

# PREMIER INN

BROAD STREET PLAZA • ORANGE ST  
**HALIFAX** • WEST YORKSHIRE • HX1 1YA

Direct Whitbread Group PLC lease  
with RPI indexed linked rent reviews



## INVESTMENT SUMMARY

- **100 bed Premier Travel Inn Hotel** and 6,673 sq ft **Beefeater restaurant**, situated at the entrance to the Broad Street Plaza development in the heart of Halifax town centre.
- Broad Street Plaza a **significant mixed-use development** which includes a **9 screen cinema**, various **restaurants and bars**, a **large medical centre** and a **429 space multi storey public car park**, in all totalling 315,000 sq ft.
- Let to **Whitbread Group PLC**, trading as Premier Inn and Beefeater, on two separate 25 year FRI leases (20/15 year break) at a rent of **£542,128 per annum**.
- Both leases are subject to **5 yearly rent increases** (next RR 2022) to **RPI capped at 5% per annum compound**.
- Hotel let from 2 July 2012 until 1 July 2037 with a break option in 1 July 2032 (**13.5 years term certain**) at a rent of £394,133 per annum. 18.5 years term certain to lease expiry.
- Restaurant let from 2 July 2012 until 1 July 2037 with a break option in 1 July 2027 (**8.5 years term certain**) at a rent of £147,995 pa. 18.5 years term certain to lease expiry.
- The current rent equates to £3,940 pax per bed and £22.18 per sq ft on the restaurant.
- **WAVLT of 12 years.**
- The asset benefits from the **full Whitbread Group PLC covenant**.
- **Whitbread Group PLC** have an undoubted covenant and a **Dun & Bradstreet rating of 5A1**.
- Freehold.
- Offers are sought in excess of **£10,600,000 (Ten Million, Six Hundred Thousand Pounds)** subject to contract and exclusive of VAT. A purchase at this level would reflect an attractive **net initial yield of 4.80%**, a **reversionary yield of 5.56%\*** (2022), assuming purchaser's costs of 6.70%.
- In addition, the asset is held in a **Jersey domiciled SPV** which is **available** should a corporate acquisition be of interest.

\* Assuming 3% pa RPI



## LOCATION

Halifax is the main commercial and retail centre in the Borough of Calderdale within West Yorkshire and the Leeds City District. The town is located approximately 25 miles north east of Manchester and 20 miles south west of Leeds. Halifax benefits from excellent road connections being situated only 4 miles to the North of junction 24 of the M62 motorway, which links Leeds with Manchester and provides good access to the national motorway network. The town is located at the junction of the A629 Keighley to Huddersfield Road and the A58 Leeds to Bury Road. Halifax benefits from excellent rail services, which provide a journey time of around 35 minutes to Leeds and 50 minutes to Manchester. Connections via Leeds provides a journey time to London Kings Cross of just over 3 hours. Leeds Bradford International Airport is located approximately 16 miles to the North East of Halifax and provides flights to domestic, European and international destinations.



### HALIFAX & CALDERDALE

Halifax forms part of the Borough of Calderdale – this was formed in 1974, bringing together the towns of Brighouse, Elland, Halifax and Hebden Bridge along with many other southern Pennine villages. Calderdale is the 6th largest of 36 metropolitan authorities in terms of area and has a population of some 210,600 people. Halifax has a resident population of 90,000 with a total population within the primary catchment area of 183,000 people. The rural and semi-rural areas around Halifax have also seen significant changes over the last decade. These areas have seen an increase in prosperity largely influenced by the growth in car ownership as well as the district's good connection links. It is estimated that around 45,000 people travel into, or out of the district to work each day. Beyond Halifax itself, the area has become an attractive place to live, given the scenery and motorway access, for commuters working in Manchester and Leeds. There are an estimated 467,800 people within a 20 minute drive time and 2,349,000 within a 40 minute drive time of the centre.

