55

55 NEWMAN STREET | FITZROVIA | LONDON W1

55 NEWMAN STREET IS A RARE AND UNIQUE OPPORTUNITY TO ACQUIRE A FULLY-CONSENTED LUXURY HOTEL DEVELOPMENT OPPORTUNITY IN A PRIME WEST END SITUATION.

The property is a freehold interest and has full planning consent for a 100-bedroom hotel. Following a planning pre-application meeting, our client has been invited to submit a new planning application for a 105-bedroom hotel, with an average room size of 312 sq ft (29 sq m) and all bedrooms over 270 sq ft (25 sq m).

In addition there will be over 10,000 sq ft (929 sq m) available for food & beverage, including a destination restaurant and bar, conference/meeting rooms, and leisure/wellness facilities.

INVESTMENT SUMMARY

55 NEWMAN STREET IS A RARE AND UNIQUE OPPORTUNITY TO ACQUIRE A FULLY CONSENTED LUXURY HOTEL DEVELOPMENT OPPORTUNITY IN A PRIME LOCATION IN THE HEART OF THE WEST END'S FITZROVIA DISTRICT.

A Freehold property, currently comprising a vacant office totalling 39,224 sq ft (3,644 sq m) gross internal area arranged over lower ground, upper ground and four upper floors.

The property has full planning permission to convert to a 100-bed luxury hotel including extensions to the rear of the property and at 5th and 6th floor levels.

Following a pre-application meeting with Westminster, our client has been invited to submit a new planning application. Overall this will increase the demise to 63,292 sq ft (5,880 sq m) gross internal area. This will provide 105-bedrooms over 1st-6th floors, with an average size of 312 sq ft (29 sq m) and a minimum bedroom size of 270 sq ft (25 sq m).

In addition, there will be over 10,000 sq ft (929 sq m) on the ground and lower ground floors offering opportunity for a good mix of uses including: food & beverage, a destination restaurant and bar, meeting/conference rooms and leisure/spa & gym/wellness facilities. A new basement level will provide space for M&E plant, kitchens and back of house services facilities.

Once complete, this has the potential to be a luxury international hotel with a stabilised operation in the third full operating year capable of generating a total revenue in excess of £19.4 million and an EBITDA in excess of £6.18 million. (Source: Colliers International Feasability Study).

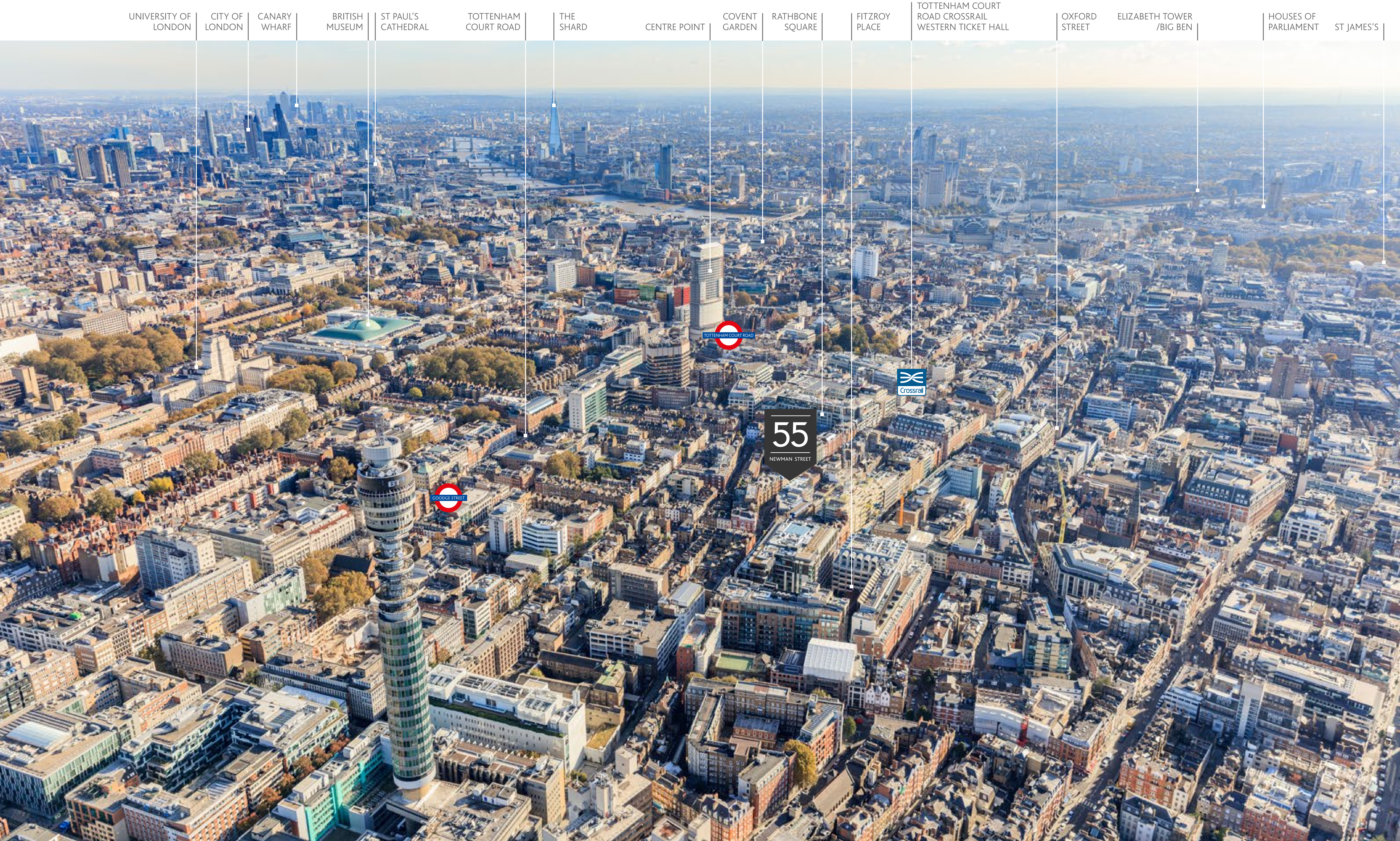
The southern end of Fitzrovia, where 55 Newman St is situated, is at the heart of a major regeneration programme triggered by the refurbishment of Tottenham Court Road Station and the new Elizabeth Line (Crossrail) interchange development. When Crossrail opens in 2018 there will be a new station entrance situated at the southern end of Newman Street, only a few minutes walk from the new hotel.

The commercial profile of Fitzrovia is rapidly improving attracting substantial corporate occupiers to new office developments. Evidence of this is at Fitzroy Place at the north end of Newman Street which is the new HQ for Estée Lauder. At the southern end of Newman Street, the Rathbone Place scheme is well advanced, with completion due in Q2 2017, and has attracted a substantial pre-let to Facebook for their new London HQ.

Similarly along Oxford Street East the regeneration has attracted major new flagship retail stores for Primark, Zara and Next. The property is only a short walk from many popular restaurants and is close to attractions such as The British Museum, Covent Garden, Carnaby Street and 'Theatreland'.

Demand for luxury hotel accommodation in London's West End is unprecedented with exceptional occupational rates. With its excellent transport links and close proximity to a vast array of commercial and leisure opportunities 55 Newman Street is situated in a vibrant area with strong hotel fundamentals.

COLLIERS INTERNATIONAL HAS BEEN APPOINTED AS SOLE SELLING AGENTS TO SEEK OFFERS IN EXCESS OF **£80,000,000** EXCLUSIVE FOR THE FREEHOLD INTEREST WITH FULL VACANT POSSESSION.


UNIVERSITY OF LONDON
CITY OF LONDON
CANARY WHARF
BRITISH MUSEUM
ST PAUL'S CATHEDRAL
TOTTENHAM COURT ROAD
THE SHARD
CENTRE POINT
COVENT GARDEN
RATHBONE SQUARE
FITZROY PLACE
TOTTENHAM COURT ROAD CROSSRAIL WESTERN TICKET HALL
OXFORD STREET
ELIZABETH TOWER /BIG BEN
HOUSES OF PARLIAMENT
ST JAMES'S
TOTTENHAM COURT ROAD
Crossrail
55
NEWMAN STREET
GOODGE STREET

LONDON
A WORLD CITY

AS THE CAPITAL OF THE UNITED KINGDOM AND THE LARGEST CITY IN EUROPE, LONDON IS ONE OF THE WORLD'S MOST DIVERSE, VIBRANT AND WEALTHY CITIES AND IS HOME TO OVER EIGHT MILLION RESIDENTS.

With the largest GDP of any city in Europe, London is one of the world's principal financial centres along with New York, Hong Kong and Tokyo. By virtue of its location, language, political and legal structure and existing business districts, London is also Europe's pre-eminent creative centre having established itself as a world leader for creative industries.

A world leading tourist destination, the city attracts in excess of 18 million international visitors annually who come to enjoy the attractions, retail and leisure amenities.

London boasts a rich and diverse cultural offering including numerous world heritage sites, over 300 theatres, over 240 museums and galleries and hosts 62 Michelin-starred restaurants.

Over 300 languages are spoken in London, more than in any other city in the world, contributing to an exciting and interesting cultural hub.

London Heathrow is a major international air transport hub and one of the world's busiest airports with over 72 million passengers arriving and departing annually.

London also benefits from a fully integrated transport network which will be further improved with the delivery of Crossrail in 2018.

With its stable politics and transparent banking systems, world-famous cultural landmarks and educational systems, Royal institutions, extensive cultural offerings and business-convenient GMT time zone, London is at the centre of international commerce.

Central London real estate has always played a fundamental role in cross border investment at a global scale owing to its transparency, long income flows and liquidity.

An established legal system and underlying economic and political security make London a safe haven for international investors looking for secure returns on their capital.

London's status as the preferred location for investors creates a highly liquid real estate market, with investment volumes totalling approximately £18billion for the year ending 2016.

THE WORLD COMES TO LONDON

FOR MORE THAN A MILLENNIUM LONDON HAS DRAWN PEOPLE FROM NEAR AND FAR.

For commerce, for pleasure, for the culture, for the energy, for the tolerance. They have come to see what the city has to offer and they have shaped it with their presence.

Today, London is the most visited city in the world.

London saw the highest visitor spend for European cities in 2016 with this figure forecasted to further increase up to 65% by 2020.

Its stability and permanence are founded on an unrivalled blend of commercial and cultural attributes.

In recent times of global turbulence, London is seen as the 'still point in a turning world'; a "safe haven" for expression and investment.

FANTASTIC FITZROVIA

FITZROVIA IS AN ESTABLISHED UPMARKET DISTRICT IN CENTRAL LONDON.
LOCATED WITHIN THE BOROUGH OF CITY OF WESTMINSTER,
FITZROVIA'S NEIGHBOURS ARE MARYLEBONE TO THE WEST, BLOOMSBURY TO THE EAST.
REGENT'S PARK & CAMDEN TO THE NORTH, AND MAYFAIR & SOHO TO THE SOUTH.

Today, around 6,500 people live in Fitzrovia, while 50,000 work here. Its diverse mix of uses including residential, business, leisure, retail, education and healthcare presents London life, both work and play, at its very best.

Fitzrovia in recent years has become a preferred office location for many media and entertainment companies. Fitzrovia provides a hub for the creative industries with a cosmopolitan feel that has evolved with cafes, restaurants and internationally renowned boutique hotels such as The Sanderson and Charlotte Street Hotel. The area remains busy outside of office hours, with a number of restaurant, bars and pubs that create a buzzing evening atmosphere.

