



HOTEL
INDIGO
EXETER

Freehold Hotel and Retail Investment opportunity
in the heart of Exeter City Centre





Executive Summary



104 BEDROOM HOTEL
INDIGO, INCLUDING
EIGHT SUITES



**EIGHT ROOMS WITH
BALCONIES**



**UPSCALE BOUTIQUE
HOTEL, FULLY OPENED IN
JULY 2023**



**THREE FOOD
AND BEVERAGE OUTLETS
INCLUDING ROOFTOP BAR
WITH VIEWS ACROSS
THE CITY**



FREEHOLD



**FOUR TREATMENT
ROOMS, RELAXATION AREA
AND NAIL BAR**



**WELL-BEING
GYMNASIUM AND
EXERCISE STUDIO**



**TWO RETAIL UNITS, LET TO
MOUNTAIN WAREHOUSE
AND HOLLAND AND
BARRETT**



**IN TOTAL, CIRCA 72,000 SQ
FT (6,686 SQ M) GIA**

Outstanding opportunity to acquire a recently developed, lifestyle hotel in a prominent city centre location including two fixed income producing retail units on Exeter's High Street.



THE RETREAT SPA

Awarded Best Luxury Spa in Devon at the Best of Britain Getaway Awards 2023

Full Video Tour available here

Opportunity Overview

Savills and Clifton Agency are offering purchasers the opportunity to acquire the freehold interest in this recently completed mixed use development in the heart of Exeter's city centre.

The sale comprises a **significant branded hotel** and **two high street retail units**, fully let and delivering strong fixed income of **£375,000 per annum**. The hotel is operated under a Hotel Indigo franchise from IHG. The Hotel Indigo brand is synonymous with **character** and **design-led comfort** which complements their locations.

Offers are sought for the whole on an asset basis with the sale to be by way of a transfer of a going concern.

[View Aerial footage](#)



IHG HOTELS & RESORTS

InterContinental Hotels Group (IHG) is a global hospitality company, offering 19 brands, 6,363 hotels and 946,203 rooms across the world.

IHG's financial performance in 2023 increased 19% year on year with revenue's reaching \$4.6bn. IHG One Rewards has over 100 million members, making it one of the world's largest hotel loyalty programmes with members more than 9 times more likely to book direct with IHG properties than via a third party.



19

brands



6,363

hotels



946k+

rooms

HOTEL INDIGO

Hotel Indigo provides a boutique lifestyle offering with carefully curated guest experiences to provide authentic local experiences.

Hotel Indigo has a global presence with 153 hotels and 20,218 bedrooms with a further 132 hotels in the pipeline providing an additional 20,939 rooms



153

hotels



132

hotels in pipeline



20k+

rooms



Exeter

PLYMOUTH

45 MILES
59 MIN

BRISTOL

63 MILES
57 MIN

BATH

80 MILES
80 MIN

LONDON

174 MILES
127 MIN

Demographics

Exeter is the regional capital of Devon, with a population of circa 131,000 according to the most recent census data. It forms the centre of a wider 'travel to work' area of circa 470,000 people and there are estimated to be around 35,000 daily commuters into the city.

Employment

A number of large regional and national businesses are located in the city including the Met Office and Pennon Group (parent company of South West Water), as well as a range of leading regional professional services firms, delivering an excellent base of corporate business.

Education

Exeter University is a Russell Group University with circa 30,000 students of which around 25% are overseas students. In 2024 it was ranked 11th in the Times Good University Guide. As well as the University, Exeter College has around 7,500 students. Both of these institutions are in close proximity to the Hotel Indigo. As well as the corporate business, there is additional room business and food and beverage spend obtained via Exeter's thriving tourism offering.

