

Specialist Leisure

'A dedicated specialist leisure team offering expert advice on selling, acquiring, disposing, and valuing niche assets.'



Overview

Industry-leading experience, providing advisory and professional services covering the full spectrum of specialist leisure including marinas, stadia, arenas, golf courses, visitor attractions, theme parks, holiday parks and caravan parks, along with motor racing

circuits, inland surf, indoor snow and heritage leisure. We have a deep knowledge of operational real estate and business, with an impressive track record and a long-standing client base.

Sectors and Asset Types



Holiday, Lodge & Caravan Parks



Inland & Coastal Marinas



Sports, Stadia & Event Venues



Visitor Attractions



Other Special Trading Assets

£2.0bn

“ We valued over £2 billion worth of Specialist Leisure real estate in 2023-2024 ”

Introduction

Welcome to the Specialist Leisure Valuation team at Knight Frank, where our leisure real estate valuation expertise sets the standard. With a deep understanding of the leisure industry, our team specialises in providing comprehensive valuation services tailored to the unique needs of our clients.

We recognise the intricacies of valuing leisure properties, including caravan and lodge resorts, golf courses, marinas, and more. We deliver robust, accurate and personalised valuation advice to a range of clients, including banks, equity investors, private equity, investment funds, accounting and insolvency practices, local and central government and high-net-worth individuals. We sit on the panel of all major banks and

work with many of the significant industry operators, through to individual private operators.

We're dedicated to delivering precise valuations that reflect the actual value of leisure assets. Our collaborative approach and in-depth market knowledge ensure our clients receive personalised advice and trusted guidance throughout the valuation process.

Why choose us?

We have significant expertise in advising operators, investors and lenders around esoteric leisure sectors such as golf courses, marinas, stadiums, and visitor attractions, including theme parks and, most recently, artificial surf parks. Team members have provided advice on high-profile assets, including the valuation of Premiership stadia, globally recognised sporting assets and over 250 golf courses ranging from individual private members' clubs to the major UK golf operators to world-

famous, signature courses and resorts. Our experience base extends to working with investors, operators, lenders and owners across the UK, into Europe and globally, linking with our colleagues in overseas offices. We are able to combine specialist operational real estate experience, with local market knowledge.

Importantly, we understand the dynamics of our markets, both from a real estate and an operational perspective.

Who we work with:

- Operators
- Banks
- Private capital
- High-net-worth individuals
- Family trusts
- Sovereign wealth
- Private equity
- Pension funds and REITS
- Insolvency advisors
- Local and central government

What we do:

- Valuations
- Development advice
- Option appraisal
- Agency
- Feasibility studies
- Purchase reports and investment appraisals
- Rating
- Planning
- Building surveying

Holiday, Lodge and Caravan Parks

Assets

- Lodge parks
- Holiday parks
- Holiday (self-catering) accommodation
- Touring parks
- Residential parks

We are members of:



Introduction

In unprecedented market turbulence, the parks sector finds itself navigating a landscape reshaped by the forces of recent years. The journey has been varied, from the challenges caused by the pandemic-induced closures to record trading levels. As the dust settles and economic uncertainty looms for 2024, there has been a return to property fundamentals as the guiding principle. Both buyers and sellers alike are recalibrating strategies emphasising the core principles of operational excellence, sustainable profitability and prudent investment.

THE MARKET IS SPLIT INTO TWO DISTINCTIVE SECTORS

The corporate sector has witnessed significant investments from various private equity firms and existing operators. The cash flow robustness attracted these investors, as demonstrated in the crash of 2008 and again through the Covid-19 pandemic.

TRANSACTIONAL ACTIVITY HAS BEEN POLARISED

Despite ongoing interest from purchasers with access to capital and debt, transactional volumes in the core holiday parks markets have decreased, reflecting a general aversion to risk among both buyers and lenders along with the increasing cost of debt. The sector remains attractive to investors and company-to-company acquisitions, though it has now cooled from the peak of 2021 and 2022.

Market Overview

KEY THEMES

THE PANDEMIC HAS STRENGTHENED THE HOLIDAY PARK AND LODGE PARK SECTOR

Industry data and anecdotes suggest a surge in demand for new and late-model used caravans and lodges driven by customers seeking rural or coastal residences for hybrid remote work.

HOLIDAY BOOKINGS ACROSS THE MARKET HAVE BEEN STRONG

Numerous operators are reporting more robust performance, even though they had to close food and beverage outlets during lockdown periods. It is noticeable that holiday bookings are being made much later, making forecasting problematic, though occupancy and rate are holding up.

