

18 Albert Embankment | London | SE1 7TJ

PARK PLAZA

LONDON RIVERBANK

Prime Central London Ground Lease For Sale

Landmark Four-Star Hotel fronting the River Thames



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COVER OPTION 3

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INVESTMENT SUMMARY

An exceptional opportunity to acquire a highly secure, index linked ground lease to a landmark five-star hotel in Central London with over 162 years unexpired.

Profile:	The Park Plaza Riverbank is a prime, 4-star hotel on Albert Embankment overlooking the River Thames on London's South Bank. Developed in 2005 and extended in 2016, it provides over 560 guest rooms and serviced suites with extensive dining, banqueting, conference and ancillary facilities.						
Tenure	Freehold.						
Lease:	125 years from 10th May 2000, without break. Over 100 years unexpired.						
Current Rent pa:	£1,135,117 per annum (£x,xxx per room).						
Accumulated Rent pa (June 2024)	£x,xxx,xxx per annum (£x,xxx per room).						
Next Rent Review:	10th May 2025 and five yearly, upwards only thereafter.						
Rent Review Basis:	Retail Prices Index - uncapped.						
Projected Minimum Rent at next Review	£x,xxx,xxx per annum (£x,xxx per room).						
Tenant:	Riverbank Hotel Holdings BV						
Collateral:	Ground Rent per annum: xx% of Estimated EBITDA; Ground Capital Value: xx% of Unencumbered Freehold Value						
Price:	Offers are invited in excess £xx,xxx,xxx, exclusive of VAT, reflecting £xxx,xxx per room. After deducting assumed purchaser's costs of 6.80%, a purchase at this level would reflect: <table border="1" style="width: 100%;"> <tr> <td>Net Initial Yield</td> <td>x.xx%</td> </tr> <tr> <td>Equivalent Yield</td> <td>x.xx%</td> </tr> <tr> <td>Minimum Reversionary Yield</td> <td>x.xx% (May 2025)</td> </tr> </table>	Net Initial Yield	x.xx%	Equivalent Yield	x.xx%	Minimum Reversionary Yield	x.xx% (May 2025)
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Minimum Reversionary Yield	x.xx% (May 2025)						

THE PARK PLAZA

LONDON RIVERBANK

The Park Plaza London Riverbank is a modern, four-star hotel that was developed by Park Plaza Hotels in 2005.

Overlooking the River Thames, the hotel occupies a prime location on the South Bank in Central London.

It was extended in 2016. It provides over 560 guest bedrooms and suites over 17 upper floors, including extensive dining, banqueting and conference facilities. The two largest function rooms can host events accommodating up to 650 and 550 guests respectively.






PIMLICO

TATE BRITAIN

LAMBETH BRIDGE

LAMBETH PALACE

NEWPORT STREET GALLERY

**PARK
PLAZA**
LONDON RIVERBANK

RIVER THAMES

**SECRET INTELLIGENCE
SERVICE (MI6)**

LOCATION

The Park Plaza London Riverbank enjoys a prime location on Albert Embankment overlooking the River Thames, approximately 200m south of Lambeth Bridge. Located on the South Bank opposite the Tate Britain Art Gallery, the Houses of Parliament are within five minutes' walk.

A range of other tourist attractions are close by including Buckingham Palace, Big Ben, The London Eye, The Imperial War Museum and The Oval cricket ground.

The new US Embassy lies less than one mile to the south-west.



2.



3.



1.



4.



5.

- 1. Newport Street Gallery
- 2. Houses of Parliament
- 3. Lambeth Palace
- 4. Tate Britain
- 5. Buckingham Palace

