

PREMIER INN HAMILTON

TOWNHEAD ST || HAMILTON || ML3 7BQ



**New Build Long Let
Premier Inn Hotel Investment
with Index Linked Reviews**

INVESTMENT SUMMARY

- Hamilton is a popular town located just 10 miles south east of Glasgow City Centre
- The area is known for its University connections, numerous golf courses and plentiful leisure activities
- The subject property is the most central hotel in Hamilton and is prominently located fronting both Townhead Street and Bourne Street on an elevated site with high visibility from the main A723 road
- The modern and purpose built hotel comprises 96 beds, associated Beefeater Restaurant and a 4,380 sq ft retail/restaurant unit
- Since 2019, the economy submarket RevPAR has grown at 8.53% p.a., outpacing the UK average and underscoring a robust post-Covid recovery
- The hotel is let to Premier Inn Hotels Ltd at a topped up rent of £570,498 p.a. This reflects £5,943 per key with an additional £35,216 allocated to the Beefeater restaurant
- The hotel is let for a term of 25 years from the 6th April 2021 with a break in year 20. This provides an unexpired term of c. 20.5 years
- The lease is subject to 5 yearly CPI reviews, collared and capped at 0-4%, with the next review on 6th April 2026
- The retail unit is let to Berlin Food Company (Edinburgh) Ltd t/a German Donner Kebab at a passing rent of £57,500 p.a.
- The retail unit lease is for a term of 25 years from 23rd February 2022 with tenant break options on the 10th and 20th anniversary, providing a term certain of 6.4 years
- The lease has a fixed rental increase to £60,000 p.a. on the 5th anniversary of the term
- The investment therefore provides a total rent of £663,214 p.a., a WAULT to expiry of 20.6 years and WAULT to break of 14.7 years.
- Freehold





Offers are sought in excess of
£10,360,000 subject to contract
and exclusive of VAT, reflecting an
attractive blended **net initial yield**
of 6.00% assuming purchaser's
costs of 6.70%



PREMIER INN HAMILTON



SCOTTISH ROWING

MOTHERWELL

STRATHCLYDE
COUNTRY PARK

HAMILTON
PALACE TOWERS
RETAIL PARK

VUE CINEMA

HOLIDAY INN

A723
MOTHERWELL RD

KEITH ST

COUNCIL OWNED
CAR PARK

HAMILTON LAWN
TENNIS CLUB

A723
BLACKSWELL LN

LOCATION

Hamilton is a large town located in South Lanarkshire, Scotland. It serves as the main administrative centre of the South Lanarkshire council area, and hosts the headquarters of the local authority. It has a population of c.55,000 people which makes it the 8th largest settlement in Scotland.

Hamilton sits 10 miles (16 km) south-east of Glasgow, 37 miles (60 km) south-west of Edinburgh and 74 miles (120 km) north of Carlisle. It is situated on the south bank of the River Clyde at its confluence with the Avon Water. The town sits just off the M74 which provides fast access to Lockerbie, Dumfries and Carlisle, as well as Glasgow to the immediate west, with a link road to the M8 providing fast access to Edinburgh to the east.



