

AN EXCITING
OPPORTUNITY TO ACQUIRE

THE DRAGONFLY HOTEL KING'S LYNN



SUMMARY

Purpose built limited service hotel

Prominent location on the southern side of King's Lynn

50 bedrooms and associated public areas, including a marquee

Extensive car parking and large area of surplus land

Freehold

Total Net Revenue for the year ending December 2015 forecast to be £787k



BACKGROUND



Colliers International is delighted to have been instructed by RBS to offer for sale the Dragonfly Hotel, King's Lynn. The property is a purpose built hotel that was developed in c.1986 and comprises 50 bedrooms, located over ground and first floors, meeting facilities and an open plan reception and dining area. The hotel also has a separate detached marquee.

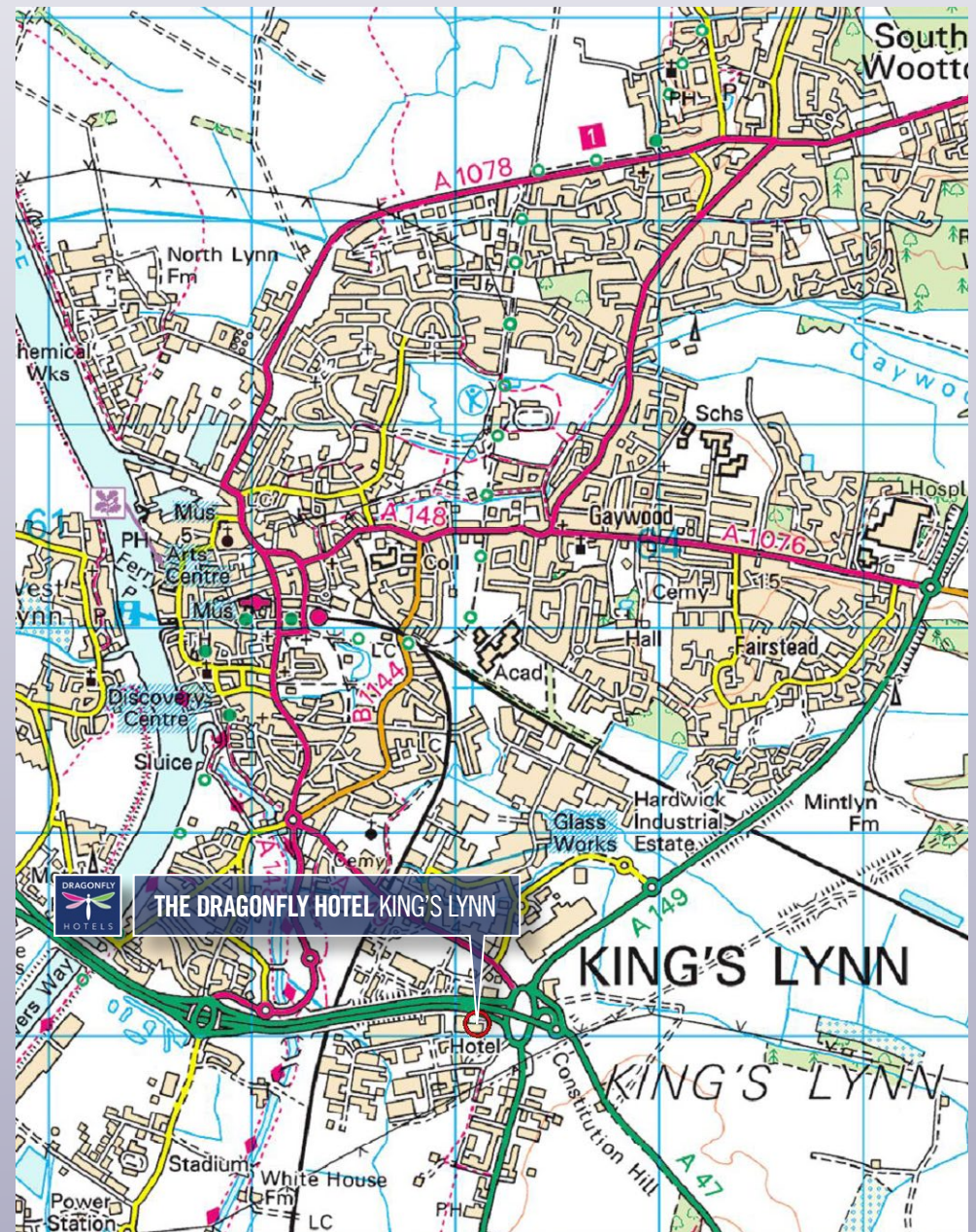
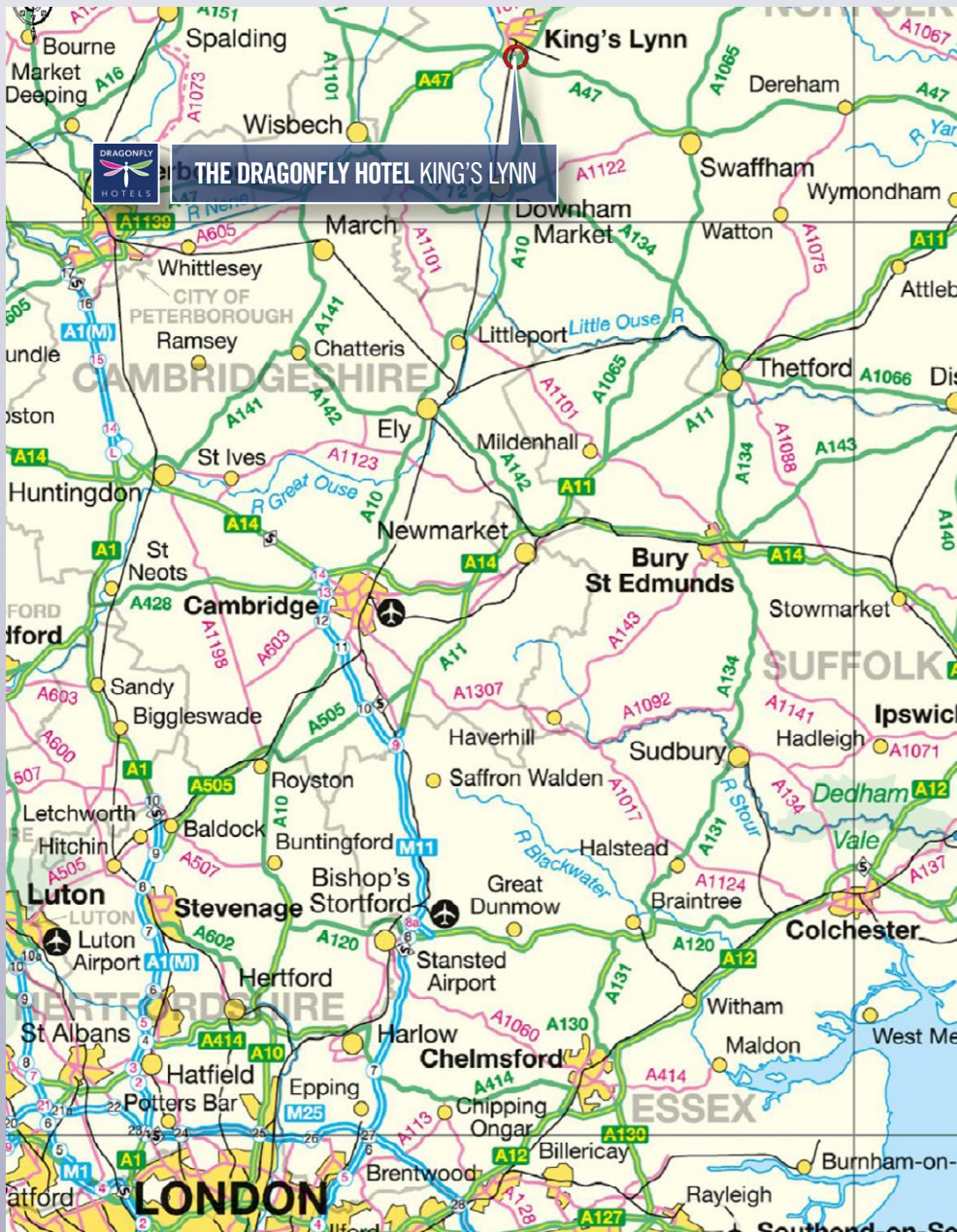
The hotel is located on the south side of King's Lynn, adjacent to the A47/A10 interchange. The A47 is a major route across the northern part of Norfolk connecting Norwich to the east of King's Lynn with Lincolnshire to the west. Immediately to the north of the A47 is an out of town retail area and then the centre of King's Lynn.

Norwich is about 45 miles distant and the A10 leads south to the Cathedral city of Ely and Cambridge city centre, which are around 25 and 45 miles distant respectively.

King's Lynn is situated on the attractive north Norfolk coast, a popular holiday destination. Immediately to the north of the town are the Wash National Nature Reserve and the Norfolk Coast Area of Outstanding Natural Beauty. In addition to popular towns of Hunstanton and Cromer, the Royal Family's Sandringham Estate is also within a short drive of the hotel. To the south of the hotel is Thetford Forest Park and the Broads area of Norfolk is around 1 hours' drive to the east.