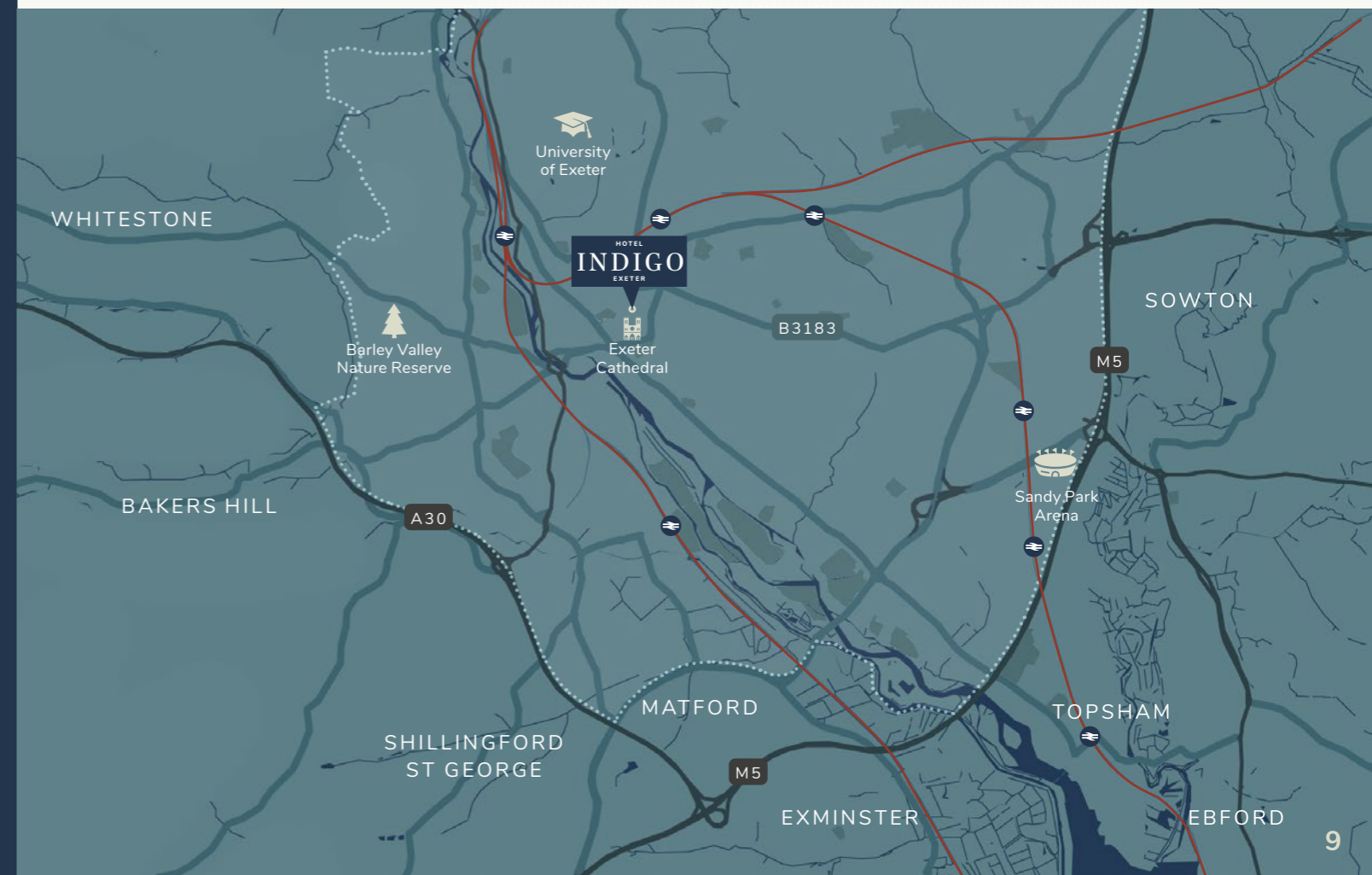


Leisure and Culture

Exeter city centre is a major shopping destination and focal point for the surrounding area. Exeter City Council estimates that the city centre footfall sees on average 1.36 million people per month. The Hotel Indigo Exeter sits in the centre of Exeter High Street, adjacent to Exeter Cathedral Green, a focal point for the city centre.

Exeter's position at Junction 31 of the M5 means that it is a strong location for transient leisure business, being the gateway to the wider South West including South Devon and Cornwall. In addition, Exeter is a leisure destination in its own right with the city dating back to Roman settlement; Exeter Cathedral dates from around 1400 (with origins from the year 1050) and the city also contains an attractive waterside Quay area. It is also an excellent base from which to explore the coastline and countryside of South Devon and East Devon.

