Specialist Property Investment

Track Record and Expertise

2019
Our Expertise

Knight Frank’s Specialist Property Investment Team is a pioneer in the alternative sectors having launched a decade ago.

Through strategic and organic growth, the dedicated and market-leading team consists of the top advisers in the market. We have transacted and advised on over £28.3bn across the Healthcare, Automotive, Student Hotels, Ground Rent, Energy and other alternative sectors assets in the past year.

We have an excellent track record in both acquisitions and disposals, providing bespoke advice for each client requirement, be that ‘off market’ strategic approaches or ‘on market’ sales campaigns leveraging off Knight Frank’s global brand and International network. We provide strategic advice on the composition of investor’s funds and the optimum timing for future acquisitions or disposals.

The team has in excess of 35 years’ experience in the capital markets arena and is continuing to build on our previous success.

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01

LEGOLAND HOTEL, WINDSOR

Client: Aberdeen Standard

Sector: Hotels

Detail: Acquisition of the long leasehold interest in a 150 bed full service hotel let to Merlin Entertainments Plc for 29 years. The lease is subject to annual uncapped rent reviews linked to RPI.

Value: £36,000,000
SPECIALIST PROPERTY INVESTMENT

03

TRAVELODGE PORTSMOUTH CENTRAL

Client: Private Developer (CHG Property Development Ltd)
Sector: Hotel - Forward Funding
Detail: Disposal on a forward funding basis of the freehold interest in a new 152 bed hotel let to Travelodge Hotels Ltd for 25 years from PC. The lease is subject to five yearly rent reviews linked to CPI (1% collar & 4% cap).
Value: £19,050,000

02

HAYES DATA CENTRE

Client: LPA Receivers (Co-op Bank Plc)
Sector: Data Centre
Detail: Disposal of the freehold interest in a 106,000 sq. ft. Data Centre let to Deutsche Bank AG for 2.75 years. The centre had significant asset management potential.
Value: £13,680,000
04
PROJECT CHARIOT, NCP PORTFOLIO

Client: Private Equity (CPCo Borrower Ltd)
Sector: Car Park
Detail: Disposal of the freehold (44) and leasehold (44) interests of 88 car parks totalling 31,736 spaces. The car parks are all let to NCP Ltd with a WAULT of 21 years. All leases are subject to annual rental uplifts either fixed at 3%, RPI (1.5% cap & 5.0% collar) or a mixture of the two on a 50:50 basis.
Value: £500,000,000

05
GODIVA PLACE, COVENTRY

Client: Private Developer (Regents Godiva)
Sector: Student - Forward Funding
Detail: Disposal of a forward funded income strip opportunity comprising 769 student bedrooms let to Coventry University for 30 years. The lease is subject to three yearly rent reviews linked to RPI (1.0% collar & 3.5% cap). The tenant has the right to acquire the freehold for £1 at expiry of the lease.
Value: £74,490,000
06

PROJECT DELTA

Client: PGIM

Sector: Ground Rent

Detail: Acquisition of 17 hotel ground rents with an annual rent roll of £4,442,478 let to various SPV’s with a WALUT of 999 years. The lease is subject to five yearly rent reviews linked to RPI (1% collar & 4% cap).

Value: £156,800,000

“The Knight Frank Specialist Investment Team have been key to our success this year. Their fundamental understanding and knowledge of how we work and our structures, specifically in the long income and ground rent markets, has resulted in some truly unique opportunities which would otherwise have not been available. We are delighted to have transacted on these deals with them and have and have nothing but praise for a team whose level of professionalism and quality of advice we consider exemplary. We look forward to continuing to work with the team.”

James Stacey

PGIM

07

HUB BY PREMIER INN, KINGS CROSS

Client: Legal & General

Sector: Hotel - Forward Funding

Detail: Acquisition on a forward funding basis of the freehold interest in a new 389 bed hotel let to Premier Inn (UK) Ltd guaranteed by Whitbread Group Plc for 26 years. The lease is subject to five yearly rent reviews linked to CPI (0% collar & 4% cap).

Value: £84,500,000

“The Specialist Investment Team at Knight Frank provided comprehensive and sound advice on this complex asset from the outset. Their expertise was vital to the successful transaction; we look forward to working with them again in the future.”

Adam Kerr

HEAD OF TRANSACTIONS, LEGAL & GENERAL INVESTMENT MANAGEMENT REAL ASSETS
BMI HARBOUR HOSPITAL, POOLE

Client: Henderson UK

Sector: Healthcare

Detail: Disposal of the freehold interest in a 37,797 sq. ft. private hospital let to BMI Healthcare Ltd for 19 years. The lease is subject to annual fixed rental uplifts of 2.5%.

Value: £34,500,000
09
SILVER TREES CARE HOME, BRISTOL

Client: AEW
Sector: Care Home

Detail: Sale and leaseback acquisition of the freehold interest in a 62 bed care home let to Handsale Ltd for 20 years. The lease is subject to annual rent reviews linked to RPI (1% collar & 4% cap).

Value: £6,600,000

“Not only did the SPI Team present us with this investment opportunity, they provided the key occupational advice which allowed us to underwrite the transaction. Without their considered analysis this transaction is unlikely to have succeeded.”

Ed Long
INVESTMENT DIRECTOR, AEW

10
WORLD OF GOLF

Client: Newcore Capital Management
Sector: Other

Detail: Disposal of the freehold interest in a 24-bay driving range and mini golf course let to Ashour Ltd for 15.5 years. The lease is subject to five yearly uncapped rent reviews linked to CPI.