A key driver for the massive regeneration and redevelopment projects in Fitzrovia has been Crossrail. Fitzrovia uniquely benefits being ideally situated between two of London's five Crossrail (Elizabeth Line) stations at Tottenham Court Road and Bond Street, providing Fitzrovia with unparalleled transport communication across London.

Fitzrovia is now regarded as one of London's most fashionable business, retailing and liesure districts. It's new landmark schemes such as Fitzroy Place and Rathbone Square, combined with it's eclectic mix of boutique galleries and extensive restaurants complement the world renowned retail line-up on Oxford Street and Regent Street.

COMMUNICATIONS

FITZROVIA IS ONE OF THE BEST SERVED AREAS OF CENTRAL LONDON FOR TRANSPORT AND COMMUNICATION LINKS. TOTTENHAM COURT ROAD STATION WILL BECOME A CROSSRAIL INTERCHANGE IN 2018 MAKING IT ONE OF LONDON'S BUSIEST TRANSPORT HUBS.

There are four underground stations within a short walk of Newman Street offering seven different underground lines with direct links to all ten of London's mainline railway stations. This includes St Pancras International, with its Eurostar service to Paris and Brussels.

The property is located a short 4 minute walk from one of only five central London Crossrail stations. The new Tottenham Court Road Elizabeth Line Terminal will be situated at the southern end of Newman Street.

Services are due to open in December 2018 with the full line opening in December 2019 offering a rapid and direct service to Heathrow Airport, as well as to The City and Canary Wharf.

Both Gatwick and Heathrow airports can be reached from Tottenham Court Road in under 50 minutes. Once Crossrail is operational, Heathrow will be reached in only 30 minutes.

Over £16 billion has been invested into the project that will link Central London East to West and bring 1.5 million more people within 45 minutes of Central London. The arrival of the Elizabeth Line is expected to increase passengers at Tottenham Court Road station by 33% to over 200,000 a day. Crossrail will provide trains every two and a half minutes at peak times, with direct trains to Canary Wharf in 12 minutes and Paddington in only 5 minutes. Each train will be 200 metres long, capable of carrying 1,500 passengers and fitted with Wifi and 4G.

UNDERGROUND

Bank 6 minutes
Baker Street 8 minutes
Victoria 8 minutes
London Bridge 14 minutes

ELIZABETH LINE

Farringdon 3 minutes*
Liverpool Street 5 minutes*
Paddington 5 minutes*
Canary Wharf 12 minutes*

Euston 4 minutes
Waterloo 5 minutes
King's Cross St Pancras 8 minutes
Marylebone 10 minutes

Heathrow 30 minutes*
London City 37 minutes
Gatwick 47 minutes
Stansted 59 minutes

*Once Crossrail (Elizabeth Line) opens in 2018.

CROSSRAIL (ELIZABETH LINE)

Without doubt the most exciting transport project to hit London since the London Underground 150 years ago. From 2018 it will provide a direct route from Heathrow to Canary Wharf with stops throughout Central London – including Tottenham Court Road, just a few minutes' walk from 55 Newman Street.

crossrail.co.uk

LONDON UNDERGROUND

The world's original metropolitan railway and the easiest way to get around London. A train arrives at a London Underground station every 3 seconds.

tfl.gov.uk

HEATHROW

One of the world's major hub airports. Reachable from your front door at Newman Street in 40 minutes - and that's before Crossrail.

heathrowairport.com

LONDON CITY

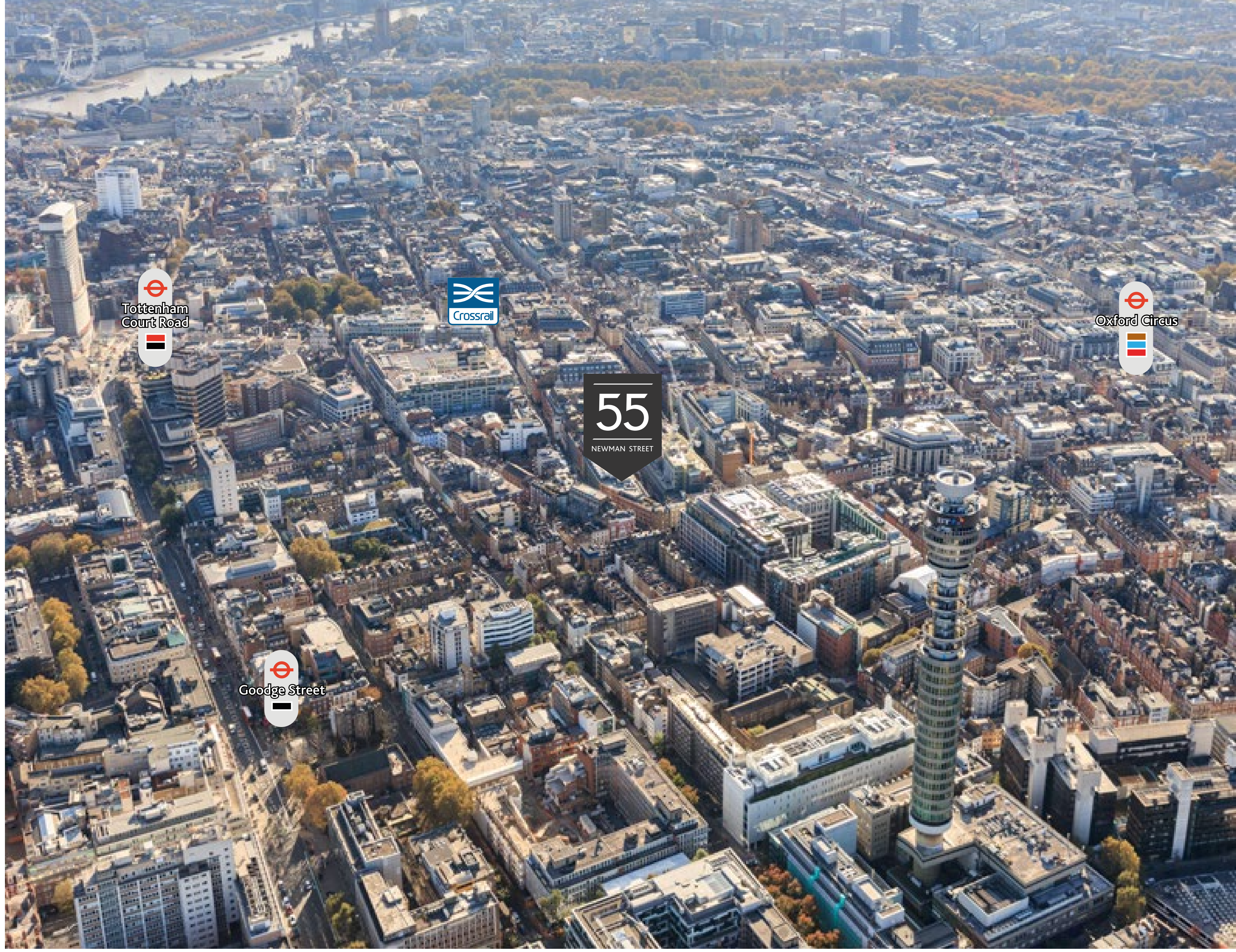
The home of short-haul and Friday evening escapes to Europe. Readily accessible from Canary Wharf, the City and just a Tube ride from Tottenham Court Road.

londoncityairport.com

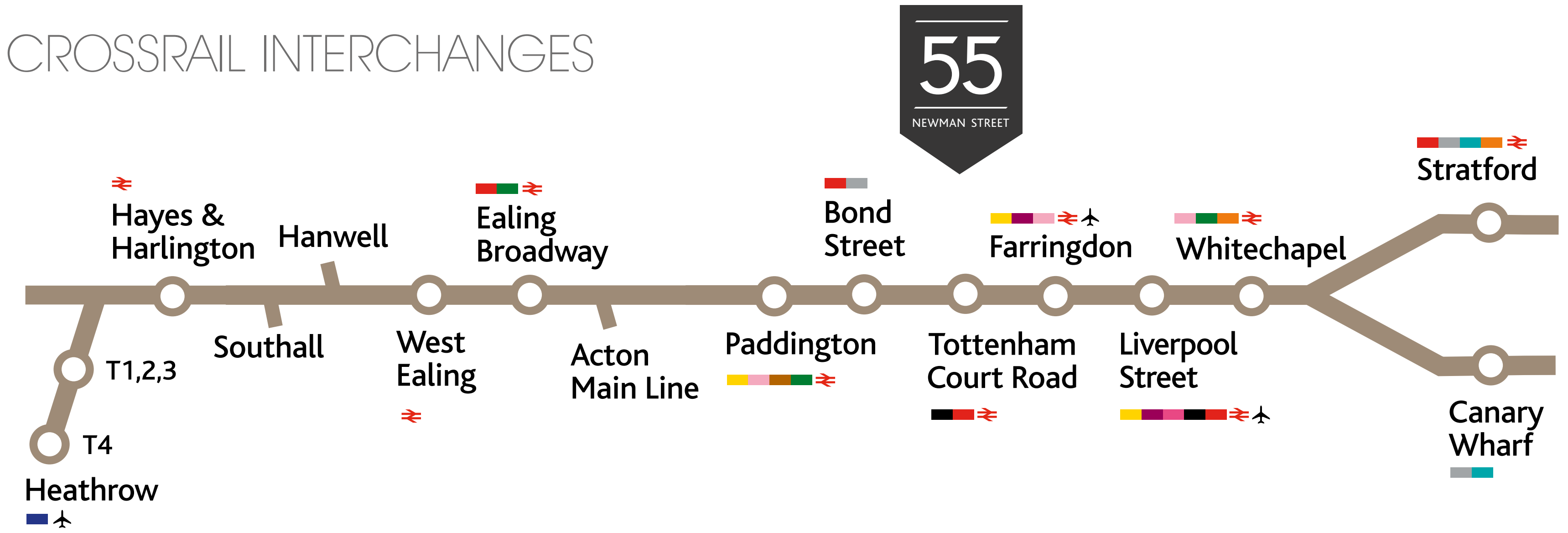
EUROSTAR

From its new home in the fantastically renovated St Pancras railway station, Eurostar is your link to Europe. What's more, St. Pancras is only 10 minutes from Newman Street by tube.

eurostar.com



CROSSRAIL INTERCHANGES



BUSINESS

NEWMAN STREET IS A PRESTIGIOUS ADDRESS AT THE VERY CENTRE OF A THRIVING BUSINESS COMMUNITY. MANY LEADING COMPANIES IN THE MEDIA, ADVERTISING AND PUBLISHING INDUSTRIES HAVE CHOSEN TO BASE THEMSELVES IN THE AREA, ALONG WITH LEADERS IN THE FIELDS OF TECHNOLOGY, TMT ARCHITECTURE, ENGINEERING AND FASHION.