THE COST OF LIVING CRISIS MAY DETER SOME FROM MAKING A LODGE OR CARAVAN PURCHASE

An element of caution does need to be added as concerns over household finances with less disposable income may slow demand over the longer term.

How can we help?

In an era of heightened scrutiny and cautious optimism, our agency offers stability, expert guidance and unwavering support to clients seeking to navigate the complexities of the current market.

We work with most major park operators and their funders and investors. We have also advised many of the major and challenger banks in the UK on everything from small touring parks to large holiday and lodge parks.

We're experts in analysing park operations and finances, and we can draw upon our extensive database of park trading data to identify opportunities and headwinds.

With a commitment to professionalism and precision, we remain dedicated to optimising exit routes and delivering key valuation insights for our clients.

£500m+

“The Specialist Leisure team valued in excess of £500m of parks & lodges in 2023-2024”



In the UK there are approximately:

6,100
holiday parks

435,000
pitches

£2.5bn
worth of static caravan parks

£12.2bn

The UK holiday park and campsite sector generated a gross direct, visitor expenditure impact of £12.2bn to the economy in 2022/23.

KEY STATISTICS

REVENUE

£4.8bn

2020-25

↑0.7%

2025-30

↑2.6%

PROFIT

£991.2m

2020-25

↓2.6%

EMPLOYEES

47,006

2020-25

↑1.5%

2025-30

↑2.4%

PROFIT MARGIN

20.8%

2020-25

↓3.8pp

BUSINESSES

2,645

2020-25

↑3.7%

2025-30

↑2.1%

WAGES

£1.0bn

2020-25

↑2.6%

2025-30

↑2.5%

Source: Knight Frank Research, IBIS World

Marinas

Introduction

This is one of our core sectors. The team is led by John Rushby, who has nearly 30 years of experience in this sector, is a qualified Yachtmaster and has previously owned and operated a yacht charter business. We have an intimate understanding of this sector, from transactional evidence to trading data, seabed leases and network agreements, and marina design and maintenance.

We are members of the British Marine and the Yacht Harbours Association. This provides us valuable access to operators and other marina professionals and extensive data and research. Membership is only offered to those who demonstrate they are active in the sector.

Our team works closely with investors and funders in this sector and marina operators and provides valuation, rent review, development, and rating advice. We also provide discreet brokerage and acquisition advice.

Marinas

Research undertaken by British Marine indicates the UK leisure, superyacht, and small commercial marine industry generated an estimated £4.41 bn in 2022/23 and supports more than 38,000 direct employees.

The UK marine sector has demonstrated significant influence globally, marked by a 33.2% surge in exports totalling £937 million. This achievement is credited to the worldwide appetite for British-produced watercraft, such as sailing yachts, rigid inflatables, and high-end motor yachts, highlighting the UK's forefront status in marine manufacturing and ingenuity.

We are members of:



BRITISH MARINE

Coastal

The coastal marina sector has demonstrated it is a robust and attractive sector. It showed growth through the pandemic, and revenue has continued to grow through the subsequent economic challenges. Like many sectors, operating costs have increased, but many owners and operators are reporting some profit growth, or at least profit being maintained.

Recent high-profile transactions in this sector demonstrate that this is seen as a sector offering long-term deliverable revenue with growth opportunities, not least from realising the real estate value inherent in many sites.

The pandemic saw a surge in boat demand, with many brokers exhausting all but the most undesirable of their stock. These boats all required a home mooring, so demand for berths increased. In some parts of the Solent, marinas are operating a waiting list.

Whilst the barriers to entry are high, with little or no new marinas over recent years, the barriers to exit are high. Owners need to moor their boat somewhere secure, which suits their needs in terms of sailing ground and social and engineering and occupancy across the sector is high.

Inland

Inland marinas have enjoyed strong growth over recent years. We expect this is partly due to the residential sector's growth, allied to the growth in canal boating as a pastime over recent years, with purchasers acquiring boats as holiday homes. This follows the strong sales in the caravan and lodge parks market for the same reason – customers are keen to acquire second homes at an affordable price.

Our conversations with operators would suggest that revenue slowed primarily due to the impact of Covid-19 on secondary services such as workshops, retail and food and beverage. This is evidenced in the data above, which shows wider marine services were impacted. Structurally, the core moorings business was unaffected and delivered growth.

Consequently, inland marinas also remain a robust investment opportunity, with little income attrition. Like coastal marinas, boat owners need to be able to moor their boats, and many actively seek a marina for the security and social aspect. This means they remain loyal to the home marinas.