Value: £4,425,000

"Not only did the SPI Team present us with this investment opportunity, they provided the key occupational advice which allowed us to underwrite the transaction. Without their considered analysis this transaction is unlikely to have succeeded."

Ed Long
INVESTMENT DIRECTOR, AEW
11

VIRGIN ACTIVE WANDSWORTH, LONDON

Client: Orchard Street Investment Management

Sector: Health and Fitness

Detail: Acquisition of the long leasehold interest in a 39,667 sq. ft. health & fitness club let to Virgin Active Ltd guaranteed by Virgin Active Holdings Ltd & Virgin Active Group Ltd for 19.8 years. The lease is subject to one rent review linked to RPI (1% collar & 3% cap); with open market reviews every five years thereafter.

Value: £12,950,000

12

GROSVENOR CASINO, THE VICTORIA

Client: Aprirose

Sector: Leisure

Detail: Disposal of the freehold interest in prominent West End casino let to Grosvenor Casinos Ltd for 8 years. The lease is subject to five yearly rent reviews linked to RPI (0% collar & 3% cap). The tenant has the option to renew for a further five, ten or fifteen years. The investment also benefits from 48 adjoining apartments which are underlet for a further 91 years.

Value: £70,000,000
TRAVELODGE BRENT CROSS

Client: Aberdeen Standard
Sector: Hotels
Detail: Disposal of the freehold interest in a 128 bed hotel let to Travelodge Hotels Ltd for 24 years with offices let to Secretary of State on the ground floor. The hotel’s lease is subject to five yearly rent reviews linked to CPI (1% collar & 4% cap).
Value: £16,000,000

THE MALDRON HOTEL - NEWCASTLE

Client: Aberdeen Standard
Sector: Hotel - Forward Funding
Detail: Acquisition on a forward funding basis of the virtual freehold interest in a new 265 bed hotel let to Dalata Cardiff Ltd under the ‘Maldron Hotel’ brand for 35 years from PC. The lease is subject to five yearly rent reviews linked to RPI (0.5% collar & 3.5% cap).
Value: £32,700,000

“Knight Frank act for us in both acquisition and disposals. We work with them for their focused high standard of service and sound advice. Over the past twelve months the SPI team have originated and provided invaluable assistance in several successful and complex transactions.”

James Dunne
HEAD OF OPERATIONAL AND STRATEGIC TRANSACTIONS, ABERDEEN STANDARD INVESTMENTS
15

EVANS HALSHAW MOTOR PARK

Client: Kennedy Wilson

Sector: Automotive

Detail: Disposal of the freehold interest in motor park occupied by Ford, KIA, Citroën and Vauxhall let to Pendragon Property Holdings Ltd for 11.3 years. The lease is subject to five yearly 3% fixed rental uplifts.

Value: £14,300,000

16

TRAVELODGE TOWER BRIDGE

Client: Aprirose

Sector: Hotels

Detail: Disposal of the freehold interest in a 190 bed hotel let to Travelodge Hotels Ltd for 31.5 years. The lease is subject to five yearly uncapped rent reviews linked to RPI.

Value: £47,000,000
Z HOTEL SOHO

Client: Aprirose
Sector: Hotel - Forward Commitment

Detail: Disposal on a forward commitment basis of the freehold interest in a new 110 bed hotel let to Z Hotels Ltd for 45 years from PC. The lease is subject to annual rent reviews linked to RPI (2% collar & 5% cap).

Value: £40,128,000

“Knight Frank has assisted us in identifying key market trends and acquisition opportunities. We have transacted in excess of £1.5billion in 40 deals with the team and have an excellent working relationship with them.”

Manish Gudka
MANAGING DIRECTOR, APRIROSE

BOURNE HALL IVF CLINIC, WICKFORD

Client: KFIM
Sector: Healthcare

Detail: Acquisition of the freehold interest in a newly constructed 10,833 sq. ft. IVF clinic let to Bourne Hall Ltd for 32 years. The lease is subject to three yearly rent reviews linked to RPI (2½% collar & 5½% cap).

Value: £5,025,000

“Knight Frank provided much needed detailed advice on this complex and unusual asset. They were conscientious throughout the negotiations leading to a successful acquisition. We look forward to working with them again in the near future.”

Grace Agnew
INVESTMENT SURVEYOR, KFIM
LITTLE HEATH CARE CENTRE, BRISTOL

Client: BlackRock
Sector: Care Home Forward Commitment
Detail: Acquisition on a forward commitment basis of the freehold interest in a new 64 bed care home and 24 bed reablement centre let to Brunelcare for 25 years from PC. The lease is subject to annual uncapped rent reviews linked to CPI.
Value: £16,305,000
Our people

The Knight Frank Specialist Property Investment team is supported by our professional and agency teams who are market leaders in their field. We regularly collaborate with our wider UK regional network and overseas presence. Combining this with our personal, impartial advice, we believe the service we provide is unrivalled.

Knight Frank has positioned itself at the forefront of the specialist property market, having identified this sector as one of the most significant areas of growth over a decade ago.

Our Specialist Property Group covers Automotive Property, Energy, Hotels, Healthcare, Institutional Consultancy and Student Property. We provide the full spectrum of expert knowledge, including business valuations, transactions, sale & leaseback, development, landlord & tenant and research on every type of asset and registration type within the relevant sectors.

Our unique selling point is that we fully appreciate the business nuances and act for the majority of the UK’s operators, lenders, funds, institutions, property companies and developers.

We are passionate about our sectors and are absolutely focused on providing a best in class service to our clients. Our team consistently adds value by drawing on the significant resources available through our national network of industry specialists.

Our specialist team

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Our specialist team

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