Being a sea port, King's Lynn has historically been a centre for the fishing and seafood industry, as well as being a regional location for agricultural-related industry including food processing. The port is owned by Associated British Ports and has facilities for the storage and handling of dry bulks, such as grain and cereals, forest products and metals. The port covers 97 acres and handles around 500,000 tonnes each year.

The hotel is currently operated by Jupiter Hotels and branded as a Dragonfly Hotel. It is, however, available free and clear of the current management arrangement with Jupiter Hotels and the Dragonfly branding.



THE HOTEL

ACCOMMODATION

Being a purpose built property, the hotel is able to offer guests a uniform quality of bedroom product. There are 50 bedrooms:

| | |
|------------------|----|
| Double | 34 |
| Twin | 12 |
| Inter-connecting | 4 |

All bedrooms have ensuite facilities, flat screen television, tea and coffee making facilities, desk, chair and wardrobe.

PUBLIC AREAS

The public areas are in a single storey part of the hotel to the front of the main building. The main entrance doors lead into a spacious and airy reception area. Leading off the reception is a conservatory with seating for nine and access to a patio area with further seating. On the other side of the reception area is a lounge and bar area with a range of comfortable seats and further on is the dining area with approximately 44 covers.

Adjacent to the hotel's entrance doors are male toilets and a corridor to the rear of the reception desk leads to the female toilets, meeting facilities and bedrooms.

Detached from the main hotel building is a large marquee that has a capacity for around 200 people. It includes a holding kitchen and male and female toilets.



MEETING FACILITIES

The hotel benefits from having three meeting rooms in a dedicated area a short distance from the hotel's entrance. One of the rooms can be sub-divided into two.

| ROOM NAME | MAX CAPACITY | STYLE | A/C |
|-------------|--------------|-----------|-----|
| Vancouver 1 | 50 | Theatre | No |
| Vancouver 2 | 20 | Theatre | No |
| Vancouver 3 | 20 | Theatre | No |
| Cambridge | 15 | Theatre | No |
| Essex | 10 | Boardroom | No |

SERVICE AREA

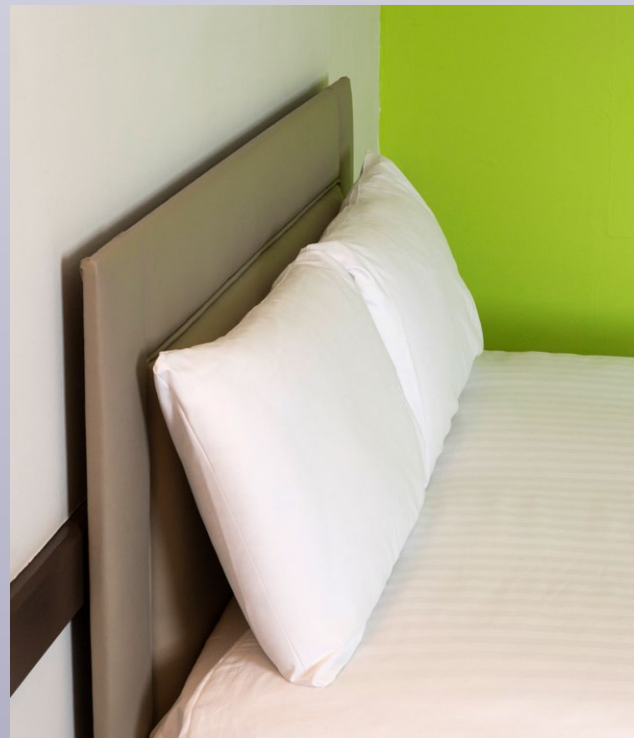
There is a substantial area to the rear of the dining facilities comprising a commercial kitchen and stores/fridges area for the kitchen. Behind the kitchen is former staff accommodation that now comprises three offices.

To the rear of the hotel is an external service area for goods delivery and bin stores.

OUTSIDE

The majority of the outside area immediately in front of the hotel comprises a large car park. Surrounding the car park and access road to the front of the hotel is mature soft planting providing a pleasant sense of arrival.

The hotel has a large area of surplus land that is not currently of operational benefit to the hotel. This land might be suitable for development, subject to obtaining the necessary statutory consents, and prospective purchasers are requested to make their own enquiries.





FURTHER INFORMATION

SERVICES

The owners inform us that mains gas, water, drainage and electricity are connected to the property.

LICENCES

The property has a Premises Licence.

TRADE

The hotel is currently operated by Jupiter Hotels. It is intended to sell the hotel free and clear of the current arrangement with Jupiter Hotels. If parties are potentially interested in retaining the services of Jupiter Hotels, then please liaise with Colliers International who will make the appropriate introductions.