£6bn

The UK marine tourism sector generates a total GVA of £6bn.



150,000

The sector employs a total of 150,000 people



4 million

Active boating participants



400,000

Boats in ownership



£400m

Annual boat sales

£250m+

“ The Specialist Leisure team valued in excess of £250m of marina assets in 2023-2024 ”

Sports, Stadia and Event Venues

Assets

- Sports stadiums
- Music venues
- Motorsports

£225m

“ The Specialist Leisure team valued in excess of £225m of sporting, stadia and event assets in 2023-2024 ”

Introduction

We have strong and broad experience advising professional sports clubs, developers, planners, investors and local and central government on stadia and sporting assets. We also work with fund and private pensions in respect of stadium investments.

The team has worked with many Premiership football and rugby teams, along with numerous football league teams, cricket teams and has also advised on training facilities, both to owners and land holders.

We've provided advice that has ranged from general valuations, for new lending and equity investment through to company accounts, using a range of valuation

methodologies. We also provide wider real estate advice, for mixed use stadia developments, training ground developments and expansion, sporting centres of excellence and joint ventures, along with loan and security and reviews.

We can provide valuation and real estate advice on sale and leasebacks, investment and long income vehicles, operational sales and land acquisition. We have also undertaken loan and grant funding reviews for the UK government, turnaround advice and also advice to community groups and the FA/Football Foundation on football hubs.



It requires an experienced real estate professional to advise in this sector. Our team has advised over 30 professional football, rugby and cricket clubs. Our advice is respected and in demand across the sector.

We work with high profile clients and club owners, and we ensure confidentiality at all times.

We have an unrivalled expertise and contacts base and can draw upon our Commercial, Rating, Planning, Hotels and overseas offices. Our Private Office links us to numerous high net worth individuals, active in this sector.



KEY STATISTICS

REVENUE

£1.9bn

2018-23

↓1.1%

2023-28

↑2.2%

PROFIT

£217.6m

2018-23

↓5.0%

EMPLOYEES

34,874

2018-23

↓1.3%

2023-28

↑4.6%

PROFIT MARGIN

11.2%

2018-23

↓2.5pp

BUSINESSES

5,509

2018-23

↑13.5%

2023-28

↑5.8%

WAGES

£912.9m

2018-23

↑3.3%

2023-28

↑3.2%

Source: Knight Frank Research, IBIS World

Day Visitor Attractions

Introduction

We specialise in providing tailored solutions for visitor attractions. Our expertise extends to diverse popular London attractions, council-owned parks and seaside attractions, including amusement arcades and piers.

We work with numerous operators, both corporate and private. We've advised on many notable high profile attractions. Our advice has included lending valuations, loan security reviews, operational advice and sector analysis for investors.

Our long term involvement with several key operators has given us valuable insight into this sector, and a substantial operating resource from which to deliver detailed and robust valuation and operational advice to clients.

Market Overview

The strong UK tourist economy is underpinned in part by the range and number of destinations and day visitor attractions available. It is estimated that there are more than 6,500 visitor attractions, the highest number under the ownership and control of the National Trust, followed by English Heritage, Historic Royal Palaces and the major international resorts and attractions operator Merlin Entertainments.

Experiential leisure is an increasingly strong offer in the market. Whilst traditional visitor attractions continue to trade well, allied to the wider strength of the UK tourist economy, more niche offers are increasingly popular. These range from inland surf centres through to wakeboarding parks, climbing walls and mountain bike centres.



Assets

- Theme parks
- Piers
- Amusement arcades
- National Trust sites
- Indoor sports activities



We are a key advisor to the global emerging inland surf sector. We are available to draw upon our work in the experiential and adventure leisure sector to advise funders, developers and operators in this exciting new market.

We have worked with all the UK operators and several overseas and we are working with new market entrants. We offer valuation, benchmarking and business plan review services and our Capital Advisory arm is able to introduce potential investors and funders.

£780m

“ The Specialist Leisure team valued attractions worth in excess of £780m in 2023-2024 ”

Golf

Assets

- Private membership and proprietary course
- Municipal courses
- Major international courses and resorts
- Golf resorts
- Driving ranges
- Country Clubs

Introduction

We're one of the most experienced golf course valuers in the industry, working across the sector, both in the UK, Ireland and Europe.

We provide valuation advice to lenders, developers, investors and operators. Our detailed and robust reports are used for loan security, company accounting, fund and investment valuations, development schemes and expert witness.

Our team has worked on courses which range from the most globally recognisable, to individual private 9-hole offerings. We also have extensive knowledge of design and agronomy, all factors that influence value.