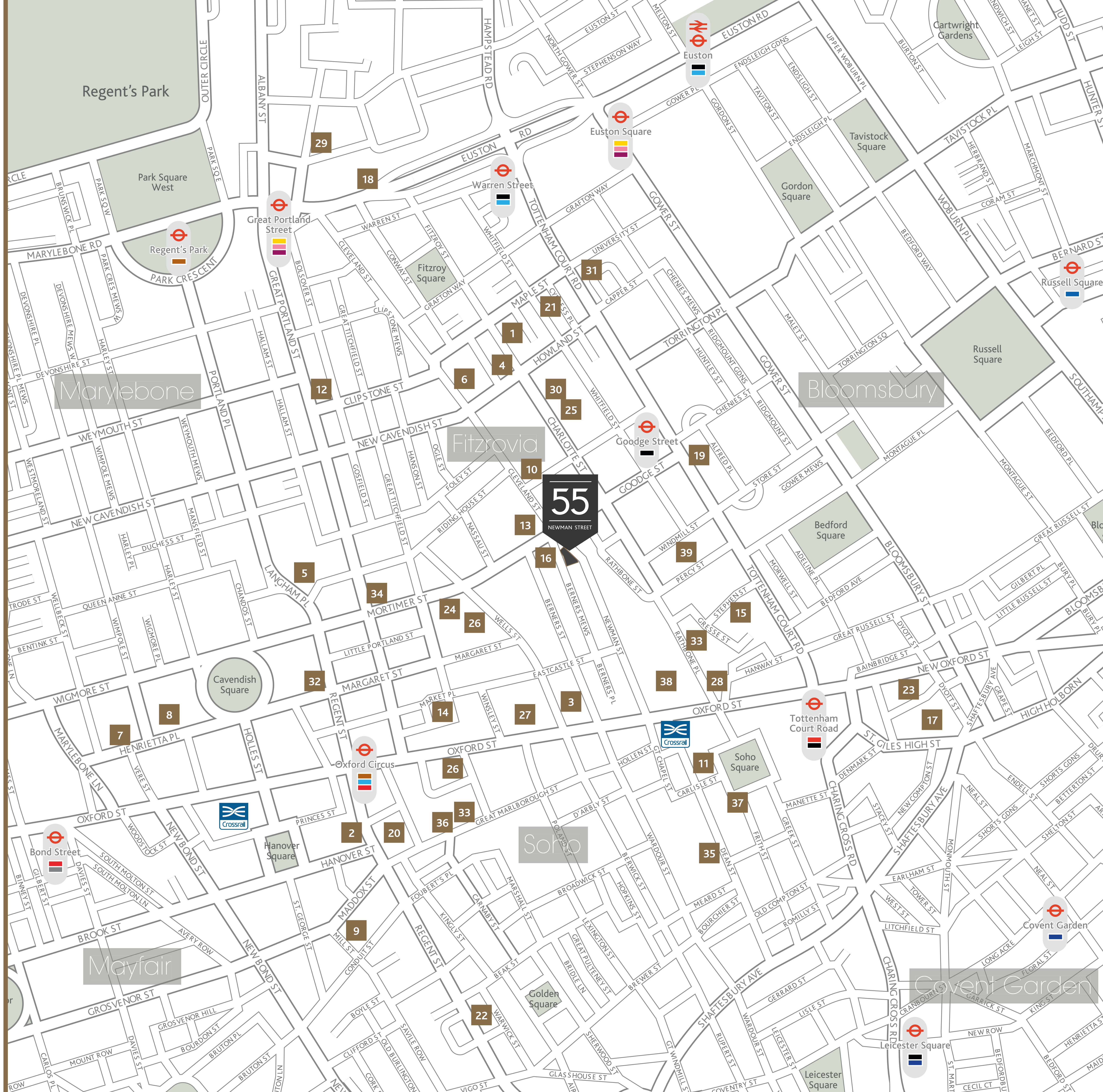
Substantial occupiers include Virgin Media, Saatchi & Saatchi, Sony, Adobe, BT, MAKE Architects, Ove Arup and Arcadia Group.

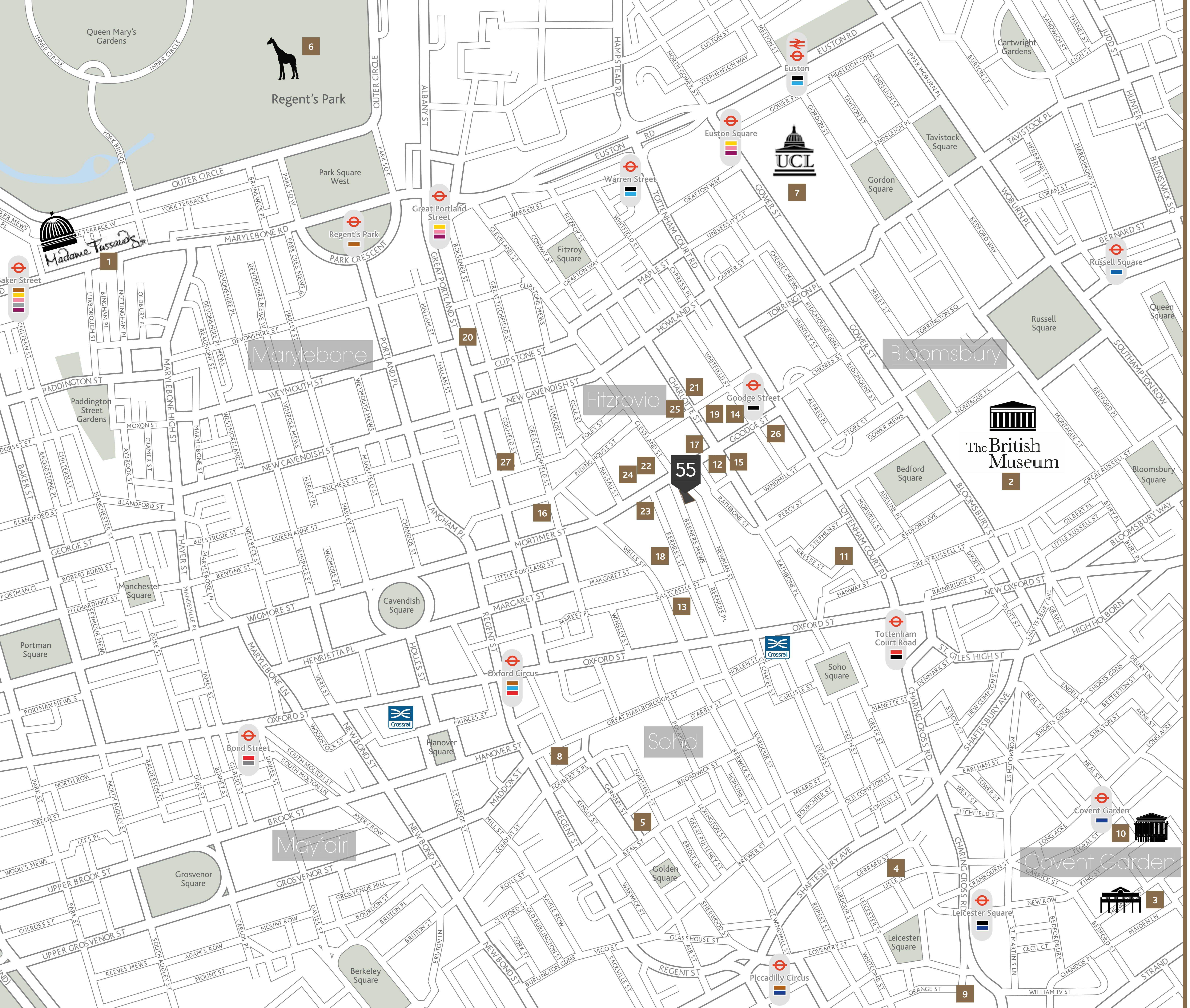
Recent new occupiers include The Estée Lauder Companies who have chosen to make 1 Fitzroy Place their new headquarters for UK and Ireland. Significant recent office pre-lets have been secured to Facebook at Rathbone Place, Capita at Berners Street and Money Supermarket at 1 Dean Street.

The BBC at Broadcasting House and NBC Universal are chief among the numerous media outlets operating in the area.

LOCAL OCCUPIERS

1 Adobe
2 Apple
3 Arcadia Group
4 Arup
5 BBC
6 BT
7 CBRE
8 Coca-Cola
9 Condé Nast
10 Dennis Publishing
11 Dolby
12 Double Negative
13 Estée Lauder
14 Exemplar
15 Fremantlemedia
16 Capital Real Estate (Pre-let)
17 Google
17 Mindshare
17 NBC Universal
18 Money Supermarket (Pre-let)
19 Havas
20 Heidrick & Struggles
20 Och-Ziff
21 HOK international
22 JLL
23 Linkedin
24 Lionsgate Films
25 Major League Baseball
26 New Look
27 Nickelodeon
28 Progressive Recruitment
29 Ricoh
30 Saatchi & Saatchi
31 Santander
32 Savills
33 Sony
34 The Engine Group
35 Time Warner
36 Turner Broadcasting
37 20th Century Fox
38 Facebook (Pre-let)
39 Bakkown Group





ENTERTAINING

FITZROVIA IS BLESSED WITH A COLLECTION OF SOME OF THE BEST RESTAURANTS, CAFÉS, PUBS AND HOTELS IN LONDON.

Among the many restaurants of note in the locality there is the ever fashionable Roka, the Michelin-starred Pied à Terre, Hakkasan, Dabbous and the new Percy & Founders.

For quick lunches and daytime breaks there is a wealth of cafés, coffee shops and eateries close to hand, including many respected and familiar names.

Leading world-class hotels in the immediate area include the Sanderson, the Charlotte Street Hotel and Ian Schrager's new London EDITION.

The area is also well served with gyms, fitness centres and spas, while Regent's Park provides opportunities for outdoor exercise and fresh air.

ATTRACTIONS

1 Madame Tussauds
2 British Museum
3 Covent Garden Market
4 Chinatown
5 Carnaby Street
6 Regent's Park Zoo
7 UCL
8 Liberty
9 National Gallery
10 Royal Opera House

RESTAURANTS

11 Hakkasan
12 Roka
13 Berners Tavern
14 Dabbous
15 Pied à Terre
16 The Riding House Café
17 Salt Yard
18 Suka at Sanderson
19 Gaucho
20 Villandry
21 Bubbledogs
22 Percy & Founders
23 Black & Blue
24 The Detox Kitchen
25 Tsunami
26 Crazy Bear
27 Picture

MAJOR LOCAL DEVELOPMENTS

THE AREA SURROUNDING TOTTENHAM COURT ROAD STATION, IN ANTICIPATION OF CROSSRAIL, IS GOING THROUGH MAJOR REGENERATION WITH REDEVELOPMENT OF TRAFFIC, LANDSCAPE AND BUILDINGS.

THIS INJECTION OF CAPITAL AND PEOPLE MEANS THIS AREA OF LONDON STANDS ON THE VERGE OF AN EXCITING NEW PHASE OF ITS EVOLUTION.

1 Centrepoint

Centrepoint, the iconic Grade II listed building, is being redeveloped by Almacantar into 82 residential apartments, with additional retail and restaurant and a new square. It is due for completion Summer 2017.

2 Tottenham Court Road Station

TFL are undertaking a £1 billion redevelopment of the St Giles area. As part of this, they are undertaking a £600 million upgrade to the station. This includes a larger ticket hall, new entrances and a plaza outside, additional elevators and lifts and new access to Northern and Central line platforms. In conjunction with this, the West End Project is a £26 million redevelopment scheme that aims to transform traffic flow around the station. Cycle lanes, pedestrian crossings, wider pavements and a new park will also improve the area.

3 61 Oxford Street/ 11 Soho Street

A joint venture between Dukelease and BA Pension Trust to create 70,000 sq ft of retail, 6 apartments and 2 floors of office space. The project was completed in 2015. The retail comprising 35,000 sq ft is let in its entirety to Zara.

