



# TRAVELODGE HOTEL FREETOWN WAY / PRYME STREET HULL



October 2010



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## HULL

- Hull has a Travel To Work population of 430,000 and a 45 minute drive time population of 800,000, including 220,000 ABC1's, with a comparison spending power of £1.9 billion (spend per head on a par with the UK average)
- Hull's location in the UK offers exceptional connectivity via sea to northern Europe and by road and rail to the rest of the UK. Direct rail journey time to London 2 hours 36 minutes
- Hull & Humber has the largest ports complex in the UK, handling 24% of all UK's seaborne trade
- Hull ferry terminal handles 1 million passengers per annum, equivalent to 500,000 visitors to Hull. The planned development of a cruise terminal will increase passenger numbers and tourist spend
- Hull is a centre of excellence for the pharmaceutical industry with companies including Reckitt Benckiser (global R&D facility based in Hull), Smith and Nephew (founded in Hull 150 years ago) and Seven Seas. Other significant employers include Associated British Ports, BAE Systems, William Jackson Food Group, KCOM Group, BP and Comet
- The University of Hull is located less than 2 miles to the north of this Travelodge Hotel. The University was founded in 1928 and has 20,000 students. It was the first university to be awarded the Queen's Award for Technological Achievement and continues to be a leading centre for research



## HULL TOURISM

- Hull's appeal as a tourist destination is improving rapidly due to recent schemes including the St Stephens Shopping Centre and The Deep and hosting the Clipper Round the World Yacht Race in 2009 /10
- St Stephens Shopping Centre has attracted 7,000 additional shoppers per day to Hull city centre. Visitors to The Deep are 450,000 per annum - the most successful Millennium Commission project in the UK based on a ratio of visitors to total investment. The Clipper Race attracted over 200,000 visitors to the city
- Other tourist attractions include The Hull Truck Theatre (recently moved into a new £14.5 million theatre complex within 200 yards of the Travelodge Hotel) and the museum quarter (8 free museums including the Maritime Museum, Ferens Art Gallery and Wilberforce House attract 470,000 visitors annually). Annual events include the Hull Comedy Festival, Global Food Festival, Lawns Caravan Festival, Freedom Festival and Hull Jazz Festival attracting in excess of 65,000 visitors
- Hull has two rugby Super League clubs; Hull FC and Hull KR and a Championship League football club Hull City AFC
- Hull's companies and tourist industry are major generators of hotel demand in the city however Hull is undersupplied with hotel bedrooms (source Hull Forward website)

*"With the increasing demand for business and leisure hotel accommodation predicted to grow to around 170,000 nights over the next five years, we are keen to expand our current offer*

*At peak times of the week, hotels in Hull's city centre secure 80% occupancy levels*

*A recent assessment indicates that an estimated 13,000 room bookings are displaced every year"*

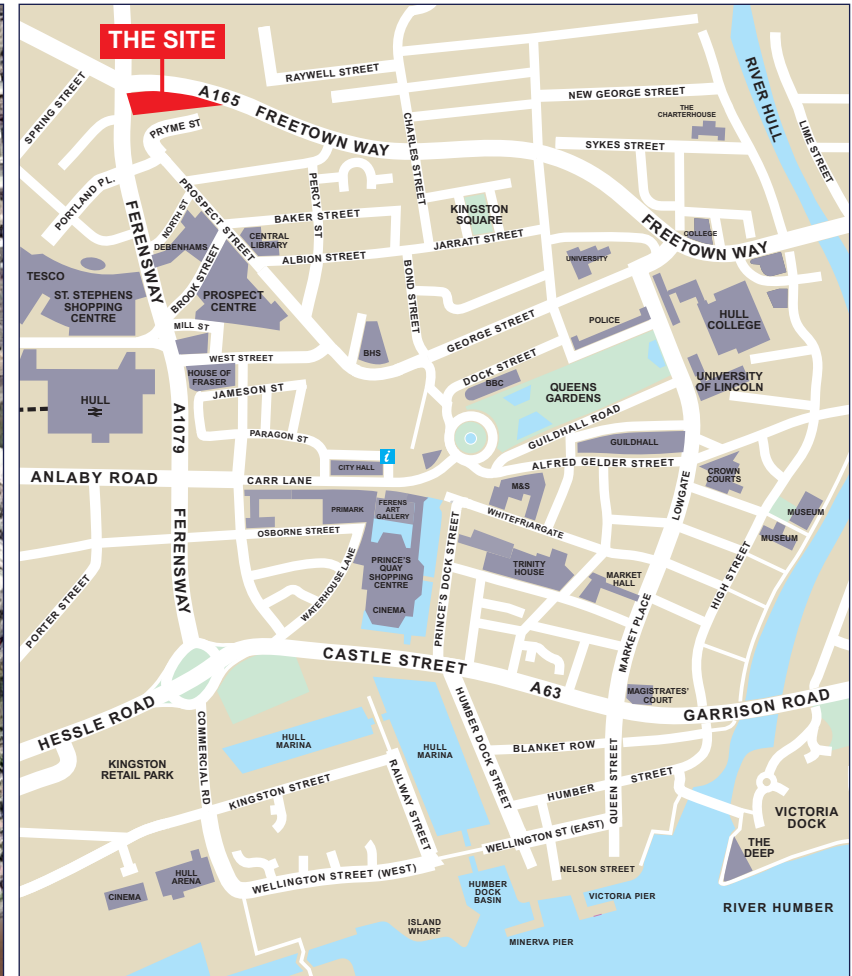
- Current limited service hotel room provision in the city including this Travelodge Hotel is only 498 rooms