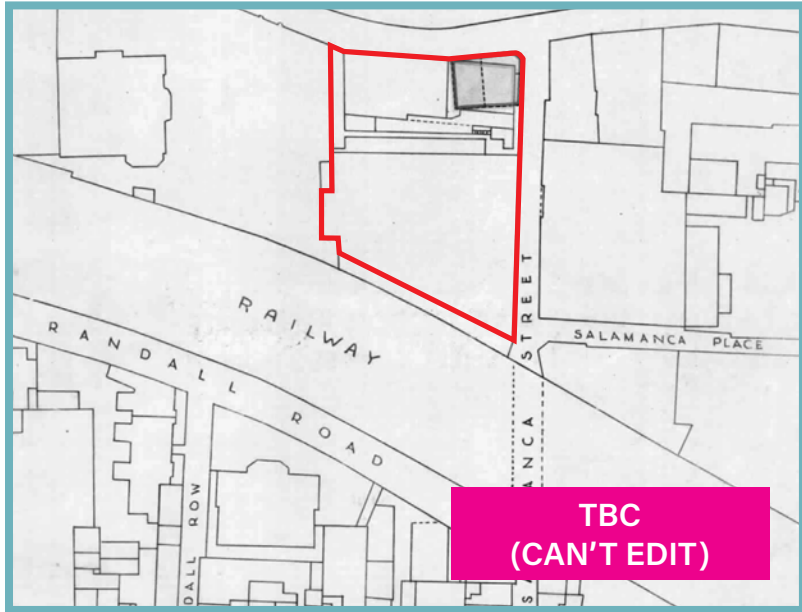
CONNECTIVITY

The Park Plaza London Riverbank occupies a prime central London location, offering excellent public transport connections across the city.

Waterloo, Vauxhall and Victoria railway stations lie with one mile to the north, south and west respectively. These provide convenient access to both mainline railway and Underground services, including direct mainline services to London Gatwick airport.

Bus services are provided along Albert Embankment and throughout the immediate area.





TENURE

Freehold.

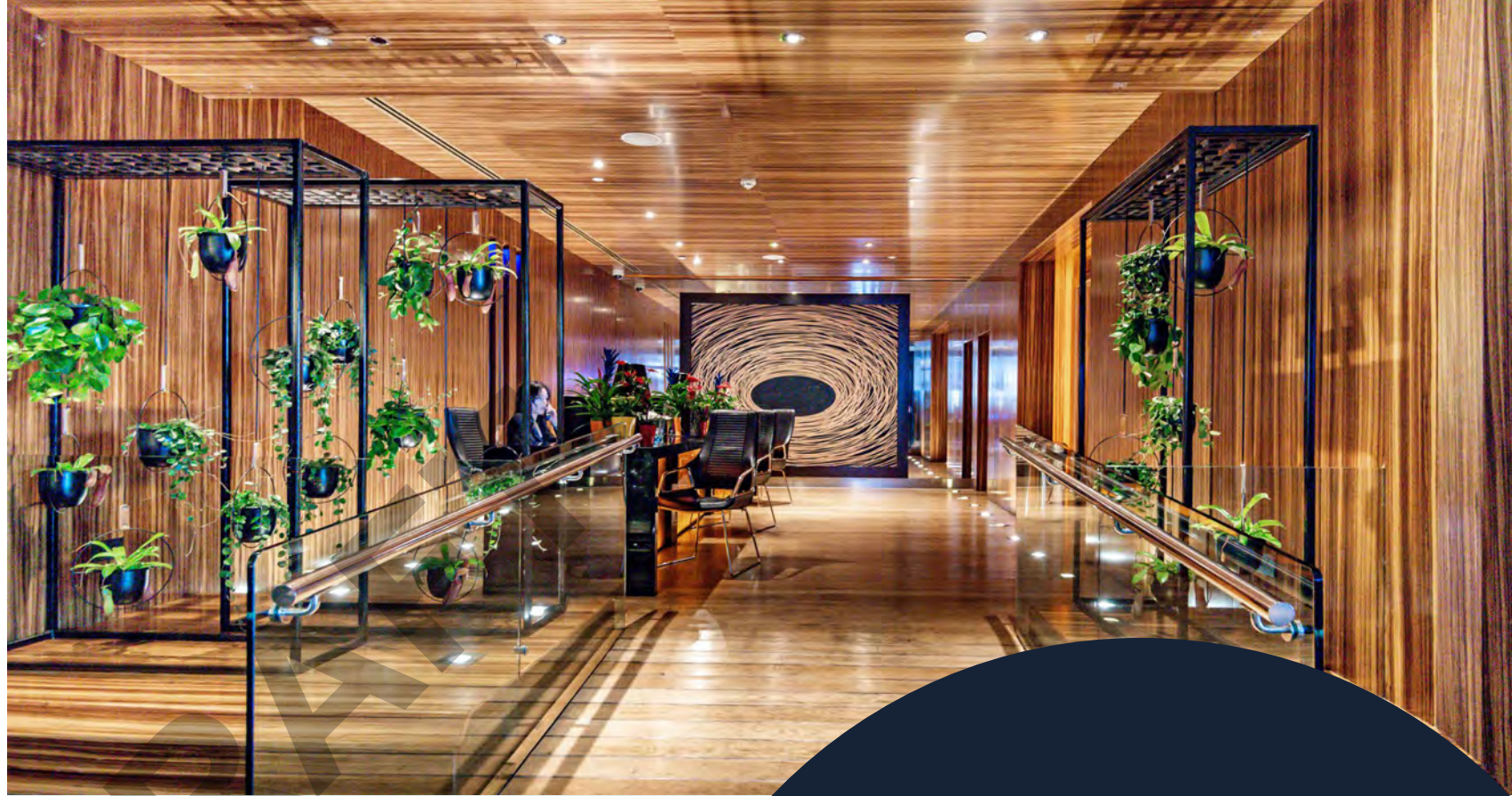
The site extends to approximately 0.62 acres (0.27 ha).