4 73-89 Oxford Street/ 1 Dean Street

73-89 Oxford Street/1 Dean Street is located opposite the new Dean Street Crossrail entrance. This new development by Great Portland Estates provides 88,000 sq ft of retail and office space. New Look have already taken up the retail space for a new flagship store and Money Supermarket are committed to part of the offices.

5 Oxford Street

110 acres from Oxford Street to Edgware Road and Baker Street is set for a £240 million transformation by the Portman Estate.

6 120 Oxford Street

Fashion retailer Next is transforming the Plaza Shopping Centre at 120 Oxford Street by knocking the existing 20 units together to create a flagship store. The store will consist of 60,000 sq ft across two floors including a café. The new store is expected to open by the end of 2017.

7 Rathbone Place

At the southern end of Newman Street is Rathbone Place a 2.3 acre site with frontage to Newman Street. Situated around a new public square the development will offer 142 residential apartments, 24,000 sq ft of retail as well as 420,000 sq ft of office space that has been completely leased by Facebook for their London HQ.

8 The Copyright Building, 30 Berners Street

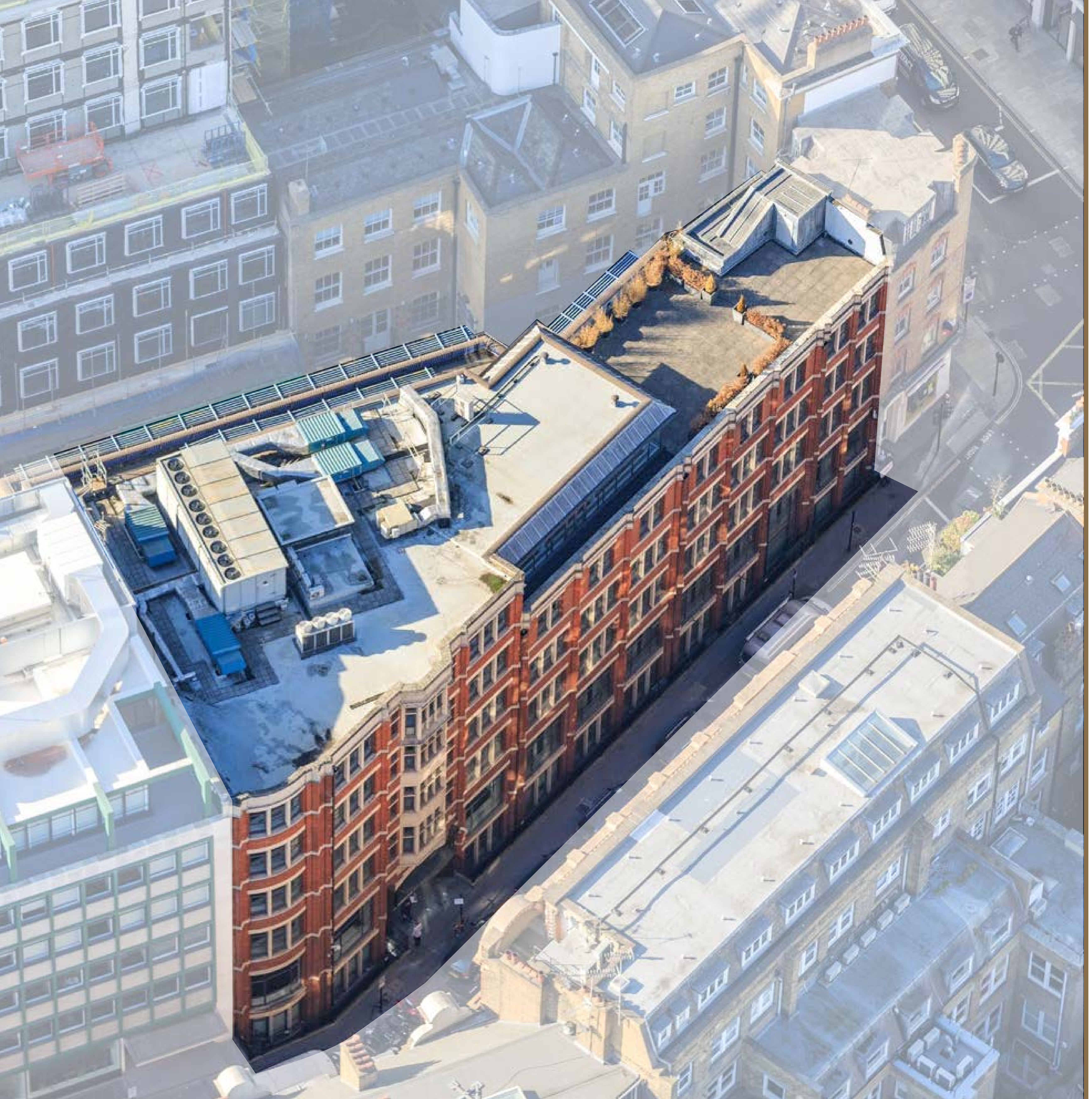
Immediately to the rear of 55 Newman Street is 30 Berners Street, a new development by Derwent due for completion in H2 2017. Three buildings have been demolished to make way for a new building that comprises 87,150 sq ft of offices and 20,000 sq ft of retail. The office space has been let as a whole to Capita on a 20 year lease.

9 Fitzroy Place

At the northern end of Newman Street is Fitzroy Place recently completed on the old Middlesex Hospital site providing over 220,000 sq ft of Grade A offices let to Estée Lauder, 235 apartments and high-end retail and restaurant space around a stunning landscaped square.

10 80 Charlotte Street

Mixed use development at the location of the old Saatchi & Saatchi building by Derwent due for completion in Q1 2019. The new development will be made up of 321,000 sq ft of offices, 45,000 sq ft of residential, 14,000 sq ft of retail and a park.



SITUATION

Newman Street is a prime address situated in the heart of Fitzrovia running north up from Oxford Street to the junction of Goodge Street/Mortimer Street.

55 Newman Street occupies a highly prominent position on the west side of the street close to the junction with Mortimer Street/Goodge Street and close to the new Fitzroy Place scheme.

TENURE / TENANCY

Freehold interest, available with full vacant possession.

RATING ASSESSMENT

The entry appearing in the 2010 Rating List of the Westminster City Council is: 50-57 Newman Street, London, W1T 3DZ Offices & Premises £1,060,000 [Source: VOA].

Once the property is redeveloped as a hotel, it will be reassessed for business rates.

THE EXISTING PROPERTY

55 Newman Street occupies a flat site of approximately 0.087 hectares (0.214 acres) with frontages to Newman Street (front) and Berners Mews (rear).

The property was last comprehensively refurbished in 1999 to provide high quality office accommodation over lower ground, ground and four upper levels.

The building is of steel frame and concrete construction with the Newman Street elevation clad in red brick and limestone with a large roof terrace and an attractive terrace on the 4th floor. There are full height windows on the ground and lower ground floors and projecting bay windows on the upper levels.

Currently the property is an office building that has the following specification:

- A combination of ceiling and perimeter mounted air conditioning;
- 150mm raised floors and double glazed windows;
- Two automatic 10-person passenger lifts;
- Male and female WC facilities at each floor level;
- Two garage car parking spaces accessed at rear from Berners Mews.

The building comprises the following floor areas:

	NIA (sq ft)	GIA (sq ft)
L4	2,986	3,681
L3	5,315	6,372
L2	5,832	7,040
L1	5,760	7,040
GF	5,446	7,610
LGF	5,953	7,481
Total	**31,292**	**39,224**

Source: Reardon Smith

PLANNING PERMISSION

THE LOCAL PLANNING AUTHORITY IS WESTMINSTER CITY COUNCIL.

The property does not have Listed Building Status and is not situated within a Conservation area, but is close to Charlotte Conservation Area and East Marylebone Conservation Area.

The property's current permitted use is as office Business (B1A use) arranged over lower ground, ground and five upper floors.

The recent planning history of the property is as follows:-

14/07688/FULL 21 Nov 2014 PERMITTED.

Erection of rear extensions at first to fourth floor levels and a fifth floor roof extension in connection with use of the property as a hotel (Class C1), including an ancillary ground floor restaurant, lowering of basement floor slab, installation of plant within the basement and at fifth floor level and provision of green roof areas at fourth floor and main roof level.

15/01046/FULL 18 Jun 2015 PERMITTED.

Erection of rear extensions at first to fourth floors and erection of additional storeys at fifth and sixth floor levels in association with the use of the property as a hotel (Class C1) and associated alterations.

NEW PROPOSED PLANNING APPLICATION (2017).

Following a pre-application meeting in January 2017 our client has been invited to submit a new planning application which would enhance the size of the proposed hotel from 100 bedrooms to 105 bedrooms. Principally this includes the addition of a new basement level achieved by excavating an existing back filled structure, suitable for full MEP engineering plant and back of house services. Increased massing would be achieved by extending onto the rear terraces of the upper two floors. The average guest room size is increased to 312 sq ft (29 sq m)

Copies of the proposed planning documents are available in our data room.

PROPOSED HOTEL FACILITIES

IN SUMMARY, NEW PROPOSED APPLICATION (2017) PROVIDES:

- 105 guest rooms with an average size of 312 sq ft (29 sq m). All rooms in excess of 270 sq ft (25 sq m), 13 rooms are in excess of 323 sq ft (30 sq m)
- Over 4,123 sq ft (383 sq m) of ground floor food and beverage area.
- 2,831 sq ft (263 sq m) of lower ground floor meeting rooms and private dining.
- 581 sq ft (54 sq m) gym and wellness area.
- Provision for full air conditioning throughout to international hotel operator standards.
- Repeating guest room configuration on each floor level for simple and efficient engineering arrangement with a central service lift with a linen store.
- New basement level providing space for plant rooms, kitchen and back of house services.
- Rear servicing off Berners Mews.

SUITABILITY FOR HOTEL CONVERSION

THE PROPERTY IS IDEAL FOR CONVERSION TO A HOTEL WITH SUITABLE WIDTH FLOOR PLATES ENABLING EASY DIVISION OF THE UPPER FLOORS TO FORM THE BEDROOM STOCK.

Existing fenestration can be retained to form bedroom windows and the property enjoys excellent levels of natural light both to the front and back of the building, meaning the creation of light wells is not required.

The extensive food & beverage areas envisaged lend themselves to a bustling all day operation, bearing in mind the main road location of the building.

Full servicing of the building will be possible from Berners Mews to the rear of the property.

CONSENTED APPLICATION (JUNE 2015)

Floor	GEA	GiA
6th	362	299
5th	631	603
4th	666	619
3rd	785	731
2nd	785	726
1st	784	726
Sub Total	4,013	3,704
Upper Ground	776	707
Lower Ground	755	710
Total (sq m)	5,544	5,121
Total (sq ft)	59,675	55,122

NEW PROPOSED APPLICATION (2017)

Floor	GEA	GiA
6th	403	385
5th	760	715
4th	785	731
3rd	785	731
2nd	785	726
1st	785	726
Sub Total	4,303	4,014
Upper Ground	776	707
Lower Ground	755	710
Basement	423	423
Total (sq m)	6,256	5,880
Total (sq ft)	67,339	63,292

HOTEL ACCOMMODATION

CONSENTED APPLICATION (JUNE 2015)

Total hotel gross internal area of 55,122 sq ft (5,121 sq m) comprising 100 guest rooms totalling 28,890 sq ft (2,684 sq m) over 1st -6th floors, 15,252 sq ft (1,417 sq m) of food and beverage and ancillary accommodation over upper ground and lower ground floors.

