate hospitality events.

Carnoustie Hotel is an exceptional leisure venue, with guests attracted by the Leisure Club & Spa. The Leisure Club has approximately 550 members.

Total sales has increased to £4.1m for the year end April 2018 and the EBITDAM for this period is £734k.

Further financial details are available upon request and following the signature of a Non-Disclosure Agreement.

YE April	2015	2016	2017	2018	2019 F
Occ	72.0%	76.9%	74.4%	70.4%	74.0%
ARR	£61.54	£55.62	£60.26	£63.53	£91.79
RevPAR	£44.33	£42.78	£44.81	£44.72	£76.15
<b>Total Revenue</b>	<b>£3,558,711</b>	<b>£3,458,395</b>	<b>£3,840,500</b>	<b>£4,076,793</b>	<b>£4,540,112</b>
<b>EBITDAM</b>	<b>£728,727</b>	<b>£557,985</b>	<b>£621,342</b>	<b>£734,414</b>	<b>£976,711</b>
EBITDAM (% of Revenue)	20.5%	16.1%	16.2%	18.0%	21.5%

## DATAROOM

Access to a data room is available upon request.

## RATEABLE VALUE

£304,500

## LICENCES

We are informed the Hotel benefits from a premises licence (including civil marriages).

## EPC

**Carnoustie Golf Hotel:**

G-150 (equivalent to C-55 in England and Wales).

**57 Carlogie Road:**

E-75 (equivalent to E-117 in England and Wales)

The property is exempt from a Section 63 Action Plan.



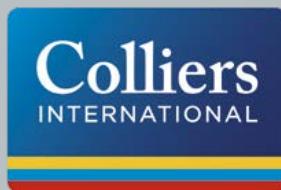
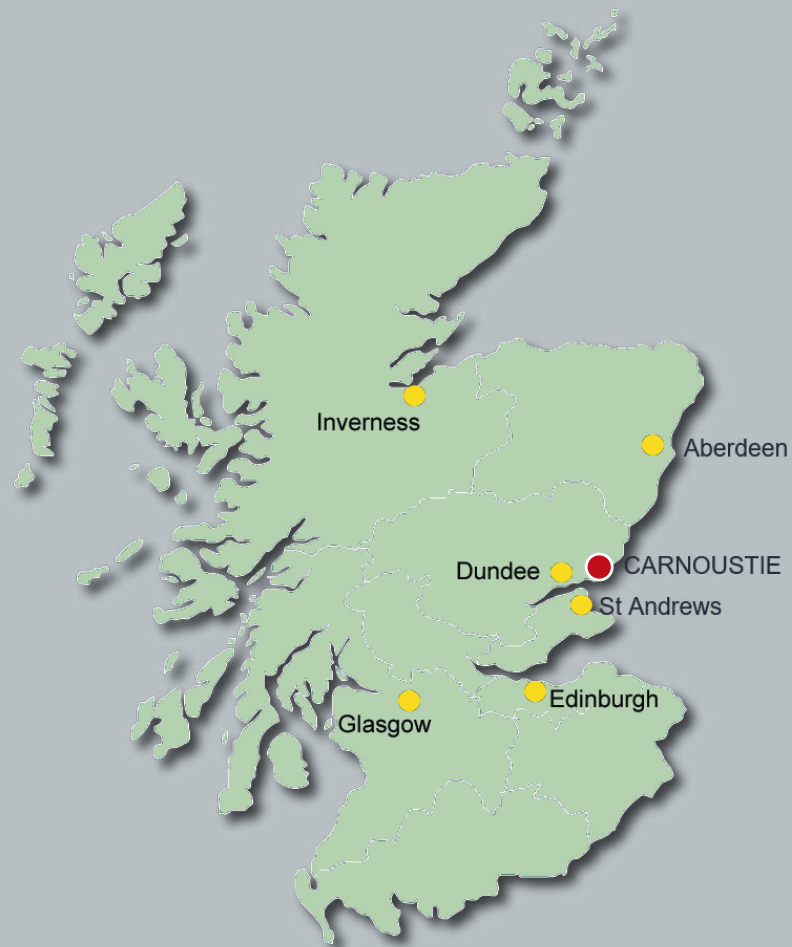
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## PROPOSAL AND FURTHER INFORMATION

Offers in excess of £10,000,000 (Ten Million Pounds) exclusive for the leasehold interest in the property, complete with goodwill and trade contents (according to inventory) and the freehold interest in the staff accommodation.

The Hotel will be sold as a going concern, to include all fixtures and fittings to the extent (owned outright, and including third party owned items subject to lease rental HP agreements and will include the transfer of all staff employed within the Hotel under TUPE Regulations).

**For further information or to arrange an inspection of the property please contact Savills or Colliers.**



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