The title extends west of the Albert Embankment spur and is bounded by Salamanca Street to the north.

The Park Plaza Riverbank Hotel has been developed over two adjoining titles. Of these, the subjects constitute the principal part. It includes the hotel entrance, reception and lobby, over 480 guest bedrooms and suites (86%) and the two main conference facilities.

The remainder of the hotel has been developed on an adjoining title which is held in separate ownership and does not form part of this sale. This title extends east of Albert Embankment.

Title to the subjects are shown outlined in red with the adjacent title outlined in blue.



TENANCY

The property is held subject to a 125 year ground lease from 10th May 2000 until 10th May 2125.

The ground lease is subject to five yearly, upwards only rent reviews.

Rent reviews are calculated by reference to the Retail Prices Index and are uncapped.

TENANT

The current tenant is Riverbank Holding BV (Company Number: 83503463).

The hotel is operated by Park Plaza Hotels UK Limited (Company Number 07712006).

The ultimate parent company is PPHE Hotel Group Limited, an international hotel group head-quartered in the Netherlands and listed on the London Stock Exchange. The company owns and operates 38 hotels across Europe, of which 11 are located in the UK. For the year ended 31st December 2023, the company reported total revenues of £414.6m and EBITDA of £128.3m.



CURRENT RENT

£1,135,117 per annum (£xxxxxxx per room).

The accumulated rental reversion to June 2024 is £xxxxxxxxxx per annum (£xxxxxxxx per room).

The minimum projected rent at the next rent review in May 2025 is £xxxxxxxxxx per annum (£xxxxxxxx per room).

COLLATERAL

The ground lease is well secured when compared against the value of the unencumbered Freehold.

The current ground rent of £x,xxx,xxx per annum represents xx% of estimated EBITDA. The quoting price of £xx,xxx,xxx represents xx% of the estimated unencumbered Freehold trading value.



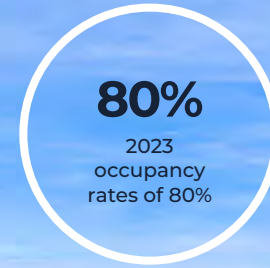
THE LONDON HOTEL MARKET

London is one of the world's leading business, financial, cultural and tourism centres.

In 2023, it was the third most visited city worldwide, attracting over 19.2m overseas visitors with this number forecast to increase by 15% by 2031. The London hotel market extends to approximately 160,000 rooms.¹

Occupancy rates have recovered to pre-pandemic levels, recording over 80% during 2023 and standing at 78% in the first quarter 2024. This recovery is reflected in ADR and RevPar data. Across the London market in 2023, ADR was £185.32 (2019: £141.92) and RevPar was £147.51 (2019: £114.77).²

In Q4 2023, the luxury hotel market in London was the leading market performer in the UK. ADR increased from £320.74 in November to £365.43 in December.³ The sector continues to expand with the opening of two new luxury hotels in 2023: Raffles London in Whitehall and The Peninsula at Hyde Park Corner. A further six five-star hotels are scheduled to open in 2024, including the Mandarin Oriental, Mayfair and Park Hyatt, Nine Elms.



PRICE

We are instructed to seek offers over £xx,xxx,xxx for the benefit of our client's freehold interest.

After deducting assumed purchaser's costs of 6.80%, a purchase at this level would reflect:

Net Initial Yield	x.xx%
Equivalent Yield	x.xx%
Minimum Reversionary Yield	x.xx% (May 2025)

EPC

The property has an EPC of xxxx

VAT

The property has been elected for VAT purposes and will be treated as a Transfer of a Going Concern.

ANTI-MONEY LAUNDERING

Prior to exchange of contracts, all parties acknowledge and agree to fully co-operate to ensure Anti-Money Laundering Regulations are fully satisfied.





PARK PLAZA

LONDON RIVERBANK

C O N T A C T

Further information can be obtained from the sole selling agents:

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