Room Floor		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Back of house
6th	Hotel Rooms	47	26	32	34	24	25															13
5th	Hotel Rooms	24	23	23	24	23	22	21	20	20	21	24	22	28	32	32	30	36				13
4th	Hotel Rooms	23	23	22	24	27	23	28	24	22	25	27	25	27	32	29	28	30				12
3rd	Hotel Rooms	33	34	27	29	37	29	20	20	27	27	22	21	24	26	25	26	32	29	28	30	8
2nd	Hotel Rooms	31	29	31	29	36	28	20	19	27	27	22	22	25	26	25	26	32	29	28	30	8
1st	Hotel Rooms	31	29	31	29	36	28	20	19	27	27	22	22	25	26	25	26	32	29	28	30	8
Upper Grd	Restaurant/Kitchen	418		Hotel Lobby			87		Loading/Office			50										
Lower Grd	Wellness & Gym	55		Back of house			154		Lavatories			35		Meeting Rooms/Private Dining					246		Plant	125

NEW PROPOSED APPLICATION (2017)

Total hotel gross internal area of 63,292 sq ft (5,880 sq m) comprising 100 guest rooms totalling 32,712 sq ft (3,039 sq m) over 1st -6th floors, 20,085 sq ft (1,866 sq m) of food and beverage and auxiliary accommodation over ground and lower ground floors and new basement level.

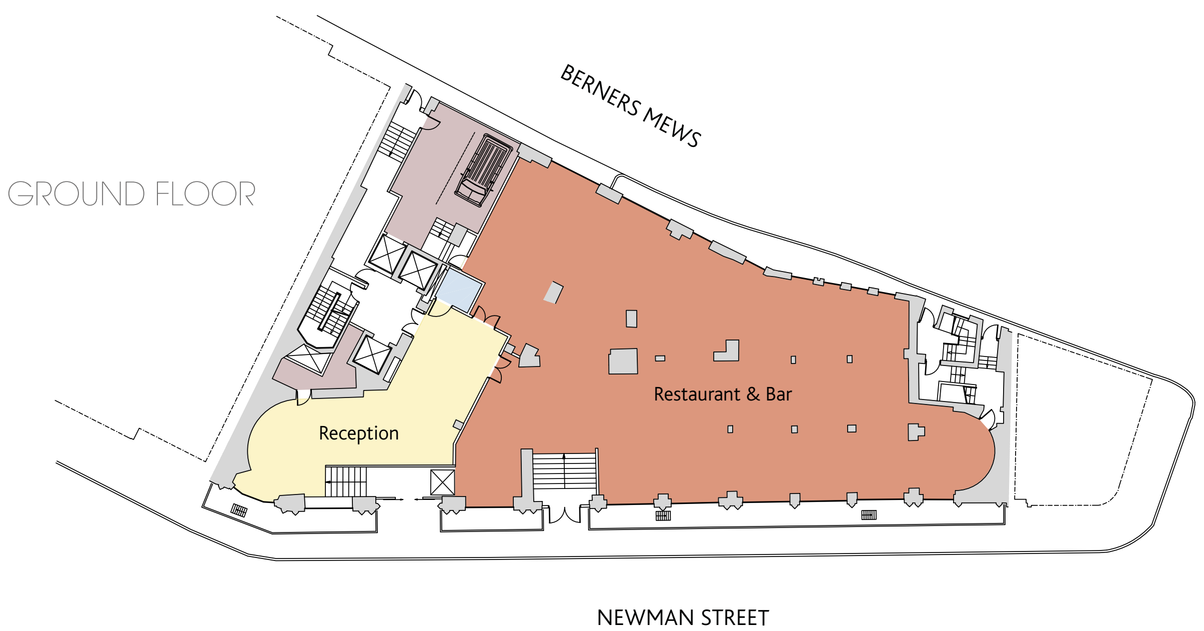
Room Floor		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Back of house
6th	Hotel Rooms	26	30	29	30	39	34	29	33	27	33											6
5th	Hotel Rooms	30	26	26	32	26	25	25	25	29	25	25	25	25	25	26	31	37	33	39		11
4th	Hotel Rooms	34	30	30	36	32	31	25	25	35	27	26	26	26	26	25	30	36	32	33		11
3rd	Hotel Rooms	34	30	30	36	30	30	25	25	34	25	25	25	25	25	25	30	36	31	33		11
2nd	Hotel Rooms	33	29	29	34	28	30	25	25	34	25	25	25	25	25	25	30	36	31	32		11
1st	Hotel Rooms	33	29	29	34	28	30	25	25	34	25	25	25	25	25	25	30	36	31	33		11
Upper Grd	Restaurant/Bar	383		Hotel Lobby			129		Loading		39											
Lower Grd	Wellness & Gym	54		Back of house			181		Engineering		37		Meeting Rooms/Private Dining					195		Public area		68
Basement	Back of House	56		Engineering			299															

FLOOR PLANS

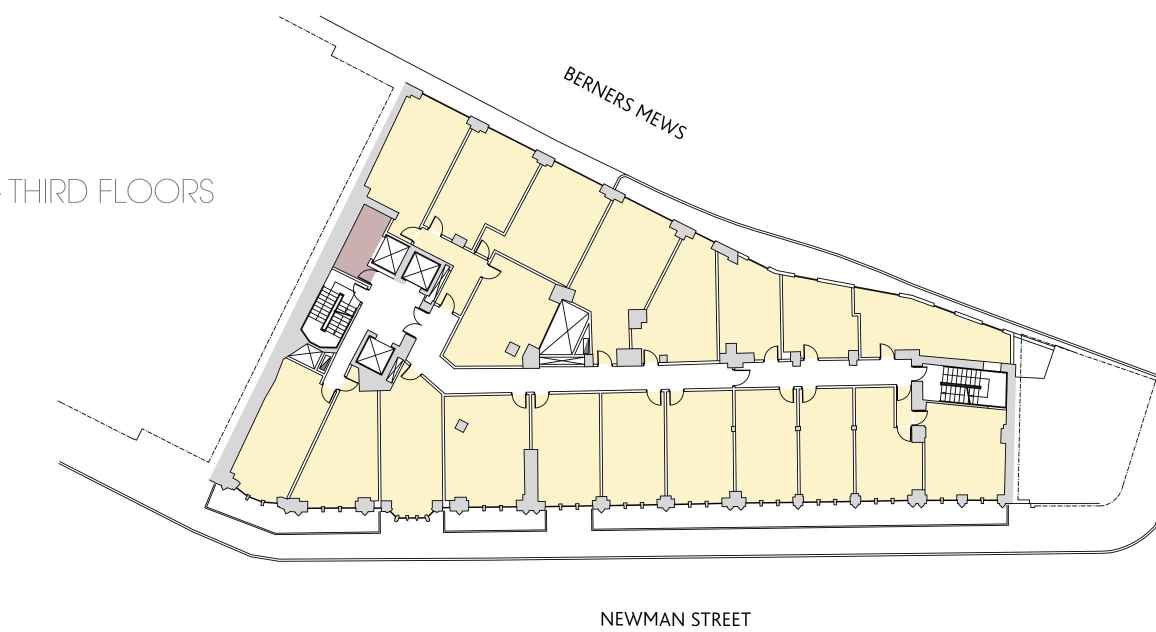
CONSENTED APPLICATION (JUNE 2015)