SITUATION

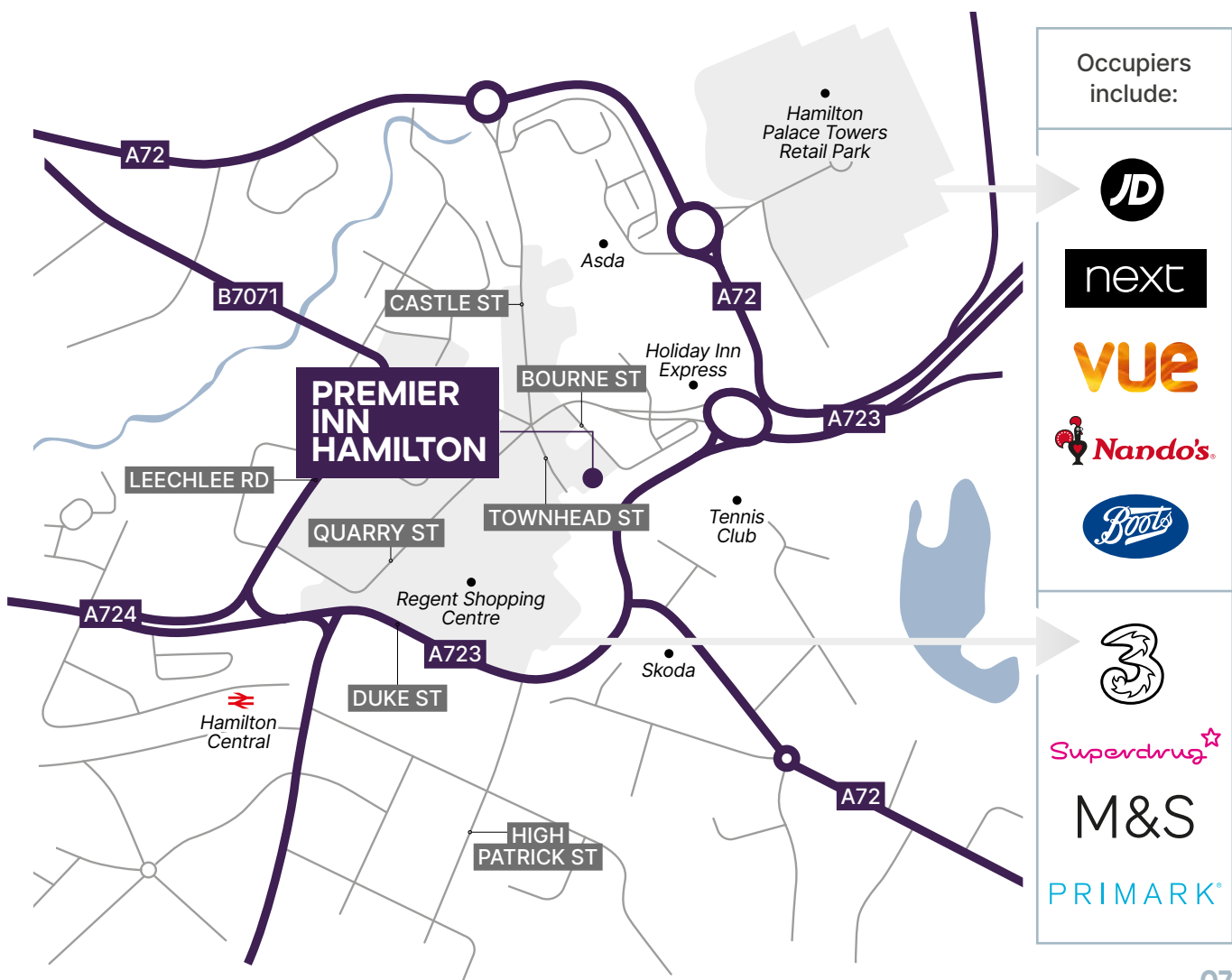
The subject property is situated prominently on the corner of Townhead Street and the A723. Townhead St intersects Quarry St, town's main retail thoroughfare. Further south of Quarry Street and the Regent Street shopping centre is Hamilton Central train station which can be reached within a 10 minute walk.

The subject property is surrounded by numerous key retail providers and amenities. Immediately to the north is Hamilton Palace Towers Retail Park which can be reached within a 3 minute walk. This retail park includes occupiers: Vue Cinema, Next, JD Sports, Nandos and Boots. To the west of the property is the main high street and Regent Shopping centre which can be reached within a 2 minute walk via Quarry St. Key occupiers here include Three, Superdrug, Marks and Spencer and Primark.

	ROAD	
	M74 (J6)	0.3 miles
	M8 (J7)	5.0 miles
	M77 (J5)	14.1 miles

	RAIL	
	Glasgow	24 minutes
	Edinburgh	1 hour 48 minutes
	London	4 hours 59 minutes

	AIR	
	Glasgow Airport	20.0 miles
	Edinburgh Airport	34.9 miles
	Newcastle Airport	136.0 miles





PREMIER INN HAMILTON



The hotel benefits from a **4.4/5** **“Excellent”** TripAdvisor rating and has been given a **“Travellers Choice Award”** in 2022.