Exeter has a thriving sports scene: Exeter Chiefs play in English rugby's top tier and were champions in 2020. Exeter City Football Club play in League 1.



The Location



The Hotel Indigo Exeter is located in the centre of Exeter and is part of the city's historic core, adjacent to Cathedral Green and fronting the attractive Catherine Square.

It's dual frontage means that the retail units are at the heart of Exeter's High Street whilst the hotel and food and beverage outlets are well placed to attract footfall from Princesshay shopping centre and Cathedral Green.

The property is 0.3 miles from Exeter Central railway station and 0.8 miles from Exeter St David's railway station.

EXETER
QUAYSIDE

EXETER
COLLEGE

HARLEQUINS
SHOPPING
CENTRE

GUILDHALL
SHOPPING
CENTRE

EXETER
CATHEDRAL

SOUTHERNHAY

PRINCESSHAY
SHOPPING
CENTRE

JOHN
LEWIS

The Property

The hotel and retail units were delivered via a conversion of the former House of Fraser department store, with final works being completed in August 2023.

In total the property comprises circa 72,000 sq ft GIA (6,686 sq m) and is arranged over basement, ground and five upper floors.

Area Schedule (GIA)

	SQ M	SQ FT
Basement		
The Retreat–Elemis Spa & Fitness, The Dugout–Sports Bar, Kitchen	999.1	10,754
Retail Storage	97.3	1,047
Ground Floor		
Hotel Indigo Reception & Colson's Restaurant/bar	527.6	5,679
Mountain Warehouse / Holland & Barrett–Retail	630.9	6,790
First Floor		
Hotel Bedrooms (30)	1,181.3	12,716
Second Floor		
Hotel Bedrooms (30)	1,182.4	12,727
Third Floor		
Hotel Bedrooms (12)	538.2	5,793
Fourth Floor		
Hotel Bedrooms (27)	1,014.5	10,861
Fifth Floor		
Hotel Penthouse Suites (5) & Becketts Rooftop Bar	515.6	5,550
TOTAL	6,686.80	71,977

The Hotel

The hotel trades as a full service hotel under IHG's Indigo brand via a 20 year franchise agreement.

The hotel boasts three separate food and beverage outlets including Colson's Restaurant, the Dugout Sports Bar and Becketts Rooftop Bar with a modern terrace overlooking Exeter Cathedral. In addition, the hotel provides the award winning The Retreat Spa.

The property is currently operated under a Hotel Management Agreement with **Focus Hospitality**.



Becketts Rooftop Bar



Reception



Entrance



Reception



Colson's Restaurant



The House That Moved

Accommodation

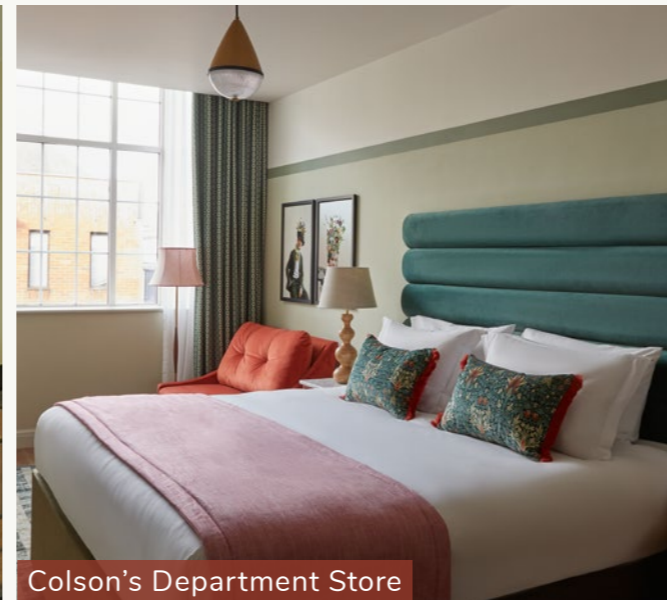
The hotel comprises 104 luxury, en suite bedrooms. The hotel room inventory includes eight suites which feature roof terraces or balconies.

There are three design-led themes for the bedrooms: **Cathedral Heritage**, **The House That Moved** and **Colson's Department Store**. Bedrooms are fully air conditioned.