LOWER GROUND FLOOR

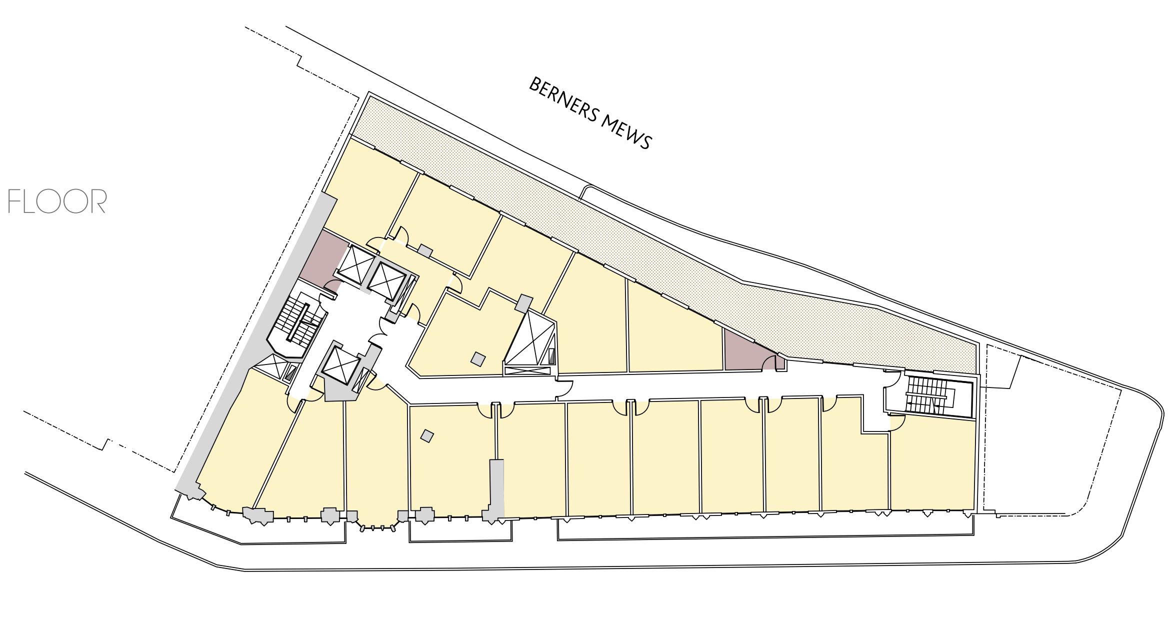
UPPER GROUND FLOOR



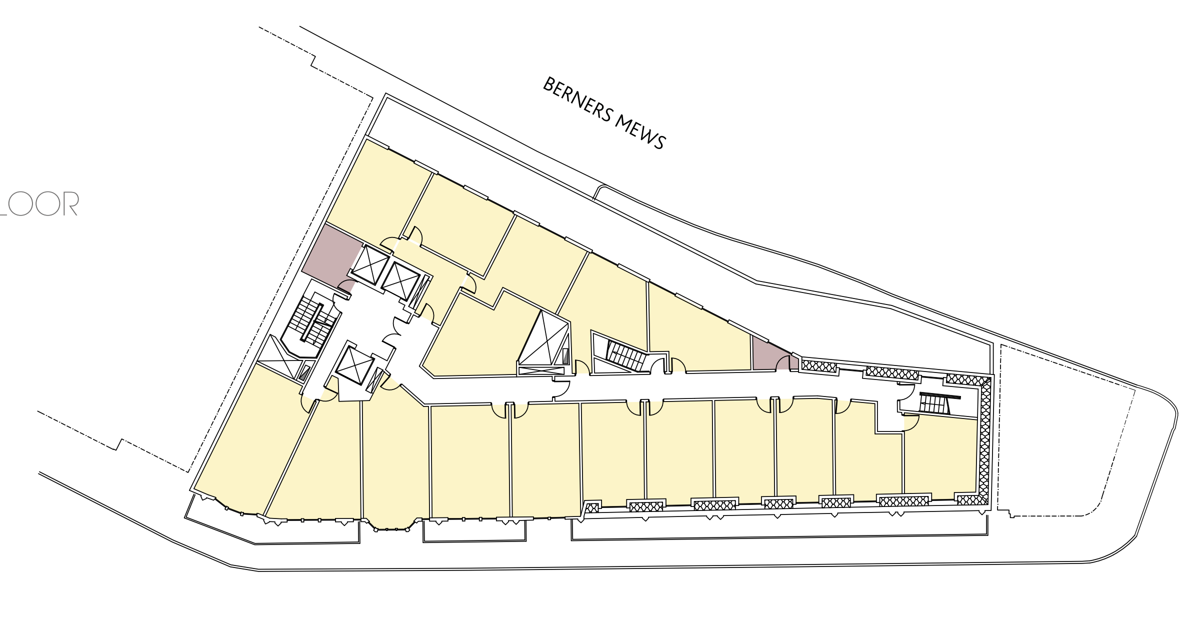
FIRST - THIRD FLOORS



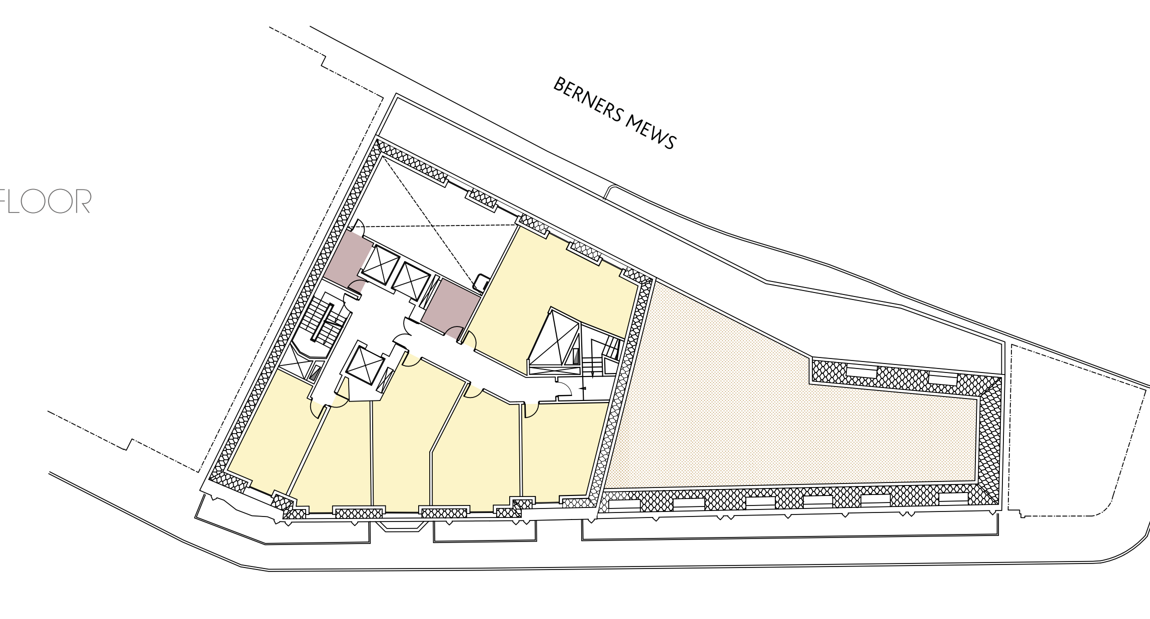
FOURTH FLOOR



FIFTH FLOOR



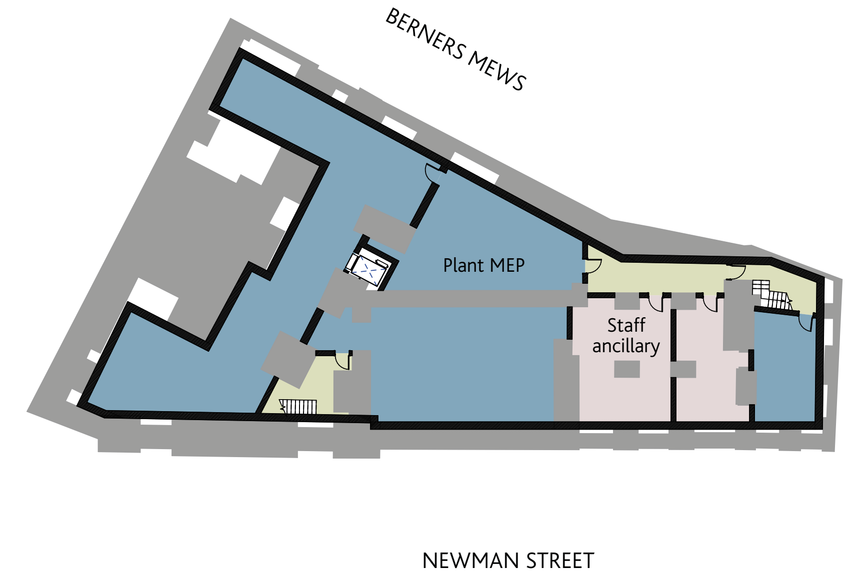
SIXTH FLOOR



FLOOR PLANS

PROPOSED APPLICATION (2017)

BASEMENT



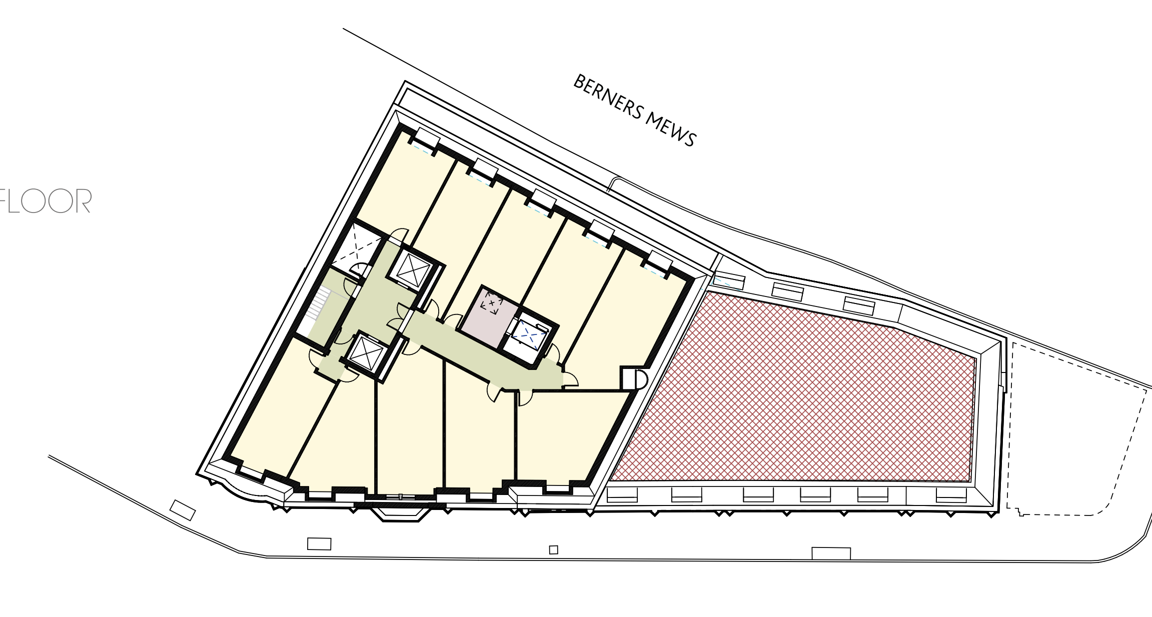
LOWER GROUND

FIRST & SECOND FLOORS

UPPER GROUND

THIRD & FOURTH FLOORS

SIXTH FLOOR



FIFTH FLOOR


ALIVAR

HOTEL COMMENTARY

ACCORDING TO THE 2016 TOP 100 CITY DESTINATIONS RANKING BY EUROMONITOR INTERNATIONAL, LONDON, WITH CIRCA 18.4 MILLION VISITORS, WAS THE MOST VISITED CITY IN EUROPE LAST YEAR AND THE SECOND MOST VISITED CITY IN THE WORLD (AFTER HONG KONG).

The position of London as one of the most visited cities in the world is largely driven by the fact that London is an equally important leisure and business centre.

Demand for hotel accommodation in London is driven by a mix of holiday makers as well as business travellers and this allows for strong all-week trade. London is also a global destination for major international events, such as Wimbledon and London Fashion Week.

The City of Westminster is London's most diverse hotel market. It includes prestigious areas of Mayfair, Park Lane and Knightsbridge which are associated with ultra-luxury hotels. The areas of St James's, Belgravia and Fitzrovia are also considered fashionable hotel districts.

Locations close to major tourist attractions such as the West End, Soho, Victoria and Waterloo predominantly include a mixture of major corporate hotels and affordable brands including emerging lifestyle/ urban hotel concepts.

LONDON HOTEL MARKET BACKGROUND

LONDON IS THE LARGEST CITY IN THE UK AND ITS MAJOR POLITICAL, ECONOMIC, SOCIAL AND CULTURAL CENTRE.

Visits by international travellers (residents outside the UK) to London has increased each year since a decline in 2009. Both domestic and international tourism have increased since 2012 when London hosted the Olympic and Paralympic Games. 2015 was a record year for both international and domestic tourism to London.

Visitation Statistics to London

	2009	2014	2015
Visits millions			
Domestic	10.7	11.4	12.9
Overseas	14.2	17.4	18.6
Total	**24.9**	**28.8**	**31.5**
Nights millions			
Domestic	23.5	24.4	30.2
Overseas	85.7	108.0	108.3
Total	**109.2**	**132.4**	**138.5**
Spend £ billions			
Domestic	2.2	2.9	3.1
Overseas	8.2	11.8	11.9
Total	**10.4**	**14.7**	**15.0**

Source: London and Partners, IPS, GBTS

The future outlook for visitation numbers (business and leisure related) to London is expected to continue to increase. London is a strong tourism destination and the weakness of the pound on foreign exchange markets increases London's attractiveness.

The position of London as one of the most visited cities in the world is largely driven by the fact that London is an equally important leisure and business centre.

London's economy is 18% bigger than it was five years ago, compared to 10% growth in the preceding five years. This is impressive given that the city's expansion has occurred when growth has proved so elusive elsewhere in the world, particularly in emerging markets.

London is also the single biggest centre for global Ultra High Net Worth Individuals (UHNWIs) measured by population of wealthy residents, followed by New York, Singapore and Hong Kong.

London's geographical position means that within a two-hour flight the city is accessible to over 16,000 UHNWIs compared with New York's 8,300. This helps to explain why the UK capital is generally held as being more important to the global UHNWI population.

LONDON HOTEL MARKET PERFORMANCE

THERE IS A SCARCITY OF DEVELOPMENT SITES IN PRIME LOCATIONS.

AS OF JANUARY 2016, THE LONDON HOTEL MARKET COMPRISED OF 1,535 HOTELS WITH APPROXIMATELY 140,000 KEYS. THE LUXURY SECTOR ACCOUNTS FOR ONLY AROUND 12% OF THIS ROOM STOCK.

This has led to innovative conversions of space like that found in Admiralty Arch, the Grade I listed arch located on The Mall which is being converted into a luxury hotel. Also the luxury Shangri-La Hotel has opened at landmark building, The Shard, on traditionally sub prime location Southbank for its new London address.

55 Newman Street is ideally positioned to create a new world class luxury hotel, located as it is in the heart of the West End.

Some other new luxury hotels that have opened nearby have achieved almost cult status and very solid trading results, enhanced by very popular food & beverage outlets frequented by wealthy non-resident customers.