CUSTOMER REVIEWS

RobLeeDavies

Fantastic hotel in a brilliant location, close to everything you need. The staff are helpful, friendly, and make you feel welcome. There's also a great restaurant attached, offering added convenience. The air conditioning works perfectly, and the TV is impressively large. Overall, an excellent hotel and outstanding value for the Glasgow area.

Wayne D - August 2025

First class start to finish. We parked wrongly (not stayed before!) Robina and Denise helped us immensely. Very professional and courteous. Lovely clean rooms and the service next door in the Beefeater was equally as good. Managed to secure more work in the area and will DEFINITELY be back. Thank you.

DESCRIPTION

The property was opened in 2021 and comprises a 96-bed purpose built hotel arranged over ground and three upper floors. There is also an associated retail/restaurant unit fronting Townhead St let to German Doner Kebab.

The hotel features new room by room air conditioning, luggage storage facilities, free Wi-Fi throughout, multiple lifts as well as accessible and family rooms.

The hotels entrance is located opposite the A723 accessed via either Bourne St or Keith St. The hotel has a small lobby leading to a main reception on the ground floor. The hotel has a licensed bar and restaurant where guests are served breakfast and can order other hot food.

The subject property benefits from being located directly next to the Keith Street car park which is owned by South Lanarkshire Council and offers ample parking for guests.

The retail element that is let to German Doner Kebab comprises 4,380 sq ft arranged over the ground floor, with the entrance fronting Townhead St.