## LOCATION

- Prime city centre location at the junction of Freetown Way (A165) and Ferensway/Beverley Road (A179), opposite Hull Transport Interchange (main line rail, coach and bus stations) and St Stephens Shopping Centre (approximately 550,000 sf of retail and leisure). Within ½ mile of the primary business district and Princes Quay Shopping Centre and 1 mile from The Deep; one of the region's major tourist attractions

## THE PROPERTY

- Freehold
- 80 bedroom Travelodge Hotel comprising ground floor reception, restaurant and ancillary accommodation and 4 upper floors. Ground floor 29 space car park
- Practical completion 25 April 2011
- Travelodge Hotels Limited to take a new 25 year full repairing and insuring lease from practical completion at **£284,160 pax** (£3,552 per room pa), with 5 yearly rent reviews to the increase in RPIX, without collar or cap
- Town and City Parking Limited to take a new 25 year full repairing and insuring lease from practical completion at **£22,500 pax** (£775 per space pa), with 5 yearly rent reviews to 2.5% pa compounded
- Total income **£306,660 pax**
- **92.7%** of total income secured on the covenant of Travelodge Hotels Ltd
- **Price: £4.64 million** subject to contract and exclusive of VAT. Net initial yield **6.25%** net of purchasers costs at 5.7625%
- Assuming RPIX averages 3% over the next 5 years, the net reversionary yield at 1st review will be 7.25%.



① HULL RAILWAY AND BUS STATION / ST STEPHENS SQUARE



② QUEENS GARDENS



③ PRINCESS QUAY SHOPPING CENTRE



④ HULL MARINA



⑤ THE DEEP



*For identification purposes only.*

- **Travelodge Hotels Limited** (Company Number 00769170) was the first budget hotel brand to launch in the UK in 1985 and now operates over 380 hotels (27,300 rooms) - 10 in Ireland, 3 in Spain and the rest in the UK. Dun and Bradstreet rating 5A1 indicating a minimum risk of business failure. Experian Financial Stability Assessment “A Very Low Risk (confidence)”.

	Year ending 31/12/2009 GBP 000	Year ending 31/12/2008 GBP 000	Year ending 31/12/2007 GBP 000
Turnover	294,400	287,000	241,500
Pre tax Profits	66,500	8,700	16,600
Net Worth	861,400	799,000	790,300

- **Town and City Parking Limited** (Company Number SC138255) formed 1993. Activities include retail car park management operating or managing over 1,000 car parks in the UK for clients including Asda, British Waterways, Local Authorities, Matalan, the NHS, Sainsbury’s, Somerfield and Tesco, event parking and marshalling, and on-street parking consultancy for Local Authorities. Experian Financial Stability Assessment “A Very Low Risk (confidence)”.

	Year ending 31/5/2009 GBP 000	Year ending 31/5/2008 GBP 000	Year ending 31/5/2007 GBP 000
Turnover	14,555	n/a	n/a
Pre tax Profits	642	414	130
Net Worth	718	1,029	1,220

A Development by



**Wykeland Group**

For further information please contact David Nicholls

**Hague Nicholls**

Chartered Surveyors  
4 Queen Street  
Leeds LS1 2TW

T: 0113 234 6573

F: 0113 234 6577

E: [dwn@haguenicholls.com](mailto:dwn@haguenicholls.com)

[www.haguenicholls.com](http://www.haguenicholls.com)

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