55 Newman Street should be able to tap in to this well-established trade in this part of London with its extensive consented F&B offering. Well-proportioned bedrooms and excellent daylight levels (often not achievable with new central London hotels) should ensure the overall success of this exciting hotel development scheme.

FITZROVIA HOTEL COMMENTARY

FITZROVIA IS A VIBRANT COMMERCIAL AND RESIDENTIAL AREA AND A WELL- ESTABLISHED HOTEL MARKET IN LONDON. ACCORDING TO THE DAILY TELEGRAPH, THE WEST END INCLUDING FITZROVIA, MAYFAIR AND COVENT GARDEN CONTRIBUTED £51BN TO THE UK ECONOMY LAST YEAR THROUGH SHOPPING, SALES OF THEATRE TICKETS AND PROPERTY DEALS.

In recent years the district has grown its reputation as a hotspot for luxury London hotels. Fitzrovia currently has a collection of prestigious hotels including the London Edition, Grange Fitzrovia, Charlotte Street Hotel and the Sanderson that all trade towards the top end of the market. The surrounding areas of Fitzrovia's premier hotels have welcomed a variety of new restaurants to the area more recently and further commercial growth in the area is expected. Crossrail nearby will create quick and simple links throughout London that will not only heighten visitor demand and trading performance, but it will also aid the absorption of new hotel supply expected in London's hotel development pipeline.

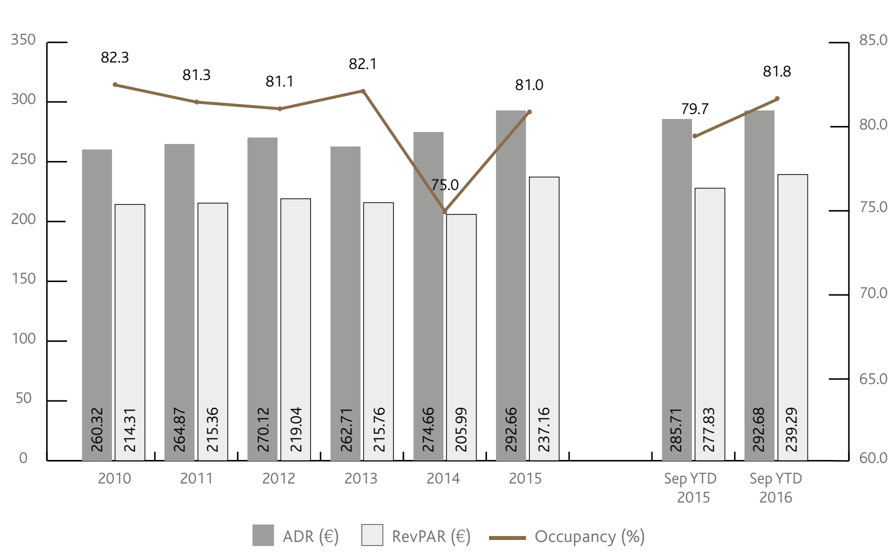
COMPETING HOTEL SUPPLY

COLLIERS INTERNATIONAL HAVE IDENTIFIED TEN HOTELS CONSIDERED TO BE DIRECTLY RELEVANT TO THE PROPOSED HOTEL. COLLECTIVELY, THESE PROPERTIES PROVIDE 1,452 ROOMS.

	Hotel Name	Location	Brand	Opened	Grade	Bedrooms
1	Charlotte Street Hotel	Charlotte Street	Firmdale Hotels	2000	4-star	52
2	Sanderson London	Berners Street	Morgans Hotel Group	2000	5-star	150
3	London Edition	Berners Street	Edition Hotels	1904	5-star	173
4	Langham Hotel	Regent Street/Portland Place	Langham Hotels & Resorts	1865	5-star	380
5	St Martin's Lane	St Martin's Lane	Morgans Hotel Group	1999	5-star	204
6	Ham Yard Hotel	Ham Yard, Piccadilly Circus	Firmdale Hotels	2014	5-star	91
7	One Aldwych London	Aldwych	Leading Hotels of the World	1998	5-star	105
8	Beaumont (The)	Balderton Street (nr Oxford Street)	Preferred Hotels & Resorts	2014	5-star	73
9	Soho Hotel	Richmaon Mews (Wardour Street)	Firmdale Hotels	2004	4-star	95
10	Trafalgar Hotel	Spring Gardens, St James	Independent	2001	4-star	129

Colliers International has commissioned a competitive set analysis from STR Global for the properties mentioned above. The following graph sets out the operating profiles and historic trends in occupancy, Average Daily Rate (ADR) and Revenue per Available room (RevPAR) amongst this hotel set.

Occupancy, ADR and RevPAR Trend, 2010-2015 and Sept YTD 2016.



Demand for hotel accommodation in the defined market area falls primarily within the business and leisure segments, within which there are multiple categories of demand.

Colliers International estimate that the distribution of accommodated hotel room night demand for those hotels that we consider to be competitive with the proposed hotel is equally divided between corporate and leisure related sectors.

KEY HOTEL COMPETITION

HOTELS CONSIDERED TO BE OF KEY COMPETITIVE AND GEOGRAPHIC RELEVANCE ARE OUTLINED BELOW

Hotel		Beds	Type	Internet Room Rates	
				Weekday	Weekend
Charlotte Street Hotel Firmdale 17 Charlotte Street, London W1T 1RJ New conversion (redeveloped in 2000).		52	Luxury	£438	£402
			Deluxe	£492	£492
			Junior Suite	£552	£552
			Loft Suite	£624	£624
			Penthouse Suite	£1,098	N/A
			One Bedroom Suite	£900	£900
Sanderson London Morgans Hotel Group 50 Berners Street, London W1T 3NG Opened: 2000 Fully refurbished in 2014		150	Standard	£316	£239
			Superior	£345	£268
			Double Double	£373	£316
			Deluxe	£393	£316
			Loft Double Double	£469	£393
			Loft Suite	£604	£474
			Loft Suite w/terrace	£700	£561
			Penthouse	£1,920	£1,728
London Edition Edition Hotels 10 Berners Street, London W1T 3NP Opened: 1904 (previously trading as Berners Hotel) reopened in 2013 following full refurbishment and rebranding		173	Standard	£340	£318
			Superior	£369	£344
			Deluxe	£395	£365
			Loft	£514	£488
			Loft Suite	£816	£790
			Penthouse Suite	£3,820	£3,820
Langham London Langham Hotels & Resorts 1c Portland Place, Regent Street, London W1B 1JA Opened: 1865 Partially refurbished in 2015		380	Grand Room	£495	£338
			Executive Room	£621	£449
			Langham Club Room	£665	£571
			Club Room	£1,500	£1,361

KEY TRADING PERFORMANCE PROJECTIONS

100 BED HOTEL (CONSENTED APPLICATION)

FIVE-YEAR SUMMARY PROFIT AND LOSS PROJECTIONS, 2018/19 - 2022/23 (ACTUAL YEAR VALUES)

For the purposes of this analysis, we have assumed:

The hotel will commence trading in mid-2018.

Once completed, will be positioned as a first class international hotel, trading within the competitive set as defined earlier.

Will reach its stabilised operation position in the third full operating year.

No management fees (base and/or incentive) have been included in these projections.

Our projections are shown at assumed actual year values, assuming the following BMI projections of future inflation to 2021:

2017	2.5%
2018	2.7%
2019	2.5%
2020	2.3%
2021	2.0%

Source: BMI 16th November 2016

Year	2018/19				2019/20				2020/21				2021/22				2022/23			
Number of Rooms	100				100				100				100				100			
Days Open	365				365				365				365				365			
Roomnights Available	36,500				36,500				36,500				36,500				36,500			
Roomnights Occupied	25,599				28,775				29,856				29,856				29,856			
Room Occupancy %	70.1%				78.8%				81.8%				81.8%				81.8%			
Average Room Rate, £	326				348				361				369				376			
RevPAR, £	229				274				296				302				308			
	£ '000s	%	POR	PAR	£ '000s	%	POR	PAR	£ '000s	%	POR	PAR	£ '000s	%	POR	PAR	£ '000s	%	POR	PAR
Revenue																				
Rooms	8,348	62.2	326	83,478	10,017	63.7	348	100,169	10,793	64.3	361	107,928	11,009	64.3	369	110,086	11,229	64.3	376	112,288
Food & Beverage	4,511	33.6	176	45,107	5,063	32.2	176	50,627	5,326	31.7	178	53,258	5,432	31.7	182	54,323	5,541	31.7	186	55,410
Other Income	573	4.3	22	5,729	635	4.0	22	6,352	666	4.0	22	6,657	679	4.0	23	6,790	693	4.0	23	6,926
Total Revenue	13,431	100.0	525	134,314	15,715	100.0	546	157,148	16,784	100.0	562	167,843	17,120	100.0	573	171,200	17,462	100.0	585	174,624
Departmental Expenses																				
Rooms	2,100	25.2	82	21,005	2,248	22.4	78	22,480	2,330	21.6	78	23,301	2,377	21.6	80	23,767	2,424	21.6	81	24,242
Food & Beverage	3,386	75.1	132	33,862	3,603	71.2	125	36,033	3,728	70.0	125	37,281	3,803	70.0	127	38,026	3,879	70.0	130	38,787
Other Income	335	58.5	13	3,351	355	55.8	12	3,545	366	55.0	12	3,662	373	55.0	13	3,735	381	55.0	13	3,809
Total Departmental Expenses	5,822	43.3	227	58,217	6,206	39.5	216	62,058	6,424	38.3	215	64,243	6,553	38.3	219	65,528	6,684	38.3	224	66,838
Departmental Income	7,610	56.7	297	76,097	9,509	60.5	330	95,089	10,360	61.7	347	103,600	10,567	61.7	354	105,672	10,779	61.7	361	107,786
Undistributed Expenses																				
Administrative & General	928	6.9	36	9,285	977	6.2	34	9,770	1,007	6.0	34	10,071	1,027	6.0	34	10,272	1,048	6.0	35	10,478
Marketing	757	5.6	30	7,565	810	5.2	28	8,097	839	5.0	28	8,392	856	5.0	29	8,560	873	5.0	29	8,731
Maintenance	302	2.2	12	3,017	410	2.6	14	4,103	504	3.0	17	5,035	514	3.0	17	5,136	524	3.0	18	5,239
Energy	538	4.0	21	5,376	569	3.6	20	5,689	587	3.5	20	5,875	599	3.5	20	5,992	611	3.5	20	6,112
Total Undistributed Expenses	2,524	18.8	99	25,243	2,766	17.6	96	27,658	2,937	17.5	98	29,373	2,996	17.5	100	29,961	3,056	17.5	102	30,560
Gross Operating Profit (GOP)	5,085	37.9	199	50,854	6,743	42.9	234	67,431	7,423	44.2	249	74,227	7,571	44.2	254	75,711	7,723	44.2	259	77,226
Fixed Charges																				
Property Tax	850	6.3	33	8,500	860	5.5	30	8,600	880	5.2	29	8,800	900	5.3	30	9,000	918	5.3	31	9,180
Building Insurance	134	1.0	5	1,343	157	1.0	5	1,571	168	1.0	6	1,678	171	1.0	6	1,712	175	1.0	6	1,746
Replacement Reserve (FF&E)	269	2.0	10	2,686	471	3.0	16	4,714	671	4.0	22	6,714	685	4.0	23	6,848	698	4.0	23	6,985
Total Fixed Charges	1,253	9.3	49	12,529	1,489	9.5	52	14,886	1,719	10.2	58	17,192	1,756	10.3	59	17,560	1,791	10.3	60	17,911
EBITDA (1)	3,832	28.5	150	38,324	5,255	33.4	183	52,545	5,703	34.0	191	57,035	5,815	34.0	195	58,151	5,931	34.0	199	59,314