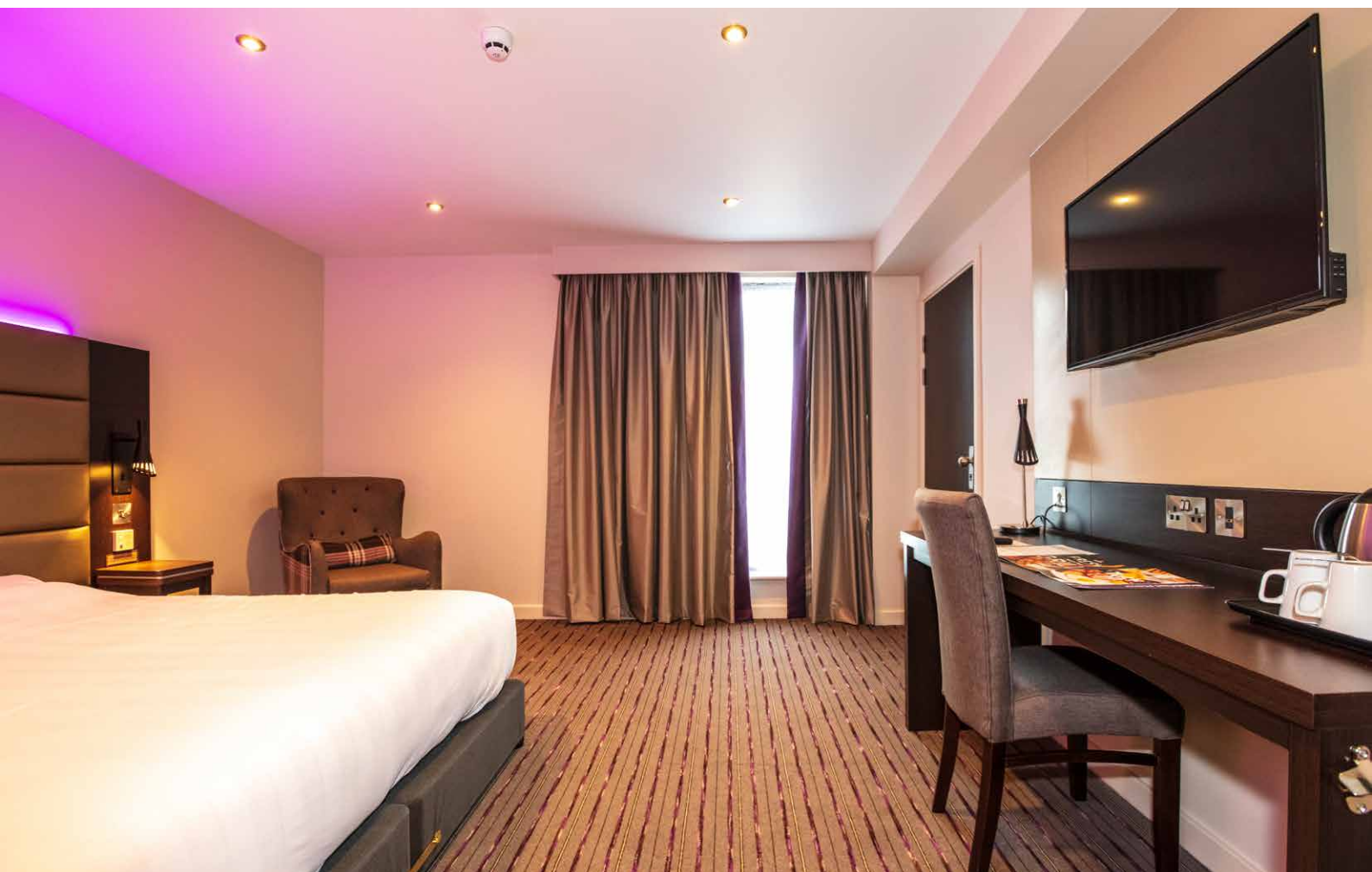
SITE AREA

0.57 acres



TENURE

Freehold



TENANCY

PREMIER INN

The hotel and Beefeater restaurant are let to Premier Inn Hotels Limited on a single FRI lease for a term of 25 years commencing on 6th April 2021. There is a landlord and tenant break on 5th April 2041 providing c. 19 years term certain.

The rent is reviewed 5 yearly to CPI, 0-4% with the next review on 6th April 2026.

The hotel is let to Premier Inn Hotels Ltd at a topped up rent of £570,498 p.a. This reflects £5,943 per key with an additional £35,216 allocated to the Beefeater restaurant.

The current passing rent is £486,000 per annum.

GERMAN DONER KEBAB

The retail element is let to Berlin Food Company (Hamilton) Ltd t/a German Doner Kebab for a term of 25 years from 23rd February 2022 with a break on the 10th and 20th anniversary, providing c6.4 years term certain.

The current passing rent is £57,500 p.a. reflecting a low £13.13 psf. There is a fixed rent review on 23rd February 2027 at which point the annual rent rises to £60,000 p.a. reflecting £13.70 psf. The following review is on the 23rd February 2032 where the rent is reviewed to open market value.

The investment therefore provides a total rent of £663,214 p.a., a WAULT to expiry of 20.6 years and WAULT to break of 14.7 years.



COVENANT INFORMATION

PREMIER INN HOTELS LIMITED

As of H1 2025, Premier Inn remains the largest hotel brand in the UK by the number of hotels and rooms. The company operates over 800 hotels across the UK and Ireland with approximately 85,500 rooms and also has a growing presence in Germany and Austria.

Premier Inn is owned by Whitbread Plc, which reported group revenue of £2.96 billion for the full year 2024, up 13% from the prior year, and an adjusted profit before tax of £561 million, reflecting the continued strength of the brand. EBITDA rose to £1.057 billion, and the company delivered £150 million in share buy-backs alongside increased dividend payments.

In recent years, Premier Inn has pursued an ambitious expansion and efficiency strategy, including its Accelerating Growth Plan which will see the conversion of 112 branded restaurants into hotel bedrooms and the disposal of 126 restaurant sites, targeting at least 97,000 open rooms in the UK by 2029.

Operationally, Whitbread has achieved £50 million in cost efficiencies in FY24 and is on track to deliver £150 million in savings over three years. The company has also undertaken selective sale-and-leaseback transactions, demonstrating the liquidity and investor appeal of its asset base.