The hotel has previously been branded as a Ramada and subsequently a Quality hotel. On the 1 April 2015, the hotel was rebranded as a Dragonfly Hotel. The vendor will consider the Dragonfly Hotel brand being sold with the hotel, although this is only likely to be possible if the hotel forms part of a wider Dragonfly Hotels portfolio transaction. The trading performance (with NOI stated before Management Fees and Replacement Reserves) is summarised as:

| | Y/E DECEMBER 2015 (F) £'000 | Y/E DECEMBER 2014 £'000 | Y/E DECEMBER 2013 £'000 |
|----------------------|-----------------------------|-------------------------|-------------------------|
| Net Turnover | 787 | 721 | 697 |
| Net Operating Income | 120 | 42 | 15 |

More detailed trading information is available in the Data Site; the log in details for which are available from Colliers International. Interested parties should note that for the year ended 31.12.14 no trading information is/was available for the period 1.1.14 to 14.3.14. This was due to the Group being in Administration at the time. As such, it should also be noted that the y/e 31.12.14 trading performance is for the period 15.3.14 to 31.12.14 and not a full calendar year.

VIEWINGS

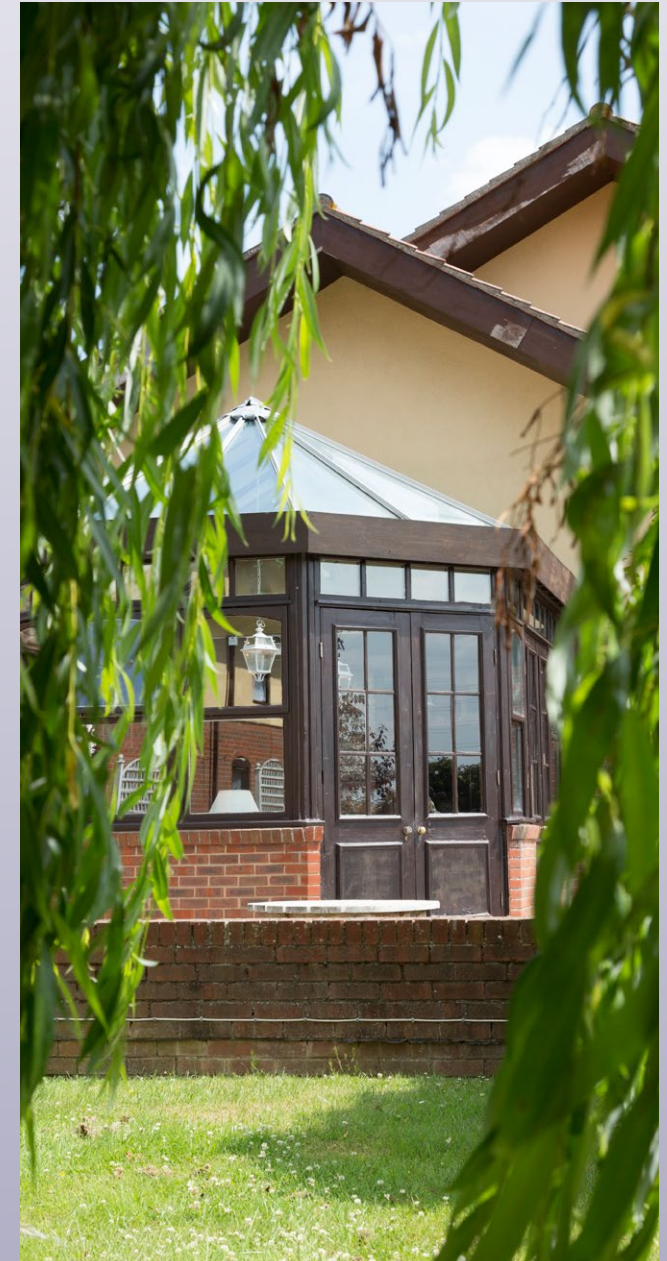
In the first instance, customer viewings may be undertaken, but after which point, all appointments to view MUST be made through the vendor's agents who are acting with sole selling rights and will accompany the viewings.

Please note that parties are requested not to discuss the sale of the hotel with any members of staff and that ALL enquiries must be channelled through Colliers International.

All interested parties should liaise with **James Williamson** or **Paul Barrasford** of the appointed selling agents to discuss the opportunity in more detail and/or to arrange a formal viewing of the property. Contact details are provided at the end of this brochure.

PRICE

Offers in the region of £1,850,000 are invited for the hotel's freehold interest to include goodwill and trade contents, excluding personal items. Stock will be at valuation.



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