Year	2023/24				2024/25				2025/26				2026/27				2027/28			
Number of Rooms	100				100				100				100				100			
Days Open	365				365				365				365				365			
Roomnights Available	36,500				36,500				36,500				36,500				36,500			
Roomnights Occupied	29,856				29,856				29,856				29,856				29,856			
Room Occupancy %	81.8%				81.8%				81.8%				81.8%				81.8%			
Average Room Rate, £	384				391				399				407				415			
RevPAR, £	314				320				326				333				340			
	£ '000s	%	POR	PAR	£ '000s	%	POR	PAR	£ '000s	%	POR	PAR	£ '000s	%	POR	PAR	£ '000s	%	POR	PAR
Revenue																				
Rooms	11,453	64.3	384	114,534	11,682	64.3	391	116,824	11,916	64.3	399	119,161	12,154	64.3	407	121,544	12,397	64.3	415	123,975
Food & Beverage	5,652	31.7	189	56,518	5,765	31.7	193	57,649	5,880	31.7	197	58,801	5,998	31.7	201	59,978	6,118	31.7	205	61,177
Other Income	706	4.0	24	7,065	721	4.0	24	7,206	735	4.0	25	7,350	750	4.0	25	7,497	765	4.0	26	7,647
Total Revenue	17,812	100.0	597	178,117	18,168	100.0	609	181,679	18,531	100.0	621	185,313	18,902	100.0	633	189,019	19,280	100.0	646	192,799
Departmental Expenses																				
Rooms	2,473	21.6	83	24,727	2,522	21.6	84	25,221	2,573	21.6	86	25,726	2,624	21.6	88	26,240	2,676	21.6	90	26,765
Food & Beverage	3,956	70.0	133	39,563	4,035	70.0	135	40,354	4,116	70.0	138	41,161	4,198	70.0	141	41,984	4,282	70.0	143	42,824
Other Income	389	55.0	13	3,886	396	55.0	13	3,963	404	55.0	14	4,043	412	55.0	14	4,123	421	55.0	14	4,206
Total Departmental Expenses	6,818	38.3	228	68,175	6,954	38.3	233	69,539	7,093	38.3	238	70,929	7,235	38.3	242	72,348	7,379	38.3	247	73,795
Departmental Income	10,994	61.7	368	109,942	11,214	61.7	376	112,140	11,438	61.7	383	114,383	11,667	61.7	391	116,671	11,900	61.7	399	119,004
Undistributed Expenses																				
Administrative & General	1,069	6.0	36	10,687	1,090	6.0	37	10,901	1,112	6.0	37	11,119	1,134	6.0	38	11,341	1,157	6.0	39	11,568
Marketing	891	5.0	30	8,906	908	5.0	30	9,084	927	5.0	31	9,266	945	5.0	32	9,451	964	5.0	32	9,640
Maintenance	534	3.0	18	5,344	545	3.0	18	5,451	556	3.0	19	5,560	567	3.0	19	5,671	578	3.0	19	5,784
Energy	623	3.5	21	6,234	636	3.5	21	6,359	649	3.5	22	6,486	662	3.5	22	6,616	675	3.5	23	6,748
Total Undistributed Expenses	3,117	17.5	104	31,171	3,179	17.5	106	31,795	3,243	17.5	109	32,431	3,308	17.5	111	33,079	3,374	17.5	113	33,741
Gross Operating Profit (GOP)	7,877	44.2	264	78,770	8,035	44.2	269	80,346	8,195	44.2	274	81,953	8,359	44.2	280	83,592	8,526	44.2	286	85,263
Fixed Charges																				
Property Tax	936	5.3	31	9,364	955	5.3	32	9,551	974	5.3	33	9,742	994	5.3	33	9,937	1,014	5.3	34	10,135
Building Insurance	178	1.0	6	1,781	182	1.0	6	1,817	185	1.0	6	1,853	189	1.0	6	1,890	193	1.0	6	1,928
Replacement Reserve (FF&E)	712	4.0	24	7,125	727	4.0	24	7,267	741	4.0	25	7,413	756	4.0	25	7,561	771	4.0	26	7,712
Total Fixed Charges	1,827	10.3	61	18,269	1,863	10.3	62	18,635	1,901	10.3	64	19,008	1,939	10.3	65	19,388	1,978	10.3	66	19,775
EBITDA (1)	6,050	34.0	203	60,501	6,171	34.0	207	61,711	6,294	34.0	211	62,945	6,420	34.0	215	64,204	6,549	34.0	219	65,488

KEY TRADING PERFORMANCE PROJECTIONS

105 BED HOTEL (NEW PROPOSED APPLICATION)

FIVE-YEAR SUMMARY PROFIT AND LOSS PROJECTIONS, 2018/19 - 2022/23 (ACTUAL YEAR VALUES)

Year	2018/19				2019/20				2020/21				2021/22				2022/23			
Number of Rooms	105				105				105				105				105			
Days Open	365				365				365				365				365			
Roomnights Available	38,325				38,325				38,325				38,325				38,325			
Roomnights Occupied	26,791				30,076				31,201				31,201				31,201			
Room Occupancy %	69.9%				78.5%				81.4%				81.4%				81.4%			
Average Room Rate, £	330				352				366				373				380			
RevPAR, £	230				276				298				304				310			
	£ '000s	%	POR	PAR	£ '000s	%	POR	PAR	£ '000s	%	POR	PAR	£ '000s	%	POR	PAR	£ '000s	%	POR	PAR
Revenue																				
Rooms	8,833	56.5	330	84,126	10,586	58.2	352	100,818	11,404	58.8	366	108,612	11,632	58.8	373	110,784	11,865	58.8	380	112,999
Food & Beverage	6,194	39.6	231	58,990	6,945	38.2	231	66,142	7,305	37.6	234	69,571	7,451	37.6	239	70,963	7,600	37.6	244	72,382
Other Income	599	3.8	22	5,708	664	3.6	22	6,323	696	3.6	22	6,626	710	3.6	23	6,758	724	3.6	23	6,894
Total Revenue	15,626	100.0	583	148,824	18,195	100.0	605	173,282	19,405	100.0	622	184,809	19,793	100.0	634	188,505	20,189	100.0	647	192,275
Departmental Expenses																				
Rooms	2,196	24.9	82	20,917	2,349	22.2	78	22,375	2,435	21.4	78	23,190	2,484	21.4	80	23,654	2,533	21.4	81	24,127
Food & Beverage	4,647	75.0	173	44,254	4,943	71.2	164	47,073	5,114	70.0	164	48,700	5,216	70.0	167	49,674	5,320	70.0	171	50,668
Other Income	350	58.5	13	3,336	371	55.8	12	3,529	383	55.0	12	3,644	390	55.0	13	3,717	398	55.0	13	3,791
Total Departmental Expenses	7,193	46.0	268	68,507	7,663	42.1	255	72,976	7,931	40.9	254	75,535	8,090	40.9	259	77,045	8,252	40.9	264	78,586
Departmental Income	8,433	54.0	315	80,317	10,532	57.9	350	100,306	11,474	59.1	368	109,274	11,703	59.1	375	111,460	11,937	59.1	383	113,689
Undistributed Expenses																				
Administrative & General	1,074	6.9	40	10,226	1,130	6.2	38	10,757	1,164	6.0	37	11,089	1,188	6.0	38	11,311	1,211	6.0	39	11,537
Marketing	875	5.6	33	8,335	936	5.1	31	8,916	970	5.0	31	9,241	990	5.0	32	9,426	1,009	5.0	32	9,614
Maintenance	349	2.2	13	3,324	474	2.6	16	4,518	582	3.0	19	5,544	594	3.0	19	5,655	606	3.0	19	5,768
Energy	622	4.0	23	5,922	658	3.6	22	6,264	679	3.5	22	6,468	693	3.5	22	6,598	707	3.5	23	6,730
Total Undistributed Expenses	2,920	18.7	109	27,806	3,198	17.6	106	30,455	3,396	17.5	109	32,342	3,464	17.5	111	32,989	3,533	17.5	113	33,649
Gross Operating Profit (GOP)	5,514	35.3	206	52,511	7,334	40.3	244	69,851	8,078	41.6	259	76,932	8,239	41.6	264	78,470	8,404	41.6	269	80,040
Fixed Charges																				
Property Tax	893	5.7	33	8,500	903	5.0	30	8,600	924	4.8	30	8,800	945	4.8	30	9,000	964	4.8	31	9,180
Building Insurance	156	1.0	6	1,488	182	1.0	6	1,733	194	1.0	6	1,848	198	1.0	6	1,885	202	1.0	6	1,923
Replacement Reserve (FF&E)	313	2.0	12	2,976	546	3.0	18	5,198	776	4.0	25	7,392	792	4.0	25	7,540	808	4.0	26	7,691
Total Fixed Charges	1,361	8.7	51	12,965	1,631	9.0	54	15,531	1,894	9.8	61	18,040	1,935	9.8	62	18,425	1,973	9.8	63	18,794
EBITDA (1)	4,152	6.6	155	39,546	5,704	31.3	190	54,319	6,184	31.9	198	58,891	6,305	31.9	202	60,045	6,431	31.9	206	61,246

For the purposes of this analysis, we have assumed:

The hotel will commence trading in mid-2018.

Once completed, will be positioned as a first class international hotel, trading within the competitive set as defined earlier.

Will reach its stabilised operation position in the third full operating year.

No management fees (base and/or incentive) have been included in these projections.

Our projections are shown at assumed actual year values, assuming the following BMI projections of future inflation to 2021:

2017	2.5%
2018	2.7%
2019	2.5%
2020	2.3%
2021	2.0%

Source: BMI 16th November 2016

VAT

The property is VAT elected. Therefore VAT is payable on the purchase price, if acquired as a standard property purchase.

CORPORATE ENTITY

The property is held as a single asset in a UK SPV. The vendor is willing to sell the shares in this SPV. Acquiring the corporate entity means the purchase would attract SDLT of only 0.5% and VAT would not be payable.

FURTHER INFORMATION

The following information can be accessed from the sale data room on request:

- Title Plans
- Planning Permissions
- Floor plans - existing, consented and proposed
- Surveys - building and enviromental.

SALE PRICE

Colliers International is instructed to seek offers in excess of £80,000,000 (Eighty Million Pounds) exclusive for the freehold property with vacant possession.

This is on the basis of the June 2015 consented application for a 100 bed hotel, and also the benefit of the new proposed 2017 application for and improved 105 bed luxury hotel which our client has been invited to submit following a pre-application planning meeting with Westminster.

INSPECTIONS

Inspections are strictly only by prior arrangement with Colliers International.

CONTACT

For further information please contact:

Jonathan Evans
+44 (0) 20 7344 6585
+44 (0) 7949 108 408
jonathan.evans@colliers.com

Colin Hall
+44 (0) 20 7344 6627
+44 (0) 7788 436 263
colin.hall@colliers.com

Colliers International, 50 George Street, London W1U 7GA, United Kingdom

TCC | 01344 622280 | tccommunications.co.uk | CR0074