In Germany, Premier Inn operates 59 hotels with a further 34 in the pipeline, underpinning its European growth ambitions.

For the 52 weeks to 27 February 2025, adjusted pre-tax profit was £483 million, reflecting transitional cost pressures and portfolio changes, but management expects growth to continue as strategic initiatives are implemented.

Premier Inn Hotels Limited (Company No. 05137608) has recently posted the following accounts:

Premier Inn Hotels Ltd (Figures in£m)	Feb 2019	Feb 2022	Feb 2023	Feb 2024
Revenue	£2,049	£1,703	£2,625	£2,959
EBITDA (Adjusted)	£795	£480.2	£918	£1,048
Statutory Profit/(Loss) Before Tax	£260	£58.2	£374.9	£451.7
Total Assets	£7,904	£9,566	£9,942	£9,521

GERMAN DONER KEBAB

Founded in 1989 in Berlin and expanded rapidly via a franchise model across multiple regions including the UK, Europe, North America, and the Middle East.

As of early 2025, GDK operates 144 international restaurants, with 55 located in London alone.

In 2024, the chain opened 16 new UK locations, following 19 openings in 2023.

GDK plans to open an additional 25 restaurants in the UK in 2025, targeting its milestone 150th store within the year.

Globally, the expansion continues with a target of 28 new UK sites and 45 international openings slated for 2025, totalling over 70 new restaurants planned.

Hero Brands — GDK’s owner — secured fresh investment from private equity firm True in mid-2025 to support its UK and international expansion strategies.

In the UK, GDK is trialling robotic Doner shavers across several locations to enhance efficiency and control operational costs amid rising wage pressures.

The current leadership, including CEO Simon Wallis, is working to rebrand GDK’s image — elevating it from a late-night kebab spot to a date-worthy dining destination, with over 146 UK restaurants and ambitious future targets of 300 UK stores and £400 million in sales.



SCOTLAND HOTEL PERFORMANCE

Hamilton sits within the Scotland South Regional hotel market, which comprises 420 properties and roughly 10,000 rooms. The supply is weighted toward mainstream segments, with around 1,300 Luxury & Upper Upscale rooms, 4,900 Upscale & Upper Midscale rooms, and 4,100 Midscale & Economy rooms.

As of July (rolling 12 months), the region reports 73.6% occupancy, £91 ADR, and £67 RevPAR. Year over year, occupancy is -1.3%, ADR is +1.3%, and RevPAR is flat. This pattern reflects a maturing post-pandemic cycle: the earlier leisure-led surge has normalised, international and corporate demand have largely rebalanced, and cost-of-living pressures have tempered midweek volumes. Operators have maintained rate discipline — lifting ADR enough to offset softer occupancy — resulting in stable RevPAR.

New supply remains negligible, with ~17 rooms under construction (0.2% of inventory) and no deliveries over the past 12 months. Limited pipeline should support pricing power and margin protection, particularly for well-located, branded assets able to capture mixed leisure and business demand.



There is a distinct lack of competing branded Economy hotels in a 5-mile radius of the subject property. Within the Economy sub-sector there are just 3 competing hotels. Of which only one is branded, the Premier Inn Glasgow Bellshill property on the outskirts of Bellshill town. The other competing hotels are not within the immediate Hamilton town centre.

The desire by Premier Inn to take advantage of the lack of competing hotels in the immediate area was evidenced by Premier Inn executing their lease in 2021 as Covid-19 continued to create a period of market uncertainty. This underpins the tenant's commitment to the site.