### POPULATION DRIVE TIME





## SITUATION

The property is located at the entrance of Broad Street Plaza which is situated in the heart of Halifax and occupies a highly prominent position on a substantial island site. Broad Street Plaza is a mixed use development which also includes a 9 screen cinema, a number of well know restaurants and bars, a large medical centre, together with a 429 space multi storey public car park, in all totalling 315,000 sq ft. Tenants include TGI Fridays, Vue Cinema, Frankie & Benny's, Pizza Express, Pure Gym, Wetherspoons, Nandos, The NHS Trust

The property is also located close to the Town Hall and the town's main bus station. Broad Street is a busy through-fare, which forms part of the town's inner ring road (A629). Northgate connects with Broad Street immediately opposite the scheme and this provides a direct link into the main retail area of Market Street, Woolshops Shopping Centre, Cornmarket and Southgate. The property is within a 10 minute walk of Halifax Railway Station.

The subject property is the only national hotel brand in Halifax city centre.



## DESCRIPTION

The asset was built in 2012 and comprises a 100 bed Premier Travel Inn Hotel and 6,673 sq ft Beefeater restaurant. The development is arranged over ground and five floors.

There is a site next to the asset which is potentially available through separate negotiation.





## TENANCY SCHEDULE

Let to Whitbread Group Plc, trading as Premier Inn and Beefeater, on two separate 25 year FRI leases (20/15 year break) at a rent of £542,128 per annum. Both leases are subject to 5 yearly rent increases (next RR 2022) to RPI capped at 5% per annum compound.



The hotel is let from 2 July 2012 until 1 July 2037 with a break option in 1 July 2032 (13.5 years term certain) at a rent of £394,133 per annum. 18.5 years term certain to lease expiry



The restaurant is let from 2 July 2012 until 1 July 2037 with a break option in 1 July 2027 (8.5 years term certain) at a rent of £147,995 pa. 18.5 years term certain to lease expiry

The current equates to £3,940 pax per bed and £22.18 per sq ft on the restaurant





## COVENANT

Premier Inn are part of Whitbread PLC which recently celebrated its 275th Anniversary as a British business. Whitbread Group PLC have been listed on the FSTE since 1948.

Premier Inn was named the UK's top-rated travel brand and the top-rated hotel chain for 2017 by Which?. Premier Inn have being voted Best UK Economy & Midscsale Hotel at the British Travel Awards for 2018 and The Business Traveller Awards named them Best Budget Hotel Chain for the seventh year in a row.

Premier Inn has been awarded the Best UK Family Hotel in the TripAdvisor Travellers' Choice Awards, Best UK Hotel Group in the Silver Travel Awards and the Business In The Community Environmental Leadership Award.

Premier Inn has plans to expand its markets in Germany and the Middle East after recently opening its first hotel in Frankfurt earlier this year.

Premier Inn have over 760 hotels in the UK and approximately 68,000 bedrooms. They are looking to build on this success with a target of reaching 75,000 bedrooms by the end of 2018 and 85,000 bedrooms by 2020.

The asset benefits from the full Whitbread Group PLC (00029423) covenant and have a Dun & Bradstreet rating of 5A1.

## WHITBREAD PLC

Score: **100**

Risk: **Very Low Risk**

### Whitbread Group PLC

	31 March 2018	31 March 2017	31 March 2016
Turnover	£3,295,100,000	£3,106,000,000	£2,921,800,000
Profit before tax	£570,500,000	£528,800,000	£495,000,000
Net Assets	£2,514,900,000	£2,675,600,000	£2,395,200,000





## TENURE

Freehold - further details available on request.

## VAT

The property is elected for VAT although it is anticipated that the sale will be structured as a Transfer of a Going Concern (TOGC).

## EPC

EPC's can be provided upon request.

## ANTI MONEY LAUNDERING

In Accordance with Anti-Money Laundering Regulations, two forms of ID and confirmation of the source of funding will be required from the successful purchaser.

## DATAROOM

A data room has been set up with relevant documentation; access is available on request.

## PROPOSAL

Offers are sought in excess of **£10,600,000 (Ten Million, Six Hundred Thousand Pounds)** subject to contract and exclusive of VAT. A purchase at this level would reflect an attractive **net initial yield of 4.80%**, a **reversionary yield of 5.56%\*** (2022), assuming full purchaser's costs of 6.70%

In addition, the asset is held in a Jersey domiciled SPV which is available should a corporate acquisition be of interest.

\*Assuming 3% pa RPI

## CONTACT

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# CARRICK

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