We regularly work with our Hotel team and other Knight Frank teams across Europe on golf resorts and premium golf assets.

Our reports contain a detailed review and appraisal of trading and competition. We also understand buyer rationale, especially important when valuing a private members club, which is generally operated for the benefit of members, not on a fully commercial basis. Our business modelling enables us to replicate that of the hypothetical purchaser, arriving at a robust value with a detailed narrative.

As a leading rural valuer and consultant, we can also draw on extensive agricultural experience to determine the underlying or alternative values of courses.

Market Overview

The golf course market enjoyed a positive uplift over the pandemic, as it was one of the few allowable socially interactive leisure activities permitted. The industry saw a jump in participation numbers as lapsed players returned, existing players increased their games, and new players joined clubs or drove visitor golf. This has now softened, but it has raised the sector's profile, with positive membership and visitor golf retention rates.

Proprietary clubs, operated commercially, are adapting to maximise revenue by offering flexible memberships and leveraging clubhouse facilities for events and food and beverage services.

Changes in ownership, like Crown Golf's portfolio reduction, reflect industry shifts. Burhill Golf and Leisure stands out for innovation and operational strength. The market values courses with lifestyle appeal and strong food and beverage income. Barriers to entry support course values, though smaller courses face challenges in sales due to shifts in buyer demographics and alternative land uses. Yields for freehold properties varies based on size and revenue potential, with larger clubs commanding higher multiples due to their commercial viability.



2.6 million

People have used driving ranges



2.1 million

Have played on short courses



3.7 million

Have engaged in pitch & putt



6.8 million

Have visited Adventure Golf facilities

(Past 12 months)



In the UK:

5th

Golf is the 5th most popular participator sport

>2,500

Golf courses (8% of world supply)

£1.6bn

In membership fees annually

KEY STATISTICS

REVENUE

£2.7bn

2020-25

↑2.7%

2025-30

↑1.9%

PROFIT

£154m

2020-25

↑2.0%

EMPLOYEES

26,196

2020-25

↓1.2%

2025-30

↓0.7%

PROFIT MARGIN

5.7%

2020-25

↓0.2pp

BUSINESSES

2,508

2020-25

↑0.0%

2025-30

↓0.2%

WAGES

£976m

2020-25

↓0.6%

2025-30

↑0.8%

Source: Knight Frank Research, IBIS World

Other Alternatives

Assets

- Wedding Venues
- Cemeteries & Crematorium
- Garden Centres
- Business Parks
- Public Parks
- Pub Portfolios

£170m+

“ *The Specialist Leisure team valued other alternatives worth in excess of £170m in 2023-2024* ”

Introduction

We are involved in a diverse range of properties, including luxury retreats and corporate facilities, vibrant garden centres, and business villages. Our experience extends to strategic investments in various commercial spaces, serene outdoor activity centres, and esteemed

long lease funds. We also manage unique properties such as waterfront retreats and historical venues for special events. Additionally, our expertise covers specialised facilities like bereavement centres and cemeteries.

Bereavement Real Estate

KEY THEMES

NUMBER OF DEATHS

The demand for funeral services in the UK is closely tied to the number of deaths. Industry stakeholders face potential challenges with a decline in previous years, reflecting the decrease in Covid-19-related deaths.

MEDIAN AGE OF THE POPULATION

Projections indicate a slight growth in the median age of the next few years, creating an advantageous scenario for funeral service providers.

REAL HOUSEHOLD DISPOSABLE INCOME

Changes in real household disposable income directly impact families' willingness to spend on funerals for their loved ones. As funeral expenses rise, so does funeral income. However, with a forecasted contraction in real household disposable income, this is expected to dampen funeral revenue.

CONSUMER CREDIT

As funeral expenses escalate in the UK, more consumers turn to financial institutions for loans. Expanding consumer credit facilitates greater accessibility to loans for funerals and related industry services. Consumer credit is anticipated to surge, reflecting this trend.

Wedding Venue Market Overview

The wedding venue industry experienced significant turbulence until 2023-24, with Covid-19 disruptions causing income fluctuations. Following postponed weddings in 2020-21, bookings surged in 2021-22 as

restrictions eased. Despite challenges, revenue is expected to stabilise at £3.3 billion by 2028-29, driven by increased hire prices.



KEY STATISTICS (2023)



£226.1m

Profit



44,094

Employment



6.8%

Profit Margin



£956.7m

Wages



7,655

Businesses



£3.3bn

Revenue

Source: Knight Frank Research, IBIS World

Contact us

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