[View Accommodation video](#)

The hotel features four room grades, a breakdown of which is set out below:

ROOM TYPE	QUANTITY
Standard	64
Executive	27
Accessible	5
Suites	8
Total	104



Colson's Department Store



Cathedral Heritage

Food & beverage

There are three separate food and beverage outlets within the Hotel Indigo.

Colson's Seafood Bar and Grill Restaurant is the main restaurant, providing all day dining and 106 covers. Seating for a further 49 is located in the bar / reception area. This is open to residents and non-residents alike for casual and à la carte dining.

Becketts is a rooftop bar with large external terrace offering excellent views of Exeter

Cathedral and the city and countryside beyond. Internally there are 50 covers with seating for a further 80 on the roof terrace.

The Dugout Sports Bar is located on the lower ground floor, with separate external access, providing casual dining and a unique events space for around 100 covers.



The Dugout



Becketts



Colson's Restaurant

Further Opportunity



There is further opportunity to extend the food and beverage facilities by extending on to Catherine Square the offering at The Dugout to increase its presence and add external covers, subject to the necessary consents.





Jacuzzi baths



Spa



18 INDIGO



Lounge space

The Retreat Urban Spa

The Retreat Spa is located on the lower ground floor and has been awarded Best Spa in Devon at the Best of British Getaway Awards 2023. The spa is a unique offering in the city centre with limited competition in the locality.

It offers a range of wet leisure facilities including two jacuzzi baths, sauna, steam room as well as 4 lounge spaces.

In addition there are four treatment rooms (one of which is a double treatment room) and nail bar.

There is also a gymnasium for the use of hotel guests as well as a dedicated space for an exercise studio (currently nearing completion but yet to be opened).

The Retreat does not currently offer external membership which offers the purchaser the opportunity to leverage on this award-winning facility to drive additional revenue.

[View The Retreat Urban Spa](#)