HAMILTON MARKET DEMAND DRIVERS



- **Strathclyde Loch** – M&D's Scotlands Theme Park, White Water Log Flume, Roman Fort Clotagenium, Scottish Rowing, Strathclyde Loch Sailing Club
- **Golf Clubs** – Strathclyde Park Golf Centre, Bothwell Castle Golf Club, Bellshill Golf Club, Colville Park Country Park, Torrance Park Golf Club, Dalziel Park Golf Club, Hamilton Golf Club Wishaw Golf Club
- **Sporting Venues** – Hamilton Golf Club, Hamilton Academical Football Club, Motherwell Football Club, Hamilton Rugby Club
- **Country Parks** – Chatelherault Country Park, Strathclyde Country Park
- **Education** – University of the West of Scotland

HOTEL INVESTMENT MARKET

The UK hotel market continues to demonstrate strong resilience, supported by a healthy balance of domestic and international demand. Regional markets remain steady, while London and Edinburgh are benefiting from the return of international travel, adding further depth to performance. Year-to-July trading has been underpinned by stable RevPAR, with operators maintaining rate discipline and leisure demand providing a solid base.

On the supply side, the outlook is favourable. With only c.19,000 rooms currently under construction, representing just 2.6% of existing inventory, the limited pipeline should support both occupancy and pricing power. Much of the new activity is driven by conversions in key cities, enhancing quality without materially expanding supply.

Investor appetite remains robust, with single-asset and portfolio transactions continuing to attract strong interest. Institutional demand for long, index-linked hotel income streams remains high, and anticipated interest rate reductions are expected to further support activity. Market sentiment for the second half of the year is upbeat, with deal flow forecast to accelerate as investors re-engage across both London and the regions.

Below highlights the most recent comparable investments:

Date	Address	Keys	Unexpired Term (Yrs)	Rent Review	Rent per key £	Rent Passing £	Yield	Price £m
Sept-25	Premier Inn, Edinburgh Central, 82 Lauriston Place, Edinburgh City	112	30.00	5 Yearly CPI, 0-4%	£11,200	£1,254,400	4.70%	£25,000,000
Sept-25	Premier Inn, Clapham, 638 – 640 Wandsworth Road, London	105	30.00	5 Yearly CPI, 0-4%	£8,700	£913,500	4.40%	£19,500,000
Aug-25	Project Apple	446	30.00	5 Yearly CPI, 0-4%	£5,490	£2,448,400	5.24%	£44,000,000
Jun-25	Premier Inn, Bridge St, Peterborough	126	20.50	5 Yearly CPI, 0-4%	£6,348	£799,906	5.85%	£12,000,000
Jan-25	Premier Inn, London City Tower Hill	165	12.50	5 Yearly CPI, 0-4%	£11,514	£1,899,792	5.50%	£32,500,000
Oct-24	Premier Inn Oxford	90	30.00	5 Yearly CPI, 0-4%	£9,000	£810,000	3.99%	£18,800,000
Oct-24	Hub by Premier Inn, Westminster	137	30.00	5 Yearly CPI, 0-4%	£13,000	£1,781,000	4.30%	£38,800,000
May-24	Hub by Premier Inn, Clerkenwell	180	30.00	5 Yearly CPI, 0-4%	£10,500	£1,890,000	4.25%	£41,700,000
May-24	Hub by Premier Inn, Shoreditch	258	20.00	5 Yearly CPI, 0-4%	£9,191	£2,371,231	4.83%	£46,000,000
Feb-24	Premier Inn, 136-138 Lower Mortlake Rd, London	92	13.00	5 Yearly CPI, 0-5%	£6,879	£632,846	4.98%	£11,900,000



FURTHER INFORMATION

HOTEL TRADE AND VP VALUE

The purchase price is fully supported by the VP value. Furthermore, the property is rack rented at the current rent. For more information, please request an Investor Briefing Pack from the Kimmre team.

EPC

Both the hotel and retail units have an EPC rating of C. Both certificates are available upon request.

VAT

The property has been elected for VAT purposes and will be treated as a transfer of a going concern (TOGC).



PROPOSAL

Offers are sought in excess of
£10,360,000 subject to contract
and exclusive of VAT, reflecting an
attractive blended **net initial yield**
of 6.00% assuming purchaser's
costs of 6.70%

CONTACT

For further information please contact:

Mike Burden

07815 305 180

mike.burden@kimmre.com

Sam Webster

07710 183 429

sam.webster@kimmre.com

Rory Turner

07852 247 977

rory.turner@kimmre.com

Kimmre

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