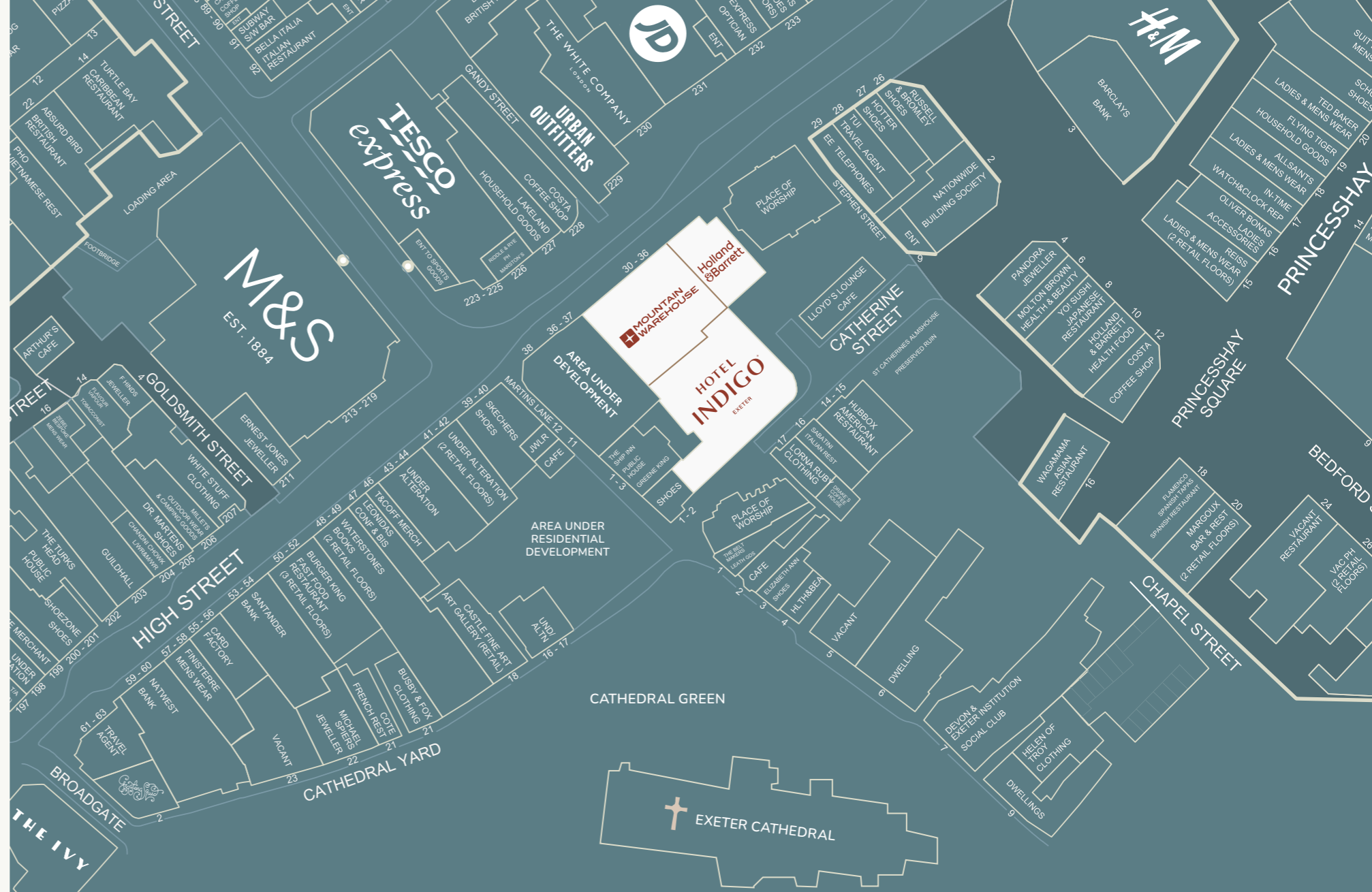
High Street Retail Units

The two retail units are let to Mountain Warehouse and Holland and Barrett respectively.

These units occupy a prominent position on Exeter's High Street with nearby retailers including M&S, Urban Outfitters and the White Company.

The letting of these units were agreed in Covid-19 and reflect circa £100 Zone A.

Recent rental evidence achieved in nearby high street positions suggests that these units are substantially under-rented, providing excellent rental growth prospects.



A summary of the respective lettings is set out below:

OCCUPIER	AREA	LEASE COMMENCEMENT	TERM	REVIEW	BREAK	GROSS RENT	AREA (SQ M)	AREA (SQ FT)
Holland and Barrett Retail Limited	Ground floor and basement storage	March 2023	10 years	Year 5 – to open market rent	Year 6	£125,000	Basement: 84.7	Basement: 912
							Ground: 187.7	Ground: 2,020
							Total: 272.4	Total: 2,932
Mountain Warehouse Limited	Ground floor	June 2023	10 years	Year 5 – to open market rent	Year 5	£250,000	Ground: 424.4	Ground: 4,568

General Comments

- **Sale Methodology** – The sale will be by way of an asset sale as a transfer of a going concern.
- **Capital Allowances** - There are significant Capital Allowances available to a purchaser, full details of which are in the data room.
- **Tenure** – Freehold.
- **Services** – All mains services.
- **EPCs** – Hotel (B), Retail (D). Full EPC details can be made available on request.
- **VAT** – The property is elected for VAT. Should the sale of the property or any right attached to it be deemed a chargeable supply for VAT purposes, such tax will be payable by the purchaser in addition to the sale price.
- **TUPE** – Any purchaser will be required to comply with the relevant legislation in respect of present employees.
- **Fixtures and Fittings** – Trade inventory will be included in the sale. Stock at valuation on completion.
- **Local Authority** – Exeter City Council, Civic Centre, Paris Street, Exeter, EX1 1JN – 01392 277888.
- **Rateable Value** – £305,000 (Hotel and Premises).



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INDIGO
EXETER

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Viewings

Strictly by appointment with Savills and Clifton. Prior to making an appointment to view we strongly recommend that you discuss any particular points which are likely to affect your interest in the property with a member of staff who has seen the property in order that you do not make a wasted journey.



IMPORTANT NOTICE

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2. Any areas, measurements or distances are approximate. The text, photographs and plans are for guidance only and are not necessarily comprehensive. It should not be assumed that the property has all necessary planning, building regulation or other consents and Savills have not tested any services, equipment or facilities. Purchasers must satisfy themselves by inspection or otherwise.

MARCH 2024